

AEROSTAR S.A. BACAU
Preliminary financial results of the year 2018

Year 2018 in key figures

	UM	31.12.2018	31.12.2017	31.12.2016
Registered capital	thousand lei	48.729	48.729	48.729
Turnover	thousand lei	353.413	340.172	356.219
- Export sales	thousand lei	267.382	258.390	255.274
The effective number of personnel, of which:	no.	1.969	2.100	2.164
- Own employees	no.	1.855	1.953	1.878
- Employees attracted through temporary labour agent	no.	114	147	286
Gross profit	thousand lei	87.420	58.787	65.865
Net profit	thousand lei	79.921	53.170	56.472
Cash - flow	thousand lei	167.545	163.886	163.153
General liquidity	thousand lei	9,71	7,03	4,74
Expenses for investments from company sources	thousand lei	28.798	23.447	19.498

‘AEROSTAR’ SHARES (ARS)

The main characteristics of the real estate values issued: 152.277.450 shares, nominative, ordinary, of equal value, paid integrally, issued in dematerialized form and highlighted by registration in the Register of Shareholders.

This is managed by the S.C. Depozitarul Central S.A. Bucuresti.

The issuer AEROSTAR S.A. Bacau is registered with the following data: Individual Identification Number 950531, ISIN ROAEROACNOR5 code, ARS stock exchange symbol, the issued shares being all in the standard category.

	year 2018	year 2017	year 2016
Number of shares	152.277.450	152.277.450	152.277.450
Nominal value per share (lei)	0,32	0,32	0,32
Price at the end of the year (lei)	4,85	4,70	3,27
Stock exchange capitalization (lei)	738.545.633	715.704.015	497.947.262
Maximum price (lei)	5,36	4,78	3,27
Minimum price (lei)	4,65	3,25	2,24
Preliminary Result per share (lei)	0,525	0,349	0,371

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FINANCIAL PERFORMANCE (thousand lei)

	31.12.2018	31.12.2017	31.12.2016
• Total revenues	379.051	359.924	372.807
• Total expenses	291.631	301.137	306.942
• Gross Profit	87.420	58.787	65.865

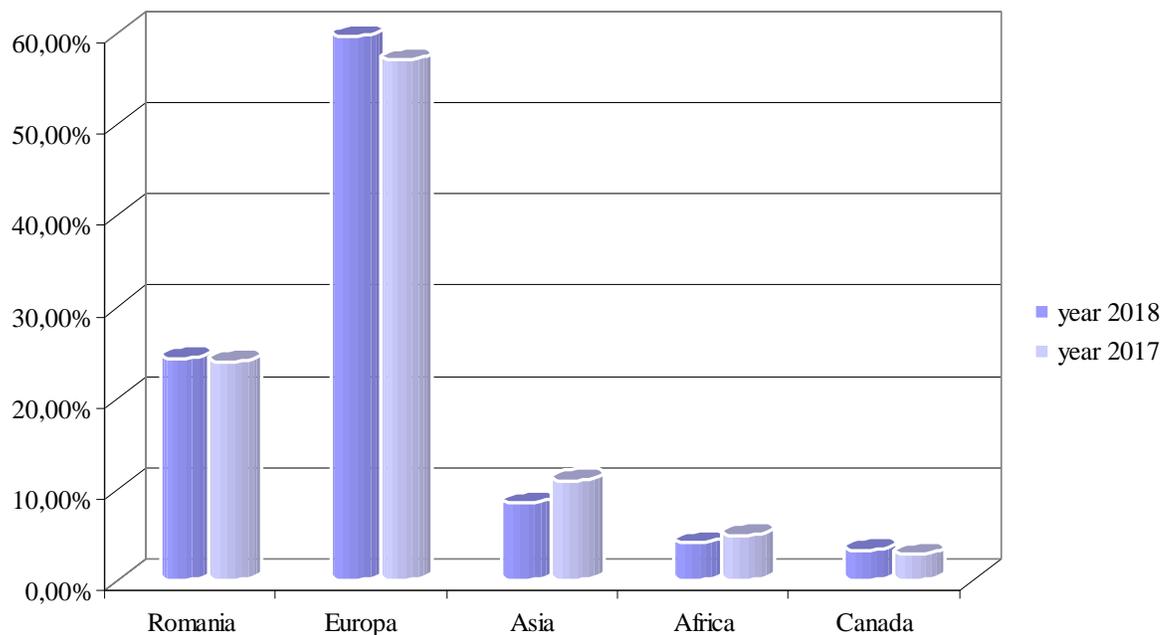
FINANCIAL POSITION (thousand lei)

	31.12.2018	31.12.2017	31.12.2016
• Imobilized Assets (net value)	156.876	153.686	154.397
• Circulating assets	318.289	278.451	256.174
• Registered capital	48.729	48.729	48.729
• Company capitals	315.139	252.967	213.908
• Total Debts	48.872	52.331	57.905

Commercial aspects in the business of 2018

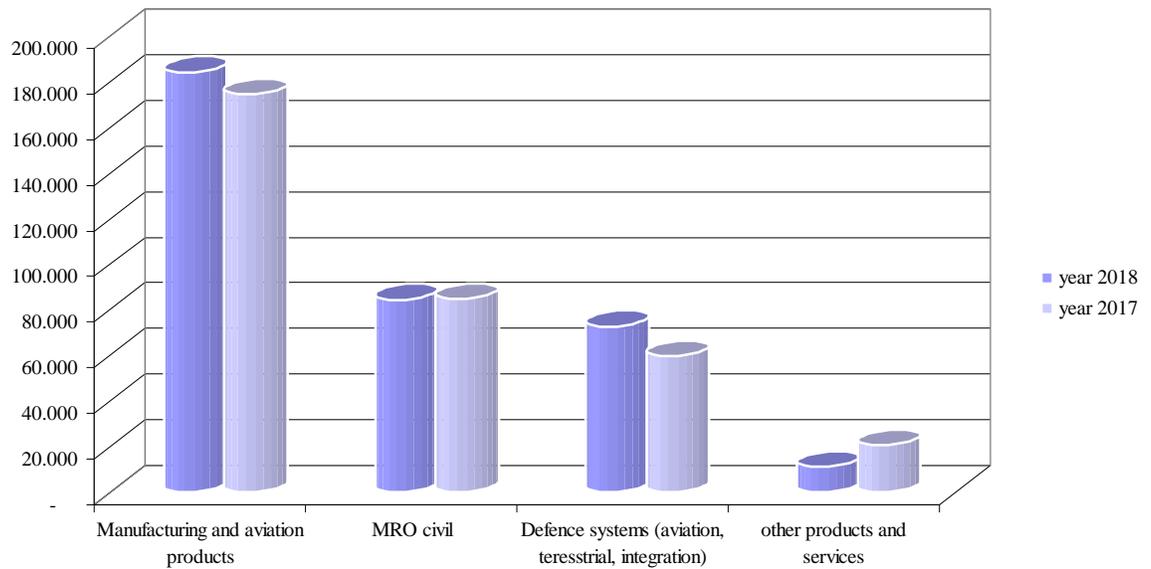
In year 2018 AEROSTAR had sales in the amount of 353.413 thousand lei, from which 267.382 thousand lei were export sales, with a large customer diversity, in a big number of different production programs.

Aerostar sales are realised on a global market of large geographical extent both in the civil and defence field.

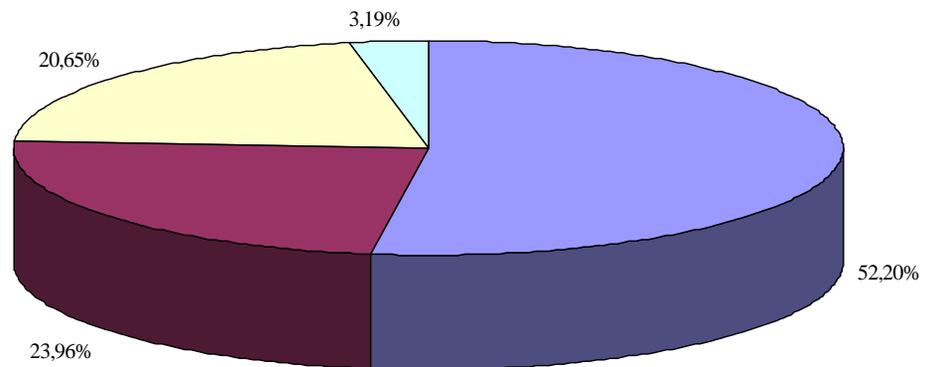


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Comparative evolution of the sales on products and services (thousand lei) confirm the marked tendencies:



AEROSTAR's percentage business in total sales on 2018



■ Manufacturing and aviation products ■ MRO civil □ Defence systems (aviation, terrestrial, integration) □ other products and services

**PRELIMINARY INDIVIDUAL STATEMENT OF THE FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
(unless specified otherwise , all amounts are stated in thousand lei))**

	December 31 st , 2018	December 31 st , 2017
ASSETS		
Immobilized assets		
Tangible immobilizations	147.763	144.613
Intangible immobilizations	1.043	1.858
Real estate immobilizations	7.930	6.987
Financial immobilizations	140	228
Total immobilizations Assets	156.876	153.686
Circulating assets		
Inventories	82.368	67.925
Commercial receivables and other receivables	68.376	46.640
Cash and cash equivalents	167.545	163.886
Total circulating assets	318.289	278.451
Receivables regarding deferred income tax	11.132	10.564
Expenses in advance	504	491
Total assets	486.801	443.192
COMPANY CAPITALS AND DEBTS		
Capital and reserves		
Share capital	48.729	48.729
Current result	79.921	53.170
Result carried forward	58.324	57.524
Other reserves	166.395	110.843
Debts/Receivables regarding tax on deferred profit recognize on the account of company capitals	(12.195)	(7.961)
Distribution of profit for legal reserve	(26.035)	(9.338)
Total company capitals	315.139	252.967
In advance revenues		
Subsidies for investments	10.239	12.677
Revenues registered in advance	-	28
Total in advance revenues	10.239	12.705
Long-term debts		
Debts regarding deferred income tax	16.055	12.690
Other long-term debts	45	51
Total long-term debts	16.100	12.741
Long-term provisions	95.796	75.825
Current debts		
Commercial debts	21.197	29.515
Debts with current income tax	2.357	1.522
Other current debts	9.218	8.553
Total current debts	32.722	39.590
Short-term provisions	16.755	49.364
Total provisions	112.551	125.189
Total debts	48.872	52.331
Total company capitals, income in advance, debts and provisions	486.801	443.192

PRELIMINARY INDIVIDUAL STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
(unless specified otherwise , all amounts are stated in thousand lei))

	31 December 2018	31 December 2017
Revenues from sale	353.413	340.172
Other revenues	3.473	3.632
Revenues related to the inventories of products and production in progress	12.528	10.420
Revenues from production of immobilizations	1.645	1.287
Total revenues from operations	371.245	355.511
Expenses		
Material expenses	(124.124)	(128.002)
Expenses with employee benefits	(114.974)	(108.629)
Expenses with amortization of immobilizations	(25.307)	(24.275)
Influence of adjustments on circulating assets	(5.106)	1.337
Influence of adjustments on provisions	12.638	(945)
Expenses related to third party services	(26.659)	(30.629)
Other expenses	(4.636)	(4.228)
Total Expenses for Operations	(288.168)	(295.371)
Profit from Operations	83.077	60.140
Financial income	7.806	4.413
Financial expenses	(3.463)	(5.766)
Financial profit/loss	4.343	(1.353)
Profit before tax	87.420	58.787
Tax on current and deferred profit	(7.499)	(5.617)
Net profit of the financial year	79.921	53.170

**PRELIMINARY OTHER ELEMENTS OF THE GLOBAL RESULTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
(unless specified otherwise , all amounts are stated in thousand lei))**

	31 December 2018	31 December 2017
Net profit of the financial year	79.921	53.170
Deferred income tax recognized on the account of company capitals according to OMFP 2844/2016	(3.435)	(406)
Other elements of global result	(3.435)	(406)
Total global result of the year	76.486	52.764

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PRELIMINARY INDIVIDUAL STATEMENT OF COMPANY CAPITALS MODIFICATIONS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
(unless specified otherwise , all amounts are stated in thousand lei))

	Share capital	Reserves	Deferred income tax recognized on company capitals	Result carried forward	Result of the year	Total company capitals
Global result						
A. Balance on January 1st2018	48.729	110.843	(7.961)	57.524	43.832	252.967
The profit of the year					79.921	79.921
Other elements of global result						
Deferred income tax recognized on the account of the company capitals			(4.235)	800	-	(3.435)
Distribution of profit for year 2017 on the destinations decided by the shareholders in AGOA from the April 19 th 2018				43.832	(43.832)	-
Distribution of profit from 2018 for the legal reserves in gross amount		26.035			(26.035)	-
Total global result of the year 2018		26.035	(4.235)	44.632	10.054	76.486
Reserves distributed from the profit of the year 2017		29.518		(29.518)		-
Dividends paid from the profit of the year 2017				(14.314)		(14.314)
Transactions with the shareholders directly recognized on company capitals		29.518		(43.832)		(14.314)
B. Balance on December 31th 2018	48.729	166.396	(12.196)	58.324	53.886	315.139

PRELIMINARY INDIVIDUAL STATEMENT OF TREASURY CASH FLOW (direct method)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
(unless specified otherwise , all amounts are stated in thousand lei)

	December 31th 2018	December 31th 2017
TREASURY CASH FLOWS FROM OPERATIONS		
received from customers	352.279	347.140
taxes and excises recovered from State Budget	5.329	5.824
payments to suppliers and employees	(253.029)	(250.453)
payment of taxes, contributions and dues to State Budget	(50.851)	(52.366)
payment of profit tax	(7.275)	(8.342)
NET CASH FROM OPERATIONS	46.453	41.803
TREASURY CASH FLOWS FROM INVESTMENT ACTIVITIES		
interest collected from bank deposits	3.057	530
collected dividends from affiliated companies	202	189
collected from sales of tangible immobilizations	18	90
interest collected from loans granted	5	6
instalments collected from loans granted	59	4
payments for purchasing of tangible and intangible immobilizations	(32.669)	(27.597)
NET CASH USED IN INVESTMENT ACTIVITIES	(29.328)	(26.778)
TREASURY CASH FLOWS FROM FINANCING ACTIVITIES		
paid dividends but unclaimed, recovered	47	73
gross dividends paid	(13.658)	(13.289)
NET CASH USED IN FINANCING ACTIVITIES	(13.611)	(13.216)
Net increase of the cash and of cash equivalents	3.514	1.809
Cash and cash equivalents at the beginning of the year	163.886	163.153
Effect of the exchange rate variation over the cash and cash equivalents	146	(1.076)
Cash and cash equivalents at the end of the year	167.545	163.886

General Director,
GRIGORE FILIP

Financial Director,
DORU DAMASCHIN