



S.C. CONTED S.A.

Confecții textile

Str. 1 Decembrie 1918 nr. 8, Dorohoi, jud. Botoșani, Cod poștal: 715200, România
C.I.F.: RO 622445, Nr. ORC: J07/107/1991, TEL/FAX: 0231610064/0231610026
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**QUARTERLY REPORT
CORRESPONDING TO THE 1ST QUARTER OF 2018**

A. Concluded in accordance with the provisions of Regulation C.N.V.M. no. 1/2006 regarding the issuers and security operations

Report date: 15.05.2018

Name of the company: S.C. CONTED S.A.

The registered office: Dorohoi, str. 1 Decembrie no. 8, Botosani County

Registered at the Trade Register Office: J07/107/1991

Sole Registration Code: RO 622445

NACE code: 1413 - Manufacture of other outerwear

Subscribed and paid-up share capital: 2 284 360.06 RON

Regulated market for the trading: Bucharest Stock Exchange – Standard Category

CNTE trading symbol

Overview of the important events that happened during the relevant term and their impact on the issuer's financial statement.

During the relevant term, important events that affect the financial situation of the company occurred.

In accordance with legal provisions and the articles of incorporation, within the Board of Directors meeting from 24.01.2018, it was approved the convening of the Ordinary General Meeting of Shareholders for the closing of the financial year 2017, which has carried out its work on the date of first convening from 21.04.2018 with a 66.51% presence from all the shareholders and approved by the unanimous represented vote, all the decisions proposed by the Board of Directors.

The data concerning the conduct of the Ordinary General Meeting of Shareholders were presented in the current Report submitted to the Financial Supervisory Authority and the Bucharest Stock Exchange and published on the company website on 23.04.2018.

Within the meeting of the Board of Directors from 19.04.2018, the Board of Directors members analyzed the financial year result registered on 31.03.2018, and approved the Individual interim financial statements prepared in accordance with the International Financial Reporting Standards adopted by the European Union under the Ministry of Finance Order No. 2844 of 12.12.2016.

The textile garments ensured during the analyzed term a turnover of 2,704,741 lei, 1,544,401 lei smaller than the result registered during the same period of the last year 2017.

In its structure, the turnover was mainly accomplished by the sale of its own production, on 99% rate, the value of export sales representing 70.03%, and domestic sales value represent of 29.97% of the turnover.

During January - March, 2018, the activity developed by S.C. CONTED S.A. ended with a loss amounting (388,371) lei, than the same period of the last year, when a gross profit amounting 290,453 lei was registered.

- The net turnover registered on 31.03.2018 is 2,704,741 lei, 36.35% smaller than the same period of the previous year, when the amount of 4,249,142 lei was registered.
- The total volume of incomes on 31.03.2018 was 2,808,248 lei, representing a decrease of 30.98% compared to the total incomes obtained during the same period of 2017, amounting 4,068,811 lei.
- The total volume of expenses is 3,196,619 lei, meaning a decrease of 15.40% compared to the same period of 2017 year, when the amount of 3,778,358 lei was registered.



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- *The exploitation incomes*, amounting 2,802,194 lei decreased on 31.03.2018 by 30.98% compared to the same period of the previous year, when we registered 4,059,788 lei, and the *exploitation expenses* amounting 3,187,405 lei decreased by 15.24% compared to 31.03.2017 when they amounted 3,760,439 lei.

The exploitation activity finished by a loss amounting (385,211) lei, despite the same period of 2017 year, finished by a gross profit of 299,349 lei. From the total of exploitation incomes, the highest rate represents the sold production, and, with respect to the exploitation incomes, the highest rate represents the expense for the staff, amounting 2,920,360 lei, representing 91.62% of the total of exploitation expenses.

- *The expenses for the staff*, amounting 2,920,360 lei, decreased by 6.93%, compared to the same period last year, when the amount of 3,137,809 lei was registered.
- *The financial incomes* amounting 6,054 lei result by the interest incomes and income from exchange rate differences.
- *The financial expenses* amount 9,214 lei and result by other financial expenses (adverse rate of exchange differences). Therefore, the financial result is loss the amount (3,160) lei, compared to the same period of the previous year, when we registered is loss amounting (8,896) lei.

On 31.03.2018, was an decrease of the average number of employees was registered, compared to the same period of 2017 year, from 425 to 365 employees.

At the end of the period, the cash has an increase by 545,827 lei, compared to the beginning of the reporting period, due to the net cash deriving from the exploitation activities. The net cash on March 30th, 2018 is recording an decrease to the amount of 1,151,394 lei, compared to the same period of the previous year.

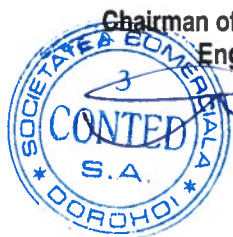
General description of the financial statement and the issuer's performances, corresponding to the reference term

The financial statement and the performances of company, corresponding to the 1st quarter of 2018 are shown by the Individual interim financial statements prepared in accordance with the International Financial Reporting Standards adopted by the European Union under the Ministry of Finance Order No. 2844 of 12.12.2016 the non-audited.

B. Economical - financial indicators issued on the 1st quarter of 2018

Name of indicator	Calculation method	March 31, 2018
1. Current liquidity indicator	Current assets/Current debts 5,372,821 / 1,063,897	5.05
2. Indebtedness degree indicator	Borrowed capital/Own capital x100 0 / 9,219,076 x 100	0
3. Debit rotation speed - clients (no. of days)	Client average sold/Turnover x 90 1,702,425 / 2,704,741 x 90	56.65
4. Rotation speed of frozen assets (no. of rotations)	Turnover/Frozen assets 2,704,741 / 5,136,829	0.53

General Manager,
Ec. Manuel Popa



Chairman of the Board of Directors,
Eng. Manole Popa

Chief Economic Office,
Ec. Mihai Elena