



**DANGOTE**

**DANGOTE CEMENT PLC**

**INTERIM FINANCIAL STATEMENTS**

**31ST MARCH 2017**

**DANGOTE CEMENT PLC**  
**31st March 2017**

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## 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 31 March 2017 and the condensed consolidated and separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the 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*

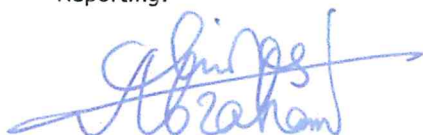
Our responsibility is to express a conclusion on these interim consolidated and separate financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical information performed by the independent auditor 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 period ended 31 March 2017 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  
28 April, 2017



**Dangote Cement Plc**  
**Condensed consolidated and separate statement of profit or loss**  
**For the period ended 31st March 2017**

|   | Notes | Group          |                |                | Company        |                |
|---|-------|----------------|----------------|----------------|----------------|----------------|
|   |       | 3 months ended | 3 months ended | Year ended     | 3 months ended | Year ended     |
|   |       | 31/03/17       | 31/03/16       | 31/12/2016     | 31/03/17       | 31/12/2016     |
|   |       | ₦'million      | ₦'million      | ₦'million      | ₦'million      | ₦'million      |
| Revenue                                       | 3     | 208,166        | 140,521        | 615,103        | 152,355        | 426,129        |
| Production cost of sales                      | 5     | (87,802)       | (62,204)       | (323,816)      | (43,096)       | (178,129)      |
| Gross profit                                  |       | 120,364        | 78,317         | 291,287        | 109,259        | 248,000        |
| Administrative expenses                       | 6     | (10,019)       | (6,411)        | (36,669)       | (4,544)        | (17,087)       |
| Selling and distribution expenses             | 7     | (27,760)       | (15,998)       | (82,667)       | (20,388)       | (51,949)       |
| Other income                                  | 8     | 663            | 222            | 10,542         | 162            | 4,766          |
| Profit from operating activities              |       | 83,248         | 56,130         | 182,493        | 84,489         | 183,730        |
| Finance income                                | 9     | 5,641          | 5,034          | 43,817         | 17,094         | 224,708        |
| Finance costs                                 | 9     | (11,572)       | (6,625)        | (45,381)       | (7,991)        | (34,042)       |
| Profit before tax                             |       | 77,317         | 54,539         | 180,929        | 93,592         | 374,396        |
| Income tax (expense)/credit                   | 11.1  | (6,745)        | (1,760)        | 5,695          | (8,423)        | (6,191)        |
| <b>Profit for the period</b>                  |       | <b>70,572</b>  | <b>52,779</b>  | <b>186,624</b> | <b>85,169</b>  | <b>368,205</b> |
| Profit for the period attributable to:        |       |                |                |                |                |                |
| Owners of the Company                         |       | 72,472         | 53,204         | 193,302        | 85,169         | 368,205        |
| Non-controlling interests                     |       | (1,900)        | (425)          | (6,678)        | -              | -              |
|   |       | <b>70,572</b>  | <b>52,779</b>  | <b>186,624</b> | <b>85,169</b>  | <b>368,205</b> |
| Earnings per share, basic and diluted (Naira) | 10    | <b>4.25</b>    | <b>3.12</b>    | <b>11.34</b>   | <b>5.00</b>    | <b>21.61</b>   |

**Dangote Cement Plc**  
**Condensed consolidated and separate statement of Comprehensive Income**  
**For the period ended 31st March 2017**


|   | Group                                   |   |                                       | Company                                 |   |                                       |
|---|---|---|---------------------------------------|---|---|---------------------------------------|
|   | 3 months ended<br>31/03/17<br>₦'million | 3 months ended<br>31/03/16<br>₦'million | Year ended<br>31/12/2016<br>₦'million | 3 months ended<br>31/03/17<br>₦'million | 3 months ended<br>31/03/16<br>₦'million | Year ended<br>31/12/2016<br>₦'million |
| Profit for the period   | 70,572                                  | 52,779                                  | 186,624                               | 85,169                                  | 49,023                                  | 368,205                               |
| Other comprehensive income, net of income tax:                            |   |   |                                       |   |   |                                       |
| <i>Items that may be reclassified subsequently to profit or loss:</i>     |   |   |                                       |   |   |                                       |
| Exchange differences on translating net investments in foreign operations | 1,250                                   | 855                                     | 100,701                               | -                                       | -                                       | -                                     |
| Other comprehensive loss for the period, net of income tax                | 1,250                                   | 855                                     | 100,701                               | -                                       | -                                       | -                                     |
| Total comprehensive income for the period                                 | 71,822                                  | 53,634                                  | 287,325                               | 85,169                                  | 49,023                                  | 368,205                               |
| Total comprehensive income for the period attributable to:                |   |   |                                       |   |   |                                       |
| Owners of the Company   | 74,156                                  | 53,571                                  | 294,632                               | 85,169                                  | 49,023                                  | 368,205                               |
| Non-controlling interests   | (2,334)                                 | 63                                      | (7,307)                               | -                                       | -                                       | -                                     |
|   | 71,822                                  | 53,634                                  | 287,325                               | 85,169                                  | 49,023                                  | 368,205                               |



**Dangote Cement Plc**  
**Condensed consolidated and separate statement of financial position**  
**At 31st March 2017**

|   |       | Group                       |                             | Company                     |                             |
|---|-------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|   | Notes | As at 31/03/17<br>₦'million | As at 31/12/16<br>₦'million | As at 31/03/17<br>₦'million | As at 31/12/16<br>₦'million |
| ASSETS  |       |                             |                             |                             |                             |
| Non-current assets                            |       |                             |                             |                             |                             |
| Property, plant and equipment                 | 12    | 1,151,327                   | 1,155,711                   | 568,084                     | 569,017                     |
| Intangible assets                             | 13    | 5,014                       | 4,145                       | 38                          | 113                         |
| Investments in subsidiaries                   | 14.2  | -                           | -                           | 79,371                      | 78,673                      |
| Investments in associates                     | 14.3  | 1,582                       | 1,582                       | 1,582                       | 1,582                       |
| Prepayments for property, plant and equipment | 15    | 15,169                      | 13,196                      | -                           | -                           |
| Deferred tax assets                           | 11.3  | 50,799                      | 50,110                      | 26,255                      | 26,255                      |
| Other receivables                             | 16    | -                           | -                           | 642,519                     | 633,323                     |
| Total non-current assets                      |       | 1,223,891                   | 1,224,744                   | 1,317,849                   | 1,308,963                   |
| Current assets                                |       |                             |                             |                             |                             |
| Inventories                                   | 17    | 72,780                      | 82,903                      | 48,672                      | 55,850                      |
| Trade and other receivables                   | 18    | 26,604                      | 26,279                      | 11,813                      | 11,857                      |
| Prepayments and other current assets          | 19    | 111,623                     | 78,280                      | 89,007                      | 60,384                      |
| Current income tax receivables                |       | -                           | 9                           | -                           | -                           |
| Cash and bank balances                        | 20    | 143,857                     | 115,693                     | 91,898                      | 65,510                      |
| Total current assets                          |       | 354,864                     | 303,164                     | 241,390                     | 193,601                     |
| TOTAL ASSETS                                  |       | 1,578,755                   | 1,527,908                   | 1,559,239                   | 1,502,564                   |
| LIABILITIES                                   |       |                             |                             |                             |                             |
| Current liabilities                           |       |                             |                             |                             |                             |
| Trade and other payables                      | 21    | 276,032                     | 268,966                     | 184,924                     | 178,567                     |
| Current income tax payable                    | 11.2  | 9,567                       | 4,674                       | 9,304                       | 4,306                       |
| Financial liabilities                         | 22    | 225,312                     | 220,300                     | 201,249                     | 192,270                     |
| Other current liabilities                     | 24    | 24,146                      | 18,307                      | 19,285                      | 15,083                      |
| Total current liabilities                     |       | 535,057                     | 512,247                     | 414,762                     | 390,226                     |
| Non current liabilities                       |       |                             |                             |                             |                             |
| Deferred tax liabilities                      | 11.4  | 45,554                      | 43,695                      | 45,283                      | 41,858                      |
| Financial liabilities                         | 22    | 106,896                     | 152,475                     | 29,962                      | 86,182                      |
| Deferred revenue                              | 23    | 881                         | 1,072                       | 428                         | 629                         |
| Long term provisions and other charges        | 25    | 3,342                       | 3,344                       | 2,268                       | 2,302                       |
| Long term payables                            | 26    | 17,858                      | 17,730                      | -                           | -                           |
| Total non-current liabilities                 |       | 174,531                     | 218,316                     | 77,941                      | 130,971                     |
| Total liabilities                             |       | 709,588                     | 730,563                     | 492,703                     | 521,197                     |
| Net assets                                    |       | 869,167                     | 797,345                     | 1,066,536                   | 981,367                     |
| EQUITY  |       |                             |                             |                             |                             |
| 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                  |       | 80,648                      | 78,964                      | -                           | -                           |
| Retained Earnings                             |       | 749,951                     | 677,479                     | 1,012,758                   | 927,589                     |
| Equity attributable to owners of the company  |       | 884,426                     | 810,270                     | 1,066,536                   | 981,367                     |
| Non-controlling interest                      |       | (15,259)                    | (12,925)                    | -                           | -                           |
| Total equity                                  |       | 869,167                     | 797,345                     | 1,066,536                   | 981,367                     |
| TOTAL EQUITY AND LIABILITIES                  |       | 1,578,755                   | 1,527,908                   | 1,559,239                   | 1,502,564                   |

  
**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 31st March 2017**

|  | Share capital<br>₦'million | Share premium<br>₦'million | Retained Earnings<br>₦'million | Employee Benefit reserve<br>₦'million | Currency translation reserve<br>₦'million | Capital Contribution<br>₦'million | Attributable to the owners of the parent<br>₦'million | Non - controlling interests<br>₦'million | Total equity<br>₦'million |
|--|----------------------------|----------------------------|--------------------------------|---------------------------------------|---|-----------------------------------|---|--|---------------------------|
| <b>Balance at 1st January 2016</b>                           | 8,520                      | 42,430                     | 620,501                        | (1,007)                               | (22,366)                                  | 2,877                             | <b>650,955</b>  | (6,235)                                  | <b>644,720</b>            |
| Profit for the period  | -                          | -                          | 53,204                         | -                                     | -   | -                                 | 53,204  | (425)                                    | <b>52,779</b>             |
| Other comprehensive income for the period, net of income tax | -                          | -                          | -                              | -                                     | 367                                       | -                                 | 367   | 488                                      | <b>855</b>                |
| Total comprehensive income for the period                    | -                          | -                          | 53,204                         | -                                     | 367                                       | -                                 | 53,571  | 63                                       | <b>53,634</b>             |
| Payment of dividends   | -                          | -                          | -                              | -                                     | -   | -                                 | -   | -  | -                         |
| <b>Balance at 31st March 2016</b>                            | <b>8,520</b>               | <b>42,430</b>              | <b>673,705</b>                 | <b>(1,007)</b>                        | <b>(21,999)</b>                           | <b>2,877</b>                      | <b>704,526</b>  | <b>(6,172)</b>                           | <b>698,354</b>            |
| <b>Balance at 1st January 2017</b>                           | 8,520                      | 42,430                     | 677,479                        | -                                     | 78,964                                    | 2,877                             | 810,270   | (12,925)                                 | <b>797,345</b>            |
| Profit for the period  | -                          | -                          | 72,472                         | -                                     | -   | -                                 | 72,472  | (1,900)                                  | <b>70,572</b>             |
| Other comprehensive income for the period, net of income tax | -                          | -                          | -                              | -                                     | 1,684                                     | -                                 | 1,684   | (434)                                    | <b>1,250</b>              |
| Total comprehensive income for the period                    | -                          | -                          | 72,472                         | -                                     | 1,684                                     | -                                 | 74,156  | (2,334)                                  | <b>71,822</b>             |
| Payment of dividends   | -                          | -                          | -                              | -                                     | -   | -                                 | -   | -  | -                         |
| <b>Balance at 31st March 2017</b>                            | <b>8,520</b>               | <b>42,430</b>              | <b>749,951</b>                 | <b>-</b>                              | <b>80,648</b>                             | <b>2,877</b>                      | <b>884,426</b>  | <b>(15,259)</b>                          | <b>869,167</b>            |

# Dangote Cement Plc

## Condensed separate statement of changes in equity For the period ended 31st March 2017

|  | Company                    |                            |                                   |                                |                                       |                           |
|--|----------------------------|----------------------------|-----------------------------------|--------------------------------|---------------------------------------|---------------------------|
|  | Share capital<br>₦'million | Share premium<br>₦'million | Capital contribution<br>₦'million | Retained earnings<br>₦'million | Employee benefit reserve<br>₦'million | Total equity<br>₦'million |
| Balance at 1st January 2016                                  | 8,520                      | 42,430                     | 2,828                             | 695,708                        | (1,007)                               | 748,479                   |
| Profit for the period  | -                          | -                          | -                                 | 49,023                         | -                                     | 49,023                    |
| Other comprehensive income for the period, net of income tax | -                          | -                          | -                                 | -                              | -                                     | -                         |
| Total comprehensive income for the period                    | -                          | -                          | -                                 | 49,023                         | -                                     | 49,023                    |
| Payment of dividends   | -                          | -                          | -                                 | -                              | -                                     | -                         |
| Balance at 31st March 2016                                   | 8,520                      | 42,430                     | 2,828                             | 744,731                        | (1,007)                               | 797,502                   |
| Balance at 1st January 2017                                  | 8,520                      | 42,430                     | 2,828                             | 927,589                        | -                                     | 981,367                   |
| Profit for the period  | -                          | -                          | -                                 | 85,169                         | -                                     | 85,169                    |
| Other comprehensive income for the period, net of income tax | -                          | -                          | -                                 | -                              | -                                     | -                         |
| Total comprehensive income for the period                    | -                          | -                          | -                                 | 85,169                         | -                                     | 85,169                    |
| Payment of dividends   | -                          | -                          | -                                 | -                              | -                                     | -                         |
| Balance at 31st March 2017                                   | 8,520                      | 42,430                     | 2,828                             | 1,012,758                      | -                                     | 1,066,536                 |



**Dangote Cement Plc**  
**Condensed consolidated and separate statement of cash flows**  
**For the period ended 31st March 2017**

|  | Group                                 |                                       |                                     | Company                               |                                       |                                     |
|--|---------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|
|  | Period ended<br>31/03/17<br>₦'million | Period ended<br>31/03/16<br>₦'million | Year ended<br>31/12/16<br>₦'million | Period ended<br>31/03/17<br>₦'million | Period ended<br>31/03/16<br>₦'million | Year ended<br>31/12/16<br>₦'million |
| <b>Cash flows from operating activities</b>  |                                       |                                       |                                     |                                       |                                       |                                     |
| Profit before tax  | 77,317                                | 54,539                                | 180,929                             | 93,592                                | 52,152                                | 374,396                             |
| Adjustments for:   |                                       |                                       |                                     |                                       |                                       |                                     |
| Depreciation and amortisation  | 19,755                                | 16,268                                | 74,750                              | 11,056                                | 11,999                                | 47,113                              |
| Write off and impairment of property plant and equipment   | -                                     | -                                     | 471                                 | -                                     | -                                     | -                                   |
| Reversal of impairment   | -                                     | (1,114)                               | (1,592)                             | -                                     | (1,114)                               | (1,592)                             |
| Interest expense   | 11,484                                | 6,508                                 | 45,172                              | 7,919                                 | 5,716                                 | 33,833                              |
| Interest income  | (2,564)                               | (363)                                 | (2,662)                             | (11,232)                              | (6,917)                               | (45,439)                            |
| Exchange loss/(gain) on borrowings and non-operating assets  | 2,326                                 | (1,109)                               | (50,394)                            | 3,591                                 | (70)                                  | (189,482)                           |
| Amortisation of deferred revenue   | (111)                                 | (115)                                 | 56                                  | (116)                                 | (115)                                 | (415)                               |
| Other provisions   | (2)                                   | 278                                   | 61                                  | (34)                                  | 199                                   | 1,683                               |
| Provisions for employee benefits   | -                                     | 275                                   | (2,985)                             | -                                     | 275                                   | (2,985)                             |
| Loss on disposal of property, plant and equipment  | -                                     | -                                     | 59                                  | -                                     | -                                     | -                                   |
|  | 108,205                               | 75,167                                | 243,865                             | 104,776                               | 62,125                                | 217,112                             |
| <b>Changes in working capital:</b>   |                                       |                                       |                                     |                                       |                                       |                                     |
| Change in inventories  | 10,123                                | 2,121                                 | (29,785)                            | 7,178                                 | 3,199                                 | (17,481)                            |
| Change in trade and other receivables  | (325)                                 | (3,624)                               | (14,735)                            | 44                                    | (755)                                 | (7,605)                             |
| Change in trade and other payables   | 8,669                                 | 35,098                                | 99,016                              | 7,960                                 | 27,079                                | 56,630                              |
| Change in prepayments and other current assets   | (33,343)                              | (16,679)                              | (12,450)                            | (28,936)                              | (7,611)                               | (4,544)                             |
| Change in other current liabilities  | 5,759                                 | (4,345)                               | (6,189)                             | 4,117                                 | (5,170)                               | (7,376)                             |
|  | 99,088                                | 87,738                                | 279,722                             | 95,139                                | 78,867                                | 236,736                             |
| Income tax paid  | (135)                                 | -                                     | (1,128)                             | -                                     | -                                     | (672)                               |
| <b>Net cash generated from operating activities</b>  | <b>98,953</b>                         | <b>87,738</b>                         | <b>278,594</b>                      | <b>95,139</b>                         | <b>78,867</b>                         | <b>236,064</b>                      |
| <b>Investing activities</b>  |                                       |                                       |                                     |                                       |                                       |                                     |
| Interest received  | 2,564                                 | 363                                   | 2,662                               | 1,958                                 | 208                                   | 1,469                               |
| Acquisition to intangible assets   | (620)                                 | (193)                                 | (745)                               | -                                     | -                                     | (28)                                |
| Decrease/(increase) in long term receivables from subsidiaries   | -                                     | -                                     | -                                   | 3,496                                 | (9,909)                               | (16,947)                            |
| Acquisition of investment  | -                                     | -                                     | -                                   | -                                     | -                                     | (1,102)                             |
| Acquisition of property, plant and equipment   | (19,982)                              | (21,912)                              | (118,841)                           | (11,650)                              | (9,469)                               | (59,271)                            |
| Addition to property, plant and equipment  | (16,407)                              | (24,686)                              | (136,168)                           | (10,048)                              | (9,871)                               | (62,895)                            |
| (Increase)/decrease in non-current prepayment  | (1,973)                               | 2,372                                 | (4,027)                             | -                                     | -                                     | -                                   |
| Suppliers' credit obtained   | -                                     | 402                                   | 21,354                              | -                                     | 402                                   | 3,624                               |
| Suppliers' credit repaid   | (1,602)                               | -                                     | -                                   | (1,602)                               | -                                     | -                                   |
| <b>Net cash used in investing activities</b>   | <b>(18,038)</b>                       | <b>(21,742)</b>                       | <b>(116,924)</b>                    | <b>(6,196)</b>                        | <b>(19,170)</b>                       | <b>(75,879)</b>                     |
| <b>Financing activities</b>  |                                       |                                       |                                     |                                       |                                       |                                     |
| Interest paid  | (19,524)                              | (13,383)                              | (39,029)                            | (15,867)                              | (12,589)                              | (26,747)                            |
| Non-controlling shareholders contribution  | -                                     | -                                     | 617                                 | -                                     | -                                     | -                                   |
| Dividend paid  | -                                     | -                                     | (136,324)                           | -                                     | -                                     | (136,324)                           |
| Loans obtained   | 17,192                                | 3,849                                 | 343,071                             | 6,949                                 | 3,849                                 | 305,283                             |
| Loans repaid   | (61,011)                              | (34,559)                              | (262,240)                           | (53,637)                              | (30,666)                              | (254,849)                           |
| <b>Net cash used in financing activities</b>   | <b>(63,343)</b>                       | <b>(44,093)</b>                       | <b>(93,905)</b>                     | <b>(62,555)</b>                       | <b>(39,406)</b>                       | <b>(112,637)</b>                    |
| Increase/(decrease) in cash and cash equivalent  | 17,572                                | 21,903                                | 67,765                              | 26,388                                | 20,291                                | 47,548                              |
| Effects of exchange rate changes on balance of cash held in foreign currencies and other non monetary impact | 8,899                                 | 3,425                                 | 3,791                               | -                                     | -                                     | -                                   |
| Cash and cash equivalents at beginning of period   | 109,401                               | 37,845                                | 37,845                              | 65,510                                | 17,962                                | 17,962                              |
| Cash and cash equivalents at end of the period   | <b>135,872</b>                        | <b>63,173</b>                         | <b>109,401</b>                      | <b>91,898</b>                         | <b>38,253</b>                         | <b>65,510</b>                       |

## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 31st March 2017

#### 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 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 Company for the period ended 31st March 2017 comprise the Company and its subsidiaries.

The separate financial statements of the Company for the period ended 31st March 2017 comprise the Company only.

These condensed consolidated and separate financial statements for the period ended 31st March 2017 have been approved for issue by the Directors on 27th April 2017

#### 2 Significant accounting policies

The Company's full financial statements for the year ended 31st December 2016 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 2016 annual financial statements. None of the new standards, interpretations and amendments, effective for the first time from 1st January 2017, 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 2016 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 2016 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 31st March 2017. 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.



Notes to the condensed consolidated and separate financial statements  
For the period ended 31st March 2017

## 3 REVENUE

|   | Group                                     |   | Company                                   |   |
|---|---|---|---|---|
|   | 3 months ended<br>31/03/17<br>'000 tonnes | 3 months ended<br>31/03/16<br>'000 tonnes | 3 months ended<br>31/03/17<br>'000 tonnes | 3 months ended<br>31/03/16<br>'000 tonnes |
| Revenue (tonnes)                          |   |   |   |   |
| Cement production capacity (for the year) | 42,550                                    | 42,550                                    | 29,250                                    | 29,250                                    |
| Cement production volume                  | 5,817                                     | 6,041                                     | 3,820                                     | 4,368                                     |
| Trade cement purchases                    | 304                                       | 212                                       | -   | -   |
| (Increase)/decrease in stock of cement    | (96)                                      | 182                                       | (50)                                      | 145                                       |
| Cement sales volume                       | 6,025                                     | 6,435                                     | 3,770                                     | 4,513                                     |

An analysis of revenue is as follows:

|   | Group                                   |   | Company                                 |   |
|---|---|---|---|---|
|   | 3 months ended<br>31/03/17<br>N'million | 3 months ended<br>31/03/16<br>N'million | 3 months ended<br>31/03/17<br>N'million | 3 months ended<br>31/03/16<br>N'million |
| Revenue (Naira)                         |   |   |   |   |
| Revenue from the sale of cement         | 208,109                                 | 140,493                                 | 152,355                                 | 107,154                                 |
| Revenue from the sale of other products | 57                                      | 28                                      | -                                       | -                                       |
| Cement sales value                      | 208,166                                 | 140,521                                 | 152,355                                 | 107,154                                 |

All group sales exclude intra-group sales

## 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 results

| Group                   | 3 months ended<br>31/03/17 |            |                             |              |           |
|-------------------------|----------------------------|------------|-----------------------------|--------------|-----------|
|                         | Nigeria                    | Pan Africa | Central Administrative cost | Eliminations | Total     |
|                         | N'million                  | N'million  | N'million                   | N'million    | N'million |
| Revenue                 | 152,355                    | 58,715     | -                           | (2,904)      | 208,166   |
| EBITDA*                 | 98,679                     | 7,483      | (3,159)                     | -            | 103,003   |
| Operating profit        | 87,623                     | (1,498)    | (3,159)                     | 282          | 83,248    |
| Other Income            | 162                        | 501        | -                           | -            | 663       |
| Profit/(loss) after tax | 88,302                     | (11,380)   | (3,159)                     | (3,191)      | 70,572    |

\* 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 and loss account.

|                         | 3 months ended<br>31/03/16 |            |                             |              |           |
|-------------------------|----------------------------|------------|-----------------------------|--------------|-----------|
|                         | Nigeria                    | Pan Africa | Central Administrative cost | Eliminations | Total     |
|                         | N'million                  | N'million  | N'million                   | N'million    | N'million |
| Revenue                 | 107,154                    | 33,699     | -                           | (332)        | 140,521   |
| EBITDA*                 | 66,224                     | 7,321      | (2,216)                     | 1,069        | 72,398    |
| Operating profit/(loss) | 54,225                     | 2,830      | (2,216)                     | 1,291        | 56,130    |
| Other Income            | 150                        | 72         | -                           | -            | 222       |
| Profit/(loss) after tax | 51,239                     | 5,712      | (2,216)                     | (1,956)      | 52,779    |

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

## 4.2 Segment assets and liabilities

| 31st March 2017     |           |         |   |           |           |
|---------------------|-----------|---------|---|-----------|-----------|
| Total assets        | 1,586,850 | 765,372 | - | (773,467) | 1,578,755 |
| Segment liabilities | 520,427   | 850,645 | - | (661,484) | 709,588   |
| 31st December 2016  |           |         |   |           |           |
| Total assets        | 1,530,075 | 758,042 | - | (760,209) | 1,527,908 |
| Segment liabilities | 548,795   | 832,163 | - | (650,395) | 730,563   |

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 31st March 2017

### 5 Production cost of sales

|   | Group                                   |   | Company                                 |   |
|---|---|---|---|---|
|   | 3 months ended<br>31/03/17<br>₦'million | 3 months ended<br>31/03/16<br>₦'million | 3 months ended<br>31/03/17<br>₦'million | 3 months ended<br>31/03/16<br>₦'million |
| Material consumed   | 27,425                                  | 16,985                                  | 9,317                                   | 6,201                                   |
| Fuel & power consumed                                     | 28,775                                  | 21,755                                  | 18,560                                  | 17,455                                  |
| Royalty (refer (a) below)                                 | 257                                     | 259                                     | 137                                     | 179                                     |
| Salaries and related staff costs                          | 6,008                                   | 3,637                                   | 3,481                                   | 2,444                                   |
| Depreciation & amortisation                               | 13,802                                  | 10,389                                  | 7,825                                   | 7,869                                   |
| Plant maintenance cost                                    | 6,556                                   | 4,572                                   | 2,506                                   | 3,099                                   |
| Other production expenses                                 | 6,469                                   | 3,748                                   | 2,294                                   | 1,128                                   |
| (Increase)/decrease in finished goods and work in process | (1,490)                                 | 859                                     | (1,024)                                 | 1,060                                   |
|   | <b>87,802</b>                           | <b>62,204</b>                           | <b>43,096</b>                           | <b>39,435</b>                           |

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

### 6 Administrative expenses

|                                  | Group                                   |   | Company                                 |   |
|----------------------------------|---|---|---|---|
|                                  | 3 months ended<br>31/03/17<br>₦'million | 3 months ended<br>31/03/16<br>₦'million | 3 months ended<br>31/03/17<br>₦'million | 3 months ended<br>31/03/16<br>₦'million |
| Salaries and related staff costs | 2,791                                   | 2,145                                   | 1,313                                   | 1,225                                   |
| Corporate social responsibility  | 82                                      | 297                                     | 167                                     | 268                                     |
| Management fee                   | 1,532                                   | 564                                     | 1,532                                   | 564                                     |
| Depreciation and Amortisation    | 1,408                                   | 1,418                                   | 494                                     | 472                                     |
| Audit fees                       | 133                                     | 99                                      | 58                                      | 55                                      |
| Rent, rate and insurance         | 962                                     | 472                                     | 217                                     | 178                                     |
| Travel expenses                  | 510                                     | 566                                     | 184                                     | 156                                     |
| Others                           | 2,601                                   | 850                                     | 579                                     | 387                                     |
|                                  | <b>10,019</b>                           | <b>6,411</b>                            | <b>4,544</b>                            | <b>3,305</b>                            |

### 7 Selling and distribution expenses

|                                  | Group                                   |   | Company                                 |   |
|----------------------------------|---|---|---|---|
|                                  | 3 months ended<br>31/03/17<br>₦'million | 3 months ended<br>31/03/16<br>₦'million | 3 months ended<br>31/03/17<br>₦'million | 3 months ended<br>31/03/16<br>₦'million |
| Salaries and related staff costs | 2,727                                   | 2,070                                   | 2,058                                   | 1,747                                   |
| Depreciation                     | 4,545                                   | 4,461                                   | 2,737                                   | 3,658                                   |
| Advertisement and promotion      | 1,170                                   | 772                                     | 1,038                                   | 455                                     |
| Haulage expenses                 | 18,720                                  | 7,670                                   | 14,058                                  | 5,670                                   |
| Others                           | 598                                     | 1,025                                   | 497                                     | 1,025                                   |
|                                  | <b>27,760</b>                           | <b>15,998</b>                           | <b>20,388</b>                           | <b>12,555</b>                           |

### 8 Other income

|                  | Group                                   |   | Company                                 |   |
|------------------|---|---|---|---|
|                  | 3 months ended<br>31/03/17<br>₦'million | 3 months ended<br>31/03/16<br>₦'million | 3 months ended<br>31/03/17<br>₦'million | 3 months ended<br>31/03/16<br>₦'million |
| Insurance claims | 202                                     | 2                                       | 6                                       | 2                                       |
| Government grant | 122                                     | 115                                     | 115                                     | 115                                     |
| Sundry income    | 339                                     | 105                                     | 41                                      | 33                                      |
|                  | <b>663</b>                              | <b>222</b>                              | <b>162</b>                              | <b>150</b>                              |



Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements  
For the period ended 31st March 2017

9 Finance income and costs

|   | Group                                |                                      | Company                              |                                      |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
|   | 3 months ended 31/03/17<br>N'million | 3 months ended 31/03/16<br>N'million | 3 months ended 31/03/17<br>N'million | 3 months ended 31/03/16<br>N'million |
| <b>Finance income</b>                                   |                                      |                                      |                                      |                                      |
| Interest income   | 2,564                                | 363                                  | 11,232                               | 6,917                                |
| Foreign exchange gains ( Note 9.1)                      | 3,077                                | 4,671                                | 5,862                                | -                                    |
|   | <b>5,641</b>                         | <b>5,034</b>                         | <b>17,094</b>                        | <b>6,917</b>                         |
| <b>Finance costs</b>                                    |                                      |                                      |                                      |                                      |
| Interest expenses                                       | 11,484                               | 6,709                                | 7,919                                | 5,917                                |
| Less: amounts included in the cost of qualifying assets | -                                    | (201)                                | -                                    | (201)                                |
|   | <b>11,484</b>                        | <b>6,508</b>                         | <b>7,919</b>                         | <b>5,716</b>                         |
| Foreign exchange loss ( Note 9.1)                       | -                                    | -                                    | -                                    | 950                                  |
| Others  | 88                                   | 117                                  | 72                                   | 108                                  |
|   | <b>11,572</b>                        | <b>6,625</b>                         | <b>7,991</b>                         | <b>6,774</b>                         |

The average effective interest rate on funds borrowed generally is 14% per annum for both Group and Company respectively. These are the rates used for the capitalisation on qualifying assets.

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.

10 Earnings per share

|   | Group                                |                                      | Company                              |                                      |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
|   | 3 months ended 31/03/17<br>N'million | 3 months ended 31/03/16<br>N'million | 3 months ended 31/03/17<br>N'million | 3 months ended 31/03/16<br>N'million |
| Profit for the period attributable to owners of the Company   | 72,472                               | 53,204                               | 85,169                               | 49,023                               |
| Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share (million) | 17,041                               | 17,041                               | 17,041                               | 17,041                               |
| Basic and diluted earnings per share (naira)  | 4.25                                 | 3.12                                 | 5.00                                 | 2.88                                 |

11 Income tax

11.1 Income tax recognised in profit or loss

|  | Group                                |                                      | Company                              |                                      |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
|  | 3 months ended 31/03/17<br>N'million | 3 months ended 31/03/16<br>N'million | 3 months ended 31/03/17<br>N'million | 3 months ended 31/03/16<br>N'million |
| Current tax expense                                      | (102)                                | (100)                                | -                                    | -                                    |
| Deferred tax expense                                     | (1,645)                              | (1,410)                              | (3,425)                              | (2,879)                              |
| Education tax  | (4,998)                              | (250)                                | (4,998)                              | (250)                                |
| <b>Total income tax recognised in the current period</b> | <b>(6,745)</b>                       | <b>(1,760)</b>                       | <b>(8,423)</b>                       | <b>(3,129)</b>                       |

Per Balance sheet

11.2 The movement in the current tax receivables account was as follows:-

|  | Group                 |                       | Company               |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 31/03/17<br>N'million | 31/12/16<br>N'million | 31/03/17<br>N'million | 31/12/16<br>N'million |
| Balance, beginning of the period       | 9                     | -                     | -                     | -                     |
| Charge for the period                  | (9)                   | 9                     | -                     | -                     |
| Payments during the period             | -                     | -                     | -                     | -                     |
| Effect of currency exchange difference | -                     | -                     | -                     | -                     |
| <b>Balance, end of the period</b>      | <b>-</b>              | <b>9</b>              | <b>-</b>              | <b>-</b>              |

11.2 The movement in the current tax payable account was as follows:-

|  | Group                 |                       | Company               |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 31/03/17<br>N'million | 31/12/16<br>N'million | 31/03/17<br>N'million | 31/12/16<br>N'million |
| Balance, beginning of the period       | 4,674                 | 1,289                 | 4,306                 | 1,305                 |
| Charge for the period                  | 5,091                 | 4,646                 | 4,998                 | 3,673                 |
| Payments during the period             | (135)                 | (1,128)               | -                     | (672)                 |
| Effect of currency exchange difference | (63)                  | (133)                 | -                     | -                     |
| <b>Balance, end of the period</b>      | <b>9,567</b>          | <b>4,674</b>          | <b>9,304</b>          | <b>4,306</b>          |

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

|  | Group                 |                       | Company               |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 31/03/17<br>N'million | 31/12/16<br>N'million | 31/03/17<br>N'million | 31/12/16<br>N'million |
| Balance, beginning of the period       | 50,110                | 14,465                | 26,255                | 10,913                |
| Charge for the period                  | 666                   | 30,604                | -                     | 15,342                |
| Effect of currency exchange difference | 23                    | 5,041                 | -                     | -                     |
| <b>Balance, end of the period</b>      | <b>50,799</b>         | <b>50,110</b>         | <b>26,255</b>         | <b>26,255</b>         |

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

|  | Group                 |                       | Company               |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 31/03/17<br>N'million | 31/12/16<br>N'million | 31/03/17<br>N'million | 31/12/16<br>N'million |
| Balance, beginning of the period       | 43,695                | 24,504                | 41,858                | 23,998                |
| Charge for the period                  | 2,311                 | 20,271                | 3,425                 | 17,860                |
| Effect of currency exchange difference | (452)                 | (1,080)               | -                     | -                     |
| <b>Balance, end of the period</b>      | <b>45,554</b>         | <b>43,695</b>         | <b>45,283</b>         | <b>41,858</b>         |

Notes to the condensed consolidated and separate financial statements  
For the period ended 31st March 2017

## 12 Property, plant and equipment

## 12.1 Group

|  | Leasehold<br>improvements<br>and buildings<br>₦'million | Plant and<br>machinery<br>₦'million | Motor<br>vehicles<br>₦'million | Aircraft<br>₦'million | Furniture &<br>equipment<br>₦'million | Capital<br>work-in-<br>progress<br>₦'million | Total<br>₦'million |
|--|---|-------------------------------------|--------------------------------|-----------------------|---------------------------------------|--|--------------------|
| <b>Cost or deemed cost</b>                       |   |                                     |                                |                       |                                       |  |                    |
| As at 1st January 2016                           | 117,947   | 741,582                             | 92,639                         | 4,028                 | 4,630                                 | 109,966                                      | 1,070,792          |
| Additions  | 4,499   | 28,418                              | 33,145                         | -                     | 992                                   | 69,114                                       | 136,168            |
| Reclassifications                                | (3,436)   | 10,190                              | 9,042                          | -                     | (23)                                  | (15,773)                                     | -                  |
| Other reclassification                           | (741)   | (985)                               | -                              | -                     | -                                     | (3,578)                                      | (5,304)            |
| Disposals  | -   | (132)                               | (74)                           | -                     | (1)                                   | -  | (207)              |
| Write-off  | -   | (242)                               | (422)                          | -                     | -                                     | -  | (664)              |
| Effect of foreign currency exchange differences  | 35,599  | 125,548                             | 10,643                         | -                     | 1,653                                 | 21,778                                       | 195,221            |
| Balance at 31st December 2016                    | 153,868   | 904,379                             | 144,973                        | 4,028                 | 7,251                                 | 181,507                                      | 1,396,006          |
| Additions  | 1,453   | 321                                 | 611                            | -                     | 109                                   | 13,913                                       | 16,407             |
| Reclassification                                 | 7,949   | 19,670                              | (4,394)                        | -                     | 46                                    | (23,271)                                     | -                  |
| Effect of foreign currency exchange differences  | 556   | 2,857                               | (1,433)                        | -                     | (36)                                  | (2,555)                                      | (611)              |
| <b>Balance at 31st March 2017</b>                | <b>163,826</b>  | <b>927,227</b>                      | <b>139,757</b>                 | <b>4,028</b>          | <b>7,370</b>                          | <b>169,594</b>                               | <b>1,411,802</b>   |
| <b>Accumulated depreciation &amp; impairment</b> |   |                                     |                                |                       |                                       |  |                    |
| Balance at 1st January 2016                      | 9,107   | 104,764                             | 37,322                         | 714                   | 1,673                                 | -  | 153,580            |
| Depreciation expense                             | 5,845   | 44,069                              | 23,241                         | 403                   | 644                                   | -  | 74,202             |
| Reclassifications                                | (329)   | 330                                 | -                              | -                     | (1)                                   | -  | -                  |
| Disposal   | -   | (132)                               | (15)                           | -                     | (1)                                   | -  | (148)              |
| Impairment                                       | -   | (121)                               | (1,664)                        | -                     | -                                     | -  | (1,785)            |
| Effect of foreign currency exchange differences  | 1,355   | 9,417                               | 3,362                          | -                     | 312                                   | -  | 14,446             |
| Balance at 31st December 2016                    | 15,978  | 158,327                             | 62,246                         | 1,117                 | 2,627                                 | -  | 240,295            |
| Depreciation expense                             | 1,612   | 11,113                              | 6,567                          | 99                    | 208                                   | -  | 19,599             |
| Reclassifications                                | 799   | 28                                  | (827)                          | -                     | -                                     | -  | -                  |
| Effect of foreign currency exchange differences  | 70  | 318                                 | 180                            | -                     | 13                                    | -  | 581                |
| <b>Balance at 31st March 2017</b>                | <b>18,459</b>   | <b>169,786</b>                      | <b>68,166</b>                  | <b>1,216</b>          | <b>2,848</b>                          | <b>-</b>                                     | <b>260,475</b>     |
| <b>Carrying amounts:</b>                         |   |                                     |                                |                       |                                       |  |                    |
| At 1st January 2016                              | 108,840   | 636,818                             | 55,317                         | 3,314                 | 2,957                                 | 109,966                                      | 917,212            |
| At 31st December 2016                            | 137,890   | 746,052                             | 82,727                         | 2,911                 | 4,624                                 | 181,507                                      | 1,155,711          |
| <b>At 31st March 2017</b>                        | <b>145,367</b>  | <b>757,441</b>                      | <b>71,591</b>                  | <b>2,812</b>          | <b>4,522</b>                          | <b>169,594</b>                               | <b>1,151,327</b>   |

## 12 Property, plant and equipment

## 12.2 Company

|  | Leasehold<br>improvements<br>and buildings<br>₦'million | Plant and<br>machinery<br>₦'million | Motor<br>vehicles<br>₦'million | Aircraft<br>₦'million | Furniture &<br>equipment<br>₦'million | Capital<br>work-in-<br>progress<br>₦'million | Total<br>₦'million |
|--|---|-------------------------------------|--------------------------------|-----------------------|---------------------------------------|--|--------------------|
| <b>Cost or deemed cost</b>                       |   |                                     |                                |                       |                                       |  |                    |
| As at 1st January 2016                           | 43,677  | 530,799                             | 73,439                         | 4,028                 | 1,603                                 | 63,104                                       | 716,650            |
| Additions  | 3,914   | 17,643                              | 5,381                          | -                     | 369                                   | 35,588                                       | 62,895             |
| Reclassifications                                | 4   | 1,194                               | 4,195                          | -                     | 108                                   | (5,501)                                      | -                  |
| Other reclassifications                          | -   | (985)                               | -                              | -                     | -                                     | (24,689)                                     | (25,674)           |
| Disposal   | -   | (130)                               | -                              | -                     | -                                     | -  | (130)              |
| <b>Balance at 31st December 2016</b>             | <b>47,595</b>   | <b>548,521</b>                      | <b>83,015</b>                  | <b>4,028</b>          | <b>2,080</b>                          | <b>68,502</b>                                | <b>753,741</b>     |
| Additions  | 1,245   | 41                                  | 170                            | -                     | 5                                     | 8,587  | 10,048             |
| Reclassification                                 | -   | 6,780                               | -                              | -                     | -                                     | (6,780)                                      | -                  |
| <b>Balance at 31st March 2017</b>                | <b>48,840</b>   | <b>555,342</b>                      | <b>83,185</b>                  | <b>4,028</b>          | <b>2,085</b>                          | <b>70,309</b>                                | <b>763,789</b>     |
| <b>Accumulated depreciation &amp; impairment</b> |   |                                     |                                |                       |                                       |  |                    |
| Balance at 1st January 2016                      | 7,706   | 95,373                              | 34,642                         | 714                   | 1,198                                 | -  | 139,633            |
| Depreciation expense                             | 1,883   | 29,462                              | 14,780                         | 403                   | 285                                   | -  | 46,813             |
| Disposal   | -   | (130)                               | -                              | -                     | -                                     | -  | (130)              |
| Impairment                                       | -   | -                                   | (1,592)                        | -                     | -                                     | -  | (1,592)            |
| <b>Balance at 31st December 2016</b>             | <b>9,589</b>  | <b>124,705</b>                      | <b>47,830</b>                  | <b>1,117</b>          | <b>1,483</b>                          | <b>-</b>                                     | <b>184,724</b>     |
| Depreciation expense                             | 489   | 6,663                               | 3,654                          | 99                    | 76                                    | -  | 10,981             |
| <b>Balance at 31st March 2017</b>                | <b>10,078</b>   | <b>131,368</b>                      | <b>51,484</b>                  | <b>1,216</b>          | <b>1,559</b>                          | <b>-</b>                                     | <b>195,705</b>     |
| <b>Carrying amounts:</b>                         |   |                                     |                                |                       |                                       |  |                    |
| At 1st January 2016                              | 35,971  | 435,426                             | 38,797                         | 3,314                 | 405                                   | 63,104                                       | 577,017            |
| At 31st December 2016                            | 38,006  | 423,816                             | 35,185                         | 2,911                 | 597                                   | 68,502                                       | 569,017            |
| <b>At 31st March 2017</b>                        | <b>38,762</b>   | <b>423,974</b>                      | <b>31,701</b>                  | <b>2,812</b>          | <b>526</b>                            | <b>70,309</b>                                | <b>568,084</b>     |

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements

For the period ended 31st March 2017

### 13 Intangible assets

#### 13.1 Group

|   | Computer<br>software<br>₦'million | Exploration<br>assets<br>₦'million | Total<br>₦'million |
|---|-----------------------------------|------------------------------------|--------------------|
| <b>Cost</b>                                     |                                   |                                    |                    |
| As at 1st January 2016                          | 2,553                             | 1,186                              | 3,739              |
| Additions                                       | 660                               | 85                                 | 745                |
| Other reclassifications                         | (75)                              | -                                  | (75)               |
| Effect of foreign currency exchange differences | 718                               | 941                                | 1,659              |
| Balance at 31st December 2016                   | 3,856                             | 2,212                              | 6,068              |
| Additions                                       | 29                                | 591                                | 620                |
| Effect of foreign currency exchange difference  | 43                                | 395                                | 438                |
| <b>Balance at 31st March 2017</b>               | <b>3,928</b>                      | <b>3,198</b>                       | <b>7,126</b>       |
| <b>Accumulated amortisation</b>                 |                                   |                                    |                    |
| As at 1st January 2016                          | 1,105                             | 24                                 | 1,129              |
| Amortisation expense                            | 531                               | 17                                 | 548                |
| Effect of foreign currency exchange differences | 223                               | 23                                 | 246                |
| Balance at 31st December 2016                   | 1,859                             | 64                                 | 1,923              |
| Amortisation expense                            | 145                               | 11                                 | 156                |
| Effect of foreign currency exchange difference  | 31                                | 2                                  | 33                 |
| <b>Balance at 31st March 2017</b>               | <b>2,035</b>                      | <b>77</b>                          | <b>2,112</b>       |
| <b>Carrying amounts:</b>                        |                                   |                                    |                    |
| At 1st January 2016                             | 1,448                             | 1,162                              | 2,610              |
| At 31st December 2016                           | 1,997                             | 2,148                              | 4,145              |
| <b>At 31st March 2017</b>                       | <b>1,893</b>                      | <b>3,121</b>                       | <b>5,014</b>       |

Intangible assets (computer software) represent software which is amortized on a straight line basis.

There are no development expenditure capitalised as internally generated intangible asset.



# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements

For the period ended 31st March 2017

### 13 Intangible assets

#### 13.2 Company

|                                   | Computer<br>software<br>₦'million | Exploration<br>assets<br>₦'million | Total<br>₦'million |
|-----------------------------------|-----------------------------------|------------------------------------|--------------------|
| <b>Cost</b>                       |                                   |                                    |                    |
| As at 1st January 2016            | 1,278                             | -                                  | 1,278              |
| Additions                         | 28                                | -                                  | 28                 |
|                                   |                                   |                                    | -                  |
| Balance at 31st December 2016     | 1,306                             | -                                  | 1,306              |
| Additions                         | -                                 | -                                  | -                  |
| <b>Balance at 31st March 2017</b> | <b>1,306</b>                      | <b>-</b>                           | <b>1,306</b>       |
| <b>Accumulated amortisation</b>   |                                   |                                    |                    |
| As at 1st January 2016            | 893                               | -                                  | 893                |
| Amortisation expense              | 300                               | -                                  | 300                |
| Balance at 31st December 2016     | 1,193                             | -                                  | 1,193              |
| Amortisation expense              | 75                                | -                                  | 75                 |
| <b>Balance at 31st March 2017</b> | <b>1,268</b>                      | <b>-</b>                           | <b>1,268</b>       |
| <b>Carrying amounts:</b>          |                                   |                                    |                    |
| At 1st January 2016               | 385                               | -                                  | 385                |
|                                   |                                   |                                    |                    |
| At 31st December 2016             | 113                               | -                                  | 113                |
| <b>At 31st March 2017</b>         | <b>38</b>                         | <b>-</b>                           | <b>38</b>          |

Intangible assets (computer software) represent software which is amortized on a straight line basis.

There are no development expenditure capitalised as internally generated intangible asset.

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 31st March 2017

### 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 |          |
|---|--------------------------------------|---|----------|
|   |                                      | 31/03/17  | 31/12/16 |
| 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 S.A                 | 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 S.A            | 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 Limited            | Liberia                              | 100.00%   | 100.00%  |
| Dangote Cement Burkina faso S.A             | Burkina Faso                         | 95.00%  | 95.00%   |
| Dangote Cement Chad S.A                     | Chad                                 | 95.00%  | 95.00%   |
| Dangote Cement Mali S.A                     | 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. Limited           | 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%   |
| Dangote Cement Guinea SA                    | Guinea                               | 95.00%  | 95.00%   |
| Cimenterie Obajana Sprl- D.R. Congo         | D.R. Congo                           | 98.00%  | 98.00%   |
| Itori Cement Plc.                           | Nigeria                              | 99.00%  | 99.00%   |
| Okpella Cement Plc.                         | Nigeria                              | 99.00%  | 99.00%   |
| Dangote Takoradi Cement Production Limited  | Ghana                                | 99.00%  | 99.00%   |

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 31st March 2017

### 14 Investments

#### 14.2 Investments in subsidiaries

|   | Group                 |                       | Company               |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| Dangote Cement South Africa (Pty) Limited   | -                     | -                     | 25,381                | 25,381                |
| Dangote Industries (Ethiopia) Plc           | -                     | -                     | 40,036                | 39,338                |
| 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        | -                     | -                     | 13,851                | 13,851                |
| 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 Burkina faso S.A             | -                     | -                     | 3                     | 3                     |
| Dangote Cement Chad S.A                     | -                     | -                     | 3                     | 3                     |
| Dangote Cement Mali S.A                     | -                     | -                     | 3                     | 3                     |
| Dangote Cement Niger SARL                   | -                     | -                     | 5                     | 5                     |
| Dangote Cement Madagascar Limited           | -                     | -                     | -                     | -                     |
| Dangote Industries Benin S.A                | -                     | -                     | 3                     | 3                     |
| Dangote Cement Togo S.A                     | -                     | -                     | 5                     | 5                     |
| 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   | -                     | -                     | -                     | -                     |
| Dangote Cement Guinea SA                    | -                     | -                     | -                     | -                     |
| Cimenterie Obajana Sprl- D.R. Congo         | -                     | -                     | -                     | -                     |
| Itori Cement Plc.                           | -                     | -                     | -                     | -                     |
| Okpella Cement Plc.                         | -                     | -                     | -                     | -                     |
| Dangote Takoradi Cement Production Limited  | -                     | -                     | -                     | -                     |
|   | -                     | -                     | 79,371                | 78,673                |

#### 14.3 Investments in associates

|                                 | Group                 |                       | Company               |                       |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                 | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'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>          |

### 15 Non-current prepayments

|                                      | Group                 |                       | Company               |                       |
|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                      | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| Advance to contractors               | 15,169                | 13,196                | -                     | -                     |
| <b>Total non-current prepayments</b> | <b>15,169</b>         | <b>13,196</b>         | <b>-</b>              | <b>-</b>              |

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



# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 31st March 2017

### 16 Other receivables

|                                    | Company               |                       |
|------------------------------------|-----------------------|-----------------------|
|                                    | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| <b>Non Current</b>                 |                       |                       |
| Entities controlled by the company | 642,519               | 633,323               |

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               |                       |
|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                     | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| Finished goods      | 5,930                 | 5,363                 | 4,437                 | 3,310                 |
| Work-in-progress    | 11,259                | 10,336                | 3,631                 | 3,734                 |
| Raw materials       | 4,144                 | 4,925                 | 1,694                 | 1,456                 |
| Packaging materials | 4,866                 | 4,262                 | 2,280                 | 2,636                 |
| Consumables         | 8,593                 | 9,936                 | 7,772                 | 7,931                 |
| Fuel                | 8,396                 | 14,861                | 6,451                 | 11,465                |
| Spare parts         | 27,668                | 30,948                | 21,983                | 24,926                |
| Goods-in-transit    | 1,924                 | 2,272                 | 424                   | 392                   |
|                     | <b>72,780</b>         | <b>82,903</b>         | <b>48,672</b>         | <b>55,850</b>         |

### 18 Trade and other receivables

|   | Group                 |                       | Company               |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| Trade receivables                         | 15,750                | 16,695                | 9,989                 | 10,454                |
| Impairment allowance on trade receivables | (681)                 | (708)                 | (598)                 | (627)                 |
|   | 15,069                | 15,987                | 9,391                 | 9,827                 |
| Staff loans and advances                  | 1,389                 | 1,398                 | 1,156                 | 1,150                 |
| Other receivables                         | 10,146                | 8,894                 | 1,266                 | 880                   |
|   | <b>26,604</b>         | <b>26,279</b>         | <b>11,813</b>         | <b>11,857</b>         |

### 19 Prepayments and other current assets

|                                  | Group                 |                       | Company               |                       |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                  | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| Advance to contractors           | 20,905                | 15,126                | 6,759                 | 2,109                 |
| Deposits for import              | 43,091                | 36,774                | 41,112                | 36,360                |
| Deposit for supplies             | 14,913                | 5,144                 | 10,679                | 2,019                 |
| Rent and insurance               | 4,287                 | 2,627                 | 2,379                 | 1,359                 |
| <b>Total current prepayments</b> | <b>83,196</b>         | <b>59,671</b>         | <b>60,929</b>         | <b>41,847</b>         |

#### Related party transactions - current

|   |                |               |               |               |
|---|----------------|---------------|---------------|---------------|
| Parent company  | -              | -             | -             | -             |
| Entities controlled by the parent company             | 28,141         | 18,537        | 28,078        | 18,537        |
| Affiliates and associates of parent company           | 286            | 72            | -             | -             |
| <b>Total current receivables from related parties</b> | <b>28,427</b>  | <b>18,609</b> | <b>28,078</b> | <b>18,537</b> |
| <b>Prepayments and other current assets</b>           | <b>111,623</b> | <b>78,280</b> | <b>89,007</b> | <b>60,384</b> |

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



## Dangote Cement Plc

### Notes to the condensed consolidated and separate financial statements For the period ended 31st March 2017

#### 20 Cash and cash equivalents

|   | Group                 |                       | Company               |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| Cash and bank balances                            | 57,222                | 74,001                | 18,187                | 33,173                |
| Short term deposits                               | 86,635                | 41,692                | 73,711                | 32,337                |
|   | 143,857               | 115,693               | 91,898                | 65,510                |
| Bank overdrafts used for cash management purposes | (7,985)               | (6,292)               | -                     | -                     |
| Cash and cash equivalents                         | 135,872               | 109,401               | 91,898                | 65,510                |

#### 21 Trade and other payables

|                             | Group                 |                       | Company               |                       |
|-----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                             | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| Trade payables              | 83,507                | 83,164                | 62,771                | 53,660                |
| Payable to contractors      | 33,516                | 33,851                | 21,973                | 22,532                |
| Value added tax             | 6,243                 | 651                   | 1,027                 | 399                   |
| Withholding tax payable     | 9,589                 | 8,439                 | 2,772                 | 2,351                 |
| Defined contribution plan   | 1,685                 | 211                   | 10                    | 41                    |
| Advances from customers     | 36,752                | 44,077                | 27,151                | 35,783                |
| Suppliers' credit           | 40,750                | 42,353                | 40,750                | 42,353                |
| Other accruals and payables | 63,990                | 56,220                | 28,470                | 21,448                |
|                             | 276,032               | 268,966               | 184,924               | 178,567               |

#### 22 Financial liabilities

|   | Group                 |                       | Company               |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| <b>Unsecured borrowings at amortised cost</b>                             |                       |                       |                       |                       |
| Subordinated loans  | 29,998                | 29,998                | 29,998                | 29,998                |
| Loans from Parent company   | 1,097                 | 46,097                | 1,097                 | 46,097                |
| Bulk Commodities loans  | 7,108                 | 9,794                 | 1,008                 | 1,004                 |
| Loans from Dangote Oil Refinery Company                                   | 130,000               | 130,000               | 130,000               | 130,000               |
|   | 168,203               | 215,889               | 162,103               | 207,099               |
| <b>Secured borrowings at amortised cost</b>                               |                       |                       |                       |                       |
| Power intervention loan   | 11,933                | 12,496                | 11,933                | 12,496                |
| Bank loans  | 143,894               | 128,080               | 49,355                | 42,683                |
|   | 155,827               | 140,576               | 61,288                | 55,179                |
| Total borrowings  | 324,030               | 356,465               | 223,391               | 262,278               |
| <b>Non-current portion of financial debts</b>                             | 106,896               | 152,475               | 29,962                | 86,182                |
| Current portion repayable in one year and shown under current liabilities | 209,149               | 197,698               | 193,429               | 176,096               |
| Overdraft balances  | 7,985                 | 6,292                 | -                     | -                     |
| <b>Short-term portion</b>   | 217,134               | 203,990               | 193,429               | 176,096               |
| Interest payable  | 8,178                 | 16,310                | 7,820                 | 16,174                |
| Financial liabilities (short term)  | 225,312               | 220,300               | 201,249               | 192,270               |

# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 31st March 2017

### 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 is short term and is repayable on demand. The long-term loan is unsecured, with interest at 15% 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 ₦2.8 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 ₦24.5 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 ₦20.7 billion. The difference of ₦3.8 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               |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| Deferred revenue arising from government grant (refer to (a) below) | 1,335                 | 1,446                 | 859                   | 975                   |
| Current portion of deferred revenue                                 | 454                   | 374                   | 431                   | 346                   |
| Non-current portion of deferred revenue                             | 881                   | 1,072                 | 428                   | 629                   |

- (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.

### 24 Other current liabilities

|   | Group                 |                       | Company               |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 31/03/17<br>₦'million | 31/12/16<br>₦'million | 31/03/17<br>₦'million | 31/12/16<br>₦'million |
| Current portion of deferred revenue         | 454                   | 374                   | 431                   | 346                   |
| <b>Related party transactions</b>           |                       |                       |                       |                       |
| Parent company                              | 7,959                 | 8,003                 | 7,959                 | 8,003                 |
| Entities controlled by the parent company   | 4,961                 | 1,956                 | 3,705                 | 1,237                 |
| Affiliates and associates of parent company | 10,772                | 7,974                 | 7,190                 | 5,497                 |
|   | 23,692                | 17,933                | 18,854                | 14,737                |
| <b>Other current liabilities</b>            | <b>24,146</b>         | <b>18,307</b>         | <b>19,285</b>         | <b>15,083</b>         |



# Dangote Cement Plc

## Notes to the condensed consolidated and separate financial statements For the period ended 31st March 2017

### 25 Long term provisions

|  | Group        |              | Company      |              |
|--|--------------|--------------|--------------|--------------|
|  | 31/03/17     | 31/12/16     | 31/03/17     | 31/12/16     |
|  | ₦'million    | ₦'million    | ₦'million    | ₦'million    |
| Balance at beginning of the period                         | 3,344        | 3,283        | 2,302        | 619          |
| Effect of foreign exchange differences                     | 29           | 123          | -            | -            |
| Provisions made during the period                          | (103)        | 1,854        | (106)        | 1,615        |
| Write back of withholding tax provision no longer required | -            | (1,984)      | -            | -            |
| Unwind of discount   | 72           | 68           | 72           | 68           |
| <b>Balance at the end of the period</b>                    | <b>3,342</b> | <b>3,344</b> | <b>2,268</b> | <b>2,302</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   |           |
|---|---------------|---------------|-----------|-----------|
|   | 31/03/17      | 31/12/16      | 31/03/17  | 31/12/16  |
|   | ₦'million     | ₦'million     | ₦'million | ₦'million |
| Balance at beginning of the period      | 17,730        | 24,442        | -         | 24,442    |
| Credit obtained during the period       | -             | 21,354        | -         | 3,624     |
| Transfer to short term                  | -             | (42,353)      | -         | (42,353)  |
| Foreign exchange differences            | 128           | 14,287        | -         | 14,287    |
| <b>Balance at the end of the period</b> | <b>17,858</b> | <b>17,730</b> | <b>-</b>  | <b>-</b>  |

### 27 Share capital

|  | Group & Company |               |
|--|-----------------|---------------|
|  | 31/03/17        | 31/12/16      |
|  | ₦'million       | ₦'million     |
| <i>Issued and fully paid:</i>  |                 |               |
| Share capital (17,040,507,405 (2014: 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> |