

STIROM S.A.

Third Quarter Report at September 30, 2017, according to RNSC Regulation No. 1/2006

Report date: November 15, 2017

Name of the issuing company: STIROM S.A.

Registered office: 45 Theodor Pallady Blvd, 3 district, Bucharest

Phone/fax number: + 4 021/201.85.00, + 4 021/3345.10.23

Sole Registration Code with the Trade Register Office: 335588

Order Number in the Trade Register: J40/10/1990

Share capital: RON 40.696.730,00

Regulated market on which the issued securities are traded: Bucharest Stock Exchange S.A.

1. Presentation of the important events occurred and the relevant period and those impact on the financial position of the issuer and its branches.

During the period 1 January 2017-30 September 2017 did not take place important events significant affecting position and financial performance of the Company.

The financial statements for the third quarter of 2017 were not audited.

2. General description of financial position and the performances of the issuer and its branches in the relevant period

The financial accounting situation as of September 30, 2017 is as follows:

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ISO 9001:2008
nr. 211201-2016-AQ-ROU-RvA
ISO 14001:2004
nr. 211202-2016-AE-ROU-RvA
OHSAS 18001:2007
nr.200220-2016-AHSO-ROU-RvA



BRC IoP
nr. BUC6018872



STIROM S.A.

STATEMENT OF THE FINANCIAL POSITION 30.09.2017

		FINANCIAL PERIOD	FINANCIAL PERIOD
		31/12/2016	30/09/2017
ASSETS			
Non-current assets			
Tangible assets	1	341.633.827	318.761.556
Intangible assets	2	434.383	493.447
Goodwill	3	0	0
Other financial assets	4	6.000	6.000
Deferred tax assets	7	3.415.115	3.415.115
Other non-current assets	10	246.504	232.113
Total non-current assets		345.735.829	322.908.231
Current assets			
Inventories	11	40.383.171	40.874.164
Trade and similar receivables	12	145.015.972	128.384.538
Amounts receivable from group entities	13	4.544.385	43.933.081
Prepayments and other receivables	16	4.315.417	2.768.677
Cash and cash equivalents	17	8.117.860	49.150.859
Total current assets		202.376.805	265.111.317
TOTAL ASSETS		548.112.634	588.019.548
EQUITY AND LIABILITIES			
Equity and reserves			
Paid in capital	18	40.696.730	40.696.730
Share capital adjustments	18	46.310.698	46.310.698
Share premium	19	14.162.234	14.162.234
Retained earnings	21	91.764.764	102.955.297
Legal reserves	22	8.139.346	8.139.346
Revaluation reserves	23	14.448.529	14.448.529
Other capital reserves	24	77.883.727	96.800.563
Other capital components	25	0	0
	26	0	0

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Total capital		293.406.028	323.513.397
Long-term liabilities			
Interest-bearing loans	27	79.547.660	74.262.207
Financial lease	28	3.080.844	1.857.202
Other long-term liabilities	31	0	0
Government grants	33	36.808.313	33.286.906
Deferred tax liabilities	34	0	0
Provisions	46	1.332.412	1.594.942
Total long-term liabilities		120.769.229	111.001.257
Current liabilities			
Trade and similar obligations	35	27.512.467	49.399.576
Amounts payable to group entities			80.480.559
Short-term loans	39	84.705.919	114.997
Current portion –Interest-bearing loans	40	6.913.241	7.034.474
Current portion – financial lease	41	1.598.833	1.625.626
Current portion –Government grants	41.1	4.695.209	4.695.209
Income tax payable	44	1.319.818	2.355.247
Other current liabilities	45	7.191.888	7.799.205
Provisions			0
Total current liabilities		133.937.377	153.504.895
CAPITAL AND LIABILITIES – TOTAL		548.112.634	588.019.548

General Manager,
Nikolaos Barlagiannis

Attorney,
Ioana Zorila
Financial Manager

**COMPREHENSIVE INCOME 01.01.2017-
30.09.2017**

Description	FINANCIAL PERIOD	
	Sep-16	Sep-17
Revenues from sale of goods	218.284.361	205.858.381
Discounts	-1.865.215	-1.842.398
Net sales	216.419.146	204.015.982
Cost of sold goods	-148.623.194	-152.683.554
Gross profit	67.795.952	51.332.428
Other operating income	4.531.986	3.798.647
Administrative, sales and distribution expenses	-34.790.673	-14.177.612

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Other operating expenses	-7.650.188	-499.311
Operating income	29.887.078	40.454.153
Financial expenses	-6.413.007	-4.761.957
Financial income	3.672	634.171
Gains /losses on exchange rate differences - net	-384.897	-307.598
Profit before tax	23.092.845	36.018.768
Current income tax	0	0
Deferred income tax (expense-/revenue+)	0	0
Profit tax expense	-4.055.245	-5.911.401
Profit for the year	19.037.600	30.107.367
Earnings per share		
Basic profit for the year attributable to the shareholders		
Profit for the year	19.037.600	30.107.367
Other comprehensive income		
	0	
	0	-
Total comprehensive income for the year, net of tax	19.037.600	30.107.367

General Manager,
Nikolaos Barlagiannis

Attorney,
Ioana Zorila
Financial Manager

Economic and financial indicators analysis

	9 Months 2016	9 Months 2017
1. Liquidity indicators		
Current liquidity indicator	1,26	1,80
Immediate liquidity indicator	1,05	1,53
2. Risk indicators		
Gearing ratio	14,31%	23,53%
Interest coverage indicator	5,35	9,34
3. Activity indicators		
Inventories rotation	0,82	0,92
Days of storage	82,46	73,45
Receivables rotation	179,42	176,66
Payables rotation	48,00	67,24

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Fixed assets rotation	0,61	0,64
Total assets rotation	0,37	0,35
4.Profitability indicators		
ROE	7,95	10,09
Gross margin on sales	31,33	25,16
Earnings per share	1,1695	1,849

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FOR 30 SEPTEMBER 2017
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<i>Description</i>		row nr.	<i>Balance as at:</i> 30.09.2017	<i>Balance as at:</i> 01.01.2017
A		B		
A.NON-CURRENT ASSETS				
I. INTANGIBLES				
1. Development expenses	1	01	0	0
2. Concessions rights, patents, licenses, trademarks and other similar rights and other intangible assets	2	02	493.447	434.383
3. Goodwill	3	03	0	0
4. Advances and intangible assets in progress	4	04	0	0
TOTAL (rows 01 to 04)		05	493.447	434.383
II. PROPERTY, PLANT AND EQUIPMENT				
1. Land and buildings	5	06	123.739.871	125.193.640
2. Technical equipment & machinery	6	07	194.371.509	207.202.675
3. Other equipment & furniture	7	08	309.916	3.769.037
			0	0
4. Advances & tangible assets in progress	9	10	340.260	5.468.474
	10	11	0	0
TOTAL (rows 05 to 11)		12	318.761.556	341.633.827
III. BIOLOGICAL ASSETS	11	13	0	0
IV. FINANCIAL INVESTMENTS				
1. Shares in subsidiaries	12	14	0	0
2. Loans to subsidiaries	13	15	0	0
3. Investments in associates	14	16	0	0
4. Loans given to associates	15	17	0	0
5. Investments held as non-current assets	16	18	6.000	6.000
6. Other loans	17	19	232.113	246.504

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TOTAL (rows 11 to 19)		20	238.113	252.504
NON-CURRENT ASSETS – TOTAL (rows 5+12+20)		21	319.493.116	342.320.714
B.CURRENT ASSETS				
I. INVENTORIES				
1. Raw materials and consumables	18	22	13.912.816	14.812.634
2. Work in progress	20	23	0	1.740.458
3. Finished goods and merchandise	21	24	26.961.347	23.830.080
4. Advances for inventory acquisition	23.1	25	56.729	1.761.887
TOTAL (rows 22 to 25)		26	40.930.893	42.145.058
II. RECEIVABLES (amounts receivable in a period above one year will be disclosed separately for each item)				
1. Trade receivables	22	27	128.384.538	138.856.732
2. Advances	23.2	28	0	9.654
3. Receivables from group entities	24	29	43.933.081	4.544.385
4. Receivables from associates	25	30	0	0
5. Share capital called up but not paid up	26	31	0	0
6. Other receivables	27	32	6.058.313	5.651.268
	28	33	0	0
TOTAL (rows 27 to 33)		34	178.375.931	149.062.038
III. SHORT-TERM INVESTMENTS	29	35	0	6.159.240
IV. PETTY CASH AND BANK ACCOUNTS	30	36	49.150.859	8.117.860
CURRENT ASSETS – TOTAL		37	268.457.682	205.484.196
C.PREPAYMENTS	31	38	68.750	307.723
D.LIABILITIES: AMOUNTS PAYABLE IN A PERIOD BELOW ONE YEAR				
1. Debenture loans	32	39	0	0
2. Bank loans	33	40	7.149.472	91.619.160
3. Advance payments from customers	34	41	302.592	562.589
4. Trade suppliers	35	42	49.096.984	26.949.878
5. Trade notes payable	36	43	0	0
	37	44	0	0
6. Payables to subsidiaries	38	45	80.480.559	0
7. Amounts due to associates	39	46	0	0
	40	47	0	0
8. Other payables (including debts to the state budget and social security budget)	41	48	11.780.078	10.110.540
TOTAL (rows 39 to 48)		49	148.809.685	129.242.168

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E.NET CURRENT ASSETS/NET CURRENT LIABILITIES (rows 35 + 36 – 45 – 63)		50	115.021.537	76.549.752
F. TOTAL ASSETS MINUS CURRENT LIABILITIES (rows 19 + 46)		51	434.514.653	418.870.466
G.LIABILITIES: AMOUNTS PAYABLE IN A PERIOD ABOVE ONE YEAR				
1. <i>Debenture loans</i>	42	52	0	0
2. <i>Bank loans</i>	43	53	74.262.207	79.547.660
3. <i>Advance payments from customers</i>	44	54	0	0
4. <i>Trade suppliers</i>	45	55	0	0
5. <i>Trade notes payable</i>	46	56	0	0
6. <i>Payables to group entities</i>	47	57	0	0
7. <i>Payables to associates</i>	48	58	0	0
	49	59	0	0
	50	60	0	0
8. <i>Other payables (including debts to the state budget and social security budget)</i>	51	61	1.857.202	3.080.844
TOTAL (rows 48 to 55)		62	76.119.409	82.628.504
H.PROVISIONS				
1. <i>Provision for pensions and related liabilities</i>	52	63	48.963	90.973
2. <i>Other provisions</i>	53	64	1.545.979	1.241.439
TOTAL (rows 57 to 59)		65	1.594.942	1.332.412
I.DEFERRED INCOME				
1. <i>Investment subsidies</i>	54	66	37.982.115	41.503.522
2. Deferred income – total (rows 63 + 64), out of which:		67	37.982.115	0
<i>Amounts to be reversed in a period below one year</i>	55	68	4.695.209	0
<i>Amounts to be reversed in a period above one year</i>	56	69	33.286.906	0
<i>Deferred income related to assets received from clients</i>	57	70	0	0
TOTAL (rows 61 + 62 + 65 + 66)		71	75.964.230	41.503.522
J.CAPITAL AND RESERVES				
I. CAPITAL				
1. <i>Paid in capital</i>	58	72	40.696.730	40.696.730
2. <i>Un-paid capital</i>	59	73	0	0
3. <i>State regis patrimony (State-owned shares)</i>	60	74	0	0

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4. Patrimony of research and development national institutes (Acc. 1018) CREDIT		75		
<i>DEBIT</i>	61	76	46.310.698	46.310.698
		77		
	62	78	0	0
TOTAL (rows 68 to 71)		79	87.007.428	87.007.428
II. SHARE PREMIUM	63	80	14.162.234	14.162.234
III. REVALUATION RESERVE	64	81	14.448.529	14.448.529
IV. RESERVES				
1. Legal reserves	65	82	8.139.346	8.139.346
2. Statutory and contractual reserves	66	83	0	0
4. Other reserves	67	84	96.800.563	77.883.727
TOTAL		85	104.939.909	86.023.073
	68	86		
		87		
Own shares	69	88	0	0
Gains related to own shares instruments	70	89	0	0
Losses related to own shares instruments	71	90	0	0
		91		
RETAINED EARNINGS FROM THE FIRST ADOPTION OF IAS 29 CREDIT(acc 117)	72	92	119.158.627	119.158.627
		93		
RETAINED EARNINGS FROM THE FIRST ADOPTION OF IAS 29 CREDIT(acc 118)	73	94	46.310.698	46.310.698
VI. PROFIT OR LOSS FOR THE YEAR		95	0	0
	74	96	30.107.367	18.916.834
Profit appropriation	75	97	0	
EQUITY – TOTAL		98	323.513.396	293.406.028
Public patrimony		99		
CAPITAL – TOTAL		100	323.513.396	293.406.028

General Manager,
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Attorney,
Ioana Zorila
Financial Manager

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F20 -PROFIT AND LOSS STATEMENT
FOR THE PERIOD 01.01.2017-30.09.2017

DESCRIPTION		row nr.	FINANCIAL PERIOD	FINANCIAL PERIOD
			30.09.2016	30.09.2017
A		B	1	2
1. Net turnover (rows 02+03-04+05+06)		01	216.668.795	204.221.569
<i>Sold production</i>	101	02	191.131.756	176.176.719
<i>Income from sale of goods</i>	102	03	27.402.255	29.887.248
<i>Commercial discounts awarded</i>	103	04	-1.865.215	-1.842.398
<i>Income from interest carried by the entities erased from the General Records and which still have lease contracts in progress</i>	104	05	0	0
2. Income related to the costs of work in progress				
<i>Balance C</i>	105	06	-6.501.810	6.528.803
<i>Balance D</i>	105	07		
		08		
3. Production made by the entity for its own needs and capitalized	106	09	10.365	
<i>Other operating income</i>	113	16	4.979.664	4.595.265
OPERATING INCOME – TOTAL (rd. 01 + 06- 07 + 08 +11+12 +13+14+15+16)		17	215.157.013	215.345.637
<i>a) Raw materials and consumables expenses</i>	114	18	50.899.840	45.233.159
<i>Other material expenses</i>	115	19	560.156	8.020.048
<i>b) Other external expenses (with energy and water)</i>	116	20	32.145.347	31.642.978
<i>c) Merchandise expenses</i>	117	21	23.526.442	21.537.982
<i>Commercial discounts received</i>	118	22	-1.033	-124
<i>Personnel expenses (rows 19 + 20), out of which:</i>		23	18.825.918	19.736.308
<i>a) Salaries and wages</i>	119	24	14.956.143	15.550.825
<i>b) Social security costs</i>	120	25	3.869.775	4.185.482
<i>a) Adjustment to tangible and intangible assets value</i>		26	34.882.087	30.509.555
<i>a.1) Expenses</i>	121	27	34.882.087	30.509.555
<i>a.2) Income</i>	122	28	0	0
<i>b) Adjustment of the value of current assets</i>		29	-2.069.356	-41.119
<i>b.1) Expenses</i>	123	30	2.859.623	160.627
<i>b.2) Income</i>	124	31	4.928.979	201.746
<i>Other operating expenses (rows 28 to 31)</i>		32	27.456.888	18.739.469
		125	22.260.561	16.919.360
<i>8.1. Expenses regarding external services</i>				
<i>8.2. Expenses with other taxes, duties and assimilated payments</i>	126	34	3.685.766	1.118.040
<i>8.3. Expenses regarding environmental</i>	127	35	2.956	1.728
<i>8.3. Other expenses</i>	133	41	1.507.604	700.341
<i>Adjustments related to provisions (row 33 – 34)</i>		42	143.398	-42.010
<i>- Expenses</i>	134	43	587.704	0

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- Income	135	44	444.306	42.010
OPERATING EXPENSES – TOTAL (rows 13 to 16 - 17+18 + 21+ 24 + 27 + 32)		45	186.369.687	175.336.246
OPERATING PROFIT/LOSS				
PROFIT		46	28.787.326	40.009.391
LOSS		47	0	0
Income from exchange rate differences	140	52	4.045.202	9.571.485
Interest income	141	53	3.038	89.561
- out of which, income from affiliates		54	0	0
Other financial income	142	55	634	544.610
FINANCIAL INCOME – TOTAL		56	4.048.874	10.205.657
Adjustment of the value of financial assets and financial investments held as current assets (row 47 - 48)		57	0	0
- Expenses	143	58	0	0
- Income	144	59	0	0
	145	60	0	0
	146	61	0	0
Expenses on interest	147	62	5.313.256	4.317.196
- out of which, expenses in relation with affiliates		63	0	0
Other financial expenses	148	64	4.430.100	9.879.084
FINANCIAL EXPENSES – TOTAL (rd. 57 +60+ 61 + 62 + 64)		65	9.743.356	14.196.280
FINANCIAL PROFIT / LOSS				
- Profit (row 45– 52)		66		
- Loss (row 52 – 45)		67	5.694.482	3.990.623
TOTAL INCOME (rows 12 + 45 + 57)		68	219.205.887	225.551.294
TOTAL EXPENSES (rows 35 + 52 + 58)		69	196.113.043	189.532.526
GROSS PROFIT OR LOSS				
- Profit (row 61 - 62)		70	23.092.845	36.018.768
- Loss (row 62 - 61)		71		
Income tax	149	72	4.055.245	5.579.483
Deferred tax	150	73	0	331.918
Deferred income tax	151	74	0	0
Other taxes not presented among the above items	152	75	0	0
FINANCIAL YEAR NET PROFIT OR LOSS:				
- Profit (row 63 - 64 - 65 - 66)		76	19.037.600	30.107.367
- Loss (rows 64 + 65 + 66) / (65 + 66 - 63)		77		

General Manager,
Nikolaos Barlagiannis

Attorney,
Ioana Zorila
Financial Manager