

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

Current report according to the provisions of Law 24/2017, ASF Regulation 5/2018 and the BVB Code

Date of the report: **January 31, 2019**

Name of Issuer Company: **CNTEE TRANSELECTRICA SA, company managed under Two-tier System**

Headquarters: Bucharest 1, Blvd. Magheru no. 33

Working location: Bucharest 3, Str. Olteni no. 2-4

Phone / fax numbers: 4021 3035 611 / 4021 3035 610

Single registration code: 13328043

LEI Code: 254900OLXCOUQC90M036

Number in the Commercial Register: J40/8060/2000

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

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

Communiqué – Report in accordance with art. 144 lit. B par. (4) of the ASF Regulation no. 5/2018

The National Power Grid Company "Transelectrica" SA informs the interested public about the fact that the Company's external auditor issued the Limited Independent Insurance Report on the transactions reported by the Company during the second half of 2018, according to the provisions of art. 82, Law no. 24/2017. The limited insurance independent report of BDO Audit SRL, attached to this release, is also available online on Transelectrica's website, www.transelectrica.ro, Investor Relations - Current Reports section, respectively <https://www.transelectrica.ro/en/web/tel/raportari-curente>;

Marius – Dănuț CARAȘOL

**Executive Director General
Directorate Chairman**

Constantin SARAGEA

Directorate Member

LANGUAGE DISCLAIMER: This document represents the English version of the original official Romanian document filed with the Financial Supervisory Authority ASF. The English version has been created for English readers' convenience. Reasonable efforts have been made to provide an accurate translation, however, discrepancies may occur. The Romanian version of this document is the original official document. Any discrepancies or differences created in the translation are not binding. If any questions arise related to the accuracy of the information contained in the English version, please refer to the Romanian version of the document which is the official version.



INDEPENDENT REPORT OF LIMITED ASSURANCE ON THE INFORMATION INCLUDED IN THE CURRENT REPORTS ISSUED BY THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF LAW NO. 24/2017 AND REGULATION NO. 5/2018 ISSUED BY THE FINANCIAL SUPERVISORY AUTHORITY

To the Directors,
C.N.T.E.E. Transelectrica S.A.

Purpose of the independent auditor's report

We have been appointed by C.N.T.E.E. Transelectrica S.A. („the Company”) to report on the information included in the Current Report from 14 September 2018, issued by the Company in accordance with the provisions of the Issuers of financial instruments law no. 24/2017 (“Law no. 24/2017”) and of the Regulation no. 5/2018 of the Financial Supervisory Authority („ASF”) (“Report” or “Current Report”).

Current Report has been prepared by the Company’s management for the purpose to report to ASF in accordance with the provisions of art. 82 from Law no. 24/2017 and Regulation no. 5/2018.

Management’s Responsibility

Management is responsible for the preparation and fair presentation of the Current Report and for the transaction reported included in the Current Report, in accordance with art. 82 from Law no. 24/2017 and Regulation no. 5/2018, and for the information presented in the Report.

This responsibility includes: designing, implementing and maintaining an internal control relevant to the preparation and presentation of the Current Report that is free of material misstatement, due to fraud or error. Also, this responsibility includes keeping adequate supporting documents regarding the Current Report. Management is responsible for preventing and detecting fraud and ensuring compliance with the legislation and regulations in force.

Auditor’s responsibility

Our responsibility is to analyze the reported transaction included by the Company in the Current Report and to report in the form of an independent conclusion of limited assurance, based on the evidence obtained. We conducted the engagement in accordance with International Standard on Assurance Engagements („ISAE”) 3000 as adopted by the Romanian Financial Auditors Chamber regarding the assurance engagements, other than Audits or Reviews of Historical Financial Information. This standard requires that we comply with ethical requirements, including independence requirements, and plan and perform our procedures in order to obtain a limited assurance level of whether the transaction included in the Current Reports is in accordance, in all material respects, with art. 82 of Law no. 24/2017 and of Regulation no. 5/2018.

The procedures selected by us depend on our understanding of the Current Report and of other circumstances of the engagement, as well as our considerations on areas where material misstatements may occur. In developing our understanding on the Current Report and on the transaction reported in the Current Report we took into consideration the Company’s internal control relevant to the preparation and presentation of the Current Report in accordance with the provisions of art. 82 of Law no. 24/2017 and Regulation no. 5/2018 in order to establish the procedures that are appropriate in these circumstances, but not for the purpose of expressing a conclusion on the effectiveness of internal control for the preparation and fair presentation of the Company's Current Report and transaction presented in the Current Report.

Limited assurance is narrower than absolute or reasonable assurance. The procedures for obtaining evidence for a limited assurance engagement are more restricted than in a reasonable assurance engagement, and therefore the level of assurance obtained is lower than in a reasonable assurance engagement.

As part of this engagement, we have not performed audit or review of the Current Report and on the transaction presented in the Current Report in accordance with International Standards on Auditing or International Standards on Review Engagements adopted by the Chamber of Financial Auditors of Romania, nor on the sources from which the Current Report and transaction presented in the Current Report were extracted. Our procedures were only performed in connection with the Current Report. We have not performed other additional procedures to verify whether the Company reported all contracts with managers, employees, shareholders, as well as their affiliated entities, to be reported according to Art. 82 of Law no. 24/2017 with subsequent amendments for the period July 1 - December 31, 2018.

Criteria

The criteria used in this engagement was:

- We have obtained and examined the offers received by the Company within the acquisition procedure organized according to the Law no. 99/2016 on sectorial acquisitions, GD 394/2016 approving Methodological Norms for application of the provisions related to the award of the public sectorial contract/standard form from Law no. 99/2016 on the sectorial acquisitions, Law 101/2016 on remedies and remedies in the matter of awarding public procurement contracts, sectorial contracts and concession contracts for works and services concession, as well as for the organization and functioning of the National Council of the Complaints Procedure, as well as the report of the related procedure drawn up in connection with the contract included in the Current Report.

Conclusion

Based on the procedures performed and the evidence obtained, nothing came to our attention that causes to believe that the transaction reported in the Current Report dated 14 September 2018 is not in accordance, in all material aspects, with art. 82 of Law no. 24/2017 and Regulation no. 5/2018.

Other Matters

Our report is solely issued for the purpose stated in the first paragraph hereof and for the Company's Directorate information and for the information of Bucharest Stock Exchange (BVB) and ASF, and is not to be used for any other purpose. Our report should not be regarded as suitable for use by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company that obtains access to our report or a copy of the report and chooses to rely on our report (or part thereof), should do so at their own risk. Our engagement was performed in order to report to the Directorate of the Company on those aspects that need to be reported in an independent report of limited assurance, and for no other purpose. Our report relates only to the Current Report mentioned above and does not extend to any other reports of the Company.

For and behalf of BDO Audit SRL

Registered at the Chamber of the Financial Auditors of Romania with no.
018 / 2001
Vasile Bulata

Registered at the Chamber of the Financial Auditors of Romania with no. Bucharest, Romania
1480 / 2002



Note: This is the English translation of the Romanian version of the limited assurance report. In case of any discrepancies the Romanian version will prevail.