
QUARTERLY REPORT

of the Board of Directors

1st Quarter of 2017

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Company profile

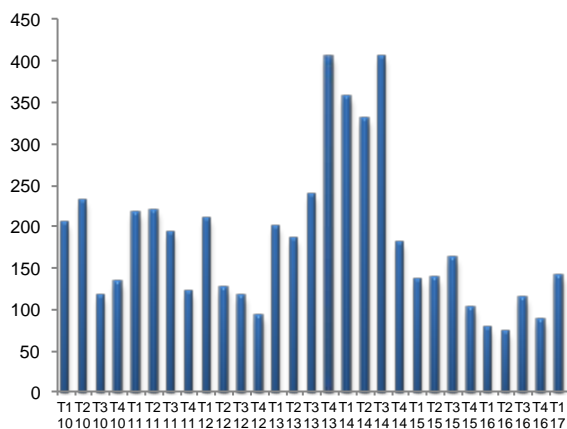
The directors' quarterly report for the first quarter of 2017 is drawn up in accordance with Law no. 294/2004 on capital market and the CNVM Regulation no. 1/2006 on issuers and transactions with securities.

| | |
|--|--|
| Date of report | 15 May 2017 |
| Legal name | SSIF BRK FINANCIAL GROUP S.A. |
| Field of activity | Security and commodity contracts brokerage |
| NACE Code | 6612 |
| Tax Identification Number | 6738423 |
| Registered in the Trade Reg. under no. | J12/3038/1994 |
| Share capital | 54.039.987,04 Ron |
| Address | Headquarters: 119 Motilor Street, Cluj-Napoca |
| Telephone, Fax | 0364-401709, 0364-401710 |
| Email | secretariat@brkfinancialgroup.ro |
| Webpage | www.brkfinancialgroup.ro |
| Securities | 337.749.919 Ordinary shares with a par value of 0.1600 Ron |
| Regulated market | Bucharest Stock Exchange, Main Segment, Premium Tier |
| BSE Symbol | BRK |
| ISIN | ROBRKOACNOR0 |
| Audit | The interim financial statements as at 31 March 2017 underlying this report have not been audited. |

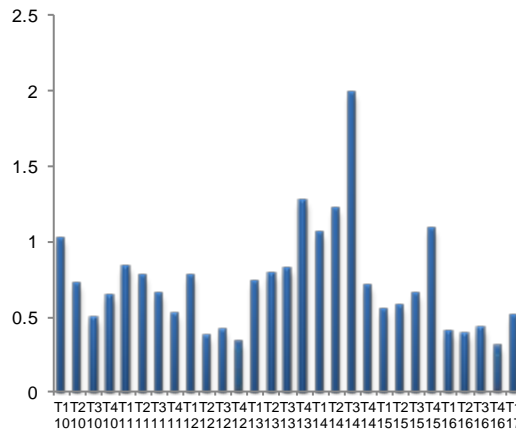
Key indicators

| Key Indicators | | | Evolution |
|---|------------------|------------------|-----------|
| Financial results (RON) | 31-Mar-17 | 31-Mar-16 | % |
| Income from continuing operations | 3,286,347 | 4,514,208 | -27% |
| Operational income/loss | 822,499 | 609,011 | 35% |
| Income/loss for the period | 822,499 | 609,011 | 35% |
| Total comprehensive income for the period | (977,617) | (69,588) | 1305% |
| Financial position (RON) | 31-Mar-17 | 31-Mar-16 | % |
| Fixed assets | 34,550,026 | 38,262,475 | -9.70% |
| Current assets | 63,215,944 | 65,817,900 | -3.95% |
| Equity | 61,848,959 | 62,826,576 | -1.56% |
| Long-term liabilities | 23,455 | 23,601 | -0.62% |
| Current liabilities | 36,450,623 | 41,787,266 | -12.77% |
| Share indicators | 31-Mar-17 | 31-Mar-16 | % |
| Not profit per share (Ron/share) | 0.0024 | 0.0018 | 35% |
| Accounting net asset (Ron/share) | 0.1831 | 0.1847 | -1% |
| Economic-financial indicators | 31-Mar-17 | 31-Mar-16 | % |
| Current liquidity | 1.73 | 2.06 | -16% |
| Indebtedness | 0.59 | 0.41 | 44% |
| Accounts receivable turnover | 0.76 | 0.87 | -12% |
| Fixed-asset turnover | 0.10 | 0.13 | -27% |
| Price of BRK share (Ron/share) | 31-Mar-17 | 31-Mar-16 | % |
| Opening price (closing price of the previous quarter) | 0.0684 | 0.0780 | -12.31% |
| Maximum (intraday price) | 0.1145 | 0.0798 | 43.48% |
| Minimum (intraday price) | 0.0712 | 0.0710 | 0.28% |
| Closing price (closing price of the quarter's last day) | 0.1015 | 0.0770 | 31.82% |

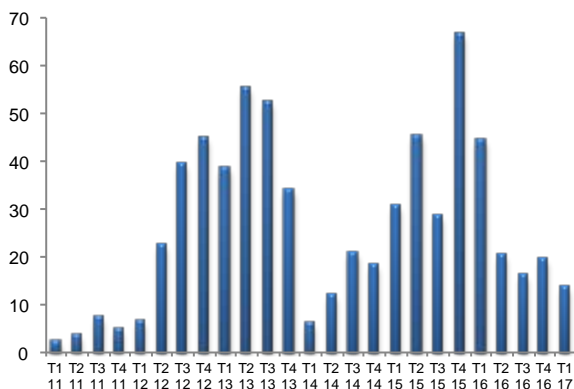
Share transactions on BSE (mil.Ron)



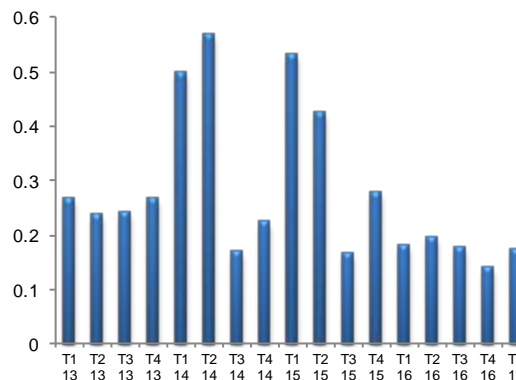
BSE commissions (mil.Ron)



Transactions with structured products on BSE (mil.Ron)



Foreign market commissions (Ron)



Company profile

SSIF BRK Financial Group S.A was established as a joint-stock company on the 26th of October 1994 under the initial name of SIMV Broker SA, which later became SSIF Broker S.A. until the end of 2015. Following the expansion of the company's activity to other financial segments through strategic acquisitions, as well as through internal development, in 2015 the company decided to change its name from SSIF Broker SA into SSIF BRK Financial Group S.A. Thus, the name change operation was completed on 21.03.2016, after publication of the Resolution of the Shareholders' Extraordinary General Meeting of 16.12.2015 in the Official Gazette of Romania no. 226, Part IV, on 15.01.2016. The FSA authorisation to change the name was received on 24.02.2016

SSIF BRK Financial Group S.A. is a founding member of the Bucharest Stock Exchange and shareholder of the Sibiu Stock Exchange (Sibex), the Sibex Depository, the Romanian Clearing House in Sibiu, the Romanian Commodities Stock Exchange, the Bucharest Clearing House and S.C. Fondul de Compensare a Investitorilor S.A. (Investor Compensation Fund).

The main activity is security and commodity contracts brokerage, BRK being one of the largest independent brokerage companies in Romania, operating under the supervision of no other financial institution.

The company offers a wide range of financial services for both retail and institutional customers. Transaction brokerage on the Bucharest Stock Exchange and in other international markets is still one of the main sources of income for the company. In the past, BRK was involved in listing some of the most prestigious companies in Romania on the Bucharest Stock Exchange and listed 11 of the 12 companies initially listed on the Bucharest Stock Exchange, preparing and introducing to trading a total of 45 companies. Some of these companies are: Antibiotice Iasi, Azomures Targu-Mures, Terapia Cluj-Napoca, Artrom Slatina, Astra Vagoane Arad, etc.

In addition to the services intended for customers, the management of its own financial assets portfolio contributes to SSIF BRK Financial Group S.A.'s revenue. The investments are made both in Romania and in international markets, both in premium companies listed on regulated markets and in private companies. Thus, SSIF BRK Financial Group S.A. has become a significant shareholder in several Romanian companies and is actively involved in their development.

In 2005, BRK Financial Group became the first and, to date, the only financial investment firm listed on the Bucharest Stock Exchange, category 1. The shares of SSIF BRK Financial Group S.A. (BRK Financial Group S.A. at that time) were admitted to trading on the main market operated by the Bucharest Stock Exchange on 5 February, 2005, under the symbol BRK. BRK shares are listed on the Bucharest Stock Exchange, Premium tier, and are included in the BETPlus index.

The Company's headquarters are in Cluj-Napoca, and its presence across Romania is ensured through its agencies in Bucharest, Timisoara, Iasi and Suceava.

On 31 March 2017, the company had 53 employees, 27 of whom were brokers. Another 19 persons were authorised to work with BRK Financial Group as appointed agents.

BRK Share

BRK Financial Group's shares are dematerialised, ordinary, indivisible, and freely negotiable since their admission to trading on Bucharest Stock Exchange (BSE).

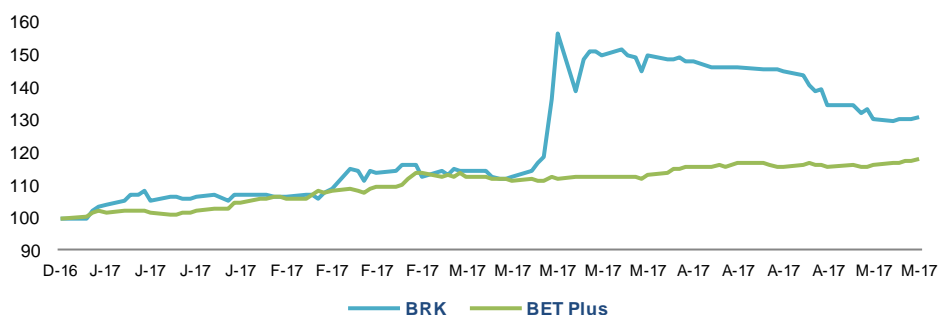
BRK Financial Group's shares were admitted to trading on the main market administered by the Bucharest Stock Exchange on 5 February 2005 under the BRK symbol. BRK shares are listed on the *Premium* Tier of the Bucharest Stock Exchange and are included in the BETPlus index basket.

The company is governed by the capital market legislation, i.e. Law no. 297/2004 on capital market, and the secondary regulations issued by the Financial Supervisory Authority (FSA) and BSE.

The records of the shares are kept by the Central Depository, which is an independent registrar authorised by the Financial Supervisory Authority.

The total number of BRK shares is 337,749,919 and the par value of one share is 0.16 Ron.

Evolution of the BRK share price vs. BETPlus in Q1 of 2017






Activity





BRK Financial Group's main activity is structured in two business directions, namely **brokerage services and management of own financial assets portfolio**. The brokerage services activity is organised in 3 segments: *intermediation services, market-making operations, and operations with structured products*.

Financial intermediation refers to all transaction brokerage services offered to individual investors and companies, as well as specialised services offered to institutional customers. The intermediation services consist of:

A. Transaction brokerage services for individual investors and companies:

-  Intermediation of transactions for the sale and purchase of securities traded on the Bucharest Stock Exchange (BSE) and Sibex. For these services, customers may choose to be assisted by a broker in the trades, or they may choose to trade online on their own. In this category, BRK offers customers the possibility to trade on margin (based on a credit line granted by the company to the customer), liquid shares listed on the Bucharest Stock Exchange.
-  Intermediation of transactions on international markets; the company's customers have access to over 100 foreign markets in Europe, North America and Asia. The range of financial instruments is very diverse (shares, bonds, structured products, ETFs, CFDs, futures, etc.), and the costs involved in trading on international markets through BRK Financial Group are some of the most attractive on the market.
-  Intermediation of transactions with corporate, municipal and state bonds on BSE and OTC, namely brokerage of transactions with structured products on BSE's dedicated segment.

B. Specialised services for institutional customers:

-  Intermediation of public offerings for purchase or takeover of companies listed on BSE
-  Funding on the capital market through the issuance of public shares and bonds
-  Listing of companies and investment funds on the capital market through initial public offerings or based on prospects of admission to trading
-  Advice for funding through issuance of shares and bonds or promotion on the market capital.

As of 2010, the company conducts *market-maker* activities (display and maintaining of firm buy/sell prices) on various financial instruments.

In May 2012, the first structured products were issued under the form of Turbo certificates, having the American index *Dow Jones Industrial Average* as underlying asset; later, another series of turbo certificates was issued, this time with *Eurostoxx 50* as underlying asset. The structured products issued by BRK Financial Group are the first on the Bucharest Stock Exchange, exclusively developed in Romania. BRK Financial Group is a liquidity provider for these products, namely the Company will provide liquid assets by displaying firm quotations on the market for the issued certificates.

In 2014, BRK Financial Group brought a new innovative product to the Bucharest Stock Exchange: capital-protected certificates. In 2016, five such products matured, having Adidas, Allianz, McDonald's, Nestle and Royal Dutch Shell shares as underlying asset.

In the first quarter of this year, SSIF BRK Financial Group ranked 9th among the top brokers on the Bucharest Stock Exchange according to the traded value. The company's market share increased compared to both last year, when it ranked 11th, and the first quarter of last year, when it ranked 13th, according to the data provided by the BSE website.

In addition to the brokerage activity, **the management of its own portfolio of financial assets** is another important activity of BRK Financial Group and it contributes significantly to the company's revenue. On the other hand, it is also a major risk factor given that BRK Financial Group must reassess all the positions in its own portfolio at the end of each year, and the value adjustments of the securities affect the result of the financial year and may change the image of the company's financial performance.

Achievements in the first quarter of 2017

Financial results

In the first quarter of the year, the company's revenues fell by 27% compared to the same period of the previous year, due to the 74% decrease in the revenue generated by market making and structured products. In part, this decrease was offset by a 23% increase in brokerage income and a 77% increase in the income from the management of the company's own financial asset portfolio.

Despite the financial nature of the income from the management of the company's own financial assets portfolio and the income generated by market making and structured products, these income categories are part of the turnover generated by continuing operations. Thus, the two categories together declined by approx. 35% in aggregate in the first three months of this year compared to the same period last year.

| Dynamics and structure of income (Ron) | 31-Mar-17 | 31-mar-16 | % | 31-Mar-17 | 31-mar-16 |
|--|------------------|------------------|-------------|--------------|--------------|
| TOTAL INCOME | 3,286,347 | 4,514,208 | -27% | 100% | 100% |
| Income from commissions | 777,845 | 634,107 | 23% | 23.7% | 14.0% |
| Income from domestic market commissions | 507,176 | 385,994 | 31% | 15.4% | 8.6% |
| Income from foreign markets commissions | 241,763 | 178,490 | 35% | 7.4% | 4.0% |
| Income from related activities | 28,906 | 69,623 | -58% | 0.9% | 1.5% |
| Financial income | 2,486,329 | 3,854,712 | -35% | 75.7% | 85.4% |
| Income from dividends | 3,150 | - | n.a. | 0.1% | 0.0% |
| Interest income | 172,525 | 62,927 | 174% | 5.2% | 1.4% |
| Net financial gains (other than dividends or interest) | 2,310,654 | 3,791,785 | -39% | 70.3% | 84.0% |

| | | | | | |
|---------------------------------|---------------|---------------|-------------|-------------|-------------|
| Other operating income | 22,173 | 25,389 | -13% | 0.7% | 0.6% |
| Rental income | 4,067 | 13,900 | -71% | 0.1% | 0.3% |
| Income from insurance brokerage | 2,921 | 1,239 | 136% | 0.1% | 0.0% |
| Other income | 15,185 | 10,250 | 48% | 0.5% | 0.2% |

Expenses continued the negative trend in all three business lines of the company, making visible the effects of business efficiency. For each spending category, there was a decrease of at least 10% in the first quarter of this year compared to the same period last year.

As a result of these developments, the company's profitability improved substantially. The net profit rose by 35%, from about 0.61 million Ron in the first three months of 2016 to 0.82 million Ron in the first three months of this year. Given the 13% increase (from 0.22 million Ron to 0.25 million Ron) in depreciation expense (value adjustments on tangible and intangible assets), EBITDA increased at a slightly lower rate than the net profit, i.e. 29% (1.1 million Ron in Q1 2017 compared to 0.83 million Ron in Q1 2016).

| Evolution of the comprehensive income (Ron) | 31-Mar-17 | 31-Mar-16 | % |
|--|------------------|------------------|-------------|
| Total income | 3,286,347 | 4,514,208 | -27% |
| Income from brokerage | 777,845 | 634,107 | 23% |
| Income from MM and structured products | 802,395 | 3,101,089 | -74% |
| Income from own portfolio management | 2,099,604 | 1,184,813 | 77% |
| Non-distributed income* | (393,497) | (405,801) | -3% |
| Total costs | 2,463,849 | 3,905,197 | -37% |
| Brokerage costs | 672,406 | 749,756 | -10% |
| Costs related to MM and structured products | 854,254 | 2,995,350 | -71% |
| Cost of own portfolio management | 201,361 | 360,597 | -44% |
| Non-distributed costs* | 735,828 | (200,506) | -467% |
| EBIDTA | 1,074,538 | 832,510 | 29% |
| Net profit | 822,498 | 609,011 | 35% |

* including the income/costs related to the discount of own assets' market value and general-administrative expenses

Analysis by segments

Brokerage services

Brokerage services include both brokerage and market making & structured products. The income from both activities together declined by 58% in the first quarter of 2017 compared to the first quarter of 2016.

The aggregate gross profit of the two activities, as measured by deducting direct costs from the income related to these two segments, fell by 21% due to the substantial decrease in revenue. However, the spending cuts and the strategy for more efficient business implemented by the management team paid off and the company had a net profit of 0.53 million Ron on 31 March 2017, after a loss of approximately 0.1 million Ron on 31 March 2016.

The **brokerage segment** generated a total income higher by 23% in Q1 2017 compared to Q1 2016, from 0.63 million Ron to 0.78 million Ron. The increase was due to the increase in both the income generated by commissions on the internal market (+ 31%) and the income generated by commissions on international markets (+35%).

The commissions generated on the local market (Bucharest Stock Exchange) rose from 0.39 million Ron in the first three months of 2016 to 0.51 million Ron in the first three months of this year. The value of the transactions brokered on BSE increased at the same pace. The total value of transactions (including own-account transactions) increased from 77 million Ron to 139 million Ron.

The commissions generated on international markets also grew considerably (35%) compared to the same period last year, from about 0.18 million Ron to 0.24 million Ron. The value of brokered transactions increased to about 1.2 billion Lei. The share of the transactions on the US stock markets in total international market transactions remained very high.

Direct brokerage costs, including costs related to commissions and other market fees, increased by 40%, causing the gross profit to improve by only 9%, from 0.36 million Ron in Q1 2016 to 0.39 million Ron in Q1 2017. Fixed expenses, including even expenses related to the company's brokers, decreased by 40% from 0.47 million Ron in Q1 2016 to 0.28 million Ron in Q1 2017. As a result of these developments, the net brokerage result was positive in the first three months of the year, in contrast to the loss suffered in the first three months of last year.

| BROKERAGE ACTIVITY | 31-Mar-17 | 31-mar-16 | % |
|---|------------------|------------------|--------------|
| Brokerage | | | |
| Income from domestic market commissions | 507,176 | 385,994 | 31% |
| Income from foreign markets commissions | 241,763 | 178,490 | 35% |
| Income from related activities | 28,906 | 69,623 | -58% |
| Total brokerage income | 777,845 | 634,107 | 23% |
| Direct brokerage expenses | 388,369 | 277,234 | 40% |
| Gross brokerage profit | 389,476 | 356,873 | 9% |
| Fixed brokerage expenses | 284,037 | 472,522 | -40% |
| Net brokerage profit | 105,439 | (115,649) | n.a. |
| Market making and Structured products | | | |
| Income from MM and structured products | 802,395 | 3,101,089 | -74% |
| Directs costs related to MM and structured products | 730,774 | 2,875,617 | -75% |
| Gross profit from MM and structured products | 71,621 | 225,472 | -68% |
| Fixed costs related to MM and structured products | 123,480 | 119,733 | 3% |
| Net profit from MM and structured products | (51,859) | 105,739 | -149% |
| Total income from the brokerage activity | 1,580,240 | 3,735,196 | -58% |
| Gross profit from the brokerage activity | 461,097 | 582,345 | -21% |
| Net profit from the brokerage activity | 53,580 | (9,910) | n.a. |

The income generated by market making and structured products declined from about 3 million Ron to less than 1 million Ron, mainly due to declining volumes of products structured on the Bucharest Stock Exchange. In the first three months of last year, the company generated transactions with structured products on BSE worth almost 45 million Ron, but in the first quarter of this year, the value of transactions reached just under 14 million Ron.

Direct expenses related to market making and structured products (including associated market costs) declined considerably by 75%. The result of the segment fell from a profit of 0.1 million Ron in Q1 2016 to a loss of about 52 thousand Ron in Q1 2017.

Management of the company's own financial asset portfolio

The income (without distribution of fixed costs) from the management of the company's own asset portfolio registered a substantial increase of 150% in the first three months of this year compared to the same period a year earlier, from 0.82 million Ron to 1.9 million Ron. The income resulted from the sale of substantial holdings owned by BRK in the capital of third-party companies, such as the Cemacon Zalau S.A. shares.

| MANAGEMENT OF THE COMPANY'S OWN FINANCIAL ASSET PORTFOLIO | 31-Mar-17 | 31-mar-16 | % |
|--|------------------|------------------|-------------|
| Income from management of own assets | 1,927,079 | 1,001,193 | 92% |
| Dividend income | - | - | n.a. |
| Interest income | 172,525 | 183,620 | -6% |
| Total income from management of own assets | 2,099,604 | 1,184,813 | 77% |
| Direct expenses related to management of own assets | 201,361 | 360,597 | -44% |
| Net profit from management of own assets | 1,898,243 | 824,216 | 130% |

The investment strategy adopted in the first quarter aimed, to a large extent, to continue the restructuring of the financial asset portfolio in order to sell selling non-performing shares and use the resulting amounts to finance the other brokerage activities (market-making, issuance of new structured products and margin loans), and support and promote the projects developed by the management company SAI Broker SA in which BRK Financial Group holds 99.98%, in order to offer customers fund management services. The company also wishes to quantitatively and qualitatively adjust the portfolio by reducing exposure to illiquid companies and increasing exposure to companies of the first liquidity tier.

In line with this strategy, the number of unlisted companies in which BRK Financial Group holds shares has halved compared to the end of last year. The number of listed companies in which BRK Financial Group holds shares has also dropped, as the company sold mainly less liquid positions or positions which are of no interest to the company or do not have enough growth potential at the moment. In addition, the portfolio includes both strategic investments in the management of which BRK is actively involved and long-term placements in which BRK does not exercise control and influence, and short-term investments that are classified in the speculative portfolio.

| Evolution and structure of the financial instrument portfolio on the Romanian market | Number of Issuers | | Market value | |
|---|--------------------------|------------------|---------------------|------------------|
| | 31-Mar-17 | 31-Dec-16 | 31-Mar-17 | 31-Dec-16 |
| Listed companies (Sibex & BSE) | 19 | 29 | 10,513,314 | 13,960,924 |
| Unlisted companies | 7 | 14 | 15,312,321 | 13,421,759 |

| | | | | |
|------------------------------|-----------|-----------|-------------------|-------------------|
| Equity interests in OPC/AOPC | 10 | 10 | 9,452,256 | 9,052,398 |
| Other securities | 5 | 5 | 464,163 | 342,408 |
| Total portfolio | 41 | 58 | 35,742,054 | 36,777,489 |

On 31 March 2017, BRK's portfolio of shares listed on BSE and Sibex amounted to about 10.5 million Ron, down by approx. 24% compared to the end of 2016. This trend is explained by the fact that, in the first three months, the company sold a considerable number of the listed shares from its portfolio, and the liquidities resulting from the sale were used only partially to buy new ones. As a result, a considerable part of these liquidities was used to support the working capital for other activities carried out in the brokerage service segment.

Throughout the year, substantial holdings in the form of strategic or long-term investments were sold from the portfolio of listed shares, in accordance with the Board of Directors' strategy. The shares held by the company in Cemacon Zalau S.A. were sold in February. The 16.65 million shares were sold at the average price of 0.3101 Ron/share, therefore the transaction exceeded 5 million Ron.

The sale of shares in the first three months of the current year caused significant changes in the structure of the investments in the portfolio tradable by activity sectors. As compared to the end of 2016, the exposure in the financial and banking sector grew considerably from 28% to 46%, due to net purchases, mainly of shares of SIFs listed on BSE. The exposure in the constructions and building materials sector declined significantly from 45% at the end of 2016 to about 6% on 31 March 2017, following the sale of the shares of over 5 million Ron held in Cemacon Zalau.

Sectoral exposure of listed share portfolio as at 31 March 2017



The number of closed-end companies in which BRK Financial Group holds shares is still the same, but the market value of the company's portfolio increased following the revaluation of the shares held in Minesa ICPM S.A. and the additional funding granted by SAI Broker S.A. The value of these shares rose by 14 at the end of the first quarter of this year compared to the end of the previous year.

The company's portfolio of fund units was higher by 4.4% on 31 March 2017 compared to 31 December 2016, and the number of funds included in the portfolio remained the same.

In addition to financial investments in companies listed on the local market, closed-end companies, fund units or other securities, the company's portfolio of financial assets includes cash, loans granted by BRK, financial assets related to market making and structured products, and the portfolio tradable on international markets. As at 31 March 2017, BRK Financial Group's total portfolio of financial assets amounted to 48.72 million Ron, down by 7% compared to the end of 2016. The assessment of the share portfolio was made by marking to market¹ all the positions of the tradable share portfolio², i.e. at the fair value determined according to the international valuation standards for all holdings classified as long-term investments, also referred to as the non-tradable portfolio.

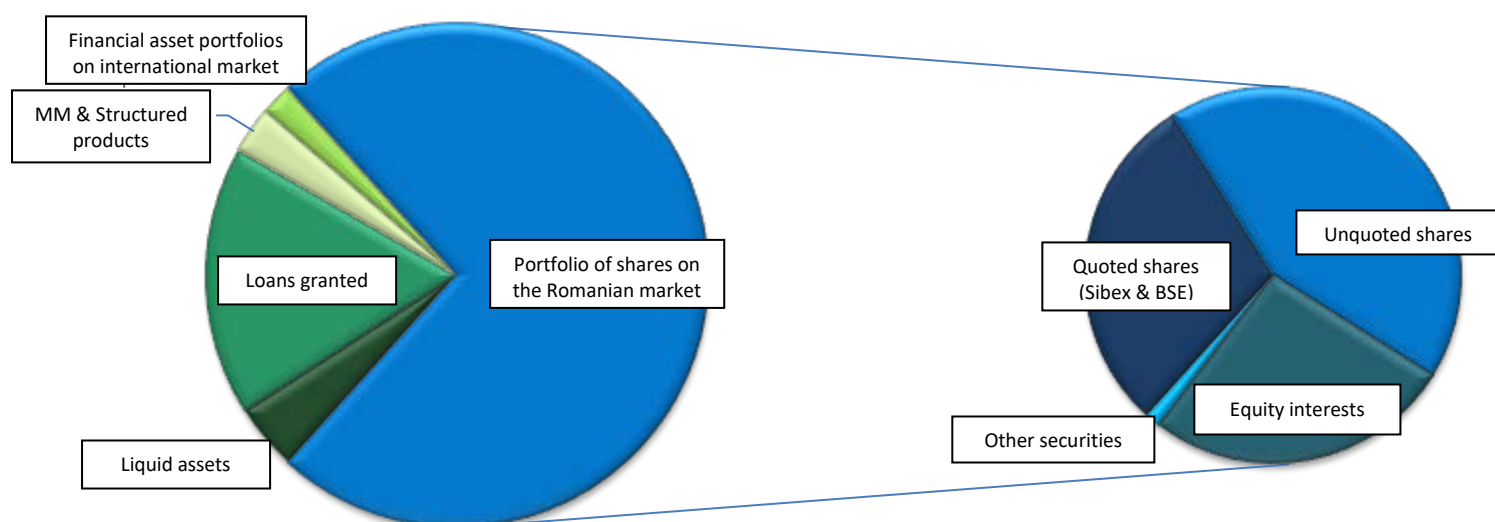
¹ at the closing price

² The Category of short-term investments – Securities available for trading

| Evolution of the financial asset portfolio | Structure | | Absolute values | |
|--|-------------|-------------|-------------------|-------------------|
| | 31-Mar-17 | 31-Dec-16 | 31-Mar-17 | 31-Dec-16 |
| Liquid assets | 4% | 10% | 2,071,598 | 5,037,084 |
| Loans granted, of which: | 17% | 15% | 8,445,866 | 8,072,400 |
| <i>Loans to customers</i> | 15% | 15% | 7,168,923 | 7,925,611 |
| <i>Loans to third-party companies</i> | 3% | 0% | 1,276,943 | 146,789 |
| Market-making & structured products | 3% | 3% | 1,489,402 | 1,762,291 |
| Portfolios of financial assets on international market | 2% | 2% | 970,324 | 986,373 |
| Portfolio of shares on the Romanian market | 73% | 70% | 35,742,054 | 36,777,489 |
| Total | 100% | 100% | 48,719,244 | 52,635,637 |

The loans granted by BRK Financial Group, totalling 8.4 million Ron, included both loans to customers for margin trading on BSE and loans to third-party companies. The loans to customers for margin trading amounted to nearly 7.2 million Ron on 31 March 2017, down by 10% compared to the balance on 31 December 2016. This decrease was due to net repayments by customers. The loans granted to third-party companies rose by approx. 800%. BRK granted a loan facility to SAI Broker worth 646,000 Ron in order to finance investment funds and a loan facility of 450,000 Ron to Romlogic Technology SA, bearing interest calculated on a monthly basis (BNR reference interest rate + a margin of 5% per annum).

Structure of the total financial asset portfolio as at 31 March 2017



As regards the changes in the structure of the company's total portfolio of financial assets, the percentage of granted loans rose (due to the increase in the loans granted to third-party companies), as did the portfolio of (quoted and unquoted) shares on the Romanian market).

Financial position

The company's total assets decreased by 6% on 31 March 2017 compared to the end of 2016, mainly due to the reduction in fixed assets (-10% compared to 31 December 2016). Long-term financial investments and property investments declined by 16% each compared to the end of last year. In contrast, total liabilities also decreased (by 13% compared to 31 December 2016), primarily short-term trade liabilities. As a result, the company's financial position is improved compared to the end of the previous year, as the decrease in total liabilities is higher than the decrease of the company's equity and assets in aggregate. Compared to the end of last year, the debt ratio (calculated as the ratio of total liabilities to equity) decreased from 67% to 59%. On 31 March 2016, the debt ratio was 41%.

| <i>Financial position (Ron)</i> | 31-Mar-17 | 31-Mar-16 | 31-Dec-16 |
|--|-------------------|-------------------|--------------------|
| Assets | | | |
| Intangible assets | 2,770,314 | 2,671,156 | 2,947,844 |
| Tangible assets | 4,502,545 | 4,511,440 | 4,343,040 |
| Investment property | 1,211,834 | 1,148,773 | 1,435,525 |
| Long-term financial investments | 24,452,412 | 24,552,265 | 29,053,597 |
| Other long-term financial investments | 1,612,921 | 1,715,930 | 482,468 |
| Total fixed assets | 34,550,026 | 34,599,564 | 38,262,475 |
| Short-term financial investments | 11,772,388 | 16,557,931 | 10,193,251 |
| Other short-term financial investments | 7,168,923 | 9,154,223 | 7,925,611 |
| Trade and other receivables | 9,959,660 | 9,277,783 | 15,565,227 |
| Bank account for customers | 32,243,374 | 14,500,420 | 27,096,728 |
| Cash and cash equivalents | 2,071,598 | 3,119,624 | 5,037,084 |
| Total current assets | 63,215,944 | 52,609,981 | 65,817,900 |
| Assets classified as available for sale | 557,067 | 801,390 | 557,067 |
| Total assets | 98,323,037 | 88,010,935 | 104,637,442 |
| Equity | | | |
| Share capital | 54,039,987 | 54,039,987 | 54,039,987 |
| Share capital adjustment | 4,071,591 | 4,071,591 | 4,071,591 |
| Own shares | -24,047 | -12,374 | -24,047 |
| Share premium | 5,355 | 5,355 | 5,355 |
| Reserves | 9,273,915 | 10,623,714 | 10,562,604 |
| Income/loss carried forward | -5,517,841 | -6,343,488 | -5,391,072 |
| Total equity attributable to the Company's shareholders | 61,848,959 | 62,384,785 | 62,826,576 |
| Liabilities | | | |
| Obligations under finance leases | 23,455 | 39,042 | 23,601 |
| Provisions | 0 | 0 | 0 |
| Total long-term liabilities | 23,455 | 39,042 | 23,601 |
| Current portion of obligations under finance leases | 14,660 | 41,096 | 23,433 |
| Amounts owed to customers (customers' cash) | 32,007,705 | 19,921,432 | 32,573,663 |
| Trade and other payables | 4,036,777 | 5,268,790 | 8,798,690 |
| Provisions | 391,480 | 355,790 | 391,480 |
| Total current liabilities | 36,450,623 | 25,587,108 | 41,787,266 |
| Total liabilities | 36,474,078 | 25,626,150 | 41,810,867 |
| Total equity and liabilities | 98,323,037 | 88,010,935 | 104,637,442 |

Significant events after the reporting period

-  6 April 2017 – Mrs. Monica Adriana Ivan was authorised by the Financial Supervisory Authority to be Deputy Chief Executive Officer (Deputy CEO) of the company (Authorisation no. 79/06.04.2017). Mrs. Monica Adriana Ivan was appointed Deputy CEO on 5 December 2016.
-  10 April 2017 – Mr. Adrian Pop resigned as Chief Executive Officer for personal reasons.
-  14 April 2017 – Mr. Grigore Chis was appointed Chief Executive Officer of the company, and the procedure for his authorisation as an executive by the Financial Supervisory Authority is to be initiated.
-  28 April 2017 – Mr. Paul Baranga resigned as Vice-Chairman of BRK Financial Group's Board of Directors for personal reasons.

Signatures

Monica Adriana Ivan

Deputy Chief Executive Officer

Monica Luca

Chief Accountant

Darie Moldovan

Chairman of the Board of Directors