

UMM AL QAIWAIN CEMENT INDUSTRIES Co.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES

CONDENSED INTERIM FINANCIAL
INFORMATION AND REVIEW REPORT
FOR THE SIX-MONTH PERIOD ENDED
JUNE 30, 2015

UMM AL QAIWAIN CEMENT INDUSTRIES Co.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES

CONDENSED INTERIM FINANCIAL INFORMATION AND REVIEW REPORT
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015

Table of Contents

	<u>Page</u>	<u>Exhibit</u>
Report on Review of Condensed Interim Financial Information	1	--
Condensed Statement of Financial Position	2	A
Condensed Statement of Income	3	B – 1
Condensed Statement of Comprehensive Income	4	B – 2
Condensed Statement of Changes in Shareholders' Equity	5	C
Condensed Statement of Cash Flows	6	D
Notes to the Condensed Interim Financial Information (Unaudited)	7 – 12	--

Report on Review of Condensed Interim Financial Information

101480009

Messrs Umm Al Qaiwain Cement Industries Co.
A Public Shareholding Company
Umm Al Qaiwain - United Arab Emirates.

Introduction

We have reviewed the accompanying condensed statement of financial position of **Umm Al Qaiwain Cement Industries Co. (a public shareholding company)** – Umm Al Qaiwain as at June 30, 2015 and the related condensed statements of income, comprehensive income, changes in shareholders' equity and cash flows for the six-month period then ended, and selected explanatory notes. Management is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with International Accounting Standard No. 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review on 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 condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard No. 34, "Interim Financial Reporting".

TALAL ABU-GHAZALEH & CO. INTERNATIONAL
TALAT ZABEN
LICENSED AUDITOR NO. 68

Umm Al Qaiwain,
August 13, 2015



MEMBER OF THE
FORUM OF FIRMS

TAGI is a full member of the Forum of Firms. The Forum conducts its business through its executive arm, the Transnational Auditors Committee (TAC), which is also a committee of the International Federation of Accountants (IFAC). www.ifac.org/forum_of_firms.

Umm Al-Quwain Office : Tel.: (+971-6) 766 0855, Fax: (+971-7) 228 5929

مكتب أم القيوين: هاتف: ٨٥٥ - ٧١١ (٠٦ - ٩٧١ +) فاكس: ٥٩٢٩ - ٢٢٨ (٠٧ - ٩٧١ +)

Du'ret Al'malak Building, 1st Floor, King Faisal Street, P.O. Box 274, Umm Al-Quwain, U.A.E.

بنية دائرة الأملاك، الدور الأول، شارع الملك فيصل ص.ب: ٢٧٤ أم القيوين الإمارات العربية المتحدة

We Work Hard to Stay First

www.tagorg.com


نعمل بجد لنبقى في المقدمة

UMM AL QAIWAIN CEMENT INDUSTRIES CO.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES
CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2015 (UNAUDITED)

EXHIBIT A

ASSETS	Notes	June 30, 2015 (Unaudited) AED	December 31, 2014 (Audited) AED	June 30, 2014 (Unaudited) AED
Non-current assets				
Land		159,932,441	159,932,441	159,932,441
Property, plant and equipment	3	7,661,266	10,148,806	12,596,007
Investments at fair value through other comprehensive income (FVTOCI)	4	<u>417,807,621</u>	<u>475,113,772</u>	<u>483,064,416</u>
Total non-current assets		<u>585,401,328</u>	<u>645,195,019</u>	<u>655,592,864</u>
Current assets				
Investments at fair value through profit and loss (FVTPL)	5	<u>88,204,900</u>	101,069,797	102,779,863
Inventories		3,520,119	8,117,233	8,134,413
Trade accounts receivable and others		3,720,407	5,070,629	6,366,301
Cash and cash equivalents	6	<u>2,026,951</u>	<u>565,304</u>	<u>2,865,030</u>
Total current assets		<u>97,472,377</u>	<u>114,822,963</u>	<u>120,145,607</u>
TOTAL ASSETS		<u>682,873,705</u>	<u>760,017,982</u>	<u>775,738,471</u>
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Capital	7	363,000,000	363,000,000	363,000,000
Reserves		45,932,988	45,932,988	45,351,058
Investments revaluation reserve – FVTOCI		82,673,342	137,024,051	139,720,430
Land revaluation surplus		126,092,756	126,092,756	126,092,756
Retained earnings		<u>15,901,461</u>	<u>31,242,179</u>	<u>38,368,393</u>
Total shareholders' equity – Exhibit C		<u>633,600,547</u>	<u>703,291,974</u>	<u>712,532,637</u>
Non-current liability				
End of service benefit obligation		<u>1,280,783</u>	1,225,353	1,204,168
Current liabilities				
Trade accounts payable and others		482,334	1,986,378	681,645
Unclaimed dividends		36,346,322	32,912,675	34,152,688
Bank overdraft		<u>11,163,719</u>	<u>20,601,602</u>	<u>27,167,333</u>
Total current liabilities		<u>47,992,375</u>	<u>55,500,655</u>	<u>62,001,666</u>
Total liabilities		<u>49,273,158</u>	<u>56,726,008</u>	<u>63,205,834</u>
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		<u>682,873,705</u>	<u>760,017,982</u>	<u>775,738,471</u>

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF
THIS CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**


SALEM ABDULLA SALEM AL HOSANI
Managing Director

UMM AL QAIWAIN CEMENT INDUSTRIES Co.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES

CONDENSED STATEMENT OF INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015 (UNAUDITED)

EXHIBIT B-1

	<u>Notes</u>	<u>For Six Months Ended</u>		<u>For Three Months Ended</u>	
		<u>June 30,</u> <u>2015</u> <u>(Unaudited)</u> <u>AED</u>	<u>June 30,</u> <u>2014</u> <u>(Unaudited)</u> <u>AED</u>	<u>June 30,</u> <u>2015</u> <u>(Unaudited)</u> <u>AED</u>	<u>June 30,</u> <u>2014</u> <u>(Unaudited)</u> <u>AED</u>
Sales		6,312,579	6,120,294	3,033,253	3,125,600
Cost of sales		(6,639,780)	(7,176,413)	(3,165,099)	(3,692,379)
Gross loss		(327,201)	(1,056,119)	(131,846)	(566,779)
Profit from investments in shares		19,858,975	26,810,532	7,692,845	8,988,963
Changes in fair value of investments at FVTPL	5	(6,585,440)	(1,568,613)	1,375,076	(9,295,949)
Administrative expenses		(1,941,140)	(1,911,508)	(1,121,884)	(1,124,684)
Depreciation		(2,535,540)	(2,521,856)	(1,269,952)	(1,261,394)
Provision for coarse cement		(266,667)	(266,667)	(133,334)	(133,334)
Finance costs		(375,223)	(333,015)	(116,407)	(180,159)
PROFIT/(LOSS) FOR THE PERIOD – EXHIBIT B-2		7,827,764	19,152,754	6,294,498	(3,573,336)
Basic earnings/(loss) per share	8	0.022	0.053	0.173	(0.009)

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF
THIS CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**

UMM AL QAIWAIN CEMENT INDUSTRIES Co.

A PUBLIC SHAREHOLDING COMPANY

UMM AL QAIWAIN

UNITED ARAB EMIRATES

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015 (UNAUDITED)

EXHIBIT B-2

	<u>Notes</u>	<u>For Six Months Ended</u>		<u>For Three Months Ended</u>	
		<u>June 30,</u>	<u>June 30,</u>	<u>June 30,</u>	<u>June 30,</u>
		<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>
		<u>AED</u>	<u>AED</u>	<u>AED</u>	<u>AED</u>
Profit / (loss) for the period – Exhibit B-1		7,827,764	19,152,754	6,294,498	(3,573,336)
Other comprehensive income					
Changes in fair value of investments at FVTOCI	4	(52,308,346)	50,823,529	455,092	(16,316,244)
Profit from sale of investments at FVTOCI		199,155	895,553	134,112	279,102
Total other comprehensive (loss)/income		(52,109,191)	51,719,082	589,204	(16,037,142)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD – EXHIBIT C		(44,281,427)	70,871,836	6,883,702	(19,610,478)

***THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF
THIS CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)***

UMM AL QAIWAIN CEMENT INDUSTRIES Co.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES
CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015 (UNAUDITED)

EXHIBIT C

Description	Capital AED	Reserves AED	Investments revaluation reserve – FVTOCI AED	Land revaluation surplus AED	Retained earnings AED	Total AED
Balance at December 31, 2013 (Audited)	363,000,000	45,351,058	91,308,513	126,092,756	41,318,474	667,070,801
Profit for the period – Exhibit B – 1	--	--	--	--	19,152,754	19,152,754
Other comprehensive income	--	--	50,823,529	--	895,553	51,719,082
Total comprehensive income for the period – Exhibit B – 2	--	--	50,823,529	--	20,048,307	70,871,836
Dividends	--	--	--	--	(25,410,000)	(25,410,000)
Transfer to retained earnings on sale of investment at FVTOCI	--	--	(2,411,612)	--	2,411,612	--
Balance at June 30, 2014 (Unaudited) – Exhibit A	363,000,000	45,351,058	139,720,430	126,092,756	38,368,393	712,532,637
Balance at December 31, 2014 (Audited) – Exhibit A	363,000,000	45,932,988	137,024,051	126,092,756	31,242,179	703,291,974
Profit for the period – Exhibit B – 1	--	--	--	--	7,827,764	7,827,764
Other comprehensive loss	--	--	(52,308,346)	--	199,155	(52,109,191)
Total comprehensive loss for the period – Exhibit B – 2	--	--	(52,308,346)	--	8,026,919	(44,281,427)
Dividends	--	--	--	--	(25,410,000)	(25,410,000)
Transfer to retained earnings on sale of investment at FVTOCI	--	--	(2,042,363)	--	2,042,363	--
Balance at June 30, 2015 (Unaudited) – Exhibit A	363,000,000	45,932,988	82,673,342	126,092,756	15,901,461	633,600,547

*THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF
THIS CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)*

UMM AL QAIWAIN CEMENT INDUSTRIES Co.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES

CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2015 (UNAUDITED)

EXHIBIT D

	<u>June 30,</u> <u>2015</u>	<u>June 30,</u> <u>2014</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>
	<u>AED</u>	<u>AED</u>
Cash Flows from Operating Activities		
Profit for the period – Exhibit B-1	7,827,764	19,152,754
Adjustments for:		
Depreciation	2,535,540	2,521,856
Provision for coarse cement	266,667	266,667
End of service benefit	55,430	41,242
Profit from investments in shares	(19,858,975)	(26,810,532)
Changes in fair value of investments at FVTPL	6,585,440	1,568,613
Finance costs	375,223	333,015
	<hr/>	<hr/>
<i>Operating (loss) before working capital changes</i>	(2,212,911)	(2,926,385)
Decrease/(increase) in inventories	4,330,447	(211,204)
Decrease in trade accounts receivable and others	1,549,377	595,964
(Decrease) in trade accounts payable and others	(1,504,044)	(1,237,979)
	<hr/>	<hr/>
<i>Net cash generated from/(used in) operations</i>	2,162,869	(3,779,604)
Finance costs paid	(375,223)	(333,015)
<i>Net cash provided by/(used in) operating activities</i>	<u>1,787,646</u>	<u>(4,112,619)</u>
	<hr/>	<hr/>
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(48,000)	(8,540)
Net movement in investments in shares	11,277,262	(32,786,164)
Profit from investments in shares	19,858,975	26,810,532
	<hr/>	<hr/>
<i>Net cash provided by/(used in) investing activities</i>	<u>31,088,237</u>	<u>(5,984,172)</u>
	<hr/>	<hr/>
Cash Flows from Financing Activities		
Paid to shareholders	(21,976,353)	(21,613,958)
Bank overdraft	(9,437,883)	12,057,026
	<hr/>	<hr/>
<i>Net cash (used in) financing activities</i>	<u>(31,414,236)</u>	<u>(9,556,932)</u>
	<hr/>	<hr/>
<i>Net increase/(decrease) in cash and cash equivalents</i>	1,461,647	(19,653,723)
Cash and cash equivalents at the beginning of the period	565,304	22,518,753
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD – Note 6 & Exhibit A	<u>2,026,951</u>	<u>2,865,030</u>
	<hr/>	<hr/>

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF
THIS CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**

UMM AL QAIWAIN CEMENT INDUSTRIES Co.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED JUNE 30, 2015 (UNAUDITED)

1. GENERAL INFORMATION:

Umm Al Qaiwain Cement Industries Co., a public shareholding company (hereinafter referred to as “**the Company**”) was incorporated in Umm Al Qaiwain by Amiri Decree number 2/82 on February 11, 1982.

The Company was duly registered with the competent governmental authorities according to the law of United Arab Emirates. The Company possesses a factory for manufacturing and trading of cement. The activities of the Company are production and trading of cement and importing the raw materials required for production and trading. The Company is domiciled at Umm Al Qaiwain, United Arab Emirates. The Company had started its commercial production after set-up and establishing the cement factory in October 1993.

The Company’s lifetime period is unlimited, and commenced from February 11, 1982 which is the date of the Amiri decree under which the Company was established.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of preparation:

This condensed interim financial information has been prepared in accordance with International Accounting Standard No. 34 “Interim Financial Reporting”.

The condensed interim financial information does not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the six months period ended June 30, 2015 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2015.

b) Accounting estimates and judgments:

The preparation of this condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements of the Company for the year ended December 31, 2014.

c) Financial risk management:

All aspects of the Company’s financial risk management objectives and policies are consistent with that disclosed in the financial statements as at December 31, 2014.

d) Accounting policies:

The accounting policies used in the preparation of the condensed interim financial information are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2014.

UMM AL QAIWAIN CEMENT INDUSTRIES Co.

A PUBLIC SHAREHOLDING COMPANY

UMM AL QAIWAIN

UNITED ARAB EMIRATES

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE PERIOD ENDED JUNE 30, 2015 (UNAUDITED)

Continued...

3. PROPERTY, PLANT AND EQUIPMENT:

a) Property, plant and equipment have been stated at cost less accumulated depreciation as follows:

	<u>Buildings, plant & equipment</u> <u>AED</u>	<u>Labour accommodation building</u> <u>AED</u>	<u>Heavy equipment</u> <u>AED</u>	<u>Motor vehicles</u> <u>AED</u>	<u>Furniture, fixtures & office equipment</u> <u>AED</u>	<u>Protection cover & other equipment</u> <u>AED</u>	<u>Total</u> <u>AED</u>
<u>Cost</u>							
As at January 1, 2015	113,163,255	598,612	884,500	420,100	925,511	973,512	116,965,490
Additions	--	--	--	--	48,000	--	48,000
Disposal	--	--	--	--	(39,063)	--	(39,063)
As at June 30, 2015	113,163,255	598,612	884,500	420,100	934,448	973,512	116,974,427
<u>Accumulated Depreciation</u>							
As at January 1, 2015	103,157,080	598,592	884,470	345,409	857,724	973,409	106,816,684
Additions	2,502,262	--	--	13,813	19,465	--	2,535,540
Disposal	--	--	--	--	(39,063)	--	(39,063)
As at June 30, 2015	105,659,342	598,592	884,470	359,222	838,126	973,409	109,313,161
<u>Net Carrying Amount</u>							
As at June 30, 2014 (Unaudited) - Exhibit A	12,528,461	20	30	35,378	31,055	1,063	12,596,007
As at December 31, 2014 (Audited) - Exhibit A	10,006,175	20	30	74,691	67,787	103	10,148,806
As at June 30, 2015 (Unaudited) - Exhibit A	7,503,913	20	30	60,878	96,322	103	7,661,266

b) The Company's plant is constructed on part of the land as shown in Exhibit A amounting to AED 159,932,441.

UMM AL QAIWAIN CEMENT INDUSTRIES Co.

A PUBLIC SHAREHOLDING COMPANY

UMM AL QAIWAIN

UNITED ARAB EMIRATES

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE PERIOD ENDED JUNE 30, 2015 (UNAUDITED)

Continued...

4. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI):

a) The transactions over these investments were as follows:

	<u>June 30,</u> <u>2015</u> <u>(Unaudited)</u> <u>AED</u>	<u>December 31,</u> <u>2014</u> <u>(Audited)</u> <u>AED</u>	<u>June 30,</u> <u>2014</u> <u>(Unaudited)</u> <u>AED</u>
Fair value at January 1	475,113,772	436,354,569	436,354,569
Net movement during the period	(4,997,805)	(15,866,163)	(4,113,682)
Changes in fair value – Exhibit B-2	(52,308,346)	54,625,366	50,823,529
Fair value at end of the period – Exhibit A	417,807,621	475,113,772	483,064,416

b) Investments at fair value through other comprehensive income (FVTOCI) include shares amounting to AED 50,784,701 being mortgaged to bank against credit facilities.

5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL):

The transactions over these investments were as follows:

	<u>June 30,</u> <u>2015</u> <u>(Unaudited)</u> <u>AED</u>	<u>December 31,</u> <u>2014</u> <u>(Audited)</u> <u>AED</u>	<u>June 30,</u> <u>2014</u> <u>(Unaudited)</u> <u>AED</u>
Fair value at January 1	101,069,797	67,448,630	67,448,630
Net movement during the period	(6,279,457)	44,815,804	36,899,846
Changes in fair value – Exhibit B-1	(6,585,440)	(11,194,637)	(1,568,613)
Fair value at end of the period – Exhibit A	88,204,900	101,069,797	102,779,863

6. CASH AND CASH EQUIVALENTS:

This item consists of the following:

	<u>June 30,</u> <u>2015</u> <u>(Unaudited)</u> <u>AED</u>	<u>December 31,</u> <u>2014</u> <u>(Audited)</u> <u>AED</u>	<u>June 30,</u> <u>2014</u> <u>(Unaudited)</u> <u>AED</u>
Petty cash	6,113	13,057	17,889
Cash on hand	55,737	32,869	39,956
Cash at banks – UAE	28,150	58,480	58,976
Cash at banks – Kuwait	1,886,398	420,894	3,058,821
Cash at bank – Qatar	20,066	20,066	20,066
Cash at bank – Oman	30,487	1,267,075	1,224,781
Overdrawn book balances of bank accounts – UAE	--	(1,247,137)	(1,555,459)
Cash and cash equivalents– Exhibit A & D	2,026,951	565,304	2,865,030

UMM AL QAIWAIN CEMENT INDUSTRIES Co.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED JUNE 30, 2015 (UNAUDITED)

Continued...

7. CAPITAL:

- a) The Company's capital as shown in **Exhibit A** amounting to **AED 363,000,000** consists of fully paid-up 363,000,000 shares of one Dirham par value for each share.
- b) On April 18, 2015 the general assembly meeting approved the financial statements for the year ended December 31, 2014 and approved cash dividends to shareholders 7% of the paid-up capital amounting to AED 25,410,000.
- c) The Ordinary General Assembly which was held on April 18, 2015, approved the shutdown operations related to the production and sale of cement and focus exclusively on investing activities and asked the Board of Directors proceed immediately to take the necessary for the implementation of this resolution contained specifically the following:
 - i) Stop the production and sale of cement.
 - ii) Full equipment sale and factory machines.
 - iii) Amendment of the Memorandum of Association and articles of Association in accordance with the investment activity of the company and choose a new name for the company reflects the new activity.
 - iv) Call a meeting of an extraordinary general assembly of the company to adopt the amendments to the Memorandum of Association and Articles of Association after obtaining legal and regulatory approvals.

8. BASIC EARNINGS PER SHARE:

Basic earnings per share are determined by dividing profit for the period over the average number of ordinary stock during the period.

For the period ended June 30, 2015, the profit is AED 7,827,764 (profit for the period ended June 30, 2014 amounts to AED 19,152,754) and the average number of the ordinary shares is 363,000,000 shares (same number of shares for the previous period).

9. SEGMENT INFORMATION:

The primary segment reporting format is determined to be business segment as the Company's risks and rate of return are affected predominantly by activity lines. The operating business are organized and managed separately according to the nature of activities, with each segment representing a strategic business unit that offer different business strategies.

The investment segment includes investment activities. The manufacturing segment includes the production and supply of cement. Segment revenue, segment expenses and segment result include transactions between business segments.

UMM AL QAIWAIN CEMENT INDUSTRIES Co.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED JUNE 30, 2015 (UNAUDITED)

Continued...

9. SEGMENT INFORMATION: (continued...)

Business segments

The following table demonstrates revenues and profit information and certain assets and liabilities regarding business segments:

Description	TOTAL			June 30, 2015 (Unaudited)		December 31, 2014 (Audited)		June 30, 2014 (Unaudited)	
	June 30, 2015	December 31, 2014	June 30, 2014	Manufacturing	Investment	Manufacturing	Investment	Manufacturing	Investment
	(Unaudited)	(Audited)	(Unaudited)	AED	AED	AED	AED	AED	AED
Sales	6,312,579	13,282,172	6,120,294	6,312,579	--	13,282,172	--	6,120,294	--
Profit from investments	13,273,535	19,117,119	25,241,919	--	13,273,535	--	19,117,119	--	25,241,919
Allocated expenses (Net)	(9,175,320)	(20,189,578)	(9,698,269)	(9,175,320)	--	(20,189,578)	--	(9,698,269)	--
Net segment results	10,410,794	12,209,713	21,663,944	(2,862,741)	13,273,535	(6,907,406)	19,117,119	(3,577,975)	25,241,919
Unallocated expenses	(2,583,030)	(6,390,409)	(2,511,190)						
Profit for the period	7,827,764	5,819,304	19,152,754						
Segment assets	682,873,705	760,017,982	775,738,471	175,682,180	507,191,525	183,201,497	576,816,485	187,662,188	588,076,283
Segment liabilities	49,273,158	56,726,008	63,205,834	38,109,439	11,163,719	36,124,406	20,601,602	36,038,501	27,167,333
Other segment information									
Land revaluation surplus	126,092,756	126,092,756	126,092,756	126,092,756	--	126,092,756	--	126,092,756	--
Income from investments at FVTOCI	(52,308,346)	54,625,366	50,823,529	--	(52,308,346)	--	54,625,366	--	50,823,529
Capital expenditure (property, plant and equipment)	48,000	111,756	8,540	48,000	--	111,756	--	8,540	--
Depreciation (property, plant and equipment)	2,535,540	5,072,273	2,521,856	2,535,540	--	5,072,273	--	2,521,856	--

Company's geographical segments

The Company's geographical segments are based on the location of the Company's assets. The two geographical segments in which the Company operates comprised of UAE and GCC.

a) Assets distribution:

The following table shows the distribution of the Company's segment assets by geographical market:

	TOTAL			GCC			UAE		
	June 30,	December 31,	June 30,	June 30,	December 31,	June 30,	June 30,	December 31,	June 30,
	2015	2014	2014	2015	2014	2014	2015	2014	2014
	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
	AED	AED	AED	AED	AED	AED	AED	AED	AED
Assets	682,873,705	760,017,982	775,738,471	55,630,538	69,239,464	77,462,144	627,243,167	690,778,518	698,276,327

UMM AL QAIWAIN CEMENT INDUSTRIES CO.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED JUNE 30, 2015 (UNAUDITED)

Continued...

9. SEGMENT INFORMATION: (continued...)

Company's geographical segments: (continued...)

b) Financial assets at fair value distribution:

The following table demonstrates financial assets information, the geographical allocation and the nature of activities in which invested:

	TOTAL			June 30, 2015 (Unaudited)		December 31, 2014 (Audited)		June 30, 2014 (Unaudited)	
	June 30,	December 31,	June 30,						
	2015	2014	2014	GCC	UAE	GCC	UAE	GCC	UAE
	(Unaudited)	(Audited)	(Unaudited)	AED	AED	AED	AED	AED	AED
	AED	AED	AED						
1) Investments at FVTOCI									
Banking sector	349,351,768	401,533,848	403,321,493	908,038	348,443,730	1,006,205	400,527,643	1,063,388	402,258,105
Finance and investment sector	14,642,352	14,788,495	16,082,742	8,364,352	6,278,000	9,386,495	5,402,000	10,023,742	6,059,000
Real estate sector	17,958,177	18,621,103	18,859,971	15,537,920	2,420,257	16,334,989	2,286,114	17,428,117	1,431,854
Industrial sector	10,515,759	10,183,296	11,551,005	6,584,923	3,930,836	6,491,354	3,691,942	7,446,472	4,104,533
Services sector	25,339,565	29,987,030	33,249,205	10,860,033	14,479,532	14,026,189	15,960,841	17,167,827	16,081,378
Total	417,807,621	475,113,772	483,064,416	42,255,266	375,552,355	47,245,232	427,868,540	53,129,546	429,934,870
2) Investments at FVTPL									
Banking sector	50,656,807	50,632,507	54,849,042	1,260,988	49,395,819	1,336,837	49,295,670	1,535,940	53,313,102
Finance and investment sector	--	9,369,462	10,215,628	--	--	4,530,922	4,838,540	4,726,528	5,489,100
Real estate sector	17,181,743	16,107,886	13,536,147	--	17,181,743	--	16,107,886	--	13,536,147
Industrial sector	20,121,994	22,150,693	18,943,946	10,177,334	9,944,660	11,429,093	10,721,600	8,425,946	10,518,000
Services sector	244,356	2,809,249	5,235,100	--	244,356	2,809,249	--	5,235,100	--
Total	88,204,900	101,069,797	102,779,863	11,438,322	76,766,578	20,106,101	80,963,696	19,923,514	82,856,349
Total financial assets	506,012,521	576,183,569	585,844,279	53,693,588	452,318,933	67,351,333	508,832,236	73,053,060	512,791,219

10. APPROVAL OF THE CONDENSED INTERIM FINANCIAL INFORMATION:

This condensed interim financial information (unaudited) has been approved by the Company's management for issue on August 13, 2015.

11. GENERAL:

- a) The figures in this condensed interim financial information are rounded to the nearest Dirham of United Arab Emirates.
- b) Comparative figures have been reclassified wherever necessary for the purpose of comparison.