

No. 1389 / 22.02.2018

**To : Bucharest Stock Exchange
Financial Supervisory Authority
Financial Instruments and Investments Sector**

PRESS RELEASE

**regarding the initiation of the preselection procedure of the financial auditor
In accordance with the A.S.F. regulation no. 27/2015, modified and completed by the
A.S.F. regulation no. 41/21.12.2016 in order to name the financial auditor and the
duration of the financial audit agreement by The Ordinary General Meeting of
Shareholders**

We herewith notify you that, on 12.02.2018, The Administration Council of S.I.F. Oltenia S.A. has decided the initiation of the preselection procedure for the financial auditor, in order for the General Meeting of Shareholders to name the financial auditor and the duration of the financial audit agreement.

The preselection procedure is coordinated by The Audit Committee.

The contents of the file to quote financial auditors

The technical quotation will comprise:

1. Document issued by C.A.F.R. which certifies that he/she is a member of this institution, with experience in professional practice of at least 4 years, in original;
2. Confirmation of company details issued by The National Office of Trade Register, with up to date status of the legal person, in original;
3. Document issued by C.A.F.R. which should comprise mentions regarding the last granted

rating, as well as mentions regarding the good reputation in accordance with the regulations regarding the good reputation of the financial auditor, in original;

4. Professional Civil Responsibility Insurance Agreement valid at the date of documentation deposition, in copy;

5. Criminal and tax record, in original;

6. Curriculum vitae, signed and dated, document which should certify the quality of active member of the C.A.F.R., as well as the statement on own responsibility under holograph signature from which it should result that no disciplinary sanctions were applied by any definitive decision in the last 3 years by the competent authorities which supervise the activity;

7. List of hired staff with employment agreement, active members of C.A.F.R., for whom the proof of employee quality will also be presented, respectively the copy of the employment agreement.

8. The employment agreement / service provision agreement and curriculum vitae, in copy, for the actuary;

9. The employment agreement / service provision agreement and CISA certificate (Certified Information System Auditor) in copy, for the expert in informatic system auditing

10. Statement on own responsibility, under holograph signature, from which it should result that the respective person fails to be in one of the incompatibility situations or in conflict of interests foreseen by the current regulation (appendix no. 2 – ASF regulation no. 41/2016).

11. Statement on own responsibility, under holograph signature, from which it should result that the respective person fails to hold/does not hold anymore the quality of audit key-partner for other entities (appendix no. 3 – ASF regulation no. 41/2016).

12. Query, completed and signed, in the presented form in the appendix no. 4 from the ASF regulation no. 41/2016.

Auditing financial quotation:

a) Financial situations established in accordance with the International Financial Reporting Standards (IFRS) individually for the financial years 2019, 2020 and 2021.

b) Financial situations established in accordance with the International Financial Reporting Standards (IFRS) individually for the financial years 2019, 2020 and 2021.

The quotations will be forwarded starting with 01.03.2018 till 08.03.2018, 16:00 hours, at the e-mail address public@sifolt.ro or by mail.

Contact person: Stoian Nicolae, tel. 0760.417.346.

According to Art. I point 18 letter a) from the ASF regulation no. 41/2016:

- the audit agreement is concluded till the date of October 31st, of the current year, so that it should enter in force starting with January 1st of the following year.

The price of the audit agreement is established in the agreed currency between the parties.

In case the audit agreement extends, A.S.F. is notified in terms of 15 days from the date of agreement extension.

The Audit Committee will analyse the submitted quotations, which fulfil the necessary professional criteria to practice the attribution of a financial auditor, which will be sent in the foreseen term in the hereby notification and will select the best quotation.

The best quotation will be recommended to the Administration Council for nominalising the financial auditor towards approval by The Ordinary General Meeting of Shareholders S.I.F. Oltenia S.A.

On 31.12.2017. S.I.F. Oltenia S.A. had in its portfolio participants at a number of 51 companies. The nominal value of the managed share portfolio is of 546,666,935 lei, and the market one is of 1,803,438,685 lei, superior with 229.90% to the nominal value.

S.I.F. Oltenia S.A., on 31.12.2017, held majority stakes at 11 companies:

1. COMPLEX HOTELIER DB S.A. Targoviste.
2. VOLTALIM S.A. Craiova.
3. MERCUR S.A. Craiova.
4. GEMINA-TOUR S.A. Rm. Valcea.
5. ARGUS S.A. Constanta.
6. FLAROS S.A. Bucharest
7. CONSTRUCTII FERROVIARE S.A. Craiova.
8. UNIVERS S.A Rm. Valcea.

9. PROVITAS S.A. Bucharest.
10. TURISM S.A. Pucioasa
11. ALIMENTARA S.A. Slatina.

These companies enter in the perimeter of consolidation for the financial situations established in accordance with The International Financial Reporting Standards (IFRS).

SIF Oltenia S.A. has recorded the following economic and financial results, according to the preliminary data of the year 2017 (unaudited):

1. Total incomes = 108.505.698 lei;
2. Total expenses = 26.587.898 lei;
3. Gross result = 81.917.800 lei;
4. Corporate tax = 7.613.836 lei;
5. Net result = 74.303.964 lei.

Associate Prof.Ph.D.E. Tudor CIUREZU
Chairman / General Manager

Ec. Viorica Balan
Conformity Officer