



# QUARTERLY REPORT

as of 31 March 2017

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## Notes

The report herein presents the interim condensed consolidated financial statements of the Bucharest Stock Exchange, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, and in compliance with the rules and regulations of the Financial Supervisory Authority (FSA). The financial results as of 31 March 2017 are not audited.

The financial figures presented in the executive management commentary which are expressed in million RON are rounded off to the nearest integer and may result in small reconciliation differences.

Entities included in the consolidation process: Bucharest Stock Exchange, Central Depository, Bucharest Clearing House, Investors Compensation Fund.

## Disclaimer

This English language report is a convenience translation of the Romanian language “*Raport trimestrial la 31 martie 2017*”. The Romanian version of the report is the official document.



# Executive summary

## **RON 2.92 bn. +42%**

### **Total trading value, growth compared with 1Q 2016**

(first 3 months of 2017, all markets, offers included)

The trading activity registered a sharp recovery in the first quarter of 2017. The total value of transactions on all markets was close to RON 3 bn, more than 42% increase compared with the same quarter of the previous year.

On the regulated market shares were traded in amount of RON 2.4 bn, the best first quarter of the last 6 years. The average daily value amounted to RON 43.41 mn, the equivalent of EUR 9.59 mn, 61% increase compared to the first quarter of the previous year. In the same period, this quarter was the best first quarter of the last 7 years in terms of number of transactions (212 thousand).

## **RON 43.41 mn, +61%**

### **Average daily trading value, growth compared with 1Q 2016**

#### **Domestic market cap**

(first 3 months of 2017, regulated shares market, offers included)

The Bucharest Stock Exchange (BVB) indices tested new peaks, for the BET index, as well as historical maximums for the rest of the indices. The main local stock index - BET, expanded from March to 12 companies, had one of the world's largest increases in the first quarter of 2017, Ranking in the Top 10 World, in USD, with an 15% advance. Moreover, the analysts estimate that Romania will be ranked again this year, on the first place in the top of BET's dividends yield, with 7%.

Regarding Romania's progress towards emerging market status, the analysts from Berenberg, Concorde Securities and Wood & Co claim that Romania already meets the minimum criteria imposed by MSCI, one of the international institutions evaluating the markets, namely the existence of 3 companies meeting certain size and liquidity criteria. The BVB continued its dialogue with other institutions, such as Russell FTSE, S&P Dow Jones or STOXX.

The BVB has stepped up its actions and projects to popularize the capital market through initiatives for both investors and entrepreneurs. The Individual Investors Forum reached its sixth edition with more than 800 registered people and over 15,000 views on social networks, enjoying ample coverage in the press. The BVB also launched the "Leii BVB", a project aimed at rewarding individuals who have an active presence in the local capital market.

In the first quarter, the BVB launched the "Made in Romania" project to identify and support the future engines of the local economy or the region. Over 160 nominations have been received.

## **RON 2.96 mn, over 7 times growth**

### **Operating profit of BVB Group in 1Q 2017, growth compared with 1Q 2016**

(as per consolidated IFRS reporting)

Compared to the same period last year, the Central Depository's activity in the first quarter of 2017 increased both in local and cross-border settlement operations - due to the increase in volumes traded on the BVB and the increase of the cross-border activity of the participants through DC - as well as in terms of the maintenance of the participants in the DC system - due to the increase of the portfolio managed following the registration in the DC system of the newly listed financial instruments on the BVB Med Life shares, bonds issued by the Bucharest City Hall, etc., while the registry operations remain at a similar level.

## **RON 9.19 mn, +42%**

### **Operating revenues of BVB Group in 1Q, growth compared with 1Q 2016**

(as per consolidated IFRS reporting)

The Bucharest Stock Exchange Group (BVB Group) ended the first quarter of 2017 with a growth of more than 7 times of the consolidated operating profit of RON 2.96 mn (1Q 2016: RON 0.36 mn), based on the significant increase of the trading activity amid a very good start of the year.

The BVB Group's operating income grew by 42% in the first three months of the year compared to the similar period of 2016, up to RON 9.19 mn, mainly driven by the increase in the total value of transactions traded on the BVB markets.

## **RON 2.83 mn, significant increase**

### **Net profit of BVB Group in 1Q 2017, growth compared with 1Q 2016**

(as per consolidated IFRS reporting)

The revenues generated by BVB, representing the Group's trading segment, in amount of RON 6.03 mn (excluding intra-group transactions) in the first quarter of 2017, increased with 65% compared with the first quarter of 2016 (1Q 2016: RON 3.64 mn).

Revenues from the post-trading segment of the first quarter of 2017, of RON 2.26 mn, increased by 15% compared to the same period in 2016, amid the increase in the trading activity of BVB, which generated an increase over 40% of revenues from the local settlement, as well as an 8% increase in revenues from admission and maintenance of participants in the clearing-settlement system and custodians.

Operating expenses amounted to RON 6.23 mn, where up only 1.6% compared to the first three months of last year, as a result of the decrease of personnel expenses by 4%, the increase of the expenditures on services rendered by third parties, generated by the preparation of the BVB-SIBEX merger and the increase in promotion and marketing expenses, amid the intensification of the capital market promotion activities included, in other operating expenditures.

The net financial revenues in the first quarter of 2017, of RON 0.45 mn, mainly derived from interest on financial assets placed in government securities and bank deposits, showed a positive evolution over the same period last year (1Q 2016: RON 0.25 mn – net expense), being less affected by adverse unrealized exchange rate fluctuations in the revaluation of foreign currency financial instruments registered in the first quarter of 2017, of RON 0.15 mn, compared to the same period of the year 2016 when they were of RON 0.88 mn.

Consolidated net profit in 1Q 2017 amounted to RON 2.83 mn, significantly increasing compared to the net result obtained in the same period of the previous year (1Q 2016: RON 0.04 mn) with a net margin of 31%, while 89% of the net profit being obtained from the Group's trading segment.

# Financial and operating highlights

## Consolidated financial performance – BVB Group (RON mn, unless otherwise stated)

	1Q 2017	1Q 2016	Change (%)
Operating revenue	9.19	6.49	42%
Operating expenses	<u>6.23</u>	<u>6.13</u>	2%
Operating profit	<b>2.96</b>	<b>0.36</b>	<b>722%</b>
Net financial revenue/(expenses)	0.45	(0.25)	280%
Profit before tax	3.41	0.10	3,310%
<b>Profit for the period</b>	<b>2.83</b>	<b>0.04</b>	<b>6,975%</b>
Total comprehensive income	2.95	(0.16)	1,944%
EPS attributable to owners (RON/share)	0,3623	0,0115	3,050%

## Profitability ratios (%)

	1Q 2017	1Q 2016	Change (%)
Operating margin	33%	6%	-
Net margin	31%	1%	-
Return on equity	2.6%	0%	-

\* Indicators based on consolidated financial results

## Individual financial performance – BVB only, (RON mn, unless otherwise stated), including intra-group transactions

	1Q 2017	1Q 2016	Change (%)
Operating revenue	6.11	3.73	64%
Operating expenses	<u>(3.39)</u>	<u>(3.27)</u>	4%
Operating profit	<b>2.72</b>	<b>0.45</b>	<b>499%</b>
Net financial revenue/(expenses)	0.40	(0.30)	234%
Profit before tax	3.12	0.16	1,850%
<b>Profit for the period</b>	<b>2.61</b>	<b>0.12</b>	<b>2,075%</b>

## Operating highlights, trading segment (RON mn, all markets)

Trading value	1Q 2017	1Q 2016	Change (%)
Shares, units, rights*	2,773	1,798	54%
Certificates	95	136	-30%
Fixed-income*	<u>55</u>	<u>126</u>	-56%
<b>Total</b>	<b>2,922</b>	<b>2,060</b>	<b>42%</b>
Avg. daily value (shares)**	43.41	26.94	61%

\* Including offers \*\*Value for the Regulated market

## Operating indicators, post-trading and registry segments

	1Q 2017	1Q 2016	Change (%)
No. companies with whom the Depository has a registry contract	880	879	0%
No. procedures resulted from issuers' corporate events	159	77	106%
Value of trades settled on net basis (RON bn)	6.53	4.38	49%
Value of trades settled on gross basis (RON bn)	0.88	0.51	73%

## Share statistics for BVB as parent company (RON, unless otherwise stated)

	1Q 2017	1Q 2016	Change (%)
Closing price (e-o-p)	30.50	26.90	13%
Weighted average price	29.91	26.17	14%
High (intraday)	32.50	28.00	16%
Low (intraday)	27.70	25.10	10%
Total trading value (RON mn)	5.42	4.41	23%
Average trading value (RON mn)	0.09	0.07	29%

# Analysis of the consolidated results for the first quarter of 2017

**Macroeconomic background and financial markets overview in the first quarter of 2017.** The positive performance of global financial markets started in the last quarter of 2016 continued in the first three months of 2017, against the backdrop of increased inflation expectations as a result of taking over of the US presidency mandate by Donald Trump and confidence-building in the global economy based on financial results reported by companies for the previous financial year. The first quarter also clarified the "Brexit" event, initiated in the middle of the previous year, through the favorable vote of the British Parliament on the invocation of Art. 50 as well as the opening of official negotiations for the European Union to leave the European Union.

The US Federal Reserve (FED) increased its monetary policy rate by 0.25 percentage points in March, amid growing confidence in stronger economic growth, but maintaining a gradual rise in interest rates of this year. The European Central Bank decided in March to pursue monetary policy to ease inflationary pressures by keeping the monetary policy rate unchanged. All these macroeconomic events supported a positive evolution of the financial markets without major influences.

The National Bank of Romania maintained the 1.75% interest rate policy during the analyzed period and kept the credit institutions' minimum reserve requirements for the liabilities in RON to 8% and for the foreign currency liabilities to 10%, thus continuing the relatively expansionary monetary policy and maintaining liquidity in the banking system at a high level, which is confirmed by the lower level of interest rates on the money market than the monetary policy rate. From the perspective of the Bucharest Stock Exchange, the central bank's current monetary policy, characterized by low interest rates, contributes to the investment of the population's savings.

The inflation rate measured by the consumer price index confirmed the analysts' expectations, returning to the positive territory in the first quarter of 2017, after a long period of negative values, recording the value of 0.18% (March 2017 / March 2016).

The EUR / RON exchange rate remained relatively constant in the first quarter of this year, fluctuating around 4.52. As for the USD / RON exchange rate, its evolution was similar to end-2016, fluctuating around 4.25.

Stock Exchange Indices continued their upward trends, generating positive returns over the period: S&P 500 rose 4.94% in the first quarter, FTSE100 saw a 2.52% increase, DAX rose 7.76%, and MSCI Emerging Markets recorded a return of 11.34%. The Romanian stock market registered a very good start in terms of performance. The BET main index climbed nearly 14% in the first three months, the highest growth in the EU; The BET-TR index, which includes BET main companies and their dividends, has risen by more than 15% and has for the first time been in the history of 10,000 points. The aforementioned results were motivated by the positive feeling of investors and the preliminary financial reports of the listed companies, with high dividend prospects.

**Review of the consolidated financial results the first quarter of 2017.** Operating revenues of BVB Group in amount of RON 9.19 mn in the reporting period, recorded a 42% increase compared to the same period of the last year, mainly due to the increase of the share trading activity, but also due to the increase of revenues from the clearing-settlement activity of the Central Depository.

BVB's trading activity on the stock market was more intense in the first quarter of the year, with a 42% increase from the first quarter of 2016 to a level of RON 2.92 bn. For the regulated market of shares, the average daily value of the transactions was RON 43.41 mn. The most significant transaction in the offer segment was the public offer for the purchase of Fondul Proprietatea shares, amounting to RON 337.3 mn lei. The January-March 2017 period had a significant increase for both the number of transactions and traded values. Thus, the best first quarter of the past 7 years in terms of number of transactions (212 thousand) was registered.

The market for fixed income instruments (bonds and government securities) registered a decrease compared to the same period last year, up to a value of RON 55 mn. In the first quarter of 2017, the sale of Vrancart bonds amounted to 38.25 million lei took place.

The structured products market fell by 30% compared to the first quarter of 2016, up to 95 million lei, but registered similar values over the last 3 quarters.



The main operating indicators for the trading activity registered by BVB during the reporting period, compared to the year-ago period, are presented below:

Trading value (RON mn)	1Q 2017	1Q 2016	Change (%)
Shares, units, rights	2,773	1,798	54%
Certificates	95	136	-30%
Fixed-income instruments	55	126	-56%
<b>Total</b>	<b>2,922</b>	<b>2,060</b>	<b>42%</b>

**Note:** Figures refer to all markets and include offers

The revenues from the registry activity carried out by the Central Depository are heterogeneous and variations are not generally significant to indicate the trend of these revenues. In the first quarter of 2017, there was a similar evolution of the revenue over the same period of the previous year.

As regards to the post-trading activity carried out by the Central Depository, the related revenues increased by more than 15% on the basis of the additional revenues from the admission and maintenance of the participants in the clearing-settlement and custodian system and the increase of the revenues directly proportional to the activity of trading, ie the revenues from local settlement.

The table below presents the main operating indicators registered by the Central Depository during the reporting period as compared to the year-ago period:

Indicator	1Q 2017	1Q 2016	Change (%)
<b>Registry activity</b>			
No. companies with whom the Depository has a registry contract:	880	879	0%
- listed companies	394	398	-1%
- closed companies	486	481	1%
No. procedures resulted from issuers' corporate events, of which:	159	77	106%
- share capital changes	11	18	-39%
- dividend payments	148	59	151%
<b>Settlement activity</b>			
<b>a) Admission and maintenance</b>			
No. of intermediaries / participants to the clearing & settlement system	37	38	-3%
No. of custodians	11	11	0%
Average monthly portfolio managed by custodians (RON bn)	37,14	32,17	15%
No. of clearing participants paying maintenance fees	2	3	-33%
<b>b) Local settlement</b>			
Value of trades settled on net basis (RON bn)*	6,53	4,38	49%
Value of trades settled on gross basis (RON bn)**	0,88	0,51	73%

\* Trades executed at BVB as well as allocation transactions. Value presented on a single-counted basis.

\*\* Trades executed outside trading systems and deal-type trades executed at BVB and settled on gross basis. Value presented on a single-counted basis.

The incomes of the Investor Compensation Fund (FCI) are represented by the interest income related to the investments of the Fund, classified as operational revenues, ie those remaining at the disposal of the FCI to cover the administrative expenses or to increase the Fund's resources. They have a small share in the total operating income of the BVB Group and come to cover only a fraction of Fund's expenses.

The **operating expenses** in amount of RON 6.23 mn for BVB Group, where similar to those recorded in the first three months of last year. Staff costs decreased by 4% compared to the first three months of 2016, mainly as a result of the staff turnover, that generated a lower number of staff at Group level, at the end of March 2017. Over the same period, there was an increase of the expenses for services rendered by third parties, due to recording of expenses for the



preparation of BVB-SIBEX merger amounting to RON 0.13 mn, and a slight increase in other operating expenses, mainly due to the increase in the promotion and marketing expenses of the Group, the increase of the operating expenses related to rents and utilities, as well as expenses with other taxes, respectively those due to FSA, related on the level of the operating revenues.

The **operating profit** of the BVB Group amounted to RON 2.96 mn, 7 times higher compared to the same quarter of 2016, as a result of the 42% increase in operating revenues, while operational expenditures advanced by only 1.6%.

The **net financial result** had a positive contribution to the Group's result. The financial incomes of RON 0.58 mn were mainly represented by the interests related to the investments in government securities and bank deposits of the Group entities. The unrealized adverse exchange rate fluctuations related to foreign currency deposits registered as a result of the appreciation of the RON against the USD and the EURO were RON 0.15 mn, decreased comparing with the same period of 2016: RON 0.88 mn. Thus, a net financial gain of RON 0.45 mn lei was recorded, compared to a loss of RON 0.25 mn in the first three months of 2016.

The **net profit** for the period was RON 2.83 mn (1Q 2016: 0.04 million lei), the profit attributable to the shareholders of the parent company being RON 2.78 mn (1Q 2016: 0.09 million lei). The comprehensive result of the period, which also includes the differences in the revaluation of available-for-sale financial assets, not recognized in the profit and loss account, was RON 2.95 mn lei (1Q 2016: RON (0.16) mn).

**Review of the consolidated financial position as of end-March 2017.** At the end of March 2017, **total assets** of the BVB Group amounted to RON 167.54 mn (31 December, 2016: RON 173.00 mn), down by 3% compared to the beginning of the year, mainly as a result of the decrease in current assets. **Non-current assets** recorded a similar level to the beginning of the year, while **current assets** decreased to RON 83.98 mn (31 December, 2016: RON 89.97 mn) following the payment of dividends operated by the Central Depository to the shareholders of listed companies, also clients of the Depository. The amounts for the payment of dividends were recorded in **Other restricted assets** and represented at the end of March 2017 the amount of RON 30.16 mn (31 December 2016: RON 38.47 mn lei).

All the Group's **payables** are only short-term and at the end of March 2017 amounted to RON 56.56 mn (31 December, 2016: RON 64.97 mn), approximately 53% of this value, in amount of RON 30.13 mn, is represented by dividends to be paid by the Central Depository on behalf of its clients while 36% is represented by the guarantee, compensation funds and margin for the settlement of transactions in amount of RON 20.09 mn. The decrease of liabilities since the beginning of the year is mainly determined by the dividend payments made by the Central Depository, but also due to the continuation of the process of returning a share of the share capital to the shareholders of the Bucharest Clearing House.

The remaining debts include dividends payable to BVB's shareholders', trade payables to various suppliers, other liabilities to the state budget and the social security budget, not due at the end of the analyzed period.

**Shareholders' equity** reached RON 110.98 mn, increase of 3% compared with the beginning of the year, as a result of the positive results obtained during this period, the retained earnings of the year 2016 will be distributed in the second quarter of the year 2017.

## Expectations for the second quarter of 2017

The Bucharest Stock Exchange (BVB) welcomed with great satisfaction the start of the listing process of DIGI Communications N.V. We acknowledge it as next big step in the unique journey of the Romanian capital market, which, after a lot of work aimed at the market modernization, is becoming the most dynamic stock market in Central and Eastern Europe. We also appreciate the recognition of the Bucharest marketplace as of the market which has a great capability to absorb big transactions, and to attract domestic, international and global investors.

The Ordinary and Extraordinary Shareholders Meetings of the Bucharest Stock Exchange (BVB), on the 12th of April 2017, took several decisions, based on the proposals of the company's Board and the Executive Team, which have a strategic dimension for the Romanian capital market. Among these:

- Better cost of access to the market for various groups of clients - According to the decisions of the General Shareholders Meeting (GSM), BVB will decrease the variable fee on the traded value on the regular market, by 0.5 basis points for both the buyers and the sellers. Bucharest Stock Exchange will introduce a fixed fee charged on each executed order (regardless of the number of transactions through which the order will be executed)
- Romania very close to One country-One stock exchange model – Consistently with the continuous efforts and the program for the abolishment of the regulatory and infrastructural barriers impeding the growth of the local capital market, BVB's GSM decided to approve the conditions of the absorption of the Sibex-Sibiu Stock Exchange (Sibex) by the BVB.
- BVB to propose a model solution for stock options plans on the public market – The shareholders of the Bucharest Stock Exchange adopted the outline of the stock option plan for the BVB, as the extrapolation of a buy-back program in BVB shares, which was also approved.

The General Shareholders' Meeting held on April 12, 2017 approved the proposed distribution of the statutory net profit for the year 2016 of the Bucharest Stock Exchange in the amount of RON 7,500,525, as follows: the amount of RON 438,102 for the legal reserve and the remaining amount in the form of the gross dividends. Thus, the amount to be distributed in 2017 in the form of gross dividends for the year 2016 is RON 7,062,423. The value of the gross dividend for the year 2016 is RON 0.92028 / share, and the date of payment set by the GSM is 6 June 2017.

Out of the 2016 profit, Depozitarul Central SA proposes for approval the distribution during the year 2017 of dividends in the amount of RON 1,517,514. The General Shareholders' Meeting of the Central Depository was convened for 24/25 May 2017, after the date of publication of this report.

Dividend payments made by the two entities of the Group will generate cash outflows and may therefore lead to a decrease in the Group's total assets.



# **Condensed consolidated interim financial statements as at and for the period ended 31 March 2017**

**Prepared in accordance with  
International Financial Reporting Standards  
as adopted by the European Union**

## Condensed consolidated income statement and statement of comprehensive income

All amounts are indicated in RON, unless otherwise stated

	Three month period ended	
	31 Mar 2017	31 Mar 2016
	Unaudited	Unaudited
Revenues from services	9,065,550	6,401,256
Other revenues	<u>124,147</u>	<u>87,881</u>
<b>Operating revenue</b>	<b>9,189,697</b>	<b>6,489,137</b>
Personnel expenses and Director's fees	(3,498,959)	(3,633,990)
Expenses with services provided by third parties	(612,208)	(459,639)
Other operating expenses	<u>(2,117,455)</u>	<u>(2,038,823)</u>
<b>Operating profit</b>	<b><u>2,961,075</u></b>	<b><u>356,685</u></b>
Net Financial incomes/ (expenses)	445,094	(260,909)
Net income from interest related to restricted financial assets covering the guarantee and clearing funds and the margin	<u>6,510</u>	<u>8,837</u>
<b>Net financial revenues/(expenses)</b>	<b><u>451,604</u></b>	<b><u>(252,072)</u></b>
<b>Profit before tax</b>	<b>3,412,679</b>	<b>104,613</b>
Corporate income tax expense	(581,301)	(61,384)
<b>Profit for the period</b>	<b><u>2,831,378</u></b>	<b><u>43,229</u></b>
<b>Profit attributable to:</b>		
Non-controlling interests	51,041	(45,063)
Owners of the Company	<u>2,780,337</u>	<u>88,292</u>
<b>Profit for the period</b>	<b><u>2,831,378</u></b>	<b><u>43,229</u></b>
Differences from evaluation of financial assets available for sale and related deferred tax	<u>117,625</u>	<u>(201,785)</u>
<b>Total comprehensive income for the period</b>	<b><u>2,949,003</u></b>	<b><u>(158,556)</u></b>
<b>Attributable to:</b>		
Non-controlling interests	51,041	(45,063)
Owners of the Company	<u>2,897,962</u>	<u>(113,493)</u>
<b>Total comprehensive income for the period</b>	<b><u>2,949,003</u></b>	<b><u>(158,556)</u></b>
<b>Earnings per share</b>		
Earnings per share – base/diluted (RON)	0.3623	0.0115

The notes on pages 18 to 25 are an integral part of these condensed consolidated financial statements.

General Manager,

Ludwik Leszek Sobolewski

Financial Manager,

Virgil Adrian Stroia



## Condensed consolidated statement of financial position

All amounts are indicated in RON, unless otherwise stated

	31 Mar 2017	31 Dec 2016
	Unaudited	Unaudited
<b>Non-current assets</b>		
Tangible assets	6,069,518	6,280,678
Intangible assets	1,890,462	1,859,031
Held-to-maturity restricted financial assets covering the guarantee and clearing funds and the margin	13,208,004	12,574,140
Held-to-maturity financial assets	60,054,165	60,221,776
Available-for-sale financial assets	2,340,327	2,200,297
<b>Total non-current assets</b>	<b>83,562,476</b>	<b>83,135,922</b>
<b>Current assets</b>		
Trade and other receivables	4,876,976	2,850,473
Prepayments	746,951	341,978
Bank deposits	33,064,630	33,554,786
Restricted bank deposits covering the guarantee fund and the margin	1,535,154	1,949,556
Held-to-maturity restricted financial assets covering the guarantee and clearing funds and the margin	5,283,485	5,280,638
Other held-to-maturity financial assets	4,258,175	1,397,551
Cash and cash equivalents	4,050,891	6,028,375
Other restricted assets	30,160,178	38,466,316
<b>Total current assets</b>	<b>83,976,440</b>	<b>89,869,672</b>
<b>Total assets</b>	<b>167,538,916</b>	<b>173,005,594</b>
<b>Equity</b>		
Share capital	76,741,980	76,741,980
Legal reserve	8,782,906	8,782,906
Revaluation reserve	2,810,429	2,810,429
Fair value reserve	955,253	837,628
Retained earnings	11,267,148	8,489,576
<b>Total shareholders' equity attributable to the owners of the Company</b>	<b>100,557,716</b>	<b>97,662,519</b>
Non-controlling interests	10,423,602	10,372,558
<b>Total shareholders' equity</b>	<b>110,981,318</b>	<b>108,035,077</b>

## Condensed consolidated statement of financial position (continued)

All amounts are indicated in RON, unless otherwise stated

	31 Mar 2017	31 Dec 2016
	Unaudited	Unaudited
<b>Payables</b>		
Trade and other payables	34,472,987	43,150,920
Deferred income	1,262,435	930,958
Current corporate income tax payables	545,530	459,477
Deferred tax liabilities	181,952	159,548
Provisions	-	-
Guarantee and clearing funds and settlement operation margin	<u>20,094,694</u>	<u>20,269,614</u>
<b>Total current payables</b>	<b><u>56,557,599</u></b>	<b><u>64,970,517</u></b>
<b>Total payables and equity</b>	<b><u>167,538,916</u></b>	<b><u>173,005,594</u></b>

The notes on pages 18 to 25 are an integral part of these condensed consolidated financial statements.

General Manager,  
Ludwik Leszek Sobolewski

Financial Manager,  
Virgil Adrian Stroia

## Condensed consolidated statement of changes in equity

All amounts are indicated in RON, unless otherwise stated

Unaudited	Share capital	Retained earnings	Revaluation reserve	Revaluation reserve of available-for-sale financial assets	Legal reserve	Total attributable to shareholders	Non-controlling interests	Total shareholders' equity
<b>Balance as at 1 January 2017</b>	<b><u>76,741,980</u></b>	<b><u>8,489,576</u></b>	<b><u>2,810,429</u></b>	<b><u>837,628</u></b>	<b><u>8,782,906</u></b>	<b><u>97,662,518</u></b>	<b><u>10,372,558</u></b>	<b><u>108,035,076</u></b>
Total comprehensive income for the year								
Profit or loss	-	2,780,337	-	-	-	2,780,337	51,041	2,831,378
<b>Other items of comprehensive income</b>								
Reserve of available-for-sale financial assets	-	-	-	117,625	-	117,625	-	-
Total items of comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,625</u>	<u>-</u>	<u>117,625</u>	<u>-</u>	<u>117,625</u>
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>2,780,337</u>	<u>-</u>	<u>117,625</u>	<u>-</u>	<u>2,897,962</u>	<u>51,041</u>	<u>2,949,003</u>
<b>Transactions with owners of the Company, recognised directly in equity</b>								
<b>Contributions by and distributions to owners of the Company</b>								
Legal reserve increase	-	-	-	-	-	-	-	-
Adjustment of retained earnings	-	(2,765)	-	-	-	(2,765)	3	(2,762)
Dividend paid to owners of BVB	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total contributions by and distributions to owners of the Company</b>	<u>-</u>	<u>(2,765)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,765)</u>	<u>3</u>	<u>(2,762)</u>
<b>Total transactions with owners</b>	<u>-</u>	<u>(2,765)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,765)</u>	<u>3</u>	<u>(2,762)</u>
<b>Balance as at 31 March 2017</b>	<b><u>76,741,980</u></b>	<b><u>11,267,148</u></b>	<b><u>2,810,429</u></b>	<b><u>955,253</u></b>	<b><u>8,782,906</u></b>	<b><u>100,557,716</u></b>	<b><u>10,423,602</u></b>	<b><u>110,981,318</u></b>

## Condensed consolidated statement of changes in equity (continued) All amounts are indicated in RON, unless otherwise stated

Audited	Share capital	Retained earnings	Revaluation reserve	Revaluation reserve of available-for-sale financial assets	Legal reserve	Total attributable to shareholders	Non-controlling interests	Total shareholders' equity
<b>Balance as at 1 January 2016</b>	<b><u>76,741,980</u></b>	<b><u>8,050,343</u></b>	<b><u>2,810,429</u></b>	<b><u>880,313</u></b>	<b><u>8,300,415</u></b>	<b><u>96,783,480</u></b>	<b><u>12,529,523</u></b>	<b><u>109,313,003</u></b>
Total comprehensive income for the year								
Profit or loss	-	7,588,276	-	-	-	7,588,276	173,130	7,761,406
<b>Other items of comprehensive income</b>	-	-	-	(42,685)	-	(42,685)	-	(42,685)
Reserve of available-for-sale financial assets	-	-	-	(42,685)	-	(42,685)	-	(42,685)
Total items of comprehensive income	-	<u>7,588,276</u>	-	<u>(42,685)</u>	-	<u>7,545,591</u>	<u>173,130</u>	<u>7,718,721</u>
<b>Total comprehensive income for the year</b>								
<b>Transactions with owners of the Company, recognised directly in equity</b>								
<b>Contributions by and distributions to owners of the Company</b>	-	(482,491)	-	-	482,491	-	-	-
Legal reserve increase	-	(6,666,552)	-	-	-	(6,666,552)	-	(6,666,552)
Dividend paid to owners of BVB	-	<u>(7,149,043)</u>	-	-	<u>482,491</u>	<u>(6,666,552)</u>	-	<u>(6,666,552)</u>
<b>Total contributions by and distributions to owners of the Company</b>								
<b>Change in interests in subsidiaries that do not result in a loss of control</b>								
Dividend paid to minority shareholders	-	-	-	-	-	-	(384,763)	(384,763)
Decrease of the share capital of CCB's minor shareholders	-	-	-	-	-	-	(3,132,855)	(3,132,855)
Covering the result carried forward – CCB loss	-	-	-	-	-	-	1,187,523	1,187,523
Total changes in interests in subsidiaries	-	-	-	-	-	-	<u>(2,330,095)</u>	<u>(2,330,095)</u>
<b>Total transactions with owners</b>	-	<u>(7,149,043)</u>	-	-	<u>482,491</u>	<u>(6,666,552)</u>	<u>(2,330,095)</u>	<u>(8,996,647)</u>
<b>Balance as at 31 December 2016</b>	<b><u>76,741,980</u></b>	<b><u>8,489,576</u></b>	<b><u>2,810,429</u></b>	<b><u>837,628</u></b>	<b><u>8,782,906</u></b>	<b><u>97,662,519</u></b>	<b><u>10,372,558</u></b>	<b><u>108,035,077</u></b>

The notes on pages 18 to 25 are an integral part of these condensed consolidated financial statements.



## Condensed consolidated statement of cash flows

All amounts are indicated in RON, unless otherwise stated

	Three month period ended	
	31 Mar 2016	31 Mar 2017
	Unaudited	Unaudited
<b>Cash flows used in operating activities</b>		
Profit for the year	2,831,378	43,229
Adjustments to remove non-cash items:		
Depreciation of fixed assets	427,708	443,634
Net interest income	(584,154)	(609,546)
Net income from interests related to assets covering the guarantee and clearing funds and the margin	(6,510)	(8,837)
Loss from impairment of uncollected receivables	692,107	205,401
Provisions - net	-	(20,603)
Net expenses/(revenue) with receivables adjustment	(684,423)	(205,401)
Corporate income tax expense – reclassification	581,301	61,384
Other adjustments	(10,366)	(6,302)
	<b>3,247,041</b>	<b>(97,041)</b>
Change in trade and other receivables	(2,034,185)	(327,619)
Change in other assets (amounts due for dividends payment to issuers)	8,306,137	4,194,627
Change in prepayments	(404,973)	(249,535)
Change in trade and other payables, including amounts due for dividends payment to clients	(8,303,108)	(5,349,989)
Change in deferred income	331,477	92,280
Changes in guarantee and clearing funds and margin	(174,920)	(225,069)
Corporate income tax paid	(495,248)	(386,581)
<b>Net cash from operating activities</b>	<b>472,221</b>	<b>(2,478,171)</b>
<b>Cash flows from investing activities</b>		
Interest received	697,085	361,737
Interest received from assets covering the guarantee and clearing funds and margin	242,247	211,786
(Purchases)/Repurchases of held-to-maturity financial assets	(3,565,461)	5,992,647
Change in bank deposits balance	791,627	(2,096,460)
Acquisition of tangible and intangible assets	(247,979)	(1,284,475)
Dividends received	7,601	6,302
<b>Net cash from investing activities</b>	<b>(2,074,880)</b>	<b>3,191,537</b>
<b>Cash flows from financing activities</b>		
Dividends paid	-	(16,712)
Released share capital of CCB's to minor shareholders	(374,825)	-
<b>Net cash used in financing activities</b>	<b>(374,825)</b>	<b>(16,712)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(1,977,486)</b>	<b>696,654</b>
<b>Cash and cash equivalents 1 January</b>	<b>6,028,375</b>	<b>3,151,884</b>
<b>Cash and cash equivalents 31 March</b>	<b>4,050,891</b>	<b>3,848,541</b>

The notes on pages 18 to 25 are an integral part of these condensed consolidated financial statements.

### Bucharest Stock Exchange

Quarterly report for the period ended 31 March 2017

# Notes to the condensed consolidated financial statements

All amounts are indicated in RON, unless otherwise stated

## 1. General information

### Identification data

34-36 Carol I Blvd., floors 13-14,  
District 2, Bucharest

Address

J40/12328/2005

Trade Register No

17777754

Sole Registration Code

The Bucharest Stock Exchange (BVB) was established on 21 June 1995 as a public non-profit institution, based on the Decision of the National Securities Commission (NSC) no. 20/1995 and in July 2005 it became a joint stock company.

BVB is the leading exchange in Romania and operates several markets:

- The Regulated Market where financial instruments such as shares and rights issued by international and Romanian entities, debt instruments (corporate, municipality and government bonds issued by Romanian entities and international corporate bonds), UCITs (shares and fund units), structured products, tradable UCITS (ETFs) are traded;
- AeRO Market, designed for start-ups and SMEs, launched on 25 February 2015; separate sections of the alternative trading system are available for trading foreign stocks listed on other markets.

### Main activity

Administration of financial  
markets

CAEN code 6611

BVB's operating revenues are generated mainly from the trading of all the listed financial instruments, from fees charged to issuers for the admittance and maintenance to the trading system, as well as from data vending to various users.

### Share tickers

BVB

BVB.RO (Bloomberg)

BBG000BBWMN3 (Bloomberg  
BBGID)

ROBVB.BX (Reuters)

ROBVBAAACNOR0 (ISIN)

Since 8 June 2010, BVB is a listed company on its own spot regulated market and is included in the Premium Tier. The company's share capital consists of 7,674,198 shares with a nominal value of RON 10.

In accordance with the provisions of article 129 paragraph 1 of Law no. 297/2004 on the capital market, no shareholder of a market operator can hold, directly or indirectly, more than 20% of the total voting rights. At the end of March 2017, there were no shareholders holding stakes exceeding this threshold. BVB did not hold shares in its own name, nor did its subsidiaries hold any BVB shares on 31 March 2017.

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

## Subsidiaries

BVB is the parent company of BVB Group, which includes the following subsidiaries:

- Central Depository (Depozitarul Central), 69.042% owned by BVB, performs clearing / settlement operations for transactions with securities carried out at BVB and keeps the register of shareholders;
- Investors' Compensation Fund (Fondul de Compensare a Investitorilor), 62.4481% owned by BVB, pays compensations when fund members fail to return the money or the financial instruments owed by or belonging to investors, which have been held on their behalf for the provision of financial investment or individual investment portfolio management services;
- Bucharest Clearing House (Casa de Compensare București), 52.508% owned by BVB, used to perform market research and public opinion polling (market capital market research services);
- Corporate Governance Institute (Institutul de Guvernare Corporativă), fully owned by BVB, offers training services to listed companies and capital market participants, in corporate governance and sustainable development areas.

The consolidated financial statements of BVB for the three month period ended 31 March 2017 include the financial information of the Company and its subsidiaries, except for the Corporate Governance Institute, an entity considered by BVB management as insignificant for inclusion in the Group's consolidated financial statements and reports.

## 2. Basis of preparation

The interim condensed consolidated financial statements for the three-month period ended 31 March 2017 have been prepared in accordance with IAS 34, 'Interim financial reporting'. They do not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards. These interim condensed consolidated financial statements should be read in conjunction with the annual standalone financial statements for the year ended 31 December 2016, which have been prepared in accordance with IFRSs.

In the consolidated financial statements, subsidiaries – those companies in which the Group, directly or indirectly, holds more than half of the voting rights or which have the power to exercise control over operations – will be fully consolidated.

## 3. Accounting policies

The accounting policies and methods of computation followed in these condensed consolidated financial statements are consistent with those used in the most recent annual financial statements, prepared for the year ended 31 December 2016.

Taxes on income in the interim periods are accrued using the tax rate and calculation methodology that would be applicable to expected total annual profit or loss.

## 4. Estimates

The preparation of standalone condensed preliminary financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual standalone financial statements for the year ended 31 December 2016.

## 5. Financial risk management and financial instruments

### 5.1 Financial risk factors

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The standalone condensed preliminary financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the company's annual financial statements as at 31 December 2016.

There have been no changes in risk management or in any risk management policies since the year end.

### 5.2 Liquidity risk

Compared to year end, there was no material change in the company's liquidity position.

### 5.3 Fair value estimation

The various levels at which the company measures the fair value of financial instruments have been defined as follows:

- Quoted prices (unadjusted) in active markets for similar instruments (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the financial instrument, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the financial instrument that are not based on observable market data (that is, unobservable inputs) (Level 3).

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During the reporting period there have been no significant changes in carrying amounts and fair values of the main categories of assets and liabilities, as compared to 31 December 2016.

#### 5.4 Fair value of financial assets and liabilities measured at amortized cost

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables
- Other current financial assets
- Cash and cash equivalents
- Trade and other payables

## 6. Income taxes

The segment information is reported by the Group's activities. Intra-group transactions are conducted under normal market conditions. Segment assets and payables include both items directly attributable to these segments and items that may be allocated using a reasonable basis.

The Group's activity consists of the following main business segments:

- Capital markets - trading (securities and financial instruments transactions on regulated markets and alternative trading systems);
- Post-trading services (services provided after a transaction is completed and the bank account is debited and the securities are transferred to the portfolio);
- Registry services (storage and updating of the registry of stakeholders for the listed companies);
- Services of the FCI and other services - related to the investors compensation scheme and other services

The companies in the Group have been organized by segments as follows: BVB represents the "trading services" segment, the activity of the Central Depository is divided between the "post-trading services" segment and the "registry services" segment according to the share of the related revenues, and the Investors Compensation Fund (FCI) and the Bucharest Clearing House (CCB) is part of the services segment "FCI and other services" (for the period of 2016, the expenses and revenues of CCB were recorded in the "post-trading services" segment).

The Group's revenues, expenses and operating profit for the first quarter of 2017 are shown below, by segment:

	Trading services	Post-trading services	Registry services	FCI services and other services	Group
<b>1Q 2017</b>					
Revenues from clients outside the Group	6,028,097	2,264,992	798,308	98,300	9,189,697
Revenues from intra-group transactions*	84,536	16,202	5,742	1,456	107,936
Operating expenses	(3,391,492)	(1,899,789)	(703,368)	(233,973)	(6,228,622)
- out of which tangible and intangible asset impairment expenses	<u>(294,318)</u>	<u>(97,235)</u>	<u>(34,462)</u>	<u>(1,692)</u>	<u>(427,707)</u>
<b>Operating profit</b>	<b><u>2,636,605</u></b>	<b><u>365,203</u></b>	<b><u>94,940</u></b>	<b><u>(135,673)</u></b>	<b><u>2,961,075</u></b>
Net financial income	401,193	32,394	11,481	26	445,094
Net income from interests related to assets covering the guarantee and clearing funds and the margin	=	=	=	<u>6,510</u>	<u>6,510</u>
<b>Net financial income /(expenses)</b>	<b><u>401,193</u></b>	<b><u>32,394</u></b>	<b><u>11,481</u></b>	<b><u>6,536</u></b>	<b><u>451,604</u></b>
<b>Pre-tax profit</b>	<b><u>3,037,798</u></b>	<b><u>397,597</u></b>	<b><u>106,421</u></b>	<b><u>(129,137)</u></b>	<b><u>3,412,679</u></b>
Corporate income tax	<u>(508,440)</u>	<u>(53,795)</u>	<u>(19,066)</u>	=	<u>(581,301)</u>
<b>Net profit</b>	<b><u>2,529,358</u></b>	<b><u>343,802</u></b>	<b><u>87,355</u></b>	<b><u>(129,137)</u></b>	<b><u>2,831,378</u></b>

\* eliminated on consolidation

### Bucharest Stock Exchange

Quarterly report for the period ended 31 March 2017

The Group's revenues, expenses and operating profit for the first quarter of 2016 are shown below, by segment:

1Q 2016	Trading services	Post-trading services	Registry services	FCI services	Group
Revenues from clients outside the Group	3,644,500	1,968,266	760,071	116,299	6,489,137
Revenues from intra-group transactions*	84,458	-	36,867	-	121,325
Operating expenses	(3,281,963)	(1,919,098)	(760,305)	(171,087)	(6,132,452)
- out of which tangible and intangible asset impairment expenses	(309,072)	(95,198)	(38,920)	(444)	(443,634)
<b>Operating profit</b>	<b>362,537</b>	<b>49,169</b>	<b>(234)</b>	<b>(54,788)</b>	<b>356,685</b>
Financial income	714,325	92,217	33,082	-	839,624
Financial expenses	(1,013,937)	(61,560)	(25,034)	(2)	(1,100,533)
Net income from interests related to assets covering the guarantee and clearing funds and the margin	=	168	=	8,669	8,837
<b>Net financial income</b>	<b>(299,612)</b>	<b>30,825</b>	<b>8,048</b>	<b>8,667</b>	<b>(252,072)</b>
<b>Pre-tax profit</b>	<b>62,925</b>	<b>79,994</b>	<b>7,814</b>	<b>(46,121)</b>	<b>104,613</b>
Corporate income tax	(37,364)	(17,048)	(6,972)	=	(61,384)
<b>Net profit</b>	<b>25,561</b>	<b>62,946</b>	<b>842</b>	<b>(46,121)</b>	<b>43,229</b>

\* eliminated on consolidation

The Group's assets and payables and capital expenses are presented below, by segment:

1Q 2017	Trading services	Post-trading services	Registry services	FCI services and other services	Group
Assets	81,568,859	28,449,509	38,800,229	18,720,319	167,538,916
Liabilities	3,545,355	4,262,681	31,645,335	17,104,228	56,557,599
Capital expenditures	241,678	4,653	1,649	-	247,980

1Q 2016	Trading services	Post-trading services	Registry services	FCI services	Group
Assets	74,902,980	60,076,708	22,245,314	16,374,543	173,599,545
Liabilities	2,905,178	33,822,424	13,329,489	14,388,005	64,445,096
Capital expenditures	1,253,008	22,332	9,134	-	1,284,474

## 7. Operating expenses

The operating expenses include the following:

### 7.1 Personnel expenses and Director's fees

	1Q 2017	1Q 2016
Personnel expenses and Director's fees	2,953,098	3,062,009
Personnel-related accruals – net impact	(49,974)	(61,128)
Contributions and taxes related to personnel and fees	595,835	633,109
<b>Total</b>	<b>3,498,959</b>	<b>3,633,990</b>

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## 7.2 Services provided by third parties

	1Q 2017	1Q 2016
Financial, IT and internal audit services	42,839	45,246
Commissions & fees (legal, contributions, etc.)	93,639	63,329
Promotion activities of BVB Group	94,461	104,504
Services provided by third parties for business purposes	<u>381,269</u>	<u>246,560</u>
<b>Total</b>	<b><u>612,208</u></b>	<b><u>459,639</u></b>

## 7.3 Other operating expenses

	1Q 2017	1Q 2016
Rent and office utilities	601,512	570,802
Intangible asset amortisation	200,668	245,643
Tangible asset depreciation	227,039	197,991
Costs related to FSA fees and other taxes	241,686	274,452
Consumables	50,625	62,207
IT maintenance and service	315,656	331,111
Protocol	104,589	107,872
Marketing and advertising	121,290	56,849
Transport of goods and personnel	80,218	108,160
Post and telecommunications	65,117	74,298
Loss from non-paying customers	692,107	205,401
Expenses/(Income) from provisions for disputes	-	(20,603)
Net expenses/(income) from adjustment of receivables	(684,423)	(205,401)
Other expenses	<u>68,605</u>	<u>62,807</u>
<b>Total</b>	<b><u>2,117,455</u></b>	<b><u>2,038,823</u></b>

## 8. Financial income and financial costs

Financial income and expenses recognized in profit or loss account include:

	1Q 2017	1Q 2016
Net Interest income from held-to-maturity financial assets	584,154	609,546
Dividend income	7,601	6,302
(Net loss)/Net gain from exchange rate differences	<u>(146,661)</u>	<u>(876,757)</u>
<b>Financial expense</b>	<b>445,094</b>	<b>(260,909)</b>
Net income from interests related to assets covering the guarantee and clearing funds and the margin	6,510	8,837
<b>Net financial income</b>	<b><u>451,604</u></b>	<b><u>(252,072)</u></b>

## 9. Income taxes

The income tax expense is recognized based on the annual income tax rate and calculation methodology for the full financial year. The annual tax rate used for the period ended 31 March 2017 is 16% (the tax rate for the year ended 31 December 2016 was 16%).

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Quarterly report for the period ended 31 March 2017

For the temporary differences from the evaluation to fair value of the available-for-sale financial assets, a deferred tax of RON 181,952 was also registered, included in the revaluation reserve of available-for-sale financial assets which is part of the shareholders' equity.

## 10. Dividends

The General Shareholders' Meeting held on April 12, 2017 approved the proposed distribution of the statutory net profit for the year 2016 of the Bucharest Stock Exchange in the amount of RON 7,500,525, as follows: the amount of RON 438,102 for the legal reserve and the remaining amount in the form of the gross dividends. Thus, the amount to be distributed in 2017 in the form of gross dividends for the year 2016 is RON 7,062,423. The value of the gross dividend for the year 2016 is RON 0.92028 / share, and the date of payment set by the GSM is 6 June 2017.

Out of the 2016 profit, Depozitarul Central SA proposes for approval the distribution during the year 2017 of dividends in the amount of RON 1,517,514. The General Shareholders' Meeting of the Central Depository was convened for 24/25 May 2017, after the date of publication of this report.

## 11. Share capital

On 31 March 2017, BVB had a share capital amounting to RON 76,741,980 divided into 7,674,198 shares with a nominal value of RON 10/share, dematerialized, with the same voting rights, divided into the following categories:

	Number of shares	% of the share capital
<b>Legal entities, of which:</b>	<u>6,623,023</u>	<u>86.30%</u>
Romanian	5,534,110	72.11%
Foreign	1,088,913	14.19%
<b>Individuals, of which:</b>	<u>1,051,175</u>	<u>13.70%</u>
Romanian	1,009,316	13.15%
Foreign	41,859	0.55%
<b>Total</b>	<u><b>7,674,198</b></u>	<u><b>100.00%</b></u>

In accordance with the provisions of the Government Emergency Ordinance no. 90/2014 amending and supplementing the Law no. 297/2004 regarding the capital market, a shareholder of a market operator cannot own directly or indirectly more than 20% of the total voting rights. On 31 March 2017, there were no shareholders holding stakes exceeding this threshold. BVB does not hold shares in its own name.


## 12. Subsequent events

The Extraordinary General Shareholders' Meeting of BVB held on 12 April 2017 decided, among others:

- the merger by absorption between the Bucharest Stock Exchange SA, as an absorbing company and SIBEX - Sibiu Stock Exchange SA, J32 / 28/1994, CUI 6584502, having its headquarters in Sibiu, 9-10 Aurel Vlaicu Square, 3rd floor, County Sibiu, Romania, ("SIBEX") as an absorbed company,
- modification of the Company's Articles of Incorporation, in order to reflect the value and the final structure of the share capital, following the modifications resulting from the implementation of the Merger,
- redemption by the Company of its own shares, in the market where the shares are listed, or by conducting public buying offers, in accordance with the applicable legal provisions, in the following conditions: a maximum of 114,285 shares (representing a maximum of 1.49% of the share capital), at a minimum price of RON 18 per share and a maximum price equal to the lowest value of (i) RON 35 per share and (ii) the higher between the

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price of the last independent transaction and the price at the time of the purchase offer, in accordance with the provisions of art.3 para. (2) of Delegated Regulation (EU) 2016/1052 of the Commission from 8 March 2016 supplementing the Regulation (EU) 596/2014 of the European Parliament and the Council as regards regulatory technical standards for the conditions applicable to redemption programs and stabilization measures. The aggregate amount of the redemption program is up to RON 4,000,000. The program will take place for a maximum of 18 months from the date of publication of the Decision adopted in this respect in the Official Monitor of Romania, Part IV, in order to implement a share options program for the Company's employees and directors, as well as to the Board members. Repurchase transactions can only be paid for shares paid in full and will be made only from the distributable profit or available reserves of the Company, according to the last approved annual financial statements, except for legal reserves.



# Contact us

## Investor Relations contact information

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## Financial reports availability

Financial reports are available in our Investor Relations section on our corporate website at this [link](#)

## Earnings conference calls

Permanent replays of our recorded earnings conference calls and the related presentations are available [here](#)  
Presentation slides and sound will be streamed live over the web [here](#)

## Upcoming corporate events

10 Aug 2017  
14 Nov 2017

Release of the Half-yearly report for the 1<sup>st</sup> Half of 2017 & conference call  
Release of the Quarterly report for the 3<sup>rd</sup> Quarter of 2017 & conference call

# Find out more about the Bucharest Stock Exchange



Corporate website [www.bvb.ro](http://www.bvb.ro)

Follow us on    

Call Center 'Bursa e Pentru Oameni': 0372 409 846  
Tuesdays and Thursdays, between 3pm and 4pm



## Mobile apps for smartphones and tablets

BVB app

BVB Trading app



## Bucharest Stock Exchange

Quarterly report for the period ended 31 March 2017