



**VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD**

Report and Consolidated Interim Financial Statements  
Three months ended 31 March 2015



# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Report and Consolidated Interim Financial Statements Three months ended 31 March 2015

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# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Report for the Three Months Ended 31 March 2015

On 28 May 2015, the Board of Directors of Vassiliko Cement Works Public Company Ltd approved the financial results of the Group for the first quarter of the year that ended on 31 March 2015.

### **Financial results**

The total revenues for the first quarter of 2015 reached €19.046.000 with a gross profit of €3.536.000 compared to total revenues of €23.468.000 and a gross profit of €3.642.000 for the respective quarter of 2014.

The gross profit maintained the 2014 level despite the decrease in total revenues. Margin improvement was achieved due to cost containments achieved and improvements in pricing which was the result of the strengthening of the US dollar against the Euro.

The operating profit for the period reached €1.299.000 compared to €2.466.000 during the respective period of 2014. The difference is mainly attributed to other income of €943.000 generated from the trading of carbon emission rights that was realised in 2014 and not repeated in 2015.

The net profit for the first quarter of 2015 reached €853.000 compared to €1.881.000 recorded during the respective period in 2014.

### **Prospects for the year**

The Company will continue pursuing its exports orientated sales strategy; the management is monitoring carefully the market developments in the current uncertain environment, focusing on product quality and production costs.

# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Consolidated Statement of Comprehensive Income Three months ended 31 March 2015

	Three months ended 31 March	
	2015 €000	2014 €000
Revenue	19.046	23.468
Cost of sales	(15.510)	(19.826)
<b>Gross profit</b>	<b>3.536</b>	3.642
Other operating income	100	1.211
Distribution expenses	(1.128)	(1.367)
Administrative expenses	(814)	(680)
Other operating expenses	(395)	(340)
<b>Operating profit before financing costs</b>	<b>1.299</b>	2.466
Financial income	-	-
Financial expenses	(295)	(593)
<b>Net financing costs</b>	<b>(295)</b>	(593)
Profit from investing activities	38	47
Share of loss from equity-accounted investees	(48)	(38)
<b>Profit before tax</b>	<b>994</b>	1.882
Taxation expense	(141)	(1)
<b>Profit for the financial period</b>	<b>853</b>	1.881
<b>Other comprehensive income for the period</b>	<b>-</b>	-
<b>Total comprehensive income for the period</b>	<b>853</b>	1.881
<b>Profit attributable to:</b>		
Equity holders of the parent	853	1.881
Non-controlling interest	-	-
	<b>853</b>	1.881
<b>Total comprehensive income attributable to:</b>		
Equity holders of the parent	853	1.881
Non-controlling interest	-	-
	<b>853</b>	1.881
Basic and diluted earnings per share (cents)	<b>1,2</b>	2,6



# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Consolidated Statement of Financial Position

31 March 2015

	31/3/15 €000	31/12/14 €000
<b>ASSETS</b>		
Property, plant and equipment	246.020	249.704
Intangible assets	12.341	12.341
Investment property	9.695	9.695
Investments in equity-accounted investees	3.380	3.428
Available-for-sale financial assets	178	192
<b>Total non-current assets</b>	<b>271.614</b>	<b>275.360</b>
Inventories	21.221	22.127
Trade and other receivables	5.080	5.607
Assets classified as held for sale	910	910
Cash and cash equivalents	3.201	2.887
<b>Total current assets</b>	<b>30.412</b>	<b>31.531</b>
<b>Total assets</b>	<b>302.026</b>	<b>306.891</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity and reserves</b>		
Share capital	30.932	30.932
Reserves	190.613	189.760
<b>Total equity attributable to equity holders of the parent</b>	<b>221.545</b>	<b>220.692</b>
<b>Non-controlling interest</b>	-	-
<b>Total equity</b>	<b>221.545</b>	<b>220.692</b>
<b>LIABILITIES</b>		
Interest bearing-loan and borrowings	52.806	59.332
Deferred tax liabilities	12.576	12.436
Provisions	400	400
<b>Total non-current liabilities</b>	<b>65.782</b>	<b>72.168</b>
Interest bearing-loan and borrowings	8.764	9.042
Tax payable	20	37
Trade and other payables	5.915	4.952
<b>Total current liabilities</b>	<b>14.699</b>	<b>14.031</b>
<b>Total liabilities</b>	<b>80.481</b>	<b>86.199</b>
<b>Total equity and liabilities</b>	<b>302.026</b>	<b>306.891</b>




# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Consolidated Statement of Changes in Equity

Three months ended 31 March 2015

	Share Capital	Share premium reserve	Revaluation reserve	Revaluation of investments available for sale reserve	Retained profits	Equity attributable to holders of parent	Non-controlling interest	Total equity
	€000	€000	€000	€000	€000	€000	€000	€000
<b>Three months ended 31 March 2015</b>								
Balance 1 January 2015	30.932	45.388	46.553	-	97.819	220.692	-	220.692
Profit for the period	-	-	-	-	853	853	-	853
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	853	853	-	853
Balance 31 March 2015	30.932	45.388	46.553	-	98.672	221.545	-	221.545
<b>Three months ended 31 March 2014</b>								
Balance 1 January 2014	30.932	45.388	47.925	-	93.452	217.697	-	217.697
Profit for the period	-	-	-	-	1.881	1.881	-	1.881
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1.881	1.881	-	1.881
Balance 31 March 2014	30.932	45.388	47.925	-	95.333	219.578	-	219.578

 **VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD**  
**Consolidated Statement of Cash Flows**  
**Three months ended 31 March 2015**

	Three months ended 31 March	
	2015 €000	2014 €000
<b>Cash flows from operating activities</b>		
Profit for the period	853	1.881
Adjustments for:		
Depreciation and amortisation charges	4.025	3.895
Impairment of available-for-sale financial assets	14	-
Interest expense	295	593
Share of loss of equity-accounted investees	48	38
Gain on sale of property, plant and equipment	(1)	-
Taxation expense	141	1
<b>Operating profit before changes in working capital</b>	<b>5.375</b>	<b>6.408</b>
<b>Changes in:</b>		
Trade and other receivables	527	1.032
Inventories	906	2.371
Trade and other payables	998	(400)
<b>Cash generated from operations</b>	<b>7.806</b>	<b>9.411</b>
Interest paid	(328)	(712)
Taxes paid	(19)	(1)
<i>Net cash inflow from operating activities</i>	<b>7.459</b>	<b>8.698</b>
<b>Cash outflows to investing activities</b>		
Proceeds from sale of property, plant and equipment	2	-
Acquisition of property, plant and equipment	(343)	(1.540)
<i>Net cash used in investing activities</i>	<b>(341)</b>	<b>(1.540)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(6.804)	(2.652)
<i>Net cash outflows to financing activities</i>	<b>(6.804)</b>	<b>(2.652)</b>
<b>Net increase of cash and cash equivalents</b>	<b>314</b>	<b>4.506</b>
Cash and cash equivalents at 1 January	2.887	3.533
Cash and cash equivalents at 31 March	<b>3.201</b>	<b>8.039</b>

**Notes to the Consolidated Interim Financial Statements**

- 1 The interim financial statements relate to the period from 1 January to 31 March 2015, are not audited by the Company's auditors and were approved by the Board of Directors on 28 May 2015.
- 2 The interim financial statements comply with the International Accounting Standard 34 "Interim Financial Statements".
- 3 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.

**4 Transactions with related companies**

The Company enters into various transactions with the Hellenic Mining Group, Italcementi 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	
	2015 €000	2014 €000	2015 €000	2014 €000
Hellenic Mining Group	-	-	60	54
Italcementi Group	-	3.787	148	8
KEO Plc	-	-	-	2
Cyprus Cement Group	-	-	15	13
	-	3.787	223	77

**5. 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,
- (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 2014.



**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 2015 to 31 March 2015 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

Maurizio Caneppele

George Galatariotis

Costas Galatariotis

Stavros Galatariotis

Costas Koutsos

Charalambos Panayiotou

Leondios Lazarou

Antonis Mikellides

**Company Officials**

George Sideris

General Manager

George Savva

Financial Manager

Mr. Serge Schmidt and Mr. Maurizio Mansi Montenegro were not present during the meeting for the approval of the financial statements and therefore did not sign this statement.

28 May 2015