



## QUARTERLY REPORT

**regarding the economic and financial activity of S.N. Nuclearelectrica S.A. in compliance with art. 227 of Law no. 297/2004 on capital market and Appendix no. 30 to the CNVM Regulation no. 1/2006 on issuers and operations with securities for the 3<sup>rd</sup> quarter of the financial year 2015**

Report according to:

Art. 227 of the Law no. 297/2004 on the share market and Appendix no. 30 to the CNVM Regulation no. 1/2006 for the 3<sup>rd</sup> quarter of the financial year 2015

Date of report:

13 Noiembrie 2015

Company name:

**S.N. Nuclearelectrica S.A.**

Registered office:

Bucharest, 65 Polona Street, district 1

Phone/fax number:

+40 21 203 82 00; +40 21 316 94 00

Web/ Email

[www.nuclearelectrica.ro](http://www.nuclearelectrica.ro) ; [office@nuclearelectrica.ro](mailto:office@nuclearelectrica.ro)

Sole Registration Code with the Trade Register Office:

10874881

Order number in the Trade Register:

J40/7403/1998

Share capital subscribed and paid:

3.012.210.410 lei

The regulated market on which the issued securities are traded:

Bucharest Stock Exchange ([www.bvb.ro](http://www.bvb.ro)), Premium category

Main features of the issued securities:

301.221.041 shares with the nominal value of 10 lei/share, dematerialized, nominative, ordinary, indivisible and equally vote rights and freely negotiable on Bucharest Stock Exchange under SNN symbol starting 4.11.2013.

Applicable Accounting Standards:

International Financial Reporting Standards (IFRS) adopted by the European Union (UE)– IFRS-UE, condensed interim individual unaudited financial statement

Currency of the report: Reported period

Romanian Leu (RON) – all amounts are in RON, unless stated otherwise.

Applicable Accounting Standards:

**Third quarter of 2015**

**TABLE OF CONTENTS**

1. FINANCIAL STATEMENT ..... 3

2. SIGNIFICANT EVENTS ..... 4

3. ECONOMIC FINANCIAL INDICATORS ..... 5

4. STATEMENTS AND SIGNATURES ..... 5

5. APPENDIXES ..... 6

## 1. FINANCIAL POSITION

### a) Statement of financial position

Indicator (thousand lei)	30 September 2015 (not reviewed)	31 December 2014 (audited)
Fixed assets	7.757.495	8.025.828
Current assets	1.885.590	1.840.072
<b>Total assets</b>	<b>9.643.085</b>	<b>9.865.900</b>
Shareholder's Equity	7.530.098	7.488.255
Total liabilities, out of which:	2.112.987	2.377.645
Long term liabilities	1.708.607	1.899.194
Short term liabilities	404.379	478.452
<b>Total Equity and Liabilities</b>	<b>9.643.085</b>	<b>9.865.900</b>

### b) Individual Profit and Loss Account for the 9 months period ended on September 30<sup>th</sup>, 2015

Indicator (thousand lei)	9 months period ended September 30, 2015 (not reviewed)	9 months period ended September 30, 2014*) (not reviewed)	3 month period ended September 30 2015 (not reviewed)	3 months period ended September 30 2014*) (not reviewed)
Operating income	1.304.898	1.321.627	446.506	467.687
Operating expenses	(1.197.574)	(1.236.165)	(354.255)	(364.490)
<b>Operating Profit</b>	<b>107.324</b>	<b>85.462</b>	<b>92.251</b>	<b>103.197</b>
Finance income	133.530	86.942	71.656	8.137
Finance costs	(80.746)	(77.988)	(14.168)	(41.896)
<b>Net finance income /(expenses)</b>	<b>52.784</b>	<b>8.954</b>	<b>57.488</b>	<b>(33.759)</b>
<b>Profit before income tax</b>	<b>160.108</b>	<b>94.416</b>	<b>149.739</b>	<b>69.439</b>
Net expense for income tax	(28.919)	(17.126)	(21.452)	(7.595)
<b>Profit for the period</b>	<b>131.189</b>	<b>77.291</b>	<b>128.287</b>	<b>61.844</b>

\*) The compared amounts as at September 30<sup>th</sup> 2014 were amended in accordance with the presentation changes made for the current year in preparing the condensed individual interim financial statements as at and for the period of nine months ended September 30<sup>th</sup> 2015, following the implementation of IFRIC 21 Levies, effective for the annual periods beginning on or after June 17 2014 – according to IFRS-UE

## **2. SIGNIFICANT EVENTS**

### **2.1. Significant events during the 3<sup>rd</sup> quarter of 2015**

Other significant events during the corresponding nine months period of 2015 that were not already presented in the first quarter report of 2015 are as follows:

#### **a) Resolutions of the General Meeting of Shareholders**

By the **Resolution no. 6/14.09.2015 of the General Meeting of Shareholders**, the Budget of revenues and expenses for 2015 was approved.

By the **Resolution no. 7/14.09.2015 of the General Meeting of Shareholders**, the update of Appendix 1 and of Appendix 1.1 to the Management Agreement concluded between the Managers and the company was approved and the authorization of the representative of the Ministry of Energy, Small and Medium-sized Enterprises and Business Environment, to sign the Addenda to the Management Contract signed with the managers was established.

#### **b) The Project of SNN Cernavoda Units 3 and 4**

On 27 July 2015 the meeting of the Interministerial Commission for the Project of the 3<sup>rd</sup> and 4<sup>th</sup> Unit of Cernavoda NPP was held, during which they approved the Memorandum of Understanding on the development, construction, operation and decommissioning of the 3<sup>rd</sup> and 4<sup>th</sup> Units of Cernavoda NPP (MoU), including the appendixes, as proposed by the Negotiation Commission on September 2<sup>nd</sup>, 2015, it was approved by the Romanian Government.

On November 9<sup>th</sup> 2015, after the reporting date, the MoU was signed by the management of the involved parties.

### **2.2. Significant events subsequent to the date of September 30, 2015**

#### **a) Resolutions of the General Meeting of Shareholders**

By the **Resolution no. 12/22.10.2015 of the General Meeting of Shareholders**, the following were approved:

- The Report on the management activity related to the first quarter of 2015, prepared in accordance with provisions of article 7 paragraph 7.19 and paragraph 7.21 of the Management Agreement signed by the members of the Board of Directors with the Company.
- The Report on management activity related to the first semester of year 2015, prepared in accordance with the provisions of article 7 paragraph 7.19. and paragraph 7.21 of the Management Agreement concluded by the members of the Board of Directors with the Company.

By **Resolution no. 13/22.10.2015 of the Extraordinary General Meeting of Shareholders**, the Memorandum of Understanding on the development, construction, operation and decommissioning of 3<sup>rd</sup> and 4<sup>th</sup> Units from SNN Cernavoda was approved.

#### **b) Litigations with the shareholder Fondul Proprietatea S.A.**

Fondul Proprietatea S.A. submitted to Bucharest Court a request for the cancelation of GSM Resolution no. 8/6.10.2014, by which the increase of share capital of SNN was approved, in the form of cash contribution in total amount of 239.172.630 RON, by issuance of maximum 23.917.263 shares, at a price of 10 RON/share.

The next hearing was established to be on 16.11.2015.

### c) The Project of SNN Cernavoda Units 3 and 4

By **Resolution no. 13/22.10.2015 of the Extraordinary General Meeting of Shareholders**, the Memorandum of Understanding on the development, construction, operation and decommissioning of 3<sup>rd</sup> and 4<sup>th</sup> Units from SNN Cernavoda was approved.

On November 9<sup>th</sup> 2015, the MoU was signed by the management of the parties involved in the project: SN Nuclearelectrica SA and China General Nuclear Power Corporation.

### 3. ECONOMIC FINANCIAL INDICATORS

Indicator <sup>**</sup> )	Calculation Method	u.m.	Result on September 30, 2015
<b>1. Current liquidity ratio</b>	Current assets/ Short-term debts	x	4,66
<b>2. Indebtness ratio</b>			
2.1. Indebtness ratio (1)	Borrowed equity/ Shareholder's equity x 100	%	20,2%
2.1. Indebtness ratio (2)	Borrowed equity/ Invested capital x 100	%	16,8%
<b>3. Turnover speed for client debit items</b>	Average client balance/ Turnover x 180	days	30
<b>4. Turnover speed for assets*)</b>	Turnover/ Fixed assets	x	0,22

\*) the turnover speed of the fixed assets is calculated by annualising the quarterly sales (360 days/270)

\*\*) based on the condensed individual interim financial statements

### 4. STATEMENTS AND SIGNATURES

Based on the most accurate available information, we hereby confirm that the condensed individual interim financial statements prepared in compliance with the applicable accounting standards (The International Accounting Standard 34 - „Interim Financial Reporting”) provide a true and fair image regarding the company's financial position, financial performance and cash flows for the period ended September 30th 2015 and that this report, prepared in compliance with art. 227 of Law no. 297/2004 on capital markets and Annex no. 30 to the CNVM Regulation no. 1/2006 for the period ended on September 30th 2015, contains correct and true information regarding the development and performance of the company.

**Alexandru SANDULESCU**  
President of the Board of Directors

**Daniela LULACHE**  
Chief Executive Officer

**Mihai DARIE**  
Chief Financial Officer

## **5. APPENDIXES**

### **5.1. CONDENSED INDIVIDUAL INTERIM FINANCIAL STATEMENTS as at and for the period ended 30 September 2015**

### **5.2. QUARTERLY REPORT of the Board of Directors on the management activities for the period 1 January – 30 September 2015**