

PROPOSALS OF THE BOARD OF DIRECTORS

Regarding the distribution of 2010 net profit, the gross dividend per share and the time frame and methods for the payment of dividends

The 2010 individual annual financial statements submitted for approval to the Ordinary General Meeting of Shareholders contain the following data regarding profit:

	RON
Total income	121,534,602
Total expenses (including the provision related to the creation of the employees' profit participation fund)	46,716,476
Profit before tax	74,818,126
Tax on profit	7,898,716
Net profit, of which:	66,919,410
- profit distributed for legal reserves (legal reserves in balance as at December 31 st , 2010 represent 20% of share capital)	-
- profit not distributed as at December 31 st ,2010	66,919,410

Taking into account the above data, the Company Board of Directors proposes and recommends to the Ordinary General Meeting of Shareholders to approve the following distribution of 2010 net profit:

DESTINATION	Amount (RON)	Weight in net profit %
1. Other reserves – Own financing sources created from profit	34,155,110	51.04
2. Dividends	32,764,300	48.96
Total reported/distributed net profit	66,919,410	100.00

The gross dividend proposed to be paid for one share held on the registration date is of 0.03 RON/ share, which represents a payout ratio of 48.96% of 2010 net profit.

The time frame proposed for the payment of dividends, which is to be done depending on the cash available, is **September 1st-October 28th, 2011**.

The methods of the payment of dividends shall be established by the Board of Directors and brought to the shareholders knowledge through a press release which shall be published at least in "Bursa" newspaper and on the company website: www.sifransilvania.ro.

Shareholders entitled to receive dividends from 2010 net profit are the ones registered in the consolidated shareholders' register on the **registration date** which is to be approved by the Ordinary General Meeting of Shareholders, as provided by article 238, paragraph (1) of Law no. 297/2004 on the capital market. The Board of Directors has proposed and is submitting to the general meeting approval the date of **May 20th, 2011** as registration date.

**President of the Board,
Ec. Mihai Fercala, Ph. D.**