

VRANCART S.A.

Intermediate individual (simplified, non-audited) financial statements
as at June 30th, 2015

drawn up in accordance with
the Order of the Minister of Public Finances no. 1286/2012
on the approval of the Accounting regulations compliant with
the International Financial Reporting Standards,
applicable to trade companies whose securities
are admitted to trading on a regulated market

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Vrancart SA

Statement of financial position

as at June 30th, 2015

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

	June 30 th , 2015	December 31 st , 2014
ASSETS		
Tangible assets	159.792.1884	153.374.631
Intangible assets	576.386	60.214
Total intangible assets	160.368.570	153.434.845
Stocks	17.367.742	19.469.560
Trade receivables	38.270.238	43.095.280
Accrued expenses	479.045	265.492
Cash and cash equivalents	1.266.044	2.352.952
Other receivables	175.009	1.418.235
Total current assets	57.558.078	66.601.519
TOTAL ASSETS	217.926.648	220.036.364
EQUITY		
Share capital	86.371.792	86.371.792
Reserves	40.195.360	38.098.386
Retained earnings	5.664.752	2.858.341
Total equity	132.231.904	127.328.519
LIABILITIES		
Long term trade liabilities	-	871.786
Long term loans	19.955.575	20.566.606
Deferred revenues	119.134.971	18.780.826
Debts related to deferred income tax	(64.416)	490.922
Total long term liabilities	39.026.130	40.710.122
Short term trade liabilities	14.973.484	20.224.856
Short term loans	21.750.095	24.841.887
Deferred revenues	2.527.737	1.834.478
Provisions	3.871.053	1.782.133
Other liabilities	3.546.245	3.314.369
Total current liabilities	46.668.614	51.997.723
TOTAL LIABILITIES	85.694.744	92.707.845
TOTAL EQUITY AND LIABILITIES	217.926.648	220.036.364

General Manager
Ionel-Marian Ciucior



Financial Manager
Monica Vasilica Arsene

Vrancart SA

Statement of comprehensive income

as at June 30th, 2015

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

	June 30 th , 2015	June 30 th , 2014
Income from turnover	100.825.924	96.250.391
Other income	1.278.602	1.049.935
Variation of finished products stock and production in progress	(1.292.158)	(1.256.494)
Expenses related to raw materials and consumables	(51.674.126)	(52.033.625)
Expenses related to commodities	(2.215.550)	(866.588)
Expenses related to services provided by third parties	(8.040.598)	(8.080.551)
Personnel-related expenses	(15.479.451)	(12.559.871)
Expenses related to amortisation and from re-evaluation	(8.600.083)	(8.307.570)
Other expenses	(5.710.733)	(4.164.847)
Operating result	9.091.828	10.030.779
Financial revenues	9.260	4.881
Financial expenses	(634.373)	(508.319)
Profit (loss) before taxation	8.466.715	9.527.341
Profit tax income/ (expense)	(941.940)	(1.311.813)
Profit (loss) for the year	7.524.775	8.215.528
Other comprehensive income items		
Increases of the reserve from the re-evaluation of tangible assets, net of deferred tax	-	-
Transfer of the reserve from the re-evaluation of returned earnings as a result of the cassation of tangible assets	(34.805)	(47.436)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	7.489.970	8.168.092

General Manager
Ionel-Marian Ciucioi



Financial Manager
Monica Vasilica Arsene

Vrancart SA

Statement of changes in equity

as at June 30th, 2015

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

	Share capital	Share capital adjustments	Reserves from the re-evaluation of tangible assets	Other reserves	Retained earnings	Retained earnings from the first adoption of IAS 29	Total equity
Balance as at January 1st, 2015	86.371.792	-	26.766.963	11.311.423	2.858.341	-	127.328.519
Total comprehensive income for the period							
Net profit/ loss for the year	-	-	-	-	7.524.775	-	7.524.775
Other comprehensive income items							
Distribution from retained earnings	-	-	-	2.126.210	(4.717.364)	-	(2.591.154)
Correction related to fixed assets	-	-	-	-	-	-	-
Other changes of equity items	-	-	-	-	-	-	-
Other corrections	-	-	-	-	(35.805)	-	(35.805)
Changes in the reserve from the revaluation of tangible assets, net of deferred tax	-	-	5.569	-	-	-	5.569
Transfer of the reserve from revaluation to retained earnings following the sale/ cassation of tangible assets	-	-	(34.805)	-	34.805	-	-
Total other comprehensive income items	-	-	(29.236)	2.126.210	(4.718.364)	-	(2.621.390)
Total comprehensive income for the period	-	-	(29.236)	2.126.210	2.806.411	-	4.903.385
Balance as at June 30th, 2015	86.371.792	-	26.737.727	13.457.633	5.664.752	-	132.231.904

Ionel-Marian Ciurcioi
General Manager



Monica Vasilica Arsene
Financial Manager

Vrancart SA

Statement of treasury flows

as at June 30th, 2015

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

	June 30 th , 2015	June 30 th , 2014
Treasury flows from the operating activity:		
Collections from customers	120.055.367	111.461.896
Payments to suppliers	(78.093.583)	(70.209.379)
Payments to employees	(12.286.363)	(9.652.926)
Payments to the state budget	(10.760.705)	(11.903.786)
Profit tax paid	(1.554.152)	(1.233.733)
Net treasury from operating activities	17.360.564	18.462.072
Treasury flows from investment activities:		
Payments for the purchase of fixed assets	(14.465.077)	(3.727.767)
Collections from the sale of tangible assets	135.109	68.536
Interest collected	185	1.311
Net treasury from investment activities	(14.329.783)	(3.657.920)
Net treasury from financing activities		
Collections from loans	9.282.130	35.983
Interest paid and reimbursement of loans	(10.886.714)	(14.271.444)
Dividends paid	(2.513.105)	(76)
Net treasury from financing activities	(4.117.689)	(14.235.537)
Net increase/ (reduction) of treasury and treasury equivalents	(1.086.908)	568.615
Cash and cash equivalents at the financial year beginning	2.352.952	1.467.002
Cash and cash equivalents at the financial year end	1.266.044	2.035.617

General Manager
Ionel-Marian Ciuciu



Financial Manager
Monica Vasilica Arsene

Vrancart SA

Notes to the intermediate financial statements

as at June 30th, 2015

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

The entity reporting

Vrancart SA (“the Company”) is a joint-stock trade company operating in Romania under the provisions of Law no. 31/1990 on trade companies.

The company is based in Adjud, 17 Ecaterina Teodoroiu Street, Vrancea County.

The company has working points for waste paper collection opened in: Bucharest, Iasi, Focsani, Ploiesti, Botosani, Sibiu, Constanta, Arad, Brasov, Pitesti, Timisoara, Cluj, Baia Mare, Craiova and Targu Mures.

The company’s main object of activity is represented by the manufacture and trading of the following products:

- single-wall, double-wall and double-double wall corrugated cardboard, corrugated cardboard with micro-flutes;
- corrugated cardboard boxes of various formats, die-cut and printed;
- paperboards;
- tissue papers in various assortments.

The company’s shares are listed to the Bucharest Stock Exchange, 2nd category, with the indicative VNC, starting from July 15th, 2005.

As at June 30th, 2015, the company is owned 74,72% by SIF Banat – Crisana S.A. and 25,28% by other shareholders.

The evidence of shares and shareholders is kept according to law by S.C. Depozitarul Central S.A. Bucharest.

Accounting principles, policies and methods

The simplified intermediate financial statements for the first six months ended on June 30th, 2015 were prepared in accordance with IAS 34 Intermediate Financial Statements.

The simplified intermediate financial statements do not include all the information and elements included in the annual reporting and must be read with the Company’s annual financial statements, prepared on December 31st, 2014.

The accounting policies and the evaluation methods used for the preparation of the simplified intermediate financial statements are in accordance with those used for the preparation of the Company’s annual financial statements, for the year ended on December 31st, 2014.

The intermediate financial statements for the 1st semester of 2015 have not been revised by an external financial auditor.

Transactions in foreign currency

The operations expressed in foreign currency are recorded in lei at the official exchange rate on the date of discounting of the transactions. The monetary assets and liabilities denominated in foreign currencies on the date of preparation of the accounting balance are converted into the functional currency at the exchange rate of that day.

The gains or losses from their discounting and from the conversion using the exchange rate at the end of the period for the reporting of the monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Vrancart SA

Statement of comprehensive income

as at June 30th, 2015

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

The exchange rates of the main foreign currencies were:

Currency	June 30 th , 2015	December 31 st , 2014	Variation
Euro (EUR)	4,4735	4,4821	-0,19%
American dollar (USD)	3,9969	3,6868	+8,41%

Other notes

The Company's management has established its medium and long-term strategy and the forecasts provide increases in sales and reductions of costs following the efficient use of resources that will lead to an increase of the operating profit.

As at June 30th, 2015, the company recorded a positive cash balance of 1.266.044 lei and has no outstanding debts to the public budgets or to its private partners.

The Company's management considers that the Company will be able to continue its business in the foreseeable future, therefore the application of the business continuity principle for the preparation of the financial statements is justified.

Subsequent events

On 17.0.2015, the company completed the process related to the purchase of the shares of GIANT Prodimpex SRL Ungheni, Tax Identification Number RO 6564319. The transaction was approved by the Decision no. 7 dated 30.04.2015 of the Ordinary General Meeting of the Shareholders and implemented through the Decision no. 29/15.05.2015 of the Management Board. Following the procurement process, Vrancart S.A. holds 100% of the shares of Giant Prodimpex SRL Ungheni.

Management's statement

According to our best information available, we confirm that the simplified intermediate financial statements as at June 30th, 2015 and for the period then ended, prepared in accordance with the International Financial Reporting Standards provide a fair and accurate view of the Company's position and financial performances, as provided by the applicable accounting standards and that the information presented in this report provides a fair and accurate view of the main events that took place during the first six months of the financial year and of their impact into the simplified intermediate financial statements.

General Manager
Ionel-Marian Ciucioi



Financial Manager
Monica Vasilica Arsene