

Report for the 1st semester of 2018

In compliance to the Law no. 24/ 2017 and to the Regulation no. 5/ 2018

Date of the report: 20.08.2018

S.C. PRACTIC S.A.

Headquarters: Bucharest, 21-23, Biserica Amzei Str,1st district

Phone/ fax number: 021/315.09.55 / 316.78.15

Registration number and date at the Trade Register Office: J40/ 611/1991

Unique registration code at the Trade Register Office and tax registered: RO 2774512

Main characteristics of the issued securities:

- 593.959 of registered and uncertificated shares, having the nominal value of 69 Ron/ share, having the PRBU symbol

Organized market where the securities are being traded: ATS/ AeRO

I. The economic and financial situation

The information about the economic and financial situation of Practic S.A. are presented in **Account Report** concluded on 30.06.2018 compiled according to Order no. 1802/2014 and Order no. 2531/2018 of the Public Finances Ministry.

1.1 The structure and evolution of assets, liabilities and shereholder's equity compared with the 1st semester of 2018:

Name of the element	Balance on 30.06.2018 (lei)	Balance on 30.06.2017 (lei)
Fixed assets, out of which:	418.848.777	422.651.396
Buildings and pieces of land (real estate investments)	369.971.068	373.851.616
Financial fixed assets	48.638.834	48.632.705
Current assets	11.216.362	18.891.581

Shareholding/ financial interests in related parties (the dividends to be collected)	1.683.251	1.915.501
Current receivables to be collected	556.087	502.471
Prepayments and accrued expenses	112.431	88.000
Short term debts, out of which:	9.952.320	10.112.035
Bank credit and interest to be paid in less than one year	4.734.963	4.628.465
Dividends to pay to the shareholders	2.958.877	2.387.175
Obligations towards the employees, the state budget, the social insurance	1.487.732	2.336.781
Long term debts, put of which:	31.009.989	34.907.423
Bank credit to be paid in more than one year	29.314.460	33.249.008
Provisions	1.000.666	1.008.206
Deffered income	2.462.611	2.408.809
Paid subscribed share capital	40.983.171	40.983.171
Revaluation reserves	295.641.477	299.476.079
Reserves	8.560.224	7.827.917
Profit brought forward	26.735.987	22.901.385
Profit for the period	13.838.125	21.995.952
Shareholder's equity- Total	385.758.984	393.184.504

The real investments represent a significant part of the total assets of the company. There're the material base for the core business of the company- rental commercial spaces and office buildings.

1.2 The profit and loss account

Name of the element	1st semester of 2018 (lei)	1st semester of 2017(lei)
Total operational	17.735.844	20.562.174

revenues		
Total operational expenses	5.934.893	9.958.026
Operational profit	11.800.951	10.604.148
Total financial revenues	4.909.903	15.098.421
Total financial expenses	827.999	910.324
Financial profit	4.081.904	14.188.097
Gross profit	15.882.855	24.792.245
Corporate tax	2.044.730	2.796.293
Net profit	13.838.125	21.995.952

The turnover registered on 30.06.2018 has slightly increased compared to 30.06.2017, with 2,72%, respectively with the amount of 465.726 lei, due to the renegotiation of some lease agreements at higher charges than the previous period, as well as to the conclusion of new ones.

The gross profit on 30.06.2018 has had a value of 15.882.855 lei, dropping with 35,94% compared to the similar period of the year 2017, respectively with 8.909.390 lei, mainly due to the decrease of the financial profit.

II. Performance indicators

Name of the indicator	Calculation formula	Value on 30.06.2018	Value on 30.06.2017
Current ratio	Current assets/current debts	1,15 times	1,51 times
General gearing ratio	% Total loans in total equity	8.83%	9,63%
Days Sales Outstanding	Total clients * no of days in period / period turnover	9,29 days	8,45 days
Fixed Assets Rotation Rate	Period turnover/ fixed assets	0,04 times	0,04 times
Net profit ratio	% Net profit/ turnover	78,66%	128,43%

- I. **Report for the 1st semester of 2018** – integral version – can be founded on Practic’s website (www.practicsa.ro) and using the follow link (pdf. document on IRIS- BVB platform).

PRESIDENT OF THE MANAGEMENT BOARD- GENERAL MANAGER

ENE MIHAI

ECONOMIC MANAGER

IONITA CRISTINA