

**Interim management statement
March 2015**



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

4 May 2015

- The **Consolidated Turnover** has increased by 23.4% with respect to the same period of the 2014 financial year, reaching 145 million euros. The national companies have experienced an upturn of 6.9% due to the improvement of the domestic cement market and greater sales volumes in concrete and aggregate businesses. The Turnover of the international companies, comprising the subsidiaries in Argentina and Tunisia only, have registered a combined increase of 32.6%, mainly thanks to the Argentine subsidiary.
- The **Operating Result** has reached 5.2 million euros, 24.3% higher than that of the same period of 2014. The improved operating results of the companies located in Spain and of the margins in Argentina, have been mitigated by the poor results of the Tunisian companies.
- The **Equity method Companies** (see companies on page 9) have registered a result of 18.1 million euros, 54.3% higher than that of the previous year, mainly due to the improvement in the Mexican investee.
- The **Financial Result** has improved by 4.1 million euros. The positive exchange differences obtained within the period have significantly contributed to the improvement.
- A **Consolidated Net Result** of 15.1 million euros has been registered, more than double the results obtained during the same period of the previous year. The Group's national companies have still registered negative net results, while the international companies have contributed profits of 17.8 million euros, with an improvement of 28% compared to 2014. The results obtained by Corporación Moctezuma (Mexico) and Cementos Avellaneda (Argentina) are particularly noteworthy, with improvements compared to the first quarter of the previous year of 63% and 77% respectively.

Abbreviated Consolidated Balance Sheet

(Thousands of euros)

<i>ASSETS</i>	31/03/2015	<u>31/12/2014</u>
Intangible Assets	35,411	28,812
Fixed assets	605,175	585,288
Financial Fixed Assets	3,903	7,916
Participation of equity method Companies	329,963	283,718
Goodwill	24,114	23,922
Other non-current assets	43,989	43,535
NON-CURRENT ASSETS	1,042,555	973,191
Stocks	93,276	83,058
Trade debtors and others	116,262	112,537
Temporary financial investments	57,587	22,407
Cash and equivalents	90,355	111,222
CURRENT ASSETS	357,480	329,224
TOTAL ASSETS	1,400,035	1,302,415

<i>NET EQUITY AND LIABILITIES</i>	31/03/2015	<u>31/12/2014</u>
Net equity attributed to the Parent Company	656,306	602,279
Net equity from minority shareholders	125,859	113,056
TOTAL NET EQUITY	782,165	715,335
Non-current financial debt	372,397	351,625
Other non-current liabilities	54,831	46,342
NON-CURRENT LIABILITIES	427,228	397,967
Current financial debt	50,050	54,201
Other current liabilities	140,592	134,912
CURRENT LIABILITIES	190,642	189,113
TOTAL NET EQUITY AND LIABILITIES	1,400,035	1,302,415

Results as of March 31, 2015



CONSOLIDATED GROUP

	thousands of euros	<u>31/03/2015</u>	<u>31/03/2014</u>	<u>variation %</u>
Turnover		145,473	117,843	23.4%
Operating result		5,208	4,188	24.3%
Financial results		-438	-4,579	90.4%
Results equity method Cos.		18,138	11,754	54.3%
Results before tax		22,908	11,364	101.6%
Results for the financial year		17,830	8,611	107.1%
Results attributed to the Parent Co.		15,113	6,506	132.3%

INDIVIDUAL

	thousands of euros	<u>31/03/2015</u>	<u>31/03/2014</u>	<u>variation %</u>
Net result Parent Company		-2,058	-1,901	-8.3%

Significant figures as of March 31, 2015

Management Information. Proportionality criterion

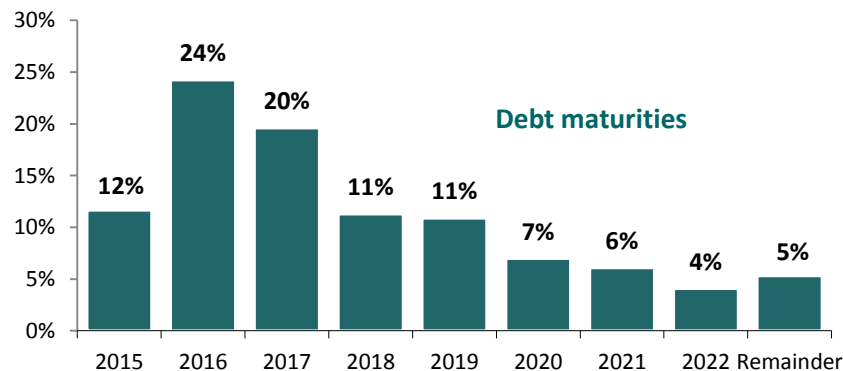


Since January 1, 2014, international accounting regulations do not contemplate the possibility of using the proportional consolidation method for joint businesses. Nevertheless, Grupo Cementos Molins actively takes part in the management of the investee companies that it is part of through the equity method, namely Corporación Moctezuma (Mexico), Surma Cement (Bangladesh), Cementos Artigas (Uruguay) and Itacamba Cemento (Bolivia), whether this is in conjunction with another shareholder or by means of relevant participation in its decision-making bodies.

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	31/03/2015	31/03/2014	variation %
Income		177,956	141,039	26.2%
EBITDA		39,630	27,671	43.2%
Net result		15,113	6,506	132.3%
		31/03/2015	31/12/2014	
NET FINANCIAL POSITION		-185,432	-194,401	



Significant figures as of March 31, 2015

Management Information. Proportionality criterion

Spain



thousands of euros	<u>31/03/2015</u>	<u>31/03/2014</u>	<u>variation %</u>
Income	45,711	42,672	7.1%
EBITDA	2,106	-67	--
Net result	-2,732	-7,451	63.3%

Consolidation of national companies based on their final shareholding percentage.

- The consumption of cement in Spain has maintained the trend that commenced in the final quarter of 2014 and has grown by 8.5% in the first quarter of 2015 compared to the first quarter of the previous year. The increase stands at 2.9% in the past 12 months. Source: Oficemen.
- In Catalonia, the consumption of cement has grown by 8.1% during the first quarter of the year, although it has registered a drop of 6.1% on an annual basis (past 12 months). Source: Oficemen.
- The Group's national companies as a whole have obtained EBITDA of 2.1 million euros on markets that are starting to recover, albeit slowly, enabling a 7.1% increase in income.
- Nevertheless, the Companies in Spain continue to register negative results.

Significant figures as of March 31, 2015

Management Information. Proportionality criterion



International Companies

	thousands of euros	<u>31/03/2015</u>	<u>31/03/2014</u>	<u>variation %</u>
Income		132,245	98,368	34.4%
EBITDA		37,524	27,737	35.3%
Net result		17,845	13,958	27.9%

Consolidation of international companies based on their final shareholding percentage.

Individual turnover of investees

thousands of euros

	March'15	March'14	var. %
C. Avellaneda (Argentina)	78,258	51,782	51.1%
C. Artigas (Uruguay)	24,723	18,412	34.3%
C. Moctezuma (Mexico)	163,491	119,040	37.3%
Itacamba Cemento (Bolivia)	5,345	--	--
Lafarge Surma (Bangladesh)	30,700	25,083	22.4%
Sotacib (Tunisia)	8,642	9,712	-11.0%
Sotacib Kairouan (Tunisia)	13,721	14,005	-2.0%

- ARGENTINA: The consumption of cement in the country has increased by 7%. The results have improved due to an increase in our sales.

- URUGUAY: The results have increased as a result of improved sales, on a market that has grown by 6%.

- MEXICO: The better results are due to the improvement of the market and of our sales.

- BOLIVIA: The Bolivian 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 first quarter sales volume has remained stable compared to that of the previous financial year, with a slight drop in sales prices. The appreciation of the local currency against the euro has contributed to improved results in euros.

- TUNISIA:

- SOTACIB: Results have been affected by the downturn on the local white cement market and difficulties with exports to Libya and Algeria.

- SOTACIB KAIROUAN: The decrease of gray cement on the national market and increased costs have led to poorer results.

Individual EBITDA of investees

thousands of euros

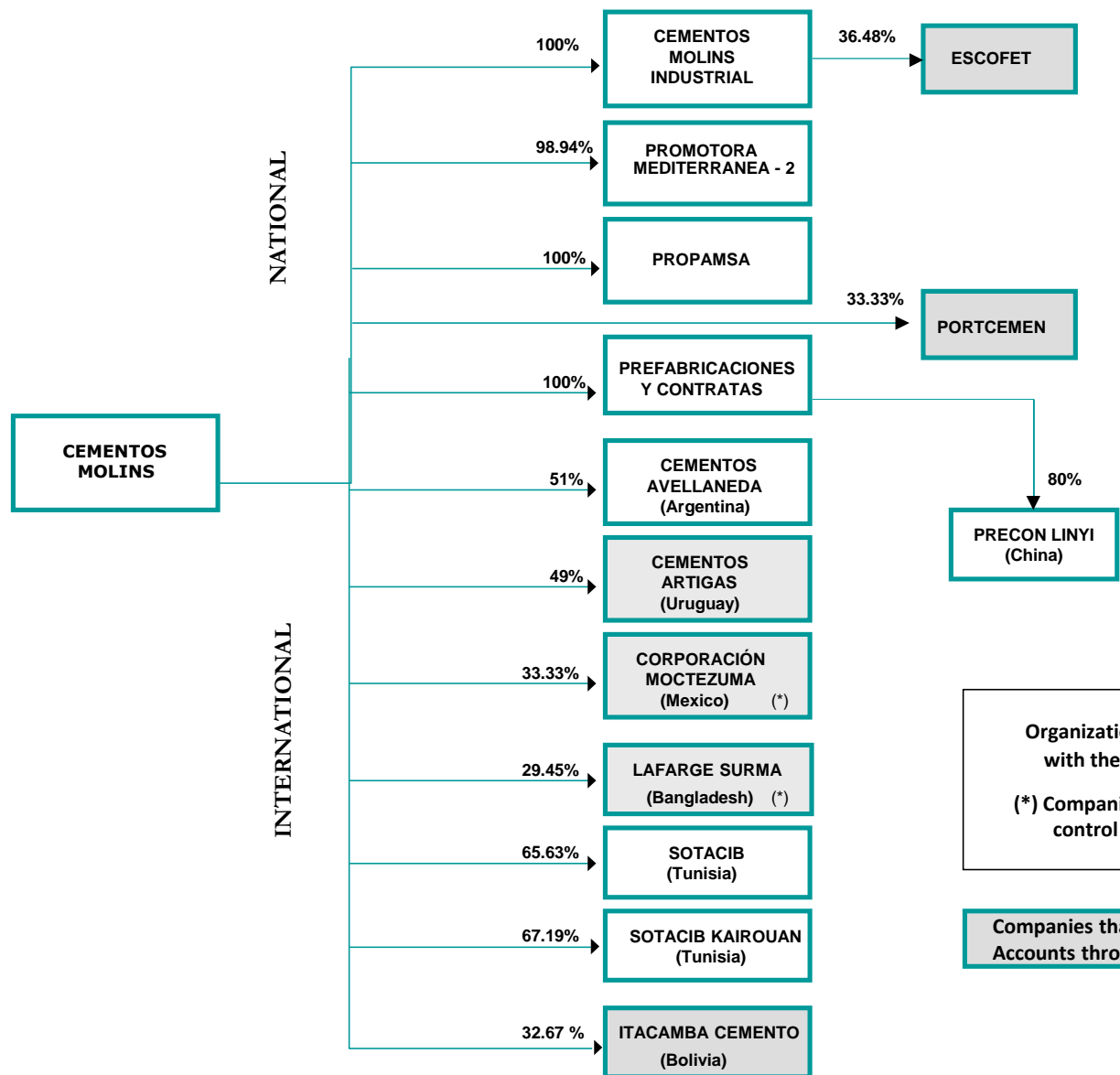
	March'15	March'14	var. %
C. Avellaneda (Argentina)	13,319	8,953	48.8%
C. Artigas (Uruguay)	7,185	4,713	52.5%
C. Moctezuma (Mexico)	66,557	42,403	57.0%
Itacamba Cemento (Bolivia)	710	--	--
Lafarge Surma (Bangladesh)	10,053	8,865	13.4%
Sotacib (Tunisia)	-505	713	-170.8%
Sotacib Kairouan (Tunisia)	3,600	5,612	-35.9%

Important company events for the first quarter of 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.

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.