



## Unaudited results for the nine months to 30 September 2014

### **Fuel shortages continue to weigh on sales and profitability New lines commissioned at Obajana and Ibese, coal capabilities at Ibese New pricing strategy dramatically increases affordability**

**Lagos, 3 November 2014:** Dangote Cement PLC (DANGCEM-NL), Nigeria's largest cement producer, announces unaudited results for the nine months ended 30 September 2014.

#### **Financial highlights**

- Consolidated Group revenue up 7.3% to ₦310.2bn
- Nigeria revenue up 7.3% to ₦297.5bn
- Group gross profits up 1.4% to ₦199.7bn, 64.4% margin
- EBITDA up 4.5% to ₦189.2bn, 61.0% margin
- EBIT up 3.5% to ₦162.4bn, 52.4% margin
- PBT up by 1.5% to ₦154.1bn
- Earnings per share down 10.1% to ₦8.26 as some Nigerian operations become taxable

#### **Operating highlights**

- Disruption to gas and LPFO supplies constrains production and market growth
- Total Nigerian cement market grows by 1.3% to 16.2 million tonnes
- Nigerian sales volumes down 1.0% to 9.8 million tonnes
- Obajana sales volumes down 6.0%, Ibese down 6.5%, Gboko up 34.9%
- Successful launch of 3x brand of 42.5R cement in Nigeria
- Sephaku Cement becomes fully operational in South Africa

#### **New cement pricing announced**

- 32.5-grade reduced to ₦1,000 per 50kg bag (excl. VAT, ex-factory price)
- 42.5-grade reduced to ₦1,150 per 50kg bag (excl. VAT, ex-factory price)
- Will stimulate demand for cement in housing and infrastructure markets

#### **D.V.G. Edwin, Chief Executive, said:**

*"Fuel disruption has continued to challenge the business but we have successfully commissioned coal facilities at Lines 1+2 in Ibese and we are on the threshold of commissioning the coal facility at Obajana.*

*"Although it has been a challenging year so far we remain optimistic that the Nigerian market will continue its strong growth and we are best positioned to meet the market demands as we commission new lines at Ibese and Obajana to increase our capacity to 29 million tonnes in Nigeria. Our new pricing strategy will help to increase the consumption of cement across the Nigerian market."*

*"Sephaku Cement in South Africa is now fully operational following the commissioning of the Aganang integrated plant near Johannesburg. Although there will be delays in Sierra Leone and Liberia because of the Ebola crisis, we are making progress across our other African projects and continue working to become Africa's leading cement company."*

## About Dangote Cement

Dangote Cement is Africa's leading cement producer with three plants in Nigeria and plans to expand in 13 other African countries. The Group is a fully integrated quarry-to-customer producer with production capacity of up to 29 million tonnes expected to be operational in Nigeria by the end of 2014 and new operations beginning to come onstream across the rest of Sub-Saharan Africa. The Group plans to have up to 42 million tonnes capacity by the end of this year and 50-60 million tonnes of production, grinding and import capacity in Sub-Saharan Africa by 2016.

Dangote Cement's Obajana plant in Kogi state, Nigeria, is the largest in Africa with 13.25 million tonnes capacity across four lines. The Ibese plant in Ogun State has four cement lines with a combined installed capacity of 12 million tonnes. The Gboko plant in Benue state has 4 million tonnes capacity.

Through its recent investments, Dangote Cement has eliminated Nigeria's dependence on imported cement and is transforming the nation into an exporter serving neighbouring countries.

Dangote Cement is investing several billion dollars to build manufacturing plants and import terminals across Africa. Current plans, apart from the plants mentioned earlier, are for integrated or grinding plants in Nigeria, Ethiopia, Senegal, Republic of Congo, Liberia, Tanzania, Kenya and Zambia, as well as Ivory Coast and Ghana.

Web: [www.dangcem.com](http://www.dangcem.com)

## Conference call details

A conference call for analysts and investors will be held on Tuesday 4 November at 16.00 Lagos time / 15.00 UK time

The dial-in details are as follows:

Participants: +44 203 139 4830  
Pin code: 46957045#

A replay facility will be available for 30 days as follows:

Participants: +44 203 426 2807  
Pin code: 651826#

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## Operating review

### Nigeria

#### **Cement market constrained by continuing fuel disruption and seasonal rains**

Continuing fuel disruption and seasonal third-quarter rains combined to constrain cement sales in Nigeria. In the nine months to September 2014 we estimate the market to have been 16.18 million tonnes, only about 1.3% higher than the 15.97 million tonnes sold in the same period of 2013.

As previously indicated, however, this should also be viewed in the context of an unusually strong first half in 2013, as building work recovered strongly after the floods of late 2012.

Nigeria's importation of cement remains low and we estimate that just 929kt of cement were imported during the first nine months of 2014, slightly higher than the 850kt imported in the same period last year.

In May 2014, Nigeria revised the national standards for cement with different strength grades of cement being required for different building purposes. The lowest strength, known as 32.5 may be used for basic work such as plastering, while higher-strength 42.5 grade cement is to be used for block-moulding and the casting of columns, beams and slabs. The highest grade, known as 52.5, is required for heavy load-bearing structures such as bridges. Dangote Cement is able to sell all three types of cement to meet the different needs of each market segment.

#### **Nigerian cement sales down 1%, constrained by fuel shortages and maintenance**

Sales of Dangote cement fell by 1% to 9.84 million tonnes in the first nine months of 2014, which we estimate to have been around 61% of total market sales.

Our production of cement was severely constrained by excessive shortages of gas at the Obajana plant, which is primarily gas fired. Gas shortages are caused by a general lack of investment in the gas distribution network serving the central regions of the country.

The problem of gas disruption was exacerbated by a lack of the low-pour fuel oil (LPFO) that we use as a back-up fuel, as we and other industries were forced to switch to it during gas shortages. Switching to LPFO *en masse* depleted national reserves and put refineries under considerable pressure, meaning we had to import LPFO in the spot market at extra cost. In addition, the shortages of gas forced us to use a much higher level of diesel than normal for power production. Overall, our gas utilisation has been 70% on a weighted average basis across Ibese and Obajana.

At the beginning of March, we increased the price of our 42.5-grade cement by 10% in Nigeria, to reflect its higher quality compared with similarly priced 32.5-grade products in the market. This was our first price adjustment in more than five years, despite annual increases in our input costs. The full benefit of this adjustment began to flow through from April. We are launching a lower-priced 32.5-grade product to cater for specific market needs.

#### **Obajana sales down 6.0% as gas shortage affects production, Line 4 commissioning**

Our flagship plant at Obajana, in Kogi state, suffered disruption to both its gas and LPFO supplies; as a result, sales fell by 6.0% to nearly 5.5 million tonnes in the first nine months of 2014. This represents a capacity utilisation rate of about 72%.

Obajana averaged 70% gas utilisation ratio during the period, with low gas supply compounded by some shortages of the back-up furnace oil (LPFO) we use to fuel the kilns. We are nearing the completion of commissioning of a coal mill on Line 3 to diversify our fuel sources thereby providing a cheaper alternative to LPFO.

In September we began commissioning Line 4 at Obajana.

### **Ibese sales down 6.5% but Lines 3+4 commissioning**

Our 6.0 million tonne Ibese plant in Ogun state sold 2.9 million tonnes of cement during the first nine months of 2014, which was 6.5% lower than the previous year. This represents a capacity utilisation rate of about 64%. Gas utilisation averaged 94% at Ibese during the period. We have successfully commissioned coal mills at Ibese to provide an alternative back-up fuel to LPFO on Lines 1+2. In addition, Ibese experienced 18 days' downtime during the period for maintenance.

In September we started the commissioning of Lines 3+4 at Ibese, representing nearly US\$540m of investment.

### **Gboko increases sales by 35%**

Our Gboko plant in Benue state increased sales by 34.9% to 1.4 million tonnes, when compared to the first nine months of 2013, in which the plant was mothballed during January.

Gboko is entirely fuelled by LPFO and diesel and shortages of LPFO forced us to suspend production of cement at Gboko for a number of days during the period.

## **West & Central Africa**

### **Ghana sales reduced as currency impact challenges importation**

Devaluation of the Ghanaian Cedi made it unattractive to import cement into Ghana during the second quarter of 2014 and as a result, revenues fell from ₦11.3billion in the first nine months of 2013 to ₦4.9 billion in 2014. This represents sales of 240kt tonnes of cement, compared with around 550kt sold in the first nine months of 2013.

### **Senegal legal process resolved, plant being readied for operations**

The opening of Dangote Cement's plant in Senegal was delayed by claims on land where the plant is situated. In 2013 the Supreme Court in Senegal gave orders to the effect that the claimants had no right or lawful interest in the property in dispute, which is on land where the plant is situated.

Furthermore, the Supreme Court ordered that the case be sent back to the Court of Appeal for the latter to issue a decision consistent with that ruling. Before the Court of Appeal could reissue the decision, the parties reached an amicable out-of-court settlement of the case.

Subsequently, the Administrative Closure Order was lifted by the authorities in Senegal and we began the process of returning workers to the site so that building work could be completed and commissioning could begin.

We experienced some delays in the commissioning process as the plant had been idle for one year. Now its power plant has been commissioned and the cement plant is under commissioning. We expect the production of clinker this month and cement in December.

### **Update on projects**

Our 1.5mta grinding plant in Cameroon is expected to begin production of cement by the end of November.

Along the coast of West Africa, we plan to build import and grinding facilities to receive and process raw materials supplied from Nigeria, Senegal and elsewhere. We anticipate some delays in Sierra Leone and Liberia because of the worsening Ebola crisis, and Sierra Leone is now unlikely to open in 2014 unless there is a dramatic improvement in the Ebola situation.

We had delayed the commencement of work on the proposed 1.5 million tonnes grinding facility in Cote d'Ivoire, but we expect this to become operational in the second quarter of 2016.

## **East & South Africa**

### **Sephaku Cement performing well, Aganang integrated plant now producing cement**

Sephaku Cement, our joint venture with JSE-listed Sephaku Holdings, consists of a fully integrated cement plant in Lichtenburg (230km west of Johannesburg) and a grinding plant in Delmas (40km east of Johannesburg).

Cement production began at Delmas in January 2014 and Sephaku contributed ₦7.7bn in sales in the first nine months of 2014. This compares with ₦0.5bn generated by sales of fly ash in the first nine months of 2013.

In late August, clinker production began at the Aganang plant with some of its initial production being transported to Delmas for grinding into cement. In September 2014, Delmas reached an annualised production capacity utilisation of 80%, which is an indication of the increasing sales ramp-up rate since the beginning of the year.

Demand for the SepCem brand has increased significantly in both the bulk and retail (bag) markets, as reflected by its delivery to more than 1,000 points of sale in the targeted markets and the fact that approximately 500 order related calls are being received every day. Aganang began commercial sales of its own cement at the beginning of October 2014.

### **Update on projects**

We are achieving steady progress with building projects in other countries in our East & Southern Africa region. In Ethiopia, work is well underway to build a 2.5mta plant at Muger, with plant commissioning now expected to be completed late in 2014 or in the first quarter of 2015. In Zambia, work is underway on a 1.5mta plant at Ndola, with cement production expected late in H2 2014. In Tanzania, we have now begun work on a 3mta plant at Mtwara that is expected to be operational in late 2015.

We are reviewing plans for Kenya with a view to increasing the scale of our proposed factory from 1.5mta to 3.0mta. This is because we are confident there will be sufficient demand both in Kenya and neighbouring countries. We have secured a prospecting license and are now in the process of upgrading it to a mining license. In South Sudan, we have put our plans on hold owing to the unfavourable political and conflict situation that exists in the country at present.

### **Current trading and new pricing strategy**

Today, on 3 November 2014, we are announcing significant cuts in the price of cement. Our 32.5-grade cement will sell for ₦1,000 per 50kg bag (excl. VAT, ex-factory pricing) and our 42.5-grade will sell for ₦1,150 per 50kg bag (excl. VAT, ex-factory pricing).

With new lines operational at Ibese and Obajana we are poised to increase our production of clinker and cement to serve the increased demand we believe will result from this decision to cut prices.

We have begun operating coal facilities for Lines 1&2 at Ibese and will soon be commissioning the coal mill at Line 3 at Obajana. These should improve our fuel security and margins, by displacing the use of LPFO as a secondary fuel in our kilns. Over the next 1-2 years we will invest an additional \$190m in building coal facilities at the other lines at Ibese and Obajana, as well as in converting Gboko to run entirely on coal for both kilns and power. In the longer term we and our parent company Dangote Industries (DIL) are exploring the possibility of mining coal near to the Obajana and Gboko plants, to reduce our reliance on imported coal. In addition, DIL is also involved in bidding for gas assets in Nigeria as well as building up gas pipe line infrastructure, to improve the availability of gas in Nigeria.

Although growth in 2014 has been challenged by erratic fuel supplies affecting production, we believe that in the medium term, the Nigerian market will continue growing at a healthy rate. With our newly added 9mt of capacity we will be best positioned to cater to the burgeoning demand for cement.

We offer the following guidance for 2014 and beyond, based upon information available at present:

- In Nigeria, our average tax rate is likely to be around 8% - 10% for 2014.
- Capital expenditure will be more than US\$1bn in 2014, with building work completing on Ibese 3&4, Obajana 4 and African projects progressing including Ethiopia, Tanzania, Zambia, Senegal, Cameroon, etc. Capital expenditure will ease as other projects come to completion in 2015 and 2016.

## Financial review

### Summary of financial performance

	<b>30-Sep-14</b> <b>₦'000</b>	<b>30-Sep-13</b> <b>₦'000</b>
Group Revenue	<b>310,214,307</b>	288,984,213
Revenue per tonne	<b>29,527</b>	<b>27,544</b>
EBITDA*	<b>189,243,823</b>	181,077,384
EBITDA* margin	<b>61.0%</b>	<b>62.7%</b>
EBIT**	<b>162,455,682</b>	<b>156,887,970</b>
EBIT margin	<b>52.4%</b>	<b>54.3%</b>
Net Profit	<b>140,476,507</b>	156,128,318
Earnings per Ordinary Share(basic)	<b>8.26</b>	9.19
* represents Earnings before interest, taxes, depreciation & amortisation		
** represents Earnings before interest and taxes.		
<b>Physical Volume of cement sales in thousand tonnes</b>	<b>30-Sep-14</b>	<b>30-Sep-13</b>
Cement sold from Nigeria	<b>9,843</b>	9,944
Cement sold from rest of West and Central Africa	<b>240</b>	548
Cement sold from East and South Africa	<b>423</b>	-
<b>Total attributable volume of cement sales</b>	<b>10,506</b>	10,492

Group revenues increased by 7.3% to ₦310.2bn (Jan-Sep 2013: ₦289.0bn). In Nigeria, revenues increased by 7.3% to ₦297.5bn (Jan-Sep 2013: ₦277.3bn), largely reflecting the impact of the 10% quality surcharge introduced in March.

Following the commissioning of its Aganang and Delmas plant in South Africa, Sephaku Cement contributed revenues of ₦7.7bn (Jan-Sep 2013: ₦0.5bn). As previously noted, Dangote Cement Ghana contributed ₦4.9bn of revenue, 56.2% down on the first nine months of 2013, following the decision to scale back imports in view of the volatility of foreign exchange rates.

Group gross profit was largely affected by gas and LPFO shortages and rose by just 1.4% to ₦199.7bn, at a margin of 64.4% (Jan-Sep 2013: ₦196.9bn, 68.1%). A higher proportion of sales from LPFO-fuelled Gboko also weighed on gross margins during the period under review.

## Key manufacturing costs

The key components for manufacturing expenses are materials consumed, fuel & power, royalties, salaries and related staff costs, depreciation and amortisation and other production expenses as set out in the table below.

	<b>30-Sep-14 N'000</b>	<b>30-Sep-13 N'000</b>
Material Consumed	26,156,675	30,458,970
Fuel & Power Consumed	51,667,352	33,696,778
Royalty	344,250	370,100
Salaries and related staff costs	6,870,713	6,188,214
Depreciation & amortization	15,760,287	14,309,006
Other Production expenses	11,677,827	10,470,955
(Increase)/Decrease in finished goods and work in progress	(1,974,933)	(3,418,631)
<b>Total manufacturing costs</b>	<b>110,502,171</b>	<b>92,075,392</b>

Total manufacturing costs were mainly affected by the shortage of gas and LPFO. This affected gross profit which rose by just 1.4% to ₦199.7bn. The impact of the fuel shortages was partially offset by favourable movements in materials consumed mainly as a result of a fall in the price of gypsum, a key component in the production process

Total operating expenses fell by 2.8% to ₦39.9bn, on account of strict control of costs.

Net financial costs increased from ₦5.2bn in Jan-Sep 2013 to ₦8.4bn in the current period as a result of higher borrowings. Group profit before tax rose by 1.5% to ₦154.1bn (Jan-Sep 2013: ₦151.7bn).

## Profit and earnings per share

As a result of the factors above, the Group posted an operating profit of ₦162.5bn, 3.5% higher than the ₦156.9bn generated for the same period last year. The operating margin fell from 54.3% in Jan-Sep 2013 to 52.4% in the first nine months of 2014.

Operating profits in the core Nigerian operations rose by 3.3% to ₦164.9bn while operating margin fell from 57.6% in Jan-Sep 2013 to 55.4% in the first nine months of 2014. Our operations in the rest of West and Central Africa sustained operating loss of ₦2.1bn (Jan-Sep 2013: ₦2.1bn) as a result of start-up costs in Senegal and losses in Ghana owing to conscious scaling down of operations in view of the challenges on the forex front. South African subsidiary, Sephaku Cement continue to ramp up its volume. However, our operations in East & South Africa posted an operating loss of ₦0.3bn (Jan-Sep 2013: ₦0.7bn), mostly related to Sephaku Cement in South Africa, which had been producing cement mainly from purchased clinker during the period under review. Non-capitalisable expenses were also higher.

With profits on operations at Obajana (Lines 1 & 2) and Gboko now subject to taxation, the Group had a tax charge of ₦13.6bn (Jan-Sep 2013: credit of ₦4.4bn) to leave profit for the year lower by 10.0% at ₦140.5bn (Jan-Sep 2013: ₦156.1bn). As a result, earnings per share were lower by 10.1% at ₦8.26 per share (Jan-Sep 2013: ₦9.19).



## Balance sheet and cash flow remain strong

	30-Sep-14 N'000	31-Dec-13 N'000
Property, plant and equipment	704,659,469	581,465,116
Other Non-Current Assets	75,973,016	111,351,233
Goodwill and intangible assets	2,948,382	2,306,170
Current assets	109,211,203	78,801,211
Cash and Bank balances	35,594,720	70,501,583
<b>Total Assets</b>	<b>928,386,790</b>	<b>844,425,313</b>
Shareholders' equity	566,123,339	545,064,392
Non-Controlling Interest	4,771,637	5,028,878
<b>Total Equity</b>	<b>570,894,976</b>	<b>550,093,270</b>
Non-Current liabilities (excluding debt)	5,482,839	4,714,880
Current Liabilities (excluding debt)	122,691,934	108,477,383
Debt	229,317,041	181,139,780
<b>Total Equity and liabilities</b>	<b>928,386,790</b>	<b>844,425,313</b>
<i>Capital Expenditure</i>	30-Sep-14 N'000	31-Dec-13 N'000
Nigeria	105,250,317	108,109,888
West & Central Africa	12,963,416	9,218,235
East and South Africa	50,613,777	33,287,877
<b>Total Assets</b>	<b>168,827,510</b>	<b>150,616,000</b>

The balance sheet remained strong with non-current assets increasing from ₦695.1bn at the end of 2013 to ₦783.6bn at 30 September 2014, mostly as a result of increased capital expenditure, both within Nigeria and in other African countries. Total additions amounted to ₦168.8bn of which ₦105.3bn was spent in Nigeria, ₦13.0bn in West & Central Africa and ₦50.6bn in East & South Africa.

The gross capital expenditure was partially offset by a depreciation and amortisation charge of ₦26.8bn and the utilisation of capital allowances, which resulted in a ₦12.2bn fall in deferred tax assets and a ₦23.1bn fall in prepayments. This resulted in non-current assets increasing by ₦88.5bn.

The increase in current liabilities is mainly driven by a ₦17.2bn increase in trade payables.

The increase in equity represents the profit for the period of ₦140.5bn less dividend paid of ₦119,3bn and translation loss of ₦0.6bn.

Cash and cash equivalents (including bank overdrafts used for cash management purposes) decreased from ₦69.6bn at the start of the year to ₦33.6bn at the end of September. Net debt stood at ₦193.7bn, up from ₦110.6bn at the start of the year, reflecting an increase in short-term loans.

Total assets rose from ₦844.4bn at the start of 2014 to ₦928.4bn at the end of September.

<b>Cash flows</b>	<b>30-Sep-14</b>	30-Sep-13
	<b>₦'000</b>	<b>₦'000</b>
Net Cash generating by operating activities before working capital changes	<b>190,925,203</b>	181,527,306
Change in working capital	(17,777,283)	20,939,724
Gratuity Paid	(563,065)	(2,300)
Income tax paid	(225,937)	(1,681,803)
<b>Cash flows from operating provisions</b>	<b>172,358,918</b>	200,782,927
	<b>30-Sep-14</b>	31-Dec-13
	<b>₦'000</b>	<b>₦'000</b>
Cash and Bank Balances	35,594,720	70,501,583
Debt	229,317,041	181,139,780
<b>Net Cash/debt</b>	<b>(193,722,321)</b>	(110,638,197)

The Group generated an EBITDA of ₦189.2bn during the nine months ended 30th September 2014. Out of this, after expending ₦17.8bn on incremental working capital, the net cash flow from operations was ₦172.4bn.

We invested ₦168.8bn in projects and normal capital expenditure (Jan-Sep 2013: ₦93.4bn).

Financing outflows were ₦81.4bn (Jan-Sep 2013: ₦70.4bn), reflecting additional loans taken of ₦97.4bn, loans repaid of ₦49.3bn, interest payments of ₦10.3bn and ₦119.3bn in dividends paid.



**DANGOTE CEMENT PLC**

**INTERIM FINANCIAL STATEMENTS**

**30 SEPTEMBER 2014**

**DANGOTE CEMENT PLC**  
**30 September 2014**

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**Dangote Cement Plc**  
**Condensed consolidated statement of profit or loss and other Comprehensive Income**  
**For the period ended 30 September 2014**

	Notes	3 months ended 30/09/14 ₦'000	9 months ended 30/09/14 ₦'000	Group 3 months ended 30/09/13 ₦'000	9 months ended 30/09/13 ₦'000	Year ended 31/12/13 ₦'000
Revenue	3	101,305,836	310,214,307	90,520,917	288,984,213	386,177,220
Cost of sales	5	(36,964,801)	(110,502,171)	(28,285,800)	(92,075,392)	(130,790,934)
<b>Gross profit</b>		<b>64,341,035</b>	<b>199,712,136</b>	<b>62,235,117</b>	<b>196,908,821</b>	<b>255,386,286</b>
Administrative expenses	6	(7,679,674)	(16,382,142)	(6,947,771)	(15,885,361)	(25,993,138)
Selling and distribution expenses	7	(6,943,382)	(23,565,409)	(9,722,128)	(25,195,550)	(35,235,220)
Other income	8	753,491	2,691,097	232,618	1,060,060	1,724,477
Profit from operating activities		50,471,470	162,455,682	45,797,836	156,887,970	195,882,405
Finance income	9	1,363,542	4,595,070	1,085,650	4,046,036	8,596,499
Finance costs	9	(4,852,454)	(12,998,618)	(2,838,982)	(9,208,545)	(13,717,542)
Profit before tax		46,982,558	154,052,134	44,044,504	151,725,461	190,761,362
Income tax credit/(expense)	11.1	(1,945,910)	(13,575,627)	4,402,857	4,402,857	10,436,726
<b>Profit for the period</b>		<b>45,036,648</b>	<b>140,476,507</b>	<b>48,447,361</b>	<b>156,128,318</b>	<b>201,198,088</b>
<b>Other comprehensive income, net of income tax</b>						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Currency translation differences		(1,259,025)	(577,831)	809,759	(1,222,390)	(4,800,187)
<i>Items that will not be reclassified to profit or loss</i>						
Defined benefit plan actuarial gains (losses)			-		-	280,490
Other comprehensive income for the period, net of income tax		(1,259,025)	(577,831)	809,759	(1,222,390)	(4,519,697)
<b>Total comprehensive income for the period</b>		<b>43,777,623</b>	<b>139,898,676</b>	<b>49,257,120</b>	<b>154,905,928</b>	<b>196,678,391</b>
Profit for the period attributable to:						
Owners of the Company		44,760,627	140,730,906	48,667,386	156,530,497	201,912,292
Non-controlling interests		276,021	(254,399)	(220,025)	(402,179)	(714,204)
		45,036,648	140,476,507	48,447,361	156,128,318	201,198,088
Total comprehensive income for the period attributable to:						
Owners of the Company		43,808,406	140,342,499	49,165,344	155,929,408	198,883,980
Non-controlling interests		(30,783)	(443,823)	91,776	(1,023,480)	(2,205,589)
		43,777,623	139,898,676	49,257,120	154,905,928	196,678,391
Earnings per share, basic and diluted (Naira)	10	2.63	8.26	2.86	9.19	11.85

**Dangote Cement Plc**  
**Condensed separate statement of profit or loss and other Comprehensive Income**  
**For the period ended 30 September 2014**

	Notes	3 months ended 30/09/14 N'000	9 months ended 30/09/14 N'000	Company 3 months ended 30/09/14 N'000	9 months ended 30/09/13 N'000	Year ended 31/12/13 N'000
Revenue	3	95,183,959	297,536,409	86,515,945	277,286,676	371,551,567
Cost of sales	5	(31,786,171)	(99,616,009)	(24,393,301)	(80,967,689)	(116,211,135)
<b>Gross profit</b>		<b>63,397,788</b>	<b>197,920,400</b>	<b>62,122,644</b>	<b>196,318,987</b>	<b>255,340,432</b>
Administrative expenses	6	(6,457,058)	(12,788,541)	(4,931,609)	(12,783,197)	(20,079,595)
Selling and distribution expenses	7	(6,872,545)	(22,881,064)	(9,591,729)	(24,916,558)	(34,908,679)
Other income	8	735,795	2,643,699	226,649	1,014,525	727,519
Profit from operating activities		50,803,980	164,894,494	47,825,955	159,633,757	201,079,677
Finance income	9	3,869,883	10,681,910	982,533	3,934,182	10,380,078
Finance costs	9	(5,071,589)	(11,806,568)	(2,621,651)	(8,858,595)	(11,448,932)
Profit before tax		49,602,274	163,769,836	46,186,837	154,709,344	200,010,823
Income tax credit/(expense)	11.1	(2,503,679)	(14,101,214)	4,308,192	4,308,192	10,251,931
<b>Profit for the period</b>		<b>47,098,595</b>	<b>149,668,622</b>	<b>50,495,029</b>	<b>159,017,536</b>	<b>210,262,754</b>
<b>Other comprehensive income, net of income tax</b>						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Currency translation differences		-	-	-	-	-
<i>Items that will not be reclassified to profit or loss</i>						
Defined benefit plan actuarial gains (losses)		-	-	-	-	280,490
Other comprehensive income for the period, net of income tax		-	-	-	-	280,490
<b>Total comprehensive income for the period</b>		<b>47,098,595</b>	<b>149,668,622</b>	<b>50,495,029</b>	<b>159,017,536</b>	<b>210,543,244</b>
Profit for the period attributable to:						
Owners of the Company		47,098,595	149,668,622	50,495,029	159,017,536	210,262,754
Non-controlling interests		-	-	-	-	-
		<b>47,098,595</b>	<b>149,668,622</b>	<b>50,495,029</b>	<b>159,017,536</b>	<b>210,262,754</b>
Total comprehensive income for the period attributable to:						
Owners of the Company		47,098,595	149,668,622	50,495,029	159,017,536	210,543,244
Non-controlling interests		-	-	-	-	-
		<b>47,098,595</b>	<b>149,668,622</b>	<b>50,495,029</b>	<b>159,017,536</b>	<b>210,543,244</b>
Earnings per share, basic and diluted	10	2.76	8.78	2.96	9.33	12.34

**Dangote Cement Plc**  
**Condensed consolidated and separate statement of financial position**  
**At 30 September 2014**

	Notes	Group		Company	
		As at 30/09/14 N'000	As at 31/12/13 N'000	As at 30/09/14 N'000	As at 31/12/13 N'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	12	704,659,469	581,465,116	522,124,694	452,046,889
Intangible assets	13	2,948,382	2,306,170	757,108	672,190
Investments	14	389	389	26,073,078	25,207,676
Prepayments for property, plant and equipment	15	68,583,902	91,715,470	2,053,766	23,950,013
Deferred tax assets	11.3	7,388,725	19,635,374	5,638,675	18,359,111
Other receivables	16	-	-	222,177,284	164,524,881
<b>Total non-current assets</b>		<b>783,580,867</b>	<b>695,122,519</b>	<b>778,824,605</b>	<b>684,760,760</b>
<b>Current assets</b>					
Inventories	17	38,894,368	27,667,288	35,336,737	23,576,746
Trade and other receivables	18	12,355,229	11,488,091	7,172,875	9,120,840
Prepaid expenses and other current assets	19	57,961,606	39,645,832	56,818,440	36,798,572
Cash and bank balances	20	35,594,720	70,501,583	31,542,572	67,442,862
<b>Total current assets</b>		<b>144,805,923</b>	<b>149,302,794</b>	<b>130,870,624</b>	<b>136,939,020</b>
<b>TOTAL ASSETS</b>		<b>928,386,790</b>	<b>844,425,313</b>	<b>909,695,229</b>	<b>821,699,780</b>
<b>Current liabilities</b>					
Trade and other payables	21	116,847,185	83,437,532	103,019,538	74,511,377
Financial debts	22	100,441,348	56,289,386	98,488,556	55,431,396
Current income tax payable	11.2	1,739,787	565,897	1,720,578	565,737
Other current liabilities	24	4,104,962	24,473,954	4,104,962	20,484,336
<b>Total current liabilities</b>		<b>223,133,282</b>	<b>164,766,769</b>	<b>207,333,634</b>	<b>150,992,846</b>
<b>NON CURRENT LIABILITIES</b>					
Financial debts	22	128,875,693	124,850,394	95,828,373	95,079,111
Retirement benefits obligation		2,391,545	1,962,640	2,382,956	1,962,640
Deferred tax liabilities	11.4	513,052	507,074	-	-
Deferred revenue	23	1,868,501	1,868,501	1,868,501	1,868,501
Long term provisions	25	709,741	376,665	333,869	233,856
<b>Total non-current liabilities</b>		<b>134,358,532</b>	<b>129,565,274</b>	<b>100,413,699</b>	<b>99,144,108</b>
<b>Total Liabilities</b>		<b>357,491,814</b>	<b>294,332,043</b>	<b>307,747,333</b>	<b>250,136,954</b>
<b>Net Assets</b>		<b>570,894,976</b>	<b>550,093,270</b>	<b>601,947,896</b>	<b>571,562,826</b>
<b>EQUITY</b>					
Share capital	26	8,520,254	8,520,254	8,520,254	8,520,254
Share premium	26	42,430,000	42,430,000	42,430,000	42,430,000
Capital contribution		2,876,642	2,876,642	2,828,497	2,828,497
Currency translation reserve		(5,141,071)	(4,752,664)	-	-
Employee benefit reserve		(465,792)	(465,792)	(465,792)	(465,792)
Retained Earnings		517,903,306	496,455,952	548,634,937	518,249,867
<b>Equity attributable to owners of the Company</b>		<b>566,123,339</b>	<b>545,064,392</b>	<b>601,947,896</b>	<b>571,562,826</b>
Non-controlling interest		4,771,637	5,028,878	-	-
<b>Total Shareholders equity</b>		<b>570,894,976</b>	<b>550,093,270</b>	<b>601,947,896</b>	<b>571,562,826</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>928,386,790</b>	<b>844,425,313</b>	<b>909,695,229</b>	<b>821,699,780</b>

**Dangote Cement Plc**  
**Condensed consolidated statement of changes in equity**  
**For the period ended 30 September 2014**

<b>Group</b>	<b>Share capital N'000</b>	<b>Share premium N'000</b>	<b>Retained Earnings N'000</b>	<b>Employee Benefit reserve N'000</b>	<b>Currency translation reserve N'000</b>	<b>Capital Contribution N'000</b>	<b>Attributable to the owners of the parent N'000</b>	<b>Non -controlling interests N'000</b>	<b>Total N'000</b>
<b>Balance at 1 January 2013</b>	8,520,254	42,430,000	361,130,672	(746,282)	(1,443,862)	2,876,642	412,767,424	7,234,467	420,001,891
Profit for the period	-	-	156,530,497				156,530,497	(402,179)	156,128,318
Other comprehensive income for the period, net of income tax				-	(601,089)		(601,089)	(621,301)	(1,222,390)
Total comprehensive income for the period	-	-	156,530,497	-	(601,089)	-	155,929,408	(1,023,480)	154,905,928
Payment of dividends	-	-	(51,121,522)				(51,121,522)	-	(51,121,522)
<b>Balance at 30 Septembere 2013</b>	<b>8,520,254</b>	<b>42,430,000</b>	<b>466,539,647</b>	<b>(746,282)</b>	<b>(2,044,951)</b>	<b>2,876,642</b>	<b>517,575,310</b>	<b>6,210,987</b>	<b>523,786,297</b>
<b>Balance at 1 January 2014</b>	8,520,254	42,430,000	496,455,952	(465,792)	(4,752,664)	2,876,642	545,064,392	5,028,878	550,093,270
Profit for the period	-	-	140,730,906	-	-	-	140,730,906	(254,399)	140,476,507
Other comprehensive income for the period, net of income tax	-	-	-	-	(388,407)	-	(388,407)	(189,424)	(577,831)
Total comprehensive income for the period	-	-	140,730,906	-	(388,407)	-	140,342,499	(443,823)	139,898,676
Effect of additional acquisition in subsidiaries							-	186,582	186,582
Payment of dividends			(119,283,552)				(119,283,552)	-	(119,283,552)
<b>Balance at 30 September 2014</b>	<b>8,520,254</b>	<b>42,430,000</b>	<b>517,903,306</b>	<b>(465,792)</b>	<b>(5,141,071)</b>	<b>2,876,642</b>	<b>566,123,339</b>	<b>4,771,637</b>	<b>570,894,976</b>



**Dangote Cement Plc**  
**Condensed separate statement of changes in equity**  
**For the period ended 30 September 2014**

<b>Company</b>	<b>Share capital ₦'000</b>	<b>Share premium ₦'000</b>	<b>Capital contribution ₦'000</b>	<b>Retained earnings ₦'000</b>	<b>Employee benefit reserve ₦'000</b>	<b>Total ₦'000</b>
<b>Balance at 1 January 2013</b>	8,520,254	42,430,000	2,828,497	374,574,125	(746,282)	427,606,594
Profit for the period				159,017,536		159,017,536
Other comprehensive income for the period, net of income tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	159,017,536	-	159,017,536
Payment of dividends			-	(51,121,522)		(51,121,522)
<b>Balance at 30 September 2013</b>	<b>8,520,254</b>	<b>42,430,000</b>	<b>2,828,497</b>	<b>482,470,139</b>	<b>(746,282)</b>	<b>535,502,608</b>
<b>Balance at 1 January 2014</b>	8,520,254	42,430,000	2,828,497	518,249,867	(465,792)	571,562,826
Profit for the period				149,668,622		149,668,622
Other comprehensive income for the period, net of income tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	149,668,622	-	149,668,622
Payment of dividends	-	-	-	(119,283,552)	-	(119,283,552)
<b>Balance at 30 September 2014</b>	<b>8,520,254</b>	<b>42,430,000</b>	<b>2,828,497</b>	<b>548,634,937</b>	<b>(465,792)</b>	<b>601,947,896</b>

**Dangote Cement Plc**  
**Condensed consolidated and separate statement of cash flows**  
**For the period ended 30 September 2014**

	Group			Company		
	Period ended 30/09/14 N'000	Period ended 30/09/13 N'000	Year ended 31/12/13 N'000	Period ended 30/09/14 N'000	Period ended 30/09/13 N'000	Year ended 31/12/13 N'000
<b>Cash flows from operating activities</b>						
<b>Profit before tax</b>	154,052,134	151,725,461	190,761,362	163,769,836	154,709,344	200,010,823
Adjustments for:						
Depreciation and amortization	26,788,141	24,189,414	33,705,507	25,316,191	23,268,548	32,165,155
Write off of property plant and equipment	147,264	(4,983)	40,909	10,661	15,303	28,492
Interest expense	12,599,155	9,121,559	12,351,894	11,594,172	8,771,609	11,094,895
Interest income	(3,597,515)	(3,950,383)	(5,630,349)	(9,915,848)	(3,911,393)	(10,380,078)
Amortisation of deferred revenue	(410,985)	(461,538)	(602,255)	(410,985)	(461,385)	(602,101)
Provision for restoration	333,075	363,540	(110,645)	100,013	(79,246)	(40,926)
Provisions for employee benefits	991,970	541,728	1,128,660	995,986	537,740	1,128,660
Loss/(Gain) on disposal of property, plant and equipment	21,964	2,508	(103,264)	21,964	2,477	(85,450)
	190,925,203	181,527,306	231,541,819	191,481,990	182,852,997	233,319,470
<b>Changes in working capital:</b>						
Change in inventory	(11,227,080)	(1,939,309)	4,810,651	(11,759,989)	(450,920)	7,276,792
Change in trade and other receivables	619,472	4,650,940	31,760,194	2,212,537	(3,696,212)	23,342,152
Change in trade and other payables	31,104,105	18,559,810	18,742,926	28,204,529	17,271,703	19,768,149
Change in prepaid expenses and other current assets	(18,315,773)	2,190,928	(8,429,970)	(20,019,868)	(405,502)	(8,398,032)
Change in other current liabilities	(19,958,007)	(2,522,645)	5,877,608	(15,699,388)	(452,151)	3,213,703
	173,147,920	202,467,030	284,303,228	174,419,811	195,119,915	278,522,234
Gratuity and Pension paid	(563,065)	(2,300)	(629,206)	(563,065)	(2,300)	(629,206)
Income tax paid	(225,937)	(1,681,803)	(1,935,748)	(225,937)	(1,681,803)	(1,939,301)
<i>Net cash generated from operating activities</i>	172,358,918	200,782,927	281,738,274	173,630,809	193,435,812	275,953,727
<b>Investing activities</b>						
Interest received	3,597,515	3,741,800	5,630,349	2,936,967	3,629,946	5,450,373
Additions to intangible assets	(1,033,380)	(270,701)	(442,212)	(243,893)	(808,339)	(222,590)
Acquisition of property, plant and equipment	(168,827,510)	(93,421,638)	(139,966,242)	(105,250,317)	(56,894,667)	(99,116,814)
Proceeds from disposal of property, plant and equipment	-	11,323	11,248	-	11,248	11,248
Acquisition of investment	-	-	(389)	(15,629)	-	(389)
Changes in non-current prepayment	31,738,029	(17,589,802)	(40,799,285)	30,123,307	2,149,490	(2,887,804)
Cash increase in long term receivables from subsidiaries	-	-	-	(51,523,296)	(47,870,777)	(71,853,488)
<i>Net cash provided by/(used in) investing activities</i>	(134,525,346)	(107,529,018)	(175,566,531)	(123,972,861)	(99,783,099)	(168,619,464)
<b>Financing activities</b>						
Interest paid	(10,293,606)	(7,960,423)	(12,019,482)	(9,464,339)	(7,831,040)	(11,762,862)
Dividend paid	(119,283,552)	(51,121,522)	(51,121,522)	(119,283,552)	(51,121,522)	(51,121,522)
Loans obtained	97,445,491	14,628,587	21,403,960	92,475,899	13,841,038	15,919,867
Loans repaid	(49,286,246)	(25,969,048)	(34,625,397)	(49,286,246)	(25,969,048)	(34,625,397)
<i>Net cash provided by/(used in) financing activities</i>	(81,417,913)	(70,422,406)	(76,362,441)	(85,558,238)	(71,080,572)	(81,589,914)
(Decrease)/increase in cash and cash equivalent	(43,584,341)	22,831,503	29,809,302	(35,900,290)	22,572,141	25,744,349
Effects of exchange rate changes on the non monetary assets held in foreign currencies	7,580,377	3,156,380	(3,325,762)	-	-	-
Cash and cash equivalents at beginning of year	69,645,893	43,162,353	43,162,353	67,442,862	41,698,513	41,698,513
Cash and cash equivalents at end of the period	33,641,929	69,150,236	69,645,893	31,542,572	64,270,654	67,442,862

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 30 September 2014

### 1 General Information

Dangote Cement Plc ("the Company") was incorporated in Nigeria as a public limited liability company on 4 November, 1992 and commenced operations in January 2007 under the name Obajana Cement Plc. The name was changed on 14 July 2010 to Dangote Cement Plc.

Its parent company is Dangote Industries Limited ("DIL" or "the Parent Company"). Its ultimate controlling party is Alhaji Aliko Dangote.

The registered address of the Company is located at 1 Alfred Rewane Road, Ikoyi, Lagos, Nigeria.

The principal activity of the Company and subsidiaries (together referred to as "the Group") is to operate plants for the preparation, manufacture, and distribution of cement and related products. The Company's production activities are currently undertaken at Obajana town in Kogi State, Gboko in Benue State and Ibese in Ogun State; all in Nigeria. Information in respect of the subsidiaries locations is disclosed in note 14.

The consolidated financial statements of the Group for the period ended 30 September 2014 comprise the Company and its subsidiaries.

The separate financial statements of the Company for the period ended 30 September 2014 comprise the Company only.

These consolidated and separate financial statements for the period ended 30 September 2014 have been approved for issue by the Directors on 28 October 2014

### 2 Significant accounting policies

The Company's full financial statements for the year ended 31 December 2013 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (together "IFRS") and requirements of the Companies and Allied Matters Act (CAMA) of Nigeria and the Financial Reporting Council (FRC) Act of Nigeria.

Dangote Cement Group Plc has consistently applied the same accounting policies and methods of computation in its **interim consolidated and separate financial statements** as in its 2013 annual financial statements. None of the new standards, interpretations and amendments, effective for the first time from 1 January 2014, have had a material effect on the financial statements.

#### Basis of preparation

These interim consolidated financial and separate statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2013 annual report.

The financial statements have been prepared on the historical cost basis except for financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Previous year/periods numbers have been regrouped and reclassified to conform to current period disclosure

#### Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

#### Basis of Consolidation

The Group condensed financial statements incorporate the financial statements of the Parent Company and its subsidiaries made up to 30 September 2014. Control is achieved where the investor; (i) has power over the investee entity (ii) is exposed, or has rights, to variable returns from the investee entity as a result of its involvement, and (iii) can exercise some power over the investee to affect its returns.

The Company reassesses whether or not it still controls an investee and if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Income and expenses of subsidiaries acquired or disposed of during the year are included or excluded in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners' of the Company and to the non-controlling interests even if this results in the non-controlling interest having a deficit balance.

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any impairment that has been recognised in profit or loss.

Notes to the condensed consolidated and separate financial statements  
For the period ended 30 September 2014

## 3 REVENUE

	Group				Company			
	3 months ended 30/09/14	9 months ended 30/09/14	3 months ended 30/09/13	9 months ended 30/09/13	3 months ended 30/09/14	9 months ended 30/09/14	3 months ended 30/09/13	9 months ended 30/09/13
Revenue in thousand tonnes								
Cement production volume	3,518	10,448	3,137	9,765	3,269	10,011	3,137	9,765
Trade cement purchase	56	235	195	501	-	-	-	-
Movement in volume	(221)	(177)	45	225	(250)	(168)	46	178
<b>Cement sales volume</b>	<b>3,353</b>	<b>10,506</b>	<b>3,377</b>	<b>10,492</b>	<b>3,019</b>	<b>9,843</b>	<b>3,183</b>	<b>9,944</b>

An analysis of revenue is as follows:

	Group				Company			
	3 months ended 30/09/14	9 months ended 30/09/14	3 months ended 30/09/13	9 months ended 30/09/13	3 months ended 30/09/14	9 months ended 30/09/14	3 months ended 30/09/13	9 months ended 30/09/13
Revenue (Naira)								
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Revenue from the sale of cement	101,206,463	309,917,082	90,417,372	288,569,611	95,183,959	297,536,409	86,515,945	277,286,676
Revenue from the sale of other products	99,373	297,225	164,286	475,343	-	-	-	-
	101,305,836	310,214,307	90,581,658	289,044,954	95,183,959	297,536,409	86,515,945	277,286,676
Elimination/Adjustment	-	-	(60,741)	(60,741)	-	-	-	-
Consolidated total revenue	<b>101,305,836</b>	<b>310,214,307</b>	<b>90,520,917</b>	<b>288,984,213</b>	<b>95,183,959</b>	<b>297,536,409</b>	<b>86,515,945</b>	<b>277,286,676</b>

All sales as detailed above are to external customers

## 4 Segment Information

## 4 Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment. Performance is measured based on segment sales revenue and operating profit, as included in the internal management reports that are reviewed by the Executive Management Committee. Segment sales revenue and operating profit are used to measure performance as management believes that such information is the most relevant in evaluating results of certain segments relative to other entities that operate within these industries.

	Group							
	Segment revenue				Segment operating profit/loss			
Revenue/Operating profit/loss	3 months ended 30/09/14	9 months ended 30/09/14	3 months ended 30/09/13	9 months ended 30/09/13	3 months ended 30/09/14	9 months ended 30/09/14	3 months ended 30/09/13	9 months ended 30/09/13
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Nigeria	95,183,959	297,536,409	86,515,945	277,286,676	50,803,980	164,894,494	47,825,955	159,633,757
West and Central Africa	1,541,476	4,944,351	3,901,427	11,282,935	(740,142)	(2,096,461)	(1,785,904)	(2,082,394)
East and South Africa	4,580,401	7,733,547	164,286	475,343	407,632	(342,351)	(242,214)	(663,393)
	101,305,836	310,214,307	90,581,658	289,044,954	50,471,470	162,455,682	45,797,837	156,887,970
Elimination/Adjustment	-	-	(60,741)	(60,741)	-	-	-	-
<b>Consolidated Segment Revenue/Operating profit or (loss)</b>	<b>101,305,836</b>	<b>310,214,307</b>	<b>90,520,917</b>	<b>288,984,213</b>	<b>50,471,470</b>	<b>162,455,682</b>	<b>45,797,837</b>	<b>156,887,970</b>

Total segment operating profit agrees to the profit from operating activities. A reconciliation of profit from operating activities to profit before tax is presented on the face of the profit and loss account.

## 4.2 Segment revenues and results

	Group							
	Other income				Profit/(loss) after tax			
Other income & Profit/ (loss) after tax	3 months ended 30/09/14	9 months ended 30/09/14	3 months ended 30/09/13	9 months ended 30/09/13	3 months ended 30/09/14	9 months ended 30/09/14	3 months ended 30/09/13	9 months ended 30/09/13
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Nigeria	735,795	2,643,699	226,650	1,014,525	47,098,595	149,668,622	50,495,029	159,017,536
West and Centra Africa	12,403	37,582	5,659	21,559	(470,644)	(2,618,968)	(1,810,060)	(2,237,737)
East and South Africa	5,292	9,815	309	23,976	798,128	(273,112)	(237,608)	(651,481)
	753,490	2,691,096	232,618	1,060,060	47,426,079	146,776,542	48,447,361	156,128,318
Elimination/Adjustment	-	-	-	-	(2,389,431)	(6,300,035)	-	-
<b>Consolidated Revenue/profit or (loss)</b>	<b>753,490</b>	<b>2,691,096</b>	<b>232,618</b>	<b>1,060,060</b>	<b>45,036,648</b>	<b>140,476,507</b>	<b>48,447,361</b>	<b>156,128,318</b>

## 4 Segment assets and liabilities

	Group	
	As at 30/09/14	As at 31/12/13
Segment total assets	₦'000	₦'000
Nigeria	909,695,229	821,699,780
West and Centra Africa	81,147,987	70,436,204
East and South Africa	191,275,569	144,045,882
Total Segments assets	1,182,118,785	1,036,181,866
Elimination/Adjustment	(253,731,995)	(191,756,553)
Consolidated total assets	<b>928,386,790</b>	<b>844,425,313</b>
Segment total liabilities		
Nigeria	307,747,333	250,136,954
West and Centra Africa	92,628,165	80,293,881
East and South Africa	174,636,341	128,006,835
Total segment liabilities	575,011,839	458,437,670
Elimination/Adjustment	(217,520,025)	(164,105,627)
Consolidated total liabilities	<b>357,491,814</b>	<b>294,332,043</b>

## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 30 September 2014

#### 5 Cost of sales

	Group				Company			
	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended
	30/09/14	30/09/14	30/09/13	30/09/13	30/09/14	30/09/14	30/09/13	30/09/13
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Material Consumed	9,684,170	26,156,675	11,151,618	30,458,970	4,992,537	16,594,368	7,325,631	20,282,349
Fuel & Power Consumed	18,706,352	51,667,352	11,810,852	33,696,778	18,252,828	50,962,370	11,801,181	33,586,534
Royalty (refer (a) below)	133,493	344,250	77,485	370,100	133,493	344,250	77,485	370,100
Salaries and related staff costs	2,213,135	6,870,713	2,035,269	6,188,214	2,206,141	6,621,046	2,035,269	6,188,214
Depreciation & amortization	5,103,369	15,760,287	4,218,971	14,309,006	4,866,428	15,233,421	4,176,517	14,170,104
Other Production expenses	4,600,047	11,677,827	4,028,418	10,470,955	4,554,887	11,330,531	3,948,022	10,298,088
(Increase )/Decrease in Finished Goods and work in process	(3,475,765)	(1,974,933)	(5,036,813)	(3,418,631)	(3,220,143)	(1,469,977)	(4,970,804)	(3,927,700)
	<u>36,964,801</u>	<u>110,502,171</u>	<u>28,285,800</u>	<u>92,075,392</u>	<u>31,786,171</u>	<u>99,616,009</u>	<u>24,393,301</u>	<u>80,967,689</u>

- (a) Royalty payable is charged based on volume of extraction made during the year. This is in accordance with the agreement with the Federal Ministry of Mines and Steel Development.

#### 6 Administrative expense

	Group				Company			
	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended
	30/09/14	30/09/14	30/09/13	30/09/13	30/09/14	30/09/14	30/09/13	30/09/13
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Salaries and related staff costs	2,995,852	7,162,861	2,800,743	6,279,970	2,479,218	5,668,264	1,355,361	4,134,006
Corporate social responsibility	915,192	1,736,908	518,331	1,116,076	910,967	1,699,769	517,937	1,115,681
Management fee (refer (a) below)	241,700	926,247	335,722	627,055	241,700	926,247	335,722	627,055
Depreciation and Amortisation	1,578,045	2,620,999	1,172,738	2,354,310	968,541	1,725,216	509,192	1,622,549
Audit fees	35,910	150,910	52,120	150,289	32,871	134,250	49,963	138,797
Others	1,912,975	3,784,217	2,068,117	5,357,661	1,823,761	2,634,795	2,163,434	5,145,109
	<u>7,679,674</u>	<u>16,382,142</u>	<u>6,947,771</u>	<u>15,885,361</u>	<u>6,457,058</u>	<u>12,788,541</u>	<u>4,931,609</u>	<u>12,783,197</u>

- (a) The management fee is charged by Dangote Industries Limited for management and corporate services provided to Gboko plant. It is based on sales on the respective units net of discounts, rebates and applicable concessions provided to customers.

#### 7 Selling and distribution

	Group				Company			
	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended
	30/09/14	30/09/14	30/09/13	30/09/13	30/09/14	30/09/14	30/09/13	30/09/13
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Depreciation	2,764,109	8,406,855	2,571,493	7,526,098	2,763,415	8,357,552	2,522,058	7,475,866
Advertisement and promotion	753,230	2,753,614	931,171	2,422,477	745,099	2,235,923	801,987	2,193,717
Haulage expenses	3,426,043	12,404,940	6,219,464	15,246,975	3,364,031	12,287,589	6,267,684	15,246,975
	<u>6,943,382</u>	<u>23,565,409</u>	<u>9,722,128</u>	<u>25,195,550</u>	<u>6,872,545</u>	<u>22,881,064</u>	<u>9,591,729</u>	<u>24,916,558</u>

#### 8 Other income

	Group				Company			
	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended
	30/09/14	30/09/14	30/09/13	30/09/13	30/09/14	30/09/14	30/09/13	30/09/13
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Insurance claims	7,375	78,313	(207)	155,599	7,375	78,313	(207)	155,599
Government grant	136,735	414,842	153,252	461,384	134,635	410,985	153,252	461,384
Sundry income	609,381	2,197,942	79,573	443,077	593,785	2,154,401	73,604	397,542
	<u>753,491</u>	<u>2,691,097</u>	<u>232,618</u>	<u>1,060,060</u>	<u>735,795</u>	<u>2,643,699</u>	<u>226,649</u>	<u>1,014,525</u>

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## 9 Finance income and costs

	Group				Company			
	3 months ended 30/09/14 N'000	9 months ended 30/09/14 N'000	3 months ended 30/09/13 N'000	9 months ended 30/09/13 N'000	3 months ended 30/09/14 N'000	9 months ended 30/09/14 N'000	3 months ended 30/09/13 N'000	9 months ended 30/09/13 N'000
<b>Finance income</b>								
Interest income	934,273	3,597,515	989,997	3,950,383	3,129,103	9,915,848	959,744	3,911,393
Foreign exchange gains	429,269	997,555	95,653	95,653	740,780	766,062	22,789	22,789
	<u>1,363,542</u>	<u>4,595,070</u>	<u>1,085,650</u>	<u>4,046,036</u>	<u>3,869,883</u>	<u>10,681,910</u>	<u>982,533</u>	<u>3,934,182</u>
<b>Finance costs</b>								
Interest expenses	7,463,964	15,613,142	3,004,050	9,993,248	5,031,938	12,533,225	2,786,719	9,643,298
Less: amounts included in the cost of qualifying assets	(2,224,061)	(3,013,987)	(252,054)	(871,689)	(149,127)	(939,053)	(252,054)	(871,689)
	<u>5,239,903</u>	<u>12,599,155</u>	<u>2,751,996</u>	<u>9,121,559</u>	<u>4,882,811</u>	<u>11,594,172</u>	<u>2,534,665</u>	<u>8,771,609</u>
Foreign exchange loss	(387,449)	399,463	86,986	86,986	188,778	212,396	86,986	86,986
	<u>4,852,454</u>	<u>12,998,618</u>	<u>2,838,982</u>	<u>9,208,545</u>	<u>5,071,589</u>	<u>11,806,568</u>	<u>2,621,651</u>	<u>8,858,595</u>

The weighted average capitalisation rate on funds borrowed generally is 8% and 10% per annum for the Group and Company respectively.

## 10 Earnings per share

	Group				Company			
	3 months ended 30/09/14 N'000	9 months ended 30/09/14 N'000	3 months ended 30/09/13 N'000	9 months ended 30/09/13 N'000	3 months ended 30/09/14 N'000	9 months ended 30/09/14 N'000	3 months ended 30/09/13 N'000	9 months ended 30/09/13 N'000
Profit for the year attributable to owners of the Company	44,760,627	140,730,906	48,667,386	156,530,497	47,098,595	149,668,622	50,495,029	159,017,536
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	17,040,507	17,040,507	17,040,507	17,040,507	17,040,507	17,040,507	17,040,507	17,040,507
Basic and diluted earnings per share	<u>2.63</u>	<u>8.26</u>	<u>2.86</u>	<u>9.19</u>	<u>2.76</u>	<u>8.78</u>	<u>2.96</u>	<u>9.33</u>

## 11 Income tax

## 11.1 Income tax recognised in profit or loss

	Group				Company			
	3 months ended 30/09/14 N'000	9 months ended 30/09/14 N'000	3 months ended 30/09/13 N'000	9 months ended 30/09/13 N'000	3 months ended 30/09/14 N'000	9 months ended 30/09/14 N'000	3 months ended 30/09/13 N'000	9 months ended 30/09/13 N'000
Current tax expense	-	-	176	176	-	-	-	-
Deferred tax credit/(expense)	(1,887,586)	(12,194,849)	4,402,681	4,402,681	(2,445,355)	(12,720,436)	4,308,192	4,308,192
Prior year tax	-	(180,778)	-	-	-	(180,778)	-	-
Education tax	(58,324)	(1,200,000)	-	-	(58,324)	(1,200,000)	-	-
	<u>(1,945,910)</u>	<u>(13,575,627)</u>	<u>4,402,857</u>	<u>4,402,857</u>	<u>(2,503,679)</u>	<u>(14,101,214)</u>	<u>4,308,192</u>	<u>4,308,192</u>

## 11.2 Per Balance sheet

	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
<b>The movement in the tax payable account was as follows:</b>				
Balance at beginning of the year	565,897	2,504,925	565,737	2,504,925
charge for the period	1,380,778	(3,280)	1,380,778	114
Payments during the period	(225,937)	(1,935,748)	(225,937)	(1,939,302)
Arising during the period/Effect of currency exchange difference	19,049	-	-	-
Balance at end of the period	<u>1,739,787</u>	<u>565,897</u>	<u>1,720,578</u>	<u>565,737</u>

## 11.3 The movement in the deferred tax asset account was as follows:

	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
Balance at beginning of the year	19,635,374	9,471,533	18,359,111	8,107,066
charge for the year	(12,164,069)	10,438,105	(12,720,436)	10,252,045
Arising during the period/Effect of currency exchange difference	(82,580)	(274,264)	-	-
Balance at end of the period	<u>7,388,725</u>	<u>19,635,374</u>	<u>5,638,675</u>	<u>18,359,111</u>

## 11.4 The movement in the deferred tax liability account was as follows:

	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
Balance at beginning of the year	507,074	530,227	-	-
charge for the year	30,780	(23,153)	-	-
Arising during the period/Effect of currency exchange difference	(24,802)	-	-	-
Balance at end of the period	<u>513,052</u>	<u>507,074</u>	<u>-</u>	<u>-</u>

Notes to the condensed consolidated and separate financial statements  
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## 12 Property, plant and equipment

## 12.1 Group

	Leasehold improvements and buildings ₦'000	Plant and equipment ₦'000	Aircrafts and motor vehicles ₦'000	Factory furniture and equipment ₦'000	Capital work- in-progress ₦'000	TOTAL ₦'000
<b>Cost or deemed cost</b>						
As at 1 January 2013	34,570,070	314,038,199	34,253,753	1,392,004	136,546,504	520,800,530
Additions	443,392	8,607,353	5,883,413	426,607	135,255,235	150,616,000
Disposals/write off	(145)	(13,755)	(1,674,129)	(1,048)	(1,413)	(1,690,490)
Reclassifications	(25,161,934)	(2,089,621)	12,475,426	(19,989)	14,796,118	-
Other reclassification	-	-	(5,388)	-	(6,480,854)	(6,486,242)
Effect of foreign currency exchange differences	26,005,913	(473,991)	119,592	(20,933)	(32,096,495)	(6,465,914)
Balance at 31 December 2013	35,857,296	320,068,185	51,052,667	1,776,641	248,019,095	656,773,884
Additions	1,009,106	5,067,137	3,741,791	133,782	158,875,694	168,827,510
Disposals/write off	-	(1,700,878)	-	-	-	(1,700,878)
Reclassification	505,216	23,933,062	8,502,531	2,074	(32,942,883)	-
Other reclassification	(28,326)	-	-	-	(8,578,136)	(8,606,462)
Effect of foreign currency exchange differences	(178,315)	(777,111)	343,212	(52,698)	(8,460,378)	(9,125,290)
Balance at 30 September 2014	37,164,977	346,590,395	63,640,201	1,859,799	356,913,392	806,168,764
<b>Accumulated depreciation</b>						
Balance at 1 January 2013	2,127,030	31,092,905	9,112,310	376,708	-	42,708,953
Disposals/write off	-	(6,390)	(534,729)	(1,534)	-	(542,653)
Depreciation expense	1,681,394	18,921,007	12,550,360	403,410	-	33,556,171
Effect of foreign currency exchange differences	(5,277)	(124,353)	(270,268)	(13,805)	-	(413,703)
Balance at 31 December 2013	3,803,147	49,883,169	20,857,673	764,779	-	75,308,768
Depreciation expense	1,377,330	15,122,744	9,774,824	322,335	-	26,597,233
Disposal/write off	-	(181,643)	-	-	-	(181,643)
Effect of foreign currency exchange differences	9,583	(94,078)	(112,530)	(18,038)	-	(215,063)
Balance at 30 September 2014	5,190,060	64,730,192	30,519,967	1,069,076	-	101,509,295
<b>Carrying amounts</b>						
At 1 January 2013	32,443,040	282,945,294	25,141,443	1,015,296	136,546,504	478,091,577
At 31 December 2013	32,054,149	270,185,016	30,194,994	1,011,862	248,019,095	581,465,116
At 30 September 2014	31,974,917	281,860,203	33,120,234	790,723	356,913,392	704,659,469

# Dangote Cement Plc

## Notes to the consolidated and separate financial statements For the period ended 30 September 2014

### 12 Property, plant and equipment

#### 12.2 Company

	Leasehold improvements and buildings N'000	Plant and equipment N'000	Aircrafts and motor vehicles N'000	Factory furniture and equipment N'000	Capital work- in-progress N'000	TOTAL N'000
<b>Cost or deemed cost</b>						
As at 1 January 2013	31,222,024	309,525,230	31,156,790	917,545	46,823,737	419,645,326
Additions	200,979	5,625,920	5,238,651	258,191	96,786,147	108,109,888
Write off/disposal	-	-	(1,674,020)	-	(15,000)	(1,689,020)
Reclassifications	1,264,580	345,454	12,440,150	62,720	(14,112,904)	-
Other reclassification	-	-	-	-	(744,781)	(744,781)
Balance at 31 December 2013	32,687,583	315,496,604	47,161,571	1,238,456	128,737,199	525,321,413
Additions	-	1,774,167	452,266	55,845	102,968,039	105,250,317
Write off/disposal	-	(1,700,878)	-	-	-	(1,700,878)
Reclassification	505,216	11,707,243	8,502,531	2,074	(20,717,064)	-
Other reclassification	-	-	-	-	(8,496,061)	(8,496,061)
Balance at 30 September 2014	33,192,799	327,277,136	56,116,368	1,296,375	202,492,113	620,374,791
<b>Accumulated depreciation</b>						
Balance at 1 January 2013	2,102,916	30,497,754	8,928,607	251,818	-	41,781,095
Disposal/write off	-	-	(534,729)	-	-	(534,729)
Depreciation expense	1,666,503	18,587,258	11,461,046	313,351	-	32,028,158
Balance at 31 December 2013	3,769,419	49,085,012	19,854,924	565,169	-	73,274,524
Depreciation expense	1,355,205	14,599,021	8,962,955	240,035	-	25,157,216
Disposal/write off	-	(181,643)	-	-	-	(181,643)
Balance at 30 September 2014	5,124,624	63,502,390	28,817,879	805,204	-	98,250,097
<b>Carrying amounts</b>						
At 1 January 2013	29,119,108	279,027,476	22,228,183	665,727	46,823,737	377,864,231
At 31 December 2013	28,918,164	266,411,592	27,306,647	673,287	128,737,199	452,046,889
At 30 September 2014	28,068,175	263,774,746	27,298,489	491,171	202,492,113	522,124,694



# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements

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### 13 Intangible assets

#### 13.1 Group

	Computer software ₦'000	Exploration assets ₦'000	Total ₦'000
<b>Cost</b>			
Balance at 1 January 2013	442,116	1,648,062	2,090,178
Additions	308,157	134,055	442,212
Other reclassifications	585,749	-	585,749
Adjustment	(1,867)	-	(1,867)
Effect of foreign currency exchange differences	(35,759)	(287,027)	(322,786)
Balance at 31 December 2013	1,298,396	1,495,090	2,793,486
Additions	534,585	498,795	1,033,380
Write off/disposal	-	(136,603)	(136,603)
Effect of foreign currency exchange difference	(12,298)	(68,868)	(81,166)
<b>Balance at 30 September 2014</b>	<b>1,820,683</b>	<b>1,788,414</b>	<b>3,609,097</b>
<b>Accumulated amortisation</b>			
Balance at 1 January 2013	363,444	-	363,444
Amortisation expense	149,335	-	149,335
Adjustment	(813)	-	(813)
Effect of foreign currency exchange differences	(24,650)	-	(24,650)
Balance at 31 December 2013	487,316	-	487,316
Amortisation expense	179,660	11,248	190,908
Effect of foreign currency exchange difference	(17,078)	(431)	(17,509)
<b>Balance at 30 September 2014</b>	<b>649,898</b>	<b>10,817</b>	<b>660,715</b>
Carrying amounts			
At 1 January 2013	78,672	1,648,062	1,726,734
At 31 December 2013	811,080	1,495,090	2,306,170
At 30 September 2014	1,170,785	1,777,597	2,948,382

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements

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### 13 Intangible assets

#### 13.2 Company

	Computer software ₦'000	Other intangibles ₦'000	Total ₦'000
<b>Cost</b>			
Balance at 1 January 2013	225,604	-	225,604.00
Additions	222,590	-	222,590.00
Other reclassification	585,749		585,749.00
Balance at 31 December 2013	1,033,943	-	1,033,943
Additions	243,893	-	243,893
<b>Balance at 30 September 2014</b>	<b>1,277,836</b>	<b>-</b>	<b>1,277,836</b>
<b>Accumulated amortisation</b>			
Balance at 1 January 2013	224,756	-	224,756.00
Amortisation expense	136,997	-	136,997.00
Balance at 31 December 2013	361,753	-	361,753
Amortisation expense	158,975	-	158,975
<b>Balance at 30 September 2014</b>	<b>520,728</b>	<b>-</b>	<b>520,728</b>
Carrying amounts			
At 1 January 2013	848	-	848
At 31 December 2013	672,190	-	672,190
At 30 September 2014	757,108	-	757,108

## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 30 September 2014

#### 14 Investments

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership or voting power held by the Group	
		30/09/14	31/12/13
Sephaku Cement (Pty) Limited	South Africa	64.00%	64.00%
Dangote Industries (Ethiopia) Plc	Ethiopia	94.00%	86.96%
Dangote Industries (Zambia) Limited	Zambia	75.00%	75.00%
Dangote Cement Senegal S.A	Senegal	90.00%	90.00%
Dangote Cement Cameroun SA	Cameroun	80.00%	80.00%
Dangote Industries Limited, Tanzania	Tanzania	70.00%	70.00%
Dangote Cement Congo S.A	Congo	100.00%	100.00%
Dangote Cement (Sierra Leone) Limited	Sierra Leone	99.60%	99.60%
Dangote Cement, Cote D'Ivoire SA	Cote D'Ivoire	80.00%	80.00%
Dangote Industries Gabon S.A	Gabon	80.00%	80.00%
Dangote Cement Ghana Limited	Ghana	100.00%	100.00%
Dangote Cement Liberia Ltd.	Liberia	100.00%	100.00%
Dangote Cement Marketing Senegal SA	Senegal	100.00%	100.00%
Dangote Cement Burkina faso SA	Burkina Faso	95.00%	-
Dangote Cement T Chad SA	Chad	95.00%	-
Dangote Cement Mali SA	Mali	95.00%	-
Dangote Cement Niger SARL	Niger	95.00%	-

All the subsidiaries of the Company except Dangote Cement Ghana Ltd. and Dangote Cement Marketing Senegal SA are executing Capital projects on cement manufacturing/grinding facility or cement terminal. Both Dangote Cement Ghana and Sephaku Cement (Pty) Ltd. are incurring small losses.

#### Investments

Investments	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
Sephaku Cement (Pty) Limited	-	-	24,283,254	24,283,254
Dangote Industries (Ethiopia) Plc	-	-	1,618,936	732,657
Dangote Industries (Zambia) Limited	-	-	115	115
Dangote Cement Senegal S.A	-	-	29,448	29,448
Dangote Cement Cameroun SA	-	-	8,807	8,807
Dangote Industries Limited, Tanzania	-	-	69,636	69,636
Dangote Cement Congo S.A	-	-	3,481	785
Dangote Cement (Sierra Leone) SA	-	-	18,048	72,190
Dangote Cement, Cote D'Ivoire SA	-	-	16,044	3,082
Dangote Industries Gabon S.A	-	-	5,748	3,081
Dangote Cement Marketing Senegal SA	-	-	4,232	4,232
Dangote Cement Burkina faso SA	-	-	3,238	-
Dangote Cement TChad SA	-	-	3,238	-
Dangote Cement Mali SA	-	-	3,238	-
Dangote Cement Niger SARL	-	-	5,226	-
Dangote Cement Madagascar Limited	389	389	389	389
Societe des Ciments d' Onigbolo	1,582,300	1,582,300	1,582,300	1,582,300
	<b>1,582,689</b>	<b>1,582,689</b>	<b>27,655,378</b>	<b>26,789,976</b>
Less impairment provision	(1,582,300)	(1,582,300)	(1,582,300)	(1,582,300)
	<b>389</b>	<b>389</b>	<b>26,073,078</b>	<b>25,207,676</b>

During the period, new investments were acquired in Dangote Cement Burkina faso SA, Dangote Cement TChad SA, Dangote Cement Mali SA and Dangote Cement Niger SARL while investments in Dangote Cement Congo S.A, Dangote Cement (Sierra Leone) SA, Dangote Cement, Cote D'Ivoire SA and Dangote Industries Gabon S.A have been adjusted to reflect the correct investment value

#### 15 Non-current prepayments

	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
Advance to contractors	68,583,902	91,715,470	2,053,766	23,950,013
<b>Total non-current prepayments</b>	<b>68,583,902</b>	<b>91,715,470</b>	<b>2,053,766</b>	<b>23,950,013</b>

Advances to contractors represent various advances for the purchase of LPFO and AGO together with advances for the construction of plants and other materials which were not received at the year end.

## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 30 September 2014

16 Other receivables	Company			
	Amount owed by related parties		Amount owed to related parties	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
<b>Non Current</b>				
Entities controlled by the company	222,177,284	164,524,881	-	-

The balances represent expenditure on projects in African countries. As these are not likely to be repaid within the next twelve months, they have been reclassified under non-current assets.

#### 17 Inventories

	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
Finished goods	3,446,838	3,022,790	3,355,718	2,539,486
Work-in-progress	3,256,166	1,705,281	2,267,049	1,613,305
Raw materials	2,724,613	3,002,453	1,807,660	1,614,985
Packaging materials	1,532,563	1,221,501	1,163,828	1,120,276
Consumables	4,140,493	3,968,817	4,060,815	3,906,947
Fuel	7,964,465	3,717,367	7,897,999	3,680,771
Spare parts	14,425,457	9,434,740	13,969,792	8,988,935
Goods-in-transit	1,403,773	1,594,339	813,876	112,041
	<b>38,894,368</b>	<b>27,667,288</b>	<b>35,336,737</b>	<b>23,576,746</b>

#### 18 Trade and other receivables

	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
Trade receivables	6,352,632	9,386,389	3,609,054	9,093,143
Impairment allowance on trade receivables	(2,637,873)	(2,716,140)	(2,632,625)	(2,632,625)
	3,714,759	6,670,249	976,429	6,460,518
Deposits for supplies	3,227,730	2,244,611	2,987,190	1,222,038
Staff loans and advances	791,100	640,723	757,416	602,606
Other receivables	4,621,640	1,932,508	2,451,840	835,678
	<b>12,355,229</b>	<b>11,488,091</b>	<b>7,172,875</b>	<b>9,120,840</b>

19 Prepaid expenses and other current assets	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
Advance to contractors	33,991,628	23,301,601	32,979,239	20,941,803
Deposit for import	19,071,427	12,616,503	19,071,425	12,602,408
Rent and insurance	1,274,437	1,095,512	1,143,662	1,008,243
<b>Total current prepayments</b>	<b>54,337,492</b>	<b>37,013,616</b>	<b>53,194,326</b>	<b>34,552,454</b>
<b>Related party transactions - current</b>				
Parent company	-	-	-	-
Entities controlled by the parent company	3,150,778	2,158,775	3,150,778	1,772,677
Affiliates and associates of parent company	473,336	473,441	473,336	473,441
<b>Total current receivables from related parties</b>	<b>3,624,114</b>	<b>2,632,216</b>	<b>3,624,114</b>	<b>2,246,118</b>
<b>Prepaid expenses and other current assets</b>	<b>57,961,606</b>	<b>39,645,832</b>	<b>56,818,440</b>	<b>36,798,572</b>

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 30 September 2014

### 20 Cash and cash equivalent

	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
Cash and bank balances	24,350,465	19,007,633	11,244,255	15,948,908
Short term deposits	11,244,255	51,493,950	20,298,317	51,493,954
	35,594,720	70,501,583	31,542,572	67,442,862
Bank overdrafts used for cash management purposes	(1,952,791)	(855,690)	-	-
Cash and cash equivalents	33,641,929	69,645,893	31,542,572	67,442,862

### 21 Trade and other payables

	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
Trade payables	40,662,328	23,433,122	39,449,831	21,069,878
Advances from customers	11,898,004	13,378,789	11,489,679	13,056,462
Payable to contractors	13,978,818	12,974,879	8,451,702	11,065,492
Value added tax	5,975,356	11,073,872	5,975,356	11,073,872
Withholding tax payable	2,909,843	564,750	842,233	556,404
Staff pension	494,130	135,787	29,734	131,390
Interest payable	8,041,929	5,797,524	8,010,420	5,797,524
Other accruals and payables	32,886,777	16,078,809	28,770,583	11,760,355
	116,847,185	83,437,532	103,019,538	74,511,377

### 22 Financial Debts

	Group		Company	
	30/09/14 N'000	31/12/13 N'000	30/09/14 N'000	31/12/13 N'000
<b>Unsecured borrowings at amortised cost</b>				
Subordinated loans	29,996,852	29,996,737	29,996,852	29,996,737
Loans from Parent company	95,000,000	45,000,000	95,000,000	45,000,000
Bulk Commodities loans	514,214	514,214	514,214	514,214
	125,511,066	75,510,951	125,511,066	75,510,951
<b>Secured borrowings at amortised cost</b>				
Power intervention loan	17,128,681	18,481,074	17,128,681	18,481,074
Bank loans	84,724,503	86,292,065	51,677,182	56,518,482
	101,853,184	104,773,139	68,805,863	74,999,556
Total borrowing at 30 September 2014	227,364,250	180,284,090	194,316,929	150,510,507
<b>Non-current portion of financial debts</b>	128,875,693	124,850,394	95,828,373	95,079,111
Current portion repayable in one year and shown under current liabilities	98,488,557	55,433,696	98,488,556	55,431,396
Bank overdrafts used for cash management purposes	1,952,791	855,690	-	-
Current portion repayable in one year and shown under current liabilities	100,441,348	56,289,386	98,488,556	55,431,396

Included in current portion of financial debts shown on the Statement of financial position are bank overdrafts used (see note 20)

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 30 September 2014

23 Deferred revenue	Group		Company	
	30/09/14 ₦'000	31/12/13 ₦'000	30/09/14 ₦'000	31/12/13 ₦'000
Deferred revenue arising from government grant (refer to (a) below)	1,999,252	2,410,237	1,999,252	2,410,237
Non-current portion of deferred revenue	1,868,501	1,868,501	1,868,501	1,868,501
<b>24 Other current liabilities</b>				
Current portion of deferred revenue	130,751	541,736	130,751	541,736
Parent company	632,054	7,476,324	632,054	7,815,606
Entities controlled by the parent company	3,342,157	14,445,936	3,342,157	10,470,145
Affiliates and associates of parent company	-	2,009,958	-	1,656,849
	3,974,211	23,932,218	3,974,211	19,942,600
<b>Other current liabilities</b>	<b>4,104,962</b>	<b>24,473,954</b>	<b>4,104,962</b>	<b>20,484,336</b>

(a) The deferred revenue mainly arises as a result of the benefit received from government loans received in 2011 and 2012. The revenue was recorded in other income line.

### 25 Long term provisions

	Group		Company	
	30/09/14 ₦'000	31/12/13 ₦'000	30/09/14 ₦'000	31/12/13 ₦'000
Balance at beginning of the year	376,665	487,310	233,856	274,782
Effect of foreign exchange differences	(5,460)	(93,586)	-	-
Provisions made during the year	317,489	(50,031)	78,966	(73,898)
Unwind of discount	21,047	32,972	21,047	32,972
<b>Balance at the end of the period</b>	<b>709,741</b>	<b>376,665</b>	<b>333,869</b>	<b>233,856</b>

The above provision represents the Group's obligations to settle environmental restoration and dismantling / decommissioning cost of property, plant and equipment. The expenditure is expected to be utilised at the end of the useful lives for the mines which is estimated to be between the year 2025 to 2035.

### 26 Share capital

	Group	
	30/09/14 ₦'000	31/12/13 ₦'000
<b>Issued and fully paid</b>		
Share capital (17,040,507,405 (2011 15,491,370,368 ordinary shares of N 0.5 each)	8,520,254	8,520,254
Share premium	42,430,000	42,430,000
	<b>50,950,254</b>	<b>50,950,254</b>