



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report and Consolidated Interim Financial Statements
Six months ended 30 June 2017



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report and Consolidated Interim Financial Statements Six months ended 30 June 2017

Contents	Page
Report for the Six Months Ended 30 June 2017	1
Consolidated Statement of Profit or Loss and Other Comprehensive Income	2
Consolidated Statement of Financial Position	3
Consolidated Statement of Changes in Equity	4
Consolidated Statement of Cash Flows	5
Notes to the Consolidated Interim Financial Statements	6
Statement of the members of the Board of Directors and other responsible persons of the Company for the interim financial statements	7



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report for the Six Months Ended 30 June 2017

On July 27th 2017, the Board of Directors of Vassiliko Cement Works Public Company Ltd approved the financial results of the Group for the first half of the year that ended 30 June 2017.

Financial results

Revenues for the first half of 2017 reached €52.812.000, compared to €49.027.000 for the respective period of 2016. Revenue increases were driven by the acceleration of demand in the domestic market, which has grown steadily for the second year in a row. The increase in the domestic demand made up for the cost of pricing reductions in between the periods.

On the production front, there was a negative impact from energy costs and primarily electricity negatively affecting the operating margins compared to the previous year.

Profits from investing activities and associated companies contributed positively towards the overall profitability with an improvement of €454.000.

As a result, the profit for the period reached €11.777.000 compared to €11.895.000 for the same period of 2016.

Prospects for the year

The strong revenues seen during the first half of the year continue, but energy costs will also continue to stay high compared to 2016.

VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Profit or Loss and Other Comprehensive Income Six months ended 30 June 2017

	Six months ended 30 June	
	2017 €000	2016 €000
Revenue	52.812	49.027
Cost of sales	(35.114)	(30.384)
Gross profit	17.698	18.643
Other operating income	530	440
Distribution expenses	(2.438)	(2.745)
Administrative expenses	(1.660)	(1.661)
Other operating expenses	(781)	(686)
Operating profit before financing costs	13.349	13.991
Financial income	-	13
Financial expenses	(357)	(358)
Net financial expenses	(357)	(345)
Profit from investing activities	218	22
Share of profit from equity-accounted investees	392	134
Profit before tax	13.602	13.802
Taxation expense	(1.825)	(1.907)
Profit for the financial period	11.777	11.895
Other comprehensive income		
Cash flow hedges – effective portion of changes in fair value	938	165
Other comprehensive income for the period	938	165
Total comprehensive income for the period	12.715	12.060
Profit attributable to:		
Equity holders of the parent	11.777	11.895
Non-controlling interest	-	-
	11.777	11.895
Total comprehensive income attributable to:		
Equity holders of the parent	12.715	12.060
Non-controlling interest	-	-
	12.715	12.060
Basic and diluted earnings per share (cents)	16,4	16,5



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Financial Position

30 June 2017

	30/6/17 €000	31/12/16 €000
ASSETS		
Property, plant and equipment	236.877	237.839
Intangible assets	12.369	12.369
Investment property	9.253	9.259
Investments in equity-accounted investees	3.958	3.616
Available-for-sale financial assets	190	144
Total non-current assets	262.647	263.227
Inventories	22.065	20.559
Trade and other receivables	8.110	7.280
Assets classified as held for sale	-	450
Cash and cash equivalents	5.441	6.335
Total current assets	35.616	34.624
Total assets	298.263	297.851
EQUITY AND LIABILITIES		
Equity and reserves		
Share capital	30.932	30.932
Reserves	205.733	203.089
Total equity attributable to equity holders of the parent	236.665	234.021
Non-controlling interest	-	-
Total equity	236.665	234.021
LIABILITIES		
Interest bearing-loan and borrowings	27.015	30.969
Deferred tax liabilities	18.555	17.943
Provisions	400	400
Total non-current liabilities	45.970	49.312
Interest bearing-loan and borrowings	7.907	7.907
Tax payable	1.226	-
Trade and other payables	6.495	6.611
Total current liabilities	15.628	14.518
Total liabilities	61.598	63.830
Total equity and liabilities	298.263	297.851


VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD
Consolidated Statement of Changes in Equity
Six months ended 30 June 2017

	Share Capital	Share premium reserve	Revaluation reserve	Cash flow hedges – effective portion of changes in fair value	Retained profits	Equity attributable to holders of parent	Non-controlling interest	Total equity
	€000	€000	€000	€000	€000	€000	€000	€000
Six months ended 30 June 2017								
Balance 1 January 2017	<u>30.932</u>	<u>45.388</u>	<u>44.337</u>	<u>(558)</u>	<u>113.922</u>	<u>234.021</u>	<u>-</u>	<u>234.021</u>
Profit for the period	-	-	-	-	11.777	11.777	-	11.777
Other comprehensive income for the period	-	-	-	938	-	938	-	938
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>938</u>	<u>11.777</u>	<u>12.715</u>	<u>-</u>	<u>12.715</u>
Dividends	-	-	-	-	(10.071)	(10.071)	-	(10.071)
Balance 30 June 2017	<u>30.932</u>	<u>45.388</u>	<u>44.337</u>	<u>380</u>	<u>115.628</u>	<u>236.665</u>	<u>-</u>	<u>236.665</u>
Six months ended 30 June 2016								
Balance 1 January 2016	<u>30.932</u>	<u>45.388</u>	<u>45.260</u>	<u>(75)</u>	<u>103.610</u>	<u>225.115</u>	<u>-</u>	<u>225.115</u>
Profit for the period	-	-	-	-	11.895	11.895	-	11.895
Other comprehensive income for the period	-	-	-	165	-	165	-	165
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>165</u>	<u>11.895</u>	<u>12.060</u>	<u>-</u>	<u>12.060</u>
Balance 30 June 2016	<u>30.932</u>	<u>45.388</u>	<u>45.260</u>	<u>90</u>	<u>115.505</u>	<u>237.175</u>	<u>-</u>	<u>237.175</u>



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Cash Flows

Six months ended 30 June 2017

	Six months ended 30 June	
	2017 €000	2016 €000
Cash flows from operating activities		
Profit for the period	11.777	11.895
Adjustments for:		
Depreciation and amortisation charges	6.800	7.300
Interest income	-	(13)
 (Impairment reversal)/impairment of available-for-sale financial assets	 (46)	 43
 Impairment reversal of Assets classified as held for sale	 -	 (46)
Interest expense	297	355
Share of profit of equity-accounted investees	(392)	(134)
Gain on sale of investment property	(104)	-
Gain on sale of property, plant and equipment	(47)	-
Taxation expense	1.825	1.907
Operating profit before changes in working capital	20.110	21.307
Changes in:		
Trade and other receivables	(830)	(701)
Inventories	(1.506)	1.076
Trade and other payables	840	702
Cash generated from operations	18.614	22.384
Interest paid	(318)	(166)
Taxes paid	13	(379)
<i>Net cash inflow from operating activities</i>	18.309	21.839
Cash outflows to investing activities		
Proceeds from sale of property, plant and equipment	48	-
Proceeds from sale of investment property	560	-
Interest received	-	13
Dividends received	50	128
Acquisition of property, plant and equipment	(5.837)	(4.073)
Acquisition of share in associate company	-	(250)
<i>Net cash used in investing activities</i>	(5.179)	(4.182)
Cash flows from financing activities		
Repayment of loans	(3.953)	(12.267)
Dividends paid	(10.071)	-
<i>Net cash outflows to financing activities</i>	(14.024)	(12.267)
Net (decrease)/increase of cash and cash equivalents	(894)	5.390
Cash and cash equivalents at 1 January	6.335	8.639
Cash and cash equivalents at 30 June	5.441	14.029

Notes to the Consolidated Interim Financial Statements

- The interim financial statements relate to the period from 1 January to 30 June 2017, are not audited by the Company's auditors and were approved by the Board of Directors on 27 July 2017.
- The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements. The interim financial statements are expressed in thousands of Euro.

- Transactions with related companies

The Company enters into various transactions with the Hellenic Mining Group, HeidelbergCement Group, Cyprus Cement Group, associated and related companies. These transactions include the rendering of technical, administrative, commercial and other services to the Group as well as the purchase and sale of raw materials, spare parts and other goods and services at mutually agreed prices. During the period the transactions with the above were as follows:

	Sales		Purchases	
	2017 €000	2016 €000	2017 €000	2016 €000
Hellenic Mining Group	-	-	151	142
HeidelbergCement Group	-	-	1.955	24
KEO Plc	-	-	1	1
Cyprus Cement Group	-	-	60	60
Enerco - Energy Recovery Ltd	905	311	818	383
	905	311	2.985	610

- Main risks and uncertainties

The uncertain economic conditions, the limited availability of financing for individuals and businesses by the banking system in general, energy prices and exchange rates, could affect:

- (1) the Group's income and operating costs,
- (2) the ability of the Group's trade and other debtors to repay the amounts due to the Group, and
- (3) the cash flow forecasts of the Group and the assessment of impairment of other financial and non financial assets.

The uncertainty regarding the course of developments in the markets does not allow a safe prediction for the remaining of the current year, which may affect negatively the future financial performance, cash flows and financial position of the Group. Considering the above uncertainties the Group's Management is taking measures to limit exposure to certain risks and mitigate any possible negative consequences.

Other risks and uncertainties faced by the Group are detailed on note 35 of the Annual Report and Financial Statements for 2016.



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Statement of the members of the Board of Directors, the General Manager and the Financial Manager of the Company for the interim financial statements

In accordance with Article 10 of the Transparency Requirements (Securities for Trading on Regulated Market) Law 190(I)/2007 ("Law"), we the members of the Board of Directors, the General Manager and the Financial Manager of Vassiliko Cement Works Public Company Ltd, confirm that to the best of our knowledge:

- (a) The interim financial statements for the period from 1 January 2017 to 30 June 2017 that are presented on pages 1 to 6:
 - i. were prepared in accordance with the International Financial Reporting Standards and in accordance with the provisions of Article 10 (4) of the Law, and
 - ii. give a true and fair view of the assets and liabilities, the financial position and the profits of Vassiliko Cement Works Public Company Ltd and the businesses that are included in the consolidated financial statements as a total, and
- (b) the interim report gives a fair review of the information required under Article 10 (6) of the Law.

Members of the Board of Directors

Antonios Antoniou

Stavros Galatariotis

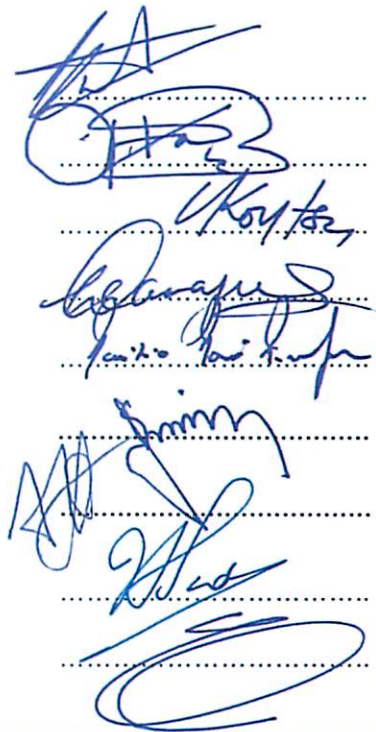
Costas Koutsos

Charalambos Panayiotou

Maurizio Mansi Montenegro

Stelios Anastasiades

Antonios Katsifos



Handwritten signatures in blue ink on dotted lines, corresponding to the names listed on the left. The signatures are: Antonios Antoniou, Stavros Galatariotis, Costas Koutsos, Charalambos Panayiotou, Maurizio Mansi Montenegro, Stelios Anastasiades, Antonios Katsifos, George Sideris, and George Savva.

Company Officials

George Sideris

General Manager

George Savva

Financial Manager

Mssrs. George Galatariotis, Costas Galatariotis, Antonis Mikellides and Christophe Allouchery were not present during the meeting for the approval of the financial statements and therefore did not sign this statement.

27 July 2017