

Interim Activity Report
Interim Condensed Consolidated Financial
Statements

CHIMIMPORT AD

30 June 2016



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Interim condensed consolidated statement of financial position

	Notes	30.06.2016 BGN'000	31.12.2015 BGN'000	30.06.2015 BGN'000
Assets				
Non-current assets				
Property, plant and equipment	7	485 884	468 447	579 678
Investment property		319 851	302 421	298 703
Investments accounted for using the equity method	5	28 366	26 845	150 904
Goodwill		33 317	33 317	38 296
Other intangible assets		181 411	193 822	73 480
Long-term financial assets	8	2 246 543	2 592 660	2 652 326
Long-term related party receivables	15	7 257	11 774	12 233
Other long-term receivables		4 095	4 094	1 626
Deferred tax assets		5 187	5 640	4 439
Non-current assets		3 311 911	3 639 020	3 811 685
Current assets				
Inventories		39 967	51 184	34 648
Short-term financial assets	9	2 535 119	2 347 993	2 330 204
Related party receivables	15	202 305	214 749	145 377
Trade receivables		116 426	100 485	112 426
Tax receivables		3 779	3 197	1 179
Other receivables		175 872	176 760	188 580
Reinsurance assets		90 710	72 959	17 703
Cash and cash equivalents		1 498 213	1 229 113	1 140 024
Current assets		4 662 391	4 196 440	3 970 141
Assets classified as held for sale		9 182	3 594	2 479
Total assets		7 983 484	7 839 054	7 784 305

Prepared by:

/A. Kerezov/

Date: 29 August 2016

Executive director:

/I. Kamenov/




The accompanying notes on pages from 9 to 30 form an integral part of the interim condensed consolidated financial statements.

Interim condensed consolidated statement of financial position (continued)

	Notes	30.06.2016 BGN'000	31.12.2015 BGN'000	30.06.2015 BGN'000
Equity and liabilities				
Equity				
Share capital	10	224 987	225 092	226 892
Share premium		218 774	218 469	219 026
Other reserves		80 642	71 581	76 306
Retained earnings		746 712	704 427	785 423
Profit for the period		42 177	58 483	49 509
Equity attributed to the shareholders of parent company		1 313 292	1 278 052	1 357 156
Non-controlling interests		241 988	239 083	239 266
Total equity		1 555 280	1 517 135	1 596 422
Specialized reserves		305 141	294 405	271 666
Liabilities				
Non-current liabilities				
Long-term financial liabilities	11	1 086 429	1 121 684	1 223 418
Payables to secured persons		981 081	940 121	876 119
Long-term trade payables		43 103	42 876	1 496
Long-term related party payables	15	2 842	3 607	2 881
Finance lease liabilities		4 856	4 910	4 605
Pension and other employee obligations		2 510	2 728	2 342
Other liabilities		5 264	5 401	5 493
Provisions		598	598	546
Deferred tax liabilities		29 440	27 612	27 752
Non-current liabilities		2 156 123	2 149 537	2 144 652
Current liabilities				
Short-term financial liabilities	11	3 744 783	3 645 785	3 476 727
Trade payables		135 651	137 813	134 273
Short-term related party payables	15	13 323	16 217	18 380
Finance lease liabilities		1 118	1 809	3 560
Pension and other employee obligations		11 857	12 277	10 378
Tax liabilities		3 472	6 986	8 796
Other liabilities		56 736	57 090	119 451
Current liabilities		3 966 940	3 877 977	3 771 565
Total liabilities		6 123 063	6 027 514	5 916 217
Total equity, reserves and liabilities		7 983 484	7 839 054	7 784 305

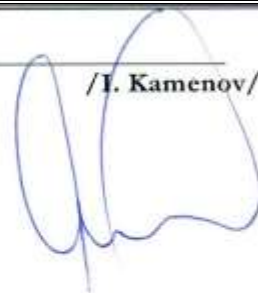
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Date: 29 August 2016


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Interim condensed consolidated statement of comprehensive income

	Notes	6 months	3 months	6 months	3 months
		to 30.06.2016	to 30.06.2016	to 30.06.2015	to 30.06.2015
		BGN'000	BGN'000	BGN'000	BGN'000
Income from non-financial activities		232 958	120 308	246 255	135 878
Expenses for non-financial activities		(204 640)	(110 158)	(215 523)	(120 643)
Change in fair value of investment property		1 157	680	29	23
Gain on sale of non-current assets		4 014	4 232	(33)	312
Net result from non-financial activities		33 489	15 062	30 728	15 570
Insurance income		532 732	101 628	416 441	73 262
Insurance expense		(510 034)	(91 981)	(400 034)	(65 182)
Net insurance result		22 698	9 647	16 407	8 080
Interest income		105 745	52 657	121 690	61 690
Interest expense		(33 269)	(14 655)	(64 018)	(31 978)
Net interest income		72 476	38 002	57 672	29 712
Gains from transactions with financial instruments		253 928	123 642	245 596	107 981
Losses from transactions with financial instruments		(219 754)	(107 237)	(235 612)	(121 472)
Net result from transactions with financial instruments		34 174	16 405	9 984	(13 491)
Administrative expenses		(121 317)	(59 706)	(103 122)	(55 247)
Share of profit from equity accounted investments		981	182	12 237	341
Other financial income		19 656	13 686	42 523	18 443
Allocation of income to secured persons		(10 020)	(4 262)	(13 352)	20 619
Profit before tax		52 137	29 016	53 077	24 027
Tax expense	12	(4 955)	(4 241)	(250)	2 438
Net profit for the period		47 182	24 775	52 827	26 465
Other comprehensive income					
Gains from financial assets		4 517	4 707	892	(191)
Total comprehensive income		51 699	29 482	53 719	26 274
Profit for the year attributable to:					
the shareholders of Chimimport AD		42 177	21 216	49 509	25 196
non-controlling interests		5 005	3 559	3 318	1 269
Total comprehensive income attributable to:					
the shareholders of Chimimport AD		45 499	24 887	50 271	25 304
non-controlling interests		6 200	4 595	3 448	970
Basic earnings per share in BGN		0,19	0,14	0,34	0,17
Diluted earnings per share in BGN		-	(0,10)	0,23	0,12

Prepared by:  /A. Kerezov/

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Date: 29 August 2016



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 2016	225 092	218 469	71 581	762 910	1 278 052	239 083	1 517 135
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	(105)	305	-	-	200	-	200
Business combinations	-	-	202	(10 661)	(10 459)	(3 295)	(13 754)
Transactions with owners	(105)	305	202	(10 661)	(10 259)	(3 295)	(13 554)
Profit for the period, ended at 30 June 2016	-	-	-	42 177	42 177	5 005	47 182
Other comprehensive income	-	-	3 322	-	3 322	1 195	4 517
Total comprehensive income for the period	-	-	3 322	42 177	45 499	6 200	51 699
Transfer of retained earnings to other reserves	-	-	5 537	(5 537)	-	-	-
Balance at 30 June 2016	224 987	218 774	80 642	788 889	1 313 292	241 988	1 555 280

Prepared by: _____

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Date: 29 August 2016



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/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					Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2015	227 384	219 182	68 238	788 788	1 303 592	232 945	1 536 537
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	(2 292)	(713)	-	-	(3 005)	-	(3 005)
Business combinations	-	-	(9 311)	7 180	(2 131)	(2 610)	(4 741)
Dividends	-	-	-	-	-	(2 945)	(2 945)
Transactions with owners	(2 292)	(713)	(9 311)	7 180	(5 136)	(5 555)	(10 691)
Profit for the year	-	-	-	58 483	58 483	8 623	67 106
Other comprehensive income	-	-	6 661	-	6 661	3 070	9 731
Total comprehensive income for the year	-	-	6 661	58 483	65 144	11 693	76 837
Transfer of retained earnings to other reserves	-	-	5 993	(5 993)	-	-	-
Share on changes in the investments accounted on the equity method	-	-	-	(85 548)	(85 548)	-	(85 548)
Balance at 31 December 2015	225 092	218 469	71 581	762 910	1 278 052	239 083	1 517 135

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Date: 29 August 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 2015	227 384	219 182	68 238	788 788	1 303 592	232 945	1 536 537
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	(492)	(156)	-	-	(648)	-	(648)
Business combinations	-	-	1 327	2 614	3 941	2 873	6 814
Transactions with owners	(492)	(156)	1 327	2 614	3 293	2 873	6 166
Profit for the period	-	-	-	49 509	49 509	3 318	52 827
Other comprehensive income							
Revaluation of financial instruments	-	-	762	-	762	130	892
Total comprehensive income for the period	-	-	762	49 509	50 271	3 448	53 719
Transfer of retained earnings to other reserves	-	-	5 979	(5 979)	-	-	-
Balance at 30 June 2015	226 892	219 026	76 306	834 932	1 357 156	239 266	1 596 422

Prepared by: _____

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Date: 29 August 2016




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Interim condensed consolidated statement of cash flows

	30.06.2016	30.06.2015
	BGN'000	BGN'000
Proceeds from short-term loans	55 583	90 447
Payments for short-term loans	(60 360)	(143 970)
Proceeds from sale of short-term financial assets	332 935	454 423
Purchase of short-term financial assets	(313 919)	(493 297)
Cash receipt from customers	238 213	253 570
Cash paid to suppliers	(212 883)	(215 136)
Proceeds from secured persons	65 532	69 976
Payments to secured persons	(15 805)	(12 603)
Payments to employees and social security institutions	(61 387)	(58 056)
Cash receipts from banking operations	20 113 304	20 102 130
Cash paid for banking operations	(20 044 715)	(19 859 379)
Cash receipts from insurance operations	117 545	134 908
Cash paid for insurance operations	(108 501)	(127 862)
Income taxes paid	(1 308)	(4 166)
Other cash inflows/(outflows)	553	383
Net cash flow from operating activities	104 787	191 368
Investing activities		
Payments for business combinations	-	(3 982)
Dividends received	4 010	667
Sale of property, plant and equipment	2 344	942
Purchase of property, plant and equipment	(19 863)	(29 295)
Sale of of intangible assets	16	-
Purchase of intangible assets	(1 184)	(33)
Sale of investment property	5 621	873
Purchase of investment property	(22 398)	(2 087)
Sale of non-current financial assets	302 037	374 717
Purchase of non-current financial assets	(99 243)	(942 826)
Interest payments received	36 428	25 945
Proceeds from loans granted	32 070	8 893
Payments for loans granted	(39 016)	(5 203)
Other cash (outflows)/inflows	180	(12 368)
Net cash flow from investing activities	201 002	(583 757)
Financing activities		
Purchase of own shares	(69)	-
Proceeds from loans received	32 481	113 925
Payments for loans received	(43 430)	(59 059)
Interest paid	(10 953)	(2 836)
Payments for finance leases	(732)	(2 537)
Other cash inflows	(13 572)	(26)
Net cash flow from financing activities	(36 275)	49 467
Net change in cash and cash equivalents	269 514	(342 922)
Cash and cash equivalents, beginning of year	1 229 113	1 480 670
Exchange profit on cash and cash equivalents	(414)	2 276
Cash and cash equivalents, end of the period	1 498 213	1 140 024

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Date: 29 August 2016



Executive director:  /I. Kamenov/

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 30 June 2016 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 2015, 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. Accounting policy

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 2015:

3.2. 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 2015

3.3. 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 2015. 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. Investments accounted for using equity method

5.1. Investments in associates

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

Name	30.06.2016 BGN'000	Share %	31.12.2015 BGN'000	Share %	30.06.2015 BGN'000	Share %
Lufthansa Technik Sofia OOD	6 156	24.90%	5 666	24.90%	5 358	24.90%
VTC AD	3 185	41.00%	2 544	41.00%	3 007	41.00%
Amadeus Bulgaria OOD	3 318	45.00%	3 168	45.00%	3 143	45.00%
Silver Wings Bulgaria Ltd.	3 967	42.50%	3 967	42.50%	5 463	42.50%
Swissport Bulgaria	4 470	49.00%	4 253	49.00%	3 639	49.00%
Dobrich fair AD	748	39.98%	741	39.98%	740	39.98%
Kavarna Gas OOD	479	35.00%	463	35.00%	466	35.00%
Fraport TSAM AD			-	0.00%	128 052	40.00%
	22 323		20 802		149 868	

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 30 June 2016.

5.2. Investments in joint ventures

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

Name	31.03.2016 BGN '000	Share %	31.12.2015 BGN '000	Share %	31.03.2015 BGN '000	Share %
Nuance BG AD	1 036	50.00%	1 036	50.00%	1 036	50.00%
Varna ferry OOD	5 007	50.00%	5 007	50.00%	-	50.00%
	6 043		6 043		1 036	

6. 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.

Chimimport AD
Interim Condensed Consolidated Financial Statements
30 June 2016

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 30 June 2016	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	63 531	12 342	147 669	166	7 896	1 354	232 958
Change in fair value of investment property	-	(17)	-	-	-	1 174	1 157
Gain from sale of non-current assets	4 199	25	1 465	-	-	(1 675)	4 014
Inter-segment income from non-financial activities	2 041	314	4 490	-	617	(7 462)	-
Total income from non-financial activities	69 771	12 664	153 624	166	8 513	(6 609)	238 129
Result from non-financial activities	6 011	12 664	12 099	(337)	324	2 728	33 489
Insurance income from external customers	-	532 732	-	-	-	-	532 732
Inter-segment insurance income	-	2 920	-	-	-	(2 920)	-
Total insurance income	-	535 652	-	-	-	(2 920)	532 732
Result from insurance	-	25 228	-	-	-	(2 530)	22 698
Interest income	2 327	107 626	1 758	127	84	(6 177)	105 745
Interest expenses	(3 976)	(30 014)	(5 121)	(23)	(312)	6 177	(33 269)
Result from interest	(1 649)	77 612	(3 363)	104	(228)	-	72 476
Gains from transactions with financial instruments	278	261 384	861	-	-	(8 595)	253 928
Inter-segment gains from transactions with financial instruments	-	-	-	-	-	-	-
Total Gains from transactions with financial instruments	278	261 384	861	-	-	(8 595)	253 928
Result from transactions with financial instruments	257	38 502	859	-	-	(5 444)	34 174
Administrative expenses	(3 135)	(116 425)	(5 102)	-	-	3 345	(121 317)
Net result from equity accounted investments in associates	23	-	958	-	-	-	981
Other financial income/ expense	(310)	27 581	(607)	(1)	(16)	(6 991)	19 656
Profit for allocating insurance batches	-	(10 020)	-	-	-	-	(10 020)
Profit for the period before tax	1 197	55 142	4 844	(234)	80	(8 892)	52 137
Tax expenses	(547)	(4 909)	(63)	-	-	564	(4 955)
Net profit for the period	650	50 233	4 781	(234)	80	(8 328)	47 182



Operating segments	Production, trade and services	Financial sector	Transport sector	Real estate Sector	Construction and engineering sector	Elimination	Consolidated
30 June 2016	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Assets of the segment	667 741	8 524 281	913 803	72 300	21 023	(2 244 030)	7 955 118
Equity accounted investments in associates	4 207	370	23 178	-	2	609	28 366
Total consolidated assets	671 948	8 524 651	936 981	72 300	21 025	(2 243 421)	7 983 484
Specialized reserves	-	305 141	-	-	-	-	305 141
Liabilities of the segment	209 631	6 190 828	390 406	4 107	16 399	(688 308)	6 123 063
Total consolidated liabilities	209 631	6 190 828	390 406	4 107	16 399	(688 308)	6 123 063

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	704 519	8 533 953	859 804	65 630	19 334	(2 371 031)	7 812 209
Equity accounted investments in associates	4 027	10	23 178	5	2	(377)	26 845
Total consolidated assets	708 546	8 533 963	882 982	65 635	19 336	(2 371 408)	7 839 054
Specialized reserves	-	294 405	-	-	-	-	294 405
Liabilities of the segment	239 761	6 210 999	343 379	3 724	14 790	(785 139)	6 027 514
Total consolidated liabilities	239 761	6 210 999	343 379	3 724	14 790	(785 139)	6 027 514



Operating segments 30 June 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	58 406	9 328	168 999	170	9 352	-	246 255
Change in fair value of investment property	(55 116)	-	(162 046)	(241)	(10 572)	12 452	(215 523)
Gain from sale of non-current assets	-	16	-	-	-	13	29
Inter-segment income from non-financial activities	5 345	1 097	1 977	-	1 054	(9 473)	-
Total income from non-financial activities	63 943	10 487	170 920	170	10 406	(9 675)	246 251
Result from non-financial activities	8 827	10 487	8 874	(71)	(166)	2 777	30 728
Insurance income from external customers	-	416 441	-	-	-	-	416 441
Inter-segment insurance income	-	3 600	-	-	-	(3 600)	-
Total insurance income	-	420 041	-	-	-	(3 600)	416 441
Result from insurance	-	19 656	-	-	-	(3 249)	16 407
Interest income	4 663	134 189	1 643	162	77	(19 044)	121 690
Interest expenses	(5 252)	(67 909)	(7 430)	(30)	(300)	16 903	(64 018)
Result from interest	(589)	66 280	(5 787)	132	(223)	(2 141)	57 672
Gains from transactions with financial instruments	1 703	248 929	878	-	55	(5 969)	245 596
Result from transactions with financial instruments	1 608	11 160	(20)	-	55	(2 819)	9 984
Administrative expenses	(3 886)	(98 284)	(4 927)	-	-	3 975	(103 122)
Net result from equity accounted investments in associates	60	-	12 177	-	-	-	12 237
Other financial income/ expense	(25)	37 609	5 128	-	(29)	(160)	42 523
Profit for allocating insurance batches	-	(13 352)	-	-	-	-	(13 352)
Profit for the period before tax	5 995	33 556	15 445	61	(363)	(1 617)	53 077
Tax expenses	(540)	465	(170)	(15)	-	10	(250)
Net profit for the period	5 455	34 021	15 275	46	(363)	(1 607)	52 827



Operating segments 30 June 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
Assets of the segment	784 689	8 260 538	927 720	49 944	17 120	(2 406 610)	7 633 401
Equity accounted investments in associates	9 290	370	15 204	-	4	126 036	150 904
Total consolidated assets	793 979	8 260 908	942 924	49 944	17 124	(2 280 574)	7 784 305
Specialized reserves	-	271 666	-	-	-	-	271 666
Liabilities of the segment	309 326	6 058 996	454 324	2 291	13 583	(922 303)	5 916 217
Total consolidated liabilities	309 326	6 058 996	454 324	2 291	13 583	(922 303)	5 916 217

7. 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 June 30, 2016. Their carrying amount can be analyzed as follows:

	Land	Building	Machines	Equipment and spare parts	Vehicles	Repairs	Others	Advances and 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 2016	60 260	94 418	111 546	127 534	134 148	20 053	95 164	84 318	727 441
Additions:									
- separately acquired	13	5 569	2 996	577	1 795	1 379	4 609	26 158	43 096
- reclassified	-	-	-	-	-	-	-	(5 325)	(5 325)
Disposals									
- separately disposed	-	(4)	(2 252)	(7)	(2 380)	-	(16)	(4 403)	(9 062)
Balance at 30 June 2016	60 273	99 983	112 290	128 104	133 563	21 432	99 757	100 748	756 150
Depreciation									
Balance at 1 January 2016	-	(19 647)	(89 611)	(24 686)	(52 138)	(19 069)	(53 843)	-	(258 994)
Disposals	-	239	1 680	4	1 916	-	16	-	3 855
Depreciation	-	(3 411)	(4 250)	(1 924)	(3 304)	(885)	(1 353)	-	(15 127)
Balance at 30 June 2016	-	(22 819)	(92 181)	(26 606)	(53 526)	(19 954)	(55 180)	-	(270 266)
Carrying amount at 30 June 2016	60 273	77 164	20 109	101 498	80 037	1 478	44 577	100 748	485 884



- as at 31 December 2015

	Land	Building	Machines	Equipment	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	65 258	105 665	125 934	123 147	17 810	89 952	82 718	670 196
Additions:									
- business combinations	-	-	-	-	38 505	-	-	-	38 505
- separately acquired	3 599	30 394	13 755	2 004	8 748	2 243	6 244	60 937	127 924
- reclassified	(10)	(182)	-	-	-	-	-	-	(192)
Disposals									
- separately disposed	(3 041)	(1 052)	(7 874)	(404)	(36 252)	-	(1 032)	(59 337)	(108 992)
Balance at 31 December 2015	60 260	94 418	111 546	127 534	134 148	20 053	95 164	84 318	727 441
Depreciation									
Balance at 1 January 2015	-	(20 101)	(84 333)	(23 094)	(63 106)	(17 416)	(49 967)	-	(258 017)
Business combinations	-	(8)	(1 017)	-	(220)	-	(97)	-	(1 342)
Disposal depreciation - reclassified	-	189	-	-	-	-	-	-	189
Disposal	-	368	4 106	138	18 111	-	475	-	23 198
Depreciation	-	(95)	(8 367)	(1 730)	(6 923)	(1 653)	(4 254)	-	(23 022)
Balance at 31 December 2015	-	(19 647)	(89 611)	(24 686)	(52 138)	(19 069)	(53 843)	-	(258 994)
Carrying amount at 31 December 2015	60 260	74 771	21 935	102 848	82 010	984	41 321	84 318	468 447

- as at 30 June 2015

	Land	Building	Machines	Equipment and spare parts	Vehicles	Repairs	Others	Advances and 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:									
- business combinations	16 645	18 171	-	-	-	-	-	-	34 816
- separately acquired	3 564	11 406	6 570	614	4 717	127 148	2 791	35 084	191 894
Disposals									
- separately disposed	(2 012)	(161)	(7 379)	(40)	(26 200)	-	(102)	(20 385)	(56 279)
Balance at 30 June 2015	<u>77 909</u>	<u>94 673</u>	<u>107 050</u>	<u>147 454</u>	<u>101 664</u>	<u>144 958</u>	<u>69 502</u>	<u>97 417</u>	<u>840 627</u>
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	-	1 451	3 635	31	9 085	-	3	-	14 205
Depreciation	-	(1 360)	(4 574)	(2 103)	(3 190)	(2 907)	(1 661)	-	(15 795)
Balance at 30 June 2015	<u>-</u>	<u>(20 016)</u>	<u>(88 171)</u>	<u>(42 723)</u>	<u>(57 431)</u>	<u>(20 323)</u>	<u>(32 285)</u>	<u>-</u>	<u>(260 949)</u>
Carrying amount at 30 June 2015	<u>77 909</u>	<u>74 657</u>	<u>18 879</u>	<u>104 731</u>	<u>44 233</u>	<u>124 635</u>	<u>37 217</u>	<u>97 417</u>	<u>579 678</u>



8. Long-term financial assets

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

	30.06.2016	31.12.2015	30.06.2015
	BGN '000	BGN '000	BGN '000
Financial assets at fair value through profit or loss	10 948	6 856	103 705
Held-to-maturity financial assets	418 535	646 342	249 328
Loans and receivables	1 686 212	1 802 753	1 614 741
Available-for-sale financial assets	181 090	177 429	706 654
	2 296 785	2 633 380	2 674 428
Impairment	(50 242)	(40 720)	(22 102)
	2 246 543	2 592 660	2 652 326

9. Short-term financial assets

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

	30.06.2016	31.12.2015	30.06.2015
	BGN '000	BGN '000	BGN '000
Financial assets at fair value through profit or loss	1 335 116	1 235 281	1 174 391
Held-to-maturity financial assets	30 953	117 669	158 098
Loans and receivables	1 058 130	862 382	858 746
Held for sale financial assets	74 611	90 603	103 458
Receivables on insurance and reinsurance contracts	68 889	64 118	58 481
	2 567 699	2 370 053	2 353 174
Impairment	(32 580)	(22 060)	(22 970)
	2 535 119	2 347 993	2 330 204

10. Share capital

The share capital of Chimimport as at 30 June 2016 consists of 239 646 267 ordinary shares with a par value of BGN 1, including 14 659 619 ordinary shares acquired by companies of Chimimport Group. The shares of the Company are ordinary, registered and subject to unrestricted transfers and entitle 1 voting right and liquidation quota.

Shares issued and fully paid:	30.06.2016	31.12.2015	30.06.2015
- beginning of the year	225 092 055	227 384 284	227 384 284
- treasury shares /ordinary and preferred/, acquired by subsidiaries during the year	(105 407)	(2 292 229)	(492 090)
Shares issued and fully paid as at period end	224 986 648	225 092 055	226 892 194

All privilege shares, issued on 12 June 2009, were converted into ordinary shares on 15 June 2016, as per the Memorandum:

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

	30.06.2016	30.06.2016	31.12.2015	31.12.2015	30.06.2015	30.06.2015
	Number of ordinary shares	%	Number of ordinary shares	%	Number of ordinary shares	%
Invest Capital AD	175 804 547	73.36%	111 439 365	73,86%	111 539 365	73,93%
Other legal entities and private individuals	63 841 720	26.64%	39 436 231	26,14%	39 336 231	25,92%
	239 646 267	100.00%	150 875 596	100,00%	150 875 596	100,00%

Shares of the Group, acquired by subsidiaries

CCB Group AD	(5 160 005)	2,15%	(5 160 005)	3,42%	(5 160 005)	2.15%
ZAD Armeec	(3 211 507)	1,34%	(745 400)	0,49%	(745 400)	0.31%
CCB AD	(188 100)	0,08%	(121 100)	0,08%	(120 600)	0.05%
POAD CCB Sila	(6 100 007)	2,55%	(609 676)	0,40%	(553 676)	0.37%
	(14 659 619)	6,12%	(6 636 181)	4.40%	(6 579 681)	2.88%
Net number of shares	224 986 648		144 239 415		144 295 915	



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

	30.06.2016	30.06.2016	31.12.2015	31.12.2015	30.06.2015	30.06.2015
	Number of ordinary shares	%	Number of shares /ordinary and preferred/	%	Number of shares /ordinary and preferred/	%
Invest Capital AD	175 804 547	73.36%	176 830 847	73,79%	179 810 347	75,03%
Other legal entities and private individuals	63 841 720	26.64%	62 815 420	26,21%	59 835 920	24,97%
	239 646 267	100.00%	239 646 267	100,00%	239 646 267	100%
Shares of the Group, acquired by subsidiaries						
CCB Group AD	(5 160 005)	2,15%	(5 160 005)	2,15%	(5 160 005)	2,15%
ZAD Armeec	(3 211 507)	1,34%	(3 745 400)	1,56%	(3 745 400)	1,56%
CCB AD	(188 100)	0,08%	(188 100)	0,08%	(167 500)	0,07%
POAD CCB Sila	(6 100 007)	2,55%	(5 460 707)	2,28%	(3 681 168)	1,54%
	(14 659 619)	6,12%	(14 554 212)	6,07%	(12 754 073)	5,32%
Net number of shares	224 986 648		225 092 055		226 892 194	

Withholding tax for dividends due from individuals and foreign legal entities, registered in countries that are not members of EU for 2015 and 2016 amounts to 5% and the tax is deducted from the gross amount of dividends.



11. Borrowings

Borrowings include financial liabilities as follows:

	Current			Non-current		
	30.06.2016	31.12.2015	30.06.2015	30.06.2016	31.12.2015	30.06.2015
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Financial liabilities measured at amortized cost:						
Liabilities to depositors	3 570 095	3 462 081	3 339 662	813 884	835 887	835 228
Liabilities for dividends	14 733	14 257	30 463	7 142	6 912	6 924
Bonds and debenture loan	315	8 169	6 546	162 714	171 848	227 182
Bank loans	60 201	55 846	34 593	93 723	94 243	99 114
Other borrowings	33 525	40 629	25 875	554	4 382	6 470
Insurance contract liabilities	42 481	37 383	18 872	-	-	-
Derivatives, held-for-trading	578	578	2 633	-	-	-
Deposits from banks	5 336	6 433	4 120	-	-	-
Cession liabilities	12 905	11 395	13 949	8 412	8 412	48 500
Liabilities under repurchase agreements	4 614	9 014	14	-	-	-
Total carrying amount	3 744 783	3 645 785	3 476 727	1 086 429	1 121 684	1 223 418

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 4% - 11%

12. Income tax expenses

Recognized tax expenses are based on management's best estimate of the expected annual tax rate. The tax rate, valid for 2016 is 10% corporate tax (the expected annual tax rate for the period ended on 31 December 2015 was 10%).

13. Earnings per shares

The basic earnings per share have been calculated using the net results attributable to shareholders of the Company as the numerator.

The weighted average number of outstanding shares used for basic earnings per share as well as profit attributable to shareholders, as at 30 June 2016, is:

30 June 2016

Profit attributable to the shareholders (BGN)	42 177 000
Weighted average number of outstanding shares	<u>224 986 648</u>
Basic earnings per share (BGN per share)	<u>0.19</u>

The weighted average number of shares outstanding ordinary and ordinary and preferred, used for the calculation of basic and diluted earnings per share as well as the net profit decreased by the dividend liabilities attributable to shareholders are as follows:

	As at 30.06.2015	
	Basic earnings per share	Diluted earnings per share
Net profit, attributable to shareholders, adjusted with dividend expense (BGN)	49 509 000	51 531 300
Weighted average number of shares	<u>144 296 515</u>	<u>227 331 441</u>
Diluted earnings per share (BGN per share)	<u>0.34</u>	<u>0.23</u>

14. Related party transactions

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

14.1. Transaction with owners

Sale of goods and services, interest income and other income	30.06.2016	30.06.2015
	BGN'000	BGN'000
<i>- interest income</i>		
Oweners	990	2707
<i>- sale of services</i>		
Oweners	8	4
Interest expense		
<i>- interest expense</i>		
Oweners	(1)	(9)

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

Sale of goods and services, interest income and other income	30.06.2016	30.06.2015
	BGN'000	BGN'000
<i>- sale of finished goods</i>		
- associated parties	351	593
- other related parties	241	254
<i>- sale of goods</i>		
- associated parties	195	486
- other related parties	1 006	21
<i>- sale of services</i>		
- associated parties	3 298	1 763
- joint ventures	1	-
- other related parties	1 182	1 292
<i>- interest income</i>		
- associated parties	-	20
- joint ventures	12	48
- other related parties	353	352



Sale of goods and services, interest income and other income	30.06.2016	30.06.2015
	BGN'000	BGN'000
<i>- other income</i>		
- associated parties	16	29
- joint ventures	3	-
- other related parties	1	-
 Purchase of services and interest expense	 30.06.2016	 30.06.2015
	BGN'000	BGN'000
<i>- purchase of services</i>		
- associated parties	(7 659)	(13 841)
- other related parties	(2 256)	(709)
 <i>- interest expense and other expenses</i>		
- associated parties	(8)	(104)
- other related parties joint ventures	(35)	(81)

14.3. 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:

	30.06. 2016	30.06. 2015
	BGN'000	BGN'000
Short-term employee benefits:		
Salaries, including bonuses	42	790
Social security costs	5	10
Group car allowance	-	1
Total:	47	801



15. Related party balances

	30.06.2016	31.12.2015	30.06.2015
	BGN'000	BGN'000	BGN'000
Non-current receivables from:			
-owners	3 797	4 207	4 597
-associated parties	-	1 096	2 317
-joint- ventures	38	39	2 718
- other related parties	3 422	6 432	2 601
Total	7 257	11 774	12 233
Current receivables from:			
-owners	161 291	182 897	121 309
- associates	1 308	3 271	1 117
-joint- ventures	528	525	2 075
- other related parties	39 178	28 056	20 876
Total	202 305	214 749	145 377
	30.06.2016	31.12.2015	30.06.2015
	BGN'000	BGN'000	BGN'000
Non-current payables to:			
-owners	1	38	-
- associates and joint ventures	1 723	2 663	2 019
-joint- ventures	94	145	390
- other related parties	1 024	761	472
Total	2 842	3 607	2 881
Current payables to:			
-owners	500	759	248
- associates	6 208	11 609	11 707
-joint- ventures	120	-	687
- other related parties	6 495	3 849	5 738
Total	13 323	16 217	18 380

16. Post - reporting date events

On July 27, 2016 held a general meeting of shareholders of Chimimport AD, which was voted the payment of dividend by BGN 0.1998 for each preference share and respectively by BGN 0,045 for each ordinary share.

17. Autorization of the interim condensed financial statements

The interim condensed consolidated financial statements as of 30 June 2016 (including comparatives) were approved for issue by the Managing board on 29 August 2016.