

S.C.ELECTROMAGNETICA SA
BUCHAREST

REPORT
related to the distribution of net profit
on December 31st 2016

The Management Board suggests to the General Assembly that the net profit for 2016 of **RON 4,327,847** should be distributed as follows:

- **Legal reserves** – the amount of RON 268,198, according to the provisions of the Companies Act (law 31/1990) and of the Tax Code (law 227/2015)
- **Own financing resources** – the amount of RON 4,059,649, considering the investment objectives to be achieved in 2017, mentioned in the report related to the investment programme, and for continuing the supplier credit sale policy .

Eugen Scheusan
President of the Management Board