

No DEc11329/11 March 2016

*Submitted for approval in the OGMS meeting of 28 April 2016*

## **R E P O R T**

### **on the gross dividend per share proposal and on the dividend payment modality for financial year 2015**

#### **SUMMARY**

The approval of a gross dividend per share amounting to RON 21.24, determined under the provisions of *Government Ordinance No. 64 of 30 August 2001 on the allocation of profits in national companies and trading companies owned by the state or where the state is a majority shareholder and the autonomous administrations* in terms of applying the rate of 50,01877% to profit as dividends. The quota allocation foreseen in the income and expense budget for year 2015 approved by Government Decision No. 237/7.04.2015 is of 50%.

#### **PROPOSAL**

**We submit for approval the following, according to Art. 15.3, letter e of the updated Articles of Incorporation of SNTGN TRANSGAZ SA:**

- 1) The value of the gross dividend per share in amount of RON 21.24;**
- 2) Dividend payment to the shareholders starting from 13 July 2016.**

According to Art. 111, paragraph (2), letter a) of Law 31/1990 on the trading companies, as further amended and supplemented, and to Art. 15, paragraph (3), letter (g) of the Articles of Incorporation of Transgaz, the General Meeting of the Shareholders of the Company has the competence of establishing the dividend.

The proposal for allocating by destinations the net profit amounting to **RON 488,729,002.00**, according to *Government Ordinance No. 64 of 30 August 2001 on the allocation of profits to national companies and trading companies owned by the state or where the state is a majority shareholder and the autonomous administrations*, is as follows:

👉 Dividends to the shareholders

**RON 250,076,446.56;**

👉 Profit for the establishment own financing sources

**RON 238,652,555.44.**

According to Art.67, paragraph (2) of Law 31/1990 on the trading companies, as further amended and supplemented, dividends are distributed to the shareholders proportionally with their participation in the share capital.

The share capital of Transgaz is of RON 117,738,440 divided into **11,773,844** ordinary, nominative, indivisible *shares* having a nominal value of RON 10/share.

Thus, the value of the gross dividend is of **RON 21.24/share**.

According to Art. 146, paragraph (5<sup>1</sup>), of Law 297/2004 on the capital market, as updated, the payment of dividends due to shareholders is to be made through the central depository and through the participants to the clearing and settlement system and register.

The date for the beginning of dividend payment was established considering the following:

- 👉 According to Art.67, paragraph (2) of Law 31/1990 on the trading companies, dividend payment term is established by the General Meeting of the Shareholders and cannot exceed 6 months from the date of the approval of the annual financial statements of the financial year ended, unless otherwise provided by special law;
- 👉 Art. 129<sup>3</sup>(2) of Regulation 13/2014 of the Financial Supervisory Authority stipulates that *`in the case of the dividends, the General Meeting of the Shareholders shall establish as payment date a business day following up to 3 working days the registration date but not later than 6 months from the date of the General Meeting of the Shareholders establishing the dividends`*;
- 👉 According to Art. 1, paragraph (3) of GEO 64/2001, as updated, *`by derogation from the provisions of Art. 67, paragraph (2) of Law 31/1990 ... the national companies where the state is the sole, majority or controlling shareholder shall transfer dividends to shareholders within 60 days from the deadline provided by the law for the submission of the annual financial statements`*. According to OMPF No. 123/28.01.2016, Annex 1, Chapter 3, the deadline for the submission of the annual financial statements and of the annual accounting reports for year 2015 for the national companies is of 150 days from the end of the financial year.

**Chairman of the Board of Administration**

**Ion Sterian**