OLTCHIM

In reorganizare judiciara

In judicial reorganisation

En redressement

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PRESS REALEASE
concerning the results achieved by
Oltchim SA during January – September and in Q3- 2016

The company OLTCHIM SA registered during January-September 2016 the best results from current activity after the entry into insolvency proceedings (without taking into account the influence in 2015 of the scriptic profit driven by debt cancellation under the reorganization plan) and making profit unlike previous periods when it was recorded loss.

Thus, from January to September 2016 the company recorded:

- Turnover of 555 million lei (equivalent to 123.7 million euro);
- Gross profit of 22 million lei (equivalent to 4.9 million euro);
- EBITDA of 64 million lei (equivalent to 14.3 million euro);
- Net result of 16 million lei (equivalent to 3.6 million euro).

The summary of the quarterly financial results, unaudited, is presented in the table below. For comparison, in the results for the period January-September 2015, is not considered the scriptic profit driven by debt cancellation, following the confirmation of the reorganization plan.

th lei

Indicators	9 months 2016	9 months 2015	%	Q3 2016	Q3 2015	%	Q2 2016	%
0	1	2	3=1/2	4	5	6=4/5	7	8=4/7
Turnover	**555,095**	**570,541**	**97.3**	**176,957**	**205,881**	**86.0**	**208,366**	**84.9**
Total income	**564,900**	**573,469**	**98.5**	**185,246**	**206,776**	**89.6**	**208,094**	**89.0**
-operating income	562,757	570,647	98.6	184,797	205,961	89.7	207,008	89.3
- financial income	2,143	2,822	75.9	449	815	55.0	1,086	41.3
Total expenses	**542,577**	**589,234**	**92.1**	**187,317**	**213,419**	**87.8**	**189,615**	**98.8**
- operating expenses	538,675	582,743	92.4	185,681	211,685	87.7	188,972	98.3
- financial expenses, of which:	3,903	6,491	60.1	1,637	1,733	94.4	643	254.4
- interest	*0*	*2,144*	*0,0*	*0*	*0*	*0,0*	*0*	*0,0*
Gros Profit/Loss from current business	**22,323**	**-15,765**	*****	**-2,073**	**-6,643**	*****	**18,479**	*****
- operating profit/loss, of which:	24,083	-12,096	*	-885	-5,725	*	18,037	*

Indicators	9 months 2016	9 months 2015	%	Q3 2016	Q3 2015	%	Q2 2016	%
0	1	2	3=1/2	4	5	6=4/5	7	8=4/7
- amortization cost	*40,104*	*46,150*	*	*14,150*	*15,361*	*	*13,474*	*
- financial profit/loss	-1,760	-3,669	*	-1,188	-918	*	442	*
Profit tax	**6,171**	**0**	*	**375**	**0**	*	**4,187**	*
Net Profit/Loss	**16,152**	**-15,765**	*	**-2,448**	**-6,643**	*	**14,292**	*
EBITDA (operation + amortization)	**64,186**	**34,054**	**188,5**	**13,265**	**9,636**	**137,7**	**31,511**	**42.1**

Main indicators - 9 months 2016 compared to 9 months 2015

The results from the current business, during January-September 2016, compared to the results of the same period 2015, have improved, thus:

- **Gross result** increased by 38 million lei, for 9 months 2015 the company recording a loss from the current business of 16 million lei;
- **EBITDA** incresed by 30 million lei;
- **Positive net result** compared to the same period of 2015 when it registered loss.

These results were driven by:

- Increased quantity sales for all products manufactured, thus:
  - At polyether polyold (the main product group with 65% of turnover), the quantity sold increased by 17%;
  - Chlor-alkali, the quantity sold increased by 17%;
  - Oxo-alcohols, the quantity sold increased by 40%.
- Continuation of modernization and overhaul with direct effect both in increasing the quantities produced and the improvement of product quality. In the first nine months of 2016 they have resulted mainly in:
  - Replacement of two electrolysers and the DCS at Membrane electrolysis, in total amount of 1.95 million euro;
  - Replacement of the hydrogenation catalyst at the Oxo-alcohols plant, in total amount of 1.1 million euro.

Although the company increased the volume of finished products sold compared to the same period of last year, **the turnover** is lower for nine months because of lower selling prices for petrochemical products on international markets. Oltchim SA achieves 74% of its turnover on intra-Community and export market, and evolution of the selling prices was driven by the fall in oil prices.

Gross profit amounting to 22.3 million lei, has the following structure:

- ✓ 34.1 million lei - total profit generated from operating plants;
- ✓ -11.8 million lei- loss driven by the costs of mothballing of non-operating plants from Bradu and Valcea sites (3.2 million lei).

In the first nine month of 2016 the **value of exports and intra-Community sales amounted to 91 million euro**. The imports and intra-Community acquisitions amounted to only 18 million euro, leading to **a positive external balance** of 73 million euro.

Main indicators- Q3-2016 compared to Q3-2015

Also the results in the third quarter of 2016 compared to the third quarter of 2015 are better, as follows:

- **Total result** has improved by 4.6 million compared to the third quarter of 2015;
- **EBITDA** increased by 3.6 million or 38% compared to the same period.

Main indicators- Q3-2016 compared to Q2-2016

Most of the production being capitalized to export and intra-Community market, led to lower results in Q3-2016, being also impacted by the holiday period on the foreign markets.
Moreover, in August 2016 was performed the overhaul of all main process plants, these being totally shutdown, as follows:

- Membrane electrolysis was stopped for 5 days, and other 9 days operated at reduced capacity;
- Propylene oxide and polyether polyols plants were stopped 5 days;
- Oxo-alcohols plant was stopped 14 days.

These are the main causes for which in Q3-2016 the company recorded loss per total business, loss entirely driven by the results related to August 2016. In the remaining months of the third quarter, July and September respectively, was recorded profit on total activity.
In the third quarter 2016 financial indicator EBITDA was positive, amounting to 13 million lei.

The holiday period in conjunction with the overhaul in August this year had a negative impact on the achievements of the third quarter of 2016 compared to the second quarter of 2016 such:

- **Turnover** is lower by 31 million lei, or by 15%;
- **Gross total result** shows a decrease by 20 million lei;
- **EBITDA** decreased by 18 million lei from the previous quarter**.**

The quarterly report for the period January- September 2016 is available and can be found in electronic format on OLTCHIM SA website www.oltchim.ro, under section Investor Relations- Financial Information and on BSE website www.bvb.ro symbol OLT.

Additional information may be requested by phone 0250/701665, fax 0250/735030 or e-mail oltchim@oltchim.com.

Judicial Administrator,
ROMINSOLV SPRL

Judicial Administrator,
BDO BUSINESS RESTRUCTURING SPRL

Special Administrator,
Stănescu Bogdan

Deputy General Manager,
Avram Victor

Economic Manager,
Smeu Alin

OLTCHIM SA company in judicial reorganization

STANDALONE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 September 2016

PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS ADOPTED BY THE EUROPEAN UNION ACCORDING TO ORDER OF MINISTRY OF PUBLIC FINANCE NO. 1286/2012 WITH SUBSEQUENT AMENDMENTS

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SITUATIA POZITIEI FINANCIARE la data de 30 September 2016

(Toate sumele sunt exprimate in LEI, daca nu este specificat altfel.)

	30 September 2016	31 December 2015
ASSETS		
Long term assets		
Tangible assets	678,164,001	708,700,833
Real estates investments	6,725,347	6,821,731
Intanglibe assets	1,416,074	2,004,464
Financial assets	154,419	154,419
Total long term assets	**686,459,840**	**717,681,448**
Current assets		
Inventories	41,728,127	47,496,831
Trade receivables	44,845,258	29,348,189
Recoverable taxes	10,026,323	13,253,083
Other assets	3,193,810	4,339,319
Cash and cash equivalents	33,690,348	13,328,457
Total current assets	**133,483,866**	**107,765,879**
TOTAL ASSETS	**819,943,706**	**825,447,327**
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	1,018,299,809	1,018,299,809
Reserves	228,594,771	228,594,771
Retained earnings	(1,768,796,670)	(1,785,562,719)
Total equity	**(521,902,090)**	**(538,668,139)**
Long term liabilities		
Loans	615,689,723	615,689,723
Deferred income	4,478,239	5,106,933
Deferred tax liabilities	34,201,890	34,201,890
Provision benefits for employees and litigation	9,179,974	9,179,974
Other long term liabilities	21,316,447	21,316,447
Trade liabilities	368,740,276	368,740,276
Taxes and duties	32,718,682	29,512,311
Total long term liabilities	**1,086,325,231**	**1,083,747,554**
Current liabilities		
Loans	-	-
Trade liabilities	124,549,834	119,730,636
Taxes and duties	60,351,502	63,943,501
Other liabilities	70,619,229	96,693,775
Total current liabilities	**255,520,565**	**280,367,912**
Total liabilities	**1,341,845,796**	**1,364,115,466**
TOTAL EQUITY AND LIABILITIES	**819,943,706**	**825,447,327**

Current liabilities

Special Administrator	Deputy General Manager	Economic Manager
Stanescu Nicolae Bogdan Codrut	Avram Victor	Smeu Alin

	30 September 2016	30 September 2015
Net sales	555,095,401	570,541,139
Income from investments	6,502,872	6,466,554
Other gains or (losses)	2,824,037	2,380,415,698
Changes in inventories	(6,570,275)	(13,767,767)
Expenses with raw materials and consumables	(250,087,132)	(285,858,499)
Expenses with energy and water	(131,763,156)	(122,180,605)
Expenses with impairment and amortization of assets	(40,103,709)	(46,150,304)
Wage Expenses	(73,677,146)	(82,041,443)
Net cost of financing	(135,580)	(2,437,816)
Income from grants	629,382	641,055
Other expenses	(40,391,620)	(63,109,446)
Profit / (Loss) before tax	**22,323,074**	**2,342,518,566**
Income tax	(6,171,320)	(32,330,186)
Net Profit / (Loss)	**16,151,754**	**2,310,188,380**
Other items of comprehensive income	-	-
Total comprehensive income	**16,151,754**	**2,310,188,380**
Profit / (Loss) per share	**0.0471**	**6.7311**
Number of shares	343,211,383	343,211,383

Special Administrator	Deputy General Manager	Economic Manager
Stanescu Nicolae Bogdan Codrut	Avram Victor	Smeu Alin

EXPLANATORY NOTES
to Standalone Financial Statements ended on 30.09.2016

NOTE 1. GENERAL INFORMATION AND MAIN ACTIVITIES

Oltchim S.A. is a Romanian legal person having the legal form of open joint stock company and was established under Law 15/1990 by Government Decision no. 1213/20.11.1990.

The company's headquarters is in Romania, Vâlcea county, Rm.Vâlcea, 1 Uzinei street.

Main field of the activity of the company is the manufacture of organic chemicals.

As of January 30, 2013 was initiated insolvency procedure for Oltchim SA.

By sentence no. 892/22.04.2015 delivered in the insolvency case no. 887/90/2013, before Vâlcea Courthouse, was confirmed the Reorganization Plan of debtor Oltchim SA proposed by Consortium of Judicial Administrators ROMINSOLV SPRL and BDO BUSINESS RESTRUCTURING SPRL..

The sentence is final and irrevocable by rejection as unfounded of appeals filed by Electrica Furnizare SA and ANAF, this decision being rendered by the Court of Appeal Piteşti on 24.09.2015. Oltchim SA is in judicial reorganization.

The company sold chemicals during January-September 2016, both on the local market, about 26% of the turnover, and on the international market, about 74% of turnover.

Integrated environmental quality management system (ISO 9001 and ISO 14001) of Oltchim was recertified in 2014 by TUV Management Service body, the certification is valid until 2017.

Shareholding structure

Romanian state, represented by the Ministry of Economy, Trade and Business Environment Relationship is the main shareholder. Nominal share capital subscribed and paid up as at 30 September 2016 and 31 December 2015 is 34,321,383 lei divided into 343, 211, 383 shares, each with a nominal value of 0.10 lei. Each share entitles its holder to one vote.

Shareholding structure is the following:

Shareholders	30.09.2016 Number of shares	%	31.12.2015 Number of shares	%
Romanian State, through the Ministry of Economy, Trade and Business Environment Relationship	188,100,976	54,8062	188,100,976	54,8062
PCC SE	111,005,766	32,3433	111,005,766	32,3433
Natural persons	38,938,249	11,3453	38,930,613	11,3430
Legal persons	5,166,392	1,5053	5,174,028	1,5075
TOTAL	**343,211,383**	**100**	**343,211,383**	**100**

The Company business

The company business includes mainly: production of petrochemicals, chlor-alkali, oxo-alcohols, other chemicals, including technical assistance services and their trading on domestic and export markets, in accordance with the Articles of Incorporation of the Company.

Management structure

By sentence no. 617 of January 30, 2013 delivered by Vâlcea Courthouse – Second civil division in case no. 887/90/2013 was appointed as judicial administrator consortium formed by ROMINSOLV SPRL Bucharest, based in Bucharest, Splaiul Unirii no. 223, 3rd Floor, District 3, number of registration in the Official Record of Insolvency Practitioners 0122/2006, represented by Coordinating Partner Gheorghe Piperea, and BDO BUSINESS RESTRUCTURING S.P.R.L., based in Bucharest, Invingatorilor Str., No. 24 Victory Business Center building, 3rd floor, District 3, number of registration in the Official Record of Insolvency Practitioners 0239/2006, represented by Coordinating Partner Niculae Bălan.

At the Extraordinary General Assembly of Shareholders on March 14, 2013 the shareholders appointed as special administrator of Oltchim SA, in the insolvency proceedings, Mr. Stănescu Nicolae Bogdan Codruț.

On 30.09.2016, the management of the company is provided by:

Consortium formed by: ROMINSOLV S.P.R.L., represented by Coordinating Partner Gheorghe Piperea and BDO BUSINESS RESTRUCTURING S.P.R.L. represented by Coordinating Partner Niculae Bălan	Judicial Adminstrators
Stănescu Nicolae Bogdan Codruț	Special Administrator
Avram Dănuț Victor	Deputy General Manager
Talpăşanu Mihail	Production Manager
Spiru-Ciobescu Armand	Commercial Manager
Smeu Alin Ion	Economic Manager
Munteanu Dana Maria	Human Resources Manager

NOTE 2. FIXED ASSETS

Tangible assets are presented in the "statement of financial position" at cost or revalued amount, less amortization and adjustments for depreciation or impairment in accordance with IAS 16 "Tangible assets" and IAS 36 "Impairment of Assets".

The assets of company were revalued in 2013, financial statements on 30.09.2016 including the assets at revalued value.

Fixed assets

Items of fixed assets	Rw. no.	Initial balance 31.12.2015	Increases	Discounts		Final balance 30.09.2016
				Total	From which: dismantling and cassation	
A	B	1	2	3	4	5=1+2-3
I. Intangible assets						
Development costs	01	0	0	0	X	0
Other intangible assets	02	3,642,807	0	0	X	3,642,807
Intangible assets of exploration and evaluation of mineral resources	03	0	0	0		0
Advance payments for intangible assets	04	0	0	0	X	0
TOTAL (rw. 01 to 04)	**05**	**3,642,807**	**0**	**0**	X	**3,642,807**
II. Tangible assets						
Land	06	101,695,855	688	0	X	101,696,543
Construction	07	365,128,169	4,568,853	0	0	369,697,022
Plant and machinery	08	689,060,511	-59,746	0	0	689,000,765
Other facilities, tools and furniture	09	3,395,067		0	0	3,395,067
Real estate investment	10	7,078,757	0	0	0	7,078,757
Tangible assets of exploration and evaluation of mineral resources	11	0	0	0	X	0
Tangible assets in progress	12	44,750,093	8,892,273	4,471,607	X	49,170,759
Real estate investment in progress	13	0	0	0	X	0
Advance payments for tangible assets	14	56,541	4,130,821	4,179,182	X	8,180
TOTAL (rw. 06 to 14)	**15**	**1,211,164,993**	**17,532,889**	**8,650,789**	**0**	**1,220,047,093**
III. Biological assets	**16**	**0**	**0**	**0**	X	**0**
IV. Financial fixed assets	**17**	**154,419**	**0**	**0**	X	**154,419**
FIXED ASSETS – TOTAL (rd. 05+15+16+17)	**18**	**1,214,962,219**	**17,532,889**	**8,650,789**	**0**	**1,223,844,319**

Amortization of fixed assets

Items of fixed assets	Rw. no.	Initial balance 31.12.2015	Amortization 9 months2016	Amortization of assets removed from company's records	Amortization at the end of period 30.09.2016
A	B	6	7	8	9=6+7-8
I.Intangible assets					
Development costs	19	0	0	0	0
Other assets	20	1,638,343	588,390	0	2,226,733
Intangible assets of exploration and evaluation of mineral resources	21	0	0	0	0
TOTAL (rw. 19+20+21)	**22**	**1,638,343**	**588,390**	**0**	**2,226,733**
II.Tangible assets					
Land	23	0	0	0	0
Construction	24	48,510,407	13,303,522	0	61,813,929
Plants and machinery	25	195,311,085	58,496,283	0	253,807,368
Other facilities, tools and furniture	26	701,964	262,112	0	964,076
Real estate investment	27	257,026	96,385	0	353,411
Tangible assets of exploration and evaluation of mineral resources	28	0	0	0	0
TOTAL (rw. 23 to 28)	**29**	**244,780,482**	**72,158,302**	**0**	**316,938,784**
III.Biological assets	**30**	**0**	**0**	**0**	**0**
AMORTIZATION – TOTAL (rw. 22+29+30)	**31**	**246,418,825**	**72,746,692**	**0**	**319,165,517**

Adjustments for impairement

Items of fixed assets	Rw. no.	Initial balance 31.12.2015	Adjustments created 9 months 2016	Write-back of adjustments	Final balance 30.09.2016
A	B	10	11	12	13=10+11-12
I.Intangible assets					
Development costs	31	0	0	0	0
Other assets	32	0	0	0	0
Intangible assets in progress	33	0	0	0	0
Intangible assets of exploration and evaluation of mineral resources	34	0	0	0	0
TOTAL (rw. 32 to 34)	**35**	**0**	**0**	**0**	**0**
II.Tangible assets					
Land	36	0	0	0	0
Construction	37	106,616,545	1,306,838	3,516,425	104,406,958
Plant and machinery	38	128,912,648	47,148	30,454,880	98,504,916
Other fixtures, tools and furniture	39	8,168	0	2,742,00	5,426
Real estate investments	40	0	0	0	0
Tangible assets of exploration and evaluation of mineral resources	41	0	0	0	0
Tangible assets in progress	42	15,324,585	0	22,923,00	15,301,662

Real estate investments in progress	43	0	0	0	0
TOTAL (rw. 36 to 43)	**44**	**250,861,946**	**1,353,986**	**33,996,970**	**218,218,962**
III.Biological assets	**45**	**0**	**0**	**0**	**0**
IV.Financial fixed assets	**46**	**0**	**0**	**0**	**0**
ADJUSTMENTS FOR IMPAIRMENT – TOTAL (rw. 35+44+45+46)	**47**	**250,861,946**	**1,353,986**	**33,996,970**	**218,218,962**

NOTE 3. INVENTORIES

In "Statement of Financial Position at 30.09. 2016" inventories are shown at estimated net realizable value by reducing the adjustments for impairment, yielding the following values:

	30 September 2016	**31 December 2015**
Finshed products	9,684,877	17,238,873
Raw materials	11,065,064	8,771,065
Materials	6,782,821	6,916,021
Packaging	313,150	387,540
Production in progress	474,701	302,874
Semifinished products	4,012,502	2,811,303
Goods	1,052,828	69,894
Inventory items	110,670	2,940,387
Advances paid for purchases of inventories	8,231,515	8,058,874
Total	**41,728,127**	**47,496,831**

Adjustments for impairment recorded in each category of inventories are as follows:

	30 September 2016	**31 decembrie 2015**
Adjustments for impairment of finished products	160.118	738.209
Adjustments for impairment of raw materials	6.463.116	6.167.924
Adjustments for impairment of materials	43.515.472	43.527.953
Adjustments for impairment of semifinished products	2.857.051	2.865.664
Adjustments for impairment of packaging	1.362.792	944.199
Adjustments for impairment of inventory items	306.299	303.900
Total	**54.664.848**	**54.547.849**

NOTE 4. RECEIVABLES AND LIABILITIES

Receivables	**30 September 2016**	**31 December 2015**
Domestic customers	63,311,652	49,503,984
External customers	39,891,171	39,771,951
Adjustments for impairment domestic customers	(33,270,918)	(34,170,112)
Adjustments for impairment external customers	(25,086,646)	(25,757,633)
Advances paid for services	655,310	3,317,346

VAT to be recovered	9,560,902	10,265,939
Other receivables	3,003,920	4,009,117
TOTAL	**58,065,391**	**46,940,591**

Liabilities	**30 September 2016**	**31 December 2015**
Domestic suppliers	438,934,639	435,863,832
External suppliers	39,336,927	38,237,129
Debts to AAAS	241,306,731	241,306,731
Credits	374,382,992	374,382,992
Loan interest	22,363,988	23,129,461
Customers received in advance	15,018,544	14,369,952
Debts on wages	33,764,167	53,319,801
Taxes due	93,070,184	93,455,812
Deferred tax	34,201,890	34,201,890
Provisions	9,179,974	9,179,974
Transactions related in joint operations	1,835,500	7,589,080
Other liabilities	38,450,260	39,078,813
TOTAL	**1,341,845,796**	**1,364,115,466**

On 30.09.2016 Oltchim SA recorded total liabilities in amount of 1,342 million lei, of which:

- 1,052 million lei liabilities registered under the Reorganization Plan;
- 220 million lei net liabilities accrued after the insolvency, of which 144 million lei with past due date;
- 44 million mutual liabilities and receivables and debts to the state budget that will compensate for VAT to be recovered;
- 26 million lei other debts, of which mainly provision for benefits granted to employees upon retirement calculated according to international accounting standards.

In total liabilities accrued in insolvency is included the profit tax related to 2015 in amount of 35 million lei calculated for the income generated by debt cancellation. According to the reorganization plan, this is paid in 5 days form the receiving the sale price of Oltchim assets in Oltchim SPV.

Between January and September 2016, the company continued to pay in full at maturity all current debts. In addition, it reduced the arrears accrued in the first part of insolvency and it diminished the outstanding debts with 32 million lei, of which:

- to suppliers, by 6.4 million lei;
- to redundant personnel, by 13.1 million lei;
- to existent personnel, by 6.1 million lei;
- to other creditors, by 6.4 million lei.

In the first 9 months of 2016 were paid monthly remuneration rights for a month (fortnight payments, meal tickets), and in addition, the salary arrears were reduced in April 2016 by the payment of a second fortnight related to a month and by the payment in September 2016 of aanother second fortnight related to a month.

Thus, the wage gap coming before the insolvency reached about a month.

Oltchim SA pays taxes and duties related to salaries by offsetting with negative VAT (VAT to be recovered recorded by the company on 30.09.2016: 9,560,902 lei).

NOTE 5. TURNOVER REPORTING ON OPERATIONAL SEGMENTS

The Company includes the following operating segments:

- Inorganic products – chlor-alkali: liquid and solid caustic soda, hydrochloric acid;
- Macromolecular and synthesis organic products – petrochemicals: polyether polyols, propylene oxide, propylene glycol;
- Oxo-alcohols products: octanol, iso-butanol, n-butanol.

The turnover by types of markets:

	30 September 2016	(%)	30 September 2015	(%)
Domestic market	145,727,896	26	144,273,669	25
Foreign market	409,367,505	74	426,267,470	75
	555,095,401	**100**	**570,541,139**	**100**

The turnover by types of products:

	30 September 2016	(%)	30 September 2015	(%)
Petrochemicals (polyether polyols)	359,599,839	64.8	387,122,976	67.9
Chlor-alkali	119,719,884	21.6	104,687,900	18.3
Oxo-alcohols	53,735,677	9.7	53,323,648	9.3
Goods (mainly from resale of utilities)	16,066,976	2.9	16,868,649	3.0
Petrochemical Division Pitesti	8,092	0.0	114,571	0.0
Building aterials	4,235	0.0	2,532	0.0
Other	5,960,697	1.1	8,420,863	1.5
Total	**555,095,401**	**100**	**570,541,139**	**100**

In the first 9 months of 2016 compared to the same period in previous years, prices for finished products marketed by OLTCHIM decreased, being influenced by lower international prices on the oil market.

Thus, although the quantities of finished products sold increased significantly compared to the same period of 2015, turnover registered a decrease.

NOTE 6. NET SALES

	30 September 2016	30 September 2015
Revenue from the sale of finished products	527,762,181	541,799,676
Revenue from sale of goods	16,066,976	16,868,649
Other revenue	11,266,244	11,872,814
Total	**555,095,401**	**570,541,139**

NOTE 7. OTHER GAINS OR LOSSES

	30 September 2016	30 September 2015
Income from rent	1,355,195	1,220,592
Income from rendering services	740,295	722,657
Income from debt cancellation under the Reorganization plan	-	2,370,943,810
Income from penalties levied	17,437	406,280
Gain/loss from exchange rate differences	(1,251,274)	(1,221,945)
Gain/(loss) of the variation in provisions	1,453,182	8,672,666
Gain/(loss) from discounts	(514,733)	(332,030)
Other gains	1,023,935	3,668
Total	**2,824,037**	**2,380,415,698**

NOTE 8. EXPENSES WITH RAW MATERIALS AND CONSUMABLES, ENERGY AND WATER

	30 September 2016	30 September 2015
Raw materials consumed	217,288,283	258,766,084
Cost of goods sold	14,299,803	15,172,812
Energy and water expenses	131,763,156	122,180,605
Expenditure on consumables	18,499,046	11,919,603
Total	**381,850,288**	**408,039,104**

NOTA 9. EXPENSES WITH DEPRECIATION AND AMORTIZATION OF FIXED ASSETS

	30 September 2016	30 September 2015
Amortization of tangible fixed assets	72,158,303	77,667,869
Amortization of intangible fixed assets	588,390	620,371
(Gain) / Loss on impairment of fixed assets	(32,642,984)	(32,137,936)
Total related to operational assets	**40,103,709**	**46,150,304**

The gain from impairment of fixed assets is generated by the reversal of the provision established in previous years for nonoperating assets for which was recorded amortization expense, such net expense with depreciation and amortization is strictly related to assets that generated revenue.

NOTE 10. NET COST OF FINANCING

	30 September 2016	30 September 2015
Expenses with bank interest	0	2,143,859
Banking fees and similar costs	135,580	293,957
Total	**135,580**	**2,437,816**

NOTE 11. OTHER EXPENSES

	30 September 2016	30 September 2015
Expenses on transport and logistics	10,472,687	11,574,888
Other expenses on services provided by third parties	16,319,054	12,785,380
Protocol expenses	152,524	43,783
Expenses for repairs	5,418,977	4,889,824
Expenses for taxes and duties	4,375,648	4,727,545
Expenses from receivables	500,465	4,136,912
Expenses on insurance	432,149	512,267
Post and telecommunications expenses	135,366	150,878
Travel expenses	124,069	164,141
Expenses on commissions and fees	89,472	310,849
Expenses on fines and penalties	-	4,401
Other expenses	2,013,618	30,207
Expenses on commissions and fees	357,591	23,778,371
Total	**40,391,620**	**63,109,446**

NOTE 12. SALARY COSTS

Personnel costs for the period January-September 2016 and 2015:

	30 September 2016	30 September 2015
Gross salaries and allowances	54,696,348	61,077,707
Employer social security charges	15,964,938	17,634,047
Meal tickets	3,015,860	3,329,689
Total	**73,677,146**	**82,041,443**

Average number of employees during January-September 2016 was 1,941 compared to 2,201 in January-September 2015. The decrease in the number of employees was due to the layoff of 243 employees at the end of 2015.
For all employees is paid social insurance. Company employees are enrolled in the state pension plan.

NOTE 13. TOTAL COMPREHENSIVE INCOME

	30 September 2016	30 September 2015
Gross comprehensive income	22,323,074	2,342,518,566
Income tax	(6,171,320)	(32,330,186)
Net comprehensive income, of which:	**16,151,754**	**2,310,188,380**
- related to Reorganization Plan	-	2,325,953,752
- related to current activity	16,151,754	(15,765,372)

The results recorded during January-September 2016 by Oltchim SA prove that the measures envisaged in the reorganization plan approved by creditors, to streamline the company have been successfully implemented.
Regaining of the markets, mostly external, revamping made to the main process units, together with reducing the excess of personnel contributed to these results.

Comparative analysis of Oltchim SA financial result from ordinary activities (without the influence in 2015 of the scriptic profit resulted following the approval of the Reorganization Plan), during January-September of each year after the entry into insolvency proceedings:

-th lei-

Crt. no.	Indicators	9 months 2013	9 months 2014	9 months 2015	9 months 2016
1	**Turnover**	**359,484**	**436,055**	**570,541**	**555,095**
2	**Total income**	**400,234**	**443,707**	**573,469**	**564,900**
	-operating income	352,544	442,049	570,647	562,757
	-financial income	47,690	1,658	2,822	2,143
3	**Total expenses**	**572,976**	**602,913**	**589,234**	**542,577**
	- operating expenses	509,911	593,479	582,743	538,675
	- financial expenses, of which:	63,065	9,434	6,491	3,903
	- interest	*23,462*	*5,901*	*2,144*	*0*
4	**Gross comprehensive income**	**-172,742**	**-159,206**	**-15,765**	**22,323**
	-operating profit/loss, of which:	-157,367	-151,429	-12,096	24,083
	- amortization expense	*82,025*	*106,904*	*46,150*	*40,104*
	- financial profit/loss	-15,376	-7,777	-3,669	-1,760
5	**EBITDA (operating + amortization)**	**-75,342**	**-44,525**	**34,054**	**64,186**

Compared with current business of previous years, in January -September 2016 Oltchim SA has obtained the following results:

- **the overall business profit 22.3 million lei (equivalent to 4.9 million euro),** representing an improvement by 38.1 million lei (equivalent to 8.5 million euro) compared to perioada January-September 2015 and by 195.1 million lei (equivalent to 44.1 million euro) compared to perioada January -September 2013;
- improved financial indicator **EBITDA** by 30.1 million lei (equivalent to 6.6 million euro) compared to January-September 2015 and by 139.5 million lei (equivalent to 31.4 million euro) compared to January-September 2013;
- **turnover** decreased by 15.4 million lei (equivalent to 4.7 million euro) compared to January-September 2015 and increased by 195.6 million lei (equivalent to 42.1 million euro) compared to January-September 2013**.**

Gross comprehensive income of 22.3 million lei (4.97 million euro) achieved in January-September 2016 consists of:

- 34.1 million lei (7.60 million euro) total profit generated by operational plants;
- -11.8 million lei (EUR -2.63 million) loss caused by the mothballing costs with the nonoperating plants from Bradu and Valcea sites, thus:
    1. Loss Petrochemical Division Bradu Pitesti 8.6 million lei
    2. Mothballing costs for plants form Rm.Valcea site 3.2 million lei

NOTE 14. OTHER INFORMATION

Financial statements at 30.09.2016 were prepared in accordance with International Financial Reporting Standards and are unaudited.

For conversion to LEI of receivables and liabilities in foreign currency were used the exchange rates at the date of 30.09.2016 communicated by de B.N.R.
The closing price of a OLT share on 30/09/2016 is 0.4180 lei and market capitalization registered at this date is 143,462,358 lei.

Special Administrator	Deputy General Manager	Economic Manager
Stanescu Nicolae Bogdan Codrut	Avram Victor	Smeu Alin

OLTCHIM

In reorganizare judiciara

In judicial reorganisation

En redressement

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www.oltchim.ro
Trade register number: J/38/219/18.04.1991
Unique registration code: RO 1475261

Quarterly Report prepared in accordance with Article 113 C of NSC Regulation No.1/2006

Date of Report: November 14, 2016
Name of the company: Oltchim S.A. Rm. Vâlcea
The company headquarters: Rm. Vâlcea, 1 Uzinei Street.
Fax: 0250/735030; telephone: 0250/701200
VAT no: RO1475261
Trade Register no: J38/219/1991
Subscribed and paid capital: 34,321,138.30 lei
The regulated market where the shares are traded: BSE, symbol OLT, Standard Category

Economic&financial indicators mentioned in Annex 30B of NSC Regulation no. 1/2006

Indicators	Calculation Formula	30.09.2016	30.09.2015
Current ratio	Current assets / Current liabilities	0,52	0,39
Indebtedness	Borrowed capital x 100 / Equity	negative	negative
Days Sales Outstanding	Cust. avrg balance x 90 / Turnover	47 days	51 days
Fixed assets turnover ratio	Turnover / Fixed assets	0,81	0,75

Attached to this report are the unconsolidated financial statements and their explanatory notes, prepared in accordance with International Financial Reporting Standards (IFRS), on 30.09.2016, noting that they have not been audited.

Special Administrator,
Bogdan Stănescu

Deputy General Manager,
Victor Avram

Economic Manager,
Alin Smeu