

### Report for the Third Quarter of 2017

Issued on: 14.11.2017

Company Name: COMELF SA

Registered Office: no. 4, Industriei str., Bistrita,

Phone / fax number: 0263/234462; 0263/238092

Tax Identification Number: 568656

Unique Registration Code: J06/02/1991

Subscribed and Paid-up Share Capital: 13.036.325,34 lei

Regulated Market on which the securities issued are transacted: B.V.B. (Bucharest Stock Exchange)

Main indicators, thousand lei	Quarter III- 2017	Quarter III- 2016	Δ %
<b>Total operating revenues, of which:</b>	<b>138.499</b>	<b>137.648</b>	<b>0,61</b>
Revenues from Manufacturing Contracts	128.699	127.290	1,10
<b>Profit/(Loss) for the interval</b>	<b>3.488</b>	<b>4.409</b>	<b>(20,89)</b>
<b>EBITDA</b>	<b>12.856</b>	<b>13.964</b>	<b>(7,94)</b>
<b>Interest-bearing loans</b>	<b>37.657</b>	<b>40.678</b>	<b>(7,43)</b>

\*The financial figures are not audited and represent the individual results for Comelf SA, filed according to International Financial Reporting Standards (IFRS);

- ❖ **The Operating Revenues** of COMELF S.A. have amounted to 138 million LEI in the Q3/2017, similar to those achieved in Q3/2016.
- ❖ **The Revenues generated by our core activity** have increased in Q3/2017 when compared to Q3/2016, based on the product structure for products sold in the first 9 months of 2017, with a higher average sale price/ton, considering the increased complexity of sold products.
- ❖ **The Profit for this interval** has been lower by 20,89% in Q3/2017 when compared to the similar period of previous year, the main factors that have had a negative influence on the profit have been:
  - i) Raw-material price increase (averaging 100 EUR/ton) only partially compensated by the increase of sale-prices;
  - ii) Lack of skilled personnel on the local labour market as well as migration of personnel generate additional costs due to low productivity of newly employed personnel, poorly skilled. Moreover, the evolution of minimum wages as well as the increasing wages in the public sector has put a pressure on the wage-expenses for the private companies creating a need to increase wages in order to keep the employees.

#### Critical Events for the first 9 months of 2017:

- ❖ On **March 10<sup>th</sup>, 2017** the Extraordinary General Meeting of the Shareholders has approved the decrease of the Registered Capital by 543.179,86 LEI, by cancelling a number of 936.517 of its own shares available to it, thus the number of Registered Shares has been cut down to 22.476.423 shares, corresponding to a value of 13.036.325,36 LEI;
- ❖ On **July 17<sup>th</sup>, 2017** Depozitarul Central has recorded in the Register of the issuer, COMELF SA, the decrease of the Registered Capital according to the EGMS Decision of March 10<sup>th</sup>, 2017;
- ❖ On **October 25<sup>th</sup>, 2017** the Managing Board of COMELF SA has appointed Mr. Cenusă Gheorghe as General Manager of the Company;

The Report for the Third Quarter of 2017 may be viewed on our website [www.comelf.ro/Informatii la zi/](http://www.comelf.ro/Informatii%20la%20zi/) and may be accessed by typing: <http://www.comelf.ro/informatii-la-zi>.

COMELF SA Report for Third Quarter

According to the Regulation of the National Commission for Transferable Securities No. 1/2006  
Appendix no. 30B

**Issued on:** November 14<sup>th</sup>, 2017

**Company Name:** COMELF SA

**Registered office:** no. 4, Industriiei street, Bistrita

**Phone / Fax Number:**

**Tax Identification Number:** 568656

**Unique Registration Code:** J06/2/1991

**Subscribed and paid-up share capital:** 13.036.325,34 lei

**Regulated market on which the securities issued are transacted:** Bucharest Stock Exchange

**Main characteristics of the shares issued by the company:**

- REGISTERED SHARES in the amount of 22.476.423 with a value of 0,58 lei/share.

1. Summary of the critical events that have occurred during the relevant time interval and their effects on the financial position of the entity issuing the shares and its subsidiaries.
2. General outline of the financial position and performance of the entity issuing the shares and its subsidiaries for the relevant time interval.

**B. Economic and financial indicators for the third quarter of 2017**

Indicator Designation	Calculation method	30.09.2017	30.09.2016
<u>Current ratio (general)</u>	Current assets/Current liabilities (recommended value for this indicator is approximately 2)	1,06	1,09
<i>Current liquidity (general) as of 30.09.2017 amounts to 1,06 and represents the degree of cover for current liabilities through current assets owned by the company.</i>			
<u>Leverage</u>	Borrowed Capital /Employed Capital	7,11%	11,19%

*The Company's Leverage amounts to 7,11% and refers to the ratio between the borrowed capital – liabilities over 1 year old, and the employed capital;*



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## COMELF SA

Registru comerțului No J/06/02/31.01.91  
Cont bancar (Lei) RO 121NGB0024000040598911  
(Euro) RO 581NGB0024000040590711  
Deschise la ING BANK BISTRITA  
Societate cotată la Bursa de Valori Bucuresti

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Days sales outstanding-customers	Average Customer Balance/Turnover X 270	85	73
Turnover speed for fixed assets	Turnover/Fixed Assets	1,38	1,33

**General Manager,**  
**Ing. Cenusă Gheorghe**

**Financial Director,**  
**Ec. Dana Tatar**

COMELF S.A. BISTRITA  
 Str.Industriei Nr.4  
 RO 568656

STATEMENT OF FINANCIAL SITUATION on 30<sup>th</sup> September 2017

In Lei

Nr.		31.12.2016	30.09.2017
Crt.	DENUMIREA POZITIEI	IFRS	IFRS
1	<i>Actives</i>		
2	Intangible assets	906.950	551.439
3	Tangible assets	102.557.151	97.306.562
4	Financial assets available for sale	196.109	196.109
5	Total Fixed assets	103.660.210	98.054.110
6	Advance payments for tangible assets	148.200	365.788
7	Stocks	8.826.250	9.457.956
8	Account receivables from construction contracts	62.351.596	57.407.012
9	Commercial account receivables and of other types	1.951.560	2.310.331
10	Current tax account receivables	-	-
11	Cash and cash equivalents	5.335.529	7.201.660
12	Total Current Actives	78.613.135	76.742.747
13	Total Actives	182.273.345	174.796.857
14	Capital	13.579.505	13.036.325
15	Adjustments of the capital	8.812.271	8.812.271
16	Other elements of equity	(3.081.039)	(3.081.039)
17	Reserves	58.683.195	55.070.526
18	Repurchased own shares	(2.528.596)	-
19	Reported result	(7.617.345)	(5.941.487)
20	Year result	4.014.685	3.488.183
21	Total shareholder's equity	71.862.676	71.384.779
22	<i>Debts</i>		
23	<i>Long term bank loans</i>	4.350.646	1.191.154
24	Debts for postponed tax	10.932.280	10.622.325
25	<i>Provisions for risks and expenses</i>	6.818.830	6.765.721
26	Debts for postponed income	8.341.692	5.952.541
27	Total long term debts	30.443.448	24.531.741
28	Overdrafts	31.787.700	32.193.700
29	The current share for the long term loan	4.272.642	4.272.642
30	Commercial and other types of debts	37.861.532	35.832.387
31	<i>Provisions for risks and expenses</i>	2.042.482	1.750.480
32	Debts for postponed income	4.002.865	4.831.128
33	Total current debts	79.967.221	78.880.337
34	Total Debts	110.410.669	103.412.078
35	Total shareholder's equity and debts	182.273.345	174.796.857

Cenusa Gheorghe  
 General Manager

Tatar Dana  
 Economic Manager

COMELF S.A. BISTRITA  
 Str.Industriei Nr.4  
 RO 568656

**PROFIT OR LOSS ACCOUNT STATEMENT AND OTHER ELEMENTS OF GLOBAL INCOME**

Nr. crt.	DENUMIREA INDICATORILOR	30.09.2016	30.09.2017
1	Income from construction contracts	127.290.075	128.698.892
2	Income from selling goods	3.869.001	2.951.716
3	Other income connected to turnover	4.002.071	4.587.176
4	Other income	2.486.811	2.261.084
5	<b>Total operating income</b>	<b>137.647.958</b>	<b>138.498.868</b>
	<i>of that: turnover</i>	<b>138.732.105</b>	<b>135.564.759</b>
6	Raw materials and consumables expenses	55.660.508	59.132.523
7	Goods expenses	3.783.360	2.785.318
8	Staff expenses	38.830.751	40.913.756
9	Rent expenses	997.183	627.487
10	Expenses with premiums asigurarte	626.265	285.053
11	Transport costs	7.006.169	5.921.329
12	Amortization and depreciation of fixed assets costs	7.663.142	7.817.884
13	Adjustments for depreciation of current assets, net	(44.478)	(10.985)
14	Provisions costs for risks and expenses , net	(255.037)	(345.111)
15	Other operating expenses	16.824.421	15.988.224
16	<b>Total expenses</b>	<b>131.092.284</b>	<b>133.115.478</b>
17	<b>Profit from exploitation</b>	<b>6.555.674</b>	<b>5.383.390</b>
18	Financial income	2.262.512	2.246.675
19	Financial expenses	(3.583.076)	(3.632.739)
20	<b>Financial loss</b>	<b>(1.320.564)</b>	<b>(1.386.064)</b>
21	<b>Total revenue</b>	<b>139.910.470</b>	<b>140.745.543</b>
22	<b>Total expenses</b>	<b>134.675.360</b>	<b>136.748.217</b>
23	<b>Profit before tax profit</b>	<b>5.235.110</b>	<b>3.997.326</b>
24	Tax profit	826.438	509.143
25	<b>Net income</b>	<b>4.408.672</b>	<b>3.488.183</b>
26	Other elements of global results		
27	Revaluation of tangible assets		
28	Other comprehensive income , after tax		
29	<b>Total profit of loss account and other elements of global result</b>	<b>4.408.672</b>	<b>3.488.183</b>
30	Earnings per share		
31	Earnings per basic share	0,19	0,16
32	Diluted earnings per share	0,19	0,16

Cenusa Gheorghe  
 General Manager

Tatar Dana  
 Economic Manager