SIF MOLDOVA S.A.

INTERIM FINANCIAL STATEMENTS
AS AT 30 JUNE 2014

prepared in accordance with CNVM (actual as AFS) Order no.13/03.02.2011 for the approval of Regulation no.4/2011 regaring approval of the accounting regulations compliant with Directive IV of the European Economic Communities, applicable to entities authorized, regulated and supervised by the National Securities Commission, approved by the Financial Supervision Authority (“AFS”)

This is a free translation from the original Romanian version.

CONTENTS **Page**

INDEPENDENT AUDITOR'S REPORT	1 – 2
BALANCE SHEET	3 – 4
INCOME STATEMENT	6 – 7
STATEMENT OF CHANGES IN EQUITY	8 – 10
STATEMENT OF CASH FLOWS	11 – 12
NOTES TO THE INTERIM FINANCIAL STATEMENTS	13 – 47

BALANCE SHEET
AS AT 30 JUNE 2014
(all amounts are presented in RON, unless otherwise stated)

	Nr. rd.	01 Jan 2014	30 June 2014
A. Non-current assets		**-**	**-**
I. Intangible assets		**-**	**-**
1. Set up costs (acc. 201 - 2801)	01	-	-
2. Development costs (acc. 203 - 2803 - 2903)	02	-	-
3. concessions, patents, licenses, other intangible assets	03	765,381	673,620
4. Goodwill	04	-	
5. Intangible assets in progress (acc. 233 + 234 - 2933)	05	178,309	319,086
TOTAL: (line 01 to 05)	**06**	**943,690**	**992,706**
II. Tangible assets		**-**	**-**
1. land and buildings	07	13,981,272	9,612,531
2. technical installations and machinery	08	1,116,453	1,480,312
3. other plants, equipment and furniture	09	13,531	38,821
4. prepayments and tangible assets in progress	10	-	-
TOTAL: (line 07 to 10)	**11**	**15,609,186**	**11,131,664**
III. Financial assets		**-**	**-**
1. Shares in related parties (t. 261 - 2961)	12	25,608,670	29,569,401
2. Amounts owed by related parties (acc. 2671 + 2672 - 2965)	13	-	-
3. Participating interests (acc. 263 - 2963)	14	8,516,795	11,430,019
4. Loans granted to entities with which the company is linked by participating interests (ct. 2675 + 2676 - 2967)	15	-	-
5. Securities and other financial instruments held as non current financial assets	16	702,374,481	771,443,247
6. Other receivables (acc. 2673 + 2674 + 2678 + 2679 - 2966 - 2969)	17	680,439	408,367
TOTAL: (line 12 to 17)	**18**	**737,180,385**	**812,851,034**
TOTAL NON CURRENT ASSETS (line 06 + 11 + 18)	**19**	**753,733,261**	**824,975,404**
B. CURRENT ASSETS		**-**	**-**
I. INVENTORIES		**-**	**-**
1. Consumables	20	9,096	20,218
2. Works and services in progress (acc. 332 - 394)	21	-	-
3. Advances for purchase of inventory	22	2,616	3,670
TOTAL: (line 20 to 22)	**23**	**11,712**	**23,888**
II. RECEIVABLES		**-**	**-**
1.Trade receivables	24	40,022,679	57,297,794
2. Inter-company recharges (ct. 4511 + 4518 - 4951)	25	-	-
3. Receivables from participating interests (acc. 4521 + 4528 - 4952)	26	-	-
4. Other receivables	27	4,788,724	14,596,877
5. Receivables from subscribed and unpaid capital (acc. 456 - 4953)	28	-	-
TOTAL: (rd. 24 la 28)	**29**	**44,811,403**	**71,894,671**

BALANCE SHEET
AS AT 30 JUNE 2014
(all amounts are presented in RON, unless otherwise stated)

	Nr. rd.	01 Jan 2014	30 June 2014
III. CURRENT FINANCIAL ASSETS		**-**	**-**
1. Shares in affiliates (acc. 501 - 591)	30	-	-
2. Other current financial assets	31	14,299,965	101,387,524
TOTAL: (line 30 to 31) **SIF MOLDOVA S.A.**	**32**	**14,299,965**	**101,387,524**
IV. CASH AND CASH EQUIVALENTS	**33**	**514,057**	**4,815,011**
TOTAL CURRENT ASSESTS (line. 23 + 29 + 32 + 33)	**34**	**59,637,137**	**178,121,094**
C. PREPAID EXPENSES (ct. 471)	**35**	**123,832**	**189,015**
D. CURRENT LIABILITIES		**-**	**-**
1. Debendure loans (acc. 1614 + 1615 + 1617 + 1618 + 1681 - 169)	36	-	-
2. Amounts owed to credit institutions (ct. 1621 + 1622 + 1624 + 1625 + 1627 + 1682 + 5191 + 5192 + 5198)	37	-	-
3. Advance payments from customers (ct. 419)	38	-	-
4. Trade payables	39	584,870	514,991
5. Bills of exchange payable (acc. 403 + 405)	40	-	-
6. Payables to related parties (acc. 1661 + 1685 + 2691 + 4511 + 4518)	41	-	-
7. Amounts owed regarding to participating interests (acc. 1662 + 1686 + 2692 + 2693 + 4521 + 4528)	42	-	-
8. Other liabilities, including tax liabilities and other social insurance liabilities	43	63,347,390	91,930,520
TOTAL: (line 36 to 43)	**44**	**63,932,260**	**92,445,511**
E. NET CURRENT ASSETS, LESS NET CURRENT LIABILITIES (rd. 34 + 35 - 44 - 60.2)	**45**	**(4,179,875)**	**85,856,239**
F. TOTAL ASSETS LESS CURRENT LIABILITIES (rd. 19 + 45-60.1)	**46**	**749,553,386**	**910,831,643**
G. LIABILITIES THAT MUST BE PAID IN MORE THAN ONE YEAR		**-**	**-**
1. Debenture loans(acc. 1614 + 1615 + 1617 + 1618 + 1681 - 169)	47	-	-
2. Amounts owed to the credit institution (acc. 1621 + 1622 + 1624 + 1625 + 1627 + 1682 + 5191 + 5192 + 5198)	48	-	-
3. Advance payments from customers (acc. 419)	49	-	-
4. Suppliers (acc. 401 + 404 + 408)	50	-	-
5. Bills of exchange payable (acc. 403 + 405)	51	-	-
6. Payables to related parties (acc. 1661 + 1685 + 2691 + 4511 + 4518)	52	-	-
7. Amounts owed regarding to participating interests (acc. 1662 + 1686 + 2692 + 2693 + 4521 + 4528)	53	-	-
8. Other liabilities (acc. 1623 + 1626 + 167 + 1687 + 2698 + 421 + 423 + 424 + 426 + 427 + 4281 + 431 + 437 + 4381 + 441 + 4423 + 4428 + 444 + 446 + 447 + 4481 + 4551 + 4558 + 456 + 457 + 4581 + 462 + 473 + 509 + 5186 + 5193 + 5194 + 5195 + 5196 + 5197)	**54**	**-**	**-**
TOTAL: (line 47 to 54)	**55**	**-**	**-**

The attached notes are an integrated part of these financial statements
This is a free translation from the original Romanian version.

BALANCE SHEET
AS AT 30 JUNE 2014
(all amounts are presented in RON, unless otherwise stated)

	Nr. rd.	01 Jan 2014	30 June 2014
H. PROVISIONS		-	-
1. Provisions for pensions and similar obligations (acc.1515)	56	10,418,023	10,412,227
2. Provisions for taxes	57	42,500,351	42,184,765
3. Other provisions **SIF MOLDOVA S.A.**	58	7,368,675	-
TOTAL PROVISIONS: (line 56 +57 + 58)	**59**	**60,287,049**	**52,596,992**
I. DEFERRED INCOME (line.60.1+60.2) out of which:	**60**	**8,584**	**8,359**
1. Investment subsidies	60.1	-	-
2. Deferred income	60.2	8,584	8,359
J. SHARE CAPITAL AND RESERVES			
I. SHARE CAPITAL (lines 62 to 63) out of which:	**61**	**51,908,959**	**51,908,959**
- subscribed and unpaid- in share capital	62	-	-
- subscribed and paid- in share capital	63	51,908,959	51,908,959
II. SHARE PREMIUMS (acc. 104)	**64**	**-**	**-**
III. REVALUATION RESERVES (acc. 105)		**-**	**-**
Credit balance	65	14,254,162	10,111,288
Debit balance	66	-	-
IV. RESERVES (line 68 - 69 + 70 + 71 + 72 + 73 + 74 - 75)	**67**	**381,089,836**	**462,963,395**
1. legal reserves	68	10,381,792	10,381,792
2. reserves for allowances for impairment of financial assets (debit balance)	69	64,431,928	41,915,412
3. Statutory or contractual reserves (acc. 1063)	70	-	-
4. reserves from securities / shares received at no cost	71	89,612,864	87,674,464
5. Revaluation reserve at fair value (acc.1066)	72	-	-
6. reserves representing realized revaluation surplus	73	2,786,968	6,969,935
7. others reserves	74	342,740,140	399,852,616
8. Own shares (acc. 109)	75	-	-
V. RETAINED EARNINGS (acc. 117)		**-**	**-**
Credit balance	78	151,133,057	151,133,057
Debit balance	79	-	-
VI. RESULT FOR THE YEAR (acc. 121)		**-**	**-**
Credit balance	80	90,880,323	182,117,952
Debit balance	81	-	-
Appropriation of profit (acc. 129)	82	-	-
TOTAL EQUITY (line 61+64 +65- 66 + 67 -75+ 76 - 77 + 78- 79 + 80-81-82)	**83**	**689,266,337**	**858,234,651**

These interim financial statements were approved on August 7th 2014.

President
Costel Ceocea

Economic Director,
Andries

The attached notes are an integrated part of these financial statements
This is a free translation from the original Romanian version.

SIF MOLDOVA S.A.
SEPARATE INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2014
(all amounts are presented in RON, unless otherwise stated)

	No. line	30 June 2013	30 June 2014
A. TOTAL OPENING INCOME		**-**	**-**
TOTAL (line 02 to 11)	01	**170,730,976**	**345,203,418**
1. Income from non-current financial assets	02	25,838,846	20,659,720
2. Income from short term financial investments (acc. 762)	03	-	-
3. Income from long term receivables (acc. 763)	04	-	-
4. Income from disposal of financial assets	05	115,016,737	284,324,449
5. Services rendered and works executed (acc. 704)	06	-	-
6. Income from reversal of provisions, reactivated receivables and sundry debtors	07	23,990,576	10,260,926
7. Foreign exchange gains	08	2,645,984	403,348
8. Interest income	09	1,963,474	965,302
9. Capitalised costs of assets (acc. 721+722)	10	-	-
10. Other operating income (acc.705+706+708+741+ 758**+767+768)	11	1,275,359	28,589,673
B. TOTAL OPENING EXPENSES		**-**	**-**
TOTAL (line 13 to 20)	12	**80,313,887**	**129,441,437**
11. Losses on receivables in relation with participations (acc. 663)	13	19,995	-
12. Expenses with the disposal of financial assets (acc. 658* + 664)	14	59,127,941	85,874,088
13. Foreign exchange loss (acc. 665)	15	2,719,812	1,759,862
14. Interest expenses (acc. 666)	16	-	-
15. Fees and commissions expense (acc. 622)	17	1,775,924	1,919,258
16. Expenses with bank services and similar charges (acc. 627)	18	17,435	43,525
17. Expenses with depreciation, amortization, provisions, losses from receivables and sundry debtors (acc. 654 + 681 + 686)	19	929,886	10,010,762
18. Other operating expenses, out of which: (acc. 21 + 22 + 23 + 26 + 27)	20	15,722,894	29,833,942
a) Materials (acc. 602 + 603 + 604)	21	186,473	118,780
b) Energy and water (acc. 605)	22	184,522	140,379
c) Personnel, out of which: (acc. 24 + 25)	23	12,649,893	11,881,968
c1. Salaries (acc. 621 + 641+642 + 643)	24	11,176,895	10,506,709
c2. Social security (acc. 645)	25	1,472,998	1,375,259
d) Third party services (acc. 611 + 612 + 613 + 614 + 623 + 624 + 625 + 626 + 628 + 658** + 667 + 668)	26	2,559,175	17,610,002
e) Expenses with other duties, taxes and similar payments (acc. 635)	27	142,831	82,813
C. OPERATING RESULT		**-**	**-**
- profit (lines 01 - 12)	28	90,417,089	215,761,981
- lose (line 12 - 01)	29	-	-
D. INCOME FROM THE EXTRAORDINARY ACTIVITY (acc.771)	30	**-**	**-**
E. EXPENSES FROM THE EXTRAORDINARY ACTIVITY	31	**-**	**-**

The attached notes are an integrated part of these financial statements
This is a free translation from the original Romanian version.

(acc.671)

	No. line	30 June 2013	30 June 2014
F. EXTRORDINARY RESULT		**-**	**-**
- profit (line 30 - 31)	32	-	-
- loss (line 31 - 30)	33	-	-
19. TOTAL INCOME (acc. 01 + 30)	34	**170,730,976**	**345,203,418**
20. TOTAL EXPENSES (acc. 12 + 31)	35	**80,313,887**	**129,441,437**
G. GROS PROFIT/LOSS		**-**	**-**
- profit (line 34 - 35)	36	90,417,089	215,761,981
- loss (line 35 - 34)	37	-	-
21. INCOME TAX EXPENSE		**-**	**-**
- income tax expense (acc. 691)	38	7,348,955	33,644,029
22. Income tax and other taxes not included above (acc. 698)	39	-	-
23. Deferred income tax (acc. 791)	40	-	-
H. RESULT FOR THE YEAR		**-**	**-**
- profit (lines 36 - 38 - 39)	41	83,068,134	182,117,952
- loss (lines 37 + 38 + 39) or (line 38 + 39 -36)	42	-	-

These interim financial statements were approved on August 7th 2014.

President
Costel Ceocea

Economic Directorr,
Cristina Andries

SIF MOLDOVA S.A.
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED AT 31 DECEMBRER 2013
(all amounts are presented in RON, unless otherwise stated)

		Increases		Decreases		
	01 January 2013	**Total out of which:**	**By transfers**	**Total out of which:**	**By transfers**	**30 June 2013**
Share capital	51,908,959	-	-	-	-	51,908,959
Revaluation reserves	13,382,229	-	-	4,850	-	13,382,229
Legal reserves	10,381,792	-	-	-	-	10,381,792
Reserves for allowances of impaiment of financial assets (Debit balance)	(135,619,216)	(81,042,598)	-	(65,337,253)	-	(151,324,561)
Reserves representing surplus from revaluation reserves	2,786,785	-	-	-	-	2,786,785
Other reserves	316,541,504	13,543,038	-	167,639	-	329,916,903
Reserves from the value of titles acquired free of charge	82,963,401	97,949	-	612,181	-	82,449,169
Retained Earnings representing the undistributed profit or uncovered loss Balance C	150,481,473	137,076,800	137,076,800	137,076,800	-	150,481,473
Results from the correction of errors in prior years Credit Balance	651,584	-	-	-	-	651,584
Profit of the year Credit Balance	137,076,800	83,068,134	-	137,076,800	137,076,800	83,068,134
Total equity	**630,555,311**	**152,743,323**	**137,076,800**	**209,564,429**	**137,076,800**	**573,734,205**

SIF MOLDOVA S.A.
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2014
(all amounts are presented in RON, unless otherwise stated)

		Increases		Decreases		
	01 January 2014	**Total out of which:**	**By transfers**	**Total out of which:**	**By transfers**	**30 June 2014**
Share capital	51,908,959	-	-	-	-	51,908,959
Revaluation reserves	14,254,162	647,946	647,946	4,790,820	4,790,820	10,111,288
Legal reserves	10,381,792	-	-	-	-	10,381,792
Reserves for allowances of impaiment of financial assets (Debit balance)	(64,431,928)	(36,756,643)	-	(59,273,159)	-	(41,915,412)
Reserves representing surplus from revaluation reserves	2,786,968	4,830,913	4,790,820	647,946	647,946	6,969,935
Other reserves	342,740,140	57,206,203	-	93,727	-	399,852,616
Reserves from the value of titles acquired free of charge	89,612,864	1,317,827	-	3,256,227	-	87,674,464
Retained Earnings representing the undistributed profit Balance C	150,481,473	90,880,323	90,880,323	90,880,323	56,620,410	150,481,473
Results from the correction of errors in prior years Credit Balance	651,584	-	-	-	-	651,584
Profit of the year Credit Balance	90,880,323	182,117,952	-	90,880,323	90,880,323	182,117,952
Total equity	**689,266,337**	**300,244,521**	**152,939,499**	**131,276,207**	**152,939,499**	**858,234,651**

Note of information about reserves presented in equity:

A. Revaluation reserves - the amount of RON 10,111,288 (January 1, 2014 : RON 14,254,162) include the value resulting from the revaluation of property , plant and equipment in accordance with applicable regulations and the Company's accounting policies . Their value is shown net of deferred tax. During February 2014, participated in a share capital increase for SC CASA SA, by bringing fixed assets into the company – valued at 31 December 2013 at RON 3,973,321.

B. Legal reserves - the amount of RON 10,381,792 (January 1, 2014 : RON 10,381,792) are formed in accordance with Law 31/1990 by allocating 5% of accounting profit (calculated according to Romanian Accounting Standards) until the reserve fund reaches level of 20 % of share capital. In 2007 was reached 20 % of capital.

C. Reserves consist of adjustments for impairment of securities assets , in the amount of RON 41,915,412 (January 1, 2014 : RON 64,431,928) , being the difference between the carrying value and fair value determined higher at June 30, 2014 as detailed in the accounting policies Note 6 . During the year the company registered shareholding value adjustments amounted to RON 59,273,159 and RON 36,756,643 worth repeated adjustments

D reserves representing surplus from revaluation reserves - the amount of RON 6,969,935 (January 1, 2014 : RON 2.786.968) , revaluation reserves represent tangible outputs , net of deferred tax

E. Other reserves , in amount of RON 399,852,616 (January 1, 2014 : RON 342,740,140) include :

Other reserves - up from the application of Law no. 133/1996 , in the amount of RON 115,641,845 (January 1, 2014 : RON 115,641,845.)

Other reserves - own sources of funding , in the amount of RON 282,048,048, consisting of net profit in the approval of the General Meeting of Shareholders (January 1, 2014 : RON 225,427,638).

Other reserves - negative adjustments on securities portfolio amounted to RON 2,460,.227 initially on June 30, 2014 (January 1, 2014 : RON 3,026,942). During the year the Company resumed value adjustments on securities portfolio amounted to RON 566,715 initially.

Other reserves - reserves prescribed dividend amount RON 22,715,984 (January 1, 2014 : RON 22,715,984) is prescribed reserve dividends before 2008 , according to the approval of the General Meeting of Shareholders. These reserves will be used in the future according to the General Meeting of Shareholders .

Other reserves – reserves from the adjustment in value of tangible assets (shareholder`s contribution) in amount of RON 16,025 (January 1, 2014: RON 0).

F. Reserves for securities acquired free of charge - the amount of RON 89,612,864 (January 1, 2014: RON 82,963,401) include the value of the shares acquired from the increase by the issuers of their social capital by incorporating elements of capital own. Their value is shown net of deferred tax.In company worth RON 3,256,227 available free of charge .

These interim financial statements were approved today , August 7th, 2014

President,
Costel Ceocea

Economic Director,
Cristina Andries

SIF MOLDOVA S.A.
SEPARATE STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2014
(all amounts are presented in RON , unless otherwise is stated)

	No. line	January- June 2013	January- June 2014
1. Cash at beginning of period (a+b)	1	**88,227,432**	**40,643,136**
a.Cash	2	**297,366**	**500,876**
b.Financial assets	3	**87,930,066**	**40,142,260**
A. Operating activity (2-3)	4	**(25,443,578)**	**(40,349,773)**
2. Cash in	5	**1,377,221**	**579,125**
- rental	6	1,711,647	1,765,634
- sundry debtors, advances refunds	7	45,988	34,526
- suppliers	8	29	91,658
- other collections judicial executors / litigation	9	12,278,069	44,178
- amounts under settlement	10	1,510	-
- amounts pending clarification	11	423	3
- material guaranties	12	323,422	2,615
3. Cash out	13	**26,820,799**	**40,928,898**
- expensen with salaries / allowances / collaborators / guarantees	14	13,815,082	11,844,581
- suppliers	15	3,621,315	2,725,993
- income tax	16	8,964,778	25,802,362
- VAT	17	46,635	-
- local taxes and fees	18	109,043	77,115
- settlement advances	19	127,484	111,600
- bank commissions	20	106,933	48,144
- amounts under settlement	21	1,510	-
- amounts pending clarification	22	213	3
- sponsorships	23	16,500	25,750
- other payments	24	100,804	28,332
-state budget	25	**-**	**13,094**
-material guaranties	26	**-**	**256,543**
B. Investinf activity(4-5)	27	**71,010,113**	**60,835,249**
4. Cash in	28	**145,762,486**	**295,965,822**
- interest deposits	29	1,980,519	438,003
- interest at sight	30	8,172	3,910
- bank deposits - foreign exchange differences	31	2,519,530	270,409
- Receivables from shares' sale	32	13,060,669	2,223,121
- interest / coupon bonds	33	90,943	1,324,327
- dividends from portfolio companies	34	20,343,323	8,304,817
- Receivables transactions BVB	35	107,759,330	283,401,235
5. Cash out	36	**74,752,373**	**235,130,573**
- Acquisitions of fixed assets	37	936,607	644,857

	No. line	January- June 2013	January- June 2014
- acquisitions of titles	38	27,175,295	6,650,971
- bank deposits - foreign exchange differences	39	2,873,508	3,185,922
- acquisitions of titles from BVB	40	95,758,351	126,725,012
- bonds acquisitions	41	250,000	7,929,585
C. Financial activities (6-7)	42	**(89,554,711)**	**(106,680,978)**
6. Cash in	43	**2,305,752**	**40,483**
- return dividends	44	2,305,752	40,483
7. Cash out	45	**91,860,463**	**106,721,461**
- shareholders dividends	46	50,573,644	874,227
- tax on dividends	47	2,837,824	3,190,075
TOTAL CASH FLOW (A+B+C)	48	**(7,839,428)**	**21,125,353**
CASH AT THE END OF PERIOD	49	**80,388,004**	**61,768,489**
a. Pety cash – lei	50	4,446	4,886
b. bank accountant – lei	51	110,160	4,467,787
c. bank accountant – valuta	52	186,879	322,657
d. deposits	53	79,430,247	56,590,038
e. deposits of material guaranties	54	656,272	383,121

These interim financial statements were approved on August 7th, 2014.

President,
Costel Ceocea

Economic Director,
Cristina Andries

1.TANGIBLE ASSETS

GROSS VALUES

	01 January 2014	Increase	Decrease	30 June 2014
Intangible assets	**-**	**-**	**-**	**-**
Intangible assets	1,685,307	95,619	-	1,780,926
Intangible assets in progress	178,309	140,777	-	319,086
Total	**1,863,616**	**236,396**	**-**	**2,100,012**
Tangible assets	**-**	**-**	**-**	**-**
Land	1,445,390	-	319,929	1,125,461
Buildings	12,367,256	-	3,643,198	8,724,058
Equipments	1,030,404	6,378	29,862	1,006,920
Motor vehicle	1,175,519	-	-	1,175,519
Other tangible assets	102,434	-	-	102,434
Tangible assets in progress	-	-	-	-
Total	**16,121,003**	**6,378**	**3,992,989**	**12,134,392**
Financial assets	**-**	**-**	**-**	**-**
Shares in related parties	25,608,670	3,976,310	-	29,584,980
Participating interests	14,880,144	-	-	14,880,144
Titles held as fixed assets	765,276,640	135,609,174	88,199,715	812,686,099
Other receivables	680,439	4,624	276,696	408,367
Total	**806,445,893**	**139,590,108**	**88,476,411**	**857,559,590**
TOTAL ASSETS	**824,430,512**	**139,832,882**	**92,469,400**	**871,793,994**

1. TANGIBLE ASSETS (continued)

VALUE ADJUSTMENTS

(Depreciation and Impairment or loss of value)

	01 January 2014	Value adjustment	discounts or reversals	30 June 2014
Intangible assets	**-**	**-**	**-**	**-**
Intangible assets	919,926	187,379	-	1,107,305
Intangible assets in progress	-	-	-	-
Total	**919,926**	**187,379**	**-**	**1,107,305**
Tangible assets	**-**	**-**	**-**	**-**
Land	20,623	-	-	20,623
Buildings	27,951	214,307	25,892	216,366
Equipment	407,292	111,487	12,862	505,917
Motor vehicles	-	196,210	-	196,210
Other tangible assets	55,951	7,661	-	63,612
Total	**511,817**	**529,665**	**38,754**	**1,002,728**
Financial assets	**-**	**-**	**-**	**-**
Shares in related parties	-	15,579	-	15,579
Participating interests	6,363,349	-	2,913,224	3,450,125
Titles held as fixed assets	62,902,159	4,519,725	26,179,032	41,242,852
Total	**69,265,508**	**4,535,304**	**29,092,256**	**44,708,556**
TOTAL TANGIBLE ASSETS	**70,697,251**	**5,252,348**	**29,131,010**	**46,818,589**

SIF MOLDOVA S.A.

Growth of fixed assets in amount of RON 139,832,882 due to:

Intangible assets	**-**
• Acquisitions of inangible assets	95,619
• Acquisition of intangible assets	140,777
Total	**236,396**
Tangible assets	**-**
• Acquisitions of tangible assets	6,378
• Increase according to revaluation 2013	-
Total	**6,378**
Financial assets	
• Inputs participation shares held as fix assets	139,585,484
• Other receivables, debit	4,624
Total	**139,590,108**

During the financial period ended at June 30, 2014 the company bought Banca Transilvania shares in amount of RON 130,040,600 net of trading commission.

1. TANGIBLE ASSETS (continued)

Reductions of gross assets in amount of RON 92,469,400 are due to:

	30 June 2014
Intangible assets	**-**
• Disposals of intangible assets integral amortizated	-
• inchidere imobilizare necorporale in curs	-
Total	**-**
Tangible assets	**-**
• Land	319,929
• Buildings	3,643,198
• Equipments	29,862
• revaluation decrease	-
• accumulated depreciation discharge - Revaluation 2014	-
Total	**3,992,989**
Financial assets	**-**
• Disposals titles from the portfolio	88,199,715
• Another receivables	276,696
Total	**88,476,411**

SIF MOLDOVA S.A.

During the period ended at June 30, 2014 the company sold shares held in ERSTE BANK, having a carrying value of RON 47,751,563. As of June 30, 2014 the Company has no investments in ERSTE BANK.

The depreciation calculated and properly fixed in assets' groups, in amount of RON 5,252,348, is composed of:

	30 June 2014
Intangible assets	**-**
• Amortization	187,379
Total	**187,379**
Tangible assets	**-**
• Amortization	529,665
Total	**529,665**
Financial assets	**-**
• Depreciation	4,535,304
Total	**4,535,304**

1. TANGIBLE ASSESTS (continued)

DISCOUNTS OR RESUMPTION OF AMORTIZATION AND ADJUSTMENT FOR DEPRECIATION, AMOUNTED TO RON 29,131,010 CONSISTING OF:

	30 June 2014
Intangible assets	**-**
• intangible assets completely amortizated	-
Total	**-**
Tangible assets	**-**
• Disposals from revaluation	-
• Amortization for the tangible assets cassated	-
• Amtortization for tangible assets sold	38,754
• impairment provision for replay land	-
Total	**38,754**
Fiancial assets	**-**
• Cancellation value adjustments corresponding outflows of portfolio securities and the appreciation of the market value	29,092,256
Total	**29,092,256**

NET BOOK VALUE OF IMMOBILIZATION AS AT 30 June 2014

	Gross value	Amortization	Adjustments for impairment	30 June 2014
Intangible assets	2,100,012	1,107,306	-	992,706
Tangible assets	12,134,392	956,279	46,449	11,131,664
Financial assets, out of which:	857,559,590	-	44,708,556	812,851,034
Shares in related parties	29,584,980	-	15,579	29,569,401
Participating interests	14,880,144	-	3,450,125	11,430,019
titles held as fixed assets	812,686,099	-	41,242,852	771,443,247
Other receivalbes	408,367	-	-	408,367
TOTAL	**871,793,994**	**2,063,585**	**44,755,005**	**824,975,404**

2. PROVISIONS FOR RISKS AND EXPENSES

		Transfers		
	01 January 2014	**In the account**	**From the account**	**30 June 2014**
	1	**2**	**3**	**4=1+2-3**
Provisions for litigations (2,1)	10,418,023	-	5,796	10,412,227
Provisions for other litigations (2,2)	-	-	-	-
Provisions for taxes (2,3)	42,500,351	119,549	435,135	42,184,765
Other provisions (2,4)	7,368,675	-	7,368,675	-
TOTAL	**60,287,049**	**119,549**	**7,809,606**	**52,596,992**

The amount as at 30 June 2014, representing provisions for taxes, in amount of RON 42,184,765 consisting of:

	30 June 2014
Provision for deferred tax shares received free	16,699,898
Deferred tax Provision for shares in the initial portfolio	18,109,059
Provision for deferred tax in prior years dividends prescribed (for the dividends recorded reserves prescribed under Order 74/2005 until 2009)	4,326,854
Provision tax revaluation surplus	2,826,914
Tax incentives Tax Provision	222,040
Provisions for other taxes (ANAF contributions)	-
TOTAL	**42,184,765**

During the period under review were reversed to income provisions totaling RON 7,374,471 by:

• cancellation provision in the amount of RON 7.368.675 as a result of payment to employees and directors of the holding fund to the profit for the year 2013;

• Cancellation provision for litigations AAAS following final settlement of litigations initiated by AAAS enforcement appeals amounted to RON 5.796.

Account Balance 151 " AAAS litigation provisions " represents amounts received by SIF Moldova bailiffs and challenged by AAAS detailed in Note 16 .

3. PROFIT APPROPRIATION

For the profit realized during 01 January – 30 June 2014, in amount of RON 182,117,952 there were no appropriations made.

4. ANALYSIS OF THE OPERATING RESULT

INDICATOR	Line	30 June 2013	30 June 2014
Income from non-current financial assets (acc. 761)	1	25,838,846	20,659,720
Income from short term financial investments (acc.762)	2	-	-
Income from long term receivables (acc.763)	3	-	-
Income on disposal of financial investments (ct. 764)	4	115,016,737	284,324,449
Services rendered and works executed (acc.704)	5	-	-
Income from re-activated receivables and sundry debtors (acc.754)	6	-	458,690
Income from provisions (acc.781 + 786)	7	23,990,576	9,802,236
Foreign exchange gains (acc.765)	8	2,645,984	403,348
Interest income (acc.766)	9	1,963,474	965,302
Capitalised costs of intangible and tangible assets (acc.721 + 722)	10	-	-
Other operating income (line 12 to 18)	11	1,275,358	28,589,673
- research and development (acc.705)	12	-	-
- royalties, leases and rent (acc.706)	13	788,556	442,879
- sundry activities (acc.708)	14	78,746	29,265
- subsidies (acc.741)	15	-	-
- other income (acc.758)	16	74,643	17,970,294
- discounts received (acc.767)	17	29,827	356
- other financial income (acc.768)	18	303,586	10,146,879
OPERATING INCOME (line 01 to 11)	**19**	**170,730,975**	**345,203,418**
Expenses on disposal of financial investments (acc.658 + 664+663)	20	59,147,936	85,874,088
Foreign exchange loss (acc.665)	21	2,719,812	1,759,862
Interest expenses (acc.666)	22	-	-
Commissions and fees (acc.622)	23	1.775.924	1.919.258
Bank commissions and similar charges (acc.627)	24	17.435	43.525
Bad debts written off (acc.654)	25	3.689	-
Operating expenses for depreciation, provisions and impairment (acc.681+686)	26	926.197	10.010.762
Other operating expenses, out of which: (line 28+29+30+33+46)	27	15.722.896	29.833.942
- materials (acc. 602+603+604)	28	186.473	118.780
- energy and water (acc.605)	29	184.522	140.379
- personnel (acc. 31+32)	30	12.649.893	11.881.968
- salaries (acc.621+641+642+643)	31	11.176.895	10.506.709

INDICATOR	Line	30 June 2013	30 June 2014
	32		
- social security (acc,645)		1,472,998	1,375,259
- third party services, out of which (line 34 to 45)	33	2,559,177	17,610,002
- maintenance and repairs (acc.611) **SIF MOLDOVA S.A.**	34	251,175	272,664
- royalties, leases and rent (acc.612)	35	92,212	112,310
- insurance premiums (acc.613)	36	38,502	33,617
- research and studies (acc.614)	37	-	-
- protocol, adversing and publicity (acc. 623)	38	175,157	121,598
- transportation of goods and personnel (acc.624)	39	-	-
- travel, posting and transfers (acc.625)	40	75,580	59,633
- postal and telecomunications (acc.626)	41	257,963	171,856
- other third party services (acc.628)	42	224,934	224,322
- other expenses (acc.658)	43	1,222,115	44,099
- expenses with discounts granted (acc.667)	44		
		-	-
- other financial expenses (acc.668)	45	221,539	16,569,903
- expenses with other duties, taxes and similar payments (acc.635)	46		
		142,831	82,813
Operating expenses (line 20 to 27)	**47**	**80,313,889**	**129,441,437**
	48		
OPERATING RESULT (line 19-47)		**90,417,086**	**215,761,981**

5.STATEMENT OF RECEIVABLES AND PAYABLES

RECEIVABLES	Line	01 January 2014	30 June 2014	Liquidity term: Less than 1 year	Between 1-5 yeas	More than 5 years
		1	2	3	4	5
RECEIVABLES		-	-	-	-	-
Trade receivables, gross in which:	1	40,655,185	57,930,540	57,930,540	-	-
- bank deposits		39,485,584	56,590,038	56,590,038	-	-
- interest		396,770	602,869	602,869	-	
Adjustment for trade receivables' depreciation	2	(632,506)	(632,746)	(632,746)	-	-
Trade receivables, net	**3**	**40,022,679**	**57,297,794**	**57,297,794**	-	-
Other receivables, net, in which:	4	4,788,724	14,596,877	14,596,877	-	-
Debtors of shares transactions	5	31,760	(215,155)	(215,155)	-	-
Debtors from promissory notes	6	674,615	674,615	674,615	-	-
Adjustment for depreciation of debtors from promissory notes notes guaranteed	7	(674,615)	(674,615)	(674,615)	-	-
Dividends unpaid	8	-	12,353,960	12,353,960	-	-
Debtors from definitive sentences	9	25,851,445	35,111,931	35,111,931	-	-
Adjustment for depreciation of receivables sentences	10	(25,851,445)	(35,111,931)	(35,111,931)	-	-
Other receivables	11	4,756,964	2,458,072	2,458,072	-	-
Other provisions	12	-	-	-	-	-
TOTAL	**13**	**44,811,403**	**71,894,671**	**71,894,671**	-	-

Gross trade receivables amounting include short-term bank deposits amounting RON 56.590.038 (note 12) , (1 January 2014 : RON 39.485.584) and interest attached calculated until 30 June 0214, in amount of RON 602.869 (January 1, 2014 : RON 396.770) , of which bonds RON 338.405 (January 1, 2014 : RON 302.155) .

Claims to final judgment debtors include receivables recovered from AAAS and the Company has obtained final judgment in his favor in sum of RON 34.958.735 (January 1, 2014: RON 25.696.247). The company claims filed by bailiffs recovered from the AAAS in the amount of RON 32.920.094 (January 1, 2014: RON 24.395.685). Since the recovery of these receivables is a long process and it is uncertain date that the Company will be able to recover these receivables, impairment adjustments were calculated for the entire amount recovered. Details of AAAS state disputes are offered in Note 16 .

Other receivables - includes amounts refering to ANRP payment order in amount of RON 2.415.314, for litigation rights owned by Textila Oltul and buyed by SIF Moldova (out of total value of RON 18.464.296, booked in contingent assets).

5.STATEMENTS OF RECEIVABLES AND PAYABLES (CONTINUED)

PAYABLES

	Line	01 January 2014	30 June 2014	Settlement term: Less than 1 year	Between 1-5 years	More than 5 years
		SIF MOLDOVA S.A. 1	2	3	4	5
Trade payables	1	584,870	514,991	514,991	-	-
Other debts	2	63,347,390	91,930,520	91,930,520	-	-
TOTAL, out of which:	3	**63,932,260**	**92,445,511**	**92,445,511**	-	-
Suppliers	4	584,870	514,991	514,991	-	-
Payables to the budget and special funds	5	3,364,873	8,002,407	8,002,407	-	-
Dividends payables to shareholders	6	58,225,168	82,454,734	82,454,734	-	-
Sundry creditors	7	778,138	790,829	790,829	-	-
Salaries and social contributions payable	8	322,451	298,985	298,985	-	-
Material guaranties	9	656,759	383,565	383,565	-	-

Dividends payable, due to shareholders by age	01 January 2014	30 June 2014
TOTAL	58,225,168	82,454,734
Dividends 2010	9,241,561	-
Dividends 2011	22,833,721	22,528,336
Dividends 2012	26,149,886	25,666,485
Dividends 2013	-	34,259,913

Unpaid dividends for 2010 in the amount of RON 9,161,193.39 established by AGOA in April 2011 and uncollected by 23 June 2014, according to Decision no.6 from AGOA – 15 May 2014. These amounts were booked in “Other income” as at 30 June 2014.

Highlighted debts were not filed or granted guarantees mortgages. SIF Moldova has contracted loans.

6. PRINCIPLES, POLICIES AND ACCOUNTING METHODS

Preparation and presentation of interim financial statements

These interim financial statements (" financial statements ") are the responsibility of the Company and have been prepared in accordance with National Securities Commission Regulation no. 4/2011 on accounting regulations in accordance with Directive IV of the European Economic Community ("EEC Directive IV ") , applicable to entities authorized, regulated and supervised by the FSA (("ASF") , formerly the National Securities Commission (NSC)) approved by Order NSC . 13/2011.

SIF MOLDOVA S.A.

Accounting regulations in accordance with EEC Directive IV, approved by CNVM Order 13/2011 is applied together with the Accounting Law no . 82/1991 , republished

The financial statements have been prepared on a historical cost basis . Order NSC 13/2011 on approval " Accounting Regulations in accordance with the EEC Directive IV entities authorized, regulated and supervised by the FSA requires financial statements at historical cost .

Society must prepare informational purposes and separate and consolidated annual financial statements in accordance with International Financial Reporting Standards adopted by the European Union ("IFRS") . Group SIF Moldova, SIF including S. A. and its subsidiaries will prepare a set of consolidated financial statements in accordance with IFRS for the financial year ended 31 December 2013 which will be published in accordance with the legislation in force.

The company does not have the obligation to make interim financial statements under IFRS provisions.

These financial statements have not been prepared to reflect the financial position and results of operations and cash flows of the Company under IFRS provisions.

Accounting Principles for this interim financial statements

General accounting principles used are the following:

Going Concern - the company will continue to operate normally in the foreseeable future without entering the impossibility of continuing the activity or without significantly reducing it.

Consistency - application of the same rules, methods , rules for assessing , recording and presenting in accounting assets, while ensuring the comparability of financial information.

Precautionary principle - to take into account all adjustments due to depreciation in the value of assets and all liabilities expected and potential losses that arose during the financial year ended or during a previous exercise

Independence - have been taken into account all income and expenditure exercise, without taking into account the date of receipt or payment.

Separate evaluation of assets and liabilities - to establish the overall value of a balance sheet position was determined separately the value of each individual item of asset or liability

Offset - the values of the assets were offset values of the liability items , namely income and expenses.

Intangibility - Opening balance sheet for each financial year corresponds to the closing balance of the previous financial year .

Principle of substance over form - the information presented in the financial statements reflect the economic reality of events and transactions not only their legal form.

The materiality principle - any item that has a significant value is presented separately in the financial statements.

SIF MOLDOVA S.A.

6. PRINCIPLES, POLICIES AND ACCOUNTING METHODS (continued)

B. Significant Accounting Policies

a) Basis of preparation The financial statements

The financial statements are separate financial statements and have been prepared and presented in accordance with Accounting Law No.82/1991 - republished accounting regulations in accordance with Directive IV of the European Economic Community , applicable to entities authorized, regulated and supervised ASF approved by Order president of the National Securities Commission . 13/03.02.2011 approving the Regulation 4/2011 of the National Securities Commission .

The financial statements are prepared and presented in RON .

Statutory financial statements have been prepared under the going concern assumption.

The accounting policies have been consistently applied by SIF Moldova entire period

b) Functional and presentation currency

The functional currency of the financial statements is Lei (RON) . All figures are presented in Romanian lei.

c) Foreign currency transactions

Operations denominated in foreign currencies are recorded in USD at the official rate of exchange on the settlement date. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into USD at the exchange rate at that date.
The exchange rates of major foreign currencies at the end of the reporting period were:

	31 December 2013		30 June 2014	
USD	1 : LEU	3,2551	1 : LEU	3.2138
EUR	1 : LEU	4,4847	1 : LEU	4.3870
PLN	1 : LEU	1,0812	1 : LEU	1.0543
CZK	1 : LEU	0,1637	1 : LEU	0.1598
CAD	1 : LEU	3,0575	1 : LEU	3.0075
GBP	1 : LEU	5,3812	1 : LEU	5.4701

d) Going concern

These financial statements have been prepared on a going concern basis which assumes that the SIF Moldova will continue in the foreseeable future. To evaluate the applicability of this assumption considering forecasts of the management of future cash inflows.

e) Use of estimates

The preparation of financial statements in accordance with CNVM Order 13/2011, as amended, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the separate financial statements and revenues and expenses reported that period. Although these estimates are made by management based on the best information available at the date of the financial statements, actual results may differ from these estimates.

6. PRINCIPLES, POLICIES AND ACCOUNTING METHODS (continued)

f) Financial Instruments

The company owns 30 June 2014, the following categories of financial instruments:

• Financial assets ;
• short- term investments .

SIF MOLDOVA S.A.

Financial assets

The Company's financial assets include securities and other financial instruments as assets and other receivables.

I. Classification

Financial instruments available for sale, defined as those assets that are not loans and receivables produced by SIF Moldova, financial assets held for trading or held to maturity investments. At June 30, 2014, SIF Moldova classified in this category all the units, and claims against third parties who were not classified in the above categories .

Investments held to maturity financial assets are those with fixed or determinable payments and fixed maturities that SIF Moldova 's intent and ability to hold to maturity .

Other receivables held by SIF are loans and receivables products by providing money to a debtor other than those initiated with the intent to be sold immediately or in the short term.

II. Recognition

SIF Moldova recognizes financial assets on the date on which they were transferred. Increase or decrease recorded coming from changes acquired by increases / decreases of capital made by issuers, are recognized in equity SIF Moldova.

Received free shares resulting from the incorporation of the company in the portfolio are recorded at nominal value , the entry in the portfolio of such stocks. These actions are recorded in account 1065 - Reserve for securities acquired free of charge.

Free shares are accounted for as financial assets at the date it is registered with the Central Depository (for shares listed) or the Trade Register (for unlisted shares) .

III. Evaluation

Financial assets are initially measured at cost. The acquisition cost includes the purchase price and trading commissions

Order no. 13/2011 , makes no reference as to how they are determined appropriate adjustments for impairment unlisted securities . The Company's management has its own accounting policies for determining depreciation adjustments, in terms of unlisted securities , appealing to a valuation model widely recognized NSC Regulation no. 15/2004 , amended and supplemented in accordance Disposal nr.23/20.12.2012 measures issued by the NSC , under which the Company prepares net asset situation .

Monthly financial securities are recognized at cost , less accumulated adjustments for impairment.

6. PRINCIPLES, POLICIES AND ACCOUNTING METHODS (continued)

f) Financial instruments (continued)

Every month, financial assets are recognised at acquisition cost, less any impairment adjustments made. For the adjustments made the following were taken into consideration:

• The market value of the last trading day of the period for which financial statements are prepared for those securities for which a reliable market easily identified (financial instruments listed on a regulated market) . When a financial asset is not traded in the last 90 days, the market value is determined according to the following paragraph.

• Value determined using models and generally accepted valuation techniques , namely Regulation no. 15/2004 , amended and supplemented in accordance Disposal nr.23/20.12.2012 measures issued by the NSC , which could not easily identify a credible market using equity from the most recent date available , which in most cases are available for the date of June 30, 2013 extracted from periodic financial reports of issuers or where recent information is not available from the financial statements at 31 December 2012 or by the company for the financial instruments listed on an regulated market or listed but not traded in the last 90 days. Impairments value securities are recognized directly in equity, and are separately presented in "The assets , liabilities and equity " among 69 "Reserves of adjustments for impairment of financial assets " and " Statement of changes in equity own " .

Adjustment for impairment of financial assets can be reversed if there was a change in existing conditions when determining the recoverable amount. Reversal of impairment adjustments can only be made so that the net value of the asset does not exceed its historical book value .

Reversal of adjustments for impairment of financial assets is performed as follows :

• the income , if adjustments were initially recognized through profit and loss;
• by changing the reserve account - 1062, if adjustments were initially recognized directly in this account

Short-term financial investments of the Company include stocks, bonds held in unit trusts , bonds issued by municipalities with maturity less than one year, or purchased in order to obtain a short-term profit .

Short-term financial investments are recognized on acquisition at cost or acquisition value determined by their contract.

On exit from the company, short-term financial investments utilizing evaluates the weighted average cost method.
At the balance sheet date if it finds impairment adjustments are recorded on account of costs.

Securities admitted to trading on a regulated market are valued at the balance sheet date amounted to quote from the last trading day.

IV .Derecognition

A financial asset is derecognised when the contractual rights SIF lose control of the specific asset. SIF Moldova loses such control if it realizes the rights to benefits specified in the contract, the rights expire, or SIF Moldova waive these rights .
Financial liabilities are derecognised when the obligation specified in the contract is discharged, canceled or has expired.
Derecognition of financial assets sold is made on the trade date .

Gain or loss realized when derecognition is calculated based on the historical cost of the asset and is recorded (a) in the income statement.
SIF Moldova uses the weighted average method to determine the cost of financial assets.

6. PRINCIPLES, POLICIES AND ACCOUNTING METHODS (continued)

g) Depreciation of Assets

The carrying amount of assets is reviewed at the end of each period to determine whether there is any impairment losses.

Impairment of value is recognized if the carrying amount of an asset or cash-generating unit to which it belongs is greater than the recovery.

SIF MOLDOVA S.A.

Financial assets are reviewed monthly if there is any objective evidence which an asset may be impaired.

Impairments of value for financial assets are recognized directly in equity monthly, and are presented separately in " The assets , liabilities and equity " and " Statement of changes in equity ."

Impairments of value for short-term financial investments are recognized monthly expense accounts of the period.

h) Tangible and intangible assets

Tangible assets are recorded at historical cost less accumulated depreciation. Subsequently, revaluations of tangible assets as buildings and land, in accordance with legal regulations issued for this purpose, which take into account inflation, utility property, its condition and the market price.

On December 31, 2013 to revaluation of fixed assets by an independent authorized SC Valuation Consulting Management - ECM Ltd under contract 7532/04.11.2013. This reassessment is made for the entire group " land and buildings " . Company procedure completed revaluations of fixed assets with sufficient regularity such that the amount included in the financial statements to reflect their market value.

Depreciation is computed by the straight-line method during the estimated useful lives of each item of property, as follows:

Assets	Years
Construction	40
Equipments	2- 12
Transport means	4 - 8
Other fixed assets	4 - 12

Land is not depreciated.

The acquisition cost includes: the purchase price unrecoverable fees, transportation and other expenses necessary for the functional or entering into asset management.

Maintenance and repairs assets are expensed as incurred, and improvements are capitalized. Improvements are capitalized if they extend the life of the asset or if they significantly increase the ability to generate economic benefits by it.

Assets in progress is not depreciated until such time put into use.

Intangible assets are stated at cost less accumulated depreciation.

Amortization of intangible assets is recorded in the income statement on a straight line basis during the estimated useful life of intangible assets operation. The useful life for intangible assets exceed 3 years.

6. PRINCIPLES, POLICIES AND ACCOUNTING METHODS (continued)

i) Reserves on revaluation of tangible

Plus or minus a result of the revaluation of tangible assets was reflected as follows:

If the carrying amount of an asset is increased as a result of a revaluation, the increase is recorded directly credited in equity under the heading revaluation differences . Observed revaluation increase is recognized as income to the extent that it reverses a revaluation decrease of the same asset previously recognized as an expense;

SIF MOLDOVA S.A.

In case the carrying amount is decreased as a result of a revaluation, the decrease is recognized as an expense . Reduction of losses shall be deducted from any corresponding revaluation surplus, to the extent that the decrease does not exceed the amount previously recorded as revaluation surplus for the same asset.

j) Inventories

Inventories are stated at the lower of cost and net realizable value.

k) Receivables

Receivables are measured at the amount estimated to be realized. Adjustments are made for doubtful receivables for impairment.

Trade receivables include bank deposits, interest attached, interest on bonds ? corresponding coupons and receivables being stated at invoiced value less adjustments for impairment where appropriate .

l) Debts

Liabilities are recorded at nominal value.

m) Dividends distributed

Dividends declared before the balance sheet date is recorded as liabilities on the balance sheet. Dividends are apportionated from accounting profits from previous financial periods and are registred after the financial statements are approved by the General Meeting of Shareholders.

n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet at cost are inregisrate.

o) Provisions

Provisions are recognized when the Company has a legal or constructive obligation resulting from past events , when required to settle the obligation is an outflow of resources embodying economic benefits and when a reliable estimate can be made regarding the amount of the obligation.

p) Provisions for employees and managers to profit participation

In this category are included provisions for incentives that will be granted to employees and directors as a result of achieving profit. They are according to collective agreement for employees and as proposed board administrators. The proposal of profit managers approved by the General Meeting of Shareholders.

6. PRINCIPLES, POLICIES AND ACCOUNTING METHODS (continued)

q) Provision for taxes

In this category societateainclude provisions made for the payment of future amounts owed to the state , determined based on the percentage of income tax and provisions recognized on the balance of tax legislation.

r) Provision for staff restructuring

In this category societateainclude provisions made for the payment of future amounts due revamped staff determined under the restructuring plan linked with the Collective Labour Agreement pentruacordarea of severance

s) Income tax

Income tax for the period comprises current tax (16%).

Current tax is the expected tax payable on income for the period, using tax rates applicable at the balance sheet date, and any adjustment relating to prior periods.

t) Pensions and other post- retirement benefits

SIF Moldova made payments on behalf of their employees to the state pension scheme , health insurance and unemployment benefit . All angajatiiSIF Moldova are members of the Roman state pension . SIF is not engaged in any other pension scheme and therefore , does not assume any other obligations in this regard . SIF is not engaged in any post -retirement benefit plan and has no obligation to provide further services to current or former employees retired

Recognition of income

u) Income from sale of units

Income from trading securities are recognized at gross value (transaction value) and those resulting from transactions with short- term financial investments are shown on a net basis (difference between sale proceeds and cost) .

v) Interest income

Interest income is recognized periodically (monthly) in proportion, as the generation of income in the income statement for all financial instruments. Interest income from financial investments include fixed income and commercial titles, prizes and discounts on treasury bills.

For interest income became uncertain whose collection stands out distinct charges , the impairment or loss of value. Reduction or cancellation of the impairment or loss of value is done by repeating revenue if no longer justify their maintenance.

w) Income from financial investments

Income from financial investments include:

Dividends are recognized when collection is set right by the shareholders and company values presented in the financial statements.

Income from disposal of financial instruments held

6. PRINCIPLES, POLICIES AND ACCOUNTING METHODS (continued)

x) Expenses from bank fees

The expenses of the bank are recorded when they occur. Fees arising from negotiating or participating in the negotiation of a transaction such as the purchase or sale of shares or other securities are recognized on the trade date.

y) Other income and expenses from ordinary activities

Other operating income and expenses are recognized when they occur.

z) Earnings per share

Basic profit per share is calculated by dividing the profit attributable to common shareholders Weighted average number of shares for the period.

7. SHARES AND BONDS

The share capital consists of 519,089,588 ordinary shares, dematerialized, with nominal value of RON 0.10, according mentions certificates nr.5520/26.07.1999.

Holders of ordinary shares are entitled to receive annual dividends and vote at the General Meeting of Shareholders as follows:

• one share represents one vote;

• Right shareholding limited to 1% of the share capital was amended by Law 11 of January 6, 2012 (entered into force on 13 January 2012), 5%, which means 25,954,479 shares.

Shareholding structure on December 31, 2013

Consolidated	Romani			Nerezidenti			TOTAL		
	Shaeholders	Shares	% CS	Shareholders	Shares	% CS	Shareholders	Shares	% CS
Individuals	5.795.096	262.593.642	50,59	1.635	3.433.448	0,66	5.796.731	266.027.090	51,25
Legal entities	279	126.745.625	24,42	71	126.316.873	24,33	350	253.062.498	48,75
TOTAL	**5.795.375**	**389.339.267**	**75,00**	**1.706**	**129.750.321**	**25,00**	**5.797.081**	**519.089.588**	**100,00**

Shareholding structure on June 30, 2014

Consolidated	Romani			Nerezidenti			TOTAL		
	Shaeholders	Shares	% CS		Shaeholders	Shares	% CS		Shaeholders
Individuals	5.789.207	231.186.548	44,54	1.649	2.922.215	0,56	5.790.856	234.108.763	45,10
Legal entities	275	185.713.314	35,78	51	99.267.511	19,12	326	284.980.825	54,90
TOTAL	**5.789.482**	**416.899.862**	**80,31**	**1.700**	**102.189.726**	**19,69**	**5.791.182**	**519.089.588**	**100,00**

8. INFORMATION REGARDING THE EMPLOYEES, ADMINISTRATORS AND DIRECTORS

1) Average for the period January to June 2014: 45 permanent employees (June 30, 2013: 45), two management contracts and seven administration contracts (December 31, 2013: two management contracts and seven management contracts).

Out of which:	**Employees**	**Management contracts**	**Administration contracts**
Administrators	-	-	7
Directors- adminstrations in accordance with the Law 31/1990	-	2	-
Employees with higher education	38	-	-
Employees with secondary education	7	-	-
TOTAL	**45**	**2**	**7**

Out of which:	**30 June 2013**	**30 June 2014**
Management contracts	787,838	807,436
Board of Directors	1,006,957	1,095,320
Employees, out of which:	1,613,319	1,557,192
- compensators salary for redundancies	-	23,940
Other collaborators	12,843	7,377
Total	**3,420,957**	**3,467,325**

During January 1 to June 30, 2014, employees received: training courses amounting RON 69.695 (January – June 30, 2013: Courses - RON 14.748).

Financial rights of the directors shall be approved by Board of Directors through the management contract. Salaries and allowances of directors represents 54,88% of total salary expenses of the company

3) Expenses- social insurance: RON 1.375.259 (June 30, 2013: RON 1.472.998)

Operational staff salaries are negotiable based on qualification categories collective labor contract concluded between representatives of employees and Board of Directors.

9. CALCULATION AND ANALYSIS OF THE MAIN INDICATORS

Liquidity indicators

- **Current liquidity indicator = current assets / current liabilities**

30.06.2013	=	94.114.026 / 123.612.255	=	0.76
30.06.2014	=	178.121.094 / 92.445.511	=	1.93

SIF MOLDOVA S.A.

- **Immediate liquidity indicator = (current assets-stocks / current liabilities**

30.06.2013	=	94.098.841 / 123.612.255	=	0.76
30.06.2014	=	178.097.206 / 92.445.511	=	1.93

Activity indicators

- **Fixed assets Rotational Speed = revenue from ordinary activities / fixed assets**

30.06.2013	=	170.730.975 / 652.944.808	=	0.26
30.06.2014	=	345.203.418 / 824.975.404	=	0.42

- **Total asset Rotational Speed = revenue from ordinary activities / total assets**

30.06.2013	=	170.730.975 / 747.058.834	=	0.23
30.06.2014	=	345.203.418 / 1.003.096.498	=	0.34

- **Receivables totation speed – customers = average outstanding receivables / turnover x no of days in the period**

30.06.2013	=	1.746.191 / 2 / 170.730.975 x 180	=	1 zile
30.06.2014	=	19.385.601 / 2 / 345.203.418 x 180	=	5 zile

Profitability indicators

- **Return on capital employed = profit before interest payment and income tax / capital employed * 100**

30.06.2013	=	90.417.088 / 573.734.205	=	15.76 %
30.06.2014	=	215.761.981 / 858.234.651	=	25.14 %

- **Basic earnings per share = net profit attributable to common shares / no of common shares**

30.06.2013	=	83.068.133 / 519.089.588	=	0.16 pret per actiune
30.06.2014	=	182.117.952 / 519.089.588	=	0.3508 pret per actiune

Current liquidity indicator (working capital indicator) Quick ratio (acid test indicator) indicates how many times current liabilities are included in current assets, respectively in current assets less inventories.

Return on equity is the profit that you get on a unit of resources invested by both Moldova and SIF by its creditors.

Earnings per share, represents the net profit generated by the SIF Moldova attributable to common shares.

10. OTHER INFORMATION

a) General information about the company

SIF Moldova SA was established in January 1, 1997, through the reorganization of the Fund II Private Owners Moldova, in accordance with Law 133/1996 as a financial investment company with self.

The company is registered at: **SIF MOLDOVA S.A.**

Chamber of Commerce Industry and Agriculture Bacau - unique registration code 2816642.

National Securities Commission Decizion no.1902/30.08.1999 final authorization;

Record Office Securities Registration Certificate no. 418/07.09.1999.

Address and registered office: Street Painter Aman no.94 C, Bacau, Romania.

The company operates through its head office in Bacau and through 2 offices in Romania (Bucharesti, Iasi).

The company's shares are listed on the Bucharest Stock Exchange, Category I call FIC2 since 01.11.1999.

Record actions and shareholders is held in the law of SC Central Depository Bucharest.

Asset depository services are provided by SC B.R.D. - Societe Generale S. A. Bucharest - company authorized by the National Securities Commission.

The activity of SIF Moldova is:

• administration and management of shares in companies, which own shares were issued corresponding certificates of ownership and privatization nominal coupons;

• Manage own portfolio of securities and investments in securities in accordance with the regulations in force.

b) Reconciliation of accounting result with fiscal result at 30 June 2014:

		Before taxes	Tax	After taxes
1	**Total revenue- accounting**	**345,203,418**	**-**	**-**
2	Total revenue- fiscal	345,457,976	-	-
3	Temporary differences	254,558	-	-
4	Not taxable revenue	14,962,502	-	-
5	Taxable revenue	330,495,474	-	-
6	**Total expenses –accounting**	**129,441,437**	**-**	**-**
7	Total expenses-fiscal	129,593,138	-	-
8	Temporary differences	151,701	-	-
9	Not deductible expenses	9,533,784	-	-
10	Fiscal deductible expenses	120,059,354	-	-
11	Total deductible expenses	120,059,354	-	-
12	Taxable profit	210,436,120	-	-
13	Current income tax	-	33,669,779	-
14	Discounted sponsorship Mecenate	-	25,750	-
15	**Income tax payable**	**-**	**33,644,029**	**-**
16	**Net profit**	**-**	**-**	**182,117,952**

10. OTHER INFORMATION (continued)

c) Information about the relations of the company with subsidiaries, associated companies, or other companies in which equity hold strategic participation titles.

The company`s management did not identified significant relationships with related parties, other than the participations owned in the companies from the portfolio and the dividends received from them.

SIF MOLDOVA S.A.

d) Angajamente acordate si primite inregistrate in afara bilantului

Din care	01 January 2014	30 June 2013
Penalties from bad debtors	13,897	9,010
Other Off Balance Sheet accounts	623,208	623,208
Inventory	512,991	516,852
Contingent assets	51,457,873	38,117,731
Contingent liabilities	42,502,389	43,933,882
TOTAL	**95,110,358**	**83,200,683**

Contingent assets represent amounts required SIF mainly in AAAS litigation in the amount of RON 16,229,858, involving the recovery of legal costs and damages related to the proceeds of the litigation.

SIF Moldova has registered other contingent assets, out of which is significant the takeover value litigious rights agreement Textile Olt RON 16,048,982 and amounts claimed by ANAF RON 5.838.880.

The company recorded off balance sheet contingent liabilities amounting RON 43.933.882 which RON 1.116.933 labor dispute with three former employees, and the amount of RON 42,325,010 represent amounts claimed by AAAS, AAAS litigation involving the foreclosure challenge by SIF Moldova, unfinished (Details in Note 16).

11. THE SITUATION OF FINANCIAL INVESTMENT PORTFOLIO

a) Financial assets

Participation titles to:	Cost value	Positive adjustments	Negative adjustments	Market value as at 30 June 2014
Traded companies at BVB (REGS)	712,340,496	246,794,539	7,441,051	951,693,984
Traded companies on external market (RGSI)	4,663,690	-	728,932	3,934,758
Traded companies at BVB BER (RGBS)	19,045,554	-	8,314,190	10,731,364
Traded companies at BVB BER on OTC market (XMBS)	16,767,147	19,976,565	2,934,318	33,809,394
Unquoted companies traded in the electronic system of BVB (UNLS)	5,360,345	-	4,816,110	544,235
Traded companies at SIBEX	2,198,925	-	1,363,316	835,609
Total companies listed and traded	760,376,157	266,771,104	25,597,917	1,001,549,344
Closed companies	26,374,675	38,424,138	1,181,881	63,616,932
Companies listed and not traded	-	-	-	-
Companies listed and not traded in the last 30 days	33,775,979	44,327,308	16,457,690	61,645,597
Total companies not listed and not traded	60,150,654	82,751,446	17,639,571	125,262,529
Total portofolio	820,526,811	349,522,550	43,237,488	1,126,811,873
Paticipation titles of OPCVM and/or AOPC	26,086,767	3,397,185	1,471,069	28,012,883
Bonds	10,537,646	398,118	-	10,935,764
Entitlements	-	-	-	-
Total portfolio of financial investition- gross value	857,151,224	353,317,853	44,708,557	1,165,760,520
Adjustment for titles' depreciation	44,708,557	-	-	-
Total portfolio of financial investition- net value	**812,442,667**	-	-	-

SIF MOLDOVA S.A.

Theese values are determined based on the accounting policies stated in Note 6 and are not reflected in the financial statements, being presented only to determine any possible negative adjustments, where the market value is smaller than the cost value.

The market value was calculated according to the Romanian accounting regulations in force (Order 13 CNVM Directive IV CEE) as follows:

For listed shares:-according to the last closing price since the last negotiations, in accordance with the accounting policies described in note 6;

11. THE SITUATION OF FINANCIAL INVESTMENT PORTFOLIO (continued)

a) Financial assets (continued)

For unlisted shares:-price according to the model of CNVM Regulation, the current ASF, no. 15/2004, amended and supplemented in accordance Disposal nr.23/20.12.2012 measures issued by CNVM (current ASF).

SIF MOLDOVA S.A.

Unquoted shares market value was determined by applying valuation methods in accordance with international standards of evaluation are:

No.	Issuer name	Value	
		RON/ share	total
	Shares listed and not traded in the last 30 trading days		
1	INDOR	5.07	182,530
2	REGAL	14.38	16,050,352
3	TRANSTEC	2.51	719,614
	Shares of the companies in insolvency procedure		
4	SIMAT	6.82	649,073
5	BUMBACARIA ROMANEASCA	0.07	41,799
6	ATLAS GALATI	0.19	3,236,989
7	MONDEX	2.90	53,466
	Unlisted shares (closed)		
8	AGROCOMPLEX BIRLAD	20.43	1,375,817
9	AGROGAL	2.09	632,536
10	ALIMENCO	36.00	1,938,852
11	ALIMENTARA	1.03	10,782,085
12	CARPATEX	31.98	1,673,673
13	CONFECTII BIRLAD	144.28	2,402,983
14	DYONISOS	0.99	765,096
15	HUMOREANCA	29.19	493,194
16	HYPERION	6.88	801,059
17	ISTRU	29.13	6,364,585
18	PANIMON	43.19	423,694
19	PARTMEN	20.88	1,581,618
20	PISCICOLA MURIGHIOL	20.48	5,181,972
21	SANEX	0.54	6,524,631
22	VASCAR	14.85	2,211,165

11. THE SITUATION OF FINANCIAL INVESTMENT PORTFOLIO (continued)

b) Financial assets (continued)

The companies from SIF's Portolio can be clasfficated by the percentage held in the issuer's equity (without OPCVM/AOPC):

SIF MOLDOVA S.A.

Nr. crt.	Company	Market Value	% SIF
	Under 10% - 58 Companies	**925,221,950**	
1	1 IUNIE	106,839	6,36
2	AGRICOLA INTERNATIONAL	1,885,500	1,22
3	AGROCOMPLEX BIRLAD	1,375,817	7,19
4	AGROGAL	632,536	6,67
5	AGROINDUSTRIALA CORA	13,610	7,91
6	ANTIBIOTICE	1,892,063	0,49
7	APA-CANAL	44,541	6,72
9	ARCELOR MITTAL TUBULAR PRODUCT	274,958	3,01
8	ARCELOR MITTAL TUBULAR PRODUCT	1,505,391	0,76
10	ARMAX GAZ	855,157	2,57
11	ARTROM	3,725	0,00
12	BANCA TRANSILVANIA	336,903,024	8,53
13	BRD	122,060,119	1,86
14	BUCOVINA VEHICLES SA	39,999	0,01
15	BURSA DE VALORI BUCURESTI	11,438,365	5,00
16	CARPATEX	1,673,673	5,00
17	CASA DE BUCOVINA CLUB DE MUNTE	817,134	6,16
18	CASA ROMANA DE COMPENSATIE	954,196	7,88
19	CATALYST ROMANIA SCA SICAR	104,772	1,94
20	CERAMICA	3,704,550	6,48
21	CHIMCOMPLEX	2,546,225	2,63
22	CIMEX	554,850	5,53
23	COMAT GALATI	0	9,45
24	COMPA	7,746,169	6,00
25	CONFECTII BIRLAD	2,402,983	5,00
26	CONPET	5,457,870	1,27
27	CONSTRUCTII BIHOR	3,237	0,02
28	CONSTRUCTII FEROVIARE GALATI	460,326	8,46
29	CONTED	203,589	1,17
30	CONTOR GROUP	9,402	0,99
31	DEPOZITARUL CENTRAL(REGISCO)	853,030	2,92
32	DEPOZITARUL SIBEX SA	644,104	2,82
33	ELECTROMAGNETICA	7,454,510	5,03
34	ELEROM	976,882	8,93
35	EXIMBANK	3,307,468	0,31

SIF MOLDOVA S.A.

Nr. crt.	Company	Market Value	% SIF
36	FONDUL PROPRIETATEA	153,780,636	1,33
37	GABRIEL RESOURCES	3,934,758	0,36
38	GENKO MED GROUP	217,792	0,55
39	IMOTRUST	21,023	0,20
40	INDOR	182,530	4,48
41	LACTATE NATURA	739,235	5,99
42	MARTENS	119,135	7,74
43	MONDEX	53,466	0,65
44	OMV PETROM	103,746,584	0,38
45	PANIMON	423,694	5,00
46	PANTEX	35,098	6,96
47	RAFO	75,917	0,10
48	RULMENTI	20,767,927	6,00
49	SANEX	6,524,631	6,86
50	SANTIERUL NAVAL CONSTANTA	468,319	2,00
51	SIBEX SIBIU STOCK EXCHANGE SA	835,609	5,00
52	SNGN ROMGAZ SA	32,965,000	0,25
53	SNTGN TRANSGAZ	55,202,232	2,28
54	SSIF BROKER	2,043,312	4,99
55	TRANSELECTRICA	22,935,825	1,39
56	TURISM LOTUS FELIX	1,236,840	1,31
57	VINIA	0	0,16
58	VITIMAS	5,773	1,48
	Between 10 - 20% - 18 companies	**98,218,398**	
1	AEROSTAR	28,139,382	14,62
2	AGROINDUSTRIALA PIATRA	0	13,96
3	ALIMENTARA	10,782,085	18,38
4	ATLAS BRAILA	507,025	14,98
5	BIOFARM	43,136,526	13,82
6	CONCIVIA	591,685	11,58
7	DELTA LACT	42,243	11,16
8	DYONISOS	765,096	12,41
9	FAVIL	731,706	19,94
10	FORTUS	0	13,56
11	GALGROS	2,666,666	13,99
12	SEROMGAL	0	17,42
13	SPIT BUCOVINA	3,171,768	19,55
14	STOFE	161,112	16,23
15	TRANSILANA	294,083	15,08
16	UPSS	788,002	16,72
17	URB RULMENTI	2,604,343	15,87
18	VASTEX	3,836,677	13,94

SIF MOLDOVA S.A.

Nr. crt.	Company	Market Value	% SIF
	Between 20 - 50% - 23 companies	**35,716,652**	
1	ADMET	1,029,345	23,84
2	AGRALMIXT	870,455	20,88
3	AGRODELTA SIREASA	582,841	20,65
4	ALIMENCO	1,938,852	28,47
5	ATLAS GALATI	3,236,989	33,99
6	BUCOVINA-TEX	2,844,966	28,49
7	BUMBACARIA ROMANEASCA	41,799	48,69
8	CEPROHART	632,888	30,25
9	CONFECTIA TG.JIU	668,396	31,61
10	DANUBIUS	232,831	28,95
11	DELTA SERVICE	327,881	34,39
12	FAM	865,896	23,36
13	HUMOREANCA	493,194	25,39
14	HYPERION	801,059	29,40
15	IASITEX	3,906,009	29,04
16	ISTRU	6,364,585	47,26
17	LUCEAFARUL	535,224	24,66
18	MATASEA ROMANA	0	24,79
19	PARTMEN	1,581,618	26,59
20	PISCICOLA MURIGHIOL	5,181,972	30,00
21	SIMAT	649,073	37,91
22	TRANSTEC	719,614	41,03
23	VASCAR	2,211,165	21,45
	Above 50% - 5 companies	**67,654,873**	
1	ASSET INVEST	116,822	99,85
2	CASA	7,985,102	98,89
3	MECANICA CEAHLAU	15,758,518	55,11
4	REGAL	16,050,352	93,01
5	TESATORIILE REUNITE	27,744,080	92,08
	TOTAL - 104 companies	**1,126,811,873**	

11. THE SITUATION OF FINANCIAL INVESTMENT PORTFOLIO (continued)

b) Financial assets on short time

	Cost value	Positive adjustments	Negative adjustments	Market value as at 30 June 2014
Shares	88,063,334	-	-	88,063,334
Fund units	13,324,190	2,254,965	-	15,579,155
Total financial assets on short time- gross value	**101,387,524**	**2,254,965**	**-**	**103,642,489**

SIF MOLDOVA S.A.

The market value of financial instruments in the portfolio calculated according nr.23/20.12.2012 Disposal Measures and published in net assets is RON 1.282.048.478.

The market value of financial instruments in accordance with accounting regulations portofoliucalculata (Order 13 NSC current ASF, Directive IV of the EEC) is RON 1.269.403.009.

Difference between accounting and valuation method of the net asset valuation method is RON 12.645.469 which consists of different ways of assessment listed shares (the relief nr.23/20.12.2012 take into account the average price of the last trading day; method accounting takes into account the closing price on the last trading day corresponding to the reporting date of the financial statements for listed companies on alternative trading systems), and from the booking of depreciation in amount of RON 12,726,964 for shares of FORTUNA IASI, which went bankrupt on 15.07.2014.

12. CASH DEPOSITS

Bank	Acc symbol	Value		Interest		%	Date	
		Maturity < 60 days	Maturity > 60 days	%	Interest at 30 June 2014		Value date	Maturity
BANCA TRANSILVANIA	RON	8,000,000	0	3,10	90,244	21,71	20.02.2014	20.08.2014
BANCA TRANSILVANIA	RON	6,615,000	0	3,00	77,726	17,95	10.02.2014	11.08.2014
BANCA TRANSILVANIA	RON	5,000,000	0	2,90	58,403	13,57	06.02.2014	06.08.2014
BANCA TRANSILVANIA	RON	1,700,000	0	2,85	21,533	4,61	22.01.2014	21.07.2014
BANCA TRANSILVANIA	RON	1,000,000	0	2,85	12,825	2,71	20.01.2014	21.07.2014
BANCA TRANSILVANIA	RON	5,400,000	0	1,52	1,824	14,65	23.06.2014	01.07.2014
BANCA TRANSILVANIA	RON	4,000,000	0	2,25	1,250	10,86	26.06.2014	03.07.2014
BANCA TRANSILVANIA	RON	2,000,000	0	1,80	100	5,43	30.06.2014	07.07.2014
BRD	RON	2,000,000	0	0,95	422	5,43	23.06.2014	01.07.2014
BRD	RON	913,538	0	1,45	37	2,48	30.06.2014	01.07.2014
BRD	RON	220,000	0	1,40	34	0,60	27.06.2014	02.07.2014
TOTAL	**X**	**36,848,538**	**0**	**X**	**264,399**	**100,00**	**X**	**X**

NOTE:
- Total amount of the bank deposits is RON 36.848.538.
- Total amount of the interest rate at the maturity is RON 341.328.

12. CASH DEPOSITS (continued)

Bank	Acc symbol	Value			Interest		%	Date	
		Maturity < 60 days	Maturity > 60 days	%	Interest at 30 June 2014			Value date	Maturity
		Ccy RON	Ccy RON		Ccy	RON			
BRD	EUR	19,741,500	0	0,12	15	66	99,99	30.06.2014	07.07.2014
TOTAL EUR	**EUR**	**19,741,500**	**0**	**X**	**15**	**66**	**100,00**	**X**	**X**
TOTAL	**X**	**19,741,500**	**0**	**X**		**66**		**X**	**X**

SIF MOLDOVA S.A.

NOTE:
- Total amount of the bank deposits is EUR 4.500.000, equivalent of RON 19.741.500 at NBR FX rate for June 30, 2014.
- Total amount of the interest rate at the maturity is EUR 105, equivalent of RON 461 at NBR FX rate for June 30, 2014.

Company's status to banks at 30 June 2014, is:

- **In RON**

Bank	Value- RON	Percentage of total
BANCA TRANSILVANIA	33,715,000	91,50
BRD	3,133,538	8,50
TOTAL	**36,848,538**	**100,00**

- **In foreign currency**

Bank	Currency	Value Ccy	Value (RON)	Percentage of total %
BRD	EUR	4,500,000	19,741,500	100,00
TOTAL EUR	**EUR**	**4,500,000**	**19,741,500**	**100,00**

13. THE STRUCTURE OF THE GROSS INCOME

Indicators	Balance account	30 June 2013	30 June 2014
Income from financial investments (dividends due SIF)	761	25,838,846	20,659,720
Income from financial investments on short time	762	-	-
Income from immobilized debts	763	-	-
Income from disposal of financial investments	764	115,016,737	284,324,449
Income from exchange rate differences	765	2,645,984	403,348
Income from interests	766	1,963,474	965,302
Income from receivables and sundry	754	-	458,690
Income from provisions, out of which:	781	23,748,839	7,374,471
Income from adjustments of value	786	241,737	2,427,764
Other income		1,275,359	28,589,674
- rental and royalty	706	788,555	442,879
- sundry activity	708	78,746	29,266
- immobilized production	722	-	-
- other income	758	74,644	17,970,294
- discounts received	767	29,827	356
- other financial income	768	303,587	10,146,879
TOTAL INCOME		**170,730,976**	**345,203,418**

SIF MOLDOVA S.A.

14. THE STRUCTURE OF EXPENSES

Indicator	Balance account	30 June 2013	30 June 2014
Losses on receivables in relation with participations	663	19,995	-
Expenses with disposal of financial investments	664	59,127,941	85,874,088
Commissions and fees	622	1,775,924	1,919,258
Foreign exchange losses	665	2,719,812	1,759,862
Interest expenses	666	-	-
Bank commissions and similar charges	627	17,435	43,525
Bad debts written off	654	3,688	-
Operating expenses for depreciation, provisions and impairment	681	602,795	717,285
Impairment losses and impairment of financial assets	686	323,402	9,293,477
Third party expenses,		2,559,176	17,610,002
- Maintenance and repair expenses	611	251,175	272,664
- Royalties and rental expenses	612	92,212	112,310
-Insurance premiums	613	38,502	33,617
- Entertainment, promotion and advertising	623	175,157	121,598
- Transport of goods and personnel	624	-	-
- Travel	625	75,580	59,633
- Post and telecomunications	626	257,963	171,856
- Other third party services	628	224,933	224,322
- Other expenses	658	1,222,115	44,099
- Discounts granted	667	-	-
- Other financial expenses	668	221,539	16,569,903
Expenses from inflation adjustment	688	-	-
Other taxes, charges and similar expenses	635	142,831	82,813
Other expenses		13,020,888	12,141,127
- consumables	602	141,270	110,159
- materials in the form of inventory items	603	45,203	8,621
- materials not stored	604	-	-
- electricity and water	605	184,522	140,379
- external contracted manpower	621	1,822,386	1,979,828
- salary	641	1,613,319	1,557,192
- food tickets expenses	642	13,020,888	12,141,127
- participation to the profit expenses	641	141,270	110,159

SIF MOLDOVA S.A.

14. THE STRUCTURE OF EXPENSES (CONTINUED)

Indicator	Balance account	30 June 2013	30 June 2014
- Social security contributions	645	1,472,998	1,375,259
Expenses related to natural disasters and other extraordinary events	671	-	-
Profit tax	691	7,348,955	33,644,029
Income tax and other taxes not included above	698	-	-
TOTAL EXPENSES		**87,662,842**	**163,085,466**
Expenses on fees and commissions, out of which:		**1,775,924**	**1,919,258**
External auditors expenses		62,369	47,986
Fees Expenses with depository society		182,637	147,606
Fees with ASF		577,793	650,372
Fees with SSIF for shares transactions		233,162	724,918
Services fees for shareholders		74,400	74,400
Fees with BVB		-	-
Consultancy fees		195,761	86,754
Legal assistance fees		449,802	187,222
Viewing the broker’s platform fees		-	-

SIF MOLDOVA S.A.

15. RISK MANAGEMENT

Company management recognizes that risk management must be done in a consistent methodological framework and that their management is an important component of the strategy to maximize return to obtain a desired level of profit by maintaining an acceptable risk exposures and compliance with legal regulations. Formalizing risk management procedures determined by the Company's management is integral to the strategic objectives of SIF Moldova.

By nature of the activities carried SIF Moldova is exposed to various risks, including:

a) Market risk

For efficient management of market risk , using methods of technical and fundamental analysis , forecasts regarding the evolution of economic sectors and financial markets , taking into account:
- Evaluation of return corresponding stock portfolio ;
- Limits on the concentration of assets in the same market. geographical location or economic sector ;
- Limits on the presence in new markets ;
- Establishing tolerable risk limits ;
- Concentrations of risk tolerance ;
- The allocation of long-term strategic investments. based on the principle that the market will determine the correct fundamental value ;
- Short-term tactical allocation . involves short-term variations in market expectations SIF combining the activity speculative profit and cash flows.

15. RISK MANAGEMENT (continued)

a) Market risk (continued)

Selection of investment opportunities is done by:

- techinical alalysis;
- fundamental analysis- determining the issuer's capacity to generate profit;
- comparative analysis- determining the relative value of an issuer in relation with the market or with other similar companies.
- statistical analysis- determining the trends and correlations using the historical prices and volumes traded.

The term market risk embodies not only the potential gain, but also the loss.

b) Price risk

SIF Modova is exposed to price risk with the possibility that the value of financial instruments will fluctuate due to chanes in market prices.

c) Currency risk

Most of the financial assets and liabilities of SIF Moldova are expressed in the national currency and, exhange rate fluctuation has not a significantly affect for the SIF Moldova's activity. Explosure to exchange rate fluctuations are mainly due to currency holdings.

d) Economic environment risk

The Romanian economy continues to present characteristics of an emerging economy and there is a significat degree of uncertainty regarding the development of the political, economic and social future. The Board of SIF Moldova worrying to predict the nature of changes that will take place in the economic environment in Romania and the effects on the financial and operating results of the company.

Other features include the Romanian economy is the existence of a currency that is not fully convertible outside the borders of a low degree of liquidity of the capital market and some great beaches variation of currency exchange rates.

e) Interest rate risk

The most of the financial assets and liabilities are non-interest bearing SIF and therefore fluctuations of market interest rates do not significantly affect the activity of SIF Moldova. Surplus cash or other equivalent Cash is invested in short-term investment securities with a maturity of 1-6 months.

f) Credit risk

SIF Moldova is exposed to credit risk related to financial instruments arising from the potential default of payment that a third party has against SIF Moldova

g) Liquidity risk

SIF financial instruments may include investments in shares that are not traded on an organized market and who therefore may have low liquidity. As a result , SIF Moldova may have difficulty in rapid liquidation of investments in these instruments at an amount close to that determined in the model for calculating the net asset investment companies provided in Regulation nr.15/2004 , with subsequent amendments the layout of nr.23/20.12.2012 measures issued by the ASF to meet their liquidity requirements.

15. RISK MANAGEMENT (continued)

h) Tax risk

The tax system in Romania is subject to various interpretations and permanent changes, which may be retroactive. In some cases, the tax authorities may take a different position from the position of the Company and certain interest and penalties may calculate the tax.

Tax legislation in Romania and the practical application of fiscal measures change frequently and are subject to interpretation. different times, in different authorities , the Government subordinates a number of agencies authorized to control both Romanian entities , as well as foreign ones performing in Romania . These controls are largely similar to those carried out in many countries but may also extend to legal or regulatory areas in which Romanian authorities may be interested. In addition, these authorities seem to be less subject to strict rules and controlled companies seem to be less protected than is common in other countries.

The statements regarding taxes and fees may be subject to control and revision for a period of five years in general, after the date of submission. In accordance with the regulations in force in Romania , can be subjected to controlled periods in the future for additional checks .

The Company's management believes that the fair values recorded in the accounts of taxes and other debts to the state , though there is a risk that the authorities have a different position of the Company.

The last background check of the Ministry of Finance which has undergone SIF covered the period up to 31 December 2009. As a result, total SIF Moldova from this date until December 31, 2014 may be subject to further checks.

In the period 21/10/2013-07/11/2013, SIF Moldova has undergone a surprise inspection from the National Agency for Fiscal Administration - General Administration of Large Taxpayers, under Title VII of Ordinance no.92/2003 on Fiscal Procedure Code, republished with subsequent amendments in order to solve petitions filed by former employees of SIF Moldova.

16. COMMITMENTS AND CONTINGENT OBLIGATIONS

At June 30, 2014 SIF Moldova was involved in a total of 50 lawsuits as a defendant and a total of 132 lawsuits as a plaintiff.

Trials in which SIF is a defendant / applicant and whose object influence corporate assets are accounted for.

Of the 148 lawsuits pending in which plaintiff SIF has 75 cases are related disputes AAAS. For amounts claimed by SIF Moldova and won the civil verdicts were final and irrevocable AAAS - receivables accounted for some of them and initiate the enforcement procedure.

SIF Moldova, in dispute with AAAS for the promissory notes that were executed in 2006-2007 in the amount of USD 16,902,560 and paid in the same period, on own initiative, the amount of USD 3.050.000.

SIF Moldova sued AAAS for amounts executed.

Disputes between SIF and AAAS, Passed through several stages, causing them pointing in several positions in The assets, liabilities and equity and the balance sheet accounts.

Claims: Include disputes won by SIF Moldova. Amounts are recorded in lei, at the time of execution and were up to date with the inflation / interest, adding and costs.

Proceeds were sent bailiffs.

Final judgment debtors amounting to 35.111.931 RON, including mainly the definitive sentence SIF of RON 34.958.735, in contradiction with AAAS which submitted to bailiffs of RON 32.920.094.

For the value of RON 35.111.931 were calculated as allowance for impairment is uncertain cashing them.

16. COMMITMENTS AND CONTINGENT OBLIGATIONS (continued)

Provisions : For amounts collected by SIF Moldova by bailiffs were opened by the AAAS litigation challenging the amounts executed

The account balance 151 'AAAS litigation provisions', in amount of RON 10.412.227 represents amounts collected by SIF Moldova by bailiffs and challenged by AAAS. The amounts were collected in the period: 2009- 2012.

In January – June 2014, after the obtaining of an unfavorable solutions to the disputes initiated by AAAS, referred to the disproof of the enforcements made by SIF Moldova, the amount of RON 5.796 was written back as income, and the provisions for litigations decreased.

Off Balance sheet accounts:

Contingent assets mainly represent amounts required by SIF Moldova`s litigation with AAAS RON 16.229.858, involving the recovery of legal costs and damages related to the proceeds of the litigation. Since they were sent bailiffs before getting final and irrevocable decisions totaling RON 1.481.861. Amounts representing contingent assets will be recorded in the balance sheet at the time of obtaining a final and irrevocable / cashing lor.In during January – June 2014 was taken into account a balance sheet total of RON 1.481.861 on the basis of civil judgment final and irrevocable

Contingent liabilities primarily represent amounts that are disputed by AAAS having to contest foreclosure initiated and completed SIF Moldova (RON 42.325.010). The company recorded off balance sheet contingent liabilities amounting to RON 42.325.010. During January – June 2014 litigations with AAAS were closed in amount of RON 344.292.

SIF Moldova, in dispute with AAAS for the promissory notes, were executed in 2006-2007, in amount of USD 16.902.560 and, in the same period, paid an amount of USD 3,050,000 from its own initiative.

• Total amounts paid (RON)	43,464,919
The amounts are recorded in RON at the time of execution and were up to date with the inflation/ interest rate, adding the judge fees	-
• Total of the debit for AAAS, representing the promissory notes, was:	43,464,919
Plus judge fees	30,829,220
• Total amount:	74,294,139
Out of which:	-
• AAAS claims final and irrevocable	2,038,648
• AAAS claims submitted bailiffs	56,044,502
• contingent assets	16,210,139
• Total amounts received after the execution	23,124,419
• Amount to be received (1,300,562+47,520,094+26,764,687-23,124,419)	51,168,870

At June 30, 2014 are incorporated adjustments for impairment receivables of RON 34.958.735, amounts receivable from final and irrevocable AAAS RON 2.038.642 and claims submitted bailiffs AAAS (RON 34.958.735- RON 2.038.642= RON 32.920.094).

Of the 50 cases in which a defendant has standing SIF, 42 cases are initiated by AAAS behind foreclosures conducted by SIF Moldova.

Litigation initiated by AAAS having to contest foreclosures conducted by SIF Moldova are highlighted:

• Contingent liabilities at 31.12.2013	41,179,362
• Favorable sentences for SIF	344,292
• Contingent liabilities as at 30.06.2014	42,325,010

17. INFORMATION ABOUT THE VALUATION ADJUSTMENT RECOGNIZED IN EQUITY

The valuation adjustments for the financial imobilisation are direct recognized in the equity- line 69 from balance sheet

As at 30 June 2014, there was constituited and cancellated the follow valuation adjustments:

• balance as at 01.01.2014	64,431,928	135,619,216
• adjustments for the period January- June	36,756,643	104,441,233
• cancellation from the adjustments in the period January-December (adjustments for the exit titles from the portfolio)	59,273,159	175,628,521
• balance as at 30.06.2014	41,915,412	64,431,928

18. SUBSEQUENT EVENTS

No significant events occurred subsequent to June 30, 2014 and the date of approval of these financial statements, which could result in changes in the current period financial statements.

These financial statements were approved today, August 7th, 2014.