

PRELIMINARY REPORT

Regarding OIL TERMINAL S.A.' economic-financial activity on 31st December 2018

Preliminary report, issued according to:	Law no.24/2017 regarding the issuers of financial instruments and market operations together with ASF Regulation no.5/2018 regarding the issuers of financial instruments and market operations
Report date	2019, 13th February
Commercial company name	OIL TERMINAL S.A.
Social headquarter	No. 2, Caraiman str.,CONSTANTA, ROMANIA
Phone/fax number	0040 241 702600 / 0040 241 694833
E-mail / Internet	office@oil-terminal.com / www.oil-terminal.com
Unique registering code in the Commerce Registrar Office	RO2410163
Order number in the Commerce Registrar	J/13/512/1991
The subscribed and paid social capital	58,243,025.30 Lei
The regulated market on which the issued securities are traded	Bucharest Stock Exchange Standard class
The main characteristics of the securities issued:	582,430,253 shares with a nominal value of 0.10 lei/share, nominative, indivisible, with equal voting rights, freely tradable at Bucharest Stock Exchange with symbol OIL
Audit	Preliminary simplified financial audited situations issued on 31.12.2018 are not audited
Reporting currency:	Romanian leu (RON) – all the presented amounts are in RON, if otherwise mentioned.

a) Preliminary financial position situation on 31 December 2018

	-Lei-		
	31st December 2018 (unaudited)	31st Decembe r 2017 (audited)	▲ ▼ %
FIXED ASSETS			
Intangible assets	3,860,536	3,924,103	▼ 1.6%
Tangible assets	493,059,993	473,033,868	▲ 4.2%
Tangible assets in execution	16,516,506	27,667,706	▼ 40.3%
Financial assets	531,404	1,229,532	▼ 56.8%
Total fixed assets	513,968,439	505,855,209	▲ 1.6%
CURRENT ASSETS			
Stocks	456,427	1,532,514	▼ 70.2%
Clients and assimilated accounts	16,034,510	12,727,119	▲ 26.0%
Other receivables	3,513,891	2,878,661	▲ 22.1%
Fees and taxes to be recovered	-	3,519,242	-
Cash and cash equivalents	7,948,196	13,410,392	▼ 40.7%
Total current assets	27,953,024	34,067,928	▼ 17.9%
Total assets	541,921,463	539,923,137	▲ 0.4%
OWN CAPITALS			
Social capital	58,243,025	58,243,025	0
Other elements of own capitals	(3,370,263)	(3,370,263)	0
Reserves from reevaluation	232,347,173	233,139,364	▼ 0.3%
Legal reserves	5,129,458	5,031,568	▲ 1.9%
Other reserves	174,715,402	174,575,468	0.1%
Surplus achieved from reevaluation reserves	6,615,332	5,823,139	▲ 13.6%
Result reported without IAS 29	396,930	396,930	0
Result reported arisen from accountant errors correction	(25,839,366)	(25,839,366)	0
Current profit	317,535	4,977,726	▼ 93.6%
Profit distribution	(237,824)	(466,608)	▼ 49.0%
Total own capitals	448,317,402	452,510,983	▼ 0.9%
DEBTS ON LONG TERM			
Loans on long term	37,065,514	27,350,980	▲ 35.5%
Debts regarding tax on postponed profit	32,314,845	32,314,845	0
Total debts on long term	69,380,359	59,665,825	▲ 16.3%
CURRENT DEBTS			
Long-term loans – current part	2,390,419	1,275,000	▲ 87.5%
Short-term loans	0	0	
Commercial debts	7,754,816	15,589,749	▼ 50.3%
Debts regarding impots and taxes	6,467,339	4,427,793	▲ 46.1%
Other current debts	4,129,699	3,577,392	▲ 15.4%
Total current debts	20,742,273	24,869,934	▼ 16.6%
TOTAL DEBTS	90,122,632	84,535,759	▲ 6.6%
Provisions	3,437,250	2,823,079	▲ 21.8%
Subventions	44,179	53,316	▼ 17.1%

Tangible assets

On 31.12.2018, in the structure recording an increase of tangible assets 1.6% comparing to 31.12.2017, due to tangible assets' increase by 4.2% following some investments expenses having as own financing sources (cash revenues) and external sources (credits for investments).

Current assets

On 31.12.2018, the total current assets recorded a decrease of 17.9% comparing to 31.12.2017, due to physical services supplies program initially approved' correction, program according to which revenues from services supplied by the company are planned.

Own capitals and debts**Debts on long term**

On 31.12.2018, debts on long term recorded an increase of 16.3%.9% comparing to 31.12.2017, due to long term loans, namely the credit contracts for investments in order to achieve the investments objectives approved for 2018.

Current debts

On 31.12.2018, current debts recorded a decrease of 16.6% comparing to 31.12.2017, mainly determined by diminishing of commercial debts to suppliers of goods and services, following the diminishing measures of operation expenses according to the corrected budget of expenses.

We mention that, on 31.12.2018, the company does not record debts to the state budget, social insurances budget, local budget, banks, investments suppliers, services supplies and goods deliveries and employees.

Own capitals

Own capitals recorded a decrease of 0.9% comparing to 31.12.2017.

Provisions

On 31.12.2018, the company recorded in balance provisions in increase by 21.8% comparing to 31.12.2017.

The structure of provisions in balance on 31.12.2018 is the following:

- Provisions for litigations
- Provisions for the employees' benefits
- Other provisions

OIL shares evolution

The main shareholder is Romanian State, through the Ministry of Energy, owing 59.62% of social capital.

On 31.12.2018, the shares were traded in an amount of 0.1480 lei/share (closing price)

Information about issue	
Shares total number	582,430,253
Nominal value	0.1000
Social capital	58,243,025.30
Stock indicators on 30.06.2016 according Bucharest Stock Exchange	
Capitalization	86,199,677.44
PER	17.32
P/BV	0.19
EPS	0.01
DIVY	5.23
Gross dividend (2017)	0.007745

b) Preliminary financial position situation on 31 December 2018

- Lei-

	31st December 2018 (unaudited)	31st December 2017 (audited)
Revenues from services supplies	143,866,900	156,015,743

Revenues from residual products sale	2,098,697	1,917,392
Other revenues from operating	(986,443)	9,631,343
Material expenses	(6,754,198)	(9,571,778)
Energy and water expenses	(4,105,582)	(4,095,608)
Employees expenses	(79,373,493)	(73,127,817)
Services supplied by third parties expenses	(11,406,613)	(16,716,660)
Amortization expenses	(13,750,872)	(12,275,311)
Other operating expenses	(26,194,478)	(45,361,829)
Result from operating	3,393,918	6,415,475
Revenues and financial expenses (net values)	(1,444,966)	(1,181,693)
Year gross result	1,948,952	5,233,782
Taxation on balance expenses	1,631,417	256,056
Year net result	317,535	4,977,726
Overall result' other elements: Elements not being reclassified for profit and loss, from which:		
	792,192	21,308,809
	792,192	1,142,275
Earnings from leased/ scrapped real estate' reevaluation		
Surplus from fixed assets' re evaluation		23,856,800
Debt regarding the postponed taxation related the reserve from re evaluation		3,690,266
Total overall result	1,109,727	26,286,535
Result per share (lei/share)	0.001905	0.045133
Result per diluted share (lei/share)	0.001905	0.045133

The preliminary economic-financial indicators for 2018 – comparing to the Budget of Revenues and Expenses 2018

Indicators	Preliminary Year 2018 (thousand lei)	Budget of revenues and expenses Year 2018 (thousand lei)	Preliminary/ Budget of revenues and expenses (▲ ▼ %)
0	1	2	3=1/2
Net turnover	145,963	140,115	▲ 104.2
Operation revenues	146,386	140,460	▲ 104.2
Operation expenses	142,992	137,480	▲ 104.0
Operation profit	3,394	2,980	▲ 113.9
EBITDA	18,552	14,420	▲ 128.7

Financial revenues	412	360	▲ 114.4
Financial expenses	1,857	2,340	▼ 79.4
Financial result	(1,445)	(1,980)	▼ 73.0
Total revenues	146,798	140,820	▲ 104.2
Total expenses	144,849	139,820	▲ 103.6
Gross profit	1,949	1,000	▲ 194.9
Net profit	318	106	▲ 300.0

The preliminary indicators achieved on 31.12.2018 comparing to the approved level by corrected 2018 Budget of Revenues and Expenses shows an increase of turnover by 4.2%, increase of operation expenses according to revenues increase, determining a preliminary gross profit increase by 94.9%.the following evolution:

Preliminary economic-financial on 31.12.2018 comparing to 2017

Indicators	Preliminary	Achieved	2018 / 2017 (▲ ▼ %)
	Year 2018 (thousand lei)	Year 2017 (thousand lei)	
0	1	2	3 = 1/2
Net turnover	145,963	158,032	▼ 92.4
Operation revenues	146,386	158,420	▼ 92.4
Operation expenses	142,992	152,004	▼ 94.1
Operational profit	3,394	6,416	▼ 52.9
EBITDA	18,552	9,546	▲ 194.3
Financial revenues	412	361	▲ 114.1
Financial expenses	1,857	1,543	▲ 120.3
Financial result	(1,445)	(1,182)	▲ 122.3
Total revenues	146,798	158,781	▼ 92.5
Total expenses	144,849	153,547	▼ 94.3
Gross profit	1,949	5,234	▼ 37.2
Net profit	318	4,978	▼ 6.4

Physical services supplies program

Physical services supplies program achieved in 2018 comparing to the corrected level for 2018

Indicators	MU	Achieved Year 2018	Approved Year 2018	Achieved / Approved (▲ ▼ %)
0	1	2	3	4=2/3
Handled quantities, from which:	Thous and to	5,607	5,299	▲ 105.8
Crude oil		3,096	3,035	▲ 102.0
Gasoline		833	819	▲ 101.7
Gas oil		1,096	994	▲ 110.3
Fuel oil		136	60	▲ 226.7
Chemical products		445	390	▲ 114.1
Other products		1	1	-

Physical program achieved in 2018 records an increase of 5.8% comparing to the corrected level for 2018.

Physical services supplies program achieved in 2018 comparing to 2017

Indicators	MU	Achieved Year 2018	Approved Year 2018	Achieved / Approved (▲ ▼ %)
0	1	2	3	4=2/3
Handled quantities, from which:	Thousand to	5,607	5,662	▼ 99.0
Crude oil		3,096	3,163	▼ 97.9
Gasoline		833	705	▲ 118.2
Gas oil		1,096	1,154	▼ 95.0
Fuel oil		136	211	▼ 64.5
Chemical products		445	429	▲ 103.7
Other products		1	-	

Physical program achieved in 2018 was by 1% less than the level achieved in 2017 due to the physical program correction for Semester II 2018.

REVENUES

Preliminary revenues from operation on 31.12.2018 comparing to the Budget of Revenues and Expenses approved for 2018

Indicators	MU	Preliminary Year 2018	Budget of revenues and expenses Year 2018	Preliminary / Budget of revenues and expenses (▲ ▼ %)
0	1	2	3	4=2/3
Revenues from operation, from which:	Thousand lei			
Revenues from residual products sale		2,096	2,200	▼ 95.3
Revenues from supplied services		142,873	137,165	▲ 104.2
Revenues from hires		484	290	▲ 166.9
Revenues from different activities		510	460	▲ 110.9
Revenues from penalties		86	60	▲ 143.3
Other revenues from operation		337	285	▲ 118.2
Total revenues from operation	Thousand lei	146,386	140,460	▲ 104.2

EXPENSES

Preliminary operation Expenses on 31.12.2018 comparing to the approved level by the Budget of revenues and expenses 2018

Indicators	Preliminary Year 2018 (thousand lei)	Budget of revenues and expenses Year 2018 (thousand lei)	Preliminary / Budget of revenues and expenses (▲ ▼ %)
0	1	2	3 = 1/2
Material expenses, from which:	6,755	5,614	▲ 120.3
- consumables expenses, from which:	5,483	4,414	▲ 124.2
- fuel expenses	1,268	1,214	▲ 104.4
Other external expenses (energy and water)	4,105	4,000	▲ 102.6
Employees expenses, from which:	79,373	79,599	▼ 99.7
- salaries expenses	76,484	76,687	▼ 99.7
- other employees expenses	2,889	2,912	▼ 99.2
Tangible and intangible assets amortization expenses	13,751	13,870	▼ 99.1
External supplies expenses, from which:	33,958	29,447	▲ 115.3

- maintenance (maintenance and repairs)	11,217	6,640	▲ 168.9
- oil royalty	5,948	5,595	▲ 106.3
- other services supplied by third parties	16,793	17,212	▼ 97.6
Regulations and depreciations for value loss and provisions, from which:	1,459	943	▲ 154.7
-expenses regarding regulations and provisions	4,116	6,932	▼ 59.4
- revenues from provisions and regulations for depreciation or value loss	2,657	5,989	▼ 44.4
Other operation expenses	3,591	4,007	▼ 89.6
Total operation expenses	142,992	137,480	▲ 104.0

c) Capital expenses (investments)

For 2018, the investments expenses were provided in the amount of 23,471 thousand lei, constituted on the investments' financing source (namely 23,471 thousand lei), from which credits for investments reimbursements in the amount of 1,275 thousand lei, and investments expenses in the amount of 22,196 thousand lei.

On 31.12.2018, the value level of investments expenses was bigger by 4.5% than the approved level.

The preliminary investments expenses structure on 31.12.2018 comparing to the approved level by the Budget of Revenues and Expenses:

No.	Investments expenses (thousand lei)	Year 2018			
		Budget of revenues and expenses	Preliminary	Differences	%
0	1	2	3	4=3-2	5=3/2
	Expenses for investments, from which:	22,196	23,194	998	104.5
1.	- investments for the company' own patrimony	12,608	12,149	-459	96.4
2.	- investments related to public domain	9,588	1,045	1,457	115.2

**General Director,
Sorin Viorel CIUTUREANU**

**Financial Director
Adriana FRANGU**

**Chief of Tariffs, Economic Analysis Dept.,
Carmen Radu**

OIL TERMINAL – Preliminary financial position situation on 31st December 2018
(all amounts are expressed in lei (RON), if not mentioned otherwise)

	Year ended on 31st December 2018 (unaudited)	Year ended on 31st December 2017 (audited)
ASSETS		
FIXED ASSETS		
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CURRENT DEBTS		
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Short-term loans	0	0
Commercial debts	7,754,816	15,589,749
Debts regarding impots and taxes	6,467,339	4,427,793

OIL TERMINAL – Preliminary financial position situation on 31st December 2018
(all amounts are expressed in lei (RON), if not mentioned otherwise)

Other current debts	4,129,699	3,577,392
Total current debts	20,742,273	24,869,934
TOTAL DEBTS	90,122,632	84,535,759
Provisions	3,437,250	2,823,079
Subventions	44,179	53,316
Total own capitals and debts	541,921,463	539,923,137

Board of Directors Chairman,
Gheorghe Cristian Florin

General Director,
Ciutoreanu Viorel-Sorin

Financial Director,
Frangu Adriana

Chief of Accountancy Dept.,
Popovici Cecilia

OIL TERMINAL – Interim situation of overall result on 31st December 2018
(all amounts are expressed in lei (RON) if not mentioned otherwise)

	Year ended on 31st December 2018 (unaudited)	Year ended on 31st December 2017 (audited)
Revenues from services supplies	143,866,900	156,015,743
Revenues from residual products sale	2,098,697	1,917,392
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