

15. Investments in associates, joint ventures and subsidiaries

On 31 December 2016, the Group incorporated in its financial statements with the equity method of consolidation the company Adocim Cimento Beton Sanayi ve Ticaret A.S. with ownership percentage 50% (31.12.2015: 50%). The Group has joint control over the joint venture and therefore applies the equity method of consolidation. The Adocim Cimento Beton Sanayi ve Ticaret A.S. is based in Turkey, operates in the production of cement.

On 31 May 2016, Adocim Cimento Beton Sanayi ve Ticaret A.S formed the company Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. (Adocim Marmara) in which the Group was granted ownership percentage 50%. The Group incorporated the newly formed company with the equity method of consolidation in the Group financial statements up to 22 August 2016, date on which the Group acquired the remaining 50% of the Adocim Marmara shares (note 14).

On 20 September 2016, the Group's subsidiary Brazcem Participacoes S.A. (note 30) acquired 50,0% ownership percentage of the company Companhia Industrial De Cimento Apodi (Apodi) with a consideration of €105.7 million. Given that there is a non-controlling interest participating in the company Brazcem Participacoes S.A. (note 14), the Group's share in the Apodi consideration was €99.4 million.

Apodi is based in Brazil, operates in the production of cement and it is incorporated in the Group financial statements with the equity method of consolidation since 30.9.2016 as the Group has joint control. On 31 December 2016, the Group ownership percentage was 47.0%.

None of the aforementioned companies is listed on a public exchange market.

Summarised financial information of the joint ventures, based on its IFRS financial statements, are set out below:

(all amounts in Euro thousands)

Summarized statement of financial position as at 31 December	Adocim Cimento Beton Sanayi ve Ticaret A.S.		Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	Companhia Industrial De Cimento Apodi		
	2016	2015	2016	2016		
Non-current assets	47,590	69,034	-	241,467		
Other current assets	34,284	41,814	-	41,088		
Cash and cash equivalents	98	198	-	907		
Total assets	81,972	111,046	-	283,462		
Long-term borrowings	21,374	15,968	-	153,501		
Deferred income tax liability	-	1,177	-	3,003		
Other non-current liabilities	662	706	-	1,643		
Short-term borrowings	16,188	29,301	-	73,420		
Other current liabilities	10,089	12,347	-	12,661		
Total liabilities	48,313	59,499	-	244,228		
Equity	33,659	51,547	-	39,234		
Summarized income statement and statement of comprehensive income			1.1 - 31.12.2016	1.1 - 31.12.2015	1.6 - 21.8.2016	1.10 - 31.12.2016
Turnover			72,787	87,629	2,865	18,612

Summarized income statement and statement of comprehensive income	1.1 - 31.12.2016	1.1 - 31.12.2015	1.6 - 21.8.2016	1.10 - 31.12.2016
Depreciation, amortization and impairments of assets	-3,460	-3,877	-116	-2,143
Finance income	2,078	4,135	-	652
Finance expense	-11,016	-13,706	-186	-5,689
Income tax	-1,769	-2,066	44	-2,981
Profit/(loss) after taxes	7,169	8,026	-175	-9,236
Total comprehensive income/(loss) for the year net of tax	7,169	8,026	-175	-9,236

Reconciliation of summarized financial information	2016	2015	2016	2016
Carrying amount of the investment as at 1st of January	73,993	78,552	-	-
Profit/(loss) for the year	3,585	4,013	-88	-4,617
Dividends	-2,934	-	-	-
Acquisition of joint ventures	-	-	-	105,705
Share capital increase	-	-	-	1,834
Change in ownership interest	-	-	-	87
Change in consolidation method	-	-	-10,222	-
Restructuring	-10,348	-	10,348	-
Intra-group eliminations	35	34	-	-
Foreign exchange differences	-9,986	-8,606	-38	4,835
Carrying amount of the investment as at 31st of December	54,345	73,993	-	107,844

On 31 December 2016, Adocim Cimento Beton Sanayi ve Ticaret A.S. had contingent liabilities in the form of bank guarantee letters amounting to €714 thousand (31.12.2015: €857 thousand).