



**CNTEE TRANSELECTRICA
SA**

**REPORT OF THE
SUPERVISORY BOARD ON
THE MANAGEMENT
ACTIVITIES
July-December 2018**

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Verification of separate financial statements by the Supervisory Board.

The Supervisory Board relies on the corporative governance principles, which state a responsible, professional and ethical attitude of the Company towards all stakeholders. The Board examines the Company's strategy and its environmental premises it operates in, in order to plan Transelectrica's development and its performance, thus ensuring a rigorous formulation of objectives.

The consolidated financial statements for 2018 were presented to the Supervisory Board for review, the Company's Board of Directors providing detailed information on the annual results. At the meeting for the approval of the financial statements of 2018, the Audit Committee submitted to the Supervisory Board a report concerning the review of the results for the financial year 2018 and recommended to the Supervisory Board the approval of the consolidated financial statements drafted according to OMPF no. 2844/2016.

At the same time the Board of Directors's Semestral Report elaborated in accordance with the requirements from the capital market legislation and GEO 109/2011 was reviewed by Supervisory Board members. The half-yearly report provides a true and fair view of the Company's results.

With highest consideration,

Gheorghe OLTEANU

Chairman of the Supervisory Board



Corporative Structure

SUPERVISORY BOARD

The National Power Grid Company Transelectrica SA ("CNTEE Transelectrica SA", "Transelectrica" or the "Company") is a joint stock company, organized and operating in accordance with the Romanian laws, being managed in a dualistic system, based on the resolution of the Extraordinary General Meeting of Shareholders dated July 18, 2012 by a 5-member Board under the supervision of a Supervisory Board (consisting of 7 members).

At the date of this report, the composition of the Supervisory Board ("CS" or "the Board") of Transelectrica is the following:

- **Gheorghe OLTEANU – Chairman of the Supervisory Board**

Mr. Gheorghe Olteanu currently holds the position of Chairman of the Supervisory Board of CNTEE Transelectrica SA and has extensive experience in the field of energy.

For ten years (2004 - 2014), Mr. Gheorghe Olteanu served as CEO, Scientific Researcher I, of the Institute for Energy Research and Modernization - ICEMENERG SA

Throughout his professional activities he has held several leading positions, such as the General Manager within the Ministry of Economy (1991-1997, 2001-2004), Technical Manager of SC Luxten (1997-2001) and manager of Electroargeş

Mr. Gheorghe Olteanu is a graduate of the Polytechnic University of Bucharest, Faculty of Electrotechnics and holds a Master in "Executive Power and Public Administration" within the National School of Administrative Studies and Policies, Faculty of Public Administration.

- **Liviu ILAŞI – Member of the Supervisory Board**

Mr. Liviu ILAŞI has extensive experience in management positions both in the field of crude oil transport and in the distribution and supply of electricity. He has held several management positions within SC CONPET SA, such as the General Manager (2012-2017), Executive Manager (2009), Chairman of the Board of Directors (2005 - 2009), Head of department (1998 - 2005) Head of Division (1991-1998). In the period 2010 - 2012 he held the position of Executive Manager of SC ELECTRICA SA.

Mr. Liviu ILAŞI is a graduate of the Oil and Gas Institute of Ploieşti, the Faculty of Drilling and Exploitation of Petroleum and Gas Fossils and of the

Valahia University, Tirgoviste, Faculty of Legal Sciences.

Between 2004 and 2006 Mr. Iliăşi attended postgraduate training courses in the Security and National Defence of the National University Carol I, Bucharest.

Mr. Liviu ILAŞI holds a Master in Business Administration "Economic Development of Business" at the Bucharest Academy of Economic Studies and a Master in "Advanced Technologies in Environmental Protection Engineering" at the Petroleum and Gas University of Ploiesti.

- **Alin-Sorin MITRICĂ – Member of the Supervisory Board**

With a wide experience in local and central public administration, during his professional career he has held a number of positions such as Public Administrator of Dolj County (2008- 2013, 2015) and State Secretary at the Ministry of European Funds (between 2013- 2015).

At the same time, Alin-Sorin Mitrică has management experience in the private sector as well, with the position of Deputy Director General at SC ANAGRAMA SRL in 2015.

Alin-Sorin Mitrică graduated from the Bucharest University, Faculty of Political Sciences and holds a master's degree in Applied Marketing – Economic Sciences. He also holds a PhD in history.

- **Fănel MIHALCEA – Member of the Supervisory Board**

With a solid professional experience of over 40 years in the legal field, holding the positions of First Prosecutor and Deputy First Prosecutor at the Prosecutor's Office attached to the Braila Court in several periods from 1996 to 2017.

Fănel Mihalcea graduated the Faculty of Law at the "Al. I. Ioan Cuza" University in Iasi (1971-1975). Between 1987 and 1988 Fănel Mihalcea also attended the postgraduate studies program in the field of Legal Sciences at the "Al. I. Ioan Cuza" University in Iasi, and between 2004 and 2006 he attended the master's studies in Community Law at the "Danubius" University in Galati.

- **Adrian MITROI – Member of the Supervisory Board**

Mr. Adrian MITROI is a university lecturer and Program Director at the Academy of Economic Studies in Bucharest for almost 20 years. Member of the Board of Directors of CNTEE Transelectrica SA in May 2018, Mr. MITROI has a vast experience in the economic field, having a leading position in financial-banking institutions and state-owned companies throughout his career.

Graduate of the Polytechnic Institute of Timisoara, Faculty of Mechanics and Automation (1988), Mr. Adrian MITROI graduated from the Master of Business Administration (MBA) Managerial Finance, Academy of Economic Studies (1995) and from 2009 he has a PhD in Economic Sciences, Academy of Sciences Economics, Faculty of Finance Mr. MITROI also attended several specialized courses in UK and US educational institutions.

- **Ion CIUCULETE – Member of the Supervisory Board**

Mr. Ion Ciuculete, member of the Supervisory Board of CNTEE Transelectrica SA is currently the employee of the National Salt Company, Râmnicu Vâlcea Mining Exploitation Branch.

With great experience in transport and insurance, Mr Ciuculete has held several leading positions, such as the General Manager of the Freight and Passenger Transport Company (1991-2000), Director of Damage Department (2000 -2004), Director VW - AUDI (2004-2007), Insurance Agency Director and Damage Inspector (2008-2010).

Mr. Ion Ciuculete is a graduate of the Politehnica University of Bucharest, Faculty of Transportation and has attended marketing courses for private funds.

- **Constantin DUMITRU – Member of the Supervisory Board**

Constantin Dumitru has more than 30 years of experience in the central public administration. Since 2017 Constantin Dumitru holds the position of State Secretary Advisor within the Ministry of Economy. Previously he held the position of Secretary-General Advisor within the Romanian Government.

Constantin Dumitru is a graduate of the Air Force Academy and is a PhD in National Security - Methods of capitalizing and exploiting information that is an attack on national security.

CONSULTATIVE COMMITTEES OF THE SUPERVISORY BOARD

At the date of this report, the consultative committees of the Supervisory Board have the following duties and composition:

Audit Committee

Members of this committee are Adrian MITROI (Chairman), Gheorghe OLTEANU, Fănel MIHALCEA, Alin-Sorin MITRICĂ, Constantin DUMITRU, Liviu ILAȘI and Ion CIUCULETE.

The Audit Committee has as attributions, among others, to monitor the efficiency of internal control, internal audit and risk management systems within Transelectrica, to check and monitor the external auditors' independence, the statutory audit activities to annual financial statements as well as the approaches proposed by external auditors, while coordinating their activity with the internal audit.

The Audit Committee monitors the financial and management reporting process as well as the financial plan and the process of preparing the annual financial statements and the consolidated annual financial statements, monitors and analyses the performance indicators of the transport system and the economic and financial performance of the company's business

The Audit Committee plays an important role in verifying the effectiveness of the compliance monitoring system with the laws and regulations applicable to the Company's business and the results of management investigations in the event of non-compliance.

At the same time assists the Supervisory Board in fulfilling its responsibilities for supervising and supervising the elaboration and updating of the general strategy for the development of the society, assists the Supervisory Board in identifying the major development directions in the field.

Compliance with the principles of corporate governance established by the Corporate Governance Code of the Bucharest Stock Exchange represents a continuous commitment assumed by the Supervisory Board. Through the Audit committee, the Board of Supervisors aims at enhancing transparency with respect to the activities of organizational entities of the Company by implementing new internal regulations for the Public internal audit and the management of significant risks within CNTEE Transelectrica SA.

Nomination and Remuneration Committee

Members of this committee are Gheorghe OLTEANU (Chairman), Adrian MITROI, Fănel MIHALCEA, Alin-Sorin MITRICĂ, Constantin DUMITRU, Liviu ILAȘI and Ion CIUCULETE.

With regard to the nomination area, the Nomination and Remuneration Committee coordinates the appointment process of Board of Directors members and makes recommendations with respect to both the selection of the Board of Directors members and the provisional occupation of the vacancies within the Supervisory Board.

The Nomination and Remuneration Committee supervises certain positions in the Company administration and permanently updates the professional competencies of Board of Directors members.

As far as the remuneration area is concerned, the Nomination and remuneration committee drafts the remuneration policy for the Board of Directors and Supervisory Board members and submits it to the Shareholders' General Assembly for approval.

The nomination and remuneration committee shall present in the annual report the total amount of the direct and indirect remuneration of the members of the Board of Directors and of the Supervisory Board, in compliance with the principle of proportionality with the responsibility and the time devoted to the performance of their duties by them.

Energy Security Committee

Members of this committee are Fănel MIHALCEA (Chairman), Adrian MITROI, Gheorghe OLTEANU, Alin-Sorin MITRICĂ, Constantin DUMITRU, Liviu ILAȘI and Ion CIUCULETE.

The Energy Security Committee monitors and advises the Supervisory Board, the Board of Directors and the specialized departments of the Company in the implementation of strategic energy system operator and energy security objectives on the National Electrical Energy System ("NPS"), energy security at RET level and energy security and protection of critical infrastructure.

Another task is to involve, under the mandate of the Supervisory Board, along with the Board of Directors, in the dialogue with the public authorities with attributions and competences in the field of energy security (the Ministry of Energy, the specialized committees of the Parliament).



Activity of the Supervisory Board

ACTIVITY OF THE SUPERVISORY BOARD

During the second semester of 2018, the members of the Supervisory Board met in 11 sessions, out of which a selection of the discussion points on the agenda was presented below.

The following topics were discussed with priority:

- monitoring plan, debates and actions designed to lead to the implementation of the 2018 investment plan and its estimate for the years 2019 and 2020;
- initiating the procurement procedure for "Mounting AT2 400 MVA and related cells at Iernut Station and upgrading the control system of 400/220/110/6 kV Iernut station, Connecting to the RET of CCC 430 MW Iernut production site belonging to SNGN Romgaz and design and execution of protection systems for the connecting lines of the new SPEE Iernut group.
- initiating the procurement procedure having as object "400 kv Stalpu Power Station" and "Modernization of 110 kV cells and medium voltage at the Stâlpu power station"
- monitoring the stage of the implementation of the Annual Cumulative Investment Program and its forecast for the period July 2018 - June 2019 including the major new projects underway, the proposal for the RET Development Plan for the period 2018 - 2028, the stage of the Annual Sector Procurement Program in 2018 and finding solutions to accelerate investment.

The topics discussed in the SB sessions in the second semester are presented in more detail below:

- At the meeting on **09.07.2018**, the Supervisory Board requested the Board of Directors to provide information on the situation of CNTEE Transelectrica SA subsidiaries regarding the legal situation, the state of implementation of the corporate governance principles, the financial position and proposals for actions to improve the activity
- Takes note of the Transelectrica Branch's Activity Briefing Note, asked the Board to present an analysis of the Smart SA subsidiary, including legal, economic, trade union aspects etc., aimed at eliminating losses and increasing the real estate capacity of Transelectrica SA in the event of accidents

and an analysis of the Teletrans subsidiary's activity, including increased efficiency, cost reduction, and specific risk reduction.

- At the same meeting, the Supervisory Board takes notice of the termination by the deadline of 16.07.2018 of the mandate contracts of the following members of the Board of Directors:

- Dan Valeriu ARDELEAN
- Florin Cristian TĂTARU

decides by unanimity of votes the two-month extension from 17.07.2018 until 16.09.2018 of the mandates of temporary members of the Board of Directors of the following persons:

- Adrian-Constantin RUSU
- Andreea Georgiana FLOREA
- Constantin SARAGEA

decides by unanimity of votes the appointment of the following persons in the capacity of temporary members of the Board of Directors for a period of two months, namely until 16.09.2018:

- Adrian-Mircea TEODORESCU
- Viorel VASIU

- At the meeting of **09.08.2018** the Supervisory Board agrees with the initiation of the procurement procedure for "Mounting AT2 400 MVA and related cells at Iernut Station and upgrading the control system of 400/220/110/6 kV Iernut station, Connecting to the RET of CCC 430 MW Iernut production site belonging to SNGN Romgaz and design and execution of protection systems for the connecting lines of the new SPEE Iernut group.

- At the same meeting, the members of the Supervisory Board take note of the stage of the implementation of the Annual Investment Program for the first half of 2018 and recommend to the Board of Directors to organize a meeting with the executive management of Smart SA to unblock the Râureni, Arefu and Dumbrava refurbishment projects.

- Also during the same meeting, the members of the Supervisory Board take note of the stage of the implementation of the Sectoral Procurement Annual

Program in the period January - June 2018, of the information regarding the procurement operation "Telecommunication maintenance, information technology and process informatics at the level of CNTEE Transelectrica SA, takes note of the information regarding the works contract "Connecting the 400 kV Isaccea-Varna LEA and 400 kV Isaccea-Dobruja LEA at the 400 kV Medgidia Sud Stage II LEA 400 kV dc Connections at Medgidia Sud Station", takes note of the information regarding the conclusion of the works contract" RK LEA 400 kV Bucharest Sud-Pelicanu "

- During the same meeting, the simplified interim financial statements were audited on the date and for the six-month period ended June 30, 2018

- At the meeting of **24.08.2018**, the members of the Supervisory Board took note of the request of the external auditor Deloitte Audit SRL for the amicable termination of the audit contract no. C210 concluded on 30.10.2017 for the period 2017-2019 and proposes to the General Meeting of Shareholders the amicable termination of the contract, with the mandate of the Company's Board of Directors for the organization of the public procurement procedure in order to contract the financial audit service.

- At the same meeting, the members of the Supervisory Board endorse the proposal for rectification of the Income and Expenditure Budget for 2018, approves the final form of the Activity Report of the Supervisory Board for the first half of 2018 prepared in accordance with the provisions of Article 55 of GEO 109 / 2011.

- At the same meeting, the following persons shall be appointed as provisional members of the Board of Directors for a period of four months beginning on 17.09.2018:

- Adrian-Constantin RUSU
- Andreea-Georgiana FLOREA
- Constantin SARAGEA
- Adrian-Mircea TEODORESCU
- Viorel VASIU

- At the meeting on **25.09.2018**, the Supervisory Board agrees with the Company's sponsorship of the Ministry of Internal Affairs - the Emergency Situations Department, the General Inspectorate for Emergency Situations with videowall equipment put out of use by the Company

- At the same meeting, the Supervisory Board agrees with the initiation of the procurement procedure regarding "Refurbishment of 220/110 kV Filești Station" and notes the conclusion of the contracts having as object

- Replacing autotransformers and transformers in electric substations - stage 2 – phase 2 - Batch 1;

- Replacing autotransformers and transformers in electric substations - stage 2 – Phase 2 - Batch 2 and
- "Modernization of 400 92200/110/20 kV Munteni Station"

- At the meeting on **26.09.2018** the members of the Supervisory Board take note of the achievement of the Annual Cumulative Investment Program in July 2018 and the forecast of its implementation in the period July 2018 - June 2019, including the major new projects underway, request to the Board sustained measures for the recovery of delays, the examination of the investment contracts of the previous years in order to eliminate the risk of non-finalization and to assess the risks of any kind in the conduct of the Company's business.

- At the meeting on **07.11.2018**, the Supervisory Board agreed to initiate the procedure for the conclusion of a credit agreement for the granting of a guarantee ceiling for the issuance of bank guarantee letters to ANRE for a period of 12 months.

- At the same meeting, the Supervisory Board agrees to initiate the procurement procedure for "Connecting the 400 kV Isaccea - Varna and the 400 kV Isaccea-Dobruja 400 kV to the 400 kV Medgidia Sud Stage I - Expansion of the 400 kV Medgidia Sud station, acquiring the GIS 400 kV assembly, installation and commissioning of the GIS 400 kV assembly.

- At the same meeting, the members of the Supervisory Board take note of the information regarding the conclusion of the works contract "Refurbishment of the 110 kV Timisoara station and the transition to the 400 kV voltage of the Iron Gate - Anina - Reșița - Timișoara - Săcălaz - Arad axis, stage II : 400 kV Timișoara Station

- Also during the same meeting, the members of the Supervisory Board took note of the information on the stage of the implementation of the Annual Cumulative Investment Program in August and September 2018 and the proposal of the RET Development Plan for the period 2018 - 2028, also requesting the Board of Directors the introduction of the Development Plan of the RET for the period 2018 - 2028 on the agenda of the General Shareholders Meeting to be approved by the shareholders within the deadline set by ANRE.

- At the meeting on **15.11.2018**, the members of the Supervisory Board took note of the information on the stage of the implementation of the Sectoral Procurement Annual Program in January-September 2018.

- At the same meeting, the Supervisory Board shall examine the simplified interim financial statements simplified on the date and for the nine-

month period ended September 30, 2018 and take note of the Activity Report prepared by the Board of Directors for the 3rd quarter of 2018, prepared in accordance with the provisions of Art. 55 of GEO 109/2011 on Corporate Governance of Public Enterprises.

- At the meeting on **23.11.2018**, the Supervisory Board agreed to acquire a revolving bank credit line required to manage the high efficiency cogeneration support scheme for a period of one year.

- At the same meeting, the Supervisory Board endorsed the Plan for the reorganization / recovery of the "Smart SA" Electric Grid Maintenance Company approved by the Board of Directors, in terms of the value amount of the Corporate Guarantee Letter that will be granted to the Smart SA subsidiary.

- At the meeting on **04.12.2018** the Supervisory Board designates as members of the Nomination and Remuneration Council the following persons:

- Gheorghe OLTEANU
- Adrian MITROI
- Fanel MIHALCEA
- Alin-Sorin MITRICĂ
- Constantin DUMITRU
- Liviu ILASI
- Ion CIUCULETE

Appoints Gheorghe OLTEANU as Chairman of the Nomination and Remuneration Council of the Supervisory Board.

Appoints as members of the Audit Committee of the Supervisory Board:

- Gheorghe OLTEANU
- Adrian MITROI
- Fanel MIHALCEA
- Alin-Sorin MITRICĂ
- Constantin DUMITRU
- Liviu ILASI
- Ion CIUCULETE

Appoints Mr. Adrian MITROI as Chairman of the Audit Committee of the Supervisory Board

Appoints as members of the Energy Security Committee of the Supervisory Board:

- Gheorghe OLTEANU
- Adrian MITROI
- Fanel MIHALCEA
- Alin-Sorin MITRICĂ
- Constantin DUMITRU
- Liviu ILASI
- Ion CIUCULETE

Appoints Mr. Fănel MIHALCEA as Chairman of the Energy Security Committee of the Supervisory Board.

- At the same meeting, the Supervisory Board agrees on the issuance by the Board of Directors of a Decision approving the Feasibility Study for the grant application from European non-reimbursable funds under the Large Infrastructure Operational Program 2014-2020 - Specific Objective 8.1: Increasing SEN capacity for the take-up of energy produced from renewable resources, investment objective "LEA 400 kV dc. Gutinaș – Smârdan.
- At the same meeting it is proposed to the General Shareholders Meeting of the Company to appoint BDO AUDIT SRL as financial auditor of CNTEE Transelectrica SA
- At the meeting on **20.12.2018**, the Supervisory Board gives its consent to the opening of the procurement procedure with the subject of "400 kV Stalpu Power Station" and "Modernization of 110 kV and Medium Voltage in the Stâlpu Power Station"
- At the meeting on **21.12.2018** the Supervisory Board appoints as interim members of the Board the following persons:
 - Marius-Danut CARASOL
 - Andreea Georgiana FLOREA
 - Constantin SARAGEA
 - Claudia-Gina ANASTASE
 - Adrian SAVU

The term has a duration of 4 months starting on 21.12.2018.



Financial Data

The synthesis of financial results for the second semester of 2018 is provided in the tables below. Their extended version for the same time period is presented in the Annexes to this Report.

Stand-alone profit and loss statement			Stand-alone situation of financial position		
[mn RON]	S2 2018	S2 2017	[mn RON]	31/12/2018	31/12/2017
Charged energy volume [TWh]	27.82	27.35	Fixed assets		
ALLOWED PROFIT ACTIVITIES			Tangible fixed assets	2,988	3,044
Operating revenues	620	558	Intangible fixed assets	23	16
Operational Costs	410	384	Financial assets	80	78
EBITDA	210	174	Total fixed assets	3,091	3,138
Depreciation	147	156	Current assets		
EBIT	63	18	Inventories	35	32
ZERO PROFIT ACTIVITIES			Receivables	1,064	819
Operating revenues	868	763	Cash and cash equivalents	482	521
Operational Costs	941	842	Total current assets	1,581	1,371
EBIT	(73)	(79)	TOTAL ASSETS	4,672	4,509
ALL ACTIVITIES (WITH PROFIT ALLOWED AND ZERO-PROFIT)			Equity	2,809	2,718
Operating revenues	1,488	1,321	Long-term debt		
Operational Costs	1,352	1,226	Loans	144	195
EBITDA	137	95	Other payables	520	488
Depreciation	147	156	Total non-current liabilities	664	684
EBIT	(11)	(61)	Current debt		
Financial result	(3)	(13)	Loans	53	317
EBT	(14)	(73)	Other payables	1,146	791
Income tax	3	(3)	Total current liabilities	1,199	1,108
Net profit	(17)	(70)	Total liabilities	1,863	1,792
			CAPITAL AND PAYABLES	4,672	4,509

Note: For the ease of reading and understanding the results, some figures presented in graphs and / or tables use mil. lei as a unit of measure and are rounded to this unit. This presentation convention might cause, in certain cases, minor differences between the total figures obtained by adding up the components.

OPERATIONAL RESULTS

Charged energy volume

In the second semester of 2018, the total charged energy volume for the services performed on the energy market (27.82 TWh) registered an increase of 2% compared to the second semester of 2017 (the difference between the two periods being +0.5 TWh).

This trend was identified in every analyzed month of 2018, mainly in the months of November and December when, due to the very low temperatures, the energy consumption was high.

Operating revenues

The total operational revenue of the second semester of 2018 registered a 13% increase compared to the similar period of the previous year (1,488 mn lei in the second semester of 2018, from 1,321 mn lei in the second semester of 2017).

The **allowed profit activities** segment registered a 11% increase in revenues (620 mn lei in the second quarter of 2018 from 558 mn lei in the second quarter of 2017), mainly due to the increase in average tariffs for the transmission service starting July 1, 2018.

Revenues from the allocation of interconnection capacities grew by 39% compared to the second semester of 2017 value (52 mn lei in the second semester of 2018 compared to 37 mn lei in the second semester of 2017) corresponding to the utilisation degree of available interconnection capacities by the traders on the electricity market.

The mechanism for the allocation of interconnection capacity consists in organizing annual, monthly, daily and intra-daily bids. The annual, monthly and intraday auctions are explicit – only the transmission capacity is bid on, and the daily ones with Hungary are implicit – are allocated simultaneously with the energy and capacity via the coupling mechanism.

The establishment of the regional energy exchange as of November 19, 2014, by Romania, Hungary, Czech Republic and Slovakia means that these four countries should reach the same electricity price for the volumes traded on spot markets. Capacity allocation between Romania and Hungary, the only one of the 3 countries Romania has a border with, is performed by transmission operators: Transelectrica and MAVIR, using a common mechanism based on a bilateral agreement.

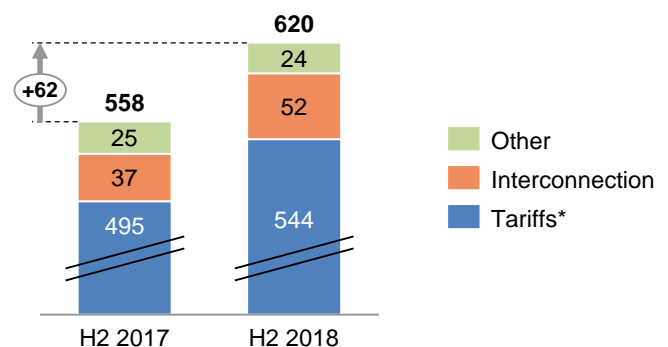
Starting with 2016, the UIOSI principle has been implemented at the border with Bulgaria, and starting with 2017 at the border with Serbia as well. According to this principle the participants not using the capacity won at the annual and monthly auctions, are

compensated (by Transelectrica) for that capacity. The spare capacity is subsequently sold in the daily auctions. On the Hungarian border the direction is reversed, meaning that MAVIR compensates the participants for the unused capacities.

The market for interconnection capacity allocation is fluctuating as prices evolve depending on demand and on the needs of participants on the electricity market to purchase interconnection capacity.

Using the net incomes from the interconnection capacity allocation is achieved in accordance with Article 22 (4) of the ANRE Order no. 53/2013 and Article 16 (6) of the Regulation (EC) no. 714/2009, as a source of financing for upgrading and development of the interconnection capacity with the neighboring systems.

Operational revenue from activities with allowed profit
(mn lei)



* *transmission fee, functional system services, reactive energy, unplanned DAM exchanges, ITC, OTC sale*

Revenues from **zero-profit activities** also increased, by 14% (868 mn lei in the second semester of 2018 compared to 763 mn lei in the second semester of 2017), mainly due to the increase of revenues on the balancing market by 15%, pursuant to the negative imbalances of electricity suppliers on the balancing market that were higher in the second semester of 2018 compared to the second semester of 2017, the high unpredictability and volatility of production from renewable sources (especially wind).

The balancing market is an activity with zero profit to the Company.

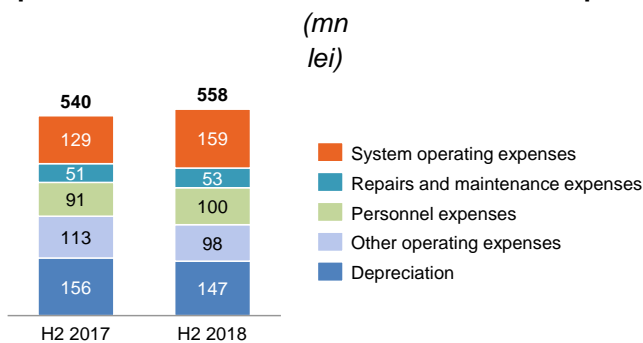
In the second semester of 2018, the revenues from the performed technological services increased by 12% compared to the same period of 2017, due to the increase of the average tariffs for technological system services starting with July 1, 2018.

Operational expenses

The total operational expenses (including depreciation) registered in the second semester of 2018 increased by 8% compared to the similar period of the previous year (1,499 mn lei, from 1,382 mn lei in the same period of 2017) mainly as a result of non-profit segment evolution, but also as a result of the increase in costs for system operation by 23%.

In the segment of **activities with allowed profit**, the expenses (including depreciation) registered a 3% increase (558 mn lei, up from 540 mn lei in the same period of 2017).

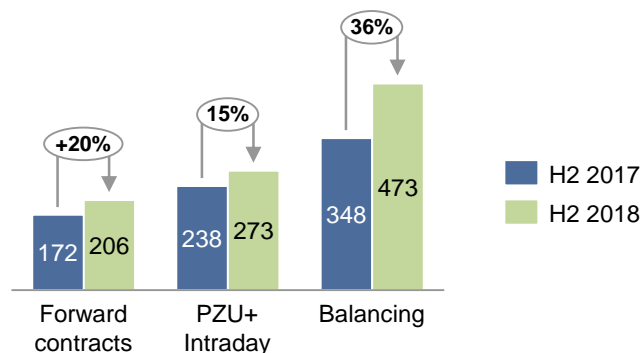
Operational costs from activities with allowed profit



OTC: In the second semester of 2018, these expenses have increased by 25 mn lei compared to the ones registered in the second semester of 2017, due to the slight increase in the amount of electricity needed to cover the OTC in PTG (from 493 GWh in the second semester of 2017, to 496 GWh in the second semester of 2018).

In the second semester of 2018, the energy to cover OTC was purchased from the free electricity market, respectively the Centralized Market for Bilateral Contracts (CMBC), the Day-Ahead Market (DAM), the Balancing Market (BM) and the Intraday Market (IM) at the average purchase price of 251 lei/MWh, compared to the average purchase price of 211 lei/MWh in the second semester of 2017.

Average procurement prices (lei/ MWh)



Beginning with 18.01.2018 the Contract for “Electricity procurement with a view to cover imbalances from notified quantities relating to technological electricity losses in electricity transmission grids by transferring the balancing responsibility” no. C380/06.10.2014 came in force, being concluded between CNTEE Transelectrica SA and CIGA ENERGY SA, whereby energy procurement prices on the balancing market were reduced. In the second half of 2018, OTC expenditure on the balancing market was 16% lower than the same previous year period, but compared to a net purchased value of 44% less, a higher average price was obtained than in S2 2017 .

Congestions: Congestions (network restrictions) represent demands for electricity transmission beyond the technical capacity limits of the network requiring corrective actions of the transmission and system operator; they occur whenever, during operational scheduling or in real time, the power circulation between two system nodes or zones leads to the failure to comply with operational safety parameters of a power system.

Expenses for congestions in the second semester of 2018 amounted to 3 mn lei pursuant to the damage of August 2018 along the 400 kV Cernavoda-Constanta Nord OHL, where maintenance works were performed in the Cernavoda station, as well as due to a damage in the 220/110 kV Stuparei (Valcea county) transformer substation in October.

The segment of **zero-profit activities** increased costs by 12% (941 mn lei from 842 mn lei in the same period of 2017), mainly due to the higher procurement prices for technological system services on the competitive market, given the increase in the price of electricity on the national electricity market.

In the period July-December 2018, the technological system services expenses registered a 8% increase compared to the similar period of 2017, generated by the purchase prices for technological system services from the competitive market which were higher compared to regulated procurement prices.

An important influence in the increase of the purchasing cost of TSS on the competitive market was also the extremely high level of concentration of the technological system services market by service type (secondary reserve, fast tertiary reserve, slow tertiary reserve). This concentration of the market has created favorable for the manifestation and exercise of power on the market, granted to certain participants by their dominant positions held (Hidroelectricita SA for SR and FTR, Romgaz for STR).

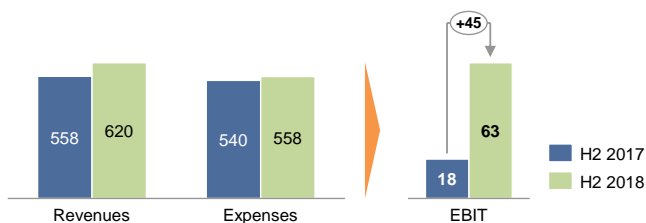
The increase in the TSS purchase costs in 2018 was also seen in the increase in the price of electricity on the national market.

The third quarter of 2018 had a significant influence on the results for the analysed year.

Operational result

The **allowed profit activities** registered a positive result of RON 63 mn, up from 18 mn lei (S2 2017) due to the increase in the average transmission tariffs approved by ANRE for the transmission service (7.5%), as well as due to the increase of revenues from interconnection capacity allocation.

EBIT structure for activities with allowed profit (mn lei)



EBIT generated by zero-profit activities registered a negative result of 73 mn lei, in a positive evolution compared to the negative result of 79 mn lei seen in the second semester of 2017.

During the entire activity, **EBIT** increased by about 50 mn lei (-11 mn lei in the second semester of 2018 from 61 mn lei in the second semester of 2017).

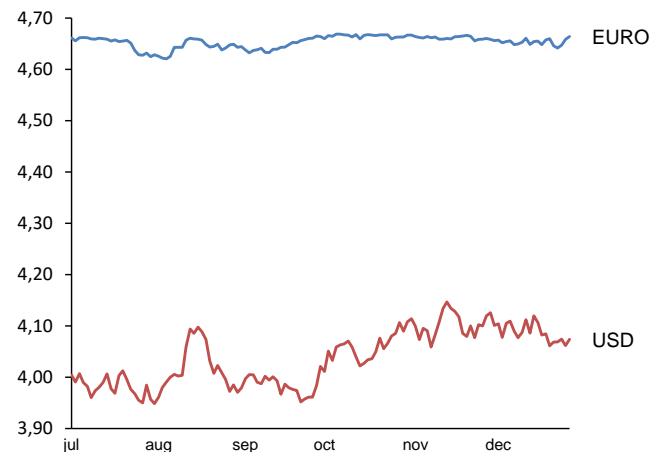
Financial result

Net financial results improved from a loss of 13 mn lei in the second semester of 2017 to 3 mn lei in 2018; a major impact was seen in the higher income from interests (+3.7 mn lei) and the positive evolution of expenditure from exchange rate differences (-5.6 mn lei

[RON mn]	H2 2018	H2 2017	Δ	Δ (%)
Financial Income	10	7	3	39%
- income from financial assets	(0)	2	(2)	(106%)
- interest income	6	2	4	152%
- income from exchange rate differences	4	2	1	58%
- other incomes	0	0	(0)	(56%)
Financial expenses	13	20	(7)	(35%)
- interest expenses	9	11	(1)	(13%)
- expenses from exchange rate differences	4	9	(6)	(60%)
- other financial expenses	0	0	0	n/a
Net financial result	(3)	(13)	10	76%

The evolution of the RON/euro and RON/usd exchange rate in the first semester of 2018 is presented in the graph below.

The evolution of the foreign exchange rate

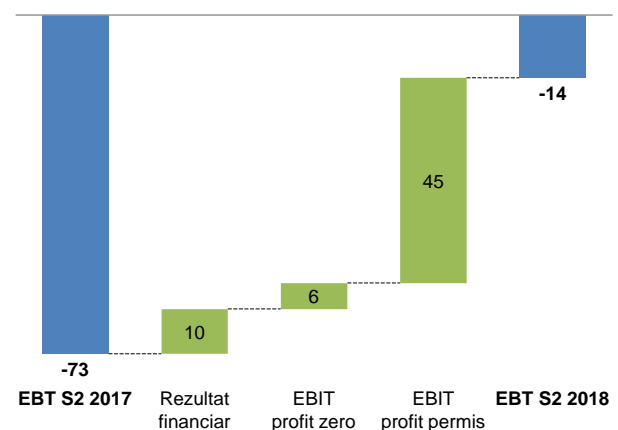


Gross result (EBT)

Gross profit recorded a 81% growth from the loss of 73 mn lei in the second semester of 2017 to a loss of 14 mn lei in the second semester of 2018.

The difference between the profit for June-December 2018 and June-December 2017, broken down in the constitutive elements of the profit, is presented in the graph below:

EBT structure (mn lei)



FINANCIAL POSITION

Fixed assets

Fixed assets registered a ca. 1% decrease at the end of 2018 compared to 2017, mainly following the registration of tangible and intangible asset depreciation and due to the increase of the amounts related to property, plant and equipment in progress.

Tangible assets in the Constructions and special installations group were revalued for the financial exercise ending on December 31, 2018. Thus, the

Company recognized a net excess from the revaluation of constructions and special installations of 99.4 mn lei, of which 100.4 mn lei was recognized to the credit of the revaluation reserve account and (0.93 mn lei) was recognized to the profit and loss statement for 2018.

The highest input to intangible assets in progress in 2018 was “Replacement of EMS SCADA AREVA system components - software component, hardware component – 7.8 mn lei”.

In 2018, the biggest transfers from intangible assets in progress to intangible assets are mainly represented by the commissioning of the investment objectives.

The increase in financial assets is reflected in the assets held by the Company with TSCNET Services GmbH, starting June 2018. The Shareholders' General Assembly Decision 9 / 05.06.2018 approved the Company's affiliation to the Regional Security Coordination Centre, the amount of RON 2.2 mn representing the Company's participation to the share capital of TSCNET Services GmbH.

Current assets

Current assets increased by 15% in 2018 compared to the value of December 31, 2017, mainly due to the increase in trade receivables and other similar accounts.

Spare parts hold the highest share among inventories (74%). The increase of inventories in 2018 compared to 2017 is mainly reflected by the 7% increase in spare parts, i.e. 1.7 mn lei.

The highest impact in the increase of trade receivables and other receivables is seen in the evolution of clients on the electricity market and other activities. Thus, on 31 December 2018 clients on balance from operational activities and from the balancing market registered an increase in comparison with 31 December 2017, mainly determined by:

- a greater volume of transactions on the balancing market in November and December 2018 compared to the same period of 2017, determining an increase of trade receivables on balance as of 31 December 2018 in comparison with 31 December 2017;
- the collection of receivables for invoices issued for the electricity market in December 2018, during January 2019;
- the increased amount of transported electricity.

Of all trade receivables registered on December 31, 2018, 19% is receivables to be collected from the bonus-type support scheme for the promotion of high-efficiency cogeneration, down from the 2017 level.

The Company has to collect receivables from the bonus-type support scheme for the promotion of high-efficiency cogeneration of 199 mn lei, down from the 219 million lei of 2017, due to:

- the collection of receivables corresponding to ANRE decisions on the over-compensation of cogeneration for 2017, of 140 mn lei issued in March 2018, based on ANRE decisions;
- the collection of the staggered amounts of 9.8 mn lei in the first and third quarter for the overcompensation for 2015 from Termoficare Oradea for SC Electrocentrale Oradea SA, based on the entered convention;
- the reduced contribution value for high efficiency cogeneration determined by ANRE, beginning with 01 July 2018.

The balance amounting to 199 mn lei is represented by the invoices issued under the bonus-type support scheme for the promotion of high efficiency cogeneration, of which:

- overcompensation of 76.7 mn lei for 2011-2013, namely from RAN - 63.5 mn lei and CET Govora SA - 13.2 mn lei;
- undue bonus for 2014 in the amount of 3.9 mn lei, namely from RAAN – 2 mn lei, CET Govora – 1.9 mn lei;
- undue bonus corresponding to 2015 amounting to RON 0.6 mn, namely from CET Govora SA – RON 0.5 mn, Interagro – RON 0.03 mn;
- overcompensation for 2016 for 56.7 mn lei, namely from Electrocentrale București;
- contribution for cogeneration uncollected from the suppliers of electricity consumers and amounting to 21.1 mn lei namely from: Transenergo Com – 5.9 mn lei, PetProd – 4.4 mn lei, Romenergy Industry – 2.7 mn lei, RAAN- 2.4 mn lei, UGM Energy – 1.8 mn lei, CET Govora – 0.9 mn lei, KDF Energy – 0.9 mn lei and others.

In order to discharge the receivables generated by the overcompensation and the undue bonus, the Company requested the reciprocal compensations from the qualified producers in the support scheme. For producers (RAAN, Electrocentrale Bucuresti, CET Govora) that have not agreed to this way of discharging the reciprocal receivables and debts, the Company has applied and continues to apply the provisions of Article 17 (5) of the Order of ANRE Chairman no. 116/2013 approving the Regulation on determining the way to collect the contribution for high-efficiency cogeneration and payment of the bonus for the electricity produced in high-efficiency cogeneration.

On 31 December 2018 „Other trade receivables” amounting to RON 83.5 mn, decreasing by 28% compared to 2017, mainly include:

- various debtors amounting to 71.2 mil lei, out of which interest on late payments computed for clients in default of payment, amounting to 62.6 mil lei (of which the amount of 26 mn lei);
- compensations owed by suppliers for the failure to deliver electricity (Arelco Power 2.8 mil lei and Enol Grup 2.5 mil lei);
- receivables from OPCOM representing VAT for the contribution in kind to the subsidiary's equity, amounting to 4.5 mil lei;
- deferred expenses amounting to 6.5 mil lei mainly represented by the advances on contracts concluded with the suppliers of electricity needed for covering the own technological consumption for future periods (5.3 mil lei);
- other receivables amounting to 4.6 mn lei, of which 4.2 represent guarantees for temporary occupation of the land calculated and retained in accordance with the art. 39 paragraph (1), paragraph (2) and paragraph (5) of the Law no. 46/2008 regarding the Forestry Code in order to achieve the investment objective LEA 400 kV Resita - Panchevo (Serbia).

Bank deposits with a maturity of more than 90 days were dissolved in 2017 and 2018; as of December 31, 2016 they amounted to 135 mn lei (under “Other financial assets”).

Cash and cash equivalents decreased given the full repayment of bonds on December 19, 2018, as well as the repayment of last instalments for loans due in 2018.

Debt

Long-term liabilities have registered a 3% decrease in 2018 compared to 2017, mainly as a result of reimbursements performed as per the maturity dates and agreements (long-term loans from 195 mil lei as of December 31st, 2017 to 144 mil lei as of December 31st, 2018) for the contracted loans.

Within long-term deferred revenues (411 mn lei in 2018 and 410.6 mn lei in 2017), 10 mn lei is the amount collected in May 2018 from the European Commission for the project of common interest Internal line between Cernavoda and Stalpu, and 1.4 mn lei the amount collected in July from the European Commission for the project 400 kV double circuit Gutinas-Smardan overhead electric line.

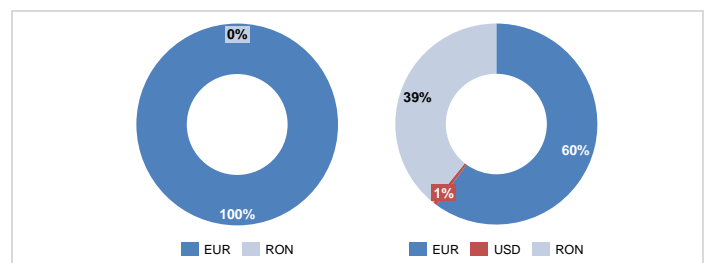
The evolution of long-term liabilities is also influenced by the increase in liabilities for deferred tax, increasing from 25 mn lei in 2017 to 56 mn lei in 2018.

At the same time, **short-term liabilities** showed an 8% increase (from RON 1,108 mn as of December 31, 2017, to 1,199 mn lei as of December 31, 2018): This is mostly due to the increase:

- by 46% in *trade payables* (from 700 mn lei as of December 31, 2017 to 1,021 mn lei as of December 31, 2018), due to:
- *other debt*, with a significant impact on *clients-creditors*, with a balance of 56 mn lei in 2018 (of which 4 mn lei - amounts collected in advance from MAVIR and 51 mn lei amounts collected in advance from OPCOM, within transactions for the price coupling mechanism) compared to 21 mn lei in 2017, as well as the *balance of payable dividends* of 67.7 mn lei in 2018 (of which 66.7 mn for dividends distributed from the retained earnings, based on the Decision of the General Assembly of Shareholders no. 15/14.12.2018, with 25.01.2019 as the deadline to start dividend payment) compared to 2.4 mn lei in 2017,
- *provisions*, mainly for disputes (62 mn lei in 2018 compared to 3 mn lei in 2017). The most significant dispute is the one with Asito Kapital SA, of 31.2 mn lei.

The above mentioned increases were compensated by the reduction in the current portion of long-term loans, including interests for long and short-term loans and bonds, given the repayment of loans that became due during 2018 (from 317 mn lei as of December 31, 2017 to 53 mn lei as of December 31, 2018).

In 2018, the bank debt decreased from 509 mil lei to 195 mil lei against the background of principal payments under contracted credits, as well as the Company's reduced indebtedness. As of 31.12.2018, the Company only had EUR loans, while loans in lei had been liquidated through the repayment of due bonds.



Equity

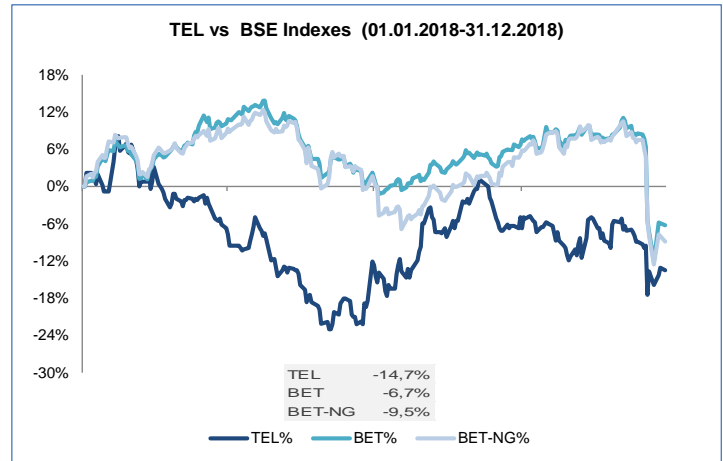
Equity had a 3% increase, mainly due to the increase in the revaluation reserve (522.6 mn lei as of December 31, 2018 compared to 500 mn lei as of December 31, 2017) and a 4% increase in the retained earnings based on the excess from revaluation reserve, which is non-taxable/taxable upon change of destination.

EVOLUTION OF SHARES

(01-July-2018 to 31-December-2018)

During July-December 2018, Transelectrica shares (BVB symbol: TEL) increased compared to the main index of the Bucharest Stock Exchange (BET), as well as the BET-NG index, for most of the analysed period.

The second semester of 2018 debuted with a trading price of 22 lei/share, the market capitalization amounting to 1,576 mil lei, the share price amounting to 21.50 lei at the end of the period (December 31, 2018). The minimum transaction price of 19.40 RON/share was registered on 04.06.2018, while the maximum of 25.45 RON/share was reached on 06.09.2018.





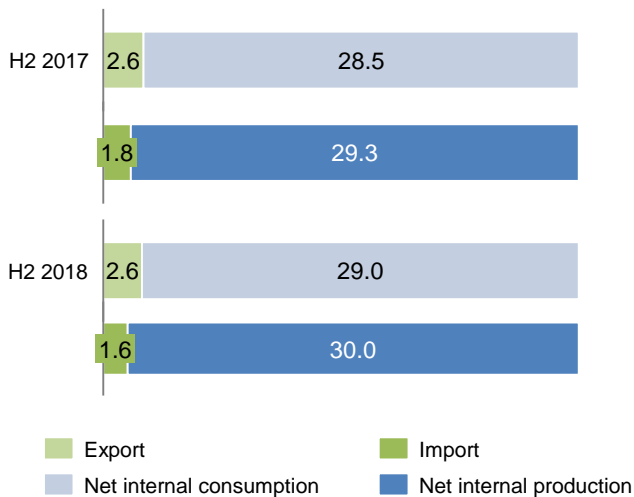
Operational data

ENERGY BALANCE IN THE SEN

Analyzing the evolution of the energy balance components, in the period July - December 2018 compared to the same period of the previous year, net domestic consumption¹ increased by 2% and net energy production increased by 2.3%.

Foreign cross-border physical exports decreased by 2.6% compared to the same period in 2017, while cross-border import flows decreased by 10.1%.

Energy Balance S2
(TWh)



PRODUCTION MIX

In the structure of the production mix, in the period July - December 2018 compared to 2017, there was a decrease in the share of the thermal component of about 0.5%, the production from nuclear sources of 0.4%, and from renewable sources of 17.1%.

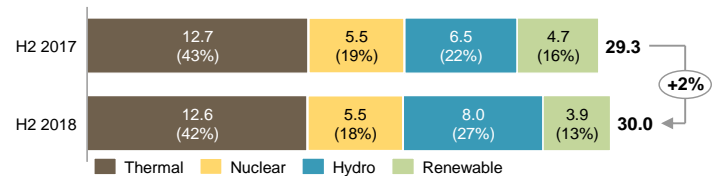
Hydropower component registered 24.2% increase (8 TWh compared to 6.4 TWh).

Examining the component shares of the net generation mix from January to December 2018 one can notice

¹ Net values do not include the consumption of own auxiliary services from electricity generating power plants; the net consumption value includes the losses of transmission and distribution networks and the consumption of pumps from pumping storage hydropower substations

the greatest share (42%) is the thermal component, followed by the hydro one (27%), while the electricity generated from renewable and nuclear sources reached to about 13% and 18% respectively.

Net electricity production mix evolution S2
(TWh)



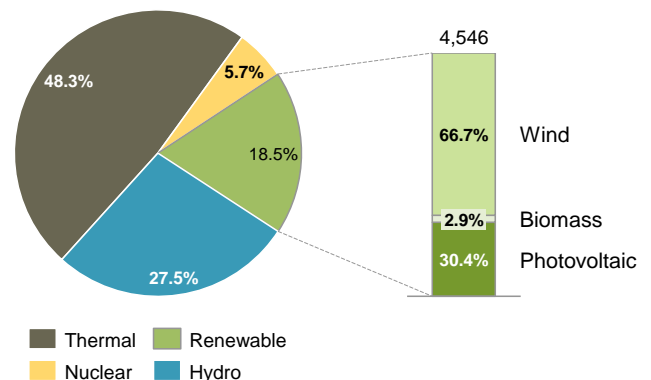
NATIONAL GENERATION FLEET

In 2018 the gross installed capacity into electric power plants decreased 0.5% in comparison with the same period of 2017.

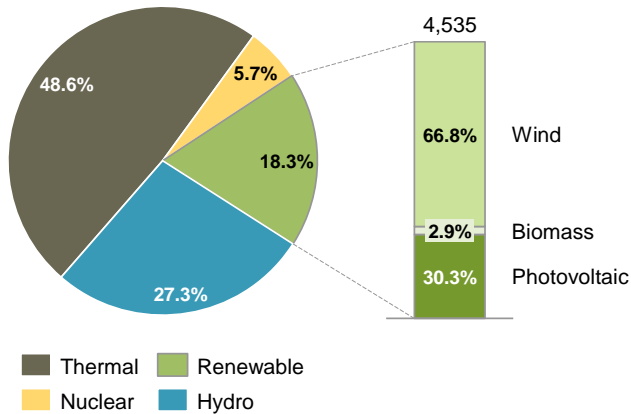
The capacity installed in renewable energy power plants rose by approximately 0.2%, from 4,534 MW installed on December 31, 2017, to 4,546 MW installed on December 31, 2018.

The dynamics of installed capacities associated to the time interval January – December 2018 versus 2017 is provided below:

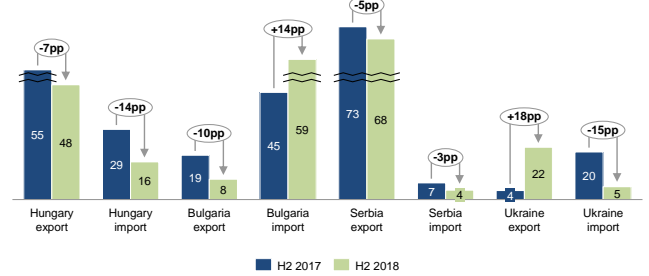
Installed capacity in 2018 (24,606 MW, gross value)



Installed capacity in 2017 (24,738 MW, gross value)



Total allocated capacity utilization rate (%)



OWN TECHNOLOGICAL CONSUMPTION

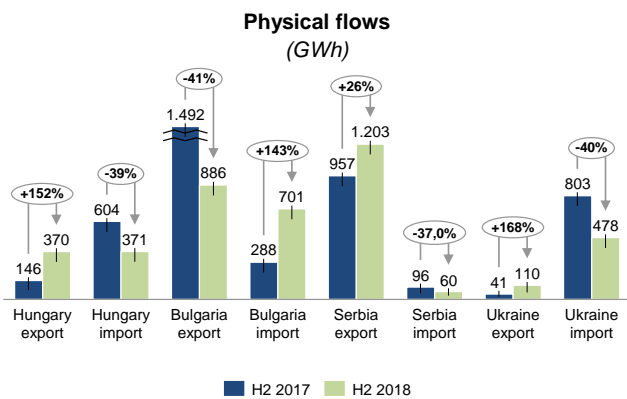
In the second half of 2018, the absolute value of the OTC increased by approx 1% compared to the same period in 2017 due to the unfavourable distribution of physical flows of imports / exports along the interconnection lines during the whole period analysed in October and November, but also due to the unfavourable weather conditions in December which led to a sharp rise in losses corona. Reported to contracted energy, losses increased from 2.17% to 2.24%.

CROSS-BORDER FLOWS

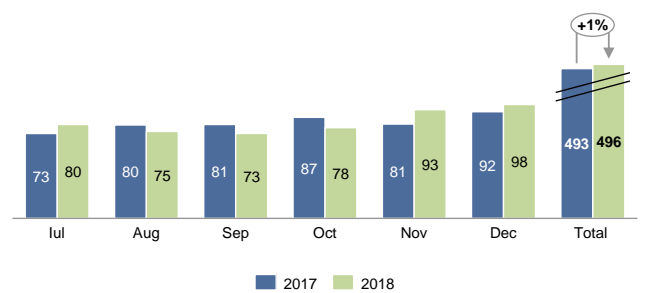
The distribution of physical flows of import / export on interconnection lines in the second half of 2018 compared to the same period of 2017 is as follows:

- Export increased and import decreased along the interconnection lines located in the deficit areas of electricity production (on the border with Hungary and with Ukraine);
- Export decreased and import increased along the interconnection line located in the surplus area in electricity production respectively on the border with Bulgaria.

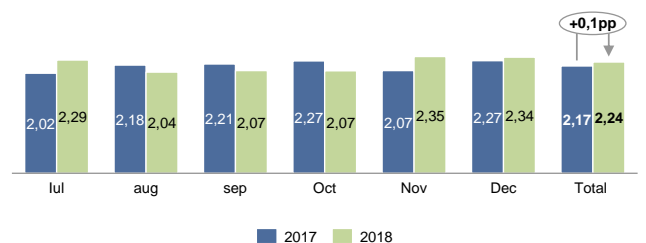
The physical flows of both import and export on each border are presented below:



Realized OTC (GW)



OTC (%)



In the second half of the year 2018, the total allocated capacity utilization rate along the export interconnection lines decreased compared to the second half of 2017 on most destinations, registering only an increase in relation to Ukraine (+ 18pp).

PHYSICAL OTC GROWTH FACTORS

In July 2018, the absolute value of the OTC increased by approx 10.40% compared to July 2017, due to the disadvantageous physical import/export flows and the disadvantageous distribution of production which led to the increase of the energy transmission remotely from the sources, and due to the significantly unfavourable weather conditions which determined the increase of

Corona losses. The losses percentage reported at the RET-input energy increased from 2.02% in July 2017 to 2.29% in July 2018. The net internal consumption of energy was 1.71% greater in comparison with July 2017. The contour input energy decreased by 2.44% in July 2018, compared to the similar period of 2017. The weather conditions have been unfavourable, the amount of rainfall being higher than in the previous year.

In August 2018, the absolute value of the OTC decreased as compared to August 2017 by approx 6.96%, especially due to the favourable weather conditions that led to a decrease in corona losses. The losses percentage reported at the RET-input energy increased from 2.18% in 2017 to 2.04% in 2018. The energy injected into the outline decreased 0.53 % in August 2018 in comparison with the same period of 2017. The weather conditions have been more favourable, the amount of rainfall being higher than in the previous year.

In September 2018, the absolute value of the OTC decreased as compared to September 2017 by approx 9.63%, especially due to the favourable weather conditions that led to a decrease in corona losses. The losses percentage reported at the RET-input energy decreased from 2.21% in September 2017 to 2.07% in September 2018. The energy injected into the outline decreased 3.87% in September 2018 in comparison with the same period of 2017. The weather conditions have been favourable, the amount of rainfall being lower than in the previous year.

In conclusion, in the 3rd quarter of 2018 OTC within RET decreased about 2.46% in comparison with the same period of 2017, especially due to favourable meteorological conditions in August and September, which determined significant decrease of corona losses. In terms of contracted energy, losses decreased from 2.14% to 2.13%.

In October 2018 the absolute value of the OTC decreased about 10.3% in comparison with October 2017 because of the smaller amount of electricity injected into the outline, the more advantageous generation structure and favourable weather conditions. The percentage of losses compared to the electricity injected into the RET decreased from 2.27% in October 2017 to 2.07% in October 2018, as a result of reduction of the absolute value of the OTC. The net internal consumption of energy was 0.04% greater in comparison with October 2017. The energy injected into the outline decreased 1.7% in October 2018 in comparison with the same period of 2017. Meteorological conditions in terms of precipitation were worse than in October 2017, generating smaller corona losses.

In November 2018 the absolute value of the OTC increased about 15.14% in comparison with November 2017, especially because of the disadvantageous distribution of physical flows on borders, which has led to greater electricity quantities transmitted to great distances from sources, but also because of the electricity injected into the outline. The losses percentage reported at the RET-input energy increased from 2.07% in November 2017 to 2.35% in November 2018 in terms of the electricity that was injected into the outline, as a result of the significant increase in the absolute value of the OTC. The net internal electricity consumption was 1.9% greater in November 2018 compared to November 2017, and the balance was of 28 GWh export compared to 125 GWh export (when physical import increased about 28 GWh and physical export decreased 70 GWh), the electricity entered into the outline increased 1.3% in November 2018 compared to the same period of 2017. Weather conditions have been better than last year in terms of precipitation, thus determining reduced corona losses.

In December 2018, the absolute value of the TC increased by December 2017 by approx. 6.7% due to degraded weather conditions, characterized by more significant precipitation, which resulted in higher corona losses. The percentage of losses compared to the RET-input energy was 2.34% in December 2018 compared to 2.27% registered in December 2017. The SEN balance was of 147 GWh import, compared to 522 GWh export (when physical import increased by approx. 348 GWh and physical export decreased by approx. 322 GWh), the electricity entered into the outline increased 1.9% in December 2018 compared to the same period of 2017. Weather conditions have been unfavourable which resulted in higher corona losses.

In conclusion in the 4th quarter of 2018 OTC within RET increased by approx. 3.65% compared to the same period of 2017, as a result of disadvantageous structure of physical flows on borders in October and November, of the disadvantageous generation structure in October and of bad meteorological conditions in December. Reported to contracted energy, losses increased from 2.2% to 2.26%, as a result of the increase in the energy input in the RET outline.



Investments

FIXED ASSETS REGISTERED IN ACCOUNTING

The value of the fixed assets recorded in the accounting in 2018 was of RON 247.8 mn.

In 2018, the biggest transfers from tangible assets in progress to tangible assets are mainly represented by the startup of the investment objectives, as follows:

- 400 kV interconnection OHL Resita (Romania) - Panchevo (Serbia) – 98.6 mn lei;
- Refurbishing the 400/220/110/20 kV substation Bradu – 31.4 mn lei;
- Upgrading the 110 kV & 20 kV substations Suceava – 16.7 mn lei;
- Upgrading the 400/110/10 kV substation Cluj Est – 13.4 mn lei;
- Replacing autotransformers and transformers of electric substations, stage 2 – 11.6 mn lei;
- Upgrading the command-control-protection system of the 220/110/20 kV substation Sardanesti – 11 mn lei;
- Connecting substations Turnu Magurele, Mostistea, Stalpu, Teleajen to the optical fibre network of CNTEE Transelectrica SA, lot 2 – 4.5 mn lei;
- Reparation of the failure of the 110-120 terminals of the Bucharest Sud - Ghizdaru 220 kV OHL – 4.3 mn lei;
- Replacing the 200 MVA 231/121/10.5 AT 2 from the 220/110 kV substation Resita – 4.3 mn lei;
- Replacing the connectors from electrical substations – 4.2 mn lei.
- Equipment for videowall type display for the control rooms of the dispatching CPD/TPD centres – 3.7 mn lei;
- Integrated security system in electric substations, stage IV – 3.6 mn lei;
- Refurbishing the 400/110/20 kV substation Tulcea Vest – construction part – 2.9 mn lei;
- Assembling the optic fiber and upgrading the system of distance protections on 400 kV OHL d.c.Tantareni- Turceni and 400 kV OHL s.c.Urechesti-Rovinari – 2.8 mn lei;
- Purchase Motor vehicles 2018– 2.7 mn lei;
- Regulating the coexistence of the 400 kV OHL Mintia - Arad, in segment 15-20, with the Lugoj – Deva motorway, lot 4 – 2.7 mn lei;
- Equipping the 110 kV bay Nord and changing the elements of the 110 kV bay Obor 2 from the 220/110/10 kV substation Fundeni – 2.5 mn lei;
- Installing optical fibre to the 220 kV OHL Fundeni-Brazi Vest, lot 1 – 2.4 mn lei;
- Upgrading the 220/110 kV substation Dumbrava – 2.2 mn lei;
- Upgrading the 110/6 kV station from the Pestis 220/110/6 kV substation – 1.8 mn lei;
- Connecting the consumption point Fabrica MDF, located in Arges, small town Oarja, village Ceausesti, point Armata, fields 5 & 46, to the 110 kV bus-bar of the 220/110/20 kV substation Pitesti Sud by means of the 110 kV LES (underground line) about 450 m long – 1.8 mn lei;
- Upgrading the hardware platforms of the SCADA system from substation Slatina – 1.8 mn lei;
- Regulating the proximity of the 400 kV OHL Mintia - Arad, in segment 35-37, with the Lugoj – Deva motorway, lot 4 – 1.5 mn lei;
- Computation technique - hardware & software - Laptops – 1.4 mn lei;
- Relocating the high voltage 220 kV networks, highway Sebes – Turda, Lot 1, km 0+000 – km17+000, section A –double circuit (d.c.)Alba Iulia-Şugag 220 kV OHL d.c., Gâlceag, km 7+800, in the 25 – 26 opening and km 11+080 – milestone 15 – 0.74 mn lei;
- Converting the Portile de Fier - Resita - Timisoara - Sacalaz - Arad axis to the 400 kV voltage - stage I - Portile de fier - (Anina) – Resita 400 kV OHL s.c.– 0.70 mn lei;
- Relocating the high voltage networks, Brasov – Targu Mures – Cluj – Oradea motorway, section 2A Ogra – Campia Turzii, lot 2 Iernut – Chetani, km 3+600 – km 21+500 – the 220 kV OHL Iernut – Ungheni circuit 2 – 0.69 mn lei;
- Regulating the coexistence of the 400 kV OHL Mintia - Sibiu, in the 6-8 clearing, and the highway Lugoj - Deva, Lot 4, sector Ilia - Deva km 77+361 - km 99+500 – 0.64 mn lei;
- Replacing the accumulator batteries 1, 2, 3 & 4 from substation Portile de Fier – 0.63 mn lei;
- Specific furniture for dispatchers in DET [Territorial Dispatcher Bacau, DET Cluj, DET Craiova and DET Timisoara – 0.62 mn lei;
- Upgrading the personnel building of laz – 0.48 mn lei;
- Replacing the accumulator batteries 1, 2, 3 & 4 from substation Portile de Fier – 0.42 mn lei.

FIXED ASSETS PROCUREMENT

The acquisitions of tangible and intangible assets in 2018 amount to RON 170.61 mn compared to the same period of 2017 when the purchases amounted to RON 182.85 mn.

The balance of tangible assets in progress on 31 December 2018 is represented by ongoing projects, the most significant being provided below:

- PTG connection of the Ivesti 300 MW WPP, Fălciu 1 88 MW WPP and Fălciu 2 18 MW WPP via the new Banca (400)/220/110 kV substation – 46.9 mn lei;
- Converting the Portile de Fier - Resita - Timisoara - Sacalaz - Arad axis to the 400 kV voltage - stage I - Resita 400/220/110 kV station – 27.5 mn lei;
- Technical upgrade of the Isaccea 400 kV substation - Stage I - replacing the compensation bobbins, the corresponding cells and the Stupina 400 kV cell – 23.5 mn lei;
- Technical update of the Turnu Severin Est 220/110 kV substation – 20.8 mn lei;
- Extending the services providing business continuity and recovery after disasters – 14.4 mn lei;
- Refurbishing the 400/220/110/20 kV substation Bradu – 12.2 mn lei;
- Replacement of EMS SCADA AREVA system components - software component, hardware component – 11.4 mn lei;
- 400 kV double circuit OHL Cernavoda-Stalpu and connection in Gura Ialomitei – 10.9 mn lei;
- Connecting the Isaccea - Varna 400 kV OHL and the Isaccea - Dobrudja in the Medgidia Sud 400 kV substation – 10.8 mn lei;
- Refurbishing the 400/110/20 kV substation Domnesti - 8.8 mn lei;
- Integrated security system in electric substations, stage IV – 8 mn lei;
- Technical upgrade of the Hasdat 220/110 kV substation – 7.1 mn lei;
- Converting the Portile de Fier - Resita - Timisoara - Sacalaz - Arad axis to the 400 kV voltage - stage I - Resita 400/220/110 kV station – 6.6 mn lei;
- Gadalin - Suceava 400 kV OHL, including the NPS interconnection – 6 mn lei;
- 400 kV HVDC link (Romania - Turkey submarine cable) – 5.9 mn lei;
- Refurbishing the 220 kV substation Otelarie Hunedoara – 5.1 mn lei;
- Suceava - Balti 400 kV OHL, for the part of the project on Romanian territory – 4.4 mn lei;
- Gutinas – Smardan 400 kV OHL d.c. – 3.7 mn lei;
- Upgrading the Raureni 220/110/20 kV station – 3.3 mn lei;
- Extending the control system with new functions and IT registration of access in the objectives of CNTEE Transelectrica SA - .2 mn lei;
- Converting of the Portile de fier - Resita - Timisoara - Sacalaz - Arad axis to 400 kV, stage II - Resita - Timisoara – Sacalaz 400 kV OHL d.c.(Timisoara 220/110 kV substation) – 3.2 mn lei;
- Upgrading the Arefu 220/110/20 kV station – 3 mn lei;
- Connecting the 136 MW WPP Platonești, Ialomița county, to the PTG through constructing a 110 kV cell in the Gura Ialomitei 400/110 kV substation – 2.9 mn lei;
- Integrated security system to electric substations, stage III – 2.8 mn lei;
- Upgrading the 110kV substations Bacau Sud and Roman Nord of the 400kV axis Moldova – 2.6 mn lei;
- Connecting to PTG the 99 MW WPP Dumesti and the 30 MW WPP Romanesti, Iasi County, by building a 110 kV line bay in the 220/110 kV substation FAI – 2.5 mn lei;
- Technology research and development centre for working with live equipment (LST) and rapid intervention in the NPS – centre building – 2.2 mn lei;
- Security solution to implement security measures for classified information – 2 mn lei;
- Executive - DCBPA/CPA:Consolidation, upgrade and extension of CNTEE Transelectrica offices - 1.6 mn lei;
- Upgrade of the tele-protection and telecommunications system in the Cernavodă substation – 1.4 mn lei
- Integrated security system at the new Banca (400/220/110 kV substation – 1.1 mn lei;
- Deploying an optical fiber line between the Pitesti Sud 110 kV substation and the remote control and installation supervision center of the Pitesti ST – 1.1 mn lei;
- Upgrading the 220/110 kV substation Dumbrava – 1 mn lei;
- Refurbishing the 400/110/20 kV substation Smardan – 1 mn lei;
- Relocating the HV networks of the Brasov - Targu Mures - Cluj – Oradea Highway, section 2A Ogra-Campia Turzii, lot 2 Iernut - Chetani, km 3 + 600 km 21 + 500 - 400 kV OHL Iernut - Sibiu Sud, - 0.99 mn lei;
- Refurbishing the 220/110/20 kV substation Ungheni – 0.91 mn lei;
- Connecting to PTG the 400 kV substation Stupina and connecting the 400 kV OHL Isaccea-Varna – 0.87 mn lei;
- Refurbishing the 220/110 kV substation Craiova Nord – 0.85 mn lei;
- The 220 kV double circuit OHL Ostrovu Mare - PTG – 0.79 mn lei;
- The 400 kV OHL Oradea – Beckescsaba – 0.79 mn lei;

- Upgrading the 110 kV & 400 (220 kV) installations from Substation Focsani -0.77 mn lei;
- The 400 kV substation Stalpu – 0.76 mn lei;
- 400 kV d.c. (1 c.e.) Constanta Nord-Medgidia Sud OHL – 0.72 mn lei;
- Converting the Brazi Vest - Teleajen - Stalpu 220 kV OHL to 400 kV, including the purchase of the 400MVA 400/220/20 kV AT, extension works for the 400 kV and corresponding 220 kV stations, in the Brazi Vest 400/220/110kV station – 0.68 mn lei;
- Connecting to PTG the 33 MW WPP Sarichioi, Tulcea County, into the 110 kV bay Zebil from the 400/110 kV substation Tulcea Vest – 0.63 mn lei.

CONTRACTUAL ASPECTS

The most important investment contracts signed in 2018 are:

- Refurbishing the 400/110/20 kV substation Smârdan - 107.2 million lei;
- Refurbishing the 110 kV substation Medgidia South - 49.8 million lei
- Refurbishing the 220/110 kV substation Hășdat - 49.7 mil lei.
- Refurbishing the 220/110 kV substation North Craiova - 46.1 million lei



Other Aspects

TARIFFS

The ANRE-approved tariffs (Order 48/2017) are provided in the table below:

Index	Tariff	UM	Approved value		Difference %	Approved value		Difference %
			Reporting period			Reporting period		
			1 January-31 December 2017			1 January-31 December 2018		
			1 Jan-30 June	1 July-31 Dec		1 Jan-30 June	1 July-31 Dec	
A	Electricity transmission	lei/M Wh	18,70	16.86	-9.8%	16.86	18.13	+7.5%
B	Functional system services	lei/M Wh	1.30	1.11	-14.6%	1.11	1.11	-
C	Technological system services	lei/M Wh	11.58	9.39	-18.9%	12.06	10.44	-13.4%
	Billed quantity	TWh	52.0	54.0	-	54.0/55.0	55.4	-

Further are provided the factors that significantly contributed to changing the tariffs at the last ANRE review (tariffs that entered in force on 01.07.2018).

Electricity transmission service

The **(+7.5%)** tariff increase is mainly explained by two factors:

1. Ex-post corrections - applied to compensate the differences between estimated values used for tariff calculations in previous years and the actual registered values (final corrections for year July 1, 2016 - June 30, 2017, preliminary corrections for year July 1, 2017 - June 30, 2018); such corrections were negative but of lower absolute value compared to those applied in the current tariff. Ex-post corrections contributed +6.5% to the increase of the new tariff approved compared to the current one;

The most important elements of the ex-post corrections applied in calculating the new approved tariff are: (i) electricity procurement price to cover one's own technological losses, (ii) the inflation index, (iii) using part of the revenues from the allocation of interconnection capacities as complementary source of the regulated tariff to cover regulated costs, (iv) higher electricity consumption above ANRE's forecast when it designed the tariff, (v) the partial investment correction;

2. The forecasted inflation used in the calculation of the newly approved tariff was higher than the forecasted inflation used in order to calculate the tariff

of the current year (the inflation index used in the new tariff calculation is superior to the inflation index used in the calculation for the current year's tariff). The inflation index difference contributed +4.6% to changing the new tariff approved compared to the current one.

Besides positive corrections there have been other factors that contributed to the value of the new tariff approved and applied from 01.07.2018 compared to the tariff applied until 30.06.2018:

- The electricity volume chargeable at the extraction point was increased from 54.0² TWh to 55.4 TWh. Such change in the billed amount of electricity contributed **-2.5%** to changing the newly approved tariff.
- The annual basic revenue calculated as a sum of annual regulated costs established using the 5 years' cost forecast approved by ANRE for the regulatory interval 01.07.2014-30.06.2019 is slightly higher than the annual basic revenue corresponding to the current tariff year. Flattening the series of annual revenues during the regulatory period led to redistributing the

² The amount of electricity used in order to approve the transmission tariff and the tariffs of functional system services was 54.0 TWh (1 July 2017), and the electricity quantity used in order to approve the tariff for technological system services (1 January 2018) was 27.5 TWh for semester I 2018 (55.0 TWh each year)

annual revenues of the period while maintaining the total value of the 5 years' cumulated revenue; revenues from one year to the next were impacted by a negative decreasing slope. The cumulated contribution of the two elements presented within this paragraph to the modification in the new approved tariff compared to the previous tariff is of **-1.0%**.

Functional system services

The tariff was maintained due to the following individual calculation items whose net cumulated effect was zero:

- The ex-post negative correction included in the new tariff was lower in absolute value compared to the negative correction applied to last year's tariff. The ex-post correction contributed **+6.0%** to changing the newly approved tariff;
- The annual forecast of recognised costs in the newly approved tariff is lower than the annual cost forecast included in the current year's tariff. The reduced annual cost forecast contributed **-3.4%** to changing the newly approved tariff;
- The electricity volume chargeable at the extraction point was increased from 54.0 TWh to 55.4 TWh. Such change in the billed amount of electricity contributed **-2.5%** to changing the newly approved tariff.

Technological system services

The **(-13.4%)** tariff drop was determined by:

- The ex-post negative correction included in the new approved tariff, set in accordance with the methodology applicable for partial compensation (up to 80%) of the profit gathered by 30.06.2017. The profit obtained during this period was mainly

achieved against a significant drop in unit procurement prices for technological system services under bids compared to the unit prices forecasted by ANRE and included with anticipation in the calculation of approved tariffs. In order to mitigate the impact over the regulated tariff, upon Traselectrica's request ANRE established a spread-out of corrections during two tariff years, July 1, 2017 – June 30, 2018 and July 1, 2018 – June 30, 2019, based on which the newly approved tariff was applied the second correction quota applicable to July 1, 2016 - June 30, 2017 as well as the unachieved part of the first quota. The ex-post correction contributed **-18.0%** to changing the newly approved tariff;

- The annual forecast of recognised costs in the new tariff to procure technological system services in the tariff year July 1, 2018 - June 30, 2019 is higher than the forecast of recognised costs in 1st semester 2018 (2nd semester of tariff year July 1, 2017 – June 30, 2018) The increase of the forecast for costs was determined by the increase of purchasing prices via auctions for ancillary services in the current tariff year compared to the prices forecasted by ANRE. The contribution of the increase in the annual cost forecast to the increase of the new tariff approved against the tariff in force is **+ 5.4%**;
- The electricity volume chargeable at the extraction point was increased from 55.0 TWh to 55.4 TWh. Such change in the billed amount of electricity contributed **-0.7%** to changing the newly approved tariff.



Annexes

ANEXA 1: Separate situation of financial position

[RON mn]	31/12/2018	31/12/2017	Δ	Δ (%)
ASSETS				
Non-current assets				
Tangible assets	2.988	3.044	(56)	(2%)
Intangible assets	23	16	7	46%
Financial assets	80	78	2	3%
Non-current assets	0	0	0	n/a
Total non-current assets	3.091	3.138	(47)	(1%)
Current assets				
Inventories	35	32	3	9%
Trade and other receivables	1.064	819	245	30%
Other financial assets	0	0	0	n/a
Cash and cash equivalents	482	521	(39)	(7%)
Income tax to be recovered	0	0	0	n/a
Total current assets	1.581	1.371	209	15%
Total assets	4.672	4.509	163	4%
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' Equity				
Share capital, of which:	733	733	0	0%
<i>Subscribed share capital</i>	733	733	0	0%
Share premium	50	50	0	0%
Legal reserves	124	119	5	4%
Revaluation reserves	523	500	23	5%
Other reserves	67	57	10	17%
Retained earnings	1.313	1.259	54	4%
Total shareholders' equity	2.809	2.718	91	3%
Non-current liabilities				
Long term deferred revenues	411	411	1	0%
Long term borrowings	144	195	(51)	(26%)
Deferred tax liability	56	25	31	124%
Employee benefits liabilities	52	53	(0)	(0%)
Total non-current liabilities	664	684	(20)	(3%)
Current liabilities				
Trade and other liabilities	1.021	700	321	46%
Other tax and social security liabilities	10	9	1	16%
Short-term borrowings	53	317	(264)	(83%)
Provisions	96	42	54	130%
Short-term deferred revenues	19	41	(22)	(53%)
Income tax payable	0	0	0	n/a
Total current liabilities	1.199	1.108	91	8%
Total liabilities	1.863	1.792	71	4%
Total shareholders' equity and liabilities	4.672	4.509	162	4%

ANEXA 2: Separate account of profit and loss

[RON mn]										
Indicator	H2 2018	H2 2017	Budgeted H2 2018	H1 2018	S1 2017	Accrued 2018 vs 2017	Accrued 2018 vs 2017 (%)	Accrued vs Budgeted 2018	Accrued vs Budgeted 2018 (%)	
0	1	2	3	4	5	6=1-2	7=1/2	8=1-3	9=1/3	
Operating revenues										
Transmission revenues	565	501	533	505	554	64	13%	32	6%	
System services revenues	327	296	363	375	355	31	10%	(36)	(10%)	
Balancing market revenues	573	500	483	331	805	73	15%	90	19%	
Other revenues	24	24	23	22	25	0	0%	1	4%	
Total operating revenues	1.489	1.321	1.402	1.233	1.739	168	13%	87	13%	
Operating expenses										
System operating expenses	159	129	133	150	129	30	23%	26	20%	
Balancing market expenses	573	500	483	331	805	73	15%	90	19%	
Technological system services expenses	369	342	343	309	319	27	8%	26	8%	
Depreciation and amortisation	147	156	161	151	156	(9)	(6%)	(14)	(9%)	
Personnel expenses	100	91	102	89	88	9	10%	(2)	(2%)	
Repairs and maintenance expenses	53	51	50	38	34	2	4%	3	6%	
Materials and consumables	8	5	9	4	3	3	60%	(1)	(11%)	
Other operating expenses	91	107	68	49	77	(16)	(15%)	23	34%	
Total operating expenses	1.500	1.381	1.349	1.121	1.611	119	9%	151	9%	
Operating profit	(11)	(60)	53	112	128	49	82%	(64)	82%	
Finance income	10	7	5	7	12	3	43%	5	100%	
Finance cost	13	20	10	12	20	(7)	(35%)	3	30%	
Net finance result	(3)	(13)	(5)	(5)	(8)	10	77%	2	77%	
Profit before income tax	(14)	(73)	48	107	120	59	81%	(62)	81%	
Income tax	3	(3)	10	9	22	6	200%	(7)	(70%)	
Net profit	(17)	(70)	38	98	98	53	76%	(55)	76%	

ANEXA 3: Separate Situation of Cash Flow

[Mil RON]	2018	2017	Δ
Fluxuri de trezorerie din activitatea de exploatare			
Înregistrare pierdere în rezultatul reportat provenit din corectarea erorilor contabile	0	(76)	76
Profitul perioadei	81	28	53
Adjustments for:			
Income tax expense	12	19	(7)
Depreciation expenses	298	312	(14)
Expenditures with adjustments for trade receivables impairment	12	37	(24)
Reversal of adjustments for trade receivables impairment	(8)	(15)	6
Losses from various borrowers	0	45	(45)
Net revenues with adjustments for various debtors impairment	(33)	(9)	(23)
Net expenditures with adjustments for inventories impairment	0	1	(1)
Net income/loss from the sale of tangible assets, net	(0)	1	(1)
Net expenditures on adjustments regarding tangible assets	2	2	(0)
Net expenditures/(income) regarding provisions for risks and expenses	54	(10)	64
Interest expenses, interest revenues and unrealized revenues from exchange differences	8	21	(13)
Cash flows before changes in the current capital	426	356	70
Changes in:			
Clients and assimilated accounts - electricity and other activities	(80)	2	(81)
Clients – balancing	(157)	12	(169)
Clients – cogeneration	20	(31)	51
Inventories	(3)	(2)	(1)
Trade payables and other liabilities - electricity and other activities	110	(54)	165
Liabilities – balancing	178	(82)	260
Liabilities – cogeneration	(15)	41	(56)
Debts paid according to NAFA taxation decision	0	(100)	100
Other taxes and social insurance liabilities	1	0	1
Deferred revenues	(23)	(16)	(7)
Treasury flows from the operating activity	459	127	332
Paid interests	(20)	(22)	2
Paid income tax	(12)	(8)	(4)
Net cash from the operating activity	426	96	330
Cash Flows from the Investment Activity			
Acquisition of tangible and intangible assets	(171)	(183)	12
Proceeds from EC grants	12	0	12
Collected interests	10	6	4
Owned shareholdings at TSC NET	(2)	0	(2)
Collection from sales of tangible assets	1	0	1
Dividends received	1	2	(1)
Other financial assets	0	135	(135)
Net cash used in the investment activity	(149)	(40)	(110)
Treasury flows used in the financing activity			
Repayments of long-term loans	(114)	(134)	20
Repayment of bonds	(200)	0	(200)
Special dividends paid in accordance with GO 29/2017	0	(170)	170
Paid dividends	(1)	(166)	164
Net cash used in the financing activity	(315)	(470)	154
Net decrease of cash and cash equivalents	(39)	(413)	374
Cash and cash equivalents on January 1st	521	934	(413)
Cash and cash equivalents at the end of the period	482	521	(39)

ANEXA 4: Indicatorii economico - financiari aferenți perioadei de raportare 2018/2017

Indicator	Calculation formula	2018	2017
Liquidity indicators			
a) Current liquidity indicator	$\frac{\text{Current assets}}{\text{Current liabilities}}$	1,32	1,24
Risk indicators			
a) Debt ratio indicator	$\frac{\text{Debt capital} \times 100}{\text{Shareholders' Equity}}$	7,0%	18,8%
b) Debt ratio indicator	$\frac{\text{Debt capital} \times 100}{\text{Committed capital}}$	6,6%	15,9%
Activity indicators			
a) Days' sales outstanding ratio	$\frac{\text{Average credit balance}^* \times \text{no. of days}}{\text{Turnover}}$	90,96	71,41
b) Non-current assets turnover ratio	$\frac{\text{Turnover}}{\text{Fixed assets}}$	0,87	9,96

*When calculating the average balance account, the customers contributing to the turnover have been taken into consideration (energy, balancing, other customers, customer's invoices to be issued). The values corresponding to uncertain customers, cogeneration scheme and overcompensation were not included in the average balance account

Annex 5 REPORT (according to the Decision of the General Assembly of Shareholders no. 4/29.04.2015) regarding the agreements signed in the second semester of 2018 for the purchase of goods, services and works with a value greater than 500,000 euro/purchase (for purchases of goods and works) and of 100,000 euro/acquisition respectively (for services)

No.	Contract number	Contract Subject	Duration	Value		Contract Type	Legal Basis	Procurement Procedure
				Lei Thousands	Euro Thousands			
0	1	2	3	4	5	6	7	8
1	C 145/2018	Refurbishment 110 kv Medgidia Sud substation	29 months	0.00	10.681	Works	Law 99/2016 + GD 394/2016	Open tender
2	C 190/2018	Modernisation 400(220)/110/20 kV Munteni substation	34 months	43.306	0.00	Works	Law 99/2016 + GD 394/2016	Open tender
3	C 185/2018	Replacing auto-transformers and transformers in power substations – stage 2, phase 2 - LOT I (200 MVA 8 auto-transformers)	43 months	0.00	8,498,	Works	Law 99/2016 + GD 394/2016	Open tender
4	C 131/2018	LOT 3 - 110 kv mobile bays	7,2 months	0.00	1,934,	Works	Law 99/2016 + GD 394/2016	Open tender
5	SB 28/2018	Specialized services for security, monitoring and intervention at the locations of Sibiu transmission branch	36 months	6.678	0.00	Services	Law 99/2016 + GD 394/2016	Open tender
6	SB 35/2018	Replacing 220/110 kV auto-transformer 2 in Gheorgheni substation	12 months	6.088	0.00	Works	Law 99/2016 + GD 394/2016	Open tender
7	C 186/2018	Replacing auto-transformers and transformers in power substations - stage 2, phase 2 - LOT II (16 MVA 4 transformers)	25 months	0.00	1.125	Works	Law 99/2016 + GD 394/2016	Open tender
8	C 161/2018	Mobile and mobile internet services (framework agreement)	36 months	0.00	382	Services	Law 99/2016 + GD 394/2016	Open tender
9	BC 558/2018	Topo-cadastral documentation services for tabulation of expropriated land area related to 400 kV OHL D.C. Cernavodă-Stâlpu with a lead-in at Gura Ialomitei substation	12 months	942	0.00	Services	Law 99/2016 + GD 394/2016	Simplified procedure
10	C 177/2018	Subsequent contract no. 1 for framework agreement no. C 161/2018 - "Mobile and mobile internet services"	15 months	0.00	159	Services	Law 99/2016 + GD 394/2016	Retender
11	CR 41/2018	Specialized services for security at the locations of Craiova transmission branch for 3 months	3 months	482	0.00	Services	Law 99/2016 + GD 394/2016	Negotiation without prior call for a competitive tender procedure
12	CT 703/2018	Mowing and vegetation removal in the substations of Constanta transmission branch	24 months	474	0.00	Services	Law 99/2016 + GD 394/2016	Open tender
13	BA 729/2018	Specialized services for security and intervention at the locations of Bacau transmission branch	36 months	7.624	0,00	Services	Law 99/2016 + GD 394/2016	Open tender
14	C 398/2018	Car fuel for Transelectrica's car fleet and diesel groups	24 months	6.984	0,00	Supply	Law 99/2016 + GD 394/2016	Open tender

15	C 468/2018	Maintenance services platform DAMAS balancing market	36 months	0,00	819	Services	Law 99/2016 + GD 394/2016	Negotiation without prior call
16	C 05/2009 AA6	Addendum no. 6 to Contract 05/2009 "Business Continuity Assurance and Disaster Recovery Services"	12 months	0,00	653	Services	Law 114/2011	Negotiation without prior call
17	C 370/2018	Vehicles for the completion of the Company's car fleet	3 months	2.744	0,00	Supply	Law 99/2016 + GD 394/2016	Open tender
18	BC 560/2018	Security and intervention services at Bucuresti transmission branch	5 months	1.777	0,00	Services	Law 99/2016 + GD 394/2016	Own-initiative procedure
19	SB 39/2018	Cleaning and sanitation services at the locations of Sibiu transmission branch	36 months	851	0,00	Services	Law 99/2016 + GD 394/2016	Open tender
20	CT 724/2018	Specialized services for security, monitoring and intervention at the locations of Constanta transmission branch for 4 months	4 months	791	0,00	Services	Law 99/2016 + GD 394/2016	Negotiation without prior call
21	BA 724/2018	Specialized services for security and intervention at the locations of Bacau transmission branch	3 months	597	0,00	Services	Law 99/2016 + GD 394/2016	Negotiation without prior call
22	BC 569/2018	Mowing, tree cutting and vegetation removal for fire prevention in the power substations of Bucuresti transmission branch	36 months	582	0,00	Services	Law 99/2016 + GD 394/2016	Open tender