

CURRENT REPORT

as per the CNVM Regulation No. 1/2006 regarding the issuers and securities operations, art. 113 A, paragraph c

Date of the report: 27.04.2018

Name of the issuing entity: IAR S.A. Company

Social headquarters: 34, Hermann OBERTH Street, Ghimbav, county of Brasov

Telephone / Fax number: 0268475108/0268476981

Sole Registration Code with the Trade Registry Office: 1132930

Order Number with the Trade Registry: J08/IV/1991

Social capital registered and deposited: 47.197.132,50 lei

The regulated market onto which transactions of issued securities are traded: The Stock Exchange Bucharest, Capital titles sector – Shares Standard Category

I. Important events to be reported: OGMS 26-27.04.2018

The Ordinary General Meeting of the Shareholders took place on 27.04.2018, the date of the second call. The meeting was attended by shareholders/representatives of the shareholders holding 12.261.456 shares of the Company IAR SA, representing 64,948 % of the total number of company shares.

The meeting agenda was:

1. Discussion and approval of the annual financial statements for the financial year 2017 based on the reports submitted to the Board of Directors of IAR S.A. and to the Company's financial auditor
2. Approval of the 2017 net profit allocation on destinations
3. Approval of Board of Directors members financial responsibility discharge for the activity conducted during 2017 based on the reports submitted
4. Approval of the prescription at the date 30.06.2018 of the non-payment dividends for the year 2013, for which the condition for reaching the 3-year term from the date of the dividend distribution due, on the basis of art. 2517 of the Civil Code
5. Determining the general limits of the variable remuneration due to the general director of the company
6. Approval of the date of 15.06.2018 as registration date, i.e. - identifying the shareholders that are impacted by the decisions of the Ordinary General Meeting of Shareholders held on the 26 / 27.04.2018, of the date of 14.06.2018 as the ex-date and of the date of 06.07.2018 as the payment date, in accordance with the provisions of Law No. 24/2017.

The decisions taken by vote after analyzing the presented documents are the following:

1. To approve the annual financial statements prepared for the financial year 2017, based on reports submitted by the Board of Directors of IAR S.A. and its financial auditor.

The vote was expressed as follows:

<u>the total number of the expressed votes:</u>	12.261.456			
out of which:	FOR	AGAINST	ABSTENTION	
Shareholders present and/or represented	12.261.456	0		0
Shareholders who sent their vote by correspondence/registered post	0	0		0
SUBTOTAL	12.261.456	0		0

representing the following percentages of the total number of shares of the company

	TOTAL:	64,948	%		
out of which:	FOR	AGAINST	ABSTENTION		
Shareholders present and/or represented	64,948	0		0	0

Shareholders who sent their vote by correspondence/registered post	0	0	0
SUBTOTAL	64,948	0	0
representing the following <u>percentages of the total number of shares represented-OGMS 27.04.2018</u>			
TOTAL:	100	%	
out of which:	FOR	AGAINST	ABSTENTION
Shareholders present and/or represented	100	0	0
Shareholders who sent their vote by correspondence/registered post	0	0	0
SUBTOTAL	100	0	0

2. To approve the prescription of the unpaid dividends for the financial year 2013, which is the condition to meet the 3-year deadline from the date of chargeability of dividends to be distributed stipulated by art. 2517 of the Civil Code, and the proposal for their registration in the article "other incomes" - account 758, according to Order 2844/2016.

The prescription date of the respective amounts will be 30.06.2018, a subsequent date to the conclusion of the dividends payment due for the period 2013-2016, and the amount to be prescribed will be that resulting from the completion report of the dividends payment action made available to the company by the Depozitarul Central SA Company.

The vote was expressed as follows:

<u>the total number of the expressed votes:</u>	12.261.456		
out of which:	FOR	AGAINST	ABSTENTION
Shareholders present and/or represented	12.261.456	0	0
Shareholders who sent their vote by correspondence/registered post	0	0	0
SUBTOTAL	12.261.456	0	0

representing the following **percentages of the total number of shares of the company**

TOTAL:	64,948	%	
out of which:	FOR	AGAINST	ABSTENTION
Shareholders present and/or represented	64,948	0	0
Shareholders who sent their vote by correspondence/registered post	0	0	0
SUBTOTAL	64,948	0	0

representing the following **percentages of the total number of shares represented-OGMS 27.04.2018**

TOTAL:	100	%	
out of which:	FOR	AGAINST	ABSTENTION
Shareholders present and/or represented	100	0	0
Shareholders who sent their vote by correspondence/registered post	0	0	0
SUBTOTAL	100	0	0

Art. 3. To approve the distribution of the net profit in the amount of 24,191,976 lei, recorded by the company in 2017, as follows:

- Legal reserves:	1.512.850 lei
- Reinvested profit in 2017:	1.421.361 lei
- Stock buyback (Shares repurchase):	7.000.000 lei
- Unappropriated profit:	14.257.765 lei
o Dividends	4.247.742 lei
o Other reserves – self-financing sources:	10.010.023 lei

The shared dividends payment date, in the gross amount of 0,225 lei/share, is 06.07.2018, the distribution costs being borne by the shareholders.

Dividends shall be paid to shareholders registered in the register of shareholders on the 15.06.2018.

The vote was expressed as follows:

<u>the total number of the expressed votes:</u>	12.261.456		
out of which:	FOR	AGAINST	ABSTENTION
Shareholders present and/or represented	12.261.456	0	0

Shareholders who sent their vote by correspondence/registered post	0	0	0
SUBTOTAL	12.261.456	0	0

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	SUBTOTAL	64,948	0	0

representing the following percentages of the total number of shares represented-OGMS 27.04.2018

	TOTAL:	100	%	
out of which:		FOR	AGAINST	ABSTENTION
Shareholders present and/or represented		100	0	0
Shareholders who sent their vote by correspondence/registered post		0	0	0
	SUBTOTAL	100	0	0

4. To approve the discharge of liability of the company Board of Directors members in respect of their activity in the financial year 2017 based on the Annual Report of the Board of Directors, and the Independent Financial Auditor's Report and his favorable opinion on the discharge of liability of the members of the Board of Directors of IAR SA.

The vote was expressed as follows:

	<u>the total number of the expressed votes:</u>	12.261.456		
out of which:		FOR	AGAINST	ABSTENTION
Shareholders present and/or represented		12.261.456	0	0
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	SUBTOTAL	12.261.456	0	0

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out of which:		FOR	AGAINST	ABSTENTION
Shareholders present and/or represented		100	0	0
Shareholders who sent their vote by correspondence/registered post		0	0	0
	SUBTOTAL	100	0	0

5. It is established the upper limit of the annual variable component of the gross remuneration due to the general director of the IAR SA Company be 65,000 euros.

The vote was expressed as follows:

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Shareholders present and/or represented	100	0	0
Shareholders who sent their vote by correspondence/registered post	0	0	0
SUBTOTAL	100	0	0

6. The Board of Directors will establish the effective value of the variable component due to the General Director of the company, according to the achievement of the key performance indicators stipulated in the Contract of Mandate.

The vote was expressed as follows:

<u>the total number of the expressed votes:</u>	12.261.456		
out of which:	FOR	AGAINST	ABSTENTION
Shareholders present and/or represented	12.261.456	0	0
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Shareholders present and/or represented	100	0	0
Shareholders who sent their vote by correspondence/registered post	0	0	0
SUBTOTAL	100	0	0

7. Approval of the date of 15.06.2018 as registration date, i.e. identification of the shareholders to be affected by the effects of the ordinary general shareholders' meeting held on the 26/27.04.2018 and of the date of 14.06.2018 as an ex-date, in conformity with the provisions of Law No. 24/2017.

The vote was expressed as follows:

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TOTAL:	100	%	
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<i>Shareholders present and/or represented</i>	100	0	0
<i>Shareholders who sent their vote by correspondence/registered post</i>	0	0	0
<i>SUBTOTAL</i>	100	0	0

Based on the votes expressed, there was adopted the OGMS resolutions no. 05 and 06 dated 27.04.2018.

This current report is available and can be accessed at the address [www.iar.ro/investors/Reports according to the Capital Market Requirements/5.Current Reports regarding the privileged information under the LAW 24/2017](http://www.iar.ro/investors/Reports%20according%20to%20the%20Capital%20Market%20Requirements/5.Current%20Reports%20regarding%20the%20privileged%20information%20under%20the%20LAW%2024/2017).

Claudia Maria BAICU

Neculai BANEA

CHAIRMAN OF THE BOARD

GENERAL DIRECTOR