



SEVERNAV S.A.

SHIPYARD

DROBETA TURNU SEVERIN



Raport semestrial pentru semestrul I 2016 / Quarterly report Q1 2016

Raportul semestrial conform Regulamentul nr. 11 din data 24.09.2015 / Quarterly report according to the Regulations no. 11 dated 24.09.2015

Data raportului / Date of the report: 09.08.2016

Situatii financiare 30.06.2016: neauditata

Denumirea societății comerciale / Company name: SC SEVERNAV SA

Sediul social / Head office: Calea Timisoarei nr. 204, Dr. Tr. Severin, Judetul Mehedinti

Numărul de telefon/fax / Phone / fax number: 0252/308000; 0525/314675

Codul unic de înregistrare la Oficiul Registrului Comerțului / Fiscal Code: 1606030

Număr de ordine în Registrul Comerțului/ Trade Register number: J25/3/1990

Capitalul social subscris și vărsat / Subscribed and paid share capital: 12.603.865 lei

Piața reglementată pe care se tranzacționează valorile mobiliare emise / Trade market where shares are traded: ATS

I. SITUATIA ECONOMICO FINANCIARA / ECONOMIS AND FINANCIAL SITUATION

1.1 SITUATIA ACTIVEI IMOBILIZATE (LEI)/ FIXED ASSETS SITUATION (LEI)

Denumirea activului imobilizat / Name of the fixed asset	Valoare bruta / Gross value		Valoare contabila neta / Net accounting value	
	Sold la / Balance at 30.06.2015	Sold la / Balance at 30.06.2016	Sold la / Balance at 30.06.2015	Sold la / Balance at 30.06.2016
0	1	2	3	4
a) Imobilizari necorporale / Non tangible assets				
Cheltuieli de constituire si dezvoltare,/ Setting-up and development expenses	-	-	-	-
Concesiuni, brevete, licente, marci, alte imobilizari necorporale / Patents, concessions, commercial resources	452.680	469.972	4.489	2.882



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Avansuri si imobilizari necorporale in curs / Advances and intangible assets in progress	-	-	-	-
Total imobilizari necorporale / Total non tangible assets	452.680	469.972	4.489	2.882
b) Imobilizari corporale / Tangible assets				
Terenuri si amenajari teren / Land and land development	60.066.211	60.066.211	60.066.211	60.066.211
Constructii / Buildings	28.044.937	28.888.447	26.951.111	27.132.140
Echipamente tehnologice si masini / Technological equipment and machinery	20.335.057	21.721.532	2.807.734	3.722.268
Alte imobilizari corporale / Other tangible assets	174.907	182.984	79.731	75.926
Avansuri si imobilizari in curs / Advances and in progress assets	0	120.000	0	120.000
Total imobilizari corporale / Total tangible assets	108.621.112	110.979.171	89.904.787	91.116.545
c) Imobilizari financiare / Financial assets	0	19.397	0	19.397
Total / Total	109.073.792	111.468.540	89.909.276	91.138.824

Pe intervalul de timp analizat, iunie 2015 - iunie 2016, santierul a investit in modernizarea unor cladiri si achizitia echipament nou. Activul imobilizat, destinat constructiilor de nave, inregistreaza la 30.06.2016 urmatoarele valori brute:

- Terenuri in suprafata de 312.966,94 mp, si cu o valoare actualizata la piata de 60.066 mii.lei, reprezentand 54% din totalul activelor imobilizate;
- Constructii cu o valoare actualizata la piata de 28.888 mii.lei, reprezentand 26% din activul total imobilizat;
- Echipamente tehnologice si masini cu o valoare bruta de 21.722 mii.lei, reprezentand 20% din activul total imobilizat;

During the surveyed period of time, June 2015- June 2016, the yard has invested in modernizing some buildings and buying new equipment. The fixed assets meant for shipbuilding have registered the following gross values at 30.06.2016:

- A surface of 312.966,94 qm of land with a recalculated market value of 60.066 klei, representing 54% of total non-current assets;
- Buildings with a recalculated market value of 28.888 klei, representing 26% of total non-current assets;
- Technological equipment and machinery with a gross value of 21.722 klei, representing 20% of total non-current assets.

Fata de Iunie 2015, valoarea bruta a cladirilor a crescut cu 844 mii.lei, iar valoarea bruta a echipamentelor de lucru a crescut cu 1.386 mii.lei.

Compared to June 2015, the gross value of the buildings has increased with 844 klei, and the gross value of technological equipment has increased with 1.386 klei.



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1.2. SITUATIA ACTIVELOR CIRCULANTE / CURRENT ASSETS' SITUATION

a) *Situatia stocurilor a fost urmatoarea (lei) / Stocks situation has been as follows (lei):*

Denumire / Name	30.06.2015	30.06.2016
Materii prime si materiale consumabile / Raw materials and consumables	7.205.015	6.668.389
Productie in curs de executie / Production in progress	6.072.426	3.993.430
Produse finite si marfuri / Finished goods and merchandise	0	0
Avansuri pentru cumparari stocuri / Advances for stocks	37.011	1.965.321
TOTAL	13.314.452	12.627.140

Actiunile circulante nu au inregistrat modificari semnificative, pastrand relativ aceeasi dinamica cu a veniturilor./ Current assets didn't register significant changes, relatively maintaining the same evolution as the income.

Stocurile de materii si materiale au reprezentat 53% din totalul activelor circulante inregistrate la 30.06.2016./ The stocks of raw materials and consumables represented 53% out of the total current assets registered at 30.06.2016

Productia in curs de executie in valoare de 3.993 mii.lei se refera la navele lansate in executie, cu termen de livrare pana la sfarsitul anului 2016. / The production in progress, in value of 3.993 klei refers to vessels launched into production to be delivered by the end of 2016.

b) *Situatia creantelor (lei) / Receivables situation (lei)*

Valoarea creantelor inregistrate de societate este urmatoarea:/ The company's receivables are as follows:

	Creante / Receivables	Sold la / Balance at 30.06.2015	Sold la / Balance at 30.06.2016
1	Creante comerciale-cu entitatile afiliate / alte parti legate / Commercial receivables – including affiliated entities / other involved parties	0	0
2	Creante comerciale – terti / Commercial receivables – third parties	2.681.659	6.276.456
	Total creante comerciale / Total commercial receivables	2.681.659	6.276.456
3	Provizioane creante comerciale / Provisions commercial receivables	(410.043)	(56.206)
4	Creante comerciale, net / Net commercial receivables	2.271.616	6.220.250
5	Alte creante / Other receivables	634.053	420.968



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6	Provizioane alte creante / Other receivables provisions	(166.585)	(147.233)
7	Alte creante, net / Net other receivables	467.468	273.735
8	Total creante comerciale si alte creante / Total other commercial receivables and other receivables	2.739.084	6.493.985

Creantele societatii la 30.06.2016 in valoare de 6.494 mii.lei au crescut conjunctural fata de perioada precedenta, urmare a incasari unor avansuri pentru noi contracte comerciale si livrarea unei nave.

The company's receivables in value of 6.494 klei at 30.06.2016 have increased compared to the previous period due to the cashing of advances for new contracts and the delivery of one vessel.

In creante comerciale – terti in cea mai mare parte este inclusa contravaloarea a trei avansuri pentru trei corpuri de nava, contravaloarea unei nave lansate la apa si facturate in luna iunie 2016 si incasate in luna iulie 2016.

Commercial receivables – third parties mostly include 3 advances for 3 hulls, the value of a vessel launched and invoiced in June 2016 and cashed in July 2016.

In structura altor creante sunt incluse, in principal: TVA de recuperat de la bugetul statului 240.089 lei (solicitat la compensare cu obligatiile catre stat), TVA neexigibila 30.182 lei, concedii medicale de recuperat 2.631 lei, debitori diversi, etc. In cazul debitorilor cu recuperare incerta au fost constituite provizioane in suma de 147.233 lei.

In other receivables are included mainly: receivable VAT from the state budget 240.089 lei (requested for compensation with state budget obligations), VAT under settlement 30.182 lei, medical leaves receivables 2.631 lei, sundry debtors, etc. For debtors with uncertain recovery provisions have been made in value of 147.233 lei.

1.3. CASA SI CONTURI LA BANCII / PETTY CASH AND BANK ACCOUNTS

	Sold la / Balance at 30.06.2015	Sold la / Balance at 30.06.2016
Disponibil la banci in lei / Cash at banks in lei	142.249	45.367
Disponibil la banci in devize / Cash at banks in lodgements	1.690.263	1.571.648
Numerar in casierie – lei / Petty cash - lei	838	2.577
Numerar in casierie – valuta / Petty cash – foreign currency	-	-
Avansuri / datorii in legatura cu personalul/alte valori / Advances / personnel debts / other values	174	15.529
Total	1.833.524	1.635.121

Soldul disponibilitatilor banesti in sold la iunie 2016 este de 1.635 mii.lei, de utilizat pentru activitatile curente de productie. / The cash balance for June 2016 is 1.635 klei, to be used for current production activities.



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1.4. SITUATIA DATORIILOR SOCIETATII / COMPANY'S DEBT SITUATION

La data de 30.06.2015 societatea a inregistrat datorii dupa cum urmeaza (lei):
At 30.06.2015 the company was registering the following debts (lei):

	Datorii / Debts	Sold la / Balance at 30.06.2015	Sold la / Balance at 30.06.2016
1	Imprumuturi din emisiunea de obligatiuni / Debenture loans	0	0
2	Sume datorate institutiilor de credit / Amounts owed to credit institutions	13.164.741	16.213.811
3	Avansuri incasate in contul comenzilor / Advances cashd for orders	3.680.865	3.050.763
4	Datorii comerciale - furnizori entitati afiliate si alte parti legate Commercial debts – suppliers, affiliated entities and other connected parties	2.937.218	2.937.218
5	Datorii comerciale - furnizori terti / Commercial debts – third party suppliers	2.356.741	2.698.595
6	Efecte de comert de platit / Commercial effects to be paid	0	0
7	Sume datorate entitatilor afiliate / Amounts owed to related parties	0	0
8	Sume datorate entitatilor cu interese de participare / Payables to entities with participating interests	0	0
9	Datorii fata de bugetul statului / Debts to the state budget	2.566.405	1.638.930
10	Alte datorii / Other debts	527.755	1.499.470
11	Total	25.233.725	28.038.787

Se constata fata de perioada anterioara o crestere totala a indatorarii cu 2.805 mii.lei, in principal pe seama creditului bancar angajat pentru executia contractelor comerciale incheiate. Acest supliment de indatorare se regasteste in activele curente destinate constructiei de nave.

Compared to the previous period we can notice an increase of indebtness by 2.805 klei, mainly caused by the credit facilities contracted with the bank for the fulfilment of the signed contracts. This indebtness supplement can be found in current assets for ship building.

Structura datoriilor la 30.06.2016 este:

- 58% sunt credite curente catre banci. Din acestea 1.234 mii lei sunt credite angajate pentru investitii in echipament de productie, 972 mii lei linie de credit pentru activitatea curenta, 2.466 mii lei linie de credit pentru avansuri furnizori materii prime si 11.542 mii.lei sunt credite angajate pentru productie, in cadrul contractelor comerciale incheiate;
- 11% sunt creante curente incasate sub forma de avansuri de la clienti (clienti creditor), inregistrate tranzitoriu in datorii pana la livrarea navelor;
- 21% sunt datorii fata de furnizori;
- 6% sunt datorii curente fata de bugetul statului;
- 4% sunt alte datorii curente (salarii personal, retineri salariale, etc)



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The debt structure at 30.06 2016 is as follows:

- 58% are bank loans. 1.234 klei out of them are investment loans for production equipment, 972 klei credit line for current activity, 2.466 klei credit line for raw material suppliers' advances and 11.542 klei are credit facilities for production, for the signed contracts;
- 11% are receivables cashed as advances from clients (advance payments from clients), temporarily registered in debts until delivery of the vessels;
- 21% are debts towards suppliers;
- 6% are current debts toward the state budget;
- 4% are other current debts (salaries, wage withholdings, etc)

1.5. SITUATIA CONTULUI DE PROFIT / PROFIT AND LOSS ACCOUNT SITUATION

	Denumirea indicatorilor / Name of the indicators	Exercitiul financiar / Fiscal year		
		30.06.2015	30.06.2016	2016/2015 (%)
1	VENITURI DIN EXPLOATARE / OPERATING INCOME	23.725.218	25.347.483	107%
2	CHELTUIELI DE EXPLOATARE, din care: / OPERATING EXPENCES, out of which:	22.733.607	25.441.840	112%
	a) Cheltuieli cu materiile prime și materialele consumabile / Raw materials, consumables and other materials expenses	9.446.180	13.087.377	139%
	b) Cheltuieli externe (cu energie și apă) / External expenses (with electricity and water)	533.447	531.548	100%
	c) Cheltuieli privind mărfurile / Merchandise expenses	190	0	-
	d) Cheltuieli cu personalul / Personnel expenses	7.016.164	7.940.956	114%
	e) Ajustări de valoare privind imobilizările corporale și necorporale / Adjusted value regarding tangible and intangible assets	585.655	651.982	112%
	f) Ajustări de valoare privind activele circulante / Adjusted value regarding current assets	-3.736	-30.837	-
	g) Cheltuieli privind prestațiile externe / External services expenses	2.632.092	2.528.797	96%
	h) Cheltuieli cu alte impozite, taxe și vărsăminte asimilate / Expenses regarding other income taxes, taxes and related payments	293.408	372.400	127%
	i) Ajustări privind provizioanele / Adjusted value regarding provisions	0	0	-
3	PROFIT DIN EXPLOATARE / OPERATING PROFIT	991.611	-94.357	-
4	VENITURI FINANCIARE / FINANCIAL INCOME	429.355	289.048	67%
5	CHELTUIELI FINANCIARE / FINANCIAL EXPENSES	926.221	799.431	86%
6	PIERDERE FINANCIARA / FINANCIAL LOSS	-496.866	-510.383	103%
7	Impozitul pe profit / Income tax	292.157	0	-
8	PROFIT NET / NET PROFIT	202.588	-604.740	-



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Severnav SA a inregistrat in semestrul I 2016 un rezultat negativ (pierdere) in suma de 605 mii.lei. Pierderea este datorata suplimentarii cheltuielilor cu personalul nou angajat, directionat pentru dezvoltarea zonelor de inginerie navala, urmarirea si certificarea sistemului de calitate. Se estimeaza ca aceste cheltuieli urmeaza sa fie amortizate in semestrul II 2016 din veniturile suplimentare programate a se obtine din dezvoltare si reducerea costurilor cu calitatea.

Severnav SA has registered during the 1st quarter of 2016 a negative result (loss) in amount of 605 klei. The loss is caused by the increase of personnel expenses due to new hired personnel meant to develop the shipbuilding engineering, the certification and follow up of the quality system. We estimate that those expenses will be fully depreciated during the 2nd quarter of 2016 from the additional income planned to be obtained from development and the decrease in quality concerning expenses.

Venituri totale din exploatare realizate in anul 2016 in valoare de 25.347 mii.lei au crescut cu 7% fata de veniturile realizate in anul 2015. In aceeasi perioada cheltuielile din exploatare au fost in suma de 25.442 mii.lei, in crestere cu 12% fata de cele ale anului 2015. Se observa o crestere a cheltuielilor cu 5% fata de venituri.

Total 2016 production income, in value of 25.347 klei, have increased by 7% compared to the 2015 income. During the same period the production expenses have been in the amount of 25.442 klei, increasing by 12% compared to 2015. We can notice a 5% increase of expenses compared to income.

Veniturile financiare, in cea mai mare parte formate din diferente favorabile de curs valutar, au scazut in anul 2016 fata de anul 2015, determinate pe de o parte de evolutia cursului de schimb eur/ron, si pe de alta parte de specificul productiei cu ciclu lung de fabricatie, finantata cu credite bancare. Cheltuielile financiare, in cea mai mare parte costuri financiare cu creditele bancare.

Financial income, mainly caused by positive foreign exchange differences, have decreased in 2016 compared to 2015, due on one hand to the eur/ron exchange rate and on the other hand due to the details of long term cycle production financed by credit facilities. Financial expenses are mainly financial costs of credit facilities.

Se observa ca societatea inregistreaza la 30.06.2016 o pierdere din exploatare de 94 mii lei si o pierdere neta de 605 mii lei.

At 30.06.2016 the company registers an operational loss of 94 klei and a net loss of 605 klei.

II. Analiza activității societății comerciale / The company's activity analysis

Principala activitate desfasurata de SC Severnav SA o reprezinta constructia de nave si structuri plutitoare. / SC Severnav SA's main activity is shipbuilding and building of floating structures.

Ponderea fiecarei categorii de activitati in totalul cifrei de afaceri este urmatoarea:
Each activity's percentage in the total turnover is as follows:

Indicatorul / Indicator	30.06.2015	Ponderea veniturilor in cifra de afaceri / Income share in total turnover(%)	30.06.2016	Ponderea veniturilor in cifra de afaceri / Income share in total turnover (%)
CIFRA DE AFACERI, total, din care: TURNOVER, total, out of which:	18.213.539	100,00%	23.579.339	100%
Venituri din constructia de nave Income from shipbuilding	12.689.059	69,67%	21.924.725	93,00%
Venituri din constructii metalice diverse / Income from various metal constructions	4.817.226	26,45%	743.699	3,16%
Venituri din servicii reparatii nave Income from ship repair services	314.707	1,73%	561.291	2,38%



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Venituri din vanzarea de produse reziduale / Income from the sale of various residual products	390.040	2,14%	349.470	1,46%
Venituri din chirii / Rent income	1.633	0,01%	0	0,00%
Alte venituri / Other income	874	0,00%	154	0,00%

Cea mai mare parte a cifrei de afaceri, 93,00% a fost realizata din vanzarea de nave fluviale, urmata de venituri din constructii metalice diverse 3,16% si veniturile din reparatii nave si structuri plutitoare 2,38%.

Most of the turnover, 93%, has been accomplished out of the sale of inland vessels, followed by income from various metal constructions – 3,16% and income from ships and floating structures repair services – 2,38%.

III. Schimbări care afectează capitalul și administrarea societății comerciale / Changes that reflect upon the share capital and the company's administration

In semestrul I 2016 nu au fost schimbari la nivelul capitalului social al societatii si nici in administrare. During the 1st quarter of 2016 there were no changes in the structure of the share capital of the company, nor in its administration.

Structura actionariatului Severnav SA la 30.06.2016 este urmatoarea:
The Severnav SA share holders structure at 30.06.2016 is as follows:

DENUMIRE ACTIONAR / SHAREHOLDER NAME	NUMAR ACTIUNI / NUMBER OF SHARES	PROCENT / PERCENTAGE %	VALOARE CAPITAL SOCIAL / SHARE CAPITAL VALUE (LEI)
TIRLEA VICTOR	1,587,036	31.4792%	3,967,590
INTERNATIONAL RAILWAY SERVICES SA	1,464,388	29.0464%	3,660,970
MEROLA GIANCARLO MICHELE	1,460,000	28.9594%	3,650,000
PERS. FIZICE	506,989	10.0562%	1,267,472
PERS. JURIDICE	23,133	0,4588%	57,833
TOTAL	5,041,546	100%	12,603,865

Conducerea executiva este asigurata de Tirlea Victor in calitate de director general, Ardelean Ioan Radu – director executiv, Borintis Grigore – director economic.

The executive management is: Tirlea Victor as General Director, Ardelean Ioan Radu as Executive Director, Borintis Grigore as Economic Director.

Societatea este administrata de un Consiliul de Administratie, cu urmatoarea componenta: Tirlea Victor – presedinte, Merola Giancarlo Michele – membru, Grigorie Fanica – membru, Kessler Mihai Alexandru – membru, Negescu Pericle – membru.

The company is administered by the Board of Directors having the following membership: Tirlea Victor – president, Merola Giancarlo Michele – member, Grigorie Fanica – member, Kessler Mihai Alexandru – member, Negescu Pericle – member.



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IV. Tranzacții semnificative / Significant transactions

In semestrul I 2016 nu au avut loc tranzacții semnificative la nivelul societății.
During the 1st quarter of 2016 there have been no significant transactions.

Presedinte Consiliul de Administratie,
President of the Board of Directors
Țirlea Victor



Director Economic,
Economic Director
Borintș Grigore