

CNTEE Tranelectrica SA
Two-Tier Company

Stand-alone Interim Financial Statements
on the date of and for the twelve-month period concluded on
December 31th, 2017

Unaudited

Drafted according to
the Order of the Minister of Public Finance no. 2844/2016 for
the approval of accounting regulations in line with International Financial Reporting Standards

CNTEE Transelectrica SAStand-alone preliminary simplified statement of financial position on December 31st, 2017 unaudited*(All amounts are expressed in RON, unless otherwise indicated)*

	December 31st, 2017	December 31st, 2016
Assets		
Fixed Assets		
Tangible Assets	3,044,365,316	3,189,591,544
Intangible Assets	15,563,225	14,457,314
Financial Assets	78,038,750	78,038,750
Long Term Receivables	0	9,774,959
Total Fixed Assets	3,137,967,291	3,291,862,567
Current Assets		
Inventories	33,001,287	30,409,648
Clients and similar accounts	812,074,867	851,971,683
Other Financial Assets	0	135,090,000
Cash and Cash Equivalents	520,746,500	933,661,193
Total Current Assets	1,365,822,654	1,951,132,524
Total Assets	4,503,789,944	5,242,995,091
Shareholders' Equity and Liabilities		
Shareholders' Equity		
Social Capital, from which:	733,031,420	733,031,420
<i>Subscribed Share Capital</i>	733,031,420	733,031,420
Share Premium	49,842,552	49,842,552
Legal Reserves	118,876,690	116,360,295
Reserve Fund from Reevaluation	499,921,434	549,088,226
Other Reserves	56,953,503	56,953,728
Retained Earnings	1,241,427,183	1,602,438,193
Total Shareholders' Equity	2,700,052,782	3,107,714,414
Non-Current Liabilities		
Non-Current Deferred Revenues	410,640,263	429,858,527
Loans	195,185,934	501,929,998
Deferred Tax Liabilities	26,049,308	30,195,003
Obligations regarding Employee Benefits	43,304,975	43,304,975
Total Non-Current Liabilities	675,180,480	1,005,288,503
Current Liabilities		
Trade Payables and Other Payables	699,674,923	873,948,200
Other Taxes and Social Insurance Obligations	8,631,234	8,611,209
Loans and Related Interest	317,063,988	138,204,932
Provisions	62,305,473	53,801,778
Short Term Deferred Revenues	40,881,064	38,125,074
Corporate Tax to be paid	0	17,300,981
Total Current Liabilities	1,128,556,682	1,129,992,174
Total Liabilities	1,803,737,162	2,135,280,677
Total Shareholders' Equity and Liabilities	4,503,789,944	5,242,995,091

Directorate

**Georgeta - Corina
POPESCU**President of the
Directorate**Andreea Georgiana
FLOREA**

Directorate Member

**Mircea - Toma
MODRAN**

Directorate Member

**Dan - Valeriu
ARDELEAN**Directorate
Member**Florin - Cristian
TATARU**

Directorate Member

Cristina STOIAN

Accounting and Financial Strategy Director

Veronica CRISU

Accounting Department Manager

CNTEE Tranelectrica SA

The separate preliminary account of Profit and Loss for the twelve-month period ended on December 31th, 2017 unaudited
(All amounts are expressed in RON, unless otherwise indicated)

	2017	2016
Revenues		
Transmission Revenues	1,054,627,216	1,146,256,800
System Service Revenues	650,745,395	716,339,587
Revenues from the Balancing Market	1,304,670,675	814,079,670
Other Revenues	50,293,749	45,827,232
Total Revenues	3,060,337,035	2,722,503,289
Operating Expenses		
System Operating Expenses	(257,909,994)	(230,756,782)
Expenses on the Balancing Market	(1,304,670,675)	(814,079,670)
Expenses regarding the technological system services	(661,323,176)	(561,027,373)
Depreciation	(311,853,273)	(323,363,219)
Salaries and Other Retributions	(184,814,092)	(211,867,366)
Repairs and Maintenance	(84,729,131)	(88,394,391)
Materials and Consumables	(8,248,952)	(7,675,889)
Other Operating Expenses	(179,476,054)	(133,720,367)
Total Operating Expenses	(2,993,025,347)	(2,370,885,057)
Operating Profit	67,311,688	351,618,232
Financial Revenues	19,099,002	29,960,030
Financial Expenses	(40,219,198)	(46,988,308)
Net Financial Result	(21,120,196)	(17,028,278)
Profit before Corporate Tax	46,191,492	334,589,954
Corporate Tax	(19,751,259)	(62,228,411)
Profit of the Financial Year	26,440,233	272,361,543

CNTEE Tranelectrica SA

The separate preliminary account of Profit and Loss for the twelve-month period ended on December 31th, 2017 unaudited
(All amounts are expressed in RON, unless otherwise indicated)

	<u>2017</u>	<u>2016</u>
Basic and diluted earnings per share (RON/share)	0.3606	3.7155

Directorate

Georgeta - Corina POPESCU	Andreea Georgiana FLOREA	Mircea - Toma MODRAN	Dan - Valeriu ARDELEAN	Florin - Cristian TATARU
President of the Directorate	Directorate Member	Directorate Member	Directorate Member	Directorate Member

Cristina STOIAN
Accounting and Financial Strategy Director

Veronica CRISU
Accounting Department Manager

CNTEE Transelectrica SAStand-alone preliminary statement of the treasury flows on December 31st, 2017, unaudited*(All amounts are expressed in RON, unless otherwise indicated)*

	2017	2016
Treasury Flows from the Operating Activity		
Profit of the Period	26,440,233	272,361,543
Adjustments for:		
Corporate Tax Expense	19,751,259	19,907,841
Depreciation Expenses	311,853,273	323,363,219
Expenses with adjustments for depreciation of various debtors, net	31,004,054	6,230,412
Provisions Expenses from depreciation of the trade receivables and other receivables	43,369,844	25,331,886
Revenues from the reversal of provisions for depreciating the trade receivables and of other receivables	(11,002,019)	(10,146,937)
Loss from the sale of tangible assets, net	838,153	272,673
Expenses with value adjustments of tangible assets, net	1,663,348	4,736,607
Expenses regarding the provisions for risks and expenses, net	8,182,156	22,821,573
Financial expenses regarding the adjustments for impairment of fixed assets	-	493,000
Interest expenses, interest revenues and unrealized revenues from differences of the currency exchange	21,124,407	16,967,314
Cash Flows before Changes in the Current Capital	453,224,708	724,659,701
Changes in:		
Clients and similar accounts - Electricity and other activities	5,992,719	(38,582,866)
Clients - Balancing	(30,511,221)	(100,325,112)
Clients – Cogeneration	12,405,375	(20,438,116)
Cash withdrawal of Agency for Fiscal Administration	(99,890,556)	-
Inventories	(2,591,639)	3,919,306
Trade Payables and Other Liabilities - Electricity and other activities	(154,856,447)	(67,341,791)
Liabilities - Balancing	(81,794,329)	122,122,565
Liabilities - Cogeneration	41,162,173	6,642,675
Other Taxes and Social Insurance Obligations	20,025	1,847,846
Deferred Revenues	(16,462,274)	(26,887,004)
Treasury Flows from the Operating Activity	126,628,534	605,617,204
Paid Interests	(22,246,255)	(25,002,612)
Paid Corporate Tax	(8,064,579)	(65,766,950)
Net Cash from the Operating Activity	96,317,701	514,847,642
Cash Flows from the Investment Activity		
Acquisition of Tangible and Intangible Assets	(182,808,854)	(171,758,870)
Cashing unused down payments	-	29,581,392
Cashing from sales of Tangible Assets	25,909	37,001
Cashed Interests	5,991,201	5,297,687
Received Dividends	2,180,584	3,038,332
Other Financial Assets	135,090,000	(65,005,000)
Net Cash generated/(used) from/(in) the Investment Activity	(39,521,160)	(198,809,458)
Treasury Flows used in the Financing Activity		
Repayments of Long-Term Loans	(134,371,923)	(162,486,218)
Special dividends paid according to GO 29/2017	(169,798,704)	-
Paid Dividends	(165,540,607)	(194,342,031)

CNTEE Transelectrica SAStand-alone preliminary statement of the treasury flows on December 31st, 2017, unaudited*(All amounts are expressed in RON, unless otherwise indicated)*

Net Cash used in the Financing Activity	(469,711,234)	(356,828,249)
Net Decrease of Cash and Cash Equivalents	(412,914,693)	(40,790,065)
Cash and Cash Equivalents on January 1st	933,661,193	974,451,258
Cash and Cash Equivalents at the end of the Period	520,746,500	933,661,193

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