

ROMGAZ

Societatea Națională de Gaze Naturale Romgaz S.A. - Mediaș - România



CURRENT REPORT

In compliance with the Romanian Capital Market Law no. 297/2004 and CNVM Regulation no. 1/2006

Report date: **March 24, 2017**

Company name: **Societatea Nationala de Gaze Naturale ROMGAZ S.A.**

Address: **Mediaș, 4 Constantin I. Motas Square, Sibiu County – Romania, 551130**

Phone/fax no: **004-0269-201020 / 004-0269-846901**

Fiscal Code: **RO14056826**

Trade Register registration number: **J32/392/2001**

Subscribed and paid in share capital: **385,422,400 RON**

Regulated market where the issued securities are traded: **Bucharest Stock Exchange (BVB), London Stock Exchange (LSE)**

Significant event to be reported:

- **Proposal for gross dividend per share of RON 2.49 for the year ended December 31, 2016**

Following the meeting on March 23, 2017, the Board of Directors endorsed and submitted for approval to the Ordinary General Meeting of Shareholders on April 25 (26), 2017 (OGMS), the following:

(1) Gross dividend of RON 2.49/share, in consideration of the following elements:

- ✓ dividends due to the shareholders according to the 2016 profit distribution proposal amount RON 959,701,776;
- ✓ dividends are distributed to the shareholders proportionately to their equity interest to the share capital;
- ✓ the company's share capital is RON 385,422,400, split into 385,422,400 ordinary, nominal, indivisible shares each having a nominal value of RON 1;
- ✓ the Memorandum of the Ministry of Public Finance, send by the Ministry of Energy by letter no.260176/February 1, 2017, which states that the State's representatives in the General Meeting of Shareholders/ Board of Directors are **authorized to decide the distribution of a minimum share of 90% of the 2016 net profit as dividends, upon the approval of the Financial Statements of such year.**

The amount of dividends proposed for distribution represents 93.67% of 2016 net profit.

(2) The payment Term of the dividend to the shareholders namely the payment of dividend starting from July 26, 2017, 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 payment date established by GMS shall be a business day subsequent to the registration date by maximum 15 days, but not later than 6 months from the date of GMS for setting the dividends

The Board of Directors decided also the following:

- (1) The dividends shall be paid in RON only to the shareholders registered in the Shareholders' Register (held by S.C. Depozitarul Central S.A. – Central Depository) on the Registration Date set by the OGMS.
- (2) The net value of dividends shall be calculated as follows:
 - i. 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, rounding up or down by two decimal;
 - ii. the tax on dividends shall be calculated by applying the relevant tax level to the gross value of dividends calculated as per point i., the amount is rounded according to the legal provisions;
 - iii. net value of the dividends is the difference between the gross value of the dividends and the relating tax on dividends.
- (3) The payment of dividends shall be made in compliance with the law;
- (4) The shareholders shall be informed of the payment details prior making the payments.

According to the provisions of Article 111, par. 2, letter a) of Company Law No. 31/1990 and of Article 12 par. 4 letter b) from the Articles of Incorporation, it is under the Ordinary General Meeting of Shareholders' authority to set the dividend.

Director General
Virgil - Marius MITEA

