

THE BOARD OF DIRECTORS' REPORT
 of OIL TERMINAL S.A. Constanta
 for Trimester III 2017, completed on 30 September 2017

Trimester report according to:	Law no. 297/2004 regarding the capital market and annex 32 of CNVM Regulation no.1/2006 regarding the issuers and securities operations
Report date	2017 November 13th
Commercial company name	OIL TERMINAL S.A.
Social headquarter	No. 2, Caraiman str., CONSTANTA, ROMANIA
Phone/fax number	0040 241 702600 / 0040 241 694833
Unique registering code at the Commerce Registrar Office	2410163
Order number at the Commerce Registrar	J/13/512/1991
The subscribed and paid social capital	58,243,025.30 Lei
The regulated market on which the issued securities are traded	Bucharest Stock Exchange Standard class
The main characteristics of the securities issued by the commercial company	582,430,253 shares with a nominal value of 0.10 lei, nominative, indivisible, with equal voting right, freely traded in Bucharest Stock Exchange under symbol OIL
Applicable accountant regulations	MFP' order no.2844/2016 for Accountant regulations approval according to International standards of financial report
Audit	Individual annual financial situations issued on 31.03.2017 are audited
Report currency	Romanian leu (RON) –all amounts are presented in RON, if not mentioned otherwise

ECONOMIC FINANCIAL SITUATION on 30.09.2017

Evolution of the main achieved budgetary indicators comparing to the planned Budget of Revenues and Expenses and to the same period of the previous year

Indicators	Budget of revenues and expenses 30.09.2017	Achieved 30.09.2017	Achieved / Budget of revenues and expenses (▲ ▼ %)	Achieved 30.09.2016	Achieved 9 months 2017 / 2016 (▲ ▼ %)
0	1	2	3=2/1	4	5=2/4
PERFORMANCE INDICATORS					
EBITDA (million lei)	8.0	12.2	▲ 52.5%	26.8	▼ 54.5%
Total quantities achieved (tons)	4,251,589	4,064,216	▼ 4.4%	4,309,316	▼ 5.7%
Operation revenues (million lei)	116.7	121.1	▲ 3.8%	117.3	▲ 3.2%
Operation expenses (million lei)	112.2	107.8	▼ 3.9%	97.5	▲ 10.6%
Operation expenses (%turnover)	96.4%	89.2%	- 7.2 p.p.	83.4%	+ 5.8 p.p.

Gross profit margin (% turnover)	3.3%	10.2%	+ 6.9 p.p.	16.0%	- 5.8 p.p.
Valoric output (lei/employee)	122,210	129,223	▲ 5.7%	124,824	▲ 3.5%
Employees average number	955	937	▼ 1.9%	940	▼ 0.3%
Investments– public domain (million lei)	5.77	4.37	▼ 24.3%	3.00	▲ 45.7%
Investments – company (million lei)	3.57	3.52	▼ 1.4%	8.79	▼ 60.0%

We mention that, by Shareholders General Ordinary Assembly' Decision no. 13/18.10.2017, the corrected Budget of Revenues and Expenditures for 2017 was approved.

The simplified interim financial situations completed on 30.09.2017 are not audited and were issued according to International Accounting Standard 34 – "Interim Financial Report"

a) Financial position situation on 30 September 2017

	30 September 2017 (audited)	30 September 2016 (audited)
ASSETS		
FIXED ASSETS		
Intangible assets	3,631,460	3,609,380
Tangible assets	450,938,302	458,409,851
Tangible assets in execution	8,382,423	2,310,795
Financial assets	810,089	809,075
Total fixed assets	463,762,274	465,139,101
CURRENT ASSETS		
Stocks	974,812	1,055,927
Clients and assimilated accounts	16,090,241	16,478,491
Other receivables	2,970,690	1,894,626
Fees and taxes to be recovered	571,345	1,035
Cash and cash equivalents	16,066,178	26,001,896
Total current assets	36,673,266	45,431,975
Total assets	500,435,540	510,571,076
OWN CAPITALS and DEBTS		
Own capitals		
Social capital	58,243,025	58,243,025
Other elements of own capitals	320,003	320,003
Reserves from reevaluation	210,027,843	210,424,839
Legal reserves	4,744,817	4,744,817
Other reserves	174,395,611	174,395,611
Surplus achieved from reevaluation reserves	5,077,860	4,680,864
Result reported without IAS 29	396,930	396,930
Result reported arisen from accountant errors correction	(25,839,366)	(25,839,366)

Current profit		
Profit distribution	0	(1.193.812)
Total own capitals	438,875,633	441,592,361
DEBTS ON LONG TERM		
Loans on long term	9,923,271	7,331,250
Debts regarding tax on postponed profit	28,624,578	28,624,578
Total debts on long term	38,547,849	35,955,828
CURRENT DEBTS		
Loans on long term – current part	1,275,000	1,815,458
Commercial debts	11,982,438	11,452,246
Debts regarding duties and taxes	4,475,489	5,727,672
Other current debts	3,309,350	2,276,884
Total current debts	21,042,277	21,272,260
Total debts	59,590,126	57,228,088
Provisions	1,914,180	11,688,173
Subventions for investments	55,601	62,454
Total own capitals and debts	500,435,540	510,571,076

In the period 01.01.2017-30.09.2017 **the tangible and intangible assets** net value diminished by 0.3% comparing to 31.12.2016, namely by the amount of 1,377,841 lei, mainly due to intangible assets' amortization value exceeding (9,378,842 lei) than the achieved investments (7,886,306 lei), as follows:

- + 72,063 lei licenses entries;
- - 49,983 lei intangible assets amortization related to period 01.01.2017-30.09.2017;
- + 1,938,116 lei representing investments entries put in function for the company' own domain;
- - 80,806 lei outflows from tangible assets
- -9,328,859 lei tangible assets amortization for the period 01.01.2017-30.09.2017;
- +7,814,242 lei expenses of tangibles in execution;
- - 1,742,614 lei transfers of intangible assets

The total value of investments expenses recorded on 30.09.2017 is 7,814,242 lei, from which 4,365,750 lei for the public domain according to Oil Agreement.

On 30.09.2017, the balance regarding **the financial assets** (810,089) increased by 0.1% (1,014 lei) comparing to 31.12.2016, following the bank guarantee letter value' updating, constituted in Bancpost Bank in 2015. According to provisions of item 8 paragraph (25) and (30) title VIII of Methodological Regulations for Law no.227/2015' application regarding Fiscal Code, Societatea OIL TERMINAL SA, as a storage authorized warehouse, has the obligation to update the guarantee level up to the excisable products quantities out in the previous year, for 2016. The updated value was approved by Shareholders General Extraordinary Assembly no.2 of 13.03.2017.

Current assets

On 30.09.2017, the total current assets were in an amount of 36.7 mill. Lei, decreasing by 19.3% comparing to 31.12.2016 (45.4 mill. Lei).

Debts on long term

On 30.09.2017, debts on long term in an amount of 38.5 mil. lei recorded an increase of 7.2% lei, comparing to 31.12.2016 (35.9 mill. lei), further the conclusion of a credit contract for investments in an amount of 26.7

mill. Lei concluded with Bancpost on 02.08.2017. Until the present report, works in an amount of 3 mil. lei were settled from this credit.

Current debts

On 30.09.2017, current debts recorded a decrease by 1.1% than 31.12.2016.

On 30.09.2017, Societatea does not record debts to state budget, social insurances budget, local budget, banks, investments suppliers, services supplies and goods deliveries and to employees.

Own capitals

Own capitals recorded a decrease of 0.6% comparing to 31.12.2016, mainly due to net current profit diminishing, recorded on 30.09.2017, comparing to the valoric level recorded on 31.12.2016.

Provisions

On 30.09.2017, the company records provisions in balance in a total amount of 1,914,180 lei, in decrease by 83.6% (9,773,993 lei) comparing to 31.12.2016, as the followings were cancelled:

- Provisions for litigations in an amount of 7,656,164 lei, from which:
 - 4,239,925 lei representing canceled and income reversed provision following Civil decision no.13/05.04.2017 ordered by the High Court of Cassation and Justice in File no. 25976/212/2011 in contradictory with Constanta Customs Direction of Customs National Authority
 - 3,311,040 lei, representing canceled and income reversed provision following Civil decision no.1064/16.03.2017 ordered by the High Court of Cassation and Justice in File no. 5826/2/2012 in contradictory with the Ministry of Public Finances' General Direction of Economic Financial Inspection
 - 92,763 lei, representing canceled and income reversed provision following the Civil sentence no. 1660/2016 in File no. 29101/212/2013 in contradictory with Grup Feroviar Roman SA
 - 10,000 lei, representing canceled and income reversed provision, representing fine ordered by the Environment Authority in File no. 21185/212/2015, approved by the Board of Directors' Decision no.69/17.07.2017
 - 2,008 lei, representing canceled and income reversed provision following the Civil sentence no.920/23.05.2017, of File no.13223/118/2012, in contradictory with Constanta SPIT
- provisions for employees' benefits in an amount of 566,558 lei, representing retirement bonuses, employer's contributions included
- provision for the employees' participation to profit in an amount of 1,580,626 lei in 2016

Operation expenses regarding provisions in an amount of 29,355 lei were recorded.

Reversal on incomes from provisions of the amount 9,803,348 lei (untaxable revenues) had a **positive impact meaning the profit from operation' increase**, on 30.09.2017.

The structure of provisions on balance, on 30.09.2017, in a total value of 1,914,180 lei is the following:

- Provisions for litigations in an amount of 639,683 lei
- Provisions for employees' benefits in an amount of 1,274,497 lei

This provision was calculated according to Labour Collective Contract no.2029/28.12.2015, available in period 01.01.2016-31.12.2017, by estimating the average salary, the average salaries number to be paid for retirement, the period when these salaries are to be paid and the contributions due by the employer for the gross calculated amounts.

OIL shares evolution

The main shareholder is the Romanian State represented by the Ministry of Energy, owing 59.62% of the social capital.

On 30.09.2017, the shares were traded in an amount of 0.1495 lei/share (closing price)

Information about issue

Total shares number	582,430,253
Nominal value	0.1000
Social capital	58,243,025.30

Stock indicators on 30.09.2016 according to
Bucharest Stock Exchange

Capitalization	87,073,322.82
PER	5.65
P/BV	0.20
EPS	0.03
DIVY	16.34
Gross dividend (2016)	0.024424

b) Situation of overall result for a 3 month-period completed on 30 September 2017

	30 September 2017 (audited)	30 September 2016. (audited)
Revenues from services supplies	119,470,733	116,132,479
Revenues from residual products sale	1,296,153	730,884
Other revenues from operation	10,676,746	2,749,535
Material expenses	6,652,314	5,816,140
Expenses of energy and water	3,075,886	2,865,889
Expenses of employees	53,342,510	47,093,726
Expenses of services supplied by third parties	12,295,039	8,797,037
Expenses of amortization	9,225,618	9,221,606
Other operation expenses	33,546,740	25,964,718
Result from operation	13,305,525	19,853,782
Financial revenues	270,925	497,871
Financial expenses	1,214,470	1,643,571
Financial revenues and expenses (net values)	(943,545)	(1,145,700)
Gross year result	12,361,980	18,708,082
Expenses of taxation on profit	853,070	3,388,101
Net year result	11,508,910	15,319,981
Other elements of overall result:		
Elements not to be reclassified as profit and loss, from which:	396,996	53,873
Earnings from given/scrapped real estate proprieties' reevaluation	396,996	53,873
Total overall result	11,905,906	15,373,854
Result per share (lei/share)	0.02044177	0.02639604
Dilluted result per share (lei/share)	0.02044177	0.02639604

The main economic financial indicators achieved for the 9-month period completed on 30.09.2017, comparing to the approved level by 2017 corrected Budget of Revenues and Expenses

Indicators	Achieved	Budget of	Achieved/
	30.09.2017 (thousand lei)	revenuesand expenses 30.09.2017 (thousand lei)	Budget of revenuesand expenses (▲ ▼%)
0	1	2	3=1/2
Net turnover	120,895	116,393	▲ 3.9
Operation revenues	121,082	116,716	▲ 3.7
Operation expenses	107,777	112,151	▼ 3.9
Operational profit	13,305	4,565	▲ 191.5
EBITDA	12,170	8,044	▲ 51.3
Financial revenues	271	624	▼ 56.6
Financial expenses	1,214	1,375	▼ 11.7
Financial result	(943)	(751)	
Total revenues	121,353	117,340	▲ 3.4
Total expenses	108,991	113,526	▼ 4.0
Gross profit	12,362	3,814	▲ 224.1
Net profit	11,509	2,433	▲ 373.0

Indicators achieved in the 9-month period completed on 30.09.2017 comparing to the approved level approved by the corrected Budget of revenues and expenses shows the following evolution:

- Turnover increased by 3.9% due to increase by 4.4% of the revenues from services supplied
- Operation expenses increase by 3.7%
- Expenses from operation decrease by 3.9%
- Operational profit increased by 2.9 times (+ 8,740 thousand lei), due to: increase of revenues from operation, unachievement of operation expenses planned for the 9-month period, some provisions' revenues reverseal on incomes in a total amount of 10,567 thousand lei
- Gross profit increased by 3.2 times (+8,548 thousand lei) due to operational profit increase
- Operation gross result EBITDA increased by 51.3% (+4,126 thousand lei)

Economic financial indicators achieved on 30.09.2017 comparing to the previous year

Indicators	Achieved 30.09.2017 (thousand lei)	Achieved 30.09.2016 (thousand lei)	2017-2016 (▲ ▼%)
0	1	2	3=1/2
Net turnover	120,895	116,836	▲ 3.5
Operation revenues	121,082	117,335	▲ 3.2
Operation expenses	107,777	97,482	▲ 10.6
Operational profit	13,305	19,853	▼ 33.0
EBITDA	12,170	26,798	▼ 54.6
Financial revenues	271	498	▼ 45.6
Financial expenses	1,214	1,643	▼ 26.1
Financial result	(943)	(1,145)	
Total revenues	121,353	117,833	▲ 3.0
Total expenses	108,991	99,125	▲ 9.9
Gross profit	12,362	18,708	▼ 33.9
Net profit	11,509	15,320	▼ 24.9

In period January-September 2017, the achieved Physical supplies program increased by 3.5% comparing to 9-month period 2016, generated by the increase of the revenues from supplied services by 2.9%.

OPERATIONAL RESULTS

Operational revenues

Operational revenues achieved on 30.09.2017 comparing to the approved level

Indicators	Achieved 30.09.2017	Budget of revenues and expenses 30.09.2016	Achieved/ Budget of revenues and expenses ▲▼ (%)
0	1	2	3 = 1/2
Handled quantities (thousand tons), from which:	4,064	4,252	▼ 4.4
Crude oil	2,270	2,126	▲ 6.8
Other petroleum and petrochemical products	1,794	2,126	▼ 15.6
Revenues from supplied services (thousand lei), from which:	118,782	113,733	▲ 4.4
Crude oil	42,446	38,318	▲ 10.8
Other products and services	76,336	75,415	▲ 1.2
Revenues from hires (thousand lei)	319	341	▼ 6.5
Revenues from different activities (thousand lei)	1,794	2,319	▼ 22.6

Other revenues from operation (thousand lei)	120,895	116,393	▲ 3.9
Total revenues from operation (thousand lei)	187	323	▼ 42.1
	121,082	116,716	▲ 3.7

On 30.09.2017, revenues from operation increased by 3.7% comparing to budgetary provisions. Revenues from the supplied services increase by 4.4% (5,049 thousand lei) comparing to the Budget of Revenues and Expenses, due to the crude oil quantities exceeding by 6.8%, namely by 144 thousand tons. Revenues from supplied services have a percentage of 98.25% in turnover, namely 98.1% in the operation revenues total.

Operational revenues achieved on 30.09.2017 comparing to the previous year

Indicators	Achieved 30.09.2017	Budget of revenues and expenses 30.09.2017	2017/2016 ▲▼ (%)
		2	
0	1	2	3 = 1/2
Handled quantities (thousand tons), from which:	4,064	4,309	▼ 5.7
Crude oil	2,270	2,149	▲ 5.6
Other petroleum and petrochemical products	1,794	2,160	▼ 16.9
Revenues from supplied services (thousand lei), from which:	118,782	115,444	▲ 2.9
Crude oil	42,446	36,259	▲ 17.1
Other products and services	76,336	79,185	▼ 3.6
Revenues from hires (thousand lei)	319	333	▼ 4.2
Revenues from different activities (thousand lei)	1,794	1,059	▲ 69.4
Other revenues from operation (thousand lei)	120,895	116,836	▲ 3.5
Total revenues from operation (thousand lei)	187	499	▼ 62.5
	121,082	117,335	▲ 3.2

In period January-September 2017, comparing to the same period of 2016, the revenues from the supplied services increased by 3.2%.

Revenues from supplied services increase by 2.9% (3,338 thousand lei) comparing to the 9-month period 2016, due to the handled crude oil quantities' exceeding by 5.6% (121 thousand tons).

Operational expenses

Operational expenses achieved on 30.09.2017 comparing to the approved level

Indicators	Achieved 30.09.2017 (thousand lei)	Budget of revenues and expenses 30.09.2017 (thousand lei)	Achieved/ Budget of revenues and expenses ▲▼ (%)
		2	
0	1	2	3 = 1/2
Material expenses, from which:	6,652	5,385	▲ 23.5
- consumables expenses, from which:	5,259	4,450	▲ 18.2
- fuel expenses	939	952	▼ 1.4
Other external expenses (energy and water)	3,076	3,063	▲ 0.4
Employees expenses, from which:	53,575	55,139	▼ 2.8
- salaries expenses	43,804	45,008	▼ 2.7
- social protection expenses	9,370	9,510	▼ 1.5
- other employees expenses	401	621	▼ 35.4
Tangible and intangible assets amortization expenses	9,226	9,274	▼ 0.5
External supplies expenses, from which:	43,051	33,072	▲ 30.2
- maintenance (maintenance and repairs)	22,308	14,423	▲ 54.7

- oil royalty	4,635	4,891	▼ 5.2
- other services supplied by third parties	16,108	13,758	▲ 17.1
Regulations and depreciations for value loss and provisions, from which:	- 10,361	- 2,996	
-expenses regarding regulations and provisions	206	8,543	▼ 97.6
- revenues from provisions and regulations for depreciation or value loss	10,567	11,539	▼ 8.4
Other operation expenses	2,558	9,214	▼ 72.2
Total operation expenses	107,777	112,151	▼ 3.9

The operation expenses achieved in the period January – September 2017 are less by 3.9% than the approved budget (112.2 mill. lei).

Operational expenses achieved on 30.09.2017 comparing to the previous year

Indicators	Achieved 30.09.2017 (thousand lei)	Budget of revenues and expenses 30.09.2016 (thousand lei)	2017/2016 ▲ ▼ (%)
	1	2	3 = 1/2
0			
Material expenses, from which:	6,652	5,816	▲ 14.4
- consumables expenses, from which:	5,259	4,725	▲ 11.3
- fuel expenses	939	941	▼ 0.2
Other external expenses (energy and water)	3,076	2,866	▲ 7.3
Employees expenses, from which:	53,575	47,276	▲ 13.3
- salaries expenses	43,804	38,552	▲ 13.6
- social protection expenses	9,370	8,326	▲ 12.5
- other employees expenses	401	398	▲ 0.7
Tangible and intangible assets amortization expenses	9,226	9,222	▲ 0.04
External supplies expenses, from which:	43,051	30,722	▲ 40.1
- maintenance (maintenance and repairs)	22,308	13,935	▲ 60.1
- oil royalty	4,635	4,796	▼ 3.4
- other services supplied by third parties	16,108	11,991	▲ 34.3
Regulations and depreciations for value loss and provisions, from which:	- 10,361	- 2,277	
-expenses regarding regulations and provisions	206	107	▲ 92.5
- revenues from provisions and regulations for depreciation or value loss	10,567	2,384	▲ 343.2
Other operation expenses	2,558	3,857	▼ 33.7
Total operation expenses	107,777	97,482	▲ 10.6

On 30.09.2017, the operation expenses record an increase of 10.6% comparing to the same period of the previous year 2016, from 97.5 mill.lei to 107.8 mill. lei.

c) Situation of cash flows on 30 September 2017

Indicator	Period of 9 months completed on 30.09.2017	Period of 9 months completed on 30.09. 2016
Flow cash from operating activity		
Net profit	11,508,910	15,319,981
Regulations for non monetary elements		
Amortization and regulations from the fixed assets depreciation	8,669,936	9,221,606
(Profit) from fixed assets' disposal	(8,448)	(47,873)

Net movement of regulations for current assets	(31,390)	(73,602)
Net movement of provisions for risks and expenses	(9,773,993)	(1,058,613)
Other regulations	(1,182,775)	(2,363,356)
Loss regarding interests	223,083	286,448
Loss from different currency exchange rate differences	729,056	876,568
Operational profit before other alterations in the current capital	(1,374,531)	6,841,178
(Increases)/ Decreases in stocks value	81,115	(282,004)
(Increases)/Decreases of receivables	(1,258,124)	173,053
	(776,398)	(6,105,965)
(Decreases) in commercial and of different kind debts value		
Net paid interests	(223,083)	(286,448)
Net cash flow from the operating activity	7,957,889	15,659,795
II Cash flow used in investments activity		
Tangible and intangible assets	(7,886,306)	(11,797,447)
(Increases) in assets value on long term	(1.014)	-
Net cash flow used in the investments activity	(7,887,320)	(11,797,447)
III Cash flow from financing activities		
(Increase) /Decrease of loans on short term	540,458	810,688
Increase/(Decrease) of loans on long term	2,592,021	(1,361,593)
Paid dividends	(13,138,766)	(2,657,607)
Cash flow from financing activities	(10,006,287)	(3,208,512)
Net (decrease) of cash and cash equivalents (I+II+III)	(9,935,718)	653,836
Cash and cash equivalents value at the year start	26,001,896	21,022,923
Cash and cash equivalents value at the period end	16,066,178	21,676,759

OIL TERMINAL' ACTIVITY ANALYSIS

a) Elements with impact on revenues

The tariffs applied by the company for crude oil and petroleum products' handling through oil terminal are regulated ones, namely they are tariffs settled by the National Agency for Mineral Resources (ANRM) and approved by ANRM' Chairman, according to Oil agreement concluded between Societatea and the Agency, according to Government Decision no.886/2002.

The tariffs applied by the company in period January – September 2017 were approved by ANRM' order no.251/01.11.2016, in force since 07.11.2016, the publishing date in Official Gazette, Part I.

All tariffs applied by the company, namely fuel oil, chemical products, hires, different laboratory analyses are regulated tariffs, approved according to provisions of art.18, paragraph 4.1 of Societatea' Constitutive act.

Commercial policy applied by Oil Terminal' main clients (private environment) has a decisive influence upon the services supplies volume handled through oil terminal (state major capital company).

b) Capital expenses (investments)

The investments activity in Oil Terminal SA Constanta runs in two main directions:

- Investments objectives for the company' own patrimony

- Investments objectives related to public domain, according to Minimal Program regarding the rehabilitation and upgrading of the petroleum terminal 2013-2017 annex of the Leasing petroleum agreement concluded with the National Agency of Mineral Resources.

For 2017 the expenses for investments are 25,384 thousand lei, constituted on the investments financing source level, from which credits reimbursements for investments in an amount of 1,815 thousand lei, and the investments expenses in an amount of 23,569 thousand lei.

On 30.09.2017 the investments expenses recorded level was in an amount of 7,886 thousand lei, less by 15.5% (1,451 thousand lei) comparing to the approved level (9,337 thousand lei).

The investments expenses structure achieved on 30.09.2017 comparing to the approved level by the Budget of Revenues and Expenses is the following:

- thousand lei-

No.	Investments expenses	Cumulative on 30.09.2017			
		Budget of revenues and expenses	Achieved	Differencies	%
0	1	2	3	4=3-2	5=3/2
	Expenses for investments, from which:	9,337	7,886	- 1,451	84.5
1.	- investments for the company' own patrimony	3,569	3,520	- 49	98.6
2.	- investments related to public domain	5,768	4,366	- 1,402	75.7

The current capital expenses achieved on 30.09.2017 (assets' acquisition, development and upgrading) are financed both from own sources (cashed revenues) and from external sources (credits for investments).

Main reasons having led to the planned investments unachievement by 15.5% are the followings:

- investments supplier for the objective "Upgrading of gas oil bunkering metering in jetties 70 and 75" notified the company that, since 08.05.2017 is in insolvency on a creditor' request
- on 26.06.2017, in Civil sentence no.9627/3/2017, Bucharest Court of Appeal gave the Civil Decision no. 1190, by which it rejects the insolvency request as groundless, according to Confirmation registered in the company' office under no. 9047/21.07.2017, therefore the objective' put in work term extended until 20.12.2017.
- For the investments objective " Upgrading gas oil facility South Storage Farm", the imported equipments delivery term was postponed for semester II 2017 due to import terms.
- For the investments objective " Metallic common scaffold line L2 andv line L3 South Storage Farm rail platform" the project was completed in September, the performance contract is going to be completed
- For the objective " Aboveground positioning of pipeline network in Port Storage Farm – South Storage Farm (T1 and T2)" the performance works were postponed and the work platform was delivered in September' end

Main investments objectives achieved in period January – September 2017 are:

- Upgrading of shoretank 34 South Storage Farm (according Oil agreement) ;
- Upgrading of gas oil metering skid;
- Upgrading of gas oil metering skid (according to Oil agreement);
- Telemac HTA 18 crane on Renault chassis;
- Analyzer for oil products' sulphur content determination ;
- Aboveground positioning of pipeline network in Port Storage Farm – MIM Bridge ;
- Aboveground positioning of pipeline network in Port Storage Farm – MIM Bridge ;

- Caterpillar 428F2 backhoe ;
- Upgrading of 2 gas oil bunkering metering skids;
- Metallic common scaffold line L2 andv line L3 South Storage Farm rail platform;
- Dacia Duster Laureate 1,5 109 PH (2 pieces) ;
- Safety cabins (17 pieces) ;
- Skimmer Komara 15 Duplex;
- Upgrading of shoretank 23 Port Storage Farm ;
- Remote equipment for oil products' sulphur content determination in waste waters and soil ;
- Centralized system for technical gases supply ;
- Upgrading of railway platform South Storage Farm;
- Safety shower (8 pieces) ;
- Server HP DL 80 ;
- Modular cab K2227 2200 X 2700 X 2400 ;
- Protherm electric boiler 24 kv (2 pieces) ;
- Access control panel .

c) Economic Financial Indicators

Indicator name	Calculation method	Result on 30.09.2017	Result 30.09.2016
1. Current liquidity indicator	Current assets/ Current debts	1.74	2.11
2.Indebtedness level indicator (%)	Borrowed capital/ Own capital x 100	2.55	2.21
	Borrowed capital/ Employed capital x 100	2.49	2.16
3. Clients' debts rotation speed (days)	Clients' average balance/ Turnover x 90 days	36	33
4.Fixed assets' rotation speed (rotations)	Turnover/ Fixed assets	0.26	0.25

1. Current liquidity indicator provides the guarantee to cover the current debts from the current assets. The recommended value is about 2.

2. Indebtedness level indicator expresses the credit risk management efficiency, indicating the possible financing, liquidity problems, influencing the commitments' compliance.

3. Indebtedness level indicator expresses the company; efficiency to collect its receivables, namely the number of days until the date when the debtors pay their debts to the company.

4. Fixed assets' rotation speed expresses the fixed assets' management efficiency, by examining the turnover generated by a certain quantity of fixed assets.

Other aspects

Litigations

On 30.09.2017, Oil Terminal SA is involved in a number of 84 litigations pending on courts. In 27 files, the company is a defendant and in 57 files, the company is a complainant part or an opposing party.

The company records provisions for litigations in an amount of 639,683 lei, on 30 September 2017.

I.File no.1517/118/2012, creditor: Oil Terminal SA and debtor: SC Byotech Prod General, by which the defendant is obliged to pay the total amount of 251,185 lei.

By Civil sentence no. 16622/24.10.2012, Constanta Court admits the summons submitted by the claimant OIL TERMINAL SA, in contradictory with the defendant SC Byotech Prod General SRL. It obliges the defendant to pay the amount of 164,066 lei, to the claimant, representing the countervalue of VAT for the excise of 863,504 lei and the amount of 87,119 lei, representing delay penalties. It obliges the defendant to pay to the claimant court expenses in an amount of 8,255.70 lei.

Request of enforcement was submitted. The bailiff put garnishment to all the debtor' accounts. Until the present date, the debt hasn't been recovered due to funds' lack.

For this file, a provision of 246,970 lei was constituted.

II. File no.3164/118/2014, pending Constanta Court, in contradictory with Union Oil Terminal, by which the claimant requests to the defendant the additional hours payment worked in 2013 and uncompensated by free time, and for those who received the compensation in 2014, to be paid the c/value of the benefits for these worked and not paid hours and the meal tickets for the additional hours worked in 2013 according to individual labour contract and the collective one for the company, available until 31.12.2013.

The first term was given for 19.09.2014, the court agreed the inscriptions evidence and the accountant expertise to be deposited.

On term of 17.02.2017, Court ordered the file' suspension according to provisions of art.411 paragraph 1 item 1 of the Civil procedure code, with appeal during suspension.

By Decision no.2082/16.10.2017, the Court admitted the obsolescence' request and noticed the obsolete cause. The decision is final.

For this file, a provision of 7,800 lei was constituted.

III. File no.11403/212/2011 pending Constanta Court, by which the complainants Iasar Ana, Iasar Tair, Iasar Doina, Iasar Sevinci, Iasar Islam, Iasar Esan, Iasar Ghiulgean, Iasar Sabria ask to oblige the defendants Oil Terminal SA, Oil nProd SRL, Eco Petroleum SA to pay material damage in an amount of 30,000 lei and moral ones in an amount of 60,000 lei.

By decision of 26.06.2013, it legally suspends the cause according to art.36 of Law no.85/2006, due to Oil Prod SRL' insolvency.

Appeal can be submitted in the term provided by art. 244 index 1 paragraph 2 of Civil Procedure Code.

For this file, a provision of 90,000 lei was constituted.

IV. File no.3752/118/2016 pending on Constanta court, in contradictory with Romania Audit Office with object: contestation against decision no. 35/19.05.2016 by which Oil Terminal SA asks for the cancellation of measures ordered by the control entity.

The action was submitted on 06.06.2016.

On term of 06.10.2016 a new term was given to communicate the mentions deposited by parties and the intervention request submitted by the manager Staar Rating SRL.

Solution shortly: '' it rejects the main intervention request as inadmissible. With appeal in 5 days since it was given for the present parties and since communication for the absent parties. Given on 17.11.2016 in public meeting. Term for the file' matter 08.12.2016''

Appeal of Staar Rating SRL on 06.12.2016

On term of 08.12.2016- suspended until Staar Rating SRL' judgement

Staar Rating SRL appealed on 06.12.2016

By Civil sentence no.254/23.03.2017, Constanta Court of Appeal rejected the appeal as groundless.

The resolution is final.

On term of 15.06.2017, court remained in giving a decision on the accessory intervention request submitted by Staar Rating SRL.

By conclusion of meeting 15.06.2017, Constanta Court rejected the accessory intervention request as inadmissible.

On 13.07.2017, Constanta Court suspended the file until the appeal submitted by Staar Rating SRL' solving up, against the conclusion of meeting 15.06.2017, by which Constanta Court rejected the accessory intervention request.

Court of Appeal gave a term for 13.12.2017 for the appeal' decision.

For this file, the amount of 139,341 lei was recorded in the account – Contingent assets.

V. File 4010/87/2015, pending Teleorman court, in contradictory with Interagro SRL with object : insolvency. Oil Terminal SA submitted an recording request to statement of affairs for the amount of 1,557,336.05 lei.

By decision no.317/16.06.2016, court gave the following solution:

- ''it partly admits the call for abstention and replacement of legal administrator, submitted by ZRP Insolvency SPRL

- It orders the interim legal administrator replacement represented by legal administrators holding made of CITR Bucharest branch and ZRP Insolvency SPRL by the interim legal administrator CITR Bucharest branch SPRL.
- It rejects as groundless the exception of conexing inadmissibility submitted by the creditor Attorney Ciobanu Crina Ionela.
- It rejects as groundless the exception of conexing request lateness submitted by creditor SC AUTOCORA SRL
- It admits the conexing request
- It orders to submit the file no.4010/87/2015 and the associated files regarding the debtor SC INTERAGRO SRL to Bucharest court, section VII CIVIL, the firstly settled court to solve up the file no. 36095/3/2015 regarding the debtor SC INTERAGRO SA''

The decision is final and appealed in 7 days since communication.

- By decision no.1617/13.10.2016, Bucharest Court of appeal rejected the appeals submitted by SC AUTOCORA SRL and SC INTERAGRO SA, as groundless

The decision is final and has not been communicated yet.

By Resolution no. 204/02.02.2017, the court rejected the appeal as groundless. The decision is final.

Civil sentence was communicated on 13.03.2017.

For this file, a regulation for the debt' depreciation in an amount of 1,557,336 lei was constituted.

VI. File no.2380/118/2013 and File no.2380/118/2013/a7 pending Constanta court. Firstly a request to record to the statement of affairs with the amount of 242,498.99 lei was submitted.

On term 02.06.2014, it ordered the bankruptcy, information address of 04.06.2014.

Further, on term 19.08.2014- court remaining in pronouncing on the legal administrator' request for the company' bankruptcy. On 26.08.2017 the court gave the interim decision no.2201 and it orders the bankruptcy of debtor according to art.107 paragraph -1 letter a,c,b. As legal liquidator, Global Insolvency was appointed. Sentence was communicated on 15.09.2014.

Term for the debt recording 10.10.2014. On 07.10.2014 the company recorded to the statement of affairs for the amount of 1,291,599.10 lei.

Term:17.11.2014-bankruptcy

On 24.11.2014 legal liquidator is confirmed to be Spectrum Insolvency IPURL and his fee is approved.

On 29.01.2015, the liquidator communicated the recording to the statement of affairs with the amount of 1,068,322.18 lei.

The company deposits contestation for recording to the statement of affairs on 04.05.2015.

On 20.05.2015, the court orders: ,,it pends on again the file. It settles term for 15.06.2015, when the parties are cited with a copy of the present decision, the court discussing the administration of evidence with the legal accountant expertise to settle: 1. the debts value of creditor SC OIL TERMINAL SA arisen after the insolvency procedure opening and after the debtor' bankruptcy, arisen from hire contracts concluded with the debtor; 2. the value of payments effected by debtor SC OIL TERMINAL SA to the creditor further the insolvency procedure opening and further the debtor' bankruptcy; 3. value of devt owned by the creditor SC OIL TERMINAL SA, arisen after the insol;vency procedure opening until the bankruptcy, by deducting the payments effected by the debtor after the insolvency procedure opening i two alternatives:1. by deducting the payments eefected by debtor, both from the debts value, arisen before the insolvency procedure opening - recorded in the final table of debtor' obligations and from the value of debts arisen after the insolvency procedure opening until the debtor' bankruptcy; 2. by deducting the paymemts effected by debtor only from the debts value arisen after the insolvency procedure opening until the debtor' bankruptcy''.

By decision no.303/08.02.2016, court partly admits the contestation submitted by the creditor SC OIL TERMINAL SA in contradictory with the defendant SPECTRUM INSOLVENCY IPURL, legal administrator of debtor SC OIL PROD SRL. It orders the recording in the final table consolodated of debtor' debts SC OIL PROD SRL of the debt in a total value of 1,199,000.71 lei of creditor SC OIL TERMINAL SA.

The civil sentence has not been communicated yet.

The next term is settled for 04.12.2017.

For these files, a regulation for the debt' depreciation in an amount of 1,304,907 lei was constituted

ALTERATIONS AFFECTING THE COMPANY' CAPITAL AND MANAGEMENT

Shareholding structure

The shareholding structure on the referenced date on 30.09.2017 is the following:

Shareholder	Shares number	Total nominal value	Contribution %
Romanian Satate through the Ministry of Energy	347,257,973	34,725,797.30	59.6222%
Dumitrescu Sebastian Valentin	75,901,409	7,590,140.90	13.0318%
Legal persons	63,364,572	6,336,457.20	10.8793%
Physical persons	95,906,299	9,590,629.90	16.4666%
Total capital	582,430,253	58,243,025.30	100.0000%

Presentation of executive management members

In period 01.01.2017 – 30.09.2017, the Board of Directors' structure was as follows:

No.	Name/first name	Birth date	Profession	Position
1.	CATALIN CONSTANTIN GRIGORESCU	21.05.1975	Legal adviser	Manager -28.03.2016-09.03.2017
2.	IULIA GABRIELA TANASE	05.07.1979	Engineer	Manager 28.03.2016-10.10.2016 13.12.2016-09.03.2017
3.	DUMITRU MATEI	08.07.1965	Engineer	Manager May 2015 – present BoD chairman – 18.10.2016-19.01.2017
4.	BOGDAN VALENTIN GHITA	05.07.1969	Engineer	Manager 28.03.2016 – 10.10.2016 13.12.2016 – 09.03.2017
5.	TOMA – BOGDAN COSTREIE	13.11.1976	Legal adviser	Manager May 2015 – present BoD chairman – April 2016-17.10.2016 20.01.2017-02.04.2017
6.	MOISE NICOLETA MARIAN	27.08.1982	Economist	Manager 11.08.2016 – 10.10.2016 13.12.2016 – 10.07.2017
7.	S.C. STAAR RATING SRL	-	Legal entity represented by Dan Cristian BARBULESCU	Manager May 2015-10.07.2017
8.	CRISTIAN FLORIN GHEORGHE	03.08.1975	Engineer	Manager 10.03.2017- present BoD chairman – 03.04.2017 - present

9.	IONUT BARBU	05.08.1978	Engineer	Manager -10.03.2017-present
10.	HERMINA BECTEMIR	15.07.1974	Engineer	Manager-10.03.2017-present
11.	OVIDIU AURELIAN ANDREI	25.08.1967	Engineer/Legal adviser	Manager-10.03.2017-present
12.	NICOLAE CIMPEANU	29.10.1967	Economist	Manager – 11.07.2017-present
13.	CONONOV PAUL	03.02.1965	Engineer	Manager – 11.07.2017-present

By Shareholders General Ordinary Assembly' decision no.17/18.10.2017, Mrs. Bectemir Hermina and Mr. Barbu Ionut were recalled from the managers position, in their place Mr. Caracostea Catalin Mihail and Mr. Dragomir Cristinel Nicolae being appointed.

The Shareholders General Ordinary Assembly' decision no.17/18.10.2017 was not recorded in the Commerce Registrar Office of Constanta Court as a shareholder submitted an intervention request against its recording, the file being submitted to be solved up to Constanta Court.

The company' management is provided by a Board of Directors made of 7 members.

Oil Terminal SA' Board of Directors' structure is the following:

- GHEORGHE CRISTIAN - FLORIN – Board of Directors' Chairman
- COSTREIE TOMA-BOGDAN - Board of Directors' Member
- CIMPEANU NICOLAE - Board of Directors' Member
- BECTEMIR HERMINA - Board of Directors' Member
- BARBU IONUT - Board of Directors' Member
- OVIDIU AURELIAN – ANDREI - Board of Directors' Member
- CONONOV PAUL - Board of Directors' Member

Presentation of the executive management' members list

Oil Terminal SA' executive management in the period January-September 2017:

No.	Name/first name	Position
1.	Viorel Sorin CIUTUREANU	General Director 06.07.2012 – present
2.	Adriana FRANGU	Economic Director 10.07.2012 – present
3.	Emil ROHAT	Technical Director 04.01.2011 – present
4.	Gabriel DARABAN	Commercial Director 10.07.2012 – present
5.	Marieta Elisabeta STASI	Development Director 01.08.2017 – present
6.	Nicu STEFAN	Investment and Infrastructure Safety 01.08.2017 - present

The executive management members, namely, Economic Director - Adriana FRANGU, Development Director – Marieta Elisabeta STASI, Technical Director - Emil ROHAT, Commercial Director - Gabriel DARABAN, Investments and Facilities Safety Director – Nicu STEFAN are company' employees according to labour individual contracts, concluded for an undetermined period of time.

Financial obligations' non compliance cases

It's not necessary.

Alterations regarding the owners' rights of securities, issued by the company.

It's not necessary.

OUTSTANDING TRADES

In period January – September 2017, Societatea ran the following trades with state owned companies:

Partner	Unpaid amounts on 31 December 2016	Acquisitions in period 01.01-30.09.2017	Discounts in period 01.01-30.09.2017	Undiscounted amounts on 30 September 2017
OLTCHIM SA	115,215	256,969	371,132	1,052
S.N.T.F.M CFR MARFA SUCURSALA MUNTENIA DOBROGEA	3,565	17,842	19,922	1,485
TOTAL	118,780	274,811	391,054	2,537

Partner	Unpaid amounts on 31 December 2016	Acquisitions in period 01.01-30.09.2017	Discounts in period 01.01-30.09.2017	Undiscounted amounts on 30 September 2017
C.N.C.F. CFR SA	-	230,019	211,378	18,641
COMPANIA NATIONALA ADMINISTRATIA PORTURILOR MARITIME	26,095	1,817,727	1,813,220	30,602
RAJA	48,137	850,400	799,756	98,781
ELECTRIFICARE CFR	20,772	20,598	41,370	-
AUTORITATEA FERROVIARA ROMANA	631	39,577	40,208	-
REGIA NATIONALA A PADURILOR ROMSILVA	16,170	-	16,170	-
AUTORITATEA NAVALA ROMANA	-	13,634	13,634	-
MONITORUL OFICIAL	-	17,861	17,861	-
COMPANIA NATIONALA PENTRU CONTROLUL CAZANELOR, INSTALATIILOR DE RIDICAT SI RECIPIENTELOR SUB PRESIUNE-C.N.C.I.R	-	10,924	10,924	-
COMPANIA NATIONALA POSTA ROMANA SUC. SERVICII EXPRESS	-	1,514	1,514	-
TELECOMUNICATII CFR	-	8,124	8,124	-
CENTRUL NATIONAL DE CALIFICARE SI INSTRUIRE FERROVIARA	-	480	480	-
ADMINISTRATIA NATIONALA APELE ROMANE ADMINISTRATIA BAZINALA DE APA DOBROGEA LITORAL	-	4,144	4,144	-
AUTORITATEA RUTIERA ROMANA - ARR	-	3,161	3,161	-
BURSA DE VALORI	-	8,925	8,925	-
TOTAL	111,805	3,027,088	2,990,869	148,024

Significant events ran in the period January – September 2017

During the 9 months of 2017, the following significant events took place:

- On 19.01.2017, Mr. Dumitru Matei, Board of Directors' chairman, appointed by decision no.94/18.10.2016 submitted a communication by which he gives up the position of Board of Directors' chairman
- By Board of Directors' decision no.3/20.01.2017, it suspends the recruitment and selection process of General Director and Financial Director according to EGO no.109/2011' provisions, approved with alterations and additions by Law no.111/2016, the suspension not being applied to the CV term deposition.
- In February, the salary negotiation for 2017 was completed, the company' employees salaries increase having been approved, since 01.05.2017, according to BoD' decision no.19/06.03.2017
- On 25 February Petrotel Lukoil refinery stopped its activity for technical revision until 04 April 2017. Due to this fact, the crude oil quantity pumped in February was only 172 thousand tons, but in March there was no crude oil pumped to Petrotel. Due to the same reason, Petrotel Lukoil did not export any gasoline through terminal in March and April.
- By BoD' decision no.36/09.03.2017, it approves Societatea Oil Terminal SA' Board of Directors' report for the financial year completed on 31.12.2016, issued according to Law no.297/2004, CNVM Regulation no.1/2006 and OMFP' regulation no.2844/12.12.2016.
- By Shareholders General Ordinary Assembly' decision no.1/10.03.2017, the followings were adopted:
 - it does not take note of the Board of Directors' report regarding the stage of implementation of EGO 109/2011 and presentation of the management plan' management component
 - it takes note of the Board of Directors' report regarding the stage of implementation of EGO 109/2011
 - it does not take note of presentation of the management plan' management component
 - it approves the ceasing of Shareholders General Ordinary Assembly' decision no.7/10.10.2016' applicability
 - it approves the ceasing of Shareholders General Ordinary Assembly' decision no.9/21.11.2016' applicability
 - it recalls from Societatea Oil Terminal SA' Board of Directors' members position, the followings:
 1. Mr. Costreie Toma Bogdan
 2. Mr. Grigorescu Cătaăin Constantin
 3. Mrs. Tanase Iulia Gabriela
 4. Mr. Ghiță Bogdan Valentin
 5. SC STAAR RATING SRL
 6. Mr. Matei Dumitru
 7. Mrs. Moise Nicoleta Mariana
 - it appoints as Societatea Oil Terminal SA' Board of Directors' interim members position, by the cumulative voting method, the followings:
 - COSTREIE TOMA BOGDAN
 - BARBU IONUȚ
 - GHEORGHE CRISTAN FLORIN
 - BECTEMIR HERMINA
 - ANDREI OVIDIU AURELIAN
 - MOISE NICOLETA MARIANA
 - SC STAAR RATING SRL
 - it approves Societatea Oil Terminal SA' Board of Directors' interim members' mandate, appointed by the cumulative voting method, of 4 months or until the managers' appointment by the Shareholders General Assembly, according to EGO 109/2011, if this comes before the 4-month period completion;
 - it settles the interim managers monthly indemnity, equal to the average of the latest 12 months of the monthly gross earning for the activity ran according to the main activity object recorded by the

- company according to the national economy activities classification, communicated by the National Statistics Institute, before the appointment;
- it approves the management contract form to be concluded with interim managers;
 - it empowers Mrs. Aura Gabriela Dumitru as a representative of the Ministry of Energy in the General Assembly to sign the managers' mandate contracts, managers appointed in the meeting of 10.03.2017.
- By the Shareholders General Extraordinary Assembly' decision no.2/13.03.2017, it approved to issue a bank guarantee letter in an amount of 5.5 million Euros in order to update the level of guarantee to be constituted for the authorization of storage fiscal warehouse.
 - By the Board of Directors' Decision no.40/03.04.2017, it appoints Mr. Gheorghe Cristian – Florin as the Board of Directors' Chairman.
 - By the Shareholders General Ordinary Assembly no.3/18.04.2017, the followings were adopted:
 - it approved the Budget of Revenues and Expenses for 2017;
 - it approved the maintenance of the movable and immovable guarantees related to Credit contract no.1403/27.11.2015 already constituted in the bank' favour (approved by Shareholders General Assembly decision no.8/21.11.2016) to guarantee the amount of 10,500,000 Euros plus interests and other related commissions, by signing additional acts to mortgages and of a new Contract of mortgage for the amount of 5,500,000 Euros, taking into account the increase by 5,500,500 Euros of the facility for the bank guarantee letter issue, approved by the Shareholders General Extraordinary Assembly decision no.2/13.03.2017.
 - By the Shareholders General Ordinary Assembly' decision no.4/26.04.2017, the followings were adopted:
 - it approves the financial situations for 2016, issued according to International Financial Reporting Standards (IFRS) containing: financial position situation, overall result situation, own capitals alterations situation, cash flows situations, notes of financial situations, according to the Board of Directors' report and Independent financial auditor report;
 - it approves annual financial year for 2016 issued according to CNVM Regulation 1/2006;
 - it approves the net profit distribution for 2016 in an amount of 17,000,076 lei, as follows:

• Legal reserve	1,052,232 lei
• Other reserves representing fiscal facilities provided by law	141,580 lei
• Employees participation to profit	1,580,626 lei
• Dividends to be paid to shareholders	14,225,638 lei
• Own financing source	0 lei
 - it approves the settling of the gross dividend per share for 2016 as 0.02442462 lei/share. It settles the 60-day payment term according to provisions of art. 1 paragraph (3) of Government Ordinance no.64/2001 regarding the profit distribution in national companies, in full or major state capital companies, with further alterations and additions "companies in which state or a territorial administrative entity is an unique, major shareholder or in which it has the control, have the obligation to pay the dividends due to shareholders in 60 days since the term provided by law for the annual financial situations' deposit". Details regarding the payment ways, the payment agent and the supporting documents will be communicated to shareholders before the Payment Date by a press release and will be submitted to Bucharest Stock Exchange and Financial Survey Authority by a current report;
 - it empowers the Board of Directors to appoint the payment agent according to regulation framework applicable for the dividends' payment;
 - it approves the date 06.06.2017 as dividends payment date according to art.2 letter g) of Regulation 6/2009 and art. 129³ of Regulation 1/2006.
 - By the Board of Directors' Decision no.44/27.04.2017, the advisory committees structure to run in the Board of Directors was settled, as follows:

- **Audit Committee:**
MOISE Nicoleta-Mariana - Chairman
BARBU Ionuț – Member
COSTREIE Toma-Bogdan – Member
 - **Nomination and remuneration Committee:**
COSTREIE Toma-Bogdan - Chairman
MOISE Nicoleta-Mariana – Member
ANDREI Ovidiu Aurelian – Member
BECTEMIR Hermina – Member
SC STAAR RATING SRL by representative, Dan Bărbulescu – Member
 - **Development and Strategies Committee:**
ANDREI Ovidiu Aurelian – Chairman
BECTEMIR Hermina – Member
BARBU Ionuț – Member
COSTREIE Toma-Bogdan - Member
SC STAAR RATING SRL by representative, Dan Bărbulescu – Member
- By the Board of Directors’ Decision no.51/12.05.2017, it approves the unaudited simplified interim financial reports completed on 31.03.2017, issued according to Accountancy regulations applicable, namely OMFP no.2844/12.12.2016
 - By the Board of Directors’ Decision no.52/12.05.2017, it approves Societatea Oil Terminal SA’ Board of Directors’ report for Trimester I 2017, issued according to annex no.30 of CNVM Regulation no.1/2006.
 - By the Board of Directors’ Decision no.54/12.05.2017, it approves the credit line extension in an amount of 5 mill. lei for 12-month period
 - By the Shareholders General Ordinary Assembly’ Decision no.5/19.06.2017, it approved the guarantees structure related to the investments credit on long term.
 - By the Shareholders General Ordinary Assembly’ Decision no.6/19.06.2017, the followings were adopted:
 - it approved SC ROMAR-CO AUDIT SRL’ recalling from the company’ statutory financial auditor, further the services supplies contract no.220/19.08.2015’ expiry;
 - it approved SC ROMAR-CO AUDIT SRL’ appointment as the company’ statutory financial auditor with a 3-year contract.
 - By the Shareholders General Ordinary Assembly’ Decision no.7/19.06.2017 the followings were adopted:
 - it takes note of the information regarding the approval of credit line extension in an amount of 5 mill.lei’ extension for a 12-month period;
 - it approved the maintenance of the guarantees structure related to credit line in an amount of 5 mill. lei’ extension for a 12-month period, as it was approved by Shareholders General Ordinary Assembly’ Decision no.4/11.08.2016
 - By the Shareholders General Ordinary Assembly’ Decision no.8/19.06.2017 the followings were adopted:
 - it rejected the extension of managers’ mandate appointed by the Shareholders General Ordinary Assembly’ Decision no. 1/10.03.2017 until some managers’ appointment according to EGO 109/2011’ provisions but not later than 09.03.2021;
 - it rejected the approval of the performance indicators and performance, calculation method and the target values for the company’ managers for 2017, annex of the management contracts;
 - it rejected the conclusion of an additional act of the management contracts approved by Shareholders General Ordinary Assembly’ Decision no.1/10.03.2017 with the following items:

- *Art. 1. It extends the management contract period until some managers' appointment according to EGO 109/2011' provisions but not later than 09.03.2021*
- *Art. 2. Managers will exercise all the necessary acts in order to accomplish the performance objectives and criteria settled in annex no.3 of the present management contract together with the company' managers*
- it rejected the approval of the annual amount of 5500 Euros for 1 million Euros liability limit.
- By the Shareholders' Decision no. 10/19.06.2017, the followings were adopted: General Ordinary Assembly
- It approved the recalling of Societatea Oil Terminal SA' Board of Directors' interim managers, appointed by Shareholders' Decision no. 1/10.03.2017, since 11.07.2017, further their mandate' ceasing, as follows:
 1. Costreie Toma Bogdan
 2. Gheorghe Cristian Florin
 3. Barbu Ionuț
 4. Bectemir Hermina
 5. SC STAAR RATING SRL
 6. Andrei Ovidiu Aurelian
 7. Moise Nicoleta Mariana
- it approved the appointment of Societatea Oil Terminal SA' Board of Directors' interim managers, since 11.07.2017, as follows:
 1. Costreie Toma Bogdan
 2. Gheorghe Cristian Florin
 3. Bectemir Hermina
 4. Andrei Ovidiu Aurelian
 5. Barbu Ionuț
 6. Cononov Paul
 7. Cîmpeanu Nicolae
- it approved Societatea Oil Terminal SA' Board of Directors' interim managers mandate period, appointed since 11.07.2017, 4-month mandate until Shareholders General Assembly' managers appointment in terms provided by EGO 109/2011, if this appointment comes before the 4-month term fulfillment;
- it settled the Board of Directors' interim managers' monthly fixed indemnity, by 2 times the average of the last 12 months the gross monthly average earning for the activity ran according to the national economy' activities classification, communicated by the National Institute of Statistics, previously the appointment;
- it approved the management contract form to be concluded with interim managers;
- it empowered Mr. Corneliu Condrea, as the Ministry of Energy' representative in the Shareholders General Assembly, for interim managers mandate contracts' signing, managers appointed in the meeting of 19.06.2017;
- it took note of the information regarding the proposal of unredistribution/undistribution of some existent amounts in accountancy, as a dividend, from the accounts "Other reserves" (account 1068) and "Reported result" (account 117), on 31.12.2016
- By the Shareholders General Extraordinary Assembly' Decision no.10/19.06.2017, it approved to contract an investments credit in an amount of 26,770,050 lei, on long term and for the investments objectives financing " Aboveground positioning of crude oil pipelines network (T1 and T2) Port Storage Farm – South Storage Farm" and "Upgrading of shoretank R34/S"
- By the Shareholders General Extraordinary Assembly' Decision no.11/19.06.2017 it approved alteration and addition of art.7 paragraph 3 of Societatea' Constitutive Act, as follows:

Art. 7 Social capital

- (1) Societatea OIL TERMINAL is a joint stock company, open type
- (2) Social capital is 58,243,025.30 RON, distributed in 582,430,253 nominative shares with a nominal value of 0.10 RON each, fully subscribed and paid by shareholders.
- (3) Shareholding and capital' structure is:

Shareholders	Shares number	Percentage from social capital
Ministry of Energy	347,257,973	59.62
Other physical and legal persons	235,172,280	40.38
TOTAL	582,430,253	100

- By the Board of Directors' Decision no.67/17.07.2017, according to art. 18 paragraph (5) of Constitutive Act in force, it appointed Mr. Gheorghe Cristian Florin, as Board of Directors' Chairman. Societatea OIL TERMINAL SA' Board of Directors' Chairman' mandate period is 4 months or until Shareholders General Assembly' managers' appointment, in terms provided by EGO 109/2011, if this occurs before the 4-month term fulfillment.
- By the Board of Directors' Decision no.68/17.07.2017, the advisory committees structure to run in the Board of Directors was settled, as follows:
 - **Audit Committee:**
CIMPEANU Nicolae - Chairman
BARBU Ionuț – Member
COSTREIE Toma-Bogdan – Member
 - **Nomination and remuneration Committee:**
COSTREIE Toma-Bogdan – Chairman
CIMPEANU Nicolae - Member
ANDREI Ovidiu Aurelian – Member
BECTEMIR Hermina – Member
CONONOV Paul - Member
 - **Development and Strategies Committee:**
ANDREI Ovidiu Aurelian – Chairman
BECTEMIR Hermina – Member
BARBU Ionuț – Member
COSTREIE Toma-Bogdan - Member
CONONOV Paul – Member
- By the Board of Directors' Decision no.76/17.07.2017, it approved to start a litigation by which it will ask the recovery of the amount 12,500 lei, representing the countervalue of the fine paid by Societatea OIL TERMINAL from SC STAAR RATING SRL
- By the Board of Directors' Decision no.77/17.07.2017, the followings were approved:
 - Alteration of the company' organizational structure since 01.08.2017
 - Increase of technical economic socio-administrative positions from 233 to 237 complying with the total positions in force on the present report.
- By the Board of Directors' Decision no.78/25.07.2017, it approved the company' chart alteration, part of Societatea Oil Terminal SA' Regulation of Organization and Running, since 01.08.2017
- By the Board of Directors' Decision no.79/25.07.2017, it appointed Mrs. Marieta Elisabeta STASI as development director, since 01.08.2017
- By the Board of Directors' Decision no.80/25.07.2017, it appointed Mr. Nicu Stefan, as investments and infrastructure safety director, since 01.08.2017
- By the Board of Directors' Decision no.84/04.08.2017, it approved the audited simplified interim financial reports complete don 30.06.2017, issued according to Accountancy Regulations applicable, namely Order no.2844/2016 for the Accountancy regulations approval according to International Standards of Financial Report

- By the Board of Directors' Decision no.85/04.08.2017, it approved the Accountancy report on 30.06.2017, issued according to MFP order no.895/16.06.2017.
- By the Board of Directors' Decision no.86/04.08.2017, it approved Societatea Oil Terminal SA' Board of Directors' report for Semester I 2017, issued according to Annex no.31 of CNVM Regulation no.1/2006
- By the Board of Directors' Decision no.89/04.08.2017, the followings were decided:
 - it approved the staff supplement from 989 to 1012
 - it ordered to the management the necessary steps to be run for the Budget of Revenues and Expenses 2017' correction, according to legal requirements
- By the Board of Directors' Decision no. 90/11.09.2017, the corrected Budget of Revenues and Expenses for 2017 was advised
- By the Board of Directors' Decision no. 92/11.09.2017 the followings were decided:
 - It approved the conclusion of the additional act no.7 of the hire contract no.93/01.01.20104 with Administratia Porturilor Maritime SA in the form proposed by the locator
 - It approved the conclusion of hire contract no. CNAPM – 00093-IDO-03 with Administratia Porturilor Maritime SA in the form proposed by the locator
 - In order to guarantee Oil Terminal' contractual obligations and the hire unpayment risk, it approves a guarantee constitution of good performance available until 31.12.2017
- By the Board of Directors' Decision no. 94/11.09.2017, it advised the value of 1 million Euros representing the insurance policy of the company' managers' civil liability
- By the Board of Directors' Decision no. 98/11.09.2017, the followings were decided:
 - It advised the extension of the credit contract no.1403/27.11.2015, regarding the facility for the bank guarantee letter issuing in an amount of 47,017,708 RON' extension
 - It advised the guarantees structure constituted for 2015' maintenance
- By the Board of Directors' Decision no. 101/11.09.2017, it approved the conclusion of an insurance policy for the general director with 1 million Euros' limit of compensation

Events occurring after the 9-month period completed on 30 September 2017

- By the Board of Directors' decision no.102/03.10.2017, the followings were decided:
 - it advised to supplement by 9,238,842 lei the facility of a bank guarantee letter issuing given by credit contract no.1403/27.11.2015 added/alterd by further additional acts in order to update the amount of the guarantee related to fiscal warehouse authorization at the level of the amount 57,061,043 lei, constituted in ANAF' favor
 - it advised the extension of the facility of a bank guarantee letter issuing in an amount of 56,256,550 lei, given by credit contract no.1403/27.11.2015 added/alterd by further additional acts in order to update the amount of the guarantee related to fiscal warehouse authorization at the level of the amount 57,061,043 lei, constituted in ANAF' favor, facility related to fiscal warehouse authorization
 - it advised the guarantees structure updating
- By the Board of Directors' decision no.109/17.10.2017, the followings were decided:
 - it settled the negotiation team of the Collective Labour Contract 2018-2019
 - it approved the empowerment of Mr. Viorel Sorin CIUTUREANU, as the company' general director, to sign the Collective Labour Contract, negotiated by the negotiation team
- By the Shareholders General Ordinary Assembly' Decision no.13/18.10.2017, it approves the corrected Budget of Revenues and Expenses for 2017

- By the Shareholders General Ordinary Assembly' Decision no. 14/18.10.2017, it approves the value of 1 million Euros representing the insurance policy for the company' managers' civil liability
- By the Shareholders General Ordinary Assembly' Decision no. 16/18.10.2017, it approved the maintenance of guarantees structure in order to extend the credit contract no.1403/27.11.2015 regarding the facility for bank guarantee letter in an amount of 47,017,708 lei' issuing
- By the Shareholders General Ordinary Assembly' Decision no. 17/18.10.2017, the followings were adopted:
 - it approves the recalling of Mrs. Hermina Bectemir from Societatea Oil Terminal SA' Board of Directors' interim manager position;
 - it approves the recalling of Mrs. Ionut Barbu from Societatea Oil Terminal SA' Board of Directors' interim manager position;
 - it appoints Mr. Mihai Catalin CARACOSTEA, as Societatea Oil Terminal SA' Board of Directors' interim manager, since 18.10.2017;
 - it appoints Mr. Nicolae Cristinel DRAGOMIR, as Societatea Oil Terminal SA' Board of Directors' interim manager, since 18.10.2017;
 - it approves of the Board of Directors' interim managers mandate period, managers appointed in item 3), for a period equal to the period until the predecessors' mandates expiry they replace or until the Board of Directors' members selection procedure completion, according to provisions of art. 64¹ of EGO no.109/2011 regarding the corporate governance of public companies, approved with alterations and additions by Law no.111/2016;
 - it settles the interim managers monthly fixed indemnity, managers appointed in the previous item to be equal with the interim managers' indemnity, managers appointed by the Shareholders General Ordinary Assembly no.10/19.06.2017;
 - it settles the interim managers monthly fixed indemnity, managers appointed in the previous item to be equal with the interim managers' indemnity, managers appointed by the Shareholders General Ordinary Assembly no.10/19.06.2017;
 - it empowers Mrs. Aura Gabriela Dumitru, as the major shareholder' representative, the Ministry of Energy, to sign the company' interim managers' management contracts;
 - By the Shareholders General Ordinary Assembly' Decision no. 18/18.10.2017, the followings were adopted:
 - it rejects the managers' mandate period, whose mandate expires on 11.11.2017, by 2 months
 - it rejects the conclusion of an additional act of the management contracts further the mandate period extension;
 - it rejects the empowerment of Mrs. Aura Gabriela Dumitru, as the major shareholder' representative, the Ministry of Energy, to sign the additional acts of the company' managers' management contracts.
- By the Shareholders General Extraordinary Assembly' Decision no. 20/18.10.2017, it approves the one-year extension of a facility for the bank guarantee letter, given by contract no. 1403/27.11.2015 added/alterd by further additional acts, in the National Agency of Fiscal Administration, facility related to fiscal warehouse.
- On 08.11.2017, Shareholders General Ordinary Assembly is convened with the following day agenda:
 - approval of updating the guarantees structure regarding the addition of 9,238,842 lei to the facility for bank guarantee letter issue given by credit contract no. 1403/27.11.2015, added/alterd by further additional acts in favor of the National Agency for Fiscal Administration, facility related to fiscal warehouse authorization
 - the empowerment of the general director, the economic director and the chief of legal-litigations department or their legal representatives to represent the company in relationships with the bank, public attorney and to sign the credit contracts, the guarantees contracts (movables/immovables), all additional acts related to them, and any other inscriptions necessary for the contractual relationships with bank for the granted loans;
 - the empowerment of the meeting chairman to sign the assembly' decisions.

- the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.
 - the settling the date 27.11.2017, as register date, and settling of date 24.11.2017 as ex-date, according to legal provisions.
 - the approval of the interim managers in position' mandate' extension for a 2 – month period.
 - the approval of the conclusion of Additional Acts of Mandate contracts, approved by Shareholders General Ordinary' Decision no.10/19.06.2017, by which their mandates extend by 2 months, the other mandate contracts provisions remaining the same.
 - empowerment of the Ministry of Energy' representative in the Shareholders General Ordinary Assembly to sign the Additional Acts.
 - approval to start Societatea Oil Terminal SA' managers selection procedure, according to EGO no.109/2011, approved with additions and alterations by Law no.111/2016. The procedure will be run by Societatea Oil Terminal SA' Board of Directors.
- On 08.11.2017, the Shareholders General Extraordinary Assembly is convened with the following day agenda:
 - approval to supplement the addition of 9,238,842 lei to the guarantees structure for bank guarantee letter issue given by credit contract no. 1403/27.11.2015, added/alterd by further additional acts in order to update the amount of guarantee related to the fiscal warehouse authorization in favor of the National Agency for Fiscal Administration
 - approval of the extension of the facility for the bank guarantee issue in an amount of 56,256,550 lei, given by to the credit contract no.1403/27.11.2015, added/alterd with further additional acts in favor of the National Agency for Fiscal Administration, facility related to the fiscal warehouse authorization, until 01.11.2018.
 - Empowerment of general director, economic director, chief of legal-litigations dept. and their legal representatives to represent the company in relationship with the bank and to sign in the company name and behalf the additional acts to the credit contract, additional acts to movable/immovable mortgage contracts, Contract of immovable mortgage and any other inscriptions necessary for the contractual relationship with the bank for the granted loans.
 - Empowerment of the meeting Chairman to sign the assembly' decisions.
 - Empowerment of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.
 - the settling the date 27.11.2017, as register date, and settling of date 24.11.2017 as ex-date, according to legal provisions

The presentation of Simplified interim financial situations

The simplified interim financial situations on 30.09.2017 are audited and were issued according to Accounting International Standard 34 – ‘Interim Financial Report’.

**Board of Directors' Chairman,
Cristian Florin GHEORGHE**

**General Director,
Sorin Viorel CIUTUREANU**

**Economic Director,
Adriana FRANGU**

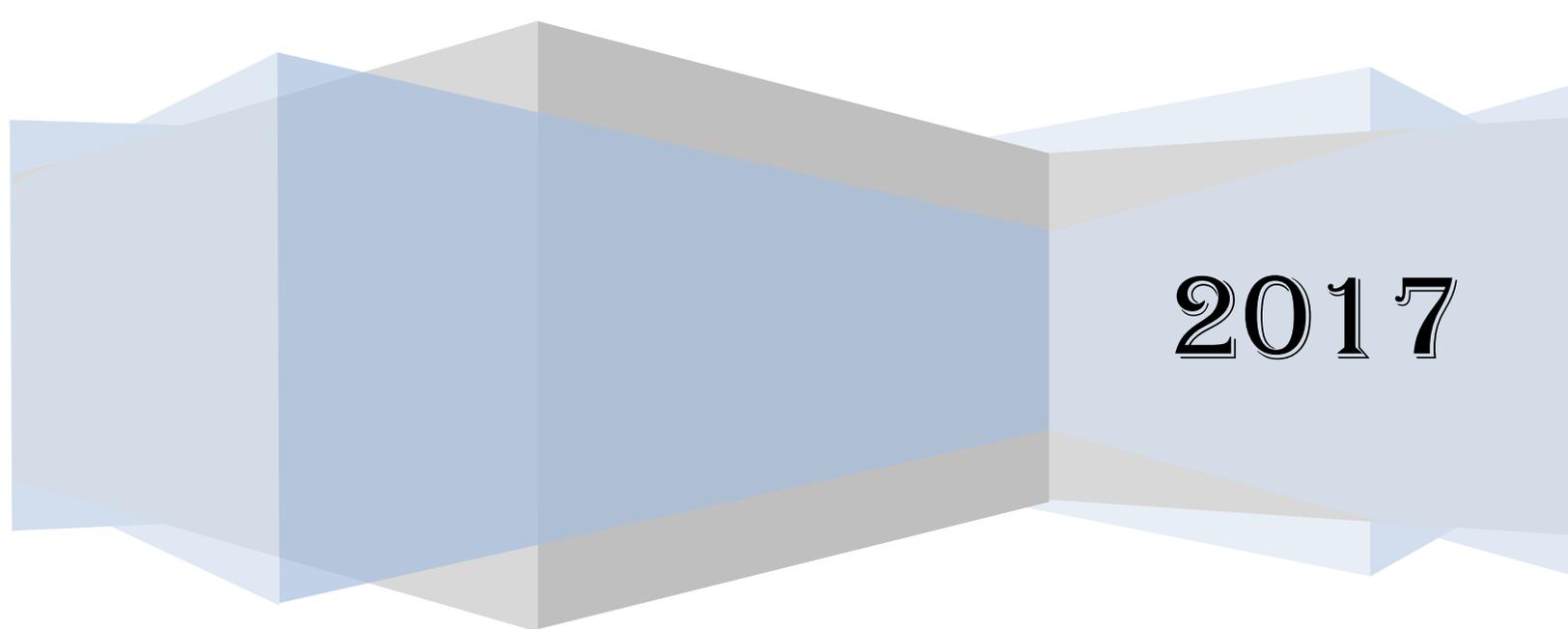
OIL TERMINAL S.A.

SIMPLIFIED INTERIM FINANCIAL

SITUATIONS

**ON THE DATE AND FOR A PERIOD OF NINE MONTHS
COMPLETED ON 30TH SEPTEMBER 2017 (AUDITED)**

**ISSUED ACCORDING TO INTERNATIONAL
ACCOUNTANCY STANDARD 34 -"INTERIM
FINANCIAL REPORT"**



2017

OIL TERMINAL – Financial position situation on 30th September 2017
(all amounts are expressed in lei (RON), if not mentioned otherwise)

	Note	Year ended on 30th September 2017	Year ended on 30th September 2016
ASSETS			
FIXED ASSETS			
Intangible assets	17	3,631,460	3,609,380
Tangible assets	15	450,938,302	458,409,851
Tangible assets in execution	16	8,382,423	2,310,795
Other immobilized receivables	18	810,089	809,075
Total fixed assets		463,762,274	465,139,101
CURRENT ASSETS			
Stocks	19	974,812	1,055,927
Clients and assimilated accounts	20	16,090,241	16,478,491
Other receivables	21	2,970,690	1,894,626
Fees and taxes to be recovered	21	571,345	1,035
Cash and cash equivalents	22	16,066,178	26,001,896
Total current assets		36,673,266	45,431,975
Total assets		500,435,540	510,571,076
OWN CAPITALS			
Social capital	23	58,243,025	58,243,025
Other elements of own capitals	24	320,003	320,003
Reserves from reevaluation	25	210,027,843	210,424,839
Legal reserves	27	4,744,817	4,744,817
Other reserves	27	174,395,611	174,395,611
Surplus achieved from reevaluation reserves	26	5,077,860	4,680,864
		396,930	396,930
Result reported without IAS 29	26	(25,839,366)	(25,839,366)
Result reported arisen from accountant errors correction		11,508,910	15,419,450
Current profit		0	(1,193,812)
Total own capitals		438,875,633	441,592,361
DEBTS ON LONG TERM			
Loans on long term	28	9,923,271	7,331,250
Debts regarding tax on postponed profit	28	28.624.578	28.624.578
Total debts on long term		38,547,849	35,955,828
CURRENT DEBTS			
Loans on long term – current part	28	1,275,000	1,815,458
Commercial debts	31	11,982,438	11,452,246

Annexed notes 1- 41 are part of these simplified financial interim situations

OIL TERMINAL – Financial position situation on 30th September 2017
(all amounts are expressed in lei (RON), if not mentioned otherwise)

Debts regarding impots and taxes	32	4,475,489	5.727,672
Other current debts	33	3,309,350	2,276,884
Total current debts		21,042,277	21,272,260
Total debts		59,590,126	57,228,088
Provisions	34	1,914,180	11,688,173
Subventions	35	55,601	62,454
Total own capitals and debts		500,435,540	510,571,076

The financial situations presented were issued by the company on 09.11.2017 and signed in its name by:

Board of Directors' Chairman,
Gheorghe Cristian Florin

General Director,
Ciutoreanu Viorel-Sorin

Economic Director,
Frangu Adriana

Chief of Accountant Dept.,
Popovici Cecilia

OIL TERMINAL –Situation of overall result on 30th September 2017
(all amounts are expressed in lei (RON) if not mentioned otherwise)

	Note	30th September 2017	30th September 2016
Revenues from services supplies	3	119,470,733	116,132,479
Revenues from residual products sale	4	1,296,153	730,884
Other revenues from operating	5	10,676,746	2,749,535
Material expenses	7	(6,652,314)	(5,816,140)
Energy and water expenses	8	(3,075,886)	(2,865,889)
Employees expenses	9	(53,342,510)	(47,093,726)
Services supplied by third parties expenses	10	(12,295,039)	(8,797,037)
Amortization expenses	11	(9,225,618)	(9,221,606)
Other operating expenses	12	(33,546,740)	(25,964,718)
Result from operating		113,305,525	19,853,782
Revenues and financial expenses (net values)	6	(943,545)	(1,145,700)
Year gross result		12,361,980	18,708,082
Taxation on balance expenses	13	853,070	3,388,101
Year net result		11,508,910	15,319,981
Overall result other elements:			
Elements not being reclassified for profit and loss, from which:		396,996	53,873
Earnings from leased/ scrapped real estate' reevaluation	26	396,996	53,873
Total overall result	39	11,905,906	15,373,854
Result per share (lei/share)		0.02044177	0.02639604
Result per diluted share (lei/share)	39	0.02044177	0.02639604

The presented simplified interim financial situations were issued by the company on 09.11.2017 and signed in its name:

Board of Directors' Chairman,
Gheorghe Cristian Florin

General Director,
Ciutoreanu Viorel-Sorin

Economic Director,
Frangu Adriana

Chief of Accountant Dept.,
Popovici Cecilia

OIL TERMINAL – Situation of own capitals alterations on 30 September 2016
(all amounts are expressed in lei (RON) if not mentioned otherwise)

	Subscribed paid social capital	Other elements of own capital	Reserves from reevaluation	Legal reserves	Reported result representing surplus achieved from reserves from reevaluation	Other reserves	Reported result arisen from the first adoption of IAS, less IAS 29	Reported result arisen from accountant errors correction	Year result	Profit distribution	Retained earnings	Total own capitals
Balance on 1 January 2016	58.243.025	221.566	211.016.140	3.153.540	4.089.562	171.733.191	396.930	(25.839.366)	5.913.710			428.928.298
Year net profit									15.319.981			15.319.981
Overall result' other elements:												
Surplus from reevaluation of tangible assets												
Total of overall result' other elements												
Transfer of shoretanks from reevaluation into reported result			(53.872)		53.872							
Taxation on postponed profit												
Period' overall total result			(53.872)		53.872				15.319.981			15.319.981
Other elements				539.045		2.520.840			(3.059.885)			0
Other elements total				539.045		2.520.840			(3.059.885)			0
Dividends' distribution									(2.853.825)			(2.853.825)
Profit distribution												
Balance on 30 September 2016	58.243.025	221.566	210.962.268	3.692.585	4.143.435	174.254.031	396.930	(25.839.366)	15.319.981			441.394.455

For details regarding own capitals, notes: 23, 24, 25, 26, 27 must be read.

The presented financial situations were issued by the company on 09.11.2017 and signed in its name by:

Board of Directors' Chairman,
Gheorghe Cristian Florin

General Director,
Ciutoreanu Viorel – Sorin

Economic Director,
Frangu Adriana

Chief of Accountant Dept.,
Popovici Cecilia

OIL TERMINAL – Situation of own capitals alterations on 30 September 2017
(all amounts are expressed in lei (RON) if not mentioned otherwise)

	Subscribed paid social capital	Other elements of own capital	Reserves from reevaluation	Legal reserves	Reported result representing surplus achieved from reserves from reevaluation	Other reserves	Reported result arisen from the first adoption of IAS, less IAS 29	Reported result arisen from accountant errors correction	Year result	Profit distribution	Retained earnings	Total own capitals
Balance on 1 January 2017	58.243.025	320.003	210.424.839	4.744.817	4.680.864	174.395.611	396.930	(25.839.366)	15.419.450	(1.193.812)	0	441.592.361
Year net profit									11.508.910			11.508.910
Overall result* other elements:												
Surplus from reevaluation of tangible assets												
Total of overall result* other elements												
Transfer of shore tanks from reevaluation into reported result			(396.996)		396.996							0
Taxation on postponed profit												
Period* overall total result			(396.996)		396.996				11.508.910			11.508.910
Other elements									(14.225.638)		14.225.638	0
Other elements total									(14.225.638)		14.225.638	0
Dividends* distribution											(14.225.638)	(14.225.638)
Profit distribution									(1.193.812)	1.193.812		0
Balance on 30 September	58.243.025	320.003	210.027.843	4.744.817	5.077.860	174.395.611	396.930	(25.839.366)	11.508.910	0	0	438.875.633

For details regarding own capitals, notes: 23, 24, 25, 26, 27 must be read.

The presented financial situations were issued by the company on 09.11.2017 and signed in its name by:

Board of Directors' Chairman,
Gheorghe Cristian Florin

General Director,
Ciutoreanu Viorel – Sorin

Economic Director,
Frangu Adriana

Chief of Accountancy Dept.,
Popovici Cecilia

Annexed notes 1-41 are part of these simplified financial interim situations

OIL TERMINAL –Cash flows situation on 30 September 2017 (all amounts are expressed in lei (RON) if not mentioned otherwise

	Note	30th September 2017	30th September 2016
Flow cash from operating activity			
Net profit		11.508.910	15.319.981
Regulations for nonmonetary elements			
Amortization and regulations from the fixed assets depreciation	11	8.669.936	9.221.606
(Profit) /Loss from fixed assets' disposal		(8.448)	(47.873)
Net movement of regulations for current assets	19,20	(31.390)	(73.602)
Net movement of provisions for risks and expenses	34	(9.773.993)	(1.058.613)
Other regulations		(1.182.775)	(2.363.356)
(Profit)/Loss regarding interests	6	223.083	286.448
(Profit)/Loss from different currency exchange rate differencies	6	729.056	876.568
Operational profit before other alterations in the current capital		(1.374.531)	6.841.178
(Increases)/Decreases in stocks value	19	81.115	(282.004)
(Increases)/Decreases of receivables	20,21	(1.258.124)	173.053
Increases/(Decreases) in commercial and of different kind debts value	32,33	(776.398)	(6.105.965)
Net received (paid) interests	6	(223.083)	(286.448)
Net cash flow from the operating activity		7.957.889	15.659.795
Cash flow used in investments activity			
Tangible and intangible assets	15,16,17	(7.886.306)	(11.797.447)
(Increases)/Decreases in assets value on long term	18	(1.014)	-
Net cash flow used in the investments activity		(7.887.320)	(11.797.447)
Cash flow from financing activities			
(Increase) /Decrease of loans on short term	28,30	540.458	810.688
increase/(Decrease) of loans on long term	28	2.592.021	(1.361.593)
Paid dividends		(13.138.766)	(2.657.607)
Cash flow from financing activities		(10.006.287)	(3.208.512)
Net (decrease) of cash and cash equivalents		(9.935.718)	653.836
Cash and cash equivalents value at the year start	22	26.001.896	21.022.923
Cash and cash equivalents value at the period end	22	16.066.178	21.676.759

The presented interim simplified financial situations were issued by the company on 09.11.2017 and were signed on its behalf of it by:

Board of Directors' Chairman,
Gheorghe Cristian Florin

General Director,
Ciutoreanu Viorel-Sorin

Economic Director,
Frangu Adriana

Chief of Accountant Dept.,
Popovici Cecilia

1. General information about main activities

Oil Terminal S.A. Constanta is a stock company residing in Romania. The company has the social headquarter in Constanta, no.2, Caraiman str..

The company was founded according to Law 15/1990 and Romanian Government decision no.1200/12.11.1990, S.C.Oil Terminal S.A., being a stock company and was registered at Commerce Registrar Office of Constanta Court under no. J13/512/01.02.1991, having fiscal register code RO 2410163. OIL TERMINAL is the largest terminal for import/export of crude oil, petroleum and petrochemical products at a national level.

According to the company' statute, the object of activity contains services supplies regarding crude oil, petroleum and liquid chemical products storage, receiving, loading, discharging and conditioning from import/export and transit.

Oil terminal SA Constanta has a storage capacity of about 1.5 million metric tons and is the largest operator by sea in Constanta port, specialized in crude oil, petroleum, liquid petrochemical and other finite products and other liquid raw liquids for import, export and transit, representing a strategical location in the Black Sea area.

The oil terminal in Constanta is one of the largest of this kind in south-eastern Europe, located in the maritime transport crossroads among Asia, Central and Western Europe and Middle East.

Old of 119 years in this field of activity, the company ensures crude oil, petroleum, petrochemical and liquid chemical products' import, export and other services supplies.

OIL TERMINAL S.A has three storage farms (North, South, Port). Each storage farm, according to its characteristics, is provided with:

- Shoretanks with capacities between 1,000 cm and 50,000 cm, of metallic construction, cylindrical, vertically located –above ground, safety protection belts, fixed or floating roof, with the stored product quantity remotely measured and with fire fighting system;
- Facilities for petroleum, petrochemical and liquid chemical products loading-discharging consisting of rail platforms with a total length of abt. 30 kms with a cumulated capacity of abt. 20,000 tons/24 hours;
- Facilities for gas oil loading into railcars provided with volumetric flowmeters;
- Transport pipelines with diameters between 100 and 1000 mm, for withdrawals inside the storage farms, the connection among them and the jetties where vessels are operated;
- Pump houses achieving flows between 100 cm /h and 2,500 cm/h (pumps KSB South sf.);
- Remote flowmeters facilities located in the very neighbourhood of loading/discharging jetties for gas oil, gasoline, crude oil' discharging;
- Facilities for firefighting consisting of pipelines reaching each shoretank, pump houses, fire fighting stuff specific for each product, firemen equipped by fire fighting cars;
- Boiler for technological steam supply;
- Facilities on jetty foe products' loading into barges (crude oil, gas oil, gasoline, fuel oil) and for vessels' light and heavy fuel bunkering in all oil jetties
- Laboratories RENAR authorized, provided with apparata to determine specific physical, chemical tests;
- Facilities to catch and clean waste waters;
- Equipments for railcars' manoeuvre in discharging platforms by engines and own staff, AFER certified and authorized.

Oil terminal is located in pier 4 Constanta port area, jetties 69-79. This operates 7 operational jetties from which 6 have depths of 12.80 m and a length of 325 m – jetties 69-76, jetty 79 has the depth of 17.50 m and length of 393 m, allowing operation of vessels with a capacity up to 150,000 dwt.

Jetties are provided with coupling facilities at vessels for loading, discharging, hydraulically operated, with diameters of 12'' WOODFIELD type, Dn 300 mm and operation flow 2,000 t/h in jetties 70-76 and with diameter of 16'' FLEXIDER type, Dn 400 mm, operation flow 2,000 t/h in jetty 79.

Each jetty is provided with fire fighting water and foam facilities. Jetties 69-73 are provided with water/foam cannons. Jetties 75,76,79 have firefighting water/foam located in cannons at a height of 16 m remote control. There is also facility for water wall formation between vessel and Oil Terminal facilities.

OIL TERMINAL SA is interconnected with Romanian refineries by transport company CONPET SA Ploiesti for crude oil' transport from terminal to refineries, by underground pipelines being part of national transport network.

Terminal is also connected to the national rail system, road system and Danube-Black Sea canal.

The main internal market competitors are:

- Midia port terminal operated by SC Rompetrol Rafinare SA Constanta;
- Terminal Unicom-Oil Terminal Galati;
- Frial SA Constanta and Minmetal SA Constanta

The main external market competitors are:

- Terminal of Omisalj port in Croatia, which undertook the total crude oil transit to Serbia;
- Reni terminal.

The company has certificate for quality management received from Bureau Veritas Romania, available until 13 May 2018.

The main services supplied by the company are:

- receiving, storage, conditioning and dispatch of rude oil, fuel oil, petroleum, petrochemical and liquid chemical products for import, export and transit;
- tests and technical analyses for the handled products in own laboratories;
- tests and technical analyses for the third parties in own laboratories;
- repairs and maintenance works for its own facilities and equipments;
- its own facilities' hiring;
- wholesale of residues and wastes.

The turnover achieved on 30.09.2017 is **120,895,051** lei. Comparing to the previous year, a decrease in absolute size of **4,058,818 lei** was achieved.

The turnover distribution achieved by handled products in period 01.01.-30.09.2017 comparing to period 01.01- 30.09.2016 is as followings:

Petroleum products lei	30 September2017	30 September 2016
Crude oil	42,446,387	36,258,971
Gas oil	42,980,038	44,938,487
Gasolene	7,864,797	8,533,823
Fuel oil	13,239,905	14,622,809
Chemical products	8,354,044	7,516,597
Residual products	790,065	362,705
Other products and services	5,219,815	4,602,841
TOTAL	120,895,051	116,836,233

OIL TERMINAL - Notes of simplified interim financial situations on 30th September 2017
(all amounts are expressed in lei (RON) if otherwise not mentioned)

The main economic financial indicators achieved by the company on 30.09.2017 and 30.09.2016 are the followings:

Indicator name	30 September 2017	30 September 2016
Current liquidity	1.74	2.11
Immediate liquidity	1.70	2.06
Rotation speed of clients debts (days)	36	33
Rotation speed of suppliers credits (days)	25	29
Rotation speed of intangible assets (rot)	0.26	0.25
Rotation speed of total assets (rot)	0.24	0.23
Rentability of the engaged capital (%)	2.65	3.99
Result on base share (lei/share)	0.02044177	0.02639604
Indicator regarding the interests recovery (number of times)	41.98	51.81
Gross limit from sales (%)	10.22	16.01

On 30.09.2017, average employees number is 937 and the effective employees number is 980.
Expenses structure for employees is as follows:

Indicator	30 September 2017	30 September 2016
Salaries, meal tickets, indemnities expenses	41,183,990	37,003,408
Expenses regarding the bonuses for employees' participation to profit	1,580,626	570,765
Insurances and social protection	10,809,826	9,702,082
Expenses regarding the employees' salaries	38,566,900	35,170,743

In the period 01.01 – 30.09.2017, Oil Terminal handled the following trades with state owned companies:

Partner	Unpaid amounts on 31 December 2016	Sales in period 01.01-30.09.2017	Discounts in period 01.01-30.09.2017	Undiscounted amounts on 30 September 2017
OLTCHIM SA	115,215	256,969	371,132	1,052
S.N.T.F.M CFR MARFA SUCURSALA MUNTENIA DOBROGEA	3,565	17,842	19,922	1,485
TOTAL	118,780	274,811	391,054	2,537

Partner	Unpaid amounts on 31 December 2016	Acquisitions in period 01.01-30.09.2017	Discounts in period 01.01-30.09.2017	Undiscounted amounts on 30 September 2017
C.N.C.F. CFR SA	-	230,019	211,378	18,641
COMPANIA NATIONALA	26,095	1,817,727	1,813,220	30,602

OIL TERMINAL - Notes of simplified interim financial situations on 30th September 2017
(all amounts are expressed in lei (RON) if otherwise not mentioned)

ADMINISTRATIA PORTURILOR MARITIME				
RAJA	48,137	850,400	799,756	98,781
ELECTRIFICARE CFR	20,772	20,598	41,370	-
AUTORITATEA FERROVIARA ROMANA	631	39,577	40,208	-
REGIA NATIONALA A PADURILOR ROMSILVA	16,170	-	16,170	-
AUTORITATEA NAVALA ROMANA	-	13,634	13,634	-
MONITORUL OFICIAL	-	17,861	17,861	-
COMPANIA NATIONALA PENTRU CONTROLUL CAZANELOR, INSTALATIILOR DE RIDICAT SI RECIPIENTELOR SUB PRESIUNE-C.N.C.I.R	-	10,924	10,924	-
COMPANIA NATIONALA POSTA ROMANA SUC. SERVICII EXPRESS	-	1,514	1,514	-
TELECOMUNICATII CFR	-	8,124	8,124	-
CENTRUL NATIONAL DE CALIFICARE SI INSTRUIRE FERROVIARA	-	480	480	-
ADMINISTRATIA NATIONALA APELE ROMANE ADMINISTRATIA BAZINALA DE APA DOBROGEA LITORAL	-	4,144	4,144	-
AUTORITATEA RUTIERA ROMANA- ARR	-	3,161	3,161	-
BURSA DE VALORI	-	8,925	8,925	-
TOTAL		111,805	3,027,088	2,990,869
				148,024

OIL TERMINAL SA' executive management in the period 01.01.2017-30.09.2017 is:

No.	Name/first name	Position
1.	Viorel Sorin CIUTUREANU	General Director 06.07.2012 – present
2.	Adriana FRANGU	Economic Director 10.07.2012 – present
3.	Emil ROHAT	Technical Director 04.01.2011 – present
4.	Gabriel DARABAN	Commercial Director 10.07.2012 – present
5.	Marieta Elisabeta STASI	Development Director 01.08.2017 – present
6.	Nicu STEFAN	Investment and Infrastructure Safety 01.08.2017 - present

In the period 01.01.2017-30.09.2017, the indemnities of the Board of Directors' members are in a total amount of 231,932 lei.

On 30.09.2017, there are no recorded advances and credits given to the management entities. The company' management is provided by a Board of Directors made of 7 members.

OIL TERMINAL - Notes of simplified interim financial situations on 30th September 2017
(all amounts are expressed in lei (RON) if otherwise not mentioned)

In the period 01.01.2017-30.09.2017 the Board of Directors' structure was:

No.	Name/first name	Birth date	Profession	Position
1.	CATALIN CONSTANTIN GRIGORESCU	21.05.1975	Legal adviser	Manager -28.03.2016-09.03.2017
2.	IULIA GABRIELA TANASE	05.07.1979	Engineer	Manager 28.03.2016-10.10.2016 13.12.2016-09.03.2017
3.	DUMITRU MATEI	08.07.1965	Engineer	Manager 28.03.2016-09.03.2017 BoD chairman – 18.10.2016-19.01.2017
4.	BOGDAN VALENTIN GHITA	05.07.1969	Engineer	Manager 28.03.2016 – 10.10.2016 13.12.2016 – 09.03.2017
5.	TOMA – BOGDAN COSTREIE	13.11.1976	Legal adviser	Manager 14.05.2015-present BoD chairman – April 2016-17.10.2016 20.01.2017-02.04.2017
6.	MOISE NICOLETA MARIANA	27.08.1982	Economist	Manager 11.08.2016 – 10.10.2016 13.12.2016 – 10.07.2017
7.	S.C. STAAR RATING SRL	-	Legal entity represented by Dan Cristian BARBULESCU	Manager May 2015-10.07.2017
8.	CRISTIAN FLORIN GHEORGHE	03.08.1975	Engineer	Manager 10.03.2017- present BoD chairman – 03.04.2017 - present
9.	IONUT BARBU	05.08.1978	Engineer	Manager -10.03.2017-present
10.	HERMINA BECTEMIR	15.07.1974	Engineer	Manager-10.03.2017-present
11.	OVIDIU AURELIAN ANDREI	25.08.1967	Enginner/Legal adviser	Manager-10.03.2017-present
12.	NICOLAE CIMPEANU	29.10.1967	Economist	Manager – 11.07.2017-present
13.	CONONOV PAUL	03.02.1965	Engineer	Manager – 11.07.2017-present

By Shareholders General Ordinary Assembly' decision no.17/18.10.2017, Mrs. Bectemir Hermina and Barbu Ionut were recalled from the managers position, in their place Mr. Caracostea Catalin Mihail and Mr. Dragomir Cristinel Nicolae being appointed.

The Shareholders General Ordinary Assembly' decision no.17/18.10.2017 was not recorded in the Commerce Registrar Office of Constanta Court as a shareholder submitted an intervention request against its recording, the file being submitted to be solved up to Constanta Court.

On 30.09.2017, Societatea Oil Terminal SA has no relationships with associated branches or entities and does not have participations in other companies.

2. Significant accountant policies

The accountant policies applied to these simplified interim financial situations are the same as those applied in the company' financial situations on the date and for the financial year completed on 31st December 2016.

The simplified interim financial situations concluded on 30.09. 2017 were revised by an extern auditor.

2.1 Conformity Statement

These financial reports were issued according to IAS 34 – Interim financial report. These don't include all necessary information for a full financial situations set according to International Standards of Financial Report (IFRS).

Nevertheless, some Explanatory Notes are included in order to explain the outstanding events and trades to understand the alterations occurred in Societatea' financial position and performance since the latest financial situations, on the date and for the financial year completed on 31st December 2016.

2.2. Functional and presentation currency

These reports are presented in lei, this being the company' functional currency. All financial information is in lei, rounded to integer if not mentioned otherwise.

2.3 Use of estimations and professional reasonings

The preparation of the financial reports according to IFRS supposes the management' use of some estimations, judgements and suppositions affecting the accountant policies application and the assets, debts, revenues and expenses' reported value. The estimations and suppositions associated to these estimations are based on the hystorical experience and on other reasonable factors in the context of these estimations. The results of these estimations is the base of the judgements regarding the assets and debts' accountant values not being got from other information sources. The current results can be different from the estimations values.

The outstanding reasonings used by the management to apply the company' accounting policies and the main uncertainties sources regarding the estimations were the same as those applied the annual financia situations on the date and for the financial year completed on 31st December 2016.

2.4 Transactions in foreign currency

Transactions in foreign currency are changed into the company' functional currency using the exchange rate of the trade date.

The monetary assets and the denominated debts in the foreign currency on the balance sheet issue date are changed into the functional currency by an exchange rate on the balance sheet date.

The exchange rates differencies are recorded in the profit and loss account.

The non monetary asssets and liabilities, presented startibg the hystorical cost in foreign currency are changed using the exchange rate on the trade date.

On 30.09.2017, namely 30.09.2016 the official exchange used for balance' conversion into foreign currency are:

Currency		30 September 2017	30 September 2016
1 SWISS FRANC	CHF	4.0130	4.1041
1 EURO	EUR	4.5991	4.4523
1 STERLING POUND	GBP	5.2111	5.1627
1 USA DOLLAR	USD	3.8977	3.9822

3. Revenues from operating – supplied services

The revenues achieved by the company are reported at the following values level:

	30 September 2017	30 September 2016
Revenues from service supplies	118,781,625	115,444,248
Revenues from goods use lease	319,442	333,412
Revenues from various activities	369,666	354,819
Total revenues from services supplies	119,470,733	116,132,479

4. Revenues from residual products sale

	30 September 2017	30 September 2016
Revenues from residual products sale (recovered fuel type A)	790,065	362,705
Revenues from other wastes recovery	634,253	341,050
Revenues related to products stocks costs	(128,165)	27,129
Total revenues from residual products sale	1,296,153	730,884

5. Other revenues from operation

	30 September 2017	30 September 2016
Revenues from regulations for clients' receivables	178,149	95,972
Expenses for impairment of clients' receivables	(124,539)	(56,660)
Net provisions for receivables	53,610	(39,312)
Revenues from immobilizations	-	31,624
Revenues from penalties	32,288	25,571
Revenues from tangible assets sale	46,975	88,572
Revenues from provisions reversal	9,803,348	1,087,063
Expenses regarding provisions	(29,355)	(28,550)
Revenues regarding regulations for assets' impairment	555,682	1,144,979
Net regulations for provision	10,329,675	2,203,592
Revenues from regulations for stocks	29,949	55,803
Expenses for stocks impairment		
Net regulations for stocks impairment	(52,169)	(21,513)
Other revenues from operation	(22,220)	34,290
Total revenues from operation	236,418	326,574

	10,676,746	2,749,535
6. Revenues and Financial expenses		
	30 September 2017	30 September 2016
Revenues from interests	78,565	81,742
Revenues from exchange currency rate differencies	183,766	398,813
Revenues from earned discounts	8,594	17,316
Total financial revenues	270,925	497,871
Expenses regarding the paid interests	(301,648)	(368,190)
Expenses from exchange rate differencies	(912,822)	(1,275,381)
Total financial expenses	(1,214,470)	(1,643,571)
Net financial results	(943,545)	(1,145,700)

7. Materials expenses

	30 September 2017	30 September 2016
Additional materials expenses	2,924,442	2,107,571
Fuels expenses	938,572	940,870
Packing stuff expenses	54,675	63,747
Spare parts expenses	790,314	1,018,100
Other supplies expenses	539,349	581,755
Inventory objects expenses	1,392,859	1,091,340
Non stored stuff expenses	12,103	12,757
Total materials expenses	6,652,314	5,816,140

8. Power and water expenses

	30 September 2017	30 September 2016
Water consumption expenses	1,032,096	912,750
Electric power consumption expenses	2,043,790	1,953,139
Total Power and water expenses	3,075,886	2,865,889

9. Staff expenses

	30 September 2017	30 September 2016
Managers salaries expenses (general director)	168,597	168,597
Expenses regarding the employees' salaries from which: executive directors*	38,566,900	35,170,743
Expenses regarding the participation to profit bonuses	497,916	423,458
Expenses regarding the meal tickets given	1,580,626	570,765
Expenses regarding contribution to social insurances fund	2,216,561	1,481,539
Expenses regarding contribution to health fund	6,960,326	6,189,355
Expenses regarding contribution to unemployment	2,107,669	1,876,351
Other expenses regarding the insurances and social protection	302,139	269,198
Total salaries expenses	1,439,692	1,367,178
	53,342,510	47,093,726

*The values represent gross amounts given in period 01.01.- 30.09.2016 for 5 directors from which 148,963 lei represent the contributions due by the employee, the taxation included, in period 01.01.-30.09.2017 for 4 directors, from which 121,587 lei represent the contributions due by the employee, the taxation included.

Employees

On 30.09.2017 the average employees number is 937, and the real employees number is 973 on 30.09.2017, structured on the following training levels:

	30 September 2017	30 September 2016
High training staff, from which:	179	184
Management positions staff	38	36
Average/gymnasium training staff, from which:	801	789
Qualified staff	743	724
Total	980	973

The salaries and the related contributions expenses recorded on 30 September 2017 comparing to 30 September 2016 are the followings:

	30 September 2017	30 September 2016
Salaries expenses	23,793,142	21,823,974
Expenses regarding the contribution to the social insurances fund, health and unemployment fund	9,370,134	8,334,904
Total	33,163,276	30,158,878

Note: Position "Salaries expenses" doesn't include employees' allowances and bonuses or the General Director and the Board of Directors' members' indemnities.

OIL TERMINAL - Notes of simplified interim financial situations on 30th September 2017
(all amounts are expressed in lei (RON) if otherwise not mentioned)

According to the Labour Collective Contract' provisions in force, the company gave the employees the following allowances and bonuses: Easter, Christmas, Oil worker day bonuses, output bonus, loyalty bonuses, retirement allowance, marriage allowance, employees participation to profit, treatment and rest tickets, the transport included, gifts given to women employees and to the employees' minor children, birth, funeral, severe diseases allowances, meal tickets and other bonuses (hospitalization aids, accommodation)

Obligations regarding the employees' bonuses are as follows:

	30 September 2017	30 September 2016
Retirement bonuses	460,725	357,365
Benefits	9,820,363	8,814,930
Other bonuses	187,071	150,342
Total	10,468,159	9,322,637

Obligations regarding the employees' allowances are as follows:

	30 September 2017	30 September 2016
Rest and treatment tickets and the related transport	849,310	822,650
Gifts given to women employees and to minor children	107,850	112,050
Birth aids	107,850	107,850
Funeral aids	289,382	276,478
Aids for severe diseases	85,300	48,150
Meal tickets	2,216,561	1,481,539
Bonuses acc. The Labour Collective Contract	2,086,750	2,104,900
Loyalty bonuses	1,983,461	1,768,581
Marriage aids	79,090	28,760
Hospitalization aids	142,994	106,258
Accommodation aids	13,304	15,633
Employees' participation to profit	1,580,626	570,765
Total	9,542,478	7,443,614

General Director, the Board of Directors' members

The indemnities paid to the General Director, Board of Directors' members, by Societate on 30.09.2017 comparing to 30.09.2016 are here-below detailed:

	30 September 2017	30 September 2016
Indemnity related to mandate contract	168,597	168,597
Board of Directors' members' indemnities	231,932	114,149
Total	400,529	282,746

10. Third parties supplied services expenses

	30 September 2017	30 September 2016
Expenses regarding various services supplied by third parties	11,209,820	8,038,006
BOD and AGA indemnities expenses	231,932	182,529
Phone supplies services expenses	294,985	271,710
Bank supplies services expenses	323,182	212,897
Commissions and fees expenses	235,120	91,895
Total third parties supplied services expenses	12,295,039	8,797,037

11. Immobilizations amortization expenses

	30 September 2017	30 September 2016
Intangible assets amortization expenses	49,983	228,917
Tangible assets amortization expenses, from which:	9,175,635	8,992,689
Buildings and buildings facilities	6,832,239	6,429,384
Technical facilities, technological equipments	1,885,184	2,092,682
Furniture and other immobilizations	458,212	470,623
Total immobilizations amortization expenses	9,225,618	9,221,606

12. Other operation expenses

	30 September 2017	30 September 2016
Repairs expenses	16,238,734	11,366,914
Maintenance expenses	6,069,340	2,567,693
Royalties expenses	4,634,851	4,796,418
Hires and administrative locations expenses	2,889,804	2,486,705
Insurance premium expenses	162,255	224,358
Studies and researches expenses	549,327	255,061
Staff training expenses	116,488	124,825
Advetising expenses	47,473	51,383
Protocol expenses	87,528	40,561
Movement/travel expenses	162,878	181,542
Expenses regarding other taxes and fees	1,840,534	2,436,869

Expenses regarding the granted donations	30,000	13,400
Compensations, fines, penalties expenses	17,621	9,803
Other expenses from operation	699,907	1,409,186
Total other operation expenses	33,546,740	25,964,718

13. Taxation on current and postponed profit

Taxation on the company' current and postponed profit on 30.09.2017 and 30.09.2016 is settled at a statutory rate of 16%.

a. Taxation on current profit

Tax on profit found in the profit and loss account:

	30 September 2017	30 September 2016
Current tax expenses	853,070	3,388,101
Total expenses regarding the tax on profit	853,070	3,388,101

The company recorded tax on profit costs on the current activity and on the differences from reevaluation, transferred on the amortization expenses during the year, taxable in the profit tax calculation.

In period 01.01-30.09.2017, the company didn't record a revenue or expense regarding the postponed taxation.

On 30 September 2017, Societatea records a gross profit of year in an amount of 12,361,980 lei.

For 30.09.2017, the fiscal profit calculated according to provisions of Law 227/2015 regarding the Fiscal Code, with further alterations and additions is in a value of 5,519,185 lei and the profit calculated on the fiscal profit is in an amount of 883,070 lei. The taxation on profit due of 883,070 was diminished by the sponsorship expenses of 30,000 lei according to provisions of Law no.227/2015 regarding Fiscal Code with further alterations and additions, a taxation on profit of 853,070 lei to be paid arising.

Reconciliation of the taxation effective rate for 30.09. 2017 comparing to 30.09.2016 is as follows:

	30 September 2017	30 September 2016
Profit before the tax on profit	12,361,980	18,708,083
Profit before the taxation on profit (sponsorship expense excluded)	12,391,980	18,721,483
Tax on profit at the statutory rate of 16%	1,982,717	2,995,437
Effect of non-deductible expenses	145,971	236,382
Taxation of reserves from reevaluation	591,652	710,108
Nondeductible revenues effect	(1,690,740)	(381,427)
Deductions from legal reserve	(98,896)	(149,665)
Reinvested profit	(47,634)	(9,334)
Exemptions for sponsorship	(30,000)	(13,400)
Expense of taxation on profit	853,070	3,388,101

b. Taxation on postponed profit

The postponed payment taxation and those to be recovered taxations are calculated according to the taxable and/or deductible temporary differences, settled for assets and debts as differences between the asset and/or debt accountant value and the amount for fiscal targets. Societatea recognizes postponed taxations on an expense or a revenue, excluding the taxation generated by an accounted event directly in own capitals.

On 30.09.2017, the tax on postponed profit, constituted on its own capitals does not record alterations comparing to 31st December 2016 and is in an amount of 28,624,578 lei.

On the 31st December 2014, a tax on postponed profit, related to reserves from reevaluation for 2011-2014, on its own capitals of 25,943,248 lei, by account'' reported result arisen from accountant errors correction'' was recorded according to IAS 8 ''Accountant policies, accountant estimations alterations and errors''.

For 2015, a tax on postponed profit, constituted on its own capitals in an amount of 2,779,767 lei so that on 31.12.2015 the taxation on postponed profit constituted on own capitals is 28,723,015 lei.

In 2016 the taxation on postponed profit constituted on own capitals was diminished by 98,437 lei, representing taxation on postponed profit related to reserves from reevaluation for the leased/out of work assets transferred in the reported result, arising a taxation on postponed profit recognised on own capitals on 31.12.2016, in an amount of 28,624,578 lei.

14. Information on segments

Oil Terminal SA has only one reporting segment, namely services supplies regarding receiving, storage, conditioning and dispatch of crude oil, fuel oil, petroleum, petrochemical and liquid chemical products for import, export and transit.

Total revenues from supplied services

	30 September 2017	30 September 2016	Δ %
Services supplies regarding receiving, storage, conditioning and dispatch of crude oil, fuel oil, petroleum, petrochemical and liquid chemical products.	118,781,625	115,444,248	3

Services supplies for external clients

Client name	Country	30 September 2017	30 September 2016	Δ %
VITOL	Switzerland	17,635,397	15,145,303	16
LITASCO	Switzerland	8,219,903	5,188,410	58
EURONOVA ENERGIES	Switzerland	4,613,594	5,302,791	(13)
MADDOX	Switzerland	3,565,663	3,952,914	(10)

OIL TERMINAL - Notes of simplified interim financial situations on 30th September 2017
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MASTER CHEM OIL DMCC	United Arab Emirates	1,944,375		-
MITSUBISHI INTERNATIONAL GMBH	Germany	1,647,144	1,621,254	2
ISLAND PETROLEUM	Cyprus	905,171	377,658	140
ELEMENT ALPHA	Switzerland	233,662	128,441	82
VICTORIA CHEMICALS SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	Poland	216,972	168,796	29

Oil Terminal SA' main clients

Client name	Country	30 September 2017		30 September 2016	
		Invoiced value	%	Invoiced value	%
PETROTEL LUKOIL	Romania	34,998,784	25.88	42,324,140	31.96
OMV PETROM	Romania	22,304,947	16.50	14,393,850	10.87
VITOL	Switzerland	17,649,634	13.05	15,145,303	11.44
OSCAR DOWNSTREAM	Romania	13,897,374	10.28	15,276,858	11.54
LITASCO	Switzerland	8,219,925	6.08	5,188,410	3.92
MOL ROMANIA PETROLEUM PRODUCTS	Romania	9,868,330	7.30	12,215,582	9.22
EURONOVA ENERGIES	Switzerland	4,614,057	3.41	5,302,791	4.00
MADDOX	Switzerland	3,567,285	2.64	3,952,973	2.98
ADMINISTRATIA NATIONALA A REZERVELOR DE STAT	Romania	2,792,402	2.07	2,441,936	1.84
ROMPETROL RAFINARE	Romania	2,152,032	1.59	2,353,552	1.78

15. Tangible assets

	Fields	Buidings	Technical facilities and equipments	Other facilities, equipments and furniture	Total
Gross value					
Balance on the 31 st December 2016	298,616,273	145,476,454	22,684,324	3,702,457	470,479,508
Transfers from going on assets	-	131,944	1,806,172	-	1,938,116
Outputs	-	(24,566)	(56,240)	-	(80,806)
Balance on 30 September 2017	298,616,273	145,583,832	24,434,256	3,702,457	472,336,818

OIL TERMINAL - Notes of simplified interim financial situations on 30th September 2017
(all amounts are expressed in lei (RON) if otherwise not mentioned)

Amortizations	Fields	Buildings	Technical facilities and equipments	Other facilities, equipments and furniture	Total
Balance on the 31 st December 2016	-	8,721,669	2,722,106	625,882	12,069,657
Amortizations in 2017	-	6,832,239	1,885,184	458,212	9,175,635
Outgoings cumulated amortization	-	(2,911)	(39,368)	-	(42,279)
Amortization undertaken from operational leasing financier	-	-	195,503	-	195,503
Balance on the 30 September 2017	-	15,550,997	4,763,425	1,084,094	21,398,516
Net value					
Balance on the 31 st December 2016	298,616,273	136,754,785	19,962,218	3,076,575	458,409,851
Balance on the 30 September 2017	298,616,273	130,032,835	19,670,831	2,618,363	450,938,302

On 30.09.2017 the tangible assts net value decreased by 7,471,549 lei comparing to 31.12.2016, as follows:

- commissionings from tangible assets going on, increasing of 1,938,116 lei
- decommissionings from tangible assets going on, diminishing of 80,806 lei
- cumulated amortizations of decommissioned tangible assets, diminishing of 42,279 lei
- amortizations of tangible assets in 2017, diminishing of 9,175,635 lei
- amortization undertaken from operational leasing financier, diminishing by 195,503 lei.

On 31 December 2016, the company did not reevaluate the tangible assets. The frequency of the reevaluations depends upon the reevaluated tangible assets fair values alterations. For tangible assets which fair values have no outstanding alterations, reevaluations are not necessary.

The latest recorded reevaluation is on 31.12.2015, according to an Evaluation report issued by an authorized assessor, member of ANEVAR.

The fair value, as determined, revealed by reevaluated value, on 30.09.2017, is as followings:

➤ Fields	298,616,273 lei
➤ Constructions Group	130,032,835 lei
➤ Technical facilities and cars	19,670,831 lei
➤ Other facilities, equipment and furniture	2,618,363 lei
➤ Tangible assets going on	8,382,423 lei

The company has in its patrimony the following fields:

- field in a surface of 951,386.79 sqm registered according to propriety title series MO3 no. 3285/19.11.1196 located in South Storage Farm, in an amount of 50,191,073 lei, recorded in the social capital in July 1997;
- field in a surface of 413,413.16 sqm got in 2003 according to propriety title series MO 3 no. 8448/16.04.20013 located in North Storage Farm, in an amount of 59,200,900 lei, recorded in the social capital in July 2003;
- field got in 2004 according to sale-purchase contract no.181/20.01.2004 concluded with Constanta City Hall, in a surface of 243,912.70 sqm located in North Storage Farm, in an amount of 33,438,600 lei
- field in a surface of 254,261.33 sqm, got in 2011, according to propriety title series MO3 no. 11703/02.02.2011, located in North Storage Farm, in an amount of 103,260,400 lei
- field in a surface of 129,334.70 sqm got in 2011 according to propriety title series MO 3 no. 11704/02.02.20011 located in North Storage Farm, in an amount of 52,525,300 lei

Lots of field in a surface of 254,261.33 sq.m. and 129,334.70 sq.m were recorded in the company's patrimony on other reserves from own capitals, without increasing the social capital by the value recorded in the propriety right certificates.

16. Tangible assets in execution

Assets in execution in an amount of 8,382,423 lei represent uncompleted investments on 30.09.2017, from which:

	Investments according OIL TERMINAL' program	Investments achieved according Oil Agreement*	Total
Balance on the 31 December 2016	2,023,006	287,789	2,310,795
Cancelation of regulations for the tangible assets in execution' depreciation	555,682	-	555,682
Increases during year	3,448,492	4,365,750	7,814,242
Transfers in tangible assets	(1,742,614)	-	(1,742,614)
Scrappings	(555,682)		(555,682)
Balance on 30 September 2017	3,728,884	4,653,539	8,382,423

*Assets going on from investments expenses according to Oil Agreement of shoretanks, crude oil and petroleum products, pumping facilities and other facilities and equipments related to them activity'leasing, concluded with the National Agency of Mineral Resources Bucharest.

The total investments expenses value on 30.09.2017 is 7,814,242 lei, from which the main investments objectives are:

- Upgrading of shoretank 34 South Storage Farm (according Oil agreement)
- Upgrading of gas oil metering skid
- Upgrading of gas oil metering skid (according to Oil agreement)
- Telemac HTA 18 crane on Renault chassis
- Analyzer for oil products' sulphur content determination

- Aboveground positioning of pipeline network in Port Storage Farm – MIM Bridge
- Upgrading of 2 gas oil bunkering metering skids
- Metallic common scaffold line L2 and line L3 South Storage Farm rail platform
- Dacia Duster Laureate 1,5 109 PH (2 pieces)
- Safety cabins (17 pieces)
- Skimmer Komara 15 Duplex
- Upgrading of shoretank 23 Port Storage Farm
- Remote equipment for oil products' sulphur content determination in waste waters and soil
- Centralized system for technical gases supply
- Upgrading of railway platform South Storage Farm
- Safety shower (8 pieces)
- Server HP DL 80
- Modular cab K2227 2200 X 2700 X 2400
- Protherm electric boiler 24 kv (2 pieces)
- Access control panel

On 31.12.2016 the company recorded regulations for tangible assets impairment in execution in an amount of 555,682 lei representing ceased investments noticed when going on assets' inventory.

In 2017, the regulations for tangible assets in execution, recorded in 2016, were canceled, arising revenues from regulations for tangible assets' depreciation and expenses from operation regarding ceased investments in an amount of 555,682 lei.

17. Intangible assets

Gross values	Licenses/patents	Leases	Other intangible assets	Total
Balance on the 31 st December 2016	-	3,438,172	423,498	3,861,670
Increases from acquisitions			72,063	72,063
Balance on the 30 September 2017	-	3,438,172	495,561	3,933,733

Amortizations and impairments	Licenses/patents	Leases	Other intangible assets	Total
Balance on the 31 st December 2016	-	-	252,290	252,290
Amortization in 2017	-	-	49,983	49,983
Balance on the 30 September 2017	-	-	302,273	302,273
Net value				
Balance on the 31 st December 2016	-	3,438,172	171,208	3,609,380
Balance on the 30 September 2017	-	3,438,172	193,288	3,631,460

Intangible assets, recorded in SC OIL TERMINAL SA Constanta' accountant record, are informatic/licences programs, purchased from third parties and leasing of crude oil, petroleum products' shoretanks, pipelines activity, pumping facilities and other equipments related to these, concluded with the National Agency for Mineral Resources.

Following the leasing contract analysis, approved by GD 886/16.08.2002, leasing recognition terms as intangible assets are met according to IAS 38- intangible assets and clarifications given by IFRIC 12.

So, the intangible asset was recognized – leasing, in its fair value of 3,034,941 lei, recorded in accountant book on 31.12.2012, according to Evaluation report issued by an authorized assessor, member of ANEVAR. The leasing use ful lifetime is undetermined, according to item 88 of IAS 38 – Intangible assets, so this is not amortizable.

Intangible assets are presented in financial reports at the reevaluated value, less the amortizations and regulations for impairment or value loss, according to IAS 38 - intangible assets and IAS 36- assets impairment.

On 31 December 2016 the company did not reevaluate intangible assets. After the initial recognition, the company counts an intangible asset at the reevaluated value representing its fair value on the reevaluation date minus any further cumulated amortization and any further cumulated loss from depreciation. For the reevaluations, the fair value is evaluated according to an active market. Reevaluations are made so frequent, so that, on the reporting period completion, the asset's accountant value does not exceed significantly its fair value.

The latest reevaluation is recorded on 31.12.2015, according to an Evaluation report issued by an authorized assessor, member of ANEVAR.

The fair value, so determined, recorded by the reevaluated value method, on 30.06.2017, is as followings:

➤ leasing Oil Agreement	3,438,172lei
➤ informatic/ licences programs	193,288 lei

18. Financial assets

	30 September 2017	31 December 2016
Guarantees given to suppliers	867	867
Other immobilized receivables	809,222	808,208
Total financial assets	810,089	809,075

On 30.09.2017 and 31.12.2016, the guarantees given to suppliers are in an amount of 867, from which for the supplier Telecomunicatii CFR 785 lei and 82 lei for the supplier Compania Nationala CFR Sucursala C.R.E.I.R. CF Constanta.

The balance on 30.09.2017, regarding the immobilized receivables in an amount of 809,222 lei, represents:

- letter of bank guarantee no. 140LG0115331002/27.11.2015 in an amount of 804,493 lei issued by Bancpost SA in the beneficiary Directia Generala de Administrare a Marilor Contribuabili' account, in force until 25.11.2016, by a collateral account opening, to guarantee the trade according to commitment contract no.1406/27.11.2015 in order to complete the guarantees constituted for the company' fiscal warehouse position.
- On 24.11.2016, the letter of bank guarantee no. 140LG0115331002' availability was extended until 24.11.2017
- 3 guarantee letters in an amount of 3,715 lei in Companiei Nationale Administratia Porturilor Maritime' favour.
- Bancpost guarantee in an amount of 1,014 lei

19. Stocks

	30 September 2017	31 December 2016
Additional materials	292,944	301,004
Fuel oils	49,831	66,238
Package stuff	4,068	3,599
Spare parts	207,193	50,618
Other supplies	47,171	78,907
Inventory objects stuff	426,575	418,783
Residual products	19,976	186,889
Regulations for supplies	(72,946)	(50,725)
Supplies in delivery	-	614
Total stocks	974,812	1,055,927

Stocks without movement, in balance on 30.09.2017 are **72,946 lei**, for which regulations for the materials impairment were constituted.

On 30.09. 2017, the company recorded regulations for stocks impairment as followings:

	30 September 2017	31 December 2016
Regulations balance for stocks impairment on the 1 st January	50,725	80,695
Constitutions in year	52,170	30,213
Reversals in year	(29,949)	(60,183)
Regulations of balance for stocks impairment at the period end	72,946	50,725

20. Clients and assimilated accounts

	30 September 2017	31 December 2016
Clients issued invoices, to collect	15,785,851	16,167,501
Uncertain clients and in litigation	3,073,602	3,126,831
Clients invoices to be issued	307,698	314,680
Regulations for clients' receivables impairment	(3,076,910)	(3,130,521)
Total clients	16,090,241	16,478,491

The clients situation – invoices issued to be collected in an amount of 15,785,851 lei in balance on the 30 September 2017, is classified on period of time, as followings:

OIL TERMINAL - Notes of simplified interim financial situations on 30th September 2017
(all amounts are expressed in lei (RON) if otherwise not mentioned)

- Clients' receivables not exceeding the due payment date 15.633.836 lei
- Clients' receivables with exceeded due time between 1-30 days 141.518 lei
- Clients' receivables with exceeded due time more extended than 31 days 10.497 lei

The uncertain clients recorded on 30.09.2017 are in a total amount of **3,073,602 lei**. For uncertain clients, the company constituted regulations for the clients receivables impairment for the total amount VAT included. On 30.09. 2017, the company recorded regulations fro clients receivables impairment, as followings:

	30 September 2017	31 December 2016
Provision balance for impairment on the 1st January	3,130,521	3,191,220
Constitutions in year	124,538	57,004
Reversals in year	(178,149)	(117,703)
Provision balance from impairment at the period end	3,076,910	3,130,521

21. Other receivables and expenses in advance

	30 September 2017	31 December 2016
Different debtors	2,602,527	1,475,163
Suppliers-debtors for services supplies	-	681
Expenses recorded in advance	122,249	112,198
Other receivables	245,914	306,584
Total other receivables	2,970,690	1,894,626

Taxes and fees to be recovered

	30 September 2017	31 December 2016
Tax on constructions	-	1,035
Tax on buildings	121,886	-
Tax on field	443,191	-
Tax transport ways	5,937	-
Tax company	331	-
Total	571,345	1,035

22. Cash and cash equivalent

	30 September 2017	31 December 2016
Available in lei cash in banks' current accounts	15,667,340	25,841,318
Available in foreign currency in banks' current accounts	365.176	130,765
Advances in cash flow	13,531	6,282
Other values	11,219	17,425
Available in cash	8,912	6,106
Total cash and equivalents	16,066,178	26,001,896

The are no restrictions on the monetary availability accounts

23. Social capital

	Number of shares	Social capital
Statutory social capital	582,430,250	58,243,025
Total capital	582,430,250	58,243,025

The social capital structure on the 30 September 2017 comparing to 30 September 2016, according to data submitted by Depozitarul Central, is the following:

Shareholder 30.09.2017	Number of shares	Total nominal value	Possession %
Romanian State through the Economy Ministry	347,257,973	34,725,797	59.62
Dumitrescu Sebastian Valentin	75,901,409	7,590,141	13.03
Legal persons	63,364,572	6,336,457	10.88
Physical persons	95,906,299	9,590,630	16.47
Total capital	582,430,253	58,243,025	100

Shareholder 30.09.2016	Number of shares	Total nominal value	Possession %
Romanian State through the Economy Ministry	347,257,973	34,725,797	59.62
Fondul Proprietatea SA	36,796,026	3,679,603	6.32
Legal persons	96,303,869	9,630,387	16.52
Physical persons	102,072,385	10,207,239	17.54
Total capital	582,430,253	58,243,025	100

Romanian State represented by the Ministry of Economy is the main shareholder and owns 59.62% of the social capital.

The subscribed and paid social capital through the Ministry of Economy is 58,243,025 lei divided in 582,430,253 shares with a nominal value of 0.10 lei/share, both on on the 30 September 2017 and on the 30 September 2016. Each share gives the right of a single vote to its owner.

OIL TERMINAL SA is a company quoted in Bucharest Stock Exchange. The shares were traded at 0.1495 lei/share on the 30 September 2017 and at 0.0970 lei/share on 30 September 2016.

The unpaid dividends value on the 30 September 2017 is 1,328,707 lei, representing the unpaid dividends from the previous years from which physical persons 1,290,821 lei and legal persons 37,886 lei.

24. Other elements of own capital

	30 September 2017	31 December 2016
Recognized postponed tax on own capitals	(2,714,938)	(2,714,938)
Other elements of own capitals	3,034,941	3,034,941
Total other elements of own capitals	320,003	320,003

On 30 September 2017, the tax on postponed profit constituted on own capitals does not record alterations comparing to the previous year and is in an amount of (2,714,938) lei.

The tax on postponed profit constituted on own capitals in an amount of (2,714,938) lei in balance on 30 September 2017 is constituted of:

- recognized postponed tax on own capitals in 2015 for the reserves from reevaluation in an amount of (2,785,212) lei.
- Tax on postponed profit for fiscal facilities for 2012 in an amount of 70,274 lei.

On 30.09.2017, other elements of own capitals remain in balance, the counterparty of intangible asset recognition – oil agreement leasing, approved by GD 886/2002, in an amount of 3,034,941 lei, unaltered balance comparing to the previous year.

25. Reserves from reevaluation

	30 September 2017	31 December 2016
Reserves from tangible and intangible assets reevaluation	210,424,839	210,424,839

On 30.09.2017, the reserve from the tangible and intangible assets' reevaluation decreases comparing to previous year by the amount of 396,996 lei, representing surplus achieved from reserve from reevaluation for the given/ scrapped assets.

The total value of the reserves from reevaluation of 210,027,843 lei in balance on 30.09.2017 includes:

- reserve from reevaluation related to tangible assets of 209,524,847 lei

- reserve from reevaluation related to intangible assets, representing rights given by the Oil Agreement of leasing of the operation of shoretanks, crude oil and petroleum products transport pipelines activity, of pumping facilities and of other facilities and equipments related to these, concluded with National Agency for Mineral Resources, approved by GD 886/16.08.2002 of 403,231 lei.
- reserve from reevaluation related to intangible assets representing licenses of 99,725 lei

26. Reported result

a. Reported result representing the surplus achieved from reevaluation reserves:

	30 September 2017	31 December 2016
Reported result representing surplus achieved from reevaluation reserves	5,077,860	4,680,864
Total surplus achieved from reevaluation reserves	5,077,860	4,680,864

Reevaluation surplus achieved from reevaluation reserves was constituted by passing to the reported result of the reevaluation difference related to tangible assets to their derecognition.

In 2017, surplus from the reevaluation reserves was recorded in an amount of 396,996 lei for the given/scrapped assets.

b. Reported result arisen from IAS adoption for the first time, less IAS 29

	30 September 2017	31 December 2016
Reported result arisen from IAS adoption for the first time, less IAS 29	396,930	396,930
Total reported result arisen from IAS adoption for the first time, less IAS 29	396,930	396,930

The reported result arisen from the adoption for the first time of IAS, less IAS 29, on 30 September 2017 is in an amount of 396,930 lei and has no alterations comparing to the previous year.

The amount of 396,930 lei represents retreatments from IAS adoption for the first time, less IAS 29, for 2000, according to Order no.94/2001 for approval of Accounting Regulations together with Directive IV of European Economic Communities and the Accounting International Standards.

For 2000, the balance sheets issued according to Finances Ministry no. 403/1999 to approve the of Accounting Regulations together with Directive IV of European Economic Communities and the Accounting International Standards were retreated, according to Order no.94/2001 for Accounting regulations approval together with Directive IV of European Economic Communities and the Accounting International Standards.

c. Reported result arisen from accountant errors correction

On 30.09.2017, the balance of the reported result arisen from accountant errors correction is as followings:

	30 September 2017	31 December 2016
Reported result arisen from accountant errors correction	(25,839,366)	(25,839,366)
Total Reported result arisen from accountant errors correction	(25,839,366)	(25,839,366)

The value of (25,839,366) lei recorded in reported result from the accountancy errors correction comes from the recording on 31 December 2014, according to IAS 8 "Accountant policies, accountant estimations and errors' alterations", of the taxation on postponed profit related to reserves from reevaluation for 2011-2013 on own capitals, by account "reported result arisen from the accountant errors' correction", as follows:

- for 2011 value (9,519,349) lei
- for 2012 value (8,242,884) lei
- for 2013 value (8,077,133) lei.

d. Reported result representing undistributed profit

On 30.09.2017 the reported result account representing undistributed profit presents no balance.

In April 2017, according to Oil Terminal' Shareholders General Assembly' decision no. 4/26.04.2017, the amount of 14,225,638 lei representing undistributed profit related to 2016 was distributed as dividends due to be paid to shareholders.

27. Legal reserves and other reserves

	30 September 2017	30 September 2016
Legal reserves	4,744,817	4,744,817
Other reserves	174,395,611	174,395,611
Total reserves	179,140,428	179,140,428

The legal reserves, in an amount of 4,744,817 lei in balance on 30 September 2017 did not record any alterations comparing to the previous year.

Other reserves in balance on 30 September 2017, unaltered comparing to the previous year are in an amount of 174,395,611 lei, representing:

- reserves constituted from the distributed for constituting its own financing source according to AGA' decisions, in an amount of 21,552,205 lei.
- Reserves from fiscal facilities in an amount of 764,542 lei;
- Fields recognized according to reserves for which propriety titles were got in 2011 in an amount of 151,789,000 lei, as follows:
 - field in a surface of 254,261.3 sqm, got in 2011, according to propriety title series MO3 no. 11703/02.02.2011, located in North Storage Farm, in an amount of 100,611,000 lei.

- field in a surface of 129,334.70 sqm, got in 2011, according to propriety title series MO3 no. 11704/02.02.2011, located in North Storage Farm, in an amount of 51,178,000 lei.
- For these 2 fields the social capital increase is going on, provided by GD 834/1991.
- field in a surface of 5,494 sq.m. located in South Storage Farm, in an amount of 289,864 lei, representing the field difference arisen from the cadastral documentation updating made in 2015, for the field recorded according to propriety title MO3 no.3285/19.11.1996, located in South Storage Farm.

28. Debts on long term

a.Loans on long term

	30 September 2017	31 December 2016
Loans on long term		
Contract no. 40012/2011 Raiffeisen Bank	-	540.458
Minus current part	-	(540.458)
Contract no C12002013014745/05.09.2013 OTP Bank	7.650.,000	8.606.250
Minus current part	(1,275,000)	(1,275,000)
Contract no.1870/02.08.2017 Bancpost	3,548,271	-
Minus current part	-	-
Total loans on long term	9,923,271	7,331,250

The reported loans on long term are generated by the following below-mentioned contracts:

Creditor	Currency	Due date	Reimbursement	Interest	Guarantee	31.12.2016	30.09.2017
1.Contract no 40012/2011 Raiffeisen Bank*	lei	25.03.2017	Monthly rates	ROBOR at 1 month plus limit	Mortgage and real estate guarantee	540,458	0

*Additional Act no. 1/2012 of the credit facility contract on term no. 40012/2011

* Additional Act no. 2/2012 of the credit facility contract on term no. 40012/2011

* Additional Act no. 2/2012 of the credit facility contract on term no. 40012/2011

On 29.03.2011 the company signed with Raiffeisen Bank SA a credit facility contract on term, for financing a shoretank of 10,000 CM building in Port Storage Farm, in an amount of 8,067,135 lei, with reimbursement term until 25.03.2017.

The shoretank building was completed in 2012.

OIL TERMINAL SA constituted in Raiffeisen Bank SA' favour the following guarantees:

- a) Prime mortgage priority on the building on Oil Terminal' propriety, located in Constanta, no.2, Caraiman str., in a surface of 19,900 sqm and buildings C343, C346-C350, C353-C355, C357, C359, C360 in a total built surface of 9,625 sqm, with cadastral number 116119 registered in Constanta' Land Registrar with no. 160526.
- b) Pledge on present and future availabilities of Oil Terminal SA' accounts opened or to be opened at Raiffeisen Bank.

In 2012, it completed the withdrawal from the loan contracted with Raiffeisen Bank, this loan has been fully paid on 31.03.2017.

In March 2017, the loan contract no.40012/2011, signed with Raiffeisen Bank reached the payment dur term and the mortgage in Raiffeisen Bank' favour was radiated according to the decision no.42125/12.04.2017, issued by Constanta Cadastral Office and Real Estate Advertising.

Creditor	Currency	Due date	Reimbursement	Interest	Guarantee	31.12.2015	31.03.2017
2.Contract no. C12002013014745 of 05.09.2013 OTP Bank Romania*	lei	01.09.2023	Monthly rates	ROBOR on 3 months plus limit	Mortgage and real estate guarantee	8,606,250	7,650,000

*Additional Act no. 1/2013/23.09.2013 of the investments credit contract no. C12002013014745

* Additional Act no. 2/2013/14.10.2013 of the investments credit contract no. C12002013014745

On 05.09.2013 the company signed with OTP Bank Romania an investment credit contract, to finance/refinance the expenses of upgrading shoretank 28 in South Storage Farm, being state public domain, according to Oil Agreement approved by HG 886/2002, in an amount of 10,200,000 lei with reimbursement term until 01.09.2023 and a grace period until 30.09.2015.

The shoretank upgrading was completed in 2013.

OIL TERMINAL SA constituted in OTP Bank Romania the following guarantees:

- a) Security mortgage on the accounts opened by client at bank
- b) Mortgage on the building plot, category of use yards-buildings in a surface of 12,916 sqm, located in Constanta county, no.2, Caraiman str. Noth Storage Farm I, Constanta county parcel 3, identified by cadastral number 214855 registered at Constanta Land Registrar with number 214855, together with its buildings , in a total built surface of 913 sqm as follows:
 - C 394 "Ghena" identified by cadastral umber 214855-C1
 - C395 – "Administrative building" identified by cadastral number 214855-C2
 - C 396 "Greenhouses" by cadastral number 214855-C3
 - C397 " Greenhouses" by cadastral number 214855-C4 SC OIL TERMINAL SA propriety
- c) Mortgage on the building plot, category of use yards-buildings in a surface of 23,141 sqm, located in Constanta, no.2 Caraiman str., Constanta County, parcel 2, identified by cadastral number 211722 registered at Constanta Land Registrar with number 211722, together with its buildings, with a total built surface of 2,477 sqm, as follows:
 - C1 "Shoretank" in a built surface of 830 sqm, identified by cadastral number 211722 – C1
 - C3"Shoretank" in a built surface of 748 sqm, identified by cadastral number 211722 – C2
 - C5 "Shoretank" in a built surface of 849 sqm, identified by cadastral number 211722 – C3, in SC OIL TERMINAL SA' propriety

d) Mortgage on the building plot, category of use yards-buildings in a surface of 34,153 sqm, located in Constanta, no.2 Caraiman str., Constanta County, parcel 1/1, identified with cadastral number 238666 registered at Constanta Land Registrar with number 238666, together with its buildings, with a total built surface of 2,477 sqm, as follows:

- C6 "Shoretank" in a built surface of 855 sqm, identified by cadastral number 238666 – C6
- C7 "Shoretank" in a built surface of 804 sqm, identified by cadastral number 238666 – C7
- C8 "Shoretank" in a built surface of 855 sqm, identified by cadastral number 238666 – C8
- C9 "Shoretank" in a built surface of 854 sqm, identified by cadastral number 211722 – C9, in SC OIL TERMINAL SA' propriety

e) Mortgage on the building plot, category of use yards-buildings in a surface of 15,801 sqm, located in Constanta, no.2 Caraiman str., Constanta County, parcel 1/2/1, identified by cadastral number 238836 registered at Constanta Land Registrar with number 238836, together with its buildings, with a total built surface of 2,477 sqm, as follows:

- C2 "Shoretank" in a built surface of 856 sqm, identified by cadastral number 238836 – C2
- C4 "Shoretank" in a built surface of 855 sqm, identified by cadastral number 238836 – C4, in OIL TERMINAL SA' propriety

In September 2013, the withdrawal from the loan contracted with OTP Bank was completed, the balance of this loan being 7,650,000 lei on 30.09.2017.

Creditor	Currency	Due date	Reimbursement	Interest	Guarantee	31.12.2016	30.09.2017
3.Contract no. 1870 of 02.08.2017					Mortgage and real estate		
Bancpost	lei	02.08.2027	Monthly rates	ROBOR on 3 months plus limit	guarantee	-	3,548,271

On 02.08.2017, the company signed an investment credit contract, with Bancpost, for the investments objectives financing "Upgrading of shoretank R34/S" located in South Storage Farm and "Crude oil pipelines network aboveground laying (T1 and T2)" in an amount of 26,770,050 lei, with reimbursement term until 02.08.2027 and the grace period until 02.08.2019.

Oil Terminal SA constituted the following guarantees, in Bancpost' favor:

- a) mortgage on the intravilan field, in a surface of 66,632 sq.m. (being part of lot S=951,387 sq.m.), located in Constanta, Constanta county, South Storage Farm, Movila Sara, identified by cadastral number 246756 recorded in Constanta Land Registrar by number 246756, together with the exstent buildings on it, as follows:

- shoretank R22 -11222512 C1 -2362 sq.m.
- shoretank R24 – 11222860 C2 -2362 sq.m.
- shoretank R26 – 11222873 C3 – 2362 sq.m.
- shoretank foam house – 11210589 C4 – 42 sq.m.
- shoretank foam house – 11210590 C5 – 36 sq.m.
- shoretank foam house – 11210591 C5 – 30 sq.m.

b. Debts regarding tax on postponed profit

On 30 September 2017, the postponed profit tax constituted for the own capitals related to reserves from reevaluation is in an amount of 28,624,578 lei, and does not record any alterations comparing to 31.12.2016, being constituted as followings:

- On 31 December 2014, it recorded, according to " Accountant policies, alterations of accountant estimations and errors", tax on postponed profit in an amount of 25,839,366 lei, related to

reevaluation reserves for 2011-2013 on own capitals, by account "reported result arisen from accountant errors correction".

- For 2014, tax on postponed profit was recorded on own capitals in an amount of 103,882 lei.
- For 2015, tax on postponed profit was recorded on own capitals in an amount of 2,779,767 lei
- For 2016, tax on postponed profit was recorded on own capitals in an amount of (98,437 lei)

The reconciliation of tax on postponed profit is as followings:

	30 September 2017	31 December 2016
Tax on postponed profit on 1 January	28.624.578	28.723.015
Tax on postponed profit on the period end	28.624.578	28.624.578
Variation of postponed tax	-	(98.437)
From which debt with tax with postponed recognized on own capitals	-	(98.437)

29. Debts regarding financial leasing obligations

The company doesn't record debts of financial leasing on 30.09.2017, or on 31.12.2016.

Societatea concluded the following operational; leasing contracts:

1. Contract 81/203/27.07.2015 concluded with CENTER TEA&CO SRL with object:
Operational leasing car Ford Mondeo Trend 2,0 TDCi – 2 pieces
Operational leasing tipper 18- MTMA-MAN– 1 piece
Operational leasing Ford Mondeo Wagon 2.0 TDCi – 1 piece
Operational leasing tipper 18- MTMA-MAN– 1 piece
The contract period is 36 months since the cars' delivery

2. Contract 357/146/09.12.2015 concluded with CENTER TEA&CO SRL with object:
Operational leasing car Dacia Logan MCV Laurete 1.5 DCI 90 CP- 1 piece
Operational leasing car Logan MCV Laurete 1.5 DCI 90 CP- 7 pieces
Operational leasing van Ford Transit V36 double cabin 350 L3 BASE RWD 2.2 TDCI 125 CP DPF- 1 piece
Contract period is 36 months since the cars' delivery
In 2016, Societatea concluded the following operational leasing contract:

3. Contract no.100/171/16.06.2016 concluded with CENTER TEA&CO SRL with object:
Operational leasing for excavator – 1 piece
Height work platform – 1 piece
Fire fighting truck – 1 piece
Contract period is 36 months since the goods delivery
In 2017 Societatea concluded the following operational leasing contract:

4. Contract no.68/97/27.03.2017 concluded with CENTER TEA & CO SRL having as object:
Operational leasing for:
Dacia Dokker Laureate SCI 90CP – 3 pieces
Dacia Logan Laureate DCI 90-CP – 5 pieces
Multivan HL KR 2.0 TDI 150 KW 4m DSG 204 CP/150 kw – 1 piece
Tuareg supreme Plus V6 TDI BMT 262 CP/193 Kw AG8 SUV – 1 piece

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Contract period is 36 months since the goods delivery.

There is the possibility that the company becomes owner after having paid for the residual value, on the leasing period completion.

Oil Terminal recognized as expenses in the profit and loss account in 2017, the payments for the operational leasing contracts, using the linear model for leasing period, in a total amount of 1,186,655 lei.

The minimum future leasing payments are settled up to the price agreed by contract and the rates number remained to be paid.

The situation of the minimum future leasing payments on 30.09.2017 is as follows:

	Future payments up to 1 year	Future payments up to 2-5 years
Contract 81/203/27.07.2015 Center Tea &Co SRL	432,204	93,853
Contract 357/146/09.12.2015 Center Tea &Co SRL	136,317	41,452
Contract 100/171/16.06.2016 Center Tea &Co SRL	528,271	603,709
Contract 68/97/27.03.2017 Center Tea &Co SRL	290,792	466,756
Total	1,387,584	1,205,770

30. Loans on short term – presentation of loans on short term

On 30 September 2017 and on 31 December 2016, the loans on short term have no balance.

Creditor	Currency	Due date	Reimbursement	Interest	Value
1. Credit contract (credit line) no. C12002013014744/05.09.2013 concluded with OTP Bank and Additional acts no.3/04.09.2014,no.4/03.09.2015 and no.5/02.09.2016 and no.6/28.07.2017	lei	01/09/2018	Full reimbursement on due date	ROBOR on 3 months plus limit	5,000,000

On 04.09.2014, the additional act no.3/04.09.2014 to contract C12002013014744/05.09.2013, concluded with OTP Bank, by which the credit line to finance and/or refinance the current activity increases by 2,000,000 lei, becoming 5,000,000 lei, with payment due date on 04.09.2015.

On 03.09.2014, the additional act no.4/03.09.2014 to contract C12002013014744/05.09.2013, concluded with OTP Bank, by which the credit line to finance and/or refinance the current activity in an amount of 5,000,000 lei extends until 02.09.2016.

On 02.09.2014, the additional act no.5/02.09.2014 to contract C12002013014744/05.09.2013, concluded with OTP Bank, by which the credit line to finance and/or refinance the current activity in an amount of 5,000,000 lei extends until 01.09.2017.

On 28.07.2017, the additional act no.6/28.07.2017 of contract no. C12002013014744/05.09.2013, concluded with OTP Bank by which the credit line for the current activity financing and/or refinancing in an amount of 5,000,000 lei extends until 01.09.2018.

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The guarantees constituted in OTP Bank' favor remain the same as those initially constituted when signing contract no. C12002013014744/05.09.2013.

Creditor	Currency	Due date	Reimbursement	Interest	Value
1. Credit contract no. 1403/27.11.2015 (Facility in order to issue a guarantee letter) concluded with Bancpost SA	lei	24/11/2017	Full reimbursement on due date	ROBOR on 3 months plus limit	47,017,708

By Credit contract no.1403/27.11.2015, Bancpost gave Societatea Oil Terminal a facility in order to issue a guarantee letter in the National Agency of Fiscal Administration' favour, in view to get the fiscal warehouse authorization, in an amount of 22,193,000 lei, representing the equivalent in lei of the amount 5,000,000 Euros, calculated at Romanian National Bank' exchange rate (available on the contract signing date, namely 1 Euro = 4.4386 lei), for which the following guarantees were constituted:

- a) mortgage on the field in a surface of 20,000 sq.m., recorded in the land registry no.244347 Constanta, identified by number 244347 and the constructions built on it:
 - shoretank R36 identified by number 244347-C9 (inventory number 11223318), in a surface of 2,859 sq.m.
 - shoretank R37 identified by number 244347-C10 (inventory number 11223319), in a surface of 2,859 sq.m.
- b) mortgage on the receivables arisen from the contracts concluded with its main commercial partners
- c) cession of debt rights arisen from the insurance policies concluded by the borrowed, having as object the real estate brought in guarantee' insurance.

In 2015, Societatea Oil Terminal got the fiscal warehouse authorization. To get this authorization , it was necessary the constitution of a guarantee in an amount of 22,193,000 lei, representing the equivalent in lei of the amount 5,000,000 euro (calculated on BNR exchange rate available on the contract signing date namely 1 euro= 4.4386 lei) in the favour of National Agency of Fiscal Administration, according to provisions of art. 206 index 54 of Law 571/2003 regarding the Fiscal code, with further alterations and completions.

On 24.11.2016, the additional act no.1/24.11.2016 of contract 1403, concluded with Bancpost, by which the guarantee letter' availability extends until 27.11.2017.

On 25.04.2017, Additional act no.2 of the contract 1403 concluded with Bancpost is signed, by which the gurantee letter availability extends until 27.11.2017 and the facility value alters in order to issue a guarantee letter in the National Agency of Fiscal Administration' favour, in view to get the fiscal warehouse authorization, in an amount of 22,193,000 lei, in view to get the fiscal warehouse authorization, from the value of 22,193,000 lei to 47,017,708 lei.

On the Additional act no.2 to contract 1403' signing date, the Real estate contract no. 181/26.04.2017 and the Additional act no.1/25.04.2017 to the Real estate contract no. 1403/1/27.11.2015 (on the debt), by which the guarantees, related to mortgage on the real estate field in a surface of 20,000 sq.m., recorded in Land registry no.244347 Constanta, identified by number 244347 and the constructions built on it, were kept, and the real estate mortgage on the debt was increased until the amount of 47,017,708 lei.

On 27.06.2017, the Additional Act no.3 of contract no.1403/27.11.2015, by which the receivables cashing account alters.

31. Commercial debts

	30 September 2017	31 December 2016
Supplier obligations for goods and services	11,605,541	10,781,108
Contributors obligations	3.772	4,242
Suppliers unrarried invoices	373,125	666,896
Total commercial debts	11,982,438	11,452,246

Suppliers in balance on 30 September 2017, in an amount of 11,605,541 lei are in due term, the company does no record outstanding suppliers on 30.09.2017.

32. Debts regarding due taxes and fees

	30 September 2017	31 December 2016
Current obligations regarding oil royalty	1,685,561	2,031,139
Current obligations at social insurances budget	1,675,913	1,873,646
Current obligations at state budget		
Current obligations at local budget	1,114,015	1,822,887
Total taxes and fee	4,475,489	5,727,672

33. Alte current debts

	30 December 2017	31 December 2016
Staff obligations	1,806,783	1,808,580
Dividends to be paid	1.328.707	241,834
Clients creditors	21,478	75,900
Different creditors	142,382	139,049
Received guarantees	10,000	11,521
Total other debts	3,309,350	2,276,884

34. Provisions in balance in an amount of 1,914,180 lei, on the 30.09.2017, from which:

- a) provisions for litigations in an amount of 639,683 lei;
- b) provisions for employees' benefits in an amount of 1,274,497 lei;
- c) other provisions for the employees' participation to profit in an amount of 0 lei

a) Provisions for litigations

The company records provisions for litigations in an amount of 639,683 lei, on 30 September 2017.

	30 September 2017	31 December 2016
Balance on the year start	8,266,492	9,157,657
Constitutions during the year	29,355	44,818
Reversals during the year	(7,656,164)	(935,983)
Balance on the year end	639,683	8,266,492

Provisions for litigations in an amount of 639,683 lei are constituted for the following files:

Company	Explanation	Value (lei)
BYOTECH PROD GENERAL	File 1517/118/2012	246,970
ELVIMEX TRANS GROUP	File 2639/212/2013	69,716
INGAPIVET	File 14833/212/2013	11,515
ANAF – GARDA FINANCIARA – COMISARIAT GENERAL	File 26855/212/2016 Court expenses for file 9378/212/2012	9,639
OMV PETROM	Criminal file 20876/P/2013 and Decision no.415/09.12.2013	15,983
CCH	File 14430/212/2013	1,600
ECO PETROLEUM	File 7556/212/2014	15,595
OIL TERMINAL UNION	File 3164/118/2014	7,800
INCASO JOBS	File 2640/212/2013	720
IASAR ANA SA	File 11403/212/2011	90,000
SNTFC- CFR	Dosar 2884/245/2011	44,401
AAAS	Dosar 22582/299/2013	7,440
OIL PROD	File 2380/118/2013	2,200
WANER SILVIU SI MIU VASILE	File 6098/118/2014	7,145
SILK ROAD PETROLEUM	File 8944/212/2015	631
SALI ADEM	File 5855/212/2015	212
PAVALUC FLORIN	File 5856/212/2015	88
RASID AUSE	File 5857/212/2015 and execution file 227/2016	417
ION MIHAI	File 2503/118/2015	43,145
INTERAGRO	File 4034/118/2015 and file 5409/118/2015	380
INTERAGRO SRL	File 36095/3/2015	200
MGI EKOPROD	File 3127/3/2015	200
INTERAGRO SRL	File 4010/87/2015	200
BROADHURST INVESTMENTS LTD.	File 2184/118/2016	16,674
ROLL OIL	File 7601/212/2016	200

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ROLL OIL	File 15372/212/2016	212
MFP –BIROUL DE SOLUTIONARE A PLANGERILOR SI A CONTESTATIILOR.	File 4106/118/2016 Minute 0200918/30.12.2015	3,150
CURTEA DE CONTURI	File 3752/118/2016	150
ROLL OIL	File 30061/212/2016	200
GARDA NATIONALA DE MEDIU-COMISARIATUL GENERAL SERV. COM. JUDETEAN CONSTANTA	File 35420/212/2016	12,520
POPESCU DAN CRISTIAN	File 11943/4/2016	1,549
ANITEI MIHAI DANIEL	File 5689/212/2017	302
FLOREA CRISTIAN	File 5690/212/2017	310
CHEBAC MIHAI CRISTIAN	File 5669/212/2017	302
COMSULEA CORIN	File 5670/212/2017	920
CODESCU DAN	File 5671/212/2017	460
GHERMAN ANCA MARIA	File 5667/212/2017	302
STAAR RATING	File 5665/212/2017	2,443
CRISAN DANIEL	File 5770/212/2017	174
FONDUL PROPRIETATEA	File 7264/118/2016	50
ANRSPS	File 17187/212/2017	315
ANAF DGAMC	File 19202/212/2017	20
ANAF DGRFP	File 5119/118/2017	4,043
STAAR RATING	File 20998/212/2017	730
MFP-DIRECTIA GNERALA DE INSPECTIE ECONOMICO-FINANCIARA	File 21265/212/2017	3,722
ANAF DGAMC DIRECTIA REGIONALA VAMALA	File 2884/245/2011	12,500
FONDUL PROPRIETATEA	File 28863/299/2017	2,230

The management periodically analyses the situation of litigations going on, after consulting its legal advisors, decides on the necessity to create provisions for the amounts involved or for their presentation in the financial reports.

Having in view the existent information, the company' management thinks that the outstanding litigations going on are the followings:

I. File no.1517/118/2012, creditor: Oil Terminal SA and debtor: SC Byotech Prod General, by which the defendant is obliged to pay the total amount of 251,185 lei.

By Civil sentence no. 16622/24.10.2012, Constanta Court admits the summons submitted by the claimant OIL TERMINAL SA, in contradictory with the defendant SC Byotech Prod General SRL. It obliges the defendant to pay the amount of 164,066 lei, to the claimant, representing the countervalue of VAT for the excise of 863,504 lei and the amount of 87,119 lei, representing delay penalties. It obliges the defendant to pay to the claimant court expenses in an amount of 8,255.70 lei.

Request of enforcement was submitted. The bailiff put garnishment to all the debtor' accounts. Until the present date, the debt hasn't been recovered due to funds' lack.

For this file, a provision of 246,970 lei was constituted.

II. File no.3164/118/2014, pending Constanta Court, in contradictory with Union Oil Terminal, by which the claimant requests to the defendant the additional hours payment worked in 2013 and uncompensated

by free time, and for those who received the compensation in 2014, to be paid the c/value of the benefits for these worked and not paid hours and the meal tickets for the additional hours worked in 2013 according to individual labour contract and the collective one for the company, available until 31.12.2013.

The first term was given for 19.09.2014, the court agreed the inscriptions evidence and the accountant expertise to be deposited.

On term of 17.02.2017, Court ordered the file' suspension according to provisions of art.411 paragraph 1 item 1 of the Civil procedure code, with appeal during suspension.

By Decision no.2082/16.10.2017, the Court admitted the 'obsolescence' request and noticed the obsolete cause. The decision is final.

For this file, a provision of 7,800 lei was constituted.

III. File no.11403/212/2011 pending Constanta Court, by which the complainants Iasar Ana, Iasar Tair, Iasar Doina, Iasar Sevinci, Iasar Islam, Iasar Esan, Iasar Ghiulgean, Iasar Sabria ask to oblige the defendants Oil Terminal SA, Oil nProd SRL, Eco Petroleum SA to pay material damage in an amount of 30,000 lei and moral ones in an amount of 60,000 lei.

By decision of 26.06.2013, it legally suspends the cause according to art.36 of Law no.85/2006, due to Oil Prod SRL' insolvency.

Appeal can be submitted in the term provided by art. 244 index 1 paragraph 2 of Civil Procedure Code.

For this file, a provision of 90,000 lei was constituted.

IV. File no.3752/118/2016 pending on Constanta court, in contradictory with Romania Audit Office with object: contestation against decision no. 35/19.05.2016 by which Oil Terminal SA asks for the cancellation of measures ordered by the control entity.

The action was submitted on 06.06.2016.

On term of 06.10.2016 a new term was given to communicate the mentions deposited by parties and the intervention request submitted by the manager Staar Rating SRL.

Solution shortly: " it rejects the main intervention request as inadmissible. With appeal in 5 days since it was given for the present parties and since communication for the absent parties. Given on 17.11.2016 in public meeting. Term for the file' matter 08.12.2016"

Appeal of Staar Rating SRL on 06.12.2016

On term of 08.12.2016- suspended until Staar Rating SRL' judgement

Staar Rating SRL appealed on 06.12.2016

By Civil sentence no.254/23.03.2017, Constanta Court of Appeal rejected the appeal as groundless.

The resolution is final.

On term of 15.06.2017, court remained in giving a decision on the accessory intervention request submitted by Staar Rating SRL.

By conclusion of meeting 15.06.2017, Constanta Court rejected the accessory intervention request as inadmissible.

On 13.07.2017, Constanta Court suspended the file until the appeal submitted by Staar Rating SRL' solving up, against the conclusion of meeting 15.06.2017, by which Constanta Court rejected the accessory intervention request.

Court of Appeal gave a term for 13.12.2017 for the appeal' decision.

For this file, the amount of 139,341 lei was recorded in the account – Contingent assets.

V. File 4010/87/2015, pending Teleorman court, in contradictory with Interagro SRL with object : insolvency. Oil Terminal SA submitted an recording request to statement of affairs for the amount of 1,557,336.05 lei.

By decision no.317/16.06.2016, court gave the following solution:

- "it partly admits the call for abstention and replacement of legal administrator, submitted by ZRP Insolvency SPRL

- It orders the interim legal administrator replacement represented by legal administrators holding made of CITER Bucharest branch and ZRP Insolvency SPRL by the interim legal administrator CITER Bucharest branch SPRL.
- It rejects as groundless the exception of conexing inadmissibility submitted by the creditor Attorney Ciobanu Crina Ionela.
- It rejects as groundless the exception of conexing request lateness submitted by creditor SC AUTOCORA SRL
- It admits the conexing request
- It orders to submit the file no.4010/87/2015 and the associated files regarding the debtor INTERAGRO SRL to Bucharest court, section VII CIVIL, the firstly settled court to solve up the file no. 36095/3/2015 regarding the debtor SC INTERAGRO SA''

The decision is final and appealed in 7 days since communication.

- By decision no.1617/13.10.2016, Bucharest Court of appeal rejected the appeals submitted by AUTOCORA SRL and SC INTERAGRO SA, as groundless

The decision is final and has not been communicated yet.

By Resolution no. 204/02.02.2017, the court rejected the appeal as groundless. The decision is final.

Civil sentence was communicated on 13.03.2017.

For this file, a regulation for the debt' depreciation in an amount of 1,557,336 lei was constituted.

VI. File no.2380/118/2013 and File no.2380/118/2013/a7 pending Constanta court. Firstly a request to record to the statement of affairs with the amount of 242,498.99 lei was submitted.

On term 02.06.2014, it ordered the bankruptcy, information address of 04.06.2014.

Further, on term 19.08.2014- court remaining in pronouncing on the legal administrator' request for the company' bankruptcy. On 26.08.2017 the court gave the interim decision no.2201 and it orders the bankruptcy of debtor according to art.107 paragraph -1 letter a,c,b. As legal liquidator, Global Insolvency was appointed. Sentence was communicated on 15.09.2014.

Term for the debt recording 10.10.2014. On 07.10.2014 the company recorded to the statement of affairs for the amount of 1,291,599.10 lei.

Term:17.11.2014-bankruptcy

On 24.11.2014 legal liquidator is confirmed to be Spectrum Insolvency IPURL and his fee is approved.

On 29.01.2015, the liquidator communicated the recording to the statement of affairs with the amount of 1,068,322.18 lei.

The company deposits contestation for recording to the statement of affairs on 04.05.2015.

On 20.05.2015, the court orders: ,''it pends on again the file. It settles term for 15.06.2015, when the parties are cited with a copy of the present decision, the court discussing the administration of evidence with the legal accountant expertise to settle: 1. the debts value of creditor SC OIL TERMINAL SA arisen after the insolvency procedure opening and after the debtor' bankruptcy, arisen from hire contracts concluded with the debtor; 2. the value of payments effected by debtor SC OIL TERMINAL SA to the creditor further the insolvency procedure opening and further the debtor' bankruptcy; 3. value of devt owned by the creditor SC OIL TERMINAL SA, arisen after the insol;vency procedure opening until the bankruptcy, by deducting the payments effected by the debtor after the insolvency procedure opening i two alternatives:1. by deducting the payments effected by debtor, both from the debts value, arisen before the insolvency procedure opening - recorded in the final table of debtor' obligations and from the value of debts arisen after the insolvency procedure opening until the debtor' bankruptcy; 2. by deducting the paymemts effected by debtor only from the debts value arisen after the insolvency procedure opening until the debtor' bankruptcy''.

By decision no.303/08.02.2016, court partly admits the contestation submitted by the creditor SC OIL TERMINAL SA in contradictory with the defendant SPECTRUM INSOLVENCY IPURL, legal administrator of debtor SC OIL PROD SRL. It orders the recording in the final table consolodated of debtor' debts SC OIL PROD SRL of the debt in a total value of 1,199,000.71 lei of creditor SC OIL TERMINAL SA.

The civil sentence has not been communicated yet.
The next term is settled for 04.12.2017.

For these files, a regulation for the debt' depreciation in an amount of 1,304,907 lei was constituted

b. Provisions for the employees' benefits

On 30 September 2017, the company recorded in the provisions for the employees' benefits the amounts of 1,274,497 lei.

	30 September 2017	31 December 2016
Balance on the year' start	1,841,055	2,098,091
Constitutions during the year	0	235,510
Reversals during the year	(566,558)	(492,546)
Balance of the year' end	1,274,497	1,841,055

This provision was calculated according to Collective Labour Contract no.2029/28.12.2015, available in the period 01.01.2016 - 31.12.2017, by estimating the average salary, the salaries average number by the payment due for retirements, of the period in which they are paid and the contributions due by the employer for the gross calculated amounts.

On 30.09.2017, amounts from this provision in an amount of 566,558 lei, representing salaries for retirement, the employer' contributions included were reversed. The Provisions' account balance for the employees' benefits on 30.09.2017 is 1,274,497 lei.

c. Other provisions

	30 September 2017	31 December 2016
Balance on the year' start	1,580,626	570,765
Constitutions during the year	-	1,580,626
Reversals during the year	(1,580,626)	(570,765)
Balance of the year' end	0	1,580,626

The company recorded a provision for the employees' participation to profit in an amount of 1,580,626 lei, on 31st December 2016, according to provisions of GD 64/2001 regarding the profit in commercial companies with fully or major state capital, with further alterations and completions, GD 312/06.05.2015 regarding the Budget of revenues and expenses for 2015 and OMFP 418/2005, regarding some accountant mentions applicable to the economic agents.

Societatea Oil Terminal SA Constanta can give the employees' participation to profit in limit of 10% from the net profit, but not more than the monthly average base salary achieved on the economic agent level, in the referred financial year, as it committed and settled the obligation of participation to profit, by the budget of revenues and expenses.

By Decision no.4/26.04.2017 Shareholders General Assembly approved the amount of 1,580,626 lei, representing the employees' participation to profit' distribution from 2016' net profit.

In June 2017, Societatea recorded the payment obligation representing the employees participation to profit for 2016, in an amount of 1,580,626 lei. Therefore, the provision constituted for the employees participation to profit was reversed for the amount of 1,580,626 lei, and does not have a balance on 30.09.2017.

35. Subventions

	30 September 2017	31 December 2016
Balance on the year start	62,454	92,524
Constitutions during the year	-	-
Consumed during the year	(6,853)	(30,070)
Total subventions	55,601	62,454

The amount of 55,601 lei remainde in balance on 30.09.2017 represents inventory plus of unimpaired assets.

36. Information regarding the cash flow

On 30.09.2017, the cash flow from the operational activity is of 7,957,889 lei, decreasing comparing to 30.09. 2016 by the amount of 7,701,906 lei.

The cash flow from investments activity includes payments for investments in tangible and intangible assets in an amount of 7,887,320 lei and for 30.09.2016 payments for investments in tangible and intangible assets in an amount of 11,797,447 lei.

Comparing to the previous year, the net cash flow used in investments activity decreases by 3,910,127 lei.

On 30.09.2017 cash flows from financing activity is represented by cash outputs representing loans payments in an amount of 2,592,021 lei, following the conclusion of a credit contract for the investments objectives' financing no.1870/02.08.2017 and payments for long term loans in an amount of 1,361,593 lei, on 30.09.2016. Payments for dividends were in an amount of 13,138,766 lei in period 01.01.-30.09.2017 and of 2,657,607 lei in period 01.01.-30.09.2016.

Comparing to the same period of the previous year, cash flow from financing activities decreases by 6.797,775 lei.

37. Management of risks

The company established and put in practice a risks management process in order to facilitate its objectives' efficient achievement, to lead to the risks' reduction, the most possible without affecting Societatea' activity' competitiveness and flexibility.

The company is exposed, by its operations to the following risks:

- capital risk
- credit risk
- currency exchange risk
- liquidity risk
- associated risks regarding the defined objectives' achievement
- price risk
- interest rate risk

Capital risk

Oil Terminal SA continuously manages to ensure the resources optimal valorification according to risks exposure and to determine a maximum earning for shareholders.

The structure of the engaged capital is made of own capitals including: social capital, othe own capital elements, result reported representing surplus achieved from reevaluation reserves, reported result from IAS application for the first time, less IAS 29, legal reserves, reserves from reevaluation, other reserves

and year result, according to presentation in Report of own capitals and debts alteration including loans on long term presented in notes 28 and 29.

Capital risk management is part of the company business management and is reported to the permanent review of the company' indebtedness degree. In trimester I 2017, the indebtedness degree as report between debts on short term/own capitals was of 0.048 on 30.09.2017 and of 0.042 on 30.09.2016.

The company management regularly reviews the capital structure and reports of risks, covering capital cost and risks associated with each capital category included.

Credit risk

Credit risk is the risk of financial loss for Societate arising when a client or a business partner doesn't succeed to achieve contractual obligations. Societatea is exposed mainly to credit risk arisen from the services supplied to the clients. Annually, the contracts content regarding the services supplies for all liquid petroleum products are approved by National Agency of mineral Resources' order. In these contracts, the commercial terms to fulfill the service supplied by the company to clients are presented:

- payment of services supplied in maximum 30 days;
- accessories calculation (penalties and delay interests) for the payment uneffectment in contractual terms by clients;
- in certain situations, well contractually stated, the revenues are cashed in advance;
- if the invoices are not paid in the term stipulated in contract, Societatea has the right to retain the transited cargo, until the amounts due by the clients payment.

Foreign currency risk

Currency risk occurs when Societatea concludes transactions expressed in another currency than those functional one.

It depends on decision factors outside the company, namely BNR policy regarding the currency evolution in a certain period of time.

The company' exposure to currency risk expressed in lei is as follows:

30 September 2017	Lei value	Euro value	USD value	GBP value
Cash and cash equivalents	365,176	302	93,310	18
External clients	3,839,648	0	985,106	0
External providers	95,390	20,741	0	0
Net exposure in the financial position	4,300,214	21,043	1,078,416	18

Oil Terminal operates foreign currency for external clients and is exposed to American dollar and euro exchange rate alteration comparing to Romanian leu.

Liquidity risk

The risk of liquidity arises from the management of working capital and the financing expenses and main amount reimbursement for the company' credit instruments.

Oil Terminal' policy is to ensure that it always disposes enough cash to allow the financial obligations complying to third parties (materials, services suppliers, employees, banks, state financial institutions, etc) when these obligations are due for payment.

To achieve this objective, the company took the following measures:

- monitoring of cashings in contractual term;

- contraction of a credit line type work capital and its use only in situations when the current cash balance is not enough for the due payments effectment;
- keeping of a cash balance to satisfy the payments necessities;
- issuing of a cash flow, weekly.

By applying the above- mentioned measures, the company has enough liquid resources to achieve its obligations in all reasonable predicted situations.

The liquidity indicators provides the guarantee to cover the current debts from current assets. The current liquidity represents the ratio between the curent assets and the current debts, recording on 30.09.2017 the value of 1.74 than 2.11 on 30.09.2016.

The immediate liquidity (acid test) represents a ratio between the diminished current assets by stocks and the current debts, this indicator' value being 1.70 on 30.09.20172017 than 2.06 on 30.09. 2016.

The debts balance on 30 September 2017, from which:

	Net value	Contractual value	<12 months	1-2 years	2-10 years
Balance of debts on 30 September 2017 from which:					
Commercial debts and other current debts	15,291,788		15,291,788		
Debts regarding taxes and fees	4,475,489		4,475,489		
Loans	11,198,271	36,970,050	1,275,000	1,275,000	8,648,271
TOTAL	30,965,548	36,970,050	21,042,277	1,275,000	8,648,271

Other debts:

Debts regarding tax on postponed profit	28,624,578				
TOTAL	28,624,578				

Risks associated regarding the stated objectives achievement

On 30.09.2017, Societatea Oil Terminal SA Constanta went on the maintenance and development of internal/managerial control system, by actions directions of Program of internal/managerial control system for 2017, according to Order no.400/2015 provisions for approval of Code of internal/managerial control in public entities, with further alterations and additions and provisions of GO no.119/1999 regarding the internal/managerial control system and the preventive financial control, republished, with further alterations and additions.

For the risks' efficient management, together with the company' objectives associated and derived from the company' general objectives. Monitoring of the risks' management process was provided, by the Risks' registrar and the Plan of control measures implementation, by the Risks management team together with risks responsible persons appointed for each department by the company' management decision.

In the evaluation of 30.09.2017, comparing to the previous evaluation of 31.12.2016, a number of 99 risks are monitored and managed, associated both with the specific objectives and with the company' departments specific activities/ processes, as follows:

- **87** risks of level „tolerable” – percentage 87.88%;
- **10** risks of level „high tolerance” – percentage 10.10%;
- **2** risks of level „low tolerance” – percentage 2.02%;
- **0** risks of level „intolerable” – percentage 0%.

From the critical analysis of Risks registrar, updated and centralized in the company on 30.06.2016, recorded under no. 10/17.07.2017, it remarks the fact that, on the current evaluation and reporting stage, comparing to the same period completed on 31.12.2016, according to the risk tolerance level approved by the company' management for the risks control associated with the risks' evolution to be managed has the following tendency:

- increase of risks total risks identified, evaluated and managed by the Risks registrar , namely 99 risks on 30.09.2017 than 98 risks identified, evaluated and managed on 31.12.2016;
- increase of risks classified as “tolerable” by abt. 1.15%;
- constant maintenance of risks classified as “ high tolerance”(10 risks);
- constant maintenance of risks classified as “ low tolerance” (2 risks)
- there were no risks identified as being classified as “intolerable”

Evolution and tendency of exposure to the residual risk of 99 risks to be managed by the Risks registrar on 30.09.2017, comparing to the evolution of exposure to residual risk recorded on 31.12.2016, is as follows:

- 96 risks included in the Risks registrar on 30.06.2017 have constant exposure to residual risk comparing to the evaluation on 31.12.2016;
- for 2 risks contained in te Risks registrar on 30.06.2017, a diminishing of the residual risk exposure comparing to the previous evaluation since 31.12.2016 is noticed;
- 1 new risk was introduced and managed in the Risks registrar on 30.06.2017.

For the good risks management, the company' departments' chiefs adopted the most appropriate, efficient risk strategies and intern control measures, according to the risk monitorings and evaluations, meant to lead to risks'causes elimination, their control or to prevent the risks' oocurrence and re occurrence that could lead to the final objectives unachievement and to be able to maintain the risks' level in the risk tolerance level approved by the company.

Price risk

The company' exposure to the proce risk is monitored by management accounting and the costs calculation activity, containing the following matters:

- the company way of expenses' organisation;
- expenses' classification and behaviour reporting to factors generating them and their particularity;
- presettlement of the costs' level and structure for each service supply and for the whole planned service supply;
- production expenses current analytical record on management periods and of indicators' calculation required by the calculation methods used in a period of time;
- production expenses' level and structure' compared analysis, for the decisions' optimization in the service supply' valoric side management process

The costs' calculation is according to the tariffs' settling and represents the main instrument in the company' internal reserves' prospection, identification and mobilization as:

1. costs calculation provides information on the service supply' valoric side achieved for the past expenses and for the present ones;
2. service supply' costs level is an economic criterion for the company' activity efficiency;
3. services supplies tariffs correct settling represents an important instrument for the company' management;

4. costs' calculation is an important instrument for the company' financial planning activity;
5. organising the management accounting on the company' level and for each service supply, the possibility to follow the costs in their dynamics occurs

By following periodically the costs' dynamics per product ton it provides a balance between the average cost per product ton and the average revenue achieved per the same measure unit, so that the services supplies are efficient and bring a plus value.

Risk of interest rate

Operational cash flows are affected by interests rate variations, mainly due to loans contracted on long term. The company has significant long term loans, with variable interest, exposing it to a cash flow risk.

In view to manage the interest rate risk, the company detes are permanently monitored for the due dates, by clients cashing policy providing the resources necessary for debts payment.

38. Extrabalance elements

On 30.09.2017, the company has recorded in accounts and besides the balance the followings:

- Crude oil, petroleum, chemical products, Oil Terminal'clients'propriety, pointed out as material values received to be kept and in custody;
- Stocks of inventory objects in use in a total value of 7,159,503 lei;
- Public goods received in administration, leasing, hired represent public goods according to Oil Agreement to lease the activity of shoretanks, transport pipelines for crude oil, oil products operation, of pumping facilities and other facilities and equipments related to them, concluded between National Agency of Mineral -Resources and Oil Terminal, value 22,575,918 lei.
- other values, besides the balance, representing fixed assets approved to be out of use, in a value of 431,262 lei;
- guarantees and warranties received representing good execution guarantees in a value of 2,630,318 lei
- hired assets 185,452 lei
- other values besides the balance (Vodafone points) 3,170 lei
- royalties management locations, hires and other assimilated debts (operational leasing) 2,593,353 lei
- contingent assets in an amount of 2,088,593 lei
- guarantees and warranties given in an amount of 30,014,578 lei.

39. Result per share

On 30.09.2017 and on 30.09.2016, the result per share is:

	30September 2017	30 September 2016
Financial year profit	11,508,910	15,319,981
Other elements of overall result:		
Elements not being reclassified as profit and loss, from which:		
Earnings from real estates reevaluation	396,996	53,873
Overall result	11,905,906	15,373,854
Ordinary shares number on the period start and end (ordinary shares average number)	582,430,253	582,430,253
Main and diluted result per share (lei/share)	0.02044177	0.02639604

40. Contingent assets and debts

On 30 September, Societatea has contingent assets in an amount of 2,088,593 lei, representing:

- a. litigations pending in an amount of 78,077 lei

On the financial situations issuing date, Societatea is involved in 79 pending litigations, 52 ones in which it is a claimant or a contesting party, 27 ones in which it is defendant.

For 48 litigations, Societatea constituted provisions described in Note 34.

- b. the amounts to be recovered from third parties acc. to Courts of Accounts' report no.1450/10.02.2016 in an amount of 139,341 lei, the employer's contribution included
- c. debts to recover from the client Oltechim Ramnicu-Valcea in an amount of 1,871,175 lei acc. to Civil Sentences 617/30.01.2013 and 892/2015

On 30 September 2017, Societatea has no contingent debts.

41. Further events

1. By Shareholders General Ordinary Assembly' decision no.13/18.10.2017, the followings were decided:

Art.1 With shareholders' vote representing 59.91 % of the social capital and 100 % of the present shareholders/ representatives, it approves the corrected Budget of Revenues and Expenditures for 2017.

Art.2 With shareholders' vote representing 59.91 % of the social capital and 100 % of the present shareholders/ representatives, it approves the empowerment of the meeting chairman to sign the assembly' decisions.

Art.3 With shareholders' vote representing 59.91 % of the social capital and 100 % of the present shareholders/ representatives, it approves the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.

2. By Shareholders General Ordinary Assembly' decision no.14/18.10.2017, the followings were decided:

Art 1. With shareholders' vote representing 59.91 % of the social capital and 100 % of the present shareholders/ representatives, it approves the amount of 1 million Euros, representing the insurance policy for the company' managers' civil responsibility.

Art.2 With shareholders' vote representing 59.91 % of the social capital and 100 % of the present shareholders/ representatives, it approves the empowerment of the meeting chairman to sign the assembly' decisions.

Art.3 With shareholders' vote representing 59.91 % of the social capital and 100 % of the present shareholders/ representatives, it approves the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.

3. By Shareholders General Ordinary Assembly' decision no.15/18.10.2017, the followings were decided:

Art.1 With shareholders' vote representing 59.91 % of the social capital and 99.52% of the present shareholders/ representatives, it rejects the conclusion of a contract of consulting, legal assistance and representation in order to increase the company' social capital.

Art.2 With shareholders' vote representing 59.91 % of the social capital and 100 % of the present shareholders/ representatives, it approves the empowerment of the meeting chairman to sign the assembly' decisions.

Art.3 With shareholders' vote representing 59.91 % of the social capital and 100 % of the present shareholders/ representatives, it approves the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.

4. By Shareholders General Ordinary Assembly' decision no.16/18.10.2017, the followings were decided:

Art.1 With shareholders' vote representing 59.91 % of the social capital and 100% of the present shareholders/ representatives, it approves to maintain the guarantees structure in order to extend the credit contract no. 1403/27.11.2015 regarding the facility of bank guarantee letter issuing in an amount of 47,017,708 lei, as follows:

- Mortgage on receivables with MOL ROMANIA PETROLEUM PRODUCTS SRL, KRONOSPAN SEBES SA, VITOL SA, EURONOVA ENERGIES SA
- Fixed assets in OIL TERMINAL SA' propriety in an amount of 3,632,000 lei, from which:
 - Field in a surface of 20,000 sq.m., located in Constanta, no.2, Caraiman str. (Storage Farm IV Movila Sara), dismantled from lot in a surface of 951,386.79 sq.m
 - Accounting value is 1,055,114 lei, on 31.07.2017
 - Shoretank of 50,000 CM (R37) capacity, located in South Storage Farm, inventory number 11223319, amount remained =1,707,568 lei, on 31.07.2017
 - Shoretank of 50,000 CM (R36) capacity, located in South Storage Farm, inventory number 11223318, amount remained = 869,325 lei, on 31.07.2017

Art.2 With shareholders' vote representing 59.91% of the social capital and 100% of the present shareholders/ representatives, it approves the empowerment of the general director, the economic director and the chief of legal-litigations department or their legal representatives to represent the company in relationships with the bank, public attorney and to sign the credit contracts, the guarantees contracts (movables/immovables), all additional acts related to them, and any other inscriptions necessary for the contractual relationships with bank for the granted loans.

Art.3 With shareholders' vote representing 59.91% of the social capital and 100% of the present shareholders/ representatives, it approves the empowerment of the meeting chairman to sign the assembly' decisions.

Art.4 With shareholders' vote representing 59.91% of the social capital and 100% of the present shareholders/ representatives, it approves the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.

5. By Shareholders General Ordinary Assembly' decision no.17/18.10.2017, the followings were decided:

Art.1 With shareholders' vote representing 59.91% of the social capital and 99.52% of the present shareholders/ representatives, it approves the recalling of Mrs. Hermina Bectemir from Societatea Oil Terminal SA' Board of Directors' interim manager position.

Art.2 With shareholders' vote representing 59.91% of the social capital and 99.52% of the present shareholders/ representatives, it approves the recalling of Mr. Ionut Barbu from Societatea Oil Terminal SA' Board of Directors' interim manager position.

Art.3 With shareholders' vote representing 59.91% of the social capital and 99.52% of the present shareholders/ representatives, it appoints Mr. Mihai Catalin CARACOSTEA, as Societatea Oil Terminal SA' Board of Directors' interim manager, since 18.10.2017.

Art.4 With shareholders' vote representing 59.91 % of the social capital and 59.92% of the present shareholders/ representatives, it appoints Mr. Nicolae Cristinel DRAGOMIR, as Societatea Oil Terminal SA' Board of Directors' interim manager, since 18.10.2017.

Art.5 With shareholders' vote representing 59.91 % of the social capital and 59.92% of the present shareholders/ representatives, it approves of the Board of Directors' interim managers mandate period, managers appointed in item 3), for a period equal to the period until the predecessors' mandates expiry they replace or until the Board of Directors' members selection procedure completion, according to provisions of art. 64¹ of EGO no.109/2011 regarding the corporate governance of public companies, approved with alterations and additions by Law no.111/2016.

Art.6 With shareholders' vote representing 59.91 % of the social capital and 99.52% of the present shareholders/ representatives, it settles the interim managers monthly fixed indemnity, managers appointed in the previous item to be equal with the interim managers' indemnity, managers appointed by the Shareholders General Ordinary Assembly no.10/19.06.2017.

Art.7 With shareholders' vote representing 59.91% of the social capital and 99.52% of the present shareholders/ representatives, it approves the management contract form to be concluded with interim managers to be identical to the management contract form of the interim managers appointed by Shareholders General Ordinary Assembly' decision no.10/19.06.2017.

Art.8 With shareholders' vote representing 59.91 % of the social capital and 100 % of the present shareholders/ representatives, it empowers Mrs. Aura Gabriela Dumitru, as the major shareholder' representative, the Ministry of Energy, to sign the company' interim managers' management contracts.

Art.9 With shareholders' vote representing 59.91% of the social capital and 100% of the present shareholders/ representatives, it approves the empowerment of the meeting chairman to sign the assembly' decisions.

Art.10 With shareholders' vote representing 59.91 % of the social capital and 100% of the present shareholders/ representatives, it approves the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.

6. By Shareholders General Ordinary Assembly' decision no.18/18.10.2017, the followings were decided:

Art.1 With shareholders' vote representing 59.91 % of the social capital and 99.52% of the present shareholders/ representatives, it rejects the managers' mandate period extension, managers whose mandate expires on 11.11.2017.

Art.2 With shareholders' vote representing 59.91 % of the social capital and 99.52% of the present shareholders/ representatives, it rejects the conclusion of an additional act to the management contracts further the mandate period extension with the following article:

- Art.1 It extends the management contracts period with 2 months.

Art.3 With shareholders' vote representing 59.91% of the social capital and 99.52% of the present shareholders/ representatives, it rejects the empowerment of Mrs. Aura Gabriela Dumitru, as the major shareholder' representative, the Ministry of Energy, to sign the company' interim managers' management contracts.

Art.4 With shareholders' vote representing 59.91% of the social capital and 100% of the present shareholders/ representatives, it approves the empowerment of the meeting chairman to sign the assembly' decisions.

Art.5 With shareholders' vote representing 59.91 % of the social capital and 100% of the present shareholders/ representatives, it approves the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.

7. By Shareholders General Ordinary Assembly' decision no.19/18.10.2017, the followings were decided:

Art.1 With shareholders' vote representing 59.91 % of the social capital and 100% of the present shareholders/ representatives, it approves the settling the date 06.11.2017, as register date, and settling of date 03.11.2017 as ex-date, according to legal provisions.

Art.2 With shareholders' vote representing 59.91% of the social capital and 100 % of the present shareholders/ representatives, it approves the empowerment of the meeting chairman to sign the assembly' decisions.

Art.3 With shareholders' vote representing 59.91 % of the social capital and 100% of the present shareholders/ representatives, it approves the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.

8. By Shareholders General Extraordinary Assembly' decision no.20/18.10.2017, the followings were decided:

Art.1 With shareholders' vote representing 59.90 % of the social capital and 99.53% of the present shareholders/ representatives, it approves the facility of the bank guarantee letter issuing' extension by one year, given by the contract no.1403/27.11.2015, added/altered by further additional acts, in the National Agency of Fiscal Administration' favor, facility related to fiscal warehouse authorization.

Art 2. With shareholders' vote representing 59.90 % of the social capital and 100% of the present shareholders/ representatives, it approves the empowerment of general director, economic director, chief of legal- litigations dept. or their legal representatives to represent the company in relationship with the bank and to sign in the company name and behalf the additional acts to the credit contracts, contracts of movable/ immovable mortgage, additional acts to movable/immovable mortgage contracts and any other inscriptions necessary for the contractual relationship with the bank for the granted loans.

Art.3 With shareholders' vote representing 59.90 % of the social capital and 100% of the present shareholders/ representatives, it approves the empowerment of the meeting chairman to sign the assembly' decisions.

Art.4 With shareholders' vote representing 59.90 % of the social capital and 100% of the present shareholders/ representatives, it approves the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.

9.By Shareholders General Extraordinary Assembly' decision no.21/18.10.2017, the followings were decided:

Art.1 With shareholders' vote representing 59.90 % of the social capital and 100% of the present shareholders/ representatives, it approves the settling the date 06.11.2017, as register date, and settling of date 03.11.2017 as ex-date, according to legal provisions.

Art.2With shareholders' vote representing 59.90 % of the social capital and 100 % of the present shareholders/ representatives, it approves the empowerment of the meeting chairman to sign the assembly' decisions.

Art.3 With shareholders' vote representing 59.90 % of the social capital and 100% of the present shareholders/ representatives, it approves the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.

10.On 08.11.2017, the Shareholders General Ordinary Assembly is convened with the following day agenda:

- Approval of updating the guarantees structure regarding the addition of 9,238,842 lei to the facility for bank guarantee letter issue given by credit contract no. 1403/27.11.2015, added/alterd by further additional acts in favor of the National Agency for Fiscal Administration, facility related to the fiscal warehouse authorization
- Approval of the empowerment of the general director, the economic director and the chief of legal-litigations department or their legal representatives to represent the company in relationships with the bank, public attorney and to sign the credit contracts, the guarantees contracts (movables/immovables), all additional acts related to them, and any other inscriptions necessary for the contractual relationships with bank for the granted loans.
- Approval of the empowerment of the meeting chairman to sign the assembly' decisions.
- Approval the authorization of the company' general director to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.
- Approval of the settling the date 27.11.2017, as register date, and settling of date 24.11.2017 as ex-date, according to legal provisions
- Approval of the conclusion of Additional Acts of Mandate contracts for their extension by 2 months, the other mandate contracts provisions remaining the same.
- Approval of the empowerment of the Ministry of Energy' representative, in the Shareholders General Ordinary Assembly to sign the Additional Acts.
- Approval to start Societatea Oil Terminal SA' managers selection procedure according to EGO no.109/2011, approved with additions and alterations by Law no.111/2016. The procedure will be run by Societatea Oil Terminal SA' Board of Directors.

11. On 08.11.2017, the Shareholders General Extraordinary Assembly is convened with the following day agenda:

- Approval of the addition of 9,238,842 lei to the guarantees structure for bank guarantee letter issue given by credit contract no. 1403/27.11.2015, added/alterd by further additional acts in order to update the amount of guarantee related to the fiscal warehouse authorization in favor of the National Agency for Fiscal Administration (from which the amount of 56,256,550 lei according to the credit contract no.1403/27.11.2015 and the amount of 804,493 lei constituted from own financial sources).
- Approval of the extension of the facility for the bank guarantee issue in an amount of 56,256,550 lei, given by to the credit contract no.1403/27.11.2015, added/alterd with further additional acts in favor of the National Agency for Fiscal Administration, facility related to the fiscal warehouse authorization, until 01.11.2018.
- Approval of the empowerment of general director, economic director, chief of legal-litigations dept. and their legal representatives to represent the company in relationship with the bank and to sign in the company name and behalf the additional acts to the credit contract, additional acts to movable/immovable mortgage contracts, Contract of immovable mortgage and any other inscriptions necessary for the contractual relationship with the bank for the granted loans.
- Approval of the empowerment of the meeting Chairman to sign the assembly' decisions.
- Approval the company' general director' empowerment to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.
- Approval the settling the date 27.11.2017, as register date, and settling of date 24.11.2017 as ex-date, according to legal provisions.

12. On 24.11.2017, the Shareholders General Ordinary Assembly is convened with the following day agenda:

- Appointment of the Board of Directors' members by the cumulative voting method.
- Settling of managers mandate period until new managers' appointment, selected according to EGO 109/2011 provisions but not later than one year.
- Settling of the managers monthly fixed indemnity equal with by 2 (twice) the average of the last 12 months of the monthly gross average earning for the activity ran according to the main object of activity recorded by the company on the rank level complying with the national economy activities classification communicated by the National Institute of Statistics, previously the appointment.
- Approval of the management contract form to be concluded with the company' managers.
- Empowerment of Mrs. Aura Gabriela Dumitru, as the major shareholder – Ministry of Energy' representative to sign the company' managers' management contract
- Approval to conclude a consulting, legal assistance and legal representation in order to increase the company' social capital.
- Empowerment of the meeting' chairman to sign the assembly' decisions.
- The company' general director' empowerment to sign the necessary documents regarding the shareholders' general assembly' decisions at the Commerce Office by Constanta County and to effect the formalities regarding these decisions' publishing.
- Settling the date 12.12.2017, as register date, and settling of date 11.12.2017 as ex-date, according to legal provisions

The notes numbered from 1 to 41 are part of the simplified interim financial situations on 30.09.2017, were issued by the company on 09.11.2017 and signed in its name by:

Board of Directors' Chairman,
Gheorghe Cristian Florin

General Director,
Ciutoreanu Viorel-Sorin

Economic Director,
Frangu Adriana

Chief of Accounting Dept.,
Popovici Cecilia

STATEMENT

according to provisions of art. 113 of CNVM Regulation no.1/2006

The undersigned: Gheorghe Cristian Florin, as the Board of Directors' Chairman and Ciutoreanu Viorel-Sorin as General Director confirm that:

- a) as per our knowledge, the financial accountant situation on 2017 September 30th, issued according to applicable accountant standards, namely Order of Public Finances Ministry no.2844/2016 for approval of Accountant Regulations according to International Standards of financial report, applicable to the commercial companies which securities are allowed to be traded on a regulated market and to the International Standards of Financial Report, provides a correct and according to reality image of assets, obligations, financial position, profit and loss account of Societatea Oil Terminal SA;
- b) the Board of Directors' report presents correctly and fully the information about Societatea Oil Terminal SA.

**Chairman of Board of Directors,
Gheorghe Cristian Florin**

**General Director,
Ciutoreanu Viorel – Sorin**

REPORT OF INTERIM FINANCIAL REVISION REVIEW

To: OIL TERMINAL S.A. Constanta' Shareholders

Introduction

We revised Societatea OIL TERMINAL S.A.' annexed simplified interim financial situations, on 30 June 2017, containing: Situation of financial position, situation of overall result, Situation of cash flows, Situation of own capitals alteration and notes of simplified interim financial situations

The company' management is in charge with the accurate issue and presentation of these interim financial situations according to Public Finances Minister Order no.2844/2016 for approval of Accountant regulations complying with International Standards of financial reporting, applicable to commercial companies which securities are allowed to be traded on a regulated market, with all further alterations and completions and with International Accountant Standard IAS 34 ' ' Interim financial reporting' '.

Our responsibility is to express a conclusion regarding the interim financial information issued on 30 September 2017, according to our review.

- Total capitals: 438,875,633 lei
- Net result of financial year: 11, 508, 910 lei, profit

The review field of applicability

We effected the review according to International Standard for Review Missions 2410 ' ' Review of interim financial information, effected by the entity' independent auditor' '.

A review of interim financial information consists of interviews, especially of persons in charge with the financial and accountant matters and with analytical and other review procedures' application. The field of a review application is, substantially more reduced than an audit one, effected according to International Audit Standards, therefore it does not allow to get the insurance that we found all the outstanding matters that could be identified during an audit. Therefore, we don't express an audit opinion.

Conclusion

According to our review, we noticed no matter that makes us believe that, Societatea OIL TERMINAL S.A' simplified interim financial information doesn't provide a correct and accurate image of the entity' financial position on 30 September 2017 of the overall result, cash flows situation, own capitals alteration situation, according to Public Finances Minister Order no.2844/2016 for approval of Accountant regulations complying with International Standards of financial reporting, applicable to commercial companies which securities are allowed to be traded on a regulated market, with all further alterations and completions and with International Accountant Standard IAS 34 ' ' Interim financial reporting' '.

Other aspects

This report is exclusively designed to the company' shareholders, as an overall. Our review was effected to be able to report to the company' shareholders those aspects we must communicate in a review report and not for other purposes. According to law, we accept and take the responsibility only towards the company and its shareholders, for our review or the stated conclusion.

The annexed interim accountant reports are not meant to present the company' position and the operations result according to regulations and political principles accepted in countries and jurisdictions other than Romania. The annexed interim accountant reports are not issued for persons' use not knowing Romanian accountant and legal regulations, Public Finances Minister Order no.2844/2016' provisions to approve the accountant regulations complying with the International standards of financial reporting.

ROMAR-CO AUDIT SRL

Romania Financial Auditors Chamber' Authorization under number 186/2001

Financial auditor Dr.ec. Rusu Gheorghe

Recorded in Romania Financial Auditors Chamber under number 886/2001

Constanta, 27.10.2017