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**Report of factual findings  
(free translation<sup>1</sup>)**

To the Executive Management of  
Societatea Energetica Electrica S.A.

We have performed the procedures set out in the service contract dated 29 July 2016 signed between Societatea Energetica Electrica S.A. („the Company”) and KPMG Audit S.R.L. in connection with the legal acts reported by the Company to Financial Supervisory Authority and Bucharest Stock Exchange in the accompanying „Current report in compliance with the Romanian Capital Market Law no. 297/2004, CNVM Regulation no. 1/2006, and the Bucharest Stock Exchange Code” dated 22.03.2016 (hereinafter „Current report 1”) and „Current report in compliance with the Romanian Capital Market Law no. 297/2004, CNVM Regulation no. 1/2006, and the Bucharest Stock Exchange Code” dated 11.04.2016 (hereinafter „Current report 2”), attached to this report.

Our engagement was undertaken in accordance with International Standard on Related Services 4400 “Engagements to Perform Agreed-upon Procedures Regarding Financial Information” (“ISRS 4400”).

The procedures were performed solely to report to the Company our findings in respect of the current reports mentioned above. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the agreed procedures described below either for the purpose for which this report

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<sup>1</sup> TRANSLATOR'S EXPLANATORY NOTE: The above translation of the report is provided as a free translation from Romanian which is the official and binding version.



has been requested or for any other purpose. The procedures performed are summarized below.

We performed the following procedures related to Current report 1:

1. Obtaining the contracts included in Current report 1;
2. Reconciling the information presented in the columns „Contract type and no.“, „Contract object“, „Value (thousand RON)“, „Signing date“, „Expiry date“, „Guarantees (thousand RON)“, „Penalties stipulated“, „Terms and forms of payment“ with the provisions of the contracts obtained at procedure 1;

We performed the following procedures related to Current report 2:

3. Obtaining the contracts included in Current report 2;
4. Reconciling the information presented in the columns „Company“, „Contract type and no.“, „Contract object“, „Signing date“, „Expiry date“, „Penalties stipulated“, „Terms and forms of payment“ with the provisions of the contracts obtained at procedure 3;
5. Obtaining the breakdown of the amounts presented in the columns „Contract value – Cost (thousand RON)“, „Contract value – Revenue (thousand RON)“ and „Reciprocal receivables (balance at 08.04.2016)“;
6. Reconciling the details obtained at point 5 with the amounts recorded in the Company’s accounting system;
7. Reconciling the amounts presented in the columns „Contract value – Cost (thousand RON)“ and „Contract value – Revenues (thousand RON)“ with the invoices for those transactions;
8. Reconciling the amounts presented in the column „Guarantees (thousand RON)“ with the bank letters of guarantee.

We report below our findings regarding Current report 1:

1. Regarding procedure 1, we obtained the contracts included in Current report 1.
2. Regarding procedure 2, we reconciled the information presented in the columns „Contract type and no.“, „Contract object“, „Value (thousand RON)“, „Signing date“, „Expiry date“, „Guarantees (thousand RON)“, „Penalties stipulated“, „Terms and forms of payment“ with the provisions of the contracts obtained at procedure 1 above. We found no differences, except for the contract no. 134, for which the period mentioned in Current report 1 (01.09.2015 – 31.12.2016) is different from the period mentioned in the contract (01.09.2015 – 31.12.2015).



We report below our findings regarding Current report 2:

3. Regarding procedure 3, we obtained the contracts included in Current report 2.
4. Regarding procedure 4, we reconciled the information presented in the columns „Company”, „Contract type and no.”, „Contract object”, „Signing date”, „Expiry date”, „Penalties stipulated”, „Terms and forms of payment” with the provisions of the contracts obtained at procedure 3 above. We found no differences, except for the contract signed with Electricitare CFR, for which the contract date mentioned in Current report 2 (27.02.2012) is different from the contract date (27.07.2012).
5. Regarding procedure 5, we obtained the breakdown of the amounts presented in the columns „Contract value – Cost (thousand RON)”, „Contract value – Revenue (thousand RON)” and „Reciprocal receivables (balance at 08.04.2016)”.
6. Regarding procedure 6, we reconciled the details obtained at point 5 with the amounts recorded in the Company’s accounting system. No differences were identified as a result of this reconciliation.
7. Regarding procedure 7, we reconciled the amounts presented in the columns „Contract value – Cost (thousand RON)” and „Contract value – Revenues (thousand RON)” with the invoices for those transactions. No differences were identified as a result of this reconciliation.
8. Regarding procedure 8, we reconciled the amounts presented in the column „Guarantees (thousand RON)” with the bank letters of guarantee. No differences were identified as a result of this reconciliation.

Because the procedures performed do not constitute either an audit or a review or an assurance engagement made in accordance with International Standards on Auditing, International Standards on Review Engagements, or International Standards on Assurance Engagements, respectively, we do not express any assurance on the specified elements.

Had we performed additional procedures or had we performed an audit or review or an assurance engagement in accordance with International Standards on Auditing, or International Standards on Review Engagements, or International Standards on Assurance Engagements, respectively, other matters might have come to our attention that would have been reported to you. Our findings represent the results of the application of the procedures mentioned above. We have no responsibility to update our report for events and circumstances occurring after the date of such report.

In addition, this report relates only to the items specified above and does not extend to any financial statements of the Company, taken as a whole.

This report is intended solely for the purpose set forth in the third paragraph of this report and to the executive management of the Company, as a body. This report has been undertaken so that we might state to the executive



management of the Company, as a body, those matters we are required to state to them in a report of factual findings and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility for this report to anyone other than the Company and its executive management, as a body.

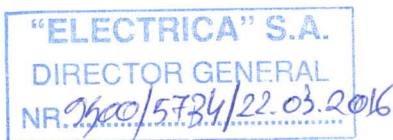
Refer to the original signed  
Romanian version

KPMG Audit S.R.L.  
1 August 2016  
Bucharest, Romania

A handwritten signature in blue ink, consisting of a stylized 'K' followed by a horizontal line.

Appendices:

1. „ Current report in compliance with the Romanian Capital Market Law no. 297/2004, CNVM Regulation no. 1/2006, and the Bucharest Stock Exchange Code” dated 22.03.2016
2. “Current report in compliance with the Romanian Capital Market Law no. 297/2004, CNVM Regulation no. 1/2006, and the Bucharest Stock Exchange Code” dated 11.04.2016



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

**Current report in compliance with the Romanian Capital Market Law no. 297/2004, CNVM Regulation no. 1/2006, and the Bucharest Stock Exchange Code**

Report date: **22 Mar 2016**

Company name: **Societatea de Distribuție și Furnizare a Energiei Electrice - "ELECTRICA" S.A. (Electrica)**

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

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

Fiscal Code: **RO 13267221**

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

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

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

**Significant events to be reported:**

**Legal acts of the kind listed in Art. 225 of Law No. 297/2004 concluded by Electrica in 2015**

Electrica informs its shareholders and investors about the conclusion in 2015 of legal acts with a value greater than EUR 50,000 with Filiala de Intretinere si Servicii Energetice „Electrica Serv” SA, affiliate, where Electrica is the sole shareholder.

Details regarding the agreements concluded by Electrica, as beneficiary, with Filiala de Intretinere si Servicii Energetice „Electrica Serv” SA, as service provider, containing information about the date of execution, type of legal act, description of its scope, total value of the legal act, mutual claims, guarantees, deadlines and payment methods are presented in Annex 1 to the current report.

**CEO,**

**Iuliana Andronache**





**Annex 1:** **Detaliile actelor juridice de tipul celor enumerate la art. 225 din Legea nr. 297/2004 incheiate de Societate in anul 2015**  
**Beneficiary:** Societatea de Distribuție și Furnizare a Energiei Electrice - "ELECTRICA" S.A.  
**Service Supplier:** Filiala de Intretinere si Servicii Energetice „Electrica Serv” SA

Agreement Type and No.	Scope of the agreement	Amount (RON th.)	Date of execution / entry into force	Expiry date	Mutual claims	Guarantees (RON th.)	Penalties	Deadlines and payment methods
Agreement no. 211	Complex motor transport services necessary in carrying out Electrica S.A.'s activity between 01.01.2016- 31.12.2016	1,385	29 Dec 2015	31 Dec 2016	Not applicable	0	Supplier: 0.04% per day from the agreement price until the obligations are fulfilled Beneficiary: 0.04% per day of delay, out of the not executed payment, until the contractual obligations are fulfilled	The payment to be done within 30 calendar days from the invoice's date of registration by the beneficiary. The invoice will be issued based on an acceptance protocol, which does not mention any deficiencies / inconsistencies in providing the services.
Agreement no. 134	Complex motor transport services necessary in carrying out Electrica S.A.'s activity between 01.09.2015 - 31.12.2016	461.06	01 Sep 2015	31 Dec 2015	Not applicable	23.053	Supplier: 0.04% per day from the agreement price until the obligations are fulfilled Beneficiary: 0.04% per day of delay, out of the not executed payment, until the contractual obligations are fulfilled	The payment to be done within 60 calendar days from the invoice's date of registration by the beneficiary. The invoice will be issued based on an acceptance protocol, which does not mention any deficiencies / inconsistencies in providing the services.
Agreement no. 75	Complex motor transport services necessary in carrying out Electrica S.A.'s activity between 01.06.2015 - 31.08.2015	556.35	29 May 2015	31 Aug 2015	Not applicable	27.818		
Agreement no. 21	Complex motor transport services necessary in carrying out the activity of Electrica S.A.	1,000	26 Feb 2015	31 May 2015	Not applicable	50.000		



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Capital social: 3.459.399.290 RON  
www.electrica.ro



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

**Current report in compliance with the Romanian Capital Market Law no. 297/2004, CNVM Regulation no. 1/2006, and the Bucharest Stock Exchange Code**

**Report date: 11.04.2016**

**Company name: Societatea de Distribuție și Furnizare a Energiei Electrice - "ELECTRICA" S.A. (Electrica)**

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

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

**Fiscal Code: RO 13267221**

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

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

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

**Significant events to be reported:**

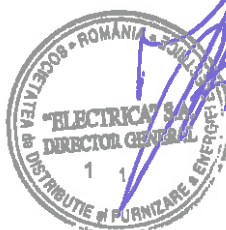
**Legal acts of the type mentioned by the provisions of Art. 225 in Law no. 297/2004, concluded by Electrica in previous periods of time and whose values have reached the EUR 50,000 cap.**

Electrica informs its shareholders and investors about the reaching of the EUR 50,000/contract cap in the case of some legal acts concluded by Electrica in previous periods of time with the following entities: CNTEEE Transelectrica SA, Electrificare CFR, FDEE Electrica Distribuție Muntenia Nord SA, FDEE Electrica Distribuție Transilvania Nord SA, FDEE Electrica Distribuție Transilvania Sud SA and respectively, Electrica Furnizare SA.

In Annex 1 to the Current Report there are presented details regarding the legal acts concluded by Electrica, as service provider (PRE - Responsible Part for Balancing) and the above-mentioned entities, as beneficiaries, being presented information about the type of legal act, the description of its scope, the total value of the legal act, the date of execution, the expiry date, mutual claims, guarantees, deadlines and payment methods.

**General Manager**

**Iuliana ANDRONACHE**



Annex 1: Details regarding legal acts of this type mentioned by the provisions of Art. 225 in Law no. 297/2004 concluded by the Company in previous periods of time and whose value limits reached the EUR 50,000 cap  
 Beneficiaries: CITEEE TransElectric SA, Electricare CFR, FDEE Electrica Distributie Muntenia Nord SA, FDEE Electrica Distributie Transilvania Nord SA, FDEE Electrica Distributie Transilvania Sud SA, Electrica Funtane SA  
 Service Supplier: Societatea de Distributie si Furnizare a Energiei Electrice - ELECTRICEA S.A.

No.	Company	Agreement Type and No.	Scope of the agreement	Amount		Expiry date	Mutual claims (06.04.2016 balance)	Guarantee (RON th.)	Penalties	Description and payment methods
				Cost (RON th.)	Revenue (RON th.)					
1	CITEEE TRANSELECTRICA SA	Convention for taking balancing responsibility no. CZ/9/29.09.2005	Energy sale and purchase between parties, as a consequence of PRE's production/consumption imbalances, which were compensated by TransElectrica on the balancing market according to the Commercial Code of the Wholesale Electricity Market, the Technical Code of the Electricity Transmission Market and the Electricity Metering Code with the subsequent amendments.	56,155	1,418	undetermined	0	27,000	Buyer: for each day of delayed payment it will be paid an amount equal to the delayed payment penalty as in the case of obligations to the state budget, conditional to the fact that the total penalty amount will not exceed the total amount etc.  The parties will issue invoices on the next working day after OPCOM (Romanian gas and electricity market operator) sends, by fax, the monthly information notes regarding the settlement of payment obligations for license holders as the participants or as PRE, as follows: *TransElectrica will issue an invoice to PRE that includes the value of the negative imbalance caused by PRE, the redistribution of the supplementary costs from the system balancing, assigned to PRE through the Information Note for Settlement sent by OPCOM, while *PRE will issue an invoice to TransElectrica that includes the value of the positive imbalance generated by PRE, the redistribution of the supplementary revenues from the system balancing, assigned to PRE through the Information Note for Settlement sent by OPCOM. The signed and stamped invoice regarding the payment obligation of PRE/TransElectrica to be issued and sent electronically (e-mail) in PDF format. The e-mail date to be considered the date on which the invoice was received. The invoices will be paid within 5 working days from the date on which they were received, in the concerned currencies.	
2	ELECTRICARE CFR	Service agreement no. 103/27.02.2012	The Service Provider - known as PRE Electrica, takes the responsibility of representing, as Responsible Part for Balancing, the participant to the Balancing Market - known as Buyer, during the agreed period and according to the assumed obligations throughout the contract.	1,300	983	Jul-16	0	100	Buyer: a percentage share of the unpaid amount. The percentage share for each day of delay, until the entire payment obligation is met, is the same as the interest owed for delayed payment regarding the obligations to the state budget.	After OPCOM sends the monthly information notes regarding the settlement of payment obligations for license holders acting as PRE, the Service Provider will issue an invoice to the Buyer that includes the value of the negative imbalance caused by the Buyer, the redistribution of the supplementary costs from the system balancing (as the case may be), as well as the tariffs included in the services supply agreement (fixed, variable etc.) for the month when the service was provided. Starting the next working day after PRE Electrica sends, via e-mail, the Informational Note and the related bill, the Buyer will issue an invoice to PRE Electrica that includes the value of the positive imbalance caused by the Buyer as well as the redistribution of the supplementary revenues from the system balancing. Any invoice regarding a payment obligation of the Buyer/Service Provider is issued and sent electronically (e-mail), in PDF format. The e-mail date to be considered the date on which the invoice was received. The invoices will be paid within 3 working days from the date on which they were received, by the buyer/service provider.
3	FDEE ELECTRICA DISTRIBUTIE MUNTENIA NORD SA	Service agreement no. 37/31.01.2014	The Service Provider - known as PRE Electrica, takes the responsibility of representing, as Responsible Part for Balancing, the participant to the Balancing Market - known as Buyer, during the agreed period and according to the assumed obligations throughout the contract.	1,604	0,999	Jan-18	0	-	Buyer: a percentage share of the unpaid amount. The percentage share for each day of delay, until the entire payment obligation is met, is the same as the interest owed for delayed payment regarding the obligations to the state budget.	After OPCOM sends the monthly information notes regarding the settlement of payment obligations for license holders acting as PRE, the Service Provider will issue an invoice to the Buyer that includes the value of the negative imbalance caused by the Buyer, the redistribution of the supplementary costs from the system balancing (as the case may be), as well as the tariffs included in the services supply agreement (fixed, variable etc.) for the month when the service was provided. Starting the next working day after PRE Electrica sends, via e-mail, the Informational Note and the related bill, the Buyer will issue an invoice to PRE Electrica that includes the value of the positive imbalance caused by the Buyer as well as the redistribution of the supplementary revenues from the system balancing. Any invoice regarding a payment obligation of the Buyer/Service Provider is issued and sent electronically (e-mail), in PDF format. The e-mail date to be considered the date on which the invoice was received. The invoices will be paid within 3 working days from the date on which they were received, by the buyer/service provider.

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Annex 1: Details regarding legal acts of the type mentioned by the provisions of Art. 226 in Law no. 287/2004 concluded by the Company in previous periods of time and whose value have reached the EUR 50,000 cap  
 Beneficiaries: ONTEEE Transilvania SA, Electrica CFR, FDEE Electrica Distributie Moldova Nord SA, FDEE Electrica Distributie Transilvania Nord SA, FDEE Electrica Distributie Transilvania Sud SA, Electrica Funtanele SA  
 Scurta Sumar: Societatea de Distributie a Energiei Electrice - "ELECTRICA" SA.

No.	Company	Agreement Type and No.	Scope of the agreement	Amount		Date of execution / entry into force	Expiry date	Material claims (RON th.) (Incluse)	Guaranties (RON th.)	Penalties	Defaultless and payment methods
				Cost (RON th.)	Revenues (RON th.)						
4	FDEE ELECTRICA DISTRIBUTIE TRANSILVANIA NORD SA	Service agreement no. 38/ 31.01.2014	The Service Provider - known as PRE Electrica, takes the responsibility of representing, as Responsible Part for Balancing, the participant to the Balancing Market - known as Buyer, during the agreed period and according to the assumed obligations throughout the contract.	760	3,764	Feb-14	Dec-16	0	-	Buyer: a percentage share of the unpaid amount. The percentage share for each day of delay, until the entire payment obligation is met, is the same as the interest owed for delayed payment regarding the obligations to the state budget.	After OPCOM sends the monthly information notes regarding the settlement of payment obligations for license holders acting as PRE, the Service Provider will issue an invoice to the Buyer that includes the value of the negative imbalance caused by the Buyer, the redistribution of the supplementary costs from the system balancing (as the case may be), as well as the tariffs included in the services supply agreement (fixed, variable etc.) for the month when the service was provided. Starting the next working day after PRE Electrica sends, via e-mail, the Informational Note and the related bill, the Buyer will issue an invoice to PRE Electrica that includes the value of the positive imbalance caused by the Buyer as well as the redistribution of the supplementary revenues from the system balancing. Any invoice regarding a payment obligation of the Buyer/Service Provider is issued and sent electronically (e-mail), in PDF format. The e-mail date to be considered the date on which the invoice was received. The invoices will be paid within 3 working days from the date on which they were received, by the buyer/service provider.
5	FDEE ELECTRICA DISTRIBUTIE TRANSILVANIA SUD SA	Service agreement no. 38/ 31.01.2014	The Service Provider - known as PRE Electrica, takes the responsibility of representing, as Responsible Part for Balancing, the participant to the Balancing Market - known as Buyer, during the agreed period and according to the assumed obligations throughout the contract.	1,191	2,118	Feb-14	Jan-17	0	-	Buyer: a percentage share of the unpaid amount. The percentage share for each day of delay, until the entire payment obligation is met, is the same as the interest owed for delayed payment regarding the obligations to the state budget.	After OPCOM sends the monthly information notes regarding the settlement of payment obligations for license holders acting as PRE, the Service Provider will issue an invoice to the Buyer that includes the value of the negative imbalance caused by the Buyer, the redistribution of the supplementary costs from the system balancing (as the case may be), as well as the tariffs included in the services supply agreement (fixed, variable etc.) for the month when the service was provided. Starting the next working day after PRE Electrica sends, via e-mail, the Informational Note and the related bill, the Buyer will issue an invoice to PRE Electrica that includes the value of the positive imbalance caused by the Buyer as well as the redistribution of the supplementary revenues from the system balancing. Any invoice regarding a payment obligation of the Buyer/Service Provider is issued and sent electronically (e-mail), in PDF format. The e-mail date to be considered the date on which the invoice was received. The invoices will be paid within 3 working days from the date on which they were received, by the buyer/service provider.
6	ELECTRICA FUNTANELE SA	Service agreement no. 202/ 22.08.2011	The Service Provider - known as PRE Electrica, takes the responsibility of representing, as Responsible Part for Balancing, the participant to the Balancing Market - known as Buyer, during the agreed period and according to the assumed obligations throughout the contract.	1,538	15,107	Sep-11	Aug-16	0	-	Buyer: a percentage share of the unpaid amount. The percentage share for each day of delay, until the entire payment obligation is met, is the same as the interest owed for delayed payment regarding the obligations to the state budget.	After OPCOM sends the monthly information notes regarding the settlement of payment obligations for license holders acting as PRE, the Service Provider will issue an invoice to the Buyer that includes the value of the negative imbalance caused by the Buyer, the redistribution of the supplementary costs from the system balancing (as the case may be), as well as the tariffs included in the services supply agreement (fixed, variable etc.) for the month when the service was provided. Starting the next working day after PRE Electrica sends, via e-mail, the Informational Note and the related bill, the Buyer will issue an invoice to PRE Electrica that includes the value of the positive imbalance caused by the Buyer as well as the redistribution of the supplementary revenues from the system balancing. Any invoice regarding a payment obligation of the Buyer/Service Provider is issued and sent electronically (e-mail), in PDF format. The e-mail date to be considered the date on which the invoice was received. The invoices will be paid within 3 working days from the date on which they were received, by the buyer/service provider.

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