

**Sharjah Cement and Industrial
Development Company (PSC)**

**INTERIM CONDENSED FINANCIAL
STATEMENTS**

31 MARCH 2015 (UNAUDITED)

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF SHARJAH CEMENT AND INDUSTRIAL DEVELOPMENT COMPANY (PSC)

Introduction

We have reviewed the accompanying interim condensed financial statements of Sharjah Cement and Industrial Development Company (PSC) (the "Company") as at 31 March 2015, comprising the interim statement of financial position as at 31 March 2015 and the related interim statements of income, comprehensive income, cash flows and changes in equity for the three-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.



Signed by
Ashraf Abu Sharkh
Partner
Registration No. 690

29 April 2015

Sharjah, United Arab Emirates

Sharjah Cement and Industrial Development Company (PSC)

INTERIM STATEMENT OF INCOME

For the three months ended 31 March 2015 (Unaudited)

	<i>Notes</i>	<i>Three months ended 31 March</i>	
		<i>2015 AED'000</i>	<i>2014 AED'000</i>
Sales		160,924	176,246
Cost of sales		(145,045)	(167,641)
GROSS PROFIT		15,879	8,605
General and administration expenses		(3,788)	(3,376)
Selling and distribution costs		(1,106)	(1,071)
Investment income	3	1,560	7,287
Miscellaneous income, net		1,264	1,595
Finance costs		(2,581)	(3,909)
PROFIT FOR THE PERIOD		11,228	9,131
Basic and diluted earnings per share (AED)	4	0.020	0.017

The attached explanatory notes 1 to 14 form part of the interim condensed financial statements.

Sharjah Cement and Industrial Development Company (PSC)

INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2015 (Unaudited)

	Notes	Three months ended 31 March	
		2015 AED'000	2014 AED'000
Profit for the period		11,228	9,131
Other comprehensive income			
<i>Other comprehensive income that could be reclassified to profit or loss in subsequent periods:</i>			
Net (decrease) / increase in fair value of available for sale investments	10	(11,922)	70,620
Net realised gain on disposal of available for sale investments transferred to income statement		-	(828)
Other comprehensive income for the period		(11,922)	69,792
Total comprehensive income for the period		(694)	78,923

The attached explanatory notes 1 to 14 form part of the interim condensed financial statements.

Sharjah Cement and Industrial Development Company (PSC)

INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 March 2015 (Unaudited)

		<i>(Audited)</i>	
	<i>Notes</i>	<i>31 March 2015 AED'000</i>	<i>31 December 2014 AED'000</i>
		<i>31 March 2015 AED'000</i>	<i>31 March 2014 AED'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		865,404	855,974
Investment properties	5	115,592	110,733
Investment in associate	6	42,125	42,125
Available for sale investments	5	322,157	336,111
		<u>1,345,278</u>	<u>1,344,943</u>
Current assets			
Inventories		262,442	277,848
Accounts receivable and prepayments		224,174	196,692
Trading securities	5	11,455	15,665
Bank balances and cash	7	64,174	54,009
		<u>562,245</u>	<u>544,214</u>
TOTAL ASSETS		<u><u>1,907,523</u></u>	<u><u>1,889,157</u></u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		552,958	552,958
Statutory reserve	8	334,091	334,091
General reserve	9	226,373	226,373
Retained earnings		177,300	166,072
Cumulative changes in fair value	10	93,422	105,344
Proposed cash dividend	14	55,296	55,296
Total equity		<u>1,439,440</u>	<u>1,440,134</u>
Non-current liabilities			
Term loan		131,906	143,762
Employees' end of service benefits		25,250	25,214
		<u>157,156</u>	<u>168,976</u>
Current liabilities			
Accounts payable and accruals		123,098	133,566
Payable against construction of property, plant and equipment		13,778	6,341
Bank overdrafts	7	146	149
Current portion of term loan		62,869	65,713
Short term loans		111,036	74,278
		<u>310,927</u>	<u>280,047</u>
Total liabilities		<u>468,083</u>	<u>449,023</u>
TOTAL EQUITY AND LIABILITIES		<u><u>1,907,523</u></u>	<u><u>1,889,157</u></u>

Approved by Board of Directors on 29 April 2015.


P J Britavia
Chief Executive

The attached explanatory notes 1 to 14 form part of the interim condensed financial statements.

Sharjah Cement and Industrial Development Company (PSC)

INTERIM STATEMENT OF CASH FLOWS

For the three months ended 31 March 2015 (Unaudited)

	Notes	Three months ended 31 March	
		2015 AED'000	2014 AED'000
OPERATING ACTIVITIES			
Profit for the period		11,228	9,131
Adjustments for:			
Depreciation on property, plant and equipment		12,207	10,681
Depreciation on investment properties		491	491
Provision for employees' end of service benefits		548	515
Profit on sale of property, plant and equipment		(333)	(233)
Net loss/ (gain) on sale of trading securities	3	45	(45)
Net gain on disposal of available for sale investments	3	-	(828)
Provision for impairment of available for sale investments	5	5,000	-
Changes in fair value of trading securities	3	63	25
Dividend and other investment income	3	(1,668)	(6,439)
Interest expense		2,581	3,909
		<u>30,162</u>	<u>17,207</u>
Working capital changes:			
Inventories		15,406	25,508
Receivables		(27,482)	(33,565)
Payables		(11,780)	(8,036)
		<u>6,306</u>	<u>1,114</u>
Cash from operations		6,306	1,114
Employees' end of service benefits paid		(512)	(115)
		<u>5,794</u>	<u>999</u>
Net cash from operating activities		5,794	999
INVESTING ACTIVITIES			
Net movement in trading securities		4,102	(579)
Purchase of property, plant and equipment		(21,637)	(9,014)
Purchase of investment properties		(5,350)	-
Payable against construction of property, plant and equipment		7,437	(3,451)
Dividend and other investment income	3	1,668	6,439
Purchase of available for sale investments	5	(16,204)	(3,133)
Proceeds from disposal of available for sale investments	5	13,236	5,399
Proceeds from sale of property, plant and equipment		333	233
		<u>(16,415)</u>	<u>(4,106)</u>
Net cash used in investing activities		(16,415)	(4,106)
FINANCING ACTIVITIES			
(Repayment)/ proceed from term loan		(14,700)	16,537
Proceeds from new short term loans		109,586	57,745
Short term loans repaid		(72,828)	(52,862)
Interest paid		(1,269)	(1,081)
		<u>20,789</u>	<u>20,339</u>
Net cash from financing activities		20,789	20,339
INCREASE IN CASH AND CASH EQUIVALENTS		10,168	17,232
Cash and cash equivalents at 1 January		53,860	31,673
CASH AND CASH EQUIVALENTS AT 31 MARCH	7	<u><u>64,028</u></u>	<u><u>48,905</u></u>

The attached explanatory notes 1 to 14 form part of the interim condensed financial statements.

Sharjah Cement and Industrial Development Company (PSC)

INTERIM STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2015 (Unaudited)

	Share capital AED '000	Statutory reserve AED '000	General reserve AED '000	Retained earnings AED '000	Cumulative changes in fair value AED '000	Proposed cash dividend AED '000	Total AED '000
At 1 January 2015	552,958	334,091	226,373	166,072	105,344	55,296	1,440,134
Profit for the period	-	-	-	11,228	-	-	11,228
Other comprehensive income	-	-	-	-	(11,922)	-	(11,922)
Total comprehensive income for the period	-	-	-	11,228	(11,922)	-	(694)
At 31 March 2015	552,958	334,091	226,373	177,300	93,422	55,296	1,439,440

The attached explanatory notes 1 to 14 form part of the interim condensed financial statements.

Sharjah Cement and Industrial Development Company (PSC)

INTERIM STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2015 (Unaudited)

	Share capital AED '000	Statutory reserve AED '000	General reserve AED '000	Retained earnings AED '000	Cumulative changes in fair value AED '000	Proposed cash dividend AED '000	Total AED '000
At 1 January 2014	552,958	334,091	226,373	171,652	116,218	27,648	1,428,940
Profit for the period	-	-	-	9,131	-	-	9,131
Other comprehensive income	-	-	-	-	69,792	-	69,792
Total comprehensive income for the period	-	-	-	9,131	69,792	-	78,923
At 31 March 2014	552,958	334,091	226,373	180,783	186,010	27,648	1,507,863

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2015 (Unaudited)

1 ACTIVITIES

Sharjah Cement and Industrial Development Company (PSC) (the "Company") was incorporated in Sharjah, United Arab Emirates in 1977 under an Emiri Decree issued by H.H. The Ruler of Sharjah and has since been registered under the Commercial Companies Law No. 8 of 1984 (as amended) as a public shareholding company. It is engaged in the manufacture and supply of cement, paper sacks and plastic ropes. The Company invests its surplus funds in investment securities, private equities and properties.

The Company operates from Sharjah, UAE and sells its products in the UAE and certain other countries in the Middle East, Africa and Asia. The Company's registered office is at P O Box 2083 Sharjah, UAE. The shares of the Company are traded on the Abu Dhabi Securities Market and Kuwait Stock Exchange.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed financial statements of the Company are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2014 except for the adoption of the new and amended IFRS and IFRIC interpretations which became effective as of 1 January 2015. The adoption of these standards and interpretations did not have an impact on the financial position or performance of the Company during the period.

Interim reporting

The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Company's annual financial statements as of 31 December 2014.

3 INVESTMENT INCOME

	<i>31 March 2015 AED'000</i>	<i>31 March 2014 AED'000</i>
Realised (losses)/ gains		
Net (loss)/ gain on sale of trading securities	(45)	45
Net gain on sale of available for sale securities	-	828
	<u>(45)</u>	<u>873</u>
Fair value (losses)/ gains		
Changes in fair value of trading securities	(63)	(25)
	<u>(63)</u>	<u>(25)</u>
Other Investment income		
Rental income from investment properties, net of depreciation and other related expenses	801	626
Dividend income- available for sale investments	3,773	5,407
Interest income	299	413
(Loss) on derivatives	(3,257)	-
Profit/ (Loss) on funds	52	(7)
	<u>1,668</u>	<u>6,439</u>
	<u>1,560</u>	<u>7,287</u>

4 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share are computed by dividing the net profit for the period by the weighted average number of shares outstanding during the period of 552,958 thousand shares.

The company has not issued any instruments which would have an impact on earnings per share when exercised.

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2015 (Unaudited)

5 INVESTMENTS

	31 March 2015			31 December 2014			31 March 2014		
	Land AED'000	Building AED'000	Total AED'000	Land AED'000	Building AED'000	Total AED'000	Land AED'000	Building AED'000	Total AED'000
Investment properties:									
Local	87,705	27,887	115,592	82,354	28,379	110,733	82,624	29,881	112,505

	31 March 2015			31 December 2014			31 March 2014		
	Quoted AED'000	Unquoted AED'000	Total AED'000	Quoted AED'000	Unquoted AED'000	Total AED'000	Quoted AED'000	Unquoted AED'000	Total AED'000
Available for sale investments:									
Equity securities									
Local	210,064	3,745	213,809	214,760	5,554	220,314	293,678	5,674	299,352
Overseas	45,135	63,213	108,348	43,565	72,232	115,797	51,073	76,836	127,909
	255,199	66,958	322,157	258,325	77,786	336,111	344,751	82,510	427,261

	31 March 2015			31 December 2014			31 March 2014		
	Quoted AED'000	Total AED'000	Quoted AED'000	Quoted AED'000	Total AED'000	Quoted AED'000	Total AED'000	Quoted AED'000	Total AED'000
Trading securities:									
Overseas	11,455	11,455	15,665	11,455	15,665	15,665	15,665	12,798	12,798

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2015 (Unaudited)

5 INVESTMENTS (continued)

Movements in the available for sale investments were as follows:

	<i>Three months ended 31 March 2015 AED'000</i>	<i>Year ended 31 December 2014 AED'000</i>	<i>Three months ended 31 March 2014 AED'000</i>
At 1 January	336,111	358,907	358,907
Purchased during the period/year	16,204	66,061	3,133
Changes in fair value	(11,922)	28,407	70,620
Disposed during the period/year	(13,236)	(108,028)	(5,399)
Reversal of loss on sale of available for sale investments	-	(9,236)	-
Provision for impairment of available for sale investments	(5,000)	-	-
At the end of the period	<u>322,157</u>	<u>336,111</u>	<u>427,261</u>

6 INVESTMENT IN ASSOCIATE

	<i>31 March 2015 AED'000</i>	<i>31 December 2014 AED'000</i>	<i>31 March 2014 AED'000</i>
Investment in associate	<u>42,125</u>	<u>42,125</u>	<u>36,322</u>

The investment in associate represents a 34.48% (2014: 34.48%) holding in Auto Line Industrial Parks Limited, which is registered in India. The investment in Auto Line Industrial Parks Limited is treated as an investment in an associate as the Company does not have the power to govern the financial and operating policies of the investee company.

7 CASH AND CASH EQUIVALENTS

	<i>31 March 2015 AED'000</i>	<i>31 December 2014 AED'000</i>	<i>31 March 2014 AED'000</i>
Bank balances and cash	64,174	54,009	55,708
Bank overdrafts	(146)	(149)	(6,803)
	<u>64,028</u>	<u>53,860</u>	<u>48,905</u>

Bank balances and cash include deposits amounting to AED 9,274 thousand (31 December 2014: AED 4,056 thousand) placed with foreign banks abroad.

8 STATUTORY RESERVE

As required by the UAE Commercial Companies Law and the Company's Articles of Association, at least 10% of the profit for the year is to be transferred to statutory reserve. Such transfers may be discontinued when the reserve totals 50% of the issued share capital. No transfer has been made during the three months period to 31 March 2015, as this will be based on the results for the year. The reserve is not available for distribution, except in the circumstances stipulated by the law.

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2015 (Unaudited)

9 GENERAL RESERVE

No transfer has been made to the general reserve during the three months period to 31 March 2015, as this will be based on the results for the year

10 CUMULATIVE CHANGES IN FAIR VALUE

	31 March 2015 AED'000	31 December 2014 AED'000	31 March 2014 AED'000
<i>Available for sale securities</i>			
At 1 January	105,344	116,218	116,218
Net (decrease)/ increase in fair value during the period/year	(11,922)	28,407	70,620
Less: realised gains during the period/year	-	(30,045)	(828)
Reversal of loss on sale of available for sale investments	-	(9,236)	-
	<u>93,422</u>	<u>105,344</u>	<u>186,010</u>

11 SEGMENT INFORMATION

Primary segment information

For management purposes, the Company is organised into two major operating segments as follows:

- Manufacturing segment comprises cement, paper sacks and ropes products.
- Investment segment comprises investment and cash management for the Company's own account.

Manufacturing segment is organised into three operating business units as follows:

- Cement division is engaged in the manufacture and supply of cement.
- Paper sacks division is engaged in the manufacture and supply of paper sacks.
- Ropes division is engaged in the manufacture and supply of plastic ropes.

Investment segment is organised into two business units as follows:

- Investment and letting out of properties, mainly in the UAE and Kuwait.
- Investment in public and private equities & funds, mainly in the GCC and Asia.

The above segments are the basis on which the management monitors the operating results of these segments for the purpose of making decisions about resource allocation and performance assessment. Transactions between segments are conducted at estimated market rates on an arm's length basis and eliminated on consolidation.

Segmental information is presented below:

	Investment AED'000	Cement factory AED'000	Papersack factory AED'000	Gulf Rope & Plastic Products AED'000	Inter-segment elimination AED'000	Total AED'000
31 March 2015						
<i>Manufacturing</i>						
Sales	-	136,990	8,269	17,159	(1,494)	160,924
Cost of sales	-	(121,216)	(6,455)	(17,565)	191	(145,045)
Gross profit/ (loss)	-	15,774	1,814	(406)	(1,303)	15,879
Miscellaneous income	-	1,085	67	11	(57)	1,106
Expenses	-	(1,260)	(1,037)	(615)	767	(2,145)
Net segment results	-	<u>15,599</u>	<u>844</u>	<u>(1,010)</u>	<u>(593)</u>	<u>14,840</u>

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2015 (Unaudited)

11 SEGMENT INFORMATION (continued)

	<i>Investment AED'000</i>	<i>Cement factory AED'000</i>	<i>Papersack factory AED'000</i>	<i>Gulf Rope & Plastic Products AED'000</i>	<i>Inter-segment elimination AED'000</i>	<i>Total AED'000</i>
31 March 2015						
<i>Investment</i>						
Income from investment in private and public equities and funds	3,717	-	-	-	-	3,717
(loss) on derivatives	(3,257)	-	-	-	-	(3,257)
Interest income	909	10	-	-	(620)	299
	<u>1,369</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>(620)</u>	<u>759</u>
Income from investment properties net of related expenses	1,292	-	-	-	-	1,292
Depreciation	(491)	-	-	-	-	(491)
	<u>801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>801</u>
Net segment results	<u>2,170</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>(620)</u>	<u>1,560</u>
<i>Finance costs</i>	(2,065)	(495)	(632)	(9)	620	(2,581)
<i>Unallocated income and expenses-Head office</i>	(3,183)	-	-	-	593	(2,590)
<i>Unrealized profit on stock</i>	-	-	-	-	(1)	(1)
Profit (loss) for the period	<u>(3,078)</u>	<u>15,114</u>	<u>212</u>	<u>(1,019)</u>	<u>(1)</u>	<u>11,228</u>

Segmental information in respect of assets and liabilities relating to the Company's operating segments is as follows:

	<i>Investment AED'000</i>	<i>Cement factory AED'000</i>	<i>Papersack factory AED'000</i>	<i>Gulf Rope & Plastic Products AED'000</i>	<i>Inter-segment elimination AED'000</i>	<i>Total AED'000</i>
31 March 2014						
<i>Manufacturing</i>						
Sales	-	152,721	10,354	14,667	(1,496)	176,246
Cost of sales	-	(145,433)	(9,432)	(14,210)	1,434	(167,641)
	<u>-</u>	<u>7,288</u>	<u>922</u>	<u>457</u>	<u>(62)</u>	<u>8,605</u>
Gross profit	-	7,288	922	457	(62)	8,605
Miscellaneous income	-	1,346	56	15	(98)	1,319
Expenses	-	(1,315)	(854)	(542)	565	(2,146)
	<u>-</u>	<u>7,319</u>	<u>124</u>	<u>(70)</u>	<u>405</u>	<u>7,778</u>
Net segment results	<u>-</u>	<u>7,319</u>	<u>124</u>	<u>(70)</u>	<u>405</u>	<u>7,778</u>

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2015 (Unaudited)

11 SEGMENT INFORMATION (continued)

	<i>Investment AED'000</i>	<i>Cement factory AED'000</i>	<i>Papersack factory AED'000</i>	<i>& Plastic Products AED'000</i>	<i>Inter-segment elimination AED'000</i>	<i>Total AED'000</i>
<i>31 March 2014</i>						
<i>Investment</i>						
Income from investment in private and public equities and funds	6,248	-	-	-	-	6,248
Interest income	1,846	9	-	-	(1,442)	413
	<u>8,094</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>(1,442)</u>	<u>6,661</u>
Income from investment properties net of related expenses	1,117	-	-	-	-	1,117
Depreciation	(491)	-	-	-	-	(491)
	<u>626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>626</u>
Net segment results	<u>8,720</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>(1,442)</u>	<u>7,287</u>
<i>Finance costs</i>	(3,141)	(702)	(1,476)	(32)	1,442	(3,909)
<i>Unallocated income and expenses-Head office</i>	(1,618)	-	-	-	(408)	(2,026)
<i>Unrealized profit on stock</i>	-	-	-	-	1	1
Profit (loss) for the period	<u>3,961</u>	<u>6,626</u>	<u>(1,352)</u>	<u>(102)</u>	<u>(2)</u>	<u>9,131</u>

Sharjah Cement and Industrial Developed Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
As at 31 March 2015 (Unaudited)

11 SEGMENT INFORMATION (continued)

Other segment information

31 March 2015

	Manufacturing							
	Cement Factory AED'000	Paper sack factory AED'000	Gulf Rope & Plastic products AED'000	Total AED'000	Unallocated Assets & Liabilities- Head Office AED'000	Total AED'000	Investment AED'000	Total AED'000
Segment assets	1,197,197	63,805	112,733	1,373,735	24,956	1,398,691	508,832	1,907,523
Segment liabilities	107,244	9,093	7,229	123,566	344,517	468,083	-	468,083
Depreciation	10,981	53	1,073	12,107	100	12,207	491	12,698
Capital expenditure	18,730	2,689	198	21,617	20	21,637	-	21,637

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2015 (Unaudited)

11 SEGMENT INFORMATION (continued)

Other segment information (continued)

31 March 2014

	Manufacturing						Total AED '000	Investment AED '000	Total AED '000
	Cement Factory AED '000	Paper sack factory AED '000	Gulf Rope & Plastic products AED '000	Total AED '000	Unallocated Assets & Liabilities- Head Office AED '000	Total AED '000			
Segment assets	1,164,256	68,842	111,323	1,344,421	26,090	1,370,511	606,389	1,976,900	
Segment liabilities	105,575	8,705	16,942	131,222	337,815	469,037	-	469,037	
Depreciation	10,003	50	528	10,581	100	10,681	491	11,172	
Capital expenditure	7,221	303	1,077	8,601	413	9,014	-	9,014	

Sharjah Cement and Industrial Developed Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2015 (Unaudited)

11 SEGMENT INFORMATION (continued)

The following table presents revenue and investment income information regarding geographic segments for the periods ended 31 March 2015 and 31 March 2014.

31 March 2015

	Domestic				International				Grand Total AED'000
	Cement Factory AED'000	Paper sack factory AED'000	Gulf Rope & Plastic products AED'000	Total AED'000	Cement Factory AED'000	Paper sack factory AED'000	Gulf Rope & Plastic products AED'000	Total AED'000	
Revenue	109,216	2,181	9,173	120,570	27,774	4,594	7,986	40,354	160,924
Investment income	-	-	-	4,586	-	-	-	(3,026)	1,560
Assets	1,175,600	61,282	110,189	1,708,114	21,597	2,523	2,544	172,745	1,907,523
Liabilities	99,060	3,893	5,838	327,009	8,184	5,200	1,391	126,299	468,083
Capital expenditure	18,730	2,689	198	21,637	-	-	-	-	21,637

Sharjah Cement and Industrial Developed Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2015 (Unaudited)

11 SEGMENT INFORMATION (continued)

Geographical information (continued)

31 March 2014

	Domestic				International				Grand Total AED '000		
	Cement Factory AED '000	Paper sack factory AED '000	Gulf Rope & Plastic products AED '000	Investment AED '000	Total AED '000	Cement Factory AED '000	Paper sack factory AED '000	Gulf Rope & Plastic products AED '000		Investment AED '000	Total AED '000
Revenue	122,031	1,738	7,971	-	131,740	30,690	7,120	6,696	-	44,506	176,246
Investment income	-	-	-	6,698	6,698	-	-	-	589	589	7,287
Assets	1,144,509	66,250	108,528	476,244	1,795,531	19,747	2,592	2,795	156,235	181,369	1,976,900
Liabilities	102,987	3,552	5,284	238,807	350,630	2,588	5,153	11,658	99,008	118,407	469,037
Capital expenditure	7,221	303	1,077	413	9,014	-	-	-	-	-	9,014

Property, plant and equipment and investment properties are located in the United Arab Emirates. Investment in associate is classified as International.

12 SEASONALITY OF RESULTS

Investment income (note 3) depends on market conditions, investment activities of the Company and declaration of profits by investee companies, which are of a seasonal nature. Furthermore, sales are affected by construction activities in the region as well as the economic climate and meteorological conditions. Accordingly, results for the period ended 31 March 2015 are not comparable to those relating to the comparative period, and are not indicative of the results that might be expected for the year ending 31 December 2015.

13 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Commitment

Estimated capital expenditure commitment at the statement of financial position date amounted to AED 38.87 million (31 December 2014: AED 25.67 million).

The Company also has commitments for AED 9.8 million (31 December 2014: AED 10.17 million) on account of investments made in securities and funds. The Company has to pay as and when calls are made by the fund's managers/investee companies.

Operating lease commitments - Company as lessor

The Company has entered into various operating lease agreements for investment properties. As at the period end, the future lease minimum payments of AED 3.0 million (31 December 2014: AED 1.6 million) are due within one year from the statement of financial position date under these operating leases.

Contingent liability

At 31 March 2015, the Company had contingent liabilities in respect of bank guarantees relating to performance bonds, from which it is anticipated that no material liabilities will arise, amounting to AED 4.1 million (31 December 2014: AED 4.4 million).

14 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors had proposed a cash dividend amounting to AED 55,296 thousand at AED 0.10 per share of AED 1 each. No scrip dividend was proposed. Subsequently, the shareholders, at the annual general meeting held on 4 April 2015, approved a cash dividend amounting to AED 55,296 thousand at AED 0.10 per share of AED 1 each.