



Equity Research: Trinidad & Tobago

## HY08 Results

### Earnings Per Share

For the Half Year Ended June 30, 2008, Trinidad Cement Limited (TCL) remained flat over the comparable period in fiscal 2007 with a reported Earnings Per Share (EPS) of 37 cents, the same as HY07. Q208 on Q207, TCL's EPS grew 5.9 per cent or 1 cent from 17 cents to 18 cents. According to the Directors, the Group's Half Year results were impacted by global increases in energy costs, freight rates and other input costs.

In addition, while TCL and Readymix (West Indies) Limited (RML) exceeded their 2007 performances and Caribbean Cement Company Limited (CCCL) maintained its level of profitability, Arawak Cement Company Limited (ACCL) did not meet its targets. As such, ACCL's results negatively impacted the Group's EPS by approximately 7 cents. The performance of ACCL, the Group's Barbados operations, was impacted by rising input costs as well as challenges from the new Petcoke fuel system.

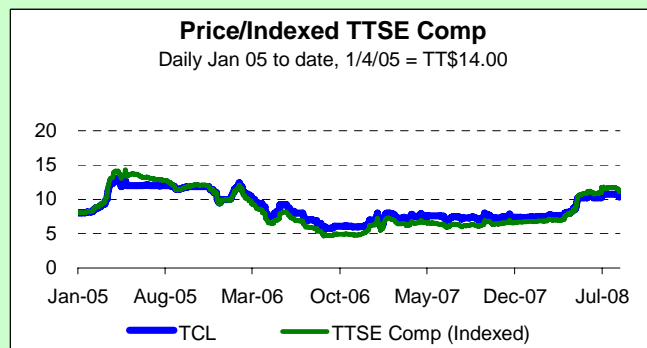
### Financial Highlights (HY08 on HY07):

- Revenue, up 12.4 per cent or \$119.3 million to \$1.1 billion
- Operating Profit, down 6.2 per cent or \$11.0 million to \$165.9 million
- Net Finance Costs, down a significant 28.7 per cent or \$15.0 million to \$37.3 million
- Profit After Taxation, up a minimal 0.8 per cent or \$0.8 million to \$103.1 million

### Financial Highlights (Q208 on Q207):

- Revenue, up 16.0 per cent or \$77.5 million to \$561.7 million
- Operating Profit, down 6.6 per cent or \$5.5 million to \$78.3 million
- Net Finance Costs, down a significant 39.9 per cent or \$10.7 million to \$16.1 million
- Profit After Taxation, up 10.6 per cent or \$4.9 million to \$51.2 million

Date	15-Aug-08
Recommendation	<b>HOLD</b>
Price (TT\$)	10.37
Target Price (TT\$; 12 months)	10.20
52 week high - low (TT\$)	10.95 - 7.06
Market cap. (TT\$MM)	2590.1
Float cap. (TT\$MM)	1586.6



On 12/31/04 the TTSE Comp was at 1,074.

Period	YE08E	YE07A	YE06A	Chnge. %
(\$MM)				
Revenue		1,923	1,719	11.9%
Operating Profit		349	265	31.7%
Net Finance Costs		(104)	(104)	0.0%
PBT		246	160	53.8%
EPS	<b>0.85</b>	0.77	0.60	28.3%
- Q1	<b>0.19</b>	0.20	0.08	150.0%
- Q2	<b>0.18</b>	0.17	0.12	41.7%
- Q3		0.15	0.18	-16.7%
- Q4		0.25	0.22	13.6%

Period	Q308E	Q208A	Q207A	Chnge. %
(\$MM)				
Revenue		562	484	16.1%
Operating Profit		78	84	-7.1%
Net Finance Costs		(16)	(27)	-40.7%
PBT		62	57	
EPS (Diluted)		0.18	0.17	5.9%

### Research team

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