

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

Date of the report: **February 15th, 2013**

Name of Issuer Company: **National Power Grid Company Transelectrica SA, managed in dualist 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

Number in the Commercial Register: J40/8060/2000

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

Regulated market where the issued securities are transacted: Bucharest Stock Exchange – 1st category

Important event to report:

PRELIMINARY ANNUAL RESULTS OF 2012

(period 01 January – 31 December 2012)

The National Power Grid Company Transelectrica SA informs the shareholders and investors that the preliminary financial statements of 2012 are available, respectively the accounting balance sheet and the profit and loss account (attached).

Note: The attached financial statements are elaborated in accordance with the international financial reporting standards, have not been consolidated at group level and have not been audited.

Contact details: relatii.investitori@transelectrica.ro

Annexes:

1. Financial statements (financial position, profit and loss account, overall result)
2. Analysis of results

Octavian LOHAN

Directorate member

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ANNEX 1 – Financial statements

Statement of financial position on 31 December 2012

<i>Indicator</i>	31.12.2012 <i>(non-audited)</i>	31.12.2011 <i>(audited)</i>
	thousand lei	thousand lei
Assets		
Fixed assets		
Tangible	3,625,495	3,537,826
Intangible	50,862	72,212
Other investments	52,833	52,965
Total fixed assets	3,729,190	3,663,003
Floating assets		
Stocks	40,102	41,723
Clients and assimilated accounts	716,500	1,177,732
Cash and cash equivalents	295,481	304,763
Total floating assets	1,052,083	1,524,218
Total assets	4,781,273	5,187,221
Equities and debts		
Equities		
Share capital	1,091,526	1,091,526
Emission premium	49,843	49,843
Legal reserves	44,416	44,416
Revaluation reserves	1,260,286	1,260,324
Other reserves	3,858	4,187
Result carried forward	(67,251)	(13,653)
Total equities	2,382,678	2,436,643
Long term debts		
Revenues recorded in advance in the long run	519,010	354,304
Loans	954,626	943,493
Debts regarding deferred taxes	26,858	26,858
Obligations regarding employees' benefits	20,322	20,322
Total long term debts	1,520,816	1,344,977
Current debts		
Suppliers and other obligations	652,657	1,186,301
Other taxes and obligations for social insurance	15,597	5,923
Loans	198,661	202,488
Revenue recorded in advance in the short run	10,864	10,889
Total current debts	877,779	1,405,601
Total debts	2,398,595	2,750,578
Total equities and debts	4,781,273	5,187,221

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Profit and loss account, including the overall result statement
for the financial year concluded on 31.12.2012

<i>Indicator</i>	2012 <i>(non-audited)</i>	2011 <i>(audited)</i>
	thousand lei	thousand lei
Revenues		
Revenues from transmission services	1,075,063	1,110,002
Revenues from system services	568,614	784,145
Revenues from the balancing market	1,011,968	1,189,434
Other revenues	56,289	47,988
Total revenues	2,711,934	3,131,569
Operational expenses		
Expenses of system operation	832,151	971,583
Expenses with the balancing market	1,011,968	1,189,434
Amortisement	317,436	297,258
Salaries and other remunerations	165,184	154,130
Repairs and maintenance	137,938	184,236
Other operational expenses	156,289	144,882
Materials and consumables	9,221	7,601
Total operational expenses	2,630,187	2,949,124
Operational profit EBIT	81,747	182,445
Financial revenues	93,170	121,436
Financial expenses	132,383	153,893
Financial result	(39,213)	(32,457)
Profit before the profit tax	42,534	149,988
Profit tax	15,500	36,089
Profit of the year	27,034	113,899
Basic result and diluted per share (lei / share)	0.37	1.55
Other elements of the overall result		
Datorie privind impozitul amânat af. rezervei din reevaluare		-
Diferențe din reevaluarea imobilizărilor corporale	27,189	(2,067)
Other elements of the tax net overall result	27,189	(2,067)
Total overall result	54,223	111,832

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ANNEX 2 – Analysis of results

Results:

A preliminary brut profit of over 40 million lei, slightly over the budgeted profit while the amount of transmitted electricity dropped 3.8% (from 56.056.203 MWh in 2011 to 53.934.922 MWh in 2012) and with the unchanged tariffs compared to 2011 indicates that Transelectrica concluded the financial year 2012 with satisfactory results.

The revenues obtained from the basic services that the Company provides (activities allowing profit- transmission services and technological system services) diminished only 2.7% compared to the previous year, while the revenues obtained from the other activities (technological system services, market administration and balancing market) registered a great decrease of 20% in comparison to the previous year. Operational expenses also dropped about 1%.

The depreciation of the national currency led to a financial loss of 39 million lei.

The International Financial Reporting Standards are applied in the elaboration of the individual annual financial statements in accordance with Order 881/2012 of the MFP beginning with the financial year 2012. Consequently the preliminary individual financial statements are elaborated according to the provisions of Order 1286/2012 of the MFP, with later amendments and additions, by re-treating the accounting information.

As against this preliminary result the individual final financial result can be influenced by the following factors:

- Revaluation of tangible assets on 31.12.2012 in view of the first application of standards;
- completing the settlements on the balancing market;
- Other re-treating operations according to the IFRS;

As regards the accounting treatment of connection tariffs, the Company's managerial team approved to acknowledge such connection tariffs systematically in the profit and loss account during the useful lifetime of the asset.

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