

Interim Activity Report
Interim Condensed Consolidated Financial
Statements

CHIMIMPORT AD

31 December 2015



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Interim condensed consolidated statement of financial position

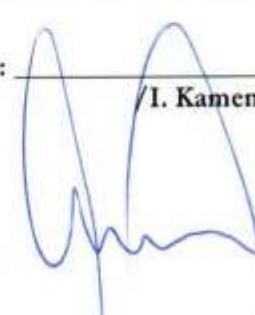
	Notes	31.12.2015 BGN'000	31.12.2014 BGN'000
Assets			
Non-current assets			
Property, plant and equipment	8	586 178	412 179
Investment property		305 723	310 684
Investments accounted for using the equity method	6	29 263	139 526
Goodwill		37 262	38 296
Other intangible assets		71 951	77 139
Long-term financial assets	10	2 648 598	1 848 462
Long-term related party receivables	16	14 052	22 141
Other long-term receivables		114	-
Deferred tax assets		4 371	5 922
Non-current assets		3 697 512	2 854 349
Current assets			
Inventories		42 292	40 820
Short-term financial assets	10	2 353 656	2 373 586
Related party receivables	16	214 419	272 572
Trade receivables		100 865	106 424
Tax receivables		3 189	1 878
Other receivables		190 603	118 493
Reinsurance assets		72 953	15 974
Cash and cash equivalents		1 238 078	1 480 670
Current assets		4 216 055	4 410 417
Assets classified as held for sale		3 598	4 518
Total assets		7 917 165	7 269 284

Prepared by:


/A. Kerezov/

Date: 29 February 2016

Executive director:


/I. Kamenov/

Interim condensed consolidated statement of financial position (continued)

	Notes	31.12.2015 BGN'000	31.12.2014 BGN'000
Equity and liabilities			
Equity			
Share capital	11	225 092	227 384
Share premium		218 469	219 182
Other reserves		92 805	88 512
Retained earnings		706 043	724 312
Profit for the period		57 956	64 476
Equity attributed to the shareholders of parent company		1 300 365	1 323 866
Non-controlling interests		252 048	237 216
Total equity		1 552 413	1 561 082
Specialized reserves		296 130	265 565
Liabilities			
Non-current liabilities			
Long-term financial liabilities	12	1 190 605	1 050 524
Payables to secured persons		940 121	812 260
Long-term trade payables		894	2 236
Long-term related party payables	16	3 607	2 650
Finance lease liabilities		4 983	6 138
Pension and other employee obligations		2 243	2 480
Other liabilities		5 246	4 027
Provisions		598	546
Deferred tax liabilities		29 109	33 128
Non-current liabilities		2 177 406	1 913 989
Current liabilities			
Short-term financial liabilities	12	3 636 123	3 255 294
Trade payables		160 089	142 222
Short-term related party payables	16	16 230	14 914
Finance lease liabilities		1 748	4 638
Pension and other employee obligations		10 412	11 782
Tax liabilities		7 101	8 915
Other liabilities		59 513	90 883
Current liabilities		3 891 216	3 528 648
Total liabilities		6 068 622	5 442 637
Total equity, reserves and liabilities		7 917 165	7 269 284

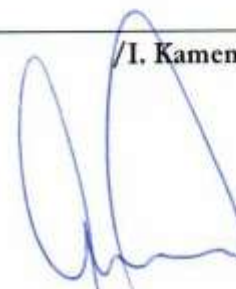
Prepared by: _____

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Date: 29 February 2016

Executive director: _____

/I. Kamenov/

Interim condensed consolidated statement of comprehensive income

	Notes	31.12.2015	31.12.2014
		BGN'000	BGN'000
Income from non-financial activities		528 289	504 665
Expenses for non-financial activities		(492 038)	(473 862)
Change in fair value of investment property		(2 627)	17 362
Gain on sale of non-current assets		19 278	17 975
Net result from non-financial activities		52 902	66 140
Insurance income		611 610	498 725
Insurance expense		(565 077)	(486 033)
Net insurance result		46 533	12 692
Interest income		214 686	229 093
Interest expense		(106 717)	(133 090)
Net interest income		107 969	96 003
Gains from transactions with financial instruments		489 085	493 543
Losses from transactions with financial instruments		(418 294)	(420 181)
Net result from transactions with financial instruments		70 791	73 362
Administrative expenses		(244 386)	(205 626)
Gains from purchases		2 818	15 416
Other financial income		82 992	82 250
Allocation of income to secured persons		(41 957)	(55 151)
Profit before tax		77 662	85 086
Tax expense	13	(4 132)	(6 605)
Net profit for the period		73 530	78 481
Other comprehensive income			
Gains from financial assets		10 003	(4 694)
Total comprehensive income		83 533	73 787
Profit for the year attributable to:			
the shareholders of Chimimport AD		57 956	64 476
non-controlling interests		15 574	14 005
Total comprehensive income attributable to:			
the shareholders of Chimimport AD		64 889	59 982
non-controlling interests		18 644	13 805
Basic earnings per share in BGN	14	0,40	0,45
Diluted earnings per share in BGN	14	0,27	0,30

Prepared by:


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Date: 29 February 2016



Executive director:


/I. Kamenov/

Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000	Equity attributable to the shareholders of Chimimport AD				Total	Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings			
Balance at 1 January 2015	227 384	219 182	88 512	788 788	1 323 866	237 216	1 561 082
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	(2 292)	(713)	-	-	(3 005)	-	(3 005)
Business combinations	-	-	(8 619)	9 752	1 133	(867)	266
Allocation of dividends	-	-	-	-	-	(2 945)	(2 945)
Transactions with owners	(2 292)	(713)	(8 619)	9 752	(1 872)	(3 812)	(5 684)
Profit for the period, ended at 31 December 2015	-	-	-	57 956	57 956	15 574	73 530
Other comprehensive income							
Revaluation of financial assets	-	-	6 933	-	6 933	3 070	10 003
Total comprehensive income for the period	-	-	6 933	57 956	64 889	18 644	83 533
Transfer of retained earnings to other reserves	-	-	5 979	(5 979)	-	-	-
Share on changes in the investments accounted on the equity method	-	-	-	(86 518)	(86 518)	-	(86 518)
Balance at 31 December 2015	225 092	218 469	92 805	763 999	1 300 365	252 048	1 552 413

Prepared by: _____

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Date: 29 February 2016



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Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000

	Equity attributable to the shareholders of Chimimport AD				Total	Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings			
Balance at 1 January 2014	228 183	219 929	91 001	746 171	1 285 284	235 990	1 521 274
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	(799)	(747)	-	-	(1 546)	-	(1 546)
Business combinations	-	-	(10 899)	(8 955)	(19 854)	(7 857)	(27 711)
Allocation of dividends	-	-	-	-	-	(4 722)	(4 722)
Transactions with owners	(799)	(747)	(10 899)	(8 955)	(21 400)	(12 579)	(33 979)
Profit for the year	-	-	-	64 476	64 476	14 005	78 481
Revaluation of financial assets	-	-	(4 494)	-	(4 494)	(200)	(4 694)
Total comprehensive income for the year			(4 494)	64 476	59 982	13 805	73 787
Transfer of retained earnings to other reserves	-	-	12 904	(12 904)	-	-	-
Balance at 31 December 2014	227 384	219 182	88 512	788 788	1 323 866	237 216	1 561 082

Prepared by: _____

/A. Kerezov/

Date: 29 February 2016



Executive director: _____

/I. Kamenov/

Interim condensed consolidated statement of cash flows

	31.12.2015	31.12.2014
	BGN'000	BGN'000
Proceeds from short-term loans	119 119	91 214
Payments for short-term loans	(70 394)	(119 790)
Proceeds from sale of short-term financial assets	489 314	372 790
Purchase of short-term financial assets	(589 001)	(514 090)
Cash receipt from customers	508 402	532 341
Cash paid to suppliers	(433 240)	(455 044)
Proceeds from secured persons	128 982	128 685
Payments to secured persons	(23 108)	(19 144)
Payments to employees and social security institutions	(113 927)	(112 553)
Cash receipts from banking operations	42 528 120	48 339 435
Cash paid for banking operations	(42 341 482)	(48 175 678)
Cash receipts from insurance operations	256 686	253 028
Cash paid for insurance operations	(190 306)	(152 588)
Income taxes paid	(3 182)	(6 321)
Other cash outflows	(43 137)	(54 063)
Net cash flow from operating activities	222 846	108 222
Investing activities		
Net payments for acquisition of subsidiaries	(3 896)	10 257
Dividends received	4 909	4 125
Sale of property, plant and equipment	20 152	319
Purchase of property, plant and equipment	(52 757)	(19 717)
Sale of of intangible assets	20	1 117
Purchase of intangible assets	(1 720)	(1 056)
Sale of investment property	19 286	2 156
Purchase of investment property	(8 617)	(18 437)
Sale of non-current financial assets	1 043 093	253 144
Purchase of non-current financial assets	(1 483 301)	(293 673)
Interest payments received	46 848	65 025
Proceeds from loans granted	45 413	25 797
Payments for loans granted	(29 446)	(25 335)
Other cash outflows	(27 858)	(11 431)
Net cash flow from investing activities	(427 874)	(7 709)
Financing activities		
Paid guaranteed dividends on preferred shares	(1 825)	(5 096)
Purchase of own shares	(1 228)	(1 358)
Proceeds from loans received	32 127	135 947
Payments for loans received	(71 783)	(51 534)
Interest paid	(3 473)	(21 695)
Payments for finance leases	(4 009)	(4 970)
Other cash inflows	8 892	8 053
Net cash flow from financing activities	(41 299)	59 347
Net change in cash and cash equivalents	(246 327)	159 860
Cash and cash equivalents, beginning of year	1 480 670	1 317 412
Exchange profit on cash and cash equivalents	3 735	3 398
Cash and cash equivalents, end of the period	1 238 078	1 480 670

Prepared by: _____

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Date: 29 February 2016

Executive director: _____

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Notes to the interim condensed consolidated financial statements

1. Nature of operations

Chimimport AD was registered as a joint-stock company at Sofia city court on 24 January 1990. The address of the Company's registered office is 2 St. Karadja Str., Sofia, Bulgaria. The Company is registered on the Bulgarian Stock Exchange – Sofia on 30 October 2006. Chimimport AD (The Group) includes the parent company and all subsidiaries.

The Group is engaged in the following business activities:

- Acquisition, management and sale of shares in Bulgarian and foreign companies;
- Financing of companies in which interest is held;
- Bank services, finance, insurance and pension insurance;
- Securitization of real estate and receivables;
- Extraction of oil and natural gas;
- Construction of output capacity in the area of oil-processing industry, production of biodiesel and production of rubber items;
- Production and trading with oil and chemical products;
- Production of vegetable oil, purchasing, processing and trading with grain foods;
- Aviation transport and ground activities on servicing and repairing of aircrafts and aircraft engines;
- River and sea transport and port infrastructure;
- Commercial agency and brokerage;
- Commission, forwarding and warehouse activity.

2. Basis for the preparation of the interim condensed financial statements

These interim condensed consolidated financial statements as of 31 December 2015 have been prepared in accordance with IAS 34 "Interim Financial Reporting". They do not include all of the information and disclosures required in annual consolidated financial statements, and should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and approved by the European Union (EU). Investments in subsidiaries are accounted for and disclosed in accordance with IFR 10 "Consolidated Financial Statements".

Elements of the interim consolidated financial statement of the Group are in the currency of the primary economic environment in which the Group companies carry out their activities ("functional currency"). The interim consolidated financial statements are presented in BGN, which is the functional currency of the parent-company. This is the functional currency of the parent company and subsidiaries, exception from the subsidiaries operating in the Netherlands, Germany, and Slovakia, whose functional currency is the euro, the subsidiaries operating in Macedonia, whose functional currency is the Macedonian denar and subsidiaries operating in Russia, whose functional currency is the Russian ruble. The currency of the Group is the BGN.

The interim condensed consolidated financial statements are presented in Bulgarian leva (BGN), which is also the functional currency of the Company. All amounts are presented in thousand Bulgarian leva (BGN'000) unless otherwise stated.

The interim condensed consolidated financial statements are prepared under the going concern principle..

3. Accounting policies and significant changes during the period

3.1. Overall considerations and adoption of new standards, amendments and interpretations to existing standards that are effective for the year beginning 1 January 2014

These interim condensed consolidated financial statements (the interim consolidated financial statements) have been prepared in accordance with the accounting policies adopted in the last annual consolidated financial statements for the year ended 31 December 2014 except for the adoption of the following new standards, amendments and interpretations to existing standards, which are mandatory for the first time for the financial year beginning 1 January 2015:

IAS 19 “Employee Benefits” (amended) – Employee Contributions, effective from 1 July 2014, adopted by the EU at 17 December 2014.

The amendments to IAS 19 clarify the requirements of IAS 19 relating to contributions from employees or third parties and introduce a practical expedient such that contributions that are independent of the number of years of service may be treated as a reduction in the service cost in the period in which the related service is rendered.

Annual Improvements to IFRSs 2012 effective from 1 July 2014, adopted by the EU at 17 December 2014

These amendments include changes from the 2010-12 cycle of the annual improvements project, that affect 7 standards:

- IFRS 2 ‘Share-based payment’
- IFRS 3 ‘Business Combinations’
- IFRS 8 ‘Operating segments’
- IFRS 13 ‘Fair value measurement’
- IAS 16 ‘Property, plant and equipment’ and IAS 38, ‘Intangible assets’
- IFRS 9 ‘Financial instruments’, IAS 37, ‘Provisions, contingent liabilities and contingent assets’
- IAS 39 ‘Financial instruments – Recognition and measurement’.

Annual Improvements to IFRSs 2013 effective from 1 July 2014, adopted by the EU at 18 December 2014

- The amendments include changes from the 2010-2012 cycle of the annual improvements project that affect 4 standards:
- IFRS 1 ‘First time adoption’
- IFRS 3 ‘Business combinations’
- IFRS 13 ‘Fair value measurement’
- IAS 40 ‘Investment property’.

3.2. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

The following new standards, amendments and interpretations to existing standards have been issued but are not yet effective, and have been not adopted early by the Group:

IFRS 9 “Financial Instruments” effective from 1 January 2018, not yet adopted by the EU

The IASB recently released IFRS 9 'Financial Instruments' (2014), representing the completion of its project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new 'expected credit loss' model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting. The Group's management have yet to assess the impact of IFRS 9 on these consolidated financial statements.

IFRS 9 "Financial Instruments" (amended) – Hedge accounting, effective from 1 January 2018, not yet adopted by the EU

These amendments to IFRS 9, 'Financial instruments', bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements.

IFRS 10 "Consolidated financial statements" and IAS 28 „Investments in associates and joint ventures“ (amended), effective from 1 January 2016, not yet adopted by the EU

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

IFRS 11 "Joint Arrangements" (amended) – Acquisition of an Interest in a Joint Operation, effective from 1 January 2016, not yet adopted by the EU

This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.

IFRS 14 "Regulatory deferral accounts" effective from 1 January 2016, not yet adopted by the EU

IFRS 14, 'Regulatory deferral accounts' permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items.

IFRS 15 "Revenue from Contracts with Customers" effective from 1 January 2017, not yet adopted by the EU

IFRS 15 replaces IAS 18 'Revenue', IAS 11 'Construction Contracts' and some revenue-related Interpretations and establishes a new control-based revenue recognition model. It changes the basis for deciding whether revenue is recognised at a point in time or over time and expands and improves disclosures about revenue. IFRS 15 is based on a core principle that requires an entity to recognise revenue in a manner that depicts the transfer of goods or services to customers and at an amount that reflects the consideration the entity expects to be entitled to in exchange for those goods or services. Early adoption is permitted. Entities are required to apply the new revenue Standard either retrospectively to each prior period presented, subject to some practical expedients or retrospectively, with the cumulative effect of initial application recognized in the current period.

IAS 16 "Property, plant and equipment" and IAS 38 "Intangible Assets" (amended), effective from 1 January 2016, not yet adopted by the EU

In this amendment the IASB has clarified that the use of revenuebased methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes

the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

IAS 27 “Separate financial statements” (amended), effective from 1 January 2016, not yet adopted by the EU

These amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements

Annual Improvements to IFRSs 2014 effective from 1 January 2016, not yet adopted by the EU

These set of amendments impacts 4 standards:

- IFRS 5, ‘Non-current assets held for sale and discontinued operations’ regarding methods of disposal.
- IFRS 7, ‘Financial instruments: Disclosures’, (with consequential amendments to IFRS 1) regarding servicing contracts.
- IAS 19, ‘Employee benefits’ regarding discount rates.
- IAS 34, ‘Interim financial reporting’ regarding disclosure of information.

Management does not expect the new standards and interpretations to have a material effect on the financial statements of the Group.

3.3. Estimates

When preparing the interim condensed consolidated financial statements management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended 31 December 2014

3.4. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements; they should be read in conjunction with the annual financial statements as at 31 December 2013. There have been no changes in the risk management policies since year end.

4. Significant events and transactions during the reporting period

In general the Group condition is stable, in spite the current economic environment and has enough capital and liquidity to proceed with its operational activities and debt.

5. Changes in controlling interests in subsidiaries

5.1. Acquisition of Bulgaria Air Maintenance EOOD

On 6 January 2015 a newly established company was registered Bulgaria Air Maintenance EOOD. The group exercises control over the newly formed company, through its subsidiary Bulgarian Airways Group EAD. The main activity of Bulgaria Air Maintenance EOOD lies in performing activities of additional services in the air transport.

The total cost of the investment company incorporated is BGN 90 614 thousand and represents registered capital of the company.

	BGN'000
Consideration transferred settled in installment in kind	(90 614)
Cash and cash equivalents acquired	-
Net cash outflow on acquisition	(90 614)

5.2. Sale of parts of controlling interest in Zyrneni Hrani Bulgaria AD

In 2015, the Group sold equity amounting to 1.07% in its subsidiary Zyrneni Hrani Bulgaria AD for the amount of BGN 954 thousand. Thereby reducing its controlling interest to 68.68%.

The carrying value of the net assets of the subsidiary Zyrneni Hrani Bulgaria AD recognized at the date of sale in the consolidated financial statements as an increase in non-controlling interests amounts to BGN 2 872 thousand. The Group recognized an decrease in retained earnings in the amount of BGN 1 918 thousand

	BGN'000
Total consideration transferred	954
Additional share sold in the net assets of Zyrneni Hrani Bulgaria AD	(2 872)
Decrease in retained earnings	1 918

6. Investments accounted for using equity method

6.1. Investments in associates

The Group owns shares in the share capital of the following associated companies:

Name	31.12.2015	Share	31.12.2014	Share
	BGN'000	%	BGN'000	%
Lufthansa Technik Sofia OOD	5 666	24.90%	6 038	24.90%
VTC AD	3 963	41.00%	2 541	41.00%
Amadeus Bulgaria OOD	3 168	45.00%	3 140	45.00%
Silver Wings Bulgaria Ltd.	5 854	42.50%	5 656	42.50%
Swissport Bulgaria	3 352	49.00%	2 933	49.00%
Dobrich fair AD	755	39.98%	695	39.98%
Kavarna Gas OOD	462	35.00%	466	35.00%
Fraport TSAM AD	-	0.00%	117 021	40.00%
	23 220		138 490	

Investments in associates are presented in the interim condensed consolidated financial statements of the Group using the equity method. Associates have a reporting date as at 31 December 2015.

6.2. Investments in joint ventures

The Group holds shares in the capital of these joint ventures:

Name	31.12.2015 BGN '000	Share %	31.12.2014 BGN '000	Share %
Nuance BG AD	1 036	50,00%	1 036	50.00%
Varna ferry OOD	5 007	50,00%	-	50.00%
	<u>6 043</u>		<u>1 036</u>	

7. Segment reporting

The management responsible for making the business decisions determines the business segments on the grounds of the types of activities, the main products and services rendered by the Group. The activities of the Group are analyzed as a whole of business segments that may vary depending on the nature and development of a certain segment by considering the influence of the risk factors, cash flows, products and market requirements.

Each business segment is managed separately as long as it requires different technologies and resources or marketing approaches. The adoption of IFRS 8 had no influence on the identification of the main business segments of the Group in comparison with those determined in the last consolidated financial statements.

According to IFRS 8 the profits reported by segments are based on the information used for the needs of the internal management reporting and is regularly reviewed from those responsible for the business decisions.

According to IFRS 8 the Group applies the same evaluation policy as in the last consolidated financial statements.

The operating segments of the Group are as follows:

- Production, trade and services
- Finance sector
- Transport sector
- Real estate sector
- Construction and engineering sector

Information about the operating segments of the Group is summarized as follows:



Operating segments 31 December 2015	Production, trade and services	Financial sector	Transport sector	Real estate sector	Construction and engineering sector	Elimination	Consolidated
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Income from non-financial activities from external customers	137 646	21 863	345 020	337	22 069	1 354	528 289
Change in fair value of investment property	(4 203)	33	-	-	-	1 543	(2 627)
Gain from sale of non-current assets	2 595	46	391	17 283	-	(1 037)	19 278
Inter-segment income from non-financial activities	10 276	2 103	6 037	-	1 673	(20 089)	-
Total income from non-financial activities	146 314	24 045	351 448	17 620	23 742	(18 229)	544 940
Result from non-financial activities	11 810	24 045	7 856	16 248	27	(7 084)	52 902
Insurance income from external customers	-	611 610	-	-	-	-	611 610
Inter-segment insurance income	-	6 454	-	-	-	(6 454)	-
Total insurance income	-	618 064	-	-	-	(6 454)	611 610
Result from insurance	-	52 198	-	-	-	(5 665)	46 533
Interest income	6 233	239 970	3 964	471	139	(36 091)	214 686
Interest expenses	(10 051)	(119 880)	(11 557)	(71)	(584)	35 426	(106 717)
Result from interest	(3 818)	120 090	(7 593)	400	(445)	(665)	107 969
Gains from transactions with financial instruments	15 685	484 789	1 599	-	55	(13 043)	489 085
Result from transactions with financial instruments	15 564	64 232	695	-	55	(9 755)	70 791
Administrative expenses	(8 779)	(240 326)	(9 537)	-	-	14 256	(244 386)
Net result from equity accounted investments in associates	60	-	2 758	-	-	-	2 818
Other financial income/ expense	30	81 189	2 514	(28)	(37)	(676)	82 992
Profit for allocating insurance batches	-	(41 957)	-	-	-	-	(41 957)
Profit for the period before tax	14 867	59 471	(3 307)	16 620	(400)	(9 589)	77 662
Tax expenses	(46)	(2 051)	(358)	(1 626)	(61)	10	(4 132)
Net profit for the period	14 821	57 420	(3 665)	14 994	(461)	(9 579)	73 530



Operating segments	Production, trade and services	Financial sector	Transport sector	Real estate Sector	Construction and engineering sector	Elimination	Consolidated
31 December 2015	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Assets of the segment	722 387	8 503 683	910 834	66 358	18 238	(2 333 598)	7 887 902
Equity accounted investments in associates	4 027	-	20 211	5	4	5 016	29 263
Total consolidated assets	726 414	8 503 683	931 045	66 363	18 242	(2 328 582)	7 917 165
Specialized reserves	-	296 130	-	-	-	-	296 130
Liabilities of the segment	268 159	6 223 018	451 621	3 762	14 799	(892 737)	6 068 622
Total consolidated liabilities	268 159	6 223 018	451 621	3 762	14 799	(892 737)	6 068 622



- as at 30.09.2014

Operating segments
30 September 2014

	Production, trade and services	Financial sector	Transport sector	Real estate sector	Construction and engineering sector	Elimination	Consolidated
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Income from non-financial activities from external customers	105 612	29 035	360 319	326	7 011	2 362	504 665
Change in fair value of investment property	(1 150)	3 425	15 062	-	-	25	17 362
Gain from sale of non-current assets	2 000	6 926	1 240	-	1 470	6 339	17 975
Inter-segment income from non-financial activities	22 017	3 862	4 689	-	823	(31 391)	-
Total income from non-financial activities	128 479	43 248	381 310	326	9 304	(22 665)	540 002
Result from non-financial activities	12 543	39 577	8 059	(161)	992	5 130	66 140
Insurance income from external customers	-	498 725	-	-	-	-	498 725
Inter-segment insurance income	-	5 552	-	-	-	(5 552)	-
Total insurance income	-	504 277	-	-	-	(5 552)	498 725
Result from insurance	-	17 567	-	-	-	(4 875)	12 692
Interest income	9 088	246 230	14 598	529	218	(41 570)	229 093
Interest expenses	(11 624)	(148 856)	(13 495)	(38)	(647)	41 570	(133 090)
Result from interest	(2 536)	97 374	1 103	491	(429)	-	96 003
Gains from transactions with financial instruments	13 028	483 637	9 955	-	-	(26 167)	480 453
Inter – segment gain from transactions with financial instruments	8 672	3 215	1 188	-	15	-	13 090
Total gain from transactions with financial instruments	21 700	486 852	11 143	-	15	(26 167)	493 543
Result from transactions with financial instruments	21 251	65 764	10 648	-	15	(24 316)	73 362
Administrative expenses	(7 627)	(203 011)	(11 772)	-	-	16 784	(205 626)
Net result from equity accounted investments in associates	60	-	15 356	-	-	-	15 416
Other financial income/ expense	110	84 393	(1 311)	(4)	(115)	(823)	82 250
Profit for allocating insurance batches	-	(55 151)	-	-	-	-	(55 151)
Profit for the period before tax	23 801	46 513	22 083	326	463	(8 100)	85 086
Tax expenses	(1 367)	(5 491)	361	(42)	(51)	(15)	(6 605)
Net profit for the period	22 434	41 022	22 444	284	412	(8 115)	78 481



Operating segments	Production, trade and services	Financial sector	Transport sector	Real estate Sector	Construction and engineering sector	Elimination	Consolidated
31 December 2014	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Assets of the segment	767 884	7 763 852	818 539	49 069	16 864	(2 286 450)	7 129 758
Equity accounted investments in associates	4 027	-	20 287	-	4	115 208	139 526
Total consolidated assets	771 911	7 763 852	838 826	49 069	16 868	(2 171 242)	7 269 284
Specialized reserves	-	265 565	-	-	-		265 565
Liabilities of the segment	319 790	5 578 378	385 588	1 462	12 856	(855 437)	5 442 637
Total consolidated liabilities	319 790	5 578 378	385 588	1 462	12 856	(855 437)	5 442 637



8. Property, plant and equipment

Property, plant and equipment of the Group include land, buildings, plant and equipment, vehicles, repairs of rented fixed assets, assets in process of acquisition, etc. presented in the consolidated interim financial statements as at December 31, 2015. Their carrying amount can be analyzed as follows:

	Land	Building	Machines	Equipment and spare parts	Vehicles	Repairs	Others	Assets in process of acquisition	Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at 1 January 2015	59 712	65 257	107 859	146 880	123 147	17 810	66 813	82 718	670 196
Additions:									
- through business combinations	16 645	17 134	-	-	-	-	38 505	-	72 284
- separately acquired	3 599	30 395	13 767	7 097	8 166	-	129 364	55 110	247 498
Disposals									
- separately disposed	(3 041)	(15 976)	(8 005)	(480)	(36 609)	-	-	(69 573)	(133 684)
Balance at 31 December 2015	76 915	96 810	113 621	153 497	94 704	17 810	234 682	68 255	856 294
Depreciation									
Balance at 1 January 2015	-	(20 099)	(86 215)	(40 651)	(63 106)	(17 416)	(30 530)	-	(258 017)
Business combinations	-	(8)	(1 017)	-	(220)	-	(97)	-	(1 342)
Disposals	-	336	3 912	202	18 426	-	178	-	23 054
Depreciation	-	(2 931)	(8 474)	(3 344)	(5 625)	(394)	(13 043)	-	(33 811)
Balance at 31 December 2015	-	(22 702)	(91 794)	(43 793)	(50 525)	(17 810)	(43 492)	-	(270 116)
Carrying amount at 31 December 2015	76 915	74 108	21 827	109 704	44 179	-	191 190	68 255	586 178



- as at 31 December 2014

	Land	Building	Machines	Equipment and spare parts	Vehicles	Repairs	Others	Assets in process of acquisition	Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at 1 January 2014	62 561	92 347	107 546	144 270	125 231	27 940	56 538	72 659	689 092
Additions:									
- business combinations	30	1 403	-	-	85	-	136	95	1 749
- separately acquired	75	988	13 142	3 269	2 799	1 703	10 314	50 031	82 321
Disposals								822	822
- separately disposed	(2 954)	(29 481)	(12 343)	(659)	(4 968)	(11 703)	(175)	(40 797)	(103 080)
- through business combination	-	-	(382)	-	-	(130)	-	(92)	(604)
- assets held for sale (or in disposal group)	-	-	(104)	-	-	-	-	-	(104)
Balance at 31 December 2014	59 712	65 257	107 859	146 880	123 147	17 810	66 813	82 718	670 196
Depreciation									
Balance at 1 January 2014	-	(22 544)	(84 945)	(36 900)	(58 715)	(26 551)	(29 096)	-	(258 751)
Disposal	-	5 005	6 834	549	-	11 703	55	-	24 146
Depreciation	-	(2 560)	(8 104)	(4 300)	(4 391)	(2 568)	(1 489)	-	(23 412)
Balance at 31 December 2014	-	(20 099)	(86 215)	(40 651)	(63 106)	(17 416)	(30 530)	-	(258 017)
Carrying amount at 31 December 2014	59 712	45 158	21 644	106 229	60 041	394	36 283	82 718	412 179

9. Long-term financial assets

Financial assets, recognized in the interim condensed consolidated statement of financial position, include the following financial asset categories:

	31.12.2015	31.12.2014
	BGN '000	BGN '000
Financial assets at fair value through profit or loss	6 169	17 082
Held-to-maturity financial assets	646 342	189 051
Loans and receivables	1 834 815	1 391 505
Available-for-sale financial assets	202 229	264 039
	2 689 555	1 861 677
Impairment	(40 957)	(13 215)
	2 648 598	1 848 462

Compared to the previous year, the Group has significantly increased its investments in Bulgarian government securities and government bonds of EU countries, classified as financial assets held to maturity.

10. Short-term financial assets

Financial assets, recognized in the interim condensed consolidated statement of financial position, include the following financial asset categories:

	31.12.2015	31.12.2014
	BGN '000	BGN '000
Financial assets at fair value through profit or loss	1 257 067	1 169 619
Held-to-maturity financial assets	117 670	109 287
Loans and receivables	863 621	962 803
Held for sale financial assets	79 951	92 157
Receivables on insurance and reinsurance contracts	57 409	62 392
	2 375 718	2 396 258
Impairment	(22 062)	(22 672)
	2 353 656	2 373 586

11. Share capital

The share capital of Chimimport AD as at 31 December 2015 consists of 150 875 596 (31.12.2014: 150 875 596) ordinary shares with a par value of BGN 1 per share and 88 770 671 (31.12.2014: 88 770 671) preferred shares with a par value of BGN 1, including 6 636 181 (31.12.2014: (6 579 081) ordinary shares and 7 918 031 (31.12.2014: 5 682 902) preferred shares, acquired by companies of Chimimport Group. The ordinary shares of Chimimport AD are registered and subject to unrestricted transfers and entitle 1 voting right and liquidation quota. The preferred shares do not entitle voting rights. They give the owner the right to a cumulative guaranteed dividend and to a guaranteed liquidation quota of the Group's estate.

Shares issued and fully paid:	31.12.2015	31.12.2014
- beginning of the year	227 384 284	228 183 193
- treasury shares /ordinary and preferred/, acquired by subsidiaries during the year	(2 292 229)	(798 909)
Shares issued and fully paid as at period end	225 092 055	227 384 284

On 12 June 2009 Chimimport AD issued mandatory convertible preferred shares with 9% guaranteed fixed annual dividend and guaranteed liquidation quota. 89 646 283 preferred shares are issued and paid with issue value amounting to BGN 2.22 each, representing 99.61% of the offered shares. The accumulated capital during the public offering amounts to BGN 199 015 thousand. The obligatory conversion of the shares occurs at the end of the seventh year after the registration of the capital increase in the Trade register.

The accumulated funds above the nominal value of the share capital amounting to BGN 105 082 thousand are allocated as follows:

- BGN 27 622 thousand – share premium
- BGN (943) thousand – reduction of share premium due to treasury shares acquired by subsidiaries
- BGN 8 348 thousand – current dividend payables
- BGN (634) thousand – reduction of current dividend payables due to treasury shares acquired by subsidiaries
- BGN 70 008 thousand – non-current dividend payables
- BGN (2 710) thousand – reduction of non-current dividend payables due to treasury shares acquired by subsidiaries
- BGN 3 391 thousand - share issue expenses
-

Dividend payables and share premium, resulting from the acquisition of 2 292 229 preferred and ordinary shares of the Group by subsidiaries, are allocated as follows:

- BGN 28 271 thousand – share premium
- BGN (2 520) thousand – reduction of share premium due to treasury shares acquired by subsidiaries
- BGN 16 790 thousand – current dividend payables
- BGN (2 533) thousand – reduction of current dividend payables due to treasury shares acquired by subsidiaries
- BGN 8 081 thousand – non-current dividend payables
- BGN (1 169) thousand – reduction of non-current dividend payables due to treasury shares acquired by subsidiaries

The list of the principal shareholders, holding ordinary shares of the Group, is as follows:

	31.12.2015	31.12.2015	31.12.2014	31.12.2014
	Number of ordinary shares	%	Number of ordinary shares	%
Invest Capital AD	111 439 365	73,86%	111 539 365	73.93%
Other legal entities and private individuals	39 436 231	26,14%	39 336 231	26.07%
	150 875 596	100,00%	150 875 596	100.00%
Shares of the Group, acquired by subsidiaries				
CCB Group AD	(5 160 005)	3,42%	(5 160 005)	3.42%
ZAD Armeec	(745 400)	0,49%	(745 400)	0.49%
CCB AD	(121 100)	0,08%	(120 000)	0.08%
POAD CCB Sila	(609 676)	0,40%	(553 676)	0.37%
	(6 636 181)	4.40%	(6 579 081)	4.36%
Net number of shares	144 239 415		144 296 515	

The list of principle shareholders, holding shares (ordinary shares and preferred shares) of the capital of Chimimport AD is presented as follows:

	31.12.2015	31.12.2015	31.12.2014	31.12.2014
	Number of shares /ordinary and preferred/	%	Number of shares /ordinary and preferred/	%
Invest Capital AD	176 830 847	73,79%	182 140 887	76.00%
Other legal entities and private individuals	62 815 420	26,21%	57 505 380	24.00%
	239 646 267	100,00%	239 646 267	100.00%
Shares of the Group, acquired by subsidiaries				
CCB Group AD	(5 160 005)	2,15%	(5 160 005)	2.15%
ZAD Armeec	(3 745 400)	1,56%	(3 745 400)	1.56%
CCB AD	(188 100)	0,08%	(145 500)	0.06%
POAD CCB Sila	(5 460 707)	2,28%	(3 211 078)	1.34%
	(14 554 212)	6,07%	(12 261 983)	5.11%
Net number of shares	225 092 055		227 384 284	

Withholding tax for dividends due from individuals and foreign legal entities, registered in countries that are not members of EU for 2014 and 2015 amounts to 5% and the tax is deducted from the gross amount of dividends.

12. Borrowings

Borrowings include financial liabilities as follows:

	Current		Non-current	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	BGN'000	BGN'000	BGN'000	BGN'000
Financial liabilities measured at amortized cost:				
Liabilities to depositors	3 462 084	3 092 272	835 886	755 990
Liabilities for dividends	14 257	14 127	6 912	20 545
Bonds and debenture loan	8 169	3 980	181 628	174 571
Bank loans	49 183	39 060	105 823	44 300
Other borrowings	44 543	31 798	4 467	5 188
Insurance contract liabilities	36 264	15 946	-	-
Derivatives, held-for-trading	578	2 633	-	-
Deposits from banks	6 432	17 875	-	620
Cession liabilities	5 599	36 195	55 889	49 310
Liabilities under repurchase agreements	9 014	1 408	-	-
Total carrying amount	3 636 123	3 255 294	1 190 605	1 050 524

During the period the Group of Chimimport received borrowings other than borrowings from banking activities under long-term and short-term loans agreements for cash at interest rates between 8% - 11%

13. Income tax expenses

Recognized tax expenses are based on management's best estimate of the expected annual tax rate. The tax rate, valid for 2015 is 10% corporate tax (the expected annual tax rate for the period ended on 31 December 2014 was 10%).

14. Earnings per shares

Basic earnings per share have been calculated using the profit attributed to shareholders of the parent company as the numerator.

The weighted average number of outstanding shares used for basic earnings per share as well as the net profit, less the dividend expense, attributable to shareholders, is as follows:

	31 December 2015	31 December 2014
Profit attributable to the shareholders (BGN)	57 956 000	64 476 000
Weighted average number of outstanding shares	144 282 279	144 478 166
Basic earnings per share (BGN per share)	0.402	0.45

The weighted average number of shares /ordinary and preferred/, used in calculating the diluted basic earnings per share, as well as the net profit, adjusted with dividend expense, attributable to shareholders, is as follows:

	31 December 2015	31 December 2014
Net profit, attributable to shareholders, adjusted with dividend expense (BGN)	61 197 800	69 082 200
Weighted average number of shares	225 636 294	227 860 731
Diluted earnings per share (BGN per share)	0.27	0.30

15. Related party transactions

The Group's related parties include its owners, associates and key management personnel.

15.1. Transaction with owners

Sale of goods and services, interest income and other income	31.12.2015	31.12.2014
	BGN'000	BGN'000
<i>- interest income</i>		
Owners	5 783	9 159
<i>- sale of services</i>		
Owners	10	0
Interest expense		
<i>- purchases of services</i>		
Owners	(100)	(21)
<i>- interest expense</i>		
Owners	(1)	(5)

15.2. Transaction with associates and other related parties under common control

Sale of goods and services, interest income and other income	31.12.2015	31.12.2014
	BGN'000	BGN'000
<i>- sale of finished goods</i>		
- associated parties	859	1 251
- other related parties	478	488
<i>- sale of goods</i>		
- associated parties	135	1 363
- other related parties	308	297
<i>- sale of services</i>		
- associated parties	6 456	3 510
- joint ventures	-	-
- other related parties	2 235	2 428
<i>- interest income</i>		



Sale of goods and services, interest income and other income	31.12.2015	31.12.2014
	BGN'000	BGN'000
- associated parties	53	52
- joint ventures	25	124
- other related parties	1 480	11 053
<i>- other income</i>		
- other related parties	-	11 055

Purchase of services and interest expense	31.12.2015	31.12.2014
	BGN'000	BGN'000
<i>- purchase of services</i>		
- associated parties	(21 174)	(22 045)
- joint ventures	(1 921)	(954)
<i>- interest expense and other expenses</i>		
- associated parties	(84)	(139)
- joint ventures	(47)	(267)

15.3. Transaction with key management personnel

Key management of the Group includes members of the Managing Board and Supervisory Board. Key management personnel remuneration includes the following expenses:

	31.12.2015	31.12.2014
	BGN'000	BGN'000
Short-term employee benefits:		
Salaries, including bonuses	1 544	339
Social security costs	19	18
Group car allowance	2	1
	1 565	268

16. Related party balances

	31.12.2015	31.12.2014
	BGN'000	BGN'000
Non-current receivables from:		
<i>-owners</i>	4 207	2 762
<i>-associated parties</i>	1 096	2 347
<i>-joint- ventures</i>	2 005	2 433
<i>- other related parties</i>	6 744	14 599
Total	14 052	22 141
Current receivables from:		
<i>-owners</i>	182 893	125 786
<i>- associates</i>	3 271	1 538
<i>-joint- ventures</i>	2	1 173
<i>- other related parties</i>	28 253	144 075
Total	214 419	272 572



	31.12.2015	31.12.2014
	BGN'000	BGN'000
Non-current payables to:		
-owners	37	2
- associates and joint ventures	2 005	1 834
- joint- ventures	145	432
- other related parties	1 420	382
Total	3 607	2 650
Current payables to:		
-owners	268	355
- associates	11 622	8 576
- joint- ventures	-	338
- other related parties	4 430	5 645
Total	16 230	14 914

17. Post - reporting date events

No significant events have occurred between the reporting date and the date of authorization

18. Autoriazation of the interim condensed financial statements

The interim condensed consolidated financial statements as of 31 December 2015 (including comparatives) were approved for issue by the Managing board on 29 February 2016.