



SOCIETATEA ENERGETICA ELECTRICA S.A.

Separate Preliminary Unaudited Results

For the year ended

31 December 2017

Free translation from Romanian, which is the official and binding version

SOCIETATEA ENERGETICA ELECTRICA SA
SEPARATE PRELIMINARY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017
(All amounts are in RON, if not otherwise stated)

	Preliminary 31 December 2017 (unaudited)	31 December 2016 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	256,512,921	275,008,415
Other intangible assets	557,958	1,836,710
Investments in subsidiaries	2,183,950,669	1,430,819,457
Restricted cash	320,000,491	134,491,752
Loans to subsidiaries	237,654,941	-
Total non-current assets	2,998,676,039	1,842,156,334
Current assets		
Cash and cash equivalents	125,982,921	197,644,018
Deposits, treasury bills and government bonds	746,980,117	1,867,115,360
Trade receivables	132,190,111	64,074,773
Other receivables	10,734,746	12,597,869
Inventories	174,592	161,205
Prepayments	83,134	48,926
Income tax receivable	-	2,384,366
Total current assets	1,016,145,621	2,144,026,517
Total assets	4,014,821,660	3,986,182,851
EQUITY AND LIABILITIES		
Equity		
Share capital	3,459,399,290	3,459,399,290
Share premium	103,049,177	103,049,177
Treasury shares	(75,372,435)	(75,372,435)
Pre-paid capital contributions in kind from shareholders	5,144,025	5,144,025
Revaluation reserves	3,213,920	709,974
Legal reserves	169,393,663	156,545,204
Retained earnings	245,175,098	252,240,158
Total equity	3,910,002,738	3,901,715,393

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SOCIETATEA ENERGETICA ELECTRICA SA
SEPARATE PRELIMINARY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017
(All amounts are in RON, if not otherwise stated)

	Preliminary 31 December 2017 (unaudited)	31 December 2016 (audited)
Liabilities		
Non-current liabilities		
Employee benefits	1,580,589	1,580,589
Total non-current liabilities	1,580,589	1,580,589
Current liabilities		
Trade payables	72,183,017	67,591,033
Other payables	12,021,383	11,716,925
Deferred revenue	771,914	540,944
Employee benefits	5,069,139	3,037,967
Provisions	12,292,880	-
Total current liabilities	103,238,333	82,886,869
Total liabilities	104,818,922	84,467,458
Total equity and liabilities	4,014,821,660	3,986,182,851

Chief Executive Officer
Dan Catalin Stancu

Chief Financial Officer
Mihai Darie

SOCIETATEA ENERGETICA ELECTRICA SA
SEPARATE PRELIMINARY STATEMENT OF PROFIT OR LOSS
AS AT 31 DECEMBER 2017
(All amounts are in RON, if not otherwise stated)

	Preliminary 2017 (unaudited)	2016 (audited)
Revenues	481,235,928	362,388,192
Other income	5,924,427	1,709,529
Electricity purchased	(469,489,827)	(347,592,754)
Employee benefits	(26,013,754)	(20,503,839)
Depreciation and amortization	(23,531,857)	(23,506,827)
Impairment of trade and other receivables, net	(15,120,206)	(38,391,976)
Other operating expenses	(48,128,872)	(81,037,171)
Change in provisions	(12,292,880)	31,250,650
Operating loss	(107,417,041)	(115,684,196)
Finance income	364,386,211	389,682,646
Finance costs	-	(1,738,725)
Net finance income	364,386,211	387,943,921
Profit before tax	256,969,170	272,259,725
Income tax expense	-	(7,233,616)
Profit for the year	256,969,170	265,026,109
Earnings per share		
Basic and diluted earnings per share (RON)	0.76	0.78

Chief Executive Officer
Dan Catalin Stancu

Chief Financial Officer
Mihai Darie

1. Basis of preparation

These preliminary unaudited separate financial statements are the separate financial statements of Societatea Energetica Electrica S.A. ("Company" or "Electrica") and they include only the Statement of financial position and the Statement of profit or loss.

These separate preliminary unaudited financial statements have been prepared in accordance with the Ministry of Public Finance Order no. 2844/2016 for approving the Accounting Regulations in accordance with International Financial Reporting Standards ("OMFP 2844/2016" or "IFRS-UE"). In accordance with OMFP 2844/2016, International Financial Reporting Standards are standards adopted under the procedure provided by the European Commission Regulation no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 regarding the application of the international accounting standards.

The financial statements are prepared and issued prior to the finalization of all usual internal procedures for the preparation of the annual financial reporting, as well as before concluding of the independent auditor report on the annual financial statements and as a result, differences between the preliminary separate financial statements and the separate audited financial statements might occur.

These financial statements are not audited or reviewed by an independent auditor and they are not a full set of financial statements in accordance with IFRS-UE.

The preliminary unaudited individual financial statements were authorized for issuance and signed by the management on February 14th 2018.