



# BURSA DE VALORI BUCUREȘTI

November 7, 2013, Bucharest

## QUARTERLY REPORT

as of September 30, 2013

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### Annexes


The Assets, liabilities and equity statement, the Profit and loss account and the Main financial indicators as of September 30, 2013 drawn up according to the Accounting Rules in compliance with Directive IV of the European Economic Community applicable for authorized entities, supervised and monitored by Financial Supervisory Authority (FSA).


### DISCLAIMER


This English language report is a convenience translation of the Romanian language “Quarterly Report as of September 30, 2013”. The Romanian version of the “Quarterly Report as of September 30, 2013” is the official document.


## **BVB AT A TURNING POINT, IN A CHANGING ENVIRONMENT<sup>1</sup>**


 The Bucharest Stock Exchange (BVB) and the local capital market received the green light to a new development stage, helped by the macroeconomic background and the Government's ambitious privatization schedule, as well as by the appointment of a new CEO at BVB's helm. BVB indices followed a positive path, with BET advancing by 17% in the first 9 months. The market price of BVB shares was on a strong ascending track, with a 34% advance in the 3<sup>rd</sup> quarter alone and a 23% increase YTD.


 BVB's sales revenues<sup>2</sup> stood at RON 13.6 mn by the end of September, close to the level recorded in the previous year. Due to new marketing activities and restructuring actions, operating expenses were above last year's figures. Thus, the operating profit was RON 3.6 mn for the first 9 months, 25% lower than in the year-ago period.

 The financial profit dropped to RON 2.6 mn, on lower dividends recorded from the Central Depository, given the lower profit for 2012 compared to 2011, and lower interest revenues.

 BVB reported a net profit of RON 5.5 mn at the end of September, translating into a decrease of 42% year on year, but well above the budgeted figure for the full year.

 BVB ended the 3<sup>rd</sup> quarter of the year with sales revenues of RON 4.7 mn, higher by 18% year on year, on the back of a 30% advance in the value traded on the stock market and the successful closing of the 10% IPO for Nuclearelectrica. As compared to the 2<sup>nd</sup> quarter of the year, sales remained fairly unchanged, despite seasonal declines in trading activity during summer months.

 The operating profit for Q3 2013 was RON 1.1 mn, influenced mainly by the restructuring process started towards the end of the quarter as well as by the efforts made by BVB in promoting the public offers performed over this period.

 The financial profit of RON 0.4 mn was based mainly on interest earned, influenced by the lower funds invested and the downward trend of interest rates offered by banks. The result was also affected by the registration of unrealized foreign exchange losses following the revaluation of the amounts held in foreign currencies.

 BVB ended Q3 2013 with a net profit of RON 1.2 mn.

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## **FINANCIAL HIGHLIGHTS**

<sup>1</sup> The financial data have not been audited and represent the individual results of the Bucharest Stock Exchange, drawn up according to the Romanian Accounting Standards (RAS); the financial indicators are expressed in million RON and they are rounded off to the nearest integer, resulting in small reconciliation differences.

<sup>2</sup> BVB's sales revenue consists mainly from the fees recorded on trading of all listed instruments, tariffs from listing of companies and instruments, and from data vending to various users.

Indicators		3Q.2013	2Q.2013	Change	3Q.2012	Change	9M.2013	9M.2012	Change
<b>Individual profit and loss account</b>									
<b>Net sales</b>	RON mn	4.7	4.8	-2.2%	4.0	17.7%	13.6	14.0	-2.5%
<b>Operating result</b>	RON mn	1.1	1.9	-44.6%	1.2	-8.7%	3.6	4.8	-25.0%
<b>Financial result</b>	RON mn	0.4	1.1	-64.2%	1.0	-60.5%	2.6	5.9	-55.7%
<b>Net result</b>	RON mn	1.2	2.7	-54.8%	1.8	-32.1%	5.5	9.4	-42.1%
<b>Individual balance sheet (end-of-period)</b>									
<b>Shareholders' equity</b>	RON mn	93.8	92.6	1.3%	95.0	-1.3%	93.8	95.0	-1.3%
<b>Total assets</b>	RON mn	99.6	99.3	0.4%	99.7	0.0%	99.6	99.7	0.0%
<b>Performance indicators</b>									
<b>Earnings per share</b>	RON	0.16	0.35	-54.8%	0.23	-32.1%	0.7	1.23	-42.1%
<b>Operating margin</b>	%	22.1%	39.0%	-	28.4%	-	26.4%	34.3%	-
<b>Net profit margin</b>	%	25.8%	55.9%	-	44.8%	-	40.0%	67.5%	-
<b>Return on equity</b>	%	1.3%	2.9%	-	1.9%	-	5.8%	9.9%	-
<b>Market statistics (including DEAL trades and public offers)</b>									
<b>Turnover for shares and units</b>	RON mn	2,293	2,370	-3.3%	1,764	30.0%	6,575	6,245	5.3%
<b>Turnover for bonds and government securities</b>	RON mn	377	593	-36.4%	197	91.0%	1,115	1,017	9.6%
<b>Turnover for shares, units, bonds and government securities</b>	RON mn	2,670	2,963	-9.9%	1,961	36.1%	7,690	7,262	5.9%
<b>Average daily turnover for shares, units, bonds and government securities</b>	RON mn	41.1	47.8	-14.1%	30.6	34.0%	40.7	38.4	5.9%
<b>BVB stock statistics</b>									
<b>Opening price (closing price of the previous day)</b>	RON	18.30	21.00	-12.9%	23.38	-21.7%	20.00	28.90	-30.8%
<b>High (intraday price)</b>	RON	25.69	21.00	22.3%	25.02	2.7%	25.69	36.00	-28.6%
<b>Low (intraday price)</b>	RON	18.15	17.00	6.8%	22.39	-18.9%	17.00	22.40	-24.1%
<b>Closing price (end of period)</b>	RON	24.50	18.30	33.9%	23.40	4.7%	24.50	23.40	4.7%
<b>Trading value for BVB shares*</b>	RON mn	19.94	8.57	132.8%	5.79	244.1%	45.03	52.14	-13.6%
<b>Average daily turnover for BVB shares*</b>	RON mn	0.31	0.15	111.3%	0.09	238.9%	0.24	0.28	-14.1%

\*including DEAL trades

## COMPANY INFORMATION

<b>Legal entity</b>	<b>SC BURSA DE VALORI BUCUREȘTI SA</b>
<b>Main activity</b>	Administration of financial markets
<b>CAEN code</b>	6611
<b>Sole Registration Code</b>	17777754
<b>Trade Register no</b>	J40/12328/2005
<b>Address</b>	34-36 Carol I Blvd., floors 13-14, District 2, Bucharest
<b>Symbol</b>	BVB
<b>ISIN</b>	ROBVBAACNORO

The Bucharest Stock Exchange (BVB) was established based on the Decision of the National Securities Commission (NSC) no. 20/1995. BVB was created as a public non-profit institution and in 2005 it became a joint stock company. The shares of the Bucharest Stock Exchange were admitted on BVB's spot regulated market on June 8, 2010. The Company's main activity is the administration of financial markets. BVB is the largest market operator in Romania.

The Bucharest Stock Exchange operates several markets:

- **a spot regulated market** where financial instruments such as shares and rights (issued by international and Romanian entities), debt instruments (corporate, municipality and government bonds issued by Romanian entities and international corporate bonds), UCITs (shares and fund units), structured products, tradable UCITS (ETFs) are traded;
- **a regulated derivatives market** where futures contracts for shares, indices, commodities and exchange rates can be traded;
- **an alternative trading system (ATS)**, where foreign stocks listed on other markets and securities issued by Romanian companies not qualified for the regulated market are traded;
- **RASDAQ market** where shares and rights issued by Romanian entities are traded, most of them coming from the mass privatization programme.

BVB's operating revenues are generated mainly from the trading of all the listed financial instruments, from fees charged to issuers for the admittance and maintenance to the trading system, as well as from data vending to various users.

BVB was included in several indices: FTSE Mondo Visione Exchanges Index, on November 9, 2010, BET Index, on March 21, 2011, Dow Jones Global Exchanges Index, on June 17, 2011, ROTX Index on September 19, 2011 and since July 3, 2012, BVB is also part of BET-BK.

## MAIN EVENTS DURING THE THIRD QUARTER OF 2013

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**July 1** – BVB's Board of Governors (BoG) appointed Mr. Ludwik Sobolewski for the position of General Manager of the Bucharest Stock Exchange. Mr. Sobolewski received FSA approval on August 21, 2013.

**July 2** – The 5-year corporate bonds issued by UniCredit Țiriac Bank SA, worth of RON 550mn, started trading at BVB's Debt securities – Corporate bonds tier. The public offer was performed between June 14 and 21, 2013.

**July 11** – The shares of Transilvania Leasing IFN SA Braşov started trading at the alternative trading system managed by BVB, thus becoming the first Romanian company listed at the Tier 1 Shares of CA-ATS.

**August 1** – The 5-year corporate bonds issued by Raiffeisen Bank SA, worth of RON 225mn, started trading at BVB's Debt securities – Corporate bonds tier. The public offer for the sale of the bonds started on 24 July and was closed successfully on the same day, as the entire planned amount was raised.

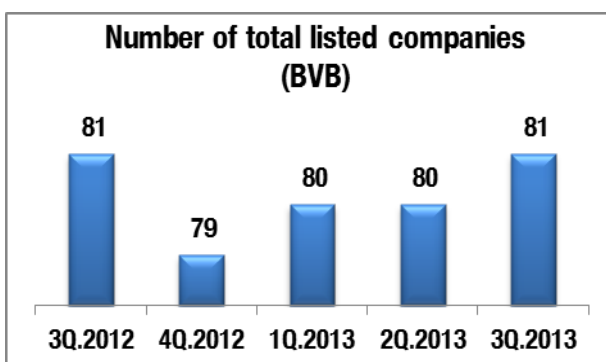
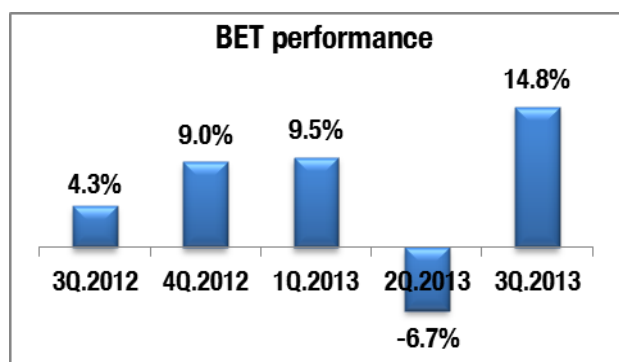
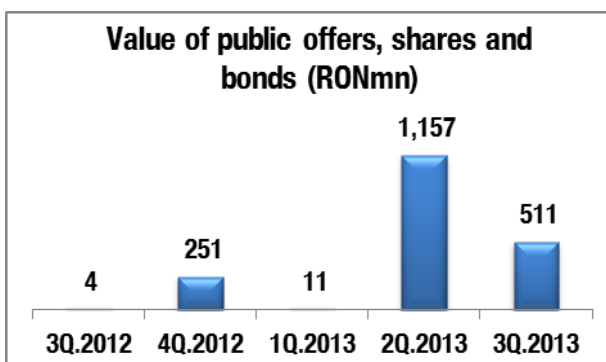
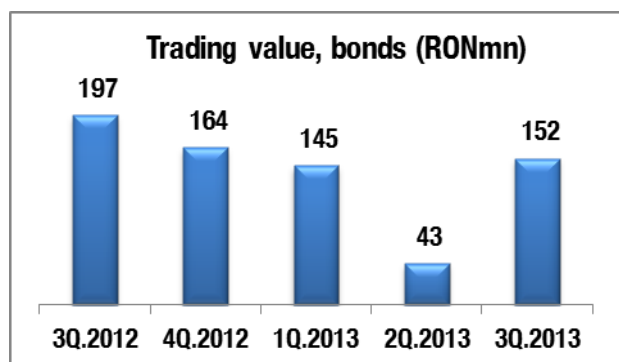
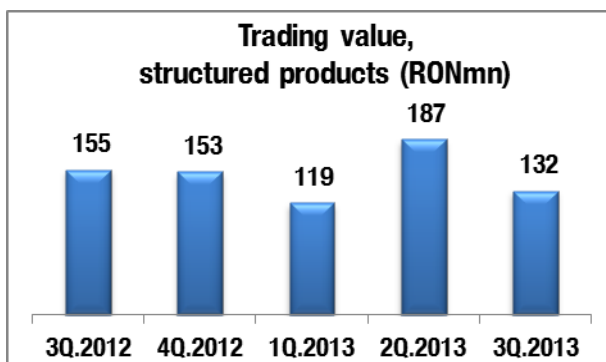
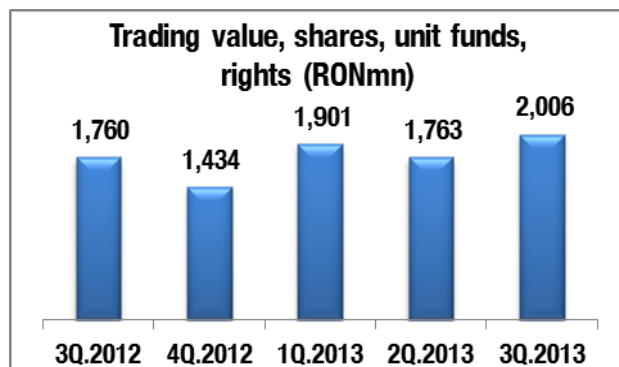
**August 7** – A new issue of benchmark government securities issued by the Ministry of Public Finance started trading on BVB's Debt securities – Treasury bonds tier.

**September 5** – The shares of Conpet Ploieşti started trading on BVB's regulated market, the Equities Segment, Tier 2 Shares. The company was previously traded on RASDAQ market.

**September 9-20** – The initial public offer for the sale of shares held in Nuclearelectrica by the Ministry of Economy on behalf of the Romanian State took place. A 10% stake (new shares) was offered for sale, each share having attached an allotment right (traded at BVB during October). The closed-book mechanism was used for the offer, the orders for the institutional investors' tranche being introduced in the system after the finalization of the allocation procedures. The two retail tranches were oversubscribed by 464% (small subscriptions) and 131% respectively (for the large subscriptions tranche). The offer was successful, its value reaching EUR 63mn.

During the 3<sup>rd</sup> quarter of the year, 18 new series of turbo certificates issued by Erste Bank and 6 new series of turbo certificates issued by SSIF Broker started trading on BVB's Structured Products segment. These instruments have indices and commodities as underlying assets.

**BVB'S OPERATING ACTIVITY<sup>3</sup>**



<sup>3</sup>Source: BVB. The traded value is presented based on a "single counted" basis and it includes DEAL trades

## ANALYSIS OF FINANCIAL RESULTS

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The financial results are drawn up according to the Romanian Accounting Standards (RAS) and in compliance with the rules and regulations of the FSA. These individual financial results were not drawn up according to the International Financial Reporting Standards (IFRS). The financial results as of September 30, 2013 are not audited.

### Activity results for the third quarter of 2013

July marked the recovery of financial markets after the previous months' corrections. This evolution was supported by the expansionary monetary policies still promoted by the Fed and the Central European Bank, as well as by the results announced by companies for 2Q, above the markets' expectations. Stock indices registered increases of approximately 5 percentage points, S&P 500 reaching new historical highs.

Macroeconomic indicators gradually improved in the US as well as in the Eurozone, as Q2 brought quarter on quarter GDP increases for Germany, France, Finland and Portugal. Other countries, such as Italy and Spain, were still in recession on the back adjustments following the sovereign debt crisis, but GDP declined at lower rates. Escalating tensions in Siria during the second half of August affected financial markets, but as the conflict was solved, markets redirected their attention to macroeconomic indicators and markets returned on an upward trend in September.

Romania enjoyed an improvement in risk perception during this period as it successfully completed an arrangement with the international financial institutions at the end of June and the successful negotiation of a new precautionary 2-year Stand-by Arrangement. Authorities undertook the continuation of structural reform and privatizations through the capital market, including the launch of IPOs for 10% of Nuclearelectrica and 15% of the State's holding in Romgaz.

Moreover, at a macroeconomic level, Romania reported an acceleration of the GDP in Q2, concomitantly with a lower inflation rate, which allowed the National Bank of Romania to operate successive cuts of the monetary policy rate.

The local capital market reacted positively to such evolutions, partially due to the optimistic expectations regarding the privatizations to be made by the State. The main local indices BET and BET-FI registered increases in each month of the analyzed period, cumulating 14.6% and 10.2% respectively (in local currency terms). As compared to other CEE markets, BVB had the second best performance in terms of capitalization increase (in EUR terms), namely a 12% advance in Q3, according to the data provided by the Federation of European Securities Exchanges.

As regards to liquidity, during the 3<sup>rd</sup> quarter of the year the trading value on the shares and units market (including Deal trades, without public offers) reached RON 2.06 bn, above the previous two quarters and by 14% above Q3 2012. Revenues generated by this segment also registered increases, by 14% quarter on quarter and by 11% compared to the year-ago period.

On the public offers segment, Raiffeisen Bank sold RON 225mn worth of corporate bonds through a public offer in July. In September, Nuclearelectrica sold a 10% stake (newly-issued shares) through a successful IPO of EUR 63mn. However, resulting revenues halved from the previous quarter, when Transgaz SPO, the private placement for SNP shares run by Fondul Proprietatea and the UniCredit bond offer were performed.

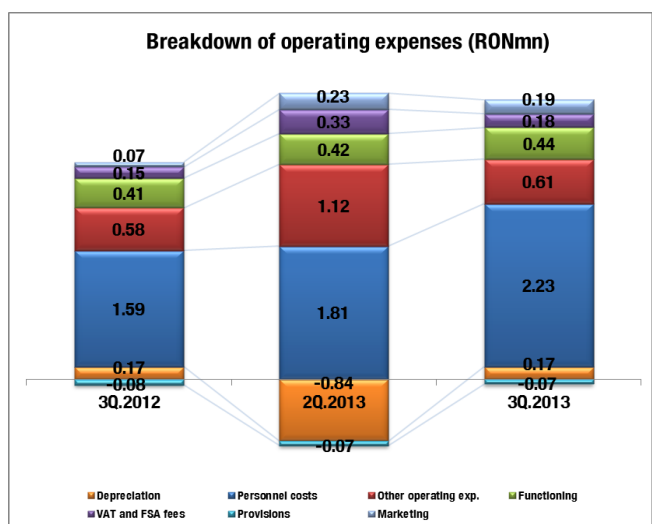
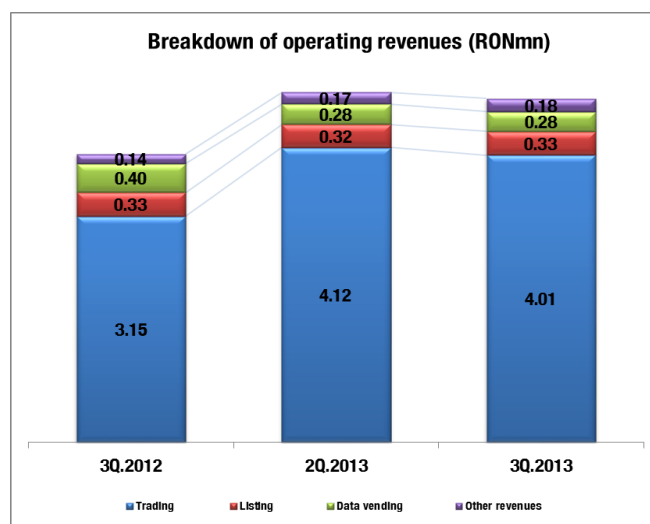
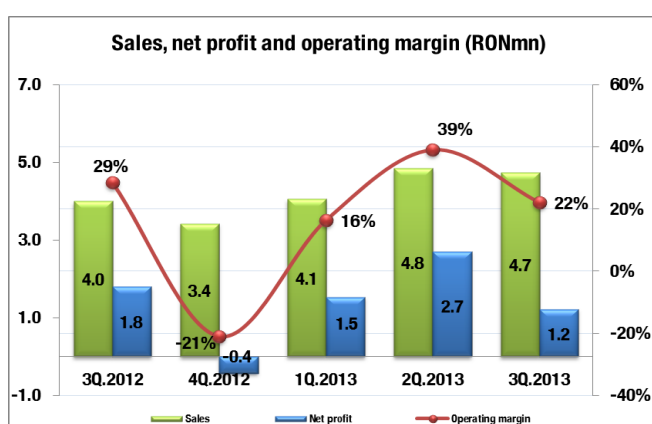
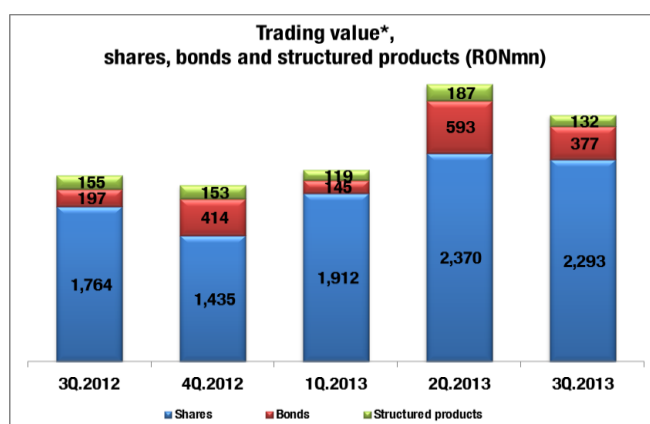
The trading value on the structured products market registered declines compared to both the previous quarter and Q3 2012, down to RON 132mn. During the analyzed period, 24 new series of turbo certificates were issued.



BVB's trading revenues were RON 4.0 mn, lower by 3% compared to the previous quarter, as the increase of the revenues generated by stock trades compensated only partially the decline of revenues from public offers and structured products trading. As compared to the 3<sup>rd</sup> quarter of 2012, when no significant public offer took place, trading revenues were 27% higher.

Except for the data vending segment, which declined by 2% to RON 0.28 mn, the other operating revenues rose slightly quarter on quarter. In year on year terms, the fewer intermediaries in the market, the lower interest in stock exchange information and the lower maintenance fees charged to issuers generated a reduction of this type of revenues.

Therefore, Q3 2013 operating revenues reached of RON 4.8mn, slightly below the previous quarter, but higher by 19.1% year on year.



During July-September 2013, **operating expenses** increased compared to the previous quarter (by 25.1%) and compared to the 3<sup>rd</sup> quarter of 2012 (by 30.2%), mainly because of the nonrecurring expenses related to the internal restructuring process, which amounted to RON 0.41mn.

Excluding the influence of the restructuring, the comparison of Q3 2013 operating expenses with the figure for the previous quarter is still influenced by the adjustments of non-current assets, e.g. the reversal of the provision (registered in May 2013) related to the litigation on BVB's property right for a plot of land. On the other hand, some categories of expenses declined, compensating part of the above-mentioned increase:

expenses with third-party services (legal advice, consultancy, subscriptions to international organizations), non-deductible VAT, expenses related to shareholders' general meetings and other operating expenses.

Year on year, the operating expenses' increase was determined mainly by higher personnel expenses given the restructuring process, expenses with marketing and events, as BVB was intensely involved in promoting public offers, depreciation (following the investments made at the beginning of the year) and, to a lesser extent, expenses with third-party services.

Profit and loss account (RONmn)	3Q.2013	2Q.2013	Change 3Q.2013 vs 2Q.2013	3Q.2012	Change 3Q.2013 vs 3Q.2012
Sales revenues	4.74	4.84	-2.2%	4.03	17.7%
Operating expenses, of which:	3.75	3.00	25.1%	2.88	30.2%
- Personnel expenses	2.23	1.81	22.8%	1.59	40.2%
Operating result	1.05	1.89	-44.6%	1.15	-8.7%
Financial result	0.39	1.09	-64.2%	0.98	-60.5%
Pretax result	1.44	2.98	-51.8%	2.13	-32.6%
Net result	<b>1.22</b>	<b>2.70</b>	<b>-54.8%</b>	<b>1.80</b>	<b>-32.1%</b>
Net result per share (RON)	0.16	0.35	-54.8%	0.23	-32.1%

The operating profit for Q3 2013 reached RON 1.05mn, down by 8.7% year on year and by 44.6% quarter on quarter, given the nonrecurring influences over operating expenses, e.g. the reversal of the provision for the land and the expenses related to the restructuring process.

The financial profit was RON 0.39mn, declining compared to both reference periods, on lower interest revenues and the registration of net unrealized foreign exchange losses of RON 0.29mn. Another influence came from dividends, as during the previous quarter were recorded dividends from the Central Depository in amount of RON 0.36mn.

BVB registered a net profit of RON 1.22mn in 3Q.2013, translating into a decrease of 54.8% quarter on quarter and of 32.1% year on year.

### Activity results for the first 9 months of 2013

Over the first 9 months, Romania confirmed expectations related to its macroeconomic perspectives for this year, as it reported higher GDP for the first two quarters of the year. Moreover, signing a new Stand-by Arrangement with IFIs was a signal for the market regarding the State's commitment with regard to economic reform. The reconfirmation of the calendar of privatizations through the capital market, given Transgaz SPO, the sale of the 10% sale in Nuclearelectrica and the preparations for Romgaz IPO for Q4 2013, also supported the positive sentiment on the local capital market.

BVB's main indices, after increases at the beginning of the year, lost ground in 2Q, but as more positive signals reached the market the indices resumed their increases. Thus, by the end of September, BET and BET-FI had advanced by 17.3% and 5.8% respectively since the beginning of the year.

During the entire analyzed period the turnover on the regulated stock market (excluding public offers), both total and the daily average, was by 2.7% below the year-ago period. During the first half of the year liquidity was above the 2012 daily average (of RON 28.1mn/day) only in March and May, but in 3Q the average daily turnover was RON 30.2mn, by 7.5% above the 2012 level.

On the public offers segment, activity intensified compared to the year-ago period. Generated revenues rose at a lower pace, on the one hand because of the suspension of BVB's fees for buyer of bonds sold through public offers, and on the other hand because in 2012 the fee registered from the mandatory takeover bid for Azomureş had influenced significantly BVB's revenues from public offers.

During January-September 2013, liquidity on the structured products market was 18% below the year-ago period, while resulting revenues followed the same downward trend. The increase of the revenues from public offers managed to compensate for the declines from stocks and structured products, thus trading revenues registered an insignificant increase and stood at RON 11.51mn.

The other categories of operating revenues declined given the fewer intermediaries in the market, the lower capitalization of some issuers and implicitly of the maintenance fees paid, as well as the lower interest in stock market data. Data vending revenues totaled RON 0.82mn. Thus, as compared to the first 9 months of 2012, BVB's sales remained almost unchanged at RON 13.63mn.

**Operating expenses** increased by 10.6% year on year, mainly on higher personnel expenses (given the nonrecurring expenses related to the internal restructuring process), higher expenses with third-party services (on higher costs with consultancy services and legal advice, as well as subscriptions to international organizations), marketing and events (given the intensified efforts to promote the capital market and public offers), non-deductible VAT and depreciation changes following the investments made at the beginning of the year, as well as expenses related to the shareholders' meetings. The reversal of the provision made for the litigation related to the land, the decline of the administrative expenses and expenses with bonuses offered to participants countered the abovementioned increases.

Profit and loss account (RONmn)	9M.2013	9M.2012	Change 9M.2013 vs 9M.2012
Sales revenues	13.63	13.98	-2.5%
Operating expenses, of which:	10.15	9.18	10.6%
- Personnel expenses	5.84	4.73	23.6%
Operating result	3.60	4.80	-25.0%
Financial result	2.61	5.89	-55.7%
Pretax result	6.21	10.69	-41.9%
Net result	<b>5.46</b>	<b>9.44</b>	<b>-42.1%</b>
Net result per share (RON)	0.71	1.23	-42.1%

The slight decline of the operating revenues, combined with the higher operating expenses, have led to a 25% decline of the **operating profit** for the first 9 month of 2013 compared to the year-ago period. The operating profit is however above the level budgeted for the full year.

The **financial profit** was RON 2.61mn, with a decrease of 55.7% year on year, because of the decline in dividends from the Central Depository (caused by the lower profit for 2012 compared to 2011) and interest revenues (following the reduction in available funds after the payment of 2012 dividends and the lower return on investments made), as well as the recorded unrealized foreign exchange losses against the foreign exchange gains registered in the previous year period.

BVB ended the first 9 months of the year with a **net profit** of RON 5.46mn, translating into net earnings per share of RON 0.71.

## Financial position as of September 30, 2013

### Net assets

At the end of September, BVB's total assets were RON 99.64mn, by 1.7% above the figure for the end of 2012 of 97.98%, of which: non-current assets of RON 32.45mn and current assets of RON 67.07mn.

The increase registered by non-current assets since the beginning of the year (13.4% or an absolute value of RON 3.84mn) was determined mainly by the reversal of the adjustment registered for the full value of the land owned and by the registration of the positive difference resulted from the revaluation of the land to its fair value (RON 2.33mn), which have increase both non-current assets and BVB's reserves. These accounting operations were made after the litigation regarding BVB's property right on the land located on Mareşal Averescu Blvd. was finalized and BVB's right was recognized.

Other increases were determined by the annual renewal of software licenses and the replacement of older and fully depreciated equipments.

Current assets registered a 3.2% decline, mainly because of lower level of cash&equivalents, as in June 2013 BVB started to pay the dividends for 2012.

Assets (RONmn)	30.09.2013	01.01.2013	Equity & Liabilities (RONmn)	30.09.2013	01.01.2013
Non-current assets	32.45	28.62	Shareholders' equity	93.79	94.60
Current assets – total, of which:	67.07	69.30	Payables - total, of which:	5.14	2.42
- cash, bank accounts and other short term financial investments	61.72	64.98	- due in less than 1 year	5.14	2.42
			- due in more than 1 year	0	0
Prepaid expenses	0.11	0.06	Provisions	0.07	0.27
			Deferred revenues	0.64	0.69
<b>Total assets</b>	<b>99.64</b>	<b>97.98</b>	<b>Total equity &amp; liabilities</b>	<b>99.64</b>	<b>97.98</b>

BVB's debt at the end of September 2013 included only payables due in less than 1 year, amounting to RON 5.14mn, representing dividends payable as well as other debt, not due at the end of the analyzed period.

Deferred revenues registered a slight increase, the RON 0.64mn balance representing the annual maintenance fees charged to issuers, billed during the first 9 months of the year 2013 but not due.

Cash and equivalents declined to RON 61.72mn, as BVB started paying out dividends for the year 2012 to its shareholders and continued paying dividends for the years 2010 and 2011.

Shareholders' equity declined following the transfer of the retained profit to dividends payable (for 2012), based on the shareholders' resolution, countered only partially by the land revaluation (included in the revaluation reserve) and the profit registered for the period January-September 2013.

## **EXPECTATIONS FOR THE LAST QUARTER OF 2013**

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The initial public offer for the sale of 15% of Romgaz and the tender bid carried out by Fondul Proprietatea for a stake of its own capital will be the major events influencing positively BVB's operating revenues for the last quarter of the year. The success of Romgaz offer will benefit the entire market, and some new money may enter the market. We believe the average daily trading value may slightly increase in Q4 2014.

As regarding to BVB revenues we stick to the approved budget and we believe the figures are achievable. Q4 2013 operating expenses may follow the trend of the previous quarters, following the new marketing and reorganization activities begun in the previous quarter, as well as the recording of some accounting adjustments performed in the last month of the year.

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## Assets, liabilities and equity statement

All amounts are indicated in RON, unless otherwise stated

Indicator	Row	Balance as of	
		30.09.2013	01.01.2013
<b>A. NON-CURRENT ASSETS</b>			
Intangible assets			
3. Licenses, other intangible assets (acc. 205+208-2805-2808-2905-2908)	3	141,956	77,476
Total intangible assets (row 01 to 05)	6	141,956	77,476
Tangible assets			
1. Land and constructions (acc. 211+212-2811-2812-2911-2912)	7	3,344,100	0
2. Equipment and machinery (acc. 214-2814-2914)	8	695,702	380,145
3. Other equipment and furniture (acc. 214-2814-2914)	9	403,951	461,938
4. Advances and tangible assets in progress (acc. 231+232-2931)	10	0	0
Total tangible assets (row 07 la 10)	11	4,443,753	842,083
Financial assets			
1. Shares held in subsidiaries (acc. 261-2961)	12	26,573,467	26,572,947
5. Investments held as financial assets (acc. 262+264+265+266-2696-2962-2964)	16	1,285,705	1,123,582
6. Other receivables (acc. 2673+2674+2678+2679-2966-2969)	17	8,637	1,435
Total financial assets (rows 12 to 17)	18	27,867,809	27,697,964
<b>TOTAL NON-CURRENT ASSETS (rows 06+11+18)</b>	<b>19</b>	<b>32,453,518</b>	<b>28,617,523</b>
<b>B. CURRENT ASSETS</b>			
Inventories			
3. Advance payments for purchases of inventories (acc. 4091)	22	0	0
Total inventories (row 20 la 22)	23	0	0
Receivables			
1. Trade receivables (acc. 2675*+2676*+2678*+2679*-2966*-2969*+4092+411+413+418-491)	24	2,068,542	1,375,162
2. Receivables from affiliates (acc. 4511+4518-4951)	25	0	0
4. Other receivables (acc. 425+4282+431+437+4382+441+4424+4428+444+445+446+447+4482+4582+461+473-496+5187)	27	3,278,701	2,945,636
Total receivables (row 24 to 28)	29	5,347,243	4,320,798
Short term financial investments			
2. Other short term financial investments (acc. 5031+5032+505+5061+5062+5071+5072+5081+5082+...+5113+5114)	31	60,021,656	64,671,027
Total short term financial investments (rows 30 to 31)	32	60,021,656	64,671,027
IV. Cash and bank accounts (acc. 5112+5121+5122+5123+5124+5125+5311+5314+5321+5322+5323+...+542)	33	1,702,608	311,993
<b>TOTAL CURRENT ASSETS (rows 23+29+32+33)</b>	<b>34</b>	<b>67,071,507</b>	<b>69,303,818</b>
C. PREPAID EXPENSES (acc. 471)	35	112,899	63,642
<b>D. PAYABLES WITHIN ONE YEAR</b>			
3. Advance payments from clients (acc. 419)	38	107,573	140,174
4. Trade payables (acc. 401+404+408)	39	647,592	344,136
8. Other payables, including tax and social security payables (acc. 1623+1626+167+1687+2698+421+423+424+...+5197)	43	4,380,188	1,937,499
Total payables within one year (rows 36 to 43)	44	5,135,353	2,421,809
<b>E. NET CURRENT ASSETS OR NET CURRENT LIABILITIES (rows 34+35-44-60.2)</b>	<b>45</b>	<b>61,405,470</b>	<b>66,253,466</b>
<b>F. TOTAL ASSETS LESS CURRENT LIABILITIES (rows 19+45-60.1)</b>	<b>46</b>	<b>93,858,988</b>	<b>94,870,989</b>

Indicator	Row	Balance as of	
		30.09.2013	01.01.2013
<b>G. PAYABLES WITHIN MORE THAN ONE YEAR</b>			
8. Other payables, including tax and social security payables	54	0	0
Total payables within more than 1 year (row 47 to 54)	55	0	0
<b>H. PROVISIONS</b>			
1. Pension and other similar provisions (acc. 1515)	56	66,294	269,566
TOTAL PROVISIONS (rows 56+57+58)	59	66,294	269,566
<b>I. DEFERRED REVENUE (row 60.1+60.2+60.3)</b>			
2. Deferred revenue	60.2	643,583	692,185
<b>J. SHARE CAPITAL AND RESERVES</b>			
Capital (rows 62+63), of which:	61	76,741,980	76,741,980
- paid-in subscribed capital (acc. 1012)	63	76,741,980	76,741,980
Share premium (acc. 104)	64	8	8
Revaluation reserves (acc. 105)			
- Credit balance	65	2,325,080	0
- Debit balance	66	0	0
Reserves (rows 68 to 73-74)	67	9,265,858	9,265,576
1. Legal reserves (acc. 1061)	68	5,354,053	5,354,053
2. Reserves for bonus shares received (acc. 1065*)	70	2,413,197	2,413,197
3. Reserves representing the surplus from reevaluation reserves (acc. 1067)	72	57,109	57,109
4. Other reserves (acc. 1068)	73	1,441,499	1,441,217
<b>Retained earnings</b>			
Profit – Credit balance	77	0	0
Loss – Debit balance	78	0	0
<b>Result for the year</b>			
Profit (acc. 121) – Credit balance	79	5,459,768	9,006,202
Loss (acc. 121) – Debit balance	80	0	0
Profit distribution (acc. 129)	81	0	412,343
TOTAL SHAREHOLDERS' EQUITY (row 61+64+65-66+67+75-76+77-78-79)	82	93,792,694	94,601,423



## Profit and loss account

All amounts are indicated in RON, unless otherwise stated

Indicator	Row	3Q		9M	
		01.07.2013	01.07.2012	01.01.2013	01.01.2012
		30.09.2013	30.09.2012	30.09.2013	30.09.2012
1. Sales revenues	1	4,736,451	4,025,798	13,633,815	13,977,465
4. Other operating revenues (acc. 7417+758)	7	59,356	3	117,357	712
Operating revenues – TOTAL (rows 01+04-05+06+07)	8	4,795,807	4,025,801	13,751,172	13,978,177
5. Material expenses and other third party expenses (rows 10 to 12)	9	76,958	62,587	229,615	182,427
Consumable materials expenses (acc. 602-7412)	10	22,556	21,052	74,755	81,079
Other material expenses (acc. 603+604)	11	18,059	7,138	29,831	16,617
Other third party expenses (water and energy) (acc. 605-7413)	12	36,343	34,397	125,029	84,731
6. Personnel expenses (rows 14+15)	13	2,226,727	1,588,462	5,842,432	4,726,012
- Base personnel salaries (acc. 641+642-7414)	14	1,751,827	1,221,073	4,507,271	3,549,519
- Social security contributions (acc. 645-7415)	15	474,900	367,389	1,335,161	1,176,493
7a. Adjustments of tangible and intangible assets (rows 17-18)	16	175,853	168,571	-507,835	417,438
a.1) Expenses (acc. 6811+6813)	17	175,853	168,571	511,185	417,438
a. 2) Revenues (acc. 7813+7815)	18	0	0	1,019,020	0
7b. Adjustments of current assets (rows 20-21)	19	-10,037	-413	-1,619	-647
b.1) Expenses (acc. 654+6814)	20	0	0	8,418	0
b.2) Revenues (acc. 754+7814)	21	10,037	413	10,037	647
8. Other operating expenses (rows 23 to 25)	22	1,346,298	1,141,867	4,792,434	4,703,770
a) Third party expenses (acc. 611+612+613+614+621+622+623+624+625+626+627+628-7416)	23	1,157,190	990,512	3,951,896	3,995,278
b) Other taxes, duties and similar expenses (acc. 635)	24	184,292	151,339	834,590	683,009
c) Compensation expenses, donations and disposed assets (acc. 658)	25	4,816	16	5,948	25,483
d) Adjustments for provisions (rows 27-28)	26	-66,000	-80,391	-203,272	-850,993
d.1) Expenses (acc. 6812)	27	0	0	0	0
d.2) Revenues (acc. 7812)	28	66,000	80,391	203,272	850,993
Operating expenses – TOTAL (row 09+13+16+19+22+26)	29	3,749,799	2,880,683	10,151,755	9,178,007
Operating result					
- Profit (rows 08-29)	30	1,046,008	1,145,118	3,599,417	4,800,170
- Loss (rows 29-08)	31	0	0	0	0
Financial revenues					
9. Revenues from investments in associates (acc. 7613)	32	0	0	0	0
10. Revenues from other financial investments (acc. 7611+7612)	34	9,307	9,238	378,667	1,909,153
- of which revenues from affiliates (acc. 7611)	35	0	0	355,445	1,883,520
11. Interest rate revenues (acc. 766)	36	624,141	848,972	2,128,302	2,889,197
12. Other financial revenues (acc. 7616+7617+762+763+764+765+767+768)	38	356,332	1,102,446	1,988,020	2,311,971
Financial revenues – TOTAL (rows 32+34+36+38)	39	989,780	1,960,656	4,494,989	7,110,321

Indicator	Row	3Q		9M	
		01.07.2013	01.07.2012	01.01.2013	01.01.2012
		30.09.2013	30.09.2012	30.09.2013	30.09.2012
12. Adjustments of financial assets and of financial investments classified as current assets (row 41-42)	40	-43,131	-1,538	-162,123	-39,290
Expenses (acc. 686)	41	12,039	36,646	47,377	142,654
Revenues (acc. 786)	42	55,170	38,184	209,500	181,944
13. Other financial expenses (acc. 663+664+665+667+668)	45	643,701	977,379	2,047,705	1,258,880
Financial expenses - TOTAL (row 40+43+45)	46	600,570	975,841	1,885,582	1,219,590
Financial result					
- Profit (row 39-46)	47	389,210	984,815	2,609,407	5,890,731
- Loss (row 46-39)	48	0	0	0	0
14. Current result					
- Profit (row 08+39-29-46)	49	1,435,218	2,129,933	6,208,824	10,690,901
- Loss (row 29+46-08-39)	50	0	0	0	0
Total revenues (row 08+39+51)	55	5,785,587	5,986,457	18,246,161	21,088,498
Total expenses (row 29+46+52)	56	4,350,369	3,856,524	12,037,337	10,397,597
Pre-tax result					
- Profit (row 55-56)	57	1,435,218	2,129,933	6,208,824	10,690,901
- Loss (row 56-55)	58	0	0	0	0
18. Income tax expenses	59	212,330	328,031	749,056	1,253,238
Result for the year					
- Profit (row 57-59-60)	61	1,222,888	1,801,902	5,459,768	9,437,663
- Loss (row 58+59+60) or (row 59+60-57)	62	0	0	0	0

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## Main financial indicators as of September 30, 2013

	Indicator	Calculation formula	Value
Liquidity indicators	Current ratio	Current assets / Current liabilities	13.06 times
	Acid test ratio	(Current assets - Inventories) / Current liabilities	13.06 times
	Debt-to-equity ratio	(Borrowed capital / Equity)*100	BVB has no borrowings
Activity indicators	Accounts receivable turnover	(Average receivables balance / turnover)*273 days	33.7 days
	Accounts payable turnover	(Average supplier balance / turnover)*273 days	9.9 days
	Non-current asset turnover	Net sales / Non-current assets	0.42 times
	Asset turnover	Net sales / Total assets	0.14 times
	Financial leverage	Total liabilities / Shareholders' equity	0.05 times
Profitability indicators	Operating margin	Operating profit / Net sales*100	26.4%
	EBITDA margin	EBITDA / Net sales*100	22.7%
	Net margin	Net profit / Net sales*100	40.0%
	Return on equity (ROE)	Net profit / Shareholder's equity*100	5.8%
	Return on assets (ROA)	Net profit / Total assets*100	5.5%
Market indicators	Earnings per share	Net profit / No. of shares	RON 0.71
	Market capitalization	Market price * No. of shares	RON 188,017,851
	Book value per share	Shareholder's equity / No. of shares	RON 12.22/share

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BVB live and recorded earnings conference calls can be found at the following link <http://bvb.ro/investors/>

The next financial report will be released in February 2014.