

**To: Romanian Financial Supervisory Authority (ASF)  
Bucharest Stock Exchange (BVB)  
London Stock Exchange (LSE)**

**Current report in compliance with the Law 24/2017 on issuers of financial instruments and market operations, the Romanian Capital Market Law no. 297/2004, CNVM Regulation no. 1/2006, and the Bucharest Stock Exchange Code**

Report date: **11 August 2017**

Company name: **Societatea Energetică Electrica S.A.**

Headquarters: **9 Grigore Alexandrescu Street, 1st District, Bucharest, Romania**

Phone/fax no.: **004-021-2085999/ 004-021-2085998**

Fiscal Code: **RO 13267221**

Trade Register registration number: **J40/7425/2000**

Subscribed and paid in share capital: **RON 3,459,399,290**

Regulated market where the issued securities are traded: **Bucharest Stock Exchange (BVB), London Stock Exchange (LSE)**

**Significant events to be reported:**

**Approval of reorganization plan at the level of distribution activity**

During the meeting held on 10 August 2017, the Board of Directors of Electrica SA approved the reorganization plan at the level of distribution activity (“Societatea de Distribuție a Energiei Electrice Muntenia Nord SA” – SDMN, “Societatea de Distribuție a Energiei Electrice Transilvania Nord SA” – SDTN, “Societatea de Distribuție a Energiei Electrice Transilvania Sud SA” – SDTS) which aims at:

- Implementing a new target operating model of the distribution segment, based on redesigned processes with focus on efficiency and quality of customer services;
- Internalization of certain activities of Electrica Serv, with the key objective to execute the very ambitious investment plan for the next year (CAPEX of RON 863 million);
- A new performance-based remuneration concept;
- Concept for a cost reduction and cost controlling program.

The above presented program is under implementation and will be subject to receiving the necessary approvals from the regulatory authorities.

**CEO  
Dan Cătălin Stancu**