



Current report in accordance with provisions of Law no. 24/2017 on the issuers of financial instruments and market operations and ASF Regulations no. 5/2018 regarding the issuers of financial instruments and market operations

Report date: 13.05.2019

Name of the issuing entity: NUCLEARELECTRICA S.A. National Company

Registered office: 65 Polona St., District 1, Bucharest

Telephone/Fax Number: 021.203.82.00 / 021.316.94.00

Sole Registration Code with the Trade Register Office: 10874881

Registration number with the Trade Register: J40/7403/1998

Subscribed and paid-up share capital: RON 3,015,138,510

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

**To: Bucharest Stock Exchange
Financial Supervisory Authority (ASF)**

Significant event to report:

Availability of the Quarterly Report for the period January 1 - March 31, 2019

Nuclearelectrica S.A. National Company ("SNN") informs the shareholders and investors regarding the availability of the Quarterly Report related to quarter I for the financial year 2019, prepared in accordance with the provisions of art. 67 of Law no. 24/2017 on the issuers of financial instruments and market operations and Annex no. 13 to ASF Regulation no. 5/2018 regarding the issuers of financial instruments and market operations, starting with the **14th of May 2019, at 8 A.M.**, as follows:

- in written format, on request, at the registered office of the company in Bucharest, 65 Polona St., District 1, Department for Communication and Relations with Investors;
- in electronic format, on the Company's website, under the section "Relations with Investors - Financial Statements 2019" (www.nuclearelectrica.ro).

The Quarterly Report related to the 1st quarter of the financial year 2019 includes:

- The main events of the company's activity during the reporting period;
- The Unaudited Simplified Individual Interim Financial Statements on the date and for the 3 months period that ended on March 31, 2019;
- The Quarterly Report of the Board of Directors on the administration activity for the period January 1 - March 31, 2019.

The main results

1. Financial results of the period

During the 3-months period that ended on March 31, 2019, SNN recorded a net profit of 219,285 thousand lei, 23.9% up in relation to the same period of last year. The operational result (EBIT) recorded a 42.9% increase, and the EBITDA a 25.9% increase, in relation to the same period of the previous year, mainly following the increase of operational revenues by 18.7%, influenced by the increase by 22,9% of the revenues from the sale of electricity.

Indicator [thousand RON]	3-months period that ended on March 31, 2019 (unaudited)	3-months period that ended on March 31, 2018 (audited, retreated)	Variation
Production (GWh)*	2,742	2,714	1.0%
Operating income, out of which:	678,007	571,008	18.7%
<i>Income from electricity sales**</i>	665,436	541,245	22.9%
Operating expenses, minus impairment and depreciation	(255,394)	(235,273)	8.6%
EBITDA	422,613	335,735	25.9%
Impairment and depreciation	(136,392)	(135,503)	0.7%
EBIT	286,221	200,232	42.9%
Net financial result	(17,479)	19,939	n/a
Net corporate tax expense	(49,457)	(43,173)	14.6%
Net profit	219,285	176,998	23.9%

*Electricity produced and delivered by Cernavoda NPP in the National Energy System.

**Including revenues from the sale of thermal energy, insignificant in the total revenues.

***Excerpt from the Unaudited Simplified Individual Interim Financial Statements on the date and for the 3 months period that ended on March 31, 2019.

The Operational profit (EBITDA) increased by 25.9% as compared to the same period of the previous year, mainly following the increase of operational revenues by 18.7%, influenced by the increase by 22.9% of the revenues from the sale of electricity.

The Operating income increased by 18.7%, influenced by the 23.5% increase in the weighted average price of the electricity sold in the first quarter of 2019 as compared to the weighted average price in the first quarter of 2018, given the sale of a total quantity of electricity over the period January 1 - March 31, 2019 similar to the total quantity sold over the period January 1 - March 31, 2018 (only 0.6% decrease).

As compared to the same period of the previous year, the quantity of electricity sold on the competition market of bilateral contracts increased by 9%, and benefited from an increase of the average sale price on this market by 18% (price without Tg), while the electricity quantity sold on the spot market (PZU) decreased by 44%, whereas an average sale price on this market lower by 58% (price without Tg) was registered.

Also, in the 3-months period that ended on March 31, 2019, the Company sold approximately 0.1% of the energy on the regulated market (the Company did not sell energy on the regulated market in the 3-months period that ended on March 31, 2018), at regulated price.

2. Electricity sales (quantities, prices and values) during the 1st quarter of 2019

The gross electricity production of the two operational units of Cernavoda NPP was 2,978,865 MWh in the first quarter of 2019.

Sales by types	Quantities in MWh	% of total sales	Average price [Ron/MWh with Tg included]	Revenues from sales [Ron]
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Sales on the regulated market	3,100	0.1%	189.51	587,481
Sales on the free market (bilateral contracts and PZU sales), out of which:	2,740,092	99.7%	242.29	663,907,130
- Sales on PCCB - LE, PCCB - NC, PCSU, PC - OTC contracts and supply contracts	2,472,958	90.0%	241.11	596,253,284
- PZU sales	267,134	9.7%	253.26	67,653,846
PE positive imbalances ^{*)}	5,728	0.2%	204.84	1,173,305
Total sales 1st quarter of 2019	2,748,920	100%	242.16	665,667,916

^{*)} NB: RON 17,748 of the value presented represents redistributed revenues resulted from the balancing of the system, based on the application of ANRE Order no. 76/2017 and ANRE Order no. 31/2018.

On the regulated market, SNN sold in the first quarter of 2019 a quantity representing 0.1% of the sold energy, based on the ANRE decision no. 326/25.02.2019, at the regulated price of RON 188.33/MWh (without T_g).

The electricity quantities sold **on the competitive market of bilateral contracts** represented in Q1 2019 a percentage rate of 90% out of the total volume of the sold energy. The average sale price on bilateral contracts in the first quarter of 2019 was RON 241.11 /MWh (with T_g), recording an increase of 18.3% as compared to the average price recorded in the first quarter of 2018, of RON 203.86 /MWh (with T_g); given the fact that the values of the electric power input transport fee in the T_g network were the following: RON 1.05 /MWh for the period July 1, 2017 - June 30, 2018, according to ANRE Order no. 48/22.06.2017 and RON 1.18 /MWh for the period July 1, 2018 - March 31, 2019, according to ANRE Order no. 108/20.06.2018.

The amount of electricity sold **on contract-basis, on a spot market (PZU) as well as on PE** is of 2.748.920 MWh (approx. 10% of the electricity sold), 0.62% more than the sales program, of 2,731,878 MWh (sized on the production estimate, without estimating unplanned outages) and 0.58% less than the electricity quantity sold in the same period of 2018.

The difference between the electricity sold by the Company and the electricity produced and delivered by Cernavoda NPP (7.4 thousand MWh) is represented by the electricity purchased to fully cover the contractual obligations, an electricity quantity that was purchased from PE.

The revenues obtained from the electricity market related to electricity deliveries in Q1 2019 are of RON 665,667,916 (out of which RON 17,748 represents redistributed revenues resulted from balancing the system, based on the application of ANRE Order no. 76/2017 and ANRE Order no. 31/2018), 0.16% higher than the budget revenues for Q1 2019, and 22.82% higher than the same period of the previous year.

The average weighted sale price, for the electricity quantities sold (without the regulated market and PE), resulted in Q1 2019, is of RON 242.29/MWh (including T_g). For comparison, the weighted average price of all the transactions performed on the markets on which SNN operated in Q1 2019 (PCCB - LE, PCCB - NC, PCSU, and PZU), calculated based on the values published by OPCOM in the monthly market reports, is of RON 248.32 /MWh. In Q1 2018 the average weighted sale price, for the energy quantities sold (without PE) was of RON 196.29 /MWh (including T_g).

3. The degree of achievement of investments at the end of the first quarter of 2019

The total value of the SNN investment program for 2019 is 256,548 thousand lei (without the component allocated to the payment of the debt service related to long-term loans), a program endorsed by the SNN Board of Directors and due to be submitted to the Ordinary General Meeting of Shareholders on May 20, 2019.

As in the previous years, Nuclearelectrica S.A. structured its investment development program on objectives defined in relation to the needs of the production branches (Cernavoda NPP and Pitesti NFF), so as to achieve a high level of utilization of the production capacity (EAF Energy Availability Factor) in compliance with the nuclear safety norms and the long-term maintenance of the level of excellence in the operation of the plant. At the same time, the goal of the development program is to cover the necessity to upgrade/refurbish certain systems, for economic reasons (specific consumption reductions, improvement of certain parameters related to served processes, with a positive impact on efficiency), and legal ones – the need to implement upgrades associated with nuclear security, environment protection and labor security, representing imperative requirements from the regulatory authorities in the field.

The investment program of SNN for 2019 was value-sized by considering the ongoing contractual commitments, the estimates regarding the investment objectives to be made in the following year, including amounts allocated to investment projects for which the fulfillment of certain requirements outside the control of SNN is anticipated (e.g. prior approvals of regulation authorities, legal terms regarding the completion of public tender procedures, including appeals, obtaining the necessary approvals from SNN corporate bodies, etc.), in order to allow the implementation of these projects by fitting into the approved budget values.

On March 31, 2019, the value of the investment program was 6.6%, an increase compared to the same period of 2018 (3.5%) to an annual investment plan amount of 256,548 thousand lei (2018: 244,867 thousand lei).

Additional information may be obtained from the Department for Communication and Relations with Investors, e-mail: investor.relations@nuclearelectrica.ro.

Cosmin Ghita

Chief Executive Officer