

Results for the 2015 financial year



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

29 February 2016

- The **Consolidated Turnover** has increased by 20.9% with respect to that of the 2014 financial year, reaching 637.8 million euros. The Turnover of the international companies has increased by 28.6%, mainly thanks to the Argentine subsidiary Cementos Avellaneda and, to a lesser extent, the Tunisian subsidiary Sotacib; while the national companies have increased their turnover by 6.8%, due to upturns in concrete, aggregate and special mortars markets.
- The **Operating Result** has reached 15 million euros, 37.3% higher than that of 2014, mainly due to the upturn experienced by national companies. The international group has registered an Operating Result of 20.7 million euros, 24.4% lower than that registered the previous year. Despite the positive performance of the Argentine subsidiary, the results have been negatively affected by an impairment of assets of 25.2 million euros corresponding to the Tunisian subsidiary and 3.7 million in China, as a result of the market situation and expectations.
- The **Equity method Companies** have registered a result of 70 million euros, 26% higher than that of the previous year, thanks to the excellent performance of the Mexican investee. Based on this consolidation method, the Group has incorporated the results of its businesses in Mexico (Corporación Moctezuma), Uruguay (Cementos Artigas), Bangladesh (Surma Cement) and Bolivia (Itacamba Cementos).
- A **Consolidated Net Result** of 50.8 million euros has been registered, 65% higher than that obtained the previous year. The Group's national companies continue to register negative results, although they have improved by 52.6% compared to the previous year, while the international companies have contributed a net profit of 64 million euros, with an improvement of 9.3% compared to 2014.
- A **total consolidated net equity** of 705 million euros has been registered, 10 million lower than that registered in 2014. The negative equity impact of the conversion differences arising from the devaluation of the currencies in the countries where the group operates is 57.2 million euros.

- With regards to **Investments**, the projects that are underway in Mexico, Bolivia and Colombia are particularly noteworthy.
 - At the Apazapan factory, Corporación Moctezuma, Mexico, work has been started on the construction of a second line of production with a capacity for 3,000 t/day of clinker, which will make it possible to double the plant's current capacity. This anticipated investment amounts to around 190 million dollars and it is expected that it will start operating in 2016. Civil work was practically complete by the end of 2015, and the manufacturing and assembly of the metallic structure and equipment assembly is underway.

With this expansion, Corporación Moctezuma will have two production lines at each of its three plants, Tepetzingo, Cerritos and Apazapan.

- In 2014, Itacamba Cementos, Bolivia, initiated the preparatory activities for the Yacuces project, consisting in the construction of a comprehensive factory with an oven with a capacity for 2,000 t/day, using gas as a fuel, and which will have its own power plant. The main civil works will be complete by the end of 2015 and the mechanical assembly of the main supply is underway. The planned investment is 185 million dollars and operation is expected to commence at the end of 2016.
- On September 30, 2015, Cementos Molins signed an agreement with the Colombian Group Corona for the construction of a new cement production plant in the municipality of Sonsón in Antioquia, Colombia. The plant, with a production capacity of 1,350,000 tons per year, is expected to start operating in mid 2018 and about 370 million dollars will be invested in the project.

Abbreviated Consolidated Balance Sheet

(Thousands of euros)

<i>ASSETS</i>	31/12/2015	<u>31/12/2014</u>
Intangible Assets	27,628	28,812
Fixed assets	536,627	585,288
Financial Fixed Assets	3,564	7,916
Companies accounted for via equity method	321,996	283,718
Consolidation Goodwill	23,372	23,922
Other non-current assets	47,015	43,535
NON-CURRENT ASSETS	960,202	973,191
Stocks	77,647	83,058
Trade debtors and others	116,804	112,537
Temporary financial investments	59,864	22,407
Cash and equivalents	76,906	111,222
CURRENT ASSETS	331,221	329,224
TOTAL ASSETS	1,291,423	1,302,415

<i>NET EQUITY AND LIABILITIES</i>	31/12/2015	<u>31/12/2014</u>
Net equity attributed to the Parent Company	608,441	602,279
Net equity from minority shareholders	96,592	113,056
TOTAL NET EQUITY	705,033	715,335
Non-current financial debt	346,945	351,625
Other non-current liabilities	40,940	46,342
NON-CURRENT LIABILITIES	387,885	397,967
Current financial debt	62,430	54,201
Other current liabilities	136,075	134,912
CURRENT LIABILITIES	198,505	189,113
TOTAL NET EQUITY AND LIABILITIES	1,291,423	1,302,415

Results as of December 31, 2015



CONSOLIDATED GROUP

	thousands of euros	<u>31/12/2015</u>	<u>31/12/2014</u>	<u>variation %</u>
Turnover		637,774	527,667	20.9%
Operating result		14,993	10,922	37.3%
Financial results		-3,688	-14,811	75.1%
Consolidated results Cos. equity method		70,007	55,572	26.0%
Results before tax		81,312	51,684	57.3%
Results for the financial year		59,339	37,673	57.5%
Results attributed to the Parent Co.		50,833	30,811	65.0%
Profit per share (in euros)		0.77	0.47	

INDIVIDUAL

	thousands of euros	<u>31/12/2015</u>	<u>31/12/2014</u>	<u>variation %</u>
Net result Parent Company		17,891	17,089	4.7%

Significant figures as of December 31, 2015



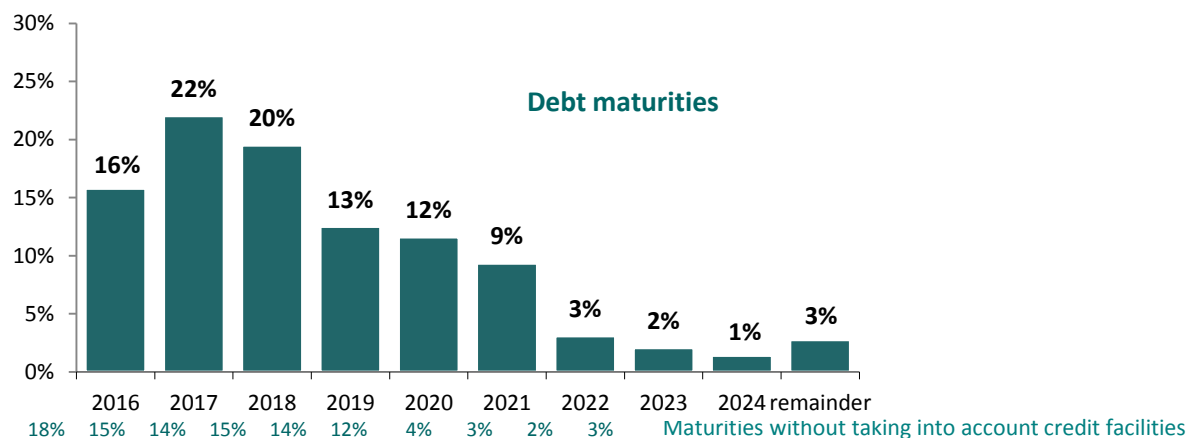
Management Information. Proportionality criterion

Since January 1, 2014, international accounting regulations do not contemplate the possibility of using the proportional consolidation method for joint businesses. Nevertheless, Grupo Molins actively takes part in the management of the investee companies that it is part of through the equity method, namely Corporación Moctezuma (Mexico), Surma Cement (Bangladesh), Cementos Artigas (Uruguay) and Itacamba Cemento (Bolivia).

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>31/12/2015</u>	<u>31/12/2014</u>	<u>variation %</u>
Income		746,581	635,310	17.5%
EBITDA		164,853	127,434	29.4%
Net result		50,833	30,811	65.0%
		<u>31/12/2015</u>	<u>31/12/2014</u>	
NET FINANCIAL POSITION		-189,888	-194,401	



Significant figures as of December 31, 2015

Management Information. Proportionality criterion

Spain



thousands of euros	<u>31/12/2015</u>	<u>31/12/2014</u>	<u>variation %</u>
Income	205,424	192,959	6.5%
EBITDA	12,467	6,076	105.2%
Net result	-13,122	-27,675	52.6%

Consolidation of national companies based on their final shareholding percentage.

The consumption of cement in the Spain has increased by 5.3% in 2015. Despite this, the consumption of cement continues to register historic lows, with a volume of 11.4 million tons, according to Oficemen, a huge difference from the 56 million tons registered in 2007. Therefore, there has been only a slight growth in consumption and it does not seem to be stable, with better performance in the first quarter of 2015 compared to the second part of the year.

In Catalonia, the national Group's main area of operation, the consumption of cement has recovered in 2015 by 7.8%. Until this financial year, consumption has been declining continually since 2007, when it stood at 8 million tons. During this period, clinker and cement exports are sustaining activity in the Sector.

In this context, the Group's national companies as a whole have doubled EBITDA, reaching 12.5 million euros, while they continue to register negative net results, although they have improved by 52.6% compared to the previous year.

Significant figures as of December 31, 2015

Management Information. Proportionality criterion

International Companies



	thousands of euros	<u>31/12/2015</u>	<u>31/12/2014</u>	<u>variation %</u>
Income		541,156	442,351	22.3%
EBITDA		152,386	121,358	25.6%
Net result		63,955	58,486	9.3%

Consolidation of international companies based on their final shareholding percentage.

Individual turnover of investees

thousands of euros

	Dec'15	Dec'14	var. %
C. Avellaneda (Argentina)	344,501	251,132	37.2%
C. Artigas (Uruguay)	94,518	88,230	7.1%
C. Moctezuma (Mexico)	634,614	529,029	20.0%
Itacamba Cemento (Bolivia)	22,065	0	--
Lafarge Surma (Bangladesh)	127,354	112,962	12.7%
Sotacib (Tunisia)	36,237	35,958	0.8%
Sotacib Kairouan (Tunisia)	57,041	52,673	8.3%

Individual EBITDA of investees

thousands of euros

	Dec'15	Dec'14	var. %
C. Avellaneda (Argentina)	65,288	41,215	58.4%
C. Artigas (Uruguay)	23,473	23,881	-1.7%
C. Moctezuma (Mexico)	257,682	188,001	37.1%
Itacamba Cemento (Bolivia)	1,947	0	--
Lafarge Surma (Bangladesh)	40,694	42,695	-4.7%
Sotacib (Tunisia)	258	2,159	-88.1%
Sotacib Kairouan (Tunisia)	13,739	18,940	-27.5%

- ARGENTINA: The consumption of cement in the country has increased by 8%. The results have improved due to an increase in our sales.
- URUGUAY: The results have remained stable on a market that has dropped by 12%.
- MEXICO: The better results are due to market growth and increased sales.
- BOLIVIA: The company Itacamba Cemento, which was acquired in September 2014, has now commenced operations. At present, it has a mill and work has commenced on the construction of a cement factory with capacity for 2,000 t of clinker/day.
- BANGLADESH: The poor results have been caused mainly by the decrease in sales prices. The appreciation of the local currency against the euro (16%) has contributed to an improved conversion in euros.
- TUNISIA:
 - SOTACIB: Results have been affected by the downturn on the local white cement market and of exports to Libya and Algeria, along with increased costs.
 - SOTACIB KAIROUAN: Reduced sales prices and increased costs have led to poorer results.

Important company events 2015



- On February 26, 2015, 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, 2014, 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 27, 2015.
- On February 27, 2015, the Company submitted the Annual Report of Remunerations of the Directors for the 2014 financial year.
- The appointments and composition of the Audit Commission and of the Remuneration and Appointments Commission were announced on the same date, in accordance with the decision of the Company's Board of Directors on February 26, 2015.
- On April 17, 2015, the incorporation of Mr. Julio Rodríguez Izquierdo as the Company's new Managing Director as of 1 July 2015 was announced.
- The Company submitted the results corresponding to the first quarter of 2015 on May 4, 2015.
- On April 25, the General Meeting of Shareholders was announced, called for 30 June, 2015, along with the proposal agreements to be submitted for the consideration of the Board.
- On June 30, 2015, the agreements adopted by the General Meeting of Shareholders and by the Board of Directors, the modifications, the composition of the Board of Directors and the appointment of the Managing Director were announced.
- The distribution, on July 9, 2015, of a complementary dividend of 0.01 euros per share was announced on the same date, along with a dividend on account of 0.09 euros per share.

Important company events 2015



- The new composition of the Remuneration and Appointments Commission was announced on July 30, 2015.
- On July 31, 2015, the Company submitted the interim financial information corresponding to the first semester of the year.
- On September 4, 2015, changes to the composition of the Board of Directors and of the Audit Commission were announced.
- On September 30, 2015, the agreement with the Colombian group Corona was announced for the joint development of a cement production business in Colombia. This agreement is focused on the project for the construction of a new cement production plant in the municipality of Sonsón in Antioquia, Colombia. The plant, with a production capacity of 1,350,000 tons per year, is expected to start operating in mid 2018 and about 370 million dollars will be invested in the project.
- The Company submitted the results corresponding to the third quarter of 2015 on November 5, 2015.
- On November 12 the company announced the Shareholder agreements underwritten with the Colombian group CORONA.
- On November 30 the certificate regarding compliance with certain provisions set forth in the Capital Companies Act was submitted to the CNMV, along with the form for notifying the Member State of origin.
- On December 22, the Company announced the Shareholders Agreement underwritten with Buzzi Unicem referring to the companies Fresit BV and Presa Internacional BV.
- The distribution, on January 12, 2016, of a dividend on account of the 2015 results of 0.09 euros per share was announced on the same day.

Consolidated Group

