



Date : 11/11/2014

Management Report
for the Nine Months ended 30 September 2014

The Company has registered a net profit of AED 30,243,683 (AED Thirty Million two hundred forty three thousand six hundred eighty three) for the nine months ending 30 September, 2014 with an increase of 26.64 % compared to a net profit of AED 23,881,777 (AED Twenty three Million eight hundred eighty one thousand seven hundred seventy seven) for the similar period in 2013 .

Cement Sales : registered AED 9,946,137 (AED Nine Million nine hundred forty six thousand one hundred thirty seven) for the nine months ending 30 September, 2014 as compared to AED 9,270,121 (AED Nine Million two hundred seventy thousand one hundred twenty one) achieved during the same period of the year 2013 , and registered Gross operating (loss) of AED (1,547,861) (AED One Million five hundred forty seven thousand eight hundred sixty one) as at 30 Sept. 2014 compared to Gross operating (loss) of AED(1,777,116) (AED One Million seven hundred seventy seven thousand one hundred sixteen) was at 30 Sept. 2013 .

The lower demand and selling prices of cement was the result of the continued stagnation of the market as well as the crisis resulting from the excess of supply over demand, as well as the intense competition between the major cement factories led to the total (loss) in the running.

Investments : shares registered profit of AED 29,287,733 (AED Twenty Nine Million two hundred eighty seven thousand seven hundred thirty three) at 30 Sept. 2014 compared to AED 23,483,282 (AED Twenty three Million four hundred eighty three thousand two hundred eighty two) profit at 30 Sept. 2013 .

Change in Fair value of investment at FVTPL. at 30 Sept. 2014 registered increase of AED 10,044,699 (AED Ten Million forty four thousand six hundred ninety nine) compared to increase of AED 8,634,621 (AED Eight Million six hundred thirty four thousand six hundred twenty one) for the same period last year 2013 .

Gross profit from Investment in shares end of the Third Quarter 2014 was AED 39,332,432 (AED Thirty Nine Million three hundred thirty two thousand four hundred thirty two) compared to gross profit of AED 32,117,903 (AED Thirty two Million one hundred seventeen thousand nine hundred three) for the similar period in 2013 .

Therefore, the investment activity in shares still the essential foundation for the company's profits .



شركة صناعات أسمنت أم القيوين ش.م.ع.
UMM AL-QAIWAIN CEMENT INDUSTRIES CO. P.S.C.



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Future expectations :

Cement market still suffering from excess of supply over demand significantly , but we hope that will soon be improvement in the demand and price adjustment with the advent of large – scale projects anticipated .

Shareholser`s Equity AED 698,337,847 as at 30 Sept. 2014 , The Book Value per share at that date = AED 1.92 .

The following is a summary of the results at the end of third quarter (in the first nine months) for the year 2014 compared to the same period in 2013 .

| <u>30 Sept. 2013</u> <u>AED Million</u> | <u>30 Sept.2014</u> <u>AED Million</u> | |
|--|---|--|
| 363.00 | 363.00 | Capital |
| 626.26 | 625.94 | Total non – Current Assets |
| 94.20 | 135.13 | Total Current Assets |
| 47.61 | 61.52 | Total Current Liabilitis |
| 1.08 | 1.21 | Total non Current Liabilitis |
| 671.76 | 698.34 | Total Shareholders Equity |
| (1.78) | (1.55) | Gross operating profit (loss) for the period |
| 23.88 | 30.24 | Net Profit (loss) for the period |
| 0.066 | 0.083 | Basic Profit (loss) per Share – AED |

Salem Abdullallah Salem Al Hosani

Managing Director



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