

# 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
<b>ASSETS</b>			
<b>Non-current assets</b>			
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
<b>Total non-current assets</b>		<b>345.735.829</b>	<b>322.908.231</b>
<b>Current assets</b>			
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
<b>Total current assets</b>		<b>202.376.805</b>	<b>265.111.317</b>
<b>TOTAL ASSETS</b>		<b>548.112.634</b>	<b>588.019.548</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity and reserves</b>			
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

**STIROM S.A.**

<b>Total capital</b>		<b>293.406.028</b>	<b>323.513.397</b>
<b>Long-term liabilities</b>			
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
<b>Total long-term liabilities</b>		<b>120.769.229</b>	<b>111.001.257</b>
<b>Current liabilities</b>			
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
<b>Total current liabilities</b>		<b>133.937.377</b>	<b>153.504.895</b>
<b>CAPITAL AND LIABILITIES – TOTAL</b>		<b>548.112.634</b>	<b>588.019.548</b>

General Manager,  
Nikolaos Barlagiannis

Attorney,  
Ioana Zorila  
Financial Manager

**COMPREHENSIVE INCOME 01.01.2017-  
30.09.2017**

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

## STIROM S.A.

Other operating expenses	-7.650.188	-499.311
<b>Operating income</b>	<b>29.887.078</b>	<b>40.454.153</b>
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
<b>Profit before tax</b>	<b>23.092.845</b>	<b>36.018.768</b>
Current income tax	0	0
Deferred income tax (expense-/revenue+)	0	0
Profit tax expense	-4.055.245	-5.911.401
<b>Profit for the year</b>	<b>19.037.600</b>	<b>30.107.367</b>
<b>Earnings per share</b>		
Basic profit for the year attributable to the shareholders		
<b>Profit for the year</b>	<b>19.037.600</b>	<b>30.107.367</b>
<b>Other comprehensive income</b>		
	0	
	0	-
<b>Total comprehensive income for the year, net of tax</b>	<b>19.037.600</b>	<b>30.107.367</b>

General Manager,  
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Financial Manager

### Economic and financial indicators analysis

	9 Months 2016	9 Months 2017
<b>1. Liquidity indicators</b>		
Current liquidity indicator	1,26	1,80
Immediate liquidity indicator	1,05	1,53
<b>2. Risk indicators</b>		
Gearing ratio	14,31%	23,53%
Interest coverage indicator	5,35	9,34
<b>3. Activity indicators</b>		
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

STIROM S.A.

Fixed assets rotation	0,61	0,64
Total assets rotation	0,37	0,35
<b>4.Profitability indicators</b>		
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  
- lei -

<i>Description</i>		row nr.	<i>Balance as at:</i> <b>30.09.2017</b>	<i>Balance as at:</i> <b>01.01.2017</b>
<b>A</b>		<b>B</b>		
<b>A.NON-CURRENT ASSETS</b>				
<b>I. INTANGIBLES</b>				
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
<b>TOTAL (rows 01 to 04)</b>		05	493.447	434.383
<b>II. PROPERTY, PLANT AND EQUIPMENT</b>				
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
<b>TOTAL (rows 05 to 11)</b>		12	318.761.556	341.633.827
<b>III. BIOLOGICAL ASSETS</b>	11	13	0	0
<b>IV. FINANCIAL INVESTMENTS</b>				
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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<b>TOTAL (rows 11 to 19)</b>		20	238.113	252.504
<b>NON-CURRENT ASSETS – TOTAL (rows 5+12+20)</b>		21	319.493.116	342.320.714
<b>B.CURRENT ASSETS</b>				
<b>I. INVENTORIES</b>				
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
<b>TOTAL (rows 22 to 25)</b>		26	40.930.893	42.145.058
<b>II. RECEIVABLES (amounts receivable in a period above one year will be disclosed separately for each item)</b>				
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
<b>TOTAL (rows 27 to 33)</b>		34	178.375.931	149.062.038
<b>III. SHORT-TERM INVESTMENTS</b>	29	35	0	6.159.240
<b>IV. PETTY CASH AND BANK ACCOUNTS</b>	30	36	49.150.859	8.117.860
<b>CURRENT ASSETS – TOTAL</b>		37	268.457.682	205.484.196
<b>C.PREPAYMENTS</b>	31	38	68.750	307.723
<b>D.LIABILITIES: AMOUNTS PAYABLE IN A PERIOD BELOW ONE YEAR</b>				
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
<b>TOTAL (rows 39 to 48)</b>		49	148.809.685	129.242.168

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<b>E.NET CURRENT ASSETS/NET CURRENT LIABILITIES (rows 35 + 36 – 45 – 63)</b>		50	115.021.537	76.549.752
<b>F. TOTAL ASSETS MINUS CURRENT LIABILITIES (rows 19 + 46 )</b>		51	434.514.653	418.870.466
<b>G.LIABILITIES: AMOUNTS PAYABLE IN A PERIOD ABOVE ONE YEAR</b>				
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
<b>TOTAL (rows 48 to 55)</b>		62	76.119.409	82.628.504
<b>H.PROVISIONS</b>				
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
<b>TOTAL (rows 57 to 59)</b>		65	1.594.942	1.332.412
<b>I.DEFERRED INCOME</b>				
1. <i>Investment subsidies</i>	54	66	37.982.115	41.503.522
<b>2. Deferred income – total (rows 63 + 64), out of which:</b>		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
<b>TOTAL (rows 61 + 62 + 65 + 66)</b>		71	75.964.230	41.503.522
<b>J.CAPITAL AND RESERVES</b>				
<b>I. CAPITAL</b>				
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

**STIROM S.A.**

4. Patrimony of research and development national institutes (Acc. 1018) CREDIT		75		
DEBIT	61	76	46.310.698	46.310.698
		77		
	62	78	0	0
<b>TOTAL (rows 68 to 71)</b>		79	87.007.428	87.007.428
<b>II. SHARE PREMIUM</b>	63	80	14.162.234	14.162.234
<b>III. REVALUATION RESERVE</b>	64	81	14.448.529	14.448.529
<b>IV. RESERVES</b>				
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
<b>TOTAL</b>		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
<b>VI. PROFIT OR LOSS FOR THE YEAR</b>		95	0	0
	74	96	30.107.367	18.916.834
Profit appropriation	75	97	0	
<b>EQUITY – TOTAL</b>		98	323.513.396	293.406.028
Public patrimony		99		
<b>CAPITAL – TOTAL</b>		100	323.513.396	293.406.028

General Manager,  
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STIROM S.A.

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
<b>1. Net turnover (rows 02+03-04+05+06)</b>		<b>01</b>	<b>216.668.795</b>	<b>204.221.569</b>
<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
<b>2. Income related to the costs of work in progress</b>				
<i>Balance C</i>	105	06	-6.501.810	6.528.803
<i>Balance D</i>	105	07		
		08		
<b>3. Production made by the entity for its own needs and capitalized</b>	106	09	10.365	
<i>Other operating income</i>	113	16	4.979.664	4.595.265
<b>OPERATING INCOME – TOTAL (rd. 01 + 06- 07 + 08 +11+12 +13+14+15+16)</b>		<b>17</b>	<b>215.157.013</b>	<b>215.345.637</b>
<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	33	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

**STIROM S.A.**

- Income	135	44	444.306	42.010
<b>OPERATING EXPENSES – TOTAL</b> (rows 13 to 16 - 17+18 + 21+ 24 + 27 + 32)		<b>45</b>	<b>186.369.687</b>	<b>175.336.246</b>
<b>OPERATING PROFIT/LOSS</b>				
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
<b>FINANCIAL INCOME – TOTAL</b>		<b>56</b>	<b>4.048.874</b>	<b>10.205.657</b>
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
<b>FINANCIAL EXPENSES – TOTAL</b> (rd. 57 +60+ 61 + 62 + 64)		<b>65</b>	<b>9.743.356</b>	<b>14.196.280</b>
<b>FINANCIAL PROFIT / LOSS</b>				
- Profit (row 45– 52)		66		
- Loss (row 52 – 45)		67	5.694.482	3.990.623
<b>TOTAL INCOME</b> (rows 12 + 45 + 57)		<b>68</b>	<b>219.205.887</b>	<b>225.551.294</b>
<b>TOTAL EXPENSES</b> (rows 35 + 52 + 58)		<b>69</b>	<b>196.113.043</b>	<b>189.532.526</b>
<b>GROSS PROFIT OR LOSS</b>				
- Profit (row 61 - 62)		70	<b>23.092.845</b>	<b>36.018.768</b>
- 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
<b>FINANCIAL YEAR NET PROFIT OR LOSS:</b>				
- Profit (row 63 - 64 - 65 - 66)		76	<b>19.037.600</b>	<b>30.107.367</b>
- Loss (rows 64 + 65 + 66) / (65 + 66 - 63)		77		

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