

CURRENT REPORT

as per the ASF Regulation No. 5/2018 regarding the issuers and securities operations

Date of the report: 10.05.2019

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:

According to the specific legislation in force, the Ministry of Economy, which holds 64.89% of the total number of shares of IAR SA, has submitted to the company the following draft recasting of Article 1 of the draft AGOA Decision 5/2019 regarding the allocation of the net profit registered by IAR SA in 2018:

“Art. 1. To approve the distribution of the net profit in the amount of 31,184,158 lei (which doesn't include the provision for employee participation in the amount of 1,918,119 lei), recorded by the company in 2018, as follows:

- Legal reserves: 1.853.531 lei*
- Reinvested profit in 2018: 2.783.969 lei*
- Unappropriated profit: 26.546.658 lei*
 - o Dividends: 25.618.299,3 lei*
 - o Other reserves – self-financing sources: 928.358,7 lei*

The shared dividends payment date, in the gross amount of 1,4015 lei/share, is 05.07.2019, the distribution costs being borne by the shareholders.

Dividends shall be paid to shareholders registered in the register of shareholders on the 14.06.2019.”

In order to comply with the legal obligations of the company, the draft decision submitted by the Ministry of Economy is posted on the web page of IAR SA, together with the other documents that will be submitted to the shareholders' meeting during the OGM meeting convened for 31.05.2019 / 03.06.2019 .

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 24/2018 / 10.05.2019 Current report completing documents OGMS 31.05.2019-03.06.2019](http://www.iar.ro/Investors/Reports%20according%20to%20the%20capital%20market%20requirements/5.%20Current%20Reports%20regarding%20the%20privileged%20information%20under%20the%20Law%2024/2018%20/10.05.2019%20Current%20report%20completing%20documents%20OGMS%2031.05.2019-03.06.2019)

Măriuca Oana PISTOL - CHAIRMAN OF THE BOARD OF DIRECTORS