



PRESS RELEASE

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Financial results for 4rd Quarter 2017 / Fiscal Year 2017

High profitability backed by strong performance on domestic market and ongoing optimizations of expenses

4Q 2017	4Q 2016	% difference	(In million MKD)	12M 2017	12M 2016	% difference
6,425	5,509	17%	Sales revenue	23,100	19,032	21%
336	305	10%	Gross Margin	1,161	1,290	-10%
262	222	17%	Operating costs	934	861	8%
143	116	116%	Adjusted EBITDA*	556	569	-2%
68	66	7%	Profit After Tax	203	331	-38%

* Excluding one-off items

OKTA achieved a high profitability in 2017, mainly driven by the significant domestic sales increase, coupled with optimization of expenses. The Company once again has proven to be one of the cornerstones of economy by providing uninterrupted supply of fuel for all sectors, remaining the main guarantor of the fuel supply of the country in 2017. This was demonstrated by successfully overcoming, on several occasions, extreme situations related to the bad weather conditions and border blockades, faced in the first months of 2017.

Adjusted 2017 EBITDA stands at MKD 556 million, being lower than last year, only due to a one-off profit from sales to State Reserves, which positively affected last year's Adjusted EBITDA. In Q4 2017, Adjusted EBITDA was at MKD 143 million, surpassing last year's figure, which amounted to MKD 116 million, mainly due to the better domestic sales performance. Profit After Tax in 2017 amounted to MKD 203 million and was lower than in 2016 (MKD 331 million), due to the above mentioned impact from extraordinary sales, also due to the effect from the movement of international fuel prices, which triggered an inventory impact in 2016 in amount of MKD 124 million, as a result of the rising trend of oil prices (vs an effect of only MKD 32 million in 2017). In Q4 2017 Profit After Tax came at MKD 68 million, being higher than the same period last year (MKD 66 million).

Regarding its liquidity, the company significantly improved its cash position and managed to repay all its loans of MKD 640 million.

Aware of its impact on society, OKTA maintains its adopted practice to support various charities which improve living and working conditions in multiple sectors - health, education, culture, sport, environment, etc. In 2017, the company's commitment to raising social awareness of traffic safety, through the campaign "Jas Vnimavam", received an award for the best national socially responsible practice, in the category of community investments. The company also demonstrated its dedication to caring for marginalized groups of citizens, by donating speech sets for two primary schools for children with disabilities.

Furthermore, OKTA's management monitors closely the challenging environment and through proactive planning, constantly aims to ensure regular and uninterrupted supply of fuels with the highest quality in the local and neighboring markets, while at the same time continues to push the company forward by grasping the various opportunities that arise with a view to the further enhancement of its business performance and improvement of its efficiency.

For further information

Aleksandar Kapetanovski, OKTA relation with investors, AKapetanovski@helpe.gr
Marija Stavreva, Communications & CSR, M.T.Stavreva@helpe.gr