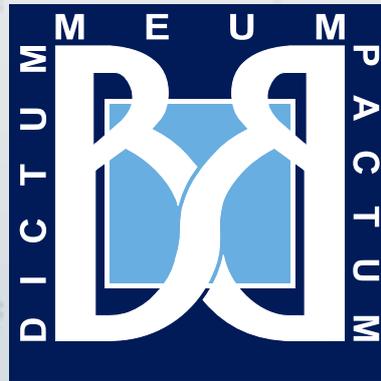


2008 Annual Report



BUCHAREST STOCK EXCHANGE

2008



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Bucharest Stock Exchange (BVB) is one of the most dynamic stock exchanges of the CEE region. The mission of BVB is to serve as an efficient and attractive market, under the European standards. It should moreover be instrumental in influencing the trend of the domestic economy and provide the background for the development of entrepreneurship and free enterprise. All these are based on the supply of financial instruments, services, related mechanisms and legislation geared to identifying, attracting and efficiently appropriating financial resources in a transparent and sound manner.

For the mission mentioned above, in the recent years, BVB has developed a performant trading system, ARENA, has brought new financial instruments to trading (derivatives), has been permanently upgrading its rules, regulations and market process in order to align them to the European standards and to market participants' needs. Nonetheless, BVB has started and developed cooperation with various stock exchanges for the best practice element.

Following the development of the local market in the latest years, BVB calculates and disseminates in real time 5 indices: 2 blue chip indices (BET and BET-XT), 2 sector indices (BET-FI and BET-NG) and 1 composite index (BET-C).

More information regarding BVB and the financial instruments available for trading on our market can be found on www.bvb.ro.



FEBRUARY

February 12.

Starts trading the municipal bonds issued by Teius City Hall.

February 14.

The official opening of the trading session marks the trading start of the shares issued by Erste Bank der oesterreichischen Sparkassen AG (Erste Bank) on the Equities Sector - International Shares Category of the BVB market. The Erste Bank shares listing is a premiere for BVB and the Romanian capital market, being the first international listing which opens a new chapter in the evolution of our exchange: the simultaneous trading of an international company on multiple markets.

February 28.

The official opening of the trading session marks the trading start on the regulated market of the Dafora SA Medias shares.



MARCH

March 10.

A delegation of the Columbia Business School students visits the BVB headquarter. The MBA students are, during March 8-16, in a training visit in Romania and Bulgaria meant to meet with business representatives of the two countries and to directly face the EEU economic climate.

March 12.

BVB organizes at its headquarter the meeting „Back-Office and Internet-Trading solutions for futures contract trading on BVB“. The discussions were focused on two main subjects, on the one hand the presentation of the „Back-Office Derivatives Guide“ regarding the impact of the Derivatives Market pattern on IT applications, and, on the other hand, the IT infrastructure necessary to align the architecture of the markets administrated by BVB to the international trends.

March 25.

It is launched "The stock exchange of tomorrow", the first CSR program of the BVB. The program is meant for BVB to get closer to pupils and students and, together with the educational institutes, students' associations and NGOs active in the educational field, to get involved in supporting, conceiving and implementing professional orientation programs to get the children and youth used to the opportunities of the financial field, especially of the stock market.

**APRIL****April 4.**

BVB announces the launch of its latest version of the trading system, ARENA Gateway. The Arena Gateway application upgrades the technological level, the exchange of information between the intermediaries systems and the BVB system, by using the Application Programming Interface (API). This way, all the functions of the central system trading operations are available and easily integrated within the participants' systems, optimizing the operational flow with the online trading platforms administrated by intermediaries and increasing efficiency in using the capacity of the communication lines between the BVB system and the participants.

April 11.

BVB launches the Derivatives Page, a specially dedicated derivatives section on the main website www.bvb.ro.

April 14.

There were launched new financial products: single stock and currency future contracts.

April 23.

There was introduced as a trading mechanism the fixing algorithm and the close auction for the BVB share market (Regulated and Rasdaq market sections), Regular and Regular International tiers.

April 25.

Starts trading the municipal bonds issued by Eforie City Hall.

**MAY****May 5.**

Start trading the allocation rights issued by SC TERAPLAST Bistrita.

May 7.

There is celebrated, through an official opening of the trading session, the anniversary of 1 year activity of the Central Depository, member company of the BVB Financial Group.

May 7-11.

This year, BVB participates for the first time at CERF, fair dedicated to the companies which have the main business activity located in IT&C sector. The event was organized by Expotek at Romexpo. BVB participation at CERF and, as partner, at the Mediafax conference "Mediafax talks about IT&C: expansion through listing or merger?" illustrates the BVB permanent concern over the attraction of new listings on the exchange, in this case the IT&C companies.

May 8.

Start trading the shares issued by VES Sighisoara. In the same day also start trading the Timisoara City Hall bonds, 3rd issue, tranche II and III.

May 9.

The seminar "The role of the stock exchange in the Romanian economy. Bucharest Stock Exchange evolution." takes place in Bucharest. The seminar was a joint event of BVB and the Academy of Economic Studies Bucharest, on the occasion of a French delegation, made out of students from Dauphine University Paris. During May 9-11, the students were in a training visit in Romania in order to meet with the local business representatives and to directly face the EEU economic climate.

May 20.

BVB participated as an official partner to the Capital Market Conference, organized by Brokers Association on May 20 in Bucharest. Some of the few facts debated were: the Romanian capital market in the context of globalization, the development trends of other exchanges, the 2008 global level investment diversification seen as an opportunity for accelerated capital accumulation and the attempt to imagine Romania of the year 2012 from the perspective of economic cycles and the sectorial rotation investments.

Also on May 20, start trading the Targu Mures City Hall municipal bonds, 3rd issue, tranche II.

May 22.

The official opening of the trading session marks the trading start on the regulated market of the Uztel SA Ploiesti shares.

May 24.

BVB, as an official partner of the applied mathematics competition "Kangaroo", offered on May 24, at an Award Celebration Day, prizes to the winners of the INVEST section, through which the students got used to the capital market's mechanisms and the securities investment.

May 28.

Bucharest Stock Exchange and Romanian Asset Managers Association jointly organized the "Financial Markets Trend and Investors Behavior" conference. At its 4th edition, the event brought together representatives of the Romanian National Securities Commission, of the Romanian National Bank, of the Bucharest Stock Exchange, of brokers and asset managers, which held presentations regarding the financial markets trend, asset management, investors behavior and the importance of the institutional framework for the industry development.

May 29.

Took place the „Market Update and New Exchange Products" conference, organized by BVB in cooperation with Bloomberg and Vienna Stock Exchange. Presentations regarding the current corporate development status were held by the representatives of the two exchanges and of Bloomberg. At the event participated representatives of the local banks and financial analysts.

May 30.

The official opening of the trading session marks the trading start on the regulated market of the shared issued by ROMCARBON SA Buzau.



JUNE

June 5.

Bucharest Stock Exchange and ANEVAR jointly organized the conference „Evaluation for the Capital Market“. This event was initiated by the two institutions from the desire of developing evaluation specialists for the capital market. Some of the topics presented at the conference were: CAPM model and its compatibility with the Romanian capital market, the role of the evaluator for an IPO, defining the cost of capital, subprime crisis, Romania between globalization and disengagement, sustainable levels of the corporate values for the Romanian listed companies.

June 6-7.

Bucharest Stock Exchange, in cooperation with Brokers Association, organizes the 3rd edition “Stock Exchange Investment Fair”.

June 9.

Starting June 9, 2008, the trading schedule was extended with 2 hours, until 16:30 local time, both for the Spot and the Derivatives Markets.

June 11.

Bucharest Stock Exchange organized on June 11 at Pitesti the roadshow „The stock exchange – financing, investment and protection tool“. Pitesti is the 11th city that hosts our road show conferences, which we organize beginning with 2007 in the largest cities of the country. Its main purpose is to address, through three different seminars to the public interested in the capital market: to the ones that need financing, to the investors and to the intermediaries (brokers).

June 20.

On this date took place in Bucharest the 4th edition of the International Corporate Governance Seminar, organized by the Corporate Governance Institute Foundation in cooperation with Partners for Financial Stability Program. The theme of the seminar was: „Issuers and Market Integrity“. The seminar brought together more than 70 participants, reputed specialists from the Romanian financial sector (authorities, issuers, brokers), from the media, as well as foreign guests, corporate governance experts, from US, Austria, Estonia, Serbia and Turkey. The main issues debated during the seminar were related to the market integrity, transparency, investors protection, the way in which the issuers can improve the market integrity as well as the corporate governance as a tool for market integrity.

June 26-28.

Bucharest Stock Exchange presented its range of new financial products and services available for trading starting 2008 during the FINFAIR-Money Fair, which took place at Sala Palatului during June 26-28. On this occasion, Finmedia, supported by the Romanian National Bank and in cooperation with Bucharest Stock Exchange, organized on June 27 the 6th edition of the Business Coffee Shop: Mugur Isaescu and his guests.

**JULY****July 1.**

BVB launches 2 new indices: BET-XT (Bucharest Exchange Trading Extended Index) and BET-NG (Bucharest Exchange Trading Energy & Related Utilities Index).

BET-XT is a blue chip index and reflects the price evolution of the most liquid 25 shares traded on the BVB regulated market, including the SIFs, while BET-NG is a sectorial index that reflects the price movement of the companies traded on the BVB regulated market which have the main business activity located in the energy sector and the related utilities.

On July 1 also becomes effective the new fee reduction scheme related to the derivatives trading on BVB.

July 2.

The shares issued by Teraplast SA Bistrita are available for trading on the BVB regulated market.

July 3.

On Thursday, July 3rd, Rhapsody Hall of the Intercontinental Bucharest Hotel hosted the 7th edition of the Capital Market Forum, event organized by Finmedia in cooperation with Bucharest Stock Exchange. The Forum brought into discussion solutions, strategies and alternatives for over passing the downward and tumultuous period that the Romanian capital market is going through.

July 4.

Bucharest Stock Exchange and Romanian Libera newspaper organized on Friday, July 4, at the BVB headquarter, the Awarding Ceremony of the "King of the Stock Exchange" competition. This was meant to support the persons of the general public interested in the capital market and the stock exchange investments, but does not have enough courage, the necessary information or the financial resources for effective investments.

July 9.

Bucharest Stock Exchange organized on July 9, at Ploiesti, the 12th edition of the roadshow „The stock exchange – financing, investment and protection tool”.

July 10.

Starts trading the municipal bonds issued by Hunedoara City Council.

July 11.

The official opening of the trading session marks the trading start on the regulated market of the shared issued by Transilvania Constructii SA Cluj Napoca.

July 28.

Takes place the admission to trading on the regulated market of the government bonds. The succesful ending of this process, for preparing the secondary market for government bonds trading and the announcement of trading start effective as of Monday, August 4, represent a novelty for the Romanian capital market, as these instruments are the first time available for trading on the exchange.

**AUGUST****August 4.**

The official opening of the trading session marks the trading start on the regulated market of the government bonds.

**SEPTEMBER****September 4.**

Bucharest Stock Exchange organized a meeting with the local media representatives in order to discuss about the current status of the capital markets in the context of the Romanian macroeconomic indicators for Q1, 2009.

September 16.

Bucharest Stock Exchange, in cooperation with Vienna Stock Exchange (WBAG) have jointly supported on September 16, in London, a presentation for the local data vendors. The purpose of the event was to present updated information regarding the regional capital markets and to inform upon the various range of data available through Vienna Stock Exchange. The joint data dissemination project, run by BVB and WBAG, offers to BVB the opportunity of increasing its visibility to the international investors.

September 22.

The official opening of the trading session marks the trading start on the regulated market of the fund units issued by STK Emergent.

September 24.

Took place the event for announcing the incentives proposed for stimulating the Romanian capital market. It was organized by the Ministry of Economy and Finance in cooperation with Bucharest Stock Exchange and Romanian National Securities Commission.

September 30.

Bucharest Stock Exchange organized on September 30, at Bacau, the 13th edition of the roadshow „The stock exchange – financing, investment and protection tool”.

**OCTOBER****October 9.**

On this date, at the Sf Sava High school, more than 100 pupils, students and teachers from the local high schools and universities participated to the launching of a new financial training program “Capital Market”, initiated by Junior Achievement Romania in cooperation with Bucharest Stock Exchange as a response to the challenges put by the local and global economic status.

October 23.

Bucharest Stock Exchange, in cooperation with Vienna Stock Exchange, jointly organized in Frankfurt the second edition of the „Frankfurt Vendors Event”. During the event there were presented and debated together with the vendors the current situation of the exchanges in our region, as well as the range of data available for the market participants either through direct connection to BVB, or through the joint data dissemination service offered by the Vienna Stock Exchange.



NOVEMBER

November 18.

The official opening of the trading session marks the celebration of Ziarul Financiar' 10 Years Anniversary.

November 20.

BVB, in cooperation with Vienna Stock Exchange and Thomson Reuters Romania, jointly organized the "Bucharest Reuters Event". The purpose of the event was to present the audience the latest development of the two exchanges, as well as the data services available through Thomson Reuters.



DECEMBER

December 9.

Starts trading on the BVB regulated market the shares issued by Contor Group SA Arad.

December 16.

On this date, BVB launched new web products and web mobile services meant to align our market to the mobility and accesability standards practiced by most of the West European exchanges. One of the products is based on BVB listed companies information, including financial data. The product is available under a usser/password account. The second services presents the mobile version of the BVB website (<http://www.bvb.ro/mobile/>). This service offers the advantages of websites specially addapted for mobiles-small screen displays, low traffic, high speed for webpage uploading, and the possibility to watch, just as on the standard website, the BVB real time or delayed data.

December 17.

BVB shareholders decided upon the listing of BVB on its own market, regulated segment, after a preparative period in this sense.



Dear BVB Shareholders,

The global economy and the international financial markets that we knew and we had tried to understand during the last two decades and into which we have integrated as a market operator are today in an over changing process, without precedent in the amplitude and the speed that it runs.

In the H1, 2007, the international financial markets were characterized by liquidity excess and the Romania' EU membership attracted foreign capital inflows on the domestic market. On the other hand, in 2008 became obvious at national and regional level the signals of the financial crisis and of an economic cycle whose up going trend has globally last for a few decades. The liquidity drop and the pessimistic expectations of residents and non-residents investors regarding the performance of the national economy have radically changed the investors' risk aversion behavior. The effects were immediately and steeply seen in the evolution of the BVB main indicators: BET-C index downturned from its up going trend which started in 2000, the total regulated market capitalization lost in one year almost EUR 20 bill, and the total market turnover decreased to almost a half of the 2007 value.

Although in the last period, all exchanges suffered from activity reduction and the international economic-financial context has not been favorable to the capital market, BVB has succeeded in reaching a positive financial result in 2008, closely to the level of the Income and Expense Budget. The level of the economic-financial indicators strongly supports this fact. The obtaining of this result was possible through a strict control over the expenses and a conservative managerial attitude, imposed by the need of monitoring and better understanding of the changes that take place and of its possible effects over the BVB strategy, attitude that has also closely followed the BVB objectives for 2008.

In the same sense of change, I believe it should be regarded my decision, announced at the end of 2008, of renouncing to the executive position held at BVB, after more then a decade of being the CEO. On this occasion, I would like to take this opportunity to thank you, the BVB shareholders, but also the intermediaries, the brokers and the BVB employees, for the constant support you have shown me and, the most important, to the Romanian capital market during all this period. We had the chance of working together and this is why I believe that the answer to the question "will BVB successfully overpass this stormy period in the evolution of the financial markets and use all the opportunities that appear during tumultuous periods in the benefit of the Romanian capital market?", can be only one:

Yes, it will!

Stere Farmache
BVB President & CEO



BVB Board of Governors

PRESIDENT & CEO
Stere Farmache

VICE-PRESIDENTS

Ovidiu Sergiu Pop



Dan Paul



SECRETARY GENERAL

Nicolae Alexandru Rusu



MEMBERS

Rares Doralin Nilas



Petru Prunea



Mirela Dana Ionescu



Mircea Botta



Adrian Manaila



BVB Executive Management

EXECUTIVE MANAGER

Petra Alexandru



MANAGER RASDAQ MARKET

Anca Dumitru



IT MANAGER

Alin Barbu



CHIEF FINANCIAL MANAGER

Marcel Tanasescu



On December 31, 2008, Bursa de Valori Bucuresti had 208 shareholders, a share capital amounting to lei 76.741.980, 7.674.198 shares with a par value of lei 10/intangible share; the shares belong, partly, to the class of ordinary shares (7.132.299 shares) for the shareholders authorized by the National Securities Commission to trade on the capital market, and the rest to the class of preferred shares (541.899 shares) for the shareholding legal entities, as stipulated in the by laws of BVB, as well as for natural entities. On December 31, 2008, the shareholders are the following:

No. in the Shareholders' Registry	Name	Total number of shares	Percent %
1	ACTINVEST	113.665	1,4811
2	ACTIVE INTERNATIONAL	113.665	1,4811
3	ALPHA FINANCE ROMANIA	113.665	1,4811
4	BCR SECURITIES	113.665	1,4811
5	BRD SECURITIES - GROUPE SOCIETE GENERALE	113.665	1,4811
6	BT SECURITIES	113.665	1,4811
7	BUCURESTI GLOBAL INVEST	103.799	1,3526
8	UNICREDIT CA IB SECURITIES	113.665	1,4811
9	EFG EUROBANK SECURITIES	122.858	1,6009
10	CARPATICA INVEST	113.665	1,4811
12	CONFIDENT INVEST BUCURESTI	113.665	1,4811
13	DELTA VALORI MOBILIARE	108.760	1,4172
14	DORINVEST	106.086	1,3824
15	EASTERN SECURITIES	113.665	1,4811
16	ELDAINVEST	120.359	1,5684
17	EQUITY INVEST	113.665	1,4811
18	ESTINVEST	128.225	1,6709
19	ETEBA ROMANIA	113.665	1,4811
20	S.S.I.F. FORTIUS FINANCE	113.665	1,4811
21	S.S.I.F. PIRAEUS SECURITIES ROMANIA	106.652	1,3897
22	EUROSAVAM	113.665	1,4811
23	FINACO SECURITIES	118.462	1,5436
24	S.S.I.F. VIENNA INVESTMENTS TRUST	113.665	1,4811
25	G.I.F. - GRUPUL DE INTERMEDIERE FINANCIARA	55.165	0,7188
26	GLOBAL VALORI MOBILIARE	113.665	1,4811
27	GM INVEST	113.665	1,4811
28	GOLDRING	113.665	1,4811
29	H B INVEST	113.665	1,4811
31	HARINVEST	113.665	1,4811
32	HTI VALORI MOBILIARE	214.026	2,7889
33	IEBA TRUST	103.799	1,3526

No. in the Shareholders' Registry	Name	Total number of shares	Percent %
34	IFB FINWEST	118.069	1,5385
36	INTERCAPITAL INVEST	113.665	1,4811
37	INTERDEALER CAPITAL INVEST	113.665	1,4811
38	INTERFINBROK CORPORATION	113.665	1,4811
39	INTERVAM	147.274	1,9191
40	INVEST TRUST	113.665	1,4811
41	MUNTENIA GLOBAL INVEST	113.665	1,4811
42	EGNATIA SECURITIES	77.618	1,0114
43	NOVA INVEST	113.665	1,4811
44	OLTENIA GRUP INVEST	113.665	1,4811
45	PRIME TRANSACTION	117.950	1,5370
46	RAIFFEISEN CAPITAL & INVESTMENT	113.665	1,4811
47	ROINVEST BUCOVINA	113.665	1,4811
48	ROMBELL SECURITIES	113.665	1,4811
49	ROMCAPITAL	145.286	1,8932
50	ROMAXA FINANCE	113.665	1,4811
51	S.S.I.F. ORIZONT VEST	45.657	0,5949
52	SOCIETATEA DE SERVICII DE INVESTITII FINANCIARE ROMINTRADE	113.665	1,4811
53	SSIF BROKER	227.331	2,9623
55	SUPER GOLD INVEST	113.665	1,4811
56	KBC SECURITIES ROMANIA S.S.I.F.	128.329	1,6722
57	TARGET CAPITAL	113.665	1,4811
58	TGH INVESTMENT	113.665	1,4811
59	TRANSILVANIA CAPITAL	119.219	1,5535
60	TREND	114.072	1,4864
61	UNICAPITAL	113.665	1,4811
62	FAIRWIND SECURITIES	113.665	1,4811
63	VALMOB INTERMEDIA	112.165	1,4616
64	VANGUARD	113.665	1,4811
65	VOLTINVEST	113.665	1,4811
66	WBS ROMANIA	54.552	0,7108
72	KD CAPITAL MANAGEMENT	2.201	0,0287
73	NHL SECURITIES	430	0,0056
211	SC BANCA COMERCIALA ROMANA SRL	1.020	0,0133
65 ACT.O.	TOTAL ACTIUNI ORDINARE	<u>7.132.299</u>	<u>92.9387</u>
35	ING BUSINESS CONSULT	113.665	1,4811
54	SSIF MOBINVEST	23.048	0,3003
68	REX SSIF	9.863	0,1285
69	AGENT INVEST	9.863	0,1285
70	FINANCIAL INVESTMENTS	9.863	0,1285
71	ASOCIATIA BROKERILOR	9.863	0,1285
74	DOBRE DORIN	3.023	0,0394
75	DAN VIOREL PAUL	220	0,0029

No. in the Shareholders' Registry	Name	Total number of shares	Percent %
76	ADRIAN STEFANESCU	2.169	0,0283
77	FLORINA CARMEN OLTEANU	438	0,0057
78	VLAD ADRIAN NICOLAESCU	775	0,0101
79	FLORENTINA MOISE	220	0,0029
80	ANTON LAURENTIU CAPCANARU BIBICU	1.098	0,0143
81	MIRELA CAPCANARU BIBICU	1.098	0,0143
82	CRISTIAN GEORGE BATICU	4.403	0,0574
83	FLORICICA BALUTA	2.200	0,0287
84	DOREL TEODOR ANCA	1.098	0,0143
85	BORDA ADRIAN ROMULUS	1.761	0,0229
86	BURTIC AUREL	44.047	0,5740
87	POPESCU STEFAN	1.947	0,0254
88	TEPES DANIEL	42.067	0,5482
89	NEGRAU RELU DORIN	7.458	0,0972
90	MORGAN STANLEY	207.194	2,6999
91	SOLOVASTRU MIRCEA STEFAN	4.809	0,0627
92	RACU IANUS	2.149	0,0280
93	MANAILA ADRIAN	16	0,0002
94	DRAGOLEA OCTAVIAN NELU	183	0,0024
95	COCOS DRAGOS MATEI	2.157	0,0281
96	CIRSTIAN MARIAN EMIL	155	0,0020
97	BOTNAR EDUARD CLAUDIU	16	0,0002
98	ARMASU EUSEBIU FELIX	20	0,0003
100	LUPU CRISTINA	8.353	0,1088
101	SFIDENEAC DOINA LILIANA	341	0,0044
102	ANGHEL RODICA	341	0,0044
103	SC BURSA MOLDOVEI SA	396	0,0052
104	SIMULESCU MIHAIL VALENTIN	36	0,0005
105	NICOLAE ELENA	26	0,0003
106	COSTIANU NICOLETA	36	0,0005
107	ISAC TATIANA	16	0,0002
108	ISAC OVIDIU LUCIAN	35	0,0005
109	MURGOCI CHIRIAC MARCEL	36	0,0005
110	EPURE VASILE	200	0,0026
111	DOBRE VICENTIU LUCIAN	16	0,0002
112	TUDORAN CATALINA PAULA	26	0,0003
113	TUDORAN PETRICA	26	0,0003
114	LUPSAN POMPEI	109	0,0014
115	ANDRICI ADRIAN	31	0,0004
116	DIMIRULE DAN CONSTANTIN	16	0,0002
117	NACU ALEXANDRU CONSTANTIN	16	0,0002
118	BUTE ALEXANDRU COSMIN	47	0,0006
119	DUNA DAN VICTOR	16	0,0002
120	LUPU MARIAN	26	0,0003
121	BODAS VALERICA EMANUELA	16	0,0002

No. in the Shareholders' Registry	Name	Total number of shares	Percent %
122	GRIGORAS NICUSOR DANIEL	78	0,0010
123	MURESIAN IOAN MIHAI VLAD	109	0,0014
124	ALDEA LAURENTIU GABRIEL	109	0,0014
125	MARIN IOANA DIANA	233	0,0030
126	NAZAT OLTEANU FLORIN	16	0,0002
127	BOLOHAN GEORGE EMANUEL	16	0,0002
128	SOLOVASTRU ALINA NICOLETA	31	0,0004
129	DRAGOESCU ELENA	2.200	0,0287
130	BUCICU CORNELIU FLORIN	31	0,0004
131	BARSAN RENATA MARIA	31	0,0004
132	ZAHAN VIRGIL	31	0,0004
133	MARIN BORIS	233	0,0030
134	TARTEATA CRISTINA IONELA	16	0,0002
135	NECULCE VALENTINA LAURA	16	0,0002
136	TEISU GABRIEL MARIAN	78	0,0010
137	ZBULICA DANA	16	0,0002
138	AGACHE ANDREEA	16	0,0002
139	POPESCU FLORIN	31	0,0004
140	STAN DANA	16	0,0002
141	FILIMON ANICA	31	0,0004
142	CONSTANTIN MARIA	155	0,0020
143	ILISIE ALEXANDRU	16	0,0002
144	SIMION FLORIN	16	0,0002
145	ENACHE ALINA GEORGIANA	8	0,0001
146	BEJINARU CORNEL	16	0,0002
147	PUSCAS ADRIANA LUCICA	16	0,0002
148	MIHAI RADU	47	0,0006
149	GAVRILA FLORIN DANIEL	155	0,0020
150	STOIAN LETITIA GEORGETA	16	0,0002
151	CHISU MIHAI	16	0,0002
152	CHISU LUCIAN	139	0,0018
153	CHIRITESCU MIRELA LILIANA	16	0,0002
154	VELISCU VICTOR	16	0,0002
155	CHIRILOAIE DESPINA	170	0,0022
156	BOBESIU DELIA ELENA	16	0,0002
157	NEAGA NELY	47	0,0006
158	URSU ION DANIEL	67	0,0009
159	CISLARU MIHAI	876	0,0114
160	PARASCHIV ION	155	0,0020
161	COROIAN SEPTIMIU AURELIAN	21	0,0003
162	MARIN SERBAN VALENTIN	16	0,0002
163	GITOI EORGE ADRIAN	16	0,0002
164	MOSOI ANDREIA RALUCA	16	0,0002
165	CIRJAN ALFRED	16	0,0002
166	MALES IOAN GHEORGHE	16	0,0002

No. in the Shareholders' Registry	Name	Total number of shares	Percent %
167	OLARIU BRUTUS CRISTIAN	16	0,0002
168	LUPSA IOANA LIVIA	16	0,0002
169	SUCIU ANA MARIA CRISTINA	16	0,0002
170	ANGYAL CARMEN MARIA	16	0,0002
171	SOIMOSAN MARIUS	16	0,0002
172	FRANDES RALUCA FLORICA	16	0,0002
173	NEATU CRISTIAN	8	0,0001
174	BUGI MEDA ADA	31	0,0004
175	PANAITESCU HORIA GEORGE	16	0,0002
176	GROZA MARIOARA	16	0,0002
177	ALBU RODICA ELENA	31	0,0004
178	POPA GABRIELA LIDIA	16	0,0002
179	MUTHI GEORGE AUREL	16	0,0002
180	IGNAT OANA MANUELA	16	0,0002
181	DREPTATE SIBIAN TEODORA	23	0,0003
182	TATAR AURELIAN EMIL	16	0,0002
183	GHEORGHIU IOAN MARIN	16	0,0002
184	MANCAS CATALIN	16	0,0002
185	PAPARISTEIDIS DIMITRIOS	6.480	0,0844
186	CHATZIGIANIS GEORGIOS	3.575	0,0466
187	NILAS RARES DORALIN	16	0,0002
188	MOROIANU NICOLAE	16	0,0002
189	COJOCARU CRISTINA	16	0,0002
190	BOTTA ALIN MIRCEA	16	0,0002
191	SIMA CRISTIAN	78	0,0010
192	MATEESCU MARIAN	31	0,0004
193	BUNEA ANCA	78	0,0010
194	CATINAS LAZAR FLORIN	31	0,0004
195	LINCARU CLAUDIU CATALIN	31	0,0004
196	ANCA SIMA	78	0,0010
197	VATAMANU DAN CONSTANTIN	31	0,0004
198	PAUL CRISTIAN MIHAI	23	0,0003
199	RIZEA CRISTIAN DANIEL	16	0,0002
200	CHIS COSMIN LUCIAN	16	0,0002
201	SERBU RARES	20	0,0003
202	CODOGNOTTO LINELLO	10	0,0001
203	MARTINENGGHI ILARIA	50	0,0007
204	CRACEA MARIUS BOGDAN	20	0,0003
205	BONVICINI GIOVANNI	50	0,0007
206	COSMOVICI PAUL	10	0,0001
207	SALINK LTD.	10	0,0001
208	SZAKACS LEVENTE LASZLO	100	0,0013
209	NEAGOE MARIAN RENATO	20	0,0003
210	SC ROMAUTOPART PITESTI SRL	480	0,0063
211	CERBA AUGUSTIN	10.000	0,1303
141 ACT.P.	TOTAL PREFERRED SHARES	541.899	7,0613
TOTAL BVB SHARES		7.674.198	100
TOTAL SHAREHOLDERS:	208		



The amount and the structure of the share capital changed as compared to the beginning of the year, due to the increase of the share capital by including the reserves and issuing a number of 2.549.607 ordinary shares amounting to lei 25.496.070 and a number of 180.682 preferred shares amounting to lei 1.806.820. The share capital of BVB is lei 76.741.980, as compared to the amount of lei 49.439.090, as recorded at the beginning of 2008.

Initial balance	Date of change	Increase in capital	Source	Outgoing capital	Source	Final balance
49.439.090	19.05.2008*	27.302.890	Reserves from the previous year's profit			76.741.980

* The Addendum no. 12/May 19, 2008 to the Memorandum of Association of Bucharest Stock Exchange SA was published in the Official journal no. 6675/November 25, 2008, Part IV.

During the financial exercise 2008, BVB did not issue any bonds.

By the way they operate themselves, the securities markets have always been characterized by a high degree of sensitivity to the changes occurring at the level of the investors' perception upon the evolutions and the perspectives of the real economy and the financial system. Nowadays, when globalization long ago surpassed the concept stage and is already a reality of the modern world, investors are influenced in making investment decisions not only by the performance of the national economy, the achievements of the listed companies or the internal social and political situation, but, to an ever-growing degree, by the evolutions at the international level. The sensitivity of the national securities market to the external factors has increased over the last few years, starting with the moment the Romanian economy became open and the financial flows associated to the capital accounts became more relaxed. The weight of the activity carried out by the non-resident investors within the securities market in Romania has increased during the last few years and their activity has also stimulated part of the Romanian capital towards exchange operations. It was thus natural that the elements driving the evolutions of BVB to be close related to the (sometimes dramatic) changes within the international financial markets.

On the internal plan, as well, there were significant changes of the national economic and financial environment, some of them, entailed by the international events, others that were related more to the electoral character of 2008. The weaknesses that certain economies in the regions showed, the change in the perception of the rating agencies for the risks in the emerging markets, the concern of the financial environments for the considerably high level of the current account deficit, the deficit in the budget exceeding 3% of the Gross Domestic Product (GDP), the significant increase of the interest rates in the banking system or the sudden reversal of the tendency of the national currency to appreciate are only a few elements showing that in 2008 the financial and economic conditions changed radically as compared to the previous years. And any other important change of the economy will inevitably reflect also upon the stock exchange activity.



A. International Economic and Financial Environment

The statistic data available at the end of 2008 sketched for the world economy a totally different picture than that existing only a year ago. The Euro and the Japan economies were already in (technical) recession and the American economy also "de facto" in the same situation, thus the world economy as a whole seemed to have all the clues for entering an extremely difficult situation. As it happened before in the capitalism history, the real difficulties were anticipated and even got worse due to the crisis of the financial markets.

The first signs of the phenomena that were to become the financial crisis that affected the international securities markets appeared ever since the first part of 2007 when the market of the mortgage loans in the USA started to show risks and weaknesses. The propagation at the level of the whole North-American financial system of the problems of the sub-prime mortgage loans market was extremely fast and possible also due to the significant changes in the financial intermediary activity, within the last few decades. The traditional model on which the banking institutions were funded suffered significant changes with the "discovery" and at larger scale of the technical financial securitization through which the loans granted by a banking institution could be structured in complex financial instruments, that generally took the form of collateralized mortgage obligations and allowed for the extension of the "originate and distribute" model. These financial instruments once created were then traded freely on the market with the involvement of different banking institutions and thus it became ever more difficult to identify and assess the associated risks, as with the bonds that were related to the "sub-prime" mortgage loans. To locate these risks at the level of a banking institution (especially in the case of investments banks) present on the market and to weigh their exposure to the "toxic" financial instruments became practically impossible, on the conditions of their trading mainly on nontransparent OTC basis, and the faulty operation of certain markets contributed to the propagation of a general feeling of distrust in the whole financial system. The climate of uncertainty determined the investors to become more repugnant to risks, as they tried to reduce their exposure to the riskier financial instruments or that were still traded on the more volatile markets (as emerging markets are perceived). At the middle of 2008, the severe decrease that had already been recorded first by the shares market was followed by significant corrections of the quotations in commodities, thus suggesting that investors had started to become convinced that the effects of the international financial crisis over the world economy have been more severe than anticipated. The statistic data published at the end of 2008 regarding the performance of the most important economies could only confirm the quite violent reactions on the world securities markets including the European ones.

All these evolutions of the financial markets determined unprecedented reactions of the national and international regulatory institutions that provide the stability of the financial systems. Their interventions in 2008 were not limited to concerted actions to cut the interest rates or to operations that aimed at providing the necessary cash flow to the system: this time they imagined programs meant to support the financial institutions in distress, supposing (among others) public resources for funding mergers and acquisitions among the largest companies, the cut of the interest rates accepted by the monetary authorities as collateral, the procurement of financial instruments that qualified as “toxic” and even the nationalization of large financial institutions. The take-over of Bear Stearns by JP Morgan, the nationalization of the British bank Northern Rock, the take-over of Merrill Lynch by Bank of America, the nationalization of the American mortgage giants Fannie Mae and Freddie Mac, followed by a similar decision in the case of the insurance company AIG, but especially the bankruptcy of the investment bank Lehman Brothers, these are only some of the most spectacular events of 2008 on an extremely volatile international financial market. Although most of these events had as main players certain institutions in the USA, their effects were strongly felt also at the level of the main European financial markets as well.



B. Internal Economic and Financial Environment

In September 2006, Romania finished the liberalization process of the capital account, thus it opened a way to a stronger integration of the national economy within the global financial flows. For a relatively low-sized economy, as the Romanian economy, this opening generated a series of benefits, that grew stronger also due to the existence of an exceeding liquidity at the level of the international financial markets, created by the main central banks of the world, which promoted monetary policies oriented towards low interest rates and reduced volatility. On the conditions where the national banking system was privatized and the credit institutions had access to generous funds made available by the “mother” banks, the bank loan became an important source of funding of the final consumption and of the economic growth, and by the effects they produced at the level of inflation and of the prices of different assets, they created strong pressure on the increase of the salaries in a rhythm that exceeded the productivity of labour.

The change of the conditions on the international financial markets inevitably affected also the performance of the Romanian economy. If during the first three months of 2008, the Romanian economy grew at a quick pace, and has a record of +9.1% in the third quarter, in the last part of the year, the situation changed radically. In several allocutions in the first part of 2009, the Governor of the National Bank of Romania (BNR) explained that although there was no direct impact of the international financial crisis on the national banking system, situation due to the lack of exposure of the credit institutions to the "toxic" financial instruments, however, its consequences on the economy had been felt through the commercial, financial channels, by means of the exchange rate, of the confidence and the effects of wealth and balance. The decrease of the external demand for national products and the more difficult and more expensive access to funds available through bank loans had resulted in the fact that the expectations of the Romanian economy's dynamics in the 4th quarter of 2008 became more pessimistic. The slowdown of the pace of the economic growth in the last part of 2008 seemed too sudden (only +2.9% growth in the 4th quarter) and affected significantly the budget receipts, which led to a deficit of the consolidated state budget of around 5% of the GDP, by almost two percentage points over the maximum threshold as assumed by any EU member state.

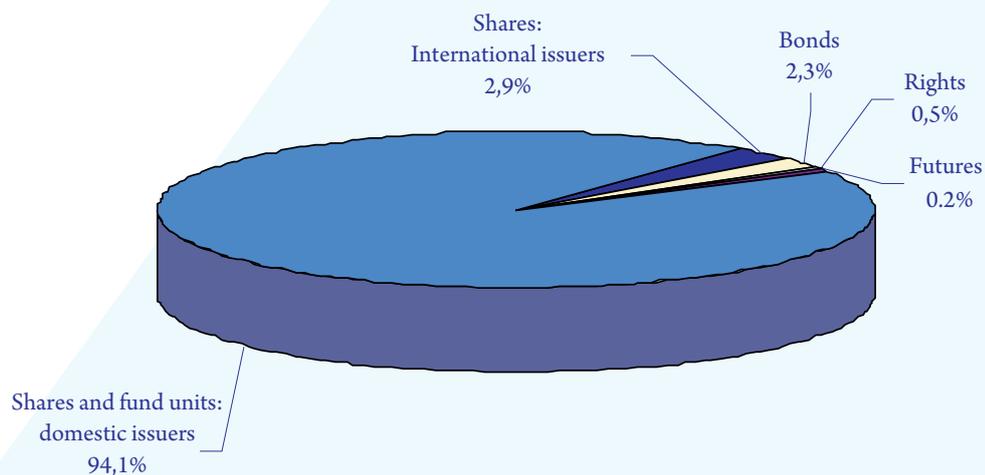
On the conditions that the fiscal policy proved not to be flexible enough to quickly adjust to the new conditions and signals from the real economy, it was quite difficult for the monetary authority to find the best answers to a situation characterized by the decrease of the export demand coming from the "Euro zone", by the existence of a high value of the current account deficit, by the dependence of the local banks on the funds coming from the "mother" banks, all this based on the decrease of the investors' trust in the Central and Eastern European economies. Consequently, trying to keep the relative attractiveness of the national currency in comparison with other currencies, BNR acted totally different from other national banks and continued for a long period to maintain the monetary policy interest at relatively high levels (over 10% per year). But the restrictive monetary policy proved insufficient when the rating agencies announced that the countries of the region had increased vulnerability in the current financial and economic context. The foreign investors started to become more reticent to extend or maintain their long positions per lei and concomitantly there appeared some speculative movements, thus in October appeared on the inter-banking currency market and on the monetary market some moments of panic and volatility, which claimed the direct and indirect intervention of the central bank.



The uncertainty related to the exchange rate and the effects the international financial crisis would have on the Romanian economy determined radical changes in the behavior of the local banks which quickly revised their positions and proceeded from a policy of aggressive promotion of loans to a policy of withdrawing available financial resources at the level of population and companies. "Cash is the king" seemed to have become during the last period the motto of most of the credit institutions in Romania and the new approach resulted into the position of the interests the banks granted for the deposits to levels that were superior to the interest of the monetary policy of the central bank. Even if this situation might prove to be only circumstantial, meant mainly to provide to the banks' balance a quicker improvement of the relation between the amounts of the attracted deposits and that of the credits granted, however the impact over the capital market was already a significant one. On the conditions that the returns offered by the bank deposits are positive, the investments in volatile securities tend to be perceived by some investors as, for the time being, risky.

For the Bucharest Stock Exchange, the year 2008 brought a series of events that had been expected and prepared carefully within the last few years but which due to the negative evolutions of the prices of the traded shares on the regulated market tend to become, for the time being, secondary. The listing at the Stock Exchange of the first shares issued by an international company (Erste Bank), the debut of the trading on the regulated market managed by BVB of 25 series of government bonds (state bonds), the launching of the two indices, the extending of the types of financial instruments available for trading on BVB (by introducing the currency and single stock futures contracts), the listing of the first fund units (once with listing STK Emergent) or connecting the first external participants (remote members) in the trading system, are important achievements, whose effects will certainly be found in the future evolutions of the Romanian securities market. The focus on the decrease of shares reference price and its effect reflected in the total market capitalization and the general liquidity is in turn justified, by the fact the equity trades continue to have the most important weight in the economy of the securities market (97%).

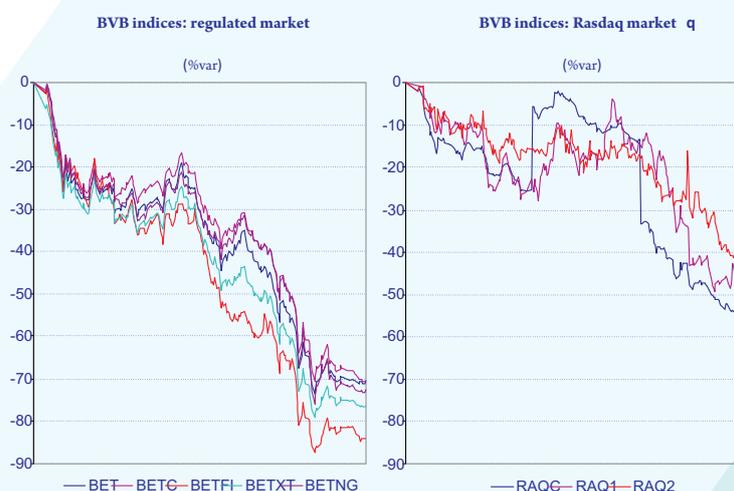
Structure of the BVB trades in 2008





A. Evolution of the Shares Market

The hostile international financial climate was the main cause that resulted in the fact that the securities markets in the Central and Eastern Europe (including the Romanian one) did not continue in 2008 to have the same positive evolutions as the previous years thus, from the beginning of the year, the traditional “January effect” was completely ignored by the investors and relatively rapidly did the evolutions of the market prices show that 2007 would be for the Bucharest Stock exchange a totally special year. After decreases by almost 30% of the stock indices in the first weeks of 2008, there followed a relatively calm period, which gave the impression that the securities market might make a scenario where the negative corrections of the trading prices could be considered natural, in certain way, after the sustained and consistent increases marked by the stock indices before and immediately after the accession of Romania to the European Union. Such a technical explanation seemed even more likely as the financial performances reported by the companies listed at BVB continued to be positive and the macroeconomic indicators remained robust until the end of the year. The turbulences that marked the international financial market left, however, on the secondary plan the fundamental data and, step by step, the correlation of the movement of the BET-C, BET-XT or BET indices to the international indices became the determining factor in making investment decisions. The best support of this assertion is the way in which the investors on the national market reacted during the trading sessions pursuant to the announcement of reducing the country ratings, as given by S&P and Fitch: each time the exchange indices grew, practically ignoring the information regarding the decrease of the ratings given to Romania by the two rating agencies. The increase of the BVB indices in those trading sessions was however close related to the movements of the indices of the main international securities markets.





In the context of a liquidity of the domestic capital market lower than compared to USA, Europe or Asia, the contagion phenomenon that had at a certain moment the correlation between the BVB indices and the international markets indices caused high degree of volatility of the regulated market. This situation made possible that some of the most liquid BVB symbols, in several trading sessions of the end of 2008, remained without buy orders, and, most of them, decreased by at least 15% as compared to the reference price of the previous day. That is why, for the first time in the ten-year history of BVB, on October 8, 2008, it was necessary to suspend the trading session, due to the high degree of volatility. The existence of a narrower price tunnel (+/-15%) than the one used by other exchanges did not avoid that the losses recorded during that year by the BVB indices, as compared to those of the main European exchanges, were among the highest ones. Hence, at the end of 2008, the BET index was calculated for 2.901 points, -70% below the start value of January. Moreover, it is also illustrative for the general trend of the market prices that the maximum values in 2008 for the stock exchange indices were recorded in the first trading sessions of the year.

The clearly descending trend of the exchange indices and the decrease of the reference prices for most of the traded shares directly affected the total capitalization of the two BVB markets; this indicator went below the level of almost Euro 30 bill. reached at the end of 2007, to Euro 11 bill¹. The revival of the capitalization to a weight situated clearly under the threshold of 10% of the GDP, under the conditions that there were no significant delistings, in number or value, offers in turn a very suggestive image of the corrections registered by the reference prices of almost all the shares traded on the BVB regulated market. Moreover, in 2008 the shares issued by nine companies started trading on BVB, thus the number of Romanian companies listed on the regulated market grew from 60 at the end of 2007, to 67 at the end of 2008. However, at the end of the last trading session of 2008, the total value of the stock exchange capitalization for the regulated market organized by BVB was Euro 11,6 billion (including Erste Bank), - 129% below the last year's level for the same indicator.

¹The market capitalization does not include Erste Group Bank AG.

MARKET CAPITALIZATION	2005		2006		2007		2008	
	Euro Bill.	RON Bill.						
BVB Regulated market	15,3	56,1	21,4	73,3	24,6	86,0	11,6	45,7
BVB Rasdaq Market	2,2	8,2	3,1	10,7	7,0	24,4	3,1	12,1
Total	17,5	64,3	24,5	84,0	31,6	110,4	14,7	57,8

The decrease of the reference prices for most of the securities traded on BVB influenced in a negative manner not only the level of the market capitalization, but also the general liquidity of the market – as measured by the equity market turnover. If in 2007, the total market turnover made on the BVB markets was Euro 5.4 billion, in 2008 it decreased by half. As in the previous years, the trading activity continued to show a high degree of concentration, only the most liquid 10 symbols generating a significant percentage of the total market turnover.

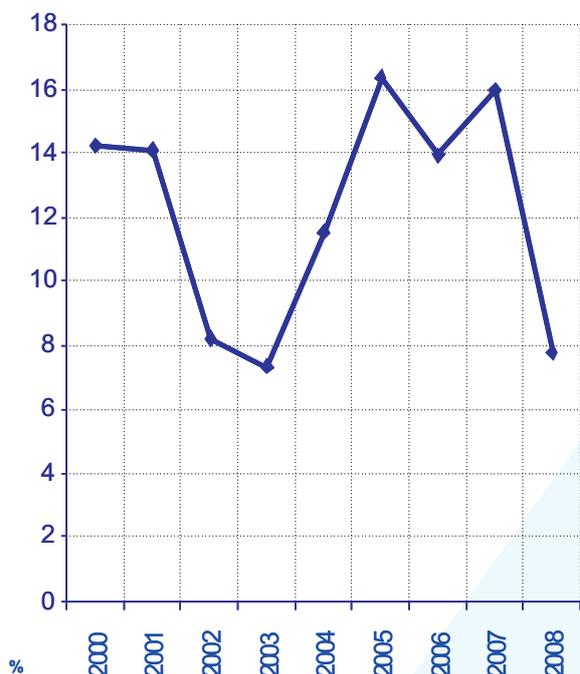
VALUE OF SHARES TRADED	2005		2006		2007		2008	
	Euro Bill.	RON Bill.						
BVB Regulated market	2,2	7,8	2,8	9,9	4,2	13,8	1,9	6,9
BVB Rasdaq Market	0,3	1,1	0,2	0,8	1,3	4,3	0,4	1,6
Total	2,4	8,9	3,0	10,7	5,4	18,1	2,3	8,5

An additional argument to support the idea that the decrease of the total trading value was due mainly to the negative evolutions of the market prices is also obvious in the fact that the total number of transactions and the volume of shares traded on the regulated market decreased lower than the trading value. This situation was also found in the 2008 evolutions of Rasdaq market: the number of transactions and the number of traded shares decreased by approximately 50% as compared to the previous year, whereas at the level of the traded value the decrease was more emphasized (-67%).

VOLUME OF SHARES TRADED	2005	2006	2007	2008
	BVB Regulated market	16.934.865.957	13.677.505.261	14.234.962.355
BVB Rasdaq Market	1.752.975.093	1.149.821.483	4.311.518.744	1.991.117.731
Total	18.687.841.050	14.827.326.744	18.546.481.099	14.839.109.895

The turnover velocity is a different indicator of the domestic capital market that in 2008 reduced in turn significantly, going for the regulated market at below 8% from a maximum of 16% in the previous years. Apart from the changes of 2008 at the level of the investors behavior, one of the causes that concurred in maintaining the turnover velocity indicator at much inferior levels than the ones existing in the developed European or regional markets is the extremely low free-float of the most important companies listed on BVB.

BVB: "TURNOVER VELOCITY"



"TURNOVER VELOCITY"

Exchange	2007	2006
EUROPE - AFRICA - MIDDLE EAST		
Amman SE	38,1%	NA
Athens Exchange	64,0%	58,6%
BME Spanish Exchanges	191,9%	167,0%
Borsa Italiana	204,1%	162,9%
Budapest SE	104,0%	88,3%
Cairo & Alexandria SEs	53,6%	58,5%
Cyprus SE	22,0%	34,1%
Deutsche Börse	208,4%	173,7%
Euronext	136,9%	116,4%
Irish SE	84,0%	59,6%
Istanbul SE	129,7%	141,3%
JSE	52,5%	48,9%
Ljubljana SE	18,5%	17,6%
London SE	154,2%	124,8%
Luxembourg SE	0,2%	0,3%
Malta SE	1,8%	5,4%
Mauritius SE	6,3%	4,1%
OMX Nordic Exchange	137,0%	134,5%
Oslo Børs	145,4%	144,3%
Swiss Exchange	133,9%	130,2%
Tehran SE	19,7%	13,8%
Tel Aviv SE	49,6%	46,6%
Warsaw SE	43,4%	45,4%
Wiener Börse	55,6%	50,2%

Although throughout 2008 the Romanian economy experienced growth in the population income, the change in the attitude towards risk and the drastic decrease of the liquidity on the international financial markets influenced not only the behavior of the nonresident investors, but also of the domestic ones, who directed relatively smaller amounts than the previous year for the investments in shares traded on the exchange. Moreover, if at international level the monetary authorities decreased the interest rates and thus directly supported the activity on the securities market, in Romania, the national bank successively increased the interest rate for the monetary policy to over 10%, growing in this way the relative attractiveness of the investments in bank deposits. All these evolutions played their part (even though not a determining one) in diminishing in nominal terms the amounts invested on the securities market and in reducing the weight the foreign investors had on the general market in 2008.

	STRUCTURE OF INTERMEDIARIES (regulated market)	Buy (RON)	Sell (RON)	Buy in % of the total	Sell in % of the total
2005	Aggregate accounts	-	-	-	-
	Residents	5.625.070.289,57	6.092.728.572,12	72,03	78,02
	Nonresidents	2.184.097.310,21	1.716.439.027,66	27,97	21,98
2006	Aggregate accounts	-	-	-	-
	Residents	6.908.926.263,89	7.509.717.127,04	69,83	75,90
	Nonresidents	2.985.377.355,92	2.384.586.492,67	30,17	24,10
2007	Aggregate accounts	-	-	-	-
	Residents	8.268.087.349,93	9.017.389.458,42	59,90	65,33
	Nonresidents	5.534.589.457,88	4.785.287.349,32	40,10	34,67
2008	Aggregate accounts	102.842.246,40	138.719.305,80	1,48	2,00
	Residents	4.856.326.007,44	4.672.230.276,99	69,85	67,20
	Nonresidents	1.993.586.346,75	2.141.805.017,80	28,67	30,80

If on the regulated market the decreasing tendency was general, on the Rasdaq market part of the listed issuers succeeded in having noticeable performances from the point of view of the evolution of the market value, as compared to the end of 2007. Among the companies that accounted at the end of 2008 increases of over 100% as far as capitalization, and recorded as well a number of over 100 transactions were the following: CERAMICA SA IASI, BEGA TURISM SA TIMISOARA, ADMEB SA BUCURESTI, RETRASIB SA SIBIU, TCI INVEST SA, HIPERION SA STEI, TCI RAZBOIENI SA OCNA MURES, COMCEREAL OLT SA SLATINA, FORAJ SONDE SA CRAIOVA, STIMAS SA SUCEAVA, ENERGOUTILAJ SA BUCURESTI, SALTIM HERMES SA TIMISOARA, AZOMA SA ARAD, DUNAPREF SA GIURGIU, ELECTROCONSTRUCTIA ELCO SA TIMIȘOARA, AGROMECA SA COCORA. Among these issuers, the one with the largest number of trades is CERAMICA SA IASI (5.757 trades), having a growth of over 100% of the market value at the end of 2008 as compared to the previous year. In total, a number of 340 companies listed on the Rasdaq market had positive evolutions as far as capitalization, but only in 111 cases this evolution was also accompanied by a large number of trades, of over 52 (an average of at least 1 trade per week).

On the Rasdaq market, the top 10 companies according to the total traded value in 2008 is lead by COMVEX SA CONSTANTA

SYMBOL	NAME	Value of the trades in 2008 (RON)	Number of shares traded in 2008	Number of trades in 2008
CMVX	COMVEX SA CONSTANȚA	139.900.927,60	2.625.732	721

The top 10 companies as far as the number of trades in 2008 is lead by ARMAX GAZ SA MEDIAS.

SYMBOL	NAME	Value of the trades in 2008 (RON)	Number of shares traded in 2008	Number of trades in 2008
ARAX	ARMAX GAZ SA Mediaș	53.144.952,77	333.585.749	39.342

It is to be mentioned the performance of ALBALACT SA ALBA, PROSPECTIUNI SA BUCURESTI and ARMAZ GAZ SA MEDIAS which are in both tops, ALBALACT being the 3rd as per the first top, after ATLAS GIP SA PLOIESTI (which was later suspended from trading by the decision of CNVM following a public take-over procedure), and the latter was the 2nd.

SYMBOL	NAME	Value of the trades in 2008 (RON)	Number of shares traded in 2008	Number of trades in 2008
ALBZ	ALBALACT SA	78.353.820,66	212.555.363	23.725
PRSN	PROSPECTIUNI SA BUCUREȘTI	46.062.782,83	42.694.810	16.370

Throughout the analyzed period, the BVB trading system continued to carry out special market operations. Thus, within the regulated market, there were finished in 2008 the initial public offerings (IPOs) with shares issued by SC CASA DE BUCOVINA – CLUB DE MUNTE SA, SC CONTOR GRUP SA and SC TERAPLAST SA, as well as the fund units IPO issued by STK EMERGENT SA. At the same time on the regulated market ran also the public offering for the shares issued by SC POLICOLOR SA. For the special operations markets, POFBS and POFBV, in 2008 the following values were recorded:

Type of Operation (Rasdaq market)	Traded value (RON)	Traded value (EUR)	Number of traded shares	Number of trades
Secondary public purchase offering	37.408.463,5	10.064.302,03	115.571.202	777
Secondary public take-over offering	14.187.658,64	3.819.880,918	2.884.236	741
Secondary sale offer with a simplified prospect	7.274.150	1.993.746,317	114.904	2
Secondary public sale offering	3.365.943,3	913.318,31	88.905	1
Special sale	1.396.498,56	378.908,1485	419.527	6
TOTAL	63.632.714	17.170.155,72	119.078.774	1.527

On the Rasdaq market, from the point of view of the types of trades in 2008, there was a slight decrease of the weight of special trades as compared to 2007, from 22.45% in 2007 to 16.18% in 2008, but also an increase of the weight of the trades following the sale-purchase public offerings: from 2.97% in 2007 to 7.87% in 2008. The weight of the public offerings in 2008 was not significant, however still comparable to the situation of 2007 (0.17% special sale and 1.73% public sale offerings). The weight of the common trades in the total of the Rasdaq trades held however the majority and reflected in a certain extent the investors' interest for the securities traded in this market segment. Thus, if in 2007 the common trades represented 72.68% of the total trades done on Rasdaq market, in 2008 they reached 75.19%.

B. Evolution of the Fixed-Income Market

The uncertainties that marked the evolution of the financial markets in 2008 determined changes in the investors' behavior, who, at the end of the year, started to be more interested in the fixed-income financial instruments. Throughout 2008, the secondary market of the BVB fixed-income segment registered 531 trades (an increase by +61.40% as compared to the previous year), whose total value was close to lei 178 mil.

TOTAL VALUE OF BONDS TRADED	2005		2006		2007		2008	
	Euro Mil.	RON Mil.						
	35.3	127.4	281.7	985.5	233.5	794.3	62.3	231.92

In 2008 a number of seven new municipal bonds were listed on the secondary market of BVB fixed-income segment: Teius (symbol: TEIU20), Timisoara (symbol: TIM26A, TIM26B, TIM26C), Targu Mures (symbol: TGM27A), Iasi (symbol: IAS28), Bacau (symbol: BAC26A), Eforie (symbol: EFO17), as well as bonds issued by a county council: CJ Hunedoara (symbol: HUE26A).

For the market of the fixed-income financial instruments in Romania the most important event of 2008 was the first listing on BVB of the government bonds. The diligence BVB showed in promoting throughout the years the advantages of trading on the exchange the government bonds only in 2008 met the favorable circumstances for this project to become reality. The Ministry of Economy and Finance underwent a development process for the administration of the public debt, and the improvement of the legal framework and of the infrastructure related to the development of the secondary market for the government bonds became one of its major objectives. Also, the National Bank of Romania realized that its objectives aiming at expanding the market of the government bonds and increasing its liquidity is not contradictory to the listing of the government bonds on the exchange. Thus, the BNR officials saluted the debut of the government bonds operations in BVB and appreciated that it was a measure meant to contribute to the stability of the internal macro-economic climate. All these made possible that August 4, 2008 became the start trading day for a number of 25 series of government bonds, issued by the Ministry of Economy and Finance. The main common features of these government bonds series are the following:

- individual par value: lei 10.000;
- fixed coupon rate, with the availability for trading of the benchmark government bonds, which allow the issuer to reissue new series with the same features as the initial one.
- the coupon is annual.

List of the series of government bonds traded on BVB

Symbol	Total bonds	Value (RON)	Date	Maturity date	Number of coupons	Benchmark
B1010A	137.176	1.371.760.000	05.02.2007	25.10.2010	4	Yes
B1110A	215.25	2.152.500.000	11.02.2008	25.10.2011	4	Yes
B1203A	211.35	2.113.500.000	05.03.2007	05.03.2012	5	Yes
B1303A	143.999	1.439.990.000	25.02.2008	05.03.2013	6	Yes
B1403A	28.233	282.330.000	12.01.2009	05.03.2014	6	Yes
B1706A	83.81	838.100.000	11.06.2007	11.06.2017	10	Yes

List of the series of government bonds traded on BVB

Symbol	Total bonds	Value (RON)	Date	Maturity date	Number of coupons	Benchmark
F1002A	4	40.000.000	07.02.2005	08.02.2010	5	No
F1003A	5.4	54.000.000	07.03.2005	08.03.2010	5	No
F1004A	12.871	128.710.000	11.04.2005	11.04.2010	5	No
F1004B	14.895	148.950.000	18.04.2005	18.04.2010	5	No
F1005A	17.202	172.020.000	09.05.2005	09.05.2010	5	No
F1005B	8.65	86.500.000	16.05.2005	16.05.2010	5	No
F1006A	10	100.000.000	13.06.2005	13.06.2010	5	No
F1007A	15	150.000.000	20.07.2005	20.07.2010	5	No
F1008A	10	100.000.000	10.08.2005	10.08.2010	5	No
F1204A	5	50.000.000	11.04.2005	11.04.2012	7	No
F1206A	1.829	18.290.000	06.06.2005	06.06.2012	7	No
F1504A	3.281	32.810.000	11.04.2005	11.04.2015	10	No
F1506A	4.009	40.090.000	06.06.2005	06.06.2015	10	No
F1507A	10	100.000.000	20.07.2005	20.07.2015	10	No
F1508A	10	100.000.000	17.08.2005	17.08.2015	10	No
F1704A	3.74	37.400.000	18.04.2005	18.04.2017	12	No
F1706A	4.676	46.760.000	20.06.2005	20.06.2017	12	No
F2004A	5	50.000.000	18.04.2005	18.04.2020	15	No
F2006A	5	50.000.000	20.06.2005	20.06.2020	15	No



C. Evolution of the Derivatives Market

2008 was the second year of Derivatives Market at BVB, where futures contracts can be traded. After seven-month from the launch of index futures contracts on BVB (underlying BET Index and BET-FI Index) – period considered necessary for the intermediaries to be able to adjust their own systems and procedures to the trading model of the futures contracts used by the Derivatives Market - BVB launched on April 14, 2008, twelve new futures contracts: two currency and ten single stock futures

List of the futures contracts listed on the BVB Derivatives Market at the end of 2008

No.	Name of the derivative financial instrument	Name of the underlying	Listing date	Number of listed series
1	BET® Index Futures	BET® (Bucharest Exchange Trading® Index)	September 28, 2007	4
2	BET-FI® Index Futures	BET-FI®(Bucharest Exchange Trading Investment Funds®Index)	September 28, 2007	4
3	USD/RON Futures	USD	April 14, 2008	2
4	EUR/RON Futures	EURO (EUR)	April 14, 2008	2
5	SIF1 Futures	SIF BANAT CRISANA S.A.	April 14, 2008	2
6	SIF2 Futures	SIF MOLDOVA S.A.	April 14, 2008	4
7	SIF3 Futures	SIF TRANSILVANIA S.A	April 14, 2008	4
8	SIF4 Futures	SIF MUNTENIA SA	April 14, 2008	2
9	SIF5 Futures	SIF OLTENIA SA	April 14, 2008	4
10	SNP Futures	PETROM SA	April 14, 2008	4
11	TEL Futures	C.N.T.E.E. TRANSELECTRICA	April 14, 2008	2
12	TLV Futures	BANCA TRANSILVANIA SA	April 14, 2008	2
13	TGN Futures	S.N.T.G.N. TRANSGAZ SA	April 14, 2008	2
14	EBS Futures	Erste Group Bank AG	April 14, 2008	2

On April 11, 2008 the Derivative Page was launched, as a distinct section of BVB web site, in order to provide continuous information for the investors and the public as far as the news and events on the Derivatives Market, as well as to publish educational materials related to the trading of the futures contracts on BVB. The April launch of futures contracts coincided with the enforcement of the special discount program ("10%-20%-30% Discount") of the total trading fees corresponding to the spot market for the intermediaries who trade derivatives. In order to provide the development of the operations on the Derivatives Market, for a period of six months – starting with October 2008, the participants on the market benefited from the new incentives scheme of "10%- 20% – 30%", on new quality basis, taking into consideration the following cumulative criteria for the discounts to the monthly invoice for the trading fees corresponding to the spot market:

- number and type of the individual accounts involved in the operations;
- number of futures contracts traded for the respective accounts.

Futures contract activity according to the type of the underlying

Underlying	Indicator	Value
Shares	No. of trades	832
	No. of contracts	16.676
	Value of trades	14.062.364,00
Currency	No. of trades	90
	No. of contracts	1.342
	Value of trades	5.244.790,00
Total	No. of trades	922
	No. of contracts	18.018
	Value of trades	19.307.154,00

The total number of futures contracts traded throughout 2008 was over 18.000, in 922 trades, with a notional value of over lei 19 mil. (approx. Euro 5 million).

Futures contract activity according to the underlying

Underlying	Indicator	Value
EUR/RON Futures	No. of trades	90
	No. of contracts	1.342
	Value of trades	5.244.790,00
SIF2 Futures	No. of trades	357
	No. of contracts	5.157
	Value of trades	5.071.272,90
SIF5 Futures	No. of trades	359
	No. of contracts	4.011
	Value of trades	5.387.985,30
SNP Futures	No. of trades	110
	No. of contracts	7.102
	Value of trades	3.480.955,80
TLV Futures	No. of trades	6
	No. of contracts	406
	Value of trades	122.150,00



Out of the number of traded futures contracts, at the level of all the maturities available for trading in 2008, the largest number of contracts was registered by SNP Futures (7.102 contracts), followed by SIF2 Futures and SIF5 Futures, with 5.157, and 4.011 traded contracts. As far as the notional value per each underlying, one confirms that SIF5 Futures was the leader of this top, followed by EUR/RON Futures and SIF2 Futures.

As far as the intermediaries on the Derivatives Market, their number was relatively constant as compared to 2007, with 72 members at the end of October 2008, holding the quality of participant on the Derivative Market, of which 35 participants have effective access to this market, as they have the quality of clearing member at the Bucharest Clearing House.

Other activities ran in 2008 for the development of the Derivatives Market:

- design and development of new products to be listed on the Derivatives Market;
- lectures held together with the BVB Corporate Governance Institute, in order to obtain the quality of BVB derivatives market agent;
- meetings with the participants who have access on the Derivatives Market in order to present the products and the benefits for trading the futures contracts on BVB;
- meetings with the potential participants on the Derivatives Market who showed interest in the products listed on the Derivatives Market. It is to be mentioned that in 2008 important steps were taken in recording the market-makers for the Derivatives Market;
- holding the "Back-office and Internet-trading solutions for the futures contracts traded at BVB " meeting, where over 100 representatives of the intermediaries, custodian banks and IT solution providers attended;
- in October, the Bucharest Stock Exchange participated in the "Regulating the Derivative Financial Instruments, the Markets and the Financial Intermediaries for the International Markets Authorities" symposium, organized by the US Commodity Futures Trading Commission;
- participations in dedicated fairs, as the "Investments and Profit Fair" where presented the participants with the advantages of trading futures contracts on BVB.



D. Market Surveillance

As market operator considering that the strict control and surveillance of the trading rules is an essential condition for the growth of the investors' trust in the stock exchange mechanisms, Bucharest Stock Exchange continued to pay in 2008 special attention to the market surveillance. Thus, BVB issued in 2008 a number of 10 decisions to serve as written warning for 10 stock agents, for mistakenly classifying the account/accounts and trading without checking the accuracy of the data in the account sheet. The penalty of the irregularities fallen under the regulations of the "BVB Rulebook- Market Operator" and aimed at a strict discipline on the BVB regulated market.

Throughout 2008, according to the BVB regulations, 22 participants sent to the specialized department of BVB a number of 111 requests for trading corrections. According to the situations specified in the BVB Rulebook where a participant may request to have the errors corrected are the following:

- the participant mistakenly entering in the BVB system the order sent by the client or a trustee of the client (as foreign intermediaries or fund managers);
- the trustee mistakenly sending the order to the participant;
- a custodian agents' failure to settle the transactions made by the participant on the account of a client of the custodian agent, if from the justifying documentation sent to BVB by the participant results that it correctly executed the client's order.

Both the wrong transactions and the opposite operations were quickly provided to BVB, so that the trading process was not in any way affected. Knowing the participant was directly and totally liable for the possible injuries caused by the effects or the damages that might appear pursuant to the errors or the correction of such error, the participants rectified promptly the problems occurred without involving BVB, but in the spirit of the effective regulations.

The managing of the surveillance operations on the RASDAQ market in 2008 followed the provisions of the „BVB Rulebook – Market Operator”, as well as under the surveillance procedures dedicated to RASDAQ market. Thus:

- 4 notifications were sent to CNVM on suspicions related to possible activities involving market abuse;
- CNVM received weekly the situations of the trades with financial instruments whose value exceeded Euro 15.000;
- over 10 requests were processed for the correction of the trades pursuant to the requests of the intermediaries, their reasons being either the use of the wrong account or the failure to confirm in due time the transactions made through the custodian agents.

As far as the verification and the settlement of deviations and breaches in the stock exchange legal status:

- the ATS Trading and Market Surveillance Department drew up a number of 10 Warning Notes to the SSIFs and a number of 9 Internal Penalty Notes which materialized into 9 Penalty Decisions for the stock exchange agents;
- the ATS Trading and Market Surveillance Department analyzed a number of approximately 3.000 information notes received from the SSIF on the correct fit in the ARENA trading system of the “insider” accounts as reported to the quality of the related party, in accordance with the provisions of the CNVM Regulations no. 1/2006.



E. Admission/Maintenance to Trading

In 2008, the BVB regulated market was touched by series of unique events like:

- The “debut” of the international shares spot market segment, by admission in February of the shares issued by ERSTE BANK;
- The “debut” of the government bonds market segment, by admission in July of the first 26 issues of government bonds, issued by the Ministry of Finances;
- the listing of a national importance company through an IPO, SNTGN TRANSGAZ SA Medias;
- the listing of the first allotment rights issued by SNTGN TRANSGAZ SA Medias and SC TERAPLAST SA Bistrita;
- the listing of the first closed end investment fund, STK Emergent, managed by SAI STK Financial;
- the admission in the 2nd shares category, through an IPO, of the shares issued by: SC CASA DE BUCOVINA SA Gura Humorului, SC TERAPLAST SA Bistrita and SC CONTOR GROUP SA Arad.



Still in this area, in 2008 the regulated market registered a positive trend with regard to the admission to trading of the shares issued by the following four companies, of which shares were previously traded on the RASDAQ market segment: SC DAFORA SA, SC ROMCARBON SA, SC CONSTRUCTII TRANSILVANIA SA, SC VES SA Sighisoara, as well as of an issuer traded on the BVB unlisted market (SC UZTEL SA Ploiesti). The admission to trading of the municipal bonds continued to register an ascending trend, a number of nine emissions starting the trade in 2008, respectively the bonds issued by the town halls of Teius, Eforie, Timisoara (three tranche-series), Targu Mures, Bacau, Iasi, as well as by Hunedoara County Council.

As a novelty element for 2008, from the point of view of maintenance to trading, it is to be mentioned the "debut" of the Monitoring list for SSIF Broker SA Cluj-Napoca (08.10.2008-20.01.2009).

During 2008, only a single issuer was withdrawn by CNVM from trading on the BVB regulated market: KANDIA - EXCELENT SA Bucharest.

At the end of 2008, the structure of BVB regulated market was as follows:

Equities sector

-  1st Category Shares – 21
-  2nd Category Shares – 45
-  3rd Category Shares – 1
-  International Category Shares – 1

Debt Securities Sector

-  Municipal Bonds Category – 20
-  Corporate Bonds Category:
 -  2nd Category Corporate Bonds – 2
 -  3rd Category Corporate Bonds – 2
-  Government Bonds Category – 24
-  International Bonds Category – 2

Funds Sector

-  Fund Units Category – 1

On the Rasdaq market, in 2008, were listed two new companies: VIROLA INDEPENDENȚA SA SIBIU (VIRO) and CASA ALBA INDEPENDENTA SA SIBIU (CAIN), both resulted from the division of INDEPENDENȚA SA SIBIU (INTA). Although there were listed during the 2008, these two issuers registered notable performances from the point of view of trading indicators and of capitalization. Also, it was listed an issue of preferred shares, with priority dividend payment and without voting rights: COMCEREAL SC CONSTANȚA (CCRL1). This is the only issuer listed on the Romanian capital market with two categories of traded shares.

On the other hand, the delisting process continued also in 2008: there were delisted 269 of companies, of which 265 were non-traded. Also, a number of 10 companies were delisted as consequence of the closing of some take over public offers. Yet, the delisting process from the Rasdaq market has brought also a positive element for the Romanian capital market, pointed out by the fact that four companies of Rasdaq market required in 2008 the admission to trade on the regulated market. At the end of 2008, on Rasdaq market there were listed 1.753 companies, of which 1.054 were traded and 699 were suspended from trade.



F. Monitoring Obligations regarding the Supply of Corporate Information

As operator of the regulated market, the Bucharest Stock Exchange has monitored the fulfillment of the obligations regarding the supply of information by the issuers of whom shares are traded on the regulated market and has developed specific activities regarding the surveillance of permanent and periodical supply of information that constitute the object of information requirements, according to the provisions of BVB Rulebook. In the spirit of partnership promoted by BVB in relation to the listed companies and of the engagements assumed by these at the moment of listing on the exchange, the issuers kept therefore their obligations and conformed to the provisions of the BVB Rulebook – market operator, creating this way the premises of investor protection and orderly and transparent functioning of the capital market.

To promote the principles of an informed exchange market, the Bucharest Stock Exchange processed during 2008 a number of 2.405 press releases and reports, which represent an average of 36 reports/ company, of which shares are traded on the regulated market.

Evolution of the number of processed reports

Press releases/reports	2006	2007	2008
Permanent and periodical supply of information – number of processed press releases/ reports	1.805	1.797	2.405
Permanent supply of information – number of processed press releases	1.515	1.500	2.090
Number of reports per company – average	31	30	36

* The presented data do not include the reports of bond issuers

During 2008, BVB continued to make appeal to the temporary trade suspension in order to maintain an orderly market and to assure the equal access of market participants to the necessary information for them to fundament their investment decision (investors protection), in accordance with the provisions of BVB Rulebook.

Suspensions	2006	2007	2008
Total of temporary Trading suspensions in order to maintain an orderly market and to assure the equal access of market participants to information (including on the date of AGM)	303	205	211
Suspensions generated by the dissemination of "price sensitive" information during the trading session	139	53	57
Suspensions generated by the occurrence of "price sensitive" information in mass-media	6	9	3
Suspensions required by the Issuer	3	1	0

Of the 211 suspension measures adopted by BVB on the securities traded on the regulated market, a number of 57 (approximately 27%) have been adopted as consequence to the dissemination of "price sensitive" information during the trading session, the difference being covered by the suspension measures, as consequence of the AGM taking place (73%).

As a general note, it may be said that the issuers conformed to the BVB Rulebook, and the prompt interventions of the specialized department in the suspension cases allowed the proper run of the trading sessions. In the context of monitoring of the supply of information, BVB addressed to the regulated market issuers a number of 17 requests for additional information/ clarifications generated by the occurrence in mass-media of information that entered under the incidence of information requirements, as well as a number of 14 requests reasoned by significant changes in the market price and/ or of the volume traded for the respective financial instrument. It is to be mentioned that, at the end of 2008, CNVM approved the change in the provisions of the BVB Rulebook, regarding the reduction of trading suspension period to 30 minutes in case of dissemination of information that could significantly influence the price or the decision to invest, a measure that reduced the market fragmentation degree, both globally and at symbol-market level.

During 2008, BVB has continued its policy regarding the pro-active dialog engagements with the listed issuers with regard to the fulfillment of transparency requirements, considering that only the promotion of a permanent education and an advisory environment will lead to the procurement of the best results, in the context in which these measures take place live on the exchange market.

During the year, 22 companies of the total of 68 listed on the regulated market at the end of 2008, announced the granting of dividends for the 2007 financial exercise . Also, 11 companies approved and registered share capital increases by the capitalization of reserves constituted from the profit or issue premium, and other 7 approved and registered share capital increases in cash, amounting over lei 333 mil. Three listed companies approved and initiated split/ consolidation operations and 7 approved programs of shares buy-back.

Corporate operations registered in 2008	No. of companies
Dividend – cash	22
Share capital increase- cash contribution	7
Share capital increase- capitalization, reserves and issue premium	11
Split/consolidation	3
Programs of shares buy-back (buy-back)	7

On Rasdaq market, in 2008, it was continued the cooperation with the listed companies in order to develop the supply information process, as complete and in the shortest time possible, regarding the AGMs, so that the trading suspensions periods diminish. Also, it was clarified the situation of certain listed companies, these coming back to trade mainly after long periods of trading suspension.

Types of issuer operation in 2008	Number of companies
Trading suspensions	2.507
Trading resumption	2.432
Extension of the trading suspensions for additional reasons	190
Suspension of the price variation limit with regard to the reference price	13
Delistings	269
Shareholders structures introduced	2.182
Significant shareholders introduced	538
Public offers presented on the web site	58
TOTAL	8.189

The most numerous operations were those of trading suspension and resumptions, being predominant the temporary trading suspension in order to maintain an orderly market and assure all market participants with an equal access to the information, in accordance with the regulations of RASDAQ market.

Trading suspensions in 2008	Number of trading suspension	Trading resumptions in 2008	Number of trading resumptions
AGM call information	854	AGM call information	846
AGM course/ AGM decisions info	1.176	AGM course/ AGM decisions info	1.153
Share capital changes	189	Share capital changes	216
Mergers	10	Mergers	7
Split	8	Split	7
Current report/ BoD decisions information	145	Current report/ BoD decisions information	141
Litigations related information	13	Litigations related information	14
Opening insolvency procedure/ legal reorganization	33	Clarification insolvency procedure/ legal reorganization	13
Bankruptcy, dissolution, liquidation, etc.	9	Clarification of bankruptcy, dissolution, liquidation, etc.	1
In the view of withdrawal from trading	54	Clarification of situation regarding the withdrawal from trading	4
Transfer from XMBS to RGBS	3	Transfer from XMBS to RGBS	3
Other reasons for trading suspension	13	Other reasons for trading resumption	27
Total	2.507	Total	2.432

The ascending trend registered during the last years from the point of view of transparency of the issuers listed on Rasdaq market also maintained during 2008, both from the quantitative and qualitative point of view.

Types of reports 2008	Number of reports 2008	Types of reports 2007	Number of reports 2007
AGM calls	2.700	AGM calls	2.518
AGM decisions	2.359	AGM decisions	2.464
BoD decisions	186	BoD decisions	175
Annual reports	1.711	Annual reports	1.436
Current reports	3.009	Current reports	3.185
Semi-annual reports	740	Semi-annual reports	847
1st Quarter Reports	478	1st Quarter Reports	582
3rd Quarter Reports	476	3rd Quarter Reports	576
Financial Reports	138	Financial Reports	210
Insider trading	5.172	Insider trading	4.201
TOTAL	16.969	TOTAL	16.194

The total number of reports received, processed and disseminated to the market participants during the entire 2008 is close to 17.000. Therefore, it may be noticed an increase in the number of current reports, especially those regarding the AGM call and decisions, but also of the periodical ones, like annual reports, in the circumstances where the issuers listed on RASDAQ market do not have, from the point of view of periodical reports but the obligation to transmit the annual report, and a diminishing in the number of listed companies. The periodical reports surpassed in 2008 the number of 3.500 and the current ones the number of 8.200. The reports issued by the participants regarding insider trading were situated also on an ascending trend.

Taking into account all the above mentioned aspects, the performances registered by a certain segment of issuers listed on Rasdaq market, in the difficult international context of 2008, as well as the qualitative and quantitative improvement of the transparency standards, it may be considered that the project developed during the 2007 continued in 2008 and to be finished in 2009 – year of promotion of the most performing listed issuers of Rasdaq market on the regulated market – will contribute substantially to the superior assessment of companies' potential and will continue to generate added value for the Bucharest Stock Exchange and its investors.

G. Participants at the Trading System

During 2008, it was registered an increase in the number of intermediaries who have the quality of participant to the BVB trading system, during the year being registered a number of five new participants:

- 4 credit institutions:
 - BANCA COMERCIALĂ ROMÂNĂ
 - MKB ROMEXTERRA BANK
 - CREDIT EUROPE BANK (ROMÂNIA)
 - BRD - GSG
- 1 intermediary from other member state: RAIFFEISEN CENTROBANK AG Vienna

It has to be noticed that during this year, to one single intermediary it has been withdrawn the quality of participant to the BVB trading system, both to the spot and derivatives market segments: SSIF BRD Securities – GSG lost this quality, as consequence of the transfer of activity to the “mother” credit institution: BRD – GSG.

Participants at the end of 2008 year	No. of participants
SSIF	70
Credit institutions	5
Remote members	2
Credit institutions which run the activity through their local branch office in Romania	1
Total	78

With regard to the number of participants to the Derivatives Market, it remained relatively constant during 2008. At the end of December 2008, there were registered 71 intermediaries that hold the quality of participant to the Derivatives Market, of which a number of 35 have effective access to this market, as consequence of holding the quality of clearing member of the Bucharest Clearing House.

In the total of participants, the highest weight is held by the intermediaries with a majority Romanian shareholding structure (51 companies), while the foreign shareholders owned only 27 BVB participants. In the same time, 13 SSIF are owned by banks. Upon the object of activity, which depends on the initial share capital, at the end of 2008, the Participants were divided in two categories, namely:

- 54 SSIFs ran appropriate activities corresponding to an initial capital of over Euro 730.000;
- 24 SSIFs ran appropriate activities corresponding to an initial capital of over Euro125.000.

Also, 2008 was marked by the granting for the first time of the quality of Market Marker for a number of three participants and their registration as Market Markers for one single financial instrument: Erste Bank der oesterreichischen Sparkassen AG. The three Market Markers were: Banca Comerciala Romana, SSIF KBC Securities Romania and Wood & Company Financial Services a.s. Praga.

Concerning the number of stock exchange brokers, the situation was the following: compared to the end of 2007, when the number of exchange brokers authorized by BVB was of 312, during 2008 there have been issued 87 new authorizations and there have been registered 89 withdrawal requests, resulting at the end of 2008 a total number of 310 authorized exchange brokers.

H. Trading System and IT Infrastructure

Starting with 2005, the ARENA integrated trading system supports totally the BVB Group' activities: trading, clearing and settlement, and custody. Starting with 2007, on the same IT platform is rolling also the module for the Derivatives Market.

From the point of view of the technical platform, the system is rolling on last generation equipments. Each of the hardware components are doubled, for the insurance of redundancy at the level of supplying sources, the main controllers and processors of the central units, and BVB holds 24x7 maintenance agreements with the suppliers of these equipments and the related services as well as for the "mission-critical" equipments, aiming the insurance of fast interventions in the case of damages with major operational impact.

During the 2008, the System uptime was 100%. The Arena system was accessed in 2008 by 88 participants, through 537 users, and processed 23.617.345 orders. On types of operations, the distribution was as follows:

OPERATIONS	Total	Daily average	Daily maximum
No. of system operations	14.636.351	42.921	175.428
No. of orders	3.017.063	12.068	22.202
No. of trades	1.719.301	6.877	14.088
No. of new accounts	434.623	1.678	5.281
No. of transfer operations	1.780.481	7.208	29.996
No. of operations on omnibus accounts	1.535.361	23.964	6.561

At the end of 2008, the system configuration was the following :

INDICATOR	-
No. of symbols	2.202
No. of markets	30
No. of symbol – markets	4.464
No. of accounts	4.149.434
No. of positions of current registry (distinct positions)	422.497

INDICATOR	-
No. of positions of history registry(movement of positions)	535.289
No. of transactions	6.554.776
No. of order movements	30.565.277
No. of orders	10.937.196
No. of participants	88
No. of users	1.313

The central system, during the 2008, operated on average at 27% of the processing power, with charge tops of 31%. The communication system operated on average at 40% of capacity, and, during the top periods, reached 75% of the processing power. In 2008, took place five system upgrades:

- version 2.1.4 – February 10, 2008 – mainly for the implementation in the production environment of the “Trans-border Transfers” and the “Shares Borrowing”;
- version 2.1.5 – April 3, 2008 – mainly for functional improvements of the “Order Collector” module and “Short Sell” preparation;
- version 2.1.6 - May 29, 2008 - mainly for the preparation of SaFIR connection;
- version 2.1.7 – July 22, 2008 - mainly for finalization of SaFIR connection;
- version 2.1.8 – November 27, 2008 - mainly for the implementation of Clean Price Conversion module – YTM (Yield To Maturity) for bonds.

Arena Gateway is the main component of the new technical architecture of the BVB market, by which BVB is aligned with the developed markets in terms of system accessibility. Arena Gateway is an application offered by BVB to the market participants, which facilitates at superior technical level the exchange of information between the systems of intermediaries and those of BVB, by the use of an API (Application Programming Interface); it puts in this way on disposal the entire set of functions for the trading operations of the central system, able to be integrated with the systems of the participants.

The website and the auxiliary system of data dissemination (SFTP)

The BVB website was continuously available during 2008, being accessed with an average rate of 4 mil. daily requests.

The SFTP service of BVB assures the secured transfer of files between BVB and clients that run operations in the central system, as well as between BVB and consumer clients of public/ private interest information, which take over the exchange data on continuous basis. The clients may access the resources of the distribution system through specific applications. The access is encrypted, based on an user/password access from previously notified IP addresses. The service is permanently available, 24x7, the information traffic being performed through dedicated communication lines.

Monitoring/ Backup and data protection/ Disaster-Recovery systems

All the computation and communication systems, as well as the operations within the procedures of BVB are permanently monitored through specific applications. The monitoring systems allow a permanent analysis of the operation of all the hardware and software components, relevant for the BVB services.

Also, the Arena systems benefit of backup equipments, so that its activity to be taken over in the shortest time possible in case of casualty.

What concerns the disaster-recovery systems, these can operate independently and have the necessary capacity to support the BVB main services.

External audit

BVB performed in 2008 a functional and security audit for the ARENA system, by an accredited external auditor. The objective of the audit consisted in the procurement of an independent opinion on the security, continuity and functionality of the Arena system. For attaining of this purpose, it was issued an audit of Arena system, having the following components:

- revision of the following functionalities of ARENA system for evaluation of their conformity with the ARENA Handbook, BVB Rulebook and the Code of Bucharest Clearing House;
 - functionality of contingent orders;
 - functionality of the fixing algorithm at the closing/ opening of the trading session;
 - functionality of the modules for trade, clearing and settlement of the financial derivatives;
 - complexity and accuracy of reports aiming the financial derivatives.

- revision of general risks and IT controllers regarding the Arena information system;
- technical evaluation of the IT security risks for Arena system.

The methodology for the Security Services of Information was based on the COBIT International and ISO 27002 Standards. After the audit, from the point of view of functionality of the Arena system, there have not been identified deficiencies or non-conformities to the relevant regulations in force on the date of audit. The audited functionalities are correctly parameterized and implemented, which leads to the appropriate functionality of the Arena system. After the audit, from the point of view of IT general risks and controls, there have not been identified deficiencies that endanger the security of the Arena and the security of the information processed by the Arena system.

I. Data Dissemination

The 2008 marked on one hand the improvement of the offer regarding the data dissemination by adding of new facilities to the BVB website and enlargement of the specific range of services offered, and, on the other hand, the increase of the income resulted from data dissemination.

Web site

The web site was permanently improved during 2008, the most important added facilities being the following:

- the version with free membership, which grants to any user the access to facilities found in the standard offer of any developed exchange;
-  portfolio evaluation: useful instrument in the global evaluation of holdings of shares and profit/ loss, computed depending on the current market prices. It gives the possibility of creating multiple portfolios, of flexibility in introduction/ information administration and presents in detail each operation performed;
-  alerts by e-mail: allows the establishment of price thresholds or percent variation of it, to the attaining of which there are received alert messages by e-mail. The module is available for any listed issuer on the regulated and Rasdaq market segments, as well as for the main stock exchange indices, allowing the setting of more alerts per symbol;
-  watchlists: allows the grouping of the interest symbols in personalized lists to facilitate the monitoring of price evolution;
-  registration to the automatic e-mail service: the registration to this service gives the possibility of reception in the e-mail inbox of the market daily reports, media communications of BVB, as well as of the monthly bulletins.

-the adapted site version for mobile devices (<http://www.bvb.ro/mobile>), having as main characteristics:

- accessible from any mobile device with web browser;
- specially formatted pages for small screen sizes;
- optimized pages for low traffic, in the view of reduction of access costs
- it presents relevant information both at market and at symbol level;
- possibility to access, as well as on www.bvb.ro , real-time/ delayed data depending on the access level of the user;
- access to the market depth for the users of paid products available through the site

-improvement of RSS services (Really Simple Syndication), available on the BVB site, by adding of new information;

- alerts to the loading of financial data, available in electronic format, by messages on a dedicated RSS channel;
- alerts to the availability of financial information in any format (needed especially for RASDAQ Market, where the majority of data is received from the issuers in formats that do not allow the automat import into the BVB systems).

Web services

The Bucharest Stock Exchange continued to support the intermediaries by development of new web services, which allow the automatic taking over of information from the BVB systems, directly into the systems administered by the intermediaries, therefore replacing the necessity of manual introduction and updating of data. Taking into account that on the markets administered by BVB, there are available over 1.800 issuers, the automation of maintenance of information in the BVB external systems becomes a necessity. In this respect, BVB developed two new web services, in a Pilot Project (for the evaluation of interest and request for these services):

-Web service CompaniesAndSecurities which allows the taking over of information about:

- complete list of available issues in the systems administered by BVB;
- detailed information for all the types of issues: shares, bonds (including coupons and redemptions), government bonds , rights, fund units and futures;
- share capital changes;
- the most recent available shareholders structure.

-Web service FinancialsWebService that allows the taking over of financial information about:

- list of issuers for whom it has currently been introduced financial information;
- list of issuers for whom there is available financial information in a certain period;
- financial data on types of issuers (types of reports) – companies, banks, SSIFs, securities;
- information regarding the dividends;
- financial calendar.

By these new Web Services, with data about the issuers and issues/ financial data, BVB completes the existent services with trading information (available by other means of dissemination) - Arena Gateway, "tickers" , other web services), making available to users a large range of possibilities for the automatic reception of information.

In addition to the applications presented above, BVB participated to the inter-institutional joint project of report for the Central European Bank. The project answers to the periodical, standardized reported requirements, imposed by the Central European Bank and implies the central institutions of capital market: CNVM, BVB, Central Depository and BNR. The information are centralized by BNR and monthly transmitted to the Central European Bank.

In the 2008, the activity of data dissemination to the data vendors registered an increase of around 90% of the incomes obtained, compared to 2007, as consequence of the increase with 28% of the number of terminals compared to 2007. Therefore, the number of companies that distributed BVB data increased from 10, at the beginning of the year, to 20, at the end of 2008.

J. International Business

Even if the evolutions of 2008 within the capital markets from the region and also Romania showed very clearly that the integration in the international financial flows and positioning in the European financial market supposes for every market operator the assuming of some risks, still the isolation or adoption of an autarchic attitude cannot represent an option for the Bucharest Stock Exchange. On medium and long term, the benefits will certainly surpass the servitudes that the presence on more and more competitive European financial markets. Therefore, BVB established itself as main objective for the following years the development from a national regulated market to that of a regional one. For this change, it is needed the development of the international relations of BVB, so that to be better represented its member status, within different international profile organizations or the cooperation agreements already signed with other international stock exchanges, but also to show the opening for future partnerships with other international institutions.

INTERNATIONAL RELATIONS ESTABLISHED BY BVB			
International organizations membership		Bilateral cooperation agreements	
International organization:	Year of obtaining of the member quality:	MoU between BVB and:	Year of MoU signing:
Federation of Euro-Asian Stock Exchanges-F.E.A.S	2003	Athens Stock Exchange	1997
		Tokyo Stock Exchange	1999
Federation of European Securities Exchanges - F.E.S.E.	2006	London Stock Exchange	2000
		Borsa Italiana	2002
World Federation of Exchanges – W.F.E.	2007	Salonic Stock Exchange	2003
		Vienna Stock Exchange	2004
The European Capital Market Institute – E.C.M.I.	2007	Korea Stock Exchange	2006
		Moldova Stock Exchange	2006

The relations with the international organization within which BVB has the status of member developed in 2008 on two main levels: at technical and representation level. The technical aspects mainly aimed the supplying of statistic data regarding the main indicators of the BVB markets and the format adjustment of these data, so that it answers as good as possible to the desiderate of WFE, FESE and FEAS to grant as good as possible exposure to every stock exchange. Under the aspect of representation, BVB participated in 2008 to the general meetings of WFE, FESE and ECMI. Within FEAS, BVB assumed the role of leader of "Task Force on Corporate Governance", position through which it contributed to the achievement of the discussion themes and objectives of this working group for 2009.

Concerning the bilateral relations, in 2008 BVB established contacts and had preliminary discussions regarding the formalization of a future cooperation framework with the Cyprus Stock Exchange and, with the support of the Ministry of Foreign Affairs, with Amann Stock Exchange. Also, a special care was paid to the cooperation projects jointly developed with the Vienna Stock Exchange (WBAG) under agreed contracts, after the signing of the MoU between the two exchanges. These cooperation projects mainly referred to:

- ROTX, index held in co-ownership by BVB and WBAG. In 2008, it could be noticed the increase in the visibility of ROTX index on international level, which was also reflected in a great number of issuers of structured products, which have ROTX as underlying;

-the BVB-WBAG joint data dissemination project, by which BVB data is made available through WBAG systems; the project pursues the diversity of users interested in this kind of information. In this respect, there were organized several joint events, of which effects were noticed in the increase of the number of companies that distribute BVB data and of the relevant income to the stock exchange information sale. The main events, commonly organized by BVB and WBAG took place at:

-Bucharest:

- Bloomberg event, May 29, 2008;

- Reuters event, November 20, 2008.

-London: vendors meeting, September 16-18, 2008;

-Frankfurt: vendors meeting, October 22-24, 2008.



K. Marketing and Communication

In 2008, the marketing and the communication activities of the Bucharest Stock Exchange were characterized by a direct relationship with capital market participants, with a proactive approach and a high response speed. There were held 25 lectures and seminars of which most of them for the introduction of the new derivatives, as well as for the norms and procedures related to the trading of the government bonds on BVB:

-there were 15 official openings of the trading sessions on:

- listing of new issuers - Teraplast, VES Sighisoara, Uztel, Romcarbon Buzau, Transilvania Construct;

- launching of new instruments – single stock futures;

- the first international listing - Erste Bank and the institution of the “market maker”;

- starting to trade the government bonds at BVB;

-There were over 30 meetings with the media either as press conferences or as working meetings;

-The representatives of the Stock Exchange held presentations in over 40 national and international conferences, of which BVB organized directly or in a partnership over 15 such events.

Bucharest Stock Exchange developed the partnership with the state institutions, both with the regulatory and the executive ones, in order to find the most efficient solutions for balancing the Romanian capital market, under the impact of the international economic crisis. For this purpose, Bucharest Stock Exchange applied several gradual discounts of the applied fees levied and worked with the Ministry of Economy and Finance and the National Securities Commission for correlating the measures in order to support the capital market.



2008 brought improvements and operational news that were implemented only pursuant to public consultation sessions and after the careful analysis of the respondents' answers. The public consultations had the following topics:

- extending of the trading hours until 16:30, so as to be aligned to the trading hours of the European stock exchanges;
- changing in the requirements for the admission/maintenance to trading for the shares listed on the BVB regulated market, 1st and 2nd Categories;
- the new version of the Bucharest Stock Exchange Corporate Governance Code (CGC-BVB).

Throughout 2008, BVB correlated its marketing budgets with the market trend and the incomes, so as there had to be found solutions for the creative promotion and marketing of the products, services and the BVB corporate image. Thus, the information and promotion campaigns were supported by the press trusts with whom BVB had worked traditionally. Media partnerships were developed with:

- TV stations: TVR (including the regional studios of Cluj, Craiova, Iasi, Timisoara) and TVR Info, including shows on the capital market in the new program grid.
- The Money Channel continued to have permanent correspondent at the office of the Stock Exchange;
- daily newspapers: Ziarul Financiar, Romania Libera, Bursa, Financiarul;
- weekly newspapers: Capital, Saptamana Financiara;
- magazines: Investitii si Profit, Piata Financiara, Business Magazin.

Also, together with the Brokers Association, BVB continued its efforts to attract new issuers and to present the benefits of the bond issue, organizing road-shows in different parts of the country. The events were intended to have an information and educational role, pleading for transparency and efficiency, as values that are to put to work by all the participants to the Romanian capital market: issuers, brokers, investors, consultants, regulators. Pursuant to the meetings, over 300 assessment and recommendations from the participants were collected, which then structured the contents and the approach of the future marketing activity. After in 2007 there were 10 such business to business events, in 2008 there were organized 3 by ourselves and 5 in partnership. The central message of the meetings with the potential issuers was to emphasize the advantages of issuing corporate and municipal bonds, and the participants were informed with the help of the local partners – mayors, county councils, chambers of commerce, SSIFs, local publications. The event had three parts:

- the stock exchange as a financing source for companies and local administrations;
- the stock exchange as an investment opportunity for the commercial operators and the natural entities;
- the stock exchange as a way to manage the risk by presenting all the derivative financial instruments traded on BVB (for specialists among the brokers and investors).



The first session was dedicated to the companies that were not yet listed at the stock exchange, but which had registered growth and profit within the past three years (new companies that could develop further on), but also companies present on the NASDAQ market (that may become more visible and develop their business by promoting to an upper share category of the stock exchange) and the representatives of the local public administrations.

Wishing to answer to the concerns of the investors, both for the institutions and the natural entities, in the context of the challenges the financial markets had faced in the last year, as well as in the training and education of the general public as far as the instruments available for trading on BVB, the second session was a debate on the topic of "stock exchange investment". The third part of the road-show presented the newest financial instruments listed on BVB: single stock futures.

Participation in fairs and exhibitions

A novelty element was the participation of BVB in CERF (International Exhibition and Conference in IT and Communication) and as partner, in the conference "Mediafax Talks about IT&C - IT&C: Companies expansion through listing or merger?" The Bucharest Stock Exchange has been concerned in the last few years to stimulate the top IT&C companies to list at the stock exchange, considering that it is important that the information technology sector, representing 10% of the GDP, should be equally present on the capital market as well.

The Brokers Association together with Bucharest Stock Exchange and Central Depository organized in 2008 the third Edition of the Investment Fair. The fair is held annually in order to present to the visitors and the general public the newest products and services available on the capital market. As a parallel action, there was a seminar program dedicated to the investing public – from the initiation in the stock exchange trading on the shares and derivatives markets, presentations of listed companies, to learning the meaning of the tendencies of the stock exchange evolutions with the help of the technical analysis. At the Fair, there were also launched two stock indices: BET-XT (Bucharest Exchange Trading Extended Index) and BET-NG (Bucharest Exchange Trading Energy and Related Utilities Index).

The 2008 edition of the Money Fair - FINFAIR – benefited from the BVB partnership, who participated both with a presentation booth in the exhibition and with the presence of the BVB president, Mr. Stere Farmache, in the "Business Cafe". The challenges and the macro-economic cycles were analyzed through the money flows, the access to the development, crediting versus savings, the tendency to increase the consumption as opposed to the investment culture.

Seminars and conferences

The participation in seminars and conferences was in 2008 one of the most efficient methods to give the public information related to the BVB plans, and to the stock exchange processes and evolutions:

- Bucharest Conference "Capital Market – Opportunities and Challenges" organized by Ziarul Financiar addressed the investors' and the public's concerns on the evolution of the capital market, under the present economic circumstances and the Bucharest Stock Exchange presented on this occasion the solutions, instruments and mechanisms specific to the investment needs or the financing needs of the market;

- The Capital Market Conference organized by the Brokers Association placed the Romanian capital market within the context of the globalization, of the development tendencies of the stock exchanges and of the global investment diversity, regarded as an opportunity to accumulate at an alert pace the capital and to attempt to imagine Romania of 2012 from the perspective of the economic cycles and the investment sectors rotation;

- the 7th edition of the Capital Market Forum was held by Finmedia with the support of the Bucharest Stock Exchange on July 3, 2008;

- the pension funds and the institutional investors were invited to the debate "Evolution of the financial markets and investors behavior". The Romanian Association of Asset Managers and the Bucharest Stock Exchange organized the 4th edition of this event, where they approached different topics, such as the evolution of the financial markets, the asset management, the investors behavior and the importance of the institutional framework for the development of the industry;

- BVB concluded a partnership with ANEVAR (National Association of Romanian Evaluators), in the wish to train specialists for the capital market. The CAPM model and its compatibility with the capital market in Romania, the role of the evaluator in an IPO, defining of the capital costs, the sub-prime crisis and Romania between globalization and decoupling, the sustainable levels of the value for the listed Romanian companies were some of the topics for the continuous training of evaluators. The organized seminars were included in the program for the continuous training of evaluators for the sections "Business Valuation", "Real Estate Valuation" and "Financial Assets Valuation". The conference reunited professors and researchers from the capital market, specialists of the National Securities Commission, representatives of the Chamber of Financial Auditors of Romania, consultants on the capital market, valuation companies accredited by CNVM, representatives of BVB and ANEVAR.

Hosting the presentation sessions and the experience exchange offered to the of the MA students in different international institutions

For the delegation of Dauphine University in Paris consisting of 96 students of the finance and banking faculty there were organized during three days lectures and seminars together with the Academy of Economic Studies in Bucharest. There were illustrated the features of the Romanian capital market – including the unique characteristics derived from the mass privatization process, the present stage of the market and the evolution of the Romanian stock exchange in the national and international context.

The delegation consisting of 25 MBA graduates of Columbia Business School was also hosted at the premises of Bucharest Stock Exchange. The members of the delegation were MA students in the field of finance, marketing, international affairs, management, media, real estate management, mass media business, commercial law as well as specialists with experience in banks and investment funds oriented towards the emerging economies of South-Eastern Europe.

Programs for training and attracting new investors

Bucharest Stock Exchange and the daily newspaper Romania Libera organized at the BVB headquarters the award festivities for the competition "King of the Stock Exchange". The competition wanted to come to the support of those curious about the stock exchange phenomenon but who lacked the courage, the necessary knowledge or the financial means to make real investments. The competitors of the "King of the Stock Exchange" were given the opportunity to trade on real stock exchange conditions, with a virtual portfolio. They received a virtual amount of lei 100.000 they used to purchase and sell shares listed at the Bucharest Stock Exchange. The competition run coincided with the period when the stock exchange was under severe corrections, thus making the situation even more difficult for the competitors. The "King of the Stock Exchange" had three stages: October 22 – December 21, 2007; January 14 – March 14; March 31 – June 13, 2008. The statistics resulting from the analysis of the results of the competition showed its success: 2.150 players, 32.000 transactions within the eight months of the competition, 50 shares listed on the BVB were traded in the competition system.



In 2008 Bucharest Stock Exchange started the CSR programs (Corporate Social Responsibility). The first social responsibility program developed in cooperation with the students' association AIESEC. It was called "The Stock Exchange of Tomorrow" where BVB wanted to come close to the high school and university students and together with the education units, the students' associations and the non-government associations acting in the educational field, to become involved in supporting, designing and implementing professional orientation programs through which the children and the youth become familiar with the opportunities of the financial sector, especially the stock exchange field. According to the analyzed questionnaires, it resulted that over 25% of the economic universities students expressed the will to become employed on the capital market, this being the second field of interest after banking, in the opinion of the 1.000 interviewees. Within the same program, BVB hosted at its headquarters, for a period of one week, the seminars "Finance Insights", where the students met the financial and capital market specialists. During the conference, the Bucharest Stock Exchange assessed through Q&A sessions the degree of the students' information, in the desire to design special programs adjusted to the needs of the Romanian university environment.

The second project of the program "The Stock Exchange of Tomorrow" was developed with the Romanian-American University. The event "Career Weeks" wanted to ease the meeting of the representatives of the largest Romanian companies with the University students in order to inform them on the requirements and the dynamics of the labour market. The event was attended by 7.500 students, of which 5.000 in the last year of study. The objective was that at least 10% of the students find a job in the near future. Apart from the University presentations, BVB offered the possibility for some students to become limited period trainees at the Stock Exchange.

The third project of the program "The Stock Exchange of Tomorrow" was the partnership of BVB with the SIGMA Foundation for European Integration and the Institute for the Development of the Assessment in Education and the Ministry of Education, Research and Youth, to organize the European Competition of Applied Mathematics "Kangaroo", the 17th edition. In 2008 the competition reunited 244,134 students, becoming one of the most popular and appreciated mathematics competitions in the country. Bucharest Stock Exchange, as official partner of the European Competition of Applied Mathematics "Kangaroo", offered, in the award festivities, prizes to the winners of the INVEST section.



The fourth CSR project developed was initiated together with the non-profit organization Junior Achievement Romania, to be continued for several years. The "Capital Market" program wanted to be an economic and business "lab" giving meaning to several theoretical principles related to the operation and the success of the capital market. The youth (16 - 22 years old) worked together to apply these principles, solving real problems that may occur during the stock exchange trading. The basic principle to start from is that well oriented education and experience increase the chances of the students in the real economy. The program included:

- train the trainers sessions, meant for the university and high school teachers;
- lectures meant for the youth in the participating institutions;
- online interface for the "Capital market" program;
- periodic meetings of the students and pupils with the professionals, representatives of the business community.

The lectures were optional and were held in high schools and faculties, based on a schedule mutually agreed between the teaching units and the partner organizations. The program was encouraged and supported by the school inspectorates and the university centers, and the specialists of the companies acting in the capital market supported these lectures on volunteer basis. The launch of the "Capital Market" program took place in October 2008, at "Sf. Sava" National College in Bucharest, where attended 100 high school and university students and teachers. The calendar and the destinations of the presentation sessions were: Timișoara – October 21, Oradea – October 30, Iasi – November 6, Cluj – November 17, Brașov – November 27.

The fifth direction of the program "The Stock Exchange of Tomorrow" was launched with The Princess Margareta Foundation for the support of the "Special fund for children" and "Young Talents". They ease the collection of funds for the development of education projects, granting scholarships for especially gifted children, as well as programs to support children from families with poor or any financial means, to have continuance in the elementary, secondary and high school education. Bucharest Stock Exchange supports the measures of The Princess Margareta Foundation both due to the social and educational implications of the Foundation projects and due to the historic relations between the Stock Exchange and the Romanian Royal Family, through the incorporation document of the Stock Exchange issued in 1882 by His Majesty, King Carol I.

A.Accounting policies adopted by the company, according to which the annual financial statements were drawn up

The annual financial statements were drawn up in accordance with the general accounting plan set by the Accounting Regulations harmonized with the 4th Directive of the European Economic community applicable to the institutions regulated and controlled by the National Securities Commission, as approved by the Order of the president of the National Securities Commission no. 75/2005 and other norms, as follows:

-  Accounting Law no. 82/1991, as republished;
-  Instruction no. 2/2007 on drawing up and submitting the annual financial statements by the entities authorized, regulated and controlled by CNVM;
-  Instruction no. 1/2008 to amend Instruction no. 2/2007 on drawing up and submitting the annual financial statements by the entities authorized, regulated and controlled by CNVM;
-  Order of the Ministry of Public Finance no. 907/2005 on the approval of the categories of legal entities applying accounting regulations according to the international accounting reporting standards, respectively the accounting regulations according to the European directives, as published in the Official journal no. 597/2005, in the financial exercise 2007;
-  Order of the Ministry of Public Finance no. 1753/2004 for the approval of the Standard on the organization and the constitutions of the inventory of the assets and liabilities elements.

Other legal regulations specific to the activity:

-  Law no. 297/2004 of the capital market;
-  Law no. 31/1990 of the companies, as republished, as subsequently amended and modified;
-  Order of the Ministry of Public Finance no. 1775/2004 on some accounting regulations;
-  Emergency Government Ordinance no. 75/1999 on the financial audit activity, as republished;

The annual financial statements are drawn according to the trial balance resulting from the application of the accounting regulations in force for the legal entities authorized, regulated and controlled by CNVM.

B. Income and Expense Budget

During the reported period, Bucharest Stock Exchange based its economic and financial activity on the Income and Expense Budget for 2008 as approved by the General Meeting of Shareholders of the Bucharest Stock Exchange in the meeting of May 19, 2008, whose chapter "total income" provides the amount of lei 41.378.200, and chapter "total expenses" the amount of lei 27.338.140, the result on December 31, 2008 being a gross profit of lei 14.040.060 and a net profit of lei 11.716.155.

		RON		
Name of the indicator		Planned for 2008	Achieved in 2008	Differences
I.	Total income	41.378.200	31.553.194	- 9.825.006
II.	Total expense	27.338.140	19.289.422	- 8.048.718
III.	Gross profit	14.040.060	12.263.772	- 1.776.288
IV.	Net profit	11.716.155	10.625.304	- 1.090.851

Comparing the planned income and the expenses to those effectively achieved, it results that BVB makes in the reported period a decrease of the gross profit by 12.65 % (lei 12.263.772 as compared to lei 14.040.060) and by 9.31 % of the net profit (lei 10.625.304 as compared to lei 11.716.155) .

C. The Balance Sheet on 12.31.2009

		RON
No.	BALANCE ELEMENTS	VALUE
1.	NON CURRENT ASSETS – total, of which: - intangible assets - tangible assets - financial assets	20.070.648 668.458 1.881.029 17.521.161
2.	CURRENT ASSETS – total, of which: -inventories -commercial liabilities -other liabilities -other short term financial investments -cash and bank accounts	73.243.844 11.633 932.860 2.100.352 49.080.017 21.118.982
3.	PREPAYMENTS	143.663
	TOTAL ASSETS	93.458.155



D. Situation of the corporate income and expenses

NAME OF THE INDICATOR	RON	
	VALUE –RON	
Net turnover	20.887.708	
Operating income	20.887.708	
Operating income	15.461.903	
Operating result (profit)	5.425.805	
Financial income	7.469.340	
Financial expenses	631.373	
Financial result (profit)	6.837.967	
Current result	12.263.772	
Extraordinary result	-	
Gross result	12.263.772	
Tax on profit	1.638.468	
Net result	<u>10.625.304</u>	



E. Receivables and debts

Situation of the receivables on December 31, 2008.

Receivables	Balance on December 31, 2008	Liquidation term	
		Less than 1 year	More than 1 year
Commercial receivables	1.042.185	932.860	109.325
Other receivables	2.102.710	2.100.352	2.358
Adjustment for depreciation	-111.683		-111.683
Total current receivables	<u>3.033.212</u>	<u>3.033.212</u>	<u>0</u>
Prepayments	143.663	143.663	0
<u>Total</u>	<u>3.176.875</u>	<u>3.176.875</u>	<u>0</u>

Situation of the debts on December 31, 2008

DEBTS	No.	Balance on December 31, 2008	TERMEN DE EXIGIBILITATE		
			Less than 1 year	Between 1 and 5 years	More than 5 years
			2	3	4
	0	1=2+3+4			
Commercial debts	1	489.689	489.689		
Other debts, including tax debts and other debts to the social insurance	2	558.885	558.885		
Other debts payable in more than 1 year	4	105.490		105.490	
Total		1.154.064	1.048.574	105.490	

F. Distribution of profit

DESTINATION	RON
A. NET PROFIT TO BE DISTRIBUTED (line 02 to 08)	10.625.304
1. For the legal reserves	610.000
2. For the statutory and contractual reserves	-
3. Reserves constituted as own financing resources	-
4. Other reserves	-
5. To cover the accounting loss of the previous year	-
6. For dividends	-
7. Other distributions	-
B. NON DISTRIBUTED PROFIT	10.015.304

Out of the net profit made between January 1, 2008 and December 31, 2008 by Bucharest Stock Exchange amounting to lei 10.625.304 was distributed as follows: lei 610.000 for the legal reserves, according to the fiscal code. The non distributed profit amounting to lei 10.015.304 is distributed according to the intents set by the General Meeting of Shareholders, respectively the 100% distribution of the net profit as gross dividends.



G. Economic-financial indicators on 12.31.2009

1. Liquidity indicators

a) Current liquidity ratio

$$\frac{\text{Current assets}}{\text{Current debts}} = 69,85 \text{ times}$$

b) Quick liquidity ratio

$$\frac{\text{Current assets} - \text{Stocks}}{\text{Current debts}} = 69,84 \text{ times}$$

2. Risk indicators - there are not computed because there have not been engaged credits

3. Activity indicators

a) Average days sales outstanding

$$\frac{\text{Commercial liabilities}}{\text{Turnover}} \times 365 \text{ days} = 16,30 \text{ days}$$

b) Average days accounts receivable

$$\frac{\text{Commercial debts}}{\text{Turnover}} \times 365 \text{ days} = 8,56 \text{ days}$$

c) Non current assets turnover ratio

$$\frac{\text{Turnover}}{\text{Non current assets}} = 1,04 \text{ times}$$

d) Total assets turnover ratio

$$\frac{\text{Turnover}}{\text{Total assets}} = 0,22 \text{ times}$$

4. Profitability indicators

a) Return on Equity

$$\frac{\text{Profit before interest and income tax deduction}}{\text{Equity}} = 0,13 \%$$

b) Operating rate of return

$$\frac{\text{Operating Result}}{\text{Turnover}} \times 100 = 25,98 \%$$

c) Profit ratio

$$\frac{\text{Net profit}}{\text{Turnover}} \times 100 = 50,86 \%$$



H. Information regarding the relationship of BVB with branch offices, associated companies or other companies where holds the title of strategic shareholder.

Bucharest Stock Exchange does not have branch offices and owns as per December 31, 2008, participation titles in the share capital structure of other joint stock companies, as follows:

- Participations in the share capital of the Central Depository- Bucharest, 25 Fagaras Street, 1st District, in amount of lei 12.812.863 (57,00 %);
- Participations in the share capital of Bucharest Clearing House- Bucharest, 34-36 Carol I Bd., 12th floor, 2nd District, in amount of lei 3.651.494 (52,5080 %);
- Contribution to initial patrimony of BVB Corporate Governance Institute Foundation- Bucharest, 34-36 Carol I Bd., 12th floor, 2nd District, in amount of lei 50.000 (100,00 %);
- Participations in the share capital of the Romanian Clearing House Sibiu, in amount of lei 167.400 (1,94 %);
- Participations in the share capital of the Investors' Compensation Fund- Bucharest, 34-36 Carol I Bd., 12th floor, 2nd District, in amount of lei 196.030 (56,92 %).

The screenshot displays the Bucharest Stock Exchange website interface. At the top, it shows the date and time: Thursday, July 30, 2008, 4:35 PM. The main content area is divided into several sections:

- Market Capitalization:** Lists market indices such as BET, BET-100, and BET-1000 with their respective values and changes.
- Exchange Statistics:** A table showing trading volume and value for various exchange fields.
- TOP 5 Companies BSE:** A table listing the top five companies by market value, including symbols like SNE, BUC, and others.
- Prices:** A line chart showing the performance of the BET index over time.
- Announcements:** A section for news and press releases.
- Market News:** A table of recent news items with dates, times, and descriptions.

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