

# Lafarge Surma Cement Ltd.


A company of  LAFARGE and  CEMENTOS MOLINS

## Third Quarter Financial Statements (Un-audited)

[Complying with Notification No.SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 of the Securities and Exchange Commission]

### Balance Sheet As at 30 September 2009

	30 Sep 2009 Taka '000	31 Dec 2008 Taka '000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	12,984,850	13,341,043
Intangible assets	8,530	11,020
Investment in subsidiaries	519,893	519,893
Loan to subsidiary company	1,165,388	1,240,560
Deferred income tax assets	-	81,767
	<b>14,678,661</b>	<b>15,194,283</b>
<b>CURRENT ASSETS</b>		
Inventories	1,332,996	1,006,384
Trade receivables	261,680	640,649
Accrued interest	231,440	279,420
Advances, deposits & prepayments	435,006	497,842
Derivative instruments-assets	253	1,960
Cash and cash equivalents	54,252	18,301
	<b>2,315,627</b>	<b>2,444,556</b>
<b>TOTAL ASSETS</b>	<b>16,994,288</b>	<b>17,638,839</b>
<b>LIABILITIES</b>		
Share capital	5,806,868	5,806,868
Accumulated loss	(1,227,362)	(1,636,782)
<b>SHAREHOLDERS' EQUITY</b>	<b>4,579,506</b>	<b>4,170,086</b>
<b>NON-CURRENT LIABILITIES</b>		
Long-term debt	4,718,998	6,404,929
Deferred income tax liabilities	256,593	-
Contribution to gratuity	40,131	31,866
	<b>5,015,722</b>	<b>6,436,795</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	1,115,499	637,766
Other payables	383,478	499,107
Derivative instruments-liabilities	16	15,257
Current portion of long term debt	1,740,442	1,717,614
Bank overdrafts	317,461	1,420,373
Short-term debt	3,840,913	2,740,590
Current income tax liabilities	1,251	1,251
	<b>7,399,060</b>	<b>7,031,958</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>16,994,288</b>	<b>17,638,839</b>

  
Finance Director


  
Managing Director

### Income Statement

For the period from 1 January to 30 September 2009

	Jan-Sep 2009 Taka '000	Jan-Sep 2008 Taka '000
<b>REVENUE</b>	5,482,074	4,774,260
Cost of sales	(3,678,504)	(2,778,051)
<b>GROSS PROFIT</b>	<b>1,803,570</b>	<b>1,996,209</b>
General and administrative expenses	(273,064)	(260,131)
Selling and distribution expenses	(82,607)	(79,765)
Other operating income*	-	177,785
<b>OPERATING INCOME</b>	<b>1,447,899</b>	<b>1,834,098</b>
Finance expenses	(653,257)	(805,848)
Exchange (loss)/income on foreign currency translation	(61,666)	16,329
Interest income	39,361	60,278
Other income/(expenses)	14,799	(57,064)
Contribution to Workers' Profit Participation and Welfare Funds	(39,357)	(52,360)
<b>NET PROFIT BEFORE TAX</b>	<b>747,779</b>	<b>995,433</b>
Income tax expenses	(338,359)	(328,456)
<b>NET PROFIT AFTER TAX</b>	<b>409,420</b>	<b>666,977</b>
<b>Earnings per share (Taka)</b>	<b>7.05</b>	<b>11.49</b>

\*In 2008 the Company received an insurance claim of Tk. 177,785 (in thousand) against business interruption.


  
Finance Director

  
Managing Director

### Statement of Changes in Shareholders' Equity

For the period from 1 January to 30 September 2009


	Jan-Sep 2009 in Taka'000			Jan-Sep 2008 in Taka'000		
	Share Capital	Accumulated loss	Total	Share Capital	Accumulated loss	Total
<b>Balance as on 1 January</b>	5,806,868	(1,636,782)	4,170,086	5,806,868	(2,271,977)	3,534,891
Net income after tax for the period	-	409,420	409,420	-	666,977	666,977
<b>Balance as at 30 September</b>	<b>5,806,868</b>	<b>(1,227,362)</b>	<b>4,579,506</b>	<b>5,806,868</b>	<b>(1,605,000)</b>	<b>4,201,868</b>

  
Finance Director

  
Managing Director

### Consolidated Balance Sheet As at 30 September 2009

	30 Sep 2009 Taka '000	31 Dec 2008 Taka '000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	14,579,872	14,961,776
Intangible assets	214,088	217,343
Deferred income tax assets	-	81,767
	<b>14,793,960</b>	<b>15,260,886</b>
<b>CURRENT ASSETS</b>		
Inventories	1,412,988	1,092,184
Trade receivables	261,680	640,649
Advances, deposits & prepayments	657,374	701,645
Derivative instruments-assets	253	1,960
Cash and cash equivalents	102,631	69,547
	<b>2,434,926</b>	<b>2,505,985</b>
<b>TOTAL ASSETS</b>	<b>17,228,886</b>	<b>17,766,871</b>
<b>LIABILITIES</b>		
Share capital	5,806,868	5,806,868
Accumulated loss	(1,799,325)	(2,531,916)
Foreign currency translation	155,507	150,926
<b>SHAREHOLDERS' EQUITY- PARENT COMPANY</b>	<b>4,163,050</b>	<b>3,425,878</b>
Share money deposits	404	399
<b>EQUITY</b>	<b>4,163,454</b>	<b>3,426,277</b>
<b>NON-CURRENT LIABILITIES</b>		
Long-term debt	4,718,998	6,404,929
Deferred income tax liabilities	256,593	-
Contribution to gratuity	40,893	32,619
	<b>5,016,484</b>	<b>6,437,548</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	1,229,119	843,429
Other payables	455,803	594,100
Derivative instruments-liabilities	1,725	79,691
Current portion of long term debt	1,740,442	1,717,614
Bank overdrafts	365,432	1,628,004
Short-term debt	4,250,629	3,037,579
Current income tax liabilities	5,798	2,629
	<b>8,048,948</b>	<b>7,903,046</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>17,228,886</b>	<b>17,766,871</b>


  
Finance Director

  
Managing Director

### Cash Flow Statement

For the period from 1 January to 30 September 2009

	Jan-Sep 2009 Taka '000	Jan-Sep 2008 Taka '000
<b>Cash Flows From Operating Activities</b>		
Cash received from customers	5,889,198	4,366,705
Payment for cost and expenses	(3,466,662)	(2,193,494)
Interest paid	(758,900)	(970,390)
Other receipts	735	1,076
	<b>1,664,371</b>	<b>1,203,897</b>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property, plant and equipment	(71,678)	(111,150)
Intangible assets	-	(178)
Disposal of property, plant and equipment	1,262	4,837
Received against loan to subsidiary company	77,595	-
Interest received from subsidiary company	83,050	-
	<b>90,229</b>	<b>(106,491)</b>
<b>Cash Flows From Financing Activities</b>		
Long term loan	(1,716,060)	(854,737)
Bank overdrafts	(1,102,912)	812,857
Short term loan	1,100,323	(1,019,500)
	<b>(1,718,649)</b>	<b>(1,061,380)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>35,951</b>	<b>36,026</b>
<b>Cash and Cash Equivalents at Beginning of the Period</b>	18,301	16,307
<b>Cash and Cash Equivalents at End of Period</b>	<b>54,252</b>	<b>52,333</b>
	<b>35,951</b>	<b>36,026</b>

  
Finance Director


  
Managing Director

### Consolidated Income Statement

For the period from 1 January to 30 September 2009

	Jan-Sep 2009 Taka '000	Jan-Sep 2008 Taka '000
<b>REVENUE</b>	5,482,074	4,774,260
Cost of sales	(3,293,934)	(2,763,846)
<b>GROSS PROFIT</b>	<b>2,188,140</b>	<b>2,010,414</b>
General and administrative expenses	(273,064)	(262,963)
Selling and distribution expenses	(82,607)	(79,765)
Other operating income*	-	177,785
<b>OPERATING INCOME</b>	<b>1,832,469</b>	<b>1,845,471</b>
Finance expenses	(687,386)	(974,504)
Exchange loss on foreign currency translation	(111,431)	(224,447)
Interest income	262	125
Other income/(expenses)	77,000	(57,064)
Contribution to Workers' Profit Participation and Welfare Funds	(39,357)	(52,360)
<b>NET PROFIT BEFORE TAX</b>	<b>1,071,557</b>	<b>537,221</b>
Income tax expenses	(338,968)	(328,456)
<b>NET PROFIT AFTER TAX</b>	<b>732,589</b>	<b>208,765</b>
<b>Earnings per share (Taka)</b>	<b>12.62</b>	<b>3.60</b>

\*In 2008 the Company received an insurance claim of Tk. 177,785 (in thousand) against business interruption.


  
Finance Director

  
Managing Director

### Consolidated Cash Flow Statement

For the period from 1 January to 30 September 2009

	Jan-Sep 2009 Taka '000	Jan-Sep 2008 Taka '000
<b>Cash Flows From Operating Activities</b>		
Cash received from customers	5,889,198	4,366,705
Payment for cost and expenses	(3,135,889)	(2,129,631)
Interest paid	(797,092)	(1,026,965)
Other receipts	901	1,076
	<b>1,957,118</b>	<b>1,211,185</b>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property, plant and equipment	(89,965)	(128,409)
Intangible assets	(2,324)	(10,526)
Disposal of property, plant and equipment	1,262	4,837
	<b>(91,027)</b>	<b>(134,098)</b>
<b>Cash Flows From Financing Activities</b>		
Long term debt	(1,716,060)	(854,737)
Bank overdrafts	(1,287,893)	1,065,773
Short term debt	1,169,973	(1,253,246)
	<b>(1,833,980)</b>	<b>(1,042,210)</b>
Net effect of foreign currency translation on cash and cash equivalents	973	(1,224)
<b>Net cash flow for the period</b>	<b>33,084</b>	<b>33,653</b>
<b>Cash and Cash Equivalents at Beginning of the Period</b>	69,547	29,608
<b>Cash and Cash Equivalents at End of the Period</b>	<b>102,631</b>	<b>63,261</b>
	<b>33,084</b>	<b>33,653</b>


  
Finance Director

  
Managing Director

### Consolidated Statement of Changes in Shareholders' Equity

For the period from 1 January to 30 September 2009

	Jan-Sep 2009 in Taka'000					Jan-Sep 2008 in Taka'000				
	Share Capital	Accumulated Loss	Minority Interest	Foreign Currency Translation	Shareholders' Equity Parent Company	Share Capital	Accumulated Loss	Minority Interest	Foreign Currency Translation	Shareholders' Equity Parent Company
<b>Balance as on 1 January</b>	5,806,868	(2,531,882)	(34)	150,926	3,425,878	5,806,868	(2,708,439)	35	154,946	3,253,410
Net income/(loss) after tax for the period	-	732,589	2	4,581	737,172	-	208,765	(37)	3,453	212,181
<b>Balance as at 30 September</b>	<b>5,806,868</b>	<b>(1,799,293)</b>	<b>(32)</b>	<b>155,507</b>	<b>4,163,050</b>	<b>5,806,868</b>	<b>(2,499,674)</b>	<b>(2)</b>	<b>158,399</b>	<b>3,465,591</b>

  
Finance Director

  
Managing Director