



BURSA DE VALORI BUCUREȘTI

May 5, 2015, Bucharest

QUARTERLY REPORT

as of March 31, 2015

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Annexes


The Assets, liabilities and equity statement, the Profit and loss account and the Main financial indicators as of March 31, 2015 prepared 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 March 31, 2015”. The Romanian version of the report is the official document.


BUILDING ON THE FAVORABLE BACKGROUND


 The Bucharest Stock Exchange (BVB) continued to focus on development, as over the past quarters the capital market reform had tangible results. These achievements, backed by favorable macroeconomic figures, generated wide interest from an increasing investor community, as BVB promoted its latest accomplishments and plans during investor events and meetings in Romania and abroad. BVB was more present in large financial centers, together with the key Romanian listed companies, meeting investors in London, New York and other cities. The efforts to increase the demand were continued locally by measures aimed to involve retail investors.


 The launch of AeRO Market for Equities, with two newly-listed companies on the first day, added to the visibility of the capital market and increased awareness of local investors on new investment opportunities available. The new market is aimed to link investors and businesses on a lookout for financing using the exchange.

 The equities trading activity for the first quarter was lower in year-on-year terms, with RON 2.11 bn in turnover (the figure excludes public offers). The value is still higher than the RON 2 bn registered in the last quarter of 2014. In addition, fixed-income instruments and structured products continued on an upward trend set in the previous quarters. The less impressive equities trading value combined with the reduction in direct trading costs, one of the key measures to improve the competitiveness of the local market, took a toll on the company's trading revenues.

 Higher revenues from IT services, data vending and issuers' fees partly offset the trading revenues' decline and sent sales revenues¹ to RON 4.06 mn for the quarter.

 The sustained marketing activity resulted in higher marketing costs which weighed down on operating profitability, while the positive effects on trading activity and revenues are expected to be observed in the future.

 BVB reported a net profit² of RON 1.62 mn for the first quarter of the year, 17% higher compared to the year-ago period, mostly supported by financial revenues.

 BVB's share price ended the first three months of 2015 at RON 36.58, with a gain of 8%.

¹ BVB's sales revenues consist mainly from the fees charged for trading of listed instruments, fees from listing of companies and financial instruments, and from data vending to various users.

² 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.

FINANCIAL HIGHLIGHTS

Indicators		Q1			Change
		01.01.2015	01.01.2014		
		31.03.2015	31.03.2014		
Individual profit and loss account					
Net sales	RON mn	4.06	4.64	-13%	
Operating profit	RON mn	0.25	1.20	-79%	
Financial profit	RON mn	1.69	0.45	272%	
Net profit	RON mn	1.62	1.38	17%	
Earnings per share	RON	0.21	0.18	17%	
Individual balance sheet (end of period)					
Shareholders' equity	RON mn	102.29	99.20	3%	
Total assets	RON mn	107.70	103.79	4%	
Ratios					
Operating margin	%	6%	26%	-	
Net margin	%	40%	30%	-	
Return on equity	%	2%	1%	-	
Market statistics (including DEAL trades and public offers)					
Turnover for shares, rights and units	RON mn	2,110	2,337	-10%	
Turnover for bonds and government securities	RON mn	121	37	227%	
Turnover for shares, rights, units, bonds and government securities	RON mn	2,231	2,374	-6%	
Average daily turnover for shares, rights, units, bonds and government securities	RON mn	36.0	38.3	-6%	
BVB stock statistics					
Opening price (closing price of the previous day)	RON	33.97	32.50	5%	
High (intraday price)	RON	40.50	32.39	25%	
Low (intraday price)	RON	33.66	24.70	36%	
Closing price (end of period)	RON	36.58	28.77	27%	
Trading value, including DEAL trades	RON mn	35.59	11.58	207%	
Average daily turnover, including DEAL trades	RON mn	0.57	0.19	207%	

COMPANY INFORMATION

Legal entity	BURSA DE VALORI BUCUREȘTI SA
Main activity	Administration of financial markets
CAEN code	6611
Sole Registration Code	17777754
Trade Register no	J40/12328/2005
Address	34-36 Carol I Blvd., floors 13-14, District 2, Bucharest
Symbol	BVB
ISIN	ROBVBAACNOR0

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:

- The 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;
- AeRO Market for Equities, designed for start-ups and SMEs, launched on February 23, 2015; separate sections of the alternative trading system are available for trading bonds and foreign stocks listed on other markets;
- Rasdaq market where shares and rights issued by Romanian entities are traded, most of them coming from the mass privatization program. According to the Law no. 151/2014, which entered into force in October 2014 and was followed at the beginning of December 2014 by FSA's Regulation no. 17/2014, companies currently listed on Rasdaq market must choose between a transfer to a regulated market, migration to an alternative trading system or delisting from the exchange. Rasdaq market will cease operating in 12 months from the law's enforcement, i.e. in October 2015.

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 is included in indices focused on listed exchanges and other trading venues (FTSE Mondo Visione Exchanges Index and Dow Jones Global Exchanges Index), as well as in local market indices: BET and its total return version BET-TR, BET-XT and BET-XT-TR, BET-BK, BET Plus, ROTX.

MAIN EVENTS DURING THE FIRST QUARTER OF 2015

1 January – The **new segmentation** of the Regulated Market entered into force, classifying the shares into Premium or Standard, versus tiers 1, 2 and 3 previously used. In order to be admitted to the Premium tier, an issuer should have a free float of at least EUR 40 mn, while the maintenance or upgrade from Standard are conditioned by the level of trading activity and the existence of at least one market maker for the company's shares.

The **screening criteria related to reporting quality and investor relations activities** for determining the eligible companies for BET and BET-TR indices were also enforced. Thus, starting with January 1, 2015, eligible companies will have to comply with three criteria: reporting according to IFRS, submitting English language reports (current and periodic) simultaneously with the Romanian version and organizing events for investors and analysts on a quarterly basis.

9 January – The **Emergency Ordinance no. 90/2014**, amending and supplementing the Capital Markets Law 297/2004, entered into force. The ordinance brought several changes to existing legislation which were meant to simplify and clarify the voting procedure in the general shareholders meetings, to consolidate the creation of a centralized dividend payment system, to improve the public offers mechanisms and listing regime, as well as to increase the ownership threshold for market operators (from 5% to 20%) and to change the quorum requirements for the extraordinary general shareholders meetings for market operators. On January 9, 2015, BVB's Board of Governors decided to amend the Articles of Association of the company in order to align it to the new provisions included in the Law 297/2004 by the GEO.

2 February – BVB offered 13 awards to the contributors to the development of the capital market in 2014, during the **Inauguration of the Stock Exchange Year** private reception. More than 500 top representatives of capital market institutions, financial industry and entrepreneurs attended the ceremony and recognized industry institutions and personalities who are helping building successful capital markets in Romania, including the European Bank for Reconstruction and Development (EBRD), Coalitia pentru Dezvoltarea Romaniei, political leaders, intermediaries and Asociația pentru Pensile Administrate Privat din Romania (APAPR). The reception also hosted a charity auction performed by Artmark for the educational and health projects undertaken by the two associations that BVB has been supporting throughout the last years – Asociația OvidiuRO and Fundația Hospice Casa Speranței.

4 February – The second of the series of events branded "**Romanian Capital Market – Up the Ladder to Emerging Market**", dedicated to institutional investors based in the British capital city, was organized by BVB in London in cooperation with EBRD and Bloomberg. Investors were updated on the latest developments in the Romanian capital market and the pace of reforms needed to upgrade the local market to Emerging Markets status.

The recent progress of the Romanian capital market and its perspectives were also presented to the Romanian business community based in London during an **interactive workshop organized by BVB and the Embassy of Romania to the United Kingdom of Great Britain and Northern Ireland**. This meeting built on the success of the first similar event held in October 2014 and on the strong interest in Romania as an investment destination shown by the Romanian business community based in London.

16 February – BVB announced **the first successful direct fiscal registration in Romania completed by a foreign investor**, an investment fund from Poland - Quercus TFI, which opted for direct registration without appointing a fiscal agent or representative. Nonresident investors can now use a tested process for the initial fiscal registration or can opt for the fulfillment of tax obligations directly in Romania, if they are already fiscally registered. Investors' fiscal compliance is part of the *Eight Barriers* project, and the introduction of the direct fiscal registration, the simplification of the process, as well as the reduction of the time required for registration were among BVB's priorities, with impact in attracting investors on the local market.

23 February – BVB implemented a new trading model, named the **auction model**, to be applied for a selection of shares traded on the Regulated Market according to the criteria set forth by BVB referring to the average value traded, the average number of trades and the frequency of trading. The new model consists in distinct sessions for introducing and administration of orders, followed by fixing stages when trades are registered if the execution conditions are fulfilled. The first list of shares for which the auction model applies was announced on 12 February and included 24 companies.

25 February – BVB officially launched **AeRO Market for Equities**, dedicated to small and medium sized enterprises looking to finance their growth stories and for investors looking for new investment opportunities. AeRO was developed as a market with

less reporting obligations for the listed companies, but at the same time with sufficient transparency for investors. Delivery Solutions and Carpathia Capital were the two companies that were listed on the launching date for the new market.

27-28 February – The **second edition of the BVB Individual Investors Forum** took place in Cluj Napoca. More than 130 persons participated at the event, where discussions covered topics such as the Investors Club concept, the newly launched AeRO market, portfolio management and behavioral biases, shareholders' rights in listed companies and so on. The first Investors Club was announced by two Cluj-based investors on this occasion. BVB will offer support for such initiatives, as one of the steps on the path of creating a stronger community of individual investors of the Romanian capital market.

2 March – An important change with regard to **trade settlement** was implemented and became functional, with trades being settled through two net settlement cycles, instead of one as before. The new net settlement model is expected to increase the efficiency of the settlement process, reduce the risks and support intraday trading, including the turnaround trades, for the end-clients that operate through the custodians.

18 March – The Hungarian investment services provider **Concorde Securities** marked its entrance on the Romanian capital market and became a Participant at the Bucharest Stock Exchange. Concorde Securities is a member of the Budapest, Frankfurt and Warsaw stock exchanges. The investment firm was the best ranking intermediaries at the Budapest Stock Exchange in 2014 in terms of equities trading activity.

23 March – BVB launched **second total return index BET-XT-TR**, which reflects the price performance of top 25 most traded Romanian companies, as well as the gross dividends and cash distributions made by those companies. The index increased by 11.1% in 2014 (based on backward computed data), versus the 6.3% performance of BET-XT index.

24-25 March – BVB participated at the 10th edition of the **World Exchange Congress**, held in London and attended by more than 300 participants from across the world. The event brought together the global exchange community to examine strategy, opportunities and challenges within the finance industry. BVB's CEO Ludwik Sobolewski showcased the Romanian capital market reform, started in 2014, that aims at transforming the local stock market into an effective pillar of the economy.

27 March – The **first three companies were transferred from Rasdaq to AeRO**, i.e. Inox Magurele (INOX), Petrocart Piatra Neamt (PTRC) and Ducatex Jilava (GUFX). These issuers thus benefit from a new start on the capital market arena, in a clear and legitimate regulatory environment, by European standards.

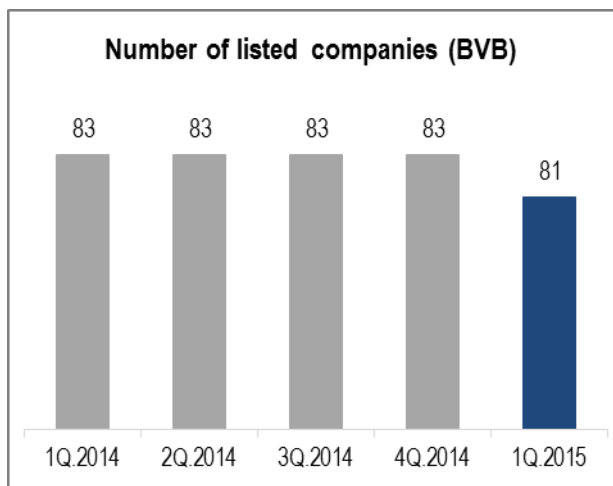
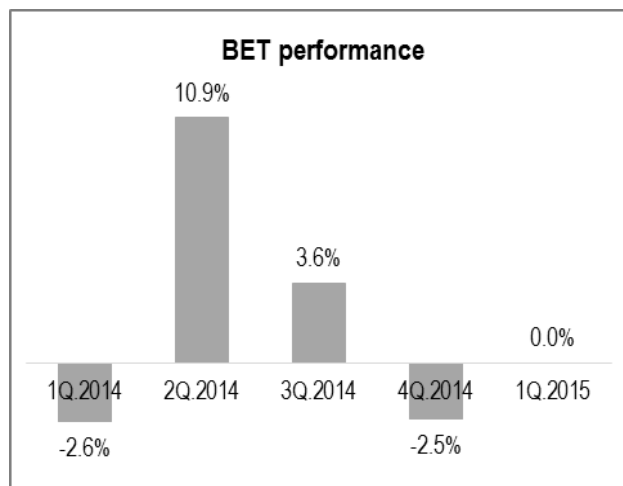
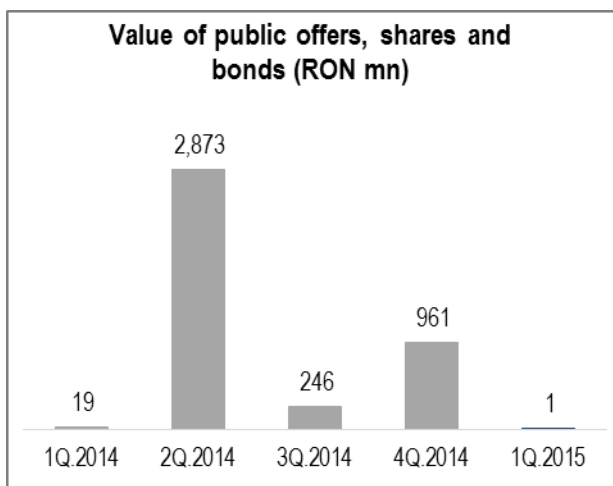
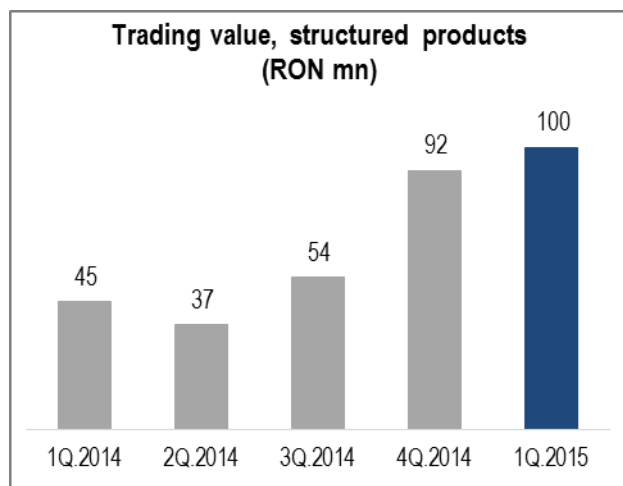
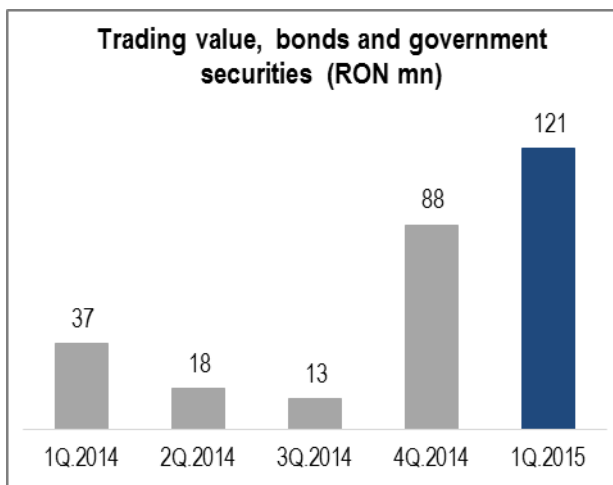
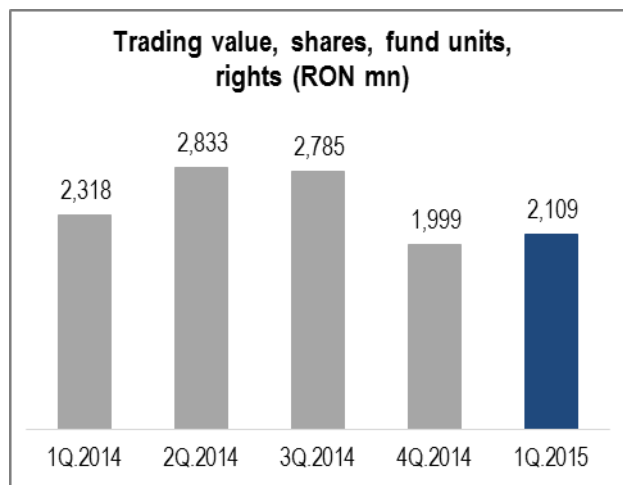
On 27 March, BVB became a partner exchange to the **United Nations (UN) Sustainable Stock Exchanges (SSE)** initiative. It is a peer-to-peer learning platform for exploring how exchanges, in collaboration with investors, regulators, and companies, can enhance corporate transparency – and ultimately performance – on environmental, social and corporate governance issues and encourage sustainable investment. BVB is the 19th member to join the initiative globally and the 4th European exchange alongside Deutsche Borse, London Stock Exchange and Warsaw Stock Exchange.

30-31 March – BVB, Fondul Proprietatea, Swiss Capital and Auerbach Grayson presented to US-based investors the investment opportunities in Romania, during the second **Romania Investors Days event in New York**. The conference offered investors a deeper understanding of investment opportunities in Romania, including already listed issuers and companies that are scheduled to come to the stock market, such as Hidroelectrica, Salrom and Aeroporturi Bucuresti. The event attracted more than 50 representatives of investment funds collectively representing more than USD 1,000 bn in assets under management.

31 March – The fund units of the **closed-end fund BET-FI Index Invest**, managed by SAI Broker started trading on the fund units designated market. The fund was launched in May 2013 and at the end of February 2015 its total assets amounted to approx. RON 11.4 mn.

During the **1st quarter of the year**, 28 new series of turbo certificates issued by Erste Bank and 4 new series of certificates (2 turbo and 2 capital protection certificates) issued by SSIF Broker started trading on BVB's Structured Products segment. These instruments have indices, stocks (Banca Transilvania, OMV Petrom, Erste Group Bank, Nestle, Novartis), commodities and foreign exchange rates as underlying assets.

QUARTERLY OPERATING HIGHLIGHTS³



³ Source: BVB. The traded value is presented based on a "single counted" basis, includes DEAL trades and excludes public offers

OPERATING AND FINANCIAL REVIEW

The financial results are prepared according to the Romanian Accounting Standards (RAS) and in compliance with the rules and regulations of the Financial Supervisory Authority. The financial results as of March 31, 2015 are not audited.

Results for the first quarter of 2015

The global economic landscape remained fragile but showed increasing signs of improvement. A significant 30 central banks both in developed economies as well as emerging markets implemented interest rate cuts and quantitative easing measures, including the European Central Bank (ECB), China and Japan. Europe is slowly recovering despite Greece's debt stress, supported by the ECB's EUR 60 bn quantitative easing program initiated in early March.

The monetary policy remained a key theme for US, where the Federal Reserve seemed more opened to the possibility of a gradual increase of the policy rate later in the year, depending on the USD's future trend and on how the States would recover from the slowdown of the first three months of 2015 because of the harsh winter, similar to early 2014. In such a context, the S&P500 barely broke even after the first quarter.

On the other hand, the Eurozone financial market enjoyed a significant upturn, with DJ Stoxx 600 marking a notable 16%, spurred by ECB's package which exceeded expectations in terms of size. In addition, macro indicators were mostly favorable, pointing towards growth acceleration in the short term and fuelling optimism for the markets.

Emerging markets were far less impressive, but still ended the quarter in a positive territory due to stabilizing oil prices, authorities' moves to support growth and more hopes for a peace settlement in Ukraine. China, Taiwan, Russia were among the gainers, while MSCI EM was up by 1.9%.

For the local market, the main index BET remained unchanged, with the positive macro news (central bank's repeated interest cuts, the perspective of fiscal easing introduced by the new Fiscal Code) countering the influences of the Greek situation, tensions in Ukraine and other waves of pessimism that burdened other markets as well.

The stock market turnover excluding public offers slowed to RON 2.11 bn compared to the year ago period, but marked a 5.5% increase compared to the previous quarter. The average daily turnover for the regular stock market reached RON 33.4 mn (excluding public offers), 3.7% above the previous quarter but almost 9% below the y-o-y period.

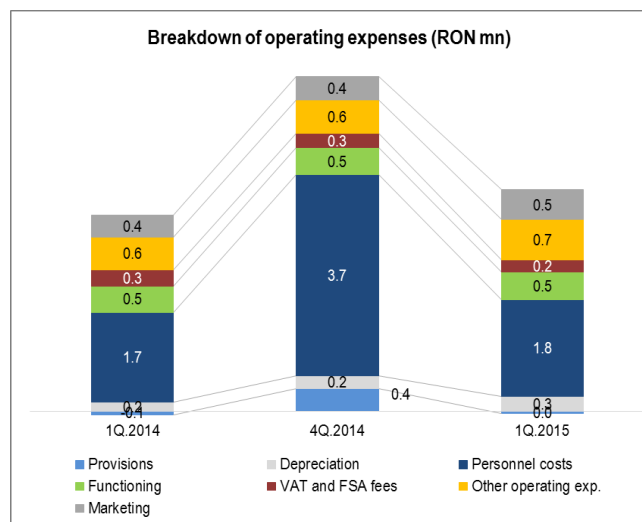
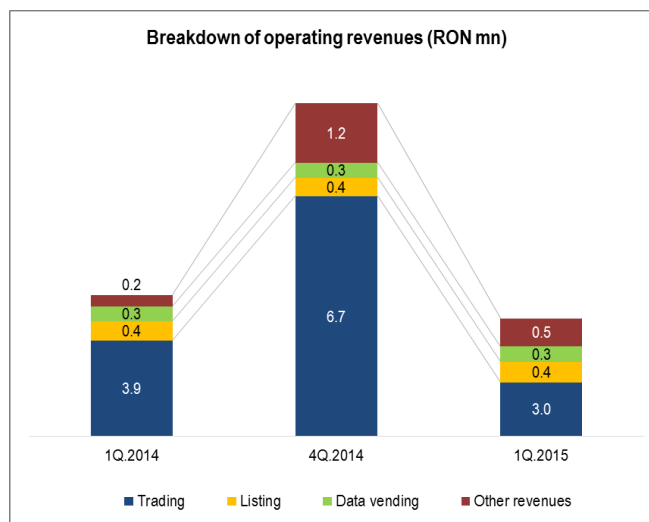
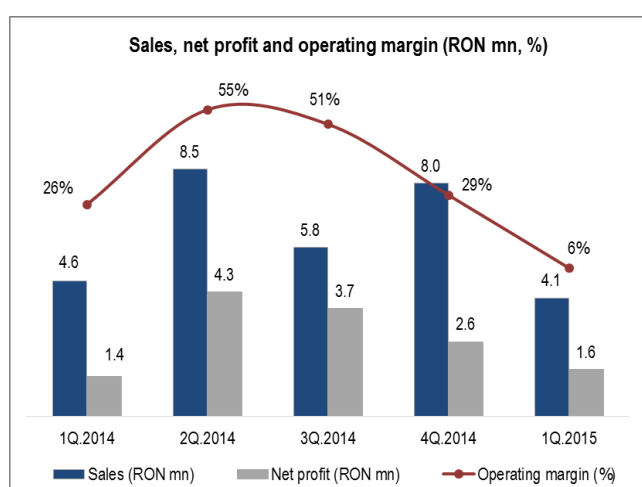
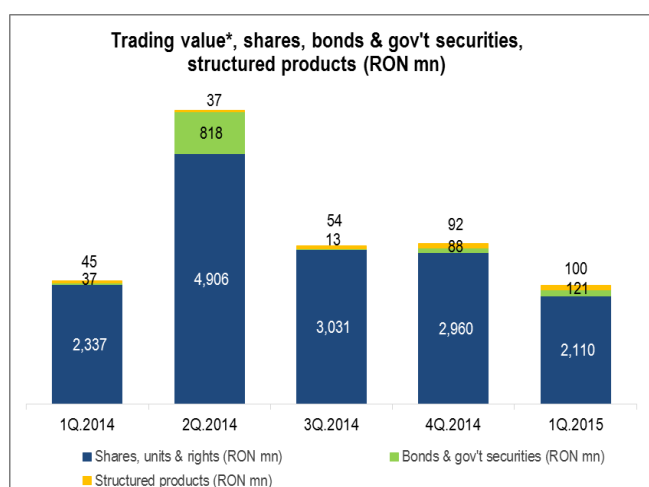
As regards the market structure and depth, investors continued to favor regular trading, with a corresponding decline in negotiated trades, as a result of the new pricing policy features implemented at the beginning of October 2014. Thus, Deal trades continued to represent on average 18% of the total trading value on the regulated stock market, similarly to the previous quarter, but significantly below the 45% average for the first 9 months of 2014 (before the enforcement of the new fees).

Profit and loss account (RON mn)	1Q 2015	1Q 2014	Change 1Q 2015 vs 1Q 2014	4Q 2014	Change 1Q 2015 vs 4Q 2014
Operating revenues, of which:	4.30	4.75	-9.6%	8.49	-49.4%
Sales revenues	4.06	4.64	-12.5%	7.99	-49.1%
Operating expenses, of which:	4.05	3.55	14.0%	6.19	-34.6%
Personnel expenses	1.79	1.66	7.7%	3.71	-51.8%
Operating profit	0.25	1.20	-79.2%	2.30	-89.1%
Financial profit	1.69	0.45	272.0%	0.75	126.6%
Pre-tax profit	1.94	1.66	17.0%	3.05	-36.4%
Net profit	1.62	1.38	17.1%	2.57	-36.9%
Earnings per share (RON)	0.21	0.18	17.1%	0.33	-36.9%

The fixed-income and the structured products markets registered positive performances compared to both periods of reference. Trading with bonds and government securities were more than 3 times above the year-ago figure and increased by 37.5% q-o-q. Structured products remained on the upward trend set over the past months and ended the quarter with RON 100 mn, supported by increasing number of certificates launched during the period.

The lower trading fees as of October 1, 2014, even if widely considered a must for transforming the local market into a more competitive market, fit for becoming an Emerging market, also took a toll on the company's **trading revenues** which reached RON 3.05 mn, down by 21.2% q-o-q and half the figure registered in the 4th quarter of 2014 when the public offers brought significant additional revenues.

Admission and maintenance fees charged to issuers increased compared to both periods of reference to RON 0.40 mn, mostly driven by fees paid by companies from Rasdaq seeking admission to trading on AeRO market.



* The trading value includes Deal trades and public offers

Revenues from IT services tripled in y-o-y terms to RON 0.3 mn due to services provided to the Central Depository within the capital market development projects. **Revenues from data vending** were marginally higher, after BVB became the sole vendor of its data and started signing new contracts with data vendors directly.

During the analyzed period, BVB registered revenues from the **in-house software development** of Arena-XT Web, expected to add RON 0.13 mn to the intangible assets value.

Operating revenues for the first quarter of 2015 thus reached RON 4.30 mn, lower by 9.6% compared to the year-ago period.

Operating expenses reached RON 4.05 mn, 14% above the year-ago figure, driven primarily by higher promotion and marketing expenses, depreciation and personnel costs. During the quarter, BVB hosted and partnered in organizing key investor events, dedicated to both institutional and retail investors, in Romania and abroad, with a view to reaching a broader investor community. The launch of AeRO market was a milestone in developing the local market, bringing investors closer to smaller businesses in need for stock exchange financing. The efforts to promote the new market and organize dedicated events were also mirrored in the marketing costs increase.

Depreciation charges continued to increase, following the acquisitions of fixed assets and the finalization of in-house development projects during the past months, which resulted in additional intangible assets (software). The declines of non-deductible VAT and other cost categories were insufficient to cover the previously mentioned increases.

The **operating profit** was RON 0.25 mn for the quarter, lower compared to both periods of reference.

The **financial profit** reached RON 1.69 mn, heightened by the continuing USD appreciation compared to the local currency translated in unrealized foreign exchange gains of RON 1.32 mn. Interest earned on investments in short term deposits and longer term government securities reached RON 0.68 mn for the analyzed period.

BVB ended the first quarter of the year with a **net profit** of RON 1.62 mn, 17.1% above the year-ago figure and 36.9% below the previous quarter.

Financial position as of March 31, 2015

Net assets

At the end of March 2015, BVB's **total assets** were RON 107.70 mn, 1.1% higher since the beginning of the year, driven mostly by the increase of non-current assets to RON 71.94 mn. Current assets were RON 35.63 mn, close to the figure registered as of January 1.

Non-current assets increased by 1.4% or RON 0.96 mn since the beginning of the year due to the registration of interest earned on long-term investments, as well as to the acquisition of software licenses and other fixed assets.

Current assets increased by RON 0.26 mn since the January 1, as a combined effect of cashing in receivables and investing the proceeds in bank deposits, thus increasing the value of **cash and short term investments** to a total of RON 31.98 mn versus 27.97 mn at the beginning of the year.

Assets (RON mn)	31.03.2015	01.01.2015	Equity & Liabilities (RON mn)	31.03.2015	01.01.2015
Non-current assets	71.94	70.98	Shareholders' equity	102.29	100.68
Current assets – total, of which: - cash, bank accounts and other short term financial investments	35.63	35.37	Payables, all due in less than 1 year	4.28	4.63
	31.98	27.97			
Prepaid expenses	0.13	0.13	Provisions	0.44	0.48
			Deferred revenues	0.69	0.69
Total assets	107.70	106.48	Total equity & liabilities	107.70	106.48

BVB's **debt** at the end of March 2015 was all due in less than 1 year. The amount was RON 4.28 mn, almost 8% below the beginning of the year, and included liabilities to BVB's shareholders' (dividends payable), liabilities to the company's employees, to the state budget and the social security budget, not due at the end of the analyzed period.

Shareholders' equity increased by RON 1.62 mn, representing the net profit registered during the first quarter of the year.

EXPECTATIONS FOR THE SECOND QUARTER OF 2015

Bond markets. The second quarter of the year may become a reference point for BVB's bond markets. At the time of this report, the RON 2.2 bn (EUR 500 mn) public offer of municipal bonds issued by Bucharest city has already been successfully finalized. According to the consortium's representatives, the offer was oversubscribed 2 times, providing an indication on the future appetite for other fixed-income securities. The bond offer execution together with the bonds' secondary trading will have a positive influence on BVB's revenues from trading, as well as on issuers fees. In secondary trading, the bonds will benefit from market-making services, which is a premiere for the local bond market, aimed at improving market liquidity.

The fixed-income market will also see the launch of the first issue of government securities dedicated for retail investors, which should be a trigger for further liquidity improvement and for attracting new investors to the market. The new instruments will have a nominal value of RON 1,000, as decided last year by the Ministry of Public Finance, in order to stimulate investors with less investable assets to invest at BVB. The trading framework was already set since 2014, when BVB decided to charge no fees for the primary market for such issues and to apply fees of only RON 1/transaction in the secondary market. The liquidity of these securities will also be supported by market makers which will benefit from lower trading fees of RON 0.5/transaction.

In addition, the second quarter already brought the first bond issue on the alternative trading system, worth of RON 1.9 mn. The issue made by C&V Water Control may prove a useful example for other companies seeking to tap the market in an attempt to find an alternative financing solution to traditional banking loans.

AeRO market. At the time of this report, Bittnet Systems was already the first Romanian IT company to become listed on the newly-launched AeRO market. The company, a successful business focused on IT trainings and end-to-end IT infrastructure services and solutions, is the third company to access AeRO this year, together with Delivery Solutions and Carpathia Capital. Efforts are made continuously to improve the visibility of this new market as an attractive opportunity for start-ups and SMEs, which could have a higher chance to find the much needed financing or their growth story.

AeRO will be the trading venue for an increasing number of companies which are currently trading on Rasdaq market. Our expectations are that the number of companies listed on AeRO would rise gradually towards 100 by the end of the quarter, benefitting from the increased visibility and improved status provided by this young market.

Marketing and promotion. Apart from the events to be held in the country, AeRO will also be in focus at the conference *Bucharest - new destination for financing European growth stories* which will be held in early-May in Brussels, organized by BVB in cooperation with MEP Theodor Stolojan and the European People Party. AeRO will be presented as a solution not only for Romanian companies, but also for European entrepreneurs facing similar challenges.

Marketing and promotion efforts will also include the *CEE Pension Investment Forum* to be held in Bucharest at the beginning of June, co-organized by BVB and the World Pensions Council.

A key event for the quarter will be *Romania Investor Days*, the first roadshow organized by BVB dedicated to the most important Romanian companies listed on the stock exchange and those expected to become listed in the future. Speeches offered by the policymakers and industry experts will focus on future privatizations and the broad capital market reform. The event will also offer access to senior management and experts through 1on1 meetings.

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Assets, liabilities and equity statement

All amounts are indicated in RON, unless otherwise stated

Indicator	Row	Balance as at	
		31.03.2015	01.01.2015
A. NON-CURRENT ASSETS			
Intangible assets			
3. Licenses, other intangible assets (acc. 205+208-2805-2808-2905-2908)	3	900,293	1,043,164
5. Advance payments and intangible non-current assets in progress (acc. 233+234-2933)	5	<u>132,294</u>	<u>0</u>
Total intangible assets (row 01 to 05)	6	1,032,587	1,043,164
Tangible assets			
1. Land and constructions (acc. 211+212-2811-2812-2911-2912)	7	3,344,100	3,344,100
2. Equipment and machinery (acc. 214-2814-2914)	8	874,624	865,311
3. Other equipment and furniture (acc. 214-2814-2914)	9	566,860	415,972
4. Advance payments and tangible assets in progress (acc. 231+232-2931)	10	<u>0</u>	<u>0</u>
Total tangible assets (row 07 la 10)	11	4,785,584	4,625,383
Financial assets			
1. Shares held in subsidiaries (acc. 261-2961)	12	25,540,363	25,540,363
5. Investments held as financial assets (acc. 262+264+265+266-2696-2962-2964)	16	1,418,413	1,391,447
6. Other receivables (acc. 2673+2674+2678+2679-2966-2969)	17	39,163,129	38,375,645
Total financial assets (rows 12 to 17)	18	<u>66,121,905</u>	<u>65,307,455</u>
TOTAL NON-CURRENT ASSETS (rows 06+11+18)	19	71,940,076	70,976,002
B. CURRENT ASSETS			
Inventories			
3. Advance payments for purchases of inventories (acc. 4091)	22	<u>28</u>	<u>6,325</u>
Total inventories (row 20 la 22)	23	28	6,325
Receivables			
1. Trade receivables (acc. 2675*+2676*+2678*+2679*-2966*-2969*+4092+411+413+418-491)	24	1,844,142	6,024,307
4. Other receivables (acc. 425+4282+431+437+4382+441+4424+4428+444+445+446+447+4482+4582+461+473-496+5187)	27	<u>1,805,111</u>	<u>1,371,885</u>
Total receivables (row 24 to 28)	29	3,649,253	7,396,192
Short term financial investments			
2. Other short term financial investments (acc. 5031+5032+505+5061+5062+5071+5072+5081+5082+...+5113+5114)	31	<u>31,226,054</u>	<u>26,879,739</u>
Total short term financial investments (rows 30 to 31)	32	31,226,054	26,879,739
IV. Cash and bank accounts (acc. 5112+5121+5122+5123+5124+5125+5311+5314+5321+5322+5323+...+542)	33	<u>751,513</u>	<u>1,089,155</u>
TOTAL CURRENT ASSETS (rows 23+29+32+33)	34	35,626,848	35,371,411
C. PREPAID EXPENSES (acc. 471)	35	130,182	134,433
D. PAYABLES WITHIN ONE YEAR			
3. Advance payments from clients (acc. 419)	38	17,546	7,704
4. Trade payables (acc. 401+404+408)	39	556,795	911,384
8. Other payables, including tax and social security payables	43	<u>3,703,299</u>	<u>3,713,853</u>

Indicator	Row	Balance as at	
		31.03.2015	01.01.2015
(acc. 1623+1626+167+1687+2698+421+423+424+...+5197)			
Total payables within one year (rows 36 to 43)	44	4,277,640	4,632,941
E. NET CURRENT ASSETS OR NET CURRENT LIABILITIES (rows 34+35-44-60.2)	45	30,789,250	30,178,125
F. TOTAL ASSETS LESS CURRENT LIABILITIES (rows 19+45-60.1)	46	102,729,326	101,154,127
G. PAYABLES WITHIN MORE THAN ONE YEAR			
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
H. PROVISIONS			
1. Pension and other similar provisions (acc. 1515)	56	135,258	178,746
2. Other provisions (acc. 1511+1512+1513+1514+1518)	58	300,000	300,000
TOTAL PROVISIONS (rows 56+57+58)	59	435,258	478,746
I. DEFERRED REVENUE (row 60.1+60.2+60.3)	60	690,140	694,778
2. Deferred revenue	60.2	690,140	694,778
J. SHARE CAPITAL AND RESERVES			
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	2,325,080
- Debit balance	66	0	0
Reserves (rows 68 to 73-74)	67	10,419,789	10,419,789
1. Legal reserves (acc. 1061)	68	6,507,834	6,507,834
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	1,441,649	1,441,649
Retained earnings			
Profit – Credit balance	77	11,188,524	0
Loss – Debit balance	78	0	0
Result for the year			
Profit (acc. 121) – Credit balance	79	1,618,687	11,896,005
Loss (acc. 121) – Debit balance	80	0	0
Profit distribution (acc. 129)	81	0	707,481
TOTAL SHAREHOLDERS' EQUITY (row 61+64+65-66+67+75-76+77-78-79)	82	102,294,068	100,675,381

Profit and loss account

All amounts are indicated in RON, unless otherwise stated

Indicator	Row	1Q	
		01.01.2015	01.01.2014
		31.03.2015	31.03.2014
1. Sales revenues	1	4,062,414	4,642,991
3. Production made by the entity for its own use and capitalized (acc. 721+722)	6	132,294	0
4. Other operating revenues (acc. 7417+758)	7	101,374	108,491
Operating revenues – TOTAL (rows 01+04-05+06+07)	8	4,296,082	4,751,482
5. Material expenses and other third party expenses (rows 10 to 12)	9	84,440	78,318
Consumable materials expenses (acc. 602-7412)	10	32,299	21,654
Other material expenses (acc. 603+604)	11	16,499	16,853
Other third party expenses (water and energy) (acc. 605-7413)	12	35,642	39,811
6. Personnel expenses (rows 14+15)	13	1,790,099	1,661,794
- Base personnel salaries (acc. 641+642-7414)	14	1,464,332	1,322,325
- Social security contributions (acc. 645-7415)	15	325,767	339,469
7a. Adjustments of tangible and intangible assets (rows 17-18)	16	270,781	164,709
a.1) Expenses (acc. 6811+6813)	17	270,781	164,709
a. 2) Revenues (acc. 7813+7815)	18	0	0
7b. Adjustments of current assets (rows 20-21)	19	0	0
b.1) Expenses (acc. 654+6814)	20	0	0
b.2) Revenues (acc. 754+7814)	21	0	0
8. Other operating expenses (rows 23 to 25)	22	1,944,266	1,710,666
a) Third party expenses (acc. 611+612+613+614+ 621+622+623+624+625+626+627+628-7416)	23	1,723,735	1,409,966
b) Other taxes, duties and similar expenses (acc. 635)	24	220,435	300,699
c) Compensation expenses, donations and disposed assets (acc. 658)	25	96	1
d) Adjustments for provisions (rows 27-28)	26	-43,488	-67,380
d.1) Expenses (acc. 6812)	27	0	0
d.2) Revenues (acc. 7812)	28	43,488	67,380
Operating expenses – TOTAL (row 09+13+16+19+22+26)	29	4,046,098	3,548,107
Operating result			
- Profit (rows 08-29)	30	249,984	1,203,375
- Loss (rows 29-08)	31	0	0
Financial revenues			
9. Revenues from investments in associates (acc. 7613)	32	0	0
10. Revenues from other financial investments (acc. 7611+7612)	34	6,534	2,643
- of which revenues from affiliates (acc. 7611)	35	0	0
11. Interest rate revenues (acc. 766)	36	683,974	704,823
12. Other financial revenues (acc. 7616+7617+762+763+764+765+767+768)	38	1,320,990	263,290
Financial revenues – TOTAL (rows 32+34+36+38)	39	2,011,498	970,756

Indicator	Row	1Q	
		01.01.2015	01.01.2014
		31.03.2015	31.03.2014
12. Adjustments of financial assets and of financial investments classified as current assets (row 41-42)	40	88,107	106,843
Expenses (acc. 686)	41	115,073	133,783
Revenues (acc. 786)	42	26,966	26,940
13. Other financial expenses (acc. 663+664+665+667+668)	45	234,349	409,841
Financial expenses - TOTAL (row 40+43+45)	46	322,456	516,684
Financial result			
- Profit (row 39-46)	47	1,689,042	454,072
- Loss (row 46-39)	48	0	0
14. Current result			
- Profit (row 08+39-29-46)	49	1,939,026	1,657,447
- Loss (row 29+46-08-39)	50	0	0
Total revenues (row 08+39+51)	55	6,307,580	5,722,238
Total expenses (row 29+46+52)	56	4,368,554	4,064,791
Pre-tax result			
- Profit (row 55-56)	57	1,939,026	1,657,447
- Loss (row 56-55)	58	0	0
18. Income tax expenses	59	320,339	275,391
Result for the year			
- Profit (row 57-59-60)	61	1,618,687	1,382,056
- Loss (row 58+59+60) or (row 59+60-57)	62	0	0

LUDWIK LESZEK SOBOLEWSKI
General Manager

Main financial indicators as of March 31, 2015

	Indicator	Calculation formula	Value
Liquidity indicators	Current ratio	Current assets / Current liabilities	8.33 times
	Acid test ratio	(Current assets - Inventories) / Current liabilities	8.33 times
	Debt-to-equity ratio	(Borrowed capital / Equity)*100	BVB has no borrowings
Activity indicators	Accounts receivable turnover	(Average receivables balance / turnover)* 90 days	83.0 days
	Accounts payable turnover	(Average supplier balance / turnover)*90 days	16.3 days
	Non-current asset turnover	Net sales / Non-current assets	0.06 times
	Asset turnover	Net sales / Total assets	0.04 times
	Financial leverage	Total liabilities / Shareholders' equity	0.04 times
Profitability indicators	Operating margin	Operating profit / Net sales*100	6.2%
	EBITDA margin	EBITDA / Net sales*100	12.8%
	Net margin	Net profit / Net sales*100	39.8%
	Return on equity (ROE)	Net profit / Shareholders' equity*100	1.6%
	Return on assets (ROA)	Net profit / Total assets*100	1.5%
Market indicators	Earnings per share	Net profit / No. of shares	RON 0.21
	Market capitalization	Market price * No. of shares	RON 280,722,163
	Book value per share	Shareholder's equity / No. of shares	RON 13.13/share

LUDWIK LESZEK SOBOLEWSKI
General Manager

Contact

Investor relations

Tel: (+40)(21) 307 95 00

Fax: (+40)(21) 307 95 19

E-mail: ir@bvb.ro

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

The following financial report will be released in August 2015.