S.C. SOCEP S.A. CONSTANTA
Societate administrată în sistem dualist
Nr. Ord. Reg. Com. J13/643/1991; CUI/CIF RO 1870767
Sediul social: Incinta Port Constanta, Dana 34
Capital social subscris şi vărsat: 34.342.574,40 Lei
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PRELIMINARY RESULT 2016

1. FINANCIAL AND ECONOMIC STATE

a) The main elements of the Balance Sheet and of the Profit and Loss Account, compared to the same time period of the previous year, are below listed:

	ECONOMIC INDICATORS	UNIT	12/31/2015	12/312016
I.	**TOTAL ASSETS**	**lei**	**132,124,264**	**163,205,886**
1.1.	*Fixed Assets*	”	*82,517,722*	*117,557,144*
1.2.	*Stocks*	”	*458,739*	*591,879*
1.3.	*Receivables*	”	*15,995,887*	*10,684,878*
1.4.	*Cash and Bank Accounts*	”	*33,017,721*	*34,250,754*
1.5.	*Accruals and prepaid expenses*	”	*134,195*	*121,231*
II.	**TOTAL LIABILITIES**	**lei**	**132,124,264**	**163,205,886**
2.1.	*Shareholders' Equity*	”	*123,576,597*	*133,273,367*
2.2.	*Total Debts*	”	*7,761,197*	*29,157,610*
2.3.	*Upfront Revenues*	”	*39,234*	*180*
2.4.	*Provisions*	”	*747,236*	*774,729*

b) Profit and Loss Account

	ECONOMIC INDICATORS	UNIT	12/31/2015	12/312016
I.	TURNOVER	lei	62,665,648	64,802,898
II.	TOTAL REVENUES	”	68,090,877	68,956,140
III.	TOTAL EXPENSES	”	55,118,513	56,630,215
IV.	GROSS PROFIT	”	12,972,364	12,325,925

c) Cash Flow

	12/31/2016
CASH FLOWS FROM OPERATIONS	
Receipts from clients	*78,352,424*
Payments to suppliers and employees	*(49,820,392)*
Interest paid	-
VAT and other taxes (except income tax)	*(2,769,163)*

Income tax paid	*(2,911,046)*
Other receipts	*490,738*
Other payments	*(3,838,370)*
I. NET CASH FROM OPERATIONS	***19,504,191***
CASH FLOWS FROM INVESTMENTS	
Payments for acquisition of intangible assets	*(958,509)*
Payments for acquisition of tangible assets	*(40,042,099)*
Payments for acquisition of equity instruments	-
Receipts from change in value of equity instruments	-
Receipts from sale of tangible assets	*48,077*
Interests received	*45,511*
Dividends received	*104,136*
II. NET CASH FROM INVESTMENTS	***(40,802,884)***
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts from share issue	*
Receipts from long-term loans	*23,004,755*
Interest related to loans	*(148,646)*
Dividends paid	*(926,253)*
III. NET CASH FROM FINANCING ACTIVITIES	***21,929,856***
IV. NET INCREASE IN CASH AND CASH EQUIVALENTS (I+II+III)	***631,163***
V. IMPACT OF EXCHANGE RATE VARIATIONS	***601,870***
VI. CASH AND CASH EQUIVALENTS AT THE START OF FINANCIAL YEAR	***33,017,721***
VII. CASH AND CASH EQUIVALENTS AS AT 12/31/2016	***34,250,754***

d) Financial and Economic Indicators

	INDICATORS	CALCULATION PROCEDURE	RESULTS 12/31/2015	RESULTS 12/31/2016
1.	Current Ratio	Current Assets/Current Liabilities	8.50	6.36
2.	Indebtedness degree	Loan Capital ---------- x 100 Equity Capital	2.20	17.08
		Loan Capital ---------- x 100 Committed Capital	2.15	14.59
3.	Rotation Speed of Customers' debts	Customers' Average Balance ---------- x 360 Turnover	86.13	87.98
4.	Rotation Speed of Fixed Assets	Turnover/Fixed Assets	0.76	0.55

Financial Statements as at 12/31/2016 are drawn up complying with IFRS. Present Report is signed by both General Manager and Financial Manager and has following attachments:

- Statement of financial position
- Statement of comprehensive income
- Statement of equity changes
- Cash Flow Statement

Preliminary Financial Statements are not audited and therefore may change with minor decreases or setting up provisions.

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31-st, 2016

= in lei =

	12/31/2014	12/31/2015	12/31/2016
NON-CURRENT ASSETS			
- Tangible assets	49,832,149	51,860,931	83,861,485
- Intangible assets	23,717	27,576	956,269
- Financial assets available for sale	631,522	169,130	175,473
- Investments in subsidiaries and associates	30,091,385	30,091,385	30,091,385
- Other long term investments	-	-	2,079,732
- Real estate investments	331,700	368,700	392,800
TOTAL NON-CURRENT ASSETS	**80,910,473**	**82,517,722**	**117,557,144**
CURRENT ASSETS			
- Stocks	386,833	458,739	591,879
- Clients and other receivables	10,863,773	15,995,887	10,531,077
- Receivables regarding profit tax	-	-	153,801
- Accrued charges	109,216	134,195	121,231
- Cash and cash equivalents	29,037,147	33,017,721	34,250,754
TOTAL CURRENT ASSETS	**40,396,969**	**49,606,542**	**45,648,742**
TOTAL ASSETS	**121,307,442**	**132,124,264**	**163,205,886**
EQUITY			
- Share capital	34,342,574	34,342,574	34,342,574
- Share capital adjustment	164,750,632	164,750,632	164,750,632
- Reserves	40,236,366	39,664,704	39,821,325
- Retained earnings	42,688,918	52,624,538	61,964,698
- Retained earnings from the adoption of IAS 29	(164,750,632)	(164,750,632)	(164,750,632)
- Other elements of equity	(3,254,627)	(3,055,219)	(2,855,230)

TOTAL EQUITY	**114,013,231**	**123,576,597**	**133,273,367**
LIABILITIES			
Non-current liabilities			
- Deferred tax liabilities	2,702,173	2,292,436	2,037,577
- Deferred income	-	-	-
- Provisions for employee benefits	449,494	422,212	450,895
- Long term bank loans	-	-	20,271,776
TOTAL NON-CURRENT LIABILITIES	**3,151,667**	**2,714,648**	**22,760,248**

	12/31/2014	12/31/2015	12/31/2016
Current liabilities			
- Suppliers and other liabilities	3,794,335	4,502,911	4,087,941
- Long term bank loans maturing in up to one year	-	-	2,732,979
- Interest related to long term loans	-	-	27,337
- Current income tax owed	19,830	965,850	-
- Provisions	323,834	325,024	323,834
- Deferred income	4,545	39,234	180
TOTAL CURRENT LIABILITIES	**4,142,544**	**5,833,019**	**7,172,271**
TOTAL LIABILITIES	**7,294,211**	**8,547,667**	**29,932,519**
TOTAL EQUITY AND LIABILITIES	**121,307,442**	**132,124,264**	**163,205,886**

STATEMENT OF COMPREHENSIVE INCOME AS AT DECEMBER 31-st, 2016

= in lei =

	12/31/2015	12/31/2016
Income	62,665,648	64,802,898
Other income	1,579,301	1,273,887
Raw materials and consumables	(7,232,850)	(7,694,675)
Cost of goods sold	(55,697)	(28,250)
Services provided by third parties	(13,342,287)	(13,983,985)
Employee benefits expense	(23,615,535)	(24,568,456)
Impairment and amortization expense	(5,843,460)	(6,292,178)
Other expenses	(1,505,071)	(1,132,602)
Other gains/losses from operations - net	(1,017,946)	(524,548)
Financial income	86,898	47,948
Financial expense	-	(175,984)

Other financial gains/losses (net)	1,253,363	601,870
Profit before tax	**12,972,364**	**12,325,925**
Income tax expense	(1,913,605)	(1,535,521)
PROFIT FOR THE YEAR	**11,058,759**	**10,790,404**
OTHER COMPREHENSIVE INCOME ELEMENTS		
- elements not to be reclassified under profit or loss		
Gains or losses from evaluation of fixed assets	-	-
Deferred income tax related to other comprehensive income elements	-	-
- elements to be reclassified under profit or loss		
Gains or losses on financial assets available for sale	5,483	6,343
Deferred income tax related to other comprehensive income elements	(877)	(1,015)
OTHER COMPREHENSIVE INCOME ELEMENTS FOR THE YEAR(without tax)	**4,606**	**5,328**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**11,063,365**	**10,795,732**

The financial statements have been authorized for publication by the Board, on 02/15/2017.

STATEMENT OF EQUITY CHANGES AS AT DECEMBER 31-st, 2016

= in lei =

	SHARE	SHARE	RESERVES	RETAINED	RETAINED	OTHER	TOTAL

	CAPITAL	CAPITAL ADJUSTMENTS		EARNINGS	EARNINGS FROM ADOPTING IAS 29	EQUITY ELEMENTS	EQUITY
BALANCE AS AT 01/01/2015	**34,342,574**	**164,750,632**	**40,236,366**	**42,688,918**	**(164,750,632)**	**(3,254,627)**	**114,013,231**
Profit for 2015	-	-	645,847	10,412,912	-	-	11,058,759
Change in fair value for financial assets available for sale	-	-	-	-	-	5,484	5,484
Deferred income tax	-	-	-	-	-	(877)	(877)
Reserves from revaluation of realized tangible assets	-	-	(1,217,509)	1,217,509	-	-	-
Reserves from revaluation of unrealized tangible assets	-	-	-	-	-	-	-
Deferred income tax on realized revaluation differences	-	-	-	(194,801)	-	194,801	-
Dividends 2014	-	-	-	(1,500,000)	-	-	(1,500,000)
BALANCE AS AT 12/31/2015	**34,342,574**	**164,750,632**	**39,664,704**	**52,624,539**	**(164,750,632)**	**(3,055,219)**	**123,576,597**
Profit for 2016	-	-	**1,373,253**	**9,417,151**	**-**	**-**	10,790,404
Change in fair value for financial assets available for sale	-	-	-	-	-	6,343	6,343
Deferred income tax	-	-	-	-	-	(1,015)	(1,015)
Reserves from revaluation of realized tangible assets	-	-	(1,216,632)	1,216,632	-	-	-
Reserves from revaluation of unrealized tangible assets	-	-	-	-	-	-	-
Deferred income tax on realized revaluation differences	-	-	-	(194,661)	-	194,661	-
Dividends 2015	-	-	-	(1,098,962)	-	-	(1,098,962)
BALANCE AS AT 12/31/2016	**34,342,574**	**164,750,632**	**39,821,325**	**61,964,698**	**(164,750,632)**	**(2,855,230)**	**133,273,367**

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CASHFLOW STATEMENT AS AT 12/31/2016

	lei	
	12/31/2015	**12/31/2016**
A		**1**
CASH FLOWS FROM OPERATIONS		
Receipts from clients	63,991,009	78,352,424
Payments to suppliers and employees	(47,567,754)	(49,820,392)
Interest paid	-	-
VAT and other taxes (except income tax)	(2,177,260)	(2,769,163)
Income tax paid	(1,378,199)	(2,911,046)
Other receipts	295,329	490,738
Other payments	(742,960)	(3,838,370)
I. NET CASH FROM OPERATIONS	**12,420,165**	**19,504,191**
CASH FLOWS FROM INVESTMENTS		
Payments for acquisition of intangible assets	(24,551)	(958,509)
Payments for acquisition of tangible assets	(9,265,687)	(40,042,099)
Payments for acquisition of equity instruments	-	-
Receipts from change in value of equity instruments	467,875	-
Receipts from sale of tangible assets	143,504	48,077
Interests received	84,621	45,511
Dividends received	98,095	104,136
II. NET CASH FROM INVESTMENTS	**(8,496,143)**	**(40,802,884)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from share issue	*	*
Receipts from long-term loans	*	23,004,755
Interest related to loans		(148,646)
Dividends paid	(1,196,811)	(926,253)
III. NET CASH FROM FINANCING ACTIVITIES	**(1,196,811)**	**21,929,856**
IV. NET INCREASE IN CASH AND CASH EQUIVALENTS (I+II+III)	**2,727,211**	**631,163**
V. IMPACT OF EXCHANGE RATE VARIATIONS	**1,253,363**	**601,870**
VI. CASH AND CASH EQUIVALENTS AT THE START OF FINANCIAL YEAR	**29,037,147**	**33,017,721**
VII. CASH AND CASH EQUIVALENTS AS AT 31.12.	**33,017,721**	**34,250,754**

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MARIUS BARBARINO
GENERAL MANAGER

CAMELIA NEBI
FINANCIAL MANAGER