

Report for Q1 / 2018

Date of report : 14.05.2018

Company name : COMELF SA

Registered office : Bistrita, str. Industriei nr. 4

Phone / fax number : 0263/234462 ; 0263/238092

Tax identification number at the Trade Register Office : 568656

Order number at the Trade Register : J06/02/1991

Subscribed and paid-up share capital : 13.036.325,34 lei

The regulated market on which the issued securities are admitted to trading : B.S.E.

Main indicators, thousand lei	Q1- 2018	Q1- 2017	Δ %
Total operating revenues, of which:	38.730	47.454	(20,00)
Revenues from construction contracts	34.974	42.297	(17,00)
Profit/(Loss) of the period	614	1.209	(49,18)
EBITDA	4.400	2.385	(45,79)
Interest-bearing loans	40.571	39.425	2,91

* The financial figures are not audited and represent Comelf SA individual results drawn up according to the International Financial Reporting Standards (IFRS):

- ❖ **The operating revenues** of COMELF SA amounted to 39 million LEI in Q1/2018, lower by 20% compared to those achieved in Q1/2017, evolution mainly due to the decrease of revenues related to the core activity. This decrease is influenced, on the one hand, by the manufacturing structure, which different, much more complex both technically and as number of components that make up a finished product, and on the other hand, by the staff fluctuation and lack of the qualification of new hired personnel.
- ❖ The profit of the period was lower by 49,18% in Q1 2018 compared to the one achieved in the same period of the previous year, the main factors that had a negative impact on the evolution of the profit being the following:
 - i) the price increase of the raw materials compensated only partially by the increase of the sales price;
 - ii) the labour cost in the context of staff fluctuation, in general, but mostly the lack of qualified personnel on the labour market. These two major causes oblige the company to make maximum use of existing personnel, including the use of overtime paid according to the Labour Code but also to use time and resources for the qualification of newly recruited personnel, who achieve a satisfactory productivity level after a minimum of 3 months from employment;
 - iii) costs to third-party services that are relatively fixed costs and which, in the event of a decrease in production and in the related turnover, lead to a profit reduction;
 - iv) the financial outcome in Q1/ 2018 for COMELF SA remained negative, being mainly influenced by the differences generated by the evolution of the exchange rate;

The company's assets as of 31.03.2018 points out the following:

- (i) The net value of fixed assets decreased as a result of their amortization and of the fact that the new investments made in the first quarter 2018 (119 thousand lei) did not cover the level of depreciation;
- (ii) The current assets increased by 3% as of 31.03.2018 as compared to 31.12.2017, due to the increase of trade receivables (+ 12%) and other receivables;
- (iii) The equity increased compared to 31.12.2017 by the amount of net profit achieved in Q1/2018;
- (iv) The interest-bearing loans of the company increased from 39 million lei as of 31.12.2017 to 41 million lei as of 31.03.2018, mainly due to the increase in the working capital loan required to support the operational activity and also due to financial resources used to pay the damages in the DIICOT file;
- (v) The working capital as of 31.03.2018 is 37.255.200 lei (31.12.2017: 32.617.900 lei);
- (vi) The increase in receivables is balanced by the increase in debts to suppliers;

 General Manager,
 Eng. Cenusă Gheorghe

 Financial Manager,
 Ec. Dana Tatar

STATEMENT OF FINANCIAL SITUATION on 31th March 2017

In Lei

Nr.		31.12.2017	31.03.2018
Crt.	DENUMIREA POZITIEI	IFRS	IFRS
1	<i>Actives</i>		
2	Intangible assets	892.863	840.870
3	Tangible assets	96.549.169	95.385.982
4	Financial assets available for sale	199.972	199.972
5	Total Fixed assets	97.642.004	96.426.824
6	Advance payments for tangible assets	124.607	68.658
7	Stocks	7.297.460	8.692.825
8	Account receivables from construction contracts	56.674.644	58.415.913
9	Commercial account receivables and of other types	1.799.148	2.476.614
10	Current tax account receivables	-	-
11	Cash and cash equivalents	5.330.144	4.212.505
12	Total Current Actives	71.226.003	73.866.515
13	Total Actives	168.868.007	170.293.339
14	Capital	13.036.325	13.036.325
15	Adjustments of the capital	8.812.271	8.812.271
16	Other elements of equity	(3.077.176)	(3.077.176)
17	Reserves	54.625.219	54.625.219
18	Repurchased own shares	-	-
19	Reported result	(5.882.801)	(2.541.670)
20	Year result	3.341.131	614.265
21	Total shareholder's equity	70.854.969	71.469.234
22	<i>Debts</i>		
23	<i>Long term bank loans</i>	-	-
24	Debts for postponed tax	10.519.009	10.415.691
25	<i>Provisions for risks and expenses</i>	382.300	382.300
26	Debts for postponed income	8.757.431	8.352.222
27	Total long term debts	19.658.740	19.150.213
28	Overdrafts	32.617.900	37.255.200
29	The current share for the long term loan	4.424.275	3.316.218
30	Commercial and other types of debts	31.453.709	35.259.058
31	<i>Provisions for risks and expenses</i>	8.237.580	2.222.582
32	Debts for postponed income	1.620.834	1.620.834
33	Total current debts	78.354.298	79.673.892
34	Total Debts	98.013.038	98.824.105
35	Total shareholder's equity and debts	168.868.007	170.293.339

Cenusa Gheorghe
 General Manager

Tatar Dana
 Economic Manager

PROFIT OR LOSS ACCOUNT STATEMENT AND OTHER ELEMENTS OF GLOBAL INCOME

Nr. crt.	DENUMIREA INDICATORILOR	31.03.2017	31.03.2018
1	Income from construction contracts	42.297.533	34.973.968
2	Income from selling goods	2.624.873	370.598
3	Other income connected to turnover	1.590.688	2.390.240
4	Other income	940.995	994.948
5	Total operating income	47.454.089	38.729.754
	<i>of that: turnover</i>	49.376.572	39.664.050
6	Raw materials and consumables expenses	19.598.686	16.665.833
7	Goods expenses	2.464.255	364.913
8	Staff expenses	13.288.879	11.880.382
9	Rent expenses	231.414	147.049
10	Expenses with premiums asigurarte	8.791	120.112
11	Transport costs	1.931.957	1.901.279
12	Amortization and depreciation of fixed assets costs	2.660.085	1.986.940
13	Adjustments for depreciation of current assets, net	-	-
14	Provisions costs for risks and expenses , net	(33.206)	(6.014.998)
15	Other operating expenses	5.529.786	10.838.417
16	Total expenses	45.680.647	37.889.927
17	Profit from exloatation	1.773.442	839.827
18	Financial income	1.012.122	361.301
19	Financialexpenses	(1.381.643)	(547.398)
20	Financial loss	(369.521)	(186.097)
21	Total revenue	48.466.211	39.091.055
22	Total expenses	47.062.290	38.437.325
23	Profit before tax profit	1.403.921	653.730
24	Tax profit	196.143	39.465
25	Net income	1.207.778	614.265
26	Other elements of global results		
27	Revaluation of tangible assets		
28	Other comprehensive income , after tax		
29	Total profit of loss account and other elements of global result	1.207.778	614.265
30	Earnings per share		
31	Earnings per basic share	0,05	0,03

Cenusa Gheorghe
 General Manager

Tatar Dana
 Economic Manager

COMELF SA Report for First Quarter

According to the Regulation of the National Commission for Transferable Securities No. 1/2006
Appendix no. 30B

Issued on: May 14th, 2018

Company Name: COMELF SA

Registered office: no. 4, Industriei street, Bistrita

Phone / Fax Number:

Tax Identification Number: 568656

Unique Registration Code: J06/2/1991

Subscribed and paid-up share capital: 13.036.325,34 lei

Regulated market on which the securities issued are transacted: Bucharest Stock Exchange

Main characteristics of the shares issued by the company:

- REGISTERED SHARES in the amount of 22.476.423 with a value of 0,58 lei/share.

1. Summary of the critical events that have occurred during the relevant time interval and their effects on the financial position of the entity issuing the shares and its subsidiaries.

2. General outline of the financial position and performance of the entity issuing the shares and its subsidiaries for the relevant time interval.

B. Economic and financial indicators for the first quarter of 2018

Indicator Designation	Calculation method	31.03.2018	31.03.2017
<u>Current ratio (general)</u>	Current assets/Current liabilities (recommended value for this indicator is approximately 2)	0,97	1,08
<i>Current liquidity (general) as of 31.03.2018 amounts to 0,97 and represents the degree of cover for current liabilities through current assets owned by the company.</i>			
<u>Leverage</u>	Borrowed Capital /Employed Capital	4,43%	9,38%
<i>The Company's Leverage amounts to 4,43% and refers to the ratio between the borrowed capital – liabilities over 1 year old, and the employed capital;</i>			



GRUP UZINSIDER

COMELF SA

Registru comerțului No./06/02/31.01.91
Cont bancar: (Lei) RO 12INGB0024000040598911
(Euro) RO 58INGB0024000040590711
Deschise la: ING BANK BISTRITA
Societate cotate la Bursa de Valori Bucuresti

Days sales outstanding-customers	Average Customer Balance/Turnover X 90	88	85
Turnover speed for fixed assets	Turnover/Fixed Assets	0,41	0,49

General Manager,
Ing. Cenusă Gheorghe

Financial Director,
Ec. Dana Tatar