

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

Current report in compliance with the Law 24/2017 on issuers of financial instruments and market operations, ASF Regulation no. 5/2018, and the Bucharest Stock Exchange Code

Report date: **23rd of October 2018**

Company name: **Societatea Energetică Electrica S.A.**

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:

Application for annulment of the National Regulatory Authority for Energy (ANRE) President's Order no. 168/2018 regarding the establishment of the regulated rate of return applied to the tariffs for the electricity distribution service provided by the concessionaires distribution operators from 1 January 2019 and the partial annulment of ANRE President's Order no. 169/2018 regarding the approval of the Tariff Pricing Methodology for the Electricity Distribution Service.

Electrica informs that on 19 October 2018, together with its distribution subsidiaries, has filed a preliminary complaint with ANRE under the Administrative Contentious Law no. 554/2004, having as object the revocation of the Order of ANRE President no. 168/2018 regarding the establishment of the regulated rate of return applied for the approval of the tariffs for the electricity distribution service provided by the concessionaires distribution operators starting with 1 January 2019 and for issuing an order regarding the establishment of the regulated rate of return, following the procedure of consultation and in accordance with the applicable legal provisions. At the same time, Electrica together with the distribution subsidiaries filed with the Bucharest Court of Appeal an administrative litigation against ANRE, having as object the cancellation of the ANRE President's Order no. 168/2018 and issue of an order to establish the regulated rate of return, following the consultation procedure and in accordance with the applicable legal provisions.

Also, on 22 October 2018, Electrica together with its distribution subsidiaries filed a preliminary complaint with ANRE, based on the Administrative Contentious Law no. 554/2004, having as object the request for partial revocation of the Tariff Pricing Methodology for Electricity Distribution Service, approved by the ANRE President Order no. 169/2018, as regards Art. 5 definition RAB, art. 18-19, art. 26, art. 33-34, art. 39, art. 43-44, art. 47 -49, art. 54-57, art. 64, art. 67-68, art. 93-94, art. 103, art. 107, art. 126 paragraph 1, art. 129 of the Methodology approved by the Order and issuing a new Order, taking into account the observations submitted by the companies.

At the same time, the same parties formulated at the Bucharest Court of Appeal an administrative litigation against ANRE, having as object the partial cancellation of the Tariff Pricing Methodology for Electricity Distribution Service, approved by the ANRE President Order no. 169/2018, in respect of the above-mentioned articles and the issue of a new order.

**CEO,
Cătălin STANCU**