

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

**INTERIM CONDENSED FINANCIAL  
STATEMENTS**

**30 SEPTEMBER 2015 (UNAUDITED)**

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

### ***Introduction***

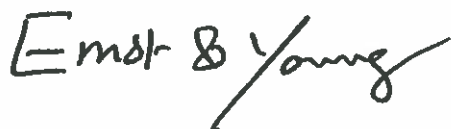
We have reviewed the accompanying interim condensed financial statements of Sharjah Cement and Industrial Development Company (PSC) (the “Company”) as at 30 September 2015, comprising the interim statement of financial position as at 30 September 2015 and the related interim statements of income and comprehensive income for the three-month and nine-month periods then ended and the related interim statements of cash flows and changes in equity for the nine-month period then ended and explanatory information. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

### ***Scope of Review***

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

### ***Conclusion***

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



Signed by  
Ashraf Abu Sharkh  
Partner  
Registration No. 690

27 October 2015

Sharjah, United Arab Emirates

# Sharjah Cement and Industrial Development Company (PSC)

## INTERIM STATEMENT OF INCOME

For the nine months ended 30 September 2015 (Unaudited)

	<i>Notes</i>	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
		<i>2015 AED'000</i>	<i>2014 AED'000</i>	<i>2015 AED'000</i>	<i>2014 AED'000</i>
Sales		151,148	132,942	474,019	516,099
Cost of sales		(136,617)	(123,366)	(427,206)	(485,462)
<b>GROSS PROFIT</b>		<b>14,531</b>	<b>9,576</b>	<b>46,813</b>	<b>30,637</b>
General and administration expenses		(3,768)	(3,400)	(11,543)	(10,627)
Selling and distribution costs		(1,337)	(1,182)	(3,658)	(3,485)
Investment income, net	3	(1,296)	4,860	13,115	30,628
Miscellaneous income, net		(160)	92	1,652	2,015
Finance costs		(3,113)	(3,221)	(8,899)	(11,085)
<b>PROFIT FOR THE PERIOD</b>		<b>4,857</b>	<b>6,725</b>	<b>37,480</b>	<b>38,083</b>
Basic and diluted earnings per share (AED)	4	<b>0.009</b>	<b>0.012</b>	<b>0.068</b>	<b>0.068</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 COMPREHENSIVE INCOME

For the nine months ended 30 September 2015 (Unaudited)

	Note	Three months ended 30 September		Nine months ended 30 September	
		2015 AED'000	2014 AED'000	2015 AED'000	2014 AED'000
<b>Profit for the period</b>		<u>4,857</u>	<u>6,725</u>	<u>37,480</u>	<u>38,083</u>
<b>Other comprehensive income</b>					
<i>Other comprehensive income that could be reclassified to profit or loss in subsequent periods:</i>					
Net (decrease)/ increase in fair value of available for sale investments	10	(25,795)	47,261	(29,009)	67,156
Net realised gain on disposal of available for sale investments transferred to income statement		-	(3,814)	(3,485)	(15,681)
<b>Other comprehensive income for the period</b>		<u>(25,795)</u>	<u>43,447</u>	<u>(32,494)</u>	<u>51,475</u>
<b>Total comprehensive income for the period</b>		<u><u>(20,938)</u></u>	<u><u>50,172</u></u>	<u><u>4,986</u></u>	<u><u>89,558</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 FINANCIAL POSITION

As at 30 September 2015 (Unaudited)

		(Audited)	
	Notes	30 September 2015 AED'000	31 December 2014 AED'000
		30 September 2015 AED'000	30 September 2014 AED'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		867,295	855,974
Investment properties	5	114,606	110,733
Investment in associate	6	42,125	42,125
Available for sale investments	5	299,112	336,111
		<u>1,323,138</u>	<u>1,344,943</u>
			<u>1,409,234</u>
<b>Current assets</b>			
Inventories		249,040	277,848
Accounts receivable and prepayments		234,102	196,692
Trading securities	5	9,176	15,665
Bank balances and cash	7	58,842	54,009
		<u>551,160</u>	<u>544,214</u>
			<u>564,417</u>
<b>TOTAL ASSETS</b>		<u><u>1,874,298</u></u>	<u><u>1,889,157</u></u>
			<u><u>1,973,651</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital		552,958	552,958
Statutory reserve	8	334,091	334,091
General reserve	9	226,373	226,373
Retained earnings		203,552	166,072
Cumulative changes in fair value	10	72,850	105,344
Proposed cash dividend	14	-	55,296
		<u>1,389,824</u>	<u>1,440,134</u>
			<u>1,478,377</u>
<b>Non-current liabilities</b>			
Term loan		152,644	143,762
Employees' end of service benefits		26,832	25,214
		<u>179,476</u>	<u>168,976</u>
			<u>186,750</u>
<b>Current liabilities</b>			
Accounts payable and accruals		128,629	133,566
Payable against construction of property, plant and equipment		6,738	6,341
Bank overdrafts	7	234	149
Current portion of term loan		78,575	65,713
Short term loans		87,610	74,278
Dividends payable		3,212	-
		<u>304,998</u>	<u>280,047</u>
			<u>308,524</u>
<b>Total liabilities</b>		<u>484,474</u>	<u>449,023</u>
			<u>495,274</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>1,874,298</u></u>	<u><u>1,889,157</u></u>
			<u><u>1,973,651</u></u>

Approved by Board of Directors on 27 October 2015.

  
P J Batavia  
Chief Executive

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

# Sharjah Cement and Industrial Development Company (PSC)

## INTERIM STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2015 (Unaudited)

	Notes	30 September	
		2015 AED'000	2014 AED'000
<b>OPERATING ACTIVITIES</b>			
Profit for the period		37,480	38,083
Adjustments for:			
Depreciation on property, plant and equipment		36,911	32,423
Depreciation on investment properties		1,491	1,491
Provision for employees' end of service benefits		2,991	2,177
Profit on sale of property, plant and equipment		(544)	(423)
Net loss/ (gain) on sale of trading securities	3	107	(280)
Net gain on sale of available for sale investments	3	(3,485)	(15,681)
Provision for impairment of available for sale investments	5	5,000	-
Changes in fair values of trading securities	3	2,286	(63)
Dividend and other investment income	3	(12,023)	(14,604)
Interest expense		8,899	11,085
		<u>79,113</u>	<u>54,208</u>
Working capital changes:			
Inventories		28,808	21,565
Receivables		(37,410)	(2,977)
Payables		(7,847)	(14,289)
		<u>62,664</u>	<u>58,507</u>
Cash from operations		62,664	58,507
Employees' end of service benefits paid		(1,373)	(314)
		<u>61,291</u>	<u>58,193</u>
<b>INVESTING ACTIVITIES</b>			
Net movement in trading securities		4,096	(4,372)
Purchase of property, plant and equipment		(48,232)	(69,931)
Payable against construction of property, plant and equipment		397	(1,093)
Dividend and other investment income	3	12,023	14,604
Purchase of available for sale investments	5	(19,345)	(43,983)
Proceeds from disposal of available for sale investments	5	22,335	61,243
Purchase of investment properties		(5,364)	-
Additional investment in associate		-	(5,803)
Proceeds from sale of property, plant and equipment		544	423
		<u>(33,546)</u>	<u>(48,912)</u>
<b>FINANCING ACTIVITIES</b>			
Proceeds from term loans		58,800	165,375
Proceeds from short term loans		231,427	220,261
Term loan repaid		(37,056)	(14,700)
Short term loans repaid		(218,095)	(315,034)
Dividends paid		(52,084)	(38,231)
Interest paid		(5,989)	(9,265)
		<u>(22,997)</u>	<u>8,406</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>			
		4,748	17,687
Cash and cash equivalents at 1 January		53,860	31,673
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>7</b>	<u><u>58,608</u></u>	<u><u>49,360</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 nine months ended 30 September 2015 (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 2015	552,958	334,091	226,373	166,072	105,344	55,296	1,440,134
Profit for the period	-	-	-	37,480	-	-	37,480
Other comprehensive income for the period	-	-	-	-	(32,494)	-	(32,494)
Total comprehensive income for the period	-	-	-	37,480	(32,494)	-	4,986
Dividends payable transferred to current liabilities (Note 14)	-	-	-	-	-	(55,296)	(55,296)
At 30 September 2015	552,958	334,091	226,373	203,552	72,850	-	1,389,824

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 nine months ended 30 September 2015 (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	-	-	-	38,083	-	-	38,083
Other comprehensive income for the period	-	-	-	-	51,475	-	51,475
Total comprehensive income for the period	-	-	-	38,083	51,475	-	89,558
Dividends payable transferred to current liabilities	-	-	-	(13,824)	-	(27,648)	(41,472)
Reversal of directors' fees *	-	-	-	1,351	-	-	1,351
At 30 September 2014	552,958	334,091	226,373	197,262	167,693	-	1,478,377

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



# Sharjah Cement and Industrial Development Company (PSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (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, Africa and Asia. The Company's registered office is at P O Box 2083 Sharjah, UAE. The shares of the Company are traded on the Abu Dhabi Securities Market and the Kuwait Stock Exchange.

### 2 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 2014 except for the adoption of the new and amended IFRS and IFRIC interpretations which became effective as of 1 January 2015. The adoption of these standards and interpretations did not have any material 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 2014.

### 3 INVESTMENT INCOME

	<u>Three months ended</u>		<u>Nine months ended</u>	
	<u>30 September</u>		<u>30 September</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>AED'000</u>	<u>AED'000</u>	<u>AED'000</u>	<u>AED'000</u>
<b>Realised gains</b>				
Net gain on sale of available for sale securities	-	3,814	3,485	15,681
Net (loss)/ gain on sale of trading securities	(35)	56	(107)	280
	<u>(35)</u>	<u>3,870</u>	<u>3,378</u>	<u>15,961</u>
<b>Fair value (losses)/ gains</b>				
Changes in fair value of trading securities	(1,818)	(739)	(2,286)	63
<b>Other investment income</b>				
Rental income from investment properties, net of depreciation	853	694	2,422	2,160
Dividend income - available for sale investments	197	446	10,987	11,121
Interest income	242	117	759	615
Loss on derivatives	(18)	-	(1,472)	-
(Loss)/ profit on funds	(717)	472	(673)	708
	<u>557</u>	<u>1,729</u>	<u>12,023</u>	<u>14,604</u>
	<u>(1,296)</u>	<u>4,860</u>	<u>13,115</u>	<u>30,628</u>

### 4 BASIC AND DILUTED EARNINGS PER SHARE

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

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

Sharjah Cement and Industrial Developed Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (Unaudited)

5 INVESTMENTS

	30 September 2015			31 December 2014			30 September 2014		
	Land AED'000	Building AED'000	Total AED'000	Land AED'000	Building AED'000	Total AED'000	Land AED'000	Building AED'000	Total AED'000
Investment properties:									
Local	87,719	26,887	114,606	82,354	28,379	110,733	82,624	28,881	111,505
				30 September 2015			30 September 2014		
	Quoted AED'000	Unquoted AED'000	Total AED'000	Quoted AED'000	Unquoted AED'000	Total AED'000	Quoted AED'000	Unquoted AED'000	Total AED'000
Available for sale investments:									
Equity securities									
Local	195,681	3,744	199,425	214,760	5,554	220,314	279,248	5,571	284,819
Overseas	37,630	62,057	99,687	43,565	72,232	115,797	51,128	72,856	123,984
	233,311	65,801	299,112	258,325	77,786	336,111	330,376	78,427	408,803
				30 September 2015			31 December 2014		
	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
Trading securities:									
Overseas	9,176	9,176	15,665	9,176	15,665	15,665	16,914	16,914	16,914

# Sharjah Cement and Industrial Development Company (PSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (Unaudited)

### 5 INVESTMENTS (continued)

Movements in the available for sale investments were as follows:

	<i>Nine months ended 30 September 2015 AED'000</i>	<i>Year ended 31 December 2014 AED'000</i>	<i>Nine months ended 30 September 2014 AED'000</i>
At 1 January	336,111	358,907	358,907
Purchased during the period/ year	19,345	66,061	43,983
Changes in fair value	(29,009)	19,171	67,156
Disposed during the period/ year	(22,335)	(108,028)	(61,243)
Provision for impairment of available for sale investments	(5,000)	-	-
At the end of the period/year	<u>299,112</u>	<u>336,111</u>	<u>408,803</u>

### 6 INVESTMENT IN ASSOCIATE

	<i>30 September 2015 AED'000</i>	<i>31 December 2014 AED'000</i>	<i>30 September 2014 AED'000</i>
Investment in associate	<u>42,125</u>	<u>42,125</u>	<u>42,125</u>

The investment in associate represents a 34.48% (2014: 34.48%) holding in Auto Line Industrial Parks Limited, which is registered in India. The investment in Auto Line Industrial Parks Limited is treated as an investment in an associate as the Company does not have the power to govern the financial and operating policies of the investee company.

### 7 CASH AND CASH EQUIVALENTS

	<i>30 September 2015 AED'000</i>	<i>31 December 2014 AED'000</i>	<i>30 September 2014 AED'000</i>
Bank balances and cash	58,842	54,009	49,468
Bank overdrafts	(234)	(149)	(108)
	<u>58,608</u>	<u>53,860</u>	<u>49,360</u>

Bank balances and cash include deposits amounting to AED 10,047 thousand (31 December 2014: AED 4,056 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 nine months period to 30 September 2015, as this will be based on the results for the year. The reserve is not available for distribution, except in the circumstances stipulated by the law.

# Sharjah Cement and Industrial Development Company (PSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (Unaudited)

### 9 GENERAL RESERVE

No transfer has been made to the general reserve during the nine months period to 30 September 2015, as this will be based on the results for the year.

### 10 CUMULATIVE CHANGES IN FAIR VALUE

	<i>30 September 2015 AED'000</i>	<i>31 December 2014 AED'000</i>	<i>30 September 2014 AED'000</i>
<i>Available for sale securities</i>			
At 1 January	105,344	116,218	116,218
Net (decrease)/ increase in fair value during the period/ year	(29,009)	19,171	67,156
Less: realised gains during the period/ year	(3,485)	(30,045)	(15,681)
At the end of the period/year	<u>72,850</u>	<u>105,344</u>	<u>167,693</u>

### 11 SEGMENT INFORMATION

#### *Primary segment information*

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

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

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

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

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

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

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

# Sharjah Cement and Industrial Development Company (PSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (Unaudited)

### 11 SEGMENT INFORMATION (continued)

Segmental information is presented below:

30 September 2015	<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>Manufacturing</b>						
Sales	-	403,048	26,200	48,750	(3,979)	474,019
Cost of sales	-	(357,613)	(20,837)	(48,896)	140	(427,206)
Gross profit/ (loss)	-	45,435	5,363	(146)	(3,839)	46,813
Miscellaneous income	-	1,464	171	61	(1,937)	(241)
Expenses	-	(3,674)	(2,947)	(1,958)	1,898	(6,681)
Net segment results	-	43,225	2,587	(2,043)	(3,878)	39,891
<b>Investment</b>						
Income from investment in private and public equities and funds	11,406	-	-	-	-	11,406
Loss on derivatives	(1,472)	-	-	-	-	(1,472)
Interest income	2,681	21	5	-	(1,948)	759
	12,615	21	5	-	(1,948)	10,693
Income from investment properties	3,913	-	-	-	-	3,913
Depreciation	(1,491)	-	-	-	-	(1,491)
	2,422	-	-	-	-	2,422
Net segment results	15,037	21	5	-	(1,948)	13,115
<b>Finance costs</b>	(7,135)	(1,712)	(1,978)	(22)	1,948	(8,899)
<b>Unallocated income and expenses-Head office</b>	(10,502)	-	-	-	3,878	(6,624)
<b>Unrealized profit on stock</b>	-	-	-	-	(3)	(3)
<b>Profit (loss) for the period</b>	<b>(2,600)</b>	<b>41,534</b>	<b>614</b>	<b>(2,065)</b>	<b>(3)</b>	<b>37,480</b>

# Sharjah Cement and Industrial Development Company (PSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (Unaudited)

### 11 SEGMENT INFORMATION (continued)

30 September 2014	<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>
<i>Manufacturing</i>						
Sales	-	436,859	37,633	45,824	(4,217)	516,099
Cost of sales	-	(410,631)	(29,143)	(44,972)	(716)	(485,462)
Gross profit	-	26,228	8,490	852	(4,933)	30,637
Miscellaneous income	-	1,630	45	81	(293)	1,463
Expenses	-	(3,706)	(3,148)	(1,700)	2,000	(6,554)
Net segment results	-	24,152	5,387	(767)	(3,226)	25,546
<i>Investment</i>						
Income from investment in private and public equities and funds	27,853					27,853
Interest income	3,977	25	5	-	(3,392)	615
Miscellaneous income	552	-	-	-	-	552
	32,382	25	5	-	(3,392)	29,020
Income from investment properties	3,651	-	-	-	-	3,651
Depreciation	(1,491)	-	-	-	-	(1,491)
	2,160	-	-	-	-	2,160
Net segment results	34,542	25	5	-	(3,392)	31,180
<i>Finance costs</i>	(9,656)	(1,159)	(3,461)	(201)	3,392	(11,085)
<i>Unallocated income and expenses-Head office</i>	(10,791)	-	-	-	3,233	(7,558)
Profit (loss) for the period	14,095	23,018	1,931	(968)	7	38,083

Sharjah Cement and Industrial Developed Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (Unaudited)

11 SEGMENT INFORMATION (continued)

Other segment information

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

30 September 2015

	Manufacturing					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	1,182,517	62,396	113,216	33,647	1,358,129	482,522	1,874,298
Segment liabilities	115,381	10,482	7,623	350,988	133,486	-	484,474
Depreciation	33,197	161	3,257	296	36,615	1,491	38,402
Capital expenditure	41,340	6,205	242	445	47,787	-	48,232

Sharjah Cement and Industrial Development Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (Unaudited)

11 SEGMENT INFORMATION (continued)

Other segment information (continued)

30 September 2014

	Manufacturing						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	1,178,511	54,140	123,830	1,356,481	20,320	1,376,801	1,973,651
Segment liabilities	117,310	5,968	11,592	134,870	360,404	495,274	495,274
Depreciation	30,327	159	1,625	32,111	312	32,423	33,914
Capital expenditure	52,354	353	17,093	69,800	131	69,931	69,931
							Investment AED '000
							596,850



Sharjah Cement and Industrial Developed Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (Unaudited)

11 SEGMENT INFORMATION (continued)

*Geographical information*

The following table presents revenue and investment income information regarding geographic segments for the periods ended 30 September 2015 and 30 September 2014.

30 September 2015

	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	Total AED'000	
Revenue	319,810	5,882	27,232	352,924	83,238	16,339	21,518	121,095	474,019
Investment income	-	-	-	15,840	-	-	-	(2,725)	13,115
Assets	1,157,842	58,763	109,982	1,678,229	24,675	3,633	3,234	164,527	1,874,298
Liabilities	114,209	4,278	5,205	362,950	1,172	6,204	2,418	111,730	484,474
Capital expenditure	41,340	6,205	242	48,232	-	-	-	-	48,232

Sharjah Cement and Industrial Developed Company (PSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (Unaudited)

11 SEGMENT INFORMATION (continued)

Geographical information (continued)

30 September 2014

	Domestic				International				Grand Total AED '000		
	Cement Factory AED '000	Paper sack factory AED '000	Gulf Rope & Plastic products AED '000	Investment AED '000	Total AED '000	Cement Factory AED '000	Paper sack factory AED '000	Gulf Rope & Plastic products AED '000		Investment AED '000	Total AED '000
Revenue	359,493	4,743	25,395	-	389,631	77,366	28,673	20,429	-	126,468	516,099
Investment income	-	-	-	28,173	28,173	-	-	-	2,455	2,455	30,628
Assets	1,156,101	47,752	120,811	426,385	1,751,049	22,410	6,388	3,019	190,785	222,602	1,973,651
Liabilities	116,047	4,066	5,801	216,348	342,262	1,263	1,902	5,791	144,056	153,012	495,274
Capital expenditure	52,354	353	17,093	131	69,931	-	-	-	-	-	69,931

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

## Sharjah Cement and Industrial Development Company (PSC)

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 September 2015 (Unaudited)

#### 12 SEASONALITY OF RESULTS

Investment income (note 3) depends on market conditions, investment activities of the Company and declaration of profits by investee companies, which are of a seasonal nature. Furthermore, sales are affected by construction activities in the region as well as the economic climate and meteorological conditions. Accordingly, results for the period ended 30 September 2015 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 2015.

#### 13 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

##### **Commitment**

Estimated capital expenditure commitment at the statement of financial position date amounted to AED 29,645 thousand (31 December 2014: AED 25,684 thousand).

The Company also has commitments of AED 9,192 thousand (31 December 2014: AED 10,161 thousand) 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 1,986 thousand (31 December 2014: AED 1,559 thousand) are due within one year from the statement of financial position date under these operating leases.

##### **Operating lease commitments - Company as lessee**

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

##### **Contingent liability**

At 30 September 2015, 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 4,370 thousand (31 December 2014: AED 4,363 thousand).

#### 14 DIVIDENDS

The Board of Directors had proposed a cash dividend amounting to AED 55,296 thousand at AED 0.10 per share of AED 1 each. No scrip dividend was proposed. Subsequently, the shareholders, at the annual general meeting held on 4 April 2015, approved a cash dividend amounting to AED 55,296 thousand at AED 0.10 per share of AED 1 each.