



# Consolidated Financial Statements

For the Quarter ended 30th September, 2014

## Chairman's Statement

  
**Kenny Lue Chee Lip**  
Chairman

I am pleased to report NEL recorded a profit of \$308.1M for the six months ended 30th September 2014 compared to \$256.9M in corresponding period of the previous year, this represents an increase of 20%. Earnings per share was \$0.51 compared to \$0.43 for the prior year. TSTT's profitability for the half year improved compared to a loss position in the last financial year and we are optimistic that this trend will continue. These positive increases were offset by lower profitability from Tringen for the first half of its financial year due to lower international ammonia prices and continuing gas curtailment. Ammonia prices have trended upwards in the second half of 2014 but Tringen will have a major plant shutdown as they continue their Energy Efficiency Improvement Project into the last quarter of 2014. It is expected that this project will result in extending the useful life of the plant as well as reduce energy consumption and increase production resulting in increased future shareholder value. NGC NGL and NGC LNG delivered results consistent with last year. Our NGC subsidiaries are expected to continue to perform well. NFM has also reported improved profitability and this should continue into the end of the financial year. NEL's half year's earnings already exceed last year's full year earnings of \$200.1M or \$0.32 cents earnings per share. Your board is therefore optimistic that we will have a better year than 2014.

### Condensed Consolidated Statement of Financial Position

	Unaudited Six months ended 30 September 2014 \$ '000	Unaudited Six months ended 30 September 2013 \$ '000	Audited Year ended 31 March 2014 \$ '000
<b>Assets</b>			
Equity accounted investments	2,488,103	2,713,660	2,336,503
Property, plant and equipment	138,189	143,924	141,077
Other non-current assets	292,014	150,326	293,896
Total non-current assets	2,918,306	3,007,910	2,771,476
Current assets	819,110	796,590	819,892
Total assets	3,737,416	3,804,500	3,591,368
<b>Equity</b>			
Stated capital	1,736,632	1,736,632	1,736,632
Investment remeasurement reserve	18,782	-	16,766
Translation reserve	26,880	28,089	31,979
Retained earnings	1,594,218	1,734,996	1,451,330
Total equity attributable to equity shareholders	3,376,512	3,499,717	3,236,707
Non-controlling interest	92,132	107,192	88,805
Total equity	3,468,644	3,606,909	3,325,512
<b>Liabilities</b>			
Non-current liabilities	18,465	28,679	18,464
Current liabilities	250,307	168,912	247,392
Total liabilities	268,772	197,591	265,856
Total equity and liabilities	3,737,416	3,804,500	3,591,368

### Condensed Consolidated Statement of Comprehensive Income

	Unaudited Six months ended 30 September 2014 \$ '000	Unaudited Year ended 30 September 2013 \$ '000	Audited 31 March 2014 \$ '000
Revenue	213,139	224,893	457,897
Cost of sales	(174,496)	(188,546)	(371,848)
Gross profit	38,643	36,347	86,049
Other income	4,617	3,180	11,706
Operating expenses	(36,036)	(31,607)	(67,305)
Operating profit	7,224	7,920	30,450
Finance income	14,776	4,750	11,247
Finance costs	(4,151)	(6,060)	(10,032)
Net finance income	10,625	(1,310)	1,215
Share of profit of equity accounted investees (net of tax)	289,316	251,096	158,328
Profit before tax	307,165	257,706	189,993
Tax expense	(1,070)	(830)	(8,130)
Profit for the period	306,095	256,876	181,863
<b>Other comprehensive income</b>			
Remeasurement of retirement benefit asset, net of tax	-	-	2,327
Unrealised gains	2,016	-	16,766
Other comprehensive income for the year	2,016	-	19,093
Total comprehensive income for the year	308,111	256,876	200,956
Profit attributable to:			
Equity shareholders	304,784	254,584	190,569
Non-controlling interest	3,327	2,292	10,387
Profit for the period	308,111	256,876	200,956
Basic Earnings per Share	\$0.51	\$0.43	\$0.32

### Consolidated Statement of Changes in Equity

as at 30 September, 2014	(Expressed in thousands of Trinidad and Tobago dollars)					
	Share Capital \$'000	Translation Reserve \$'000	Investment Remeasurement Reserve \$'000	Retained Earnings \$'000	Non-controlling Interest \$'000	Total Equity \$'000
Six months ended 30 September 2014						
<b>Balance as at 1 April 2014</b>	1,736,632	31,979	16,766	1,451,330	88,805	3,325,512
Total comprehensive income for the year	-	-	2,016	302,768	3,327	308,111
Share of translation reserve	-	(5,099)	-	-	-	(5,099)
Investment remeasurement	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-
Subsidiary dividend	-	-	-	-	-	-
Dividends paid	-	-	-	(159,880)	-	(159,880)
<b>Balance as at 30 September 2014</b>	1,736,632	26,880	18,782	1,594,218	92,132	3,468,644
Six months ended 30 September 2013						
<b>Balance as at 1 April 2013</b>	1,736,632	24,931	-	1,781,764	83,130	3,626,457
Total comprehensive income for the year	-	-	-	271,232	24,062	295,294
Share of translation reserve	-	3,158	-	-	-	3,158
Subsidiary dividend	-	-	-	-	-	-
Dividends paid	-	-	-	(318,000)	-	(318,000)
<b>Balance as at 30 September 2013</b>	1,736,632	28,089	-	1,734,996	107,192	3,606,909
Year ended 31 March 2014						
<b>Balance as at 1 April 2013</b>	1,736,632	24,931	-	1,781,764	83,130	3,626,457
Total comprehensive income for the year	-	-	16,766	173,803	10,387	200,956
Share of deferred tax on actuarial gain	-	-	-	(43,333)	-	(43,333)
Share of translation reserve	-	7,048	-	-	-	7,048
Subsidiary dividend	-	-	-	(4,904)	(4,712)	(9,616)
Dividends paid	-	-	-	(456,000)	-	(456,000)
<b>Balance as at 31 March 2014</b>	1,736,632	31,979	16,766	1,451,330	88,805	3,325,512

### Condensed Consolidated Statement of Cash Flows

	Unaudited Six months ended 30 September 2014 \$ '000	Unaudited Six months ended 30 September 2013 \$ '000	Audited Year ended 31 March 2014 \$ '000
Cash flows from operating activities	42,659	(8,874)	21,239
<b>Net cash flows from operating activities</b>	42,659	(8,874)	21,239
Cash flows from investing activities			
Dividends received	135,335	60,077	305,014
Other investing activities	(2,447)	(27,852)	(259,862)
<b>Net cash flows from investing activities</b>	132,888	32,225	45,152
Cash flows from financing activities			
Dividends paid	(159,880)	(318,000)	(465,616)
Finance lease liability payments	(364)	(364)	(729)
Repayment of borrowings	(3,498)	(2,554)	(5,109)
<b>Net cash flows from financing activities</b>	(163,742)	(320,918)	(471,454)
Net (decrease)/ increase in cash, cash equivalents and bank overdrafts	11,805	(297,567)	(405,063)
Cash, cash equivalents and bank overdrafts at start of period	369,210	776,132	774,273
Cash, cash equivalents and bank overdrafts at end of period	381,015	478,565	369,210

### Notes to the Condensed Consolidated Interim Financial Statements

For the 3 months ended 30th September, 2014

#### 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 31st March, 2014. These condensed consolidated interim financial statements have not been audited and were approved by the Board of Directors on 11th November, 2014.

#### 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 31st March, 2014.