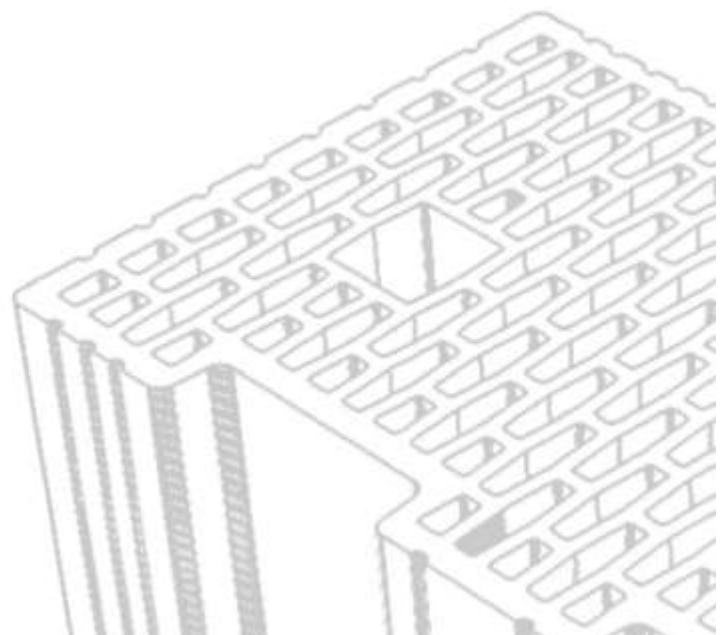


BSE Report Preliminary Results 2017

CLUJ-NAPOCA
15TH OF FEBRUARY 2017



12 Month Performance - 2017

- ☑ 24,9 milion lei Operating Profit (EBITDA), with 52% more than in 2016
- ☑ 13,2 milion lei Net Profit, with 58% more than in 2016
- ☑ 98,8 milion lei Net Turnover, with 8% more than in 2016

General Manager Statement

“Through 2017 results, we have exceeded efficiency and profitability thresholds which were unanticipated a few years ago; operational profitability –EBITDA was 3 times higher than 3 years ago and net profit was 7 times greater than in 2009.

These profitability performances have been achieved both due to higher efficiency in processes and due to implementation of solutions to increase productivity and reduce consumption. The most relevant contribution came from the commercial strategy used, which had an important role in harnessing the optimal product portfolio, including the new products launched in 2017 and those that have a differentiating role in the Evoceramic portfolio. All of these elements happened in a favorable market context driven by a high demand for masonry materials and a good price level.

Considering that the sold volumes were lower than 2016, constrained by achieving production capacity on both factories, and that sale of merchandise strongly increased, the turnover grew by 8% reaching the gross value of 98,8 million lei, being twice as big as 4 years ago.

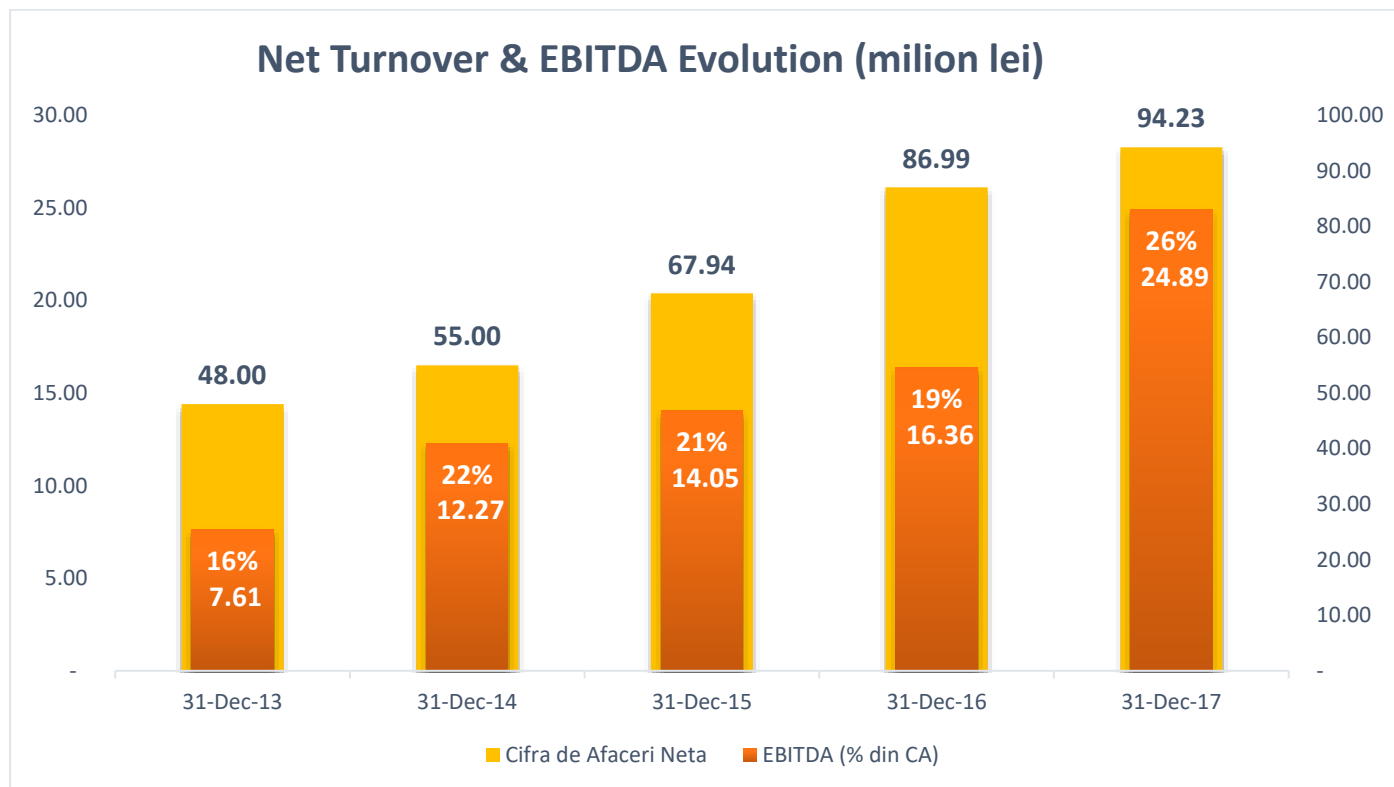
The business growth and profitability goals assumed for 2017 have been steadily secured and overtaken, with last quarter performance contributing significantly to this goal.

In 2017 the shareholder structure was consolidated and was the main factor that determined the start of several development projects that will contribute in short and medium term to keeping the upward trend of the business, both in size and profitability.

We are approaching 2018 with great confidence, continuing with the introduction of new products, with differentiation strategies and strengthening a partnership with distributors, and ambitious business goals.

We aim to confirm profitability performance despite the widespread increase in energy and main input prices, taxes and labor costs higher than in 2016.”

Profit and loss account – Preliminary Results for 2017



Compared to 2016, there is a growth in turnover, that registers an 8% increase, together with a significant increase in EBITDA from 19% to 26%, performance achieved by both qualitative sales growth, and optimizations at operational level.

Stock variation records negative values as a result of the gap between the quantities produced and sold during the period.

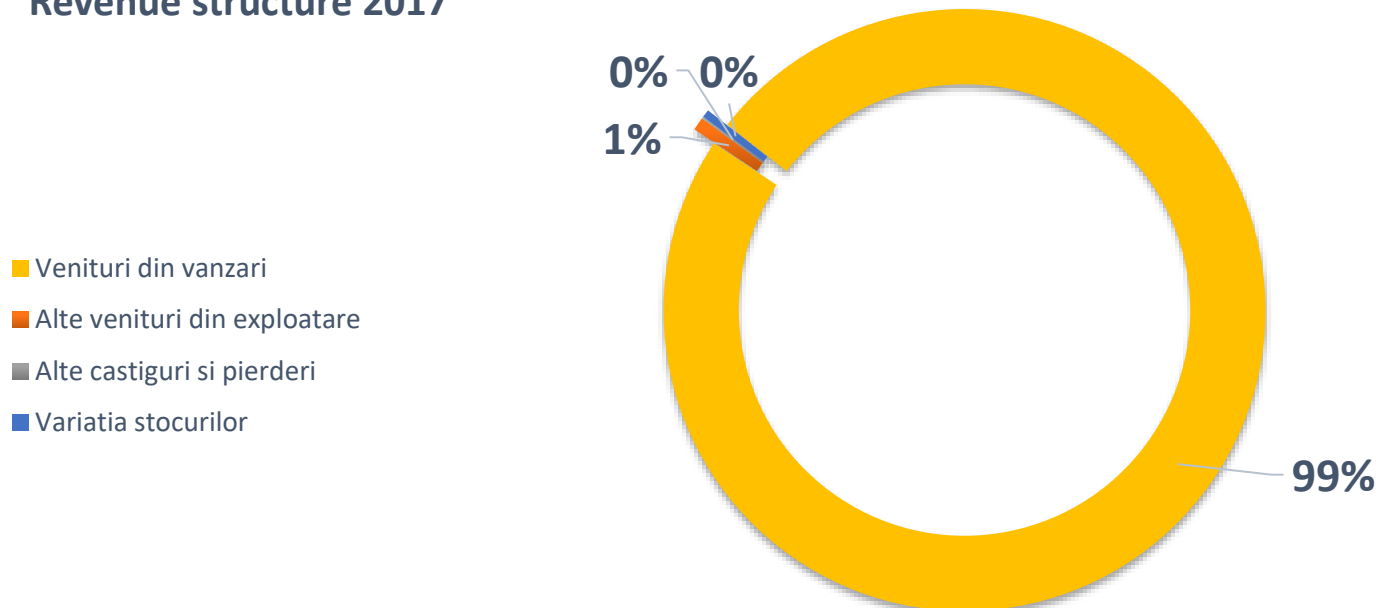
At the level of operational expenditures there are no significant variations compared to the previous period, growth is marked by the development of the business.

For the period ended **December 31, 2017 CEMACON** has an **Operating Profit of 24,885,906 lei** and a **Net Profit of 13,207,648 lei**.

	31-Dec-17 LEI	31-Dec-16 LEI	2017 vs 2016 LEI	2017 vs 2016 %
Gross Turnover	98,776,323	91,621,660	7,154,663	8%
Net Turnover	94,226,483	86,992,221	7,234,261	8%
Sales revenues	94,225,609	86,990,538	7,235,071	8%
Other operating revenues	668,804	1,626,855	(958,051)	-59%
Other gains and losses	(83,434)	(53,655)	(29,779)	56%
Change in inventories of FG & WiP	(402,159)	(4,612,421)	4,210,263	-91%
Raw materials and consumables	(18,970,472)	(17,511,860)	(1,458,612)	8%
Personnel expenses	(16,350,228)	(15,188,928)	(1,161,300)	8%
Other operating expenses	(34,202,214)	(34,895,413)	693,199	-2%
EBITDA	24,885,906	16,355,116	8,530,791	52%
Depreciation and amortization expenses	(7,105,139)	(6,711,192)	(393,947)	6%
Income from Assets Depreciation		4,653,447		
EBIT	17,780,767	14,297,371	3,483,397	24%
Financial income	1,799,045	480,147	1,318,898	275%
Financial expenses	(4,786,261)	(4,433,742)	(352,519)	8%
Financial result	(2,987,216)	(3,953,596)	966,380	-24%
Profit before tax	14,793,551	10,343,775	4,449,776	43%
Tax expenses	(1,585,903)	(1,985,962)	400,059	0%
Profit after tax	13,207,648	8,357,813	4,849,835	58%

*At the date of presentation of 2017 preliminary results no other elements of other comprehensive income and deferred tax were calculated

Revenue structure 2017

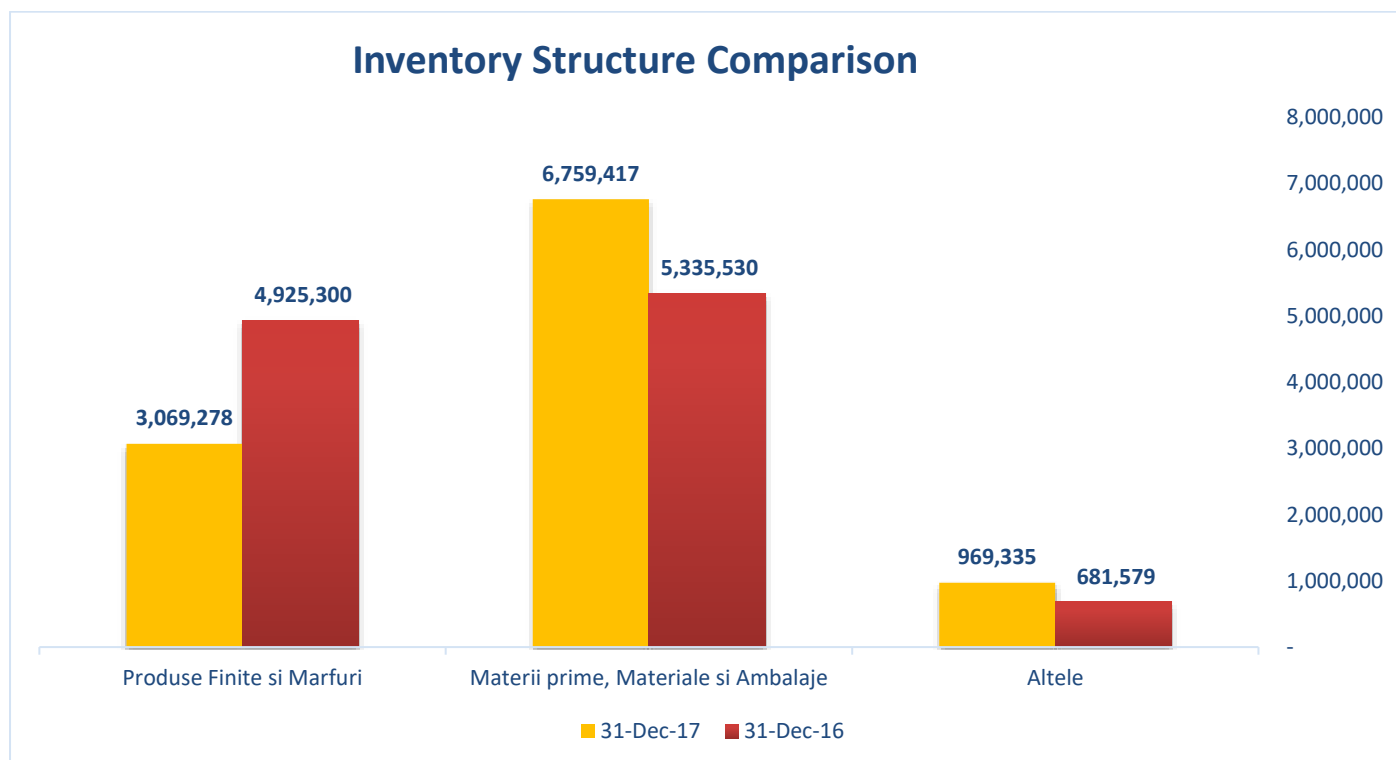


Statement of financial position – Preliminary Results as at 31 December 2017

ASSETS	31-Dec-17	31-Dec-16	2017 vs 2016	2017 vs 2016
NON-CURRENT ASSETS	LEI	LEI	LEI	%
Property, plant and equipment	121,601,156	116,396,783	5,204,373	4%
Intangible	418,124	334,207	83,917	25%
Investments	200	200	-	0%
Other non-current assets	1,039,555	112,752	926,803	822%
NON-CURRENT ASSETS TOTAL	123,059,034	116,843,942	6,215,092	5%
CURRENT ASSETS				
Inventories	10,798,030	10,942,409	(144,379)	-1%
Trade and other receivables	11,752,070	11,076,927	675,143	6%
Other financial assets	-	490,721	(490,721)	-100%
Cash and cash equivalents	34,498,549	28,736,299	5,762,250	20%
CURRENT ASSETS TOTAL	57,048,649	51,246,356	5,802,293	11%
<i>Assets classified as held for sale</i>	<i>1,277,494</i>	<i>1,277,495</i>	<i>(1)</i>	<i>0%</i>
TOTAL ASSETS	181,385,177	169,367,793	12,017,384	7%
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	13,026,581	11,859,442	1,167,139	10%
Loans and borrowings	6,724,373	5,040,143	1,684,230	33%
Tax liability	109,193	64,496	44,697	69%
Provisions	4,441,435	4,578,409	(136,974)	-3%
CURRENT LIABILITIES TOTAL	24,301,582	21,542,490	2,759,092	13%
NON-CURRENT LIABILITIES				
Non-current trade and other liabilities	-	-	-	0%
Loans and borrowings	44,254,596	48,787,282	(4,532,686)	-9%
Grants received	1,083,195	1,158,837	(75,642)	-7%
Deferred tax	1,539,770	1,262,668	277,102	22%
Provisions	945,520	632,358	313,162	0%
NON-CURRENT LIABILITIES TOTAL	47,823,081	51,841,145	(4,018,063)	-8%
TOTAL LIABILITIES	72,124,664	73,383,635	(1,258,971)	-2%
NET ASSETS	109,260,513	95,984,158	13,276,355	14%
EQUITY				
Share capital	20,613,371	20,613,371	-	0%
TOTAL EQUITY	109,260,513	95,984,158	13,276,353	14%

At the fixed asset level, there was an increase of 5% as compared to 31 December 2016, the increase is registered as a result of the commissioning of the fixed assets acquired during the period and partly compensated with the depreciation recorded during the period. The value of other non-current assets is represented by guarantees to customers.

Current assets increased by 11% compared to the end of December 31, 2016, stocks remained at the 2016 level, with changes only regarding the stock category, as can be seen in the chart below. The receivables did not show significant changes compared to the previous year, and the cash increased by 20% as a result of the commercial activity and the revenues realized during the period.



Commercial debts increased by 10% as of 31 December 2016 as a result of the increase in the operating activity during the period.

Banking debts and loans decreased by 5.3% as compared to the end of 2016, change caused both by the contracting the financial leasing for implementing the approved investment programs for 2017 and by the reduction of bank credit by repayment of principal and interest rates according to their maturity date, with no interruptions or delays in this process.

The share capital did not change, the increase from equity being generated by the result obtained during the period.

Main Financial Ratios

Main financial ratios	31-Dec-17	31-Dec-16
1. Current liquidity indicator	2.40	2.44
2. Leverage indicator	47%	53%
3. Turnover speed for client debit items (days)	42	50
4. Turnover speed for total assets	80%	78%

Consolidated Results of CEMACON Group

Information on the presentation of the CEMACON SA Group:

CEMACON SA is a Romanian legal entity founded as a joint stock company based on Government Decision no.1200/1991 with its registered office in Cluj-Napoca, no. 48 Dorobantilor Street, Silver Business Center building, 1st floor, Cluj county. The company's main object of activity is "Manufacture of bricks, tiles and other construction products made from burnt clay".

SC CEMACON Real Estate Company was founded as a result of the agreement signed by SC CEMACON SA and the Romanian Commercial Bank in order to take over part of the liabilities and assets, according to the reorganization process.

The individual financial statements of SC CEMACON Real Estate Company are prepared in accordance with Order of the Minister of Public Finance 1802/2012.

The financial statements of the controlled branch have been prepared for the same reporting period as those of the parent company, using the same accounting policies.

The International Financial Reporting Standards (IFRS) have been applied when preparing the consolidated financial statements.

Even if the financial statements of SC CEMACON Real Estate have been prepared in accordance with Order of the Minister of Public Finance 1802/2012, the necessary adjustments have been made in order to reflect the accounting policies of the parent company with a view to consolidating.

Consolidated Statement of financial position – Preliminary Results for 31st December 2017

ASSETS	31-Dec-17	31-Dec-16	2017 vs 2016	2017 vs 2016
NON-CURRENT ASSETS	LEI	LEI	LEI	%
Property, plant and equipment	121,601,156	116,396,783	5,204,373	4%
Intangible	418,124	334,207	83,917	25%
Investments	-	-	-	0%
Other non-current assets	1,039,555	112,752	926,803	822%
NON-CURRENT ASSETS TOTAL	123,058,834	116,843,742	6,215,092	5%
CURRENT ASSETS				
Inventories	10,798,030	10,942,408	(144,378)	-1%
Trade and other receivables	11,209,549	9,489,074	1,720,475	18%
Other financial assets	-	490,721	(490,721)	-100%
Cash and cash equivalents	34,526,889	29,957,212	4,569,677	15%
CURRENT ASSETS TOTAL	56,534,468	50,879,415	5,655,053	11%
<i>Assets classified as held for sale</i>	<i>19,238,703</i>	<i>19,238,703</i>	<i>(0)</i>	<i>0%</i>
TOTAL ASSETS	198,832,005	186,961,860	11,870,145	6%

LIABILITIES	31-Dec-17	31-Dec-16	2017 vs 2016	2017 vs 2016
CURRENT LIABILITIES				
Trade and other payables	14,736,154	12,856,779	1,879,375	15%
Loans and borrowings	6,724,373	5,040,143	1,684,230	33%
Tax liability	109,193	64,496	44,697	69%
Provisions	4,441,435	4,578,409	(136,974)	-3%
CURRENT LIABILITIES TOTAL	26,011,155	22,539,827	3,471,328	15%
NON-CURRENT LIABILITIES				
Non-current trade and other liabilities	-	-	-	0%
Loans and borrowings	61,473,144	65,567,579	(4,094,435)	-6%
Grants received	1,083,195	1,158,837	(75,642)	-7%
Deferred tax	1,518,173	1,241,071	277,102	22%
Provisions	945,520	632,358	313,162	50%
NON-CURRENT LIABILITIES TOTAL	65,020,033	68,599,845	(3,579,812)	-5%
TOTAL LIABILITIES	91,031,188	91,139,671	(108,483)	0%
NET ASSETS	107,800,817	95,822,189	11,978,629	13%
EQUITY				
Share capital	20,613,371	20,613,371	-	0%
TOTAL EQUITY	107,800,817	95,822,189	11,978,628	13%

Consolidated Profit and Loss account – Preliminary Results for 31st December 2017

	31-Dec-17 LEI	31-Dec-16 LEI	2017 vs 2016 LEI	2017 vs 2016 %
Sale revenues	94,230,786	87,057,054	7,173,732	8%
Other operating revenues	683,403	1,290,641	(607,238)	-47%
Other gains and losses	(83,434)	2,502,738	(2,586,172)	-103%
Change in inventories of FG & WiP	(402,154)	(4,612,421)	4,210,267	-91%
Raw material and consumables used	(18,975,996)	(17,578,720)	(1,397,276)	8%
Personnel Expenses	(16,468,059)	(15,196,168)	(1,271,891)	8%
Other operating expenses	(34,230,161)	(35,719,533)	1,489,372	-4%
EBITDA	24,754,385	17,743,591	7,010,794	40%
Depreciation and amortization expenses	(7,105,139)	(6,711,192)	(393,947)	6%
Income from Assets Depreciation		4,653,447		
EBIT	17,649,246	15,685,845	1,963,401	13%
Financial income	1,692,797	793,195	899,602	113%
Financial expenses	(5,846,216)	(5,426,470)	(419,746)	8%
Financial result	(4,153,420)	(4,633,275)	479,855	-10%
Profit before tax	13,495,827	11,052,571	2,443,256	22%
Tax Expense	(1,585,903)	(2,116,212)	530,309	-25%
Profit after tax	11,909,924	8,936,359	2,973,565	33%

- At the date of presentaion of 2017 preliminary results no other elements of other comprehensive income and deferred tax were calculated

The report and the related documents can be consulted as of 15th of February 2018, 8:00, at the company's headquarters on No. 48 Dorobantilor Street, Cluj-Napoca or electronically on the company's website: www.cemacon.ro and on the website of the

Bucharest Stock Exchange: www.bvb.ro

- * The results presented are prepared in accordance with IFRS and have a preliminary nature, and will be subject to financial auditing in accordance with legal provisions.

CEMACON SA ranks second in the top of masonry manufacturers in Romania and is the market leader in Transylvania. The company operates the most modern and largest manufacturing capacity in Romania with innovative, differentiated products that bring added value to users, at very competitive production costs.

CEMACON SA is a company listed on the Bucharest Stock Exchange and mainly owned by institutional shareholders, Romanian and foreign investment funds; the company management is professional, independent, having strong sector expertise.