

CURRENT REPORT

as per the CNVM Regulation No. 1/2006 regarding the issuers and securities operations

Date of the report: 23.08.2017

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

Social headquarters: 1, Aeroportului 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:

The Board of Directors of IAR S.A. decided to convene the Ordinary General Meeting of Shareholders on the day of 27-28.09.2017, adopting thus Decision No 17CA / 22.08.2017, enclosed to this current report. The Convening of the OGMS 27-28.09.2017 is presented hereafter:

CONVENING LETTER

Under the Law no. 31/1990, as amended and supplemented to date, under the Law no. 297/2004 on the capital market and the Law no. 24/2017, the CNVM Regulation no. 1/2006 on issuers and securities operations, the CNVM Regulation no. 6/2009 regarding exercise of certain rights of shareholders in the general meetings of companies and the Constitutive Act of the IAR S.A. Company, the chairman of the Board of Directors of the Company convenes the IAR SA Ordinary General Meeting of Shareholders dated 27.09.2017 at 12:00, at the company's headquarters - No. 34, Hermann OBERTH Str., Ghimbav, Braşov, all shareholders registered in the Shareholders Register by the end of 15.09.2017, with the following agenda:

- 1. Launching of the selection procedure for the members of the Board of Directors of IAR SA, applying the provisions of art. 3, item 7 of the Emergency Ordinance no. 109/2011 on Corporate Governance of Public Enterprises, approved with amendments and completions by Law no. 111/2016, respectively the Ministry of Economy will propose candidates for the positions of members on the Board of Directors on the basis of a preliminary selection made by a Selection Committee*
- 2. Choosing an Administrator*
- 3. Establishing the term of the mandate of the elected administrator until 09.12.2017, but no later than the date of election of the administrators according to the provisions of OUG no. 109/2011 on Corporate Governance of Public Enterprises, approved with amendments and completions by Law no. 111/2016*
- 4. Approval of the date of 17.10.2017 as registration date, i.e. identification of the shareholders to be affected by the effects of the ordinary general shareholders' meeting held on the 27/28.09.2017 and of the date of 16.10.2017 as an ex-date, in conformity with the provisions of Law No. 24/2017.*

Completion of the agenda by shareholders and / or their presentation of decisions projects can be made no later than the end of the day 12.09.2017 and only under the conditions stipulated by the CNVM Regulation 6/2009, Article 7.

The materials to be examined and decision drafts of shareholders can be found starting on 28.08.2017, by accessing the site [www.iar.ro/Shareholding/Convocarile Adunarii Generale a Actionarilor Societatii IAR SA/Documente si informatii referitoare la sedintele AGA](http://www.iar.ro/Shareholding/Convocarile_Adunarii_Generale_a_Actionarilor_Societatii_IAR_SA/Documente_si_informatii_referitoare_la_sedintele_AGA).

The list containing informations about the persons proposed by any from the shareholders of the company to be members of the Board of Directors will include proposals submitted by either company shareholders until the day of 12.09.2017.

Shareholders have the right to address questions according to Art.13 of the CNVM Regulation no. 6/2009. The answers to the questions raised by the shareholders will be posted on the Company's website in the shortest time but not later than three (3) days of receipt of these questions.

At the meeting may participate and vote only individuals who act as shareholders of the IAR S.A. Company reference on 15.09.2017. Attendance and voting shall be done according to specific legislation in force and the Constitutive Act of IAR SA, through direct representation or under special/general empowerment. Voting by mail is only permitted provided that the provisions of the specific procedure posted on the website of the company, the [www.iar.ro/Shareholding/Convocarile Adunarii Generale a Actionarilor Societatii IAR SA/Documente si informatii referitoare la sedintele AGA/2017/Procedure GMS - the vote through correspondence-registered mail](http://www.iar.ro/Shareholding/Convocarile_Adunarii_Generale_a_Actionarilor_Societatii_IAR_SA/Documente_si_informatii_referitoare_la_sedintele_AGA/2017/Procedure_GMS_-_the_vote_through_correspondence-registered_mail).

Special powers under which shareholders may be represented in the Ordinary General Meeting of Shareholders convened on 27.09.2017 and mail the voting ballots are available to shareholders both in Romanian and in the English language and can be downloaded from on the Company's website (address mentioned above), with effect from 28.08.2017. Shareholders can complete and submit the voting ballots and special empowerments either in Romanian or in English.

Special empowerments representation necessary to express a vote and mail voting ballots shall be submitted in original at the Company's headquarters not later than the 25.09.2017, 12:00 term which is also valid for submission of the general powers copies at the company, including the word "according to the original".

Any shareholder wishing to appoint a representative by electronic means may send notification of such designation at office@iar.ro. The notification can only be written in Romanian and/or a foreign language used in international finances.

If the first meeting does not meet the legal conditions of representation, a new Ordinary General Meeting of Shareholders is convened in the same place, on **28.09.2017, 12:00**.

Further information can be obtained on tel. 0268-475108, daily between the hours of 7:15- 3:15 p.m.

This current report is available and can be accessed at the address [www.iar.ro/Shareholdings/Rapoarte curente, insotite de anexe specifice/2017/23.08.2017 Current Report - Convening AGOA 27-28.09.2017](http://www.iar.ro/Shareholdings/Rapoarte_curente,_insotite_de_anexe_specifice/2017/23.08.2017_Current_Report_-_Convening_AGOA_27-28.09.2017).

Ion Rareş POPESCU - CHAIRMAN OF THE BOARD OF DIRECTORS

IAR SA

Headquarters: Ghimbav, 34 Hermann OBERTH Str., Braşov county
Business Reg. No: J08/4/1991,

DECISION No. 17 BD / 22.08.2017

Considering the provisions of the Law no. 31/1990, as amended and supplemented to date, of the Law no. 297/2004 and the Law no. 24/2017, of the NCTS Regulation no. 1/2006 on issuers and securities operations, as well as the provisions of the Constitutive Act of IAR SA

Taking into account the letter no. 3741/27.07.2017 by which the Ministry of Economy, as the shareholder holding 64.89% of the share capital of IAR SA, requires the convocation of the General Meeting of Shareholders in order to approve the launching of the selection procedure for the members of the Board of Directors of the company, applying the provisions of art. 3, point 7 of OUG no. 109/2011 on Corporate Governance of Public Enterprises,

Based on the competencies granted to the Board of Directors of IAR S.A. by the Law no. 31/1990 republished, with its subsequent modifications and completions, as well as by the Constitutive Act of IAR S.A.

Based on the provisions of the GSM resolutions no. 09/08.10.2014 and 06/27.04.2017,

THE BOARD OF DIRECTORS OF IAR S.A.

D E C I D E:

Art. 1. To convene the Ordinary General Meeting of Shareholders of IAR SA on the 27 / 28.09.2017 with the following agenda:

- 1. Launching of the selection procedure for the members of the Board of Directors of IAR SA, applying the provisions of art. 3, item 7 of the Emergency Ordinance no. 109/2011 on Corporate Governance of Public Enterprises, approved with amendments and completions by Law no. 111/2016, respectively the Ministry of Economy will propose candidates for the positions of members on the Board of Directors on the basis of a preliminary selection made by a Selection Committee**
- 2. Choosing an Administrator**
- 3. Establishing the term of the mandate of the elected administrator until 09.12.2017, but no later than the date of election of the administrators according to the provisions of OUG no. 109/2011 on Corporate Governance of Public Enterprises, approved with amendments and completions by Law no. 111/2016**
- 4. Approval of the date of 17.10.2017 as registration date, i.e. identification of the shareholders to be affected by the effects of the ordinary general shareholders' meeting held on the 27/28.09.2017 and of the date of 16.10.2017 as an ex-date, in conformity with the provisions of Law No. 24/2017.**

Art. 2. The company IAR SA, shall carry out the legal procedure of convening the General Shareholders Meeting.

Given at the IAR S.A.'s headquarters, this day of 22.08.2017.

Ion Rareş POPESCU

CHAIRMAN OF THE BOARD OF DIRECTORS