

Translation from Romanian

OFFICIAL STATEMENT

**on the availability of the Report for the First Quarter of 2019
For the attention of ELECTROARGES SA's shareholders and investors,
regarding its publication
on the www.electroarges.ro website, the communicate-elgs section**

Through this OFFICIAL STATEMENT we inform the shareholders that we publish the Report for the First Quarter of 2019, according to the provisions of ASF Reg. 5/2018, on the abovementioned website, beginning with 15.03.2019, 18.30. Also, the Report for the First Quarter of 2019 is submitted to BVB SA Issuers Department and the Financial Regulator through the SIR electronic reporting system.

The quarterly report is available in writing and copies are available at the company's office.

The report shall include:

- Situation of the financial position and the comprehensive income;
- The Situation of Changes in Equity and Cash Flow Statements on 31.03.2019;
- Economic and financial indicators mentioned in Annex 13A- ASF Reg. no. 5 / 2018;
- Explanatory notes on the situation of assets, receivables, payables and investments on 31.03.2019;
- Economic and financial indicators regarding the profit and loss account;
- Official Statement on the availability of the Report for the First Quarter of 2019.

We mention that the Financial Statements related to the First Quarter of 2019 have not been audited.

We present underneath the Profit & Loss Account on 31.03.2019.

**Legal Representative,
CHAIRMAN OF THE BOARD OF DIRECTORS
Stefan Constantin**

PROFIT & LOSS ACCOUNT ON 31.03.2018

Item no.	INDICATORS	31/03/2019	%	31/03/2018	%	% 2019/2018
1	Net turnover – Total, out of which:	52,295,976	75.80	58,533,163	88.01	89.34
2	- Income from the sell of finished goods	52,125,360	75.55	57,549,090	86.53	90.58
3	- Income from works and services provided	140,708	0.20	136,120	0.20	103.37
4	- Income from royalties and rents	4,287	0.01	33,883	0.05	12.65
5	- Income from the sell of merchandise	25,309	0.04	825,299	1.24	3.07
6	- Income from other activities	13,704	0.02	6,364	0.01	215.34
7	- Trade discounts granted	-13,392	-0.02	-17,593	-0.03	76.12
8	Operating income – Total, out of which:	65,809,640	95.39	66,068,173	99.33	99.61
9	- Turnover	52,295,976	75.80	58,533,163	88.01	89.34
10	- Changes in inventories	13,224,075	19.17	7,214,103	10.85	183.31
11	- Fixed production	0	0.00	0	0.00	0.00
12	- Other operating income	289,589	0.42	320,907	0.48	90.24
13	Operating expenses – Total out of which:	64,531,405	93.54	60,828,544	91.46	106.09
14	- Expenses on raw materials and consumables	54,177,250	78.53	49,546,681	74.49	109.35
15	- Trade discounts received		0.00	-8,810	-0.01	0.00
16	- Other material expenses	138,327	0.20	82,200	0.12	168.28
17	- Expenses regarding the merchandise	29,919	0.04	798,383	1.20	3.75
18	- Expenses on personnel	5,808,758	8.42	5,222,611	7.85	111.22
19	- Expenses on impairments and provisions	695,178	1.01	805,564	1.21	86.30
20	- Other operating expenses	3,681,973	5.34	4,381,915	6.59	84.03
25	I. OPERATING PROFIT	1,278,235		5,239,629		24.40
26	Financial income	3,180,835	4.61	442,748	0.67	718.43
27	Financial expenditure	1,434,348	2.08	994,915	1.50	144.17
28	II. FINANCIAL RESULT	1,746,487		-552,167		
29	III. CURRENT RESULT – PROFIT	3,024,722		4,687,462		
30	TOTAL INCOME	68,990,475	100.00	66,510,921	100.00	103.73
31	TOTAL EXPENDITURE	65,965,753	95.62	61,823,459	92.95	106.70
32	IV. GROSS BUSINESS INCOME – PROFIT	3,024,722		4,687,462		64.53

For further details, please contact the persons in charge within the company on telephone 0248 724 000, fax: 0248 724 004 and email: roxana.scarlat@electroarges.ro, electroarges@electroarges.ro.

The Quarterly Report can also be accessed at the following link:

**CHAIRMAN OF THE BOARD OF DIRECTORS,
STEFAN CONSTANTIN**

**ECONOMIC DIRECTOR,
SCARLAT ROXANA**