

Transparency report
Deloitte Audit S.R.L.



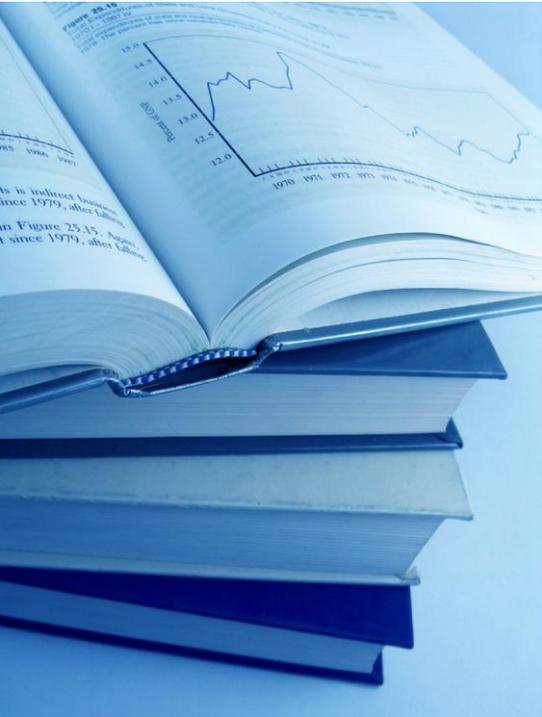
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1. Introduction

As an audit firm that carries out statutory audits of the annual accounts of public-interest entities, Deloitte Audit S.R.L. (hereinafter: "Company") is publishing this annual transparency report in compliance with Chapter X Article 46 of EMERGENCY ORDINANCE NO. 90/2008 (from 24 June 2008) regarding the statutory audit of the annual financial and consolidated annual financial statements.

All information provided in this report relates to the situation of the Company on 31 December 2008, except if indicated otherwise.



2. Description of the legal structure and ownership

The Company operates as a limited liability company. The quotaholders of Deloitte Audit S.R.L. are:

- **Deloitte Central Europe Holdings Limited – 48%**
- **Rodica Segărceanu – 13%**
- **Ahmed Hassan – 13%**
- **Florin Adrian Covăcescu – 13%**
- **Madeline Dalila Alexander – 13%**



3. Where the audit firm belongs to a network, description of the network and the legal and structural arrangements in the network



3.1. About Deloitte

“Deloitte” is the brand under which tens of thousands of dedicated professionals in independent firms throughout the world collaborate to provide audit, consulting, financial advisory, risk management, and tax services to selected clients. These firms are members of Deloitte Touche Tohmatsu (DTT), a Swiss Verein. Each member firm provides services in a particular geographic area and is subject to the laws and professional regulations of the particular country or countries in which it operates. DTT helps coordinate the activities of the member firms but does not itself provide services to clients. DTT and the member firms are separate and distinct legal entities, which cannot obligate the other entities. DTT and each DTT member firm are only liable for their own acts or omissions, and not those of each other. Each of the member firms operates under the names “Deloitte,” “Deloitte & Touche,” “Deloitte Touche Tohmatsu,” or other related names. Each DTT member firm is structured differently in accordance with national laws, regulations, customary practice, and other factors, and may secure the provision of professional services in their territories through subsidiaries, affiliates and/or other entities.

3.2. About Deloitte Central Europe

Deloitte Central Europe is a regional organisation of entities organised under the umbrella of Deloitte Central Europe Holdings Limited, the member firm in Central Europe of Deloitte Touche Tohmatsu. Services are provided by the subsidiaries and affiliates of Deloitte Central Europe Holdings Limited, which are separate and independent legal entities.

The subsidiaries and affiliates of Deloitte Central Europe Holdings Limited are among the region’s leading professional services firms, providing services through nearly 4000 people in more than 30 offices in 17 countries.

3.3. Deloitte in Romania

In Romania, the audit services are provided by Deloitte Audit S.R.L.. The Deloitte firm operating in Romania is affiliate of Deloitte Central Europe Holdings Limited.

4. Description of the structure of the management of the audit firm

The Company is managed by the managing directors.

The Company's managing directors:

- **Maksim Caslli**
- **Ahmed Hassan**
- **Farrukh Khan**

The managing Directors work separately and each has the right to represent and administer the company with full powers.

The managing directors act as administrators of the Company and the Company act in accordance with the Law No. 31/1990.

5. Description of the internal quality control system existing in the audit firm and a statement by the administrative or management body on the effectiveness of its functioning



The Company applies the internal quality control system established by DTT and set out in the Deloitte Policies Manual. This system includes policies and procedures addressing leadership responsibilities for the system of quality control within the audit firm, ethical requirements, client and engagement acceptance and continuance, human resources, engagement performance and monitoring.

The internal quality control system consists of two elements:

- the engagement quality assurance review and
- the Deloitte member firm practice review.

5.1. Engagement quality assurance review

All reports relating to assurance services – including statutory audit reports on the annual accounts or consolidated accounts of public interest entities – are subject to an engagement quality assurance review prior to issuance of the report. This review is performed by an audit partner of the Company with sufficient and appropriate experience and professional qualifications.

An engagement quality assurance review comprises a review of the auditor's report and financial statements or other financial information subject of the report, the audit plan, the audit summary memorandum, selected working papers and other documentation, as necessary. This review also includes a discussion with the audit engagement partner as regards significant matters that arose during the engagement or the review. If the engagement risk has been assessed as greater than normal or much greater than normal, a more extensive review by a partner is required, including a review of appropriate working papers that focus on the risks identified.

The audit report may only be issued if the reviewer is satisfied that the engagement team has made appropriate judgements and conclusions, and has complied with the Romanian National Standards on Auditing, International Standards on Auditing and other relevant rules and regulations.

5.2. Deloitte member firm practice review

DTT reviews all audit firms belonging to the network at least every three years and each audit partner should have a sample of their engagements reviewed also at least every three years. The practice review is carried out by partners or managers who are independent of the office or audit group they are reviewing.

The objectives of the practice review are:

- to obtain reasonable assurance regarding compliance with DTT policies and procedures as regards audit;
- to assess the operating effectiveness of risk management and quality control procedures;
- to assess adherence to professional standards and regulatory and legal requirements;
- to obtain reasonable assurance that the Deloitte audit methodology – that fully complies with the Romanian National Standards on Auditing as well as the International Standards on Auditing – has been properly implemented, and
- to obtain reasonable assurance that the audit firm’s system of quality control is appropriately designed, relevant, adequate, operating effectively and complied with in practice.

The results of the practice review, including any required actions, are set out in a report which, subject to due respect of legal requirements such as client confidentiality and data privacy, is made available to the Company’s management and relevant audit engagement partners. Any deficiencies should result in one or more of the following: remedial action relating to an engagement, communication of findings to those responsible for education and training, changes to the quality control policies and procedures and disciplinary action.

5.3. Statement by the administrative or management body on the effectiveness of the functioning of the system

The Company’s management is satisfied that the internal quality control system as described above is effective in providing reasonable assurance that the firm and its personnel comply with applicable professional standards and regulatory and legal requirements and that audit reports issued are appropriate in the circumstances.

6. Indication of the date when the last independent quality assurance review took place

Until 31 December 2008 the Chamber of Financial Auditors performed a quality assurance review at Deloitte Audit SRL, as of 5 February 2007. Internal independent quality review was performed in June 2007.

List of public-interest entities for which the audit firm has carried out statutory audits during 2008 financial year are disclosed in Appendix 1.



7. Statement concerning the audit firm's independence practices which also confirms that an internal review of independence compliance has been conducted



Both DTT and Deloitte Central Europe Holdings Limited maintain written independence policies compliance with which is mandatory for all employees and officeholders of the Company. An internal review of independence compliance has been conducted in June 2007. The independence policies contain the following measures:

- Each professional must sign an individual independence declaration each year. It is performed as of 31 May. In addition, similar independence declarations are obtained from new employees and employees leaving the Company.
- All professionals of the level of manager and above must enter their financial interests in a DTT proprietary electronic financial interest tracking system. Each person's portfolio is checked against an electronic list of audit clients to check whether this ownership is allowed under the relevant independence rules;
- All professionals have to complete an e-learning on independence rules and;
- Client and engagement acceptance processes are used to verify that independence is not impaired.

In addition to the continuous monitoring of compliance with independence policies, independence inspection and testing procedures are performed annually on a sample of professionals and senior officers.

8. Statement on the policy followed by the audit firm concerning the continuing education of registered statutory auditors carrying out audits in the name and on behalf of the audit firm

Deloitte Audit S.R.L. provides continuing education for all registered statutory auditors as well as for all audit assistants. The continuing education program is comprised of both Deloitte-organised training sessions and external training and lectures, as well as courses provided by the Romanian Chamber of Financial Auditors. The Company continuously monitors and records the status of internal and external courses followed by all employees.

All registered statutory auditors comply with the mandatory further education requirements prescribed by the Chamber of Romanian Financial Auditors.

9. Financial information

showing the importance of the audit firm, such as the total turnover divided into fees from the statutory audit of annual and consolidated accounts, and fees charged for other assurance services and tax advisory services

The breakdown of Deloitte Audit S.R.L.'s 2008 expected net sales

	th RON
Statutory audit	15,348
Other assurance services	25,891
Other	3,879
Total	45,118

Deloitte Audit S.R.L. provides no tax advisory services.

10. Information concerning the basis for the remuneration of partners

The remuneration of each partner in the audit firm comprises two elements – role compensation and performance compensation – both of which are related to the contributions made in their respective roles. Their role compensation is dependent on the scope and impact of their responsibilities. Their performance compensation is related to the achievement of goals set each year.

Partners are evaluated once annually and their role and performance compensation is adjusted upwards or downwards on the basis of their past and planned contributions.

Deloitte Audit S.R.L.
Bucharest, Romania
31 March 2009

11. Appendix

Public Interest Entities in 2007

ADMET S.A.

AFIN LEASING IFN SA

ALIB LEASING

ALRO S.A.

ALUM S.A.

S.C. BACA ROMUS IFN S.A.

BANCA ROMANEASCA S.A.

BANCA SOCIALA S.A.

CHIMOPAR S.A.

NBG LEASING IFN S.A.

S.C. GARANTA S.R.L.

UNICREDIT LEASING CORPORATION IFN S.A.

LIBRA BANK S.A.

ARCELOR MITTAL HUNEDOARA S.A.

ARCELORMITTAL TUBULAR PRODUCTS IASI S.A.

ARCELORMITTAL TUBULAR PRODUCTS ROMAN S.A.

OTP BANK ROMANIA S.A.

PETROM S.A.

ROMPETROL RAFINARE S.A.

PREMIUM LEASING S.R.L.

ROMANIAN BRANCH OF ROMANIAN AMERICAN ENTERPRISE FUND

SIDEX TRADING S.R.L.

SOCIETATEA DE INVESTIȚII FINANCIARE SIF BANAT-CRISANA S.A.

SOCIETATEA DE INVESTIȚII FINANCIARE SIF MOLDOVA S.A.

VICTORIA LIMITED S.R.L.

Public Interest Entities in 2007

VOLKSBANK LEASING ROMANIA IFN S.A.

BANCA NATIONALA A ROMANIEI

DEPOZITARUL CENTRAL S.A.

BURSA DE VALORI BUCURESTI S.A.

SOCIETATEA NATIONALA DE RADIOCOMUNICATII S.A.

S.C. IFN FINGROUP CREDIT S.A.

FLAMINGO INTERNATIONAL S.A.

SC FORAJ SONDE PLOIESTI S.A.

S.C. BUCURESTI TURISM S.A.

S.C. ROMPETROL WELL SERVICES S.A.

SC TERAPLAST S.A.

SC ROMPETROL S.A.

SC FONDUL PROPRIETATEA S.A.

IMPULS-LEASING ROMANIA IFN S.A.

FONDUL DE GARANTARE A CREDITULUI RURAL - IFN S.A.

EL-CO S.A.

S.C. AVICOLA CREVEDIA S.A.

SC ARMAX GAZ S.A.

OTP LEASING ROMANIA IFN S.A.

OTP ASSET MANAGEMENT ROMANIA SAI S.A.

OTP FOND DE PENSII S.A.

UZINELE SODICE GOVORA- CIECH CHEMICAL GROUP S.A.

SC PETROM AVIATION S.A.

SC TURBOMECANICA S.A.

SC ROMPORTMET S.A. GALATI

SC OTP GARANCIA ASIGURARI S.A.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in 140 countries, Deloitte brings world-class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte's 165,000 professionals are committed to becoming the standard of excellence.

Deloitte's professionals are unified by a collaborative culture that fosters integrity, outstanding value to markets and clients, commitment to each other, and strength from diversity. They enjoy an environment of continuous learning, challenging experiences, and enriching career opportunities. Deloitte's professionals are dedicated to strengthening corporate responsibility, building public trust, and making a positive impact in their communities.

Deloitte refers to one or more of Deloitte Touche Tohmatsu, a Swiss Verein, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu and its member firms. Please see www.deloitte.com/ro/about for a detailed description of the legal structure of Deloitte Romania.

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The subsidiaries and affiliates of Deloitte Central Europe Holdings Limited are among the region's leading professional services firms, providing services through more than 4,000 people in more than 30 offices in 17 countries.

In Romania, the services are provided by Deloitte Audit S.R.L., Deloitte Tax S.R.L., Deloitte Consultanta S.R.L. and Reff & Associates SCA (jointly referred to as "Deloitte Romania") which are affiliates of Deloitte Central Europe Holdings Limited. Deloitte Romania is one of the leading professional services organizations in the country providing services in five professional areas- audit, tax, consulting, financial advisory and risk services through over 450 national and specialized expatriate professionals.

For more information, please visit the Romanian website at www.deloitte.com/ro.