Interim Consolidated Financial Report

1st Quarter 2014

Translated from the original version in Portuguese

Cement Dispatch Warehouse– Ijaci Plant (MG) – Brazil

CIMPOR

a member of InterCement

CIMPOR – Cimentos de Portugal, SGPS, S. A.
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Public Company | Tax and Lisbon Commercial Registry Number: 500 722 900 | Share Capital 672 000 000 Euros

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12% in sales reflects strengthened market positions. Exchange rates affect results.

Sales of cement and clinker in the first quarter of 2014 rise 12% year on year to 7.2 million tons. Turnover totals 593 million euros.

In the first three months of 2014 Cimpor posted EBITDA growth of 15,3%, in local currency. If considered the forex impact in the consolidation, EBITDA present a retraction of 9.7%.

- Positive effects of synergies and integration of the new portfolio mitigate exchange rate effect in energy costs in Brazil.
- Argentina shows less momentum against 1Q'13 whilst business growth in Paraguay exceeds 30% by leveraging the new cement mill installed there.
- Commercial strength in Egypt made it possible to overcome access difficulties and rise in cost of fuel.
- 70% of cement produced in Portugal exported to foreign markets, softening local market 12% slow down.
- Mozambique faces up to imports and prepares for work to increase operating efficiency, whilst in South Africa commercial policy provides positive results in combatting imports.
- Cimpor affirms its position amongst the sector's biggest traders with growth of 43.9% in volume traded in the quarter.

Exchange rate effect and interest rates rises decisive for financial results.

Cimpor is a benchmark for efficiency amongst its peers, notably in terms of EBITDA (22.5%), despite pressure from energy costs.

Main Indicators			
	1th Quarter		
	2014	2013	Var. %
Cement and Clinker Sales (million ton)	7,171.1	6,389.8	12.2
Turnover (million Euros)	592.5	635.9	-6.8
EBITDA (million Euros)	133.1	147.4	-9.7
Net Profit (million Euros) (1)	(10.8)	47.2	-122.9

(1) Attributable to Shareholders (2013 Restated)

1. Operating Performance

In the first quarter of 2014 the effect of reinforcing market positions in the different geographies and the inherent rise in business are mitigated within the Financial Statements by the exchange rate impact, which led to a downturn of 6.8% in turnover and 9.7% in EBITDA, against the same period of 2013.

Positive factors in this period include a 12% rise in cement and clinker sales, widening of geographic distribution in Brazil, commercial performance in Egypt and Paraguay and 155% EBITDA growth of the Trading business. On the other hand exchange rate instability in Argentina, a rise in fuel costs in Egypt, recession in the Portuguese market, strong competition from imports in Mozambique and South Africa held results back from further growth.

In Brazil pressure on energy costs and lower non-recurring items were offset by dynamic trade and the synergies achieved. In Argentina, despite economic and exchange rate turbulence in the first three months of the year, contraction in economic activity was controlled at a downturn of -1.5% in sales. In Paraguay Cimpor took advantage of market growth by leveraging the launch of its new mill.

In Portugal, where the market contracted by 12%, there was a substantial increase in exports, which now account for around 70% of its business, which allowed it to maintain its contribution to the group's results, which in 1Q'13 were affected by restructuring costs.

Egypt maintains its trend for good results and overcoming social and economic instability and the restrictions experienced in access to fuel, through an aggressive commercial policy and stock management – which allowed Cimpor to stand out in relation to the competition despite fuel restrictions that affected cement production.

The contribution of business in Mozambique, which has two new mills (Dondo and Matola II), was affected by an increase in imports and by the operating challenges at some units, including variations in electricity supply.

In South Africa, the recent redefinition of commercial strategy – based on recovery of sales and market share, with the introduction of new products – alongside development of a new programme to increase efficiency made it possible to tackle the effect of increased competition and post operating efficiency growth.

Sales

The first three months of 2014, compared to the same period of 2013, were characterised by a 12.2% rise in total cement and clinker sales.

Sales rose in all regions where the group has a presence. In South America sales increased by 5.2% and by 18.9% in Africa.

Cimpor's strong export dynamic out of its base in Portugal rose by 43.8% against 1Q'13, leading to growth in sales attributed to this geographical area of over 20%.

Cement and Clinker Sales - BU opening			
(thousand tons)	1th Quarter		
	2014	2013	Var. %
Brazil	3,110	2,888	7.7
Argentina	1,428	1,449	-1.5
Paraguay	95	65	45.8
Portugal	1,084	893	21.5
Cape Verde	43	40	7.1
Egypt	994	819	21.3
Mozambique	296	265	11.7
South Africa	295	249	18.4
Sub-Total	**7,344**	**6,668**	**10.1**
Intra-Group Eliminations	-173	-278	
Consolidated Total	**7,171**	**6,390**	**12.2**

Turnover

Turnover totalled 592.5 million euros, excluding the exchange rate impact Turnover would have totalled 744 million euros and growth of 17%, which compared to a 6.8% downturn due to conversion of all currencies into euros.

Penalties resulting from depreciation of the Brazilian (25.3%), Argentinean (57.8%) and South African (25.7%) currencies were decisive in the negative impact on consolidated Turnover.

The Trading business increased its transactions to over 1 million tons (+43.8% against 1Q'13), and increased its turnover by over 37% thus increasingly making Cimpor a benchmark in the sector.

Turnover - BU opening			
(€ million)	1th Quarter		
	2014	2013	Var. %
Brazil	273.5	313.0	-12.6
Argentina	116.8	143.5	-18.7
Paraguay	12.2	9.6	26.9
Portugal	66.4	62.1	6.9
Cape Verde	6.4	5.6	15.5
Egypt	58.9	46.3	27.2
Mozambique	28.5	28.8	-1.2
South Africa	24.6	27.0	-8.9
Trading / Shipping	78.0	56.95	37.0
Others	12.1	9.61	25.8
Sub-Total	**677.3**	**702.4**	
Intra-Group Eliminations	-84.8	-66.6	
Consolidated Total	**592.5**	**635.9**	**-6.8**

EBITDA

EBITDA			
(€ million)	1th Quarter		
	2014	2013	Var. %
South America	96.5	121.9	-20.8
Portugal and Cape Verde	4.7	-1.5	n.m.
Africa	26.0	26.2	-0.9
Others	5.9	0.7	n.m.
Consolidated	**133.1**	**147.4**	**-9.7**
EBITDA Margin	**22.5%**	**23.2%**	**-0.7 p.p.**

EBITDA in the first quarter of 2014 totalled 133.1 billion euros. Excluding negative exchange rate impacts EBITDA rose to 169 million euros and posted growth of 15%, which in the consolidation in euros became a downturn of 9.7%.

With a margin of 22.5% Cimpor remains a benchmark of efficiency amongst its peers. The comparison against the 1st quarter of last year is down 0.7p.p. due to the indexation of energy costs to the euro and to the US dollar and due to the increased weight of the Trading business, as in this business margins are generally lower than in local business.

2. Amortizations and Provisions

Amortizations and provisions fell by 11.6 percent also affected by the exchange rate as in local currency amortizations recorded no significant change.

3. Financial Income and Taxes

Financial income, which fell by 64 million euros mainly due to a negative exchange rate impact, the redesign of the debt profile and extension of maturity structure – which now has no significant repayments due until 2017.

Taxes on income at the end of the quarter totalled 6.4 million euros, a reduction that was due to the smaller result posted in the 1st quarter of 2014.

4. Net income

Despite good operating performance, the effect of exchange rate differences on EBITDA and on Financial Income led to Net Income attributable to shareholders that was negative by 10.8 million euros.

Income Statement			
(€ million)	1th Quarter		
	2014	2013 Restated	Var. %
Turnover	**592.5**	**635.9**	**-6.8**
Net Operational Cash Costs	459.4	488.5	-5.9
Operational Cash Flow (EBITDA)	**133.1**	**147.4**	**-9.7**
Amortisations and Provisions	43.3	49.0	-11.6
Operating Income (EBIT)	**89.8**	**98.4**	**-8.8**
Financial Results	-92.9	-28.9	n.m.
Pre-tax Income	**-3.1**	**69.5**	**-104.5**
Income Tax	6.4	20.7	-69.2
Net Income	**-9.5**	**48.8**	**-119.5**
Attributable to:			
Shareholders	-10.8	47.2	-122.9
Minority Interests	1.3	1.6	-16.7

5. Balance Sheet

On 31 March 2014, Cimpor's Net Assets totalled 1.324 billion euros. Investments in the 1st quarter of 2014 were around 60 million in line with a policy of strict investment selection.

Consolidated Balance Sheet Summary			
(€ million)	31 Mar 2014	31 Dec 2013	Var. %
Assets			
Non-current Assets	4,915	4,976	-1.2
Current Assets			
Cash and Equivalents	582	691	-15.8
Other Current Assets	828	784	5.6
Non Current Assets available for sale	0	0	0.0
Total Assets	**6,324**	**6,451**	**-2.0**
Shareholders' Equity attributable to:			
Equity Holders	885	947	-6.6
Minority Interests	41	41	2.2
Total Shareholders' Equity	**926**	**988**	**-6.2**
Liabilities			
Loans	4,127	4,125	0.0
Provisions	141	143	-1.0
Other Liabilities	1,129	1,196	-5.6
Total Liabilities	**5,398**	**5,464**	**-1.2**
Total Liabilities and Shareholders' Equity	**6,324**	**6,451**	**-2.0**

The Board of Directors

Daniel Proença de Carvalho

Luiz Roberto Ortiz Nascimento	Albrecht Curt Reuter Domenech
José Édison Barros Franco	Claudio Borin Guedes Palaia
André Pires Oliveira Dias	Ricardo Fonseca de Mendonça Lima
Nélson Tambelini Júnior	José Manuel Neves Adelino
Pedro Miguel Duarte Rebelo de Sousa	António Soares Pinto Barbosa

Transportation of raw materials by cable car system – Apiaí Plant (SP) – Brazil

INTERIM CONSOLIDATED REPORT

1st Quarter 2014

Condensed Consolidated Statement

of Profit and Loss and Other Comprehensive Income for the periods ended 31 March 2014 and 2013 (Restated)

(Unaudited)

(Amounts stated on thousand euros)

(Translation from the Portuguese original – Note 25)

	Notes	2014	2013 (Restated)
Operating income:			
Sales and services rendered	6	592,520	635,857
Other operating income		4,503	9,163
Total operating income		597,023	645,019
Operating expenses:			
Cost of goods sold and material used in production		(136,303)	(162,700)
Changes in inventories of finished goods and work in progress		144	1,356
Outside supplies and services		(253,594)	(244,118)
Payroll costs		(66,642)	(85,339)
Depreciation, amortisation and impairment losses on goodwill, tangible and intangible assets	6	(43,223)	(50,810)
Provisions	6 and 16	(86)	1,823
Other operating expenses		(7,555)	(6,846)
Total operating expenses		(507,258)	(546,635)
Net operating income	6	89,765	98,384
Net financial expenses	6 and 7	(92,971)	(29,016)
Other investment income	6 and 7	61	127
Profit before income tax	6	(3,145)	69,495
Income tax	6 and 8	(6,379)	(20,724)
Net profit for the period	6	(9,524)	48,771
Other comprehensive income:			
That might be subsequently reclassified to espenses and income:			
Derivative financial instruments		91	-
Currency translation adjustments (Variation)		(49,860)	26,753
Results recognize directly in equity		(49,770)	26,753
Total comprehensive income for the period		(59,294)	75,524
Net profit for the year attributable to:			
Equity holders of the parent	10	(10,823)	47,213
Non-controlling interests	6	1,299	1,558
		(9,524)	48,771
Total comprehensive income for the period attributable to:			
Equity holders of the parent		(60,318)	72,189
Non-controlling interests		1,024	3,335
		(59,294)	75,524
Earnings per share:			
Basic	10	(0.02)	0.08
Diluted	10	(0.02)	0.08

The accompanying notes form an integral part of the consolidated financial statements for the three months ended 31 March 2014.

Condensed Consolidated Statement
of Financial Position at 31 March 2014 and 31 December 2013 (Unaudited)

(Amounts stated on thousand euros)

(Translation from the Portuguese original – Note 25)

	Notes	March 2014	December 2013
Non-current assets:			
Goodwill	11	1,953,177	1,958,671
Intangible assets		30,441	32,422
Tangible assets	12	2,724,279	2,774,490
Investments in associates	6	8,299	8,414
Other investments		14,029	13,585
Other non-current assets		53,088	60,744
Deferred tax assets	8	131,346	127,401
Total non-current assets		4,914,659	4,975,727
Current assets:			
Inventories		445,778	450,263
Accounts receivable-trade		244,375	207,070
Cash and cash equivalents	19	581,657	691,116
Other current assets		137,665	126,932
		1,409,476	1,475,380
Non-current assets held for sale		237	237
Total current assets		1,409,712	1,475,617
Total assets	6	6,324,372	6,451,345
Shareholders' equity:			
Share Capital	13	672,000	672,000
Treasury shares	14	(27,216)	(27,216)
Currency translation adjustments	15	(477,563)	(428,017)
Reserves		276,423	276,222
Retained Earnings		452,087	473,386
Net profit for the year	10	(10,823)	(19,351)
Equity before non-controlling interests		884,907	947,025
Non-controlling interests		41,424	40,536
Total shareholders' equity	6	926,331	987,561
Non-current liabilities			
Deferred tax liabilities	8	557,176	575,799
Employee benefits		16,741	16,637
Provisions	16	120,499	121,019
Loans	17	4,031,180	4,020,399
Other non-current liabilities		37,953	36,687
Total non-current liabilities		4,763,549	4,770,542
Current liabilities			
Employee benefits		903	903
Provisions	16	3,251	4,214
Accounts payable - trade		192,241	246,644
Loans	17	96,127	104,873
Other current liabilities		341,969	336,608
Total current liabilities		634,491	693,242
Total liabilities	6	5,398,040	5,463,784
Total liabilities and shareholders' equity		6,324,372	6,451,345

The accompanying notes form an integral part of the consolidated financial statements for the three months ended 31 March 2014.

Condensed Consolidated Statement

of Changes in Shareholders' Equity for the periods ended 31 March 2014 and 2013 (Restated) (Unaudited)

(Amounts stated on thousand euros)

(Translation from the Portuguese original – Note 25)

	Notes	Share capital	Treasury shares	Currency translation adjustments	Reserves	Retained earnings	Net profit	Shareholder's equity attributable to equity holders	Non-controlling interest	Shareholder's equity
Balances at 31 December 2012 (Restated)		672,000	(27,216)	52,167	275,760	907,919	(423,734)	1,456,897	39,788	1,496,685
Consolidated net profit for the period		-	-	-	-	-	47,213	47,213	1,558	48,771
Results recognized directly in equity		-	-	24,976	-	-	-	24,976	1,777	26,753
Total comprehensive income for the period		-	-	24,976	-	-	47,213	72,189	3,335	75,524
Appropriation of consolidated profit of 2012:										
Transfer to legal reserves and retained earnings		-	-	-	-	(423,734)	423,734	-	-	-
Share purchase and options		-	-	-	21	-	-	21	-	21
Variation in financial investments and other		-	-	-	(58)	140	-	81	3	84
Balances at 31 March 2013 (Restated)		672,000	(27,216)	77,143	275,723	484,325	47,213	1,529,188	43,126	1,572,315
Balances at 31 December 2013		672,000	(27,216)	(428,017)	276,222	473,386	(19,351)	947,025	40,536	987,561
Consolidated net profit for the period		-	-	-	-	-	(10,823)	(10,823)	1,299	(9,524)
Results recognized directly in equity		-	-	(49,547)	52	-	-	(49,495)	(275)	(49,770)
Total comprehensive income for the period		-	-	(49,547)	52	-	(10,823)	(60,318)	1,024	(59,294)
Appropriation of consolidated profit of 2013:										
Transfer to legal reserves and retained earnings		-	-	-	-	(19,351)	19,351	-	-	-
Dividends	9	-	-	-	-	(1,949)	-	(1,949)	(136)	(2,084)
Variation in financial investments and other		-	-	-	149	0	-	149	-	149
Balances at 31 March 2014		672,000	(27,216)	(477,563)	276,423	452,087	(10,823)	884,907	41,424	926,331

The accompanying notes form an integral part of the consolidated financial statements for the three months ended 31 March 2014.

Condensed Consolidated Statement

of Cash Flows for the periods ended 31 March 2014 and 2013 (Unaudited)

(Amounts stated on thousand euros)

(Translation from the Portuguese original – Note 25)

	Notas	March 2014	March 2013
Operating activities			
Cash Flows from operating activities (1)		24,936	53,877
Investing activities			
Receipts relating to:			
Financial investments		-	11,637
Tangible assets		599	307
Interest and similar income		1,561	1,060
Dividends		116	226
		2,276	13,230
Payments relating to:			
Financial investments		(8,730)	(3,173)
Tangible assets		(69,153)	(110,912)
Intagible assets		(745)	(253)
Others		(145)	-
		(78,773)	(114,338)
Cash flow from investing activities (2)		(76,497)	(101,108)
Financing activities:			
Receipts relating to:			
Loans obtained	19	1,014,294	34,376
		1,014,294	34,376
Payments related to:			
Loans obtained	19	(1,029,343)	(67,917)
Interest and similar costs		(54,428)	(53,138)
Others		26	(187)
		(1,083,745)	(121,241)
Cash flows from financing activities (3)		(69,451)	(86,866)
Variation in cash and cash equivalents (4)=(1)+(2)+(3)		(121,012)	(134,097)
Effect of currency translation and other non monetary transactions		(804)	26,132
Cash and cash equivalents at the beginning of the period		640,326	813,693
Cash and cash equivalents at the end of the period	19	518,510	705,728

The accompanying notes form an integral part of the consolidated financial statements for the three months ended 31 March 2014.

Notes to the consolidated financial statements

For the three months ended 31 March 2014

(Amounts stated in thousands of euros)
(Translation of notes originally issued in Portuguese – Note 25)

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Notes to the consolidated financial statements

For the three months ended 31 March 2014

(Amounts stated in thousands of euros)
(Translation of notes originally issued in Portuguese – Note 24)

1. Introductory note

Cimpor - Cimentos de Portugal, SGPS, S.A. ("Cimpor" or the "Company") was incorporated on 26 March 1976, with the name Cimpor - Cimentos de Portugal, E.P.. The Company has undergone several structural and legal changes, which have resulted in it becoming the parent company of a Business Group which, in 31 March 2014 held operations in 9 countries: Portugal, Egypt, Paraguay, Brazil, Mozambique, South Africa, Angola, Argentina and Cape Verde (the "Cimpor Group" or "Group").

Cimpor Group's core business is the production and sale of cement. The Group also produces and sells aggregates and mortar in a vertical integration of its businesses.

The Cimpor Group investments are held essentially through two sub-holding companies; (i) Cimpor Portugal, SGPS, S.A., which holds the investments in companies dedicated to the production of cement, mortar, concrete and related activities in Portugal; and (ii) Cimpor Inversiones, S.A., which holds the investments in companies operating abroad.

On 20 December 2012 InterCement exchanged all its cement, concrete and aggregates assets and operations in South America, namely Brazil, Argentina and Paraguay and in Angola ("Assets acquired in the exchange") for the assets owned by Cimpor in Spain, Morocco, Tunisia, Turkey, China, India and Peru ("Assets sold in the exchange"), together with an amount equivalent to 21.2% of Cimpor's Consolidated Net Debt.

As a result of this process the consolidated statements of profit and loss and other comprehensive income for the three months ended 31 March 2013 and the balances at 31 March 2013 presented in the accompanying notes were restated as a result of completion of the adjustment of the purchase value of the assets acquired in the exchange to their fair value.

2. Basis of presentation

The accompanying financial statements for the three months ended 31 March 2014 were prepared in accordance with IAS 34 – Interim Financial Reporting on a going concern basis from the books and accounting records of the companies included in the consolidation, restated in the consolidation process to the International Financial Reporting Standards as endorsed by the European Union, effective for the year beginning 1 January 2014.

3. Summary of significant accounting policies

The accounting policies adopted are consistent with those considered in the financial statements for the year ended as of 31 December 2013 and disclosed in the corresponding notes, except in respect of the standards and interpretations entering into force on or after 1 January 2014, the adoption of which had not a significant impact on the Group's profits or financial position.

4. Changes in the consolidation perimeter

In the three months ended 31 March 2014 and 2013 there were no changes in the consolidation perimeter of the Group.

5. Exchange rates used

The exchange rates used to translate, to euros, the foreign currency assets and liabilities at 31 March 2014 and 31 December 2013, as well the results for the three months ended 31 March 2014 and 2013 were as follows:

		Closing exchange rate (EUR / Currency)			Average exchange rate (EUR / Currency)		
	Currency	March 2014	December 2013	Var.% (a)	March 2014	December 2013	Var.% (a)
USD	US Dollar	1.3776	1.3773	-	1.3704	1.3201	(3.7)
BRL	Brazilian Real	3.1175	3.2265	3.5	3.2185	2.5696	(20.2)
MZN	Mozambique Metical	42.8405	40.7386	(4.9)	42.5484	39.3043	(7.6)
CVE	Cape Verde Escudo	110.265	110.265	-	110.265	109.726	(0.5)
EGP	Egyptian Pound	9.5982	9.5713	(0.3)	9.5389	8.8274	(7.5)
ZAR	South African Rand	14.5000	14.4621	(0.3)	14.8539	11.8159	(20.5)
ARS	Argentinian Peso	11.0354	8.9775	(18.6)	10.3880	6.5845	(36.6)
PYG	Paraguayan Guaraní	6,113.94	6,315.33	3.3	6,193.30	5,268.75	(14.9)

a) The variation is calculated using the exchange rate converting local currency to euros.

6. Operating segments

The main profit and loss information for the three months ended 31 March 2014 and 2013, of the several operating segments, being geographical areas where Group operates, is as follows:

	March 2014				March 2013 (Restated)			
	Sales and services rendered				Sales and services rendered			
	External sales	Inter segment sales	Total	Operating results	External sales	Inter segment sales	Total	Operating results
Operating segments:								
Brazil	273,463	-	273,463	49,375	312,950	-	312,950	64,329
Argentina and Paraguay	128,807	-	128,807	21,518	152,534	643	153,177	25,875
Portugal e Cape Verde	43,743	28,949	72,692	(6,117)	47,974	19,690	67,664	(11,965)
Egypt	58,858	-	58,858	11,768	46,290	-	46,290	10,045
Mozambique	28,477	-	28,477	2,449	28,817	-	28,817	4,764
South Africa	23,842	742	24,584	5,639	26,245	745	26,990	4,970
Total	557,190	29,691	586,881	84,632	614,810	21,078	635,889	98,019
Unallocated (a)	35,330	54,805	90,136	5,133	21,046	45,514	66,560	366
Eliminations	-	(84,496)	(84,496)	-	-	(66,592)	(66,592)	-
	592,520	**-**	**592,520**	**89,765**	**635,857**	**-**	**635,857**	**98,384**
Net financial expenses				(92,971)				(29,016)
Other investment income				61				127
Result before income tax				(3,145)				69,495
Income tax				(6,379)				(20,724)
Net result for the period				**(9,524)**				**48,771**

(a) The assets and liabilities not attributed to reportable segments include; (i) assets and liabilities of companies not attributable to specific segments, essentially holding companies and trading companies and, (ii) intra-group eliminations between segments.

The above net income includes the full amount of the segments, without considering the following amounts attributable to non-controlling interests:

	March 2014	March 2013 (Restated)
Operating segments:		
Brazil	-	29
Argentina and Paraguay	1,392	1,248
Portugal e Cape Verde	18	(52)
Egypt	55	55
Mozambique	(284)	422
South Africa	187	-
Unallocated	(69)	(143)
	1,299	1,558

Other information:

	March 2014			March 2013 (Restated)		
	Fixed capital expenditure	Depreciation, amortisation and impairment losses a)	Provisions	Fixed capital expenditure	Depreciation, amortisation and impairment losses a)	Provisions
Operating segments:						
Brazil	53,755	17,182	-	90,655	20,936	(211)
Argentina and Paraguay	7,122	8,452	-	18,295	10,980	-
Portugal e Cape Verde	508	10,742	81	355	11,781	(1,286)
Egypt	1,618	2,598	-	2,614	2,054	-
Mozambique	1,100	1,311	-	6,190	1,536	-
South Africa	248	2,213	1	562	2,835	1
Unallocated	401	725	4	140	688	(327)
	64,752	43,223	86	118,811	50,810	(1,823)

(a) The impairment losses, when it occurs, respects to impairment losses on goodwill, tangible and intangible assets.

In addition, assets and liabilities, by reportable segment, reconciled to the total consolidated amounts as at 31 March 2014 and 31 December 2013, are as follows:

	March 2014			December 2013		
	Assets	Liabilities	Net assets	Assets	Liabilities	Net assets
Operating segments:						
Brazil	3,750,306	1,707,843	2,042,463	3,684,011	1,683,211	2,000,800
Argentina and Paraguay	1,041,258	525,055	516,202	1,240,420	622,853	617,567
Portugal and Cape Verde	502,057	440,704	61,354	524,031	452,034	71,997
Egypt	350,678	138,464	212,214	347,740	116,829	230,911
Mozambique	209,473	130,110	79,362	223,151	138,292	84,859
South Africa	249,776	110,832	138,944	250,595	114,253	136,341
	6,103,547	3,053,007	3,050,540	6,269,948	3,127,472	3,142,476
Unallocated	903,229	3,035,736	(2,132,507)	807,076	2,970,406	(2,163,330)
Eliminations	(690,703)	(690,703)	-	(634,094)	(634,094)	-
Investments in associates	8,299	-	8,299	8,414	-	8,414
Consolidated Total	**6,324,372**	**5,398,040**	**926,331**	**6,451,345**	**5,463,784**	**987,561**

7. Net financial expenses

Net financial expenses for the three months ended 31 March 2014 and 2013 were as follows:

	March 2014	March 2013 (Restated)
Financial expenses:		
Interest expense	69,937	58,147
Foreign exchange loss (b)	33,947	63,669
Changes in fair-value (a):		
Trading derivative financial instruments	21,768	68
	21,768	68
Other	7,292	10,033
	132,943	131,917
Financial income:		
Interest income	10,388	13,345
Foreign exchange gain (b)	18,806	86,899
Changes in fair-value (a):		
Trading derivative financial instruments	9,982	-
	9,982	-
Other	796	2,658
	39,972	102,901
Net financial expenses	(92,971)	(29,016)
Investment income:		
Gains/(Losses) on investments	61	127
	61	127

(a) In the three months ended 31 March 2014 and 2013, arising from changes in fair values, was recognized, respectively, a financial cost of 11,786 thousand euros and 68 thousand euros.

(b) In the three months ended 31 March 2013, the caption "Foreign exchange gain" was influenced by 33 million euros due to the effect of debt's update exchange rate in euros and dollars in companies consolidated in Brazilian real. In the year 2014, the functional framework of these companies in the Group´s corporate structure was reconsidered, being established the euro as the currency that best expressed it, therefore the financial results of the financial statements for the period ended 31 March 2014 no longer show any equivalent to that effect.

8. Income tax

The Group companies are taxed, when possible, under group's special income tax schemes allowed by tax legislation from each jurisdiction in which the Group operates.

Tax on income relating to the other geographic segments is calculated at respective rates in force, as follows:

	March 2014	March 2013 (Restated)
Portugal (a)	24.5%	26.5%
Brazil	34.0%	34.0%
Mozambique	32.0%	32.0%
South Africa	28.0%	28.0%
Egypt	25.0%	25.0%
Argentina	35.0%	35.0%
Paraguay	10.0%	10.0%
Austria	25.0%	25.0%
Spain	30.0%	30.0%
Others	25.0%	25.0%

(a) In the three months ended 31 March 2014 the rate of Corporation Income Tax is 24.5% and state surcharge will be determined as follows:

- 3% on taxable income from 1,500,000 euros to 7.500.000 euros;
- 5% on taxable income from 7,500,000 and 35,000,000 euros;
- 7% on taxable income exceeding 35,000,000 euros.

Income tax expense for the three months ended 31 March 2014 and 2013 is as follows:

	March 2014	March 2013 (Restated)
Current tax	7,520	17,453
Deferred tax	(1,141)	3,271
Charge for the period	6,379	20,724

Temporary differences between the book value of assets and liabilities and their corresponding value for tax purposes are recognised in accordance with IAS 12 - Income taxes.

The reconciliation between the tax rate applicable in Portugal and the effective tax rate in the Group in the three months ended 31 March 2014 and 2013, not considering the losses, around 28 million euros and 9 million euros, respectively, of entities with liabilities on which the corresponding tax effects were not recognized, since at present there are no projections that enable them to be expected to be recovered, is as follows:

	March 2014	March 2013 (Restated)
Tax rate applicable in Portugal	24,50%	26,50%
Operational and financial results non taxable	(10,23%)	(5,94%)
Adjustments on deferred taxes	8,01%	(0,20%)
Tax rate differences	2,16%	5,85%
Other	1,04%	0,07%
Effective tax rate of the Group	25,49%	26,27%

The changes in deferred taxes in the three months ended 31 March 2014 and 2013 were as follows:

Deferred tax assets:	
Balances at 31 December 2012 (Restated)	152,494
Currency translation adjustments	4,998
Income tax	6,339
Balances at 31 March 2013 (Restated)	163,831
Balances at 31 December 2013	127,401
Currency translation adjustments	1,516
Income tax	2,429
Balances at 31 March 2014	131,346
Deferred tax liabilities:	
Balances at 31 December 2012 (Restated)	690,400
Currency translation adjustments	12,789
Income tax	9,610
Balances at 31 March 2013 (Restated)	712,799
Balances at 31 December 2013	575,799
Currency translation adjustments	(19,928)
Income tax	1,288
Shareholders' equity	16
Balances at 31 March 2014	557,176
Carrying amount at 31 March 2013 (Restated)	(548,968)
Carrying amount at 31 March 2014	(425,830)

The balances and movements of March 2013 were restated as a result of the allocation of fair values to the assets acquired in the exchange (Note 1).

The deferred tax assets are recorded directly on shareholders' equity when the situations that have originated them have similar impact.

9. Dividends

In the Shareholders' General Meeting held on 27 March 2014 it was decided to pay dividends corresponding to 0.0029 euros per share (0.0162 per share in the preceding year).

10. Earnings per share

Basic and diluted earnings per share for the three months ended 31 March 2014 and 2013 were computed as follows:

	March 2014	March 2013 (Restated)
Basic earnings per share:		
Net profit considered in the computation of basic earnings per share	(10,823)	47,213
Weighted average number of ordinary shares used to calculate the basic earnings per share (thousands) (a)	666,094	666,094
	(0.02)	0.08
Diluted earnings per share:		
Net profit considered in the computation of basic earnings per share	(10,823)	47,213
Weighted average number of ordinary shares used to calculate the basic earnings per share (thousands) (a)	666,094	666,094
Effect of the options granted under the Share Options Plans (thousands)	-	-
Weighted average number of ordinary shares used to calculate the diluted earnings per share (thousands)	666,094	666,094
	(0.02)	0.08

(a) The average number of shares is weighted by the average number of treasury shares in each of the corresponding financial period.

11. Goodwill

The changes in goodwill and related accumulated impairment losses in the three months ended 31 March 2014 and 2013 were as follows:

Gross assets:	
Balances at 31 December 2012 (Restated)	2,369,401
Currency translation adjustments	64,819
Balances at 31 March 2013 (Restated)	2,434,221
Balances at 31 December 2013	1,976,672
Currency translation adjustments	(5,494)
Balances at 31 March 2014	1,971,178
Accumulated impairment losses:	
Balances at 31 December 2012 (Restated)	18,001
Balances at 31 March 2013 (Restated)	18,001
Balances at 31 December 2013	18,001
Balances at 31 March 2014	18,001
Carrying amount:	
As at 31 March 2013 (Restated)	2,416,220
As at 31 March 2014	1,953,177

The balances and movements of March 2013 were restated as a result of the allocation of fair values to the assets acquired in the exchange (Note 1).

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, which did not occur in the three months ended 31 March 2014.

12. Tangible assets

The changes in tangible assets and corresponding accumulated depreciation and impairment losses in the three months ended 31 March 2014 and 2013 were as follows:

	Land	Buildings and other constructions	Basic equipment	Transportation equipment	Administrative equipment	Tools and dies	Other tangible assets	Tangible assets in progress	Advance to suppliers of tangible assets	Total
Gross assets:										
Balances at 31 December 2012 (Restated)	726,323	1,012,859	3,001,917	157,787	45,381	11,481	6,803	271,965	52,152	5,286,668
Currency translation adjustments	9,716	14,004	28,487	2,331	230	(54)	99	11,897	661	67,370
Additions	2,078	3,188	436	56	14	20	12,966	55,704	44,182	118,646
Sales	(6)	(14)	(1,017)	(449)	-	(19)	-	-	-	(1,505)
Write-offs	-	(69)	(1,108)	-	(5)	(4)	-	(14)	-	(1,200)
Transfers	66	43,787	26,921	1,308	(33)	140	(13,621)	(42,551)	(8,158)	7,860
Balances at 31 March 2013 (Restated)	738,177	1,073,756	3,055,636	161,033	45,587	11,563	6,247	297,002	88,837	5,477,838
Balances at 31 December 2013	616,890	975,136	2,671,113	131,820	37,259	9,922	8,025	348,119	80,643	4,878,929
Currency translation adjustments	(26,316)	(9,751)	(26,169)	(3,927)	(516)	(171)	(365)	3,142	3,045	(61,028)
Additions	1,390	282	2,497	1	2	-	526	17,624	42,348	64,670
Sales	-	(127)	(168)	(844)	-	(2)	-	(74)	(26)	(1,242)
Write-offs	-	-	(2)	(4)	(38)	(16)	(1)	-	-	(60)
Transfers	5	1,192	36,433	(1,567)	166	48	(9)	(35,434)	(241)	592
Balances at 31 March 2014	591,969	966,733	2,683,703	125,480	36,872	9,781	8,177	333,377	125,769	4,881,861
Accumulated depreciation and impairment losses:										
Balances at 31 December 2012 (Restated)	49,329	370,946	1,576,700	54,151	34,987	8,294	2,536	-	-	2,096,944
Currency translation adjustments	88	2,607	2,934	972	118	(60)	10	-	-	6,668
Increases	2,257	10,788	30,922	3,525	670	183	1,136	-	-	49,480
Decreases	-	(14)	(1,017)	(364)	-	(17)	-	-	-	(1,412)
Write-offs	-	(34)	(1,044)	-	(4)	(3)	-	-	-	(1,085)
Transfers	27	4,485	4,046	(55)	(39)	-	(517)	-	-	7,947
Balances at 31 March 2013 (Restated)	51,701	388,779	1,612,540	58,229	35,732	8,396	3,165	-	-	2,158,541
Balances at 31 December 2013	58,512	388,989	1,563,414	51,508	30,621	8,026	3,368	-	-	2,104,438
Currency translation adjustments	(376)	2,012	6,302	93	(178)	(76)	(110)	-	-	7,666
Increases	2,462	9,734	29,744	2,598	443	112	218	-	-	45,311
Decreases	-	(26)	(102)	(241)	-	(2)	-	-	-	(371)
Write-offs	-	-	(2)	(2)	(38)	(10)	(1)	-	-	(53)
Transfers	-	-	3,474	(2,771)	-	-	(113)	-	-	590
Balances at 31 March 2014	60,598	400,708	1,602,831	51,185	30,848	8,050	3,363	-	-	2,157,582
Carrying amount:										
As at 31 March 2013 (Restated)	686,476	684,976	1,443,096	102,804	9,856	3,167	3,082	297,002	88,837	3,319,297
As at 31 March 2014	531,372	566,025	1,080,872	74,295	6,025	1,731	4,813	333,377	125,769	2,724,279

The balances and movements of March 2013 were restated as a result of the allocation of fair values to the assets acquired in the exchange (Note 1).

Tangible assets in progress and advance to suppliers of tangible assets, in the three months ended 31 March 2014, include the construction and improvement of installations and equipment of the cement sector of several production units, essentially in the Brazil, Paraguay and Mozambique business areas.

13. Share capital

The Company's fully subscribed and paid up capital at 31 March 2014 consisted of 672,000,000 shares, listed on Euronext Lisbon market, with a nominal value of one euro each.

14. Treasury shares

At 31 March 2014 and 31 December 2013 Cimpor had 5,906,098 treasury shares.

15. Currency translation adjustments

The changes in this caption in the three months ended 31 March 2014 and 2013 were as follows:

	Egyptian Pound	Brazilian Real	Mozambique Metical	South African Rand	Argentinian Peso	Others	Total
Balances at 31 December 2012 (Restated)	(38,767)	157,649	(4,659)	(61,850)	-	(206)	52,167
Currency translation adjustments	(10,035)	50,229	1,702	(14,839)	(2,116)	35	24,976
Balances at 31 March of 2013 (Restated)	(48,802)	207,878	(2,958)	(76,688)	(2,116)	(171)	77,143
Balances at 31 December 2013	(72,577)	(2,880)	(7,478)	(121,433)	(225,228)	1,580	(428,017)
Currency translation adjustments	531	62,425	(3,475)	(286)	(107,613)	(1,129)	(49,547)
Balances at 31 March 2014	(72,047)	59,545	(10,952)	(121,719)	(332,841)	450	(477,563)

In the three months ended 31 March 2014, these changes were influenced by the positive impact of Brazilian real appreciation of approximately 62 million euros and by the negative impact of Argentinian peso depreciation amounting to around 108 million euros (Note 5).

In the three months ended 31 March 2013, these changes were influenced by the positive impact of Brazilian real appreciation of approximately 50 million euros and by the negative impact of Egyptian pound and South African rand depreciation amounting to around 10 and 15 million euros, respectively.

16. Provisions

At 31 March 2014 and 31 December 2013, the classification of provisions was as follows:

	March 2014	December 2013
Non-current provisions:		
Provisions for tax risks	38,523	38,503
Provisions for environmental rehabilitation	42,422	42,802
Provisions for employees	26,392	26,665
Other provisions for risks and charges	13,162	13,049
	120,499	121,019
Current provisions:		
Provisions for employees	3,251	4,214
	3,251	4,214
	123,750	125,233

The changes in the provisions in the three months ended 31 March 2014 and 2013 were as follows:

	Provisions for tax risks	Environmental rehabilitation	Provisions for employees	Other provisions for risks and charges	Total
Balances at 31 December 2012 (Restated)	87,501	48,538	19,140	24,923	180,102
Currency translation adjustments	184	1,078	456	247	1,965
Increases	-	188	2,733	611	3,532
Decreases	-	-	(34)	(2,200)	(2,235)
Utilisations	-	(97)	(68)	(2,116)	(2,281)
Balances at 31 March 2013 (Restated)	87,685	49,708	22,227	21,463	181,083
Balances at 31 December 2013	38,503	42,802	30,878	13,049	125,233
Currency translation adjustments	34	(592)	(175)	(226)	(958)
Increases	-	130	76	219	425
Decreases	-	-	-	(209)	(209)
Utilisations	(15)	81	(1,137)	330	(741)
Balances at 31 March 2014	38,523	42,422	29,642	13,162	123,750

The increases and decreases in the provisions in the three months ended 31 March 2014 and 2013 were recorded by corresponding entry to the following accounts:

	March 2014	March 2013 (Restated)
Profit and loss for the quarter:		
Payroll	-	2,933
Provisions	86	(1,823)
Financial expenses	130	187
	216	1,297

The caption financial expenses include the financial actualizations of the provision for environmental rehabilitation.

17. Loans

Loans at 31 March 2014 and 31 December 2013 were as follows:

	March 2014	December 2013
Non-currents liabilities:		
Bonds	864,752	835,576
Bank loans	2,439,502	2,802,897
Other loans	726,926	381,926
	4,031,180	4,020,399
Currents liabilities:		
Bonds	184	179
Bank loans	95,889	104,638
Other loans	54	56
	96,127	104,873
	4,127,307	4,125,273

<u>Bonds</u>

Non-convertible bonds at 31 March 2014 and 31 December 2013 were as follows:

Business unit	Financial instrument	Currency	Emission date	Coupon (b)	Final maturity	March 2014 Current	March 2014 Non-current	December 2013 Current	December 2013 Non-current
Brazil	Debênture - Brazil (a)	BRL	Mar-12	Floating rate indexed to CDI	Apr-22	-	480,412	-	462,538
Brazil	Debênture - Brazil	BRL	Jan-12	Floating rate indexed to CDI	Aug-16	184	-	179	1,120
Brazil	Debênture - Brazil	BRL	Aug-12	Floating rate indexed to CDI	Aug-22	-	384,340	-	371,919
						184	864,752	179	835,576

(a) Guaranteed by controlling entities of the Company;
(b) The contractual variable rates include spreads till 15% over the index.

Bank loans

Bank loans as at 31 March 2014 and 31 December 2013 were as follows:

Business unit	Type	Currency	Interest rate (c)	Data of Contraction	Maturity	March 2014		December 2013	
						Current	Non-Current	Current	Non-Current
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	May-12	Jan-22	-	537,092 (a)	-	536,973
Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rate indexed to Euribor	Feb-12	Feb-22	-	453,995 (a)	-	453,800
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Sep-12	Sep-17	-	-	-	214,776
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Aug-12	Oct-17	-	32,167	-	192,405
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Oct-12	Apr-17	-	-	-	179,386
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Sep-13	Sep-18	-	143,611	-	142,968
Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rate indexed to Euribor	Nov-12	Sep-17	-	127,031	-	127,665
Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rate indexed to Euribor	Sep-12	Sep-17	-	98,474	-	99,134
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Oct-12	Apr-15	-	-	-	86,080
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Jul-11	Jul-16	-	-	-	83,342
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Jul-11	Jul-15	-	-	-	74,420
Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rates indexed to Euribor	Nov-12	Sep-17	-	-	-	74,224
Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rates indexed to Euribor	Several	Several	-	-	-	52,697
Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rates indexed to Euribor	Feb-14	Aug-19	-	59,452 (a)	-	-
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Feb-14	Aug-19	-	155,474 (a)	-	-
Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rates indexed to Euribor	Feb-14	Aug-21	-	59,452 (a)	-	-
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Feb-14	Aug-21	-	155,474 (a)	-	-
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Feb-14	Aug-21	-	214,447 (a)	-	-
Argentina and Paraguay	Bilaterals	ARS	Floating rates indexed to Badlar	Several	Several	29,760	77,509	46,944	81,192
Argentina and Paraguay	Bilaterals	USD	Floating rate indexed to US Libor	Several	Several	15,409	45,205	19,950	46,042
Brazil	Bilaterals	USD	Fixed and Floating Rates	Several	Several	1,033	64,838	1,035	126,956
Brazil	Bilaterals	BRL	Fixed and Floating Rates	Several	Several	31,200	91,260 (b)	16,646	101,807
Argentina and Paraguay	Bilaterals	USD	Floating rate indexed to US Libor	Several	Several	7,259	72,545	7,455	73,011
South Africa	Bilateral	ZAR	Floating rate indexed to Jibar	Dec-13	Dec-18	-	41,379	-	41,488
Portugal and Cape Verde	EIB	EUR	EIB Rate	Sep-03	Sep-15	6,667	3,333	6,667	6,667
Portugal and Cape Verde	Bilateral	EUR	Floating rates indexed to Euribor	Several	Several	-	-	250	175
Mozambique	Bilateral	MZN	Floating rates indexed to BT 3M	Aug-10	Feb-16	1,193	4,119	2,509	4,332
Egypt	Bilaterals	EGP	Floating rates indexed to Corridor	Several	Several	2,947	2,643	2,962	3,357
Portugal and Cape Verde	Overdraft	CVE	Floating Rates Indexed to TRIBESCV 3M	Jun-13	Jun-14	421	-	221	-
						95,889	2,439,502	104,638	2,802,897

(*) Referring to the companies included in the Holdings, business and corporate support and trading segment.

(a) Guaranteed by controlling entities of the Company;
(b) Approximately 91 million euros are guaranteed by controlling entities of the Company;
(c) For the major funding, the variable rates contracted, both in dollars and euros, consider spreads between 2.5% and 4.5%.

Other loans

Other loans obtained correspond to loans from official entities under program contracts relating to investment projects and to the debt from Cimpor Inversiones to InterCement Austria Holding, in the amount of 381.9 million euros existing at 31 December 2013 remunerated at a variable rate under market conditions and, additionally, to a new loan between same companies in the amount of 345 million euros contracted in market conditions.

The non-current portion of loans at 31 March 2014 and 31 December 2013 is repayable as follows:

Year	March 2014	December 2013
2015	113,387	483,915
2016	192,463	380,370
2017	567,240	851,195
2018	923,229	865,663
Following years	2,234,860	1,439,256
	4,031,180	4,020,399

The loans at 31 March 2014 and 31 December 2013 are stated in the following currencies:

	March 2014		December 2013	
Currency	Currency	Euros	Currency	Euros
USD	2,419,972	1,756,658	2,458,233	1,784,800
BRL	3,187,243	1,022,372	3,078,754	954,208
EUR	-	1,266,883	-	1,203,260
ARS	412,420	37,372	1,150,338	128,136
MZN	1,706,165	39,826	278,688	6,841
EGP	37,874	3,946	60,481	6,319
ZAR	-	-	600,000	41,488
CVE	27,624	251	24,326	221
		4,127,307		4,125,273

18. Derivative financial instruments

Fair value of derivative financial instruments

The fair value of derivative financial instruments at 31 March 2014 and 31 December 2013 was as follows:

	Other assets				Other liabilities			
	Current asset		Non-current assets		Current asset		Non-current assets	
	March 2014	December 2013	March 2014	December 2013	March 2014	December 2013	March 2014	December 2013
Cash flow hedges:								
Interest rate swaps	-	-	-	-	-	490	-	91
Trading:								
Interest rate derivatives	-	-	-	-	-	-	1,786	1,783
Exchange and interest rate derivatives	-	-	3,533	5,785	-	-	-	-
Exchange rate forwards	-	3,822	-	-	3,948	39	-	-
	-	3,822	3,533	5,785	3,948	529	1,786	1,874

Some derivatives, although in compliance with the Group's risk management policies as regards the management of financial market volatility risks, do not qualify for hedge accounting, and so are classified as trading instruments.

The following schedule shows the operations at 31 March 2014 and December 2013 that qualify as fair value hedging instruments:

Type of hedge	Notional	Type of Operation	Maturity	Financial purpose	Fair value March 2014	Fair value December 2013
Cash-flow	EUR 35.000.000	Interest Rate Swap	Jun-15	Cash-flow hedge of interest on loan	Unwound (a)	(581)
					-	(581)

a) Following the early prepayment of the underlying, the Company cancelled this derivative with a cost similar to its fair-value.

In addition, the fair value of the portfolio of derivative financial instruments at 31 March 2014 and 31 December 2013 that do not qualify as hedging instruments is as follows:

Face Value	Type of Operation	Maturity	Economic purpose	Fair value March 2014	Fair value December 2013
USD 200.000.000 /BRL 440.840.000	Cross-Currency-Swap	Sep-18	Swich a USD Loan into a BRL Loan	3,533	5,785
USD 130.875.922	FX Swaps	Jan-14/ Fev-14	Increase the Asset exposure to USD	-	3,783
EUR 25.000.000	IRS with conditioned receivable Leg	Jun-15	Reduce the cost of funding - IRS with options sold on an Interest Rate Index	(1,786)	(1,783)
USD 110.000.000	FX Swaps	Abr.2014	Increase the Asset exposure to USD	(3,948)	-
				(2,201)	7,785

19. Notes to the consolidated cash flow statements

Cash and cash equivalents presented in cash flow statement at 31 March 2014 and 2013 were as follows:

	March 2014	March 2013
Cash	558	162
Bank deposits immediately available	289,531	157,780
Term bank deposits	49,867	113,734
Marketable securities	178,976	434,100
	518,931	705,777
Bank overdrafts (Note 17)	(421)	(49)
	518,510	705,728

The caption cash and cash equivalents in the condensed consolidated statement of financial position at 31 March 2014 and 2013 also includes the amount of 62,726 thousand euros and 25,001 thousand euros, respectively, corresponding to exclusive funds that do not fully comply with the requirements necessary to be recognized as cash and cash equivalents in the statement of cash flows.

In the three months ended 31 March 2014, “Receipts and Payments of Loans” are justified, essentially, by two debt refinancing operations, a syndicated loan of 900 million dollars (of which 210 million made with cash movement) and an intercompany loan of 345 million euros (Note17).

20. Related parties

Transactions and balances between Group companies consolidated by the full consolidation method were eliminated in the consolidation process and so are not disclosed in this note. The balances and transactions between the Group and associated companies and with other related parties fall within normal operational activities, being worth of mention the new loan in the amount of 345 million euros to InterCement Áustria Holding, remaining outstanding the debt to that company of about 727 million euros (Note 17), being the financial charges, in the three months ended 31 March 2014, arising from these financing of approximately 6 million euros. Additionally, the amount of loan guaranteed by controlling entities of the Company was increased by 900 million dollars (Note 17).

21. Contingent liabilities, guarantees and commitments

In view of that stated in the annual report for the year ended 31 December 2013, deserve to be highlighted, in Portugal, the cancellation of the warranties given in favour of tax authorities as a result of the payment made on 20 December 2013 under tax and social security exceptional payment scheme (RERD).

22. Financial assets and liabilities in accordance with IAS 39

In its operations the Cimpor Group is exposed to a variety of financial risks which can affect its financial position and results which, depending on their nature, can be grouped into the following categories:

- Interest rate risk;
- Exchange rate risk;
- Liquidity risk;
- Credit risk;
- Counterparty risk.

Financial risk is understood to be the probability of obtaining different results from those expected, be they positive or negative, materially and unexpectedly changing the Group’s equity value.

Management of the above risks - resulting mainly from the unpredictability of the financial markets – requires strict application of a set of rules and methodologies approved by the Executive Commission, the ultimate objective of which is to minimize their potential negative impact on the Group’s performance.

With this objective in mind, all management is guided based on two essential concerns:

- Decrease, whenever possible, of fluctuations in the results and cash flows subject to situations of risk;
- Limit deviations in relation to projected results, through strict financial planning, based on multi-annual budgets.

At 31 March 2014 and 31 December, accounting policies for financial instruments established in IAS 39 were applied by the Group to the following items:

2014	Loans granted and accounts receivable	Available-for-sale financial assets	Other financial liabilities	Financial assets and liabilities at fair value through profit and loss	Total
Assets:					
Cash and cash equivalents	518,931	-	-	62,726	581,657
Accounts receivable-trade	244,375	-	-	-	244,375
Other investments	-	12,050	-	1,979	14,029
Other non-current accounts receivable	17,551	-	-	-	17,551
Other current accounts receivable	41,833	-	-	-	41,833
Other non-current assets	100	-	-	-	100
Other current assets	7,543	-	-	3,533	11,077
Total assets	830,335	12,050	-	68,239	910,623
Liabilities:					
Non-current loans	-	-	4,031,180	-	4,031,180
Current loans	-	-	96,127	-	96,127
Current accounts payables-trade	-	-	192,241	-	192,241
Other non-current accounts payable	-	-	23,764	-	23,764
Other current accounts payable	-	-	137,416	-	137,416
Other non-current liabilities	-	-	4,354	2,055	6,410
Other current liabilities	-	-	133,894	4,567	138,460
Total liabilities	-	-	4,618,976	6,622	4,625,598

2013	Loans granted and accounts receivable	Available-for-sale financial assets	Other financial liabilities	Financial assets and liabilities at fair value through profit and loss	Total
Assets:					
Cash and cash equivalents	640,546	-	-	50,570	691,116
Accounts receivable-trade	207,070	-	-	-	207,070
Other investments	-	11,958	-	1,627	13,585
Other non-current accounts receivable	19,518	-	-	-	19,518
Other current accounts receivable	39,955	-	-	-	39,955
Other non-current assets	281	-	-	5,785	6,067
Other current assets	3,045	-	-	3,822	6,868
Total assets	910,416	11,958	-	61,805	984,179
Liabilities:					
Non-current loans	-	-	4,020,399	-	4,020,399
Current loans	-	-	104,870	-	104,870
Current accounts payables-trade	-	-	246,644	-	246,644
Other non-current accounts payable	-	-	21,927	-	21,927
Other current accounts payable	-	-	145,786	-	145,786
Other non-current liabilities	-	-	5,180	1,874	7,055
Other current liabilities	-	-	133,404	529	133,933
Total liabilities	-	-	4,678,211	2,403	4,680,614

Estimated fair value – assets measured at fair value

The following table presents the Group's assets and liabilities measured at fair value at 31 March 2014, grouped into levels based on the degree to which the fair value is observable:

- Level 1: the fair value of financial instruments is based on quoted prices in active markets as of the date of the statement of financial position;
- Level 2: the fair value of financial instruments is not based on quoted prices in active markets, but rather on valuation models;
- Level 3: the fair value of financial instruments is not based on quoted prices in active markets, but rather on valuation models, the main inputs of which are not observable in the market.

Category	Item	Level 1	Level 2	Level 3
Assets:				
Financial assets available for sale (a)	Investment fund	1,503	-	-
Financial assets at fair value through profit and loss	Cash and cash equivalents	62,726	-	-
Financial assets at fair value through profit and loss	Financial derivative instruments	3,533	-	-
Financial assets at fair value through profit and loss	Others investments	1,979	-	-
Liabilities:				
Financial liabilities at fair value through profit	Financial instruments derivatives	5,734	-	-

a) The remaining financial assets available for sale are measured at cost less any impairment losses.

Except for non-current loans, the majority of financial assets and liabilities have short term maturities and so their fair value is considered to be, approximately, the same as their book value.

As explained in Note 17, the majority of loans are contracted at variable interest rates. Therefore, it is understood that their book value (amortized cost) does not differ significantly from their corresponding market value.

23. Subsequent events

Nothing to report.

24. Financial statements approval

These financial statements for the three months ended 31 March 2014 were approved by the Board of Directors on 21 May 2014.

25. Note added for translation

These consolidated financial statements are a translation of financial statements originally issued in Portuguese. In the event of discrepancies the Portuguese language version prevails.