

Current report as per the provisions of article 225 from Law 297/2004

Date of the report: **11 July 2016**

Name of Issuer Company: **CNTEE 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 Lei

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

Event to report

The National Power Grid Company Transelectrica SA informs the shareholders and investors about its signing a contract amounting to more than 50,000 Euro with subsidiary SMART SA.

Contract: No. 18 / 08.07.2016.

Parties: CNTEE Transelectrica SA, Transmission Branch Sibiu as purchaser
SC SMART SA as provider

Contractual object: Work execution to replace the 110/20 kV, 10 MVA transformer from Fantanele substation according to the design documentation

Total value: 1,156,853.05 Lei VAT free, including sundry and unforeseen expenses

Guarantees: Performance bond of the contract amounting to 110,931.45 Lei, constituted by successive withholding from the amounts the purchaser owes for partial invoices

Penalties: In case the Provider fails to comply with his contractual obligations the Purchaser will calculate and the Provider will pay penalty interest, corresponding as percentage to the interest rate owed for default of payment to the state budget, valid on the date when the penalty interest is calculated, applied to the contractual price for each day of delay beginning with the day following the liability date until payment date (inclusive). The total amount of penalties cannot exceed the contractual price.

In case the Purchaser fails to pay the Provider's invoices on the terms agreed under contract, the Purchaser owes to the Provider, besides the outstanding sum, penalty interest to such sum corresponding as percentage to the interest rate owed for default of payment to the state budget, valid on the date when the penalty interest is calculated for each day of delay beginning with the day following the due date until payment date (inclusive). The total amount of penalties cannot exceed the contractual price.

Mutual liabilities: None.

Terms of payment: 30 days from the Purchaser's registration date of the fiscal invoice under observance of contractual clauses.

Ion-Toni TEAU

**Executive Director General
Directorate Chairman**

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