



Transelectrica®

Societate Administrată în Sistem Dualist

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

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

Date of the report: February 14, 2020

Name of Issuer Company: NPG “TRANSELECTRICA” S.A., Company Managed under Two-Tier System

Registered office: Bucharest 1, Blvd. Gheorghe Magheru 33

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

Phone / fax numbers: 004 021 3035 611 / 021 3035 610

Unique registration code: 13328043

LEI Code: 254900LXCQUQC90M036

Number in the Commercial Register: J40/8060/2000

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

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

Important event to report: Abstract of preliminary financial results of 2019

Reporting includes:

- Preliminary Report about the activities of NPG “Transelectrica” S.A. in January-December 2019
- Stand-alone Preliminary Financial Statements, non-audited, on 31 December 2019

In 2019 the Company achieved 25% higher operational profit compared to 2018, against the 13% diminution of total operational costs (amortisement included) compensating the 12% drop of operational revenues.

Segment of profit allowed activities: In the main area of basic activities (transmission and SEN dispatching) in 2019 compared to 2018 the increase of total revenues and of the average transmission service tariff did not lessened the effect of 2% EBITDA decrease, mainly owed to the increased average prices of electricity procurement to cover one’s own technological consumption in the transmission grid and to the impact of OUG 114/2014, thus EBITDA being negatively influenced in 2019.

Transmission revenues and other activities on the energy market increased (+1%) due to a (+2%) rise in the average transmission tariff charged in 2019 compared to 2018 and to the RON 2.5 mn growth of interconnection revenues, such increases being mainly determined by higher regulated tariff applicable in the reporting period.

2019 was a difficult year characterised by high costs of transmission system operation, especially the costs for electricity procurement to compensate technical grid losses (OTC) significantly higher by 12%, when in physical terms technical losses were smaller compared to last year (2.27% technical losses in 2019 against 2.47% in 2018).

Segment of zero profit activities: In 2019 a negative result was registered however of positive development compared to 2018 (RON -22 mn in 2019 against RON -40 mn in 2018) determined by slightly 3% higher revenues from technological system services and increased regulated average tariffs as approved by ANRE. Beginning with 01.07.2019 the Company-charged tariffs changed as per ANRE Order 81/24.06.2019 (13.05 RON/MWh compared to 10.44 RON/MWh tariff provided in ANRE Order 108/2018).

	M.U.	2019	2018	Δ
Financial				
Charged energy volume	[TWh]	55.34	55.78	▼ 0.8%
PROFIT ALLOWED ACTIVITIES				
Total revenues	[RON mn]	1,220	1,180	▲ 3%
Average transmission tariff (achieved)	[RON/MWh]	17.82	17.46	▲ 2%
Transmission revenues and from other activities on the energy market	[RON mn]	1,082	1,070	▲ 1%
EBITDA	[RON mn]	429	440	▼ 2%
Amortisement	[RON mn]	280	298	▼ 6%
EBIT	[RON mn]	149	142	▲ 5%
ZERO PROFIT ACTIVITIES				
EBIT	[RON mn]	(22)	(40)	▲ 44%
ALL ACTIVITIES (PROFIT ALLOWED AND ZERO PROFIT)				
EBIT	[RON mn]	126	101	▲ 25%
Net profit	[RON mn]	104	81	▲ 28%
Operational				
Net domestic consumption	[TWh]	57.5	58.2	▼ 1%
Net domestic production	[TWh]	56.0	60.7	▼ 8%
Export	[TWh]	4.0	5.4	▼ 25%

The preliminary report on the activities of NPG Transelectrica SA in 2019 and the stand-alone separate preliminary non-audited financial statements on 31 December 2019 are available beginning with 14 February 2020, as follows:

- Online, on the Company’s website, section Investor Relations / Periodical Reporting / Reports, namely <https://www.transelectrica.ro/rapoarte-2019>;
- At Company offices: Bucharest 3, str. Olteni 2-4.

Catalin NITU
Executive Director General
Directorate Chairman

Andreea-Mihaela MIU
Directorate Member

