

VRANCART S.A.

**Intermediate financial statements
(simplified, not audited)
as at September 30th, 2015**

drawn up in accordance with
the Order of the Minister of Public Finances no. 1286/2012
for 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

Statement of financial position*as at September 30th, 2015**(all the amounts are stated in lei, unless otherwise specified)*

	September 30 th , 2015	31 December 31 st , 2014
ASSETS		
Tangible assets	156.269.365	153.374.631
Intangible assets	522.787	60.214
Financial assets	6.657.600	-
Total fixed assets	163.449.752	153.434.845
Stocks	18.256.900	19.469.560
Trade receivables	41.017.596	43.095.280
Prepaid expenses	336.826	265.492
Cash and cash equivalents	4.300.543	2.352.952
Other receivables	2.647.598	1.418.235
Total current assets	66.559.463	66.601.519
TOTAL ASSETS	230.009.215	220.036.364
EQUITY		
Share capital	86.371.792	86.371.792
Reserves	40.175.555	38.098.476
Retained earnings	10.989.478	2.858.251
Total equity	137.536.825	127.328.519
LIABILITIES		
Long-term trade liabilities	-	871.768
Long-term loans	17.332.018	20.566.606
Deferred revenues	20.576.349	18.780.826
Debts related to deferred income tax	(727.436)	490.922
Total long-term liabilities	37.180.931	40.710.122
Short-term trade liabilities	15.947.023	20.224.856
Short-term loans	24.936.657	24.841.887
Deferred revenues	2.742.062	1.834.478
Provisions	7.062.986	1.782.133
Other liabilities	4.602.731	3.314.369
Total current liabilities	55.291.459	51.997.723
TOTAL LIABILITIES	92.472.390	92.707.845
TOTAL EQUITY AND LIABILITIES	230.009.215	220.036.364

Notes to the statement of financial position as at September 30th, 2015

The amount of equity as at September 30th, 2015 is 137.536.825 lei, up by 8% from their amount at the beginning of the year, due to the profit achieved in the first 9 months of the year.

The Company's total assets as at September 30th, 2015 are in the amount of 230.009.215 lei, up by 4,5% from the beginning of 2015. This is mainly due to the purchase of equity investments in the amount of 6.657.600 lei. The process related to the purchase of the shares of GIANT Prodimpex SRL Ungheni, Tax Identification Number RO6564319 was completed on 17.07.2015. The transaction was

approved through the Decision no. 7 of 30.04.2015 by the Ordinary General Meeting of the Shareholders no. 29/15.05.2015 of the Management Board. Following the purchase process, VRANCART SA Adjud holds 100% of the shares of GIANT Prodimpex SRL Ungheni.

The volume of the Company's current assets remained somewhat constant, its amount as at September 30th, 2015 being 66.559.463 lei.

The total liabilities as at September 30th, 2015 are in the amount of 92.472.390 lei, down by 0,3% from the amount recorded as at January 1st, 2015.



Statement of comprehensive income

as at September 30th, 2015

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

	September 30 th , 2015	September 30 th , 2014
Income from turnover	151.127.837	142.896.258
Income from the sale of goods	4.017.062	2.396.504
Other income	2.040.282	1.724.625
Variation of finished products stocks and production in progress	(549.697)	(1.336.327)
Expenses related to raw materials and consumables	(79.659.601)	(78.357.020)
Expenses related to goods	(2.526.608)	(1.461.557)
Expenses related to services provided by third parties	(11.879.750)	(12.041.808)
Personnel-related expenses	(22.957.462)	(19.681.607)
Expenses related to depreciation and from revaluation	(13.182.947)	(12.353.775)
Other expenses	(11.096.675)	(7.250.890)
Operational result	15.332.441	14.534.403
Financial revenues	10.250	7.186
Financial expenses	(776.928)	(1.052.265)
Profit (loss) before taxation	14.565.763	13.489.325
Profit tax income/ (expense)	(1.739.839)	(1.282.176)
Profit (loss) for the year	12.825.924	12.207.149
Other comprehensive income items		
Increases of the reserve from the re-evaluation of tangible assets, net of deferred tax	-	-
Transfer of the reserve from re-evaluation to retained earnings as a result of the cassation of tangible assets	(58.382)	(119.362)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	12.767.542	12.087.787
Result per share		
Profit (loss) attributable to ordinary shareholders	12.825.924	12.207.149
Weighted average number of ordinary shares	863.717.920	863.717.920
Basic earnings per share	0,0148	0,0141

Notes to the statement of comprehensive income as at September 30th, 2015, compared to September 30th, 2014

Operational revenues for the period amounted to 156.635.485 lei, up by 7,5% from the same period of last year, due to the turnover increase by 6% during the same analysed period, but also to the increase of other revenues.

Operational expenses for the period amounted to 141.303.044 lei, up by 7,7% from the same period of the previous year, due to the increase in personnel-related expenses by 17%, but also to the increase of other expenses (provisions for the employee's benefits, provisions for other disputes).

Operational profit for the period amounted to 15.332.441 lei, up by 5% from the same period of the previous year. The net profit as at September 30th, 2015 amounted to 12.825.924 lei, 5% above the level recorded in the first 9 months of 2014.



VRANCART SA

Summarized statement of changes in equity (not audited)

as at September 30th, 2015

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

	Share capital	Share capital adjustments	Reserves from the revaluation 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	11.331.423	2.858.341	-	127.328.519
Total comprehensive income for the period							
Net earnings for the period	-	-	-	-	12.825.924	-	12.825.924
Other comprehensive income items							
Distribution from retained earnings	-	-	-	2.126.210	(4.717.364)	-	(2.591.154)
Other changes	-	-	-	-	(35.805)	-	(35.805)
Changes in the reserve from the revaluation of tangible assets, net of deferred tax	-	-	9.341	-	-	-	9.341
Transfer of the revaluation reserve to retained earnings following the sale of tangible assets	-	-	(58.382)	-	58.382	-	-
Total other comprehensive income items	-	-	(49.041)	2.126.210	(4.694.787)	-	(2.617.618)
Total comprehensive income for the period	-	-	(49.041)	2.126.210	8.131.137	-	10.208.306
Balance as at September 30th, 2015	86.371.792	-	26.717.922	13.457.633	10.989.478	-	137.536.825



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Notes to the intermediate financial statements

(simplified, not audited)

The entity reporting

Vrancart SA (“the Company”) is a joint stock trade company operating in Romania in accordance with 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 the following localities: Bucharest, Iasi, Focsani, Ploiesti, Botosani, Sibiu, Constanta, Arad, Brasov, Pitesti, Timisoara, Cluj, Craiova, Baia Mare and Targu Mures.

The Company’s main object of activity is represented by the manufacturing 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 September 30th, 2015, the Company is owned in a proportion of 74,72% by SIF Banat - Crisana SA and 25,28% by other shareholders.

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

Accounting principles, policies and methods

The simplified intermediate financial statements for the first nine months ended on September 30th, 2015 were drawn up in accordance with IAS 34 Intermediate Financial Statements.

The simplified intermediate financial statements do not include all the information and elements published in the annual report and must be read with the Company’s financial statements, drawn up as at 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 simplified intermediate financial statements as at September 30th, 2015 are not audited and have not been reviewed by an external auditor.

Transactions in foreign currencies

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

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

The exchange rates of the main foreign currencies were as follows:

Currency	September 30 th , 2015	December 31 st , 2014	Variation
Euro (EUR)	4,4167	4,4821	-1,46%
American dollars (USD)	3,9342	3,6868	+6,71%

Economic and financial indicators as at September 2015 (in accordance with the CNVM Regulation no. 1/2006)

Indicator's name	Calculation modality	MU	September 30 th , 2015
Current liquidity indicator	Current assets/ Current liabilities	ratio	1,20
Indebtedness indicator	Borrowed capital/Equity x 100	%	30,73*
	Borrowed capital/Capital employed x 100	%	23,51*
Customer-debts rotation speed	Average customers balance/Turnover x 270	days	81,76
Intangible assets rotation speed	Turnover/Fixed assets	ratio	0,92

* Capital employed includes credit lines, short and long-term bank loans, long-term commercial loans, short and long-term liabilities from financial leasing agreements.

Other notes

On 17.07.2015, the process related to the purchase of the shares of GIANT Prodimpex SRL Ungheni, Tax Identification Number RO6564319. The transaction was approved through the Decision no. 7 of 30.04.2015 by the Ordinary General Meeting of the Shareholders and was implemented through the Decision no. 29/15.05.2015 of the Management Board. Following the purchase process, VRANCART SA Adjud owns 100% of the shares of GIANT Prodimpex SRL Ungheni.

The company VRANCART SA had a positive cash flow of 1.947.590 lei as at 30.09.2015 and has no outstanding debts to the public budgets or to its private partners.

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

Subsequent events

The Company's Management Board gathered during the meeting held on 03.11.2015 convened the Extraordinary General Meeting of the Shareholders on December 16th, 2015, at 11, with the following agenda:

The approval of the amendment of the Articles of Incorporation of VRANCART SA Adjud, as follows: art. 5 of the Articles of Incorporation shall be supplemented by the following secondary areas of activity:

- 2221 - Manufacture of plastic plates, sheets, tubes and profiles
- 2222 - Manufacture of plastic packing goods
- 3511 - Production of electricity
- 3512 - Transmission of electricity
- 3530 - Steam and air conditioning supply

Management's statement

According to our best information available, we confirm that the simplified intermediate financial statements for the period ended on September 30th, 2015, drawn up in accordance with the International Financial Reporting Standards, provide an accurate and compliant view on the Company's statement of assets, liabilities, financial position and statement of revenues and expenditures, as provided by the applicable accounting standards, and that the statement of operational performance and the information presented in this report provide an accurate and fair view of the main events that occurred during the first nine months of the financial year and of their impact onto the simplified intermediate financial statements.

CIUCIOI Ionel-Marian
Management Board President



ARSENE Vasilica-Monica
Financial Manager