

Lafarge Surma Cement Ltd.

A company of **LAFARGE** and **CEMENTOS MOLINS**

1st Quarter Financial Statements-2012 (Un-audited)

Complying with Notification No. SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 of the Securities and Exchange Commission
The details of the published quarterly financial statements are available in the web-site of the Company. The address of the web-site is: www.lafarge-bd.com

LAFARGE SURMA CEMENT LIMITED Statement of Financial Position (Un-audited) at 31 March 2012

	31 Mar 2012 Taka'000	31 Dec 2011 Taka'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	12,061,330	12,176,273
Intangible assets	4,045	4,513
Investment in subsidiaries	519,893	519,893
Loan to subsidiary company	1,334,281	1,335,097
	13,919,549	14,035,776
CURRENT ASSETS		
Inventories	1,531,058	1,437,685
Trade receivables	456,642	533,487
Other receivables	1,027,941	812,682
Accrued interest	356,522	346,082
Derivative instruments	196	19,855
Cash and cash equivalents	183,624	236,064
	3,555,983	3,385,855
TOTAL ASSETS	17,475,532	17,421,631
EQUITY & LIABILITIES		
Share capital	11,613,735	11,575,806
Retained earnings	(2,493,120)	(2,709,843)
Other component of equity	(2,796)	(4,216)
Share money deposits	-	37,929
	9,117,819	8,899,676
NON-CURRENT LIABILITIES		
Long-term debt	1,031,571	2,511,995
Deferred tax liabilities	185,801	9,267
Employee benefits	80,266	72,898
Derivative instruments	-	6,746
	1,297,638	2,600,906
CURRENT LIABILITIES		
Trade payables	1,818,651	1,494,847
Other payables	262,890	298,572
Derivative instruments	97,082	28,764
Current portion of long term debt	2,979,926	2,302,811
Bank overdrafts	417,199	165,737
Short-term debt	1,408,112	1,568,171
Current tax liabilities	76,215	62,147
	7,060,075	5,921,049
TOTAL EQUITY AND LIABILITIES	17,475,532	17,421,631

Moe Finance Director
Man Managing Director

LAFARGE SURMA CEMENT LIMITED Statement of Comprehensive Income (Un-audited) for the period from 1 January to 31 March 2012

	Jan-Mar 2012 Taka'000	Jan-Mar 2011 Taka'000
INCOME/(LOSS) FOR THE PERIOD	216,723	(504,502)
Cash flow hedge instruments	1,420	2,993
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	1,420	2,993
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	218,143	(501,509)

Moe Finance Director
Man Managing Director

LAFARGE SURMA CEMENT LIMITED Income Statement (Un-audited) for the period from 1 January to 31 March 2012

	Jan-Mar 2012 Taka'000	Jan-Mar 2011 Taka'000
REVENUE	2,797,707	1,160,512
Cost of sales	(1,995,160)	(1,294,013)
GROSS PROFIT/(LOSS)	802,547	(133,501)
General and administrative expenses	(130,332)	(79,007)
Sales and marketing expenses	(41,091)	(13,182)
Other operating income/(expenses)	3,939	(121,905)
OPERATING INCOME/(LOSS)	635,063	(347,595)
Exchange loss on foreign currency transactions	(31,947)	(149,006)
Finance cost	(187,291)	(218,997)
Finance income	12,041	11,577
Contribution to Workers' Profit Participation and Welfare Funds	(21,393)	-
INCOME/(LOSS) BEFORE TAX	406,473	(704,021)
Income tax	(189,750)	199,519
INCOME/(LOSS) FOR THE PERIOD	216,723	(504,502)
Basic earnings per share (Taka)	0.19	(0.43)

Moe Finance Director
Man Managing Director

LAFARGE SURMA CEMENT LIMITED Statement of Cash Flows (Un-audited) for the period from 1 January to 31 March 2012

	Jan-Mar 2012 Taka'000	Jan-Mar 2011 Taka'000
Cash Flows From Operating Activities		
Cash received from customers	2,882,753	1,127,885
Payment for cost and expenses	(1,968,497)	(1,082,744)
Payment of advance income tax by deduction	(78,187)	(29,949)
Interest paid	(147,401)	(218,997)
Other receipts	-	471
Net cash generated/used in operating activities	688,668	(203,334)
Cash Flows From Investing Activities		
Payments for property, plant and equipment	(13,810)	(18,153)
Proceeds from sale of property, plant and equipment	26	9
Net cash used in investing activities	(13,784)	(18,144)
Cash Flows From Financing Activities		
Repayment of long term debt	(818,727)	(587,123)
Receipts of bank overdrafts	251,462	1,834,574
Repayment short term debts	(160,059)	(1,165,874)
Net cash used/generated by financing activities	(727,324)	81,577
Net decrease in cash and cash equivalents	(52,440)	(139,901)
Cash and Cash Equivalents at Beginning of the Period	236,064	163,247
Cash and Cash Equivalents at End of the Period	183,624	23,346

Moe Finance Director
Man Managing Director

LAFARGE SURMA CEMENT LIMITED Statement of Changes in Equity (Un-audited) for the period from 1 January to 31 March 2012

	Share capital	Retained earnings	Other component of equity	Share money deposits	Total equity
Balance at 1 January 2011	5,806,868	(1,559,795)	(18,029)	-	4,229,044
Total comprehensive (loss)/income for the period	-	(504,502)	2,993	-	(501,509)
Balance at 31 March 2011	5,806,868	(2,064,297)	(15,036)	-	3,727,535
Balance at 1 January 2012	11,575,806	(2,709,843)	(4,216)	37,929	8,899,676
Total comprehensive income for the period	-	216,723	1,420	-	218,143
Issuance of right shares	37,929	-	-	(37,929)	-
Balance at 31 March 2012	11,613,735	(2,493,120)	(2,796)	-	9,117,819

Moe Finance Director
Man Managing Director

LAFARGE SURMA CEMENT LIMITED Consolidated Statement of Financial Position (Un-audited) at 31 March 2012

	31 Mar 2012 Taka'000	31 Dec 2011 Taka'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	13,756,811	13,815,909
Intangible assets	1,337,744	1,293,051
	15,094,555	15,108,960
CURRENT ASSETS		
Inventories	1,543,824	1,572,777
Trade receivables	456,642	533,487
Other receivables	1,385,654	1,078,870
Derivative instruments	17,332	19,855
Cash and cash equivalents	257,339	245,432
	3,660,791	3,450,421
TOTAL ASSETS	18,755,346	18,559,381
EQUITY & LIABILITIES		
Share capital	11,613,735	11,575,806
Retained earnings	(4,879,145)	(5,343,728)
Other components of equity	23,867	(16,113)
Share money deposits	-	37,929
Foreign currency translation	111,570	197,787
	6,870,027	6,451,681
SHAREHOLDERS' EQUITY- PARENT COMPANY	6,870,027	6,451,681
Non-controlling interests	331	302
EQUITY	6,870,358	6,451,983
NON-CURRENT LIABILITIES		
Long-term debt	2,354,163	3,904,616
Deferred tax liabilities	185,801	9,267
Employee benefits	85,252	78,457
Derivative instruments	-	6,746
	2,625,216	3,999,086
CURRENT LIABILITIES		
Trade payables	2,042,125	1,788,339
Other payables	309,863	348,021
Derivative instruments	108,526	43,317
Current portion of long term debt	3,402,050	2,763,900
Bank overdrafts	471,010	220,401
Short-term debt	2,849,983	2,882,187
Current tax liabilities	76,215	62,147
	9,259,772	8,108,312
TOTAL EQUITY AND LIABILITIES	18,755,346	18,559,381

Moe Finance Director
Man Managing Director

LAFARGE SURMA CEMENT LIMITED Consolidated Statement of Cash Flows (Un-audited) for the period from 1 January to 31 March 2012

	Jan-Mar 2012 Taka'000	Jan-Mar 2011 Taka'000
Cash Flows From Operating Activities		
Cash received from customers	2,882,753	1,127,885
Payment for cost and expenses	(1,745,249)	(1,321,133)
Payment of advance income tax by deduction	(78,187)	(32,469)
Interest paid	(207,387)	(279,760)
Other receipts	-	471
Net cash generated/used in operating activities	851,930	(505,006)
Cash Flows From Investing Activities		
Payments for property, plant and equipment	(21,392)	(32,121)
Payments for intangible assets	(492)	(45,167)
Proceeds from sale of property, plant and equipment	26	9
Net cash used in investing activities	(21,858)	(77,279)
Cash Flows From Financing Activities		
Repayment of long term debt	(979,779)	(554,661)
Receipts of bank overdrafts	248,097	1,857,390
Repayment short term debts	(88,950)	(865,666)
Net cash used/generated by financing activities	(820,632)	437,063
Net effect of foreign currency translation on cash and cash equivalents	2,467	215
Net increase/(decrease) in cash and cash equivalents	11,907	(145,007)
Cash and Cash Equivalents at Beginning of the Period	245,432	174,691
Cash and Cash Equivalents at End of the Period	257,339	29,684

Moe Finance Director
Man Managing Director

LAFARGE SURMA CEMENT LIMITED Consolidated Statement of Comprehensive Income (Un-audited) for the period from 1 January to 31 March 2012

	Jan-Mar 2012 Taka'000	Jan-Mar 2011 Taka'000
INCOME/(LOSS) FOR THE PERIOD	464,583	(644,642)
Cash flow hedge instruments	39,980	2,993
Exchange differences on translating foreign operation	(86,217)	(32,696)
Non controlling interests- currency translation adjustment	29	24
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	(46,208)	(29,679)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	418,375	(674,321)

Attributable to:
Owners of the parent Company 418,346 (674,345)
Non-controlling interests 29 24
418,375 (674,321)

Moe Finance Director
Man Managing Director

LAFARGE SURMA CEMENT LIMITED Consolidated Statement of Changes in Equity (Un-audited) for the period from 1 January to 31 March 2012

	Share capital	Retained earnings	Other components of equity	Share money deposits	Foreign currency translation	Equity for parent company	Non controlling interests	Total equity
Balance at 1 January 2011	5,806,868	(3,174,697)	-	-	135,946	2,768,117	362	2,768,479
Total comprehensive (loss)/income for the period	-	(644,642)	2,993	-	(32,696)	(674,345)	24	(674,321)
Balance at 31 March 2011	5,806,868	(3,819,339)	2,993	-	103,250	2,093,772	386	2,094,158
Balance at 1 January 2012	11,575,806	(5,343,728)	(16,113)	37,929	197,787	6,451,681	302	6,451,983
Total comprehensive (loss)/income for the period	-	464,583	39,980	-	(86,217)	418,346	29	418,375
Issuance of right shares	37,929	-	-	(37,929)	-	-	-	-
Balance at 31 March 2012	11,613,735	(4,879,145)	23,867	-	111,570	6,870,027	331	6,870,358

Moe Finance Director
Man Managing Director