

To: SN Nuclearelectrica SA
To the attention of: The members of the Board of Directors
Regarding: The request to introduce new items on the agenda of the Ordinary General Meeting of Shareholders dated 25.04.2016

Dear Sirs,
Dear Ladies,

The underwriter **FONDUL PROPRIETATEA SA** with the headquarters in Bucharest, Buzesti no. 78-80 lei, floor 7, District 1, registered with the Trade Registry of the Bucharest Court of Law under the number J40/210901/2005, sole registration number 18253260, in compliance with the provisions of art. 117¹ paragraph (1) of the companies Law no. 31/1990, republished with subsequent amendments and the provisions of art. 7 paragraph (1) letter a) of the CNVM Regulations 6/2009 regarding the exercise of certain rights of shareholders within the general meetings of shareholders of commercial companies,

we request to introduce additional items on the agenda of the Ordinary General Meetings of Shareholders of SN Nuclearelectrica SA dated 25.04.2016, as follows:

- Item 1** **The approval** of the distribution of the net profit of the financial year 2015, of the gross dividend in total amount of 138.384.622 lei, of the gross dividend per share in amount of 0,4589660526/share, of the date of the dividend payment namely 28 June 2016 and of the payment method, as per the note transmitted by Fondul Proprietatea SA.
- Item 2** **The approval of the dividend policy of SN Nuclearelectrica SA** as per the note transmitted by Fondul Proprietatea SA.

Resolution proposal for additional Item 1

“In the presence of the shareholders representingof the share capital andof the voting rights, the current item is adopted with....votes, representing.....% of the valid expressed votes, in accordance with the provision of Article 15 of the Articles of Incorporation and of Article 112, paragraph 1 from the Law 31/1990.

The expressed vote are recorded as follows:

- ...votes “for”
 - ...votes “against”
 - ...votes “abstain”
 - ...”unexpressed” votes
- A number of....votes was canceled”

Approves of the distribution of the net profit of the financial year 2015, of the gross dividend in total amount of 138.384.622 lei, of the gross dividend per share in amount of 0,4589660526/share, of the date of the dividend payment namely 28 June 2016 and of the payment method, as per the note transmitted by Fondul Proprietatea SA.

Resolution proposal for additional Item 2

“In the presence of the shareholders representingof the share capital andof the voting rights, the current item is adopted with....votes, representing.....% of the valid expressed votes, in accordance with the provision of Article 15 of the Articles of Incorporation and of Article 112, paragraph 1 from the Law 31/1990.

The expressed vote are recorded as follows:

- ...votes “for”
- ...votes “against”

- ...votes “abstain”
 - ...”unexpressed” votes
- A number of....votes was canceled”

Approves the dividend policy of SN Nuclearelectrica SA as per the note transmitted by Fondul Proprietatea SA.

Legal representative
Oana Truta

Franklin Templeton Investment Management Lts. United Kingdom Bucuresti Branch as the Investment Administrator of FONDUL PROPRIETAREA SA

Proposal of Fondul Proprietatea SA regarding the distribution of the distribution of net profit for 2015, the gross dividend per share, date and way of dividends payment

- Note related to the first additional item, 14 and 15 OGMS 25.04.2016 -

Distribution of net profit for the fiscal year 2015

The proposal for the distribution of the net profit for the financial year 2015 per destinations was made in accordance with GO 64/2001. Thus, the net profit of the financial year 2015 will be distributed to the following destinations:

Indicator (fiscal year 2015)^{*)}	Amount (lei)
Net profit for the financial year (A)	149.143.729
+ Provision regarding the employees profit share (deducted from the accounting profit) (B)	3.563.000
Net profit of allocating for the financial year (A+B), assigned as follows:	152.706.729
a) legal reserves	9.590.178
b) other reserves representing fiscal facilities stipulated by law	1.168.929
c) allocation to cover the accounting losses from previous years, except the accounting losses resulting from application of the IAS29	-
d) allocation for financing sources for projects co-financed from external loans, as well as for establishing the necessary sources for the reimbursement of capital installments, for the payment of interest, commissions, fees and other costs related to the external loans	-
e) other distributions provided by law	-
Accounting profit remaining after deducting of the amounts mentioned above (a-e), assigned as follows:	141.947.622
f) employees' participation to profit	3.563.000
g) gross dividends to be distributed	138.384.622
h) other reserves	0
Undistributed profit	-

*) Note – the amounts are rounded off to the nearest integer

We make the following clarifications regarding the amount proposed to be distributed:

- The amounts allocated to the legal reserve are determined based on art. 183 of Law no. 31/1990 according to which *"at least 5% of the company's profit will be taken every year for the formation of the reserve fund, until it reaches at least one fifth of the share capital"*. **The amount allocated to the legal reserve was taken at the end of the financial year, representing the mandatory allocation amounting to 9.590.178 lei;**
- **Other reserves (1.168.929 lei) representing the tax incentives** provided by law shall be allocated on the basis of art. 19⁴ of Law 571/2003 regarding the Fiscal Code as amended and supplemented (for 2015); they relate to the profit tax exempted for the profit invested in technological equipment - machinery and equipment as stipulated in subgroup 2.1 of the Catalogue regarding the classification and normal useful life of fixed assets used for business purposes (only new equipment). The amount allocated to reserves is the amount of the profit invested in this equipment, net of legal reserve (5%);
- **The amounts proposed to be distributed in the form of "employee participation to profit"** are up to 10% of the net profit, but no more than the level of an average basic monthly salary per employee in 2015 and taking into account the average number of employees in 2015. Thus the maximum amount representing 10% of the net profit, but not more than the average monthly base salary per employee in 2015 would have been 15.270.673 lei; in the profit distribution proposal is included only the amount of **3.563.000 lei** to comply with the amounts previously budgeted in

2015 budget of revenues and expenditures. Profit sharing obligation has been established by the revenues and expenditure budget approved for 2015 so that the provisions of Article 1 paragraph 1 letter e) of O.G. 64/2001 are met;

- **The gross dividends proposed (138.384.622 lei)** are in the amount of **100%**, percentage applied to the distributable profit after allocation for the destinations under Article 1 paragraph 1 letters a) and c) - e) of GO no. 64/2001 plus the amount proposed to be distributed as "employee participation to profit" for the consolidation of the calculation basis. According to Article 1 paragraph 1 letter f) of GO no. 64/2001, at least 50% of the profit remaining after distribution for the destinations under Article 1 paragraph 1 letter a) - e) of O.G. no. 64/2001 must be distributed as dividends.

Value of gross dividend per share

Dividends are to be allocated to shareholders in the amount stipulated in the proposal for distribution of net profit amounting to **138.384.622 lei**.

The number of shares relating to the subscribed and paid share capital is **301.513.851** on the date hereof. Thus, the **proposed gross dividend per share is 0.4589660526 lei/share**.

The tax on the gross dividend is to be retained by SNN in compliance with the applicable provisions of the Fiscal Code.

Date of dividends payment

According to the legal provisions the terms of payment of dividends are:

- According to Article 67 paragraph 2 of Law no. 31/1990 dividends are distributed to shareholders "*within the deadline set by the general meeting of shareholders or, where applicable, established by special laws, but not later than 6 months from the date of approval of the annual financial statements for the financial year ended*";
- Article 25 paragraph 5 of the Articles of Incorporation of SNN provides that "*the payment of dividends due to shareholders is made by the company, under the law, within 6 months from the approval of the financial statements for the financial year ended*";
- Article 238 paragraph 2 of Law no. 297/2004 provides that "*when setting the dividends, the general meeting of shareholders will also determine the deadline they will be paid to shareholders. This period shall not be less than 6 months from the date of the general meeting shareholders when the dividends are set*";
- The provisions of Article 1 paragraph 3 of GO no. 64/2001 established that, notwithstanding the Law no. 31/1990: national companies are required to remit dividends to shareholders within 60 days from the deadline stipulated by law for submitting in the annual financial statements.
- The provisions of Article 129 paragraphs (1) and (2) of ASF Regulation no. 1/2006 which states in paragraph (1) that "*Payment date to be settled by the issuer so that it should be a business day no later than 15 business days of the date of registration*" and in paragraph (2) that: "*Regarding dividends, the general meeting of shareholders shall settle the date of payment to be a business day no later than 15 business days of the date of registration, but not later than 6 months after the general meeting of shareholders determining the dividends takes place*".

Thus, by corroborating the deadlines related to the normative acts and SNN Articles of incorporation above indicated, it follows that the deadline for dividends to be paid by SNN is a subsequent date within 15 days of the registration date of the General Meeting of Shareholders that approved the distribution of dividends and no later than 60 days after the deadline stipulated by law for submitting in the annual financial statements; given that the latter term is April 30, **dividends will be paid starting on June 28, 2016**.

Payment of dividends

Dividends shall be paid to the SNN shareholders as follows:

- directly by SNN by bank transfer to significant shareholders, namely the shareholders holding more than 1% of the number of outstanding shares of SNN, respectively over 3.015.139 shares;
- through a paying agent for other shareholders; the company may extend direct payments to other shareholders which are legal entities, this way of payment will be made known until the start date of dividend payment.

No fees are charged for the payment of dividends to shareholders, irrespective of the payment, which are to be supported by SNN.

The identification data of the payment agent chosen, detailed modalities of payment, specific forms and necessary documents required to shareholders for payment, will be made available to shareholders prior to the start date of payment by a press release and a current report submitted to the Bucharest Stock of Exchange and Financial Supervisory Authority. Information will be posted on the SNN website at www.nuclearelectrica.ro, Investor Relations section.

Registration date

The registration date will be at least 10 working days subsequent to the GMS (25.04.2016). Thus, the **registration date proposed is June 08, 2016.**

The right to receive dividends

Only shareholders who are registered with the register held by S.C. Depozitarul Central S.A. on the registration date are entitled to receive dividend.

1. Proposals

Given all above-mentioned, we submit to the approval of the Ordinary General Meeting of Shareholders the following:

- a) Approval of proposal for the allocation of the net profit for the financial year 2015;**
- b) Approval of the gross dividend per share value of 0.4589660526 lei/share;**
- c) Approval of registration date: June 8, 2016;**
- d) Approval of the start date for dividend payment: June 28, 2016;**
- e) Approval of the payment method according to the present note.**

**Proposal of Fondul Proprietatea regarding the Dividend Policy of SN Nuclearelectrica SA
Note related to the second additional item of the agenda of the OGMS 25.04.2016**

Applicable Legal Provisions

SNN is a national company with majority state ownership. Thus, the profit distribution is consistent with the Government Ordinance 64/2001 regarding the profit distribution within national companies, national enterprises and companies with majority state ownership or wholly owned by the state and autonomous administration companies, as amended and supplemented. Thus, in accordance with GO 64/2001 the minimum distribution share of dividends amounts to 50% of the net profit remaining after the distributions specified in Article 1, paragraph (1) a) -e) of GO no. 64/2001. The legislative framework should be modified in the future by amending the legislation in force so that the minimum distribution share of dividends to be changed.

The provisions of GO 64/2001 establish a mandatory minimum distribution share of dividends. Thus, as long as the provisions of GO 64/2011 remain unchanged, the Company may propose to shareholders a dividend distribution rate of between 50% and 100% of the distributable profit. The share of profit to be distributed annually by the Company as dividends is subject to the approval by the General Meeting of Shareholders.

Thus, SNN records and pays dividends distributed of net profits only after approval of the annual financial statements by the General Meeting of Shareholders and of proposals for profit distribution.

Under the condition of implementing the applicable legal provisions related to the Company, SNN will implement and maintain a distribution rate of 100% of the distributable profit as per the law, but not less than 0,5 RON/share.

The status of the dividends distribution over the last 3 years

For the financial years 2012 and 2013, 85% and 85.16% of the net profit were approved to be allocated to dividends, as the government approved based on the Memorandum "*Measures to be considered when preparing income and expenditure budgets of business entities with capital or assets directly or indirectly owned by the state*", the obligation incumbent to the companies with majority state ownership or wholly owned by the state to distribute 85% of the profits allocated as dividends. For the financial year 2014, a 71.22% net profit percentage was approved to be distributed to dividends, thus observing the provisions of Article 1, paragraph (1) f) of the Government Ordinance 64/2001, as amended and supplemented. The proposal for dividend distribution for the year 2015 takes into consideration a distribution rate of 70,10% from the distributable profit as per OG 64/2001.

Calculation and payment

Dividends shall be distributed to the shareholders proportionally to their participation share to the subscribed and paid capital of the Company; each fully paid share entitles its holder to receive dividend. Details on ways of distribution of dividend, withholding of tax on dividend and payment are available on the website of the Company/Relationships with Investors section.

Principles to be considered when calculating dividends in the future

In preparing the proposals for the General Meeting of Shareholders regarding the distribution rate of the dividends in the future, the Board of Directors will aim to maintain a distribution rate of 100% from the distributable profit as per the law, but not less than 0,5 RON/share.