



**VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD**

Report and Consolidated Interim Financial Statements  
Six months ended 30 June 2015



# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Report and Consolidated Interim Financial Statements Six months ended 30 June 2015

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# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Report for the Six Months Ended 30 June 2015

On July 30th 2015, 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 on June 30th 2015.

### **Financial results**

Revenues for the first half of 2015 reached €45.192.000 with a gross profit of €10.902.000 compared to total revenues of €43.315.000 and a gross profit of €7.590.000 for the corresponding half of 2014.

Both revenues and gross margin increased, improving the profitability of the period. Margin improvement was achieved as a result of cost containments achieved and improvements in pricing which was the result of the strengthening of the US dollar against the Euro. As a result the operating profit for the period reached €6.137.000 compared to €4.488.000 during the respective period of 2014.

The net profit for the first half of 2015 reached €4.676.000 compared to €3.292.000 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**  
**Six months ended 30 June 2015**

	Three months ended 30 June		Six months ended 30 June	
	2015 €000	2014 €000	2015 €000	2014 €000
Revenue	26.146	19.847	45.192	43.315
Cost of sales	(18.780)	(15.899)	(34.290)	(35.725)
<b>Gross profit</b>	<b>7.366</b>	<b>3.948</b>	<b>10.902</b>	<b>7.590</b>
	<b>28,2%</b>	<b>19,9%</b>	<b>24,1%</b>	<b>17,5%</b>
Other operating income	251	307	351	1.565
Distribution expenses	(1.551)	(1.284)	(2.679)	(2.651)
Administrative expenses	(757)	(658)	(1.571)	(1.338)
Other operating expenses	(471)	(338)	(866)	(678)
<b>Operating profit before financing costs</b>	<b>4.838</b>	<b>1.975</b>	<b>6.137</b>	<b>4.488</b>
Financial income	-	3	-	3
Financial expenses	(204)	(565)	(499)	(1.158)
<b>Net financing costs</b>	<b>(204)</b>	<b>(562)</b>	<b>(499)</b>	<b>(1.155)</b>
Profit from investing activities	38	49	76	49
Share of loss from equity-accounted investees	(147)	(50)	(195)	(88)
<b>Profit before tax</b>	<b>4.525</b>	<b>1.412</b>	<b>5.519</b>	<b>3.294</b>
Taxation expense	(702)	(1)	(843)	(2)
<b>Profit for the financial period</b>	<b>3.823</b>	<b>1.411</b>	<b>4.676</b>	<b>3.292</b>
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>3.823</b>	<b>1.411</b>	<b>4.676</b>	<b>3.292</b>
<b>Profit attributable to:</b>				
Equity holders of the parent	4.676	1.411	4.676	3.292
Non-controlling interest	-	-	-	-
	<b>3.823</b>	<b>1.411</b>	<b>4.676</b>	<b>3.292</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the parent	3.823	1.411	4.676	3.292
Non-controlling interest	-	-	-	-
	<b>3.823</b>	<b>1.411</b>	<b>4.676</b>	<b>3.292</b>
Basic and diluted earnings per share (cents)	5,3	2,0	6,5	4,6



# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Consolidated Statement of Financial Position

30 June 2015

	30/6/15 €000	31/12/14 €000
<b>ASSETS</b>		
Property, plant and equipment	243.174	249.704
Intangible assets	12.341	12.341
Investment property	9.695	9.695
Investments in equity-accounted investees	3.432	3.428
Available-for-sale financial assets	162	192
<b>Total non-current assets</b>	<b>268.804</b>	275.360
Inventories	22.664	22.127
Trade and other receivables	5.196	5.607
Assets classified as held for sale	910	910
Cash and cash equivalents	8.221	2.887
<b>Total current assets</b>	<b>36.991</b>	31.531
<b>Total assets</b>	<b>305.795</b>	306.891
<b>EQUITY AND LIABILITIES</b>		
<b>Equity and reserves</b>		
Share capital	30.932	30.932
Reserves	194.436	189.760
<b>Total equity attributable to equity holders of the parent</b>	<b>225.368</b>	220.692
<b>Non-controlling interest</b>	-	-
<b>Total equity</b>	<b>225.368</b>	220.692
<b>LIABILITIES</b>		
Interest bearing-loan and borrowings	50.829	59.332
Deferred tax liabilities	13.276	12.436
Provisions	400	400
<b>Total non-current liabilities</b>	<b>64.505</b>	72.168
Interest bearing-loan and borrowings	8.482	9.042
Tax payable	20	37
Trade and other payables	7.422	4.952
<b>Total current liabilities</b>	<b>15.922</b>	14.031
<b>Total liabilities</b>	<b>80.427</b>	86.199
<b>Total equity and liabilities</b>	<b>305.795</b>	306.891



# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Consolidated Statement of Changes in Equity

Six months ended 30 June 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>Six months ended 30 June 2015</b>								
Balance 1 January 2015	30.932	45.388	46.553	-	97.819	220.692	-	220.692
Profit for the period	-	-	-	-	4.676	4.676	-	4.676
Total comprehensive income for the period	-	-	-	-	4.676	4.676	-	4.676
Balance 30 June 2015	30.932	45.388	46.553	-	102.495	225.368	-	225.368
<b>Six months ended 30 June 2014</b>								
Balance 1 January 2014	30.932	45.388	47.925	-	93.452	217.697	-	217.697
Profit for the period	-	-	-	-	3.292	3.292	-	3.292
Total comprehensive income for the period	-	-	-	-	3.292	3.292	-	3.292
Dividends	-	-	-	-	(1.079)	(1.079)	-	(1.079)
Special contribution for defence	-	-	-	-	15	15	-	15
Balance 30 June 2014	30.932	45.388	47.925	-	95.680	219.925	-	219.925



# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Consolidated Statement of Cash Flows

Six months ended 30 June 2015

	Six months ended 30 June	
	2015 €000	2014 €000
<b>Cash flows from operating activities</b>		
Profit for the period	4.676	3.292
Adjustments for:		
Depreciation and amortisation charges	7.800	7.848
Interest income	-	(3)
Impairment/(impairment reversal) of available-for-sale financial assets	30	(49)
Interest expense	499	1.129
Share of loss of equity-accounted investees	195	88
Gain on sale of property, plant and equipment	(6)	(1)
Taxation expense	843	2
<b>Operating profit before changes in working capital</b>	<b>14.037</b>	<b>12.306</b>
<b>Changes in:</b>		
Trade and other receivables	411	(397)
Inventories	(537)	(1.015)
Trade and other payables	2.333	641
<b>Cash generated from operations</b>	<b>16.244</b>	<b>11.535</b>
Interest paid	(363)	(1.165)
Taxes paid	(20)	(2)
<i>Net cash inflow from operating activities</i>	<b>15.861</b>	<b>10.368</b>
<b>Cash outflows to investing activities</b>		
Proceeds from sale of property, plant and equipment	7	1
Interest received	-	3
Acquisition of property, plant and equipment	(1.272)	(2.221)
Acquisition of share in associate company	(199)	-
<i>Net cash used in investing activities</i>	<b>(1.464)</b>	<b>(2.217)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(9.063)	(8.163)
Dividends paid	-	(1.064)
<i>Net cash outflows to financing activities</i>	<b>(9.063)</b>	<b>(9.227)</b>
<b>Net increase/(decrease) of cash and cash equivalents</b>	<b>5.334</b>	<b>(1.076)</b>
Cash and cash equivalents at 1 January	2.887	3.533
Cash and cash equivalents at 30 June	<b>8.221</b>	<b>2.457</b>



# VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

## Notes to the Consolidated Interim Financial Statements

- 1 The interim financial statements relate to the period from 1 January to 30 June 2015, are not audited by the Company's auditors and were approved by the Board of Directors on 30 July 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	-	-	<b>185</b>	116
Italcementi Group	-	5.064	<b>275</b>	233
KEO Plc	-	1	<b>1</b>	2
Cyprus Cement Group	-	-	<b>30</b>	39
	-	5.065	<b>491</b>	390

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 30 June 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.

30 July 2015