

SIF BANAT-CRIȘANA SA

**Individual interim financial reporting for the six month period ended 30 June 2013
and explanatory notes prepared in accordance with 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, approved by the Order of the President of
the National Securities Commission no. 13/2011**

FREE TRANSLATION¹

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SIF Banat-Crişana SA Arad
Balance sheet for the 6 month period ended 30 June 2013
(all amounts are presented in RON, unless otherwise stated)

Arad County Legal entity SIF Banat-Crisana Adress Arad, 35A Calea Victoriei Telephone 0257-304426 , Fax 0257-270073 Trade Registry number: J02/1898/1992	Financial statement type SI Ownership type 34 Main activity (NACE Class denomination) Other types of financial service activities NACE group code 6499 Unique Registration Code RO 2761040
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	Line	Note	Balance as at	
	No.		01.01.2013	30.06.2013
A. Non-current assets				
I. Intangible assets				
3. concessions, patents, licenses, other intangible assets	03		21,184	15,186
Total: (line 01 to 05)	06	1a	21,184	15,186
II. Tangible assets				
1. land and buildings	07		4,932,171	4,851,376
2. technical installations and machinery	08		341,286	285,301
3. other plants, equipment and furniture	09		61,270	61,979
Total: (line 07 to 10)	11	1b	5,334,727	5,198,656
III. Financial assets				
5. Securities and other financial instruments held as non-current financial assets	16	11	809,243,201	864,755,768
Total: (line 12 to 17)	18	1c	809,243,201	864,755,768
Total non current assets (lines 06+11+18)	19		814,599,112	869,969,610
B. Current assets				
I. Inventories				
1. consumables	20		2,434	2,434
3. prepayments for purchase of inventory	22		636	636
Total: (line 20 to 22)	23		3,070	3,070
II. Receivables				
1. trade receivables	24		400,552	1,840,641
4. other receivables	27		347,488	12,923,449
Total: (line 24 to 28)	29	5	748,040	14,764,090
III. Current financial assets				
2. other current financial assets	31	11	143,374,756	89,608,347
Total: (line 30 to 31)	32		143,374,756	89,608,347
Iv. Cash and cash equivalents	33	15	148,434	4,288,007
Total current assets (lines 23+29+32+33)	34		144,274,300	108,663,514
C. Prepaid expenses (acc. 471)	35		191,217	129,617
D. Current liabilities				
4. trade payables	39		124,946	156,852
8. other liabilities, including tax liabilities and other social insurance liabilities	43		32,934,036	36,215,396
Total: (line 36 to 43)	44	5	33,058,982	36,372,248
E. Net current assets, or net current liabilities (lines 34+35-44-60.2)	45		111,362,375	72,120,883
F. Total assets less current liabilities (lines 19+45)	46		925,961,487	942,090,493

SIF Banat-Crişana SA Arad
Balance sheet for the 6 month period ended 30 June 2013
(all amounts are presented in RON, unless otherwise stated)

	Line no.	Note	Balance as at	
			01.01.2013	30.06.2013
H. Provisions				
2. provisions for taxes	57		46,783,769	46,713,033
3. other provisions	58		4,554,000	-
Total provisions: (lines. 56+57+58)	59	2	51,337,769	46,713,033
I. Deferred income (lines. 60.1+60.2+60.3) of which:	60		44,160	300,000
2. deferred income	60.2	10f	44,160	300,000
J. Share capital and reserves				
I. Share capital (lines 62+63) out of which:	61	7	54,884,927	54,884,927
- subscribed and paid-in share capital	63		54,884,927	54,884,927
III. Revaluation reserves				
credit balance	65	16	5,004,464	4,998,561
IV. Reserves (lines 68-69+70+71+72+73+74)	67	16	708,782,868	801,377,503
1. legal reserves	68		10,976,985	10,976,985
2. reserves for allowances for impairment of financial assets (debit balance)	69		120,044,305	118,225,042
4. reserves from securities / shares received at no cost	71		376,981,898	367,236,199
6. reserves representing realized revaluation surplus	73		640,612	647,639
7. other reserves	74		440,227,678	540,741,722
V. Retained earnings				
Credit balance	78	16	5,437,415	5,437,415
Debit balance				
VI. Result for the year	80	3	100,514,044	28,679,054
Credit balance				
Total equity	83		874,623,718	895,377,460

This individual interim financial reporting was approved and authorized for issue by the Company's Management on 26 July 2013.

Dragoş-George Bîlteanu
President - General Manager

Ştefan Doba
Economic Director

SIF Banat-Crişana SA Arad
Income statement for the 6 month period ended 30 June 2013
(all amounts are presented in RON, unless otherwise stated)

Indicator	Line No.	Note	6 month period-ended	
			30 June 2012	30 June 2013
A. Operating income*-total				
(line 02 to 11)	01	4, 13	135,024,405	53,546,419
1. Income from non-current financial assets	02		13,932,865	16,063,790
2. Income from short-term investments	03		199,420	169,396
4. Income from disposal of financial assets	05		104,306,868	24,152,936
6. Income from reversal of provisions, reactivated receivables and sundry debtors	07		9,065,211	5,335,953
7. Foreign exchange gains	08		1,908,364	4,299,506
8. Interest income	09		4,673,968	3,291,061
10. Other operating income	11		937,709	233,777
B. Operating expenses **-				
total (line 13 to 20)	12	4, 14	22,628,860	22,564,552
12. Expenses with the disposal of financial assets	14		13,070,096	7,528,872
13. Foreign exchange losses	15		243,747	3,614,367
15. Fees and commissions expenses	17		1,264,895	1,324,965
16. Expenses with bank services and similar charges	18		23,069	22,709
17. Expenses with depreciation, amortization, provisions, losses from receivables and sundry debtors	19		214,614	152,696
18. Other operating expenses, out of which:	20		7,812,439	9,920,943
a. Materials	21		128,392	105,087
b. Energy and water	22		94,180	96,825
c. Personnel, out of which: (lines 24+25)	23	8	6,788,422	8,808,947
c1. Salaries	24		5,571,455	7,429,353
c2. Social security				
d. Third party services	25		1,216,967	1,379,594
e. Expenses with other duties, taxes and similar payments	26		750,285	840,218
12. Expenses with the disposal of financial assets	27		51,160	69,866
C. Operating result				
- profit (lines 01-12)	28		112,395,545	30,981,867
19. Total income (lines 01+30)	34		135,024,405	53,546,419
20. Total expenses (lines 12+31)	35		22,628,860	22,564,552
G. Gross result				
- profit (lines 34-35)	36		112,395,545	30,981,867
21. Income tax				
- Income tax expense	38	10c	15,906,700	2,302,813
H. Result for the year				
- profit (lines 36-38-39)	40		96,488,845	28,679,054

*Operating income is detailed in Note 13 The structure of gross income.

** Expenses from current activity are detailed in Note 14 Structure of expenses.

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I. Result	Line No.	Number of units		Amounts
A	B	1		2
Units with profit	01	1		28,679,054
Units with loss	02			
II. Information on outstanding payments	Line No.	Total (col.2+3)	Of which:	
A	B		1	2
Outstanding payments - total (row 04+08+14 to 18+22) of which:	03			
Outstanding suppliers - total (row 05 to 07), out of which:	04			
- above 30 days	05			
- above 90 days	06			
- above 1 year	07			
Outstanding liabilities to social securities budget total (row 09 la 13), out of which:	08			
- contributions to state social securities due by employers, employees and other related persons	09			
- contributions to the health fund	10			
- contributions to the supplementary pension fund	11			
- contributions to the unemployment fund	12			
- other social liabilities	13			
Outstanding liabilities to special funds budgets and other funds	14			
Outstanding liabilities to other creditors	15			
Outstanding taxes to the State Budget not paid at due term	16			
Outstanding taxes to the local budget not paid at due term	17			
Bank loans not repaid at due date - total (row 19 to 21), out of which:	18			
- outstanding above 30 days	19			
- outstanding above 90 days	20			
- outstanding above 1 year	21			
Outstanding interests	22			
III. Average number of employees	Line No.	30 June 2012		30 June 2013
A	B	1		2
Average number of employees	23	77		77
Effective number of employees working at 30 June 2013	24	77		76

SIF Banat-Crişana SA Arad
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IV. Payments of interest and royalties	Line no.	Amounts
A	B	1
Gross income from interest paid by Romanian legal entities to non-resident individuals out of which:	25	
- tax due to the State Budget	26	
Gross revenues from interest paid by Romanian legal entities to non resident individuals from Member States, out of which:	27	
- tax due to the State Budget	28	
Gross revenues from interest paid by Romanian legal entities to non resident related parties* out of which:	29	
- tax due to the State Budget	30	
Gross revenues from interest paid by Romanian legal entities to, non resident related parties, legal entities from Member States out of which:	31	
- tax due to the State Budget	32	
Income from royalties paid by Romanian legal entities to non-resident related parties, out of which:	33	
- tax due to the State Budget	34	
Income from royalties paid by Romanian legal entities to non-resident related parties legal entities, out of which:	35	
- tax due to the State Budget	36	
Income from royalties paid by Romanian legal entities to non-resident related parties legal entities from the Member States, out of which:	37	
- tax due to the State Budget	38	
Royalties paid within the 6 month period ended 30 June 2013 for public domain goods, received in concession, Out of which:	39	
- royalties paid to the state budget for goods that belong to the public domanin	40	
Paid royalty for mining activities	41	
Subventions received within the 6 month period	42	
- subventions received within the 6 month period related to assets	43	
- subventions related to revenues	44	
Overdue debts that were not paid within the time frame stipulated in the commercial contracts or addendums in force, out of which:	45	
- overdue debts from entities owned entirely or partially by the government	46	
- overdue debts from private entities	47	

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V. Meal tickets	Line no.	Amounts	
A	B	1	
Meal tickets given to employees	48	82.773	
VI. Research and development expenses	Line no.	30 June 2012	30 June 2013
A	B	1	2
Research and development expenses, out of which:	49		
- from public funding	50		
- from private funding	51		
VII. Innovation expenses	Line no.	30 June 2012	30 June 2013
A	B	1	2
Innovation expenses –total (row 53 to 55), out of which:	52		
- Innovation expenses finalized during the year	53		
- Innovation expenses in progress during the year	54		
- Innovation expenses canceled during the year	55		
VIII. Other information	Line no.	30 June 2012	30 June 2013
A	B	1	2
Advances given for intangible assets (acc. 234)	56		
Advances given for tangible assets (acc. 232)	57		
Financial assets gross value (row 59+68), out of which:	58	998,942,534	1,051,606,686
Shares held in affiliated entities, participating interests, other securities and long term bonds, in gross amounts, (row 37 to 41), out of which:	59	998,942,534	1,051,606,686
- listed shares issued by residents	60	521,985,953	531,428,530
- unlisted shares issued by residents	61	126,309,490	155,656,140
- social individual parts issued by residents	62		
- bonds issued by residents	63	15,956,854	48,989,370
- Shares issued by resident collective investment entities	64		
- fund units issued by resident collective investment entities	65		
- shares and social individual parts issued by residents	66	333,690,243	315,532,646
- bonds issued by residents	67	999,994	
Trade receivables in gross amounts (row 69+70), out of which:	68		
- Trade receivables for non-current assets in RON and expressed in RON, whose settlement is made based on the exchange rate currency	69		
- Trade receivables from non-current assets in foreign currency (acc. 267)	70		

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Trade receivables , advances to suppliers and other similar accounts, in gross amounts (acc. 4092+411+413+418), out of which:	71	28,272	35,575
- Trade receivables , advances to suppliers and other similar accounts, in gross amounts (acc. 4092 + acc. 411 + acc. 413 + acc. 418)	72		1,321
Trade receivables not received at the due date (acc. 4092+acc. 411+acc. 413)	73		
Receivables related to personnel and similar accounts (acc. 425+4282)	74		
Receivables related to social security budget and state budget (acc. 431+437+4382+441+4424 +4428+444+445+446+447+4482),(row 76 la 80), out of which:	75		337
- receivables related to social security budget (acc. 431 + 437 + 4382)	76		
- receivables related to the state budget (acc. 441 + 4424 + 4428 + 444 + 446)	77		
- subventions to be received (acc. 445)	78		
- special funds – tax and similar liabilities (acc. 447)	79		
- other receivables related to the state budget (acc. 4482)	80		337
Receivables from related parties (acc. 451)	81		
Receivables related to social security budget and state budget not received within the due date (acc. 431+acc.437+ acc. 4382+acc. 441+acc. 4424+ct 4428+acc.444+acc.445+ acc.446+acc.447+acc. 4482)	82		
Other receivables (acc. 453+456+4582+461+471+473), (row 84 la 85), out of which:	83	9,145,281	14,180,632
- settlements regarding participation interests, transactions with shareholders/associates related to capital, transactions related to joint operations (acc. 453+456+4582)	84		
- other receivables related to individuals and companies, other than the receivables related to those related to the public institutions (acc. 461 + 471 + acc. 473)	85	9,145,281	14,180,632
Accrued interest receivable (acc. 5187), out of which:	86		
- from non-residents	87		
Short-term financial investments in gross amounts (acc. 501+503+505+506+507+acc.508) (row 89 la 97), out of which:	88	171,401,308	90,422,208
- listed shares issued by residents	89	1,744,350	1,600,848
- unlisted shares issued by residents	90		
- social individual shares issued by residents	91		
- bonds issued by residents	92		
- Shares issued by collective investment bodies	93		
- fund units issued by collective investment entities	94	343,558	360,985
- shares issued by non-residents	95	8,621,172	8,026,843
- bonds issued by non-residents	96		
- short-term bank deposits	97	160,692,228	80,433,532
Other cash equivalents to be received (acc. 5113+5114)	98		

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Petty cash in lei and in foreign currencies (row 100+101), out of which:	99	7,201	6,667
- in lei (acc. 5311)	100	7,201	6,667
- in foreign currencies (acc. 5314)	101		
Cash at bank in lei and foreign currencies (row 103+105), out of which:	102	257,057	4,244,930
- in lei (acc. 5121), out of which:	103	202,269	2,756,548
- cash at non-resident banks	104		
- in foreign currencies (acc. 5124), out of which:	105	54,788	1,488,382
- cash in foreign currencies at non-resident banks	106		
Other cash at bank accounts and letters of credit (row 108+109), out of which:	107		
- amounts under settlement, letters of credit and other outstanding lodgements in lei (acc. 5112+5125+5411)	108		
- amounts under settlement and letters of credit in foreign currencies (acc. 5125+5412)	109		
Payables (row 111+114+117+120+123+126+129+132+135+138+141+142+145+146+148+149+154+155+156+161), out of which:	110	91,368,529	36,672,248
Debenture loans in gross amounts (acc. 161) (row 112+113), out of which:	111		
- in lei	112		
- in foreign currencies	113		
Accrued interest on debenture loans, in gross amounts (acc. 1681) (row 115+116), out of which:	114		
- in lei	115		
- in foreign currencies	116		
Short term domestic loans (acc. 5191+5192+5197),(row 118+119), out of which:	117		
- in lei	118		
- in foreign currencies	119		
Accrued interest on short-term bank loans (acc. 5198), (row 121+122), out of which:	120		
- in lei	121		
- in foreign currencies	122		
Short term foreign loans (acc. 5193+5194+5195), (row 124+125), out of which:	123		
- in lei	124		
- in foreign currencies	125		
Accrued interest on short-term foreign loans (acc. 5198), (row 127+128), out of which:	126		
- in lei	127		
- in foreign currencies	128		
Long term bank loans (acc. 1621+1622+1627), (row 130+131), out of which:	129		
- in lei	130		
- in foreign currencies	131		

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Accrued interest on long term loans (acc. 1682), (row. 133+134), out of which:	132		
- in lei	133		
- in foreign currencies	134		
Long term bank loans (acc. 1623+1624+1625), (row. 136+137), out of which:	135		
- in lei	136		
- in foreign currencies	137		
Accrued interest on long-term foreign bank loans (from acc. 1682), (row 139+140), out of which:	138		
- in lei	139		
- in foreign currencies	140		
- State Treasury loans (acc. 1626+acc. 1682)	141		
Other loans and and related interest (acc. 166+167+1685+1686+1687) (row 143+144), out of which:	142		
- in lei or expressed in lei, whose settlement is done in relation to a foreign currency	143		
- in foreign currencies	144		
Value of the received concessions (from acc. 167)	145		
Trade payables, advances received from customers and other similar accounts in gross amount (acc. 401+403+404+405+408 +419), out of which:	146	214,996	156,852
- foreign trade payables, advances received from foreign customers and other similar accounts in gross amount (from acc. 401+403+404+405+408+419)	147		
Payables related to personnel and similar accounts (acc. 421+423+424+426+427+4281)	148	2,011,291	325,489
Payables related to social insurances budget and to state budget (acc. 431+437+4381+441 +4423+4428+444+446+447+4481), (row 150 la 153), out of which:	149	12,571,617	949,130
- payables related to social insurances budget (acc. 431+437+4381)	150	599,292	583,061
- payables related to state budget (acc. 441+4423+4428+444+446)	151	11,972,325	366,069
- special funds - taxes and similar liabilities (acc. 447)	152		
- other debts related to state budget (acc. 4481)	153		
Payables to the realted parties (acc. 451)	154		
Amounts owed to shareholders (acc.455)	155		
Other payables (acc. 452+456+457+4581+462+472+473+269+509), (row 157 la 160), din care:	156	76,570,625	35,240,777
- settlements regarding associates, transactions with shareholders / associates related to capital, transactions related to joint operations (acc. 452+456+457+4581)	157	76,459,172	28,479,294
- other payables related to individuals and legal entities, other than the ones with the public institutions (acc. 462+din acc. 472+ din acc. 473)	158	111,453	335,290

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- government grants (din acc. 472)	159		
- amounts payable for financial assets and short term financial investments (acc. 269+509)	160		6,426,193
- Accrued interest payable (acc. 5186)	161		
Subscribed and paid in share capital (acc. 1012) (row 163 to 166), out of which:	162	54,884,927	54,884,927
- listed shares	163	54,884,927	54,884,927
- unlisted shares	164		
- social individual parts	165		
- Subscribed share capital from non-residents (acc. 1012)	166		
Patents, licences (din acc. 205)	167		
IX. Information regarding the co-workers expenses	Line no.	30 June 2012	30 June 2013
A	B	1	2
Expenses with collaborators (acc. 621)	168		

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Notes to the individual interim financial reporting
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1. Non-current assets

a) Intangible assets

	Concessions, Patents and licenses	Other Intangible Assets	Total intangible Assets
Gross value			
Balance as at 1 January 2013	418,221	-	418,221
Acquisitions	725	2,790	3,515
Disposals	1,149	-	1,149
Balance as at 30 June 2013	417,797	2,790	420,587
Accumulated amortization			
Balance as at 1 January 2013	397,037	-	397,037
Acquisitions	9,496	17	9,513
Disposals	1,149	-	1,149
Balance as at 30 June 2013	405,384	17	405,401
Net book value			
Balance as at 1 January 2013	21,184	-	21,184
Balance as at 30 June 2013	12,413	2,773	15,186

b) Tangible assets

	Land and buildings	Technical installations and machinery	Other plants, Equipment and furniture	Total Tangible assets
Gross value				
Balance as at 1 January 2013	7,554,921	2,142,317	480,338	10,177,576
Acquisitions	-	-	7,306	7,306
Disposals	-	85,011	33,850	118,861
Balance as at 30 June 2013	7,554,921	2,057,306	453,794	10,066,021
Accumulated depreciation				
Balance as at 1 January 2013	2,622,750	1,801,031	419,068	4,842,849
Acquisitions	80,795	55,790	6,597	143,182
Disposals	-	84,816	33,850	118,666
Balance as at 30 June 2013	2,703,545	1,772,005	391,815	4,867,365
Net book value				
Balance as at 1 January 2013	4,932,171	341,286	61,270	5,334,727
Balance as at 30 June 2013	4,851,376	285,301	61,979	5,198,656

SIF Banat-Crişana SA Arad
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(all amounts are presented in RON, unless otherwise stated)

1. Non-current assets (continued)

Based on the Internal Decision no. 1/11.01.2013, the Company revalued the "Buildings" class as at 31 December 2012.

As at 30 June 2013 and 31 December 2012 the Company had no assets pledged or in custody at third parties.

c) Financial assets

Gross value	Shares	Bonds	Total financial assets
Balance as at 1 January 2013	981,412,721	16,882,612	998,295,333
Acquisitions	38,434,575	33,646,848	72,081,423
Disposals	17,229,981	1,540,090	18,770,071
Balance as at 30 June 2013	1,002,617,315	48,989,370	1,051,606,685
Allowances for impairment			
Balance as at 1 January 2013	189,052,132	-	189,052,132
Charge		-	-
Reversal	2,201,215	-	2,201,215
Balance as at 30 June 2013	186,850,917	-	186,850,917
Net book value			
Balance as at 1 January 2013	792,360,589	16,882,612	809,243,201
Balance as at 30 June 2013	815,766,398	48,989,370	864,755,768

Shares

Acquisitions mainly comprise of the following:

- purchases of shares from the stock exchange, amounting to RON 8,914,286 (Biofarm SA Bucuresti RON 4,527,531; SNTGN Transgaz RON 2,148,183; Antibiotice SA Iasi RON 1,871,480 etc.);

- direct acquisitions of shares (including participation to share capital increase) at Azuga Turism SA Bucuresti, in total amount of RON 29,520,290, out of which the amount of RON 6,426,193 was subscribed to be paid.

Disposals mainly comprise of:

- the book value of the sold shares amounting to RON 16,848,016 (Erste Group Bank AG Viena RON 11,132,847, Prodplast SA Bucuresti RON 2,570,204, Aerostar SA Bacau RON 1,305,534, Electromagnetica SA Bucuresti RON 834,757, Artego SA Targu Jiu RON 499,650 etc.);

- the value of shares disposed of from the portfolio due to bankruptcy of the companies, amounting to RON 381,952 (Agricola Satulung SA, Marga SA, Domforest SA etc).

The amount of RON 2,201,215 recorded as reversal of adjustments for impairment during the first semester of 2013, represents the impairment allowances related to the disposals of long term investments from the SIF portfolio (sold or liquidated). Out of the total adjustments, the amount of RON 381,952, previously accounted for as expenses, was recognized as income from reversal of impairment allowances, and the amount of RON 1,819,263 was recognized against reserves from recognition of impairment allowances on financial assets (previously, the allowances were charged against reserves, as according to National Securities Commission Order no. 13/2011).

As at 30 June 2013 and 30 June 2012, no adjustments for impairment of financial assets were recognized, since the adjustments are established and recorded in accounting at the end of the financial year, based on the evaluation at that time, as required by the Accounting Regulations in accordance with the European Directives, approved through the National Securities Commission Order no. 13 2011.

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1. Non-current assets (continued)

The value of adjustments for impairment as at 30 June 2013, established as difference between the book value and the value calculated based on the Disposal of measures no. 23/21.12.2012 issued by the National Securities Commission, is the following:

- Adjustments for impairment to be booked in amount of RON 14,135,719, recognized as follows:
 - as reserves from impairment of securities, in amount of RON 12,059,370 (30 June 2012: RON 24,918,248);
 - as expense with adjustments for impairment in amount of RON 3,682,123 (30 June 2012: RON 0) related to companies which entered insolvency during the first semester of 2013, out of which the amount of RON 1,605,774 by take-over from the reserves established from adjustments for impairment of securities;
- Reversal of adjustments in amount of RON 22,844,872, recognized as follows:
 - as reserves accounted from adjustments from impairment of securities, in amount of RON 20,095,962 (30 June 2012: 0 RON);
 - as income from adjustments of impairment of financial assets in amount of RON 2,748,910 (30 June 2012: RON 123,429), previously accounted as expenses.

Thus, the influence in the statement of assets, liabilities and equity would have been the following:

Assets

- Securities and other financial instruments held as non-current assets + 8,709,153 RON

Equity

- Reserves for allowances for impairment of financial assets + 9,642,366 RON
- Result for the year - 933,213 RON

Bonds

Acquisitions include:

- The value of bonds purchased in the first semester of 2013 in total amount of RON 32,808,068 (bonds issued by Romenergo SA and Banca Transilvania SA);
- Favorable exchange rate differences in total amount of RON 838,780, resulted from the evaluation at the NBR exchange rate of the bonds held in EURO.

Disposals

- The value of the bonds issued by the European Investment Bank in amount of RON 999,994, which have a residual maturity of less than 1 year and have been included in current receivables;
- Unfavorable exchange rate differences in amount of RON 540,096, resulted from the evaluation at the NBR exchange rate of the bonds held in EURO.

2. Provisions

Provision description		Transfers		30 June 2013	
		1 January 2013	In the account		From the account
Provisions for taxes	(a)	46,783,769	-	70,736	46,713,033
Other provisions for risks and charges	(b)	4,554,000	-	4,554,000	-
Total		51,337,769	-	4,624,736	46,713,033

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2. Provisions (continued)

- a Provisions for taxes amounting to RON 46,783,769 represent the transposition of the deferred taxes, recognized until 1 January 2006, for the reserves set-up by applying Law no. 133/1996, reserves set-up from the value of shares received at no cost and the reserves from the reevaluation of fixed assets (Note 16). Transfers in the account amounting to RON 70,736 represent mainly the deferred tax release related to reserves from shares received at no cost disposed of.

The main components of the provision for taxes arising from temporary differences are presented in the following table:

	31 December 2012	30 June 2013
Provisions for taxes related to:		
- reserves for the value of shares	42,657,268	42,587,656
- reevaluation reserves	953,230	952,106
- reserves for tax facilities	3,173,271	3,173,271
Total provisions for income taxes	46,783,769	46,713,033

- b Other provisions for risks and charges, amounting to RON 4,554,000 have been reversed to income during the first semester of 2013 as a result of the incentives related to year 2012 granted to employees and administrators.

3. Profit appropriation

On 24 April 2013, the Ordinary General Meeting of Shareholders approved the appropriation of the 2012 financial year net profit amounting to RON 100,514,044 to other reserves for own financing sources.

As at 30 June 2013 the net realized profit is in amount of RON 28,679,054 and has not been appropriated.

4. Analysis of the operating result

Indicators	Line. no.	sem I 2012	sem I 2013
Income from non-current financial assets	1	13,932,865	16,063,790
Income from current financial assets	2	199,420	169,396
Income from non-current receivables	3		
Income from disposal of financial assets	4	104,306,868	24,152,936
Income from services provided	5		
Income from re-activated receivables and sundry debtors	6		
Income from reversal of provisions	7	9,065,211	5,335,953
Foreign exchange gain	8	1,908,364	4,299,506
Interest income	9	4,673,968	3,291,061
Income from capitalized production	10		
Other operating income (line 12 to 18), from:	11	937,709	233,777
- research and development	12		
- royalties, leases and rent	13	29,003	34,170
- sundry activities	14		
- subsidies	15		
- other income	16	230,728	42,232
- discounts received	17		
- other financial income	18	677,978	157,375
Operating income (line 01 to 11)	19	135,024,405	53,546,419

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4. Analysis of the operating result (continued)

Indicators	Line. no.	sem I 2012	sem I 2013
Losses on receivable from associates	20		
Expenses with the disposal of financial assets	21	13,070,096	7,528,872
Foreign exchange loss	22	243,747	3,614,367
Interest expense	23	-	-
Fees and commissions expenses	24	1,264,895	1,324,965
Expenses with bank services and similar charges	25	23,069	22,709
Losses from receivables and sundry debtors	26	34,567	-
Impairment allowances and depreciation expense	27	180,047	152,696
Other operating expense, out of which: (line 29+30+31+34+47)	28	7,,812,439	9,920,943
- materials	29	128,392	105,087
- energy and water	30	94,180	96,825
- personnel, out of which (line 32+33)	31	6,788,422	8,808,947
- salaries	32	5,571,455	7,429,353
- social security	33	1,216,967	1,379,594
- third party services, out of which (line 35 to 46)	34	750,285	840,218
- maintenance and repairs	35	30,537	35,202
- royalties, leases and rent	36	50,312	50,903
- insurance premiums	37	23,484	19,286
- research and studies	38		
- protocol, advertising and publicity	39	98,166	79,777
- transportation of goods and personnel	40	56	540
- travel, posting and transfer	41	116,040	174,902
- postal and telecommunications	42	64,189	71,005
- other third party services	43	347,798	346,365
- other expenses	44	19,703	62,238
- expenses with discounts granted	45		
- other financial expenses	46		
- Expenses with other duties, taxes and similar Payments	47	51,160	69,866
Operating expenses (line 20 to 28)	48	22,628,860	22,564,552
Operating result (line 19 to 48)	49	112,395,545	30,981,867

Income and expenses with a certain weight in total are detailed and explained in Notes 13 Structure of gross income and 14 Structure of expenses.

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5. STATEMENT OF RECEIVABLES AND PAYABLES

RECEIVABLES	30 June	Liquidity term	
		2013	Less than 1 year
Prepayments to suppliers and receivables from clients	35,575	35,575	
Receivables from dividends	a) 9,173,939	9,173,939	
Debtors from share capital increase	b) 4,575,070	4,575,070	
Sundry debtors	c) 396,770	396,770	
Penalties related to dividends not collected	70,321	70,321	
Corporate bonds	d) 999,994	999,994	
Accrued interest	e) 804,384	804,384	
Adjustments for impairment of receivables - Sundry debtors	f) (1,291,963)	(1,291,963)	
Total	14,764,090	14,764,090	

- a Receivables from dividends amounting to RON 9,173,939 include dividends receivable from previous years in amount of RON 1,221,642 and dividends receivable from 2012 in amount of RON 7,952,297 lei. (31 December 2012: RON 1,687,682)
- b Sundry debtors - participation in capital increase amounting to RON 4,575,070 represents the amounts paid by the Company to participate in the share capital of the companies Calipso SA Oradea and Cluj Conforest North, operations pending registration with the Trade Registry (2012: RON 12,000).
- c Sundry debtors amounting to RON 396,770 (31 December 2012: RON 283,449) mainly include an amount receivable from the officer of the court and amounts transferred to SSIFs for settlement of transactions;
- d Corporate bonds amounting to RON 999,994 represent the value of bonds with maturity less than one year.
- e Accrued interest amounting to RON 804,384 represents the interest afferent to bonds with maturity more than one year (31 December 2012: RON 365,411).
- f Adjustments for impairment of receivables amounting to RON 1,291,963 (31 December 2012: 1,691,963) were accounted for Dividends receivable from previous years amounting to RON 1,221,642 and the related penalties to amounting to RON 70,321.

Receivables	31 December	Liquidity term	
		2012	Less than 1 year
Prepayments to suppliers and receivables from clients	33,140	33,140	
Debtors from dividends not collected	a) 1,687,682	1,687,682	
Debtors from share capital increase	b) 12,000	12,000	
Sundry debtors	c) 271,449	271,449	
Penalties related to dividends not collected	70,321	70,321	
Accrued interest	e) 365,411	365,411	
Adjustments for impairment of receivables - sundry debtors	f) (1,691,963)	(1,691,963)	
Total	748,040	748,040	

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5. STATEMENT OF RECEIVABLES AND PAYABLES (CONTINUED)

Payables	30 June	Settlement term		
		2013	Less than 1 year	Between 1 and 5 years
Suppliers	156,852	156,852		
Salaries and social contributions	908,550	908,550		
Income tax	6,874	6,874		
Other duties and taxes	359,195	359,195		
Dividends payables to shareholders	28,479,294	28,479,294		
Amounts payable in relation with other financial assets	6,426,193	6,426,193		
Sundry debtors	35,290	35,290		
Total	36,372,248	36,372,248	-	-

g Other duties and taxes amounting to RON 359,195 mainly comprise of taxes on dividends paid in June 2013 (31 December 2012: RON 2,217,848).

h Dividends payable to shareholders amounting to RON 28,479,294 (31 December 2012: RON 29,676,491) include dividends payable for previous years. Dividends not collected for the financial years prior to 2008 have been prescribed, and were transferred in other reserves.

i Amounts payable in relation with other financial assets amounting to RON 6,426,193 (31 December 2012: 0) are subscriptions for the capital increase in the company Azuga Turism SA Bucuresti.

Payables	31 December	Settlement term		
		2012	Less than 1 year	Between 1 and 5 years
Payables	124,946	124,946		
Personnel and social security liabilities	590,546	590,546		
Income tax	423,546	423,546		
Other taxes and fees	2,217,848	2,217,848		
Dividends payable to shareholders	29,676,491	29,676,491		
Sundry creditors	25,605	25,605		
Total	33,058,982	33,058,982	-	-

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6. Accounting principles, policies and methods

6.1 General Information

The individual interim financial reporting ("the financial statements") are the responsibility of the Company and were prepared in accordance with the Accounting Regulations compliant with E.E.C. Directive IV, applicable to entities authorized, regulated and supervised by the

National Securities Commission (C.N.V.M.), approved through the Order no. 13/2011 of the President of the National Securities Commission, which are applied together with the Romanian Accounting Law no. 82/1991, republished with subsequent amendments.

In preparing the interim half-year reporting, the provisions of Regulation no. 1/2008 on the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, and the Instruction no. 5/2006 on the system of interim half-year accounting of entities authorized, regulated and supervised by CNVM, as amended, have been considered.

The individual interim financial reporting as at 30 June 2013 includes:

- Statement of assets, payables and equity;
- Profit and loss account;
- Information dates.

Without being part of the half-yearly accounting reports, explanatory notes are submitted as required by Regulation no. 31/2006.

These individual financial statements have not been prepared to reflect the financial position and results of operation and of cash flows of the Company in accordance with International Financial Reporting Standards.

In accordance with CNVM Order no. 116/21.12.2011 for the approval of Instruction no. 6/2011 regarding the application of International Financial Reporting Standards by entities authorized, regulated and supervised by the National Securities Commission, the financial investment companies have the obligation to prepare annual financial statements („IFRS”), for informative purpose, for the financial years 2011, 2012 and 2013 within 180 days after year-end. The financial statements prepared in accordance with IFRS will be obtained by restating the information presented in the annual financial statements prepared in accordance with EEC Directive IV. The financial statements prepared in accordance with IFRS are published on the website and are subject to financial audit.

The company prepared separate financial statements in accordance with International Financial Reporting Standards as adopted by the EU as at 31 December 2011 and 31 December 2012, that were audited and published on the company's website.

According to CNVM Decision no. 1176/15.09.2010, the financial investment companies have the obligation to prepare and submit to the CNVM annual consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the European Union, within eight months from the closing of the financial year. Due to the lack of a legislative framework that imposes to companies which enter into the consolidation perimeter the obligation to prepare a set of financial statements in accordance with IFRS and to have this set of financial statements audited, the consolidated financial statements prepared for 31 December 2012 will have an informative role, without reflecting the fair view of the group. These consolidated financial statements will not be audited taking into account the certainty of a qualified opinion and the high costs of auditing in relation to the relevance of information provided to investors.

6.2 Accounting principles underlying the individual financial statements:

The financial statements were prepared on historical cost basis, in accordance with the provisions of the Order no. 13/2011 of the President of the National Securities Commission for the approval of the CNVM Regulation no. 4/2011 regarding Accounting Regulations compliant with E.E.C. Directive IV, applicable to entities authorized, regulated and supervised by CNVM, respecting also the accruals principle.

Therefore, the effects of transactions and events are recognized when incurred and are accounted for and reported in the financial statements of the related periods.

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6. Accounting principles, policies and methods (CONTINUED)

6.2 Accounting principles underlying the individual financial statements (continued)

The accounting principles underlying the individual financial statements are:

- **Going concern principle** - it assumes that the Company will continue its activity in the foreseeable future, without becoming impossible for the Company to continue its activity and without significantly curtailing the scale of its activity.
- **Consistency principle** – it assumes the consistency in the rules and methods selected for valuation, accounting of transactions and presentation of assets and liabilities, as well as of the results, ensuring the comparability of financial information presented
- **Prudence principle** – the value of each element is determined taking into account:
 - a. only the profits recognized until the date of the preparation of the financial statements
 - b. Foreseeable liabilities and potential losses, which arose in the current or previous financial year, even if these occur between balance sheet date and its preparation date.
 - c. All the depreciations, regardless if the financial year result is profit or loss.
- **Accrual's principle** – all income and expenses incurred in the financial year are accounted for, irrespective of the date of payment or collection.
- **Principle of separate valuation of assets and liabilities** – it assumes separate valuation of assets and liabilities.
- **Intangibility principle** – the opening balance sheet for each financial year corresponds to the prior financial year closing balance sheet.
- **Netting off principle** – assets are not netted off against liabilities, respectively income is not netted off against expenses.
- **Substance over form principle** – the information disclosed in the financial statements illustrates the economic substance of events and transactions, and not merely their legal form;
- **Materiality principle** – only those items which are material are individually disclosed in the financial statements. Those items with immaterial amounts, which have similar functions and nature have to be aggregated, their separate disclosure is not necessary.

6.3 Accounting policies

(a) Use of estimates

The preparation of financial statements in accordance with CNVM Order no. 13/2011 requires management to make estimates and assumptions that affect the reported value of assets and liabilities, disclosure of contingent assets and contingent liabilities at balance sheet date, and income and expenses reported to the respective financial year. Although the estimates and assumptions are made by management, using the most reliable information available at balance sheet date, the actual results may differ from these estimates.

(b) Going concern

The nature of the Company's operations and the result of the economic policies currently implemented may generate variations in what regards future cash inflows. The Administrators believe that the Company will be able to continue its activity as a going concern in the foreseeable future and, consequently, the financial statements were prepared in accordance with this principle.

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6. Accounting principles, policies and methods (CONTINUED)

6.3 Accounting policies (continued)

(c) Foreign currency transactions

Functional and presentation currency

The functional and presentation currency of the financial statements is the Romanian Leu (RON).

Foreign currency transactions and balances

The Company's foreign currency transactions are translated to RON at the exchange rate communicated by the National Bank of Romania ("NBR"), for the transaction date. Any gains or losses resulting from settlement of foreign currency transactions and from conversion of foreign currency monetary assets and liabilities are recognized in the profit or loss account of the current year.

The foreign currency balances are translated to RON, at the exchange rates communicated by NBR for balance sheet date. Profit or loss resulting from settlement of foreign currency transactions and from translation of foreign currency items is recognized in the profit or loss account.

As at 30 June 2013, the official exchange main classes used were: RON 3.4151 for USD 1 (31 December, 2012: 3.3575) and RON 4.4588 for 1 euro (31 December, 2012: 4.4287).

d) Intangible assets

An intangible asset is recognized if there is an estimations that the asset will generate future economic benefits and the asset can be measured reliably.

- Initial recognition

Intangible assets are initially recognized at cost.

- Subsequent expenditures

Subsequent expenditure is capitalized when it is probable that these expenses enable the asset to generate future economic benefits over the ones initially estimated and when they can be reliably measured.

- Measurement at balance-sheet date

Intangible assets are presented in the balance sheet at acquisition cost, less cumulated value adjustments.

- Amortization

Acquisition cost of patents, trademarks, licenses, computer software are capitalized and amortized using the straight-line method, according to their useful life, up to 5 years.

(e) Tangible assets

Tangible assets are assets held for the own use of the Company or for rental to third parties, are used by the Company for periods greater than one year and have an acquisition cost greater than RON 1,800.

- Initial Recognition

Tangible assets are recognized at acquisition cost

- Subsequent expenditures

Expenses with maintenance and repairs of tangible assets are recognized in the profit or loss account when incurred.

Further improvements on the intangible assets, are recognized as part of the asset if the effect is the improvement of initial technical parameters and will bring future economic benefits in addition to those initially estimated.

- Evaluation at the balance sheet date

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6. ACCOUNTING PRINCIPLES, POLICIES AND METHODS (CONTINUED)

6.3 Accounting policies (continued)

Tangible assets are presented in the balance sheet at acquisition cost, less cumulated value adjustments, or, at revalued amount.

In accordance with the allowed alternative revaluation rules, tangible assets are revalued periodically and therefore they are presented in the balance sheet at revalued amount.

The revalued amount is recorded based on the revaluation report prepared by an assessor accredited by ANEVAR.

The revaluation of land and buildings is performed every 3 years, both the gross carrying amount and the accumulated depreciation related to buildings being updated.

The resulting differences are recognized in the account „Revaluation reserve”, as a separate element of the equity.

An increase arising as a result of a revaluation should be recognized as income to the extent that it represents a reversal of a revaluation decrease of the same asset, previously recognized as an expense. If the carrying amount of an asset is reduced as a result of a revaluation, this decrease is recognized as an expense. Nevertheless, a decrease arising as a result of a revaluation is debited to the related revaluation surplus, to the extent that it does not exceed any amount previously credited to the revaluation surplus relating to the same asset.

Any revaluation surplus included in equity may be transferred in reserves when it is realized.

- **Depreciation**

Depreciation is calculated at cost, using the straight-line method, over the estimated useful life of the assets, as follows:

	<u>Years</u>
Buildings and special constructions	10 – 50
Technical installations and machinery	3 - 30
Furniture, office equipment, other tangible assets	3 – 20

Land is not depreciated because it is assumed it has an indefinite useful life.

- **Sale and disposal**

Written off or sold tangible assets are derecognized from the balance sheet, altogether with the accumulated depreciation. Any resulting profit or loss from such operations is determined as the difference between the proceeds from sale and the carrying amount and it is included in the profit or loss account.

(f) Allowances for impairment of assets

The carrying amount of the Company's assets is reviewed at each balance-sheet date in order to determine if any impairment triggers exist. If such triggers occur, the Company estimates the recoverable amount of its assets. If the carrying amount of the assets exceeds their recoverable amount, the Company accounts for an allowance to impairment.

If a change occurs in the conditions existent at the date the recoverable amount was assessed, then the allowance for impairment may be reversed. The adjustment reversal may be performed, provided that the current net carrying amount of the asset will not exceed its historical net accounting value, considering the depreciation charge and ignoring the allowance for impairment.

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6. ACCOUNTING PRINCIPLES, POLICIES AND METHODS (CONTINUED)

6.3 Accounting policies (continued)

(g) Financial instruments

(g.1.) Non-current financial assets

Non-current financial assets include: securities and other financial instruments held as non-current assets and other non-current receivables.

Securities and other financial instruments held as non-current assets include shares held as financial assets available for sale, units held in closed investment funds, bonds issued by municipalities, financial-institutions and the state with a maturity greater than 1 year.

Other receivables comprise of deposits placed at banks with a maturity greater than 1 year and other non-current receivables.

(a) Recognition

Financial assets are recognized at the date they were transferred (settlement date).

In the case of listed companies, all shares purchases and sales which involve a settlement in a certain period, determined according to the regulations in place or upon market agreement, are recognized at the date the transaction is recognized at the Bucharest Stock Exchange.

In case of unlisted companies, the shares purchases are recognized at the date of registration in the Shareholders' Registry, the increase of the share capital is recognized at the date of the transaction registration at the Trade Register and share disposals are accounted for at the settlement date.

Management decides the way in which the classification of financial assets will be made upon the acquisition date.

(b) Measurement of non-current financial assets

- **At acquisition date** the non-current financial assets are measured at acquisition cost or the amount determined by the acquisition contract. The cost of acquisition of shares and other long-term financial investments (listed or unlisted), includes transaction costs directly attributable to their acquisition.

The value of financial assets received at no cost is recognized at nominal value in the account 1065 "Reserves from the shares received at no cost";

- **At disposal date** the non-current financial assets are measured using the weighted average cost method;
- **At the balance sheet date** the acquisition value is compared with the value established through inventory procedures, called inventory value. The negative differences between inventory value and book value are recognized as adjustments for impairment. The positive differences between the inventory value and the book value are not accounted for, in accordance with the CNVM's Order no. 13/2011.

The inventory value of the shares is the value computed in accordance with the provisions of CNVM Regulation no. 23/20.12.12, with effect from March 2013 and the Resolution of Board of Directors no. 10 of 28 February 2013 to approve the use of alternative methods listed in these provisions of CNVM Regulation.

Consequently in the case of shares traded in the last 30 trading days, the inventory value is calculated based on the closing price of the market section considered the main market or the reference price provided by other trading systems than regulated markets for the day on which the calculation is made.

Securities listed on foreign financial markets are assessed at the inventory value based on the above calculation method and are converted to RON at the NBR exchange rate available on the calculation date.

6. ACCOUNTING PRINCIPLES, POLICIES AND METHODS (CONTINUED)

6.3 Accounting policies (continued)

For securities admitted to trading, but not traded in the last 30 trading days and for unlisted securities, inventory value is the book value per share, determined based on the last annual financial statements of that entity (prepared in accordance with applicable accounting regulations). In the case of credit institutions, the book value per share calculation is based on the equity value presented in the monthly reports submitted to the NBR.

Securities not traded or admitted to trading and not traded in the last 30 trading days, whose financial statements are not available within 90 days from the legal submission dates are assessed at zero or the value set by using information from financial reports quarterly / half-yearly published on the website of the regulated market or alternative trading system, where this information is available.

The securities held in companies which are not admitted to trading, with negative values of equity and the companies in insolvency, reorganization, judicial liquidation or other liquidation forms and those in temporary or permanent cessation of activity have an inventory value considered zero.

For securities issued by OPC admitted to trading or traded in the last 30 days of trading on a regulated market, the inventory value is set at the closing price of the market section considered the main market.

In the case of securities issued by OPC not admitted to trading, the inventory value is determined by an evaluation method based on the latest net asset value calculated and published.

The inventory value is established under Disposal of Measures no. 23/20.12.12, a decision made by the Company because it is an accepted method used in the reports submitted to the NSC by investors to calculate monthly and annual net assets. The Company considers that the value of shares presented to the investors in the financial statements can not be determined by different methods. The Company has consistently applied this method of evaluation.

(c) Impairment

If at the balance sheet date, the value of financial assets has decreased with the difference between the value established under the above principles and the carrying amount, adjustments are made for impairment.

CNVM Order no. 13/2011 provides the alternative accounting treatment for recognition of adjustments for impairment of financial assets, respectively in the profit or loss account or in equity. Starting with 2008, the Company decided to apply the accounting treatment for recognition of impairment adjustments in equity.

In addition to the accounting treatment for recognition in the impairment of equity, starting with the year 2011 the Company has developed this method in the sense of distinction between temporary and permanent reductions. Consequently, the adjustments for the loss of value related to companies in liquidation, reorganization, insolvency, are recognized in profit or loss account because these losses are estimated to have a permanent character, and the financial standing of these companies will not improve.

Measurement at minimum values cannot continue if the reasons for which the respective adjustments were made are no longer applicable.

Adjustments for impairment will be cancelled or reversed for the financial assets disposed of or in case of fair value appreciation. The reversal of adjustments for depreciation will be done proportionately according to the source from which they were formed, respectively at income and / or reserves.

(d) Derecognition

The derecognition of financial assets is effected at the settlement date or at the date the ownership is transferred (sales through direct contracts).

Any resulting gain or loss from derecognition is determined as the difference between the proceeds from sale and the carrying amount of the securities sold reduced with the related reserves.

The results from the financial assets sold are accounted for in the profit or loss account.

(g.2.) Current financial assets include shares, bonds held in closed-end investment funds, securities, bonds issued by municipalities, financial companies and banks deposits with maturity less than one year, purchased in order to realize a profit in the short term.

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6. ACCOUNTING PRINCIPLES, POLICIES AND METHODS (CONTINUED)

6.3. Accounting policies (continued)

Evaluation:

- **At acquisition date:** the current financial assets are measured at acquisition cost determined by the acquisition contract. Short-term financial investments in foreign currencies are initially recognized at the exchange rate communicated by NBR from the day of transaction. In case of shares and other financial investments which are not admitted for trading on a regulated market, the acquisition price contains the costs of trading directly attributable to their acquisition.

Shares received at no cost are booked in account 768 "Other financial income"

- **At disposal date** the current financial assets are measured using the weighted average cost method. Sale/liquidation of short-term investments in foreign currency is made at the exchange rate communicated by NBR, from the date the operation was made.

The exchange difference between the rate registered in the accounting and the rate of NBR on the date of liquidation is registered in income or expenses from exchange rate differences.

- **At balance sheet date** the impairment of financial assets held as current assets, determined through the inventory process, is accounted for as expense. The positive differences between the inventory value and the book value are not recognized.

For short-term held securities, admitted to trading or traded in the last 30 trading days, the inventory value is calculated based on the closing price of the market section considered the main market.

Securities listed on foreign financial markets are measured at the inventory value based on the above calculation method and are converted to RON at the exchange rate of the 31 December.

For securities admitted to trading, but not traded in the last 30 trading days, the inventory value is the book value per share of the entity, determined based on the last annual financial statements (prepared in accordance with accounting regulations applicable to the issuer). In the case of credit institutions, book value per share calculation is based on the equity value presented in the monthly reports submitted to the NBR.

Securities admitted to trading and not traded in the last 30 working days whose financial statements are not available within 90 days from the legal submission dates are assessed at zero or the value set by using information from financial reports quarterly / half-yearly published on the website of the regulated market or alternative trading system, where this information is available.

The fair value of securities held in companies under insolvency, reorganization, judicial liquidation or other liquidation forms and those in temporary or permanent cessation of activity is set to zero.

Securities listed on a regulated market are measured at balance sheet date at the closing quotation.

(h) Inventory

Inventories are carried at the lower of cost and net realizable value. Cost is determined by first in first out method (FIFO) for all types of inventories. Net realizable value is estimated based on the selling price used in the ordinary course of business minus the completion and selling costs.

(i) Receivables

Receivables are measured at the expected recoverable amount. For doubtful receivables, adjustments for impairment are made when they are identified. Receivables in foreign currency are recognized both in lei and the foreign currency at the exchange rate given by NBR. At the end of each month, receivables in foreign currency are valued at the exchange rate communicated by NBR.

Foreign exchange gains or losses are recognized in the profit or loss account.

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6. ACCOUNTING PRINCIPLES, POLICIES AND METHODS (CONTINUED)

6.3. Accounting policies (continued)

(j) Payables

Payables are accounted for at nominal amount.

Foreign currency payables are recognized both in lei and in the foreign currency at the exchange rate communicated by NBR.

At the end of each month, foreign currency payables are revalued at the exchange rate communicated for last day of the month. Foreign exchange gains or losses are recognized in the profit or loss account.

(k) Dividends payable

Dividends declared before the balance sheet date, are accounted for as liabilities on the balance sheet date. Dividends proposed or declared after balance sheet date, are not recognized as liabilities but they are disclosed in the notes to the financial statements.

Dividends not claimed within 3 years after expiry of limitation are recorded directly in equity.

(l) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost.

For the purpose of the cash flow statement, cash and cash equivalents include petty cash, current accounts with banks, treasury advances and short term financial assets (securities, bonds) with a maturity less than 3 months.

Cash equivalents are highly liquid, short term financial assets, which can be easily converted to cash and bear an insignificant risk of change in value.

(m) Provisions

Provisions are recognized when the Company has a legal or constructive obligation arising from past events, for the settlement of which an outflow of resources embodying economic benefits is necessary, and when the liability can be reliably measured.

Provisions for incentives granted to employees and administrators for the realization of the profit, are recognized in accordance with the provisions of the Collective Labor Agreement.

(n) Taxation

Provisions for taxes

Deferred taxes were recognized by the Company in accordance with the Accounting Regulations in force until 1 January 2006.

Deferred taxes on balance as at the end of 2005 were transposed to provisions for taxes. Deferred tax was calculated at rates expected to be enacted for the year of the realization of the asset or the settlement of the liability.

Provisions for taxes are set-up for future amounts payable due to the state budget, provided that those amounts are not reflected as current liabilities in relation to the state.

Provisions for taxes are calculated from 1 January 2006 under the provisions of Accounting Regulations in accordance with CEE Directive IV.

Current tax expenses

In first semester of 2013, the Company paid a corporate tax rate of 16%, equal to the rate in force in 2012.

Income tax calculation starts from the accounting result, corrected with the deductible and non-deductible items to which tax rates enacted at that date, are applied.

6. ACCOUNTING PRINCIPLES, POLICIES AND METHODS (CONTINUED)

6.3. Accounting policies (continued)

(o) Employees benefits

During the normal course of its operations, the Company makes payments to health, pensions and unemployment national funds, in accordance with legal regulations in force during the year, calculated on gross salaries. These costs are accounted for in the profit or loss account, upon recognition of the employees' salaries. All the employees of the Company are members of the Romanian state pension plan.

The Company retains and transfers to private pension funds, the amounts with which employees are enrolled in a voluntary pension plan. The persons who retire at the age limit can benefit from a social help amounting to 5 average salaries at Company level.

(p) Revenue recognition

Income from transactions

Income from trading shares is recognized at gross amount (the value of transaction), and those resulted from transactions with current financial assets are recognized based on the net value (the difference between selling price and cost).

Revenues resulting from financial assets transactions made on external financial markets are converted into RON at NBR exchange rate from day the transaction was made, foreign exchanges gains and losses being recognized in the income statement.

The gains from the sale of investment securities on foreign financial markets is determined as the difference between the income obtained (at the exchange rate of NBR from the date the transaction was made) and the acquisition value at the exchange rate from the date of acquisition.

In determining the gain or loss from transactions, only the variations of the quotations of the respective instruments is taken in account, the Foreign exchange gains and losses are recognized separately.

Interest income

Interest income is recognized periodically (monthly), proportionally, while the income is generated, in the profit or loss account for all financial instruments. Interest income includes fixed income from financial assets and commercial titles, as well as reductions and premiums related to treasury securities.

For interest income for which the collection has become uncertain, the adjustment for impairment is recognized separately as an expense. The reduction or cancellation of adjustments for impairment is made by reversal if the allowance for impairment is no longer justified.

Income from financial assets

The income from financial assets includes dividend income which is recognized when the shareholders' right is established and for the amounts presented by the companies in their financial statements.

(q) Expenses recognition

Expenses related to financial investments disposed of

Expenses related to financial investments disposed of equal the carrying amount of the securities ceded (calculated using the weighted average cost), reduced by the amount of reserves afferent to the respective securities.

If the shares are traded on the foreign markets, the expenses related to financial investments disposed of will be recognized at the exchange rate from the date of acquisition, currency differences will be accounted for at financial expenses.

The expenses regarding the disposal of short-term financial investments represent the unfavorable differences between the accounting value (acquisition value) of the short term financial investments and the selling price. Commissions for transactions on the foreign markets are recognized at the exchange rate from the date the transaction was made.

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6. ACCOUNTING PRINCIPLES, POLICIES AND METHODS (CONTINUED)

6.3. Accounting policies (continued)

Expenses with bank commissions

Expenses with bank commissions are recognized when they occur. Fees from negotiating or from participation in the negotiation of a transaction, such as loans, shares or other securities, purchase or sale of business, are recognized at the conclusion of the transaction.

(r) Other operating income and expenses

Other operating income and expenses are recognized when they occur.

(s) Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to ordinary shareholders to the weighted average number of shares for the year.

7. PARTICIPATIONS AND SOURCES OF FUNDING

The share capital of SIF Banat Crişana has a value of RON 54,884,926.8 being divided into 548,849,268 shares with face value of 0.1000 lei and is the direct result of subscriptions made to the share capital of SIF, by converting into shares the amounts due as dividends according to Law no. 55/1995 and Law no.133/1996. As at 30 June 2012, the number of shareholders was de 5,804,957 (31 December 2012: 5,810,816).

The shares issued by SIF Banat Crişana are traded on the Bucharest Stock Exchange since November 1999. The evidence regarding the shares and shareholders is held by the SC Depozitarul Central SA Bucharest.

The company does not have any bonds issued as at 30 June 2013 and 31 December 2012.

8. INFORMATION REGARDING EMPLOYEES AND MEMBERS OF THE MANAGEMENT AND SUPERVISION BODIES

	<u>sem I 2012</u>	<u>sem I 2013</u>
Expenses with salaries	3,123,677	3,206,580
Expenses with insurance and social security	1,216,967	1,379,594
Other staff expenses	100,278	82,773
Expenses with incentives granted to Employees and directors as a result of profit realization*	2,347,500	4,140,000
TOTAL	<u>6,788,422</u>	<u>8,808,947</u>

(*) As at 31 December 2012 a provision for risks and charges was created for incentives to be granted to employees and directors as a result of exceeding the budgeted profit in 2012. During the first semester of 2013, after the approval of the financial statements for 2012, the provision was reversed and the amount was included in the expenses with incentives granted to employees and administrators.

The remuneration paid to employees in the first semester of 2013 and the first semester of 2012 amounted to RON 3,123,677 and RON 3,206,580, respectively, of which:

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8. INFORMATION REGARDING EMPLOYEES AND MEMBERS OF THE MANAGEMENT AND SUPERVISION BODIES (CONTINUED)

	<u>Sem I 2012</u>		<u>Sem I 2013</u>	
	<u>No. of Employees</u>	<u>Salaries</u>	<u>No. of employees</u>	<u>Salaries</u>
Employees	69	1,785,476	68	1,861,995
Administrators	7	300,300	6	333,004
Directors	9	1,037,901	9	1,011,581
Total	84*	3,123,677	82*	3,206,580

*There is one person that holds the role of administrator and director based on a mandate contract.

a) Remuneration of directors and administrators

During the financial year, there were no prepayments and loans granted to directors and administrators of the Company, except for travel prepayments in the interest of the service.

As at 30 June 2012 and 30 June 2013, the administrators had concluded contracts for professional liability insurance. The Company has no contractual obligations regarding pensions to former administrators and directors of the Company.

b) Employees

As at 30 June 2013, the Company had 82 employees (2012: 84) of which 76 were permanent employees (2012: 77) and 6 were temporary employees (2012: 7). The average number of employees in semester I 2013 was of 77 (2012: 77).

9. ANALYSIS OF THE MAIN FINANCIAL AND ECONOMIC RATIOS

	sem I 2012	sem I 2013
1 LIQUIDITY RATIOS		
a) Current liquidity ratio		
Current assets/ Current liabilities	2.09	2.97
Current assets	191,158,276	108,793,131
Current liabilities	91,368,529	36,672,248
b) Quick asset ratio		
(Current assets-Inventories) / Current liabilities	2.09	2.97
Current assets-Inventories	191,153,924	108,790,061
Current liabilities	91,368,529	36,672,248
c) Payment capacity		
(Petty cash and cash at bank + Short term Investments) / Current liabilities	2.01	2.56
Petty cash and cash at bank + Short term Investments	183,751,218	93,896,354
Current liabilities	91,368,529	36,672,248
2 RISK RATIOS	not the case	not the case
3 ACTIVITY RATIOS		
a) Clients receivables days		
Average receivables balance/ Turnover * 365	9	29
Average receivables balance (including debtors- Note 5a)	6,643,639	8,748,031
Turnover (the total operating income)	135,024,405	53,546,419
Average payables balance/ Purchases of goods except for services * 365	31	8
Average payables balance	263,213	59,029
Purchases of goods except for services- credit movement 401	1,510,347	1,404,195

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9. ANALYSIS OF THE MAIN FINANCIAL AND ECONOMIC RATIOS (CONTINUED)

b) Non-current assets turnover	Sem I 2012	Sem I 2013
Turnover/Non-current assets	0.18	0.06
Turnover (total operating income)	135,024,405	53,546,419
Non-current assets	752,361,707	869,969,610
c) Total assets turnover		
Turnover/Total assets	0.14	0.05
Turnover(total operating income)	135,024,405	53,546,419
Total assets	943,519,983	978,762,741
4. Profitability ratios		
a) Return on capital employed		
Earnings before interest and tax/Capital employed	13.94%	3.46%
Earnings before interest and tax	112,395,545	30,981,867
Capital employed (equity)	806,268,843	895,377,460
b) Return on assets		
Net profit / Total assets x 100	10.23%	2.93%
Net profit	96,488,845	28,679,054
Total assets	943,519,983	978,762,741
c) Return on equity		
Net profit / Equity x 100	11.97%	3.20%
Net profit	96,488,845	28,679,054
Equity	806,268,843	895,377,460
5 Working capital (WC)		
(Equity + long term loans) – non-current assets	53,907,136	25,407,850
Equity + long term loans	806,268,843	895,377,460
Total non-current assets	752,361,707	869,969,610
6 Demand for working capital (DWC)		
(Inventories + Receivables) – current liabilities	(84,068,987)	(21,905,088)
Inventories + Receivables	7,299,542	14,767,160
Current liabilities	91,368,529	36,672,248
7 Net treasury (NT)		
WC – DWC	137,976,123	47,312,938
8 Dividend yield		
Dividend per share / Price per share	11.02%	-
Dividend per share	0.1000	0.0000
Price per share (average price year)	0.9075	1.2260
9 Dividend pay-out rate		
Dividend per share / Profit per share	87.11%	-
Dividend per share	0.1000	0.0000
Profit per share	0.1148	0.0523

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10. OTHER INFORMATION

a) Information regarding the presentation of the Company

SIF Banat Crişana SA (the "Company") was set up under the Law no. 133/1996 through the reorganization and transformation of the Private Property Fund Banat-Crişana and it is a joint-stock Company operating under Law 31/1990 and Law no. 297/2004.

SIF Banat-Crişana is located in Arad, 35 A Calea Victoriei, Arad County, code 310158, phone no: 0257.234.167, Fax: 0257.250.165. The registration number from the Trade Registry Office is J02/1898/1992 and the unique fiscal identification number is 2761040.

The Company's depository since July 2005 has been ING Bank NV Amsterdam Bucharest Branch, and the Company registry services are provided by SC Depozitarul Central SA Bucharest.

The Company's core activity is:

- Placements in financial instruments, in order to maximize the value of own shares in accordance with regulations in force;
- Management of the investment portfolio and exercise of all rights associated to the instruments in which it invests;
- Other related activities in accordance with the regulations in force.

b) Information about the relationship with the companies in which SIF holds a share of over 20%

In order to motivate the management of the companies in which SIF Banat Crişana has participations, management contracts were signed with the companies which SIF has a significant interest.

For more information regarding the companies in which SIF holds participations of more than 20%, please see Note 11.

c) Information about the current income tax

The fiscal profit for the period ended 30 June and 30 June 2013 is presented below:

	30 June 2012	30 June 2013
Accounting profit	112,395,545	30,981,867
Non-deductible expenses	10,769,966	316,322
Non-taxable income	(23,676,002)	(16,536,638)
Other taxable items	16,115	18,533
Taxable profit	99,505,624	14,780,084
Income tax rate	16%	16%
Current income tax	15,920,900	2,364,813
Other facilities		
Current income tax payable	15,906,700	2,302,813

d) Turnover

The turnover includes total operating income. The most significant weight in the total revenues is held by the revenues from financial assets and transferred financial assets.

e) Subsequent events

On 8 July 2013, SIF Banat-Crişana received Notice no. A/9/05.07.2013 issued by the Financial Supervisory Authority Financial Instruments and Investments Sector, regarding the approval of the changes of the Constitutive Deed, as a result of the dissolution

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10. OTHER INFORMATION (CONTINUED)

of SIF Banat-Crişana branches from Bistriţa and Satu Mare, according to the decision of the Board of Directors from 27 May 2013.

On 17 July 2013, SIF Banat-Crişana received Notice no. A/10/16.07.2013 issued by the Financial Supervisory Authority Financial Instruments and Investments Sector, concerning the approval of changes in the company's internal regulations, approved by the Board of Directors on 27 May 2013.

On 17 July 2013, the Financial Supervisory Authority issued Decision 365/17.07.2013, approving the acquisition by SIF Banat-Crişana of a qualifying holding of 99,96% of the share capital and of the total voting rights of SAI Muntenia Invest SA.

f) Deferred income

The deferred income as at 30 June 2013 is in amount of RON 300,000 (31 December 2012: RON 44,160) and represents the value of value of one contract of direct sale of shares with a maturity on 30 September 2013.

g) Installments paid under a lease contract

As at 30 June 2012 and 30 June 2013, the Company did not have operational or financial leases.

h) Fees paid to auditors

The Company paid in the first half of 2013 a total of RON 109,478 for the audit of the financial statements prepared in accordance with national regulations for 2012 (2012: RON 99,816).

i) Contingent liabilities and commitments given

Contracts for purchases of non-current tangible and financial assets

- There were no tangible assets in progress as at 30 June 2013 (31 December 2012: RON 0).
- As at 30 June 2013 and 31 December 2012 the Company had no contracts for raw materials and spare parts purchase.
- As at 30 June 2013 the Company had two contracts in amount of RON 4,575,070 for the purchase of non-current financial assets (31 December 2012: RON 12,000)(Note 5).
- As at 30 June 2013 and 31 December 2012, the Company had one contract for subscription to the share capital of one company amounting to RON 6,426,193 (31 December 2012: RON 0) (Note 5).

j) Commitments received

As at 30 June 2013 and 31 December 2012 there were no commitments received.

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11. PORTFOLIO STRUCTURE

As at 31 December 2012, the structure of the Company's portfolio is presented as follows:

Description	Purchase value	Value calculated according to Reg. 23/2012	Differences ±
I Non-current financial assets			
A Securities listed on a regulated market or an alternative trading system;	846,961,176	1,065,805,122	218,843,946
B Securities not listed on a regulated market or an alternative trading system;	155,656,140	192,932,600	37,276,460
C Debt instruments issued by the Central Public Administration;	15,990,565	15,990,565	-
D Debt instruments issued by Local Public Administration	-	-	-
E Bonds of companies whose securities are listed on a regulated market;	-	-	-
F Shares and bonds of closed companies whose securities are not listed on a regulated market	32,998,805	32,998,805	-
G Other assets or financial instruments	-	-	-
I Total non-current financial assets	1,051,606,686*	1,307,727,092	256,120,406
II Current financial assets			
A Securities listed on a regulated market or an alternative trading system:			
- shares			
- fund units	9,627,691	7,669,415	(1,958,276)
	360,985	249,900	(111,085)
II Current financial assets	9,988,676**	7,919,315	(2,069,361)
III Corporate bonds with maturity less than one year to claims made	999,994	999,994	
Total portfolio I+II+III	1,062,595,356	1,316,646,401	254,051,045

Compared to the amounts presented above under "Total non-current financial assets" and "Total current financial assets", the statement of assets, liabilities and shareholders' equity amounts at 30 June 2013 are as follows:

*The balance sheet position "securities and other financial instruments held as non-current financial assets" in amount of RON 864,755,768 includes securities available for sale, at book value or cost less adjustments for impairment, amounting to RON 186,850,918, calculated as at 30 June 2013, as the difference between the higher book value and the fair value determined according to CNVM Regulation no. 15/2004 (Note 1).

** The balance sheet position "Other current financial assets" amounting to RON 89,608,347 include:
- securities held for trading presented at cost of RON 9,988,676, less adjustments for impairment in amount of RON 1,579,421 in balance as at 30 June 2013, from those set on 31 December 2012.
- bank deposits (including the attached interest) in amount of RON 81,199,092 (presented in detail in Note 12).

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11. PORTFOLIO STRUCTURE (CONTINUED)

On June 30, 2013 and June 30, 2012 there were no value losses adjustments of financial assets and short-term financial investments, because adjustments are established and recorded in the accounts at year-end, based on the assessment made at that time as required by accounting regulations compliant with European Directives, approved by CNVM Order no. 13 of 2011.

Value adjustments for value losses at 30 June 2013 is as follows:

- adjustments for value losses to be set up in amount of RON 14,857,975 recognized as:
 - reserves from adjustments for value losses of securities assets, amounting to RON 12,059,370 (30 June 2012: RON 24,918,248);
 - costs on account of adjustments for value losses worth RON 4,404,379 (30 June 2012: RON 1,511,083), out of which:
 - for the titles held as fixed assets amounting to RON 3,682,123, with companies became insolvent in the first half of 2013 in the amount of RON 1,605,774 by taking the Reserves from value adjustments of securities losses of assets;
 - for short-term financial investments (equity hedge fund units) the amount of RON 722,256 ;
- Resumption of adjustments worth RON 23,026,405, recognized as:
 - Reserves from adjustments for value losses of securities assets, amounting to RON 20,095,962 (30 June 2012: ron 0);
 - income from reversal of impairment adjustments to the amount of RON 2,930,443 (30 June 2012: RON 123,429), from previously established expenses in amount of RON 2,748,910 for the securities held as assets and the amount of 181,533 USD related to short-term financial investments (speculative actions).

Thus the influences of the condition of assets, liabilities and equity are as follows:

Assets		+ 8,168,430 lei
- Securities and other financial instruments held as non-current assets		+ 8,709,153 lei
- Other short-term investments		- 540,723 lei
Equity:		+ 8,168,430 lei
- Reserves for allowances for impairment of financial assets		+ 9,642,366 lei
- result for the year		- 1,473,936 lei

As at 30 June 2013, the structure of the portfolio, based on the holding percentage is:

% participation	Number of companies	Book value	Share in total portfolio
above 50%	31	247,627,016	24.46%
between 20-50%	37	92,515,249	9.14%
below 20%	183	672,102,742	66.40%
Total	251	1,012,245,007	100.00%

As at 31 December 2012 the structure of the Company's portfolio is presented as follows:

Description	Value calculated according to		
	Purchase value	Reg. 15/2004	Differences ±
I Imobilizări financiare			
A Securities listed on a regulated market or an alternative trading system;	855,747,007	1,040,674,181	184,927,174
B Securities not listed on a regulated market or an alternative trading system;	125,665,714	146,718,869	21,053,155
C Debt instruments issued by the Central Public	15,882,618	15,882,618	-

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PORTFOLIO STRUCTURE (CONTINUED)

Administration;			
D	Debt instruments issued by local public administration	-	-
E	Bonds of companies whose securities are listed on a regulated market	999,994	999,994
F	Shares and bonds of closed companies whose securities are not listed on a regulated market	-	-
G	Other assets or financial instruments	-	-
I	Total non-current financial assets	998,295,333*	1,204,275,662
II	Current financial assets		
A	Securities listed on a regulated market or an alternative trading system:		
	- acţiuni	9,123,036	7,526,159 (1,596,877)
	- fund units	346,896	269,900 (76,996)
II	Total current financial assets	9,469,932**	7,796,059 (1,673,873)
Total	portofolio I+II	1,007,765,265	1,212,071,721 204,306,456

Compared to the amounts presented above under "Total non-current financial assets" and "Total current financial assets", the balance-sheet amounts at 31 December 2012 are as follows:

* The balance sheet position "Total non-current financial assets" (row 16) amounting to RON 809,243,201 includes securities available for sale, listed at book value or cost less adjustments for impairment, amounting to RON 998,295,333, diminished by the adjustments for impairment, amounting to RON 189,052,132, calculated as at 31 December 2011, as the difference between the higher book value and the fair value, determined according to CNVM Regulation no. 15/2004 (Note 1).

**The balance sheet position "Other current financial assets" (row 13) amounting to RON 143,374,756 include:
- securities held for trading presented at cost amounting to RON 9,123,036 less adjustments for impairment of RON 1,659,801 as at 31 December 2012;
- fund units held at cost amounting to RON 346,896 diminished by adjustments for impairment amounting to RON 76,996;
- bank deposits (including the attached interest) in amount of RON 126,324,373 (presented in detail in Note 12);
-treasury certificates in RON (including the attached interest) in amount of RON 10,037,782 (presented in Note 12).

In accordance with the applicable laws, the depositary services for the Company were provided by ING Bank NV Amsterdam Bucharest Branch.

As at 31 December 2012 the structure of the Company's portfolio is presented as follows:

% participation	Number of companies	Book value	Share in total portfolio
Above 50%	30	218,037,058	22.01%
Between 20-50%	39	42,643,385	4.31%
Below 20%	199	729,855,315	73.68%
Total	268	990,535,758	100.00%

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11. PORTFOLIO STRUCTURE (CONTINUED)

In accordance with art. 238 (1) of CNVM Regulation nr. 4/2011, below are presented the entities where the Company holds interests in the percentage of at least 20%:

No.	CUI	Company name	County	City	Address	Owners %	Share capital	Equity 31.12.2012	Status
1	6496150	VALY-TIM	TM	TIMISOARA	MEHADIEI nr 5	100.00	5,435,000.00	7,257,605.00	
2	17597885	CENTRAL	HD	PETROSANI	Str. 1DECEMBRIE 1918 nr 88	99.98	587,072.50	2,152,602.00	
3	2204171	TRANS EURO HOTEL	MM	BAIA MARE	BUCURESTI nr. 23	99.93	6,600,205.00	12,124,623.00	
4	14393678	BETA TRANSPORT	CJ	CLUJ NAPOCA	GIORDANO BRUNO nr. 1-3 cod 400243	99.76	2,412,797.50	4,654,375.00	
5	199176	NAPOMAR	CJ	CLUJ-NAPOCA	MUNCII nr.14 cod 400641	99.43	25,640,602.50	48,407,183.00	
6	21895472	AGRORENT	AR	ARAD	FELEACULUI nr1; ap14	99.42	965,187.50	1,976,544.00	
7	7081339	VEST METAL	BH	ORADEA	UZINELOR nr.4	98.95	2,732,858.00	10,392,370.00	
8	28330211	AZUGA TURISM	B_	BUCURESTI	Bdul Regina Elisabeta, nr.54,	98.94	13,770,435.00	36,159,860.00	
9	20919450	DACIA MERIDIAN EXPRES	AR	ARAD	Calea Victoriei Nr. 33-35	98.90	1,060,130.00	1,497,363.00	
10	11134377	COMPLEX LABORATOARE	CJ	CLUJ NAPOCA	TRAIAN nr. 44/46	98.83	3,981,375.80	8,931,727.00	
11	12274093	HOTEL MESESUL	SJ	ZALAU	1 DECEMBRIE 1918 nr. 11/A	98.40	1,342,517.50	7,727,960.00	
12	56150	CALIPSO ORADEA	BH	ORADEA	P-TA INDEPENDENTEI nr. 53 bl.A10	96.65	43,441,050.00	64,831,648.00	
13	684200	SILVANA	SJ	CEHU SILVANIEI	PLOPILOR nr.2	96.28	3,609,430.00	9,556,545.00	
14	2736489	ARIO	BN	BISTRITA	INDUSTRIEII nr. 10	93.64	13,035,177.70	10,050,962.00	INS
15	13964571	M.C.B.	MM	BAIA MARE	BD. UNIRIII nr. 5	92.59	678,330.00	4,456,972.00	
16	48807	LEGUME FRUCTE	BH	ORADEA	DIMBOVITEI nr.29	92.12	1,243,960.00	11,589,530.00	
17	11187762	BISTRITA	CJ	CLUJ NAPOCA	AUREL VLAICU nr. 10	91.98	84,940.80	1,411,229.00	
18	1681776	COMALIM	AR	ARAD	URSULUI nr.21	91.17	2,872,317.50	34,115,271.00	
19	2124420	CORA	HD	HUNEDOARA	Bdul DACIA nr. 9, bl. A1-2	90.99	154,445.00	1,870,480.00	
20	199060	ARTA CULINARA	CJ	CLUJ-NAPOCA	I.MANIU nr. 21	89.45	2,626,386.30	32,157,068.00	
21	2127419	RUSCA	HD	HUNEDOARA	DACIA nr.10	87.66	3,440,560.00	7,543,796.00	
22	201896	NAPOTEX	CJ	CLUJ-NAPOCA	str. TRAIAN VUIA nr 208	87.39	1,024,950.00	11,211,705.00	
23	8231299	COMCEREAL CLUJ	CJ	TURDA	Str 22 DECEMBRIE nr 35a, bloc administrativ	86.28	4,860,980.00	9,040,357.00	
24	201624	COMAT CLUJ	CJ	CLUJ-NAPOCA	TRAIAN VUIA nr. 206	84.74	2,088,362.50	33,360,403.00	
25	1847217	URBAN(TCM)	TM	LUGOJ	TIMISORII nr.151	80.45	530,970.00	2,200,714.00	
26	1766830	IAMU	AB	BLAJ	GH BARITIU nr. 38	76.70	12,143,832.50	28,904,951.00	
27	1454846	VRANCART	VN	ADJUD	E.TEODOROIU nr.17	74.72	59,439,011.00	96,673,095.00	

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11. PORTFOLIO STRUCTURE (CONTINUED)

No.	CUI	Company name	County	City	Address	Owners %	Share capital	Equity 31.12.2012	Status
28	2215278	SOIZA	MM	SIGHETU MARMATIEI	P-TA LIBERTATII NR. 5	72.28	214,412.50	1,850,764.00	
29	575688	SOMPLAST	BN	NASAUD	G.COSBUC nr.147	70.75	5,757,950.00	17,759,170.00	
30	3226682	AGMONIA	CS	OTELUL ROSU	22 DECEMBRIE 1989 nr. 6	57.57	77,225.00	373,607.00	
31	1800966	UNITEH	TM	TIMISOARA	CHIMISTILOR nr.5-9	50.20	547,607.50	11,834,057.00	
32	3357599	NORD CONSTRUCTII	SM	CAREI	UZINEI NR. 117	44.31	79,550.00	2,326,362.00	
33	8218044	COMCEREAL CARAS	CS	RESITA	LUNCA POMOSTULUI nr.3/5	42.41	270,202.50	0.00	LJ
34	1703521	ARADEANCA	AR	ARAD	PADURII nr. 2-4	39.16	222,672.50	0.00	INS
35	2196087	COMAR	MM	BAIA MARE	MINERILOR nr.16 Nr. 16	34.94	101,502.50	0.00	
36	16276186	MOBILA USI	BC	BACAU	str.MOINESTI nr 34	32.45	126,279.60	0.00	LJ
37	2816987	ELBAC	BC	BACAU	CALEA MOINESTI nr. 34	32.45	829,956.00	0.00	LJ
38	17716200	ATLASCARD	HD	DEVA	Pta UNIRII nr 10	31.36	32,190.00	2,672,568.00	
39	1062656	AGROPRODUCT RESITA	CS	RESITA	PAUL IORGOVICI nr.44	30.00	181,800.00	0.00	RJ
40	2761369	CRISCOM	AR	CHISINAU CRIS	INFRATIRII nr.125	30.00	80,180.00	0.00	LJ
41	1765460	TRANSILVANIA AIUD	AB	AIUD	TUDOR VLADIMIRESCU nr. 51	30.00	116,947.50	0.00	LJ
42	2441828	UZINA ARDEALUL	AB	ALBA IULIA	MICIURIN nr. 9	29.51	138,982.50	0.00	LJ
43	7245512	REMAT MARGHITA	BH	MARGHITA	BRINDUSEI NR. 16	29.39	4,795.00	0.00	DIZ
44	1719170	AGROINDUSTRIALA NADLAC	AR	NADLAC	G.ENESCU nr. 85	29.03	166,017.50	0.00	DIZ
45	1770300	COMMIXT	AB	OCNA MURES	BRAZILOR 20	28.97	26,357.50	0.00	LJ
46	9654130	MOBIMET	HD	HATEG	RAU MARE nr. 94	28.87	36,737.50	0.00	LJ
47	5184591	MOBIPET	HD	PETROSANI	LIVEZENI nr. 232	28.87	121,600.00	0.00	
48	2046136	PETROCART	NT	PIATRA NEAMT	DECEBAL nr.171	28.54	2,887,128.50	26,084,701.00	
49	7072756	METALURGICA	BH	MARGHITA	C. REPUBLICII NR. 72	28.41	126,090.00	0.00	LJ
50	1753147	SUINPROD GALDA	AB	GALDA DE JOS	OIEJDEA-nr.300	27.09	357,710.00	0.00	LJ
51	569007	MEBIS	BN	BISTRITA	INDUSTRIEII nr. 4	26.78	866,592.50	0.00	INS
52	13061000	GAZ VEST	AR	ARAD	Prunului nr. 129	25.82	10,506,800.00	46,748,156.00	

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11. PORTFOLIO STRUCTURE (CONTINUED)

No.	CUI	Company Name	County	City	Address	Owners %	Share capital	Equity 31.12.2012	Status
53	10693710	FORESTA MUSCEL	AG	CAMPULUNG	STR. TRAIAN NR. 158	25.75	137,847.50	0.00	INS
54	10702460	FORESTIERA	DB	TIRGOVISTE	Str. SILOZULUI nr. 2	25.75	105,672.50	590,255.00	
55	5462698	EXFOR	B_	BUCURESTI	SOS. PIPERA nr. 46 A	24.23	999,135.00	0.00	LJ
56	644184	MOBICOM	SM	SATU MARE	LIVIU REBREANU 43	24.11	40,982.50	2,779,793.00	
57	7323645	AGROMEC GATAIA	TM	GATAIA 1837	SUMIGULUI	23.91	33,962.50	0.00	
58	2206261	RAMIRA	MM	BAIA MARE	V.LUCACIU nr.160 Nr. 160	23.75	674,045.00	7,497,065.00	
59	1728194	AGROINDUSTRIALA SAGU	AR	SAGU	Sagu FN	23.62	343,842.50	0.00	LJ
60	1071522	AGROTRANSPORT	CS	RESITA	P.IORGOVICI nr. 34	23.46	9,647.50	0.00	RJ
61	1758098	CTCE	AB	ALBA-IULIA	MIHAI VITEAZU	23.24	21,252.50	2,271,216.00	
62	1856312	AGROINDUSTRIALA SOCGAT	TM	GATAIA	REPUBLICII	22.65	264,280.00	0.00	DIZ
63	3094999	MOPAL	BN	BISTRITA	TARPIULUI nr.14	21.89	20,197,561.84	0.00	RJ
64	768506	MOLIDUL	SV	VAMA	STEFAN CEL MARE	21.63	226,447.50	0.00	RJ
65	341563	BIOFARM	B_	BUCURESTI	str. Logofatu Tautu. Nr.99	21.30	23,319,589.70	164,539,257.00	
66	1754770	COMAT ALBA	AB	ALBA IULIA	GARII	20.67	132,115.00	1,476,439.00	
67	1060620	COMAT CARAS SEVERIN	CS	RESITA	MONIOM nr. 113	20.41	62,210.00	775,013.00	
68	1765044	METALURGICA	AB	AIUD	VULCAN nr. 2-10	20.01	1,787,622.50	0.00	RJ

Legend:

Ins - insolvency

LJ – wound

RJ – judicial reorganization

DIZ - dissolution

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12. STRUCTURE OF BANK DEPOSITS

As at 30 June 2013 the Company had the following bank deposits:

Name Bank	Account symbol	Deposit Amount		Interest as at 30.06.2013		Share in total interest	Date of Deposit	Date of Maturity
		Maturity		Interest rate	Amount			
		< 60 zile	> 60 zile					
Banca Italo Romena	ron		125,000	5.55	1,007.36	0.13	09/05/2013	14/07/2013
Banca Italo Romena	ron		1,000,000	5.55	8,058.90	1.05	09/05/2013	14/07/2013
Banca Italo Romena	ron		500,000	5.55	4,029.45	0.53	09/05/2013	14/07/2013
Banca Italo Romena	ron		500,000	5.55	4,029.45	0.53	09/05/2013	14/07/2013
Banca Intesa Sanpaolo	ron		2,000,000	5.60	16,488.89	2.15	09/05/2013	07/11/2013
Banca Intesa Sanpaolo	ron		300,000	5.60	2,473.33	0.32	09/05/2013	07/11/2013
Banca Intesa Sanpaolo	ron		300,000	5.60	2,473.33	0.32	09/05/2013	07/11/2013
Banca Intesa Sanpaolo	ron		690,000	5.60	5,688.67	0.74	09/05/2013	07/11/2013
Banca Intesa Sanpaolo	ron		1,000,000	5.60	8,244.44	1.08	09/05/2013	07/11/2013
Banca Intesa Sanpaolo	ron		1,000,000	5.60	8,244.44	1.08	09/05/2013	07/11/2013
Banca Intesa Sanpaolo	ron		1,000,000	5.60	8,244.44	1.08	09/05/2013	07/11/2013
Banca Intesa Sanpaolo	ron		500,000	5.60	4,122.22	0.54	09/05/2013	07/11/2013
Banca Intesa Sanpaolo	ron		500,000	5.60	4,122.22	0.54	09/05/2013	07/11/2013
Banca Intesa Sanpaolo	ron		400,000	5.60	3,297.78	0.43	09/05/2013	07/11/2013
Procredit Bank	ron		6,850,000	7.06	219,943.18	28.73	16/01/2013	30/06/2013
Banca Transilvania	ron		180,000	5.50	2,777.50	0.36	22/03/2013	08/07/2013
Banca Transilvania	ron		600,000	5.70	9,310.00	1.22	25/03/2013	23/07/2013
Banca Transilvania	ron		200,000	5.72	3,114.22	0.41	25/03/2013	08/08/2013
Banca Transilvania	ron		600,000	5.75	9,391.67	1.23	25/03/2013	22/08/2013
Banca Transilvania	ron		180,000	4.70	1,151.50	0.15	13/05/2013	08/09/2013
Banca Italo Romena (RON equivalent)	euro		6,469,719	4.00	101,388.47	13.24	08/02/2013	14/07/2013
Banca Italo Romena (RON equivalent)	euro		8,917,600	4.00	128,999.80	16.85	19/02/2013	14/07/2013
Banca Intesa Sanpaolo (RON equivalent)	euro		2,229,400	3.00	11,704.35	1.53	29/04/2013	27/04/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		2,229,400	3.00	11,704.35	1.53	29/04/2013	27/04/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		1,783,520	3.00	9,363.48	1.22	29/04/2013	27/04/2014

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12. STRUCTURE OF BANK DEPOSITS (CONTINUED)

Name Bank	Account symbol	Deposit Amount		Interest as at 30.06.2013		Share in total interest	Deposit	Date of Maturity
		Maturity		Interest rate	Amount			
		< 60 zile	> 60 zile					
Banca Intesa Sanpaolo (RON equivalent)	euro		1,337,640	3.00	7,022.61	0.92	29/04/2013	27/04/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		1,337,640	3.00	7,022.61	0.92	29/04/2013	27/04/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		1,306,428	3.00	6,858.75	0.90	29/04/2013	27/04/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		891,760	3.00	4,087.23	0.53	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		891,760	3.00	4,087.23	0.53	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		949,724	3.00	4,352.90	0.57	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		4,458,800	3.00	20,436.17	2.67	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		4,458,800	3.00	20,436.17	2.67	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		2,229,400	3.00	10,218.08	1.33	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		2,229,400	3.00	10,218.08	1.33	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		2,229,400	3.00	10,218.08	1.33	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		3,121,160	3.00	14,305.32	1.87	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		4,458,800	3.00	20,436.17	2.67	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		4,458,800	3.00	20,436.17	2.67	07/05/2013	05/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		4,458,800	3.00	11,890.13	1.55	30/05/2013	28/05/2014
Banca Intesa Sanpaolo (RON equivalent)	euro		1,560,580	3.00	4,161.55	0.54	30/05/2013	28/05/2014
Total Bank Deposits		0	80,433,532		765,560.69	100.00		

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12. STRUCTURE OF BANK DEPOSITS (CONTINUED)

As at 31 December 2012 the Company had the following bank deposits:

Name Bank	Account symbol	Deposit Amount		Interest as at 31.12.2012		Share in total interest	Date of Deposit	Date of Maturity
		< 60 zile	> 60 zile	Interest rate	Amount			
Banca Italo-Romena	Ron		1,000,000	7.20	28,602.74	1.98	09/08/2012	08/01/2013
Banca Italo-Romena	Ron		1,000,000	7.20	28,602.74	1.98	09/08/2012	08/01/2013
Banca Italo-Romena	Ron		1,360,000	7.20	38,899.73	2.69	09/08/2012	08/01/2013
Banca Italo-Romena	Ron		5,000,000	7.20	143,013.70	9.90	09/08/2012	08/01/2013
Banca Italo-Romena	Ron		5,000,000	7.20	143,013.70	9.90	09/08/2012	08/01/2013
Banca Italo-Romena	Ron		2,000,000	7.20	57,205.48	3.96	09/08/2012	08/01/2013
Banca Italo-Romena	Ron		11,445,000	7.10	126,898.40	8.78	05/11/2012	04/02/2013
Banca Intesa Sanpaolo	Ron		5,000,000	6.30	55,232.88	3.82	29/10/2012	28/01/2013
Banca Intesa Sanpaolo	Ron		5,000,000	6.30	55,232.88	3.82	29/10/2012	28/01/2013
Banca Intesa Sanpaolo	Ron		8,000,000	6.30	88,372.60	6.12	29/10/2012	28/01/2013
Banca Intesa Sanpaolo	Ron		98,000	6.30	1,082.56	0.07	29/10/2012	28/01/2013
Banca Transilvania	Ron	148,000		5.25	237.42	0.02	21/12/2012	02/01/2013
Banca Transilvania	Ron		250,000	6.20	6,070.83	0.42	13/08/2012	08/01/2013
Banca Transilvania	Ron	300,000		6.00	900.00	0.06	14/12/2012	13/01/2013
Banca Transilvania	Ron		1,100,000	6.20	26,711.67	1.85	13/08/2012	23/01/2013
Banca Transilvania	Ron		10,000,000	6.25	147,569.44	10.21	08/10/2012	23/01/2013
Banca Transilvania	Ron		300,000	6.25	4,427.08	0.31	08/10/2012	23/01/2013
Banca Transilvania	Ron		250,000	6.20	6,070.83	0.42	13/08/2012	07/02/2013
Banca Transilvania	Ron		600,000	6.20	14,570.00	1.01	13/08/2012	21/02/2013
Banca Transilvania	Ron		600,000	6.20	14,570.00	1.01	13/08/2012	21/02/2013
Banca Transilvania	Ron		250,000	6.20	6,070.83	0.42	13/08/2012	07/03/2013
Banca Transilvania	Ron		650,000	6.20	12,313.89	0.85	13/09/2012	16/01/2013
Banca Transilvania	Ron		250,000	6.20	5,941.67	0.41	16/08/2012	08/04/2013
Banca Transilvania	Ron		347,000	6.20	6,095.63	0.42	21/09/2012	23/04/2013
Banca Transilvania	Ron		300,000	6.25	2,760.42	0.19	09/11/2012	23/04/2013
Unicredit Tiriac Bank	Ron		3,110,000	6.30	28,845.25	2.00	09/11/2012	15/01/2013
Unicredit Tiriac Bank	Ron		1,500,000	6.30	13,912.50	0.96	09/11/2012	15/01/2013
Unicredit Tiriac Bank	Ron		3,394,000	6.30	29,697.50	2.06	12/11/2012	15/01/2013
Unicredit Tiriac Bank	Ron		1,005,000	6.30	7,035.00	0.49	22/11/2012	21/01/2013

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12. STRUCTURE OF BANK DEPOSITS
(CONTINUED)

Name Bank	Account Symbol	Deposit Amount		Interest as at 31.12.2012		Share in total interest	Date of Deposit	Date of Maturity
		Maturity <60 zile	Maturity >60 zile	%	Amount			
Unicredit Tiriac Bank	Ron		2,212,000	6.30	15,096.90	1.04	23/11/2012	22/01/2013
Unicredit Tiriac Bank	Ron		1,000,000	6.30	2,450.00	0.17	18/12/2012	17/02/2013
Unicredit Tiriac Bank	Ron		1,000,000	6.30	2,450.00	0.17	18/12/2012	17/02/2013
Unicredit Tiriac Bank	Ron		1,300,000	6.30	3,185.00	0.22	18/12/2012	17/02/2013
Banca Italo-Romena (RON equivalent)	Eur		6,336,274	4.25	62,711.75	4.34	08/10/2012	07/02/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		13,286,100	4.00	93,184.70	6.45	29/10/2012	05/02/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		2,214,350	4.00	15,530.78	1.07	29/10/2012	05/02/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		1,249,336	4.00	8,762.47	0.61	29/10/2012	05/02/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		4,428,700	4.05	22,604.57	1.56	16/11/2012	17/02/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		2,214,350	4.05	11,302.29	0.78	16/11/2012	17/02/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		2,214,350	4.05	11,302.29	0.78	16/11/2012	17/02/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		664,305	4.05	3,390.69	0.23	16/11/2012	17/02/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		735,164	4.05	3,752.36	0.26	16/11/2012	17/02/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		1,107,175	4.05	1,619.24	0.11	19/12/2012	28/03/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		1,107,175	4.05	1,619.24	0.11	19/12/2012	28/03/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		1,107,175	4.05	1,619.24	0.11	19/12/2012	28/03/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		4,428,700	4.05	6,476.97	0.45	19/12/2012	28/03/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		1,107,175	4.05	1,619.24	0.11	19/12/2012	28/03/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		487,157	4.05	712.47	0.05	19/12/2012	28/03/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		885,740	4.05	1,295.39	0.09	19/12/2012	28/03/2013
Banca Intesa Sanpaolo (RON equivalent)	Eur		2,214,350	4.05	1,992.91	0.14	24/12/2012	28/03/2013
Transilvania (RON equivalent)	Eur		4,322,903	4.15	72,258.51	5.00	09/08/2012	08/01/2013
Total Bank Deposits (I)		448,000	124,431,479		1,444,894.38	100.00		
Ministry of Finance	Ron		9,074,696	5.53	242,551.50	100.00	11/07/2012	09/06/2013
Total Treasury (II)		-	9,074,696		242,551.50	100.00		
TOTAL (I+II)		448,000	133,506,175		1,687,445.88			

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13. Structure of gross income

	30 June 2012	30 June 2013
1 Revenues from long term financial investments (domestic-external dividends)	13,932,865	16,063,790
2 Revenues from short term financial investments	199,420	169,396
3 Revenues from long term receivables	-	-
4 Revenues on disposal of financial investments ¹	104,306,868	24,152,936
5 Revenues from commissions for works and services	-	-
6 Foreign exchange gains	1,908,364	4,299,506
7 Interest income	4,673,968	3,291,061
8 Bad debts written off subsequently collected	-	-
9 Capitalised costs of non-current assets	-	-
10 Write back of provisions ²	9,065,211	5,335,953
11 Other revenues		
- From studies and research	-	-
- From rental and royalty	29,003	34,170
- From sundry activities	-	-
- From subsidies	-	-
- From other revenues	230,728	42,232
- From discounts received	-	-
- From other financial revenues	677,978	157,375
12 Revenues from subsidies for extraordinary events and other similar revenues	-	-
13 Total revenues	135,024,405	53,546,419

¹ Revenues from disposal of financial investments include revenues from disposal of long-term financial investments in the amount of RON 23,587,640 (30 June 2012: 104,034,285 RON) and gains from disposal of short-term financial investments in the amount of RON 565,296 (30 June 2012: RON 272,583).

² Write back of provisions include reversal of impairment losses on financial non-current assets and depreciation of current assets in the amount of RON 781,953 (30 June 2012: RON 6,480,211) and write back of provisions in the amount of RON 4,554,000, representing reversal of provisions for incentives for achieving profit (30 iunie 2012: RON 2,585,000).

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14. Structure of expenses

	30 June 2012	30 June 2013
Losses on receivables from associates	-	-
Losses on disposal of financial investments	13,070,096	7,528,872
Fees and commissions expense ³	1,264,895	1,324,965
Foreign exchange loss	243,747	3,614,367
Interest expense	-	-
Expenses with bank services and similar charges	23,069	22,709
Bad debt written off and various debtors	34,567	-
Expenses with provisions and amortization	180,047	152,696
Expenditure on third parties		
- maintenance and repairs	30,537	35,202
- rent and royalties	50,312	50,903
- insurance premiums	23,484	19,286
- research and studies	-	-
- advertising and protocol	98,166	79,777
- transport of goods and people	56	540
- travel, postings, transfers	116,040	174,902
- postal and telecommunication	64,189	71,005
- other third party services	347,798	346,365
- other expenses	19,703	62,238
- expenses with discounts granted	-	-
- other financial expenses	-	-
Other duties, taxes and similar payments	51,160	69,866
Other expenses:		
- consumables	74,958	67,359
- inventory	3,913	5,380
- materials, other than inventory	49,521	32,348
- energy and water	94,180	96,825
- expense with liberal professions	-	-
- salaries	5,571,455	7,429,353
- social security	1,216,967	1,379,594
Expenditure on disasters and extraordinary events	-	-
Income tax	15,906,700	2,302,813
Tax expenses other not mentioned above	-	-
Total expenses	38,535,560	24,867,365

³ Fees and commissions expenses include amounts owed to the depository company, to the company providing registry services, the commission of 0.1% of the net assets due to ASF, fees for the transactions performed by the financial investment services companies, audit fees, fees for bailiffs and other expenses with fees and commissions.

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15. Cash and cash equivalents

	31 December 2012	30 June 2013
Petty cash and bank accounts		
Bank accounts	103,490	4,244,930
Petty cash	1,404	6,667
Cash prepayments and other values	43,540	36,410
Total petty cash and bank accounts	148,434	4,288,007
Bank deposits (Note 12)	124,879,479	80,433,532
Less deposits with a residual maturity of more than 3 months	(897,000)	(54,311,213)
Total liquid bank deposits	123,982,479	26,122,319
Bonds and securities	9,074,696	-
Less bonds and securities with a residual maturity of more than 3 months	(9,074,696)	-
Total liquid bonds and securities	-	-
Total cash and cash equivalents	124,130,913	30,410,326

As at 30 June 2013 there are no restrictions on cash in bank accounts.

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16. RESERVES

As at 30 June 2013, the Company's reserves amount to RON 806,376,064 (2012: RON 713,787,332) and the retained earnings amount to RON 5,437,415 (2012: RON 5,437,415) include:

sem I 2013	Gross amounts	Provisions for taxes Note 2(a)	Net amounts
A Legal reserve	10,976,985		10,976,985
B Reserves for allowances for Impairment of financial assets	(118,225,042)		(118,225,042)
C Reserves for the value of non-current financial assets received at no cost	386,546,081	(19,309,882)	367,236,199
D Reevaluation surplus reserves	647,639		647,639
E Other reserves created as a result of Law no. 133/1996	145,486,088	(23,277,774)	122,208,314
F Other reserves - own funds	356,687,145		356,687,145
G Other reserves – tax incentives	19,832,945	(3,173,271)	16,659,674
H Other reserves, dividends prescribed	45,186,589		45,186,589
I Revaluation reserve	5,950,667	(952,106)	4,998,561
J rezultat raportat	5,437,415		5,437,415
Total	858,526,512	(46,713,033)	811,813,479
	Gross amounts	Provisions for taxes Note 2(a)	Net amounts
2012			
A Legal reserve	10,976,985		10,976,985
B Reserves for allowances for impairment of financial assets	(120,044,305)		(120,044,305)
C Reserves for the value of non-current financial assets received at no cost	396,361,392	(19,379,494)	376,981,898
D Reevaluation surplus reserves from reevaluation reserves	640,612		640,612
E Other reserves created as a result of Law no. 133/1996	145,486,088	(23,277,774)	122,208,314
F Other reserves - own funds	256,173,101		256,173,101
G Other reserves – tax incentives	19,832,945	(3,173,271)	16,659,674
H Other reserves, dividends prescribed	45,186,589		45,186,589
I Revaluation reserve of current Assets	5,957,694	(953,230)	5,004,464
J Retained earnings	5,437,415		5,437,415
Total	766,008,516	(46,783,769)	719,224,747

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16. Reserves (continued)

A. Legal reserve, amounting to RON 10,976,985 (2012: RON **10,976,985**) is set up in accordance with Law 31/1990, through the allocation of 5% of accounting profit (calculated in accordance with Romanian accounting standards) until the reserve fund reaches 20% of the share capital. In 2006 the reserve reached 20% of the Company's share capital.

B. Reserves for allowances for impairment of financial assets amounting to RON **(118,225,042)**, resulting from the measurement of the portfolio at inventory value as at 31 December 2012 and from the recognition of impairment allowances as the difference between the higher book value and the fair value determined in accordance with the CNVM Regulation no 15/2004. (2012: RON (120,044,305)).

C. Reserves for the value of non-current financial assets received at no cost amounting to RON **367,236,199** (2012: RON 376,981,898) include:

- the value of shares acquired as a result of the share capital increase by incorporation of elements of equity in amount of RON **101,376,880** (2012: RON 101,742,355) The provision for income taxes for these reserves amounting to RON **19,309,882** (2012: RON 19,379,494) was deducted from the gross amount of these reserves amounting to RON **120,686,762** (2012: 121,121,849 RON) and was calculated at a rate of 16%, in force since 1 January 2005;

- the difference between the issuance value of Erste Group Bank AG Viena shares and BCR shares that the Company contributed in-kind to the share capital of Erste Group Bank AG Viena, in amount of RON **265,859,319** (2012: RON 275,239,543).

D. Reserves representing realized revaluation surplus, amounting to RON **647,639** (2012: RON 640,612) represents the revaluation reserve of tangible assets disposed of.

E. Other reserves – resulted from the application of Law no. 133/1996 amounting to RON **122,208,314** (2012: RON 122,208,314). The provision for income taxes for these reserves amounting to RON **23,277,774** (2012: RON 23,277,774) was deducted from the gross amount of these reserves amounting to RON **145,486,088** lei (2012: RON 145,486,088) and was calculated at a rate of 16%, in force since 1 January 2005.

F. Other reserves - own funds, amounting to RON **356,687,145**, which were setup from the net profit based on the approval of the General Meeting of Shareholders (2012: RON 256,173,101).

G. Other reserves - tax incentives amounting to RON **16,659,674** (2012: RON 16,659,674). The provision for income taxes for these reserves amounting to RON **3,173,271** (2012: RON 3,173,271) was deducted from the gross amount of these reserves amounting to RON **19,832,945** (2012: RON 19,832,945) and was calculated at a rate of 16%, in force since 1 January 2005.

H. Other reserves – prescribed dividends totaling **RON 45,186,589** (2012: RON 45,186,589) includes the value of uncollected dividends for the financial year prior to 2008 (inclusive).

I. Revaluation reserve amounting the **RON 4,998,561** (2012: RON 5,004,464) includes net revaluation of buildings, in accordance with regulations. Revaluation reserve represents the difference between the gross amount of RON **5,950,667** (2012: RON 5,957,694)) and the provision for deferred taxes afferent to the revaluation amounting to RON **953,230**, calculated at a rate of 16% (2012: RON 953,230).

J. Retained earnings amounting to RON **5,437,415** represents favorable retained earnings from the first time adoption of IAS, except for IAS 29 (2011: RON 5,437,415).

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17. Related parties transactions

During first semester of 2012 and 2013, the Company, given the nature of the business, conducted financing transactions with related parties through share capital participation in portfolio companies (Calipso SA Oradea 4.6 mil RON and Azuga Turism SA Bucharest RON 9.2 mil) and the purchase of bonds issued by the company Romenergo SA Bucharest with 26.9 mil RON (Note 1c).

18. Financial risks

By the nature of the business, the Company is exposed to various risks, including: market risk, credit risk, liquidity risk, cash flow risk, operational risk, taxation risk and the risk related to the economic environment.

- a. Market risk** includes foreign exchange risk, interest rate risk and market price risk.

Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

During the first semester of 2013, the company performed transactions in RON and foreign currency. The Romanian currency has fluctuated compared to the EURO and USD, during the first semester of 2013 experiencing, registering a depreciation compared with the other currencies at the end of the period.

The financial instruments used give the possibility of conserving the value of the monetary assets held in RON, by making placements and receiving interest based on due dates. The company didn't perform any transactions with derivatives during 2012 and first semester of 2013.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk consists of the risk of fluctuation in the value of a particular financial instrument due to changes in interest rates and the risk of differences in maturity between interest-bearing financial assets and interest-bearing debts used to finance those assets.

The period over which the interest rate remains fixed for a financial instrument indicates, therefore, to what extent the instrument is exposed to interest rate risk. Financial instruments bear interest at market rate, therefore it is considered that fair values are not significantly different from book values.

Most financial assets of the Company are in stable currencies whose interest rates are unlikely to vary significantly.

Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changing market prices, irrespective whether those changes are caused by factors specific to individual instruments or their issuer, or the changes are caused by factors affecting all instruments traded on the market.

The combined effects of the European sovereign debt crisis and global economic downturn led to a worldwide impairment of the global stock market capitalization. The unfavorable external environment influenced negatively the market capitalization of listed issuers liquid portfolio company registered in securities investment at the end of the first semester of 2013. Given that the company has in its portfolio a number of listed shares, it has been adversely affected by price risk.

b. Credit risk

Credit risk is the risk that one of the parties to a financial instrument will fail to meet an obligation, which will cause the other party to record a financial loss.

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18. Financial risks (continued)

Financial assets which potentially subject the Company to concentrations of credit risk include mainly receivables from the core activity. They are presented net of adjustments for doubtful debts. The Company's management closely and constantly monitors the exposure to credit risk in order to reduce losses due to credit concentration in a particular sector or area of activity.

c. Liquidity risk

Liquidity risk, also called financing risk, is the risk that an enterprise has difficulties in accumulating funds to meet its commitments associated with financial instruments.

The Company keeps track of the evolution of liquidity in order to be able to pay obligations on the date they are due. Assets and liabilities are analyzed according to the time remaining until contractual maturity in Note 5 "Statements of receivables and payables".

d. Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. In case of a financial instrument with a floating rate for example, such fluctuations will result in a change of the effective interest rate of the financial instrument, usually without any changes in its fair value.

By the nature of its activity, the Company is not subject to a serious risk of changing the projected cash flow, both from financial instruments fluctuation and the interest rate changes.

e. Operational risk

Operational risk is the risk of direct or indirect loss record resulting from a wide range of factors associated to the processes, staff and internal systems of the Company or from external factors (other than credit risk, market risk or liquidity risk) such as those from legal and regulatory requirements and generally accepted standards of investment management. The operational risk is resulting from all activities of the Company.

The Company's objective is to manage the operational risk so as to balance the measures taken to limit the financial losses and the damage of its reputation and the implementation of the investment objectives which generates income from investors.

f. Taxation risk

Starting from January 1, 2007, following Romania's accession to the European Union, the Company must comply with EU regulations, and therefore has prepared to implement EU law. The company has implemented these changes, but the method of implementation remains open to fiscal controls for 5 years.

The interpretation of the texts and practical implementation of new procedures for tax regulations, could change and it may be the risk that in some cases the tax authorities to adopt a different position from the Company.

In addition, the Romanian Government has a number of agencies authorized to audit (control) companies operating in Romania. These controls are similar to tax audits in other countries, and can cover not only the tax issues, but also other legal and regulatory issues of interest to these agencies. It is possible that the Company will be the subject of the fiscal controls on issuance of new tax rules so far.

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18. Financial risks (continued)

g. Economic environment risk

The process of risk repricing on international financial markets in recent years has severely affected their performance, including the financial market in Romania, leading to increased uncertainty about future economic developments.

The effects of the international financial crisis were also felt on the Romanian financial market particularly in the form of: significant increase of non-performing loans volume in the local banking system, making access to finance more difficult both for population and economic agents, banks aiming more towards financing of the state authorities through purchases of government bonds rather financing economic and consumption development, national currency depreciation, lower real estate prices, the negative evolution of macroeconomic indicators (inflation, budget deficit, current account deficit, decrease of foreign direct investment, rising unemployment etc.)

SIF Banat-Crisana's management cannot predict all the effects of the crisis affecting the financial sector in Romania, but considers that in the first semester of 2013 has adopted the measures necessary for sustainability and development of the Company in existing financial market conditions, by monitoring cash flows and adequacy of the investment policies.

The avoidance of risks and mitigation of their effects are provided by the Company through an investment policy that complies with prudential rules imposed by laws and applicable regulations.

SIF Banat-Crisana adopted risk management policies through which an active management is performed, being applied specific procedures for the identification, assessment, measurement and control of risks, in order to provide reasonable assurance regarding the objectives of Company, a constant balance between risk and expected profit being sought.

The risk management process aims: (i) identification and assessment of significant risk with impact in meeting the investment objective and activities development to counter the risks identified, (ii) adapting the risk management policies to the financial developments of the capital market, performance monitoring and improvement of risk management procedures, (iii) reviewing investment decisions in relation to capital market development, (iv) compliance with current legislation.

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19. CONCENTRATION OF EXPOSURE

a. Bank deposits

As at 30 June 2013, the Company's exposure to banks was as follows:

Bank	Weight in total deposits	Amounts as at 30 June 2013	Weight in total deposits	Amounts as at 31 december 2012
Intesa Sanpaolo Bank	67.5%	54,311,213	46.1%	57,549,302
Banca Italo-Romena	21.8%	17,512,319	26.5%	33,141,274
Procredit Bank	8.5%	6,850,000	-	-
Banca Transilvania	2.2%	1,760,000	15.8%	19,667,903
Unicredit Ţiriac Bank	-	-	11.6%	14,521,000
Total	100%	80,433,532	100%	124,879,479

b. Financial assets

As at 30 June 2013 the Company's exposure to financial companies in which it had participations of significant book value, was as follows:

Client	Share of total assets	Amount as at 30 June 2013	Share of total assets	Amounts as at 31 December 2012
Erste Group Bank AG	31.47%	315,532,658	33.29%	326,665,506
Banca Transilvania	10.34%	103,643,354	10.56%	103,643,354
Vrancart SA Adjud	5.96%	59,742,235	6.09%	59,742,235
Biofarm SA Bucureşti	5.01%	50,197,421	4.65%	45,669,890
Calipso SA Oradea	4.33%	43,442,739	4.43%	43,442,739
Banca Română pentru Dezvoltare	4.25%	42,665,715	4.35%	42,655,715
Azuga Turism	2.94%	29,520,290	-	-
Mechel SA Campia Turzii	2.66%	26,694,118	2.72%	26,694,118
Napomar SA Cluj	2.58%	25,864,965	2.64%	25,864,965
Mopal SA Bistriţa Năsăud	2.01%	20,197,562	2.06%	20,197,562
OMV Petrom SA	1.60%	16,000,395	1.63%	16,000,395
ArcelorMittal SA Hunedoara	1.48%	14,803,188	1.51%	14,803,188
IAMU Blaj	1.37%	13,687,863	1.39%	13,687,863
Ario Bistriţa	1.30%	13,034,523	1.33%	13,034,523
Gaz Vest SA Arad	1.05%	10,506,800	1.07%	10,506,800
Turbomecanica SA Bucureşti	1.02%	10,226,242	1.04%	10,226,242
Total	79.37%	795,760,068	78.76%	772,835,095

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20. Contingent liabilities

Litigations

As at 30 June 2013 the Company was involved in 96 litigations in Court trial. The Company is the claimant in 54 litigation cases, the defendant in 31 cases, and in 11 of the litigation cases, the Company is the intervening party.

The litigations in which the Company is the claimant or the intervening party, have as object the annulment of certain decisions of the General Shareholders' Meetings of companies in which SIF Banat-Crişana acts as a shareholder and the recovery of overdue dividends or bankruptcy procedures of companies where SIF Banat-Crişana is a shareholder.

Concerning the litigations in which the Company is the defendant, the object of the litigations relies on making an offer to SC ARGUS SA Constanta, or other demands based on the legal acts performed during the privatization process.

21. Information regarding value adjustments recognized directly in equity

As a result of the application of article 81, paragraph 5 from the Order no. 13/2011, the Company recognized directly in equity as "Reserves from impairment allowances of financial assets" the adjustments for impairment of financial assets starting with 2008.

The movement for the adjustments for impairment related to financial assets for first semester of 2013 is given below:

Initial balance as at 01 January 2013	(120,044,305) RON
Increases during the first semester 2013	-
Decreases during the first semester 2013	(1,819,263) RON
Balance as at 30 June 2013	(118,225,042) RON

The reduction of adjustments for impairment of securities include the reversal of adjustments afferent to disposals made in the first semester of 2013.

The value of the adjustments for impairment of financial assets amounting to RON 118,225,042 are reflected in position no. 69 of the balance sheet "Reserves for allowances for impairment of financial assets".

According to applicable accounting regulations, the value adjustments for impairment are established and recorded in the accounts at year-end, after the assessment made at that time.

If the value of adjustments for impairment recognized in the reserve account would have been influenced by the profit and loss account, the financial results of the first semester of 2013 would have been increased by an amount of EUR 1,819,263.

Dragoş-George Bîlteanu
President - General Manager

Ştefan Doba
Economic Director