

**KPMG Audit SRL**

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**Independent Auditors' Report
(free translation¹)**

To the shareholders of
SIF Muntenia S.A.

Report on the Separate Financial Statements

- 1 We have audited the accompanying separate financial statements of SIF Muntenia S.A. ("the Company") which comprise the separate statement of financial position as at 31 December 2015, the separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate Financial Statements

- 2 Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Norm of the Financial Supervisory Authority no. 39/2015 for the approval of accounting regulations in accordance with International Financial Reporting Standards applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority, operating in the Financial Instruments and Investments Sector ("Norm no. 39/2015"), and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

¹ TRANSLATOR'S EXPLANATORY NOTE: The above translation of the auditors' report is provided as a free translation from Romanian which is the official and binding version and refers to the Romanian version of the financial statements which was subject to our audit

Auditors' Responsibility

- 3 Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.
- 4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the separate 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 separate financial statements.
- 5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

- 6 In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of the Company as at 31 December 2015, and its separate financial performance and its separate cash flows for the year then ended in accordance with the Norm of the Financial Supervisory Authority no. 39/2015 for the approval of accounting regulations in accordance with International Financial Reporting Standards applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority, operating in the Financial Instruments and Investments Sector.

Other matters

- 7 In accordance with Norm of the Financial Supervisory Authority no. 39/2015 for the approval of accounting regulations in accordance with International Financial Reporting Standards applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority, operating in the Financial Instruments and Investments Sector, the Company has the legal obligation to prepare and to have audited the consolidated financial statements as at 31 December 2015.

- 8 This independent auditors' report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for the report on the separate financial statements and the report on the administrators' report, or for the opinion we have formed.

Report on the Administrators' Report

The Administrators are responsible for the preparation and presentation of the Administrators' Report in accordance with the Norm of the Financial Supervisory Authority no. 39/2015 articles 8 - 13 of the accounting regulations in accordance with International Financial Reporting Standards applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority, operating in the Financial Instruments and Investments Sector and for such internal control as Administrators determine is necessary to enable the preparation and presentation of the Administrators' Report that is free from material misstatement, whether due to fraud or error.

The Administrators' Report presented from page 1 to 49 is not part of the separate financial statements.

Our opinion on the separate financial statements does not refer to the Administrators' Report.

In connection with our audit of the separate financial statements as at and for the year ended 31 December 2015 we have read the Administrators' Report attached to the separate financial statements presented from page 1 to 49 and based on this we report that:

- a) In the Administrators' Report we have not identified information which is not in accordance, in all material respects, with the information presented in the accompanying separate financial statements;
- b) The Administrators' Report identified above includes, in all material respects, the information required by the Norm of the Financial Supervisory Authority no. 39/2015 articles 8 - 13 of the accounting regulations in accordance with International Financial Reporting Standards applicable to entities authorised, regulated and supervised by the Financial Supervisory Authority, operating in the Financial Instruments and Investments Sector.

In addition, based on our knowledge and understanding of the entity and its environment acquired during our audit of the separate financial statements as at and for the year ended 31 December 2015, we have not identified historical financial information included in the Administrators' Report and respectively information included in the section "Description of the main characteristics of the internal control systems and risk management" in the Administrators' Report that contains a material error.

The Administrator's report includes financial forecasts based on assumptions regarding potential future events or future actions of the management and also includes other operational data. Financial forecasts and/or operational data are not included within the scope of the audit of the financial statements and as a result our report does not refer to such information included in the Administrators' Report.

For and on behalf of KPMG Audit SRL:

Grecu Tudor-Alexandru

Refer to the original signed
Romanian version

KPMG AUDIT SRL

registered with the Chamber of Financial
Auditors of Romania under no
2368/22.01.2008

registered with the Chamber of Financial
Auditors of Romania under no 9/2001

Bucharest, 16 March 2016