

Results as of June 30, 2014



**Cementos Molins S.A.
and Subsidiaries**

29 July 2014

Important aspects

- As a result of the entry into force of the new international accounting standards on January 1, 2014, namely IFRS 11 (Joint Arrangements), which establish, among others, the elimination of the proportional consolidation method for joint businesses, the shareholdings of the Group in the companies Corporación Moctezuma (Mexico) and Surma Cement (Bangladesh) are now consolidated by the equity method from that date forward. In order to compare the information, the 2013 financial statements that correspond to this information have been re-expressed, adapting them to the new regulations.
- The **Consolidated Turnover** has dropped by 6.7% with respect to the first semester of 2013, reaching 248 million euros. The national companies have increased their income by 10.7% due to increased clinker exports and increased activity in the prefabricate sector; while the international companies C. Avellaneda (Argentina), Sotacib and Sotacib Kairouan (Tunisia) have suffered a combined decrease of 14%, mainly due to the negative impact of exchange rates in Argentina.
- The **Operating Result** has reached 12 million euros, 10.3 million euros higher than that of the same period of 2013, due to the upturn experienced by the national companies. The international Group has registered an operating Result of 20 million euros, which is similar to the previous year, despite the negative evolution of the exchange rate of the Argentine peso.
- **Equity method Companies have registered a positive result** of 25.7 million euros, 1.3% lower than that of the previous year. Based on this consolidation method, the Group has incorporated the results of its businesses in Mexico (C. Moctezuma), Uruguay (C. Artigas) and Bangladesh (Surma Cement).
- The **Consolidated Net Result** has reached 18 million euros, increasing by 9.7 million compared to that obtained in June 2013. The Group's national companies have lost 13.6 million euros, although they have registered an improvement of 39% compared to the previous year, while the international companies have contributed a net profit of 31.6 million euros, with an improvement of 2.9% compared to 2013.
- The Group's **Consolidated Net Debt** stood at 302 million euros as of 30 June, declining by 18 million euros with respect to December 2013.

Abbreviated Consolidated Balance Sheet

(Thousands of euros)

<i>ASSETS</i>	30/06/2014	<u>31/12/2013 (*)</u>
Intangible Assets	34,337	35,857
Fixed assets	582,679	622,438
Financial Fixed Assets	2,856	14,738
Participation of equity method Companies	257,045	251,685
Goodwill	25,133	25,583
Other non-current assets	42,097	45,759
NON-CURRENT ASSETS	944,147	996,060
Stocks	82,082	82,467
Trade debtors and others	109,056	118,250
Temporary financial investments	34,920	50,802
Cash and equivalents	95,733	110,695
Other current assets	2,915	2,915
CURRENT ASSETS	324,706	365,129
TOTAL ASSETS	1,268,853	1,361,189

<i>NET EQUITY AND LIABILITIES</i>	30/06/2014	<u>31/12/2013 (*)</u>
Net equity attributed to the Parent Company	580,372	585,026
Net equity from minority shareholders	105,619	114,664
TOTAL NET EQUITY	685,991	699,690
Non-current financial debt	346,391	370,912
Non-current liabilities	50,268	58,575
NON-CURRENT LIABILITIES	396,659	429,487
Current financial debt	86,226	122,934
Current liabilities	99,977	109,078
CURRENT LIABILITIES	186,203	232,012
TOTAL NET EQUITY AND LIABILITIES	1,268,853	1,361,189

(*) Figures re-expressed after applying the new international accounting regulations in force.

Results as of June 30, 2014



CONSOLIDATED GROUP

	thousands of euros	<u>30/06/2014</u>	<u>30/06/2013 (*)</u>	<u>variation %</u>
Turnover		248,408	266,185	-6.7%
Operating result		12,002	1,635	--
Financial results		-8,869	-7,490	-18.4%
Results equity method Cos.		25,706	26,040	-1.3%
Results before tax		28,839	20,185	42.9%
Results for the financial year		23,138	13,279	74.2%
Results attributed to the Parent Co.		17,974	8,285	116.9%

(*) Figures re-expressed after applying the new international accounting regulations in force.

INDIVIDUAL

	thousands of euros	<u>30/06/2014</u>	<u>30/06/2013</u>	<u>variation %</u>
Net result Parent Company		21,124	15,975	32.2%

Significant figures as of June 30, 2014

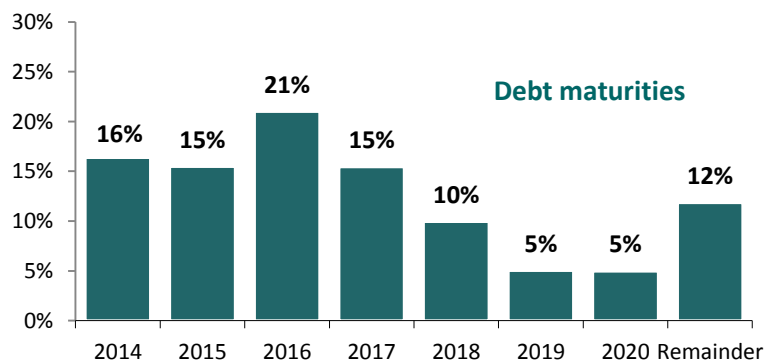
Management Information. Proportionality criterion

The Financial Statements of the Cementos Molins Group have been affected by the entry into force of the new international accounting standards on January 1, 2014, namely IFRS 11 (Joint Arrangements), which establish the elimination of the proportional consolidation method for joint businesses, as a result of which the shareholdings in the companies Corporación Moctezuma (Mexico) and Surma Cement (Bangladesh), in which the management and control are shared with another shareholder, are now consolidated by the equity method.

Nevertheless, in order to ensure due monitoring, both internally and in terms of management, the Group uses a proportionality criterion in the consolidation method of its investees, that is, it applies the final shareholding percentage in each one of them.

With the aim of providing information to facilitate the monitoring of the evolution of the Group as a whole, the following parameters are detailed below under this criterion:

	thousands of euros	<u>30/06/2014</u>	<u>30/06/2013</u>	<u>variation %</u>
Income		297,182	306,538	-3.1%
EBITDA		60,587	55,665	8.8%
Net result		17,974	8,285	116.9%
		<u>30/06/2014</u>	<u>31/12/2013</u>	
NET FINANCIAL POSITION		-240,397	-255,245	



Significant figures as of June 30, 2014

Management Information. Proportionality criterion

National Companies



thousands of euros	<u>30/06/2014</u>	<u>30/06/2013</u>	<u>variation %</u>
Income	89,338	81,665	9.4%
EBITDA	1,584	-7,744	--
Net result	-13,624	-22,431	39.3%

Consolidation of national companies based on their final shareholding percentage.

- The consumption of cement in Spain has continued to drop, leading to a 3.2% drop in the first semester of 2014, according to Oficemen sources. The decrease stands at 10% in the past 12 months.
- In Catalonia, according to the same sources, there has been a 15.8 % drop in accumulated consumption for the year, compared to the same period of the previous year, with an annual drop (past 12 months) of 17.3%.
- Despite the adverse market situation, the Group's national companies as a whole have obtained positive EBITDA, reversing the negative values registered in previous periods. On one hand, this is the result of increased clinker exports, which have grown by 28% in volume compared to the previous year, and on the other hand, of the results that are starting to be obtained from cost contention policies and adjustments to the productive structure based on the level of activity.

Significant figures as of June 30, 2014

Management Information. Proportionality criterion

International Companies



	thousands of euros	<u>30/06/2014</u>	<u>30/06/2013</u>	<u>variation %</u>
Income		207,845	224,874	-7.6%
EBITDA		59,003	63,408	-6.9%
Net result		31,598	30,716	2.9%

Consolidation of international companies based on their final shareholding percentage.

Individual turnover of investees

thousands of euros

	June'14	June'13	var. %
C. Avellaneda (Argentina)	108,918	140,425	-22.4%
C. Artigas (Uruguay)	39,893	53,432	-25.3%
C. Moctezuma (Mexico)	246,485	238,548	3.3%
Lafarge Surma (Bangladesh)	52,854	55,482	-4.7%
Sotacib (Tunisia)	20,391	20,612	-1.1%
Sotacib Kairouan (Tunisia)	32,038	26,786	19.6%

Individual EBITDA of investees

thousands of euros

	June'14	June'13	var. %
C. Avellaneda (Argentina)	17,755	24,885	-28.7%
C. Artigas (Uruguay)	10,057	16,895	-40.5%
C. Moctezuma (Mexico)	88,808	82,752	7.3%
Lafarge Surma (Bangladesh)	19,606	24,071	-18.5%
Sotacib (Tunisia)	1,818	2,403	-24.3%
Sotacib Kairouan (Tunisia)	13,063	9,628	35.7%

- Argentina: The consumption of cement has decreased by 3%. Our decreased sales and results are mainly due to the depreciation of the currency, of 38%.

- Uruguay: The results have declined as a result of reduced sales, on a market that has dropped by 10%. Furthermore, the currency has depreciated by 18%.

- Mexico: Results have improved due to the increased sales volume. The currency has depreciated by 8%.

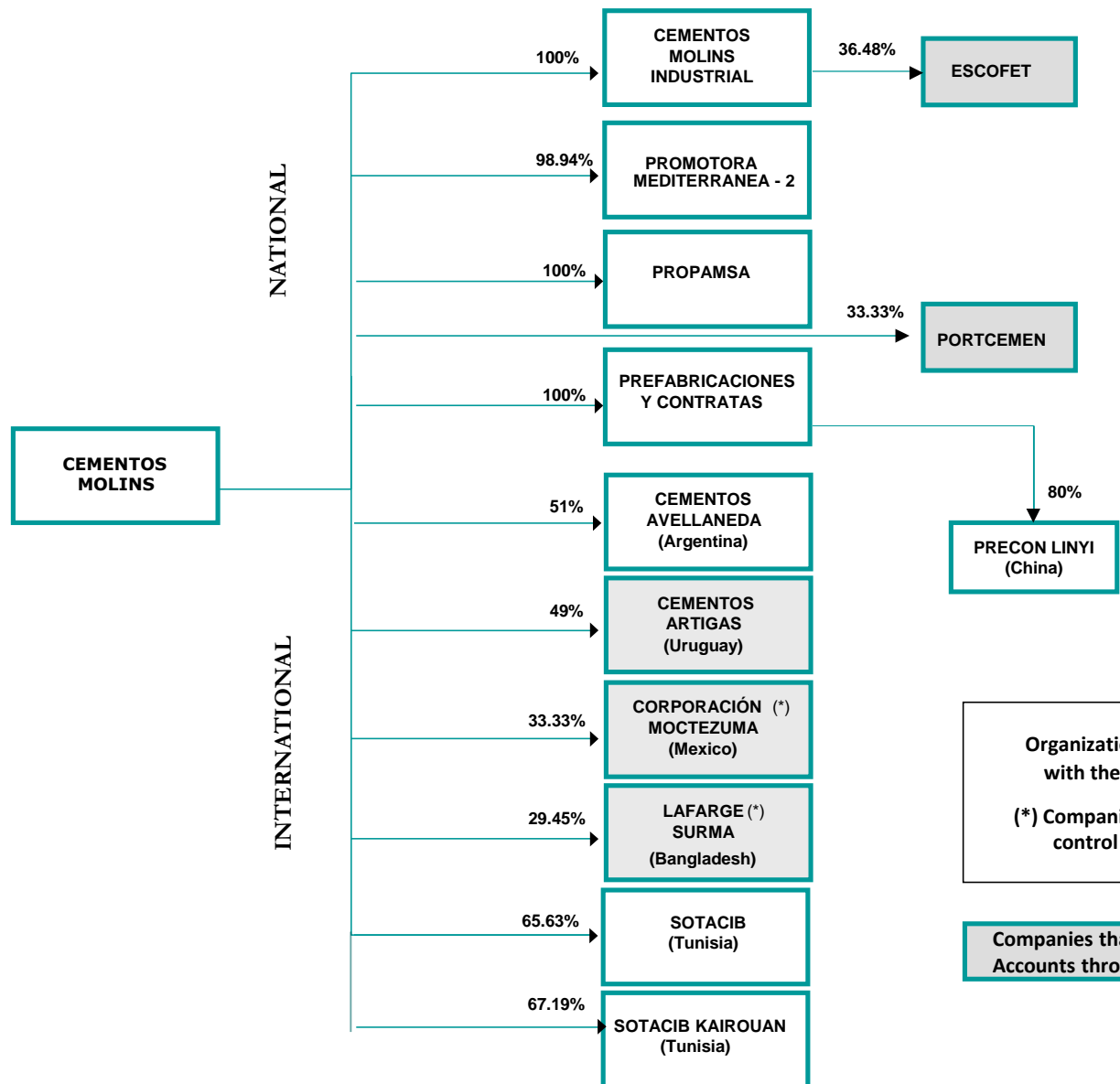
- Bangladesh: EBITDA has experienced a downturn due to reduced sales prices and because non-recurring results were registered in 2013. Without this effect, the reduction in EBITDA would have been 13%.

- Tunisia:
 - SOTACIB: The results have not improved due to the inclusion of non-recurring results. Without this effect, EBITDA would have grown by 8%.
 - SOTACIB KAIROUAN: The consumption of cement has increased by 8%. EBITDA has improved mainly as a result of increased sales prices on the national market.

Important company events 2014

- On February 27, 2014, the Management Board prepared the Annual Accounts of Cementos Molins, S.A. and the Consolidated Annual Accounts of the Group, the Management Report, individual and consolidated, and the Annual Corporate Governance Report, corresponding to the year ended December 31, 2013, as well as the proposed distribution of profits. These accounts, audited by Deloitte, S.L., were sent to the Spanish National Securities Market Commission (CNMV) and the Barcelona Stock Exchange on February 28, 2014.
- On February 28, 2014, the Company submitted the Annual Report of Remunerations of the Directors for the 2013 financial year.
- On April 25, 2013, the company announced the General Meeting of Shareholders, called for 30 June, 2014. Along with the call for meeting, the proposal of agreements to be presented to the General Meeting of Shareholders was announced.
- The Company submitted information regarding the results for the first quarter on April 29, 2014.
- On May 30, 2014, the agreements adopted by the General Meeting of Shareholders and by the Board of Directors of the Company, held on the same date, were announced.
- The changes made to the composition of the Board of Directors and to the Audit and Remuneration and Appointments Commissions were announced on the same date, after the appointments made at the General Meeting of Shareholders and by the Board of Directors.
- According to the agreements reached by the General Meeting of Shareholders and by the Board of Directors, adopted in both meetings on May 30, 2014, a complementary dividend for the 2013 financial year was paid for all of the Company's shares on June 11, 2014, of 0.01 euros gross per share, totaling 661 thousand euros, along with a dividend on account of financial year 2014 of 0.07 euros gross per share, totaling 4,628 thousand euros.
- On June 20, 2014, the Company submitted a relevant event to the CNMV regarding the Group's forecasted results.

Consolidated Group



Organizational chart of the main operating companies with their final shareholding %.

(*) Companies in which the management and control are shared with another shareholder.

Companies that are integrated into the Consolidated Accounts through the equity method