STIROM S.A.

Romanian legal entity, having head office in Bucharest
Bld. Theodor Pallady no. 45, sector 3
Phone: 021.201.85.00; Fax 021.345.10.23
Trade Register registration no. J40/10/1990, C.U.I.: 335588, C.I.F. RO335588
Share capital called up and paid in: RON 40,696,730.00

First Quarter Report for the Financial Year 2017 according to RNSC Regulation No. 1/2006
Report date: May 15, 2017
Name of the issuing company: STIROM S.A.
Registered office: 45 Theodor Pallady Blvd, 3 district, Bucharest
Phone/fax number: + 4 021/201.85.00, + 4 021/3345.10.23
Sole Registration Code with the Trade Register Office: 335588
Order Number in the Trade Register: J40/10/1990
Share capital: RON 40.696.730,00
Regulated market on which the issued securities are traded: Bucharest Stock Exchange S.A.

1 Presentation of the important events occurred and the relevant period and those impact on the financial position of the issuer and its branches.

During the period 1st of January – 31 March 2017 did not take place important events significant affecting position and financial performance of the Company.

The Financial Statements have not been audited.

2.General description of financial position and the the performances of the issuer and its branches in the relevant period.

The Finacial accounting situation as of March 31, 2017 is as follows:

STATEMENT OF THE FINANCIAL POSITION 31 MARCH 2017			
		FINANCIAL PERIOD	FINANCIAL PERIOD
		31/03/2017	31/12/2016
ASSETS			
Non-current assets			
Tangible assets	1	336.709.100	341.633.827
Intangible assets	2	369.004	434.383
Goodwill	3	0	0
Other financial assets	4	6.000	6.000
Deferred tax assets	7	3.415.115	3.415.115
Other non-current assets	10	232.113	246.504
Total non-current assets		340.731.332	345.735.829
Current assets			
Inventories	11	40.463.719	40.383.171
Trade and similar receivables	12	102.548.235	145.015.972
Receivables from intercompany	13	43.535.863	4.544.385
Prepayments and other receivables	16	3.543.835	4.315.417
Cash and cash equivalents	17	19.958.962	8.117.860
Total current assets		210.050.614	202.376.805
TOTAL ASSETS		550.781.946	548.112.633
EQUITY AND LIABILITIES			
Equity and reserves			
Paid in capital	18	40.696.730	40.696.730
Share capital adjustments	18	46.310.698	46.310.698
Share premium	19	14.162.234	14.162.234
Retained earnings	21	100.566.002	91.764.764
Legal reserves	22	8.139.346	8.139.346
Revaluation reserves	23	14.448.529	14.448.529
Other capital reserves	24	77.883.727	77.883.727
Other capital components	25	0	0
	26	0	0
Total capital		302.207.267	293.406.028
Long-term liabilities			

Interest-bearing loans	27	77.778.331	79.547.660
Financial lease	28	2.674.182	3.080.844
Other long-term liabilities	31	0	0
Government grants	33	39.155.918	36.808.313
Deferred tax liabilities	34	0	0
Provisions	46	1.332.412	1.332.412
Total long-term liabilities		120.940.842	120.769.228
Current liabilities			
Trade and similar obligations	35	22.701.918	27.512.467
Short-term loans	39	7.062.790	84.705.919
Current portion –Interest-bearing loans	40	6.975.144	6.913.241
Current portion – financial lease	41	1.622.796	1.598.833
Current portion –Government grants	41.1	1.173.802	4.695.209
Income tax payable	44	1.560.326	1.319.818
Other current liabilities	45	8.068.709	7.191.888
Payables to intercompany	38	78.468.352	0
Total current liabilities		127.633.838	133.937.377
CAPITAL AND LIABILITIES – TOTAL		550.781.946	548.112.633

General Manager,
Nikolaos Barlagiannis

Attorney,
Ioana Zorila
Financial Manager

COMPREHENSIVE INCOME 31 MARCH 2017			
Description		FINANCIAL PERIOD	FINANCIAL PERIOD
		Mar-16	**Mar-17**
Revenues from sale of goods		65.407.981	54.672.374
Discounts		-685.766	-591.933
Net sales		**64.722.215**	**54.080.441**
Cost of sold goods		-45.010.650	-35.691.259
Gross profit		**19.711.565**	**18.389.182**
Other operating income		622.927	1.110.491
Sale and distribution expenses		-4.883.966	-3.877.091
Administrative expenses		-3.636.063	-3.182.764
Other operating expenses		-955.916	-318.314
Operating income		**10.858.546**	**12.121.504**
Financial expenses		-1.752.837	-1.719.220
Financial income		1.368	78.040
Gains /losses on exchange rate differences - net		-96.844	-118.762
Profit before tax		**9.010.233**	**10.361.563**
Current income tax		0	0
Deferred income tax (expense-/revenue+)		0	0
Profit tax expense		0	0
Profit for the year		**9.010.233**	**10.361.563**
Earnings per share			
Basic profit for the year attributable to the shareholders			
Profit for the year		**9.010.233**	**10.361.563**
Other comprehensive income			
Land and buildings revaluation as at 31 December 2015		0	
Income tax effect		-1.538.996	-1.560.325
Total comprehensive income for the year, net of tax		**7.471.237**	**8.801.238**

General Manager,
Nikolaos Barlagiannis

Attorney,
Ioana Zorila
Financial Manager

F10 - pag. 1 BALANCE SHEET FOR THE YEAR ENDED MARCH 2017 **- lei -**				
Description		**row nr.**	***Balance at:***	***Balance at:***
			31.03.2017	**01.01.2017**
A		**B**		
A.NON-CURRENT ASSETS				
I. INTANGIBLES				
1. Development expenses	1	01	0	0
2. Concessions rights, patents, licenses, trademarks and other similar rights and other intangible assets	2	02	369.004	434.383
3. Goodwill	3	03	0	0
4. Advances and intangible assets in progress	4	04	0	0
TOTAL (rows 01 to 04)		05	369.004	434.383
II. PROPERTY, PLANT AND EQUIPMENT				
1. Land and buildings	5	06	124.606.931	125.193.640
2. Technical equipment & machinery	6	07	204.939.186	207.202.675
3. Other equipment & furniture	7	08	4.004.544	3.769.037
			0	0
4. Advances & tangible assets in progress	9	10	1.752.609	5.468.474
	10	11	0	0
TOTAL (rows 05 to 11)		12	335.303.271	341.633.827
III. BIOLOGICAL ASSETS	11	13	0	0
IV. FINANCIAL INVESTMENTS				
1. Shares in subsidiaries	12	14	0	0
2. Loans to subsidiaries	13	15	0	0
3. Investments in associates	14	16	0	0
4. Loans given to associates	15	17	0	0
5. Investments held as non-current assets	16	18	6.000	6.000
6. Other loans	17	19	232.113	246.504
TOTAL (rows 11 to 19)		20	238.113	252.504
NON-CURRENT ASSETS – TOTAL (rows 5+12+20)		21	335.910.387	342.320.714
B.CURRENT ASSETS				

I. INVENTORIES				
1. Raw materials and consumables	18	22	11.014.522	14.812.634
2. Work in progress	20	23	1.919.814	1.740.458
3. Finished goods and merchandise	21	24	27.529.383	23.830.080
4. Advances for inventory acquisition	23.1	25	653.599	1.761.887
TOTAL (rows 22 to 25)		26	41.117.318	42.145.058
II. RECEIVABLES (amounts receivable in a period above one year will be disclosed separately for each item)				
1. Trade receivables	22	27	101.997.662	138.856.732
2.Advances	23.2	28	292.849	9.654
3. Receivables from intercompany	24	29	43.535.863	4.544.385
4. Receivables from associates	25	30	0	0
5. Share capital called up but not paid up	26	31	0	0
6. Other receivables	27	32	5.708.450	5.651.268
	28	33	0	0
TOTAL (rows 27 to 33)		34	151.534.825	149.062.038
III. SHORT-TERM INVESTMENTS	29	35	550.573	6.159.240
IV. PETTY CASH AND BANK ACCOUNTS	30	36	19.958.962	8.117.860
CURRENT ASSETS – TOTAL		37	213.161.677	205.484.196
C.PREPAYMENTS	31	38	304.051	307.723
D.LIABILITIES: AMOUNTS PAYABLE IN A PERIOD BELOW ONE YEAR				
1. Debenture loans	32	39	0	0
2. Bank loans	33	40	14.037.934	91.619.160
3. Advance payments from customers	34	41	302.592	562.589
4. Trade suppliers	35	42	22.399.326	26.949.878
5. Trade notes payable	36	43	0	0
	37	44	0	0
6. Payables to intercompany	38	45	78.468.352	0
7. Amounts due to associates	39	46	0	0
	40	47	0	0
8. Other payables (including debts to the state budget and social security budget	41	48	11.251.831	10.110.540
TOTAL (rows 39 to 48)		49	126.460.036	129.242.168
E.NET CURRENT ASSETS/NET CURRENT LIABILITIES (rows 35 + 36 – 45 – 63)		50	87.005.693	76.549.752
F. TOTAL ASSETS MINUS CURRENT LIABILITIES (rows 19 + 46)		51	422.916.080	418.870.466
G.LIABILITIES: AMOUNTS PAYABLE IN A PERIOD ABOVE ONE YEAR				

1. Debenture loans	42	52	0	0
2. Bank loans	43	53	77.778.330	79.547.660
3. Advance payments from customers	44	54	0	0
4. Trade suppliers	45	55	0	0
5. Trade notes payable	46	56	0	0
6. Payables to subsidiaries	47	57	0	0
7. Payables to associates	48	58	0	0
	49	59	0	0
	50	60	0	0
8. Other payables (including debts to the state budget and social security budget)	51	61	2.674.182	3.080.844
TOTAL (rows 48 to 55)		62	80.452.512	82.628.504
H.PROVISIONS				
1. Provision for pensions and related liabilities	52	63	1.241.439	1.241.439
2. Other provisions	53	64	90.973	90.973
TOTAL (rows 57 to 59)		65	1.332.412	1.332.412
I.DEFERRED INCOME				
1. Investment subsidies	54	66	40.329.720	41.503.522
2. Deferred income – total (rows 63 + 64), out of which:		67	0	0
Amounts to be reversed in a period below one year	55	68	0	0
Amounts to be reversed in a period above one year	56	69	0	0
Deferred income related to assets received from clients	57	70	0	0
TOTAL (rows 61 + 62 + 65 + 66)		71	40.329.720	41.503.522
J.CAPITAL AND RESERVES				
I. CAPITAL				
1. Paid in capital	58	72	40.696.730	40.696.730
2. Un-paid capital	59	73	0	0
3. State regis patrimony (State-owned shares)	60	74	0	0
4. Patrimony of research and development national institutes (Acc. 1018) CREDIT		75		
DEBIT	61	76	46.310.698	46.310.698
		77		
	62	78	0	0
TOTAL (rows 68 to 71)		79	87.007.428	87.007.428
II. SHARE PREMIUM	63	80	14.162.234	14.162.234

III. REVALUATION RESERVE	64	81	14.448.529	14.448.529
IV. RESERVES				
1. Legal reserves	65	82	8.139.346	8.139.346
2. Statutory and contractual reserves	66	83	0	0
4. Other reserves	67	84	77.883.727	77.883.727
TOTAL		85	86.023.073	86.023.073
	68	86		
		87		
Own shares	69	88	0	0
Gains related to own shares instruments	70	89	0	0
Losses related to own shares instruments	71	90	0	0
		91		
RETAINED EARNINGS FROM THE FIRST ADOPTION OF IAS 29 CREDIT(acc 117)	72	92	119.158.627	119.158.627
		93		
RETAINED EARNINGS FROM THE FIRST ADOPTION OF IAS 29 CREDIT(acc 118)	73	94	46.310.698	46.310.698
VI. PROFIT OR LOSS FOR THE YEAR		95	0	0
	74	96	27.718.073	18.916.834
Profit appropriation	75	97	0	0
EQUITY – TOTAL		98	302.207.267	293.406.028
Public patrimony		99		
CAPITAL – TOTAL		100	302.207.267	293.406.028

General Manager,
Nikolaos Barlagiannis

Attorney,
Ioana Zorila
Financial
Manager

F20 -PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH 2017				
Description		**row nr.**	**FINANCIAL PERIOD**	**FINANCIAL PERIOD**
			31.03.2016	**31.03.2017**
A		B	1	2
1. Net turnover (rows 02+03–04+05+06)		**01**	**64.826.586**	**54.144.778**
Sold production	101	02	57.991.273	51.557.576
Income from sale of goods	102	03	7.521.079	3.179.135
Commercial discounts awarded	103	04	-685.766	-591.933
Income from interest carried by the entities erased from the General Records and which still have lease contracts in progress	104	05	0	0
2.Income related to the costs of work in progress				
Balance C	105	06	3.322.188	7.817.368
Balance D	105	07		
		08		
3.Production made by the entity for its own needs and capitalized	106	09	7.332	0
Other operating income	113	16	1.676.466	2.100.640
OPERATING INCOME – TOTAL (rd. 01 + 06- 07 + 08 +11+12 +13+14+15+16)		**17**	**69.832.571**	**64.062.785**
a) Raw materials and consumables expenses	114	18	17.231.304	17.053.259
Other material expenses	115	19	101.327	124.598
b) Other external expenses (with energy and water)	116	20	11.788.938	10.647.669
c) Merchandise expenses	117	21	6.140.320	2.859.449
Commercial discounts received	118	22	-288	-127
Personnel expenses (rows 19 + 20), out of which:		23	6.092.734	6.305.906
a) Salaries and wages	119	24	4.865.486	5.034.345
b) Social security costs	120	25	1.227.248	1.271.561
a) Adjustment to tangible and intangible assets value		26	10.505.008	9.943.814
a.1) Expenses	121	27	10.505.008	9.943.814
a.2) Income	122	28	0	0
b) Adjustment of the value of current assets		29	-15.891	-97.323
b.1) Expenses	123	30	0	21.994
b.2) Income	124	31	15.891	119.317
Other operating expenses (rows 28 to 31)		32	7.130.573	5.266.244
8.1. Expenses regarding external services	125	33	6.304.952	4.636.476

8.2. Expenses with other taxes, duties and assimilated payments	126	34	356.753	354.865
8.3. Expenses regarding environmental	127	35	489	441
8.3. Other expenses	133	41	468.380	274.462
Adjustments related to provisions (row 33 – 34)		42	0	0
- Expenses	134	43	0	0
- Income	135	44	0	0
OPERATING EXPENSES – TOTAL (rows 13 to 16 -17+18 + 21+ 24 + 27 + 32)		**45**	**58.974.025**	**52.103.488**
OPERATING PROFIT/LOSS				
PROFIT		46	0	0
LOSS		47	0	0
	136	48	0	0
	137	49	0	0
	138	50	0	0
	139	51	0	0
Income from exchange rate differences	140	52	1.362.401	4.506.968
Interest income	141	53	1.180	29.192
- out of which, income from affiliates		54	0	0
Other financial income	142	55	188	48.849
FINANCIAL INCOME – TOTAL		**56**	**1.363.770**	**4.585.008**
Adjustment of the value of financial assets and financial investments held as current assets (row 47 - 48)		57	0	0
- Expenses	143	58	0	0
- Income	144	59	0	0
	145	60	0	0
	146	61	0	0
Expenses on interest	147	62	1.752.837	1.557.012
- out of which, expenses in relation with affiliates		63	0	0
Other financial expenses	148	64	1.459.245	4.625.730
FINANCIAL EXPENSES – TOTAL (rd. 57 +60+ 61 + 62 + 64)		**65**	**3.212.083**	**6.182.742**
FINANCIAL PROFIT / LOSS				
- Profit (row 45– 52)		66		
- Loss (row 52 – 45)		67	1.848.313	1.597.734
TOTAL INCOME (rows 12 + 45 + 57)		**68**	**71.196.341**	**68.647.794**
TOTAL EXPENSES (rows 35 + 52 + 58)		**69**	**62.186.108**	**58.286.230**
GROSS PROFIT OR LOSS				
- Profit (row 61 - 62)		70	**9.010.233**	**10.361.563**
- Loss (row 62 - 61)		71		
Income tax	149	72	1.538.996	1.560.325
Deferred tax	150	73	0	0
Deferred income tax	151	74	0	0

Other taxes not presented among the above items	152	75	0	0
FINANCIAL YEAR NET PROFIT OR LOSS:				
- Profit (row 63 - 64 - 65 - 66)		76	7.471.237	8.801.238
- Loss (rows 64 + 65 + 66) / (65 + 66 - 63)		77		

General Manager,
Nikolaos Barlagiannis

Attorney,
Ioana Zorila
Financial Manager