

CEMENTI ANTEAS.R.L. SOCIETA' UNIPERSONALE

**REPORTING FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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INDEPENDENT AUDITOR'S REPORT

To the Quotaholder of
Cementi Antea S.r.l. Società Unipersonale

We have audited the accompanying financial statements of Cementi Antea S.r.l. Società Unipersonale, which comprise the Statement of Financial Position as at December 31, 2014, the Statement of Comprehensive Income, the Statement of changes in equity and the Statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management of Cementi Antea S.r.l. Società Unipersonale in accordance with International Financial Reporting Standards as adopted by Antea Cement Sh.A..

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with International Financial Reporting Standards as adopted by Antea Cement Sh.A., and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of Cementi Antea S.r.l. Società Unipersonale for the year ended December 31, 2014 are prepared, in all material respects, in accordance with International Financial Reporting Standards as adopted by Antea Cement Sh.A..



Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared by Cementi Antea S.r.l. Società Unipersonale for the sole purpose of consolidation into the Antea Cement Sh.A. group financial statements. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for Cementi Antea S.r.l. Società Unipersonale and Antea Cement Sh.A. and should not be distributed to or used by parties other than Cementi Antea S.r.l. Società Unipersonale or Antea Cement Sh.A..

Treviso - Italy

February 9, 2015

De Witt Ernst & Young SpA

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

STATEMENT OF FINANCIAL POSITION as at December 31, 2014

<i>(all amounts in Euro thousands)</i>	Notes	December 31, 2014	December 31, 2013
ASSETS			
Tangible assets	(3)	2	3
Intangible assets	(4)	3	5
Total non-current assets		5	8
Inventories	(5)	307	282
Trade receivables	(6)	1.081	1.488
Other current assets	(7)	50	64
Cash and cash equivalents	(8)	233	113
Total current assets		1.671	1.947
Total assets		1.676	1.955
LIABILITIES AND EQUITY			
QUOTAHOLDER'S EQUITY			
Quota capital		155	52
Other reserves (IFRS Reserves)		(6)	(4)
Accumulated losses		-	(2)
Other reserves		-	-
Profit (loss) of the year		(791)	(897)
Total Quotaholder's equity	(9)	(642)	(851)
LIABILITIES			
Trade payables	(10)	2.298	2.800
Other current liabilities	(11)	20	6
Total current liabilities		2.318	2.806
Total liabilities		2.318	2.806
Total liabilities and equity		1.676	1.955

Authorized by:


 Adrian Qirjako
 Managing Director

CEMENTI ANTEA S.r.l.
Società Unipersonale

Dott. A. QIRJAKO
Amministratore Delegato

The Statement of Financial Position is to be read in conjunction with the notes set on pages 5 to 16, forming an integral part of the financial statements.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

STATEMENT OF COMPREHENSIVE INCOME for the year ended December 31, 2014

<i>(all amounts in Euro thousands)</i>	Notes	2014	2013
Net Sales		1.729	3.278
Other Revenues		1	-
Total Revenues	(12)	1.730	3.278
Cost and expenses			
Cost of sales	(13)	(1.500)	(2.825)
General and administrative expenses	(14)	(107)	(81)
Selling expenses	(15)	(912)	(1.268)
Total costs and expenses		(2.519)	(4.174)
Operating Profit		(789)	(896)
Interest expenses, net	(16)	(2)	-
Income before taxes		(791)	(896)
Income taxes	(17)	-	-
Net loss for the year		(791)	(896)
Other comprehensive income			
Total comprehensive income for the year, net of tax		(791)	(896)

The Statement of Comprehensive Income is to be read in conjunction with the notes set on pages 5 to 16, forming an integral part of the financial statements.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

STATEMENT OF CHANGES IN EQUITY for the year ended December 31, 2014

<i>(all amounts in Euro thousands)</i>	Quota Capital	Accumulated losses	Other reserves (IFRS Reserve)	Other reserves	Result for the year	Total Equity
Balances at December 31, 2012	1.028	(457)	(6)	1	(520)	46
Imputation of the Loss of previous year	(976)	457			519	(2)
Other reserves (IFRS Reserve)		(2)	2	(1)		(1)
Loss for the year 2013					(896)	(896)
Balances at December 31, 2013	52	(2)	(4)	-	(897)	(851)
Increase in Share Capital	1.000					1.000
Imputation of the Loss of previous year	(897)	-			897	-
Other reserves (IFRS Reserve)		2	(2)			-
Loss for the year 2014					(791)	(791)
Balances at December 31, 2014	155	-	(6)	-	(791)	(642)

The Statement of Changes in Equity is to be read in conjunction with the notes set on pages 5 to 16, forming an integral part of the financial statements.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

STATEMENT OF CASH FLOW for the year ended December 31, 2014

<i>(all amounts in Euro thousands)</i>	2014	2013
Loss for the year	(791)	(896)
<i>Adjustment to reconcile net income to net cash provided by operating activity:</i>		
Amortization of intangible assets	2	1
Depreciation of tangible assets	1	1
Allowance for doubtful debtors	(189)	537
Deferred tax assets	-	-
<i>Changes in operating assets and liabilities:</i>		
Inventories	(25)	48
Trade receivables	595	380
Other current assets	15	(17)
Trade payables	(502)	(59)
Other current liabilities	14	(6)
Cash flow from operating activities	(880)	(11)
Purchases of fixed assets	-	-
Purchases of intangible assets	-	(3)
IFRS Reserve	-	-
Cash flow from investing activities	-	(3)
Financial liabilities	-	-
Share Capital paid by shareholders	1.000	-
Cash flow from financing activities	1.000	0
Increase (decrease) in cash	120	(14)
Cash and cash equivalents at beginning of the year	113	127
Cash and cash equivalents at the end of the year	233	113

The Statement of Cash Flow is to be read in conjunction with the notes set on pages 5 to 16, forming an integral part of the financial statements.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CementiAnteaS.r.l. SocietàUnipersonale ("CementiAntea" or the "Company") is a wholly owned subsidiary of Antea Cement Sh.A., an entity of the Titan Group and is engaged in the distribution of cement in the Center of Italy. The Company is a limited liability company incorporated in July 2010 and domiciled in Italy.

The administrative structure, the legal requirements and the filing of the report are supplied by FintitanS.r.l. an Italian entity of the Titan Group.

The Company has 2 employees (31 December 2013, nil).

Going concern concept

The Company incurred a net loss of Euro 791 thousand for the year ended December 31, 2014 and experienced a significant loss also in the previous year.

As a consequence, the Company's ability to continue as a going concern depends on the financial support of the parent company Antea Cement Sh.A.

Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1.1 Basis of preparation

These special purposes financial statements have been prepared by Company's management for purposes of consolidation into the Antea Cement Sh.A consolidated financial statements, in accordance with the Antea Cement accounting principles and policies for consolidation which are based on the International Financial Reporting Standards. As a result, these special purposes financial statements are not a complete set of financial statements of Cementi Antea in accordance with International Financial Reporting Standards as adopted by Antea Cement Sh.A. The specified forms may, therefore, not be suitable for another purpose.

The financial statement consists of Statement of Financial Position, Statement of Comprehensive Income, statement of changes in equity and Statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

These financial statements have been prepared under the historical cost convention basis and are expressed in Euro, rounded off to the thousand unless otherwise stated.

We draw attention to the fact that the statutory financial statements have not been finalized yet. Legal requirement allows the Company to finalise the statutory financial statements by the end of March 2015.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.1 *Tangible assets*

Tangible assets are stated at historical cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Subsequent costs are depreciated over the remaining useful life of the related asset or to the date of the net major subsequent cost whichever is the sooner. Depreciation is calculated on the straight-line method to bring the assets to their residual values over their estimated useful lives as follows:

Office equipment	20%
Improvement on tangible assets owed by third parties	Over the rental period

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in operating profit.

Interest costs on borrowings specifically used to finance the construction of property, plant and equipment are capitalized during the construction period.

1.2 *Intangible assets*

Computer software

Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred. The cost of separately acquired software, which comprises its purchase price and any software for its intended use, is recognized as an intangible asset, when it concerns an identifiable and unique software product which will generate economic benefits beyond one year. Computer software costs recognized as intangible assets are amortized using the straight-line method over their useful lives (five years).

1.3 *Impairment of long lived assets*

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised, as an expense immediately, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value determined by comparable transactions less costs to sell and value in use as determined by discounted cash flows. Assets are grouped at the lowest possible levels.

1.4 *Financial assets and other non-current assets*

Receivables and other non-current assets to be held to maturity are recognised at cost, represented by the fair value of the initial consideration given, including transaction costs.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 *Leases – where the Company is the lessee*

Leases where all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Leases of tangible assets where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in liabilities. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Tangible assets acquired under finance leases are depreciated over the useful life of the asset or the lease term.

1.6 *Inventories*

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

Appropriate allowance is made for damaged, obsolete and slow moving items. Write-downs to net realizable value and inventory losses are expensed in cost of sales in the period in which the write-downs or losses occur.

1.7 *Trade receivables*

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all of the amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in other expenses in the income statement.

1.8 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position. The components of cash and cash equivalents have a negligible risk of change in value.

1.9 *Current and deferred income taxes*

Current income tax is calculated using the estimated taxable income along with the Italian tax law. The income tax charge consists of the current income tax calculated upon the results of the company, as it has been reformed in its taxation return applying the applicable tax rate.

Deferred income tax is provided in full using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets are recognised only to the extent that it is probable that taxable profits and reversals of deferred tax liabilities will be available against which deductible temporary differences can be utilised. Deferred income taxation is determined using tax rates that have been enacted on the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the related deferred income tax liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also presented in equity.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

The Company recognises a provision for onerous contracts when the benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract. Restructuring provisions comprise lease termination penalties and employee termination payments, and are recognised in the period in which the company becomes legally or constructively committed to payment. Costs related to the ongoing activities of the Company are not provided in advance.

Long-term provisions are determined by discounting the expected future cash flows and taking the risks specific to the liability into account.

1.11 Revenue recognition

Revenue comprises the fair value for the sale of goods and services net of value-added tax, rebates and discounts. Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer (usually upon delivery and customer acceptance) and the realization of the related receivable is reasonably assured.

Revenue arising from services is recognised on an accrual basis in accordance with the substance of the relevant agreements. Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Company.

2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the financial statements requires management to make estimations and judgments that affect the reported disclosures. On an ongoing basis, management evaluates its estimates, including those related to the estimated useful life of non financial assets, impairment of tangible and intangible assets. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These management's estimation and assumptions form the bases for making judgments about the carrying value of assets and liabilities that are not readily available from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2.1 Income taxes

Significant judgment is required in determining the Company's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

2.2 Useful lives of Tangible assets

In addition, management makes estimations in relation to useful lives of amortized assets.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

2.3 *Contingent liabilities*

The existence of contingent liabilities requires from management making assumptions and estimates continuously related to the possibility that future events may or may not occur as well as the effects that those events may have on the activities of the Company.

3. TANGIBLE ASSETS

The net book value of the Tangible assets as of December 31, 2014 and 2013 consisted of:

	Office Equipment EURO'000	Leasehold Improvements EURO'000	Total EURO'000
Cost			
At 31 December 2012	4	1	5
Additions	-	-	-
At 31 December 2013	4	1	5
Additions	-	-	-
At 31 December 2014	4	1	5
Depreciation and impairment:			
At 31 December 2012	1	-	1
Depreciation charge for the year	1	-	1
At 31 December 2013	2	-	2
Depreciation charge for the year	1	-	1
At 31 December 2014	3	-	3
Net book value			
At 31 December 2013	2	1	3
At 31 December 2014	1	1	2

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2014

4. INTANGIBLE ASSETS

	Software EURO'000	Total EURO'000
Cost		
At 31 December 2012	4	4
Additions	3	3
At 31 December 2013	7	7
Additions	-	-
At 31 December 2014	7	7
Depreciation and impairment:		
At 31 December 2012	1	1
Depreciation charge for the year	1	1
At 31 December 2013	2	2
Depreciation charge for the year	2	2
At 31 December 2014	4	4
Net book value		
At 31 December 2013	5	5
At 31 December 2014	3	3

The intangible assets include software costs amortized over a 5 years period.

5. INVENTORIES

Inventories as of December 31, 2014 and 2013 consisted of:

	December 31, 2014	December 31, 2013
<i>(Thousands of Euro)</i>		
Stock in hand	307	282
Provision for obsolescence	-	-
Total inventories	307	282

At December 31, 2014, all the cement remaining in stock was saleable and then no provision for obsolescence has been booked.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

6. TRADE RECEIVABLES

Trade receivables as of December 31, 2014 and 2013 consisted of:

<i>(Thousands of Euro)</i>	December 31, 2014	December 31, 2013
Trade receivables	1.913	2.112
Trade Receivables from Antea Cement	-	19
Provision for doubtful accounts	(832)	(643)
Total trade receivables	1.081	1.488

The provision for doubtful accounts amounts to Euro 832 thousand (31 December 2013; Euro 643 thousand) and it is considered to be adequate to cover any potential risk for bad debts. Movements in Provisions for doubtful accounts are presented as follows:

<i>(Thousands of Euro)</i>	December 31, 2014	December 31, 2013
as at 01 January	(643)	(106)
Additional Provisions	(189)	(537)
Provisions as at 31 December	(832)	(643)

7. OTHER CURRENT ASSETS

Other current assets as of December 31, 2014 and 2013 consisted of:

<i>(Thousands of Euro)</i>	December 31, 2014	December 31, 2013
VAT receivables	46	62
Other	4	2
Total other current assets	50	64

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2014 and 2013 consisted of:

<i>(Thousands of Euro)</i>	December 31, 2014	December 31, 2013
Cash	1	1
Bank accounts	232	112
Total receivables for cash and cash equivalents	233	113

There are no restrictions over the use of both cash and bank accounts. Bank accounts include money deposited with financial institution that can be withdrawn without notice.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

9. QUOTAHOLDER'S EQUITY

As the net accumulated losses at December 31, 2011 and 2012 are higher than 1/3 of the quota capital, according to the Italian law, it is mandatory for the Quotaholder to reduce the quota capital accordingly or to cover the accumulated loss as at December 31, 2012 exceeding the 1/3 of the quota capital. Such a decision was taken by the sole shareholder of the company on 23rd of April 2013.

On 30 April 2014 the parent company increased the shareholder capital by Euro 1.000 thousand and similarly covered the losses of 2013.

10. TRADE PAYABLES

Trade payables as of December 31, 2014 and 2013 consisted of:

<i>(Thousands of Euro)</i>	December 31, 2014	December 31, 2013
Trade payables to third parties	172	139
Trade payables to Antea Cement Sh.A.	2.114	2.649
Trade payables to Fintitan	12	12
Total trade payables	2.298	2.800

Trade payables to Antea Cement Sh.A., the Parent Company, as of December 31, 2014 and 2013 related to the purchase of cement.

11. OTHER CURRENT LIABILITIES

Other current liabilities as of December 31, 2014 and 2013 consisted of:

<i>(Thousands of Euro)</i>	December 31, 2014	December 31, 2013
Other	20	6
Total other current liabilities	20	6

12. REVENUES

The quantities sold in 2014 are equal to 31.228 tons (2013: 55.441 tons).

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

13. COST OF SALES

The breakdown of the cost of sales for the years 2014 and 2013 can be specified as follows:

<i>(Thousands of Euro)</i>	2014	2013
Merchandise	1.474	2.684
Changes in inventory	(24)	47
Taxes and duty	7	72
Insurance	2	5
Transportation	41	17
Total Cost of sales	1.500	2.825

All the amounts included in "merchandise" were acquired from Antea Cement Sh.A. and therefore has to be considered as a related party transaction.

14. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for the years 2014 and 2013 consisted of:

<i>(Thousands of Euro)</i>	2014	2013
Legal and audit expenses	78	40
Administrative services	7	10
Other advice	-	2
General manager	-	22
Other expenses	9	2
Technical advice	6	1
Phone and postal expenses	4	2
Petty consumable material	-	-
Depreciation of tangible	1	1
Amortization of intangible	2	1
Total General and administrative expenses	107	81

The Administrative services include the bookkeeping service fee charged by Fintitan S.r.l. and therefore has to be considered as a related party transaction.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

15. SELLING EXPENSES

Selling expenses for the years 2014 and 2013 consisted of:

<i>(Thousands of Euro)</i>	2014	2013
Rental	574	601
Transportation	77	109
General manager	55	15
Provision for bad debts	189	536
Other expenses	17	7
Total Selling expenses	912	1.268

16. INTEREST EXPENSES, NET

Interest expenses net for the years 2014 and 2013 are detailed as follows:

<i>(Thousands of Euro)</i>	2014	2013
Interest income	1	4
Interest expense	(3)	(4)
Total Interest expenses, net	(2)	-

17. INCOME TAXES

Income taxes for the years 2014 and 2013 are detailed as follows:

<i>(Thousands of Euro)</i>	2014	2013
IRES	-	-
IRAP	-	-
Current taxes, total	-	-
Deferred tax IRES	-	-
Deferred taxes, total	-	-

The Company reported a tax loss in 2014 and 2013 both for IRES and IRAP tax purposes.

CEMENTI ANTEA S.R.L. SOCIETÀ UNIPERSONALE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

18. RELATED PARTIES

The following table provides details of the effects of transactions with related parties:

<i>(Thousands of Euro)</i>	Sales		Receivables	
	2014	2013	2014	2013
Antea Cement Sh.A.	-	19	-	19
FintitanS.r.l	-	-	-	-
Total	-	19	-	19

<i>(Thousands of Euro)</i>	Purchases		Payables	
	2014	2013	2014	2013
Antea Cement Sh.A.	1.474	2.684	2.114	2.649
FintitanS.r.l	10	10	12	12
Total	1.484	2.694	2.126	2.661

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments comprise trade receivables and trade payables and cash, which arise directly from its operations. The company's risk management approach is focused on unpredictability of the financial market and seeks to minimize potential adverse effects. Risk management is carried out under policies approved by the Board of Directors.

The main risks arising from the Company's financial instruments are liquidity risk, credit risk. The management reviews and agrees policies for managing each of these risks which are summarized below.

a) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding. The table below summarizes the maturity profile of the Company's financial liabilities at 31 December 2014 and 2013, based on contractual undiscounted payments.

Year ended 31 December 2014 (in thousand Euro)

<i>(Thousands of Euro)</i>	On demand	Less	3 to 12 months	1 to 5 years	> 5 years	Total
		than 3 months				
Trade and other Payables	-	191	2.125	-	-	2.318

Year ended 31 December 2013 (in thousand Euro)

<i>(Thousands of Euro)</i>	On demand	Less	3 to 12 months	1 to 5 years	> 5 years	Total
		than 3 months				
Trade and other Payables	-	116	2.688	-	-	2.806

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

d) Credit risk

The Company has policies in place to ensure that sales of products are made to customers with an appropriate credit history. The Company has policies that limit the amount of credit exposure to any one customer. In addition, to reduce this risk the Company has required as collateral bank guarantees and deposits. Recognisable risks are accounted for by adequate provisions on receivables.

With respect to credit risk arising from the other financial assets of the Company, which comprise cash and cash equivalents and short term borrowing receivables, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

20. COMMITMENTS AND CONTINGENCIES

<i>(Thousands of Euro)</i>	2014	2013
Within one Year	620	620
After one but not more than five years	258	878
Total commitment	878	1.498

Commitments relate to operational leases of property plant and equipment used by the Company in course of its business.

21. EVENTS AFTER THE REPORTING PERIOD

No significant event to be highlighted has occurred after December 31, 2014.