

N.V. VERENIGDE SURINAAMSE HOLDINGMIJ.-
UNITED SURINAME HOLDING COMPANY



First Half Year

Report 2015

Core Values

To be a Champion for our Customers, Partners, Shareholders and in the Community we hold fast to these values:

- Your success is our desire
- Trust in our relationships and personally responsible for all our actions
- Create a better company for a better world

N.V. Verenigde Surinaamse Holdingmij.-

United Suriname Holding Company

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Report of the Management

Introduction

The VSH-United Group comprises a Holding Company and twelve operating subsidiaries; eleven (11) are operating in Suriname and one (1) in Miami, Florida, USA.

The Company

In the Annual General Meeting of Shareholders held on 21 May 2015, the financial statements 2014 and a cash dividend of SRD 3,277,458 (2013: SRD 2,979,507) or SRD 1.65 (2013: SRD 1.50) per share each were approved.

The Annual General Meeting of Shareholders re-elected Mr. R. Khodadin, Mrs. D.R. Halfhide, Mr. R. Elias, Mr. R.M. Hahn, Mr. J.J. Healy and Mr. A. Kluijver as members of the Supervisory Board.

In the Meeting of the Supervisory Board of 11 June 2015 the members appointed Mr. R. Khodadin as Chairman, Mrs. D.R. Halfhide as Vice-Chairperson and Mrs. M. Ramsundersingh as Secretary.

The Business Environment

The Suriname economy remained under pressure due to continuing low prices for the major export commodities gold and oil.

Inflation, on a year to year basis was 5.2%¹ at the end of June 2015 (12-month June 2014: 3.9%). Reduced US Dollar income continues to put pressure on the Suriname Dollar exchange rate and traded in October at SRD 3.90 for USD 1. The production start-up of the State Oil refinery in Q4 2015 is expected to bring about some relieve on foreign currency demand.

Financial Overview

Consolidated Group revenue from continuing operations for the first half year 2015 amounted to SRD 38,581,447 (first half year 2014: SRD 30,026,679). Shipping revenue was 122.3% higher compared to the first half year 2014 mainly due to off-shore activities. Trading revenue was 4.0% higher in the first half year 2015. The revenue of the core trading business in personal protective equipment and office machines was 18.9% higher in the first half year 2015. Steel performed under budget due to an overall downturn in construction projects and increased local competition. VSH Foods had a 10.6% increase in revenue mainly due to a prudent purchasing strategy of raw material. Total volume was 1.8% lower in the first half year 2015 compared to the same period in 2014. At CIC lower local sales contributed to slightly lower revenues compared to the first half year in 2014. Real estate revenue was 5.3% lower compared to the first half year 2014 due to lower real estate income in VSH Foods, VSH Steel and VSH Trading.

Costs for the first half year 2015 amounted to SRD 29,288,157 (first half year 2014: SRD 23,777,129) which is 23.2% higher compared to the same period in 2014. Personnel expenses in the first half of 2015 were 31.9% higher compared to the first half of 2014 mainly due to an increase in personnel.

Administrative expenses posted at SRD 10,037,156 (first half year 2014: SRD 8,146,526) mainly due to higher overall ICT related consultancy expenses, higher marketing expenses in Trading and exchange rate losses in Foods and CIC.

Interest expenses increased due to a bank loan for VSH Transport for the investment in a port mobile shore crane in the first half year 2015.

For the first half year 2015 the provision resulted in a gain of SRD 79,425 (first half year 2014: expense SRD 302,949). Profit from continuing operations for the first half year 2015 amounted to SRD 9,293,290 (first half year 2014: SRD 6,249,550). The effects of the off shore activities in the shipping segment was the main reason for the increase in the profit from continuing operations.

The profit from the associated company Assuria N.V. (Assuria) decreased by 22.4% compared to the first half year 2014. Our share of profit as reflected in the income statement amounted to SRD 4,380,977 (first half year 2014: SRD 5,644,508). Investment income in the first half year 2015 amounted to SRD 476,379 (first half year 2014: SRD 77,135). The companies in which we hold shares performed well and we expect income for the year to increase

compared to the level of 2014.

Total profit after tax for the first half year 2015 amounted to SRD 10,803,983 (first half year 2014: SRD 9,702,217).

After deduction of non-controlling interest the profit attributable to shareholders amounted to SRD 9,950,733 (first half year 2014: SRD 8,814,939). Earnings per share amounted to SRD 5.01 (first half year 2014: SRD 4.44).

Profit attributable to shareholders which has been realized in the period is used as the bench mark for determining dividend policy. Unrealized profit is the portion of consolidated profit not received in cash (dividend) from group companies during the period. Realized profit attributable to shareholders during the reporting period amounted to SRD 5,716,300 (first half year 2014: SRD 3,225,029). Realized earnings per share amounted to SRD 2.88 (first half year 2014: SRD 1.62).

Interim dividend for the first and second quarter amounted to SRD 0.30 per share (first and second quarter 2014: SRD 0.20 per share).

The share price during the last trading session on the Suriname Stock Exchange in June 2015 amounted to SRD 67.00 compared to SRD 50.50 at 31 December 2014.

Outlook

The Suriname economy as a whole will remain under pressure due to the low commodity prices.

Concerns expressed over government expenditures, inflation and currency stability is now a reality. International Monetary Funds has per October 2015 adjusted real Suriname GDP forecast for 2015 at 1.5% and for 2016 at 0.5%. This is down from +/- 3% levels.

The results for the shipping business in the second half of the year will be less compared to the first half due to the ending of the off-shore projects. Although final results for Steel will not reach projected targets we do expect some improvements in the second half of the year. The volumes of both Foods and CIC are expected to improve as both traditionally do better in the second half of the year. Trading is expected to consolidate their position in personal protective equipment and office machines in Suriname. The launch of our Guyana subsidiary took place on 6 November 2015 and the main focus of this subsidiary will be on Trading, Shipping agency with support services to Steel. VSH United Group results for the year are projected to be around 4% higher compared to 2014.

Paramaribo, 12 November 2015

The Management

Mr. P. Healy, *CEO*

Mrs. M. Ramsundersingh, *Chief Legal & HR*

Condensed Company Income Statement

for the six months ended 30 June 2015

	1 January - 30 June 2015	1 January - 30 June 2014
	SRD	SRD
Income from		
Subsidiaries	4,913,603	2,902,188
Share of profit in Associate	4,380,977	5,644,508
Investments	460,981	67,059
Other	304,955	314,350
	10,060,516	8,928,105
Profit		
Profit before tax	10,060,516	8,928,105
Income tax	109,783	113,166
Net profit for the period	9,950,733	8,814,939
Division of Profit		
Interim dividend	595,901	397,268
Surplus	9,354,832	8,417,671
	9,950,733	8,814,939

The accompanying notes on pages 14 to 19 are an integral part of these condensed consolidated interim financial statements.

Paramaribo, 12 November 2015

Supervisory Board

R. Khodadin, Chairman
D. Halfhide, Vice Chairman
R. Elias
R. Hahn
J.J. Healy Jr
A. Kluijver

Management

P. Healy, CEO
M. Ramsundersingh, Chief Legal & HR

Condensed Company Balance Sheet at 30 June 2015

before appropriation of profit

	At 30 June 2015	At 31 December 2014
	SRD	SRD
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	579,957	533,496
Financial assets	17,456,157	16,056,581
Subsidiary interest	75,716,001	71,138,368
Investment in Associate	92,054,814	84,785,427
Total non-current assets	185,806,929	172,513,872
CURRENT ASSETS		
Subsidiary receivables	3,777,035	1,370,328
Trade and other receivables	317,735	3,584,837
Cash and cash equivalents	8,940,035	9,572,478
Total current assets	13,034,805	14,527,643
Total assets	198,841,734	187,041,515
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	19,863	19,863
Capital in excess of par value	240,425	240,425
Retained earnings	90,014,511	72,884,354
Result for the period	9,950,733	20,151,842
Revaluation reserves	76,438,612	72,901,602
Total equity	176,664,144	166,198,086
LIABILITIES		
Non-current liabilities		
Deferred tax	6,732,671	6,237,442
Total non-current liabilities	6,732,671	6,237,442
Current liabilities		
Subsidiary payables	13,364,380	12,840,639
Income tax payables	55,982	128,503
Trade and other payables	2,024,557	1,636,845
Total current liabilities	15,444,919	14,605,987
Total equity and liabilities	198,841,734	187,041,515

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Paramaribo, 12 November 2015

Supervisory Board

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R. Hahn
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A. Kluijver

Management

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M. Ramsundersingh, Chief Legal & HR

Condensed Consolidated Income Statement

for the six months ended 30 June 2015

	1 January - 30 June 2015	1 January - 30 June 2014
	SRD	SRD
REVENUE		
Trading	2,769,616	2,662,795
Industry	17,382,583	17,997,770
Shipping	16,805,115	7,558,480
Real estate	750,409	792,386
Other	873,724	1,015,248
	38,581,447	30,026,679
COSTS		
Personnel expenses	15,110,727	11,455,510
Administrative expenses	10,037,156	8,146,526
Distribution costs	611,290	626,384
Interest	407,923	180,119
Depreciation and amortization	3,200,486	3,065,641
Provisions	(79,425)	302,949
	29,288,157	23,777,129
Profit from continuing operations	9,293,290	6,249,550
OTHER INCOME		
Share of profit in Associate	4,380,977	5,644,508
Investments	476,379	77,135
	4,857,356	5,721,643
PROFIT		
Profit before tax	14,150,646	11,971,193
Income tax	3,346,663	2,268,976
Net profit for the period	10,803,983	9,702,217
Attributable to:		
Non-controlling interests	853,250	887,278
Equity holder of the Parent Company	9,950,733	8,814,939
Number of weighted average shares outstanding	1,986,338	1,986,338
Earnings per share	5.01	4.44

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Paramaribo, 12 November 2015

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Condensed Consolidated Balance Sheet at 30 June 2015

before appropriation of profit

	At 30 June 2015	At 31 December 2014
ASSETS	SRD	SRD
Non-current assets		
Property, plant and equipment	66,902,608	57,282,576
Intangible assets	932,444	809,722
Financial assets	18,137,657	16,755,946
Investment in associate	92,054,814	84,785,427
Total non-current assets	178,027,523	159,633,671
Current assets		
Inventories	25,918,896	25,007,301
Trade and other receivables	32,935,382	28,380,466
Cash and cash equivalents	15,684,529	16,378,761
Total current assets	74,538,807	69,766,528
Total assets	252,566,330	229,400,199
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	19,863	19,863
Capital in excess of par value	240,425	240,425
Retained earnings	90,014,511	72,884,354
Result for the period	9,950,733	20,151,842
Revaluation reserves	76,438,612	72,901,602
Equity attributable to equity holders of the Parent Company	176,664,144	166,198,086
Non-controlling interests	15,193,695	15,073,122
Total equity	191,857,839	181,271,208
LIABILITIES		
Non-current liabilities		
Long-term borrowings	11,212,342	1,924,292
Long-term provisions	4,410,555	4,460,200
Deferred tax	12,604,132	12,156,914
Total non-current liabilities	28,227,029	18,541,406
Current liabilities		
Trade and other payables	28,764,931	25,746,386
Current tax payable	729,218	800,736
Short-term borrowings	2,158,320	2,159,937
Short-term provisions	828,993	880,526
Total current liabilities	32,481,462	29,587,585
Total equity and liabilities	252,566,330	229,400,199

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Paramaribo, 12 November 2015

Supervisory Board

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Management

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Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2015

in SRD	SHARE CAPITAL	CAPITAL IN EXCESS OF PAR VALUE	RETAINED EARNINGS	REVALUATION RESERVE	TOTAL	NON- CONTROLLING INTERESTS	TOTAL
Equity at 1 January 2014	19,863	240,425	73,562,407	69,249,459	143,072,154	16,478,908	159,551,062
Profit after tax	-	-	20,151,842	-	20,151,842	2,056,945	22,208,787
Profit distributions	-	-	(794,535)	-	(794,535)	(320,346)	(1,114,881)
Revaluation	-	-	-	3,768,625	3,768,625	(3,133,518)	635,107
Realized revaluation	-	-	116,482	(116,482)	-	-	-
Correction previous year	-	-	-	-	-	(8,867)	(8,867)
Equity at 31 December 2014 before appropriation of profit	19,863	240,425	93,036,196	72,901,602	166,198,086	15,073,122	181,271,208
Dividend	-	-	(2,482,923)	-	(2,482,923)	(487,191)	(2,970,114)
Equity at 31 December 2014 after appropriation of profit	19,863	240,425	90,553,273	72,901,602	163,715,163	14,585,931	178,301,094
Profit after tax	-	-	9,950,733	-	9,950,733	853,250	10,803,983
Profit distributions	-	-	-	-	-	(236,522)	(236,522)
Revaluation	-	-	-	3,594,149	3,594,149	(8,964)	3,585,185
Realized revaluation	-	-	57,139	(57,139)	-	-	-
Interim dividend	-	-	(595,901)	-	(595,901)	-	(595,901)
Equity at 30 June 2015 before appropriation of profit	19,863	240,425	99,965,244	76,438,612	176,664,144	15,193,695	191,857,839

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Paramaribo, 12 November 2015

Supervisory Board

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Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June 2015

	1 January - 30 June 2015	1 January - 31 December 2014
	SRD	SRD
Cash flows from operating activities		
Profit before tax	14,150,646	27,797,657
Adjusted for:		
Depreciation	3,200,486	6,285,067
Unrealized share of profit associate	(4,380,977)	(11,310,033)
Revaluation results	(680,268)	(236,200)
Investment income	(476,379)	(918,733)
Interest expense	407,923	394,231
Provisions	(79,425)	217,864
Cash flow from operations before changes in working capital	12,142,006	22,229,853
Changes in working capital:		
Change in inventories	(911,595)	62,775
Change in trade and other receivables	(4,554,916)	(2,245,680)
Change in trade and other payables	3,018,545	622,521
Adjustments regarding provisions	-	(936,915)
Cash generated from operations	9,694,040	19,732,554
Claims paid	(3,056)	(47,567)
Paid interest	(407,923)	(394,231)
Paid income tax	(3,454,730)	(5,654,439)
Net cash generated from operating activities	5,828,331	13,636,317
Cash flows from investing activities		
Purchase of property, plant & equipment	(16,442,812)	(20,095,283)
Disposal of property, plant & equipment	3,499,572	10,751,110
Purchase of non-current financial assets	(37,440)	(13,507)
Purchase of subsidiary interest	-	(6,393,850)
Disposal of property, plant & equipment	-	600,072
Sale of non-current financial assets	2,430	3,159
Dividends received	476,379	4,308,022
Net cash used in investing activities	(12,501,871)	(10,840,277)
Cash flows from financing activities		
Proceeds and repayments of loans	9,286,433	734,725
Payments disposal of waste	(2,249)	(54,187)
Redundancy payments	(27,418)	(93,587)
Dividend paid	(3,277,458)	(2,979,507)
Net cash from/used in financing activities	5,979,308	(2,392,556)
Net decrease/increase in cash for the period	(694,232)	403,484
Cash and cash equivalents at 1 January	16,378,761	15,975,277
Cash and cash equivalents at 30 June / 31 December	15,684,529	16,378,761

The accompanying notes on pages 14 to 19 are an integral part of these condensed consolidated interim financial statements.

Paramaribo, 12 November 2015

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Segment Reporting

x SRD 1,000	Shipping		Trading		Foods		Detergents		Steel	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014	30 June 2015	30 June 2014	30 June 2015	30 June 2014	30 June 2015	30 June 2014
Income	17,321	8,054	2,628	2,188	5,501	4,979	10,906	10,987	1,565	2,985
Inter-segment income	-	-	-	-	-	-	-	-	-	-
Associate income	-	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-	-
Segment Operating income	17,321	8,054	2,628	2,188	5,501	4,979	10,906	10,987	1,565	2,985
Segment result	7,570	2,699	720	805	1,902	1,671	1,202	1,591	(1,002)	136
	30 June 2015	31 Dec 2014	30 June 2015	31 Dec 2014	30 June 2015	31 Dec 2014	30 June 2015	31 Dec 2014	30 June 2015	31 Dec 2014
Assets	47,314	30,908	9,042	9,379	16,046	15,095	41,905	40,873	12,017	10,805
Liabilities	26,677	13,029	2,251	2,729	4,659	4,689	17,413	16,851	4,181	3,211
Investments	10,753	4,350	64	263	987	950	669	1,894	17	193
Depreciation	691	1,060	82	141	324	669	1,223	2,813	310	619
Employees per segment (x1 FTE)	134	126	19	16	51	54	113	118	44	49

Segment Reporting

x SRD 1,000	Real Estate		Other		Elimination		Consolidation	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014	30 June 2015	30 June 2014	30 June 2015	30 June 2014
Income	2,933	2,704	419	507	-	-	41,273	32,404
Inter-segment income	(1,117)	(1,002)	(98)	(192)	(1,476)	(1,194)	(2,691)	(2,388)
Associate income	-	-	4,381	5,645	-	-	4,381	5,645
Investment Income	-	-	476	88	-	-	476	88
Segment Operating income	1,816	1,702	5,178	6,048	(1,476)	(1,194)	43,439	35,749
Segment result	361	730	3,398	4,340	-	-	14,151	11,972
	30 June 2015	31 Dec 2014	30 June 2015	31 Dec 2014	30 June 2015	31 Dec 2014	30 June 2015	31 Dec 2014
Assets	17,485	17,543	108,756	104,797	-	-	252,566	229,400
Liabilities	1,121	1,788	4,406	5,832	-	-	60,708	48,129
Investments	321	1,228	168	6,873	-	-	12,981	15,752
Depreciation	485	806	85	177	-	-	3,200	6,285
Employees per segment (x1 FTE)	6	6	18	18	-	-	385	387

Notes to the Condensed Consolidated Interim Financial Statements as at and for the six months ended 30 June 2015

1.) Corporate information

N.V. Verenigde Surinaamse Holdingmij.- /United Suriname Holding Company, is a company registered and domiciled in Suriname. The Company's registered office is at Van 't Hogerhuysstraat 9-11 Paramaribo City, Suriname. These condensed consolidated interim financial statements as at and for the six months ended 30 June 2015 comprise the Company, its subsidiaries and its associate (together referred to as the Group).

The subsidiaries are:

1. **N.V. VSH Shipping**
2. **N.V. VSH Transport**
3. **N.V. VSH Trading**
4. **N.V. VSH Steel**
5. **N.V. VSH Real Estate**
6. **N.V. VSH Investment**
7. **VSH Marketing Company Ltd.**
8. **N.V. VSH Logistics**
9. **N.V. VSH Labour Services**
10. **VSH-UNITED (USA) L.L.C.**
11. **N.V. VSH Foods (56.01%)**
12. **N.V. Consolidated Industries Corporation (CIC) (59.44%)**

The associate is:

1. **Assuria N.V. (24.63%)**

The VSH United Group is involved in: shipping, logistics, transport, port operating, steel fabrication, manufacturing of butter, margarine and shortening, manufacturing of household cleaning products and packaging material, trading, insurance, real estate and investment.

These condensed consolidated interim financial statements were authorized for issue by the Supervisory Board on 12 November 2015.

These condensed consolidated interim financial statements have been reviewed, not audited.

2.) Basis of preparation

2.1) Statement of compliance

These condensed consolidated interim financial statements for the six months ended 30 June 2015 have been prepared in accordance with generally accepted accounting principles for interim financial reporting.

These condensed consolidated interim financial statements do not include all the information required for full annual financial statements, and should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2014, which have been prepared in accordance with generally accepted accounting principles.

2.2) Basis of Measurement

Property is valued at costs adjusted for hyperinflation less accumulated depreciation. Plant and equipment are valued at cost less accumulated depreciation. Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. Financial assets are presented at fair value. Other assets and liabilities are stated at face value using the historical cost method.

The methods used to measure fair value are discussed further in note 3.

2.3) Functional and presentation currency

These condensed consolidated interim financial statements are presented in Suriname Dollars (SRD), which is the

Company's functional currency. All financial information presented in SRD has been rounded to the nearest dollar.

2.4) Application of IFRS standards

Certain provisions from the following IFRS standards were applied to these condensed consolidated interim financial statements:

IAS 7: Statement of Cash Flows
IAS 16: Property, Plant and Equipment
IAS 17: Leases
IAS 18: Revenue
IAS 19: Employee Benefits
IAS 24: Related Party Disclosures
IAS 28: Investments in Associates and Joint Ventures
IAS 29: Financial Reporting in Hyperinflationary Economies
IAS 33: Earnings per Share

3.) Accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

Subsidiaries

Subsidiaries are those companies over which the Company has control, defined as the power to govern the financial and operating policies so as to obtain benefits from their activities. Subsidiaries are fully consolidated and the financial statements of the subsidiaries are prepared for the same reporting period as the parent company. All balances, transactions, income and expenses between Group companies are eliminated. Non controlling interest represent the portion of profit and net assets not held by the Group and are presented separately in the condensed consolidated income statement and within equity in the condensed consolidated balance sheet.

Associate

Within the framework of IAS 28 associates are those companies over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss of the associate after the date of acquisition. The Company's share in the profit or loss of the associate is recognized in the Company's income statement. Dividend received reduces the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Company's proportional interest in the associate arising from changes in the revaluation of property, plant, equipment and other assets.

Assuria is presented as an associate. Under IAS 28.6 the Company meets the requirement of significant influence by virtue of:

1. The share position of 24.63% in Assuria.
2. The Company holds two out of six positions on the Assuria Supervisory Board of Directors including the Chair.

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Group at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated to the functional currency at the exchange rate at that date. Exchange differences arising are charged or credited to the income statement.

The exchange rates used for the US Dollar and the EURO at balance sheet date are:

in SRD	30 June 2015	31 December 2014
USD	3.35	3.35
EURO	4.75	4.07

Foreign operations

The assets and liabilities of foreign operations on consolidation are translated to the SRD at the exchange rates at the balance sheet date. The revenues and expenses of foreign operations are translated to the SRD at the exchange rates at the date of the transactions. The Company's shares in foreign operations are valued at the exchange rates at balance sheet date.

Property, plant and equipment (PP&E)

Land is carried at cost adjusted for hyperinflation. Land improvements and buildings are carried at cost adjusted for hyperinflation less accumulated depreciation. All other property, plant and equipment are carried at costs less accumulated depreciation.

Depreciation is calculated using the straight-line method to write off the costs of individual assets to their residual values over their estimated useful lives as follows:

Buildings	20 - 40 years
Land improvements	5 - 10 years
Machinery and equipment	5 - 10 years
Other assets	3 - 5 years
Land is not depreciated	

When a major repair or maintenance is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement, if the recognition criteria are satisfied. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognized in the income statement. There are no assets held under financial leases, and assets held under operating leases and not recognized in the balance sheet.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Intangible Assets

Intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized under depreciation in the income statement. The current estimated useful life is three years.

Financial Assets

Financial assets consist mostly of shares in companies that are not subsidiaries or associates. The shares are measured at their fair value, which is the closing price of the last trading session of the stock exchange in June 2015, where the shares are listed.

Inventories

Inventories are stated at cost, less a provision for the reduced marketability of inventories if applicable. Cost is calculated using the last in first out method. Costs comprise direct materials and all costs incurred to bring inventories to their present location and condition net of discounts, rebates and bonuses.

Finished products and work in progress

Finished products and work in progress are valued based on the raw and packaging materials used.

Trade and other receivables

Trade and other receivables are stated at nominal value less an allowance for uncollectible amounts, if there is objective evidence that the Group will not be able to collect the receivable. Trade receivables do not carry interest.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash in banks and cash on hand.

Loans

Interest bearing bank loans are recorded at the fair value of the consideration received net of transaction costs. After the initial recognition interest bearing loans are subsequently measured at amortized cost using the effective interest method.

Provisions

Provisions are recognized for actual (legal or constructive) obligations, existing at balance sheet date and arising from past events, for which it is probable that an outflow economic benefits will be required to settle the obligation. Some of the Company's subsidiaries provide warranties on products sold. Provisions are made for the estimated costs arising under these warranties upon the date of sale of the relevant products.

Trade and other payables

Trade and other payables are stated at nominal value. Trade payables do not carry interest.

Employee benefits

The Group employees participate in a defined benefit pension plan. Some of the pensions are insured while other employees participate in a pension fund foundation which is a separate legal entity.

The Group's contribution is recorded under personnel expenses in the income statement.

The Group, except for CIC, has no obligations for long term employee benefits. CIC has the obligation to pay medical benefits to pensioners. A provision based on actuarial calculations is recognized for long term employee benefit obligations.

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term benefits if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Revenue

Revenue from the sale of products in the ordinary course of business is measured at the fair value of the consideration received or receivable, net of turnover and sales taxes, customer discounts and other sales related discounts. Revenue from the sale of products is recognized in the income statement when the amount of revenue can be measured reliably, the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of products can be estimated reliably, and there is no continuing management involvement with the products. Revenue from services rendered is recognized in proportion to the stage of completion of the transaction at the balance sheet date. Revenue from operating leases is recognized on a straight-line basis over the term of the relevant lease.

Other revenue comprises of gains on exchange, income from previous years, gain on revaluation of inventories, transfer fees, broker provisions, proceeds from sales of empty drums, proceeds from promo activities, fees for consulting, terminal, agency and other services.

Interest income is recognized when earned.

Other income

Other income comprises of the Company's share in the profit or loss of the associate and dividend payments received from financial assets.

Expenses

Borrowing costs

All borrowing costs are recognized as an expense when incurred.

Operating Lease payments

Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease.

Earnings per share

Earnings per share is calculated by dividing the profit or loss attributable to ordinary Shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Segments reporting

A segment is a distinguishable component of the Group that is a separate legal entity or a group of separate legal entities, which are subject to risks and rewards that are different from those of other segments.

4.) Use of estimates and judgments

The preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods if affected.

5.) Income tax

Taxes on income are accrued in the same period as the revenues and expenses to which they relate. Current tax receivables or payables for the current and prior periods are measured at the amount expected to be recovered from the Tax Authorities. The tax rates and the tax laws used are those that are enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

6.) Segment result

Operating result of the segments is reported before distribution of costs of the Company and income taxes.

The shipping segment comprises shipping activities of the following subsidiaries:

VSH Shipping

VSH Transport

VSH Logistics

VSH Labour Services

VSH-United (USA)

The trading segment comprises of trading activities of the following subsidiary:

VSH Trading

The food segment comprises of food production and distribution of the following subsidiary:

VSH Foods

The detergent segment comprises of production and distribution of detergents and packaging material by the following subsidiary:
CIC

The steel segment comprises steel fabrication of the following subsidiary:

United Suriname Steel Company

The real estate segment comprises real estate rental and service income of the following subsidiaries:

VSH Real Estate

VSH Trading

Other income, assets and liabilities not included in segment reporting are related to the subsidiary VSH Investment, VSH Marketing, the associate Assuria, the strategic investment N.V. Hotelmaatschappij Torarica and other shares held in local companies.

7.) Dividend paid and proposed

The proposed total dividend 2014 of SRD 1.65 per share was adopted in the Annual General Meeting of Shareholders of 21 May 2015.

The first and second quarter interim dividend 2015 of total SRD 0.30 per share (first and second quarter of 2014: SRD 0.20) were declared by the Company.

8.) Related party transactions

Financial- and IT services are provided by the Company to VSH Foods, VSH USA and CIC. These services are provided against market prices and conditions. For the six months ended 30 June 2015 total amount billed and posted to other income in the condensed Company income statement was SRD 222,056 (first half year 2014: SRD 212,483). The Company also purchases goods from other subsidiaries of VSH United.

The Group participates in the VSH Community Fund.

This non-profit foundation was established on 22 August 2008 to finance and coordinate community projects on behalf of the Group. The subsidiary contributes on a final monthly basis 1.5% of the profit before tax to the VSH Community Fund. For the six months ended 30 June 2015 a total amount of SRD 150,366 (first half year 2014: SRD 110,154) was contributed.

Independent Auditor's Report on Review of Condensed Consolidated Interim Financial Information

To: The Shareholders, Supervisory Board and the Management of
N.V. Verenigde Surinaamse Holdingmij.- /United Suriname Holding Company
Paramaribo City, Suriname

Introduction

We have reviewed the accompanying condensed consolidated interim financial information of N.V. Verenigde Surinaamse Holdingmij.- /United Suriname Holding Company, in Paramaribo, which comprises the condensed company balance sheet and the condensed consolidated balance sheet at 30 June 2015, the condensed company and condensed consolidated statements of income, changes in equity and cash flows for the period of six months ended 30 June 2015 and the notes to the condensed consolidated interim financial information. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with generally accepted accounting principles for interim financial reporting. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagement 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information at 30 June 2015 is not prepared, in all material respects, in accordance with generally accepted accounting principles for interim financial reporting.

Paramaribo, 12 November 2015

Lutchman & Co

Represented and signed by
Drs. M.R.A. Lutchman RA, chartered accountant