

Results for the 2014 Financial Year



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

27 February 2015

- The **Consolidated Turnover** has dropped by 2.2% with respect to that of the 2013 financial year, reaching 527.7 million euros. The national companies have increased their income by 14.1% due to increased clinker exports and increased activity in the prefabricate sector; while the Turnover of the international companies has suffered a combined decrease of 9.3%, due to the negative impact of exchange rates in Argentina.
- The **Operating Result** has reached 10.9 million euros, 7.1 million euros higher than that of 2013, due to the upturn experienced by national companies. The international Group has registered an Operating Result of 27.4 million euros, lower than that of the previous year by 11 million euros, due to an impairment of assets in SOTACIB (Tunisia) of 8.6 million euros, registered at the end of the financial year, and as a result of the lower contribution of the Argentine subsidiary.
- **Equity method Companies have registered a positive result** of 55.6 million euros, 15.6% higher 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), Bangladesh (Surma Cement) and Bolivia (Itacamba Cemento).
- A **Consolidated Net Result** of 30.8 million euros has been registered, more than triple the results obtained the previous year. The Group's national companies have once again registered negative net results, although they have improved by 40.6% compared to the previous year, while the international companies have contributed a profit of 58.5 million euros, with an improvement of 3.1% compared to 2013.
- The Group's **Net Debt** has decreased by 53 million euros compared to the previous financial year, standing at 267 million euros.
- With regards to investments, work has been started on the construction of a second line of production with a capacity for 3,000 t/day of clinker at the Apazapan factory, in Mexico, making 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 2017. With this expansion, Corporación Moctezuma will have two production lines at each of its three plants, Tepetzingo, Cerritos and Apazapan.
- Furthermore, on July 31, 2014, Cementos Molins reached an agreement with the Brazilian company Votorantim for the constitution of Yacuces S.L., a joint company for the launch of a project in Bolivia, where Yacuces S.L. purchased 66.7% of the local company Itacamba Cemento S.A. on September 3, 2014. The purchase price for these shares was 18.6 million dollars.
Thanks to this transaction, the Molins Group enters the Bolivian market through Itacamba Cemento, which is currently operating a cement mill in the province of Germán Busch. It has also started the construction of a comprehensive factory with a capacity for 2,000 t/clinker per day. This anticipated investment amounts to 216 million dollars and it is expected that it will start operating in 2017.

Abbreviated Consolidated Balance Sheet

(Thousands of euros)

<i>ASSETS</i>	31/12/2014	31/12/2013 (*)
Intangible Assets	28,812	35,857
Fixed assets	585,288	622,438
Financial Fixed Assets	7,916	14,738
Participation of equity method Companies	283,718	253,030
Goodwill	23,922	24,239
Other non-current assets	43,535	42,693
NON-CURRENT ASSETS	973,191	992,994
Stocks	83,058	82,467
Trade debtors and others	112,537	118,250
Temporary financial investments	22,407	50,802
Cash and equivalents	111,222	110,695
Other current assets	0	2,915
CURRENT ASSETS	329,224	365,129
TOTAL ASSETS	1,302,415	1,358,123

<i>NET EQUITY AND LIABILITIES</i>	31/12/2014	31/12/2013 (*)
Net equity attributed to the Parent Company	602,279	585,026
Net equity from minority shareholders	113,056	114,664
TOTAL NET EQUITY	715,335	699,690
Non-current financial debt	351,625	370,912
Other non-current liabilities	46,342	55,509
NON-CURRENT LIABILITIES	397,967	426,421
Current financial debt	54,201	122,934
Other current liabilities	134,912	109,078
CURRENT LIABILITIES	189,113	232,012
TOTAL NET EQUITY AND LIABILITIES	1,302,415	1,358,123

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

Results as of December 31, 2014



CONSOLIDATED GROUP

	thousands of euros	<u>31/12/2014</u>	<u>31/12/2013 (*)</u>	<u>variation %</u>
Turnover		527,667	539,302	-2.2%
Operating result		10,923	3,839	184.5%
Financial results		-14,811	-17,970	17.6%
Results equity method Cos.		55,572	48,072	15.6%
Results before tax		51,684	33,941	52.3%
Results for the financial year		37,673	20,114	87.3%
Results attributed to the Parent Co.		30,811	10,109	204.8%
Profit per share (in euros)		0.47	0.15	

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

INDIVIDUAL

	thousands of euros	<u>31/12/2014</u>	<u>31/12/2013</u>	<u>variation %</u>
Net result Parent Company		17,089	22,231	-23.1%

Significant figures as of December 31, 2014



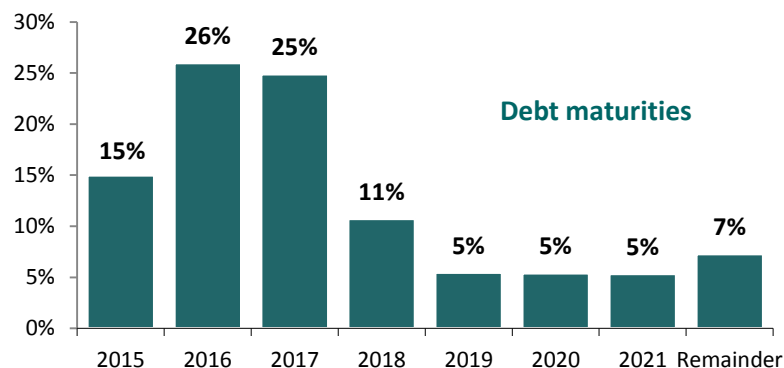
Management Information. Proportionality criterion

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>31/12/2014</u>	<u>31/12/2013</u>	<u>variation %</u>
Income		635,310	613,988	3.5%
EBITDA		127,434	107,014	19.1%
Net result		30,811	10,109	204.8%
		<u>31/12/2014</u>	<u>31/12/2013</u>	
NET FINANCIAL POSITION		-194,401	-255,245	



Significant figures as of December 31, 2014

Management Information. Proportionality criterion

National Companies



thousands of euros	<u>31/12/2014</u>	<u>31/12/2013</u>	<u>variation %</u>
Income	192,959	170,065	13.5%
EBITDA	6,076	-12,469	--
Net result	-27,675	-46,628	40.6%

Consolidation of national companies based on their final shareholding percentage.

- The consumption of cement in Spain is no longer falling in 2014 after seven years of continuing decline, with growth of 0.4%. Despite this, the consumption of cement continues to register historic lows with a volume of 10.78 million tons, a huge difference from the 56 million tons registered in 2007. Source: Oficemen.
- Unlike what has happened in Spain, in Catalonia the consumption of cement has registered a further decline of 10.7%, although the market has started to show signs of stabilization in the final quarter of the year. The consumption of cement in 2014 was registered at 1.3 million tons on a market that has been in continuous decline since 2007, when consumption stood at 8 million tons. Source: Ciment Català.
- The Group's national companies as a whole have obtained positive EBITDA, reversing the negative values registered in previous periods. This is thanks to the results obtained from cost contention policies and adjustments to the productive structure based on the level of activity, against a backdrop of continual market decline.

Significant figures as of December 31, 2014

Management Information. Proportionality criterion

International Companies



	thousands of euros	<u>31/12/2014</u>	<u>31/12/2013</u>	<u>variation %</u>
Income		442,351	443,923	-0.4%
EBITDA		121,358	119,483	1.6%
Net result		58,486	56,738	3.1%

Consolidation of international companies based on their final shareholding percentage.

Individual turnover of investees

thousands of euros

	Dec'14	Dec'13	var. %
C. Avellaneda (Argentina)	251,132	284,620	-11.8%
C. Artigas (Uruguay)	88,230	104,299	-15.4%
C. Moctezuma (Mexico)	529,029	468,727	12.9%
Lafarge Surma (Bangladesh)	112,962	109,136	3.5%
Sotacib (Tunisia)	35,958	39,001	-7.8%
Sotacib Kairouan (Tunisia)	52,673	51,199	2.9%

Individual EBITDA of investees

thousands of euros

	Dec'14	Dec'13	var. %
C. Avellaneda (Argentina)	41,215	51,284	-19.6%
C. Artigas (Uruguay)	23,881	31,595	-24.4%
C. Moctezuma (Mexico)	188,001	153,834	22.2%
Lafarge Surma (Bangladesh)	42,695	44,144	-3.3%
Sotacib (Tunisia)	2,159	3,252	-33.6%
Sotacib Kairouan (Tunisia)	18,940	17,798	6.4%

- ARGENTINA: The consumption of cement has decreased by 4% during this period. The decrease in results is mainly due to the depreciation of the currency, of 32%, a decrease in the sales volume and the increased operating costs of the new quarry.

- URUGUAY: : The results have declined as a result of reduced sales, on a market that has dropped by 4%. Furthermore, the currency has depreciated by 11%.

- MEXICO: Results have improved mainly due to the increased sales volume. The currency has depreciated by 3%.

- BANGLADESH: EBITDA has experienced a downturn due to reduced sales prices, on a market that has grown by 17%.

- TUNISIA:

- SOTACIB: The results continue to be low due to non-compliance with export sales.

- SOTACIB KAIROUAN: The consumption of cement has decreased by 1%. EBITDA has improved slightly as a result of increased sales prices on the national market.

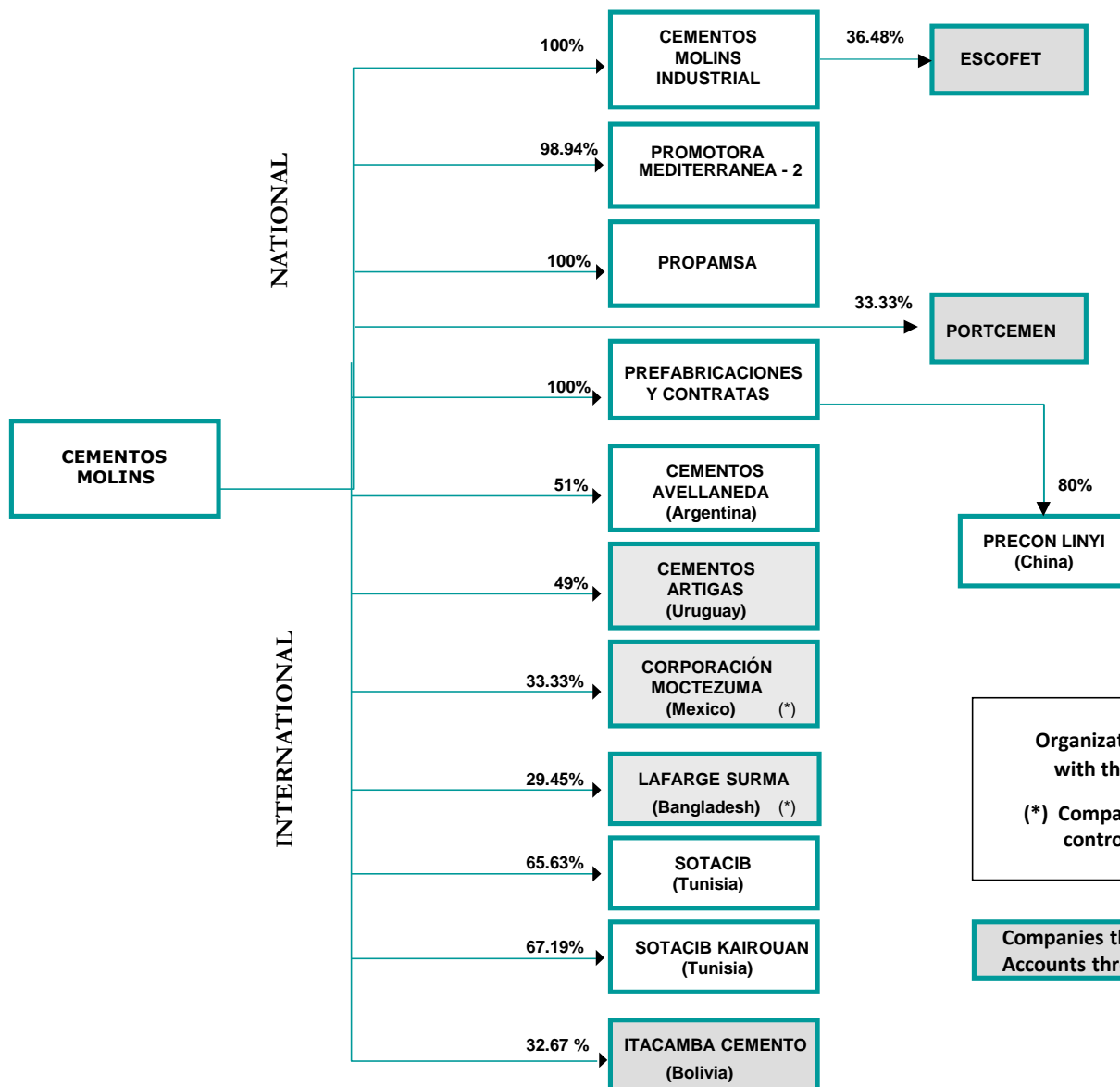
Important company events 2014

- 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 composition of the Board of Directors and of 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.

Important company events 2014

- On June 20, 2014, the Company submitted a relevant event to the Spanish National Securities Market Commission (CNMV) regarding the Group's forecasted results.
- On July 29 the Company submitted the interim financial information corresponding to the first semester of 2014.
- On 31 July, 2014, the Company announced that its subsidiary Cemolins Internacional, S.L.U. had constituted the Spanish company Yacuces, S.L. with Votorantim Cimentos EAA Inversiones, S.L.U., for the joint development of a business project in Bolivia with the acquisition of 66.7% of the company Itacamba Cemento.
- The Company submitted information regarding the results for the third quarter on November 5, 2014.
- According to the agreements reached by the Board of Directors, adopted in the meeting held on November 28, 2014, a dividend on account of financial year 2014 of 0.08 euros gross per share was paid on December 10, 2014 on all of the Company's shares, totaling 5,289 thousand euros.

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