

## I.7. Approval of the degree of achievement of objectives and performance criteria for the company's CEO

The main indicators of the Income and Expenditure Budget approved for 2010 represented the objectives of the company's CEO according to the Annex to the Contract of Mandate.

Despite the difficult conditions due to the economic and financial crisis with both national and international influences, the key indicators deriving from the Income and Expenditure Budget for 2010 were achieved and some of them saw significant overruns:

Name of indicator	UM	Achieved 2009	Budgeted 2010	Achieved 2010	Achieved 2010/ Achieved 2009	Achieved 2010/ IEB 2010
0	1	2	3	4	5=4/2	6=4/3
Turnover	ths lei	219,754	240,000	243,626	1.11	1.02
Operating revenue	ths lei	218,740	245,900	248,530	1.14	1.01
Operating expenses	ths lei	192,567	219,948	217,968	1.13	0.99
Operating profit	ths lei	26,173	25,952	30,562	1.17	1.18
Total revenue	ths lei	221,309	248,000	262,816	1.19	1.06
Total expenditure	ths lei	205,662	234,148	244,343	1.19	1.04
Gross Profit	ths lei	15,647	13,852	18,473	1.18	1.33
Economic rate of return	%	6.9	6.8	7.8	1.13	1.15
Labour productivity	lei/person	154,762	175,887	182,384	1.18	1.04

The overall fulfillment degree of the performance criteria for 2010 was 113.7%. This global indicator was calculated taking into account the following indicators and the weighting coefficients established:

- Net profit rate;
- Rate of operating return;
- Economic rate of return;
- Debt Recovery Period;
- Debt repayment period;
- Partial liquidity.

The second global indicator from the Annex to the Contract of Mandate, namely the Achievement of the Objectives GEO no.79/2008 set for 2010 reached the level of 101.1%. This indicator is calculated based on some indicators derived from the Income and Expenditure Budget for the year ended and on the weighting coefficients established, namely:

- Net income for the year
- Total outstanding receivables
- Arrears (overdue payments)
- The achievement of performance criteria
- Expenditure on salaries - total.

The final conclusion drawn from the results presented above is that the objectives and performance criteria were fulfilled by the CEO at the rate of 101.1%. The GMS is required to approve this indicator based on the calculations presented and attached.

FINANCIAL DIRECTOR

Ec. Constantin NICUTA

