



Report date: **08.11.2016**

Name of the issuing entity: **Societatea Nationala NUCLEARELECTRICA S.A.**

Registered office: **65, Polona street, District 1, Bucharest**

Phone/fax number: **021-203.82.00 / 021 – 316.94.00**

Sole Registration Code with the Trade Register Office: **10874881**

Order number in the Trade Register: **J40/7403/1998**

Subscribed and paid share capital: **RON 3.015.138.510 Lei**

Regulated market on which the issued securities are traded: **Bucharest Stock Exchange**

To: Bucharest Stock Exchange

Financial Supervisory Authority

Ref: Current Report in compliance with the provisions of art. 227, paragraph (1) of the Law no. 297/2004 and the Regulation No. 1/2006 of the Romanian National Securities Commission regarding the issuers and securities operations, as subsequently amended

Eveniment important de raportat:

Quarterly report for the nine month period ended at 30 September 2016

Societatea Nationala Nuclearelectrica S.A. (“SNN”) informs the shareholders and investors on the publication of the Activity Report for the nine month period ended on September 30, 2016, completed in compliance with art. 227 of Law no. 297/2004 and with C.N.V.M. Regulation no. 1/2006.

The Report comprises:

- The main events in the company’s activity during the reporting period;
- The interim condensed unaudited financial statements as at and for the period ended on September 30, 2016, completed in compliance with OMFP no. 1286/2012, based on the 34 “Interim Financial” International Accounting Standard adopted by the European Union;
- The Quarterly Report of the Board of Directors on the administration activity for the January 1-September 30, 2016 period.

I. The Financial result

Thousand LEI	Nine month period ended on 30.09.2016	Nine month period ended on 30.09.2015	Var.	July 01 – 30 September 30, 2016	July 01 – 30 September 30, 2015	Var.
Production (GWh)	7.589	7.854	-3%	2.785	2.751	1%
Operating revenues, out of which	1.194.443	1.304.898	-8%	452.196	446.506	1%
<i>Revenues from electricity sale</i>	1.157.741	1.219.931	-5%	433.977	428.139	1%
Operating expenses	(770.321)	(845.178)	-9%	(239.795)	(235.700)	2%
EBITDA	424.122	459.720	-8%	212.401	210.806	1%
Depreciation and amortization	(359.949)	(352.396)	2%	(121.544)	(118.554)	3%
EBIT	64.173	107.324	-40%	90.857	92.252	-2%

Societatea Nationala NUCLEARELECTRICA S.A.

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Nr. ordine Registrul Comertului: J40/7403/1998, Cod unic de inregistrare: 10874881,

Capital social subscris si varsat: 3.015.138.510 Lei

office@nuclearelectrica.ro, www.nuclearelectrica.ro

Net financial expenses	15.535	52.784	-71%	29.020	57.488	-50%
Expense with the income tax	(15.165)	(28.919)	-48%	(17.495)	(21.452)	-18%
(Net loss)/Net Profit	64.543	131.189	-51%	102.382	128.287	-20%

**) extract from the individual interim condensed unaudited financial statements as at and for the nine month period ended at 30 September 2016*

In Q3 2016, SNN has recovered the operational loss registered on June 30, 2016 and obtained on 30.09.2016 a net profit of 64.543 thousand lei. The following factors have contributed to this result:

1. The extension of the planned outage of Cernavoda NPP Unit 1

The electricity sales income has dropped 5%, mainly as a result of the 4% decrease in the quantity of sold energy (approximately 336 thousand MWh) due to the extension of the planned outage of Unit 1 this year. In 2015, the planned outage of Unit 2 lasted de 24,8 days, while the planned outage of Unit 1 lasted 51 days in 2016, fact that determined the decrease of the sold quantity on June 30, 2016 by 7,09%.

The decision to perform these additional workings was the result of an economic-technical analysis that took mainly into consideration the medium and long-term benefits associated to this extended planned outage. Thus, the management prioritized the improvement of the thermal cycle whose direct result is an increase in production by 1.5-2% compared to the estimated level should this investment had not been completed. The decision to extend the planned outage of Unit 1 sought the medium-term beneficial effects through an increase in production to generate additional revenues within a market context which does not announces significant changes in terms of price increase in the upcoming future.

The effects on the operational activity for the first semester of 2016 were anticipated in 2015 and budgeted accordingly in 2016, a result below the similar period of last year, but beneficial on long-term having been agreed upon by the Board of Directors and the management.

The impact of the decreased quantity of sold energy caused by the extension of the planned outage with the inclusion of the additional nuclear fuel extension which would have been necessary to achieve this production supplement is in value of 52.000 thousand lei, representing unexecuted operational profit, all the other conditions being considered unchanged.

2. Sale income and price evolution

The quantities of energy sold during January-September 2016 and the according income, on contract types are presented below:

Sales	9M 2016			9M 2015		
	Quantities GWh	%	Price *	Quantities GWh	%	Price *
Regulated Market	1.206	15,83%	166,01	1.657	20,79%	166,75
Free Market, out of which	6.395	83,90%	152,99	6.279	78,75%	160,11
Bilateral Contracts	3.839	50,36%	165,42	5.306	66,54%	163,34
The Day Ahead Market (PZU)	2.556	33,54%	134,32	974	12,21%	142,53
Positive imbalances	20	0,27%		37	0,46%	
Total	7.622	100%	155,05	7.974	100%	161,5

*Price – weighted average price (lei/MWh with TG included)

Sales	Quarter III 2016			Quarter III 2015		
	Quantities GWh	%	Price *	Quantities GWh	%	Price *
Regulated Market	340	12,15%	164,02	584	21,09%	162,68
Free market, out of which:	2.449	87,59%	155,7	2.173	78,49%	158,34
Bilateral contracts	1.434	51,30%	162,99	2.075	74,96%	157,41
The Day Ahead Market (PZU)	1.015	36,29%	145,4	98	3,53%	178,15
Positive imbalances	7	0,26%		12	0,42%	
Total	2.796	100%	156,72	2.769	100%	159,25

*Price – weighted average price (lei/MWh with TG included)

The quantity of energy sold on regulated contracts, on the free market and balancing market is 7.622 GWh, 1,46% above the sale program of 7.512 GWh.

The sale revenues for the energy deliveries during January-September 2016 are of 1.179.623.453 lei, 2,82% lower than the value proposed for the 2016 Budget (the January-September 2016 period) and 8% lower compared to the same period of last year result.

The weighted average sale price for the energy quantities sold (without the balancing market) has decreased by -4% (-2% in QIII 2016) from 161,5 lei/MWh in the first nine months of (Q III 2015: 159,25 lei/MWh) to 155,05 lei/MWh including T_G in the first nine months of 2016 (Q III 2016: 156,72 lei/MWh).

The decrease in the transportation tariff by 6,28 lei/MWh in S1 2016 compared to S1 2015 (from 10,32 lei/MWh to 4,04 lei/MWh) and the decrease by 2,7 lei/MWh in Q3 2016 compared to the similar period of last year (from 4,04 lei/MWh to 1,34 lei/MWh) contributed to this difference.

In the first nine months of 2016 the weighted average price of the contracts concluded by SNN on the centralized markets and price of the regulated contracts are almost equal. During January-September 2016 period, the weighted average price of the contracts concluded on the competitive market was 0,59 lei/MWh lower than the weighted average price of the regulated contracts.

In the first nine months of 2016, the PZU prices were in average lower than the prices of the contracts concluded by SNN, mainly during February-August 2016. PZU average price published by OPCOM, registered in the first nine months of 2016 decreased by 12,4% compared to the price registered in the same period of last year, while the average price on the PZU market achieved by SNN in the same period decreased by 2,79% compared to the same period of the previous year. Thus, SNN registered a smaller decrease on the PZU market compared to the decrease on the market.

The gradual decrease of the price on the market segment on which SNN sells most of its production has a significant impact on the revenues from electricity sales. Moreover, the traders' reluctance to enter medium and long term contracts on PCCB, due to the price volatility and the lack of predictability, determined an increase of the spot market segment, which reached 50% in September 2016, although the spot market is by definition a marginal market segment. The lack of demand on other markets, the reluctance to conclude long term contracts on PCCB determined the reorientation of the market participants, including SNN toward the PZU market, which in the third quarter of 2016 reached 33,54% of the sales of SNN, compared to 3,53% in the third quarter of 2015. PZU is characterized by high volatility of the price and offers and the decrease in the price influences the price on PCCB.

3. The negative influence of the net differences in currency exchange rates

The company is exposed to currency risk in relation to several currencies among which EUR, CAD and USD based on the credit contract for the completion of the construction of Cernavoda NPP Unit 2. The net currency

exchange rate differences had a positive impact on the company's net result but the evolution of the currency exchange rate in the third quarter of 2015 was more favorable than in the current period, thus the net financial revenues register a decrease of 71% compared to the same period of the previous year.

II. Financial position

Thousand Lei	30 September 2016	31 December 2015	Variation
Non-current assets	7.418.999	7.696.228	-4%
Current assets	1.885.505	1.861.187	1%
Total assets	9.304.504	9.557.415	-3%
Non-current liabilities	1.470.536	1.642.689	-10%
Current liabilities	375.774	421.003	-11%
Total liabilities	1.846.310	2.063.692	-11%
Shareholders' equity	7.458.194	7.493.723	0%
Total shareholders' equity and liabilities	9.304.504	9.557.415	-3%

Non-current Assets withheld at a similar level compared to the level recorded at 31.12.2015, especially due to the decrease of the net value of the non-current assets in the nine months period ended at 30.09.2016 compared to 31.12.2015. The impact of amortization during the period was offset by the investments in current projects related to Units 1 and 2.

Current Assets decreased by 1% compared to 31.12.2015, mainly due to increase by 5% of the cash available in the banks following the collection of the trade receivables, which decreased by 29%. Moreover, compared to the values registered at 31.12.2015, stocks decreased by 2%.

Non-current Liabilities decreased by payments of the loans contracted with the foreign banks Societe Generale and Euratom for the completion and commissioning of Cernavoda NPP Unit 2.

Datoriile pe termen lung s-au diminuat cu platile de rate bancare scadente aferente creditelor externe contractate cu Societe Generale si Euratom pentru realizarea si punerea in functiune a Unitatii 2 CNE Cernavoda.

At 30.09.2016, the decrease with 11% of the current liabilities is due, mainly, to the reduction of the trade debt by 39% partially offset by the increase of fixed assets suppliers by 34%.

III. The Investment program at 30.09.2016

The total value of the investment program for 2016 is of 255.394 thousand lei, approved by the resolution no. 1/30.03.2016 of the Ordinary General Meeting of Shareholders. The investment program of SNN is part of the Revenues and Expenses Budget.

The structure of SNN's investment program for 2016 as well as the degree of completion at 30.09.2016 are presented in the table below:

Ongoing investment [thousand lei]	New investment [thousand lei]	The investment in current assets (modernization) [thousand lei]	Debt [thousand lei]	Total [thousand lei]	Completion degree as at 30.06.2016 (%)
177.844	18.625	6.877	52.049	255.394	38,75%

As in the previous years, long term investment projects (on going) have the largest share in the investment program. This is due to the modernization/refurbishment necessities for certain systems, in terms of economical arguments (specific cost reductions, improvement of specific parameters of the related processes, with positive impact on efficiency), legal arguments – the need to implement safety, environment protection and labor security related improvements, representing legal requirements of the regulation authorities in the nuclear field (CNCAN and the Ministry of Environment), as well as in order to comply to the development needs of the energy sector in Romania.

Investments in the continuous maintaining and improvement of the nuclear safety level, in compliance with the latest international norms and standards, are a constant priority of SNN, an optimum level of nuclear safety being the warranty of all the company’s processes and results.

The compared status of the investments achieved (value and percentage) in the third quarter of 2016 compared to the third quarter of 2015 reflect a completion degree of 5,25 pp above the level in the previous period:

Year	Value of the investment program [thousand lei]	Completed in the second quarter (April-June) [thousand lei]	Completion degree second quarter (April-June) (%)	Completed in the first semester [thousand lei]	Completion degree First semester (%)
2016	255.394	21.435	8,39%	98.959	38,75%
2015	282.705	36.565	12,93%	94.642	33,48%

As per the resolution no. 8/17.10.2016 of the Extraordinary General Meeting of Shareholders approved the the continuation of negotiations on the Investment Documents related to the Memorandum of Understanding regarding the development, construction, operation and decommisioning of Cernavoda NPP Units 3 and 4 („MoU”) under the same conditions until 20 December 2016, by applying all the provisions of the MoU.

IV. Degree of accomplishment of the performance indicators of the Board of Directors at 30.09.2016

The performance indicators were calculated on the basis of SNN’s Revenues and Expenses Budget, of the interim financial statements and of the operational reports as well as on the basis of the updated appendixes to the administration contracts concluded between the administrators and the company, comprising the performance criteria and indicators for 2016.

The accomplishment degree of the overall performance indicators for the third quarter of 2016 is of 108,15% correlated with the determining factors of the financial result for the first nine months of 2016 and with the decision of the Board of Directors to prioritize the investments with long term positive impact.

Thus, the degree of accomplishment of the main performance indicators which contributed to this result are:

- Annual turnover (cumulated since the beginning of the year) – 97,16%

- Annual operating result (cumulated since the beginning of the year) – 194,46%
- Execution of the annual value of the investment plan cumulated since the beginning of the year (as per Chart 28 and the annual budgets) – 22%

The management is confident that the performance indicators of the management will be achieved as per the targets established at the beginning of the financial year.

The financial statements and the information related to the activity of the company during 1 January – 30 September 2016 are presented in the pdf document attached to the current report. Also, the report can be accessed on the company's website ([www.nuclearelectrica](http://www.nuclearelectrica.ro)), "Investors Relations section/ 2016 financial statements".

For any additional details please contact us at: investor.relations@nuclearelectrica.ro

Daniela Lulache
Director General



QUARTERLY REPORT

regarding the economic and financial activity of S.N. Nuclearelectrica S.A. according to the provisions of the Art. 227 from Law no. 297/2004 on capital market and of the Annex no. 30 to the CNVM Regulation no. 1/2006 regarding the issuers and operations securities for the 3rd quarter of the financial year 2016

Report according to:	Art. 227 from Law no. 297/2004 on capital market and the Annex no.30 to the CNVM Regulation no. 1/2006 for the third quarter of the financial year 2016
Date of Report:	7 th of November 2016
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 ; office@nuclearelectrica.ro
Sole Registration code with the Trade Register Office.:	10874881
Order number in the Trade Register:	J40/7403/1998
Subscribed and paid up share capital:	3.015.138.510 RON
The regulated market on which the issued securities are traded:	Bucharest Stock Exchange (www.bvb.ro), Premium category
The main characteristics of the issued securities:	301.513.851 shares with nominal value of 10 RON/share, dematerialized, nominative, ordinary, indivisible, providing equal voting rights, freely tradable on Bucharest Stock Exchange under SNN symbol starting November 4 th 2013
Applicable Accounting Standards:	International Financial Reporting Standards (IFRS) adopted by the European Union (EU) – IFRS-EU, International Accounting Standard 34 –“Interim Financial Reporting”, condensed unaudited individual interim financial statements
Reporting Currency:	Romanian Leu (RON) – all amounts are in RON, unless stated otherwise
Reported Period:	Third quarter of 2016

CONTENT

1. FINANCIAL STATEMENTS.....	3
2. SIGNIFICANT EVENTS.....	4
3. ECONOMIC FINANCIAL INDICATORS	6
4. DECLARATIONS AND SIGNATURES	6
5. APPENDIXES.....	7

1. FINANCIAL STATEMENTS

a) Statement of the financial position

Indicator (thousands RON)	30.09.2016 (unaudited)	31.12.2015 (audited)
Non-current assets	7.418.999	7.696.228
Current assets	1.885.505	1.861.187
Total Assets	9.304.504	9.557.415
Equity	7.458.194	7.493.723
Total liabilities, out of which:	1.846.309	2.063.691
Non-current liabilities	1.470.536	1.642.689
Current liabilities	375.773	421.002
Total Equity and Liabilities	9.304.504	9.557.415

b) Income Statement and Statement of comprehensive income for 9 months period ended on September 30th, 2016

Indicator (thousand RON)	3 months period ended September 30, 2016 (unaudited)	3 months period ended September 30, 2015 (unaudited)	9 months period ended September 30, 2016 (unaudited)	9 months period ended September 30, 2015 (unaudited)
Operating revenues	452.196	446.506	1.194.443	1.304.898
Operating expenses	(361.339)	(354.255)	(1.130.270)	(1.197.574)
Operating Profit	90.857	92.251	64.173	107.324
Finance income	35.125	71.656	83.694	133.531
Finance expenses	(6.105)	(14.168)	(68.160)	(80.746)
Net finance income	29.020	57.488	15.535	52.784
Profit before income tax	119.877	149.739	79.708	160.108
Net income tax expenses	(17.495)	(21.452)	(15.165)	(28.919)
Profit for the period	102.382	128.287	64.543	131.189
Other elements of the comprehensive income	-	-	(572)	-
Total comprehensive income	102.382	128.287	63.971	131.189

2. SIGNIFICANT EVENTS

2.1. Significant Events During the 3rd quarter of 2016

Other significant events during the corresponding nine months period of 2016, which were not already presented in the first semester of 2016 are as follows:

a) Resolution of the General Meetings of the Shareholders

By the **Decision no. 5/18.07.2016 of the Ordinary General Meeting of the Shareholders** the „Long-term strategy for the development of the Intermediate Storage for Burnt fuel (DICA) in dry state and the authorization for the extending the life period of the Units 1 and 2 harmonized with the observations from CNCAN and Ministry of Environment and Climate Changes” was approved.

The commissioning of Nuclear-electrical Power Plant from CNE Cernavoda determined the need to build and put in function the Intermediate Storage for Burnt Fuel (DICA), for the intermediate storage of irradiated burnt fuel from the reactor. In 2013 the “Long-term strategy for the development of the Intermediate Storage for Burnt Fuel (DICA) in dry state and the authorization for extending the life period of Units 1 and 2” was drafted, consisting in building 27 MACSTOR 200 storage modules.

Following the request of Ministry of Environment and Climate Changes to approach in a unitary vision the entire site from Cernavoda, in October 2014, the revision 3 was issued, “DICA revised strategy”. The solution on which it is based the new approach is to make use of the site for DICA more efficiently, by changing the previous project and building, in addition to the 7 MACSTOR 200 already existing modules, operational in 2016, of another 2 MACSTOR 200 type modules and continuing to build, starting with module 10, another 21 modules MACSTOR 400 type, with a double storage capacity.

By the **Decision no. 6/18.07.2016 of the Extraordinary General Meeting of the Shareholders** it was approved:

- To continue negotiations on the Investment Documents under the same conditions established in the Memorandum of Understanding regarding the development, building, operating and decommissioning of Units 3 and 4 from CNE Cernavoda („MoU”) for a period of 4 months, starting May 9th, 2016, by applying all the other provisions of the Memorandum of Understanding, including the possibility of either party to terminate the Memorandum of Understanding without any compensation by a simple written notification to the other Party, in case an agreement wasn't reached on the Investment Documents and as the delay was not caused by the respective Party.
- The DICA Investment Project („Intermediate Storage of Burnt Fuel”) updated based on the „Update of the DICA Feasibility Study revision 1”, which involves building, in addition to the 7 existing MACSTOR 200 type storage modules, operational since 2016, of another MACSTOR 200 type modules and the ongoing performance, starting module 10, of 21 MACSTOR 400 type modules, with a double storage capacity.

b) The approval of regional tariffs corresponding to the transportation service for introducing the electrical energy in the network (TG)

Starting July 2016 the TG tariff was decreased for Dobrogea region by 2,7 RON/MWh, following the ANRE Order no. 27/2016; thus, the TG tariff for Dobrogea region (less renewables) was established at 1,34 RON/MWh, decreased from 4,04 RON/MWh.

This decrease determined a drop by 66,8% of the transportation service expenses invoiced by CNTEE Transelectrica starting July 1st 2016.

Based on the ANRE Order no. 33/2016, the new tariff leads, for those contracts concluded before 1 July 2016, to a decrease in sales price on competitive contracts with 2,7 RON/MWh, starting 25 July 2016, when the ANRE Order no. 33/2016 entered into force; ANRE Order no. 33/2016 establishes the obligation to modify the sales price for the contracts concluded before the date of entering in force of ANRE Order no. 27/2016 (1 July 2016), through addendum to the contracts that reflects the decrease of the regulated transportation tariff TG starting 25 July 2016.

c) The acquisition of uranium dioxide sintered powder and related services

On July 4th, 2016, Cameco was appointed the winner of the acquisition procedure of 120 tons of natural uranium in sintering UO₂ powder, with the lowest price, respectively 429,47 RON/kg U in UO₂ (the equivalent in RON of the USD price). For the acquisition of the uranium powder, two bids were received, from Cameco and respectively CNU, the price given by Cameco being significantly lower than the price given by CNU.

CNU was appointed the winner of the acquisition procedure for processing services for nonconforming materials containing natural uranium for the purpose of recovering the uranium as sintered UO₂ powder, according to the specifications from the descriptive documentation.

2.2. Subsequent Events to September 30, 2016

a) Litigations with the shareholder Fondul Proprietatea S.A.

Fondul Proprietatea S.A. filed with the Bucharest Court the action for annulment of the General Extraordinary Meeting of Shareholders Decision no. 8/6.10.2014 by which it was decided the increase of the share capital of SNN by cash contribution in the total maximum amount of 239.172.630 RON, by issuing a maximum number of 23.917.263 new shares, at a price of 10 RON/share. The request is the object of the file no. 40046/3/2014, registered on the dockets of Bucharest Court.

The Court ruled a new trial term for the file to be 14.11.2016.

b) Decisions of the General Meeting of Shareholders

By the **Decision no. 8/17.10.2016 of the General Meeting of Shareholders** it was approved to continue negotiations on the Investment Documents under the same conditions established in the Memorandum of Understanding regarding the development, building, operating and decommissioning Units 3 and 4 from CNE Cernavoda („MoU”) up to 20th of December 2016 by applying all the other provisions of the Memorandum of Understanding, including the possibility of either party to terminate the Memorandum of Understanding without any compensation by a simple written notification to the other Party, in case an agreement wasn't reached on the Investment Documents and as the delay was not caused by the respective Party.

3. ECONOMIC FINANCIAL INDICATORS

The Company performance is reflected in the achievement of the key economic financial indicators, as follows:

Name of the Indicator ^{**)}	Mode of calculation	m.u.	30.09.2016
1. The current liquidity ratio	Current assets/ Current liabilities	x	5.02
2. Gearing ratio			
2.1. Gearing ratio (1)	Long term liabilities/ Shareholder's equity x 100	%	18.03%
2.1. Gearing ratio (2)	Long term liabilities / Capital employed x 100	%	15.27%
3. Receivables turnover	Average accounts receivable/ Turnover x 270	days	24
4. Non-current assets turnover *)	Turnover/ Non-current assets	x	0.21

*) Non-current assets turnover rate is calculated by annualisation of the quarterly turnover (360 days/270days)

***) Based on the individual interim condensed financial statements

4. DECLARATIONS AND SIGNATURES

Based on the most accurate available information, we hereby confirm that the condensed interim individual unaudited financial statements prepared in compliance with the applicable accounting standards (The International Accounting Standard 34 -,Interim Financial Reporting") provide a correct and true image of the company's financial position, financial performance and cash flow for the period ended on 30 September 2016 and that this report, prepared in compliance with art. 227 of Law no. 297/2004 on capital markets and Annex no. 30 of CNVM Regulation no. 1/2006 for the period ended on 30 September 2016, contains correct and true information regarding the development and performance of the company.

Alexandru SANDULESCU
President of the Administration Council

Daniela LULACHE
General Manager

Mihai DARIE
Financial Manager

5. APPENDIXES

5.1. CONDENSED INTERIM INDIVIDUAL UNAUDITED FINANCIAL STATEMENTS as at and for the period ended on September 30, 2016

5.2. QUARTERLY REPORT of the Board of Directors on the administration activity for the period between 1st of January – 30th of September. 2016



SN Nuclearelectrica SA

Condensed Unaudited Individual Interim Financial Statements as at and for the period of nine months ended 30 September 2016

Prepared in accordance with
Ministry of Finance Order no. 1286/2012 for
the approval of accounting regulations compliant with
International Financial Reporting Standards,
applicable to companies whose securities are traded on a regulated market and related
amendments,
based on
International Accounting Standard 34 - "Interim Financial Reporting"
as adopted by the European Union

SN Nuclearelectrica SA

Condensed Individual Financial Position as at 30 September 2016

(All amounts are in RON, unless stated otherwise.)

	Note	30 September 2016 (unaudited)	31 December 2015 (audited)
Assets			
Non-current assets			
Property, plant and equipment	4	7.192.830.072	7.474.555.551
Intangible assets		84.480.030	79.982.771
Financial instruments	5	141.689.201	141.689.201
Total non-current assets		7.418.999.303	7.696.227.523
Current assets			
Inventories	6	317.418.949	323.222.947
Income tax receivable		-	1.173.730
Trade and other receivables	7	116.558.581	163.499.181
Prepayments		18.310.689	12.072.918
Bank deposits		1.122.965.403	1.103.841.528
Cash and cash equivalents	8	310.250.895	257.376.819
Total current assets		1.885.504.517	1.861.187.123
Total assets		9.304.503.820	9.557.414.646
Equity and liabilities			
Equity			
Share capital, out of which:	9	3.210.641.253	3.210.641.253
<i>Subscribed and paid in share capital</i>		<i>3.015.138.510</i>	<i>3.015.138.510</i>
<i>Inflation adjustment to share capital</i>		<i>195.502.743</i>	<i>195.502.743</i>
Share premium	9	31.474.149	31.474.149
Prepaid share reserve	9	21.553.537	21.553.537
Revaluation reserve	9	272.674.104	293.329.577
Retained earnings	9	3.921.851.335	3.936.724.775
Total shareholder's equity		7.458.194.378	7.493.723.291
Liabilities			
Non-current liabilities			
Long term borrowings	10	1.124.067.876	1.279.606.054
Deferred income		147.032.781	157.791.277
Deferred tax liability		166.769.227	173.496.018
Employee's benefits		32.666.545	31.796.021
Total non-current liabilities		1.470.536.429	1.642.689.370
Current liabilities			
Accounts payable and other liabilities	11	147.824.098	197.281.806
Current tax liability		39.428	-
Deferred income		7.520.425	21.671.875
Current portion of long term borrowings	11	220.389.062	202.048.304
Total current liabilities		375.773.013	421.001.985
Total liabilities		1.846.309.442	2.063.691.355
Total equity and liabilities		9.304.503.820	9.557.414.646

The accompanying notes 1-18 are an integral part of these condensed individual interim financial statements

SN Nuclearelectrica SA

Condensed Individual Statement of Profit or Loss for the nine months period ended 30 September 2016.

(All amounts are in RON, unless stated otherwise.)

Note	3 months period ended on 30 September 2016 (unaudited)	3 months period ended on 30 September 2015 (unaudited)	9 months period ended on 30 September 2016 (unaudited)	9 months period ended on 30 September 2015 (unaudited)
Revenues				
Sales of electricity	433.977.007	428.138.590	1.157.741.328	1.219.931.282
Electricity transmission revenues	3.731.887	11.113.321	23.138.456	63.769.851
Total revenues	437.708.894	439.251.911	1.180.879.784	1.283.701.133
Other income	14.487.504	7.254.304	13.563.144	21.196.479
Operating expenses				
Depreciation and amortization	(121.543.989)	(118.554.374)	(359.948.779)	(352.395.758)
Personnel expenses	(75.089.837)	(74.117.607)	(217.372.478)	(213.519.462)
Cost of traded electricity	(2.190.784)	(4.901.646)	(7.413.997)	(24.125.915)
Repairs and maintenance	(19.933.681)	(22.666.835)	(100.934.141)	(102.873.675)
Electricity transmission expenses	(3.731.887)	(11.113.321)	(23.138.456)	(63.769.851)
Costs with spare parts	(2.697.007)	(2.206.381)	(19.503.101)	(16.120.096)
Cost of uranium fuel	(43.679.886)	(35.910.696)	(110.585.580)	(105.737.340)
Other operating expenses	(92.472.187)	(84.783.810)	(291.373.417)	(319.031.863)
Total operating expenses	(361.339.258)	(354.254.670)	(1.130.269.949)	(1.197.573.960)
Operating result	90.857.140	92.251.545	64.172.979	107.323.652
Finance cost	(6.105.321)	(14.168.242)	(68.159.701)	(80.746.334)
Finance income	35.124.973	71.655.875	83.694.403	133.530.618
Net finance income (expenses)	29.019.652	57.487.633	15.534.702	52.784.284
Profit before income tax	119.876.792	149.739.178	79.707.681	160.107.936
Net income tax expenses	(17.494.820)	(21.452.169)	(15.164.564)	(28.918.760)
Profit for the period	102.381.972	128.287.009	64.543.117	131.189.176

The condensed individual interim financial statements presented in pages from 1 to 22 were signed on November 7, 2016 by:

Daniela Lulache
Chief Executive OfficerMihai Darie
Chief Financial Officer

SN Nuclearelectrica SA

Condensed Individual Statement of Comprehensive Income for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

	3 months period ended on 30 September 2016 (unaudited)	3 months period ended on 30 September 2015 (unaudited)	9 months period ended on 30 September 2016 (unaudited)	9 months period ended on 30 September 2015 (unaudited)
Profit for the period	102.381.972	128.287.009	64.543.117	131.189.176
Other elements of the comprehensive income	-	-	(572.459)	-
Total comprehensive result for the Period	102.381.972	128.287.009	63.970.658	131.189.176
Earnings per share				
Basic earnings per share (RON/share)	16 0,34	0,43	0,23	0,44
Diluted earnings per share (RON/share)	16 0,34	0,43	0,23	0,44

SN Nuclearelectrica SA

Condensed Individual Statement of Changes in Equity for the nine months period ended on 30 September 2016

(All amounts are in RON, unless stated otherwise)

	Note	Share capital	Share capital premium	Prepaid share reserve	Revaluation reserve	Retained earnings	Total equity
Balance as at 1 January 2016 (audited, restated)		3.210.641.253	31.474.149	21.553.537	293.329.577	3.936.724.775	7.493.723.291
Comprehensive income for the period							
<i>Profit for the period</i>		-	-	-	-	64.543.117	64.543.117
<i>Other elements of comprehensive income</i>		-	-	-	-	(572.459)	(572.459)
Total comprehensive income for the period		-	-	-	-	63.970.658	63.970.658
Transfer of revaluation reserve to retained earnings		-	-	-	(20.655.473)	20.655.473	-
Dividends declared		-	-	-	-	(99.499.571)	(99.499.571)
Balance as at 30 September 2016 (unaudited)	9	3.210.641.253	31.474.149	21.553.537	272.674.104	3.921.851.335	7.458.194.378

SN Nuclearelectrica SA

Condensed Individual Statement of Changes in Equity for the nine months period ended on 30 September 2016

(All amounts are in RON, unless stated otherwise)

	Note	Share capital	Share premium	Prepaid share reserve	Revaluation reserve	Retained earnings	Total equity
Balance as at 1 January 2015 (restated, audited)		3.013.330.303	31.474.149	217.820.977	313.405.061	3.853.283.081	7.429.313.571
Comprehensive income for the period							
<i>Profit for the period</i>		-	-	-	-	131.189.176	131.189.176
<i>Other elements of comprehensive income</i>		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	131.189.176	131.189.176
Shares issue		194.382.850	-	(194.376.700)	-	-	6.150
Prepaid reserve increase		-	-	1.037.362	-	-	1.037.362
Transfer of revaluation reserve to retained earnings		-	-	-	(17.435.631)	17.435.631	-
Other items		-	-	-	-	(23.312)	(23.312)
Dividends declared						(90.366.312)	(90.366.312)
Balance as at 30 September 2015 (restated, unaudited)	9	3.207.713.153	31.474.149	24.481.639	295.969.430	3.911.518.264	7.471.156.635

SN Nuclearelectrica SA

Condensed Individual Statement of Cash Flows for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

	9 months period ended on 30 September 2016 (unaudited)	9 months period ended on 30 September 2015 (unaudited)
Cash flows from operating activities		
Profit before income tax	79.707.681	160.107.936
Adjustments for:		
Depreciation and amortization	359.948.779	352.395.758
(Gain) on trade and other receivables	(2.116)	(1.356.556)
(Gain) on inventories	(1.226.910)	(2.502.608)
Loss from provisions	7.692	2.042.747
(Gain)/Loss from non-current assets sold	(58.659)	22.131
Net financial income	(14.854.494)	(53.309.877)
Changes in:		
Decrease in trade and other receivables	44.827.730	88.175.097
Decrease/(Increase) in inventories	6.811.666	(3.867.949)
(Decrease) in deferred income	(24.909.946)	(11.387.999)
(Decrease)/Increase in prepayments	(6.237.771)	598.767
(Decrease) in accounts payable and other liabilities	(50.140.868)	(46.911.434)
Cash flows relating to operating activities	393.872.784	484.006.013
Income tax paid	(20.678.197)	(24.698.453)
Interest received	13.567.686	15.651.603
Interest paid	(4.170.269)	(7.638.139)
Net cash flow from operating activities	382.592.004	467.321.024
Cash flows relating to investing activities		
Purchase of intangible assets	(7.148.529)	(4.837.800)
Purchase of property, plant and equipment	(70.696.848)	(113.927.339)
Proceeds from property, plant and equipment	68.766	162.090
(Increase) in bank deposits	(19.123.875)	(803.673.826)
Net cash flow from investing activities	(96.900.486)	(922.276.875)
Cash flow relating to financing activities		
Payments of borrowings	(134.137.639)	(133.938.083)
Payments of dividends	(98.679.803)	(88.187.463)
Shares issue	-	6.150
Net cash flow from financing activities	(232.817.442)	(222.119.396)
Net increase/(decrease) of cash and cash equivalents	52.874.076	(677.075.247)
Cash and cash equivalents as at 1 January (see Note 8)	257.376.819	1.152.298.625
Cash and cash equivalents as at 30 September (see Note 8)	310.250.895	475.223.378

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

1. REPORTING ENTITY

Societatea Nationala Nuclearelectrica SA (“the Company”) is a company based in Romania. The company’s registered office is located in Bucharest, 65 Polona Street.

The main operating location is in Cernavoda, Constanta county, where the Company has two operating nuclear reactors (Unit 1 and Unit 2), two nuclear reactors in early stage of construction (Units 3-4) and one reactor (Unit 5), for which the company’s shareholders approved the change of destination. Construction of Units 3 and 4 was planned to be completed by EnergoNuclear; currently, there is a new strategy to continue the project related to Units 3 and 4 which was approved by the Extraordinary General Meeting of Shareholders on August 22, 2014 (for more information refer to Note 5). The two reactors are based on CANDU technology (Canada Deuterium Uranium of PHWR type).

Unit 5 is impaired 100% as there are no plans to continue the construction. In March 2014 the shareholders of the Company approved the use of Unit 5 for activities related to the operation of Units 1 and 2.

The main activity of the Company is to generate electricity by operating Units 1 and 2.

In accordance with the Electricity Law no. 123/2012, the electricity sector is regulated by the Regulatory Authority for Energy (“ANRE”), an autonomous public institution. ANRE establishes through annual decision the tariffs to be used by the Company for selling electricity on regulated market. During the 9-months period ended on September 30, 2016 the Company sold approximately 16% of its energy on the regulated market (21% was sold during the 9-months period ended on September 30, 2015). The total quantity of energy sold during the 9-months period ended on September 30, 2016 amounts to 7.621.615 MWh, as compared to 7.936.795 MWh, sold during the 9-months period ended on September 30, 2015. The average price for electricity sales on the regulated market during the 9-months period ended on September 30, 2016 amounts to 162,73 RON/MWh as compared to 158,64 RON/MWh during the 9-months period ended on September 30, 2015, net of the tariff for transmission service paid to Transelectrica for using the electricity transmission network.

Since November 4, 2013 the shares of the Company have been traded on the Bucharest Stock Exchange, under the SNN symbol.

As described in Note 9, on September 30, 2016 the shareholders of the company are: The Romanian State through the Ministry of Energy holding 248.736.619 shares representing 82.4959% of the share capital, Fondul Proprietatea SA which holds 27.408.381 shares representing 9.0903% of the share capital and other shareholders – natural persons and legal entities - holding together 25.368.851 shares, representing 8.4138% of the share capital.

2. BASIS OF PREPARATION

a) Statement of compliance

The condensed individual interim financial statements were prepared in accordance with OMPF 1286/2012 regarding the approval of the accounting regulations compliant with the International Financial Reporting Standards (IFRS), applicable to companies whose securities are traded on a regulated market and related amendments (“OMFP 1286/2012”). As per the OMPF 1286/2012, the International Financial Reporting Standards represent the standards adopted in accordance with the procedure provided by the European Commission Regulation no. 1.606/2002 of the European Parliament and Council dated on July 19, 2002 regarding the application of the international accounting standards.

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

These condensed individual interim financial statements were prepared in accordance with IAS 34 *Interim Financial Reporting*, as adopted by the European Union. They do not include all the necessary information for a complete set of financial situations according to the International Financial Reporting Standards („IFRS”) and they must be read along with the annual financial statements of the company, issued on December 31, 2015. Nevertheless, certain explanatory notes are included in order to explain the events and transactions that are significant for understanding the modifications interfered in the financial position and in the company performance from the last individual annual financial statements and for the financial year ended on December 31, 2015.

The condensed individual interim financial statements as at and for the 9-months period ended on September 30, 2016 are not audited and were not reviewed by an independent auditor.

These condensed individual interim financial statements were authorized to be issued and signed on November 7, 2016 by the management of the Company.

b) Use of estimates and professional judgements

The preparation of the condensed individual interim financial statements requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may vary from the estimated values.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions that have a significant risk of resulting in a material adjustment within the next financial years is included in Note 5 (Continuity of the activity carried out by Energonuclear).

The significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the individual financial statements as at and for the year ended on December 31, 2015.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed individual interim financial statements are in compliance with the ones applied in the individual financial statements of the Company for the financial year ended on December 31, 2015 with the exception of the ones mentioned below.

Inventories

According to the IAS 2 "Inventories" the cost of discharged inventories shall be determined by applying the first-in, first-out method (FIFO) or the weighted average cost method (WAC). Up to December 31, 2015, the company used the FIFO method.

Following the analysis made by the management of the company it was concluded that the use of WAC method would produce credible results in the annual financial statements for their users. In this context, starting from the 1st of January 2016 the accounting policy used in order to determine the cost of the discharged inventories was changed from FIFO to WAC.

In accordance with the requirements for changing the accounting policies stipulated by IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", the management believes that the WAC method results in financial statements which are more relevant and more reliable for users' needs by making economic decisions, as shown in the analysis of the two methods below:

- The FIFO method involves that the discharged inventories are to be evaluated with their cost of acquisition or production cost of the first entry. If the inventories are older and the prices are rising, this method does not produce the most reliable results to be reflected in the statement of the comprehensive income;
- The WAC method involves the cost calculation for every item according to the weighted average cost for similar items in stock at the beginning of the period and for those purchased during the period.

The Company is unable to retroactively apply this change in accounting policy in accordance with the requirements of IAS 8, because the effects of retroactive application are not determinable since the cumulative impact on all prior periods cannot be calculated. Therefore, the Company applies the new policy prospectively from January 1, 2016.

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

4. PROPERTY, PLANT AND EQUIPMENT

	Land	Nuclear Power Plants	Machinery, equipment and other assets	Assets under construction	TOTAL
Cost					
Balance as at 1 January 2015 (audited)	28.662.087	6.072.194.991	1.409.870.162	995.561.840	8.506.289.079
Additions	1.006.071	-	14.087.194	123.699.391	138.792.656
Revaluation of special buildings/land/constructions	4.357.831	4.417.451	(5.002.628)	-	3.772.654
Offset of accumulated amortization upon revaluation	-	(673.807.684)	(64.438.939)	-	(738.246.623)
Transfers	-	12.772.406	140.213.936	(152.986.343)	-
Inventories transfer	-	-	-	14.189.594	14.189.594
Spare parts transfer	-	-	879.654	(879.654)	-
Disposals	-	-	(2.050.146)	(61.643)	(2.111.789)
Balance as at 31 December 2015 (audited)	34.025.989	5.415.577.164	1.493.559.233	979.523.186	7.922.685.571
Balance as at 1 January 2016 (audited)	34.025.989	5.415.577.164	1.493.559.233	979.523.186	7.922.685.571
Additions	-	-	2.780.280	72.582.613	75.362.894
Transfers	-	95.799.552	18.883.600	(114.683.152)	-
Spare parts transfer	-	-	-	218.041	218.041
Reclassification in intangible assets	-	-	-	(13.717.629)	(13.717.629)
Disposals	-	-	(1.093.030)	-	(1.093.030)
Balance as at 30 September 2016 (unaudited)	34.025.989	5.511.376.716	1.514.130.083	923.923.059	7.983.455.846
Depreciation and amortization					
Balance as at 1 January 2015 (audited)	233.272	334.518.634	243.154.606	139.384.519	717.291.031
Depreciation charges	77.757	339.289.050	108.129.274	-	447.496.081
Revaluation of special buildings/land/constructions	2.490.088	29.408.719	(16.607.332)	-	15.291.475
Accumulated depreciation of disposals	-	-	(1.838.455)	-	(1.838.455)
Adjustments for intangible assets depreciation	-	-	(13.106)	8.149.618	8.136.511
Offset of accumulated amortization upon revaluation	-	(673.807.684)	(64.438.939)	-	(738.246.623)
Balance as at 31 December 2015 (audited)	2.801.117	29.408.719	268.386.048	147.534.136	448.130.020
Balance as at 1 January 2016 (audited)	2.801.117	29.408.719	268.386.048	147.534.136	448.130.020
Depreciation	51.838	258.299.089	85.395.570	-	343.746.497
Accumulated depreciation of disposals	-	-	(1.084.125)	-	(1.084.125)
Adjustments for intangible assets depreciation	-	-	-	(166.618)	(166.618)
Balance as at 30 September 2016 (unaudited)	2.852.955	287.707.808	352.697.493	147.367.518	790.625.774
Carrying amount					
Balance as at 1 January 2015 (audited)	28.428.815	5.737.676.357	1.166.715.556	856.177.321	7.788.998.048
Balance as at 31 December 2015 (audited)	31.224.872	5.386.168.445	1.225.173.185	831.989.050	7.474.555.551
Balance as at 30 June 2016 (unaudited)	31.173.034	5.223.668.908	1.161.432.589	776.555.541	7.192.830.072

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

The machinery, equipment and other assets mainly include the first load of heavy water used for the Units 1 and 2, with a net carrying amount as at September 30, 2016 of 388.693.448 RON (December 31, 2015: 404.188.599RON) and buildings with a net carrying amount at September 30, 2016 of 320.293.651 RON (December 31, 2015: 332.439.518 RON).

On September 30, 2016, the carrying value of Units 3-4, recognized within the group „Assets under construction”, is of 273.960.000 RON (December 31, 2015: 273.960.000 RON). Before 1991, the units 1, 2, 3, 4 and 5 have been considered a single project and, consequently, the construction costs have not been allocated per unit. Subsequently, the company has allocated the construction costs for units 3 and 4 of the nuclear power plant.

The carrying amount of the heavy water related to units 3 and 4 is of 158.470.146 RON (December 31, 2015: 158.470.146 RON), representing approximately 75 tones. These elements are presented within the group „Assets under construction”.

The main investments made by the Company during the nine months period ended on September 30, 2016 for the projects under construction related to Units 1 and 2 include:

- Improvement of thermal performance of U1-Magnetita steam generators amounting to 36.684.909 RON (2015: 6.890.479 RON);
- Replacement of Generrex U1 excitation system amounting to 20.747.092 RON (2015: 65.317.657 RON).
- Construction of storage and loading facilities for spent nuclear fuel (DICA) amounting to 5.839.233 RON (2015: 6.508.356 RON).
- Filter system upstream of U1, U2 water chambers amounting to 3.930.922 RON (2015: 435.555 RON);
- Improvement of live steam system amounting to 3.486.372 RON (2015: 0 RON);

The main investments commissioned during the 9-months period ended on September 30, 2016 relates mainly to: installation of Generrex U1 excitation system amounting to 93.156.736 RON, upgrading of the wastewater water treatment amounting to 4.237.387 RON, data acquisition and processing system Candu Smart Tools amounting to 3.369.391 RON, on line liquid effluents monitor system installation and its unitary integration within the current system amounting to 1.467.688 RON.

On September 30, 2016, the carrying amount of the assets under construction related to Unit 3 and Unit 4 amounts to 505.834.407 RON (December 31, 2015: 505.289.183 RON). On September 30, 2016, the remaining difference up to 776.555.541 RON (December 31, 2015: 831.989.050 RON) represents the assets under construction related to Unit 1 and Unit 2, such as: D2O detritiation installation amounting to 63.230.074 RON, improvement of thermal performance of U1-Magnetita steam generators amounting to 43.512.388 RON, construction of facilities for storage and loading of the nuclear fuel used (DICA) amounting to 26.151.844 RON, refurbishment of power outlet transformers amounting to 10.554.151 RON.

On September 30, 2016, the Company purchased fixed assets on credit from suppliers, amounting to 19.538.958 RON (31 December 2015: 14.618.981 RON).

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

Decommissioning of nuclear units

The nuclear power Unit 1 is scheduled to operate until 2026 and Unit 2 until 2037. The Company did not record provisions for decommissioning of these two units, due to the fact it is not responsible for the decommissioning. According to Government decision no. 1080/5 September 2007, the Nuclear Agency and for Radioactive Waste (ANDR) is responsible for collecting the contributions paid by the Company for the remaining useful life of these units and assume the responsibility for the management of the entire decommissioning process at the end of useful lives of the units, and also for the permanent storage of the resulting waste (see Note 14). In the 9-months period ended on September 30, 2016 the expenses with the contributions paid by the Company to ANDR amounts to 68.456.679 RON (9-months period ended on 30 September 2015: 68.703.103 RON).

Pledged assets

As at September 30, 2016, December 31, 2015 respectively, no asset belonging to the Company is pledged or mortgaged.

5. FINANCIAL INVESTMENTS

The financial investments are mainly represented by the investment in EnergoNuclear S.A. („EnergoNuclear”). As at September 30, 2016 and December 31, 2015, the company owns 100% of the share capital of EnergoNuclear SA. The participation value as at September 30, 2016 and December 31, 2015 is of 141.666.101 RON.

Continuity of the activity of EnergoNuclear

As at September 30, 2016, there are some uncertainties regarding Energonuclear's capacity to continue its activity. The future operations of Energonuclear regarding the units 3 and 4 are depend on the successful concluding of the establishment of the new project company for continuing the project units 3 and 4 and the transfer of Energonuclear value to the new company according to the Strategy approved on July 31, 2014 by the Romanian Government and on August 22, 2014 by the Extraordinary General Meeting of Shareholders of the Company.

The strategy stipulates the establishment of a joint venture in the sense of art. 50 of the Law no. 137/2002, between SNN and a private investor, selected, respectively a Project Company („Joint Venture” or „JV”) to which the investment made by SNN within Electronuclear should be transferred. JV represents the company preceding the IPP type company (independent power producers - IPP), founded with a 2-year duration which can be modified by mutual consent by the Parties, for reverification of project feasibility under the present conditions, asset valuation and making the investment final decision for moving on to the implementation phase of the Project, namely the IPP stage.

At the same time, the approved strategy for the continuation of the project aims to capitalize on the existing assets, having a considerable value, under the public patrimony – heavy water and uranium octoxide – and, respectively, in the company patrimony – land, buildings, equipment, etc. – and of Energonuclear, according to the law. The heavy water inventory and the first nuclear fuel charge will be provided from Romania by the Romanian state and, respectively, SNN, according to the strategy.

Upon the investors' selection procedure, on September 9th 2014, the company China General Nuclear Power Corporation („CGN”) was designated as Selected Investor for the development of the Cernavoda NPP Units 3 and 4.

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

On July 27, 2015 the meeting of the Inter-ministries Committee for the Project of the Units 3 and 4 CNE Cernavoda took place. Following this meeting the MoU, document aimed at defining and agreeing on principles for negotiating the Investment Agreement, including its annexes, was endorsed in the form proposed by the Negotiation Committee and on September 2, 2015 it was approved by the Romanian Government.

The MoU on the development, construction, operation and decommissioning of units 3 and 4 of Cernavoda NPP was approved by the Extraordinary General Meeting of Shareholders on October 22, 2015.

On 9th of November 2015 the MoU was signed by the management of the parties involved in the project: SNN and CGN.

The Romanian Government issued on January 19, 2016 the Letter of Support for Project Units 3 and 4 of Cernavoda NPP.

May 8, 2016 in accordance with Article 11 paragraph (3) of the MoU concluded between the Company and CGN was the deadline for termination of the Investment Documents (ID) agreement.

CGN has notified the Romanian party on May 5, 2016 of the intention to continue the negotiations on the ID over an additional period of 4 (four) months.

On May 16, 2016 the Inter-ministries Committee for the project Cernavoda Units 3 and 4 approved the continuation of negotiations on ID for a period of 4 months, starting on May 9, 2016 with application of all provisions of the MoU.

Continuation of negotiations with CGN was approved by the Romanian Government on June 2, 2016.

On July 18, 2016 the Extraordinary General Meeting of Shareholders approved the continuation of negotiations upon the Investment Documents under the same conditions as those of MoU for a 4-months period, starting on May 9, 2016, by applying all the other provisions provided in the MoU, including the possibility of either party to terminate the MoU with no damage and by a simple written notification transmitted to the other Party, if no agreement upon the Investment Documents was reached and unless the delay was caused by that Party.

6. INVENTORIES

As at 30 September 2016 and 31 December 2015 the inventories are as follows:

	30 September 2016	31 December 2015
	(unaudited)	(audited)
Spare parts	138.243.584	140.662.839
Materials and other materials	44.440.645	46.920.353
Nuclear fuel	95.430.736	98.500.893
Uranium	32.712.145	28.328.866
Other inventories	6.591.839	8.809.996
TOTAL	317.418.949	323.222.947

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

*(All amounts are in RON, unless stated otherwise)***7. TRADE AND OTHER RECEIVABLES**

As at 30 September 2016 and 31 December 2015 the trade and other receivables are as follows:

	30 September 2016	31 December 2015
	(unaudited)	(audited)
Trade receivables	94.219.115	139.116.404
Trade receivables allowance	(12.846.438)	(12.848.554)
Other receivables	15.019.654	16.032.462
Other receivables allowance	(3.660.872)	(3.660.872)
Taxes and duties	23.827.122	24.859.741
Total	116.558.581	163.499.181

As at September 30, 2016, the main trade receivables in the balance are from: Electrica Furnizare S.A. – 18.987.202 RON (31 December 2015: 7.710.109 RON), GEN-I d.o.o. – 13.260.384 RON (31 December 2015: 20.933.593 RON), Ezpada Srl – 7.677.842 RON (31 December 2015: 0 RON), Alro SA – 7.150.032 RON (31 December 2015: 0 RON), Enel Energie Muntenia SA – 6.809.616 RON (31 December 2015: 14.796.226 RON), Enel Energie SA – 5,637,271 RON (31 December 2015: 9.198.295 RON).

8. CASH AND CASH EQUIVALENTS

As at 30 September 2016 and 31 December 2015, cash and cash equivalents are as follows:

	30 September 2016	31 December 2015
	(unaudited)	(audited)
Cash at bank in RON	307.887.095	255.426.980
Cash at bank in foreign currency	2.363.800	1.949.839
Total cash and cash equivalents	310.250.895	257.376.819

9. EQUITY*Share capital*

The company was established through the separation from the former RENEL. The share capital represents the State contribution to the Company's formation, at June 30th 1998 (restated with the inflation until December 31st 2003), plus subsequent increases.

As at September 30, 2016 and December 31, 2015 the share capital includes the effects of the restatements recorded in the previous years, according to the application of IAS 29 "Financial Reporting in Hyperinflationary Economies". The reconciliation of the share capital is as follows:

	30 September 2016	31 December 2015
	(unaudited)	(audited)
Statutory share capital (nominal value)	3.015.138.510	3.015.138.510
Restatement related differences in accordance with IAS 29	195.502.743	195.502.743
Restated share capital balance	3.210.641.253	3.210.641.253

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

As at September 30, 2016 and December 31, 2015, the fully subscribed and paid share capital amounts to 3.015.138.510 RON, consisting of 301.513.851 ordinary shares with the nominal value of 10 RON.

The shareholders have the right to receive dividends, as they are declared at certain intervals of time and the right of one vote per share within the company General Meetings of the Shareholders.

As at September 30, 2016 and December 31, 2015 the shareholders are as follows:

Shareholders	Number of shares	% of the share capital
Romanian State	248.736.619	82.4959%
Fondul Proprietatea SA	27.408.381	9.0903%
Other investors	25.368.851	8.4138%
TOTAL	301.513.851	100%

Prepaid share reserves

The prepaid share reserves amount to 21.553.537 RON as at September 30, 2016 and December 31, 2015 and represent public utility objectives of Cernavoda NPP (5.439.321 RON as at September 30, 2016 and December 31, 2015), budgetary allocations for the period 2007-2011 for the construction of the Training and Recreation Center for Youth and Children in Cernavodă (16.114.216 RON as at September 30, 2016 and December 31, 2015).

Re-evaluation Reserves

As at September 30, 2016 the revaluation reserve amounts to 272.674.104 RON (December 31, 2015: 293.329.577 RON), net of the deferred tax related to the re-evaluation reserve.

The Company recognized an increase of the revaluation reserve amounting to 3.772.653 RON after the revaluation carried out on December 31, 2015 from which the deferred tax debt amounting to 603.625 RON was deducted.

Retained Earnings

The retained earnings represent the accumulated earnings of the Company. The retained earnings are distributed based on the financial statements prepared in accordance with the Order of the Minister of Public Finance no. 1286/2012 with subsequent amendments, applicable to companies whose securities are admitted to trading on a regulated market.

10. BORROWINGS

Reimbursements of borrowings during the 9-months period as at September 30, 2016 were as follows:

	Currency	Interest Rate	Carrying amount	Year of maturity
Balance as at 1 January 2016			1.525.830.626	
New issues				
Repayments, out of which:			(134.137.639)	
Societe Generale - ALSTOM BC	EUR	EURIBOR + 0.450%	(2.404.776)	2017
Societe Generale - ANSALDO BC	EUR	EURIBOR+ 0.450%	(17.343.633)	2022
Societe Generale - AECL BC	CAD	CDOR + 0.375%	(33.867.939)	2022
Societe Generale - NEXANS BC	EUR	EURIBOR + 0.450%	(3.020.838)	2017
Societe Generale - GENERAL ELECTRIC	USD	LIBOR+0.070%	(12.124.653)	2017
EURATOM	EUR	EURIBOR 6M + 0.08%	(65.375.800)	2024
Exchange rate differences			(10.304.934)	
Balance as at 30 September 2016 (unaudited)			1.381.388.053	

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

As at 30 September 2016 and 31 December 2015, the long term borrowings from credit institutions were as follows:

	30 September 2016 (unaudited)	31 December 2015 (audited)
Societe Generale - ALSTOM BC	4.746.441	7.235.117
Societe Generale - ANSALDO BC	205.392.590	226.116.915
Societe Generale - AECL BC	396.633.821	424.118.469
Societe Generale - NEXANS BC	5.962.397	9.088.628
Societe Generale - GENERAL ELECTRIC	11.761.804	24.501.247
EURATOM	756.891.000	834.770.250
Total long-term borrowings from credit institutions	1.381.388.053	1.525.830.626
	(226.101.737)	(209.134.834)
Less: Current amount of long-term borrowings	(31.218.440)	(37.089.738)
Less: Balance of transaction costs (long term)		
Total long-term borrowings net of the short-term current amounts	1.124.067.876	1.279.606.054

As at September 30, 2016, the financial indicators related to the loan granted by EURATOM were fulfilled.

On 30 September 2016 and 31 December 2015, the short-term borrowings are as follows:

	30 September 2016 (unaudited)	31 December 2015 (audited)
Current portion of long-term borrowings	226.101.737	209.134.834
Interests related to the long-term borrowings	2.115.721	741.866
Commitment and insurance fees on short term	(7.828.396)	(7.828.396)
Total short-term borrowings	220.389.062	202.048.304

11. TRADE AND OTHER PAYABLES

As at September 30, 2016 and December 31, 2015, trade and other receivables are as follows:

	30 September 2016 (unaudited)	31 December 2015 (audited)
Property, plant and equipment suppliers	19.538.958	14.618.981
Suppliers	71.701.501	118.293.915
Payables to employees	7.818.811	14.488.236
Payables to the State	17.173.457	22.770.187
Dividends to be paid	310.108	281.269
Other payables	31.281.263	26.829.218
Total	147.824.098	197.281.806

As at September 30, 2016, the main suppliers in balance are: General Electric Wilmington – Bucharest Branch – 19.314.087 RON (31 December 2015: 31.952.511 RON), Apele Romane București – 12.774.400 RON (31 December 2015: 12.255.673 RON), Mate-Fin SRL – 6.732.086 RON (31 December 2015: 8.267.542 RON) and General Concrete SRL – 5.889.634 RON (31 December 2015: 2.703.574 RON).

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

*(All amounts are in RON, unless stated otherwise)***12. INCOME TAX**

The income tax recognized in the profit and loss account is as follows:

	3-months period ended on 30 September 2016 (unaudited)	3-months period ended on 30 September 2015 (unaudited)	9-months period ended on 30 September 2016 not (unaudited)	9-months period ended on 30 September 2015 (unaudited)
Current tax expense	19.941.658	23.630.797	21.891.356	35.221.699
Deferred tax release	(2.446.838)	(2.178.628)	(6.726.792)	(6.302.939)
Total	17.494.820	21.452.169	15.164.564	28.918.760

13. SALES OF ELECTRICITY*(i) Revenues from electricity sales*

	3-months period ended on 30 September 2016 (unaudited)	3-months period ended on 30 September 2015 (unaudited)	9-months period ended on 30 September 2016 (unaudited)	9-months period ended on 30 September 2015 (unaudited)
Sales of electricity on regulated market	55.277.282	92.629.626	196.289.780	262.923.186
Sales of electricity on free market	378.605.605	335.427.926	960.181.999	955.569.750
Sales of thermal energy	89.697	77.044	1.256.331	1.422.498
Revenues from green certificates sales	4.423	3.994	13.218	15.848
Total	433.977.007	428.138.590	1.157.741.328	1.219.931.282

(ii) Quantity of sold energy

	3-months period ended on 30 September 2016 (unaudited)	3-months period ended on 30 September 2015 (unaudited)	9-months period ended on 30 September 2016 (unaudited)	9-months period ended on 30 September 2015 (unaudited)
Quantity of energy sold on regulated market (MWh)	339.786	583.914	1.206.257	1.657.384
Quantity of energy sold on free market (MWh)	2.448.927	2.173.023	6.394.870	6.279.411
Total	2.788.713	2.756.937	7.601.127	7.936.795

The company participates on the balancing market, being a responsible party with the balancing, according to the agreements concluded with the transport and system operator, Transelectrica SA. The quantity of sold energy presented does not include the quantity of energy related to the incomes from positive unbalances capitalized on the Balancing Market, in amount of 20.488 MWh for the 9-months period ended on September 30, 2016 (36.831 MWh in the 9-months period ended on September 30, 2015).

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

The company produces thermal energy by operating the energy capacities related to the electric and thermal energy production units, consisting of two heat exchangers with a total thermal power of 40 Gcal/h and 46,51 MW. The company delivers thermal energy to the local thermal energy distribution company, SC Utilitati Publice SA Cernavodă, as well as of some end consumers from Cernavodă municipality – economic agents, social-cultural institutions. In the first quarter of 2016 the sales of thermal energy amounts to 1.256.331 RON (September 30, 2015: 1.422.498 RON).

According to the Electric power law no. 123/2012, the energy sector is regulated by the National Regulation Authority in the Energy Field (ANRE), autonomous public institution. ANRE establishes the tariffs that are going to be used by the Company for the electric power sales on the regulated market, as well as the related quantities.

14. OTHER OPERATING COSTS

	3-months period ended on 30 September 2016 (unaudited)	3-months period ended on 30 September 2015 (unaudited)	9-months period ended on 30 September 2016 (unaudited)	9-months period ended on 30 September 2015 (unaudited)
Third party services	29.211.107	18.306.519	57.258.722	61.590.728
Expenses with ANDR	21.922.169	24.126.238	68.456.679	68.703.103
Energy and water	20.184.483	20.301.327	55.764.413	57.342.442
Fuels, lubricants and other consumables	7.056.713	8.331.860	28.594.176	27.895.487
Insurance policies	1.884.518	2.380.958	8.856.741	8.028.627
Transport and telecommunication	1.559.647	2.109.068	4.688.361	4.933.627
Tax on special constructions	-	-	983.235	61.567.609
Tax on buildings	-	-	41.306.577	-
Other operating expenses	10.653.550	9.227.840	25.464.513	28.970.240
Total	92.472.187	84.783.810	291.373.417	319.031.863

“Other operating expenses” consist mainly of other taxes, tax on land and provisions expenses.

Starting with 2007, following the Government Decision no. 1080/5 September 2007 regarding the safe management of the radioactive waste and the decommissioning of the nuclear installations, the Company is required to make two types of contributions to the ANDR:

- Contribution for the decommissioning of each nuclear unit amounting to 0.6 EUR/MWh of electricity generated and delivered in the system.
- Contribution for the permanent storage of radioactive waste of 1.4 EUR/MWh of electricity produced and generated and delivered in the system.

According to this legislative act, the annual contribution for decommissioning is paid over the projected useful life of both nuclear units, and the direct annual contribution for permanent storage is paid over the operational period of the nuclear units and consequently, ANDR takes responsibility for managing the entire decommissioning process at the end of the useful life of the nuclear plants and the storage of resulting waste.

Starting with the year 2016, the new Tax Code (Law 227/2015) does no longer except NPPs from the definition of a building. Thus, in 2015, under the Tax Code applicable at the time (Law 571/2003 with subsequent amendments) the Company owed a tax on special construction for the two nuclear power plants amounting to 1% of the buildings value recorded in the balance as at 31 December the previous year.

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

Starting with the year 2016, as the exception from the definition of a building is no longer applicable to a nuclear power plant, there is an obligation for the Company to pay the tax on non-residential buildings belonging to legal entities for the two nuclear power plants to the City Council in Cernavodă.

For 2016, the Cernavodă City Council established the tax rate for non-residential buildings owned by legal entities, such tax amounting to 0.5% of the taxable value.

The tax for special constructions owed by the Company for the 9-months period ended as at September 30, 2016 amounts to 983.238 RON (September 30, 2015: 61.567.609 RON). As at September 30, 2016 the building tax amounts to 41.306.577 RON (September 30, 2015: 4.894.444 RON, value included in the caption "Other operating expenses" as at September 30, 2015). According to IFRIC 21, the Company has integrally recognized this liability and the related expenses for the first quarter of 2016 and 2015 respectively.

15. FINANCIAL INCOMES AND EXPENSES

	3-months period ended on 30 September 2016 (unaudited)	9-months period ended on 30 September 2015 (unaudited)	9-months period ended on 30 September 2016 (unaudited)	9-months period ended on 30 September 2015 (unaudited)
Interest income	3.023.270	4.884.401	11.454.382	15.607.634
Foreign exchange gains	32.100.610	66.770.634	72.227.362	117.191.700
Dividend income	1.093	840	12.659	731.284
Total financial incomes	35.124.973	71.655.875	83.694.403	133.530.618
Foreign exchange losses	(2.393.727)	(9.880.137)	(56.744.279)	(66.108.919)
Interest expense	(3.711.594)	(4.288.105)	(11.415.422)	(14.637.415)
Total financial expenses	(6.105.321)	(14.168.242)	(68.159.701)	(80.746.334)
Net financial incomes	29.019.652	57.487.633	15.534.702	52.784.284

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

*(All amounts are in RON, unless stated otherwise)***16. EARNINGS PER SHARE**

As at 30 September 2016 and 30 September 2015 the earnings per share is as follows:

(i) Basic Earnings per Share

	3-months period ended on 30 September 2016 (unaudited)	3-months period ended on 30 September 2015 (unaudited)	9-months period ended on 30 September 2016 (unaudited)	9-months period ended on 30 September 2015 (unaudited)
Net profit for the period	102.381.972	128.287.009	64.543.117	131.189.176
Number of the ordinary shares at the beginning of the period	301.513.851	301.221.041	281.782.756	281.782.756
Number of ordinary shares issued during the period (refer to Note 9)	-	-	-	19.438.285
Weighted-average number of ordinary shares at the end of the period	301.513.851	301.221.041	281.782.756	296.901.422
Basic earnings per share (RON/share)	0,34	0,43	0,23	0,44

(ii) Diluted Earnings per Share

	3-months period ended on 30 September 2016 (unaudited)	3-months period ended on 30 September 2015 (unaudited)	9-months period ended on 30 September 2016 (unaudited)	9-months period ended on 30 September 2015 (unaudited)
Net profit for the period	102.381.972	128.287.009	64.543.117	131.189.176
Number of the ordinary shares at the beginning of the period (a)	301.513.851	301.221.041	281.782.756	281.782.756
Number of ordinary shares issued during the period (refer to Note 9)	-	-	-	19.438.285
Weighted-average number of ordinary shares at the end of the period (a)	301.513.851	301.221.041	281.782.756	296.901.422
The number of shares corresponding to the prepaid reserve (b) (see Note 9)	-	292.810	-	292.810
Weighted-average number of ordinary shares (diluted) on September 30, (a) + (b)	301.513.851	301.513.851	281.782.756	297.194.232
Diluted earnings per share (RON/share)	0,34	0,43	0,23	0,44

17. CONTINGENCIES AND COMMITMENTS**(i) Legal Proceedings**

During the nine months period ended 30 September 2016, the Company was involved in a number of litigations arising in normal course of activity. The management of the Company regularly analyzes the ongoing litigations and, after consulting with its legal representatives and external lawyers, decides whether or not to create a provision or to disclose any litigation in the financial statements.

Taxes and duties. Income tax for non-residents

At the request of the Court of Auditors, the Company underwent a partial tax inspection on income tax for non-residents for the period 2012-2014. The tax audit was conducted by the National Agency for Fiscal Administration, the General Directorate for Large Taxpayers Administration (ANAF-DGAMC). Following the completion of the tax audit the fiscal inspection report no. F-MC 287/08.10.2015 was prepared and the tax decision no. F-MC 2261/08.10.2015 was issued. By the decision imposing tax payment, additional payment obligations were established in the total amount of RON 7.961.458, of which RON 5.797.714 additional tax relating to non-residents income, RON 1.450.145 delay penalties and RON 713.599 penalties for late payment. These amounts were paid in October, 2015.

The Company filed appeal against the tax audit report and the taxation imposing decision on 08.11.2015. On 08.02.2016, the competent body for settling appeals, namely the General Directorate for appeals settling within ANAF communicated to the Company the Decision no. 25/29.01.2016 ordering the appeal to be settled until the final settlement of the Company's action against the Court of Auditors subject to File no. 4970/2/2015 of the Court of Appeal. Against this decision to suspend the appeal settlement the Company filed legal action at the Court of Appeal of Bucharest (case no. 1367/2/2016), considering that the reasons for the suspension of appeal settlement are unfounded. On 21.09.2016 the Court of Appeal of Bucharest rejected the request to cancel the decision to suspend the appeal settlement and SNN appealed on 10/10/2016. The appeal is filed at the ICCJ, the filter procedure, the next trial term shall be allotted subsequently.

The Company filed an appeal to the Court of Auditors against the report and conclusion of the Court of Auditors regarding the measures ordered in relation to income tax for non-residents. The appeal was rejected. Further, the Company submitted to the Court of Appeals of Bucharest, two actions against the Audit Report No. 4371/10.04.2005, Decision no. 16/11.05.2015 and Conclusion no. 59/17.07.2015 issued by the Court of Auditors, one action aimed at suspending the implementation of the measures imposed on the income of non-residents (file no. 4970/2/2015) and the other aimed at the cancellation of these measures (file no. 4958/2/2015). On 07.10.2015 the suspension action in case no. 4970/2/2015 was admitted. In case no. 4958/2/2015, the Court allowed the appeal by the Company and cancelled the measure on the income of non-residents in the meeting that took place on March, 10 2016. Both solutions were appealed at the Court of Auditors and the files are currently at the High Court of Cassation and Justice, in filter proceeding.

Also, the Company filed for annulment of the additional payment obligations under EGO no.44/2015, application that was filed to the tax authorities on 18.12.2015. On 06.07.2016 a decision was issued to cancel the delay penalties, 54.2% of interest and a 77.1% share of the late penalties related to the main payment obligations outstanding on September 30, 2015, amounting a total of 1.592.910 RON.

Thus, the Company contests the fiscal approach applied to some services performed by non-residents during 2012-2014, which were deemed royalties due to an alleged transfer of know-how by public external auditors or by tax

SN Nuclearelectrica SA

Notes to the Condensed Individual Financial Statements for the nine months period ended 30 September 2016

(All amounts are in RON, unless stated otherwise)

inspectors; this fiscal approach led to the establishment of additional payment obligations following the tax audit above-mentioned. The Company will use all legal remedies to contest the payment obligations.

In the opinion of the Company's management there are no current legal actions or claims which might have significant effects on the financial result and the financial position of the Company that has not been included in these financial statements.

(ii) Commitments

As at 30 September 2016, the Company is committed to incur capital and operational costs according to the agreements in progress for investments and current operations which are normal during the core activity.

18. SUBSEQUENT EVENTS*Energonuclear*

By the Decision no. 8/17.10.2016 of the Extraordinary General Meeting of Shareholders it was approved to continue negotiations on the Investment Documents under the same conditions provided by the Memorandum of Understanding regarding the development, building, operating and decommissioning Units 3 and 4 from CNE Cernavoda ("MoU") until 20th of December 2016 with the application of all the provisions of the MoU.

Daniela Lulache
General Manager

Mihai Darie
Chief Financial Officer



QUARTERLY REPORT
OF THE BOARD OF DIRECTORS OF S.N. NUCLEARELECTRICA S.A. (“SNN”)
for the nine months period ended 30 September 2016

prepared in accordance with the provisions of art. 7.19 and art. 7.21 from the administration contracts of the members
of the Board of Directors
and
the provisions of OUG 109/2011 regarding the corporate governance of public companies

The information and the condensed individual interim financial statements presented in this report are not audited
and have been prepared in accordance with Ministry of Finance Order no. 1286/2012 based on the
International Accounting Standard 34 – “Interim Financial Reporting”

Date of the report: November 2016

TABLE OF CONTENTS

1. FOREWORD.....	3
2. ANALYSIS OF THE FINANCIAL STATEMENT	3
2.1. Financial position as at 30.09.2015	3
2.2. Income statement for the period ended 30.09.2016.....	4
3. OPERATIONAL ACTIVITIES	5
3.4. Investment program for the third quarter of 2016	9
3.5. Activity of the Cernavoda NPP branch	12
3.6. Activity of FCN Pitesti Branch	16
4. OTHER SIGNIFICANT ASPECTS.....	17
4.1. Cernavoda NPP Units 3 and 4 Projects	17
4.2. Litigations with the shareholder Fondul Proprietatea S.A.	17
4.3. The litigation initiated by Greenpeace CEE Romana Foundation and Bankwatch Romania Association against the Ministry of Environment, Waters and Forests, the Government of Romania and SN Nuclearelectrica SA.....	18
4.4. The procurement of sintered uranium dioxid powder	18
4.5. Major litigations	19
5. MAIN ECONOMIC FINANCIAL INDICATORS ON 30.09.2016.....	19
6. DEGREE OF ACCOMPLISHMENT OF THE PERFORMANCE INDICATORS	20
Appendix 1 – Financial position as at 30.09.2016	21
Appendix 2 – Profit and loss account for the period ended as at 30.09.2016	22
Appendix 3 – Execution of Budget of revenues and expenses as at 30.09.2016	23
Appendix 4 – SNN current major litigations at 30.09.2016 (over 500 thousand RON), and of those which cannot be monetary valued.....	24
Appendix 5 – Degree of accomplishment of the performance indicators on 30.09.2016 - the Board of Directors	41

1. FOREWORD

The quarterly report of the Board of Directors is prepared based on the OUG 109/2011 on the corporate governance of public companies with the subsequent amendments and completions and based on the Administration Contracts concluded between the administrators and the company.

2. ANALYSIS OF THE FINANCIAL STATEMENT

The information and condensed individual financial statements presented in this report are unaudited and were prepared according to OMFP no. 1286/2012 for the approval of the Accounting Regulations compliant with International Standards of Financial Reporting, with the subsequent amendments, applicable to the companies whose securities are traded on a regulated market, on the basis of International Accounting Standard 34 – “ Interim Financial Reporting”.

2.1. Financial position as at 30.09.2015

The financial position as at 30.09.2016 is presented in **Appendix 1**.

Thousand RON	30 September 2016	31 December 2015	Variation
Non-current assets	7.418.999	7.696.228	-4%
Current assets	1.885.505	1.861.187	1%
Total assets	9.304.504	9.557.415	-3%
Non-current liabilities	1.470.536	1.642.689	-10%
Current liabilities	375.774	421.003	-11%
Total liabilities	1.846.310	2.063.692	-11%
Shareholder's equity	7.458.194	7.493.723	0%
Total equity and liabilities	9.304.504	9.557.415	-3%

The **non-current assets** recorded a slight decrease compared to the level recorded as at 31 December 2015, mainly due to the decrease in the net book value of tangible assets during the nine months period ended on 30 September 2016. The investments made primarily in the projects in progress related to the Units 1 and 2 did not compensated the depreciation expense in the period.

The **current assets** recorded an increase of 1% compared to 31 December 2015, mainly due to increase in cash and cash equivalents by 5% triggered by the collection of trade receivables, which decreased by 29%. Also, compared to the level recorded as at 31 December 2015, the inventories decreased by 2%.

The **non-current liabilities** were reduced by the payments of outstanding bank installments related to the external loans contracted with Societe Generale and Euratom for the execution and commissioning of Cernavoda NPP Unit 2.

As at 30 September 2016, the decrease of 11% in the **current liabilities** is due mainly to the reduction of the trade payables by 39%, partially compensated with the increase in fixed assets suppliers with 34%.

2.2. Income statement for the period ended 30.09.2016

During the nine months period ended on 30.09.2016, SNN recorded a net profit of 64.543 thousand RON.

THOUSANDS RON	1 January - 30 September 2016	1 January - 30 September 2015	Variation
Quantity of electricity produced (GWh)	7.589	7.854	-3%
Operating income, out of which:	1.194.443	1.304.898	-8%
<i>Sales of electricity</i>	1.157.741	1.219.931	-5%
Operating expenses	(770.321)	(845.178)	-9%
EBITDA	424.122	459.720	-8%
Depreciation and amortization	(359.949)	(352.396)	2%
EBIT	64.173	107.324	-40%
Net financial income	15.535	52.784	-71%
Income tax expense	(15.165)	(28.919)	-48%
Net profit	64.543	131.189	-51%

The operational profit (EBITDA) decreased by 8% compared to the same period of the previous year, as a result of the following factors:

- The operating income decreased by 8% compared to the same period of the previous year, mainly due to the decrease with 5% in sales of electricity, corroborated with the decrease of the electricity transport fee from 10,32 RON/MWh in January – June 2015, respectively 4,04 RON/MWh starting 1 July 2015 to 1,34 RON/MWh starting with 1 July 2016 according to ANRE Order no. 27/22.06.2016, which lead to a decrease with 64% of electricity transport income. This decrease is compensated by a positive evolution of the same value of operating expenses, related to electricity transportation expense.
- The electricity sales decreased with 5% mainly due to the decrease with 4% of the quantity of electricity sold (approximately 336 thousand MWh), triggered by the extension of the planned outage for Unit 1 in 2016. In 2015, the planned outage of Unit 2 lasted 24,8 days, while the planned outage for Unit 1 in 2016 lasted 51 days.

The quantity of electricity sold in 2016 on the regulated market decreased with 27,22%, while on the competitive market for bilateral contracts increased with 1,84%. The sales price on the regulated market recorded an increase of 2,58%, but could not compensate the decrease in the quantity sold. In the same time, the price of electricity sold on the competitive market for bilateral contracts decreased with 1,33%.

The impact of the decrease in quantity of electricity sold caused by the extension of the planned outage and considering the additional expenses for the nuclear fuel that would have been required for achieving this additional production, is in amount of 52,000 thousand RON, representing unaccomplished operating profit; all the other conditions remain unchanged.

The amortization and depreciation expenses increased slightly with 2% compared to the same period of 2015, due to the put in function of some investments in the period subsequent to Q3 2015.

The company is exposed to exchange risk relating to several currencies among which EUR, CAD and USD. The net exchange rates differences impacted positively the net result of the company, but the evolution of exchange rates in Q3 2015 was more favorable than the evolution in the current period, thus the net financial income decreased with 71% compared to the same period of the previous year.

The income and loss account for the period ended on 30.09.2016 is presented in **Appendix 2**.

2.3. Execution of the Budget of revenues and expenses as at 30.09.2016

The revenues and expenses budget (“BVC”) of SNN for 2016 was approved by the Resolution of the General Meeting of Shareholders no. 1/30.03.2016.

The company is monitored in terms of compliance with the performance indicators, objectives and criteria, the realized level of salary expenses compared to the budgeted amount, revenues and expenses levels, and also with the program for reducing arrears and outstanding receivables.

The execution of the BVC as at 30.09.2016 is presented in **Appendix 3** to the current report.

From the analysis of the execution of the Revenues and Expenses Budget as at 30.09.2016 (**Appendix 3**), it results that budgeted operating revenues were achieved 95,7% and that the operating expenses were with 8,2% below the budgeted level. The realization of the total revenues was of 96,1%, above the realization of the total expenses of 91,2%.

3. OPERATIONAL ACTIVITIES

3.1. Electricity production

During January – September 2016, the two units of Cernavoda NPP produced a quantity of energy of 8.266.209 MWh (brutto) and delivered to the National Energy System 7.588.901 MWh (the difference, namely 677 thousand MWh, represents internal consumption of the units).

Compared to January – September 2015, when 7.853.647 MWh were produced and delivered to the National Energy System, a decrease of 3,37% was recorded.

The energy production program approved by the Board of Directors of SNN for 2016 considered for January – September 2016, a quantity of produced and delivered energy of 7.342.135 MWh, and was 103,36% accomplished.

In Q3 2016, the two units of Cernavoda NPP produced an amount of energy of 3.035.013 MWh (brutto) and delivered to the National Energy System 2.785.084 MWh (the difference, namely 250 thousand MWh, represents the internal consumption of the units during operation). Compared to Q3 2015, when a quantity of 2.750.939 MWh was produced and delivered to the National Energy System, a decrease of 1,24 % was recorded.

The energy production program approved by the Board of Directors of SNN for 2016 considered for Q3 2016 a quantity of produced and delivered energy of 2.692.248 MWh, was 103,45% accomplished.

During the third quarter there were no unscheduled outages at Cernavoda NPP.

The capacity factors recorded by the Cernavoda NPP Units during Q3 2016, yearly as well as cumulatively since in service (Unit 1 on 2 December 1996 and Unit 2 on 1 November 2007) until 30 September 2016, were:

	July 2016	August 2016	September 2016	Cumulated Year 2016	Cumulated since in service
Unit 1	97,46%	97,55%	97,66%	80,03%	90,31%
Unit 2	97,38%	97,39%	98,05%	98,87%	94,65%

The smaller value of the annual capacity factor of U1 reflects the influence of the 2016 planned outage, which lasted for 1.211 hours.

3.2. Electricity sales

The volumes of electricity sold during January – September 2016 and the corresponding income, distributed on sale contract types are presented in the table below:

Electricity sales (volumes, price and values) during January – September 2016

Sale type	Volume in MWh	% total sales	Price (RON / MWh with TG included)	Value (RON)
Regulated contracts	1.206.257	15,83%	166,01	200.245.636
Sales on the competitive market (bilateral contacts and PZU & PI sales), out of which:	6.394.870	83,90%	152,99	978.331.077
- Contract sales (PCCB, PCCB -LE, PCCB -NC and delivery contracts)	3.838.501	50,36%	165,42	634.961.346
- PZU & PI sales	2.556.369	33,54%	134,32	343.369.731
PRE positive imbalance and balancing electricity	20.488	0,27%		1.046.740
Total sales January – September 2016	7.621.615	100%		1.179.623.453

The following results were registered for the electricity transactions during January – September 2016:

- The quantity of energy sold based on regulated contracts and on the spot market (PZU - the Day Ahead Market and PI - the Intraday Market) and on the balancing market is of 7.621.615 MWh, 1,46% over the sales program, of 7.512.010 MWh. The difference between energy sold and energy delivered by CNE Cernavoda represents the energy bought to fully meet the contractual obligations. The needed quantity was bought mainly from the Balancing Market.
- The income on the electricity market, determined for the deliveries in the first nine months of 2016, is of 1.179.623.453 RON (2,82% lower compared to the value considered in the initial BVC approved for 2016, and 8% lower compared to the same period of last year).

The average weighted sales price for the electricity sold (except the balancing market), achieved in the first nine months of 2016, is 155,05 RON/MWh (including TG). In the first nine months of 2015, the average weighted price was 161,5 RON/MWh.

In the first nine months of 2016, the PZU prices were on average lower than the prices on bilateral contracts concluded by SNN, particularly between February – August 2016. The average PZU price published by OPCOM recorded in the first nine months of 2016 decreased with 12,4% compared to the same period of the previous year, while the average PZU price realized by SNN in this period decreased with 2,79% compared to the same period of the previous year. Thus, SNN recorded a smaller decrease in PZU prices than the decrease recorded on the market.

The electricity sales of SNN were realized, as in the previous period, based on regulated contracts, competitive market contracts – awarded on PCCB, PCCB -LE, PCCB -NC, PCSU, plus a negotiated supply contract with C.N.T.E.E. Transelectrica SA, as well as through spot market transactions (PZU and PI).

Out of the delivered production of Cernavoda NPP in the first three quarters of 2016, 21,1% was delivered based on regulated contracts.

The quantities of electricity sold on the competitive market (bilateral contracts) represented 66,54% of the total volume of the electricity sold in the first three quarters of 2016. The average sale price of the bilateral contracts was 165,42

RON/MWh (including T_G), recording a decrease of 1,27% compared to the average price recorded in January – September of 2015, in value of 163,34 RON/MWh.

During January – September 2016, SNN concluded 151 electricity sale contracts, as follows:

- 6 regulated contracts (with addendums for 2016);
- 1 contracts concluded on PCCB;
- 115 contracts concluded on PCCB-LE;
- 23 contracts concluded on PCCB-NC;
- 5 contracts concluded on PCSU;
- 1 supply contract (with an addendum concluded for 2016).

By the end of September, in 2016 there were no cases of withdrawal / termination of contracts.

On the spot market, between January – September, a quantity of electricity representing 33,54% of the total volume of sales was sold, compared to a 12,21% recorded in the same period of 2015. The average selling price of electricity on the spot market achieved by SNN during this period was 134,32 RON/MWh, compared to 142,53 RON/MWh registered in the similar period of 2014.

No significant delays have been reported compared to the deadlines stipulated in contracts during 2016.

The quantities of electricity sold in the third quarter of 2016 and the corresponding income, split on types of contracts are presented in the table below:

Electricity sales (volumes, price and value) in the third quarter of 2016

Sale type	Volume in MWh	% total sales	Price (RON / MWh with TG included)	Value (RON)
Regulated contracts	339.786	12,15%	164,02	55.732.597
Sales on the free market (bilateral contacts and PZU & PI sales), out of which:	2.448.927	87,59%	155,70	381.308.109
- Contract sales (PCCB, PCCB-LE, PCCB-NC and delivery contracts)	1.434.203	51,30%	162,99	233.766.721
- PZU & PI sales	1.014.724	36,29%	145,40	147.541.388
PRE positive imbalance and balancing electricity	7.196	0,26%		578.492
Total sales January – September 2015	2.795.909	100%		437.619.198

The following results were registered for the electricity transactions of the third quarter of 2016:

- The quantity of electricity sold on contracts, on the spot market (PZU - the Day Ahead Market and PI - the Intraday Market) and on the balancing market is 2.795.909 MWh, with 1,5% below the sales program of 2.754.576 MWh.

- The income recorded on the electricity market, determined for the 3rd quarter of 2016 is of 437.619.198 RON, 2,46% lower than the value of the BVC income approved for this period of 2016, and 0,35% lower than the execution of the same period of the last year.

The average weighted price for the electricity sold (except the balancing market), resulted in the 3rd quarter of 2016, is 156,72 RON/MWh (including TG). During the 3rd quarter of 2015, the average weighted price was 159,25 RON/MWh.

During the 3rd quarter of 2016, the weighted average price of the contracts concluded by SNN on the centralised markets was inferior to the one recorded in the regulated contracts. Compared to the average weighted price of the contracts in the third quarter, of 164,02 RON / MWh, the competitive market contract prices (wholesale market) were 1,03 RON/MWh lower. In the third quarter 2016, PZU prices realized by SNN were on average below the prices of the contracts concluded by SNN, and associated with relatively high volumes sold on this market segment. The average PZU price published by OPCOM recorded in the 3rd quarter of 2016 decreased with 20,22% compared to the same period of the previous year, while the average PZU price realized by SNN in this period decreased with 18,38% compared to the same period of the previous year. Thus, SNN recorded a smaller decrease in PZU prices than the decrease recorded on the market.

The SNN electricity sales were realized based on regulated contracts, contracts concluded on the competitive market – awarded on PCCB, PCCB-LE, PCCB-NC, PCSU, plus a negotiated supply contract concluded with C.N.T.E.E. Transelectrica S.A., as well as based on transactions on the spot market (PZU and PI).

Out of the delivered production of Cernavoda NPP during the 3rd quarter of 2015, 12,15% was delivered on regulated contracts.

The quantities of electricity sold on the competitive market (bilateral contracts) represented 51,30% during the 3rd quarter of 2016 out of the total volume of the sold electricity. The average price for the bilateral contracts concluded on the 3rd quarter of 2016 was 162,99 RON/MWh (T_G included), recording an increase of 3,54% compared to the average price recorded during the 3rd quarter of 2015, of 157,41 RON/MWh.

Starting with 1st July 2016, ANRE Order 27/22.06.2016 established the TG tariff from Dobrogea area to be 1,34 RON/MWh (compared to the previous tariff of 4,04 RON/MWh), and according to ANRE Order no. 33/19.07.2016 this was reflected in the electricity sales contracts concluded before 1st July 2016 through a decrease in the selling price with 2,7 RON/MWh, starting with 1st of July for regulated contracts and 25th of July for wholesale contracts on competitive market.

During the 3rd quarter of 2016, SNN concluded 66 electricity sale contracts, as follows:

- 6 regulated contracts (with addendums concluded for 2016);
- 35 concluded contracts on PCCB-LE;
- 21 concluded contracts on PCCB-NC;
- 3 concluded contracts on PCSU;
- 1 supply contract (with an addendum concluded for 2016).

During the third quarter of 2016 there were no termination / annulment of contracts.

On the spot market, during the 3rd quarter of 2016, a quantity of electricity representing 36,29% of the total sale volumes was sold, compared to the quota of 3,53% registered in the 3rd quarter of 2015. The average selling price on the spot market achieved by SNN during this period was 145,40 RON/MWh (T_g included), compared to 178,15 RON/MWh, registered during the same period of 2015.

3.3. Expenses on the electricity market

In the first three quarters of 2016 the total value of the expenses on the electricity market of SNN is of 31.106.256 RON.

From this amount, the expenses for the introduction of electricity in the transport network (corresponding to TG – the regulated tariff which is paid to C.N.T.E.E. Transelectrica S.A.), green certificates and the fees charged by OPCOM for the sale-purchase transactions are amounting to 23.625.026 RON.

In this period, some expenses were also performed for the purchase of electricity from the spot market in order to ensure the complete fulfillment of the electricity delivery contractual obligations. An electricity quantity of 374 MWh was bought at an average price of 131,34 RON/MWh.

In the period January – September 2016, the expenses on the Balancing Market amounted to 7.364.943 RON. This amount represents the counter value of the electricity received from the Balancing Market to compensate the negative imbalances which occurred because of the differences between the electricity amounts actually delivered and the amounts notified on the market according as per the contractual obligations for each time frame. The main impact is recorded in the months with unplanned outages at Cernavoda NPP U1.

In the third quarter of 2016, the total amount of the expenditures on the electricity market of SNN is 6.142.270 RON.

From this amount, the expenses for the introduction of electricity in the transport network (corresponding to TG – to the regulated tariff that is paid to C.N.T.E.E. Transelectrica S.A and of the fees charged by OPCOM for the transactions of sale-purchase in the third quarter are amounting to 3.884.253 RON.

In the third quarter of 2016, expenditures were also made for the purchase of electricity from the spot market in order to ensure the complete fulfillment of the contractual obligations for electricity delivery. The purchased amount of electricity was of 210 MWh at an average price of 110,36 RON / MWh.

In the third quarter of 2015, the expenses on the Balancing Market amounted to 2.167.597 RON.

3.4. Investment program for the third quarter of 2016

The total amount of the investment program of SNN for 2016 is 255.394 thousand RON, approved through GMS Resolution no 1/30.03.2016. The investment program of the company is part of the Budget of revenues and expenses of SNN.

The structure of the SNN's investment program for 2016, as well as the level of completion as at 30.09.2016, is presented in the table below:

Nr. crt.	Organizational structure	Ongoing investments [ths RON]	New investments [ths RON]	Investment in tangible assets (modernizations) [ths RON]	Equipment [ths RON]	Total [ths RON]	Level of completion as at 30.09.2016 (%)
1	SNN Head Office	12.512	9.879	0	635	23.026	0,18%
2	Cernavoda NPP	162.250	8.472	933	41.555	213.210	45,94%
3	FCN Pitesti	3.082	274	5.944	9.859	19.159	5,04%
	TOTAL	177.844	18.625	6.877	52.049	255.394	38,75%

As in the previous years, the largest weight in the investments program represents long term investment (investments in progress). This is due to the modernization/ refurbishment necessities of some systems, economical reasons (decrease in specific consumptions, improvement of certain parameters specific to related processes, with positive impact over efficiency), legal reasons – the necessity of implementing improvements related to nuclear security, environment protection representing imperative requirements from the authorities (e.g. CNCAN, Environment Ministry), and also to respond to development necessities.

The comparative situation of the completed investments (value and percentage) for 2016 compared to 2015 at the end of the third quarter is presented in the table below:

Year	Value of the investment program [ths RON]	Achieved in the third quarter [ths RON]	Completion stage for the third quarter (%)	Achieved in 01.01.-30.09.2016 [ths RON]	Level of completion at 30.09.2016 (%)
2016	255.394	21.435	8,39%	98.959	38,75%
2015	282.705	36.565	12,93%	94.642	33,48%

Analysis of the level of completion of the investment program as at 30 September 2016

SNN Head Office

The investment program of SNN Head Office is amounting to 23.026 thousand RON, and among the most important investments included in the investment program of SNN Head Office we mention:

- *The contribution SNN within the IPP type company for the completion of the Units 3 and 4* estimated at 8.880 thousand RON (equivalent to 2.000.000 EUR), according to the SNN EGMS Resolution no. 7/22.08.2014 for approving the continuation strategy of the Project Cernavoda NPP Units 3 and 4. By the SNN EGMS Resolution no. 8/17.10.2016 was approved the continuation of negotiations on the Investment Documents in the same conditions as the Agreement Memorandum regarding the development, building, operation and decommissioning of Units 3 and 4 from CNE Cernavoda (“MoU”), until December 20th, 2016, by applying all the other provisions of the MoU. In this context, the SNN contribution to creating the new project company shall not be done until the end of 2016;
- *Security project for the informatics and communications systems*, in amount of 1.766 thousand RON and *Implementing software applications* amounting to RON 2,775 thousand; During April 2016, the management approved the strategic directions of IT&C development (Information Technology and Communication) at company level. Among the goals included in the approved strategy, *Security project for the informatics and communications systems* and *Implementing software applications* projects are included, these being part of one single project called *Modernization and integration of informational flow at SNN level*;
- *Consolidation of the headquarter in Magheru Office*, in the amount of 2.100 thousand RON Land registry was opened for the two undivided units (floor 5 and floor 6) and it was tabulated the related land incumbent to SNN of 239,5 sqm; the effective investment was not started, as the building has several co-owners.

Cernavoda NPP Branch

The investment program of the Cernavoda NPP for the year 2016 amounts to 213.210 thousand RON. The completion stage of the investment program at 30.09.2016 is of 45,94%.

The total value of the major investment objectives, namely PJ-05-016 Intermediate Spent Fuel Storage Facility, including SICA U # 2, PJ-04-001 Modernization and expansion of the physical protection system, PJ-11-006 Improvement of the Cernavoda NPP's response, respectively of the nuclear safety functions in case of events outside of the design base as a consequence of the nuclear accident that occurred at the Fukushima nuclear power plant, stipulated in the SNN investments program for the year 2016 is in amount of 53.724 thousand RON.

The level of completion of the major investment at the end of the 3rd quarter 2016, compared to the investments program of the company is of 11%, according to the table below:

Project code	Project name/ Investment objective	2015		Level of completion (%)
		Planned BVC [ths RON]	Achieved at 30.09.2016 [ths RON]	
PJ-05-016	Intermediate storage of spent fuel (including SICA U2)	17.420	4.539	26,05%
PJ-04-001	Upgrading and expansion of the physical protection system	5.000	10	0,20%
PJ-11-006	Improvement of the Cernavoda NPP's response, namely the improvement of the nuclear safety functions in case of events beyond the design base as a consequence of the nuclear accident that occurred at the Fukushima 1 Nuclear Power Plant, Japan	31.304	1.362	4,35%
	Total	53.724	5.911	11,00%

General Meeting of Shareholders of SNN approved on 25.04.2016 the update of Appendix 1 and 1.1. from the administration contracts concluded between the administrators and the company, where the target level of completion for major investments is of 50%. Thus, the level of achievement of the target is of 22%.

The main reasons for achieving a completion level for the major investments under the target of 50% are:

- extension of the acquisition procedure for “C+M works for module 8” for the project “Intermediate storage of spent fuel (including SICA U2)”, caused by change in regulations for acquisitions field which imposed that documentation related to this process to be remade;
- delays in obtaining notices/agreements/authorizations for preparing Unit 5 for the project “Upgrading and expansion of the physical protection system”. Starting the activities depends on obtaining the Industrial Security Certificate. The legal term for obtaining it is of 90 days, thus the execution works will be transferred to 2017.

FCN Pitesti Branch

The investments program of FCN Pitesti Branch for the year 2016 is in amount of 19.159 thousand RON.

The investments program of FCN Pitesti has been issued considering the replacement needs of the equipments, installations and of other existing tangible assets. Among the investments with a greater weight in the investments program of FCN Pitesti, we mention:

- Hall IV ventilation and air conditioning – 1.943 thousand RON;
- Integrated informatics system for the management of the nuclear fuel production – 1.139 thousand RON;
- Modernization of the fuels bundles fabrication line, in order to optimize the fabrication flow and the improvement of the finite product quality – 726 thousand RON;
- Modernization of the communication infrastructure, data center arrangement according to the Standard TIA942-1 and implementation of certain measures for reducing the information security risk – 3.164 thousand RON;

- Other costs and investments – facilities and capital repairs – 9.859 thousand RON.

The completion stage on 30.09.2016 for FCN Pitesti Branch, was of 5.04 %.

The following investments objectives were completed, during the period January-September 2015:

- *Modernization of the fuels bundles fabrication line, in order to optimize the fabrication flow and the improvement of the finite product quality*
 - the acquisition procedure was initiated for Miniautoclava equipment;
 - the tender book was drafted and is ongoing to be approved, for the Automated systems for isocynetic collection of powder emissions and gas from the dispersion chimneys.
- *Ventilation and air-conditioning for Hall IV (feasibility study, project, performance, environment studies)*
 - Environment Agreement and Building Authorization, documents necessary for initiating works on the investment objective, were obtained in January;
 - in March 2016, the contract for the work executions was concluded and in April their initiation order was given. During the 3rd quarter, the mounting works were finished, the necessary samples and tests for the operation were performed and the final acceptance of the work was realized.
- *The integrated informatics system for the management of the nuclear production fuel (SIMP) – the revised feasibility study was approved; the work performance is postponed for 2017.*

Regarding the equipment, in February, respectively March, were signed the contracts for the delivery, mounting and operation of two important installations ‘Graphite Sheath installation’ (approved value of 1.210 thousand RON) and ‘Cap-grid welding installation’ (approved value 2.033 thousand). The term provided for the delivery and operation is 13 months from signing the contracts.

The contract for performing „Overhaul of the Harper 2 sintering furnace” was signed during September and the works are estimated to be finished in 2017.

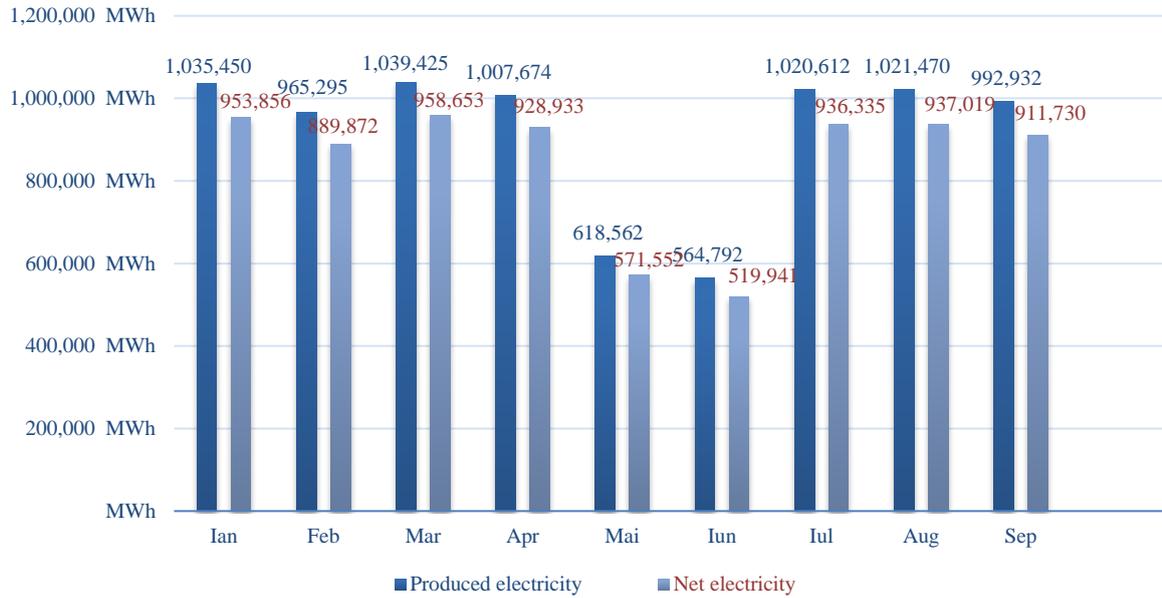
3.5. Activity of the Cernavoda NPP branch

The operation activity was conducted without events with an impact on nuclear safety, personnel, population or environment. The relationship with the regulators was conducted in compliance with the requirements and conditions in the operation licenses.

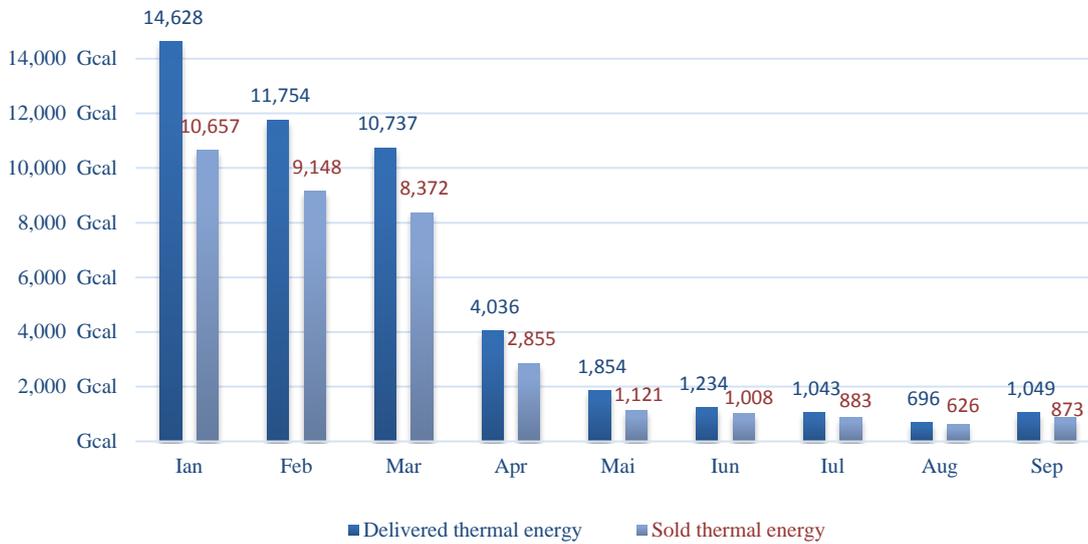
During January-September 2016, there were no operation events exceeding level 1 on the international nuclear events scale, regarding the degradation of the in depth barriers, with impact on or off site (indicator 1).

The main indicators of the production activity are mentioned in the following graphics.

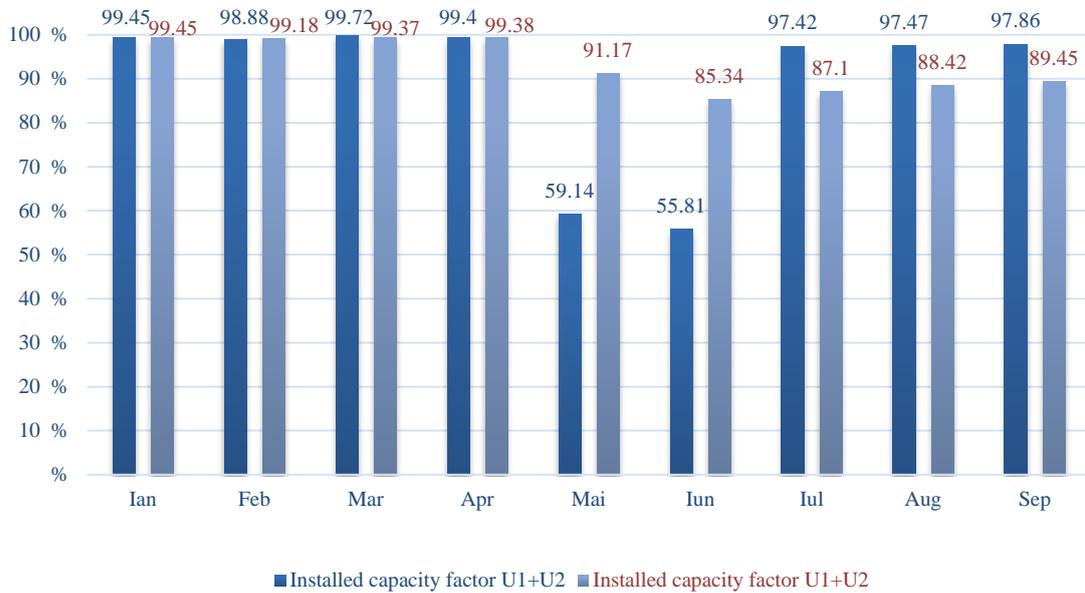
Produced/net electricity U1 + U2 (MWh)
(Produced electricity: 8.266.209 MWh/ Net electricity: 7.607.891 MWh)
(cumulated technological consumption 3rd Q 2016: 8,04%)



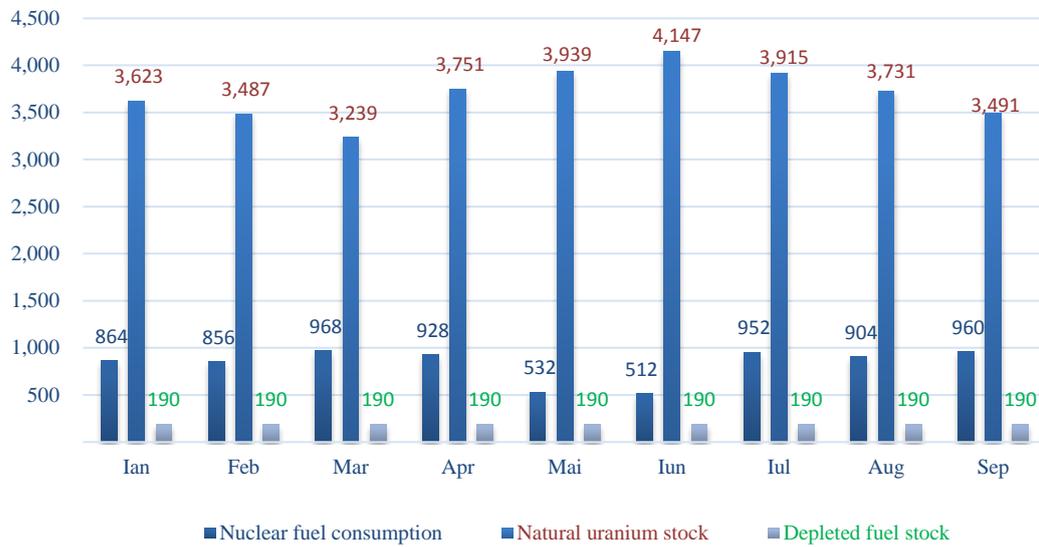
Thermal power delivered / sold to the district heating system (Gcal)
(Delivered thermal power: 47.031 Gcal / Sold thermal power: 35.541 Gcal)



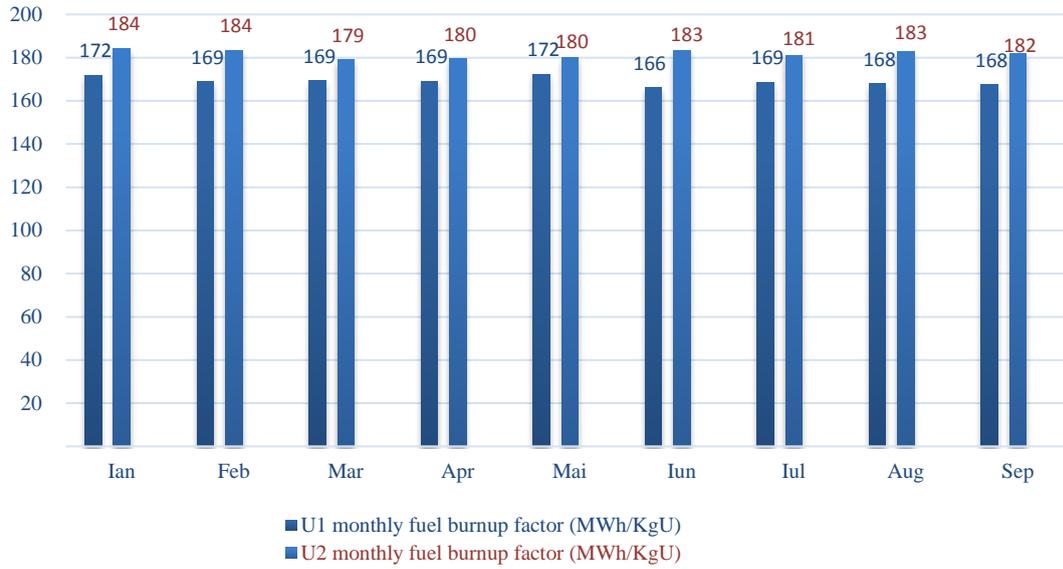
Installed capacity factor U1 + U2 (%)
(Cumulated 3rd Q 2016: 89,45%)



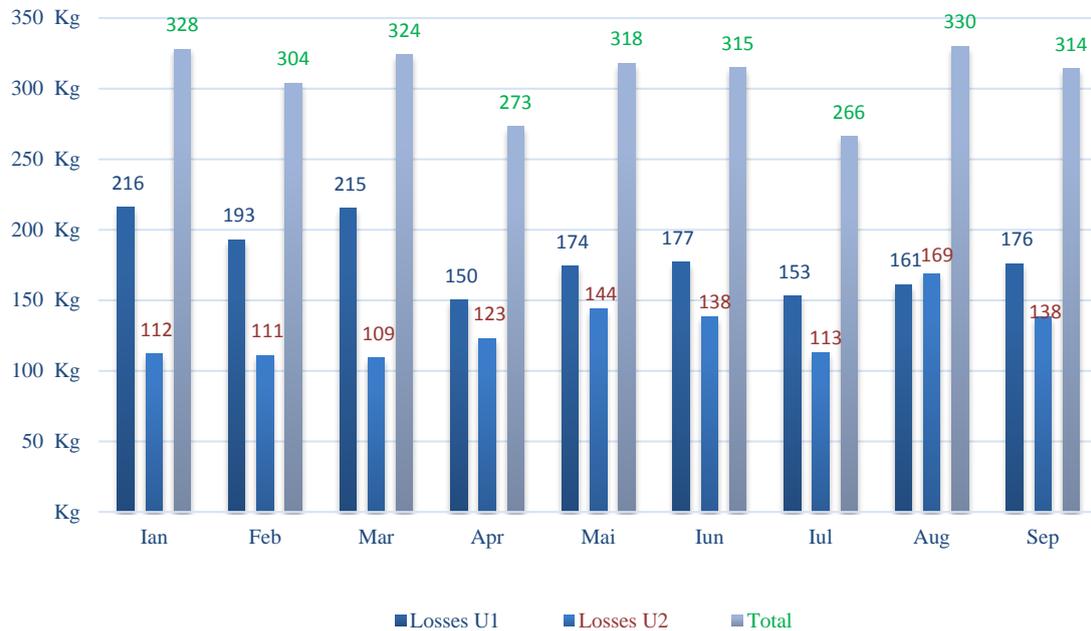
U1 + U2 fuel consumption / Fuel inventory (bundles)
(Cumulated consumption 3rd Q 2016: 7.476)



Fuel burnup factor (MWh/KgU)
(Cumulated 3rd Q 2016: 175,41 / Stipulated in the project: min. 156,00)



Heavy water losses U1+U2 (Kg)
(Cumulated 3rd Q 2016: 2.772 / Stipulated: max. 6.800)



U1 + U2 radioactive emissions to the environment (μSv)
(Total 3rd Q 2016: 4,18/annual limit: 7,5)



3.6. Activity of FCN Pitesti Branch

During the period January-September 2016, a number of 7.500 of nuclear fuel bundles were manufactured by FCN, controlled and accepted, complying with the specifications, as per the manufacturing plan (January-September 2016 : 8.788 fuel bundles). Therefore, during the 1st Q of 2016, 2.012 nuclear fuel bundles were controlled and accepted (Q1 2015: 3.600 nuclear fuel bundles), during the 2nd Q of 2016 2.935 nuclear fuel bundles were controlled and accepted (Q2 2015: 2.477 nuclear fuel bundles) and during the 3rd Q 2.553 nuclear fuel bundles were controlled and accepted (Q3 2015: 2.711 nuclear fuel bundles), all according to specifications.

During January-September 2016, FCN delivered to CNE Cernavoda the amount of 7.200 nuclear fuel bundles (January – September 2015: 7.920 nuclear fuel bundles), complying with the agreed upon delivery graphic: 2.160 nuclear fuel bundles delivered during the 1st Q (2.160 nuclear fuel bundles in Q1 2015), 2.880 nuclear fuel bundles delivered during the 2nd Q of 2016 (2.880 nuclear fuel bundles in Q2 2015) and respectively 2.160 nuclear fuel bundles delivered during the 3rd Q (2.880 nuclear fuel bundles in Q3 2015).

During the 3rd quarter of 2016, sinthered uranium dioxide powder was consumed supplied from import, from the CAMECO Inc Canada provider.

The average import price for uranium in the uranium dioxide sinthered powder consumed during 3rd Q of 2016 was 470,28 lei/kgU in UO₂, the equivalent of the import price in USD. During January-September 2015 the price of sinthered uranium dioxide powder was of 475 lei/kg.

4. OTHER SIGNIFICANT ASPECTS

4.1. Cernavoda NPP Units 3 and 4 Projects

The main landmarks of promoting the Cernavoda NPP Units 3 and 4 are the following:

- On November 9th, 2015 the Memorandum of Understanding regarding the development, construction, operation and decommissioning of Units 3 and 4 from CNE Cernavoda ('MoU') between SNN China General Nuclear Corporation (CGN) was signed;
- On 23.11.2015, the Negotiation commission sent to CGN the initial versions of the Investor's agreement and Articles of incorporation of the future project company ('JVCo');
- On January 19th, 2016, the Romanian Government issued the Support Letter for the Cernavoda NPP Units 3 and 4 Project;
- During February – April 2016, intensive rounds of negotiations were developed for the investment documents, respectively the Investor's Agreement and Articles of Incorporation of the future project company.
- On May 16th, 2016, the Inter-Ministry commission for the Project Units 3 and 4 CNE Cernavoda, incorporated by the Prime-Minister's Decision no. 254/21.08.2014, with subsequent amendments and additions, approved the continuation of negotiations on the Investment Documents („DI") under the same conditions of the Memorandum of Understanding regarding the development, construction, operation and decommissioning of Units 3 and 4 from CNE Cernavoda (MoU), for a period of 4 months, starting May 9th, 2016, by applying all the other provisions of MoU, including the possibility of any party to terminate the MoU without any compensation by a simple written notification to the other Party, in case an agreement wasn't reached on the Investment Documents and as the delay was not caused by the respective Party. The continuation of negotiations with CGN was approved by the Romanian Government on June 2nd, 2016, and by the GEMS of SNN on July 18th, 2016.
- During the periods May 11-26th, 2016, and respectively June 14th, 2016 – June 30th, 2016, intensive negotiations were developed, the parties presenting their stand before the key aspects of the Investors' Agreement.
- During the period August 29th – September 8th, 2016, most of the subjects remained under divergence were discussed and agreed upon in principle, being necessary to redraft the clauses from the Investment Documents, according to the discussions carried.
- As per the SNN EGMS Resolution no. 8/17.10.2016 the continuation of negotiations on the Investments' Documents under the same conditions of the MoU regarding the development, construction, operation and decommissioning of Units 3 and 4 from CNE Cernavoda ("MoU") was approved, until December 20th, 2016, by applying all the other provisions of MoU.

4.2. Litigations with the shareholder Fondul Proprietatea S.A.

Fondul Proprietatea S.A. has registered at Bucharest Court of Law the request for annulment of the EGMS Decision no. 8/6.10.2014 which approved the increase of the share capital of SNN with input in cash in the total maximum amount of 239.172.630 lei, by issuing a maximum number of 23.917.263 shares representing equity in kind of the Romanian state, following the certification for the property right on the land, undivided quota of 239,05 sqm from Bd.Gheorghe Magheru no. 33 Bucharest and input in cash representing the amount of budgetary allowances for the period 2006-2009 for Unit 2 from Cernavoda.

The case is the object of file no. 40046/3/2014, the following term being established by the court of law for 14.11 2016 for the intervener, the Ministry of Energy, can submit statements and documents.

4.3. The litigation initiated by Greenpeace CEE Romana Foundation and Bankwatch Romania Association against the Ministry of Environment, Waters and Forests, the Government of Romania and SN Nuclearelectrica SA

The Greenpeace CEE Romana Foundation and Bankwatch Romania Association filled a summoning to court in the file no. 3793/2/2013 against the Ministry of Environment, Waters and Forests, the Government of Romania and SN Nuclearelectrica SA with the subject of annulling the decision to issue the Environment Agreement and GD 737/2013 regarding the issuance of the Environment Agreement for the project “The continuation of the construction and completion works on Cernavoda NPP Units 3 and 4”.

The Bucharest Court of Appeal rejected the claim, on the merits of the case. Greenpeace CEE Romana Foundation and Bankwatch Romania Association filled an appeal, requesting the cassation of the initial ruling and the retrial of the case, by administering an experts’ examination .

The High Court of Cassation and Justice solved the applea by the ruling 2100 on 23.06.2016 and ordered the admittance of the appeal filled by Greenpeace CEE Romana Foundation and Bankwatch Romania Association against the sentence no. 1436 from May 9th, 2014 of the Bucharest Court of Appeal – Division VIII legal, administrative, fiscal, the cassation of the ruling and the dispatch to trial of the case at the same court. The Bucharest Court of Appeal will set the retrial date on the merits of the case.

4.4. The procurement of sintered uranium dioxide powder

In January 2016, SNN concluded with Cameco Inc. a short term contract for the procurement of 120 tons of natural uranium as UO₂ sintered powder, by means of a competition between the two qualified suppliers of SNN, namely CNU and Cameco Inc. Cameco Inc. offered a significantly lower price than the other competitor, respectively 518 lei/kg U in UO₂ (RON equivalent of USD price).

In April 2016, SNN initiated a qualification process of new uranium dioxide sintered powder suppliers on the international market, by publishing an announcement on the company’s website and in the Financial Times. Only one company participated in the qualification process. Following the evaluation performed by SNN specialists, the respective company did not meet the technical qualification criteria. Under these circumstances, SNN restarted the qualification process, the deadline for submitting letters of interest being 15.09.2016. In the second qualification process, only one company participated, which did not meet the technical qualification criteria.

On 04.07.2016, Cameco Inc. was declared winner of the second procurement procedure of 120 tons of natural uranium as UO₂ sintered powder, having the lowest price, namely 429,47 lei/kg U in UO₂ (RON equivalent of the USD price). Two offers were received for the procurement of uranium powder, from Cameco and from CNU, the price offered by Cameco being significantly lower than the price offered by CNU.

Also, on 04.0.2016, CNU was declared the winner of the procurement procedure for processing services of a quantity of 21 tons of non-compliant material containing natural uranium in order to recover the uranium as UO₂ sintered uranium powder, as per the technical specifications.

We mention that the above mentioned procurement procedures, respectively the procurement of 120 tons of natural uranium as UO₂ powder and the procurement of processing services for 21 tons of non-compliant material were carried out simultaneously, within the same procurement procedure as two distinct lots. Offers were requested from both the qualified suppliers of SNN (Cameco and CNU). In the case of the second lot, regarding the processing services for non-compliant material, until the deadline established for submitting the offers, only CNU submitted an offer, with the total price of 4.090 thousand lei without VAT.

4.5. Major litigations

The situation of the major litigations (above 500 thousand lei) and the of those with a monetary equivalent ongoing at 30.09.2016 is presented in Appendix 4.

5. MAIN ECONOMIC FINANCIAL INDICATORS ON 30.09.2016

The performance of the company is reflected in the accomplishment of the economic financial indicators, as follows:

Indicator ^{**)}	Formula	M.U.	Result on 30.09.2016
1. The current liquidity ratio	Current assets / Current liabilities	x	5,02
2. The indebtedness ratio			
2.1. The indebtedness indicator (1)	Long term liabilities / shareholder's Equity x 100	%	18,03%
2.1. The indebtedness indicator (2)	Long term liabilities/ Capital employed x 100	%	15,27%
3. Receivables turnover ratio	Average accounts receivable/ turnover x 180	days	24
4. Non-current assets turnover ^{**)}	Turnover/ Non-current assets	x	0,21

**) Based on the unaudited individual interim condensed financial statements*

****) Non-current assets turnover is calculated by analyzing the quarterly turnover (360 days/270days)*

6. DEGREE OF ACCOMPLISHMENT OF THE PERFORMANCE INDICATORS

The performance indicators were calculated based on the SNN BCV approved by the General Meeting of Shareholders Decision no. 1/30.03.2016, as well as based on Appendixes 1 and 1.1. to the administration contracts concluded between the administrators and the company, updated by the GMS Decision no. 3/25.04.2016, consisting in the level of performance indicators and criteria for 2016.

The indicators were complied with in a proportion of over 100% during the third quarter of 2016, as it results from Annex 5 (the compliance degree being in a proportion of 108,15%).

Regarding the compliance degree of the annual value investment plan according to Table 28 of the management plan and Annual budgets, in determining the compliance degree of the value investment plan are considered only the investments mentioned in table 28 from the management plan and the performance degree is limited to a maximum of 100% (performed vs planned).

The Board of Directors monitors also the quarterly reports of the managers, their mandate contract performance; for information, the indicators and performance criteria included in the mandate agreements of the managers were performed over 100% from quarter III of 2016 (108,21% the general manager and the financial manager).

Starting 19.02.2016, the mandate contract of CNE Cernavoda Branch Manager, which provides his performance indicators as well was suspended, and starting 08.04.2016, following the resignation of the CNE Cernavoda Branch Manager, this mandate contract was terminated and no new manager for CNE Cernavoda Branch was appointed, with a mandate contract.

Board of Directors
Alexandru Sandulescu
President

Appendix 1 – Financial position as at 30.09.2016

	30 September 2016 (unaudited)	31 December 2015 (audited)
Assets		
Non-current assets		
Property, plant and equipment	7.192.830.072	7.474.555.551
Intangible assets	84.480.030	79.982.771
Financial instruments	141.689.201	141.689.201
Total non-current assets	7.418.999.303	7.696.227.523
Current assets		
Inventories	317.418.949	323.222.947
Income tax receivable	-	1.173.730
Trade and other receivables	116.558.581	163.499.181
Prepayments	18.310.689	12.072.918
Bank deposits	1.122.965.403	1.103.841.528
Cash and cash equivalents	310.250.895	257.376.819
Total current assets	1.885.504.517	1.861.187.123
Total assets	9.304.503.820	9.557.414.646
Equity and liabilities		
Equity		
Share capital, out of which:	3.210.641.253	3.210.641.253
<i>Subscribed and paid in share capital</i>	3.015.138.510	3.015.138.510
<i>Inflation adjustment to share capital</i>	195.502.743	195.502.743
Share premium	31.474.149	31.474.149
Prepaid share reserve	21.553.537	21.553.537
Revaluation reserve	272.674.104	293.329.577
Retained earnings	3.921.851.335	3.936.724.775
Total shareholder's equity	7.458.194.378	7.493.723.291
Liabilities		
Non-current liabilities		
Long term borrowings	1.124.067.876	1.279.606.054
Deferred income	147.032.781	157.791.277
Deferred tax liability	166.769.227	173.496.018
Employee's benefits	32.666.545	31.796.021
Total non-current liabilities	1.470.536.429	1.642.689.370
Current liabilities		
Accounts payable and other liabilities	147.824.098	197.281.806
Current tax liability	39.428	-
Deferred income	7.520.425	21.671.875
Current portion of long term borrowings	220.389.062	202.048.304
Total current liabilities	375.773.013	421.001.985
Total liabilities	1.846.309.442	2.063.691.355
Total equity and liabilities	9.304.503.820	9.557.414.646

Appendix 2 – Profit and loss account for the period ended as at 30.09.2016

	9 months period ended on 30 September 2016 (unaudited)	9 months period ended on 30 September 2015 (unaudited)
Revenues		
Sales of electricity	1.157.741.328	1.219.931.282
Electricity transmission revenues	23.138.456	63.769.851
Total revenues	1.180.879.784	1.283.701.133
Other income	13.563.144	21.196.479
Operating expenses		
Depreciation and amortization	(359.948.779)	(352.395.758)
Personnel expenses	(217.372.478)	(213.519.462)
Cost of traded electricity	(7.413.997)	(24.125.915)
Repairs and maintenance	(100.934.141)	(102.873.675)
Electricity transmission expenses	(23.138.456)	(63.769.851)
Costs with spare parts	(19.503.101)	(16.120.096)
Cost of uranium fuel	(110.585.580)	(105.737.340)
Other operating expenses	(291.373.417)	(319.031.863)
Total operating expenses	(1.130.269.949)	(1.197.573.960)
Operating result	64.172.979	107.323.652
Finance cost	(68.159.701)	(80.746.334)
Finance income	83.694.403	133.530.618
Net finance income (expenses)	15.534.702	52.784.284
Profit before income tax	79.707.681	160.107.936
Net income tax expenses	(15.164.564)	(28.918.760)
Profit for the period	64.543.117	131.189.176

Appendix 3 – Execution of Budget of revenues and expenses as at 30.09.2016

		INDICATORS	Row No.	Budgeted III quarter 2016	Actual III quarter 2016	%
0	1	2	3	4	5	6=5/4
I.		TOTAL REVENUES	1	1.329.319	1.276.910	96,1%
	1	Total operating revenues	2	1.247.239	1.193.216	95,7%
	2	Financial income	3	82.080	83.694	102,0%
	3	Extraordinary income	4	-	-	0,0%
II		TOTAL EXPENSES (ln.5=ln5+ln.17+ln.18)	5	1.312.467	1.197.203	91,2%
	1	Operating expenses	6	1.229.735	1.129.043	91,8%
		A. Expenses for goods and services	7	503.975	414.592	82,3%
		B Expenses with taxes, duties and similar payments	8	113.699	119.590	105,2%
		C. Personnel costs, of which:	9	234.610	223.464	95,2%
	C0	Personnel expenses	10	175.361	168.322	96,0%
	C1	Salaries	11	160.724	157.758	98,2%
	C2	Bonuses	12	14.637	10.565	72,2%
	C3	Other personnel expenses, of which:	13	776	746	96,1%
	C4	Expenses related to mandate contracts and other managing and control entities, commissions and committees	14	3.122	2.252	72,1%
	C5	Social security expenses, special funds and other legal obligations	15	55.351	52.144	94,2%
		D. Other operating costs	16	377.451	371.396	98,4%
	2	Finance expenses	17	82.732	68.160	82,4%
	3	Extraordinary expenses	18	-	-	0%
III		GROSS RESULT	19	16.852	79.708	473,0%
IV		INCOME TAX	20	10.309	15.165	147,1%
V		PROFIT AFTER INCOME TAX	21	6.543	64.543	986,5%

Appendix 4 – SNN current major litigations at 30.09.2016 (over 500 thousand RON), and of those which cannot be monetary valued

No.	File number	Court of Law	SNN position	Opponent	Object / Value	Current process stage	Previous process stages	Process stage term Hearing
SNN Head Office								
1.	3868/118/2012	Constanta Court of Law	Creditor	PROCONEX UNIVERSAL S.R.L.	Bankruptcy, individual proceedings receivables accepted, 3.369.886,85 lei	On the roll	ongoing procedure	12.12.2016
2.	27406/3/2012	High Court of Cassation and Justice CAB retrial	Claimant	Tinmar Ind S.A.	Delay penalties for invoice payment and tariff difference for energy transport and legal interest 1.286.326,78 lei and 18.345,23 lei court expenses	Appeal re-judgment	<p><u>Trial on the merits of the case (Bucharest Court of Law)</u>: Partially admits the request of SNN – Tinmar Ind S.A. has the obligation to pay the amount of 1.230.780,39 lei representing delay penalties. Obliges the respondent to pay to SNN the amount of 16.423,80 lei court expenses</p> <p><u>In appeal (Bucharest Appeal Court)</u>: accepts the appeal submitted by SNN and partly changes the sentence appealed in the sense that obliges the respondent to pay SNN the amount of 55.546,39 lei as delay penalties and 555,47 lei court expenses, added to the amounts from the first instance. Maintains the other provisions of the appealed sentence. Obliges the respondent to pay the claimant the amount of 1.365,96 lei appeal expenses.</p> <p><u>In appeal (High Court of Cassation and Justice)</u> admits the appeal, partly changes the appealed decision, obliges the respondent Tinmar to pay the amounts of 292.982,47 lei, the difference of fee for transportation service for introducing the electrical energy in the network and 1.289.812,54 lei, delay penalties for the issued invoices based on contacts no. 1547/20.11.2009 and no. 1574/09.12.2009. Obliges the respondent Tinmar to pay the amount of 24.049,94 lei, merits trial costs, to the claimant. Maintains the other provisions of the appealed sentence. Obliges the respondent Tinmar to pay the amount of 15.901,97 lei, trial costs appeal, to SNN. With</p>	15.12.2016

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

							appeal right within 15 days from the decision. Decision 714/20.04.2016. Appeal (retrial):	
3.	2183/115/2010	Caras-Severin Court of Law	Creditor	Cet Energoterm Resita S.A.	Insolvency file – bankruptcy procedure SNN receivable accepted in the final receivable table: 580.974,21 lei	On the merits of the case	ongoing procedure	24.11.2016
4.		Sector 1 Court of Law	Civil party	Defendants: Rotaru Ioan, Ispas Gheorghe, Irimie Traian, Priseccaru Tereza, Nemtanu Raducu, Angheliescu Andrei, TESS Conex S.A. civil responsible party	Corruption – abuse in office SNN is a civil party in the trial with a prejudice estimated for 13.493.080,3 lei	Appeal	Merits: The court partially accepts the civil action of the civil party SNN for 13.453.181,18 lei. Jointly obliges the defendants ROTARU IOAN, IRIMIE TRAIAN CEZAR, PRISECCARU TEREZA and NEMTANU RADUCU – the last two joined and with the civil party S.C. TESS CONEX S.A. to pay to the civil party SOCIETATEA NATIONALA NUCLEARELECTRICA S.A. the amount of 7.481.329,701 lei RON as civil damage (material damage for the contract TD – R – 015 no. 53/03.06.2004). jointly obliges ROTARU IOAN, IRIMIE TRAIAN CEZAR, ISPAS GHEORGHE, ANGHELESCU ANDREI TUDOR and PRISECCARU TEREZA – the last two joint and with the civil party S.C. TESS CONEX S.A. to pay to the civil party SOCIETATEA NATIONALA NUCLEARELECTRICA S.A. the amount of 2.433.400,22 lei RON as civil damage (material damage for the contract TD – R 111 no. 99/07.01.2005). obliges jointly the defendants ROTARU IOAN, IRIMIE TRAIAN CEZAR, ISPAS GHEORGHE, PRISECCARU TEREZA and NEMTANU RADUCU – the last two jointly and with the civil party S.C. TESS CONEX S.A. to pay to the civil party SOCIETATEA NATIONALA NUCLEARELECTRICA S.A. the amount of 2.886.718,2813 lei RON as civil damage (material damage for the contract TD – R - 074 no. 145/19.09.2003). Jointly obliges the defendants ISPAS GHEORGHE, PRISECCARU TEREZA and NEMTANU RADUCU – the last two jointly and with the	08.11.2016

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

							civil party S.C. TESS CONEX S.A. to pay to the civil party SOCIETATEA NATIONALA NUCLEARELECTRICA S.A. the amount of 651.732,9796 lei RON as civil damage (material damage for the contract TD – RI - 036 no. 904/15.10.2003). the defendants and DNA submitted an appeal. Appeal Accepts the proof of ROTARU IOAN, IRIMIA TRAIAN CEZAR, ISPAS GHEORGHE, PRISECARU TEREZA, NEMANU RADUCU, ANGHELESCU ANDREI TUDOR and SC. TESS CONEX SA. Approves the re-hearing of the witnesses Perju Mihail, Gheorghe Alexandru, Ontelus Elena, as well as the hearing of the following: Raschip Gheorghe, Papadopol Constantin and Zvânca Alina Gabriela. Approves for the parties the proof with the documents submitted to the file. Prorogues the rule regarding th performance of special expertise for the following trial term. Rejects, as not useful, the other proof requested by the party as well as the letters issuance requests of S.N.N.S.A, Tess Conex S.A. and of the Romanian Government in order to obtain documents/regulations. Prorogue the ruling regarding the summoning of the Constitutional Court to solve the lack of constitutions exception of the provision of art. 297 paragraph 1 letter c Criminal code and art. 13 ind. 2 of the Law no.78/2000, for the following trial term. Final. Ruled during the public meeting, today, 06.07.2016.	
5.	9089/101/2013	Mehedinti Court of Law	Creditor	RAAN	Insolvency Receivables 7.828.405,48 lei	On the merits of the case 5.450.135,91 lei, in two years.	Ongoing proceedings. - opening Bankruptcy. Up to present time RAAN did not pay any amount of the receivable due to SNN.	10.11.2016
6.	7238/120/2012	Dambovita Court of Law	Creditor	Eco Energy	Insolvency proceedings - bankruptcy SNN receivable	On the merits of	ongoing procedure	16.01.2017

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

					registered in the final table of creditors in the amount of 2.464.059,64 lei	f the case		
7.	3793/2/2013	High Court of Cassation and Justice	Intimate	Greenpeace CEE Romania	Issuing annulment of the environment agreement and of the environment agreement for Project of the Units 3-4	Appeal	Merits : Rejects the request of the claimant as being not grounded. Appeal : accepts the appeal submitted by Fundatia Greenpeace Cee Romania and the Asociatia Bankwatch Romania against the decision no. 1436 from May 9 th , 2014 of the Bucharest Court of Appeal–Section VIII – administrative and fiscal department. Cancels the appealed decision and sends the case for retrial with the same court. Final. Ruled in the public meeting, June 23 rd , 2016.	Next hearing shall follow
8.	873/1259/2008	Arges Court of Law	Creditor	Termoficare 2000 SA	Insolvency file – bankruptcy procedure SNN receivable registered in the final receivable table in the amount of 2.713.986,71 lei.	On the merits of the case	Ongoing procedure	13.12.2016
9.	18770/3/2007	Bucharest Court of Law	Creditor	Condem SA	Insolvency file – bankruptcy procedure SNN receivable registered in the final receivable table in the amount of 2.446.227,08 lei	On the merits of the case	Ongoing procedure	11.01.2017
10.	11661/3/2014 11661/3/2014*	Bucharest Appeal Court Bucharest Court of Law Retrial	Intimate	Fondul Proprietatea S.A.	Absolute nullity notice of the Resolution AGEA S.N.N. no. 1/11.03.2014 by which was approved the SNN participation to the investment projects Tarnita – Lapustesti and Cablu Submarin	Appeal Retrial	On the merits (TB) rejected the request of Fondul Proprietatea admitting the exception of the lack of interest reported to the request’s object. Appeal CAB: admits the FP appeal, cancels the appealed sentence and sends the cause to trial at the same court. Retrial merits: The court ruled the suspension of the cause in relation to the fact that the Bucharest Court of Law and Craiova Court of Appeal requested to the European Union Court of Justice details regarding the	Suspended

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

							possibility of existing a state aid which is the object of the GEMS of S.N.N. Decision no. 1/11.03.2014.	
11.	416/2/2014	Court of Appeal Bucharest	Claimant Plaintiff	The National Energy Regulatory Authority	Cancellation of administrative deed. Decision 3609/2013 regarding the tariff approval regulated for 2014	Merits	Merits: Bucharest Court of Appeal rejected the on 14.10. 2014 the SNN request as ungrounded. SNN filed appeal. Appeal ICCJ: The case is under filtering. First hearing shall be allotted subsequently.	16.05.2017
12.	1794/118/2016 1794/118/2016/a1 1794/118/2016/a2	Constanta Court of law	Civil party	Bucur Ionel Negulici Elena Olteanu Madalina Encica Ionel Nicola Laurentiu Daramus Victor Davy Security SRL civil responsible party	prejudice 3.471.463 euro	Merits	File 1794/118/2016/a1: Conclusion: Based on art. 345 par. 1 Criminal procedure code, rejects, as ungrounded, the requests and exceptions filed by the defendants NEGULICI ELENA MARINELA, OLTEANU MADALINA, ENCICA IONEL, NICOLA LAURENTIU THEODOR and DARAMUS VICTOR regarding the nullity of the court of law intimation, the lawfulness of managing proof and prosecution. Rejects, as unacceptable, the request of the defendant BUCUR IONEL to state the lack of lawfulness and lack of grounds of the Ordinance to instate ensuring measures no. 279/P/2015 din 06.01.2016 ruled by D.N.A. – Constanta Territorial Service. Rejects as ungrounded, the requests of the defendants BUCUR IONEL and NEGULICI ELENA MARINELA regarding the cancellation of the sequestration on the movable and immovable assets, as well as the return of the movable frozen assets. Based on art. 346 paragraph .2 Criminal procedure code, Constanta the lawfulness of intimation of Constanta Court of Law by accusation no. 279/P/2015 from 09.03.2016 of the Prosecution with the High Court of Cassation and Justine, DNA, Constanta Territorial Service regarding the defendants: - BUCUR IONEL, NEGULICI ELENA-MARINELA, ENCICA IONEL and NICOLA LAURENTIU-THEODOR for committing the deed abuse in service, if the public provider obtained for himself or for others undue benefits provided by art. 132 of the Law no. 78/2000 regarding prevention,	09.11.2016

							<p>discovery and sanction of the corruption deeds reported to art. 297 par. 1 Criminal code, with the appl. of art. 309 and art. 183 Criminal code. Which lead to very serious consequences, applying art. 5 Criminal code.</p> <p>- DARAMUS VICTOR for complicity to abuse in service, if the public provider obtained for himself or for others undue benefits provided by art. 48 Criminal code – art. 132 of the Law no. 78/2000 regarding prevention, discovery and sanction of the deeds of corruption reported to art. 297 par.1 Criminal code, appl. of art. 309 and art. 183 Criminal code which lead to very serious consequences, appl. art. 5 Criminal - BUCUR IONEL and ENCICA IONEL, for committing the deed conflict of interests prov. by art. 301 of the Criminal code by appl. art. 5 Criminal code - BUCUR IONEL, NEGULICI ELENA-MARINELA and ENCICA IONEL for abuse in service, if the public provider obtained for himself or for others undue benefits provided by art. 132 of the Law no. 78/2000 regarding prevention, discovery and sanction of the deeds of corruption reported to art. 297 par.1 Criminal code, by appl. art. 309 and art. 183 Criminal code which lead to very serious consequences, by appl. art. 5 Criminal code - DARAMUS VICTOR for complicity to abuse in service, if the public provider obtained for himself or for others undue benefits provided by art. 48 Criminal code – art. 132 of the Law no. 78/2000 regarding prevention, discovery and sanction of the deeds of corruption reported to art. 297 par.1 Criminal code., appl. of art. 309 and art. 183 Criminal code. which lead to very serious consequences, by appl. art. 5 Criminal code. - BUCUR IONEL, NEGULICI ELENA-MARINELA and ENCICA IONEL for conflict of interests prov. by art. 301 of the Criminal code by appl. art. 5 Criminal code. - BUCUR IONEL, NEGULICI ELENA-MARINELA, OLTEANU MADALINA, ENCICA IONEL, NICOLA LAURENTIU-THEODOR for</p>
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							<p>service abuse, if the public provider obtained for himself or for others undue benefits provided by art. 132 of the Law no. 78/2000 regarding prevention, discovery and sanction of the deeds of corruption reported to art. 297 par.1 Criminal code., by appl. art. 309 and art. 183 Criminal code. Which lead to very serious consequences, - DARAMUS VICTOR for committing the crime complicity to abuse in service, if the public provider obtained for himself or for others undue benefits provided by art. 48 Criminal code – art. 132 of the Law no. 78/2000 regarding prevention, discovery and sanction of the deeds of corruption reported to art. 297 par.1 Criminal code, appl. art. 309 and art. 183 Criminal code, deed which lead to very serious consequences, - BUCUR IONEL, NEGULICI ELENA-MARINELA and ENCICA IONEL for committing the crime conflict of interests prov. by art. 301 of the Criminal code - BUCUR IONEL, NEGULICI ELENA-MARINELA and ENCICA IONEL for committing the crime conflict of interests prov. by art. 301 of the Criminal code States the lawfulness of managing the proof and performing the prosecution. Rules the case trial initiation regarding the defendants BUCUR IONEL, NEGULICI ELENA-MARINELA, OLTEANU MADALINA, ENCICA IONEL, NICOLA LAURENTIU THEODOR and DARAMUS VICTOR. With right of appeal in 3 days since the communication. Rule in the council room today, 14.07.2016.</p> <p>Appeal : Based on the provisions of art. 425 ind.1 par.7 point 1 letter b of the Criminal procedure code regarding the provisions of art. 203 par. 5 of the Criminal procedure code and art. 205 par. 1 of the Criminal procedure code rejects as ungrounded the appeal filed by the contesting party – defendant Olteanu Madalina against the conclusion from 01.06.2016 ruled by Constanta Court of Law in the file no. 1794/118/ 2016/a1. Based on</p>
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SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

							<p>art.275 par.2 of the Criminal procedure code, the legal expenses advanced by the state in the amount of lei 200 are covered by the contesting party – defendant Olteanu Madalina. Final. Ruled in the board room meeting, today, 21.06.2016 Document :125/2016 21.06.2016</p> <p>File 1794/118/2016/a2: Based on art.207 Criminal procedure code and art. 242 par. 1 Criminal procedure code, revokes the preventive measure of the legal control for the defendants BUCUR IONEL AND NEGULICI ELENA MARINELA by Ordinances no. 279/P/2015 from 18.02.2016 issued by DNA –Constanta Territorial Services and amended by the Conclusion no. 37 from 23.02.2016, Constanta Court of Law. Based on art.275 par.3 Criminal procedure code, The legal costs advanced by the state remain in its task. With a right of appeal within 48 hours from ruling it for the parties present and from the transmission, for those not present. Ruled in the preliminary room on 23.03.2016. Final conclusion (des-investment) DNA Constanta filed appeal. Follows term.</p> <p>On 16.03.2016 was ruled the trial of 5 persons from CNE Cernavoda, the file being under investigation at Constanta Court of Law.</p> <p>SNN was a civil party in the criminal trial for the amount of lei 14.673.966,24 representing prejudice, as mentioned in the Indictment.</p>	
13.	40046/3/2014	Bucharest Court of Law	Defendant	Fondul Proprietatea S.A.	Stating the absolute nullity of the GEMS Decision no. 8/6.10.2014 regarding the increase of share capital with cash input by issuing shares Mentioning the court decision at the Register of Commerce and	Merits	Merits: ongoing	14.11.2016

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

					cancelling the already registered mentions			
14.	13275/3/2015	Bucharest Court of Law Bucharest Court of Appeal	Respondent	Hidroelectrica S.A.	Action in claims: 40.812.717 lei representing the difference in counter value for buying energy insurance contact and energy sale and legal interest	Merits	Merits: The court accepts the statute of limitation of the material right in action invoked by SNN. Rejects the action as being prescribed. With a right of appeal in 30 days from the communication. Decision no. 6860/07.12.2015 Appeal : Hidroelectrica filed for appeal	09.12.2016
15.	3490/121/2015	Galati Court of Law	Claimant	Arcelor Mittal Galati S.A.	Claims 8.575.245,78 lei the difference in counter value for selling laid off energy and other associated expenses	Merits	Retaken on the dockets. Paying the additional stamp duty	24.11.2016
16.	26063/3/CA/2015	Bucharest Court of Law	Claimant	Court of Auditors Arges Court of Auditors	Action for cancellation of management documents- measure regarding Microsoft licenses: -Decision of the Arges Court of Auditors no. 9/23.03.2015 -Conclusion no. 38/19.06.2015 -Control report no. 341/27/2015 at the FCN Pitesti Branch	Merits	Merits : The court rejects the action of SNN, as ungrounded. With a right of appeal within 15 days from the communication which shall be filed, in case of drafting, at Bucharest Court of Law. Decision 1297/ 29.02.2016. SNN filed for appeal. Appeal :	7.11.2016
17.	4960/2/2015	Bucharest Court of Appeal section VIII-a administrative and fiscal department the Superior Court of Cassation and Justice	Claimant	Court of Auditors	Action for suspending the performance, measure regarding D&O INSURANCE POLICIES	Merits	Merits : The court accepts the request in part. According to art. 15 of the Law no. 554/2004 suspends the performance of point II.12 of the decision device no. 16/11.05.2015 issued by the Romanian Court of Auditors – Department IV up to the final resolution of the merits action registered in the file no. 4912/2/2015. Rejects as unacceptable the suspension request of performing point 10 of the conclusion no. 59/17.07.2015 and of point 3.1.10 of the Control report no.	Next hearing shall be allotted subsequently

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

							4371/10.04.2015 issued by the Romanian Court of Auditors. With appeal within 5 days from the communication. Decision 2608/15.10.2015. The Court of Auditors filed for Appeal. Appeal ICCJ: The case is under filtering procedure. The first trial term is going to be allotted subsequently.	
18.	4961/2/2015	Bucharest Court of Appeal section VIII administrative and fiscal department	Claimant	Court of Auditors	Action to suspend the enforcement measure regarding TOURISTIC SERVICES	Merits	Merits : The court rejects the suspension request of the enforcement as being ungrounded. With a right of appeal in 5 days from the communication. Decision 2660/20.10.2015. SNN filed for appeal. Appeal ICCJ: The case is under filtering procedure. The first trial term shall be subsequently allotted.	Next hearing shall be allotted subsequently
19.	4962/2/2015 Connected to 4966/2/2015 court decision	Bucharest Court of Appeal section VIII administrative and fiscal department	Claimant	Court of Auditors	Action to suspend the enforcement measure regarding BONUSES and COURT DECISIONS	MERITS	Merits : The court admits the exception of unacceptability invoked by the respondent. Rejects as unacceptable the requests for suspending the performance of points 3.1.7 and 3.1.8 of the Control report no. 4371/10.04.2015. Rejects as being without interest the suspension requests for performing point 8 of the Conclusion no. 59/17.07.2015 of the Resolution committee of the contesting parties and point II 10 of Decision 16/11.05.2015 issued by the respondent. Rejects as ungrounded the suspension requests for performing point 7 of the conclusion no. 59/17.07.2015 of the Resolution committee of claims and point II 9 of the Decision 16/11.05.2015 issued by the claimant. With a right of appeal within 15 days from the communication. Decision ruled on 08.12.2015. SNN did not promote an appeal regarding the decision ruled for the file 4962/2/2015 and the Court of Auditors promoted the appeal	Next hearing shall be allotted subsequently in the appeal promoted by the Court of Auditors

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

							Appeal ICCJ The case is under filtering procedure. The first trial term is to be allotted subsequently.	
20.	4968/2/2015	Bucharest Court of Appeal section VIII administrative and fiscal department Superior Court of Cassation and Justice	Claimant	Court of Auditors	Action for suspending the enforcement measure regarding fees for LEGAL ADVISERS	Merits	Merits : The court accepts the request in part. Rules the suspension of the partial performance of the Decision no. 16/2015, and namely of the measure ruled at point II. 11, as well as the Conclusion no. 59/2015- point 9, up to the final resolution of the action in cancelling point II.11 of the Decision no. 16/2015 and point 9 of the Conclusion no. 59/2015. Rejects the suspension request of the control report no. 4371/2015- point 3.1.9- as unacceptable. With a right of appeal within 5 days from the communication. Decision 2684/20.10.2015. The Court of Auditors filled for appeal. Appeal ICCJ: The case is under filtering procedure. The first term of trial is to be allotted subsequently:	Next hearing shall be allotted subsequently in the appeal promoted by the Court of Auditors
21.	4969/2/2015	Bucharest Court of Appeal section VIII administrative and fiscal department Superior Court of Cassation and Justice	Claimant	Court of Auditors	Action for suspending the enforcement measure regarding MICROSOFT licenses	Merits	Merits : The court accepts the suspension request in part. Suspends the performance of point 11 of conclusion no. 59/17.07.2015 and of point II.13 of Decision no. 16/11.05.2015 issued by the Romanian Court of Auditors up to the final resolution of the merits case. Executive. with a right of appeal within 5 days from the communication. Decision 2956/ 11.11.2015. The Court of Auditors filled for appeal. Appeal ICCJ: The case is under filtering procedure. The first term of trial is to be allotted subsequently	Next hearing shall be allotted subsequently in the appeal promoted by the Court of Auditors
22.	4970/2/2015	Bucharest Court of Appeal section VIII administrative and fiscal department Superior Court of Cassation and Justice	Claimant	Court of Auditors	Action for suspending the enforcement measure regarding income tax on non-residents	Merits	Merits : The court accepts the request in part. Rules the suspension of the partial performance of the Decision no. 16/11.05.2015 in regards to point II.8, respectively the conclusion no. 59/17.07.2015 in regards to point 6, up to the final resolution of the action under cancellation. Rejects as unacceptable the suspension request of point 3.1.3 of the Control report no. 4371-10.04.2015. with a right of appeal within 5	Next hearing shall be allotted subsequently in the appeal promoted by the Court of Auditors

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

							days from the communication. Decision 2503/ 07.10.2015. The Court of Auditors filed for appeal. Appeal ICCJ: The case is under filtering procedure. The first term of trial is to be allotted subsequently	
23.	4959/2/2015	Bucharest Court of Appeal section VIII administrative and fiscal department	Claimant	Court of Auditors	Action for annulment of the measure regarding TOURISTIC SERVICES	Merits	Merits: The court accepts the request. Cancels in part the Conclusion no. 59/17.07.2015 issued by the defendant, in regards to point 3. Cancels in part the Decision no. 16/11.05.2015 issued by the defendant, in regards to measures ruled at point 5 and Measure no. I 3. Cancels in part the Control Report no. 4371/10.04.2015 issued by the defendant in regards to point 3.1.5. Obliges the respondent to pay lei 4550 trial expenses to the claimant. with a right of appeal within 15 days from the communication. Decision 2015/10.06.2016. The Court of Auditors filed for appeal. Appeal ICCJ: The case is under filtering procedure. The first term of trial is to be allotted subsequently	Next hearing shall be allotted subsequently in the appeal promoted by the Court of Auditors
24.	4902/2/2015 connected with 4907/2/2015 premiums	Bucharest Court of Appeal section VIII administrative and fiscal department Superior Court of Cassation and Justice	Claimant	Court of Auditors	Action to annul the measure regarding FEES AND BONUSES FOR LEGAL ADVISERS	Merits	Merits: The court accepts the main request and the one related, in regards to points 1 and 2. Cancels in part the conclusion no. 59/17.07.2015 and the decision no. 16/11.05.2015, in regards to point 9 and point 8 of the conclusion, respectively measures from point II.11 and II.10 of the decision. Rejects as unacceptable point 3 of both requests, regarding the partial annulment of the Control Report no. 4371/10.04.2015. with a right of appeal within 15 days from the communication. The appeal shall be submitted to CAB – section VIII. final. Decision 3419/17.12.2015. The Court of Auditors filed for appeal. Appeal ICCJ: The case is under filtering procedure. The first term of trial is to be allotted subsequently	Next hearing shall be allotted subsequently in the appeal promoted by the Court of Auditors
25.	4906/2/2015	Bucharest Court of Appeal section VIII administrative	Claimant	Court of Auditors	Action to annul the measure regarding Incompliance of public acquisition procedures	Merits	Merits: Rejects the case as ungrounded. with a right of appeal within 15 days from the communication. Decision 2961/10.10.2016.	

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

		and fiscal department			for the contracts no. 1085/2012 and 634/2012 (Argos and General Concrete)			
26.	4912/2/2015	Bucharest Court of Appeal section VIII administrative and fiscal department	Claimant	Court of Auditors	Action to annul the measure regarding D&O POLICIES	Merits	<p>Merits: The court accepts the request. Rejects the exception of unacceptability of the partial annulment request of the Control report no. 4371/10.07.20155. Accepts the case. Cancels, in part, the conclusion no. 59/17.07.20155, issued by the defendant regarding point 10, Decision no. 16/11.05.2015 issued by the defendant regarding the measure ruled at point II.12 of the decision device, as well as point 3.1.10 of the Control report no. 4371/10.04.2015 issued by the respondent. with a right of appeal within 15 days from the communication. Decision 173/ 26.01.2016.</p> <p>The Court of Auditors filed for appeal. Appeal ICCJ: The case is under filtering procedure. The first term of trial is to be allotted subsequently</p>	Next hearing shall be allotted subsequently in the appeal promoted by the Court of Auditors
27.	4946/2/2015	Bucharest Court of Appeal section VIII administrative and fiscal department	Claimant	Court of Auditors intervention General Concrete	Action to annul the measure regarding the contract concluded with GENERAL CONCRETE S.A.	Merits	<p>Merits: tax - accounting expertise</p>	9.12.2016
28.	4964/2/2015	Bucharest Court of Appeal section VIII administrative and fiscal department Superior Court of Cassation and Justice	Claimant	Court of Auditors	Action to annul the measure regarding COURT DECISIONS	Merits	<p>Merits: The court accepts the exception of unacceptability of the request regarding the cancellation of point 3.1.7 of the Control Report no. 4371/10.04.2015 invoked by the respondent. Rejects as unacceptable the request regarding the cancellation of point 3.1.7 of the Control Report no. 4371/10.04.2015. rejects as ungrounded the connected actions. With a right of appeal within 15 days from the communication. Decision 373/ 09.02.2016. SNN filed for appeal.</p>	Next hearing shall be allotted subsequently for the appeal promoted by SNN.

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

							Appeal ICCJ: The case is under filtering procedure. The first term of trial is to be allotted subsequently	
29.	4965/2/2015	Bucharest Court of Appeal section VIII administrative and fiscal department Superior Court of Cassation and Justice	Claimant	Court of Auditors	Action to annul the measure regarding MICROSOFT licenses	Merits	Merits : The court accepts the request, in regards to points 1 and 2. Cancels in part the conclusion no. 59/17.07.2015 and the decision no. 16/11.05.2015, in regards to point 11 of the conclusion, respectively the measure from point II.13 of the decision. Rejects as unacceptable the point 3, regarding the partial cancellation of the Control Report no. 4371/10.04.2015. With a right of appeal within 15 days from the communication. The appeal shall be filed to CAB – section VIII Decision 236/ 28.01.2016. The Court of Auditors filled for appeal. Appeal ICCJ: The case is under filtering procedure. The first term of trial is to be allotted subsequently	Next hearing shall be allotted subsequently in the appeal promoted by the Court of Auditors
30.	4958/2/2015	Bucharest Court of Appeal section VIII administrative and fiscal department Superior Court of Cassation and Justice	Claimant	Court of Auditors	Action to annul the measure regarding tax on non-residents income	Merits	Merits : The court accepts the request. Cancels in part the conclusion no. 59/17.07.2015, respectively in regards to rejecting point VI from the appeal no. 6420/28.05.2015, and, as a consequence, cancels the measure taken at point II.8 of the decision no. 16/11.05.2015 for removing the breaching presented at point 3 of the same decision, as well as point 3.1.3 of the control report no. 4371/10.04.2005. With a right of appeal within 15 days from the communication, the request for enforcing the attack following to be filed to the Bucharest Court of Appeal Section VIII administrative and fiscal department. Decision 793/2016 10.03.2016. The Court of Auditors filled for appeal.	Next hearing shall be allotted subsequently in the appeal promoted by the Court of Auditors
31.	45487/3/2015	Bucharest Court of Law Section VIII labor	Claimant	Havis Alex Negulici Elena Nicolescu Corina Dina Dumitru Popescu Dragos	Prejudice 708.407 lei Labor litigation enforcing the measure ruled by the Court of Auditors by the control report from 2012	Merits	Merits: accepts the exception of the prescription of the material right to act, invoked by the respondents and rejects the request as being prescribed the right to act. With a right of appeal within 10 days from the communication, to be submitted to the	Next hearing shall be allotted subsequently with the Bucharest

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

				Ionescu Elena Dinca Suzana Georgescu Magda Nazarevscky Cristina	regarding D&O type insurance policies		Bucharest Court of Law – Section VIII. Decision 5836/2016 07.06.2016 SNN filed for appeal.	Court of Appeal
32.	45494/3/2015*	Bucharest Court of Law section VIII Labor	Claimant	Serbanescu Cristian Chiriac Cristina Popescu Ioana Gramamioara Chirica Teodor Budulan Pompiliu	Prejudice 708.407 lei Labor litigation enforcing the measure ruled by the Court of Auditors by the control report from 2012 regarding D&O type insurance policies	Merits	Merits : Under ruling	
33.	1367/2/2016	Bucharest Court of Appeal section VIII administrative and fiscal department High Court of Cassation and Justice	Claimant	ANAF General Directorate for Claim Resolution General Managing Directorate for Large Contributors	SNN requested the cancelation of the Decision no. 25/29.01.2016 regarding the claim resolution submitted by S.N. Nuclearelectrica S.A. against the enforceability decision no. F-MC 2261/08.10.2015 regarding additional payment fiscal obligations established by the fiscal inspection for legal persons, issued by the General Directorate of Administration for Large Contributors and obliging the respondent to solve the claim on the merits against the Enforceability Decision no. F-MC 2261/08.10.2015 regarding additional payment fiscal obligations established by the fiscal inspection for legal persons, issued by the General	Merits	Merits : Rejects the action as ungrounded. With a right of appeal within 15 days from the communication. The appeal request shall be submitted with the office of the Bucharest Court of Appeal. Decision no. 2656/ 21.09.2016. SNN filed for appeal	Next hearing shall be allotted subsequently with the High Court of Cassation and Justice

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

					Directorate of Administration for Large Contributors as well as the Fiscal Inspection Report no. F-MC 287/08.10.2015			
34.	6874/3/2016*	Bucharest Court of Law	Claimant	Nuclear and Radioactive Agency (ANDR)	<p>Claims -EUR 131.080,08 representing contributions according to the G.D. 1080/2007 for 2010-2012</p> <p>- contributions 2013-2015 for the difference of energy produced and the one delivered in SEN</p> <p>- penalties 2010-2015 until the effective payment</p> <p>The G.D. 1080/2007 regulates the contributions due by the authorization holders developing activities in the nuclear field, contributions necessary to cover the expenses for decommissioning the installations</p>	Merits	<p>Merits: Rejects the exception of statute of limitation as ungrounded. Rejects the summons as being ungrounded. With a right of appeal within 30 days from the communication; the appeal request is filled at the Bucharest Court of Law - Section VI Civil. Ruled today, 23.09.2016, the resolution being provided to the parties issued by the registry of the court. Decision 5622/2016 23.09.2016</p>	
35.	9230/3/2016	TB S a II-a	Respondent	Greenpeace	<p>Requests, according to the law, the access to public information for the communication of the Support Letter issued by the Romanian Government in support of the investment for the Project Units 3 and 4 from Cernavoda</p>	Merits	<p>SNN filed an accessory intervention request in the interest of the respondent- Ministry of Energy</p>	28.11.2016

SN Nuclearelectrica SA

Report of the administrators for the January 1 – September 30 2015 period

(All amounts are in RON, unless stated otherwise)

Nr.	File no.	Court of law	SNN's Capacity	Opposing party	Object/value	Current procedural stage	Previous procedural stages	Procedural stage Hearing
CNE Cernavoda								
1.	10673/118/2010	Civil/ Constanta court of Law	Respondent	Sava Marian	Compensations	Merits	Evacuating land corresponding to thermal electrical energy transportation and paying compensations. Merits: rejects the case as ungrounded. Obliges the claimant Sava Marian to pay the amount of lei 27.003,33 to the claimant S.N.Nuclearelectrica S.A, representing trial expenses (legal duty stamp, legal stamp, expert fee). With a right of appeal within 15 days from the communication. Decision 603/2016 14.03.2016. Appeal:	09.01.2017
2.	14951/118/2011 (suspended based on art. 36 of the Law no 85/2006)	Civil/ Medgidia Court of Law	Claimant	S.C. Car Construct SRL	Clearing the land, property of SNN SA – concrete platform occupied by SC CAR CONSTRUCT based on the sale-purchase agreement concluded with S.C. CONSTRUCTII NUCLEARELECTRICE S.A	Merits	According to art. 36 of the Law no. 85/2006 (insolvency law) the case trial was suspended.	suspended

Appendix 5 – Degree of accomplishment of the performance indicators on 30.09.2016 - the Board of Directors

Item	Objective/Performance indicators	MU	Estimated Q III *)	Actual Q III	Degree of accomplishment (%)	Weight coefficient	Degree of accomplishment of the performance indicators col. 5 * col. 6 (%)
0	1	2	3	4	5	6	7
Improvement of the indicators regarding the financial performance of the Company							
1	Turnover (cumulated since the beginning of the year)	Million RON	1.216,00	1.181,46	97,16%	0,20	19,43%
2	Operating result (cumulated since the beginning of the year)	Million RON	33,00	64,17	194,46%	0,20	38,89%
3	Overdue payments	Thousand RON	-	-	100,00%	0,10	10,00%
4	Labor productivity (cumulated since the beginning of the year)	Thousand RON/person	593,00	587,79	99,12%	0,10	9,91%
5	Operating expenses at 1.000 RON turnover (cumulated since the beginning of the year)	RON	999,00	956,67	104,42%	0,10	10,44%
Execution of the major investment objectives							
6	Execution of the annual value plan of investments cumulated since the beginning of the year (as per Figure 28 and the annual budgets)	%	50,00%	11,00%	22,00%	0,15	3,30%
Maintenance of the electricity production capacity above the average level in the industry							
7	Capacity factor (cumulated since the beginning of the year)	%	80,00%	89,45%	111,81%	0,10	11,18%
Operation of the nuclear units in safe conditions for the personnel, the population, the environment and the production assets							
8	No operating events above level 1 on the International Nuclear Event Scale, concerning the damage of the in depth defense barriers, onsite and off-site impact.		0 events above level 1 on INES scale	0 events above level 1 on INES scale	100,00%	0,05	5,00%
The degree of accomplishment of the performance indicators						1,00	108,15%

*) Values according to Budget revenues and expenditures for 2016, approved by GMS Decision no. 1/30.03.2016