



SIF BANAT-CRIȘANA

SOCIETATE DE INVESTIȚII FINANCIARE

ORDINARY GENERAL MEETING
OF SHAREHOLDERS

14/15 APRIL 2014

**INFORMATIVE MATERIALS
FOR THE AGENDA**

AGENDA

of the Ordinary General Meeting of SIF Banat-Crișana's Shareholders ("OGM") convened for 14/15 April 2014

1. approval of the financial statements for the fiscal year 2013, based on the discussions and reports presented by the Board of Directors, the Chairman and the Financial Auditor.
2. approval of profit appropriation and determining the dividend per share in accordance with the proposed appropriation in 2013 financial statements;
3. approval of dividend payment within no more than 6 months from the date of the ordinary general meeting of shareholders;
4. approval of the discharge from liability of the Board of Directors for the activity carried out in 2013 fiscal year;
5. approval of the Operational Plan and Budget for 2014 fiscal year;
6. approval of the monthly remuneration for the members of the Board of Directors for the current fiscal year;
7. approval of the general limits of all additional remunerations set for the members of the Board of Directors and the general limits of the directors' remuneration;
8. election of a Board member;
9. approval of the date of May 9, 2014 as record date in accordance with the provisions of art. 238 par. 1 of Law no. 297/2004.

ITEM 1 ON THE AGENDA

Approval of the financial statements for the fiscal year 2013, based on the discussions and reports presented by the Board of Directors, the Chairman and the Financial Auditor.

2013 has been a year of development for SIF Banat-Crişana, as the business model was reconfigured, focusing on increasing the efficiency and an accelerated dynamics of operations.

Total revenues reached RON 142 mn and net profit amounted to RON 80 mn, with 33.4% higher than forecasted, following the completion of transactions above the initial estimates.

Two major investment projects from the operational plan for 2013 were completed: (i) the acquisition of the majority stake in SAI Muntenia Invest and (ii) the setting-up of SIF Imobiliare Plc.

The Net Asset Value increased by 21 % in 2013, reaching RON 1,596 mn at year end. The positive evolution reflects an improvement in the allocation of resources , adding more value for shareholders.

The company has consolidated its position as a constituent of Bucharest Stock Exchange indices, with a market capitalization that rose to RON 701 mn at the end of December 2013, 6.5% higher as compared to previous year end.

Evolution of key financial and operational indicators recorded by SIF Banat - Crişana

MAIN BALANCE SHEET ITEMS [RON mn]				
	2010	2011	2012	2013
Total assets, out of which	655.96	733.93	959.06	1,110.22
Total financial assets	647.37	727.52	952.77	1,100.89
Equity	538.55	642.60	874.62	1,028.40
Total current liabilities	63.01	37.86	33.06	34.15

FINANCIAL PERFORMANCE [RON mn]				
	2010	2011	2012	2013
Total income	113.51	141.75	159.13	142.09
Total expenses	48.31	65.06	42.29	51.15
Gross profit	65.20	76.69	116.84	90.94
Net profit	63.00	63.01	100.51	80.14

FINANCIAL INDICATORS [%]				
	2010	2011	2012	2013
ROE (net profit / equity)	11.7	9.8	11.5	7.79
ROA (net profit / total assets)	9.6	8.6	10.5	7.22
Gross margin profit ratio (gross profit / total income)	57.4	54.1	73.4	64
Effective income tax rate (tax expense / gross profit)	3.4	17.8	14	11.9
Dividend payout ratio*	89.7	87.1	-	*

SHARES AND NET ASSET PERFORMANCE				
	2010	2011	2012	2013
Market price (RON, year end)	1.014	0.9030	1.213	1.292
Net asset value per / share (RON) **	2.4805	2.3698	2.4061	2.9094
PER	8.83	7.87	6.62	8.85
Dividend / share (RON) *	0.103	0.100	-	*
Book value / share (RON)	1.0798	1.2682	1.6871	1.9606
Par value of share (RON)	0.1	0.1	0.1	0.1
Number of shares	548,849,268	548,849,268	548,849,268	548,849,268

OPERATIONAL DATA				
	2010	2011	2012	2013
Number of permanent employyes	78	78	78	51
Number of branches	4	4	4	2

SHAREHOLDING STRUCTURE as of December 31, 2013		
	Number of shareholders	holdings
Romanian individuals	5,796,626	50.05%
Foreign individuals	1,854	0.63%
Romanian legal entities	274	26.38%
Foreign legal entities	53	22.93%
TOTAL	5,798,807	100%

* according ot OGM decision

** calculated according to ASF regulations

The following reports submitted to shareholders' debate are presented in the appendixes:

- Board of Directors' Report for 2013 fiscal year;
- Financial statements for the year ended December 31, 2013, prepared pursuant to Regulation no. 4/2011 regarding the accounting regulations in accordance with Directive IV of the European Economic Communities applicable to entities authorized, regulated and supervised by CNVM, approved by CNVM Order no. 13 / February 3, 2011;
- Independent Auditor's Report;
- Chariman's Report on the Board of Directors' activity in 2013

RESOLUTION SUBMITTED FOR THE APPROVAL OF OGM at agenda item 1 – proposed by the Board of Directors

Approval of the financial statements for the fiscal year 2013, based on the discussions and reports presented by the Board of Directors, the Chairman and the Financial Auditor

ITEM 2 ON THE AGENDA

Approval of profit appropriation and determining the dividend per share in accordance with the proposed appropriation in 2013 financial statements

Correlated with the objectives of the budget and operational plan for 2014, SIF Banat-Crişana Board of Directors submits for the approval of the OGM the allocation of net profit for 2013 fiscal year amounted to **RON 80,143,950** to other reserves for own financing sources. Information on profit distribution are found in Note 3 of the Financial statements for the year ended December 31, 2013 subject to the approval of OGM.

Profit capitalization will ensure the flexibility for the approach of large-scale investments, without resorting to external financing sources or major divestments in assets that have potential for growth and increased profitability in the future.

RESOLUTION SUBMITTED FOR THE APPROVAL OF OGM at agenda **item 2** – proposed by the Board of Directors

Approval of allocation of net profit recorded for 2013 fiscal year in the amount of RON 80,143,950, to other reserves, for own financing sources, to be used in the future as the OGM decides.

ITEM 3 ON THE AGENDA

Approval of dividend payment within no more than 6 months from the date of the Ordinary General Meeting of Shareholders

If the proposed resolution at item 2 of the agenda is approved by the OGM, a decision on dividend payment period is no longer requisite.

ITEM 4 ON THE AGENDA

Approval of the discharge from liability of the Board of Directors for the activity carried out in 2013 fiscal year.

The Board of Director's composition as of December 31, 2013:

1. Dragoş-George BÎLTEANU – Chairman of the Board of Directors and General Director;
2. Ştefan DUMITRU – Vice-Chairman of the Board of Directors, non-executive Board member;
3. Toma-Valentin CHISER - Member of the Board of Directors, non-executive Board member, member of the Audit Committee;
4. Ion STANCU - Member of the Board of Directors, non-executive Board member, member of the Audit Committee;
5. Ali H. LAKIS - Member of the Board of Directors, non-executive Board member;
6. Petre Adrian PETREANU - Member of the Board of Directors, non-executive Board member;
7. Najib EL LAKIS - Member of the Board of Directors, non-executive interim Board member

Based on the Board of Directors' Report for 2013 fiscal year, it is submitted for the approval of the Ordinary General Meeting of Shareholders the discharge from liability of the members of the Board of Directors for the activity carried out in 2013 fiscal year in compliance with the provisions in art. 111 par. (2) indent d) of Company Law no. 31/1990, republished and amended.

RESOLUTION SUBMITTED FOR THE APPROVAL OF OGM at agenda item 4 – proposed by the Board of Directors

Approval of the discharge from liability of the Board of Directors for the activity carried out in 2013 fiscal year.

ITEM 5 ON THE AGENDA

Approval of the Budget and the Operation Plan for 2014 fiscal year

The annexed Operation Plan and Budget for 2014 fiscal year are submitted for the approval of OGM.

RESOLUTION SUBMITTED FOR THE APPROVAL OF OGM at agenda **item 5** – proposed by the Board of Directors

Approval of the Budget and the Operation Plan for 2014 fiscal year

ITEM 6 ON THE AGENDA

Approval of the remuneration due to the members of the Board of Directors for the current fiscal year

Under the provisions in art. 111 par. (2) indent c) and in art. 153¹⁸ par. (1) of Company Law no. 31/1990 with subsequent amendments, the Ordinary General Meeting has the competence to set the remuneration due to the members of the Board of Directors for the current fiscal year.

For 2013 fiscal year, the Ordinary General Meeting of April 24, 2013 has set the gross monthly remuneration of the members of the Board of Directors to RON 7,150. The Board of Directors submits for the approval of OGM maintaining the current remuneration for 2014 fiscal year.

RESOLUTION SUBMITTED FOR THE APPROVAL OF OGM at agenda **item 6** – proposed by the Board of Directors

Approval of maintaining the current monthly remuneration for the members of the Board of Directors for the current fiscal year.

ITEM 7 ON THE AGENDA

Approval of the general limits of all additional remunerations set for the members of the Board of Directors and the general limits of the directors' remunerations.

The setting of the general limits of all additional remunerations of the members of the Board of Directors and the general limits of directors' remunerations by the shareholders' general meeting is a requirement of Company Law 31/1990 (in art. 153¹⁸ par. 2).

The Board of Directors submits for approval to the shareholders' general meeting the general limits of all additional remunerations of the members of the Board of Directors to 0.3% of the average annual net asset value and the general limits of directors' remunerations to 0.1% of the average annual net asset value. The general limits proposed for approval to the general meeting represent maximum ceilings and are not amounts actually paid.

The company is considering contracting a management liability policy that provides coverage for directors and managers, with the Company as beneficiary. The limit of liability will be 5 million euros, covering the company and the insured persons in the event of any compensation risks up to this value. The coverage of such a policy is broader than the individual policies signed by administrators, providing retroactive liability coverage for various categories of expenses (image redress, loss mitigation, emergency etc.). The annual insurance premium to be paid by the Company will be within the general limits of all additional remuneration of board members and the directors.

RESOLUTION SUBMITTED FOR THE APPROVAL OF OGM at agenda item 7 – proposed by the Board of Directors

Approval of the general limits of all additional remunerations set for the members of the Board of Directors to 0.3% of the average annual net asset and the general limits of the directors' remuneration to 0.1% of the average annual net asset value.

ITEM 8 ON THE AGENDA

Election of a Board member.

In accordance with the provisions of the By-Laws, SIF Banat-Crişana SA is managed under a unitary system, by a Board of Directors composed of 7 members, elected by the the general meeting for an office term of 4 years, with possibility of re-election.

Following the secret vote cast by the shareholders of the OGM on April 24, 2013, only six candidates were elected as Board members, gathering the required number of votes necessary for the OGM to adopt the resolutions.

According to the legal and statutory provisions, on July 26, 2013, SIF Banat-Crişana BoD appointed Mr. Najib EL Lakis as interim administrator until the OGM takes place. Mr. Najib EL Lakis was endorsed by the Financial Supervisory Authority (ASF) – Endorsement A/22/06.11.2013 - as interim administrator of SIF Banat-Crişana until the ordinary general meeting of shareholders.

OGM shall elect the Board member by secret ballot, according to article 130, para. (2) of Law No. 31/1990 and article 6, par. (20) of Company's By Laws.

The elected member of the Board of Directors shall cumulatively meet the general requirements provided by Law 31/1990 regarding the position as board member, supplemented with those set forth by Law 297/2004 regarding the capital market, ASF/CNVM regulation and Company's By-Laws.

The term of office will be equal to those of the current BoD members, elected by the OGM held on April 24, 2013.

Pursuant to Art. 137¹ of Law 31/1990, the Board of Directors nominated and submits Mr Najib EL Lakis' candidature for the position of member of the Board of Directors for the approval of OGM. Information regarding the candidate are available on Company's website, www.sif1.ro.

Pursuant to Art. 27 para. (1). d) in CNVM Regulation no. 15/2004, following his election by the OGM held on April 14/15 2014, the elected Board member will be submitted for authorization by ASF.

RESOLUTION SUBMITTED FOR THE APPROVAL OF OGM at agenda item 8 – proposed by the Board of Directors

Election of Najib EL LAKIS as Board member on the vacant seat in the Board of Directors, with a term of office valid until the termination of the mandate of the Board members elected by the Ordinary General Meeting of Shareholders on April 24, 2013.

ITEM 9 ON THE AGENDA

Approval of the date of May 9, 2014 as the record date pursuant to the provisions of Art. 238 par. 1 in Law 297/2004.

Under art. 238 par. (1) of Law no. 297/2004 regarding the capital market, the General Meeting of Shareholders sets the record date, that represents the calendar date that serves to "identify the shareholders who are eligible to receive dividends and other rights and who will be affected by the resolutions of the General Meetings of Shareholders".

RESOLUTION SUBMITTED FOR THE APPROVAL OF OGM at agenda **item 9** – proposed by the Board of Directors

Approval of the date of May 9, 2014 as record date in accordance with the provisions of art. 238 par. 1 of Law no. 297/2004.

The informative materials (issued in Romanian) were approved by SIF Banat-Crișana's Board of Directors on March 14, 2014.

Dragoș-George BÎLTEANU
Chairman of the Board of Directors

The above translation of the informative materials for the OGM agenda is provided as a free translation from Romanian which is the official and binding version.