

BVB POLICY FOR FORECASTS

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1. Introduction

The Bucharest Stock Exchange (“BVB” or “The Company”) has adopted the policy herein with respect to forecasting and related statements, whether they are distributed or not. Forecast statements are forward looking statements that provide insight on trends and factors likely to affect the Company’s revenues, margins, capital spending and earnings. Due to inherent uncertainty, results sometimes differ significantly from forecasts initially presented.

2. Purpose and scope

In order for BVB to fulfill its strategic initiatives, BVB needs to apply resources to its identified, planned and prioritized operational activities. This takes the form of an annual business plan accompanied by an annual financial budget and investment plan (“Annual Budget”).

The forecasting process is aimed to provide, during the budget year, a projection of BVB’s annual financial results. Variations from the approved budget are accounted for in the forecast, which includes projections of revenues, operational and financial expenses and capital spending.

3. Components of the budgeting process

BVB prepares, as part of the Annual Budget, a budgeted P&L statement (revenues and expenses) and an investment plan once per year and forecasts whenever deemed necessary. The process is managed by the Financial Department of BVB, which establishes the timeline, sets priorities, financial impacts, resource and funding needs, after taking into consideration the inputs provided by the Company’s cost centers. All this projections will follow the strategy and objectives established by the BVB Board of Governors.

The key components of the Annual Budget and the planning process include:

- Top-down and bottom-up review of assumptions used in the budgeting process,
- Preparation of the annual business plan given the established Key Performance Indicators (KPIs) by BVB Board of Governors,
- Preparation of detailed plans such as: revenues plan by business lines, expenses plan by nature and cost centers, personnel plan by departments, promotion & development plan by targets & promotional tools, IT plan by development & maintenance measures,

- Preparation of the detailed capital expenditures (investment plan for the year) & liquidity plan by investments,
- Preparation of the main budget statements: Operational KPIs, P&L statement and Investment statement,
- Constant monitoring of the budget and investment plan execution,
- Review and update of the budget and preparation of forecasts, whenever it is deemed necessary.

The main assumptions used in the revenues budgeting process are identified and established by business lines, starting from the internal driving factors, external driving factors and their impact on trading volumes & values. The rolling budget method is mainly used in revenues budgeting, with previous-year revenues being adjusted according to the identified assumptions and events that could have a significant influence, with a high degree of likelihood. The zero-budget method is used in case of new business lines.

Expenses are budgeted starting from the current year needs adjusted according to assumptions prepared for the main cost centers and considering the needs identified for the main future projects. The Investment Plan outlines the expenditures for IT & operational development such as: major equipment, software licenses and investments in third parties such as: investments in BVB Group entities or new entities. The Investment Plan is presented as part of the Budget document.

Some of the above components of the budgeting process are made available to the public, as presented in the section below, and constitute forecast statements subject to the policy herein. Such information is presented on a nondiscriminatory basis to all of the Company's shareholders.

4. Disclosure of forecast statements

The Budget of Revenues and Expenses and Investment Plan are released each year as part of the documentation submitted for approval to the annual shareholders' assembly. Therefore, these documents shall be made available on BVB's corporate website in the *Investor Relations/General shareholders' meetings* section.

BVB also offers forecasts statements in its quarterly (first and third quarter reports) and semi-annual financial reports, presenting factors, trends, planned-for events, associated costs and revenues, expectations which are likely to influence the results for the upcoming reporting periods.

In addition, BVB may include forecasts statements in its events dedicated to analysts and investors (meetings/conference calls), organized on a quarterly basis, as a commentary-type complement to the periodical reports. Presentation slides and sound for each earnings conference call are streamed live over the web, and permanent replays of the recorded calls and the related presentations are available on BVB's corporate website.

Within the process of monitoring the budget execution, BVB prepares updated versions of the budget (forecasts for the remainder of the year) including actual KPIs and financial results registered since the

beginning of the financial year. Such forecasts are not made public and are prepared exclusively for the Company's internal use. Previous assumptions are reviewed and if there are significant changes in the estimated results, the new assumptions shall be publicly disclosed.