



# BUCHAREST STOCK EXCHANGE

November 9, 2012, Bucharest

## Quarterly REPORT

as of September 30, 2012

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### Annexes

Assets, Liabilities and Equity Statements, Profit and Loss Account and Notes to the Financial Statements as of September 30, 2012 drawn up according to the Accounting Rules in compliance with Directive IV of the European Economic Communities applicable for authorized entities, supervised and monitored by National Securities Commission.

### DISCLAIMER

This document was translated from Romanian. The Romanian version of “Quarterly report” is the BVB official document.

## **BVB REACHED SALES REVENUE OF MORE THAN RON 4 MILLION IN THE THIRD QUARTER OF 2012, GIVEN ADVERSE MARKET CONDITIONS<sup>1</sup>**

**BVB** Bucharest Stock Exchange (BVB) sales revenue<sup>2</sup> of RON 4.03 million in the third quarter of 2012 decreased comparing to the same quarter of 2011, following the seasonal drop in the value of trading on the equity and fund units markets in this year. BVB sales revenue was above RON 6.00 million in third-quarter 2011; higher revenues were determined by strong volatility in connection with the turbulence in the euro zone. Structured products market increased by 21% compared to third-quarter 2011, following the great interest of investors for the new instruments launched. Higher revenues, by almost 20%, were obtained from the listing activity.

**BVB** During July-September 2012 management' attention was directed to improve the efficiency by reducing some categories of operating expense to mitigate the effects of lower trading activity on certain markets, without such measures to induce operational risks. Operating expense was RON 2.88 million, 17% lower than the same period in 2011. The largest reductions were achieved in third party expenses and personnel costs. The decrease in operating expense partially offset the decrease in sales revenue and allowed a positive operating result.

**BVB** The operating profit achieved in third-quarter 2012 was RON 1.15 million, compared to RON 2.51 million in the same period last year, due to lower trading activity. Operating margin was 28% in the third quarter of 2012.

**BVB** The result from financing activity amounted to RON 0.98 million, influenced mainly by the interest revenue, while the national currency had in the third quarter of 2012 a moderate weakening and therefore were recorded revenues from favorable exchange rate differences which have offset the expenses from exchange rate differences for the revaluation of BVB cash holdings in foreign currency. Interest rate revenues were influenced also by the record dividends paid by BVB to its shareholders, which decreased BVB cash position.

**BVB** BVB recorded a net profit of RON 1.80 million in third-quarter 2012, mainly from operating activity.

**BVB** BVB ended first nine months of 2012 with a net profit of RON 9.44 million, given sales revenue of almost RON 14.00 million.

**BVB** Main index, BET, which follows the evolution of the most traded 10 stocks listed on BVB increased by 4% in the third quarter of 2012, compared with the 21% drop recorded in the same period last year, when the sovereign rating of USA was lowered for the first time since 1941 by Standard and Poor's, which prompted a wave of drops in equity markets worldwide. Since the beginning of the year to September 30, 2012, BET increased by almost 12%, exceeding even some exchanges in the region.

<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.

## FINANCIAL HIGHLIGHTS

| Indicators   |          | Q3         |            |        | 9M         |            |        |
|--|----------|------------|------------|--------|------------|------------|--------|
|  |          | 01.07.2012 | 01.07.2011 | Change | 01.01.2012 | 01.01.2011 | Change |
|  |          | 30.09.2012 | 30.09.2011 |        | 30.09.2012 | 30.09.2011 |        |
| <b>Individual income statement</b>                                   |          |            |            |        |            |            |        |
| Sales revenue  | Mil. RON | 4,03       | 6,00       | -33%   | 13,98      | 16,90      | -17%   |
| Operating result   | Mil. RON | 1,15       | 2,51       | -54%   | 4,80       | 6,77       | -29%   |
| Financial result   | Mil. RON | 0,98       | 1,53       | -35%   | 5,89       | 10,67      | -45%   |
| Net result for period  | Mil. RON | 1,80       | 3,31       | -45%   | 9,44       | 15,81      | -40%   |
| <b>Individual balance sheet (as of 30 September)</b>                 |          |            |            |        |            |            |        |
| Equity   | Mil. RON | 95,03      | 98,46      | -3%    | 95,03      | 98,46      | -3%    |
| Total assets   | Mil. RON | 99,67      | 101,77     | -2%    | 99,67      | 101,77     | -2%    |
| <b>Performance indicators</b>  |          |            |            |        |            |            |        |
| Earnings per share   | RON      | 0,23       | 0,43       | -45%   | 1,23       | 2,06       | -40%   |
| Operating margin   | %        | 28%        | 42%        | -      | 34%        | 40%        | -      |
| Net profit margin  | %        | 45%        | 55%        | -      | 67%        | 94%        | -      |
| <b>Market Indicators</b>   |          |            |            |        |            |            |        |
| Value traded on stock and fund units markets (including DEAL trades) | Mil. RON | 1.760      | 2.960      | -40%   | 5.834      | 8.764      | -33%   |
| <b>BVB stock statistics</b>  |          |            |            |        |            |            |        |
| Opening price (closing price of previous day)                        | RON      | 23.38      | 37.40      | -37%   | 28.90      | 40.75      | -29%   |
| High (intraday price)  | RON      | 25.02      | 40.30      | -38%   | 36.00      | 46.00      | -22%   |
| Low (intraday price)   | RON      | 22.40      | 25.22      | -11%   | 22.40      | 25.22      | -11%   |
| Closing price (as of September 30)                                   | RON      | 23.40      | 28.30      | -17%   | 23.40      | 28.30      | -17%   |
| Value traded on BVB stocks (including DEAL trades)                   | Mil. RON | 5,79       | 28,98      | -80%   | 52,14      | 119,07     | -56%   |
| Average daily turnover of the BVB stocks (including DEAL trades)     | Mil. RON | 0,09       | 0,45       | -80%   | 0,28       | 0,63       | -56%   |

## COMPANY DATA

|                         |  |
|-------------------------|--|
| Legal entity:           | SC BURSA DE VALORI BUCURESTI SA                              |
| Main activity:          | Administration of financial market                           |
| CAEN class:             | 6611   |
| Sole Registration Code: | 17777754   |
| Trade Register no.:     | J40/12328/2005   |
| Address:                | 34-36, Carol I Blvd., Floors 13-14,<br>district 2, Bucharest |
| Symbol                  | BVB  |
| ISIN                    | ROBVBAACNORO   |

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

**Bucharest Stock Exchange administrates several markets, among which can be mentioned:**

- A spot regulated market on which shares and rights issued by international and Romanian entities are traded; debt instruments: corporate, municipality and state bonds issued by Romanian entities and international corporate bonds; UCITs: shares and fund units; structured products;
- A regulated derivatives market on which futures contracts for shares, indices, commodities and exchange rates are traded;
- An alternative trading system, ATS, on which foreign shares listed on another market are traded and where the listing of Romanian companies non-eligible for the regulated market is intended (e.g. SMEs, start-ups, RASDAQ companies and "unlisted" companies) ;
- RASDAQ market on which shares and rights issued by Romanian entities are traded, most of them coming from the mass privatization program.

BVB's operating revenue is generated mainly from the trading of the listed instruments, from listings of companies and instruments, and from data vending to various users.

The BVB stocks are included in the FTSE Mondo Visione Exchanges index as of November 9, 2010, in the BET index of as of March 21, 2011, as of June 17, 2011 in the Dow Jones Global Exchanges, as well as of September 19, 2011 in ROTX index.

## MAIN EVENTS IN THE THIRD QUARTER OF 2012

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**July 13, 2012** – First series of certificates with E-mini S&P 500 futures contract as the underlying asset issued by Erste Group Bank AG began trading on the Structured Products Sector of BVB.

**July 18, 2012** - The Bucharest Stock Exchange Board of Governors has appointed Mr. Victor Cionga for the position of General Manager of the Bucharest Stock Exchange, following the closing of a complex selection process. Mr. Victor Cionga received NSC approval on September 7, 2012.

**July 25, 2012** - One new issue of benchmark government bonds issued by Ministry of Public Finance started trading on BVB, debt securities – treasury bonds tier.

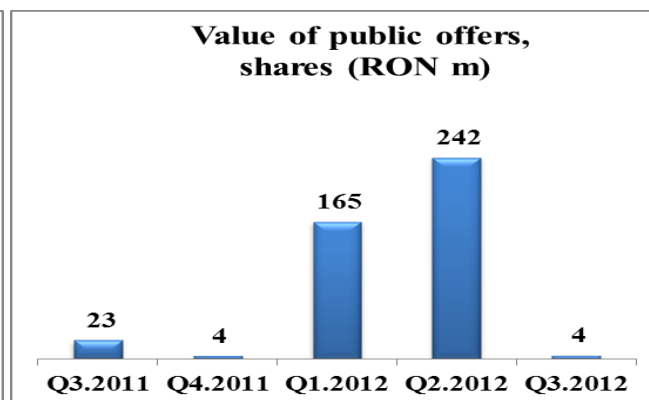
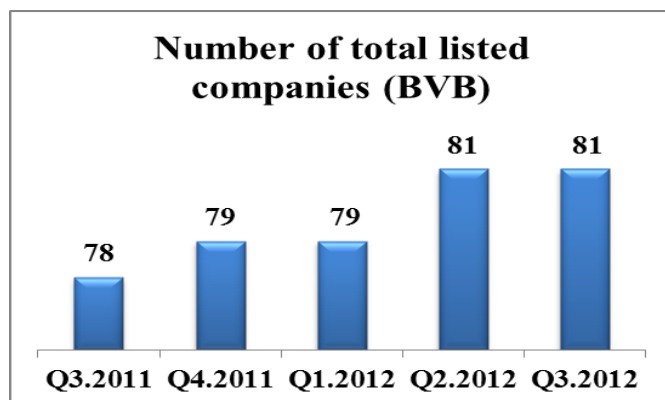
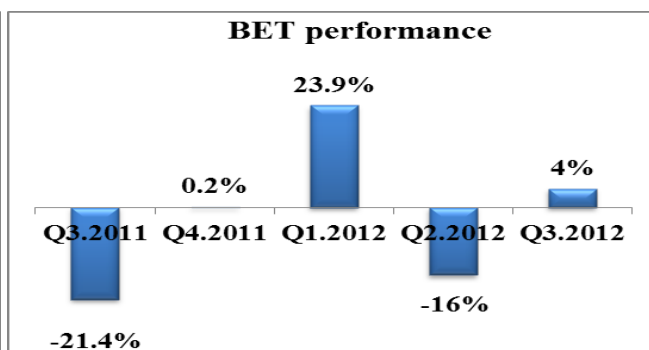
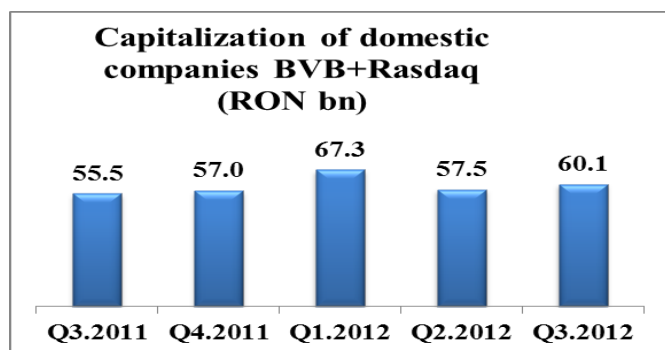
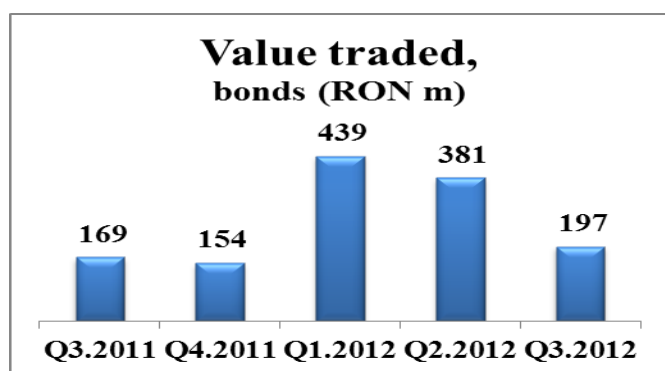
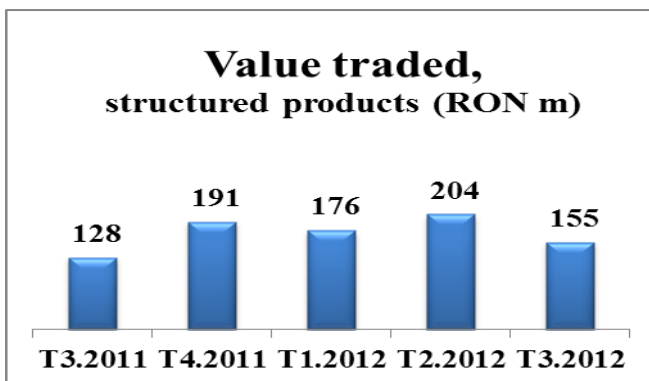
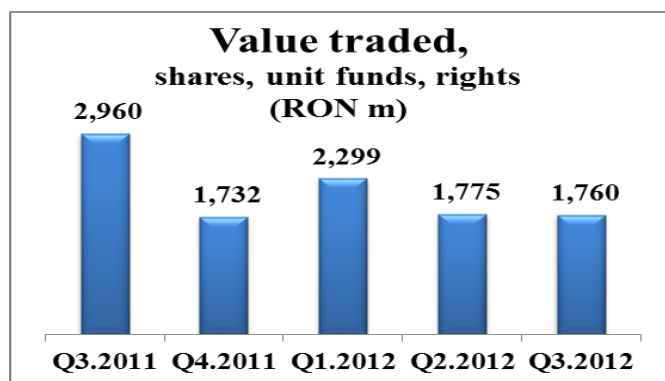
**August 10, 2012** - Members of the BVB Board of Governors met with representatives of the missions of International Monetary Fund and European Commission. During the meeting were discussed the development strategy for the Romanian capital market as well as the supporting measures for the State Privatization Program.

**August 22, 2012** - 5 new foreign companies began trading on the alternative trading system of BVB, International tier. The 5 companies were: Siemens AG, Allianz SE, Deutsche Bank AG, Bayerische Motoren Werke AG and OMV AG.

**August 29, 2012** - First ETF of the Romanian capital market issued by SAI Vanguard Asset Management was launched. ETF BET Tradeville is the first ETF listed on the Bucharest Stock Exchange and follows the structure of BET index. ETF BET Tradeville will benefit of the SSIF Tradeville market making services.

In the **third quarter** of 2012, 31 new series of structured products issued by Erste Group Bank AG and 2 news series issued by SSIF Broker began trading on the BVB Structured Products Segment. There were launched turbo certificates on shares, indices and commodities as underlying assets.

**THE BUCHAREST STOCK EXCHANGE OPERATING ACTIVITY<sup>3</sup>**



<sup>3</sup> Source: BVB. The traded value is presented based on the "single counted" principle and it includes the DEAL transactions.

## ANALYSIS OF THE FINANCIAL RESULTS

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The financial results are drawn up according to the Romanian Accounting Standards (RAS) and in compliance with NSC rules. These individual financial results were not drawn up according to the International Financial Reporting Standards (IFRS). The financial results as of September 30, 2012 are not audited.

### Activity results for the third quarter of 2012

Market indices had a period of recovery in the third quarter of 2012, due to temporary solutions implemented in the Greek' situation and the measures announced by the European Central Bank. Delay of the economic recovery, at least in Europe, has remained one of the main investors' concerns.

In Romania, July and August were marked by a national referendum on the dismissal of the President of Romania and then the invalidation of the referendum by the Constitutional Court. IMF visit in early August determined assuming certain commitments by local officials to September 30, which included also commitments related to the privatization program. On the other hand, the Statistics Institute released final data on the evolution of the Romanian economy in the second quarter. Thus, Romanian economy emerged from the second recession in the last 4 years, GDP advanced by 0.5% in the second quarter of 2012 compared to the previous one.

On BVB, the value of trading in the equity and fund units markets (including DEAL trades) amounted to RON 1,760 million in the third quarter of 2012, similar to the second quarter of 2012 but down 40% comparing to RON 2,960 million in the third quarter of 2011. A downward trend in the equity market has been observed also on larger stock exchanges in the region.

Structured products market activity was strong during July-September 2012, as a result of maintaining investors' interest for this type of instruments, coupled with the launch of several new products. The value of trading on structured products segment was RON 155 million in the third quarter of 2012, 21% higher than the same period in 2011.

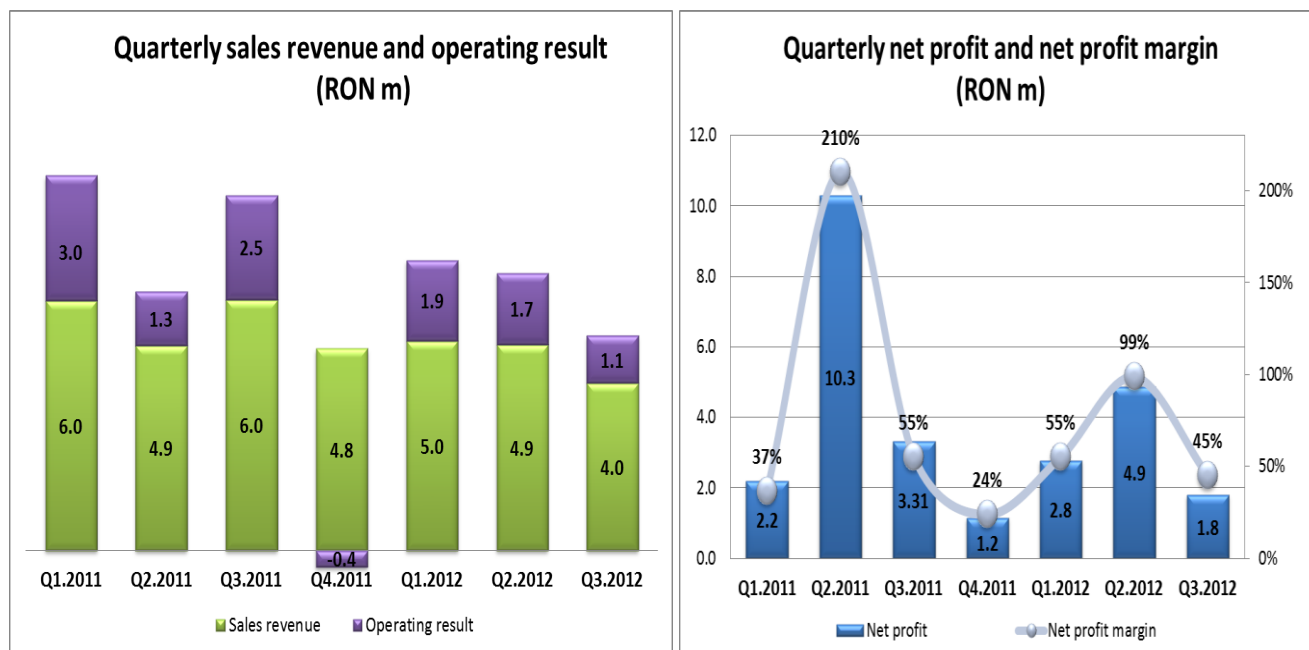
Given the decrease in the trading value on the equity market, with the largest share in total operating revenue, **sales revenue** amounted to RON 4.03 million, down 33% compared to the third quarter of 2011. Decline in trading revenues was partly offset by the increase in listing revenue.

During July-September 2012 **operating expense** was down 17% to RON 2.88 million. Reductions were achieved in most categories of expenses, most notably in third party expenses, personnel expense and adjustment of tangible and intangible assets.

Thus, in the third quarter of 2012 the operating profit amounted to RON 1.15 million, down 54% compared to the same period last year.

Third-quarter **financial result** was RON 0.98 million, down 35% from the same period last year, mainly driven by interest revenue, while the national currency had a moderate weakening in the third quarter and therefore there were no significant impact on the financial result comparing to the same quarter of 2011 when the weakening of RON against EURO and USD was stronger. Interest rate revenues were influenced also by the record dividends paid by BVB to its shareholders, which decreased BVB cash position.





BVB has made a net profit of RON 1.80 million in the third quarter, 45% lower than the same quarter of 2011, mainly supported by the operating activity.

### Activity results for the first 9 months of 2012

Major external events have impacted capital markets worldwide, including local capital market, influenced also by the domestic political situation quite changeable, which has fueled investors' risk aversion. Although the state resumed the privatization process, with 15% of Transelectrica being the first sold in March 2012, Transgaz offer was postponed and privatization agendas are to be finalized for Romgaz or Nuclearelectrica. Since the end of June the Romanian Government extended by one year, until December 31, 2013, the date by which a number of state companies will be privatized through the Bucharest Stock Exchange.

In the absence of further privatizations and in the context of European and local developments, on the equity and fund units markets (including DEAL trades) were recorded trades amounting to RON 5,834 million, down 33% comparing to the first 9 months of 2011, when the listing of Fondul Proprietatea took place and the huge investors' interest determined for the first-quarter 2011 to be the best quarter since 2008 to date.

Structured products market doubled in the first 9 months of 2012. The value of trading on structured products was RON 535 million between January-September 2012 compared to RON 248 million in the same period last year. The volume of instruments traded in the first 9 months of 2012 was over 26 million units, exceeding twice the whole 2011 figure, following the new products launched and the extension of trading hours from 16:45 to 18:30, beginning January 16, 2012.

Trading revenue, including public offers, was RON 11.51 million in the first 9 months of 2012, down 22% compared to the same period of 2011.

Listing revenue amounted to RON 1.03 million, up 25% compared to the first 9 months of 2011, due to the increase in the number of companies paying maintenance to trading fees and increase in price levels of some companies which caused a higher level of the fee for those companies.

Data vending revenue was RON 1.01 million, up 16% compared to the first 9 months of 2011. For some data vending contracts, the policy of recording revenue was changed and an accrual recording method is now applied.

Thus, in January-September 2012 sales revenue amounted to RON 13.98 million, down 17% compared to the first 9 months of 2011.

| Profit and Loss Account (million RON) | Q3.2012     | Q3.2011     | 9M.2012     | 9M.2011      |
|---------------------------------------|-------------|-------------|-------------|--------------|
| Sales revenue                         | 4.03        | 6.00        | 13.98       | 16.90        |
| Operating expense,<br>out of which:   | 2.88        | 3.49        | 9.18        | 10.13        |
| - Personnel expenses                  | 1.59        | 1.67        | 4.73        | 4.84         |
| Operating result                      | 1.15        | 2.51        | 4.80        | 6.77         |
| Financial result                      | 0.98        | 1.53        | 5.89        | 10.67        |
| Gross result                          | 2.13        | 4.04        | 10.69       | 17.44        |
| Net result                            | <b>1.80</b> | <b>3.31</b> | <b>9.44</b> | <b>15.81</b> |
| Net result per share (RON)            | 0.23        | 0.43        | 1.23        | 2.06         |

Operating expense was RON 9.18 million until September 2012, down 9% from the first 9 months of 2011. The decrease from 2011 is due to lower expenses related to personnel, promotion activities and adjustment of tangible and intangible assets. Reductions were achieved in other categories of operating expense except those related to the development of some market segments, those related to VAT influenced by the reduction of the VAT quote to be deducted for 2012 and other expenses related to euro, due to the increase of the EUR/RON exchange rate.

BVB's operating result as of September 30, 2012 showed a profit of RON 4.80 million, down 29% compared to the first nine months of 2011 influenced by exceptional trading activity, following the listing of Fondul Proprietatea.

Nine months financial result was RON 5.89 million, down 45% from the same period last year, mainly due to lower dividends recorded from the Central Depository (RON 1.88 million in 2012 compared to RON 8.20 million in 2011). 2011 Central Depository' dividends included an exceptional dividend for the 2007 result and a dividend for the strong 2010 result, influenced by the numerous transfers with Fondul Proprietatea shares before the listing. Higher financial revenues were recorded from exchange rate differences from the revaluation of BVB cash holdings and short-term investments in foreign currency, due to the weakening of RON against EURO and USD. Interest rate revenues increased, despite the record dividends paid by BVB to its shareholders which decreased BVB cash position.

Thus, BVB's net profit was RON 9.44 million, down 40% from nine-months 2011. Net profit per share is RON 1.23.

## Financial position as of September 30, 2012

### Net assets

As of June 30, 2012 the value of the total assets were RON 99.67 million, (January 1, 2012: RON 106.23 million), out of which: non-current assets in amount of RON 28.74 million (January 1, 2012: RON 28.67 million) and current assets in amount of RON 70.88 million (January 1, 2012: RON 77.47 million). During 2012 were recorded rises in intangible and tangible assets due to acquisitions following the approved investment plan and due to the change of the accounting policy for recording of software licenses, by their recording to intangible assets.

| Assets<br>(RON millions)   | 30.09.2012   | 01.01.2012    | Liabilities<br>(RON millions) | 30.09.2012   | 01.01.2012    |
|--|--------------|---------------|-------------------------------|--------------|---------------|
| Non-current assets   | 28,74        | 28.67         | Equity                        | 95,03        | 102.03        |
| Current assets – total, out of which:                            | 70,88        | 77.47         | Payables – total,             | 4,01         | 2.60          |
| - cash, bank accounts and other short term financial investments | 64,26        | 73.80         | out of which:                 | 4,01         | 2.60          |
|  |              |               | -under 1 year                 | 0            | 0             |
|  |              |               | -over 1 year                  |              |               |
| Prepaid expense  | 0,05         | 0.09          | Provisions                    | 0            | 0.86          |
|  |              |               | Prepaid revenue               | 0,63         | 0.74          |
| <b>Total assets</b>  | <b>99,67</b> | <b>106.23</b> | <b>Total liabilities</b>      | <b>99,67</b> | <b>106.23</b> |

The BVB liabilities as of September 30, 2012 include only payables under 1 year in amount of RON 4.01 million (January 1, 2012: RON 2.60 million). The increase reflects, mainly, the dividends to be paid to shareholders, state budget and social security liabilities with longer maturities.

Cash and bank deposits dropped to RON 64.26 million (January 1, 2012: RON 73.80 million), given the 2011 dividends paid to shareholders amounting to RON 13.07 million as of September 30, 2012 and previous years dividends amounting to RON 0.25 million.

### Expectations for the last quarter of 2012

In the context of parliamentary elections in early December investors' sideways movement will continue, according to analysts, until a new government will be formed, investors being generally more active in stable investment environments.

Higher declining rates in the value of trading on the equity market were recorded in the last months and the postponement of the public offerings scheduled for 2012 and included in the 2012 Budget will determine operating results lower the budgeted figures.

Given that, BVB management has implemented a cost-cutting program for certain categories of expenses, without inducing operating risks, while new activities to promote and develop the market and changing the organizational structure of BVB were taken, activities for which we estimate increase in operating expense in the fourth quarter of 2012.

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## Balance Sheet

### Form 10

All amounts are indicated in RON, unless otherwise specified

| Indicator (RON)  | Row       | Balance           |                   |
|--|-----------|-------------------|-------------------|
|  |           | 30.09.2012        | 01.01.2012        |
| <b>A. NON-CURRENT ASSETS</b>   |           |                   |                   |
| Intangible assets  |           |                   |                   |
| 3. Licenses, other intangible assets (acc. 205+208-2805-2808-2905-2908)  | 3         | 164,274           | 20,600            |
| Total intangible assets (row 01 to 05)   | 6         | 164,274           | 20,600            |
| Tangible assets  |           |                   |                   |
| 1. Plant and constructions (acc. 211+212-2811-2812-2911-2912)  | 7         | 0                 | 0                 |
| 2. Equipment and machines (acc. 214-2814-2914)   | 8         | 384,524           | 320,891           |
| 3. Other equipment and furniture (acc. 214-2814-2914)  | 9         | 549,729           | 245,864           |
| 4. Advances and tangible assets in progress (acc. 231+232-2931)  | 10        | 0                 | 475,000           |
| Total tangible assets (row 07 la 10):  | 11        | 934,253           | 1,041,755         |
| Financial assets   |           |                   |                   |
| 1. Shares held in subsidiaries (acc. 261-2961)   | 12        | 26,572,947        | 26,572,947        |
| 5. Investments held as financial assets (acc. 262+264+265+266-2696-2962-2964)                                    | 16        | 1,072,762         | 1,033,472         |
| 6. Other receivables (acc.2673+2674+2678+2679-2966-2969)   | 17        | 1,435             | -                 |
| Total financial assets (rows 12 to 17)   | 18        | 27,647,144        | 27,606,419        |
| <b>TOTAL NON-CURRENT ASSETS (row 06 + 11 + 18)</b>   | <b>19</b> | <b>28,745,671</b> | <b>28,668,774</b> |
| <b>B. CURRENT ASSETS</b>   |           |                   |                   |
| Inventories  |           |                   |                   |
| 1. Consumable materials (acc.302+303+/-308+351-392-395)  | 20        | 35                | 11,329            |
| Total inventories (row 20 la 22):  | 23        | 35                | 11,329            |
| Receivables  |           |                   |                   |
| 1. Trade receivables (acc. 2675*+2676*+2678*+2679*-2966*-2969*+4092+411+413+418-491)                             | 24        | 1,864,261         | 1,495,902         |
| 2. Receivables from affiliates (acc. 4511+4518-4951)   | 25        | 1,883,520         | 0                 |
| 4. Other receivables (acc. 425+4282+431+437+4382+441+4424+4428+444+445+446+447+4482+4582+461+473-496+5187)       | 27        | 2,868,231         | 2,152,054         |
| Total receivables (row 24 to 28) (rows 24 to 28):  | 29        | 6,616,012         | 3,647,956         |
| Short term financial investments   |           |                   |                   |
| 2. Other short term financial investments (acc. 5031+ 5032+505+5061+5062+5071+ 5072+5081+5082 +...+5113+ 5114)   | 31        | 63,518,884        | 73,251,807        |
| Total short term financial investments (rows 30 to 31)   | 32        | 63,518,884        | 73,251,807        |
| IV. Cash and bank accounts (acc. 5112+5121+5122+5123+5124+5125+5311+ 5314+5321+5322+ 5323+...+542)               | 33        | 742,322           | 554,128           |
| <b>TOTAL CURRENT ASSETS (row 23+29+32+33)</b>  | <b>34</b> | <b>70,877,253</b> | <b>77,465,220</b> |
| <b>C. PREPAID EXPENSES (acc. 471)</b>  | <b>35</b> | <b>56,684</b>     | <b>89,522</b>     |
| <b>D. PAYABLES WITHIN ONE YEAR</b>   |           |                   |                   |
| 3. Advances received on behalf of clients (acc.419)  | 38        | 131,836           | 137,123           |
| 4. Trade payables (acc.401+404+408)  | 39        | 397,342           | 667,772           |
| 8. Other payables, including tax and social security payables (acc.1623+1626+167+1687+2698+421+423+424+...+5197) | 43        | 3,478,546         | 1,793,810         |
| Total payables within one year (rows 36 to 43)   | 44        | 4,007,724         | 2,598,705         |

| Indicator (RON)   | Row  | Balance    |             |
|---|------|------------|-------------|
|   |      | 30.09.2012 | 01.01.2012  |
| E. NET CURRENT ASSETS OR NET CURRENT LIABILITIES<br>(row 34+35-44-60.2)     | 45   | 66,292,488 | 74,218,499  |
| F. TOTAL ASSETS LESS CURRENT LIABILITIES (row 19+45-60.1)                   | 46   | 95,038,159 | 102,887,273 |
| 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   | 5,272      | 856,265     |
| TOTAL PROVISIONS (row 56 + 57 + 58):  | 59   | 5,272      | 856,265     |
| I. PREPAID REVENUE (row 60.1 + 60.2+60.3):                                  | 60   | 633,725    | 737,538     |
| 2. Prepaid revenue  | 60.2 | 633,725    | 737,538     |
| J. SHARE CAPITAL AND RESERVES   |      |            |             |
| Capital (row 62 + 63)   | 61   | 76,741,980 | 76,741,980  |
| - subscribed paid capital (acc. 1012)                                       | 63   | 76,741,980 | 76,741,980  |
| Share premium (acc. 104)  | 64   | 8          | 8           |
| IV. Reserves (row 68 to 73-74)  | 67   | 8,852,995  | 8,852,995   |
| 1. Legal reserves (acc. 1061)   | 68   | 4,941,710  | 4,941,710   |
| 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   | 1,441,216  | 1,440,979   |
| Retained earnings   |      |            |             |
| Profit - Credit balance   | 77   | 0          | 0           |
| Loss - Debit balance  | 78   | 0          | 0           |
| Result for the year   |      |            |             |
| Profit (acc. 121) - Balance C   | 79   | 9,437,663  | 16,966,325  |
| Loss (acc. 121) - Balance D   | 80   |            |             |
| Profit allocation (acc. 129)  | 81   | 0          | 530,300     |
| TOTAL SHAREHOLDERS' EQUITY<br>(row 61+64+65-66+67+75-76+77-78-79)           | 82   | 95,032,883 | 102,031,008 |

## Profit and Loss account

### Form 20

All amounts are indicated in RON, unless otherwise specified

| Indicator (RON)  | Row | Quarter 3  |            | 9 Months   |            |
|--|-----|------------|------------|------------|------------|
|  |     | 01.07.2012 | 01.07.2011 | 01.01.2012 | 01.01.2011 |
|  |     | 30.09.2012 | 30.09.2011 | 30.09.2012 | 30.09.2011 |
| 1. Sales revenue   | 1   | 4,025,798  | 6,001,676  | 13,977,465 | 16,897,223 |
| 4. Other operating revenue (acc. 7417+758)   | 7   | 3          | 1,074      | 712        | 3,377      |
| Operating revenue – TOTAL (row 01+04-05+06+07)                                     | 8   | 4,025,801  | 6,002,750  | 13,978,177 | 16,900,600 |
| 5. Material expense and other third party expense (row 10 to 12)                   | 9   | 62,587     | 74,468     | 182,427    | 265,010    |
| Consumable materials expense (acc. 602-7412)                                       | 10  | 21,052     | 33,463     | 81,079     | 163,511    |
| Other material expense (acc. 603+604)  | 11  | 7,138      | 12,194     | 16,617     | 27,567     |
| Other third party expense (water and energy) (acc. 605-7413)                       | 12  | 34,397     | 28,811     | 84,731     | 73,932     |
| Personnel expense (row 14+15)  | 13  | 1,588,462  | 1,672,045  | 4,726,012  | 4,841,726  |
| -Base personnel salaries (acc. 641+642-7414)                                       | 14  | 1,221,073  | 1,307,864  | 3,549,519  | 3,776,437  |
| -Social security contributions (acc. 645-7415)                                     | 15  | 367,389    | 364,180    | 1,176,493  | 1,065,289  |
| 7a. Adjustment of tangible and intangible assets (row 17-18)                       | 16  | 168,571    | 338,576    | 417,438    | 672,297    |
| a.1) Expense (acc. 6811+6813)  | 17  | 168,571    | 338,576    | 417,438    | 672,297    |
| 7b. Adjustment of current assets (row 20-21)                                       | 19  | -413       | -2,841     | -647       | -2,210     |
| b.1) Expense (ct. 654+6814)  | 20  | 0          | 0          | 0          | 1,598      |
| b.2) Revenue (ct. 754+7814)  | 21  | 413        | 2,841      | 647        | 3,808      |
| 8 Other operating expense (row 23 to 25)   | 22  | 1,141,867  | 1,411,026  | 4,703,770  | 4,352,550  |
| a) Third party expense (acc. 611+612+613+614+621+622+623+624+625+626+627+628-7416) | 23  | 990,512    | 1,110,732  | 3,995,278  | 3,332,768  |
| b) Other taxes, duties and similar expenses (acc. 635)                             | 24  | 151,339    | 104,174    | 683,009    | 463,662    |
| c) Compensation expense, donations and disposed assets (acc. 658)                  | 25  | 16         | 196,120    | 25,483     | 556,120    |
| d) Adjustments for provisions (row. 27-28)   | 26  | -80,391    | 0          | -850,993   | 0          |
| d.1) Expense (acc. 6812)   | 27  | 0          | 0          | 0          | 0          |
| d.2) Revenue (acc. 7812)   | 28  | 80,391     | 0          | 850,993    | 0          |
| Operating expense – TOTAL (row 09+13+16+19+22+26)                                  | 29  | 2,880,683  | 3,493,274  | 9,178,007  | 10,129,373 |
| Operating result   |     |            |            |            |            |
| - Profit (row 08-29)   | 30  | 1,145,118  | 2,509,476  | 4,800,170  | 6,771,227  |
| - Loss (row 29-08)   | 31  |            |            |            |            |
| Financial revenue  |     |            |            |            |            |
| 9. Revenue from investments in associates (acc. 7613)                              | 32  | 0          | 0          | 0          | 234        |
| 10. Revenue from other financial investments acc. (7611+7612)                      | 34  | 19,238     | 7,192      | 1,909,153  | 8,218,800  |
| -out of which revenue from affiliates (acc. 7611)                                  | 35  | 0          | 0          | 1,883,520  | 8,200,000  |
| 11. Interest rate revenue (acc. 766)   | 36  | 848,972    | 765,486    | 2,889,197  | 2,651,478  |
| 12. Other financial revenue (acc. 7616+7617+762+763+764+765+767+768)               | 38  | 1,102,446  | 1,054,233  | 2,311,971  | 2,158,025  |
| Financial revenue – TOTAL (row 32+34+36+38)  | 39  | 1,960,656  | 1,826,911  | 7,110,321  | 13,028,537 |
| 12. Adjustment of financial assets and of financial investments                    | 40  | -1,538     | 90,297     | -39,290    | 68,122     |

| Indicator (RON)  | Row | Quarter 3  |            | 9 Months   |            |
|--|-----|------------|------------|------------|------------|
|  |     | 01.07.2012 | 01.07.2011 | 01.01.2012 | 01.01.2011 |
|  |     | 30.09.2012 | 30.09.2011 | 30.09.2012 | 30.09.2011 |
| classified as current assets (row 41-42)                   |     |            |            |            |            |
| Expense (acc. 686)   | 41  | 36,646     | 117,736    | 142,654    | 224,596    |
| Revenue (acc. 786)   | 42  | 38,184     | 27,439     | 181,944    | 156,474    |
| 13. Other financial expenses<br>(acc. 663+664+665+667+668) | 45  | 977,379    | 208,964    | 1,258,880  | 2,292,420  |
| Financial expense - TOTAL (row 40+43+45)                   | 46  | 975,841    | 299,261    | 1,219,590  | 2,360,542  |
| Financial result   |     |            |            |            |            |
| - Profit (row 39-46)                                       | 47  | 984,815    | 1,527,650  | 5,890,731  | 10,667,995 |
| - Loss (row 46-39)   | 48  |            |            |            |            |
| 14. Current result   |     |            |            |            |            |
| - Profit (row 08+39-29-46)                                 | 49  | 2,129,933  | 4,037,126  | 10,690,901 | 17,439,222 |
| - Loss (row 29+46-08-39)                                   | 50  |            |            |            |            |
| Total revenue (row 08+39+51)                               | 55  | 5,986,457  | 7,829,661  | 21,088,498 | 29,929,137 |
| Total expense (row 29+46+52)                               | 56  | 3,856,524  | 3,792,535  | 10,397,597 | 12,489,915 |
| Gross result   |     |            |            |            |            |
| - Profit (row 55-56)                                       | 57  | 2,129,933  | 4,037,126  | 10,690,901 | 17,439,222 |
| - Loss (row 56-55)   | 58  |            |            |            |            |
| 18. Income tax expense                                     | 59  | 328,031    | 722,862    | 1,253,238  | 1,626,975  |
| Result for the year  |     |            |            |            |            |
| - Profit (row 57-59-60)                                    | 61  | 1,801,902  | 3,314,264  | 9,437,663  | 15,812,247 |
| - Loss (row 58+59+60) or (row 59+60-57)                    | 62  |            |            |            |            |



## Informative data

## Form 30

All amounts are indicated in RON, unless otherwise specified

| Indicator   | Row | 30.09.2012 | 30.09.2011 |
|---|-----|------------|------------|
| III. Average number of employees                      | 23  | 52         | 56         |
| Effective number of employees as of the end of period | 24  | 56         | 59         |

| Indicator (RON)  | Row | Amounts (RON) |
|--|-----|---------------|
| V. Equivalent value of lunch vouchers granted to employees | 48  | 85,383        |

| VIII. Other information (RON)  | Row | 30.09.2012 | 30.09.2011 |
|--|-----|------------|------------|
| Financial assets, gross amounts (row 59 +68), out of which:  | 58  | 28,040,475 | 25,627,277 |
| Shares held in subsidiaries, investments in associates, other investments held in financial assets and long term bonds, gross amounts (row 60 to 67), out of which:    | 59  | 28,040,475 | 25,627,277 |
| - unlisted shares issued by residents  | 61  | 26,782,197 | 24,368,999 |
| - shares issued by nonresidents  | 66  | 1,258,278  | 1,258,278  |
| Trade receivables, amounts prepaid to suppliers and other similar accounts as gross amounts (acc. 4092+411+413+418)  | 71  | 1,958,397  | 1,943,644  |
| - external trade receivables, advances to foreign suppliers and other similar accounts, in gross amounts (from acc. 4092+ from acc. 411+ from acc. 413+ from acc. 418) | 72  | 152,992    | 0          |
| -trade receivables not invoiced at due date (from acc. 4092+ from acc. 411+ from acc. 413)   | 73  | 94,135     | 159,573    |
| Receivables related to personnel and related accounts  | 74  | 0          | 0          |
| Social security and state budget receivables (acc. 431+437+...+447+4482) (row.76 to 80), out of which:   | 75  | 599,813    | 0          |
| -social security receivables (acc. 431+437+4382)   | 76  | 25,918     | 0          |
| -state budget receivables (acc. 441+4424+4428+444+446)   | 77  | 573,895    | 0          |
| Receivables in relation to affiliates (acc. 451)   | 81  | 1,883,520  | 4,321,790  |
| Other receivables (acc. 452+456+4582+461+471+473), (row 84+85), out of which:  | 83  | 2,327,459  | 930,504    |
| -other receivables related to natural and legal persons, other than public institutions (acc. 461+471+473)   | 85  | 2,327,459  | 930,504    |
| Interest to collect (acc. 5187), out of which:   | 86  | 1,178,418  | 282,870    |
| -from nonresidents   | 87  | 0          | 0          |
| Short term investments, as gross amounts (acc. 501+503+ 505+506+507+din acc.508) (row 89 to 97), out of which:   | 88  | 63,518,884 | 64,712,152 |
| - short-term deposits  | 97  | 63,518,884 | 64,712,152 |
| Cash in RON and foreign currency (row 100+101), out of which:  | 99  | 7,281      | 1,804      |
| - in RON (acc. 5311)   | 100 | 3,718      | 1,446      |
| - in foreign currency (acc. 5314)  | 101 | 3,563      | 358        |
| Current accounts in banks, in RON and foreign currency (row 103+105), out of which:  | 102 | 734,271    | 4,214,348  |
| - in RON (acc. 5121)   | 103 | 576,415    | 4,002,578  |
| - in foreign currency (acc. 5124)  | 105 | 157,856    | 211,770    |
| Payables (row 111+114+117+120+123+126+129+132+135+138+141+142+145+146+148+154+155+156+161), out of which:  | 110 | 4,637,449  | 3,305,504  |

| VIII. Other information (RON)   | Row | 30.09.2012 | 30.09.2011 |
|---|-----|------------|------------|
| Trade payables, advances received from clients and other similar accounts, as gross amounts (acc. 401+403+404+405+408+419), out of which:                           | 146 | 529,178    | 277,335    |
| -external commercial debt, advances from external clients and other similar accounts, as gross amounts (from acc.401+ from acc.403+ from acc.404+...+ from acc.419) | 147 | 172,143    | 0          |
| Personnel payables and other similar accounts (acc.421+423+424+426+427+4281)  | 148 | 193,658    | 970        |
| Social security and state budget liabilities (acc. 431+437+...+4481), (row 150 to 153), out of which:   | 149 | 863,671    | 1,107,326  |
| -social security liabilities (acc. 431+437+4381)  | 150 | 187,987    | 148,672    |
| -state budget fiscal liabilities (acc. 441+4423+4428+444+446)   | 151 | 675,684    | 958,654    |
| Other liabilities (acc. 451+453+455+456+457+4581+462+472+473+269+509), (row 157 to 116), out of which:  | 156 | 3,050,942  | 1,919,873  |
| - settlement for paid-in capital, payments to shareholders / associates, settlement of transactions in venture (acc. 452+456+457+4581)                              | 157 | 1,166,124  | 233,067    |
| - other liabilities related to natural and legal persons, other than public institutions (from acc.462+ from acc.472+ from acc.473)                                 | 158 | 1,884,818  | 1,686,806  |
| Paid-in subscribed capital (acc. 1012), (row 163 to 166), out of which:   | 162 | 76,741,980 | 76,741,980 |
| - listed shares   | 163 | 76,741,980 | 76,741,980 |
| Patents and licenses  | 167 | 367,770    | 46,412     |

| IX. Expenses information        | Row | 30.09.2012 | 30.09.2011 |
|---------------------------------|-----|------------|------------|
| Collaborator expense (acc. 621) | 168 | 894,960    | 391.080    |

Chairman,  
Lucian – Claudiu Anghel

General Manager,  
Victor Cionga

Issued by,  
Financial Manager,  
Virgil Adrian Stroia

## Financial and economic indicators as of 30 September, 2012

|                          | Indicator                     | Calculation formula                                | Value                                    |
|--------------------------|-------------------------------|--|--|
| Liquidity indicators     | Current ratio                 | Current assets/Current liabilities                 | 17.68 times                              |
|                          | Acid test ratio               | (Current assets- Inventories)/ Current liabilities | 17.68 times                              |
|                          | Debt-to-equity ratio          | (Borrowed capital/ Equity)*100                     | BVB has no borrowings at the quarter end |
| Activity indicators      | Accounts receivables turnover | (Average receivables balance/ turnover)*273 days   | 33 days                                  |
|                          | Accounts payables turnover    | (Average supplier balance/ turnover)*273 days      | 10 days                                  |
|                          | Non-current asset turnover    | Net turnover/Non-current assets                    | 0.48 times                               |
|                          | Asset turnover                | Net turnover/Total assets                          | 0.14 times                               |
|                          | Financial leverage            | Total liabilities/Equity                           | 0.04 times                               |
| Profitability indicators | Operating margin              | Operating profit / Net turnover*100                | 34.4%                                    |
|                          | EBITDA margin                 | EBITDA/ turnover *100                              | 37.3%                                    |
|                          | Net profit margin             | Net profit/ Turnover *100                          | 67.5 %                                   |
|                          | Return on equity (ROE)        | Net result / Equity *100                           | 9.9 %                                    |
|                          | Return on assets (ROA)        | Net result / Total assets *100                     | 9.5 %                                    |
| Market Indicators        | Earnings per share (EPS)      | Net result /Number of shares                       | RON 1.23                                 |
|                          | Market capitalization         | Market price * Number of shares                    | RON 179.576.233                          |
|                          | Book value per share          | Equity/Number of shares                            | RON 12.38 / share                        |

Chairman,  
Lucian – Claudiu Anghel

General Manager,  
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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 2013.