

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

**INTERIM CONDENSED FINANCIAL  
STATEMENTS**

**31 MARCH 2014 (UNAUDITED)**

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

### *Introduction*

We have reviewed the accompanying interim condensed financial statements of Sharjah Cement and Industrial Development Company (PSC) (the "Company") as at 31 March 2014, comprising the interim statement of financial position as at 31 March 2014 and the related interim statements of income, comprehensive income, cash flows and changes in equity for the three-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

### *Scope of Review*

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

### *Conclusion*

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



Signed by  
Ashraf Abu Sharkh  
Partner  
Registration No. 690

27 April 2014

Sharjah, United Arab Emirates

# Sharjah Cement and Industrial Development Company (PSC)

## INTERIM STATEMENT OF INCOME

For the three months ended 31 March 2014 (Unaudited)

	<i>Notes</i>	<i>Three months ended 31 March</i>	
		<i>2014 AED'000</i>	<i>2013 AED'000</i>
Sales		176,246	168,124
Cost of sales		(167,641)	(160,504)
<b>GROSS PROFIT</b>		<b>8,605</b>	<b>7,620</b>
General and administration expenses		(3,376)	(3,869)
Selling and distribution costs		(1,071)	(1,128)
Investment income	3	7,287	5,520
Miscellaneous income, net		1,595	631
Finance costs		(3,909)	(4,419)
<b>PROFIT FOR THE PERIOD</b>		<b>9,131</b>	<b>4,355</b>
Basic and diluted earnings per share (AED)	4	0.017	0.008

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

# Sharjah Cement and Industrial Development Company (PSC)

## INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2014 (Unaudited)

		<i>Three months ended 31 March</i>	
		<i>2014 AED'000</i>	<i>2013 AED'000</i>
	<i>Notes</i>		
<b>Profit for the period</b>		<b>9,131</b>	<b>4,355</b>
<b>Other comprehensive income</b>			
<i>Other comprehensive income that could be reclassified to profit or loss in subsequent periods:</i>			
Net increase in fair value of available for sale investments	10	70,620	17,556
Net realised gain on disposal of available for sale investments transferred to income statement		(828)	-
<b>Other comprehensive income for the period</b>		<b>69,792</b>	<b>17,556</b>
<b>Total comprehensive income for the period</b>		<b>78,923</b>	<b>21,911</b>

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

# Sharjah Cement and Industrial Development Company (PSC)

## INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 March 2014 (Unaudited)

		31 March 2014 AED'000	(Audited) 31 December 2013 AED'000	31 March 2013 AED'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		807,626	809,293	795,154
Investment properties	5	112,505	112,996	114,498
Investment in associate	6	36,322	36,322	36,322
Available for sale investments	5	427,261	358,907	293,201
		<u>1,383,714</u>	<u>1,317,518</u>	<u>1,239,175</u>
<b>Current assets</b>				
Inventories		287,971	313,479	273,813
Accounts receivable and prepayments		236,709	203,144	202,716
Trading securities	5	12,798	12,199	8,610
Bank balances and cash	7	55,708	37,474	44,452
		<u>593,186</u>	<u>566,296</u>	<u>529,591</u>
<b>TOTAL ASSETS</b>		<u>1,976,900</u>	<u>1,883,814</u>	<u>1,768,766</u>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Share capital		552,958	552,958	552,958
Statutory reserve	8	334,091	334,091	334,091
General reserve	9	226,373	226,373	226,373
Retained earnings		180,783	171,652	156,688
Cumulative changes in fair value	10	186,010	116,218	36,745
Proposed cash dividend	14	27,648	27,648	-
<b>Total equity</b>		<u>1,507,863</u>	<u>1,428,940</u>	<u>1,306,855</u>
<b>Non-current liabilities</b>				
Term loan		45,937	44,100	58,800
Employees' end of service benefits		23,368	22,968	20,389
		<u>69,305</u>	<u>67,068</u>	<u>79,189</u>
<b>Current liabilities</b>				
Accounts payable and accruals		134,846	140,054	128,681
Payable against construction of property, plant and equipment		7,570	11,021	8,729
Bank overdrafts	7	6,803	5,801	783
Current portion of term loan		29,400	14,700	14,700
Short term loans		221,113	216,230	202,181
Dividends payable		-	-	27,648
		<u>399,732</u>	<u>387,806</u>	<u>382,722</u>
<b>Total liabilities</b>		<u>469,037</u>	<u>454,874</u>	<u>461,911</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,976,900</u>	<u>1,883,814</u>	<u>1,768,766</u>

Approved by Board of Directors on 27 April 2014.



P J Batayia  
Chief Executive

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

# Sharjah Cement and Industrial Development Company (PSC)

## INTERIM STATEMENT OF CASH FLOWS

For the three months ended 31 March 2014 (Unaudited)

		<i>Three months ended 31 March</i>	
		<i>2014</i>	<i>2013</i>
		<i>AED'000</i>	<i>AED'000</i>
	<i>Notes</i>		
<b>OPERATING ACTIVITIES</b>			
Profit for the period		9,131	4,355
Adjustments for:			
Depreciation on property, plant and equipment		10,681	12,043
Depreciation on investment properties		491	492
Provision for employees' end of service benefits		515	452
Profit on sale of property, plant and equipment		(233)	(20)
Net gain on sale of trading securities	3	(45)	(245)
Net gain on disposal of available for sale investments		(828)	-
Changes in fair value of trading securities	3	25	1,008
Dividend and other investment income	3	(6,439)	(6,283)
Interest expense		3,909	4,419
		<u>17,207</u>	<u>16,221</u>
<b>Working capital changes:</b>			
Inventories		25,508	14,912
Receivables		(33,565)	(8,424)
Payables		(8,036)	(10,250)
		<u>1,114</u>	<u>12,459</u>
<b>Cash from operations</b>		<b>1,114</b>	<b>12,459</b>
Employees' end of service benefits paid		(115)	(360)
		<u>999</u>	<u>12,099</u>
<b>Net cash from operating activities</b>		<b>999</b>	<b>12,099</b>
<b>INVESTING ACTIVITIES</b>			
Net movement in trading securities		(579)	1,029
Purchase of property, plant and equipment		(9,014)	(19,082)
Payable against construction of property, plant and equipment		(3,451)	-
Dividend and other investment income	3	6,439	6,283
Purchase of available for sale investments	5	(3,133)	(16,006)
Proceeds from disposal of available for sale investments	5	5,399	6,764
Proceeds from sale of property, plant and equipment		233	20
		<u>(4,106)</u>	<u>(20,992)</u>
<b>Net cash used in investing activities</b>		<b>(4,106)</b>	<b>(20,992)</b>
<b>FINANCING ACTIVITIES</b>			
Proceed from term loan		16,537	73,500
Proceeds from new short term loans		57,745	67,616
Short term loans repaid		(52,862)	(124,880)
Interest paid		(1,081)	(2,383)
		<u>20,339</u>	<u>13,853</u>
<b>Net cash from financing activities</b>		<b>20,339</b>	<b>13,853</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>17,232</b>	<b>4,960</b>
Cash and cash equivalents at 1 January		31,673	38,709
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>7</b>	<u><u>48,905</u></u>	<u><u>43,669</u></u>

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

Sharjah Cement and Industrial Development Company (PSC)

INTERIM STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2014 (Unaudited)

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

Sharjah Cement and Industrial Development Company (PSC)

INTERIM STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2014 (Unaudited)

	Share capital AED '000	Statutory reserve AED '000	General reserve AED '000	Retained earnings AED '000	Cumulative changes in fair value AED '000	Proposed cash dividend AED '000	Total AED '000
At 1 January 2013	552,958	334,091	226,373	152,333	19,189	27,648	1,312,592
Profit for the period	-	-	-	4,355	-	-	4,355
Other comprehensive income	-	-	-	-	17,556	-	17,556
Total comprehensive income for the period	-	-	-	4,355	17,556	-	21,911
Dividends payable transferred to current liabilities	-	-	-	-	-	(27,648)	(27,648)
At 31 March 2013	552,958	334,091	226,373	156,688	36,745	-	1,306,855



# Sharjah Cement and Industrial Development Company (PSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

### 1 ACTIVITIES

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

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

### 2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed financial statements of the Company are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2013 except for the adoption of the new and amended IFRS and IFRIC interpretations which became effective as of 1 January 2014. The adoption of these standards and interpretations did not have an impact on the financial position or performance of the Company during the period.

#### Interim reporting

The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Company's annual financial statements as of 31 December 2013.

### 3 INVESTMENT INCOME

	<i>31 March 2014 AED'000</i>	<i>31 March 2013 AED'000</i>
<b>Realised gains</b>		
Net gain on sale of trading securities	45	245
Net gain on sale of available for sale securities	828	-
	<hr/>	<hr/>
	873	245
<b>Fair value (losses) gains</b>		
Changes in fair value of trading securities	(25)	(1,008)
	<hr/>	<hr/>
<b>Other Investment income</b>		
Rental income from investment properties, net of depreciation and other related expenses	626	869
Dividend income- available for sale investments	5,407	5,128
Interest income	413	47
(Loss)/ profit on funds	(7)	239
	<hr/>	<hr/>
	6,439	6,283
	<hr/>	<hr/>
	7,287	5,520
	<hr/> <hr/>	<hr/> <hr/>

### 4 BASIC AND DILUTED EARNINGS PER SHARE

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

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

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

5 INVESTMENTS

	31 March 2014			31 December 2013			31 March 2013		
	Land AED '000	Building AED '000	Total AED '000	Land AED '000	Building AED '000	Total AED '000	Land AED '000	Building AED '000	Total AED '000
<b>Investment properties:</b>									
Local	82,624	29,881	112,505	82,623	30,373	112,996	82,623	31,875	114,498
	31 March 2014			31 December 2013			31 March 2013		
	Quoted AED '000	Unquoted AED '000	Total AED '000	Quoted AED '000	Unquoted AED '000	Total AED '000	Quoted AED '000	Unquoted AED '000	Total AED '000
<b>Available for sale investments:</b>									
Equity securities									
Local	293,678	5,674	299,352	229,890	5,697	235,587	175,398	5,653	181,051
Overseas	51,073	76,836	127,909	45,568	77,752	123,320	36,155	75,995	112,150
	344,751	82,510	427,261	275,458	83,449	358,907	211,553	81,648	293,201
	31 March 2014			31 December 2013			31 March 2013		
	Quoted AED '000	Total AED '000	Total AED '000	Quoted AED '000	Total AED '000	Total AED '000	Quoted AED '000	Total AED '000	Total AED '000
<b>Trading securities:</b>									
Overseas	12,798	12,798	12,798	12,199	12,199	12,199	8,610	8,610	8,610

# Sharjah Cement and Industrial Development Company (PSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

### 5 INVESTMENTS (continued)

Movements in the available for sale investments were as follows:

	<i>Three months ended 31 March 2014 AED'000</i>	<i>Year ended 31 December 2013 AED'000</i>	<i>Three months ended 31 March 2013 AED'000</i>
At 1 January	358,907	266,403	266,403
Purchased during the period/year	3,133	54,675	16,006
Changes in fair value	70,620	129,857	17,556
Disposed during the period/year	(5,399)	(76,003)	(6,764)
Reversal of loss on sale of available for sale investments	-	(16,025)	-
At the end of the period	<u>427,261</u>	<u>358,907</u>	<u>293,201</u>

### 6 INVESTMENT IN ASSOCIATE

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

The investment in associate represents a 30.89% (2013: 30.89%) holding in Auto Line Industrial Parks Limited, which is registered in India. The investment in Auto Line Industrial Parks Limited is treated as an investment in an associate as the Company does not have the power to govern the financial and operating policies of the investee company.

### 7 CASH AND CASH EQUIVALENTS

	<i>31 March 2014 AED'000</i>	<i>31 December 2013 AED'000</i>	<i>31 March 2013 AED'000</i>
Bank balances and cash	55,708	37,474	44,452
Bank overdrafts	(6,803)	(5,801)	(783)
	<u>48,905</u>	<u>31,673</u>	<u>43,669</u>

Bank balances and cash include deposits amounting to AED 9,490 thousand (31 December 2013: AED 6,837 thousand) placed with foreign banks abroad.

### 8 STATUTORY RESERVE

As required by the UAE Commercial Companies Law and the Company's Articles of Association, at least 10% of the profit for the year is to be transferred to statutory reserve. Such transfers may be discontinued when the reserve totals 50% of the issued share capital. No transfer has been made during the three months period to 31 March 2014, as this will be based on the results for the year. The reserve is not available for distribution, except in the circumstances stipulated by the law.

### 9 GENERAL RESERVE

No transfer has been made to the general reserve during the three months period to 31 March 2014, as this will be based on the results for the year.

# Sharjah Cement and Industrial Development Company (PSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

### 10 CUMULATIVE CHANGES IN FAIR VALUE

	<i>31 March 2014 AED'000</i>	<i>31 December 2013 AED'000</i>	<i>31 March 2013 AED'000</i>
<i>Available for sale securities</i>			
At 1 January	116,218	19,189	19,189
Net increase in fair value during the period/year	70,620	129,857	17,556
Less: realised gains during the period/year	(828)	(16,803)	-
Impairment recognised in income statement	-	-	-
Reversal of loss on sale of available for sale investments	-	(16,025)	-
	<u>186,010</u>	<u>116,218</u>	<u>36,745</u>

### 11 SEGMENT INFORMATION

#### *Primary segment information*

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

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

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

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

*Investment segment* is organised into two business units as follows:

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

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

Segmental information is presented below:

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

# Sharjah Cement and Industrial Development Company (PSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

### 11 SEGMENT INFORMATION (continued)

	<i>Investment AED'000</i>	<i>Cement factory AED'000</i>	<i>Papersack factory AED'000</i>	<i>Gulf Rope &amp; Plastic Products AED'000</i>	<i>Inter-segment elimination AED'000</i>	<i>Total AED'000</i>
<b>31 March 2014</b>						
<i>Investment</i>						
Income from investment in private and public equities and funds	6,248	-	-	-	-	6,248
Interest income	1,846	9	-	-	(1,442)	413
Income/(expenses)	60	-	-	-	-	60
	<u>8,154</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>(1,442)</u>	<u>6,721</u>
Income from investment properties net of related expenses	1,117	-	-	-	-	1,117
Depreciation	(491)	-	-	-	-	(491)
	<u>626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>626</u>
Net segment results	<u>8,780</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>(1,442)</u>	<u>7,347</u>
<i>Finance costs</i>	<i>(3,141)</i>	<i>(702)</i>	<i>(1,476)</i>	<i>(32)</i>	<i>1,442</i>	<i>(3,909)</i>
<i>Unallocated income and expenses-Head office</i>	<i>(1,678)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>(408)</i>	<i>(2,086)</i>
<i>Unrealized profit on stock</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1</i>	<i>1</i>
Profit (loss) for the period	<u>3,961</u>	<u>6,626</u>	<u>(1,352)</u>	<u>(102)</u>	<u>(2)</u>	<u>9,131</u>

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

	<i>Investment AED'000</i>	<i>Cement factory AED'000</i>	<i>Papersack factory AED'000</i>	<i>Gulf Rope &amp; Plastic Products AED'000</i>	<i>Inter-segment elimination AED'000</i>	<i>Total AED'000</i>
<b>31 March 2013</b>						
<i>Manufacturing</i>						
Sales	-	145,815	11,155	12,535	(1,381)	168,124
Cost of sales	-	(140,700)	(10,705)	(11,368)	2,269	(160,504)
	<u>-</u>	<u>5,115</u>	<u>450</u>	<u>1,167</u>	<u>888</u>	<u>7,620</u>
Gross profit	-	5,115	450	1,167	888	7,620
Miscellaneous income	-	1,234	20	4	(627)	631
Expenses	-	(1,881)	(1,185)	(430)	868	(2,628)
Net segment results	<u>-</u>	<u>4,468</u>	<u>(715)</u>	<u>741</u>	<u>1,129</u>	<u>5,623</u>

# Sharjah Cement and Industrial Development Company (PSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

### 11 SEGMENT INFORMATION (continued)

	<i>Investment AED'000</i>	<i>Cement factory AED'000</i>	<i>Papersack factory AED'000</i>	<i>Gulf Rope &amp; Plastic Products AED'000</i>	<i>Inter-segment elimination AED'000</i>	<i>Total AED'000</i>
<b>31 March 2013</b>						
<i>Investment</i>						
Income from investment in private and public equities and funds	4,604	-	-	-	-	4,604
Interest income	1,206	4	-	-	(1,163)	47
Expenses	(8)	-	-	-	-	(8)
	<u>5,802</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>(1,163)</u>	<u>4,643</u>
Income from investment properties net of related expenses	1,361	-	-	-	-	1,361
Depreciation	(492)	-	-	-	-	(492)
	<u>869</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>869</u>
Net segment results	<u>6,671</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>(1,163)</u>	<u>5,512</u>
<i>Finance costs</i>	(3,909)	(477)	(1,194)	(1)	1,162	(4,419)
<i>Unallocated income and expenses-Head office</i>	(1,233)	-	-	-	(1,128)	(2,361)
Profit (loss) for the period	<u>1,529</u>	<u>3,995</u>	<u>(1,909)</u>	<u>740</u>	<u>-</u>	<u>4,355</u>

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS  
As at 31 March 2014 (Unaudited)

11 SEGMENT INFORMATION (continued)

Other segment information

31 March 2014

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

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

11 SEGMENT INFORMATION (continued)

Other segment information (continued)

31 March 2013

	Manufacturing						Total AED '000	Investment AED '000	Total AED '000
	Cement Factory AED '000	Paper sack factory AED '000	Gulf Rope & Plastic products AED '000	Total AED '000	Unallocated Assets & Liabilities- Head Office AED '000	Total AED '000			
Segment assets	1,154,003	39,102	68,988	1,262,093	44,446	1,306,539	462,227	1,768,766	
Segment liabilities	104,417	5,125	18,279	127,821	334,090	461,911	-	461,911	
Depreciation	11,587	42	317	11,946	97	12,043	492	12,535	
Capital expenditure	1,860	-	361	2,221	16,861	19,082	-	19,082	



Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

11 SEGMENT INFORMATION (continued)

The following table presents revenue and investment income information regarding geographic segments for the periods ended 31 March 2014 and 31 March 2013.

31 March 2014

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

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS  
As at 31 March 2014 (Unaudited)

11 SEGMENT INFORMATION (continued)

Geographical information (continued)

31 March 2013

	Domestic				International				Grand Total AED'000		
	Cement Factory AED'000	Paper sack factory AED'000	Gulf Rope & Plastic products AED'000	Investment AED'000	Total AED'000	Cement Factory AED'000	Paper sack factory AED'000	Gulf Rope & Plastic products AED'000		Investment AED'000	Total AED'000
Revenue	100,321	1,524	7,732	-	109,577	45,494	8,250	4,803	-	58,547	168,124
Investment income	-	-	-	5,997	5,997	-	-	-	(477)	(477)	5,520
Assets	1,131,220	35,551	56,215	377,664	1,600,650	22,783	3,551	12,773	129,009	168,116	1,768,766
Liabilities	100,537	3,395	4,824	255,391	364,147	3,880	1,730	13,455	78,699	97,764	461,911
Capital expenditure	1,860	-	361	16,861	19,082	-	-	-	-	-	19,082

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

**12 SEASONALITY OF RESULTS**

Investment income (note 3) depends on market conditions, investment activities of the Company and declaration of profits by investee companies, which are of a seasonal nature. Furthermore, sales are affected by construction activities in the region as well as the economic climate and meteorological conditions. Accordingly, results for the period ended 31 March 2014 are not comparable to those relating to the comparative period, and are not indicative of the results that might be expected for the year ending 31 December 2014.

**13 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

**Commitment**

Estimated capital expenditure commitment at the statement of financial position date amounted to AED 77.86 million (31 December 2013: AED 61.5 million).

The Company also has commitments for AED 11.10 million (31 December 2013: AED 11.4 million) on account of investments made in securities and funds. The Company has to pay as and when calls are made by the fund's managers/investee companies.

**Operating lease commitments - Company as lessor**

The Company has entered into various operating lease agreements for investment properties. As at the period end, the future lease minimum payments of AED 2.65 million (31 December 2013: AED 1.5 million) are due within one year from the statement of financial position date under these operating leases.

**Contingent liability**

At 31 March 2014, the Company had contingent liabilities in respect of bank guarantees relating to performance bonds, from which it is anticipated that no material liabilities will arise, amounting to AED 4.2 million (31 December 2013: AED 4 million).

**14 EVENTS AFTER THE REPORTING PERIOD**

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