

SHARE CAPITAL INCREASE

New shares issuance following the capitalization of net dividends relative to financial year 2012

The Extraordinary General Meeting of Shareholders organized on 27/28.2013 will debate for reapproval a share capital increase amounting to LEI 20,666,189 (net dividends for financial year 2012 and other reserves). This value will be reinvested, representing one of the sources needed to support the investment program and the company's growth, ensuring the construction of an ointment and suppository plant and the continuation of significant investments, namely the acquisition of machinery and equipment for implementing a non-penicillin sterile powders filling facility.

According to the legal provisions in force, Law no. 31/1990 republished with all subsequent amendments according to art. 219 – the deadline for the enforcement of the share capital increase being one year after the adoption date.

Following the share capital increase with the above-mentioned value (20,666,199 lei) approved in the General Meeting of Shareholders in 27/28.06.2013 each shareholder existing in the Shareholder Register by registration date (15.07.2013), will be subject to share increase by 0.363836808 shares for each share owned.

As a result of processing the capital increase, **Article 7 - Share capital** chap. III of the Articles of Association shall have the following wording:

“The share capital is set to the amount of 77,466,899 lei, divided in 774,668,990 shares, at a nominal value of 0.1000 lei per share, the shares being nominative.

Shareholder structure corresponding to the number of shares and their holdings is:

- 1. The Ministry of Health: 410,708,388 shares, 53.0173%, amounting to 41,070,838.80 LEI;*
- 2. Other shareholders (legal persons and natural persons) 363,960,602 shares, 46.9827 % amounting to 36,396,060.20 LEI.*

For 2012, we propose that shareholders receive new shares issued by the company, as the shareholders hadn't been allotted dividends. This will increase the share capital by paying dividends in shares.

CEO,
Ec. Ioan NANI

Financial Director,
Ec. Paula-Luminița COMAN

Investor Relations Officer,
Ec. Viorica FEINER

