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30.09. 2017

INDIVIDUAL INTERIM FINANCIAL REPORT

3rd QUARTER 2017

**PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING
STANDARDS ADOPTED BY THE EUROPEAN UNION**

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Autorizatie C.C.Fiscali nr.409/2010

REPORT

ON THE REVIEW OF ACCOUNTING REPORTS AT SEPTEMBER 30th, 2017 OF “COMPA” S.A. SIBIU

We have reviewed COMPA’s accounting reports, drawn up on the 30st of September 2017, which comprise the statement of financial position as at September 30st 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the Ministry of Public Finance.

Management is responsible for the preparation and fair presentation of these financial reports in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the Ministry of Public Finance Order no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, applicable to companies whose securities are admitted to trading on a regulated market.

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

The financial 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 situations at 30st of September 2017.

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 prepared by the company do not present fairly, in all material respects, the company's financial position and the outcome of its activities on the 30st of September 2017, 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 2017 at the Financial Supervision Authority, and can only be used for this purpose.

On behalf of

Sib Expert SRL

Registered with the Chamber of Financial
Auditors in Romania with no. 318/2003

Pacurariu Ioan

Registered with the Chamber of Financial Auditors in
Romania with no. 341/2000

Sibiu, Romania:

November, 3th 2017

COMPA S.A. Sibiu
The separate statement of financial position for 3rd Q ended at 30.09.2017
(All amounts are expressed in RON, unless otherwise specified)

	Note	30.09.2017	31.12.2016
ASSETS			
FIXED ASSETS:			
Tangible assets	4.1	312.137.652	316.711.089
Real estate Investment	4.2	41.346.152	41.239.843
Intangible assets	5	3.308.410	3.702.191
Other receivables	7	116.684	107.354
Financial investments	20	1.768.450	1.769.430
Deferred tax asset	10	910.084	804.084
FIXED ASSETS - TOTAL		359.588.413	364.333.991
CURRENT ASSET:			
Inventories	8	99.179.654	91.649.476
Trade and other receivables	6	132.461.040	110.393.385
Other receivables (grants and settlement of ventures operations)	6	0	22.638
Cash and cash equivalents	9	1.023.656	605.611
CURRENT ASSETS - TOTAL		232.664.349	202.671.111
TOTAL ASSETS		592.252.762	567.005.102
EQUITY:			
Share capital	11	21.882.104	21.882.104
Reserves	11	255.873.276	235.888.876
Reserve adjustment	11	23.122.057	23.122.057
Retained earnings of which:	11	95.710.522	85.267.789
Retained earnings derived from the first-time adoption of IAS 29	11	-648.352	-648.352
TOTAL SHAREHOLDERS' EQUITY		396.587.959	366.160.825
LIABILITIES			
LONG TERM DEBT			
Financial debts	12	38.031.581	46.733.495
Deferred revenues (deferred income, grants)	13	27.825.605	30.689.125
Provisions	14	135.645	135.645
TOTAL LONG TERM DEBT		65.992.830	77.558.264

COMPA S.A. Sibiu
The separate statement of financial position for 3rd Q ended at 30.09.2017
 (All amounts are expressed in RON, unless otherwise specified)

	Note	30.09.2017	31.12.2016
CURRENT LIABILITIES			
Financial liabilities	13	102.754.715	109.161.283
Trade and other payables	13	17.170.367	9.240.256
Other liabilities	10	2.793.880	165.379
Deferred revenues (deferred income, grants)	13	3.713.177	3.733.494
Provisions	14	3.238.854	985.600
TOTAL CURRENT LIABILITIES		129.670.993	123.286.012
TOTAL LIABILITIES		195.663.823	200.844.277
TOTAL EQUITY AND LIABILITIES		592.251.782	567.005.102

CEO,

Ioan DEAC

CFO,

Ioan MICLEA

COMPA S.A. Sibiu
The separate statement of comprehensive income for 3rd Q 2017 ended at 30.09.2017
(all amounts are expressed in RON, unless otherwise specified)

	Note	30.09.2017	30.09.2016
Revenues	15	531.859.604	485.200.540
Other revenues	15	5.827.405	10.647.214
TOTAL REVENUES		537.687.008	495.847.754
Changes in inventories of finished goods and work in progress	16	-4.419.890	485.435
Raw materials and consumables	16	-337.332.669	-316.015.580
Employee benefit expense	18	-95.112.736	-84.582.136
Depreciation and amortization expense	4.1; 4.2 5;16	-33.173.153	-29.640.614
Third parties services	16	-27.518.831	-26.391.270
Other expenses	16	-5.749.109	-5.992.260,65
TOTAL EXPENSES		-503.306.389	-462.136.426
Operating Results		34.380.620	33.711.328
Financial income	18	198	39.891
Financial expenses (expenditures)	18	-408.967	-553.843
Other financial returns / losses	18	466.595	12.764.112
Net financing costs		57.826	12.250.160
Profit before income tax		34.438.445	45.961.489
(Expenses) / Income from deferred tax	10	-86.586	406.742
Expense with current tax	10	-4.117.312	-1.852.036
Net profit for the period		30.234.547	44.516.195
Other comprehensive income:			
of which, other comprehensive income will be reclassified subsequently not in profit or loss			
Income tax relating to other comprehensive income	10	192.586	-2.135.899
Other incomes of global result, net of tax		192.586	-2.135.899
Total global result of the year		30.427.133	42.380.296
Unbound basic result per share / diluted	19	0,14	0,20

CEO,
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COMP A S.A. Sibiu
Separate statement regarding the changes in equity capital for the 3rd Q ended at 30.09.2017
(all amounts are expressed in **RON**, unless otherwise specified)

Changes occurring in equity at 30.09.2017 were determined by the results of the period, worth of 30.234.547 RON, by the distribution of the profit related to 2016 that was not distributed in the reserves and by the profit tax related to other elements of the global result.

Equity capital item	Registered Capital	Capital adjustments	Legal reserves	Legal reserves adjustments	Reassessment reserves	Other reserves	Adjustments Other reserves	Retained earnings	Total
Balance at 01.01.2016	21.882.104	0	4.376.421	22.679.066	82.151.679	120.905.482	442.991	64.165.803	316.603.546
Net profit for the period								51.627.557	51.627.557
Other elements of the comprehensive income, of which:	0	0	0	0	-88.901	-2.070.278	0	0	-2.159.179
Transfer of reserves to result					-88.901				-88.901
Income tax related to other comprehensive income						-2.070.278			-2.070.278
Transactions with shareholders recorded directly in equity, of which:	0	0	0	0	0	30.614.473	0	-30.525.572	88.901
Transfer to reserves result								88.901	88.901
Retained earnings to reserves						30.614.473		-30.614.473	0
Balance at 30.09.2016	21.882.104	0	4.376.421	22.679.066	82.062.778	149.449.677	442.991	85.267.788	366.160.825

Equity capital item	Registered Capital	Capital adjustments	Legal reserves	Legal reserves adjustments	Reassessment reserves	Other reserves	Adjustments Other reserves	Retained earnings	Total
Balance at 01.01.2017	21.882.104	0	4.376.421	22.679.066	82.062.778	149.449.677	442.991	85.267.788	366.160.825
Net profit for the period								30.234.547	30.234.547
Other elements of the comprehensive income, of which:	0	0	0	0	0	192.586	0	0	192.586
Income tax related to other comprehensive income						192.586			192.586
Transactions with shareholders recorded directly in equity, of which:	0	0	0	0	0	19.791.815	0	-19.791.815	0
Retained earnings to reserves						19.791.815		-19.791.815	0
Balance at 30.09.2017	21.882.104	0	4.376.421	22.679.066	82.062.778	169.434.078	442.991	95.710.521	396.587.959

CEO,
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CFO,
Ioan MICLEA

COMPA S.A. Sibiu
Explanatory notes to the separate interim financial report for the 3rd Q 2017 ended at 30.09.2017
(All amounts are expressed in RON, unless otherwise stated)

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
TOTAL NUMBER OF SHARES	218.821.038	100,00

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 value, 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 31.12.2016** and have not suffered changes during the interim report.

COMPA S.A. Sibiu
Explanatory notes to the separate interim financial report for the 3rd Q 2017 ended at 30.09.2017
(All amounts are expressed in RON, unless otherwise stated)

4.1. TANGIBLE ASSETS

Evolution of tangible assets from 1th of January 2017 to 30th of September 2017 is the following:

Explanations	Land	Buildings	Equipment and motor vehicles	Other tangible assets	Tangible assets in progress	Total
Inventory value						
01.01.2017	43.509.161	72.076.116	452.052.635	1.216.618	15.435.617	584.290.147
Inputs 2017		8.262.750	18.868.615		26.139.752	53.271.117
Outputs 2017		-112.666	-9.785	-30.268	-27.018.698	-27.171.417
30.09.2017	43.509.161	80.226.200	470.911.465	1.186.350	14.556.671	610.389.847
Amortization, depreciation						
01.01.2017		3.742.440	262.871.301	965.317	0	267.579.058
Costs 2017	0	3.866.379	26.800.377	46.434	0	30.713.190
Depreciation, amortization related outputs 2017	0	0	-9.785	-30.268	0	-40.053
30.09.2017	0	7.608.819	289.661.893	981.483	0	298.252.195
Remaining value						
01.01.2017						316.711.089
30.09.2017						312.137.652

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 2017.

Depreciation of tangible assets is calculated using the linear method. Current assets have decreased in 2017 due to scrapping and amortization.

The inventory value of disposed fixed assets in 2017 was of 10.267 RON, being fully amortized at the date of scrapping.

On 30.09.2017 the mortgaged tangible assets for the contracted loans amount to a net book value of 36.923.713 RON and the guarantees consisting of technological equipment amounted to a net book value of 13.733.908 RON.

COMPA S.A. Sibiu
Explanatory notes to the separate interim financial report for the 3rd Q 2017 ended at 30.09.2017
 (All amounts are expressed in RON, unless otherwise stated)

4.2. REAL ESTATE INVESTMENTS

The evolution of real estate investments from January 1, 2017 to September 30, 2017 is as follows:

Explanations	Real estate investments	Real estate investments in progress	Total
Balance at 01.01.2017	32.635.148	8.604.695	41.239.843
Inputs 2017	0	106.309	106.309
Outputs 2017	0		0
Balance at 30.09.2017	32.635.148	8.711.004	41.346.152

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 year 2017.

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
Cost		
01.01.2017		
Inputs 3 rd Q 2017	9.828.971	9.828.971
Outputs 3 rd Q 2017	104.684	104.684
30.09.2017	9.933.655	9.933.655
Depreciation, amortization		
01.01.2017	6.126.780	6.126.780
Expenses 3 rd Q 2017	498.465	498.465
30.09.2016	6.625.245	6.625.245
Remaining value		
01.01.2017		3.702.191
30.09.2017		3.308.410

COMPA S.A. Sibiu
Explanatory notes to the separate interim financial report for the 3rd Q 2017 ended at 30.09.2017
 (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	30.09.2017			31.12.2016		
	Total, of which	Long term	Short term	Total, of which	Long term	Short term
Trade receivables	121.405.091	0	121.405.091	101.344.916	0	101.344.916
Adjustments for depreciation of trade receivables	-689.623	0	-689.623	-500.836	0	-500.836
Advanced payments to suppliers	2.787.994	0	2.787.994	2.133.766	0	2.133.766
Staff-related debts	18.264	0	18.264	28.652	0	28.652
Debts related to state and local budgets	8.111.908	0	8.111.908	6.668.333	0	6.668.333
Various debtors	1.019.504	0	1.019.504	873.503	0	873.503
Provisions for debtors depreciation	-578.886	0	-578.886	-578.886	0	-578.886
Accruals and prepaid expenses	386.788	0	386.788	423.937	0	423.937
Grants receivable (European funds projects)	0	0	0	22.638	0	22.638
Total receivables	132.461.040	0	132.461.040	110.416.023	0	110.416.023

Claims in foreign currencies are valued in RON at the BNR exchange rate from 30.09.2017.

On 30.09.2017 the Company registers a receivable in connection with the state budget representing VAT to be repaid in amount of 7.182.266 RON, of which the amount of 7.037.536 RON was approved for repayment by debt offsetting to the general consolidated state budget .

We mention that in the Company's files the compensation of the VAT receivables to be repaid with the debts to the consolidated state budget was not debited due to the fact that, although NAFA issued the clearing decisions, these were not transmitted to the Company until the elaboration date of these financial reports.

The Company made adjustments for the impairment of receivables as it follows:

Balance at 31.12.2016	1.079.722
Adjustments in 3 rd Q 2017	324.224
Reversed Adjustment in 3 rd Q 2017	-135.437
Balance at 30.09.2017	1.268.509

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.

COMPA S.A. Sibiu
Explanatory notes to the separate interim financial report for the 3rd Q 2017 ended at 30.09.2017
 (All amounts are expressed in RON, unless otherwise stated)

7. OTHER RECEIVABLES

The situation of other receivables of the Company is as follows:

Explanations	30.09.2017			31.12.2016		
	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	13.684	13.684	0	4.354	4.354	0
Total other assets	116.684	116.684	0	107.354	107.354	0

8. STOCKS

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

Explanations	30.09.2017	31.12.2016
Raw materials	32.981.687	27.453.843
Impairment of raw materials	-52.564	-53.226
Packaging materials	19.496.200	13.471.965
Impairment of materials and packaging	-77.656	-80.220
Semi-finished parts and production in progress	35.412.739	32.055.354
Impairment of semi-finished parts and production in progress	0	-477.314
Finished goods and merchandise	11.588.836	19.448.665
Impairment of finished products and goods	-169.588	-169.591
Total stocks	99.179.654	91.649.476

Adjustments evolution for impairment of inventories in the first 9 months of 2017 is as follows:

Balance at 31.12.2016	780.351
Reversed adjustments 2017	0
Adjustments established 2017	-480.543
Balance at 30.09.2017	299.808

9. CASH AND CASH EQUIVALENTS

Available cash and cash equivalents are as follows:

Explanations	30.09.2017	31.12.2016
Bank accounts in RON	421.551	361.012
Currency accounts	576.328	236.933
Cash equivalents	2.736	3.949
Petty cash	23.041	3.717
Total Cash and equivalents	1.023.656	605.611

COMPA S.A. Sibiu
Explanatory notes to the separate interim financial report for the 3rd Q 2017 ended at 30.09.2017
 (All amounts are expressed in RON, unless otherwise stated)

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

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

Explanations	30.09.2017	31.12.2016
Gross profit	34.438.445	45.961.489
Non-taxable income	-2.655.170	-14.803.757
Non-deductible expenses	8.208.186	7.064.215
Other deductions - fiscal amortization	-1.295.381	-1.076.724
Fiscal profit	38.696.080	37.145.223
Income tax	6.191.373	5.943.236
Sponsorships	-151.245	-166.785
Tax exemption on the income for reinvested profit	-1.922.816	-4.007.141
Tax on current profit for 2015	0	82.726
Total current income tax expense	4.117.312	1.852.036
Effective percent of the tax on profit	11,96	4,03

In 2017, 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.

The evolution of deferred income taxes in the period 01.01.2017 – 30.09.2017 is presented in the table below:

Deferred tax at 01.01.2017	-804.084
Deferred tax through the profit and loss account in 2017	86.586
Deferred tax recognized through other elements of the year 2017 global result, of which:	-192.586
Deferred tax from assets revaluation	-192.586
Deferred tax at 30.09.2017	-910.084

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	30.09.2017		30.09.2016	
	Temporary accumulated differences	Deferred income tax debt	Temporary accumulated differences	Deferred income tax debt
Revaluation reserves and other reserves	-5.121.620	-819.459	-6.651.076	-1.064.172
Debts and other temporary differences	-566.396	-90.625	368.595	58.975
TOTAL	-5.688.016	-910.084	-6.282.481	-1.005.197

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

COMPA S.A. Sibiu
Explanatory notes to the separate interim financial report for the 3rd Q 2017 ended at 30.09.2017
(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
COMPA Employee Association	119.474.505	54,6
Other shareholders (individuals and businesses)	99.346.533	45,4
Total number of shares	218.821.038	100,0

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	30.09.2017	31.12.2016
Subscribed and paid capital	21.882.104	21.882.104
Revaluation reserves	82.062.778	82.062.778
Legal reserves	4.376.421	4.376.421
Adjustment of legal reserves	22.679.066	22.679.066
Other reserves	176.687.607	156.895.792
Adjustment of other reserves	442.991	442.991
Current and deferred income tax recognized in the equity account	-7.253.529	-7.446.115
Retained earnings from the first adoption of IAS, less IAS 29	57.483.644	57.483.644
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
Current year profit	0	-1.221.270
Distribution of profit	30.234.547	51.627.557
Total equity	0	-30.614.473

12. FINANCIAL LIABILITIES

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

Currency (EUR)		30.09.2017			31.12.2016		
Credit institution	Loan type	Total, of which:	Long term (< 5 years)	Short term	Total, of which:	Long term (< 5 years)	Short term
BRD Group Societe Generale România	Credit line for manufacturing	2.924.011	2.924.011	0	4.002.454	4.002.454	0
Ing Bank-Sibiu	Credit line for manufacturing	5.345.341	5.345.341	0	6.288.773	6.288.773	0
Total financial liabilities		8.269.352	8.269.352	0	10.291.227	10.291.227	0

COMPA S.A. Sibiu
Explanatory notes to the separate interim financial report for the 3rd Q 2017 ended at 30.09.2017
 (All amounts are expressed in RON, unless otherwise stated)

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

Currency (RON)		30.09.2016			31.12.2015		
Credit institution	Loan type	Total, of which:	Long term (< 5 years)	Short term	Total, of which:	Long term (< 5 years)	Short term
BRD Group Societe Generale România	Credit line for manufacturing	13.447.820	13.447.820	0	18.175.546	18.175.546	0
Ing Bank Sibiu	Credit line for manufacturing	24.583.760	24.583.760	0	28.557.949	28.557.949	0
Total financial liabilities		38.031.581	38.031.581	0	46.733.495	46.733.495	0

The Company has filed guarantees for contracting loans. Tangible assets mortgaged in favor of credit institutions on 30.09.2017 are amounting to a total of 36.923.713 RON and guarantees consisting of technological equipment are amounting to a net book value of 13.733.908 RON.

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

Foreign currency liabilities are valued in lei at the exchange rate of BNR on 30.09.2017.

The evolution of indebtedness of the company is as follows:

Explanations	30.09.2017	31.12.2016
Total Debt	195.663.823	200.844.277
Cash and cash equivalents	1.023.656	605.611
Net Debt	194.640.167	200.238.666
Equity	396.588.939	366.160.825
Level of indebtedness	0,49	0,55

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

13. COMMERCIAL LIABILITIES AND OTHER PAYABLES

The commercial debts and other liabilities are as follows:

Explanations	30.09.2017			31.12.2016		
	Total, of which	Long term	Short term	Total, of which	Long term	Short term
Suppliers	102.449.521	0	102.449.521	108.664.190	0	108.664.190
Advanced payments received from customers	305.194	0	305.194	497.093	0	497.093
Staff-related debts	6.638.052	0	6.638.052	4.296.324	0	4.296.324
Social security and unemployment debts	6.023.856	0	6.023.856	3.495.725	0	3.495.725
Other state budget debts	4.366.395	0	4.366.395	1.316.808	0	1.316.808
Current income tax liabilities	2.793.880	0	2.793.880	165.379	0	165.379
Various creditors	142.064	0	142.064	131.399	0	131.399
Debts from partner project POSDRU contracts	0	0	0	0	0	0

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Explanations	30.09.2017			31.12.2016		
	Total, of which	Long term	Short term	Total, of which	Long term	Short term
Investment subsidies from AMPOSDRU, AMPOSCEE contracts	31.427.177	27.714.000	3.713.177	34.225.226	30.491.732	3.733.494
Inventory excess of property nature	111.605	111.605	0	197.393	197.393	0
Revenue in advance	0	0	0	0	0	0
TOTAL Commercial liabilities and other payables	154.257.744	27.825.605	126.432.139	152.989.537	30.689.125	122.300.412

Foreign currency liabilities are valued in RON at the official exchange rate of the NBR as of 30.09.2017.

On 30.09.2017 the Company registers a receivable in connection with the state budget representing VAT to be repaid in amount of 7.182.266 RON, of which the amount of 7.037.536 RON was approved for repayment by debt offsetting to the general consolidated state budget.

We mention that in the Company's files the compensation of the VAT receivables to be repaid with the debts to the consolidated state budget was not debited due to the fact that, although NAFA issued the clearing decisions, these were not yet transmitted to the Company until the elaboration date of these financial reports.

On 30.09.2017 the Company does not register overdue debts to the consolidated general government budget.

14. PROVISIONS

Provisions situation as of 30.09.2017 is shown below:

Explanations	30.09.2017			31.12.2016		
	Total, din care	Termen lung	Termen scurt	Total, din care	Termen lung	Termen scurt
Provisions for guarantees granted to clients	26.945	26.945	0	26.945	26.945	0
Provisions for employee benefits	108.700	108.700	0	108.700	108.700	0
Other provisions	3.238.854	0	3.238.854	985.600	0	985.600
Total Other debts and provisions	3.374.499	135.645	3.238.854	1.121.245	135.645	985.600

During the first 9 months of year 2017 other provisions totaling RON 4.292.444 were established in the commercial relationship between COMPA and its external partners Delphi and Robert Bosch-Belgium.

Provisions reversed during this period amount to 2.039.190 RON.

Balance of other provisions on 30.09.2017 in amount to 3.238.854 RON represent COMPA's obligations towards its partner Delphi.

Provisions made represent COMPA's obligations towards its above mentioned partners, due to price differences corresponding to products delivered during 2016 and 2017.

Price differences come from:

- recalculation of depreciation included in price of parts delivered by COMPA to Delphi Diesel Systems – France. Depreciation included in the price was negotiated considering a certain volume of orders. There are deviations from the volume considered at the time of negotiation – plus or minus. Deviations from the planned volumes are established periodically and after checking and validation of calculation between both partners – invoices are issued for price differences.

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- recalculation of prices for windscreen wipers delivered to Robert Bosch Belgium, in the sense of price reduction.

Provisions were determined by estimation at the date of COMPA's recognition of some certain obligations, but the analysis and validation process of additional obligations by both partners was not yet finalized.

15. INCOME

The company's income structure is as follows:

Explanations	30.09.2017	30.09.2016
Total Turnover, of which:	531.859.604	485.200.540
Revenues from sales of finished products	529.329.544	472.980.670
Revenues from provision of services	1.686.997	1.631.735
Revenues from sale of goods	421.714	9.718.637
Revenues from other activities (rents, various activities)	417.693	578.156
Revenues from associated subsidies (EU funds projects)	3.656	291.342
Other operating revenues	5.827.405	10.647.214
Total - Operating income	537.687.009	495.847.754

Other operating revenues consist of:

Explanations	30.09.2017	30.09.2016
Revenues from sales revaluation of properties	2.970	0
Revenues from production assets	2.668.266	5.374.588
Revenues from assets held for sale in ceded	-2.117	2.134.620
Revenues from investment grants (projects and partner contract projects AMPOS DRU and AMPOS CEE)	3.028.641	2.641.622
Other operating revenues	129.645	496.384
TOTAL Other operating income	5.827.405	10.647.214

Segment of activity

The Board of Directors regularly evaluates the Company's activity in order to identify the activity segments that need separate reporting.

The Company is based in Romania. All its revenues belong to its home country.

The fixed assets, other than financial instruments, receivables concerning the deferred tax, receivables concerning post-hire benefits and other rights resulted from endurances contracts are based in Romania.

The company holds no such assets outside the home country. All revenue belongs to the activities done in Romania.

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16. EXPENSES

Operating expenses made within the first nine months of 2017 and 2016 are presented in the following table:

Explanations	30.09.2017	30.09.2016
Material expenditures	320.313.013	297.675.595
Stock differences	4.419.890	-485.435
Energy and water expenses	17.019.657	18.339.985
Employee benefits expenditures, of which:	95.112.736	84.582.136
Salaries and compensations	78.120.392	69.344.114
Insurance and social protection expenses	16.992.344	15.238.022
Asset value adjustments	31.211.654	27.205.615
Current asset value adjustments	-291.755	-13.301
Provisions adjustments	2.253.254	2.448.300
Third party expenditures	27.518.831	26.391.270
Other tax expenditures, taxes and similar payments	2.316.259	1.208.742
Expenses of owned assets held for transferred Sales	0	2.097.433
Other operating expenses	3.432.850	2.686.086
TOTAL Operating expenses	503.306.389	462.136.426

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	30.09.2017	30.09.2016
Salaries and compensations	78.120.392	69.344.114
Insurance and social protection expenses	16.992.344	15.238.022
TOTAL	95.112.736	84.582.136

18. FINANCIAL LOSSES (GAINS)

The financial losses (gains) structure is shown below:

Explanations	30.09.2017	30.09.2016
Gains from foreign exchange differences relating to monetary items denominated in foreign currency	621.472	935.476
Losses from interest rates	-408.769	-513.952
Gains from financial asset disposal	0	12.012.660
Other financial gains	-154.877	-184.024
TOTAL Losses / Gains	57.826	12.250.160

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19. EARNINGS PER SHARE

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

Explanations	30.09.2017	30.09.2016
No. of shares at the beginning of the year	218.821.038	218.821.038
Shares issued during the year	0	0
No. of shares at the end of the year	218.821.038	218.821.038
Net profit	30.235.527	44.516.195
Earnings per share (in RON per share) basic / diluted	0,14	0,20

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"
TOTAL			1.768.450	

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 august 2017, following GMS' decision dated 24.04.2017 the company Compa Expeditii Internationale SRL, where COMPA held 98% of the share capital, respectively 980 RON was liquidated through dissolution. This company did not carry out any activity from its establishment until its liquidation.

Transactions in the first 9 months of 2017 and 2016 with the companies in which COMPA holds stakes were as follows (amounts include VAT):

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Explanations	30.09.2017		30.09.2016	
	Purchases of goods and services	Sales of goods and services	Purchases of goods and services	Sales of goods and services
TRANSCAS S.R.L.	12.626.090	177.774	13.552.498	192.857
COMPA-IT S.R.L.	1.520.225	16.422	1.477.200	17.754
RECASERV S.R.L.	995.547	40.717	717.215	39.628

Mutual debts and claims registered at 30.09.2017 and 30.09.2016 are:

Claims receivable by COMPA S.A. from:

Explanations	30.09.2017	30.09.2016
TRANS CAS S.R.L.	12.391	32.791
COMPA-IT S.R.L.	18.214	9.139
RECASERV S.R.L.	2.357	9.309

Debts paid by COMPA Company S.A. to:

Explanations	30.09.2017	30.09.2016
TRANSCAS S.R.L.	2.280.534	2.378.363
Compa IT S.R.L.	722.606	685.849
RECASERV S.R.L.	278.767	235.420

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.

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
BALTEȘ Nicolae	Economist	Member BoD
VELȚAN Ilie-Marius	Economist	Member BoD

List of company executive members:

NAME AND SURNAME	POSITION
DEAC Ioan	CEO
MICLEA Ioan	CFO

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NAME AND SURNAME	POSITION
FIRIZA Ioan	Management Director
BĂIAȘU Dan-Nicolae	Commercial 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	30.09.2017	30.09.2016
Wages and allowances granted to the Board of Directors and executive management members	3.761.413	3.543.617

21. BENEFITS EMPLOYED

The company makes payments to the Romanian retirement funds, to the health insurance system and to the unemployment fund on behalf of its employees. All the Company's employees are members of the Retirement State System and have the legal obligation to contribute thorough the social security contributions to it.

All contributions are reflected in the financial result of the period in which they are incurred.

As per the Collective Labor Contract, the Company is obliged to offer benefits to its employees if the contract is stopped from reasons which are independent to its employees.

The benefits consist of 0,5 to 5 brut salaries depending on the duration of employment within the Company.

As per the Collective Labor Contract and according to legal regulations, the employees which reach the legal age for retirement are entitled to an amount equal to the average salary corresponding to their last occupied position within the Company, adjusted to duration of employment within the Company.

22. 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 24.04.2017, and approved the financial situations concluded on 31.12.2016 and profit distribution from 2016.

**CEO,
Ioan DEAC**

**CFO,
Ioan MICLEA**

DECLARATION

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

The separate financial statement is prepared on **30.09.2017** for:

Name of the issuing entity	COMP A S.A.
County	32 Sibiu
Registered office	No 8, Henri Coandă Str., Sibiu County, tel. +40269 237 878
Registration no. 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

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:

- a. Unbound statements for 30.09.2017 are prepared in accordance with International Financial Reporting Standards as adopted by the European Union.
- b. The accounting policies used in preparing the 3rd Q 2017 are in accordance with the applicable accounting regulations.
- c. The company operates in terms of continuity.

CFO,
Ioan MICLEA

3rd Q
2017

QUARTERLY
REPORT
COMPA S.A.
SIBIU

3rd Q – 2017

QUARTERLY REPORT

According to NSC Regulation no. 1/2006 (Annex 30) regarding issuers and operations with securities

Date of report	30.09.2017
Company	COMP A S.A.
Social headquarters	Sibiu, No. 8, Henri Coandă, Street Postal code 550234, Sibiu County
Phone number	+40 269 237878
Fax number	+40 269 212204; +40 269 237770
VAT	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

C O N T E N T

A. IMPORTANT EVENTS PRESENTATION

A1 Important events which took place between 01.01.2017 – 30.09.2017 with impact on the financial position of the company

A2. Presentation of financial and economic position of the company

a. Asset and liability balance sheet

b. Statement of revenue and expenditure

B. ECONOMIC AND FINANCIAL INDICATORS

A. IMPORTANT EVENTS PRESENTATION

A1. Important events which took place between 01.01.2017 - 30.09.2017 with impact on the financial position of the company

-  During the first 9 months of the year 2017 produced goods and turnover increased by almost 10% as compared to the corresponding period of previous year, beyond predictions from the Income and Expense Budget.
-  Significant increases in volumes of produced goods during this period have been registered at components for Bosch and Delphi injection systems, components of turbochargers, mechanical welded structures for lifting equipment.
-  The analysis and implementation of cost reduction measures have continued during the first 9 months of the year 2017 with special focus on elaborating and implementing improvement projects in all areas of activity, knowing customers' yearly price reductions requirements due to increase of labor productivity (given the fact that companies are facing significant difficulties due to lack of personnel);
-  During the same period new production was transferred from Delphi to Compa which ensures increased integration in Compa of production process for some components within Delphi injection system.
-  Investment program continued in the first 9 months of 2017 and consisted of purchasing new machines and equipment designated for increasing existing capacities and also additional capacities for production of new parts.

A2. Presentation of financial and economic position of the company

a) Asset and liability balance sheet

While analyzing and comparing the 30.09.2017 economic and financial situation with the 30.09.2016 analysis, we present the main assets and liabilities in the balance sheet.

INDICATOR	30.09.2016	30.09.2017	Degree of accomplishment
	RON	RON	(%)
Fixed assets	353.254.389	359.587.433	101,79
Current asset	204.993.263	232.664.349	113,50
Debts of less than one year	121.256.735	129.670.993	106,94
Debts over a year	77.797.513	65.992.830	84,83
Capital and reserve	359.193.404	396.587.959	110,41

As can be noticed, the assets and liabilities in the balance sheet structure on 30.09.2017 as compared to the corresponding period of previous year registered a similar evolution with that of goods produced and turnover, as it follows:

-  fixed assets increased by almost 2% as a result of commissioning of new and upgraded machinery and equipment secured by investments during this period;
-  on 30.09.2017 the current assets recorded an increase greater than that of the turnover, the biggest impact being the increase of trade receivables by almost 20%;
-  the debts of the company, in total, have decreased, despite the increase of the turnover by almost 10%; the decrease in the debt is due to the reduction of the exposure towards the financing banks, the access of the credit lines being about 18% lower than in the same period of the previous year;

 the equity of the company increased over this period by more than 10% as a result of the increase in the legal reserves and the profit incorporated in the capital.

b) Statement of revenue and expenditure (RON)

INDICATOR	30.09.2016	30.09.2017	Degree of accomplishment (%)
Turnover	485.200.540	531.859.604	109,6
Of which export	365.395.402	384.957.558	105,4
Other revenues	10.647.214	5.827.405	54,7
Total operating income	495.847.754	537.687.008	108,4
Changes in inventories	-485.435	4.419.890	-910,5
Material costs	297.675.595	320.313.013	107,6
Energy costs	18.339.985	17.019.657	92,8
Labor costs	84.582.136	95.112.736	112,5
Amortization	27.205.615	31.211.654	114,7
Other operating expenses	34.818.530	35.229.439	101,2
Total operating expenses	462.136.426	503.306.389	108,9
Operational result	33.711.328	34.380.619	102,0
Interest expense	553.843	408.967	73,8
Other financial charges	8.047.823	7.111.128	88,4
Total financial expenses	8.601.666	7.520.095	87,4
Interest revenue	39.891	198	0,5
Other revenues	20.811.935	7.577.722	36,4
Total financial income	20.851.826	7.577.921	36,3
Financial result	12.250.160	57.826	0,5
Total income	516.699.580	545.264.929	105,5
Total expenses	470.738.092	510.826.484	108,5
Gross result	45.961.488	34.438.445	74,9
Current income tax	1.852.036	4.117.312	222,3
Deferred income tax	-406.742	86.586	-21,3
Net result	44.516.194	30.234.547	67,9

After analyzing the indicators from Profit and Loss Account on the first 9 months of the year 2017 as compared to the similar period of the previous year we can conclude:

 the turnover recorded an increase by 9.6%, the most important projects with positive impact in the increase of turnover are the following:

- increase in production of components of injection systems Delphi and Bosch;
- increased volumes of mechanical welded assemblies for lifting equipment;
- production of components for turbochargers for Diesel engines.

 in the structure of costs one can notice increases greater than that of the turnover for the several cost categories:

- Costs with depreciation of tangible assets as a result of commissioning of the purchased machinery;
- Costs with salaries as an effect of the pressure existing on labour market due to lack of personnel;

 as compared to the same period of previous year the following cost categories have decreased:

- Costs with energy;
- Interest and other costs of financial nature (although turnover increased with 9,6%).

 gross profit recorded for first 9 months of the year 2017 in amount of 34,4 mil RON is lower than the one recorded for the same period of previous year, 2016. The large profit from previous year was positively influenced by the sale of Compa's holdings in the joint holding ThyssenKrupp Bilstein Compa. This transaction resulted in a net profit of more than 12 mil RON.

 facilities regarding reduction tax for invested profit in the first 9 months of 2017 are lower than previous year, due to the fact that the value of investments in machines and equipment commissioned in the first 9 months of 2017 were lower and did not cover fully the discount facility, so that for the first 9 months of 2017 the calculated and paid profit tax was double compared to the same period of 2016.

B. ECONOMIC AND FINANCIAL INDICATORS

INDICATOR	CALCULATION METHOD	RESULT 3 rd 2017
Current liquidity indicator ¹⁾	Current assets / Current liabilities	1,79
Debt degree indicator ²⁾	Borrowed capital / Equity x100	14,27
Turnover of debit customers ³⁾	Average client balance / Turnover x90	56,54
Turnover of fixed assets ⁴⁾	Turnover / Fixed assets	1,48

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

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

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.

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

Analyzing the economic and financial activity as a whole, the level of recorded indicators for the first 9 months of the year 2017 we can state that the results registered by Compa during this period were quite good, ensuring the necessary premises for a high level of economic and financial result throughout the year 2017.

CEO,
Ioan DEAC

CFO,
Ioan MICLEA