

## Report on the proposal for endorsement of gross dividend per share, dividend term of payment and dividend payment methods

### Applicable Legislation

- ⊗ Law no.31 dated November 16, 1990 on companies, as amended from time to time:
  - ✓ The General Meeting of the Shareholders (GMS) is obliged *"to consider, to approve or to modify the annual financial statements based on the reports presented by the board of directors [...] and to set the dividend"*- Art.111, par.(2), letter a);
  - ✓ *"The dividends are distributed to the associates proportionately to their equity interest to the paid share capital, provided that the articles of incorporation stipulates differently. Such are paid within the time limits set by the General Meeting of the Shareholders or, if applicable, during the term set by special laws, however, no later than 6 months from the date of approving the annual financial statements relating to the financial year under consideration"* – Article 67, par. (2);
- ⊗ Law no.297 dated June 28, 2004 on the capital market, as amended from time to time:
  - ✓ *"...the GSM is going to identify the shareholders who are going to benefit of dividends or other rights and in relation to whom the GSM resolution is going to produce effects. This date shall be subsequent by at least 10 business days to the date of the GSM"*-Article 238, par. (1);
  - ✓ *"Once the dividends are set, the GSM shall also set the term of payment to the shareholders. Such term of payment shall not be longer than 6 months from the date of the GSM setting the dividends"*- Article 238, paragraph (2);
- ⊗ Government Emergency Ordinance no. 47 dated September 1, 2012 on amending and supplementing legislative acts and on regulating fiscal and budgetary measures:

- ✓ Article III, point 1 amends the provisions under Article 1, par. (3) of Government Ordinance no. 64/2001 i.e. "... national companies and companies where the state or an administrative-territorial unit is sole, majority or controlling shareholder are obliged to transfer the dividends due to shareholders within 60 days from the legally provided term for filing annual financial statements".

### **Dividend per share**

In consideration of the following elements:

- ✓ dividends due to the shareholders according to the 2013 profit distribution proposal amount 990,636,509 lei;
  - ✓ dividends are distributed to the shareholders proportionately to their equity interest to the share capital; and
  - ✓ the company's share capital is 385,422,400 lei, split into 385,422,400 ordinary, nominal, indivisible shares each having a nominal value of 1 leu,
- the value of the gross dividend is **2.57 lei/share**.

### **Term of payment**

In consideration of the following elements:

- ✗ the company is obliged to pay dividends within 60 days from the legally set term for filing the annual financial statements, and
- ✗ the term for filing the annual financial statements of the company is "... 150 days from the date the financial year closes ...",

the dividend payout deadline is July 30, 2014.

### **Payment methods**

The dividends shall be paid in lei only to the shareholders registered in the Shareholders' Register (held by SC "Depozitarul Central" SA - Central Depository) on the Registration Date set by this GMS.

The net value of dividends shall be calculated as follows:

- ↪ the gross value of the dividends due to each shareholder shall be calculated by multiplying the number of shares held on the Registration Date by the value of the gross dividend per share and the resulting amount shall be rounded up or down at two decimal points;
- ↪ the tax on dividends shall be calculated by applying the relevant tax level to the gross value of dividends calculated as per point 1, the amount is rounded according to the legal provisions;
- ↪ net value of the dividends is the difference between the gross value of the dividends and the relating tax on dividends.

The payment of dividends shall be made by the Payment Agent except for the dividends due to the majority shareholder - Ministry of Economy, to SC "Fondul Proprietatea" SA Bucuresti and to The Bank of New York Mellon-as depository of

GDRs of Romgaz underlying shares- to whom Romgaz shall directly make the payment.

The payment methods shall be the following:

- ✦ *for legal persons:* by bank transfer on basis of a request for payment to which several documents are attached;
- ✦ *for natural persons:*
  - in cash, at the cash offices of the Payment Agent;
  - by bank transfer under the terms applicable for legal persons.

Before starting to make the payments the shareholders shall be informed on the details relating to the payment methods.

**In view of all of the above, we submit for approval to General Meeting of Shareholders the following:**

- 1) Gross dividend per share is 2.57 lei;**
- 2) To start the payment of dividends due to shareholders on July 28, 2014;**
- 3) Dividend payment by a Payment Agent to be selected by the company in accordance with the legal provisions, except for the payments to the majority shareholder - Ministerul Economiei, SC "Fondul Proprietatea" SA Bucuresti and The Bank of New York Mellon, to whom Romgaz shall directly make the payment.**

**Chairman  
of the Board of Directors  
Aurora Negrut**

