2015

Consolidated financial statements

VICAT

CONTENT

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▲ Bharati Cement factory Kapada, Andhra Pradesh (India)

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2015

Consolidated financial statements at December 31, 2015

(in thousands of euros)	*Notes*	**December 31, 2015**	**December 31, 2014**
ASSETS			
Non-current assets			
Goodwill	*3*	1,040,307	1,007,848
Other intangible assets	*4*	135,818	122,985
Property, plant and equipment	*5*	2,121,011	2,148,739
Investment properties	*7*	17,766	18,754
Investments in associated companies	*8*	49,854	43,815
Deferred tax assets	*25*	150,292	135,437
Receivables and other non-current financial assets	*9*	122,672	98,891
TOTAL NON-CURRENT ASSETS		3,637,720	3,576,469
Current assets			
Inventories and work-in-progress	*10*	407,192	394,205
Trade and Other receivables	*11*	376,627	356,405
Current tax assets		53,715	37,206
Others receivables	*11*	150,725	141,200
Cash and cash equivalents	*12*	254,371	268,196
TOTAL CURRENT ASSETS		1,242,630	1,197,212
TOTAL ASSETS		**4,880,350**	**4,773,681**

LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholder's equity			
Capital	*13*	179,600	179,600
Additional paid-in capital		11,207	11,207
Consolidated reserves		2,060,741	1,986,616
Shareholders' equity		**2,251,548**	**2,177,423**
Minority interests		**292,160**	**281,870**
SHAREHOLDERS' EQUITY AND MINORITY INTERESTS		2,543,708	2,459,293
Non-current liabilities			
Provisions for pensions and other post-employment benefits	*14*	134,729	125,862
Other provisions	*15*	95,938	86,141
Financial debts and put options	*16*	1,225,391	1,067,527
Deferred tax liabilities	*25*	228,019	219,656
Other non-current liabilities		5,369	7,205
TOTAL NON-CURRENT LIABILITIES		1,689,446	1,506,391
Current liabilities			
Provisions	*15*	13,204	10,526
Debts and put options at less than 1 year	*16*	114,884	281,730
Trade and other accounts payable		283,734	280,642
Current taxes payable		37,274	39,301
Other liabilities	*18*	198,100	195,798
TOTAL CURRENT LIABILITIES		647,196	807,997
TOTAL LIABILITIES		2,336,642	2,314,388
TOTAL EQUITY AND LIABILITIES		**4,880,350**	**4,773,681**

Consolidated income statement for the year ended December 31, 2015

(in thousands of euros)	*Notes*	2015	2014
Sales	*19*	**2,457,903**	**2,422,753**
Goods and services purchased		(1,580,500)	(1,583,417)
Added value	*1.22*	**877,403**	**839,336**
Personnel costs	*20*	(407,395)	(373,289)
Taxes		(53,814)	(47,624)
Gross operating income	*1.22 & 23*	**416,194**	**418,423**
Depreciation, amortization, provisions and impairment allowances	*21*	(195,128)	(176,710)
Other income and expenses	*22*	28,649	14,605
Operating Income	*23*	**249,715**	**256,318**
Cost of net financial debt	*24*	(36,991)	(47,616)
Other financial income	*24*	23,148	11,456
Other financial expenses	*24*	(34,353)	(21,891)
Net financial income (expense)	*24*	**(48,196)**	**(58,051)**
Earnings from associated companies	*8*	4,876	4,745
Profit (loss) before tax		**206,395**	**203,012**
Income tax	*25*	(63,697)	(59,458)
Consolidated net income		**142,698**	**143,554**
Portion attributable to minority interests		21,219	15,075
Portion attributable to the Group		**121,479**	**128,479**
EBITDA	*1.22 & 23*	**448,389**	**441,973**
EBIT	*1.22 & 23*	**250,484**	**263,132**
Cash flows from operating activities	*1.22*	**346,267**	**320,929**
EARNINGS PER SHARE *(in euros)*			
Basic and diluted Group share of net earnings per share	*13*	2.71	2.86

Consolidated statement of comprehensive income for the year ended December 31, 2015

(in thousands of euros)	December 31, 2015	December 31, 2014
Consolidated net income	**142,698**	**143,554**
Other comprehensive income		
Items not recycled to profit or loss:		
Remeasurement of the net defined benefit liability	269	(34,480)
Tax on non-recycled items	670	9,774
Items recycled to profit or loss:		
Translation differences	9,137	127,259
Cash flow hedge instruments	11,482	(8,932)
Tax on recycled items	(3,997)	2,872
Other comprehensive income (after tax)	**17,561**	**96,493**
TOTAL COMPREHENSIVE INCOME	**160,259**	**240,047**
Portion attributable to minority interests	22,278	38,133
Portion attributable to the Group	**137,981**	**201,914**

Consolidated cash flow statement for the year ended December 31, 2015

(in thousands of euros)	Notes	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated net income		**142,698**	**143,553**
Earnings from associated companies		(4,876)	(4,745)
Dividends received from associated companies		1,131	974
Elimination of non-cash and non-operating items			
■ depreciation, amortization and provisions		202,452	186,442
■ deferred tax		(10,127)	(16,341)
■ net (gain) loss from disposal of assets		(3,933)	(201)
■ unrealized fair value gains and losses		64	1,341
■ other		18,858	9,906
Cash flow from operations	*1.22*	**346,267**	**320,929**
Change in working capital requirement		(46,661)	(19,050)
Net cash flows from operating activities (1)	*27*	**299,606**	**301,879**
CASH FLOWS FROM INVESTING ACTIVITIES			
Outflows linked to acquisitions of non-current assets:			
■ property, plant and equipment and intangible assets		(174,103)	(159,951)
■ financial investments		(19,526)	(8,827)
Inflows linked to disposals of non-current assets:			
■ property, plant and equipment and intangible assets		7,295	6,370
■ financial investments		3,680	5,183
Impact of changes in consolidation scope		(55)	(66,988)
Net cash flows from investing activities	*28*	**(182,709)**	**(224,213)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(78,405)	(81,015)
Increases in share capital			122
Proceeds from borrowings		301,486	21,239
Repayments of borrowings		(356,698)	(91,568)
Acquisitions of treasury shares		(30,765)	(21,021)
Disposals or allocations of treasury shares		32,899	96,104
Net cash flows from financing activities		**(131,483)**	**(76,139)**
Impact of changes in foreign exchange rates		(3,308)	15,651
Change in cash position		**(17,894)**	**17,178**
Net cash and cash equivalents – opening balance	*29*	242,991	225,812
Net cash and cash equivalents – closing balance	*29*	225,096	242,990

(1) Of which cash flows from income tax: € (77,620) thousand in 2015 and € (60,190) thousand in 2014.
Of which cash flows from interest paid and received: € (40,774) thousand in 2015 and €(47,825) thousand in 2014.

Statement of changes in consolidated equity for the year ended December 31, 2015

(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, 2014	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
AS AT DECEMBER 31, 2014	179,600	11,207	(70,133)	2,206,447	(149,698)	2,177,423	281,870	2,459,293
Consolidated net income				121,479		121,479	21,219	142,698
Other comprehensive income				(39,392)	55,894	16,502	1,060	17,562
Total comprehensive income				**82,087**	**55,894**	**137,981**	**22,279**	**160,260**
Dividends paid				(66,111)		(66,111)	(11,969)	(78,080)
Net change in treasury shares			3,125	(677)		2,448		2,448
Changes in consolidation scope and additional acquisitions								
Increases in share capital								
Other changes				(193)		(193)	(20)	(213)
AS AT DECEMBER 31, 2015	**179,600**	**11,207**	**(67,008)**	**2,221,553**	**(93,804)**	**2,251,548**	**292,160**	**2,543,708**

(1) Includes mainly the total capital gain, net of tax, of € 72 million made in 2014 on the sale of Soparfi securities.
(2) Includes mainly the change in net value due to the Group's 2014 acquisition of Sagar Cements' residual stake in Kalburgi Cement (ex Vicat Sagar Cement).

Group translation differences are broken down by currency as follows (in thousands of euros), as at December 31 2015 and 2014:

	December 31, 2015	December 31, 2014
US dollar:	52,291	18,764
Swiss franc:	203,395	137,853
Turkish new lira:	(144,915)	(118,547)
Egyptian pound:	(50,157)	(42,745)
Kazakh tenge:	(85,450)	(43,767)
Mauritanian ouguiya:	2,812	2,187
Indian rupee:	(71,780)	(103,443)
	(93,804)	**(149,698)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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, 2015 for its benchmark accounting policies.

Standards and interpretations published by the IASB but not yet in effect as at December 31, 2015 were not applied early in the Group's consolidated financial statements at the closing date.

The consolidated financial statements for the year ended December 31, 2015 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, 2015 are consistent with those applied for the annual financial statements in 2014, except for standards that are mandatory for annual periods beginning on or after January 1, 2015. This mainly relates to the application of IFRIC 21 "Levies" which defines the obligating event for the recognition of a liability to pay a levy, the adoption of which interpretation has no material impact on the Group's consolidated financial statements.

IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers", which are mandatory as of January 1, 2018 are currently being assessed to determine their potential impacts on the Group's financial statements. These assessments are currently ongoing.

These financial statements were finalized and approved by the Board of Directors at its meeting of March 9, 2016 and will be submitted to the General Meeting of April 29, 2016 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, 2015 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 as shown 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 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, 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 which are denominated in foreign currency.

The following foreign exchange rates were used:

	Closing rate		Average rate	
	12/31/2015	**12/31/2014**	**12/31/2015**	**12/31/2014**
US dollar (USD)	1.0887	1.2141	1.1096	1.3288
Swiss franc (CHF)	1.0835	1.2024	1.0676	1.2146
Egyptian pound (EGP)	8.5036	8.6511	8.5442	9.4136
Turkish lira (TRL)	3.1765	2.8320	3.0219	2.9070
Kazakh tenge (KZT)	369.5800	221.3900	246.1933	238.5633
Mauritanian ouguiya (MRO)	339.0667	352.6830	343.4900	393.2725
CFA Franc (XOF)	655.9570	655.9570	655.9570	655.9570
India rupee (INR)	72.0215	76.7190	71.1765	81.0688

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 recognized whether 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 asset	Concrete and 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 as a ratio of 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 by reference to market prices observed 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 10;
- 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 which 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 plus the goodwill attributable to non-controlling interests.

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, 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 impairments 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' maturity, 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, which takes into account profitability prospects, share prices or market prices;
- 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 to which are associated 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 for retired staff, 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, less depreciation, amortization, operating provisions and impairment allowances.

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 posted a 1.5% increase in sales for 2015, though they fell by 4.4% at constant scope and exchange rates. This movement reflects mixed performance across the geographical areas where the Group operates. The Group recorded further sales growth in the Indian market, in the United States and in Turkey, while performance declined in France, Kazakhstan, West Africa and the Middle East.

Sales declined slightly in France under macroeconomic conditions that remain challenging. Nevertheless, after a difficult start to the year due to unfavorable weather conditions, the Group's performance gradually improved throughout the year, with France resuming the growth of its business in the fourth quarter.

In Europe excluding France, sales were up slightly on a reported basis. However, business was down at constant consolidation scope and exchange rates. The Swiss market experienced a slowdown in the construction sector during 2015 after achieving record levels in 2014, impacted by the completion of a number of major projects. In this context, and following the revaluation of the Swiss franc at the start of the financial year, market competition has increased, as reflected by pressure on prices. The environment in Italy remained challenging in 2015, as demonstrated by a further drop in sales volumes and a slight decrease in sales prices.

In the USA, the Group again enjoyed solid business growth in a still-favorable macroeconomic environment. Against this background, sales volumes and average sales prices rose sharply.

In Turkey, following a first quarter marked by unfavorable weather conditions, the Group returned to solid business growth over the subsequent quarters, resulting in overall growth for the year.

In India, the Group's targeted marketing strategy for its entire system, aiming to fully benefit from the constant rise of sales prices, led to a surge in sales for this region.

In Kazakhstan, Vicat again recorded a rise in cement sales volumes, but was faced with increased competition at the start of the year that impacted sales prices. Against, this background, business suffered a decline in 2015. Note that the very sharp devaluation of the tenge during this financial year reflected a strong negative impact on financial performance expressed in euros.

In Egypt, which continues to face a volatile though improving security situation, the Group's business declined in 2015 owing to a highly unfavorable price environment and a drop in volumes, primarily due to refurbishment of the main traffic lanes that provide access to major consumer markets. Note that the launch of two coal mills at the end of the third quarter made for a significant reduction in production costs at the year-end.

In West Africa, a new arrival to the Senegalese market led to increased competitive pressure, resulting in a reduction in volumes sold by the Group in this region and a slight decline in average sales prices.

Early repayment of the Indian debt taken out with development financing institutions

In July 2015, Kalburgi Cement (formerly Vicat Sagar Cement) made early repayment of the debt taken out with development financing institutions in exchange for a strengthening of its equity by Parficim. This repayment of a net € 166 million did not result in significant transaction costs and led Kalburgi to an early cancellation of the foreign exchange and interest rate hedging instruments (cross currency swap) set up in 2011. This repayment, financed through use of the Vicat SA lines of credit, significantly reduced the interest expenses incurred by Kalburgi and by the Group since the end of July.

Swiss refinancing

At the end of the financial year, Vigier Holding refinanced through Swiss banks with a 5-year revolving syndicated loan, repayable at maturity and amounting to 200 million Swiss francs.

Exchange rate volatility and impact on the income statement

The 2015 income statement was heavily impacted by the weakening of the euro against most currencies. This resulted in a positive exchange rate effect for the financial year of more than € 142 million on consolidated sales, nearly € 26 million on EBITDA and a net foreign exchange loss of € (12.6) million recognized in the financial income (expense).

Consolidated shareholders' equity benefited from positive translation adjustments for a net total amount of € 9 million.

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, 2013	681,575	243,245	21,749	946,569
Acquisitions/Additions		8,707		8,707
Disposals/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
AS AT DECEMBER 31, 2014	720,430	265,797	21,621	1,007,848
Acquisitions/Additions	5,588		16	5,604
Disposal/Decreases		(124)		(124)
Change in foreign exchange rates	7,475	17,573	1,932	26,980
Other movements	(74)	(1)	74	(1)
AS AT DECEMBER 31, 2015	**733,419**	**283,245**	**23,643**	**1,040,307**

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	
	Dec. 2015	Dec. 2014	Dec. 2015	Dec. 2014	Dec. 2015	Dec. 2014	Dec. 2015	Dec. 2014	Dec. 2015	Dec. 2014
India CGU	258,400	243,335	10.26	8.1	6	6		-		-
West Africa Cement CGU	156,359	154,875	10.16	8.88	3	3		-		-
France-Italy CGU	185,092	179,488	6.55	7.01	0	0		-		-
Switzerland CGU	142,531	135,494	7.4	7.9	0	0		-		-
Other CGUs total	297,925	294,656	9.34 to 10.16	7.76 to 10.25	2.0 to 3.0	0.0 to 3.0		-		-
TOTAL	**1,040,307**	**1,007,848**					**0**	**0**	**0**	**0**

The impairment tests carried out in 2015 and 2014 did not result in the recognition of any impairment of 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, 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
AS AT DECEMBER 31, 2014	91,853	32,611	57,265	12,844	194,573
Acquisitions	4,992	6,873	754	8,081	20,700
Disposals		(4)	(1,714)		(1,718)
Changes in consolidation scope					0
Change in foreign exchange rates	(2,318)	670	3,827	228	2,407
Other movements	1,076	8,914	7,598	(15,407)	2,181
AS AT DECEMBER 31, 2015	**95,603**	**49,064**	**67,730**	**5,746**	**218,143**

Depreciation and impairment *(in thousands of euros)*	Concessions, patents and similar rights	Software	Other intangible assets	Intangible assets in progress	Total
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)
AS AT DECEMBER 31, 2014	(20,801)	(21,858)	(28,929)	0	(71,588)
Increase	(2,702)	(4,189)	(3,613)		(10,504)
Decrease		2	1,917		1,919
Changes in consolidation scope					0
Change in foreign exchange rates	93	(541)	(1,705)		(2,153)
Other movements	(55)	2	54		1
AS AT DECEMBER 31, 2015	**(23,465)**	**(26,584)**	**(32,276)**	**0**	**(82,325)**
Net book value at December 31, 2014	71,052	10,753	28,336	12,844	122,985
NET BOOK VALUE AT DECEMBER 31, 2015	**72,138**	**22,480**	**35,454**	**5,746**	**135,818**

No development costs were capitalized in 2015 and 2014.

Research and development costs recognized as expenses in 2015 amounted to € 3,664 thousand (€ 4,246 thousand in 2014).

As regards 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 € 21,332 thousand (€ 16,836 thousand as at December 31, 2014), corresponding to 2,992 thousand tonnes (2,443 thousand tonnes as at December 31, 2014).

Surpluses were recognized in operating income for € 4,986 thousand (€ 3,433 thousand at December 31, 2014).

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

Gross value *(in thousands of euros)*	**Land & buildings**	**Industrial equipment**	**Other property plant & equipment**	**Non-current assets in progress and advances/down payments**	**Total**
AT DECEMBER 31, 2013	1,051,599	2,743,898	151,028	129,055	4,075,580
Acquisitions	22,787	35,170	5,993	68,239	132,189
Disposals	(2,631)	(24,505)	(11,288)		(38,424)
Changes in consolidation scope	1,145	2,903	2,616	489	7,153
Change in foreign exchange rates	40,481	123,370	3,139	6,351	173,341
Other movements	35,814	65,434	656	(104,189)	(2,285)
AS AT DECEMBER 31, 2014	1,149,195	2,946,270	152,144	99,945	4,347,554
Acquisitions	12,070	21,055	3,546	108,565	145,236
Disposals	(1,480)	(36,948)	(8,480)	(728)	(47,636)
Changes in consolidation scope	(2,335)	6,046	(2,109)	8	1,610
Change in foreign exchange rates	22,875	36,863	7,760	(2,112)	65,386
Other movements	21,295	85,071	(195)	(106,924)	(753)
AS AT DECEMBER 31, 2015	**1,201,620**	**3,058,357**	**152,666**	**98,754**	**4,511,397**

Depreciation and impairment *(in thousands of euros)*	**Land & Buildings**	**Industrial equipment**	**Other property plant & equipment**	**Non-current assets in progress and advances/down payments**	**Total**
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
AS AT DECEMBER 31, 2014	(448,248)	(1,646,130)	(103,673)	(764)	(2,198,815)
Increase	(36,009)	(139,650)	(10,817)	(198)	(186,674)
Decrease	4,390	32,763	8,096	703	45,952
Changes in consolidation scope	(306)	(3,002)	1,808		(1,500)
Change in foreign exchange rates	(12,042)	(32,142)	(4,666)	(2)	(48,852)
Other movements	(494)	(351)	351	(3)	(497)
AS AT DECEMBER 31, 2015	**(492,709)**	**(1,788,512)**	**(108,901)**	**(264)**	**(2,390,386)**
Net book value at December 31, 2014	700,947	1,300,140	48,471	99,181	2,148,739
NET BOOK VALUE AT DECEMBER 31, 2015	**708,911**	**1,269,845**	**43,765**	**98,490**	**2,121,011**

Property, plant and equipment under construction amounted to € 77 million as at December 31, 2015 (€ 86 million as at December 31, 2014) and advances/down payments on property, plant and equipment represented € 22 million as at December 31, 2015 (€ 14 million as at December 31, 2014).

Contractual commitments to acquire tangible and intangible assets amounted to € 20 million as at December 31, 2015 (€ 53 million as at December 31, 2014).

The total amount of interest capitalized in 2015 was € 0.7 million (€ 0.8 million in 2014), determined on the basis of local interest rates ranging from 3.0% to 10.7%, 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, 2015	December 31, 2014
Industrial equipment	1,365	2,656
Other intangible assets and property, plant and equipment	402	723
PROPERTY, PLANT AND EQUIPMENT	**1,767**	**3,379**

Minimum payment schedule	December 31, 2015	December 31, 2014
Less than 1 year	1,214	1,901
1 to 5 years	418	1,631
More than 5 years	24	36
TOTAL	**1,656**	**3,568**

NOTE 7 INVESTMENT PROPERTIES

(in thousands of euros)	Gross values	Depreciation & Impairment	Net values
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
AS AT DECEMBER 31, 2014	40,060	(21,306)	18,754
Acquisitions	599	(803)	(204)
Disposals	(470)	48	(422)
Depreciation			0
Change in foreign exchange rates	1,222	(366)	856
Changes in consolidation scope and other	(1,185)	(33)	(1,218)
AS AT DECEMBER 31, 2015	**40,226**	**(22,460)**	**17,766**
Fair value of investment properties at December 31, 2014			75,675
FAIR VALUE OF INVESTMENT PROPERTIES AT DECEMBER 31, 2015			**78,334**

Rental income from investment properties amounted to € 3 million at December 31, 2015 and at December 31, 2014

NOTE 8 INVESTMENTS IN ASSOCIATED COMPANIES

Change in investments in associated companies *(in thousands of euros)*	2015	2014
AT JANUARY 1	43,815	38,213
Earnings from associated companies	4,876	4,745
Dividends received from investments in associated companies	(1,131)	(974)
Changes in consolidation scope	(14)	(1,698)
Change in foreign exchange rates and other	2,308	3,529
AT DECEMBER 31	**49,854**	**43,815**

NOTE 9 RECEIVABLES AND OTHER NON-CURRENT ASSETS

(in thousands of euros)	Gross values	Impairment	Net values
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)
AS AT DECEMBER 31, 2014	100,932	(2,041)	98,891
Acquisitions/Additions	6,047	(60)	5,987
Disposal/Decreases	(3,825)	320	(3,505)
Changes in consolidation scope	(5,917)		(5,917)
Change in foreign exchange rates	4,001	(93)	3,908
Change recorded in other comprehensive income	57,780		57,780
Others	(34,472)		(34,472)
AS AT DECEMBER 31, 2015	**124,546**	**(1,874)**	**122,672**
Including:			
■ investments in affiliated companies	24,797	(744)	24,053
■ long term investments	1,694	(524)	1,170
■ loans and receivables	34,005	(606)	33,399
■ employee benefit plan assets	0		0
■ financial instruments (see Note 16)	64,050		64,050
AS AT DECEMBER 31, 2015	**124,546**	**(1,874)**	**122,672**

NOTE 10 INVENTORIES AND WORK-IN-PROGRESS

	December 31, 2015			December 31, 2014		
(in thousands of euros)	Gross	Provisions	Net	Gross	Provisions	Net
Raw materials and consumables	263,570	(12,524)	251,046	269,888	(10,126)	259,762
Work-in-progress, finished goods and goods for sale	162,878	(6,732)	156,146	137,201	(2,758)	134,443
TOTAL	**426,448**	**(19,256)**	**407,192**	**407,089**	**(12,884)**	**394,205**

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, 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
AS AT DECEMBER 31, 2014	378,145	(21,740)	356,405	45,878	4,251	93,016	(1,945)	141,200
Acquisitions		(5,640)	(5,640)				(376)	(376)
Uses		5,348	5,348				1,679	1,679
Change in foreign exchange rates	5,991	(329)	5,662	(2,593)	124	2,688	4	223
Changes in consolidation scope	2,996	(124)	2,872	18		237		255
Other movements	11,942	38	11,980	4,154	(427)	4,019	(2)	7,744
AS AT DECEMBER 31, 2015	**399,074**	**(22,447)**	**376,627**	**47,457**	**3,948**	**99,960**	**(640)**	**150,725**
of which matured at 12/31/2015:								
▪ for less than 3 months	96,744	(4,136)	92,608	2,688	1,164	11,127	0	14,979
▪ for more than 3 months	29,857	(9,450)	20,407	7,859	12	5,311	(520)	12,662
of which not matured at 12/31/2015:								
▪ less than 1 year	257,597	(4,938)	252,659	34,523	2,762	53,179	(120)	90,344
▪ more than 1 year	14,876	(3,923)	10,953	2,387	10	30,343	0	32,740

NOTE 12 CASH AND CASH EQUIVALENTS

(in thousands of euros)	December 31, 2015	December 31, 2014
Cash	84,932	74,090
Marketable securities and term deposits < 3 months	169,439	194,106
CASH AND CASH EQUIVALENTS	**254,371**	**268,196**

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 762,286 treasury shares as at December 31, 2015 (794,611 as at December 31, 2014) acquired under the share buy-back programs approved by the Ordinary General Meetings, and through Heidelberg Cement'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 2015 in respect of 2014 amounted to € 1.50 per share, amounting to a total of € 67,350 thousand, identical to the € 1.50 per share paid in 2014 in respect of 2013 and amounting to a total of € 67,350 thousand. The dividend proposed by the Board of Directors to the Ordinary General Meeting for 2015 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, 2015, the liquidity account is composed of 18,219 Vicat shares and € 2,918 thousand in cash.

NOTE 14 EMPLOYEE BENEFITS

(in thousands of euros)	December 31, 2015	December 31, 2014
Pension plans and termination benefits (TB)	68,201	68,155
Other post-employment benefits	66,528	57,707
Total pension and other post-employment benefit provisions	**134,729**	**125,862**
Plan assets (Note 9)		-
NET LIABILITIES	**134,729**	**125,862**

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)	December 31, 2015 Pension plans and TB	December 31, 2015 Other benefits	December 31, 2015 Total	December 31, 2014 Pension plans and TB	December 31, 2014 Other benefits	December 31, 2014 Total
Present value of funded liabilities	461,481	66,528	528,009	432,093	57,707	489,800
Fair value of plan assets	(393,280)		(393,280)	(363,938)		(363,938)
Net value	**68,201**	**66,528**	**134,729**	**68,155**	**57,707**	**125,862**
Limit on recognition of plan assets (asset ceiling)			0			0
NET LIABILITIES	**68,201**	**66,528**	**134,729**	**68,155**	**57,707**	**125,862**

Analysis of net annual expense

(in thousands of euros)	2015 Pension plans and TB	2015 Other benefits	2015 Total	2014 Pension plans and TB	2014 Others benefits	2014 Total
Current service costs	(12,694)	(1,436)	(14,130)	(9,205)	(995)	(10,200)
Financial cost	(7,397)	(2,524)	(9,921)	(9,746)	(2,106)	(11,852)
Interest income on assets	5,378	18	5,396	8,318		8,318
Recognized past service costs	9,238		9,238	779	330	1,109
Curtailments and settlements	596	(159)	437			0
TOTAL CHARGE WITH INCOME STATEMENT IMPACT	(4,879)	(4,101)	(8,980)	(9,854)	(2,771)	(12,625)
Actuarial gains and losses on plan assets	(719)		(719)	22,342		22,342
Experience adjustments	4,250	(1,171)	3,079	3,614	927	4,541
Adjustments related to demographic assumptions	(2,682)	(1,265)	(3,947)	(1,096)	(2,098)	(3,195)
Adjustments related to financial assumptions	(710)	2,581	1,871	(53,210)	(4,977)	(58,187)
TOTAL CHARGE WITH IMPACT ON OTHER COMPREHENSIVE INCOME	139	145	284	(28,350)	(6,148)	(34,499)
TOTAL CHARGE FOR THE YEAR	**(4,740)**	**(3,956)**	**(8,696)**	**(38,204)**	**(8,919)**	**(47,124)**

Change in financial assets used to hedge the plans

(in thousands of euros)	December 31, 2015			December 31, 2014		
	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
FAIR VALUE OF ASSETS AT JANUARY 1	363,938	0	363,938	331,454	0	331,454
Interest income on assets	5,378	18	5,396	8,318		8,318
Contributions paid in	14,550	77	14,627	13,792		13,792
Translation differences	39,437	(2)	39,435	11,144		11,144
Benefits paid	(29,381)	(16)	(29,397)	(23,112)		(23,112)
Changes in consolidation scope and other	(194)	194	0			0
Actuarial gains (losses)	(719)		(719)	22,342		22,342
FAIR VALUE OF ASSETS AT DECEMBER 31	**393,009**	**271**	**393,280**	**363,938**	**0**	**363,938**

Analysis of plan assets by type and country at December 31, 2015

Analysis of plan assets	France	Switzerland	USA	India	Total
Cash and cash equivalents	0.1%	2.8%	2.2%		2.7%
Equity instruments	3.3%	28.6%	65.0%		32.4%
Debt instruments		28.3%	32.8%		28.6%
Real estate assets		19.8%			17.5%
Assets held by insurers	96.6%			100.0%	0.7%
Others		20.5%			18.1%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
PLAN ASSETS *(in thousands of euros)*	**2,424**	**347,386**	**43,085**	**384**	**393,280**

Change in net liability

(in thousands of euros)	2015			2014		
	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
NET LIABILITY AT JANUARY 1,	68,155	57,707	125,862	35,777	43,658	79,435
Expense for the period	4,740	3,956	8,696	38,204	8,919	47,123
Contributions paid in	(6,106)	(77)	(6,183)	(5,766)		(5,766)
Translation differences	3,404	6,695	10,099	2,131	6,634	8,765
Benefits paid by the employer	(1,735)	(2,108)	(3,843)	(2,297)	(1,504)	(3,801)
Change in consolidation scope			0	106		106
Others	(257)	355	98			0
NET LIABILITY AT DECEMBER 31,	**68,201**	**66,528**	**134,729**	**68,155**	**57,707**	**125,862**

Principal actuarial assumptions	France	Europe (excluding France)	USA	Turkey and India	West Africa and the Middle East
Discount rate					
2015	2.0%	0.9% to 2.0%	4.3%	7.6% to 11.1%	6.0% to 15.0%
2014	1.8%	1.0% to 1.8%	4.0%	8.4% to 11.0%	4.5% to 14.0%
Rate of increase in medical costs					
2015			5.8%		
2014			5.3%		

Discount rate

Discount rates are determined in accordance with the principles set out in IAS 19 (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, IAS 19 (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, 2015 corresponding to a variation of +/- 50 basis points in the discount rate is € (31.5) million and € 35.2 million, respectively.

The sensitivity of the defined benefit obligation as at December 31, 2015 corresponding to a variation of +/- 1% in the rate of increase of medical costs is € 11.6 million and € (9.1) million, respectively.

Average duration of benefits

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

It is expected that € 12.5 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, 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)
AS AT DECEMBER 31, 2014	44,394	1,184	27,206	23,884	96,667
Acquisitions	4,910		10,255	11,557	26,722
Uses	(4,835)	(357)	(10,342)	(1,199)	(16,733)
Reversal of unused provisions	(287)		(1,787)	(151)	(2,225)
Change in foreign exchange rates	3,282	128	1,246	120	4,776
Changes in consolidation scope					0
Other movements	(459)	459	(3)	(62)	(65)
AS AT DECEMBER 31, 2015	**47,005**	**1,414**	**26,575**	**34,149**	**109,142**
of which less than 1 year	*57*	*0*	*11,214*	*1,933*	*13,204*
of which more than 1 year	*46,948*	*1,414*	*15,361*	*32,216*	*95,938*

Impact (net of charges incurred) in the 2015 income statement *(in thousands of euros)*	Allocations	Reversals unused
Operating Income	15,058	(2,074)
Non-operating income (expense)	11,664	(151)

(1) As at December 31, 2015, other risks included:

- *an amount of € 2.4 million (€ 4.7 million as at December 31, 2014) 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 damage before the residual insurance indemnity of € 1.8 million recognized under non-current assets in the balance sheet as at December 31, 2015 and December 31, 2014 (Note 9).*
- *an amount of € 10.7 million (€ 9.4 million as at December 31, 2014) corresponding to the estimated amount of the deductible at year-end relating to claims in the United States in connection with workplace accidents; this amount will be covered by the Group.*
- *The remaining amount of other provisions for risks amounting to about € 13.5 million as at December 31, 2015 (€ 13.1 million as at December 31, 2014) 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, 2015 break down as follows:

(in thousands of euros)	December 31, 2015	December 31, 2014
Financial debts at more than 1 year	1,221,784	1,056,467
Put options at more than 1 year	3,607	11,060
Debts and put options at more than 1 year	**1,225,391**	**1,067,527**
Financial instrument assets at more than 1 year (1)	(64,050)	(38,782)
TOTAL FINANCIAL DEBTS NET OF FINANCIAL INSTRUMENT ASSETS AT MORE THAN 1 YEAR	1,161,341	1,028,745
Financial debts at less than 1 year	114,884	281,730
Put options at less than 1 year	0	0
Debts and put options at less than 1 year	114,884	281,730
Financial instrument assets at less than 1 year (1)	(115)	(9,458)
TOTAL FINANCIAL DEBTS NET OF FINANCIAL INSTRUMENT ASSETS AT LESS THAN 1 YEAR	114,769	272,272
Total financial debts net of financial instrument assets (1)	1,272,503	1,289,957
Total put options	3,607	11,060
TOTAL FINANCIAL LIABILITIES NET OF FINANCIAL INSTRUMENT ASSETS	**1,276,110**	**1,301,017**

(1) As at December 31, 2015, financial instrument assets (€ 64.2 million) are presented under non-current assets (see Note 9) for the part at more than 1 year (€ 64.1 million) and under other receivables for the part at less than 1 year (€ 0.1 million). They totaled € 48.2 million as at December 31, 2014.

16.1. Debts

Analysis of debts by category and maturity

December 31, 2015

(in thousands of euros)	Total	2016	2017	2018	2019	2020	More than 5 years
Bank borrowings and financial liabilities	1,226,591	71,965	153,729	25,759	553,399	320,497	101,242
Of which financial instrument assets	*(64,165)*	*(115)*	*(16,574)*			*(32,275)*	*(15,201)*
Of which financial instrument liabilities	*4,454*	*3,047*	*12*	*133*	*273*	*989*	
Miscellaneous borrowings and financial liabilities	6,994	5,158	1,028	230	169	165	244
Debts on non-current assets under finance leases	2,388	1,116	1,205	19	12	12	24
Current bank lines and overdrafts	36,530	36,530					
DEBTS	**1,272,503**	**114,769**	**155,962**	**26,008**	**553,580**	**320,674**	**101,510**
of which commercial paper	*420,000*				*420,000*		

Financial debts at less than one year are mainly comprised of Sococim Industries bilateral credit lines, a tranche of the Jambyl Cement, Sinai Cement Company and Vigier Holding loans, and bank overdrafts.

December 31, 2014

(in thousands of euros)	Total	2015	2016	2017	2018	2019	More than 5 years
Bank borrowings and financial liabilities	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	15,051	12,246	1,673	285	224	165	458
Debts on non-current assets under finance leases	3,452	1,850	1,145	377	32	12	36
Current bank lines and overdrafts	38,392	38,392					
DEBTS	**1,289,957**	**272,272**	**38,866**	**168,895**	**31,748**	**444,103**	**334,073**
Of which commercial paper	*300,000*					*300,000*	

Analysis of loans and debts (currency and interest rate)

By currency (net of currency swaps)

	December 31, 2015	December 31, 2014
Euro	898,131	773,067
US Dollar	177,082	188,533
Turkish new lira	1,157	1,300
CFA franc	58,754	73,813
Swiss franc	83,176	66,490
Mauritanian Ouguiya	0	0
Egyptian pound	40,034	5,727
Indian rupee	14,169	181,027
Kazakh tenge	0	0
TOTAL	**1,272,503**	**1,289,957**

By interest rate

	December 31, 2015	December 31, 2014
Fixed rate	637,492	865,544
Floating rate	635,011	424,413
TOTAL	**1,272,503**	**1,289,957**

The average interest rate for gross debt as at December 31, 2015 was 3.59%. It was 4.23% as at December 31, 2014.

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. Booking of this option resulted in the recognition of a liability of € 4 million at more than one year as at December 31, 2015 (€ 11 million as at December 31, 2014). 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, 2015:

(in millions of euros)	**USD**	**EUR**	**CHF**
Assets	176	10	0
Liabilities and off-balance sheet commitments	(609)	(26)	0
Net position before risk management	**(433)**	**(16)**	**0**
Hedging instruments	334	14	0
Net position after risk management	**(99)**	**(2)**	**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$ 94 million).

The risk of a foreign exchange loss on the net currency position assuming an unfavorable and uniform change of one percent in the operating currencies against the US dollar, would amount, in euro equivalent, to a loss of € 0.9 million (including € 0.87 million for the Kazakhstan loan).

Moreover, the principal and interest due on loans originally issued by the Group in US dollars (US$ 450 million for Vicat) was translated into euros 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 3, 4 and 5 years and of swaps with 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 (1)**	**Impact on equity (excluding impact on earnings) before tax (2)**
Impact of a change of +100 bps in the interest rate	1,343	2,660
Impact of a change of - 100 bps in the interest rate	(1,400)	16,431

(1) A positive figure corresponds to a lowering of financial interest.
(2) A negative figure corresponds to a lowering of debt.

Liquidity risk

As at December 31, 2015, the Group had € 259 million in unutilized confirmed lines of credit that were not allocated to the hedging of liquidity risk on commercial paper (€ 324 million as at December 31, 2014).

The Group also has a € 450 million commercial paper issue program. At December 31, 2015, the amount of commercial paper issued stood at € 420 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, 2015, these lines matched the short term notes they covered, at € 420 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 (40.03%) and leverage (2.27), 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, 2015, the Group is compliant with all ratios required by covenants included in financing agreements.

Analysis of the portfolio of derivatives as at December 31, 2015:

(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)*
CASH FLOW HEDGES (a)						
Composite instruments						
- Cross Currency Swap $ fixed/€ fixed	$ 450,000	413,337	64,050 (1)		48,849	15,201
- *Interest* rate swap € *Floating/€ fixed*	€ 150,000	150,000	(2,067) (1)	(2,067)		
OTHER DERIVATIVES						
Interest rate instruments						
- Euro Caps	€ 400,000	400,000	(1,333)		(1,333)	
- US Dollar caps	$ 50,000	45,926	(285)	(211)	(74)	
FOREIGN EXCHANGE INSTRUMENTS (a)						
Hedging for foreign exchange risk on intra-group loans						
- Foward Sale $	$ 80,000	73,482	110	110		
- Foward Sale CHF	$ 77,000	70,727	5	5		
- Foward Purchase €	€ 12,000	12,000	(769)	(769)		
TOTAL			**59,711**			

(1) The difference between the value of the liability at the hedged rate and at amortized cost widened by € 73.1 million.

In accordance with IFRS 13, counterparty risks were taken into account. This mainly relates to derivatives (cross currency swaps) used to hedge the foreign exchange risk of debts in US dollars, which is not the Group's operating currency. 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 measured at fair value by hierarchical level of fair value in the consolidated statement of financial position is as follows as at December 31, 2015:

(in millions of euros)	December 31, 2015	
Level 1: instruments quoted on an active market	2.1	
Level 2: valuation based on observable market information	59.7	see above
Level 3: valuation based on non-observable market information	24.1	Note 9

NOTE 18 OTHER LIABILITIES

(in thousands of euros)	December 31, 2015	December 31, 2014
Employee liabilities	62,072	63,189
Tax liabilities	30,156	36,515
Other liabilities and accruals	105,872	96,094
TOTAL	**198,100**	**195,798**

NOTE 19 SALES

(in thousands of euros)	2015	2014
Sales of goods	2,191,223	2,148,892
Sales of services	266,680	273,861
SALES	**2,457,903**	**2,422,753**

Change in sales on a like-for-like basis

(in thousands of euros)	2015	Changes in consolidation scope	Change in foreign exchange rates	2015 at constant consolidation scope and exchange rates	2014
Sales	2,457,903		142,136	2,315,767	2,422,753

NOTE 20 PERSONNEL COSTS AND NUMBER OF EMPLOYEES

(in thousands of euros)	2015	2014
Wages and salaries	299,613	272,747
Payroll taxes	104,421	96,371
Employee profit sharing (French companies)	3,361	4,171
PERSONNEL COSTS	**407,395**	**373,289**
Average number of employees of the consolidated companies	7,852	7,750

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)	2015	2014
Net charges to amortization of fixed assets	(196,308)	(180,652)
Net provisions	4,658	1,828
Net charges to other assets depreciation	(6,255)	(17)
NET CHARGES TO OPERATING DEPRECIATION, AMORTIZATION AND PROVISIONS	**(197,905)**	(178,841)
Other net charges to non-operating depreciation, amortization and provisions (1)	2,777	2,131
NET DEPRECIATION AND PROVISIONS	**(195,128)**	**(176,710)**

(1) Including a net reversal of € 2.3 million at December 31, 2015 (reversal of € 0.4 million at December 31, 2014) related to the updating of the Group's estimated share of liability exceeding compensation from insurers, for an incident that occurred in 2006 and described in Note 15.

NOTE 22 OTHER INCOME AND EXPENSES

(in thousands of euros)	2015	2014
Net income from disposals of assets	4,250	1,929
Income from investment properties	2,920	3,046
Others	25,025	18,575
Other operating income (expense)	**32,195**	**23,550**
Other non-operating income (expense) [(1)]	**(3,546)**	**(8,945)**
TOTAL	**28,649**	**14,605**

1) *Including in 2015:*
- *an expense of € 2.4 million recognized by the Group, corresponding to claims recognized as expenses in 2015, connected with the incident that occurred in 2006 as described in Note 15.*

Including in 2014:
- *an expense of € 0.7 million recognized by the Group, corresponding to the claims recognized as expenses in 2014, connected 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.*

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)	2015	2014
Gross operating income	**416,194**	**418,423**
Other operating income (expense)	32,195	23,550
EBITDA	**448,389**	**441,973**
Net charges to operating depreciation, amortization and provisions	(197,905)	(178,841)
EBIT	**250,484**	**263,132**
Other non-operating income (expense)	(3,546)	(8,945)
Net charges to non-operating depreciation, amortization and provisions	2,777	2,131
OPERATING INCOME	**249,715**	**256,318**

NOTE 24 FINANCIAL INCOME/(EXPENSE)

(in thousands of euros)	2015	2014
Interest income from financing and cash management activities	18,833	15,168
Interest expense from financing and cash management activities	(55,824)	(62,784)
Cost of net financial debt	**(36,991)**	**(47,616)**
Dividends	2,096	2,629
Foreign exchange gains	19,486	7,453
Fair value adjustments to financial assets and liabilities		-
Net income from disposal of financial assets		-
Write-back of impairment of financial assets	1,566	1,318
Other income		56
Other financial income	**23,148**	**11,456**
Foreign exchange losses	(32,076)	(11,323)
Fair value adjustments to financial assets and liabilities	(64)	(1,341)
Impairment on financial assets	(29)	(284)
Net expense from disposal of financial assets	(316)	(1,729)
Discounting expenses	(1,739)	(7,214)
Other expenses	(129)	-
Other financial expenses (1)	**(34,353)**	**(21,891)**
FINANCIAL INCOME/(EXPENSE)	**(48,196)**	**(58,051)**

(1) Including in 2015 a € (10,0) million of net exchange loss due to the devaluation of the Kazakh tenge (€ - 6,6 million in 2014).

NOTE 25 INCOME TAX

Income tax expense

Analysis of income tax expense

(in thousands of euros)	2015	2014
Current taxes	(73,824)	(75,798)
Deferred tax	10,127	16,340
TOTAL	**(63,697)**	**(59,458)**

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)	2015	2014
Net earnings from consolidated companies	137,822	138,807
Income tax	63,697	59,458
Profit (loss) before tax	201,519	198,265
Standard tax rate	38.0%	38.0%
Theoretical income tax at the parent company rate	**(76,577)**	**(75,341)**
Reconciliation:		
Differences between French and foreign tax rates [1]	19,987	22,536
Transactions taxed at specific rates	945	5,151
Changes in tax rates	(338)	0
Permanent differences	(2,902)	(6,125)
Tax credits	(805)	(1,532)
Others	(4,006)	(4,147)
ACTUAL INCOME TAX EXPENSE	**(63,697)**	**(59,458)**

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

Deferred taxes

Change in deferred tax assets and liabilities

	Deferred tax assets		Deferred tax liabilities	
(in thousands of euros)	2015	2014	2015	2014
DEFERRED TAX AS AT JANUARY 1	135,437	101,671	219,656	215,751
Expense/income for the year	3,615	13,030	(6,512)	(3,310)
Deferred tax recognized in other comprehensive income	(520)	6,650	2,807	(6,001)
Translation and other changes	11,760	14,086	12,068	13,586
Changes in consolidation scope	-	-	-	(370)
DEFERRED TAX AS AT DECEMBER 31	**150,292**	**135,437**	**228,019**	**219,656**

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

(in thousands of euros)	2015	2014
Non-current assets and finance leases	265	3,321
Financial instruments	(2,493)	1,627
Pensions and other post-employment benefits	902	10,296
Accelerated depreciation, regulated provisions and other provisions	(2,248)	(7,422)
Other timing differences, tax loss carry-forwards and miscellaneous	10,372	21,169
NET DEFERRED TAX (EXPENSE)/INCOME	**6,800**	**28,992**

Source of deferred tax assets and liabilities

(in thousands of euros)	2015	2014
Non-current assets and finance leases	159,409	150,689
Financial instruments	(3,996)	(6,624)
Pensions	(48,602)	(46,005)
Provisions for risks and contingencies, regulated provisions	(118)	1,614
Accelerated depreciation	86,102	80,255
Other timing differences, tax loss carry-forwards and miscellaneous	(115,067)	(95,711)
Net deferred tax assets and liabilities	**77,727**	**84,218**
Deferred tax assets (1)	(150,292)	(135,437)
Deferred tax liabilities	228,019	219,656
NET BALANCE	**77,727**	**84,218**

(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 2035.

Deferred tax assets not recognized in the financial statements

Deferred tax assets not recognized in the financial statements as at December 31, 2015, owing either to their planned imputation during the exemption periods enjoyed by the entities concerned or to the probability of their not being recovered, amounted to € 17.6 million (€ 11.7 million as at December 31, 2014). These relate essentially to two entities benefiting from a tax exemption scheme for a period of ten years.

NOTE 26 SEGMENT INFORMATION

a) Information by business segment

December 31, 2015 *(in thousand euros except number of employees)*	Cement	Concrete and Aggregates	Other Products & Services	Total
Income statement				
Operating sales	1,494,829	914,046	400,400	2,809,275
Inter-sector eliminations	(238,911)	(21,738)	(90,723)	(351,372)
Consolidated net sales	1,255,918	892,308	309,677	2,457,903
EBITDA (cf. 1.22 and 23)	361,919	61,484	24,986	448,389
EBIT (cf. 1.22 and 23)	213,898	17,709	18,877	250,484
Balance sheet				
Total non-current assets	2,787,219	687,900	162,602	3,637,720
Net capital employed (1)	2,722,909	669,361	178,589	3,570,860
Other disclosures				
Acquisitions of intangible assets, property, plant & equipment	125,848	30,550	10,152	166,551
Net depreciation and amortization charges	141,850	40,846	13,612	196,308
Average number of employees	3,635	2,909	1,308	7,852

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-sector eliminations	(221,476)	(21,670)	(97,780)	(340,926)
Consolidated net 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.

b) Geographical sectors

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

December 31, 2015 *(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	798,554	425,142	342,314	568,280	352,460	2,486,750
Inter-country eliminations	(21,209)	(420)	0	(685)	(6,533)	(28,847)
Consolidated net sales	777,345	424,722	342,314	567,595	345,927	2,457,903
EBITDA (cf. 1.22 and 23)	113,053	102,499	42,319	134,980	55,538	448,389
EBIT (cf. 1.22 and 23)	55,458	75,699	17,079	85,016	17,232	250,484
Balance sheet						
Total non-current assets	701,648	582,208	511,682	1,130,671	711,512	3,637,720
Net capital employed (1)	678,003	524,941	402,496	1,204,048	761,373	3,570,860
Other disclosures						
Acquisitions of intangible and tangible assets	38,580	21,765	16,472	45,220	44,515	166,551
Net depreciation and amortization charges	54,104	32,566	26,149	49,044	34,445	196,308
Average number of employees	2,495	1,116	1,069	2,057	1,115	7,852

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 net 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.

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 2015 were € 300 million, compared with € 302 million in 2014.

This slight reduction in cash flows generated by operational activities between 2014 and 2015 resulted from an improvement in cash flows from operations of € 25 million and a deterioration in the change in working capital requirement by nearly € (28) million.

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

(in thousands of euros)	WCR at 12/31/2013	Change in WCR 2014	Others Change(1)	WCR at 12/31/2014	Change in WCR 2015	Others Change(1)	WCR at 12/31/2015
Inventories	359,712	20,722	13,771	394,205	9,905	3,082	407,192
Other WCR components	46,028	(1,672)	(8,690)	35,666	36,756	511	72,933
WCR	**405,740**	**19,050**	**5,081**	**429,871**	**46,661**	**3,593**	**480,125**

(1) Exchange rate, consolidation scope and miscellaneous

NOTE 28 NET CASH FLOWS FROM INVESTMENT OPERATIONS

Net cash flows used in the Group's investing activities in 2015 came to € (183) million, compared with € (224) million in 2014.

Acquisitions of intangible and tangible assets

These reflect outflows for industrial investments (€ 174 million in 2015 and € 160 million in 2014) mainly corresponding to the following:

- in 2015 to investments in France, Egypt, Turkey and Switzerland;
- in 2014 to investments in France, Turkey, Switzerland, India and Senegal.

Acquisition/disposal of shares in consolidated companies

There were no significant acquisition or disposal of shares in consolidated companies during the 2015 financial year. These transactions resulted in an overall cash outflow of € (67) million in 2014.

The main cash outflow by the Group during the 2014 financial year was for the purchase of the remaining stake held by Sagar Cements in Kalburgi Cement in India (formerly Vicat Sagar Cement).

NOTE 29 ANALYSIS OF NET CASH BALANCES

(in thousands of euros)	December 31, 2015 Net	December 31, 2014 Net
Cash and cash equivalents (see Note 12)	254,371	268,196
Bank overdrafts	(29,275)	(25,206)
NET CASH BALANCES	**225,096**	**242,990**

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 2015 was as follows: G. Sidos: € 785,403, R. de Parisot: € 561,721 and D. Petetin: € 275,699.

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 three 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 (€ 3,681 thousand in 2015 and € 3,188 thousand in 2014) 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, 2015 (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 which 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 2015 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 2015 and 2014 is as follows, broken down by type and by related party:

	December 31, 2015				December 31, 2014			
(in thousands of euros)	Sales	Purchases	Receivables	Liabilities	Sales	Purchases	Receivables	Liabilities
Affiliated companies	844	1,546	6,918	1,268	1,251	2,844	6,878	1,855
Other related parties	56	2,203	12	135	73	2,805	0	56
TOTAL	**900**	**3,749**	**6,930**	**1,403**	**1,324**	**5,649**	**6,878**	**1,911**

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 fully consolidated subsidiaries for 2015 and 2014 are as follows:

	KPMG Audit				Wolff & associés				Others			
	Amount (ex. VAT)		%		Amount (ex. VAT)		%		Amount (ex. VAT)		%	
(in thousands of euros)	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
AUDIT												
Statutory auditors, certification, examination of individual and consolidated accounts	1,150	1,013	55%	55%	364	374	17%	20%	587	466	28%	25%
■ *VICAT SA*	221	221	53%	53%	195	195	47%	47%			0%	0%
■ *Companies which are fully consolidated*	929	792	55%	55%	169	179	10%	12%	587	466	35%	32%
Other forms of investigation and directly related services		14	-	41%		0	-	0%		20	-	59%
■ *VICAT SA*			-	-			-	-			-	-
■ *Companies which are fully consolidated*		14	-	41%			-	0%		20	-	59%
TOTAL AUDIT FEES	1,150	1,027	55%	54%	364	374	17%	20%	587	486	28%	26%
OTHER SERVICES												
Legal, tax, employment and other matters			-	-			-	-			-	-
TOTAL OTHER SERVICES	0	0	-	-	0	0	-	-	0	0	-	-
TOTAL	**1,150**	**1,027**	**55%**	**54%**	**364**	**374**	**17%**	**20%**	**587**	**486**	**28%**	**26%**

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, 2015

Fully consolidated: France

Company	Address	SIREN No.	December 31, 2015 % Interest	December 31, 2014 % Interest
VICAT	Tour Manhattan, 6 Place de l'Iris 92095 PARIS LA DÉFENSE	057 505 539	----	----
ALPES INFORMATIQUE	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	073 502 510	(1)	100.00
ANNECY BETON CARRIERES	14 chemin des Grèves 74960 CRAN GEVRIER	326 020 062	49.97	49.97
LES ATELIERS DU GRANIER	Lieu-Dit Chapareillan 38530 PONTCHARRA	305 662 504	99.98	99.98
BETON CHATILLONAIS	Champ de l'Allée – ZI Nord 01400 CHATILLON SUR CHALARONNE	485 069 819	99.98	99.98
BETON CONTROLE COTE D'AZUR	217 route de Grenoble 06200 NICE	071 503 569	99.97	99.98
BETON DE L'OISANS	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	438 348 047	59.98	59.98
LES BÉTONS DU GOLFE	Quartier Les Plaines 83480 Puget sur Argens	501 192 785	99.98	99.98
LES BETONS DU RHONE	La Petite Craz 69720 SAINT LAURENT DE MURE	503 728 164	99.98	99.98
BETON VICAT	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	309 918 464	99.97	99.96
BETON TRAVAUX	Tour Manhattan, 6 Place de l'Iris 92095 PARIS LA DÉFENSE	070 503 198	99.98	99.98
CONDENSIL	1327 av. de la Houille Blanche 73000 CHAMBERY	342 646 957	59.99	59.99
DELTA POMPAGE	1327 av. de la Houille Blanche 73000 CHAMBERY	316 854 363	99.98	99.98
ÉTABLISSEMENT ANTOINE FOURNIER	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	586 550 147	99.98	99.98
ÉTABLISSEMENTS TRUCHON	Route du Grésivaudan 38530 Chapareillan	068 500 768	(1)	99.97
GRANULATS VICAT	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	768 200 255	99.97	99.97
MONACO BETON	Le Palais Saint James 5, avenue Princesse Alice 98000 MONACO	326 MC 161	99.98	99.98
PARFICIM	Tour Manhattan, 6 Place de l'Iris 92095 PARIS LA DÉFENSE	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	99.98	99.98
SIGMA BETON	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	343 019 428	99.98	99.98
SOCIETE L. THIRIET ET Compagnie	Lieu-dit Chaufontaine 54300 LUNEVILLE	762 800 977	99.94	99.95
PAPETERIES DE VIZILLE	Tour Manhattan, 6 Place de l'Iris 92095 PARIS LA DÉFENSE	319 212 726	99.98	99.98
VICAT INTERNATIONAL TRADING	Tour Manhattan ,6 Place de l'Iris 92095 PARIS LA DÉFENSE	347 581 266	(1)	100.00
VICAT PRODUITS INDUSTRIELS	4 rue Aristide Bergès 38080 L'ISLE D'ABEAU	655 780 559	99.98	99.98

(1) Companies merged in 2015

Fully consolidated: rest of world

Company	Country	State/City	December 31, 2015 % Interest	December 31, 2014 % Interest
SINAI CEMENT COMPANY	EGYPT	CAIRO	56.94	56.94
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	94.90	94.90
GECAMINES	SENEGAL	THIES	70.00	70.00
POSTOUDIOKOUL	SENEGAL	RUFISQUE (DAKAR)	100.00	100.00
SOCOCIM INDUSTRIES	SENEGAL	RUFISQUE (DAKAR)	99.89	99.89
SODEVIT	SENEGAL	BANDIA	100.00	100.00
ALTOLA 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	BASEL (BALE)	100.00	100.00
BETON AG INTERLAKEN	SWITZERLAND	MATTEN BEI INTERLAKEN (BERN)	75.42	75.42
BETONPUMPEN OBERLAND AG	SWITZERLAND	WIMMIS (BERN)	82.46	82.46
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)	66.67	66.67
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)	53.48	53.48
FRISCHBETON TAFERS	SWITZERLAND	TAFERS (FRIBOURG)	(1)	50.00
GRANDY AG	SWITZERLAND	LANGENDORF (SOLEURE)	100.00	100.00
KIESTAG STEINIGAND AG	SWITZERLAND	WIMMIS (BERN)	98.55	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)	81.42	81.42
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

(1) Companies merged in 2015

Fully consolidated: Rest of World (continued)

Company	Country	State/City	December 31, 2015 % Interest	December 31, 2014 % Interest
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
VITRANS AG	SWITZERLAND	PERY (BERN)	100.00	100.00
AKTAS	TURKEY	ANKARA	99.97	99.97
BASTAS BASKENT CIMENTO	TURKEY	ANKARA	91.58	91.58
BASTAS HAZIR BETON	TURKEY	ANKARA	91.58	91.58
KONYA CIMENTO	TURKEY	KONYA	83.08	83.08
KONYA HAZIR BETON	TURKEY	KONYA	83.08	-
TAMTAS	TURKEY	ANKARA	100.00	100.00
BSA Ciment SA	MAURITANIA	NOUAKCHOTT	64.91	64.91
BHARATHI CEMENT	INDIA	HYDERABAD	51.02	51.02
KALBURGI CEMENT (FORMERLY VICAT SAGAR CEMENT)	INDIA	HYDERABAD	99.98	99.98

Equity method: France

Company	Address	SIREN No	December 31, 2015 % Interest	December 31, 2014 % Interest
CARRIÈRES BRESSE BOURGOGNE	Port Fluvial Sud de Chalon 71380 EPERVANS	655 850 055	33.27	33.27
DRAGAGES ET CARRIÈRES	Port Fluvial Sud de Chalon 71380 EPERVANS	341 711 125	49.98	49.98
SABLIÈRES DU CENTRE	Les Genévriers Sud 63430 LES MARTRES D'ARTIERE	480 107 457	49.99	49.99

Equity method: Rest of World

Company	Country	State/City	December 31, 2015 % Interest	December 31, 2014 % Interest
HYDROELECTRA	SWITZERLAND	AU (ST. GALLEN)	50.00	50.00
SILO TRANSPORT AG	SWITZERLAND	BERN (BERN)	50.00	50.00
SINAI WHITE CEMENT	EGYPT	CAIRO	14.46	14.46