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**30.09. 2016**



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# INDIVIDUAL INTERIM FINANCIAL REPORT 3<sup>rd</sup> QUARTER 2016

**PREPARED IN ACCORDANCE WITH INTERNATIONAL  
FINANCIAL REPORTING STANDARDS ADOPTED BY THE  
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[Autorizatie C.C.Fiscali nr.409/2010](#)

**REPORT**  
**ON THE REVIEW OF ACCOUNTING REPORTS**  
**AT 30 SEPTEMBER 2016 OF “COMPA” S.A. SIBIU**

We have reviewed COMPA’s accounting reports, drawn up on the 30rd of September 2016, which include: Financial Report, Equity Changes Report and the Explanatory Notes of the Financial Reports made according to the International Standards for Financial Reporting adopted by EU and to the standards issued by the Public Finance Minister.

The management is responsible for the drawing up and a fair presentation of these financial reports according to the International Standards for Financial Reporting adopted by EU and approved by the Public Finance Minister Order no. 1286/2012 issued for the approval of the Accounting Regulations, applicable to companies whose securities are traded on a regulated market.

Our responsibility is to issue a conclusion over these financial reports drawn up by “COMPA” S.A. Sibiu on the basis of the revision.

The reports comprise only part of the reporting components stipulated by the International Standards for Financial Reporting and do not represent a complete set of financial report drawn up on the 30st of September 2016.

Following the verifications performed on the basis of the obtained evidences, nothing caught our attention in the sense of making us believe that the accounting reports drafted by the company do not accurately portray all significant aspects of the company's financial position and the outcome of its activities on the 30st of September 2016, for the quarter that ended at that date, in accordance with International Standards for Financial Reporting adopted by EU.

This auditor's report is addressed solely to the company's shareholder as a whole. This report was drawn up exclusively in order to submit the company's accounting reports afferent to the period that ended on the 30st of September 2016 at the Financial Supervision Authority, and can only be used for this purpose.

Sibiu 07.11.2016

Auditor's signature

SIB EXPERT S.R.L.

Ioan Pacurariu, auditor card nr.341

**COMPA S.A.Sibiu**  
**THE UNBOUND STATEMENT OF FINANCIAL POSITION FOR 3<sup>rd</sup> Q ENDED AT 30.09.2016**  
 (All amounts are expressed in RON, unless otherwise specified)

	Note	30.09.2016	31.12.2015
<b>ASSETS</b>			
<b>FIXED ASSETS:</b>			
Tangible assets	4.1.	305.555.201	296.837.486
Real estate Investment	4.2.	40.951.493	38.305.245
Intangible assets	5	3.865.713	4.249.508
Other receivables	7	107.354	107.354
Financial investments	21	1.769.430	2.584.578
Deferred tax asset	10	1.005.197	2.734.354
<b>FIXED ASSETS - TOTAL</b>		<b>353.254.389</b>	<b>344.818.526</b>
<b>CURRENT ASSET:</b>			
Inventories	8,9	85.280.487	91.951.077
Trade and other receivables	6	119.057.791	106.433.381
Other receivables (grants and settlement of ventures operations )	6	24.138	6.801.687
Cash and cash equivalents	9	630.847	14.743.661
<b>CURRENT ASSETS - TOTAL</b>		<b>204.993.263</b>	<b>219.929.806</b>
<b>TOTAL ASSETS</b>		<b>558.247.652</b>	<b>564.748.331</b>
<b>EQUITY:</b>			
Share capital	11	21.882.104	21.882.104
Reserves	11	205.208.782	207.433.582
Reserve adjustment	11	23.122.057	23.122.057
<b>Retained earnings of which:</b>	<b>11</b>	<b>108.980.461</b>	<b>64.375.365</b>
Retained earnings derived from the first-time adoption of IAS 29	11	-648.352	-648.352
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>359.193.404</b>	<b>316.813.108</b>
<b>LIABILITIES</b>			
<b>LONG TERM DEBT</b>			
Financial debts	12	46.231.613	90.552.975
Deferred revenues (deferred income, grants)	13	31.430.255	34.767.632
Provisions	14	135.645	135.645

**COMPA S.A.Sibiu**  
**THE UNBOUND STATEMENT OF FINANCIAL POSITION FOR 3<sup>rd</sup> Q ENDED AT 30.09.2016**  
 (All amounts are expressed in RON, unless otherwise specified)

	Note	30.09.2016	31.12.2015
<b>TOTAL LONG TERM DEBT</b>		<b>77.797.513</b>	<b>125.456.251</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities	13	102.097.219	106.113.839
Trade and other payables	13	10.507.589	10.942.054
Other liabilities	10	1.769.310	0
Deferred revenues (deferred income, grants)	13	4.434.316	5.423.079
Provisions	14	2.448.300	0
<b>TOTAL CURRENT LIABILITIES</b>		<b>121.256.735</b>	<b>122.478.972</b>
<b>TOTAL LIABILITIES</b>		<b>199.054.248</b>	<b>247.935.223</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>558.247.652</b>	<b>564.748.331</b>

CEO,

DEAC IOAN

CFO,

MICLEA IOAN

**COMPA S.A.Sibiu**  
**THE UNBOUND STATEMENT OF COMPREHENSIVE INCOME FOR 3<sup>rd</sup> Q 2016 ENDED AT 30.09.2016**  
(all amounts are expressed in RON, unless otherwise specified)

	Note	30 September 2016	30 September 2015
Revenues	15	485.200.540	348.214.914
Other revenues	15	10.647.214	7.087.262
<b>TOTAL REVENUES</b>		<b>495.847.754</b>	<b>355.302.176</b>
Changes in inventories of finished goods and work in progress	16	485.435	3.494.342
Raw materials and consumables	16	-316.015.580	-211.290.821
Employee benefit expense	18	-84.582.136	-73.092.468
Depreciation and amortization expense	4; 5;16	-29.640.614	-16.127.074
Third parties services	16	-26.391.270	-24.296.378
Other expenses	16	-5.992.260,65	-3.689.389
<b>TOTAL EXPENSES</b>		<b>-462.136.426</b>	<b>-325.001.788</b>
<b>Operating Results</b>	17	<b>33.711.328</b>	<b>30.300.388</b>
Financial income	19	39.891	1.508
Financial expenses (expenditures)	19	-553.843	-524.191
Other financial returns / losses	19	12.764.112	-1.378.277
Net financing costs	19	12.250.160	-1.900.959
<b>Profit before income tax</b>		<b>45.961.489</b>	<b>28.399.428</b>
(Expenses) / Income from deferred tax	10	406.742	-836.317
Expense with current tax	10	-1.852.036	-1.151.217
<b>Net profit for the period</b>		<b>44.516.195</b>	<b>26.411.894</b>
<b>Other comprehensive income:</b>			
Of which, other comprehensive income will be reclassified subsequently not in profit or loss			
Income tax relating to other comprehensive income	10	-2.135.899	213.641
Other incomes of global result, net of tax		-2.135.899	213.641
<b>Total global result of the year</b>		<b>42.380.296</b>	<b>26.625.535</b>
<b>Unbound basic result per share / diluted</b>	20	<b>0,20</b>	<b>0,12</b>

CEO  
DEAC IOAN

CFO,  
MICLEA IOAN

**COMPA S.A. Sibiu**  
**UNBOUND STATEMENT REGARDING THE CHANGES IN EQUITY CAPITAL FOR THE 3<sup>rd</sup> Q ENDED AT 30.09.2016**  
(all amounts are expressed in **RON**, unless otherwise specified)

Equity capital item	Registered Capital	Legal reserves	Legal reserves adjustments	Reassessment reserves	Other reserves	Other reserves Adjustments	Retained earnings	Total
<b>Balance at 01.01.2016</b>	<b>21.882.104</b>	<b>4.376.421</b>	<b>22.679.066</b>	<b>82.151.679</b>	<b>120.905.482</b>	<b>442.991</b>	<b>64.375.365</b>	<b>316.813.108</b>
<b>Net profit for the period</b>							<b>44.516.195</b>	<b>44.516.195</b>
<b>Other elements of the comprehensive income, of which:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-88.901</b>	<b>-2.135.899</b>	<b>0</b>	<b>0</b>	<b>-2.224.800</b>
Reassessment tangible assets				0				0
Transfer of reserves to result				-88.901				-88,901
Income tax related to other comprehensive income					-2.135.899			-2,135,899
<b>Transactions with shareholders recorded directly in equity, of which:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>88.901</b>	<b>88.901</b>
Corectare erori exercitiu precedent							0	0
Transfer to reserves result							88.901	88.901
Retained earnings to reserves							0	0
<b>Balance at 30.09.2016</b>	<b>21.882.104</b>	<b>4.376.421</b>	<b>22.679.066</b>	<b>82.062.778</b>	<b>118.769.583</b>	<b>442.991</b>	<b>108.980.461</b>	<b>359.193.404</b>

In September 2016, the company made entries representing the correction of some accounting errors, as follows:

- Expenses representing the salary differences resulting from the recalculation of salaries of extra hours engaged by employees in 2015.
- Expenses representing the social contributions associated with the difference in salaries as a result from the recalculation of salaries of extra hours engaged by employees in 2015.

The data associated with 2015, presented in the interim financial report at 30.09.2016 have been adjusted with the mentioned corrections.

The adjustments are as follows:

- Retained earnings for the year 2015 was reduced by the amount of 1.011.708 lei.

**CEO,**  
**DEAC IOAN**

**CFO,**  
**MICLEA IOAN**

**COMPA S.A. Sibiu**  
**EXPLANATORY NOTES TO THE UNCONSOLIDATED INTERIM FINANCIAL REPORT FROM 30.09.2016**  
(All amounts are expressed in RON, unless otherwise stated)

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## 1. GENERAL INFORMATION

COMPA is a Joint Stock Company, based in Sibiu, No.8, Henri Coandă Street, Postal code 550234, Sibiu county.

### 1.1. Field of activity

The main activity according to CAEN is 2932 – Manufacturing of other parts and accessories for motor vehicles and motor vehicle engines.

### 1.2. Ownership of company

COMPA is privatized 100% since September 1999. The shareholding structure is as follows:

SHAREHOLDER	NO. OF SHARES	% OF TOTAL CAPITAL
COMPA EMPLOYEES ASSOCIATION	119.474.505	54,60
Other shareholders (individuals and businesses – of Romanian or other nationality)	99.346.533	45,40
<b>TOTAL NUMBER OF SHARES</b>	<b>218.821.038</b>	<b>100,00</b>

The company is listed on the stock market shares are traded on the Bucharest Stock Exchange in the Standard category, under symbol CMP.

### 1.3. The company's evolution

By the Government decision nr.1296 / 13.12.1990 the company became COMPA, originating from *Intreprinderea de Piese Auto Sibiu (I.P.A. Sibiu)*. *IPA Sibiu* was established in 1969 through the merger of two units: *Elastic Plant* and *Automecanica Plant*.

Since 1991, COMPA was organized in factories workshops, established for product families as cost centers, which in time became profit centers in order to decentralize and facilitate the establishment of joint ventures.

## 2. BASIS OF PREPARATION

### Declaration of Conformity

The individual financial statements have been prepared in accordance with International Financial Reporting Standards adopted by the European Union ("EU"). These financial statements are the first financial statements prepared in accordance with International Financial Reporting Standards. The Group adopted IFRS reporting from the financial statements of 2012.

The financial statements presented in Romanian **RON**, rounded to the nearest lion, which is the functional currency of the company.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The individual financial statements have been prepared in accordance with International Financial Reporting Standards adopted by the European Union ("EU")

Important accounting policies applied by the company are presented in the **financial statements closed on 31.12.2015** and have not suffered changes during the interim report.

**COMPA S.A. Sibiu**  
**EXPLANATORY NOTES TO THE UNCONSOLIDATED INTERIM FINANCIAL REPORT FROM 30.09.2016**  
 (All amounts are expressed in RON, unless otherwise stated)

**4.1. TANGIBLE ASSETS**

Evolution of tangible assets from 1th of January 2016 to 30th of September 2016 is the following:

Explanations	Land	Buildings	Equipment and motor vehicles	Other tangible assets	Tangible assets in progress	Total
<b>Inventory value</b>						
<b>01.01.2016</b>	<b>43.509.161</b>	<b>62.632.500</b>	<b>387.795.262</b>	<b>1.158.128</b>	<b>37.781.487</b>	<b>532.876.538</b>
Acquisition entries 3 <sup>rd</sup> Q 2016					31.430.923	<b>31.430.923</b>
Internally generated inputs 3 <sup>rd</sup> Q 2016					5.354.781	<b>5.354.781</b>
Own commissioning inputs 2016		1.598.373	43.495.501	58.490		<b>45.152.364</b>
Entries from transfers to other asset classes 3 <sup>rd</sup> Q 2016					-46.615.696	<b>-46.615.696</b>
Cassation outputs 3 <sup>rd</sup> Q 2016			-17.105			<b>-17.105</b>
<b>30.09.2016</b>	<b>43.509.161</b>	<b>64.230.873</b>	<b>431.273.658</b>	<b>1.216.618</b>	<b>27.951.495</b>	<b>568.181.805</b>
<b>Amortization, depreciation</b>						
<b>01.01.2016</b>		<b>0</b>	<b>235.138.915</b>	<b>900.137</b>	<b>0</b>	<b>236.039.052</b>
Costs 3 <sup>rd</sup> Q 2016	0	2.785.147	23.770.510	49.000	0	<b>26.604.657</b>
Depreciation, amortization related outputs 3 <sup>rd</sup> Q 2016	0	0	-17.105	0		<b>-17.105</b>
<b>30.09.2016</b>	<b>0</b>	<b>2.785.147</b>	<b>258.892.320</b>	<b>949.137</b>	<b>0</b>	<b>262.626.604</b>
<b>Remaining value</b>						
<b>01.01.2016</b>						<b>296.837.486</b>
<b>30.09.2016</b>						<b>305.555.201</b>

Tangible assets representing "Tangible assets in progress" are valued at historical cost. The Company chose to assess its tangible assets like land and buildings at fair value.

The buildings were revalued at 31.12.2015 by an authorized independent evaluator and the land was revalued by an international committee of experts.

Within the hierarchy of fair value, the company's buildings and land were revalued at their fair value, categorized-level 2.

The valuation technique used in fair value measurements of level 2 is the method of comparing prices. Comparable prices for nearby buildings and constructions are adjusted for specific characteristics such as size of property, etc.

The most important input for this valuation method is the price per square meter.

There were no transfers among the level at which valuations are classified at fair value throughout the year 2016.

Depreciation of tangible assets is calculated using the linear method. Current assets have decreased in 2016 due to scrapping and amortization.

The inventory value of disposed fixed assets in 2016 was of 17.105 RON, being fully amortized at the date of scrapping.

**COMPA S.A. Sibiu**  
**EXPLANATORY NOTES TO THE UNCONSOLIDATED INTERIM FINANCIAL REPORT FROM 30.09.2016**  
 (All amounts are expressed in RON, unless otherwise stated)

**4.2. REAL ESTATE INVESTMENTS**

The evolution of real estate investments from January 1, 2016 to September 30, 2016 is as follows:

Explanations	Real estate investments	Real estate investments in progress	Total
<b>Balance at 01.01.2016</b>	<b>32.624.360</b>	<b>5.680.885</b>	<b>38.305.245</b>
Acquisition entries 3 <sup>rd</sup> Q 2016		2.615.654	<b>2.615.654</b>
Internally generated inputs 3 <sup>rd</sup> Q 2016		19.806	<b>19.806</b>
Transfer inputs from tangible assets 3 <sup>rd</sup> Q 2016	10.788		<b>10.788</b>
Transfer inputs within the same class 3 <sup>rd</sup> Q 2016	6.230		<b>6.230</b>
Transfer outputs within the same class 3 <sup>rd</sup> Q 2016	-6.230		<b>-6.230</b>
<b>Balance at 30.09.2016</b>	<b>32.635.148</b>	<b>8.316.345</b>	<b>40.951.493</b>

The company has investment property assets. These were registered based on the analysis of owned tangible assets by the company and the concluded lease contracts for 2015.

Certain properties hold a portion destined for leasing and a portion destined for production of goods, provision of services or for administrative purposes. In the case the portion destined for lease has no significant weight, than this portion is treated as a tangible asset.

Real estate investments are evaluated at a fair value. A gain or loss generated by a change in the fair value of property investments is acknowledged in the profit or loss statements for the period in which it accounted.

Investment properties have been reevaluated on 31.12.2015 by an authorized independent evaluator.

Current assets "investment properties in progress" are valued at historical cost.

**5. INTANGIBLE ASSETS**

Intangible assets held by the Company are represented by software, software licenses and intangible assets in progress. Their evolution was as follows:

<i>Explanations</i>	Software and software licenses	Total
<b>Cost</b>		
<b>01.01.2016</b>	<b>9.603.310</b>	<b>9.603.310</b>
Inputs 3 <sup>rd</sup> Q 2016	217.162	<b>217.162</b>
Outputs 3 <sup>rd</sup> Q 2016	0	<b>0</b>
<b>30.09.2016</b>	<b>9.820.472</b>	<b>9.820.472</b>
<b>Depreciation, amortization</b>		
<b>01.01.2016</b>	<b>5.353.802</b>	<b>5.353.802</b>
Expenses 3 <sup>rd</sup> Q 2016	600.957	<b>600.957</b>
Depreciation, amortization afferent outputs 2016	0	<b>0</b>
<b>30.09.2016</b>	<b>5.954.759</b>	<b>5.954.759</b>
<b>Remaining value</b>		
<b>01.01.2016</b>		<b>4.249.508</b>
<b>30.09.2016</b>		<b>3.865.713</b>

**COMPA S.A. Sibiu**  
**EXPLANATORY NOTES TO THE UNCONSOLIDATED INTERIM FINANCIAL REPORT FROM 30.09.2016**  
 (All amounts are expressed in RON, unless otherwise stated)

**6. TRADE RECEIVABLES AND OTHER RECEIVABLES**

The situation of trade receivables and other receivables held by the Company is as follows:

Explanations	30.09.2016			31.12.2015		
	Total, of which	Long term	Short term	Total, of which	Long term	Short term
Trade receivables	109.809.285	0	109.809.285	94.371.489	0	94.371.489
Adjustments for depreciation of trade receivables	-804.119	0	-804.119	-810.233	0	-810.233
Advanced payments to suppliers	5.115.213	0	5.115.213	9.500.295	0	9.500.295
Staff-related debts	25.611	0	25.611	32.721	0	32.721
Debts related to state and local budgets	4.173.144	0	4.173.144	2.681.674	0	2.681.674
Various debtors	623.031	0	623.031	537.994	0	537.994
Provisions for debtors depreciation	-300.737	0	-300.737	-300.737	0	-300.737
Accruals and prepaid expenses	416.363	0	416.363	420.178	0	420.178
Grants receivable (AMPOSDRU and AMPOSCEE projects)	24.138	0	24.138	6.801.687	0	6.801.687
<b>Total receivables</b>	<b>119.081.929</b>	<b>0</b>	<b>119.081.929</b>	<b>113.235.068</b>	<b>0</b>	<b>113.235.068</b>

Claims in foreign currencies are valued in RON at the BNR exchange rate from 30.09.2016.

The evolution of adjustments for impairment of receivables throughout the first 9 months of 2016, is as follows:

<b>Balance at 31.12.2015</b>	<b>1.110.970</b>
Adjustments in 3 <sup>rd</sup> Q 2016	512
Reversed Adjustment in 3 <sup>rd</sup> Q 2016	-6.386
<b>Balance at 30.09.2016</b>	<b>1.105.096</b>

The company's policies in the commercial department require registration of impairment adjustments for receivables exceeding 360 days and for receivables which hint an uncertainty factor. Exceptions are receivables registered at partners to which the company is in debt, debts within approximately same time periods as the unearned claims.

**7. OTHER RECEIVABLES**

The situation of other receivables of the Company is as follows

Explanations	30.09.2016			31.12.2015		
	Total, of which	Long term	Short term	Total, of which	Long term	Short term
Custom home warranty	103.000	103.000	0	103.000	103.000	0
Other guarantees	4.354	4.354	0	4.354	4.354	0
<b>Total other assets</b>	<b>107.354</b>	<b>107.354</b>	<b>0</b>	<b>107.354</b>	<b>107.354</b>	<b>0</b>

**COMPA S.A. Sibiu**  
**EXPLANATORY NOTES TO THE UNCONSOLIDATED INTERIM FINANCIAL REPORT FROM 30.09.2016**  
 (All amounts are expressed in RON, unless otherwise stated)

## 8. STOCKS

Structure of stocks owned by the Company is presented in the table below:

Explanations	30.09.2016	31.12.2015
Raw materials	28.489.242	31.809.838
Impairment of raw materials	-53.619	-54.882
Packaging materials	12.946.397	14.612.656
Impairment of materials and packaging	-88.432	-94.336
Semi-finished parts and production in progress	33.579.422	29.436.578
Impairment of semi-finished parts	0	0
Finished goods and merchandise	10.584.451	14.320.784
Impairment of finished products and goods	-176.974	-176.994
Assets held for sale	0	2.097.433
<b>Total stocks</b>	<b>85.280.487</b>	<b>91.951.077</b>

Adjustments evolution for impairment of inventories in the first three months of 2016 is as follows:

<b>Balance at 31.12.2015</b>	<b>326.212</b>
Reversed adjustments 3 <sup>rd</sup> Q 2016	0
Adjustments established in 3 <sup>rd</sup> Q 2016	-7.187
<b>Balance at 30.09.2016</b>	<b>319.025</b>

## 9. CASH AND CASH EQUIVALENTS

Available cash and cash equivalents are as follows:

Explanations	30.09.2016	31.12.2015
Bank accounts in RON	547.194	12.131.515
Currency accounts	60.717	2.604.467
Cash equivalents	1.363	820
Petty cash	21.573	6.859
<b>Total Cash and equivalents</b>	<b>630.847</b>	<b>14.743.661</b>

The Company owns domestic and foreign currency accounts at the following banks: BRD Group Societe Generale, BCR, RBS Bank, ING Bank, Treasury.

## 10. PROFIT TAX

### 10.1 Information on the current income tax

Tax for current Company profit, is determined based on the statutory profit, adjusted for non-deductible expenses and non-taxable income at a rate of 16%

Explanations	30.09.2016	31.12.2015
Gross profit	35.408.433	28.399.428
Non-taxable income	14.798.617	2.303.062

**COMPA S.A. Sibiu**  
**EXPLANATORY NOTES TO THE UNCONSOLIDATED INTERIM FINANCIAL REPORT FROM 30.09.2016**  
 (All amounts are expressed in RON, unless otherwise stated)

Explanations	30.09.2016	31.12.2015
Non-deductible expenses	4.960.933	2.117.554
Difference in tax deductible depreciation	857.577	3.872.392
Fiscal profit	24.713.172	24.341.528
Income tax	3.954.107	3.894.644
Sponsorships	138.945	154.485
Tax exemption on the income for reinvested profit (reinvested value = 16.180.886 RON )	3.815.162	2.588.942
Owed current income tax 16%	0	1.151.217
Tax on current profit for 2015	82.726	0

In 2016, the company applied for the current profit tax calculation on tax exemption of the reinvested profit in technological equipment, according to GEO no. 19/2014.

Company management expects to retain its corporate assets for a period of at least five years for the acquired technological equipments under which the facility was calculated, as well as, it expects that the reserve established as a result of the facility, will not be used/distributed under any form.

In 2016, an adjustment was made to the income tax due in the 3<sup>rd</sup> Q 2015, a total worth of 82.726 RON . Given that the amount does not meet the materiality conditions, it proceeded to record the expense on the profit account for the year 2016.

## 10.2. Information on deferred tax

Significant components of the deferred income tax included in the financial reports as of 30 September 2016 and of 30 September 2015, at a rate of 16%, are as follows:

Explanations	30.09.2016		30.09.2015	
	Temporary accumulated differences	Deferred income tax debt	Temporary accumulated differences	Deferred income tax debt
Tangible assets reprocessing	-6.651.076	-1.064.172	-24.041.541	-3.846.647
Other liabilities restatement	368.595	58.975	4.240.776	678.524
<b>TOTAL</b>	<b>-6.282.481</b>	<b>-1.005.197</b>	<b>-19.800.765</b>	<b>-3.168.123</b>

The company takes into account deferred tax receivables as an estimation of future taxable profit could be used with these receivables.

The evolution of deferred income taxes in the period 01.01.2016 – 30.09.2016 is presented in the table below:

<b>Deferred tax at 1/1/2016</b>	<b>-2.734.354</b>
Deferred tax through the profit and loss account in 3 <sup>rd</sup> Q 2016	-406.742
Deferred tax recognized through other elements of the 3 <sup>rd</sup> Q 2016 global result, of which:	2.135.899
Deferred tax from assets revaluation	2.135.899
<b>Deferred tax at 30.09.2016</b>	<b>-1.005.197</b>

**COMPA S.A. Sibiu**  
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 (All amounts are expressed in RON, unless otherwise stated)

**11. EQUITY**

Shareholder structure on 30.09.2016 is as follows:

Explanations	No. of shares	% of total share capital
<b>COMPA Employee Association</b>	<b>119.474.505</b>	<b>54,6</b>
Other shareholders (individuals and businesses)	99.346.533	45,4
<b>Total number of shares</b>	<b>218.821.038</b>	<b>100,0</b>

The company's shares have a nominal value of 0.1 RON /share, the share capital value being of 21,882,104 RON . Since June 1997, the company's shares are traded on the Bucharest Stock Exchange and is currently quoted in the Standard category.

The equity of the company include the following:

Explanations	30.09.2016	31.12.2015
Subscribed and paid capital	21.882.104	21.882.104
Capital adjustments	0	0
Revaluation reserves	82.101.900	82.151.679
Legal reserves	4.376.421	4.376.421
Adjustment of legal reserves	22.679.066	22.679.066
Other reserves	126.281.320	126.281.319
Adjustment of other reserves	442.991	442.991
Current and deferred income tax recognized in the equity account	-7.743.316	-5.375.837
Retained earnings from the first adoption of IAS, less IAS 29	57.444.521	57.394.743
Retained earnings representing surplus from revaluation reserves	29.144	29.144
Retained earnings from switching to IFRS, less IAS 29	8.611.538	8.611.538
Retained earnings due to the adoption of IAS 29 for the first time	-648.352	-648.352
Retained earnings accounting uncovered loss from previous years	0	0
Current year profit	23.364.481	28.354.626
Distribution of profit	0	-28.354.626
<b>Total equity</b>	<b>338.821.818</b>	<b>317.824.816</b>

In September 2016, the company made entries representing the correction of some accounting errors, as follows:

- Expenses representing the salary differences resulting from the recalculation of salaries of extra hours engaged by employees in 2015.
- Expenses representing the social contributions associated with the difference in salaries as a result from the recalculation of salaries of extra hours engaged by employees in 2015.

The data associated with 2015, presented in the interim financial report at 30.09.2016 have been adjusted with the mentioned corrections. The adjustments are as follows:

- Retained earnings for the year 2015 was reduced by the amount of 1.011.708 RON .

**COMPA S.A. Sibiu**  
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 (All amounts are expressed in RON, unless otherwise stated)

The evolution of indebtedness of the company is as follows:

<b>Explanations</b>	<b>30.09.2016</b>	<b>31.12.2015</b>
Total Debt	199.054.248	247.935.223
Cash and cash equivalents	-630.847	-14.743.661
<b>Net Debt</b>	<b>198.423.401</b>	<b>233.191.562</b>
<b>Equity</b>	<b>359.193.404</b>	<b>316.813.108</b>
<b>Level of indebtedness</b>	<b>0,55</b>	<b>0,74</b>

The company proposed not to exceed the threshold of 0,99.

## 12. FINANCIAL LIABILITIES

Long term and short term financial liabilities expressed in EUR are as follows:

<b>Currency (EUR)</b>		<b>30.09.2016</b>			<b>31.12.2015</b>		
<b>Credit institution</b>	<b>Loan type</b>	<b>Total, of which:</b>	<b>Long term (&lt; 5 years)</b>	<b>Short term</b>	<b>Total, of which:</b>	<b>Long term (&lt; 5 years)</b>	<b>Short term</b>
BRD Group Societe Generale România	Credit line for manufacturing	3.324.590	3.324.590	0	10.068.493	10.068.493	0
Ing Bank-Sibiu	Credit line for manufacturing	7.059.170	7.059.170	0	9.945.426	9.945.426	0
<b>Total financial liabilities</b>		<b>10.383.760</b>	<b>10.383.760</b>	<b>0</b>	<b>20.013.919</b>	<b>20.013.919</b>	<b>0</b>

Long term and short term financial liabilities denoted in RON are as follows:

<b>Currency (RON)</b>		<b>30.09.2016</b>			<b>31.12.2015</b>		
<b>Credit institution</b>	<b>Loan type</b>	<b>Total, of which:</b>	<b>Long term (&lt; 5 years)</b>	<b>Short term</b>	<b>Total, of which:</b>	<b>Long term (&lt; 5 years)</b>	<b>Short term</b>
BRD Group Societe Generale România	Credit line for manufacturing	14.802.071	14.802.071	0	45.554.896	45.554.896	0
Ing Bank Sibiu	Credit line for manufacturing	31.429.542	31.429.542	0	44.998.079	44.998.079	0
<b>Total financial liabilities</b>		<b>46.231.613</b>	<b>46.231.613</b>	<b>0</b>	<b>90.552.975</b>	<b>90.552.975</b>	<b>0</b>

The company filed guarantees for contracting the loans. Tangible assets mortgaged in favor of credit institutions on 30.09.2016 are totaling 161.141.971 RON . These include land, buildings and equipment.

Also, for guaranteeing the employed credits, "collateral securities on receivables" were constituted, in proportion with the value exposed to the financing banks

Interest margin of loans employed from engaged banking institutions, vary from:

Euribor at 1 month + 1.15 % per year and

Euribor at 1 month + 1.75 % per year .

Debts in foreign currency are valued in RON at the exchange rate of BNR on 30.09.2016.

**COMPA S.A. Sibiu**  
**EXPLANATORY NOTES TO THE UNCONSOLIDATED INTERIM FINANCIAL REPORT FROM 30.09.2016**  
 (All amounts are expressed in RON, unless otherwise stated)

**13. COMMERCIAL LIABILITIES AND OTHER PAYABLES**

The commercial debts and other liabilities are as follows:

Explanations	30.09.2016			31.12.2015		
	Total, of which	Long term	Short term	Total, of which	Long term	Short term
Suppliers	99.822.590	0	99.822.590	104.794.030	0	104.794.030
Advanced payments received from customers	2.274.629	0	2.274.629	1.319.809	0	1.319.809
Staff-related debts	6.785.267	0	6.785.267	3.934.851	0	3.934.851
Social security and unemployment debts	2.722.529	0	2.722.529	3.191.358	0	3.191.358
Other state budget debts	999.793		999.793	1.173.698	0	1.173.698
Current income tax liabilities	1.769.310	0	1.769.310	0	0	0
Various pre-financing creditors for EU funds contracts	0	0	0	484.699	0	484.699
Debts from partner project POSDRU contracts	0	0	0	37.551.980	34.761.400	2.790.580
Investment subsidies from AMPOSDRU, AMPOSCEE contracts, received free of charge	35.158.596	31.425.102	3.733.494	1.145.740	0	1.145.740
Inventory excess of property nature	5.153	5.153	0	6.232	6.232	0
Revenue in advance	700.822	0	700.822	2.632.499	0	2.632.499
<b>TOTAL</b>						
<b>Commercial liabilities and other payables</b>	<b>150.238.689</b>	<b>31.430.255</b>	<b>118.808.434</b>	<b>156.234.896</b>	<b>34.767.632</b>	<b>121.467.264</b>

In September 2016, the company made entries representing the correction of some accounting errors, representing the salary differences resulting from the recalculation of salaries of extra hours engaged by employees in 2015.

The information for 2015 that has been presented in the interim financial report at 30.09.2016, has been adjusted with corrections, respectively, with the increase in debt related to staff with 577.113 RON, increasing debts to social security and unemployment with 320.819 RON, and the increase in debts to the state budget with the amount of 113.776 RON.

**14. PROVISIONS**

Provisions situation as of 30.09.2016 is shown below:

Explanations	Provisions for guarantees granted to clients	Provisions for employee benefits	Other provisions	Total provisions
Balance at 31.12.2015	<b>26.945</b>	<b>108.700</b>	<b>0</b>	<b>135.645</b>
Provisions set up in the 3 <sup>rd</sup> Q 2016	0	0	4.405.955	<b>4.405.955</b>
Provisions reversed in the 3 <sup>rd</sup> Q 2016	0	0	-1.957.655	<b>-1.957.655</b>
Balance at 30.06.2016	<b>26.945</b>	<b>108.700</b>	<b>2.448.300</b>	<b>2.583.945</b>

In 2016 the company set up provisions for certain obligations arising from the relationship with partners Delphi, Diesel Systems Anglia and Robert Bosch GmbH Germania, amounting to 4.405.955 RON.

Up until 30.09.2016, it was resumed on revenues the sum of 1.957.655 RON, as a result of the partial payment of these debts..

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 (All amounts are expressed in RON, unless otherwise stated)

**15. INCOME**

The company's income structure is as follows:

Explanations	30.09.2016	30.09.2015
<b>Total Turnover, of which:</b>	<b>485.200.540</b>	<b>348.214.914</b>
Revenues from sales of finished products	472.980.670	341.018.036
Revenues from provision of services	1.631.735	1.408.964
Revenues from sale of goods	9.718.637	3.571.457
Revenues from other activities (rents, various activities)	578.156	665.508
Revenues from associated subsidiaries (EU funds projects)	291.342	1.550.949
<b>Other operating revenues</b>	<b>10.647.214</b>	<b>7.087.262</b>
<b>Total - Operating income</b>	<b>495.847.754</b>	<b>355.302.176</b>

Other operating revenues consist of:

Explanations	30.09.2016	30.09.2015
Revenues from sales revaluation of properties	0	91.585
Revenues from production assets	5.374.588	5.388.802
Revenues from assets held for sale in ceded	2.134.620	888
Revenues from investment grants (projects and partner contract projects AMPOSDRU and AMPOSCEE)	2.641.622	1.588.809
Other operating revenues	496.384	17.178
<b>TOTAL Other operating income</b>	<b>10.647.214</b>	<b>7.087.262</b>

**16. EXPENSES**

Operating expenses made within the first nine months of 2015 and 2016 are presented in the following table:

Explanations	30.09.2016	30.09.2015
Material expenditures	297.675.595	195.213.702
Stock differences	-485.435	-3.494.342
Energy and water expenses	18.339.985	16.077.119
<b>Employee benefits expenditures, of which:</b>	<b>84.582.136</b>	<b>73.092.468</b>
Salaries and compensations	69.344.114	59.948.132
Insurance and social protection expenses	15.238.022	13.144.336
Asset value adjustments	27.205.615	18.424.838
Current asset value adjustments	-13.301	-2.297.764
Third party expenditures	2.448.300	24.296.378
Other tax expenditures, taxes and similar payments	26.391.270	1.333.779
Provisions adjustments	1.208.742	0
Expenses of owned assets held for transferred sales	2.097.433	0
Other operating expenses	2.686.086	2.355.610
<b>TOTAL Operating expenses</b>	<b>462.136.426</b>	<b>325.001.788</b>

**COMPA S.A. Sibiu**  
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**17. EMPLOYEE BENEFITS EXPENSES**

Employee benefits expenses include salaries, compensations and social security contributions. Short term benefits are recognized as expenditures as the services are rendered.

Explanations	30.09.2016	30.09.2015
Salaries and compensations	69.344.114	59.948.132
Insurance and social protection expenses	15.238.022	13.144.336
<b>TOTAL</b>	<b>84.582.136</b>	<b>73.092.468</b>

**18. FINANCIAL LOSSES (GAINS)**

The financial losses (gains) structure is shown below:

Explanations	30.09.2016	30.09.2015
Gains from foreign exchange differences relating to monetary items denominated in foreign currency	935.476	-1.205.324
Losses from interest rates	-513.952	-522.683
Gains from financial asset disposal	12.012.660	0
Other financial gains	<b>-184.024</b>	-172.952
<b>TOTAL Losses / Gains</b>	<b>12.250.160</b>	<b>-1.900.959</b>

**19. EARNINGS PER SHARE**

The earnings per share for the Q3 of 2016 and 2015 is summarized as follows:

Explanations	30.09.2016	30.09.2015
No. of shares at the beginning of the year	218.821.038	218.821.038
Shares issued during the year	0	0
<b>No. of shares at the end of the year</b>	<b>218.821.038</b>	<b>218.821.038</b>
<b>Net profit</b>	<b>44.516.195</b>	<b>26.411.894</b>
<b>Earnings per share (in RON per share) basic / diluted</b>	<b>0,20</b>	<b>0,12</b>

**20. FINANCIAL INVESTMENTS**

The company's financial investments represent shares owned at affiliated entities. Securities held are carried at cost and include the following:

Company that holds the securities	Social headquarters	% of share capital	Securities Value	Main activity (according to CAEN)
COMPA IT S.R.L.	Sibiu, No.8, Henri Coandă, Str., Sibiu County	100,00	200.000	6201 "Activities of achieving custom software"
TRANS CAS S.R.L.	Sibiu, No.12, Henri Coandă, Str., Sibiu County	99,00	1.498.450	4941 "Freight transport by road"
RECASERV S.R.L.	Sibiu, No.51, Henri Coandă, Str., Sibiu County	70,00	70.000	5629 "Other types of activities"
COMPA EXPEDIȚII INTERNAȚIONALE S.R.L.	Sibiu, No.8, Henri Coandă, Str., Sibiu County	98,00	980	5229 "Other transportation activities" (Activity suspended since 2009)
<b>TOTAL</b>			<b>1.769.430</b>	

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Entities affiliated with the company were formed in time, due to the need of outsourcing some COMPA S.A. specific activities like: software design, domestic and international auto transport, catering, etc.. The outsourcing accomplished to streamline these activities and to benefit from some state-offered facilities for specific activities (IT activities, transport licenses etc).

Most contracts and transactions with these entities represent COMPA (holder of special and specific installations) sourcing utilities like: electricity, heat, water, telephone services, compressed air, rental of premises and equipment necessary to conduct business, as well as contracts for the supply of goods and services.

On the other hand, these affiliated entities provide COMPA with the goods and services they produce and for which outsourcing was imposed. Relationships were conducted on free market commercial terms, the price of which is agreed upon by negotiation, falling in the prevailing market levels.

In 2015 negotiations were launched on the sale of shares held by COMPA S.A. to the ThyssenKrupp Bilstein Compa S.A. Company. At the beginning of 2016 this transaction was finalized. The action of selling the shares has led to a gain of 12012660 RON.

Transactions in the first three months of 2015 and 2016 with the companies in which COMPA holds stakes were as follows (amounts include VAT):

Explanations	30.09.2016		30.09.2015	
	Purchases of goods and services	Sales of goods and services	Purchases of goods and services	Sales of goods and services
TRANSCAS S.R.L.	13.594.629	192.857	13.592.868	190.656
COMPA-IT S.R.L.	1.477.200	17.754	1.495.440	16.464
RECASERV S.R.L.	717.215	39.628	650.630	44.895
COMPA EXPEDITII INTERNATIONALE S.R.L.	0	0	0	0

Mutual debts and claims registered at 30.09.2016 and 30.09.2015 are:

**Claims receivable by COMPA S.A. from:**

Explanations	30.09.2016	30.09.2015
TRANS CAS S.R.L.	32.791	46.610
COMPA-IT S.R.L.	9.139	18.589
RECASERV S.R.L.	9.309	9.349
COMPA EXPEDITII INTERNATIONALE S.R.L.	0	0

**Debts paid by COMPA Company S.A. to:**

Explanations	30.09.2016	30.09.2015
TRANSCAS S.R.L.	2.378.363	3.154.698
Compa IT S.R.L.	685.849	675.230
RECASERV S.R.L.	235.420	150.535
Compa Expeditii Internationale S.R.L.	0	0

Outstanding balances are not guaranteed and do not bear interest. No guarantees have been constituted and no guarantees have been received for debts or liabilities of involved parties.

**COMPA S.A. Sibiu**  
**EXPLANATORY NOTES TO THE UNCONSOLIDATED INTERIM FINANCIAL REPORT FROM 30.09.2016**  
 (All amounts are expressed in RON, unless otherwise stated)

**Company Management:**

List of company directors (Board of Directors):

NAME AND SURNAME	QUALIFICATION	POSITION
DEAC Ioan	Engineer	Chairman
MICLEA Ioan	Economist	Member BoD
MAXIM Mircea Florin	Engineer	Member BoD
BENCHEA Cornel	Economist	Member BoD
VELȚAN Ilie-Marius	Economist	Member BoD

List of company executive members:

NAME AND SURNAME	POSITION
DEAC Ioan	CEO
MICLEA Ioan	CFO
FIRIZA Ioan	Management Director
BĂIAȘU Dan-Nicolae	Purchasing Director
BUCUR Tiberiu-Ioan	Sales Director
ACU Florin-Ștefan	Technical Director
MUNTENAȘ Bogdan-Vasile	Logistics Director
ȚUICU Liviu-Laurențiu	Quality and Environment Director
ȚUȚUREA Mihai	Production Director
ROTARU Petru-Liviu	Production Director
MORARIU Mircea	Production Director
HERBAN Dorin-Adrian	Industrial Engineering Director
SUCIU Ioan-Octavian	Quality and Environment Management Systems Director
OPRIȚOIU Dumitru	Head of Energy Base
DRAGOMIR Marius-C-tin	Head of Maintenance

Transactions with the company's executive members are limited to wages and allowances.

Explanations	30.09.2016	09/30/2015
Wages and allowances granted to the Board of Directors and executive management members	<b>3.543.617</b>	3.394.807

**21. EVENTS SUBSEQUENT TO THE DATE OF THIS REPORT**

Management has not identified any subsequent events with significant impact on the financial position and income statement of COMPA S.A.

The General Meeting of Shareholders took place on 28.04.2016, and approved the financial situations concluded on 31.12.2015 and profit distribution from 2015.

**CEO,**  
**Ioan DEAC**

**CFO,**  
**Ioan MICLEA**



Management System  
ISO/TS 16949:2009  
ISO 9001:2008  
ISO 14001:2004  
www.tuv.com  
ID: 9105051939



**compa** s.a. ROMANIA, SIBIU, 550234, Henri Coandă, 8  
Tel.+40 269 239400 / 230888; Fax +40 269 212204 / 237770; www.compa.ro



## DECLARATION

**in accordance with provisions of article 30 of the Accounting Law no.82 / 1991**

The unbound financial statement is prepared on **30/09/2016** for:

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Name of the issuing entity	COMP A S.A.
County	32 Sibiu
Registered office	Sibiu, No 8, Henri Coandă Str., Sibiu County, tel. +40269 237 878
Registration number in the Trade Registry	J32/129/1991
Property form	34 Companies stock
Predominant activity (CAEN code and class name)	2932 - Manufacture of other parts and accessories for motor vehicles
VAT no	RO 788767

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Ioan MICLEA undersigned,

According to Art.10 (1) of the accounting Law no.82 / 1991, having the position of CFO undertakes the responsibility for elaborating the financial reporting statement at 30/09/2016 and confirms the following:

- Unbound statements for 30/09/2016 are prepared in accordance with International Financial Reporting Standards as adopted by the European Union.
- The accounting policies used in preparing the 3<sup>rd</sup>Q 2016 are in accordance with the applicable accounting regulations.
- The company operates in terms of continuity.

CFO,  
Ioan MICLEA



3<sup>rd</sup> Q  
2016

QUARTERLY  
REPORT  
COMPA S.A.  
SIBIU

3<sup>rd</sup> Q – 2016



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## QUARTERLY REPORT

**According to Regulation no. 1/2006 (Annex 30) regarding issuers and operations with securities and Law 297/2004 on the capital market**

Date of report	09/30/2016
Company	COMPA S.A.
Social headquarters	Sibiu, no. 8 Henri Coandă, str. 550234, Postal code 550234, Sibiu county
Phone number	+40269 237878
Fax number	+40269 212204; +40269 237770
VAT no	RO 788767
Registration number in the Trade Registry	J 32/129/1991
Number of shares	218.821.038
Value of share	0,10 RON
Regulated Market on which the issued securities are traded:	Bucharest Stock Exchange, Standard Category, symbol CMP



Management  
System  
ISO/TS 16949:2009  
ISO 9001:2008  
ISO 14001:2004  
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## CONTENT

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- b. Statement of revenue and expenditure

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ISO 9001:2008  
ISO 14001:2004



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## A. IMPORTANT EVENTS PRESENTATION

### A1. Important events which took place between 01.01.2016 - 30.09.2016. With impact on the financial position of the company

The most important financial-economic events that took place in the first nine months of 2016 in COMPA, are as follows:

-  A growth of over 39% in turnover in the first nine months of 2016 in comparison to the same period of the previous year. A significant contribution in achieving this growth was played by the transfer of significant production capacities from England from the main partner Delphi, transfer that took place in the second part of 2015 and which ensures an increased production for Delphi injection systems components destined for trucks and vans;
-  The commissioning in late 2015 and early 2016 five new cells for the manufacturing of high-tech components, latest machinery and equipment, whose acquisition value exceeded 5 million Euro, had a major impact on increasing production capacities for processing of automotive-related injection systems – Bosch type (Common Rail), as well as an important contribution to the rise in turnover in the first nine months of 2016;
-  Finalizing the investment and commissioning in April the Zn-Ni alloy electroplating line, funded in proportion of 50% by the Norwegian Government and 50% by COMPA. This next-generation line ensures the implementation of some very high parameters in the coating process as well as a low level of chemical pollution;
-  The investment volume in the first nine months of 39,4 mil. RON (8,8 mil. Euro) although sensibly lower than the achieved volume in the same period of the previous year, ensures however the demand to increase the production capacity as well as the need to replace old and outdated equipments. By reinvesting the profit achieved during this period in machinery and equipments, an important facility to reduce corporate tax has been obtained;
-  At the beginning of 2016 the negotiation process of the 26,94% stake held in the equity of joint venture ThyssenKrupp Bilstein Compa S.A. has been finalized by selling it to the German partner. The transaction was a success, whereupon COMPA achieved a gross profit of 12 million RON;
-  There have been continuous actions to reduce production costs in all areas of activity, reduction and optimal mitigation of material inventory and finished products, reduction of claims and liabilities, in order to effectively utilize the financial resources of the company.



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## A2. Presentation of financial and economic position of the company

### a) Asset and liability balance sheet

While analyzing and comparing the 30.09.2016 economic and financial situation with the 30.09.2015 analysis, we present the main assets and liabilities in the balance sheet.

INDICATOR	30.09.2015	30.09.2016	Degree of accomplishment
	RON	RON	(%)
Fixed assets	339.110.089	353.254.389	104,17
Current asset	211.521.710	204.993.263	96,91
Debts of less than one year	94.999.650	121.256.735	127,64
Debts over a year	104.951.460	77.797.513	74,13
Capital and reserve	350.680.689	359.193.404	102,43

Analyzing briefly the evolution of the main economic positions of the balance sheet structure of 30.09.2016 in comparison with the same period of the previous year, we can appreciate the following:

-  Current assets increased by over 4% till 30.09.2016 compared to 30.09.2015; the changes that happened at the asset structure were influenced by:
  - the impact of the revaluation of land constructions from 31.12.2015, evaluation carried out by an authorized evaluator and
  - by the fact that there were more asset entries through investments compared to disposals during this period.
-  The value of current assets has decreased by about 3% although the turnover grew by over 39% during this period. Adequate stocks of any kind and timely collection of receivables were the main factors in achieving this positive indicator on 09.30.2016;
-  Total debt on 30.09.2016 is almost equal to those of 30.09.2015, although the turnover of the first nine months was with over 39% higher than that achieved in 2015. In the debt structure, we can observe the following:
  - an increase of more than 27% of current liabilities, as well as debts less than a year old which were determined by the growth in turnover, which in turn influenced the acquisition level and hence commercial obligations to suppliers;
  - Decrease in debts older than a year, respectively debts to banks, by about 26% due to accessing a smaller proportion of credit lines and increasing the cash flow of the company.
-  Equity of the company grew by 2% by 31.09.2016 in comparison with 31.09.2015 as a result of growth in gross and net profit for that period.



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b) **Statement of revenue and expenditure (RON)**

INDICATOR	30.09.2015	30.09.2016	Degree of accomplishment (%)
Turnover	348.214.914	485.200.540	139,3
Of which export	240.745.874	365.395.402	151,8
Other revenues	7.087.262	10.647.214	150,2
<b>Total operating income</b>	<b>355.302.176</b>	<b>495.847.754</b>	<b>139,6</b>
Changes in inventories	-3.494.342	-485.435	13,9
Material costs	195.213.702	297.675.595	152,5
Energy costs	16.077.119	18.339.985	114,1
Labor costs	73.092.468	84.582.136	115,7
Amortization	18.424.838	27.205.615	147,7
Other operating expenses	25.688.003	34.818.530	135,5
<b>Total operating expenses</b>	<b>325.001.788</b>	<b>462.136.426</b>	<b>142,2</b>
<b>Operational result</b>	<b>30.300.388</b>	<b>33.711.328</b>	<b>111,3</b>
Interest expense	524.191	553.843	105,7
Other financial charges	9.471.622	8.047.823	85,0
<b>Total financial expenses</b>	<b>9.995.813</b>	<b>8.601.666</b>	<b>86,1</b>
Interest revenue	1.508	39.891	2645,3
Other revenues	8.093.345	20.811.935	257,1
<b>Total financial income</b>	<b>8.094.853</b>	<b>20.851.826</b>	<b>257,6</b>
<b>Financial result</b>	<b>-1.900.960</b>	<b>12.250.160</b>	<b>-644,4</b>
<b>Total income</b>	<b>363.397.029</b>	<b>516.699.580</b>	<b>142,2</b>
<b>Total expenses</b>	<b>334.997.601</b>	<b>470.738.092</b>	<b>140,5</b>
<b>Gross result</b>	<b>28.399.428</b>	<b>45.961.488</b>	<b>161,8</b>
<b>Current income tax</b>	<b>1.151.217</b>	<b>1.852.036</b>	<b>160,9</b>
<b>Deferred income tax</b>	<b>836.317</b>	<b>-406.742</b>	<b>-48,6</b>
<b>Net result</b>	<b>26.411.894</b>	<b>44.516.194</b>	<b>168,5</b>

Statement of profit and loss for the first nine months of 2016 compared to the same period of 2015 has the following features:



The turnover has recorded a significant increase of over 39%, being influenced by:

- transfer the production of components for Delphi injection system for trucks and vans;
- increase demands on almost all types of products manufactured at COMPA;
- development of new production capacities through new investments, especially in the production of components for Bosch injection systems;
- reducing the production of components for windscreen wipers – Bosch has not performed as we initially had the information and according to the provisions from the revenues and expenses budget.



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The profitability of production in the first nine months of 2016 has increased in comparison to the same period of the previous year, by:

- cost reduction as a result by measures initiated by company management. These “aggressive” cost reduction measures started in all activity fields of the company, setting targets to be achieved by each profit center, on each product and on cost elements of each reference made;
- the sale of the 26,91% shares from the social capital of the joint venture ThyssenKrupp Bilstein Compa S.A. Sibiu to the majority shareholder of the joint venture. Following this transaction, a gross and net profit of 12 million RON was obtained;
- COMPA facilities obtained by reducing the tax on reinvested profit due to investments and commissioning (first nine months of this year) of new machinery and equipment benefiting from this feature;

All these factors have enabled COMPA to achieve a net profit with 68,5% higher in the first nine months of 2016, in comparison to the same period of the previous year.

## B. ECONOMIC AND FINANCIAL INDICATORS

INDICATOR	CALCULATION METHOD	RESULT 3 <sup>RD</sup> 2016
1. Current liquidity indicator	Current assets / Current liabilities	1,69
2. Debt degree indicator	Borrowed capital / Equity x100	17,80
3. Turnover of debit customers	Average client balance / Turnover x90	56,36
4. Turnover of fixed assets	Turnover / Fixed assets	1,37

### NOTE

**Indicator 1** – Guarantees to cover current liabilities from current assets. The recommended and accepted value is approximately 2.

**Indicator 2** – Expresses the effectiveness of credit risk management, revealing potential financing and liquidity problems, influencing the honoring commitments.

*Borrowed capital* = Credits over 1 year

*Employed capital* = Borrowed capital + equity

**Indicator 3** – Expresses the effectiveness of the company in collecting its receivables, namely the number of days until the debtors pay their debt to the company.

**Indicator 4** – Expresses assets management effectiveness by examining the turnover generated by a certain amount of fixed assets.

Seeing the economic and financial indicators of COMPA S.A. for the first nine months of 2016, we can affirm that the results have been notable.

These results provide the necessary steps in carrying out the objectives set up by the management in 2016, they assure the guarantee to achieve and exceed the targets through the revenues and expenses budget..

**Chaiman & CEO,  
DEAC IOAN**

**CFO,  
MICLEA IOAN**