

S.C. Societatea de Contabilitate, Expertiză și Consultanță Contabilă  
SOCECC S.R.L.

INDEPENDENT AUDITOR'S REPORT

ON

THE INDIVIDUAL FINANCIAL STATEMENTS  
DRAWN UP IN ACCORDANCE WITH OMFP NO. 2844/2016  
BY NATIONAL COMPANY AEROPORTURI BUCUREȘTI S.A.  
FOR THE FISCAL YEAR CONCLUDED ON  
DECEMBER 31, 2018

- BUCHAREST -  
- 2019 -

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**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF NATIONAL COMPANY AEROPORTURI BUCUREȘTI S.A.**

**Report on the audit of financial statements**

**Qualified opinion**

We have audited the financial statements of NATIONAL COMPANY AEROPORTURI BUCUREȘTI S.A. (“the Company”), having its registered office Ilfov county, Otopeni city, 224E Calea Bucureștilor str., tax reference number RO 26490194, which comprise the statement of financial position as at December 31, 2018, the comprehensive income statement, the statement of changes in own equity and the statement of cash flows for the fiscal year then ended, as well as a summary of the accounting policies and other explanatory notes.

The individual financial statements as at December 31, 2018 appear as follows:

- net assets/total shareholders' equity: 4,113,198,967 lei
- fiscal year net profit: 371,822,393 lei

In our opinion, with the exception of the possible effects of the aspect described in the ***Grounds for the qualified opinion*** section of our report, the accompanying individual financial statements give a true view, in all material respects, of the Company's financial standing as at December 31, 2018, and its financial performance and cash flows pertaining to the fiscal year then ended, in accordance with the International Financial Reporting Standards (“IFRS”), adopted in line with the procedure provided by Regulation (EC) no. 1.606/2002 and with Order of the Minister of Public Finance no. 2844/2016 (“OMFP no. 2844/2016”) on the approval of the Accounting regulations aligned to the International Financial Reporting Standards adopted by the European Union (“IFRS-EU”).

***Grounds for the qualified opinion***

On record with the Company there are lands with a net inventory value of 2,649,438,444 lei, entered under the account “*Other reserves – lands received to increase share capital*”. The value of the lands should have been included in the share capital in accordance with the legal provisions and SGA Decision from November 6, 2018, being a contribution amounting to 269,170,080 lei pursuant to the Valuation report (“Built-up area land the property of CNAB AIBB-AV”, no. 2016245/10.04.2017) drawn up by MAPPS Master Appraisal. The difference between the value highlighted in the financial statements and the contribution value shall reduce the company's own equity by an amount of 2,380,268,364 lei.

We have carried out our audit in accordance with the International Standards on Auditing (“ISA”), EU Regulation no. 537 of the European Parliament and of the Council (“the Regulation”) and Law no. 162/2017. Our responsibilities pursuant to these standards are described in detail in the “*The auditor’s duties in a financial statement audit*” section in our report. We are independent from the Company, in line with the Code of Ethics for Professional Accountants, issued by the International Ethics Standards Board for Accountants (the IESBA Code), in line with the ethical requirements which are relevant to the auditing of financial statements in Romania, including the Regulation and Law no. 162/2017, and we have fulfilled our ethical duties in line with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and adequate in providing a basis for our qualified audit opinion.

### ***Key aspects***

The key audit aspects are the aspects which, based on our professional judgement, had the greatest significance in the audit of the financial statements for the current period. With the exception of the aspect described in the **Grounds for the qualified opinion** section, we did not take note of any other key aspects that ought to be communicated in our report.

### ***Other information - the Administrators’ report***

The administrators shall be responsible for drawing up and presenting other information. This extra information comprises the Administrators’ report, while not including the financial statements and the auditor’s report on these statements. The management is in charge with preparing other information. Our opinion concerning the financial statements does not cover this extra information, as well, and we do not express any sort of assurance conclusion in relation to it.

In regard to the audit we performed on the financial statements, our duty is to read the extra information and, in the process, determine whether that extra information is significantly inconsistent with the financial statements or the knowledge we have acquired throughout the audit or appears to be materially misstated. If, based on the activity carried out, we conclude that there are significant errors in relation to this information, we are bound to report the matter. We have nothing to report in that respect.

Furthermore, in accordance with the provisions of OMFP no. 2844/2016, we have read the Administrators’ report and are reporting as follows:

- we have not identified, in the Administrators’ report, information that is not consistent, in all material respects, with the information presented in the financial statements as at December 31, 2018.
- the above-identified Administrators’ report includes, in all material respects, the information required by OMFP no. 2844/2016 at items 15-19 of Annex no. 1;
- the Administrators’ report comprises the non-financial statement provided at items 39-42 in OMFP no. 2844/2016;
- based on our knowledge and understanding gained during the audit of financial statements for the fiscal year ended on December 31, 2018, in regard to the Company and its environment, we have not identified significant erroneous information presented in the Administrators’ report.

### ***The responsibility of the management and the persons in charge with governance for the financial statements***

The management is responsible for drawing up and presenting, in a true and accurate manner, these financial statements in line with OMFP 2844/2016 and for that internal control which the management deems necessary to allow drawing up financial statements free of any material misstatements, caused either through fraud or error.

In drawing up the financial statements, the management is responsible for estimating the Company's capacity to continue its activity by presenting, where necessary, the aspects pertaining to business continuity and using the business continuity principle as an accounting basis, except for cases where the management either intends to wind the Company up or shut down operations, or has no realistic alternative beyond the former.

The persons in charge with governance are responsible for supervising the Company's financial reporting process.

### **The auditor's responsibility**

Our objectives consisted in obtaining reasonable assurances that the financial statements, on the whole, are free of material misstatements, caused either through fraud or error, as well as in issuing an auditor's report that would include our opinion. Reasonable assurances indicate a high level of assurance, however, without guaranteeing the fact that an audit carried out in compliance with the ISAs will always detect a material misstatement, if any. Misstatements can be caused by fraud or by error and are deemed significant if one can reasonably forecast that they will individually or cumulatively influence the users' economic decisions made based on these financial statements.

As part of an audit compliant with the audit standards adopted by the Chamber of Financial Auditors of Romania, which rely on the International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. Furthermore, we:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in reply to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Formulate a conclusion on the appropriateness of management's use of accounting based on business continuity and, based on the audit evidence obtained, determine whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue its activity. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease conducting business based on the business continuity principle;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements reflect the underlying transactions and events in a manner that achieves fair presentation.

We communicate to those charged with governance regarding, among other matters, the planned scope and timing of the audit, as well as significant audit findings, including any deficiencies in internal control that we identify during our audit.

In addition, we provide to those in charge with governance an affidavit according to which we have complied with the relevant ethical requirements on independence and have mentioned to them all the relations and other aspects that one would reasonably presume affect our independence and, where necessary, the related protection measures.

Among the aspects we have mentioned to those in charge with governance, we underline those aspects with greater significance, throughout the audit, for the financial statements of the current period and operate, therefore, as key audit aspects. We describe these aspects in our audit report, save for the case where the legislation or the regulations prevent the public disclosure of the respective aspect or the extremely rare case where we believe that a particular aspect should not be stated in our report as it can reasonably be estimated that the benefits to the public interest will be outweighed by the negative outcome of such disclosure.

### **Report concerning other legal and regulatory provisions**

We were appointed to audit the financial statements of NATIONAL COMPANY AEROPORTURI BUCUREȘTI S.A. for the fiscal year concluded on December 31, 2017. The total uninterrupted duration of our engagement is 3 years, covering the fiscal years ended on 31.12.2016, 31.12.2017 and 31.12.2018.

We acknowledge that:

- Our audit opinion is in line with the additional report presented to the Company's Audit Committee, which we issued on the same date as this report. Furthermore, in conducting our audit, we remained independent from the audited entity;

- We have not rendered for the Company the forbidden non-auditing services that are forbidden according to article 5 paragraph (1) in EU Regulation no. 537/2014.

On behalf of

Bucharest, April \_\_, 2019

S.C. Societatea de Contabilitate, Expertiză și  
Consultanță Contabilă – SOCECC S.R.L.

with its office in Bucharest, registered in in the Electronic Public Register under no. 227

by means of Zegrea Laurențiu, registered in in the Electronic Public Register under no. 2666

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