

Interim Activity Report  
Interim Condensed Consolidated Financial  
Statements

**CHIMIMPORT AD**

30 June 2015




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## Interim condensed consolidated statement of financial position

	Notes	30.06.2015 BGN'000	31.12.2014 BGN'000	30.06.2014 BGN'000
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	8	579 678	412 179	435 874
Investment property		298 703	310 684	218 929
Investments accounted for using the equity method	6	150 904	139 526	134 887
Goodwill		38 296	38 296	42 438
Other intangible assets		73 480	77 139	78 763
Long-term financial assets	9	2 676 871	1 848 462	1 845 084
Long-term related party receivables	16	12 233	22 141	16 926
Other long-term receivables		1 626	-	-
Deferred tax assets		4 439	5 922	6 793
<b>Non-current assets</b>		<b>3 836 230</b>	<b>2 854 349</b>	<b>2 779 694</b>
<b>Current assets</b>				
Inventories		34 648	40 820	33 506
Short-term financial assets	10	2 330 204	2 373 586	2 114 344
Related party receivables	16	145 377	272 572	276 847
Trade receivables		112 426	106 424	147 927
Tax receivables		1 179	1 878	3 117
Other receivables		188 580	118 493	212 398
Reinsurance assets		17 703	15 974	16 435
Cash and cash equivalents		1 140 024	1 480 670	1 240 872
<b>Current assets</b>		<b>3 970 141</b>	<b>4 410 417</b>	<b>4 045 446</b>
Assets classified as held for sale		2 479	4 518	43 615
<b>Total assets</b>		<b>7 808 850</b>	<b>7 269 284</b>	<b>6 868 755</b>

Prepared by:  /A. Kerezov/

Date: 29 August 2015

Executive director:  /I. Kamenov/



## Interim condensed consolidated statement of financial position (continued)

	Notes	30.06.2015 BGN'000	31.12.2014 BGN'000	30.03.2014 BGN'000
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	11	226 892	227 384	227 663
Share premium		219 026	219 182	219 252
Other reserves		96 580	88 512	101 442
Retained earnings		785 423	724 312	714 864
Profit for the period		49 509	64 476	56 301
<b>Equity attributed to the shareholders of parent company</b>		<b>1 377 430</b>	<b>1 323 866</b>	<b>1 319 522</b>
Non-controlling interests		243 537	237 216	236 496
<b>Total equity</b>		<b>1 620 967</b>	<b>1 561 082</b>	<b>1 556 018</b>
<b>Specialized reserves</b>		<b>271 666</b>	<b>265 565</b>	<b>236 066</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Long-term financial liabilities	12	1 223 418	1 050 524	1 083 859
Payables to secured persons		876 119	812 260	745 150
Long-term trade payables		1 496	2 236	12 857
Long-term related party payables	16	2 881	2 650	2 371
Finance lease liabilities		4 605	6 138	8 013
Pension and other employee obligations		2 342	2 480	1 982
Other liabilities		5 493	4 027	2 596
Provisions		546	546	466
Deferred tax liabilities		27 752	33 128	28 413
<b>Non-current liabilities</b>		<b>2 144 652</b>	<b>1 913 989</b>	<b>1 885 707</b>
<b>Current liabilities</b>				
Short-term financial liabilities	12	3 476 727	3 255 294	2 908 298
Trade payables		134 273	142 222	128 324
Short-term related party payables	16	18 380	14 914	20 102
Finance lease liabilities		3 560	4 638	5 168
Pension and other employee obligations		10 378	11 782	11 472
Tax liabilities		8 796	8 915	10 757
Other liabilities		119 451	90 883	106 843
<b>Current liabilities</b>		<b>3 771 565</b>	<b>3 528 648</b>	<b>3 190 964</b>
<b>Total liabilities</b>		<b>5 916 217</b>	<b>5 442 637</b>	<b>5 076 671</b>
<b>Total equity, reserves and liabilities</b>		<b>7 808 850</b>	<b>7 269 284</b>	<b>6 868 755</b>

Prepared by: \_\_\_\_\_

/A. Kerezov/

Date: 29 August 2015

Executive director: \_\_\_\_\_

/I. Kamenov/




## Interim condensed consolidated statement of comprehensive income

	Notes	6 months to 30.06.2015	3 months to 30.06.2015	6 months to 30.06.2014	3 months to 30.06.2014
		BGN'000	BGN'000	BGN'000	BGN'000
Income from non-financial activities		246 255	135 878	241 721	131 862
Expenses for non-financial activities		(215 523)	(120 643)	(206 060)	(121 001)
Change in fair value of investment property		29	23	-	(12)
Gain on sale of non-current assets		(33)	312	7 712	5 843
<b>Net result from non-financial activities</b>		<b>30 728</b>	<b>15 570</b>	<b>43 373</b>	<b>16 692</b>
Insurance income		416 441	73 262	354 175	63 854
Insurance expense		(400 034)	(65 182)	(345 883)	(61 835)
<b>Net insurance result</b>		<b>16 407</b>	<b>8 080</b>	<b>8 292</b>	<b>2 019</b>
Interest income		121 690	61 690	126 063	69 554
Interest expense		(64 018)	(31 978)	(72 129)	(39 841)
<b>Net interest income</b>		<b>57 672</b>	<b>29 712</b>	<b>53 934</b>	<b>29 713</b>
Gains from transactions with financial instruments		245 596	107 981	259 668	134 489
Losses from transactions with financial instruments		(235 612)	(121 472)	(212 018)	(113 367)
<b>Net result from transactions with financial instruments</b>		<b>9 984</b>	<b>(13 491)</b>	<b>47 650</b>	<b>21 122</b>
Administrative expenses		(103 122)	(55 247)	(85 076)	(43 687)
Gains from purchases		-	-	-	-
Share of profit from equity accounted investments		12 237	341	5 608	3 719
Other financial income		42 523	18 443	25 032	18 375
Allocation of income to secured persons		(13 352)	20 619	(32 160)	(14 323)
<b>Profit before tax</b>		<b>53 077</b>	<b>24 027</b>	<b>66 653</b>	<b>33 630</b>
Tax expense	13	(250)	2 438	(5 198)	(2 465)
<b>Net profit for the period</b>		<b>52 827</b>	<b>26 465</b>	<b>61 455</b>	<b>31 165</b>
<b>Other comprehensive income</b>					
Share of other comprehensive income of associates					
Gains from financial assets		892	(191)	(420)	(420)
<b>Total comprehensive income</b>		<b>53 719</b>	<b>26 274</b>	<b>61 035</b>	<b>30 745</b>
<b>Profit for the year attributable to:</b>					
the shareholders of Chimimport AD		49 509	25 196	56 301	30 388
non-controlling interests		3 318	1 269	5 154	777
<b>Total comprehensive income attributable to:</b>					
the shareholders of Chimimport AD		50 271	25 304	55 898	29 985
non-controlling interests		3 448	970	5 137	760
<b>Basic earnings per share in BGN</b>	14	0.34	0.17	0.39	0.21
<b>Diluted earnings per share in BGN</b>	14	0.23	0.12	0.25	0.11

Prepared by: \_\_\_\_\_

/A. Kerezov/


Date: 29 August 2015

Executive director: \_\_\_\_\_

/I. Kamenov/

## Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000	Equity attributable to the shareholders of Chimimport AD				Total	Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings			
Balance at 1 January 2015	227 384	219 182	88 512	788 788	1 323 866	237 216	1 561 082
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	(492)	(156)	-	-	(648)	-	(648)
Business combinations	-	-	1 327	2 614	3 941	2 873	6 814
<b>Transactions with owners</b>	<b>(492)</b>	<b>(156)</b>	<b>1 327</b>	<b>2 614</b>	<b>3 293</b>	<b>2 873</b>	<b>6 166</b>
Profit for the period, ended at 30 June 2015	-	-	-	49 509	49 509	3 318	52 827
<b>Other comprehensive income</b>							
Gains from financial assets	-	-	762	-	762	130	892
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>762</b>	<b>49 509</b>	<b>50 271</b>	<b>3 448</b>	<b>53 719</b>
Transfer of retained earnings to other reserves	-	-	5 979	(5 979)	-	-	-
<b>Balance at 30 June 2015</b>	<b>226 892</b>	<b>219 026</b>	<b>96 580</b>	<b>834 932</b>	<b>1 377 430</b>	<b>243 537</b>	<b>1 620 967</b>

Prepared by:   
/A. Kerezov/  
Date: 29 August 2015



Executive director:   
/I. Kamenov/

## Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000

	Equity attributable to the shareholders of Chimimport AD				Total	Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings			
<b>Balance at 1 January 2014</b>	228 183	219 929	91 001	746 171	1 285 284	235 990	1 521 274
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	(799)	(747)	-	-	(1 546)	-	(1 546)
Business combinations	-	-	(11 225)	(8 955)	(20 180)	(12 579)	(32 759)
<b>Transactions with owners</b>	<b>(799)</b>	<b>(747)</b>	<b>(11 225)</b>	<b>(8 955)</b>	<b>(21 726)</b>	<b>(12 579)</b>	<b>(34 305)</b>
Profit for the year	-	-	-	64 476	64 476	14 005	78 481
Other comprehensive income	-	-	(4 168)	-	(4 168)	(200)	(4 368)
<b>Total comprehensive income for the year</b>			<b>(4 168)</b>	<b>64 476</b>	<b>60 308</b>	<b>13 805</b>	<b>74 113</b>
Transfer of retained earnings to other reserves	-	-	12 904	(12 904)	-	-	-
Share on changes in the investments accounted on the equity method	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-
<b>Balance at 31 December 2014</b>	<b>227 384</b>	<b>219 182</b>	<b>88 512</b>	<b>788 788</b>	<b>1 323 866</b>	<b>237 216</b>	<b>1 561 082</b>

Prepared by: \_\_\_\_\_

/A. Kerezov/

Date: 29 August 2015



Executive director: \_\_\_\_\_

/I. Kamenov/

## Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000	Equity attributable to the shareholders of Chimimport AD				Total	Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings			
Balance at 1 January 2014	228 183	219 929	91 001	746 171	1 285 284	235 990	1 521 274
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	(520)	(677)	-	-	(1 197)	-	(1 197)
Business combinations	-	-	(2 228)	(18 235)	(20 463)	(4 631)	(25 094)
<b>Transactions with owners</b>	<b>(520)</b>	<b>(677)</b>	<b>(2 228)</b>	<b>(18 235)</b>	<b>(21 660)</b>	<b>(4 631)</b>	<b>(26 291)</b>
Profit for the period, ended at 30 June 2014	-	-	-	56 301	56 301	5 154	61 455
<b>Other comprehensive income</b>							
Gains from financial assets	-	-	(403)	-	(403)	(17)	(420)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(403)</b>	<b>56 301</b>	<b>55 898</b>	<b>5 137</b>	<b>61 035</b>
Transfer of retained earnings to other reserves	-	-	13 072	(13 072)	-	-	-
<b>Balance at 30 June 2014</b>	<b>227 663</b>	<b>219 252</b>	<b>101 442</b>	<b>771 165</b>	<b>1 319 522</b>	<b>236 496</b>	<b>1 556 018</b>

Prepared by: \_\_\_\_\_

/A. Kerezov/

Date: 29 August 2015



Executive director: \_\_\_\_\_

/I. Kamenov/





## Interim condensed consolidated statement of cash flows

	30.06.2015	30.06.2014
	BGN'000	BGN'000
Proceeds from short-term loans	90 447	140 426
Payments for short-term loans	(143 970)	(136 728)
Proceeds from sale of short-term financial assets	454 423	343 390
Purchase of short-term financial assets	(493 297)	(314 778)
Cash receipt from customers	253 570	257 747
Cash paid to suppliers	(215 136)	(210 249)
Proceeds from secured persons	69 976	68 126
Payments to secured persons	(12 603)	(9 003)
Payments to employees and social security institutions	(58 056)	(54 015)
Cash receipts from banking operations	20 102 130	26 491 320
Cash paid for banking operations	(19 859 379)	(26 627 497)
Cash receipts from insurance operations	134 908	106 246
Cash paid for insurance operations	(127 862)	(83 533)
Income taxes paid	(4 166)	(2 481)
Other cash inflows	383	1 795
<b>Net cash flow from operating activities</b>	<b>191 368</b>	<b>(29 234)</b>
<b>Investing activities</b>		
Net payments for acquisition of subsidiaries	(3 982)	8 595
Dividends received	667	4 307
Sale of property, plant and equipment	942	87
Purchase of property, plant and equipment	(29 295)	(21 618)
Sale of of intangible assets	-	2 000
Purchase of intangible assets	(33)	(454)
Sale of investment property	873	73
Purchase of investment property	(2 087)	(7 501)
Sale of non-current financial assets	374 717	136 314
Purchase of non-current financial assets	(942 826)	(144 649)
Interest payments received	25 945	27 540
Proceeds from loans granted	8 893	11 982
Payments for loans granted	(5 203)	(5 786)
Other cash outflows	(12 368)	(14 393)
<b>Net cash flow from investing activities</b>	<b>(583 757)</b>	<b>(3 503)</b>
<b>Financing activities</b>		
Proceeds from loans received	113 925	66 288
Payments for loans received	(59 059)	(91 790)
Interest paid	(2 836)	(11 719)
Payments for finance leases	(2 537)	(2 446)
Other cash outflows	(26)	(3 322)
<b>Net cash flow from financing activities</b>	<b>49 467</b>	<b>(42 989)</b>
Exchange profit/(losses) on cash and cash equivalents	2 276	(814)
Cash and cash equivalents, beginning of year	1 480 670	1 317 412
Net change in cash and cash equivalents	(342 922)	(75 726)
<b>Cash and cash equivalents, end of the period</b>	<b>1 140 024</b>	<b>1 240 872</b>

Prepared by: \_\_\_\_\_

/A. Kerezov/

Date: 29 August 2015



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

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

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

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

### 3. Accounting policies and significant changes during the period

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

These set of amendments impacts 4 standards:

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

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

### **3.3. Estimates**

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

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

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

### **3.4. Financial risk management**

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

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

## **4. Significant events and transactions during the reporting period**

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



## 5. Changes in controlling interests in subsidiaries

### 5.1. Acquisition of Cambana Burgas EOOD

On 1 June 2015 a newly established company was registered Kambana Burgas EOOD. The group exercises control over the newly formed company, through its subsidiary Zyrneni Hrani Bulgaria AD. The main activity of Kambana Burgas EOOD consists of carrying out trade in cereals, vegetable oil, purchase and storage of oil raw materials, processing, extraction of vegetable, food and technical oils

The total cost of the investment company incorporated is BGN 14 477 thousand and represents registered capital of the company

	<b>BGN'000</b>
Consideration transferred settled in installment in kind	(14 477)
Cash and cash equivalents acquired	-
<b>Net cash outflow on acquisition</b>	<b>(14 477)</b>

### 5.2. Acquisition of Bulgaria Air Maintenance EOOD

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

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

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

### 5.3. Sale of parts of controlling interest in Zyrneni Hrani Bulgaria AD

In 2015, the Group sold equity amounting to 1.09% in its subsidiary Zyrneni Hrani Bulgaria AD for the amount of BGN 954 thousand. Thereby reducing its controlling interest to 68.70%.

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

	<b>BGN'000</b>
Total consideration transferred	954
Additional share sold in the net assets of Asenova Krepost AD	(2 872)
<b>Decrease in retained earnings</b>	<b>1 918</b>

## 6. Investments accounted for using equity method

### 6.1. Investments in associates

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

Name	30.06.2015 BGN'000	Share %	31.12.2014 BGN'000	Share %	30.06.2014 BGN'000	Share %
Fraport TSAM AD	128 052	40.00%	117 021	40.00%	112 526	40,00%
Lufthansa Technik Sofia OOD	5 358	24.90%	6 038	24.90%	7 772	24,90%
VTC AD	3 007	41.00%	2 541	41.00%	3 476	41,00%
Amadeus Bulgaria OOD	3 143	45.00%	3 140	45.00%	3 711	45,00%
Alpha Airport Services OOD	5 463	42.50%	5 656	42.50%	2 728	42,50%
Swissport Bulgaria	3 639	49.00%	2 933	49.00%	1 614	49,00%
Dobrich fair AD	740	39.98%	695	39.98%	1 435	37,92%
Kavarna Gas OOD	466	35.00%	466	35.00%	585	35,00%
PIC Saglasie Co.Ltd.	-	-	-	-	-	-
	<b>149 868</b>		<b>138 490</b>		<b>133 847</b>	

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 2015.

### 6.2. Investments in joint ventures

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

Name	30.06.2015 BGN '000	Share %	31.12.2014 BGN '000	Share %	30.06.2014 BGN '000	Share %
Nuance BG AD	1 036	50,00%	1 036	50.00%	727	50,00%
Varna ferry OOD	-	50,00%	-	50.00%	313	50,00%
	<b>1 036</b>		<b>1 036</b>		<b>1 040</b>	

## 7. Segment reporting

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

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

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

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

The operating segments of the Group are as follows:

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

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





Operating segments 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)	-
<b>Total income from non-financial activities</b>	<b>63 943</b>	<b>10 487</b>	<b>170 920</b>	<b>170</b>	<b>10 406</b>	<b>(9 675)</b>	<b>246 251</b>
<b>Result from non-financial activities</b>	<b>8 827</b>	<b>10 487</b>	<b>8 874</b>	<b>(71)</b>	<b>(166)</b>	<b>2 777</b>	<b>30 728</b>
Insurance income from external customers	-	416 441	-	-	-	-	416 441
Inter-segment insurance income	-	3 600	-	-	-	(3 600)	-
<b>Total insurance income</b>	<b>-</b>	<b>420 041</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 600)</b>	<b>416 441</b>
<b>Result from insurance</b>	<b>-</b>	<b>19 656</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 249)</b>	<b>16 407</b>
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)
<b>Result from interest</b>	<b>(589)</b>	<b>66 280</b>	<b>(5 787)</b>	<b>132</b>	<b>(223)</b>	<b>(2 141)</b>	<b>57 672</b>
Gains from transactions with financial instruments	1 703	248 929	878	-	55	(5 969)	245 596
<b>Result from transactions with financial instruments</b>	<b>1 608</b>	<b>11 160</b>	<b>(20)</b>	<b>-</b>	<b>55</b>	<b>(2 819)</b>	<b>9 984</b>
Administrative expenses	(3 886)	(98 284)	(4 927)	-	-	3 975	(103 122)
<b>Net result from equity accounted investments in associates</b>	<b>60</b>	<b>-</b>	<b>12 177</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 237</b>
Other financial income/ expense	(25)	37 609	5 128	-	(29)	(160)	42 523
Profit for allocating insurance batches	-	(13 352)	-	-	-	-	(13 352)
<b>Profit for the period before tax</b>	<b>5 995</b>	<b>33 556</b>	<b>15 445</b>	<b>61</b>	<b>(363)</b>	<b>(1 617)</b>	<b>53 077</b>
Tax expenses	(540)	465	(170)	(15)	-	10	(250)
<b>Net profit for the period</b>	<b>5 455</b>	<b>34 021</b>	<b>15 275</b>	<b>46</b>	<b>(363)</b>	<b>(1 607)</b>	<b>52 827</b>



Operating segments	Production, trade and services	Financial sector	Transport sector	Real estate Sector	Construction and engineering sector	Elimination	Consolidated
<b>30 June 2015</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>
Assets of the segment	784 707	8 285 083	927 720	49 944	17 120	(2 406 610)	7 657 946
Equity accounted investments in associates	9 290	370	15 204	-	4	126 036	150 904
<b>Total consolidated assets</b>	<b>793 979</b>	<b>8 285 453</b>	<b>942 924</b>	<b>49 944</b>	<b>17 124</b>	<b>(2 280 574)</b>	<b>7 808 850</b>
<b>Specialized reserves</b>	<b>-</b>	<b>271 666</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>271 666</b>
Liabilities of the segment	309 326	6 058 996	454 324	2 291	13 583	(922 303)	5 916 217
<b>Total consolidated liabilities</b>	<b>309 326</b>	<b>6 058 996</b>	<b>454 324</b>	<b>2 291</b>	<b>13 583</b>	<b>(922 303)</b>	<b>5 916 217</b>

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



- as at 30.06.2014

**Operating segments**  
**30 June 2014**

	<b>Production, trade and services</b>	<b>Financial sector</b>	<b>Transport sector</b>	<b>Real estate sector</b>	<b>Construction and engineering sector</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>
Income from non-financial activities from external customers	49 832	17 049	171 331	129	3 380	-	241 721
Change in fair value of investment property	-	-	-	-	-	-	-
Gain from sale of non-current assets	1 099	45	818	-	-	5 750	7 712
Inter-segment income from non-financial activities	15 500	1 874	2 187	-	360	(19 921)	-
<b>Total income from non-financial activities</b>	<b>66 431</b>	<b>18 968</b>	<b>174 336</b>	<b>129</b>	<b>3 740</b>	<b>(14 171)</b>	<b>249 433</b>
<b>Result from non-financial activities</b>	<b>10 794</b>	<b>18 968</b>	<b>9 107</b>	<b>(32)</b>	<b>(427)</b>	<b>4 963</b>	<b>43 373</b>
Insurance income from external customers	-	354 175	-	-	-	-	354 175
<b>Result from insurance</b>	<b>-</b>	<b>8 029</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>263</b>	<b>8 292</b>
Interest income	4 855	130 642	1 417	216	128	(11 195)	126 063
Interest expenses	(5 771)	(76 636)	(9 563)	(10)	(344)	20 195	(72 129)
<b>Result from interest</b>	<b>(916)</b>	<b>54 006</b>	<b>(8 146)</b>	<b>206</b>	<b>(216)</b>	<b>9 000</b>	<b>53 934</b>
Gains from transactions with financial instruments	1 708	260 273	2 791	-	15	(5 119)	259 668
<b>Result from transactions with financial instruments</b>	<b>1 377</b>	<b>48 586</b>	<b>2 791</b>	<b>-</b>	<b>15</b>	<b>(5 119)</b>	<b>47 650</b>
Administrative expenses	(3 755)	(82 263)	(4 931)	-	-	5 873	(85 076)
<b>Net result from equity accounted investments in associates</b>	<b>13</b>	<b>-</b>	<b>5 595</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 608</b>
Other financial income/ expense	(341)	29 301	(432)	-	(25)	(3 471)	25 032
Profit for allocating insurance batches	-	(32 160)	-	-	-	-	(32 160)
<b>Profit for the period before tax</b>	<b>7 172</b>	<b>44 467</b>	<b>3 984</b>	<b>174</b>	<b>(653)</b>	<b>11 509</b>	<b>66 653</b>
Tax expenses	(792)	(4 352)	(59)	-	-	5	(5 198)
<b>Net profit for the period</b>	<b>6 380</b>	<b>40 115</b>	<b>3 925</b>	<b>174</b>	<b>(653)</b>	<b>11 514</b>	<b>61 455</b>



Operating segments 30 June 2014	Production, trade and services	Financial sector	Transport sector	Real estate sector	Construction and engineering sector	Elimination	Consolidated
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Assets of the segment	782 827	7 317 875	823 883	48 802	17 832	(2 257 351)	6 733 868
Equity accounted investments in associates	4 907	360	20 147	-	4	109 469	134 887
<b>Total consolidated assets</b>	<b>787 734</b>	<b>7 318 235</b>	<b>844 030</b>	<b>48 802</b>	<b>17 836</b>	<b>(2 147 882)</b>	<b>6 868 755</b>
<b>Specialized reserves</b>	<b>-</b>	<b>236 066</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>236 066</b>
Liabilities of the segment	338 513	5 164 786	399 636	1 303	14 971	(842 538)	5 076 671
<b>Total consolidated liabilities</b>	<b>338 513</b>	<b>5 164 786</b>	<b>399 636</b>	<b>1 303</b>	<b>14 971</b>	<b>(842 538)</b>	<b>5 076 671</b>



## 8. Property, plant and equipment

Property, plant and equipment of the Group include land, buildings, plant and equipment, vehicles, repairs of rented fixed assets, assets in process of acquisition, etc. 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 2015	59 712	65 257	107 859	146 880	123 147	17 810	66 813	82 718	<b>670 196</b>
Additions:									
- through business combinations	16 645	18 171	-	-	-	-	-	-	<b>34 816</b>
- separately acquired	3 564	11 406	6 570	614	4 717	127 148	2 791	35 084	<b>191 894</b>
Disposals									
- separately disposed	(2 012)	(161)	(7 379)	(40)	(26 200)	-	(102)	(20 385)	<b>(56 279)</b>
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>	<b><u>840 627</u></b>
<b>Depreciation</b>									
Balance at 1 January 2015	-	(20 099)	(86 215)	(40 651)	(63 106)	(17 416)	(30 530)	-	<b>(258 017)</b>
Business combinations	-	(8)	(1 017)	-	(220)	-	(97)	-	<b>(1 342)</b>
Disposals	-	1 451	3 635	31	9 085	-	3	-	<b>14 205</b>
Depreciation	-	(1 360)	(4 574)	(2 103)	(3 190)	(2 907)	(1 661)	-	<b>(15 795)</b>
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>	<b><u>(260 949)</u></b>
<b>Carrying amount at 30 June 2015</b>	<b><u>77 909</u></b>	<b><u>74 657</u></b>	<b><u>18 879</u></b>	<b><u>104 731</u></b>	<b><u>44 233</u></b>	<b><u>124 635</u></b>	<b><u>37 217</u></b>	<b><u>97 417</u></b>	<b><u>579 678</u></b>



- as at 31 December 2014

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

- as at 30 June 2014

	Land	Buildin g	Machines	Equipment and spare parts	Vehicles	Repairs	Others	Advances and assets in process of acquisition	Total
	BGN'000	BGN'00 0	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at 1 January 2014	62 561	92 347	107 546	144 270	125 231	27 940	56 538	72 659	<b>689 092</b>
Additions:									
- through business combinations	8	1 434	333	-	13 940	-	416	-	<b>16 131</b>
- separately acquired	-	214	3 265	1 174	1 890	320	296	35 395	<b>42 554</b>
Disposals									
- separately disposed	(5)	(268)	(7 453)	(326)	(10 892)	-	(77)	(20 396)	<b>(39 417)</b>
- through business combinations	-	-	-	-	(151)	-	-	-	<b>(151)</b>
Balance at 30 June 2014	62 564	93 727	103 691	145 118	130 018	28 260	57 173	87 658	<b>708 209</b>
<b>Depreciation</b>									
Balance at 1 January 2014	-	(22 544)	(84 945)	(36 900)	(58 715)	(26 551)	(29 096)	-	<b>(258 751)</b>
Depreciation through business combinations	-	(889)	(332)	-	(8 180)	-	(372)	-	<b>(9 773)</b>
Disposals	-	1 438	3 760	74	2 980	-	22	-	<b>8 274</b>
Depreciation	-	(1 380)	(4 052)	(2 132)	(2 658)	(1 202)	(661)	-	<b>(12 085)</b>
Balance at 30 June 2014	-	(23 375)	(85 569)	(38 958)	(66 573)	(27 753)	(30 107)	-	<b>(272 335)</b>
<b>Carrying amount at 30 June 2014</b>	<b>62 564</b>	<b>70 352</b>	<b>18 122</b>	<b>106 160</b>	<b>63 445</b>	<b>507</b>	<b>27 066</b>	<b>87 658</b>	<b>435 874</b>



## 9. Long-term financial assets

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

	<b>30.06.2015</b>	<b>31.12.2014</b>	<b>30.06.2014</b>
	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>
Financial assets at fair value through profit or loss	103 705	17 082	104 867
Held-to-maturity financial assets	249 328	189 051	157 982
Loans and receivables	1 614 741	1 391 505	1 309 020
Available-for-sale financial assets	731 199	264 039	289 621
	<b>2 698 973</b>	<b>1 861 677</b>	<b>1 861 490</b>
Impairment	(22 102)	(13 215)	(16 406)
	<b>2 676 871</b>	<b>1 848 462</b>	<b>1 845 084</b>

## 10. Short-term financial assets

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

	<b>30.06.2015</b>	<b>31.12.2014</b>	<b>30.06.2014</b>
	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>
Financial assets at fair value through profit or loss	1 174 391	1 169 619	968 564
Held-to-maturity financial assets	158 098	109 287	175 107
Loans and receivables	858 746	962 803	884 185
Held for sale financial assets	103 458	92 157	46 212
Receivables on insurance and reinsurance contracts	58 481	62 392	55 935
	<b>2 353 174</b>	<b>2 396 258</b>	<b>2 130 003</b>
Impairment	(22 970)	(22 672)	(15 659)
	<b>2 330 204</b>	<b>2 373 586</b>	<b>2 114 344</b>



## 11. Share capital

The share capital of Chimimport AD as at 30 June 2015 consists of 150 875 596 (31.12.2014: 150 875 596) ordinary shares with a par value of BGN 1 per share and 88 770 671 (31.12.2014: 88 770 671) preferred shares with a par value of BGN 1, including 6 579 581 (31.12.2014: 6 483 985) ordinary shares and 6 158 492 (31.12.2014: 5 381 922) preferred shares, acquired by companies of Chimimport Group. The ordinary shares of Chimimport AD are registered and subject to unrestricted transfers and entitle 1 voting right and liquidation quota. The preferred shares do not entitle voting rights. They give the owner the right to a cumulative guaranteed dividend and to a guaranteed liquidation quota of the Group's estate.

Shares issued and fully paid:	30.06.2015	31.12.2014	30.06.2014
- beginning of the year	227 384 284	228 183 193	228 183 193
- treasury shares /ordinary and preferred/, acquired by subsidiaries during the year	(492 090)	(798 909)	(520 803)
<b>Shares issued and fully paid as at period end</b>	<b>226 892 194</b>	<b>227 384 284</b>	<b>227 662 390</b>

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

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

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



Dividend payables and share premium, resulting from the conversion of 858 825 preferred shares and the acquisition of 476 090 shares of the Group by subsidiaries, are allocated as follows:

- BGN 28 271 thousand – share premium
- BGN (1 966) thousand – reduction of share premium due to treasury shares acquired by subsidiaries
- BGN 33 613 thousand – current dividend payables
- BGN (3 150) thousand – reduction of current dividend payables due to treasury shares acquired by subsidiaries
- BGN 7 640 thousand – non-current dividend payables
- BGN (716) thousand – reduction of non-current dividend payables due to treasury shares acquired by subsidiaries

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

	30.06.2015	30.06.2015	31.12.2014	31.12.2014	30.06.2014	30.06.2014
	Number of ordinary shares	%	Number of ordinary shares	%	Number of ordinary shares	%
Invest Capital AD	111 539 365	73,93%	111 539 365	73.93%	111 539 365	73.93%
Other legal entities and private individuals	39 336 231	25,92%	39 336 231	26.07%	39 336 231	26.07%
	<b>150 875 596</b>	<b>100,00%</b>	<b>150 875 596</b>	<b>100.00%</b>	<b>150 875 596</b>	<b>100.00%</b>

**Shares of the Group,  
acquired by subsidiaries**

CCB Group AD	(5 160 005)	2.15%	(5 160 005)	3.42%	(5 160 005)	3.42%
ZAD Armeec	(745 400)	0.31%	(745 400)	0.49%	(745 400)	0.49%
CCB AD	(120 600)	0.05%	(120 000)	0.08%	(115 000)	0.08%
POAD CCB Sila	(553 676)	0.37%	(553 676)	0.37%	(483 070)	0.32%
	<b>(6 579 681)</b>	<b>2.88%</b>	<b>(6 579 081)</b>	<b>4.36%</b>	<b>(6 503 475)</b>	<b>4.31%</b>
<b>Net number of shares</b>	<b>144 295 915</b>		<b>144 296 515</b>		<b>144 372 121</b>	



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

	<b>30.06.2015</b>	<b>30.06.2015</b>	<b>31.12.2014</b>	<b>31.12.2014</b>	<b>30.06.2014</b>	<b>30.06.2014</b>
	<b>Number of</b>	<b>%</b>	<b>Number of</b>	<b>%</b>	<b>Number of</b>	<b>%</b>
	<b>shares</b>		<b>shares</b>		<b>shares</b>	
	<b>/ordinary</b>		<b>/ordinary</b>		<b>/ordinary</b>	
	<b>and</b>		<b>and</b>		<b>and</b>	
	<b>preferred/</b>		<b>preferred/</b>		<b>preferred/</b>	
Invest Capital AD	179 810 347	75,03%	182 140 887	76.00%	182 480 887	76.15%
Other legal entities and private individuals	59 835 920	24,97%	57 505 380	24.00%	57 165 380	23.85%
	<b>239 646 267</b>	<b>100%</b>	<b>239 646 267</b>	<b>100.00%</b>	<b>239 646 267</b>	<b>100.00%</b>
<b>Shares of the Group, acquired by subsidiaries</b>						
CCB Group AD	(5 160 005)	2,15%	(5 160 005)	2.15%	(5 160 005)	2.15%
ZAD Armeec	(3 745 400)	1,56%	(3 745 400)	1.56%	(3 745 400)	1.56%
CCB AD	(167 500)	0,07%	(145 500)	0.06%	(138 000)	0.06%
POAD CCB Sila	(3 681 168)	1,54%	(3 211 078)	1.34%	(2 940 472)	1.23%
	<b>(12 754 073)</b>	<b>5,32%</b>	<b>(12 261 983)</b>	<b>5.11%</b>	<b>(11 983 877)</b>	<b>5.00%</b>
<b>Net number of shares</b>	<b>226 892 194</b>		<b>227 384 284</b>		<b>227 662 390</b>	

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



## 12. Borrowings

Borrowings include financial liabilities as follows:

	Current			Non-current		
	30.06.2015	31.12.2014	30.06.2014	30.06.2015	31.12.2014	30.06.2014
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Financial liabilities measured at amortized cost:						
Liabilities to depositors	3 339 662	3 092 272	2 641 872	835 228	755 990	765 286
Liabilities for dividends	30 463	14 127	31 038	6 924	20 545	19 408
Bonds and debenture loan	6 546	3 980	538	227 182	174 571	176 095
Bank loans	34 593	39 060	59 753	99 114	44 300	105 564
Other borrowings	25 875	31 798	59 147	6 470	5 188	17 506
Insurance contract liabilities	18 872	15 946	17 430	-	-	-
Derivatives, held-for-trading	2 633	2 633	10 415	-	-	-
Deposits from banks	4 120	17 875	66 845	-	620	-
Cession liabilities	13 949	36 195	21 260	48 500	49 310	-
Liabilities under repurchase agreements	14	1 408	-	-	-	-
<b>Total carrying amount</b>	<b>3 476 727</b>	<b>3 255 294</b>	<b>2 908 298</b>	<b>1 223 418</b>	<b>1 050 524</b>	<b>1 083 859</b>

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

## 13. Income tax expenses

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

## 14. Earnings per shares

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

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

	30 June 2015	30 June 2014
Profit attributable to the shareholders (BGN)	49 509 000	56 024 000
Weighted average number of outstanding shares	144 296 515	144 646 279
<b>Basic earnings per share (BGN per share)</b>	<b>0.34</b>	<b>0.39</b>

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

	30 June 2015	30 June 2014
Net profit, attributable to shareholders, adjusted with dividend expense (BGN)	51 531 300	57 108 500
Weighted average number of shares	227 331 441	228 146 942
<b>Diluted earnings per share (BGN per share)</b>	<b>0.23</b>	<b>0.25</b>

## 15. Related party transactions

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

### 15.1. Transaction with owners

<b>Sale of goods and services, interest income and other income</b>	<b>30.06.2015</b>	<b>30.06.2014</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<i>- interest income</i>		
Invest Capital AD	2 707	4 292
<i>- sale of services</i>		
Invest Capital AD	4	3
<b>Interest expense</b>		
<i>- purchases of services</i>		
Invest Capital AD	-	(15)
<i>- interest expense</i>		
Invest Capital AD	(9)	(36)

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

<b>Sale of goods and services, interest income and other income</b>	<b>30.06.2015</b>	<b>30.06.2014</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<i>- sale of finished goods</i>		
Kavarna Gas OOD	593	558
Chimsnab Trade OOD	254	229
<i>- sale of goods</i>		
Fraport TSAM AD	333	468
VTC AD	153	120
M Car OOD	14	6
Varna Cars OOD	7	7
Aviation Company Hemus Air EAD	-	138
<i>- sale of services</i>		
Lufthansa Technik Sofia OOD	1 729	861
CCB Lider DF	333	291
CCB Activ DF	255	231



<b>Sale of goods and services, interest income and other income</b>	<b>30.06.2015</b>	<b>30.06.2014</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Swissport Bulgaria AD	26	110
PFK Chernomorec AD	23	-
CCB Garant DF	11	12
Fraport TSAM AD	8	-
M Car OOD	7	7
Varna Cars OOD	-	105
Aviation Company Hemus Air EAD	-	528
Other	663	32
 <i>- interest income</i>		
Niko Comers AD	141	264
Conor – Switzerland	53	229
Varna Cars OOD	38	-
Lufthansa Technik Sofia OOD	20	30
VIA Interkar OOD	6	18
M car OOD	1	2
Aviation Company Hemus Air EAD	-	356
Fraport TSAM AD	-	7
Other	161	-
 <i>- other income</i>		
Lufthansa Technik Sofia OOD	16	-
Swissport Bulgaria AD	13	-
Aviation company Hemus air EAD	-	2
 <b>Purchase of services and interest expense</b>		
	<b>30.06.2015</b>	<b>30.00.2014</b>
	<b>BGN'000</b>	<b>BGN'000</b>
 <i>- purchase of services</i>		
Lufthansa Technik Sofia OOD	(9 535)	(5 203)
Swissport Bulgaria AD	(1 824)	(2 013)
Silver Wings Bulgaria OOD	(1 287)	(1 573)
Fraport TSAM AD	(1 195)	(1 878)
Niko Commerce EAD	(677)	-
M Car OOD	(17)	(21)
Varna Cars OOD	(8)	(82)
Via Intercar 2007 OOD	-	(65)
VTC AD	-	(5)
Kavarna Gaz POOD	-	(1)
Aviation Company Hemus Air EAD	-	(850)
Other	(7)	(178)



<b>Sale of goods and services, interest income and other income</b>	<b>30.06.2015</b>	<b>30.06.2014</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<i>- interest expense and other expenses</i>		
Niko Comers AD	(80)	-
Fraport TSAM AD	(34)	(100)
Swissport Bulgaria AD	(29)	(5)
Dobrich fair AD	(22)	(8)
Amadeus Bulgaria OOD	(6)	(3)
VTC AD	(3)	(9)
Invest Capital Aset Management EAD	(1)	(3)

### 15.3. Transaction with key management personnel

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

	<b>30 June 2015</b>	<b>30 June 2014</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Short-term employee benefits:		
Salaries, including bonuses	790	99
Social security costs	10	5
Group car allowance	1	-
	<b>801</b>	<b>104</b>





**16. Related party balances**

	30.06.2015	31.12.2014	30.06.2014
	BGN'000	BGN'000	BGN'000
<b>Non-current receivables from:</b>			
<i>-owners</i>			
Invest Capital AD	4 597	2 762	-
	<b>4 597</b>	<b>2 762</b>	<b>-</b>
<i>-associated parties</i>			
Varnaferry OOD	2 718	2 433	2 123
Lufthansa Technik Sofia OOD	2 317	2 347	-
	<b>5 035</b>	<b>4 780</b>	<b>2 123</b>
<i>- other related parties</i>			
PFC Chernomore AD	2 601	2 601	1 564
Aviation Company Hemus Air EAD	-	11 998	11 728
Other	-	-	1 511
	<b>2 601</b>	<b>14 599</b>	<b>14 803</b>
<b>Total</b>	<b>12 233</b>	<b>22 141</b>	<b>16 926</b>
<b>Current receivables from:</b>			
<i>-owners</i>			
Invest Capital AD	121 309	125 786	109 141
Chiminvest Establishment - Lichtenstein	-	-	26 861
	<b>121 309</b>	<b>125 786</b>	<b>136 002</b>
<i>- associates</i>			
Varnaferi OOD	2 075	1 173	-
Lufthansa Technik Sofia OOD	613	713	2 421
Kavarna Gaz OOD	404	686	454
Fraport TSAM AD	50	139	103
Swissport Bulgaria AD	39	-	-
Silver Wings Bulgaria OOD	9	-	-
Dobrich fair AD	2	-	-
	<b>3 192</b>	<b>2 711</b>	<b>2 978</b>
<i>- other related parties</i>			
Conor GmbH	11 999	11 164	10 129
Niko Comers OOD	4 313	4 156	7 264
Consortium Energoproekt – Royal Haskoning	1 472	1 416	1 416
Varna cars OOD	1 430	788	-
Chimsnab Trade OOD	322	65	143
PFK Chernomore AD	158	158	-
M Car OOD	11	177	59
Aviation Company Hemus Air EAD	-	125 144	116 159
Via Intercar OOD	-	139	394
Other	1 171	868	2 303
	<b>20 876</b>	<b>144 075</b>	<b>137 867</b>
<b>Total</b>	<b>145 377</b>	<b>272 572</b>	<b>276 847</b>



	30.06.2015	31.12.2014	30.06.2014
	BGN'000	BGN'000	BGN'000
<b>Non-current payables to:</b>			
<i>-owners</i>			
Invest Capital AD	-	2	2
<i>- associates and joint ventures</i>			
Fraport TSAM AD	829	90	961
VTC AD	536	1 429	690
Nuance BG AD	390	432	162
Swissport Bulgaria AD	322	176	-
Silver wings Bulgaria OOD	178	-	-
Amadeus Bulgaria OOD	131	139	137
Kavarna Gaz OOD	23	-	8
Lufthansa Technik Sofia OOD	-	-	37
	<b>2 409</b>	<b>2 266</b>	<b>1 995</b>
<i>- other related parties</i>			
M Car OOD	167	159	193
Varna Cars OOD	117	94	91
Consortium Energoprojekt – Royal Haskoning	86	-	-
Chimsnab Trade OOD	25	31	32
Capital Invest EAD	11	20	2
Invest Capital Asset Management EAD	2	11	7
Aviation Company Hemus Air EAD	-	-	1
Other	64	67	48
	<b>472</b>	<b>382</b>	<b>374</b>
<b>Total</b>	<b>2 881</b>	<b>2 650</b>	<b>2 371</b>
<b>Current payables to:</b>			
<i>-owners</i>			
Invest Capital AD	248	355	498
Chiminvest Establishment - Lichtenstain	-	-	495
	<b>248</b>	<b>355</b>	<b>993</b>
<i>- associates</i>			
Lufthansa Technik Sofia OOD	6 101	2 212	3 237
Fraport TSAM AD	1 684	2 288	6 528
Swissport Bulgaria AD	1 212	942	441
Silver wings Bulgaria OOD	1 134	1 226	712
Dobrich fair AD	761	750	1 001
Nuance BG AD	687	338	776
Amadeus Bulgaria OOD	508	478	418
VTC AD	307	680	299



	30.06.2015	31.12.2014	30.06.2014
	BGN'000	BGN'000	BGN'000
	12 394	8 914	13 412
<i>- other related parties</i>			
Consortium Energoproekt – Royal Haskoning	2 541	1 900	1 900
Niko Komers EAD	1 149	2 290	1 730
Invest Capital Asset Management EAD	482	446	247
M Car OOD	468	347	247
Chimsnab Trade OOD	168	26	-
Varna Cars OOD	35	100	86
Capital Invest EAD	10	29	5
Other	885	507	1 482
	<b>5 738</b>	<b>5 645</b>	<b>5 697</b>
<b>Total</b>	<b>18 380</b>	<b>14 914</b>	<b>20 102</b>

#### 17. Post - reporting date events

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

#### 18. Autorization of the interim condensed financial statements

The interim condensed consolidated financial statements as of 30 June 2015 (including comparatives) were approved for issue by the Managing board on 29 August 2015..