



SIF BANAT-CRIȘANA

SOCIETATE DE INVESTIȚII FINANCIARE

QUARTERLY REPORT

— AS AT SEPTEMBER 30, 2015 —

Prepared pursuant to the provisions of Law 297/2004,
Regulation no. 1/2006 and Regulation no. 15/2004
*this report is provided as a free translation from Romanian, which is
the official and binding version*



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<ul style="list-style-type: none"> ▪ Statement of assets, liabilities and equity, Income statement, and Informative data as at September 30, 2015, prepared pursuant to National Securities Commission (CNVM) Order no. 13 / February 3rd, 2011 for the approval of Regulation no. 4/2011 regarding the accounting regulations compliant with Directive IV of the European Economic Communities applicable to entities authorized, regulated and supervised by CNVM and with CNVM Instruction no. 5 / 2006 regarding the accounting reporting system, as amended 	
<ul style="list-style-type: none"> ▪ Net assets statement as at September 30, 2015 – prepared pursuant to annex 16 of the Regulation no. 15/2004 	
<ul style="list-style-type: none"> ▪ Detailed statement of investments as at September 30, 2015 – prepared pursuant to annex 17 of the Regulation no. 15/2004 	

1. GENERAL INFORMATION

NAME	Societatea de Investiții Financiare Banat-Crișana S.A. (hereinafter referred to as "SIF Banat-Crișana" or "Company")	
COMPANY TYPE	<ul style="list-style-type: none"> ▪ closed-end investment company with a diversified investment policy ▪ set-up as a joint stock company in November 1996; Romanian legal entity with private capital 	
SHARE CAPITAL	<ul style="list-style-type: none"> ▪ RON 54,884,926.80 – subscribed and paid-in capital ▪ 548,849,268 issued shares ▪ shares with a nominal value of RON 0.10 per share 	
REGISTRATIONS	<ul style="list-style-type: none"> ▪ No. J02/1898/1992 at Trade Registry of the Arad Court ▪ Unique Registration Code 2761040 ▪ Number in ASF Registry PJR09SIIR/020002/2006 	
MAIN ACTIVITY	<ul style="list-style-type: none"> ▪ main object of activity: other financial intermediation n.c.a. (CAEN code 6499) <i>CAEN - Classification of Activities from National Economy</i> 	
TRADING MARKET	Bucharest Stock Exchange (BSE or BVB), <i>Premium</i> category of the regulated market, symbol SIF1	
FINANCIAL AUDITOR	KPMG Audit S.R.L. Bucharest	
DEPOSITARY	BRD Groupe Société Générale	
SHARES AND SHAREHOLDERS' REGISTRY	Depozitarul Central S.A. Bucharest	
HEADQUARTERS	Arad , Calea Victoriei nr. 35 A, 310158, Romania TEL +40257 304 438 FAX +40257 250 165 EMAIL sifbc@sif1.ro WEB www.sif1.ro	
BRANCHES	Bucharest Calea Floreasca no. 175, 7th floor, room A1, sector 1, Bucharest	Cluj-Napoca Piața Muzeului no. 1, Cluj-Napoca 400019, Cluj County

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2. MAIN FINANCIAL AND OPERATIONAL INFORMATION

MAIN BALANCE SHEET ITEMS [RON mn]		
	31.12.2014	30.09.2015
Total assets, of which	1,220.02	1,261.48
Total financial assets	1,195.63	1,250.47
Equity	1,154.10	1,165.89
Total current liabilities	15.79	43.05

FINANCIAL PERFORMANCE [RON mn]		
	30.09.2014	30.09.2015
Total income	248.68	72.58
Total expenses	69.15	17.63
Gross profit	179.53	54.95
Net profit	151.36	51.05

STOCK AND NET ASSET PERFORMANCE		
	31.12.2014	30.09.2015
Stock price (end of period, RON)	1.3030	1.6200
Net asset value* / share (RON)	2.9228	3.2163
Accounting net asset / share (RON)	2.1938	2.2200
Nominal value of share (RON)	0.1	0.1
Number of shares	548,849,268	548.849.268

* calculated pursuant to ASF Regulation no. 9/2014 (art. 113-122) and ASF Regulation no. 10/2015

OPERATIONAL DATA		
	31.12.2014	30.09.2015
Number of permanent employees	48	49
Number of branches	2	2

3. PORTFOLIO AS AT SEPTEMBER 30, 2015

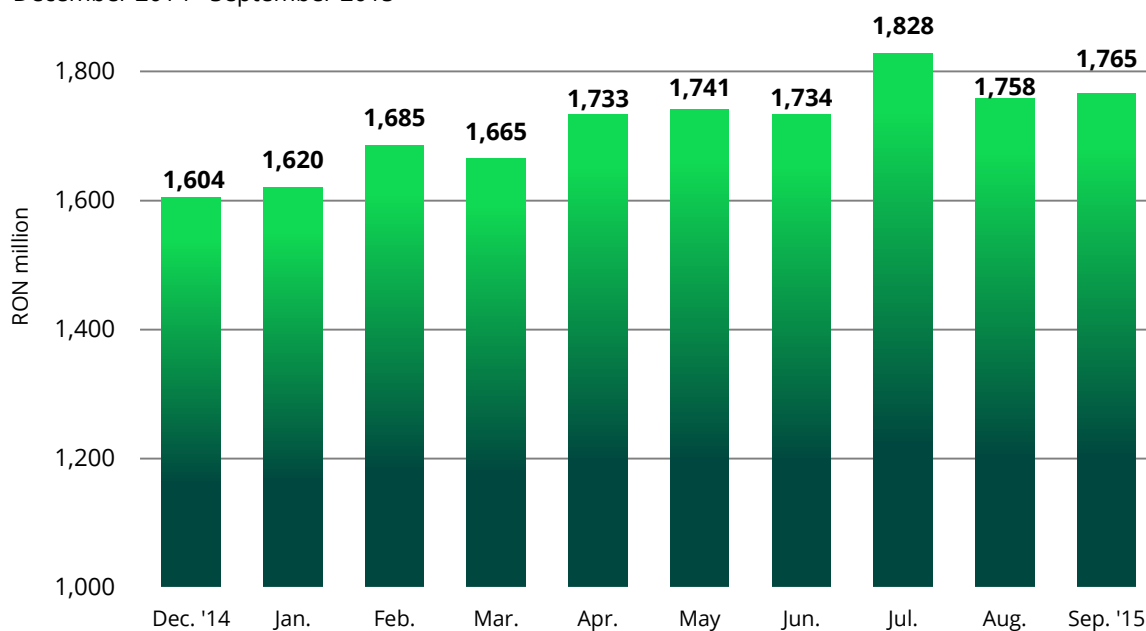
Net asset value

SIF Banat-Crișana's net asset value (NAV) was of **RON 1,765.24 million** as at September 30, 2015, up 1.81% as compared to the value recorded on June 30, 2015 and 10% higher than 2014 year end.

Net asset value per share (NAV/S) was of **RON 3.2163** on September 30, 2015, while on June 30, 2015 it was RON 3.1591 and RON 2.9228 on December 31, 2014.

MONTHLY EVOLUTION OF THE NET ASSET VALUE

December 2014 - September 2015



The monthly values for net asset were calculated by SIF Banat-Crișana and certified by BRD Groupe Société Générale. The valuation of assets for the calculation of SIF Banat-Crișana's net asset value is performed, since July 28, 2015, pursuant to the provisions of Financial Supervisory Authority (ASF) Regulation no. 9/2014 (art. 113-122) and ASF Regulation no. 10/2015, previously being regulated by the provisions of Disposal of Measures no. 23/2012, but the valuation methods have not changed as a result of these regulatory changes.

The monthly reports as to net asset value were submitted to the Bucharest Stock Exchange and ASF – Investment and Financial Instruments Sector, and published on SIF Banat-Crișana's website www.sif1.ro within 15 days from the end of the reporting month.

Net assets statement as at September 30, 2015, prepared pursuant to annex 16 of the Regulation no. 15/2004, is presented as annex to this report.

Portfolio structure

The investment objective for SIF Banat-Crișana is the management of a portfolio of high quality diversified assets, apt to provide a constant flow of income, while preserving and increasing the capital over a medium-long term.

The strategy of asset allocation aims the maximization of the portfolio performance within the prudential framework set by ASF regulations. Throughout the year 2015, the assets managed by the company were within the legal allowable limits.

The value of listed shares as at September 30, 2015 rose by 6.53% as compared to June 30, 2015, while their weight in total assets rose to 75.39% from 70.95% as at June 30, 2015 (the category include stakes in SIFs and Fondul Proprietatea, recorded as listed non-UCITS securities in Annex 16). Unlisted shares rose by 0.84% as compared to end of June 2015.

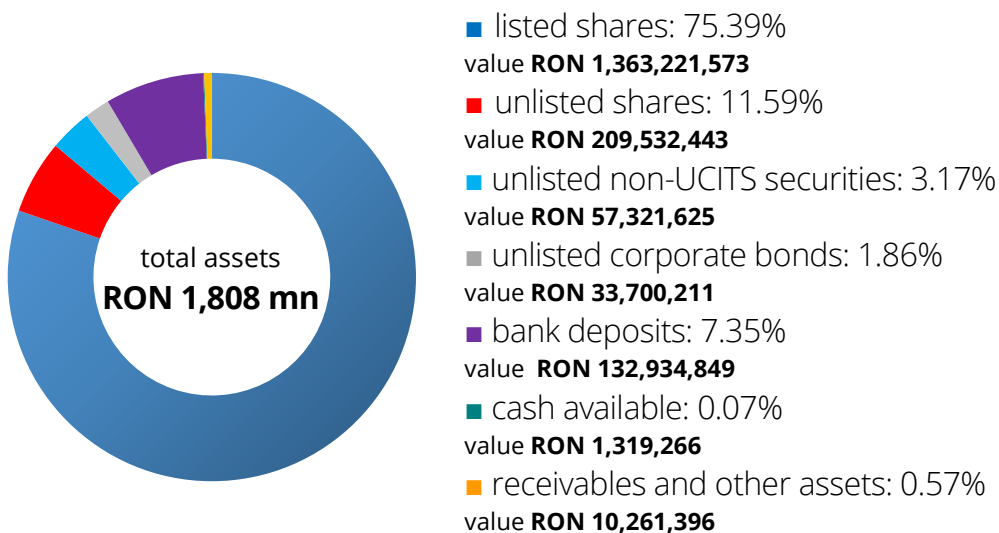
The monetary investments as at September 30, 2015, decreased as compared to June 30, 2015, mainly due to the payment of dividends to SIF Banat-Crișana shareholders.

Net asset value increased by 1.81%, more than the total assets, due to a significant decrease of liabilities.

The structure of assets managed by SIF Banat-Crișana as at September 30, 2015, is presented in the chart below:

PORTFOLIO OF SIF BANAT-CRIȘANA

breakdown on assets under management (weight on total assets)

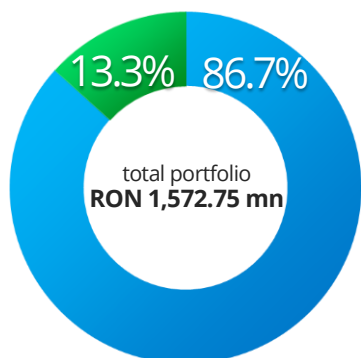


values calculated as at 30.09.2015 pursuant to provisions of ASF Reg. no. 9/2014 (art. 113-122) and ASF Reg. no. 10/2015, the amounts for fixed income financial instruments include interest receivables

Detailed statement of SIF Banat-Crișana's investments as at September 30, 2015, prepared pursuant to annex 17 of the Regulation no. 15/2004 is available as annex to this report.

Stock portfolio weights 86.97% in the assets managed by SIF Banat-Crișana, calculated as at September 30, 2015.

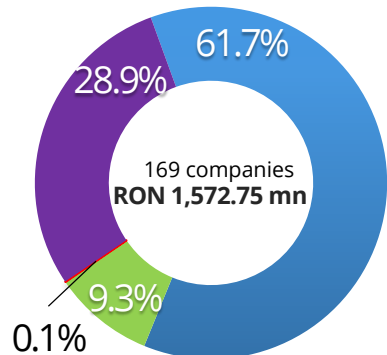
STOCK PORTFOLIO
on liquidity



- listed companies
RON 1,363 mn (Dec. 31, 2014: RON 1,193 mn) value of holdings in **67** issuers (Dec. 31, 2014: 72)
- unlisted companies
RON 209.5 mn (Dec. 31, 2014: RON 204.2 mn) value of holdings in **102** issuers (Dec. 31, 2014: 108)

values calculated as at 30.09.2015 pursuant to provisions of ASF Reg. no. 9/2014 (art. 113-122) and ASF Reg. no. 10/2015

STOCK PORTFOLIO
breakdown by stake held

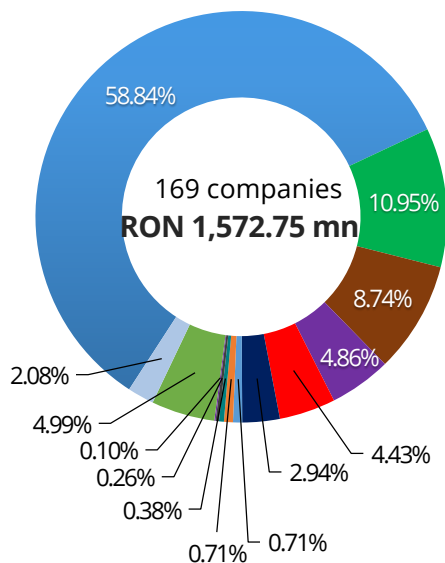


- up to 5%
stakes **up to 5%** in **60** companies
total value **RON 971.09 mn** (Dec. 31, 2014: RON 803 mn)
- 5-33%
stakes **between 5 - 33%** in **90** companies
total value **RON 146.05 mn** (Dec. 31, 2014: RON 135 mn)
- 33-50%
stakes **between 33-50%** in **3** companies
total value **RON 0.95 mn** (Dec. 31, 2014: RON 1.03 mn)
- above 50%
majority stakes, above 50%, in **16** companies
total value **RON 454.83 mn** (Dec. 31, 2014: RON 457.5 mn)

values calculated as at 30.09.2015 pursuant to provisions of ASF Reg. no. 9/2014 (art. 113-122) and ASF Reg. no. 10/2015

During the first nine months of 2015, five companies from SIF Banat-Crișana's portfolio were written off from the Trade Register, following the completion of liquidation proceedings initiated during the previous years. The value of these companies was provisioned in the previous years (RON 2.17 mn).

STOCK PORTFOLIO
sectoral breakdown



- banking-financial: 58.84%
stakes in **13** companies worth **RON 925.4 mn**
(Dec. 31, 2014: RON 722.4 mn)
- commerce – real-estate: 10.95%
stakes in **21** companies worth **RON 172.1 mn**
(Dec. 31, 2014: RON 191.73 mn)
- tourism and public-food services: 8.74%
stakes in **9** companies worth **RON 137.5 mn**
(Dec. 31, 2014: RON 125.2 mn)
- pulp and paper: 4.86%
stakes in **6** companies worth **RON 76.5 mn**
(31 dec. 2014: 61,6 mil lei)
- pharmaceuticals: 4.43%
stakes in **2** companies worth **RON 69.6 mn**
(Dec. 31, 2014: RON 68.18 mn)
- energy-utilities: 2.94%
stakes in **9** companies worth **RON 46.3 mn**
(Dec. 31, 2014: RON 59.22 mn)
- wood processing: 0.71%
stakes in **34** companies worth **RON 11.2 mn**
(Dec. 31, 2014: RON 13.79 mn)
- chemicals and plastics: 0.71%
stakes in **2** companies worth **RON 11.1 mn**
(Dec. 31, 2014: RON 10.82 mn)
- food industry: 0.38%
stakes in **3** companies worth **RON 6.01 mn**
(Dec. 31, 2014: RON 5.9 mn)
- metallurgy: 0.26%
stakes in **7** companies worth **RON 4.16 mn**
(Dec. 31, 2014: RON 4.45 mn)
- constructions: 0.10%
stakes in **7** companies worth **RON 1.61 mn**
(Dec. 31, 2014: RON 1.69 mn)
- various industries: 4.99%
stakes in **17** companies worth **RON 78.48 mn**
(Dec. 31, 2014: RON 82.05 mn)
- other fields: 2.08%
stakes in **39** companies worth **RON 32.75 mn**
(Dec. 31, 2014: RON 49.98 mn)

*weight in stock portfolio, values calculated as at 30.09.2015
pursuant to provisions of ASF Reg. no. 9/2014 (art. 113-122) and ASF
Reg. no. 10/2015*

The revenue generated by the stock portfolio representing dividends distributed by issuers totalled RON 29.28 mn, with a 95% collection percentage.

Investment activity was based on the portfolio restructuring strategy, reducing exposure to the banking sector and reallocating resources for investment in other sectors.

During the first nine months of 2015, value of sales was of **RON 28.15 mn**, of which 98.37% were transactions with listed shares, the investments amounted to RON 11.49 mn, of which RON 5.82 mn were acquisitions of shares listed on BSE.

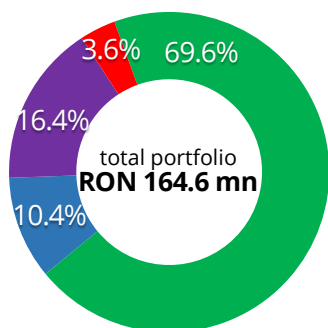
TOP 10 COMPANIES IN SIF BANAT-CRIȘANA PORTFOLIO as at September 30, 2015

Issuer	Sector	stake held	Value in NAV* (RON mn)	% of NAV
Erste Group Bank AG	banking - financial	0.68%	336.39	19.06%
Banca Transilvania	banking - financial	4.43%	307.47	17.42%
BRD - Groupe Société Générale	banking - financial	2.13%	154.08	8.73%
SIF Imobiliare Plc	financial services applicable to real estate	99.99%	134.62	7.63%
Vrancart Adjud	cellulose and paper	74.72%	65.83	3.73%
Biofarm București	pharmaceuticals	22.06%	61.52	3.48%
SIF Hoteluri (Calipso Oradea)	tourism & public food services	98.66%	51.18	2.90%
Azuga Turism	tourism & public food services	98.94%	43.53	2.90%
SIF Moldova	other financial intermediations	4.96%	41.66	2.47%
SIF Muntenia	other financial intermediations	4.97%	34.66	1.96%
TOTAL			1,230.94	69.73%

* calculated pursuant to provisions of ASF Reg. no. 9/2014 (art. 113-122) and ASF Reg. no. 10/2015

PORTFOLIO OF FIXED INCOME FINANCIAL INSTRUMENTS

breakdown on type of investment



- bank deposits in RON
RON 114.57 mn (Dec. 31, 2014: RON 79.24 mn)
- bank deposits in euro
equivalent of **RON 17.12 mn** (Dec. 31, 2014: RON 13.52 mn)
- RON denominated corporate bonds
RON 26.95 mn (Dec. 31, 2014: RON 26.95 mn)
- EUR denominated corporate bonds
equivalent of **RON 5.99 mn** (Dec. 31, 2014: RON 6.08 mn)

values calculated as at 30.09.2015 pursuant to provisions of ASF Reg. no. 9/2014 (art. 113-122) and ASF Reg. no. 10/2015; amounts do not include interest receivables

As at September 30, 2015, SIF Banat-Crișana's the portfolio of fixed income instruments (consisting of term deposits in local and foreign currency, RON and foreign currency denominated corporate bonds) represented 9.33% of the net asset value.

4. SIGNIFICANT EVENTS DURING Q3 2015

July 2015

- By Endorsement no. 223/03.07.2015, the Financial Supervisory Authority had endorsed the change in the composition of the Company's Board of Directors pursuant to the Resolution no. 1 of Ordinary General Meeting of Shareholders held on 29.04.2015 that elected Mr. Octavian Avrămoiu and Mr. Dan Weiler as administrators of the Company (members of the Board). **(Current report from July 6, 2015)**
- On July 14, 2015, SIF Banat-Crișana's Board of Directors adopted the following resolutions:
 - Appointed Mr. Ionel-Marian CIUCIOI as interim administrator (member of the Board of Directors) of SIF Banat-Crișana, until the general meeting of shareholders.
 - Approved the changes in the organization chart and the Internal Regulations, entering into force upon their endorsement by the Financial Supervisory Authority.
 - Elected Mr. Bogdan Alexandru DRĂGOI as Chairman of the Board of Directors and General Director (CEO) of SIF Banat-Crișana.
 - Elected Mr. Octavian AVRĂMOIU as Vice-Chairman of the Board of Directors and Deputy General Director of SIF Banat-Crișana.
 - Approved the delegation of powers of command to the Chairman – CEO and the Vice-Chairman – Deputy General Director, pursuant to Art. 143 of Law no. 31/1990.**(Current report from July 14, 2015)**

August 2015

- On August 5, 2015, SIF Banat-Crișana published the announcement on the payment of dividends for 2014 financial year. The payment started on September 4, 2015 ("Payment Date"), through Depozitarul Central S.A., Participants to the clearing-settlement and registry system ("Participants"), and Banca Transilvania – the selected Payment Agent, pursuant to the resolution of OGM held on April 29, 2015. **(Current report from August 5, 2015)**
- By Endorsement no. 285/19.08.2015, the Financial Supervisory Authority endorsed the change of the Company's management composition, following the appointment of Mr. Bogdan-Alexandru Drăgoi and Mr. Octavian Avrămoiu as directors, pursuant to Resolution no. 3/14.07.2015 of the Board of Directors of SIF Banat-Crișana. **(Current report from August 20, 2015)**

September 2015

- On September 17, 2015, SIF Banat-Crișana informed the investors that, by Endorsement no. 312/16.09.2015, the Financial Supervisory Authority endorsed the changes in SIF Banat-Crișana's documents following the change of composition of the Board of Directors by the appointment of Mr. Ionel Marian Ciucioi as interim administrator of the company, pursuant to the Resolution no. 1/14.07.2015 of the Board of Directors, until the meeting of the ordinary general assembly of shareholders. **(Current report from September 17, 2015)**

5. FINANCIAL POSITION AND RESULTS AS AT SEPTEMBER 30, 2015

SIF Banat-Crișana prepared the accounting report as at September 30, 2015 pursuant to CNVM Order no. 13 from February 3, 2011 for the approval of Regulation no. 4/2011 regarding the accounting regulations compliant with Directive IV of the European Economic Communities applicable to entities authorized, regulated and supervised by the National Securities Commission (CNVM) and with CNVM Instruction no. 5 / 2006 regarding the accounting reporting system, as amended.

The accounting report as at September 30, 2015 is not audited by the financial auditor, as it is not a legal or regulatory requirement.

The following is a summary of the Company's financial position and results as at September 30, 2015:

Balance sheet - extract

BALANCE SHEET		
<i>(all amounts in RON)</i>	31/12/2014	30/09/2015
Securities and other financial instruments held as non-current financial assets	979,016,242	1,000,153,881
Receivables	19,571,404	5,730,535
Current financial assets	216,047,038	248,981,868
Other assets	5,390,158	6,608,901
Total assets	1,220,024,842	1,261,475,185
Current liabilities	15,795,247	43,050,401
Provisions	49,951,951	52,538,149
Other liabilities	176,752	-
Equity	1,154,100,892	1,165,886,635
Total liabilities	1,220,024,842	1,261,475,185

The value of the total assets as at September 30, 2015 was of RON 1,261.5 million, up 3.4% as compared to the value of assets at the end of 2014, mainly due to the increase of current financial assets (short-term financial investments).

The volume of securities and other financial instruments held as assets, amounting to RON 1000.2 million, stand for 79.3% of total assets and has increased by 2.2% as compared to December 31, 2014, following the acquirement of shares free of charge (Banca Transilvania - increased capital with net profit and share premium), the direct purchases (SAI Muntenia Invest) and on the stock market (Biofarm SA, Conpet SA).

Securities purchased during 2015 were recorded at initial value (nominal value, issue value or acquisition cost as applicable), and those from the previous years have been recorded at initial value, reduced by provisions for impairment value established on December 31, 2014.

Short-term financial investments as at September 30, 2015 were 15.2% higher as compared to the end of 2014, due to the rise of bank deposits following the sales of shares.

The *other assets* category mainly comprise tangible and intangible assets held by the Company and cash and cash equivalents in the current accounts of the Company. The growth of volume of these assets as compared to 2014 year end is due to a larger amount of cash available in the current accounts of the Company and the growth of tangible assets (land acquisition).

Equity grew by 1% as compared to December 31, 2014, due to increase of reserves for portfolio (recording as reserves the the value of shares received free of charge and decreasing the impairment reflected in reserves).

Income statement - extract

INCOME STATEMENT

<i>(all amounts in RON)</i>	30/09/2014	30/09/2015
Income from financial assets (dividends)	14,154,500	21,999,975
Income from short-term financial investments (dividends)	34,573	7,388,323
Income from disposal of financial assets	227,393,497	23,640,639
Income from reversal of provisions, reactivated receivables and sundry debtors	834,805	1,671,238
Interest income	4,875,649	4,989,781
Income from foreign exchange differences	710,936	754,139
Other income	677,283	12,139,270
Total income	248,681,243	72,583,365
Expenses with the disposal of financial assets	58,304,728	8,237,478
Fees and commissions expenses	2,937,410	2,009,591
Expenses from foreign exchange differences	1,183,902	1,118,390
Other expenses from current activity	6,720,025	6,260,552
Total expenses	69,146,065	17,626,011
Gross profit	179,535,178	54,957,354
Income tax	28,172,910	3,905,873
Net profit	151,362,268	51,051,481

Total revenues as at September 30, 2015 was of **RON 72.6 million**, below the result on September 30, 2014, following the realisation of lesser revenues from the disposal of financial investments.

The significant increase in the volume of other revenues is due to write back of adjustments related to other investment securities following their sale.

Total expenses recorded at September 30, 2015, totalling **RON 17.6 million** are below those for the corresponding period of the previous year, following a lower volume of expenses with the disposal of financial assets.

Other expenses from current activity include expenses on personnel, external services, depreciation, taxes, etc. The amount of these expenses is decreasing as compared to the corresponding period of the previous year.

Net profit as at September 30, 2015 amounted to **RON 51.1 million**, lower than the corresponding period of 2014, following a lower volume of sales transactions of shares.

Financial ratios as at September 30, 2015

Ratio	Calculation	Result as at September 30, 2015
1. Current liquidity ratio¹⁾	Current assets/Current liabilities	5.9
2. Debt to equity ratio²⁾	Debt / Equity x 100	not applicable
	Debt / Capital employed x 100	not applicable
3. Accounts receivables turnover³⁾	Average clients' accounts / Turnover x 270	51
4. Non-current assets turnover⁴⁾	Turnover / Non-current assets	0.06

¹⁾ **Current liquidity ratio** provides the guarantee of covering current liabilities from current assets. The acceptable recommended value is approximately 2, and the recorded value at the end of Q3 was of 5.9.

²⁾ **Debt to equity ratio** indicates the effectiveness of the credit risk management, revealing potential financing or liquidity issues, with influence on fulfilling the assumed commitments. The Company had no borrowings as at September 30, 2015, and therefore this indicator is zero.

³⁾ **The accounts receivable turnover** indicates the effectiveness of the company in collecting its receivables, respectively the number of days until the debtors pay their debt to the company.

In determining the average balance of clients the receivables were considered at gross value, the largest stake being held by the value of bonds with maturity under one year existing in the balance at the end of 2014 and collected in July 2015, accrued interest and dividends receivable from portfolio companies.

For SIF Banat-Crișana, turnover represents the total operating income, pursuant to the accounting regulations in force.

The accounts receivable turnover calculated as at September 30, 2015 was of 51 days as compared to 6 days for the corresponding period of the previous year. The upturn of the accounts receivables turnover is due to the reduction in turnover as compared to the last year's corresponding period.

⁴⁾ **Non-current assets turnover** evaluates the efficiency in managing the non-current assets, by examining the value of turnover (for SIF Banat-Crișana - the total operating income) generated by a certain portion of non-current assets. In determining the ratio, the gross value of financial assets was considered.

As at September 30, 2015, this ratio had a value of 0.06, as compared to 0.22 on September 30, 2014. The downturn of turnover of non-current assets is due to lesser turnover volume while the volume of fixed assets increased.

6. ANNEXES

Statement of assets, liabilities and equity as at September 30, 2015

Income statement as at September 30, 2015

Informative data as at September 30, 2015

Net asset statement as at September 30, 2015,
prepared pursuant to annex 16 of Reg. no. 15/2004

Detailed statement of investments as at September 30, 2015,
prepared pursuant to annex 17 of Reg. no. 15/2004

Signatures

Bogdan-Alexandru Drăgoi
Chairman, CEO

Ștefan Doba
Director of Economic Dept.