



QUARTERLY REPORT
OF THE BOARD OF DIRECTORS OF S.N. NUCLEARELECTRICA S.A. (“SNN”)
for the nine month period ended 30 September 2014

prepared in accordance with the provisions of art. 7.19 and art. 7.21 from the administration contracts
of the members of the Board of Directors and
The provisions of OUG 109/2011 regarding the corporate governance of public companies

Information and the individual, interim, condensed financial statements presented in this report are not audited
and have been prepared in accordance with
Ministry of Finance Order no. 1286/2012 based on the International Accounting Standard 34- *“Interim
Financial Reporting”*

Date of the report: November 2014

CONTENT

1. FORWARD.....	3
2. ANALYSIS OF THE FINANCIAL STATEMENTS.....	3
2.1 Financial position as at 30.09.2014.....	3
2.2 The income statement for the period ended 30.09.2014	4
2.3 Execution of the Budget of revenues and expenses as at 30.09.2014	4
3. OPERATIONAL ACTIVITIES	5
3.1 Electricity production.....	5
3.2 Electricity sales	6
3.3 Expenses on the energy market.....	8
3.4 Investment program for the period ended 30.09.2014	9
3.5 The activity of the Subsidiary Cernavoda NPP.....	10
3.6 The activity of FCN Pitesti Branch.....	14
4. OTHER SIGNIFICANT ASPECTS	15
4.1 Cernavoda NPP Units 3 and 4 Projects.....	15
4.2 Major litigations	15
4.3 The status of activities related to the transfer of the heavy water to the state reserve	15
5. THE MAIN ECONOMIC FINANCIAL INDICATORS ON 30.09.2014.....	16
6. THE DEGREE OF ACCOMPLISHMENT OF THE PERFORMANCE INDICATORS.....	16
Appendix 1 – Financial position as at 30.09.2014.....	17
Appendix 2 – Individual Income Statement for the nine month period ended 30.09.2014	18
Appendix 3 – Execution of the Budget of Revenues and Expenses on 30.09.2014	19
Appendix 4 – Major litigations of SNN at 30.09.2014.....	20
Appendix 5 – The degree of accomplishment of the performance indicators on 30.09.2014 – the Board of Directors.....	30

1. FORWARD

The report of the administrators for the nine month period ended on 30.09.2014 is prepared in compliance with Law 31/1990 republished as subsequently amended, with OUG no. 109/2011 regarding the corporate governance of public companies as subsequently amended and with the Administration Contracts concluded between the administrators and the company.

2. ANALYSIS OF THE FINANCIAL STATEMENTS

The financial information presented in this report is based on the individual, interim, condensed, unaudited financial statements for the period 1.01.2014 – 30.09.2014, prepared in compliance with OMFP no. 1286/2012 for the approval of the Accounting Regulations in accordance with the International Standards of Financial Reporting and related amendments, applicable to companies whose securities are traded on a regulated market, as well as with the International Accounting Standard 34-“Interim Financial Reporting”.

The herein report is accompanied by the individual, interim, condensed, unaudited financial statements as at and for the nine month period ended on 30.09.2014 (the appendixes include excerpts from these financial statements).

2.1 Financial position as at 30.09.2014

The financial position as at 30.09.2014 is presented in **Appendix 1**.

Thousand Lei	Sept 2014	Dec 2013	Variation
Non-current assets	8.055.125	8.279.553	-3%
Current assets	3.119.401	3.420.660	-9%
Total assets	11.174.526	11.700.214	-4%
Non-current liabilities	1.946.695	2.096.401	-7%
Current liabilities	1.768.645	1.905.375	-7%
Total liabilities	3.715.340	4.001.776	-7%
Shareholder's equity	7.459.186	7.698.437	-3%
Total equity and liabilities	11.174.526	11.700.214	-4%

The non-current assets registered a similar level to that as of 31.12.2013. The impact of investments done mainly for the projects in course of completion related to Units 1 and 2 was compensated by the amortization of the period.

The current assets registered a decrease compared to 31.12.2013, due to the decrease in cash and cash equivalents by the value of the declared and paid dividends in amount of 339.784 mii lei.

The non-current liabilities decreased due to due installment payments related to the external loan contracts contracted with Societe Generale and Euratom for the completion and commissioning of Cernavoda NPP Unit 2.

On 31.12.2013, **the current liabilities** position comprises the current portion of the external long term loans, the credit contracted with BCR by the Ministry of Public Finance, fully paid by SNN in July 2014 (25.964 mii lei) as well as the tax on profit fully paid by September 30, 2014.

During the nine month period ended on 30.09.2014, SNN obtained the property right for a land received free of charge from the Ministry of Economy. The Company will issue new shares in order to increase the share capital with the value of the plot of land. Thus, on 30.09.2014, **the Shareholder's equity** increased by 1.926

thousand lei, representing the fair value of the land. Thus far, the General Meeting of Shareholders has not approved the capital increase with the value of this land.

2.2 The income statement for the period ended 30.09.2014

During the nine month period ended on 30.09.2014, SNN recorded a net profit of 99.780 thousand lei.

THOUSANDS LEI	Jan - Sept 2014	Jan - Sept 2013	Variation
Production (GWh)	7.980	8.099	-1%
Operating income	1.321.627	1.486.141	-11%
Operating expenses	(877.536)	(820.425)	7%
EBITDA	444.092	665.717	-33%
Depreciation and amortization	(336.140)	(308.364)	9%
EBIT	107.952	357.353	-70%
Net finance income	8.954	29.818	-70%
Income tax expense	(17.126)	(73.567)	-77%
Net profit	99.780	313.604	-68%

The operational profit (EBITDA) decreased by 33% compared to the same period of last year, this evolution being the result of the following factors:

- The negative evolution of the operating income caused by the decrease in the energy selling prices on the competitive market (-19%) which did not compensate for the decrease in quantities sold on the regulated market (-29%);
- In 2014, income from significant penalties was no longer recorded (during January-September 2013, these were in amount of 43.091 thousand lei);
- The introduction starting January 1st, 2014 of the tax on special constructions which led to an increase in operating expenses with 67.048 thousand lei during the period analyzed by comparison to the similar period of 2013. The tax on special constructions was acknowledged by ANRE in the regulated price starting July 2014, but only for the portion relating to the second semester of 2014.

The company is exposed to exchange risk relating to several currencies among which EUR, CAD and USD. During January-September 2014 the net differences in exchange rate (income minus expenses from differences in exchange rate) positively influenced the net result of the company, the financial activity profit being in amount of 8.954 thousand lei, but decreasing by 70% compared to the same period of 2013.

The income statement for the period ended on 30.09.2014 is presented in **Appendix 2**.

2.3 Execution of the Budget of revenues and expenses as at 30.09.2014

The budget of revenues and expenses ("BVC") of SNN for 2014 was approved by Resolution of the Romanian Government no. 413/2014 and by Resolution no. 5/31.07.2014 of the Ordinary General Meeting of Shareholders of SNN.

In the Board of Directors meeting dated 15.09.2014, the update of the BVC indicators for 2014 was approved. Thus, the total revenues estimate an increase of 89.737 thousand lei (+4.92%), and the expenses an increase of 5.104 thousand lei (+0.29%) compared to Budget initially approved, the gross estimated profit being of 124.271 thousand lei (+213.5%).

The company is monitored by the Ministry of Economy and Ministry of Public Finance regarding the compliance with the performance indicators, objectives and criteria, respectively the compliance with the salary payroll level, with the revenues and expenses level, the program to reduce arrears outstanding receivables.

The BVC execution on 30.09.2014 is presented in **Appendix 3** to the present report.

As per the analysis of the BVC execution for 30.09.2014 (**Appendix 3**), it results an exceeding of the gross budgeted result by 26,4%, which is generated by the total planned expenses, 97,8% executed, while total income was 99,7% executed.

3. OPERATIONAL ACTIVITIES

3.1 Electricity production

During January-September 2014, the two units of Cernavoda NPP produced a quantity of energy of 8.623.140 MWh (brutto) and delivered to the National Energy System 7.929.801 MWh (the difference, namely 693 thousand MWh, is represented by the technological consumption of the two units during operation). Compared to January-September 2013 period, when 7.986.669 MWh were produced and delivered to the National Energy System, a decrease of 0,7% was registered.

During the 3rd quarter of 2014, the two units of Cernavoda NPP produced 3.031.932 MWh (brutto) and delivered 2.784.110 MWh to the National Energy System (the difference, namely 248 thousand MWh is represented by the technological consumption of the two units during operation). Compared to the 3rd quarter of 2013, when 2.781.907 MWh were produced and delivered to the National Energy System, an increase of 0,08% was registered.

During January-September 2014, the energy production program approved by the Board of Directors of SNN for 2014, which considered for the first nine months a quantity of energy of 7.731.535 MWh, was 102,56% accomplished.

The energy production program approved by the Board of Directors of SNN for 2014, which considered for the 3rd quarter a quantity of produced and delivered energy of 2.746.396 MWh, was 101,37% accomplished during this period.

The gross capacity factors registered by the Cernavoda NPP Units during the 3rd quarter of 2014, yearly as well as cumulatively since in service (Unit 1 on December 2, 1996 and Unit 2 on November 1, 2007) until September 30, 2014, were:

	January - June 2014	July 2014	August 2014	September 2014	Cumulated September 2014	Cumulated since in service
Unit1	83,19%	98,20%	97,58%	99,01%	88,27%	90,24%
Unit 2	100,05%	97,47%	97,37%	95,27%	98,93%	94,44%

The installed capacity factor of Unit 1, in 2014, is influenced by the planned outage.

In the 3rd quarter of 2014, an unplanned outage occurred to Cernavoda NPP Unit 2 on September 8, (17:30), it lasted 21,5 hours and it was due to a malfunction of the excitement system of the generator which caused a reactor trip, followed by stepback. This is the only unplanned outage of Cernavoda NPP Units in 2014.

In the first nine months of 2014, the quantity of energy produced and delivered by Cernavoda NPP was 0,71% lower than the similar period of 2013.

During the 3rd quarter of 2014, the quantity of energy produced and delivered by Cernavoda NPP was 0,08% higher than the similar period of 2013; the ranges are close as during the 3rd quarter of 2013 an unplanned outage of Unit 2, that lasted 45,7 hours (July 2-4, 2013) occurred.

3.2 Electricity sales

The volumes of energy sold during January-September 2014 and the corresponding income, distributed on sale contract types are presented in the figure below:

Energy sale (volumes, price and values) during January-September 2014

Sale type	Volume in MWh	% total sales	Price (lei TG included/ MWh)	Value (lei) including TG
Regulated contracts	2.768.887	34,70	158,83	439.790.586
Sales on the free market (PCCB and PZU-PI), out of which:	5.210.721	65,30	165,84	864.144.658
- PCCB contract sales	4.265.323	53,45	171,21	730.245.243
- PZU sales	945.398	11,85	141,63	133.899.415
Income from positive imbalance capitalized on the Balancing Market				786.932
Total sales January-September 2014	7.979.608			1.304.722.176

Regarding the energy transactions during January-September 2014, the following results were registered:

- The quantity of energy sold based on contracts and on the spot market (PZU-the Day Ahead Market and PI-the Intraday Market) is 7.979.608 MWh, 0,98% above the sale program of 7.901.851 MWh.
- The income on the energy market, in the first nine months of 2014, is 1.304.722.176 lei (exceeding 2,91% compared to the value considered when the initial BVC approved by OGM /31.07.2014 was determined,-but 8,31% lower compared to the same period of last year).

The average weighted price for the energy sold, achieved in the first nine months of 2014, is 163,41 lei/MWh (including TG). In the first nine months of 2013, the average weighted price was 175,59 lei/MWh.

Out of the actual production of Cernavoda NPP in the first nine months of 2014, 34,92% was delivered on regulated contracts.

The quantities of energy sold on the competitive market (PCCB) represented in the first nine months of 2014 a quota of 53,45% of the total volume of the sold energy. The average price of the contracts concluded on PCCB during this period was 171,21 lei/MWh, registering a decrease of 18,09% compared to the average price registered for PCCB contracts in the similar period of 2013, of 209,03 lei/MWh.

During January-September 2014, SNN concluded 137 sale contracts, as follows:

- 6 regulated contracts (with addendums for 2014);
- 110 contracts concluded on PCCB,
- 20 contracts concluded on PCCB NC;
- 1 supply contract (with an addendum concluded for 2014)

On PZU, in the first nine months of 2014, a quantity of energy representing 11,85% of the total volume of sales was sold, compared to 8,61% registered in the same period of 2013. The average selling price of energy on the spot market (PZU, PI) achieved by SNN during this period was 141,63 lei/MWh, compared to 141.02 lei/MWh registered in the similar period of 2013.

The quantities of energy sold in the 3rd quarter of 2014 and the corresponding income, separated on types of contracts are presented in the figure below:

Energy sales (volumes, price and value) in the 3rd quarter of 2014

Sale type	Volumes in MWh	% of total sales	Price (lei with TG include/ MWh)	Value (lei) including TG
Regulated contracts	947.966	33,87	164,53	155.971.073
Sales on the free market (PCCB and PZU-PI contracts), out of which:	1.850.578	66,13	170,76	315.958.714
- PCCB contract sales	1.748.265	62,47	172,83	302.144.809
- PZU sales	102.313	3,66	135,02	13.813.905
Income from positive imbalance capitalized on the Balancing Market				281.012
Total sales 3rd quarter of 2014	2.798.544			472.210.799

Regarding the energy transactions in the 3rd quarter of 2014, the following results were registered:

- The quantity of energy sold on contracts and on the spot market (PZU-the Day Ahead Market and PI-the Intraday Market) is 2.798.541 MWh, 0,30% below the sale program of 2.806.896 MWh. The difference between the energy sold and the energy delivered by Cernavoda NPP is partially represented by the energy bought during the unplanned outage to fully cover the contractual obligations, and it was mostly bought from the Balancing market, thus negative deviations of the production from the daily prognosis occurred.
- The income recorded on the energy market for the 3rd quarter of 2014 is of 472.210.799 lei (exceeding with 4,85% the value considered when the initial BVC approved by OGM /31.07.2014 was determined -however, 4,52% lower than the execution of the same period of last year).

The average weighted price for the energy sold, resulted in the 3rd quarter of 2014, is 168,63 lei/MWh (including TG). During the 3rd quarter of 2013, the average weighted price was 175,08 lei/MWh.

During the 3rd quarter of 2014, similar to the past 18 months, a significant difference between the prices registered on PCCB and those on PZU was maintained; regardless of the volatility specific to PZU prices, these were in average much lower than prices on contract market because of the renewable energy which offered on PZU at low prices. This is the reason why, during this period, the volume of transactions on PZU settled around 40% of the total energy consumption in Romania.

SNN energy sales were done, as during the previous period, based on regulated contracts, contracts concluded on the competitive market-through PCCB, plus a negotiated supply contract on the competitive market, with Transelectrica-as well as based on transactions on the spot market.

The quantities of energy sold based on regulated contracts were in compliance with ANRE Decision no. 3906/2013. Compared to 2013, ANRE reduced the regulated quantities from 50% to 35% of the programmed production of Cernavoda NPP. The regulated price for SNN starting July 2014 was increased by 5,6% through ANRE Decision no.1408/18.06.2012 to the average value of 154,07 lei/MWh. In SNN's understanding, ANRE took into consideration, when establishing the new prices, the costs generated by the tax on special constructions based on the documents related to the first payment done by SNN in May.

When selling on regulated contracts, in addition to this price, the TG regulated tariff for the delivery into the grid of 10,32 lei/MWh is added (increased from 10,02 lei/MWh since July through ANRE Order 51/26.06.2014). Out of the amount cashed in, corresponding to the TG tariff, part of the value that is to be paid by SNN to the system operator, Transelectrica is ensured.

Out of the effective production of Cernavoda NPP during the 3rd quarter of 2014, 34,05% was delivered on regulated contracts.

The quantities of energy sold on the competitive market (PCCB) represented during the 3rd quarter of 2014, 62,47% of the total volume of the sold energy. The average price for the contracts concluded on PCCB for the 3rd quarter of 2014 was 172,83 lei/MWh, registering a decrease of 12,90% compared to the average price of PCCB contracts during the 3rd quarter of 2014, of 198,41 lei/MWh.

During the 3rd quarter of 2014, SNN concluded 80 sale contracts, as follows:

- 6 regulated contracts (with addendums concluded for 2014);
- 69 contracts concluded on PCCB;
- 4 contracts concluded on PCCB NC;
- 1 supply contract (with an addendum concluded for 2014)

During the 3rd quarter of 2014 there were no denounced/terminated contracts

On PZU, during the 3rd quarter of 2014, a quantity of energy representing 3,66% of the total sale volumes was sold, compared to the quota of 1,65% registered in the 3rd quarter of 2013. The average selling price on PZU achieved by SNN during this period was 135,02 lei/MWh, compared to 166.39 lei/MWh, registered during the same period of 2013.

There were no significant delays compared to the terms stipulated by contracts were signaled in 2014.

3.3 Expenses on the energy market

During January-September 2014, the total value of expenses on the energy market, as responsibility of SNN, is of 80.772.966 lei (out of which 28.828.510 lei in the 3rd quarter of 2014), representing taxes for the introduction of energy into the transport system (corresponding to TG-the regulated tariff that is paid to Transelectrica) and taxes for the transactions on OPCOM.

During January-September 2014, expenses with the purchase of energy from the PI were in value of 2.499.613 lei (out of which 134.950 lei during the 3rd quarter of 2014) with a view to fully cover the contractual obligations to deliver energy during the unplanned outage of Unit 2. During January-September 2014, a quantity of 17.866 MWh was bought (out of which 700 MWh were bought during the 3rd quarter of 2014), at an average price of 139,91 lei/MWh for the period January-September 2014 and, respectively, 192,79 lei/MWh for the 3rd quarter of 2014.

In the first nine months of 2014 the expenses on the Balancing Market rose to 13.607.502 lei, and expenses with the Balancing Market related to the 3rd quarter of 2014 were in value of 5.051.465 lei. This amount represents the value of the energy received from the Balancing Market for the compensation of negative imbalance which occurred because of the differences between the quantities of actual delivered energy and quantities notified on the market as per the daily prognosis for each time frame.

3.4 Investment program for the period ended 30.09.2014

The revised value for the investment program for the year 2014 is 296.737 mii lei, approved by the Resolution of SNN Board of Directors' no 3/15.09.2014, representing a decrease of 44.843 mii lei compared to the initial investment program.

The structure of the investment program is presented in the chart below:

Nr. crt.	Organizational structure	Ongoing investments [ths lei]	New investments [ths lei]	Investment in assets (modernizations) [ths lei]	Equipment [ths lei]	Total [mii lei]	Completion degree at 30.09.2014 (%)
1	SNN Executive	43.398	25.225	0	810	69.433	26,2%
2	CNE Cernavoda	150.387	8.357	5.952	44.215	208.911	44,8%
3	FCN Pitesti	2.147	1.951	10.184	4.111	18.393	11,0 %
	TOTAL	195.932	35.533	16.136	49.136	296.737	38,3%

The completion level of the investment program for the period between the beginning of the year and 30.09.2014 is of 38,3%.

The compared situation of investments (value and percentages) for the years 2014 and 2013 is presented in the chart below:

Year	Value of the investment program [ths lei]	Achieved in the III quarter (1.07-30.09.2014) [ths lei]	Completion stage for the third quarter (1.07-30.09.2014) (%)	Achieved in 1.01-30.09.2014 [ths lei]	Completion stage at 30.09.2014 (%)
2014	296.737	28.746	9,7%	111.687	38,3%
2013	320.562	43,618	13,6%	144.991	45,2%

Analysis of the completion level of the investment program as at 30.09.2014

SNN Executive

The completion stage at the level of SNN Executive at the end of third quarter of 2014 is of 26, 2% and was influenced mainly by the payment of the buyout price of the shares of ENEL and Arcelor Mittal Galati (17.947.585 lei), the valuation services for equipment related to Cernavoda NPP Units 3 and 4 – The Caladria Assembly and the Equipment Airlock, the value of the transfer authorization of heavy water no. PD/29/2014.

Cernavoda NPP Branch

The investment program of the Cernavoda NPP for the year 2014 amounts to 208.911 thousand lei. The completion stage of the investment program at the end of quarter III 2014 is of 44,8 %.

Regarding the major investment objectives such as PJ-05-016 Intermediate Spent Fuel Storage Facility including SICA U # 2, PJ-04-001 Modernization and expansion of the physical protection system, PJ-11-006 Improvement of the Cernavoda NPP's response, namely of the nuclear security functions for events outside of the design base as a consequence of the nuclear accident that occurred at the Fukushima nuclear power plant, their total value provided in the investment program of SNN for the year 2014 is of 75.881 thousands lei. The completion stage for the major investment objectives compared to the planned value is of 57,2%, as presented in the table below:

Project code	Project name/ Investment objective	2014		Completion stage (%)
		Planned BVC 2014	Achieved at 30.09.2014	
PJ-05-016	Intermediate storage of spent fuel (including SICA U2)	30.752	26.040	84,7%
PJ-04-001	Upgrading and expansion of the physical protection system	28.213	10.475	37,1%
PJ-11-006	Improvement of the Cernavoda NPP's response, namely the improvement of the nuclear safety functions in case of events outside the design base as a consequence of the nuclear accident that occurred at the Fukushima 1 Nuclear Power Plant, Japan	16.916	6.899	40,8%
	Total	75.881	43.414	57.2%

As per Resolution no. 5/31.07.2014 of Ordinary General Meeting of the Shareholders of SNN, point 3, it was approved the update of Appendix 1.1 and Appendix 1 to the contract concluded between the administrators and the company. According to the updated Appendix 1.1, the target for the completion stage of the annual value plan of investments cumulated since the beginning of the year is of min. 55%.

FCN Pitesti Branch

The implementation degree of the FCN investment programme is of 11,0% at 30.09.2014.

3.5 The activity of the Subsidiary Cernavoda NPP

The operation activity was conducted without events that have an impact on nuclear safety, personnel, population or environment. The relationship with the regulators was conducted in compliance with the requirements and conditions in the operation licenses.

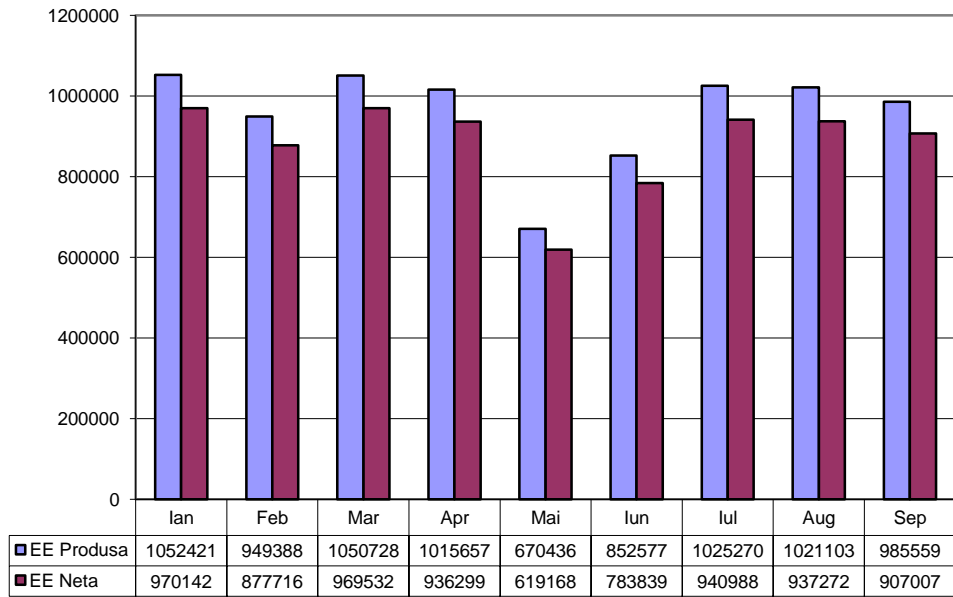
During January – September 30th 2014, there were no operation events exceeding level 1 on the international nuclear events scale, regarding the degradation of the in depth barriers, with impact on or off site (indicator 1).

On May 10th 2014, Unit 1 entered planned outage. The duration of the outage was of 29,7 days; the synchronization of Unit 1 with the national power grid took place on June 8th 2014. Thus, the duration of the planned outage initially estimated at 34 days was respected, thus producing an additional quantity of energy of 46.800 MWh.

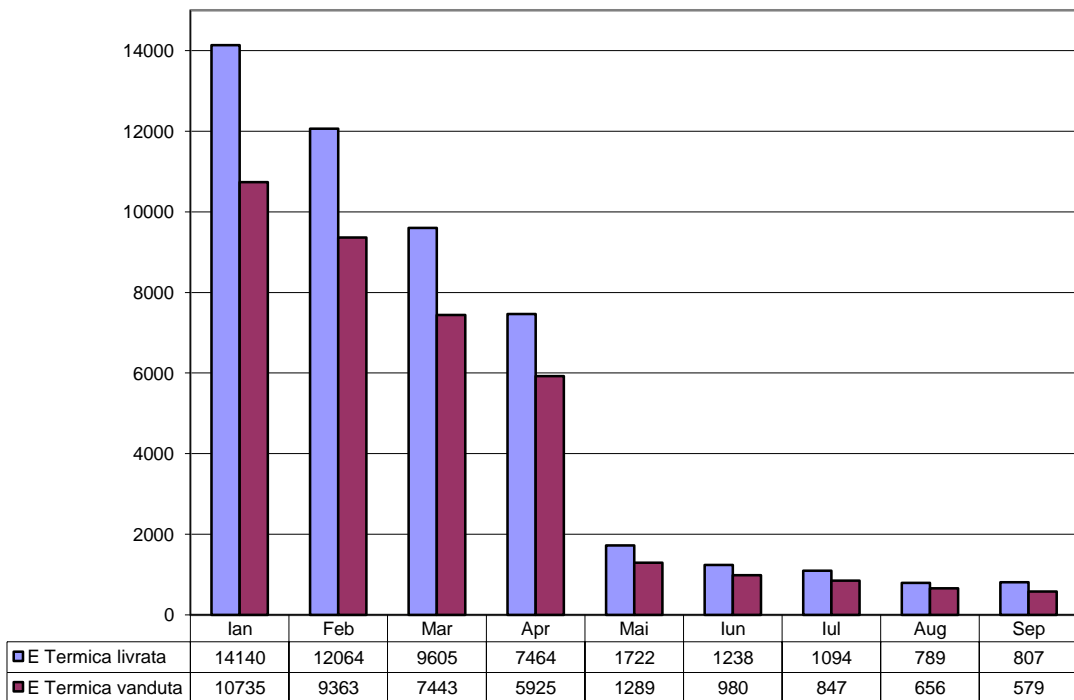
During the reporting period, an unplanned outage was recorded at Unit 2. The outage started on September 8th, 2014, 17:30 hours and was determined by the turbine trip, due to the malfunction of generator's excitement system. The duration of the outage was of 21,5 hours, the synchronization to the national power grid taking place on September 9th, 14:45 hours. The Unit reached full capacity factor on September 10th, 02:48 hours.

The main operation indicators are presented in the charts below.

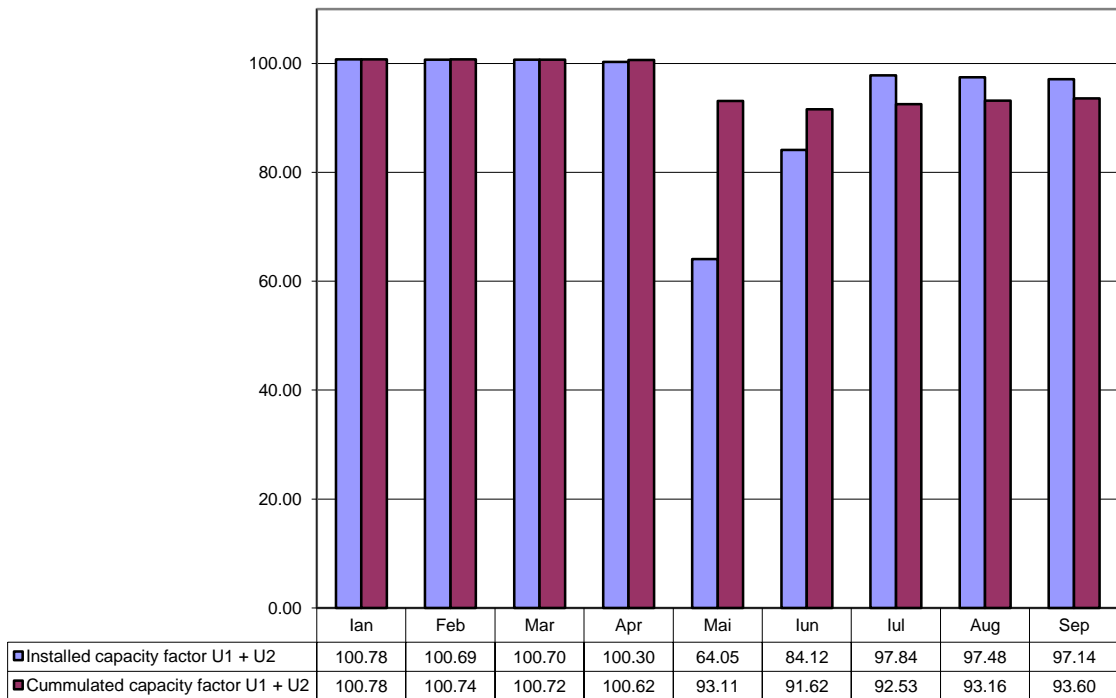
Produced electricity/net U1 + U2 (MWh)
(Produced electricity: 8.623.140 MWh/ Net electricity: 7.941.964 MWh)
(Cumulated technological consumption 2014: 7,92%)



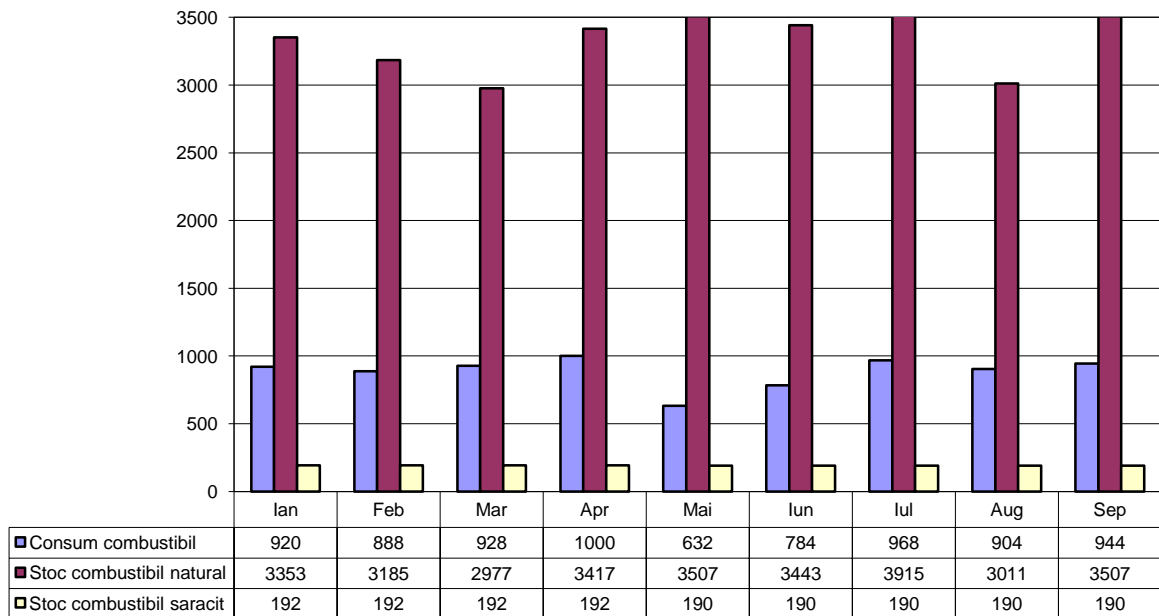
Thermal power delivered to the district heating system/sold (Gcal)
(Delivered thermal power: 48.922 Gcal/Sold thermal power: 37.818 Gcal)



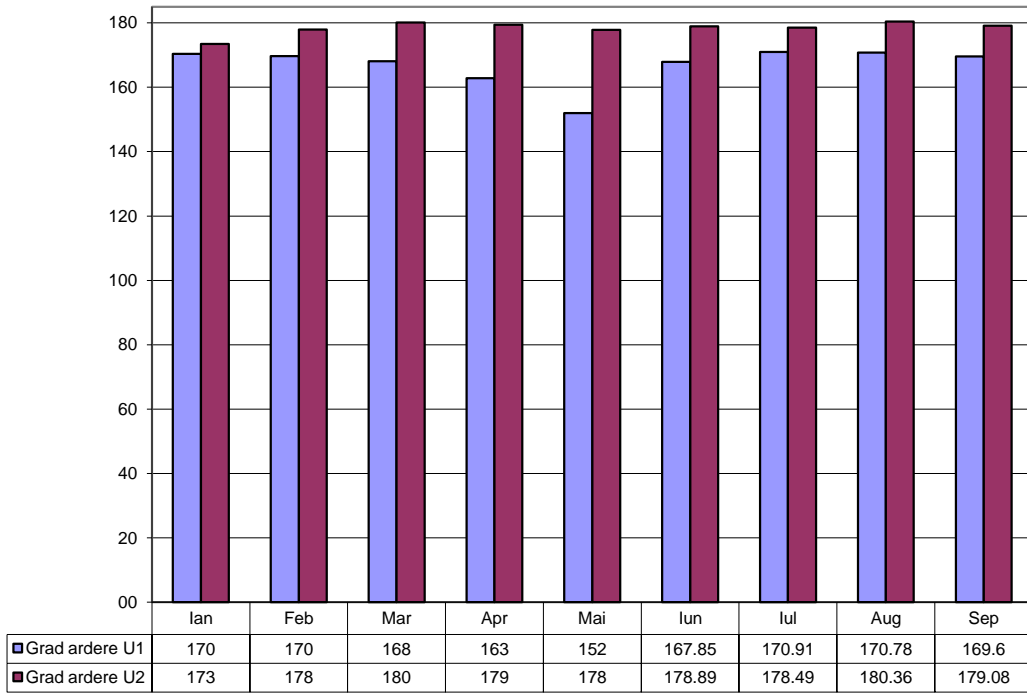
Installed capacity factor U1 + U2 (%)
(Cumulated 2014: 93,60%)



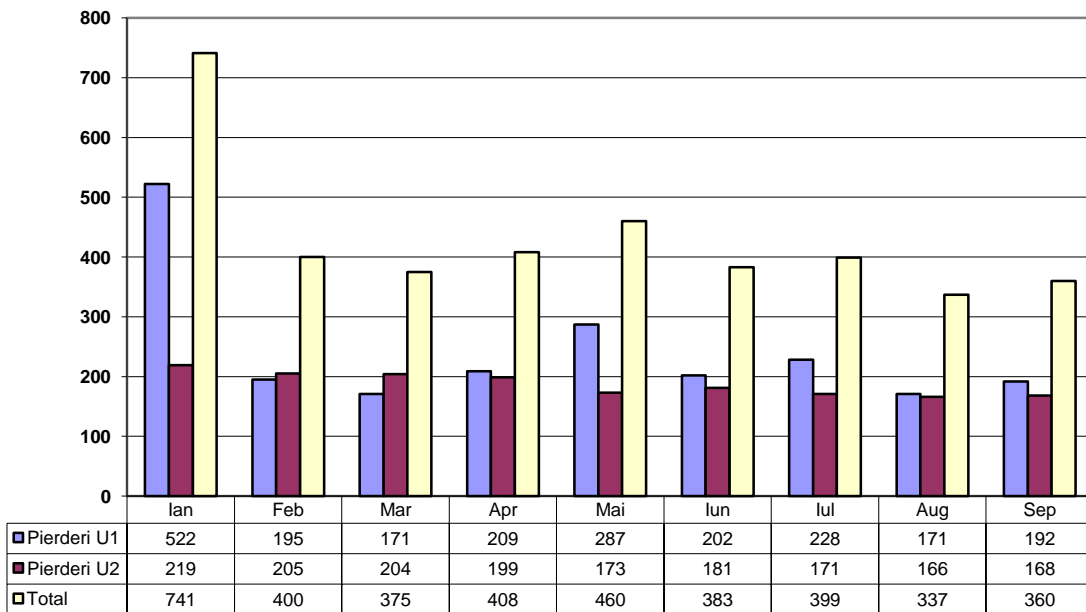
Fuel consumption U1 + U2/ Fuel inventory (bundles)
(Cumulated consumption 2014: 7.968)



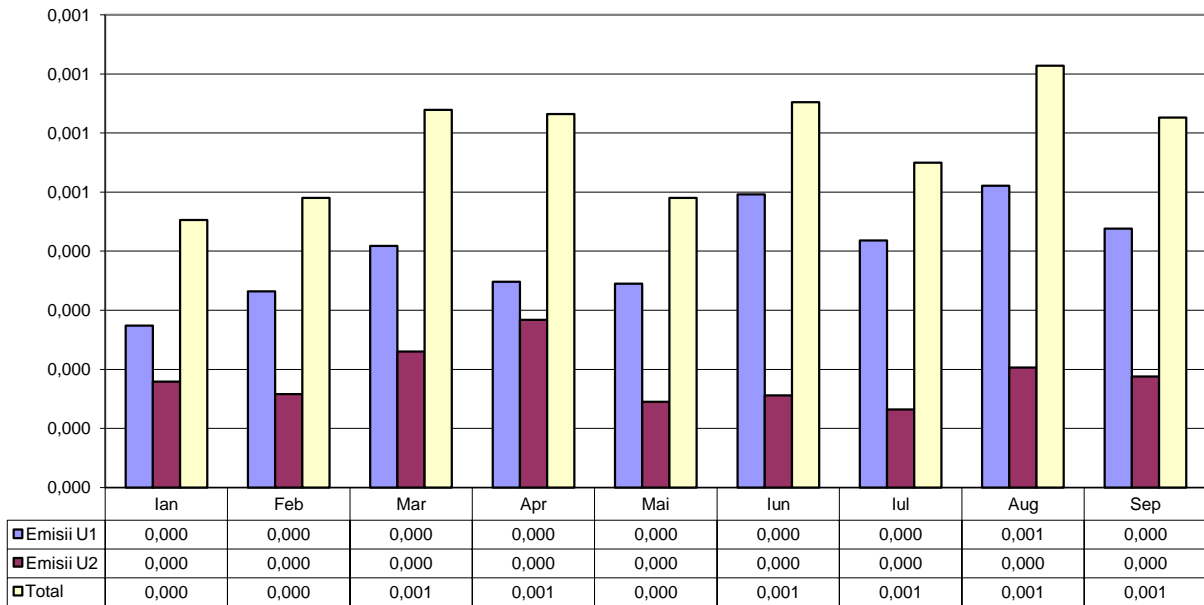
Fuel burnup factor (MWh/KgU)
(Cumulated 2014: 173,06 / Project provided: 156,00)



Heavy water losses U1+U2 (Kg)
(Cumulated 2014: 3.863 / Estimated 2014: 6.800)



U1 + U2 radioactive emissions to the environment (µSv)
(Total 2014: 5,245 / Annual limit: 18,00)



3.6 The activity of FCN Pitesti Branch

During 1 January – 30 September 2014, FCN produced 8.163 nuclear fuel bundles, in compliance with the production schedule. Thus, in the first quarter of 2014, 3.254 nuclear fuel bundles were controlled and approved, in the second quarter, 2.579 nuclear fuel bundles were controlled and approved and in the third quarter 2.330 nuclear fuel bundles were controlled and approved, all complying with the specifications.

By comparison to the similar period of 2013, the production of nuclear fuel increased by 0,84% (from 8.095 bundles at 30.09.2013, to 8.163 bundles at 30.09.2014).

During January – September 2014, FCN delivered to Cernavoda NPP a quantity of 7.920 nuclear fuel bundles, complying with the delivery schedule: 2.160 nuclear fuel bundles delivered in the first quarter, 2.880 nuclear fuel bundles delivered in the second quarter and respectively, 2.880 nuclear fuel bundles delivered in the third quarter.

The price of the sintered uranium dioxide powder increased from 441,83 lei/kg in the first quarter of 2013 to 460 lei/kg in the first quarter of 2014 and 475 lei/kg in the second and third quarters in 2014. The purchase price of 475 lei/kg is lower than the average purchase price of the year 2013.

4. OTHER SIGNIFICANT ASPECTS

4.1 Cernavoda NPP Units 3 and 4 Projects

On July 2nd, 2014, the Romanian Government approved the Memorandum on “The approval of certain measures regarding the strategy for the continuation of Cernavoda NPP Units 3 and 4 Project”. In addition, on July 31, 2014, the Romanian Government approved the Memorandum on “The approval of the Strategy for the continuation of Cernavoda NPP Units 3 and 4 Project through the organization of a selection procedure for investors”.

On 27.08.2014, the selection of the investors procedure was launched for the completion of the Project Units 3 and 4 Cernavoda NPP, in accordance with the Strategy for the continuation of the Project approved by the Extraordinary General Meeting of Shareholders on 22.08.2014. As per the instructions regarding the investors qualification process, on 08.09.2014, SNN received the Qualification Documentation submitted by the Chinese company China General Nuclear Power Corporation (CGN). Following the analysis of the qualification documentation by the Negotiation Commission, the Board of Directors and the Interministerial Commission, China General Nuclear Power Corporation was declared “Selected Investor”.

On 15.10.2014, China General Nuclear Power Corporation (“CGN”) was designated as Selected Investor for the development of the Project Units 3 and 4 Cernavoda NPP (“The Project”) and on 17.10.2014 the Joint Letter on the Intention to Complete the Project was signed. The selection of the investor was based on the analysis of the Documentation of Intent (the experience of the investor in similar projects, the financial capability, the degree of adhesion of the Qualified Investors to the Project Implementation Memorandum proposed by SNN and to the Strategy).

On 17.10.2014, CGN submitted the Extended Participation Guarantee.

In compliance with the Updated Estimated Timetable for the implementation of the Process, the subsequent phases of the Project’s development are:

- The negotiation and signing of the Memorandum of Understanding regarding the joint implementation of the Project
- The negotiation of the Articles of Incorporation and of the Investors Agreement for the new Project Company.

On 24.10.2014, the Negotiation Commission endorsed and the Board of Directors of SNN approved the draft for the Memorandum of Understanding regarding the joint implementation of the Project.. The Memorandum of Understanding draft was submitted to CGN on 24.10.2014. After completing negotiations with CGN, Memorandum of Understanding on joint implementation of the project will be submitted for approval to the Board of Directors of SNN, to the Interministeriale Committee, and to the General Meeting of Shareholders of SNN.

4.2 Major litigations

The situation of major litigations is presented in **Appendix 4**.

4.3 The status of activities related to the transfer of the heavy water to the state reserve

During the actual separation procedure, RAAN – ROMAG-PROD Subsidiary identified a series of non-compliances at certain reservoirs containing heavy water, which determined the reprocessing of the heavy water contained in those reservoirs in order to maintain the quality parameters within the boundaries imposed through the bid specification.

On 12.09.2014, RAAN – ROMAG –PROD Subsidiary informed SNN that the actual separation of the quantity of heavy water was completed. During 25-26.09.2014, following the information letter issued by RAAN – ROMAG PROD Subsidiary, the representatives of SNN together with the representatives of the National

Administration for State Reserves and Special Issues – Territorial Unit 515 (ANRSPS UT 515), verified on location the heavy water inventory in compliance with the statements regarding the heavy water transfer for the factual separation. Currently, the support documentation for the heavy water transfer protocol is under preparation, as per the provisions of OUG no. 56/2013; the transfer minute will be completed in the fourth quarter of the year 2014.

5. THE MAIN ECONOMIC FINANCIAL INDICATORS ON 30.09.2014

The performance of the company is reflected in the accomplishment of the economic financial indicators, as follows:

Indicator ^{**)}	Formula	M.U.	Result on 30.09.2014
1. The current liquidity ratio	Current assets/Current liabilities	x	1,76
2. The indebtedness ratio			
2.1.The indebtedness indicator (1)	Long term liabilities/ shareholder's Equity x 100	%	20,7%
2.1. The indebtedness indicator (2)	Long term liabilities/ Capital employed x 100	%	17,2%
3. Receivables turnover ratio	Average accounts receivable/ turnover x 270	Days	23
4. Non-current assets turnover [*])	Turnover/ Non-current assets	x	0,22

^{*}) non-current assets turnover is calculated by the annualization of the quarterly turnover (360 days/270 days)

^{**)} based on the individual, interim, simplified financial statements

6. THE DEGREE OF ACCOMPLISHMENT OF THE PERFORMANCE INDICATORS

Following the approval of the Budget for revenues and expenses of SNN through GD no. 413/20.05.2014, the Board of Directors of SNN, through Decision no. 71/02.06.2014, approved the update of Appendix 1.1 of the administration contracts concluded between the administrators and the company, comprising the update of the level of performance criteria and indicators and their breakdown on quarters for 2014, in compliance with the 2014 Budget, and the update of Appendix 1 of the administration contracts concluded between the administrators and the company comprising the update of the indicators and performance criteria for 2014.

The performance indicators established in the administration contracts of the members of the Board of Directors were 100% accomplished, as reflected in the Appendix 5.

Regarding the degree of accomplishment of the annual value plan of investments as per Figure 37 (note: from the administration plan) and of the annual budgets, when determining the degree of accomplishment of the annual value plan of investments only the investments mentioned in Figure 37 of the administration plan are taken into consideration.

Administration contract/mandate	Degree of accomplishment indicators and performance criteria
Board of Directors	264,16%
General Manager	184,82%
Cernavoda NPP Manager	194,57%
Financial Manager	184,82%

Board of Directors
Alexandru Sandulescu
President

Appendix 1 – Financial position as at 30.09.2014

	<u>30 September 2014</u> <u>(unaudited)</u>	<u>31 December 2013</u> <u>(audited)</u>
Assets		
Non-current assets		
Property, plant and equipment	7.819.469.318	8.057.978.024
Intangible assets	93.969.361	97.856.793
Financial instruments	141.686.201	123.718.616
Total non-current assets	<u>8.055.124.880</u>	<u>8.279.553.433</u>
Current assets		
Inventories	384.531.789	386.303.320
Trade and other receivables	196.852.527	197.044.598
Income tax receivable	864.645	-
Prepayments	42.009.952	10.865.840
Bank deposits	36.442.715	704.525.705
Cash and cash equivalents	1.076.058.543	739.280.253
Subtotal, current assets	<u>1.736.760.171</u>	<u>2.038.019.716</u>
Assets to be transferred	1.382.640.479	1.382.640.479
Total current assets	<u>3.119.400.650</u>	<u>3.420.660.195</u>
Total assets	<u>11.174.525.530</u>	<u>11.700.213.628</u>
Equity and liabilities		
Equity		
Share capital, out of which:	3.013.330.303	3.013.330.303
<i>Subscribed and paid in share capital</i>	<i>2.817.827.560</i>	<i>2.817.827.560</i>
<i>Inflation adjustment to share capital</i>	<i>195.502.743</i>	<i>195.502.743</i>
Share premium	31.474.149	31.474.149
Prepaid share reserve	217.855.742	215.930.237
Revaluation reserve	319.259.856	337.713.566
Retained earnings	3.877.265.582	4.099.989.096
Total shareholder's equity	<u>7.459.185.632</u>	<u>7.698.437.351</u>
Liabilities		
Non-current liabilities		
Long term borrowings	1.545.791.757	1.675.427.622
Deferred income	175.722.104	186.480.601
Deferred tax liability	198.973.596	208.285.414
Employee benefits	26.207.527	26.207.527
Total non-current liabilities	<u>1.946.694.984</u>	<u>2.096.401.164</u>
Current liabilities		
Accounts payable and other liabilities	171.851.873	242.958.936
Current tax liability	-	34.982.603
Deferred income	29.927.712	32.007.582
Current portion of long term borrowings	184.224.850	212.785.513
Subtotal current liabilities	<u>386.004.435</u>	<u>522.734.634</u>
Liability related to assets to be transferred	1.382.640.479	1.382.640.479
Total current liabilities	<u>1.768.644.914</u>	<u>1.905.375.113</u>
Total liabilities	<u>3.715.339.898</u>	<u>4.001.776.277</u>

Appendix 2 – Individual Income Statement for the nine month period ended 30.09.2014

	3 month period ended 30 September 2014 (unaudited)	3 month period ended 30 September 2013 (unaudited)	9 month period ended 30 September 2014 (unaudited)	9 month period ended 30 September 2013 (unaudited)
Revenues				
Sales of electricity	442.918.548	469.046.958	1.226.012.329	1.348.085.771
Electricity transmission revenues	28.728.525	26.925.740	80.282.903	77.303.115
Total revenues	471.647.073	495.972.698	1.306.295.232	1.425.388.886
Other income	(3.959.952)	6.377.417	15.331.976	60.752.611
Operating expenses				
Depreciation and amortization	(113.680.966)	(101.279.048)	(336.139.949)	(308.363.655)
Personnel expenses	(77.837.042)	(77.109.277)	(219.061.191)	(218.660.020)
Cost of traded electricity	(5.186.436)	(8.406.086)	(16.107.124)	(29.998.153)
Repairs and maintenance	(20.043.665)	(34.796.552)	(95.637.940)	(106.885.074)
Electricity transmission expenses	(28.728.525)	(26.925.740)	(80.282.903)	(77.303.115)
Costs with spare parts	(2.642.581)	(3.679.505)	(24.018.245)	(20.590.166)
Cost of uranium fuel	(36.730.331)	(28.526.575)	(105.101.706)	(81.112.068)
Other operating expenses	(102.129.280)	(92.330.771)	(337.326.570)	(285.876.043)
Total operating expenses	(386.978.826)	(373.053.554)	(1.213.675.628)	(1.128.788.294)
Operating result	80.708.295	129.296.561	107.951.580	357.353.203
Finance costs	(41.896.265)	(30.618.070)	(77.988.101)	(147.557.599)
Finance income	8.137.444	45.135.027	86.942.111	177.376.010
Net finance income	(33.758.821)	14.516.957	8.954.010	29.818.411
Profit before income tax	46.949.474	143.813.518	116.905.590	387.171.614
Income tax expense	(7.594.529)	(26.331.093)	(17.125.679)	(73.567.356)
Net profit for the period	39.354.945	117.482.425	99.779.911	313.604.258

Appendix 3 – Execution of the Budget of Revenues and Expenses on 30.09.2014

- Thousand lei-

		INDICATORS	Row no.	Budgeted (thousand lei) *)	Actual (thousand lei)	%
0	1	2	3	5	4	6
I.		TOTAL REVENUES (Rd.1=Rd.2+Rd.5+Rd.6)	1	1.412.382	1.407.779	99,7%
	1	Operating revenues, out of which:	2	1.327.309	1.320.837	99,5%
		a) Discounts, in compliance with the legal provisions	3	-	-	0,0%
		b) Transfers, in compliance with the legal provisions	4	-	-	0,0%
	2	Finance revenues	5	85.073	86.942	102,2%
	3	Extraordinary revenues	6	-	-	0,0%
II		TOTAL EXPENSES (Rd.7=Rd.8+Rd.20+Rd.21)	7	1.319.892	1.290.874	97,8%
	1	Operating expenses out of which:	8	1.263.891	1.212.886	96,0%
		A. Expenses for goods and services	9	520.401	492.296	94,6%
		B. Expenses with taxes, duties and similar payments	10	146.375	149.594	102,2%
		C. Personnel expenses, out of which:	11	231.815	224.683	96,9%
		C0 Personnel expenses (Rd.13+Rd.14)	12	166.346	161.773	97,3%
		C1 Salaries	13	160.371	155.923	97,2%
		C2 Bonuses	14	5.975	5.849	97,9%
		C3 Other personnel expenses, out of which:	15	204	165	80,5%
		Expenses with compensations for early release of personnel	16	-	-	0,0%
		C4 Expenses related to the mandate contracts and other managing and control entities, commissions and committees.	17	2.242	2.239	99,9%
		C5 Social security expenses, special funds and other legal obligations	18	63.024	60.506	96,0%
		D. Other operating expenses	19	365.299	346.313	94,8%
	2	Finance expenses	20	56.002	77.988	139,3%
	3	Extraordinary expenses	21	-	-	0,0%
III		GROSS RESULT (profit/loss)	22	92.490	116.906	126,4%
IV		INCOME TAX	23	16.301	17.126	105,1%
V		PROFIT AFTER INCOME TAX	24	92.490	99.780	107,9%

*Budget separation on quarters, as per the Board of Directors Decision dated 15.09.2014.

Appendix 4 – Major litigations of SNN at 30.09.2014

N0.	File number	Court of Law	SNN's capacity	Opposing party	Object/value	Current procedural stage	Previous procedural stages	Procedural stage Hearing
	SNN Executive							
1.	3868/118/2012	Constanta Court of Law	Creditor	S.C. PROCONEX UNIVERSAL S.RL.	Simplified bankruptcy procedure accepted receivable 3.369.886,85 lei	Trial on the merits of the case	NA	27.10.2014
2.	27406/3/2012	The high court of cassation and justice	Plaintiff Creditor	SC Tinmar Ind S.A.	Admitted penalties for delays, tariff and interest 1.286.326,78 lei and 18.345,23 lei court costs	Retrial at the Bucharest Court of Appeal	<p><u>On the merits of the case (Bucharest Court of Law)</u> Partially admits the claim of SNN – Tinmar Ind S.A. is obliged to pay to SNN the amount of 1.230.780,39 lei and 16.423,80 lei representing court costs.</p> <p><u>On appeal (Bucharest Court of Appeal)</u> Partially changes the sentence – in addition to the merits of the case, Tinmar Ind S.A. is obliged to pay to SNN the amount of 55.546,39 lei and 555,47 lei representing court costs in addition to the merits of the case and 1365,96 lei court costs for the trial an appeal.</p> <p><u>Appeal (The high Court of Cassation and Justice)</u> Admits the appeal, annuls the decision of the Bucharest Court of Appeal and sends the file for retrial at the Bucharest Court of Appeal.</p>	NA
3.	33659/3/2012	Constanta Court of Law	Plaintiff	Cernavoda Townhall	Court costs 336.707,37 lei	Appeal	<p><u>On the merits of the case (Constanta Court of Law)</u> The Townhall of Constanta is obliged to pay the amount of 50.000 lei representing court costs – lawyer retainer SNN declared an appeal.</p>	11.11.2014
4.	2183/115/2010	Caras-Severin Court of Law	Creditor	Cet Energoterm Resita S.A.	Insolvency Bankruptcy Receivable 580.974,21 lei	Trial on the merits of the case	NA	4.12.2014

SN Nuclearelectrica SA

Report of the administrators for the January 1-September 30 2014 period

(All amounts are in RON, unless stated otherwise)

5.	1867/90/2010	Valcea Court of Law	Creditor	Total Electric Oltenia SA	Insolvency Bankruptcy Receivable 198.602,5lei	Trial on the merits of the case	NA	05.11.2014
6.	1867/90/2010*	Valcea Court of Law	Creditor	Total Electric Oltenia SA	Litigation during the insolvency procedure	Trial on the merits of the case Retrail	<u>Trial on the merits of the case</u> - admits the litigation against the registration of the receivable by SNN. <u>Appeal</u> – annuls and sends the file for retrial at the Valcea Court of Law	22.10.2014
7.	3260/118/2007	Constanta Court of Law	Creditor	Hidrocora SRL	Insolvency Bankruptcy Receivable 6.641,91 lei	Trial on the merits of the case	Consolidated table; distributions reorganization plan. 3rd share paid - – 267,87 lei	19.01.2015
8.	48031/299/2010	District 1 Courthouse	Civil part	Rotaru Ioan, Ispas Gheorghe, Irimie Traian TESS civil liable party	Corruption frauds – abuse Infrastructiuni, coruptie – abuse of power 13.493.080,3 lei	Trial on the merits of the case	NA	26.11.2014
9.	7344/256/2013	Constanta Court of Law	Plaintiff	Cernavoda Townhall	Court costs 13.020 lei	Appeal	<u>Trial on the merits of the case</u> - Admits the legal action but rejects the claim regarding the payment of the court costs related to the procedural stage. <u>Appeal</u> : court costs of 756 lei. Stamp fee for the file number 7344/256/2013.	NA
10.	35455/3/2013	Bucharest Court of Appeal	Defendant	Transelectrica	Penalties 646.270,87 lei	Appeal	<u>Trial on the merits of the case</u> : Partially admits the legal action. Obliges SNN to pay the plaintiff the amount of 10.44 lei representing penalties. Rejects the rest of the claims of the plaintiff, as prescribed. Obliges SNN to pay the defendant the amount of 1 leu as court costs. <u>Appeal</u>	12.11.2014
11.	8244/299/2014	District 1 Courthouse	Plaintiff	Transelectrica	Legal interest 40.494,41 lei	Trial on the merits of the case	NA	17.11.2014
12.	9089/101/2013	District 1 Courthouse	Creditor	RAAN	Insolvency Receivable related to the reorganization plan 5.450.135,91 lei	Trial on the merits of the case	NA	27.11.2014 Settlement of the bankruptcy claim 22.01.2015 hearing
13.	52814/3/2011 Bucharest	The high court of	Plaintiff	ECO Energy	After disjunction : assertion of	Appeal Retrail	<u>Appeal</u> : Rejects the appeal declared by Eco	11.12.2014

SN Nuclearelectrica SA

Report of the administrators for the January 1-September 30 2014 period

(All amounts are in RON, unless stated otherwise)

	Court of Appeal - appeal file no.376/2/2014 The high court of cassation and justice	cassation and justice			the termination		Energy S.R.I. through the liquidator Aurora Insolvency I.P.U.R.L. against the decision no. 422/2011 of the Bucharest Court of Appeal as ungrounded. Irrevocable. Will be sent to the Bucharest Court of Law – retrial. <u>Retrial on the merits of the case</u> : admits the termination claim of SNN against the defendant SC Eco Energy SRL, in insolvency. Asserts the rightful termination of the contract no. 1171/18.12.2008. Obliges Eco Energy to pay the plaintiff the amount of 30.563,40 lei, representing court costs. Decision number 7374/20.12.2013. Orders the disjunction of the claim from the obligation of the defendant to pay the compensations and the creation of the file number 40950/3/2013.. <u>Appeal</u> :Rejects the appeal regarding the termination as ungrounded. <u>Appeal</u>	
14.	40950/3/2013 Disjunction from the file number 52814/3/2011 (termination)	Bucharest Court of Law	Plaintiff	ECO Energy SRL	Claims for compensation for termination + legal interest 2.403.397,17 lei	Trial on the merits of the case	Suspended due to the start of the insolvency procedure of the debtor	
15.	7238/120/2012 7238/120/2012/ Litigation of the special administrator of Eco Energy	Dambovita Court of Law	Creditor	Eco Energy	Receivable 2.464.059,64 lei	Trial on the merits of the case	Receivable in the preliminary receivables table. Partially admits the claim and orders the temporary enlisting in the definitive table until the settlement of the pending litigations at the related courts of law. At the hearing on 22.09.2014 advises the legal liquidator to formulate a point of view and, eventually, to proceed to the rectification of the receivables table , relative to the information notices submitted by the creditors : SNN and other.	15.12.2014

SN Nuclearelectrica SA

Report of the administrators for the January 1-September 30 2014 period

(All amounts are in RON, unless stated otherwise)

16.	25195/299/2014	District 1 Court of Law	Plaintiff	Enol Grup SA	121.369,03 lei Legal interest for the penalty for the contract termination compensation	Trial on the merits of the case	NA	27.10.2014
17.	27072/299/2014	District 1 Court of Law	Plaintiff	AXPO Energy Romania S.A.	Penalties 181.944,12 lei + initial stamp fee 2.305,67 lei	Trial on the merits of the case	NA	23.10.2014
18.	26128/299/2014	District 1 Court of Law	Defendant	Fondul Proprietatea SA	Court costs	Trial on the merits of the case	Partially admits the claim and obliges SNN to pay 39.962,42 lei representing court costs related to the file 62357/3/2010 and 1803,87 lei representing court costs. Decision 16583/07.10.2014. With appeal	NA
19.	NA	Medgidia Court of Law	Plaintiff	The town of Cernavoda and the Mayor of Cernavoda	Court costs	Trial on the merits of the case	NA	NA
20.	29322/3/2014	Bucharest Court of Law	Creditor	Ennet Grup SA	Insolvency Bankruptcy Receivable 226.868,81 lei	Trial on the merits of the case	Hearing 23.10.2014 Creditors meeting	NA
21.	NA	Bucharest Court of Law	Plaintiff	Repower Furnizare Romania SRL	Penalties and remunerative interest 320.377,75 lei	Trial on the merits of the case	NA	NA
22.	5120/3/2013	The high court of cassation and justice	Recurrent	Electrica Furnizare	Penalties claim 1.351.455,56 lei	Appeal	<u>Merits of the case:</u> Admits the claim of SNN. Rejects the defendant's counter-claim and obliges the payment of 1 .351.455,56 lei as delay penalty charges and 17. 630 lei as court costs. With right to appeal. <u>Appeal</u> :Modifies, rejects the claim of SNN as ungrounded and admits the counter claim. Annules article 13, paragraphs 3 and 4 regarding the penalties for the contract number 55/2012, obliging the plaintiff-defendant SNN to pay to the defendant-plaintiff ELECTRICA FURNIZARE the amount of 1.408.131,85 lei as paid penalties and	11.11.2014

SN Nuclearelectrica SA

Report of the administrators for the January 1-September 30 2014 period

(All amounts are in RON, unless stated otherwise)

							36.105,8 lei court costs (merits of the case and appeal).	
23.	6561/2/2012	The high court of cassation and justice	Recurrent	Court of Accounts	Litigation with the Court of Accounts Law 94/92	Appeal	Merits of the case : Rejects the claim of SNN. Decision 2722/10.06.2014. Rejects the appeal declared by SNN against the sentence number 6332/7.11.2012 of the Bucharest Court of Appeal – Division VIII as ungrounded. Irrevocable. June 10th, 2014.	
24.	3663/2/2013	The High Court of Cassation and Justice	Defendant	Greenpeace CEE Romania	Suspends the decision to issue the Environment Agreement for the 3 and 4 Units Project	Appeal	<u>Merits of the case:</u> Admits the exception of lack of object of the suspending petition of the environment agreement. Court ruling :2284/2013 12.07.2013 <u>Appeal</u>	NA
25.	3793/2/2013	The High Court of Cassation and Justice	Defendant	Greenpeace CEE Romania	Overrules the decision to issue the environment agreement and the environment agreement regarding the 3 and 4 Units Project	Appeal	<u>Merits of the case:</u> Admits the exception of lack of object of the second legal end of the initial petition (the cancellation of the environment agreement regarding « The continuation of the working, construction and completion of Units 3 and 4). <u>Appeal</u> : Overrules the second legal end of the initial petition regarding the cancellation of the environment agreement regarding the « The continuation of the working, construction and completion of Units 3 and 4 » Project, as lacking object. Overrules the rest of the petition, as it was completed by the additional petition, as ungrounded. Court ruling 1436/09.05.2014. <u>Appeal</u> :	NA
26.	873/1259/2008	Arges Tribunal	Creditor	Thermofication 2000 SA	Insolvency Bankruptcy Receivables 2.713.986,71 lei	Merits of the case	NA	16.12.2014

SN Nuclearelectrica SA

Report of the administrators for the January 1-September 30 2014 period

(All amounts are in RON, unless stated otherwise)

27.	18770/3/2007	Bucuresti Tribunal	Creditor	Condem SA	Insolvency Bankruptcy Receivables 2.446.227,08 lei	Merits of the case	NA	18.02.2015
28.	8184/2/2011 8184/2/2011*	High Court of Cassation and Justice	Defendant	Greenpeace CEE Romania	Cancellation FCN Pitesti environment authorization	Retrial Appeal	<p><u>Merits of the case:</u> Admits the exception of inadmissibility of the legal end to cancel the Government Decision 1061/2011 and the petition to suspend FCN Pitesti activity. Overruled as ungrounded.</p> <p><u>Appeal:</u> Admits the appeal of Greenpeace CEE Romania. Annuls the sentence and sends the cause for retrial before the Bucharest Court of Appeal. Irrevocable.</p> <p><u>Bucharest Court of Appeal merits of the case retrial :</u> Overrules the petition of Greenpeace CEE. Admits the exception of inadmissibility of the legal end having as object the suspension of the factory's activity until the date of complying with the legislation regarding the assessment of the impact on environment and overrules, as consequence, this legal end as inadmissible. Overrules the rest of the petition as it was completed, as ungrounded. Obliges the plaintiff to pay the defendant SNN the amount of 15.000 lei, trial expenses, representing legal fee.</p> <p><u>Appeal :</u></p>	5.11.2014
29.	11661/3/2014	Bucharest Court of Appeal	Defendant	S.C. Fondul Proprietatea S.A.	Acknowledgement of the absolute nullity of SNN EGMS Resolution no. 1/11.03.2014	Appeal	<p>On the merits of the case (Bucharest Tribunal) overrules the petition of Fondului Proprietatea, admitting the exception of lack of interest when compared to the object of petition.</p>	Trial date not established yet
30.	416/2/2014	Bucharest Court of Appeal	Claimant Plaintiff	The National Energy Regulatory Authority	Change in regulated tariff through Decision 3609/2013	Merits of the case	NA	On 14.10. 2014, the petition was overruled as ungrounded.

SN Nuclearelectrica SA

Report of the administrators for the January 1-September 30 2014 period

(All amounts are in RON, unless stated otherwise)

31.	10799/42014	District 1 Court of Law	Claimant	Chirica Teodor	Appeal against enforcement/ suspension of enforcement 96.055,87 lei	Merits of the case	NA	NA
32.	48210/299/2014	District 1 Court of Law	Claimant	Chirica Teodor	Appeal against enforcement/suspension of enforcement 80.189 lei	Merits of the case	NA	NA
33.		Bucharest Tribunal	Plaintiff	Chirica Teodor	Clarification petition of enforcement title-enforcement 80.189 lei	Merits of the case	NA	NA
34.	21040/299/2014	District 1 Court of Law	Claimant	National Authority for the Regulation and Control of Public Procurement	Complaint against contravention minute. 30.000 lei fine	Merits of the case	NA	Overrules SNN's complaint as ungrounded
35.	6850/3/2014	Bucharest Tribunal	Defendant	Marcuta Mihai	Appeal against the suspension decision of labor contract and damage payment	Merits of the case	NA	28.11.2014
36.	33243/3/2014	Bucharest Tribunal	Defendant	Ivascu Tiberiu	Appeal against firing and damage payment decision	Merits of the case	NA	28.11.2014
	Cernavoda NPP							
37.	10948/118/2008	Constanta Tribunal	Creditor	SC DETACAN SA	Insolvency Bankruptcy procedure Simplification accepted receivables 41.185,28 lei	Merits of the case	NA	24.11.2014
38.	3869/118/2009	Constanta Tribunal	Creditor	SC CLS SA	Insolvency Bankruptcy procedure Simplification accepted receivables 19.219,63 lei	Merits of the case	NA	06.10.2014
39.	6034/118/2012	Constanta Tribunal	Creditor	SC KATON NULCLEAR SA	Insolvency Reorganization procedure accepted receivables 77.349 lei	Merits of the case	NA	05.12.2014
40.	4210/256/2014 disjoins din 14951/118/2011	Constanta Tribunal	Plaintiff	SC CAR CONSTRUCT SRL / SC CNE SA	Land discharge, property of SNN SA-concrete platform occupied by SC	Appeal	In compliance with art. 36 of Law 85/2006(insolvency law); the trial of the cause was suspended. Appeal was forwarded	23.10.2014

SN Nuclearelectrica SA

Report of the administrators for the January 1-September 30 2014 period

(All amounts are in RON, unless stated otherwise)

					CAR CONSTRUCT as per sale-purchase contract conclude with SC CNE SA		against the suspension closing, appeal partially admitted, having as consequence the continuation of trial against SC CNE SA. Considering the exceptions invoked by SC CNE SA-the lack of the passive trial quality, the nullity of the petition, etc, they were admitted on 10.06.2014.	
41.	1275/118/2012	Constanta Tribunal	Plaintiff	Cernavoda City through the Mayor and the Mayor of Cernavoda city.	Acknowledgement of property right over « the land relating to the 800 apartments assemble »	Appeal	On the merits of the case: overrules the petition formulated by SNN	28.10.2014
42.	1445/118/2012	Constanta Tribunal	Plaintiff	Cernavoda City through the Mayor, the Cernavoda Local Council, Seimeni Local Council, Constanta County Local Council.	Requires the signing of the proximity minutes with a view to finalize them as per HG 834/1991 – the land related to the hot water eviction canal.	Merits of the case retrial	Merits of the case : the petition was admitted. Appeal : the court ruled the resending of the file for trial, taking into consideration the property documents of the land owned by Seimeni Commune.	22.10.2014
43.	11481/212/2006	Constanta Court of Law	Plaintiff	Iosif Stelian Ilie	Eviction request for the Iosif family out of the work accommodation in Constanta, BI3, apartment 15.	Merits of the case	NA	04.11.2014
44.	3657/256/2013	Medgidia Court of Law	Plaintiff	Tudose Alexandru, Predoiu Bogdan, Purcarea Gica, Laudatu Ioana, etc.	Claim, Sector T1, Cernavoda	Merits of the case	Merits of the case : partially admits SNN request. After ruling, we are to determine the way to appeal.	
45.	5750/256/2013	Constanța Court of Appeal	Defendant	Ichim Victor	Petition to request the correction of material error in the eviction ruling-« instead of A1 block of flats, 26 block of flats was recorded ».	Appeal	Petition admitted on merits of the case. The appeal was overruled.	22.10.2014
46.	4869/256/2014	Medgidia Court of Law	Plaintiff	SC CNE SA	Eviction petition of land with a surface of 579 mp,			21.11.2014

SN Nuclearelectrica SA

Report of the administrators for the January 1-September 30 2014 period

(All amounts are in RON, unless stated otherwise)

					property of SNN SA			
47.	4755/256/2011	Medgidia Court of Law	Plaintiff	Enescu Maria	Claim to recuperate the amount of 22.019 lei, representing damages following failure to respect the obligation to release the work accommodation		Merits of the case : SNN petition was admitted.	
48.	877/256/2013	Constanța Tribunal	Plaintiff	Purcareata Ionel	Claim to recuperate the amount of 4.086 lei, representing utilities and rent for the period April 2012-December 2012		On merits of the case, the petition was overruled as unproved.	30.10.2014
49.	878/256/2013	Tribunalul Constanța Tribunal	Plaintiff	Saplacan Dan	Claim to recuperate the amount of 4.784 lei, representing utilities and rent for the period April 2012-December 2012		Pe fond cererea a fost respinsă ca nedovedită	30.10.2014
50.	6812/256/2014	Medgidia Court of Law	Plaintiff	Saplacan Dan	Claim to recuperate the amount of 11.295,18 lei, representing utilities and rent for the period January 2013-April 2014	Merits of the case	NA	NA
51.	6813/256/2014	Medgidia Court of Law	Plaintiff	Ichim Victor	Claim to recuperate the amount of 4.268,99 lei, representing utilities and rent for the period January 2013-May 2014	Merits of the case	NA	NA
52.	6814/256/2014	Medgidia Court of Law	Plaintiff	Purcareata Ionel	Claim to recuperate the amount of 7.360,81 lei, representing utilities and rent for the period	Merits of the case	NA	NA

SN Nuclearelectrica SA

Report of the administrators for the January 1-September 30 2014 period

(All amounts are in RON, unless stated otherwise)

					January 2013- February 2014			
53.	9923/118/ 2013	Constanța Tribunal	Plaintiff	Niculae Rosu	Work litigation- recuperation countervalue of taxi services following the audit by the Court of Accounts	Appeal	On the merits of the case, the petition was overruled, the court ruling that as long as the provisions of the Collective Labor Contract/2009 have not been annulled, then SNN petition appears as ungrounded.	04.11.2014
54.	3817/118/ 2014	Constanța Tribunal	Defendant	Mihalache Gabriel	Work litigation- obligation to pay the 12 compensatory wages following the termination of the Labor Contract by decision of medical expertise body.	Merits of the case		06.11.2014
	FCN Pitesti							
55.	22981/280/2013	Pitesti Court of Law	Debtor	SC Construct ECI Company 2000 SRL	Obligation to execute Amount 32073,29 lei	Appeal	SNN's legal action was overruled by the court on the merits of the case. SNN filed an appeal	N/A

Appendix 5 – The degree of accomplishment of the performance indicators on 30.09.2014 – the Board of Directors

Nr. Crt.	Objective/Performance indicators	MU	Estimated Q III	Actual Q III	Degree of accomplishment (%)	Weight coefficient	Degree of accomplishment of the performance indicators col. 5 * col. 6 (%)
0	1	2	3	4	5	6	7
Improvement of the indicators regarding the financial performance of the Company							
1	Turnover (cumulated since the beginning of the year)	Million RON	1.278,00	1.307,43	102,30%	0,20	20,46%
2	Operating result (cumulated since the beginning of the year)	Million RON	12,00	107,95	899,60%	0,20	179,92%
3	Overdue payments	Thousand RON	23,00	-	100,00%	0,10	10,00%
4	Labor productivity (cumulated since the beginning of the year)	Thousand RON/person	592,00	634,98	107,26%	0,10	10,73%
5	Operating expenses at 1.000 lei turnover (cumulated since the beginning of the year)	RON	998,00	928,29	107,51%	0,10	10,75%
Execution of the major investment objectives							
6	Execution of the annual value plan of investments cumulated since the beginning of the year (as per Figure 28 and the annual budgets)	%	55%	57,21%	104,02%	0,15	15,60%
Maintenance of the electricity production capacity above the average level in the industry							
7	Capacity factor (cumulated since the beginning of the year)	%	80%	93,60%	117,00%	0,10	11,70%
Operation of the nuclear units in safe conditions for the personnel, the population, the environment and the production assets							
8	No operating events above level 1 on the International Nuclear Event Scale, concerning the damage of the in depth defense barriers, onsite and off-site impact.		0	0	100,00%	0,05	5,00%
The degree of accomplishment of the performance indicators						1,00	264, 16%