HALF-YEAR FINANCIAL REPORT
30 JUNE 2014

(Translation from the Italian original which remains the definitive version)

cementir holding
CALTAGIRONE GROUP

Contents

Company officers

Board of Directors for the period 2012 – 2014	*Chairman*	Francesco Caltagirone Jr.
	Deputy Chairman	Carlo Carlevaris *(independent)*
	Directors	Alessandro Caltagirone
		Azzurra Caltagirone
		Edoardo Caltagirone
		Saverio Caltagirone
		Flavio Cattaneo *(independent)*
		Mario Ciliberto
		Paolo Di Benedetto *(independent)*
		Fabio Corsico
		Mario Delfini
		Alfio Marchini *(independent)*
		Riccardo Nicolini
Executive Committee	*Chairman*	Francesco Caltagirone Jr.
	Components	Mario Delfini
		Riccardo Nicolini
Control and Risks Committee	*Chairman*	Paolo Di Benedetto* *(independent)*
	Components	Flavio Cattaneo *(independent)*
		Alfio Marchini *(independent)*
Appointment and Remuneration Committee	*Chairman*	Paolo Di Benedetto* *(independent)*
	Components	Mario Delfini
		Flavio Cattaneo *(independent)*
Board of Statutory Auditors for the period 2014 – 2016	*Chairman*	Claudio Bianchi
	Auditors	Giampiero Tasco *(standing)*
		Maria Assunta Coluccia *(standing)*
		Vincenzo Sportelli *(alternate)*
		Patrizia Amoretti *(alternate)*
		Stefano Giannuli *(alternate)*
Manager responsible for financial reporting		Massimo Sala
Independent Auditors for the period 2012 - 2020		KPMG SpA

* *Lead Independent Director*

Directors' report

This report accompanies the condensed interim consolidated financial statements of the Cementir Holding Group as at and for the six-month period ended 30 June 2014, prepared in accordance with article 154-ter.3 of Legislative decree no. 58/1998 and subsequent amendments and the Issuer Regulation issued by Consob (the Italian commission for listed companies and the stock exchange) (no. 11971/1999).

This report has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission. Its presentation complies with IAS 34 - Interim financial reporting, applying the same accounting policies adopted to prepare the consolidated financial statements at 31 December 2013, except for the new standards applicable from 1 January 2014, which have not had an effect on this condensed interim consolidated financial report.

The results for the six months and the second quarter of 2014 with corresponding prior year figures are set out below:

Results

(EUR'000)	1st Half 2014	1st Half 2013	Change %	2nd Quarter 2014	2nd Quarter 2013	Change %
REVENUE FROM SALES AND SERVICES	**472,834**	**472,418**	**0.1%**	**266,223**	**277,668**	**-4.1%**
Change in inventories	(16,732)	(1,477)	1,032.8%	(16,786)	(7,964)	110.8%
Other revenue[1]	8,023	6,130	30.9%	4,274	2,830	51.0%
TOTAL OPERATING REVENUE	**464,125**	**477,071**	**-2.7%**	**253,711**	**272,534**	**-6.9%**
Raw materials costs	(191,476)	(215,523)	-11.2%	(99,691)	(115,524)	-13.7%
Personnel costs	(75,699)	(78,412)	-3.5%	(38,185)	(39,225)	-2.6%
Other operating costs	(118,571)	(121,129)	-2.1%	(62,044)	(64,970)	-4.5%
TOTAL OPERATING COSTS	**(385,746)**	**(415,064)**	**-7.1%**	**(199,920)**	**(219,719)**	**-9.0%**
EBITDA	**78,379**	**62,007**	**26.4%**	**53,791**	**52,815**	**1.8%**
EBITDA Margin %	*16.58%*	*13.13%*		*20.21%*	*19.02%*	
Amortisation, depreciation, impairment losses and provisions	(40,785)	(44,274)	-7.9%	(20,685)	(22,629)	-8.6%
EBIT	**37,594**	**17,733**	**112.0%**	**33,106**	**30,186**	**9.7%**
EBIT Margin %	*7.95%*	*3.75%*		*12.44%*	*10.87%*	
NET FINANCIAL INCOME (EXPENSE)	**(6,182)**	**(2,398)**		**128**	**(1,171)**	
PROFIT BEFORE TAXES	**31,412**	**15,335**	**104.8%**	**33,234**	**29,015**	**14.5%**
PROFIT BEFORE TAXES Margin %	*6.64%*	*3.25%*		*12.48%*	*10.45%*	
Income taxes	(7,590)	(4,228)				
PROFIT FOR THE PERIOD	**23,822**	**11,107**	**114.5%**			
Attributable to non-controlling interests	**3,296**	**3,703**	**-11.0%**			
Attributable to owners of the parent	**20,526**	**7,404**	**177.2%**			

[1] "Other revenue" includes the income statement captions "Internal work capitalised" and "Other operating revenue".

Sales volumes

('000)	1st Half 2014	1st Half 2013	Change %	2nd Quarter 2014	2nd Quarter 2013	Change %
Grey and white cement (metric tons)	4,907	4,603	6.6%	2,807	2,725	3.0%
Ready-mixed concrete (m^3)	1,797	1,786	0.6%	935	990	-5.6%
Aggregates (metric tons)	1,657	1,414	17.2%	969	939	3.2%

Revenue from sales and services came to EUR 472.8 million (EUR 472.4 million for the corresponding period of 2013), EBITDA to EUR 78.4 million (EUR 62.0 million for the corresponding period of 2013), EBIT to EUR 37.6 million (EUR 17.7 million for the corresponding period of 2013) and the profit before taxes to EUR 31.4 million (EUR 15.3 million for the corresponding period of 2013).

Revenue from sales was in line with the first half of 2013 since the good performance posted in the various geographical areas in which we operate, with the exception of Italy, was fully offset by exchange rate losses: the depreciation of the main foreign currencies against the euro had an unfavourable impact on revenue of more than EUR 44 million. Assuming constant exchange rates, revenue would have amounted to EUR 517.1 million, up 9.4% over the previous year as a result of the overall increase in sales volumes of cement (+6.6%), ready-mixed concrete (+0.6%) and aggregates (+17.2%) at generally higher prices.

Revenue in Scandinavia rose by 3.5% over the first half of 2013 due to growth in sales of cement (+10.7%), ready-mixed concrete (+5.3%) and aggregates (+17.2%), the result of the expansion of the construction industry since the first quarter of the year, spurred by favourable weather. More specifically, sales of both cement and ready-mixed concrete have risen in Denmark, with prices growing slightly. In Norway, revenue in the local currency rose due to higher volumes of ready-mixed concrete sold (+4% compared with the first half of 2013) at rising prices. Finally, in Sweden revenue fell due to a slowdown in the Malmö region, the area in which the presence of our subsidiaries is greatest.

In Turkey, revenue denominated in the local currency grew by about 29% over the first half of 2013 thanks to the considerable increase in volumes of cement sold (+12.3% compared with the first half of 2013), along with higher domestic sales prices for both cement and ready-mixed concrete. However, the depreciation of the Turkish lira against the euro during the first half of 2014 (-25% compared with the average exchange rate for the first half of 2013) reduced the increase in revenues as expressed in euros to 4%.

In the Far East, performance varied between China and Malaysia. In China revenue expressed in the local currency rose by 5.8% over the first half of 2013 as a result of increased sales of white cement (+4.6%) in an environment of slightly rising prices. By contrast, in Malaysia, revenue in local currency remained stable as compared with the first half of 2013 due to the decline in volumes of cement sold, mainly as a result of works to expand plant production capacity, offset by higher prices. Both the Chinese yuan and the Malaysian ringgit experienced depreciation against the euro and, therefore, revenue from the Far East expressed in euros fell by about 3% compared with the first half of 2013.

In Egypt revenue expressed in the local currency rose by around 10% compared with the first half of 2013 due to an increase in the average domestic sale price for cement, with volumes remaining essentially in line with those of the same period of 2013. However, this improvement was reduced to +2% in the financial statements translated into euros as a result of the depreciation of the Egyptian pound as compared with the average exchange rate for the first half of 2013.

Finally, in Italy, the crisis continued in the construction sector, with volumes and prices falling yet again and revenue contracting by EUR 11.5 million compared with the first half of 2013.

Operating costs amounted to EUR 385.7 million, down EUR 29.3 million as compared with the first half of 2013, mainly due to the currency depreciations as against the euro mentioned above. More specifically, raw materials costs fell by 11.2%, going from EUR 215.5 million in 2013 to EUR 191.5 million in 2014, thanks in part to savings on the purchase of fuels and energy consumption achieved through a centralised procurement policy and better plant productivity. Personnel costs and other operating costs, amounting to EUR 75.7 million and EUR 118.6 million, respectively, fell by 3.5% and 2.1% over the first half of 2013, essentially due to the positive impact of the currency depreciations. Assuming constant exchange rates, both of these items would have increased slightly.

EBITDA reached EUR 78.4 million, up EUR 16.4 million over the first half of 2013, as a result of improved results in Scandinavia and Turkey and positive contributions made by Egypt and the Far East. The EBITDA margin stood at 16.6%, indicating a recovery in industrial profitability of 3.5 percentage points compared with the same period of 2013. Assuming exchange rates constant with those of the first half of 2013, EBITDA would have amounted to EUR 88.8 million, an increase of EUR 26.8 million over the first half of 2013 with an EBITDA margin of 17.2%.

EBIT, excluding depreciation, amortisation, impairment losses and provisions amounting to EUR 40.8 million, came to EUR 37.6 million (EUR 17.7 million for the first half of 2013)

Net financial expense came to EUR 6.2 million (EUR 2.4 million for the first half of 2013) due to the fair value losses on financial instruments used to hedge commodity prices, exchange rates and interest rates.

Profit before taxes and the profit for the period amounted to EUR 31.4 million and EUR 23.8 million, respectively, a considerable improvement over the first half of 2013 (EUR 15.3 million and EUR 11.1 million).

Profit attributable to the owners of the parent came to EUR 20.5 million (EUR 7.4 million at 30 June 2013).

The movement in exchange rates also affected the Group’s revenue and margins in the second quarter of 2014. Revenue from sales and services amounted to EUR 266.2 million (EUR 277.7 million in the second quarter of 2013). Assuming constant exchange rates, revenue would have amounted to EUR 289.0 million, an increase of 4.1% over the previous year, benefitting from the performance posted in Turkey, where sales of cement rose by 10.6% compared with the second quarter of 2013, and the positive contributions made by Egypt and Malaysia.

Operating costs came to EUR 199.9 million, down EUR 19.8 million compared with the second quarter of 2013, thanks mainly to the currency depreciations mentioned above and the reduction in the cost of raw materials as a result of efficiency gains made in procurement and production processes.

EBITDA and EBIT, amounting to EUR 53.8 million and EUR 33.1 million, improved by 1.8% and 9.7% compared with the second quarter of 2013, evidence of a gradual recovery in industrial profitability. The EBITDA margin came to 20.2% (19.0% in the second quarter of 2013), indicating a return to profitability levels consistent with those in the years prior to the crisis. Assuming constant exchange rates, EBITDA would have totalled EUR 59.8 million and EBIT would have amounted to EUR 37.8 million, up 13.3% and 25.3% compared with the second quarter of 2013.

Net financial income came to EUR 128 thousand (net financial expense of EUR 1.2 million in the second quarter of 2013), benefitting from the revaluation of certain foreign currencies as against the euro, especially the Turkish lira, in the second quarter of 2014, which erased the foreign exchange rate losses reported in the first quarter of the year.

The profit before taxes amounted to EUR 33.2 million, up 14.5% compared with the second quarter of 2013.

Financial highlights

(EUR'000)	30-06-2014	31-03-2014	31-12-2013
Net capital employed	1,401,199	1,389,390*	1,354,291
Total equity	1,046,301	1,026,147*	1,029,409
Net financial debt[2]	354,898	363,243	324,882

* Equity at 31 March 2014 does not include income taxes on the profit for the period.

Net financial debt at 30 June 2014 amounted to EUR 354.9 million, a deterioration of EUR 30.0 million as compared with 31 December 2013. This change was largely attributable to developments in working capital, annual maintenance of plants (usually performed in the early part of the year) and the distribution of dividends of EUR 12.7 million in May. However, the net financial debt improved by EUR 8.3 million in the second quarter of 2014 despite the distribution of a dividend amounting to EUR 12.7 million, double the amount distributed in 2013.

Total equity at 30 June 2014 amounted to EUR 1,046.3 million (EUR 1,029.4 million at 31 December 2013).

[2]The Group calculates net financial debt pursuant to Consob communication no. DEM/6064293 of 28 July 2006 (reference is made to note 17).

Directors' comments

Key events of the period

In the first half of 2014, the Cementir Holding Group posted stronger results than in the corresponding period of the previous year and better than management's expectations despite the negative impact of currency depreciations. The excellent performance seen in Turkey and Scandinavia, along with the consistent contribution of the Far East, made it possible to counter the difficulties experienced in the Italian market and the uncertainties surrounding the Egyptian market.

The improved results stem from sales growth in our primary markets, as well as actions undertaken by management to boost profitability by gradually increasing industrial and organizational efficiency.

With regard to waste management, Neales Waste Management, which operates in the UK urban and industrial waste management sector, completed the introduction of the new mechanical waste treatment system that should lead to improved efficiency in managing landfills and producing alternative fuel in the second half of the year. Sureko, which operates in the Turkish industrial waste management sector, reported an increase in revenue of 11% over the first half of 2013 thanks to a different mix of recovered materials, particularly iron. Finally, Hereko, a Turkish municipal waste management company operating in Istanbul, has continued work on installing and testing systems required for full-scale operation, expected to occur by the end of the year.

Capital expenditure

In the first half of 2014 capital expenditure totalled EUR 28.7 million, including EUR 13.7 million by the Aalborg Portland Group, EUR 12.7 million by the Cimentas Group, EUR 1.9 million by the Cementir Italia Group and EUR 0.4 million by Cementir Holding SpA. It may be broken down by operating sector as follows: cement: EUR 17.0 million; waste management EUR 7.7 million; ready-mixed concrete: EUR 3.6 million; the parent's IT structures: EUR 0.4 million. EUR 28.0 million was invested in property, plant and equipment and EUR 0.7 million in intangible assets.

Outlook

We expect the positive trends recorded in Scandinavia, Turkey and in the Far East in the first half of the year to continue in the second half. Market developments are difficult to predict in Egypt, given the political and social unrest the country has been experiencing for over two years, but we expect it to make a positive contribution, albeit to a lesser extent than in the previous year. No signs of a turnaround are expected in Italy in the second half of 2014.

The performance and financial targets for 2014 can therefore be confirmed, with the achievement of EBITDA of more than EUR 180 million and net financial debt of about EUR 280 million.

Financial indicators

The following table sets out the most pertinent financial indicators for a brief assessment of the Group's financial position and performance.

PERFORMANCE INDICATORS	30/06/2014	30/06/2013	COMPOSITION
Return on Equity	2.28%	1.03%	Profit/Equity
Return on Capital Employed	2.68%	1.20%	EBIT/(Equity + Net Financial Debt)

FINANCIAL INDICATORS	30/06/2014	30/06/2013	COMPOSITION
Equity ratio	56.33%	55.32%	Equity/Total Assets
Net Gearing Ratio	33.92%	36.97%	Net Financial Debt/Equity

The performance indicators show the improvement in the Group's profitability in terms of both its EBIT and profit for the period. They are expected to improve again for the whole year.

The financial indicators reflect the Group's continued financial strength.

Financial risk management

No new market risks came to light in the period compared to that disclosed in the 2013 Annual Report. Therefore, the Group's financial risk management policy is substantially unchanged.

Main uncertainties and going concern

In addition to that set out in the section on business risks, the Group does not have issues with applying the going concern assumption as it has adequate own funds and is not exposed to uncertainty that would compromise its ability to continue to operate.

Related party transactions

The Group did not perform any atypical and/or unusual related party transactions, as defined by IAS 24. All transactions, both financial and commercial, took place on an arm's length basis. Note 31 to the condensed interim consolidated financial statements provides an analysis of the transactions with all related parties, as required by Consob resolution no. 15519 of 27 July 2006.

The Group did not carry out any significant or significant ordinary transactions during the period, as defined by the Consob regulation covering related party transactions, which it adopted with resolution no. 17221 of 12 March 2010, such that would have required communication to the supervisory authority.

Treasury shares

At 30 June 2014, neither the parent nor its subsidiaries held, directly or indirectly, shares of the ultimate parent. They did not purchase or sell such shares during the period.

Corporate Governance

In the first half of 2014, the shareholders appointed the Board of Statutory Auditors for the 2014-2016 three-year period at their meeting on 17 April 2014 based on the sole slate of candidates presented by the majority shareholder Calt 2004 S.r.l., as follows: Claudio Bianchi (Chairman); Giampiero Tasco and Maria Assunta Coluccia (Standing Statutory Auditors); Vincenzo Sportelli, Stefano Giannuli and Patrizia Amoretti (Alternate Statutory Auditors). The Board of Directors confirmed Massimo Sala (the CFO) as the Manager responsible for financial reporting in its meeting of 9 May 2014, during which and in accordance with the ruling Code of Conduct of Borsa Italiana SpA, it checked that the directors qualified as "independent" were actually independent pursuant to this Code (namely, Paolo di Benedetto, Flavio Cattaneo and Alfio Marchini).

The Supervisory Body, appointed pursuant to Legislative decree no. 231/2001 for the three years from 2012 to 2014, has continued to supervise and revise on an ongoing basis the parent's Organisational and control model adopted in accordance with the above decree with the resolution of 8 May 2009.

Reference should be made to the "Corporate governance report", available on the parent's internet site, *www.cementirholding.it*, in the *Investor relations>Corporate Governance* section together with the 2013 directors' report, for more information about the parent's corporate governance system and ownership structure, as required by article 123-bis of Legislative decree no. 58 of 24 February 1998 (the Consolidated Finance Act).

Events after the reporting period

There are no significant events to report.

Rome, 29 July 2014

Chairman of the Board of Directors

/s/ Francesco Caltagirone Jr.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

Statement of financial position*

(EUR'000)	Notes	30 June 2014	31 December 2013
ASSETS			
Intangible assets with a finite useful life	1	39,892	40,094
Intangible assets with an indefinite useful life	2	404,593	403,159
Property, plant and equipment	3	753,553	762,098
Investment property	4	100,486	98,952
Equity-accounted investments	5	18,445	17,240
Available-for-sale equity investments	6	211	210
Non-current financial assets		810	840
Deferred tax assets	20	62,588	60,339
Other non-current assets	11	9,457	8,541
TOTAL NON-CURRENT ASSETS		**1,390,035**	**1,391,473**
Inventories	7	130,485	139,602
Trade receivables	8	208,893	184,204
Current financial assets	9	4,196	3,659
Current tax assets	10	7,565	5,972
Other current assets	11	17,744	12,391
Cash and cash equivalents	12	98,329	110,726
TOTAL CURRENT ASSETS		**467,212**	**456,554**
TOTAL ASSETS		**1,857,247**	**1,848,027**
EQUITY AND LIABILITIES			
Share capital		159,120	159,120
Share premium reserve		35,710	35,710
Other reserves		754,685	719,471
Profit attributable to the owners of the parent		20,526	40,124
Equity attributable to the owners of the parent	13	**970,041**	**954,425**
Profit attributable to non-controlling interests		3,296	8,038
Reserves attributable to non-controlling interests		72,964	66,946
Equity attributable to non-controlling interests	13	**76,260**	**74,984**
TOTAL EQUITY		**1,046,301**	**1,029,409**
Employee benefits	14	16,747	16,260
Non-current provisions	15	20,668	21,965
Non-current financial liabilities	17	265,361	284,135
Deferred tax liabilities	20	80,495	82,974
Other non-current liabilities	19	10,154	10,344
TOTAL NON-CURRENT LIABILITIES		**393,425**	**415,678**
Current provisions	15	1,147	1,119
Trade payables	16	156,435	183,192
Current financial liabilities	17	192,062	155,132
Current tax liabilities	18	16,830	11,201
Other current liabilities	19	51,047	52,296
TOTAL CURRENT LIABILITIES		**417,521**	**402,940**
TOTAL LIABILITIES		**810,946**	**818,618**
TOTAL EQUITY AND LIABILITIES		**1,857,247**	**1,848,027**

* Pursuant to Consob resolution no. 15519 of 27 July 2006, information about related party transactions is disclosed in the notes to the condensed interim consolidated financial statements and the following tables.

Income statement*

(EUR'000)	Notes	1st Half 2014	1st Half 2013
REVENUE	21	**472,834**	**472,418**
Change in inventories		(16,732)	(1,477)
Increase for internal work		3,279	3,019
Other operating revenue	22	4,744	3,111
TOTAL OPERATING REVENUE		**464,125**	**477,071**
Raw materials costs	23	(191,476)	(215,523)
Personnel costs	24	(75,699)	(78,412)
Other operating costs	25	(118,571)	(121,129)
TOTAL OPERATING COSTS		**(385,746)**	**(415,064)**
EBITDA		**78,379**	**62,007**
Amortisation and depreciation	26	(40,047)	(43,669)
Provisions	26	(279)	(104)
Impairment losses	26	(459)	(501)
Total amortisation, depreciation, impairment losses and provisions		(40,785)	(44,274)
EBIT		**37,594**	**17,733**
Share of net profits of equity-accounted investees	5-27	1,137	438
Financial income	27	3,556	11,269
Financial expense	27	(11,612)	(9,906)
Foreign exchange rate gains (losses)	27	737	(4,199)
Net financial expense		(7,319)	(2,836)
NET FINANCIAL EXPENSE AND SHARE OF NET PROFITS OF EQUITY-ACCOUNTED		**(6,182)**	**(2,398)**
PROFIT BEFORE TAXES		**31,412**	**15,335**
Income taxes	28	(7,590)	(4,228)
PROFIT FROM CONTINUING OPERATIONS		**23,822**	**11,107**
PROFIT FOR THE PERIOD		**23,822**	**11,107**
Attributable to:			
Non-controlling interests		3,296	3,703
Owners of the parent		**20,526**	**7,404**

(EUR)			
Basic earnings per share	29	**0.129**	**0.047**
Diluted earnings per share	29	**0.129**	**0.047**

* Pursuant to Consob resolution no. 15519 of 27 July 2006, information about related party transactions is disclosed in the notes to the condensed interim consolidated financial statements and the following tables.

Statement of comprehensive income

(EUR'000)	Notes	1st Half 2014	1st Half 2013
PROFIT FOR THE PERIOD		**23,822**	**11,107**
Other comprehensive income (expense)			
Items that will never be reclassified to profit (loss)		**-**	**-**
Items that may be reclassified to profit (loss):			
Foreign currency translation differences - foreign operations		7,123	(42,702)
Financial instruments		-	1,299
Taxes related to equity		-	(36)
Total items that may be reclassified to profit (loss)		**7,123**	**(41,439)**
Total other comprehensive income (expense)		**7,123**	**(41,439)**
TOTAL COMPREHENSIVE INCOME (EXPENSE)		**30,945**	**(30,332)**
Attributable to:			
Non-controlling interests		3,073	(1,334)
Owners of the parent		**27,872**	**(28,998)**

Statement of changes in equity

(EUR'000)	Share capital	Share premium reserve	Other reserves: Legal reserve	Other reserves: Translation reserve	Other reserves: Other reserves	Profit attributable to the owners of the parent	**Equity attributable to the owners of the parent**	Profit attributable to non-controlling interests	Reserves attributable to non-controlling interests	**Equity attributable to non-controlling interests**	**Total Equity**
Equity at 1 January 2013	**159,120**	**35,710**	**31,825**	**(161,886)**	**953,689**	**16,462**	**1,034,920**	**7,582**	**71,621**	**79,203**	**1,114,123**
Allocation of 2012 profit					16,462	(16,462)	-	(7,582)	7,582	-	-
Distribution of 2012 dividends					(6,365)		(6,365)		(1,795)	(1,795)	(8,160)
Other changes							-			-	-
Total owner transactions	**-**	**-**	**-**	**-**	**10,097**	**(16,462)**	**(6,365)**	**(7,582)**	**5,787**	**(1,795)**	**(8,160)**
Change in translation reserve				(118,176)			(118,176)		(10,408)	(10,408)	(128,584)
Net actuarial losses					(1,260)		(1,260)		(56)	(56)	(1,316)
Fair value on financial instruments					3,489		3,489			-	3,489
Fair value gains on investment property										-	-
Total other comprehensive income (expense)	**-**	**-**	**-**	**(118,176)**	**2,229**	**-**	**(115,947)**	**-**	**(10,464)**	**(10,464)**	**(126,411)**
Change in other reserves					1,693		1,693		2	2	1,695
Total other transactions	**-**	**-**	**-**	**-**	**1,693**	**-**	**1,693**	**-**	**2**	**2**	**1,695**
Profit for the period						40,124	40,124	8,038		8,038	48,162
Equity at 31 December 2013	**159,120**	**35,710**	**31,825**	**(280,062)**	**967,708**	**40,124**	**954,425**	**8,038**	**66,946**	**74,984**	**1,029,409**

(EUR'000)	Share capital	Share premium reserve	Other reserves: Legal reserve	Other reserves: Translation reserve	Other reserves: Other reserves	Profit attributable to the owners of the parent	**Equity attributable to the owners of the parent**	Profit attributable to non-controlling interests	Reserves attributable to non-controlling interests	**Equity attributable to non-controlling interests**	**Total equity**
Equity at 1 January 2014	**159,120**	**35,710**	**31,825**	**(280,062)**	**967,708**	**40,124**	**954,425**	**8,038**	**66,946**	**74,984**	**1,029,409**
Allocation of 2013 profit					40,124	(40,124)	-	(8,038)	8,038	-	-
Distribution of 2013 dividends					(12,730)		(12,730)		(1,089)	(1,089)	(13,819)
Other changes							-			-	-
Total owner transactions	**-**	**-**	**-**	**-**	**27,394**	**(40,124)**	**(12,730)**	**(8,038)**	**6,949**	**(1,089)**	**(13,819)**
Change in translation reserve				7,346			7,346		(223)	(223)	7,123
Net actuarial losses							-			-	-
Fair value on financial instruments							-			-	-
Fair value gains on investment property							-			-	-
Total other comprehensive income (expense)	**-**	**-**	**-**	**7,346**	**-**	**-**	**7,346**	**-**	**(223)**	**(223)**	**7,123**
Change in other reserves					474		474		(708)	(708)	(234)
Total other transactions	**-**	**-**	**-**	**-**	**474**	**-**	**474**	**-**	**(708)**	**(708)**	**(234)**
Profit for the period						20,526	20,526	3,296		3,296	23,822
Equity at 30 June 2014	**159,120**	**35,710**	**31,825**	**(272,716)**	**995,576**	**20,526**	**970,041**	**3,296**	**72,964**	**76,260**	**1,046,301**

Statement of cash flows

(EUR'000)	Notes	30 June 2014	30 June 2013
Profit for the period		**23,822**	**11,107**
Amortisation and depreciation		40,047	43,669
(Reversals of impairment losses) Impairment losses		459	501
Share of net profits of equity-accounted investees		(1,137)	(438)
Net financial expense		7,319	2,831
(Profits) Losses on disposals		(175)	(157)
Income taxes		7,590	4,228
Change in employee benefits		331	(631)
Change in provisions (current and non-current)		(1,476)	(901)
Operating cash flows before changes in working capital		**76,780**	**60,209**
(Increase) Decrease in inventories		9,057	1,642
(Increase) Decrease in trade receivables		(25,260)	(23,930)
Increase (Decrease) in trade payables		(26,051)	(20,624)
Change in other non-current and current assets and liabilities		(8,481)	3,852
Change in current and deferred taxes		1,193	(3,953)
Operating cash flows		**27,238**	**17,196**
Dividends collected		1,021	114
Interest collected		1,863	1,707
Interest paid		(5,788)	(6,601)
Other net expense paid		(11)	(1,065)
Income taxes paid		(8,977)	(6,189)
CASH FLOWS FROM OPERATING ACTIVITIES (A)		**15,346**	**5,162**
Investments in intangible assets		(1,429)	(609)
Investments in property, plant and equipment		(27,783)	(28,247)
Investments in equity investments and non-current securities		-	-
Proceeds from the sale of intangible assets		-	-
Proceeds from the sale of property, plant and equipment		726	1,032
Proceeds from the sale of equity investments and non-current securities		-	136
Change in non-current financial assets		30	12
Change in current financial assets		(324)	901
Other changes in investing activities		-	-
CASH FLOWS USED IN INVESTING ACTIVITIES (B)		**(28,780)**	**(26,775)**
Change in non-current financial liabilities		(18,813)	(13,415)
Change in current financial liabilities		33,734	40,228
Dividends distributed		(13,819)	(6,365)
Other changes in equity		333	2,989
CASH FLOWS FROM FINANCING ACTIVITIES (C)		**1,435**	**23,437**
NET EXCHANGE RATE LOSSES ON CASH AND CASH EQUIVALENTS (D)		**(398)**	**(2,856)**
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**(12,397)**	**(1,032)**
Opening cash and cash equivalents	12	**110,726**	**84,251**
Closing cash and cash equivalents	12	**98,329**	**83,219**

Statement of financial position

pursuant to Consob resolution no. 15519 of 27 July 2006

(EUR'000)	Notes	30 June 2014 Total	30 June 2014 of which with related parties	31 December 2013 Total	31 December 2013 of which with related parties
ASSETS					
Intangible assets with a finite useful life	1	39,892	-	40,094	-
Intangible assets with an indefinite useful life	2	404,593	-	403,159	-
Property, plant and equipment	3	753,553	-	762,098	-
Investment property	4	100,486	-	98,952	-
Equity-accounted investments	5	18,445	-	17,240	-
Available-for-sale equity investments	6	211	-	210	-
Non-current financial assets		810	-	840	-
Deferred tax assets	20	62,588	-	60,339	-
Other non-current assets	11	9,457	-	8,541	-
TOTAL NON-CURRENT ASSETS		**1,390,035**	**-**	**1,391,473**	**-**
Inventories	7	130,485	-	139,602	-
Trade receivables	8	208,893	4,915	184,204	5,961
Current financial assets	9	4,196	3,254	3,659	2,750
Current tax assets	10	7,565	-	5,972	-
Other current assets	11	17,744	-	12,391	-
Cash and cash equivalents	12	98,329	2,411	110,726	2,298
TOTAL CURRENT ASSETS		**467,212**	**-**	**456,554**	**-**
TOTAL ASSETS		**1,857,247**	**-**	**1,848,027**	**-**
EQUITY AND LIABILITIES					
Share capital		159,120	-	159,120	-
Share premium reserve		35,710	-	35,710	-
Other reserves		754,685	-	719,471	-
Profit attributable to the owners of the parent		20,526	-	40,124	-
Equity attributable to the owners of the parent	13	**970,041**	**-**	**954,425**	**-**
Profit attributable to non-controlling interests		3,296	-	8,038	-
Reserves attributable to non-controlling interests		72,964	-	66,946	-
Equity attributable to non-controlling interests	13	**76,260**	**-**	**74,984**	**-**
TOTAL EQUITY		**1,046,301**	**-**	**1,029,409**	**-**
Employee benefits	14	16,747	-	16,260	-
Non-current provisions	15	20,668	-	21,965	-
Non-current financial liabilities	17	265,361	-	284,135	-
Deferred tax liabilities	20	80,495	-	82,974	-
Other non-current liabilities	19	10,154	1,360	10,344	1,167
TOTAL NON-CURRENT LIABILITIES		**393,425**	**-**	**415,678**	**-**
Current provisions	15	1,147	-	1,119	-
Trade payables	16	156,435	151	183,192	152
Current financial liabilities	17	192,062	21,236	155,132	9,390
Current tax liabilities	18	16,830	-	11,201	-
Other current liabilities	19	51,047	-	52,296	-
TOTAL CURRENT LIABILITIES		**417,521**	**-**	**402,940**	**-**
TOTAL LIABILITIES		**810,946**	**-**	**818,618**	**-**
TOTAL EQUITY AND LIABILITIES		**1,857,247**	**-**	**1,848,027**	**-**

Income statement

pursuant to Consob resolution no. 15519 of 27 July 2006

(EUR'000)	Notes	1st Half 2014 Total	1st Half 2014 of which with related parties	1st Half 2013 Total	1st Half 2013 of which with related parties
REVENUE	21	**472,834**	**5,880**	**472,418**	**2,756**
Change in inventories		(16,732)	-	(1,477)	-
Increase for internal work		3,279	-	3,019	-
Other operating revenue	22	4,744	220	3,111	219
TOTAL OPERATING REVENUE		**464,125**	**-**	**477,071**	**-**
Raw materials costs	23	(191,476)	-	(215,523)	-
Personnel costs	24	(75,699)	-	(78,412)	-
Other operating costs	25	(118,571)	(1,027)	(121,129)	(1,004)
TOTAL OPERATING COSTS		**(385,746)**	**-**	**(415,064)**	**-**
EBITDA		**78,379**	**-**	**62,007**	**-**
Amortisation and depreciation	26	(40,047)	-	(43,669)	-
Provisions	26	(279)	-	(104)	-
Impairment losses	26	(459)	-	(501)	-
Total amortisation, depreciation, impairment losses and provisions		(40,785)	-	(44,274)	-
EBIT		**37,594**	**-**	**17,733**	**-**
Share of net profits of equity-accounted investees	5-27	1,137	-	438	-
Financial income	27	3,556	96	11,269	269
Financial expense	27	(11,612)	(221)	(9,906)	(1,162)
Foreign exchange rate gains (losses)	27	737	-	(4,199)	-
Net financial expense		(7,319)	-	(2,836)	-
NET FINANCIAL EXPENSE AND SHARE OF NET PROFITS OF EQUITY-ACCOUNTED INVESTEES		**(6,182)**	**-**	**(2,398)**	**-**
PROFIT BEFORE TAXES		**31,412**	**-**	**15,335**	**-**
Income taxes	28	(7,590)	-	(4,228)	-
PROFIT FROM CONTINUING OPERATIONS		**23,822**	**-**	**11,107**	**-**
PROFIT FOR THE PERIOD		**23,822**	**-**	**11,107**	**-**
Attributable to:					
Non-controlling interests		3,296	-	3,703	-
Owners of the parent		**20,526**	**-**	**7,404**	**-**

(EUR)	Notes	1st Half 2014	1st Half 2013
Basic earnings per share	29	**0.129**	**0.047**
Diluted earnings per share	29	**0.129**	**0.047**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

General information

Cementir Holding SpA (the “parent”), a company limited by shares with its registered office in Corso di Francia 200, Rome, Italy, and its subsidiaries make up the Cementir Holding Group (the “Group”), mainly active in the cement and ready-mixed concrete sector in Italy and abroad.

Based on the shareholder register at 30 June 2014, the communications received pursuant to article 120 of Legislative decree no. 58 of 24 February 1998 and other available information, the shareholders with an investment of more than 2% in the company’s share capital are the following:

1) Francesco Gaetano Caltagirone - 104,921,927 shares (65.939%), of which:
   - held directly - 1,327,560 shares (0.834%)
   - held indirectly via the following companies:
     - Calt 2004 Srl - 47,860,813 shares (30.078%)
     - Lav 2004 Srl - 40,543,880 shares (25.480%)
     - Gamma Srl - 5,575,220 shares (3.504%)
     - Pantheon 2000 SpA - 4,466,928 shares (2.807%)
     - Vianini Industria SpA - 2,614,300 shares (1.643%)
     - Caltagirone SpA - 2,533,226 shares (1.592%)
2) Francesco Caltagirone - 7,735,299 shares (4.861%), of which:
   - held directly - 3,520,299 shares (2.212%)
   - held indirectly through Chupas 2007 Srl - 4,180,000 shares (2.627%)
   - held indirectly through former spouse not legally separated - 35,000 shares (0.021%)

The parent’s Board of Directors approved the interim financial report at 30 June 2014 on 29 July 2014 and authorised its publication.

Cementir Holding SpA is included in the consolidated financial statements of the Caltagirone Group. At the date of preparation of these condensed interim consolidated financial statements, the ultimate parent is FGC SpA due to the shares held via its subsidiaries.

The condensed interim consolidated financial statements at 30 June 2014 include the condensed interim financial statements of the parent and its subsidiaries. The financial statements of the individual companies prepared by their directors were used for the consolidation. No changes in the consolidation scope took place during the period, except for that reported later in these notes.

Statement of compliance with the IFRS

The condensed interim consolidated financial statements at 30 June 2014, drawn up on a going concern basis for the parent and the subsidiaries, have been prepared pursuant to article 154-ter.3 of Legislative decree no. 58/1998, and subsequent amendments and integrations, articles 2 and 3 of Legislative decree no. 38/2005, the International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), endorsed by the European Commission and enacted at the reporting date, as well as the previous International Accounting Standards (IAS). For simplicity purposes, all these standards and interpretations are referred to herein as the "IFRS".

Specifically, these condensed interim consolidated financial statements prepared pursuant to IAS 34 do not include all the disclosures required for annual financial statements and should be read in conjunction with the consolidated financial statements at 31 December 2013 filed at the registered office of Cementir Holding SpA in Corso di Francia 200, Rome and available on the internet site www.cementirholding.it.

The format of the financial statements complies with that used at 31 December 2013 and the revised IAS 1.

The accounting policies are unchanged with respect to those utilised to prepare the Group's annual consolidated financial statements at 31 December 2013, except for the new standards applicable from 1 January 2014, which have not had a significant effect on this interim financial report. In this regard, with the introduction of such new standards, AGAB Syd Aktiebolag is measured using the equity method as of 1 January 2014.

Given the immateriality of the accounting effects of such change, the Group did not restate the corresponding figures.

Basis of presentation

The condensed interim consolidated financial statements at 30 June 2014 are presented in Euros, the parent's functional currency. All amounts are expressed in thousands of Euros, unless indicated otherwise.

The condensed interim consolidated financial statements consist of a statement of financial position, an income statement, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and these notes.

The Group has opted to present these statements as follows:

- the statement of financial position presents current and non-current assets and liabilities separately;
- the income statement classifies costs by nature;
- the statement of comprehensive income presents the effect of gains and losses recognised directly in equity, starting from the profit for the period;
- the statement of changes in equity is presented using the changes in equity method;
- the statement of cash flows is presented using the indirect method.

The IFRS have been applied consistently with the guidance provided in the Framework for the preparation and presentation of financial statements. The Group was not required to make any departures as per IAS 1, paragraph 19.

Consob resolution no. 15519 of 27 July 2006 requires that sub captions be added in the financial statements, in addition to those specifically requested by IAS 1 and the other standards when they involve significant amounts so as to show transactions with related parties separately or, in the case of the income statement, profits and losses on non-recurring or unusual transactions.

Assets and liabilities are presented separately and are not netted.

Standards and amendments to standards adopted by the Group

a) Starting from 1 January 2014, the Group has adopted the following new standards:

- Amendments to IAS 32 - Financial instruments - Presentation - Offsetting financial assets and financial liabilities: the standard clarifies that assets and liabilities already recognised can only be offset when an entity has a legally enforceable right that is not contingent on a future event and is enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all other counterparties;
- IFRS 10 - Consolidated financial statements: the scope of IFRS 10 is to provide a single consolidation model that identifies control as the basis for consolidation for all types of entities. Specifically, the standard provides that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Therefore, an investor controls an investee if and only if the investor has all of the following:

  (i) power over the investee,

  (ii) exposure, or rights, to variable returns from its involvement with the investee,

  (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

  To sum up, IFRS 10 clarifies the concept of control and its application in circumstances of de facto control, potential voting rights and complex investment entities.
- IFRS 11 - Joint arrangements: this standard classifies joint arrangements into two types:

  (i) joint operations, whereby the parties have rights to the assets and obligations for the liabilities relating to the arrangement,

  (ii) joint ventures, whereby the parties have rights to the net assets of the arrangement, for example, legal entities.

  IFRS 11 requires a joint operator to recognise the revenue, expenses, assets and liabilities deriving from the arrangement (proportionate consolidation). In the case of joint ventures, on the other hand, the standard eliminates the option previously provided by IAS 31 to proportionately consolidate the arrangements. Therefore, they shall be recognised in the consolidated financial statements using the equity method in accordance with the provisions of IAS 28;

- IFRS 12 - Disclosures of interests in other entities: under this standard, an entity shall provide in its financial statements a list of information on interests held in other entities, including associates, joint arrangements, special purpose entities and other unconsolidated structured entities;
- Revised IAS 27 - Separate financial statements: with the approval of IFRS 10, the application of IAS 27 was revised and limited to separate financial statements only;
- Revised IAS 28 - Investments in associates and joint ventures: together with the approval of the new standards IFRS 10, IFRS 11, IFRS 12 and IAS 27, IAS 28 was revised in order to implement the amendments introduced by such standards;
- Amendments to IAS 36 - Recoverable amount disclosures for non-financial assets: such amendments relate to disclosure to be provided in the notes to the financial statements exclusively with reference to impaired non-financial assets (or where such impairment loss was eliminated), should the related recoverable amount be calculated at fair value less costs of disposal;
- Amendment to IAS 39 - Novation of derivatives and continuation of hedge accounting: the amendments to this standard add an exception to previous provisions related to the discontinuance of hedge accounting, in situations where a hedging derivative is novated by an original counterparty to a central counterparty, as a consequence of laws or regulations or the introduction of laws or regulations, so that hedge accounting can continue, despite the novation.

b) Standards and interpretations of standards applicable for the years after 2014 and not adopted early by the Group:

- On 20 May 2013, IASB issued IFRIC 21 – Levies, an interpretation of IAS 37 – Provisions, contingent liabilities and contingent assets. IFRIC 21 clarifies when an entity shall recognise a liability for the payment of levies imposed by governments, except for those already within the scope of other standards (e.g. IAS 12 – Income taxes). IAS 37 sets out the criteria for recognising liabilities, one of which is the existence of a present obligation resulting from past events (the obligating event). IFRIC 21 clarifies that the obligating event, which gives rise to the liability for the payment of the levy, is described in the relevant legislation. Entities apply this interpretation for annual periods beginning on or after 17 June 2014; early application is permitted.

The Group has not opted to adopt early endorsed standards, interpretations and amendments, whose mandatory application is after the reporting date.

It is assessing the possible effects of application of the new standards and amendments to existing standards listed below. Based on its preliminary assessment, the Group does not expect that they will have a significant effect on the consolidated financial statements.

c) Standards and interpretations to be applied shortly:

At the date of approval of these condensed interim consolidated financial statements, the IASB has issued certain standards, interpretations and amendments that the European Commission has yet to endorse, certain of which are still at the discussion stage. They include:

- On 21 November 2013, IASB issued the document Defined Benefit Plans: Employee Contributions (Amendments to IAS 19 Employee Benefits). The amendments made to IAS 19 allow (but do not require) the recognition of contributions from employees or third parties, that are independent of the number of years of service, as a reduction in the current service cost in the period in which the related service is rendered;

- On 12 December 2013, IASB issued the document Annual Improvements to IFRSs - 2010–2012 Cycle, amending the following standards:
  - IFRS 2, modifying the definition of vesting conditions;
  - IFRS 3, clarifying that contingent consideration classified as assets or liabilities shall be measured at fair value at each reporting date;
  - IFRS 8, mainly requiring disclosure on criteria and measurement items considered in calculating the combination of reportable segments' assets;
  - the Basis for Conclusions of IFRS 13, confirming the possibility to recognise short-term receivables and payables with no stated interest rate at invoice amounts if the effect deriving from not discounting them is not material;
  - IAS 16 and IAS 38, clarify the method for calculating the gross carrying amount of assets in the event of revaluation resulting from the application of the revaluation method;
  - IAS 24, specifying that an entity is a related party to the reporting entity if the entity (or a member of its group) provides key management personnel services to the reporting entity (or its parent).
- At the same date, IASB issued the document Annual Improvements to IFRSs - 2011–2013 Cycle, modifying the following:
  - the Basis for Conclusions of IFRS 1, clarifying the definition of ruling IFRS for first-time adopters;
  - IFRS 3, clarifying the exclusion from the scope of joint arrangements in the financial statements of the joint arrangement itself;
  - IFRS 13, clarifying that the scope of the exception set out in IFRS 13.48 includes all contracts accounted for within the scope of IAS 39, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32;
  - IAS 40, clarifying the interrelationship of IFRS 3 and IAS 40.

As ruled by IASB, the provisions of the above documents are applicable for years beginning on or after 1 July 2014. However, as they have not yet been endorsed by the European Commission, the application of the provisions may be deferred to a subsequent date.

- On 12 November 2009, IASB published IFRS 9 – Financial instruments; it was reissued in October 2010 and amended in November 2013. The standard introduces new criteria for classification, recognition and measurement of financial assets and liabilities and hedge accounting, replacing IAS 39 - Financial Instruments: Recognition and Measurement on these matters. With the November 2013 amendment, in addition to other modifications, IASB eliminated the mandatory date of application of the standard, previously 1 January 2015. Such date will be reintroduced with the publication of a complete standard, upon completion of the project on IFRS 9.

- On 30 January 2014, IASB published IFRS 14 – Regulatory Deferral Accounts. This standard permits first-time adopters who operate in regulated markets to continue to account, with some limited changes, for ‘regulatory deferral account balances’ in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements. Regulatory deferral account balances, and movements in them, are presented separately in the statement of financial position, income statement and statement of other comprehensive income, and specific disclosures are required. This standard applies to financial statements for periods beginning on or after 1 January 2016.
- On 6 May 2014, IASB issued the document Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11 Joint Arrangements). The amendments to IFRS 11, applicable to periods beginning on or after 1 January 2016, clarify the recognition methods for the acquisitions of interests in joint operations that are businesses.
- On 12 May 2014, IASB published the document Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38), in order to clarify that a revenue-based method is not considered to be appropriate as it represents the generation of expected economic benefits rather than the consumption of economic benefits. The amendments are applicable to periods beginning on or after 1 January 2016.
- On 28 May 2014, IASB published IFRS 15 — Revenue from Contracts with Customers. This standard defines the criteria for recognising revenue from sales or services through the introduction of the five-step model framework. Furthermore, it requires entities to provide specific disclosure on the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers. The standard applies to periods beginning on or after 1 January 2017.

The Group is assessing the possible effects of application of the new standards, amendments to existing standards and interpretations.

Basis of consolidation

Consolidation scope

The consolidation scope includes the parent, Cementir Holding SpA, and the companies over which it has direct or indirect control.

Subsidiaries are all those companies over which the Group is exposed to variable returns or has rights to variable returns from its involvement with the subsidiaries and has the ability to affect those returns through its power over the subsidiaries. The existence of potentially exercisable voting rights at the reporting date is considered when determining whether control exists.

Annex 1 sets out the list of companies included in the consolidation scope at the reporting date.

Use of estimates

Preparation of condensed interim consolidated financial statements requires management to use accounting policies and methods that are sometimes based on difficult and subjective judgments, estimates based on past experience and assumptions that are considered reasonable and realistic in the circumstances. The application of these estimates and assumptions affects the amounts presented in the financial statements and the disclosures. The actual results for which these estimates and assumptions were used may differ due to the uncertainties that characterise the assumptions and the conditions on which the estimates were based.

Management regularly reviews the estimates and assumptions and the effects of each change are recognised in profit or loss if the change only affects that period. When the review affects the current and future periods (e.g., review of the useful life of non-current assets), the change is recognised in the period in which it is made and the related future periods.

Certain measurement processes, especially the determination of any impairment of non-current assets, are usually only carried out in full during preparation of annual financial statements, when all the necessary information is available, except when there is an indication of impairment that requires immediate testing.

Similarly, the actuarial assumptions used to determine the employee benefit plans pursuant to IAS 19 are prepared during preparation of the annual financial statements.

Income taxes are calculated using the best estimate of the expected average rate at consolidated level for the entire year.

Financial risk management

The Group is exposed to financial risks related to its operations, namely:

Credit risk

The Group is not particularly exposed to credit risk, although it operates in different geographical markets, as it is not overly exposed to just a few positions. Moreover, its operating procedures provide for checks of credit risk, limiting the sale of products and/or services to customers without suitable credit ratings and guarantees.

Receivables are recognised net of the allowance for impairment, calculated considering the risk of the counterparty's default, based on all available information about the customer's solvency. Therefore, the maximum exposure to credit risk is the equivalent of the carrying amount.

With respect to bank deposits and derivatives, the Group has always worked with leading counterparties, thus limiting its credit risk in this sense.

Liquidity risk

Liquidity risk is the risk that the Group does not have financial resources available or access to the credit market and financial instruments.

Specifically, the Group monitors and manages its cash flows, financing requirements and liquidity levels in order to ensure the effective and efficient use of its financial resources.

It meets its liquidity requirements for investing activities, working capital and repayment of its payables using the cash flows generated constantly by its operating activities and credit facilities.

The Group aims to maintain its ability to generate cash flows through operating activities, given the current market conditions. In fact, thanks to its strong financial position, any unplanned financial requirements can be funded through resort to credit.

Market risk

Market risk mainly relates to currency, interest rate and commodity price risk as the Group operates internationally in areas with different currencies. It uses financial instruments to hedge these risks.

The Group monitors the financial risks to which it is exposed regularly so as to assess in advance the potential impact and take the most suitable actions to mitigate them. It uses derivatives to do so.

Currency risk

As the group companies operate internationally, they are structurally exposed to currency risk for cash flows from operating activities and financing operations in currencies other than the functional currency. The Group's operating activities are exposed differently to changes in exchange rates. Specifically, the cement sector is exposed to currency risk for its revenue on exports and costs for the purchase of solid fuel in US dollars. The concrete sector is less exposed as both its revenue and costs are in local currency. The Group assesses the natural hedging of cash flows and financing for these risks and agrees currency forwards and currency put and call options for hedging purposes. Transactions involving derivatives are agreed for hedging purposes.

The Group's presentation currency is the Euro. This implies it is open to currency risk for the translation of the financial statements of the consolidated companies based in non-Euro zone countries (except for Denmark whose currency is historically tied to the Euro). The income statements of these companies are translated into Euros using the average period rate and changes in exchange rates may affect the Euro balances, even when the revenue and profits in local currency remain unchanged. Pursuant to the IFRS, translation differences on assets and liabilities are recognised directly in equity in the translation reserve (note 13).

Interest rate risk

As the Group has net financial debt, it is exposed to the risk of fluctuations in interest rates. It carefully assesses expected interest rates and the period in which it will reduce its debt by using estimated cash inflows and agrees interest rates swaps to partly cover the risk.

The Group's operating and financial policies aim to minimise the impact of these risks on its performance.

Commodity price risk

The Group is exposed to the risk of fluctuations in raw materials prices. It manages this risk through supply agreements with Italian and foreign suppliers which set the prices and quantities for roughly 12 months. It also uses suppliers in different geographical areas to avoid the risk of concentration of offer and to obtain the most competitive prices.

Translation of financial statements of foreign operations

The main exchange rates used in translating the financial statements of companies with functional currencies other than the Euro are as follows:

	1st Half 2014		31 December 2013	1st Half 2013
	Final	**Average**	**Final**	**Average**
Turkish lira – TRY	2.90	2.97	2.96	2.38
US dollar – USD	1.37	1.37	1.38	1.31
Egyptian pound – EGP	9.77	9.61	9.58	8.95
Danish krone – DKK	7.46	7.46	7.46	7.46
Icelandic krona – ISK	154.05	155.70	158.52	161.10
Norwegian krone – NOK	8.40	8.28	8.42	7.52
Swedish krona – SEK	9.18	8.95	8.93	8.53
Malaysian ringgit - MYR	4.39	4.48	4.54	4.04
Chinese CNY	8.47	8.45	8.36	8.13

Segment reporting

Pursuant to IFRS 8, the Group has identified its operating segments considering the parent's internal reporting system for management purposes.

Its operating activities organised and managed by geographical segment are: Italy, Denmark, other Scandinavian countries (Norway, Sweden and Iceland), Turkey, Egypt, the Far East (Malaysia and China) and the rest of the world (Spain, Portugal, Poland, Russia and the US).

The Group's geographical segments comprise the non-current assets of each company based and operational in the above areas. Transfer prices applied to transactions between segments for the exchange of goods and services comply with normal market conditions.

The following table shows the operating segments' performance in the first half of 2014:

(EUR'000)	**Denmark**	**Turkey**	**Italy**	**Other Scandinavian countries**	**Egypt**	**Far East**	**Rest of the world**	Unallocated items and adjustments	**CEMENTIR HOLDING GROUP**
Operating revenue	147,604	129,377	42,652	94,049	23,339	31,784	22,462	(27,142)	464,125
Intra-segment operating revenue	(18,859)	(91)	(6,031)	(1,578)	(351)	-	(232)	27,142	-
Contributed operating revenue	**128,745**	**129,286**	**36,621**	**92,471**	**22,988**	**31,784**	**22,230**	-	**464,125**
Segment result (EBITDA)	**33,736**	**29,035**	**(7,709)**	**9,055**	**6,166**	**7,105**	**991**	**-**	**78,379**
Amortisation and depreciation, impairment losses and provisions	(10,867)	(10,295)	(10,531)	(3,145)	(1,866)	(2,277)	(1,804)	-	(40,785)
EBIT	**22,869**	**18,740**	**(18,240)**	**5,910**	**4,300**	**4,828**	**(813)**	-	**37,594**
Net profit of equity-accounted investees	-	-	-	156	-	-	981	-	**1,137**
Net financial expense	-	-	-	-	-	-	-	(7,319)	**(7,319)**
Profit before taxes	-	-	-	-	-	-	-	-	**31,412**
Income taxes	-	-	-	-	-	-	-	-	(7,590)
Profit for the period	-	-	-	-	-	-	-	-	**23,822**

The following table shows the operating segments' performance in the first half of 2013:

(EUR'000)	Denmark	Turkey	Italy	Other Scandinavian countries	Egypt	Far East	Rest of the world	Unallocated items and adjustments	CEMENTIR HOLDING GROUP
Operating revenue	134,136	128,127	60,506	98,203	29,428	31,576	19,555	(24,460)	**477,071**
Intra-segment operating revenue	(16,565)	-	(5,933)	(1,412)	(313)	-	(237)	24,460	**-**
Contributed operating revenue	117,571	128,127	54,573	96,791	29,115	31,576	19,318	-	477,071
Segment result (EBITDA)	**26,174**	**13,125**	**(4,552)**	**9,351**	**8,604**	**7,662**	**1,643**	**-**	**62,007**
Amortisation and depreciation, impairment losses	(12,373)	(11,851)	(10,983)	(3,538)	(2,009)	(2,333)	(1,187)	-	(44,274)
EBIT	**13,801**	**1,274**	**(15,535)**	**5,813**	**6,595**	**5,329**	**456**	**-**	**17,733**
Net profit of equity-accounted investees	-	-	-	227	-	-	211	-	**438**
Net financial expense	-	-	-	-	-	-	-	(2,836)	**(2,836)**
Profit before taxes	-	-	-	-	-	-	-	-	**15,335**
Income taxes	-	-	-	-	-	-	-	-	**(4,228)**
Profit for the period	-	-	-	-	-	-	-	-	**11,107**

The next table shows the other geographical segment data at 30 June 2014:

(EUR'000)	**Segment assets**	**Segment liabilities**	**Equity-accounted investments**	**[1]Investments in property, plant and equipment and intangible assets**
Denmark	488,931	272,657	-	8,459
Turkey	547,002	111,049	-	10,665
Italy	395,613	289,793	-	2,281
Other Scandinavian countries	116,771	54,954	2,433	2,114
Egypt	114,850	25,257	-	110
Far East	129,936	39,555	-	2,921
Rest of the world	64,144	17,681	16,012	2,148
Total	**1,857,247**	**810,946**	**18,445**	**28,698**

The next table shows the other geographical segment data at 31 December 2013 and 30 June 2013:

(EUR'000)	**31.12.2013**			**30.06.2013**
	Segment assets	**Segment liabilities**	**Equity-accounted investments**	**[2]Investments in property, plant and equipment and intangible assets**
Denmark	481,798	284,501	-	8,741
Turkey	531,073	119,548	-	9,332
Italy	415,588	277,178	-	5,090
Other Scandinavian countries	121,360	55,725	1,440	2,255
Egypt	114,793	27,051	-	-
Far East	127,252	41,013	-	2,858
Rest of the world	56,163	13,602	15,800	603
Total	**1,848,027**	**818,618**	**17,240**	**28,879**

[1] Investments made in the first half of 2014.
[2] Investments made in the first half of 2013.

Notes to the condensed interim consolidated financial statements

1) Intangible assets with a finite useful life

At 30 June 2014, intangible assets with a finite useful life amount to EUR 39,892 thousand (31 December 2013: EUR 40,094 thousand). Concession rights and licences mainly consist of concessions to use quarries and software licences for the IT system (SAP R/3). Amortisation is applied over the assets' estimated useful lives.

(EUR'000)	Development expenditure	Concessions, licences and trademarks	Other intangible assets	Assets under development and payments on account	Total
Gross amount at 1 January 2014	**1,615**	**26,487**	**36,081**	**372**	**64,555**
Increase	99	18	281	298	696
Decrease	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-
Translation differences	1	(106)	344	1	240
Reclassifications	-	84	1,033	(57)	1,060
Gross amount at 30 June 2014	**1,715**	**26,483**	**37,739**	**614**	**66,551**
Amortisation at 1 January 2014	**1,104**	**10,445**	**12,912**	**-**	**24,461**
Amortisation	97	568	1,511	-	2,176
Decrease	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-
Translation differences	-	(20)	42	-	22
Reclassifications	-	-	-	-	-
Amortisation at 30 June 2014	**1,201**	**10,993**	**14,465**	**-**	**26,659**
Carrying amount at 30 June 2014	**514**	**15,490**	**23,274**	**614**	**39,892**

(EUR'000)	Development expenditure	Concessions, licences and trademarks	Other intangible assets	Assets under development and payments on account	Total
Gross amount at 1 January 2013	**1,616**	**29,870**	**37,339**	**1,236**	**70,061**
Increase	181	1,175	473	271	2,100
Decrease	(139)	(3,946)	-	-	(4,085)
Change in consolidation scope	-	-	-	-	-
Translation differences	(43)	(923)	(3,175)	(50)	(4,191)
Reclassifications	-	311	1,444	(1,085)	670
Gross amount at 31 December 2013	**1,615**	**26,487**	**36,081**	**372**	**64,555**
Amortisation at 1 January 2013	**1,018**	**13,524**	**10,781**	**-**	**25,323**
Amortisation	239	1,015	3,052	-	4,306
Decrease	(139)	(3,945)	-	-	(4,084)
Change in consolidation scope	-	-	-	-	-
Translation differences	(14)	(149)	(869)	-	(1,032)
Reclassifications	-	-	(52)	-	(52)
Amortisation at 31 December 2013	**1,104**	**10,445**	**12,912**	**-**	**24,461**
Carrying amount at 31 December 2013	**511**	**16,042**	**23,169**	**372**	**40,094**

2) Intangible assets with an indefinite useful life

At 30 June 2014, the caption amounts to EUR 404,593 thousand (31 December 2013: EUR 403,159 thousand). The following table shows the CGUs by macro geographical segment.

	30.06.2014				31.12.2013			
(EUR'000)	Turkey	Denmark	Italy	Total	Turkey	Denmark	Italy	Total
Opening balance	**129,906**	**268,075**	**5,178**	**403,159**	**162,920**	**273,516**	**5,178**	**441,614**
Increase	-	-	-	**-**	-	-	-	**-**
Decrease	-	-	-	**-**	-	-	-	**-**
Change in consolidation scope	-	-	-	**-**	-	-	-	**-**
Translation differences	1,332	102	-	**1,434**	(32,546)	(5,441)	-	**(37,987)**
Reclassifications	-	-	-	**-**	(468)	-	-	**(468)**
Closing balance	**131,238**	**268,177**	**5,178**	**404,593**	**129,906**	**268,075**	**5,178**	**403,159**

The Group regularly tests intangible assets with an indefinite useful life for impairment.

For the purposes of these condensed interim consolidated financial statements, the Group checked whether there were indications of impairment losses. Based on the available information and considering the estimated future results and the absence of trigger events, the Group did not deem it necessary to perform impairment tests, which, moreover, will be performed at year end.

3) Property, plant and equipment

At 30 June 2014, property, plant and equipment amount to EUR 753,553 thousand (31 December 2013: EUR 762,098 thousand). The additional disclosures required for each category of property, plant and equipment are set out below:

(EUR'000)	Land and buildings	Quarries	Plant and machinery	Other	Assets under construction and payments on account	Total
Gross amount at 1 January 2014	**412,114**	**44,269**	**1,244,691**	**82,923**	**55,208**	**1,839,205**
Increase	303	61	6,542	1,853	19,243	28,002
Decrease	(5)	(333)	(1,125)	(1,636)	(102)	(3,201)
Change in consolidation scope	(296)	-	(284)	-	20	(560)
Translation differences	1,738	423	5,503	457	891	9,012
Reclassifications	1,007	-	2,031	219	(4,302)	(1,045)
Gross amount at 30 June 2014	**414,861**	**44,420**	**1,257,358**	**83,816**	**70,958**	**1,871,413**
Depreciation at 1 January 2014	**207,664**	**13,566**	**798,463**	**57,414**	**-**	**1,077,107**
Depreciation	5,362	1,353	28,114	3,042	-	37,871
Decrease	(5)	(11)	(1,079)	(1,554)	-	(2,649)
Change in consolidation scope	(12)	-	(136)	-	-	(148)
Translation differences	945	172	4,190	367	-	5,674
Reclassifications	(2)	-	(26)	33	-	5
Depreciation at 30 June 2014	**213,952**	**15,080**	**829,526**	**59,302**	**-**	**1,117,860**
Carrying amount at 30 June 2014	**200,909**	**29,340**	**427,832**	**24,514**	**70,958**	**753,553**

(EUR'000)	Land and buildings	Quarries	Plant and machinery	Other	Assets under construction and payments on account	Total
Gross amount at 1 January 2013	**437,381**	**43,701**	**1,280,260**	**87,581**	**83,497**	**1,932,420**
Increase	2,836	682	21,835	1,633	52,647	79,633
Decrease	(3,826)	(471)	(20,853)	(3,396)	(386)	(28,932)
Change in consolidation scope	-	76	170	-	(243)	3
Translation differences	(32,959)	(2,221)	(94,969)	(6,956)	(7,342)	(144,447)
Reclassifications	8,682	2,502	58,248	4,061	(72,965)	528
Gross amount at 31 December 2013	**412,114**	**44,269**	**1,244,691**	**82,923**	**55,208**	**1,839,205**
Depreciation at 1 January 2013	**211,681**	**11,927**	**818,117**	**58,994**	**-**	**1,100,719**
Depreciation	12,463	2,715	60,328	6,390	-	81,896
Decrease	(3,824)	(322)	(20,062)	(3,119)	-	(27,327)
Change in consolidation scope	-	-	-	-	-	-
Translation differences	(12,656)	(754)	(59,909)	(4,902)	-	(78,221)
Reclassifications	-	-	(11)	51	-	40
Depreciation at 31 December 2013	**207,664**	**13,566**	**798,463**	**57,414**	**-**	**1,077,107**
Carrying amount at 31 December 2013	**204,450**	**30,703**	**446,228**	**25,509**	**55,208**	**762,098**

4) Investment property

Investment property of EUR 100,486 thousand (31 December 2013: EUR 98,952 thousand) is recognised at fair value, determined using appraisals prepared by independent experts on an annual basis.

(EUR'000)	30.06.2014			31.12.2013		
	Land	Buildings	Total	Land	Buildings	Total
Opening balance	**69,348**	**29,604**	**98,952**	**74,284**	**30,218**	**104,502**
Increase	-	-	**-**	-	-	**-**
Decrease	-	-	**-**	(1,480)	-	**(1,480)**
Fair value gains	-	-	**-**	12,525	382	**12,907**
Translation differences	1,446	88	**1,534**	(15,981)	(996)	**(16,977)**
Reclassifications	-	-	**-**	-	-	**-**
Closing balance	**70,794**	**29,692**	**100,486**	**69,348**	**29,604**	**98,952**

At 30 June 2014, EUR 20.8 million of investment property has been pledged to guarantee bank financing with a residual amount, gross of discounting, of roughly EUR 10 million at the reporting date.

5) Equity-accounted investments

The caption includes the Group's share of equity of the equity-accounted associates. The carrying amount of these investments and the Group's share of the associates' profit or loss are shown below:

(EUR'000)	Carrying amount		Share of profit (loss)	
	30.06.2014	31.12.2013	1st Half 2014	1st Half 2013
Lehigh White Cement Company *Joint Venture*	12,129	11,791	1,248	941
Secil Unicon SGPS Lda	-	-	-	(224)
Sola Betong AS	1,545	1,440	102	227
ECOL Unicon Spzoo	3,883	4,009	(128)	(232)
ÅGAB Syd Aktiebolag	888	-	54	-
EPI UK R&D	-	-	(139)	(274)
Equity-accounted investments	**18,445**	**17,240**	**1,137**	**438**

Starting from 1 January 2014, ÅGAB Syd Aktiebolag is consolidated using the equity method.

The following table summarises the key financial statements figures of the associates:

(EUR'000) Company	Currency	Registered office	**Assets**	**Liabilities**	**Revenue**	**Profit (loss) for the period**	Investment %
30.06.2014							
Lehigh White Cement Company *Joint Venture*	USD	Allentown (USA)	55,974	9,148	42,064	5,111	24.5%
Secil Unicon SGPS Lda	EUR	Lisbon (Portugal)	-	-	-	-	50%
Sola Betong AS	NOK	Risvika (Norway)	6,473	3,884	6,889	303	33.3%
ECOL Unicon Spzoo	PLN	Gdansk (Poland)	12,696	4,739	11,433	(261)	49%
ÅGAB Syd Aktiebolag	SEK	Malmö (Sweden)	348	171	229	132	40%
EPI UK R&D	GBP	Trowbridge (UK)	1,044	3,764	66	(278)	50%
Total			**76,535**	**21,705**	**60,680**	**5,008**	

(EUR'000) Company	Currency	Registered office	**Assets**	**Liabilities**	**Revenue**	**Profit (loss) for the year**	Investment %
31.12.2013							
Lehigh White Cement Company *Joint Venture*	USD	Allentown (USA)	52,779	11,936	76,113	8,858	24.5%
Secil Unicon SGPS Lda	EUR	Lisbon (Portugal)	11,745	15,231	1,125	(520)	50%
Sola Betong AS	NOK	Risvika (Norway)	6,603	3,487	9,004	1,477	33.3%
ECOL Unicon Spzoo	PLN	Gdansk (Poland)	11,566	3,385	24,422	418	49%
ÅGAB Syd Aktiebolag	SEK	Malmö (Sweden)	-	-	-	-	-
EPI UK R&D	GBP	Trowbridge (UK)	1,101	3,438	-	(803)	50%
Total			**83,794**	**37,477**	**110,664**	**9,430**	

No indicators of impairment were identified for these investments.

6) Available-for-sale equity investments

(EUR'000)	**30.06.2014**	**31.12.2013**
Available-for-sale equity investments *opening balance*	**210**	**8,231**
Increase	-	12
Decrease	-	(11,622)
Fair value gains (losses)	-	3,567
Change in consolidation scope	-	143
Translation differences	1	(121)
Available-for-sale equity investments *closing balance*	**211**	**210**

No indicators of impairment were identified.

7) Inventories

Inventories, whose carrying amount approximates their fair value, may be analysed as follows:

(EUR'000)	30.06.2014	31.12.2013
Raw materials, consumables and supplies	79,897	73,034
Work in progress	22,598	35,564
Finished goods	25,400	29,051
Payments on account	2,590	1,863
Inventories	**130,485**	**139,602**

8) Trade receivables

Trade receivables of EUR 208,893 thousand (31 December 2013: EUR 184,204 thousand) include:

(EUR'000)		30.06.2014	31.12.2013
Trade receivables		214,133	190,394
Allowance for impairment		(11,356)	(12,886)
Net trade receivables		**202,777**	**177,508**
Advances to suppliers		1,201	735
Trade receivables - related parties	(note 31)	4,915	5,961
Trade receivables		**208,893**	**184,204**

9) Current financial assets

(EUR'000)		30.06.2014	31.12.2013
Fair value of derivatives		98	75
Accrued income		142	668
Prepayments		20	37
Loan assets - related parties	(note 31)	3,254	2,750
Other loan assets		682	129
Current financial assets		**4,196**	**3,659**

10) Current tax assets

Current tax assets of EUR 7,565 thousand (31 December 2013: EUR 5,972 thousand) mainly refer to payments on account and IRES reimbursements requested for the non-deductibility of IRAP in previous years.

11) Other non-current and current assets

Other non-current assets of EUR 9,457 thousand (31 December 2013: EUR 8,541 thousand) mainly refer to VAT assets and deposits.

Other current assets of EUR 17,744 thousand (31 December 2013: EUR 12,391 thousand) comprise non-commercial items. They may be analysed as follows:

(EUR'000)	**30.06.2014**	**31.12.2013**
VAT assets	172	570
Personnel	234	238
Accrued income	1,332	1,743
Prepayments	8,263	2,593
Other assets	7,743	7,247
Other current assets	**17,744**	**12,391**

12) Cash and cash equivalents

This caption of EUR 98,329 thousand (31 December 2013: EUR 110,726 thousand) comprises the Group's temporary liquidity which is usually invested in short-term financial transactions. It may be analysed as follows:

(EUR'000)		**30.06.2014**	**31.12.2013**
Bank and postal deposits		95,595	108,097
Bank deposits - related parties	(note 31)	2,411	2,298
Cash-in-hand and cash equivalents		323	331
Cash and cash equivalents		**98,329**	**110,726**

13) Equity

Equity attributable to the owners of the parent

Equity attributable to the owners of the parent amounts to EUR 970,041 thousand at the reporting date (31 December 2013: EUR 954,425 thousand). The profit for the period attributable to the owners of the parent comes to EUR 20,526 thousand (EUR 7,404 thousand for the corresponding period of 2013).

Share capital

The company's share capital consists of 159,120,000 ordinary shares with a nominal amount of EUR 1 each. It is fully paid-up and has not changed with respect to 31 December 2013.

Translation reserve

At 30 June 2014, the translation reserve has a negative balance of EUR 272,716 thousand (31 December 2013: negative balance of EUR 280,062 thousand) as follows:

(EUR'000)	30.06.2014	31.12.2013	Variation
Turkey (Turkish lira – TRY)	(259,680)	(267,050)	7,370
USA (US dollar – USD)	(3,890)	(4,117)	227
Egypt (Egyptian pound – EGP)	(12,546)	(11,591)	(955)
Iceland (Icelandic krona – ISK)	(2,953)	(3,027)	74
China (Renminbi – Yuan – CNY)	4,239	4,924	(685)
Norway (Norwegian krone – NOK)	72	(516)	588
Sweden (Swedish krona – SEK)	(85)	172	(257)
Other countries	2,127	1,143	984
Total translation reserve	**(272,716)**	**(280,062)**	**7,346**

Other reserves

At 30 June 2014, other reserves amount to EUR 995,576 thousand (31 December 2013: EUR 967,708 thousand). They mostly consist of retained earnings of EUR 725,676 thousand (31 December 2013: EUR 698,581 thousand) and the fair value reserve of EUR 58,035 thousand created by the change of use of certain items of property, plant and equipment (in line with 31 December 2013).

Equity attributable to non-controlling interests

Equity attributable to non-controlling interests amounts to EUR 76,260 thousand at the reporting date (31 December 2013: EUR 74,984 thousand). The profit for the period attributable to non-controlling interests comes to EUR 3,296 thousand (EUR 3,703 thousand for the corresponding period of 2013).

14) Employee benefits

This caption has not changed significantly during the period and amounts to EUR 16,747 thousand (31 December 2013: EUR 16,260 thousand). It includes liabilities for employee benefits and post-employment benefits.

It also includes liabilities for future commitments related to the medium/long-term incentive plans to be paid to employees at the end of the set period. Under the long-term incentive plan, employees receive variable cash benefits, calculated as a percentage of their gross annual salary, if the financial objectives of the 2014-2016 Business Plan are met.

15) Provisions

The non-current and current provisions amount to EUR 20,668 thousand (31 December 2013: EUR 21,965 thousand) and EUR 1,147 thousand (31 December 2013: EUR 1,119 thousand), respectively).

(EUR'000)	Quarry restructuring provision	Legal litigation provision	Other provisions	Total provisions
Balance at 1 January 2014	**17,472**	**841**	**4,771**	**23,084**
Accruals	57	-	222	279
Utilisations	(193)	(3)	(1,584)	(1,780)
Decrease	-	(24)	(13)	(37)
Change in consolidation scope	(7)	-	-	(7)
Translation differences	142	2	45	189
Reclassifications		-	-	-
Other changes	87	-	-	87
Balance at 30 June 2014	**17,558**	**816**	**3,441**	**21,815**
Including:				
Non-current portion	17,558	481	2,629	**20,668**
Current portion	-	335	812	**1,147**

(EUR'000)	Quarry restructuring provision	Legal litigation provision	Other provisions	Total provisions
Balance at 1 January 2013	**15,888**	**1,194**	**4,860**	**21,942**
Accruals	169	453	1,625	2,247
Utilisations	(422)	(780)	(1,216)	(2,418)
Decrease	(78)	-	(302)	(380)
Change in consolidation scope	-	-	-	-
Translation differences	(1,841)	(26)	(196)	(2,064)
Reclassifications	-	-	-	-
Other changes	3,756	-	-	3,756
Balance at 31 December 2013	**17,472**	**841**	**4,771**	**23,084**
Including:				
Non-current portion	17,472	481	4,012	**21,965**
Current portion	-	360	759	**1,119**

16) Trade payables

The carrying amount of trade payables approximates their fair value as follows:

(EUR'000)		30.06.2014	31.12.2013
Suppliers		151,110	177,621
Related parties	(note 31)	151	152
Payments on account		5,174	5,419
Trade payables		**156,435**	**183,192**

17) Financial liabilities

Non-current and current financial liabilities are set out below:

(EUR'000)		30.06.2014	31.12.2013
Bank loans and borrowings		265,361	284,135
Non-current loan liabilities - related parties	(note 31)	-	-
Non-current financial liabilities		**265,361**	**284,135**
Bank loans and borrowings		40,425	18,941
Current portion of non-current financial liabilities		112,719	112,215
Current loan liabilities - related parties	(note 31)	21,236	9,390
Other loan liabilities		1,416	1,574
Fair value of derivatives		16,266	13,012
Current financial liabilities		**192,062**	**155,132**
Total financial liabilities		**457,423**	**439,267**

The carrying amount of non-current and current financial liabilities approximates their fair value.

Roughly 64.9% of the financial liabilities require compliance with financial covenants (31 December 2013: roughly 71.4%). The Group has complied with these covenants at the reporting date.

As required by Consob communication no. 6064293 of 28 July 2006, the Group's net financial debt is shown in the next table:

(EUR'000)	30.06.2014	31.12.2013
A. Cash	323	331
B. Other cash equivalents	98,006	110,395
C. Securities held for trading	-	-
D. Cash and cash equivalents	**98,329**	**110,726**
E. Current loan assets	**4,196**	**3,659**
F. Current bank loans and borrowings	(57,897)	(20,553)
G. Current portion of non-current debt	(107,300)	(110,856)
H. Other current loan liabilities	(26,865)	(23,723)
I. Current financial debt (F+G+H)	**(192,062)**	**(155,132)**
J. Net current financial debt (I-E-D)	**(89,537)**	**(40,747)**
K. Non-current bank loans and borrowings	(265,361)	(284,135)
L. Bonds issued	-	-
M. Other non-current liabilities	-	-
N. Non-current financial debt (K+L+M)	**(265,361)**	**(284,135)**
O. Net financial debt (J+N)	**(354,898)**	**(324,882)**

Financial debt with related parties includes credit positions of EUR 2.4 million (31 December 2013: EUR 2.3 million) and debit positions of EUR 21.2 million (31 December 2013: EUR 9.4 million).

18) Current tax liabilities

They amount to EUR 16,830 thousand (31 December 2013: EUR 11,201 thousand) and relate to the income tax payable, net of payments on account made.

19) Other non-current and current liabilities

Other non-current liabilities of EUR 10,154 thousand (31 December 2013: EUR 10,344 thousand) include deferred income of roughly EUR 7.8 million (31 December 2013: EUR 8.2 million) related to future benefits from a business agreement which started to accrue from 1 January 2013, of which EUR 3.3 million within the next five years and EUR 4.1 million (31 December 2013: EUR 4.9 million) after five years.

Other current liabilities of EUR 51,047 thousand (31 December 2013: EUR 52,296 thousand) are as follows:

(EUR'000)	**30.06.2014**	**31.12.2013**
Personnel	17,153	17,655
Social security institutions	2,811	3,461
Deferred income	869	873
Accrued expenses	7,179	6,340
Other sundry liabilities	23,035	23,967
Other current liabilities	**51,047**	**52,296**

Deferred income mainly relates to the future benefits of the above-mentioned business agreement (roughly EUR 0.8 million; in line with 31 December 2013).

Other sundry liabilities principally consist of tax liabilities for employee withholdings, VAT liabilities and liabilities for unpaid dividends.

20) Deferred tax assets and liabilities

Deferred tax liabilities of EUR 80,495 thousand (31 December 2013: EUR 82,974 thousand) and deferred tax assets of EUR 62,588 thousand (31 December 2013: EUR 60,339 thousand) comprise:

(EUR'000)	Deferred tax liabilities	Deferred tax assets
Balance at 1 January 2014	**82,974**	**60,339**
Accrual, net of utilisation in profit or loss	(2,992)	1,778
Increase, net of decreases in equity	-	-
Change in consolidation scope	(69)	-
Translation differences	342	229
Other changes	240	242
Balance at 30 June 2014	**80,495**	**62,588**

21) Revenue

(EUR'000)		1st Half 2014	1st Half 2013
Product sales		449,953	452,098
Product sales - related parties	(note 31)	5,880	2,756
Services		17,001	17,564
Revenue		**472,834**	**472,418**

22) Other operating revenue

(EUR'000)		1st Half 2014	1st Half 2013
Rent, lease and hires		797	761
Rent, lease and hires - related parties	(note 31)	220	219
Gains		208	190
Release of provision for risks		37	25
Revaluation of investment property		-	-
Other revenue and income		3,482	1,916
Other operating revenue		**4,744**	**3,111**

23) Raw materials costs

(EUR'000)	1st Half 2014	1st Half 2013
Raw materials and semi-finished products	91,481	95,704
Fuel	49,167	51,944
Electrical energy	36,766	47,261
Other materials	20,520	22,000
Change in raw materials, consumables and goods	(6,458)	(1,386)
Raw materials costs	**191,476**	**215,523**

24) Personnel costs

(EUR'000)	1st Half 2014	1st Half 2013
Wages and salaries	60,348	62,485
Social security charges	10,503	11,696
Other costs	4,848	4,231
Personnel costs	**75,699**	**78,412**

The Group's workforce comprises:

	30.06.2014	31.12.2013	30.06.2013
Executives	59	62	64
Middle management, white collars and intermediates	1,491	1,508	1,499
Blue collars	1,555	1,600	1,676
Total	**3,105**	**3,170**	**3,239**

At 30 June 2014, employees with the parent and the Italian subsidiaries numbered 480 (31 December 2013: 520); those of the Cimentas Group numbered 1,123 (31 December 2013: 1,129), those of the Aalborg Portland Group numbered 852 (31 December 2013: 852) and those of the Unicon Group numbered 650 (31 December 2013: 669).

25) Other operating costs

(EUR'000)		1st Half 2014	1st Half 2013
Transport		50,658	50,990
Services and maintenance		31,907	33,262
Consultancy		2,993	2,958
Insurance		1,982	2,152
Other services - related parties	(note 31)	270	262
Rent, lease and hires		7,783	9,000
Rent, lease and hires - related parties	(note 31)	757	742
Other operating costs		22,221	21,763
Other operating costs		**118,571**	**121,129**

26) Amortisation, depreciation, impairment losses and provisions

(EUR'000)	1st Half 2014	1st Half 2013
Amortisation	2,176	2,488
Depreciation	37,871	41,181
Provisions	279	104
Impairment losses	459	501
Amortisation, depreciation, impairment losses and provisions	**40,785**	**44,274**

The impairment losses refer to trade receivables.

27) Net financial expense and share of net profits of equity-accounted investees

The negative balance for the period of EUR 6,182 thousand (negative EUR 2,398 thousand for the corresponding period of 2013) relates to the share of net profits of equity-accounted investees and net financial expense as follows:

(EUR'000)		1st Half 2014	1st Half 2013
Share of profits of equity-accounted investees		1,404	1,168
Share of losses of equity-accounted investees		(267)	(730)
Share of net profits of equity-accounted investees		**1,137**	**438**
Interest and financial income		1,709	1,745
Interest and financial income - related parties	(note 31)	96	269
Grants related to interest		390	861
Financial income on derivatives		1,361	8,394
Total financial income		*3,556*	*11,269*
Interest expense		(6,114)	(6,212)
Other financial expense		(1,262)	(1,381)
Interest and financial expense - related parties	(note 31)	(221)	(1,162)
Losses on derivatives		(4,015)	(1,147)
Impairment losses on equity investments		-	(4)
Total financial expense		*(11,612)*	*(9,906)*
Exchange rate gains		6,677	4,059
Exchange rate losses		(5,940)	(8,258)
Net exchange rate gains (losses)		*737*	*(4,199)*
Net financial expense		**(7,319)**	**(2,836)**
Net financial expense and share of net profits of equity-accounted investees		**(6,182)**	**(2,398)**

Losses on derivatives of approximately EUR 4.0 million (approximately EUR 1.1 million for the corresponding period of 2013) mainly relates to the fair value losses on derivatives, agreed to hedge currency, interest rate and commodity price risks.

28) Income taxes

(EUR'000)	1st Half 2014	1st Half 2013
Current taxes	12,360	8,180
Deferred taxes	(4,770)	(3,952)
Income taxes	**7,590**	**4,228**

29) Earnings per share

Basic earnings per share are calculated by dividing the profit for the period attributable to the owners of the parent by the weighted average number of ordinary shares outstanding in the period.

(EUR)	1st Half 2014	1st Half 2013
Profit for the period attributable to the owners of the parent (EUR'000)	20,526	7,404
Weighted average number of outstanding ordinary shares ('000)	159,120	159,120
Basic earnings per share	**0.129**	**0.047**

The diluted earnings per share equal the basic earnings as the only outstanding shares are the parent's ordinary shares.

30) Company acquisitions and sales

The Group neither acquired nor sold companies during the period.

31) Related party transactions

Following the regulation issued by Consob setting out guidelines for related party transactions, pursuant to Consob resolution no. 17221 of 12 March 2010 and subsequent amendments and integrations, aimed at ensuring transparency and the substantial and procedural correctness of transactions performed by the Group with related parties, the parent's Board of Directors approved a procedure for related party transactions on 5 November 2010. The instructions, available on the parent's internet site www.cementirholding.it, have been applicable since 1 January 2011.

Transactions performed by group companies with related parties are part of their normal business operations and take place at market conditions. No atypical or unusual transactions took place. The following tables show the related party transactions:

30 June 2014 (EUR'000)	Ultimate parent	Associates	Companies under common control	Other related parties	Total related parties	Total financial statements caption	% of caption
Statement of financial position							
Current financial assets	-	3,254	-	-	**3,254**	**4,196**	77.6%
Trade receivables	-	3,090	1,825	-	**4,915**	**208,893**	2.4%
Cash and cash equivalents	-	-	-	2,411	**2,411**	**98,328**	2.5%
Trade payables	-	-	151	-	**151**	**156,435**	0.1%
Other non-current liabilities	-	1,360	-	-	**1,360**	**10,154**	13.4%
Non-current financial liabilities	-	-	-	-	**-**	**-**	-
Current financial liabilities	-	-	-	21,236	**21,236**	**192,062**	11.1%
Income statement							
Revenue	-	5,471	409	-	**5,880**	**472,834**	1.2%
Other operating revenue	-	-	220	-	**220**	**4,744**	4.6%
Other operating costs	(225)	-	(802)	-	**(1,027)**	**(118,571)**	0.9%
Financial income	-	66	29	1	**96**	**3,556**	2.7%
Financial expense	-	-	-	(221)	**(221)**	**(11,612)**	1.9%

31 December 2013 (EUR'000)	Ultimate parent	Associates	Companies under common control	Other related parties	Total related parties	Total financial statements caption	% of caption
Statement of financial position							
Current financial assets	-	2,750	-	-	**2,750**	**3,660**	75.1%
Trade receivables	-	3,009	2,952	-	**5,961**	**184,204**	3.2%
Cash and cash equivalents	-	-	-	2,298	**2,298**	**110,726**	2.1%
Trade payables	-	-	152	-	**152**	**183,192**	0.1%
Other non-current liabilities	-	1,167	-	-	**1,167**	**10,344**	11.3%
Non-current financial liabilities	-	-	-	-	**-**	**-**	-
Current financial liabilities	-	-	-	9,390	**9,390**	**155,132**	6.1%
30 June 2013							
Income statement							
Revenue	-	2,587	169	-	**2,756**	**472,418**	0.6%
Other operating revenue	-	-	219	-	**219**	**3,111**	7.0%
Other operating costs	(225)	-	(779)	-	**(1,004)**	**(121,129)**	0.8%
Financial income	-	3	16	250	**269**	**11,269**	2.4%
Financial expense	(225)	-	-	(937)	**(1,162)**	**(9,906)**	11.7%

The main related party transactions are summarised below.

Trading transactions with associates include the sale of products and semi-finished products (cement and clinkers) at normal market conditions. Trading transactions with companies under common control include the long-term sale of cement to Caltagirone Group companies. Specifically, in the first half of 2014, the Group sold 5,431 tons of cement at market conditions to Vianini Industria (2,079 tons during the corresponding period of 2013). Revenue and costs arising on trading transactions with the ultimate parent and the companies under common control include various services, such as leases.

Current financial liabilities with other related parties mainly relate to Unicredit Banca for the on demand loan of approximately EUR 16 million and the repayments of approximately EUR 4 million due during the year of the loan due in 2014 (31 December 2013: approximately EUR 8 million).

The Group did not grant loans to the directors, statutory auditors or key management personnel during the period and did not have loan assets with them at the reporting date.

ANNEX

Annex 1

List of investments at 30 June 2014

Name	Registered office	Share capital	Currency	Type of % Direct	Type of % Indirect	Investment held by Group company	Method
Cementir Holding SpA	Rome (I)	159,120,000	EUR			Parent	Line-by-line
Aalborg Cement Company Inc.	Dover (USA)	1,000	USD		100	Aalborg Portland US Inc.	Line-by-line
Aalborg Portland A/S	Aalborg (DK)	300,000,000	DKK		75	Cementir Espana SL	Line-by-line
					25	Globocem SL	
Aalborg Portland Islandì EHF	Kopavogur (IS)	303,000,000	ISK		100	Aalborg Portland A/S	Line-by-line
Aalborg Portland Polska Spzoo	Warsaw (PL)	100,000	PLN		100	Aalborg Portland A/S	Line-by-line
Aalborg Portland US Inc	Dover (USA)	1,000	USD		100	Aalborg Portland A/S	Line-by-line
Aalborg Resources Sdn Bhd	Perak (MAL)	2,543,972	MYR		100	Aalborg Portland Malaysia Sdn Bhd	Line-by-line
Aalborg Portland (Anqing) Co Ltd	Anqing (CN)	265,200,000	CNY		100	Aalborg Portland A/S	Line-by-line
Aalborg Portland Malaysia Sdn Bhd	Perak (MAL)	95,400,000	MYR		70	Aalborg Portland A/S	Line-by-line
Aalborg Portland (Australia) Pty Ltd	Sydney (AUS)	1,000	AUD		100	Aalborg Portland Malaysia Sdn Bhd	Line-by-line
Aalborg White Italia Srl [A]	Rome (I)	10,000	EUR		82	Aalborg Portland A/S	Line-by-line
Aalborg Portland OOO	St. Petersburg (RUS)	14,700,000	RUB		100	Aalborg Portland A/S	Line-by-line
AB Sydsten	Malmö (S)	15,000,000	SEK		50	Unicon A/S	Line-by-line
AGAB Syd Aktiebolag	Malmö (S)	500,000	SEK		40	AB Sydsten	Equity
Alfacem Srl	Rome (I)	1,010,000	EUR	99.99		Cementir Holding SpA	Line-by-line
Bakircay AS	Izmir (TR)	420,000	TRY		100	Kars Cimento AS	Line-by-line
Betontir SpA	Rome (I)	104,000	EUR		99.89	Cementir Italia SpA	Line-by-line
Cementir Espana SL	Madrid (E)	3,007	EUR	100		Cementir Holding SpA	Line-by-line
Cementir Italia SpA	Rome (I)	40,000,000	EUR	100		Cementir Holding SpA	Line-by-line
Cimbeton AS	Izmir (TR)	1,770,000	TRY		50.28	Cimentas AS	Line-by-line
					0.06	Kars Cimento AS	
Cimentas AS	Izmir (TR)	87,112,463	TRY	25.43		Cementir Holding SpA	Line-by-line
					71	Spring Rain Investments SL	
					0.12	Cimbeton AS	
					0.48	Kars Cimento AS	
Destek AS	Izmir (TR)	50,000	TRY		99.99	Cimentas AS	Line-by-line
					0.01	Cimentas Foundation	
ECOL Unicon Spzoo	Gdansk (PL)	1,000,000	PLN		49	Unicon A/S	Equity

[A] Company in liquidation

Annex 1 *(continued)*

Name	Registered office	Share capital	Currency	Type of % Direct	% Indirect	Investment held by group company	Method
Elazig Cimento AS	Elazig (TR)	46,000,000	TRY		93.82	Kars Cimento AS	Line-by-line
					6.17	Cimentas AS	
Environmental Power International (UK R&D) Ltd	Trowbridge (GB)	100	GBP		50	Recydia	Equity
Everts Betongpump & Entreprenad AB	Halmstad (S)	100,000	SEK		73.5	AB Sydsten	Line-by-line
Gaetano Cacciatore LLC	Somerville N.J. (USA)	-	USD		100	Aalborg Cement Company Inc	Line-by-line
Globocem SL	Madrid (E)	3,007	EUR		100	Alfacem Srl	Line-by-line
Hereko Istanbul 1 AŞ	Izmir (TR)	98,000,000	TRY		100	Recydia AS	Line-by-line
Ilion Cimento Ltd	Soma (TR)	300,000	TRY		100	Cimbeton AS	Line-by-line
Kars Cimento AS	Kars (TR)	3,000,000	TRY		58.38	Cimentas AS	Line-by-line
					39.81	Alfacem Srl	
Kudsk & Dahl A/S	Vojens (DK)	10,000,000	DKK		100	Unicon A/S	Line-by-line
Lehigh White Cement Company - *J.V.*	Allentown (USA)	-	USD		24.5	Aalborg Cement Company Inc	Equity
Neales Waste Management Ltd	Lancashire (GB)	100,000	GBP		100	NWM Holdings Ltd	Line-by-line
NWM Holdings Ltd	Lancashire (GB)	1	GBP		100	Recydia AS	Line-by-line
Quercia Ltd	Lancashire (GB)	100	GBP		100	NWM Holdings Ltd	Line-by-line
Recydia AS	Izmir (TR)	182,500,000	TRY		63.01	Cimentas AS	Line-by-line
					36.99	Aalborg Portland AS	
Secil Unicon SGPS Lda	Lisbon (P)	4,987,980	EUR		50	Unicon A/S	Equity
Secil Prebetão SA	Montijo (P)	3,454,775	EUR		79.60	Secil Unicon SGPS Lda	Equity
Sinai White Portland Cement Co. SAE	Cairo (ET)	350,000,000	EGP		57.14	Aalborg Portland A/S	Line-by-line
Skane Grus AB	Malmö (S)	1,000,000	SEK		60	AB Sydsten	Line-by-line
Sola Betong AS	Risvika (N)	9,000,000	NOK		33.33	Unicon AS	Equity
Spring Rain Investments SL	Madrid (E)	3,002	EUR		100	Aalborg Portland A/S	Line-by-line
Sureko AS	Izmir (TR)	43,443,679	TRY		99.73	Recydia AS	Line-by-line
Unicon A/S	Copenhagen (DK)	150,000,000	DKK		100	Aalborg Portland A/S	Line-by-line
Unicon AS	Sandvika (N)	13,289,100	NOK		100	Unicon A/S	Line-by-line
Vianini Pipe Inc	Somerville N.J. (USA)	4,483,396	USD		99.99	Aalborg Portland US Inc	Line-by-line

Rome, 29 July 2014

Chairman of the Board of Directors

/s/ Francesco Caltagirone Jr.

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Statement on the condensed interim consolidated financial statements pursuant to article 81-ter of Consob regulation no. 11971 of 14 May 1999 and subsequent amendments and integrations

1. The undersigned Francesco Caltagirone Jr., Chairman of the Board of Directors, and Massimo Sala, manager responsible for financial reporting, of Cementir Holding SpA confirm the following, considering also the provisions of article 154-bis.3/4 of Legislative decree no. 58 of 24 February 1998:

- the adequacy of the administrative and accounting procedures given the Group's characteristics; and
- their effective application to prepare the condensed interim consolidated financial statements during the period.

2. No significant issues arose during preparation of the condensed interim consolidated financial statements.

3. They also confirm that:

3.1 the condensed interim consolidated financial statements:

a) were prepared in compliance with the applicable IFRS endorsed in the European Community pursuant to EC regulation 1606/2002 of the European Parliament and Council of 19 July 2002;

b) are consistent with the accounting records and entries;

c) are suitable to provide a true and fair view of the financial position, financial performance and cash flows of the issuer and the consolidated companies.

3.2 the directors' report refers to key events that took place during the period and their impact on the condensed interim consolidated financial statements; it also describes the main risks and uncertainties for the second half of the year. In addition, the directors' report includes a reliable analysis of the information about significant related party transactions.

Rome, 29 July 2014

Chairman of the Board of Directors	Manager responsible for financial reporting
/s/ Francesco Caltagirone Jr.	/s/ Massimo Sala

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(Translation from the Italian original which remains the definitive version)

Auditors' report on review of condensed interim consolidated financial statements

To the shareholders of
Cementir Holding S.p.A.

1 We have reviewed the condensed interim consolidated financial statements of the Cementir Holding Group as at and for the six months ended 30 June 2014, comprising the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes thereto. The parent's directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to prepare this report based on our review.

2 We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. The review consisted primarily of the collection of information about the captions of the condensed interim consolidated financial statements and the consistency of application of the accounting policies through discussions with company directors and analytical procedures applied to the financial data presented in such condensed interim consolidated financial statements. The review excluded such audit procedures as tests of controls and substantive procedures on assets and liabilities and is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards. As a consequence, contrary to our report on the annual consolidated financial statements, we do not express an audit opinion on the condensed interim consolidated financial statements.

With regard to the corresponding figures included in the condensed interim consolidated financial statements, reference should be made to our reports on the annual consolidated and condensed interim consolidated financial statements of the previous year dated 26 March 2014 and 1 August 2013, respectively.

Ancona Aosta Bari Bergamo
Bologna Bolzano Brescia
Cagliari Catania Como Firenze
Genova Lecce Milano Napoli
Novara Padova Palermo Parma
Perugia Pescara Roma Torino
Treviso Trieste Varese Verona

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3 Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Cementir Holding Group as at and for the six months ended 30 June 2014 have not been prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Rome, 31 July 2014

KPMG S.p.A.

(signed on the original)

Arrigo Parisi
Director of Audit