

UNAUDITED RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2017

CHAIRMAN'S STATEMENT

Year 2017 was characterised by a very competitive market, with extra capacity and a challenging economic environment. Notwithstanding these challenges, TPCC continued to deliver a resilient set of results.

The effort made throughout the year in maintaining strong customer relationships and providing service excellence as well as continuing to produce a high quality products allowed TPCC to increase its sales volume for the year by 7% compared to 2016.

Total revenue decreased by 3% compared to 2016 due to decrease in prices. Nevertheless, through its high efficient production processes and enhanced product portfolio as well as the sale of fixed asset, TPCC achieved an Operating profit of TZS 62.7bn equivalent to a 16% increase on 2016.

Strict cost control and improved internal processes resulted in a decrease of selling and administrative expenses by 19% compared to 2016.

Prospects

TPCC will continue to put in place all the necessary efforts to further strengthen its leadership position in the market.

Appreciation

The Board would like to thank all its stakeholders for their support during the past year. We have every confidence that TPCC will continue to deliver value for the shareholders in the future.


INCOME STATEMENT	2017 TZS'000	2016 TZS'000
Revenue	268,209,096	277,226,967
Cost of sales	(184,903,676)	(170,494,279)
Gross profit	83,305,420	106,732,688
Selling and administrative expenses	(25,029,949)	(30,868,216)
Other operating income/ (charges)	22,463,707	(1,698,445)
Depreciation and amortisation	(18,066,388)	(20,278,937)
Operating profit	62,672,790	53,887,090
Financial items	2,925,035	3,571,446
Profit before tax	65,597,825	57,458,536
Taxes on income	(30,001,432)	(17,620,744)
Net profit for the year	35,596,393	39,837,792
Other comprehensive income, net of tax	(1,362,319)	(1,126,352)
Total comprehensive income	34,234,074	38,711,440
Number of shares	179,923,100	179,923,100

BALANCE SHEET	2017 TZS'000	2016 TZS'000
Assets		
Intangible fixed assets	2,635,382	3,765,237
Tangible fixed assets	150,539,114	162,188,255
Non-current financial assets	16,743,912	0
Non-current assets	169,918,408	165,953,492
Inventories	41,711,115	63,652,173
Trade and other receivables	37,662,987	30,067,349
Other current financial assets	4,119,985	0
Cash and cash equivalents	34,739,002	23,175,669
Tax Asset	0	1,649,132
Current assets	118,233,089	118,544,323
Total assets	288,151,497	284,497,815

Equity and Liabilities

Equity	186,465,797	197,212,498
Long-term provisions	6,867,069	7,255,270
Provision for deferred taxes	25,220,943	26,532,482
Non-current liabilities	32,088,012	33,787,752
Dividend Payable	15,519,795	18,721,470
Short term financial liabilities	5,021	5,021
Trade and other payables	45,638,543	34,771,074
Taxes payables	8,434,329	0
Current liabilities	69,597,688	53,497,565
Total equity and liabilities	288,151,497	284,497,815

BY ORDER OF THE BOARD



Hakan Gurdal
Chairman of the Board
28 March 2018

CASH FLOW STATEMENT	2017 TZS'000	2016 TZS'000
Profit before tax	65,597,825	57,458,536
Depreciation and amortisation	18,066,388	20,278,937
Interest received/(paid)	635,206	622,489
Income taxes paid	(20,645,696)	(24,132,015)
Elimination of non cash items	(24,284,245)	1,676,640
Change in working capital	20,457,132	(4,696,943)
Cash flow from operating activities	59,826,610	51,207,644
Cash flow from investing activities	(80,827)	(4,713,788)
Dividend paid	(48,182,450)	(60,256,691)
Long term loan paid	0	(226,534)
Change in cash and cash equivalents	11,563,333	(13,989,369)
Cash and equivalents 01.01	23,175,669	37,165,038
Change in cash	11,563,333	(13,989,369)
Cash and equivalents 31.12	34,739,002	23,175,669