



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report and Consolidated Interim Financial Statements
Nine months ended 30 September 2015



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

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VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report for the Nine Months Ended 30 September 2015

On November 19th 2015, the Board of Directors of Vassiliko Cement Works Public Company Ltd approved the financial results of the Group for the first nine months of the year that ended on September 30th 2015.

The Board of Directors, taking into account the financial results and the liquidity of the Company, decided the payment of an interim dividend for 2015 of 6 cents per share to the entitled shareholders who will be registered on the CSE members register on 4 December 2015. The total interim dividend payable is €4.316.157. The interim dividend for 2014 was €1.438.719.

Financial results

Revenues for the first nine months of 2015 reached €66.270.000 with a gross profit of €16.729.000 compared to total revenues of €62.888.000 and a gross profit of €10.669.000 for the corresponding period 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 €9.650.000 compared to €6.068.000 during the respective period of 2014.

The net profit for the first nine months of 2015 reached €7.168.000 compared to €4.245.000 recorded during the respective period in 2014.

Prospects for the year

The Company continues its export activities and does not expect significant changes in sales either with regards to the domestic nor the regional market for the remainder of the year.

VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Comprehensive Income

Nine months ended 30 September 2015

	Three months ended 30 September		Nine months ended 30 September	
	2015 €000	2014 €000	2015 €000	2014 €000
Revenue	21.078	19.573	66.270	62.888
Cost of sales	(15.251)	(16.494)	(49.541)	(52.219)
Gross profit	5.827	3.079	16.729	10.669
Other operating income	(9)	845	342	2.410
Distribution expenses	(1.062)	(1.214)	(3.741)	(3.865)
Administrative expenses	(733)	(778)	(2.304)	(2.116)
Other operating expenses	(510)	(352)	(1.376)	(1.030)
Operating profit before financing costs	3.513	1.580	9.650	6.068
Financial income	4	8	4	11
Financial expenses	(94)	(459)	(593)	(1.617)
Net financing costs	(90)	(451)	(589)	(1.606)
Loss from investing activities	(175)	(115)	(99)	(66)
Share of loss from equity-accounted investees	(120)	(60)	(315)	(148)
Profit before tax	3.128	954	8.647	4.248
Taxation expense	(636)	(1)	(1.479)	(3)
Profit for the financial period	2.492	953	7.168	4.245
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	2.492	953	7.168	4.245
Profit attributable to:				
Equity holders of the parent	2.492	953	7.168	4.245
Non-controlling interest	-	-	-	-
	2.492	953	7.168	4.245
Total comprehensive income attributable to:				
Equity holders of the parent	2.492	953	7.168	4.245
Non-controlling interest	-	-	-	-
	2.492	953	7.168	4.245
Basic and diluted earnings per share (cents)	3,5	1,3	10,0	5,9



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Financial Position

30 September 2015

	30/9/15 €000	31/12/14 €000
ASSETS		
Property, plant and equipment	240.470	249.704
Intangible assets	12.341	12.341
Investment property	9.470	9.695
Investments in equity-accounted investees	3.312	3.428
Available-for-sale financial assets	153	192
Total non-current assets	265.746	275.360
Inventories	21.731	22.127
Tax receivable	-	-
Trade and other receivables	5.372	5.607
Assets classified as held for sale	910	910
Cash and cash equivalents	3.571	2.887
Total current assets	31.584	31.531
Total assets	297.330	306.891
EQUITY AND LIABILITIES		
Equity and reserves		
Share capital	30.932	30.932
Reserves	192.612	189.760
Total equity attributable to equity holders of the parent	223.544	220.692
Non-controlling interest	-	-
Total equity	223.544	220.692
LIABILITIES		
Interest bearing-loan and borrowings	49.051	59.332
Deferred tax liabilities	13.911	12.436
Provisions	400	400
Total non-current liabilities	63.362	72.168
Interest bearing-loan and borrowings	8.196	9.042
Tax payable	20	37
Trade and other payables	2.208	4.952
Total current liabilities	10.424	14.031
Total liabilities	73.786	86.199
Total equity and liabilities	297.330	306.891



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Changes in Equity

Nine months ended 30 September 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
Nine months ended 30 September 2015								
Balance 1 January 2015	30.932	45.388	46.553	-	97.819	220.692	-	220.692
Profit for the period	-	-	-	-	7.168	7.168	-	7.168
Total comprehensive income for the period	-	-	-	-	7.168	7.168	-	7.168
Dividends	-	-	-	-	(4.316)	(4.316)	-	(4.316)
Balance 30 September 2015	30.932	45.388	46.553	-	100.671	223.544	-	223.544
Nine months ended 30 September 2014								
Balance 1 January 2014	30.932	45.388	47.925	-	93.452	217.697	-	217.697
Profit for the period	-	-	-	-	4.245	4.245	-	4.245
Total comprehensive income for the period	-	-	-	-	4.245	4.245	-	4.245
Dividends	-	-	-	-	(1.079)	(1.079)	-	(1.079)
Special contribution for defence	-	-	-	-	15	15	-	15
Balance 30 September 2014	30.932	45.388	47.925	-	96.633	220.878	-	220.878



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Cash Flows

Nine months ended 30 September 2015

	Nine months ended 30 September	
	2015 €000	2014 €000
Cash flows from operating activities		
Profit for the period	7.168	4.245
Adjustments for:		
Depreciation and amortisation charges	11.600	11.760
Change in fair value of investment property	225	-
Interest income	(4)	(11)
Impairment/(impairment reversal) of available-for-sale financial assets	39	(14)
Impairment of Assets classified as held for sale	-	152
Interest expense	743	1.588
Share of loss of equity-accounted investees	315	148
Gain on sale of property, plant and equipment	(9)	(1)
Taxation expense	1.479	3
Operating profit before changes in working capital	21.556	17.870
Changes in:		
Trade and other receivables	235	883
Inventories	396	(460)
Trade and other payables	(2.626)	(193)
Cash generated from operations	19.561	18.100
Interest paid	(860)	(1.886)
Taxes paid	(21)	(3)
<i>Net cash inflow from operating activities</i>	18.680	16.211
Cash outflows to investing activities		
Proceeds from sale of property, plant and equipment	11	1
Interest received	4	11
Acquisition of property, plant and equipment	(2.369)	(2.775)
Acquisition of share in associate company	(199)	-
<i>Net cash used in investing activities</i>	(2.553)	(2.763)
Cash flows from financing activities		
Repayment of loans	(11.127)	(14.674)
Dividends paid	(4.316)	(1.064)
<i>Net cash outflows to financing activities</i>	(15.443)	(15.738)
Net increase/(decrease) of cash and cash equivalents	684	(2.290)
Cash and cash equivalents at 1 January	2.887	3.533
Cash and cash equivalents at 30 September	3.571	1.243



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 September 2015, are not audited by the Company's auditors and were approved by the Board of Directors on 19 November 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	2014	2015	2014
	€000	€000	€000	€000
Hellenic Mining Group	-	-	270	180
Italcementi Group	-	8.374	402	350
KEO Plc	-	1	1	2
Cyprus Cement Group	-	-	50	46
	-	8.375	723	578

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 September 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
Serge Schmidt
Antonis Mikellides

Company Officials

George Sideris	General Manager
George Savva	Financial Manager

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

19 November 2015