

Report for the Third Quarter of 2017

Issued on: 14.11.2017

Company Name: COMELF SA

Registered Office: no. 4, Industriei str., Bistrita,

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

Tax Identification Number: 568656

Unique Registration Code: J06/02/1991

Subscribed and Paid-up Share Capital: 13.036.325,34 lei

Regulated Market on which the securities issued are transacted: B.V.B. (Bucharest Stock Exchange)

Main indicators, thousand lei	Quarter III- 2017	Quarter III- 2016	Δ %
Total operating revenues, of which:	138.499	137.648	0,61
Revenues from Manufacturing Contracts	128.699	127.290	1,10
Profit/(Loss) for the interval	3.488	4.409	(20,89)
EBITDA	12.856	13.964	(7,94)
Interest-bearing loans	37.657	40.678	(7,43)

*The financial figures are not audited and represent the individual results for Comelf SA, filed according to International Financial Reporting Standards (IFRS);

- ❖ **The Operating Revenues** of COMELF S.A. have amounted to 138 million LEI in the Q3/2017, similar to those achieved in Q3/2016.
- ❖ **The Revenues generated by our core activity** have increased in Q3/2017 when compared to Q3/2016, based on the product structure for products sold in the first 9 months of 2017, with a higher average sale price/ton, considering the increased complexity of sold products.
- ❖ **The Profit for this interval** has been lower by 20,89% in Q3/2017 when compared to the similar period of previous year, the main factors that have had a negative influence on the profit have been:
 - i) Raw-material price increase (averaging 100 EUR/ton) only partially compensated by the increase of sale-prices;
 - ii) Lack of skilled personnel on the local labour market as well as migration of personnel generate additional costs due to low productivity of newly employed personnel, poorly skilled. Moreover, the evolution of minimum wages as well as the increasing wages in the public sector has put a pressure on the wage-expenses for the private companies creating a need to increase wages in order to keep the employees.

Critical Events for the first 9 months of 2017:

- ❖ On **March 10th, 2017** the Extraordinary General Meeting of the Shareholders has approved the decrease of the Registered Capital by 543.179,86 LEI, by cancelling a number of 936.517 of its own shares available to it, thus the number of Registered Shares has been cut down to 22.476.423 shares, corresponding to a value of 13.036.325,36 LEI;
- ❖ On **July 17th, 2017** Depozitarul Central has recorded in the Register of the issuer, COMELF SA, the decrease of the Registered Capital according to the EGMS Decision of March 10th, 2017;
- ❖ On **October 25th, 2017** the Managing Board of COMELF SA has appointed Mr. Cenusă Gheorghe as General Manager of the Company;

The Report for the Third Quarter of 2017 may be viewed on our website [www.comelf.ro/Informatii la zi/](http://www.comelf.ro/Informatii%20la%20zi/), as well as in the link below..