

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2010

| | Company 2010 N'000 | Group 2009 N'000 | Company 2009 N'000 |
|--|--------------------------|------------------------|--------------------------|
| Turnover | 202,565,698 | 189,620,975 | 129,797,087 |
| Cost of sales | (84,916,717) | (105,872,433) | (69,136,138) |
| Gross profit | 117,648,981 | 83,748,542 | 60,660,949 |
| Administrative expenses | (14,351,638) | (17,306,046) | (10,096,157) |
| Selling and distribution expenses | (407,809) | (116,426) | (116,426) |
| Operating profit | 102,889,534 | 66,326,070 | 50,448,366 |
| Other income | 526,396 | 972,877 | 902,187 |
| Interest received | 870,553 | 2,520,128 | 2,330,862 |
| Interest and similar charges | (2,952,015) | (6,043,204) | (4,171,378) |
| Profit before taxation and extraordinary item | 101,334,468 | 63,775,871 | 49,510,037 |
| Taxation | 5,270,941 | (2,383,641) | (2,258,711) |
| Profit after taxation | 106,605,409 | 61,392,230 | 47,251,326 |
| Extraordinary item | (1,282,980) | - | - |
| Profit after taxation and extraordinary item Transferred to revenue reserve | 105,322,429 | 61,392,230 | 47,251,326 |
| Earning per share (Naira) - Basic | 7 | 123 | 95 |

BALANCE SHEET

AS AT 31 DECEMBER 2010

| | Company 2010 N'000 | Group 2009 N'000 | Company 2009 N'000 |
|--|--------------------------|------------------------|--------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 285,442,982 | 186,393,346 | 142,388,500 |
| Investments | 50 | 99,050 | 16,659,134 |
| CURRENT ASSETS | | | |
| Stocks | 14,865,278 | 13,374,105 | 10,251,365 |
| Trade debtors | 11,378,174 | 6,825,714 | 6,038,627 |
| Other debtors and prepayments | 44,027,246 | 39,093,319 | 35,267,394 |
| Due from related companies | 25,050,099 | 25,807,836 | 24,904,260 |
| Short term deposits | 10,515,729 | 9,452,915 | 9,452,915 |
| Cash and bank balances | 10,760,935 | 10,733,061 | 62,402,202 |
| | 116,597,461 | 105,286,950 | 148,316,763 |
| CREDITORS: Amounts falling due within one year | | | |
| Bank overdraft | 36,440 | 3,272,082 | 3,272,082 |
| Trade creditors | 5,163,376 | 4,714,983 | 2,922,304 |
| Other creditors and accruals | 36,874,336 | 30,965,912 | 18,473,160 |
| Due to related companies | 6,988,814 | 9,823,506 | 7,927,117 |
| Short term debts | 37,600,992 | 14,789,269 | 14,789,269 |
| Taxation | 3,196,823 | 4,347,342 | 3,068,077 |
| | 89,860,781 | 67,913,094 | 50,452,009 |
| NET CURRENT ASSETS | 26,736,680 | 37,373,856 | 97,864,754 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 312,179,712 | 223,866,252 | 200,568,846 |
| Deferred taxation | (1,924,400) | (9,474,955) | (8,486,075) |
| CREDITORS: Amounts falling due after more than one year | | | |
| Long term debts | (98,251,413) | (49,619,797) | (49,619,797) |
| PROVISION FOR LIABILITIES AND CHARGES | | | |
| Staff gratuity | (494,684) | (981,244) | (350,740) |
| | 211,509,215 | 163,790,255 | 142,112,234 |
| CAPITAL AND RESERVES | | | |
| Share capital | 7,745,685 | 500,000 | 500,000 |
| Share premium | 42,430,000 | 42,430,000 | 42,430,000 |
| Revaluation reserve | - | 985,805 | 985,805 |
| Capital reserve | - | 15,556,084 | - |
| Revenue reserve | 161,333,530 | 98,196,429 | 98,196,429 |
| Shareholders' funds | 211,509,215 | 157,668,318 | 142,112,234 |
| Non controlling interest | - | 6,121,937 | - |
| | 211,509,215 | 163,790,255 | 142,112,234 |

The financial statements on pages 2 to 22 were approved by the Board of Directors on 23 March 2011 and signed on its behalf by:

Olakunle Alake }
Directors
D V G Edwin }

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DANGOTE CEMENT PLC

We have audited the accompanying financial statements of **Dangote Cement Plc**, set out on pages 2 to 24 which comprise the balance sheet as at 31 December 2010, the income statement, statement of cash flows, statement of valued added for the year then ended, summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the Companies and Allied Matters Act, Cap C20, LFN 2004, and for such internal control as the Directors determine are 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' judgment, 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 auditors consider 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 the Directors, 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 the Company as at 31 December 2010, and of its financial performance and its cash flows for the year then ended; **the Company** has kept proper books of account, which are in agreement with the balance sheet and income statement, in the manner required by the Companies and Allied Matters Act, Cap C20, LFN 2004, and in accordance with the Statements of Accounting Standards issued by the Nigerian Accounting Standards Board.

Akintola Williams Delatte

Chartered Accountants
Lagos, Nigeria
23 March 2011

Ahmed Zakaria Co.

Chartered Accountants
Kano, Nigeria
23 March 2011

