

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

**INTERIM CONDENSED FINANCIAL
STATEMENTS**

30 JUNE 2014 (UNAUDITED)



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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 30 June 2014, comprising the interim statement of financial position as at 30 June 2014 and the related interim statements of income and comprehensive income for the three-month and six-month periods then ended and the related interim statements of cash flows and changes in equity for the six-month period then ended and explanatory information. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 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

24 July 2014

Sharjah, United Arab Emirates

Sharjah Cement and Industrial Development Company (PSC)

INTERIM STATEMENT OF INCOME

For the six months ended 30 June 2014 (Unaudited)

	<i>Notes</i>	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
		<i>2014 AED'000</i>	<i>2013 AED'000</i>	<i>2014 AED'000</i>	<i>2013 AED'000</i>
Sales		206,911	154,658	383,157	322,782
Cost of sales		(194,455)	(142,715)	(362,096)	(303,219)
GROSS PROFIT		12,456	11,943	21,061	19,563
General and administration expenses		(3,851)	(4,131)	(7,227)	(8,000)
Selling and distribution costs		(1,232)	(1,112)	(2,303)	(2,240)
Investment income	3	18,481	6,134	25,768	11,654
Miscellaneous income, net		328	254	1,923	885
Finance costs		(3,955)	(4,134)	(7,864)	(8,553)
PROFIT FOR THE PERIOD		22,227	8,954	31,358	13,309
Basic and diluted earnings per share (AED)	4	0.040	0.016	0.057	0.024

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 six months ended 30 June 2014 (Unaudited)

	Note	Three months ended 30 June		Six months ended 30 June	
		2014 AED'000	2013 AED'000	2014 AED'000	2013 AED'000
Profit for the period		22,227	8,954	31,358	13,309
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	(45,804)	35,992	24,816	53,583
Net realised gain on disposal of available for sale investments transferred to income statement		(11,039)	-	(11,867)	-
Reversal of loss on sale of available for sale investments		-	-	(4,921)	-
Other comprehensive income for the period		(56,843)	35,992	8,028	53,583
Total comprehensive income for the period		(34,616)	44,946	39,386	66,892

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 30 June 2014 (Unaudited)

		30 June 2014	(Audited) 31 December 2013	30 June 2013
	Notes	AED'000	AED'000	AED'000
ASSETS				
Non-current assets				
Property, plant and equipment		832,731	809,293	796,967
Investment properties	5	112,007	112,996	114,001
Investment in associate	6	36,322	36,322	36,322
Available for sale investments	5	369,447	358,907	330,930
		<u>1,350,507</u>	<u>1,317,518</u>	<u>1,278,220</u>
Current assets				
Inventories		267,077	313,479	277,312
Accounts receivable and prepayments		251,287	203,144	199,367
Trading securities	5	14,375	12,199	8,925
Bank balances and cash	7	67,786	37,474	31,390
		<u>600,525</u>	<u>566,296</u>	<u>516,994</u>
TOTAL ASSETS		<u><u>1,951,032</u></u>	<u><u>1,883,814</u></u>	<u><u>1,795,214</u></u>
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital		552,958	552,958	552,958
Statutory reserve	8	334,091	334,091	334,091
General reserve	9	226,373	226,373	226,373
Retained earnings		190,537	171,652	165,642
Cumulative changes in fair value	10	124,246	116,218	72,772
Proposed cash dividend		-	27,648	-
Total equity		<u>1,428,205</u>	<u>1,428,940</u>	<u>1,351,836</u>
Non-current liabilities				
Term loan		154,350	44,100	58,800
Employees' end of service benefits		24,275	22,968	22,462
		<u>178,625</u>	<u>67,068</u>	<u>81,262</u>
Current liabilities				
Accounts payable and accruals		135,455	140,054	127,367
Payable against construction of property, plant and equipment		10,258	11,021	8,729
Bank overdrafts	7	2,470	5,801	4,504
Current portion of term loan		29,400	14,700	14,700
Short term loans		162,554	216,230	204,380
Dividends payable		4,065	-	2,436
		<u>344,202</u>	<u>387,806</u>	<u>362,116</u>
Total liabilities		<u>522,827</u>	<u>454,874</u>	<u>443,378</u>
TOTAL EQUITY AND LIABILITIES		<u><u>1,951,032</u></u>	<u><u>1,883,814</u></u>	<u><u>1,795,214</u></u>

Approved by Board of Directors on 24 July 2014.



P J Batavia
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 six months ended 30 June 2014 (Unaudited)

	Notes	30 June	
		2014 AED'000	2013 AED'000
OPERATING ACTIVITIES			
Profit for the period		31,358	13,309
Adjustments for:			
Depreciation on property, plant and equipment		21,495	23,737
Depreciation on investment properties		989	989
Provision for employees' end of service benefits		1,532	2,700
Profit on sale of property, plant and equipment		(423)	(42)
Net gain on sale of trading securities	3	(224)	(340)
Net gain on sale of available for sale investments	3	(11,867)	(1)
Changes in fair values of trading securities	3	(802)	1,326
Dividend and other investment income	3	(12,875)	(12,639)
Interest expense		7,864	8,553
		<u>37,047</u>	<u>37,592</u>
Working capital changes:			
Inventories		46,402	11,413
Receivables		(48,143)	(5,075)
Payables		(7,214)	(13,590)
Cash from operations		<u>28,092</u>	<u>30,340</u>
Employees' end of service benefits paid		(225)	(535)
Net cash from operating activities		<u>27,867</u>	<u>29,805</u>
INVESTING ACTIVITIES			
Net movement in trading securities		(1,150)	491
Purchase of property, plant and equipment		(44,933)	(32,589)
Payable against construction of property, plant and equipment		(763)	-
Dividend and other investment income	3	12,875	12,639
Purchase of available for sale investments	5	(32,240)	(31,579)
Proceeds from disposal of available for sale investments	5	41,595	20,636
Proceeds from sale of property, plant and equipment		423	42
Net cash used in investing activities		<u>(24,193)</u>	<u>(30,360)</u>
FINANCING ACTIVITIES			
Proceeds from term loans		124,950	73,500
Proceeds from short term loans		102,388	158,441
Short term loans repaid		(156,064)	(213,506)
Dividends paid		(37,407)	(25,212)
Interest paid		(3,898)	(4,491)
Net cash from (used in) financing activities		<u>29,969</u>	<u>(11,268)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		<u>33,643</u>	<u>(11,823)</u>
Cash and cash equivalents at 1 January		<u>31,673</u>	<u>38,709</u>
CASH AND CASH EQUIVALENTS AT 30 JUNE	7	<u>65,316</u>	<u>26,886</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 six months ended 30 June 2014 (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	-	-	-	31,358	-	-	31,358
Other comprehensive income for the period	-	-	-	-	8,028	-	8,028
Total comprehensive income for the period	-	-	-	31,358	8,028	-	39,386
Dividends payable transferred to current liabilities (Note 14)	-	-	-	(13,824)	-	(27,648)	(41,472)
Reversal of directors' fees *	-	-	-	1,351	-	-	1,351
At 30 June 2014	552,958	334,091	226,373	190,537	124,246	-	1,428,205

*Due to a revision in the rate of dividends payable, there was a revision in the directors' fees. Accordingly the excess amount was reversed in the current period.

Sharjah Cement and Industrial Development Company (PSC)

INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2014 (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 2013	552,958	334,091	226,373	152,333	19,189	27,648	1,312,592
Profit for the period	-	-	-	13,309	-	-	13,309
Other comprehensive income for the period	-	-	-	-	53,583	-	53,583
Total comprehensive income for the period	-	-	-	13,309	53,583	-	66,892
Dividends payable transferred to current liabilities	-	-	-	-	-	(27,648)	(27,648)
At 30 June 2013	552,958	334,091	226,373	165,642	72,772	-	1,351,836

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2014 (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 and Africa. 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 the Kuwait Stock Exchange.

2 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 2013 except for the adoption of the new and amended IFRS and IFRIC interpretations which became effective as of 1 January 2014. 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 2013.

3 INVESTMENT INCOME

	<u>Three months ended 30 June</u>		<u>Six months ended 30 June</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	<u>AED'000</u>	<u>AED'000</u>	<u>AED'000</u>	<u>AED'000</u>
Realised gains				
Net gain on sale of available for sale securities	11,039	1	11,867	1
Net gain on sale of trading securities	179	95	224	340
	<u>11,218</u>	<u>96</u>	<u>12,091</u>	<u>341</u>
Fair value gains (losses)				
Changes in fair value of trading securities	827	(318)	802	(1,326)
Other investment income				
Rental income from investment properties, net of depreciation	840	840	1,466	1,709
Dividend income - available for sale investments	5,268	4,953	10,675	10,081
Interest income	85	357	498	404
Profit on funds	243	206	236	445
	<u>6,436</u>	<u>6,356</u>	<u>12,875</u>	<u>12,639</u>
	<u>18,481</u>	<u>6,134</u>	<u>25,768</u>	<u>11,654</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 Developed Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

5 INVESTMENTS

	30 June 2014			31 December 2013			30 June 2013		
	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	82,624	29,383	112,007	82,623	30,373	112,996	82,624	31,377	114,001

	30 June 2014			31 December 2013			30 June 2013		
	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	243,364	5,533	248,897	229,890	5,697	235,587	212,673	5,600	218,273
Overseas	49,064	71,486	120,550	45,568	77,752	123,320	38,705	73,952	112,657
	292,428	77,019	369,447	275,458	83,449	358,907	251,378	79,552	330,930

	30 June 2014		31 December 2013		30 June 2013	
	Quoted AED'000	Total AED'000	Quoted AED'000	Total AED'000	Quoted AED'000	Total AED'000
Trading securities:						
Overseas	14,375	14,375	12,199	12,199	8,925	8,925

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

5 INVESTMENTS (continued)

Movements in the available for sale investments were as follows:

	<i>Six months ended 30 June 2014 AED'000</i>	<i>Year ended 31 December 2013 AED'000</i>	<i>Six months ended 30 June 2013 AED'000</i>
At 1 January	358,907	266,403	266,403
Purchased during the period/year	32,240	54,675	31,579
Changes in fair value	24,816	129,857	53,584
Disposed during the period/year	(41,595)	(76,003)	(20,636)
Reversal of loss on sale of available for sale investments	(4,921)	(16,025)	-
At the end of the period/year	<u>369,447</u>	<u>358,907</u>	<u>330,930</u>

6 INVESTMENT IN ASSOCIATE

	<i>30 June 2014 AED'000</i>	<i>31 December 2013 AED'000</i>	<i>30 June 2013 AED'000</i>
Investment in associate	<u>36,322</u>	<u>36,322</u>	<u>36,322</u>

The investment in associate represents a 30.89% (2013: 30.89%) 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>30 June 2014 AED'000</i>	<i>31 December 2013 AED'000</i>	<i>30 June 2013 AED'000</i>
Bank balances and cash	67,786	37,474	31,390
Bank overdrafts	(2,470)	(5,801)	(4,504)
	<u>65,316</u>	<u>31,673</u>	<u>26,886</u>

Bank balances and cash include deposits amounting to AED 6,246 thousand (31 December 2013: AED 6,837 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 six months period to 30 June 2014, 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 30 June 2014 (Unaudited)

9 GENERAL RESERVE

No transfer has been made to the general reserve during the six months period to 30 June 2014, as this will be based on the results for the year.

10 CUMULATIVE CHANGES IN FAIR VALUE

	30 June 2014 AED'000	31 December 2013 AED'000	30 June 2013 AED'000
<i>Available for sale securities</i>			
At 1 January	116,218	19,189	19,189
Net increase in fair value during the period/year	24,816	129,857	53,583
Less: realised gains during the period/year	(11,867)	(16,803)	-
Reversal of loss on sale of available for sale investments	(4,921)	(16,025)	-
At the end of the period/year	<u>124,246</u>	<u>116,218</u>	<u>72,772</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.

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

11 SEGMENT INFORMATION (continued)

Segmental information is presented below:

30 June 2014	<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>
Manufacturing						
Sales	-	330,809	24,913	30,400	(2,965)	383,157
Cost of sales	-	(312,419)	(19,210)	(29,977)	(490)	(362,096)
Gross profit	-	18,390	5,703	423	(3,455)	21,061
Miscellaneous income	-	1,641	5	26	(195)	1,477
Expenses	-	(2,517)	(2,160)	(1,108)	1,433	(4,352)
Net segment results	-	17,514	3,548	(659)	(2,217)	18,186
Investment						
Income from investment in private and public equities and funds	23,804	-	-	-	-	23,804
Interest income	3,027	17	2	-	(2,548)	498
Expenses	225	-	-	-	-	225
	27,056	17	2	-	(2,548)	24,527
Income from investment Properties	2,455	-	-	-	-	2,455
Depreciation	(989)	-	-	-	-	(989)
	1,466	-	-	-	-	1,466
Net segment results	28,522	17	2	-	(2,548)	25,993
Finance costs	(6,612)	(1,089)	(2,599)	(112)	2,548	(7,864)
Unallocated income and expenses-Head office	(7,181)				2,224	(4,957)
Profit (loss) for the period	<u>14,729</u>	<u>16,442</u>	<u>951</u>	<u>(771)</u>	<u>7</u>	<u>31,358</u>

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

11 SEGMENT INFORMATION (continued)

30 June 2013	<i>Investment</i> AED '000	<i>Cement</i> <i>factory</i> AED '000	<i>Papersack</i> <i>factory</i> AED '000	<i>Gulf Rope</i> <i>& Plastic</i> <i>Products</i> AED '000	<i>Inter-segment</i> <i>elimination</i> AED '000	<i>Total</i> AED '000
<i>Manufacturing</i>						
Sales	-	276,853	23,746	24,991	(2,808)	322,782
Cost of sales	-	(261,970)	(21,230)	(22,460)	2,441	(303,219)
Gross profit	-	14,883	2,516	2,531	(367)	19,563
Miscellaneous income	-	2,098	75	5	(1,255)	923
Expenses	-	(3,357)	(2,576)	(1,392)	446	(6,879)
Net segment results	-	13,624	15	1,144	(1,176)	13,607
<i>Investment</i>						
Income from investment in private and public equities and funds	9,541	-	-	-	-	9,541
Interest income	2,537	22	-	-	(2,155)	404
Expenses	(38)	-	-	-	-	(38)
	12,040	22	-	-	(2,155)	9,907
Income from investment properties	2,698	-	-	-	-	2,698
Depreciation	(989)	-	-	-	-	(989)
	1,709	-	-	-	-	1,709
Net segment results	13,749	22	-	-	(2,155)	11,616
<i>Finance costs</i>	(7,088)	(1,293)	(2,222)	(105)	2,155	(8,553)
<i>Unallocated income and</i> <i>expenses-Head office</i>	(4,537)	-	-	-	1,176	(3,361)
Profit (loss) for the period	2,124	12,353	(2,207)	1,039	-	13,309

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

11 SEGMENT INFORMATION (continued)

Other segment information

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

30 June 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	Unallocated Assets & Liabilities- Head Office AED '000	Total AED '000			
Segment assets	1,179,651	62,928	111,084	47,715	1,401,378	549,654	1,951,032	
Segment liabilities	126,200	4,618	14,018	377,991	522,827	-	522,827	
Depreciation	20,120	103	1,067	205	21,495	989	22,484	
Capital expenditure	33,355	317	1,732	9,529	44,933	-	44,933	

Sharjah Cement and Industrial Developed Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

11 SEGMENT INFORMATION (continued)

Other segment information (continued)

30 June 2013

	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	Unallocated Assets & Liabilities- Head Office AED '000	Total AED '000			
Segment assets	1,132,210	36,074	77,426	41,823	1,287,533	507,681	1,795,214	
Segment liabilities	103,648	13,562	18,431	307,737	443,378	-	443,378	
Depreciation	22,791	84	654	208	23,737	989	24,726	
Capital expenditure	5,114	461	13,870	13,144	32,589	-	32,589	

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

11 SEGMENT INFORMATION (continued)

Geographical information

The following table presents revenue and investment information regarding geographic segments for the periods ended 30 June 2014 and 30 June 2013.

30 June 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	273,049	3,256	17,150	-	293,455	57,760	18,692	13,250	-	89,702	383,157
Investment income	-	-	-	23,206	23,206	-	-	-	2,562	2,562	25,768
Assets	1,158,906	56,358	105,941	395,021	1,716,226	20,745	6,570	5,143	202,348	234,806	1,951,032
Liabilities	123,646	4,138	5,588	265,091	398,463	2,554	480	8,430	112,900	124,364	522,827
Capital expenditure	33,355	317	1,732	9,529	44,933	-	-	-	-	-	44,933

Sharjah Cement and Industrial Developed Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

11 SEGMENT INFORMATION (continued)

Geographical information (continued)

30 June 2013

	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	192,522	3,901	14,983	-	211,406	84,331	17,037	10,008	-	111,376	322,782
Investment income	-	-	-	11,387	11,387	-	-	-	267	267	11,654
Assets	1,112,307	30,655	73,020	418,530	1,634,512	19,903	5,419	4,406	130,974	160,702	1,795,214
Liabilities	97,971	6,818	4,829	230,560	340,178	5,677	6,744	13,602	77,177	103,200	443,378
Capital expenditure	5,114	461	13,870	13,144	32,589	-	-	-	-	-	32,589

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

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

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 30 June 2014 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 2014.

13 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Commitment

Estimated capital expenditure commitment at the statement of financial position date amounted to AED 37.8 million (31 December 2013: AED 61.5 million).

The Company also has commitments for AED 10.9 million (31 December 2013: AED 11.4 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 2.1 million (31 December 2013: AED 1.5 million) are due within one year from the statement of financial position date under these operating leases.

Operating lease commitments - Company as lessee

The Company has entered into an operating lease agreement with the Government of Fujairah for a period of 10 years to extract limestone from a Quarry in the Emirate. The lease rentals are proportional to the quantity of limestone to be extracted from the Quarry.

Contingent liability

At 30 June 2014, 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 7.8 million (31 December 2013: AED 4 million).

14 DIVIDENDS

The Board of Directors had proposed a cash dividend amounting to AED 27,648 thousand at AED 0.05 per share of AED 1 each. No scrip dividend was proposed. Subsequently, the shareholders, at the annual general meeting held on 12 April 2014, approved a cash dividend amounting to AED 41,472 thousand at AED 0.075 per share of AED 1 each.