



QUARTERLY REPORT

31ST MARCH 2019

Prepared in accordance with Law no. 24/2017, FSA Regulations no. 5/2018 and
15/2004, BSE Code and FSA Norme no. 39/2015

by **Societatea de Administrare a Investițiilor Muntenia Invest S.A.**

Company Name	Societatea de Investiții Financiare Muntenia S.A.
Headquarters	16, Splaiul Unirii, Bucharest, sector 4
Sole Registration Code	3168735
Trade Registry Registration Number	J40/27499/1992
LEI Code	2549007DHG4WLBMAAO98
FSA Register number	PJR09SIIR/400005
Subscribed and paid up share capital	80,703,651.5 lei
Number of issued shares	807,036,515
Shares characteristics	Common, nominative, indivisible, dematerialized
Face value	0.1 lei
Regulated Market on which the issued securities are traded	Bucharest Stock Exchange, Main segment, Premium Tier, SIF4 symbol
Main object of activity	Making financial investments in order to maximize the value of its own shares, in accordance with the regulations in force; managing the investment portfolio and exercising all rights associated with the instruments in which it is invested; risk management CAEN Code 6499 - Other financial service activities, except insurance and pension funding n.e.c
Shareholding structure	100% private
Free capitalization	100%
Depository and custodian services	BRD Groupe Societe Generale
Shares and shareholders register	Depozitarul Central S.A.
Financial auditor	KPMG Audit S.R.L.
Contact	Romania, Bucharest, sector 4, 16 Splaiul Unirii, 040035
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Authorised by NSC Decision no. D6924/17.07.1997

Reauthorised by NSC Decision no. 110/13.01.2004

Registered in the NSC Register under no. PJR05SAIR/400006/as of 21.12.2017 following the registration as AIFM

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1 GENERAL INFORMATION

SIF Muntenia is a Romanian legal person, constituted as a private equity company. The functioning of the company is governed by the provisions of ordinary and special Romanian laws, applicable in the field of financial investment companies, as well as by the provisions of its Articles of Incorporation.

SIF Muntenia S.A. is a collective investment institution operating in Romania in accordance with the provisions of the Companies Law no. 31/1990, Law no. 297/2004 regarding the capital market, Law no. 74/2015 regarding alternative investment fund managers and Law no. 24/2017 on issuers of financial instruments and market operations.

SIF Muntenia is registered in the FSA Register of financial instruments and investments in the Alternative / Closed Investment Companies Section.

During the first quarter of 2019 there were no reorganizations, mergers or divisions of SIF Muntenia S.A.'s activity.

The main areas of activity of SIF Muntenia, as provided for in the Articles of Incorporation, are:

- a) making financial investments in order to maximize the value of its own shares, in accordance with the regulations in force;
- b) managing the investment portfolio and exercising all rights associated with the instruments in which it is invested;
- c) risk management;
- d) other auxiliary and adjacent activities in accordance with the regulations in force.

SIF Muntenia professionally uses financial instruments with significant effects on the valuation of assets, liabilities, financial position and profit or loss. Acquisitions and disposals of assets carried out by SIF Muntenia in the first quarter of 2019 relate to the sale and purchase transactions of financial instruments. Details of these transactions are presented below in this Report.

In the period ended 31st March 2019, the Company continues to be an investment entity as there were no changes to the classification criteria as an investment entity.

Within the investment policy of SIF Muntenia S.A., its Manager, S.A.I. Muntenia Invest S.A., does not carry out securities financing transactions (SFT) and neither does it use total return swap instruments as defined by the E.U. Regulation 2365/2015.

S.A.I. Muntenia Invest S.A. as a Manager of SIF Muntenia, does not intend to provide other activities related to the investments, either directly or through a subsidiary, which is a separate substantial economic activity or a separate, important source of income for the SIF Muntenia investment entity.

2 ACTIVITY ANALYSIS

Main strategic objectives for 2019:

- Continue the restructuring of the portfolio and its efficient management so as to ensure sustainable long-term growth.
- Continue the investment process, focusing on investments in Romania and listed shares.

The main financial milestones of SIF Muntenia's asset / share evolution between March 2018 and March 2019 are presented below.

In LEI	Q1 2019	2018	Q1 2018
Total certified asset	1,433,191,241	1,348,139,756	1,545,059,815
Net asset value (NAV)	1,338,982,714	1,257,619,660	1,446,552,550
Net asset value per share (NAV per SHARE)	1.6591	1.5583	1.7924

Table no. 2.1. *Asset evolution*

SIF Muntenia reported a total value of the certified asset increased by 6.3% in the first three months of 2019 and decreasing by 7.2% y / y. NAV and NAV per SHARE increased by 6.5% in the first quarter of 2019 (down 7.4% year on year). Details in the TOTAL ASSET AND NET ASSET chapter.

In LEI	Q1 2019	2018	Q1 2018
Closing price end of period	0.632	0.598	0.880
Market capitalisation (mn. Lei)	510.05	482.61	710.19
Net Asset Discount	61.9%	61.6%	50.9%

Table no. 2.2. *SIF4 share evolution*

The trading value of SIF Muntenia shares increased by 5.7% in the first quarter of 2019 compared to the end of 2018 and was by 28.2% less than in the same period of the previous year. Liquidity of transactions with SIF4 shares remained at low values - the total trading value of SIF Muntenia shares on the BSE in the first quarter of 2019 amounted to RON 4.8 mn, with shares representing 0.06% of the number of issued shares being traded. Details in the subchapter TRADING OF SHARES ISSUED BY SIF MUNTENIA.

In LEI	Q1 2019	2018	Q1 2018
Total asset	1,401,106,810	1,345,677,683	1,376,550,549
Total liabilities	94,208,527	90,524,072	98,507,251
Equity	1,306,898,283	1,255,153,611	1,278,043,298
Gross profit	450,936	27,149,402	9,983,126

Table no. 2.3. *Financial result*

Total accounting assets and equity, as at 31 March 2019, increased by 4.12% compared to the value registered at the end of 2018. Liabilities increased by 4.07% as compared to the end of last year, the main factor being the deferred income tax liability, calculated in the first quarter of 2019. Details in the Notes to the interim financial statements as at 31.03.2019.

2.1 PORTFOLIO MANAGEMENT

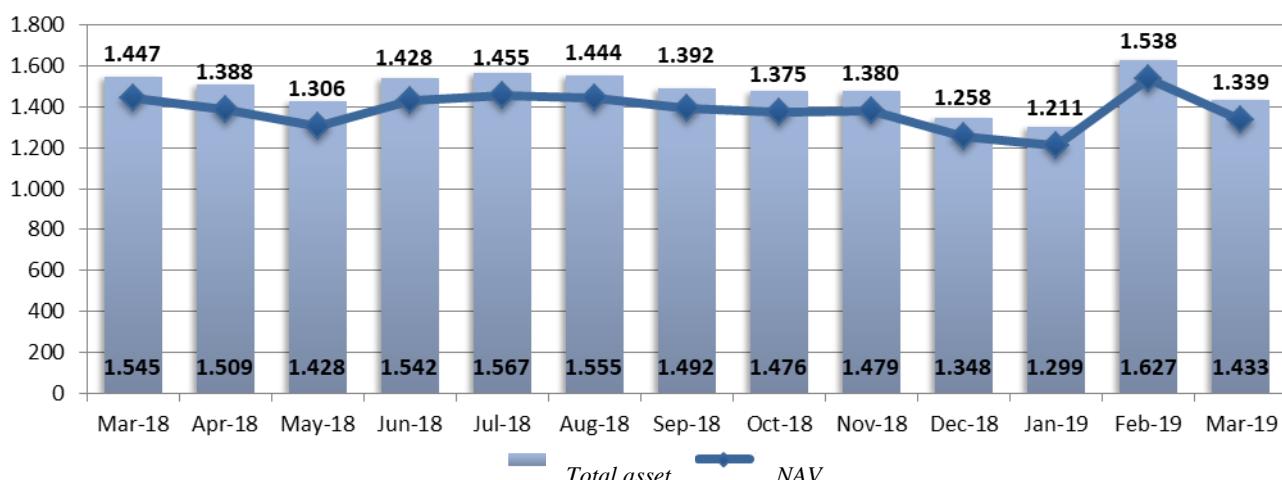
TOTAL ASSET AND NET ASSET

To the shareholders' information, monthly Net Asset Values were published on the corporate website www.sifmuntenia.ro and reported under legal provisions to the FSA - Financial Instruments and Services Sector and to the Bucharest Stock Exchange (BSE) no later than 15 calendar days as of the end of the reporting month. The rules for the valuation of financial assets in the SIF Muntenia portfolio are presented on the fund's website¹.

In LEI	Q1 2019	2018	Q1 2018
TOTAL CERTIFIED ASSET	1,433,191,241	1,348,139,756	1,545,059,815
TOTAL LIABILITIES	94,208,527	90,520,096	98,507,265
NET ASSET	1,338,982,714	1,257,619,660	1,446,552,550
NET ASSET per SHARE	1.6591	1.5583	1.7924
<i>CEB EUR exchange rate</i>	4.7608	4.6635	4,6565
TOTAL CERTIFIED ASSET (expressed in euro)	301,040,002	289,083,254	331,807,112
NET ASSET (expressed in euro)	281,251,620	269,672,920	310,652,325

Table no. 2.4. *Certified asset value*

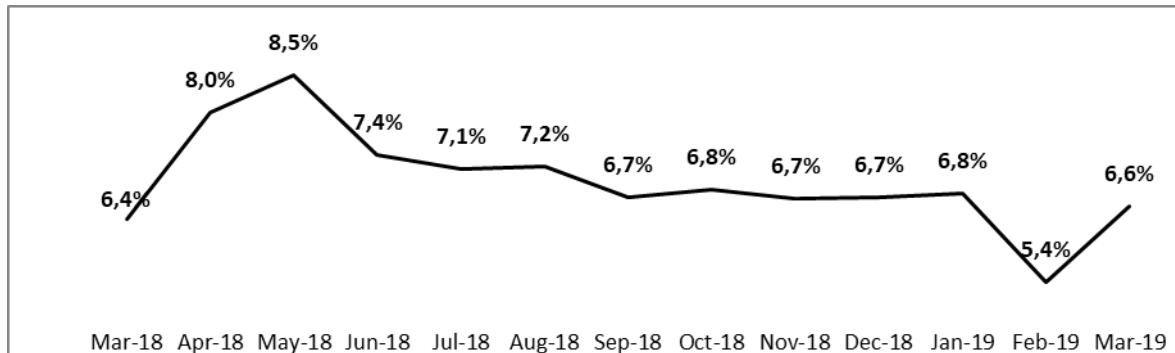
Chart no. 2.1. *Evolution of total asset, net asset, during the last year (mn. lei)*



¹ <http://www.sifmuntenia.ro/investitii/activ-net/reguli-privind-evaluarea-activelor/>

The following chart shows the evolution of the Liabilities / Total Asset Indicator between March 2018 and March 2019.

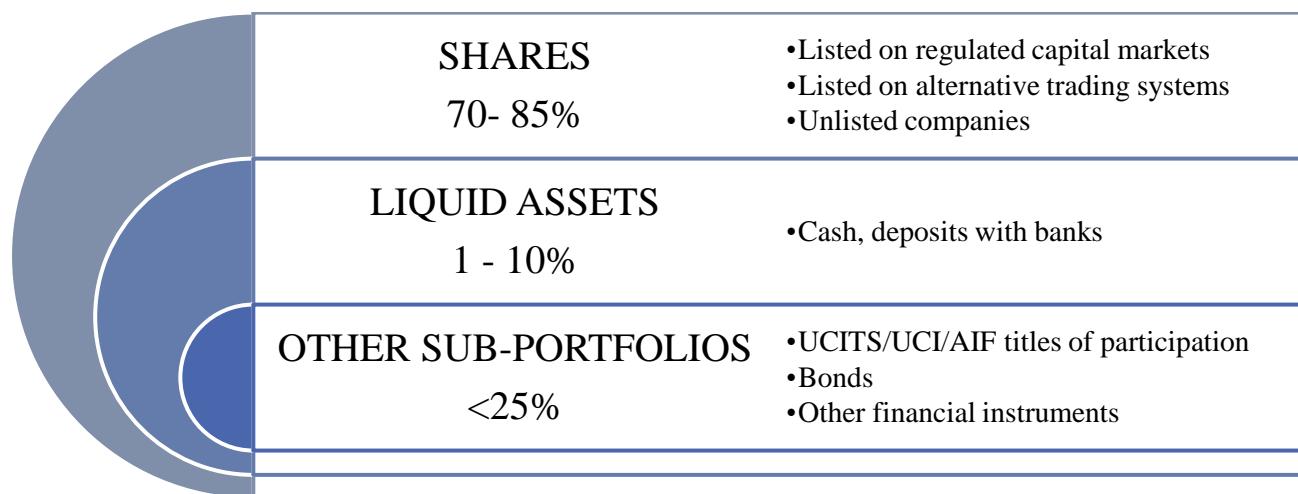
Chart no. 2.2. Evolution of liabilities/total asset during the last year (%)



ASSET ALLOCATION

As at 31 March 2019, SIF Muntenia's portfolio fell within the applicable legal limits, defined by SIF Muntenia's target portfolio as a diversified balanced fund.

The target portfolio is subject to shareholders' approval through the SIF Muntenia Management Program for 2019 and is presented in the figure below.



The main sub-portfolios that comprise SIF Muntenia's portfolio are presented below, both in value and as percentage of the total certified asset.

In LEI	Q1 2019	2018	Q1 2018
Listed shares	950,602,909	847,312,992	1,072,961,152
Unlisted shares	182,024,915	193,558,597	166,839,295
Listed bonds	84,643,514	82,557,980	83,493,627
Unlisted bonds	6,721,186	6,693,865	1,175,600
Cash available	1,795,026	733,446	3,556,388
Bank deposits	27,140,606	29,369,735	16,111,499
Participation titles	168,492,876	175,856,515	182,337,487
Other assets	11,770,209	12,056,626	18,584,768
TOTAL ASSET	1,433,191,241	1,348,139,756	1,545,059,816

Table no. 2.5. Detailed total certified asset, value comparison

As % of total certified asset	Q1 2019	2018	Q1 2018
Listed shares	66.3%	62.9%	69.4%
Unlisted shares	12.7%	14.4%	10.8%
Listed bonds	5.9%	6.1%	5.4%
Unlisted bonds	0.5%	0.5%	0.1%
Cash available	0.1%	0.1%	0.2%
Bank deposits	1.9%	2.2%	1.0%
Participation titles	11.8%	13.0%	11.8%
Other assets	0.8%	0.8%	1.3%

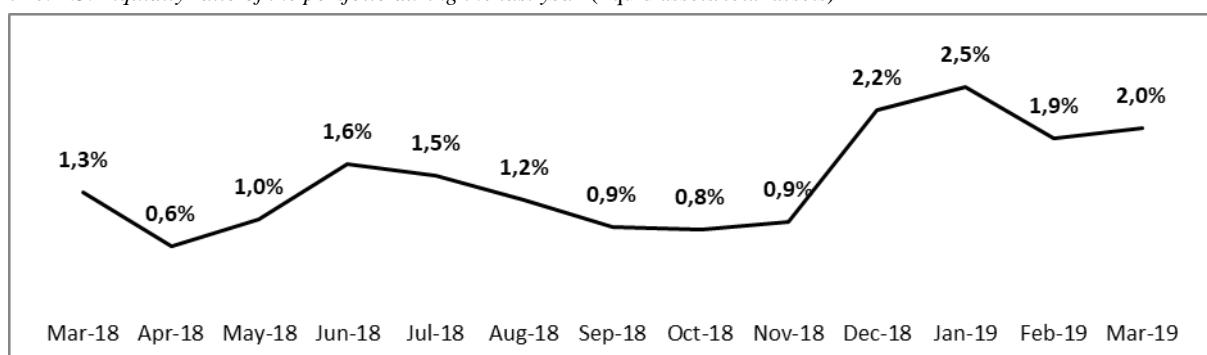
Table no. 2.6. *Detailed total certified asset, percentage comparison*

The detailed statement of investments of SIF Muntenia as at 29 March 2019, prepared in accordance with Annex no. 17 of Regulation no. 15/2004, is attached to this report.

The liquidity level of the portfolio, defined as the ratio of liquidity plus bank deposits and total assets, was within the limits required by prudent liquidity risk management and within the limits of SIF Muntenia's target portfolio.

One month ROBID interest rates varied between 2.21% and 3.06% in the first quarter of 2019 and one month ROBOR between 2.54% and 3.38%. SIF Muntenia's average deposit interest rate on 31.03.2019 was 2.54%, which is higher than one month ROBID. The liquidity ratio of the portfolio (ratio of assets plus bank deposits and certified total assets) was maintained at low values under these conditions, in the range of 0.5-2.5%, sufficient for current activity (operating expenses and tax expense), sources for investments and the continuing of the dividend distribution process for SIF Muntenia's shareholders.

Chart no. 2.3. *Liquidity ratio of the portfolio during the last year (liquid assets/total assets)*



Bonds subportfolio

No acquisitions or sales of bonds were recorded in the first quarter of 2019. The coupon on Banca Transilvania's bond issue amounting to 35,632.11 lei (7,618.42 euros) was collected and the coupon on Medinfarm S.A. Ploiesti's bond issue in the amount of 183,572.70 lei.

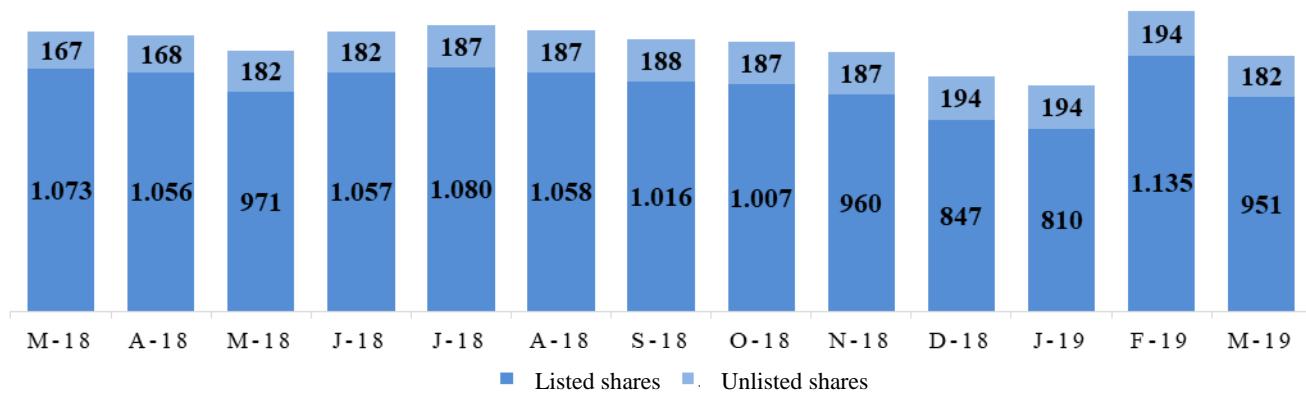
Fund units

In January 2019, fund units from FII Omnitrend were redeemed, receiving 11.86 million lei.

SHARES SUBPORTFOLIO

Participations in shares, especially those in listed on organized markets and alternative trading systems, remained the most important, both in value and in income of SIF Muntenia's portfolio.

Chart no. 2.4. *Evolution of shares value during the last year* (million lei)



The contribution of the shares sub-portfolio to the total asset increased in the first quarter of 2019 as compared to the end of 2018, with an increase in listed shares and a decrease in the net asset contribution and value of unlisted shares, as shown in the table below.

In LEI	Q1 2019	2018	Q1 2018
Listed shares, of which	950,602,909	847,312,992	1,072,961,152
- listed on BSE	686,825,250	647,312,412	700,245,615
- listed on AeRO	182,211,237	105,950,884	215,312,201
Unlisted shares – closed companies	182,024,915	193,558,597	166,839,295
TOTAL	1,132,627,824	1,040,871,589	1,239,800,447

Table no. 2.7. *Evolution of shares sub-portfolio on its main segments*

In the first quarter of 2019, the following operations were recorded in the shares sub-portfolio:

- Shares listed on organized markets of 17.06 million lei were purchased (mainly BRD - Groupe Societe Generale SA, Banca Transilvania S.A.).
- Shares of 3.17 million lei were sold (mainly S. N. Nuclearelectrica S.A. and Primcom S.A. Bucharest - as a result of the participation in the public offering offer).
- the stake held in the company Minerva S.A. (5.84 million lei) was sold in full.
- The company Foraj Sonde Bucuresti International S.A. was de-registered
- dividends from the companies in the portfolio were received in the amount of 0.45 million lei.

TOP 10 COMPANIES IN SIF MUNTEANIA'S PORTFOLIO AS AT 31 MARCH 2019

On 31 March 2019, the total value of the first 10 participations increased to 797.89 million lei and represents 59.59% of the total assets of SIF Muntenia.

As at 31 December 2018, the first 10 participations had a total value of ROL 738.44 mn and accounted for 54.77% of the total assets of SIF Muntenia.

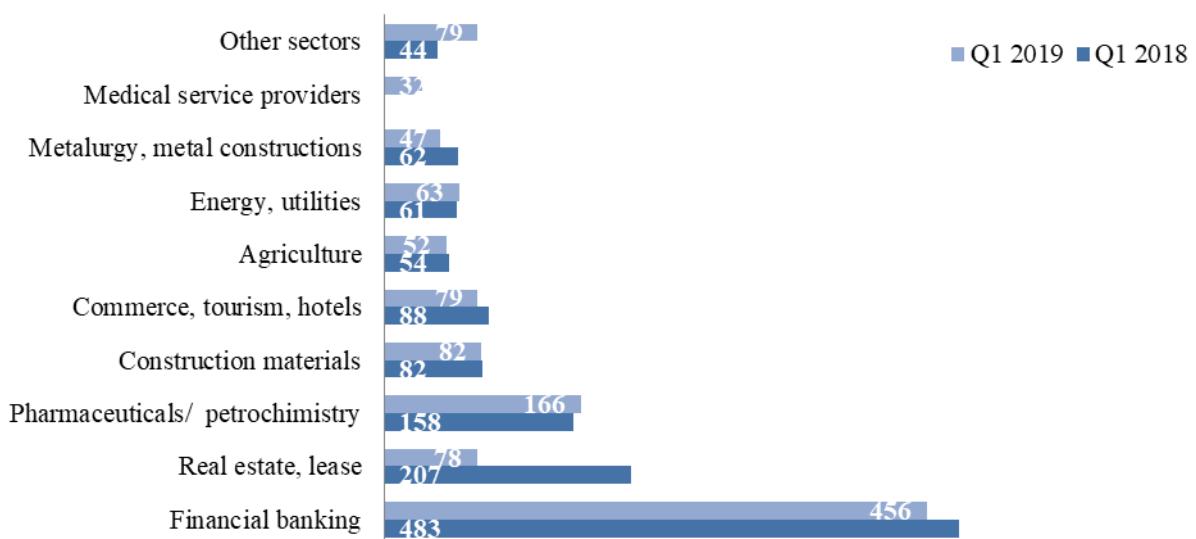
NO. crt.	Denomination	NAV* mn lei	% in SIF Muntenia GAV	Field of activity	% of the company's share capital held by SIF Muntenia
1.	Banca Transilvania S.A.	264.70	18.47	Financial - banking	2.65
2.	Biofarm S.A.	160.76	11.22	Pharmaceuticals	50.98
3.	BRD – Groupe Societe Generale	69.79	4.87	Financial - banking	0.77
4.	SIF Banat-Crișana	54.07	3.77	Other monetary intermediation activities	4.98
5.	Avicola S.A. București	51.88	3.62	Poultry	99.40
6.	CI-CO S.A.	44.39	3.10	Real estate, lease	97.34
7.	FIROS S.A	43.69	3.05	Construction materials industry	99.69
8.	S.N.G.N. Romgaz-S.A. Mediaș	39.74	2.77	Energy - utilities	0.32
9.	SIF Oltenia	36.45	2.54	Other monetary intermediation activities	3.00
10.	Muntenia Medical Competences S.A.	32.42	2.26	Medical services	99.76
TOTAL		797.89	59.59		

Table no. 2.8. Top 10 participations in Q1 2019

*Computed according to the FSA regulations

2.2 ALLOCATION ON SECTORS OF ACTIVITY

Chart no. 2.5. Main sectors of activity in which SIF Muntenia holds participations in shares (Q1 2019 compared to Q1 2018, asset values, million Lei)



Shares in companies active in the *financial and banking* sector continued to have the largest share in the total assets of SIF Muntenia.

We can see a change in the *Providers of medical services* sector as compared to the first quarter of 2018 following the inclusion in the certified net asset of the participation in Muntenia Medical Competences S.A from May 2018, after approval of the financial statements for 2017.

The steep fall in the value of companies classified in the *Real Estate, lease* sector is mainly due to the exit from Metav S.A. and Minerva S.A. companies.

THE ECONOMIC ENVIRONMENT IN THE FIRST QUARTER OF 2019

Analyzing recent consumer price dynamics, the annual inflation rate rose to 3.32% in January and to 3.83% in February 2019, from 3.27% in December 2018². As to future developments, according to the latest information and analysis, the annual inflation rate will remain on the short horizon over the upper limit of the target range.

It was noted that major uncertainties and increased risks also come from the external environment, namely the slowing down of the European economy and the recent downward revisions of the forecasts for growth in the EU and globally, implicitly of inflation forecasts in the euro area, as well as increased uncertainties about the impact of Brexit and commercial conflicts.

Recent changes to GEO no. 114/2018, by GEO no. 19/2019 published in the Official Gazette of Romania dated 29 March 2019, imposed a review of the calculation and payment mechanism of the tax owed by credit institutions, by granting tax relief facilities, provided that certain conditions mentioned in GEO No.19 / 2019 are met.

² Monetary policy meeting, National Bank of Romania, 2 april 2019

3 RISK MANAGEMENT

During the first quarter of 2019, the following categories of existing or potential risks to SIF Muntenia S.A. were analyzed and assessed in order to reduce their impact.

1. *Market risk*

For market risk measurement and assessment, a VaR tradable portfolio is calculated, an indicator that expresses the maximum potential loss with a certain probability of error expected over a given period of time, assuming that past price trends will determine the behavior of prices in the future. VaR has a value that falls within the low risk range, according to the agreed Risk Profile.

The calculated foreign currency risk is 6.38% (percentage of assets in foreign currency / total asset). With regard to this foreign currency exposure, it can be noted that this percentage increased passively and then fluctuated in the last four months due both to the decrease in managed net assets (-3.1% from the end of November 2018 until the end of March 2019), and as a result of the euro / ron exchange rate increase over the same period (+ 2.17%). On this occasion we mention that SIF Muntenia's portfolio also contains exposures in other currencies (USD and GBP), but at residual values.

The calculated parameters for the concentration risk fall within the degree of risk assumed by the Fund's Risk Profile.

Concerning the long-term interest rate risk, on 31st March 2019, there was only one issue of floating rate bonds, that of Transilvania Bank (0.08% of the total asset), with a minor impact on the risks that may affect the company's income. Bank deposits of SIF Muntenia S.A. are interest-bearing assets that are generally invested in the short term and are not exposed to a major risk of change. The Company does not use derivative financial instruments to protect itself against interest rate fluctuations.

2. *Credit risk*

The Risk Compartiment calculates indicators that determine the value of exposures to securities issued by listed and unlisted companies that have a high level of bankruptcy risk in relation to the amount of equity. The calculated indicators (the exposure rate for listed issuers and the exposure rate for unlisted issuers) fall within the risk level agreed by the Risk Profile.

Counterparty risk – there is analysed the possibility of insolvency of institutions providing services (such as asset custody) or situations where transactions with shares / bonds issued by issuers unlisted on a regulated market or on an alternative trading system. According to the calculations, the results fit the fund into the low risk area. The absence of a portfolio of derivatives or pending transactions (not settled) fits SIF Muntenia S.A. in the same very low risk area.

3. *Liquidity risk*

The risk compartment monitors liquidity available as cash and very liquid assets compared to its short-term liabilities.

The main indicator of liquidity calculation is: "Liquid assets / Liabilities (30 days)", which is a very low risk indicator according to SIF Muntenia's Risk Profile, which means that the value of cash or cash equivalent is at least five times the amount of liabilities for 30 days.

Another liquidity indicator pursued is the pooling of assets in the liquidity bands specified in ESMA Guide 869/2014 (118, 119), ie the percentage of the fund portfolio that can be liquidated in each of the specified liquidity periods. The percentages of assets classified in the liquidity bands relative to the total asset were calculated. The calculations for the entire portfolio show that it is within the medium risk level, with an optimum level of assets that can be converted into cash over the time horizon analyzed against the proposed level.

4. *Operational risk*

Operational risks address losses caused by the use of inadequate processes, internal systems, or human resources that can not properly perform their function, or external events and actions. This risk category also includes legal risk.

Leverage

S.A.I. Muntenia Invest S.A.'s policy is not to use the leverage in the management process for SIF Muntenia, ie it does not use borrowed capital or other means of increasing the exposure of an AIF as outlined in Annex no. 1 of Regulation 231/2013 of the European Commission. Therefore, in the first quarter of 2019 there are no derivative financial instruments in SIF Muntenia's portfolio, and SIF Muntenia did not use any other method to increase exposure.

4 SIF MUNTENIA SHARES. SHAREHOLDERS RELATIONS

The subscribed and paid-up share capital amounts to 80,703,651.5 lei, divided into 807,036,515 common shares with a nominal value of 0.1000 RON / share.

There is only one class of shares with a face value of 0.1 lei / share.

Shares are issued in dematerialized form and evidenced by registration in the Shareholders' Registry, managed by the Depozitarul Central S.A. Bucharest, a company authorized by the FSA.

There were no changes in the rights of the holders of securities issued by SIF Muntenia during the analyzed period.

On 31 March 2019, SIF Muntenia had 5,948,144 shareholders, natural and legal persons.

Shareholders	Number of natural persons shareholders	Number of shares held by natural persons	Number of legal persons shareholders	Number of shares held by legal persons	Total number of shareholders	Total number of shares held	% held of the share capital
Residend	5,946,021	497,376,448	168	225,266,549	5,946,189	722,642,997	89.54
Non-residend	1.934	2.182.910	21	82.210.608	1.955	84.393.518	10.46
TOTAL	5,947,955	499,559,358	189	307,477,157	5,948,144	807,036,515	100.00

Table no. 4.1. Shareholding structure

There were no changes in the number of shares issued in the first quarter of 2019. SIF Muntenia did not approve any repurchase program and did not redeem its own shares during this period.

SIF Muntenia has not issued bonds and / or other debt securities. Funding of the entire activity is done only through own funds.

4.1 TRADING OF SHARES ISSUED BY SIF MUNTENIA

The shares issued by SIF Muntenia are registered at the Bucharest Stock Exchange, the main segment, in the premium category, according to the provisions of the BSE Decision no. 200/1999 and they are traded on this market starting with 01.11.1999. The ISIN code of SIF Muntenia shares is ROSIFDACNOR6 and the symbol is SIF4.

Other share codes are:

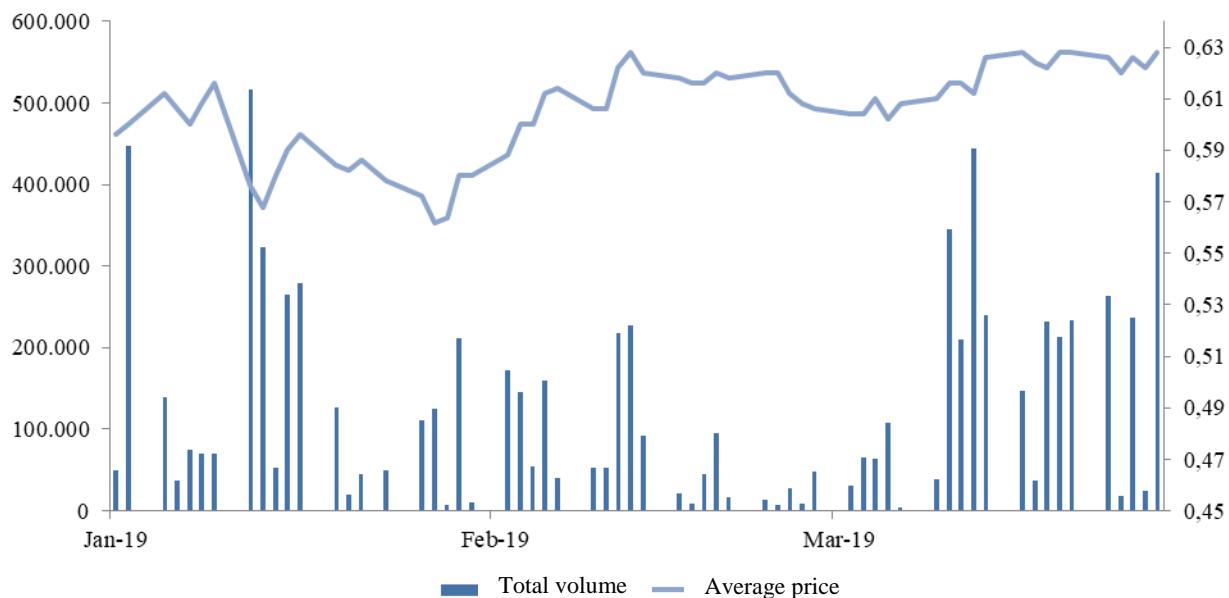
- Bloomberg BBGID - BBG000BMN7T6; symbol SIF4:RO
- Reuters: SIF4.RO
- LEI Code: 2549007DHG4WLBMAAO98.

The shares are included in a series of indices calculated by the Bucharest Stock Exchange, respectively BET-FI (the index comprising the investment funds of SIF type and Fondul Proprietatea; at the date of the report the weight of SIF4 in the index was 7.48%), as well as other indices of the Bucharest Stock Exchange (BET-XT-TR, BET-XT, BET-BK).

	Q1 2019	2018	Q1 2018
Closing price, lei	0.632	0.598	0.880
NAV per SHARE, lei	1.6591	1.5583	1.7924
Net Asset Discount, %	61.9	61.6	50.9
Market capitalisation, mn lei	510.05	482.61	710.19

Table no. 4.2. SIF4 Share Performance

Chart no. 4.1. Average trading price and volume of transactions with SIF4 shares on the REGS in Q1 2019



Number of trading sessions	61
Number of transactions	2,578
Number of traded shares	7,903,830
Total trading value	4,790,246
Maximum trading volume:	REGS - [14.01.2019] 515,848
Minimum price, lei	REGS - [29.01.2019] 0.5560
Maximum price, lei	REGS -- [29.03.2019] 0.6320
Average price, lei	0.5928

Table no. 4.3. Trading during 01.01.2019 – 31.03.2019, on REGS

In the first quarter of 2019, 36.9 million shares were traded on the DEALS market, with an average trading price of 0.58 lei / share.

4.2 SHAREHOLDERS GENERAL MEETINGS. SHAREHOLDERS RELATIONS

S.A.I. Muntenia Invest SA, the administrator of SIF Muntenia, published the convening notice for the Ordinary and Extraordinary General Meeting of Shareholders of 22/23 April 2019, made available and published according to the legal regulations materials subject to approval, drafted participation and voting procedures, has provided to the shareholders the special proxy and correspondence voting forms and has provided all forms of advertising, according to the legal provisions, for the voting results for each item on the agenda and the decisions adopted by the SGM (Bursa, Official Gazzette, the website of the company).

For details, please refer to the company's website (<http://www.sifmuntenia.ro>), *Investor Information*.

DIVIDENDS

The policy on the annual distribution of dividends or other benefits to shareholders is presented on the SIF Muntenia website in the Corporate Governance section.

The Administrator's proposal - S.A.I. Muntenia Invest S.A. - which will be voted by the shareholders in SGOM from 22/23 April 2019, regarding the distribution of the profit for the year 2018, is the following:

Option I * A gross dividend / share of 0.019 lei, in a total amount of 15,333,694 lei, representing a distribution rate of 67% of the net profit, with the remaining amount being distributed, respectively 7,465,689 lei, to *Other reserves*.

Option II The distribution of the entire net profit, in the amount of 22,799,383 Lei to Other Reserves, in order to start a Redemption Program.

* Payment of dividends, subject to the relevant legal provisions, will be made by the Central Depository and the paying agent designated by SIF Muntenia S.A. is Banca Comercială Română S.A.

At the date of approval of this Report, the Shareholders' General Ordinary Meeting (SGOM) of SIF Muntenia, held on 22 April 2019, adopted the decisions that were communicated to the FSA, BSE and investors through the Current report of 23 April 2019 available for consultation on the company's website, www.sifmuntenia.ro.

5 ACCOUNTING FINANCIAL STATEMENT

This section contains an overview of the main elements of SIF Muntenia's financial position and performance for the period ended 31.03.2019.

SIF Muntenia has prepared the financial reports on 31 March 2019 in accordance with the FSA Norme no. 39/2015 for the approval of accounting regulations in accordance with International Financial Reporting Standards applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority of the Financial Instruments and Investments Sector, as amended and supplemented.

Financial reports on 31 March 2019 are not audited or revised.

Below we will present a summary of the interim financial statements as at 31.03.2019, for details please refer to the notes to the financial statements annexed to this report.

5.1 INDIVIDUAL STATEMENT OF FINANCIAL POSITION

<i>In LEI</i>	31 March 2019	31 December 2018
Assets		
Cash and current accounts	2,158,387	1,079,966
Banks deposits	27,156,381	29,381,709
Financial assets at fair value through profit or loss	703,063,175	710,614,051
Financial assets at fair value through other items of comprehensive result	649,470,775	585,329,963
Financial assets measured at amortized cost	10,361,307	10,171,781
Other assets	8,896,785	9,100,213
Total assets	1,401,106,810	1,345,677,683
Liabilities		
Dividends to be paid	66,407,594	66,635,384
Deferred income tax liabilities	23,794,043	19,427,363
Other liabilities	4,006,890	4,461,325
Total liabilities	94,208,527	90,524,072
Equity		
Share capital	80,703,652	80,703,652
Hyperinflation effect- IAS 29	803,294,017	803,294,017
Retained Result	360,651,984	355,279,975
Reserves from revaluation of financial assets at fair value through other items of comprehensive result	62,248,630	15,875,967
Total equity	1,306,898,283	1,255,153,611
Total liabilities and equity	1,401,106,810	1,345,677,683

Table no.5.1. *Individual statement of financial position*

The value of assets at 31 March 2019 is up 55.43 million lei, or 4.12%, as compared to 31 December 2018.

The main asset items have evolved as compared to the end of 2018 as follows:

- *Cash and cash equivalents* (including bank deposits) have not suffered any significant increases or decreases, due to the cash allocation for investments within the cash flow from disinvestments;
- *Financial assets at fair value through profit or loss* are below the level recorded at 31 December 2018, due to market developments of the holdings in this class of assets. As a reminder, we note that some bonds, fund units and subsidiaries make up this asset category;
- *Financial assets at fair value through other items of comprehensive result* are increasing by 64.14 million lei, or 10.96% respectively, due to investments made by the company in the first quarter of 2019.

Company's equity increased significantly from the beginning of the year, mainly due to the positive fair value differences of the items recorded in the category *Reserves from the revaluation of financial assets at fair value through other comprehensive result* as at 31 March 2019.

5.2 INDIVIDUAL STATEMENT OF LOSS OR PROFIT AND OTHER ITEMS OF THE COMPREHENSIVE RESULT

<i>In LEI</i>	31 March 2019	31 March 2018
Income		
Dividend income	452,984	10
Interest income	357,442	145,519
Other operational income	53,640	349,129
Gain on investment		
Net gain / (Net loss) from foreign exchange differences	212,063	(1,387)
Net gain from revaluation of financial assets at fair value through profit or loss	4,306,351	13,443,583
Expenses		
Net income from depreciation of assets	227,279	1,401,605
Administrative expenses		
Management fees	(4,350,000)	(4,350,000)
Expenses with remuneration of the Shareholders Representatives Council and staff salaries	(124,969)	(328,603)
Other operational expenses	(672,911)	(676,730)
Interest rate expenses related to the lease contract liability	(10,943)	-
Profit before tax	450,936	9,983,126
Profit tax	(515,198)	(7,203,309)
(Net loss) / Net profit for the period	(64,262)	2,779,817
Other elements of comprehensive result		
Elements that may not be restated to profit or loss		
Revaluation at fair value of financial assets at fair value through other elements of comprehensive result, net of deferred tax	51,808,934	63,314,977
Reserve related to financial assets at fair value through other elements of comprehensive result, transferred to retained earnings	(5,436,271)	6,608,999
Other items of the comprehensive result	46,372,663	69,923,976
Total comprehensive result for the period	46,308,401	72,703,793

Table no.5.2. *Individual statement of loss or profit and other elements of the comprehensive result*

The evolution of the significant items of the individual statement of profit or loss and other items of comprehensive result is as follows:

- *Dividend income* increased due to the dividends received from the share held in ALRO S.A., distributed from the result of the period ended on 30.09.2018;
- *Interest income* category increased by 145.6%, driven by interest rates on deposits and current bank accounts and interest on bonds at amortized cost;
- *Investment gains* are structured as follows:

o The net result of exchange rate fluctuations is favorable, largely related to corporate bonds denominated in EUR in SIF Muntenia's portfolio;

o The net result of the revaluation of the financial assets at fair value (mark to market) through profit or loss is positive, but by 9.14 million lei less than the same period of the previous year. This difference is caused by the evolution of the market, which has not fully recovered after the steep decline caused by the news and comments on GEO no. 114/2018 (December 2018 - January 2019).

As of 1 January 2018, the Company applies IFRS 9 Financial Instruments. According to this Standard, when an entity transits and adopts the classifications under IFRS 9, it is required to provide information under IFRS 7, but it is not necessary to re-evaluate the periods prior to the transition. This approach requires an entity to recognize any difference between the previous accounting values and the carrying amounts under IFRS 9 in the opening balance of the carried forward result. In the period ended 31 March 2019, following the application of IFRS 9 accounting policies and detailed in the notes to the interim financial statements, the Company recognized in the carried forward result the net gain on disposal of financial assets. The surplus realized by the Company as a result of the disposal of financial assets at fair value through other elements of the comprehensive result was in the amount of 6,045,114 lei. In addition, as a result of the disposal of financial assets at fair value through profit or loss, the amount of RON 7,421,023 was transferred from the retained earnings to retained earnings representing achieved surplus.

FINANCIAL – ECONOMIC RATIOS AS AT 31 MARCH 2019

<i>Ratio</i>	<i>Calculation</i>	<i>Result</i>
Current liquidity	Current assets/ Current liabilities	1.3442
Debt ratio	Borrowed funds/Equity x 100 Borrowed funds/Committed equity x 100	Not the case
Turnover of client liabilities	Clients average balance/Turnover x 90	Not the case
Turnover of fixed assets	Turnover/Fixed assets	0.0174

Table no.5.3. *Financial economic indices*

Definitions

Current assets = current assets plus prepayments

Current liabilities = debts under one year

Turnover = related to SIF Muntenia's field of activity, Revenues from current activity = total revenues

SUBSEQUENT EVENTS TO THE REPORT DATE

- The Shareholders General Ordinary Meeting of SIF Muntenia (SGOM) took place on the first convocation on 22 April 2019. The decisions adopted by the SGOM were reported to the FSA, BSE and investors through the current report of 23 April 2019, available for consultation on the company's website, www.sifmuntenia.ro.
- The Shareholders General Extraordinary Meeting of SIF Muntenia (SGEM) took place on 22 April 2019, at the first convocation. The decisions adopted by the SGEM were reported to the FSA, BSE and investors through the current report of 23 April 2019, available for consultation on the company's website, www.sifmuntenia.ro.

6 ANNEXES

Attached to this report there are:

-Interim financial statements as at 31 March 2019 prepared in accordance with the provisions of the FSA Norme no. 39/28 December 2015, with subsequent amendments and additions, unaudited, which include:

- Statement financial position,
- Statement of profit or loss and other items of comprehensive result,
- Statement of changes in equity,
- Statement of cash flows,
- Notes to interim financial statements.

-Statement of assets on 31 March 2019, prepared according to Annex 17 of Regulation no.15/2004.

SIF Muntenia S.A. by its Administrator
S.A.I. Muntenia Invest S.A.
General Director,
Nicușor Marian BUICĂ

3B Expert Audit S.R.L.
Administrator,
Adriana Anișoara BADIU