



NUCLEARELECTRICA

Current Report in compliance with the provisions of Law no. 24/2017 regarding issuers of financial instruments and market operations and the ASF Regulation No. 5/2018 regarding issuers of securities and market operations

Report date: 13.05.2020

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

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

**To: Bucharest Stock Exchange
Financial Supervisory Authority**

Important event to be reported : Availability of the Quarterly Report for the 1st Quarter of financial year 2020

Societatea Nationala Nuclearelectrica S.A. (“SNN”) informs the shareholders and investors on the availability of the Quarterly Report for the 1st Quarter of financial year 2020, prepared in accordance with the provisions of art. 67 of Law no. 24/2017 regarding the financial instruments issuers and capital market transactions and with Appendix 13 to the ASF Regulation no. 5/2018, starting with **May 13, 2020, 08:00 HRS**, as follows:

- In written format, by request, at the Bucharest Headquarters, 65 Polona Street, District 1, Communications and Investor Relations Department;
- Electronically on the company’s website, in the “Investor Relations – 2020 Financial Results” section (www.nuclearelectrica.ro).

The Quarterly Report for the 1st Quarter of financial year 2020 comprises:

- The main events in the company’s activity throughout the reporting period;
- The Individual Interim Condensed Unaudited Financial Statements as at and for the three month period ended on March 31, 2020;
- The Quarterly Report of the Board of Directors on the administration activity for the period January 1 – March 31, 2020.

Additional information may be obtained from the Communications and Investor Relations Department, e-mail : investor.relations@nuclearelectrica.ro.

Societatea Nationala NUCLEARELECTRICA S.A.

65 Polona Street, District 1, 010494, Bucharest, Romania; Tel +4021 203 82 00, Fax +4021 316 94 00;

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Paid and subscribed capital: 3.015.138.510 lei

office@nuclearelectrica.ro, www.nuclearelectrica.ro

The main results

1. Financial results

During the period of 3 months ended on March 31, 2020, SNN recorded a net profit of 215,052 thousand lei, 1.9% lower compared to similar period of 2019.

Indicator [thousand RON]	3-month period that ended on March 31, 2020 (unaudited)	3-months period that ended on March 31, 2019 (unaudited)	Variation
Production (GWh)*	2,847	2,742	3.9%
Operating income, out of which:	636,793	678,007	(6.1%)
<i>Income from electricity sales**</i>	625,536	665,436	(6.0%)
Operating expenses, minus impairment, and depreciation	(256,613)	(255,394)	0.5%
EBITDA	380,180	422,613	(10.0%)
Impairment and depreciation	(137,613)	(136,392)	0.9%
EBIT	242,567	286,221	(15.3%)
Net financial result	16,868	(17,479)	n/a
Net income tax expense	(44,383)	(49,457)	(10.3%)
Net profit	215,052	219,285	(1.9%)

*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.

2. Electricity sales (quantities, prices and values) during the 1st quarter of 2020

The gross production of electricity of the two operational units of Cernavoda NPP was 3,087,524 MWh in Q1 2020.

The installed power usage factor, recorded by each operational unit within the Cernavoda NPP during the 1st quarter of 2020, and cumulated after the start of commercial usage (Unit 1 on December 2, 1996, Unit 2 on November 1, 2007) until March 31, 2020 was as follows:

Cernavoda NPP unit	January 2020	February 2020	March 2020	Cumulated 2020	Cumulated from the commercial exploitation
Unit 1	101.53%	101.64%	101.37%	101.51%	90.80%
Unit 2	99.87%	99.93%	100.01%	99.94%	94.24%

In Q1 2020 the two units operated without interruption.

Electricity sales (quantities, prices and values) during the 1st quarter of 2020

Sales by types	Quantities in MWh	% of total sales	Average price [Ron/MWh with Tg included]	Revenues from sales [Ron]
Sales on the regulated market	701,601	24.6%	189.77	133,142,702
Sales on the free market (bilateral contracts and PZU sales), out of which:	2,142,925	75.1%	229.62	492,064,660
- Sales on PCCB - LE, PCCB - NC, PC	1,133,427	39.7%	270.13	306,175,951
- OTC contracts and supply contracts				
- PZU sales	1,009,498	35.4%	184.14	185,888,709
PE positive imbalances ^{*)}	7,400	0.3%	167.34	1,238,307
Total sales in the 1st quarter of 2020	2,851,925	100%	219.66	626,445,669

^{*) NB: RON 50,476 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.}

The revenues obtained from the electricity market related to electricity deliveries in Q1 2020 are 626,445,669 lei (out of which 50,476 lei represents redistributed revenues resulted from balancing the system, based on the application of ANRE Order no. 76/2017 and ANRE Order no. 31/2018), 3.24% lower than the budget revenues for Q1 2020, and 5.9% lower 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 2020, is of RON 229.62/MWh (including Tg). For comparison, the weighted average price of all the transactions performed on the markets on which SNN mainly operated in Q1 2020 (PCCB - LE, PCCB - NC, and PZU), calculated based on the values published by OPCOM in the monthly market reports, is of RON 233.91 /MWh. In the 1st quarter of 2019 the average weighted sale price, for the energy quantities sold (without the regulated market and PE) was 242.29 lei/MWh (including T_g).

Following Government Emergency Ordinance no. 114/28.12.2018, which amends and supplements Electricity and natural gas law no. 123/2012, ANRE issued Order no. 216/11.12.2019 for approving the Methodology for setting prices for the electricity sold by producers based on regulated contracts and the quantities of electricity from the regulated contracts concluded by producers with last-instance suppliers. According to ANRE Resolution no. 2213/23.12.2019, the quantity assigned to SNN for Q1 2020 for regulated contracts was 1,087 GWh, out of which 701.4 GWh for Q1 2020. For the first semester 2020, ANRE established a regulated price for SNN of RON 188.47 /MWh (without T_g), while for the first semester of 2019 ANRE established a regulated price of 188.33 lei/MWh (without Tg).

The sold electricity quantities on the competitive market (bilateral contracts) represented in Q1 2020 a percentage rate of 39.7% out of the total volume of the sold energy. The average sale

price on bilateral contracts in this period was 270.13 RON/MWh (with T_g included), recording an increase of 12% as compared to the average price recorded in the same period of 2019, of 241.11 RON/MWh (with T_g included); given the fact that the values of the electric power input transport fee in the T_g network were the following: RON 1.18 /MWh for the period July 1, 2018 - December 31, 2019, according to ANRE Order no. 108/20.06.2018 and RON 1.30 /MWh for the period January 1, 2020 - March 31, 2020, according to ANRE Order no. 218/11.12.2019.

On the spot market (PZU), during the first quarter of 2020, a quantity of electricity representing 35.4% of the total sale volumes was sold, compared to the percentage share of 9.7% recorded in the same period of 2019. The average energy selling price on the spot market (PZU) achieved by SNN in Q1 2020 was 184.14 lei/MWh (with T_g included), compared to 253.26 lei/MWh (with T_g included) recorded during the same period of 2019.

3. Investment completion degree during the first quarter of 2020

The total value of the investment program of SNN for 2020 is 309,544 thousand RON, a program approved by Resolution no. 3/05.03.2020 of the Ordinary General Assembly of Shareholders of SNN, as part of the Revenues and Expenses Budget ("BVC") of SNN for 2020.

The comparative situation of the investment accomplishments (value and percentage) for 2020 compared to the same period of 2019 is presented in the table below:

Year	Value of the investment program [thousand RON]	Achieved (01.01 - 31.03) [thousand RON]	Achievement level (01.01 - 31.03) (%)
2020	309,544	14,466	4.7%
2019	256,548	16,978	6.6%

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.

More information may be obtained from the Communication and Investor Relations Department, e-mail: investor.relations@nuclearelectrica.ro

Cosmin Ghita
Chief Executive Officer