

PRELIMINARY FINANCIAL RESULTS as of December 31st 2018

The total asset value of SIF Muntenia portfolio as of 31.12.2018 amounted to 1,348,139,758 Lei, decreasing by 117,430,151 Lei as compared to the similar period of 2017. The negative difference is mainly due to the sharp fall of the market quotations registered on the BSE during December 2018. Thus, only in December, the total value of the assets in SIF Muntenia's portfolio dropped by more than 130,000,000 Lei as compared to November.

On 31.12.2018 SIF Muntenia had in its portfolio 141 companies, 12 companies less as compared to 31.12.2017.

As of 31 December 2018, SIF Muntenia achieved a net result amounting to 95,581,419 Lei, comprising 22,799,383 Lei net profit and 72,782,036 Lei net income from the sale of assets, registered in retained earnings - accounting treatment under IFRS 9.

Top 10 companie of SIF Muntenia's portfolio as of December 31st 2018

Company name	Traded on	Simbol	Fair value (lei)	Weight in issuer's share capital	Weight in SIF's total asset value
BANCA TRANSILVANIA	BVB Premium	TLV	246,672,622	2.56%	18.30%
BIOFARM SA	BVB Premium	BIO	163,273,196	50.98%	12.11%
BRD - GSG	BVB Premium	BRD	53,066,909	0.67%	3.94%
SIF BANAT-CRISANA	BVB Premium	SIF1	52,526,279	4.97%	3.90%
CI-CO SA BUCURESTI	AeRO Standard	CICO	44,387,862	97.34%	3.29%
FIROS S.A BUCURESTI	n/a	n/a	43,692,108	99.68%	3.24%
SIF OLTENIA	BVB Premium	SIF5	36,279,000	2.30%	2.69%
S.N.G.N. ROMGAZ	BVB Premium	SNG	34,154,107	0.32%	2.53%
MUNTENIA MEDICAL COMPETENCES	n/a	n/a	32,421,852	99.76%	2.40%
ROMAERO SA BUCURESTI	AeRO Standard	RORX	31,970,921	23.24%	2.37%

Individual statement of profit or loss and of other elements of the comprehensive income

For the financial year ended at December 31st, 2018

(preliminary form, unaudited)

<i>În LEI</i>	2018	2017
Income		
Dividend income	56,969,732	41,082,068
Interest income	890,357	635,520
Other operating income	667,435	332,863
Investment gain		
Net gain / (Net loss) from foreign exchange differences	16,448	(112,267)
Net gain on disposal of assets	-	11,469,719
(Net loss) / Net gain on revaluation of financial assets at fair value through profit or loss	(22,162,265)	38,880,342
Expenses		
Resume Losses / (Losses) from impairment of assets	13,180,505	(10,850,357)
Administration costs		
Administration fees	(17,400,000)	(18,707,525)
Expenses with the remuneration of members of the Shareholders' Representatives Council and staff salaries	(891,801)	(1,524,611)
Other operating expenses	(4,121,009)	(4,206,904)
Profit before tax	27,149,402	56,998,848
Profit tax	(4,350,019)	(5,993,521)
Net Profit of the period	22,799,383	51,005,327
Other elements of the comprehensive result	2018	2017
Items that can not be reclassified in profit or loss		
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax	48,409,891	-
Reserve relating to financial assets at fair value through other items of comprehensive income transferred to retained earnings	(41,678,200)	-
Items that are or can be reclassified in profit or loss		
Fair value revaluation of available-for-sale financial assets, net of deferred tax	-	123,370,348
Reserve relating to available-for-sale financial assets transferred to profit or loss	-	(3,977,159)
Other elements of the comprehensive result	6,731,691	119,393,189
Total comprehensive result of the period	29,531,074	170,398,516
Earnings per share		
Basic	0.028	0.063
Diluted	0.028	0.063

Individual statement of financial position

For the financial year ended at December 31st, 2018

(preliminary form, unaudited)

<i>In LEI</i>	31 decembrie 2018	31 decembrie 2017
Assets		
Cash and current accounts	1,079,966	6,574,391
Deposits with banks	29,381,709	15,558,404
Financial assets at fair value through profit or loss	710,614,051	98,683,282
Financial assets at fair value through other comprehensive income / Available-for-sale financial assets	585,329,963	1,164,697,391
Financial assets measured at amortized cost / Loans and receivables	10,171,781	5,863,691
Tangible assets	104,392	165,731
Other assets	8,995,821	7,728,962
Total assets	1,345,677,683	1,299,271,852
Liabilities		
Dividends to be paid	66,635,384	54,323,451
Deferred tax liabilities	19,427,363	29,550,239
Other liabilities	4,461,325	10,770,267
Total liabilities	90,524,072	94,643,957
Equity		
Share capital	80,703,652	80,703,652
Hyperinflation effect - IAS 29	803,294,017	803,294,017
Reported result / (Cumulated Loss)	282,497,939	(50,931,247)
Reserves from revaluation of financial assets at fair value through other comprehensive income / available-for-sale financial assets	15,875,967	371,561,473
Retained earnings representing surplus from revaluation reserves - IFRS 9	72,782,036	-
Total equity	1,255,153,611	1,204,627,895
Total liabilities and equity	1,345,677,683	1,299,271,852

Individual statement of own equity changes

For the financial year ended at December 31st, 2018

(preliminary form, unaudited)

<i>In LEI</i>	Share capital	Reserves from revaluation of financial assets at fair value through other items of comprehensive income	(Cumulated Loss) / Retained earnings	Retained earnings from surplus from revaluation reserves - IFRS 9	Total
Balance as of 31 December 2017	883,997,669	371,561,473	(50,931,247)	-	1,204,627,895
Comprehensive income					
<i>Profit of the period</i>	-	-	22,799,383	-	22,799,383
<i>Other elements of comprehensive income</i>					-
Revaluation at fair value of financial assets at fair value through other comprehensive income, net of deferred tax	-	48,409,891	7,437,026	-	55,846,917
Reserve relating to financial assets at fair value through other items of comprehensive income transferred to retained earnings	-	(41,678,200)	-	41,678,200	-
Transfer of reserve for financial assets available for sale in retained earnings as a result of the adoption of IFRS 9, net of deferred tax	-	(362,417,197)	362,300,780	-	(116,417)
Transfer of retained earnings from transition date to IFRS 9 in surplus achieved for disposed financial assets	-	-	(31,103,836)	31,103,836	-
Total comprehensive income for the period	-	(355,685,506)	361,433,353	72,782,036	78,529,883
Transactions with shareholders, recognized directly in equity					
Prescribed dividends	-	-	-	-	-
Dividends to be paid	-	-	(28,004,167)	-	(28,004,167)
Total transactions with shareholders, recognized directly in equity	-	-	(28,004,167)	-	(28,004,167)
Balance as of 31 December 2018	883,997,669	15,875,967	282,497,939	72,782,036	1,255,153,611

Individual statement of own equity changes

For the financial year ended at December 31st, 2018

(preliminary form, unaudited)

<i>În LEI</i>	Share capital	Reserves from revaluation of available-for-sale financial assets	Cumulated loss	Total
Balance as of 1 January 2017	883,997,669	252,168,284	(111,719,355)	1,024,446,598
Comprehensive income				
<i>Profit of the period</i>	-	-	51,005,327	51,005,327
<i>Other elements of comprehensive income</i>				
Fair value revaluation of available-for-sale financial assets, net of deferred tax	-	123,370,348	-	123,370,348
Reserve relating to available-for-sale financial assets transferred to profit or loss	-	(3,977,159)	-	(3,977,159)
Total comprehensive result for the period	-	119,393,189	51,005,327	170,398,516
Transactions with shareholders, recognized directly in equity				
Prescribed dividends	-	-	42,064,242	42,064,242
Dividends to be paid	-	-	(32,281,461)	(32,281,461)
	-	-	9,782,781	9,782,781
Total transactions with shareholders, recognized directly in equity				
Balance as of 31 December 2017	883,997,669	371,561,473	(50,931,247)	1,204,627,895

Individual statement of treasury flows

For the financial year ended at December 31st, 2018

(preliminary form, unaudited)

<i>În LEI</i>	2018	2017
Operating activities		
Profit before tax	27,149,402	56,998,848
<i>Adjustments:</i>		
(Loss) / Impairment losses on other assets	(13,180,505)	12,276,199
Net loss / (Net gain) on revaluation of financial assets at fair value through profit or loss	22,162,265	(38,880,342)
Dividend income	(56,969,732)	(41,082,068)
Interest income	(890,357)	(635,520)
Income with impairment adjustments for financial assets measured at amortized cost / loans and receivables	-	(1,425,842)
(Net Earnings) / Net loss on foreign exchange rates	(16,448)	112,267
Other adjustments	74,497	71,579
Changes in operating assets and liabilities		
Changes in financial assets at fair value through profit or loss	(27,922,221)	(27,397,586)
Changes in financial assets at fair value through other comprehensive income / available-for-sale financial assets	17,823,500	(35,766,090)
Changes in financial assets measured at amortized cost / loans and receivables	(5,300,000)	(3,283,443)
Changes in other assets	11,643,752	(239,797)
Changes in other liabilities	1,736,626	1,018,246
Dividends received	55,507,818	39,848,593
Interest receivable	765,149	804,677
Paid profit tax	(8,438,961)	(3,390,515)
Net cash resulting from / (used in) operating activities	24,144,785	(40,970,794)
Investment activities		
Payments for the acquisition of tangible and intangible assets	(7,163)	(6,511)
Proceeds from the sale of property, plant and equipment	1,200	1,000
Net cash used in investing activities	(5,963)	(5,511)
Financing activities		
Dividends paid, including dividend tax paid	(15,815,227)	(18,198,492)
Net placements in deposits with a maturity of more than 3 months and less than one year	(6,990,000)	62,756,000
Net cash (used in) / result from financing activities	(22,805,227)	44,557,508
Net increase in cash and cash equivalents	1,333,595	3,581,203
Effect of exchange rate fluctuation on cash and cash equivalents	(6,058)	(83,400)
Cash and cash equivalents on 1 January	19,074,391	15,576,588

<i>În LEI</i>	2018	2017
Cash and cash equivalents on 31 December of which:	20,401,928	19,074,391
Cash at the cash desk	575	4,776
Current accounts with banks	1,079,391	6,569,615
Bank deposits with original maturity of less than 3 months	19,321,962	12,500,000

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