

THE DIVIDEND POLICY

According to art. 67 of the Law 31/1990, the **dividend** is a share of the benefit achieved by a company and attributed to each associate proportionally to his participation quota to the paid-up share capital.

The annual payment of dividends is made on the specific proposal of the Management Board, subject to approval by the General Meeting of Shareholders. The Ordinary General Meeting of Shareholders is bound, within 5 months from the end of the financial year, to discuss, approve or modify the annual financial statements upon the basis of the reports submitted by the Management Board, the Supervisory Board, by the auditors or, as the case may be, by the financial auditor and to fix the dividend value (Article 111 of Law 31/1990).

The dividends shall be paid on the date set by the General Meeting of Shareholders or, as the case may be, on the date fixed by special laws but no later than 6 months from the date of approval of the annual financial statement for the financial year ended.

The dividend per share is a gross amount. The distribution of the profit after the deduction of the profit tax is made in accordance with the provisions of the Government Ordinance 64/2001, as amended and supplemented.

Consistent with our policies concerning the increasing of turnover, reducing costs and placing on the market of new products at more affordable prices to lead to savings for both the population and the state budget, we continue to pay special attention to the Investment Program.

Starting with 2015, the distribution of dividends is centralized, utilizing the services of the Depozitarul Central, according to the procedure published by the company on its own website, before the payment of dividends begins.

The payment of dividends is made to the shareholders of Antibiotice S.A. Iasi, registered in the Register of Shareholders on the date of registration approved by the General Meeting of Shareholders.

According to the provisions of the capital market legislation, the payment of the dividends distributed by Antibiotice Iasi is performed through the Depozitarul Central of Bucharest, to the Participants to the clearing-settlement and registry system

(intermediaries according to Law 297/2004, art.2, pt. 14, who concluded a contract for participation in the Depozitarul Central system) and the paying agent.

I. The payment for shareholders individuals who do not have securities accounts open to participants (Section I - Depozitar Central).

1. Cash payments at the Paying Agent's Counters

For the shareholders individuals, the payment of dividends is made in cash, by providing the amounts due to the Paying Agent's counters.

For shareholders which are individuals who impersonate another person, the payment of the dividends is made to the person's empowered person.

2. The payments by bank transfer in accounts opened in lei at a bank in Romania

The Depozitarul Central makes available to all shareholders holding shares in Section I the option to cash any amount of money due, directly by bank transfer, to a bank account. Therefore, the individuals and legal persons in this category, who wish to pay dividends by bank transfer, may request and submit to the Depozitarul Central the documents necessary for the payment of the dividends.

The bank transfer requests together with the mentioned documents are sent to the Depozitarul Central, which verifies the documentation submitted by the shareholders, and if the documentation is not complete, it requests it to be completed by contacting the shareholder at the telephone number or e-mail address indicated in the documentation originally submitted.

II. The payment for shareholders with securities accounts open to the participant - custodian banks or SSIF (Section II Depozitarul Central): transfer to the accounts of the participants.

For the individuals or legal persons who, at the date of registration, hold shares issued by Antibiotice Iasi, as evidenced in Section II of the Shareholders' Register, the dividends are automatically paid on the date of payment by bank transfer through the Depozitarul Central into the accounts of the respective Participants, without submitting additional documents.

For the non-resident shareholders who wish to apply the more favorable provisions of the Convention for the avoidance of the double taxation concluded between Romania and their country of residence or the more favorable provisions applicable to non-resident pension funds (as defined in the EU Member State's legislation or in one of the EFTA states), the documents are sent to Antibiotice headquarters in Iasi.

III. The payment of dividends due to deceased shareholders

The dividends due to the deceased shareholders will be paid through the Paying Agent, only after the Depozitarul Central has registered the direct transfer of ownership as a successor, based upon the heirs' request.

The payment of dividends due to the shareholders of Antibiotice SA Iasi, is made upon the basis of a Dividend Distribution Procedure, which sets the payment modalities thereof, to its securities holders.

IV. The prescription of dividends

According to the company's policy, the dividends are available to the shareholders for 3 years from the date of their distribution and the payment date is established by the decision of the General Meeting of the Shareholders.

General Manager,
Ec. *Ioan NANI*

Financial Director,
Ec. *Paula-Luminita COMAN*