

**To: Romanian Financial Supervisory Authority (ASF)  
Bucharest Stock Exchange (BVB)  
London Stock Exchange (LSE)**

**Current report in compliance with the Law 24/2017 on issuers of financial instruments and market operations, the Romanian Capital Market Law no. 297/2004, CNVM Regulation no. 1/2006, and the Bucharest Stock Exchange Code**

Report date: **January 5<sup>th</sup> 2018**

Company name: **Societatea Energetică Electrica S.A.**

Headquarters: **9 Grigore Alexandrescu Street, 1st District, Bucharest, Romania**

Phone/fax no.: **004-021-2085999/ 004-021-2085998**

Fiscal Code: **RO 13267221**

Trade Register registration number: **J40/7425/2000**

Subscribed and paid in share capital: **RON 3,459,399,290**

Regulated market where the issued securities are traded: **Bucharest Stock Exchange (BVB),  
London Stock Exchange (LSE)**

### **Significant events to be reported:**

#### **Competition Council's Ruling**

On 04.01.2018 it was communicated to Societatea Energetică Electrica S.A. ("**Electrica**") the ruling of the Plenum of the Competition Council in the investigation opened via Order of the Competition Council's Chairman no. 577/23.09.2015, extended in relation to Electrica starting with 28.08.2017, whereby it was found the breach of the provisions of art. 5 par. (1) of the Competition Law no. 21/1996 and art. 101 par. (1) TFEU by several companies which have sold meters and related measuring equipment for electricity in Romania, in the procedures for the award of supply contracts in the period from 27 November 2008 to 30 September 2015 and by Electrica, as a facilitator, in the period from 24 November 2010 to 30 September 2015.

The sanction applied to Electrica consists in a fine amounting to 10,800,984.04 lei, representing 2.98% of the total turnover achieved in the financial year 2016. In determining the amount of the fine, it was taken into account that (i) Electrica cooperated fully and effectively with the Competition Council during the investigation procedure, outside the scope of the leniency policy and beyond the legal duty to cooperate, and (ii) it is for the very

first time when the authority retains the role of facilitator for a company organizing public procurement procedures.

Electrica informs the investors and all other interested persons that no persons who had the power of representation of the company or who acted on the basis of a mandate granted by the company were involved in the deeds which are levied by the Competition Council against the company, therefore the company carried out internal investigations, and, following these internal steps, will proceed with the legal measures required.

Electrica has applied and continues to apply a policy of zero tolerance against any breaches of the applicable laws, including competition law. In this respect, Electrica has consistently promoted both within its internal regulations and procedures and in dealings with business partners, as core values the compliance with competition rules, the protection of fair competition and fairness in business dealings.

In the context in which Electrica fully cooperated with the Competition Council, beyond its legal obligation to do so, during this investigation in order to identify practices that may affect the company, and considering that Electrica is not a producer of electric meters, we believe that it cannot be considered that the company participated in any agreement aimed to share the market for the trading of meters and related equipment for electricity measurement in Romania, and therefore we understand to challenge the decision of the Competition Council in front of the competent courts of jurisdiction.

**CEO**  
**Dan Cătălin Stancu**