

AUDITED RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2018

HEIDELBERGCEMENT Group

CHAIRMAN'S STATEMENT

The year of 2018 saw continued growth in the local cement industry, with the market increasing at a higher rate than in previous years. Competition was again fierce, and yet despite the cement over capacity in the local market, TPCPLC once again strengthened its market leadership.

The efforts made throughout the year on the operational side to increase clinker production, whilst overcoming technical challenges, combined with the focus on producing and selling high quality products, whilst maintaining strong customer relationships and service excellence, has allowed TPCPLC to report an improved full year result.

Total volumes sold in 2018 increased by 9% on 2017, and with revenue also increasing by 28%, this resulted in an operating profit of TZS 80.1Bn being recorded, a 28% increase on the previous full year result.

INCOME STATEMENT	2018 TZS'000	2017 TZS'000
Revenue	348,863,384	273,157,459
Cost of sales	(223,923,847)	(189,852,039)
Gross profit	124,939,537	83,305,420
Selling and administrative expenses	(27,221,412)	(25,029,949)
Other operating income	148,927	22,463,707
Depreciation and amortization	(17,806,015)	(18,068,388)
Operating profit	80,061,037	62,672,790
Financial items	1,683,745	2,925,035
Profit before tax	81,744,782	65,597,825
Taxes on income	(24,878,688)	(30,001,432)
Net profit for the period	56,866,094	35,596,393
Other comprehensive income, net of tax	(403,822)	(1,362,319)
Total comprehensive income	56,462,272	34,234,074
Number of shares	179,923,100	179,923,100

BALANCE SHEET	2018 TZS'000	2017 TZS'000
Assets		
Intangible fixed assets	1,304,535	2,635,382
Tangible fixed assets	140,948,038	150,539,113
Non-current financial assets	7,513,661	16,749,420
Non current assets	149,766,234	169,923,915
Inventories	55,104,226	41,711,116
Trade and other receivables	44,712,022	37,662,988
Other current financial assets	7,191,052	4,114,476
Cash and cash equivalents	65,987,258	34,739,002
Currents assets	172,994,558	118,227,582
Total assets	322,760,792	288,151,497

Equity and Liabilities		
Equity	224,935,758	186,465,797
Long term provisions	8,205,223	6,867,069
Provision for deferred taxes	21,035,003	25,220,943
Non current liabilities	29,240,226	32,088,012
Dividend payable	3,850,962	15,519,795
Trade and other payables	61,158,088	45,643,564
Taxes payables	3,575,758	8,434,329
Current liabilities	68,584,808	69,597,688
Total equity and liabilities	322,760,792	288,151,497

Prospects

The company continues to face increasing competition, but TPCPLC will continue to work to maintain its market leadership position.

Dividend

The Board proposes a dividend for 2018 of TZS 290 per share, same as for the previous year.

The Register of Members will close on 8 May 2019, and the last day of trading cum dividend will be 3 May 2019. The dividend will be paid on or about 30 June 2019.

Appreciation

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

These financial statements were approved by the Board of Directors on 8 April 2019

BY ORDER OF THE BOARD

Alfonso Velez
For Chairman of the Board
10 April 2019



STATEMENT OF CASH FLOW	2018 TZS'000	2017 TZS'000
Profit before tax	81,744,782	65,597,825
Depreciation and amortisation	17,806,015	18,066,388
Interest received	1,350,833	867,496
Income tax paid	(31,997,950)	(20,645,696)
Elimination of non cash items	(1,354,655)	(25,539,694)
Change in working capital	(4,522,481)	24,333,732
Cash flow from operating activities	63,026,544	62,680,051
Cash flow from investing activities	(2,117,144)	(2,934,268)
Dividend paid	(29,661,144)	(48,182,450)
Change in cash and cash equivalents	31,248,256	11,563,333
Cash and cash equivalent 01.01	34,739,002	23,175,669
Change in cash	31,248,256	11,563,333
Cash and cash equivalent 31.12	65,987,258	34,739,002

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