

Current report according to the provisions of Law 297/2004, Regulation 1/2006 and BSE Code

Date of the report: **August 12th 2016**

Name of Issuer Company: **National Power Grid Co. 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: 021 30 35 611/021 30 35 610

Single registration code: 13328043

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 - Half-yearly Report - First Semester 2016

Results decrease compared to the previous year, driven primarily by a diminished transmission tariff and reponderate between the two components applied to production delivered to the network and the consumption extracted from network amid an internal electricity consumption rising slightly and a reduced production rate determined by the decrease in exports of electricity.

Profit allowed operations: EBIT decrease compared to same period of last year by -36.8% from 282 mn Lei to 179 mn Lei in the previous year; the decrease was due to lower tariffs for electricity transmission, adjusted by ANRE and lower income from the allocation of cross-border transfer capacity, while maintaining a stable cost base; for the transport activity, the 01.07.2015-30.06.2016 tariff year ended with a profit in line with regulated profit, while reducing the tariff.

Zero profit operations: EBIT marginally positive at 2 mn Lei from -32 mn Lei in the previous year resulted from favorable market conditions and good management of reserves procurement of power from electricity producers, resulting in low prices paid by Transelectrica for booking the production capacity necessary to balance NES.

	U.M.	H1 2016	H1 2015	Δ
Financials				
ALLOWED PROFIT ACTIVITIES				
Charged energy volum	[TWh]	26.47	26.27	▲0.8%
Operational incomes	[mil lei]	648	743	▼12.7%
Average transmission tariff (achieved)	[mil lei]	20.83	23.77	▼12.4%
Transmission incomes	[mil lei]	595	679	▼12.4%
EBITDA	[mil lei]	341	443	▼22.9%
Amortization	[mil lei]	(163)	(160)	▲1.6%
EBIT	[mil lei]	179	282	▼36.8%
ZERO-PROFIT ACTIVITIES				
EBIT	[mil lei]	2	(32)	
ALL ACTIVITIES (ALLOWED PROFIT AND ZERO-PROFIT)				
EBIT	[mil lei]	180	250	▼28.1%
Net income	[mil lei]	142	210	▼32.6%

Operation

	TWh	2016	2015	Δ
Consumption	TWh	27.6	27.4	▲0.6%
Production	TWh	29.2	30.5	▼4.3%
Net Export	TWh	1.6	3.1	▼48.8%

To view the entire report presenting the Company's activity for the period January-June 2016 please visit the link below.

Ion-Toni TEAU
Executive Director General
Directorate Chairman