

PRESS RELEASE  
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## ELECTRICA, 5 YEARS OF TRADING ON BUCHAREST STOCK EXCHANGE

- **Electrica opened BVB's trading session on the occasion of the five-year anniversary of the company's admission to trading on both the Bucharest and London stock exchanges**
- **Since 2014, Electrica has provided the most stable dividend yield of all the companies included in the BET index**
- **Since the IPO, Electrica generated a 37% total yield for its shareholders**

Corina Popescu, CEO of Electrica SA, and Adrian Tanase, CEO of BVB, opened today the trading session of the [Bucharest Stock Exchange \(BVB\)](http://www.bvb.ro), on the occasion of the five-year anniversary of the company's admission to trading, the largest initial public offering in the history of the Romanian capital market and, at the same time, the only privatization with a majority stake through the capital market.

4 July 2014 was the first trading day of Electrica's shares on the Bucharest Stock Exchange and of Electrica's GDRs on the London Stock Exchange, with the offering being fully subscribed two days before the end of the subscription period. Electrica raised almost RON 2 billion through the initial public offering, the admission to trading having a significant impact on the capitalization and liquidity of the Bucharest Stock Exchange. This process attracted a diverse portfolio of international investors and contributed to the improvement of BVB's indicators needed to reach the Emerging Market status.

From the first trading day and until the end of June 2019, Electrica's shares generated cumulated transactions of more than RON 3 billion, representing about 5.7% of BVB's total liquidity in the same period (RON 52.4 billion). Practically, in each of the five years since the IPO, Electrica ranked 5th, 6th or 7th in the liquidity rankings.

The dividends granted by Electrica in the five years since the IPO have offered the most stable yield of all the companies included in BET, despite large share price fluctuations. Thus, the dividend yield was between 5.2% and 7.3% each year.

Over the past five years, Electrica has distributed to its shareholders gross dividends totaling about RON 1.3 billion or 3.777 RON/share, representing a 34.3% gain from dividends for shareholders who bought the shares in June 2014, at the time of the IPO.

**BUCHAREST STOCK EXCHANGE** runs markets for shares, bonds and other instruments, through regulated platforms and alternative systems, and provides a wide range of services to participants of financial markets. *Bucharest Stock Exchange* is a public company, listed on its own market since 2010. For more information refer to [WWW.BVB.RO](http://WWW.BVB.RO)

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From the IPO and up to date, about 250 million of Electrica's shares were traded, representing 72.4% of the share capital and 73.9% of the voting rights.

With a capitalization of almost RON 4 billion, Electrica is the only Romanian listed company activating in the field of electricity distribution and supply from Romania. Electrica's share price on BVB started from RON 11.25 on 4 July 2014 and reached a maximum of RON 14.96 in May 2017.

After the IPO, Electrica became the largest investor in Romania's electricity infrastructure, cumulating investments in the modernization and upgrade of electricity distribution networks of RON 3.1 billion over the last five years. Electrica Group's infrastructure investments have significantly increased year-on-year, starting with 2015, accounting for industry records and being mostly financed through own resources, mainly from the IPO proceeds, in accordance with the provisions of the Offering Prospectus.

In the five years since the IPO, the process of implementing the corporate governance best practices was accelerated within the Electrica Group and measures to optimize activities in all business segments continued. At the same time, the company undertook a plan of measures to increase environmental and community responsibility, the amounts allocated for social responsibility programs significantly increasing since the IPO.

## Statements

### Corina Popescu, CEO of Electrica SA:

"After five years from Electrica's admission to trading, a very important moment for the Romanian capital market, I would like to say thank you to all those who have been near us on this path of change for the better. These five years were not easy ones, given the challenges on the energy market, but Electrica's team, together with its partners, managed to achieve very important things in this period: we are the BET company which offered the most stable dividend yield, we distributed gross dividends of RON 1.3 billion, we became the largest investor in electricity infrastructure, with over RON 3 billion invested over the last five years, and we managed to significantly improve the quality of our services. Throughout this period, we implemented extensive programs for activities' transformation and optimization, for cost reduction and for the alignment of our strategies to the market conditions, both in the distribution and services area and in the supply area, managing to make the Group more efficient. At the same time, adopting the best corporate governance practices, as we have promised in the Offering Prospectus, as well as increasing engagement in the communities in which we operate represented priorities for us. I want to assure the investors, customers, authorities and all our collaborators that we will remain the same reliable partner in the years to come, and that we will continue our journey started five years ago, a challenging but, at the same time, a very bold one."

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**Adrian Tanase, CEO of BVB:**

“When Electrica went public, it set the record for more than the largest IPO ever on BVB. Electrica is the best example of how the Romanian state can use the capital market to gain easy access to capital, while remaining a significant shareholder in a company which appears on the radar screen of major investors. From 2014 until now, Electrica has offered a total yield of 37% to its shareholders. Electrica’s example can be replicated by the Romanian state through future IPOs, especially as we now have a more developed and sophisticated market. We would like to have as many as possible Electrica-like companies in the local capital market so that both local and international investors acknowledge that Romania is doing its utmost to bring to market companies with a wide representation in the economy.”

**Electrica’s IPO – highlights:**

- The top ten IPOs on the Romanian capital market attracted RON 6 billion from investors, almost one third of this amount being raised by Electrica, the company's IPO being still the largest in the history of the capital market in Romania;
- In the preparation of the 2014 IPO, along with the Electrica team, 4 financial investment banks, one depository bank, 5 law firms, auditors, technical and environmental experts, valuers, in total more than 150 specialists were involved;
- Electrica has around 7,000 shareholders from more than 30 countries from all over the world, including Kuwait, Israel, Australia or Canada. Around 65% of Electrica's free-float on the Bucharest and London stock exchanges is owned by around 6,500 individuals and 190 legal entities from Romania.
- The Pillar II and Pillar III pension funds from Romania hold together more than 15% of Electrica's total shares. They are together the second largest shareholder, after the Romanian state.
- A part of the IPO use of proceeds was used to buy out, at the end of 2017, the 22% minority interests owned by Fondul Proprietatea in Electrica Group's distribution and supply subsidiaries.
- Appreciated as one of the most valuable Romanian brands, Electrica has also entered the top of the most appreciated companies in Romania in terms of transparency, following the launch of the Sustainability Report;
- In the context of changes in the energy market, Electrica has developed extensive programs of activities' transformation and optimization both in the area of distribution and services, as well as in the supply of electricity and natural gas. In 2014, the year of the IPO, Electrica Group had over 11,500 employees, while today the total number of employees is about 8,000.

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