



**Current report in accordance with provisions of Law no. 24/2017 on the issuers of financial instruments and market operations and ASF Regulations no. 5/2018 regarding the issuers of financial instruments and market operations**

**Report date: 13.05.2019**

*Name of the issuing entity: NUCLEARELECTRICA S.A. National Company*

*Registered office: 65 Polona St., District 1, Bucharest*

*Telephone/Fax Number: 021.203.82.00 / 021.316.94.00*

*Sole Registration Code with the Trade Register Office: 10874881*

*Registration number with the Trade Register: J40/7403/1998*

*Subscribed and paid-up share capital: RON 3,015,138,510*

*Regulated market on which the issued securities are traded: Bucharest Stock Exchange*

**To: Bucharest Stock Exchange  
Financial Supervisory Authority (ASF)**

**Significant event to report:**

**Availability of the Quarterly Report for the period January 1 - March 31, 2019**

Nuclearelectrica S.A. National Company ("SNN") informs the shareholders and investors regarding the availability of the Quarterly Report related to quarter I for the financial year 2019, prepared in accordance with the provisions of art. 67 of Law no. 24/2017 on the issuers of financial instruments and market operations and Annex no. 13 to ASF Regulation no. 5/2018 regarding the issuers of financial instruments and market operations, starting with the **14th of May 2019, at 8 A.M.**, as follows:

- in written format, on request, at the registered office of the company in Bucharest, 65 Polona St., District 1, Department for Communication and Relations with Investors;
- in electronic format, on the Company's website, under the section "Relations with Investors - Financial Statements 2019" ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)).

The Quarterly Report related to the 1st quarter of the financial year 2019 includes:

- The main events of the company's activity during the reporting period;
- The Unaudited Simplified Individual Interim Financial Statements on the date and for the 3 months period that ended on March 31, 2019;
- The Quarterly Report of the Board of Directors on the administration activity for the period January 1 - March 31, 2019.

**The main results**

**1. Financial results of the period**

**During the 3-months period that ended on March 31, 2019, SNN recorded a net profit of 219,285 thousand lei, 23.9% up in relation to the same period of last year. The operational result (EBIT) recorded a 42.9% increase, and the EBITDA a 25.9% increase, in relation to the same period of the previous year, mainly following the increase of operational revenues by 18.7%, influenced by the increase by 22,9% of the revenues from the sale of electricity.**

Indicator [thousand RON]	3-months period that ended on March 31, 2019 (unaudited)	3-months period that ended on March 31, 2018 (audited, retreated)	Variation
<b>Production (GWh)*</b>	2,742	2,714	1.0%
Operating income, out of which:	678,007	571,008	18.7%
<i>Income from electricity sales**</i>	665,436	541,245	22.9%
Operating expenses, minus impairment and depreciation	(255,394)	(235,273)	8.6%
<b>EBITDA</b>	<b>422,613</b>	<b>335,735</b>	<b>25.9%</b>
Impairment and depreciation	(136,392)	(135,503)	0.7%
<b>EBIT</b>	<b>286,221</b>	<b>200,232</b>	<b>42.9%</b>
Net financial result	(17,479)	19,939	n/a
Net corporate tax expense	(49,457)	(43,173)	14.6%
<b>Net profit</b>	<b>219,285</b>	<b>176,998</b>	<b>23.9%</b>

\*Electricity produced and delivered by Cernavoda NPP in the National Energy System.

\*\*Including revenues from the sale of thermal energy, insignificant in the total revenues.

\*\*\*Excerpt from the Unaudited Simplified Individual Interim Financial Statements on the date and for the 3 months period that ended on March 31, 2019.

**The Operational profit (EBITDA)** increased by 25.9% as compared to the same period of the previous year, mainly following the increase of operational revenues by 18.7%, influenced by the increase by 22.9% of the revenues from the sale of electricity.

**The Operating income** increased by 18.7%, influenced by the 23.5% increase in the weighted average price of the electricity sold in the first quarter of 2019 as compared to the weighted average price in the first quarter of 2018, given the sale of a total quantity of electricity over the period January 1 - March 31, 2019 similar to the total quantity sold over the period January 1 - March 31, 2018 (only 0.6% decrease).

As compared to the same period of the previous year, the quantity of electricity sold on the competition market of bilateral contracts increased by 9%, and benefited from an increase of the average sale price on this market by 18% (price without Tg), while the electricity quantity sold on the spot market (PZU) decreased by 44%, whereas an average sale price on this market lower by 58% (price without Tg) was registered.

Also, in the 3-months period that ended on March 31, 2019, the Company sold approximately 0.1% of the energy on the regulated market (the Company did not sell energy on the regulated market in the 3-months period that ended on March 31, 2018), at regulated price.

## 2. Electricity sales (quantities, prices and values) during the 1st quarter of 2019

The gross electricity production of the two operational units of Cernavoda NPP was 2,978,865 MWh in the first quarter of 2019.

Sales by types	Quantities in MWh	% of total sales	Average price [Ron/MWh with Tg included]	Revenues from sales [Ron]
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Sales on the regulated market	3,100	0.1%	189.51	587,481
Sales on the free market (bilateral contracts and PZU sales), out of which:	2,740,092	99.7%	242.29	663,907,130
- Sales on PCCB - LE, PCCB - NC, PCSU, PC - OTC contracts and supply contracts	2,472,958	90.0%	241.11	596,253,284
- PZU sales	267,134	9.7%	253.26	67,653,846
PE positive imbalances <sup>*)</sup>	5,728	0.2%	204.84	1,173,305
<b>Total sales 1st quarter of 2019</b>	<b>2,748,920</b>	<b>100%</b>	<b>242.16</b>	<b>665,667,916</b>

<sup>\*)</sup> NB: RON 17,748 of the value presented represents redistributed revenues resulted from the balancing of the system, based on the application of ANRE Order no. 76/2017 and ANRE Order no. 31/2018.

**On the regulated market**, SNN sold in the first quarter of 2019 a quantity representing 0.1% of the sold energy, based on the ANRE decision no. 326/25.02.2019, at the regulated price of RON 188.33/MWh (without T<sub>g</sub>).

The electricity quantities sold **on the competitive market of bilateral contracts** represented in Q1 2019 a percentage rate of 90% out of the total volume of the sold energy. The average sale price on bilateral contracts in the first quarter of 2019 was RON 241.11 /MWh (with T<sub>g</sub>), recording an increase of 18.3% as compared to the average price recorded in the first quarter of 2018, of RON 203.86 /MWh (with T<sub>g</sub>); given the fact that the values of the electric power input transport fee in the T<sub>g</sub> network were the following: RON 1.05 /MWh for the period July 1, 2017 - June 30, 2018, according to ANRE Order no. 48/22.06.2017 and RON 1.18 /MWh for the period July 1, 2018 - March 31, 2019, according to ANRE Order no. 108/20.06.2018.

The amount of electricity sold **on contract-basis, on a spot market (PZU) as well as on PE** is of 2.748.920 MWh (approx. 10% of the electricity sold), 0.62% more than the sales program, of 2,731,878 MWh (sized on the production estimate, without estimating unplanned outages) and 0.58% less than the electricity quantity sold in the same period of 2018.

The difference between the electricity sold by the Company and the electricity produced and delivered by Cernavoda NPP (7.4 thousand MWh) is represented by the electricity purchased to fully cover the contractual obligations, an electricity quantity that was purchased from PE.

The revenues obtained from the electricity market related to electricity deliveries in Q1 2019 are of RON 665,667,916 (out of which RON 17,748 represents redistributed revenues resulted from balancing the system, based on the application of ANRE Order no. 76/2017 and ANRE Order no. 31/2018), 0.16% higher than the budget revenues for Q1 2019, and 22.82% higher than the same period of the previous year.

The average weighted sale price, for the electricity quantities sold (without the regulated market and PE), resulted in Q1 2019, is of RON 242.29/MWh (including T<sub>g</sub>). For comparison, the weighted average price of all the transactions performed on the markets on which SNN operated in Q1 2019 (PCCB - LE, PCCB - NC, PCSU, and PZU), calculated based on the values published by OPCOM in the monthly market reports, is of RON 248.32 /MWh. In Q1 2018 the average weighted sale price, for the energy quantities sold (without PE) was of RON 196.29 /MWh (including T<sub>g</sub>).

### 3. The degree of achievement of investments at the end of the first quarter of 2019

The total value of the SNN investment program for 2019 is 256,548 thousand lei (without the component allocated to the payment of the debt service related to long-term loans), a program endorsed by the SNN Board of Directors and due to be submitted to the Ordinary General Meeting of Shareholders on May 20, 2019.

As in the previous years, Nuclearelectrica S.A. structured its investment development program on objectives defined in relation to the needs of the production branches (Cernavoda NPP and Pitesti NFF), so as to achieve a high level of utilization of the production capacity (EAF Energy Availability Factor) in compliance with the nuclear safety norms and the long-term maintenance of the level of excellence in the operation of the plant. At the same time, the goal of the development program is to cover the necessity to upgrade/refurbish certain systems, for economic reasons (specific consumption reductions, improvement of certain parameters related to served processes, with a positive impact on efficiency), and legal ones – the need to implement upgrades associated with nuclear security, environment protection and labor security, representing imperative requirements from the regulatory authorities in the field.

The investment program of SNN for 2019 was value-sized by considering the ongoing contractual commitments, the estimates regarding the investment objectives to be made in the following year, including amounts allocated to investment projects for which the fulfillment of certain requirements outside the control of SNN is anticipated (e.g. prior approvals of regulation authorities, legal terms regarding the completion of public tender procedures, including appeals, obtaining the necessary approvals from SNN corporate bodies, etc.), in order to allow the implementation of these projects by fitting into the approved budget values.

On March 31, 2019, the value of the investment program was 6.6%, an increase compared to the same period of 2018 (3.5%) to an annual investment plan amount of 256,548 thousand lei (2018: 244,867 thousand lei).

Additional information may be obtained from the Department for Communication and Relations with Investors, e-mail: [investor.relations@nuclearelectrica.ro](mailto:investor.relations@nuclearelectrica.ro).

**Cosmin Ghita**

**Chief Executive Officer**



## QUARTERLY REPORT

**regarding the economic and financial activity of S.N. Nuclearelectrica S.A. according to the provisions of art. 67 of Law no. 24/2017 on the issuers of financial instruments and market operations and Annex no. 13 to ASF Regulation no. 5/2018 regarding issuers of financial instruments and market operations for the 3-month period that ended on March 31, 2019  
(First quarter of financial year 2019)**

Basis of the report:

Art. 67 of Law no. 24/2017 on the issuers of financial instruments and market operations and Annex no. 13 to ASF Regulation no. 5/2018 for the 3-month period that ended on March 31, 2019 (1st quarter of financial year 2019)

Date of the report:

May 13, 2019

Issuer's name:

**S.N. Nuclearelectrica S.A. ("SNN")**

Registered office:

Bucharest, No. 65, Polona Street, District 1

Telephone/fax number:

+40 21 203 82 00; +40 21 316 94 00

Web/Email:

[www.nuclearelectrica.ro](http://www.nuclearelectrica.ro); [office@nuclearelectrica.ro](mailto:office@nuclearelectrica.ro)

Trade Register Office sole registration number:

10874881

Registration number with the Trade Register:

J40/7403/1998

Subscribed and paid share capital:

RON 3,015,138,510

Regulated market on which the issued securities are traded:

Bucharest Stock Exchange ([www.bvb.ro](http://www.bvb.ro)) Premium Category  
301.513.851 shares, nominal value of RON 10/share, dematerialized, nominative, ordinary, indivisible, with equal voting rights, freely tradable on Bucharest Stock Exchange under the SNN symbol starting with 04.11.2013.

Main features of the issued securities:

Unaudited simplified individual interim financial statements on the date and for the period of 3 months that ended on March 31, 2019 drafted according to the Order of the Ministry of Public Finance no. 2844/2016 for approving the Accounting Regulations according to the International Financial Reporting Standards ("IFRS"), based on the International Accounting Standard 34 - "Interim financial reporting" passed by the European Union.

Applicable accounting standards:

Romanian Leu (RON) – all the presented amounts are in RON, unless indicated otherwise.

Reporting currency:

Reported period:

**First quarter of financial year 2019**

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## 1. ECONOMIC AND FINANCIAL SITUATION

The information and the unaudited simplified individual interim financial statements on the date and for the period of 3 months that ended on March 31, 2019 presented in this report are not audited by the financial auditor of S.N. Nuclearelectrica S.A. and were drafted according to the Order of the Ministry of Public Finance no. 2844/2016 for the approval of the Accounting Regulations according to the International Financial Reporting Standards (“IFRS”), based on the International Accounting Standard 34 – “Interim financial reporting” passed by the European Union.

The submitted indicators are in lei (RON) unless otherwise stated.

### a) Financial position statement as of March 31, 2019

Indicator [thousand RON]	March 31, 2019 (unaudited)	December 31, 2018 (audited)
Non-current assets	6,511,655	6,671,436
Current assets	2,505,877	2,194,769
<b>Total Assets</b>	<b>9,017,532</b>	<b>8,866,205</b>
Equity capital	7,398,416	7,179,131
Total liability, out of which:	1,619,116	1,687,074
Long-term debts	1,089,505	1,112,870
Short-term debts	529,611	564,204
<b>Total Equity and Liability</b>	<b>9,017,532</b>	<b>8,866,205</b>

### b) Profit and loss account and global result for the 3-month period that ended on March 31, 2019

Indicator [thousand RON]	3-month period ended on March 31, 2019 (unaudited)	3-month period ended on March 31, 2018 (unaudited, re- treated)
Operating revenues	678,007	571,008
Operational expenses	(391,786)	(370,776)
<b>Operating profit</b>	<b>286,221</b>	<b>200,232</b>
Financial revenues	14,306	25,268
Financial expenses	(31,785)	(5,329)
<b>Net financial (expenses)/revenues</b>	<b>(17,479)</b>	<b>19,939</b>
<b>Profit before corporate tax</b>	<b>268,742</b>	<b>220,171</b>
Net corporate tax expense	(49,457)	(43,173)
<b>Period profit</b>	<b>219,285</b>	<b>176,998</b>
<b>Other elements of the global result</b>	<b>-</b>	<b>-</b>
<b>Global result</b>	<b>219,285</b>	<b>176,998</b>
<b>Basic earnings per share (RON/share)</b>	<b>0,73</b>	<b>0,59</b>
<b>Diluted earnings per share (RON/share)</b>	<b>0,73</b>	<b>0,59</b>

## **2. IMPORTANT EVENTS**

### **2.1 Important events in the first quarter of financial year 2019**

#### ***Amendment of the Articles of Incorporation of the Company***

By Resolution no. 2/04.01.2019 of the Extraordinary General Assembly of Shareholders, the amendment of the Articles of Incorporation of SNN, according to the report submitted to the shareholders for this item of the agenda (item 2 of the EGMS agenda of January 4, 2019), was approved. The amendment is as follows: adding par. (7) to art. 8 which is specifying that the Board of Directors is authorized, for a period of three years, to increase the share capital by issuing new shares in exchange for the contributions of the shareholders up to an authorized capital value of RON 3,015,427,983.

#### ***Activities approved for the increase of the share capital***

Resolution no. 2/04.01.2019 of the Extraordinary General Assembly of Shareholders approved the following activities for the increase of share capital:

1. The appointment by the Trade Registry Office attached to Bucharest Court of Law of an authorized assessor to appraise the land located on 23 Energiei Street, Cernavoda, Constanta County, in order to increase the share capital of S.N. Nuclearelectrica S.A., as per the note forwarded to the shareholders with regard to this point of the agenda (item 3 of EGMS agenda from January 4, 2019);
2. Conferral of power to the Board of Directors for S.N. Nuclearelectrica S.A. share capital increase up to a maximum value of authorized registered capital of RON 3,015,427,983 lei, according to the note forwarded to the shareholders in relation to this item of the agenda (item 4 of EGMS agenda from January 4, 2019).

#### ***Appraisal mission lead by the World Association of Nuclear Operators “WANO”***

By the Current Report published on January 30, 2019, S.N. Nuclearelectrica S.A. is notifying the shareholders and investors on the appraisal mission lead by the World Association of Nuclear Operators “WANO” between November 5 – 12, 2018. This appraisal, carried out at the request of S.N. Nuclearelectrica S.A., by a team of 25 international experts from nuclear power plants from all over the world, concluded that the level of nuclear security at Cernavoda NPP is high.

#### ***Changes in the management of the Company***

By Resolutions no. 2/04.02.2019 and no. 3/04.02.2019, the SNN Board of Directors has approved the appointment of the Chief Executive Officer, Deputy Executive Officer and Chief Financial Officer for a period of 4 years, starting with February 11, 2019, as follows: Mr. Cosmin Ghita – as Chief Executive Officer; Mr. Dan Laurentiu Tudor – as Deputy Executive Officer and Mr. Adrian Gabriel Dumitriu – as Chief Financial Officer.

#### ***Approval of regulated prices and quantities for the period March 1, 2019 - December 31, 2019***

By the Current Report published on February 27, 2019, S.N. Nuclearelectrica S.A. informs the shareholders and the investors about the Decision of the National Energy Regulatory Authority no. 326/25.02.2019, according to which S.N. Nuclearelectrica S.A. has the obligation to sell 1,377,328.968 MWh on the regulated market between March 1, 2019 - December 31, 2019 (March - April 2019, and July - December 2019, respectively), representing 13.4% of the



total production schedules for 2019 at the regulated price of RON 188.33/MWh. This regulated price does not include the electricity transmission fee, in the amount of RON 1.18/MWh (according to the Order of the National Regulatory Authority for Energy No. 108/20.06.2018).

### ***Signing the Memorandum of SNN – NuScale Power***

On March 19, 2019 a Memorandum of Agreement was signed with NuScale Power for an exchange of technical and economic information on the innovative nuclear technology developed by NuScale Power: nuclear power plant based on light water modular reactors to provide electricity, heat, desalination. This technology is the first and only technology subject to a certification assessment by the Nuclear Regulatory Commission of the United States, globally. The purpose of this Memorandum is to evaluate the development, authorization and construction of small modular reactors as a potential long-term solution for Romania.

## **2.2 Important events after the date of March 31, 2019**

### ***The Project for the Units 3 and 4 Cernavoda NPP***

By Resolution no. 4/10.04.2019 of the Extraordinary General Assembly of Shareholders, the following activities regarding Units 3 and 4 Cernavoda NPP were approved:

1. Approval of the Preliminary Form of the Investors Agreement regarding Units 3 and 4 Cernavoda NPP concluded between China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment (RO) CO.S.A. and S.N. Nuclearelectrica S.A. (item 2 of EGMS agenda from April 10, 2019);
2. Approval of the authorization of the Chairman of the Board of Directors of S.N. Nuclearelectrica S.A. to sign the Preliminary Form of the Investors Agreement (item 1 above), in the name and on behalf of the Company (item 3 of EGMS agenda from April 10, 2019);
3. Approval of the authorization of the Board of Directors of S.N. Nuclearelectrica S.A. to initiate and carry out the necessary steps to finalize the Articles of Incorporation of the project company, in accordance with the provisions set in the Preliminary Form of the Investors Agreement (item 1 above); the mandate thus granted to the Board of Directors of SNN may be assigned to the executive management, and the final form of the Articles of Incorporation of the project company will be submitted for the approval of the Extraordinary General Meeting of Shareholders of SNN (item 5 of EGMS agenda from April 10, 2019).

On May 8, 2019, SN Nuclearelectrica SA and China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment signed the Preliminary Form of the Investors Agreement regarding the continuation of the Units 3 and 4 Cernavoda NPP Project. CGN has also finalized its internal approval process for the agreement. The Preliminary Form of the Investors Agreement stipulates the establishment of the project company (JVCO) with the sole purpose of being the only technical and operational platform for the further development of the Project. The deadline for the establishment of the JVCO is of 60 business days as of the signing of the Preliminary Form of the Investors Agreement.

### ***Approving the distribution of the net profit of financial year 2018***

By Resolution no. 5/23.04.2019 of the Ordinary General Assembly of Shareholders of SNN the distribution of the net profit for the financial year 2018 by destinations was approved, the total value of gross dividends in value of RON

378,914,310, the value of the gross dividend per share in value of RON 1.25670615, the dividend payment date, namely the date of June 28, 2019 and the payment methods, according to the report submitted to the shareholders for this item of the agenda (item 5 of OGMS agenda from April 23, 2019).

### ***Planned outage of Unit 2 Cernavoda NPP***

As of May 3, 2019, 11:00 a.m., Unit 2 Cernavoda NPP entered the planned stoppage program, for a period of approximately 32 days, according to the planning of the preventive and corrective maintenance works that need to be performed in this period. The works will be performed under safety conditions for the personnel of the power plant, the public and the environment, according to the procedures used at Cernavoda NPP.

### **3. ECONOMIC AND FINANCIAL INDICATORS**

SNN performances are reflected in the accomplishment of the main economic financial indicators, as follows:

<b>Indicator name</b>	<b>Calculation method</b>	<b>M.U.</b>	<b>Value 31.03.2019<sup>*)</sup></b>
<b>1. The current liquidity indicator</b>	Current assets/ Short-term debts	x	4.73
<b>2. Indebtedness degree indicator</b>			
2.1. Indebtedness degree indicator (1)	Borrowed capital/ Equity x 100	%	9.1%
2.1. Indebtedness degree indicator (2)	Borrowed capital/ Engaged capital x 100	%	8.3%
<b>3. Turnover speed, for client debit items</b>	Average customer balance/ Turnover x 90	days	23
<b>4. Asset turnover speed<sup>**)</sup></b>	Turnover/ Non-current assets	x	0.41

<sup>\*)</sup> Based on the Unaudited Simplified Individual Interim Financial Statements on the date and for the 3 month period ended on March 31, 2019.

<sup>\*\*)</sup> The asset turnover speed is calculated by updating the quarterly turnover (360 days/90 days).

#### **4. STATEMENTS AND SIGNATURES**

Based on the best available information, we confirm that the Unaudited Simplified Individual Interim Financial Statements on the date and for the period of 3 months that ended on March 31, 2019 drafted according to the Order of the Minister of Public Finance no. 2844/2016 for approving the Accounting Regulations according to the International Financial Reporting Standards (“IFRS”), based on the International Accounting Standard 34 – “Interim financial reporting” passed by the European Union, provides an accurate and real image regarding the financial position, the financial performance and the cash flows for the 3-month period that ended on March 31, 2019 and that this report, drafted according to the provisions of art. 67 of Law no. 24/2017 on the issuers of financial instruments and market operations and Annex no. 13 to ASF Regulation no. 5/2018 regarding the issuers of financial instruments and market operations for the 3-month period ended on March 31, 2019, comprises accurate and real information according to the development and performance of the Company.

**Iulian Robert Tudorache,**  
**Chairman of the Board of Directors**

**Approved,**  
**Adrian Gabriel Dumitriu,**  
**Chief Financial Officer**

## **5. APPENDIXES**

### **5.1 UNAUDITED SIMPLIFIED INDIVIDUAL INTERIM FINANCIAL STATEMENTS on the date and for the 3-month period that ended on March 31, 2019**

The Unaudited Simplified Individual Interim Financial Statements on the date and for the period of 3 months that ended on March 31, 2019 drafted according to the Order of the Ministry of Public Finance no. 2844/2016 for approving the Accounting Regulations according to the International Financial Reporting Standards (“IFRS”), based on the Accounting Standard 34 - “Interim financial reporting” passed by the European Union, are published on the webpage of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), Relations with investors section.

### **5.2 QUARTERLY REPORT of the Board of Directors on the administration activity for the period January 1 - March 31, 2019**

The Quarterly report of the Board of Directors on the administration activity for the period January 1 - March 31, 2019 drafted according to the provisions of art. 67 paragraph (b) of Law no. 24/2017 on the issuers of financial instruments and market operations, is published on the webpage of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), Relations with investors section.



## **S.N. Nuclearelectrica S.A.**

**Unaudited Simplified Individual Interim Financial Statements  
on the date and for the period of 3 months  
that ended on March 31, 2019**

Prepared in compliance with  
the Public Finances Minister's Order no. 2844/2016 on the approval  
of the accounting regulations compliant with the  
International Financial Reporting Standards adopted by the  
European Union (SIRF - EU), in virtue of the International Accounting Standard  
34 - "Interim Financial Reporting" adopted by the European Union

**S.N. Nuclearelectrica S.A.**  
Simplified Individual Financial Position at March 31, 2019  
(All amounts are presented in RON, unless otherwise indicated)

	Note	March 31, 2019 (unaudited)	December 31, 2018 (audited)
<b>Assets</b>			
<b>Non-current assets</b>			
Tangible assets	4	6,255,285,359	6,364,461,135
Intangible assets		50,389,335	54,834,052
Financial assets	8	64,291,386	110,451,459
Financial investments	5	141,689,201	141,689,201
<b>Total non-current assets</b>		<b>6,511,655,281</b>	<b>6,671,435,847</b>
<b>Current assets</b>			
Inventories	6	372,925,431	368,742,400
Trade receivables and other receivables	7	205,064,315	183,694,590
Prepayments		58,478,276	10,201,321
Bank deposits	8	41,363,543	20,954,979
Cash and cash equivalents	8	1,828,045,663	1,611,175,766
<b>Total current assets</b>		<b>2,505,877,228</b>	<b>2,194,769,056</b>
<b>Total assets</b>		<b>9,017,532,509</b>	<b>8.866.204.903</b>
<b>Equity and liabilities</b>			
<b>Equity capital</b>			
Share capital, out of which:		3,210,641,253	3,210,641,253
<i>Subscribed and paid in share capital</i>		<i>3,015,138,510</i>	<i>3,015,138,510</i>
<i>Inflation adjustments to the share capital</i>		<i>195,502,743</i>	<i>195,502,743</i>
Share premiums		31,474,149	31,474,149
Reserve paid in advance		21,553,537	21,553,537
Revaluation reserve		250,042,251	257,407,532
Retained earnings		3,884,704,843	3,658,054,141
<b>Total own equity</b>		<b>7,398,416,033</b>	<b>7,179,130,612</b>
<b>Liabilities</b>			
<b>Long-term liabilities</b>			
Long term loans	9	672,326,297	683,967,469
Provisions for risks and expenses	12	166,138,651	182,883,283
Deferred revenues		111,171,127	114,757,293
Deferred tax liability		101,251,438	102,644,715
Obligations on employee benefits	10	38,617,348	38,617,348
<b>Total long term liabilities</b>		<b>1,089,504,861</b>	<b>1,122,870,108</b>
<b>Current liabilities</b>			
Accounts payable and other liabilities	11	176,813,689	197,107,880
The current share of provisions for risks and expenses	12	60,228,254	33,831,052
Current tax liability		49,388,771	98,958,158
Deferred revenues		31,330,201	30,913,233
Current portion of long-term loans	9	211,850,700	203,393,860
<b>Total current liabilities</b>		<b>529,611,615</b>	<b>564,204,183</b>
<b>Total liabilities</b>		<b>1,619,116,476</b>	<b>1,687,074,291</b>
<b>Total equities and liabilities</b>		<b>9,017,532,509</b>	<b>8.866.204.903</b>

This is a free translation from the Romanian version. In case of any differences between the Romanian and English version, the Romanian version prevails.

**S.N. Nuclearelectrica S.A.**

Simplified Individual Profit and Loss Account for the 3-month period that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

	Note	3 months period that ended on March 31, 2019 (unaudited)	3 months period that ended on March 31, 2018 (unaudited, restated)
<b>Incomes</b>			
Sales of electricity	13	665,435,989	541,245,489
Proceeds from electric power transmission		3,234,846	2,849,577
<b>Total revenues</b>		<b>668,670,835</b>	<b>544,095,066</b>
Other income		9,336,485	26,912,946
<b>Operating expenses</b>			
Impairment and depreciation		(136,392,196)	(135,503,155)
Personnel expenses	14	(115,432,049)	(86,226,752)
Cost of traded electricity		(5,561,481)	(21,114,699)
Repairs and maintenance		(9,773,378)	(13,375,677)
Electricity transmission expenses		(3,234,846)	(2,849,577)
Cost of spare parts		(3,695,675)	(2,711,458)
Cost of nuclear fuel		(28,222,948)	(27,471,664)
Other operating expenses	15	(89,473,520)	(81,522,960)
<b>Total operating expenses</b>		<b>(391,786,093)</b>	<b>(370,775,942)</b>
<b>Operating profit</b>		<b>286,221,227</b>	<b>200,232,070</b>
Financial expenses		(31,784,625)	(5,328,604)
Financial income		14,305,947	25,267,969
<b>Net financial income/(expense)</b>	16	<b>(17,478,678)</b>	<b>19,939,365</b>
<b>Profit before income tax</b>		<b>268,742,549</b>	<b>220,171,435</b>
Net corporate tax expense	17	(49,457,128)	(43,173,158)
<b>Net profit</b>		<b>219,285,421</b>	<b>176,998,277</b>

The Simplified Individual Interim Financial Statements presented on page 1 to 21 were signed on May 13, 2019 by:

**Cosmin Ghita**  
Chief Executive Officer

**Adrian Gabriel Dumitriu**  
Chief Financial Officer

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**S.N. Nuclearelectrica S.A.**

Simplified Individual Situation of the global result for the period of 3 months on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

	Note	3 months period that ended on March 31, 2019 (unaudited)	3 months period that ended on March 31, 2018 (unaudited, restated)
<b>Net profit</b>		<b>219,285,421</b>	<b>176,998,277</b>
Comprehensive income		-	-
<b>Total global result for the period</b>		<b>219,285,421</b>	<b>176,998,277</b>
<b>Earnings per share</b>			
Basic earnings per share (RON/share)	<b>18</b>	<b>0,73</b>	<b>0,59</b>
Diluted earnings per share (RON/share)	<b>18</b>	<b>0,73</b>	<b>0,59</b>

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**S.N. Nuclearelectrica S.A.**

The Simplified individual situation of the Equity modifications for the period of 3 months that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

	<b>Share capital</b>	<b>Share premiums</b>	<b>Reserve paid in advance</b>	<b>Revaluation reserve</b>	<b>Retained earnings</b>	<b>Total own equity</b>
<b>Balance as at January 1, 2019 (audited)</b>	<b>3,210,641,253</b>	<b>31,474,149</b>	<b>21,553,537</b>	<b>257,407,532</b>	<b>3,658,058,141</b>	<b>7,179,130,612</b>
<b>Comprehensive income for the period</b>						
<i>Period profit</i>	-	-	-	-	219,285,421	<b>219,285,421</b>
<i>Other elements of the global result</i>	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>219,285,421</b>	<b>219,285,421</b>
Transfer of the revaluation reserve to the retained earnings	-	-	-	(7,365,281)	7,365,281	-
<b>Balance as of March 31, 2019 (unaudited)</b>	<b>3,210,641,253</b>	<b>31,474,149</b>	<b>21,553,537</b>	<b>250,042,251</b>	<b>3,884,704,843</b>	<b>7,398,416,033</b>

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**S.N. Nuclearelectrica S.A.**

Simplified Individual Situation of the Equity modifications for the period of 3 months that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

	<b>Share capital</b>	<b>Share premiums</b>	<b>Reserve paid in advance</b>	<b>Revaluation reserve</b>	<b>Retained earnings</b>	<b>Total own equity</b>
<b>Balance as at January 1, 2018 (audited)</b>	<b>3,210,641,253</b>	<b>31,474,149</b>	<b>21,553,537</b>	<b>236,534,798</b>	<b>3,927,941,491</b>	<b>7,428,145,228</b>
Correction of accounting errors	-	-	-	-	<b>55,971,531</b>	<b>55,971,531</b>
<b>Balance as at January 1, 2018 (audited, restated)</b>	<b>3,210,641,253</b>	<b>31,474,149</b>	<b>21,553,537</b>	<b>236,534,798</b>	<b>3,983,913,022</b>	<b>7,484,116,759</b>
<b>Comprehensive income for the period</b>						
<i>Retreated period profit</i>	-	-	-	-	176,998,277	<b>176,998,277</b>
<i>Other elements of the comprehensive income</i>	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>176,998,227</b>	<b>176,998,227</b>
Transfer of the revaluation reserve to the retained earnings	-	-	-	(6,636,259)	6,636,259	-
<b>Balance as of March 31, 2018 (unaudited, restated)</b>	<b>3,210,641,253</b>	<b>31,474,149</b>	<b>21,553,537</b>	<b>229,898,539</b>	<b>4,167,547,559</b>	<b>7,661,115,037</b>

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**S.N. Nuclearelectrica S.A.**

Simplified Individual Situation of the Cash Flow for the period of 3 months that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

	<b>3 months period that ended on March 31, 2019 (unaudited)</b>	<b>3 months period that ended on March 31, 2018 (unaudited, restated)</b>
<b>Cash flows from operating activities</b>		
Profit before income tax	<b>268,742,549</b>	<b>220,171,435</b>
<b>Adjustments for:</b>		
Impairment and depreciation	136,392,196	135,503,155
Impairment on trade and other receivables	(610,084)	(74,441)
Impairment on inventories	(115,910)	(441,269)
Provisions corresponding to operating liabilities, risks and expenses	(2,786,857)	(2,155,046)
Earnings/(Losses) from asset assignment	(13,310)	(254,111)
Net financial (revenues)/expenses	17,005,664	(19,891,248)
<b>Changes in:</b>		
Increase in trade receivables and other receivables	(24,178,337)	(17,875,062)
Inventory decrease / (increase)	(4,097,893)	4,463,168
Variation of deferred income	(3,169,198)	2,814,346
Variation of deferred expense	(48,276,955)	(23,877,813)
Decrease of trade liabilities and other liabilities	(7,744,300)	(36,573,472)
<b>Cash flows generated from operating activities</b>	<b>331,147,564</b>	<b>272,574,124</b>
Income tax paid	(100,419,792)	(21,727,360)
Interest received	17,009,958	4,873,658
Interest paid	(571,493)	(579,831)
<b>Net cash flow from operating activities</b>	<b>247,166,237</b>	<b>255,140,591</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	(1,224,769)	(3,096,375)
Purchase of tangible assets	(21,573,809)	(11,249,939)
Proceeds from sale of tangible assets	13,310	254,111
Decrease in bank deposits and financial assets	25,751,509	20,553,031
<b>Cash flow used in investing activities</b>	<b>2,966,241</b>	<b>6,460,828</b>
<b>Cash flow from financing activities</b>		
Repayments of borrowings	(33,262,581)	(33,080,720)
Dividends	-	(9,536)
<b>Net cash flow from financing activities</b>	<b>(33,262,581)</b>	<b>(33,090,256)</b>
<b>Net increase in cash and cash equivalents</b>	<b>216,869,897</b>	<b>228,511,163</b>
<b>Cash and cash equivalents as of January 1st (see Note 8)</b>	<b>1,611,175,766</b>	<b>1,713,349,815</b>
<b>Cash and cash equivalents as of March 31 (see Note 8)</b>	<b>1,828,045,663</b>	<b>663,476,462</b>

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## **S.N. Nuclearelectrica S.A.**

Notes to the Simplified Individual Financial Statements prepared on the date and for the period of 3 months that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

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### **1. REPORTING ENTITY**

Societatea Nationala Nuclearelectrica S.A. (the "Company" or "SNN") is a national joint-stock company, one-tier management system, having a head office and two branches without legal personality, Cernavoda NPP (Nuclear Power Plant) – with registered office in Constanta County, Cernavoda City, 2 Medgidiei Street, registered with the Trade Register under number J13/3442/2007, and Pitesti NFF (Nuclear Fuel Factory) - with registered office in Arges County, Mioveni City, 1 Campului Street, registered with the Trade Register under number J03/457/1998, respectively. The address of the registered office is Bucharest Municipality, District 1, 65 Polona Street.

The company's main activity is the "Electricity production" - NACE code 3511 and it is recorded in the Trade Register under number J40/7403/1998, fiscal code 10874881, fiscal attribute RO.

The Company's main activity consists in electricity and thermal energy production by nuclear processes. The main place of business is within the Branch Cernavoda NPP, where the Company owns and operates two operational nuclear reactors (Unit 1 and Unit 2). The two nuclear operational reactors are based on CANDU technology (Canada Deuterium Uranium type PHWR). Besides, at Cernavoda the Company owns two nuclear reactors in the early stages of construction (Unit 3 and Unit 4). The construction of Units 3 and 4 was planned to be finalized by the branch Energonuclear S.A.; currently, there is the revised form of the Strategy for the continuation of the Project for Units 3 and 4, endorsed by the SNN Board of Directors and approved by the Extraordinary General Meeting of Shareholders by Resolution no. 11/14.09.2018, as well as the preliminary form of the Investors Agreement, approved by the Extraordinary General Meeting of Shareholders by Resolution no. 4/10.04.2019.09.2018 and signed on May 8, 2019 by SNN, China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment (for more information, please see Note 5).

The Company owns a reactor (Unit 5) for which the Company shareholders approved changing the initial destination in March 2014, namely, the use of Unit 5 for carrying out the activities related to the operation of Units 1 and 2. The project intended to change the initial destination of unit 5 is currently being implemented and it is expected to be finalized during 2019. The unit 5 is fully depreciated, since there was no plan to continue its construction as a nuclear unit.

Manufacturing of nuclear fuel bundles CANDU type required for operating the two nuclear operational reactors located in the branch Cernavoda NPP is performed by the Company in the branch Pitesti NFF.

The electricity sector is regulated by the National Energy Regulatory Authority ("ANRE"), an autonomous public institution. The Romanian electricity market was in a process of gradual liberalization by the end of 2017, so in 2018 the Company participated in the electricity market only on the competitive segment. Starting with March 2019, according to Order no. 10/01.02.2019 issued by ANRE based on the provisions of Government Emergency Ordinance 114/2018, the Company participates in the electricity market on both the competitive and regulated markets. Thus, ANRE set by this decision the quantities of electricity to be sold by the Company on the regulated market and the regulated price to be charged in 2019; the regulated price is set based on economically justified costs, i.e. cost plus profit margin, using a methodology approved by ANRE.

On March 31, 2019 the Company's shareholders are: The Romanian State via the Ministry of Energy which holds 248,736,619 shares, representing 82.4959% of the share capital, Fondul Proprietatea S.A. holding 21,268,355 shares, representing 7.0539% of the share capital and other individuals and legal entities shareholders holding together 31,508,877 shares, representing 10.4502% of the share capital.

Since 4 November 2013, the shares of the Company have been traded on Bucharest Stock Exchange, under the issuing symbol SNN.

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*Notes from 1 - 20 are an integral part of these individual financial statements.*

## **S.N. Nuclearelectrica S.A.**

Notes to the Simplified Individual Financial Statements prepared on the date and for the period of 3 months that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

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### **2. BASIS OF PREPARATION**

#### **a) Statement of compliance**

The simplified individual financial statements have been prepared in accordance with the Order of the Ministry of Public Finance no. 2844/2016 regarding the approval of the accounting regulations compliant with the International Financial Reporting Standards ("IFRS"), as further amended ("OMPF 2844/2016"). As per the OMFP 2844/2016, the International Financial Reporting Standards represent the standards adopted in accordance with the procedure provided by the European Commission Regulation no. 1.606/2002 of the European Parliament and of the Council dated on 19 July 2002 regarding the application of the international accounting standards.

These simplified individual interim financial statements were drafted according to IAS 34 *Interim financial reporting*, as passed by the European Union. These do not include the necessary information for a complete set of financial statements according to the International Financial Reporting Standards ("IFRS") and must be read with the annual financial statements of the Company, drafted on December 31, 2018. Nevertheless, certain selected explanatory notes are included in order to explain the events and transactions that are significant for understanding the modifications occurred in the financial position and performance of the Company from the latest individual financial statements on the date and for the financial year that ended on December 31, 2018.

The Simplified individual interim Financial Statements on the date and for the three-month period that ended on March 31, 2019 are not audited and were not revised by an independent auditor.

These Simplified individual interim Financial Statements were authorized for issuance and signed on May 13, 2019 by the Company's management.

#### **b) Use of estimates and professional judgments**

Preparing these simplified individual interim financial statements means that the managers use reasoning, estimates and hypotheses that affect the application of accounting policies, and the acknowledged value of the assets, debts, revenues and expenses. Actual results may differ from the estimated values.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are acknowledged in the period in which the estimates are revised and in any future periods affected.

Information about assumptions that have a significant risk of resulting in a material adjustment within the next financial years is included in Note 5 (key assumptions relating to the continuance of the Project for Units 3 and 4).

The significant reasoning used by the managers for applying the accounting policies of the Company and the main uncertainty sources regarding the estimates was the same as the one applied for the Individual Financial Statements on and for the financial year that ended on December 31, 2018.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies applied in these simplified individual interim financial statements are the same as those applied in the individual financial statements of the company on the date and for the financial year that ended on December 31<sup>st</sup>, 2018.

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*Notes from 1 - 20 are an integral part of these individual financial statements.*

**S.N. Nuclearelectrica S.A.**

Notes to the Simplified Individual Financial Statements prepared on the date and for the period of 3 months that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)***4. TANGIBLE ASSETS**

	<b>Land</b>	<b>Nuclear power plants</b>	<b>Machinery, equipment and other assets</b>	<b>Non-current assets in progress</b>	<b>TOTAL</b>
<b>Cost</b>					
<b>Balance as at January 1, 2018 (audited)</b>	<b>31,534,439</b>	<b>5,594,239,417</b>	<b>1,611,461,143</b>	<b>851,807,266</b>	<b>8,089,042,265</b>
Effect of correction	-	103,990,927	-	-	103,990,927
<b>Balance as at January 1, 2018 (audited, restated)</b>	<b>31,534,439</b>	<b>5,698,230,344</b>	<b>1,611,461,143</b>	<b>851,807,266</b>	<b>8,193,033,192</b>
Additions	-	-	13,818,163	115,752,495	129,570,658
Revaluation of buildings and land	767,960	20,172,017	35,259,740	-	56,199,716
Offset of accumulated depreciation upon revaluation	-	(1,059,894,917)	(60,605,906)	-	(1,120,500,824)
Transfers	-	71,734,118	24,051,133	(95,785,251)	-
Transfer to inventories	-	-	-	(1,800,278)	(1,800,278)
Transfer to intangible assets	-	-	-	(7,852,267)	(7,852,267)
Derecognition of U1 inspections	-	(52,473,435)	-	-	(52,473,435)
Disposals	-	-	(2,241,701)	(1,257,641)	(3,499,343)
<b>Balance as at December 31, 2018 (audited)</b>	<b>32,302,399</b>	<b>4,677,768,128</b>	<b>1,621,742,571</b>	<b>860,864,324</b>	<b>7,192,677,421</b>
<b>Balance as at January 1, 2019 (audited)</b>	<b>32,302,399</b>	<b>4,677,768,128</b>	<b>1,621,742,571</b>	<b>860,864,324</b>	<b>7,192,677,421</b>
Additions	-	-	496,137	21,081,569	21,577,706
Transfers	-	-	6,581,363	(6,581,363)	-
Transfer to inventories	-	-	-	(30,772)	(30,772)
Transfer to intangible assets	-	-	-	(21,000)	(21,000)
Disposals	-	-	(358,681)	-	(358,681)
<b>Balance as of March 31, 2019 (unaudited)</b>	<b>32,302,399</b>	<b>4,677,768,128</b>	<b>1,628,461,390</b>	<b>875,312,758</b>	<b>7,213,844,675</b>
<b>Depreciation and impairment losses</b>					
<b>Balance as at January 1, 2018 (audited)</b>	<b>550,782</b>	<b>733,245,253</b>	<b>546,513,811</b>	<b>140,629,875</b>	<b>1,420,939,720</b>
Effect of correction	-	48,019,397	-	-	48,019,397
<b>Balance as at January 1, 2018 (audited, restated)</b>	<b>550,782</b>	<b>781,264,650</b>	<b>546,513,811</b>	<b>140,629,875</b>	<b>1,468,959,117</b>
Depreciation charges	-	414,761,137	110,140,683	-	524,901,820
Offset of accumulated depreciation upon revaluation	-	(1,059,894,917)	(60,605,906)	-	(1,120,500,824)
Cumulative depreciation of U1 inspections derecognized	-	(52,473,435)	-	-	(52,473,435)
Offset of accumulated disposals	-	-	(1,841,771)	-	(1,841,771)
Impairment adjustments	-	-	10,077,433	(906,054)	9,171,379
<b>Balance as at December 31, 2018 (audited)</b>	<b>550,782</b>	<b>83,657,435</b>	<b>604,284,249</b>	<b>139,723,821</b>	<b>828,216,287</b>
<b>Balance as at January 1, 2019 (audited)</b>	<b>550,782</b>	<b>83,657,435</b>	<b>604,284,249</b>	<b>139,723,821</b>	<b>828,216,287</b>
Depreciation charges	-	104,840,761	25,881,415	-	130,722,176
Offset of accumulated disposals	-	-	(358,681)	-	(358,681)
Impairment adjustments	-	-	-	(20,465)	(20,465)
<b>Balance as of March 31, 2019 (unaudited)</b>	<b>550,782</b>	<b>188,498,196</b>	<b>629,806,983</b>	<b>139,703,356</b>	<b>958,559,316</b>
<b>Carrying amount</b>					
<b>Balance as at January 1, 2018 (audited, restated)</b>	<b>30,983,658</b>	<b>4,916,965,695</b>	<b>1,064,947,332</b>	<b>711,177,390</b>	<b>6,724,074,075</b>
<b>Balance as at December 31, 2018 (audited)</b>	<b>31,751,617</b>	<b>4,594,110,693</b>	<b>1,017,458,322</b>	<b>721,140,502</b>	<b>6,364,461,135</b>
<b>Balance as of March 31, 2019 (unaudited)</b>	<b>31,751,617</b>	<b>4,489,269,933</b>	<b>998,654,407</b>	<b>735,609,402</b>	<b>6,255,285,359</b>

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**S.N. Nuclearelectrica S.A.**

Notes to the Simplified Individual Financial Statements prepared on the date and for the period of 3 months that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

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The position "Machinery, equipment and other assets" mainly include the heavy water used for the operation of Units 1 and 2, with a net carrying amount on March 31, 2019 amounting to RON 425,352,765 (December 31, 2018: RON 432,488,488) and administrative buildings with a net carrying amount on March 31, 2019 amounting to RON 273,710,120 (December 31, 2018: RON 277,883,541).

In accordance with the accounting policies in force applied by the Company, the land, buildings and constructions are stated at fair value. The assets were revaluated on December 31, 2018 by an independent assessor, S.C. Primoval S.R.L, member of the National Association of Certified Assessors in Romania ("ANEVAR").

Revaluation results were accounted by using the net method and reflect an increase in net carrying amount of assets (land, buildings and constructions) amounting to RON 56,199,716 as at December 31, 2018.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined by using the fair value at the end of the reporting period.

On March 31, 2019, the carrying value of Units 3 and 4 recognized in the group "Non-current assets in progress" amounts to RON 273,960,000 (December 31, 2018: RON 273,960,000). Before 1991 the nuclear Units 1, 2, 3, 4 and 5 were considered as a single project and therefore the construction costs incurred had not been allocated per unit. Subsequently, the Company allocated the costs for the construction of Units 3 and 4 of the nuclear power plant and for Unit 5.

The group "Non-current assets in progress" also presents the heavy water purchased especially for Units 3 and 4, representing approximately 75 tons, whose book value on March 31, 2019 is RON 159,238,387 (December 31, 2018: RON 159,238,387).

On March 31, 2019, the net carrying amount of the assets under construction related to Units 3 and 4 amounts to RON 506,006,197 (December 31, 2018: RON 506,035,734). On March 31, 2019, the remaining difference up to RON 735,609,402 represents non-current assets in progress, related to Units 1 and 2, such as: D2O detritiation installation amounting to RON 63,238,182, construction of facilities for storage and loading of the nuclear fuel used (DICA) amounting to RON 26,324,568, improvement of nuclear security systems after Fukushima amounting to RON 20,888,223.

The main investments made by the Company during the first 3 months of 2019 for projects in progress related to Units 1 and 2 include:

- Replacing the control section of the excitation system amounting to RON 8,680,452 (December 31, 2018: RON 0)
- Construction of storage and loading facilities for spent nuclear fuel (DICA) amounting to RON 3,053,124 (December 31, 2018: RON 8,772,512);
- Improving the Nuclear security systems following the Fukushima event amounting to RON 1,397,354 (December 31, 2018: RON 8,831,576)

The main investment put into operation by the Company in the period of three months that ended on March 31, 2019 from the projects in progress related to Units 1 and 2 is represented by installing spare parts on the equipment in operation amounting to RON 3,877,879.

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## **S.N. Nuclearelectrica S.A.**

Notes to the Simplified Individual Financial Statements prepared on the date and for the period of 3 months that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

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On March 31, 2019, the Company has fixed assets purchased based on credit from suppliers (commercial credit) amounting to RON 14,664,803 (December 31, 2018: RON 14,722,450).

### *Decommissioning of nuclear units*

The nuclear power Unit 1 is scheduled to operate until 2026, and Unit 2 until 2037. The Company has not recorded a provision for the decommissioning of the two units because it is not responsible for the decommissioning works. According to Government Decision no. 1080/ 2007, the Nuclear Agency and Radioactive Waste (“ANDR”) is responsible for collecting the contributions paid by the Company for the remaining useful life of these units and assume the responsibility for the management of the entire decommissioning process at the end of the useful life of the two units, as well as for the permanent storage of the resulting waste (see Note 15). The Company's contribution to ANDR during the period of three months that ended on March 31, 2019 amounts to RON 24,382,496 (March 31, 2018: RON 24,272,603).

### *Assets pledged as security*

As at March 31, 2019, and December 31, 2018 respectively, the Company has no pledged or mortgaged assets.

## **5. FINANCIAL INVESTMENTS**

### *Financial investments - Business continuity for Energonuclear S.A. and the Project of Units 3 and 4*

Financial investments are mainly represented by the investment in Energonuclear S.A. (“Energonuclear”). company with headquarters in Bucharest, District 2, 5-7 Vasile Lascar Street, 3<sup>rd</sup> floor and registered with the Trade Registry under the number J40/3999/25.03.2009, having sole registration number 25344972, tax attribute RO. The main business of Energonuclear consists in “Engineering activities and technical consultancy related to it” – NACE Code 7112.

On March 31, 2019 and December 31, 2018, the Company owns 100% of the share capital of EnergoNuclear SA. The value of the interest as at March 31, 2019 and December 31, 2018 amounts to RON 141,666,101.

By the Decision of the Prime Minister no. 318 of December 18, 2018, the Working Group was established for the negotiation of the Intergovernmental Agreement between Romania and the People's Republic of China on the cooperation for the implementation of the Units 3 and 4 Cernavoda NPP Project (“IGA”).

In the period January 21 - 23, 2019, a meeting of the mixed work group Romania - China took place regarding IGA, and the following actions were identified: (1) the JVCO establishment as soon as possible to support the implementation of CfD in Romania, ongoing process; (2) the Romanian party to finalize the preparatory technical measures in view of submitting to the Romanian Parliament and to the European Commission the legislative amendments and updates associated with the adoption of the CfD mechanism; (3) SNN and CGN to resume negotiations on the Investors Agreement (“IA”) in preliminary form.

In meeting of February 4, 2019, the SNN Board of Directors approved the revised mandate of the SNN Negotiating Committee to negotiate the IA and the Articles of Incorporation (“AI”) in a preliminary form to allow the establishment of JVCo by initial minimal cash contribution, calibrated to the development needs of the Project.

On March 15, 2019, the discussions regarding the IA in preliminary form, and the AI of JVCo were finalized.

By Resolution no. 4/10.04.2019 of the Extraordinary General Assembly of Shareholders, the following activities regarding Units 3 and 4 Cernavoda NPP were approved:

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## S.N. Nuclearelectrica S.A.

Notes to the Simplified Individual Financial Statements prepared on the date and for the period of 3 months that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

1. Approval of the Preliminary Form of the Investors Agreement regarding Units 3 and 4 Cernavoda NPP concluded between China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment (RO) CO.S.A. and S.N. Nuclearelectrica S.A. (item 2 of EGMS agenda from April 10, 2019);
2. Approval of the authorization of the Chairman of the Board of Directors of S.N. Nuclearelectrica S.A. to sign the Preliminary Form of the Investors Agreement (item 1 above), in the name and on behalf of the Company (item 3 of EGMS agenda from April 10, 2019);
3. Approval of the authorization of the Board of Directors of S.N. Nuclearelectrica S.A. to initiate and carry out the necessary steps to finalize the Articles of Incorporation of the project company, in accordance with the provisions set in the Preliminary Form of the Investors Agreement (item 1 above); the mandate thus granted to the Board of Directors of SNN may be assigned to the executive management, and the final form of the Articles of Incorporation of the project company will be submitted for the approval of the Extraordinary General Meeting of Shareholders of SNN (item 5 of EGMS agenda from April 10, 2019).

On May 8, 2019, SN Nuclearelectrica SA and China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment signed the Preliminary Form of the Investors Agreement regarding the continuation of the Units 3 and 4 Cernavoda NPP Project. CGN has also finalized its internal approval process for the agreement. The Preliminary Form of the Investors Agreement stipulates the establishment of the project company (JVCO) with the sole purpose of being the only technical and operational platform for the further development of the Project. The deadline for the establishment of the JVCO is of 60 business days as of the signing of the Preliminary Form of the Investors Agreement.

Regarding the activity of Energonuclear S.A.:

- With the EGMS Resolution of SNN no. 4/11.07.2017, the shareholders of SNN approved the granting by SNN of a loan convertible in shares amounting to maximum RON 4,000,000 to the Energonuclear S.A. ("EN") branch, in order to finance the maintenance and conservation activities for the site of Units 3 and 4 of Cernavoda NPP; on 31.03.2019, Energonuclear requested an installment of RON 2,500,000 to be granted from the maximum amount, for which SNN registered an interest of RON 54,431, capitalized;

Considering the aforementioned aspects, as well as the stage of the negotiations with the Selected Investor for the development of the Project of Units 3 and 4 of Cernavoda NPP, the Company's management is confident that the project developed by Energonuclear and which will be continued by the new project company, will continue in the future and there will be a demand in the future for the electricity to be produced by Units 3 and 4. Thus, the Company's management considers that the investment in Energonuclear S.A. will be recovered, in line with the Strategy.

## 6. INVENTORIES

On March 31, 2019 and December 31, 2018, the inventories are as follows:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Spare parts	141,397,418	141,293,048
Consumables and other materials	36,522,441	40,636,148
Nuclear fuel	144,891,422	134,039,382
Uranium	34,791,814	38,490,987
Other inventories	15,322,336	14,282,835
<b>Total</b>	<b>372,925,431</b>	<b>368,742,400</b>

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**7. TRADE RECEIVABLES AND OTHER RECEIVABLES**

On March 31, 2019 and December 31, 2018, the trade receivables and other receivables are as follows:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Trade receivables	193,464,512	168,524,274
Adjustments for impairment of trade receivables	(10,360,273)	(10,858,933)
Other receivables	18,656,631	23,029,979
Adjustments for impairment of other receivables	(3,078,604)	(3,190,028)
Taxes and duties	6,382,049	6,189,298
<b>Total</b>	<b>205,064,315</b>	<b>183,694,590</b>

As at 31 March 2019, the significant trade receivables in balance are from: Electrica Furnizare S.A. – RON 43,774,208 (December 31, 2018 – RON 21,322,519), E.ON Energie Romania S.A. – RON 17,302,351 (December 31, 2018 – RON 11,176,963), GEN-I d.o.o. – RON 13,990,336 (December 31, 2018 – RON 18,411,098), Enel Energie S.A. – RON 13,946,790 (December 31, 2018 – RON 7,368,390), Alro S.A. – RON 11,760,499 (December 31, 2018 – RON 12,650,998).

**8. CASH AND CASH EQUIVALENTS**

On March 31, 2019 and December 31, 2018, the cash and cash equivalents are as follows:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Cash and cash equivalents in RON	1,822,883,026	1,606,936,087
Cash and cash equivalents in foreign currencies	5,162,637	4,239,679
<b>Total cash and cash equivalents</b>	<b>1,828,045,663</b>	<b>1,611,175,766</b>

The "Cash and cash equivalents" position also includes bank deposits with an initial maturity of less than one year, amounting to RON 1,616,398,500 (December 31, 2018: RON 1,438,730,983), as well as the amount of RON 4,536,598 representing letters of credit issued in favor of providers of equipment, spare parts, services and technical support (December 31, 2018: RON 2,945,617).

On March 31, 2019 and December 31, 2018, all bank deposits presented under the "Bank deposits" position are in RON.

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Bank deposits	<b>41,363,543</b>	<b>20,954,979</b>

On June 31, 2019, the Company is in possession of letters of guarantee issued by different banks at the request of the Company in favor of third parties, for a total value of RON 117,614,472 (December 31, 2018: RON 126,373,507), for which a cash collateral in the form of collateral deposits was established, divided as follows: RON 16,992,474 in the "Cash and cash equivalents" position (December 31, 2018: RON 0) related to letters of bank guarantee with maturity of less than 3 months, RON 41,363,543 under the "Bank deposits" position (December 31, 2018: RON 20,954,979) related to letters of bank guarantee with a maturity of up to one year and RON 59,258,455 under the

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"Financial assets" position for letters of bank guarantee with a maturity of over one year (December 31, 2018: RON 105,418,528). These letters of bank guarantee are related to the Company's participation on the electricity market, mostly representing the Company's sales of electricity.

As at March 31, 2019 and December 31, 2018 the "Financial assets" position included the previously mentioned collateral deposits, as well as the amount of RON 5,032,931 representing the Company's contribution as new member of the European Liability Insurance for the Nuclear Industry ("ELINI").

**9. LOANS**

The loan reimbursements in the period of 3 months that ended on March 31, 2019 were as follows:

	<u>Curren cy</u>	<u>Interest rate</u>	<u>Value</u>	<u>Year of final maturity</u>
<b>Balance as at January 1, 2019 (audited)</b>			<b>909,860,972</b>	
New issues				
<b>Reimbursements, out of which</b>			<b>(33,262,580)</b>	
Societe Generale - ANSALDO BC	EUR	EURIBOR 6M + 0.45%	-	2022
Societe Generale - AECL BC	CAD	CDOR 6M + 0.375%	-	2022
EURATOM	EUR	EURIBOR 6M + 0.08%	(33,262,580)	2024
<b>Exchange rate differences</b>			<b>(26,690,844)</b>	
<b>Balance as of March 31, 2019 (unaudited)</b>			<b>903,289,236</b>	

**(i) Long term loans**

As at March 31, 2019 and December 31, 2018, the long-term loans from credit institutions are as follows:

	<u>March 31, 2019 (unaudited)</u>	<u>December 31, 2018 (audited)</u>
Societe Generale - ANSALDO BC	128,167,965	125,506,545
Societe Generale - AECL BC	241,687,671	228,883,938
EURATOM	533,433,600	555,470,490
<b>Total long-term loans from credit institutions</b>	<b>903,289,236</b>	<b>909,860,973</b>
<b>Less: Current portion of long-term loans</b>	<b>(216,170,000)</b>	<b>(209,456,905)</b>
<b>Less: Balance of commitment and insurance fees (long term)</b>	<b>(14,792,939)</b>	<b>(16,436,599)</b>
<b>Total long-term loans net of the short-term portion</b>	<b>672,326,297</b>	<b>683,967,469</b>

**(ii) Short-term loans**

As at March 31, 2019 and December 31, 2018, the short-term borrowings are as follows:

	<u>March 31, 2019 (unaudited)</u>	<u>December 31, 2018 (audited)</u>
Current portion of long-term loans	216,170,000	209,456,905
Interests related to the long-term borrowings	2,255,340	511,595
Short-term transaction costs	(6,574,640)	(6,574,640)
<b>Total short-term loans</b>	<b>211,850,700</b>	<b>203,393,860</b>

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**10. EMPLOYEE BENEFIT OBLIGATIONS**

As of March 31, 2019 and December 31, 2018, the employee benefit obligations are as follows:

Retirement benefits	24,806,444
Anniversary bonuses	5,047,533
Benefits in case of death	977,098
Retirement benefits in the energy field	7,786,273
<b>Total</b>	<b>38,617,348</b>

On March 31, 2019 and December 31, 2018, the Company has the following obligations:

- to pay the employees who are retiring retirement premiums ranging between 2 and 3 basic salaries according to the number of years of seniority in the field of electric, thermal and nuclear energy;
- to pay the employees jubilee premiums according to the number of years of uninterrupted seniority in the field of electric, thermal and nuclear energy;
- to pay the aid to the family of the employee, in the event of his/her death;
- to pay employees who are retiring an energy benefit, representing the equivalent value of 1,200 KWh/year electricity share. The awarding criterion for this benefit is the 15 year old seniority in the field of energy, of which at least the last 10 years within SNN. This benefit is granted as of April 1, 2017.

The following assumptions were taken into account for the application of IAS 19 "Employee Benefits" on December 31, 2018:

Assessment date	December 31, 2018
Number of employees	2,059
Rate of wage increase	SNN's management estimated an increase in the annual rate of increase in consumer prices communicated by the National Prognosis Commission. The evolution of the price increase estimated by the Winter Forecast 2018 is: 2.8% in 2019 2.5% in 2020 2.3% in 2021 2.2% in 2022 For 2023 and the following years: average salary increase with the annual inflation rate.
Rate of kWh price increase	kWh price updated on 31.12.2018: RON 0.6629. For 2019-2030: estimates provided by SNN and development on the same trend for the years to come.
Real average productivity	2.05%
Mortality tables	Mortality rates in Romania in 2013
Gross average wage	8,318

The above assumptions have been considered taking into account:

- The actual average efficiency is calculated based on the estimation of the inflation rate and government bonds efficiency on the active market as at December 31, 2018 and for the residual term to maturity of 1 - 10 years and 13 years.
- Mortality rate used is the one communicated by the National Institute of Statistics.
- A discount rate of 4.02%.

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**11. TRADING AND OTHER LIABILITIES**

On March 31, 2019 and December 31, 2018, trading and other liabilities are as follows:

	<b>March 31, 2019</b> <b>(unaudited)</b>	<b>December 31, 2018</b> <b>(audited)</b>
Non-current assets suppliers	14,664,803	14,722,450
Trade payables	101,919,731	60,462,083
Obligations on employee benefits	34,251,078	24,440,168
Payables to the State	21,774,397	89,292,102
Dividends payables	588,220	4,278,146
Other payables	3,615,460	3,912,931
<b>Total</b>	<b>176,813,689</b>	<b>197,107,880</b>

As at 31 March 2019, the main suppliers in balance are: ANRE – The National Energy Regulatory Authority – RON 42,499,390 (December 31, 2018 – RON 0), Apele Romane Bucuresti (*Romanian Waters Administration*) – RON 11,554,935 (December 31, 2018 – RON 11,951,605), BWXT Nuclear Energy Canada – RON 8,209,843 (December 31, 2018 – RON 0), General Concrete SRL – RON 5,275,387 (December 31, 2018: RON 5,160,292).

**12. PROVISIONS FOR RISKS AND EXPENSES**

On March 31, 2019, the Company recognized the following provisions, included under the position "Provisions for risks and expense" and the position "Current share of provisions for risks and expenses":

	<b>March 31, 2019</b> <b>(unaudited)</b>	<b>December 31, 2018</b> <b>(audited)</b>
Obligations regarding the Intermediary Used Fuel Storage (DICA)	63,436,195	60,633,302
Obligations regarding the low and medium radioactive and non-radioactive waste	95,147,916	97,648,239
Salary increase litigation provision	34,937,153	34,937,153
Employees' participation to the profit	25,350,000	16,000,000
Provisions for litigations	7,495,641	7,495,641
<b>Total</b>	<b>226,366,905</b>	<b>216,714,335</b>

On March 31, 2019, the provisions in the total amount of RON 226,366,905 represent long-term and short-term liabilities, as follows:

	<b>Long-term</b> <b>share</b> <b>(&gt; 1 year)</b>	<b>Current</b> <b>share</b> <b>(&lt; 1 year)</b>
Obligations regarding the Intermediary Used Fuel Storage (DICA)	39,167,214	24,268,981
Obligations regarding the low and medium radioactive and non-radioactive waste	84,538,643	10,609,273
Salary increase litigation provision	34,937,153	-
Employees' participation to the profit	-	25,350,000
Provisions for litigations	7,495,641	-
<b>Total</b>	<b>166,138,651</b>	<b>60,228,254</b>

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**13. REVENUES FROM ELECTRICITY SALES***(i) Revenues from electricity sales*

	<b>The period of 3 months that ended on March 31, 2019 (unaudited)</b>	<b>The period of 3 months that ended on March 31, 2018 (unaudited)</b>
Sales of electricity on regulated market	583,823	-
Sales of electricity on free market	661,849,247	539,132,644
Sales of thermal energy	2,995,276	2,109,806
Revenues from green certificates	7,643	3,039
<b>Total</b>	<b>665,435,989</b>	<b>541,245,489</b>

*(ii) The amount of energy sold*

	<b>3 months period that ended on March 31, 2019 (unaudited)</b>	<b>3 months period that ended on March 31, 2018 (unaudited)</b>
Quantity of electricity sold on regulated market (MWh)	3,100	-
Quantity of electricity sold on free market (MWh)	2,740,092	2,757,492
<b>Total</b>	<b>2,743,192</b>	<b>2,757,492</b>

The Company is a participant in the balancing market, but also a Responsible Party in the balancing, according to the conventions concluded with the transport and system operator Transelectrica SA. The quantity of energy sold presented does not include the quantity of energy corresponding to the income from positive unbalances valued on the Balancing Market, amounting to 5,728 MWh for the 3-month period that ended on March 31, 2019 (7,587 MWh for the 3-month period that ended on March 31, 2018).

The Company is developing the activity of producing thermal energy by exploiting the energetic capacities corresponding to the units for producing electrical and thermal energy consisting in two heat switches with a full thermal power of 40 Gcal/h and 46.51 MW. The Company delivers thermal energy to the local thermal energy distribution company SC Utilitati Publice SA Cernavoda, as well as to other final consumers in the locality Cernavoda – business entities, social - cultural institutions. The sales of thermal energy in Q1 2019 amount to RON 2,995,276 (31 March 2018: RON 2,109,806).

The electricity sector is regulated by the National Energy Regulatory Authority (“ANRE”), an autonomous public institution. In 2018 ANRE no longer set for manufacturers delivery obligations under regulated contracts, by abrogating Order no. 83/2013 on the methodology of setting prices for the electricity sold by the manufacturers based on regulated contracts and electricity quantities from the regulated contracts concluded by the manufacturers with last-instance suppliers, after completing the schedule for gradually removing regulated fees. Following the Government Emergency Ordinance no. 114 / 28.12.2018, amending and supplementing Electricity and natural gas law no. 123/2012, by establishing the supply of electricity under conditions regulated by ANRE for household clients, between March 1<sup>st</sup>, 2019 and February 28<sup>th</sup>, 2022 and introducing as an additional obligation of manufacturers to deliver last-instance suppliers, between March 1<sup>st</sup>, 2019 and February 28<sup>th</sup>, 2022, the electricity that is necessary for ensuring the consumption of household consumers for which regulated fees are applied, ANRE issued Order no. 10 / February 01, 2019 for approving the Methodology for setting the prices for the electricity sold by the manufacturers based on regulated contracts and the quantities of electricity from the regulated contracts concluded by the manufacturers with last-instance suppliers. ANRE sets for the manufacturers in the indicated period

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obligations to sell firm quantities of electricity based on regulated contracts. For the year 2019, the quantity attributed to SNN for regulated contracts is 1,377 GWh (out of which 3.1 GWh for the period January 1 - March 31, 2019), and for the following years, the sale obligations based on the regulated contracts attributed to SNN shall be set to a maximum level of 65% of the delivered electricity quantity. Also, ANRE set by annual decision the regulated price that must be charged during the current year; the regulated price is set based on economically justified costs, i.e. cost plus profit margin, using a methodology approved by ANRE.

In the 3-months period that ended on March 31, 2019, the Company sold approximately 0.1% of the energy on the regulated market (the Company did not sell energy on the regulated market in the 3-months period that ended on March 31, 2018). The total quantity of electricity sold in the 3-month period ended on March 31, 2019 is 2,748,920 MWh, compared to 2,765,079 MWh, sold in the 3-month period ended on 31 March 2018. The sale price of the electricity on the regulated market in the 3-months period that ended on March 31, 2019 is 188.33 RON/MWh, value which does not include the tariff for electric energy transmission service paid to Transelectrica S.A. for the introduction of electricity in the electricity transmission network.

**14. EMPLOYEES COSTS**

As of March 31, 2019 and March 31, 2018, the personnel expenses comprise:

	<b>3 months period that ended on March 31, 2019 (unaudited)</b>	<b>3 months period that ended on March 31, 2018 (unaudited)</b>
Wages and salaries	108,573,484	80,553,185
Expenditure on social security and assimilated costs	6,858,565	5,673,567
<b>Total</b>	<b>115,432,049</b>	<b>86,226,752</b>

**15. OTHER OPERATIONAL COSTS**

	<b>3 months period that ended on March 31, 2019 (unaudited)</b>	<b>3 months period that ended on March 31, 2018 (unaudited)</b>
Expenses with third parties services	13,788,717	18,325,642
Expenses with ANDR	24,382,496	24,272,603
Energy and water expenses	19,813,481	19,661,543
Fuel and other consumables expenses	11,126,886	7,698,307
Expenses with ANRE contribution	10,624,847	475,345
Costs of insurance premiums	3,540,855	3,583,630
Transport and telecommunication expenses	1,719,108	1,428,993
Expenses related to provisions and impairments, net	-	1,821,758
Other operating expenses	4,477,130	4,255,139
<b>Total</b>	<b>89,473,520</b>	<b>81,522,960</b>

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**Expenses with ANDR**

Starting with 2007, following the Government Decision no. 1080/September 5, 2007 regarding the safe management of the radioactive waste and the decommissioning of the nuclear installations, the Company is required to make two types of contributions to the ANDR:

- Contribution for the decommissioning of each nuclear unit amounting to 0,6 EUR/MWh of electricity generated and delivered in the system;
- Contribution for the permanent storage of radioactive waste of 1,4 EUR/MWh of electricity produced and generated and delivered in the system.

According to this legislative act, the annual contribution for decommissioning is paid over the projected useful life of both nuclear units, and the direct annual contribution for permanent storage is paid over the operational period of the nuclear units and consequently, ANDR takes responsibility for managing the entire decommissioning process at the end of the useful life of the nuclear plants and the storage of resulting waste.

**Expenses with ANRE contribution**

The contribution paid to ANRE based on the Government Emergency Ordinance no. 114/2018 according to which the Company pays 2% of the turnover achieved from the activities carried out under the licenses held, amounting to RON 10,624,847 (March 31, 2018: RON 475,345). For the year 2018, the contribution was paid based on ANRE Order no. 126/2017, which set a percentage of 0.1% of the turnover achieved from the activities carried out under the licenses held.

**Other operating expenses**

The position "Other operating expenses" includes the expenses related to the operating authorizations paid to CNCAN Bucharest amounting to RON 2,475,000 (March 31, 2018: 2,475,000 RON).

**16. FINANCIAL INCOMES AND EXPENSES**

	<b>3 months period that ended on March 31, 2019 (unaudited)</b>	<b>3 months period that ended on March 31, 2018 (unaudited)</b>
Income from interests	13,591,167	6,554,649
Foreign exchange gains	714,780	18,713,320
<b>Total financial revenues</b>	<b>14,305,947</b>	<b>25,267,969</b>
Foreign exchange losses	(27,825,726)	(1,909,731)
Interest related expenses	(3,958,899)	(3,418,873)
<b>Total financial expenses</b>	<b>(31,784,625)</b>	<b>(5,328,604)</b>
<b>Net financial income/(expense)</b>	<b>(17,478,678)</b>	<b>19,939,365</b>

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**17. INCOME TAX**

The income tax recognized in the profit and loss account is as follows:

	<b>3 months period that ended on March 31, 2019 (unaudited)</b>	<b>3 months period that ended on March 31, 2018 (unaudited)</b>
Current income tax expense	50,850,405	43,893,967
Deferred tax release	(1,393,277)	(720,809)
<b>Total</b>	<b>49,457,128</b>	<b>43,173,158</b>

**18. EARNINGS PER SHARE**

As of March 31, 2019 and March 31, 2018, the result per share is:

(i) *Basic earnings per share*

	<b>3 months period that ended on March 31, 2019 (unaudited)</b>	<b>3 months period that ended on March 31, 2018 (unaudited, retreated)</b>
<b>Net profit in period</b>	<b>219,285,421</b>	<b>176,998,277</b>
Number of ordinary shares at the beginning of the period	301,513,851	301,513,851
Number of ordinary shares issued during the period	-	-
Weighted-average number of ordinary shares at the end of the period	301,513,851	301,513,851
<b>Basic earnings per share (RON/share)</b>	<b>0,73</b>	<b>0,59</b>

(ii) *Diluted earnings per share*

	<b>3 months period that ended on March 31, 2019 (unaudited)</b>	<b>3 months period that ended on March 31, 2018 (unaudited, retreated)</b>
<b>Net profit in the said period</b>	<b>219,285,421</b>	<b>176,998,277</b>
Number of ordinary shares at the beginning of the period	301,513,851	301,513,851
Number of ordinary shares issued during the period	-	-
Number of ordinary shares at the end of the period (a)	301,513,851	301,513,851
Number of shares corresponding to the prepaid share reserve (b)	-	-
<b>Weighted-average number of ordinary shares (diluted) on March 31 (a) + (b)</b>	<b>301,513,851</b>	<b>301,513,851</b>
<b>Diluted earnings per share (RON/share)</b>	<b>0,73</b>	<b>0,59</b>

**19. CONTINGENCIES AND COMMITMENTS**

(i) **Ongoing litigations**

During the three-month period that ended on March 31, 2019, the Company was involved in a number of legal proceedings arising during its normal course of business. The management of the Company regularly analyses the ongoing litigation sand, after consulting with its legal advisers and external lawyers, decides whether to create a provision for the amounts involved or to present them in the financial statements.

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*Notes from 1 - 20 are an integral part of these individual financial statements.*

**S.N. Nuclearelectrica S.A.**

Notes to the Simplified Individual Financial Statements prepared on the date and for the period of 3 months that ended on March 31, 2019

*(All amounts are presented in RON, unless otherwise indicated)*

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In the opinion of the Company's management, there are no current legal actions or claims, which might have significant effects on the financial earnings and the financial position of the Company that has not been included in these simplified individual interim financial statements.

**(ii) Commitments**

As of March 31, 2019, the Company commits to cover operational and investment expenses according to the ongoing contracts for investments and current and normal operations during the basic activity.

As of March 31, 2019, the total value of commitments is fully reflected under the position "Trading and other liabilities".

**(iii) Guarantees**

As of March 31, 2019, the total value of the letters of bank guarantee issued on the name of the Company is of 118 million RON.

As of March 31, 2019, the total value of the letters of bank guarantee issued by the customers in favor of the Company for the contracts concluded on PCCB-NC, PCCB-LE, PCSU and the regulated market is of 305 million RON. These guarantees cover the risk of unfulfilling the contractual obligations assumed by the clients through the energy sale contracts.

**20. SUBSEQUENT EVENTS*****Approving the distribution of the net profit of financial year 2018***

By Resolution no. 5/23.04.2019 of the Ordinary General Assembly of Shareholders of SNN the distribution of the net profit for the financial year 2018 by destinations was approved, the total value of gross dividends in value of RON 378,914,310, the value of the gross dividend per share in value of RON 1.25670615, the dividend payment date, namely the date of June 28, 2019 and the payment methods, according to the report submitted to the shareholders for this item of the agenda (item 5 of EGMS agenda from April 23, 2019).

***Planned stoppage of Unit 2 Cernavoda NPP***

As of May 3, 2019, 11:00 a.m., Unit 2 Cernavoda NPP entered the planned stoppage program, for a period of approximately 32 days, according to the planning of the preventive and corrective maintenance works that need to be performed in this period. The works will be performed under safety conditions for the personnel of the power plant, the public and the environment, according to the procedures used at Cernavoda NPP.

***Signing of the Investors Agreement in preliminary form for the Units 3 and 4 Project***

SN Nuclearelectrica SA and China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment signed on May 8, 2019, the Investors Agreement in preliminary form regarding the continuation of the Units 3 and 4 Cernavoda NPP Project.

**Cosmin Ghita**  
**Chief Executive Officer**

**Adrian Gabriel Dumitriu**  
**Chief Financial Officer**

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**QUARTERLY REPORT**  
**OF THE BOARD OF DIRECTORS OF**  
**S.N. NUCLEARELECTRICA S.A.**  
**(“SNN”)**

**First quarter of 2019**

**Report date: May 2019**

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## 1. BASIS OF REPORT

The quarterly report of the Board of Directors for the period January 1 - March 31, 2019 is drafted in compliance with the provisions of art. 67 paragraph (b) of Law no. 24/2017 on the issuers of financial instruments and market operations.

## 2. FINANCIAL STATEMENT ANALYSIS

The information and the Unaudited Simplified Individual Interim Financial Statements on the date and for the period of 3 months that ended on March 31, 2019 presented in this report are not audited by the financial auditor of S.N. Nuclearelectrica S.A. and were drafted according to the Order of the Ministry of Public Finance no. 2844/2016 for the approval of the Accounting Regulations according to the International Financial Reporting Standards (“IFRS”).

The submitted indicators are in lei (RON) unless otherwise stated.

### 2.1. Financial position statement as of March 31, 2019

The financial position as of March 31, 2019 is presented in **Annex 1**.

<b>Indicator</b> <b>[thousand RON]</b>	<b>March 31, 2019</b> <b>(unaudited)</b>	<b>December 31, 2018</b> <b>(audited)</b>	<b>Variation</b>
Non-current assets	6,511,655	6,671,436	(2.4%)
Current assets	2,505,877	2,194,769	14.2%
<b>Total assets</b>	<b>9,017,532</b>	<b>8,866,205</b>	<b>1.7%</b>
Long-term debts	1,089,505	1,122,870	(3.0%)
Current liabilities	529,611	564,204	(6.1%)
<b>Total liabilities</b>	<b>1,619,116</b>	<b>1,687,074</b>	<b>(4.0%)</b>
<b>Equity</b>	<b>7,398,416</b>	<b>7,179,131</b>	<b>3.1%</b>
<b>Total equity and liabilities</b>	<b>9,017,532</b>	<b>8,866,205</b>	<b>1.7%</b>

**Non-current assets** registered a drop of 2.4% as compared to the level registered on December 31, 2018, especially due to the drop of the net value of the tangible assets by acknowledging the depreciation related to the period January 1 - March 31, 2019. The impact of the period’s depreciation was partially compensated by the investments performed for Units 1 and 2 Cernavoda NPP.

**Current assets** recorded a 14.2% increase as compared to December 31, 2018, mainly due to the increase in cash (cash, cash equivalents and bank deposits) and prepayments for expenses related to the following periods.

**Long-term debts** decreased by 3%, as compared to the values recorded on December 31, 2018. The decrease is mainly caused by the decrease of the long term portion of the external credits contracted from Societe Generale and EURATOM for building and starting up Unit 2 Cernavoda NPP, following the reclassification of the outstanding installments in the short-term portion, gradually with the maturity of the credits.

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**Current debts** decreased by 6.1% compared to the values recorded on December 31, 2018. This decrease was mainly determined by the reduction of the due corporate tax and of the commercial debts and other debts. At the same time, the short-term advance revenues increased following the signing of electricity delivery contracts by paying the delivered energy in advance, for deliveries of electricity in subsequent periods.

## 2.2. Profit and loss account for the 3 months period ended on March 31, 2019

During the period of 3 months ended on March 31, 2019, SNN recorded a net profit of 219,285 thousand lei.

Indicator [thousand RON]	3 months period ended on March 31, 2019 (unaudited)	3 months period ended on March 31, 2018 (audited, restated)	Variation
<b>Production (GWh)*</b>	2,742	2,714	1.0%
Operating income, out of which:	678,007	571,008	18.7%
<i>Income from electricity sales**</i>	665,436	541,245	22.9%
Operating expenses, minus impairment and depreciation	(255,394)	(235,273)	8.6%
<b>EBITDA</b>	<b>422,613</b>	<b>335,735</b>	<b>25.9%</b>
Impairment and depreciation	(136,392)	(135,503)	0.7%
<b>EBIT</b>	<b>286,221</b>	<b>200,232</b>	<b>42.9%</b>
Net financial result	(17,479)	19,939	n/a
Net corporate tax expense	(49,457)	(43,173)	14.6%
<b>Net profit</b>	<b>219,285</b>	<b>176,998</b>	<b>23.9%</b>

\*Electricity produced and delivered by Cernavoda NPP in the National Energy System.

\*\*Including revenues from the sale of thermal energy, insignificant in the total revenues.

**The operational profit (EBITDA)** increased by 25.9% as compared to the same period of the previous year, mainly following the increase of operational revenues by 18.7%, influenced by the increase by 22.9% of the revenues from the sale of electricity.

**The operating income** increased by 18.7%, influenced by the 23.5% increase in the weighted average price of the electricity sold in the first quarter of 2019 as compared to the weighted average price in the first quarter of 2018, given the sale of a total quantity of electricity over the period January 1 - March 31, 2019 similar to the total quantity sold over the period January 1 - March 31, 2018 (only 0.6% decrease).

As compared to the same period of the previous year, the quantity of electricity sold on the competition market of bilateral contracts increased by 9%, and benefited from an increase of the average sale price on this market by 18% (price without Tg), while the electricity quantity sold on the spot market (PZU) decreased by 44%, whereas an average sale price on this market lower by 58% (price without Tg) was registered.

Also, in the 3 months period that ended on March 31, 2019, the company sold approximately 0.1% of the energy on the regulated market (the Company did not sell energy on the regulated market in the 3 months period that ended on March 31, 2018), at regulated price. For the year 2019, in order to comply with the provisions of the Government Emergency Ordinance no. 114/28.12.2018, ANRE issued

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Decision no. 326/2019, by which it established a quantity of energy to be sold by SNN on regulated contracts of 1,377 GWh (out of which 3.1 GWh for the period January 1 - March 31, 2019), and for the following years, the sales obligations based on regulated contracts for SNN to be set at a maximum level of 65% of the amount of electricity delivered. Also, ANRE established by said Decision the regulated price that must be used in 2019, respectively 188.33 RON/MWh, value which does not include the tariff for electric energy transmission service paid to Transelectrica S.A. for the introduction of electricity in the electricity transmission network.

**The operating expenses** increased by 8.6% over the period January 1 - March 31, 2019, as compared to the same period of the year of 2018. This evolution is mainly determined by the increase of the personnel expenses and the slight increase of other operating expenses, partially compensated by the decrease of the expenses for purchased electricity and the repairs and maintenance expenses.

**Net currency exchange differences** negatively influenced the net result, so in the first quarter of 2019, net financial expenses were recorded, while in the same period of the previous year net financial revenues were recorded. The main currencies to which there are exposures are EUR, CAD and USD.

The increase of the **corporate tax expense** diminishes the positive influences of the other elements. This increase was caused by the increase of taxable profit calculated for the first quarter of 2019 compared to that calculated for the same period of the previous year.

The profit and loss account for the period of 3 months that ended on March 31, 2019 is presented in **Annex 2**.

### **2.3. Implementation of the Revenues and Expenses Budget as at March 31, 2019**

At the date of this report, the Revenues and Expenses Budget (“BVC”) of SNN for the year 2019 received a favorable opinion from the Board of Directors. It is subject to the approval of the General Meeting of Shareholders of May 20, 2019.

The company is monitored regarding the compliance with the performance indicators, objectives and criteria, respectively the compliance with the salary payroll level, with the revenues and expenses level, the program to reduce the arrears and the outstanding receivables.

The BVC implementation as at March 31, 2019 is presented in **Annex 3** to this report, compared to the budget endorsed by the Board of Directors.

As per the analysis of the Budget of Revenues and Expenses implementation as at March 31, 2019 (presented in **Annex 3**), a degree of accomplishment of the programmed operating revenues of 97.9% and a reduction of the operating expenses of 9.3% compared to the budgeted level results. The performance level of the total income is 97.1%, higher than the performance level of the total expenses of 90.7%.

### 3. OPERATIONAL ACTIVITIES

#### 3.1. Electricity production

The gross production of electricity of the two operational units of Cernavoda NPP was 2,978,865 MWh in Q1 2019; from this gross production, the own technological consumption of the Units during the operation ensured from own production was 237 thousand MWh in Q1 2019.

Thus, the electricity produced and delivered in the National Energy System (“SEN”) was 2,741,524 MWh in Q1 2019, compared to Q1 2018 (2,713,982 MWh), an increase of 1.01%.

The net electricity production program approved by the Board of Directors for 2019 (revision February 2019) considered a quantity of 10,228,403 MWh; out of this, for the first quarter of 2019, the production program targeted a quantity of 2,723,950 MWh, and was implemented 100.65%.

The installed power usage factor, recorded by each operational unit within the Cernavoda NPP during the first quarter of 2019, and cumulated after the start of commercial usage (Unit 1 on December 2, 1996, Unit 2 on November 1, 2007) until March 31, 2019 was as follows:

Cernavoda NPP unit	January 2019	February 2019	March 2019	Cumulated first quarter 2019	Cumulated from the commercial exploitation
Unit 1	96.78%	96.70%	96.60%	96.69%	90.61%
Unit 2	99.93%	99.76%	99.71%	99.80%	94.68%

In the first quarter of 2019, no planned or unplanned outages were recorded.

#### 3.2. Electricity sales

Within the activity of electricity trading, the Company is obligated to submit letters of bank guarantee to certain contractual partners, according to the provisions stipulated in the electricity sale-purchase contracts. Mainly, these refer to: the contract concluded with C.N. Transelectrica S.A. for electricity transportation (a letter of bank guarantee is not necessary given the status of good payer; the contract provides the situations where the security is mandatory); the agreement concluded with OPCOM S.A. for electricity trading on PZU (Next Day Market ) and PI (Intra-daily Market); regulated contracts, concluded with last resort providers, based on ANRE Decision no. 326/2019; contracts concluded on the PCCB – NC platform (centralized market of bilateral electricity contracts – the trading method according to which contracts are awarded by Continuous Negotiation); contracts concluded on the PCSU platform (centralized market for the universal service), plus tender procedure securities; the agreement for PE (balancing market) concluded with C.N. Transelectrica S.A. and the contract concluded with Ciga Energy S.A. for PE representation.

For the purpose of this activity, over the first quarter of 2019, 5 letters of bank guarantee were issued, out of which, for 3 letters of bank guarantee, collateral deposits were set up at the equivalent amount. The cumulated value thereof is of RON 25,939,236, out of which, for RON 20,012,775, collateral deposits have been set up. Over the period January 1 - March 31, 2019, a number of 12 collateral deposits were liquidated related to the letters of bank guarantee amounting to RON 16,336,897, issued in 2018. On March 31, 2019, there are in the balance 52 letters of bank guarantee amounting to RON



145,762,820, out of which, for 41 letters of bank guarantee, there are collateral deposits set up amounting to RON 117,614,472.

The quantities of electricity sold in the first quarter of 2019 and the corresponding incomes, separated on types of sale contracts, are presented in the table below:

**Electricity sales (quantities, prices and values) during the first quarter of 2019**

Sales by types	Quantities in MWh	% of total sales	Average price [lei/MWh with Tg included]	Revenues from sales [lei]
Sales on the regulated market	3,100	0.1%	189.51	587,481
Sales on the free market (bilateral contracts and PZU sales), out of which:	2,740,092	99.7%	242.29	663,907,130
- Sales on PCCB - LE, PCCB - NC, PCSU, PC - OTC contracts and supply contracts	2,472,958	90.0%	241.11	596,253,284
- PZU sales	267,134	9.7%	253.26	67,653,846
PE positive imbalances <sup>*)</sup>	5,728	0.2%	204.84	1,173,305
<b>Total sales in first quarter of 2019</b>	<b>2,748,920</b>	<b>100%</b>	<b>242.16</b>	<b>665,667,916</b>

<sup>\*)</sup> NB: RON 17,748 of the value presented represents redistributed revenues resulted from the balancing of the system, based on the application of ANRE Order no. 76/2017 and ANRE Order no. 31/2018.

The electricity quantity sold based on contracts, on the spot market (PZU) and on PE is 2,748,920 MWh, 0.62% more than the sales program, of 2,731,878 MWh (sized on the production estimate, without estimating unplanned outages) and 0.58% less than the electricity quantity sold in the same period of 2018.

The difference between the electricity sold by the Company and the electricity produced and delivered by Cernavoda NPP (7.4 thousand MWh) is represented by the electricity purchased to fully cover the contractual obligations, an electricity quantity that was purchased from PE.

The revenues obtained from the electricity market related to electricity deliveries in first quarter of 2019 are of RON 665,667,916 (out of which RON 17,748 represents redistributed revenues resulted from balancing the system, based on the application of ANRE Order no. 76/2017 and ANRE Order no. 31/2018), 0.16% higher than the budget revenues for the first quarter of 2019, and 22.82% higher than the same period of the previous year.

The average weighted sale price, for the electricity quantities sold (without the regulated market and PE), resulted in first quarter of 2019, is of RON 242.29 /MWh (including Tg). For comparison, the weighted average price of all the transactions performed on the markets on which SNN operated in first quarter of 2019 (PCCB - LE, PCCB - NC, PCSU, and PZU), calculated based on the values published by OPCOM in the monthly market reports, is of RON 248.32 /MWh. In first quarter of 2018 the average weighted sale price, for the energy quantities sold (without PE) was of RON 196.29 /MWh (including Tg).

Following the Government Emergency Ordinance no. 114 / 28.12.2018, amending and supplementing Electricity and natural gas law no. 123/2012, by establishing the supply of electricity under conditions regulated by ANRE for household clients, between March 1, 2019 and February 28, 2022 and

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introducing as an additional obligation of manufacturers to deliver to last resort suppliers, between March 1, 2019 and February 28, 2022, the electricity that is necessary for ensuring the consumption of household consumers for which regulated fees are applied, ANRE issued Order no. 10/01.02.2019 for approving the Methodology for setting the prices for the electricity sold by the manufacturers based on regulated contracts and the quantities of electricity from the regulated contracts concluded by the manufacturers with last-instance suppliers. ANRE sets for the manufacturers in the indicated period obligations to sell firm quantities of electricity based on regulated contracts. For 2019, the estimated quantity to be attributed to SNN for regulated contracts is 1,377 GWh (out of which 3.1 GWh for the period January 1 - March 31, 2019), and for the following years, the sale obligations based on the regulated contracts attributed to SNN shall be set to a maximum level of 65% of the delivered electricity quantity. Also, ANRE set by annual decision the regulated price that must be charged during the current year; the regulated price is set based on economically justified costs, i.e. cost plus profit margin, using a methodology approved by ANRE.

In the first quarter of 2019, the energy quantities sold based on contracts concluded on the regulated market were compliant with ANRE Decision no. 326/25.02.2019. ANRE established a regulated price for SNN of RON 188.33 /MWh (without T<sub>g</sub>).

The electricity quantities sold on the competitive market of bilateral contracts represented in first quarter of 2019 a percentage rate of 90% out of the total volume of the sold energy. The average sale price on bilateral contracts in the first quarter of 2019 was RON 241.11 /MWh (with T<sub>g</sub>), recording an increase of 18.3% as compared to the average price recorded in the first quarter of 2018, of RON 203.86 /MWh (with T<sub>g</sub>); given the fact that the values of the electric power input transport fee in the T<sub>g</sub> network were the following: 1.05 lei/MWh for the period July 1, 2017 - June 30, 2018, according to ANRE Order no. 48/22.06.2017 and 1.18 lei/MWh for the period July 1, 2018 - March 31, 2019, according to ANRE Order no. 108/20.06.2018.

On the spot market (PZU), during the first quarter of 2019, a quantity of electricity representing 9.7% of the total sale volumes was sold, compared to the percentage share of 17.3% recorded in the same period of 2018. The energy average selling price on the spot market (PZU) achieved by SNN in first quarter of 2019 was 253.26 lei/MWh (with T<sub>g</sub> included), compared to 160.24 lei/MWh (with T<sub>g</sub> included) recorded during the same period of 2018.

In first quarter of 2019, SNN implemented 178 energy sale contracts, as follows:

- 4 regulated contracts;
- 96 contracts concluded on PCCB - LE;
- 62 contracts concluded on PCCB - NC;
- 13 contracts concluded on PCSU;
- one transaction concluded on PC - OTC;
- 2 supply contracts for 2 end users.

No contracts were terminated and no significant delays were notified compared to the due payment terms provided in the contracts during the first quarter of 2019. In all the cases in which there have been delays, the Company sent notifications and charged penalties according to the contractual provisions.

### 3.3. Expenses in the energy market

Over the first quarter of 2019, the total value of the expenses on the electric power market, incurred by SNN, is of RON 9,089,642, out of which RON 3,349,558 represent expenses on the balancing market (PE), RON 3,234,846 represent Tg (the regulated tariff paid to C.N. Transelectrica S.A. for the injection of the electric power produced by Cernavoda NPP in the electric power transport network), RON 2,211,923 RON represent the quarterly preliminary commitment recognized by SNN for the electricity to be purchased during unplanned outages, RON 4,104 represent the expenses consisting in the equivalent value of the green certificates required to be purchased for the supplied electric power, RON 205,162 represent the tariffs paid to OPCOM S.A. for the sale and purchase transactions carried out on the platforms managed by OPCOM S.A.

The PE expenses in the first quarter of 2019 were in the amount of RON 3,349,558, and the purchased electricity quantity was 7,396 MWh (first quarter of 2018: RON 10,103,087, with the purchased quantity of electric power amounting to 37,900 MWh). This amount represents the equivalent value of the energy received from PE for compensating the negative unbalance, which occurred because of the differences between the energy quantities that were actually delivered and the quantities notified on the market according to the daily estimates for each hourly interval, and the value of the unbalance from notification, the penalties for the partial delivery of the balancing energy and redistributed costs resulted from the system balancing, based on ANRE Order no. 76/2017 and ANRE Order no. 31/2018.

The expenditure on negative imbalances was lower in the first quarter of 2019 compared to the first quarter of 2018, due to uninterrupted operation in the first quarter of 2019 compared to the previous year, when 63.4 hours of unplanned shutdown were recorded.

### 3.4. Investment program on March 31, 2019

At the date of this report, the Revenues and Expenses Budget (“BVC”) of SNN for the year 2019 received a favorable opinion from the Board of Directors. It is subject to the approval of the General Meeting of Shareholders of May 20, 2019.

The total value of the investment program of SNN for 2019 is 256,548 thousand RON (without the component allocated to the payment of the debt service related to long-term loans), a program endorsed by the Board of Directors of SNN.

The comparative situation of the investment accomplishments (value and percentage) for the period January 1 - March 31, 2019 compared to the same period of 2018 is presented in the table below:

Year	Value of the investment program [thousand RON]	Achieved (01.01 - 31.03) [thousand RON]	Achievement level (01.01 - 31.03) (%)
2019	256,548*	16,978	6.6%
2018	244,867	8,448	3.5%

*\*For the year 2019, the investment program is included in the Revenues and Expenses Budget endorsed by the Board of Directors and subject to the approval of OGMS of May 20, 2019, following the drafting of this report.*

As in the previous years, Nuclearelectrica S.A. structured its investment development program on objectives defined in relation to the needs of the production branches (Cernavoda NPP and Pitesti NFF), so as to achieve a high level of utilization of the production capacity (EAF Energy Availability

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Factor) in compliance with the nuclear safety norms and the long-term maintenance of the level of excellence in the operation of the plant. At the same time, the goal of the development program is to cover the necessity to upgrade/refurbish certain systems, for economic reasons (specific consumption reductions, improvement of certain parameters related to served processes, with a positive impact on efficiency), and legal ones – the need to implement upgrades associated with nuclear security, environment protection and labor security, representing imperative requirements from the regulatory authorities in the field.

### ***Analysis of the completion degree of the investment program on March 31, 2019***

The investment program of SNN for 2019 was value-sized by considering the ongoing contractual commitments, the estimates regarding the investment objectives to be made in the following year, including amounts allocated to investment projects for which the fulfillment of certain requirements outside the control of SNN is anticipated (e.g. prior approvals of regulation authorities, legal terms regarding the completion of public tender procedures, including appeals, obtaining the necessary approvals from SNN corporate bodies, etc.), in order to allow the implementation of these projects by fitting into the approved budget values.

The largest investment programs planned to be finalized in 2019 are: acquisition of horizontal and vertical flow detector extraction equipment of the Hesir type, replacing the control part of an excitation system at Unit 2, modules DICA 10 and 11, as well as stage 1 of the modernization and extension of the Physical Protection System. In addition, the investment program includes inspections and capital repairs carried out at Unit 2 during the planned shutdown, other investment projects required within NPP, NFF and the headquarters, as well as investment objectives with completion in the next years.

Out of the investment projects provided in the investment program we mention:

- **“Burnt fuel intermediary storage (including SICA Unit 2)”**: budgeted 12,925 thousand lei – the value achievement degree as of March 31, 2019 is 16.8%. In the period January - March 2019, the necessary costs for the intermediary storage of the burnt fuel were delivered according to the contractual schedule. The assembly works for modules 10 and 11 of the type Macstor 200, as well as the procurement procedure for “Physical Protection Expansion Integration Services to Include Combustion Fuel Storage Modules 9, 10 and 11 DICA-CR 27853” are in progress. At the same time, the “Long-term Strategy for the development of the burned fuel intermediate storage facility and authorization in view of the extension of the lifetime of Units 1 and 2 harmonized with the observations of CNCAN and the Ministry of Environment” was revised and will be endorsed in the Technical - Economic - Scientific Council (“CTES”) of SNN.

- **“Modernization and expansion of the physical security system”**: budget 19,736 thousand lei – the achievement value degree on March 31, 2019 is 9.2%. Physical protection works priority 2, stage 1 of completing the physical protection system of Cernavoda NPP are in progress.

- **“Improving the Cernavoda NPP response, respectively the nuclear security functions in case of events outside the design bases following the nuclear accident occurred at the Fukushima 1 nuclear plant, Japan”**: budget 31,270 thousand lei - achievement value degree as of March 31, 2019 is 4.5%. Within the objective of changing the destination of the existing constructions on the site of Unit 5, the technical and economic documentation for the design activities was completed, and addendum 5 to the contract was signed, after the completion of the project and the approval of the economic documentation by Cernavoda NPP.

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- **“Extending the life cycle of unit 1 by re-tubing the reactor and refurbishing the main systems (studies)”**: budget 3,665 thousand RON - the achievement value degree as of March 31, 2019 is of 3.0%. The procurement procedure for the assessment of the state of the systems and components of the Unit 1 (Condition Assessment) is in the phase of clarification of the received tenders, the signing of the contract is estimated to occur in June. Also, the procedure for extending the lifecycle up to 245,000 EFPH was launched, with tenders being submitted in May.

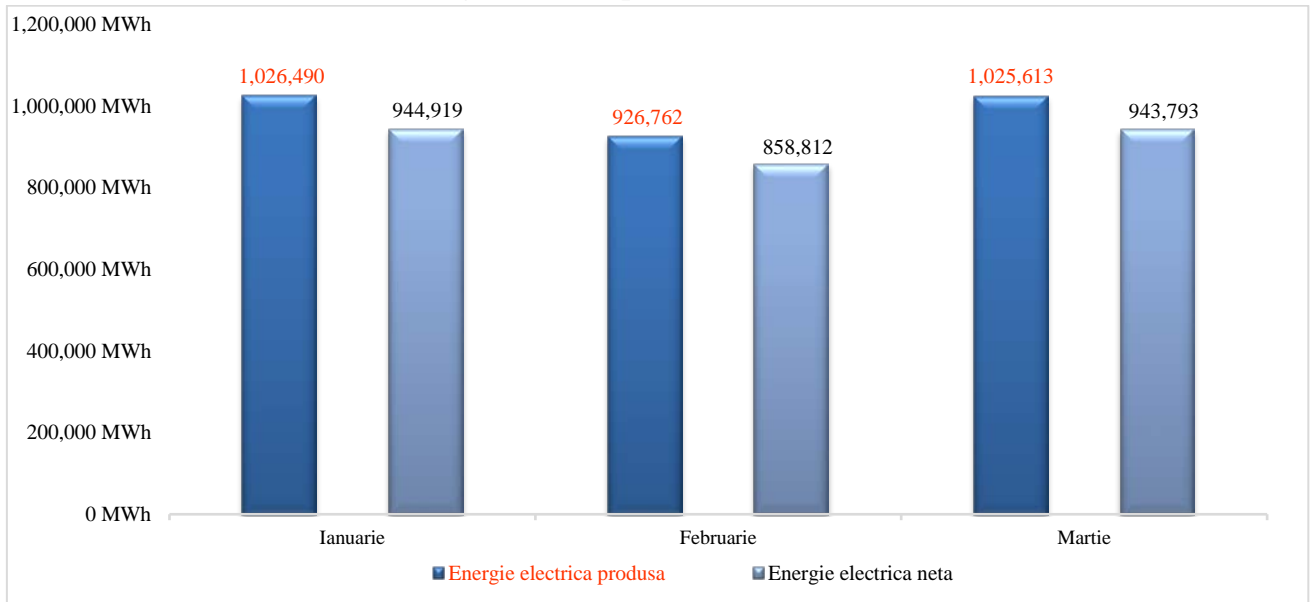
### **3.5. Activity of the Cernavoda NPP Branch**

The operation activity was conducted without events that might have impact an impact on nuclear safety, upon the own personnel, population and environment. The relationship with the regulators was conducted in compliance with the requirements and conditions in the operation licenses.

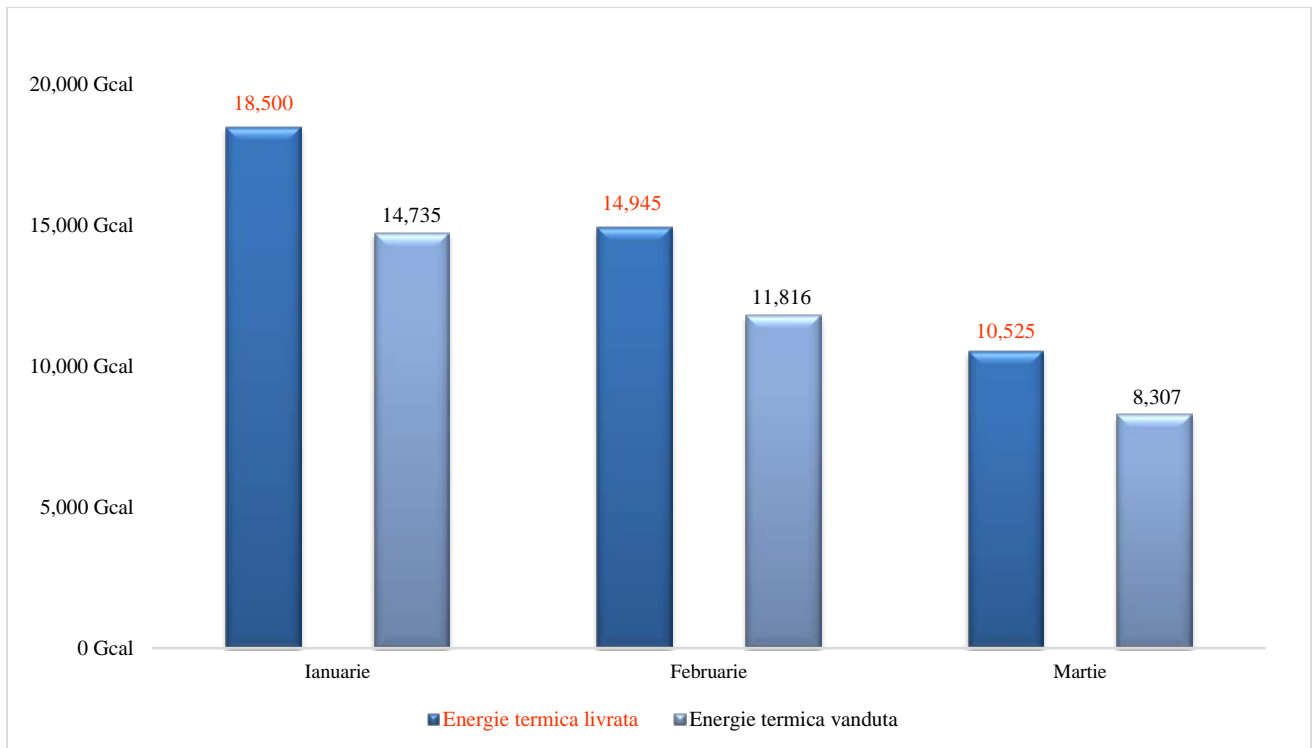
Over the 3 months period ended on March 31, 2019, no operation event exceeding level 1 on the international scale of the nuclear events was registered, regarding the degrading of the in depth defense barriers, impact on the site or outside (INDICATOR 1).

The main indicators of the production activity are shown in the following graphics.

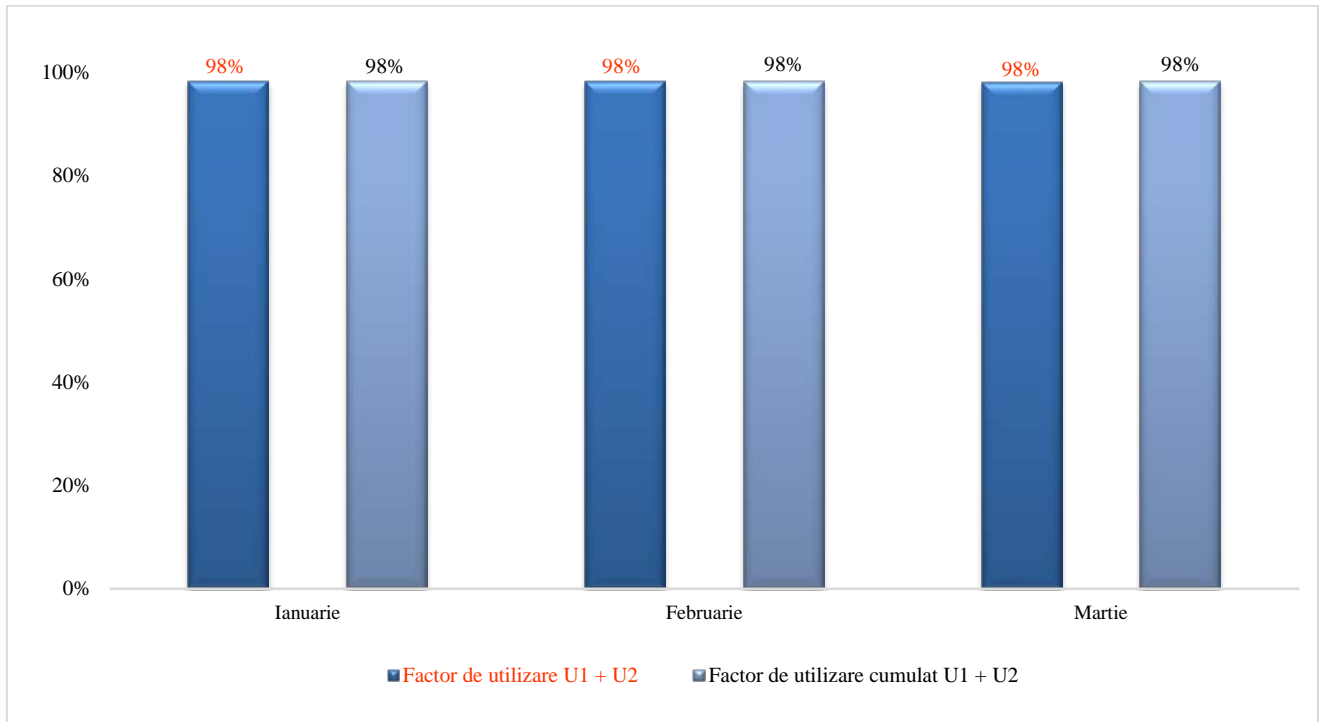
**Produced/net electrical energy U1 + U2 (MWh)**  
**(Produced electrical energy: 2,978,865/Net electricity delivered: 2,747,524)**  
**(Own technological consumption cumulated for 2019: 7.97%)**



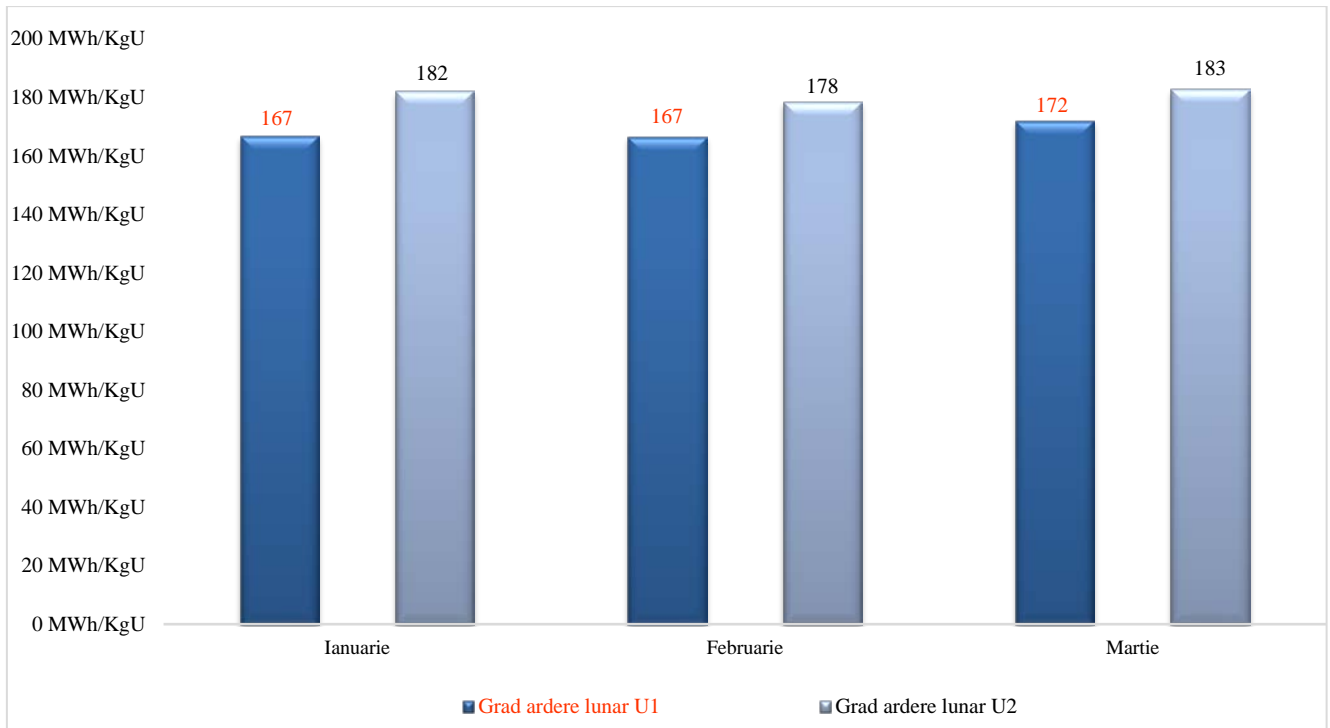
**Thermal energy delivered to the district heating/sold (Gcal)**  
**(Delivered thermal energy: 43,970/Sold thermal energy: 34,858)**



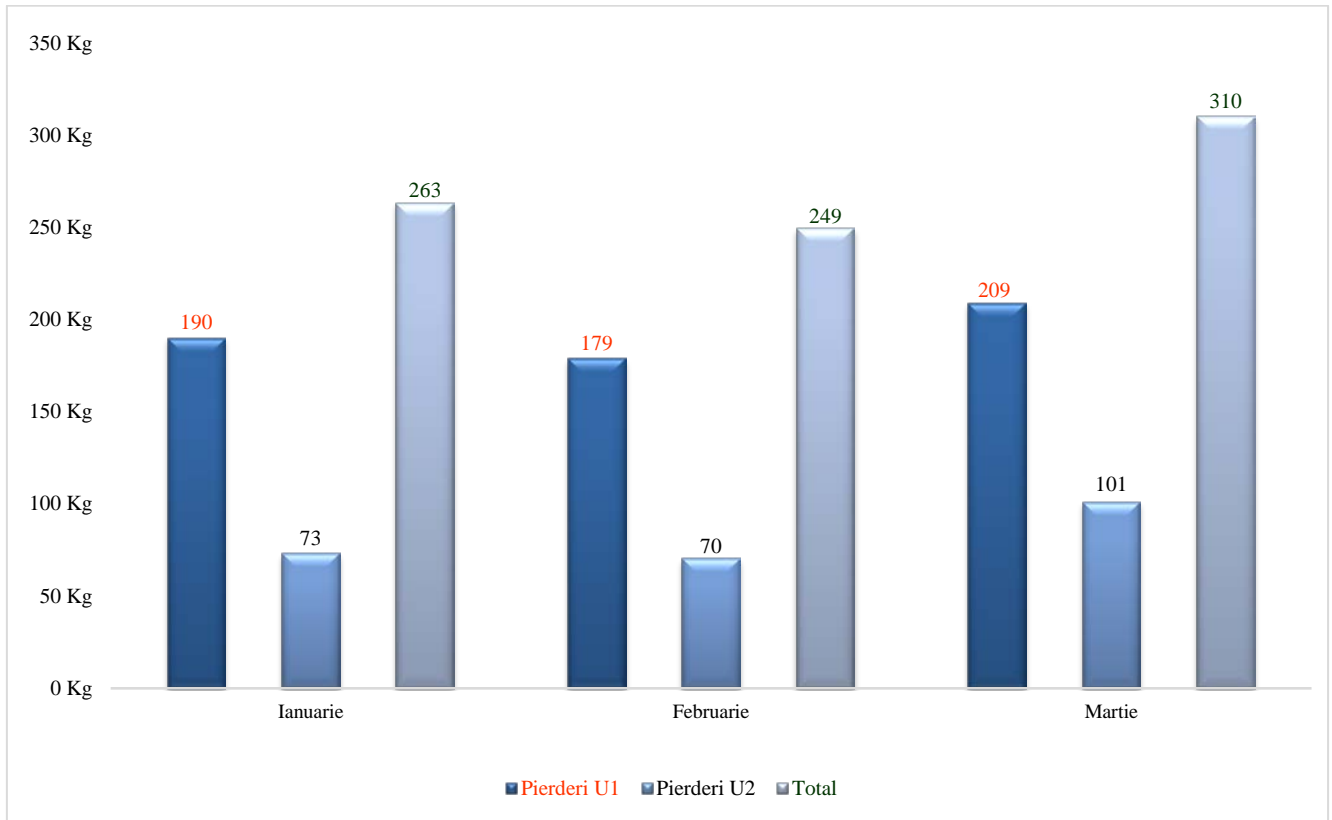
**Installed capacity factor U1 + U2 (%)**  
**(Cumulated 2019: 98.25%)**



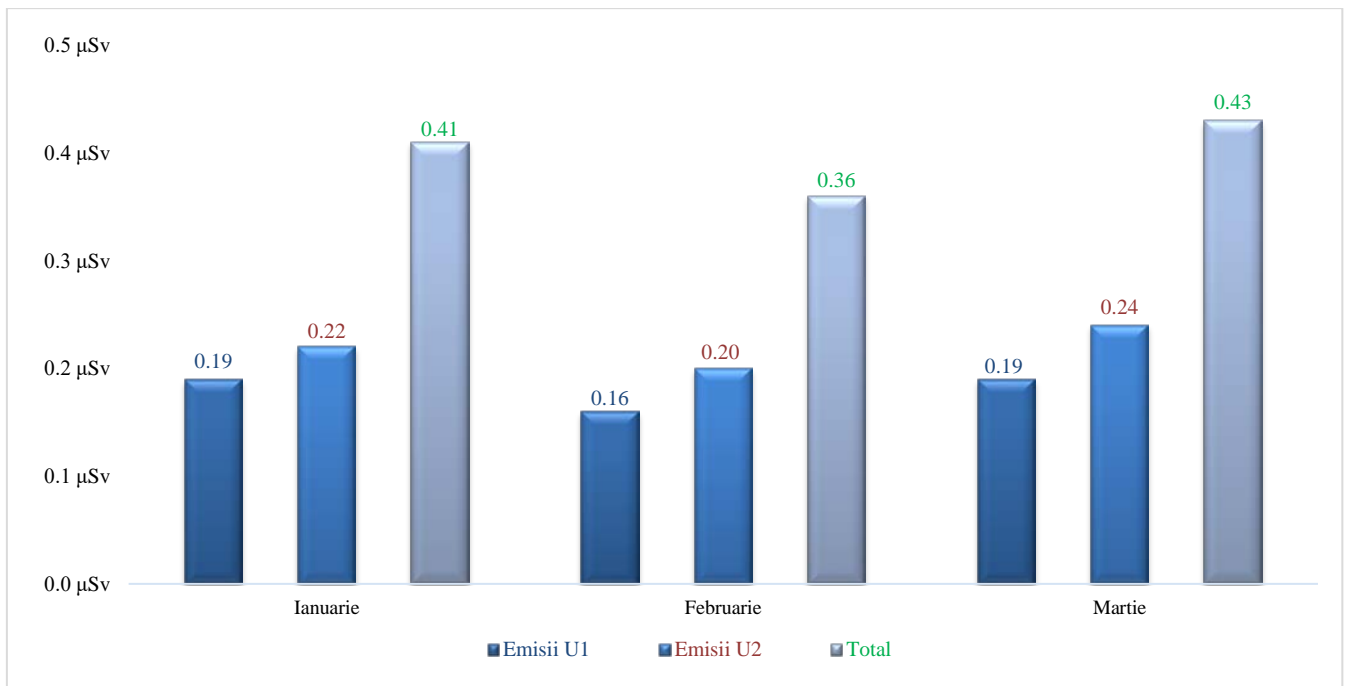
**Nuclear fuel burn up degree (MWh/KgU)**  
**(Cumulated 2019: 175/Provided in the project: min. 156)**



**Heavy water loss U1+U2 (Kg)**  
(Cumulated 2019: 822/Provided: max. 10,280)



**Volume of radioactive emissions in the environment U1+U2 ( $\mu$ Sv)**  
(Total cumulated 2019: 1.2/Annual limit: 250)





### **3.6. Activity of the Pitesti NFF Branch**

In first quarter of 2019, the Pitesti NFF Branch manufactured, controlled and accepted 3,142 nuclear fuel bundles, according to the manufacture plan, all of them within the specifications, and the production of nuclear fuel bundles increased by 7% compared to the same period of 2018, when 2,938 bundles were manufactured, inspected and accepted.

In the period January 1 - March 31, 2019, the Pitesti NFF branch delivered to Cernavoda NPP a quantity of 2,160 nuclear fuel bundles (first quarter of 2018: 2,160 bundles), and complied with the agreed delivery schedule.

In first quarter of 2019, for the production of nuclear fuel, sintered uranium dioxide powder was consumed, at an average price of RON 391.03 /kg, from the existing stock on January 1, 2019, and from the purchases from CNU (National Company of Uranium) - Feldioara Branch.

## **4. OTHER SIGNIFICANT ASPECTS**

### **4.1. The Project for Units 3 and 4 Cernavoda NPP**

The main benchmarks for continuing the Project of Units 3 and 4 Cernavoda NPP in first quarter of 2019 are the following:

- On July 16, 2018, the Board of Directors of SNN endorsed the revised form of the Project Continuity Strategy. The EGMS of SNN approved on September 14, 2018 the reviewed form of the Project Continuation Strategy, in line with the requirements of the Government Memorandum.
- At the meeting of October 8, 2018, the Board of Directors has appointed a new negotiation commission, granting to this new commission a reviewed mandate related to the terms and conditions on continuing the negotiations for the establishment of a new JVCo, approved the reviewed preliminary format of investor Agreement and Articles of Incorporation for JVCo, so these documents may be sent to CGN.
- On November 22, 2018, a meeting took place between the National Energy Administration ("NEA") / CGN (the Chinese side) and the Ministry of Energy ("ME") / SNN (the Romanian side) at the ME headquarters in the context of the invitation of the Romanian party to resume the institutional dialogue on the Intergovernmental Agreement ("IGA").
- By the Decision of the Prime Minister no. 318 of December 18, 2018, the Working Group was established for the negotiation of the Intergovernmental Agreement between Romania and the People's Republic of China on the cooperation for the implementation of the Units 3 and 4 Cernavoda NPP Program ("IGA").
- In the period January 21 - 23, 2019, a meeting of the mixed work group Romania - China took place regarding IGA, and the following actions were identified: (1) the JVCO establishment as soon as possible to support the implementation of CfD in Romania, ongoing process; (2) the Romanian party to finalize the preparatory technical measures in view of submitting to the Romanian Parliament and to the European Commission the legislative amendments and updates associated with the adoption of the

CfD mechanism; (3) SNN and CGN to resume negotiations on the Investors Agreement (“IA”) in preliminary form.

- In meeting of February 4, 2019, the SNN Board of Directors approved the revised mandate of the SNN Negotiating Committee to negotiate the IA and the Articles of Incorporation (“AI”) in a preliminary form to allow the establishment of JVCo by initial minimal cash contribution, calibrated to the development needs of the Project.

- On March 15, 2019, the discussions regarding the IA in preliminary form, and the AI of JVCo were finalized.

- By Resolution no. 4/10.04.2019 of the Extraordinary General Assembly of Shareholders, the following activities regarding Units 3 and 4 Cernavoda NPP were approved:

1. Approval of the Preliminary Form of the Investors Agreement regarding Units 3 and 4 Cernavoda NPP concluded between China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment (RO) CO.S.A. and S.N. Nuclearelectrica S.A. (item 2 of EGMS agenda from April 10, 2019);

2. Approval of the authorization of the Chairman of the Board of Directors of S.N. Nuclearelectrica S.A. to sign the Preliminary Form of the Investors Agreement (item 1 above), in the name and on behalf of the Company (item 3 of EGMS agenda from April 10, 2019);

3. Approval of the authorization of the Board of Directors of S.N. Nuclearelectrica S.A. to initiate and carry out the necessary steps to finalize the Articles of Incorporation of the project company, in accordance with the provisions set in the Preliminary Form of the Investors Agreement (item 1 above); the mandate thus granted to the Board of Directors of SNN may be assigned to the executive management, and the final form of the Articles of Incorporation of the project company will be submitted for the approval of the Extraordinary General Meeting of Shareholders of SNN (item 5 of EGMS agenda from April 10, 2019).

- On May 8, 2019, SN Nuclearelectrica SA and China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment signed the Preliminary Form of the Investors Agreement regarding the continuation of the Units 3 and 4 Cernavoda NPP Project. CGN has also finalized its internal approval process for the agreement. The Preliminary Form of the Investors Agreement stipulates the establishment of the project company (JVCO) with the sole purpose of being the only technical and operational platform for the further development of the Project. The deadline for the establishment of the JVCO is of 60 business days as of the signing of the Preliminary Form of the Investors Agreement.

#### **4.2. The litigation initiated by the Union of Cernavoda NPP and employees of the Cernavoda NPP Branch**

On the docket of the Constanta Court, a case was filed against SNN, no. 5802/118/2017, and its scope is unpaid salary rights, representing the equivalent value of the occupational risk (hazardous conditions) bonus, and the plaintiff is the Union of Cernavoda NPP on behalf of 757 employees of the Cernavoda NPP Branch.

The company deems these claims as groundless, as all due salary rights were paid to the employees, including the amounts of money that are subject to this litigation. The court rejected the exception of the work authority on trial, invoked by SNN, as groundless, and approved the evidence with

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documents and accounting studies, and prorogated the technical study related to the classification in the radiological risk areas after SNN submitted the documents. The following hearing is on March 17, 2019.

#### **4.3. The litigation initiated by the Free Union Energetica Nucleara '90 and employees of the Cernavoda NPP Branch**

On the docket of the Constanta Court, a case was filed against SNN, no. 7036/118/2017, and its scope is unpaid salary rights, representing the equivalent value of the occupational risk (hazardous conditions) bonus, and the plaintiff is the Energetica Nucleara '90 on behalf of 291 employees of the Cernavoda NPP Branch.

The company deems these claims as groundless, as all due salary rights were paid to the employees, including the amounts of money that are subject to this litigation. The court approved the evidence with documents and accounting study, and prorogated the technical expertise related to the classification in the radiological risk areas after SNN submitted the documents. The following hearing is on March 17, 2019.

#### **4.4. The litigation initiated by S.N. Nuclearelectrica S.A. against ArcelorMittal Galati S.A.**

The court of Galati rejected the claim of SNN to order ArcelorMittal Galati S.A. to pay 8,645,467.52 lei as damage compensations following the termination of the electricity sale-purchase contract on the centralized market of electricity bilateral contracts (PCCB) no. 207 of February 22, 2013 before the expiry date, namely on September 30, 2014 (file no. 3490/121/2015).

SNN formulated an appeal against this judgment, and after the appeal, the Court of Appeal of Galati ordered ArcelorMittal Galati S.A. to pay the entire amount as damage compensations, plus trial expenses. ArcelorMittal Galati S.A. appealed the appeal judgment.

At the second appeal, the appeal brought by the appellant-defendant ArcelorMittal Galati S.A. was upheld and the case was sent for re-judgment to the Court of Appeal of Galati.

The parties concluded a payment agreement whereby ArcelorMittal Galati S.A. undertook to pay the amount it was ordered by the court in 12 monthly instalments plus the related remuneration legal interest. Until now, the first ten instalments have been paid and, at this time, the agreement is suspended until the date of rendering the resolution in File no. 3490/121/2015 (retrial) on the docket of the Court of Appeal of Galati.

#### **4.5. Amendment of the Articles of Incorporation of the Company**

By Resolution no. 2/04.01.2019 of the Extraordinary General Assembly of Shareholders, the amendment of the Articles of Incorporation of SNN, according to the report submitted to the shareholders for this item on the agenda (item 2 of the EGMS agenda of January 4, 2019), was approved. The amendment is as follows: adding par. (7) to art. 8 which is specifying that the Board of Directors is authorized, for a period of three years, to increase the share capital by issuing new shares in exchange for the contributions of the shareholders up to an authorized capital value of RON 3,015,427,983.

#### **4.6. Activities approved for the increase of the share capital**

Resolution no. 2/04.01.2019 of the Extraordinary General Assembly of Shareholders approved the following activities for the increase of the share capital:

1. The appointment by the Trade Registry Office attached to the Bucharest Court of Law of an authorized assessor to appraise the land located on 23 Energiei Street, Cernavoda, Constanta County, in order to increase the share capital of S.N. Nuclearelectrica S.A., as per the note forwarded to the shareholders with regard to this item of the agenda (item 3 of EGMS agenda from January 4, 2019);
2. Conferral of power to the Board of Directors for S.N. Nuclearelectrica S.A. share capital increase up to a maximum value of authorized registered capital of RON 3,015,427,983 lei, according to the note forwarded to the shareholders in relation to this item of the agenda (item 4 of EGMS agenda from January 4, 2019).

#### **4.7. Appraisal mission lead by the World Association of Nuclear Operators “WANO”**

By the Current Report published on January 30, 2019, S.N. Nuclearelectrica S.A. is notifying the shareholders and investors on the appraisal mission lead by the World Association of Nuclear Operators “WANO” between 5 – 12 November 2018. This appraisal, carried out at the request of S.N. Nuclearelectrica S.A., by a team of 25 international experts sent by nuclear power plants from all over the world, concluded that the level of nuclear security at Cernavoda NPP is high.

#### **4.8. Changes in the management of the Company**

By Resolutions no. 2/04.02.2019 and no. 3/04.02.2019, SNN Board of Directors has approved the appointment of the Chief Executive Officer, Deputy Executive Officer and Chief Financial Officer for a period of 4 years, starting on February 11, 2019, as follows: Mr. Cosmin Ghita – as Chief Executive Officer; Mr. Dan Laurentiu Tudor – as Deputy Executive Officer and Mr. Adrian Gabriel Dumitriu – as Chief Financial Officer.

#### **4.9. Approval of regulated prices and quantities for the period March 1, 2019 - December 31, 2019**

By the Current Report published on February 27, 2019, S.N. Nuclearelectrica S.A. informs the shareholders and the investors about the Decision of the National Energy Regulatory Authority no. 326/25.02.2019, according to which S.N. Nuclearelectrica S.A. has the obligation to sell 1,377,328,968 MWh on the regulated market between March 1, 2019 - December 31, 2019 (March - April 2019, and July - December 2019, respectively), representing 13.4% of the total production schedules for 2019 at the regulated price of RON 188.33/MWh. This regulated price does not include the electricity transmission fee, in the amount of RON 1.18 / MWh (according to the Order of the National Regulatory Authority for Energy No. 108 / 20.06.2018).

#### **4.10. Signing the Memorandum of SNN – NuScale Power**

On March 19, 2019 a Memorandum of Agreement was signed with NuScale Power for an exchange of technical and economic information on the innovative nuclear technology developed by NuScale Power: nuclear power plant based on light water modular reactors to provide electricity, heat, desalination. This technology is the first and only technology subject to a certification assessment by the Nuclear Regulatory Commission of the United States, globally. The purpose of this Memorandum

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is to evaluate the development, authorization and construction of small modular reactors as a potential long-term solution for Romania.

#### **4.11. Approving the distribution of the net profit of financial year 2018**

By Resolution no. 5/23.04.2019 of the Ordinary General Assembly of Shareholders of SNN the distribution of the net profit for the financial year 2018 by destinations was approved, the total value of gross dividends in value of RON 378,914,310, the value of the gross dividend per share in value of RON 1.25670615, the dividend payment date, namely the date of June 28, 2019 and the payment methods, according to the report submitted to the shareholders for this item of the agenda (item 5 of EGMS agenda from April 23, 2019).

#### **4.12. Planned stoppage of Unit 2 Cernavoda NPP**

As of May 3, 2019, 11:00, Unit 2 Cernavoda NPP entered the planned stoppage program, for a period of approximately 32 days, according to the planning of the preventive and corrective maintenance works that need to be performed in this period. The works will be performed under safety conditions for the personnel of the power plant, the public and the environment, according to the procedures used at Cernavoda NPP.

#### **4.13. Major litigations**

The situation of the major litigations (with a value of over RON 500,000) and of the monetary unevaluated ones in progress on March 31, 2019 is presented in **Annex 4**.

#### **4.14. Other information**

The quarterly report of the Board of Directors for the first quarter of 2019 is accompanied by the Unaudited Simplified Individual Interim Financial Statements on the date and for the period of 3 months that ended on March 31, 2019; these financial statements are published on the website of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), section Relations with Investors.

**4. MAIN ECONOMIC FINANCIAL INDICATORS ON 31.03.2019**

SNN performances are reflected in the accomplishment of the main economic financial indicators, as follows:

Indicator name	Calculation method	M.U.	Value 31.03.2019 <sup>*)</sup>
<b>1. The current liquidity indicator</b>	Current assets/ Current debts	x	4.73
<b>2. Indebtedness degree indicator</b>			
2.1. Indebtedness degree indicator (1)	Borrowed capital/ Equity x 100	%	9.1%
2.1. Indebtedness degree indicator (2)	Borrowed capital/ Engaged capital x 100	%	8.3%
<b>3. Turnover speed, for client debit items</b>	Average customer balance/ Turnover x 90	days	23
<b>4. Asset turnover speed<sup>**)</sup></b>	Turnover/ Non-current assets	x	0.41

<sup>\*)</sup> Based on the Unaudited Simplified Individual Interim Financial Statements on the date and for the 3 month period ended on March 31, 2019.

<sup>\*\*)</sup> The asset turnover speed is calculated by updating the quarterly turnover (360 days/90 days).

## 5. THE ACHIEVEMENT DEGREE OF THE PERFORMANCE INDICATORS

By Resolution no. 12/28.09.2018 of the Ordinary General Meeting of the Shareholders of SNN, the structure of the Board of Directors of SNN was approved, for a 4 years term, starting with September 28, 2018, as follows:

<b>Item no.</b>	<b>Name and surname</b>	<b>Date of mandate expiry</b>
1.	Iulian – Robert Tudorache <sup>*)</sup>	28.09.2022
2.	Cosmin Ghita <sup>**)</sup>	28.09.2022
3.	Dumitru Remus Vulpescu	28.09.2022
4.	Cristian Gentea	28.09.2022
5.	Elena Popescu	28.09.2022
6.	Cristian Dima	28.09.2022
7.	Mihai Daniel Anitei	28.09.2022

<sup>\*)</sup>Chairman of the Board of Directors of SNN, in virtue of the Resolution of the Board of Directors no. 165/02.10.2018.

<sup>\*\*)</sup>Also occupies the position of General Manager of SNN.

By the Resolution of the Board of Directors no. 187/29.10.2018, the administration component of the Administration Plan was approved. By the Resolution of the Board of Directors no. 33/07.03.2019, the management component of the Administration Plan and the overall Administration Plan were approved.

By Resolution no. 3/10.04.2019 of the Ordinary General Meeting of Shareholders of SNN no. 3/10.04.2019, the following were approved:

- the financial and non-financial performance indicators that will form the annex to the contract of mandate of non-executive directors;
- the equivalent value corresponding to the annual variable component of the remuneration of non-executive directors of the company, amounting to 12 monthly fixed allowances;
- the form of the addendum to be concluded to the contract of mandate of the company's non-executive directors.

**Iulian Robert Tudorache,  
Chairman of the Board of Directors**

**Advised,  
Adrian Gabriel Dumitriu,  
Chief Financial Officer**

**Annex 1 - Financial position statement as of March 31, 2019**

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
	<b>(unaudited)</b>	<b>(audited)</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Tangible assets	6,255,285,359	6,364,461,135
Intangible assets	50,389,335	54,834,052
Financial investments	141,689,201	141,689,201
Financial assets	64,291,386	110,451,459
<b>Total non-current assets</b>	<b>6,511,655,281</b>	<b>6,671,435,847</b>
<b>Current assets</b>		
Inventories	372,925,431	368,742,400
Trade receivables and other receivables	205,064,315	183,694,590
Prepayments	58,478,276	10,201,321
Bank deposits	41,363,543	20,954,979
Cash and cash equivalents	1,828,045,663	1,611,175,766
<b>Total current assets</b>	<b>2,505,877,228</b>	<b>2,194,769,056</b>
<b>Total assets</b>	<b>9,017,532,509</b>	<b>8,866,204,903</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital, out of which:	3,210,641,253	3,210,641,253
<i>Subscribed and paid in share capital</i>	<i>3,015,138,510</i>	<i>3,015,138,510</i>
<i>Inflation adjustments to the share capital</i>	<i>195,502,743</i>	<i>195,502,743</i>
Share premiums	31,474,149	31,474,149
Reserve paid in advance	21,553,537	21,553,537
Revaluation reserve	250,042,251	257,407,532
Retained earnings	3,884,704,843	3,658,054,141
<b>Total equity</b>	<b>7,398,416,033</b>	<b>7,179,130,612</b>
<b>Liabilities</b>		
<b>Long-term debts</b>		
Long term borrowings	672,326,297	683,967,469
Provisions for risks and expenses	166,138,651	182,883,283
Deferred revenues	111,171,127	114,757,293
Deferred tax liability	101,251,438	102,644,715
Obligations regarding employees benefits	38,617,348	38,617,348
<b>Total long term debts</b>	<b>1,089,504,861</b>	<b>1,122,870,108</b>
<b>Current liabilities</b>		
Commercial debts and other liabilities	176,813,689	197,107,880
Current share of provisions for risks and expenses	60,228,254	33,831,052
Due corporate tax	49,388,771	98,958,158
Deferred revenues	31,330,201	30,913,233
Current share of the long-term borrowings	211,850,700	203,393,860
<b>Total current liabilities</b>	<b>529,611,615</b>	<b>564,204,183</b>
<b>Total liabilities</b>	<b>1,619,116,476</b>	<b>1,687,074,291</b>
<b>Total equity and liabilities</b>	<b>9,017,532,509</b>	<b>8,866,204,903</b>

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**Annex 2 – Profit and loss account for the 3 months period that ended on March 31, 2019**

	<b>3 months period ended on March 31, 2019 (unaudited)</b>	<b>3 months period ended on March 31, 2018 (audited, restated)</b>
<b>Incomes</b>		
Proceeds from the sale of electric power	665,435,989	541,245,489
Proceeds from electric power transmission	3,234,846	2,849,577
<b>Total revenues</b>	<b>668,670,835</b>	<b>544,095,066</b>
Other revenues	9,336,485	26,912,946
<b>Operational expenses</b>		
Impairment and depreciation	(136,392,196)	(135,503,155)
Personnel expenses	(115,432,049)	(86,226,752)
Cost of traded electricity	(5,561,481)	(21,114,699)
Repairs and maintenance	(9,773,378)	(13,375,677)
Electricity transmission expenses	(3,234,846)	(2,849,577)
Cost of spare parts	(3,695,675)	(2,711,458)
Cost of nuclear fuel	(28,222,948)	(27,471,664)
Other operating expenses	(89,473,520)	(81,522,960)
<b>Total operating expenses</b>	<b>(391,786,093)</b>	<b>(370,775,942)</b>
<b>Operating profit</b>	<b>286,221,227</b>	<b>200,232,070</b>
Financial expenses	(31,784,625)	(5,328,604)
Financial income	14,305,947	25,267,969
<b>Net finance (costs)/revenues</b>	<b>(17,478,678)</b>	<b>19,939,365</b>
<b>Profit before corporate tax</b>	<b>268,742,549</b>	<b>220,171,435</b>
Net corporate tax expense	(49,457,128)	(43,173,158)
<b>Period profit</b>	<b>219,285,421</b>	<b>176,998,277</b>

## Annex 3 - Execution of the Revenues and Expenses Budget as at March 31, 2019

				thousand RON				
		Indicators	Row no.	BVC 2019 First quarter 2019 advised by the BoD Decision no. 52/10.04.2019, subject to the approval of the OGMS of 20.05.2019	Achieved First quarter of 2019	% Achieved vs. Approved [Col. 5/Col. 4]	Variation (abs.) [Col. 5 - Col. 4]	Variation (abs.) [Col. 7/Col. 4]
1		2	3	4	5	6	7	8
I.		<b>TOTAL REVENUES (Row 2 + Row 5 + Row 6)</b>	1	712,030	691,457	97.1%	(20,573)	(2.9%)
	1.	<b>Total operating income, out of which:</b>	2	691,985	677,151	97.9%	(14,834)	(2.1%)
		c <sub>1</sub> Subsidies, in compliance with the legal provisions in force	3	-	-	-	-	-
		c <sub>2</sub> Transfers, in compliance with the legal provisions in force	4	-	-	-	-	-
	2.	<b>Financial revenues</b>	5	20,045	14,306	71.4%	(5,739)	(28.6%)
	3.	<b>Extraordinary revenues</b>	6	-	-	-	-	-
II.		<b>TOTAL EXPENSES (Row 8 + Row 20 + Row 21)</b>	7	466,225	422,715	90.7%	(43,510)	(9.3%)
	1.	<b>Operating expenses (Row 9 + Row 10 + Row 11 + Row 19)</b>	8	430,956	390,930	90.7%	(40,026)	(9.3%)
	A.	<b>Expenses with goods and services</b>	9	132,514	98,144	74.1%	(34,370)	(25.9%)
	B.	<b>Expenses with taxes, duties and similar payments</b>	10	37,586	37,519	99.8%	(67)	(0.2%)
	C.	<b>Personnel expenses (Row 12 + Row 15 + Row 17 + Row 18)</b>	11	108,308	106,808	98.6%	(1,500)	(1.4%)
	C <sub>0</sub>	<b>Salaries expenses (Row 13 + Row 14)</b>	12	97,656	96,158	98.5%	(1,498)	(1.5%)
	C <sub>1</sub>	<b>Salary expenses</b>	13	91,019	89,521	98.4%	(1,498)	(1.6%)
	C <sub>2</sub>	<b>Bonuses</b>	14	6,637	6,637	100.0%	0	-
	C <sub>3</sub>	<b>Other personnel expenses, out of which:</b>	15	0	0	-	0	-
		a) Expenses with compensations for early release of personnel	16	-	-	-	-	-
	C <sub>4</sub>	<b>Expenses related to the mandate contract and other control authorities, commissions and committees</b>	17	1,385	1,383	99.9%	(2)	(0.1%)
	C <sub>5</sub>	<b>Expenses related to social protection, special funds and other legal obligations</b>	18	9,267	9,267	100.0%	0	-
	D.	<b>Other operational expenses</b>	19	152,548	148,459	97.3%	(4,089)	(2.7%)
	2.	<b>Financial costs</b>	20	35,269	31,785	90.1%	(3,484)	(9.9%)
	3.	<b>Extraordinary expenses</b>	21	-	-	-	-	-
III.		<b>GROSS RESULT (profit/loss) (Row 1 – Row 7)</b>	22	245,805	268,743	109.3%	22,937	9.3%
IV.		<b>CORPORATE TAX</b>	23	45,722	49,457	108.2%	3,735	8.2%
V.		<b>PROFIT AFTER CORPORATE TAX</b>	24	200,083	219,285	109.6%	19,203	9.6%

**Annex 4 – Major litigations in progress on March 31, 2019 (over RON 500 thousand), including the non-monetary evaluated ones**

Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
<b>SNN Executive</b>								
1.	2183/115/2010	Civil Court of Law Caras - Severin	Creditor	S.C. CET Energoterm Resita S.A.	Insolvency Bankruptcy Receivable 580,974.21 lei	Merits	Sentence no. 59/2019 ordered the closure of the insolvency procedure.	-
2.	9089/101/2013	Civil Court of Law Mehedinti	Creditor	Autonomous Administration for Nuclear Activities (RAAN)	Insolvency. Winding-up bankruptcy. Claim 7,828,405.48 lei	Merits	Procedure in progress. In virtue of art. 107 paragraph 1 let. c of Law no. 85/2006. Orders the start of the procedure for the bankruptcy of the debtor. In virtue of art. 107 paragraph 2 of Law no. 85/2006. Appoints as a temporary legal liquidator Euro Insol SPRL.	06.06.2019
3.	7238/120/2012	Civil Court of Law Dambovita	Creditor	S.C. Eco Energy S.R.L.	Bankruptcy Claim 2.464.059,64 lei	Merits	The closure of the insolvency procedure was ordered by Resolution no. 68 of 04.03.2019 and the notification of the Trade Register Office attached to the Dambovita Tribunal for the mention of deregistration.  Admits the proposal of the legal liquidator Aurora Insolvency I.P.U.R.L., on the proposal of closure of the simplified insolvency procedure against the debtor S.C. Eco Energy S.R.L. In virtue of art. 131 of the Insolvency Law. 85/2006, closes the simplified insolvency procedure against the debtor S.C. Eco Energy S.R.L, the creditors being: D.G.R.F.P. Ploiesti by the County Administration of Public Finances Dambovita, A.N.R.E., OET Obedineni Energinii Targovtsi OOD – Bucharest Branch, The National Company for Electricity Transmission „Transelectrica” S.A., Nuclearelectrica S.A., S.C. Enel Distributie Banat S.A. and Transenergo Com S.A. Orders the deregistration of the company Eco Energy S.R.L. from the Trade Register. In virtue of art. 136 of Law no. 85/2006, releases the legal liquidator Aurora Insolvency I.P.U.R.L. of any duties and responsibilities regarding the procedure, de debtor and his estate, creditors, holders of securities. In virtue of art. 4 par. (4) of Law no. 85/2006, orders the payment to the legal liquidator Aurora Insolvency I.P.U.R.L, from the special liquidation fund managed by U.N.P.I.R., of the amount of RON 4,000, representing the fee, of the amount of RON 396.85, representing procedural expenses and of the amount of RON 571.20, representing the costs	Settled.

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
							of archiving and storing the documents of the debtor company. In virtue of art. 135 of Law no. 85/2006, orders the notification of this judgement to D.G.R.F.P. Ploiesti – County Administration of Public Finances and the Trade Register Office attached to the Dambovita Tribunal for the mention of deregistration. With appeal within 7 days from the intimation. Passed in a public session today, March 4, 2019.	
4.	873/1259/2008	Civil Court of Law Arges	Creditor	Termoficare 2000 S.A.	Insolvency Bankruptcy. Claim 2.713.986,71 lei	Merits	Procedure in progress.	17.09.2019
5.	18770/3/2007	Civil Court of Law Bucharest	Creditor	S.C. Con - Dem S.A.	Insolvency Bankruptcy. Claim 2,446,227.08 lei. The receivable approved in the payment program is RON 2.079,293.02 (85% of the receivable accepted in the table).	Merits	Procedure in progress.	08.05.2019
6.	3793/2/2013	Administrative Court of Appeal High Court of Cassation and Justice	Appellee	Greenpeace CEE Romania	Cancellation of the resolution of the environmental agreement and of the environment agreement related to the Project Units 3 and 4.	Second appeal	<p>Merits</p> <p>Admits the exception of lack of object of the second head of the initial petition (cancellation of the environment agreement regarding the project "Continuation of the construction works and completion of Units 3 and 4"). Rejects head II of the initial petition filed in relation to the cancellation of the environment agreement for the project "Continuation of construction and completion works of Units 3 and 4 Cernavoda NPP", as devoid of object. Overrules the rest of the petition, as it was completed by the additional petition, as ungrounded.</p> <p>Second appeal</p> <p>The Decision No. 2100 dated June 23rd 2016. Accepts the second appeal filed by the Greenpeace CEE Romania Foundation and the Bankwatch Romania Association against the decision no. 1436 from May 9th, 2014 of the Bucharest Court of Appeal – Section 8th administrative and fiscal department. Reverses the appealed sentence and sends the cause back to the retrial towards the same Court. Final, today, June 23rd, 2016.</p>	25.03.2020

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
							Retrial merits (CAB) Rejects the summons as ungrounded. With appeal within 15 days from the intimation. Decision no. 2208/2017.  Retrial recourse (ICCJ)	
7.	11661/3/2014	Bucharest Court of Appeal Bucharest Court of Law – Retrial	Appellee	S.C. Fondul Proprietatea S.A.	Finding the absolute nullity of EGMS Resolution no. 1/11.03.2014.	Appeal Retrial merits	On the merits (TB) Rejected the request of Fondul Proprietatea accepting the exception of the lack of interest reported to the object of the request.  Appeal CAB Admits the appeal of Fondul Proprietatea, cancels the sentence appealed and sends the case for retrial at the same Court. Final.  Substance retrial (TB) The court ruled the suspension of the case due to the fact that the Bucharest Court of Law and Craiova Court of Appeal asked the Court of Justice of the European Union for some clarifications regarding the possibility of the existence of state aid in relation to the projects that are the scope of EGMS Resolution no. 1/11.03.2014.  In the public session of 19.01.2019, the court takes note of the waiver of judgment. With appeal within 30 days from the intimation.  The request of appeal is submitted to the Bucharest Court of Law - 6 <sup>th</sup> Civil Department.  Document: Resolution 142/19.01.2018.	The judgement was waived.
8.	1794/118/2016	Criminal Court of Law Constanta	Civil party	Bucur Ionel Negulici Elena Olteanu Madalina Encica Ionel Nicola Laurentiu Daramus Victor SC Davy Security S.R.L. as a civil	Prejudice EUR 3,471,463.	Merits	Merits In order to continue the judicial investigation. Discussing the evidence.	15.05.2019

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
				liability party by a legal administrator.				
9.	38724/3/2014	Bucharest Law Court Section II - administrative division	Third party under seizure	The Romanian State by the Ministry of Public Finance.	Appeal to the enforcement and cancelling all the foreclosure decisions from the foreclosure file 22/2014 creditors Multipack S.R.L., European Food S.A., Starmil S.R.L., Micula Ioan.	Merits	Merits In virtue of art. 413, par. 1, point 1 NCPC suspends the trial until the final resolution of case no. 15755/3/2014. With appeal throughout the suspension.	Suspended.
10.	3490/121/2015	Civil Court of Law Galati Court of Appeal Galati ICCJ	Plaintiff	S.C. ArcelorMittal Galati S.A.	Claims RON 8,575,245,78 difference amount energy sale made redundant and other associated expenses.	Merits	Merits Rejects the action to oblige the defendant to pay damages deriving from contract no. 207/22.02.2013 as ungrounded.  Appeal Approves the appeal filed by plaintiff S.N. Nuclearelectrica S.A. against civil judgment no. 278/20.12.2016 issued by Galati Court of Law - Civil Section II in Case File no. 3490/121/2015. Fully changes the appealed judgment and, in retrial. Partially admits the action. Orders the defendant ArcelorMittal Galati S.A. to pay to the plaintiff S.N. Nuclearelectrica S.A. the amount of RON 8,645,467.52, as damage compensations. Rejects as ungrounded the appeal filed against the resolution of May 26,2016 of the same court. Orders the defendant to pay to the plaintiff the amount of RON 142,132.97, trial expenses - merits and appeal. Resolution no. 227/27.09.2017.  Second appeal Upholding the appeal - Upholding the appeal - with motion to quash - Orders retrial.  Details of the solution Admits the appeal of the appellant-defendant S.C. ArcelorMittal Galati S.A. against civil judgment no. 227/A of September 27, 2017 issued by Galati Court of Law - Civil Section I, which it annuls remanding the case for retrial to the same court. Final.	Term to be set for retrial.

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
11.	4959/2/2015	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Auditors	Measure annulment TRIPS	Merits	<p>Merits</p> <p>Admits the request. Partially cancels resolution no. 59/17.07.2015 issued by the defendant, regarding point 3. Partially cancels the Decision no. 16/11.05.2015 issued by the defendant regarding the measures ruled at point 5 and the measure no. I3. Partially cancels the Control Report no. 4371/10.04.2015 issued by the defendant regarding point 3.1.5. Forces the defendant to pay RON 4,550 trial expenses to the plaintiff.</p> <p>Second appeal</p> <p>Rejects the second appeal formulated by the appellant-defendant Court of Auditors of Romania against the judgment no. 2015 of June 10, 2016 of the Bucharest Court of Appeal - Administrative and Fiscal Section in file no. 4959/2/2015, as ungrounded. Final. Pronounced in open session today, April 17, 2019.</p>	Settled. Final.
12.	4906/2/2015	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Auditors	Measure annulment PURCHASES	Merits	<p>Merits</p> <p>According to art. 413 par. 1 point 1 from the Civil Procedure Code, it suspends the trial of the case until the final settlement of file no.62136/299/2015 of Bucharest Court of Law District 1. With appeal throughout the duration of the suspension. Resolution - Suspension 18.01.2016. Dismisses the action as groundless. With appeal within 15 days from intimation. Pronounced today, 10.10.2016. Dismisses the action as groundless. With appeal within 15 days from intimation. Pronounced in public session today, 10.10.2016.</p> <p>Resolution no. 2961/2016.</p> <p>Second appeal</p>	24.05.2019
13.	4912/2/2015	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Auditors	Measure annulment POLICIES D&O	Merits	<p>Merits</p> <p>Admits the request. Overrules the inadmissibility solution of the partial annulment petition of the control report no.4371/10.07.2015. Admits the action. Partially annuls Resolution no.59/17.07.2015, issued by the defendant regarding pt.10, Decision no. 16/11.05.2015 issued by the defendant regarding the measure disposed at pt.II.12 from the resolution, as well as pt. 3.1.10 from Control Report no.4371/10.04.2015 issued by the defendant. With appeal within 15 days from intimation. Decision</p>	Settled. Final.

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
							no.173/26.01.2016.  Second appeal Rejects the second appeal formulated by the defendant Court of Auditors of Romania against the judgment no. 173 of January 26, 2016 of the Bucharest Court of Appeal - Administrative and Fiscal Section VIII, as ungrounded. Final. Pronounced in public session today, February 20, 2019.	
14.	4946/2/2015	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors Intervener General Concrete	Measure annulment GENERAL CONCRETE	Merits	Merits In relation to the absence of the expertise report, delays the case and reissues a letter to the expert under the sanction of applying a judiciary fine according to art. 187 of the Civil Procedure Code for not submitting the report in due time. Resolution 09.06.2017.	06.06.2019
15.	4958/2/2015	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Auditors	Measure annulment NON-RESIDENTS	Merits	Merits Partially cancels resolution no. 59/17.07.2015, namely regarding the rejection of point VI from Appeal no. 6420/28.05.2015 and, consequently, cancels the measure taken under point II.8 from Resolution no. 16/11.05.2015 for removing the non-compliance presented under point 3 from the same resolution, as well as pt. 3.1.3 from Inspection Report no. 4371/10.04.2005. With appeal within 15 days from intimation. Pronounced on March 10th, 2016.  Second appeal	Postponement of ruling for 08.05.2019.
16.	4964/2/2015	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Auditors	Measure annulment JUDGMENTS	Merits	Merits Admits the exception of inadmissibility of the application end relating to cancellation of point 3.1.7 from Control Report No. 4371/ 10.04.2015 invoked by the defendant. Dismisses as inadmissible the request for annulment of section 3.1.7 from Control Report No. 4371/10.04.2015. Dismisses as groundless the redundant actions. With appeal within 15 days from the intimation. The appeal shall be lodged with the Bucharest Court of Appeal. Decision no.373/09.02.2016.  Second appeal	14.05.2019

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
17.	45494/3/2015	Bucharest Law Court Civil Section VI Court of Appeal	Plaintiff asked to pay a security	Managers S.N. Nuclearelectrica S.A. and GMS members.	Prejudice 708,407 lei. Execution of measure disposed by CC through the 2012 report regarding D&O policies.	Merits	<p>Merits</p> <p>Rejects the exception of the invoked procedure quality by the defendants Grama Mioara, Popescu Lucia -Ioana, Chiriac Cristiana and Serbanescu Cristian Ovidiu. Admits the prescription exception. Dismisses the request, stating as prescribed the right to action. Dismisses the application of calling in warranty as left without object. Compels the plaintiff to pay the following trial expenses: 8,226.53 lei towards the defendant Grama Mioara, 7,873.53 lei towards the defendant Popescu Lucia - Ioana and 7,925.79 lei towards the defendant Chiriac Cristiana. With appeal within 30 de days from the intimation. Resolution no.7583/29.11.2016.</p> <p>Appeal</p>	14.05.2019
18.	1367/2/2016	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	National Agency for Fiscal Administration	Administrative act cancellation - Resolution no. 25/29.01.2016.	Merits	<p>Merits</p> <p>Dismisses the action as groundless. With appeal within 15 days from intimation. Resolution no. 2656/21.09.2016.</p> <p>Second appeal:</p> <p>Admits the second appeal formulated by the plaintiff S.N. Nuclearelectrica S.A. against the civil judgment no. 2656 of September 21, 2016 of the Bucharest Court of Appeal - Administrative and Fiscal Section VIII. Cancels the appealed ruling and, in retrial, admits the request of the plaintiff Societatea Nationala Nuclearelectrica S.A. Cancels Decision no. 25/29.01.2016 issued by the National Agency for Fiscal Administration – DGSC on the settlement of the plaintiff's appeal. Compels the defendant to the settlement on the merits of the appeal against the Notice of assessment no. F-MC 2261/08.10.2015 on the additional fiscal obligations to be paid set by the fiscal inspection for legal persons issued by the Directorate general for the administration of large taxpayers. Compels the defendant to pay the amount of RON 50 to the plaintiff as trial expenses. Final. Pronounced in open session today, March 01, 2019.</p>	Settled. Final.
19.	409/2/2016	Bucharest Court of Appeal	Civil Party	Tudor Ion Criminal group House of insolvency Banat liquidator CET Energoterm Resita.	Tax evasion offenses, bribery, corrupt practices RON 580,974.21.	Merits	Procedure in progress.	23.04.2019

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
20.	6874/3/2016	Court of Law Bucharest	Defendant	Nuclear and Radioactive Waste Agency (ANDR)	Claims 131,080.08 Euros contributions according to HG [Government Decision] no. 1080/2007 for 2010 - 2012. Contributions for 2013-2015 for the energy difference produced and the delivered one in SEN. Penalties 2010 - 2015 until the actual payment.	Merits	Merits Rejects the exception of the prescription of the material right to action as ungrounded. Rejects the summons as ungrounded. With appeal within 30 days from the intimation. Appeal Dismisses the appeal as reasonless. With appeal within 30 days from the intimation. Resolution no. 2006/21.11.2017. Second appeal Dismisses, as reasonless, the second appeal of the plaintiff Nuclear Agency and for Radioactive Waste (ANDR) against the civil decision no. 2006/A of November 21, 2017, pronounced by the Bucharest Court of Appeal – Section VI Civil. Final.	Settled. Final.
21.	41419/3/2016	Civil Court of Law Bucharest S II	Appellant-Defendant	Energoc Securitate S.R.L.	SNN claims: RON 330,074.32 Claims Energoc Securitate: RON 2,206,539.80	Merits	Merits Management of the evidence with accounting expertise.	23.04.2019
22.	5802/118/2017	Labor Constanta Court	Defendant	CNE Union for 757 employees	Monetary rights hazardous conditions bonus.	Merits	Merits Pending accounting expertise.	17.05.2019
23.	7036/118/2017	Labor Constanta Court	Defendant	SLEN union for 132 employees 159 plaintiffs on their own behalf	Monetary rights hazardous conditions bonus.	Merits	Merits Pending accounting expertise.	17.05.2019
24.	10032/3/2018	Civil Bucharest Court, Civil Section VII Sema CAB	Plaintiff	KDF Energy	Appeal against the measure of the judicial administrator against the measure of rejection as ungrounded of the demand for the	Merits	Merits Approves the appeal. Finds the receivable of creditor S.N. Nuclearelectrica S.A. in the amount of RON 561,600, representing a termination damage for the electricity sale-purchase contract on PCCB-LE no. 908 / 11.10.2016, as a current receivable, the payment of which shall be made under the conditions of art. 75 par. 3 and 102 par. 6 of Law no. 85/2014. With appeal within 7 days	Settled. Final.

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
					payment of the current receivable of RON 561,600.		from the intimation. The appeal application is to be submitted to Bucharest Court of Law. Resolution no. 4452/10.07.2018.  Appeal Approves the appeals. Changes the appealed sentence, i.e. dismisses the appeal as reasonable. Final. Passed in a public session.  Document: Resolution no. 592/04.04.2019.	
25.	26294/3/2018	Civil Bucharest Court of Law	Plaintiff	Davi Comfire	Estimated damage RON 1,915,490 + Legal interest and trial expenses.	Merits	Merits  Dismisses the application as groundless. Dismisses the application requiring the defendant to pay the trial expenses, as groundless. Compels the plaintiff to pay to the defendant the amount of RON 7,000, as trial expenses, representing the lawyer's fee. With appeal within 30 days from the intimation. The request of appeal will be submitted to the Bucharest Court of Law, 6th Civil Department, under sanction of annulment. Pronounced today, April 22, 2019 by making the solution available to the parties by the registry of the Court.  Document: Resolution no. 1060/22.04.2019.	Settled. Merits.
26.	6471/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Measure annulment point 1 of the Authentication - Energonuclear loan.	Merits	Merits  Admits the action. Partially cancels Resolution no.29/31.07.2018, respectively point.1, and Decision no.5/08.06.2018, respectively the measure ordered at point.I.4 to remove the deviation described in point 4. Compels the defendant to pay the trial expenses. With appeal within 15 days from the intimation. The appeal shall be lodged with the Bucharest Court of Appeal. Pronounced today, 29.03.2019, by making the solution available to the parties by the registry of the Court.  Document: Resolution no. 1229/29.03.2019.	Settled. Merits.
27.	6472/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Measure annulment point 4 of the Authentication – Uranium.	Merits	Merits  Admits the action. Partially cancels Resolution no.29/31.07.2018, respectively point.4, and Decision no.5/08.06.2018, respectively the measure ordered at point.I.8 to remove the deviation described in	Settled. Merits.

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
							point 10. Compels the payment of trial expenses. With appeal within 15 days from the intimation. The appeal shall be lodged with the Bucharest Court of Appeal. Pronounced today, 29.03.2019, by making the solution available to the parties by the registry of the Court. Document: Resolution no. 1230/29.03.2019.	
28.	6479/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Measure annulment point 5 in the Decision - ROEL Xerox.	Merits	Merits	Postponement of the ruling.
29.	6481/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Measure annulment point 3 of the Authentication - BVC substantiation.	Merits	Merits	08.05.2019
30.	6487/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Measure annulment point 2 of the Authentication - Non-increase of the share capital.	Merits	Merits	08.05.2019
31.	6676/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Suspension of measure point 4 of the Court Decision – Uranium.	Merits	Merits  Admits the exception of non-admissibility. Rejects the petition for the suspension of the enforcement of point 4 of Decision no. 29/July 31 <sup>st</sup> , 2018 of the Court of Auditors, as inadmissible. Admits the petition of suspension of the enforcement of the measures ordered in point 1.8 of Decision no. 5/June 8 <sup>th</sup> , 2018. In virtue of art. 15 in Law no. 554/2004 orders the suspension of the enforcement of the measures ordered in point 1.8 of Decision no. 5/2018, until the final settlement of the action in annulment contemplated by file no. 6472/2/2018 registered pending with Bucharest Court of Appeal. It compels the defendant to the payment, in favor of the plaintiff, of the legal charges representing the judicial stamp duty, amounting to RON 20. Subject to appeal within 5 days of communication, the appeal petition being filed at Bucharest Court of Appeal. Resolution no. 3975/October 8 <sup>th</sup> , 2018.	09.10.2019

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32.	6753/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Suspension of measure point 5 from the Authentication - ROEL.	Merits	<p>Merits</p> <p>Overrules as inadmissible the petition of suspension of the performance of point 5 of Decision no. 29/July 31<sup>st</sup>, 2018 passed by the Challenge Settlement Board within the Court of Auditors of Romania. Overrules as unsubstantiated the petition of suspension of the enforcement of point II.13 from Resolution no. 5/June 08, 2018 issued by the Court of Accounts of Romania - Department IV. With right to appeal within 5 days of communication. The application to exercise the appeal is submitted to C.A.B. Judgment no. 4169/17.10.2018.</p> <p>Second appeal</p>	24.10.2019
33.	6969/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Suspension of measure point 1 - Energonuclear loan.	Merits	<p>Merits</p> <p>Rejects the suspension application.</p> <p>Solution in brief: rejects the suspension application as groundless. With appeal. Passed in a public session.</p> <p>Document: Resolution no. 4815/23.11.2018.</p>	25.09.2019
34.	7061/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Suspension of measure point 3 from the BVC Authentication.	Merits	<p>Merits</p> <p>Rejects the application as groundless. With the right to appeal within 5 days of the notification, which is to be submitted to the Bucharest Court of Appeal. Pronounced today, 23.11.2018, by making the solution available to the parties by the registry of the Court.</p> <p>Second appeal : Rejects the second appeal formulated by the appellant-defendant Societatea Nationala Nuclearelectrica SA against the judgment no. 4845 of November 23, 2018 of the Bucharest Court of Appeal - Administrative and Fiscal Section VIII in file no. 7061/2/2018, as ungrounded. Final. Pronounced in open session today, March 6, 2019.</p>	Settled. Final
35.	34778/3/2018	Labor - Bucharest Court of Law CAB	Defendant	Dima Tatiana	Action for cancelling the GMS Resolution.	Merits	<p>Merits</p> <p>Approves the exception of not stamping the application, invoked ex officio. Cancels the application as unstamped. With appeal within 5 days of the ruling. The appeal application shall be submitted with the Bucharest Court of Law - Civil Section VI. Pronounced in public session today, 14.11.2018.</p>	Sent for retrial. No term was granted.

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**S.N. Nuclearelectrica S.A.**

Quarterly report of the Board of Directors for first quarter of 2019

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
							Document: Resolution no. 3437/14.11.2018.  Appeal Approves the appeal. Cancels the appealed decision. Sends the file to the trial court, for retrial. Final. Pronounced in public session today, 26.03.2019.	
36.	34088/3/2018	Civil Bucharest Court of Law	Defendant	Termogaz Company S.A.	Claims 575,391.88 lei - equivalent value of performed and unsettled works. Youth Center Social Program.	Merits	Merits	23.10.2019
37.	35693/299/2018	Civil Court of Law District 1 Civil Section I	Third party under seizure – SNN Debtor claimant AAAS Appellee The Ministry of Public Finance.	Ionita St. Barsoianu Theodora in foreclosure case no. 959/2010 BEJ Draganescu, Ionescu Crafcenco infringed parties FNI.	Seizure validation for RON 2,089,042.69.	Merits	Merits	08.05.2019
38.	35159/299/2018	Civil – Bucharest District 1 Court Section I Civil	Third party under seizure – SNN Debtor claimant the Ministry of Public Finances Appellee ASF,	Ionita Stefan – enforcement file 959/2010 BEJ Draganescu, Ionescu, Crafcenco	Appeal against enforcement RON 2,089,042.69.	Merits	Merits: Admits the request. Orders the suspension of the enforcement procedure in the enforcement file no. 959/2010 by BEJA Draganescu, Ionescu and Crafcenco 36 regarding the claimant the Ministry of Public Finances. Sets the term for the judgement of the enforcement appeal for 24.04.2018, with the summons of the parties, in public hearing. With appeal 36 regarding the suspension of the enforcement within 15 days of communication. Pronounced in public session today, 20.03.2019. Document: Final order (disinvestment) 20.03.2019	24.04.2019

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
			AAAS, ATPMB.					
39.	35162/299/2018	Civil – Bucharest District 1 Court Section II Civil	Third party under seizure – SNN Debtor Claimant AAAS Appellee Ionita Stefan.	Ionita Stefan – enforcement file 959/2010 BEJ Draganescu, Ionescu, Crafcenco	Appeal against enforcement RON 2,089,042.69.	Merits	Merits Rejects the exception of the lack of passive procedural quality of the third party under seizure as groundless. Rejects the appeal against the enforcement as groundless. With appeal within 15 days from intimation. Document: Resolution no. 1611/21.03.2019.	Settled. Merits.
40.	7413/299/2019	Civil – Bucharest District 1 Court Section II Civil	Third party under seizure SNN Claimant AAAS Appellee Repair Plant Targu Jiu	Repair Plant Targu Jiu – enforcement file 233M/2010 of BEJ AD REM	Appeal against enforcement RON 3,895,186.86	Merits	Merits	23.05.2019
<b>Cernavoda NPP Branch</b>								
1.	3338/118/2016	Civil/ Court of Appeal of Constanta	Appellee defendant	Employee group Sarman Costel, Dinu Sorin s.a.	Monetary rights radiological risk bonus.	Appeal	Merits Rejects the civil case formulated by Sarman Constantin, Dinu Sorin Stefan, Mitea Ionut Antonel, Cornateanu George, Manole Constantin, Matei Nicusor, Deciu Georgian, Tompe Augustin, Zanfir Bogdan, Mirsu Adrian, Anghel Ene Paul, and others against defendant S.N. Nuclearelectrica S.A., as groundless. With the right to appeal within 10 days after the notification of this Resolution. Resolution no. 2776/13.12.2017.	15.05.2019
2.	2853/118/2018	Labor/ Constanta Court	Defendant	Employee group Mihaila Alexandru, Munteanu Nicu and others	Monetary rights radiological risk bonus.	Merits	Appeal Merits Rejects the summons as ungrounded. With appeal within 10 days from the intimation. The appeal is to be submitted to the Constanta	Settled. Merits.

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Quarterly report of the Board of Directors for first quarter of 2019

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
							Court. Pronounced by making the solution available to the parties through the mediation of the registry of the Court today, 04.03.2019. Document: Resolution no. 574/04.03.2019.	
3.	4133/118/2017	Labor / Constanta Court of Law	Defendant	Employee group Catrangu Rica, Bejenaru Alexandru and others	Monetary rights radiological risk bonus.	Merits	Merits	15.05.2019
4.	3/118/2019	Civil/ Constanta Court	Plaintiff	Cernavoda City Hall	Claim of land in area of 1,393.62 sq m, in extension of Campus 1.	Merits	Merits	14.06.2019
5.	3990/118/2018	Civil / Constanta Court of Law	Plaintiff	CNE S.A.	The obligation to demolish the building erected on the land owned by SNN in area of 579 sq m.	Merits	Merits	16.05.2019

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