

INDEPENDENT LIMITED ASSURANCE REPORT *)

on the information included in the current reports prepared by the Company in accordance with the requirements of Law no. 297/2004, article 225, respectively law no. 24/2017, article 82 and the ASF (former CNVM) regulation no. 1/2006

**To the General Manager of
Societatea Nationala Nuclearelectrica S.A.**

1. We were engaged by Societatea Nationala Nuclearelectrica S.A. (hereinafter referred to as "the Company") to report on the information (hereinafter referred to as "Reported Transactions") included in the current reports (hereinafter referred to as "Current Reports") dated 03 January 2017, 18 January 2017, 19 January 2017, 23 January 2017, 02 February 2017, 17 February 2017, 24 February 2017, 28 February 2017, 30 March 2017, 14 April 2017, 11 May 2017, 31 May 2017, 14 June 2017, 16 June 2017, 22 June 2017 and 30 June 2017 prepared by the Company in accordance with the Capital Market Law no. 297/2004 with subsequent amendments (hereinafter referred to as "Law no. 297/2004"), replaced starting with 01 April 2017 by Law no. 24/2017 on Issuers of Financial Instruments and Market Operations (hereinafter referred to as "Law no 24/2017") and the Regulation no. 1/2006 of former National Securities Commission, current Financial Supervisory Authority (hereinafter referred to as "ASF") on issuers and operations with securities (hereinafter referred to as "Regulation no. 1/2006"), with subsequent amendments, in a form of an independent limited assurance conclusion that, based on our procedures performed, to confirm whether or not nothing has come to our attention that causes us to believe that the Reported Transactions included in the Current Reports are not, in all material respects, in conformity with article 113, letter G, 6th paragraph of the Regulation no. 1/2006. The Current Reports mentioned above have been prepared by the management of the Company to report to ASF according to the requirements of the article 225 from the Law no. 297/2004, respectively article 82 from the Law no. 24/2017 and the Regulation no. 1/2006.

Management's Responsibilities

2. The management of the Company is responsible for the preparation and presentation of the Current Reports and Reported Transactions included in the Current Reports that are free from material misstatements, in accordance with article 225 from the Law no. 297/2004, respectively article 82 from the Law no. 24/2017 and the Regulation no. 1/2006, and for the information contained therein. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of these Current Reports and Reported Transactions included in the Current Reports, which are free from material misstatements, whether due to fraud or error. Also, this responsibility includes the compliance with the requirements of article 225 from the Law no. 297/2004, respectively article 82 from the Law no. 24/2017 and the Regulation no. 1/2006 and maintenance of adequate supporting documentation in relation to the Current Reports and Reported Transactions included in the Current Reports. The management of the Company is responsible for preventing and detecting fraud and for ensuring that the Company complies with the legislation and regulations in force. The management of the Company is responsible to ensure that personnel involved in preparation of the Current Reports and Reported Transactions included in the Current Reports is properly trained.

Our Responsibilities

3. Our responsibility is to examine the Reported Transactions disclosed by the Company in the Current Reports and report in the form of an independent limited assurance conclusion on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements ("ISAE") 3000 regarding assurance engagements other than audits or review of historical financial information, as adopted by the Romanian Chamber of Financial Auditors ("CAFR"). This standard requires that we comply with ethical requirements, including independence requirements and plan and perform our procedures in such a way as to obtain a meaningful level of assurance about whether the Reported Transactions included in the Current Reports are, in all material respects, in conformity with art. 113, letter G, 6th paragraph of the Regulation no. 1/2006, as the basis for our limited independent assurance conclusion.

4. The procedures selected depend on our understanding of the Current Reports and Reported Transactions included in Current Reports and other circumstances of the engagement, and on our considerations on areas where material misstatements are likely to arise. In developing our understanding of the Current Reports and Reported Transactions included in the Current Reports we considered Company's internal controls relevant to the preparation and presentation of the Company's Current Reports and Reported Transactions in accordance with the requirements of article 225 from the Law no. 297/2004, respectively article 82 from the Law no. 24/2017 and of the Regulation no. 1/2006 in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of Company's internal control over the preparation and presentation of the Current Reports and for concluding the Reported Transactions.

5. Limited assurance is narrower than absolute or reasonable assurance. The procedures for obtaining evidence for a limited assurance engagement are more limited than for a reasonable assurance engagement, and therefore lower level of assurance is obtained than in the case of a reasonable assurance engagement.

6. As part of this engagement, we have not performed any audit, review procedures or verification of the Current Reports and of Reported Transactions included in the Current Reports in accordance with the International Standards of Audit or with the International Standards on Review Engagements as adopted by the CAFR and nor on the sources from which the Current Reports and Reported Transactions were extracted.

Criteria

7. Regarding the Company's electricity sales reported in the current reports dated on 2 February 2017, 14 April 2017, 16 June 2017, the results of the auctions organized by Opcom S.A. for the Company's offers of electricity sales were considered.

8. Regarding the bank deposits concluded with the Export – Import Bank of Romania - Exim Bank S.A. – Bucharest and reported in the current reports on 18 January 2017, 23 January 2017, 17 February 2017, 24 February 2017 and 14 June 2017, the centralized results of tenders received by the Company from several banking institutions were considered.

9. Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion with reserves.

Basis for qualified conclusion

10. The Company does not have alternative market offers for all the services included in the contracts concluded with the Technologies for Nuclear Energy State Owned Company – Institute for Nuclear Research Pitesti, “Romanian Waters” National Administration - “Seaside-Dobrogea” Water Basin Administration, Administration of the Navigable Canals , National Administration of State’s Reserves and Special Problems – Territorial Unit no. 515, Bucharest and disclosed in the Current Reports dated 03 January 2017, 19 January 2017, 30 March 2017, 11 May 2017, 31 May 2017 and 30 June 2017. The Company does not have evidence regarding alternative offers on the market for the above mentioned contracts due to the fact that:

- i. Transactions concluded with the Technologies for Nuclear Energy State Owned Company – Institute for Nuclear Research Pitesti, reported in the Current Reports from 03 January 2017 and 30 June 2017 were concluded through negotiation procedures without a preliminary invitation for a competitive tendering procedure as per art. 117, 1st paragraph letter c) from the Law no. 99/2016 on sectorial procurement, taking into account that there are technical reasons that make these services able to be rendered and, respectively, the products to be delivered, by only one legal entity;
- ii. Transaction concluded with the National Administration of State’s Reserves and Special Problems – Territorial Unit no. 515, Bucharest, reported in the Current Report from 30 March 2017, was concluded as an addendum to adjust the unit price, this addendum bringing changes to an initial contract which is similar with the transactions mentioned above in point (i);
- iii. Transaction concluded with the “Romanian Waters” National Administration - “Seaside-Dobrogea” Water Basin Administration, reported in the Current Report from 19 January 2017 was concluded as exception from the Law no. 99/2016 on sectorial procurement, as per the art. 38, considering the exclusive right of the above mentioned entity, based on national normative acts;
- iv. Transaction concluded with the Technologies for Nuclear Energy State Owned Company – Institute for Nuclear Research Pitesti, other than those mentioned in point (i) above, reported in the Current Report of 11 May 2017, was concluded as an addendum in order to update the unit prices, this addendum bringing changes to an original contract that is part of the category mentioned in point (i) above, but which was concluded under the legislation in force at the date of its conclusion, namely Government Emergency Ordinance no. 34/2006, art. 252 letter b).
- v. Transaction concluded with the Administration of the Navigable Canals, reported in the Current Report from 31 May 2017 was concluded as exception from the Law no. 99/2016 on sectorial procurement, as per the art. 37, paragraph (1), letter (a), considering of right of the Company to conclude rent contracts.

Consequently, we were not in the position to express a conclusion that the prices established in these contracts, correlated with the rights and obligations assumed by the parties, for which the Company does not have evidence of alternative offers on the market, are in line with other offers from the market.

11. On 28 February 2017, the Company reported addendum no. 138 to contract no. 29/1.11.2000 concluded with Transelectrica S.A. extending the validity period up to 31 December 2017, related to the supply of electricity required for the auxiliary services of the 400 kV Cernavoda power station, a station belonging to Transelectrica S.A., without changing the price compared to the previous contractual year. The contract no. 29/2000 concluded with Transelectrica, is a supply contract, and was signed under the producer license, according to art. 10, lit. B) of the Conditions associated with License no. 5 (the Company's producer license), which allows the supply of electricity to the final consumers of electricity directly from the electrical installations related to the power generating units or to the electric grids which they operate.

12. On 22 June 2017, the Company reported addendum no. 8 to contract no. 526/31.12.2013 concluded with Electrica Furnizare S.A., through which the price for the sale of electricity under regulated regime it was modified, according to the Decision of the National Energy Regulatory Agency no. 861 / 13.06.2017. This price is regulated by the National Energy Regulatory Agency and is not established under market conditions.

Qualified conclusion

13. Based on the procedures performed, except the effects of the above mentioned aspects from the paragraphs no. 10 - 12 in the above section "Basis for qualified conclusion", if any, nothing has come to our attention that causes us to believe that the Reported Transactions included in the Current Reports are not, in all material respects, in accordance with provisions of the art. 113, letter G, 6th paragraph from the Regulation no. 1/2006.

Other matters

14. This report is made solely for the scope described in the first paragraph and is addressed to the Company's General Manager. We do not, in giving this conclusion report, accept or assume responsibility for any other purposes or to any other party to whose knowledge this report may come to. This engagement was performed in order to report to the Company's General Manager those aspects that should be disclosed in a limited assurance independent report and for no other purposes. To the fullest extent permitted by the law, we do not accept and assume responsibility to anyone other than the Company's General Manager for our engagement, for this report or for the conclusion we have formed. This report refers only to the above mentioned elements and does not refer in any way to other Company's reports.

Mazars România S.R.L.
Date: 28 July 2017
Bucharest, România