



EXPERIENCE **MATTERS**

**2016**

ANNUAL REPORT

## 5 FINANCIAL REPORT 2016

### 5.2.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in millions of US\$	Outstanding number of shares	Issued share capital	Share premium reserve	Treasury shares	Retained earnings	Other reserves	Attributable to shareholders	Non-controlling interests	Total Equity
<b>At 1 January 2016</b>	<b>211,694,950</b>	<b>58</b>	<b>1,162</b>	-	<b>1,532</b>	<b>(255)</b>	<b>2,496</b>	<b>970</b>	<b>3,465</b>
Profit/(Loss) for the period		-	-	-	182	-	182	65	247
Foreign currency translation		(2)	-	-	-	(19)	(21)	4	(17)
Remeasurements of defined benefit provisions		-	-	-	-	3	3	-	3
Cash flow hedges/net investment hedges		-	-	-	-	51	51	12	63
<b>Comprehensive income for the period</b>		<b>(2)</b>	<b>-</b>	<b>-</b>	<b>182</b>	<b>35</b>	<b>215</b>	<b>81</b>	<b>296</b>
IFRS 2 Vesting cost of Share based payments		-	-	-	-	15	15	-	15
Issuance of shares on the share based scheme	1,776,355	0	2	0	28	(29)	1	-	1
Purchase of treasury shares		-	-	(166)	-	-	(166)	-	(166)
Cash dividend		-	-	-	(45)	-	(45)	(20)	(64)
Equity funding <sup>1</sup>		-	-	-	-	-	-	107	107
Equity repayment <sup>2</sup>		-	-	-	-	-	-	(142)	(142)
<b>At 31 December 2016</b>	<b>213,471,305</b>	<b>56</b>	<b>1,163</b>	<b>(166)</b>	<b>1,697</b>	<b>(235)</b>	<b>2,516</b>	<b>996</b>	<b>3,513</b>

1 equity contribution into Alfa Lula Alto S.à r.l, Beta Lula Central S.à r.l. and SBM Stones Sarl following shareholders resolution.

2 mainly equity repayment from Alfa Lula Alto S.à r.l and Beta Lula Central S.à r.l. following shareholders resolution.

in millions of US\$	Outstanding number of shares	Issued share capital	Share premium reserve	Treasury shares	Retained earnings	Other reserves	Attributable to shareholders	Non-controlling interests	Total Equity
<b>At 1 January 2015</b>	<b>209,695,094</b>	<b>64</b>	<b>1,160</b>	-	<b>1,482</b>	<b>(287)</b>	<b>2,419</b>	<b>730</b>	<b>3,149</b>
Profit/(Loss) for the period		-	-	-	29	-	29	81	110
Foreign currency translation		(7)	-	-	-	(12)	(18)	-	(18)
Remeasurements of defined benefit provisions		-	-	-	-	0	0	-	0
Cash flow hedges/net investment hedges		-	-	-	-	5	5	(14)	(9)
<b>Comprehensive income for the period</b>		<b>(7)</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>(7)</b>	<b>16</b>	<b>67</b>	<b>83</b>
IFRS 2 Vesting cost of Share based payments		-	-	-	(28)	28	-	-	-
IFRS 2 Reserve identification <sup>1</sup>		-	-	-	-	20	20	-	20
Issuance of shares on the share based scheme	1,999,856	1	2	-	10	(10)	3	-	3
Cash dividend		-	-	-	-	-	-	(2)	(2)
Transactions with non-controlling interests		-	-	-	38	-	38	(38)	-
Equity funding <sup>2</sup>		-	-	-	-	-	-	292	292
Equity repayment <sup>3</sup>		-	-	-	-	-	-	(78)	(78)
<b>At 31 December 2015</b>	<b>211,694,950</b>	<b>58</b>	<b>1,162</b>	<b>-</b>	<b>1,532</b>	<b>(255)</b>	<b>2,496</b>	<b>970</b>	<b>3,465</b>

1 the IFRS 2 Share Based Payments granted but still unvested has been reclassified to the Other Reserves to reflect its undistributable nature.

2 mainly equity contribution into SBM Stones S.à r.l and Alfa Lula Alto S.à r.l, following shareholders resolution.

3 equity repayment from companies Guara Norte S.à r.l., Beta Lula Central S.à r.l. and Tupi Nordeste S.à r.l. following shareholders resolution.

## 5.2.5 CONSOLIDATED CASH FLOW STATEMENT

in millions of US\$

	2016	2015
<b>Cash flow from operating activities</b>		
Receipts from customers	1,859	2,139
Payments for finance leases construction	(20)	(704)
Payments to suppliers and employees	(1,266)	(1,879)
Settlement Dutch Public Prosecutor's Office	(70)	(70)
Income tax received/(paid)	(15)	(24)
<b>Net cash from operating activities</b>	<b>488</b>	<b>(538)</b>
<b>Cash flow from investing activities</b>		
Investment in property, plant and equipment	(9)	(7)
Investment in intangible assets	(5)	(15)
Additions to funding loans	(47)	(3)
Redemption of funding loans	50	126
Interest received	15	9
Dividends received from equity-accounted investees	45	9
Net proceeds from disposal of property, plant and equipment	3	13
Net proceed from disposal of Financial assets	38	3
<b>Net cash used in investing activities</b>	<b>90</b>	<b>135</b>
<b>Cash flow from financing activities</b>		
Net equity funding from partners	(35)	214
Additions to borrowings and loans	1,118	1,855
Repayments of borrowings and loans	(780)	(1,405)
Dividends paid to shareholders and non-controlling interests	(64)	(2)
Share repurchase program	(166)	-
Interest paid	(252)	(210)
<b>Net cash from financing activities</b>	<b>(179)</b>	<b>451</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>399</b>	<b>48</b>
Net cash and cash equivalents as at 1 January	515	452
Net increase/(decrease) in net cash and cash equivalents	399	48
Foreign currency variations	(9)	15
<b>Net cash and cash equivalents as at 31 December</b>	<b>904</b>	<b>515</b>

The reconciliation of the net cash and cash equivalents as at 31 December with the corresponding amounts in the statement of financial position is as follows:

### Reconciliation of net cash and cash equivalents as at 31 December

	31 December 2016	31 December 2015
Cash and cash equivalents	904	515
Bank overdrafts	-	-
<b>Net cash and cash equivalents</b>	<b>904</b>	<b>515</b>