2014

Consolidated financial statements

VICAT

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Bharathi Cement factory in Kapada, Andhra Pradesh (India)

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2014

Consolidated statement of financial position at december 31, 2014

(in thousands of euros)	*Notes*	December 31, 2014	December 31, 2013
ASSETS			
Non-current assets			
Goodwill	*3*	1,007,848	946,569
Other intangible assets	*4*	122,985	100,103
Property, plant and equipment	*5*	2,148,739	2,102,012
Investment properties	*7*	18,754	19,107
Investments in associated companies	*8*	43,815	38,213
Deferred tax assets	*25*	135,437	101,671
Receivables and other non-current financial assets	*9*	98,891	133,738
TOTAL NON-CURRENT ASSETS		3,576,469	3,441,413
Current assets			
Inventories and work-in-progress	*10*	394,205	359,712
Trade and other receivables	*11*	356,405	348,309
Current tax assets		37,206	29,866
Others receivables	*11*	141,200	127,963
Cash and cash equivalents	*12*	268,196	241,907
TOTAL CURRENT ASSETS		1,197,212	1,107,757
TOTAL ASSETS		**4,773,681**	**4,549,170**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Capital	*13*	179,600	179,600
Additional paid-in capital		11,207	11,207
Consolidated reserves		1,986,616	1,818,942
Shareholders' equity		**2,177,423**	**2,009,749**
Minority interests		**281,870**	**282,216**
SHAREHOLDERS' EQUITY AND MINORITY INTERESTS		2,459,293	2,291,965
Non-current liabilities			
Provisions for pensions and other post-employment benefits	*14*	125,862	87,584
Other provisions	*15*	86,141	77,208
Financial debts and put options	*16*	1,067,527	1,201,953
Deferred tax liabilities	*25*	219,656	215,751
Other non-current liabilities		7,205	10,394
TOTAL NON-CURRENT LIABILITIES		1,506,391	1,592,890
Current liabilities			
Provisions	*15*	10,526	12,494
Financial debts and put options at less than 1 year	*16*	281,730	172,604
Trade and other accounts payable		280,642	276,633
Current taxes payable		39,301	25,354
Other liabilities	*18*	195,798	177,230
TOTAL CURRENT LIABILITIES		807,997	664,315
TOTAL LIABILITIES		2,314,388	2,257,205
TOTAL EQUITY AND LIABILITIES		**4,773,681**	**4,549,170**

Consolidated income statement for the year ended december 31, 2014

(in thousands of euros)	Notes	2014	2013
Sales	*19*	**2,422,753**	**2,285,983**
Goods and services purchased		(1,583,417)	(1,481,668)
Added value	*1.22*	**839,336**	**804,315**
Personnel costs	*20*	(373,289)	(366,833)
Taxes		(47,624)	(42,971)
Gross operating income	*1.22 & 23*	**418,423**	**394,511**
Depreciation, amortization and provisions	*21*	(176,710)	(188,888)
Other income and expenses	*22*	14,605	23,964
Operating income	*23*	**256,318**	**229,587**
Cost of net borrowings and financial liabilities	*24*	(47,616)	(43,989)
Other financial income	*24*	11,456	10,290
Other financial expenses	*24*	(21,891)	(19,314)
Net financial income (expense)	*24*	**(58,051)**	**(53,013)**
Earnings from associated companies	8	4,745	3,913
Profit (loss) before tax		**203,012**	**180,487**
Income tax	25	(59,458)	(57,246)
Consolidated net income		**143,554**	**123,241**
Portion attributable to minority interests		15,075	2,982
Portion attributable to the Group		**128,479**	**120,259**
EBITDA	*1.22 & 23*	**441,973**	**426,692**
EBIT	*1.22 & 23*	**263,132**	**234,245**
CASH FLOW FROM OPERATIONS	*1.22*	320,929	290,978
Earnings per share *(in euros)*			
Basic and diluted Group share of net earnings per share	*13*	2.86	2.68

Consolidated statement of comprehensive income for the year ended december 31, 2014

(in thousands of euros)	2014	2013
Consolidated net income	**143,554**	**123,241**
Other comprehensive income		
Items not recycled to profit or loss:		
Remeasurement of the net defined benefit liability	(34,480)	41,470
Tax on non-recycled items	9,774	(11,729)
Items recycled to profit or loss:		
Translation differences	137,421	(198,311)
Cash flow hedge instruments	(19,094)	(5,256)
Tax on recycled items	2,872	2,131
Other comprehensive income (after tax)	**96,493**	**(171,695)**
TOTAL COMPREHENSIVE INCOME	**240,047**	**(48,454)**
Portion attributable to minority interests	38,133	(37,357)
Portion attributable to the Group	**201,914**	**(11,097)**

Consolidated cash flow statement for the year ended december 31, 2014

(in thousands of euros)	Notes	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated net income		**143,553**	**123,241**
Earnings from associated companies		(4,745)	(3,913)
Dividends received from associated companies		974	335
Elimination of non-cash and non-operating items:			
■ depreciation, amortization and provisions		186,442	191,784
■ deferred taxes		(16,341)	(17,282)
■ net (gain) loss from disposal of assets		(201)	(4,964)
■ unrealized fair value gains and losses		1,341	986
■ other		9,906	793
Cash flow from operations	*1.22*	**320,929**	**290,980**
Change in working capital requirement		(19,050)	45,526
Net cash flows from operating activities (1)	*27*	**301,879**	**336,506**
CASH FLOWS FROM INVESTING ACTIVITIES			
Outflows linked to acquisitions of non-current assets:			
■ property, plant and equipment and intangible assets		(159,951)	(175,589)
■ financial investments		(8,827)	(9,814)
Inflows linked to disposals of non-current assets:			
■ property, plant and equipment and intangible assets		6,370	9,875
■ financial investments		5,183	5,137
Impact of changes in consolidation scope		(66,988)	(8,793)
Net cash flows from investing activities	*28*	**(224,213)**	**(179,184)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(81,015)	(79,877)
Increases in share capital		122	-
Proceeds from borrowings		21,239	102,905
Repayments of borrowings		(91,568)	(155,183)
Acquisitions of treasury shares		(21,021)	(12,162)
Disposals or allocations of treasury shares		96,104	16,645
Net cash flows from financing activities		**(76,139)**	**(127,672)**
Impact of changes in foreign exchange rates		15,651	(28,917)
Change in cash position		**17,178**	**733**
Net cash and cash equivalents – opening balance	*29*	225,812	225,079
Net cash and cash equivalents – closing balance	*29*	242,990	225,812

(1) Of which cash flows from income tax: € (60,190) thousand in 2014 and € (69,812) thousand in 2013.
Of which cash flows from interest paid and received: € (47,825) thousand in 2014 and € (43,036) thousand in 2013.

Statement of changes in consolidated equity for the year ended december 31, 2014

(in thousands of euros)	Capital	Additional paid-in capital	Treasury shares	Consolidated reserves	Translation reserves	Shareholders' equity	Minority interests	Shareholders' equity and minority interests
AT JANUARY 1, 2013	179,600	11,207	(78,681)	2,076,581	(107,896)	2,080,811	334,036	2,414,847
Consolidated net income				120,259		120,259	2,982	123,241
Other comprehensive income				23,613	(154,969)	(131,356)	(40,339)	(171,695)
Total comprehensive income				**143,872**	**(154,969)**	**(11,097)**	**(37,357)**	**(48,454)**
Dividends paid				(66,016)		(66,016)	(14,056)	(80,072)
Net change in treasury shares			4,736	(166)		4,570		4,570
Changes in consolidation scope and additional acquisitions							(51)	(51)
Increases in share capital								
Other changes				1,481		1,481	(356)	1,125
AT DECEMBER 31, 2013	179,600	11,207	(73,945)	2,155,752	(262,865)	2,009,749	282,216	2,291,965
Consolidated net income				128,479		128,479	15,075	143,554
Other comprehensive income				(39,732)	113,167	73,435	23,058	96,493
Total comprehensive income				**88,747**	**113,167**	**201,914**	**38,133**	**240,047**
Dividends paid				(66,061)		(66,061)	(14,787)	(80,848)
Net change in treasury shares (1)			3,812	71,546		75,358	15	75,373
Changes in consolidation scope and additional acquisitions (2)				(44,390)		(44,390)	(24,582)	(68,972)
Increases in share capital							122	122
Other changes				853		853	753	1,606
AT DECEMBER 31, 2014	**179,600**	**11,207**	**(70,133)**	**2,206,447**	**(149,698)**	**2,177,423**	**281,870**	**2,459,293**

(1) relates mainly to the total capital gain, net of tax, of € 72 million made on the sale of Soparfi securities (see Note 2).
(2) relates mainly to the change in net value due to the Group's acquisition of Sagar Cements' residual stake in Vicat Sagar Cement (see Note 2).

Group translation differences at December 31, 2014 are broken down by currency as follows (in thousands of euros):

US dollar:	18,764
Swiss franc:	137,853
Turkish new lira:	(118,547)
Egyptian pound:	(42,745)
Kazakh tenge:	(43,767)
Mauritanian ouguiya:	2,187
Indian rupee:	(103,443)
	(149,698)

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NOTE 1 ACCOUNTING POLICIES AND MEASUREMENT METHODS

1.1. Statement of compliance

In compliance with European Regulation (EC) 1606/2002 issued by the European Parliament on July 19, 2002 on the enforcement of International Accounting Standards, Vicat's consolidated financial statements have been prepared since January 1, 2005 in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Vicat Group has adopted those standards in force on December 31, 2014 for its benchmark accounting policies.

Standards and interpretations published by the IASB but not yet in effect as at December 31, 2014 were not applied ahead of schedule in the Group's consolidated financial statements at the closing date. This mainly relates to the application of IFRIC 21 "Levies", which is currently being assessed in order to determine its potential impact on the financial statements. The Group does not anticipate any material impact resulting from the application of this standard to the annual consolidated financial statements.

The consolidated financial statements for the year ended December 31, 2014 present comparative data for the previous year prepared under these same IFRSs. The accounting policies and methods applied in the consolidated financial statements for the year ended December 31, 2014 are consistent with those applied for the annual financial statements in 2013.

The other standards that are mandatory for annual periods beginning on or after January 1, 2014 had no significant impact on the 2014 consolidated financial statements. These are for the most part IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities", and their implication on IAS 27 "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures".

These financial statements were finalized and approved by the Board of Directors at its meeting of March 6, 2015 and will be submitted to the General Shareholders' Meeting of May 6, 2015 for approval.

1.2. Basis of preparation of financial statements

The financial statements are presented in thousands of euros.

The consolidated statement of comprehensive income is presented by type in two separate statements: the income statement and the statement of other comprehensive income.

The consolidated statement of financial position segregates current and non-current asset and liability accounts and splits them according to their maturity (divided, generally speaking, into maturities of less than and more than one year).

The statement of cash flows is presented according to the indirect method.

The financial statements are prepared using the historical cost method, except for the following assets and liabilities, which are recognized at fair value: derivatives, assets held for trading, assets available for sale, and the portion of assets and liabilities covered by hedging transactions.

The accounting policies and measurement methods described hereinafter have been applied on a permanent basis to all of the financial years presented in the consolidated financial statements.

The establishment of consolidated financial statements under IFRS requires the Group's management to make a number of estimates and assumptions, which have a direct impact on the financial statements. These estimates are based on the going concern principle and are established on the basis of the information available at the date they are carried out. They concern mainly the assumptions used to:

- value provisions (Notes 1.17 and 15), in particular those for pensions and other post-employment benefits (Notes 1.15 and 14);
- value the put options granted to third parties on shares in consolidated subsidiaries (Notes 1.16 and 16);
- measure financial instruments at their fair value (Notes 1.14 and 17);
- perform the valuations adopted for impairment tests (Notes 1.4, 1.11 and 3);
- define the accounting principle to be applied in the absence of a definitive standard (Notes 1.7 and 4 concerning emission quotas).

The estimates and assumptions are reviewed regularly, whenever justified by the circumstances, at least at the end of each year, and the pertinent items in the financial statements are updated accordingly.

1.3. Consolidation principles

When a company is acquired, its assets and liabilities are measured at their fair value at the acquisition date.

The earnings of the companies acquired or disposed of during the year are recorded in the consolidated income statement for the period subsequent or previous to the date of the acquisition or disposal, as appropriate.

The annual statutory financial statements of the companies at December 31 are consolidated, and any necessary adjusting entries are made to restate them in accordance with the Group accounting policies. All intercompany balances and transactions are eliminated during the preparation of the consolidated financial statements.

Subsidiaries

Companies that are controlled exclusively by Vicat, directly or indirectly, are fully consolidated.

Joint ventures and associated companies

Joint ventures, which are jointly controlled and operated by a limited number of shareholders and associated companies, investments over which Vicat exercises notable control are reported using the equity method. Any goodwill generated on the acquisition of these investments is presented on the line "Investments in associated companies (equity method)".

The list of the main companies included in the consolidation scope as at December 31, 2014 is provided in Note 34.

1.4. Business combinations – Goodwill

With effect from January 1, 2010, business combinations are reported in accordance with IFRS 3 "Business Combinations" (revised) and IAS 27 "Consolidated and Separate Financial Statements" (revised). As these revised standards apply prospectively, they do not affect business combinations carried out before January 1, 2010.

Business combinations carried out before January 1, 2010

These are reported using the acquisition method. Goodwill corresponds to the difference between the acquisition cost of the shares in the acquired company and the purchaser's pro-rata share in the fair value of all identified assets, liabilities and contingent liabilities at the acquisition date. Goodwill on business combinations carried out after January 1, 2004 is reported in the currency of the company acquired. Applying the option offered by IFRS 1, business combinations completed before the transition date of January 1, 2004 have not been restated, and the goodwill arising from them has been maintained at its net value in the balance sheet prepared according to French GAAP as at December 31, 2003.

In the event that the pro-rata share of interests in the fair value of net assets, liabilities and contingent liabilities acquired exceeds their cost ("negative goodwill"), the full amount of this negative goodwill is recognized in the income statement of the reporting period in which the acquisition was made, except for acquisitions of minority interests in a company already fully consolidated, in which case this amount is recognized in the consolidated shareholders' equity.

The values of assets and liabilities acquired through a business combination must be definitively determined within 12 months of the acquisition date. These values may thus be adjusted at any closing date within that time frame.

Minority interests are valued on the basis of their pro-rata share in the fair value of the net assets acquired.

If the business combination takes place through successive purchases, each material transaction is treated separately, and the assets and liabilities acquired are so valued and goodwill thus determined.

Business combinations carried out on or after January 1, 2010

IFRS 3 "Business Combinations" (revised), which is mandatory for business combinations carried out on or after January 1, 2010, introduced the following main changes compared with the previous IFRS 3 (before revision):

- goodwill is determined once, on the date the acquirer obtains control.

The Group then has the option, in the case of each business combination, upon obtaining control, to value the minority interests:

  - either at their pro-rata share in the identifiable net assets of the company acquired ("partial" goodwill option),
  - or at their fair value ("full" goodwill option).

Measurement of minority interests at fair value has the effect of increasing the goodwill by the amount attributable to such minority interests, resulting in the recognition of a "full" goodwill.

- any adjustment in the acquisition price at fair value from the date of acquisition is to be reported, with any subsequent adjustment occurring after the 12-month appropriation period from the date of acquisition to be recorded in the income statement;
- the costs associated with the business combination are to be recognized in the expenses for the period in which they were incurred;
- in the case of combinations carried out in stages, upon obtaining control the previous holding in the company acquired is to be revalued at fair value on the date of acquisition and any gain or loss which results is to be recorded in the income statement.

In compliance with IAS 36 (see Note 1.11), at the end of each year, and in the event of any evidence of impairment, goodwill is subjected to an impairment test, consisting of a comparison of its net carrying cost with its value in use as calculated on a discounted projected cash flow basis. When the latter is below carrying cost, an impairment loss is recognized for the corresponding loss of value.

1.5. Foreign currencies

Transactions in foreign currencies

Transactions in foreign currencies are translated into the operating currency at the exchange rates in effect on the transaction dates. At the end of the year, all monetary assets and liabilities denominated in foreign currencies are translated into the operating currency at the year-end exchange rates, and the resulting exchange rate differences are recorded in the income statement.

Translation of financial statements of foreign companies

All assets and liabilities of Group companies denominated in foreign currencies that are not hedged are translated into euros at the year-end exchange rates, while income and expense and cash flow statement items are translated at average exchange rates for the year. The ensuing translation differences are recorded directly in shareholders' equity.

In the event of a later sale, the cumulative amount of translation differences relating to the net investment sold and denominated in foreign currency is recorded in the income statement. Applying the option offered by IFRS 1, translation differences accumulated before the transition date were zeroed out by allocating them to consolidated reserves at that date. They will not be recorded in the income statement in the event of a later sale of these investments denominated in foreign currency.

The following foreign exchange rates were used

	Closing rate		Average rate	
	2014	**2013**	**2014**	**2013**
Us dollar (USD)	1.2141	1.3791	1.3288	1.3303
Swiss franc (CHF)	1.2024	1.2276	1.2146	1.2308
Egyptian pound (EGP)	8.6511	9.5597	9.4136	9.1296
Turkish new lira (TRL)	2.8320	2.9605	2.9070	2.5357
Tengué kazakh (KZT)	221.3900	211.8400	238.5633	202.1500
Mauritanian ouguiya (MRO)	352.6830	400.5829	393.2725	396.1750
CFA Franc (XOF)	655.9570	655.9570	655.9570	655.9570
Indian rupee (INR)	76.7190	85.3660	81.0688	77.8751

1.6. Other intangible assets

Intangible assets (mainly patents, rights and software) are recorded in the consolidated statement of financial position at historical cost less accumulated amortization and any impairment losses. This cost includes acquisition or production costs and all other directly attributable costs incurred for the acquisition or production of the asset and for its commissioning.

Assets with finite lives are amortized on a straight-line basis over their useful lives (generally not exceeding 15 years).

Research costs are recognized as expenses in the period in which they are incurred. Development costs meeting the criteria defined by IAS 38 are capitalized.

1.7. Emission quotas

In the absence of a definitive IASB standard or interpretation concerning greenhouse gas emission quotas, the following accounting treatment has been applied:

- quotas allocated by the States related to National Quota Allocation Plans are not recorded, either as assets or liabilities;
- only the quotas held in excess of the cumulative actual emissions are recorded in the intangible assets at year end;
- surpluses, quota sales and quota swaps (EUA) against Certified Emission Reductions (CERs) are recognized in the income statement for the year.

1.8. Property, plant and equipment

Property, plant and equipment are reported in the consolidated statement of financial position at historical cost less accumulated depreciation and any impairment losses, using the component approach provided for in IAS 16. When an article of property, plant and equipment comprises several significant components with different useful lives, each component is amortized on a straight-line basis over its respective useful life, starting at commissioning.

The main amortization periods are presented below depending on the assets category:

	Cement assets	Concrete & Aggregates assets
Civil engineering	15 to 30 years	15 years
Major installations	15 to 30 years	10 to 15 years
Other industrial equipment	8 years	5 to 10 years
Electricity	15 years	5 to 10 years
Controls and instruments	5 years	5 years

Quarries are amortized on the basis of tonnage extracted during the year in comparison with total estimated reserves.

Certain parcels of land owned by French companies acquired prior to December 31, 1976 were revalued, and the adjusted value was recognized in the financial statements, but without a significant impact on the lines concerned.

Interest expenses on borrowings incurred to finance the construction of facilities during the period prior to their commissioning are capitalized. Exchange rate differences arising from foreign currency borrowings are also capitalized inasmuch as they are treated as an adjustment to interest costs and within the limit of the interest charge which would have been paid on borrowings in local currency.

1.9. Leases

In compliance with IAS 17, leases on which nearly all of the risks and benefits inherent in ownership are transferred by the lessor to the lessee are classified as finance leases. All other contracts are classified as operating leases.

Assets held under finance leases are recorded in property, plant and equipment at the lower of their fair value and the current value of the minimum rent payments at the starting date of the lease and amortized over the shortest duration of the lease and its useful life, with the corresponding debt recorded as a liability.

1.10. Investment properties

The Group recognizes its investment properties at historical cost less accumulated depreciation and any impairment losses. They are depreciated on a straight-line basis over their useful life (10 to 25 years). The fair value of its investment properties is calculated by the Group's specialist departments, assisted by an external consultant, primarily with reference to market prices followed on transactions involving comparable assets or published by local notary chambers. It is presented in the notes at each year-end.

1.11. Impairment

In accordance with IAS 36, the book values of assets with indefinite lives are reviewed at each year-end, and during the year, whenever there is an indication that the asset may be impaired. Those with finite lives are only reviewed if impairment indicators show that a loss is likely.

An impairment loss has to be recorded as an expense on the income statement when the carrying cost of the asset is higher than its recoverable value. The latter is the higher of the fair value less the costs of sale and the value in use. The value in use is calculated primarily on a discounted projected cash flow basis over 10 years, plus the terminal value calculated on the basis of a projection to infinity of the cash flow from operations of the last year. This time period corresponds to the Group's capital-intensive nature and the longevity of its industrial plant.

The projected cash flows are calculated on the basis of the following components that have been inflated and then discounted:

- the EBITDA from the Long-Term Plan over the first five years, then projected to year ten;
- the sustaining capital expenditure;
- and the change in the working capital requirement.

The assumptions used in calculating impairment tests are derived from forecasts made by operational staff reflecting as closely as possible their knowledge of the market, the commercial position of the businesses, and the performance of the industrial plant. Such forecasts include the impact of foreseeable developments in cement consumption based on macroeconomic and industry sector data, changes likely to affect the competitive position, technical improvements in the manufacturing process, and expected developments in the cost of the main production factors contributing to the cost price of the products.

In the case of countries subject to social tensions and security concerns, the assumptions used also include the potential improvement resulting from the progressive and partial easing of some of these tensions and concerns, based on recent data and an examination of the effect of these tensions on current business conditions.

Projected cash flows are discounted at the weighted average capital cost (WACC) before tax, in accordance with IAS 36 requirements. This calculation is made per country, taking into account the cost of risk-free long-term money, market risk weighted by a sector volatility factor, and a country premium reflecting the specific risks of the market in which the cash generating unit in question operates.

If it is not possible to estimate the fair value of an isolated asset, it is assessed at the level of the cash generating unit that the asset is part of (defined by IAS 36 as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets) insofar as the industrial installations, products and markets form a coherent whole. The analysis was thus carried out for each geographical area/market/business, and the cash generating units were determined depending on the existence or not of vertical integration between the Group's activities in the area concerned.

The value of the assets thus tested, at least annually using this method for each cash generating unit comprises the intangible and tangible non-current assets and the Working Capital Requirement.

These impairment tests are sensitive to the assumptions held for each cash generating unit, mainly in terms of:

- the discount rate as previously defined;
- the inflation rate, which must reflect sales prices and expected future costs;
- the growth rate to infinity.

Tests are conducted at each year-end on the sensitivity to an increase or decrease of one point in the discount rate and growth rate to infinity applied, in order to assess the effect on the value of goodwill and other intangible and tangible assets included in the Group's consolidated financial statements. Moreover, the discount rate includes a country risk premium and an industry sector risk premium reflecting the cyclical nature of certain factors inherent in the business sector, enabling an understanding of the volatility of certain elements of production costs, which are sensitive in particular to energy costs.

Recognized impairments can be reversed and are recovered in the event of a decrease, except for those corresponding to goodwill, which are definitive.

1.12. Inventories

Inventories are valued using the weighted average unit cost method, at the lower of purchase price or production cost, and net market value (sales price less completion and sales costs).

The gross value of goods and supplies includes both the purchase price and all related costs.

Manufactured goods are valued at production cost, including the cost of goods sold, direct and indirect production costs and the depreciation on all consolidated fixed assets used in the production process.

In the case of inventories of manufactured products and work in progress, the cost includes an appropriate share of fixed costs based on the standard conditions of use of the production plant.

Inventory depreciations are recorded when necessary to take into account any probable losses identified at year-end.

1.13. Cash and cash equivalents

Cash and cash equivalents include both cash and short-term investments of less than three months that do not present any risk of a change in of value. The latter are marked to market at the end of the period. Net cash, the change in which is presented in the statement of cash flows, consists of cash and cash equivalents less any bank overdrafts.

1.14. Financial instruments

Financial assets

The Group classifies its non-derivative financial assets, when they are first entered in the financial statements, in one of the following four categories of financial instruments in accordance with IAS 39, depending on the reasons for which they were originally acquired:

- long-term loans and receivables, financial assets not quoted on an active market, the payment of which is determined or can be determined; these are valued at their amortized cost;
- assets available for sale, which include in particular, in accordance with the standard, investments in non-consolidated affiliates; these are valued at the lower of their carrying value and their fair value less the cost of sale as at the end of the period;
- financial assets valued at their fair value by the income, since they are held for transaction purposes (acquired and held with a view to being resold in the short term);
- investments held to term, including securities quoted on an active market associated with defined payments at fixed dates; the Group does not own such assets at the year-end of the reporting periods in question.

All acquisitions and disposals of financial assets are reported at the transaction date. Financial assets are reviewed at the end of each year in order to identify any evidence of impairment.

Financial liabilities

The Group classifies its non-derivative financial assets, when they are first entered in the financial statements, as financial liabilities valued at amortized cost. These comprise mainly borrowings, other financings, bank overdrafts, etc. The Group does not have financial liabilities at fair value through the income statement.

Treasury shares

In compliance with IAS 32, Vicat's treasury shares are recognized net of shareholders' equity.

Derivatives and hedging

The Group uses hedging instruments to reduce its exposure to changes in interest and foreign currency exchange rates resulting from its business, financing and investment operations. These hedging transactions use financial derivatives. The Group uses interest rate swaps and caps to manage its exposure to interest rate risks. Forward FX contracts and currency swaps are used to hedge exchange rate risks.

The Group uses derivatives solely for economic hedging purposes and no instrument is held for speculative ends. Under IAS 39, however, certain derivatives used are not, not yet or no longer, eligible for hedge accounting at the closing date.

Financial derivatives are valued at their fair value in the balance sheet. Except for the cases detailed below, the change in fair value of derivatives is recorded as an offset in the income statement of the financial statement ("Change in fair value of financial assets and liabilities"). The fair values of derivatives are estimated by means of the following valuation models:

- the market value of interest rate swaps, exchange rate swaps and forward purchase/sale transactions is calculated by discounting the future cash flows on the basis of the "zero coupon" interest rate curves applicable at the end of the presented reporting periods, restated if applicable to reflect accrued interest not yet payable;
- interest rate options are revalued on the basis of the Black and Scholes model incorporating the market parameters as at year-end.

Derivative instruments may be designated as hedging instruments, depending on the type of hedging relationship:

- fair value hedging is hedging against exposure to changes in the fair value of a booked asset or liability, or of an identified part of that asset or liability, attributable to a particular risk, in particular interest and exchange rate risks, which would affect the net income presented;
- cash flow hedging is hedging against exposure to changes in cash flow attributable to a particular risk, associated with a booked asset or liability or with a planned transaction (e.g. expected sale or purchase or "highly probable" future transaction), which would affect the net income presented.

Hedge accounting for an asset/liability/firm commitment or cash flow is applicable if:

- the hedging relationship is formally designated and documented at its date of inception;
- the effectiveness of the hedging relationship is demonstrated at the inception and then by the regular assessment and correlation between the changes in the market value of the hedging instrument and that of the hedged item. The ineffective portion of the hedging instrument is always recognized in the income statement.

The application of hedge accounting results as follows:

- in the event of a documented fair value hedging relationship, the change in the fair value of the hedging derivative is recognized in the income statement as an offset to the change in the fair value of the underlying financial instrument hedged. Income is affected solely by the ineffective portion of the hedging instrument;
- in the event of a documented cash flow hedging relationship, the change in the fair value of the effective portion of the hedging derivative is recorded initially in shareholders' equity, and that of the ineffective portion is recognized directly in the income statement. The accumulated changes in the fair value of the hedging instrument previously recorded in shareholders' equity are transferred to the income statement at the same rate as the hedged cash flows.

1.15. Employee benefits

The Group recognizes the entire amount of its commitments relating to post-employment benefits in accordance with IAS 19 (revised).

Regulations, standard practices and agreements in force in countries where the Group's consolidated companies have operations provide for various types of post-employment benefits: lump-sum payments on retirement, supplemental pension benefits, guaranteed supplemental pension benefits specifically for executives, etc., and other long-term benefits (such as medical cover, etc.).

Defined contribution plans are those for which the Group's commitment is limited only to the payment of contributions, recognized as expenses when they are incurred.

Defined benefit plans include all post-employment benefit programs, other than those under defined contribution plans, and represent a future liability for the Group. The corresponding liabilities are calculated on an actuarial basis (wage inflation, mortality, employee turnover, etc.) using the projected unit credit method, in accordance with the clauses provided for in the collective bargaining agreements and with standard practices.

Dedicated financial assets, which are mainly equities and bonds, are used to cover all or a part of these liabilities, principally in the United States and Switzerland. The net position of each pension plan is fully provided for in the statement of financial position less, where applicable, the fair value of these invested assets, within the limit of the asset ceiling cap. Any surplus (in the case of overfunded pension plans) is only recognized in the statement of financial position to the extent that it represents a future economic benefit that will be effectively available to the Group, within the limits defined by the standard.

Actuarial variances arise due to changes in actuarial assumptions and/or variances observed between these assumptions and the actual figures. Actuarial gains and losses on post-employment benefits are recognized under "Other comprehensive income" and are not recycled to profit or loss.

The Group has chosen to apply the IFRS 1 option and to zero the actuarial variances linked to employee benefits not yet recognized on the transition balance sheet by allocating them to shareholders' equity.

1.16. Put options granted on shares in consolidated subsidiaries

Under IAS 27 and IAS 32, put options granted to minority third parties in fully consolidated subsidiaries are reported in the financial liabilities at the present value of their estimated price with an offset in the form of a reduction in the corresponding minority interests.

The difference between the value of the option and the amount of the minority interests is recognized:

- in goodwill, in the case of options issued before January 1, 2010;
- as a reduction in the Group shareholders' equity (options issued after January 1, 2010).

The liability is estimated based on the contract information available (price, formula, etc.) and any other factor relevant to its valuation. Its value is reviewed at each year-end and the subsequent changes in the liability are recognized:

- either as an offset to goodwill (options granted before January 1, 2010);
- or as an offset to the Group shareholders' equity (options issued after January 1, 2010).

No impact is reported in the income statement other than the impact of the annual discounting of the liability recognized in the financial income; the income share of the Group is calculated on the basis of the percentage held in the subsidiaries in question, without taking into account the percentage holding attached to the put options.

1.17. Provisions

In accordance with IAS 37, a provision is recognized when the Group has a current commitment, whether statutory or implicit, resulting from a significant event prior to the closing date which would lead to a use of resources without offset after the closing date, which can be reliably estimated.

These include, notably, provisions for site reinstatement, which are set aside progressively as quarries are used and include the projected costs related to the Group's obligation to reinstate such sites.

In accordance with IAS 37, provisions whose maturities are longer than one year are discounted when the impact is significant. The effects of this discounting are recorded under net financial income.

1.18. Sales

In accordance with IAS 18, sales are reported at the fair value of the consideration received or due, net of commercial discounts and rebates and after deduction of excise duties collected by the Group under its business activities. Sales figures include transport and handling costs invoiced to customers.

Sales are recorded at the time of transfer of the risk and significant benefits associated with ownership to the purchaser, which generally corresponds to the date of transfer of ownership of the product or performance of the service.

1.19. Other income and expenses

Other income and expenses are those arising from the Group's operating activities that are not received or incurred as part of the direct production process or sales activity. These other income and expenses consist mainly of insurance payments, patent royalties, surplus greenhouse gas emission rights, and certain charges relating to losses or claims.

1.20. Income tax

Deferred taxes are calculated at the tax rates passed or virtually passed at the year-end and expected to apply to the period when assets are sold or liabilities are settled.

Deferred taxes are calculated, based on an analysis of the balance sheet, on timing differences identified in the Group's subsidiaries between the values recognized in the consolidated statement of financial position and the values of assets and liabilities for tax purposes.

Deferred taxes are recognized for all timing differences, including those on restatement of finance leases, except when the timing difference results from goodwill.

Deferred tax assets and liabilities are netted out at the level of each company. When the net amount represents a receivable, a deferred tax asset is recognized if it is probable that the company will generate future taxable income against which to allocate the deferred tax assets.

1.21. Segment information

In accordance with IFRS 8 "Operating Segments", the segment information provided in Note 26 is based on information taken from the internal reporting. This information is used internally by the Group Management, responsible for implementing the strategy defined by the Chairman of the Board of Directors for measuring the Group's operating performance and for allocating capital expenditure and resources to business segments and geographical areas.

The operating segments defined pursuant to IFRS 8 comprise the three segments in which the Group operates: Cement, Concrete & Aggregates, and Other Products & Services.

The management indicators presented were adapted in order to be consistent with those used by the Management, while complying with IFRS 8 disclosure requirements: operating and consolidated sales, EBITDA and EBIT (see Note 1.22), total non-current assets, net capital employed (see Note 26), industrial investments, depreciation and amortization, and number of employees.

The management indicators used for internal reporting are identical for all the operating segments and geographical areas defined above and are determined in accordance with the IFRS principles applied by the Group in its consolidated financial statements.

1.22. Financial indicators

The following financial performance indicators are used by the Group, as by other industrial players and notably in the building materials sector, and presented with the income statement:

Added value: the value of production less the cost of goods and services purchased.

Gross operating income: added value less personnel costs, taxes and duties (except income taxes and deferred taxes), plus grants and subsidies.

EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization): gross operating profit plus other ordinary income and expenses.

EBIT (Earnings Before Interest and Tax): EBITDA, plus depreciation, amortization and operating provisions.

Cash flow from operations: net income before adjusting for non-cash charges (mainly depreciation, amortization and provisions, deferred taxes, gains or losses on asset disposals and changes in fair value).

1.23. Seasonality

Demand in the Cement, Ready-mixed Concrete and Aggregates businesses is seasonal and tends to decrease in winter in temperate countries and during the rainy season in tropical countries. The Group therefore generally records lower sales in the first and fourth quarters, i.e. the winter season in its main markets in Western Europe and North America. In the second and third quarters, in contrast, sales are higher, due to the summer season being more favorable for construction work.

NOTE 2 CHANGES IN CONSOLIDATION SCOPE AND OTHER SIGNIFICANT EVENTS

Macroeconomic environment and performance

Vicat Group performed strongly in 2014, with sales rising 8 % at constant consolidation scope and exchange rates. This performance reflected improving market conditions in the emerging countries in which the Group currently operates. The Group continues to successfully expand in the Indian market, with steady growth in sales volumes against a background of rising prices following a low in Q1 2014. In Kazakhstan, Vicat saw a further surge in business, driven by strong growth in volumes, but at slightly tighter prices due in particular to the sharp fall in the tenge at the start of the year. In Egypt, the improved security situation, the strength of the market and of prices combined with improved technical performance at the factory enabled the Group to once again enjoy strong business growth during the year. West Africa also benefited from favorable market conditions, despite remaining highly competitive. Lastly, Turkey performed well, helped by a steady rise in sales prices, which fully offset the decline in volumes, particularly in concrete and aggregates.

In mature countries, the situation remains mixed. In France, the Group saw a decline in business as a result of macroeconomic and industry conditions, which remained challenging throughout the year. In Switzerland, following an exceptional 2013, business remained strong although slightly down as a result of the completion of certain major projects in summer 2014. Nevertheless, macroeconomic and industry conditions remained vibrant. Lastly, in the USA, the recovery continued, in line with the gradual improvement in the business and industry climate.

Vicat holds 100 % of the share capital of Vicat Sagar Cement

Vicat Group purchased the stake held by Sagar Cements in Vicat Sagar Cement. As a result of this transaction, Vicat holds 100 % of the share capital of Vicat Sagar Cement. This increased stake was accompanied by the unwinding of the cross-holdings between the two groups. The net amount of all transactions connected with this deal was € 45 million.

Disposal of Soparfi shares

As part of the Group's debt reduction strategy, the holding companies that hold a majority interest in Vicat SA, Soparfi and Parfininco, purchased 24.6 % of the Soparfi shares held by Vicat Group subsidiaries.

These purchases, which are part of an effort to streamline and simplify the ownership structures of the holding companies, totaled € 114 million, the Soparfi shares having been valued by an international audit firm.

As a result of this transaction, the remaining interest of Vicat Group subsidiaries in Soparfi stood at 18.4 % prior to cancellation of treasury shares by Soparfi and 22.4 % thereafter.

The overall gain, net of tax, of € 72 million generated as a result of these disposals was recognized in Vicat's consolidated shareholders' equity.

Exchange rate volatility and impact on the income statement

The 2014 income statement was heavily affected by the strengthening of the euro against all currencies, except for the Swiss franc and the US dollar. This resulted in a negative exchange rate effect of € (54) million on consolidated sales and € (13) million on EBITDA.

In addition, the devaluation of the Kazakh tenge against the US dollar in February 2014 resulted in a foreign exchange loss of € (18) million, € (8) million of which was recognized in net financial income (expense) for the period and € (10) million in other comprehensive income.

NOTE 3 GOODWILL

The change in the net goodwill by business sector is analyzed in the table below:

(in thousands of euros)	Cement	Concrete and Aggregate	Other Products and Services	Total
AT DECEMBER 31, 2012	725,444	247,851	22,025	995,320
Acquisitions/Additions		1	100	101
Disposal/Decreases		(116)		(116)
Change in foreign exchange rates	(43,953)	(5,358)	(291)	(49,602)
Other movements	84	867	(85)	866
AT DECEMBER 31, 2013	681,575	243,245	21,749	946,569
Acquisitions/Additions		8,707		8,707
Disposal/Decreases		(1,453)	(485)	(1,938)
Change in foreign exchange rates	30,040	14,103	278	44,421
Other movements	8,815	1,195	79	10,089
AT DECEMBER 31, 2014	**720,430**	**265,797**	**21,621**	**1,007,848**

Impairment test on goodwill :

In accordance with IFRS 3 and IAS 36, at the end of each year and in the event of any evidence of impairment, goodwill is subject to an impairment test using the method described in Notes 1.4. and 1.11.

Goodwill is distributed as follows by cash generating unit (CGU):

	Goodwill *(in thousands of euros)*		Discount rate used for the impairment tests *(in %)*		Growth rate to infinity used for the impairment tests *(%)*		Impairment which would result from a change of +1% in the discount rate		Impairment which would result from a change of -1% in the growth rate to infinity	
CGU	**Dec. 2014**	**Dec. 2013**	**Dec. 2014**	**Dec. 2013**	**Dec. 2014**	**Dec. 2013**	**Dec. 2014**	**Dec. 2013**	**Dec. 2014**	**Dec. 2013**
India CGU	243,335	219,734	8.1	9.33	6	6.0		-		-
West Africa Cement CGU	154,875	150,455	8.88	10.92	3	3.0		-		-
France-Italy CGU	179,488	164,029	7.01	7.82	0	0.0		-		-
Switzerland CGU	135,494	132,875	7.9	8.64	0	0.0		-		-
Other CGUs total	294,656	279,476	7.76 to 10.25	9.08 to 11.72	0.0 to 3.0	2.0 to 3.0		9,046		
TOTAL	**1,007,848**	**946,569**					**0**	**9,046**	**0**	**0**

The impairment tests carried out in 2014 and 2013 did not result in the recognition of any impairment with respect to goodwill.

Neither a 1% increase in the discount rate nor a 1% reduction in the growth rate to infinity would result in the recognition of impairment for goodwill.

NOTE 4 OTHER INTANGIBLE ASSETS

Gross value *(in thousands of euros)*	**Concessions, patents and similar rights**	**Software**	**Other intangible assets**	**Intangible assets in progress**	**Total**
AT DECEMBER 31, 2012	85,421	20,576	49,323	4,974	160,294
Acquisitions	2,147	6,651	1,449	580	10,827
Disposals			(14)		(14)
Changes in consolidation scope					0
Change in foreign exchange rates	(2,606)	(343)	(2,782)	(12)	(5,743)
Other movements		4,460	242	(1,548)	3,154
AT DECEMBER 31, 2013	84,962	31,344	48,218	3,994	168,518
Acquisitions	8,818	973	952	10,703	21,446
Disposals	(3,773)	(85)			(3,858)
Changes in consolidation scope	165	11	2,609	187	2,972
Change in foreign exchange rates	1,530	305		37	1,872
Other movements	151	63	5,486	(2,077)	3,623
AT DECEMBER 31, 2014	**91,853**	**32,611**	**57,265**	**12,844**	**194,573**

Depreciation and impairment	**Concessions, patents and similar rights**	**Software**	**Other intangible assets**	**Intangible assets in progress**	**Total**
AT DECEMBER 31, 2012	(19,100)	(15,572)	(25,205)	0	(59,877)
Increase	(2,535)	(3,361)	(4,966)		(10,862)
Decrease			6		6
Changes in consolidation scope					0
Change in foreign exchange rates	569	178	1,606		2,353
Other movements	(74)	(20)	59		(35)
AT DECEMBER 31, 2013	(21,140)	(18,775)	(28,500)	0	(68,415)
Increase	(2,644)	(3,003)	(2,991)		(8,638)
Decrease	3,767	91	4,227		8,085
Changes in consolidation scope	5	(12)	(9)		(16)
Change in foreign exchange rates	(759)	(189)	(1,260)		(2,208)
Other movements	(30)	30	(396)		(396)
AT DECEMBER 31, 2014	**(20,801)**	**(21,858)**	**(28,929)**	**0**	**(71,588)**
Net book value at December 31, 2013	63,822	12,569	19,718	3,994	100,103
NET BOOK VALUE AT DECEMBER 31, 2014	**71,052**	**10,753**	**28,336**	**12,844**	**122,985**

No development costs were capitalized in 2014 and 2013.

Research and development costs recognized as expenses in 2014 amounted to € 5,436 thousand (€ 6,401 thousand in 2013).

With regard to greenhouse gas emission quotas, only the quotas held at year-end in excess of the cumulative actual emissions were recorded in other intangible assets at € 16,836 thousand (€ 9,198 thousand as at December 31, 2013), corresponding to 2,443 thousand tonnes (1,957 thousand tonnes as at December 31, 2013).

Surpluses were recognized in operating income for € 3,433 thousand (€ 10,820 thousand at December 31, 2013).

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

Gross value *(in thousands of euros)*	**Land & buildings**	**Industrial equipment**	**Other property plant & equipment**	**Fixed assets work-in-progress and advances/down payments**	**Total**
AT DECEMBER 31, 2012	1,025,104	2,655,633	184,238	313,111	4,178,086
Acquisitions	16,409	39,850	9,157	97,501	162,917
Disposals	(7,091)	(17,495)	(5,934)	(76)	(30,596)
Changes in consolidation scope					0
Change in foreign exchange rates	(50,508)	(150,576)	(5,227)	(24,854)	(231,165)
Other movements	67,685	189,095	(3,429)	(257,013)	(3,662)
AT DECEMBER 31, 2013	1,051,599	2,716,507	178,805	128,669	4,075,580
Acquisitions	22,787	35,056	6,107	68,239	132,189
Disposals	(2,631)	(23,440)	(12,353)		(38,424)
Changes in consolidation scope	1,145	2,903	2,616	489	7,153
Change in foreign exchange rates	40,481	124,138	2,371	6,351	173,341
Other movements	35,814	63,047	2,657	(103,803)	(2,285)
AT DECEMBER 31, 2014	**1,149,195**	**2,918,211**	**180,203**	**99,945**	**4,347,554**

Depreciation and impairment	Land & Buildings	Industrial equipment	Other property plant & equipment	Fixed assets work-in-progress and advances/down payments	Total
AT DECEMBER 31, 2012	(380,686)	(1,419,023)	(107,167)	0	(1,906,876)
Increase	(32,324)	(135,905)	(10,249)	(58)	(178,536)
Decrease	4,926	17,231	4,411		26,568
Changes in consolidation scope					0
Change in foreign exchange rates	11,491	66,637	2,398	5	80,531
Other movements	1,840	(6,321)	9,226		4,745
AT DECEMBER 31, 2013	(394,753)	(1,477,381)	(101,381)	(53)	(1,973,568)
Increase	(32,597)	(132,165)	(10,102)	(705)	(175,569)
Decrease	1,851	22,016	10,857		34,724
Changes in consolidation scope	(1,199)	(2,450)	(1,813)		(5,462)
Change in foreign exchange rates	(13,621)	(64,700)	(1,803)	(6)	(80,130)
Other movements	(7,929)	8,550	569		1,190
AT DECEMBER 31, 2014	**(448,248)**	**(1,646,130)**	**(103,673)**	**(764)**	**(2,198,815)**
Net book value at December 31, 2013	656,846	1,239,126	77,424	128,616	2,102,012
NET BOOK VALUE AT DECEMBER 31, 2014	**700,947**	**1,272,081**	**76,530**	**99,181**	**2,148,739**

Fixed assets work-in-progress amounted to € 86 million as at December 31, 2014 (€ 118 million as at December 31, 2013) and advances/down payments on plant, property and equipment represented € 14 million as at December 31, 2014 (€ 11 million as at December 31, 2013).

Contractual commitments to acquire tangible and intangible assets amounted to € 53 million as at December 31, 2014 (€ 40 million as at December 31, 2013).

The total amount of interest capitalized in 2014 was € 0.8 million (€ 7.9 million in 2013), determined on the basis of local interest rates ranging from 2.94% to 11.97%, depending on the country in question.

NOTE 6 FINANCE AND OPERATING LEASES

Net book value by category of asset *(in thousands of euros)*	December 31, 2014	December 31, 2013
Industrial equipment	2,656	4,803
Other property plant & equipment	723	949
PROPERTY, PLANT AND EQUIPMENT	**3,379**	**5,752**

Minimum payment schedule *(in thousands of euros)*	December 31, 2014	December 31, 2013
Less than 1 year	1,901	2,587
1 to 5 years	1,631	3,155
More than 5 years	36	24
TOTAL	**3 568**	**5 766**

NOTE 7 INVESTMENT PROPERTIES

(in thousands of euros)	Gross values	Depreciation, amortization and Impairment	Net values
AT DECEMBER 31, 2012	35,190	(15,633)	19,557
Acquisitions	691		691
Disposals	(222)	28	(194)
Depreciation		(392)	(392)
Change in foreign exchange rates	(180)	53	(127)
Changes in consolidation scope and other	4,303	(4,731)	(428)
AT DECEMBER 31, 2013	39,782	(20,675)	19,107
Acquisitions	837		837
Disposals	(783)	244	(539)
Depreciation		(807)	(807)
Change in foreign exchange rates	224	(68)	156
Changes in consolidation scope and other			0
AT DECEMBER 31, 2014	**40,060**	**(21,306)**	**18,754**
Fair value of investment properties at December 31, 2013			57,455
FAIR VALUE OF INVESTMENT PROPERTIES AT DECEMBER 31, 2014			**75,675**

Rental income from investment properties amounted to € 3.0 million at December 31, 2014 and December 31, 2013.

NOTE 8 INVESTMENTS IN ASSOCIATED COMPANIES

Change in investments in associated companies *(in thousands of euros)*	2014	2013
AT JANUARY 1	38,213	37,731
Earnings from associated companies	4,745	3,913
Dividends received from investments in associated companies	(974)	(336)
Changes in consolidation scope	(1,698)	-
Change in foreign exchange rates and other	3,529	(3,095)
AT DECEMBER 31	**43,815**	**38,213**

NOTE 9 RECEIVABLES AND OTHER NON-CURRENT ASSETS

(in thousands of euros)	Gross values	Impairment	Net values
AT DECEMBER 31, 2012	103,116	(2,784)	100,332
Acquisitions/Additions	12,852	(1,222)	11,630
Disposal/Decreases	(4,426)	915	(3,511)
Changes in consolidation scope			0
Change in foreign exchange rates	(9,347)	73	(9,274)
Change recorded in other comprehensive income	15,710		15,710
Others	18,851		18,851
AT DECEMBER 31, 2013	136,756	(3,018)	133,738
Acquisitions/Additions	11,234		11,234
Disposal/Decreases	(28,561)	1,006	(27,555)
Changes in consolidation scope	(1,432)		(1,432)
Change in foreign exchange rates	6,141	(29)	6,112
Change recorded in other comprehensive income	28		28
Others	(23,234)		(23,234)
AT DECEMBER 31, 2014	**100,932**	**(2,041)**	**98,891**
Including:			
▪ investments in affiliated companies	26,802	(1,039)	25,763
▪ long term investments	1,372	(487)	885
▪ loans and receivables	33,976	(515)	33,461
▪ employee benefit plan assets			0
▪ financial instruments (see Note 16)	38,782		38,782
AT DECEMBER 31, 2014	**100,932**	**(2,041)**	**98,891**

NOTE 10 INVENTORIES AND WORK-IN-PROGRESS

	December 31, 2014			December 31, 2013		
(in thousands of euros)	Gross	Provisions	Net	Gross	Provisions	Net
Raw materials and consumables	269,888	(10,126)	259,762	246,924	(12,241)	234,683
Work-in-progress, finished goods and goods for sale	137,201	(2,758)	134,443	127,871	(2,842)	125,029
TOTAL	**407,089**	**(12,884)**	**394,205**	**374,795**	**(15,083)**	**359,712**

NOTE 11 RECEIVABLES

(in thousands of euros)	Trade and Other receivables	Provisions Trade and Other receivables	Trade and other receivables net	Others Receivables tax	Receivables social security-related	Others receivables	Provisions Others receivables	Total Others receivables net
AT DECEMBER 31, 2012	371,537	(16,660)	354,877	67,713	3,690	76,777	(1,722)	146,458
Acquisitions		(6,272)	(6,272)				(817)	(817)
Uses		4,186	4,186				27	27
Change in foreign exchange rates	(15,876)	993	(14,883)	(3,563)	(95)	(4,274)		(7,932)
Changes in consolidation scope	(6,220)		(6,220)					0
Other movements	16,621		16,621	(14,654)	735	4,146		(9,773)
AT DECEMBER 31, 2013	366,062	(17,753)	348,309	49,496	4,330	76,649	(2,512)	127,963
Acquisitions		(7,229)	(7,229)				(275)	(275)
Uses		3,922	3,922				842	842
Change in foreign exchange rates	11,202	(858)	10,344	816	99	4,343		5,258
Changes in consolidation scope	2,131	(65)	2,066	81	14	2,029		2,124
Other movements	(1,250)	243	(1,007)	(4,515)	(192)	9,995		5,288
AT DECEMBER 31, 2014	**378,145**	**(21,740)**	**356,405**	**45,878**	**4,251**	**93,016**	**(1,945)**	**141,200**
of which matured at 12/31/2014:								
■ for less than 3 months	79,873	(5,797)	74,076	3,099	1,233	1,771	(130)	5,973
■ for more than 3 months	31,535	(8,171)	23,364	12,872	117	3,711	(79)	16,621
of which not matured at 12/31/2014:								
■ less than 1 year	261,795	(7,716)	254,079	29,122	2,879	72,262	(1,736)	102,527
■ more than 1 year	4,942	(56)	4,886	785	22	15,272		16,079

NOTE 12 CASH AND CASH EQUIVALENTS

(in thousands of euros)	December 31, 2014	December 31, 2013
Cash	74,090	79,089
Marketable securities and term deposits < 3 months	194,106	162,818
CASH AND CASH EQUIVALENTS	**268,196**	**241,907**

NOTE 13 SHARE CAPITAL

Vicat share capital is composed of 44,900,000 fully paid-up ordinary shares with a nominal value of € 4 each, including 794,611 treasury shares as at December 31, 2014 (846,027 as at December 31, 2013) acquired under the share buy-back programs approved by the Ordinary General Meetings, and through HeidelbergCement's disposal of its 35% stake in Vicat in 2007.

These are registered shares or bearer shares, at the shareholder's option. Voting rights attached to shares are proportional to the share of the capital which they represent and each share gives the right to one vote, except in the case of fully paid-up shares registered for at least four years in the name of the same shareholder, to which two votes are assigned.

The dividend paid in 2014 in respect of 2013 amounted to € 1.50 per share, amounting to a total of € 67,350 thousand, identical to the € 1.50 per share paid in 2013 in respect of 2012 and amounting to a total of € 67,350 thousand. The dividend proposed by the Board of Directors to the Ordinary General Meeting for 2014 amounts to € 1.50 per share, totaling € 67,350 thousand.

In the absence of any dilutive instrument, diluted earnings per share are identical to basic earnings per share, and are obtained by dividing the Group's net income by the weighted average number of Vicat ordinary shares outstanding during the year.

Since January 4, 2010, for a period of 12 months renewable by tacit agreement, Vicat has engaged Natixis Securities to implement a liquidity agreement in accordance with the AMAFI (French financial markets professional association) Code of Ethics of September 20, 2008.

The following amounts were allocated to the liquidity agreement for its implementation: 20,000 Vicat shares and € 3 million in cash.

As at December 31, 2014, the liquidity account is composed of 17,733 Vicat shares and € 2,955 thousand in cash.

NOTE 14 EMPLOYEE BENEFITS

(in thousands of euros)	2014	2013
Pension plans and termination benefits (TB)	68,155	43,670
Other post-employment benefits	57,707	43,914
Total pension and other post-employment benefit provisions	**125,862**	**87,584**
Plan assets (Note 9)	-	(8,149)
NET LIABILITIES	**125,862**	**79,435**

Main plans in force within the Group: The Group's main defined benefit pension plans are found in Switzerland, the United States and France. Most of these plans are pre-funded through insurance policies or investments in pension funds. Funding approaches used comply with local law, particularly with respect to the minimum funding requirements for past entitlements. Given the material nature of these commitments, the Group updates its actuarial analysis each year in order to reflect the cost of these plans in its financial statements.

Net liability recognized in the balance sheet

(in thousands of euros)	2014			2013		
	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
Present value of funded liabilities	432,093	57,707	489,800	363,637	43,914	407,551
Fair value of plan assets	(363,938)		(363,938)	(331,454)		(331,454)
Net value	**68,155**	**57,707**	**125,862**	**32,183**	**43,914**	**76,097**
Limit on recognition of plan assets (asset ceiling)			0	3,338		3,338
NET LIABILITIES	**68,155**	**57,707**	**125,862**	**35,521**	**43,914**	**79,435**

Analysis of net annual expense

(in thousands of euros)	2014			2013		
	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
Current service costs	(9,205)	(995)	(10,200)	(9,517)	(1,296)	(10,813)
Financial cost	(9,746)	(2,106)	(11,852)	(9,017)	(2,060)	(11,077)
Interest income on assets	8,318		8,318	6,897		6,897
Recognized past service costs	779	330	1,109	(362)		(362)
Curtailments and settlements			0	2		2
TOTAL CHARGE WITH INCOME STATEMENT IMPACT	(9,854)	(2,771)	(12,625)	(11,997)	(3,356)	(15,353)
Actuarial gains and losses on plan assets	22,342		22,342	18,041		18,041
Experience adjustments	3,614	927	4,541	3,210	3,506	6,716
Adjustments related to demographic assumptions	(1,096)	(2,098)	(3,195)	1		1
Adjustments related to financial assumptions	(53,210)	(4,977)	(58,187)	11,685	5,043	16,728
TOTAL CHARGE WITH IMPACT ON OTHER COMPREHENSIVE INCOME	(28,350)	(6,148)	(34,499)	32,937	8,549	41,486
TOTAL CHARGE FOR THE YEAR	**(38,204)**	**(8,919)**	**(47,124)**	**20,940**	**5,193**	26,133

Change in financial assets used to hedge the plans

(In thousands of euros)	2014			2013		
	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
FAIR VALUE OF ASSETS AT JANUARY 1	331,454		331,454	312,465	0	312,465
Interest income on assets	8,318		8,318	6,897		6,897
Contributions paid in	13,792		13,792	12,831		12,831
Translation differences	11,144		11,144	(5,985)		(5,985)
Benefits paid	(23,112)		(23,112)	(16,117)		(16,117)
Changes in consolidation scope and other			0			0
Actuarial gains (losses)	22,342		22,342	21,363		21,363
FAIR VALUE OF ASSETS AT DECEMBER 31	**363,938**	**0**	**363,938**	**331,454**	**0**	**331,454**

Analysis of plan assets by type and country at December 31, 2014

Analysis of plan assets	France	Switzerland	USA	India	Total
Cash and cash equivalents		5.4%	2.8%		5.0%
Equity instruments	1.8%	29.0%	65.9%		32.7%
Debt instruments		29.8%	31.2%		29.4%
Real estate assets		23.0%			20.0%
Assets held by insurers	98.2%			100.0%	1.8%
Others		12.8%	0.1%		11.1%
TOTAL	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
PLAN ASSETS *(in thousands of euros)*	**6,462**	**315,964**	**41,318**	**194**	**363,938**

Change in net liability

(In thousands of euros)	2014			2013		
	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
NET LIABILITY AT JANUARY 1,	35,777	43,658	79,435	68,036	52,915	120,951
Expense for the period	38,204	8,919	47,123	(20,940)	(5,193)	(26,133)
Contributions paid in	(5,766)		(5,766)	(7,818)		(7,818)
Translation differences	2,131	6,634	8,765	(1,818)	(2,034)	(3,852)
Benefits paid by the employer	(2,297)	(1,504)	(3,801)	(1,683)	(2,030)	(3,713)
Change in consolidation scope	106		106			0
Others			0			0
NET LIABILITY AT DECEMBER 31,	**68,155**	**57,707**	**125,862**	**35,777**	**43,658**	79,435

Principal actuarial assumptions	France	Europe (excluding France)	USA	Turkey and India	West Africa and the Middle East
Discount rate					
2014	1.8 %	1.0 % to 1.8 %	4.0 %	8.4 % to 11.0 %	4.5 % to 14.0 %
2013	3.0 %	2.2 % to 3.3 %	4.8 %	8.7 % to 11.2 %	5.0 % to 11.0 %
Rate of increase in medical costs					
2014			5.3 %		
2013			6.0 %		

Discount rate

Discount rates are determined in accordance with the principles set out in IAS19 (revised), namely with reference to a market rate at year-end, based on the yields of high-quality corporate bonds issued in the monetary zone in question. They are determined on the basis of yield curves derived by outside experts from AA-rated public bonds.

When the corporate bond market in a zone is not sufficiently liquid, IAS19 (revised) recommends using government bonds as a benchmark.

In any event, the benchmarks used must have a maturity comparable to the commitments.

Sensitivity analysis

The main factors contributing to the volatility of the balance sheet are the discount rate and the rate of increase in medical costs.

The sensitivity of the defined benefit obligation as at December 31, 2014 corresponding to a variation of +/-50 basis points in the discount rate is € (30.9) million and € 34.8 million, respectively.

The sensitivity of the defined benefit obligation as at December 31, 2014 corresponding to a variation of +/-1 % in the rate of increase of medical costs is € 8.9 million and € (7.2) million, respectively.

Average duration of benefits

The average duration of benefits under all plans within the Group is 13 years.

It is expected that € 7.8 million in contributions will be paid into the plans over the coming year.

NOTE 15 OTHER PROVISIONS

(in thousands of euros)	Restoration of sites	Demolitions	Other risks (1)	Other expenses	Total
AT DECEMBER 31, 2012	**40,891**	**1,106**	**33,869**	**18,436**	**94,301**
Acquisitions	2,908	45	9,517	2,968	15,438
Uses	(2,620)		(8,443)	(790)	(11,853)
Reversal of unused provisions	(362)		(5,441)	(464)	(6,267)
Change in foreign exchange rates	(565)	(18)	(1,258)	(54)	(1,895)
Changes in consolidation scope					0
Other movements	(1)		(19)	(2)	(22)
AT DECEMBER 31, 2013	**40,251**	**1,133**	**28,225**	**20,094**	**89,702**
Acquisitions	5,048	27	11,615	5,807	22,497
Uses	(1,443)		(10,433)	(1,473)	(13,349)
Reversal of unused provisions	(236)		(3,912)	(527)	(4,675)
Change in foreign exchange rates	679	24	1,558	37	2,298
Changes in consolidation scope	95		153	(1)	247
Other movements				(53)	(53)
AT DECEMBER 31, 2014	**44,394**	**1,184**	**27,206**	**23,884**	**96,667**
of which less than 1 year	*184*		*9,043*	*1,299*	*10,526*
of which more than 1 year	*44,210*	*1,184*	*18,163*	*22,585*	*86,141*

Impact (net of charges incurred) in the 2014 income statement: *(in thousands of euros)*	Allocations	Reversals of unused provisions
Operating Income:	16,141	(4,185)
Non-operating income (expense):	6,356	(491)

(1) As at December 31, 2014, other risks included:

- *an amount of € 4.7 million (€ 5.1 million as at December 31, 2013) corresponding to the current estimate of gross expected costs for repair of damage that occurred in 2006 following deliveries of concrete mixtures and concrete made in 2004 whose sulfate content exceeded applicable standards. This amount corresponds to the current estimate of the Group's pro-rata share of liability for repair of identified damages before the residual insurance indemnity of € 1.8 million recognized in non-current assets on the balance sheet as at December 31, 2014 and December 31, 2013 (Note 9).*
- *an amount of € 9.4 million (€ 7.3 million as at December 31, 2013) corresponding to the estimated amount of the deductible at year-end relating to claims in the United States in the context of workplace accidents and which will be covered by the Group.*
- *the remaining amount of other provisions amounting to about € 13.1 million as at December 31, 2014 (€ 15.8 million as at December 31, 2013) corresponds to the sum of other provisions that, taken individually, are not material.*

NOTE 16 FINANCIAL DEBTS AND PUT OPTIONS

Financial liabilities as at December 31, 2014 break down as follows:

(in thousands of euros)	December 31, 2014	December 31, 2013
Financial debts at more than 1 year	1,056,467	1,189,972
Put options at more than 1 year	11,060	11,981
Debts and put options at more than 1 year	**1,067,527**	**1,201,953**
Financial instrument assets at more than 1 year (1)	(38,782)	(50,086)
TOTAL FINANCIAL DEBTS NET OF FINANCIAL INSTRUMENT ASSETS AT MORE THAN 1 YEAR	1,028,745	1,151,867
Financial debts at less than 1 year	281,730	172,604
Put options at less than 1 year	0	0
Debts and put options at less than 1 year	281,730	172,604
Financial instrument assets at less than 1 year (1)	(9,458)	(5,886)
TOTAL FINANCIAL DEBTS NET OF FINANCIAL INSTRUMENT ASSETS AT LESS THAN 1 YEAR	272,272	166,718
Total financial debts net of financial instrument assets (1)	1,289,927	1,306,604
Total put options	11,060	11,981
TOTAL FINANCIAL LIABILITIES NET OF FINANCIAL INSTRUMENT ASSETS	**1,300,987**	**1,318,585**

(1) As at December 31, 2014, financial instrument assets (€ 48.2 million) are presented under non-current assets (see Note 9) for the part at more than 1 year (€ 38.8 million) and under other receivables for the part at less than 1 year (€ 9.4 million). They totaled € 56.0 million as at December 31, 2013.

16.1 Debts

Analysis of debts by category and maturity

December 31, 2014

(in thousands of euros)	Total	2015	2016	2017	2018	2019	2020
Bank loans and borrowings	1,233,062	219,784	36,048	168,233	31,492	443,926	333,579
of which financial instrument assets	*(48,240)*	*(9,458)*	*(9,331)*	*(15,041)*	*(9,330)*		*(5,080)*
of which financial instrument liabilities	*13,646*	*9,247*	*4,370*	*15*	*14*		
Miscellaneous borrowings and financial liabilities	15,021	12,246	1,673	255	224	165	458
Debts on fixed assets under finance leases	3,452	1,850	1,145	377	32	12	36
Current bank lines and overdrafts	38,392	38,392					
DEBTS	**1,289,927**	**272,272**	**38,866**	**168,865**	**31,748**	**444,103**	**334,073**
of which commercial paper	*300,000*					*300,000*	

Financial debts at less than one year are mainly comprised of the final tranche of the first US Private Placement, Sococim Industries bilateral credit lines, a tranche of the Parficim, Jambyl Cement, Vicat Sagar Cement Limited and Vigier Holding loans as well as bank overdrafts.

December 31, 2013

(in thousands of euros)	Total	2014	2015	2016	2017	2018	More than 5 years
Bank loans and borrowings	1,256,391	126,321	151,296	445,082	167,226	30,727	335,739
of which financial instrument assets	*(55,973)*	*(5,887)*	*(8,422)*	*(8,422)*	*(8,422)*	*(8,422)*	*(16,398)*
of which financial instrument liabilities	*51,727*	*707*	*21,060*		*3,978*		*25,982*
Miscellaneous borrowings and financial liabilities	20,002	13,400	5,695	89	126	216	476
Debts on fixed assets under finance leases	5,541	2,327	1,763	1,031	340	20	60
Current bank lines and overdrafts	24,670	24,670					
DEBTS	**1,306,604**	**166,718**	**158,754**	**446,202**	**167,692**	**30,963**	**336,275**
of which commercial paper	*290,000*			*290,000*			

Analysis of loans and debts (currency and interest rate)

By currency (net of currency swaps)

(in thousands of euros)	December 31, 2014	December 31, 2013
Euro	773,037	754,337
US Dollar	188,533	164,337
Turkish new lira	1,300	1,257
CFA franc	73,813	71,874
Swiss franc	66,490	64,637
Mauritanian Ouguiya	0	1
Egyptian pound	5,727	0
Indian rupee	181,027	220,625
Kazakh tenge	0	29,536
TOTAL	1,289,927	1,306,604

By interest rate

(in thousands of euros)	December 31, 2014	December 31, 2013
Fixed rate	865,514	898,361
Floating rate	424,413	408,243
TOTAL	1,289,927	1,306,604

The average interest rate for gross debt as at December 31, 2014 was 4.23 %. It was 4.42 % as at December 31, 2013.

16.2. Put options granted to the minority shareholders on shares in consolidated subsidiaries

Agreements were concluded between Vicat and the International Finance Corporation in order to organize their relations as shareholders of Mynaral Tas, under which the Group granted put options to its partner on its shareholding in Mynaral Tas.

The put option granted to the International Finance Corporation was exercisable at the earliest in December 2013. Reporting this option resulted in the recognition of a liability of € 11 million at more than one year as at December 31, 2014 (€ 12 million as at December 31, 2013). This liability corresponds to the present value of the exercise price for the option granted to the International Finance Corporation.

NOTE 17 FINANCIAL INSTRUMENTS

Foreign exchange risk

The Group's activities are carried out by subsidiaries operating almost entirely in their own country and local currency. This limits the Group's exposure to foreign exchange risk. These companies' imports and exports denominated in currencies other than their own local currency are generally hedged by forward currency purchases and sales. The foreign exchange risk on intercompany loans is hedged, where possible, by the companies when the borrowing is denominated in a currency other than their operating currency.

The table below sets out the breakdown of the total amount of Group's assets and liabilities denominated in foreign currencies as at December 31, 2014:

(in millions of euros)	USD	EUR	CHF
Assets	218	27	0
Liabilities and off-balance sheet commitments	(784)	(216)	(60)
Net position before risk management	**(566)**	**(189)**	**(60)**
Hedging instruments	483	171	60
Net position after risk management	**(83)**	**(18)**	**0**

The net position after risk management in US dollars corresponds mainly to the debts of the Kazakh subsidiaries to financing institutions and the Group, not swapped in the operating currency, in the absence of a sufficiently structured and liquid hedge market (US$ 87 million).

The risk of a foreign exchange loss on the net currency position arising from a hypothetical unfavorable and uniform change of one percent of the operating currencies against the US dollar, would amount, in euro equivalent, to a loss of € 0.85 million (including € 0.73 million for the Kazakhstan loan).

Moreover, the principal and in most cases the interest due on loans originally issued by the Group in US dollars (US$ 120 and 450 million for Vicat and US$ 65.3 million for Vicat Sagar Cement Private Limited) and in euros (€ 122.2 million for Vicat Sagar Cement Private Limited) were translated into euros (for Vicat), into Indian rupees (for Vicat Sagar Cement Private Limited) through a series of Cross Currency Swaps, included in the portfolio presented below (see point A).

Interest rate risk

All floating rate debt is hedged through the use of caps on original maturities of 2, 3, 4 and 12 years and of swaps on an original maturity of 5 years.

The Group is exposed to an interest rate risk on its financial assets and liabilities and its cash. This exposure corresponds to the price risk for fixed-rate assets and liabilities, and cash flow risk related to floating-rate assets and liabilities.

The Group estimates that a uniform change in interest rates of 100 basis points would not have a material impact on its earnings, or on the Group's net position as illustrated in the table below:

(in thousands of euros)	**Impact on earnings before tax**	**Impact on equity (excluding impact on earnings) before tax**
Impact of a change of +100 bps in the interest rate	1,507	(5,110)
Impact of a change of -100 bps in the interest rate	816	(10,270)

Liquidity risk

As at December 31, 2014, the Group had € 324 million in unused confirmed lines of credit that have not been allocated to the hedging of liquidity risk on commercial paper (€ 326 million as at December 31, 2013).

The Group also has a € 300 million commercial paper issue program. At December 31, 2014, the amount of commercial paper issued stood at € 300 million. Commercial paper consists of short-term debt instruments backed by confirmed lines of credit in the amounts issued and classified as medium-term borrowings in the consolidated balance sheet.

Unused confirmed lines of credit are used to cover the risk of the Group finding itself unable to issue its commercial paper through market transactions. As at December 31, 2014, these lines matched the short-term notes they covered, at € 300 million.

Some medium-term or long-term loan agreements contain specific covenants especially as regards compliance with financial ratios, reported each half year, which can lead to an anticipated repayment (acceleration clause) in the event of non-compliance. These covenants are based on a profitability ratio (leverage: net debt/consolidated EBITDA) and on a capital structure ratio (gearing: net debt/consolidated equity) of the Group or its subsidiaries concerned. For the purposes of calculating these covenants, the net debt is determined excluding put options granted to minority shareholders. Furthermore, the margin applied to some financing operations depends on the level reached on one of these ratios.

Considering the small number of companies concerned, essentially Vicat SA, the parent company of the Group, the low level of gearing (41.55 %) and leverage (2.31), and the liquidity of the Group's balance sheet, the existence of these covenants does not constitute a risk for the Group's financial position. As at December 31, 2014, the Group is compliant with all ratios required by covenants included in financing agreements.

Analysis of the portfolio of derivatives as at December 31, 2014:

(in thousands of currency units)	Nominal value *(currency)*	Nominal value *(euros)*	Market value *(euros)*	Current maturity < 1 year *(euros)*	Current maturity 1-5 years *(euros)*	Current maturity > 5 years *(euros)*
FAIR VALUE HEDGES (A)						
Composite instruments						
Cross currency swap $ fixed/€ floating	$ 60,000	49 419	(2,240) [1]	(2,240)		
CASH FLOW HEDGES (A)						
Composite instruments						
- Cross currency swap $ fixed/€ fixed	$ 60,000	49 419	(3,543) [1]	(3,543)		
- Cross currency swap $ fixed/€ fixed	$ 450,000	370 645	10,791 [1]		5,711	5,080
- Interest rate swap € floating/€ fixed	€ 150,000	150,000	(4,228) [1]		(4,228)	
- Cross currency swap $ floating/INR fixed	$ 65,333	53 812	22,313 [1]	5,408	16,905	
- Cross currency swap € floating/INR fixed	€ 122,180	122,180	15,010 [1]	3,753	11,257	
OTHER DERIVATIVES						
Interest rate instruments						
- Euro Caps	€ 50,000	50,000	(150)	(150)		
- Dollar US Caps	$ 50,000	41 183	(107)	(107)		
FOREIGN EXCHANGE INSTRUMENTS (A)						
Hedging for foreign exchange risk on intra-group loans						
- VAT $	$ 178,000	146 611	66	66		
- VAT CHF	CHF 60,000	49 900	60	60		
- AAT €	€ 30,900	30,900	(3,378)	(3,378)		
			34,594			

(1) The difference between the value of the liability at the hedged rate and at amortized cost rose by € 54.9 million.

In accordance with IFRS 13, counterparty risks were taken into account. This mainly relates to derivatives (cross currency swaps) intended to hedge the foreign exchange risk of debts in currencies other than the Group's operating currency, notably in US dollars and Indian rupees. The impact of the credit value adjustment (CVA, or the Group's exposure in the event of counterparty default) and of the debit value adjustment (DVA, or the counterparty's exposure in the event of Group default) on the measurement of derivatives was determined by assuming an exposure at default calculated using the add-on method, a 40 % loss given default, and a probability of default based on the credit ratings of banks or the estimated credit rating of the Group. The impact on fair value was not material and was not included in the market value of financial instruments as presented above.

In application of IFRS 7, the breakdown of financial instruments valued at fair value by hierarchical level of fair value in the consolidated statement of financial position is as follows as at December 31, 2014:

(in millions of euros)	December 31, 2014	
Level 1: instruments quoted on an active market	2.2	
Level 2: valuation based on observable market information	34.6	see above
Level 3: valuation based on non-observable market information	25.8	Note 9

NOTE 18 OTHER LIABILITIES

(in thousands of euros)	2014	2013
Employee liabilities	63,189	62,049
Tax liabilities	36,515	25,879
Other liabilities and accruals	96,094	89,302
TOTAL	**195,798**	**177,230**

NOTE 19 SALES

(in thousands of euros)	2014	2013
Sales of goods	2 077 071	1 944 039
Sales of services	345 682	341 944
SALES	**2 422 753**	**2 285 983**

Change in sales on a like-for-like basis

(in thousands of euros)	2014	Changes in consolidation scope	Change in foreign exchange rates	2014 at constant consolidation scope and exchange rates	2013
Sales	2,422,753	7,705	(53,897)	2,468,945	2,285,983

NOTE 20 PERSONNEL COSTS AND NUMBER OF EMPLOYEES

(in thousands of euros)	2014	2013
Wages and salaries	272,747	266,329
Payroll taxes	96,371	95,670
Employee profit sharing (French companies)	4,171	4,834
PERSONNEL COSTS	**373,289**	**366,833**
Average number of employees of the consolidated companies	7,750	7,657

Profit sharing is granted to employees of the Group's French companies in the form of either cash or shares, at the employee's option. The allocation price is determined on the basis of the average of the last 20 closing prices for the defined period preceding its payment.

NOTE 21 DEPRECIATION, AMORTIZATION AND PROVISIONS

(in thousands of euros)	2014	2013
Net charges to amortization of fixed assets	(180,652)	(188,769)
Net provisions	1,828	737
Net charges to other assets depreciation	(17)	(4,415)
NET CHARGES TO OPERATING DEPRECIATION, AMORTIZATION AND PROVISIONS	**(178,841)**	(192,447)
Other net charges to non-operating depreciation, amortization and provisions (1)	2,131	3,559
NET AMORTIZATION AND PROVISIONS	**(176,710)**	**(188,888)**

(1) Including a net reversal of € 0.4 million at December 31, 2014 (reversal of € 4.7 million at December 31, 2013) related to the updating of the Group's estimated share of liability over and above compensation from insurers for an incident that occurred in 2006 and described in Note 15.
Including at December 31, 2013 a provision reversal of € 0.9 million in connection with the resolution of a dispute in Turkey following a settlement (see Note 22).

NOTE 22 OTHER INCOME AND EXPENSES

(in thousands of euros)	2014	2013
Net income from disposals of assets	1,929	4,769
Income from investment properties	3,046	3,012
Others	18,575	24,400
Other operating income (expense)	**23,550**	**32,181**
Other non-operating income (expense) [(1)]	**(8,945)**	**(8,217)**
TOTAL	**14,605**	**23,964**

1) Including in 2014:
- *an expense of € 0.7 million recognized by the Group, corresponding to the files recognized as expenses in 2014 in connection with the incident that occurred in 2006 as described in Note 15,*
- *an expense of € 5.1 million recognized in connection with the settlement of a tax dispute in Senegal (see Note 25)*

Including in 2013:
- *an expense of € 0.9 million recognized by the Group, corresponding to the files recognized as expenses in 2013 in connection with the incident that occurred in 2006 as described in Note 15,*
- *an expense of € 4.5 million corresponding to the resolution of a dispute in Turkey following a settlement. This expense was offset in part by a reversal of non-operating provisions amounting to € 0.9 million (see Note 21).*

NOTE 23 PERFORMANCE INDICATORS

The rationalization of the transition between gross operating income, EBITDA, EBIT and operating income is as follows:

(in thousands of euros)	2014	2013
Gross operating income	**418,423**	**394,511**
Other operating income (expense)	23,550	32,181
EBITDA	**441,973**	**426,692**
Net charges to operating depreciation, amortization and provisions	(178,841)	(192,447)
EBIT	**263,132**	**234,245**
Other non-operating income (expense)	(8,945)	(8,217)
Net charges to non-operating depreciation, amortization and provisions	2,131	3,559
OPERATING INCOME	**256,318**	**229,587**

NOTE 24 FINANCIAL INCOME/(EXPENSE)

(in thousands of euros)	2014	2013
Interest income from financing and cash management activities	15,168	16,434
Interest expense from financing and cash management activities	(62,784)	(60,423)
Cost of net financial debt	**(47,616)**	**(43,989)**
Dividends	2,629	1,997
Foreign exchange gains	7,453	7,730
Fair value adjustments to financial assets and liabilities	-	-
Net income from disposal of financial assets	-	195
Write-back of impairment of financial assets	1,318	368
Other income	56	-
Other financial income	**11,456**	**10,290**
Foreign exchange losses	(11,323)	(11,745)
Fair value adjustments to financial assets and liabilities	(1,341)	(986)
Impairment on financial assets	(284)	(1,485)
Net income from disposal of financial assets	(1,729)	-
Discounting expenses	(7,214)	(4,860)
Other expenses	-	(238)
Other financial expenses (1)	**(21,891)**	**(19,314)**
NET FINANCIAL INCOME (EXPENSE)	**(58,051)**	**(53,013)**

(1) In 2014, includes a € (8.2) million foreign exchange loss due to the devaluation of the Kazakh tenge in February 2014.

NOTE 25 INCOME TAX

Income tax expense

Analysis of income tax expense

(in thousands of euros)	2014	2013
Current taxes	(75,798)	(74,528)
Deferred tax	16,340	17,282
TOTAL	**(59,458)**	**(57,246)**

Reconciliation between the computed and the effective tax charge

The difference between the amount of income tax theoretically due at the standard rate and the actual amount due is analyzed as follows:

(in thousands of euros)	2014	2013
Net earnings from consolidated companies	138,807	119,328
Income tax	59,458	57,246
Profit (loss) before tax	198,265	176,574
Standard tax rate	38.0 %	38.0 %
Theoretical income tax at the parent company rate	**(75,341)**	**(67,098)**
Reconciliation:		
Differences between French and foreign tax rates (1)	22,536	28,485
Transactions taxed at specific rates	5,151	(8,054)
Changes in tax rates	0	(600)
Permanent differences	(6,125)	(3,425)
Tax credits	(1,532)	(327)
Others	(4,147)	(6,227)
ACTUAL INCOME TAX EXPENSE	**(59,458)**	**(57,246)**

(1) Differences between French and foreign tax rates relate mainly to Switzerland and Turkey.

Deferred tax

Change in deferred tax assets and liabilities

	Deferred tax assets		Deferred tax liabilities	
(in thousands of euros)	2014	2013	2014	2013
DEFERRED TAX AS AT JANUARY 1:	101,671	89,162	215,751	216,180
Expense/income for the year	13,030	19,213	(3,310)	1,931
Deferred tax recognized in other comprehensive income	6,650	(2,816)	(6,001)	6,781
Translation and other changes	14,086	(3,888)	13,586	(9,141)
Changes in consolidation scope			(370)	
DEFERRED TAX AS AT DECEMBER 31:	**135,437**	**101,671**	**219,656**	**215,751**

Analysis of net deferred tax (expense)/income by principal category of timing difference

(in thousands of euros)	2014	2013
Fixed assets and finance leases	3,756	2,143
Financial instruments	1,627	448
Pensions and other post-employment benefits	10,296	1,434
Accelerated depreciation, regulated provisions and other	(7,856)	(10,837)
Other timing differences, tax loss carry-forwards and miscellaneous	21,169	24,094
NET DEFERRED TAX (EXPENSE)/INCOME	**28,992**	**17,282**

Source of deferred tax assets and liabilities

(in thousands of euros)	2014	2013
Fixed assets and finance leases	137,628	132,383
Financial instruments	(6,624)	(5,277)
Pensions	(46,005)	(29,044)
Other provisions for contingencies and charges	6,395	11,316
Accelerated depreciation and regulated provisions	82,938	72,362
Other timing differences, tax loss carry-forwards and miscellaneous	(90,115)	(67,660)
Net deferred tax assets and liabilities	**84,218**	**114,080**
Deferred tax assets [(1)]	(135,437)	(101,671)
Deferred tax liabilities	219,656	215,751
NET BALANCE	**84,218**	**114,080**

(1) The deferred tax assets mainly originate from the tax losses carried forward by subsidiaries based in the United States, with periods of limitation ranging from 2024 to 2034.

Deferred tax assets not recognized in the financial statements

Deferred tax assets not recognized in the financial statements as at December 31, 2014, owing either to their planned recognition during the exemption periods enjoyed by the entities concerned or to the probability of their not being recovered, amounted to € 11.7 million (€ 8.1 million as at December 31, 2013). These relate essentially to two entities benefiting from a tax exemption scheme for a period of ten years.

Tax dispute in Senegal

Sococim Industries was notified of a tax reassessment under a tax introduced by the 2012 Senegalese Finance Act entitled Contribution Spéciale sur les Produits des Mines et Carrières “CSMC” (special levy on products from mines and quarries). The company disputes the legality of this tax and its applicability in accordance with the mining agreement it entered into with the government of Senegal. As a result, at end 2013, no provision had been recognized in respect of this, and the company had provided financial guaranties amounting to € 7.5 million.

In 2014, discussions continued between Sococim Industries and the Senegalese tax authorities. These resulted in a settlement of the dispute by means of the full release of the deposits and guarantees provided under the memorandum of understanding between the government of Senegal and the company in question.

NOTE 26 SEGMENT INFORMATION

a) Information by business segment

December 31, 2014 *(In thousand euros except number of employees)*	Cement	Concrete and Aggregates	Other Products & Services	Total
Income statement				
Operating sales	1,482,955	882,068	398,656	2,763,679
Inter-segment eliminations	(221,476)	(21,670)	(97,780)	(340,926)
Consolidated sales	1,261,479	860,398	300,876	2,422,753
EBITDA (cf. 1.22 and 23)	341,183	71,117	29,673	441,973
EBIT (cf. 1.22 and 23)	220,207	28,162	14,763	263,132
Balance sheet				
Total non-current assets	2,761,842	654,578	160,049	3,576,469
Net capital employed (1)	2,709,723	619,066	170,247	3,499,036
Other disclosures				
Acquisitions of intangible and tangible assets	106,413	36,325	13,171	155,909
Net depreciation and amortization charges	124,617	42,881	13,154	180,652
Average number of employees	3,494	2,893	1,363	7,750

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital requirement, after deduction of provisions and deferred taxes.

December 31, 2013 *(In thousand euros except number of employees)*	Cement	Concrete and Aggregates	Other Products & Services	Total
Income statement				
Operating sales	1,332,708	899,307	400,160	2,632,175
Inter-segment eliminations	(223,019)	(22,847)	(100,326)	(346,192)
Consolidated sales	1,109,689	876,460	299,834	2,285,983
EBITDA (cf. 1.22 and 23)	313,978	79,730	32,984	426,692
EBIT (cf. 1.22 and 23)	178,887	34,413	20,945	234,245
Balance sheet				
Total non-current assets	2,649,974	620,605	170,834	3,441,413
Net capital employed (1)	2,601,264	590,404	186,774	3,378,442
Other disclosures				
Acquisitions of intangible and tangible assets	127,686	32,687	14,060	174,433
Net depreciation and amortization charges	132,315	43,843	12,610	188,768
Average number of employees	3,390	2,918	1,349	7,657

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital requirement, after deduction of provisions and deferred taxes.

b) Geographical sectors

Information relating to geographical areas is presented according to the geographical location of the entities concerned.

December 31, 2014 *(in thousand euros except number of employees)*	France	Europe (excluding France)	USA	Turkey, Kazakhstan and India	West Africa and the Middle East	Total
Income statement:						
Operating sales	856,865	418,025	246,730	530,740	403,938	2,456,298
Inter-country eliminations	(25,741)	(349)	0	(742)	(6,713)	(33,545)
Consolidated sales	831,124	417,676	246,730	529,998	397,225	2,422,753
EBITDA (cf. 1.22 and 23)	134,071	102,857	16,952	111,641	76,452	441,973
EBIT (cf. 1.22 and 23)	83,904	70,412	(5,463)	66,505	47,774	263,132
Balance sheet						
Total non-current assets	665,498	537,143	468,985	1,200,705	704,138	3,576,469
Net capital employed (1)	653,255	484,632	372,634	1,245,160	743,355	3,499,036
Other disclosures:						
Acquisitions of intangible and tangible assets	46,262	24,478	11,320	45,918	27,931	155,909
Net depreciation and amortization charges	50,737	29,302	23,386	43,596	33,631	180,652
Average number of employees	2,583	1,117	1,007	1,940	1,103	7,750

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital requirement, after deduction of provisions and deferred taxes.

December 31, 2013 *(in thousand euros except number of employees)*	France	Europe (excluding France)	USA	Turkey, Kazakhstan and India	West Africa and the Middle East	Total
Income statement:						
Operating sales	883,443	427,050	220,828	461,401	328,630	2,321,352
Inter-country eliminations	(27,639)	(314)		(741)	(6,675)	(35,369)
Consolidated sales	855,804	426,736	220,828	460,660	321,955	2,285,983
EBITDA (cf. 1.22 and 23)	159,469	114,062	5,108	85,456	62,597	426,692
EBIT (cf. 1.22 and 23)	98,302	85,460	(17,391)	41,652	26,222	234,245
Balance sheet						
Total non-current assets	649,470	557,323	419,956	1,148,962	665,702	3,441,413
Net capital employed (1)	670,118	513,724	339,305	1,154,704	700,591	3,378,442
Other disclosures:						
Acquisitions of intangible and tangible assets	55,782	32,011	7,971	59,916	18,753	174,433
Net depreciation and amortization charges	58,498	28,661	24,691	42,720	34,198	188,768
Average number of employees	2,522	1,113	1,023	1,881	1,118	7,657

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital requirement, after deduction of provisions and deferred taxes.

c) Information about major customers

The Group is not overly dependent on any of its major customers and no single customer accounts for more than 10 % of sales.

NOTE 27 NET CASH FLOWS FROM OPERATING ACTIVITIES

Net cash flows from operational activities conducted by the Group in 2014 were € 302 million, compared with € 337 million in 2013.

This reduction in cash flows generated by operational activities between 2013 and 2014 results from an increase in cash flows from operations of € 30 million and a deterioration in the change in working capital requirement of € 65 million.

The components of the working capital requirement by type are as follows:

(in thousands of euros)	WCR at December 31, 2012	Change in WCR in 2013	Other Changes (1)	WCR at December 31, 2013	Change in WCR in 2014	Other Changes (1)	WCR at December 31, 2014
Inventories	381,893	(4,732)	(17,449)	359,712	20,722	13,771	394,205
Other WCR components	94,262	(40,794)	(7,440)	46,028	(1,672)	(8,690)	35,666
WCR	**476,155**	**(45,526)**	**(24,889)**	**405,740**	**19,050**	**5,081**	**429,871**

(1) Exchange rate, consolidation scope and miscellaneous.

NOTE 28 NET CASH FLOWS FROM INVESTING ACTIVITIES

Net cash flows used in the Group's investing activities in 2014 came to € (224) million, compared with € (179) million in 2013.

Acquisitions of intangible and tangible assets

These reflect outflows for industrial investments (€ 160 million in 2014 and € 176 million in 2013) mainly corresponding to the following:

- in 2014 to investments in France, Turkey, Switzerland, India and Senegal;
- in 2013, the completion of the investment program for the Vicat Sagar Cement greenfield plant in India, which started up in the first half of 2013, and the ongoing development in France of the Mépieu quarry, but also maintenance and improvement investments in the Group's other operating countries.

Acquisition/disposal of shares in consolidated companies

Consolidated company share acquisitions and disposals during 2014 resulted in an overall cash outflow of € (67) million (overall cash outflow of € (9) million in 2013).

The main cash outflow by the Group during the year was tied to the purchase of the remaining stake held by Sagar Cements in Vicat Sagar Cement in India.

The main cash outflow by the Group in 2013 was tied to the purchase of an additional stake in Mynaral Tas.

NOTE 29 ANALYSIS OF NET CASH BALANCES

(in thousands of euros)	31 décembre 2014 Net	31 décembre 2013 Net
Cash and cash equivalents (see note 6)	268,196	241,907
Bank overdrafts	(25,206)	(16,095)
NET CASH BALANCES	**242,990**	**225,812**

NOTE 30 COMPENSATION OF EXECUTIVES

Pursuant to the provisions of Article 225.102-1 of the French Commercial Code, and in accordance with IAS 24, we hereby inform you that the total gross compensation paid to each company officer in 2014 was as follows: G. Sidos: € 717,288, R. de Parisot: € 538,233.

These amounts do not include any variable components and represent the total compensation paid by Vicat SA and any companies it controls, or is controlled by, as defined by Article L 233-16 of the French Commercial Code.

Furthermore, no stock or stock options have been granted to the above company officers with the exception of any income received under legal or contractual employee profit-sharing or incentive plans.

Lastly, the two of the aforementioned company officers also benefit from a supplemental pension plan as defined in Article 39 of the French General Tax Code (CGI). The corresponding commitments (€ 3,188 in 2014 and € 2,715 thousand in 2013) were all recognized in provisions in the financial statements, in the same manner as all of the Group's post-employment benefits as at December 31, 2014 (Note 1.15).

NOTE 31 TRANSACTIONS WITH RELATED COMPANIES

In addition to information required for related parties regarding the senior executives, described in Note 30, related parties with whom transactions are carried out include affiliated companies in which Vicat directly or indirectly holds a stake, and entities that hold a stake in Vicat.

These related party transactions were not material in 2014 and all were on an arm's length basis.

These transactions have all been recorded in compliance with IAS 24 and their impact on the Group's consolidated financial statements for 2014 and 2013 is as follows, broken down by type and by related party:

	December 31, 2014				December 31, 2013			
(in thousands of euros)	Sales	Purchases	Receivables	Liabilities	Sales	Purchases	Receivables	Liabilities
Affiliated companies	1,251	2,844	6,878	1,855	540	2,169	7,278	2,178
Other related parties	73	2,805	0	56	801	3,308	65	782
TOTAL	**1,324**	**5,649**	**6,878**	**1,911**	**1,341**	**5,477**	**7,343**	**2,960**

NOTE 32 FEES PAID TO THE STATUTORY AUDITORS

Fees paid to statutory auditors and other professionals in their networks as recognized in the financial statements of Vicat SA and its proportionately and fully consolidated subsidiaries for 2014 and 2013 are as follows:

	KPMG Audit				Wolff & associés				Others			
	Amount (ex. VAT)		%		Amount (ex. VAT)		%		Amount (ex. VAT)		%	
(in thousands of euros)	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
AUDIT												
Statutory auditors, certification, examination of individual and consolidated accounts	1,013	1,039	55 %	57 %	374	363	20 %	20 %	466	420	25 %	23 %
▪ *Vicat SA*	221	218	53 %	53 %	195	193	47 %	47 %			0 %	0 %
▪ *Companies which are fully or proportionally consolidated*	792	821	55 %	58 %	179	170	12 %	12 %	466	420	32 %	30 %
Other forms of investigation and directly related services	14	0	41 %	0 %	0	0	0 %	0 %	20	18	59 %	100 %
▪ *Vicat SA*			-	-			-	-			-	-
▪ *Companies which are fully or proportionally consolidated*	14		41 %	0 %			0 %	0 %	20	18	59 %	100 %
TOTAL AUDIT FEES	1,027	1,039	54 %	56 %	374	363	20 %	20 %	486	438	26 %	24 %
OTHER SERVICES												
Legal, tax, employment and other matters		2	-	100 %			-	0 %			-	0 %
TOTAL OTHER SERVICES	0	2	-	100 %	0	0	-	0 %	0	0	-	0 %
TOTAL	**1,027**	**1,041**	**54 %**	**57 %**	**374**	**363**	**20 %**	**20 %**	**486**	**438**	**26 %**	**24 %**

NOTE 33 POST BALANCE SHEET EVENTS

No other post balance sheet event is likely to have a material impact on the consolidated financial statements for the year ended December 31.

NOTE 34 LIST OF MAIN CONSOLIDATED COMPANIES AS AT DECEMBER 31, 2014

Fully consolidated: France

Company	Address	SIREN N°.	December 31, 2014 % control	December 31, 2013 % control
VICAT	Tour Manhattan, 6 place de l'Iris 92095 PARIS LA DEFENSE	057 505 539	----	----
ALPES INFORMATIQUE	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	073 502 510	100.00	99.92
ANNECY BÉTON CARRIÈRES	14 chemin des Grèves 74960 CRAN GEVRIER	326 020 062	50.00	50.00
LES ATELIERS DU GRANIER	Lieu-Dit Chapareillan 38530 PONTCHARRA	305 662 504	100.00	100.0
BÉTON CHÂTILLONAIS	Champ de l'Allée – ZI Nord 01400 CHATILLON SUR CHALARONNE	485 069 819	100.00	100.00
BÉTON CONTRÔLE CÔTE D'AZUR	217 route de Grenoble 06200 NICE	071 503 569	100.00	97.12
BÉTON DE L'OISANS	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	438 348 047	60.00	60.00
LES BÉTONS DU GOLFE	Quartier Les Plaines 83480 Puget sur Argens	501 192 785	100.00	100.00
LES BÉTONS DU RHÔNE	La Petite Craz 69720 SAINT LAURENT DE MURE	503 728 164	100.00	100.00
BÉTON VICAT	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	309 918 464	99.99	99.99
BÉTON TRAVAUX	Tour Manhattan, 6 place de L'Iris 92095 PARIS LA DEFENSE	070 503 198	99.98	99.98
CONDENSIL	1327 av. de La Houille Blanche 73000 CHAMBERY	342 646 957	60.00	60.00
DELTA POMPAGE	1327 av. de La Houille Blanche 73000 CHAMBERY	316 854 363	100.00	100.00
ÉTABLISSEMENT ANTOINE FOURNIER	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	586 550 147	100.00	100.00
ÉTABLISSEMENTS TRUCHON	Route du Grésivaudan 38530 Chapareillan	068 500 768	100.00	NA
GRANULATS VICAT	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	768 200 255	100.00	100.00
MONACO BÉTON	Le Palais Saint James 5, avenue Princesse Alice 98000 MONACO	326 MC 161	100.00	100.00
PARFICIM	Tour Manhattan, 6 place de l'Iris 92095 PARIS LA DEFENSE	304 828 379	100.00	100.00
SATMA	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	304 154 651	100.00	100.00
SATM	1327 av. de la Houille Blanche 73000 CHAMBERY	745 820 126	100.00	100.00
SIGMA BÉTON	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	343 019 428	100.00	100.00
SOCIÉTÉ L. THIRIET ET COMPAGNIE	Lieu-dit Chaufontaine 54300 LUNEVILLE	762 800 977	99.98	99.98
PAPETERIES DE VIZILLE	Tour Manhattan, 6 Place de l'Iris 92095 PARIS LA DEFENSE	319 212 726	100.00	100.00
VICAT INTERNATIONAL TRADING	Tour Manhattan, 6 Place de l'Iris 92095 PARIS LA DEFENSE	347 581 266	100.00	100.00
VICAT PRODUITS INDUSTRIELS	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	655 780 559	100.00	100.00

Fully consolidated: Rest of World

Company	Country	State/City	December 31, 2014 % control	December 31, 2013 % control
SINAÏ CEMENT COMPANY	EGYPT	CAIRO	55.36	52.62
MYNARAL TAS COMPANY LLP	KAZAKHSTAN	ALMATY	90.00	90.00
JAMBYL CEMENT PRODUCTION COMPANY LLP	KAZAKHSTAN	ALMATY	90.00	90.00
BUILDERS CONCRETE	UNITED STATES	CALIFORNIA	100.00	100.00
KIRKPATRICK	UNITED STATES	ALABAMA	100.00	100.00
NATIONAL CEMENT COMPANY	UNITED STATES	ALABAMA	100.00	100.00
NATIONAL CEMENT COMPANY	UNITED STATES	DELAWARE	100.00	100.00
NATIONAL CEMENT COMPANY OF CALIFORNIA	UNITED STATES	DELAWARE	100.00	100.00
NATIONAL READY MIXED	UNITED STATES	CALIFORNIA	100.00	100.00
UNITED READY MIXED	UNITED STATES	CALIFORNIA	100.00	100.00
VIKING READY MIXED	UNITED STATES	CALIFORNIA	100.00	100.00
CEMENTI CENTRO SUD SPA	ITALY	GENOVA	100.00	100.00
CIMENTS & MATERIAUX DU MALI	MALI	BAMAKO	95.00	94.89
GECAMINES	SENEGAL	THIES	70.00	70.00
POSTOUDIOKOUL	SENEGAL	RUFISQUE (DAKAR)	100.00	100.00
SOCOCIM INDUSTRIES	SENEGAL	RUFISQUE (DAKAR)	99.89	99.91
SODEVIT	SENEGAL	BANDIA	100.00	100.00
ALTOTA AG	SWITZERLAND	OLTEN (SOLOTHURN)	100.00	100.00
KIESWERK AEBISHOLZ AG (FORMERLY ASTRADA KIES AG)	SWITZERLAND	AEBISHOLZ (SOLEURE)	100.00	100.00
BETON AG BASEL	SWITZERLAND	BALE (BALE)	100.00	100.00
BETON AG INTERLAKEN	SWITZERLAND	MATTEN BEI INTERLAKEN (BERN)	76.53	75.42
BETONPUMPEN OBERLAND AG	SWITZERLAND	WIMMIS (BERN)	93.33	93.33
CEWAG	SWITZERLAND	DUTINGEN (FRIBOURG)	(1)	100.00
COVIT SA	SWITZERLAND	SAINT-BLAISE (NEUCHATEL)	100.00	100.00
CREABETON MATERIAUX SA	SWITZERLAND	LYSS (BERN)	100.00	100.00
EMME KIES + BETON AG	SWITZERLAND	LÜTZELFLÜH (BERN)	66.66	66.66
FRISCHBETON AG ZUCHWIL	SWITZERLAND	ZUCHWIL (SOLOTHURN)	88.94	88.94
FRISCHBETON LANGENTHAL AG	SWITZERLAND	LANGENTHAL (BERN)	78.67	78.67
FRISCHBETON THUN	SWITZERLAND	THOUNE (BERN)	54.26	54.26
FRISCHBETON TAFERS	SWITZERLAND	TAFERS (FRIBOURG)	50.00	Proportional consolidation
GRANDY AG	SWITZERLAND	LANGENDORF (SOLEURE)	100.00	100.00

(1) Company merged in 2014.

Fully consolidated: Rest of World (continued)

Company	Country	State/City	December 31, 2014 % control	December 31, 2013 % control
KIESTAG STEINIGAND AG	SWITZERLAND	WIMMIS (BERN)	98.55	98.55
MATERIALBEWIRTTSCHFTUNG MITHOLZ AG	SWITZERLAND	KANDERGRUND (BERN)	(1)	98.55
KIESWERK NEUENDORF	SWITZERLAND	NEUENDORF (SOLEURE)	100.00	100.00
SABLES + GRAVIERS TUFFIERE SA	SWITZERLAND	HAUTERIVE (FRIBOURG)	50.00	50.00
SHB STEINBRUCH + HARTSCHOTTER BLAUSEE MITHOLZ AG	SWITZERLAND	FRUTIGEN (BERN)	98.55	98.55
STEINBRUCH VORBERG AG	SWITZERLAND	BIEL (BERN)	60.00	60.00
VIGIER BETON JURA SA (FORMERLY BETON FRAIS MOUTIER SA)	SWITZERLAND	BELPRAHON (BERN)	90.00	90.00
VIGIER BETON KIES SEELAND AG (FORMERLY VIBETON KIES AG)	SWITZERLAND	LYSS (BERN)	100.00	100.00
VIGIER BETON MITTELLAND AG (FORMERLY WYSS KIESWERK AG)	SWITZERLAND	FELDBRUNNEN (SOLOTHURN)	100.00	100.00
VIGIER BETON ROMANDIE SA (FORMERLY VIBETON FRIBOURG SA)	SWITZERLAND	ST. URSEN (FRIBOURG)	100.00	100.00
VIGIER BETON SEELAND JURA AG (FORMERLY VIBETON SAFNERN AG)	SWITZERLAND	SAFNERN (BERN)	90.47	90.47
VIGIER CEMENT AG	SWITZERLAND	PERY (BERN)	100.00	100.00
VIGIER HOLDING AG	SWITZERLAND	DEITINGEN (SOLOTHURN)	100.00	100.00
VIGIER MANAGEMENT AG	SWITZERLAND	DEITINGEN (SOLOTHURN)	100.00	100.00
VIRO AG	SWITZERLAND	DEITINGEN (SOLOTHURN)	(1)	100.00
VITRANS AG	SWITZERLAND	PERY (BERN)	100.00	100.00
AKTAS	TURKEY	ANKARA	100.00	100.00
BASTAS BASKENT CIMENTO	TURKEY	ANKARA	91.58	91.58
BASTAS HAZIR BETON	TURKEY	ANKARA	91.58	91.58
KONYA CIMENTO	TURKEY	KONYA	83.34	83.34
TAMTAS	TURKEY	ANKARA	100.00	100.00
BSA CIMENT SA	MAURITANIA	NOUAKCHOTT	64.91	64.91
BHARATHI CEMENT	INDIA	HYDERABAD	51.02	51.00
VICAT SAGAR	INDIA	HYDERABAD	99.98	53.00

(1) Company merged in 2014.

Proportionately consolidated: France

Company	Address	SIREN No.	December 31, 2014 % control	December 31, 2013 % control
CARRIÈRES BRESSE BOURGOGNE	Port Fluvial Sud de Chalon 71380 EPERVANS	655 850 055	(1)	49.95
DRAGAGES ET CARRIÈRES	Port Fluvial Sud de Chalon 71380 EPERVANS	341 711 125	(1)	50.00
SABLIÈRES DU CENTRE	Les Genévriers Sud 63430 LES MARTRES D'ARTIERE	480 107 457	(1)	50.00

(1) Company equity-accounted in 2014 (IFRS10).

Proportionately consolidated: rest of world

Company	Country	State/City	December 31, 2014 % control	December 31, 2013 % control
FRISHBETON TAFERS AG	SWITZERLAND	TAFERS (FRIBOURG)	(2)	49.50

(2) Company fully consolidated in 2014 (IFRS10).

Equity method: FRANCE

Company	Address	SIREN No.	December 31, 2014 % control	December 31, 2013 % control
CARRIÈRES BRESSE BOURGOGNE	Port Fluvial Sud de Chalon 71380 EPERVANS	655 850 055	33.27	(3)
DRAGAGES ET CARRIÈRES	Port Fluvial Sud de Chalon 71380 EPERVANS	341 711 125	50.00	(3)
SABLIÈRES DU CENTRE	Les Genévriers Sud 63430 LES MARTRES D'ARTIERE	480 107 457	50.00	(3)

(3) Company proportionally consolidated in 2013 (IFRS10).

Equity method: Rest of World

Company	Country	State/City	December 31, 2014 % control	December 31, 2013 % control
HYDROELECTRA	SWITZERLAND	AU (ST. GALLEN)	50.00	50.00
SILO TRANSPORT AG	SWITZERLAND	BERN (BERN)	50.00	50.00
SINAI WHITE CEMENT	EGYPT	CAIRO	25.40	25.40