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Electrica, Financial Results for H1 2014

14% increase in operational profit compared to H1 2013

Bucharest, July 14th2014:

Societatea Comercială de Distribuţie şi Furnizare a Energiei Electrice „ELECTRICA" S.A. („Electrica") announces the availability of its interim unaudited consolidated financial statements for H1 2014

In the first semester in 2014 Electrica generated a consolidated net profit of 197 million RON and revenues of aproximatelly 2.3 billion RON.

Electrica reported consolidated EBITDA of 466 million RON for the first 6 months in 2014, compared to 420.6 million RON in the first six months of 2013.

On 14 July 2014, the half-yearly report regarding the economic-financial activity of Electrica, as well as the above-mentioned financials are available, in Romanian and English, in electronic format, on Electrica's website, under the following links: http://www.electrica.ro/relatia-cu-investitorii/situatii-financiare, respectively http://www.electrica.ro/en/investor-relations/financial-statements.

Ioan Roşca, General Manager of Electrica:

„In the first half of this year we have continued the reorganisation of the Group, which started in 2013, aiming to increase the efficiency of the Group's activities.

For this purpose, in April 2014 was completed the spin-off of the minority shareholdings in other companies to Societatea pentru Administrarea Participaţiilor în Energie SA, a newly formed state-owned company created for this purpose. The reorganisation measures were continued, aiming to increase the efficiency in all operational segments. Therefore, in the segment of the services for distribution networks outside the Group, the process of dissolution and liquidation for 3 energy services companies in the Group was firmly implemented. The process had been started at the end of 2013. In the same time, important reorganisation measures were taken in regards to the other two distressed services companies within the Group, including insolvency for SE Oltenia.

In the electricity distribution segment we have continued the investment programmes that had been approved by the regulator (ANRE), programmes for modernisation of the network and efficiency increase of the network operations. We have also continued the implementation of measures to reduce the network losses and the operational expenses. The

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quality of the distribution service has increased, and in this regard we recorded a decrease in the number of interruptions of electricity supply to the final consumers and a reduction of the average duration of system interruptions.

The electricity supply segment continued to be profitable, despite a decrease in revenues due to the decrease in total volume of electricity sold to the end-consumers, decrease that is correlated with the decrease in national electricity consumption. In the first half of 2014 Electrica Furnizare maintained its leading position in the national retail electricity supply market, in both competitive and regulated segments. In the second quarter of 2014 Electrica Furnizare collected all overdue amounts from CFR, the national railroad company.

All these elements were reflected in the Group's consolidated financial statements for the first half of 2014. The operational profit increased by 14% in these 6 months compared to the first 6 months of last year, and the operational margin registered significant increase from one period to the next.

The primary initial public offering (IPO) for the sale of the securities started at the end of the first half of 2014, and was successfully closed on July 4th 2014, with Electrica's dual listing on the Bucharest Stock Exchange and on the London Stock Exchange.

I am convinced that, considering the proceeds from the IPO, the new shareholders structure, the ongoing implementation of the international best practices in corporate governance and through implementation of its strategy as it was defined in the Offering Prospectus, Electrica will optimise and transform its business into a best international standards one, creating value for its shareholders and to the benefit of all its stakeholders: regulatory authorities, employees and above all its clients."

For further questions:

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