

THE BOARD OF DIRECTORS' REPORT

of OIL TERMINAL S.A.

for Trimester I 2018, completed on 31st March 2018

Trimester report according to:	Law no. 24/2017 regarding the issuers of financial instruments and the capital market and Annex no. 30 of CNVM Regulation no.1/2006 regarding the issuers and securities operations
Report date	2018, May 11
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	Simplified interim financial situations issued on 31.03.2018 are revised
Report currency	Romanian leu (RON) –all amounts are presented in RON, if not mentioned otherwise

ECONOMIC FINANCIAL SITUATION on 31.03.2018

Level 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	M.U.	Budget of revenues and expenses Trimester I 2018	Achieved Trimester I 2018	Achieved / Budget of revenues and expenses	Achieved Trimester I 2017	Achieved Trimester I 2018 / 2017
				Trimester I 2018		(▲ ▼ %)
0		1	2	3=2/1	4	5=2/4
EBITDA (million lei)	Million lei					
Total quantities	Thousand to					
Operation revenues	Million lei	3.4	3.1	▼ 8.8%	7.3	▼ 57.5%
Operation expenses (million lei)	Million lei	1,411	1,445	▲ 2.4%	1,117	▲ 29.3%
		37.4	34.1	▼ 8.8%	36.7	▼ 7.1%
Operation expenses	% turnover	36.6	33.5	▼ 8.5%	28.9	▲ 15.9%
Gross profit margin	%turnover	98.1%	99.1%	+ 1.0 p.p.	78.8%	+ 20.3 p.p.
Valoric output	Lei/employee	0.7%	0.5%	- 0.2 p.p.	20.6%	- 20.1 p.p.
Employees average number	Employee	37,707	35,205	▼ 6.6%	39,193	▼ 10.2%
Investments – public domain	Million lei	992	968	▼ 2.4%	937	▲ 3.3%
Investments – company	Million lei	0.84	2.70	▲ 321.4%	0.09	▲ 30 times
		1.66	2.70	▲ 162.6%	0.28	▲ 9.6 times

The simplified interim financial situations for the period January – March 2018 are revised and were issued according to International Accounting Standard 34 – "Interim Financial Report"

a) Financial position situation on 31st March 2018

	31st March 2018 (revised)	31st December 2017 (audited)
ASSETS		
FIXED ASSETS		
Intangible assets	3,904,126	3,924,103
Tangible assets	491,056,517	473,033,868
Tangible assets in execution	12,972,607	27,667,706
Financial assets	1,335,941	1,229,532
Total fixed assets	509,269,191	505,855,209

CURRENT ASSETS

Stocks	2,359,149	1,532,514
Clients and assimilated accounts	13,495,500	12,727,119
Other receivables	3,140,988	2,878,661

Fees and taxes to be recovered	2,683,607	3,519,242
Cash and cash equivalents	4,875,213	13,410,392
Total current assets	<u>26,554,457</u>	<u>34,067,928</u>
Total assets	<u>535,823,648</u>	<u>539,923,137</u>
OWN CAPITALS and DEBTS		
Own capitals		
Social capital	58,243,025	58,243,025
Other elements of own capitals	(3,370,263)	(3,370,263)
Reserves from reevaluation	233,139,364	233,139,364
Legal reserves	5,031,568	5,031,568
Other reserves	174,575,468	174,575,468
Surplus achieved from reevaluation reserves	5,823,139	5,823,139
Reported result representing undistributed profit	4,511,118	0
Result reported without IAS 29	396,930	396,930
Result reported arisen from accountant errors correction	(25,839,366)	(25,839,366)
Current profit	16,698	4,977,726
Profit distribution	0	(466,608)
Total own capitals	<u>452,527,681</u>	<u>452,510,983</u>
DEBTS ON LONG TERM		
Loans on long term	30,179,134	27,350,980
Debts regarding tax on postponed profit	32,314,845	32,314,845
Total debts on long term	<u>62,493,979</u>	<u>59,665,825</u>
CURRENT DEBTS		
Loans on long term – current part	1,275,000	1,275,000
Commercial debts	<u>9,306,231</u>	<u>15,589,749</u>
Debts regarding duties and taxes	3,868,562	4,427,793
Other current debts	<u>3,999,280</u>	<u>3,577,392</u>
Total current debts	<u>18,449,073</u>	<u>24,869,934</u>
Total debts	<u>80,943,052</u>	<u>84,535,759</u>
Provisions	<u>2,301,882</u>	<u>2,823,079</u>
Subventions for investments	51,033	53,316
Total own capitals and debts	<u>535,823,648</u>	<u>539,923,137</u>

Total fixed assets

In the period 01.01.2018 - 31.03.2018 **the tangible and intangible assets** net value diminished by 0.65% comparing to 31.12.2017, namely by the amount of 3,307,573 lei, as follows:

- + 6,295 lei licenses entries

- - 26,272 lei intangible assets amortization
- + 1,062,934 lei advances for tangible assets
- - 3,125,091 lei tangible assets amortization

- + 5,389,706 lei representing investments expenses for tangible assets in progress

Total value of investments expenses recorded on 31.03.2018 is 5,396,001 lei, from which:

- 5,389,706 lei investments expenses for tangible assets
- 6,295 lei investments expenses for intangible assets

On 31.03.2018, the balance regarding the financial assets (1,335,941 lei) increased by 8.6% comparing to 31.12.2017 (by 106,409 lei more) due to a guarantee constitution in favour of Compania Nationala Administratia Porturilor Maritime (527,978 lei on 31.03.2018 comparing to 421,569 lei on 31.12.2017

Current assets

On 31.03.2018, the total current assets recorded a decrease of 22% comparing to 31.12.2017 due to the turnover' decrease by 9.6% comparing to the planned level for this period of the year.

Own capitals and debts

Debts on long term

Debts on long term record an increase of 4.7% comparing to 31.12.2017 (59.66 million lei), due to the amounts used in trimester I 2018 in order to achieve the planned investments objectives. We mention that, in 2017, the company contracted a credit for investments in a total amount of 26.77 million lei. For 2018, from this credit the company has still to use 4.6 million lei, from which until the present date, the amount of 3.5 million lei has been settled.

Current debts

On 31.03.2018, the current debts recorded a decrease of 25.8% comparing to 31.12.2017, following the operation expenses diminishing measures, measures imposed by the unachievement of planned turnover for trimester I 2018.

We mention that, on 31.03.2018 the company does not record debts to the state budget, social insurances budget, local budget, banks, investments suppliers, services supplies and goods deliveries and employees.

Own capitals

Following the recording of net profit in an amount of 16,689 lei in trimester I 2018, the company presents an increase of own capitals by the same value, in the financial position.

Provisions

The provisions' balance (total value of 2,301,882 lei) is in decrease by 18.5% (521,197 lei) comparing to 31.12.2017 due to some provisions' reversal, as follows:

- 117,329 lei – provisions for litigations
- 409,266 lei- provisions for employees' benefits, representing bonuses paid for some employees' retirement

The structure of provisions on balance on 31.03.2018, in an amount of 2,301,882:

- Provisions for litigations in an amount of 811.298 lei
- Provisions for employees' benefits in an amount of 989,349 lei, constituted according to the Labour Collective Contract' provisions.
- Provisions for employees' participation to profit of 2017 in an amount of 501,235 lei.

OIL shares evolution

The presented information regarding OIL shares evolution on 31.03.2018 were undertaken from the Monthly Bulletin March 2018 communicated by Bucharest Stock Exchange.

On 30.03.2018, the shares were traded at the value of 0.1708 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 31.03.2018 according to Bucharest Stock Exchange

Capitalization	99,479,087.21
PER	6.45
P/BV	0.23
EPS	0.03
DIVY	14.30
Gross dividend (2015)	0.024424

b) Situation of overall result for a 3 month-period completed on 31st March 2018

	31st March 2018	31st March 2017
Revenues from services supplies	33,503,220	36,167,124
Revenues from residual products sale	429,453	484,209
Other revenues from operation	800,775	3,651,581
Material expenses	1,784,763	1,881,227
Expenses of energy and water	1,073,321	1,566,047
Expenses of employees	17,715,491	15,393,743
Expenses of services supplied by third parties	3,623,189	4,270,634
Expenses of amortization	3,151,364	3,078,361
Other operation expenses	6,826,738	6,326,108
Result from operation	558,582	7,786,794
Financial revenues	43,167	131,397
Financial expenses	(426,737)	(372,256)
Financial revenues and expenses (net values)	(383,570)	(240,859)
Gross year result	175,012	7,545,935
Expenses of taxation on profit	(158,314)	(773,037)
Net year result	16,698	6,772,898
Total overall result	16,698	6,772,898
Result per share (lei/share)	0.000029	0.011629
Dilluted result per share (lei/share)	0.000029	0.011629

The economic financial indicators achieved for the 3-month period completed on 31.03.2018, comparing to approved Budget of Revenues and Expenses

Indicators	Achieved Trimester I 2018 (thousand lei)	Budget of revenues and expenses Trimester I 2018 (thousand lei)	Achieved/ Budget of revenues and expenses (▲ ▼%)
0	1	2	3=1/2
Net turnover	33,783	37,351	▼ 9.6
Operation revenues	34,078	37,405	▼ 8.9
Operation expenses	33,519	36,655	▼ 8.6
Operational profit	559	750	▼ 25.5
EBITDA	3,054	3,360	▼ 9.1
Financial revenues	43	85	▼ 49.4
Financial expenses	427	562	▼ 24.0
Financial result	(384)	(477)	▼ 19.5
Total revenues	34,121	37,490	▼ 9.0
Total expenses	33,946	37,217	▼ 8.8
Gross profit	175	273	▼ 35.9
Net profit	17	206	▼ 91.7

The unachievement of the planned turnover for trimester I 2018 in the amount of 37.3 million lei by 9.6% determined the other approved budgetary indicators' diminishing.

Economic financial indicators achieved on 31.03.2018 comparing to 31.03.2017

Indicators	Achieved Trimester I 2018 (thousand lei)	Achieved Trimester I 2017 (thousand lei)	2018/2017 (▲ ▼%)
0	1	2	3=1/2
Net turnover	33,783	36,710	▼ 8.0
Operation revenues	34,078	36,724	▼ 7.2
Operation expenses	33,519	28,937	▲ 15.8
Operational profit	559	7,787	▼ 92.8
EBITDA	3,054	7,286	▼ 58.1
Financial revenues	43	131	▼ 67.2
Financial expenses	427	372	▲ 14.8
Financial result	(384)	(241)	▲ 59.3
Total revenues	34,121	36,855	▼ 7.4
Total expenses	33,946	29,309	▲ 15.8
Gross profit	175	7,546	▼ 97.7
Net profit	17	6,773	▼ 99.7

Comparing to the level achieved on 31.03.2017, turnover decreased on 31.03.2018 from 36.7 million lei to 33.8 million lei due to the diminishing by 33% of revenues from storage (4.9 million lei).

Services supplies physical program

Services supplies physical program achieved on 31.03.2018 comparing to the approved level

Indicators	MU	Achieved Trimester I 2018	Budget of Revenues and Expenses Trimester I 2018	Achieved/ Budget of revenues and expenses (▲ ▼ %)
0		1	2	3=1/2
Handled quantities, from which:	Thousand to	1,445	1,411	▲ 2.4
Crude oil		757	698	▲ 8.4
Other petroleum and petrochemical products		688	713	▼ 3.5

On 31.03.2018, the achieved physical program was greater by 2.4% than the planned level due to the exceeding of the planned crude oil quantities by 8.4%.

Services supplies physical program achieved on 31.03.2018 than 31.03.2017

Indicators	MU	Achieved Trimester I 2018	Achieved Trimester I 2017	2018/2017 (▲ ▼ %)
0		1	2	3=1/2
Handled quantities, from which:	Thousand to	1	2	3=1/2
Crude oil		1,445	1,117	▲ 29.4
Other petroleum and petrochemical products		757	650	▲ 16.5
		688	467	▲ 47.3

On 31.03.2018, the achieved physical program was greater by 29.4% than the recorded level on 31.03.2017, due to the exceeding of all handled petroleum and petrochemical products.

Revenues from operation

Revenues from operation achieved on 31.03.2018 comparing to the approved level by the Budget of Revenues and Expenses:

Indicators	MU	Achieved Trimester I 2018	Budget of Revenues and Expenses Trimester I 2018	Achieved/ Budget of revenues and expenses (▲ ▼ %)
Revenues from operation, from which:	Thousand to	34,078	37,405	▼ 8.9
Revenues from products' sale (recovered product, wastes, others)		280	375	▼ 25.3
Revenues from services supplies		33,275	36,756	▼ 9.5
Revenues from hires		82	103	▼ 20.4
Revenues from different activities		146	117	▲ 24.8
Revenues from penalties		15	6	▲ 250
Other revenues from operation		280	48	▲ 5.8 times
Total revenues from operation	Thousand to	34,078	37,405	▼ 8.9

On 31.03.2018 the achieved revenues from operation decrease by 8.9% comparing to the approved level, following to the decrease of revenues from supplied services by 9.5%, which percentage represents 97.6%.

Operational expenses

Operational expenses achieved on 31.03.2018 comparing to the approved level by the Budget of Revenues and Expenses:

Indicators	Achieved Trimester I 2018 (thousand lei)	Budget of revenues and expenses Trimester I 2018 (thousand lei)	Achieved/ Budget of revenues and expenses ▲ ▼ (%)
0	1	2	3 = 1/2
Material expenses, from which:	1,785	1,000	▲ 78.5
- consumables expenses, from which:	1,451	850	▲ 70.6
- fuel expenses	346	322	▲ 7,5
Other external expenses (energy and water)	1,073	1,615	▼ 33.6
Employees expenses, from which:	17,716	18,779	▼ 5.7
- salaries expenses	17,116	18,117	▼ 5.5
- other employees expenses	600	662	▼ 9,4
Tangible and intangible assets amortization expenses	3,151	3,624	▼ 13.1
External supplies expenses, from which:	9,711	10,779	▼ 9.9
- maintenance (maintenance and repairs)	3,377	4,360	▼ 22.5
- oil royalty	1,359	1,499	▼ 9.3
- other services supplied by third parties	4,975	4,920	▲ 1.1
Regulations and depreciations for value loss and provisions, from which:	- 656	- 170	▲ 3.9 times
- expenses regarding regulations and provisions	82	1,358	▼ 94.0
- revenues from provisions and regulations for depreciation or value loss	738	1,528	▼ 51.7
9	739	1,028	▼ 28.1

Other operation expenses

Total operation expenses	33,519	36,655	▼ 8.6
---------------------------------	---------------	---------------	--------------

The operation expenses achieved in the period January – March 2018 are in an amount of 33.5 million lei, being diminished by 8.6% than the budgeted level. Therefore, the repairs expenses decreased by 22.5%, the employees expenses decreased by 5.7%, the energy and water expenses decreased by 33.6%.

THE COMPANY' ACTIVITY ANALYSIS

a) Capital expenses

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

1. Investments objectives for the company' own patrimony
2. Investments objectives related to public domain, according to Minimal Program regarding the rehabilitation and upgrading of the petroleum terminal 2018-2022 annex of the Leasing petroleum agreement concluded with the National Agency of Mineral Resources.

For 2018 the expenses for investments are 29,106 thousand lei, constituted on the investments financing source level, from which credits reimbursements for investments in an amount of 1,275 thousand lei, and the investments expenses in an amount of 27,831 thousand lei.

On 31.03.2018 the investments expenses recorded level was in an amount of 5,396 thousand lei, being more by 2,2 times than the level approved for trimester I 2018 (2,498 thousand lei) and by 14.7 times greater than the same period of last year.

The structure of investments expenses achieved on 31.03.2018 comparing to the approved level by the Budget of Revenues and Expenses is the following:

- thousand lei -

No.	Investments expenses	Trimester I 2018			
		Budget of Revenues and Expenses	Achieved	Differences	%
0	1	2	3	4=3-2	5=3/2
	Expenses for investments, from which::	2,498	5,396	2,898	216
1.	- investments for the company' own patrimony	1,660	2,698	1,038	162.5
2.	- investments related to public domain	838	2,698	1,860	322.0

The total investments expenses achieved on 31.03.2018 is 5,396 thousand lei, from which 5,390 thousand lei investments expenses for tangible assets and 6 thousand lei investments expenses for intangible assets (licenses).

Main investments objectives achieved in trimester I 2018:

- Upgrading shoretank 34 - South Storage Farm (state public domain)
- Commun metallic scaffold line L2 and L3 rail platform South Storage Farm (company' patrimony)
- Updating of roof and first sleeve for shoretank 23 Port Storage farm (company' patrimony)
- Radar tank remotecontrol, 8 pieces (company' patrimony)
- Aboveground laying of pipelines network between Port Storage Farm' manifold and MIM bridge (public domain)

- Updating of shore tank T30 50,000 CM South Storage Farm (public domain)

b) Economic Financial Indicators

Indicator name	Calculation method	Result on 31.03.2018	Result on 31.03.2017
1. Current liquidity indicator	Current assets/ Current debts	1.44	2.83
2. Indebtedness level indicator (%)	Borrowed capital/ Own capital x 100	6.95	1.85
	Borrowed capital/ Employed capital x 100	6.50	1.81
3. Clients' debts rotation speed	Clients' average balance/ Turnover x 90 days	34	34
4. Fixed assets' rotation speed	Turnover/ Fixed assets	0.07	0.08

- 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 31.03.2018, Societatea Oil Terminal SA is involved in a number of 76 litigations pending on courts. In 24 files, the company is a defendant and in 52 files, the company is a complainant part or an opposing party.

The company records provisions for litigations in an amount of 811,298 lei, on 31st March 2018.

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.11403/212/2011 pending on Constanta Court, by which the claimants Iasar Ana, Iasar Tair, Iasar Doina, Iasar Sevinci, Iasar Esan, Iasar Ghiulgean, Iasar Ssbria request the claimants Oil Terminal SA, Oil Prod SRL, Eco Petroleum SA to pay the materials damages in an amount of 30,000 lei and moral damages in an amount of 60,000 lei.

By Conclusion of 26.06.2013, the file will be suspended by its own, according to art.36 of Law no.85/2006, due to Oil Prod SRL' insolvency.

With appeal in the term provided by art. 244 index 1 paragraph 2 Code of civil procedure.

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

III. 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.

The next term was settled for 22.03.2018.

For this file, the amount of 139,341 lei was recorded in the account – Assets and the amount of 150 lei was recorded in the account - provisions for litigations.

IV. File 2503/118/2015 pending on Constanta Court of Justice, in contradictory with Ion Mihai, as a disputatious and Societatea Oil Terminal as a respondent

On 14.04.2015, the company ex employee, Ion Mihai submitted an appeal in Constanta Court of Justice, against the dismissal decision, in contradictory with Oil Terminal SA, by which he requested the court to give a decision by which the defendant is obliged to cancel the decision no.93/11.03.2015 of the employee' disciplinary sanction, the individual work contract termination. The request is the object of file no. 2503/118/2015. By the conclusion of 08.02.2016, the request, submitted by the complainant Ion Mihai in contradictory with the defendant SC OIL TERMINAL SA, was suspended until the file final solution, being the object of criminal file no.791/P/2015 of Constanta Prosecutor Office of Constanta Court of Justice.

For this file, a provision of 216,632 lei was constituted.

V. File 2884/245/2011 pending on Iasi Court of Justice, in contradictory with the complainant SNTFC – CFR and the defendants Oil Terminal, Oscar Downstream SRL and CFR MARFA.

Action in claims submitted by SNTFC – CFR, RTF CALATORI IASI and SNTF CFR MARFA SA SUC. IASI to Iasi Court of Justice on 27.22.1011, by which the complainants ask the court to give a decision, by which the defendants SC Oscar Downstream and Oil Terminal SA to be obliged to pay the amount of 44,400.98 lei, representing the countervalue of 12,075 kgs gas oil. The request is the object of file no. 2884/245/2011. By the conclusion of 21.06.2011, the court suspended the present file' solution until the criminal file' solution.

The litigation is still suspended, the next term of file' check is settled for 08.05.2018.

For this file, a provision of 44,401 lei was constituted.

VI. 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 Decision no. 204/02.02.2017, the court rejected the appeal as groundless.

The decision is final. The civil sentence was communicated on 13.03.2017.

No term has been settled yet.

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

VII. 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 was settled for 11.06.2018.

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

Shareholding structure

The shareholding structure on the referenced date 31.03.2018 is the following:

Shareholder's name	Shares number	Total nominal value	Contribution %
Romanian State through the Ministry of Energy	347,257,973	34,725,797	59.62%
Dumitrescu Sebastian Valentin	83,953,032	8,395,303	14.41%
Legal persons	62,289,370	6,228,937	10.69%
Physical persons	88,929,878	8,892,988	15.28%
Total capital	582,430,253	58,243,025	100.00%

Executive management members

OIL TERMINAL SA' executive management in the period January – March 2018:

Name/first name	Position
Viorel Sorin CIUTUREANU	General Director 06.07.2012 - present
Adriana FRANGU	Economic Director 10.07.2012 - present
Marieta Elisabeta STASI	Development Director 01.08.2017 - present
Emil ROHAT	Technical Director 04.01.2011 - present
Gabriel DARABAN	Commercial Director 10.07.2012 - present
Nicu STEFAN	Investments and Infrastructure Safety Director 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 Infrastructure Safety Director – Nicu STEFAN are company' employees according to labour individual contracts, concluded for an undetermined period of time.

Financial obligations' non compliance events

It's not necessary.

Trades with state owned companies

In trimester I 2018, Societatea ran the following trades with state owned companies:

Partner	Unpaid amounts on 31 December 2017	Acquisitions in period 01.01-31.03.2018	Discounts in period 01.01-31.03.2018	Undiscounted amounts on 31 March 2018
OLTCHIM SA	80,803	103,846	139,072	45,577
S.N.T.F.M CFR MARFA SUCURSALA MUNTENIA DOBROGEA	1,239	5,151	3,005	3,385
ROMPETROL RAFINARE	775,341	958,230	1,444,071	289,500
TOTAL	857,383	1,067,227	1,586,148	338,462

Partner	Unpaid amounts on 31 December 2017	Acquisitions in period 01.01-31.03.2018	Discounts in period 01.01-31.03.2018	Undiscounted amounts on 31 March 2018
C.N.C.F. CFR SA	17,438	54,872	45,294	27,016
COMPANIA NATIONALA ADMINISTRATIA PORTURILOR MARITIME	39,293	854,009	829,387	63,915
RAJA	62,571	271,959	224,034	110,496
AUTORITATEA FERROVIARA ROMANA	540	44,209	43,518	1,231
INSPECTORATUL REGIONAL IN CONSTRUCTII SUD-EST	-	40,210	40,210	-
MONITORUL OFICIAL	-	4,995	4,995	-
COMPANIA NATIONALA PENTRU	2,083	2,916	2,083	2,916

CONTROLUL CAZANELOR, INSTALATIILOR DE RIDICAT SI RECIPIENTELOR SUB PRESIUNE-C.N.C.I.R				
COMPANIA NATIONALA POSTA ROMANA	-	46	46	-
TELECOMUNICATII CFR	-	2,720	2,720	-
CAPITANIA ZONALA	-	1,155	1,155	-
AGENTIA NATIONALA PENTRU RESURSE MINERALE	-	1,630	1,630	-
CENTRUL NATIONAL DE CALIFICARE SI INSTRUIRE FERROVIARA	478	480	958	-
ADMINISTRATIA NATIONALA APELE ROMANE ADMINISTRATIA BAZINALA DE APA DOBROGEA LITORAL	1,229	-	1,229	-
AUTORITATEA RUTIERA ROMANA-ARR	-	2,340	2,340	-
BURSA DE VALORI	-	8,925	8,925	-
ROMPETROL DOWNSTREAM	136,908	393,505	389,648	140,765
TOTAL	260,540	1,683,971	1,598,172	346,339

Significant events in period January – March 2018

During the 3 months of 2018, the following significant events took place in the company:

- On 11.01.2018, the company submitted a request to Constanta Court of Justice, asking for the suspension of Decision no.2/21.12.2017' effects, decision by which it ordered the recalling of Fiscal warehouse authorization no. RO0070413DD02 of 22.10.2015, until the first instance decision regarding the cancellation of the above-mentioned Decision. The request is the object of File no. 166/118/2018, pending on Constanta Court of Justice, having as parties Oil Terminal SA in contradictory with ANAF – Galati Regional General Direction of Public Finances – Comission for Authorization of Operators of Excisable Products – through representative Constanta County Administration of Public Finances.
The first term was settled on 08.03.2018, date on which the court was in pronouncement. By Decision no.419 of 15.03.2018, Constanta Court of Justice admitted the request submitted by Oil Terminal SA and ordered the suspension of Decision no.2/21.12.2017 issued by the National Agency if Fiscal Administration - Galati Regional General Direction of Public Finances - Comission for Authorization of Operators of Excisable Products, until the first instance decision.
The decision was appealed on 26.04.2018 by the defendant, the file being distributed to Constanta Court of Appeal, but it has not received a trial term yet.
- By the Board of Directors' Decision no.3/25.01.2018, it advised the 2-month extension of managers' mandate appointed by the Shareholders General Ordinary Assembly' Decision no.26/24.11.2017.
- By the Shareholders General Ordinary Assembly' Decision no.1/28.02.2018, the followings were adopted:
 - it approves the Board of Directors' interim members' monthly gross fixed indemnity amount' alteration, provided in the mandate contracts concluded with the company and of managers and directors' remunerations limits, to put in the agreement with the provisions of art. 18 of EGO no.90/2017 regarding some fiscal-budgetary measures, some normative acts' alteration and addition and some terms' prorogation.
 - it approves the 2-month period extension of the managers' mandate period, managers appointed by Shareholders General Ordinary Assembly' decision no. 26/24.11.2017.

- By the Shareholders General Ordinary Assembly' Decision no.2/28.02.2018, it approves the conclusion of a consulting, legal assistance and representation contract for the contestation of fiscal warehouse cancellation measures.
- By the Shareholders General Ordinary Assembly' Decision no.3/28.02.2018, it approved By the Shareholders General Ordinary Assembly' Decision no.2/28.02.2018.
- By the Board of Directors' Decision no.23/01.03.2018, it approved the procedure to start the company' managers' recruitment and selection according to EGO 109/2011 with further alterations and additions.
- By the Board of Directors' Decision no.32/19.03.2018, it approved Societatea Oil Terminal SA' Board of Directors' Report for the financial year concluded on 31.12.2017, issued according to Law no.24/2017, CNVM Regulation no.1/2006 and OMFP no.2844/12.12.2016
- By the Board of Directors' Decision no.33/19.03.2018, it approved the Plan of measures for safety of personal character data, issued in order to implement UE Regulation 2016/679' provisions.
- By the Board of Directors' Decision no.37/19.03.2018, the followings were approved:
 - The updated level of the investments financing source in an amount of 29,106 thousand lei for 2018 having in view the address no. 260308/13.02.2018 communicated by the Ministry of Energy – General Direction of State Contributions' Privatization and Administration in Energy
 - Alteration of economical financial indicators to the level settled in annexes nos. 1 and 4 related to the Budget of Revenues and Expenses for 2018, according to OMFP no.3145/2017' provisions.

Events occurring after the 3-month period completed on 31st March 2018

- By OIL TERMINAL' Shareholders General Ordinary Assembly' Decision no. 5 of 04.04.2018, the followings were adopted:
 - the appointment as the Board of Directors' members, by the cumulative vote method, according to provisions of EGO 109/2011, the followings:
 - Ciprian-Dragos LAZARIU
 - Toma- Bogdan COSTREIE
 - Cristian-Florin GHEORGHE
 - Ramona UNGUR
 - Paul CONONOV
 - Radu Cristian POP
 - Ovidiu -Aurelian ANDREI
 - the recalling as Societatea OIL TERMINAL SA' Board of Directors' members, further the fact they were not re confirmed by cumulative vote, according to art. 32 item (7) of EGO no.109/2011 regarding the corporate governance of public companies, approved with further alterations and additions, the followings:
 - Andrei-Ionut ONOFREI
 - Nicolae CIMPEANU
 - the approval of the company' managers, appointed by cumulative vote for a 4-year period
 - the approval of the settling of managers monthly fixed indemnity equal; twice (2) the average of the last 12 months of monthly gross average earning for the activity ran according to the main object of activity recorded in the company at the rank level according to classification of national economy' activities, communicated by the Statistics National Institute, previous the appointment, calculated complying with the provisions of EGO no.79/2017 for alteration and addition of Law no.227/2015 regarding Fiscal Code.
 - the approval of mandate contract form and content to be concluded with the company' managers appointed by cumulative vote

- By OIL TERMINAL' Shareholders General Ordinary Assembly' Decision no. 6 of 04.04.2018 , it approved the maintenance of guarantees structure related to additional act no.6/28.07.2017 of credit contract no.C12002013014744/05.09.2013 for the credit line increase from 5,000,000 RON to 10,000,000 RON up to the present facility going on due date, namely 01.09.2018.
- By Decision no. 43 of 13.04.2018, OIL TERMINAL' Board of Directors, Mr. Gheorghe Cristian-Florin was appointed as Chairman of the Board of Directors. Societatea OIL TERMINAL SA' Board of Directors' Chairman period is 4 years, since the appointment date as manager, namely until 03.04.2022.
- By Decision no. 44 of 13.04.2018, OIL TERMINAL' Board of Directors, it settled the advisory committees structure for un inside the Board of Directors as follows:
 - **Audit Committee:**
 - UNGUR Ramona – Chairman, LAZARIU Ciprian – Member, POP Radu – Member
 - **Nomination and Remuneration Committee:**
 - COSTREIE Toma-Bogdan – Chairman, POP Radu-Member, ANDREI Ovidiu Aurelian-Member, Ungur Ramona-Member, CONONOV Paul-Member
 - **Development and Strategies Committee:**
 - ANDREI Ovidiu Aurelian – Chairman, LAZARIU Ciprian – Member, UNGUR Ramona-Member, COSTREIE Toma-Bogdan- Member, CONONOV Paul- Member
- By Decision no. 9 of 25.04.2018, OIL TERMINAL' Shareholders General Ordinary Assembly decided:
 - Approval of financial situations for 2017, 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;
 - Approval of financial year 2017' annual report issued according to CNVM Regulation 1/2006;
 - Approval of net profit distribution 2017 in an amount of 5,478,961 lei, as follows:

• Legal reserve	286,751 lei
• Other reserves representing fiscal facilities provided by law	179,857 lei
• Employees participation to profit	501,235 lei
• Dividends to be paid to shareholders	4,511,118 lei
• Own financing source	0 lei
 - Approval of settling of gross dividend per share for 2017 as 0.00774534 lei/share;
 - Approval of settling the date of 06.06.2018 as dividends payment date to shareholders;
 - Empowerment of the Board of Directors to appoint the payment agent according to regulation framework applicable for dividends payment;
 - Approval of managers' management discharge for the activity run in the financial year 2017
- By Decision no. 10 of 25.04.2018, OIL TERMINAL' Shareholders General Ordinary Assembly took act of the information regarding the company' Plan of measures for personal data safety, issued in order to implement EU Regulation 2016/679' provisions.
- By Decision no. 46 of 25.04.2018, OIL TERMINAL' Board of Directors, it approved the managing component of the management plan, according to provisions of EGO 109/2011 with further alterations and additions.
- By Decision no. 48 of 25.04.2018, OIL TERMINAL' Board of Directors, it approved to start the general director and financial director recruitment and selection process to put in practice provisions of EGO 109/2011 with further alterations and additions.
- By Decision no. 51 of 02.05.2018, OIL TERMINAL' Board of Directors, it approved the "Ethic code and the behaviour rules of the executive and administrative management and of employee in Societatea Oil Terminal SA – Issue 2018".

The presentation of Simplified interim financial situations

The simplified interim financial situations for the period January-March 2018 are revised by Romar – Co Audit financial auditor, that issued a Report of the simplified interim financial information review, concluded on 31.03.2018, according to Accounting International Standard 34 – “Interim Financial Report”.

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

**General Director,
Sorin – Viorel CIUTUREANU**

**Economic Director,
Adriana FRANGU**



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 31 March 2018, 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, 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**

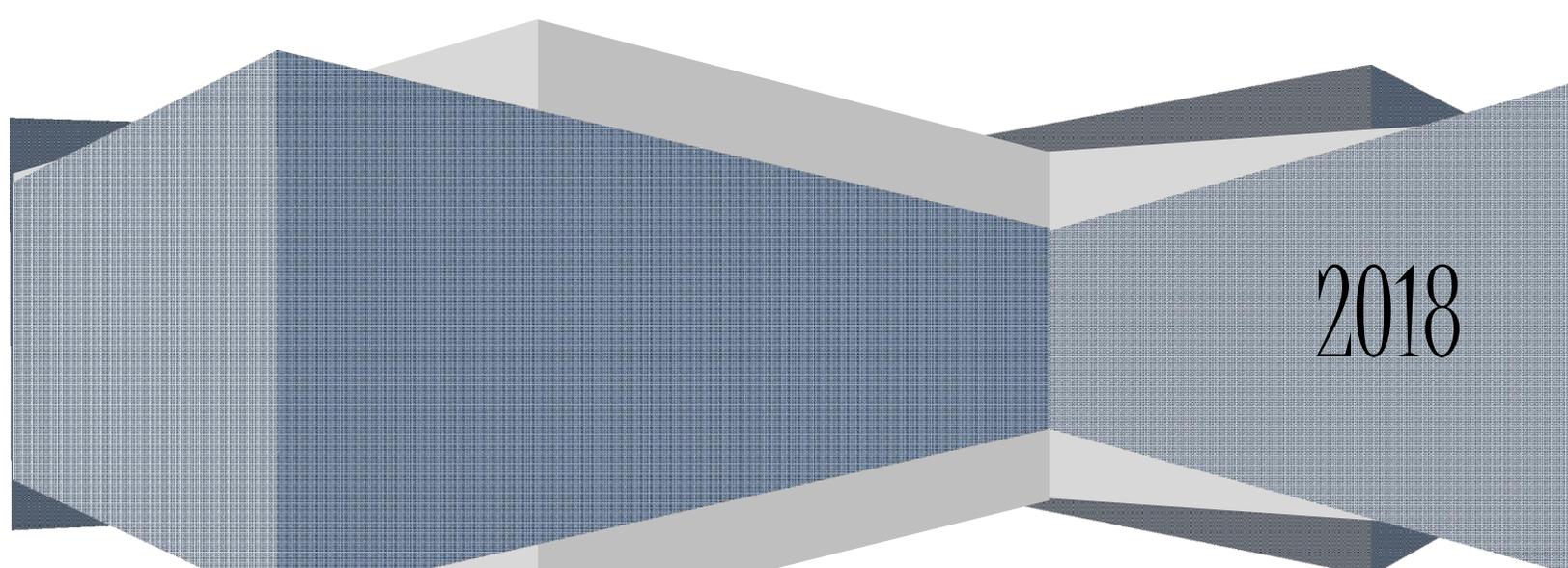
**General Director,
Ciutoreanu Viorel – Sorin**

OIL TERMINAL S.A.
**SIMPLIFIED FINANCIAL
INTERIM SITUATIONS**

ON THE DATE AND FOR THE PERIOD OF THREE MONTHS CONCLUDED ON 31.03.2018

(REVISED)

*Issued according to "International Accountant Standard 34 – Interim
Financial Report"*



2018

OIL TERMINAL – Interim financial position situation for the year ended on
31.03.2018 (all amounts are expressed in lei (RON), if not mentioned otherwise)

	<u>Note</u>	Year ended on 31st March 2018 (revised)	Year ended on 31st December 2017 (audited)
ASSETS			
FIXED ASSETS			
Intangible assets	17	3,904,126	3,924,103
Tangible assets	15	491,056,517	473,033,868
Tangible assets in execution	16	12,972,607	27,667,706
Financial assets	18	<u>1,335,941</u>	<u>1,229,532</u>
Total fixed assets		509,269,191	505,855,209
CURRENT ASSETS			
Stocks	19	2,359,149	1,532,514
Clients and assimilated accounts	20	13,495,500	12,727,119
Other receivables	21	3,140,988	2,878,661
Fees and taxes to be recovered	21	2,683,607	3,519,242
Cash and cash equivalents	22	<u>4,875,213</u>	<u>13,410,392</u>
Total current assets		26,554,457	34,067,928
Total assets		535,823,648	539,923,137
OWN CAPITALS			
Social capital	23	58,243,025	58,243,025
Other elements of own capitals	24	(3,370,263)	(3,370,263)
Reserves from reevaluation	25	233,139,364	233,139,364
Legal reserves	27	5,031,568	5,031,568
Other reserves	27	174,575,468	174,575,468
Surplus achieved from reevaluation reserves	26	5,823,139	5,823,139
Reported result representing undistributed profit	26	4,511,118	0
Result reported without IAS 29	26	396,930	396,930
Result reported arisen from accountant errors correction	26	(25,839,366)	(25,839,366)
Current profit		16,698	4,977,726
Profit distribution	27	<u>0</u>	<u>(466,608)</u>
Total own capitals		452,527,681	452,510,983
DEBTS ON LONG TERM			
Loans on long term	28	30,179,134	27,350,980
Debts regarding tax on postponed profit	28	<u>32,314,845</u>	<u>32,314,845</u>
Total debts on long term		62,493,979	59,665,825
CURRENT DEBTS			
Long-term loans – current part	28	1,275,000	1,275,000
Commercial debts	31	9,306,231	15,589,749
Debts regarding impots and taxes	32	3,868,562	4,427,793

OIL TERMINAL – Interim financial position situation for the year ended on
31.03.2018 (all amounts are expressed in lei (RON), if not mentioned otherwise)

Other current debts	33	3,999,280	3,577,392
Total current debts		18,449,073	24,869,934
TOTAL DEBTS		80,943,052	84,535,759
Provisions	34	2,301,882	2,823,079
Subventions	35	<u>51,033</u>	<u>53,316</u>
Total own capitals and debts		535,823,648	539,923,137

The presented simplified interim financial situations were issued by the company on 11.05.2018 and signed in its name by:

Board of Directors,
Gheorghe Cristian Florin

General Director,
Ciutoreanu Viorel-Sorin

Economic Director,
Frangu Adriana

Chief of Accountancy Dept.,
Popovici Cecilia

OIL TERMINAL – Interim situation of overall result on 31st March 2018
(all amounts are expressed in lei (RON) if not mentioned otherwise)

	<u>Note</u>	31st March 2018 (revised)	31st March 2017 (unaudited)
Revenues from services supplies	3	33,503,220	36,167,124
Revenues from residual products sale	4	429,453	484,209
Other revenues from operating	5	800,775	3,651,581
Material expenses	7	(1,784,763)	(1,881,227)
Energy and water expenses	8	(1,073,321)	(1,566,047)
Employees expenses	9	(17,566,650)	(15,393,743)
Services supplied by third parties expenses	10	(3,772,030)	(4,270,634)
Amortization expenses	11	(3,151,364)	(3,078,361)
Other operating expenses	12	<u>(6,826,738)</u>	<u>(6,326,108)</u>
Result from operating		558,582	7,786,794
Revenues and financial expenses (net values)	6	<u>(383,570)</u>	<u>(240,859)</u>
Year gross result		175,012	7,545,935
Taxation on balance expenses	13	158,314	773,037
Year net result		16,698	6,772,898
Overall result other elements:			
Elements not being reclassified for profit and loss, from which:			
Earnings from leased/ scrapped real estate' reevaluation		=	=
	-	-	-
Surplus from the assets immobilization		-	-
Debt regarding the postponed taxation related to reserve from reevaluation		=	=
Total overall result		16,698	6,772,898
Result per share (lei/share)	39	0.000029	0.011629
Result per diluted share (lei/share)	39	0.000029	0.011629

The presented simplified interim financial situations were issued by the company on 11.05.2018 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 –Cash flows situation on 31st March 2018 (all amounts are expressed in lei
(RON) if not mentioned otherwise)

	Note	31st March 2018 (revised)	31st March 2017 (unaudited)
Flow cash from operating activity			
Net profit		16,698	6,772,898
Regulations for nonmonetary elements			
Amortization and regulations from the fixed assets depreciation	11	3,151,364	3,078,361
Profit from fixed assets' disposal		(64,270)	-
Net movement of regulations for current assets	19,20	(134,484)	(30,843)
Net movement of provisions for risks and expenses	34	(521,197)	(3,495,931)
Other regulations		(946,296)	(1,271,524)
Profit regarding interests	6	303,743	75,614
Profit from different currency exchange rate differences	6	79,831	166,931
Operational profit before other alterations in the current capital		1,868,691	(1,477,392)
(Increases)/Decreases in stocks value	19	(826,635)	19,403
(Increases)/Decreases of receivables	20,21	(195,073)	3,849,762
(Decreases) in commercial and of different kind debts value	31,32,33	(6,401,134)	(6,676,773)
Net received (paid) interests	6	(303,743)	(75,614)
Net cash flow from the operating activity		(5,841,196)	2,412,284
Cash flow used in investments activity			
Tangible and intangible assets	15,16,17	(5,396,001)	(368,451)
(Increases) in assets value on long term	18	(106,409)	(4,001,014)
Net cash flow used in the investments activity		(5,502,410)	(4,369,465)
Cash flow from financing activities			
Increase of loans on short term	28,30	0	540,458
increase/(Decrease) of loans on long term	28	2,828,154	(318,750)
Paid dividends		(19,727)	(1,915)
Cash flow from financing activities		2,808,427	219,793
Net (decrease) of cash and		(8,535,179)	(1,737,388)

OIL TERMINAL –Cash flows situation on 31st March 2018 (all amounts are expressed in lei
(RON) if not mentioned otherwise)

cash equivalents			
Cash and cash equivalents value at the year start	22	13,410,392	26,001,896
Cash and cash equivalents value at the period end	22	4,875,213	24,264,508

The presented simplified interim financial situations were issued by the company on 11.05.2018 and were signed on its behalf 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 31st March 2017
(all amounts are expressed in lei (RON) if not mentioned otherwise) (unaudited)

	Subscribed paid social capital	Other ekements 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	Reported result representing undistributed profit	Total own capitals
Balance on 1st 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									6,772,898			6,772,898
Overall result* other elements:												
Surplus from reevaluation of tangible assets												
Total of overall result* other elements												
Transfer of shoretanks from reevaluation into reported result												-
Impot on postponed profit												
Period* overall total result									6,772,898			6,772,898
Other elements									(14,225,638)		14,225,638	0
Other elements total									(14,225,638)		14,225,638	0
Dividends* distribution												
Regulations of social capital and reported result arisen from adoption of IAS 29 for the first time									(1,193,812)	1,193,812		0
Balance on 31st March 2017	58,243,025	320,003	210,424,839	4,744,817	4,680,864	174,395,611	396,930	(25,839,366)	6,772,898	0	14,225,638	448,365,259

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

The presented simplified interim financial situations were issued by the company on 11.05..2018 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 31st March 2018
(all amounts are expressed in lei (RON) if not mentioned otherwise) (revised)

	Subscribed paid social capital	Other ekements 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	Reported result representing undistributed profit	Total own capitals
Balance on 1st January 2018	58,243,025	(3,370,263)	233,139,364	5,031,568	5,823,139	174,575,468	396,930	(25,839,366)	4,977,726	(466,608)	-	452,510,983
Year net profit									16,698			16,698
Overall result* other elements:												
Surplus from reevaluation of tangible assets												
Total of overall result* other elements												
Transfer of shoretanks from reevaluation into reported result												
Impot on postponed profit												
Period* overall total result									16,698			16,698
Other elements									(4,511,118)		4,511,118	0
Other elements total									(4,511,118)		4,511,118	0
Dividends* distribution												
Regulations of social capital and reported result arisen from adoption of IAS 29 for the first time									(466,608)	466,608	-	0
Balance on 31st March 2018	58,243,025	(3,370,263)	233,139,364	5,031,568	5,823,139	174,575,468	396,930	(25,839,366)	16,698	0	4,511,118	452,527,681

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

The presented simplified interim financial situations were issued by the company on 11.05..2018 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 - Notes of simplified interim financial reports on 31st March 2018

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 includes 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 120 years in this field of activity, the company provides 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, being 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 ;
- 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;
- 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 mol 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 in jetties 70-76 and with diameter of 16" FLEXIDER type 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 - Notes of simplified interim financial reports on 31st March 2018

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 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 in trimester I 2018 is 33,783,046 lei. Comparing to the previous year, a decrease in absolute size of 2,927,286 lei was recorded.

The turnover distribution achieved by handled products in trimester I 2018 comparing to trimester I 2017 is as followings:

<i>Petroleum products lei</i>	31 March 2018	31 March 2017
Crude oil	11,477,730	13,787,319
Gas oil	12,064,500	12,024,567
Gasolene	4,046,708	2,521,340
Fuel oil	1,341,924	4,533,107
Chemical products	3,149,571	1,726,591
Residual products	51,872	362,989
Other products and services	1,650,741	1,754,419
TOTAL	33,783,046	36,710,332

The main economic financial indicators achieved by the company in trimester I 2018 comparing to trimester I 2017 are the followings:

Indicator name	31 March 2018	31 March 2017
Current liquidity	1.44	2.83
Immediate liquidity	1.31	2.76
Rotation speed of clients debts (days)	34	34
Rotation speed of suppliers credits (days)	32	20
Rotation speed of intangible assets (rot)	0.07	0.08
Rotation speed of total assets (rot)	0.06	0.07
Rentability of the engaged capital (%)	0,10	1.58

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

Result on base share (lei/share)	0.000029	0.011629
Indicator regarding the interests recovery (number of times)	1.58	74.05
Gross limit from sales (%)	0.52	20.56

On 31.03.2018, the employees average number is 968 employees, 31 more employees than the previous year.

The employees expenses structure is as follows:

Indicator	31 March 2018	31 March 2017
Expenses regarding the salaries, meal tickets and indemnities*	16,890,001	12,322,033
Expenses regarding the insurances and social protection*	22,760	3,071,710
Insurance contribution for work*	362,689	-
Expenses regarding the staff*	15,896,817	11,538,650

*Since 01.01.2018 provisions of EGO 79/2017 regarding Law 227/2015' alteration and addition have come into force, according to which, the contribution to social insurances (CAS) and the contribution to health social insurances (CASS) are fully supported by the employee and the insurance contribution for work (CAM) is supported by the employer.

In trimester I 2018, the Company ran the following trades with state owned companies:

Partner	Unpaid amounts on 31 December 2017	Acquisitions in period 01.01-31.03.2018	Discounts in period 01.01-31.03.2018	Undiscounted amounts on 31 March 2018
OLTCHIM SA	80,803	103,846	139,072	45,577
S.N.T.F.M CFR MARFA SUCURSALA MUNTENIA DOBROGEA	1,239	5,151	3,005	3,385
ROMPETROLRAFINARE	775,341	958,230	1,444,071	289,500
TOTAL	857,383	1,067,227	1,586,148	338,462

Partner	Unpaid amounts on 31 December 2017	Acquisitions in period 01.01-31.03.2018	Discounts in period 01.01-31.03.2018	Undiscounted amounts on 31 March 2018
C.N.C.F. CFR SA	17,438	54,872	45,294	27,016
COMPANIA NATIONALA ADMINISTRATIA PORTURILOR MARITIME	39,293	854,009	829,387	63,915
RAJA	62,571	271,959	224,034	110,496
AUTORITATEA FERROVIARA ROMANA	540	44,209	43,518	1,231
INSPECTORATUL REGIONAL IN CONSTRUCTII SUD-EST	-	40,210	40,210	-
MONITORUL OFICIAL	-	4,995	4,995	-
COMPANIA NATIONALA PENTRU CONTROLUL	2,083	2,916	2,083	2,916

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

CAZANELOR, INSTALATIILOR DE RIDICAT SI RECIPIENTELOR SUB PRESIUNE-C.N.C.I.R				
COMPANIA NATIONALA POSTA ROMANA	-	46	46	-
TELECOMUNICATII CFR	-	2,720	2,720	-
CAPITANIA ZONALA	-	1,155	1,155	-
AGENTIA NATIONALA PENTRU RESURSE MINERALE	-	1,630	1,630	-
CENTRUL NATIONAL DE CALIFICARE SI INSTRUIRE FERROVIARA	478	480	958	-
ADMINISTRATIA NATIONALA APELE ROMANE ADMINISTRATIA BAZINALA DE APA DOBROGEA LITORAL	1,229	-	1,229	-
AUTORITATEA RUTIERA ROMANA-ARR	-	2,340	2,340	-
BURSA DE VALORI	-	8,925	8,925	-
ROMPETROL DOWNSTREAM	136,908	393,505	389,648	140,765
TOTAL	260,540	1,683,971	1,598,172	346,339

OIL TERMINAL SA' executive management in the period 01.01.2018-31.03.2018 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.	Marieta Elisabeta STASI	Development Director 01.08.2017 – present
4.	Gabriel DARABAN	Commercial Director 10.07.2012 - present
5.	Nicu STEFAN	Investments and Infrastructure Safety 01.08.2017 - present
6.	Emil ROHAT	Technical Director 04.01.2011 - present

In the period 01.01.2018-31.03.2018, the indemnities of the Board of Directors' members are in a total amount of 3148,841 lei.

On 31.03.2018, there are no recorded advances and credits given to the administration or management entities.

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

In the period 01.01.2018-31.03.2018 the Board of Directors' structure is:

No.	Name/first name	Birth date	Profession	Position
1.	CRISTIAN – FLORIN GHEORGHE	03.08.1975	Engineer	Manager 01.01.2018-present BoD' Chairman 01.01.2018-present
2.	TOMA – BOGDAN COSTREIE	13.11.1976	Legal adviser	Manager 01.01.2018 – present

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

3.	OVIDIU AURELIAN ANDREI	25.08.1967	Engineer/Legal adviser	Manager 01.01.2018-present
4.	NICOLAE CIMPEANU	29.10.1967	Economist	Manager 11.07.2018-04.04.2018
5.	PAUL CONONOV	03.02.1965	Engineer	Manager 01.01.2018-present
6.	ANDREI IONUT ONOFREI	10.12.1085	Legal adviser	Manager 01.01.2018-04.04.2018
7.	RAMONA UNGUR	09.08.1973	Economist	Manager 01.01.2018-present

By the Shareholders General Ordinary Assembly' decision no. 5/04.04.2018, the company' shareholders appointed as the Board of Directors' members, by cumulative voting method, according to EGO no.109/2011, with further additions and alterations, the followings:

- Ciprian - Dragos LAZARIU
- Toma - Bogdan COSTREIE
- Cristian - Florin GHEORGHE
- Ramona UNGUR
- Paul CONONOV
- Radu - Cristian POP
- Ovidiu - Aurelian ANDREI

By the Shareholders General Ordinary Assembly' decision no. 5/04.04.2018, there were recalled from Societatea OIL TERMINAL SA' Board of Directors' members, due to the fact that, they were not reconfirmed by cumulative vote, according to art. 32 item (7) of EGO no.109/2011 regarding the public companies' corporate governance, approved with further alterations and additions, the followings:

- Andrei - Ionut ONOFREI
- Nicolae CIMPEANU

The Shareholders General Ordinary Assembly' decision no.5/04.04.2018 was recorded in the Commerce Registrar Office of Constanta Court of Justice.

The Board of Directors, met on 13.04.2018 appointed as the Board of Directors' Chairman, according to art. 18 paragraph (5) of Constitutive Act in force, Mr. Gheorghe Cristian-Florin, for a 4-year period mandate, since the appoint,ent date as a manager, namely until 03.04.2022, according to the Board of Directors' decision no.43/13.04.2018.

Decision no.43/13.04.2018 was recorded in the Commerce Registrar Office of Constanta Court of Justice.

On 31.03.2018 Societatea Oil Terminal SA has no relationships with associated branches or entities and does not have participations in other companies.

2. Significant accountancy 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 2017.

The simplified interim financial situations concluded on 31.03. 2018 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).

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

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 2017.

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 2017.

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 31.03.2018, namely 31.03.2017 the official exchange used for balance' conversion into foreign currency are:

Currency		31 March 2018	31 March 2017
1 SWISS FRANC	CHF	3.9362	4.2563
1 EURO	EUR	4.6576	4.5511
1 STERLING POUND	GBP	5.3090	5.3015
1 USA DOLLAR	USD	<u>3.7779</u>	<u>4.2615</u>

3. Revenues from operating – supplied services

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

	31 March 2018	31 March 2017
Revenues from service supplies	33,274,734	35,887,327
Revenues from goods use lease	81,822	103,848
Revenues from various activities	<u>146,664</u>	<u>175,949</u>
Total revenues from services supplies	<u>33,503,220</u>	<u>36,167,124</u>

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

4. Revenues from residual products sale

	31 March 2018	31 March 2017
Revenues from residual products sale (recovered fuel type A)	51,872	362,989
Revenues from other wastes recovery	227,955	180,220
Revenues related to products stocks costs	149,626	(59,000)
Total revenues from residual products sale	429,453	484,209

5. Other revenues from operation

	31 March 2018	31 March 2017
Revenues from regulations for clients' receivables	204,225	176,207
Expenses for impairment of clients' receivables	(76,283)	(117,518)
Net provisions for receivables	<u>127,942</u>	<u>58,689</u>
Revenues from immobilizations	<u>5,571</u>	-
Revenues from penalties	14,639	6,992
Revenues from tangible assets sale	64,270	-
Revenues from provisions reversal	526,595	3,548,500
Expenses regarding provisions	(5,398)	(330)
Net regulations for provisions	521,197	3,548,170
Revenues from regulations for stocks	7,042	2,044
Expenses for stocks' impairment	(500)	(29,891)
Net regulations for stocks' impairment	6,542	(27,847)
Revenues from intangible assets' reevaluation	0	
Other revenues from operation	60,614	65,577
Total revenues from operation	800,775	3,651,581

6. Financial revenues and expenses

	31 March 2018	31 March 2017
Revenues from interests	612	27,686
Revenues from exchange currency rate differences	32,551	102,025
Revenues from earned discounts	<u>10,004</u>	<u>1,686</u>
Total financial revenues	<u>43,167</u>	<u>131,397</u>
Expenses regarding the paid interests	(304,355)	(103,300)
Expenses from exchange rate differences	<u>(122,382)</u>	<u>(268,956)</u>
Total financial expenses	<u>(426,737)</u>	<u>(372,256)</u>
Net financial results	<u>(383,570)</u>	<u>(240,859)</u>

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

7. Materials expenses

	31 March 2017	31 March 2017
Additional materials expenses	519,967	766,049
Fuels expenses	345,559	321,026
Packing stuff expenses	19,293	15,946
Spare parts expenses	321,073	141,798
Other supplies expenses	241,436	177,694
Inventory objects expenses	334,214	453,752
Un stocked stuff expenses	- <u>3,221</u>	- <u>4,962</u>
Total Raw products and materials expenses	- <u>1.784.763</u>	- <u>1.881.227</u>

8. Power and water expenses

	31 March 2018	31 March 2017
Water consumption expenses	425,015	454,183
Electric power consumption expenses	- <u>648,306</u>	- <u>1,111,864</u>
Total Power and water expenses	- <u>1.073.321</u>	- <u>1.566.047</u>

9. Staff expenses

	31 March 2018	31 March 2017
Board of Directors' indemnities expenses	- <u>148,841</u>	- <u>52,113</u>
Managers salaries expenses	65,798	56,199
Employees salaries expenses from which:		
executive directors*	15,896,817	11,538,650
Expenses regarding the bonuses for the profit participation	280,473	130,807
Expenses regarding the meal tickets given	778,545	675,071
Expenses regarding the meal tickets given	22,760	1,997,383
Expenses regarding contribution to social insurances fund	-	605,285
Expenses regarding contribution to health fund	-	86,961
Expenses regarding contribution to unemployment	440,041	382,081
Other expenses regarding the insurances and social protection	- <u>362,689</u>	- -
Total salaries expenses	- <u>17,715,491</u>	- <u>15,393,743</u>

*Values represent gross amounts given as follows:

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

* values represent gross amounts given in the period 01.01.2018-31.03.2018 for 5 executive directors, from which 115,100 lei representing contributions due by the employee, the related taxation included, and in the period 01.01.2017-31.03.2017, the values representing gross amounts given to 3 executive directors, from which 38,748 lei representing contributions due by the employee, the related taxation included.

** since 01.01.2018 provisions of EGO 79/2017 regarding Law 227/2015' alteration and addition have come into force, according to which, the contribution to social insurances (CAS) and the contribution to health social insurances (CASS) are fully supported by the employee and the insurance contribution for work (CAM) is supported by the employer.

For 2018 the company has in its charge the contribution for retirement for special work terms of 8%.

Employees

The effective number of employees evolved as follows:

	31 March 2018	31 March 2017
High training staff, from which:	180	180
Management positions staff	<u>40</u>	<u>37</u>
Average/gymnasium training staff, from which:	824	786
Qualified staff	<u>761</u>	<u>724</u>
Total	1,004	966

The employees' average number was 968 on 31.03.2018 and 937 on 31.03.2017.

The salaries and the related contributions expenses recorded on 31 March 2018 comparing to those on 31 March 2017 are the followings:

	31 March 2018	31 March 2017
Salaries expenses	9,933,609	7,284,740
Expenses regarding the contribution to the social insurances fund, health and unemployment fund	<u>385,449</u>	<u>2,689,629</u>
Total	10,319,058	9,974,369

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

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, sever diseases allowances, meal tickets and other bonuses (hospitalization aids, accommodation)

Obligations regarding the employees' allowances are as follows:

	31 March 2018	31 March 2017
Retirement bonuses	400,260	117,384
Allowances	4,471,613	3,291,088
Other allowances	27,093	16,485

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

Total	4,898,966	3,424,957
--------------	------------------	------------------

Obligations regarding the employees' bonuses are as follows:

	31 March 2018	31 March 2017
Rest and treatment tickets and the related transport	252,232	151,481
Gifts given to women employees	45,150	44,550
Birth aids	28,760	35,950
Funeral aids	113,899	124,180
Aids for severe diseases	-	25,920
Meal tickets	778,545	675,071
Bonuses acc. The Labour Collective Contract	129,430	103,950
Loyalty bonuses	881,095	649,862
Marriage aids	0	21,570
Hospitalization aids	44,710	48,362
Accommodation aids	9,007	5,209
Total	<u>2,282,828</u>	<u>1,886,105</u>

10. Third parties supplied services expenses

	31 March 2018	31 March 2017
Expenses regarding various services supplied by third parties	3,393,072	4,072,191
Phone supplies services expenses	97,047	92,968
Bank supplies services expenses	88,097	51,573
Commissions and fees expenses	44,973	53,902
Total third parties supplied services expenses	<u>3,623,189</u>	<u>4,270,634</u>

In the structure of the third parties supplied services expenses, the audit expenses are included. The company audit in 2018 was provided by ROMAR – Co AUDIT SRL company.

By the Shareholders General Ordinary Assembly' Decision no.6/19.06.2017, the appointment of the company - ROMAR – Co AUDIT SRL, as the company' statutory financial auditor for a three-year period, namely for 2017, 2018, 2019 financial years.

The fees are settled according to contract concluded by the 2 parties. All paid fees refer to:

- the audit services of the annual financial reports, issued according to International Standards of Financial Report ("IFRS") and to the Order of Public Finances Ministry 2844/2016 with further alterations and additions.
- trimestrial limited examination services of interim simplified financial reports.
- other services supplies, specific for the independent financial auditor, services provided by EGO no.90/2008 regarding the statutory audit of annual financial reports and of consolidated financial reports

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

and survey of the accountancy profession' public interest, Companies' law no.31/1990, with further alterations and additions, and the legislation applicable to companies, which values are allowed to be traded on a regulated market.

11. Fixed assets' depreciations expenses

	31 March 2018	31 March 2017
Intangible assets depreciation expenses	26,272	16,889
Tangible assets depreciation expenses, from which:	3,125,092	3,061,472
Buildings and buildings facilities	2,125,845	2,281,949
Technical facilities, technological equipments	782,908	626,363
Furniture and other fixed assets	<u>216,339</u>	<u>153,160</u>
Total fixed assets depreciation expenses	<u>3,151,364</u>	<u>3,078,361</u>

12. Other operation expenses

	31 March 2018	31 March 2017
Repairs expenses	2,245,149	2,119,292
Maintenance expenses	1,132,021	839,684
Royalties expenses	1,358,801	1,407,521
Hires and administrative locations expenses	1,037,570	950,109
Insurance premium expenses	50,907	57,577
Studies and researches expenses	42,064	228,528
Training and research expenses	39,552	36,411
Advertising expenses	9,282	11,730
Protocol expenses	23,321	17,464
Movement/travel expenses	104,221	63,259
Expenses regarding other taxes and fees	735,394	593,452
Expenses regarding the donations given	45,000	-
Compensations, fines, penalties expenses	643	247
Other expenses from operation	<u>2,813</u>	<u>834</u>
Total other operation expenses	<u>6,826,738</u>	<u>6,326,108</u>

13. Expenses regarding the current and postponed profit

Taxation on current and postponed profit of the company for 2018 and 2017 is settled at a statutory rate of 16%.

Taxation on current profit

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

Tax on profit found in the profit and loss account:

	31 March 2018	31 March 2017
Current tax expenses	158,314	773,037
Total expenses regarding the tax on profit	158,314	773,037

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 trimester I 2018, the company didn't record a revenue or expense regarding the postponed taxation.

On the 31st March 2018, the company recorded a gross profit of year in an amount of 175,012 lei.

For trimester I 2018, 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 1,270,712 lei.

Tax on profit calculated on the fiscal profit is in amount of 203,314 lei, diminished to 158,314 lei, further the sponsorship expenses' recording in an amount of 45,000 lei, expenses achieved in the limit provided in Fiscal code.

Reconciliation of the taxation effective rate for trimester I 2018 comparing to trimester I 2017:

	31 March 2018	31 March 2017
Profit before the tax on profit	175,012	7,545,935
Profit before the tax on profit (sponsorship expense excluded)	220,012	-
Tax on profit at the statutory rate of 16%	35,202	1,207,350
Effect of non-deductible expenses	17,675	25,409
Taxation of reserves from reevaluation	269,895	201,983
Nondeductible revenues effect	(118,058)	(596,280)
Deductions from legal reserve	(1,400)	(60,368)
Reinveste profit	0	(5,057)
Tax exemptions for sponsorship	45,000	
Expense of tax on profit	158,314	773,037

Taxation on postponed profit

	31 March 2018	31 December 2017
Taxation on postponed profit	32,314,845	32,314,845
Total taxation on postponed profit	32,314,845	32,314,845

The taxations postponed for payment and to be recovered 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.

In trimester I 2018, the taxation on postponed profit, constituted on own capitals do not record alterations comparing to 31.12.2017 and is in an amount of 32,314,845 lei, recorded as follows:

- 25,943,248 lei, recorded through "reported result arisen from the accountancy errors' correction" on 31 December 2014, according to IAS 8 "Accountant policies, accountant estimations and errors alterations", representing taxation on postponed profit constituted on own capitals related to reserves from reevaluation for years 2011-2014;

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

- 2,779,766 lei, recorded on 31.12.2015 representing taxation on postponed profit constituted on own capitals related to reserves from reevaluation, for 2015;
- (98,436) lei, recorded on 31.12.2016 representing taxation on postponed profit related to reserves from reevaluation for the ceased/scrapped assets transferred in the reported result;
- 5,494,500 lei, recorded on 31.12.2017 representing taxation on postponed profit constituted on own capitals related to reserves from reevaluation, for 2017;
- (1,684,738) lei, recorded on 31.12.2017, representing taxation on postponed profit, recognized on postponed own capitals, related to reserves from reevaluation used in 2017 for the assets reevaluation recording;
- (119,495) lei, recorded on 31.12.2017 taxation on postponed profit recognized on postponed own capitals, related to reserves from reevaluation transferred in the reported result, representing surplus achieved from the assets reevaluation for the ceased/scrapped assets in 2017.

In 2017, taxation on postponed profit constituted on own capitals was increased by the amount of 3,690,267 lei up to the total amount of 32,314,845 lei.

The increase of taxation on postponed profit in 2017, by 3,690,267 lei represents:

- taxation on postponed profit constituted on own capitals related to reserves from reevaluation constituted in 2017, further the reevaluation recorded on 31.12.2017 in an amount of 5,494,500 lei;
- taxation on postponed profit on own capitals related to reserves from reevaluation used in 2017 further the reevaluation recorded on 31.12.2017, in an amount of (1,684,738) lei;
- taxation on postponed profit on own capitals related to reserves from reevaluation for the ceased/scrapped assets transferred in the reported result in an amount of (119,495) 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

	31 March 2018	31 March 2017	Δ %
Services supplies regarding receiving, storage, conditioning and dispatch of crude oil, fuel oil, petroleum, petrochemical and liquid chemical products.	33,274,734	35,887,327	(7.28)

Services supplies for external clients

Client name	Country	31 March 2018	31 March 2017	Δ %
VITOL	Switzerland	2,432,647	5,812,694	(58.15)
MADDOX	Switzerland	1,024,722	1,560,207	(34.32)
LITASCO	Switzerland	792,463	3,785,897	(79.07)
EURONOVA ENERGIES	Switzerland	600,486	1,643,268	(63.46)

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

MASTER CHEM OIL DMCC		461,242	50,528	812.84
mitsubishi INTERNATIONAL GMBH	Germany	441,015	439,895	0.25
MOL PLC	Hungary	428,142	-	-
ISLAND PETROLEUM	Cyprus	364,846	136,738	167.17
ELEMENT ALPHA	Switzerland	110,430	73,556	(50.13)
VICTORIA CHEMICALS SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	Poland	-	54,921	-

Oil Terminal SA ' main clients

Client name	Country	Year ended on 31 March 2018		Year ended on 31 March 2017	
		Invoiced value	%	Invoiced value	%
PETROTEL LUKOIL	Romania	14,028,246	36.66	9,334,290	23.09
OMV PETROM	Romania	5,208,666	13.61	7,303,331	18.07
OSCAR DOWNSTREAM	Romania	4,613,392	12.06	3,405,322	8.42
VITOL	Switzerland	2,432,647	6.36	5,812,694	14.38
MOL ROMANIA PETROLEUM PRODUCTS	Romania	2,099,651	5.49	2,540,379	6.28
MADDOX	Switzerland	1,025,573	2.68	1,560,214	3.86
ROMPETROL RAFINARE	Romania	958,230	2.50	795,209	1.97
NATIONAL ADMINISTRATION OF STATE RESERVES	Romania	920,274	2.40	910,952	2.25
LITASCO	Switzerland	792,463	2.07	3,785,897	9.37
EURONOVA ENERGIES	Switzerland	600,624	1.57	1,643,303	4.07

15. Tangible assets

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

Gross values	Fields	Buildings	Technical facilities and equipments	Other facilities, equipments and furniture	Total
Balance on the 31 st December 2017	321,521,535	126,787,421	21,940,154	2,784,758	473,033,868
Transfers from going on assets	-	19,217,890	866,916	-	20,084,806
Advances for tangible assets	-	-	1,062,934	-	1,062,934
Balance on the 31st March 2018	321,521,535	146,005,311	23,870,004	2,784,758	494,181,608

Amortizations	Fields	Buildings	Technical facilities and equipments	Other facilities, equipments and furniture	Total
Balance on the 31st December 2017	-	-	-	-	-
Amortization in 2018		2,125,845	782,907	216,339	3,125,091
Balance on the 31st March 2018	-	2,125,845	782,907	216,339	3,125,091
Net value					
Balance on the 31st December 2017	321,521,535	126,787,421	21,940,154	2,784,758	473,033,868
Balance on the 31st March 2018	321,521,535	143,879,466	23,087,097	2,568,419	491,056,517

The tangible assets are presented in the financial reports with their reevaluated value, less depreciations and regulations for value depreciation or loss, according to IAS 16- tangible assets and IAS 36- assets depreciation.

Reevaluation at the fair value, on 31.12.2017, was recorded according to an Evaluation report, issued by an authorized assessor, ANEVAR' titular member. The reevaluations' frequency is up to the reevaluated tangible assets' fair values alterations. For tangible assets which fair values have no outstanding alterations, reevaluations are not necessary.

On 31.03.2018 the tangible assets net value increased by 18,022,649 lei comparing to 2017 end, as follows:

- commissionings from tangible assets going on, increase of 20,084,806 lei
- tangible assets' depreciation recorded in trimester I 2018, decrease of 3,125,091 lei
- advances for tangible assets in trimester I 2018, increase of 1,062,934 lei.

The fair value, as determined, on 31.03.2018 revealed by reevaluated value is as followings:

- Fields	321,521,535 lei
- Constructions group	143,879,466 lei
- Technical facilities and cars	23,087,097 lei
- Other facilities, equipment and furniture	2,568,419 lei
- Tangible assets going on	12,972,607 lei

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

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 66,497,655 lei, recorded in social capital in July 1997;
- field in a surface of 413,413.16 sqm got in 2003 according to propriety title series MO3 no. 8448/16.04.20013 located in North Storage Farm, in an amount of 57,791,417 lei, recorded in 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 37,506,480 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 103,075,858 lei;
- field in a surface of 129,334.70 sqm got in 2011 according to propriety title series MO3 no. 11704/02.02.20011 located in North Storage Farm, in an amount of 56,650,125 lei.

Lots of field in a surface of 254,261.33 sq.m. and 129,334.70 sq.m were recorded in the company' patrimony in 2011, 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 12,972,607 lei represent uncompleted investments on 31.03.2018, from which:

Going on assets	Investments according OIL TERMINAL' program	Investments achieved according Oil Agreement*	Total
Balance on the 31 December 2017	8,030,886	19,636,820	27,667,706
Increases during year	2,691,611	2,698,095	5,389,706
Transfers in tangible assets	(4,103,877)	(15,980,928)	(20,084,805)
Balance on 31 March 2018	<u>6,618,620</u>	<u>6,353,987</u>	<u>12,972,607</u>

*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 recorded on 31.03.2018 is 5,396,001 lei, representing 5,389,706 lei investments expenses for tangible assets and 6,295 investments expenses for intangible assets, from which the main investments objectives are:

- Upgrading shoretank 34 - South Storage Farm (according Oil agreement)
- Commun metallic scaffold line L2 and L3 rail platform South Storage Farm
- Updating of roof and first sleeve for shoretank 23 Port Storage farm (upgrading inventory number 11222626)
- Radar tank remotecontrol (8 pieces)
- Aboveground laying of pipelines network between Port Storage Farm' manifold and MIM bridge (according to Oil agreement)
- Computer – PC GMB (4 pieces)
- Wind shelter cabin jetty 69 Port Storage Farm

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

- Updating of shore tank T30 50,000 CM South Storage Farm (according Oil agreement)

17. Intangible assets

Gross values	Licenses/patents	Leases	Other intangible assets	Total
Balance on the 31st December 2017	-	3,660,453	263,650	3,924,103
Increases from acquisitions	-	-	6,295	6,295
Balance on the 31st March 2018	-	3,660,453	269,945	3,930,398

Depreciations and impairments	Licenses/patents	Leases	Other intangible assets	Total
Balance on the 31st December 2017	-	-	-	-
Amortization in 2018	-	-	26,272	26,272
Balance on the 31st March 2018	-	-	26,272	26,272
Net value				
Balance on the 31st December 2017	-	3,660,453	263,650	3,671,813
Balance on the 31st March 2018	-	3,660,453	243,673	3,904,126

Intangible assets, recorded in Societatea' accountancy record, are computer/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, on 31.12.2012, of the leasing contract, 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 – leasing, in its fair value of 3,034,941 lei, was recognized, recorded in accountancy book with undetermined useful life, on 31.12.2012, according to item 88 of IAS 38- Intangible assets and therefore, it is not depreciable.

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.

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. Reevaluations are made so frequent, so that, on the reporting period completion, the asset's accountant value does not exceed significantly its fair value.

On 31 December 2017, the company recorded an intangible assets reevaluation according to an Evaluation report issued by an authorized assessor, ANEVAR' titulary member.

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

- leasing Oil Agreement	3,660,453 lei
- computer programs/ licences related to them approach by revenues	243,673 lei

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

18. Financial assets

	Year ended on the 31 st March 2018	Year ended on the 31 st December 2017
Guarantees given to suppliers	867	867
Other immobilized receivables	<u>1,335,074</u>	<u>1,228,665</u>
Total financial assets	<u>1,335,941</u>	<u>1,229,532</u>

On 31.03.2018 and 31.12.2017, 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 31.03.2018 regarding the fixed debts in an amount of 1,335,074 lei, more by 106,409 than the balance recorded in the previous year, 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 01.11.2018, by a collateral account opening, to guarantee the trade according to commitment contract no.1406/27.11.2015 and to Additional Act no.1/24.11.2016, in order to complete the guarantees constituted for the company' fiscal warehouse position.
- 2 guarantee letters in an amount of 1,590 lei in Compania Nationala Administratia Porturilor Maritime' favour.
- Guarantee for token devices used for Bancpost in an amount of 1,013 lei
- Guarantee in an amount of 527,978 lei in Compania Nationala Administratia Porturilor Maritime' favour.

19. Stocks

	Year ended on the 31 st March 2018	Year ended on the 31 st December 2017
Additional materials	1,244,754	522,830
Fuel oils	36,366	47,040
Package stuff	9,767	5,763
Spare parts	456,123	424,891
Other consumables	48,307	132,731
Inventory objects stuff	471,617	463,212
Residual products	169,602	19,976
Regulations for consumables	<u>(77,387)</u>	<u>(83,929)</u>
Total stocks	<u>2,359,149</u>	<u>1,532,514</u>

Stocks without movement, in balance on 31.03.2018 are **77,387 lei**, for which regulations for the materials impairment were constituted.

In trimester I 2018 the company recorded regulations for stocks impairment as followings:

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

	Year ended on the 31 st March 2018	Year ended on the 31 st December 2017
Regulations balance for stocks impairment on the 1 st January	83,929	50,725
Constitutions in year	500	70,594
Reversals in year	<u>7,042</u>	<u>(37,390)</u>
Regulations of balance for stocks impairment at the period end	<u>77,387</u>	<u>83,929</u>

20. Clients and assimilated accounts

	Year ended on the 31 st March 2018	Year ended on the 31 st December 2017
Clients issued invoices, to collect	13,080,915	12,379,265
Uncertain clients and in litigation	3,241,960	3,369,901
Clients invoices to be issued	417,892	351,162
Regulations for clients' receivables impairment	<u>3,245,267</u>	<u>(3,373,209)</u>
Total clients	<u>13,495,500</u>	<u>12,727,119</u>

The clients situation – invoices issued to be collected in an amount of 13,080,915 lei in balance on the 31st March 2018, is classified on period of time, as followings:

- Clients' receivables not exceeding the due payment date 12,674,100 lei
- Clients' receivables with exceeded due term between 1 – 30 days 403,719 lei
- Clients' receivables with exceeded due term between 31 - 60 days 3,096 lei

The uncertain clients recorded on 31.03.2018 are in a total amount of **3,241,960 lei**. For uncertain clients, the company constituted regulations for the clients receivables impairment for the total amount VAT included. In 2018, the company recorded regulations fro clients receivables impairment, as followings:

	Year ended on the 31 st March 2018	Year ended on the 31 st December 2017
Provision balance for impairment on the 1st January	3,373,209	3,130,521
Constitutions in year	76,283	427,794
Reversals in year	<u>(204,225)</u>	<u>(185,106)</u>
Provision balance for impairment at the period end	<u>3,245,267</u>	<u>3,373,209</u>

21. Oher receivables and expenses in advance

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

	Year ended on the 31 st March 2018	Year ended on the 31 st December 2017
Different debtors	2,548,943	2,563,252
Suppliers- debtors for services supplies	5,975	-
Expenses recorded in advance	170,022	93,926
Other receivables	<u>416,048</u>	<u>221,483</u>
Total other receivables	<u>3,140,988</u>	<u>2,878,661</u>

Taxes and fees to be recovered

	Year ended on the 31 st March 2018	Year ended on the 31 st December 2017
Tax on profit	491,342	649,656
Tax on buildings	<u>122,573</u>	-
Tax on field	<u>541,735</u>	<u>360,655</u>
Taxes transport ways	<u>4,126</u>	<u>44</u>
Tax company	<u>1,176</u>	-
VAT to be recovered	<u>1,522,655</u>	<u>2,508,887</u>
Total	<u>2,683,607</u>	<u>3,519,242</u>

22. Cash and cash equivalent

	Year ended on the 31 st March 2018	Year ended on the 31 st December 2017
Available in lei in bank current accounts	4,783,904	13,047,626
Available in foreign currency in bank current accounts	52,124	329,131
Cash advance	13,078	10,843
Other values	19,487	16,664
Available in cash	6,620	6,128
Total cash and equivalents	4,875,213	13,410,392

The are no restrictions on the monetary availability accounts

23. Social capital

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

	Number of shares	Social capital
Statutory social capital	<u>582,430,250</u>	<u>58,243,025</u>
Total capital	<u>582,430,250</u>	<u>58,243,025</u>

The shareholding structure on the 31st March 2018 comparing to 31 March 2017, according to data submitted by Depozitarul Central is the following:

Shareholder 31.03.2018	Number of shares	Total nominal value	Possession %
Romanian State throughThe Ministry of Energy	- <u>347,257,973</u>	<u>34,725,797</u>	<u>59.62</u>
Dumitrescu Sebastian Valentin	83,953,032	8,395,303	14.41
Legal persons	62,289,370	6,228,937	10.70
Physical persons	- <u>88,929,878</u>	<u>8,892,988</u>	<u>15.27</u>
Total capital	- <u>582,430,253</u>	<u>58,243,025</u>	<u>100</u>

Shareholder 31.03.2017	Number of shares	Total nominal value	Possession %
Romanian State throughThe Ministry of Energy	- <u>347,257,973</u>	<u>34,725,797</u>	<u>59.62</u>
Dumitrescu Sebastian Valentin	- <u>39,253,679</u>	<u>3,925,968</u>	<u>6.74</u>
Legal persons	94,809,594	9,480,959	16.28
Physical persons	- <u>140,362,686</u>	<u>14,036,269</u>	<u>24.10</u>
Total capital	- <u>582,430,253</u>	<u>58,243,025</u>	<u>100</u>

Romanian State represented by the Ministry of Energy 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, on the 31st March 2018, and on the 31st December 2017. Each share gives to its owner the right of only one vote.

OIL TERMINAL SA is a company quoted in Bucharest Stock Exchange.

The shares were traded at 0.1708 lei/share on the 30 March 2018 and at 0.1965lei/share on 31 March 2017.

The unpaid dividends value on the 31st March 2018 is 1,277,967 lei, representing the unpaid dividends from the previous years from which physical persons 1,240,504 lei and legal persons 37,463 lei.

24. Other elements of own capital

	Year ended on the 31 st March 2018	Year ended on the 31 st December 2017
Recognized postponed tax on own capitals	(6.405.204)	(6.405.204)

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

Other elements of own capitals	3,034.941	3,034.941
Total other elements of own capitals	(3.370.263)	(3.370.263)

On 31 March 2018, other elements of own capitals representing the postponed taxation recognized on own capitals do not record alterations than 31 December 2017 and is in an amount of (6,405,204) lei.

Recognized postponed tax on own capitals in an amount of (6,405,204) lei in balance on 31 March 2018 is made of:

- postponed tax on own capitals, related to reserves from reevaluation in an amount of (6,475,478) lei;
- postponed tax for fiscal facilities for 2012 in an amount of 70,274 lei.

On 31 March 2018 and on 31 December 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.

25. Reserves from reevaluation

	Year ended on 31 March 2018	Year ended on 31 December 2017
Reserves from tangible and intangible assets reevaluation	233,139,364	233,139,364
Total reserves from tangible and intangible assets reevaluation	233,139,364	233,139,364

On 31 March 2018 the reserve from reevaluation increases comparing to the previous year by 233,139,364 lei, unaltered balance comparing to the previous year.

Total value of 233,139,364 lei of reserves from reevaluation in balance on 31.03.2017 contains:

- reserve from reevaluation related to tangible assets of 232,388,792 lei
- reserve from reevaluation related to intangible assets, representing rights given by Oil agreement for the concession of the operation activity of shoretanks, crude oil and petroleum products pipelines, pumping facilities and other facilities and equipments related to them, concluded with National Agency for Mineral Resources, approved by GD 886/16.08.2002 of 125,060 lei.
- reserve from reevaluation related to intangible assets representing licenses of 625,512 lei

26. Reported result

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

	Year ended on 31 March 2018	Year ended on 31 December 2017
Reported result representing surplus achieved from reevaluation reserves	5,823,139	5,823,139
Total surplus achieved from reevaluation reserves	<u>5,823,139</u>	<u>5,823,139</u>

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 2018, there was no surplus achieved from reevaluation reserves recorded, so that the reported result representing surplus achieved from reserves from reevaluation in balance on 31 March 2018 is of 5,823,139 lei is the same as the balance recorded on 31 December 2018.

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

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

	Year ended on 31 March 2018	Year ended on 31 December 2017
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	<u>396,930</u>	<u>396,930</u>

The reported result arisen from the adoption of IAS less IAS 29 for the first time, on 31 March 2018 is in the amount of 396,930 lei and does not record 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 Accountant Regulations together with Directive IV of European Economic Communities and the Accountant International Standards.

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

c. Reported result arisen from accountant errors correction

On 31.03.2018, the balance of the reported result arisen from accountant errors correction is as followings:

	Year ended on 31 March 2018	Year ended on 31 December 2017
Reported result arisen from accountant errors correction	(25,839,366)	(25,839,366)
Total Reported result arisen from accountant errors correction	<u>(25,839,366)</u>	<u>(25,839,366)</u>

On 31 December 2014, " 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" was recorded according to IAS 8, as followings:

- for 2011 the amount of (9,519,349) lei
- for 2012 the amount of (8,242,884) lei
- for 2013 the amount of (8,077,133) lei

d. Reported result representing undistributed profit

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

On 31.03.2018 the account balance reported result representing undistributed profit is in an amount of 4,511,118 lei.

	Year ended on 31 March 2018	Year ended on 31 December 2017
Reported result representing undistributed profit	4,511,118	-
Total Reported result representing undistributed profit	<u>4,511,118</u>	-

The amount of 4,511,118 lei represents the undistributed profit for 2017. According to Oil Terminal' Shareholders General Assembly' decision no.9/25.04.2018, the amount of 4,511,118 lei was distributed as dividends due to shareholders.

27. Legal reserves and other reserves

a. Legal reserves and other reserves

	Year ended on 31 March 2018	Year ended on 31 December 2017
Legal reserves	5,031,568	5,031,568
Other reserves	<u>174,575,468</u>	<u>174,575,468</u>
Total reserves	<u>179.607.036</u>	<u>179.607.036</u>

The legal reserves in an amount of 5,031,568 lei in balance on 31 March 2018 did not record alterations than the previous year.

Other reserves in balance on 31 March 2018, unaltered than the previous year are in an amount of 174,575,468 lei, representing:

- reserves constituted from the profit distributed for own financing source constitution according to Shareholders General Assembly decisions, in an amount of 21,552,205 lei;
- reserves from fiscal facilities in an amount of 944,399 lei
- recognized fields on the reserves fro which the propriety titles were got in 2011 in an amount of 151,789,000 lei, namely:
 - 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. in an amount of 289,864 lei, representing the field difference arisen from the cadastral documentation updating made in 2015, for the field of 951,386.79 sq.m., 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

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

	Year ended on 31 March 2018	Year ended on 31 December 2017
Loans on long term		
Contract no C12002013014745/05.09.2013 OTP Bank (investments credit)	7,012,500	7,331,250
Minus current part	(1,275,000)	(1,275,000)
Contract no. 1870/02.08.2017 Bancpost	24,441,634	21,294,730
Minus current part	-	-
Total loans on long term	30,1793,134	27,350,980

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

Creditor	Currency	Due date	Reimbursement	Interest	Guarantee	31.12.2017	31.03.2018
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	7,331,250	7,012,500

*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 with 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 with cadastral umber 214855-C1
 - C395 – "Administrative building" identified with cadastral number 214855-C2
 - C 396 "Greenhouses" with cadastral number 214855-C3
 - C397 " Greenhouses" with 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 with 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 with cadastral number 211722 – C1
 - C3"Shoretank" in a built surface of 748 sqm, identified with cadastral number 211722 – C2
 - C5 "Shoretank" in a built surface of 849 sqm, identified with 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 with cadastral number 238666 – C6
 - C7 "Shoretank" in a built surface of 804 sqm, identified with cadastral number 238666 – C7

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

- C8 "Shoretank" in a built surface of 855 sqm, identified with cadastral number 238666 – C8
- C9 "Shoretank" in a built surface of 854 sqm, identified with 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 with 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 with cadastral number 238836 – C2
 - C4 "Shoretank" in a built surface of 855 sqm, identified with cadastral number 238836 – C4, , in SC OIL TERMINAL SA' propriety

In September 2013, the withdrawal from the loan contracted with OTP Bank was completed, the balance of this loan on 31.03.2018 is 7,012,500 lei.

Creditor	Currency	Due date	Reimbursement	Interest	Guarantee	31.12.2017	31.03.2018
2.Contract no. 1870 of 02.08.2017 Bancpost	lei	02.08.2027	Monthly rates	ROBOR on 3 months plus limit	Mortgage and real estate guarantee	21,294,730	24,441,634

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

Oil Terminal SA constituted in Bancpost' favour the following guarantees:

- a) mortgage on intravilan fiels building, in a surface of 66,632 sq.m. (part of lot with S=951,387 sq.m.), located in Constanta county, South Storage Farm, Movila Sara, identified with cadastral number 246756, recorded in Land Registry with no. 246756 of Constanta city, together wuth the 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 C6- 30 sq.m.
- b) mortgage on current accounts

In 2017, the credit facility in the amount of 21,294,730 lei was used, the difference until the approved credit total amount of 26,770,050 lei is going to be used during 2018.

b. Debts regarding tax on postponed profit

On 31.03.2018, Taxation on postponed profit related to reserves from reevaluation in balance on 31.03.2018, constituted on own capitals is in a total amount of 32,314,845 lei, and does not record alterations than 31.12.2017, being constituted as follows:

- 25,839,365 lei, recorded through account "reported result arisen from accountancy errors correction" on 31 December 2014, according to IAS 8 "Accountancy policies, alterations of accountancy estimations and errors", representing taxation on postponed profit constitute don own capitals related to reserves from reevaluation for years 2011-2014;
- 103,883 lei recorded on 31.12.2014 representing taxation on postponed profit constitute don own capitals related to reserves from reevaluation for 2014;
- 2,779,766 lei recorded on 31.12.2015 representing taxation on postponed profit constitute don own capitals related to reserves from reevaluation, for 2015;

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

- (98,436) lei recorded on 31.12.2016 representing taxation on postponed profit related to reserves from reevaluation for leased/scrapped assets, transferred in the reported result;
- 5,494,500 lei recorded on 31.12.2017 representing taxation on postponed profit constitute don own capitals related to reserves from reevaluation for 2017;
- (1,684,738) lei recorded on 31.12.2017 representing taxation on canceled recognized postponed profit on own capitals, related to reserves from reevaluation used in 2017 for the assets' reevaluation record;
- (119,495) lei recorded on 31.12.2017 taxation on canceled recognized profit on own capitals related to reserves from reevaluation transferred in the reported result, representing surplus from assets' reevaluation for the leased/scrapped assets in 2017.

The reconciliation of tax on postponed profit is as followings:

	Year ended on 31 March 2018	Year ended on 31 December 2017
Tax on postponed profit on 1 January	32,314,845	28,624,578
Tax on postponed profit on 31 March	32,314,845	32,314,845
Variation of postponed tax	0	3,690,267
From which debt with tax with postponed recognized on own capitals	0	3,690,267

29. Debts regarding financial leasing obligations

The company doesn't record debts of financial leasing on 31.03.2018, or on 31.03.2017.

On 31.03.2018, Societatea has the following operational leasing contracts going on:

1. Contract 33/126/23.04.2015, added with additional act no.1/25.04.2017, concluded with BCR Fleet Management having as object:
 - Operational leasing for car Skoda Superb Elegance Business – 1 piece
The contract period is 24 months since 30.04.2017.
2. 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 car Ford Mondeo Wagoon 2.0 TDCi – 1 piece
 - Operational leasing Autoscooper 18 to MTMA – MAN – 1 piece
The contract period is 36 months since the cars' delivery
3. 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
4. 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.

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

5. Contract 68/97/27.03.2017 concluded with CENTER TEA&CO SRL with object:

- Operational leasing for:
- Dacia Dokker Laureate SCI 90CP- 3pieces
- Dacia Logan Laureate DCI 90CP – 5pieces
- Multivan HL KR 2.0 TDI 150 KW 4m DSG 204 CP/150 KW -1piece
- Tuareg Supreme Plus V6 TDI BMT 262 CP/193 KW AG8 SUV – 1 piece

Contract period is 36 months since the goods delivery.

6. Contract no.277/507/21.12.2017 concluded with CENTER TEA&CO SRL with object:

- Operational leasing for:
- Truck PSI TGS 26420 6X4 BL – 1 piece
- Mixed scopp device – 1 piece
- Tilting machine TGS 26 – with simple cabin - 1 piece
- Minibuz Daily 70C18HP Chassis Cowl Diesel euro 6 - 1 piece
- Car SUV Kodiahq Ambition 2.0 TDI 4X4 DSG 190CP/140KW – 3 pieces
- Dacia Logan SL Prestige Plus 1.5 DCI 90 CP – 3 pieces
- Duster Prestige 1.5 DCI 110 CP EDC – 1 piece
- Dacia Dokker Laureate 1.5 DCI 90CP -3 pieces

Contract period is 36 months since the goods delivery.

There is the possibility for Societatea to become the legal owner after the residual value payment, on the leasing period completion.

Societatea recognized as expenses in the profit and loss account in trimester I 2018, the payments for the operational leasing contracts, using the linear model for the leasing period, in a total amount of 373,998 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 31.03.2018 is as follows:

	Future payments up to 1 year	Future payments up to 2-5 years
Contract 33/126/23.04.2015 BCR Fleet Management SRL	21,893	1,824
Contract 81/203/27.07.2015 Center Tea &Co SRL	305,997	0
Contract 357/146/09.12.2015 Center Tea &Co SRL	111,004	0
Contract 100/171/16.06.2016 Center Tea &Co SRL	444,882	434,001
Contract 68/97/27.03.2017 Center Tea &Co SRL	294,491	325,447
Contract 277/507/21.12.2017 Center Tea &Co SRL	116,754	90,925
Total	1,295,021	852,197

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

On 31 March 2018 and on 31 December 2017, the loans on short term have no balance.
Contracts regarding the loans on short term are:

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

Creditor	Currency	Due date	Reimbursement	Interest	Value
1. Credit contract (credit line)					
no. C12002013014744/05.09.2013 concluded with OTP Bank and additional act no.3/04.09.2014, no.4/03.09.2015, 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, additional act no.3/04.09.2014 of contract C12002013014744/05.09.2013 concluded with OTP Bank, by which credit line for the financing and/or refinancing of current activity is increased by 2,000,000 lei, becoming 5,000,000 lei, with due payment date 04.09.2015

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

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

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

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

Creditor	Currency	Due date	Reimbursement	Interest	Value
2.Credit contract no. 1403/27.11.2015 (facility in view to issue a guarantee letter) concluded with Bancpost SA	lei	01/11/2018	Full reimbursement at due date	ROBOR on 3 months plus limit	56,256,550

By Credit contract no. 1403/27.11.2015 Bancpost gave Societatea Oil Terminal a facility for a guarantee bank issue in favour of National Agency of Fiscal Administration, 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 euro, calculated at BNR' exchange rate, for which the followings constituted as guarantees:

- a) Mortgage on the field of 20,000 sq,m registered in land registry no.244347 Constaqnta, identified with number 244347 and the buildings on it;
 - shoretank R36 identified with cadastral number 244347-C9 (inventory number 11223318), in a surface of 2,859 sq.m.
 - shoretank R37 identified with cadastral number 244347-C10 (inventory number 11223319), in a surface of 2,859 sq.m.

b) Mortgage on the receivables arisen from contracts concluded with its main commercial partners

c) cession of receivable rights arisen from insurance policies concluded by the borrowed, having as object the real

estates' insurance as guarantee.

OIL TERMINAL Notes of simplified interim financial reports on 31st March 2018

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

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

On the signing date of Additional act no.2 of contract 1403, the Mortgage contract no.181/26.04.2017 and Additional act no.1/25.04.2017 pf Mortgage contract (on receivable) no.1403/1/27.11.2015 were signed, by which the guarantees related to mortgage on intravilan field in a surface of 20,000 sq.m. recorded in Land Register no.244347 Constanta, identified with cadastral no. 244347 and the buildings on it, and the mortgage on receivable was increased up to the amount of 47,017,708 lei' concurrence.

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

On 09.11.2017, Additional act no.4 of contract 1403/27.11.2015 is signed, by which the facility amount was increased to 56,256,550 lei and Additional act no.2/09.11.2017 of Mortgage contract (on receivable) no.1403/1/27.11.2015.

31. Commercial debts

	Year ended on 31 March 2018	Year ended on 31 December 2017
Supplier obligations for goods and services	9,074,287	14,924,392
Contributors obligations	4,317	3,772
Suppliers unarrived invoices	<u>227,627</u>	<u>661,585</u>
Total commercial debts	<u>9,306,231</u>	<u>15,589,749</u>

Suppliers in balance on 31 March 2018 in an amount of 9,074,287 lei are in due term, the company does no record outstanding suppliers on 31.03.2018.

32. Debts regarding due taxes and fees

	Year ended on 31 March 2018	Year ended on 31 December 2017
Current obligations regarding oil royalty	1,358,802	1,691,424
Current obligations at social insurances budget	1,944,171	1,847,147
Current obligations at state budget		
Current obligations at local budget	-	<u>887,330</u>
	<u>563,696</u>	<u>1,892</u>
	<u>1,893</u>	<u>1,892</u>
Total taxes and fee	<u>3,868,562</u>	<u>4,427,793</u>

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

33. Alte current debts

	Year ended on 31 March 2018	Year ended on 31 December 2017
Staff obligations	2,311,955	2,122,169
Dividends to be paid	1,277,967	1,297,694
Clients creditors	213,786	-
Different creditors	195,572	147,529
Received guarantees	-	<u>10,000</u>
Total other debts	<u>3,999,280</u>	<u>3,577,392</u>

34. Provisions in balance of 2,301,882 lei on the 31.03.2018, from which:

- a) provisions for litigations in an amount of 811,298 lei;
- b) provisions for employees' benefits in an amount of 989,349 lei;
- c) other provisions for the employees' participation to profit in an amount of 501,235 lei

a) Provisions for litigations

The company records provisions for litigations in an amount of 811,298 lei, on 31 March 2017.

	Year ended on 31 March 2018	Year ended on 31 Dec. 2017
Balance on the year start	923,229	8,266,492
Constitutions during the year	5,398	350,071
Reimbursements during the year	<u>(117,329)</u>	<u>(7,693,334)</u>
Balance on the year' end	<u>811,298</u>	<u>923,229</u>

Provisions for litigations in an amount of 811,298 lei are constituted for the following files:

Company	Explanation	Value (lei)
ANRSPS	File 17187/212/2017	315
ANAF DGAMC	File 19202/212/2017	20
BYOTECH PROD GENERAL	File 1517/118/2012	246,970
BROADHURST INVESTMENTS LTD.	File 2184/118/2016	16,674
CURTEA DE CONTURI	File 3752/118/2016	150
CCH	File 14430/212/2013	1,600
ELVIMEX TRANS GROUP	File 2639/212/2013	69,676
ECO PETROLEUM	File 7556/212/2014	15,595
GARDA NATIONALA DE MEDIU- COMISARIATUL GENERAL SERV. COM. JUDETEAN CONSTANTA	File 35420/212/2016	12,540
INGAVIPET	File 14833/212/2013	11,516
INCASO JOBS	File 21883/212/2014	720
IASAR ANA SI ALTII	File 11403/212/2011	90,000
ION MIHAI	File 2503/118/2015	216,632
INTERAGRO	File 4034/118/2015 and file 5409/118/2015	300

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

INTERAGRO SRL	File 36095/3/2015	200
INTERAGRO SRL	File 4010/87/2015	280
MGI EKOPROD	File 3127/3/2015	200
OMV Petrom	Criminal File 20876/P/2013 Decision no.415/09.12.2013	15,983
OIL PROD	File 2380/118/2013	2,200
RASID AISE	File 5857/212/2015	417
ROLL OIL	File 7601/212/2016	200
ROLL OIL	File 15372/212/2016	212
ROLL OIL	File 30061/212/2016	200
SILK ROAD PETROLEUM	File 8944/212/2015	631
SALI ADEM	File 5855/212/2015	212
SNTFC- CFR	Dosar 2884/245/2011	44,401
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
ANAF DGRFP	File 5119/118/2017	4,043
STAAR RATING	File 20998/212/2017	730
MFP-DIRECTIA GENERALA 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
PARCHETUL DE PE LANGA CURTEA DE APEL CONSTANTA	File 403/P/2017	30,000
OIL TERMINAL SA	File 166/118/2018	1,050
GHERMAN ANCA MARIA	File 20806/4/2017	151
MILEA GEORGE	File 91/2018	1,406
DUDAU VASILE	Execution file no.69/2018 in file 7237/212/2018	1,206
ELITE STEWARD SRL	File 5608/212/2018	1,465

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 considers 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 apy 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.

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

II. File no.11403/212/2011 pending on Constanta Court, by which the claimants Iasar Ana, Iasar Tair, Iasar Doina, Iasar Sevinci, Iasar Esan, Iasar Ghiulgean, Iasar Ssbria request the claimants Oil Terminal SA, Oil Prod SRL, Eco Petroleum SA to pay the materials damages in an amount of 30,000 lei and moral damages in an amount of 60,000 lei.

By Conclusion of 26.06.2013, the file will be suspended by its own, according to art.36 of Law no.85/2006, due to Oil Prod SRL' insolvency.

With appeal in the term provided by art. 244 index 1 paragraph 2 Code of civil procedure.

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

III. 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.

The next term was settled for 22.03.2018.

For this file, the amount of 139,341 lei was recorded in the account – Assets and the amount of 150 lei was recorded in the account- provisions for litigations.

IV. File 2503/118/2015 pending on Constanta Court of Justice, in contradictory with Ion Mihai, as a disputatious and Societatea Oil Terminal as a respondent

On 14.04.2015, the company ex employee, Ion Mihai submitted an appeal in Constanta Court of Justice, against the dismissal decision, in contradictory with Oil Terminal SA, by which he requested the court to give a decision by which the defendant is obliged to cancel the decision no.93/11.03.2015 of the employee' disciplinary sanction, the individual work contract termination. The request is the object of file no. 2503/118/2015. By the conclusion of 08.02.2016, the request, submitted by the complainant Ion Mihai in contradictory with the defendant SC OIL TERMINAL SA, was suspended until the file final solution, being the object of criminal file no.791/P/2015 of Constanta Prosecutor Office of Constanta Court of Justice.

For this file, a provision of 216,632 lei was constituted.

V. File 2884/245/2011 pending on Iasi Court of Justice, in contradictory with the complainant SNTFC – CFR and the defendants Oil Terminal, Oscar Downstream SRL and CFR MARFA.

Action in claims submitted by SNTFC – CFR, RTF CALATORI IASI and SNTF CFR MARFA SA SUC. IASI to Iasi Court of Justice on 27.22.1011, by which the complainants ask the court to give a decision, by which the defendants SC Oscar Downstream and Oil Terminal SA to be obliged to pay the amount of 44,400.98 lei, representing the countervalue of 12,075 kgs gas oil. The request is the object of file no. 2884/245/2011. By the conclusion of 21.06.2011, the court suspended the present file' solution until the criminal file' solution.

The litigation is still suspended, the next term of file' check is settled for 08.05.2018.

For this file, a provision of 44,401 lei was constituted.

VI. 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.

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

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 Decision no. 204/02.02.2017, the court rejected the appeal as groundless.

The decision is final. The civil sentence was communicated on 13.03.2017.

No term has been settled yet.

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

VII. 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 insolvency 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 was settled for 11.06.2018.

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 31st March 2018 the company recorded in the provisions for the employees' benefits the amounts of 989,349 lei.

	Year ended on 31 March 2017	Year ended on 31 Dec. 2017
Balance on the year' start	1,398,615	1,841,055
Constitutions during the year	-	1,398,615

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

Reversals during the year	(409,266)	(1,841,055)
Balance of the year' end	989,349	1,398,615

This provision was calculated according to Collective Labour Contract no.418/27.12.2017, available in the period 01.01.2018-31.12.2019, 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.

c. Other provisions

	Year ended on 31 March 2017	Year ended on 31 Dec. 2017
Balance on the year' start	501,235	1,580,626
Constitutions during the year	0	501,235
Reversals during the year	<u>0</u>	<u>(1,580,626)</u>
Balance of the year' end	501,235	501,235

Oil Terminal recorded a provision for the employees participation to profit in an amount of 501,235 lei, on 31st December 2017, decreasing comparing to the previous year by the amount of 1,079,391 lei, according to provisions of GD 64/2001 regarding the profit in commercial companies with fully or major state capital, with further alterations and completions, Ministry of Public Finances' Order 144/2005 regarding the Mentions for the settling of amounts being the object of profit' distribution and Ministry of Public Finances' Order 418/2005 regarding some accountancy mentions applicable to economic agents.

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.

In April 2018, Societatea will record the obligation of payment representing the employees' participation to profit of 2017, according to Shareholders General Ordinary Assembly; decision no.9/25.04.2018, by which it approved the distribution of employees participation to profit of the amount of 501,235 lei, from net profit of 2017.

35.Subventions

	Year ended on 31 March 2017	Year ended on 31 December 2017
Balance on the year start	53,316	62,454
Constitutions during the year	-	-
Consumed during the year	<u>(2,283)</u>	<u>(9,138)</u>
Total subventions	51,033	53,316

The amount of 51,033 lei remained in balance on 31.03.2018 represents inventory plus of unimpaired assets.

36. Information regarding the cash flow

In trimester I 2018, the cash flow from the operational activity is of (5,841,196) lei, decreasing comparing to trimester I 2017 by the amount of 8,253,480 lei.

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

The cash flow from investments activity includes mainly payments for investments in tangible and intangible assets in an amount of 5,396,001 lei for trimester I 2018 and for trimester I 2017 payments for investments in tangible and intangible assets in an amount of 368,451 lei and payments for bank deposits in an amount of 4,000,000 lei.

Cash flow from financing activities is represented by cash inflows from loans in an amount of 2,828,154 lei for trimester I 2018 and cash outflows representing payments for loans on long term in an amount of 318,750 lei for trimester I 2017. Payments for dividends were in an amount of 19,727 lei in trimester I 2018 and of 1,915 lei for trimester I 2017.

Comparing to the previous year, cash flow from financing activities increases by 2,588,634 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, other 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 note 28.

Capital risk management is part of the company business management and is reported to the permanent review of the company' indebtedness degree. The indebtedness degree (%) calculated as report between the borrowed capital and own capitals multiplied by 100 was 6.95% in trimester I 2018 and 1.85% in trimester I 2017.

The company management regularly reviews the capital structure and reports of risks.

The review covers the capital cost and the 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

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

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:

31 March 2018	Lei value	Euro	USD	GBP
Cash and cash equivalents	52,124	179	13,533	30
External clients	2,901,909	-	768,128	-
External suppliers	710,025	152,444	-	-
Net exposure in the financial position	3,664,058	152,623	781,661	33

Oil Terminal operates foreign currency for external clients and is exposed to American dollar and euro exchange rate alteration towards 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;
- contractation 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 current assets and the current debts, recording in trimester I 2018 the value of 1.44 than 2.83 in trimester I 2017.

The immediate liquidity (acid test) represents a ratio between the diminished current assets by stocks and the current debts, this indicator' value being 1.31 in trimester I 2018 comparing to 2.76 in trimester I 2017.

The debts balance on 31 March 2018, from which:

	Net value	Contractual value	<12 months	1-2 years	2-5 years
Balance of debts on 31 March 2018 from which:	80,943,052				
Commercial debts and other current debts	13,305,511	9,306,231.	13,305,511	-	-
Debts regarding taxes and fees	3,868,562	-	3,868,562	-	-
Loans	31,454,134	36,970,000	1,275,000	8,660,400	21,518,734
TOTAL	48,628,207	46,276,231	18,449,073	8,660,400	21,518,734

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

Other debts:

Debts regarding tax on postponed profit	32,314,845				
TOTAL	32,314,845				

Risks associated regarding the stated objectives achievement

On 31.03.2018, 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 2018, 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.

On 31.03.2018, 98 risks were identified, evaluated, managed associated with the company' departments specific activities/ processes, as follows:

- **89** risks of level "tolerable" – percentage 91%;
- **8** risks of level "high tolerance" – percentage 8%;
- **1** risk of level "low tolerance" – percentage 1%;
- **0** risks of level "intolerable" – percentage 0%.

From the critical analysis of Risks registrar, updated and centralized in the company on 31.12.2017, recorded under no. 7/18.01.2018, it remarks the fact that, on the current evaluation and reporting stage settled and recorded on 30.06.2017, and comparing to the risk tolerance level approved by the company' management in order to maintain and provide a risks' efficient control and monitoring, the evolution of risks to be managed on 31.12.2017, the following tendency occurs:

- decrease of risks total risks identified, evaluated and managed by the Risks registrar , namely 98 risks on 31.12.2017 than 99 risks identified, evaluated and managed on 30.06.2017;
- increase of risks classified as "tolerable", namely now, identifying a number of 89 risks evaluated and managed on 31.12.2017, comparing to a previous number of 87 risks managed on 30.06.2017, this increase representing a percentage of abt. 2.30%
- decrease of risks classified as " high tolerance", namely now identifying a number of 8 risks evaluated and managed on 31.12.2017, comparing to a previous number of 10 risks managed on 30.06.2017 of the same class, this decrease representing a percentage of abt. 20%;
- decrease of risks classified as " low tolerance", namely now identifying only 1 risk, comparing to the previous number of 2 risks managed on 30.06.2017, of the same class, this decrease representing a percentage of abt. 50%;
- there were no risks identified as being classified as "intolerable"

Evolution and tendency of exposure to the residual risk of 98 risks to be managed by the Risks registrar on 31.12.2017, comparing to the evolution of exposure to residual risk recorded on 30.06.2017, is as follows:

- 95 risks included in the Risks registrar on 31.12.2017 have constant exposure to residual risk comparing to the evaluation on 30.06.2017
- For 2 risks in the Risks registrar pn 31.12.2017, a decrease of residual risk exposure comparing to the previous risk evaluation on 30.06.2017, is noticed
- A new risk was introduced and retained to be managed in the Risks registrar on 31.12.2017.
- 2 risks were proposed to be eliminated from the Risks registrar on 31.12.2017

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

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

risks'causes elimination, their control or to prevent the risks' occurrence 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 price 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.

Costs calculation is the basis of services supplies tariffs settlement in the company, representing the main factor for the company' internal reserves prospecting, identification and mobilization.

By the costs' periodic survey per product conventional ton, a balance is provided between the average cost per product ton and the average revenue achieved in the same measure unit, so that the service supplied are efficient and bring a value surplus.

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 debts are permanently monitored for the due dates, by clients cashing policy providing the resources necessary for debts payment.

38. Extrabalance elements

On 31.03.2018, 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 7,805,501 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 515,150 lei;
- guarantees and warranties received representing good execution guarantees in a value of 3,650,707 lei
- hired assets 224,892 lei
- other values besides the balance (Vodafone points) 5,389 lei
- royalties, management locations, hires and other assimilated debts (operational leasing) 2,147,220 lei
- contingent assets in an amount of 2,024,018 lei
- guarantees and warranties given in an amount of 32,350,021 lei.

39. Result per share

On 31.03.2018 and on 31.03.2017, the result per share is:

31 March 2018	31 March 2017
---------------	---------------

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

Profit of financial year	16.698	6.772.898
Other elements of overall profit:		
Elements not to be re classified as profit and loss, from which :	0	0
Earnings from real estate proprieties	0	0
Surplus from assets reevaluation	0	0
Debt regarding the postponed taxation	0	0
Overall result	16,698	6,772,898
Ordinary shares number at the period' start and end (percentage average number of ordinary shares)	582,430,253	582,430,253
Main and diluted result per share (lei/share)	0.000029	0.011629

40. Contingent debts

On 31 March 2018, Societatea has contingent assets in an amount of 2,024,018 lei, representing:

a) litigations pending in an amount of 13,502 lei

On the financial situations issuing date, Societatea is involved in 76 pending litigations, 52 ones in which it is a claimant or a claimant part, 24 ones in which it is defendant

For 40 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'contribution included

c) debts to recover from the client Oltchim Ramnicu-Valcea in an amount of 1,871,175 lei.

Oil Terminal SA submitted on 11.01.2018 a request to Constanta Court of Justice, by which it asked the suspension of Decision no. 2/21.12.2017' effects, that had ordered the recalling of the Authorization of fiscal warehouse no.RO0070413DD of 22.10.2016, until the first instance decision regarding the above-mentioned decision cancelation. The request is the object of file no.166/118/2018, pending on Constanta Court of Justice having as parties Oil Terminal SA in contradictory with ANAF- Galati Regional General Direction of Public Finances – Commission for Authorization of Operators of excisable products through the mandatary Constanta County Administration of Public Finances.

The first term is settled for 08.03.2018. By Decision no. 419/15.03.2018 given by Constanta Court of Appeal, it ordered the suspension of Decision no.2/21.12.2017 issued by National Administration of Fiscal Administration - Galati Regional General Direction of Public Finances – Commission for Authorization of Operators of excisable products, until the first instance' decision. With appeal in 5 days since communication by Constanta Court of Appeal. On 31 March 2018, Societatea has no contingent assets.

41. Further events

1. By OIL TERMINAL' Shareholders General Ordinary Assembly' Decision no. 5 of 04.04.2018, the followings were adopted:

- the appointment as the Board of Directors' members, by the cumulative vote method, according to provisions of EGO 109/2011, the followings:

- Ciprian-Dragos LAZARIU
- Toma- Bogan COSTREIE
- Cristian-Florin GHEORGHE
- Ramona UNGUR
- Paul CONONOV
- Radu Cristian POP
- Ovidiu -Aurelian ANDREI

-the recalling as Societatea OIL TERMINAL SA' Board of Directors' members, further the fact they were not re confirmed by cumulative vote, according to art. 32 item (7) of EGO no.109/2011 regarding the corporate governance of public companies, approved with further alterations and additions, the followings:

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

- Andrei-Ionut ONOFREI
- Nicolae CIMPEANU

- the approval of the company' managers, appointed by cumulative vote for a 4-year period
- the approval of the settling of managers monthly fixed indemnity equal; twice (2) the average of the last 12 months of monthly gross average earning for the activity ran according to the main object of activity recorded in the company at the rank level according to classification of national economy' activities, communicated by the Statistics National Institute, previous the appointment, calculated complying with the provisions of EGO no.79/2017 for alteration and addition of Law no.227/2015 regarding Fiscal Code.
- the approval of mandate contract form and content to be concluded with the company' managers appointed by cumulative vote, with alterations and additions submitted by the Ministry of Energy' address no. 101046/AA/15.03.2018.

2.By OIL TERMINAL' Shareholders General Ordinary Assembly' Decision no. 6 of 04.04.2018 , it approved the maintenance of guarantees structure related to additional act no.6/28.07.2017 of credit contract no.C12002013014744/05.09.2013 for the credit line increase from 5,000,000 RON to 10,000,000 RON up to the present facility going on due date, namely 01.09.2018.

3.By Decision no. 43 of 13.04.2018, OIL TERMINAL' Board of Directors, Mr. Gheorghe Cristian-Florin was appointed as Chairman of the Board of Directors. Societatea OIL TERMINAL SA' Board of Directors' Chairman period is 4 years, since the appointment date as manager, namely until 03.04.2022.

4.By Decision no. 44 of 13.04.2018, OIL TERMINAL' Board of Directors, it settled the advisory committees structure for un inside the Board of Directors as follows:

- **Audit Committee:**
- UNGUR Ramona – Chairman, LAZARIU Ciprian – Member, POP Radu – Member
- **Nomination and Remuneration Committee:**
- COSTREIE Toma-Bogdan – Chairman, POP Radu-Member, ANDREI Ovidiu Aurelian- Member,Ungur Ramona-Member, CONONOV Paul-Member
- **Development and Strategies Committee:**
- ANDREI Ovidiu Aurelian – Chairman, LAZARIU Ciprian – Member, UNGUR Ramona- Member, COSTREIE Toma-Bogdan- Member, CONONOV Paul- Member

5. By Decision no. 9 of 25.04.2018, OIL TERMINAL' Shareholders General Ordinary Assembly decided:

- Approval of financial situations for 2017, 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;
- Approval of financial year 2017' annual report issued according to CNVM Regulation 1/2006;
- Approval of net profit distribution 2017 in an amount of 5,478,961 lei, as follows:
 - o Legal reserve 286,751 lei
 - o Other reserves representing fiscal facilities provided by law 179,857 lei
 - o Employees participation to profit 501,235 lei
 - o Dividends to be paid to shareholders 4,511,118 lei
 - o Own financing source 0 lei
- approval of settling of gross dividend per share for 2017 as 0.00774534 lei/share;
- approval of settling the date of 06.06.2018 as dividends payment date to shareholders;
- empowerment of the Board of Directors to appoint the payment agent according to regulation framework applicable for dividends payment;
- approval of managers' management discharge for the activity run in the financial year 2017
- 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.

OIL TERMINAL - Notes of simplified interim financial reports on 31st March 2018

6. By Decision no. 10 of 25.04.2018, OIL TERMINAL' Shareholders General Ordinary Assembly decided:

- it takes note of Broadhurst Inv. Ltd.' representative' request to give up, by mutual agreement, the litigations pending on courts;
- it takes note of the information regarding the company' Measures Plan for personnel kind safety, issued according to EU Regulation 2016/679' provisions;
- 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.

7. By Decision no. 11 of 25.04.2018, OIL TERMINAL' Shareholders General Ordinary Assembly decided:

- settling the date 15.05.2018, as register date, and settling of date 14.05.2018 as ex-date, according to legal provisions;
- 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.

8. By Decision no. 46 of 25.04.2018, OIL TERMINAL' Board of Directors, it approved the managing component of the management plan, according to provisions of EGO 109/2011 with further alterations and additions.

9. By Decision no. 48 of 25.04.2018, OIL TERMINAL' Board of Directors, it approved to start the general director and financial director recruitment and selection process to put in practice provisions of EGO 109/2011 with further alterations and additions.

10. By Decision no. 51 of 02.05.2018, OIL TERMINAL' Board of Directors, it approved the "Ethic code and the behaviour rules of the executive and administrative management and of employee in Societatea Oil Terminal SA – Issue 2018".

The notes numbered from 1 to 41 are part of the simplified interim financial situations on 31.03.2018, were issued by the company on 11.05.2018 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

REVISION REPORT OF INTERIM FINANCIAL INFORMATION

To: OIL TERMINAL S.A. Constanta' Shareholders

Introduction

1. We revised Societatea OIL TERMINAL S.A.' annexed simplified interim financial situations, on 31st March 2018, containing: interim financial position situation, overall result interim situation, cash flows interim situation, own capitals alteration interim situation 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 31st March 2018, according to our review.

- Total capitals 452,527,681 lei
- Net result of financial year 16,698 lei, profit

The review field of applicability

2. 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

3. 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 31st March 2018 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

4. 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.

5. The annexed interim accountancy 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. Therefore, the annexed interim accountancy reports are not issued for persons' use not knowing Romanian accountancy and legal regulations, Public Finances Minister Order no.2844/2016' provisions to approve the accountancy regulations complying with the International standards of financial reporting applicable to commercial companies which International Standards of Financial Report.

Financial auditor Dr.ec. Rusu Gheorghe

Recorded in Romania Financial Auditors Chamber under number 886/2001

ROMAR-CO AUDIT SRL

CAFR Authorization no.186/2002

**Constanta,
09.05.2018**