twiga cement
HEIDELBERGCEMENT Group

BUILDING INTO THE FUTURE

Tanzania Portland Cement Company Limited

Annual Report 2011

FINANCIAL HIGHLIGHTS
2007 - 2011

	2007 TZS '000	2008 TZS '000	2009 TZS '000	2010 TZS '000	**2011 TZS '000**
Number of employees (yearly average)	312	322	342	358	**356**
Revenue	119,764,889	148,709,578	178,999,595	199,600,699	**217,258,974**
Operating income before depreciations	48,147,156	56,480,555	79,479,085	85,859,299	**83,120,654**
Operating income	45,240,284	53,159,844	71,982,795	75,881,736	**72,771,794**
Profit/loss for the financial year	30,111,586	34,962,320	47,992,970	50,205,052	**50,605,262**
Earnings per share (TZS)	167.36	194.32	266.74	279.04	**281.26**
Dividend per share (TZS)	43.00	70.00	130.00	139.51	**180.00**
Total investments in fixed assets	34,475,634	65,273,645	27,904,244	6,082,331	**23,622,977**
Depreciation and amortisation	-2,906,872	-3,320,711	-7,496,290	-9,977,563	**-10,348,860**
Non-current assets	60,200,945	122,152,602	142,383,084	138,879,244	**152,494,631**
Current assets	42,765,801	46,513,380	49,953,054	78,290,725	**100,173,774**
Equity	78,890,233	106,115,859	141,514,212	168,329,261	**186,875,852**
Non-current liabilities	7,234,509	11,165,759	24,168,847	25,728,556	**26,328,913**
Current liabilities	16,842,004	51,384,363	26,653,078	23,112,152	**39,463,640**
Balance Sheet Total	102,966,746	168,665,982	192,336,138	217,169,969	**252,668,405**
Memo items:					
- Average exchange rate TZS/USD	1,245	1,193	1,319	1,412	**1,585**
- Closing exchange rate TZS/USD	1,132	1,280	1,327	1,470	**1,613**

CONTENTS

LETTER OF TRANSMITTAL

The Shareholders
Tanzania Portland Cement Company Limited

Letter of Transmittal

The Directors of the Company have the pleasure to submit to you the Annual Report for the Company for the year ended 31st December 2011 in accordance with section 166 of the Companies Act, 2002.

The report contains the Chairman's Statement, Report of the Managing Director, the Annual Accounts together with Directors' Report and Auditors' Report on the Accounts.

The Directors recommend a final dividend of TZS 180 per share compared to TZS 139.51 per share last year. This amount includes TZS 40 per share paid in October 2011 as interim dividend

Jean-Marc Junon

CHAIRMAN
Tanzania Portland Cement Company Limited

Kwa Wanahisa
Tanzania Portland Cement Company Limited

Barua ya Kuwasilisha

Wakurugenzi wa Kampuni wanayo furaha kuwasilisha kwenu Taarifa ya Mwaka ya Kampuni kwa kipindi cha mwaka ulioishia Decemba 31, 2011, kwa mujibu wa ibara ya 166 ya Sheria ya Kampuni ya mwaka, 2002.

Taarifa hii inajumuisha, Tamko la Mwenyekiti, Ripoti ya Mkurugenzi Mtendaji, Hesabu za mwaka, Ripoti ya Wakurugenzi na Ripoti ya Wakaguzi kuhusu hesabu hizo.

Bodi ya Wakurugenzi inapendekeza gawio la TZS.180 kwa kila hisa kwa mwaka 2011 (2010 TZS 139.51). Kiasi hicho kinajumuisha gawio la awali la TZS 40 kwa kila hisa lililolipwa mwezi Oktoba 2011.

Jean-Marc Junon

MWENYEKITI
Tanzania Portland Cement Company Limited

1st Section

Uhuru Heights
Growing with Tanzania ...
Twiga Cement has been here
since Independence


Allah Malik
SCANIA
124L
420
T382
BBR


tujenge

After completing the upgrading of its clinker kiln number 3 to be restarted in May 2012, TPCC with its integrated cement capacity of 1.4 million tonnes per year, will be best positioned to supply the growing demand for its high quality cement.

Introduction

Tanzania Portland Cement Company Ltd (TPCC) maintained its leadership position in the market though it faced severe challenges caused by erratic power supply and challenging business environment.

Economic and Business Environment

With a GDP growth of 6.9% in 2011, the Tanzanian economy grew at the same pace as in the previous year. The construction sector, however, saw a moderate growth of around 3% due to power shortage which affected the entire industry.

TPCC and the other local producers are still exposed to the imports of cement as the EAC Governments decided for the 4th time not to re-instate suspended duties on cement in the Common External Tariff.

Customer services

By continuing to support development in the sub-regional markets through the appointment of more distributors, Twiga Cement products are now available to customers across the country. With an increased professional use of cement and concrete, TPCC has also implemented enhanced customer services focusing on the ease of delivery (bag, jumbo bags or bulk) and technical support to its customers.

Financial Performance

With a moderate increase in dispatched volumes of 2%, the turnover increased by 9% compared to 2010. Higher imports of clinker and frequent breakdowns of machinery resulting from the erratic power supply led to increased production costs. Thus the operating profit was stable compared to 2010.

Outlook

It is forecasted that the cement demand will continue to grow in the country as several areas are still at very early stages of development. Infrastructure, residential and commercial projects will continue to fuel the growth especially with improved power supply.

After completing the upgrading of its clinker kiln number 3 to be restarted in May 2012, TPCC with its integrated cement capacity of 1.4 million tonnes per year, will be best positioned to supply the growing demand for its high quality cement. Building on its customer oriented focus, TPCC will once more confirm its leadership in the industry.

TPCC is still waiting for the implementation of the court verdict released in October 2010 for the eviction of trespassers to its land. Although we understand the complexity of the situation, TPCC trusts that the Government of Tanzania will solve this problem so as not to threaten the confidence of the foreign investors in the country.

Capital Markets

TPCC share price increased by 15% in the year 2011: opening at TZS 1,800 per share and closing at TZS 2,080 per share. The market capitalization at the end of 2011 was thus TZS 374 billion; up 15% from the year before. The number of shareholders at the end of the year stood at about 9,700 compared to around 10,400 one year earlier.

Dividend

The directors recommend payment of TZS 32.38 billion (TZS 180 per share) (2010: TZS 25.1 billion, TZS 139.51 per share) to shareholders as final dividend. The proposed dividend includes an interim dividend of TZS 7.2 billion (TZS 40 per share) paid in October 2011. In making this proposal the directors have taken into account the financial situation of the Company and its future needs for implementing replacement and improvement projects. The proposed dividend is an increase of 29% compared to last year's dividend and represents 64% of the net result for the year.

Corporate Citizenship

TPCC reaffirms its commitment to the principles of good governance and corporate citizenship. We recognize and accept our responsibility to work with our various stakeholders, including government, to foster sustainable economic growth, safe working conditions, ensure environmentally sound business practices, provide adequate employee welfare, and deliver acceptable returns to our shareholders.

TPCC makes significant contributions to the Tanzanian economy through government taxes, technological improvements, international business standards, community development programs, and by performing its core activity: making cement available for building the country.

Finally, I wish to express my appreciation to my fellow Board Members, Management and Staff of TPCC for their hard work and dedication, as well as to our customers, suppliers and other stakeholders for their loyalty and support in 2011.

MAELEZO MAFUPI YA MWENYEKITI

Utangulizi

Kampuni ya Saruji Tanzania (TPCC) imeshikilia uongozi wake katika soko japo inakabiliwa na changamoto nzito zinazotokana na ugavi hafifu wa umeme na mazingira magumu ya biashara.

Mazingira ya Uchumi na Biashara:

Kwa pato la taifa la 6.9% mwaka 2011 uchumi wa Tanzania umekua kwa kiwago kilekile cha miaka iliyopita. Hata hivyo, sekta ya ujenzi imekua kwa kiwango cha wastani cha 3% kutokana na ugavi wa umeme usio thabiti ulioathiri sekta yote.

TPCC na wazalishaji wengine wa saruji nchini wameendelea kuathiriwa na saruji inayoingizwa nchini toka nje kwani serikali za nchi za Jumuia ya Afrika Mashariki zimeamua kwa mara ya nne wasirejeshe ushuru wa ziada kwa saruji inayotoka nje.

Huduma kwa Wateja:

Kutokana na muendelezo wa kustawisha masoko ndani ya mikoa kwa kuteua wasambazaji zaidi, bidhaa za Twiga Cement sasa zinawafikia wateja pande zote nchini. Kutokana na ongezeko la matumizi ya kitaalamu ya saruji na zege, TPCC imeongeza huduma kwa wateja inayolenga kurahisisha usambazaji (mifuko midogo na mikubwa au mitungi) na misaada ya kiufundi kwa wateja wake.

Utendaji Kifedha:

Kutokana na ongezeko la wastani la usambazajii la 2%, mauzo yaliongezeka kwa 9% ikilinganishwa na 2010. Uagizaji mkubwa wa klinka toka nje na hitilafu za mara kwa mara za mitambo kutokana na umeme usio thabiti ndiyo sababu kuu za gharama za uzalishaji kuongezeka. Hii ilipelekea faida ya uendeshaji ya mwaka huu kuwa sawa na ile ya 2010.

Matarajio:

Inatarajiwa kwamba mahitaji ya saruji yataendelea kuongezeka nchini kwani maeneo kadhaa bado yako katika kiwango cha awali cha maendeleo. Miradi ya miundombinu na nyumba za makazi na za biashara itaendelea kuchochea ukuaji, hasa ikiambatana na ugavi thabiti wa umeme.

Baada ya kukamilisha ukarabati wa tanuru namba 3 litakalowashwa tena mwezi Mei 2012, TPCC ikiwa na uwezo wa kuzalisha jumla ya tani milioni 1.4 itakuwa na nafasi nzuri ya kukidhi mahitaji ya saruji yake yenye ubora wa juu. Kwa mara nyingine TPCC itathibitisha uongozi wake katika tasnia ya saruji nchini ikitegemea mtazamo wake wa kuwajali wateja.

TPCC bado inasubiri utekelezaji wa hukumu iliyotolewa mwezi Oktoba 2010 ya kuwaondoa wavamizi wa eneo la machimbo yake. Japo tunaelewa ugumu wa zoezi hilo, TPCC ina imani kwamba Serikali ya Tanzania italitatua tatizo hili ambalo linaweza kuathiri imani ya wawekezaji wa nje nchini.

Soko la Mitaji:

Thamani ya hisa ya TPCC iliongezeka kiasi cha 15% mwaka 2011, ikianzia TZS 1,800 kwa hisa na kufikia TZS 2,080 kwa hisa mwishoni mwa 2011. Thamani ya Kampuni mwishoni mwa 2011 ilikuwa TZS 374 bilioni ikiwa ni ongezeko la 15% juu ya mwaka 2010. Kampuni ilikuwa na wamiliki takriban 9,700 ikilinganishwa na wamiliki 10,400 mwaka uliopita.

Gawio:

Bodi ya Wakurugenzi inapendekeza gawio la TZS 32.38 bilioni (TZS 180 kwa kila hisa) kwa mwaka 2011, (2010: TZS 25.1 bilioni, TZS 139.51 kwa kila hisa) kiasi kinachojumuisha gawio la TZS 7.2 bilioni (TZS 40 kwa kila hisa) kilicholipwa kama gawio la awali mwezi Oktoba 2011. Pendekezo hili limezingatia hali ya kifedha ya kampuni na mahitaji ya miradi ya uboreshaji. Gawio lililopendekezwa ni ongezeko la 29% ikilinganishwa na 2010 na ni 64% ya faida ya mwaka baada ya kodi ya mapato.

Uraia Mwema:

Kampuni inaendelea na msimamo wake wa kuendesha shughuli zake kwa misingi ya utawala bora na uraia mwema. Tunatambua na kukubali wajibu wa kutekeleza majukumu yetu kwa kushirikiana na wadau mbalimbali ikiwemo serikali katika ukuaji endelevu wa nchi, kuweka mazingira mazuri na salama ya kazi, kuhakikisha utunzaji wa mazingira, kuboresha maslahi ya wafanyakazi na kuwapa wamiliki kipato cha kuridhisha.

Kampuni inatoa mchango mkubwa kwa uchumi wa nchi, kwa kulipa kodi stahiki, kuboresha teknolojia, kuinua viwango vya biashara vya kimataifa, kutekeleza mipango mbalimbali ya maendeleo ya jamii na kutekeleza shughuli yake kuu ya kuzalisha saruji kwa ujenzi wa nchi.

Hitimisho:

Mwisho, napenda kuwashukuru wakurugenzi wenzangu, uongozi wa Kampuni na wafanyakazi kwa kujituma na kazi nzuri, pia watejai wetu, wagavi na wadau wengine kwa uwajibikaji na kutuunga mkono mwaka 2011.


twiga
cement

2nd Section

Vijana Towers
Strong building requires strong cement...
Twiga Cement

The First Lady, Mrs. Salma Kikwete together with the Managing Director of Tanzania Portland Cement Company Limited distribute school bags to the students of Ushashi primary school.

MANAGING DIRECTOR'S REPORT

Introduction

The performance of the company was severely affected by problems of electricity supply and difficult business environment created by the high inflation and the depreciation in the exchange rate of the Tanzanian Shilling against major currencies. Despite these difficulties, we managed to increase our sales volumes as a result of the widespread distribution network.
With additional clinker capacity (kiln 3 upgrading) coming on stream in May 2012 and building on our customer oriented focus, TPCC will certainly strengthen its position in 2012.

Sales

The difficulties faced by the construction sector in 2011 translated into a very moderate growth in our sales volumes of 2% over the previous year. The estimated market share was approximately 46% and this has been stable over the last two years.

Despite the low growth market, TPCC managed to consolidate its traditional outlets of Dar-es-Salaam, Central Corridor (Morogoro-Dodoma-Kigoma) and Lake Region. We also managed to penetrate and establish our presence in Northern Area (Moshi-Arusha). Our strategy in the coming years aims at making our product available at competitive pricing in all locations in Tanzania and beyond the borders of this country.

As a result of our focus on customer needs and satisfaction, we have developed tailor-made delivery solutions and enhanced customer technical support. TPCC wants, more than ever, to stand next to its customers by assisting them in their business.

Operations

While the operations of the plant were heavily affected by power supply, the introduction of emergency power generation units brought great relief, it was regrettably followed by significant electricity tariff increase. Interruptions of gas supplies in December 2010 and in May 2011 have also clearly indicated the need for investment in more gas transport capacity to satisfy the growing demand for the locally extracted fuel. The projects of Songo-Songo extension and Mnazi Bay pipeline are therefore critical for the years to come.

A 17 million USD upgrading project of the clinker line number 3 with capacity of 300,000 tonnes per annum was initiated in May 2011 and its commissioning is scheduled for May 2012. This will bring the total clinker capacity of clinker at Wazo Hill to more than 1.15 million tonnes per year, making it the single largest clinker manufacturing site in East Africa. This will make TPCC completely independent of expensive clinker importation.

Improvements in the operations of the cement mills have led to a sharp increase in the quality of our cement, both in early strength and final strength.

The additional packing capacity installed in 2010 has resulted in improved daily dispatch lowering waiting time at the factory premises.

Financial performance

The turnover increased by 9% compared to 2010. However, higher imports of clinker and frequent breakdowns of machinery resulting from the erratic power supply led to increased production costs. Thus despite the increase in turnover the operating profit remained at the same level as 2010.

Following on the tax assessment issue developed in previous years' reports, the discussion with TRA is ongoing and a reduction of the initial 9 billion TZS tax assessment brought forward in 2008 has already been proposed by the TRA. TPCC expects a conclusion on this matter shortly.

Corporate Citizenship

In 2011 the Company also played its role of Corporate Citizenship on many occasions. It cooperated again with schools and orphanages, helping them to secure decent buildings for their activities. The focus had been to help those in dire need and assisting to secure the future of the country through supporting education.

The environmental improvements at TPCC have continued with training the employees, contractors and surrounding communities on environmental awareness. Drainage systems as well as water network have been given a special attention. The quarry rehabilitation programme, supported by the German Technical Cooperation, GTZ is going on with trees planted in TPCC quarry and surrounding areas, especially schools.

Safety has been the motto for 2011 and TPCC has implemented a strict safety management system that enables it to control and prevent the safety risks in its operations. TPCC expects to be certified OHSAS 18001 in 2012 and so joining the club of the very few industries certified IS0 9001, 14001 and OHSAS 18001 in East Africa.

RIPOTI YA MKURUGENZI MTENDAJI

Utangulizi
Ufanisi wa kampuni uliathiriwa kwa kiasi kikubwa na matatizo ya umeme na mazingira magumu ya biashara yaliyotokana na mfumuko wa bei na kushuka kwa thamani ya shilingi ya Tanzania ikilinganishwa na sarafu kuu. Licha ya matatizo hayo tuliweza kuongeza kiasi cha mauzo yetu kutokana na mtandao wetu mpana wa mauzo.
Ukizingatia ongezeko la uwezo wetu wa kuzalisha klinka (kutokana na ukarabati wa tanuru namba 3) ifikapo mwezi Mei, 2012 pamoja na mtazamo wetu unaomlenga mteja, bila shaka TPCC itajiimarisha zaidi katika nafasi yake sokoni.

Mauzo:
Changamoto zilizoikabili sekta ya ujenzi mwaka 2011 zilipelekea kuwa na ongezeko la mauzo la wastani wa takriban 2% ikilinganishwa na mwaka 2010. Inakadiriwa kwamba sehemu ya soko inayodhibitiwa na TPCC ni takriban 46%, kiasi ambacho kimedumu kwa miaka miwili sasa.

Licha ya ukuaji mdogo wa soko, kampuni imeweza kuimarisha vituo vyake vya mauzo vya Dar es Salaam, ukanda wa kati (Morogoro-Dodoma-Kigoma) na kanda ya ziwa. Tuliweza pia kuingia na kuanzisha uwepo wetu katika eneo la kaskazini (Moshi-Arusha). Mkakati wetu kwa miaka ijayo unalenga kuifanya bidhaa yetu iwepo katika maeneo yote ya Tanzania na hata nje ya mipaka yake kwa bei nzuri.

Kuzingatia mahitaji na kuridhika kwa wateja kumetufanya tubuni njia mbalimbali za kupeleka bidhaa kwa wateja na kuongeza misaada ya kiufundi. TPCC inanuia kuwa karibu na wateja wake kuliko wakati mwingine wowote, ikiwasaidia katika biashara zao

Uendeshaji:
Japokuwa shughuli za uendeshaji ziliathiriwa kwa kiasi kikubwa na hali mbaya ya ugavi wa umeme, kampuni ilipata ahueni zilipoletwa jenereta za dharura japo ilisikitishwa na ongezeko kubwa la bei ya umeme lililofuatia. Katizo la gesi mnamo Desemba 2010 na pia mwezi Mei 2011 pia limedhihirisha haja ya kuwekeza zaidi katika usafirishaji wa gesi ili kutosheleza ongezeko la mahitaji ya nishati hiyo inayopatikana nchini. Hivyo miradi ya upanuzi wa Songo-Songo na bomba la Mnazi Bay ni muhimu sana kwa miaka ijayo.

Mradi wa kukarabati mtambo namba 3 wenye uwezo wa kuzalisha tani 300,000 za klinka kwa mwaka utakaogharimu dola millioni 17 za Marekani ulianza mwezi Mei 2011 na unatarajiwa kuzinduliwa mwezi Mei 2012. Mtambo huu utawezesha kiwanda kilichoko Wazo Hill kufikisha uwezo wa kuzalisha zaidi ya tani milioni 1.15 na hivyo kuongoza katika uzalishaji klinka katika eneo moja kwenye ukanda wa Afrika Mashariki. Hali hiyo itaifanya Kampuni isitegemee kabisa klinka aghali inayoagizwa toka nje.

Uboreshaji wa uendeshaji wa vinu vya saruji umeongeza ubora wa saruji kwa kiasi kikubwa kwa maana ya uimara wa awali na pia ule wa mwisho.
Upanuzi wa mitambo ya upakizi uliofanyika mwaka 2010 umeboresha upakizi wa kila siku na kupunguza muda wa wateja kusubiri kupakiliwa.

Ufanisi Kifedha:
Mauzo yameongezeka kwa 9% ikilinganishwa na mwaka 2010. Hata hivyo uagizaji wa klinka kuliko ilivyokadiriwa na kuharibika kwa mitambo mara kwa mara kutokana na kukatikakatika kwa umeme kumepelekea gharama za uzalishaji kuongezeka. Hiyo imepelekea faida ya uendeshaji kuwa sawa na kiwango cha 2010.

Kuhusu suala la makadirio ya ziada ya kodi ya TZS milioni 9 lililotajwa katika ripoti za miaka iliyopita TPCC inaendelea na mazungumzo na Mamlaka ya Mapato (TRA) na punguzo la makadirio la awali lililowasilishwa mwaka 2008 limependekezwa na TRA. TPCC inatarajia kwamba suala hili litafikia tamati hivi karibuni.

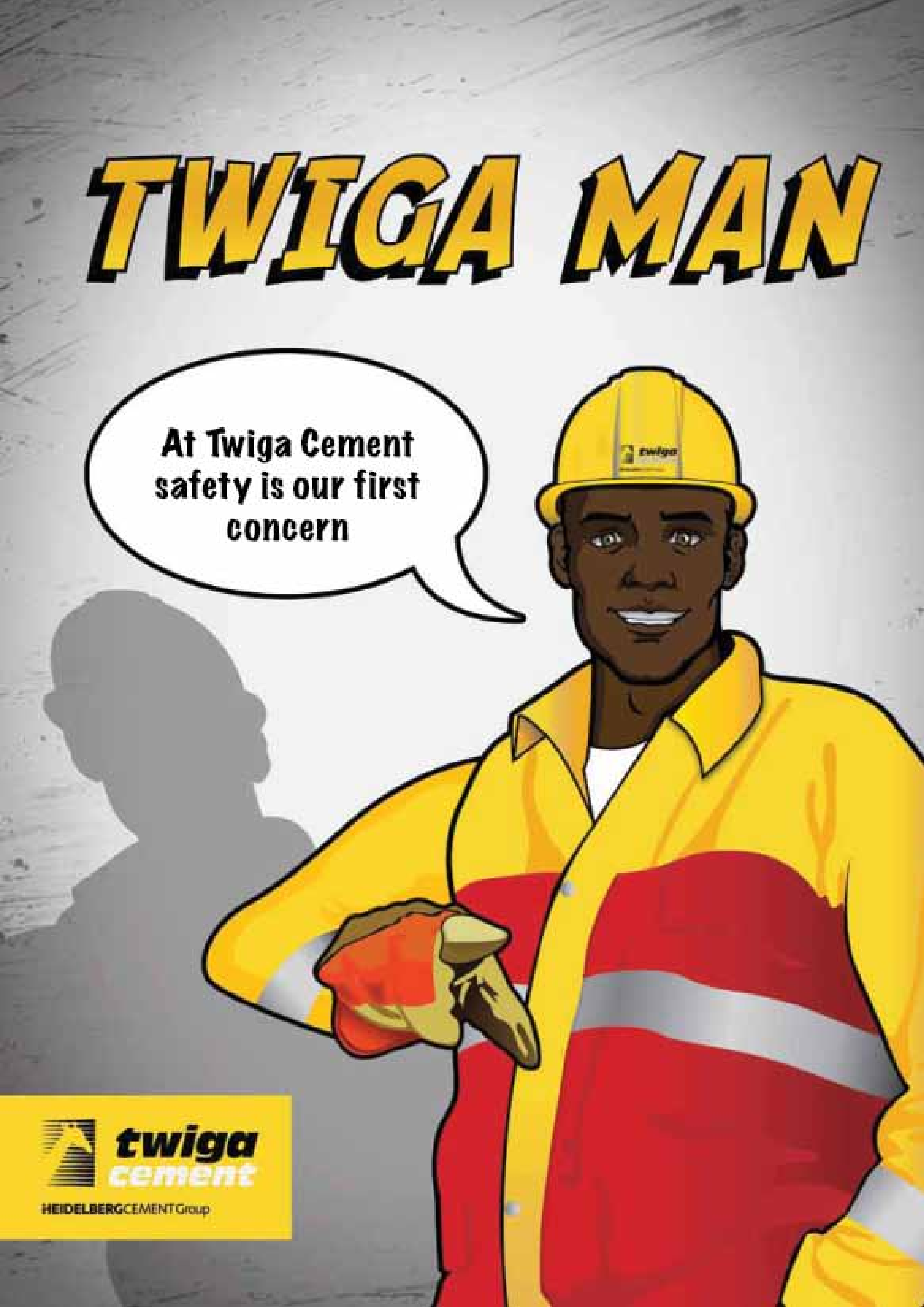
Uraia Mwema:
Mwaka 2010 Kampuni pia ilitekeleza wajibu wake wa utawala bora na uraia mwema nyakati mbalimbali. Ilishirikiana na mashule na vituo vya watoto yatima, ikiwasaidia kuwa na majengo yanayofaa kwa shughuli zao. Misaada hiyo ililenga kusaidia wenye dhiki na kusaidia maendeleo ya nchi kwa kusaidia upande wa elimu.

Uboreshaji wa mazingira uliendelezwa kwa kutoa mafunzo kuhusu uelewa wa mazingira kwa wafanyakazi wake, makandarasi na jumuiya inayozunguka eneo la kiwanda. Mifereji ya maji machafu pamoja na mtandao wa maji vilipewa kipaumbele. Mpango wa kuboresha mandhari na kurudisha uoto asilia katika eneo la machimbo unaofadhiliwa na asasi moja ya Ujerumani –GTZ unaendelea. Miti imepandwa katika eneo la machimbo na maeneo yanayozunguka kiwanda, hasa mashule.

Usalama ndio umekuwa kipaumbele cha TPCC kwa mwaka 2011 na kampuni imetekeleza mfumo wa uongozi wa usalama ambao unawezesha kudhibiti na kuzuia hatari katika uendeshaji wake. Kampuni inaazimia kuthibitishwa chini ya OHSAS 18001 mwaka huu wa 2012 na hivyo kujiunga katika kundi la viwanda vichache vyenye hati za ISO 9001, 14001 na OHSAS 18001 kwa pamoja katika kanda ya Afrika Mashariki.

The Tanzania Portland Cement Donation Comittee pose infront of the school together with the Lake Zone Distributor Mr. Zulfikar Nanji


The First Lady having a little talk with the Ushashi Primary School students during the officiating ceremony of the newly constructed classrooms.


TWIGA MAN
At Twiga Cement safety is our first concern
twiga
cement
HEIDELBERGCEMENT Group

Jubilee Golden Towers
PSPF Headquarters
Durable investment built with
Twiga Cement

3rd Section

BOARD OF DIRECTORS

Mr Pascal Lesoinne, **Belgian**
(Civil Eng.Energy, B.Sc. in Mechanical and Electrical Engineering)

Mr. George Fumbuka, **Tanzanian**
(MBA Finance from the University of Strathclyde Business School, FCCA)

Mr. Arne- Jørg Selen, **Norwegian**
(MBA, LLB), (Alternate to Mr Daniel Gauthier)

Mr. Jean-Marc Junon, French
(B.Sc. Degree in Civil Engineering)

Mr. William A. Mlaki, Tanzanian
(M.Sc Degree in Industrial and Agro-Industrial Management, and BA (Hons) in Economics)

Mr. Ola Schippert, Swedish
(Master of Business Administration)

Mr. Jean-Marc Junon, French
(B.Sc. Degree in Civil Engineering)
Mr. Jean-Marc Junon has been Chairman of the Board of Directors of TPCC from April 2005. He started his career in the nuclear industry in France and South Africa, rising to the position of Site Manager. He joined the cement industry in 1987, in Italcementi Group, serving that Group for 14 years in increasingly more responsible positions, from plant management to directorship of strategic business planning & development, based in Europe and South-East Asia / China. He joined the HeidelbergCement Group in 2001 as Chief Operating Officer (COO) in charge of China. Since end of 2004 he has been COO for HeidelbergCement Africa. Mr. Junon chairs or sits on the Boards of several other companies in the Group.

Mr Pascal Lesoinne, Belgian
(Civil Eng.Energy, B.Sc. in Mechanical and Electrical Engineering)
Mr. Pascal Lesoinne was appointed Managing Director of TPCC and Area Manager for East Africa in September 2009. He entered HeidelbergCement in 1996 as Maintenance Manager of the CBR Lixhe plant in Belgium. He held various positions in CBR and HeidelbergCement TEAM organization, from Maintenance to Production Management and Project Management. Being responsible for the Expansion Project at TPCC since 2007, Mr Lesoinne successfully completed this assignment in 2009.

Mr. William A. Mlaki, Tanzanian
(M.Sc Degree in Industrial and Agro-Industrial Management, and BA (Hons) in Economics)
Mr. William A. Mlaki has over thirty five years experience in development banking. He is currently an independent business advisor after retiring as the Managing Director of Tanzania Investment Bank in 2009. Mr. Mlaki has served as a member of the Boards of Directors of a number of companies and financial institutions within and outside Tanzania.

Mr. George Fumbuka, Tanzanian
(MBA Finance from the University of Strathclyde Business School, FCCA)
Since 1990 he is Director and CEO of CORE Securities. He has previously worked for Tanesco (1984-89), Coopers and Lybrand (1981-84), the Board of External Trade (1976-78) and for the Institute of Finance Management (1976-81). He is also a Board Member of Swissport Tanzania Limited, another listed company, and of the Tanzania National Parks Corporation (TANAPA). He is registered by the National Board of Accountants and Auditors in the category of Certified Public Accountant in Public Practice.

Mr. Daniel Gauthier, Belgian
(Civil Eng. Mining, Master Degree in Management, Civil Engineer)
Mr. Gauthier has 30 years experience in the cement industry. He is a member of the Managing Board of the HeidelbergCement Group and CEO for the area of Benelux - Northern Europe - United Kingdom - Africa - Med-East, and Trading. He is the President and CEO of CBR S.A., President of the European Cement Research Association, President of Plytech Mons Alumni, Board Member of LVI (Carmeuse Group), Member of Cembureau Board and Member of the Committee of the Science Academy of Belgium for the Application of the Science. He is also Board Member of HeidelbergCement Northern Europe (Sweden), Akçansa (Turkey), and CCC (China).

Mr. Ola Schippert, Swedish
(Master of Business Administration)
Mr. Ola Schippert is currently Senior Vice-President with responsibility for Finance and IT at HeidelbergCement Africa. He began his career with a Swedish Chartered Accountant firm in 1984 where he worked for four year, in the last year as Audit Manager. In 1988 he joined the Scancem Group as Controller at the Head Office in Malmo, Sweden. He has since then held various management positions in Europe, Africa and Asia; first in Scancem Group and later in HeidelbergCement Group. He was in 2006 appointed to his current position as Senior Vice-President in HeidelbergCement Africa. He was appointed to the Board of TPCC and as Chairman of the company's Audit Committee in January 2008.

Bw. Jean-Marc Junon, Mfaransa
(Digrii ya kwanza ya Sayansi katika Uhandisi Ujenzi)
Bw. Jean-Marc Junon ni Mwenyekiti wa Bodi ya Wakurugenzi wa Kampuni kuanzia Aprili 2005. Alianzia kazi katika tasnia ya nyuklia huko Ufaransa na Afrika Kusini ambapo alipanda cheo hadi kufikia ngazi ya Meneja wa Eneo la Ujenzi “Site Manager”. Alijiunga na tasnia ya saruji mnamo mwaka 1987 karna Meneja Msaidizi wa Kiwanda katika kampuni ya Italcementi Group, akafanya kazi na Kampuni hiyo kwa miaka 14 katika nyadhifa kubwa mbalimbali kama kusimamia majukumu ya watendaji katika uzalishaji na mipango mkakati ya kibiashara na maendeleo. Alipanda ngazi hadi kufikia cheo cha Meneja Maendeleo ya Biashara kanda ya Asia Kusini Mashariki na China kabla ya kuacha kazi Italcementi mwishoni mwa mwaka 2000. Alijiunga na kundi la makampuni la HeidelbergCement Group mwaka 2001 kama Afisa Mkuu Uendeshaji katika China. Sasa hivi ni Afisa Mkuu Uendeshaji wa HeidelbergCement Africa. Bw. Junon ni mwenyekiti au mjumbe wa bodi mbalimbali za makampuni yaliyo chini ya kundi la makampuni ya HeidelbergCement.

Bw. Pascal Lesoinne, Mbelgiji
(Mhandisi Mitambo
Bw. Pascal Lesoinne aliteuliwa mwezi Septemba 2009 kuwa Mkurugenzi Mtendaji wa TPCC na Meneja wa Kanda ya Afrika Mashariki ya HeidelbergCement. Alijiunga na HeildelbergCement mwaka 1996 akiwa na wadhfa wa Meneja Matengenezo katika Kiwanda cha CBR Lixhe nchini Ubeljiji. Amewahi kushika nyadhfa mbalimbali katika Kampuni ya CBR na HeidelbergCement Kanda ya Uturuki-Ulaya-Afrika-Mediterania katika nyanja za Matengenezo, Uzalishaji na Usimamiaji Miradi. Kabla ya kuteuliwa kushika wadhfa alionao sasa, alikuwa Msimamizi Mkuu wa ujenzi wa Kiwanda kipya cha saruji hapa TPCC; kazi ambayo aliikamilisha kwa mafanikio makubwa mwaka 2009.

Bw. William A. Mlaki, Mtanzania
(Shahada ya Uzamili ya Sayansi katika Uongozi waViwanda na Viwanda vya Kilimo)
Bw. William A. Mlaki ana uzoefu wa zaidi ya miaka thelathini na mitano katika fani ya benki za maendeleo. Bw. Mlaki kwa sasa ni mshauri wa kujitegemea katika masuala ya biashara. Hii ni baada ya kustaafu kama Mkurugenzi Mtendaji wa Benki ya Rasilimali Tanzania mwaka 2009. Pia amekuwa Mkurugenzi wa Bodi katika makampuni mbalimbali na taasisi za fedha hapa Tanzania na nje ya nchi.

Bw. George Fumbuka, Mtanzania
(Shahada ya Uzamili katika Usimamizi wa Fedha ya Chuo Kikuu cha Strathclyde Business Schooll, FCCA)
Tangu 1990 ni Mkurugenzi na Afisa Mkuu Mtendaji wa CORE Securities. Amewahi kufanya kazi TANESCO (1984-89), Coopers and Lybrand (1981-84), Bodi ya Biashara ya nje (1976-78) na Chuo cha Usimamizi wa Fedha (IFM) (1978-81. Ni Mjumbe wa Bodi za Swissport Tanzania Limited na Tanzania National Parks (TANAPA). Amesajiliwa katika Bodi ya Taifa ya Wahasibu na Wakaguzi katika ngazi ya mhasibu aliyethibitishwa kwenye hesabu za umma.

Bw. Daniel Gauthier, Mbelgiji
(Mhandisi Ujenzi – Madini, Digrii ya Uzamili katika Uongozi, Mhandisi Ujenzi)
Miaka 30 ya uzoefu katika nyadhifa mbalimbali kwenye sekta ya saruji. Ni mjumbe katika Bodi ya Utawala ya HeidelbergCement na Afisa Mkuu Mtendaji kwa kanda ya Ulaya Kaskazini, Benelux, Afrika, Med-East na HC Trading. Ni Rais na Afisa Mkuu Mtendaji wa CBR S. A., Raisi wa Chama cha Utafiti wa Saruji Ulaya, Rais wa wa Plytech Mons Alumni, Mjumbe wa Bodi ya LVI (Carmeuse Group), Mjumbe wa Bodi ya Cembureau na mjumbe wa kamati ya The Science Academy of Belgium for the Application of Science. Pia ni Mjumbe wa Bodi ya HeidelbergCement Ulaya Kaskazini (Sweden)Akcansa (Turkey na CCC (China).

Bw. Ola Schippert, Mswedi
(Digrii ya Uzamili katika Utawala)
Bw. Ola Schippert ni Makamu wa Raisi Mwandamizi anayehusika na Fedha na IT katika HeidelbergCement Africa. Alianza na Kampuni moja ya Uhasibu nchini Sweden mwaka 1984 ambapo alifanya kazi kwa miaka 4 akimalizia kama Meneja wa Ukaguzi wa Hesabu. Mwaka 1988 alijiunga na Kundi la Scancem kama Mdhibiti huko makao makuu yaliyopo Malmo, Sweden. Tangu hapo ameshika nyadhifa mbalimbali za uongozi Ulaya, Afrika na Asia kwanza na Kundi la Scancem na baadaye na kundi la HeidelbegCement. Mwaka 2006 aliteuliwa kushika wadhifa alio nao sasa. Mwezi Januari 2008 aliteuliwa kuwa mkurugenzi katika Bodi ya Wakurugenzi TPCC na pia Mwenyekiti wa kamati ya Ukaguzi ya TPCC.

4th Section

Twiga Cement deliveries

Satisfying your cement needs all across the country

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2011

PRINCIPAL PLACE OF BUSINESS
Tanzania Portland Cement Company Limited
Wazo Hill
P.O. Box 1950
Dar es Salaam

BANKERS
Standard Chartered Bank (T) Limited
P.O. Box 9011
Dar es Salaam

Citibank (T) Limited
P.O. Box 71625
Dar es Salaam

National Bank of Commerce (T) Limited
Corporate Branch
P.O. Box 9062
Dar es Salaam

National Bank of Commerce (T) Limited
Mwere Branch
P.O. Box 631
Morogoro

Stanbic Bank (T) Limited
Main Branch
P.O. Box 72647
Dar es Salaam

CRDB Bank (T) Limited
PPF Tower
P.O. Box 268
Dar es Salaam

SOLICITORS
Law Associates (Advocates)
CRDB Building, Wing B
Azikiwe Street
P.O. Box 11133
Dar es Salaam

FK Law Chambers
FK House
Plot No. 23, Ocean Road
Sea View
P.O. Box 20787
Dar es Salaam

COMPANY SECRETARY
Mr. Elieneza Amon
P.O. Box 1950
Dar es Salaam

TAX ADVISORS
Paul Clem & Associates
Nexia International
P.O. Box 4082
Dar es Salaam

KPMG
P.O. Box 1160
Dar es Salaam

COMPANY AUDITORS
Ernst & Young
Certified Public Accountants
Utalii Building
P.O. Box 2475
Dar es Salaam

ENEO LA SHUGHULI ZA KAMPUNI
Tanzania Portland Cement Company Limited
Wazo Hill
P.O. Box 1950
Dar es Salaam

BENKI
Benki ya Standard Chartered (T) Limited
P.O. Box 9011
Dar es Salaam

Citibank (T) Limited
P.O. Box 71625
Dar es Salaam

National Bank of Commerce (T) Limited
Tawi la Makao Makuu
P.O. Box 9062
Dar es Salaam

National Bank of Commerce (T) Limited
Tawi la Mwere
P.O. Box 631
Morogoro

Benki ya Stanbic (T) Limited
Makao Makuu
P.O. Box 72647
Dar es Salaam

Benki ya CRDB (T) Limited
Tawi la PPF Tower
P.O. Box 268
Dar es Salaam

MAWAKILI
Law Associates (Advocates)
Jengo la CRDB, Wing B
Mtaa wa Azikiwe
P.O. Box 11133
Dar es Salaam

FK Law Chambers
FK House
Kiwanja Na. 23, Ocean Road
Sea View
P.O. Box 20787
Dar es Salaam

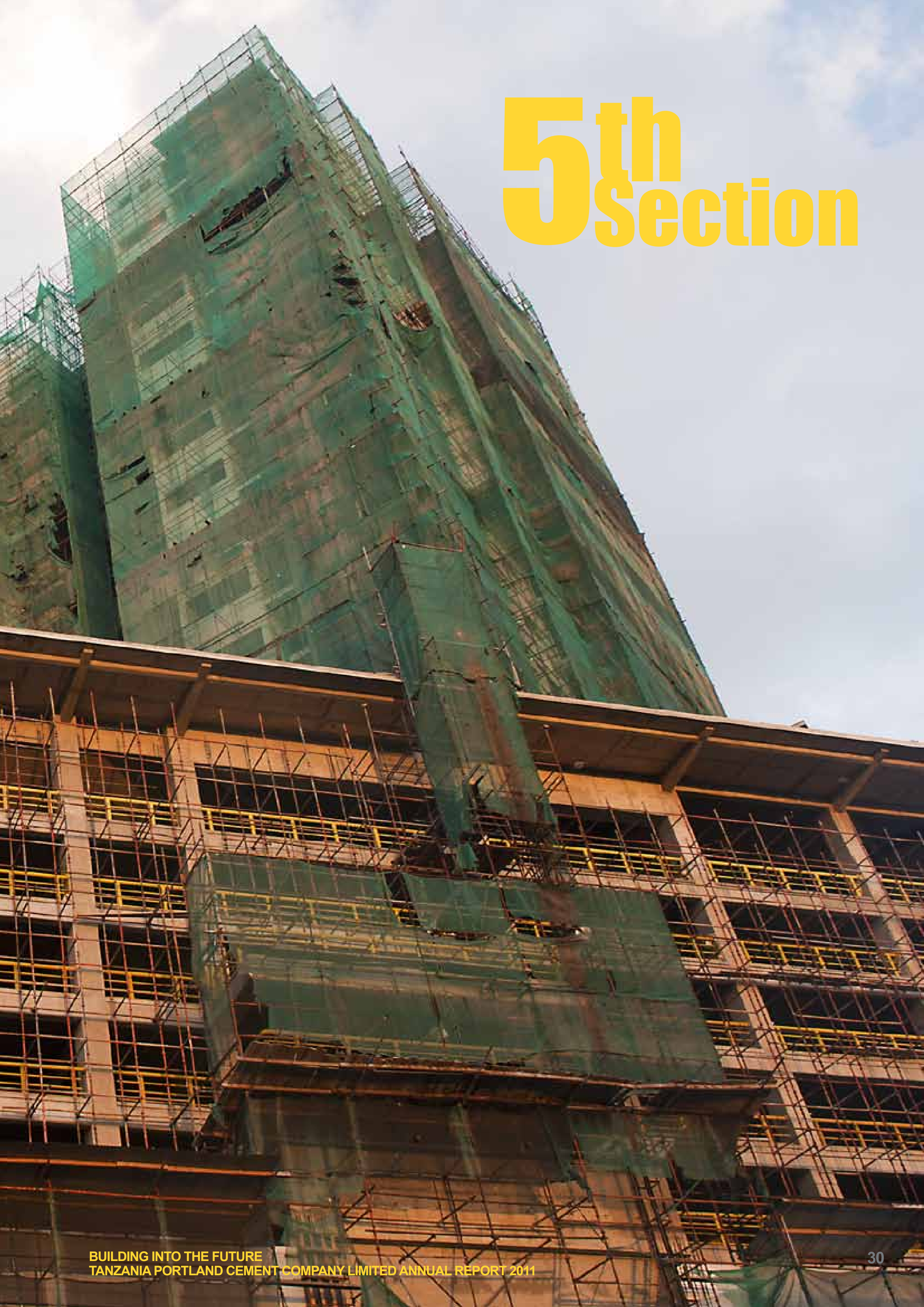
KATIBU WA KAMPUNI
Bw. Elieneza Amon
P.O. Box 1950
Dar es Salaam

WASHAURI WA MASWALA YA KODI
Paul Clem & Associates
Nexia International
P. O. Box 4082
Dar es Salaam
KPMG
P.O. Box 1160
Dar es Salaam

WAKAGUZI WA HESABU ZA KAMPUNI
Ernst & Young
Mhasibu wa Umma aliyedhibitishwa
Utali Building
P.O. Box 2475
Dar es Salaam

Viva Towers
Enduring strength of Twiga Cement

5th Section



The directors have the pleasure in submitting their report, together with the audited financial statements of the Company for the year ended 31 December 2011.

1. PRINCIPAL ACTIVITIES
The principal activity during the year under review was the manufacture and sale of cement.

2. DIRECTORS
The directors of the Company at the date of this report all of whom have served throughout the year, except as otherwise indicated, were:

Name	Title	Nationality	Age	Qualification
Mr. Jean-Marc Junon	Chairman	French	55	BSc (Civil Eng)
Mr. Pascal Lesoinne	Director	Belgian	39	BSc (Mech. Eng)
Mr. William Mlaki	Director	Tanzanian	64	BA (Hons) Econ, MSc
Mr. George Fumbuka	Director	Tanzanian	58	MBA, FCCA
Mr. Daniel Gauthier (Arne-Jørg Selen – Alternate to Daniel Gauthier)	Director	Belgian	54	BSc (Mining), MBA
Mr. Ola Schippert	Director	Swedish	51	MBA

With the exception of Mr. Pascal Lesoinne, Managing Director, all other directors are non-executive.

3. BOARD COMMITTEES

AUDIT COMMITTEE

The Audit Committee members who served during the year were:

Name	Nationality	Qualification
Mr. Ola Schippert	Swedish	MBA
Mr. George Fumbuka	Tanzanian	MBA, FCCA
Mr. Arne- Jørg Selen	Norwegian	MBA, LLB

4. DIRECTOR'S INTEREST IN THE SHARES OF THE COMPANY

	Number of shares
Mr. William Mlaki	71,411

5. DIRECTORS' REMUNERATION
The Company paid a total of TZS 53,140,000 (2010: TZS 50,778,000) for services rendered as directors of the Company and members of the Audit Committee.

6. KEY MANAGEMENT PERSONNEL OF THE COMPANY
The key management personnel who served the Company during the year ended 31 December 2011 were:

Name	Title
Pascal Lesoinne	Managing Director
Ignatius Asare	Director of Finance & Administration
Jayne Nyimbo-Taylor	Director of Human Resources
Ekwabi Majigo	Sales and Marketing Director
Per-Ove Andersson	Project Manager
Jean-Marc Reginster	Operations Manager
Chandraprakash Tiwari	Maintenance Manager
Elieneza Amon	Internal Audit & Quality Assurance Manager
Flora Njau	Procurement Manager
Juliet M. Tibaijuka	Environmental Manager
Alfred Anthony	Health & Safety Manager

7. REVIEW OF THE BUSINESS
The Company recorded an increase in sales volume of 2% from 2010 to 2011. The turnover amounted to TZS 217.26 billion, an increase of about 9% compared to 2010. (2010: TZS 199.60 billion). The Company made a total operating profit of TZS 72.8 billion compared to TZS 75.9 billion in 2010, a decrease of 4%. Profit before taxation increased from TZS 71.9 billion in 2010 to TZS 72.8 billion in 2011. After the effect of income tax of TZS 22.2 billion (TZS 21.7 billion in 2010), the net profit after taxation came to TZS 50.6 billion (TZS 50.2 billion in 2010). Total comprehensive income amounted to TZS 50.8 billion (TZS 50.2 billion in 2010).

The operating result is shown on page 44 of these financial statements.

8. FUTURE PROSPECTS OF THE COMPANY
The cement demand in Tanzania and in the East-African region has been growing steadily over the last years. Having invested in expanded capacity together with on-going rehabilitation of one of the old clinker lines, the directors believe the Company is well placed to meet this growing demand.

9. SOLVENCY EVALUATION
The directors have reviewed the current financial position of the Company and the existing long and short-term borrowings. On the basis of this review together with the current business plan, the directors are satisfied that the Company is a solvent going concern within the meaning ascribed by the Companies Act, 2002 of the Laws of Tanzania and International Financial Reporting Standards.

10. ENVIRONMENTAL CONTROL PROGRAMME
Quarry Rehabilitation

In line with the Company's Environmental Policy in which there is a commitment to re-naturalise the quarry, TPCC embarked on a three year public/private partnership with GTZ to rehabilitate parts of the quarry that have previously been mined. Approximately 730,000 square metres are to be replanted. As at 31st December 2011, there were 27,812 seedlings in the nursery. During the course of the year 2011, 4,702 seedlings were planted and 1,052 seedlings retained with a survival rate of 95%. This partnership also has a training component on the importance of conservation and rehabilitation for the surrounding communities in Dar es Salaam. In the year 2011, TPCC had one awareness raising event at the Wazo Hill Primary School in July, and two training workshops in November with teachers from the surrounding local schools and leaders from the local authorities.

ISO 14001
TPCC continues to maintain the ISO 14001 certification and recently had a surveillance visit in March 2012.The Company continues to strive to improve its Environmental Management Systems by keeping abreast with Environmental trends, and closing off all corrective action requests within the specified time.

Emissions Monitoring
Emissions monitoring took place in 2011 for both operating kilns, and the results for dust were in full compliance with Tanzania National Standards. Results for the new process line (Kiln 4) were also in line with IFC/World Bank standards for dust emissions; NOx and SOx.

All cement industries with old process lines containing Low Efficiency Electrostatic Filters (ESP's) in Tanzania have been given up to 2013 to ensure that full rehabilitation and upgrade take place to minimise emissions.

The Company is currently rehabilitating one of its old process lines (Kiln 3). The rehabilitation involves, among others, replacement of the old ESP's with modern and more efficient bag filters.

11. MAJOR EVENTS

a. The demand for cement continued to grow in Tanzania in 2011. TPCC's cement sales and production volumes again reached all-time highs.

b. The general power outage in the country significantly hampered production processes between July and November 2011.

c. The full rehabilitation of one of the old kiln lines is in progress and will be finalised by May 2012. With its completion, the Company will be able to cope with the increased demand of cement clinker.

d. The company has started the process to adopt OHSAS 18001, Occupational Health and Safety Management System in the year 2012. By this, the company will implement a formal procedure to reduce the risks associated with health and safety, accidents in the work place and any breach in legal requirements.

e. After the Company in October 2006 won the case brought against 933 trespassers occupying the Company's land, the appeal process was concluded in 2010 in favour of the Company. The Company is therefore working towards the eviction and repossessing the land. Necessary expansion of the quarry operation will take place after all the due processes are completed.

f. The Tanzania Revenue Authority (TRA) issued additional tax assessments covering 2005 and 2006 to compensate for alleged incorrect transfer pricing practices. The additional assessments amounted to about TZS 9 billion. The Company has filed objections to the assessments. The objections are still pending with TRA.

g. Contrary to earlier commitment, the Government completely removed the suspended duty on imported cement in July 2008, leaving the Tanzanian cement manufacturers vulnerable to imported cement at dumping prices. The policy communicated by the Government to the Company before it decided to invest in the expansion project was that the suspended duty would only be gradually reduced (by 5 percentage points per year) down to 25% in 2010 and would remain unchanged thereafter. As a consequence of the government's decision, imported cement continued to pose a challenge to local manufacturers.

12. EMPLOYEE WELFARE

a. Relationship between management and employees
There was continued good relationship between employees and management for the year ended 31 December 2011. There were no unresolved complaints received by management from employees during the year. A healthy relationship continues to exist between management and the Trade Union. A voluntary agreement entered into between the Tanzania Union of Industrial and Commercial Workers (TUICO) and the Company governs the relationship between management and employees. Negotiations for the current agreement were completed in the year 2010 and the agreement covers the period 1 January 2011 to 31st December 2012.

b. Staff strength and gender parity
The Company had 356 employees, out of which 38 were female and 318 were male (2010: Total 358; female 38 and male 320).

c. Medical facilities
The Company fully meets the cost of medical consultation and treatment for all employees and their immediate families.

d. Industrial safety
The Company has a strong Health and Safety Department which ensures that a strong culture of safety prevails. The Company has facilities and equipment in place, which meet the requirements contained in the Occupational Health and Safety Act, 2003 and other relevant legislation concerning industrial safety.

e. Training
The Company's ongoing training activities continued in 2011 with staff being trained locally or overseas.

f. Emoluments
Salary levels are adjusted annually within the Company's means after negotiations between TUICO and management. The 2011 increments were agreed in December 2010. During the year under review, all employees under contract had income levels of TZS 6.5 million per annum or more.

g. Employee benefits
Some employees are members of Parastatal Pension Fund (PPF) and others are members of National Social Security Fund (NSSF). The Company contributes 15% of basic salary of each employee to PPF and 10% of gross salary to NSSF on behalf of all permanent employees. Retirement benefits payable under the Parastatal Pension Scheme are supplemented by an endowment scheme, the cost of which is fully met by the Company and is calculated at 10% of the employee's salary.

h. Equal opportunities & Disabled persons
The Company is an equal opportunity employer. It gives access to employment opportunities and ensures that the best available person is appointed to any given position free of discrimination of any kind and without regard to gender,

marital status, tribe and religion.

It is also a policy of the Company to give equal opportunities to disabled persons for vacancies that do not impair their ability to discharge their duties.

13. CORPORATE GOVERNANCE

a. Code of Corporate Practice and Conduct

Tanzania Portland Cement Company Limited is committed to the principles of effective corporate governance and the Board is of the opinion that the Company complies with principles of good Corporate Governance as required by the Stock Exchange Regulation.

b. The Board of Directors

The Board currently comprises six directors; five non-executive directors and the Managing Director. The roles of Chairman and Managing Director are separate. The Board is responsible to shareholders for the overall management of the Company, for setting strategy and policies, monitoring of operational performance, risk management processes and setting of authority levels. The Board met 3 times in 2011 (2010: 3 times).

c. The Audit Committee

The Board is assisted in the discharge of its responsibilities related to financial reporting, compliance, risk management, accounting and management information systems by the Audit Committee. The Audit Committee is chaired by one of the non-executive directors. Meetings are held throughout the year and are attended by senior management and the Company's auditors where necessary. The Audit Committee met 3 times in 2011 (2010: 3 times).

d. Performance evaluation and reward

The Company has implemented an evaluation and bonus system for its managers and employees. Rewards in the form of yearly bonuses are linked to the Company's financial performance as well as individually set performance targets.

e. Risk management and internal control

The Company's organisation includes an internal audit function. The Internal Auditor is responsible for establishing and implementing a yearly internal audit plan whereby compliance with policies and procedures, the adequacy of internal controls and risk management, and the potential for improvements are assessed. In addition, the Company benefits from regular visits by the internal audit function of the main shareholder.

f. Business ethics and organizational integrity

The issues of good governance and ethical conduct are critical to counterparty and investor perceptions of a listed Company. The Company strives to ensure that its integrity and professional conduct is beyond reproach at all times. The Company has developed ethical guidelines for its employees in order to limit the cost of unethical behavior to its stakeholders.

g. Management reporting, financial reporting and auditing

The Company has established management reporting procedures which include the preparation of annual strategic plans and budgets. Actual results are reported monthly against approved budgets and forecasts, and compared to the prior year. Financial reporting is done according to International Financial Reporting Standards (IFRS) and published twice yearly in accordance with the requirements of the Dar es Salaam Stock Exchange. The accounts for each financial year are audited by the Company's external auditors.

14. POLITICAL AND CHARITABLE DONATIONS

During the year under review, the Company made donations and other contributions of a charitable nature valued at about TZS 49 million (2010: TZS 47 million). There were no political donations.

Besides the donations, the Company has also been involved in Corporate Social Responsibility, targeting education and children. The total contributions were TZS 187 million (2010: TZS 242 million).

15. DIVIDENDS

The directors recommend payment of TZS 32.38 billion (TZS 180 per share) (2010: TZS 25.1 billion (TZS 139.51 per share)) to shareholders as final dividend. The proposed dividend includes an interim dividend of TZS 7.2 billion (TZS 40 per share) paid in October 2011. In making this proposal the directors have taken into account the financial situation of the Company and its future needs for implementing replacement and improvement projects. The proposed dividend is an increase of 29% compared to last year's dividend and represents 64% of the net result for the year.

16. SUBSEQUENT EVENTS

There are no subsequent events that have occurred which are either to be disclosed or to be adjusted in the financial statements that could materially affect the financial statements.

17. RELATED PARTY TRANSACTIONS

The Company imports raw materials, spare parts and consumables on an arms-length basis from Scancem International DA that owns 69.25% equity stake in the Company.

Details of related party transactions are shown in note 29 of the financial statements.

18. SHARE CAPITAL

The total issued share capital of the Company amounts to 179,923,100 ordinary shares (2010: 179,923,100 ordinary shares). There was no change in the issued share capital.

The shareholding of the Company as at 31 December 2011 is as stated below:

Name	2011 % shareholding	2010 % shareholding
Scancem International DA	69.25	69.25
General Public	29.92	29.92
Wazo Hill Saving and Credit Cooperative Society	0.83	0.83
	100.0	**100.0**

19. SHAREHOLDERS OF THE COMPANY

The total number of shareholders during the year 2011 was 9,713 shareholders (2010: 10,388 shareholders). The following were the ten largest shareholders of the Company:

Name	Nationality	2011 % of shareholding	2010 % of shareholding
Scancem International DA	Norwegian	69.25	69.25
Aunali F. Rajabali	Tanzanian	3.29	3.15
Parastatal Pension Fund	Tanzanian	3.13	3.13
Sajjad F Rajabali	Tanzanian	2.78	2.61
Public Service Pension Fund	Tanzanian	2.69	2.69
Umoja Unit Trust Scheme	Tanzanian	0.89	0.89
Murtaza Basheer Nasser	Tanzanian	0.83	0.48
Wazo Hill Saving and Credit Cooperative Society	Tanzanian	0.83	0.83
National Social Security Fund	Tanzanian	0.61	0.48
Sayed, Basharat, Mehboob, Khalid, Muzammil	Tanzanian	0.43	0.43

20. STOCK EXCHANGE INFORMATION

On 29 September 2006 the Company went public and its shares started to trade at the Dar es Salaam Stock Exchange. During the year shares of the Company were continuously traded in the secondary market through auctions organised by Dar es Salaam Stock Exchange (DSE). In the year 2011 the performance of the Company's shares in the secondary market was as follows: Market capitalisation as at 31 December 2011 was TZS 374.2 billion (2010: TZS 323.9 billion). Share price prevailing as at 31 December 2011 was TZS 2,080 per share, up from TZS 1,800 one year earlier (IPO price TZS 435 per share).

21. AUDITORS

Ernst & Young were the Company's auditors for the year 2011. They have expressed their willingness to continue as auditors and are eligible for reappointment. A resolution proposing the re-appointment of Ernst & Young as auditors of the Company for year 2012 will be put to the Annual General Meeting.

By Order of the Board

Name: Pascal Lesoinne

Title: Managing Director

Name: William Mlaki

Title: Director

Date: 20th March 2012

Wakurugenzi wanayo furaha kuwasilisha taarifa yao pamoja na hesabu zilizokaguliwa kwa mwaka ulioishia 31 Desemba 2011.

1. SHUGHULI KUU

Shughuli kuu ya Kampuni ni uzalishaji, na uuzaji wa saruji.

2. WAKURUGENZI

Wajumbe wa Bodi ya Wakurugenzi wakati huu ambao wamekuwa wajumbe katika kipindi chote cha mwaka 2011 isipokuwa inapoonyeshwa vinginevyo ni hawa:

Jina	Cheo	Utaifa	Umri	Sifa
Bw. Jean-Marc Junon	Mwenyekiti	Mfaransa	55	BSc (Civil Eng)
Bw. Pascal Lesoinne	Mkurugenzi	Mbelgiji	39	BSc (Mech. Eng)
Bw. William Mlaki	Mkurugenzi	Mtanzania	64	BA (Hons) Econ, MSc
Bw. George Fumbuka	Mkurugenzi	Mtanzania	58	MBA, FCCA
Bw. Daniel Gauthier (Arne-Jørg Selen – Alternate to Daniel Gauthier)	Mkurugenzi	Mbelgiji	54	BSc (Mining), MBA
Bw. Ola Schippert	Mkurugenzi	Mswedi	51	MBA

Wajumbe wote wa Bodi siyo watendaji katika Kampuni, isipokuwa Bw. Pascal Lesoinne ambaye ni Mkurugenzi Mtendaji.

3. KAMATI YA UKAGUZI

Wajumbe wa Kamati walioitumikia Kampuni katika mwaka huu wa fedha walikuwa:

Jina	Utaifa	Sifa
Bw. Ola Schippert	Mswedi	MBA
Bw. George Fumbuka	Mtanzania	MBA, FCCA
Bw. Arne- Jørg Selen	Mnorwei	MBA, LLB

4. WAKURUGENZI WANAHISA

Bw. William Mlaki ana hisa 71,411 katika Kampuni.

5. MALIPO KWA WAKURUGENZI

Kampuni ililipa jumla ya TZS 53,140,000 (2010: TZS 50,778,000) kwa huduma zilizotolewa na Wakurugenzi na wajumbe wa Kamati ya Ukaguzi.

6. UONGOZI WA KAMPUNI

Safu ya Uongozi wa Kampuni kwa mwaka ulioishia 31 Desemba 2011 ilikuwa kama ifuatavyo:

Jina	Cheo
Pascal Lesoinne	Mkurugenzi Mtendaji
Ignatius Asare	Mkurugenzi Fedha na Utawala
Jayne Nyimbo-Taylor	Mkurugenzi Rasilmali Watu
Ekwabi Majigo	Mkurugenzi Mauzo na Masoko
Per-Ove Andersson	Meneja Miradi
Jean-Marc Reginster	Meneja Uendeshaji
Chandraprakash Tiwari	Meneja Matengenezo
Elieneza Amon	Meneja Ukaguzi na Ubora
Flora Njau	Meneja Ununuzi
Juliet M Tibaijuka	Meneja Mazingira
Alfred Anthony	Meneja Afya na Usalama

7. TATHMINI YA BIASHARA

Mauzo mwaka 2011 yaliongezeka kwa 2% ikilinganishwa na mwaka 2010. Thamani ya mauzo iliongezeka kwa 9% na kufikia TZS 217.26 bilioni (2010: TZS 199.60 bilioni). Faida kabla ya kuondoa gharama za kifedha na kodi ya mapato ilipungua kwa asilimia 4 na kufikia TZS 72.8 bilioni kutoka faida ya TZS 75.9 bilioni mwaka 2010. Faida kabla ya kodi ya mapato iliongezeka kutoka TZS 71.9. bilioni mwaka 2010 na kufikia TZS 72.8 bilioni mwaka 2011. Faida halisi iliyobaki baada ya kukokotoa kodi ya mapato kiasi cha TZS 22.2 bilioni (2010: TZS 21.7) ni TZS 50.6 bilioni (2010: TZS 50.2 bilioni). Hali halisi ya mwenendo wa kibiashara inaonyeshwa katika ukurasa wa 44 wa Ripoti ya Mwaka.

8. MATARAJIO YA KAMPUNI KWA SIKU ZIJAZO

Mahitaji ya saruji nchini na eneo lote la Afrika Mashariki yamekuwa yakiongezeka kwa miaka ya karibuni. Baada ya kuwekeza kwenye kupanua uzalishaji pamoja na ukarabati unaondelea wa moja ya matanuru ya zamani wakurugenzi wanaamini kwamba Kampuni iko katika nafasi nzuri ya kukidhi mahitaji hayo yanayokua.

9. UWEZO WA KULIPA

Wakurugenzi wamefanya tathmini ya kina juu ya hali ya kifedha ya Kampuni ikiwa ni pamoja na madeni ya muda mrefu na muda mfupi. Kutokana na tathmini hii na kwa kuzingatia mpango wa biashara uliopo, Wakurugenzi wameridhika kwamba Kampuni ina uwezo wa kuendesha shughuli zake bila matatizo yoyote kulingana na Sheria ya Makampuni ya 2002, na kanuni za kimataifa za uhasibu.

10. MPANGO WA UDHIBITI WA MAZINGIRA

Kulingana na Sera ya Mazingira ya Kampuni ambayo imeweka wazi dhamira ya kurejesha uoto wa asili na kuboresha mandhari katika eneo la machimbo, Kampuni imeanza utekelezaji wa Mradi wa Ukarabati wa Machimbo kwa mkataba wa ushirikiano wa miaka mitatu na asasi moja ya Ujerumani, GTZ kukarabati sehemu za machimbo zilizokwishachimbwa mawe. Karibu eneo la takriban mita za mraba 730,000 linatarajiwa kupandwa miti. Hadi tarehe 31 Desemba 2011, kitalu kilikuwa na miche 27,812. Mwaka 2011 miche 4702 ilipandwa na miche 1,052 yenye uwezekano wa kuishi wa 95% ilihifadhiwa.Ushirikiano huo pia una sehemu ya mafunzo ya uhifadhi wa mazingira na ukarabati wa machimbo ya mawe kwa jamii inayotuzunguka jijini Dar es Salaam. Mwaka 2011 Kampuni ilifanya tukio moja la kuinua uelewa katika shule ya msingi ya Wazo Hill mwezi July na washa mbili za mafunzo mwezi Novemba ikishirikisha waalimu kutoka shule jirani na viongozi wa serikali za mitaa.

ISO 14001

TPCC imeendelea kuzingatia masharti yote ya Kiwango cha Kimataifa cha Ubora wa Mazingira ISO 14001 na ukaguzi kwa mujibu wa masharti ya Kiwango ulifanyika mwezi Machi 2012. Kampuni inaendelea kuboresha mfumo wake wa uhifadhi wa mazingira kwa kwenda sambamba na maendeleo ya uhifadhi mazingira na kufunga dosari zote zilizoibuliwa na wakaguzi kwa wakati.

Upimaji wa Uchafuzi wa Hewa

Upimaji wa kiwango cha uchafuzi ulifanyika mwaka 2011 kwa matanuru yote yanayozalisha na matokeo yanaonesha kwamba mitambo inakidhi viwango vilivyowekwa kitaifa. Matokeo kwa mtambo mpya yameonesha kukidhi pia viwango vile vya IFC/ Benki ya Dunia kwa uchafuziwa wa hewa, NOx na SOx.

Viwanda vyote vya saruji vyenye mitambo ya kizamani inayotumia teknolojia ya ESP ambayo ina ufanisi mdogo kwa kupunguza uchafuzi wa hewa vimetakiwa kufanya ukarabati na uboreshaji ili kuhakikisha vinapunguza uchafuzi ifikapo 2013.

Kampuni iko katika mchakato wa kufanya ukarabati na maboresho katika mtambo wake wa zamani (tanuru # 3. Ukarabati unajumuisha, pamoja na mambo mengine kubadilisha machujio ya zamani (ESPs) na machujio ya kisasa (bag filters).

11. MATUKIO MUHIMU

a. Soko la saruji nchini Tanzania liliendelea kukua katika mwaka 2011. Kwa mara nyingine Kampuni iliweza kuzalisha na kuuza saruji nyingi kuliko wakati wowote katika historia yake.

b. Kwa ujumla ukatikaji wa nishati ya umeme nchini umedhoofisha shughuli za uzalishaji kwa kiasi kikubwa kati ya miezi ya Julai na Novemba 2011.

c. Ukarabati kamili wa moja ya matanuru ya zamani unaendelea na utahitimishwa mwezi Mei 2012. Kukamilika kwake kutaiwezesha Kampuni kukabiliana na mahitaji ya klinka yanayoongezeka.

d. Kampuni imeanza mchakato wa utekelezaji wa OHSAS 18001, Mfumo wa Afya na Usalama Kazini mwaka 2012. Kwa hatua hii kampuni itaweza kutekeleza taratibu rasmi za kupunguza hatari zinazohusiana na afya na usalama, ajali sehemu za kazi na uvunjaji wowote wa matakwa ya kisheria.

e. Baada ya Kampuni kushinda kesi dhidi ya wavamizi 933 wa eneo lake Mwezi Oktoba 2006, mchakato wa rufaa ulihitimishwa mwaka 2010 na kampuni kupata ushindi. Hatua za kuwaondoa wavamizi hao na kurejesha maeneo waliyovamia zinaendelea. Uendelezaji muhimu wa shughuli za machimbo utafanyika mara baada ya kukamilisha michakato yote muhimu.

f. Mamlaka ya Mapato Tanzania (TRA) iliitoza kampuni kodi ya ziada kwa miaka 2005 na 2006 kwa kile walichokiita utekelezaji usio sahihi wa uhamishaji bei (transfer pricing). Ongezeko la kodi kutokana na hatua hiyo ni takriban TZS bilioni 9. Kampuni imepinga ongezeko hilo. Pingamizi bado linashughulikiwa katika ngazi ya TRA.

g. Mwezi Julai, 2008, Serikali iliondoa kabisa ushuru wa ziada kwa saruji inayoagizwa toka nje kinyume na ahadi zake za awali, hivyo kuwaacha wazalishaji saruji nchini na tishio la saruji inayoagizwa nje kwa bei ya kutupa. Sera iliyotamkwa na Serikali kwa Kampuni kabla ya kuamua kuwekeza kwenye mradi wa upanuzi ilikuwa kwamba ushuru wa ziada ungepunguzwa kidogo kidogo (kwa asilimia 5 kwa mwaka) hadi kufikia asilimia 25 mwaka 2010 na kwamba haingebadilika tena baada ya hapo. Kutokana na uamuzi huo wa Serikali, saruji toka nje imeendelea kuleta changamoto kwa wazalishaji wa ndani.

12. USTAWI WA WAFANYAKAZI

a. Uhusiano kati ya Uongozi na Wafanyakazi

Uhusiano kati ya wafanyakazi na uongozi uliendelea kuwa mzuri kwa mwaka ulioishia tarehe 31 Desemba, 2011. Hapakuwa na malalamiko yoyote kutoka kwa wafanyakazi ambayo hayakutatuliwa.mwaka huo. Uhusiano mzuri kati ya uongozi na chama cha wafanyakazi uliendelea.

Uhusiano kati ya uongozi na wafanyakazi unalindwa na mkataba wa hiari baina ya Kampuni na Chama cha Wafanyakazi wa Viwanda na Biashara (TUICO). Majadiliano ya mkataba uliopo yalikamilika mwaka 2010 na mkataba huo ni kwa kipindi cha miaka miwili kuanzia tarehe1 Januari, 2011 hadi 31 Desemba, 2012.

b. Idadi ya Wafanyakazi na uwiano wa kijinsia

Kampuni ilikuwa na jumla ya wafanyakazi 356, wanawake 38 na wanaume 318 (2010: Jumla 358, wanawake 38 na wanaume 320).

c. Huduma za Matibabu

Huduma za matibabu hutolewa bure kwa wafanyakazi na familia zao.

d. Usalama Viwandani

Kampuni ina idara thabiti ya Afya na Usalama ambayo inahakikisha inajengeka tabia ya kuhakikisha usalama sehemu za kazi. Kampuni ina vitendea kazi na vifaa kulingana na matakwa ya Sheria ya afya na usalama sehemu ya kazi, 2003 na sheria zingine zinazohusu usalama viwandani.

e. Mafunzo

Harakati za mafunzo ziliendelea mwaka 2011 ambapo wafanyakazi walipatiwa mafunzo ya ndani na nje ya nchi.

f. Mishahara

Viwango vya mishahara ya wafanyakazi hurekebishwa kila mwaka kwa kuzingatia uwezo wa kifedha baada ya majadiliano kati ya TUICO na Uongozi wa Kampuni. Viwango vya mishahara ya 2011 vilikubaliwa mwezi December 2010. Katika Mwaka husika, wafanyakazi wote wa mikataba walikuwa na mishahara isiyopungua TZS milioni 6.5 kwa mwaka.

g. Mafao ya Wafanyakazi

Baadhi ya wafanyakazi ni wanachama wa Mfuko wa Pensheni wa Mashirika ya Umma (PPF) wakati wengine ni wanachama wa Mfuko wa Hifadhi ya Jamii (NSSF). Kampuni huchangia 15% ya mshahara kwa kila mwanachama wa PPF na 10% ya jumla ya mshahara na marupurupu mengine kwa wale wa NSSF. Pamoja na kuchangia kwenye hii mifuko miwili, upo mpango wa tatu wa pensheni kwa ajili ya kuboresha mafao ya uzeeni ya wafanyakazi wote ambao Kampuni huchangia 10% ya mshahara wa kila mfanyakazi.

h. Fursa Sawa na Watu Wenye Ulemavu

Sera ya Kampuni ni kutoa fursa sawa za ajira kwa watu wote. Kampuni hutoa fursa sawa za ajira kwa watu wote bila ubaguzi wa aina yoyote na bila upendeleo wa kijinsia. Pia, Kampuni hutoa fursa sawa kwa watu wenye ulemavu kujaza nafasi za kazi ili mradi ulemavu hauwi kikwazo katika utekelezaji wa majukumu yanayoambatana na nafasi husika.

13. UTAWALA BORA

a. Kanuni za utawala Bora

Kampuni inafuata kanuni za utawala bora na kwa maoni ya bodi Kampuni inatimiza kanuni za utawala bora kama zilivyoainishwa na Soko la Hisa na Mitaji.

b. Bodi ya Wakurugenzi

Kwa sasa, Bodi ina wakurugenzi sita; watano wasio watendaji na Mkurugenzi Mtendaji. Kazi za Mwenyekiti na Mkurugenzi Mtendaji zimetenganishwa. Bodi inawajibika kwa wanahisa kwa uongozi wa jumla wa Kampuni, kuweka mikakati na sera, kufuatilia ufanisi wa uendeshaji, usimamizi wa maeneo hatarishi na kuweka ngazi za madaraka. Katika mwaka huu wa fedha, Bodi ilikutana mara tatu (2010: mara tatu).

c. Kamati ya Ukaguzi

Katika kutekeleza majukumu yake kuhusiana na kutoa ripoti za fedha, utekelezaji matakwa ya mamlaka mbalimbali, udhibiti wa maeneo hatarishi, mifumo ya kihasibu na taarifa Bodi inasaidiwa na Kamati ya Ukaguzi. Kamati hiyo inaongozwa na mmoja wa wakurugenzi wasio watendaji. Mikutano ya kamati inafanyika mara kadhaa na inahudhuriwa na viongozi waandamizi na wakaguzi wa kampuni inapobidi. Katika mwaka huu wa fedha, Kamati ya Ukaguzi ilikutana mara tatu (2010: mara tatu).

d. Tathmini ya ufanisi wa kazi na tuzo

Kampuni ina mfumo wa tathmini ya kazi na malipo ya bonasi kwa mameneja wake na wafanyakazi. Tuzo kwa namna ya bonasi za mwaka zinategemea ufanisi wa kampuni na ufanisi wa mfanyakazi kulingana na malengo yaliyowekwa.

e. Udhibiti wa maeneo hatarishi na udhibiti wa ndani

Muundo wa Kampuni unajumuisha idara ya ukaguzi wa ndani. Mkaguzi wa ndani anawajibika kutayarisha na kutekeleza mpango wa ukaguzi wa ndani ambao utatathmini kama kampuni inatekeleza sera na taratibu, utoshelevu wa udhibiti wa ndani, usimamizi wa maeneo hatarishi na uwezekano wa kuboresha utendaji. Pia Kampuni inafaidika na ukaguzi wa ndani unaofanywa mara kwa mara na wakaguzi kutoka kwa mwanahisa mkuu.

f. Maadili ya biashara na ukamilifu wa muundo

Suala la utawala bora na uadilifu ni muhimu kudhihirika kwa wadau na wanahisa kwa kampuni iliyoorodheshwa kwenye soko la hisa. Kampuni inajitahidi kuhakikisha kwamba maadili na mienendo ya kitaalamu vinazingatiwa wakati wote. Kampuni imetayarisha miongozo ya maadili kwa wafanyakazi wake ili kupunguza gharama za ukosefu wa maadili kwa wadau wake.

g. Kutoa taarifa za uongozi, taarifa za fedha na ukaguzi

Kampuni imeandaa utaratibu wa kutoa taarifa za uongozi ambazo zinajumuisha uandaaji mipango mkakati na bajeti za mwaka. Taarifa za faida halisi hutolewa kila mwezi zikilinganishwa na bajeti, makisio na mwaka uliopita. Taarifa za fedha hutolewa kulingana na kanuni za kimataifa za utoaji taarifa za fedha (IFRS) na huchapishwa mara mbili kwa mwaka kulingana na taratibu za Soko la hisa la Dar es Salaam. Hesabu za kila mwaka wa fedha hukaguliwa na wakaguzi wa kujitegemea.

14. MISAADA

Mwaka 2011, Kampuni ilitoa misaada na michango ya hisani yenye thamani ya TZS 49 milioni (2010: TZS 47 milioni). Hapakuwa na misaada ya kisiasa. Pamoja na misaada hiyo, Kampuni pia ilijihusisha na uraia mwema ikilenga maeneo ya elimu na watoto. Jumla ya TZS 187 milioni (2010: TZS 242 milioni) zilitumika.

15. GAWIO

Wakurugenzi wanapendekeza gawio la TZS 32.38 bilioni (TZS 180/hisa) (2010: TZS 25.1 (TZS 139.51 /hisa)) kwa wanahisa wake, ambapo kati ya hizo TZS 7.20 bilioni (TZS 40 kwa hisa) zililipwa mwezi Oktoba 2011 kama gawio la awali. Pendekezo hili limezingatia hali ya fedha ya kampuni na mahitaji ya baadaye ya miradi ya uboreshaji. Kiwango kilichopendekezwa ni ongezeko la 29% juu ya gawio la mwaka jana na ni 64% ya faida ya mwaka 2011.

16. MATUKIO YA BAADAYE

Hapakuwa na matukio ya baadaye ambayo yametokea ambayo yanahitaji kuwekwa wazi au kurekebishwa kwenye taarifa za fedha ambayo yangekuwa na athari kubwa kwa taarifa hizo za fedha.

17. SHUGHULI ZA BIASHARA NA MAKAMPUNI YENYE UHUSIANO

Kampuni huagiza malighafi, vipuri na mahitaji mengine ya uzalishaji kwa bei ambazo hufikiwa kwa misingi ya kawaida ya biashara kutoka Scancem International DA ambayo inamiliki asilimia 69.25 ya hisa zote za Kampuni. Maelezo ya kina ya shughuli zinazofanywa na watu au makampuni yenye uhusiano yako aya ya 29 ya taarifa ya hesabu.

18. MTAJI WA HISA

Jumla ya mtaji wa hisa uliotolewa ni hisa za kawaida 179,923,100 (2010: hisa 179,923,100). Mtaji wa hisa haukubadilika.

Mgawanyo wa hisa za Kampuni mnamo 31 Desemba 2011 ni kama ifuatavyo:

Jina	2011 %	2010 %
Scancem International DA	69.25	69.25
General Public	29.92	29.92
Wazo Hill Saving and Credit Cooperative Society	0.83	0.83
	100.0	100.0

19. WANAHISA WA KAMPUNI

Idadi ya wanahisa mwaka 2011 ilikuwa 9, 713 (2010: wanahisa10,388). Ifuatayo ni orodha ya wanahisa wakubwa kumi wa Kampuni:

Jina	Utaifa	2011 Asilima	2010 Asilima
Scancem International DA	Mnorwei	69.25	69.25
Aunali F. Rajabali	Mtanzania	3.29	3.15
Parastatal Pension Fund	Mtanzania	3.13	3.13
Sajjad F Rajabali	Mtanzania	2.78	2.61
Public Service Pension Fund	Mtanzania	2.69	2.69
Umoja Unit Trust Scheme	Mtanzania	0.89	0.89
Murtaza Basheer Nasser	Mtanzania	0.83	0.48
Wazo Hill Saving and Credit Cooperative Society	Mtanzania	0.83	0.83
National Social Security Fund	Mtanzania	0.61	0.48
Sayed, Basharat, Mehboob, Khalid, Muzammil	Mtanzania	0.43	0.43

20. TAARIFA YA SOKO LA MITAJI

Tarehe 29 Septemba 2006 Kampuni iliorodheshwa katika soko la mitaji na hisa zake kuanza kuuzwa kwenye Soko la Mitaji la Dar es Salaam. Mwaka huu hisa za kampuni zilifanyiwa biashara wakati wote kwenye minada inayoratibiwa na Soko la Mitaji la Dar es Salaam. Mwaka 2011, mwenendo wa hisa zetu kwenye soko la mitaji ilikuwa hivi: Thamani ya Kampuni mnamo 31 Desemba 2011 ilikuwa TZS 374.2 bilioni (2010: TZS 323.9 bilioni). Bei ya hisa mnamo 31 Desemba 2011 ilikuwa TZS 2,080 kwa hisa (2010: TZS1,800 kwa hisa). Bei katika soko la mwanzo ilikuwa TZS 435 kwa hisa.

Wakaguzi

Wakaguzi wa Kampuni kwa mwaka 2010 walikuwa Ernst & Young. Wakaguzi wameeleza kuwa wako tayari kuendelea kuwa wakaguzi wetu na wanafaa kuteuliwa tena. Azimio la kuwapendekeza Ernst & Young kuwa wakaguzi wa Kampuni kwa mwaka 2012 litawasilishwa kwenye Mkutano Mkuu wa Mwaka.

Imetolewa kwa amri ya Bodi:

Jina: Pascal Lesoinne

Cheo: Mkurugenzi Mtendaji

Jina: William Mlaki

Cheo: Mkurugenzi

Tarehe: 20th Machi 2012

STATEMENT OF DIRECTORS' RESPONSIBILTIES

FOR THE YEAR ENDED 31 DECEMBER 2011

The Companies Act, 2002 requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss. It also requires the directors to ensure that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company. The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act, 2002. The directors are of the opinion that the financial statements give a true and fair view of the state of financial affairs of the Company and of its profit or loss.

The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

Name: Pascal Lesoinne

Title: Managing Director

Date: 20th March 2012

Name: William Mlaki

Title: Director

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INDEPENDENT AUDITORS' REPORT

To the shareholders of
TANZANIA PORTLAND CEMENT COMPANY LIMITED

Report on the financial statements
We have audited the accompanying financial statements of Tanzania Portland Cement Company Limited, which comprise the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 44 to 71.

Directors' responsibility for the financial statements
The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Tanzanian Companies Act, 2002, and for such internal control as directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Tanzania Portland Cement Company Limited as at 31 December, 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and Tanzanian Companies Act, 2002.

Report on other legal and regulatory requirements

This report, including the opinion, has been prepared for, and only for, the Company's members as a body in accordance with the Tanzania Companies Act, 2002 and for no other purposes.

As required by the Tanzania Companies Act, 2002, we report to you, based on our audit, that:

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii. In our opinion, proper books of account have been kept by the Company, so far as it appears from our examination of those books;

iii. The Directors report is consistent with the financial statements;

iv. Information specified by law regarding directors remuneration and transactions with the Company is disclosed; and

v. The Company's financial statements are in agreement with the books of account.

Ernst & Young

Certified Public Accountants
Dar es Salaam

Signed by: Neema Kiure Mssusa (Partner)

20th March 2012

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 TZS '000	2010 TZS '000
Revenue	8	217,258,974	199,600,699
Cost of sales	10	(117,210,962)	(97,773,581)
Gross profit		**100,048,012**	**101,827,118**
Other income	9	922,201	594,830
Selling and marketing costs	11	(1,795,085)	(1,555,710)
Administrative costs	12	(15,086,465)	(13,044,814)
Depreciation and amortisation	7,18 & 19	(10,348,860)	(9,977,563)
Other expenses	15	(468,196)	(676,770)
Provision for obsolete stock	21	(499,813)	(1,285,355)
Operating profit		**72,771,794**	**75,881,736**
Finance income	13	970,470	207,603
Financial costs	16	(365,151)	(533,199)
Loss on foreign currency translation	17	(603,132)	(3,627,040)
Profit before tax		**72,773,981**	**71,929,100**
Income tax expense	30	(22,168,719)	(21,724,048)
Profit for the year		**50,605,262**	**50,205,052**
Other comprehensive income			
Acturial gains on defined benefit plan		341,893	-
Income tax effect	30	(102,568)	-
Other comprehensive income, net of tax		**239,325**	**-**
Total comprehensive income		**50,844,587**	**50,205,052**
Earnings per share			
Basic and diluted earning per share (TZS)	36	281.26	279.04

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011

	Note	2011 TZS '000	2010 TZS '000
ASSETS			
Non-current assets			
Property, plant and equipment	7	151,178,364	137,939,288
Intangible asset	18	35,853	40,687
Leasehold land	19	1,280,414	899,269
		152,494,631	**138,879,244**
Current assets			
Inventories	21	43,159,580	40,319,300
Trade receivables	22	5,781,520	5,302,296
Other short-term operating receivables	23	4,987,192	5,804,116
Cash and bank balances	20	46,245,482	26,865,013
		100,173,774	**78,290,725**
TOTAL ASSETS		**252,668,405**	**217,169,969**
EQUITY AND LIABILITIES			
Equity			
Share capital	24	3,598,462	3,598,462
Retained earnings		183,277,390	164,730,799
		186,875,852	**168,329,261**
Non-current liabilities			
Other interest-bearing loans	25	377,728	428,092
Provision for employee benefits	27	2,368,112	2,674,162
Deferred tax liability	30	23,583,073	22,626,302
		26,328,913	**25,728,556**
Current liabilities			
Trade and other payables	26	36,617,564	19,454,417
Other interest-bearing loans	25	75,012	71,236
Dividend payable		2,152,863	2,010,794
Tax payable	30	618,201	1,575,705
		39,463,640	**23,112,152**
TOTAL EQUITY AND LIABILITIES		**252,668,405**	**217,169,969**

These financial statements were authorised for issue in accordance with a resolution of the board of directors passed on **20th March 2012** and were signed on its' behalf by:

Name: Pascal Lesoinne
Title: Managing Director

Name: William Mlaki
Title: Director

	Issued share capital (Note 24) TZS '000	Retained earnings TZS '000	Total TZS '000
At 01 January 2011	3,598,462	164,730,799	168,329,261
Profit for the year	-	50,605,262	50,605,262
Acturial gains on defined benefit plan	-	239,325	239,325
Total comprehensive income	3,598,462	215,575,386	219,173,848
Dividends declared and paid	-	(32,297,996)	(32,297,996)
At 31 December 2011	**3,598,462**	**183,277,390**	**186,875,852**

At 01 January 2010	3,598,462	137,915,750	141,514,212
Profit for the year	-	50,205,052	50,205,052
Dividends paid	-	(23,390,003)	(23,390,003)
At 31 December 2010	**3,598,462**	**164,730,799**	**168,329,261**

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 TZS '000	2010 TZS '000
Operating activities			
Profit before tax		72,773,981	71,929,100
Adjustment to reconcile profit before tax to net cash flow:			
Depreciation and amortisation	7, 17 & 18	10,348,860	9,977,563
Interest expenses	16	167,815	309,177
Exchange (gain)/loss unrealised	17	24,225	(2,853,911)
Increase in provision for obsolete inventory		499,813	1,285,355
Increase in provision for receivables		272,558	-
Loss on disposal of plant and equipment		-	45,958
Profit on disposal of plant and equipment		(4,712)	(3,983)
Cash flows before changes in working capital items		**84,082,540**	**80,689,259**
Working capital adjustments:			
Increase in inventories		(3,340,093)	(12,073,124)
Increase in trade receivables		(751,782)	(682,189)
Decrease/(increase) in other short-term operating receivables		816,924	(854,667)
Increase in gratuities provision		35,843	778,660
Increase/(decrease) in trade and other payables		17,163,147	(6,270,459)
		13,924,039	**(19,101,779)**
Cash flows after changes in working capital items		98,006,579	61,587,480
Corporation tax paid		(22,272,020)	(18,606,156)
Interest paid		(164,039)	(310,225)
Net cash inflow from operating activities		**75,570,520**	**42,671,099**
Investing activities			
Proceeds from disposal of plant and equipment		69,547	286,748
Capital works-in-progress and rehabilitation costs		(21,298,820)	(4,016,562)
Purchase of capital items in stock		(498,451)	(760,493)
Purchase of intangibles		-	(10,313)
Purchase on leasehold land		(406,105)	(709,802)
Purchase of plant and equipment		(1,825,706)	(1,305,276)
Net cash flows used in investing activities		**(23,959,535)**	**(6,515,698)**
Financing activities			
Dividends paid		(32,155,927)	(22,235,128)
Long-term loan repaid		(50,364)	(50,364)
Other borrowings repaid		-	-
Net cash flows used in financing activities		**(32,206,291)**	**(22,285,492)**
Net increase in cash and cash equivalents		**19,404,694**	**13,869,909**
Net foreign exchange difference		(24,225)	2,853,911
Cash and cash equivalents at 01 January		26,865,013	10,141,193
Cash and cash equivalent at 31 December		**46,245,482**	**26,865,013**

1. CORPORATE INFORMATION

The financial statements of Tanzania Portland Cement Company Limited ('the Company') for the year ended 31 December 2011 were authorized for issue in accordance with a resolution of the directors on 20th March 2012. The Company is a limited Company incorporated and domiciled in Tanzania. The Company's shares are publicly traded. The registered office is located at Wazo Hill, Dar es Salaam.

The principal activities of the Company are disclosed in the directors' report.

2. BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value.

The financial statements are presented in Tanzanian Shillings (TZS) and all values are rounded to the nearest thousand (TZS '000') except when otherwise indicated.

Statement of compliance
The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB) and comply with the Tanzanian Companies Act, 2002.

3. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

New and amended standards and interpretations
The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended IFRS and IFRIC interpretations effective as of 1 January 2011:

- IAS 24 Related Party Disclosures (amendment) effective 1 January 2011
- IAS 32 Financial Instruments: Presentation (amendment) effective 1 February 2010
- IFRIC 14 Prepayments of a Minimum Funding Requirement (amendment) effective 1 January 2011
- Improvements to IFRSs (May 2010)

The adoption of the standards or interpretations is described below:

IAS 24 *Related Party Transactions* (Amendment)
The IASB issued an amendment to IAS 24 that clarifies the definitions of a related party. The new definitions emphasise a symmetrical view of related party relationships and clarifies the circumstances in which persons and key management personnel affect related party relationships of an entity. In addition, the amendment introduces an exemption from the general related party disclosure requirements for transactions with government and entities that are controlled, jointly controlled or significantly influenced by the same government as the reporting entity. The adoption of the amendment did not have any impact on the financial position or performance of the Company.

IAS 32 *Financial Instruments: Presentation (Amendment)*
The IASB issued an amendment that alters the definition of a financial liability in IAS 32 to enable entities to classify rights issues and certain options or warrants as equity instruments. The amendment is applicable if the rights are given pro rata to all of the existing owners of the same class of an entity's non-derivative equity instruments, to acquire a fixed number of the entity's own equity instruments for a fixed amount in any currency. The amendment has had no effect on the financial position or performance of the Company because the Company does not have these type of instruments.

IFRIC 14 Prepayments of a Minimum Funding Requirement (Amendment)
The amendment removes an unintended consequence when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover such requirements. The amendment permits a prepayment of future service cost by the entity to be recognised as a pension asset. The Company is not subject to minimum funding requirements in Euroland, therefore the amendment of the interpretation has no effect on the financial position nor performance of the Company.

Improvements to IFRSs
In May 2010, the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The adoption of the following amendments resulted in changes to accounting policies, but no impact on the financial position or performance of the Company.

- IFRS 3 *Business Combinations*: The measurement options available for non-controlling interest (NCI) were amended. Only components of NCI that constitute a present ownership interest that entitles their holder to a proportionate share of the entity's net assets in the event of liquidation should be measured at either fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets. All other components are to be measured at their acquisition date fair value. The amendment has had no effect on the financial position or performance of the Company because the Company does not have such transactions.
- The amendments to IFRS 3 are effective for annual periods beginning on or after 1 July 2011. The Company, however, adopted these as of 1 January 2011 and changed its accounting policy accordingly as the amendment was issued to eliminate unintended consequences that may arise from the adoption of IFRS 3.
- IFRS 7 *Financial Instruments — Disclosures*: The amendment was intended to simplify the disclosures provided by reducing the volume of disclosures around collateral held and improving disclosures by requiring qualitative information to put the quantitative information in context. The Company had no collateral held as at year end.
- IAS 1 *Presentation of Financial Statements*: The amendment clarifies that an entity may present an analysis of each component of other comprehensive income maybe either in the statement of changes in equity or in the notes to the financial statements. The Company provides this analysis in Note 26.

Other amendments resulting from Improvements to IFRSs to the following standards did not have any impact on the accounting policies, financial position or performance of the Company:

- IFRS 3 *Business Combinations* (Contingent consideration arising from business combination prior to adoption of IFRS 3 (as revised in 2008))
- IFRS 3 *Business Combinations* (Un-replaced and voluntarily replaced share-based payment awards)
- IAS 27 *Consolidated and Separate Financial Statements*
- IAS 34 *Interim Financial Statements*

The following interpretation and amendments to interpretations did not have any impact on the accounting policies, financial position or performance of the Company:

- IFRIC 13 *Customer Loyalty Programmes* (determining the fair value of award credits)
- IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments*

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted, which are consistent with those of previous years, are shown below:

Foreign currency translation

Functional and presentation currency
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Tanzanian Shillings (TZS), which is the Company's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into Tanzanian Shillings using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales taxes or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods
Revenue is recognised when significant risks and rewards of ownership of goods have passed to the buyer, usually on delivery of the goods.

Rental income
Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms.

Revenue grants
Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Grants are recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Dividend distribution

Dividend distribution to the shareholders is charged to equity and recognised as a liability in the Company's financial statements in the period in which they are declared, and after being approved by the shareholders at the Annual General Meeting.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Company capitalises borrowing costs for all eligible assets where construction commenced on or after 1 January 2009.

Property, plant and equipment

Property, plant and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of any replacement parts in accordance with the related recognition criteria.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets. The annual rates of depreciation which have been consistently applied are:

Description	Rate (%)
Buildings and roads	4.0
Factory plant and machinery	5.0 – 10.0
Quarry plant and machinery	25.0
Furniture, equipment and fixture	12.5
Motor vehicles	25.0
Computer hardware	33.3

The assets residual values, useful lives and methods of depreciation are reviewed at each reporting date, and adjusted prospectively if appropriate.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised. When each major inspection is performed, its cost is recognised in the carrying amount of property, plant and equipment as a replacement if the recognition criteria are satisfied.

Capital work-in - progress

Capital work-in-progress includes accumulated cost of property, plant and equipment which is under construction or for which cost has been incurred, but which is not yet ready for use by the Company. It also includes cost incurred for assets being constructed by third parties, as-sets which have not been delivered to or installed in the facility and assets which cannot be used until certain other assets are acquired and installed.

Where there is a significant interval between the time at which cost is incurred in connection with the acquisition of an asset and when the asset will be ready for use, the cost is accumulated in capital work-in-progress. At the time the asset is ready for use, the accumulated cost is to be transferred to the appropriate category and depreciation starts. Capital work-in-progres is not depreciated, since by the definition it is not yet ready for use.

Intangible assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The annual rate of amortisation which has been consistently applied is 14% – 50%.

The amortisation period and the amortisation method for an intangible asset are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in profit or loss. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

All regular way purchases and sales of financial assets are recognised on the trade date, which is the date that the Company commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Company's financial assets include cash and short-term deposits and trade and other receivables.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss includes financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial assets at fair value through profit or loss are recorded in the statement of financial position at fair value. Changes in fair value are recognised in profit or loss.

Held-to-maturity investments
Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company has the positive intention and ability to hold to maturity. After initial measurement held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial measurement such financial assets are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Available-for-sale financial investments
Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified in any of the four preceding categories. After initial measurement, available-for-sale financial assets are measured at fair value with unrealised gains or losses recognised directly in other comprehensive income and accumulated in equity until the investment is derecognised or determined to be impaired at which time the cumulative gain or loss previously recorded in equity is recycled through other comprehensive income into profit or loss in the statement of comprehensive income.

Fair value
The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the financial year end date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis or other valuation models.

Amortised cost
Held-to-maturity investments and loans and receivables are measured at amortised cost. This is computed using the effective interest method less any allowance for impairment. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

Cash and cash equivalents
Cash and bank balances in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Impairment of financial assets
The Company assesses at each reporting date whether a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Financial assets carried at amortised cost
If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (ie the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss shall be recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in profit or loss.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Available-for-sale financial investments
If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss. Reversals in respect of equity instruments classified as available-for-sale are not recognised in profit or loss but directly in other comprehensive income. Reversals of impairment losses on debt instruments are reversed through profit or loss, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Derecognising of financial assets
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired;
- The Company has transferred its rights to receive cash flows from the asset or has assumed obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement
Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, or loans and borrowings as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, bank overdraft, loans and borrowings.

Subsequent measurement
The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Loans and borrowings
All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognising of the original liability and the recognition of a new liability, and the difference in the respective carrying value is recognised in profit or loss.

Operating lease

Company as a lessee
Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

Company as a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

Raw materials – purchase cost on first in first out basis;

Finished goods and work in progress – cost of direct materials and labor and a proportion of manufacturing overheads based on normal capacity but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Pensions and other post – employment benefits

The Company operates defined contribution plans and defined benefit plans.

Pension obligations
Under defined contribution plans, the Company's employees are members of state-owned pension schemes, namely the Parastatal Pension Fund (PPF) and National Social Security Fund (NSSF). The Company contributes 15% of basic salary for each employee who is a member of PPF and 10% of gross salary for each employee who is a member of NSSF, while the employees contribute 5% and 10% respectively. The Company's contributions to the funds are charged to profit or loss in the year to which they relate.

Post-employment obligations
Under defined benefit plans, the Company provides certain post-retirement benefits at retirement and at certain milestones during the period of employment. The expected costs of these benefits are accrued over the period of employment and the present value of the obligation is determined by using the weighted-average cost of capital rate applicable at each reporting date.

These benefits are unfunded. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit actuarial valuation method. Actuarial gains and losses for both defined benefit plans are recognised in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognised in retained earnings and are not reclassified to profit or loss in subsequent periods. These gains or losses are recognised over the expected average remaining working lives of the employees participating in the plans.

The past service cost is recognised as an expense on a straight line basis over the average period until the benefits become vested. If the benefits are already vested immediately following the introduction of, or changes to, a pension plan, past service cost is recognised immediately.

The defined benefit liability comprises the present value of the defined benefit obligation less past service cost not yet recognised.

Bonus plans
The Company recognises a liability and expense for bonuses based on a formula that takes into account the profit attributable to the Company's shareholders. The Company recognises a provision for bonuses when there is a contractual obligation or a past practice that has created a constructive obligation.

Termination benefits
Termination benefits are payable when employment is terminated by the Company before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than twelve months after reporting date are discounted to present value.

Taxes

Current tax
Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the financial year end date.

Deferred tax
Deferred tax is provided on temporary differences at reporting date between the tax bases of assets and liabilities and their carrying value for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current tax and deferred tax relating to items recognised directly in other comprehensive income or equity are also recognised in other comprehensive income or equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Value added tax
Revenues, expenses and assets are recognised net of the amount of value added tax except:
- where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the
- value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgment, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Provision for quarry restoration
The Company's quarry is an open one with bench heights at 12 - 15 meters. The overburden materials vary in thickness, but seldom exceed 0.5 meters. The removed overburden is later used as natural backfill material. Limestone is mined from the quarry in a way that leaves the "used" area as a one-level horizontal plateau. From management's point of view there should not be any need for provision to cover future costs for restoration of the quarry area due to the aforementioned facts regarding both the continuous ongoing backfilling and the way the area is left after extraction. The Company has prepared a quarry restoration plan.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial year end date, that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets
The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying value may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Pension and Other Post Employment Benefits
The cost of defined benefit pension plans and other post employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in Note 26.

6. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

IAS 1 Financial Statement Presentation – Presentation of Items of Other Comprehensive Income
The amendments to IAS 1 change the grouping of items presented in OCI. Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has there no impact on the Company's financial position or performance. The amendment becomes effective for annual periods beginning on or after 1 July 2012.

IAS 12 Income Taxes – Recovery of Underlying Assets
The amendment clarified the determination of deferred tax on investment property measured at fair value. The amendment introduces a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, it introduces the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in IAS 16 always be measured on a sale basis of the asset. The amendment becomes effective for annual periods beginning on or after 1 January 2012.

IAS 19 Employee Benefits (Amendment)
The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. The Company had made a voluntary change in accounting policy to recognise actuarial gains and losses in OCI in the current period (see note 27). The Company is currently assessing the full impact of the remaining amendments. These changes had no effect on previous years as there were no actuarial gains and losses. The amendment becomes effective for annual periods beginning on or after 1 January 2013.

IAS 27 Separate Financial Statements (as revised in 2011)
As a consequence of the new IFRS 10 and IFRS 12, what remains of IAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. The Company does not present separate financial statements. The amendment becomes effective for annual periods beginning on or after 1 January 2013.

IAS 28 Investments in Associates and Joint Ventures (as revised in 2011)
As a consequence of the new IFRS 11 and IFRS 12. IAS 28 has been renamed IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. The amendment becomes effective for annual periods beginning on or after 1 January 2013.

IFRS 7 Financial Instruments: Disclosures — Enhanced Derecognition Disclosure Requirements
The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Company's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment becomes effective for annual periods beginning on or after 1 July 2011. The amendment affects disclosure only and has no impact on the Company's financial position or performance.

IFRS 9 *Financial Instruments: Classification and Measurement*
IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard is effective for annual periods beginning on or after 1 January 2013. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The completion of this project is expected over the course of 2011 or the first half of 2012. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Company's financial assets, but will potentially have no impact on classification and measurements of financial liabilities. The Company will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

IFRS 10 Consolidated Financial Statements
IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12 Consolidation — Special Purpose Entities. IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27. This standard becomes effective for annual periods beginning on or after 1 January 2013.

IFRS 11 Joint Arrangements
IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. The application of this new standard will impact the financial position of the Company. This is due to the cessation of proportionate consolidating the joint venture in Showers Limited (see note 6) to equity accounting for this investment. This standard becomes effective for annual periods beginning on or after 1 January 2013.

IFRS 12 Disclosure of Involvement with Other Entities
IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. This standard becomes effective for annual periods beginning on or after 1 January 2013.

IFRS 13 Fair Value Measurement
IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The Company is currently assessing the impact that this standard will have on the financial position and performance. This standard becomes effective for annual periods beginning on or after 1 January 2013.

7. PROPERTY, PLANT AND EQUIPMENT

	Building TZS '000	Production machinery & equipment TZS '000	Other equipment TZS '000	Capital items in stocks TZS '000	Capital work-in-progress TZS '000	Total
Cost						
At 01 January 2010	39,463,856	116,763,801	7,629,669	449,504	3,337,079	167,643,909
Additions	-	207,404	1,097,872	760,493	4,016,562	6,082,331
Disposals	-	-	(343,564)	-	(129,003)	(472,567)
At 31 December 2010	**39,463,856**	**116,971,205**	**8,383,977**	**1,209,997**	**7,224,638**	**173,253,673**
At 01 January 2011	**39,463,856**	**116,971,205**	**8,383,977**	**1,209,997**	**7,224,638**	**173,253,673**
Additions	-	366,339	1,459,367	498,451	21,298,820	23,622,977
Transfers	2,849,337	7,517,867	357,718	-	(10,724,922)	-
Disposals	-	-	(98,383)	-	(44,950)	(143,333)
At 31 December 2011	**42,313,193**	**124,855,411**	**10,102,679**	**1,708,448**	**17,753,586**	**196,733,317**
Accumulated depreciation						
At 01 January 2010	1,504,477	19,525,551	4,478,157	-	-	25,508,185
Charge during the year	1,561,063	7,803,901	585,080	-	-	9,950,044
Disposals	-	-	(143,844)	-	-	(143,844)
At 31 December 2010	**3,065,540**	**27,329,452**	**4,919,393**	**-**	**-**	**35,314,385**
At 01 January 2011	**3,065,540**	**27,329,452**	**4,919,393**	**-**	**-**	**35,314,385**
Charge during the year	1,607,487	8,114,444	597,135	-	-	10,319,066
Disposals	-	-	(78,498)	-	-	(78,498)
At 31 December 2011	**4,673,027**	**35,443,896**	**5,438,030**	**-**	**-**	**45,554,953**
Carrying amount						
At 31 December 2011	**37,640,166**	**89,411,515**	**4,664,649**	**1,708,448**	**17,753,586**	**151,178,364**
At 31 December 2010	**36,398,316**	**89,641,753**	**3,464,584**	**1,209,997**	**7,224,638**	**137,939,288**

		Note	2011 TZS '000	2010 TZS '000
8.	**REVENUE**			
	Twiga extra		184,772,407	175,420,170
	Twiga ordinary		34,334,234	29,360,690
	Clinker		276,036	-
			219,382,677	204,780,860
	Less: Freight outbound		(2,123,703)	(5,180,161)
			217,258,974	**199,600,699**
9.	**OTHER INCOME**			
	Gain on disposal of property, plant and equipment		4,712	3,983
	Rental income		84,090	94,453
	Reversal of provisions		373,764	29,490
	Revenue grant		79,451	328,303
	Miscellaneous income		270,601	123,791
	Bad debts recovery		109,583	14,810
			922,201	**594,830**
	Revenue grant			
	Training grant received from Norad		-	328,303
	Quarry greening grant from GIZ		79,451	-
			79,451	**328,303**
10.	**COST OF SALES**			
	Distribution costs		815,324	458,321
	Variable costs		94,649,600	78,679,419
	Fixed production cost		21,746,038	18,635,841
			117,210,962	**97,773,581**
	Fixed production costs includes:			
	Staff costs		5,931,920	5,501,813
11.	**SELLING AND MARKETING COSTS**			
	Staff costs	14	608,231	533,354
	Marketing, advertising and sales costs		685,976	816,364
	Debt written off		8,469	-
	Increase in provision for impairment of receivables	11(a)	272,558	12,575
	Other expenses		219,851	193,417
			1,795,085	**1,555,710**
	(a) Increase in provision for impairment of receivables			
	On Trade receivables			
	Charge during the year	22	-	12,575
	On Other receivables			
	Charge during the year	23	272,558	-
			272,558	**12,575**
12.	**ADMINISTRATIVE EXPENSES**			
	Staff costs	14	4,936,134	4,326,963
	Other administrative expenses		10,150,331	8,717,851
			15,086,465	**13,044,814**
- of which Auditors' fees			79,209	87,845

	Note	2011 TZS '000	2010 TZS '000
13. FINANCE INCOME			
Interest income		970,470	207,603
		970,470	**207,603**
14. STAFF COSTS			
Staff costs under:			
Cost of sales		5,931,920	5,501,813
Selling and marketing costs		608,231	533,354
Administrative expenses		4,936,134	4,326,963
		11,476,285	**10,362,130**
Staff costs is made up of:			
Salaries and wages		6,302,367	5,121,131
Social Security Contribution	27	1,185,605	982,535
Payroll tax		671,951	505,740
Gratuity Contribution	27	812,975	1,156,605
Other benefits		2,503,387	2,596,119
		11,476,285	**10,362,130**
15. OTHER EXPENSES			
Loss on disposal of property, plant and equipment		-	45,958
Local government levies and taxes		451,467	613,994
Property taxes		16,729	16,818
		468,196	**676,770**
16. FINANCE COSTS			
Interest on long term borrowing		154,458	295,820
Interest on short-term borrowing		13,357	13,357
Bank charges		197,336	224,022
		365,151	**533,199**
17. LOSS ON FOREIGN CURRENCY TRANSLATION			
Exchange gain - realised		311,546	277,975
Exchange gain - unrealised		4,443,849	1,593,052
Exchange loss - realised		(938,903)	(1,051,104)
Exchange loss - unrealised		(4,419,624)	(4,446,963)
		(603,132)	**(3,627,040)**
18. INTANGIBLE ASSET			
This consists of computer software, which movement is as follows:			
Cost At the beginning of the year		273,609	263,296
Additions		-	10,313
At the end of the year		**273,609**	**273,609**
Accumulated amortisation			
At the beginning of the year		232,922	214,415
Charge during the year		4,834	18,507
At the end of the year		**237,756**	**232,922**
Net carrying amount			
At the end of the year		**35,853**	**40,687**

	Note	2011 TZS '000	2010 TZS '000
19. LEASEHOLD LAND			
At the beginning of the year		899,269	198,479
Additions		406,105	709,802
		1,305,374	908,281
Less: Amortisation for the year		(24,960)	(9,012)
At the end of the year		**1,280,414**	**899,269**

The remaining lease period for leasehold land is 81 years.

	Note	2011 TZS '000	2010 TZS '000
20. CASH AND BANK BALANCES			
Cash at bank - local currency		10,228,993	13,832,191
Cash at bank - foreign currency		36,016,489	13,032,822
		46,245,482	**26,865,013**
21. INVENTORIES			
Raw materials, additives, consumables and spare-parts		44,514,156	41,022,217
Work - in - progress		3,778,984	3,830,349
Finished goods and goods for resale			
- Twiga Extra Cement		568,579	758,006
- Twiga Ordinary Cement		202,543	113,597
Less: Provision for obsolete stock	(a)	(5,904,682)	(5,404,869)
		43,159,580	**40,319,300**
(a) Movement in provision			
At 01 January		5,404,869	4,119,514
Increase/ (decrease) in provision	(b)	499,813	1,285,355
At 31 December		**5,904,682**	**5,404,869**
(b) Reversal of provision for obsolete and slow moving items		293,539	-
Additional provision for obsolete and slow moving items		(793,352)	(1,285,355)
(Increase)/ Decrease in provision		**(499,813)**	**(1,285,355)**
22. TRADE RECEIVABLES			
Trade Receivables		6,237,545	5,758,321
Provision for impairment on receivables			
Balance brought forward		(456,025)	(458,260)
Amount recovered	9	-	14,810
Charge during the year	11	-	(12,575)
Balance carried forward		**(456,025)**	**(456,025)**
		5,781,520	**5,302,296**
==>Neither past due nor impaired		5,562,252	5,063,404
==>Past due but not impaired			
Not impaired & overdue 31 - 60 days		213,309	223,851
Not impaired & overdue 61 -360 days		3,942	13,380
Not impaired & overdue > 360 days		2,017	1,661
		5,781,520	**5,302,296**

Terms and conditions of the above trade receivables:

Trade receivables are non-interest bearing and are generally on 30 day terms.

As at 31 December 2011, trade receivables at initial value of TZS 456,025 were impaired and fully provided for and the movements in the provision for impairment of receivables is as shown above.

	2011 TZS '000	2010 TZS '000
23. OTHER SHORT-TERM OPERATING RECEIVABLES		
Advances to suppliers	936,956	1,617,964
Prepaid expenses	558,706	582,170
Staff loans and advances	271,333	413,441
Other receivables	3,690,607	3,497,976
Less:		
Provision for impairment	(470,410)	(307,435)
	4,987,192	**5,804,116**
Provision for impairment		
Balance brought forward	(307,435)	(307,435)
Amount recovered	109,583	-
Charge during the year	(272,558)	-
Balance carried forward	**(470,410)**	**(307,435)**

The charge for the year relates to non-sales receivables from distributors

24. SHARE CAPITAL

AUTHORISED

179,923,100 Ordinary Shares of TZS 20 each	3,598,462	3,598,462

ISSUED AND FULLY PAID UP

Shareholder:	Number of Shares	Number of Shares
Scancem International DA	124,598,500	124,598,500
General Public	53,835,094	53,835,094
Wazo Hill Savings and Credit Cooperative Society	1,489,506	1,489,506
	179,923,100	**179,923,100**

25. OTHER INTEREST BEARING LOAN

10% Long-term treasury loan	428,092	478,456
Current portion - Due within one year	(50,364)	(50,364)
Long-term portion - Due after one year	**377,728**	**428,092**
Current portion	50,364	50,364
Interest payable	24,648	20,872
Total current portion	**75,012**	**71,236**
After one year but not more than five years	201,456	201,456
More than five years	176,272	226,636
Non-Current liabilities	**377,728**	**428,092**

The loan of initially TZS 1,082,822,619 was extended by the Government of the United Republic of Tanzania to Tanzania Portland Cement Company Limited in form of remission of sales tax and customs duty on all imported goods for the rehabilitation of Tanzania Portland Cement Company Limited under SIDA import support programme during the financial year 1988/1989, 1989/1990 and 1990/1991. The loan carries an interest of 10% per annum on the outstanding balance and is payable in semi annual equal instalments of TZS 25,181,921 for a period of 20 years. The repayment of the loan commenced on 31 January 1999 and is payable up to 31 December 2019.

	Note	2011 TZS '000	2010 TZS '000
26. TRADE AND OTHER PAYABLES			
Trade payables - third parties		4,193,746	6,863,374
Trade payables - intercompany	29 (b)	23,953,808	6,852,302
Short-term operating payables		7,777,401	4,600,937
Payables for payroll and related costs		692,609	1,137,804
		36,617,564	**19,454,417**

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled between 15 to 45 days after date of invoice.
- Other payables are non-interest bearing and have an average term of 30 days.
- For terms and conditions relating to related parties, refer to Note 29.

27. EMPLOYEE BENEFITS

The Company contributes to a pension scheme administered by the Parastatal Pension Fund and a scheme administered by National Social Security Fund. In addition to that, the Company has an endowment scheme administered by the Jubilee Insurance Company of Tanzania Limited. These three schemes are defined contribution plans. The cost of the endowment scheme is fully met by the Company (See also note 5 Significant Accounting Policies, Pension Obligations).

	2011	2010
The company contributions during the year are as follows:		
Endowment Scheme	493,780	397,669
Parastatal Pension Fund (PPF)	395,169	364,658
National Social Security Fund (NSSF)	296,656	220,208
	1,185,605	**982,535**

In addition to the three defined contribution schemes above, the company has entered into a voluntary agreement with Tanzania Union of Industrial and Commercial Workers (TUICO) of Tanzania Portland Cement Company to provide end-of-service benefits to employees reaching retirement age. The retired employee is paid based on the length of service. Also, the voluntary agreement provides for long-service awards paid in cement throughout the employment (every five years). Both are unfunded defined benefit plans. The end-of-service benefit scheme is reported as post-employment benefit, while the long-service award is reported as other long-term benefits. The cost of both are fully met by the Company.

At the end of 2010 the voluntary agreement was re-negotiated for another two years. Modifications to the defined benefit plans resulted from both statutory (labour law) and negotiated changes. For the end-of-service benefit scheme the past service cost resulting from these modifications is recognised on a straight-line basis over the average period until the benefits become vested (13 years including 2008), while for the long-service award scheme all past service cost is recognised immediately (ref IAS 19.96 and 19.127).

	2011	2010
The amounts recognised in the statement of financial position are as follows:		
Present value of unfunded obligations	4,284,887	4,803,912
Unrecognised past service cost	(1,916,775)	(2,129,750)
Net liability recognised in statement of financial position	**2,368,112**	**2,674,162**
Net liability recognised in statement of financial position consists of the following:		
Post-employment benefit	2,062,906	2,324,576
Other long-term benefits	305,206	349,586
	2,368,112	**2,674,162**
The amounts recognised in profit or loss are as follows:		
Current service cost	160,717	278,600
Interest on obligation	439,283	465,390
Recognised past service cost	212,975	212,975
Expense recognised in profit and loss	**812,975**	**956,965**

	2011 TZS '000	2010 TZS '000
27. EMPLOYEE BENEFITS (*Continued*)		
Acturial gains on defined benefit plan:		
Post-employment benefit	(253,850)	-
Other long-term benefits	(88,043)	-
	(341,893)	**-**
Changes in the present value of the post employment benefits are as follows:		
Opening balance (end-of-service benefits)	4,454,326	3,878,247
Current service costs	149,021	278,600
Interest cost	407,316	465,390
Benefits payments	(777,135)	(167,911)
Actuarial (gains) and losses	(253,850)	-
Closing balance (end-of-service benefits)	**3,979,678**	**4,454,326**
Other long-term benefits		
Opening balance (long-service awards)	349,586	359,979
Reclassified from post employment benefits		
Current service cost	11,696	16,155
Interest cost	31,967	43,197
Net liquidated obligations	-	(69,745)
Actuarial (gains) and losses	(88,043)	-
- Sub-total: change in provision for other long-term benefits	(44,380)	(10,393)
Closing balance (long-service awards)	**305,206**	**349,586**
Post-employment benefits		
The amounts recognised in Balance Sheet are as:		
Present value of unfunded obligations	3,979,681	4,454,326
Unrecognised past service cost	(1,916,775)	(2,129,750)
	2,062,906	**2,324,576**

The amounts recognised in the statement of financial position for the years 2007 to 2009 are as below:

	2007 TZS '000	2008 TZS '000	2009 TZS '000
Present value of unfunded obligations	481,985	3,413,293	3,878,247
Unrecognised past service cost	(16,985)	(2,674,915)	(2,342,724)
Net liability recognised in statement of financial position	**465,000**	**738,378**	**1,535,523**

Principal actuarial assumptions at the statement of financial position date:

	2011	2010
Discount rate at 31 December	14%	12%
Future annual salary increases	6%	7%
Cost inflation	5%	5%

	Note	2011 TZS '000	2010 TZS '000

28. OTHER STATUTORY PAYROLL REMITTANCES

Other statutory payroll remittances include Pay As You Earn (PAYE), Skills and Development Levy (SDL). PAYE and SDL are payable by the Company to the Tanzania Revenue Authority (TRA) in accordance with the Income Tax Act. The amounts charged to the statement of comprehensive income in the year in respect of the Skills and Development Levy remittances are:

		2011 TZS '000	2010 TZS '000
Skills and Development Levy		671,951	505,740

The amount deducted from the employees' salaries and wages in the year in respect of PAYE is:

		2011 TZS '000	2010 TZS '000
Pay As You Earn		2,805,824	2,455,895

At year-end the following amounts were payable to relevant authorities. These remittances have subsequently been paid.

		2011 TZS '000	2010 TZS '000
Skills and Development Levy		-	18,270
Pay As You Earn		-	92,142

29. RELATED PARTY TRANSACTIONS

During the year the Company entered into transactions with Scancem International DA of Oslo, Norway which owns an equity stake of 69.25% in the Company. The Company imports raw materials, machinery, spare parts and services from/through the holding company. The Company's purchases during the year 2011 were as follows:

	Note	2011 TZS '000	2010 TZS '000
a) Related party transactions (Purchase of goods and services)			
Goods: Raw materials		22,638,274	21,596,616
Spare parts and other consumables		12,232,000	9,423,522
Services: Management fees and services		2,636,427	2,096,689
Total amount traded		**37,506,701**	**33,116,827**
b) Related party balances			
Trade payables - Scancem International DA		23,910,122	6,852,302
- HeidelbergCement AG		43,686	-
	26	**23,953,808**	**6,852,302**
c) Related party transactions (Sale of goods and services)			
- Interlac		**276,036**	**-**
d) Other Receivables - Scancem International DA		101,773	114,428
- Interlac		276,036	-
		377,809	**114,428**
e) Key management remuneration - Key management comprise the Chief Executive Officer and other heads of departments.			
Salaries and allowances		3,231,636	2,659,090
Directors' remuneration		53,140	50,778
		3,284,776	**2,709,868**

	2011 TZS '000	2010 TZS '000
30. TAXATION		
i) Tax expense		
Current year tax	21,118,621	20,892,635
Adjustments in respect of current income tax of previous year	195,895	-
	21,314,516	20,892,635
Deferred tax charge	854,203	831,413
	22,168,719	**21,724,048**
ii) Reconciliation of tax expense to tax based on accounting profit:		
Accounting profit before taxation	72,773,981	71,929,100
Tax applicable rate of 30%	21,832,194	21,578,730
Tax effect on non taxable/non deductible items		
Disallowable expenses	140,630	145,318
Adjustments in respect of current income tax of previous year	195,895	-
Tax expense	**22,168,719**	**21,724,048**
iii) Deferred Tax		
Accelerated depreciation for tax purposes	82,113,598	78,095,169
Provisions for post employment and other long term benefits	(2,368,112)	(2,674,162)
Additional provision for obsolete and slow moving items	(793,352)	-
Actuarial (gains) and losses - end of service benefit	(253,850)	-
Actuarial (gains) and losses - long service award	(88,043)	-
	78,610,241	**75,421,007**
Deferred tax liability thereon at 30%	23,583,073	22,626,302
Less: Opening deferred tax liability	(22,626,302)	(21,794,889)
Deferred tax expense	**956,771**	**831,413**
Deferred tax charge	854,203	831,413
Deferred tax charge to other comprehensive income	102,568	-
	956,771	**831,413**
iv) Tax (recoverable)/payable		
Tax payable brought forward	1,575,705	(710,774)
Tax charge for the year	21,314,516	20,892,635
Tax payments during the year	(22,272,020)	(18,606,156)
Tax payable	**618,201**	**1,575,705**

31. EMPLOYEES

The number of employees at the end of the year was 356 (2010: 358).

32. COMPARATIVE FIGURES

There was no regrouping or restatements of the comparative figures.

33. HOLDING COMPANY

The Company's ultimate holding Company is HeidelbergCement AG - Germany and immediate holding Company is Scancem International DA - Norway.

	2011 TZS '000	2010 TZS '000

34. DIVIDEND PER SHARE

During the period, dividends relating to the profits for the year ended 31 December 2011 of TZS 180 per share (totalling TZS 32.30 billion) were declared out of which TZS 40 per share has been paid already as interim dividend in October 2011. Dividend relating to the profits for the year ended 31 December 2009 of TZS 130 per share (totalling TZS 23.40 billion) were declared and paid in 2011.

35. COMMITMENTS AND CONTINGENCIES

Capital commitment
Substantial amount was spent in 2011 for the rehabilitation of kiln 3. Capital commitments for the rehabilitation of the kiln 3 are approximately TZS 12 billion.

Operating lease commitment - Company as lessee
The Company has entered into commercial lease of land for limestone extraction and factory area. The lease has an average life of 81 years. At 31 December 2011, the Company had not prepaid any rent of land. Rent is paid on annual basis.

	2011 TZS '000	2010 TZS '000
Rental expenses recognised during year	97,525	97,525
Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:		
Within one year	97,525	97,525
After one year but not more than five years	487,625	487,625
More than five years	7,314,375	7,411,900
	7,899,525	**7,997,050**

Operating lease commitment - Company as lessor
The Company has entered into commercial lease of land for use by different telephone companies. The lease has an average life of 5 years. At 31 December 2011, the Company had not received any advances for rent. Rent is received on annual basis.

	2011 TZS '000	2010 TZS '000
Rental income recognised during year	84,090	94,453
Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:		
Within one year	84,090	94,453
After one year but not more than five years	398,538	472,265
More than five years	-	-
	482,628	**566,718**

Legal claims
Contingent liabilities relate to several court cases on land trespassing, alleged unfair termination of employment contracts and breach of business contracts all amounting to TZS 5.0 billion (2010: TZS 5.0 billion).

The Company has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed and accordingly no provision for any liability has been made in these financial statements.

Tax assessment
The Company received in December 2007 an adjusted tax assessment for 2004 amounting to TZS 122.4 million. The Company filed an objection against this assessment in early 2008. The Tanzania Revenue Authority (TRA) has also carried out a tax audit of the years 2005 and 2006. TRA issued its external audit report on 18 December 2008. TRA and the Company are in agreement on all major issues raised in the report with one notable exception; the allegation that transactions between the Company and its related party, Scancem International DA, have not been carried out at arm's length. In mid-March 2009, TRA issued assessments amounting to a total of TZS 9.0 billion. The Company filed objections to these assessments in April 2009 after having deposited the required 1/3 of the disputed assessments. The disputed tax assessments (including the deposits) are not reflected in the net results for 2008 to 2011. Only the 1/3 deposit is reflected in the statement of financial position and classified as a short-term receivable.

	2011 TZS '000	2010 TZS '000
36. EARNINGS PER SHARE		
Profit attributable to ordinary equity holders	50,605,262,100	50,205,052,125
Weighted average number of ordinary shares	179,923,100	179,923,100
Basic and diluted earnings per share (TZS)	**281.26**	**279.04**

a. Basic earnings per share is calculated on the profit or loss after tax attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.
b. Diluted earnings per share is calculated on the profit or loss after tax attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding after adjustment of dilutive potential ordinary shares.
c. The basic and diluted earnings per share are the same as there are no convertible instruments.

37. SEGMENT REPORTING

For management purposes, the Company is organised into business units based on its products.
No operating segments have been aggregated to form operating segments.

The majority of revenue is derived from sale of goods (as disclosed in note 8) and the Board of Directors relies primarily on revenue from sales of goods to assess performance. The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the Statement of Comprehensive income.
Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

However, Company financing (including finance costs and finance income) and income taxes are managed on a aggregate basis and are not allocated to operating segments.

38. EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date which requires adjustment or disclosure in the financial statements.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise treasury loans and trade payables. The main purpose of these financial instruments is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

The main risks arising from the Company's financial instruments are cash flow interest rate risk, liquidity risk, foreign currency risk and credit risk. The board reviews and agrees policies for managing each of these risks which are summarised below.

a. Treasury risk management
The Company operates a treasury function to provide competitive funding costs, invest and monitor financial risk. The Company does not use derivative financial instruments for speculative purposes.

b. Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is insignificant as the Company has fixed interest rate on borrowings.

c. Liquidity risk
The Company does not face any liquidity risk as it has sufficient funds to cover its working capital needs for the foreseeable future.

	2011 TZS '000	2010 TZS '000

d. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk is managed at an operational level and monitored by the Finance Division. Exposure to losses from foreign liabilities is managed through prompt payment of outstanding liabilities and forward purchase of foreign currencies.

The following table demonstrates the sensitivity to possible changes in the exchange rate between the Tanzanian Shilling and foreign currencies (mainly US dollar), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).

	Increase/decrease in the value of TZS vs. other currencies	Effect on profit before tax TZS'000	Effect on equity TZS'000
Net effect based on financial year end as at 31 December 2011	+10%	-1,244,000	-1,244,000
	-10%	+1,244,000	+1,244,000

e. Credit risk management

Potential concentration of credit risk consists principally of short term cash and trade debtors. The Company deposits short term cash surpluses only with banks of high credit standing. Trade debtors are presented net of allowance for doubtful debts. For the majority of customers, including export clients, full upfront payment is demanded. With few exceptions, credit customers are secured by guarantees issued by reputable banks. Accordingly, the Company has no significant concentration of credit risk that has not been adequately provided for.

Collateral

The Company has not pledged or hold collateral at 31 December 2011 and 2010.

Maximum exposure to credit risk

	2011	2010
Trade receivables	5,781,520	5,302,296
Other short-term operating receivables	4,987,192	5,804,116
Bank and cash balances	46,245,482	26,865,013
	57,014,194	**37,971,425**

40. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes during the years end 31 December 2011 and 31 December 2010.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio below 35%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	2011	2010
Long-term financial liabilities (Note 25)	452,740	499,328
Trade and other payables (Note 26)	36,617,564	19,454,417
Cash and bank balances (Note 20)	(46,245,482)	(26,865,013)
Net debt	(9,175,178)	(6,911,268)
Equity	186,875,852	168,329,261
Capital and net debts	**177,700,674**	**161,417,993**
Gearing ratio	-5%	-4%

41. FAIR VALUE ADJUSTMENTS

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data
As at 31 December 2011, the Company held the following financial instruments carried at fair value in the statement of financial position:

	Carrying amount		Fair value	
	2011 TZS '000	2010 TZS '000	2011 TZS '000	2010 TZS '000
Financial assets:				
Cash and bank balances	46,245,482	26,865,013	46,245,482	26,865,013
Trade receivables	5,781,520	5,302,296	5,781,520	5,302,296
Other short-term operating receivables	4,987,192	5,804,116	4,987,192	5,804,116
	57,014,194	**37,971,425**	**57,014,194**	**37,971,425**
Financial liabilities:				
Other interest-bearing loans	452,740	499,328	452,740	499,328
Trade and other payables	36,617,564	19,454,417	36,617,564	19,454,417
Dividend payable	2,152,863	2,010,794	2,152,863	2,010,794
	39,223,167	**21,964,539**	**39,223,167**	**21,964,539**

Assets measured at fair value	31 December 2011 TZS '000	Level 1 TZS '000	Level 2 TZS '000	Level 3 TZS '000
Financial assets:				
Cash and bank balances	46,245,482	46,245,482	-	-
Trade receivables	5,781,520	5,781,520	-	-
Other short-term operating receivables	4,987,192	4,987,192	-	-
	57,014,194	**57,014,194**	**-**	**-**
Financial liabilities:				
Other interest-bearing loans	452,740	452,740	-	-
Trade and other payables	36,617,564	36,617,564	-	-
Dividend payable	2,152,863	2,152,863	-	-
	39,223,167	**39,223,167**	**-**	**-**

The fair value of assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Cash and short-term deposits, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of interest bearing loans and borrowings is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturity.

42. LIQUIDITY RISK

Year ended 31 December 2011	On demand TZS '000	Less than 3 months TZS '000	3 to 12 months TZS '000	1 to 5 years TZS '000	Over 5 years TZS '000	Total
Long-term financial liabilities	-	43,297	25,182	201,456	182,805	452,740
Trade and other payables	38,046	35,879,737	699,781	-	-	36,617,564
Dividend payable	2,152,863	-	-	-	-	2,152,863
	2,190,909	**35,923,034**	**724,963**	**201,456**	**182,805**	**39,223,167**
Year ended 31 December 2010						
Long-term financial liabilities	-	72,284	25,182	201,456	200,406	499,328
Trade and other payables	38,046	18,222,265	1,194,106	-	-	19,454,417
Dividend payable	2,010,794	-	-	-	-	2,010,794
	2,048,840	**18,294,549**	**1,219,288**	**201,456**	**200,406**	21,964,539

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

twiga cement

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PROXY FORM

For use at the Annual General Meeting of

Tanzania Portland Cement Company Ltd.

I/We ____

of (Address) ____ a shareholder/shareholders of

Tanzania Portland Cement Company Ltd., hereby appoint (note 1)

____

of (Address) ____

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at

The Kibo Hall

Hyatt Kilimanjaro Hotel

Dar es Salaam

Date: 08.05.2012

at 10:30 am

and at any adjournment thereof

Signature ________________________________ (note 1 & 2) Dated ________________________

Notes:

1. If the appointor is a corporation, this proxy form must be executed under its seal or under the hand of an officer or attorney so authorised to sign the same in that behalf.
2. In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should

Form to be returned to:

CAD Securities Limited

Plot 6/1 Ali Hassan Mwinyi Road Suite R1

P.O. Box 11488

Dar es Salaam

Tel. +(255) 779 303030

Email: info@cadsecurities.com

HEIDELBERGCEMENT Group

FOMU YA MWAKILISHI

Kwa matumizi kwenye Mkutana Mkuu wa mwaka wa

Tanzania Portland Cement Company Ltd.

Mimi/Sisi ______________________________

wa S. L. P. ______________________________ nikiwa mwanachama/

wanachama wa Kampuni ya Tanzania Portland Cement Company Ltd.,

Namchagua ______________________________

wa S. L. P. ______________________________

kama mwakilishi wangu? wawakilishi/ wetu kupiga kura kwa ajili yangu/yetu na kwa niaba yangu/yetu katika Mkutano Mkuu wa Mwaka utakaofanyika

The Kibo Hall
Hyatt Kilimanjaro Hotel
Dar es Salaam
Tarehe 08.05.2012
Saa 10:30 Asubuhi

Kama shahidi saini yangu/zetu leo.

Sahihi ______________________ Tarehe ______________________

Zingatia Yafuatayo :

1. Ikiwa mteuzi ni shirika au kampuni, formu hii ni lazima iwe na muhuri wa moto wa kampuni husika na ipitishwe kwa maafisa wa kampuni, wakili au kwa mtu aliyeidhinishwa kutia saini nyaraka kwa niaba ya kampuni.
2. Ikiwa hisa zinamilikiwa na zaidi ya mtu mmoja, sahii ya mwanahisa mmoja inakubalika endapo majina ya wamiliki wote wa hisa yameorodheshwa kwenye formu ya uwakilishi.

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