

# Consolidated Interim Financial Statements

(For the six months ended 30 September 2013)



## Chairman's Report

National Enterprises Limited (NEL) reported an after-tax profit of **\$256.9 million** for the six months ended **September 30 2013**. This represented a decline of **\$6.8 million** or **2.6 percent** relative to the after-tax profit of **\$263.7 million** reported for the corresponding period in 2012. Earnings per share also declined marginally to **\$0.43** in the current period from **\$0.44** in the comparative six-month period in 2012.

Tringen was the main contributor to income and reported a **16% increase** in profits after taxation compared to the six months ended September 30 2012. NGC LNG and NGC NGL continued to achieve superior results while National Flour Mills also performed creditably with an after tax profit of **\$4.678 million**. TSTT's performance is expected to improve in the forthcoming quarter with revenue increases due to the Christmas season.

NEL's share price has continued to appreciate, a reflection of investors' sentiments and its consistent high dividend payouts, moving from **\$15.40** as at **March 31 2013** to **\$17.02** as at **September 30 2013**.

The outlook for the rest of the year is cautiously optimistic as NEL's investee companies are expected to meet and master any challenges in their respective markets.

Kenny Lue Chee Lip  
Chairman

### Consolidated Statement of Financial Position (Expressed in Thousands of Trinidad and Tobago Dollars)

	Unaudited Six Months ended 30 September 2013 \$'000	Unaudited Six Months ended 30 September 2012 \$'000	Audited Year ended 31 March 2013 \$'000
<b>Assets</b>			
Equity accounted investments	2,849,593	2,722,179	2,655,405
Property, plant and equipment	143,924	151,048	147,689
Other non-current assets	150,326	124,996	123,705
<b>Total non-current assets</b>	<b>3,143,843</b>	<b>2,998,223</b>	<b>2,926,799</b>
Current assets	796,590	886,691	1,078,392
<b>Total assets</b>	<b>3,940,433</b>	<b>3,884,914</b>	<b>4,005,191</b>
<b>Equity</b>			
Stated Capital	1,736,632	1,736,632	1,736,632
Translation Reserve	28,088	32,633	24,931
Retained Earnings	1,870,929	1,820,352	1,934,344
<b>Total equity attributable to equity shareholders</b>	<b>3,635,649</b>	<b>3,589,617</b>	<b>3,695,907</b>
Non-controlling interest	107,192	100,145	104,899
<b>Total Equity</b>	<b>3,742,841</b>	<b>3,689,762</b>	<b>3,800,806</b>
<b>Liabilities</b>			
Non-current liabilities	28,679	30,064	29,043
Current liabilities	168,914	165,088	175,342
<b>Total Liabilities</b>	<b>197,593</b>	<b>195,152</b>	<b>204,385</b>
<b>Total Equity and Liabilities</b>	<b>3,940,434</b>	<b>3,884,914</b>	<b>4,005,191</b>

### Consolidated Statement of Comprehensive Income (Expressed in Thousands of Trinidad and Tobago Dollars)

	Unaudited Six Months ended 30 September 2013 \$'000	Unaudited Six Months ended 30 September 2012 \$'000	Audited Year ended 31 March 2013 \$'000
Revenue	224,893	208,312	446,263
Cost of Sales	(188,546)	(172,437)	(356,851)
<b>Gross Profit</b>	<b>36,347</b>	<b>35,875</b>	<b>89,412</b>
Other Income	3,180	5,668	8,674
Operating expenses	(31,607)	(31,849)	(68,445)
<b>Operating profit</b>	<b>7,920</b>	<b>9,694</b>	<b>29,641</b>
Finance income	4,750	5,619	11,365
Finance costs	(6,060)	(6,946)	(13,425)
<b>Net Finance Income</b>	<b>(1,310)</b>	<b>(1,327)</b>	<b>(2,060)</b>
Share of profit of equity accounted investees (net of tax)	251,096	256,708	509,858
<b>Profit before tax</b>	<b>257,706</b>	<b>265,075</b>	<b>537,439</b>
Tax expense	(830)	(1,400)	(7,524)
<b>Profit for the period</b>	<b>256,876</b>	<b>263,675</b>	<b>529,915</b>
Profit attributable to:			
Equity shareholders	254,584	261,889	523,375
Non-controlling interest	2,292	1,786	6,540
<b>Profit for the period</b>	<b>256,876</b>	<b>263,675</b>	<b>529,915</b>
Basic Earnings per share	\$0.43	\$0.44	\$0.87

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(For the six months ended 30 September 2013)



### Consolidated Statement of Changes in Equity (Expressed in Thousands of Trinidad and Tobago Dollars)

	Stated Capital \$'000	Translation Reserve \$'000	Retained Earnings \$'000	Non Controlling Interest \$'000	Total Equity \$'000
Six months ended 30 September 2013					
<b>Balance as at 1 April 2013</b>	1,736,632	24,931	1,934,344	104,899	3,800,806
Profit for the period	-	-	254,584	2,292	256,876
Share of translation reserve	-	3,158	-	-	3,158
Dividends paid	-	-	(318,000)	-	(318,000)
<b>Balance as at 30 September 2013</b>	<b>1,736,632</b>	<b>28,089</b>	<b>1,870,928</b>	<b>107,191</b>	<b>3,742,840</b>
Six months ended 30 September 2012					
<b>Balance as at 1 April 2012</b>	1,736,632	31,335	1,860,505	98,359	3,726,831
Profit for the period	-	-	261,889	1,786	263,675
Share of translation reserve	-	1,298	-	-	1,298
Subsidiary dividend	-	-	(2,042)	-	(2,042)
Dividends paid	-	-	(300,000)	-	(300,000)
<b>Balance as at 30 September 2012</b>	<b>1,736,632</b>	<b>32,633</b>	<b>1,820,352</b>	<b>100,145</b>	<b>3,689,762</b>
Year ended 31 March 2013					
<b>Balance as at 1 April 2012</b>	1,736,632	31,335	1,860,505	98,359	3,726,831
Profit for the period	-	-	523,375	6,540	529,915
Share of deferred tax on actuarial gain	-	-	(27,493)	-	(27,493)
Share of translation reserve	-	(6,404)	-	-	(6,404)
Subsidiary dividend	-	-	(2,043)	-	(2,043)
Dividend paid	-	-	(420,000)	-	(420,000)
<b>Balance as at 31 March 2013</b>	<b>1,736,632</b>	<b>24,931</b>	<b>1,934,344</b>	<b>104,899</b>	<b>3,800,806</b>

### Consolidated Statement of Cash Flows (Expressed in Thousands of Trinidad and Tobago Dollars)

	Unaudited Six Months Ended 30 September 2013 \$'000	Unaudited Six Months ended 30 September 2012 \$'000	Audited Year ended 31 March 2013 \$'000
Cash Flows from operating activities	(8,874)	44,943	35,847
<b>Net cash flows from operating activities</b>	<b>(8,874)</b>	<b>44,943</b>	<b>35,847</b>
Cash flow from investing activities			
Dividends received	60,077	205,426	490,137
Other investing activities	(27,852)	(229)	(1,926)
<b>Net cash flows from investing activities</b>	<b>32,225</b>	<b>205,197</b>	<b>488,211</b>
Cash flows from financing activities			
Dividends paid	(318,000)	(302,042)	(422,043)
Finance lease liability payments	(364)	(364)	(728)
Repayment of borrowings	(2,554)	(2,395)	(5,110)
<b>Net cash flow from financing activities</b>	<b>(320,918)</b>	<b>(304,801)</b>	<b>(427,881)</b>
Net (decrease)/increase in cash, cash equivalents and bank overdraft	(297,567)	(54,661)	96,177
Cash, cash equivalents and bank overdrafts at start of period	776,132	680,106	680,106
Cash, cash equivalents and bank overdrafts at end of period	478,565	625,445	776,283

## Notes to the Consolidated Interim Financial Statements

### 1. Basis of preparation -

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards 34 – "Interim Financial Reporting". They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited consolidated financial statements for the year ended 31 March 2013. These condensed consolidated interim financial statements have not been audited and were approved by the Board of Directors on 12 November 2013.

### 2. Significant Accounting Policies -

The accounting policies applied in these unaudited condensed consolidated interim financial statements are consistent with those applied in the audited consolidated financial statements for the year ended 31 March 2013.