

15. Investments in associates, joint ventures and subsidiaries

15.1 Investment in associates

The Group financial statements incorporate the following companies with the equity method of consolidation:

a) Karieri AD with ownership percentage 48.711% (31.12.2015: 48.711%), Karierni Materiali AD with ownership percentage 48.764% (31.12.2015: 48.764%), Vris OOD with ownership percentage 48.764% (31.12.2015: 48.764%). The aforementioned companies are based in Bulgaria and operate in the aggregates business.

b) ASH Venture LLC with ownership percentage 33% (31.12.2015: 33%) which beneficiates, markets and sells fly ash. ASH Venture LLC is based in USA.

c) Ecorecovery S.A. with ownership percentage 40% (31.12.2015: 40%) that processing, managing and trading solid waste for the production of alternative fuels. The company is based in Greece.

None of the aforementioned companies is listed on a public exchange market.

Based on their contribution in its profit before taxes, the Group decided that each one of the aforementioned associates is individually immaterial and thus it discloses in aggregate its interests in these associates as follows:

(all amounts in Euro thousands)

Summarized statement of financial position as at 31 December

	Aggregation of associates	
	2016	2015
Non-current assets	44,558	47,699
Current assets	7,588	7,193
Total assets	52,146	54,892
Non-current liabilities	2,105	2,277
Current liabilities	10,547	12,519
Total liabilities	12,652	14,796
Equity	39,494	40,096
Group's carrying amount of the investment	8,614	8,515

Summarized income statement and statement of comprehensive income for the year ended 31 December

Turnover	19,549	21,913
Profit after taxes	3,717	4,280
Other comprehensive loss for the year	-23	-38
Total comprehensive income for the year net of tax	3,694	4,242

Reconciliation of summarized financial information

Carrying amount of the investment as at 1st of January	8,515	7,981
Profit for the year	1,577	1,768
Other comprehensive loss for the year	-12	-16
Investment in associate	-	400
Share capital increase	400	-
Dividends received	-1,984	-2,217
Foreign exchange differences	118	599
Carrying amount of the investment as at 31st of December	8,614	8,515

15. Investments in associates, joint ventures and subsidiaries (continued)

15.2 Investment in joint ventures

On 31 December 2016, the Group incorporated in its financial statements with the equity method of consolidation the company Adocim Cimento Beton Sanayi ve Ticaret A.S. with ownership percentage 50% (31.12.2015: 50%). The Group has joint control over the joint venture and therefore applies the equity method of consolidation. The Adocim Cimento Beton Sanayi ve Ticaret A.S. is based in Turkey, operates in the production of cement.

On 31 May 2016, Adocim Cimento Beton Sanayi ve Ticaret A.S formed the company Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. (Adocim Marmara) in which the Group was granted ownership percentage 50%. The Group incorporated the newly formed company with the equity method of consolidation in the Group financial statements up to 22 August 2016, date on which the Group acquired the remaining 50% of the Adocim Marmara shares (note 14).

On 20 September 2016, the Group's subsidiary Brazcem Participacoes S.A. (note 30) acquired 50,0% ownership percentage of the company Companhia Industrial De Cimento Apodi (Apodi) with a consideration of €105.7 million. Given that there is a non-controlling interest participating in the company Brazcem Participacoes S.A. (note 14), the Group's share in the Apodi consideration was €99.4 million.

Apodi is based in Brazil, operates in the production of cement and it is incorporated in the Group financial statements with the equity method of consolidation since 30.9.2016 as the Group has joint control. On 31 December 2016, the Group ownership percentage was 47.0%.

None of the aforementioned companies is listed on a public exchange market.

Summarised financial information of the joint ventures, based on its IFRS financial statements, are set out below:

(all amounts in Euro thousands)

Summarized statement of financial position as at 31 December

	Adocim Cimento Beton Sanayi ve Ticaret A.S.		Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	Companhia Industrial De Cimento Apodi
	2016	2015	2016	2016
Non-current assets	47,590	69,034	-	241,467
Other current assets	34,284	41,814	-	41,088
Cash and cash equivalents	98	198	-	907
Total assets	81,972	111,046	-	283,462
Long-term borrowings	21,374	15,968	-	153,501
Deferred income tax liability	-	1,177	-	3,003
Other non-current liabilities	662	706	-	1,643
Short-term borrowings	16,188	29,301	-	73,420
Other current liabilities	10,089	12,347	-	12,661
Total liabilities	48,313	59,499	-	244,228
Equity	33,659	51,547	-	39,234

Summarized income statement and statement of comprehensive income

	1.1 - 31.12.2016	1.1 - 31.12.2015	1.6 - 21.8.2016	1.10 - 31.12.2016
Turnover	72,787	87,629	2,865	18,612
Depreciation, amortization and impairments of assets	-3,460	-3,877	-116	-2,143
Finance income	2,078	4,135	-	652
Finance expense	-11,016	-13,706	-186	-5,689
Income tax	-1,769	-2,066	44	-2,981
Profit/(loss) after taxes	7,169	8,026	-175	-9,236
Total comprehensive income/(loss) for the year net of tax	7,169	8,026	-175	-9,236

Reconciliation of summarized financial information

	2016	2015	2016	2016
Carrying amount of the investment as at 1st of January	73,993	78,552	-	-
Profit/(loss) for the year	3,585	4,013	-88	-4,617
Dividends	-2,934	-	-	-
Acquisition of joint ventures	-	-	-	105,705
Share capital increase	-	-	-	1,834
Change in ownership interest	-	-	-	87
Change in consolidation method	-	-	-10,222	-
Restructuring	-10,348	-	10,348	-
Intra-group eliminations	35	34	-	-
Foreign exchange differences	-9,986	-8,606	-38	4,835
Carrying amount of the investment as at 31st of December	54,345	73,993	-	107,844

On 31 December 2016, Adocim Cimento Beton Sanayi ve Ticaret A.S. had contingent liabilities in the form of bank guarantee letters amounting to €714 thousand (31.12.2015: €857 thousand).

15. Investments in associates, joint ventures and subsidiaries (continued)

15.3 Subsidiaries with significant percentage of non-controlling interests

On 31 December 2016, the non-controlling interest of the Group is €76,465 thousand (31.12.2015: €118,391 thousand), of which €43,345 thousand (31.12.2015: €91,710 thousand) is for Alexandria Development Co Ltd and its subsidiaries and €26,928 thousand (31.12.2015: €26,625 thousand) is attributed to Titan Cement Cyprus Limited and its subsidiaries. The remaining non-controlling interest is not material.

The following table summarizes the financial information of subsidiaries, in which the non-controlling interests held significant portion (note 14).

(all amounts in Euro thousands)

	Alexandria Development Co.Ltd -Consolidated *		Titan Cement Cyprus Limited - Consolidated *	
	2016	2015	2016	2015
Summarized statement of financial position as at 31 December				
Non-current assets	414,064	805,491	115,140	116,270
Current assets	73,474	119,614	63,528	62,934
Total assets	487,538	925,105	178,668	179,204
Non-current liabilities	148,293	227,419	4,029	4,146
Current liabilities	94,333	169,203	16,923	18,305
Total liabilities	242,626	396,622	20,952	22,451
Equity	244,912	528,483	157,716	156,753
Attributable to:				
Equity holders of the parent	201,567	436,773	130,788	130,128
Non-controlling interests	43,345	91,710	26,928	26,625
Summarized income statement and statement of comprehensive income for the year ended 31 December				
Turnover	244,341	240,749	134,101	127,850
(Loss)/profit after taxes	-21,018	-16,673	26,105	21,663
Other comprehensive (losses)/income for the year	-252,395	5,951	-374	-273
Total comprehensive (losses)/income for the year net of tax	-273,413	-10,722	25,731	21,390
Total comprehensive (losses)/income attributable to non-controlling interests	-48,660	-1,893	4,069	4,031
Dividends distributed to non-controlling interest	644	4,481	3,856	4,675
Summarized cash flow information for the year ended 31 December				
Cash flows from operating activities	45,539	30,540	39,270	36,064
Cash flows from investing activities	-29,579	-53,768	-9,087	-5,762
Cash flows from financing activities	-9,330	23,513	-28,889	-26,930
Net increase in cash and cash equivalents	6,630	285	1,294	3,372
Cash and cash equivalents at beginning of the year	17,796	17,159	29,555	26,139
Effects of exchange rate changes	-13,380	352	-28	44
Cash and cash equivalents at end of the year	11,046	17,796	30,821	29,555

* Consolidated figures before elimination with the broader Group