



Dangote Cement PLC

Results for the nine months to 30 September 2011

Continuing strong performance as new capacity readies for production

Lagos, 2 November 2011: Dangote Cement PLC (DANGCEM-NL, "the Company"), Nigeria's largest cement producer, announces results for the nine months ended 30 September 2011.

Financial highlights

- Revenues up 18.6% to ₦173.8bn
- EBITDA up 18.9% to ₦104.6 at 60.0% margin
- EBITDA/tonne of about ₦16,400 (≈ \$101)
- Profit before tax up 22.0% to ₦93.9bn
- Performance in line with Q3 forecast filed at NSE in July

Operating highlights

- Cement sales up 9.2% to 6.4 million tonnes (mt)
- Cement production up 7.5% to 4.9mt; imports unchanged at 1.4mt
- First 3mtpa line at Ibese about to enter production; second line due by end of year
- New capacity of 5mtpa being readied for production at Obajana
- Senegal plant (1.5mtpa) expected to enter production in H1 2012

Devakumar Edwin, Chief Executive, said:

"Dangote Cement has delivered good organic growth from its existing capacity and we are confident that the new, highly efficient production lines at Ibese and Obajana will soon begin shipping cement, reducing our need to import."

"In commissioning this new capacity, Dangote Cement will transform Nigeria's cement industry, ridding the country of its dependence on imported cement and enabling it to become an exporter. As a result of our increased production we believe the price of cement will become more affordable for Nigeria's homebuilders and for the major construction and infrastructure projects that are supporting the nation's rapid economic growth."

"Sub-Saharan Africa continues to enjoy strong and sustainable growth and remains an attractive market for capital investment, particularly for infrastructure development. With our strategic goal to build substantial new capacity in Africa's growth economies, Dangote Cement is well on its way to becoming one of the leading cement producers in the world."

About Dangote Cement

Dangote Cement is Nigeria's leading cement producer with three plants in Nigeria and plans to expand in 12 other African countries. The Company is a fully integrated quarry-to-depot producer with an expected production capacity of 19mtpa in Nigeria by the end of 2011, increasing to 29mtpa during 2015. The Company plans to build a further 19mtpa of production and import capacity across Africa by 2015.

Dangote Cement's Obajana plant in Kogi, Nigeria, is the largest in Sub-Saharan Africa with 5mtpa capacity already operational and another 5mtpa capacity expected to be commissioned by the end of 2011. The Company plans to add a further 3mtpa capacity at Obajana by 2015.

The Gboko plant in Benue state has 3mtpa capacity with an upgrade to 4mtpa expected by mid-2012.

The new Ibese plant in Ogun, near the key market of Lagos, will have a capacity of 6mtpa by the end of 2011 and an additional 6mtpa of capacity is planned for completion by 2015.

Cement production is supported by a distribution network of more than 2,500 trucks serving 50 depots in key markets across Nigeria.

Dangote Cement aims to reduce Nigeria's dependence on imported cement and transform the nation into a net exporter serving other African states. The Company has plans to convert some of its import terminals into export terminals to support this aim.

Dangote Cement has announced an investment of more than \$2.5bn to build manufacturing plants and import terminals across Africa. Current plans are for eight cement plants in Cameroon, Ethiopia, Gabon, Republic of Congo, Senegal, South Africa, Tanzania and Zambia, as well as import/packing facilities in Cote d'Ivoire, Ghana, Guinea, Liberia and Sierra Leone.

The Company listed on the Nigerian Stock Exchange in October 2010.

Analyst/investor conference call

A conference call for global analysts and investors will start at 16.00 Lagos time (15.00 UK time) today, Wednesday 2 November.

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International: +44 203 140 0668
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Summary of key performance indicators

	Jan-Sep 2010	Jan-Sep 2011	% change
Cement sales (kt)	5,821	6,356	9.2%
Cement produced (kt)	4,557	4,899	7.5%
Imports (kt)	1,411	1,412	0.0%
Production capacity at end of period (kt)	8mtpa	8mtpa	0.0%
Revenue (₦bn)	146.6	173.8	18.6%
EBITDA (₦bn)	88.0	104.6	18.9%
EBITDA margin	60.0%	60.0%	-
EBITDA per tonne (₦)	₦15,111	₦16,400	8.5%
EBITDA per tonne (\$)	\$94	\$102	

Operating review

Robust GDP growth fuels rising demand for cement

Nigeria's economy continues to grow at a rapid pace, generating robust and increasing demand for cement in applications ranging from home renovation to major infrastructure. Estimates from the National Bureau of Statistics suggest that Real GDP grew by 7.7% in the second quarter of 2011, slightly ahead of the same period in 2010. The non-oil sector continues to perform strongly, with 8.8% growth in the second quarter. Growth in real estate remained strong at 10.5% (Q2 2010: 10.5%), ensuring continuing strong demand for building materials in the housing sector.

Government infrastructure projects are a major demand driver for cement. In its recently published *2012-2015 Medium Term Expenditure Framework & Fiscal Strategy Paper* the Federal Government committed itself to higher spending on critical infrastructure projects, as well as an increase in PPP funding. Capital spending by the Federal Government is expected to rise from an estimated ₦1,147bn in 2011 to ₦1,644bn in 2015 – an annual increase of about 9.4%.

Good organic growth as new capacity is readied

In the nine months to 30 September 2011 Dangote Cement increased production of cement by 7.5% to nearly 4.9mt, compared with around 4.5mt in the same period last year. With a total capacity of 8mtpa, this represents a utilisation rate of about 82% across the Obajana and Gboko plants (on a 9-month basis of 6mt capacity).

As has already been reported, the Company has experienced delays in the building of new capacity at its greenfield site at Ibese, as well as some delays in the commissioning of a new line and upgrades to the existing two lines at Obajana. However, the Company can report that shipments of cement are imminent at Ibese, with its second line, also 3mt, expected to be commissioned by December. Likewise, an additional 5mtpa capacity is expected to enter production at Obajana by the end of 2011.

Obajana

Dangote Cement's Obajana plant has run at exceptionally high utilisation throughout 2011, producing 3.66mt of cement at a utilisation of about 97%. Cement production was 12.8% higher than in the same period last year.

Plans to expand the capacity of the Obajana plant are nearing completion and the Company expects its new line and additional clinker processing capacity, totalling 5mtpa, to be commissioned by the end of the year. With the new line and capacity upgrades completed, Dangote Cement expects to

enter 2012 with 10mtpa capacity at Obajana. Furthermore, the Company is optimistic that this new capacity can be brought up to high utilisation within a matter of months.

Throughout its working life, Obajana has supplied many regions of Nigeria including the key markets of Lagos and the South West. However, as the new lines at Ibese come onstream providing 6mtpa of capacity less than 100km from Lagos, the Company will begin to redistribute cement from Obajana into other regions where its extensive distribution network will provide a competitive advantage.

Gboko

Dangote Cement's 3mtpa plant at Gboko has produced about 1.24mt cement so far in 2011 – a utilisation rate of about 55%. This is slightly lower than the 1.31mt produced in the same period last year. During the first half of the year the plant was affected by a shortage of LPFO that resulted in frequent kiln stoppages. The fuel shortage was caused by a temporary lack of refinery production in Nigeria. The Company has since negotiated long-term supply contracts and begun to stockpile fuel to mitigate any future risks to production from LPFO shortages. In addition, the Company is actively examining the feasibility of coal-fired production at the plant as an alternative to fuel oil.

The Company plans to increase the capacity of the Gboko plant from 3mtpa to 4mtpa across its two lines. This will be achieved by a number of innovative upgrades that are expected to be completed by the middle of 2012.

Ibese

The 6mtpa greenfield facility at Ibese is nearing completion. The Company believes production of cement is imminent on the first 3mt line and anticipates that the second 3mt line will be commissioned by the end of the year.

The ramp up of production at Ibese is likely to take a couple of months for each line, but the Company expects to run the plant at very high capacity thereafter. The plant is gas fired, with fuel being supplied along a 25km pipeline. As with Obajana, Ibese is eligible for Pioneer Tax Status lasting for five years after production has begun.

The plant is ideally located in the South West of Nigeria, close to Lagos in the country's largest market for cement. Furthermore, given its proximity to the coast and also to neighbouring Benin, the plant will be in a good position to export any surplus cement production.

Distribution capability increasing to support new production capacity

Dangote Cement has by far the largest and most extensive distribution capability in Nigeria. The Company is increasing both its fleet and its depot network in order to ensure wider distribution of cement at highly competitive prices. To this end the Company has ordered additional trucks for delivery over the next 1-2 years. The Company's distribution network is supported by advanced logistics that optimise management of the fleet, improving efficiency while reducing the cost of distribution.

As already reported, the Company suffered the loss of more than 100 trucks in civil unrest near to its Gboko plant in August. Replacement of the trucks has already begun.

Imports steady but will cease as local production increases

The Company sold 1.4mt of imported cement in the first nine months of 2011, approximately the same as in the prior year.

With new production capacity coming onstream by the end of the year, the Company expects imports to cease. Because Dangote Cement intends to export any surplus production that might arise in the coming years, once Nigeria is self-sufficient, the Company is advancing plans to convert some of its import terminals into export terminals by the end of 2013.

African expansion projects are advancing

Sub-Saharan Africa is experiencing strong economic growth that is driving the need for substantial infrastructure investment. Dangote Cement aims to become the leading producer of cement across Africa and the Company is committing more than \$2.5bn to build around 19mtpa production and import capacity across a further 12 countries where market conditions are favourable.

Contracts have already been signed on the planned manufacturing plants, totalling around 14mtpa in most cases with mobilisations to sites expected in 2012. With the current production schedule, which is subject to change, the Company expects all of its planned production facilities to enter production by the end of 2014. The project to build a 1.5mtpa plant in Senegal is, however, well advanced and the Company anticipates production to commence in the first half of 2012.

Import terminals with total capacity of more than 4mtpa are also planned with site mobilisations expected in 2012. Import terminals are expected to be completed by the end of 2013.

Financial review

Strong organic growth in revenues and profits

The Company delivered strong organic growth in both revenues and profits in the first nine months of 2011. Revenues increased by 18.6% to ₦173.8bn (Q3 2010: ₦146.6bn) as a result of higher cement sales, up 9.2%, and higher average selling prices, particularly in the first half of the year.

EBITDA rose by 18.9% to ₦104.6bn at an EBITDA margin of 60.0% (Q3 2010: ₦88.0bn, 60.0% margin). The depreciation charge for the period was ₦10.8bn.

Operating profits (EBIT) rose by 21.3% to ₦93.2bn and margins improved slightly to 53.6% (Q3 2010: 52.4%) through higher utilisation and cost optimisation, and despite higher fuel costs for LPFO and diesel, higher import tariffs and the impact of the Company's decision to cut cement prices in late June.

After finance charges of ₦1.1bn, offset by interest received of ₦1.2bn, the Company's profit before tax was ₦93.9bn (Q3 2010: ₦76.9bn). The Company continues to benefit from Pioneer Tax Status and the tax charge for the period was ₦1.1bn (Q3 2010: ₦1.6bn). With no Minority Interests in 2011 (Q3 2010: ₦3.9bn), profit for the period was ₦92.8bn.

Earnings per share for the nine-month period were 5.99 naira (annualised, 7.97 naira).

Balance sheet and cash generation remain strong

Since 31 December 2010, Tangible Assets have risen from ₦304.9bn to ₦345.3bn, mainly as a result of additions to Capital Work in Progress of ₦50.8bn.

The Company's cash at bank fell from ₦21.3bn at 31 December 2010 to ₦19.8bn at 30 September 2011. In the same period, term loans increased from ₦135.8bn to ₦172.9bn, mostly from the addition of loans from Dangote Industries Limited, of which ₦45bn relates to African projects.

Cash generation was robust; with ₦178.3bn being collected from customers and ₦60.4bn being paid to suppliers and employees, the Company generated ₦117.7bn cash from operations. The Company invested ₦120.7bn during the period, including ₦51.4bn devoted to Fixed Assets and Capital Work in Progress and ₦27.8bn of investments in Sephaku Cement Company in South Africa.

During the period Dangote Cement paid dividends of ₦34.8bn.

Outlook and guidance

Current trading remains strong and demand for cement continues to increase in support of Nigeria's economic transformation. Dangote Cement is committed to increasing production as quickly as possible in order to achieve its aim of helping Nigeria become self-sufficient in cement. The higher

efficiency of these new facilities, and a reduction in the low-margin imports they will replace, will benefit the Company's margins even if prices fall as a consequence of increased supply.

Plans to expand into a further 12 African countries are well underway with Senegal expected to begin production in the first half of 2012. The Company will continue to provide regular updates on the progress of its projects in Africa.

Dangote Cement is highly optimistic about the future, given the increasingly strong economic performance of Nigeria and the African countries into which it is expanding.

In a separate disclosure to the Nigerian Stock Exchange, the Company has said it anticipates revenues of about ₦238bn and operating profits of about ₦124bn for the full year to 31 December 2011.

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

	Note	COMPANY 2011 SEPT. N'000	GROUP 2010 SEPT. N'000
Turnover	2	173,837,678	146,560,807
Cost of sales		<u>(75,534,285)</u>	<u>(66,935,844)</u>
Gross profit		98,303,393	79,624,963
Administrative expenses		(4,265,380)	(2,374,191)
Selling and distribution expenses		<u>(871,436)</u>	<u>(417,395)</u>
Operating profit		93,166,577	76,833,377
Other income	3	646,154	681,042
Interest received		1,209,827	724,662
Finance charges		<u>(1,137,841)</u>	<u>(1,311,599)</u>
Profit before taxation		93,884,717	76,927,482
Taxation	4	<u>(1,061,401)</u>	<u>(1,628,000)</u>
Profit after taxation		92,823,316	75,299,482
Minority Interest		<u>-</u>	<u>(3,942,130)</u>
Profit for the period	15	<u>92,823,316</u>	<u>71,357,352</u>
Earning per share (Naira) - Basic		<u>7.97</u>	<u>5.00</u>
Earning per share (Naira) - Adjusted		<u>7.97</u>	<u>5.00</u>

**BALANCE SHEET
AS AT 30 SEPTEMBER 2011**

	Note	2011 N'000	2010 N'000
FIXED ASSETS			
Tangible assets	5	345,306,553	304,900,982
Investments	6	<u>27,799,022</u>	<u>50</u>
CURRENT ASSETS			
Stocks	7	15,775,463	14,865,278
Trade debtors		3,545,966	11,378,174
Other debtors and prepayments	8	71,849,484	24,569,246
Due from related companies	16	19,939,206	25,050,099
Cash and bank balances		<u>19,818,572</u>	<u>21,276,664</u>
		<u>130,928,692</u>	<u>97,139,461</u>
CREDITORS: Amounts falling due within one year			
Bank overdraft		500,000	36,440
Trade creditors		3,314,284	5,163,376
Other creditors and accruals	10	36,902,159	36,874,336
Due to related companies	16	14,202,067	6,988,814
Short term loans	11	26,400,000	37,600,992
Taxation	4	<u>4,076,273</u>	<u>3,196,823</u>
		<u>85,394,784</u>	<u>89,860,781</u>
NET CURRENT ASSETS		<u>45,533,909</u>	<u>7,278,680</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		418,639,483	312,179,712
Deferred taxation	12	(1,924,400)	(1,924,400)
CREDITORS: Amounts falling due after more than one year			
Long term loans	11	(146,575,364)	(98,251,413)
PROVISION FOR LIABILITIES AND CHARGES			
Staff gratuity	13	<u>(668,731)</u>	<u>(494,684)</u>
		<u>269,470,987</u>	<u>211,509,215</u>
CAPITAL AND RESERVES			
Share capital	14	7,745,685	7,745,685
Share premium		42,430,000	42,430,000
Revenue reserve	15	<u>219,295,302</u>	<u>161,333,530</u>
Shareholders' funds		<u>269,470,987</u>	<u>211,509,215</u>

Last year's Tangible Assets is adjusted to include N19.54 billion spent on Ibeshe formally classified as Project Funds

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

	Note	2011 N'000	2010 N'000
Cash flows from operating activities			
Cash receipts from customers		178,277,611	193,599,035
Payment to suppliers and employees		(60,369,183)	(94,212,234)
Tax paid		(181,951)	(3,408,516)
		<hr/>	<hr/>
Net cash provided by operating activities		<u>117,726,477</u>	<u>95,978,285</u>
Cash flows from investing activities			
Interest received		1,209,827	870,553
Disposal / (Purchase) of investments		(27,798,972)	99,000
Movement in Project Fund		(42,820,896)	
Proceed on disposal of fixed assets		3,063	24,688
Investment in fixed assets/Capital Work in Progress	5	<u>(51,364,724)</u>	<u>(130,154,926)</u>
		<hr/>	<hr/>
Net cash provided by investing activities		<u>(120,771,702)</u>	<u>(129,160,684)</u>
Cash flows from financing activities			
Finance charges		(1,137,841)	(2,952,015)
Dividend paid		(34,861,544)	(30,982,595)
Loan (repaid) /obtained		<u>37,122,959</u>	<u>71,443,339</u>
		<hr/>	<hr/>
Net cash provided by financing activities		<u>1,123,574</u>	<u>37,508,729</u>
Net Increase in cash and cash equivalents		(1,921,651)	4,326,330
Cash and cash equivalents at 1 January		<u>21,240,224</u>	<u>16,913,894</u>
		<hr/>	<hr/>
Cash and cash equivalents at 31 September	9	<u>19,318,573</u>	<u>21,240,224</u>

- a. Purchase of investments of N27.7 billion is DCP share of investment in Sephaku Cement Company SA.
- b. Movement in Projects Funds includes investment in other cement African projects reclassified from Payments to Suppliers and Employees.
- c. 2010 Cash Flow Statement has been adjusted to make it comparable with 2011 classifications

DANGOTE CEMENT PLC

NOTES TO THE FINANCIAL STATEMENTS PERIOD ENDED 30 SEPTEMBER 2011

1. The Company

1.1 Legal form

"Dangote Cement Plc (formerly Obajana Cement Plc) was incorporated as a public limited liability company on 4 November, 1992. It changed its name in 2010. It commenced operations in January 2007. The company is a subsidiary of Dangote Industries Limited (DIL) with a shareholding of 94.87%. In 2010, under a scheme of arrangement, the assets and liabilities of its subsidiaries, Benue Cement Company Plc, Dangote BAIL Limited and DCW Limited, were merged with Obajana Cement Plc.

1.2 Principal activities

The Company was established to operate plant for the preparation, manufacture, control, research and distribution of cement and related products. The Company's production activities are undertaken at Obajana and Gboko.

	SEPT 2011 N'000	DEC 2010 N'000
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2. Turnover

Turnover represents the net amount of goods invoiced to customers within Nigeria.

Analysis by operation:

Cement	<u>173,837,678</u>	<u>202,565,698</u>
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3. Other income

Insurance claims	-	263,830
Gains from haulage	563,775	80,037
Provision no longer required	-	147,928
Profit on disposal of fixed assets	-	6,673
Miscellaneous	<u>82,379</u>	<u>27,928</u>
	<u>646,154</u>	<u>526,396</u>

Provision no longer required relates to provision made in previous years on related party transactions and other accrued expenses.

NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2011

	SEPT 2011 N'000	DEC 2010 N'000
4. Taxation		
a) Profit and loss account		
Income tax based on the profit for the year	1,061,401	2,305,155
Education tax	-	159,545
Under provision in the prior year		(185,086)
	<hr/>	<hr/>
	1,061,401	2,279,614
Deferred tax	-	(7,550,555)
	<hr/>	<hr/>
Profit and loss account	<u>1,061,401</u>	<u>(5,270,941)</u>
b) Balance sheet		
At beginning of period	3,196,823	4,347,342
Charge for the year	1,061,401	2,279,614
Paid during the year	(181,951)	(3,430,133)
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At end of period	<u>4,076,273</u>	<u>3,196,823</u>

NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2011

5. Fixed Assets

	Land and buildings N'000	Plant and other equipment N'000	Motor vehicles N'000	Factory, furniture and equipment N'000	Capital work-in progress N'000	Total N'000
Cost						
At 1 January 2011	51,460,727	146,993,418	17,930,963	1,476,398	130,083,354	347,944,860
Additions during the period (a)	-	175,481	381,824	37,506	50,769,913	51,364,724
Reclassification	-	(42,767)	(4,021)	-	(105,804)	(152,592)
Disposal	-	-	(11,862)	-	-	(11,862)
At September 31 2011	<u>51,460,727</u>	<u>147,126,132</u>	<u>18,296,904</u>	<u>1,513,904</u>	<u>180,747,463</u>	<u>399,145,130</u>
Depreciation						
At 1 January 2011	2,808,783	31,344,494	7,801,433	1,089,168	-	43,043,878
Charge for the period	518,265	6,791,819	3,265,710	222,528	-	10,798,321
Disposal	-	-	(3,625)	-	-	(3,625)
At September 31 2011	<u>3,327,048</u>	<u>38,136,313</u>	<u>11,063,518</u>	<u>1,311,696</u>	<u>-</u>	<u>53,838,574</u>
Net book value						
At September 31 2011	<u>48,133,679</u>	<u>108,989,819</u>	<u>7,233,386</u>	<u>202,208</u>	<u>180,747,463</u>	<u>345,306,553</u>
At 31 December 2010	<u>48,651,944</u>	<u>115,648,924</u>	<u>10,129,530</u>	<u>387,230</u>	<u>130,083,354</u>	<u>304,900,982</u>

- a** Addition to Capital Work in Progress (CWIP) of N70.8 billion includes N25.7 billion spent on Ibeshe projects up to Dec 2010 formerly classified as Project Funds. Last year's CWIP is adjusted to include N19.54 billion spent on Ibeshe formally classified as Project Funds

NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2011

	SEPT 2011 N'000	DEC 2010 N'000
6. Investments		
Sephaku Cement Company SA	27,798,972	
	50	50
Lion Football Club Limited	27,799,022	50
7. STOCKS		
Raw materials	2,421,870	535,128
Work in progress	943,317	1,396,010
Finished goods	453,207	791,356
Packaging materials	868,766	380,742
Goods in transit	3,705,745	4,314,344
Engineering spares	6,950,388	4,500,072
Sundry	432,171	2,637,882
Trading items	-	309,744
	15,775,463	14,865,278
8. OTHER DEBTORS		
Prepayments	17,166,017	505,027
Gas pipeline - build and transfer	2,148,513	5,678,446
Deposit for imports	1,174,160	1,064,536
Project funds	54,630,343	11,809,447
Other debtors	1,965,545	10,746,884
Pre operating Expenses	-	-
Provision	(5,235,094)	(5,235,094)
	71,849,484	24,569,246

- a) Deposit for imports represents letters of credit with various banks for importation of goods which have not been received at period end.
- b) The amount of N2.15 billion (2010 - N5.68 billion) represents the unamortised balance of the Company's investment on the Gas Pipeline which it has now transferred to Nigerian Gas Company (NGC). The gas pipeline was constructed with the understanding that NGC would take it over at an agreed cost and that the Company would recoup its cost from amount invoiced by NGC for gas consumption at an agreed rate. The agreement with the Nigerian Gas Company Limited, is for twenty years and came into effect in October 2006. The agreement as at 31 December 2010 had less than 16 years to run.
- c) Project funds represents the amount advanced by the Company on its projects in Tema Cement Terminal (Ghana) and Senegal Cement Project .

NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2011

	SEPT 2011 N'000	DEC 2010 N'000
9. BANK AND CASH BALANCES		
Short-term deposit	7,286,967	10,760,935
Bank and cash balances - Net of Overdraft	12,031,605	10,479,289
	<u>19,318,572</u>	<u>21,240,224</u>
10. OTHER CREDITORS		
Customer Advance Payment	7,476,276	11,514,705
Provisions/accruals	14,896,429	5,954,710
Accrual for cement purchases	-	5,604,070
Other credit balances	6,267,825	4,751,698
Director's current account	-	1,753,823
Interest payable	2,508,163	1,968,773
Value added tax	4,851,022	3,353,268
WHT Payable	902,444	1,973,289
	<u>36,902,159</u>	<u>36,874,336</u>
11. TERM LOANS		
Zenith Bank Plc	30,000,000	40,000,000
Access Bank Plc	15,000,000	20,000,000
Fidelity Bank Plc	15,000,000	20,000,000
Access Bank Plc - Truck Lease Financing	4,485,641	
GTB Bank Loan - Power Intervention Fund (PIF)	10,000,000	
Bulk Commodities	507,579	492,427
Subordinated loan loans	42,540,243	42,704,758
Dangote Industries Limited	10,441,900	12,655,220
DIL Loan - African Project	45,000,000	
	<u>172,975,363</u>	<u>135,852,405</u>
Analysed into:		
Due within one year	26,400,000	37,600,992
Due after more than one year	146,575,364	98,251,413
	<u>172,975,364</u>	<u>135,852,405</u>

- a)** Loans from Zenith Bank Plc, Access Bank Plc and Fidelity Bank Plc represent facilities to refinance existing loans and fund cement projects in African countries at fixed and floating interest rates ranging between 10% and 13% per annum. The loans are for an initial 3 years plus 2 years rollover option.

- b)** Subordinated loan is provided by Dangote Industries Limited in excess of equity capital at an interest rate of 10% per annum
- c)** Bulk commodities loan (interest rate at 6% per annum) represents short term funding requirements. The loan is repayable on demand.
- d)** Dangote Industries Limited (DIL) represents term loan obtained at an interest rate of 10% per annum.

**NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2011**

	SEPT 2011 N'000	DEC 2010 N'000
12. DEFERRED TAXATION		
At beginning of period	1,924,400	9,474,955
Provision for the year	-	(7,550,555)
At end of period	<u>1,924,400</u>	<u>1,924,400</u>
13. STAFF GRATUITY		
At beginning of period	494,684	981,244
Provision for the year	174,180	100,268
Provision no longer required		(51,362)
Payments during the year	668,864 (133)	1,030,150 (535,466)
At end of period	<u>668,731</u>	<u>494,684</u>
14. Share capital		
<i>Authorised</i>		
20,000,000,000 ordinary shares of 50k each	<u>10,000,000</u>	<u>10,000,000</u>
<i>Issued and fully paid</i>		
15,491,370,368 ordinary shares of 50k each (2010: 1,000,000,000 ordinary shares of 50k each)	7,745,685	500,000
14,000,000,000 bonus issue at 50 kobo per share	-	7,000,000
491,370,368 new shares issued at 50 kobo	-	245,685
	<u>7,745,685</u>	<u>7,745,685</u>
15. REVENUE RESERVE		
At beginning of period	161,333,530	98,196,429
On acquisition of Lagos Cement Terminal	-	(21,362,885)
Profit for the period	92,823,316	105,322,429
Bonus issue	-	(7,000,000)
Common control combination balance	-	21,075,680
Dividend paid - Dangote Cement Plc	(34,861,544)	(30,982,741)
Dividend paid - Benue Cement Company Plc.	-	(3,915,382)
At end of period	<u>219,295,302</u>	<u>161,333,530</u>

NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2011

	SEPT 2011 N'000	DEC 2010 N'000
16. RELATED PARTY TRANSACTIONS		
a) Amounts due from related companies		
Dangote Industries Limited- Current Account	17,506,177	20,711,582
Savannah Sugar Company Plc	1,539,477	1,371,262
Dangote Ceramics	600	-
Dangote Noodles	120,289	-
Dangote Sugar Refinery Plc	-	1,604,800
Dangote Flour Plc	121,063	211,865
Kogi Oil Services	896	896
Alheri Engineering Company Limited	-	3,193
Dangote Nigeria Limited	64,719	-
Dangote Pasta Limited	-	43,207
Dangote Nigeria Limited Transport	-	-
Bulk Commodities International	-	736,483
National Salt Company of Nigeria Plc	187,528	159,615
Dangote Power	7,969	
Dangote Global	8,599	
Others	1,081,047	906,353
	<u>20,638,363</u>	<u>25,749,256</u>
Provision for doubtful balances	<u>(699,157)</u>	<u>(699,157)</u>
	<u>19,939,206</u>	<u>25,050,099</u>
b) Amounts due to related companies		
Dangote Agro Sacks Plc	822,561	1,466,788
M.R.S Oil and Gas Company Limited	-	4,932,252
Bulk Commodities International	12,909,179	-
Dangote Travels Limited	-	129,818
Dangote AD Star Limited	-	280,906
Dangote Sugar Refinery Plc	470,326	
Continental Cement Ltd	-	50,311
Dansa Foods	-	2,530
Alhaji Abdulmaman	-	696
Dangote Noodles	-	16,861
Greenview Nigeria Limited	-	108,652
Super Group	-	-
	<u>14,202,067</u>	<u>6,988,814</u>