

Current report according to the provisions of Law 297/2004, the BSE Code and Regulation 1/2006 of the National Securities Commission

Date of the report: **24 March 2016**

Name of Issuer Company: **National Power Grid Co. Transelectrica SA, managed under two tier system**

Headquarters: Bucharest 1, Blvd. Magheru no. 33

Working location: Bucharest 3, Str. Olteni no. 2-4

Phone / fax numbers: 4021 3035 611 / 4021 3035 610

Single registration code: 13328043

Number in the Commercial Register: J40/8060/2000

Share capital subscribed and paid: 733,031,420 RON

Regulated market where the issued securities are transacted: Bucharest Stock Exchange

CONVENING THE SHAREHOLDERS' GENERAL ORDINARY ASSEMBLY

The Directorate of the National Power Grid Company Transelectrica SA, managed under two-tier system, seated in Blvd. General Gheorghe Magheru no. 33, Bucharest 1, registered with the Office of the Commercial Register under no. J40/8060/2000, single (fiscal) registration code 13328043, (the Company), having assembled on **23 March 2016** in accordance with the provisions of the Company law 31/1990, republished, with later amendments and additions, of Law 297/2004 on the capital market, with later amendments and additions, of the National Securities Commission's Regulations 1/2006 on issuers and operations with securities, and 6/2009 on exercising certain shareholders' rights in the shareholders' general assemblies of companies, and of article 15 par (1) from the Company's Articles of association, updated on 23 March 2015, are convening the Shareholders' general ordinary assembly on **28 April 2016, 14:00 h**, in Bucharest 3, str. Olteni 2-4, PLATINUM Centre Building, 11th floor, Meeting room 1112, for all shareholders recorded in the Company's Shareholders Register at the end of **18 April 2016**, with the following

AGENDA:

1. Approving the Stand-alone financial statements of the National Power Grid Company Transelectrica SA for 2015 financial year;
2. Approving the Consolidated financial statements of the National Power Grid Company Transelectrica SA for 2015 financial year;
3. Approving the net profit distribution on 31 December 2015, to the following destinations:

Destination	Sum (Lei)
Accounting profit left after deducing the income tax on 31 December 2015 (including the provision for employees' participation to profit)	366,657,687
<i>Distribution of accounting profit to the following destinations:</i>	
Legal reserve (5%)	20,982,901
Other law-provided distributions - tax exemption for reinvested profit	19,499,233
Other law-provided distributions - revenues obtained in 2015 from allocation of interconnection capacities (net of income tax and of legal reserve)	67,376,258
Employees' participation to profit (provision expense in 2015)	6,603,220
Dividends owed to shareholders	194,253,326
Other reserves constituted as one's own financing sources	57,942,749
Profit not distributed	-

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4. Approving the 2015 gross dividend per share at 2.65 Lei/share, payable to the shareholders recorded on the registration date 07 June 2016, ex-date 06 June 2016;
5. Setting 28 June 2016 as 'payment date' for the dividends relating to 2015 financial year,
6. Approving the annual report on the economic-financial activities of the National Power Grid Company Transelectrica SA according to the provisions of article 227 of Law 297/2004 on the capital market and of Annex 32 to Regulation 1/2006 of CNVM for the financial year ended on 31 December 2015;
7. Submitting the Financial audit reports about the annual stand-alone and consolidated financial statements concluded by CNTEE Transelectrica SA on 31 December 2015;
8. Releasing the liability of Directorate and Supervisory Board members for the financial year 2015;
9. Submitting the semester report from the Supervisory Board of the National Power Grid Company Transelectrica SA about the administration activities;
10. Submitting the report of the Nomination and Remuneration Committee from the Supervisory Board of the National Power Grid Company Transelectrica SA;
11. Submitting the report of the Audit Committee from the Supervisory Board of the National Power Grid Company Transelectrica SA about the internal audit and significant risk management systems from CNTEE Transelectrica SA in 2015;
12. Setting 06 June 2016 as ex-date, calendar day from which the shares of the National Power Grid Company Transelectrica SA provided in the Decision of the Shareholders' General ordinary assembly, are transacted without the rights that are derived from such decision;
13. Setting **07 June 2016** as registration date for the shareholders that will be touched by the effects of the Decision taken by the Shareholders' general ordinary assembly;
14. Mandating the assembly chairman to sign the decision of the Shareholders' General Ordinary Assembly and the documents necessary for the registration and publication of such decision of the shareholders' general ordinary assembly with the Office of the Commercial Register from Bucharest Tribunal.

In case the required quorum cannot be reached on the fore-mentioned date the Shareholders' general ordinary assembly will be held on **29 April 2016, 10:00 h**, in Bucharest 3, str. Olteni 2-4, PLATINUM Centre Building, 11th floor, Meeting room 1112, with the same agenda.

The proposed registration date for the shareholders who will be touched by the effects of the Decision taken by the Shareholders' general extraordinary assembly of the Company, which date is to be set by the Shareholders' general extraordinary assembly, is **07 June 2016**.

The draft decision of the Shareholders' general ordinary assembly, the reunion documents and materials are available, both in Romanian and in English, beginning with **25 March 2016**, in electronic format on the Company's website (www.transelectrica.ro), page Investor Relations / AGA or they can be got from this address: PLATINUM Centre Building, Str. Olteni 2-4, Bucharest 3, on week-days **from 08:00 to 15:00 h**.

Assembly materials are available as follows:

- Documents regarding items 1 – 7 and 12 - 13 from the agenda of the Shareholders' general ordinary assembly are available on the convening date of such assembly in electronic format both in Romanian and in English on the Company's website (www.transelectrica.ro), page Investor Relations / AGA or they can be obtained from the following address- PLATINUM Centre Building, Str. Olteni 2-4, Bucharest 3, on week-days **from 08:00 to 15:00 h**.
- Documents regarding items 8 – 11 from the agenda of the Shareholders' general ordinary assembly are available beginning with **25 March 2016** in electronic format both in Romanian and in English on the Company's

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website (www.transelectrica.ro), page Investor Relations / AGA or they can be obtained from the following address- PLATINUM Centre Building, Str. Olteni 2-4, Bucharest 3, on week-days **from 08:00 to 15:00 h.**

The special power of attorney form, both in Romanian and English, according to article 17[^]2 from Regulation 6/2009 of the CNVM with later amendments and additions, will be also available in electronic format on the Company's website (www.transelectrica.ro), beginning with **25 March 2016.**

Shareholders representing individually or jointly at least 5% of the share capital are entitled:

- to introduce items in the agenda of the general assembly, provided each item is accompanied by justification or by draft decision proposed to be passed by the general assembly, within 15 days at the most from the publication date of the convening notice, namely **08 April 2016, 16:00 h;**
- to submit draft decisions for the items included or proposed to be included in the agenda of the general assembly, within 15 days at the most from the publication date of the convening notice, namely **08 April 2016, 16:00 h;**
- the rights provided above can be exercised only in writing and transmitted to the attention of Mrs. Irina Racanel by fax to: +4021.303.56.10 or by email at: irina.racanel@transelectrica.ro.

Shareholders enlisted on the reference date in the Shareholders' register of Transelectrica, notified by the Central Depository, that directly or indirectly hold participation of at least 5% from the Company's share capital are compelled to fill in and submit a liability statement according to the provisions of article 34 par 2 from the Electricity and natural gas law 123/2012, with later amendments and additions, of article 17 par 8 and of article 39 from the Articles of Association of the CNTEE Transelectrica SA. Such statement will be accompanied by the summary of account positions to date / the statement of account showing the portfolio of shares held by it to the economic operators carrying out power generation or supply activities, issued by the Participant / Central Depository.

The statement form will be posted both in Romanian and in English on the Company's site together with the correspondence voting forms and the special powers of attorneys. This form can be also got from the following address: PLATINUM Centre, str. Olteni 2-4, Bucharest 3 on week-days, 08:00 - 15:00 h.

The responsibility of the statements in terms of compliance with applicable legal and statutory provisions devolves exclusively on each shareholder individually (article 326 of the Criminal Code approved by Law 286/2009 with later amendments and additions).

Such statement together with the statement of account / summary of account positions to date will be filled in, signed by the shareholder and submitted in the original to the Company before the reunion of the Shareholders' General Assembly.

Each shareholder is entitled to ask questions about the items in the agenda of the general assembly, which will be answered including by posting the replies on the Company's website. Questions will be transmitted in writing either by post or courier services (PLATINUM Centre building, str. Olteni 2-4, Bucharest 3), or by electronic means (e-mail: irina.racanel@transelectrica.ro).

The Company can request submitting the documents provided in article 11[^]1 from Regulation 6/2009 of the CNVM with later amendments and additions, in order to identify and prove the shareholder capacity of a legal persons or of an entity without legal personality that ask questions or make proposals to add the agenda. To identify the natural person shareholder asking questions or making proposals that add the agenda, he/she will attach copies of the documents certifying his/her identity to such request.

Shareholders registered on the reference date can vote by correspondence before the general assembly by using the correspondence voting form made available beginning with **25 March 2016**, on the Company's website (www.transelectrica.ro), page Investor Relations / AGA.

In case the initial convening notice will be subsequently completed with new items in the agenda, the National Power Grid Company Transelectrica SA will place at the shareholders' disposal the correspondence voting form and the special power of attorney, the assembly materials and the draft decisions, updated, by **15 April 2016**, which is previous to the reference date.

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Correspondence voting forms both in Romanian and in English will be available also in electronic format on the Company's website. In case of legal person shareholders or of entities without legal personality, their legal representative capacity is proven using the documents provided in article 11¹ from Regulation 6/2009 of the CNVM with later amendments and additions.

Correspondence voting forms for natural persons, either in Romanian or in English that have been filled in by the shareholders and are accompanied by a copy of the ID document of the natural person shareholder as well as for legal persons, will have to get in the original by post or courier service to the PLATINUM Centre building, str. Olteni 2-4, Bucharest 3 until **28 April 2016, 13:00 h**, for the first convocation, namely until **29 April 2016, 09:00 h**, for the second convocation.

On the convening date the share capital of the CNTEE Transelectrica SA is 733,031,420 Lei consisting of 73,303,142 nominative, dematerialised shares of 10 Lei nominal value each, every one providing the right to one vote in the Shareholders' General Ordinary Assembly.

Only shareholders registered on the reference date **18 April 2016** can participate and vote in person or by proxy, based on a special power of attorney or on some general mandate, according to article 243 par 6, 6¹-6⁵ from Law 297/2004 on the capital market. A shareholder can participate to the assembly by proxy with a general mandate, if such mandate is provided by the shareholder in the capacity of client, only to an intermediate person defined according to article 2 par 1, item 14 from Law 297/2004 on the capital market, or to a lawyer.

In case of the special power of attorney that a shareholder grants to a credit institution providing custody services, it will be signed by the respective shareholder and accompanied by the liability statement of the credit institution that has received the representation mandate through the special power of attorney, of which the stipulations provided in article 17¹ from Regulation 6/2009 of the CNVM, with later amendments and additions, should stand out.

The special power of attorney / general mandate in the original, either in Romanian or in English, will be submitted by **28 April 2016, 13:00 h**, for the first convocation, namely by **29 April 2016, 09:00 h**, for the second convocation, at Bucharest 3, Str. Olteni 2-4, PLATINUM Centre Building, or it will be electronically signed using the extended electronic signature according to the provisions of Law 455/2001 regarding the electronic signature and will be transmitted by e-mail to the address: irina.racanel@transelectrica.ro, pending sanction provided in article 125 paragraph (3) of Law 31/1990 on companies, republished, as subsequently amended and added. Additional information can be obtained at phone number +40722 314 610.

Ion-Toni TEAU
Executive director general
Directorate Chairman

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**ENDORSED,
DIRECTORATE**

Ion-Toni TEAU
Executive Director General

Constantin VADUVA
Directorate Member

Ion SMEEIANU
Directorate Member

Octavian LOHAN
Directorate Member

Catalin Lucian CHIMIREL
Directorate Member

**NOTE on approval
by the General Meeting of Shareholders of gross dividend per share for 2015**

I. Generalities:

In accordance with the applicable legislative provisions (Law 31/1990, republished with later amendments and additions) the Directorate of the CNTEE Transelectrica SA is obliged to issue the dividend proposal on the date when convening the Shareholders' general assembly in order to approve the annual financial statements.

II. Justification:

1) Total amount of dividends to distribute

Following the closure of financial statements associated to the financial year ended 31.12.2015, in CNTEE Transelectrica SA the profit was distributed in accordance with the applicable legislation for national companies with majority state capital. Thus the total value of dividends to be allocated to the shareholders of CNTEE Transelectrica SA, Romanian and foreign legal and natural persons, is **194,253,326 Lei**.

2) Determining the gross dividend per share

- a) The number of shares associated to the subscribed and paid share capital is 73,303,142 when this proposal is made;
- b) **The gross dividend per share amounts to 2.65 Lei;**
- c) In accordance with the provisions of the applicable Fiscal Code, the dividend tax will be withheld by Transelectrica and transferred to the state budget on the occasion of the actual dividend payments.

3) Date when dividends payment begins

The payment date was set according to the following legal provisions:

- Law 31/1990 of companies, republished with later amendments and additions, which provides the maximum payment term of dividends will be set "no later than 6 months from the approval date of the annual financial statements related to the ended financial year";
- Law 297/2004 on the capital market, with later amendments and additions, which specifies the dividend payment term will be "not greater than 6 months from the meeting date of the shareholders' general assembly establishing the dividends";
- Ordinance 64/2001 with later amendments and additions, stipulating that "companies where the state [...] is majority [...] shareholder are obliged to transfer the dividends owed to shareholders within 60 days from the law-provided term for submission of annual financial statements";
- Regulation 1/2006 of ASF with later amendments and additions, article 129³: "The issuer should determine the payment date so as to fall in a week-day subsequent 15 week-days at the most to the registration".

Consequently CNTEE Transelectrica SA will pay the dividends for 2015 owed to shareholders beginning with June 28th 2016.



4) Modes of payment

In accordance with the provisions of applicable legislation **CNTEE Transelectrica SA makes the payment of dividends:**

By means of the Central Depositary and of the participants to the compensation-settlement and register system as follows:

- In case of shareholders whose interests are represented by Participants (Custodian Banks or Brokers) to the Central Depositary's Compensation-settlement and register system – payments by bank transfer into the Participants' accounts;
- In case of shareholders acting on their own behalf – payments by bank transfer into the account of holders non represented by Participant / by cash paid on the pay desks of BRD-GROUPE SOCIETE GENERALE, payment agent designated by TEL that has concluded a contract with CNTEE Transelectrica SA and with the Central Depositary

No fees are charged to shareholders for dividends payment, regardless of the mode of payment.

The detailed procedure of dividends payment will be provided in a current report, which will be disseminated according to the requirements of the capital market legislation.

5) Shareholders entitled to receive dividends for 2015 financial year are those recorded in the books of the Central Depositary SA **on the proposed registration date**, namely **June 7th 2016**.

6) The obligation to pay the net dividends owed to the shareholders of CNTEE Transelectrica SA for 2015 financial year is submitted to the general provisions of prescription and thus it is written off beginning with 28 June 2019, namely in 3 (three) years from the date when payment begins.

III. Proposals:

Taking into account the above we submit to the approval of the Shareholders' general assembly the following proposals regarding the dividend for 2015 financial year:

- Determining the **gross dividend per share at 2.65 Lei**;
- Setting **registration date**, that serves to identify the shareholders who are to benefit from dividends or other rights of the shareholders who will be touched by the effects of the decision taken by the Shareholders' General Ordinary Assembly on **June 7th 2016**, namely the **ex-date June 6th 2016**;
- Setting the beginning of **dividends payment on June 28th 2016**;

