**No. 2416/18.03.2019**

**To:** **Bucharest Stock Exchange**
**Financial Supervisory Authority**
- Financial Instruments and Investments Sector

**CURRENT REPORT**
**According to Law no. 24/2017 and F.S.A. Regulation no. 5/2018**
**Report date: 18.03.2019**

S.I.F. Transilvania S.A.
Headquarters: 2, Nicolae Iorga Street, Brasov 500057
Telephone: +40 268 415529, 416171; Fax: +40 268 473215, 473216
Tax registration code: RO3047687
Order number in the Trade Register: J08/3306/92
Registration number in the NSC Register: PJR 09 SIIR/080004
LEI Code (Legal Entity Identifier): 254900E2IL36VM93H128
Subscribed and paid-in share capital: RON 218,428,666.40
Regulated market on which the issued securities are traded: Bucharest Stock Exchange (ticker: SIF3)

**Important event to be reported**: **Updated proposal on the distribution of the 2018 net profit**

S.I.F. Transilvania resends the proposal on the distribution of the net profit achieved in the financial year 2018, which was updated in relation to the net profit to be distributed that increased from RON 64,004,855 (value determined on the basis of preliminary financial statements) to RON 66,542,892, as a result of the registration of an income tax revenue amounting to RON 2,538,037. In the updated profit distribution proposal, **the total amount proposed to be distributed as dividends and the amount of the gross dividend remain unchanged.**

We remind our shareholders that the final form of the materials pertaining to the Ordinary General Meeting of Shareholders convened for 24/25 April 2019, including the annual financial statements prepared for the financial year 2018, accompanied by the financial auditor's report, will be available on the company's website www.siftransilvania.ro, under the *O.G.M.S. April 2019* section, starting on 22 March 2019.

Iulian Stan
Executive Vice President/Deputy CEO

Ștefan Szitas
Member of the Executive Board/Director

str. Nicolae Iorga 2, Braşov, 500057, România • tel.: +4 0268 415 529, +4 0268 416 171
fax: +4 0268 473 215, +4 0268 473 216 • transif@transif.ro • www.siftransilvania.ro
Societate administrată în sistem dualist



**PROPOSAL OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD**
**for the distribution of the 2018 net profit and the gross dividend per share**

**- item 4 on the O.G.M.S. agenda of 24/25 April 2019 -**

The annual financial statements prepared for the financial year 2018 according to the IFRS standards, as they are submitted to the Ordinary General Meeting of Shareholders for approval, include the following data regarding the profit:

- RON -

| | |
|---|---|
| Net operating income | 92,205,074 |
| Total operating expenses | 28,200,219 |
| Profit before tax | 64,004,855 |
| Income tax revenue | 2,538,037 |
| **Net profit to be distributed** | 66,542,892 |

The Company's Executive Board and Supervisory Board propose and recommend to the Ordinary General Meeting of Shareholders to approve the following distribution of the 2018 net profit:

| | **Destination** | **Amount (RON)** |
|---|---|---|
| 1. | Legal reserves | 3,200,242.75 |
| 2. | Dividends | **26,165,569.94**<br>**(RON 0.0121/share)** |
| 3. | Other reserves – Own financing sources from profit | 37,177,079.69 |
| | Total net profit achieved and distributed | 66,542,892.38 |

The gross dividend to be paid for one share held on the record date is of **RON 0.0121** which represents a yield of 5.58% by reference to the average trading price of SIF3 shares on the BVB-REGS market between 01.01.2018 and 31.12.2018.

The proposed value of the gross dividend for the financial exercise 2018:

- is consistent with SIF Transilvania's policies regarding the shareholders' remuneration and takes into consideration the profit actually achieved by the Company in accordance with the Revenue and Expenditure Budget provisions;
- leads to the achievement by the shareholders of a yield of 5.58% by reference to the average trading price of SIF3 shares on the BVB-REGS market between 01.01.2018 and 31.12.2018.

The payment of the dividends distributed from the profit achieved in the financial year 2018 will be made in compliance with the legal provisions in force. The potential costs related to the payment of dividends will be borne by the shareholders. The payment methods and the related procedures will be prepared by the Executive Board and brought to the shareholders knowledge through a communique which will be published at least in the national newspaper "Bursa" and on the company's website: www.siftransilvania.ro

The shareholders entitled to receive dividends distributed from the 2018 net profit are the ones registered in the consolidated Shareholders' Register on the record date which will be approved by the Ordinary General Meeting of Shareholders, as provided by article 86 of Law no. 24/2017 on issuers of financial instruments and market operations. The Executive Board and the Supervisory Board have proposed to the general meeting of shareholders to approve 03.10.2019 as the record date and 24.10.2019, as the payment date.

**Supervisory Board**
**President**
**Ec. Ștefan Szabo**

**Executive Board,**
**Executive President / CEO**
**Ec. Mihai Fercală, Ph.D.**