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 J 28/9/1991; VAT No. RO 1510210/1992  
 Subscribed and Paid Share Capital: 291.587.538,34 lei

## PROPOSAL FOR DISTRIBUTION OF PROFIT OF THE YEAR 2014 AND COVERING ACCOUNTING LOSSES AT 31.12.2014

We propose the distribution of accounting profit of year 2014, in amount of 40.617.554,59 lei as follows:

1. Legal reserve 2.385.813 lei of which:
  - 2.315.345 lei, according to the law 31/1990, at least 5% from the gross profit ( but not more than 20% of capital);
  - 70.468 lei legal reserve related to the reinvested profit under the provisions of art. 19<sup>4</sup> exemption from taxation of reinvested profits (effective since 1 July 2014) of Law 571/2003 "Fiscal Code";
2. "Other reserves for reinvested profit" 1.338.893 lei representing the reinvested profit in technological equipment – machinery, equipment and working installations under the provisions of art. 19<sup>4</sup> exemption from taxation of reinvested profits (effective since 1 July 2014) of Law 571/2003 "Fiscal Code";
3. Coverage of accounting loss from previous years 9.916.468,15 lei;
4. retained earnings of the difference of undistributed profit of 26.976.380,44 lei.

	Destination				Amount lei
<b>A</b>	<b>Net profit to be distributed 2014:</b>				<b>40.617.554,59</b>
1	Share capital *20%	291.587.538,34	20%	58.317.507,77	
2	The legal reserve established before profit distribution of 2014			12.576.839,57	
3	The legal reserve which can be established:1-2			45.740.668,20	
4	Gross profit *5%	47.716.269,70	5%	2.385.813	
	-legal reserve according to the law 31/1990, in the 5% limit applied to the accounting profit before income tax determination to form the reserve fund until it reaches at least the fifth part of capital				2.315.345,00
	- related to the reinvested profit under the provisions of art. 19 <sup>4</sup> exemption from taxation of reinvested profits (effective since 1 July 2014) of Law 571/2003 "Fiscal Code"				70.468,00
<b>B</b>	<b>Total legal reserves</b>				<b>2.385.813,00</b>
<b>C</b>	<b>Reinvested profit under Art. 19 ^ 4 on reinvested profit tax exemption (effective 1 July 2014) of Law 571/2003 "Fiscal Code" in the account "Other reserves"</b>				<b>1.338.893,00</b>
<b>D</b>	<b>Coverage of accounting loss from previous years</b>				<b>9.916.468,15</b>
<b>E</b>	<b>Carry forward the difference of undistributed profit in retained earnings: A-B-C-D</b>				<b>26.976.380,44</b>

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ISO 9001 AD-2000 WO/W4  
 ISO 14001 TRD 100/102  
 OHSAS 18001 Vd TLV

LRS  
 DNV 5CT-0440  
 GL-RULES 5L-0352

PED 97/23/EC  
 EN 10297

EN 10210-1,2  
 EN 10255

DIN 1629  
 EN 10210

ISO/TS 16949



Uncovered accounting losses from the previous years related to the activity in the balance on 31.12.2014 are in amount of 11.470.643,15 lei.

Retained earnings from changes in accounting policies as a result of changes of IAS 19 Revised profit - in amount of 1.554.175 lei, in the balance on 31.12.2014, is proposed to cover the actuarial accounting losses from previous years.

So after the approval of profit allocation in April 2015, uncovered accounting losses from previous years related to the activity are 0 lei ( $11.470.643,15 - 9.916.468,15 - 1.554.175 = 0$  lei).

Considering the provisions of OMFP 1690/12, 12.2012 supplementing and amending OMPF 1286/2012 and OMFP 213/15, 02.2013 supplementing OMPF 1286/2012 for approving of the Accounting Regulations in accordance with international financial reporting standards applicable to companies whose securities are admitted to trading on a regulated market articles:

"129<sup>1</sup>. - Accounting loss earnings from the transition to IFRS implementation, the first adoption of IAS 29 and that resulting from the use of, to date of transition to IFRS implementation, the fair value as deemed cost, cover of equity, according to the General shareholder meeting in accordance with the law."

"129<sup>2</sup>. - In applying of these rules, shareholders' equity that can be used to cover deferred accounting loss include amounts reflected in the credit of the account 1028 "Adjustments to capital."

Retained earnings representing a loss derived from the first time adoption of IAS 29 „ Financial reporting in hyperinflationary economies ", in the balance as at 31.12.2014 is in amount of 6.158.919,42 lei

The Board of Directors proposes that accounting losses carried forward from the transition to IFRS and application of first adoption of IAS 29 in the balance on 31.12.2014 in total amount of 6.158.919,42 lei from retained earnings representing the surplus achieved from the revaluation reserves performed after 1.01.2004 taxes in the income statement under OUG 34/2009 starting with 1.05.2009, elements as taxable income (2014) enclosed in the deemed cost to the transition to IFRS restatement 1.01.2011.

After approval of their coverage in April 2015, the retained earnings representing accounting losses from the first time adoption of IAS 29 „ Financial reporting in hyperinflationary economies " will be 0 lei..

**Chief Executive Officer,**

**Ing. Popescu Adrian**



**Chief Economical and Accountancy Officer,**

**Ec. Vaduva Cristiana**