

TURBOMECHANICA

244 Iuliu Maniu Bd. District 6 Postal Code 061126 Bucharest – Romania

Tel.: (+4) 021 434 07 41 Fax: (+4) 021 434 09 21; (+4) 021 434 31 65

Trade Registry Code J40/533/1991

Fiscal Registration Code RO3156315 Sole Registration Code 3156315

Fully Paid Share Capital 36.944.247,50 RON

www.turbomecanica.ro; e-mail: office@turbomecanica.ro

Our Reference: 4 Date: 21.02.2017

CURRENT REPORT ACCORDING TO THE LAW 297/2004 ARTICLE 227 AND CNVM REGULATION NO.1/2006

REPORT NO: DATE : 21.02.2017

COMPANY TURBOMECHANICA SA

REGISTERED OFFICE: 244 Iuliu Maniu Blv., District 6, Bucharest ROMANIA.

TRADE REGISTRY NUMBER AND INCORPORATION DATE: J40 /533 /1991 ;

FORM OF OWNERSHIP: Majority private;

MAIN ACTIVITY: 3030 Manufacturing of Aircrafts and Spaceships;

SOLE REGISTRATION CODE: RO3156315;

REGULATED MARKET ON WHICH THE SECURITIES ISSUED ARE TRADED:

Bucharest Stock Exchange;

CALLED-UP AND PAID IN SHARE CAPITAL: 36.944.247,50 RON

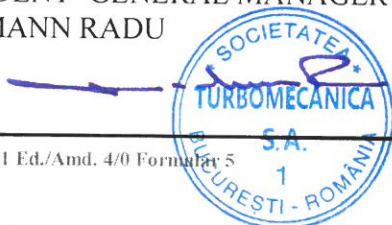
1. IMPORTANT EVENTS TO REPORT:

- a) Change of control of the company – not applicable;
- b) Acquisition or substantial transaction of assets – not applicable;
- c) Insolvency procedure – not applicable;
- d) **Other events: the distribution of shares to TURBOMECHANICA's employees in accordance with the Extraordinary General Shareholders' Meeting no. 1 dated 18.01.2016 and the Resolution of the Board of Directors no. 103 dated 20.02.2017.**

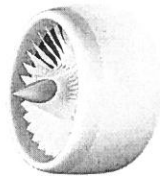
We inform you that on the basis of the Extraordinary General Shareholders' Meeting no. 1 dated 18.01.2016 and the Resolution of the Board of Directors no. 103 dated 20.02.2017, a number of 9.674.212 shares will be allocated to employees of TURBOMECHANICA S.A. which have shown extraordinary performance in their professional activity.

We attach to the present the Information Document drafted in accordance with Appendix no. 21 of the Regulation no.1/2006

PRESIDENT- GENERAL MANAGER
VIEHMANN RADU




FINANCIAL & COMMERCIAL MANAGER
ANGHEL CLAUDIA



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INFORMATION DOCUMENT REGARDING THE FREE ALLOCATION OF TURBOMECHANICA S.A. SHARES TO TURBOMECHANICA S.A. EMPLOYEES

9.674.212 SHARES

**(Information document in accordance with Appendix no.21 of the
Regulation no.1/2006)**

1. Individuals responsible for the procedure:

1.1. Name and position of the individuals and/or name and headquarters of the companies responsible for the information included in the information document.

Company TURBOMECHANICA S.A, with its headquarters in Bucharest, 244 Iuliu Maniu Bvd, 6th district, registered with the Trade Registry Bucharest under no. J40/533/1991, individual registration number 3156315, represented by Mr. Viehmann Radu, President & CEO.

1.2. Statement made by the individuals mentioned in 1.1., by which they declare that, to their knowledge, the information transmitted is real and without omissions which might significantly affect the information document.

Upon verification of the content of the information document, TURBOMECHANICA S.A., represented by Mr. Radu Viehmann – President & CEO, accepts all responsibility for its content and hereby confirms that all the information provided is real and without omissions or false statements which might significantly affect the information document.

2. Information related to the shares' issuer:

2.1. Name, headquarter, fiscal code and registration number at the Trade Registry Office.

Name of issuer:	Company TURBOMECHANICA S.A.
Headquarters :	Bd. Iuliu Maniu nr. 244, Sector 6, Bucharest
Telephone/Fax:	021/434.32.06; Fax: 021/434.07.93
Company registration:	registered with the Trade Registry Bucharest under no. J40/533/1991, individual registration number 3156315.
Regulated market on which the securities issued are traded:	Bucharest Stock Exchange – Standard Category
Symbol:	TBM

2.2. Company capital:

- Value of the subscribed, paid-up capital: 36.944.247,50 lei
- Number of issued shares: 369.442.475 shares
- Share's nominal value: 0.1 lei

3. Information regarding the offer or allocation of securities towards current or ex members of the management or other employees.

3.1. Decisions by which the offer or allocation of securities to current or ex members of the management and employees was decided.

The Extraordinary General Shareholders' Meeting, through the decision no. 1 dated 18.01.2016, published in the Official Journal of Romania, part IV, nr. 504 / 02.02.2016, approved (by public vote, within unanimity) the Turbomecanica S.A. shares buy-back, in order to implement a remuneration system which will ensure the long-term implementation of the performance principle and of an employee loyalty program for a period of at least 3 years.

In accordance with the Board of Directors' Resolution no.103 dated 20.02.2017, as stated in the power delegated to the Board by the Extraordinary General Shareholders' Meeting no.1 dated 18.01.2016, the Board decided to allocate a number of 9.674.212 shares, based on the Extraordinary General Shareholders' Meeting no.1 dated 18.01.2016, which will be allocated free of charge to the employees within Turbomecanica S.A.

The property transfer of the before mentioned shares to the Turbomecanica S.A. employees will take place after the communication of the present document to the Central Depository, and all other documents requested by the Central Depository in accordance with the law.

3.2. Description of the capital increase:

- The reason of the capital increase *– not applicable;*
- The value of the capital increase *– not applicable;*
- Number of shares issued for the capital increase *– not applicable;*
- Number of shares offered to the current or ex members of the Board or other employees (if the total number of shares issued for the capital increase is bigger than the number of shares offered to current or ex members of the Board or employees) *– not applicable*

3.3. Description of the operation: the reason of the allocation of shares, number of securities allocated, the number of securities offered to individuals by types of investors.

The operation entails the Turbomecanica S.A buy-back program, shares which will be allocated free of charge to the employees within Turbomecanica S.A.

According to the Boards' of Directors Resolution no. 103 dated 20.02.2017, a number of 9.674.212 shares will be allocated free of charge to the employees of Turbomecanica S.A.

Through the Boards' of Directors Resolution no. 103 dated 20.02.2017, adopted on the basis of the power delegated to the Board by the Extraordinary General Shareholders' Meeting no.1 dated 18.01.2016, the Board of Directors has decided that the shares will be allocated to employees within Turbomecanica S.A. which fulfil the following requirements:

- Have proved outstanding results in the period 2015 - 2016;
- Accept the limitations imposed by the loyalty plan approved by the Board of Directors for 2017-2019;
- Have met or exceeded the strategic objectives set for the period 2015-2016;

- Have a moral, professional and social conduct in accordance with the Company standards, as implemented by Turbomecanica S.A Internal Regulations;
- Are actively engaged in meeting the Companies strategic objectives and act in the companies interest;
- Promote good communication and build an adequate work environment in order to achieve outstanding results ;
- During their work experience have cumulated important know-how and therefore represent key positions in the companies' activity;

The person involved with verification/application of the selection criteria is Mr. Radu Viehmann – President & CEO.

3.4. Description of the type and class of the securities which are offered or allocated.

The securities offered are nominal, dematerialized shares, which are bought and sold in the standard category of the Bucharest Stock Exchange.

3.5. The time-frame of the share subscription.

The transfer of the property of the shares to Turbomecanica S.A. executive management and employees will take place after the communication of the present document and of the documents referring to the transfer to the Central Depository, in accordance with the law.

3.6. Subscription price.

As stated in the Board of Directors' Resolution no. 103 dated 20.02.2017, the Board has decided the allocation of 9.674.212 shares towards the employees of Turbomecanica S.A. free of charge, i.e. at a preferential price of 0 lei / share.

3.7. Intermediary which helped in issuing the information document.

Not applicable

3.8. Any other information considered important by the issuer or by ASF.

In accordance with art. 15, para. (5) of the Regulation no.1/2006, the drafting and publication of a prospectus is not mandatory for securities offered, allocated or which will soon be allocated to ex members of the executive management or employees or to current employees by the employer or by the parent-company or the subsidiary, with the conditions that the company has a headquarter or is registered in the European Union and the company issued a document with the minimum content previewed in Appendix no. 21.

ISSUER,
TURBOMECHANICA S.A.

President & C.E.O
Mr. RADU VIEHMANN

