



QUARTERLY REPORT

of the economic and financial activity of S.N. Nuclearelectrica S.A. in compliance with the provisions of Art.227 of the Law No.297/2004 on capital market and the Appendix No.30 to the CNVM Regulation No.1/2006 on issuers and operations with securities for the 1st Quarter of the financial year 2016

Report according to:	Art. 227 of the Law no. 297/2004 on capital market and Annex no. 30 to the CNVM Regulation no. 1/2006 for the 1st Quarter of the financial year 2016
Date of report:	May 12, 2016
Company name:	S.N. Nuclearelectrica S.A.
Registered office:	Bucharest, 65 Polona Street, district 1
Phone/fax number:	+40 21 203 82 00; +40 21 316 94 00
Web/ Email:	www.nuclearelectrica.ro ; office@nuclearelectrica.ro
Sole Registration Code with the Trade Register Office:	10874881
Order number in the Trade Register:	J40/7403/1998
Subscribed and paid up share capital:	3.015.138.510 lei
The regulated market on which the issued securities are traded:	Bucharest Stock Exchange (www.bvb.ro), Premium category
The main characteristics of the issued securities:	301.513.851 shares with the nominal value of 10 RON/share, dematerialized, nominative, ordinary, indivisible and equal vote rights and freely negotiable on Bucharest Stock Exchange under SNN symbol starting on November 4, 2013.
Applicable Accounting Standards:	International Financial Reporting Standards (IFRS) adopted by the European Union (UE) – IFRS-UE, interim individual unaudited condensed financial statements
Currency of the report:	Romanian Leu (RON) – all amounts are in RON, unless stated otherwise
Reported period:	1st Quarter 2016

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1. FINANCIAL STATEMENT

a) Statement of individual financial position

Indicator (thousand RON)	31.03.2016	31.12.2015
Non-current assests	7.598.637	7.696.228
Current assets	2.024.387	1.861.187
Total assets	9.623.024	9.557.415
Equity	7.560.585	7.493.723
Total liabilities, out of which:	2.062.439	2.063.691
Non-current liabilities	1.596.159	1.642.689
Current liabilities	466.281	421.002
Total Equity and Liabilities	9.623.024	9.557.415

**Note: Condensed form*

b) Statement of comprehensive income for the 3-month period ended on March 31, 2016

Indicator (thousand RON)	3-month period ended on 31.03.2016	3-month period ended on 31.03.2015
Operating revenues	454.434	486.431
Operating expenses	(378.457)	(442.207)
Operating result	75.977	44.223
Finance income	32.406	41.627
Finance costs	(22.106)	(33.572)
Net finance costs	10.300	8.055
Profit before income tax	86.277	52.278
Net income tax expense	(19.415)	(16.843)
Profit for the period	66.862	35.435
Other elements of the total earnings	-	-
Total earnings	66.862	35.435
Basic earnings per share (RON/share)	0,23	0,12
Diluted earnings per share (RON/share)	0,23	0,12

**Note: Condensed form*

2. SIGNIFICANT EVENTS

2.1. Significant events during the 1st quarter of the year 2016

a) Resolutions of the General Meeting of Shareholders

By **Resolution no. 1/30.03.2016 of the Ordinary General Meeting of Shareholders** the Budget of revenues and expenses for year 2016 was approved.

By **Resolution no. 2/30.03.2016 of the Ordinary General Meeting of Shareholders** the amendment of the Company's Articles of Incorporation was approved due to the share capital increase approved by the Resolution no. 2/29.04.2015 of the Extraordinary General Meeting of Shareholders.

b) Cernavoda NPP Units 3 and 4 Project

The Romanian Government issued on January 19, 2016 the Letter of Support for Cernavoda NPP Units 3 and 4 Project.

SNN and CGN are currently negotiating the Investors Agreement and the Articles of Incorporation of the new project company, process that represents the last phase of the Selection Procedure for Investors, according to the Government Strategy for the continuation of the Cernavoda NPP Units 3 and 4 Project.

2.2. Subsequent significant events after March 31, 2016

a) Litigations with the shareholder: Fondul Proprietatea S.A.

Fondul Proprietatea S.A. has filed with the Bucharest Court of Law the request for annulment of the Extraordinary General Meeting of Shareholders ("EGMS") Resolution no. 8/06.10.2014 by which the SNN share capital increase by cash contribution amounting to RON 239.172.630, by issuing a maximum of 23.917.263 new shares at a price of 10 RON/share. The request was recorded on file no. 40046/3/2014, registered within Bucharest Court of Law.

The Court set the next hearing to take place on 30.05.2016.

b) The planned outage program of Cernavoda NPP Unit 1

Starting May 6, 2016, at 11:00 PM, Cernavoda NPP Unit 1 entered the planned outage program, which is scheduled to last approximately 50 days, more than the normal duration of outages (which is approximately of 30 days) due to the completion of some additional maintenance works at the steam generator. Such additional maintenance works are a standard procedure implemented by CANDU 6 type plants all over the world, performed only once during the initial 30-year life of a nuclear unit.

c) Resolutions of General Meeting of Shareholders

By the **Resolution no 3/25.04.2016** of the General Shareholder's Meeting, the following were approved:

- ammendment of Appendix 1 and 1.1. to the administration contracts signed between the administrators and the company, and entrustment of the representative of Ministry of Energy to sign the addendums to administration contracts;
- distribution of net profit for financial year 2015 on destinations, approval of total amount of 99.499.571 RON gross dividends, approval of gross dividend per share amounting 0,33 RON, date of dividend payment, respectively 28.06.2016 and payment method.

3. ECONOMIC FINANCIAL INDICATORS

The Company performances are reflected in the achievement of the key economic financial indicators, as follows:

Indicator**)	Formula	M.U.	Result on 31.03.2016
1. Current liquidity ratio	Current assets/ Current liabilities	x	4,34
2. Debt ratio			
2.1. Debt ratio (1)	Non-current liabilities/ Equity x 100	%	19,2%
2.1. Debt ratio (2)	Non-current liabilities / Capital employed x 100	%	16,1%
3. Accounts receiveble turnover rate	Average accounts receivable balance/Turnover x 90	zile	29
4. Non-current assets turnover rate*)	Turnover/ Non-current assets	x	0,24

*) Non-current assets turnover rate is calculated by annualisation of the quarterly turnover (360 days/90days)

***) Based on the individual interim condensed financial statements

4. STATEMENTS AND SIGNATURES

Based on the most accurate available information, we confirm that the interim individual unaudited condensed financial statements prepared in compliance with the applicable accounting standards (International Accounting Standard 34 – „Intermediary Financial Report”) reflect a true and fair image regarding the financial position, financial performance and cash flows for the period ended March 31, 2016 and that this report, prepared according to the provisions of Art. 227, Law no. 297/2004, regarding the capital market and Appendix no. 30 of the Regulation CNVM no. 1/2006 for the period ended March 31, 2016, includes correct and true information regarding the Company’s development and performance.

Alexandru SANDULESCU
President of the Board of Directors

Daniela LULACHE
Chief Executive Officer

Mihai DARIE
Chief Financial Officer

5. APPENDIX

5.1. CONDENSED INTERIM INDIVIDUAL UNAUDITED FINANCIAL STATEMENTS as at and for the period ended on March 31, 2016

5.2. QUARTERLY REPORT of the Board of Directors on the administration activity for the period between January 1 and March 31, 2016