



**DANGOTE CEMENT PLC**

**INTERIM FINANCIAL STATEMENTS**

**30TH SEPTEMBER 2016**

**DANGOTE CEMENT PLC**  
**30th September 2016**

<b>CONTENTS</b>	<b>PAGE</b>
Independent auditor's review report	i
Condensed consolidated statement of profit or loss	ii
Condensed consolidated statement of comprehensive income	iii
Condensed separate statement of profit or loss	iv
Condensed separate statement of comprehensive income	v
Condensed consolidated and separate statement of financial position	vi
Condensed consolidated statement of changes in equity	vii
Condensed separate statement of changes in equity	viii
Condensed consolidated and separate statement of cash flows	ix
Notes to the condensed consolidated financial statements	1 - 14

## **INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

### **TO THE MEMBERS OF DANGOTE CEMENT PLC.**

We have reviewed the interim consolidated and separate financial statements of **Dangote Cement Plc and its subsidiaries (together "the Group")**, contained in the accompanying preliminary report, which comprise the condensed consolidated and separate statement of financial position as at 30 September 2016 and the condensed consolidated and separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the three and nine month period then ended, and selected explanatory notes.

#### ***Directors' Responsibility for the interim consolidated and separate Financial Statements***

The directors are responsible for the preparation and fair presentation of these interim consolidated and separate financial statements in accordance with the requirements of the International Financial Reporting Standards (IFRS), and the requirements of the Companies and Allied Matters Act CAP C20 LFN 2004, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Listings Requirements require consolidated and separate financial statements contained in a preliminary report to be prepared in accordance with the framework concepts and the measurement and recognition requirements of the International Financial Reporting Standards (IFRS), and also, as a minimum, contain the information required by International Accounting Standard (IAS) 34, Interim Financial Reporting.

#### ***Auditor's Responsibility***

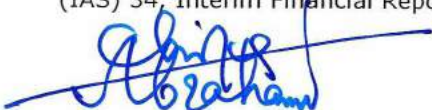
Our responsibility is to express a conclusion on these interim consolidated and separate financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim consolidated and separate financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the Group, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than, and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these interim consolidated and separate financial statements.

#### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated and separate financial statements of Dangote Cement Plc and its subsidiaries, for the three and nine month period ended 30 September 2016 are not prepared, in all material respects, in accordance with the requirements of the International Financial Reporting Standards (IFRS), the requirements of the Companies and Allied Matters Act CAP C20 LFN 2004 and also, as a minimum, contain the information required by International Accounting Standard (IAS) 34, Interim Financial Reporting.



Abraham Udenani, FCA – FRC/2013/ICAN/00000000853

**For: Akintola Williams Deloitte**

**Chartered Accountants**

**Lagos, Nigeria**

**26 October, 2016**

**Dangote Cement Plc**  
**Condensed consolidated statement of profit or loss**  
**For the period ended 30th September 2016**

	Notes	Group				
		3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15	Year ended 31/12/15
		N'million	N'million	N'million	N'million	N'million
Revenue	3	149,901	442,092	123,235	365,450	491,725
Cost of sales	5	(92,497)	(231,684)	(54,193)	(138,694)	(201,808)
<b>Gross profit</b>		<b>57,404</b>	<b>210,408</b>	<b>69,042</b>	<b>226,756</b>	<b>289,917</b>
Administrative expenses	6	(10,893)	(29,973)	(5,333)	(18,951)	(32,546)
Selling and distribution expenses	7	(24,802)	(62,032)	(14,437)	(37,822)	(53,500)
Other income	8	2,615	3,963	1,858	3,552	3,951
Profit from operating activities		24,324	122,366	51,130	173,535	207,822
Finance income	9	12,143	55,703	396	22,049	34,819
Finance costs	9	(12,641)	(29,353)	(13,338)	(28,670)	(54,347)
Profit before tax		23,826	148,716	38,188	166,914	188,294
Income tax expense	11.1	6,275	(15,195)	(2,003)	(8,921)	(6,971)
<b>Profit for the period</b>		<b>30,101</b>	<b>133,521</b>	<b>36,185</b>	<b>157,993</b>	<b>181,323</b>
Profit for the period attributable to:						
Owners of the Company		32,253	138,503	43,984	167,074	184,994
Non-controlling interests		(2,152)	(4,982)	(7,799)	(9,081)	(3,671)
		<b>30,101</b>	<b>133,521</b>	<b>36,185</b>	<b>157,993</b>	<b>181,323</b>
Earnings per share, basic and diluted (Naira)	10	1.89	8.13	2.58	9.80	10.86

**Dangote Cement Plc**  
**Condensed consolidated statement of comprehensive Income**  
**For the period ended 30th September 2016**

	<b>Group</b>				
	<b>3 months ended 30/09/16 N'million</b>	<b>9 months ended 30/09/16 N'million</b>	<b>3 months ended 30/09/15 N'million</b>	<b>9 months ended 30/09/15 N'million</b>	<b>Year ended 31/12/15 N'million</b>
<b>Profit for the period</b>	30,101	133,521	36,185	157,993	181,323
<b>Other comprehensive income, net of income tax</b>					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Currency translation differences	37,472	105,892	(21,989)	(20,728)	(25,254)
<i>Items that will not be reclassified to profit or loss:</i>					
Defined benefit plan actuarial gains	-	-	-	-	(991)
Other comprehensive income for the period, net of income tax	37,472	105,892	(21,989)	(20,728)	(26,245)
<b>Total comprehensive income for the period</b>	<b>67,573</b>	<b>239,413</b>	<b>14,196</b>	<b>137,265</b>	<b>155,078</b>
Total comprehensive income for the period attributable to:					
Owners of the Company	68,325	245,063	27,612	151,676	165,474
Non-controlling interests	(752)	(5,650)	(13,416)	(14,411)	(10,396)
	<b>67,573</b>	<b>239,413</b>	<b>14,196</b>	<b>137,265</b>	<b>155,078</b>

**Dangote Cement Plc**  
**Condensed separate statement of profit or loss**  
**For the period ended 30th September 2016**

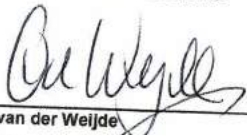
	Notes	Company				
		3 months ended 30/09/16 N'million	9 months ended 30/09/16 N'million	3 months ended 30/09/15 N'million	9 months ended 30/09/15 N'million	Year ended 31/12/15 N'million
Revenue	3	91,145	307,762	87,637	295,454	389,215
Cost of sales	5	(48,182)	(133,742)	(30,102)	(89,862)	(130,418)
<b>Gross profit</b>		<b>42,963</b>	<b>174,020</b>	<b>57,535</b>	<b>205,592</b>	<b>258,797</b>
Administrative expenses	6	(5,923)	(15,419)	(3,112)	(13,893)	(23,924)
Selling and distribution expenses	7	(13,754)	(41,362)	(11,461)	(30,823)	(43,323)
Other income	8	340	1,446	1,317	1,805	2,148
Profit from operating activities		23,626	118,685	44,279	162,681	193,698
Finance income	9	66,823	215,175	7,576	47,169	56,530
Finance costs	9	(10,596)	(24,100)	(8,639)	(20,946)	(29,661)
Profit before tax		79,853	309,760	43,216	188,904	220,567
Income tax expense	11.1	7,404	(15,586)	(2,161)	(9,517)	(7,396)
<b>Profit for the period</b>		<b>87,257</b>	<b>294,174</b>	<b>41,055</b>	<b>179,387</b>	<b>213,171</b>
Profit for the period attributable to: Owners of the Company		87,257	294,174	41,055	179,387	213,171
		<b>87,257</b>	<b>294,174</b>	<b>41,055</b>	<b>179,387</b>	<b>213,171</b>
Earnings per share, basic and diluted (Naira)	10	5.12	17.26	2.41	10.53	12.51

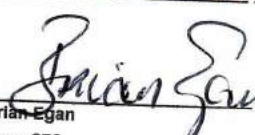
**Dangote Cement Plc**  
**Condensed separate statement of comprehensive Income**  
**For the period ended 30th September 2016**

	Company				
	3 months ended 30/09/16 N'million	9 months ended 30/09/16 N'million	3 months ended 30/09/15 N'million	9 months ended 30/09/15 N'million	Year ended 31/12/15 N'million
<b>Profit for the period</b>	87,257	294,174	41,055	179,387	213,171
<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	-	-	-	-	(991)
Other comprehensive income for the period, net of income tax	-	-	-	-	(991)
<b>Total comprehensive income for the period</b>	<b>87,257</b>	<b>294,174</b>	<b>41,055</b>	<b>179,387</b>	<b>212,180</b>
Total comprehensive income for the period attributable to:					
Owners of the Company	87,257	294,174	41,055	179,387	212,180
	<b>87,257</b>	<b>294,174</b>	<b>41,055</b>	<b>179,387</b>	<b>212,180</b>

**Dangote Cement Plc**  
**Condensed consolidated and separate statement of financial position**  
**At 30th September 2016**

	Notes	Group		Company	
		As at 30/09/16 N'million	As at 31/12/15 N'million	As at 30/09/16 N'million	As at 31/12/15 N'million
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	12	1,141,540	917,212	565,126	577,017
Intangible assets	13	4,343	2,610	188	385
Investments in subsidiaries	14.2	-	-	64,892	26,075
Investments in associates	14.3	1,582	1,582	1,582	1,582
Prepayments for property, plant and equipment	15	5,169	9,094	-	-
Deferred tax assets	11.4	17,527	14,465	10,913	10,913
Other receivables	16	-	-	614,542	395,917
<b>Total non-current assets</b>		<b>1,170,161</b>	<b>944,963</b>	<b>1,257,243</b>	<b>1,011,889</b>
<b>Current assets</b>					
Inventories	17	83,627	53,118	53,250	38,369
Trade and other receivables	18	35,699	11,544	8,694	4,252
Prepayments and other current assets	19	107,843	60,526	91,410	52,003
Current income tax receivable	11.2	9	-	-	-
Derivatives	9.1	17,038	-	17,038	-
Cash and bank balances	20	86,872	40,792	44,341	17,962
<b>Total current assets</b>		<b>331,088</b>	<b>165,980</b>	<b>214,733</b>	<b>112,586</b>
<b>TOTAL ASSETS</b>		<b>1,501,249</b>	<b>1,110,943</b>	<b>1,471,976</b>	<b>1,124,475</b>
<b>Current liabilities</b>					
Trade and other payables	21	241,723	127,597	152,161	79,584
Current income tax payable	11.3	3,310	1,289	3,309	1,305
Financial liabilities	22	113,979	47,275	101,033	37,169
Other current liabilities	24	24,328	24,537	20,833	22,528
<b>Total current liabilities</b>		<b>383,340</b>	<b>200,698</b>	<b>277,336</b>	<b>140,586</b>
<b>NON CURRENT LIABILITIES</b>					
Deferred tax liabilities	11.5	37,963	24,504	36,908	23,998
Financial liabilities	22	272,688	208,329	214,964	181,384
Long term provisions and other charges	25	5,065	3,283	1,914	619
Retirement benefits obligation		4,805	3,992	4,805	3,992
Deferred revenue	23	641	975	641	975
Long term payables	26	48,321	24,442	29,079	24,442
<b>Total non-current liabilities</b>		<b>369,483</b>	<b>265,525</b>	<b>288,311</b>	<b>235,410</b>
<b>Total Liabilities</b>		<b>752,823</b>	<b>466,223</b>	<b>565,647</b>	<b>375,996</b>
<b>Net Assets</b>		<b>748,426</b>	<b>644,720</b>	<b>906,329</b>	<b>748,479</b>
<b>EQUITY</b>					
Share capital	27	8,520	8,520	8,520	8,520
Share premium	27	42,430	42,430	42,430	42,430
Capital contribution		2,877	2,877	2,828	2,828
Currency translation reserve		84,194	(22,366)	-	-
Employee benefit reserve		(1,007)	(1,007)	(1,007)	(1,007)
Retained earnings		622,680	620,501	853,558	695,708
<b>Equity attributable to owners of the Company</b>		<b>759,694</b>	<b>650,955</b>	<b>906,329</b>	<b>748,479</b>
Non-controlling interest		(11,268)	(6,235)	-	-
<b>Total Shareholders equity</b>		<b>748,426</b>	<b>644,720</b>	<b>906,329</b>	<b>748,479</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,501,249</b>	<b>1,110,943</b>	<b>1,471,976</b>	<b>1,124,475</b>

  
**Onne van der Weijde**  
 GMD/CEO  
 FRC/2016/IODN/00000014027

  
**Brian Egan**  
 Group CFO  
 FRC/2015/MULTI/00000011227



## Dangote Cement Plc

### Condensed consolidated statement of changes in equity For the period ended 30th September 2016

	Share capital ₦'million	Share premium ₦'million	Retained Earnings ₦'million	Employee Benefit reserve ₦'million	Currency translation reserve ₦'million	Capital Contribution ₦'million	Attributable to the owners of the parent ₦'million	Non - controlling interests ₦'million	Total ₦'million
<b>Balance at 1st January 2015</b>	8,520	42,430	537,751	(16)	(3,837)	2,877	587,725	4,161	591,886
Profit for the period	-	-	167,074	-	-	-	167,074	(9,081)	157,993
Other comprehensive income for the period, net of income tax	-	-	-	-	(15,398)	-	(15,398)	(5,330)	(20,728)
Total comprehensive income for the period	-	-	167,074	-	(15,398)	-	151,676	(14,411)	137,265
Payment of dividends	-	-	(102,243)	-	-	-	(102,243)	-	(102,243)
<b>Balance at 30th September 2015</b>	<b>8,520</b>	<b>42,430</b>	<b>602,582</b>	<b>(16)</b>	<b>(19,235)</b>	<b>2,877</b>	<b>637,158</b>	<b>(10,250)</b>	<b>626,908</b>
<b>Balance at 1st January 2016</b>	8,520	42,430	620,501	(1,007)	(22,366)	2,877	650,955	(6,235)	644,720
Profit for the period	-	-	138,503	-	-	-	138,503	(4,982)	133,521
Other comprehensive income for the period, net of income tax	-	-	-	-	106,560	-	106,560	(668)	105,892
Total comprehensive income for the period	-	-	138,503	-	106,560	-	245,063	(5,650)	239,413
Contribution by non-controlling interest shareholders	-	-	-	-	-	-	-	617	617
Payment of dividends	-	-	(136,324)	-	-	-	(136,324)	-	(136,324)
<b>Balance at 30th September 2016</b>	<b>8,520</b>	<b>42,430</b>	<b>622,680</b>	<b>(1,007)</b>	<b>84,194</b>	<b>2,877</b>	<b>759,694</b>	<b>(11,268)</b>	<b>748,426</b>

## Dangote Cement Plc

### Condensed separate statement of changes in equity For the period ended 30th September 2016

	Share capital ₦'million	Share premium ₦'million	Capital contribution ₦'million	Retained earnings ₦'million	Employee benefit reserve ₦'million	Total ₦'million
<b>Balance at 1st January 2015</b>	8,520	42,430	2,828	584,780	(16)	<b>638,542</b>
Profit for the period	-	-	-	179,387	-	<b>179,387</b>
Other comprehensive income for the period, net of income tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	179,387	-	<b>179,387</b>
Payment of dividends	-	-	-	(102,243)	-	<b>(102,243)</b>
<b>Balance at 30th September 2015</b>	<b>8,520</b>	<b>42,430</b>	<b>2,828</b>	<b>661,924</b>	<b>(16)</b>	<b>715,686</b>
<b>Balance at 1st January 2016</b>	8,520	42,430	2,828	695,708	(1,007)	<b>748,479</b>
Profit for the period	-	-	-	294,174	-	<b>294,174</b>
Other comprehensive income for the period, net of income tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	294,174	-	<b>294,174</b>
Payment of dividends	-	-	-	(136,324)	-	<b>(136,324)</b>
<b>Balance at 30th September 2016</b>	<b>8,520</b>	<b>42,430</b>	<b>2,828</b>	<b>853,558</b>	<b>(1,007)</b>	<b>906,329</b>

**Dangote Cement Plc**  
**Condensed consolidated and separate statement of cash flows**  
**For the period ended 30th September 2016**

	Group			Company		
	Period ended 30/09/16 N'million	Period ended 30/09/15 N'million	Year ended 31/12/15 N'million	Period ended 30/09/16 N'million	Period ended 30/09/15 N'million	Year ended 31/12/15 N'million
<b>Cash flows from operating activities</b>						
<b>Profit before tax</b>	148,716	166,914	188,294	309,760	188,904	220,567
Adjustments for:						
Depreciation and amortization	56,078	39,643	54,626	36,844	32,617	43,713
Write (back)/off of property plant and equipment	(843)	65	1,624	(843)	-	1,624
Reversal of impairment	-	-	(1,582)	-	-	(1,582)
Interest expense	28,873	24,578	33,154	23,803	20,581	27,156
Interest income	(1,338)	(1,434)	(1,699)	(34,839)	(16,862)	(23,410)
Unrealised exchange loss on borrowings and Other financial instruments	49,633	-	1,252	49,633	-	1,252
Exchange gain on non-operating assets	(83,476)	-	-	(212,931)	(35,615)	(33,088)
Fair value remeasurement	(17,038)	-	-	(17,038)	-	-
Amortisation of deferred revenue	(318)	(365)	(478)	(318)	(365)	(478)
Other provisions	1,782	(3,464)	(728)	1,295	(1,425)	324
Provisions for employee benefits	813	790	931	813	790	931
Loss on disposal of property, plant and equipment	-	-	1	-	-	-
	182,882	226,727	275,395	156,179	188,625	237,009
<b>Changes in working capital:</b>						
Change in inventory	(30,509)	(9,485)	(10,431)	(14,881)	(5,579)	(2,054)
Change in trade and other receivables	(24,155)	(216)	(1,741)	(4,442)	717	(1,320)
Change in trade and other payables	70,560	18,304	29,151	29,009	4,823	1,255
Change in prepayments and other current assets	(42,405)	(16,197)	3,674	(34,495)	(6,884)	10,465
Change in other current liabilities	(225)	11,303	5,703	(1,711)	11,652	6,093
	156,148	230,436	301,751	129,659	193,354	251,448
Gratuity paid and contribution to plan asset	-	(9)	-	-	(9)	-
Income tax paid	(672)	(2,213)	(2,234)	(672)	(2,213)	(2,213)
<b>Net cash generated from operating activities</b>	<b>155,476</b>	<b>228,214</b>	<b>299,517</b>	<b>128,987</b>	<b>191,132</b>	<b>249,235</b>
<b>Investing activities</b>						
Interest received	1,338	1,434	1,699	731	1,321	1,459
Additions to intangible assets	(761)	(4,286)	(298)	-	-	-
Acquisition of investment	-	-	-	(1,097)	-	-
Increase in long term receivables from subsidiaries	-	-	-	(9,304)	(44,099)	(63,730)
Acquisition of property, plant and equipment	(74,960)	(128,009)	(157,092)	(24,188)	(59,921)	(69,300)
Addition to property, plant and equipment	(102,764)	(199,588)	(251,931)	(28,825)	(61,694)	(95,515)
Changes in non-current prepayment	3,925	71,579	70,397	-	1,773	1,773
Suppliers' credit obtained	23,879	-	24,442	4,637	-	24,442
<b>Net cash used in investing activities</b>	<b>(74,383)</b>	<b>(130,861)</b>	<b>(155,691)</b>	<b>(33,858)</b>	<b>(102,699)</b>	<b>(131,571)</b>
<b>Financing activities</b>						
Interest paid	(25,495)	(18,722)	(25,007)	(20,551)	(14,551)	(19,274)
Non-controlling shareholders contribution	617	-	-	-	-	-
Dividend paid	(136,324)	(102,243)	(102,243)	(136,324)	(102,243)	(102,243)
Loans obtained	169,418	123,554	125,912	157,498	121,980	121,648
Loans repaid	(76,425)	(84,114)	(116,183)	(69,373)	(84,114)	(116,183)
<b>Net cash used in financing activities</b>	<b>(68,209)</b>	<b>(81,525)</b>	<b>(117,521)</b>	<b>(68,750)</b>	<b>(78,928)</b>	<b>(116,052)</b>
Increase in cash and cash equivalent	12,884	15,828	26,305	26,379	9,505	1,612
Effects of exchange rate changes	26,944	2,806	(4,863)	-	-	-
Cash and cash equivalents at beginning of period	37,845	16,403	16,403	17,962	16,350	16,350
<b>Cash and cash equivalents at end of the period</b>	<b>77,673</b>	<b>35,037</b>	<b>37,845</b>	<b>44,341</b>	<b>25,855</b>	<b>17,962</b>

## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 30th September 2016

#### 1 General Information

Dangote Cement Plc ("the Company") was incorporated in Nigeria as a public limited liability company on 4th November, 1992 and commenced operations in January 2007 under the name Obajana Cement Plc. The name was changed on 14th 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 Ibesse in Ogun State; all in Nigeria. Information in respect of the subsidiaries locations is disclosed in note 14.

The consolidated financial statements of the Company for the period ended 30th September 2016 comprise the Company and its subsidiaries.

The separate financial statements of the Company for the period ended 30th September 2016 comprise the Company only.

These condensed consolidated and separate financial statements for the period ended 30th September 2016 have been approved for issue by the Directors on 26th October 2016.

#### 2 Significant accounting policies

The Company's full financial statements for the year ended 31st December 2015 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 2004 (CAMA) of Nigeria and the Financial Reporting Council (FRC) Act 2011 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 2015 annual financial statements. None of the new standards, interpretations and amendments, effective for the first time from 1st January 2016, have had a material effect on the financial statements.

##### Basis of preparation

These interim consolidated financial and separate financial 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 2015 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 in the 2015 annual financial statements. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

##### 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 30th September 2016. 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 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 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.

**Dangote Cement Plc**

Notes to the condensed consolidated and separate financial statements  
For the period ended 30th September 2016

**3 REVENUE**

Revenue (Tonnes)	Group				Company			
	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15
	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes
Cement production capacity(for the year)	42,550	42,550	39,550	39,550	29,250	29,250	29,250	29,250
Cement production volume	5,170	17,611	4,854	12,736	3,199	11,924	3,050	9,411
Trade cement purchase	211	673	167	394	-	-	-	-
(Increase)/decrease in stock of cement	12	79	(128)	(103)	(52)	(11)	(66)	(115)
<b>Cement sales volume</b>	<b>5,393</b>	<b>18,363</b>	<b>4,893</b>	<b>13,027</b>	<b>3,147</b>	<b>11,913</b>	<b>2,982</b>	<b>9,296</b>

An analysis of revenue is as follows:

Revenue (Naira)	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Revenue from the sale of cement	149,847	441,977	123,201	365,297	91,145	307,762	87,637	295,454
Revenue from the sale of other products	54	115	34	153	-	-	-	-
<b>Consolidated total revenue</b>	<b>149,901</b>	<b>442,092</b>	<b>123,235</b>	<b>365,450</b>	<b>91,145</b>	<b>307,762</b>	<b>87,637</b>	<b>295,454</b>

All sales as detailed above are to external customers

## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 30th September 2016

#### 4 Segment Information

##### 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.

#### 4.1 Segment Profit & Loss Results

	3 months ended 30/09/16					9 months ended 30/09/16				
	Nigeria	Pan Africa	Central Administrative Cost	Eliminations	Total	Nigeria	Pan Africa	Central Administrative Cost	Eliminations	Total
	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million
Revenue	91,145	60,616	-	(1,860)	149,901	307,762	136,622	-	(2,292)	442,092
Operating profit	27,780	615	(4,154)	83	24,324	127,317	3,263	(8,632)	418	122,366
EBITDA*	40,111	9,967	(4,154)	6	45,930	164,161	22,882	(8,632)	33	178,444
Other Income	340	2,275	-	-	2,615	1,446	2,517	-	-	3,963
Profit/(loss) after tax	91,411	(5,743)	(4,154)	(51,413)	30,101	302,806	(13,706)	(8,632)	(146,947)	133,521

\* represents earnings before interest, tax, depreciation and amortisation

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 or loss account.

	3 months ended 30/06/15					9 months ended 30/09/15				
	Nigeria	Pan Africa	Central Administrative Cost	Eliminations	Total	Nigeria	Pan Africa	Central Administrative Cost	Eliminations	Total
	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million
Revenue	87,637	35,721	-	(123)	123,235	295,454	70,119	-	(123)	365,450
Operating profit/(loss)	47,393	6,888	(3,114)	(37)	51,130	170,030	10,348	(7,349)	506	173,635
EBITDA*	58,375	10,457	(3,114)	(47)	65,671	202,647	17,927	(7,349)	(47)	213,178
Other Income	1,317	541	-	-	1,858	1,805	1,747	-	-	3,552
Profit/(loss) after tax	44,169	(31,881)	(3,114)	26,991	36,185	186,736	(42,941)	(7,349)	21,547	157,993

\* represents earnings before interest, tax, depreciation and amortisation

#### 4.2 Segment assets and liabilities

	30 September 2016				
	Total assets	Segment liabilities			
	1,471,976	739,022	-	(709,749)	1,501,249
	565,647	802,052	-	(614,876)	752,823
	31 December 2015				
	Total assets	Segment liabilities			
	1,124,475	430,310	-	(443,842)	1,110,943
	375,996	486,911	-	(396,684)	466,223

## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 30th September 2016

#### 5 Cost of sales

	Group				Company			
	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Material consumed	25,276	64,248	15,438	37,738	5,631	18,391	4,874	15,050
Fuel & Power consumed	35,808	86,982	17,436	45,091	24,868	65,158	10,992	33,020
Royalty (refer (a) below)	332	1,045	245	550	174	548	158	412
Salaries and related staff costs	6,090	14,920	3,851	11,047	3,578	9,445	2,590	8,181
Depreciation & amortization	14,042	36,246	10,897	28,217	7,981	23,729	7,718	22,201
Plant maintenance cost	8,258	20,349	3,995	11,577	5,443	12,252	2,703	8,413
Other production expenses	7,933	16,053	2,782	7,147	2,735	5,804	1,251	4,457
Increase in finished goods and work in process	(5,242)	(8,159)	(451)	(2,673)	(2,228)	(1,585)	(184)	(1,872)
	<b>92,497</b>	<b>231,684</b>	<b>54,193</b>	<b>138,694</b>	<b>48,182</b>	<b>133,742</b>	<b>30,102</b>	<b>89,862</b>

(a) Royalty payable is charged based on volume of extraction made during the period.

#### 6 Administrative expenses

	Group				Company			
	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Salaries and related staff costs	3,605	8,357	1,929	5,979	1,840	4,953	1,242	4,503
Corporate social responsibility	95	825	195	558	77	681	178	435
Management fee	1,478	2,881	1,360	1,518	1,478	2,881	1,391	1,518
Depreciation & amortization	1,407	4,133	812	2,271	519	1,441	478	1,408
Audit fees	150	368	100	265	65	173	40	142
Rent, rate and insurance	670	2,249	563	2,459	394	1,004	290	1,863
Travel expenses	278	2,155	424	1,125	263	610	257	692
Others	3,210	9,005	(50)	4,776	1,287	3,676	(764)	3,332
	<b>10,893</b>	<b>29,973</b>	<b>5,333</b>	<b>18,951</b>	<b>5,923</b>	<b>15,419</b>	<b>3,112</b>	<b>13,893</b>

#### 7 Selling and distribution expenses

	Group				Company			
	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Salaries and related staff costs	2,346	6,657	1,681	4,282	1,775	5,390	1,471	3,736
Depreciation	6,157	15,699	2,832	9,155	3,831	11,674	2,787	9,008
Advertisement and promotion	767	2,794	1,355	2,757	305	1,774	822	2,124
Haulage expenses	14,890	34,306	7,758	20,068	7,214	20,042	5,570	14,395
Others	642	2,576	811	1,560	629	2,482	811	1,560
	<b>24,802</b>	<b>62,032</b>	<b>14,437</b>	<b>37,822</b>	<b>13,754</b>	<b>41,362</b>	<b>11,461</b>	<b>30,823</b>

#### 8 Other income

	Group				Company			
	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15	3 months ended 30/09/16	9 months ended 30/09/16	3 months ended 30/09/15	9 months ended 30/09/15
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Insurance claims	11	31	10	29	10	30	6	25
Government grant	93	328	127	373	90	317	118	364
Sundry income	2,511	3,604	1,721	3,150	240	1,099	1,193	1,416
	<b>2,615</b>	<b>3,963</b>	<b>1,858</b>	<b>3,552</b>	<b>340</b>	<b>1,446</b>	<b>1,317</b>	<b>1,805</b>

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements  
For the period ended 30th September 2016

9 Finance income and costs

	Group				Company			
	3 months ended 30/09/16 N'million	9 months ended 30/09/16 N'million	3 months ended 30/09/15 N'million	9 months ended 30/09/15 N'million	3 months ended 30/09/16 N'million	9 months ended 30/09/16 N'million	3 months ended 30/09/15 N'million	9 months ended 30/09/15 N'million
<b>Finance income</b>								
Interest income	504	1,338	306	1,434	14,622	34,839	6,902	16,862
Foreign exchange gains (Note 9.1)	11,639	54,365	-	20,615	52,201	180,336	674	30,307
	<b>12,143</b>	<b>55,703</b>	<b>396</b>	<b>22,049</b>	<b>66,823</b>	<b>215,175</b>	<b>7,576</b>	<b>47,169</b>
<b>Finance costs</b>								
Interest expenses	12,367	29,284	9,489	25,176	10,490	24,214	8,517	21,179
Less: amounts included in the cost of qualifying assets	-	(411)	-	(598)	-	(411)	-	(598)
	<b>12,367</b>	<b>28,873</b>	<b>9,489</b>	<b>24,578</b>	<b>10,490</b>	<b>23,803</b>	<b>8,517</b>	<b>20,581</b>
Foreign exchange loss (Note 9.1)	274	480	122	365	106	297	122	365
Others	-	-	-	-	-	-	-	-
	<b>12,641</b>	<b>29,353</b>	<b>13,338</b>	<b>28,670</b>	<b>10,596</b>	<b>24,100</b>	<b>8,639</b>	<b>20,946</b>

9.1 Foreign exchange gain or loss arose as a result of the translation of foreign currencies denominated balances at the end of the period across the Group. This also includes gains on foreign exchange forwards amounting to N17b. The forwards are for economically hedging the exchange risk. However we did not apply hedge accounting.

10 Earnings per share

	Group				Company			
	3 months ended 30/09/16 N'million	9 months ended 30/09/16 N'million	3 months ended 30/09/15 N'million	9 months ended 30/09/15 N'million	3 months ended 30/09/16 N'million	9 months ended 30/09/16 N'million	3 months ended 30/09/15 N'million	9 months ended 30/09/15 N'million
Profit for the period attributable to owners of the Company	32,253	138,503	43,984	167,074	87,257	294,174	41,055	179,387
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	17,041	17,041	17,041	17,041	17,041	17,041	17,041	17,041
Basic and diluted earnings per share (Naira)	1.89	8.13	2.58	9.80	5.12	17.26	2.41	10.53

11 Income tax

	Group				Company			
	3 months ended 30/09/16 N'million	9 months ended 30/09/16 N'million	3 months ended 30/09/15 N'million	9 months ended 30/09/15 N'million	3 months ended 30/09/16 N'million	9 months ended 30/09/16 N'million	3 months ended 30/09/15 N'million	9 months ended 30/09/15 N'million
<b>11.1 Income tax recognised in profit or loss</b>								
Current tax expense	(11)	(13)	(1)	(4)	-	-	-	-
Deferred tax credit/(expense)	7,123	(12,500)	(1,829)	(8,090)	8,241	(12,910)	(1,988)	(8,690)
Prior year tax	-	-	-	-	-	-	-	-
Education tax	997	(842)	(173)	(827)	997	(842)	(173)	(827)
Capital gains tax	(1,834)	(1,834)	-	-	(1,834)	(1,834)	-	-
<b>Total income tax recognised in the current period</b>	<b>6,275</b>	<b>(15,195)</b>	<b>(2,003)</b>	<b>(8,921)</b>	<b>7,404</b>	<b>(15,566)</b>	<b>(2,161)</b>	<b>(9,517)</b>

	Group		Company	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
<b>11.2 Per Balance sheet</b>				
<b>The movement in the current tax receivable account was as follows:-</b>				
Balance at the beginning of the period	9	-	-	-
Charge for the period	-	-	-	-
Payments during the period	-	-	-	-
Arising during the period/Effect of currency exchange difference	-	-	-	-
Balance at the end of the period	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>11.3 The movement in the current tax payable account was as follows:-</b>				
Balance at the beginning of the period	1,289	2,481	1,305	2,481
Charge for the period	2,698	1,042	2,676	1,037
Payments during the period	(672)	(2,234)	(672)	(2,213)
Arising during the period/Effect of currency exchange difference	(5)	-	-	-
Balance at the end of the period	<b>3,310</b>	<b>1,289</b>	<b>3,309</b>	<b>1,305</b>
<b>11.4 The movement in the deferred tax assets account was as follows:-</b>				
Balance at the beginning of the period	14,465	16,633	10,913	13,154
Charge for the period	404	(1,811)	-	(2,241)
Arising during the period/Effect of currency exchange difference	2,658	(357)	-	-
Balance at the end of the period	<b>17,527</b>	<b>14,465</b>	<b>10,913</b>	<b>10,913</b>
<b>11.5 The movement in the deferred tax liabilities account was as follows:-</b>				
Balance at the beginning of the period	24,504	20,473	23,998	19,880
Charge for the period	12,910	4,118	12,910	4,118
Arising during the period/Effect of currency exchange difference	549	(87)	-	-
Balance at the end of the period	<b>37,963</b>	<b>24,504</b>	<b>36,908</b>	<b>23,998</b>



Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements  
For the period ended 30th September 2016

12 Property, plant and equipment

12.1 Group

	Leasehold improvements and Buildings N'million	Plant and machinery N'million	Motor Vehicles N'million	Aircraft N'million	Furniture & Equipment N'million	Capital Work-In- Progress N'million	Total N'million
<b>Cost</b>							
As at 1st January 2015	42,103	393,390	68,543	4,028	1,990	347,971	858,025
Additions	13,231	90,275	36,994	-	360	111,071	251,931
Reclassifications	63,655	266,241	(1,375)	-	2,317	(330,838)	-
Other reclassification	-	772	-	-	-	(180)	592
Disposals	-	-	(11,169)	-	-	-	(11,169)
Effect of foreign currency exchange differences	(1,042)	(9,096)	(354)	-	(37)	(18,058)	(28,587)
<b>Balance at 31st December 2015</b>	<b>117,947</b>	<b>741,582</b>	<b>92,639</b>	<b>4,028</b>	<b>4,630</b>	<b>109,966</b>	<b>1,070,792</b>
Additions	3,950	12,232	26,678	-	623	59,281	102,764
Reclassification	315	(5,548)	5,400	-	115	(282)	-
Other reclassification	-	(985)	-	-	-	(3,927)	(4,912)
Disposals	-	(130)	-	-	-	-	(130)
Effect of foreign currency exchange differences	48,656	118,535	10,722	-	1,727	14,676	194,316
<b>Balance at 30th September 2016</b>	<b>170,868</b>	<b>865,686</b>	<b>135,439</b>	<b>4,028</b>	<b>7,095</b>	<b>179,714</b>	<b>1,362,830</b>
<b>Accumulated depreciation &amp; impairment</b>							
Balance at 1st January 2015	5,753	70,296	32,643	311	1,228	-	110,231
Depreciation expense	3,471	35,110	14,742	403	502	-	54,228
Other reclassifications	-	401	(401)	-	-	-	-
Disposal	-	-	(11,168)	-	-	-	(11,168)
Impairment	-	-	1,624	-	-	-	1,624
Effect of foreign currency exchange differences	(117)	(1,043)	(118)	-	(57)	-	(1,335)
<b>Balance at 31st December 2015</b>	<b>9,107</b>	<b>104,764</b>	<b>37,322</b>	<b>714</b>	<b>1,673</b>	<b>-</b>	<b>153,580</b>
Depreciation expense	4,036	32,488	18,414	302	486	-	55,726
Reclassifications	-	-	-	-	-	-	-
Disposal	-	(130)	-	-	-	-	(130)
Impairment	-	-	(843)	-	-	-	(843)
Effect of foreign currency exchange differences	2,363	7,501	2,787	-	306	-	12,957
<b>Balance at 30th September 2016</b>	<b>15,506</b>	<b>144,623</b>	<b>57,680</b>	<b>1,016</b>	<b>2,465</b>	<b>-</b>	<b>221,290</b>
<b>Carrying amounts</b>							
At 1st January 2015	36,350	323,094	35,900	3,717	762	347,971	747,794
At 31st December 2015	108,840	636,818	55,317	3,314	2,957	109,966	917,212
<b>At 30th September 2016</b>	<b>155,362</b>	<b>721,063</b>	<b>77,759</b>	<b>3,012</b>	<b>4,630</b>	<b>179,714</b>	<b>1,141,540</b>

Notes to the consolidated and separate financial statements  
For the period ended 30th September 2016

12 Property, plant and equipment

12.2 Company

	Leasehold improvements and Buildings R'million	Plant and machinery R'million	Motor Vehicles R'million	Aircraft R'million	Furniture & Equipment R'million	Capital Work-In- Progress R'million	Total R'million
<b>Cost</b>							
As at 1st January 2015	35,285	327,574	60,291	4,028	1,328	203,977	632,483
Additions	198	26,371	22,946	-	174	45,826	95,515
Reclassifications	8,194	176,854	1,370	-	101	(186,519)	-
Other reclassifications	-	-	-	-	-	(180)	(180)
Disposal	-	-	(11,168)	-	-	-	(11,168)
<b>Balance at 31st December 2015</b>	<b>43,677</b>	<b>530,799</b>	<b>73,439</b>	<b>4,028</b>	<b>1,603</b>	<b>63,104</b>	<b>716,650</b>
Additions	3,093	784	387	-	272	24,289	28,825
Reclassification	4	867	4,195	-	108	(5,174)	-
Other reclassification	-	(985)	-	-	-	(3,927)	(4,912)
Disposal	-	(130)	-	-	-	-	(130)
<b>Balance at 30th September 2016</b>	<b>46,774</b>	<b>531,335</b>	<b>78,021</b>	<b>4,028</b>	<b>1,983</b>	<b>78,292</b>	<b>740,433</b>
<b>Accumulated depreciation &amp; impairment</b>							
Balance at 1st January 2015	5,581	68,307	30,662	311	900	-	105,761
Depreciation expense	2,125	27,066	13,524	403	298	-	43,416
Disposal	-	-	(11,168)	-	-	-	(11,168)
Impairment	-	-	1,624	-	-	-	1,624
<b>Balance at 31st December 2015</b>	<b>7,706</b>	<b>95,373</b>	<b>34,642</b>	<b>714</b>	<b>1,198</b>	<b>-</b>	<b>139,633</b>
Depreciation expense	1,727	21,343	13,075	302	200	-	36,647
Reclassification	-	-	-	-	-	-	-
Disposal	-	(130)	-	-	-	-	(130)
Impairment	-	-	(843)	-	-	-	(843)
<b>Balance at 30th September 2016</b>	<b>9,433</b>	<b>116,586</b>	<b>46,874</b>	<b>1,016</b>	<b>1,398</b>	<b>-</b>	<b>175,307</b>
<b>Carrying amounts</b>							
At 1st January 2015	29,704	259,267	29,629	3,717	428	203,977	526,722
At 31st December 2015	35,971	435,426	38,797	3,314	405	63,104	577,017
<b>At 30th September 2016</b>	<b>37,341</b>	<b>414,749</b>	<b>31,147</b>	<b>3,012</b>	<b>585</b>	<b>78,292</b>	<b>565,126</b>

## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 30th September 2016

#### 13 Intangible assets

##### 13.1 Group

	Computer software ₦'million	Exploration assets ₦'million	Total ₦'million
<b>Cost</b>			
Balance at 1st January 2015	2,302	2,169	4,471
Additions	282	16	298
Other reclassifications	-	(772)	(772)
Effect of foreign currency exchange differences	(31)	(227)	(258)
Balance at 31st December 2015	2,553	1,186	3,739
Additions	661	100	761
Effect of foreign currency exchange difference	669	904	1,573
<b>Balance at 30th September 2016</b>	<b>3,883</b>	<b>2,190</b>	<b>6,073</b>
<b>Accumulated amortisation</b>			
Balance at 1st January 2015	757	15	772
Amortisation expense	384	14	398
Effect of foreign currency exchange differences	(36)	(5)	(41)
Balance at 31st December 2015	1,105	24	1,129
Amortisation expense	341	11	352
Effect of foreign currency exchange difference	226	23	249
<b>Balance at 30th September 2016</b>	<b>1,672</b>	<b>58</b>	<b>1,730</b>
<b>Carrying amounts</b>			
At 1st January 2015	1,545	2,154	3,699
At 31st December 2015	1,448	1,162	2,610
<b>At 30th September 2016</b>	<b>2,211</b>	<b>2,132</b>	<b>4,343</b>

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 30th September 2016

### 13 Intangible assets

#### 13.2 Company

	Computer software ₦'million	Other intangibles ₦'million	Total ₦'million
<b>Cost</b>			
Balance at 1st January 2015	1,278	-	1,278
Additions	-	-	-
Balance at 31st December 2015	1,278	-	1,278
Additions	-	-	-
<b>Balance at 30th September 2016</b>	<b>1,278</b>	<b>-</b>	<b>1,278</b>
<b>Accumulated amortisation</b>			
Balance at 1st January 2015	596	-	596
Amortisation expense	297	-	297
Balance at 31st December 2015	893	-	893
Amortisation expense	197	-	197
<b>Balance at 30th September 2016</b>	<b>1,090</b>	<b>-</b>	<b>1,090</b>
<b>Carrying amounts</b>			
At 1st January 2015	682	-	682
At 31st December 2015	385	-	385
<b>At 30th September 2016</b>	<b>188</b>	<b>-</b>	<b>188</b>

## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 30th September 2016

#### 14 Investments

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

14.1 Name of subsidiary	Place of incorporation and operation	Proportion of ownership or voting power held by the Group	
		30/09/16	31/12/15
Dangote Cement South Africa (Pty) Limited	South Africa	64.00%	64.00%
Dangote Industries (Ethiopia) Plc	Ethiopia	94.00%	94.00%
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%	95.00%
Dangote Cement Chad SA	Chad	95.00%	95.00%
Dangote Cement Mali SA	Mali	95.00%	95.00%
Dangote Cement Niger SARL	Niger	95.00%	95.00%
Dangote Industries Benin S.A.	Benin	98.00%	98.00%
Dangote Cement Togo S.A.	Togo	90.00%	90.00%
Dangote Cement Kenya Limited	Kenya	90.00%	90.00%
Dangote Quarries Kenya Limited	Kenya	90.00%	90.00%
Dangote Cement Madagascar Limited	Madagascar	95.00%	95.00%
Dangote Quarries Mozambique Limitada	Mozambique	95.00%	95.00%
Dangote Cement Nepal Pvt. Ltd.	Nepal	100.00%	100.00%
Dangote Zimbabwe Holdings (Private) Limited	Zimbabwe	90.00%	90.00%
Dangote Cement Zimbabwe (Private) Limited	Zimbabwe	90.00%	90.00%
Dangote Energy Zimbabwe (Private) Limited	Zimbabwe	90.00%	90.00%
Dangote Mining Zimbabwe (Private) Limited	Zimbabwe	90.00%	90.00%
Itori Cement Plc.	Nigeria	99.00%	-
Okpella Cement Plc.	Nigeria	99.00%	-
Dangote Takoradi Cement Production Limited	Ghana	99.00%	-

14.2 Investments in subsidiaries	Group		Company	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
Dangote Cement South Africa (Pty) Limited	-	-	25,381	24,283
Dangote Industries (Ethiopia) Plc	-	-	39,338	1,619
Dangote Industries (Zambia) Limited	-	-	-	-
Dangote Cement Senegal S.A	-	-	29	29
Dangote Cement Cameroun S.A	-	-	9	9
Dangote Cement Ghana Limited	-	-	-	-
Dangote Industries Limited, Tanzania	-	-	70	70
Dangote Cement Congo S.A	-	-	3	3
Dangote Cement (Sierra Leone) Limited	-	-	18	18
Dangote Cement Cote D'Ivoire S.A	-	-	16	16
Dangote Industries Gabon S.A	-	-	6	6
Dangote Cement Marketing Senegal SA	-	-	4	4
Dangote Cement Burkina Faso SA	-	-	3	3
Dangote Cement Chad SA	-	-	3	3
Dangote Cement Mali SA	-	-	3	3
Dangote Cement Niger SARL	-	-	5	5
Dangote Cement - Madagascar	-	-	-	-
Dangote Cement Benin	-	-	3	3
Dangote Cement Togo	-	-	1	1
Dangote Cement - Liberia Limited	-	-	-	-
Dangote Cement Kenya Limited	-	-	-	-
Dangote Quarries Kenya Limited	-	-	-	-
Dangote Quarries Mozambique Limitada	-	-	-	-
Dangote Cement Nepal Pvt. Limited	-	-	-	-
Dangote Zimbabwe Holdings (Private) Limited	-	-	-	-
Dangote Cement Zimbabwe (Private) Limited	-	-	-	-
Dangote Energy Zimbabwe (Private) Limited	-	-	-	-
Dangote Mining Zimbabwe (Private) Limited	-	-	-	-
Itori Cement Plc.	-	-	-	-
Itori Cement Plc.	-	-	-	-
Okpella Cement Plc.	-	-	-	-
Dangote Takoradi Cement Production Limited	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>64,892</b>	<b>26,075</b>

14.3 Investments in associates	Group		Company	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
Societe des Ciments d' Onigbolo	1,582	1,582	1,582	1,582
<b>Total</b>	<b>1,582</b>	<b>1,582</b>	<b>1,582</b>	<b>1,582</b>

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements  
For the period ended 30th September 2016

15 Prepayments for property, plant and equipment	Group		Company	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
Advance to contractors	5,169	9,094	-	-
<b>Total non-current prepayments</b>	<b>5,169</b>	<b>9,094</b>	<b>-</b>	<b>-</b>

Advances to contractors represent various advances made to contractors for the construction of plants.

16 Other receivables	Company	
	30/09/16 N'million	31/12/15 N'million
<b>Non Current</b>		
Entities controlled by the company	614,642	395,917

The above balances represents expenditures 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	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
Finished goods	9,182	5,732	4,078	4,118
Work-in-progress	12,150	7,441	3,845	2,220
Raw materials	2,864	3,917	1,344	2,516
Packaging materials	4,046	3,474	1,772	1,299
Consumables	3,623	2,184	2,917	2,006
Fuel	18,111	7,165	14,518	5,943
Spare parts	29,482	21,904	24,206	20,163
Goods-in-transit	4,169	1,301	570	104
	<b>83,627</b>	<b>53,118</b>	<b>53,250</b>	<b>38,369</b>

18 Trade and other receivables	Group		Company	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
Trade receivables	17,274	7,559	7,986	3,924
Impairment allowance on trade receivables	(1,234)	(1,325)	(1,187)	(1,298)
	16,040	6,234	6,799	2,626
Staff loans and advances	3,295	1,045	1,033	919
Other receivables	16,364	4,265	862	707
	<b>35,699</b>	<b>11,544</b>	<b>8,694</b>	<b>4,252</b>

19 Prepayments and other current assets	Group		Company	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
Advance to contractors	22,616	18,009	8,930	11,726
Deposit for import	64,706	24,295	64,681	24,295
Deposits for supplies	6,868	7,412	5,390	5,829
Rent and insurance	3,012	2,167	1,768	1,528
<b>Total current prepayments</b>	<b>97,202</b>	<b>51,883</b>	<b>80,769</b>	<b>43,378</b>
<b>Related party transactions - current</b>				
Parent company	-	-	-	-
Entities controlled by the parent company	10,641	8,169	10,641	8,169
Affiliates and associates of parent company	-	474	-	456
<b>Total current receivables from related parties</b>	<b>10,641</b>	<b>8,643</b>	<b>10,641</b>	<b>8,625</b>
<b>Prepayments and other current assets</b>	<b>107,843</b>	<b>60,526</b>	<b>91,410</b>	<b>52,003</b>

Current advance to contractors represents various advances made for the purchase of LPFO, AGO, Coal and other materials which had not been received at the end of the period.

## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 30th September 2016

#### 20 Cash and cash equivalents

	Group		Company	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
Cash and bank balances	55,740	24,907	22,527	8,189
Short term deposits	31,132	15,885	21,814	9,773
	86,872	40,792	44,341	17,962
Bank overdrafts used for cash management purposes	(9,199)	(2,947)	-	-
<b>Cash and cash equivalents</b>	<b>77,673</b>	<b>37,845</b>	<b>44,341</b>	<b>17,962</b>

#### 21 Trade and other payables

	Group		Company	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
Trade payables	69,388	44,044	37,200	30,341
Payable to contractors	31,550	34,234	22,668	19,893
Value added tax payable	5,327	1,520	400	110
Withholding tax payable	9,669	5,006	345	1,557
Staff pension	102	44	54	40
Advances from customers	29,115	11,286	21,487	8,769
Other accruals and payables	96,572	31,463	70,007	18,874
	241,723	127,597	152,161	79,584

#### 22 Financial liabilities

	Group		Company	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
<b>Unsecured borrowings at amortised cost</b>				
Subordinated loans	29,996	29,989	29,996	29,989
Loans from parent company	216,097	146,200	216,097	146,200
Bulk Commodities loans	1,005	657	1,005	657
	247,098	176,846	247,098	176,846
<b>Secured borrowings at amortised cost</b>				
Power intervention loan	13,046	14,661	13,046	14,661
Bank loans	113,039	53,462	42,495	16,411
	126,085	68,123	55,541	31,072
<b>Total borrowings</b>	<b>373,183</b>	<b>244,969</b>	<b>302,639</b>	<b>207,918</b>
<b>Non-current portion of financial debts</b>	<b>272,688</b>	<b>208,329</b>	<b>214,964</b>	<b>181,384</b>
Current portion repayable in one year and shown under current liabilities	91,296	33,693	87,675	26,534
Overdraft balances	9,199	2,947	-	-
<b>Short-term portion</b>	<b>100,495</b>	<b>36,640</b>	<b>87,675</b>	<b>26,534</b>
Interest payable	13,484	10,635	13,358	10,635
				-
<b>Financial liabilities (short term)</b>	<b>113,979</b>	<b>47,275</b>	<b>101,033</b>	<b>37,169</b>

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 30th September 2016

### 22 Financial debts (Contd.)

(a) A subordinated loan of N55.4 billion was obtained by the Company from Dangote Industries Limited in 2010. N30 billion was long-term and the remaining balance was short term and is repayable on demand. The long-term loan is unsecured, with interest at 10% per annum and is repayable in 3 years after a moratorium period ending 30th September 2017. The interest on the long term portion was waived for 2011. Because of the favourable terms at which the Company secured the loan, an amount of N2.8 billion, which is the difference between the fair value of the loan on initial recognition and the amount received, has been accounted for as capital contribution.

(b) In 2011 and 2012, the Bank of Industry through Guaranty Trust Bank Plc and Access Bank Plc granted the Company the sum of N24.5 billion long-term loan repayable over 10 years at an all-in annual interest rate of 7% for part financing or refinancing the construction cost of the power plants at the Company's factories under the Power and Aviation Intervention Fund. The loan has a moratorium of 12 months. Given the concessional terms at which the Company secured the loan, it is considered to have an element of government grant. Using prevailing market interest rates for an equivalent loan of 12.5%, the fair value of the loan is estimated at N20.7 billion. The difference of N3.8 billion between the gross proceeds and the fair value of the loan is the benefit derived from the low interest loan and is recognised as deferred revenue. The facility is secured by a debenture on all fixed and floating assets of the Company to be shared pari passu with existing lenders.

### 23 Deferred revenue

	Group		Company	
	30/09/16 N'million	31/12/15 N'million	30/09/16 N'million	31/12/15 N'million
Deferred revenue arising from government grant (refer to (a) below)	1,072	1,390	1,072	1,390
Non-current portion of deferred revenue	641	975	641	975
<b>24 Other current liabilities</b>				
Current portion of deferred revenue	431	415	431	415
<b>Related party transactions</b>				
Parent company	8,758	7,291	8,758	7,256
Entities controlled by the parent company	7,234	1,387	6,745	1,035
Affiliates and associates of parent company	7,905	15,444	4,899	13,822
	23,897	24,122	20,402	22,113
<b>Other current liabilities</b>	<b>24,328</b>	<b>24,537</b>	<b>20,833</b>	<b>22,528</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.



## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 30th September 2016

#### 25 Long term provisions

	Group		Company	
	30/09/16 ₦'million	31/12/15 ₦'million	30/09/16 ₦'million	31/12/15 ₦'million
Balance at beginning of the period	3,283	4,011	619	295
Effect of foreign exchange differences	329	(44)	-	-
Provisions made during the period	1,402	810	1,244	286
Write back of provision no longer required	-	(1,532)	-	-
Unwind of discount	51	38	51	38
<b>Balance at the end of the period</b>	<b>5,065</b>	<b>3,283</b>	<b>1,914</b>	<b>619</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 and non current withholding tax on loan from parent company intended to be remitted to tax authorities as and when due.

#### 26 Long term payables

	Group		Company	
	30/09/16 ₦'million	31/12/15 ₦'million	30/09/16 ₦'million	31/12/15 ₦'million
Balance at beginning of the period	24,442	24,442	24,442	24,442
Credit obtained during the period	23,879	-	4,637	-
Payments during the period	-	-	-	-
<b>Balance at the end of the period</b>	<b>48,321</b>	<b>24,442</b>	<b>29,079</b>	<b>24,442</b>

Long term payables represent amounts payable for property, plant and equipment acquired on suppliers' credit

#### 27 Share capital

	Group & Company	
	30/09/16 ₦'million	31/12/15 ₦'million
<i>Issued and fully paid</i>		
Share capital (17,040,507,405 (2015: 17,040,507,405) ordinary shares of ₦0.5 each)	8,520	8,520
Share premium	42,430	42,430
	<b>50,950</b>	<b>50,950</b>