

TARGET2 Securities, *impact on the Romanian financial community*

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*Cristian Agalopol
Chairman – Depozitarul Central S.A.*

Features of the Romanian securities industry today

Best Practices

- Borrowing & Lending of securities, using the standard international contract GMSLA
- Global accounts (BSE Regulated market & ATS)
- Dividend payments (direct or via participants)
- Market practices for settlement and reconciliation

Gateway for the community

- Single point of access to multi-country securities (links with 20 countries on 3 continents, settlement in 13 currencies)

Standardized Communication

- Often it is what you cannot see below the waterline that can have the biggest impact - alternative comm. channels:
- SWIFT and On-line Communication (ISO 15022)
- Stage I - Settlement and Reconciliation
- Stage II - Corporate Actions

Our main challenge was to enhance our service quality and provide our clients with the best solutions available internationally in the shortest timeframe

Reforms aimed to build an European integrated financial market

Depozitarul Central pro-actively supports the EU reforms to create a harmonized and integrated European market:

- Standardization (removal of Giovannini Barriers)
- Systems are important but it is more important to re-engineer processes - Standards and Business Models will apply for all European markets (TARGET2 Securities)
- A single market in financial services, in order to decrease costs for users and better facilitate access to the capital markets – clients will reassess the way they access European markets (CSD Regulation)

We are responding by constantly adapting our service quality to better suits the evolving needs of our clients

TARGET 2 Securities - Benefits

Romania Capital Market

Riding the first wave - Increased visibility for the Romanian capital market

Highlights the commitment that local regulators are constantly looking for way to facilitate harmonization and increase post-trading efficiency

Improved efficiency and better risk management will foster investments in Romania

Depozitarul Central

Significant reduction in cross-border costs - most advanced settlement platform

No longer need to hold multiple accounts in CSDs. By adhering to T2S and DC will benefit from a single point of access for any European securities market

By adhering to T2S in the first wave, DC will benefit from significant discounts on settlement costs during migration phase

Additional opportunities for business

BVB Group

By adhering to T2S in the first wave, Depozitarul Central supports BVB strategy to become a regional financial center



Issuers and investors

Issuers will benefit from a more diversified investor base - thus generating more economic growth

Additional financial sources for issuers to support their business strategy

Less costly to access cross-border securities markets

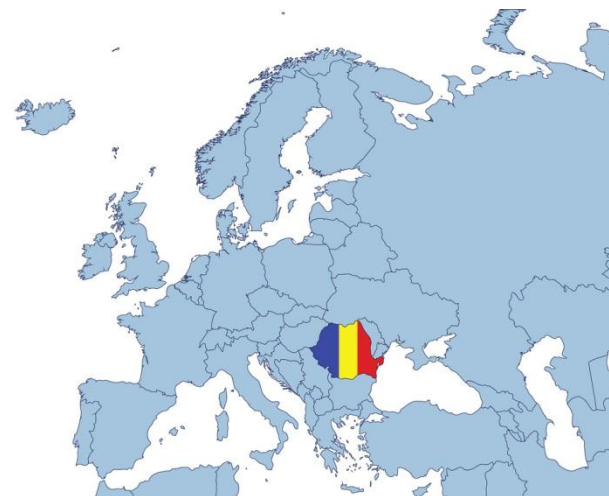
Investors will be able to hold, and benefit from, more diversified portfolios.

Depozitarul Central's strategy pivots around its clients needs and requirements to access multiple securities markets and benefit from enhanced system for collateral management

A committed partner for our clients

T2S project is closely aligned with our strategy to:

- Provide our customers with the best price delivering excellent services levels with an unrivalled product and service portfolio
- Further address inefficiency in the post-trading business
- Support clients to successfully implement their business strategy across all European financial markets reaping the fruits of a fully harmonized and integrated infrastructure

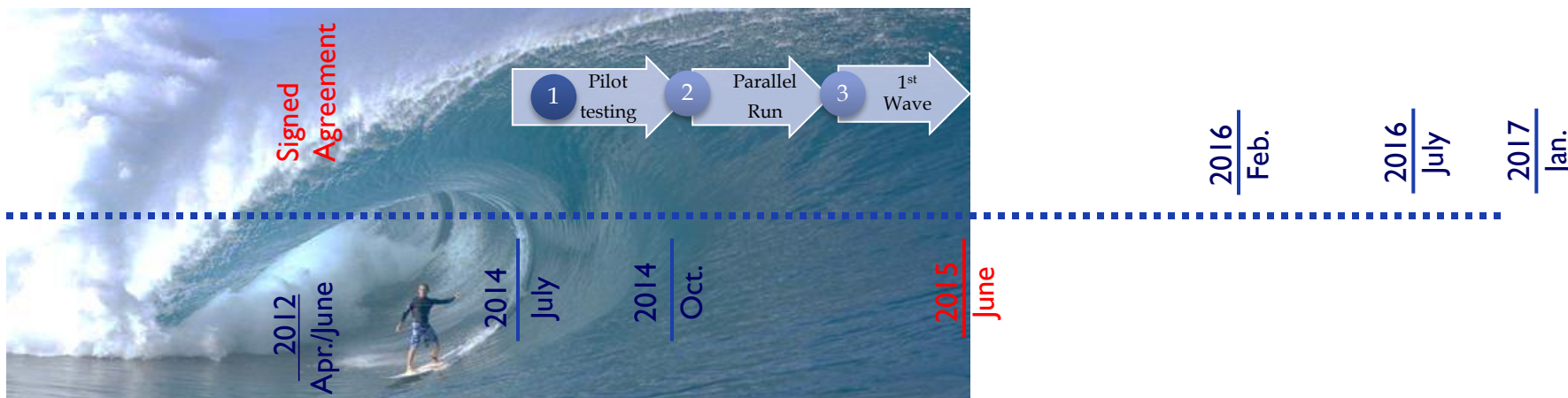


Major advantages for our clients

- Operational efficiency
- Discounts of pricing – overall cost reduction during migration phase
- Better risk management for post-trading
- Collateral management
- Single point of access to EU and non-EU financial markets

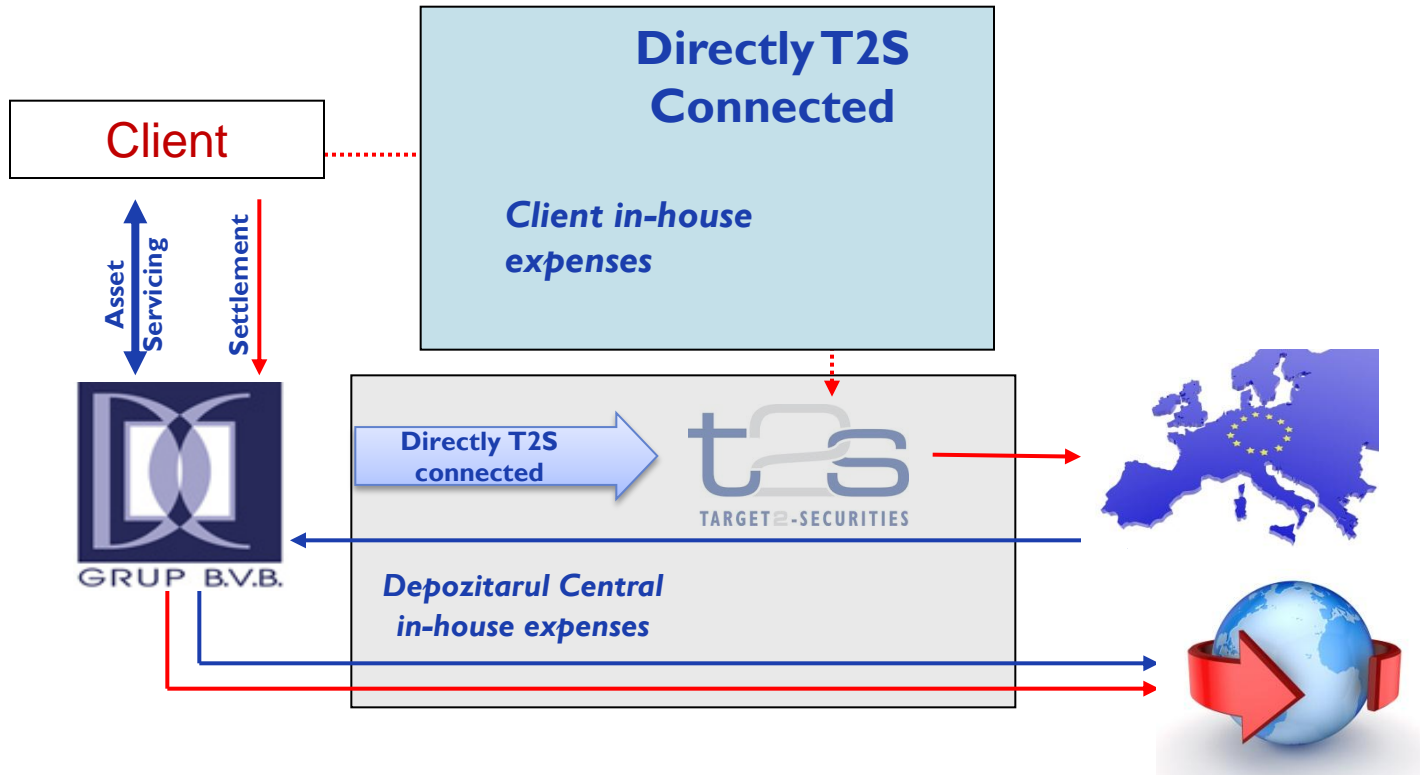
T2S – Riding the first wave

- Stepping stones-



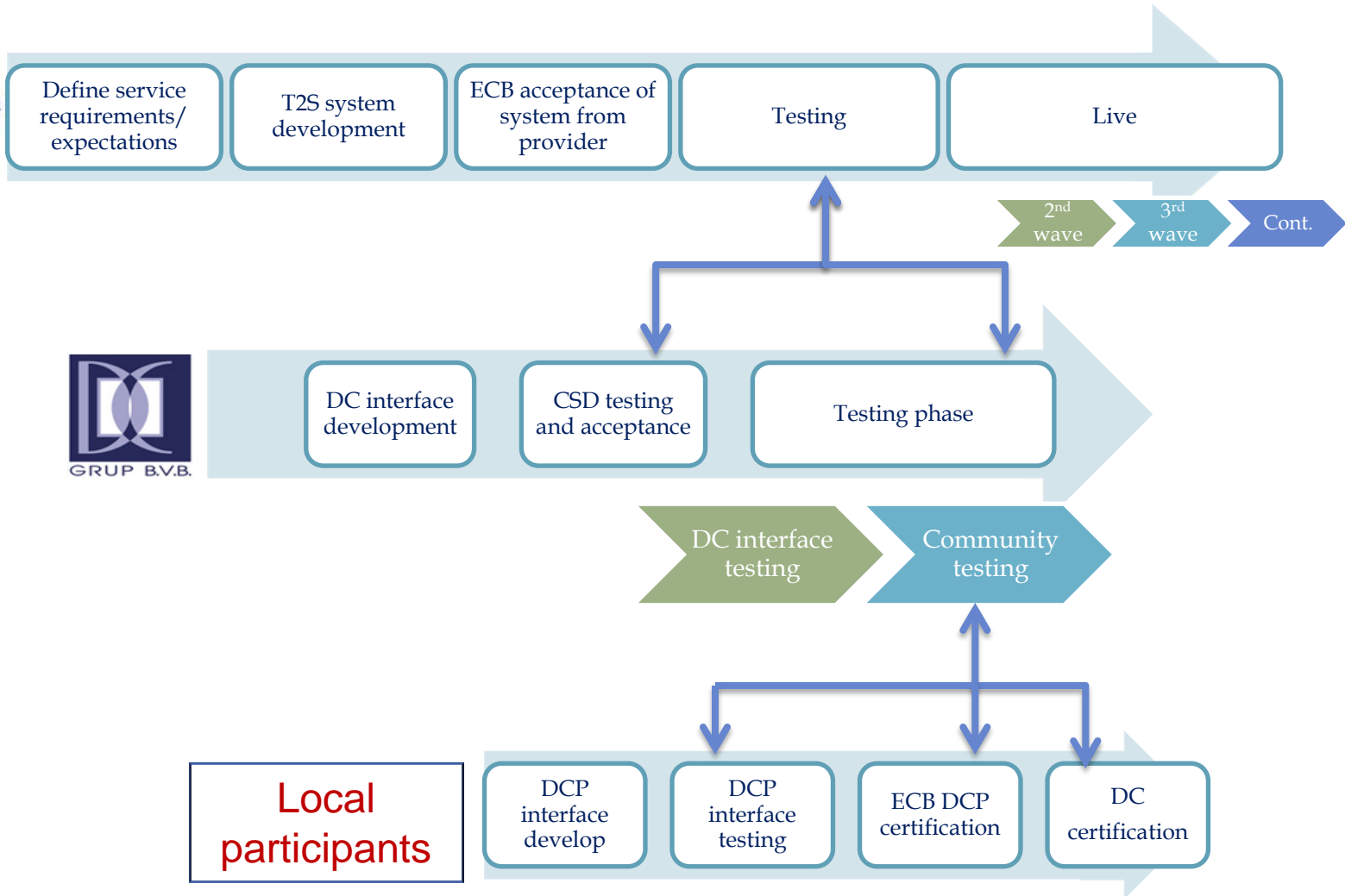
- Depozitarul Central will be in the privileged position of assisting the ECB with refining functionality of T2S during testing phase
- Clients of Depozitarul Central will benefit from Depozitarul Central’s T2S financial incentives and will gain more than a year lead and reap benefits over 3rd CSD migration wave

Depozitarul Central connectivity to T2S

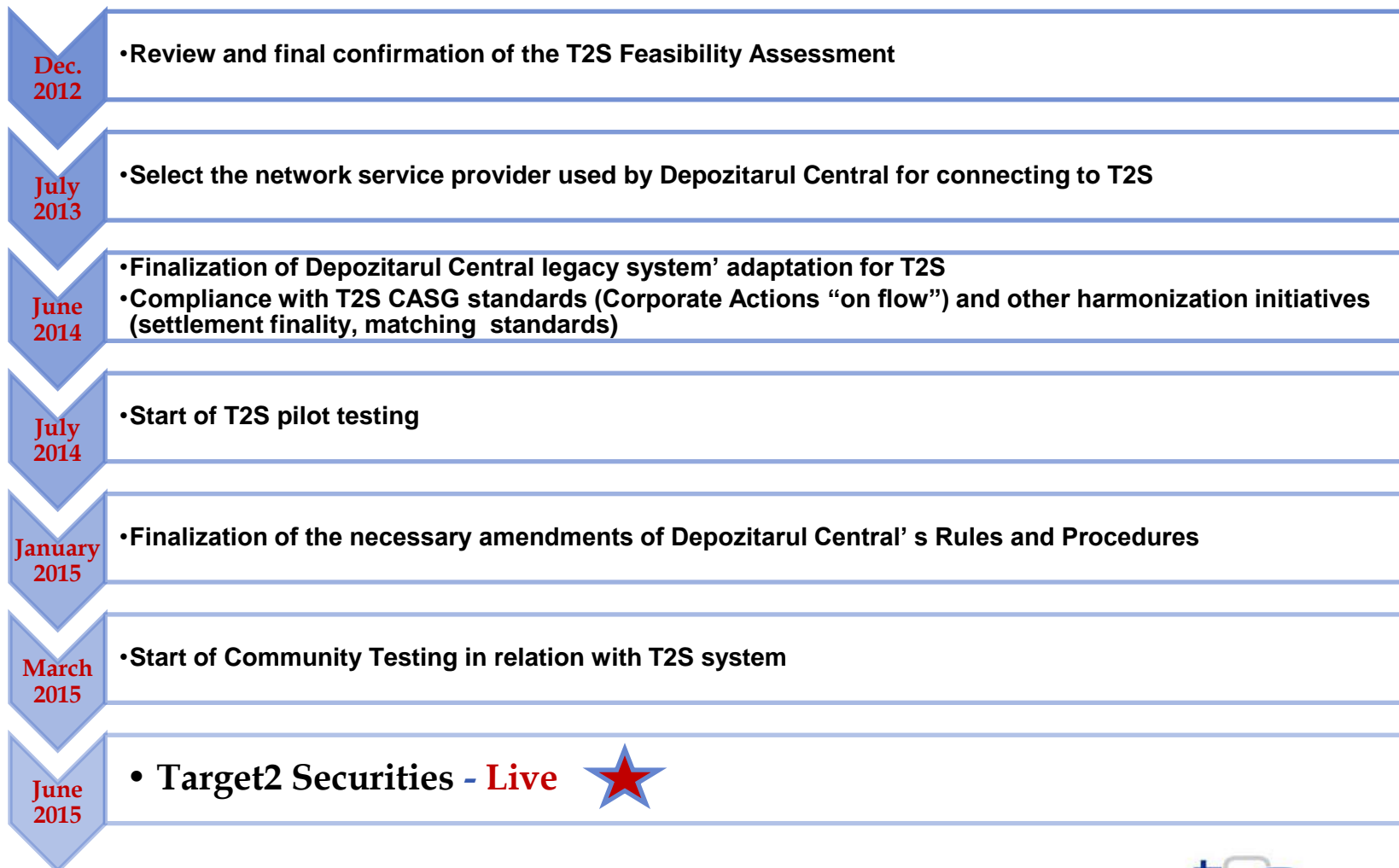


- Depozitarul Central supports client choice of direct connectivity to T2S and client bears the connectivity and data enrichments costs, or client connects through Depozitarul Central to T2S

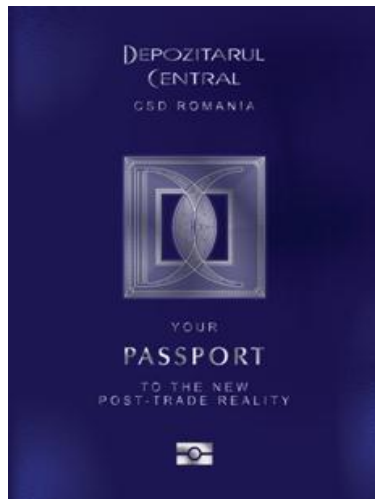
T2S Testing Phase: ECB → DC → Clients



Stepping stones for T2S implementation at Depozitarul Central



Thank You!
www.rocclear.eu



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