BURSA DE VALORI BUCURESTI S.A.
(BUCHAREST STOCK EXCHANGE)

ANNUAL STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDING
31 DECEMBER 2014

Prepared in accordance with Order no. 13/2011 on the approval of Regulation no. 4/2011 regarding the Accounting Regulations in line with the EEC Fourth Directive applicable to licensed entities regulated and monitored by the National Securities Commission as amended

BURSA DE VALORI BUCUREŞTI SA

ANNUAL STANDALONE FINANCIAL STATEMENTS

31 DECEMBER 2014

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County 40
Entity BURSA DE VALORI BUCURESTI SA
Address: Bucharest Municipality
district: 2 , str. Carol I Bd. nr. 34-36
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Telephone 0213079500 , fax 0213079519
Registration no. with Trade Office J40/12328/2005

Type of property 34
Main activity
(NACE category) Financial Market Management
NACE category 6611
Sole Registration Code
17777754

Balance sheet

	Line	Note	31 December 2013 (RON)	31 December 2014 (RON)
A. NON-CURRENT ASSETS				
I. INTANGIBLE ASSETS				
3. Concessions, patents, licenses, trade marks, similar assets and other intangible assets	3	1 A	70,245	1,043,164
TOTAL	6	1 A	70,245	1,043,164
II. TANGIBLE ASSETS				
1. Land and buildings	7	1 A	3,344,100	3,344,100
2. Technical installations and machines	8	1 A	808,041	865,311
3. Other facilities, equipment and furniture	9	1 A	388,840	415,972
TOTAL	11	1 A	4,540,981	4,625,383
III. FINANCIAL ASSETS				
1. Shares in affiliated entities	12	1 B	26,231,326	25,540,363
5. Equities and other financial instruments held as non-current assets	16	1 B	1,358,109	1,391,447
6. Other receivables	17	1 B	29,315,934	38,375,645
TOTAL	18		56,905,369	65,307,455
NON-CURRENT ASSETS - TOTAL	19		61,516,595	70,976,002
B. CURRENT ASSETS				
I. INVENTORIES				
3. Advances for purchases of inventories			-	6,325
TOTAL			-	6,325
II. ACCOUNTS RECEIVABLE				
1. Trade receivables	24	5 a)	2,433,141	6,024,307
4. Other accounts payable	27	5 a)	2,812,685	1,371,885
TOTAL	29		5,245,826	7,396,192

Notes from 1 to 10 are integral part of the financial statements. Items without values have been eliminate from the records.

	Line	Note	31 December 2013 (RON)	31 December 2014 (RON)
III. SHORT TERM INVESTMENTS				
2. Other short-term investments	31	5 b)	35,119,284	26,879,739
TOTAL	32		35,119,284	26,879,739
IV. PETTY CASH AND BANK ACCOUNTS	33	5 c)	2,331,872	1,089,155
CURRENT ASSETS – TOTAL	34		42,696,982	35,371,411
C. PRE-PAID EXPENSES	35	5 a)	175,058	134,433
D. LIABILITIES: AMOUNTS TO BE PAID IN ONE YEAR				
3. Advances cashed in orders	38	5 d)	107,570	7,704
4. Trade payables – suppliers	39	5 d)	667,357	911,384
8. Other liabilities, including tax and social security payables	43	5 d)	4,764,777	3,713,853
TOTAL	44		5,539,704	4,632,941
E. NET CURRENT ASSETS / NET CURRENT LIABILITIES	45		36,670,241	30,178,125
F. TOTAL ASSETS LESS CURRENT LIABILITIES	46		98,186,836	101,154,127
H. PROVISIONS				
1. Provisions for pensions and similar liabilities	56		269,506	178,746
2. Other provisions	58		100,000	300,000
TOTAL	59	2	369,506	478,746
I. DEFERRED REVENUES	60		662,095	694,778
2. Deferred revenues	60,2	5 d)	662,095	694,778

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BURSA DE VALORI BUCURESTI SA

BALANCE SHEET

	Line	Note	31 December 2013 (RON)	31 December 2014 (RON)
J. CAPITAL AND RESERVES				
I. CAPITAL	61	7	76,741,980	76,741,980
- Subscribed paid-up share capital	62		76,741,980	76,741,980
II. SHARE PREMIUM	64		8	8
III. REVALUATION RESERVES				
C Balance	65		2,325,080	2,325,080
IV. RESERVES	67		9,712,158	10,419,789
1. Legal reserves	68	10 H	5,800,353	6,507,834
3. Reserves from assets received free of charge	70		2,413,197	2,413,197
5. Reserves representing surplus from revaluation reserves	72		57,109	57,109
6. Other reserves	73	10 H	1,441,449	1,441,649
VI. FINANCIAL RESULT OF FINANCIAL YEAR				
C Balance	79	3	9,484,404	11,896,005
D Balance	80			
Profit distribution	81	3	446,300	707,481
SHAREHOLDERS' EQUITY- TOTAL	82		97,817,330	100,675,381

Authorised and signed on behalf of the Board of Directors on 23 March 2015 by:

DIRECTOR
Full name Lucian Anghel
Signature_____

Company seal

PREPARED BY,
Full name Stroia Virgil Adrian
Title Chief Financial Officer
Signature_____
Registration no. with the professional body

GENERAL MANAGER
Full name Ludwik Sobolewski
Signature_____

Notes from 1 to 10 are an integral part of the financial statements. Items without values have been eliminate from the records.

BURSA DE VALORI BUCURESTI SA

STATEMENT OF INCOME

	Line	Note	Financial year ending 31 December 2013 (RON)	Financial year ending 31 December 2014 (RON)
1. Net turnover	1	4 b)	24,287,070	26,871,380
a) Revenues from current activities	2	4 b)	24,287,070	26,871,380
3. Production realised by the undertaking for own purposes and capitalised	6	4 a)	-	659,272
4. Other operating revenues	7		125,303	348,832
OPERATING REVENUES - TOTAL	8		24,412,373	27,879,484
5. Materials and other external expenses	9		295,968	292,743
a) Raw material and consumable expenses	10		93,087	102,724
b) Other material expenses	11		46,721	46,143
c) Other external expenses (power and water supplies)	12		156,160	143,876
6. Personnel costs, including:	13	8	9,119,776	8,869,830
a) Wages and salaries	14	8	7,341,252	7,379,484
b) Social security contribution	15	8	1,778,524	1,490,346
7. a) Tangible and intangible assets value adjustment	16	1 A	(338,117)	766,419
a.1) Expenses	17		680,903	766,419
a.2) Revenues	18		(1,019,020)	-
b) Current assets value adjustment	19		328,916	-
b.1) Expenses	20		338,953	-
b.2) Revenues	21		(10,037)	-
8. Other operating costs	22	4 c)	6,773,568	6,711,177
8.1 Third party services	23		5,555,858	5,489,286
8.2 Other taxes, duties and similar liabilities	24		1,148,081	1,129,793
8.3 Expenses for indemnities, donations and sold assets	25		69,629	92,098
Provision adjustments	26		99,940	109,240
Expenses	27	2	369,506	478,746
Revenues	28	2	(269,566)	(369,506)

Notes from 1 to 10 are an integral part of the financial statements. Items without values have been eliminate from the records.

BURSA DE VALORI BUCURESTI SA

STATEMENT OF INCOME

	Line	Note	Financial year ending 31 December 2013 (RON)	Financial year ending 31 December 2014 (RON)
OPERATING EXPENSES – TOTAL	29		16,280,051	16,749,409
OPERATING RESULT				
- Profit	30	4	8,132,322	11,130,075
10. Revenues from other investments and loans included in non-current assets	34		387,664	56,858
- out of which, revenues from affiliated entities	35		355,445	-
11. Interest earned	36		2,771,091	2,683,190
Other financial revenues	38		2,394,556	2,074,227
FINANCIAL REVENUES – TOTAL	39		5,553,311	4,814,275
12. Value adjustments related to financial assets and financial investments held as current assets	40		123,937	1,036,571
- Expenses	41		477,884	1,223,451
- Revenues	42		(353,947)	(186,880)
Other financial expenses	45		2,530,681	758,156
FINANCIAL EXPENSES – TOTAL	46		2,654,618	1,794,727
FINANCIAL RESULT				
- Profit	47		2,898,693	3,019,548
14. CURRENT RESULT				
- Profit	49		11,031,015	14,149,623
TOTAL REVENUES	55		29,965,684	32,693,759
TOTAL EXPENSES	56		18,934,669	18,544,136
PRE-TAX RESULT				
- Profit	57		11,031,015	14,149,623

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BURSA DE VALORI BUCURESTI SA

STATEMENT OF INCOME

	Line	Note	Financial year ending 31 December 2013 (RON)	Financial year ending 31 December 2014 (RON)
18. Corporate income tax	59	10 D	1,546,611	2,253,618
20. NET RESULT of financial year - Profit	61		9,484,404	11,896,005

Authorised and signed on behalf of the Board of Directors on 23 March 2015 by:

DIRECTOR
Full name Lucian Anghel
Signature_____

PREPARED BY,
Full name Stroia Virgil Adrian
Title Chief Financial Officer
Signature_____

GENERAL MANAGER
Full name Ludwik Sobolewski
Signature_____

Company seal

Registration no. with the professional body

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Statement of Changes in Shareholders' Equity for financial year ending on 31 December 2014

Item		INCREASES		DECREASES		
	Balance as at 1 January 2014	Total including:	By Transfer	Total including:	By Transfer	Balance as at 31 December 2014
Subscribed share capital	76,741,980	-	-	-	-	76,741,980
Share premium	8	-	-	-	-	8
Revaluation reserves	2,325,080	-	-	-	-	2,325,080
Reserves set up using the value of the shares acquired free of charge	2,413,197	-	-	-	-	2,413,197
Reserves from revaluation surplus	57,109	-	-	-	-	57,109
Legal reserves	5,800,353	707,481	707,481	-	-	6,507,834
Other reserves	1,441,499	150	150	-	-	1,441,649
Result carried forward representing profit/loss:						
Retained profit	-	9,484,404	9,484,404	9,484,404	-	-
Result of financial year:						
Profit	9,484,404	11,896,005	11,896,005	9,484,404	9,484,404	11,896,005
Profit distribution (-):						
Debit balance	446,300	707,481	707,481	446,300	446,300	707,481
TOTAL SHAREHOLDERS' EQUITY	97,817,330	21,380,559	21,380,559	18,522,508	9,038,104	100,675,381

Notes from 1 to are integral part of the financial statements. Items without values have been eliminate from the records.

Statement of Changes in Shareholders' Equity for financial year ending on 31 December 2013

Item		INCREASES		DECREASES		
	Balance as at 1 January 2013	Total including:	By Transfer	Total including:	By transfer	Balance as at 31 December 2013
Subscribed share capital	76,741,980	-	-	-	-	76,741,980
Share premium	8	-	-	-	-	8
Revaluation reserves	-	2,325,080	-	-	-	2,325,080
Reserves set up using the value of the shares acquired free of charge	2,413,197	-	-	-	-	2,413,197
Reserves from revaluation surplus	57,109	-	-	-	-	57,109
Legal reserves	5,354,053	446,300	446,300	-	-	5,800,353
Other reserves	1,441,217	282	282	-	-	1,441,499
Result carried forward representing profit/loss:						
Retained profit	-	9,006,202	9,006,202	9,006,202	-	-
Result of financial year:						
Profit	9,006,202	9,484,404	9,484,404	9,006,202	9,006,202	9,484,404
Profit distribution (-):						
Debit balance	412,343	446,300	446,300	412,343	412,343	446,300
TOTAL SHAREHOLDERS' EQUITY	94,601,423	20,815,968	18,490,888	17,600,061	8,593,859	97,817,330

DIRECTOR
Full name Lucian Anghel
Signature

PREPARED BY,
Full name Stroia Virgil Adrian
Title Chief Financial Officer
Signature

GENERAL MANAGER
Full name Ludwik Sobolewski
Signature

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Registration no. with the professional body

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BURSA DE VALORI BUCURESTI SA

CASH FLOW STATEMENT

Name	Note	Financial year ending 31 December 2013 (RON)	Financial year ending 31 December 2014 (RON)
Operating activities:			
Net profit before tax		11,031,015	14,149,623
Adjustments for net result reconciliation with the net cash used in operating activities:			
Depreciation	1 A	680,903	766,419
Expense/(Income) from discarding fixed assets		(20,368)	(2,371)
Expense/(Income) from provisions – net result	2	(919,080)	109,240
Revenues from production of intangible assets		-	(659,272)
Adjustments for overdue receivables - Revenues		328,916	-
Reclassifications related to the investments- Interest income		(2,771,091)	(2,683,190)
Reclassifications related to the investments - Collected dividends		(387,664)	(56,858)
Other adjustments - Financial assets		90,263	(227,561)
Total adjustments		(2,998,121)	(2,753,593)
Operating profit before changes in working capital		8,032,894	11,396,030
Changes in working capital			
Increase/(decrease) in trade receivables and other receivables		(2,377,661)	(2,214,603)
Increase/(decrease) in trade payables and other receivables		2,369,685	(665,413)
Changes in working capital		(7,976)	(2,880,016)
Corporate income tax paid		(620,002)	(2,570,328)
Net cash generated by business activities		7,404,916	5,945,686
Investment activities:			
Payments for purchases of non-current assets	1A	(1,028,470)	(1,164,468)
Revenues from sales of non-current assets	1A	20,368	2,371
Payments for purchases of financial assets – bonds	1B	(29,331,343)	(8,678,317)
Cash proceeds/(payments) for short term financial investments (deposits and treasury certificates)		27,194,803	8,729,436
Received interest		3,783,392	2,784,569
Received dividends		387,664	56,858
Net cash generated in investment business		1,026,414	1,730,449
Dividends paid	3	(8,768,392)	(8,930,147)
Net cash employed in financing business		(8,768,392)	(8,930,147)
Increase/(Decrease) of cash and cash equivalents		(337,062)	(1,254,012)

Notes from 1 to are integral part of the financial statements. Items without values have been eliminate from the records.

BURSA DE VALORI BUCURESTI SA

CASH FLOW STATEMENT

Name	Note	Financial year ending 31 December 2013 (RON)	Financial year ending 31 December 2014 (RON)
Changes in cash and cash equivalents			
Opening balance		3,628,248	3,291,186
(Increase)/Decrease of cash and cash equivalents (deposits and treasury certificates, <3 months)		(337,062)	(1,254,012)
Closing balance	5 c)	3,291,186	2,037,174

DIRECTOR
Full name Lucian Anghel
Signature

PREPARED BY,
Full name Stroia Virgil Adrian
Title Chief Financial Officer
Signature

GENERAL MANAGER
Full name Ludwik Sobolewski
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Registration no. with the professional body

Notes from 1 to are integral part of the financial statements. Items without values have been eliminate from the records.

1. NON-CURRENT ASSETS

A Tangible and intangible assets

	Gross values					Impairment and value adjustments						
Assets	Balance as at 1 January 2014	Increases	Disposals	Transfers	Balance as at 31 December 2014	Balance as at 1 January 2014	Depreciation/ Adjustment recognized during the year	Disposals or Reversals	Transfers	Balance as at 31 December 2014	Net book value as at 1 January 2014	Net book value as at 31 December 2014
	1	2	3	4	5=1+2-3+4	6	7	8	9	10=5+6-8+9	11=1-6	12=5-10
Other intangible assets	4,201,938	1,327,272	435,834	-	5,093,375	4,131,693	354,353	435,834	-	4,050,212	70,245	1,043,164
Down payments to assets and intangible assets in progress	-	613,331	613,331	-	-	-	-	-	-	-	-	-
Total intangible assets	4,201,938	1,940,602	1,049,165	-	5,093,375	4,131,693	354,353	435,834	-	4,050,212	70,245	1,043,164
Land	3,344,100	-	-	-	3,344,100	-	-	-	-	-	3,344,100	3,344,100
Technical installations and machines	6,646,785	374,510	200,787	-	6,820,509	5,838,744	317,241	200,787	-	5,955,198	808,041	865,311
Other facilities, equipment and furniture	1,054,641	121,958	246,170	-	930,429	665,801	94,826	246,170	-	514,457	388,840	415,972

1 NON-CURRENT ASSETS (CONTINUED)

					Gross values			Impairment and value adjustments				
Assets	**Balance as at 1 January 2014**	**Increases**	**Disposals**	**Transfers**	**Balance as at 31 December 2014**	**Balance as at 1 January 2014**	**Depreciation/ Adjustment recognized during the year**	**Disposals or Reversals**	**Transfers**	**Balance as at 31 December 2014**	**Net book value as at 1 January 2014**	**Net book value as at 31 December 2014**
Total tangible assets	11,045,526	496,468	446,957	-	11,095,038	6,504,545	412,067	446,957	-	6,469,655	4,540,981	4,625,383
Shares held with affiliated entities	26,573,467	-	-	-	26,573,467	342,141	690,963	-	-	1,033,104	26,231,326	25,540,363
Investments and other instruments held as fixed assets	1,437,754	-	-	-	1,437,754	79,645	153,542	186,880	-	46,308	1,358,109	1,391,446
Other receivables	29,315,934	9,059,711	-	-	38,375,645	-	-	-	-	-	29,315,934	38,375,645
Total financial assets	57,327,155	9,059,711	-	-	66,386,866	421,786	844,505	186,880	-	1,079,412	56,905,369	65,307,454
Non-current assets – Total	72,574,619	11,496,782	1,496,122	-	82,575,279	11,058,024	1,610,925	1,069,671	-	11,599,278	61,516,595	70,976,001

1 NON-CURRENT ASSETS (CONTINUED)

Bursa de Valori Bucuresti S.A. ("BVB", the "Company") registered in 2014 purchases and investments of intangible assets in the amount of RON 1,327,272 (2013: RON 321,636). This increase is mainly due to the completion of the projects related to the development of the ARENA trading system (the inventory value of ARENA increased by RON 446,442, due to the capitalization of internal costs), and as a result of completing and operating the new BVB website. The amortization of these assets shall be done over a period of 3 years.
Tangible assets amounting to RON 496,468 (2013: RON 706,832) increased by purchasing equipment according to the investment plan approved by the General Meeting of Shareholders ("GMS").

During 2014, there were outflows of intangible assets amounting to RON 435,834 and outputs of intangible assets amounting to RON 446,957, fully amortized. Revenues from sales of fixed assets amounted to RON 2,371.

B Financial assets

Name	Balance as at 1 January 2014	Increases	Decreases	Balance as at 31 December 2014
Depozitarul Central SA	22,656,932	-	-	22,656,932
Casa de Compensare Bucuresti SA	3,651,494	-	-	3,651,494
Fondul de Compensare a Investitorilor SA	215,040	-	-	215,040
Fundatia Institutul de Guvernantă Corporativă of BVB	50,000	-	-	50,000
Total assets in affiliated entities (within the group) (gross value)	26,573,467	-	-	26,573,467
Adjustments for impairment of shares in affiliated entities (Note 1C)	(342,141)	(690,963)	-	(1,033,104)
i) Total assets in unaffiliated entities affected by adjustments (net book value)	26,231,326	(690,963)	-	25,540,363
Casa Română de Compensaţie Sibiu	209,250	-	-	209,250
Bursa BVC Chişinău	19,342	-	-	19,342
Interests in international entities – value before impairment adjustments	1,209,163	-	-	1,209,162
Total assets in unaffiliated entities (gross book value)	1,437,755	-	-	1,437,755

Impairment adjustments for interests in

Name	Balance as at 1 January 2014	Increases	Decreases	Balance as at 31 December 2014
unaffiliated entities (-) (Note 1C)	(79,645)	(153,542)	186,880	(46,308)
ii) Total assets in unaffiliated entities affected by adjustments (net book value)	1,358,110	(153,542)	186,880	1,391,447
iii) Long- term bonds	29,307,297	9,059,711	-	38,367,008
iv) Other assets	8,637	-	-	8,637
Total	56,905,370	8,215,206	186,880	65,307,455

The financial assets held with affiliated entities registered at the beginning of 2014 in amount of RON 26,573,467 (input value) did not record changes during the year.

The financial assets held with the entities outside the group registered at the beginning of 2014 in amount of RON 1,437,755 (input value) did not record changes during the year. The shares held by BVB in international entities amount to RON 1,209,162 as at 31 December 2014 and represent investments held to generate financial revenues, without intervening in managing the entities with which shares are held.

During 2014, consequent to the decrease in interest rates offered by the commercial banks for deposits in RON and foreign currency, other financial instruments were purchased which provide a better yield. Thus, government securities were purchased amounting to RON 2,978,562 maturing in 2019 and with an annual yield of 4.75% and government securities in USD amounting to USD 1,252,635 maturing in 2020 and with annual yield of 4.63%, stated in the balance sheet under “Financial Assets” – “Other receivables”.

1 NON-CURRENT ASSETS (CONTINUED)

Investments in shares in international entities and the pertaining variations throughout the year are presented below:

Name	Carrying value as at 1 January 2014	Inputs	Outputs	Carrying value as at 31 December 2014	Fair value as at 31 December 2014
London Stock Exchange	253,564	-	-	253,564	253,564
Australian Stock Exchange	54,186	-	-	54,186	53,314
Deutsche Borse	180,180	-	-	180,180	167,223
NASDAQ OMX Group	178,693	-	-	178,693	178,693
CME Group	71,128	-	-	71,128	71,128
Bolsas y Mercados Espanoles	216,252	-	-	216,252	203,115
Intercontinental Exchange	255,159	-	-	255,159	255,159
Total	1,209,162	-	-	1,209,162	1,182,196

C Value adjustments of financial assets

Financial assets are recognised in the Company's balance sheet at their respective entry value less any accrued impairment adjustments. During 2014, as the market value of specific BVB-owned interests in international entities increased compared to 31 December 2013, impairment adjustments were decreased for value losses from previous years by restating in revenues and respectively increasing the adjustments consequent to the decrease of the market value of shares held; hence, at 31 December 2014, the accrued value of adjustments for impairments amounted to RON 46,308 (31 December 2013: RON 79,645), while the fair value of financial assets reached RON 1,182,196 (31 December 2013: RON 1,129,518).

It has also been adjusted the value of the holdings in Chisinau BVC stock exchange.

Consequent to the assessment of the Casa de Compensare Bucuresti SA situation ("CCB"), during the central counterparty transformation process, factors were identified with respect to the impairment of the value of the shares held by BVB on 31 December 2014 and the share value was adjusted by RON 690,963. The value of the adjustment is 100% of the reduction of the CCB net assets below the holding value registered in BVB's accounts.

1 NON-CURRENT ASSETS (CONTINUED)

Movements in adjustments made for the impairment of financial assets during 2014, and 2013 respectively, are as follows:

	2013	2014
Balance as at 1 January	343,946	421,786
Increase of adjustment made for impairment of financial assets	431,786	844,505
Reversal of adjustment made for impairment of financial assets	(353,946)	(186,880)
Balance as at 31 December	421,786	1,079,411

2 PROVISIONS FOR RISKS AND CHARGES

In 2014, a provision was set up with respect to the 2014 personal holidays still not taken until 31 December 2014 in the amount of RON 178,746 and a provision for the profit sharing arrangement of the Board of Governors' members, amounting to RON 300,000, as per the proposal of the Board of Governors to be subject to the approval of the General Shareholders Meeting.

Name	Balance as at 1 January 2014	Increases	Decreases	Balance as at 31 December 2014
Provision for untaken personal leave	269,506	178,746	269,506	178,746
Provisions for remunerating the Board of Directors	100,000	300,000	100,000	300,000
Total	369,506	478,746	369,506	478,746

3 DISTRIBUTION OF PROFIT

Purpose	2013	2014
A. Distributed net profit, including:	9,484,404	11,896,005
1. For setting up legal reserves	446,300	707,481
B. Retained profit	9,038,104	11,188,524

Out of the net profit registered during 1 January 2014 – 31 December 2014 by BVB amounting to RON 11,896,005, on 31 December 2014 RON 707,481 was assigned to set up legal reserves in accordance with art. 183 of Law 31/1990.

3 DISTRIBUTION OF PROFIT(CONTINUED)

Retained profit amounting to RON 11,188,524 will be distributed according to the destinations agreed by General Shareholders Meeting.

BVB's Board of Governors submits for approval of the General Shareholders Meeting, in April 2015, a proposal for the distribution of the Company's net profit for 2014 in the amount of RON 11,188,524 accounting for 100% of the retained profit in the form of gross dividends, with the value of dividend per share amounting to RON 1.4579.

The BVB Board of Governors submits to the approval of the General Shareholders Meeting set for April 2015 the proposal to remunerate the members of the BVB Board of Governors pertaining to the financial year 2014, namely 6 monthly payments, as follows: purchasing BVB shares in 3 months after the GSM date of approval and holding the purchased shares for at least 2 years from the purchase date.

The proposal to remunerate the Board members was included in the financial statements as at 31 December 2014 as a provision amounting to RON 300,000.

In accordance with Decision no. 2 of General Shareholders Meeting dated 25 April 2014, BVB reported the distribution in 2014 to the shareholders registered in Shareholders Registry as at 15 May 2014 of the 2013 retained profit in the amount of RON 9,038,104 in the form of dividends. The value of a dividend amounted to a gross RON 1.1777 /share, with an amount of RON 8,931,634 being distributed by 31 December 2014 (including dividends from previous years).

4 ANALYSIS OF OPERATING RESULT

a) Operating result includes:

	Indicators	**2013**	**2014**
1	Net turnover, including:	24,287,070	26,871,380
	Revenues from current activities	24,287,070	26,871,380
2	Production realised by the undertaking for own purposes and capitalised	-	659,272
3	Other operating revenues	125,303	348,832
4	Materials expenses	139,808	148,867
5	Power and water supplies costs	156,160	143,876
6	Personnel costs (Note 8)	9,119,776	8,869,830
7	Value adjustment of tangible and intangible assets (Note 1A)	(338,117)	766,419
8	Value adjustment of current assets	328,916	-
9	Other operating costs	6,773,568	6,711,177
10	Provision adjustments	99,940	109,240
11	OPERATING RESULT – profit	8,132,322	11,130,075

4 ANALYSIS OF OPERATING RESULT (CONTINUED)

In 2014, BVB registered a net turnover of RON 26,871,380, up by 11% as compared to 2013 (RON 24,287,070). The net turnover is obtained from the revenues derived from fees charged to transactions involving shares and fixed income instruments and structured products, fees for admission and maintenance to the trading system, sales of stock exchange information and others. The dividends collected by the Company in 2014 (RON 56,858) were not included in turnover but treated as financial revenues.

b) Net turnover includes:

Name	2013	2014
Trading fees revenues	21,230,030	23,130,535
Participant fees revenues	88,008	286,423
Revenues from issuers' admission and maintenance fees	1,317,497	1,469,069
Revenues from the sale of stock exchange information	1,263,099	1,209,260
Revenues from IT services	387,335	773.431
Other revenues	1.101	2.661
Total net turnover	24,287,070	26,871,380

c) Other operating expenses amounting to RON 6,711,177 in 2014 (2013: RON 6,773,568) include the following:

Name	2013	2014
Rent and lease expenses	746,147	896,421
Expenses for maintenance and repair works	379,179	432,186
Marketing and promotion expenses	967,318	761,725
Expenses for emoluments of the Board of Directors and Special Commissions members (Note 8)	568,089	627,904
Taxes and charges expenses	1,148,081	1,129,793
Sponsorship expenses	64,500	89,082
Other third party services expenses	1,205,067	1,265,022
Commissions and fees expenses	976,104	466,516
Postal charges and telecommunication costs	152,889	166,199
Travel costs	403,315	734,729
Other expenses	162,879	141,599
Total	6,773,568	6,711,177

The 2014 operating result is a RON 11,130,075 profit (2013: RON 8,132,322 – profit).

5 RECEIVABLES AND LIABILITIES

a) Receivables

Statement of receivables as at 31 December 2014:

Prepaid receivables and payables	Balance as at 31 December 2014	Due in	
	Gross Value	Under 1 year	Over 1 year
Trade receivables *i)*	6,485,625	6,485,625	-
Other receivables *ii)*	1,371,885	1,371,885	-
Impairment adjustments	(461,319)	(461,319)	-
Total receivables	7,396,192	7,396,192	-
Prepaid expenses *iii)*	134,433	134,433	-
Total	7,530,625	7,530,625	-

Statement of receivables as at 31 December 2013:

Prepaid receivables and payables	Balance as at 31 December 2013	Due in	
	Gross Value	Under 1 year	Over 1 year
Trade receivables *i)*	2,894,460	2,894,460	-
Other receivables *ii)*	2,812,685	2,812,685	-
Impairment adjustments	(461,319)	(461,319)	-
Total receivables	5,245,826	5,245,826	-
Prepaid expenses *iii)*	175,058	175,058	-
Total	5,420,884	5,420,884	-

As at 31 December 2014, Bursa de Valori Bucuresti SA reported prepaid receivables and payables of RON 7,530,625 up 34.16% compared to the previous year (31 December 2013: RON 5,420,884).

5 ACCOUNTS RECEIVABLE AND PAYABLE (CONTINUED)

i) *Trade receivables*

As at 31 December 2014, the weight of trade receivables in total receivables reached 79.29% with a net value of RON 6,024,306 and mostly includes receivables related to the services provided by BVB.

Trade receivables are mainly amounts payable by financial investment services companies to which invoices were issued for the services provided in December 2014, and receivables for services invoiced to both listed issuers and other customers: trading maintenance fees, additional terminal fees, on-line information sale fees, index license fees, data dissemination fee and other.

With respect to its doubtful receivables, on 31 December 2014, BVB adjusted the value thereof by RON 461,319 (31 December 2013: RON 461,319).

ii) Other receivables

Other receivables amounting to RON 1,371,885 in 2014 (31 December 2013: RON 2,812,685) accounted for 18.86% of total prepaid receivables and payables and include the following:

Name	**Balance as at 31 December 2013**	**Balance as at 31 December 2014**
Receivable VAT	3,545	29,257
Membership due to FSA	1,765,789	522,155
Various accounts receivable	328,570	376,176
Accrued bank interest	610,113	347,005
Other accounts payable	104,668	97,291
Total	2,812,685	1,371,885

i. *FSA membership* – receivables related to the provision of Regulation no. 7/2006 as republished regarding the 0.08% FSA fee charged to purchase transactions via Bursa de Valori Bucuresti.

5 ACCOUNTS RECEIVABLE AND PAYABLE (CONTINUED)

iii) Pre-paid expenses

The company's pre-paid expenses amounting to RON 134,433 as at 31 December 2014 (31 December 2013: RON 175,058) mostly include payments for insurance of equipment, equipment maintenance, directors' third party liability insurance policies, being expensed on a monthly basis.

b) Short-term financial investments

Short-term financial investments in 2014 included deposits in both RON and foreign currency, government bonds and treasury certificates (31 December 2014: RON 35,119,284) that generated bank interest income in the financial year ended at 31 December 2014 in the amount of RON 2,683,190.

Short-term financial investments as at 31 December 2014 and 31 December 2013 respectively are as follows:

Name	31 December 2013	31 December 2014
Short-term bank deposit	35,119,284	26,879,739
Total short term financial investments	35,119,284	26,879,739

c) Petty cash and bank accounts

Amounts available in bank accounts as at 31 December 2014 were RON 1,089,155 (31 December 2013: RON 2,331,872).

For cash flows purposes, the Company's cash and cash equivalents (deposits and treasury certificates with maturities under 3 months) as at 31 December 2014 amounted to RON 949,020 (31 December 2013: RON 959,314).

In 2014, cash equivalents (bank deposits, treasury certificates, government bonds with maturities below 3 months) were treated as cash equivalents given their high liquidity, the possibility of easily converting them into known amounts of cash and the negligible risk of having their value altered.

5 ACCOUNTS RECEIVABLE AND PAYABLE (CONTINUED)

d) Payables

Statement of payables as at 31 December 2014:

Payables and deferred income	Balance as at 31 December 2014	Due in Under 1 year	1-5 years	More than 5 years
Trade payables *i)*	911,384	911,384	-	-
Other debt, including tax payables and other social security payables *ii)*	3,721,557	3,721,557	-	-
Total payables	4,632,941	4,632,941	-	-
Deferred revenues *iii)*	694,778	694,778	-	-
Total	5,327,719	5,327,719	-	-

Statement of payables as at 31 December 2013:

Payables and deferred income	Balance as at 31 December 2013	Due in Under 1 year	1-5 years	More than 5 years
Trade payables *i)*	667,357	667,357	-	-
Other debt, including tax payables and other social security payables *ii)*	4,872,347	4,872,347	-	-
Total payables	5,539,704	5,539,704	-	-
Deferred revenues *iii)*	662,095	662,095	-	-
Total	6,201,799	6,201,799	-	-

Payables and deferred revenues of BVB on 31 December 2014 in the amount of RON 5,327,719, down from the previous year by 14.09% (31 December 2013: RON 6,201,799) consist of trade payables, other liabilities including tax liabilities to be paid within a period of less than one year and deferred revenues representing amounts not due on 31 December 2014, as follows:

5 ACCOUNTS RECEIVABLE AND PAYABLE (CONTINUED)

i) Trade payables

Trade payables amounting to RON 911,384 (31 December 2013: RON 667,357) are mostly amounts owed to suppliers and other payables less than 30 days old, paid at the beginning of 2015.

ii) Other liabilities

Other liabilities payable within less than 1 year, in amount of RON 3,721,557 (31 December 2013: RON 4,872,347) are detailed below:

Name	Balance as at 31 December 2013	Balance as at 31 December 2014
Payables related to management and staff	1,004,280	1,533,450
Payables related to employees, state budget and social security budget	273,289	347,424
Dividends not collected by shareholders	584,230	690,551
Dividend tax	49,949	51,436
Corporate income tax	797,555	480,845
Incoming advance payments	107,570	7,704
Other creditors – mainly, payment of 0.08% FSA fee payable by financial investment services firms	2,053,686	607,592
Other liabilities	1,788	2,555
Total	4,872,347	3,721,557

iii) Payables and deferred revenues

Deferred revenues as at 31 December 2014, in amount of RON 694,778 (31 December 2013: RON 662,095) include amounts not due related to fees payable by listed issuers for maintenance to the trading system.

6 ACCOUNTING POLICIES, PRINCIPLES AND METHODS

A Overview

Annual financial statements were prepared in accordance with Regulation no. 4/2011 regarding the Accounting Rules in line with the EEC Fourth Directive applicable to licensed entities regulated and monitored by the National Securities Commission („CNVM"), approved under Order of CNVM President no. 13/2011 („Order 13/2011") and the accounting policies described in the notes to the stand alone financial statements and other items of legislation such as:

- Accounting Law no. 82/1991 as republished;
- Instruction no. 1/2013 on amendment of Instruction no. 2/2007 regarding the preparation and filing of annual financial statements by licensed entities regulated and monitored by the National Securities Commission, approved under Order no. 7/2012;
- Order of Ministry of Public Finance no. 907/2005 on the approval of categories of legal entities applying accounting regulations in line with the International Financial Reporting Standards, respectively accounting rules compliant with the applicable EU directives, published in Official Journal no. 597/2005;
- Order of Ministry of Public Finance no. 2861/2009 for the approval of methodology concerning the management and conduct of stock-taking of such elements as assets, liabilities, and shareholders' equity.

Other legal regulations specific to the Company's business include:

- Law no. 297/2004 on capital market;
- Law no. 31/1990 on companies, republished, as later amended and supplemented;

These financial statements include the standalone financial statements of Bursa de Valori Bucuresti S.A.

The Company's annual financial statements are prepared based on the trial balance resulting after the enforcement of the specifications included in the Accounting Rules applicable to licensed entities monitored and regulated by CNVM.

The company is regulated by the Financial Supervisory Authority (FSA), successor to CNVM.

6 ACCOUNTING POLICIES, PRINCIPLES AND METHODS (CONTINUED)

B Principles underlying the preparation of the standalone financial statements

The annual financial statements were prepared based on historical costs, with the exceptions listed below in accounting policies, in agreement with the provisions of Order 13/2011.

These financial statements are prepared subject to the accounting principles, according to the accrual based accounting principle. Therefore, the effects of both transactions and other events are recognised at the specific time of their occurrence and are disclosed and reported in the standalone financial statements of the relevant periods.

The accounting principles that underlie the preparation of these financial statements are as follows:

- **Going concern principle –** starts from the assumption that the Company will continue to operate in the foreseeable future, without being prevented from operating or significantly reducing business operations.

- **Consistency of methods principle –** The same rules, methods and norms should be applied regarding the measurement, recognition and presentation in the accounting records of transactions, in order to ensure the comparability over time of financial information.

- **Prudence principle –** All value adjustments due to asset impairment, as well as all foreseeable liabilities and potential losses arising during the financial year ended or during a previous year are taken into account.

- **Cut-off principle –** All revenues and expenses related to the financial year are considered, irrespective of the date when the amounts are cashed in or of the payment date.

- **Principle of individual assessment of assets and liabilities –** The value of each asset or liability is established individually.

- **Intangibility principle –** The opening balance sheet for each financial year must match the closing balance sheet of the previous financial year.

- **The offsetting principle –** The values of assets are not set off against the values of liabilities, respectively revenues against expenses, except for the compensation between assets and liabilities allowed by the CNVM Order CNVM 13/2011; and

- **Economic substance over legal form principle –** Information provided in the financial statements reflects the economic reality related to events and transactions, not only their legal form;

6 ACCOUNTING POLICIES, PRINCIPLES AND METHODS (CONTINUED)

- **Materiality principle** – Each item that has a significant value is presented separately within the financial statements.

C Accounting policies

a) Use of estimates

Preparation of the financial statements in accordance with Order 13/2011 requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the respective period. Although these estimates are based on the best information available as at the date of the financial statements, actual results may differ from these estimates.

b) Going concern

The accompanying financial statements have been prepared based on the going concern principle, which assumes that the Company will continue to operate in the foreseeable future. In order to assess the reasonability of this assumption, the management reviews the forecasts of the future cash inflows.

Based on these reviews, the management believes that the Company will be able to continue to operate as a going concern in the foreseeable future and, therefore, this principle should be applied in the preparation of these financial statements.

c) Presentation currency

Accounting is kept in Romanian and in the national currency. Items included in these financial statements are denominated in Romanian lei.

d) Translation into foreign currency

Foreign currency transactions of the Company are translated into the measurement currency using the exchange rates communicated by the National Bank of Romania ('BNR') as at the dates of the transactions. At each month end, foreign currency balances are translated into RON using the exchange rates communicated by BNR for the last banking day of the month. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, within the financial result.

6 ACCOUNTING POLICIES, PRINCIPLES AND METHODS (CONTINUED)

The respective balances of both foreign currency assets and liabilities are converted into RON subject to the exchange rate announced by BNR prevailing at the end of the applicable reporting period as follows:

- 2014: 3,6868 RON/USD and 4,4821 RON/EUR;
- 2013: 3,2551 RON/USD and 4,4847 RON/EUR.

e) Tangible assets

Recognition and original assessment

Asset recognition must observe the requirements of the general framework applicable for the preparation and disclosure of financial statements, if:

- the generation of further economic benefits using such asset is feasible;
- the cost of the asset is higher than the applicable statutory regulations;
- such asset is used during more than 1 year and for the purpose of providing services.

Tangible assets are originally recognised at purchase cost, i.e. their purchase price or value determined under a specific agreement for the transfer of the title thereof. Assets are recognized at the purchase cost or fair value for other entries than purchases, as applicable.

Assets are recognised according to individual categories and particular accounting item.

Valuation at reporting date

Tangible assets are recognised in balance sheet balance sheet at purchase cost less accrued depreciation and value adjustments.

6 ACCOUNTING POLICIES, PRINCIPLES AND METHODS (CONTINUED)

Tangible assets are depreciated according to the straight line method based on estimated useful life periods, starting from the month of their being commissioned, so that cost will diminish until the expiry of the applicable useful life, as follows:

- plants and machinery 3-20 years; and
- other facilities, equipment and furniture 2-15 years.

Quotas and useful lives of tangible assets were determined at the level of 2014 in accordance with the classification and normal useful lives of the fixed assets approved under the Government Decision no. 2139/2004. Land is not subjected to depreciation as it is treated as having an indefinite lifetime.

Further expenditures

The expenditure with repairs or maintenance of tangible assets is recognised as incurred while the significant improvements which increase the value or useful life of the assets, or which increase their revenue generating capacity are capitalised.

Sale/disposal of tangible assets

Items of tangible assets that are retired or otherwise disposed of are eliminated from the balance sheet along with the corresponding accumulated depreciation. Any gain or loss resulting as a difference between the revenue generated by the disposal and value not depreciated, including expenses caused by such operation, is included in the Income Statement, within “Other operating revenues” or “Other operating expenses”, as appropriate.

f) Intangible assets

Intangible assets include software and software licenses.

Original valuation
Intangible assets are originally recognised at purchase cost, i.e. purchase cost or value determined under a specific agreement for the transfer of the title thereof.

6 ACCOUNTING POLICIES, PRINCIPLES AND METHODS (CONTINUED)

Depreciation
Depreciation is disclosed in the Income Statement based on the straight line method during the estimated period of the useful life of the relevant intangible asset. Intangible assets are depreciated starting from the date when asset is ready to be used. Useful life for software and software licenses ranges between 1 and 5 years.

Valuation at reporting date
At the reporting time intangible assets are recognised at cost less depreciation and accrued value adjustments.

Further expenditures
Expenditure enabling intangible assets to generate future economic benefits beyond the originally forecast performance is added to the original cost thereof. Such expenses are capitalised as intangible assets if not integral part of intangible assets.

g) Impairment of tangible and intangible assets

At each year-end, the items of property, plant and equipment and other non-current assets are reconciled with the results of the annual count. For this purpose, the net carrying value is compared with the value established on stock-count, referred to as the annual count value. If this value is lower than the carrying value, the differences are accounted for as additional depreciation and amortisation for assets where depreciation is irreversible, or as an adjustment for depreciation, where depreciation is reversible. The annual count value is determined based on the asset's utility, condition and market price.

h) Financial assets

Financial assets include shares held in related parties, loans granted to related parties, participating interests, loans to entities with which the Company is linked by virtue of participating interests, as well as other investments (long term bonds).

Financial assets are recognised in the balance sheet at historical cost less possible value impairment adjustments

6 ACCOUNTING POLICIES, PRINCIPLES AND METHODS (CONTINUED)

i) Trade receivables

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables.

j) Short-term financial investments

These include short-term deposits at banks and other short-term investments (bonds, shares and other investments held for sale). Short-term investments admitted to trading on a regulated market are valued are assessed at the balance sheet date at the bid value on the last day of trading, and those not marketed at historical cost less any possible adjustments for loss in value.

k) Cash and cash equivalents

Cash and cash equivalents are recognised at cost in balance sheet.
For cash flows statement purposes, cash and cash equivalents include:

- cash accounts
- cash in hand
- cash equivalents are highly liquid short-term investments, easily convertible into known amounts of cash and subject to a negligible risk of having their value altered, respectively bank deposits with maturities less than 3 months.

l) Provisions for risks and charges

Provisions for dismantling, restructuring, litigation, and other provisions for risks and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. No provisions are recognised for future operating losses.

m) Distributable dividends

Dividends related to ordinary shares are recognised in shareholders' equity when declared.
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6 ACCOUNTING POLICIES, PRINCIPLES AND METHODS (CONTINUED)

Any dividends declared prior to the balance sheet date are recognised as liabilities at the said date. Any dividends proposed or declared after the balance sheet date are not disclosed as liabilities, but stated in the notes to the financial statements.

n) Trade payables

Trade payables are recorded at the value of the amounts payable for the goods or services received.

o) Employee benefits

Pensions and other post-retirement benefits

The Company, in the normal course of business, makes payments to the Romanian State on behalf of its employees, at statutory rates. All employees of the Company are members of the Romanian State pension plan. These costs are recognised in the Income Statement together with the related salary costs.

The Company does not operate any other pension scheme or post-retirement benefit plan and, consequently, has no obligation with respect to pensions.

p) Taxation

Current corporate income tax

The Company records current corporate income tax based upon taxable corporate income from the Romanian financial statements, in accordance with relevant Romanian legislation.

q) Recognition of revenues

Revenues are recognised as per individual types of revenues, which are recognised in accordance with the principles of accrual accounting.

6 ACCOUNTING POLICIES, PRINCIPLES AND METHODS (CONTINUED)

Revenues from current activities

Revenues from current activities include revenues derived from fees charged for transactions involving shares and fixed income instruments and structured products, charges for the admission and maintenance to the trading system, sales of stock exchange information and others.

These revenues are recognised according to the cut-off principle, considering the period when services were provided by the Company.

Any discounts granted are disclosed in the income statement as part of operating revenues.

Dividend income

Dividends are recognised as revenues when the legal right to receive payment is established, i.e. at the date of approval thereof.

Interest income

Interest income is recognised periodically and proportionally as the respective revenue is generated on an accrual accounting basis.

r) Operating expenses

Expenses are recognised according to individual types of expenses, based on their respective nature or purposes.

Operating expenses are recognised in the period to which they refer.

Financial expenses

Financial expenses are recognised in the period to which they refer.

7 PARTICIPATING INTERESTS AND FUNDING SOURCES

The value of the Company's share capital as at 31 December 2014 is the same as seen at the beginning of the year, i.e. RON 76,741,980, with 7,674,198 shares having a par value of RON 10/share.

The prospectus prepared by BVB for the admission of its own shares on the regulated marked administered by BVB was approved under CNVM's Decision no. 632/18.05.2010. On 8 June 2010 the first transactions involving BVB shares were executed. The closing price on the last trading session of 2014 was RON 33.97/share.

The shareholding structure and shares held as at 31 December 2014 are as follows:

No.	Shareholding structure	Number of shares	% in share capital
1	**Legal entities including:**	6,496,958	84.66%
	- Romania	5,209,658	67.89%
	- International	1,287,300	16.77%
2	**Natural persons, including:**	1,177,240	15.34%
	- Romania	1,134,602	14.78%
	- International	42,638	0.56%
	Total	7,674,198	100.00%

Under article 129, par. 1 of the Capital Market Law 297/2004 , no shareholder of a market operator may hold, directly or indirectly, more than 5% of the total voting rights. Also, according to the Company's Articles of Incorporation, any subscription, acquisition and holding of Company's shares must comply with the requirement that no shareholder holds, directly or indirectly, more than 5% of the total existing voting rights. Consequently, as at 31 December 2014, BVB – market operator had no significant shareholders and did not hold shares on its own behalf.

By Government Emergency Ordinance no. 90/2014 which completes and amends Law 297/2004, adopted by the Government on 23 December 2014 and published in the Official Gazette on 30 December 2014, the ownership limit in the market operators' and system operators' share capital changes from 5% to 20%. This provision came into force after the balance sheet date, i.e. on 9 January 2015.

8 INFORMATION ON THE COMPANY'S EMPLOYEES, DIRECTORS AND MANAGERS

	Headcount 31 December 2013	Headcount 31 December 2014	Change 2014-2013
Total personnel including	40	43	+3
Higher Education graduates	39	42	+3
High School graduates	1	1	-

The Company's headcount as at 31 December 2014 changed as compared to the similar period of the previous year, increased by 3 employees as opposed to 2013. Out of the total 43 employees as at 31 December 2014, 1 employee had his individual employment agreement suspended in accordance with the existing legal regulations.

The Company's management was covered by the Board of Directors validated by FSA on 1 February 2012 and consists of the following members:

- Mr Anghel Lucian Claudiu president
- Mr Lupsan Pompei vice-president
- Mr Paul Dan-Viorel vice-president
- Mr Pana Robert secretary general
- Mr Ionescu Valerian member
- Mr Schroll Matjaz member
- Mrs Oprea Narcisa member
- Mr Farmache Stere Constantin member
- Mr Octavian Molnar member

Executive management included:

- Mr. Ludwik Sobolewski General Manager
- Mr Alin Barbu Deputy General Manager
- Mrs. Anca Dumitru Deputy General Manager
- Mr. Virgil Stroia Chief Financial Officer
- Mr. Călin Macedon Manager
- Mrs Ileana Botez Manager

8 INFORMATION ON COMPANY'S EMPLOYEES, DIRECTORS AND MANAGERS (CONTINUED)

During the reporting period the following expenses were incurred:

	2013	2014
Salary costs, including:	7,341,252	7,379,484
meal ticket costs	95,381	80,887
management costs	1,980,662	2,252,994
Social security costs	1,778,524	1,490,346
Costs for emoluments of the Board of Directors members and Special Commissions members (Note 4c)	568,089	627,904

	31 December 2013	31 December 2014
Liabilities at the end of the year - certain and estimated	1,004,280	1,533,450

The Company is not bound under any agreement on behalf of its directors and has not granted any advances or loans to its managers or directors.

Also, the Company has not incurred any future obligations such as guarantees on behalf of its directors.

BVB makes monthly payments at pension funds, health funds, unemployment funds for its employees at the current statutory rates.

In 2014 or 2013, the Company did not incur on behalf of its employees any expenses for optional pension schemes or with respect to premiums for any voluntary health insurance, instead the Company only paid contributions to the national pension plan / health insurance scheme, as required by the applicable legislation.

9 ANALYSIS OF MAIN ECONOMIC-FINANCIAL RATIOS

1. Liquidity ratios

a) Current ratio

	31 December 2013	31 December 2014
Current assets / Current liabilities =	7.71	7.63

b) Quick ratio

	31 December 2013	31 December 2014
Current assets -Inventories / Current liabilities =	7.71	7.63

The current ratio reflects the capacity of Company's current asset items of being converted into liquid assets on a short term basis in order to meet the current payables.

The quick ratio reflects the company's capability of instantly meeting its liabilities given its existing available cash funds.

2. Risk ratios – not determined as no loans were taken

3. Activity ratios (management indicators)

a) Average receivable turnover

	Financial year ending 31 December 2013 (days)	Financial year ending 31 December 2014 (days)
Average Receivables Balance / Turnover x 365 =	27.65	54.81

9 ANALYSIS OF MAIN ECONOMIC-FINANCIAL RATIOS (CONTINUED)

The average receivable turnover determines a company's effectiveness in collecting its receivables and expresses the number of turnovers required by a company's accounts receivable to pay their amounts due to the company.

b) Average payable turnover

	Financial year ending 31 December 2013 (days)	**Financial year ending 31 December 2014 (days)**
Average Payables Balance x 365 = Turnover	7.60	10.72

The average payable turnover identifies the number of credit days obtained by a company from its accounts payable.

c) Non-current assets turnover

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
Turnover = Non-current assets	0.39	0.38

d) Total assets turnover

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
Turnover = Total assets	0.23	0.25

9 ANALYSIS OF MAIN ECONOMIC-FINANCIAL RATIOS (CONTINUED)

The non-current assets and total assets turnovers identify the capacity thereof of generating the company's turnover.

4. Profitability ratios

a) Profit margin

	Financial year ending 31 December 2013	Financial year ending 31 December 2014
Net profit / Turnover =	39.05%	44.27%

The profit margin identifies the overall effectiveness of a company and its ability of generating profit.

b) Return on Equity (ROE)

	Financial year ending 31 December 2013	Financial year ending 31 December 2014
Net Result / Equity =	9.70%	11.82%

The return on equity identifies the effectiveness of the use of shareholders' equity.

c) Return on Assets (ROA)

	Financial year ending 31 December 2013	Financial year ending 31 December 2014
Net Result / Total assets =	9.09%	11.17%

9 ANALYSIS OF MAIN ECONOMIC-FINANCIAL RATIOS (CONTINUED)

The return on assets identifies the effectiveness in using a company's assets in its operating activities, i.e. the return of the whole capital invested in such company.

d) Return on capital employed

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
Gross result / Capital employed	11.28%	14.05%

The return on capital employed identifies the profit derived by a company from its money invested therein.

e) Total working capital (FR)

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
(Shareholders' equity + long-term loans) - - Non-current assets =	36,300,735	29,699,379

f) Necessary amount to cover working capital needs

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
(Inventories + Receivables) - - Current payables =	(293,878)	2,763,251

9 ANALYSIS OF MAIN ECONOMIC-FINANCIAL RATIOS (CONTINUED)

g) Net Treasury

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
Working Capital - - Necessary amount to cover working capital needs =	36,594,613	26,936,128

Net treasury identifies the quality of a company's financial balance both on long and short term.

h) Dividend yield

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
Dividend per share / Price per share =	4.1%	to be computed on registration date

i) Dividend distribution rate

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
Dividends per share / Profit per share =	95%	94%

5. Market Indicators

a) Profit or loss / share

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
Net Result = / Number of shares	1.24	1.55

9 ANALYSIS OF MAIN ECONOMIC-FINANCIAL RATIOS (CONTINUED)

Profit or loss / share indicator identifies the internal return of a share in terms of the profit derived by such share during a given financial year.

b) Market capitalization

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
Market price x Number of shares =	249,411,435	260,692,506

c) Book value of shareholders' equity / share

	Financial year ending 31 December 2013	**Financial year ending 31 December 2014**
Shareholders' equity = / Number of shares	12.75 RON /share	13.12 RON /share

Book value of shareholders' equity / share identifies the net asset value per share, i.e. the amount that would be paid to a shareholder further to a sale of a company's assets and meeting company's debts to its account payables.

10 OTHER INFORMATION

A Company Overview

On 21 June 1995, Bursa de Valori Bucuresti was established under Decision D20 as a public, autonomous institution, based on Law no. 52/1994.

Before the Company's conversion into a joint stock company, Bursa de Valori Bucuresti operated under Law no. 52/1994 and Government Emergency Ordinance no. 28/2002 respectively as a public not-for-profit self-funded institution.

10 OTHER INFORMATION (CONTINUED)

On 15 July 2005, further to ruling no. 12270/SC/2005 delivered in case no. 531497/SC/2005, Bursa de Valori Bucuresti's petition for reorganisation was admitted by changing its legal organization into a joint stock company, without patrimonial liquidation or discontinuation of business by the former public institution. The assets of Bursa de Valori Bucuresti became, under art. 285 par. 1 of Law no. 297/2004, the assets of Bursa de Valori Bucuresti S.A ("BVB").

On 31 August 2005 (reference date), Bursa de Valori Bucuresti S.A. absorbed Bursa Electronica Rasdaq S.A., with the latter conveying universal title over its own estate to the absorbing Company.

On 18 May 2010, CNVM Decision no. 632 was issued to approve the prospectus prepared by BVB for admission of its own shares on the regulated market administered CNVM.

8 June 2010 is the first day when the BVB shares are traded with BVB acting as issuer admitted on its own trading platform under the market symbol "BVB".

The registered address of Bursa de Valori Bucuresti S.A. is located in Bucharest, 34-36 B-dul Carol I, floors 13-14, district 2, Romania. S.C. Bursa de Valori Bucuresti S.A. has no branches.

The Company's business as of 1 January 2008 is NACE code 6611 – "Administration of financial markets."

B Information on institution's relations with branches, affiliated entities or other companies in which strategic interests are held

As at 31 December 2014 BVB holds interests in the share capital of other companies as follows:

- Interests in the share capital of Depozitarul Central S.A., Bucharest, B-dul Carol I no. 34-36, district 2, in amount of RON 22,656,932, i.e. 69.04%; as at 31 December 2014 the entity's shareholders' equity value was RON 31.191.771 and an accounting profit of RON 2,020,988 , as per the preliminary unaudited financial statements;

- Interests in the share capital of Casa de Compensare Bucuresti SA ("CCB"), B-dul Carol I no. 34-36, 12th floor, district 2, Bucharest, in amount of RON 3,651,494 (i.e. 52.5080% of CCB's share capital); as at 31 December 2014 the entity's shareholders' equity value was RON 4,980,052 and it incurred an accounting loss of RON 382,155, as per the preliminary unaudited financial statements;

10 OTHER INFORMATION (CONTINUED)

- Contribution to the original estate of Fundatia Institutului de Guvernanta Corporativa al BVB, having registered address in 34-36 B-dul Carol I, 12th floor, district 2, Bucharest, in amount of RON 50,000 RON (100.00%); as at 31 December 2014 the entity's shareholders' equity value was RON 15,740 and it registered an accounting loss of RON 15,622, as per the preliminary unaudited financial statements;

- Interest in the share capital of Fondul de Compensare a Investitorilor SA, Bucharest, 34-36 B-dul Carol I, district 2, Bucharest, in amount of RON 215,040 (62.31%); as at 31 December 2014 the entity's shareholders' equity was RON 19,857,027 and it posted an accounting profit of RON 132,033, as per the preliminary unaudited financial statements;

- Interest in the share capital of Casa Romana de Compensatie Sibiu SA in amount of RON 209,250 (1.94%);

- Interest in the share capital of Bursa BVC Chisinau in amount of RON 19,341 (0.025%).

Transactions with affiliated entities

	Year 2013	Year 2014
Operating revenues	320,313	684,495
- Casa de Compensare Bucureşti	12	-
- Depozitarul Central	320,000	684,189
- Fondul de Compensare al Investitorilor	301	306
BVB revenues from incoming dividends	355,445	-
- Depozitarul Central	355,445	-
Purchases of services	216,481	37,301
- Depozitarul Central	64,362	30,569
- Casa de Compensare Bucureşti	85,824	6,732
- Fundatia Institutul de Guvernantă Corporativă al BVB	66,295	-
Liabilities as at 31 December	2,618	8,454
-Depozitarul Central	376	8,454
-Casa de Compensare Bucureşti	2,242	-
Receivables as at 31 December	328,569	737,746
including:		
-Casa de Compensare Bucureşti	288,764	288,764
- Depozitarul Central	39,805	524,826

10 OTHER INFORMATION (CONTINUED)

The operating revenues derived from the entities in which BVB is a shareholder are generated by IT services related to the administration and maintenance for the business equipment, software development services, dividends distributed by Depozitarul Central S.A. and by revenues from part of the transactions with Derivative Financial Instruments (DFI) for Casa de Compensare Bucureşti SA. The expenses incurred for the Company's affiliated entities included clearing services, settlement services and securing of DFI transactions, risk management related to derivative market transactions, services provided by Casa de Compensare Bucureşti SA regarding the distribution of dividends provided by Depozitarul Central.

C Method used to present assets and liabilities, as well as revenues and expenses originally disclosed in foreign currency

The Company discloses its equity items, revenues and expenses as at 31 December 2014 in accordance with the Accounting Regulations harmonised with the Fourth EEC Directive as follows:

- monetary assets denominated in foreign currency were disclosed using the closing exchange rate of the relevant reporting period (see note 6 d);
- non-monetary items were disclosed at historical cost, and items expressed in foreign currency were disclosed using the exchange rate prevailing at the date of the given transaction.

D Corporate Income Tax Information

The financial year 2014 ended with a pre-tax profit in the amount of RON 14,149,623 , with a corporate income tax of RON 2,253,618 to be paid within statutory terms.
The 2014 accrual result and result for tax purposes were reconciled against their 2013 respective values as follows:

Indicators	31 December 2013	31 December 2014
Accounting profit disclosed in financial statements in accordance with applicable regulations	11,031,015	14,149,623
Non-taxable revenues	355,445	-
Other non-taxable revenues	1,749,567	556,386
Expenses non-deductible under applicable laws (less corporate income tax expense and tax depreciation)	1,589,737	1,705,950
Deductible statutory reserve	446,300	707,481
Taxable corporate income	8,319,874	14,591,706
Corporate income tax (at the 16% tax rate)	1,611,111	2,334,673
Sponsorship deducted from corporate income tax and tax credit	(64,500)	(81.055)
Payable corporate income tax for the year	1,546,611	2,253,618

10 OTHER INFORMATION (CONTINUED)

Non-taxable revenues are mostly represented by the dividends collected from Depozitarul Central S.A.

Other deductible amounts are the previous years' non-deductible provisions reversed to revenues during the current year.

Non-deductible expenses include provision expenses (for doubtful debts, 2014 untaken personal leaves, payments of the Board of Governors members), subscription fees payable to international bodies to which BVB is affiliated (amount in excess of the limits imposed by the existing fiscal legislation), adjustment of the Company's financial assets in international entities, affiliated and non-affiliated entities, sponsorships, and other expenses that do not meet the existing legal deductibility requirements.

E Turnover

The Company's 2014 net turnover in amount of RON 26,871,380 was generated from services related to the current business activities of Bursa de Valori Bucureşti SA, after deducting any taxes related directly to turnover, as required under the Accounting Rules in line with the EEC Fourth Directive. Details on the nature of such revenues are provided in note 4, Analysis Of Operating Result.

F Auditors' fees

During the financial year 2014, expenses were incurred for fees payable to financial auditors in amount of RON 184,514 (2013: RON 145,036) for internal audit services, statutory audit, other audit services, as follows:

- financial statements audit: RON 67,934
- internal audit: RON 86,542
- audit of security and functionality of Arena software: RON 30,048

During the financial year 2014, RON 130,473 was paid for auditors' fees.

10 OTHER INFORMATION (CONTINUED)

G Incoming and outgoing pledges – not applicable

H Company's reserves as at 31 December 2014

The breakdown of the Company's reserves of RON 10,419,789:

- Legal reserves in the amount of RON 6,507,834 are set up as required by the applicable laws, i.e. 5% applied to the Company's book profit to the level of 1/5 of Company's subscribed and paid-up share capital.

The statutory reserve breakdown is as follows:

Legal reserve	31 December 2014
From the Company's 2005 profit	341,412
From of the legal reserve of Bursa Electronică Rasdaq– upon the 2005 merger 14,600	
From the Company's 2006 profit	905,780
From the Company's 2007 profit	1,736,218
From the Company's 2008 profit	610,000
From the Company's 2009 profit	479,000
From the Company's 2010 profit	324,400
From the Company's 2011 profit	530,300
From the Company's 2013 profit	446,300
From the Company's 2014 profit	707,481
Total legal reserve	6,507,834

As required by the applicable laws, the statutory reserve cannot be distributed.

- Reserves representing surplus from revaluation reserves in amount of RON 57,109, following takeover of revaluation reserves, upon retirement of revaluated assets;
- Reserves set up using the value of the shares acquired free of charge from Depozitarul Central in 2011 in amount of RON 2,413,197; and
- Other reserves, set up as required by the applicable laws, in amount of RON 1,441,649, on 31 December 2014, being structured as follows:

10 OTHER INFORMATION (CONTINUED)

Other reserves	31 December 2014
1. Reserve representing the equivalent value of the land purchased by BVB acting as public institution (by July 2005)	1,019,020
2. Reserve representing the Company's interest in specific companies in BVB's capacity as public institution:	
- Institutul de Guvernanţă Corporativă	225,437
3. Reserve representing the balance of net profit derived remaining balance after increases of the Company's share capital	10,360
4. Reserve resulting from the difference between the value of securities received based on contribution in kind to Depozitarul Central's share capital and non-depreciated value of tangible assets	186,161
Other reserves	671
Total other reserves	1,441,649

Reserves dealt with in 1), 2), and 4 cannot be distributed.

I LITIGATION

As at 31 December 2014, Bursa de Valori Bucureşti had pending litigation cases as follows:

- Litigation cases in which BVB seeks initiation of insolvency procedure for overdue accounts receivable defaulting on their payables for BVB services. The gross value of BVB's receivables from such clients was entirely provisioned.

- Litigation cases in which BVB seeks recovery of its overdue receivables (undergoing the enforcement procedure).

- Other litigation cases in which BVB acts as plaintiff/defendant related to such demands as: cancellation of specific transactions; challenge of procedure involving the lifting of suspension of specific issuers' shares from trading, annulment of specific procedures, obligation to litigate with professionals.

10 OTHER INFORMATION (CONTINUED)

J Taxation

The Romanian taxation system is undergoing a process of consolidation and harmonisation with the European Union legislation.

However, there are still different interpretations of the fiscal legislation. In various circumstances, the tax authorities may have different approaches to certain issues, and assess additional tax liabilities, together with late payment interest and penalties (currently, penalties determined by the duration of delay, plus 0.04% per day of delay). In Romania, tax periods remain open for tax inspection for five years. The Company's management considers that the tax liabilities included in these financial statements are fairly stated.

K Transfer pricing

Romanian tax legislation includes the arm's length principle according to which transactions between related parties should be carried out at market value. Local taxpayers engaged in related party transactions have to prepare and make available upon the written request of the Romanian Tax Authorities their transfer pricing documentation. Failure to present the transfer pricing documentation, or presenting an incomplete documentation, may lead to non-compliance penalties; additionally, notwithstanding the contents of the transfer pricing documentation, the tax authorities may interpret the facts and transactions differently from management and impose additional tax liabilities resulting from transfer price adjustments. The Company's management believes the Company is not exposed to any losses in the event of a tax inspection focusing on transfer prices. Nevertheless, the impact of any different interpretations on the part of the tax authorities cannot be reliably assessed. This risk can be significant for the Company's financial position and/or business.

10 OTHER INFORMATION (CONTINUED)

L Risk Management

Business environment risk

The process of value adjustment according to risks, which has occurred on the international financial markets during the recent year, has severely affected their performance, in Romania as well, which leads to raising uncertainty in terms of future economic developments.

The effects of the international economic downturn have impacted the Romanian financial market as well, particularly in the form of:

- contraction of the capital market
- increase in risk premiums on loans
- delays in the payment of loans contracted by the population
- increase in RON-denominated interest rates due to the worldwide shortage of liquidity
- depreciation of the national currency
- decrease of real estate asset prices
- negative trend for macroeconomic indicators (inflation, budget deficit, current account deficit, diminished direct foreign investments, higher unemployment rate etc.)

The Company's Management cannot anticipate all the effects of the credit crunch on the Romanian financial sector, and on these financial statements.

The Company's Management believes that it has taken the required measures to ensure sustainability and development of the Company in the current market circumstances.

Liquidity risk

The Group's policy on liquidity is to maintain sufficient liquid resources to meet its obligations as they fall due.

The liquidity risk may occur if the Company cannot honour its current obligations due to a lack of liquidities. Given that a significant part of the Company's assets consists of highly liquid investments, the liquidity risk undertaken by the Company is low.

The Company follows the developments in liquidities to be able to pay its liabilities as they fall due. The assets and liabilities are analysed by reference to the period remaining until the contractual due date (Note 5, Assets and liabilities).

10 OTHER INFORMATION (CONTINUED)

Credit risk

The credit risk is an accounting loss to be recognised if the contractual parties were to default on their obligations.

The Company is exposed to the credit risk that arises from the potential default on payment obligations by its contractual partners. However, the management does not anticipate significant losses.

Market risk

The market risk is the risk of having the fluctuation in market prices, such as the foreign exchange rate, the interest rate and the price of equity instruments, affect the Company's revenues or the value of the financial instruments held.

The objective of market management risk is to manage and control exposure to market risk within acceptable parameters, while also optimising the return on investment.

The Company is exposed to market risk through its foreign currency liquidities and investments in banks and purchased government securities. However, based on the analysis of net financial assets and the sensitivity analysis of Euro and USD exchange rates, the management does not anticipate significant losses.

SUBSEQUENT EVENTS

There were no subsequent event to the balance sheet date that, by not being included, might affect the users' capacity to make assessment or to take proper decisions.

DIRECTOR
Full name Lucian Anghel
Signature

Company seal

PREPARED BY,
Full name Stroia Virgil Adrian
Title Chief Financial Officer
Signature
Registration no. with the professional body

GENERAL MANAGER
Full name Ludwik Sobolewski
Signature