



PRESS RELEASE

PR. No 323/2012

ALUWORKS LIMITED (ALW) -
UN-AUDITED FINANCIAL STATEMENTS FOR THE
THIRD QUARTER ENDING SEPTEMBER, 2012

ALW has released its un-audited Financial Statements for the third quarter ending September 30, 2012 as per the attached.

Issued in Accra, this 2nd
day of November, 2012.

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, ALW
4. NTHC Registrars, (Registrars for ALW shares)
5. GSE Securities Depository
6. SEC
7. GSE Council Members
8. GSE Notice Board

For enquiries, contact:

General Manager/Head of Listings, GSE on 669908, 669914, 669935

***JEB**

ALUWORKS LIMITED
FINANCIAL STATEMENTS
THIRD QUARTER ENDED
30TH SEPTEMBER 2012

ALUWORKS LIMITED
INCOME STATEMENT
FOR THE PERIOD 30TH SEPTEMBER 2012

	Note	2012 GH¢000	2011 GH¢000
REVENUE	2	36,961	35,662
Operating costs		(31,718)	(32,464)
GROSS PROFIT / (LOSS)		5,243	3,198
Other income	3	65	46
General & Administrative Expenses		(2,633)	(2,264)
Operating profit/(loss) before finance cost		2,675	980
Net Finance Expense	6	(1,542)	(1,559)
Exchange(loss)/Gain		(3,063)	(954)
PROFIT/(LOSS) BEFORE TAXATION		(1,930)	(1,533)
Income Tax Expense		-	-
Loss for the period		(1,930)	(1,533)
Basic Earnings per share		(0.02564)	(0.0204)
Diluted Earnings per Share		(0.02564)	(0.0204)
Basic earnings per share			

STATEMENT OF RECOGNISED INCOME AND EXPENSE
30TH SEPTEMBER 2012

	2012 GH¢000	2011 GH¢000
Loss for the period	(1,930)	(1,533)
Total recognised income and expense for the period	(1,930)	(1,533)

ALUWORKS LIMITED

BALANCE SHEET AS AT 30TH SEPTEMBER, 2012

Assets	Note	2012 GH¢000	Sep-11 GH¢000
Property, Plant and Equipment	9	38,967	40,221
Long term Investments	12	144	168
Total non-current assets		39,111	40,389
Inventories	13	10,300	12,940
Trade and other receivables	14	10,526	7,307
Cash and cash equivalents	15	6,805	358
Income Tax Assets	7	889	857
Short Term Investment		5,000	
Total current assets		33,519	21,462
Total assets		72,631	61,851
EQUITY			
Stated Capital	20	24,731	24,731
Share deals Accounts	21	90	90
Non Distributable Surplus		19,358	19,383
Retained Earnings(Deficit)		(20,319)	(18,376)
Net Income		(1,930)	
Total Equity		21,930	25,828
Non-current liabilities			
Medium Term Loan	18	26,875	6,803
Deferred tax liabilities	8	2,283	2,156
Total non-current liabilities		29,158	8,959
Current Liabilities			
Bank overdraft	16	5,714	6,744
Trade & other payables	19	7,963	9,012
Short term loan	18	7,167	10,609
Dividend payable	22	699	699
Total current liabilities		21,542	27,064
Total liabilities		50,700	36,023
TOTAL EQUITY & LIABILITIES		72,631	61,851

**CASHFLOW STATEMENT
FOR THE PERIOD ENDED 30TH SEPTEMBER 2012**

	Sep-12	Sep-11
	GH¢' 000	GH¢' 000
Cash flows from operating activities	4,577	3,197
Changes in inventories	(3,215)	(8,677)
Changes in trade and other receivables	(4,896)	(4,301)
Changes in trade and other payables	2,881	5,703
	-----	-----
Cash generated from operations	(653)	(4,078)
Interest paid	(1,542)	(1,559)
Income taxes paid	(33)	(9)
	-----	-----
Net cash from operating activities	(2,228)	(5,646)
Cash from investing activities		
Property, plant and equipment purchased	(1,495)	(579)
Proceeds from sale of fixed assets	59	-
Purchase of intangible assets	-	-
Treasury Bill Purchased	(5,000)	-
	-----	-----
Net cash used in investing activities	(6,436)	(579)
Cash flow from financing activities		
Cash proced from Issuing shares		
Net Loan received/(paid)	15,017	3,029
Dividend paid		
	-----	-----
Net cash Gained/(Used) in financing activities	15,017	3,029
	-----	-----
Net Increase/(Decrease) in cash and cash equivalents	6,353	(3,196)
	-----	-----
Analysis of changes in cash and cash equivalents during the period		
Balance at 1 January	(5,262)	(3,190)
Net cash flow	6,353	(3,196)
	-----	-----
Balance at 30th September 2012	1,091	(6,386)
	-----	-----
Analysis of the balances of cash and cash equivalents as shown in the balance sheet		
Cash and bank balances	6,805	358
Bank overdraft	(5,714)	(6,744)
	-----	-----
	1,091	(6,386)
	-----	-----

CAPITAL AND RESERVES

Reconciliation of movement in capital and reserves

2012

	Share capital	Share deals	Retained earnings	Non Distributable Surplus	TOTAL
	GH¢000	GH¢000	GH¢000	GH¢000	GH¢000
Balance at 1 January 2012	24,731	90 ¹	(20,319)	19,358	23,860
Right Issue proceeds			-		-
Total recognised income and expense			(1,930)	-	(1,930)
Loss on disposal of revalued assets					-
	-----	-----	-----	-----	-----
Balance as at 30th September, 2012	24,731	90	(22,249)	19,358	21,930
	-----	-----	-----	-----	-----

NOTE

Non distributable Surplus is Revaluation Surplus.

ALUWORKS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2012

2. REVENUE	MONTHS OF SEPTEMBER		YEAR TO DATE	
	2012 GH¢000	2011 GH¢000	2012 GH¢000	2011 GH¢000
LOCAL SALES	4,132	2,367	28,245	25,781
FOREIGN SALES	779	4,016	10,983	13,266
	<u>4,911</u>	<u>6,383</u>	<u>39,228</u>	<u>39,047</u>
Less Rebates	0	(9.0)	(149)	(23)
	<u>4,911</u>	<u>6,374</u>	<u>39,079</u>	<u>39,024</u>
Less Value Added Tax	(541)	(309)	(2,118)	(3,362)
Net sales value	<u>4,370</u>	<u>6,065</u>	<u>36,961</u>	<u>35,662</u>
3 OTHER INCOME	MONTHS OF SEPTEMBER		YEAR TO DATE	
	2012 GH¢000	2011 GH¢000	2012 GH¢000	2011 GH¢000
Roofing Fixings	3	7	65	46
	<u>3</u>	<u>7</u>	<u>65</u>	<u>46</u>
	=====	=====	=====	=====

4. TRADING PROFIT/(LOSS)
is stated after charging:

	MONTHS OF SEPTEMBER		YEAR TO DATE	
	2012 GH¢' 000	2011 GH¢' 000	2012 GH¢' 000	2011 GH¢' 000
Personnel costs (note 5)	463	316	3,132	2,956
Auditors remuneration	3	3	24	27
Depreciation	269	247	2,061	2,217
Directors emoluments	2	3	21	27
Exchange loss/(Gain)	89	61	3,533	954
Net finance cost (note 6)	111	210	1,352	1,559
	=====	=====	=====	=====

5. PERSONNEL COSTS	MONTHS OF SEPTEMBER		YEAR TO DATE	
	2012 GH¢' 000	2011 GH¢' 000	2012 GH¢' 000	2011 GH¢' 000
Wages and salaries	411	274	2,789	2,450
Social Security Contribution	32	22	155	237
Provident Fund	19	11	91	171
Provision for end of service benefit	-	4	26	37
Long service award	-	5	71	61
	<u>463</u>	<u>316</u>	<u>3,132</u>	<u>2,956</u>
	=====	=====	=====	=====

6. NET FINANCE EXPENSE	2012	2011
Interest on loans and overdraft	(1,542)	(1,559)
Interest earned on Current Accounts	-	-
	<u>-----</u>	<u>-----</u>
	(1,542)	(1,559)
	<u>=====</u>	<u>=====</u>

7. INCOME TAX	Balance at 1/1/12 GH¢' 000	Payments GH¢' 000	Charge for period GH¢' 000	Balance at 30/09/12 GH¢' 000
Taxation payable				
Jp to 2004	(719)	-	-	(719)
2005	26	-	-	26
2006	336	-	-	336
2007	(270)	-	-	(270)
2008	(137)	-	-	(137)
Capital Gains Tax	7	-	-	7
National Reconstruction Levy	(51)	-	-	(51)
2009	(27)	-	-	(27)
2010	(13)	-	-	(13)
2011	(8)	(3)	-	(11)
2012	-	(30)	-	(30)
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
	(856)	(33)	-	(889)
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>

(ii) The income tax liabilities are subject to the agreement of the tax authorities.

	2,012 GH¢000	2,011 GH¢000
Tax Charge	-	-
Deferred Tax (relief)/expense (note 8)	-	-
	<u>-----</u>	<u>-----</u>
	-	-
	<u>-----</u>	<u>-----</u>
8. DEFERRED TAX	2,012 GH¢000	2,011 GH¢000
Balance at 1st January	2,283	2,156
Charge/(Release) to income statement	-	127
Charge to revaluation surplus	-	-
	<u>-----</u>	<u>-----</u>
	2,283	2,283
	<u>=====</u>	<u>=====</u>

9a. PROPERTY, PLANT AND EQUIPMENT - (2012)

	Leasehold Land and Buildings GH¢' 000	Plant and Machinery GH¢' 000	Equipment GH¢' 000	Motor Vehicles GH¢' 000	Capital Work in Progress GH¢' 000	Capital Work in Pro. Phase2	Total GH¢' 000
Gross Value							
At 1/1/12	12,229	32,689	2,198	969	9,152	-	57,237
Additions		532	117		416	429	1,495
Disposals		-	-	(210)	-	-	(210)
Transfer	-	-			-	-	-
	=====	=====	=====	=====	=====	=====	=====
At 30/09/12	12,229	33,221	2,315	759	9,569	429	58,522
	=====	=====	=====	=====	=====	=====	=====
Comprising							
Cost of asset revalued	1,904	8,787	1,005	453.25	-	-	12,149
Surplus on revaluation-1999	453	1,060	57	33	-	-	1,603
Surplus on revaluation-2008	8,710	9,492	982	273.00	-	-	19,457
	=====	=====	=====	=====	=====	=====	=====
	11,067	19,339	2,044	759	-	-	33,209
At Cost	1,162	13,882	271	-	9,569	429	25,313
	=====	=====	=====	=====	=====	=====	=====
	12,229	33,221	2,315	759	9,569	429	58,522
	=====	=====	=====	=====	=====	=====	=====
Accumulated depreciation							
At 1/1/12	1,841	13,663	1,324	555	-	-	17,383
Charge for the period	269	1,904	101	48	-	-	2,322
Release on disposal	-	-	-	(151)	-	-	(151)
	=====	=====	=====	=====	=====	=====	=====
At 30/09/12	2,110	15,567	1,425	453	-	-	19,555
	=====	=====	=====	=====	=====	=====	=====
Net Book Value							
At 30/09/12	10,118	17,654	890	307	9,569	429	38,967
	=====	=====	=====	=====	=====	=====	=====
At 31/09/11	10,502	19,345	889	427	9,058	-	40,221
	=====	=====	=====	=====	=====	=====	=====

Leasehold Land and Buildings, Plant, Machinery, Equipment and Vehicles were revalued by Valuation and Investments Associates (Professional Valuers, Estate Agents and Property Consultants) on 30th October 2008 on the basis of their open market values.

a. Depreciation has been charged in the financial statements as follows:

	2012 GH¢000	2011 GH¢000
Cost of Sales	2,078	1,520
General , administrative and Selling expenses	244	200
	=====	=====
	2,322	1,720
	=====	=====

10. Disposal of Property , plant and equipments

	GH¢"000'	GH¢"000'
Cost	210	-
Accumulated Depreciation	(151)	-
	-----	-----
Net Book Value	59	-
Sales Proceeds	59	-
	-----	-----
Profit/(Loss) on Disposal	0	-
	=====	=====

12. INVESTMENTS

This relates to the cost of 2,400,000 ordinary shares in Pioneer Kitchenware Limited. The market value of these investments at 30-09-12 was GH¢ 144,000 (2011 : GH¢168,000)

13. INVENTORIES

	2012	2011
	GH¢' 000	GH¢' 000
Raw materials	611	1,610
Work in Progress	3,332	3,610
Finished Goods	2,744	4,726
Consumables	3,613	2,994
	-----	-----
	10,300	12,940
	=====	=====

14. TRADE AND OTHER RECEIVABLES

Trade receivables due from customers	3,389	4,381
Other receivables	6,881	2,605
Staff Debtors	72	36
Prepayments	184	285
	-----	-----
	10,526	7,307
	=====	=====

NOTE

1) Trade receivables is less provision for bad debt of GH¢ 702,024 .

15. CASH AND CASH EQUIVALENTS

	2012 GH¢000	2011 GH¢000
Bank Balances	6,346	205
Cash Balances	459	153
TOTAL	6,805	358

Cash and cash equivalents comprise cash and cheques on hand and bank balances as at the end of the period.

16. BANK OVERDRAFT

	2012 GH¢000	2011 GH¢000
Ecobank Ghana Ltd (\$)	5,025	4,321
SG-SSB Bank Ltd	689	1,524
Ecobank Ghana Ltd (GHC)		899
	5,714	6,744

17. Banking Facilities

Bank facilities available to the company were as follows:

Facility Type	Amount	Collateral Security
Overdraft	\$ 3 ml	This is Ecobank facility to finance raw material imports, spares, and payment of other operational bills. Interest rate is at six month libor plus a spread of 1.5% payable monthly in arrears. This is secured by Fixed and floating assets of the company 20th April, 2013
Short term loan	\$4.2 ml	This is a facility from Barclays bank to finance the cold mill. Interest is at 7.85% This is secured by fixed and floating assets of the company. The repayment period has been rescheduled from January 2009 to 30th September 2013 on equal monthly installment.
Stand by Facility of	GH¢4ml	This is Ecobank facility of Documentary Line of Credit (Revolving) to back issuance of standby letter of credit in favour of overseas suppliers of raw materials. Interest rate is at 26.50% payable monthly in arrears. This is secured by the assignment of exports and pari passu fixed and floating charge over the company assets. The facility expires on 30th April, 2013.
Overdraft	GH¢1.5ml	The company has an overdraft facility not exceeding GH¢1.5million with SG-SSB Bank Ltd to finance working capital. The company's floating and fixed assets shared pari passu with Ecobank and Barclays Ltd have been pledged as security for the facility. The facility expires on 19/06/13. Interest rate is 26.50%.
Medium Term Loan	\$9ml	This represents loan facility to refinance letter of credit for the acquisition and installation of coil coating plant, to build new factory premises. The loan is payable by 31/10/2017. The facility is secured by registered debenture (fixed and floating) over the assets of the company. The interest rate is 7.20%.
Medium term Loan	US\$1ml	This is an Ecobank Facility expiring on 30th April, 2013. The interest rate is US Dollar base rate plus spread of 2% p.a. It is secured by fixed and floating assets of the company
Long Term Loan	¢18,276m	This is a new facility from SSNIT to fund the acquisition of the Second Cold Rolling Mill under the Terms of a six-year 14.25% Convertible Bond.

18. MEDIUM TERM LOANS

	Ecobank USD GH¢000	Ecobank CEDI GH¢000	Barclays USD GH¢000	SG-SSB USD GH¢000	SSNIT CEDI GH¢000	TOTAL 30/09/12 GH¢000	TOTAL 31/09/11 GH¢000
Balance at 1/1/12	2,136	1,500	2,309	10,436	-	16,381	15,343
Draw down during the year	-	15,245	-	-	18,276	33,521	10,444
	2,136	16,745	2,309	10,436	18,276	49,903	25,787
Repayments during the year	(1,406)	(14,245)	(1,363)	(1,490)	-	(18,504)	(9,115)
	731	2,500	946	8,946	18,276	31,399	16,672
Exchange loss/(Gain)	378	0	390	1,875	-	2,643	740
Balance at 30th September 2012	1,109	2,500	1,336	10,821	18,276	34,041	17,412
Analysed as follows:							
Current portion	1,109	2,500	1,336	2,222	-	7,167	10,609
	1,109	2,500	1,336	10,821	18,276	34,042	17,412

19. TRADE AND OTHER PAYABLES

	2012 GH¢000	2011 GH¢000
Trade and other payables	6,803	7,884
Sundry Creditors	692	754
Accruals and Deferred Income	488	374
	7,983	9,012

NOTE

Sundry Creditors includes credit balances on trade debtors, cash customers and foreign suppliers accounts

20. STATED CAPITAL

	No of Shares		Proceeds	
	2012	2011	2012	2011
			GH¢000	GH¢000
Authorised	'000'	'000'	'000'	'000'
Ordinary shares of no par value	300,000	300,000	300,000	300,000
	=====	=====		
Issued				
For cash	57,421	57,421	20,494	20,494
Transfer from Capital Surplus	34,629	34,629	4,237	4,237
	-----	-----	-----	-----
	92,050	92,050	24,731	24,731
	=====	=====	=====	=====

The holders of the ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the company. There is no call or instalment unpaid on any shares.

21. SHARE DEALS ACCOUNTS

	2012	2011
	GH¢000	GH¢000
Balance at 1st January	90	90
Proceeds from sale of treasury shares	-	-
	-----	-----
Balance at 30th bSeptember	90	90
	=====	=====

There was no movement on the share deals accounts during the year.

22. DIVIDEND PAYABLE

Balance at 1st January	699	699
	-----	-----
Balance at 30th bSeptember	699	699
	=====	=====

23. EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the net loss attributable to equity holders of the company by the weighted average number of shares in issue, excluding treasury shares, during the year.

	2012 GH¢000	2,011 GH¢000
Loss attributable to equity holders of the Company	(1,930)	(1,533)
Weighted average number of ordinary shares in issue	75,259,332	75,259,332
Basic earnings per share(expressed in GH¢ per share)	(0.0256)	(0.0204)

Diluted

Diluted earning per share is calculated by adjusting the weighted average number of ordinary shares, to assume of all dilutive potential ordinary shares. At 30th September 2012 and 2011 the company had no dilutive potential ordinary shares.

The loss attributed to ordinary shareholders is GH¢3,311,000 ; GH¢,940,000(2011)

ALUWORKS LTD

INTEREST ON LOANS AND OVERDRAFT AS AT 30TH SEPTEMBER 2012

MONTH	Ecobank Overdraft	Ecobank Loans	SG-SSB Overdraft	SG-SSB LOAN	Barclays Loan	TOTAL
	GH¢	GH¢	GH¢	GH¢		GH¢
JAN	26,116	70,264	20,654	-	-	117,035
FEB	11,925	68,141	16,170	-	6,289.63	102,526
MARCH	93,321	22,603	25,728	-	6,185.78	147,838
APRIL	51,179	73,338	34,309	135,305	-	294,131
MAY	84,113	39,808	10,981	38,195	12,817.00	185,913
JUNE	58,413	85,691	14,101	33,587	6,374.65	198,166
JULY	121,426	17,954	14,560	35,176	5,771.78	194,887
AUGUST	19,152	72,643	13,762		5,076.21	110,633
SEPTEMBER	104,458	13,731	49,157	66,039	(42,515)	190,870
TOTAL	<u>570,103</u>	<u>464,173</u>	<u>199,423</u>	<u>308,302</u>	<u>-</u>	<u>1,542,000</u>

ALUWORKS LIMITED
TREASURY REPORT AS AT 30TH SEPTEMBER 2012

<u>FACILITIES CONTRACTED</u>	<u>INTEREST</u>			<u>EXPIRY</u> <u>DATE</u>
	<u>RATE</u>	<u>USD</u>	<u>GH¢</u>	
SG-SSB MEDIUM TERM LOAN	7.20%	9,042,484		31/10/2017
BARCLAYS BANK MEDIUM TERM LOAN	7.85%	4,239,273		30/09/2013
ECOBANK STANDBY FACILITY	26.25%		4,000,000	31/05/2013
ECOBANK OVERDRAFT FACILITY	13.00%	3,000,000		31/05/2013
SG-SSB BANK OVERDRAFT FACILITY	26.25%		1,500,000	30/06/2013
ECOBANK DOLLAR LOAN	13.00%	1,000,000		30/04/2013
		<u>17,281,757</u>	<u>5,500,000</u>	

<u>FACILITIES UTILISED</u>	<u>INTEREST</u>			<u>CEDI</u> <u>EQUIVALENT</u>
	<u>RATE</u>	<u>USD</u>	<u>GH¢</u>	
SG-SSB MEDIUM TERM LOAN	7.20%	5,694,501		10,820,637
BARCLAYS BANK MEDIUM TERM LOAN	7.85%	703,023		1,336,586
ECOBANK OVERDRAFT FACILITY	13.00%	2,832,996		4,890,148
ECOBANK STANDBY FACILITY	26.25%		2,500,000	2,500,000
ECOBANK DOLLAR LOAN	13.00%	583,285		1,108,942
SG-SSB BANK OVERDRAFT FACILITY	26.25%		696,337	696,337
		<u>10,075,913</u>	<u>2,718,548</u>	<u>22,528,753</u>

<u>INTEREST PAID IN SEPTEMBER 2012</u>	<u>INTEREST</u>			
	<u>RATE</u>	<u>USD</u>	<u>GH¢</u>	<u>TOTAL GH¢</u>
SG-SSB MEDIUM TERM LOAN	7.20%	35,160		67,635
BARCLAYS BANK MEDIUM TERM LOAN	7.85%	-		-
ECOBANK OVERDRAFT FACILITY	13.00%	28,834		54,820
Ecobank \$ Loan	7.20%	7,222		13,731
ECOBANK GH¢ STANDBY FACILITY	26.50%		49,638	49,638
SG-SSB OVERDRAFT	26.25%	17,446	14,021	47,560
		<u>40,409</u>	<u>32,914</u>	<u>233,385</u>

EXCHANGE (GAIN)/LOSS IN SEPTEMBER 2012

	<u>GH¢</u>
SG-SSB MEDIUM TERM LOAN	(131,841)
BARCLAYS BANK MEDIUM TERM LOAN	(278,908)
VALCO Accounts	(61,299)
ECOBANK DOLLAR LOAN	(14,732)
FOREIGN CREDITORS	(18,939)
FOREIGN DEBTORS	34,748
	<u>(470,971)</u>

*****Exchange loss/(Gain) on Barclays medium term loan capitalised

	<u>USD</u>
Amount owed to VALCO	3,162,642