



Transelectrica®

Societate Administrată în Sistem Dualist

Compania Națională de Transport al Energiei Electrice

Transelectrica SA - Punct de lucru: Str. Olteni, nr. 2-4, C.P. 030786, București
România, Număr înregistrare Oficiul Registrului Comerțului J40/8060/2000,
Cod Unic de înregistrare 13328043 Telefon +4021 303 56 11, Fax +4021 303 56 10
Capital subscris și vărsat: 733.031.420 Lei

www.transelectrica.ro

**To the: Bucharest Stock Exchange – Department of Operations Issuers Regulated Markets
Financial Supervision Authority – General Supervisory Directorate – Issuers Division**

Communiqué according to the provisions of Law 24/2017, Regulation 5/2018 of ASF and the BSE Code

Report date: **August 14, 2020**

Name of Issuer Company: **NPG TRANSELECTRICA SA, Managed under Two-Tier System**

Headquarters: Boulevard Gheorghe Magheru 33, Bucharest 1

Working location: Str. Olteni 2-4, Bucharest 3

Phone / fax numbers: 021 30 35 611/021 30 35 610

Single registration code: 13328043

Number in the Trade Register: J40/8060/2000

Share capital subscribed and paid: 733,031,420 RON

LEI code: 254900OLXCOUQC90M036

Regulated market where the issued securities are transacted: Bucharest Stock Exchange

Important event to report: Summary of financial results from H1 2020

Reporting includes:

- Semestrial report about the activities of NPG Transelectrica SA in January-June 2020
- Stand-alone Interim Simplified Financial Statements non-audited as of June 30, 2020
- Consolidated Interim Simplified Financial Statements non-audited as of June 30, 2020

In H1 2020, Transelectrica registered improvement in terms of profitability for profit allowed activities compared to H1 2019. Thus, the total profit from operating activity increased by 108 million RON compared to H1 2019, mainly due to the reduction of operating costs (including depreciation).

Segmentul activităților cu profit permis: In the main area of core activities (NPS transmission and dispatching), in H1 2020, the company registered a decrease of 5% in revenues, mainly due to the 8% decrease in revenues from transmission and other revenues on the energy market, following the decrease by 6% of the amount of electricity delivered to consumers, a decrease not least due to the impact of the COVID-19 pandemic, as well as the reduction of the transmission service average tariff approved by ANRE.

The context of H1 2020 was a difficult one, but as a Transmission System Operator (TSO), Transelectrica implemented emergency measures to mitigate the impact of COVID 19. Through the measures ordered in H1 2020, the Company did not register negative effects and ensured business continuity, under safety conditions, and the continuity of the Company's objectives.

Compared to the same period of the previous year, the total amount of transmitted electricity in H1 decreased by approximately 1.66 TWh (26.26 TWh in H1 2020 compared to 27.92 TWh in H1 2019), simultaneously with the decrease in own technological consumption expenses which were lower by the amount of 32 million RON (22%) compared to H1 2019, mainly due to the average price of contracts concluded on CMBC with delivery in H1 2020 which was 273.62 RON, 2% lower than the price in H1 2019 and the average price on DAM, characterised by a sharp downward trend since January 2020, reaching a minimum of 120.32 RON in May. In the epidemiological context generated by the Covid-19 outbreak, the average price was about 28% lower than in H1 2019. At the same time, the own technological consumption registered in the analysed period was about 10% lower than in 2019.

Segment of zero profit activities: The first half of 2020 registers a financial increase of 103 million RON compared to the financial loss of -58 million RON registered in H1 2019. In the first half of 2020, revenues from technological system services increased by 16% compared to the same period of 2019 (343 million RON as of June 30, 2020 compared to 295 million RON as of June 30, 2019), determined by the increase of the tariff approved by ANRE for these services, given the decrease in the amount of electricity delivered to consumers, simultaneously with the 16% decrease in expenses related to technological system services in H1 2020, compared to those in H1 2019 (298 million RON in H1 2020 compared to 353 million RON H1 2019).

| | M.U. | H1 2020 | H1 2019 | Δ |
|---|-----------|---------|---------|--------|
| Financial | | | | |
| Billed quantity | [TWh] | 26.26 | 27.92 | ▼ 6% |
| PROFIT-ALLOWED ACTIVITIES | | | | |
| Total revenues | [RON mn] | 581 | 609 | ▼ 5% |
| Average transmission tariff (achieved) | [RON/MWh] | 17.91 | 18.05 | ▼ 1% |
| Transmission revenues and other activities on the energy market | [RON mn] | 507 | 552 | ▼ 8% |
| EBITDA | [RON mn] | 236 | 239 | ▼ 1% |
| Depreciation | [RON mn] | 136 | 142 | ▼ 4% |
| EBIT | [RON mn] | 100 | 97 | ▲ 3% |
| ZERO PROFIT ACTIVITIES | | | | |
| EBIT | [RON mn] | 45 | (58) | ▲ n/a |
| ALL ACTIVITIES (PROFIT-ALLOWED AND ZERO PROFIT) | | | | |
| EBIT | [RON mn] | 145 | 40 | ▲ 267% |
| Net profit | [RON mn] | 116 | 30 | ▲ 282% |
| Operational | | | | |
| Net internal consumption | [TWh] | 27.1 | 29.1 | ▼ 7% |
| Net internal output | [TWh] | 26.0 | 29.5 | ▼ 12% |
| Export | [TWh] | 2.3 | 2.5 | ▼ 8% |

The report on the activities of NPG Transelectrica SA in January-June 2020 and the non-audited Stand-alone/Consolidated Interim Financial Statements as of June 30, 2020 are available beginning with August 14, 2020:

- online on the website www.transelectrica.ro, section Investor Relations Periodical Reporting/Reports, namely <https://www.transelectrica.ro/rapoarte-2020>;
- at the Company's offices: Str. Olteni 2-4, Bucharest 3.

Cătălin Nițu
Executive Director General
Directorate Chairman

Andreea-Mihaela MIU
Directorate Member