

## S.C. ROMVAG S.A. CARACAL – ROMÂNIA



Societate pentru constructii si reparatii vagoane marfa si componente  
Str. 1 Decembrie 1918 , Nr.146 , 235200 - Caracal, Judetul Olt , Romania  
Inregistrat la Registrul Comertului cu nr.J28/138/1991;  
RO1522894/1992



SOCIETATE IN INSOLVENTA/IN INSOLVENCY/EN PROCEDURE COLLECTIVE

Cod IBAN: RO63 ABNA 1700 2641 0041 0507 RBS BANK

Tel: 0249/512954 , Fax: 0249/515301,0249/515936

E-mail: office@romvag.ro ; Site: <http://www.romvag.ro>

### DECLARATIE

in conformitate cu prevederile art.30 din Legea contabilitatii nr.82/1991

S-au intocmit situatiile financiare anuale la 31/12/2010 pentru :

Entitate: SC ROMVAG SA CARACAL

Judetul: 28-OLT

Adresa: localitatea CARACAL

Numar din registrul comertului: J28/138/1991

Forma de proprietate: 34-Societati comerciale pe actiuni

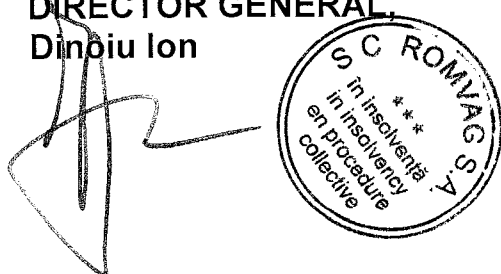
Activitatea preponderenta (cod si denumire clasa CAEN): 3520-Constructia si repararea materialului rulant

Cod unic de inregistrare: 1522894

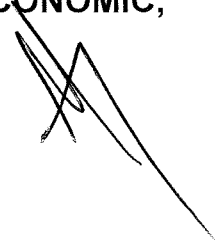
Subsemnatii Dinoiu Ion, in calitate de director general si Mitran Marian, in calitate de director economic, isi asuma raspunderea pentru intocmirea situatiilor financiare anuale la 31/12/2010 si confirma ca:

- a) Politicile contabile utilizate la intocmirea situatiilor financiare anuale sunt in conformitate cu reglementarile contabile aplicabile.
- b) Situatiile financiare anuale ofera o imagine fidela a pozitiei financiare, performantei financiare si a celorlalte informatii referitoare la activitatea desfasurata.
- c) Persoana juridica isi desfasoara activitatea in conditii de continuitate.

DIRECTOR GENERAL,  
Dinoiu Ion



DIRECTOR ECONOMIC,  
Mitran Marian



**Raport de audit financiar**  
*Report of the financial auditor*

Catre actionarii, S.C. Romvag S.A.  
*To the shareholders of S.C. Romvag S.A.*

**Raport asupra situatiilor financiare**  
*Report on the financial statements*

- 1 Am auditat situatiile financiare anexate ale societatii S.C. Romvag S.A. ("Societatea") care cuprind bilantul la data de 31 decembrie 2010, contul de profit si pierdere, situatia modificarilor capitalului propriu si situatia fluxurilor de trezorerie pentru exercitiul financiar incheiat la aceasta data si un sumar al politicilor contabile semnificative si alte note explicative. Situatiile financiare mentionate se refera la:

- ▶ Active net negative/Total capitaluri negative: 38.411 mii lei
- ▶ Rezultatul net al exercitiului financiar: 73.458 mii lei, pierdere

- 1 We have audited the accompanying financial statements of S.C. Romvag S.A. ("the Company"), which comprise the balance sheet as at 31 December 2010, the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, presenting the following:

- ▶ Net negative assets/Total negative equity and reserves: 38,411 thousand lei
- ▶ Loss for the year: 73,458 thousand lei

**Responsabilitatea conducerii pentru situatiile financiare**  
*Management's responsibility for the financial statements*

- 2 Conducerea Societatii are responsabilitatea intocmirii si prezentarii fidele a acestor situatii financiare in conformitate cu Ordinul Ministrului Finantelor Publice nr. 3055/2009 cu modificarile si completarile ulterioare si cu politicile contabile descrise in notele la situatiile financiare, si pentru acel control intern pe care conducerea il considera necesar pentru a permite intocmirea de situatii financiare care sunt lipsite de denaturari semnificative, cauzate fie de fraudă, fie de eroare.
- 2 Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Order of the Minister of Public Finance no. 3055/2009 and subsequent amendments and the accounting policies described in the notes to the financial statements, and for such internal control as management determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Responsabilitatea auditorului**  
*Auditors' responsibility*

- 3 Responsabilitatea noastra este ca, pe baza auditului efectuat, sa exprimam o opinie asupra acestor situatii financiare. Noi am efectuat auditul conform standardelor de audit adoptate de Camera Auditorilor Financiari din Romania. Aceste standarde cer ca noi sa respectam cerintele etice ale Camerei, sa planificam si sa efectuam auditul in vederea obtinerii unei asigurari rezonabile ca situatiile financiare nu cuprind denaturari semnificative.
- 3 *Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing as adopted by the Romanian Chamber of Financial Auditors. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.*
- 4 Un audit consta in efectuarea de proceduri pentru obtinerea probelor de audit cu privire la sumele si informatiile prezentate in situatiile financiare. Procedurile selectate depind de rationamentul profesional al auditorului, incluzand evaluarea riscurilor de denaturare semnificativa a situatiilor financiare, datorate fraudei sau erorii. In evaluarea acestor riscuri, auditorul ia in considerare controlul intern relevant pentru intocmirea si prezentarea fidela a situatiilor financiare ale Societatii pentru a stabili procedurile de audit relevante in circumstantele date, dar nu si in scopul exprimarii unei opinii asupra eficientei controlului intern al Societatii. Un audit include, de asemenea, evaluarea gradului de adecvare a politicilor contabile folosite si rezonabilitatea estimarilor contabile elaborate de catre conducere, precum si evaluarea prezentarii situatiilor financiare luate in ansamblul lor.
- 4 *An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.*
- 5 Consideram ca probele de audit pe care le-am obtinut sunt suficiente si adecvate pentru a constitui baza opiniei noastre de audit.
- 5 *We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.*

**Bazele opiniei cu rezerve**  
**Basis for qualified opinion**

**6 Limitarea sferei activitatii auditorului**  
**6 Limitation on the scope of the auditor's work**

6.a) Asa cum am mentionat in nota 10 (B.2), Societatea a inregistrat, in legatura cu partile legate, creante in suma de 73.508 mii RON, imprumuturi in suma de 26.000 mii RON acordate catre International Railway Systems SA si avansuri in suma de 150 mii RON, acordate lui Astra Vagoane Arad SA. Avand in vedere ca una dintre aceste entitati are conturile bancare blocate iar celelalte entitati se confrunta cu probleme de lichiditate, consideram ca exista incertitudini cu privire la capacitatea Societatii de a recupera aceste sume.

*6.a) As indicated in Note 10 (B.2) the Company has in relation to related parties: receivables of RON 73,508 thousand; loans provided to International Railway Systems SA of RON 26,000 thousand; and advances to Astra Vagoane Arad SA of RON 150 thousand. Given the fact that one of these entities has bank accounts blocked and other entities are facing liquidity issues, we consider that there are uncertainties as to whether the Company will be able to recover these amounts.*

6.b) Societatea are creante in suma de 357 mii RON care au o vechime de peste un an. Consideram ca, in ceea ce priveste incasarea acestor sume, exista incertitudini cu privire la capacitatea Societatii de a le recupera.

*6.b) The Company has receivables of RON 357 thousand which are older than one year. In relation to the collection of these amounts we believe there is an uncertainty as to whether the Company will be able to recover them.*

6.c) Pe baza unui raport intocmit de un evaluator independent, la 31 decembrie 2009, Societatea a inregistrat o majorare cu 226 mii RON a valorii contabile a terenurilor si cladirilor. Conform documentelor care ne-au fost furnizate, nu am putut sa evaluam daca raportul prezinta adecvat valoarea activelor in conformitate cu principiile ANEVAR, elaborate pe baza principiilor de evaluare aplicate la nivel international. Astfel, nu am putut sa determinam daca erau necesare evaluari ale valorii acestora la 31 decembrie 2010 in cadrul rezervei din reevaluare si al rezultatului aferent perioadei respective in functie de amortizarea inregistrata in exercitiul incheiat la 31 decembrie 2010.

*6.c) As of 31 December 2009, the Company recorded an increase of the carrying value of land and constructions of RON 226 thousand based on a report prepared by an independent valuer. Based on the documentation provided to us, we could not assess whether the report appropriately reflects the value of the assets in accordance with ANEVAR principles, which are based on generally applied international valuation principles. Thus, we were unable to determine whether any adjustments to their value were necessary at 31 December 2010, on the related revaluation reserve and on period results on the basis of depreciation recorded during the year ended 31 December 2010.*

**Opinia cu rezerve**  
**Qualified opinion**

7 In opinia noastra, cu exceptia unor potentiale efecte ale aspectelor descrise in paragraful 6, situatiile financiare ofera o imagine corecta si fidela a pozitiei financiare a Societatii la 31 decembrie 2010, a performantei financiare si a fluxurilor de numerar pentru exercitiul financiar incheiat la aceasta data, in conformitate cu Ordinul Ministrului Finantelor Publice nr. 3055/2009 cu modificarile si completarile ulterioare si cu politicile contabile descrise in notele la situatiile financiare.

7 In our opinion, except for the possible effects of the matters described in paragraph 6, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2010, and of its financial performance and its cash flows for the year then ended in accordance with the Order of the Minister of Public Finance no. 3055/2009 and subsequent amendments and the accounting policies described in the notes to the financial statements.

**Evidentierea unor aspecte**  
**Emphasis of matter**

Fara a exprima alte rezerve, atragem atentia asupra informatiilor din nota 6 (A.3) furnizate de conducere cu privire la faptul ca Societatea se afla in prezent in administrare judiciara. Situatiile financiare care prezinta pozitia financiara, performanta si fluxurile de numerar ale Societatii sunt intocmite pe baza ipotezei ca societatea va continua sa-si desfasoare activitatea. Ca urmare a procesului de administrare judiciara exista o incertitudine semnificativa si aceasta poate cauza indoilei semnificative cu privire la capacitatea Societatii de a-si continua activitatea. Daca ipoteza continuitatii activitatii nu se mai aplica, acest lucru ar putea afecta valoarea contabila a mijloacelor fixe, a creantelor comerciale si a altor creante, a cheltuielilor inregistrate in avans si a stocurilor raportate in situatiile financiare la 31 decembrie 2010 pentru exercitiul incheiat la aceasta data.

Without further qualifying our opinion we would draw your attention to the management disclosure in Note 6 (A.3) that the Company is currently under judicial administration. The financial statements of the Company reflecting its financial position as well as its financial performance and cash-flow for the year ending 31 December 2010 are prepared based on the assumption that the entity is and will continue to operate on a going concern basis. As a result of the judicial administration process material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. If the going concern assumptions are not applicable, this could impact on the carrying value of fixed assets, trade and other receivables, prepayments and inventories as reported in the financial statements as of and for the year ended 31 December 2010.

**Raport asupra conformitatii raportului administratorilor cu situatiile financiare**  
**Report on conformity of the Administrators' Report with the financial statements**

In conformitate cu Ordinul Ministrului Finantelor Publice nr. 3055/2009, articolul 320, punctul 1e, noi am citit raportul administratorilor atasat situatiilor financiare. Raportul administratorilor nu face parte din situatiile financiare. In raportul administratorilor, noi nu am identificat informatii financiare care sa nu fie in mod semnificativ in conformitate cu informatiile prezentate in situatiile financiare la 31 decembrie 2010, atasate.

*In accordance with the Order of the Minister of Public Finance no 3055/2009, article no. 320 point 1e) we have read the Administrators' Report. The Administrators' Report is not a part of the financial statements. In the Administrators' Report we have not identified any financial information which is not in accordance, in all material respects, with the information presented in the accompanying financial statements as at 31 December 2010.*

In numele  
On behalf of

**Ernst & Young Assurance Services SRL**

Inregistrat la Camera Auditorilor Financiari din Romania

Cu nr. 77/15 august 2001

Registered with the Chamber of Financial Auditors in Romania

Nr. 77/15 August 2001

 **ERNST & YOUNG**

**05 -07- 2011**

Initialed for identification  
Semnat pentru identificare



Numele semnatarului: Garry R. Collins  
Name of signing person: Garry R. Collins

Inregistrat la Camera Auditorilor Financiari din Romania

Cu nr. 179/15.10.2000

Registered with the Chamber of Financial Auditors in Romania

Nr. 179/15 October 2000

Bucuresti, Romania

5 iulie 2011

Bucharest, Romania

5 July 2011