

VRANCART S.A.
625100 Adjud-Vrancea, România, Str. Ecaterina Teodoroiu 17
RO 1454846, J39/239/1991
Capital social subscris și vărsat 103.168.354,70 RON
RO54 RNCB 0268 0087 9340 0001 - BCR Adjud
RO95 RZBR 0000 0600 0094 5306 - Raiffeisen Bank Adjud
T: 0237 64 08 00, F: 0237 64 17 20
office@vrancart.com, www.vrancart.ro



To,
**The Financial Supervisory Authority
The Bucharest Stock Exchange**

Regular report according to the CNVM Regulation no. 1/2006

Date of report: February 15th, 2018
Name of the issuing entity: VRANCART S.A.
Registered office: Adjud, 17 Ecaterina Teodoroiu Street, Vrancea County
Telephone/fax no.: 0237-640.800 / 0237-641.720
Tax Identification Number: RO 1454846
Trade Registry registration no.: J39/239/1991
Subscribed and paid-in share capital: 103.168.354,70 lei
The regulated trading market: The Bucharest Stock Exchange

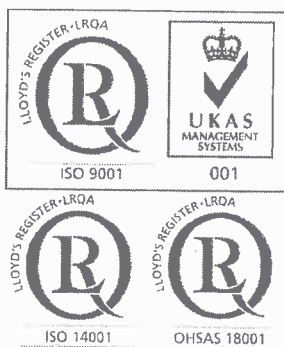
Major events to report:

The company VRANCART S.A. Adjud informs its shareholders and investors of the fact that the preliminary annual financial statements, not audited, for the financial year 2017, drawn up in accordance with the International Financial Reporting Standards (IFRS) (the Order of the Public Finance Ministry no. 881/2012 and the Order of the Public Finance Ministry no. 2844/2016 as subsequently amended and completed), with the provisions of Law no. 24/2017 and of the CNVM Regulation no. 1/2006, may be consulted at the company's headquarters in Adjud, 17 Ecaterina Teodoroiu Street, Vrancea County or at the website www.vrancart.ro, starting from February 15th, 2018, from 06³⁰ PM.

We enclose hereto the preliminary annual financial statements, not audited, for the financial year ended on December 31st, 2017, according to IFRS.

Chairman of the Board of Administrators,
Ec. Ciucioi Ionel-Marian





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VRANCART S.A.

PRELIMINARY FINANCIAL RESULTS

For the financial year ended on
December 31st, 2017

Note:

The preliminary financial results presented in this document are reported in accordance with the *Order of the Public Finances Ministry no. 2844/2016* with the subsequent amendments, that is in accordance with the *International Financial Reporting Standards (IFRS)* adopted by the European Union. The preliminary financial results are not audited. Therefore, the final and audited financial statements for 2017 may be different from these.

The functional and presentation currency is the Romanian leu (RON).

Individual statement of comprehensive income *(not audited)*

Preliminary data as at December 31st, 2017

(all the amounts are expressed in lei, unless otherwise stated)

	2017	2016
Revenues from turnover	261.182.218	227.104.099
Other revenues	3.249.175	3.777.526
Variation of finished products inventories and production in progress	300.749	3.440.578
Expenses related to raw materials and consumables	(137.251.472)	(122.640.475)
Expenses related to goods	(3.172.455)	(3.713.755)
Expenses related to third-party services	(19.124.258)	(18.011.163)
Personnel-related expenses	(53.137.799)	(39.562.402)
Depreciation and amortisation expenses	(20.061.011)	(17.661.821)
Other expenses	(5.470.771)	(8.873.940)
Operating profit (EBIT)	26.514.375	23.858.647
Financial revenues	(90.191)	(65.911)
Financial expenses	(2.108.174)	(1.421.758)
Profit before taxation	24.316.011	22.370.979
Profit tax expense	(2.395.266)	(2.170.584)
Profit for the year	21.920.745	20.200.394
Other comprehensive income items		
Increases of the reserve from the revaluation of tangible assets, net of deferred tax	-	-
Transfer of the revaluation reserve to retained earnings following the cassation of tangible assets	(666.280)	(294.305)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	21.254.465	19.906.089
Earnings per share		
Profit (loss) attributable to ordinary shareholders	21.920.745	20.200.394
Weighted average number of ordinary shares	1.031.683.547	877.715.056
Earnings per basic share (lei/share)	0,021	0,023

Ciucioi Ionel-Marian
General Manager



Arsene Vasilica-Monica
Financial Manager

The individual statement of financial position *(not audited)*

Preliminary data as at December 31st, 2017

(all the amounts are expressed in lei, unless otherwise stated)

	December 31 st , 2017	December 31 st , 2016
ASSETS		
Tangible assets	203.030.632	180.855.000
Intangible assets	184.069	372.026
Financial assets	30.448.288	6.657.600
Receivables related to deferred profit tax	1.253.516	800.666
Total fixed assets	234.916.505	188.685.292
Inventories	35.463.044	27.750.242
Trade receivables	50.541.065	39.695.711
Prepaid expenses	664.619	739.398
Restricted cash	-	8.899.753
Cash and cash equivalents	1.901.568	24.287.793
Other receivables	11.110.618	400.809
Total current assets	99.680.915	101.773.706
TOTAL ASSETS	334.597.419	290.458.998
EQUITY		
Share capital	103.168.355	103.168.355
Reserves	45.977.925	46.537.915
Retained earnings	24.990.114	16.433.985
Total equity	174.136.393	166.140.255
LIABILITIES		
Long-term loans	35.698.844	34.619.168
Long-term loans from bonds issues	38.250.000	-
Deferred income	17.878.001	20.904.331
Long-term provisions	376.015	291.803
Total long-term liabilities	92.202.860	55.815.302
Short-term trade liabilities	24.564.192	17.089.495
Short-term loans	31.945.105	41.605.434
Short-term deferred revenues	3.026.330	3.026.330
Debts related to current profit tax	-	494.330
Other liabilities	8.722.538	6.287.854
Total current liabilities	68.258.165	68.503.441
TOTAL LIABILITIES	160.461.026	124.318.743
TOTAL EQUITY AND LIABILITIES	334.597.419	290.458.998

Ciucioi Ionel-Marian
General Manager



Arsene Vasilica-Monica
Financial Manager

Note explicative

Rezultate financiare preliminare la 31 decembrie 2017

In the financial year which ended on the 31st of December 2017, the Company continued to develop its activity in all three business lines in which it operates (paper for cardboard, sanitary paper and corrugated cardboard packaging), fact which led to an increase in the turnover with 15% and in the gross profit with 9% over the previous year.

The increase of the work efficiency and productivity has made possible to increase the benefits offered to the Company's employees, this contributing to maintaining and increasing technical expertise, and being reflected in productivity growth per employee.

Also, the process of upgrading and increasing of the production capacities will continue in 2018, with investment projects worth more than 10 million euros, which will strengthen the Company's position on the market and its capacity to generate profit.


Ciucioi Ionel-Marian
General Manager



Arsene Vasilica-Monica
Financial Manager

