1. GENERAL INFORMATION

a) Company COMPA - *"Parent Company "*

COMPA is a joint stock company based in Sibiu, 8 Henri Coandă, PC 550234

Field of activity: design, production and sale of components for the manufacture of passenger cars, trucks, buses, trailers, tractors, wagons, locomotives and various industrial machinery, service and technical support.

The main activity, according to CAEN code number is 2932 "Manufacture of other parts and accessories for motor vehicles and motor vehicle engines"

Ownership of company

COMPA is privatized 100% since September 1999. The shareholding structure is as follows:

SHAREHOLDER	NO. OF SHARES	% OF TOTAL CAPITAL
COMPA Employees Association	**119 474 505**	**54.60**
Other shareholders (physical and legal persons – of Romanian or other nationality)	99,346,533	45.40
TOTAL NUMBER OF SHARES	**218 821 038**	**100.00**

The society is open, the shares are traded freely on the Bucharest Stock Exchange in the Standard category, under Symbol CMP.

The company's evolution

By the Government decision nr.1296 / 13.12.1990 the company became COMPA, originating from ***I****ntreprinderea de* ***P****iese* ***A****uto Sibiu (I.P.A. Sibiu)*. *IPA Sibiu* was established in 1969 through the merger of two units: *Elastic Plant* and *Automecanica Plant*.

Since 1991, COMPA was organized in factories workshops, established for product families as cost centers, which in time became profit centers in order to decentralize and facilitate the establishment of joint ventures.

Financial investments of company COMPA S.A. as "*Parent Company"*, representing equity securities as shares or stocks owned in commercial entities are presented in the table below:

Company where capital securities are held	Registered office	Value of securities held by COMPA (Lei)	% Share capital
COMPA IT S.R.L.	Sibiu, 8Henri Coandă, Sibiu county	200, 000	100.00
TRANSCAS S.R.L.	Sibiu, 8Henri Coandă, Sibiu county	1,498,450	99.00
ThyssenKrupp BILSTEIN COMPA S.A.	Sibiu, 8Henri Coandă, Sibiu county	815 148	26.91
RECASERV S.R.L.	Sibiu, 51Henri Coandă, Sibiu county	70,000	70.00
COMPA forwarding S.R.L.	Sibiu, 8Henri Coandă, Sibiu county	980	98.00
TOTAL		**2 584 578**	

The management of the company was provided by a Board of Directors consisting of:

DeacIoan	President and CEO,
Miclea Ioan	Member of the Board and Financial Manager
Maxim Mircea-Florin	Member of the Board
Benchea Cornel	Member of the Board
Veltan Ilie- Marius	Member of the Board

b) Subsidiaries

Company COMPA IT S.R.L. headquartered in Sibiu, 8, Henri Coandă Str., Sibiu county. The company was established in 2001, registered at the Trade Register under no.J32 / 17/2001, VATno. 13656016.

The purpose of establishing was design and implementation of an *Integrated Informational System* for the mother company complying with the existing international standards and ensuring the requirements imposed by the company's organization form on profit centers, as well as assurance of a computer network within the entire company COMPA.

The object of activity, according to CAEN code number is 6201 - "Activities of providing software on request"

The share capital of the company on 31.12.2015 was 200, 000 RON, fully owned (100%) by the Company COMPA S.A.

The company's administrator is Mr. Acu Florin-Stefan.

Company TRANS C.A.S. S.R.L. with headquarters in Sibiu, 8 Henri Coandă Str., Sibiu county. The company was established in 2002, registered at the Trade Register under no.J32 / 633/2002, VAT no. 14836511.The company was intended for outsourcing the transport activity, initially existing within the company COMPA, with the purpose of extending and developing this distinctive activity from the profile of the company COMPA. TRANS C.A.S. S.R.L. currently holds a total of 60 vehicles, of which a significant share is represented by Mercedes tractor trailers, with payload capacity exceeding 20 tones dedicated for the transport of raw materials and finished products for both COMPA and for external customers.

The main activity of the company, according to CAEN code is 4941's "Road transport of goods"

The share capital is 150,000 shares amounting to 1,500,000 RON.

On 31.12.201 5 shareholding structure was as it follows:

The company COMPA S.A. holds a number of 149,845 shares, amounting to 1,498,450 RON.

Maxim Mircea Florin and Mihăilă Daniela as individuals, hold a total number of 155 shares worth 1,550 RON.

The company management is assured by Maxim Mircea - Florin – as administrator.

THYSSEN KRUPP BILSTEIN COMPA S.A. - German-Romanian joint venture with German majority.

The company was established in 1996 by German majority equity participation in order to develop the production of telescopic shock absorbers for cars, mainly for export. It was the first joint venture established in Romania in the field of automotive industry after 1989, registered at the Trade Register with no. J / 1013/1996, VAT no 8497062

The main activity of the company, according to CAEN code number is 2932 "Manufacture of other parts and accessories for motor vehicles and motor vehicle engines"

Social Capital of the company on 31.12.201 5 was 3,029,076 RON, the company's shareholders currently holding the following holdings:

ThyssenKrupp Bilstein GmbH Germany	2,205,828 RON (72.82%)
COMPA SA Sibiu	815,148 RON (26.91%)
Other shareholders (ThyssenKrupp Federn, ThyssenKrupp System Engineering)	8,100 RON (0.27%)

Board of the company on 31.12.201 5 was composed of:

Betea Radu	President, CEO
Heid Rainer	Member
Dr. Kirner Peter Klaus	Member
Deac Ioan	Member
Miclea Ioan	Member

RECASERV S.R.L. company headquartered in Sibiu, 51 Henri Coandă Str., Sibiu county, founded in 2004, registered at the Trade Register with no.J32 / 704/2004, VAT no. 164408228. The purpose of establishing the company was outsourcing within the mother company (COMPA SA) of some activities different from the main business activities such as catering and canteen achieved by operating the canteens inside the company COMPA. By setting the company RECASERV SRL with activity field catering – there were provided conditions for developing this activity by adding secondary services (catering and cleaning services).

The main activity, according to CAEN code is 5629 "Other food service activities", consisting of catering for employees in COMPA SA and other companies in Sibiu, organizing events with catering for companies and schools in Sibiu.

The share capital of the company is 100,000 RON owned by:

Company COMPA S.A. Sibiu, amounting to 70%

Boroş Daniela, amounting to 30%

Company RECASERV S.R.L. Sibiu has a number of 649 100 shares worth 64,910 RON to COMPA SA Sibiu purchased by the BSE, registered in the company's financial statements from April 31.12.2014.

Administrator of the company is Mrs. Boroş Daniela.

Company COMPA EXPEDITII INTERNATIONALE S.R.L. with headquarters in Sibiu, 8 Henri Coandă Str., Sibiu county was established in 2003, registered at the Trade Register with no.J32 / 671/2003, VAT no. 15466492. The aim was to ensure establishment of customs clearance at residence.

The object of activity, according to CAEN code is 5229 (Old code 6340) "Other transportation support activities"

The share capital of the company is 1,000 RON, 100 respective shares held by:

Company COMPA S.A. Sibiu has a total of 98 shares, totaling 980 RON

Moiş Gheorghe, Mircea Maxim Florin, individuals, hold a total number of 2 shares worth 20 RON

The company had no activity since its creation, its activity being suspended.

2. BASIS OF PREPARATION

Declaration of Conformity

The financial statements have been prepared in accordance with International Financial Reporting Standards adopted by the European Union ("EU"). These financial statements are the first financial statements prepared in accordance with International Financial Reporting Standards. The Group adopted IFRS reporting from the financial statements of 2012.

Group's accounting records are maintained in RON in accordance with Romanian Accounting Regulations. Statutory accounts have been restated to reflect the differences between IFRS and Romanian Accounting Regulations. Accordingly, the statutory accounts have been adjusted, where necessary, to bring the financial statements, in all material aspects with IFRS.

Basis of measurement

The individual financial statements have been prepared on a historical cost basis, except for certain tangible assets that are measured at re-valued amount or fair value as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Presentation currency and functional currency

The financial statements presented in Romanian **lei** (RON), rounded to the nearest lion, which is the functional currency of the company.

Use of estimates and judgments

Preparation of financial statements in accordance with IFRS as adopted by the European Union implies the use by management of estimates, judgment and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates and judgments are generally based on historical information and other sources believed to be representative of the situations encountered. Actual results may differ from these estimates.

Estimates and assumptions are reviewed periodically. Revisions to accounting estimates are recognized in the period in which the estimate is revised also in future periods if they are affected.

Modification of estimations does not affect prior periods and is not a correction of an error.

Information about critical judgments in applying the Group's accounting policies whose effect is significant on the amounts recognized in the financial statements included in the notes on:

Tangible and intangible assets – operational life time of tangible assets

Tangible and intangible assets are depreciated over their operational life.

Group management uses judgment in determining the operational life time and the evidence used to determine this life time include technical specifications of equipment, information from commercial contracts that the Group has entered into with customers, history of products sold, market information relating to Group’s products and the ability to adapt their equipment.

Tangible and intangible assets – Adjustments for impairment of tangible assets.

Intangible assets and equipment are analyzed to identify any indications of impairment at balance sheet date.

If the carrying amount of an asset exceeds the recoverable amount, an impairment loss is recognized to reduce the carrying amount of the asset to its recoverable amount. If the reasons for recognizing an impairment loss disappear in subsequent periods, the carrying value of the asset is increased to the net carrying amount that would have been determined had no impairment loss had been recognized.

Evidence that may cause impairment includes a decline in usefulness to society, excessive physical wear, the emergence of new production technologies.

Deferred taxes

Deferred tax assets are recognized as assets to the extent that it is probable that there will be taxable profit that can be covered losses. The Group's management uses judgment in determining the value of deferred tax assets that can be recognized as assets. Management decisions are based on information from commercial contracts that the Group has entered into with customers, market forecasts for the automotive and automotive components.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation generated from a past event it is likely to be required for settlement of the obligation an outflow of resources embodying economic benefits and can be a reliable estimate of the realizable value of the obligation. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation to the end of the reporting period.

The recoverable amount of assets

The evaluation for impairment of receivables is performed individually and is based on management's best estimate of the present value of cash flows expected to be received. The Group reviews its trade and other receivables at each financial position date to assess whether necessary to record in the income statement depreciated value. In particular, management judgment is necessary to estimate the value and coordination of future cash flows when determining the impairment loss.

An impairment loss is recognized if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount.

These estimates are based on assumptions about several factors and actual results may differ, resulting in future changes in adjustments.

3. SIGNIFICANT ACCOUNTING POLICIES

The individual financial statements have been prepared in accordance with International Financial Reporting Standards adopted by the European Union ("EU")

New standards and interpretations in force during the current period and adopted by the company since 1 January 2015

IFRS 10 "Consolidated financial statements" (effective for annual periods beginning on or after 1 January 2014). Replaces totally recommendations on control and consolidation in IAS 27 "Consolidated financial statements" and SIC-12 "Consolidation - Special Purpose Entities ". IFRS 10 modifies the definition of control so that the same criteria are applied to all entities to determine control. The financial statements of the Company are not affected by this standard.

IFRS 11 "Joint ventures" (effective for annual periods beginning on or after 1 January 2014).Replaces IAS 31 "Interests in Joint Ventures" and SIC-13 "Jointly Controlled Entities-monetary – Non-monetary contributions of associates". Modifications of the definitions have reduced the number of "types" of joint commitments to two: joint operations and joint ventures. The option offered by current policy on proportional consolidation for jointly controlled entities has been eliminated. Equity method is binding on the members of the joint venture. The financial statements of the Company are not affected by this standard.

IFRS 12 "Information to be presented regarding interests in other societies" (effective for annual periods beginning on or after 1 January 2014). It applies to entities that have an interest in a subsidiary, a joint commitment, an associate or unconsolidated structured entity this standard replaces the disclosure requirements currently contained in IAS 28 "Investments in Associates". IFRS 12 requires entities to disclose information that helps users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint commitments and unconsolidated structured entities. To achieve these objectives, the new standard require providing information on a range of issues, including judgments and significant assumptions used to determine whether an entity controls, jointly controls or significantly influences its interests in other entities, detailed presentations on participating interests non-controlling activities and cash flows of the group's financial information simplified relating to subsidiaries with controlling interests significantly, and detailed presentations on interests in entities structured unconsolidated. Financial statements of the Company are not affected by this standard. The standard brought about changes in financial statement presentation.

IAS 27 (revised in 2011) "Separate Financial Statements" (effective for periods beginning on or after 1 January 2014). The objective of IAS 27 is to present revised accounting requirements and presentation of investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. Provisions on control were taken over by IFRS 10, Consolidated Financial Statements. The financial statements of the Company are not affected by the revised IAS 27R.

IAS 28 (amended in 2011) "Investments in Associates" (effective for annual periods beginning on or after 1 January 2014). By amendment the accounting of associations classified as "joint ventures" by IFRS 11was incorporated in IAS 28. The financial statements of the Company are not affected by the amendment.

Amendments to IFRS 10, 11, 12 - Consolidated financial statements, joint commitments and presentation of existing interests in other entities: transition guidance **(**effective for annual periods beginning on or after 1 January 2014). The amendments clarify guidelines transition of IFRS 10 and stipulates the exemption from the transition to IFRS 10 "Consolidated financial statements", IFRS 11 "Joint ventures" and IFRS 12 "Information presented on interests in other companies", limiting provisions supply adjusted comparative information only comparative period immediately preceding. Financial statements of the Company are not affected by this amendment.

Amendments to IFRS 10, 11, and IAS 27 - Investment Entities.The amendments define an investment entity and stipulate an exception to the provisions of IFRS 10 consolidation of investment entities. The financial statements of the Company are not affected by this amendment.

Amendments to IAS 32 "Financial Instruments: Presentation" - Offsetting financial assets with financial liabilities (effective for periods beginning on or after 1 January 2014). Amendment brings guidance in applying inconsistencies in the application of practical application of standard provisions related to compensation. This includes clarifying the phrase "has a legal right to compensation" and that some gross settlement systems may be considered equivalent to net settlement. The financial statements of the Company are not affected by the amendment.

Amendments to IAS 36 "Impairment of Assets" - presentations on the recoverable amount for non-financial assets "(effective for periods beginning on or after 1 January 2014); changes have no effect on transactions and balances. The changes brought about changes in financial statement presentation.

Amendments to IAS 39 "Financial Instruments: Recognition and Measurement" innovation of derivatives and continuation of hedge accounting (effective for periods beginning on or after 1 January 2014); Financial statements of the Company are not affected by the amendment.

Standards and Interpretations issued by IASB and adopted by the EU but not yet in force and the Company does not apply earlier

Presently, IFRS as adopted by the EU do not significantly differ from regulations adopted by the International Accounting Standards Board (IASB) except for the following standards, amendments and interpretations to existing standards that have not been approved for use:

Annual improvements brought to IFRSs (cycle 2010-2012) resulting from the annual improvement project of IFRS (IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38) primarily in order to remove inconsistencies and clarify exposure. The company takes into consideration the implications of the amendments, their impact on the financial statements and adoption of their application .

Annual improvements brought to IFRSs (cycle 2011-2013) resulting from the annual improvement project of IFRS (IFRS 1, IFRS 3, IFRS 13 and IAS 40) primarily in order to remove inconsistencies and clarify exposure. The company takes into consideration the implications of the amendments, their impact on the financial statements and the adoption date of their application.

IFRIC 21 "Perception of taxes" provides guidance on the appropriate accounting treatment applicable to contributions coming under International Accounting Standard 37, to improve compare ability for users of financial statements. The company takes into consideration the implications of IFRIC 21, their impact on the financial statements and adoption time of their application.

Amendments to IAS 19 "Benefits for employees". Defined benefit plans: employees' contributions. The amendments aim at simplification and clarifying bookkeeping with regard to employees' contributions or third parties related to defined benefit plans. The company estimates that the financial statements of the company will not be influenced by amendments.

Standards and Interpretations issued by IASB but not yet adopted by the EU

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by the International Accounting Standards Board (IASB) except for the following standards, amendments and interpretations to existing standards that have not been approved for use:

IFRS 9 "Financial Instruments" and subsequent amendments (effective for annual periods beginning according to IASB on or after January 1, 2018). The company takes into consideration the implications of the standard, the impact of the standard on its financial statements and the moment of its adoption.

IFRS 14 "deferral accounts covered" (effective for annual periods beginning according to IASB on or after January 1, 2016). The company considers the implications of the standard, the impact of the standard on the financial statements and the time of its adoption.

IFRS 15 "Revenue from contracts with customers" (effective for annual periods beginning according to IASB on or after January 1, 2017). The company considers the implications of the standard, the impact of the standard on its financial statements and the time of its adoption.

Amendments related to IFRS 10 "Consolidated financial statements" and IAS 28 "Investments in Associates and Joint Ventures - The sale or contribution in assets between the investor and the entity associated or association to venture" (in effect as IASB for annual periods beginning with or after 1 January 2016). The company takes into account the implications of the standard, the impact of the standard on its financial statements and adoption.

Amendments related to IFRS 11 "Common arrangements - Accounting for acquisitions of interests in joint operations" (in effect as IASB for annual periods beginning on or after 1 January 2016).The company considers the implications of the standard, the impact of the standard on the financial statements and the time of its adoption .

Amendments relating to IAS 16 "Property and equipment" and IAS 41 "Agriculture – bearer plants" (in effect as IASB for annual periods beginning on or after 1 January 2016). The company considers the implications of the standard, the impact of the standard on the financial statements and the time of its adoption.

Related amendments to IAS 27 "Financial Statements - equity method in the financial statements" (effective for annual periods beginning according to IASB on or after January 1, 2016).The company considers the implications of the standard, the impact of the standard on its financial statements and time of its adoption.

Amendments related to various standards "Improvements to IFRSs (cycle 2012-2014)" resulting from the annual improvement project of IFRS (IFRS 5, IFRS 7, IAS 19 and IAS 34) primarily in order to remove inconsistencies and clarify exposure (effective for annual periods beginning according to IASB on or after January 1, 2016). The company considers the implications of the standard, the impact of the standard on its financial statements and time of its adoption.

Except as described above, the company provides for the adoption of new standards, revisions and interpretations will not have a significant impact on the financial statements of the Company.

Basis for consolidation

Business Combinations

Business combinations are accounted for using the purchase method at the acquisition date. The acquisition date is the date on which control is transferred to the buyer. Control is the power to determine the financial and operating policies so as to obtain benefits from its activities. In assessing control, the Group considers potential voting rights that are currently enforceable.

Professional judgment is applied to determine the acquisition date and whether the control transferring between the parties has occurred.

The Group assesses goodwill at fair value of the consideration transferred including the recognized value of interests without control in the acquired entity, minus the net amount recognized (fair value) of the identifiable assets acquired and liabilities assumed, all measured at the date of acquisition.

The consideration transferred includes the fair value of assets transferred, liabilities assumed by the Group to the previous shareholders of the acquired entity and equity instruments issued by the Group.

The compensation transferred includes the fair value of contingent compensation.

A contingent liability of the Acquire is assumed in a business combination only if such liability is a present obligation resulting from a past event and its value can be measured reliably.

Controlling interests

The Group assesses interests without control as part owned by minority shareholders in the Acquirer's identifiable net assets.

Transaction costs of the Group relating to a business combination, such as commission for brokering the transaction fees for legal consultancy services, the fees for the services of due diligence and other fees for professional services and consulting are recognized in profit or loss account when incurred.

The revised standard specifies that changes in shareholding of Parent Company in a subsidiary that do not result in loss of control must be recorded as equity transactions. Under the revised standard, acquisitions of interests without control are accounted for as transactions with equity holders in their capacity as owners and as a result of such transactions does not recognize goodwill. The result of these transactions is acknowledged by the Group within "Other reserves".

Branches

Subsidiaries represent all entities which the Group controls. The group controls a wholly owned entity when the entity authority, is exposed and is entitled to variable revenues based on stake and has the ability to lead and authority over the entity to influence the value of these revenues. The subsidiaries included in the consolidation from the date on which control is transferred to the group. Subsidiaries are excluded from consolidation from the date that control ceases. Accounting policies of subsidiaries have been changed where necessary, to be aligned with the policies adopted by the Group.

Investments in associates (investments accounted for using the equity method)

Associates are those entities over which the Group exercises significant influence but not control over financial and operating policies of the entity. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting rights in another entity. Joint ventures are those entities over whose activities the Group exercises joint control established by contractual agreement and requiring a unanimous agreement for taking decisions on financial and operational strategies.

Investments in associates are accounted for using the equity method and are initially recognized at cost. Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses.

The consolidated financial statements include the share for the group of revenues, expenditures and changes in equity of investments accounted for using the equity method, after adjustments to align the accounting policies with those of the Group, from the starting date until the date on which it ceases significant influence or control.

When the share of losses related to the Group exceeds its interest in investment accounted for under the equity method, the book value of the holding, including any long-term investment is reduced to zero and recognition of further losses is discontinued unless the Group has an obligation or made payments on behalf of the investee.

Common commitments:

A shared commitment is a commitment in which two or more parties have joint control. The joint commitments are accounted for using the equity method. Based on the equity method, the investment in a joint arrangement is initially recognized at cost and the carrying amount is increased or reduced in order to recognize the group's profits or losses after acquisition and movement of other comprehensive income. When the part of losses within an association exceeds interests in association, the group does not recognize further losses, unless there are obligations or payments made on behalf of the association.

Earnings not coming from transactions between group and its associations are eliminated within the limit interest group in combination. Losses not realized are also eliminated unless the transaction proves prejudicial transferred asset.

Transactions eliminated on consolidation

Balances and transactions within the Group, and any unrealized profits or losses resulting from intra-group transactions are eliminated from the consolidated financial statements. Unrealized gains on transactions with associates accounted for using the equity method are eliminated in return for investment in the associate. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there are no indications of impairment.

Conversion into foreign currencies

When preparing individual financial statements of the Group, transactions in currencies other than the functional currency of the Group (currencies) are recognized current exchange rates at the dates of the transactions. Monetary items denominated in a foreign currency at the end of the reporting period are translated at exchange rates at that respective date. Non-monetary items carried at fair value that are denominated in a foreign currency are reconverted to current courses at once when the fair value was determined. Non-monetary items that are evaluated at historical cost in a foreign currency are converted at the date of transaction.

Exchange differences resulting from the conversion of monetary items at the end of the reporting period are recognized in profit or loss.

Financial instruments

Non-derivative financial assets

Group recognizes loans and receivables on the date they are generated. All other financial instruments are recognized on the trade date, which is the date when the Group becomes party to the contractual provisions of the instrument.

Financial assets are classified into the following specified categories:

a. Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when the financial asset is either held for trading or is designated in this category by the management group.

A financial asset is classified as held for trading if:

- It has been acquired principally for the purpose of selling in the near future; or
- at initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit collection; or
- is a derivative not designated as effective hedging instrument.

A financial asset other than a financial asset held for trading may be designated as a financial asset at fair value through profit or loss on initial recognition if:

- such designation eliminates or significantly reduces an evaluation or recognition inconsistency that would otherwise arise; or
- financial asset is part of a group of financial assets or financial liabilities or both, which group is run and its performance evaluated on a fair value basis in accordance with risk management and investment strategy of the group and information about the grouping method is provided internally on that basis; or
- It is part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Evaluation allows that the entire combined contract (asset or liability) to be designated as a financial asset at fair value through profit and loss .

Financial assets at fair value through profit or loss are stated at fair value with any gain or loss resulting from the revaluation recognized in profit or loss. Net gain or loss recognized in profit or loss include all dividends or interest earned from financial assets and items included in the category "Financial expenses, net" in the statement of comprehensive income.

b. Investments held to maturity

Held to maturity investments are non-derivative financial assets with fixed or variable payments and fixed maturity dates that the Group has the positive intent and ability to hold to maturity. After initial recognition, investments held to maturity are measured at depreciated cost using the effective interest method less impairment.

c. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than the Group intends to sell immediately or in the near future. Loans and receivables (including trade receivables and other receivables, bank and cash balances, etc.) are measured at depreciated cost using the interest method effective, less any impairment.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

d. Active securities available for sale

Financial assets available for sale are non-derivatives that have either been designated as Financial Supervisory Authority or are not categorized as loans and receivables, held to maturity investments or financial assets at fair value through profit or loss.

Subsequent to initial recognition, financial assets available for sale for which there is an active market are measured at fair value and changes in fair value other than impairment losses, and gains and losses resulting from exchange rate movements on monetary items available for sale. They are recognized directly in equity. When the asset is derecognized, the cumulative gain or loss is transferred to profit or loss.

The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

All purchases and sales of standard financial assets are recognized and derecognized on the trade date. Standard purchases or sales are those purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market.

Recognition

Financial assets are recognized on transaction date. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial claims (others than financial assets and financial receivables at fair value through profit or loss) are added to or deducted from the fair value of financial assets or financial claims, as applicable at initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial claims at fair value through profit or loss are recognized immediately in profit or loss of the individual.

After initial recognition, the Group assesses financial assets, including derivatives that are assets, at fair value without any deduction for transaction costs that may arise from the sale or other disposal, except for loans and receivables, which are measured at amortized cost using the effective interest method investments held to maturity, which are measured at amortized cost using the effective interest method and investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be measured reliably and derivatives that are related, and which must be settled by delivery of such unquoted equity instruments, which are measured at cost.

Impairment of financial assets

Financial assets, except for financial assets at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered impaired when there is evidence that objectives that following one or more events that occurred after the initial recognition of the asset, the estimated future cash flows of the investment have been affected.

Equity investments classified as available for sale are assessed for indicators of impairment at the end of each reporting period. In assessing such financial assets their depreciation is taken into account when there is a significant or prolonged decline in fair value below cost.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying value and the present value of estimated future cash flows, updated with the original effective interest rate of the financial asset.

For financial assets registered at depreciated cost, the amount of the impairment loss is measured as the difference between the asset's carrying value and the present value of estimated future cash flows, updated at the current rate of return for a similar financial asset market. Such impairment loss will not be reversed in subsequent periods.

The carrying value of the asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying value is reduced through the use of an account of an impairment loss.

Next recoveries of previously cancelled values are credited to the account of an impairment loss. Changes in the carrying value of an impairment loss account are recognized in profit or loss.

When a financial asset available for sale is considered impaired, the cumulative gain or loss previously recognized in other comprehensive income are reclassified to profit or loss in the period.

If a period following impairment losses of financial assets measured at amortized cost decreases or if the decrease can be related objectively to an event occurring after the impairment was recognized, the impairment loss previously recognized is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed the amortized cost incurred if no impairment had been recognized.

Regarding shares available for sale, impairment losses previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income and accumulate under the heading of revaluation reserve investments. As for debt securities available for sale, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the impairment loss was recognized.

Derecognition

The Group derecognizes a financial asset when contractual rights expire to the cash flows from the asset or when the Group transfers the rights to receive contractual cash flows on the financial asset in a transaction that has transferred substantially all risks and rewards of ownership.

The derecognition of a financial asset, the difference between the asset's carrying amount and the consideration received and receivable and the cumulative gain or loss that was recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

Financial liabilities

The Group initially recognizes a financial liability at its fair value plus, in the case of financial liabilities not at fair value through profit or loss, transaction costs directly attributable to the acquisition or issue of the financial asset or financial liability.

The Group derecognizes a financial liability when its contractual obligations are concluded, or when such obligations expire or are canceled.

The Group classifies non-derivative financial liabilities in the category other financial liabilities. These financial liabilities are initially recognized at fair value less directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

Other financial liabilities include loans and loan commitments, credit lines and trade and other payables.

Capital instruments

An equity instrument is any contract that creates a residual claim on the assets of an entity after deducting all of its liabilities.

When an equity instrument of the company is redeemed, the amount paid, which includes directly attributable costs, net of taxes, is recognized as a deduction from equity. The group does not recognize gain or loss in profit or loss on the purchase, sale, issuance or cancellation of equity instruments.

Derivatives

A derivative is a financial instrument or another contract settled at a future date, whose value changes in response to changes in certain interest rate, financial instrument price, commodity price, foreign exchange rates, price indexes or ducks, credit rating or credit index, or other variable, provided that, if a financial variable that is not specific to a party to a contract and requires no initial net investment or require an initial net investment that is smaller than would be required for other types of contracts which is expected to have a similar response to changes in market factors.

Tangibles

Tangible assets are valued for cost, deducting accumulated depreciation and accumulated impairment losses, except for land and buildings which are evaluated at revalued amount. Revalued amount is the fair value of the asset on the date of the revaluation less any subsequent accumulated amortization and any accumulated impairment losses. Reassessment is done for the entire class of property (land, buildings).

The cost includes expenses directly attributable to acquisition of the intangible asset. Cost of an asset self-constructed include the cost of materials and direct labor, other costs attributable to bringing the asset to the place and in operation and the initial estimate of the costs of dismantling and removing the asset and restoring the placement and borrowing costs when there is an obligation of these costs.

When the Group depreciates separately some parts of an item of property, plant and equipment, it also depreciates separately the remainder of the item. What remains consist of parts of the item that are individually not significant.

Group revaluations performed with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an asset is reclassified as investment property, the property is revalued at fair value.

Gains arising from revaluation are recognized in the income statement only to the extent there is a loss of impairment of property, and any other remaining winnings recognized as other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognized immediately in profit or loss as.

Subsequent costs are capitalized only when it is probable that expenditures will generate future economic benefits to the Group. Maintenance and repairs are expenses in the period.

Land is not depreciated. Depreciation is recognized in order to decrease the cost less residual values over their period of useful life using the straight-line method. Estimated useful lives, residual values and depreciation method are reviewed by Group management at the end of each period ofreporting, taking into account the effect of all changes in accounting estimates.

The assets which are subject to a finance lease are depreciated over their useful life duration on the same basis as the assets owned or where the period is shorter, over the relevant period of the lease.

The estimated service lives for the current and comparative years of significant groups of property are:

- Buildings 12-50 years
- Plant and machinery 3-18 years
- Other installations, equipment and furniture 2-18 years

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying value, the carrying value of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment is recognized immediately in profit or loss if the asset is not accounted relevant at a revalued amount, in which case the impairment is treated as a revaluation decrease.

Tangible assets are derecognized as a result of a disposal or when no future economic benefits are expected from the continued use of the asset. Any gain or loss arising from retirement or disposal of an item of property and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit and loss in the period in which the derecognition.

Intangible assets

Recognition and Measurement

For recognition of an item as an intangible asset the Group must demonstrate that the item meets:

(a) Definition of an intangible asset

- is separable, i.e. capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability correspondence; or
- arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the company or from other rights and obligations.

(b) Recognition criteria

- it is probable that future economic benefits expected to be assigned to asset will flow to the Group; and
- cost of the asset can be measured reliably.

An intangible asset is measured initially for cost. The cost of a separately acquired intangible asset comprises:

a) purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and

b) any directly attributable cost of preparing the asset for its intended use.

In some cases, an intangible asset may be acquired free of charge or for a symbolic consideration, through a government grant. The Group initially recognizes both the intangible asset and the grant at fair value.

The cost of internally generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria. There cannot be reincorporated expenditures previously recognized as cost. The cost of internally generated intangible asset comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Examples of directly attributable costs are:

a. the costs of materials and services used or consumed in generating the intangible asset;
b. costs of employee benefits arising from the generation of the intangible asset;
c. fees to register a legal right; and
d. amortization of patents and licenses that are used to generate the intangible asset.

To determine whether an internally generated intangible asset fulfills the criteria for recognition, an entity classifies the generation of the asset into:

(a) a research phase ;

(b) a development phase.

If the group cannot distinguish between the research phase and the development of an internal project to create an intangible asset, the Group treats the expenditure on that project as expenses incurred exclusively in the research phase.

No intangible asset arising from research (or from the research phase of an internal project) should be recognized. Expenditure on research (or the research phase of an internal project) should be recognized as an expense when incurred.

An intangible asset arising from development is recognized if, and only if you can measure reliably the expenditure attributable to the intangible asset during its development, technical feasibility of completing the intangible asset so that it will be available for use or sale, management has the intent and ability to complete the intangible asset and use or sell it.

Recognition of expenses

Expenditure on an intangible item shall be recognized as an expense when incurred, except for those that are part of the cost of an intangible asset that meets the recognition criteria.

Evaluation after recognition

Group intangible assets accounted for by the cost model.

After initial recognition, an intangible asset shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Amortization

The depreciable amount of an intangible asset with a finite useful life determined is allocated on a systematic basis over its remaining service life. Depreciation starts when the asset is available for use, i.e. when it is in the location and condition necessary for it to operate in the manner intended by management. Depreciation ends at the earliest of the date that the asset is classified as held for sale and the date that the asset is derecognized.

Intangible assets are depreciated using the straight-line method over a period of 1-5 years or the validity of contractual or legal rights when it is lower than the estimated service life.

An intangible asset with an indefinite service life will not be amortized.

Depreciation

At the end of each reporting period the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the size of the impairment (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Derecognition
An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal.

Stocks

Inventories are valued at the lower of cost and net realizable value.

Inventory costs are determined on a first in, first out and include expenses arising from the purchase of stocks, production and other costs of bringing inventories into shape and location of existence. In the case of finished products and production in progress, costs include a share of overheads based on normal production capacity.

Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs for inventories of completion and costs necessary to make the sale.

Employee benefits

In the normal course of business, the Group makes payments to pension funds, health and unemployment funds of the Romanian state, on account of its employees. Spending on these payments are recorded in the income statement in the same period of wage costs.

All Group employees are members of the Romanian State pension plan. Within the Group there is no other ongoing pension scheme and there are no other obligations on pensions.

Termination of employment benefits can be paid when the contract of employment is terminated for reasons not attributable to employees. Group recognizes benefits for termination of employment when it is obliged to terminate the employment contracts of current employees.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation generated from a past event, it is likely to be required to settle the obligation outflow of resources embodying economic benefits and a reliable estimate can be realizable amount of the obligation.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where a provision is measured using the cash flows estimated to settle the present, its carrying value is the present value of those cash flows (where the effect of the time- value of money is significant).

Guarantees

Provisions for estimated costs of warranty obligations under local law and contractual provisions for the sale of goods is recognized at the sale date of products. The provision is based on the historic of securities and the balancing of all possible outcomes.

Restructuring

A restructuring provision is recognized when the Group has approved a detailed and formal restructuring plan and this plan has either started or the main features of the restructuring plan were announced to those affected by it.

Onerous contracts

If the company has an onerous contract, the current contractual obligation stipulated in the contract should be recognized and measured as a provision. An onerous contract is defined as a contract in which the unavoidable costs of meeting the contractual obligations exceed the economic benefits expected to be obtained from the contract in question. Unavoidable costs of the contract reflect the net cost out of contract, respectively the lowest cost of fulfilling contract and any compensation or penalties arising from failure to fulfill the contract.

Revenue recognition

Sale of goods

Revenue is measured at the fair value of the consideration received or to be received. The sales revenue is reduced for returns, discounts and other similar reductions in trade. Revenue from the sale of goods is recognized when the Group has transferred the significant risks and rewards of ownership of property, the amount of revenue can be measured precisely, it is probable that the economic benefits associated with the transaction should be directed to the company, the Group retains no management involvement up to the level usually associated with ownership nor effective control over the goods sold and the costs incurred or to be incurred in connection with the transaction can be measured precisely. If it is likely to be granted a discount and this can be measured reliably, then the discount is recognized as a decrease in sales revenue.

Services

Revenue generated by a service contract is recognized by reporting proportionate at the stage of completion of the contract. The stage of completion of the contract is determined by studying the work carried out.

Income from interest, royalties and dividends

Interest revenue generated by a financial asset is recognized when it is probable that the Group obtain economic benefits and when such income can be measured precisely. Interest income accumulate over time by reference to the principal and the effective interest rate applicable, i.e. the rate that exactly discounts estimated future cash receipts over the expected term of the financial asset to the net carrying amount of the asset initial recognition date . Income generated from third parties' use of the Group's assets is recognized in the period of the lease on an accrual basis in accordance with the substance of the contract in question.

Dividend income from investments is recognized when it was established shareholder's right to receive payment.

Government grants

Government grants represent assistance by government in the form of transfers of resources to the Company in exchange for compliance, past or future compliance with certain conditions relating to the operating activities of the Group. They exclude those forms of government assistance which cannot be reasonably assigned a certain value, and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are recognized as income over the periods corresponding to the related expenses which these grants are intended to compensate, on a systematic basis.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs, is recognized as income in the period in which it becomes receivable.

Leasing

The leases are presented as finance leases when the terms of the lease are transferred substantially all risks and rewards of ownership to the user.

All other leases are classified as operating leases. Initially assets held under finance leases are recognized at the lower of their fair value at the beginning of the lease and the present value of the minimum lease payments. The corresponding obligation to owner is included in the statement of financial position as an obligation associated to financial lease.

Assets held under operating leases are classified as operating leases and are not presented in the statement of financial position.

Payments related to operational leasing are recognized as an expense over the lease period.

Minimum lease payments are apportioned between finance charges and reduction of obligation. The financial expenses are recognized in profit or loss accrual, if they are not directly attributable to the assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs.

Indebtedness costs

Indebtedness costs, directly attributable to the acquisition, construction or completion of eligible assets, assets that require a significant amount of time to get ready for use or sale, plus the cost of those assets until the assets are ready significantly for usage area or sale.

Revenues from the temporary investment of specific indebtedness obtained for the acquisition or construction of eligible assets are deducted from the indebtedness costs which may be capitalized.

All other indebtedness costs are recognized in profit or loss in the period they are incurred.

Gains or losses on foreign exchange differences are reported net amount that gain or loss depending on the result of exchange rate changes.

Income tax

Income tax expense represents the sum of the tax currently payable and deferred taxes.

Liabilities or claims relating to tax the current period and prior periods are measured at the amount to be paid or recovered by the tax authority using legal regulations and the tax rate in effect on the date of the financial statements. Tax on profit for the period closing December 31, 2013 was 16%.

Current tax and deferred tax are recognized in profit or loss unless they relate to items that are recognized in other comprehensive income or directly in equity, in which case the current tax and deferred tax are also recognized in other comprehensive income or directly in equity.

Current tax

The tax currently payable is based on taxable profit achieved during the year. Taxable profit differs from profit as reported in the statement of income unconsolidated general because of items of income or expense that are taxable or deductible in some years and items that are never taxable or deductible. Group's obligation in respect of current taxes is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences arising between the carrying amount of assets and liabilities and the tax bases of assets and liabilities in the financial statements.

Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are recognized to the extent that there is probability of future taxable profit from which temporary difference can be recovered.

The main differences resulting from the amortization of fixed assets and the valuation of assets at fair value.

Deferred tax assets and liabilities are determined based on taxes which are supposed to be applied during the respective period realized or settled liability or deferred tax asset.

Segment Reporting

A business segment is a component of the Group that engages in business activities from which it can obtain revenues and from which expenses may incur (including revenues and expenses related to transactions with other components of the same society), whose results of activity are reviewed regularly by the Group's chief operating decision maker in order to take decisions about resources to be allocated to the segment and assessing its performance and for which separate financial information is available.

Company management regularly evaluates the activity of the Group to identify operating segments for which information must be reported separately.

The group did not identify components that are classified as operating segments.

(all amounts are expressed in RON, unless otherwise specified)

4.1. TANGIBLE ASSETS

Evolution of tangible assets from 1th of January 2014 to 31th of December 2015 is the following:

Explanations	Land	Buildings	Equipment and motor vehicles	Other tangible assets	Tangible assets in progress	Total
Inventory value						
1/1/2014	**130.395.584**	**55.702.000**	**276.786.884**	**1.029.202**	**16.073.844**	**479.987.514**
Inputs 2014		5.434.107	37.311.993	53.919	61.722.752	**104.522.771**
Outputs 2014			-9.794.297	-6.710	-37.863.720	**-47.664.727**
12/31/2014	**130.395.584**	**61.136.107**	**304.304.580**	**1.076.411**	**39.932.876**	**536.845.558**
Inflow from revaluation 2012	-35.889.605	1.157.947				**-34.731.658**
Inflow from acquisitions 2015					98.998.322	**98.998.322**
Internal generated inflow 2014				9.005.304	**9.005.304**	
Inflow from commissioning 2014	10.381.991	94.912.454	84.557		**105.379.002**	10.381.991
Inflow from transfers from other classes of fixed assets	0			626.064	**626.064**	0
Transfer inputs in the same class 2015	3.626.606	42.914			**3.669.520**	3.626.606
Lock-out until amortization 2015		-6.863.945				**-6.863.945**
Outflow from cancellation of depreciation 2015	-3.626.606	-42.914			**-3.669.520**	-3.626.606
Outflow of transfers to other classes of fixed assets 2015	-50.996.818	-2.156.500	-626.064		-110.781.078	**-164.560.460**
Inflow from transfers to other classes of fixed assets 2015	-50.996.818	-2.156.500	-626.064		-110.781.078	**-164.560.460**
Inflow from cassation 2014		-53.100	-1.025.648			**-1.078.748**
12/31/2015	**43.509.161**	**63.602.500**	**397.565.322**	**1.160.968**	**37.781.488**	**543.619.439**
Amortization, depreciation						
01.01.2014	**0**	**0**	**200.501.018**	**766.279**	**0**	**201.267.297**
Expenditure 2014	0	3.733.612	24.750.593	71.377	0	**28.555.582**
Depreciation, amortization related to outflow 2014	0		-4.529.709	-6.710	0	**-4.536.419**
12/31/2014	**0**	**3.733.612**	**220.721.902**	**830.946**	**0**	**225.286.460**
Expenditure 2014	0	3.130.333	22.164.117	69.191	**0**	**25.363.641**
Depreciation, amortization related to outflow 2014	0	-6.863.945	-1.015.169		**0**	**-7.879.114**
12/31/2015		**0**	**241.870.850**	**900.137**	**0**	**242.770.987**
Remaining value						
1/1/2014						**278.720.217**
12/31/2014						**311.559.098**
12/31/2015						**300.848.452**

(all amounts are expressed in RON, unless otherwise specified)

Tangible assets representing "Tangible assets in progress" are valued at historical cost. The Group chose to assess its tangible assets like land and buildings at fair value. The buildings were revalued at 31.12.2015 by an authorized independent evaluator and the land was revalued by an international committee of experts.

Within the hierarchy of fair value, the company's buildings and land were revalued at their fair value, categorized-level 2.

There were no transfers at the level where valuations are classified at fair value during the year 2015.

Depreciation of tangible assets is calculated by linear method. Fixed Assets decreased in 2015 by scrapping and amortization.

The inventory value of fixed assets scrapped in 2015 was 1,025,648 lei and und apreciated value of scrapped fixed assets was 63.579 lei.

Given negotiations on the sale of buildings and land by the COMPA SA to THYSSENKRUPP BILSTEIN COMPA, started in 2015, and the strong indications that this sale will be made in the course of 2016, it proceeded to transfer the amount of 2,097,433 lei in the category "Assets held for sale".

Moreover, the COMPA S.A. plant located at B-dul Victoriei, no. 42-44, Sibiu, has been going through works of redevelopment even since 2014. In 2015 the redevelopment authorization required for selling 25 housing lots was acquired. The construction and development process will continue throughout 2016, and is expected to enter the selling stage by the end of the year.
Following the process, in 2015 the redeveloping land has been transferred to the "Products in progress" category amounting to a total of 19,401,025 lei.
Based on the analysis regarding the purpose for which the tangible assets owned by the Company in 2015 has proceeded to transfer the category "Real Estate Investment" of land, buildings and tangible assets in progress amounting to 37,306,717 lei.
Following the analysis for identifying the intended purpose of the tangible assets owned by the Company in 2015 it was proceeded to transfer some land, buildings and tangible assets in progress totaling 37,306,717 lei to category "Real Estate Investment".
During 2015 several projects financed from European funds have been carried out within the Group.
The implementation of these projects materialized in the acquisition of technological equipment of the latest generation.
Thereby, within the project "Acquisition of advanced equipment for the sustainable development of the productive sector and increased economic competitiveness within COMPA SA Sibiu" the following equipment was commissioned in 2015:

- Hatebur Hotmatic AMP 50XL horizontal forging line
- Induction heating machine EloBarTM EloBar TM with 7 heating stations
- UTTIS continuous flow heating line

Subsidized value of such equipment was 16,932,245 lei.

Within the project "Be active and adapt yourself to the labor market" there were purchased two HYUNDAI forklifts, amounting to 151.810 lei, from which the amount subsidized was 141.836 lei.

4.2. REAL ESTATES INVESTMENTS
Evolution of real estate investments 1 January 2014 to 31 December 2015 Take as follows

Explanations	Real estate investments	Real estate investments in execution	Total
Balance at 01.01.2014	**0**	**0**	**0**
Input 2014	0		0
Output 2014	0		0
Balance at 31.12.2014	**0**	**0**	**0**
Inflow from revaluation in 2015	0	0	0

(all amounts are expressed in RON, unless otherwise specified)

internally generated 2015 inputs		29.028	29.028
inputs transfers from tangible assets in 2015	31.654.360	5.651.857	37.306.217
Out of the other classes of fixed assets transfers in 2015	0	0	0
The balance 31.12.2015	**31.654.360**	**5.680.885**	**37.335.245**

At the end of 2015, the Group transferred several tangible assets to the real estate investment class. The transfer took place based on the goal analysis of these assets owned by the Group and the lease contracts signed for 2016.
Certain properties are divided into two parts, one held for rent, while the other is destined for production of goods, supply of services or administrative purposes. In case the part held for rent does not have a significant share, it is further treated as a tangible asset.
Real estate investments are evaluated at a fair market value. A gain or loss arising from a change in the fair market value of property investments is acknowledged in the profit or loss statements of the same period.
The “on-going real estate investments” assets are evaluated at a historical cost.

5. INTANGIBLE ASSETS AND GOODWILL

Intangible assets hold by the Group are represented by software, software licenses and intangible assets in progress.

Their evolution was as follows:

Explanations	Software and software licenses	Intangible assets in progress	Total
Cost			
31.12.2014	**4.651.032**	**2.273.160**	**6.924.192**
Input 2014	4.388.297	2.115.137	**6.503.434**
Output 2014		-4.388.297	**-4.388.297**
31.12.2014	**9.039.329**	**0**	**9.039.329**
Input 2014	564.911		**564.911**
Output 2014			**0**
31.12.2014	**9.604.240**	**0**	**9.604.240**
Depreciation, amortization			
1/1/2014	**3.813.997**	**0**	**3.813.997**
Expenses 2014	744.591		**744.591**
Depreciation, amortization related outputs 2014			**0**
12/31/2014	**4.558.588**	**0**	**4.558.588**
Expenses 2014	795.240		**795.240**
Depreciation, amortization related outputs 2014			**0**
12/31/2014	**5.353.828**	**0**	**5.353.828**
Remaining value			
1/1/2014			**3.110.195**
12/31/2014			**4.480.741**
12/31/2015			**4.250.412**

6. TRADE RECEIVABLES AND OTHER RECEIVABLES

The situation of trade receivables is as follows:

Explanations	2015	2014
Receivables from clients who have not exceeded the maturity	82.025.688	56.752.080
Debts which exceeded maturity, but there were no adjustments for depreciation	11.896.903	14.449.196
Debts which exceeded maturity, but there were adjustments for depreciation	1.275.541	1.587.727

(all amounts are expressed in RON, unless otherwise specified)

Adjustments for impairment	-1.275.541	-1.587.727
Total trade receivables	**93.922.591**	**71.201.276**

At 31th of December 2015 and 2014 the situation of seniority of debts that exceeded due time and for which no adjustments were recorded for impairment, is as follows

Explanations	2015	2014
Past due by 90 days	6.323.333	12.207.968
Past due between 91 and 180 days	1.068.187	1.208.422
Past due from 181 days to 1 year	3.294.378	1.032.806
Past due more than 1 year	1.211.005	0
Total receivables past due	**11.896.903**	**14.449.196**

The Group has created impairment for clients' receivables as it follows:

Balance at 01.01.2014	**1.288.181**
Adjustment established in 2014	458.052
Reversed Adjustment in 2014	-158.506
Balance at 31.12.2014	**1.587.727**
Adjustment established in 2015	93.822
Reversed Adjustment in 2015	-406.008
Balance at 31.12.2015	**1.275.541**

The Group's commercial policy requires the recording of impairment adjustments exceeding 360 days, except those receivables registered at partners to which the Group is a debtor in its turn, the debts registering approximately the same age as uncollected receivables

The situation of other receivables owned by the Group is as follows:

Explanations	2015			2014		
	Total, of which	Long term	Short term	Total, of which	Long term	Short term
Advances paid to suppliers	9.504.364	0	9.504.364	2.784.614	0	2.784.614
Receivables related to staff	49.338	0	49.338	4.494	0	4.494
Claims about consolidated state and local budget	2.802.604	0	2.802.604	1.224.367	0	1.224.367
Sundry debtors	1.051.012	0	1.051.012	781.193	0	781.193
Impairment of debtors	-683.824	0	-683.824	-683.824	0	-683.824
Accrued expenses	466.841	0	466.841	1.301.651	0	1.301.651
Subsidies receivables (European funds projects)	6.801.687	0	6.801.687	2.345.351	487.347	1.858.004
Receivables from partnership AMPOSDRU projects	0	0	0	2.633.899	0	2.633.899
Impairment of receivables partnership AMPOSDRU projects	0	0	0	-1.930.786	0	-1.930.786
Total – other receivables	**19.992.022**	**0**	**19.992.022**	**8.460.959**	**487.347**	**7.973.612**

(all amounts are expressed in RON, unless otherwise specified)

The Group established Impairment of other receivables as it follows:

Balance at 01.01.2014	**4.769.996**
Adjustments in 2014	217.185
Reversed Adjustment in 2014	-1.555.859
Balance at 31.12.2014	**3.431.322**
Adjustments in 2015	737
Reversed Adjustment in 2015	-817.449
Balance at 31.12.2015	**2.614.610**

The Group's commercial policy requires the recording provisions for other receivables that exceed 360 days for those receivables for which there are indications that are uncertain
Receivables in foreign currencies are valued in lei at the exchange rate of BNR dated 31.12.2015.

7. OTHER RECEIVABLES

The situation of other receivables of the Group is as follows:

Explanations	2015			2014		
	Total, of which	Long term	Short term	Total, of which	Long term	Short term
Custom home warranty	103.000	103.000	0	20.000	20.000	0
Other guarantees	4.354	4.354	0	4.354	4.354	0
Total other assets	**107.354**	**107.354**	**0**	**24.354**	**24.354**	**0**

8. TITLES AVAILABLE EQUIVALENTS

The structure of securities is the following:

Explanations	2015	2014
Titles available in equivalence, total	**9.088.283**	**5.541.713**
From which held at:		
ThyssenKrupp Bilstein Compa S.A.	9.088.283	5.541.713

Group profit originated from securities held in associates is:

Explanations	2015	2014
Profit from securities owned by group in associates total, of which at:	3.165.988	3.485.271
ThyssenKrupp Bilstein Compa S.A.	3.165.988	3.485.271

Financial information about ThyssenKrupp Bilstein Compa S.A.:

Explanations	2015	2014
COMPA% of share capital	26,91	26,91
Nominal value of securities held	815.148	815.148
Total assets	114.793.857	84.283.641
Total debts	81.021.059	63.690.222
Net assets	33.772.798	20.593.419
Total income	174.328.396	160.517.520
Total expenses	162.563.297	147.565.937
Profit	11.765.099	12.951.583

(all amounts are expressed in RON, unless otherwise specified)

Profit attributable to group	3.165.988	3.485.271
Net assets attributable to group	9.088.283	5.541.713

9. STOCKS

Structure of stocks owned by the Group is presented in the table below:

Explanations	2015	2014
Raw materials	31.810.948	22.731.845
Impairment of raw materials	-54.882	-74.172
Packaging materials	14.735.892	10.923.578
Impairment of materials and packaging	-94.336	-243.988
Semifinished parts and production in progress	29.436.578	6.508.196
Impairment of semifinished parts	0	0
Finished goods and merchandise	14.328.807	20.503.044
Impairment of finished products and goods	-176.994	-177.458
Total stocks	**92.083.446**	**60.171.045**

Stocks increased significantly in 2015 compared to 2014, as a result of transferring tangible assets to stocks. The classification of some tangible assets to the stocks was due on the one hand to negotiations for selling some buildings and land owned by COMPA to ThyssenKrupp Bilstein Compa. The negotiation process started in 2015 and there were clear indications that the selling procedure will take place throughout 2016. Secondly, due to the approval of redevelopment and selling of land owned by COMPA at the B-dul Victoriei nr. 42 Sibiu address.

The Group established adjustments for impairment of inventories as presented below:

Balance at 01.01.2014	**470.382**
Adjustments established in 2014	98.808
Reversed adjustments 2014	-73.572
Balance at 31.12.2014	**495.618**
Adjustments established in 2015	-1.264
Reversed adjustments 2015	-168.142
Balance at 31.12.2015	**326.212**

Adjustments for depreciation were recorded for non-moving stocks and slow moving, which the Group holds clues that probably will not generate future economic benefits

10. CASH AND CASH EQUIVALENTS

Available cash and cash equivalents are as follows:

Explanations	2015	2014
Bank accounts in RON	12.530.436	851.135
Foreign currency bank accounts	3.097.498	704.334
Cash equivalents	1.394	2.132
House in RON	15.665	18.764
Total Cash and equivalents	**15.644.993**	**1.576.365**

The Group owns domestic and foreign currency accounts at the following banks: BRD Group Societe Generale, BCR, RBS Bank, ING Bank, Treasury.

(all amounts are expressed in RON, unless otherwise specified)

11. PROFIT TAX

Tax for current profit of the Group is determined based on the Group's statutory profit, adjusted for non-deductible expenses and non-taxable income at a rate of 16% for 2014 and 2013.

Explanations	2015	2014
Current income tax	1.366.929	4.603.457
Receivable / (flow) deferred profit tax	1.146.888	-212.008
Total income tax	**2.513.817**	**4.391.449**

Numerical reconciliation between expense with income tax and the result from multiplying accounting result with effective tax rate is presented below:

Explanations	2015	2014
Profit before tax	31.836.008	32.699.320
Expense with profit tax 16%	5.093.761	5.231.891
Sponsorship expenses deducted from income tax	-214.731	-190.001
Corporation tax payable	4.879.030	5.041.890
Effect of non-taxable income	-387.389	-1.245.994
Non deductible expenses and the effect of temporary differences	2.932.935	595.553
The effect of tax exemption on reinvested profit	-4.910.759	
Total income tax expense	**2.513.817**	**4.391.449**
Effective percentage income tax	**7,90**	**13,43**

Evolution of deferred income tax to recover during 01.01.2014 - 31.12.2015 is shown in the table below:

Deferred tax at 01.01.2014	**-3.646.390**
Deferred tax through profit or loss 2014	**212.008**
Deferred tax recognized in other comprehensive income 2014, of which:	**-285.622**
Deferred tax from legal reserves tax deductible	-288.345
Deferred tax from fixed assets revaluation	2.723
Deferred tax at 31.12.2014	**-3.720.004**
Deferred tax through profit or loss 2015	**1.146.888**
Deferred tax recognized in other comprehensive income 2015, of which:	**-121.375**
Deferred tax from assets revaluation	-90.443
Deferred tax from legal reserves tax deductible	-30.932
Deferred tax at 31.12.2015	**-2.694.491**

(all amounts are expressed in RON, unless otherwise specified)

Significant components of deferred income tax included in financial statements at 31 .12. 2015, at a 16% rate, are the following:

Temporary difference type	Cumulative temporary differences Value	Cumulative deferred tax - receivable	Cumulative deferred tax -debt	Cumulative Deferred tax - net, of which	Attributable profit and loss account 2014	Attributable other elements of global result 2014
Assets revaluation	29.787.831	-288.345	5.054.398	4.766.053		288.345
Legal reserves	4.818.889		771.022	771.022		-2.723
Differences tangible depreciation periods	-57.721.101	-9.235.376		-9.235.376	-212.008	
Other liabilities	-135.645	-21.703	0	-21.703	0	
Total	**-23.250.026**	**-9.545.424**	**5.825.420**	**-3.720.004**	**-212.008**	**285.622**

Significant components of deferred income tax included in financial statements at 31 .12. 2015, at a 16% rate, are the following:

Temporary difference type	Cumulative temporary differences Value	Cumulative deferred tax - receivable	Cumulative deferred tax -debt	Cumulative Deferred tax - net, of which:	Attributable profit and loss account 2015	Attributable other elements of global result 2015
Assets revaluation	29.222.561	-90.443	4.766.052	4.675.609		90.443
Legal reserves	4.625.564		740.090	740.090		-30.392
Differences tangible depreciation periods	-50.553.046	-8.088.487		-8.088.487	-1.146.888	
Other liabilities	-135.645	-21.703	0	-21.703	0	
Total	**-16.840.566**	**-8.200.633**	**5.506.142**	**-2.694.491**	**-1.146.888**	**60.051**

The Group recognizes deferred tax assets because it is estimated that there will probably generate profit in the future subject to taxation
In 2015 the Group applied for tax calculations for the current profit, aiming for the facility of tax exemption on the profit reinvested in technological equipments, according to GEO no. 19/2014. The management of the company expects to maintain in the company's patrimony the purchased technological equipments for a period of at least five years. Furthermore, it expects that the reserve established as a consequence of this facility will not be distributed/ used under no circumstance.

12. EQUITY

Ownership structure on 31.12.201 5 is as follows:

Explanations	No. of shares	% Of total share capital
COMPA Employees Association	**119,474,505**	**54.6**
Other shareholders (individuals and companies)	99,346,533	45.4
Total number of shares	**218,821,038**	**100**

(all amounts are expressed in RON, unless otherwise specified)

Shares of the Group have a nominal value of 0.1 RON / share, the value of share capital amounting to 21,882,104 lei

Starting from July 1997the shares of the Group are traded on the Bucharest Stock Exchange, and is currently quoted at Standard category.

The equity of the Group include the following:

Explanations	2015	2014	Modification	Causes
Capital subscribed and paid	21.882.104	21.882.104	0	
Capital adjustments	0	0	0	
Own shares	-64.910	-64.910	0	
Losses related to own shares	-45.961	-45.961	0	
Reserves from reevaluation	85.224.533	168.990.418	-83.765.885	Transfer to retained earnings
Legal reserves	5.027.208	4.982.889	44.319	Establishing legal reserves
Adjustment of legal reserves	22.683.534	22.683.534	0	
Other reserves	122.967.993	71.281.844	51.686.149	Profit allocation
Adjustment other reserves	10.679.504	10.679.504	0	
Current year profit	32.471.988	27.876.591	4.595.397	Profit increase for the current year compared to previous year
Result carried	27.869.087	2.168.559	25.700.528	Retained earnings
Minority interests	90.867	74.824	16.043	Increased minority interests related to the current year compared to previous year
Total equity	**328.785.947**	**330.509.396**	**-1.723.449**	

Capital management

Group's objectives relating to management of capital refers to maintaining the Group's ability to continue work in order to provide compensation to shareholders and benefits to other stakeholders and to maintain an optimal capital structure so as to reduce capital costs and support further development of the company.

Net debt is calculated as total borrowings (including current and long-term loans, as shown in the balance sheet) less cash and cash equivalents. Total managed capital is calculated as 'equity' as shown in the statement of financial position.

Indebtedness evolution of the Group is as follows:

Explanations	2015	2014
Total debts	247.181.342	136.226.159
Cash and cash equivalents	15.644.993	1.576.365
Net debt	**231.536.349**	**134.649.794**
Equity	**328.785.947**	**330.509.396**
Level of indebtedness	**0,70**	**0,41**

The group set as a target not to exceed the level of 0.99

13. FINANCIAL LIABILITIES

Financial short-term and long term liabilities are:

Currency - EUR		2015			2014		
Credit institution	**Loan type**	**Total of which**	**Long term (< 5 years)**	**Short term**	**Total of which**	**Long term (< 5 years)**	**Short term**
BRD GROUP SOCIETE GENERALE-ROMANIA	Credit line for manufacturing	10.068.493	10.068.493	0	3.338.410	3.338.410	0
ING BANK-SIBIU	Credit line for manufacturing	9.945.426	9.945.426	0	6.546.500	6.546.500	0
IMPULS-LEASING ROMANIA I.F.N SA BUC.	Financial leasing contracts	434.818	253.918	180.900	576.107	393.282	182.825
Total financial liabilities - EUR		**20.448.737**	**20.267.837**	**180.900**	**10.461.017**	**10.278.192**	**182.825**

Currency - lei		2015			2014		
Credit institution	**Loan type**	**Total of which**	**Long term (< 5 years)**	**Short term**	**Total of which**	**Long term (< 5 years)**	**Short term**
BRD GROUP SOCIETE GENERALE-ROMANIA	Credit line for manufacturing	45.554.896	45.554.896	0	14.963.085	14.963.085	0
ING BANK-SIBIU	Credit line for manufacturing	44.998.079	44.998.079	0	29.342.068	29.342.068	0
IMPULS-LEASING ROMANIA I.F.N SA BUC.	Financial leasing contracts	1.967.335	1.148.853	818.483	2.582.169	1.762.728	819.442
Total financial liabilities - lei		**92.520.310**	**91.701.827**	**818.483**	**46.887.322**	**46.067.881**	**819.442**

The Group filed guarantees for contracting the loans.
Tangible assets mortgaged in favor of credit institutions at 31.12.2015 include land, buildings and equipment.
Also, there were concluded also " movable guarantees on receivables" as a guarantee for the credit commitments, proportionally with the value of exposure towards the financing banks.

Interest margin of loans from banking institutions engaged varies:
Euribor 1 month + 1.15 % per year and
Euribor 1 month + 1.75 % per year .
Interest related to finance leases varies between Euribor 3 months + 8.5% per year, and
Euribor 3 months + 9.5% per year.
Foreign currency liabilities are valued in lei at the exchange rate of BNR dated 31.12.2015.

(all amounts are expressed in RON, unless otherwise specified)

14. COMMERCIAL LIABILITIES AND OTHER LIABILITIES

The situation of commercial liabilities and other liabilities is the following:

Explanations	2015			2014		
	Total of which	Long term	Short term	Total of which	Long term	Short term
Suppliers	*102.386.906*	*0*	*102.386.906*	62.155.632	0	62.155.632
Advance payments from customers	*1.415.419*	*0*	*1.415.419*	1.675.790	0	1.675.790
Debts related to staff	*4.092.583*	*0*	*4.092.583*	3.194.593	0	3.194.593
Debts to social security and unemployment	3.326.101	0	3.326.101	2.731.561	0	2.731.561
Other debts to the state budget	1.412.129	0	1.412.129	1.174.335	0	1.174.335
Current income tax liabilities	71.100	0	71.100	477.830	0	477.830
Various creditors	484.699	0	484.699	487.939	118.196	369.743
Debt contracts POSDRU partnership projects	1.145.740	0	1.145.740			
Subsidies for investment contracts AMPOSDRU SI AMPOSCEE	37.551.980	34.761.400	2.790.580	15.898.323	14.269.107	1.629.216
Inventory pluses of fixed assets	6.232	6.232	0	0	0	0
Advance income (partnership agreements and AMPOSDRU contracts)	2.632.499	0	2.632.499	1.407.188	291.404	1.115.784
Total commercial liabilities and other payables	**154.525.388**	**34.767.632**	**119.757.756**	**89.203.191**	**14.678.707**	**74.524.484**

Currency liabilities are valued in RON at the exchange rate of BNR on 31.12.2015.

15. PROVISIONS

The Group set up provisions as it follows:

Explanations	Provisions for guarantees to customers	Provisions for employee benefits	Other provisions
Balance at 01.01.2014	**26.945**	**108.700**	**0**
Provisions set up in 2014	0	0	0
Provisions reversed in 2014	0	0	0
Balance at 31.12.2014	**26.945**	**108.700**	**0**
Provisions set up 2015	0	0	0
Provisions reversed in 2015	0	0	0
Balance at 31.12.2015	**26.945**	**108.700**	**0**

In 2015 the company didn't set up additional provisions for guarantees to customers and employees' benefits considering that there haven't occurred any changes to the existing situation at 31.12.2014.

(all amounts are expressed in RON, unless otherwise specified)

16. INCOME

Group revenues structure is as follows:

Explanations	2015	2014
Total turnover, of which:	**483.751.947**	**424.731.829**
Sales of finished products	465.374.108	408.041.986
Services rendered	7.606.761	5.680.859
Sales of goods	5.248.829	9.825.082
Income from other activities (rental, sales of materials and packaging)	3.407.876	651.703
Income from grants related to turnover (European funds projects)	2.114.373	532.199
Other operating income	**11.724.451**	**8.231.798**
Total operating income	**495.476.398**	**432.963.627**

Other operating income consist of:

Explanations	2015	2014
Revenues from sales of property	100.986	377.044
Revenues from production assets	9.034.333	5.775.918
Income from investment subsidies (European funds projects)	2.108.902	1.914.459
Other operating revenues	480.230	164.377
Total other operating income	**11.724.451**	**8.231.798**

Business segments

The Group management regularly evaluates its work to identify operating segments for which information must be reported separately.

The group operates in Romania. Group revenues presented above are entirely attributable to the country of residence. Assets other than financial instruments, deferred tax assets, post employment benefit for claims and the rights arising from insurance contracts are all located in Romania. The Group has no such fixed assets located in other countries. The company operates in Romania. Company revenues presented above are entirely attributable to home country.

Revenues are attributable to activity in Romania.

17. EXPENSES BY NATURE

Operating expenses during the years 2015 and 2014 and their nature are presented in the table below:

Explanations	2015	2014
Material expenses	298.744.117	267.296.239
Differences of stock	2.318.897	-8.943.074
Employee benefits expense, of which:	104.942.048	93.183.319
Wages and salaries	86.094.575	74.302.965
Expenditure on social security and welfare	18.847.473	18.880.354
Value adjustments on property	26.158.879	28.263.944
Value adjustments on current assets	-2.382.718	-490.924
Expenditure on services provided by third parties	22.785.845	16.822.570
Other taxes, duties and similar	4.466.971	3.911.725
Other operating expenses	1.878.137	1.872.029
Total operating expenses	**458.912.176**	**401.915.828**

(all amounts are expressed in RON, unless otherwise specified)

18. ANALYSIS OF OPERATING RESULT

Explanations	2015	2014
Operating income	495.476.398	433.785.081
Cost of sales	-433.495.036	-377.208.616
Sales and distribution expenses	-512.694	-613.847
Administrative costs	-16.449.067	-16.600.093
Expenditure on R&D	-8.455.379	-7.493.272
Operational result	36.564.222	31.869.253

19. EMPLOYEE BENEFITS EXPENSE

Employee benefits expenses include salaries, allowances and social security contributions.

Short-term benefits are recognized as expenses as the services are rendered.

Explanations	2015	2014
Wages and salaries	86.094.575	74.302.965
Expenditure on social security and welfare	18.847.473	18.880.354
TOTAL	**104.942.048**	**93.183.319**

20. LOSSES (GAINS) FINANCIAL;
LOSSES (GAINS) FROM SHARES IN ASSOCIATES

Structure losses (gains) financial statements is presented below:

Explanations	2015	2014
Gain from disposal of financial investments		
Gain from exchange differences relating to monetary items denominated in foreign currency	-3.375.846	-1.217.775
Loss of interest	-907.830	-1.036.964
Other financial gains	-444.539	-400.465
Total losses / gains	**-4.728.215**	**-2.655.204**

The evolution of gains from shares in ThyssenKrupp Bilstein Compa S.A. is presented below:

Explanations	2015	2014
Earnings from shares in associates	3.165.988	3.485.271
Total losses / gains	**3.165.988**	**3.485.271**

21. EPS

Explanations		
Number of shares at the beginning of the year	218.821.038	218.821.038
Shares issued during the year	0	0
Number of shares at the end of the year	**218.821.038**	**218.821.038**
Net profit	**32.488.178**	**27.883.855**
Earnings per share (in RON per share) basic / diluted:	**0,15**	**0,13**

(all amounts are expressed in RON, unless otherwise specified)

22. RELATED PARTIES

Affiliated entities are:

Related party	% ownership	Object of activity
COMPA IT SRL	100.00	Activities of providing software on request
TRANS CAS SRL	99.00	Road transport of goods
RECASERV SRL	70.00	Catering activities for different events
COMPA EXPEDITII INTERNATIONALE SRL	98.00	Activity suspended since 2009
THYSSENKRUPP BILSTEIN COMPA SA	26.91	Manufacture of other parts and accessories for motor vehicles and motor vehicle engines

Affiliated entities of company COMPA S.A. Sibiu were established over time, due to the need of outsourcing some specific activities such as: software design, domestic and international auto transport, catering, etc.. Outsourcing was done to streamline these activities and to benefit from some facilities granted by the state for some activities (IT activity, transport licenses, etc.)

Most of transactions, contracts with these affiliated entities represent provision by COMPA (owner of special and specific installations), of utilities like: electricity, heating, tap water, phone services, compressed air, rental of premises and equipment necessary for the activity, as well as contracts for the supply of goods and services.

On the other hand, these affiliated companies provide goods and services to COMPA which represent their object of activity and for which the outsourcing was intended.

Relations were governed by commercial terms of free market, prices were established by negotiation within the frame of market indicated levels.

In 2015, negotiations started for selling COMPA SA's shares to THYSSENKRUPP BILSTEIN COMPA S.A.. The deal was completed at the beginning of 2016.

Transactions made between 2015 and 2014 with companies where COMPA holds shares, were the following:

(the amounts include VAT)

Explanations	2015		2014	
The company to which the securities are held	Purchases of goods and services	Sales of goods and services	Purchases of goods and services	Sales of goods and services
TRANS C.A.S. S.R.L.	18.764.729	257.801	15.920.535	199.915
THYSSENKRUPP BILSTEIN COMPA S.A.	130.048	12.383.600	500.597	12.831.812
COMPA EXPEDITII INTERNATIONALE SRL	0	0	0	0
COMPA IT S.R.L.	2.002.600	22.002	2.075.760	58.830
RECASERV S.R.L.	890.715	56.153	739.144	45.766

Mutual liabilities and receivables recorded at 31.12.2015 and 31.12.2014 are the following:

COMPA S.A. 's receivables from:

Explanations	2015	2014
TRANS C.A.S. S.R.L.	46.383	31.028
THYSSEN KRUPP BILSTEIN COMPA S.A.	1.748.873	1.805.167
COMPA EXPEDITII INTERNATIONALE S.R.L.	0	0
COMPA-IT S.R.L.	3.824	2.125
RECASERV S.R.L.	235.248	11.247

(all amounts are expressed in RON, unless otherwise specified)

COMPA S.A. debts paid by:

Explanations	2015	2014
TRANS C.A.S. S.R.L.	3.483.840	2.382.733
THYSSEN KRUPP BILSTEIN COMPA S.A.	49.289	114.795
COMPA EXPEDITII INTERNATIONALE S.R.L.	0	0
COMPA-IT S.R.L.	716.088	598.290
RECASERV S.R.L.	235.248	152.064

Outstanding balances are not guaranteed. No guarantees were established, nor were received for receivables or payables to related party.

BRANCHES

Company management

List of administrators of the company:

NAME AND FIRST NAME	QUALIFICATION	POSITION
DEAC Ioan	Engineer	Chairman of the Board
MICLEA Ioan	Economist	Member of the Board
MAXIM Mircea Florin	Engineer	Member of the Board
BENCHEA Cornel	Economist	Member of the Board
VELŢAN Ilie-Marius	Economist	Member of the Board

List of members of executive management of the Company:

NAME AND FIRST NAME	POSITION
DEAC Ioan	CEO & Chairman of the Board
MICLEA Ioan	Financial Director
FIRIZA Ioan	Managing Director
BĂIAŞU Dan-Nicolae	Purchasing Director
BUCUR Tiberiu-Ioan	Sales Director
ACU Florin-Ştefan	Technical Director
MUNTENAŞ Bogdan-Vasile	Logistics Director
ŢUICU Liviu-Laurenţiu	Quality- Environment Director
NISTOR Nicolae-Ilie	Production Director
ROTARU Petru-Liviu	Production Director
MORARIU Mircea	Production Deputy Director
SUCIU Ioan-Octavian	Quality and Environment Management Systems Director
OPRIŢOIU Dumitru	Chief Engineer Energy Base
DRAGOMIR Marius C-tin	Chief Engineer Maintenance

Transactions with the Company's management members are limited to wages and salaries:

Explanations	2015	2014
Salaries and allowances granted to members of the Board and executive management members	**4.566.795**	4.953.156

23. EMPLOYEE BENEFITS

The Group makes payments on behalf of its employees to the Romanian state pensions system, health insurance and unemployment benefit in the normal course of business. All Group employees are members and have a legal obligation to contribute (through social security contributions) to the State pension plan (a State defined contribution plan). All related contributions are recognized in the result of the period in which incurred.

The Group is bound by the collective labor agreement to provide benefits upon termination of the labor contract when employment is terminated for reasons not attributable to employees Benefits are valued at 0,5 - 5 base salaries , depending on length of service of employees in the Group.

Also, according to legal regulations and collective labor contract, employees who retire at age limit are entitled to an indemnity end career worth an average salary corresponding to the position occupied at the retirement date, adjusted with seniority employees in the Group.

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Group is exposed to a number of financial risks such as :
- Interest rate risk
- Currency risk
- Market price risk
- Liquidity risk
- Risk of capital

The Group management, seeks to minimize by its actions the potential side effects on the group's financial results

a) Interest rate risk

Interest rate risk is the risk that interest rate may vary in time. The Group has significant long-term and short-term loans bearing interest at a variable rate, which exposes the Group to cash flow risks.

b) Currency risk

The Group's functional currency is RON, while most commercial debts and liabilities are denominated in foreign currency . As a result, the Group may be affected by exchange rate variations.

c) Price risk

The variety of commercial risk and the multitude of operations that take place may cause that during a negotiation the expected gain may not be obtained or even lose due to changes in the structure of price elements.
In this context, COMPA management has undertaken several measures for diminishing the price risk components factors:
- the costs of product components were readjusted to the market levels where the actions of competitors were felt more severe, in order to maintain the competitiveness of respective products
- some products and processes were re-designed constructively and technologically for the scope of maintaining them competitive, in the context of annual price reductions the company has committed towards the customer when COMPA was nominated supplier of these products
- to act permanently, together with its suppliers to reduce the price of raw materials and materials purchased in order to reduce material costs

d) Liquidity and cash flow risk

Liquidity and cash flow risk implies the chance that the company may not be able to make payments to creditors in general, respectively to its suppliers of raw materials, equipment and services in particular.

(all amounts are expressed in RON, unless otherwise specified)

To counteract the risk factors, in this area, Company Management has continued the policy adopted for this purpose, taking the following measures:

- delivery of products to unknown or uncertain clients, only on the basis of a payment instrument that assures payment security, that is a promissory note or CEC;
- launching into production of certain categories of products (springs, etc.) is permitted only with advance payment;
- constant monitoring of contracted terms regarding payment deadlines established and warning them periodically, if necessary.

e) Capital risk

Management of capital risk

The objectives of the Group relating to management of capital refers to maintaining the Group's ability to continue its activity in order to provide compensation to shareholders and benefits to other stakeholders and to maintain an optimal capital structure so as to reduce capital costs and sustain further development of the group. There are no externally imposed capital requirements.

The Group monitors the capital on the basis of the degree of indebtedness. This ratio is calculated as net debt divided to total capital. Net debt is calculated as total loans (including current loans and long-term loans, as shown in the balance sheet) less cash and cash equivalents. Total capital administrated is calculated as “equity”, as shown in the situation of financial position.

Evolution of indebtedness ratio of the Group is the following:

Explanations	**2015**	**2014**
Total debts	247.181.342	136.226.159
Cash and cash equivalents	15.644.993	1.576.365
Net debt	**231.536.349**	**134.649.794**
Equity	**328.785.947**	**330.509.396**
Level of indebtedness	**0,70**	**0,41**

25. COMMITMENTS AND CONTINGENT LIABILITIES

The Group is subject to a number of legal actions arising in the normal course of business.

The Group's management believes that besides the amounts already described in these financial statements as provisions or adjustments for impairment and described in the notes of these financial statements, other court actions will not have significant adverse effects on economic performance and the financial position of the Group.

In Romania, there are a number of agencies authorized to carry out controls (audits). These controls are similar in their nature to tax audits by the tax authorities in many countries, but may extend not only on fiscal issues but on other aspects legal and regulatory, that the agency may be interested in. It is likely that the Group will continue to be subject to such periodic checks for violations or alleged violations of laws, new or current regulations

Although the group may contest the alleged violations and related penalties when management is of the opinion that it is entitled to act in this way, since the adoption or implementation of laws and regulations in Romania could have a significant effect on the Group. The tax system in Romania is developing continuously and is subject to many interpretations and constant changes, sometimes retroactively. The limitation period of fiscal controls is 5 years.

Romanian tax legislation contains rules on transfer pricing between related parties since 2000. The current legislative framework defines the "market value" for transactions between persons affiliated and methods of transfer pricing. As a result, it is expected that the tax authorities may initiate thorough checks of transfer pricing, to ensure that the fiscal result and / or the customs value of imported goods are not affected by the effect of prices practiced in relations with affiliates. The Company can not assess the outcome of such checks.

26. SUBSEQUENT EVENTS

The management hasn't identified any subsequent events to the date of the balance sheet with significant impact on financial position and the comprehensive income of the Group.

GENERAL MANAGER, **IOAN DEAC**	**FINANCIAL MANAGER,** **IOAN MICLEA**