



THE NAVIGATOR COMPANY, S.A.
Public company
Capital - € 717,500,000.00
Corporate person no. 503025798
Registered at the Setúbal Companies Registry
Registered Offices - Península da Mitrena, parish of Sado – Setúbal

**EXTRAORDINARY MEETING OF SHAREHOLDERS OF
30 DECEMBER 2016**

ITEM ONE IN THE AGENDA

**PROPOSAL FROM THE BOARD OF DIRECTORS
CONCERNING THE MODIFICATION OF THE FINANCIAL YEAR**

Whereas:

- A. At The Navigator Company S.A. ("Navigator"), the annual financial year coincides with the civil year, and the annual taxation period takes place from 1 July and 30 June, an option that was adopted in accordance with the applicable laws and with the express confirmation by the Taxation and Customs Authority ("AT");
- B. The already approved State Budget for 2017 ("OE 2017") changed the applicable legislation, and imposed the obligation for the annual taxation period and the corporate annual financial year to coincide;
- C. In accordance with applicable tax laws, the option for a taxation period that does not match the annual financial year must be kept for a 5 year period, which period is still in course for Navigator;
- D. The transitional provision in the OE 2017 concerning this amendment to the legislation, and the new obligation for the taxation and financial years to match, is not sufficiently clear in what respects the future impacts for Navigator in maintaining its current situation, with different taxation and financial periods;
- E. The Company must therefore be cautious and promptly adjust its corporate annual financial year to the taxation period;



- F. Notwithstanding the above, Navigator wishes to obtain from the relevant authorities clarifications and guarantees that will enable it to confirm whether the new obligation for the corporate financial and taxation years to coincide is applicable to Navigator;
- G. If Navigator should timely obtain such clarifications and guarantees, before the corporate financial year ending on 30 July 2017, it shall provide for the cancellation of the currently proposed resolution, and to keep the corporate financial year coinciding with the civil year,

It is hereby proposed:

1. To modify, as of 2017, the annual financial reporting period for Navigator for the period between 1 July of each year to 30 June of the following year,
2. That the first financial period for Navigator following such modification shall have a 6 months duration, from 1 January 2017 until 30 June 2017, and
3. To amend, accordingly, the Articles of Association, with the modification of the title for Chapter IV, the introduction of a new article 25 in Chapter IV, and renumbering current articles 25 and 26 to 26 and 27 as follows:

*"Chapter IV
Financial period and application of results*

Article 25

1 - Notwithstanding the transitional disposition in the following paragraph, the financial period of the company has the duration of one year, from 1 July of each year to 30 June of the following year.

2 - The financial period of the company shall have the duration of six months in the period from 1 January 2017 and 30 June 2017.

Article 26

[Includes the wording previously in article 25]

CHAPTER V

Dissolution and liquidation

Article 27

[Includes the wording previously in article 26]"

Setúbal, 6 December 2016

The Board of Directors