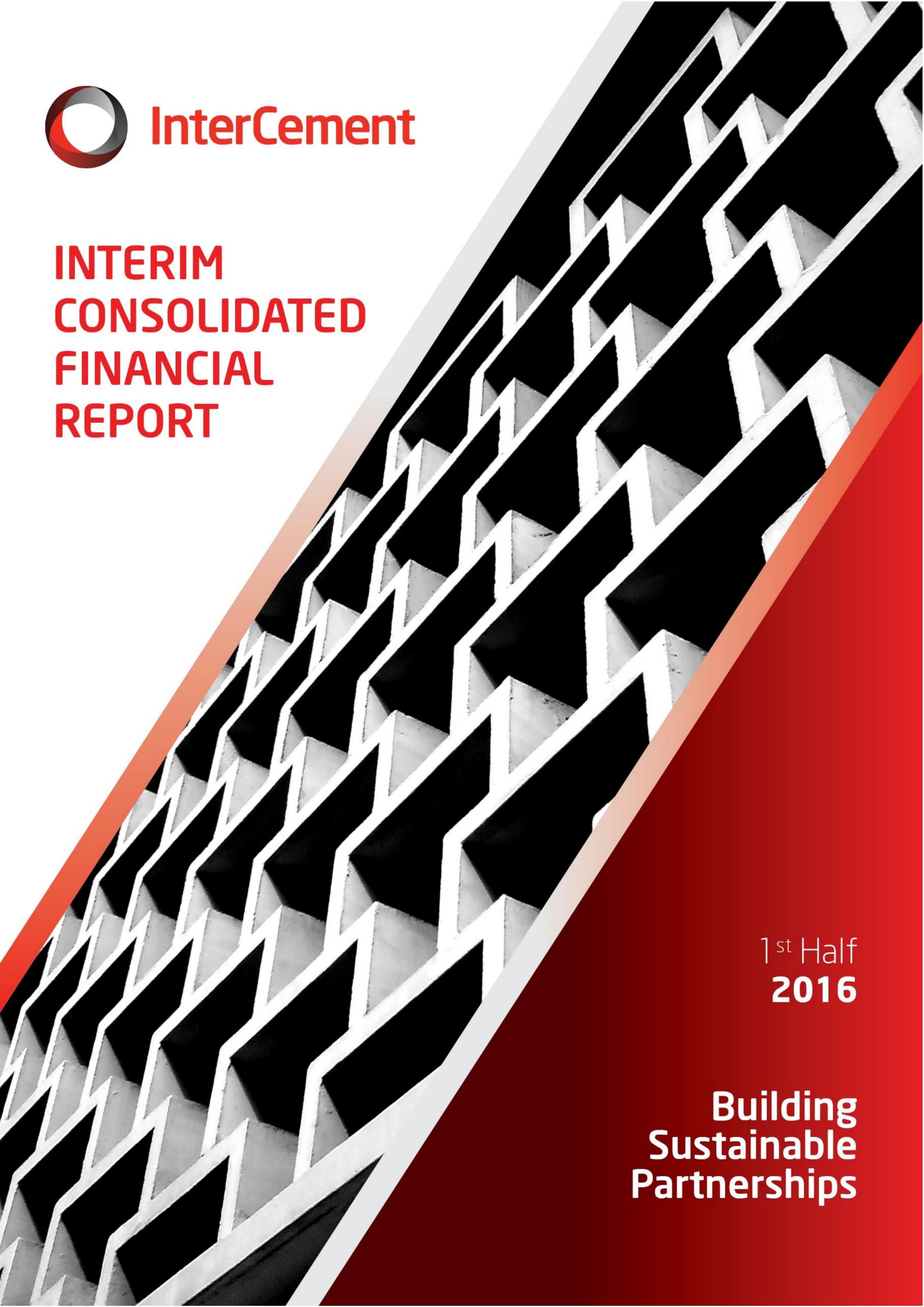
InterCement

INTERIM CONSOLIDATED FINANCIAL REPORT



1st Half
2016

Building Sustainable Partnerships

Results penalized by economic adversity, constrained operations and one-off impairment in Brazil

EBITDA positively impacted by growth in Mozambique, Paraguay and Cape Verde, although not enough to offset the contraction occurred in Brazil, Portugal and Egypt, while Argentina remain the leading contributor.

InterCement sold 12 million tons of cement and clinker on the 1stH. Consumption was down in Brazil (political-economic crisis), in Argentina (planned retraction following new government's adjustment programme), and exports (lower commodities prices).

Despite the improvement observed in average prices, Sales of 897 million euros contracted by 31% year-on-year and 11% excluding the negative exchange rate impact of 290 million euros.

EBITDA contracted 40% to 166 million euros, though initiatives on operating efficiencies and reduction in the concrete business in Brazil mitigated the slowdown and forex losses of 62 million euros.

Highlights per Business Unit:

- **Brazil** – construction sector highly affected by the exceptional political-economic instability;
- **Argentina** – leading contributor to EBITDA, though growth was offset by peso devaluation;
- **Paraguay** – Q2 EBITDA growth reflected rump-up completion;
- **Egypt** – higher competition while industry upgrades energy matrix;
- **Mozambique** – growth, despite political-economic instability impact on cement consumption;
- **South Africa** – commercial dynamics delivered. Maintenance stoppages curbed EBITDA;
- **Portugal** – contraction of local market; lower commodities prices affected exports;
- **Cape Verde** – market dynamics overcame previous quarter.

Net Losses of 271 million euros, reflected one-off charge of 243 million euros related to goodwill impairment in Brazil in addition to lower EBITDA and exchange losses.

Assets stood at 5,877 million euros, with rigorous disciplined CAPEX, while Net Debt slightly increased to 2,638 million euros influenced by BRL appreciation.

Main Indicators						
	Jan - Jun			2nd Quarter		
(€ million)	2016	2015	Var. %	2016	2015	Var. %
Cement and Clinker Volumes Sold (thousand ton)	11,791.7	14,044.4	-16.0	5,761.7	7,251.2	-20.5
Sales	897.5	1,302.6	-31.1	443.4	666.0	-33.4
EBITDA	165.5	275.5	-39.9	87.7	153.5	-42.9
EBITDA Margin (%)	*18.4%*	*21.1%*	*-2.7 p.p.*	*19.8%*	*23.0%*	*-3.3 p.p.*
Net Profit (1)	(271.1)	22.6	n.m.	(231.4)	5.0	n.m.
Free Cash Flow to the company	(206.2)	(5.6)	n.m.	(107.9)	93.8	n.m.

(1) Attributable to Shareholders

1. Operating Performance

Cement and Clinker Volumes Sold

Market constraints in Brazil, adjustment in Argentina and slowdown of exports

Cement and clinker volumes sold of 12 million tons in the first half were 16% below the same period of 2015, aggravated by lower consumption and increased competition in certain geographies observed in the 2nd quarter.

The political and economic instability in Brazil in the 1stH, impacting on unemployment, investment and government spending, ultimately retracted the construction activity, compressing cement consumption by 15%. Besides decline in demand, competition was intensified by the recent entrance of new production capacity.

In Argentina, Loma Negra reaffirmed its market leadership during a semester of expected retraction following new government's adjustment programme. In Paraguay, the operational efforts of InterCement (rump-up of its new capacity and attraction of new clients and markets) in a rather favourable market climate allowed for a 14.7% growth in sales in the 2nd quarter.

In Portugal, consumption contracted 9%, due to the completion of two major works in the infrastructure sector in 2015 and the delays in the start-up of public works in 2016. The Portugal Business Unit also recorded a decline of 40% in exports, derived from the lack of hard currency in African markets and a less favourable context of commodity prices.

InterCement Sales in Africa remained stable compared to the previous year. In fact, sales in Egypt fell by 12% in a stiff competition environment, although recorded growth in the other African countries. In Mozambique the company took advantage of a less competitive import business, having recorded a 2-digit growth in sales, while Cape Verde showed a sales growth of 17%, as a result of the strong vibrancy of works in the tourism sector and the local investment programme underway.

Cement and Clinker Volumes Sold						
(thousand tons)	Jan - Jun			2nd Quarter		
	2016	2015	Var. %	2016	2015	Var. %
Brazil	4,288	5,379	-20.3	2,021	2,648	-23.7
Argentina	2,772	3,226	-14.1	1,364	1,710	-20.3
Paraguay	201	196	2.8	112	98	14.7
Portugal	1,523	2,367	-35.7	793	1,248	-36.4
Cape Verde	104	89	17.4	55	43	28.1
Egypt	1,560	1,769	-11.8	708	898	-21.1
Mozambique	782	664	17.8	414	372	11.2
South Africa	658	625	5.2	342	319	7.5
Sub-Total	**11,889**	**14,315**	**-16.9**	**5,810**	**7,336**	**-20.8**
Intra-Group Eliminations	-97	-271	-64.1	-48	-84	-43.2
Consolidated Total	**11,792**	**14,044**	**-16.0**	**5,762**	**7,251**	**-20.5**

Sales

Stonger commercial dynamics mitigated sales contraction and forex effects

Sales reached 897 million euros, compared to the 1,303 million recorded in the 1st H of 2015. Although the average cement price increased, Sales declined due to both the contraction of activity, and essentially, the adverse impact of forex evolutions against the euro (290 million euros).

However, the reinforcement of InterCement commercial initiatives in the 2nd quarter mitigated the exacerbation of the sales contraction recorded in this period.

In local currency and compared to the 1st H of 2015, the positive performance of Argentina (+19%) outstood, as well as the performance of most of the operations in Africa, where Mozambique stood out growing more than 30%.

In Argentina, the buoyancy and commercial positioning of Loma Negra enabled mitigated the consumption adjustment and the depreciation of the local currency (38%) against the euro. This was also highly evident in Mozambique and South Africa, where InterCement increased its market share notwithstanding the price adjustments in line with the inflationary pressure of its costs.

In Brazil, the atmosphere of political and economic exceptional uncertainty on the 1st H to held back the construction sector - constraining cement demand for cement in both the infrastructure and residential areas-, while the industry brought in extra new capacity, which turned to increase competition locally affecting both volumes and prices – despite the recovery trend on the latter already observed in August.

Sales						
(€ million)	Jan - Jun			2nd Quarter		
	2016	2015	Var. %	2016	2015	Var. %
Brazil	257	474	-45.8	122	228	-46.5
Argentina	269	364	-26.2	135	196	-31.0
Paraguay	23	27	-13.7	13	13	-0.1
Portugal	114	151	-24.0	61	80	-24.0
Cape Verde	17	14	26.4	9	7	32.2
Egypt	96	124	-22.5	43	63	-31.3
Mozambique	64	73	-12.8	30	41	-26.6
South Africa	49	61	-19.3	26	31	-16.5
Trading / Shipping	83	173	-52.2	35	85	-59.4
Others	22	24	-5.0	11	12	-1.3
Sub-Total	**995.4**	**1,484.6**	**-33.0**	**484.6**	**754.6**	**-35.8**
Intra-Group Eliminations	-98	-182	-46.2	-41	-89	-53.5
Consolidated Total	**897.5**	**1,302.6**	**-31.1**	**443.4**	**666.0**	**-33.4**

EBITDA

Lower fixed costs dilution and forex offset increasing efficiency initiatives.

InterCement recorded EBITDA of 165.5 million euros, compared to 275.5 million euros of the 1st H of 2015. This outcome was especially conditioned by the adverse context in three markets – Brazil, Egypt and Portugal – and the dilution of fixed costs inherent to activity contraction, as well as by the depreciation of all the operating currencies against the euro. Excluding adverse forex impact of 62 million euros, EBITDA contraction would have been contained to 22%.

In Brazil, a stronger commercial approach together with the adjusting cost structure measures (rationalisation of the industrial network and various initiatives with impact on SG&A), though poising this business unit to benefit from the first recovery signs observed in 3rd Q, were still not enough to reverse the declining earnings observed in the 1st H.

In Egypt, EBITDA margin has already increased by 2.6 p.p. in the 2nd quarter with the on-going energy matrix optimisation process, a trend to boost from September onwards, with the start-up of the new coal mill. Even so, competition pressure pre-energy matrix optimization on the 1st H prevented EBITDA growth.

In Portugal, despite exports contraction and domestic consumption retracting to 2014 figures, operational restructuring initiatives and CO_2 permits management (benefits of 10 million euros vs. 14 million euros in the 1st half of 2015) allowed for an EBITDA higher than achieved in 2014 but still behind the one registered in 2015.

In Argentina, despite 1st H market adjustment, Loma Negra was able to mitigate the increase in costs (due to the pressure exerted by inflation), keeping the EBITDA margin stable in the semester. Loma Negra also demonstrated enhanced efficiency by increasing the generation of EBITDA in local currency by 16%.

In Paraguay, Cementos Yguazu showed a recovery in the 2nd quarter, leveraged by its successful commercial strategy. EBITDA surpassed that of the previous year (+29% against the 2nd quarter of 2015) and the EBITDA margin increased by 8 p.p. Once again, Cementos Yguazu stood out as having recorded the highest operating margin in InterCement's portfolio (37%).

In South Africa, commercial dynamics benefits on local sales were neutralised by the increased cost of raw materials, maintenance interventions and unfavourable forex. Nevertheless, the 2nd quarter recorded an improved performance, reflected on a modest increase of the EBITDA margin.

In Mozambique, Cimentos de Moçambique reaffirmed commercial strength reinforcing its market share and reflecting simultaneously on prices the impact of the depreciations of the metical (against the US dollar) on its production cost. This allowed an EBITDA increase on the 1st H, despite the effects of the recently observed political and economic constraints.

InterCement's EBITDA margin presented a positive evolution throughout the 1st half, having risen from 17.1% in the 1st quarter to 19.8% in the 2nd quarter. However, it was still below the EBITDA margin recorded in the same period of the previous year.

EBITDA						
(€ million)	Jan - Jun			2nd Quarter		
	2016	2015	Var. %	2016	2015	Var. %
Brazil	28.8	82.3	-65.0	12.1	41.7	-71.1
Argentina & Paraguay	70.7	95.3	-25.9	35.6	51.3	-30.7
Portugal & Cape Verde	25.1	35.6	-29.4	17.0	25.9	-34.5
Africa	42.4	57.6	-26.3	24.9	30.8	-19.1
Trading / Shipping & Others	-1.5	4.7	n.m.	-1.8	3.8	n.m.
Consolidated Total	**165.5**	**275.5**	**-39.9**	**87.7**	**153.5**	**-42.9**
EBITDA margin	***18.4%***	***21.1%***	***-2.7 p.p.***	***19.8%***	***23.0%***	***-3.3 p.p.***

2. Depreciations, Amortisations and Impairments

One-off goodwill impairment in Brazil

Depreciations Amortisations and Impairments amounted to 344 million euros. The increase versus the 108 million euros of the same period of the previous year was essentially due to the recognition of an impairment on the goodwill of Brazil. In spite of the undeniable potential of the Brazilian market (both due to its demographic features and its evident deficiencies regarding infrastructures and housing), the impact of the current political and economic context on the outlook for the economic and financial indicators determined an accounting adjustment of 243 million euros.

3. Financial Results and Taxes

Forex penalizes Financial Results

Financial Results were penalized by the accounting effects of the exchange rate fluctuations on Intercompany Loans, therefore with no cash implications.

Tax evolutions resulted from negative Earnings Before Taxes.

4. Net Income

1st H EBITDA decrease, impairments and forex led to Net Losses

Net Income reflected lower operating income, one-off goodwill impairment and adverse forex rate impact on both operating and financial results.

Income Statement						
(€ million)	Jan - Jun			2nd Quarter		
	2016	2015	Var. %	2016	2015	Var. %
Sales	**897.5**	**1,302.6**	**-31.1**	**443.4**	**666.0**	**-33.4**
Net Operational Cash Costs	732.0	1,027.2	-28.7	355.7	512.5	-30.6
Operational Cash Flow (EBITDA)	**165.5**	**275.5**	**-39.9**	**87.7**	**153.5**	**-42.9**
Deprec. Amort. and Impairments	343.5	107.6	219.3	293.1	54.2	440.5
Operating Income (EBIT)	**-178.0**	**167.9**	**n.m.**	**-205.4**	**99.3**	**n.m.**
Financial Results	-205.8	-131.4	56.7	-124.5	-91.9	35.4
Pre-tax Income	**-383.8**	**36.5**	**n.m.**	**-329.9**	**7.3**	**n.m.**
Income Tax	-25.9	22.7	n.m.	-22.6	3.5	n.m.
Net Income	**-357.8**	**13.8**	**n.m.**	**-307.3**	**3.8**	**n.m.**
Attributable to:						
Shareholders	-271.1	22.6	n.m.	-231.4	5.0	n.m.
Minority Interests	-86.8	-8.7	n.m.	-75.8	-1.2	n.m.

5. Balance Sheet

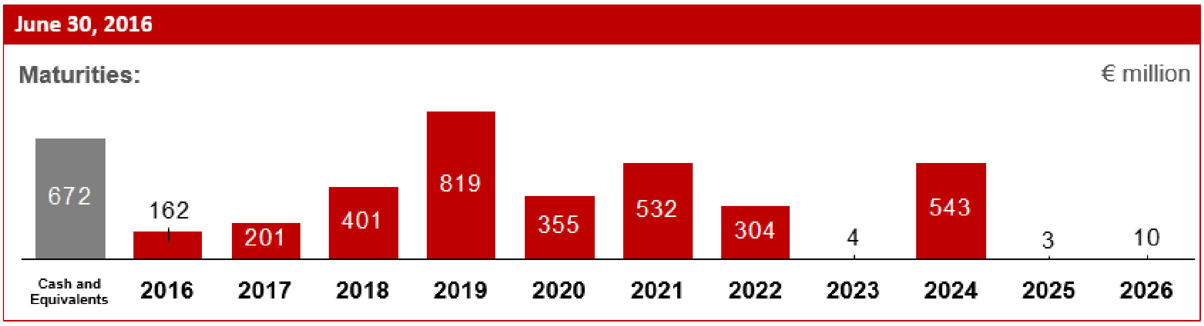
Impairment offset by BRL appreciation kept Total Assets value

As of June 30th, Total Assets stood at 5,877 million euros, similar level to December 31th, 2015, despite the one-off charge of 282 million euros related to goodwill impairment. The assumed country risk premium used for the impairment calculation was affected by the highly political-economic instability observed in Brazil in the last twelve months preceding June 30, although at a much lower level on the closure date of this report.

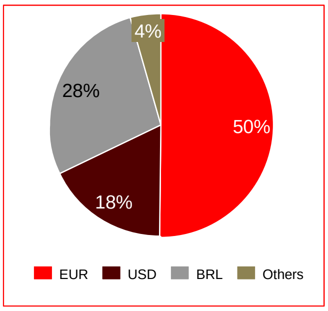
Net Financial Debt of 2,638 million euros increased by 18% in relation to 31 December 2015, reflecting the BRL appreciation and the free cash flow deficit of 206 million euros in the period. In comparison to the same period of the previous year, Net Financial Debt contained increase by 4%.

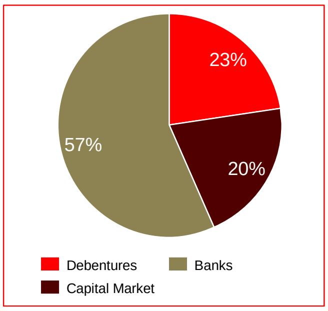
Consolidated Balance Sheet Summary			
(€ million)	Jun 30 2016	Dec 31 2015	Var. %
Assets			
Non-current Assets	4,235	4,212	0.6
Derivatives	227	239	-5.0
Current Assets			
Cash and Equivalents	672	791	-15.1
Derivatives	20	25	-18.2
Other Current Assets	723	645	12.1
Total Assets	**5,877**	**5,911**	**-0.6**
Shareholders' Equity attributable to:			
Equity Holders	839	1,049	-20.0
Minority Interests	459	452	1.6
Total Shareholders' Equity	**1,299**	**1,500**	**-13.5**
Liabilities			
Loans & Obligations under finance leases	3,542	3,291	7.6
Derivatives	16	7	118.5
Provisions & Employee benefits	130	137	-5.6
Other Liabilities	891	975	-8.6
Total Liabilities	**4,579**	**4,411**	**3.8**
Total Liabilities and Shareholders' Equity	**5,877**	**5,911**	**-0.6**

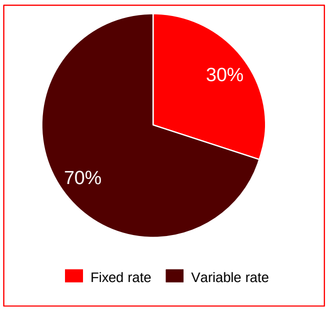
Average debt maturity of 5 years and liquidity to cover liabilities up to 2018 assure the financial soundness of InterCement.



Debt profile:







6. Free Cash Flow

EBITDA contraction constrained Free Cash Flow

As at 30 June 2016, Cash and Equivalents on FCF stood at 635 million euros, with cash requirements having reached 206 million euros.

Although cash used in the 1st Q of 2016 remained the same as in 2015, in the 2nd Q, unlike the previous year, Free Cash Flow was negative by 108 million euros, reflecting lower EBITDA generation and working capital requirements – the settlement of a lawsuit in Portugal and the CO_2 permit management, namely payments referring to 2015 and receivables from sales due to divestments in 2016.

Comparing the interest paid in the 2nd Q of 2016 with the value recorded in 2015, the latter benefited from the positive effect of a derivative instrument cancellation.

	2015				2016		
(€ million)	Q1	Q2	H1	Year	Q1	Q2	H1
Adjusted EBITDA *	122	158	280	545	79	91	170
Change in Working Capital	-124	21	-103	11	-78	-78	-156
Others	2	-7	-5	-59	-15	-3	-19
Operating Activities	**0**	**172**	**172**	**498**	**-14**	**10**	**-4**
Interests Paid	-58	-25	-83	-222	-51	-61	-111
Income taxes Paid	-1	-27	-28	-47	-6	-13	-19
Cash Flow before investments	**-59**	**120**	**61**	**229**	**-71**	**-64**	**-135**
CAPEX	-48	-28	-76	-109	-28	-47	-76
Assets Sales / Others	8	2	10	61	1	3	4
Free Cash Flow to the company	**-99**	**94**	**-6**	**182**	**-98**	**-108**	**-206**
Borrowings, financing and debentures	112	36	148	237	24	157	181
Repayment of borrowings, financ. and debent.	-38	-141	-179	-411	-38	-4	-42
Dividends	0	-50	-50	-50	0	-61	-61
Other investment activities	40	20	59	57	-18	17	-1
Changes in cash and cash equivalents	14	-42	-27	15	-130	2	-129
Exchange differences	38	-29	9	-48	-14	9	-5
Cash and cash equivalents, End of the Period	854	783	783	768	623	635	635

* Adjusted for non-recurrent figures.

7. Outlook

Present scenario requires management focus to capture future growth potential

With discipline and focus, InterCement is responding to the adverse combination of contexts in various regions that hinder medium-term visibility.

In Brazil, a country with an undeniable potential for the cement industry, recent political and economic uncertainty, leveraged by new production capacity in the sector, have penalized sales and intensified competition. Favourable political signs indicate a more favourable 2nd H, with better prospects for the economy and therefore for the cement business. Recent price increase (August) by the cement industry and InterCement's restructuring initiatives are to result in EBITDA margin improvements.

In Argentina, the political-economic adjustment programme shall lead to a heathy increase in consumption. Following the peak observed in 2015 (election year with record sales), it is expected that 2017 sets a new record. This recovery shall impact EBITDA margin, which is already benefiting from the strong commercial dynamics of Loma Negra. The company positioning has been progressively consolidating InterCement's activity in this geography, giving rise to its preparation for the envisaged new growth cycle.

Paraguay, despite being economically contaminated by the constraints of its neighbouring countries, continues to show prospects of growth of cement consumption. In this context, InterCement is operationally endowed with the unique conditions to capture this local growth.

Portugal presents a mature economy, with no expectation of significant GDP fluctuations. However, at this particular moment, the domestic cement market continues to be affected by the current lack of public and private investment. Nevertheless, the ongoing restructuring process of the local operations should enable a recovery of the EBITDA margin to around 25%.

The major development of the operations in Cape Verde, essentially due to investments in tourism, shall continue to contribute positively to the EBITDA of this Business Unit.

In Egypt the outlook for cement consumption remains positive despite some macro uncertainties, leveraged by the potential of the residential and large-scale infrastructure sector (Industrial Zone in the Suez Canal, New Urban Centre, etc.). In spite of the intensification of local competition, the incisive commercial strategy of InterCement has enabled it to keep its reference clients throughout its process of energy matrix optimization. The new coal mill, already on its commissioning phase, shall contribute directly on EBITDA margin, which is expected to rise significantly when compared to the current level.

In Mozambique, the current political and economic instability rather clouds the optimism felt with the progressive development of the local market. However, the operations improvement carried out by InterCement, have mitigated the impacts of the surrounding uncertainty, overcoming previous year results, and preparing the company to face the increasing competition expected for 2017.

Last but not least, in South Africa, the development of the national infrastructure programme is eagerly awaited. Sales are expected to increase, in line with market growth, as a result of the successful commercial strategy that has been mitigating the effect of the entry of new production capacity in the country.

InterCement's strategy will remain particularly driven towards increased efficiency - industrial grid optimization, across-the-board implementation of efficiency enhancement projects, seizing synergies, replicating best practices and promoting product and process development – and financial deleveraging – rigorous discipline in CAPEX, and, simultaneously pursuing opportunities to monetise non-core assets and divest minority holdings.

8. Subsequent Events

Offer to purchase bonds

On 11 July, InterCement Participações, S.A. announced a Cash Tender Offer (“Tender Offer”) to purchase all or any of the 5.750% Senior Notes (“Notes”) due 2024 issued by its subsidiary Cimpor Financial Operations B.V.. On 8 August, InterCement communicated that it had been informed that on the closing date of the previously mentioned offer (5 August), the amount (capital) of Notes validly offered under the terms of the Tender Offer reached 83,142,000 US dollars. This amount represents 12.4% of the Notes on the market (i.e. excluding the Notes held by InterCement and its subsidiaries), all of which were acquired by InterCement, in accordance with the Tender Offer terms. Regarding the consent solicitation, InterCement did not receive the necessary consent to make certain changes to the contract that regulates these Notes. As such, the contract was not amended.

Cimpship partial alienation

On 26 July, 2016 it was sold a stake of the investment held in the company Cimpship – Transportes Marítimos, S.A. by the amount of 7 million euros.

InterCement

INTERCEMENT PARTICIPAÇÕES S.A. AND SUBSIDIARIES

*Interim Condensed Consolidated Financial Information for the six months period ended **June 30th, 2016** and Report on Review of Interim*

Building Sustainable Partnerships

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

To the Shareholders, Directors and Management of
InterCement Participações S.A.
São Paulo – SP - Brazil

We have reviewed the accompanying condensed consolidated interim financial information of InterCement Participações S.A. and its subsidiaries (the "Company"), for the semester ended June 30, 2016, which comprises the statement of financial position as of June 30, 2016 and the related statements of income, comprehensive income, changes in equity and cash flows for the semester then ended, including the explanatory notes.

Management is responsible for the preparation of the condensed consolidated interim financial information in accordance with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standards on review of interim financial information (ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information referred to above is not prepared, in all material respects, in accordance with IAS 34 applicable to the preparation of interim financial information.

São Paulo, August 31, 2016

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Roberto Torres dos Santos
Engagement Partner

INTERCEMENT PARTICIPAÇÕES S.A. AND SUBSIDIARIES

Condensed Consolidated Statements of Financial Position as of June 30, 2016 and December 31, 2015

(In thousands of euros - €)

ASSETS	Notes	06.30.2016	12.31.2015
CURRENT ASSETS			
Cash and cash equivalents	4	634,609	767,971
Securities	5	37,423	23,476
Trade receivables	6	155,999	145,501
Inventories		415,030	376,795
Recoverable taxes		63,025	54,787
Assets classified as held for sale	7	7,245	-
Derivatives	19	20,265	24,770
Other receivables		81,470	67,509
Total current assets		1,415,066	1,460,809
NONCURRENT ASSETS			
Securities	5	2,790	2,361
Trade receivables	6	1,725	1,505
Inventories		13,169	13,994
Recoverable taxes		14,488	14,098
Deferred income tax and social contribution		84,520	74,218
Escrow deposits		18,210	13,659
Derivatives	19	227,045	238,895
Other receivables		30,680	22,785
Investments		12,733	15,735
Property, plant and equipment	7	2,180,711	2,144,857
Intangible assets:			
Goodwill	8	1,667,922	1,721,808
Other intangible assets	8	208,210	186,612
Total noncurrent assets		4,462,203	4,450,527
TOTAL ASSETS		5,877,269	5,911,336

LIABILITIES AND EQUITY	Notes	06.30.2016	12.31.2015
CURRENT LIABILITIES			
Trade payables		249,502	300,369
Debentures	10	70,594	-
Borrowings and financing	9	162,156	117,117
Interest payable	9 and 10	106,537	91,853
Taxes payable		57,078	50,265
Payroll and related taxes		34,296	40,760
Dividends and interest on capital	13	706	389
Advances from customers		22,822	32,683
Actuarial liabilities		900	899
Derivatives	19	5,365	2,501
Other payables		89,855	103,228
Total current liabilities		799,811	740,064
NONCURRENT LIABILITIES			
Trade payables		7,223	8,694
Debentures	10	1,287,612	1,262,123
Borrowings and financing	9	2,021,635	1,911,827
Provision for tax, civil and labor risks	11	71,878	83,845
Provision for environmental recovery		38,437	36,613
Taxes payable		15,018	5,222
Deferred income tax and social contribution		299,013	332,578
Actuarial liabilities		18,491	16,107
Derivatives	19	10,157	4,602
Other payables		9,426	9,177
Total noncurrent liabilities		3,778,890	3,670,788
TOTAL LIABILITIES		4,578,701	4,410,852
SHAREHOLDER'S EQUITY			
Capital	13	1,080,949	1,080,949
Capital reserves	13	498,724	498,724
Earnings reserves and accumulated losses	13	(115,786)	207,766
Other comprehensive income	13	(624,451)	(738,671)
Equity attributable to the Company's owners		839,436	1,048,768
Noncontrolling interests		459,132	451,716
Total equity		1,298,568	1,500,484
TOTAL LIABILITIES AND EQUITY		5,877,269	5,911,336

The accompanying notes are an integral part of this condensed consolidated financial statements.

INTERCEMENT PARTICIPAÇÕES S.A. AND SUBSIDIARIES

Condensed Consolidated Income Statements for the semesters ended June 30, 2016 and 2015

(In thousands of euros - €, except per earnings (loss) per share)

	Notes	06.30.2016	06.30.2015
NET REVENUE	21	897,481	1,302,648
COST OF SALES AND SERVICES	15	(743,962)	(1,037,671)
GROSS PROFIT		153,519	264,977
OPERATING INCOME (EXPENSES)			
Administrative and selling expenses	15	(102,521)	(128,079)
Other income, net	15	(228,984)	30,986
Equity result		230	716
PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSES), INCOME TAX AND SOCIAL CONTRIBUTION		(177,756)	168,600
FINANCIAL INCOME (EXPENSES)			
Foreign exchange losses, net	16	(82,499)	(30,331)
Financial income	16	27,625	51,982
Financial expenses	16	(151,151)	(153,722)
PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		(383,781)	36,529
INCOME TAX AND SOCIAL CONTRIBUTION			
Current	14	(32,964)	(35,174)
Deferred	14	58,908	12,486
PROFIT (LOSS) FOR THE PERIOD		(357,837)	13,841
PROFIT (LOSS) ATTRIBUTABLE TO			
Company's owners	18	(271,071)	22,588
Noncontrolling interests	21	(86,766)	(8,747)
EARNINGS (LOSS) PER SHARE			
Basic/diluted earnings per share	18	(11.95)	-

The accompanying notes are an integral part of this condensed consolidated financial statements.

INTERCEMENT PARTICIPAÇÕES S.A. AND SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive Income for the semesters ended June 30, 2016 and 2015

(In thousands of euros - €)

	Notes	06.30.2016	06.30.2015
PROFIT (LOSS) FOR THE PERIOD		(357,837)	13,841
Other comprehensive income:			
Items that will not be reclassified subsequently to the income statement:			
Employee benefits		(1,296)	1,055
Items that might be reclassified subsequently to the income statement:			
Exchange differences arising on translating foreign operations		216,537	(144,357)
Hedging derivatives financial instruments		(4,937)	17,082
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(147,533)	(112,379)
COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:			
Company's owners		(155,528)	(41,595)
Noncontrolling interests		7,995	(70,784)

The accompanying notes are an integral part of this condensed consolidated financial statements.

INTERCEMENT PARTICIPAÇÕES S.A. AND SUBSIDIARIES

Condensed Consolidated Statements of Changes in Equity for the semesters ended June 30, 2016 and 2015

(In thousands of euros - €)

				Earnings reserves						
	Notes	Share capital	Capital reserves	Legal	Investments	Other comprehensive income	Accumulated losses	Total attributable to the Company's owners	Noncontrolling interests	Total equity
BALANCE AT DECEMBER 31, 2014		1,080,949	467,150	18,063	210,360	(371,196)	-	1,405,326	829,422	2,234,748
Profit (Loss) for the period		-	-	-	-	-	22,588	22,588	(8,747)	13,841
Realization of deemed cost of property, plant and equipment		-	-	-	-	113	(113)	-	-	-
Transactions with shareholders recognized directly in equity		-	-	-	-	-	-	-	251	251
Other:										
Dividends paid to noncontrolling interests		-	-	-	-	-	-	-	(737)	(737)
Dividends prescription		-	-	-	-	-	179	179	-	179
Other comprehensive income		-	-	-	-	(64,183)	-	(64,183)	(62,037)	(126,220)
BALANCE AT JUNE 30, 2015		1,080,949	467,150	18,063	210,360	(435,266)	22,654	1,363,910	758,152	2,122,062
BALANCE AT DECEMBER 31, 2015		1,080,949	498,724	18,063	210,360	(738,671)	(20,657)	1,048,768	451,716	1,500,484
Loss for the period		-	-	-	-	-	(271,071)	(271,071)	(86,766)	(357,837)
Realization of deemed cost of property, plant and equipment		-	-	-	-	(1,323)	1,323	-	-	-
Dividends to ordinary and preferred shares - paid	13	-	-	-	(53,804)	-	-	(53,804)	-	(53,804)
Other:										
Dividends paid to noncontrolling interests		-	-	-	-	-	-	-	(579)	(579)
Other comprehensive income		-	-	-	-	115,543	-	115,543	94,761	210,304
BALANCE AT JUNE 30, 2016		1,080,949	498,724	18,063	156,556	(624,451)	(290,405)	839,436	459,132	1,298,568

The accompanying notes are an integral part of this condensed consolidated financial statements.

INTERCEMENT PARTICIPAÇÕES, S.A. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows for the semesters ended June 30, 2016 and 2015

(In thousands of euros - €)

	Notes	06.30.2016	06.30.2015
CASH FLOW FROM OPERATING ACTIVITIES			
Income (loss) before income tax and social contribution		(383,781)	36,529
Adjustments to reconcile income before income tax and social contribution with net cash generated by operating activities:			
Depreciation, amortization and impairment losses		343,505	107,578
Recognition (reversal) of allowance for potential losses, net		(15,986)	(4,253)
Interest, accrued charges, and exchange differences		206,269	134,107
Gain on sale of long-lived assets		(1,317)	(1,678)
Equity result		(230)	(716)
Other noncash operating losses (gains)		3,083	2,918
Decrease (increase) in operating assets:			
Trade receivables		(16,806)	(42,786)
Inventories		(40,528)	(72,019)
Recoverable taxes		(547)	(1,524)
Other receivables		64	-
Increase (decrease) in operating liabilities:			
Trade payables		4,957	38,674
Payroll and vacation payable		1,393	(17,924)
Other payables		(110,669)	(11,691)
Taxes payable		6,507	4,295
Cash generated (used) by operating activities		(4,086)	171,510
Income tax and social contribution paid		(19,326)	(27,638)
Interest paid		(111,429)	(122,866)
Net cash generated (used) by operating activities		(134,841)	21,006
CASH FLOW FROM INVESTING ACTIVITIES			
Redemption of (investments in) securities		(5,006)	61,106
Purchase of property, plant and equipment		(75,394)	(73,441)
Increase in intangible assets		(174)	(2,891)
Sale of long-lived assets		1,627	8,614
Dividends received		869	1,506
Net cash used in investing activities		(78,078)	(5,106)
CASH FLOW FROM FINANCING ACTIVITIES			
Borrowings, financing and debentures		181,429	148,042
Swap transactions		-	39,640
Repayment of borrowings, financing and debentures		(42,034)	(178,888)
Dividends paid		(53,804)	(50,462)
Other instruments		(1,199)	(1,634)
Net cash generated (used) in financing activities		84,392	(43,302)
DECREASE IN CASH AND CASH EQUIVALENTS		(128,527)	(27,402)
EXCHANGE DIFFERENCES ON CASH AND CASH EQUIVALENTS		(4,835)	9,028
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	767,971	801,755
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	634,609	783,381

The accompanying notes are an integral part of this condensed consolidated financial statements.

INTERCEMENT PARTICIPAÇÕES S.A. AND SUBSIDIARIES
Notes to the Interim Condensed Consolidated Financial Information for the semester ended June 30, 2016
(Amounts in thousands of euros - €, unless otherwise stated)

1. General Information

InterCement Participações, S.A. ("Company") is a private held company headquartered in the City of São Paulo, State of São Paulo, Brazil, engaged in holding equity interests and investments abroad, leading a business group present in 8 countries ("ICP Group" or "Group"). Its ultimate parent company is Camargo Corrêa S.A. The Group is primarily engaged in the manufacture and sale of cement and cement byproducts, in addition to the extraction of the minerals used to manufacture these products.

The Company owns 40 cement plants, 131 concrete plants, and 24 aggregates plants (located in Brazil, Argentina, Paraguay, Portugal, Egypt, Mozambique and South Africa). It also owns one port terminal in Cape Verde, and seven plants producing lime, packaging and mortar. Additionally, Brazil holds electric power generation equity interests and assets, as a self-generator for some of its production.

2. Basis of Preparation and Significant Accounting Policies

2.1. Basis of preparation

The condensed consolidated Interim Financial Information as of June 30, 2016 was prepared based on the International Standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), which allows the entities to present selected notes to the financial statements, in cases of redundant information already disclosed in the Annual Financial Statements. Accordingly, this Interim Financial Information should be read together with Company´s consolidated financial statements for the year ended December 31, 2015.

2.2. Significant accounting policies

The accounting policies adopted are consistent with those considered in the consolidated financial statements for the year ended as of December 31, 2015 and disclosed in the corresponding notes, except in respect of the standards and interpretations entering into force on or after January 1, 2016, the adoption of which had not a significant impact on the Group's profits or financial position.

2.3. Functional, reporting and presentation currencies

The Company's functional currency is the Brazilian real (R$); however the financial information are presented in euros (presentation currency), for the convenience of readers outside Brazil. As prescribed by IAS 21, paragraph 38 - The Effects of Changes in Foreign Exchange Rates, the Company may present its financial information in any currency.

The main exchange rates used to translate the financial information were as follows:

Currency		Closing exchange rate (R$) 06.30.2016	Closing exchange rate (R$) 12.31.2015	Closing exchange rate (R$) 06.30.2015	Average exchange rate (R$) 06.30.2016	Average exchange rate (R$) 06.30.2015
USD	US Dollar	3.20980	3.90480	3.10260	3.68757	2.96780
EUR	Euro	3.54140	4.25040	3.46030	4.11212	3.30841
MZN	Mozambique Metical	0.05076	0.08397	0.08165	0.07033	0.08520
CVE	Cape Verde Escudo	0.03212	0.03855	0.03138	0.03729	0.03000
EGP	Egyptian Pound	0.36150	0.49870	0.40660	0.42344	0.39186
ZAR	South African Rand	0.21740	0.25100	0.25550	0.23896	0.24898
ARS	Argentinian Peso	0.21342	0.29945	0.34132	0.25864	0.33608
PYG	Paraguayan Guaraní	0.00057	0.00067	0.00060	0.00065	0.00060

3. Critical Accounting Judgments and Key Sources of Estimation Uncertainties

Estimates and judgments are continually evaluated and are based on historical experience and on other factors, including expectations of future events that are believed to be reasonable under the circumstances. There were no changes in relation to what was presented in note 3 to the Company's consolidated Financial Statements as of December 31, 2015.

4. Cash and Cash Equivalents

	06.30.2016	12.31.2015
Cash and bank accounts	364,570	336,719
Short-term investments	270,039	431,252
Total cash and cash equivalents	634,609	767,971

Short-term investments were as follows:

	06.30.2016	12.31.2015
Bank certificates of deposit (CDBs)	594	1,631
Repurchase agreements	1,890	85,677
Exclusive funds:		
National Treasury Notes (NTNs over)	9,551	-
National Treasury Bills (LTNs)	10,899	21,520
National Treasury Bills (LTFs)	31,137	23,896
CDBs	-	1,300
Fixed-income funds	43,469	78,423
Financial letter	52	-
Others	5,042	1,320
Short-term investments in foreign subsidiaries:		
Investment fund in Argentinean pesos	402	12,548
Short-term investments in US dollars	121,710	38,413
Short-term investments in euro	11,201	62,873
Short-term investments in Egyptian pound	318	55,568
Short-term investments in South African rand	7,017	18,019
Short-term investments in Mozambique metical	25,397	28,626
Short-term investments in Cape Verd escudos	1,360	1,360
Other	-	78
Total short-term investments	270,039	431,252

5. Securities

Securities are classified as financial assets, as follows:

	06.30.2016	12.31.2015
Market investments	32,153	18,177
Other	8,060	7,660
Total	40,213	25,837
Total - current	37,423	23,476
Total - noncurrent	2,790	2,361

6. Trade Receivables

	30.06.2016	12.31.2015
Domestic and foreign customers - current	184,775	173,451
(-) Impairment for doubtful accounts – current	(28,776)	(27,950)
Trade receivables - current	155,999	145,501
Domestic and foreign customers - noncurrent	1,817	1,598
(-) Impairment for doubtful accounts – noncurrent	(92)	(93)
Trade receivables - noncurrent	1,725	1,505

7. Property, Plant and Equipment

	06.30.2016		
	Cost	Depreciation	Net book value
Land	212,396	(16,837)	195,559
Buildings	532,560	(184,864)	347,696
Machinery and equipment	1,827,029	(665,981)	1,161,047
Vehicles	51,386	(25,491)	25,895
Furniture and fixtures	11,220	(7,199)	4,021
Mines and ore reserves	89,434	(55,696)	33,738
Reservoirs, dams and feeders	78,340	(16,870)	61,470
Other	13,421	(8,461)	4,960
Spare parts	4,907	-	4,907
Advances to suppliers	31,493	-	31,493
Construction in progress	309,925	-	309,925
Total	3,162,111	(981,399)	2,180,711

	12.31.2015		
	Cost	Depreciation	Net book value
Land	211,523	(16,399)	195,124
Buildings	508,471	(169,358)	339,113
Machinery and equipment	1,756,519	(578,232)	1,178,287
Vehicles	89,047	(46,377)	42,670
Furniture and fixtures	12,613	(8,041)	4,572
Mines and ore reserves	77,874	(43,801)	34,073
Reservoirs, dams and feeders	60,580	(12,939)	47,641
Other	12,778	(7,832)	4,946
Spare parts	6,208	-	6,208
Advances to suppliers	31,043	-	31,043
Construction in progress	261,180	-	261,180
Total	3,027,836	(882,979)	2,144,857

During the six months periods ended June 30, 2016 and 2015, the Company capitalized financial charges amounting to €1,315 thousand and €3,196 thousand, respectively, related to loans granted to finance eligible assets.

Construction in progress and advances to suppliers as of June 30, 2016, refers basically to investments in the expansion and construction on new units in Brazil, Egypt and Argentina (Brazil, Argentina, Egypt and Mozambique as of December 31, 2015), and investments in improvement of installations and equipment of the cement plants of other business units.

Changes in property, plant and equipment were as follows:

Balance at December 31, 2014	2,634,356
Additions	92,692
Write-offs	(1,768)
Depreciation	(104,385)
Effect of changes in exchange rates	(67,191)
Other	224
Balance at June 30, 2015	2,553,928
Balance at December 31, 2015	2,144,857
Additions	62,832
Write-offs	(2,170)
Depreciation	(96,351)
Effect of changes in exchange rates	82,754
Other	(11,211)
Balance at June 30, 2016	2,180,711

In the semester ended June 30, 2016, in the caption “Other” is included the reclassification of the ships owned by Cimpship – Transportes Marítimos, S.A. to the caption “Assets classified as held for sale” in the net amount of €7,873 thousand. This company was alienated on July 26, 2016 by the amount of €7,245 thousand. The impairment losses related to those assets was of about €4,300 thousand (Note 21).

8. Intangible Assets

	06.30.2016	12.31.2015
Other intangible assets:		
Mining rights	183.103	163.515
Concession-related assets	4.757	4.420
Software licenses	5.580	4.303
Project development costs	5.675	4.564
Trademarks, patents and others	9.095	9.810
	208.210	186.612
Goodwill:		
Loma Negra C.I.A. S.A.	272.656	227.175
CBC - Companhia Brasileira de Cimentos (“CBC”)	28.981	24.147
Cia. Industrial e Mercantil de Cimentos S.A. (“CIMEC”)	21.404	17.834
Cimpor - Cimentos de Portugal, SGPS, S.A.	1.323.007	1.433.632
Other	21.874	19.020
	1.667.922	1.721.808
Total	1.876.132	1.908.420

Impairment on assets

Goodwill is subject to impairment tests annually and whenever there are indications of possible impairment, which are made based on the recoverable amounts of each of the corresponding business segments.

Attending to business model and considering the financial statement structure adopted for management purposes, goodwill is attributed generally to each operating segment, due to the existence of synergies between the units of each segment in a perspective of vertical integration of business.

The recoverable value of each group of cash-generating units is compared, in the tests performed, with the respective recognized value of assets and liabilities (“book value”). An impairment loss is only recognized when the book value exceeds the higher of the value in use and transaction value, based on cash flow projections under medium and long term business plans approved by the Board of Directors, plus perpetuity.

Changes in scenario which led to the recognition of impairments in Brazil

In the semester ended June 30, 2016, it was performed an impairment test only in the Brazilian business area, due to the deterioration of the economic and political scene of the country, as a result, impairments were recorded in the amount of €282 million (BRL 998,556 thousand), entirely affected to Goodwill.

According to the International Monetary Fund (IMF), although in 2015 already having registered a strong recession, the Brazilian economy must closed the year 2016 with the second worst performance in the world. For this year the projection points to a "shrink" of 3.5% in Gross Domestic Product (GDP) of the country – only better than the contraction of 6% expected for Venezuela.

In May, rating agency Fitch returned to drop credit rating in Brazil, following the trend already pointed by other two major rating agencies (Moody's and Standard & Poor's). The rating, reduced from BB+ to BB, suffered the second reduction by the same agency within six months. Staying two steps below investment grade, the agency also maintained a negative perspective, indicating that new reductions can be made.

In this macroeconomic context of the country, the cement market follows a downward trend as compared to 2015, with reduction rates of 15% per annum in the first-half. The situation is made even worse by the increase of industry's idleness, due to the entry into operation of new plants, which in a competitive environment led to reductions in average prices of 10%, when compared to the same period of 2015.

Cash Flow projections

Based on the context described above, the Group has revised assumptions underlying to the determination of recoverable amount of liquid assets in the Brazilian business area, considering the estimate of cash flows for a period of five years, on the basis of an operational plan approved by the Board of Directors. That basis includes, among other, a set of estimates related to market growth, market share, investments and costs.

In general, the plan was projected by applying growth rates for the market, considering that the demand for building materials decreased due to the financial and economic crisis, reinforced by political instability.

It is assumed a recovery in demand, as a result of the recovery of the political and economic crisis, however to levels still below pre-crisis levels.

The projected sales volumes are based on the assumption of the capacity usage and market shares according to historical levels.

Concerning to variable costs, it was assumed an evolution in line with the sales development, being expected an improvement in gross margin, leading to a partial improvement in operating margins through savings achieved by cost reduction programs and initiatives for price recovery.

Determination of discount rate

Discount rates are calculated for each cash generating unit based on relevant local risk-free rate adjusted by the country risk premium, among other parameters. For impairment test in the Brazilian business area, performed in the first-half of 2016, the group has reviewed the discount rates applied, raising the measure of country risk, in line with the reduction of the Brazilian credit rating attributed by the international rating agencies, despite the conviction in the economic recovery of the country in the medium term.

The determination of the value in use was based on discounted cash flows calculated in local currency, using the corresponding WACC and perpetuities rates, as follows:

		06.30.2016			12.31.2015		
Segments	Currency	Goodwill	"WACC" rate	Long term growth rate	Goodwill	"WACC" rate	Long term growth rate
Brazil	EUR	917,487	11.3%	0.0%	999,375	10.4%	0.0%

The Group examined the impact of a 50 basis points change in update rates and in the EBITDA margin which resulted in the following impacts:

	+50 BP	-50 BP
"WACC" rate	(155.595)	180.438
EBITDA margin	80.132	(78.969)

Changes in intangible assets in the six months periods ended June 30, 2016 and 2015 were as follows:

Balance at December 31, 2014	2,374,533
Additions	1,508
Write-offs	(69)
Amortization	(4,286)
Effect of changes in exchange rates	(117,555)
Transfers	(224)
Balance at June 30, 2015	2,253,907
Balance at December 31, 2015	1,908,420
Additions	622
Write-offs	(3)
Amortization	(3,797)
Impairment	(242,832)
Effect of changes in exchange rates	210,384
Transfers	3,338
Balance at June 30, 2016	1,876,132

9. Borrowings and Financing

								06.30.2016			12.31.2015	
Functional Currency	Business unit	Type of financing	Currency	Interest rates (b)	Contract date	Maturity		Current	Noncurrent		Current	Noncurrent
EUR	Holdings and Financial Vehicles (*)	Bilateral	US$	Floating rate indexed to US Libor	May/12	Jan/22		-	449,322		-	455,333
EUR	Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rate indexed to Euribor	Feb/12	Feb/22		-	304,217		-	303,805
EUR	Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rate indexed to Euribor	Feb/14	Aug/19		6,037	53,988		-	59,953
EUR	Holdings and Financial Vehicles (*)	Bilateral	US$	Floating rate indexed to US Libor	Feb/14	Aug/19		19,733	175,668		-	197,803
EUR	Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rate indexed to Euribor	Feb/14	Aug/21		-	60,025		-	59,953
EUR	Holdings and Financial Vehicles (*)	Bilateral	US$	Floating rate indexed to US Libor	Feb/14	Aug/21		-	195,398		-	197,800
EUR	Holdings and Financial Vehicles (*)	Bilateral	US$	Floating rate indexed to US Libor	Feb/14	Aug/21		-	214,342		-	216,886
EUR	Holdings and Financial Vehicles (*)	Bilateral	US$	Floating rate indexed to US Libor	May/14	May/19		-	44,841		-	45,374
EUR	Holdings and Financial Vehicles (*)	Commercial paper	EUR	Floating rate	Mar/15	Mar/18		-	50,000		-	50,000
EUR	Holdings and Financial Vehicles (*)	Bilateral	EUR	Fixed rate	Dec/14	Dec/18		-	22,705		-	22,394
EUR	Holdings and Financial Vehicles (*)	Bilateral	EUR	Fixed rate	Jan/15	Dec/16		109	-		215	-
ARS	Argentina and Paraguay	Several bilateral	ARS	Floating rates indexed to Badlar	Several	Several		53,154	44,321		18,204	45,949
ARS	Argentina and Paraguay	Several bilateral	US$	Floating rates indexed to US Libor	Several	Several		8,892	85,346		57,372	2,355
BRL	Brazil	Several bilateral	BRL	Fixed and floating rates	Several	Several	(a)	12,882	152,390	(a)	10,837	62,752
PYG	Argentina and Paraguay	Several bilateral	US$	Fixed and floating rates	Several	Several		13,940	62,757		18,723	70,675
PYG	Argentina and Paraguay	Several bilateral	PYG	Fixed rates	Oct/15	Feb/16		13,880	-		8,968	-
ZAR	South Africa	Bilateral	ZAR	Floating rate indexed to Jibar	Dec/13	Dec/18		12,278	24,555		-	35,432
EUR	Portugal and Cape Verde	Several bilateral	EUR	Fixed and floating rates	Several	Several		-	75,000		-	75,000
MZN	Mozambique	Several bilateral	MZN	Floating rates indexed to BT 3M	Several	Several		1,024	4,095		1,467	7,055
EGP	Egypt	Several bilateral	EGP	Floating rates indexed to Corridor	Several	Several		20,228	2,665		1,331	3,310
								162,156	2,021,635		117,117	1,911,827

Takes into consideration the set of companies included in the holding companies segment and business support, corporate, and trading entities.

(a) Guaranteed by Company's controlling entities, amounting to €41,124 thousand in the semester ended June 30, 2016. Changes in Brazil refers, essentially, to a financing contract with HSBC in the amount of BRL 300 million, with maturity till June, 2018;

(b) For the major funding, the variable rates contracted, both in dollars and euros, consider spreads between 2.5% and 3.5%.

As of June 30, 2016 and December 31, 2015, the incurred interest related to those financing agreements classified in current liabilities and presented as 'Interest payable' amount to €30,290 and €28,890, respectively.

Maturity schedule

As of June 30, 2016, the noncurrent portions mature as follows:

Period	06.30.2016	12.31.2015
2017 (6 months)	78,922	121,455
2018	284,037	184,987
2019	765,373	730,235
2020	247,524	241,957
Following years	645,780	633,193
	2,021,635	1,911,827

Covenants

The loan and financing agreements contain certain restrictive covenants, including change of control clauses and those requiring the maintenance of certain financial ratios within pre-established parameters.

The Company and its subsidiaries management monitor these ratios systematically and constantly to make sure the requirements are met. Such measurements are performed annually, which depends of conditions agreed in each contract with financial institutions. Based on the last measurement as of December 31, 2015, the Company and its subsidiaries are in compliance with all restrictive conditions and covenants.

10. Debentures

							06.30.2016		12.31.2015
Functional Currency	Business unit	Instrument	Currency	Issue date	Interest rate (b)	Final maturity	Current	Noncurrent	Noncurrent
BRL	Brazil	Debênture - Brazil (a)	BRL	Mar-12	Floating rate indexed to CDI	Apr-22	70,594	352,143	352,116
BRL	Brazil	Debênture - Brazil	BRL	Aug-12	Floating rate indexed to CDI	Aug-22	-	338,189	281,694
EUR	Holdings and Financial Vehicles (*)	Senior Notes (c)	USD	Jul-14	5.75%	Jul-24	-	597,280	628,312
							70,594	1,287,612	1,262,123

(*) Takes into consideration the set of companies included in the holding companies segment and business support, corporate, and trading entities.

(a) Guaranteed by Company's controlling entities.

(b) The contracted floating rates have spreads between 8% and 15% above the CDI (Interbank deposit rate in Brazil).

(c) In July, 2014, the Senior Notes ("Notes") were issued by Cimpor Financial Operations, B.V., with a payment maturity of 10 years. The notes were launched with coupon of 5.75% per annum and are listed on the Singapore Stock Exchange. The net funds of this issuance was used to refinance existing debt and for corporate use in general, allowing an increase in the average maturity of the company's debt. In the semester ended June 30, 2016, the Group purchased bonds in the nominal value of USD 25,236 thousand, for an average price of 68%, which results in recognition of a gain in the amount of €7,145 thousand (Note 20). In the semester ended June 30, 2016, the Group holds bonds in the nominal value of USD 79,526 thousand (€72,080 thousand).

As of June 30, 2016 and December 31, 2015, the incurred interest classified in current liabilities and presented as 'Interest payable' amount to €76,247 and €62,963, respectively.

Maturity schedule

As of June 30, 2016 and December 31, 2015, the debentures mature as follows:

Period	06.30.2016	12.31.2015
2017 (6 months)	54,926	113,620
2018	125,519	113,620
2019	125,519	113,620
2020	125,519	113,620
Following years	856,129	807,644
	1,287,612	1,262,123

Covenants

These funding instruments contain certain restrictive covenants that require compliance with financial ratios calculated based on the Company's consolidated financial statements. Based on the last measurement as of December 31, 2015, the Company and its subsidiaries are in compliance with all restrictive conditions and covenants.

11. Provisions and Contingent liabilities

Provisions

The Group is subject to tax, civil, labor and other risks. Management periodically reviews known contingencies, assesses the likelihood of losses and recognizes corresponding provision based on its legal counsel's opinion and other available data at the date of the reporting period.

The provision for risks is broken down as follows:

	06.30.2016	12.31.2015
Labor and social security	29,277	29,175
Tax	35,624	35,235
Civil and other	10,714	22,681
	75,615	87,091
Escrow deposit (a)	(3,737)	(3,246)
Total	71,878	83,845

(a) The Group have escrow deposits tied to the provision for tax, civil and labour risks as follows:

	06.30.2016	12.31.2015
Labor and social security	3,198	2,824
Tax	491	384
Civil and other	48	38
Total	3,737	3,246

Contingent liabilities

In the normal course of its business the Group is involved in several legal cases and complaints relating to its products and services as well for environmental, labor and regulatory cases. Facing to those natures, valuation and recorded provisions, there is an existing expectation that there are no relevant effects on the developed activity, equity and operating results.

On June 30, 2016, the Group has an exposure to contingent liabilities of €850 million (€659 million in December 31, 2015), being €12 million of contingent liabilities related to labor (€8 million in December 31, 2015), €609 million of tax contingent liabilities (€459 million as of December 31, 2015), €229 million of civil contingent liabilities and administrative processes of other natures (€192 million in December 31, 2015), whose likelihood of loss was considered possible, according to the opinion of our legal counsellors.

When compared to what was reported on December 31, 2015, and the facts occurred in the half-year, to highlight:

In Brazil, under the process brought by the Administrative Council for Economic Defence ("CADE"), the preliminary injunction requested by CADE was appealed, in order to invalidate the validity of the suspensions of all penalties initially imposed to the Group, declared judicially on October 22, 2015, until merits of the case judgement. Therefore, the real guarantees presented by the Group remain valid.

Still regarding Brazil, concerning to tax contingencies, to be noted, their increase in about €66,900 thousand, as a result of several tax inspections under PIS/COFINS and ICMS taxes.

In Egypt, as a result of a tax inspection, one of our company was subject to an additional tax assessment on income for the year 2008 in the amount of 104 million EGP (€10.5 million). Adding to this assessment interests and penalties of 88 million EGP (€9 million).

In Spain, tax authorities have notified the company in relation to settlement agreements for the years 2009 to 2011, remaining ongoing the inspection for the year 2012, with no relevant developments from what was previously reported.

Contingent assets

In the year ended December 31, 2015, it was mentioned a contingent liability for a tax dispute related to tax assessments that were made to a company in Egypt, referring to the years 2000 to 2004, which were subject to a judicial appeal. At the end of the first semester of 2016, to avoid penalties, a staged payment agreement until 2021 of those taxes was signed with the competent tax authorities. Because the conditions of such agreement do not meet the conditions for such payments being recognized as an asset of the company, until the court decision becomes effective, in this semester a tax charge corresponding to the total responsibility inherent to the agreement, amounting to around €12 million (Note 14) has been already recognized.

Changes in the provision for risks for the six months periods ended June 30, 2016 and 2015 are as follows:

	Labor and social security	Tax	Civil and other	Escrow deposit	Total
Balance at December 31, 2014	34,449	39,219	14,317	(4,356)	83,629
Recognition/deposit	2,385	823	1,757	(518)	4,447
Payment/deposit derecognition	(2,002)	-	(1,023)	316	(2,709)
Reversal	(212)	-	(1,221)	-	(1,433)
Transfers	(129)	(89)	217	-	(1)
Exchange differences	(762)	(236)	(117)	302	(812)
Balance at June 30, 2015	33,729	39,717	13,930	(4,256)	83,120
Balance at December 31, 2015	29,175	35,235	22,681	(3,246)	83,845
Recognition/deposit	643	1,764	1,387	(462)	3,332
Payment/deposit derecognition	(1,988)	(626)	(11,796)	599	(13,811)
Reversal	(117)	(625)	(1,097)	-	(1,839)
Exchange differences	1,564	(124)	(461)	(628)	351
Balance at June 30, 2016	29,277	35,624	10,714	(3,737)	71,878

12. Related Parties

Transactions and balances between Group companies consolidated by the full consolidation method were eliminated in the consolidation process and therefore are not disclosed here. The balances and transactions between the Group and associated companies and with other related parties fall within normal operational activities, and include advances, loan agreements, sales and purchases of products and services.

13. Shareholder's Equity

Share capital as of June 30, 2016 and December 31, 2015 is represented by 25,046,440 registered shares without par value, of which 22,687,439 are common shares and 2,359,001 are preferred shares.

The preferred shares grant their holders the right to receive minimum dividends, do not grant voting rights in the Company's shareholders' meetings, and can be redeemed by decision of the Board of Directors.

Earnings reserves

Corresponds to the retention of earnings to be used in investment projects, according to the budget to be submitted to the approval of the Shareholders' Meeting, pursuant to article 194 of Law 6404, of December 15, 1976.

Dividends

The holders of common shares are entitled to annual minimum mandatory dividends equivalent to 25% of profit for the year adjusted as provided for by the bylaws and the Brazilian Corporate Law.

On April 27, 2016, the Company has approved dividends to preferred and ordinary shares amounting to R$212,717 and R$2,310 thousands, respectively (€53,226 and €578), which has already been paid during the first semester of 2016. Dividends are calculated and paid disproportional in accordance with shareholders' agreements and rights for each class of shares.

14. Income Tax and Social Contribution

For the semesters ended June 30, 2016 and 2015 the reconciliation between the nominal and the effective income tax was as follows:

	06.30.2016	06.30.2015
Income (Loss) before income tax and social contribution	(383,781)	36,529
Tax rate	34%	34%
Income tax and social contribution at statutory rates	130,486	(12,420)
Adjustments to calculate income tax and social contribution at effective rates:		
Equity method gain	78	243
Permanent additions / (deductions), net (a)	(3,089)	(2,569)
Impairment losses on goodwill	(82,563)	-
Unrecorded deferred income tax and social contribution tax	(6,715)	(7,942)
Other	(12,252)	-
Income tax and social contribution expense	25,944	(22,688)
Income tax and social contribution expense - Current	(32,964)	(35,174)
Income tax and social contribution expense - Deferred	58,908	12,486

(a) Includes the effect of the differences in tax rates and other adjustments.

The caption Other includes the registration of a tax income charge of around €12 million, related to additional tax assessments made by tax authority to one of our companies in Egypt, referring to the years 2000 to 2004. The Board of Directors has judicially appealed and, supported by the counsellors opinion, understands that the tax authorities have no grounds regarding the maintenance of the substantial of those assessments.

However, the alternative found to avoid penalties, was to formalize a staged payment agreement until 2021, which does not imply the recognition of the reasons that led to such assessments, not even prevent the maintenance of the judicial proceedings to enforce that the reason is on the side of the company, and which expressly provides for the compensation of those values, now agreed to be paid, after the judicial decision in favour of the company, moment that the settled amounts will then be recognized in the assets of that company (Note 11).

Deferred income tax and social contribution

Deferred income tax and social contribution were recognized on tax loss carryforwards and temporary differences in the recognition of revenues and expenses between tax and corporate books, to the extent considered realizable by the subsidiaries.

In addition to the income tax charge, in the six months periods ended June 30, 2016 and 2015, the Group recorded deferred tax of €1,517 thousand and €2,313 thousand, respectively, directly in income and costs recognized in equity.

15. Information on the Nature of the Costs and Expenses Recognized in the Income Statement

The consolidated income statement is presented based on a classification of expenses according to their function. Information on the nature of such expenses is as follows:

	06.30.2016	06.30.2015
Depreciation, amortization, and impairment losses (a)	(343,505)	(107,578)
Salaries and employee benefits	(127,624)	(167,064)
Raw materials and consumables	(208,168)	(306,031)
Tax expenses	(8,568)	(11,279)
Outside services	(92,386)	(116,652)
Rental	(14,369)	(21,744)
Freight expenses	(77,890)	(123,403)
Maintenance costs	(56,236)	(65,472)
Fuel	(66,020)	(87,113)
Electricity	(64,214)	(74,627)
Reversal (recognition) of provision for risks	(1,290)	(2,670)
Gain on sale of property, plant and equipment	1,317	1,678
Gain on sale of carbon credits (Note 21)	9,752	14,087
Restructuring and other nonrecurring costs	(4,596)	(4,184)
Other expenses (net)	(21,670)	(62,712)
Total	(1,075,467)	(1,134,764)
Cost of sales and services	(743,962)	(1,037,671)
Administrative and selling expenses	(102,521)	(128,079)
Other income, net	(228,984)	30,986
Total	(1,075,467)	(1,134,764)

(a) In the semester ended June 30, 2016 includes the impairment in the goodwill amounting to 998,556 thousand BRL (€242,832 thousand) (Note 8).

16. Financial Income (Expenses) and Foreign Exchanges Losses (net)

	06.30.2016	06.30.2015
Foreign exchange losses, net (a):		
Exchange gain	58,847	77,338
Exchange loss	(141,346)	(107,669)
Total	(82,499)	(30,331)
Financial income:		
Inflation adjustment	3,020	2,946
Financial earnings	13,610	15,229
Interest income	941	1,636
Derivative financial instruments (b)	-	24,055
Other income (c)	10,054	8,116
Total	27,625	51,982
Financial expenses:		
Inflation adjustment	(2,480)	(3,750)
Expenses on interest and charges	(117,088)	(124,941)
Expenses on banking commissions	(10,780)	(11,380)
Fines	(182)	(126)
Derivative financial instruments (b)	-	(6,077)
Other expenses	(20,621)	(7,448)
Total	(151,151)	(153,722)

(a) In the semester ended June 30, 2016, the exchange differences are mainly influenced by the effect of the devaluation and valuation of functional currencies in Group against USD and Euro in the conversion of liabilities and assets registered in those currencies.

In the semester ended June 30, 2015, the unfavourable and favourable exchange differences were influenced by the effect of the valuation of USD against Euro in assets and liabilities registered in that currency. As a result of contracting interest rate hedging derivative financial instruments of EUR against the USD of the debts settled in this last currency, negative exchange differences of €120,000 thousand were compensated.

(b) These captions are composed by fair value variation of trading derivative financial instruments, contracted to cover exchange and interest rate risks.

(c) In the semesters ended June 30, 2016 and 2015, this caption is also influenced by the repurchase of bonds issued by Cimpor Financial Operations, B.V. with a nominal value of USD 25,236 thousand and USD 20,650 thousand, respectively, which generated a financial income in the amount of €7,145 thousand and €3,104 thousand, respectively (Note 9).

17. Commitments

(a) Lease agreements as lessee

Operating lease agreements are effective from five to ten years. Lease payments are expected to be paid, in nominal amounts, as follows:

	06.30.2016	12.31.2015
Up to one year	14,916	14,290
From one to five years	21,251	24,497
More than five years	4,777	9,202
Total	40,944	47,989

The Company recognized, for the semesters ended June 30, 2016 and 2015, as operating lease expenses the amount of €8,416 thousand and €15,090 thousand respectively.

(b) Purchase agreements

InterCement Brasil has a contractual agreement for purchase of raw slag effective until 2021 adjusted by the General Market Price Index (IGP-M), whose total estimated cash disbursements, in nominal amounts, are as follows:

	06.30.2016	12.31.2015
2016	5,540	10,852
2017	11,079	10,852
2018	11,079	10,852
2019	11,079	10,852
2020	11,079	21,705
After 2020	923	-
Total	50,779	65,113

Other subsidiaries are parties to contractual agreements for the purchase of inventories and property, plant and equipment, and the operation of facilities located in third-party properties, as follows:

	06.30.2016	12.31.2015
2016	29,152	30,039
2017	19,627	20,402
2018	18,991	19,517
2019	14,972	15,595
2020	14,972	48,123
After 2020	31,141	-
Total	128,855	133,676

18. Earnings Per Share

The table below shows the reconciliation of profit/loss for each period with the amounts used to calculate basic and diluted per share:

	06.30.2016	06.30.2015
Profit (loss) for the period attributable to Company's owners	(271,071)	22,588
Profit (loss) for the period attributable to preferred shares	-	(22,588)
Profit (loss) for the period attributable to common shares	(271,071)	-
Weighted average number of common shares	22,687,439	22,687,439
Basic/diluted earnings (loss) per common share	(11.95)	-

As a result of the net loss for the semester ended June 30, 2016 the loss per share calculation does not include profit allocation to preferred shares.

19. Financial Instruments

The Group conduct transactions involving financial instruments, including derivatives, all of which recorded in balance sheet accounts, which are intended to meet their operating and financial needs. The Company contracts short-term investments, borrowings and financing, as well as derivatives.

19.1. Capital risk management

The Group capital structure consists of net debt (borrowings less cash equivalents and securities) and equity (which includes issued capital, reserves, retained earnings and noncontrolling interests).

19.2. Financial risk management

The Group's Corporate Treasury Department manages the financial risks for the wholly-owned subsidiaries by coordinating access to domestic and foreign markets, monitoring and managing transaction-related risks, through internal reports by level and materiality, such as the currency risk, the interest rate risk, the price risk, the credit risk, and the liquidity risk.

19.3. Categories of financial instruments

	06.30.2016	12.31.2015
Current assets:		
Financial assets at amortized cost:		
Cash and bank accounts (Note 4)	364,570	336,719
Short-term investments - financial asset	169,889	304,794
Trade receivables (Note 6)	155,999	145,501
Other receivables	81,470	67,509
Financial assets at fair-value:		
Exclusive funds	137,573	149,935
Derivatives	20,265	24,770
Non-current assets:		
Financial assets at amortized cost:		
Long-term investments - financial asset	2,790	2,361
Trade receivables	1,725	1,505
Other receivables	30,680	22,785
Financial assets at fair-value:		
Derivatives	227,045	238,895
Current liabilites:		
Financial liabilities at amortized cost:		
Debentures (Note 10)	70,594	-
Borrowings and financing (Note 9)	162,156	117,117
Trade payables	249,502	300,369
Interest payable (Notes 9 and 10)	106,537	91,853
Other payables	89,855	103,228
Financial liabilities at fair value:		
Derivatives	5,365	2,501
Non-current liabilites:		
Financial liabilities at amortized cost:		
Debentures (Note 10)	1,287,612	1,262,123
Borrowings and financing (Note 9)	2,021,635	1,911,827
Trade payables	7,223	8,694
Other payables	9,426	9,177
Financial liabilities at fair value:		
Derivatives	10,157	4,602

19.4. Derivative transactions

Derivatives

As of June 30, 2016 and December 31, 2015, the fair value of derivatives is as follows:

	Assets				Liabilities			
	Current asset		Noncurrent assets		Current asset		Noncurrent assets	
	06.30.2016	12.31.2015	06.30.2016	12.31.2015	06.30.2016	12.31.2015	06.30.2016	12.31.2015
Fair value:								
Exchange rate forwards	-	-	-	-	2,354	-	-	-
Cash flow:								
Interest rate and cross currency swaps	20,265	24,770	227,045	238,895	3,010	2,501	10,157	4,602
	20,265	24,770	227,045	238,895	5,365	2,501	10,157	4,602

The following schedule shows the derivatives contracted as of June 30, 2016 and December 31, 2015:

Type of hedge	Notional	Type of Operation	Maturity	Financial purpose	Fair value 06.30.2016	Fair value 12.31.2015
Fair value	USD 50.000.000	NDF	Jan/17	Exchange risk hedging	(2,354)	-
Cash-flow	USD 200.000.000	Cross Currency Swap	Jul/24	Swich a USD loan into EUR loan	45,164	45,281
Cash-flow	USD 100.000.000	Cross Currency Swap	Jul/24	Swich a USD loan into EUR loan	19,957	19,566
Cash-flow	USD 50.000.000	Cross Currency Swap	Jul/24	Swich a USD loan into EUR loan	11,254	11,059
Cash-flow	USD 150.000.000	Cross Currency Swap	Jul/24	Swich a USD loan into EUR loan	32,268	32,581
Cash-flow	USD 217.500.000	Cross Currency Swap	Feb/19	Swich a USD loan into EUR loan	23,407	25,434
Cash-flow	USD 217.500.000	Cross Currency Swap	Feb/19	Swich a USD loan into EUR loan	35,274	38,045
Cash-flow	USD 500.000.000	Cross Currency Swap	Jan/22	Swich a USD loan into EUR loan	79,986	85,676
Cash-flow	EUR 379.218.809	Interest Rate Swap	Jan/22	Swich to fixed interest rate	(13,168)	(7,103)
Cash-flow	USD 49.000.000	Foreign Exchange Future	May/16	Swich a USD loan into ARS loan	-	6,022
					231,788	256,561

19.5. Market values

Estimated fair value – assets measured at fair value

The following table presents the Group's assets and liabilities measured at fair value as of June 30, 2016 in accordance with the following fair value seniority levels:

- Level 1: the fair value of financial instruments is based on listings on net active markets as of the date of the financial statements;
- Level 2: the fair value of financial instruments is not based on listings on net active markets but rather based valuation models;
- Level 3: the fair value of financial instruments is not based on listings on net active markets but rather on valuation models, the principal inputs of which are not observable in the market.

Category	Item	Level 1	Level 2	Level 3
Assets:				
Financial assets available for sale	Investment fund	715	-	-
Financial assets at fair value	Cash and cash equivalents	137,573	-	-
Financial assets at fair value	Financial derivative instruments	-	247,310	-
Financial assets at fair value	Other investments	2,790	-	-
Liabilities:				
Financial liabilities at fair value	Financial derivative instruments	-	15,522	-

Estimated fair value – assets and liabilities not measured at fair value

Measurement of fair value of derivatives financial instruments is based on criteria extracted from external database agencies, and the results obtained faced with the corresponding evaluations made by counterparties.

Except as regards non-current loans the majority of financial assets and liabilities mature in the short term and so their fair value is considered to be the same as their book values.

Regarding loans and debentures, as shown in Notes 9 and 10, in general, are contracted at variable interest rates. Consequently, it is understood that the corresponding book value (amortized cost) does not differ significantly from their corresponding market value, except for the Senior Notes issued by Cimpor B.V. and for the fixed interest rate loans contracted in the Brazilian, Argentinian and Paraguayan business areas, which effect of their valuation to fair value in relation to their book value being as follows:

	06.30.2016	12.31.2015
Fair value	1,341,493	1,187,446
Carrying amount	1,495,966	1,399,226

20. Supplemental Cash Flow Information

a) Investment and financing activities not involving cash

	06.30.2016	06.30.2015
Interest capitalization	1,315	3,196
Non-cash acquisition of property, plant and equipment	4,301	6,338
Purchase of property, plant and equipment through trade payables	(18,178)	8,131
Purchase of intangibles through trade payables	448	(1,383)
Dividends prescribed	-	179
Property plant and equipment casualty	-	1,586

b) Cash and cash equivalents and current securities are expressed in the following currencies:

	June 2016		June 2015	
Currency	Currency	Euros	Currency	Euros
USD	448,903	406,870	369,200	331,035
BRL	487,130	137,553	515,781	149,057
EUR	58,895	58,895	143,555	143,555
ARS	134,721	8,119	108,776	10,730
MZN	2,329,621	33,391	453,557	10,702
EGP	55,501	5,665	1,077,064	126,560
PYG	13,770,920	2,230	6,203,134	1,075
ZAR	248,379	15,248	471,949	34,848
CVE	447,761	4,061	426,472	3,868
		672,032		811,427

21. Operating Segment

The operating segments are identified based on the internal reports on the Company's components, periodically reviewed by the Chief Executive Officer (CEO), the chief operating decision-maker, so that funds can be allocated to the segments and their performances assessed.

To manage its business taking into consideration its financial and operating activities, the Company classified its business into each geographical area where the Company operates.

The profit and loss information are as follows:

	06.30.2016				06.30.2015			
	Net Revenue				Net Revenue			
	Foreign sales	Intersegment sales	Total	Results	Foreign sales	Intersegment sales	Total	Results
Operating segments:								
Brazil	256,902	288	257,190	(247,843)	474,350	-	474,350	43,629
Argentina and Paraguay	292,242	-	292,242	52,047	391,226	-	391,226	74,172
Portugal and Cape Verde	97,006	34,208	131,214	727	99,584	64,329	163,913	12,045
Egypt	95,900	-	95,900	4,325	123,675	-	123,675	13,872
Mozambique	64,020	-	64,020	9,014	73,441	-	73,441	7,482
South Africa	47,883	1,454	49,337	10,918	59,112	2,054	61,167	13,477
Total	853,953	35,950	889,903	(170,812)	1,221,388	66,384	1,287,771	164,677
Other	43,527	61,685	105,212	(7,174)	81,261	115,426	196,686	3,207
Eliminations	-	(97,635)	(97,635)	-	-	(181,809)	(181,809)	-
Sub-total	897,481	-	897,481	(177,986)	1,302,648	-	1,302,648	167,884
Share of profit of associates				230				716
Income before financial income (expenses)				(177,756)				168,600
Financial income (expenses), net				(206,025)				(132,071)
Income before income tax and social contribution				(383,781)				36,529
Income tax and social contribution				25,944				(22,688)
Profit for the period				(357,837)				13,841

In the semester ended June 30, 2016, operating results in the segment "Portugal and Cape Verde" are positively influenced by a net gain of €9,753 thousand (€14,087 thousand in the semester ended June 30, 2015), as a result of the sale of 2,250,000 tonnes of CO_2 emissions (3,400,000 tonnes of CO_2 emissions thousand in the semester ended June 30, 2015).

Note also that, in this semester the purchase of 2,940,000 of CO2 emissions allowances was also contracted, by the amount of €22,296 thousand (of which, 2,750,000 were contracted in 2015 by the amount of €21,156€). In April 2016, 2,927,472 licenses were returned, relating to emissions in the year 2015.

It should also be notice that, as a result of restructuring processes in progress in Group, especially in the Brazilian business area, in the semester ended June 30, 2016, nonrecurring costs with indemnities amounted to around €4,600 thousand (around €4,200 thousand in the half-year ended June 30, 2015).

The profit (loss) for each semester above includes the full amount of the Company's segments disregarding the following amounts attributable to noncontrolling interests:

	Noncontrolling interests	
	06.30.2016	06.30.2015
Operating segments:		
Brazil	(73,435)	(3,290)
Argentina and Paraguay	4,714	1,267
Portugal and Cape Verde	(98)	3,715
Egypt	(2,487)	1,888
Mozambique	(8,950)	(3,710)
South Africa	1,415	2,967
	(78,841)	2,837
Unallocated	(7,925)	(11,584)
	(86,766)	(8,747)

Other information:

	06.30.2016		06.30.2015	
	Capital expenditure	Depreciation, amortisation and impairment losses	Capital expenditure	Depreciation, amortisation and impairment losses
Operating segments:				
Brazil	15,363	276,668	44,311	38,678
Argentina and Paraguay	21,821	18,618	30,999	21,130
Portugal and Cape Verde	2,204	24,382	1,423	23,530
Egypt	18,490	12,210	5,206	13,341
Mozambique	3,154	3,196	7,281	3,814
South Africa	1,729	2,760	3,320	5,585
	62,761	337,834	92,540	106,078
Other	693	5,671	1,660	1,500
Total	63,454	343,505	94,200	107,578

The impairment losses, when it occurs, respects to impairment losses on goodwill, tangible and intangible assets. In the semester ended June 30, 2016 impairment losses were recorded, in goodwill in the amount of 998,556 thousand BRL (€242,832 thousand), and in tangible assets unallocated to operating segments, in the amount of about €4,300 thousand (Note 7 and 8).

In addition, segment assets and liabilities reconciled with the consolidated balances as of June 30, 2016 and December 31, 2015 are as follows:

	06.30.2016			12.31.2015		
	Assets	Liabilities	Net assets	Assets	Liabilities	Net assets
Operating segments:						
Brazil	2,762,544	1,499,647	1,262,897	2,530,303	1,246,302	1,284,001
Argentina and Paraguay	794,363	442,676	351,687	766,382	408,275	358,106
Portugal and Cape Verde	767,396	417,525	349,871	826,241	473,964	352,277
Egypt	436,308	153,500	282,808	488,082	123,843	364,239
Mozambique	230,853	175,628	55,225	281,777	179,310	102,467
South Africa	314,383	116,032	198,351	315,606	123,514	192,092
Total	5,305,847	2,805,008	2,500,839	5,208,391	2,555,208	2,653,182
Other	1,157,893	2,369,361	(1,211,468)	1,264,602	2,429,059	(1,164,456)
Eliminations	(595,668)	(595,668)	-	(573,415)	(573,415)	-
Other investments	9,197	-	9,197	11,758	-	11,758
Total segments	5,877,269	4,578,701	1,298,568	5,911,336	4,410,852	1,500,484

The assets and liabilities not attributable to segments include:

(a) assets and liabilities not attributable to specific segments basically allocated to holding and trading companies;

(b) intragroup eliminations between segments; and

(c) other investments.

22. Events After the Reporting Period

On July 11, InterCement Participações, S.A. ("InterCement") has announced a Cash Tender Offer ("Tender Offer") for the acquisition of all 5.750% Senior Notes due to 2024 ("Notes") issued by its subsidiary Cimpor Financial Operations B.V.. On August 8, InterCement has announced that on the closure date of the referred offer (August 5), the amount (capital) of the Notes, validly offered under the Tender Offer, amounted to USD 83,142,000, corresponding to 12.4% of the Notes in market (except the Notes held by InterCement and its subsidiaries), having, all of these been acquired by InterCement under the Tender Offer. Concerning to the request for consent to introduce changes in the contract which regulate the Notes related to this offer, InterCement did not obtained the necessary consent. As a result, there has not been carried out any change to the contract.

On July 26, 2016 it was sold the investment held in the company Cimpship – Transportes Marítimos, S.A. by the amount of €7,245 thousand.

23. Authorization for Completion of Financial Information

At the meeting held on August 31, 2016, the Board of Directors authorized the completion of this consolidated interim financial statements, being approved them for disclosure.