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Bucharest Law Court
Civil Section VII
File no. 22456/3/2012

HIDROELECTRICA



Report of the Administrator appointed by the court
Euro Insol SPRL
regarding activity performed
between 25.02.2014 - 31.03.2014

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Procedural measures

By decision delivered on 20.06.2012 File no. 22456/3/2012, Bucharest Court, Section VII accepted the application filed by the *Societatea de Producere a Energiei Electrice in Hidrocentrale "HIDROELECTRICA" SA* (Company for Electricity Production in Hydropower Plants "HIDROELECTRICA" SA) and ordered the opening of insolvency proceedings under the Law no. 85/2006, appointing Euro INSOL SPRL as Administrator appointed by the court.

By civil decision no. 1774/18.10.2012, Bucharest Appeal Court Section V upheld the provisions of the fund in terms of insolvency procedure and subsequent measures.

On 11.06.2013 was registered at the Court's registry Hidroelectrica's Reorganization Plan, plan proposed and drafted by Administrator appointed by the court Euro Insol SPRL.

Hidroelectrica S.A. Meeting of Creditors dated 18.06.2013, constituted by different categories of claims, pursuant to art. 100 paragraph 3 of Law no. 85/2006, voted Hidroelectrica reorganization activity plan. Also, Hidroelectrica's Meeting of creditors approved with 94.63857% votes "FOR" termination of Hidroelectrica insolvency proceedings on date of judgment 26.06.2013 in case of failing to pay the certain obligations of the uncontested, liquid and enforceable debt, as they were provided in the reorganization plan.

Through civil sentence no. 6251 delivered on 20.06.2013, Bucharest Court confirmed the Hidroelectrica reorganization business plan, plan proposed and drafted by the Administrator appointed by the court Euro INSOL SPRL, and the sentence became irrevocable by non-recurrence.

Taking into consideration that according to provisions of Art. 132 paragraph 1 of Law no. 85/2006 *"a reorganization procedure by continuing the business or liquidation based on a plan will be closed, by the sentence, after meeting all the liabilities assumed in the confirmed plan"*,

Reported to :

- Fulfillment by Hidroelectrica SA all payment obligations as they have been provided in the Reorganization Plan,

By Civil Sentence no. 6482/26.02.2013, Bucharest Court ordered the closure of judicial reorganization proceedings against Hidroelectrica S.A.

Civil Decision no. 456/25.02.2014 pronounced in case no. 22456/3/2012/a1 by Bucharest Court of Appeal annulled the civil sentence no. 6482/26.06.2013 pronounced by the Bucharest Court Civil Section VII ordering the termination of judicial reorganization procedure for HIDROELECTRICA S.A.

CHAPTER I. EXECUTIVE SUMMARY

Operational measures

The administrator appointed by the court has adopted a series of measures and activities leading to the following objectives:

- Implement a professional management by appointing managers on key positions due to the selection process conducted by Pedersen and Partners;
- Redefining policy evaluation and remuneration functions and positions within the company, the salary package based on fixed and variable components, demined by competency and performance;
- Starting steps for implementing an integrated ERP management system
- Optimization / reduction of costs (operational and financial)
- Make good use of Hidroelectrica assets which do not contributes directly to the achievement of the core business and are generating additional costs
- Removing toxic assets from the portfolio
- Prioritize investment program
- Review the budget for 2014 and the main opportunities for fulfillment of profitability and satisfactory return indicators
- Intensifying Hidroelectrica's image on energy market by providing attractive and profitable offers, so production capacity to be exploited to the full and be efficient in terms of cost / benefit
- Allocation of financial resources mainly for investment projects / refurbishment / efficient maintenance with important hydropower component.
- Protect company's interests in the litigation pending before the courts
- Improving operational activity by linking withdrawal from service with periods of low water.

Administrator's appointed by the court targets for the next period:

- **Reduction of productions costs**

Given the average selling price of electricity on the energy market and production cost of competitors, necessary measures should be taken that will lead to a lower production cost than budgeted.

- **Refurbishment and investments**

The administrator appointed by the court considers a priority the investments policy in refurbishment projects of hydropower objectives where usual maintenance actions cannot counteract the outdated and obsolete effect. In the current context of energy market in Romania, **investments in new production capacities should be temperate.** Revamping important production capacities such as HPP Vidraru, HPP Mariselu, HPP Raul Mare Retezat, HPP

Dimitrie Leonida, with a total installed capacity of 1,000 MW represent essential objectives for the Company.

- **Reducing costs with maintenance works** developed by Hidroelectrica-Serv, a company in which Hidroelectrica is sole shareholder;
- Developing **activity of supply / trading** electricity by using domestic or regional market and all types of trading platforms that can enable building and implementing a hedging / risk protection strategy. It is imperative to attract qualified personnel in this department, with experience in trading activity.
- **Implementation of an integrated ERP** management by which will be eliminated many failures within the company, will increase the efficiency of activities and optimization process will be achieved;
- **Capitalization of assets in Hidroelectrica which contributes directly to the achievement of the core business and are generating additional costs.**

Procedural measures

- Meetings of General Assembly
- Situation of litigations

CHAPTER II. DESCRIPTION OF PERFORMED ACTIVITIES

A. Operational measures adopted by the administrator appointed by the court

Section 1. Production of electricity

- 1.1** Given that some subsidiaries have wrongly planned hydropower maintenance work in periods of flows growth, consequently losing a quantity of energy by the spill, the administrator's program changed the decommissioning of hydropower in the meaning of time-shifting with lower flows. One of the objectives pursued by the Administrator appointed by the court represents energy management and optimization of exploitation assets.
- 1.2** To meet natural stages of repair was ordered the existence of a daily chart, chart for major hydro units is tracked daily and the others - weekly.
- 1.3** In order to standardize procurement of design services, technical assistance, interpretation and construction behavior etc. which worth about 6 million / year, it was ordered that they be carried out centrally by a single Public Auction coordinated by Operations Service.
- 1.4** Given that HIDROELECTRICA installed power is of 91 MW, in five pump stations namely: **Petrimanu, Jidoaia, Balindru, Gâlceag and Secuieu** it was decided to function in dispatch

able system, thus increasing the company's ability to prevent discharges to hydropower plants located on the river (usually the Danube and Olt).

At Administrator's request on a situation regarding the hours of operation on hydro-units and pumps in the period 2009-2013, it was discovered the existence of a large number of hydro units that had more than 1,500 operating hours / year, given that the operation average is of 2,500 hours / year.

Section 2. Asset management

1. Activity of Technical of Economic Council (TEC) of Hidroelectrica SA

- **22 meetings of TEC** were scheduled and took place.
- **10 new documents** for analysis and approval were registered .
- **13 Certificates and TEC Points of View** to the documents issued by third parties and Subsidiaries were completed.
- Were **prepared** and are under approval other **7 TEC Certificates**.

2. Hidroelectrica's activity of issuing the permits and authorizations to third parties for activities that have an influence on existing production assets or in the planning stage. In the reference period were analyzed and responded to receive requests 3 companies:

- Hidrogest Energia SRL – building 3 small hydropower plants (Hobita I, Hobita II and Hobita III) on Barbat river;
- Rogesil SRL – building small hydropower plant by using water connection pipe capture Izvor – secondary adduction Lesu Remeti ;
- Shelly Water Energy SRL – Micro-building small hydropower plant with Archimedean screw located on the river Olt, in Boita village

3. Activity connected to the relation with the companies that seek / hold exploitation of mineral aggregates (new operating conventions and extensions). In the reference period were analyzed and responded to requests received 3 companies

- Carpat Agregate SA Bucuresti – Certificate for Exploitation mineral aggregates from cuvette of Slatina basin lake, Slatioara gravel;
- Premar Com Serv SRL - Certificate for Exploitation mineral aggregates from cuvette of Dragasani basin lake, Campu Mare;
- Olt Siaco SRL – Slatina – extension of TEC Certificate for Exploitation mineral aggregates from cuvette of Arcesti basin lake, TESLUI gravel and the Convention for the operation of the gravel pit.

We should mention that the fee rate for the approval of new gravel pits and for every convention of operation starting 07.03.2013 was increased from RON 9,000 to RON 15,000 / year.

4. Issuance of permits and authorizations by Hidroelectrica SA to third parties for activities that may have an influence on existing production assets or in the planning stage.

- In TEC meeting was analyzed CEZ request regarding Hidroelectrica point of view on the 3 Solution studies for framing in NES of 3 photovoltaic plants of 5 MW, 7 MW in Bobicesti area and 8.3 MW in Corabia area, connected to the distribution of CEZ. For this documentation was issued a TEC point of view.
- To regulate third party access to floating buildings on the water surface placed under the Hidroelectrica SA management, a proposal was submitted to TEC for review and approval.

The proposal is being developed for the Hidroelectrica Curriculum 2014 and the foundations for endorsement and approval in TEC.

It was also proposed a unified methodology on tariffs for water supply services to third parties for various uses (water supply for the population, irrigation, industrial water supply, aquaculture, etc.) methodology being under approval.

Section 3. Maintenance activity

Maintenance program for March 2014 was completed in compliance with the approved maintenance activities for the first quarter. Values for March Program 2014 subdivided on Subsidiaries are as follows:

Branch	Total scheduled for first quarter	Realized on 2 months	Scheduled for March	Total estimated to be realized in the first quarter
Bistrita	4,424,973	2,354,973	<i>1,667,301</i>	4,022,274
Curtea de Arges	4,616,800	2,060,834	<i>1,614,900</i>	3,675,734
Uzina Buzau	191,758	35,385	<i>56,910</i>	92,295
Portile de Fier	6,692,400	1,214,304	<i>2,035,300</i>	3,249,604
Uzina Tg-Jiu	779,000	524,790	<i>225,000</i>	749,790
Hateg	4,752,300	2,515,470	<i>1,816,300</i>	4,331,770
Uzina Caransebes	876,100	447,385	<i>351,471</i>	798,856

Sebes	2,271,248	1,377,881	878,765	2,256,646
Uzina Sibiu	1,606,023	625,163	579,123	1,204,286
Rm Valcea	4,560,150	2,459,695	2,091,485	4,551,180
Uzina Slatina	1,851,500	1,127,067	707,926	1,834,993
Cluj	2,287,850	816,028	1,467,250	2,283,278
Uzina Oradea	2,537,961	836,154	959,199	1,795,353
Total	37,448,063	16,395,129	14,450,930	30,846,059

It has also been drawn the maintenance program of the HA of dispatchable units for March 2014 in compliance with the requirements for conducting scheduled maintenance works only if there is no risk of spillage.

The Administrator appointed by the court approved Hidroelectrica maintenance budget for 2014 with the following structure:

Maintenance budget values were communicated to **Hidroelectrica** Subsidiaries and maintenance program was completed for 2014 according to approved values.

Amendments to framework contracts with Hidroelectrica-Serv subsidiaries were drafted for 2014, which are in the phase of testing and approval.

Were analyzed **Hidroelectrica-Serv** requests on renegotiation of hourly labor charges and transportation charges, share overheads and quotation form, used in direct contractual relationship. Hidroelectrica finalized its point of view and began negotiations with Hidroelectrica-Serv.

Section 4. Exploitation activity and incidents analysis

March was a spring month characterized by entire range of hydraulicity, from deficient to excess, thus:

- deficient hydraulicity - Jiul (80%), Râul Alb (76%), Drăganul (75 %), Sebeșul (71%), Bistra Mărului (69%), Râul Târgului (69%), Prutul (60%), Oltul (48%), Buzăul (42%);
- sub-normal hydraulicity - Bistrița (89%), Dâmbovița (82%);
- normal hydraulicity - Lotrul (107%), Argeșul (100%), Cerna -Valea lui Iovan (98%), Someșul(94%);
- excess hydraulicity - Râul Mare (120%),

Danube, registered **hydraulicity of 80,9%**, can be characterized – on whole - as **sub-normal** (recorded inflow **5499** cubic meters/s, to **6800** cubic meters /s monthly normal), registering 2 periods:

- The return of the weak water on river (character manifested throughout July 2013 ÷ January 2014), evolving downward flow between 6550 and 4520 cubic meters /s between 01÷22.03.2014
- The slight increase to 5000 cubic meters / s at the end of the month.

Amid this period, the facilities of inland have registered a slight storage (total stored volume on analyzed period was about 39.92 million cubic meters).

NIHWM hydrological forecast elaborated early this month was updated to mid-range. Forecast updated for inland waters was achieved within **62,2%** (**Sebeşul** in Oaşa section) and **131,6%** (**Râul Alb** in Poiana Ruscă section).

For **Danube**, forecast on 28.02.2014 (**6800** cubic meters/s forecasted flow) was **80,9%** realized. Forecast updated by the middle of March (5500 cubic meters/s forecasted flow) was 100% achieved.

The degree of filling of the large volume arrangements reached on 31.03.2014 the value of **66.52%**, the highest value reached at the end of March in 18 years, about **23%** above the average of the end of March in 18 years (43.5%) and about **27.7%** above the value set by **GD 752/2013** for the end of the month (**38.8%**).

Production of energy from its own facilities in **March** was **1,202** GWh approximately **200** GWh below the average production in **March** of last 18 years (**1,406** GWh).

Situation of cascade arrangements

Date	Degree of filling the useful volume (%)	Useful volume total (mil cubic meters)	Energetic reserve (GWh)
2013 31 Dec.	76.71	1899.92	2366.53
2014 31 Jan.	67.23	1665.01	2067.88
2014 28 Feb	64.91	1607.58	1992.06
2014 31 Mar	66.52	1647.50	2043.55

(data collected from Energetic Management)

Covering contractual obligations

(MWh)

Month	Contractual obligations							Total offered	Purchase		Total Supplied from own production
	Export	Eligible Contract	Regulated Contract	Bilateral Contract	Consumption	Sale NDM	Total Contract obligations		NDM	Contract bilateral	
Jan	0	319,265	570,608	245,295	12,714	12,405	1,167,952	1,135,163	32,791	0	1,178,044
Feb	0	29,4807	494,118	245,620	12,404	58,722	1,112,849	1,107,511	5,345	0	1,117,770
Mar	0	317,652	489,187	279,346	13,813	122,275	1,233,014	1,233,304	876	0	1,202,426
TOTAL	0	931,724	1,553,913	770,261	38,931	193,402	3,513,815	3,475,978	39,012	0	3,498,240

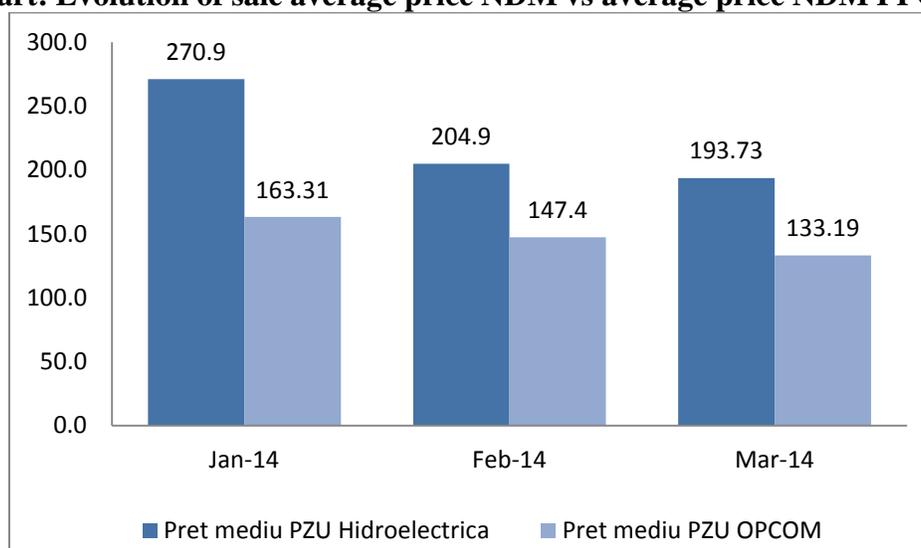
(data collected from web offer application)

Ancillary services were 100% conducted (150,540 hMW amount contracted secondary regulation, 386,550 hMW regulated amount tertiary reserve, 1330 MVarh quantity of the secondary voltage control).

Month	purchase average price NDM (RON/MWh)	Sale average price NDM (RON/MWh)	Average price NDM (RON/MWh)
Jan	25,72	270,93	163,31
Feb	18,28	204,92	147,40
Mar	10,86	193,73	133,19

(data collected from web offer application)

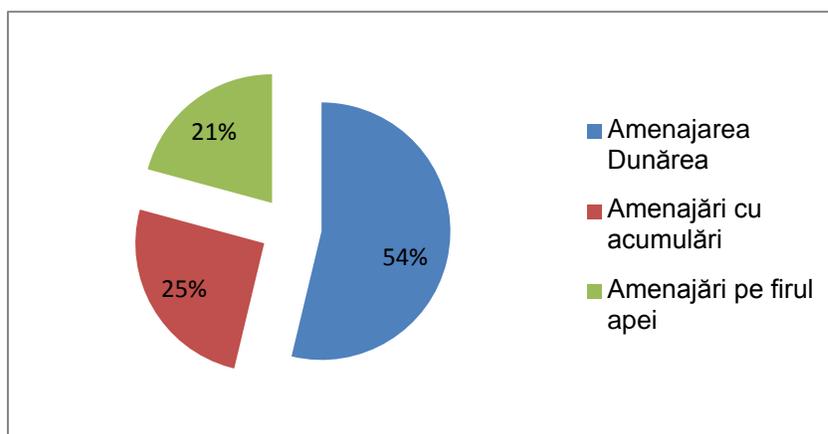
Chart: Evolution of sale average price NDM vs average price NDM PPCOM



Structure of energy production March 2014

Arrangement	Dispatchable units			Non-dispatchable units		
	MWh	MW	%	MWh	MW	%
Arrangement Danube	646,245	868	54			
Arrangement with water accumulation	297,639	400	25	8,701	11	62
Arrangement on water	244,431	328	20	5,408	7	38
TOTAL						

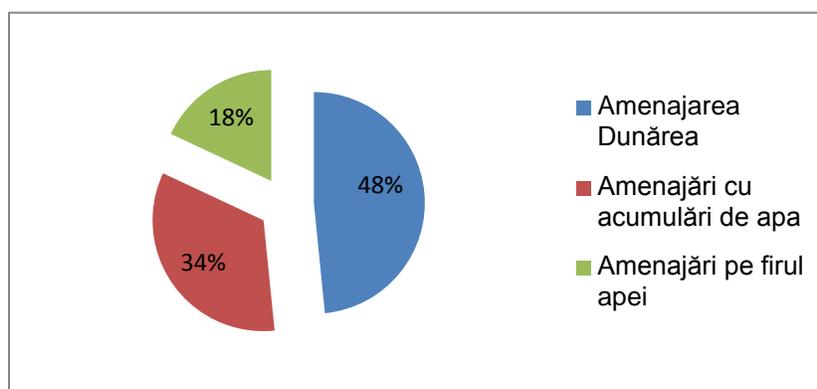
Chart: Production structure according to arrangements March 2014



Electricity production structure January 2014 - March 2014

Amenajarea	Dispatchable units			Non-dispatchable units		
	MWh	MW	%	MWh	MW	%
Arrangement Danube	1,693,441	784	49.03			
Arrangement with water accumulation	1,144,423.53	526.83	33.14	29,674.23	13,74	66,66
Arrangement on water	615.853.54	285.12	17.83	14,841.12	6,87	33,34
TOTAL	3,453,718.07	1,598.94		44,515.35	20,61	
Total Hidroelectrica	3,498,233.42	1,619.55				

Charts: Structure of production according to arrangements January 2014 - March 2014



Specific consumption for production and transformation

Month	C_{pr} (MWh)	C_{pr} (%)
Jan	12714	1,07
Feb	12404	1,10
Mar	13813	1,13

In **March** was registered own consumption for production of **13,813** GWh.

Power available and supplied (For reporting month. PO-HE-DE-06)

(MW)

Month	Installed power	Permanent discounts	Available power	Fulfilling rate $P_d / 4500 \times 100$ (%)
Jan	6265.48	322.21	5168.64	132.07
Feb	6267.00	361.82	5343.59	131.22
*Mar	6267.00	361.82	5343.59	131.22

Situation of discharges (For reporting month PO – HE- DE- 07)

Discharged energy (MWh)

Cause → Month ↓	Servitude Utilities	Flow over the installed	Permanent discounts	Repair & maintenance works	Drains, Other clauses	Total
Jan	17,027	128	0	1,590	5	18,750
Feb	15,088	197	0	2,181	29	17,495
*Mar	10,315	6,156	0	2,231	26	18,728
*Total up to day	42,430	6,481	0	6,002	60	54,973

(*)The data are estimates after daily records of application "Power Management" values with a high degree of accuracy only after April 10, 2014 when is the reporting deadline procedure for the month March 2014.

For the month of **April 2014** estimate of energy achievable in its own facilities, based on the latest forecasts inflow of landscaped sections, situation of the arrangements and proposals made by ANAR machined flow is about 1,350GWh.

During the month of March was completed and handed over to ANRE a report on manufacturing activity conducted by Hidroelectrica. Also, was prepared and transmitted to Transelectrica monthly documentation to obtain green certificates by qualified plants.

Section 5. Power management

In March 2014 was recorded total revenue from ancillary services in value of: RON 38.6 million.

	Secondary regulation			Fast tertiary reserve		
	hMW	Value RON	RON/hMW	hMW	Value RON	RON/hMWh
March 14	103,780	6,593,148	63.53	315,355	10,015,678	31.76

Hydropower production was achieved at dispatchable unit, depending on contractual obligations and reserves inflow lakes.

Results on NDM

Date	Purchased	Sold	Total market	Average price NDM OPCOM	Purchase value	Sold value	Purchasing price	Selling price
	MWh			RON/MWh	RON	RON	RON/MWh	
Mar.14	876	122,274	1,931,433	133.19	9.518	23,687,678	10.86	193.73

By appointment and compensation in real time, Hidroelectrica has optimized exploitation of primary resources and have minimized discharges.

2. Supply of electricity

During 25.02.2014.-03.31.2014, Euro INSOL SPRL, the administrator appointed by the court restarted the bidding on centralized markets managed by OPCOM SA, amount available to sell electricity estimated to be produced in 2014.

Thus, recorded results were:

- **11.03.2014. - 29 GWh , supply period April - July 2014**
- **12.03.2014. – 58,3 GWh, supply period April, May, June 2014**
- **18.03.2014. - 72 GWh supply period March 2014 – April 2014**
- **21.03.2014. – 22 GWh, supply period April - July 2014**
- **24.03.2014. – 25 GWh, supply period April – December 2014**
- **27.03.2014. – 11 GWh, supply period July – September 2014.**

Total quantity trade on PCCB in March 2014 was of 217,3 GWh.

Following the analysis of trends in the energy market, in the last decade of March 2014 were defined and submitted for publication on PCCB offer packages covering a comprehensive range of potential applications, i.e. one months, 5 months and 7 months 2014, May 2014 - April 2015 auctions scheduled for the first decade of April 2014.

Hidroelectrica SA enrolled in the **new OTC trading platform** and is defining the **EFET contract** period and eligibility criteria.

On 23.12.2013 Hidroelectrica submitted a complaint to the Competition Council requesting lawful measures necessary to restore competitive environment, considering that it was affected by ANRE adopted Order no. 83/2013 which approved *methodology for pricing electricity sold by manufacturers based on regulated agreements and quantities of electricity from regulated contracts concluded with producers of last resort.*

The Court of Appeal - Administrative and Fiscal Department VIII has recorded file no. 8478/2/2013 with Hidroelectrica as plaintiff and ANRE as defendant. The dispute is on the annulment of the administrative act (ANRE Order 83/2013), the first term being fixed at 23.05.2014

3. Development and refurbishment activities

Between 25.02.2014 – 31.03.2014 were approved:

- **Refurbishment Development Program for the year 2014;**
- **Schedule tabs for each Subsidiary / Plant;**
- **Annual lists of studies for future investments.**

According to Hidroelectrica Development Program for 2014, funding allocated to investment program worth 377 million RON are as follows:

- Own sources Hidroelectrica S.A.	300 million RON
- Bank Loans	77 million RON

Allocation on main types of projects

	<i>Thousand RON</i>
Historical projects	146,870,000
Ongoing objectives	9,750,000
Refurbishing works	132,470,000
Maintenance works	83,660,000
Project for future investments	1,950,000
Equipments	2,300,000

Investment titles	no.
With fund allocated in 2014, of which:	79
Approved	63
Not approves	16

Other activities:

- Analyze schedules of execution to commissioning HPP Răstolița and HPP Bretea;
- Progress of performed works at HPP Racovița;
- Review of documentation of contract award for "Refurbishment HPP Stejaru";
- Draft proposal to complete addenda for HPP Robești and HPP Racovița with Energomontaj SA;
- Issuing an address on maintaining trade discounts negotiated in 2012 for 2014

- Analysis and notification to the branches the list with investment objectives that will temporary stop work
- Developing a model addenda for working investment objectives that have received funding in 2014 and forwarding them to the subsidiaries;
 - Issuing the model for periodic reports for the investment works of 2014 and forwarding them to the subsidiaries

Regarding refurbishment activity:

- **Performed the final reception on the Control and Command Room** - HPP Lotru-Cunget, final reception to HA1, HA2 and block equipments 1 - HPP Izbiceni. The Commission proposed to postpone the reception to hydro power units HA1 and HA2 Izbiceni until the corrosion issue is solved;
- Performed the reception to completion of works for "Refurbishment embedded parts niche downstream cofferdam flat drain valve 6x6/31 5 m no. 1 head downstream of the Iron Gate Lock 1";
- In 2011, Hidroelectrica contracted from EBRD an investment loan in value of 110 million euro, for refurbishing HPP „Dimitrie Leonida” (Stejaru), commissioned in 1962 with an installed power of 210 MW. After almost three years since contracting this loan, Hidroelectrica finds that is unable to access the funds, the contract being suspended by EBRD during insolvency period. Although the insolvency administrator held meetings with representatives of the EBRD in this period to discuss resuming funding award procedures for HPP Stejaru Refurbishment project, given EBRD position not to raise the suspension of financing, Hidroelectrica notified EBRD regarding the termination of the Contract Loan no. 40034 dated 12 July 2011.

Thus, all applicants were informed at the pre-qualification process on 25.01.2013 regarding the termination and cancellation of EBRD loan and cancellation of pre-qualification stage and asked the consultant to analyze the costs estimated for the Dimitrie Leonida project correlated with 2014 realities and market conditions.

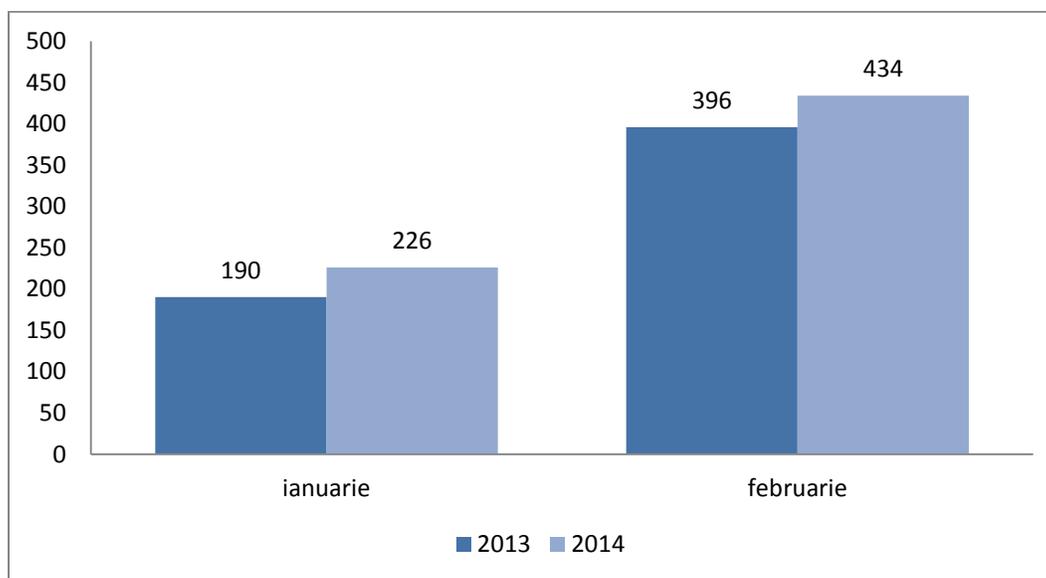
- In this context, given the strategic importance of HPP Dimitrie Leonida for the national energy system, Hidroelectrica will start in April 2014, under the provisions of GEO 34/2006, the procedure for awarding the refurbishment contract of HPP Dimitrie Leonida, funding being provided from own sources and possibly, in addition, from an investment loan.
- The opening of bids for the purchase of rehabilitation services actuator VIR HA 1 HPP Iron Gates II;
- It was submitted for approval of the General Meeting of Shareholders the investment objective "**Rehabilitation of Vidraru hydropower**".

- Have continued discussions with the contractor of refurbishment works on finding solutions required to eliminate corrosion phenomena occurring in hydro retrofit components on the Lower Olt;
- Negotiated the purchase of design services in order to make the documentation of the project " HPP Stanca. Modernization hydro and auxiliary equipment ";
- Approved the launch of tender for feasibility study for upgrading HPP Mariselu - equipment and the building. Integrative documentation;
- Have prepared specifications for "Modernization of HA2 of HPP Dragasani”;

3. Economic – financial activity

Net turnover

Turnover **in the first 2 months of 2014** was **RON 434 million**, 38 million more than in the same period of 2013, meaning an increase of 9.59%.



Income from operations

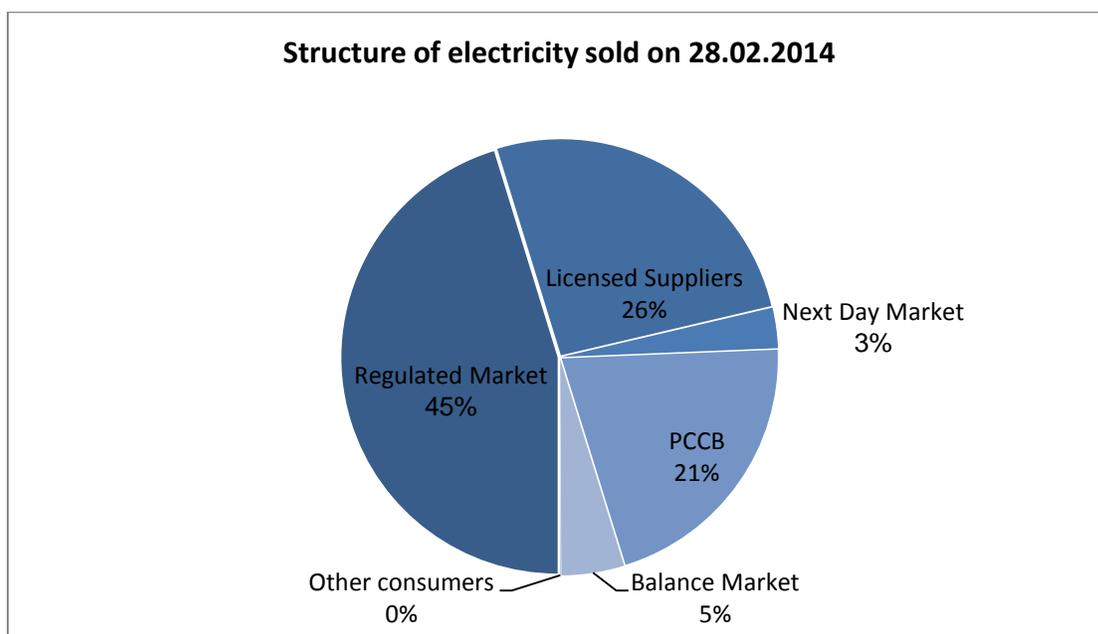
Operating income in the amount of 439 million were realized in the following structure:

a) Total electricity supplied 2,353,437 MWh worth RON 371 million, of which:

- Regulated Market 1.064.726 MWh in value of RON 124 million at an average price of RON 116 /MWh;
- Licensed supplier 614.072 MWh in value of RON 104,8 million at an average price of RON 171 /MWh;
- Next Day market 71.127 MWh in value of RON 15,4 million at an average price of RON 216 /MWh;

- Centralized Market for Bilateral Contracts RON 490.915 MWh in value of 85 million at an average price of RON 173 /MWh;
 - Balance market and PRE Members RON 110.496 MWh in value of 41 million at an average price of RON 375 /MWh;
 - Direct consumers and buyers MHC 2.101 MWh in value of RON 0,9 million;
- b) Transelectrica ancillary services (secondary control frequency / power reserve power, reactive power and voltage control assurance) worth RON 38.6 million;
- c) Services incurred for the regulated market RON 11 million;
- d) Services incurred for the competitive market RON 5 million;
- e) Green certificates worth RON 7.2 million;
- f) Other operating income RON 6 million.

Quantitative Situation of of electricity supply is as expressed in MWh:



The quantities and revenues from electricity supplied to energy markets in the first two months of 2014 are as follows:

a) Regulated market

CLIENT	ELECTRICITY		INVOICED TRANSPORT
	QUANTITY (MWh)	VALUE (Ron)	VALUE (RON)
CEZ VÂNZARE	165,374	18,791,383	1,716,707
ELECTRICA FURNIZARE	475,857	46,513,865	4,943,070
ENEL ENERGIE	145,612	20,762,023	1,433,283
ENEL ENERGIE MUNTENIA	102,361	20,970,509	983,046
E.ON ENERGIE ROMÂNIA	175,522	16,879,053	1,822,130
TOTAL	1,064,726	123,916,833	10,898,235

b) Licensed suppliers

The quantities and revenues from electricity supplied to eligible customers and licensed suppliers as follows:

CLIENT	QUSNTITY (MWh)	VALUE (Ron)	TG (Ron)
ALRO SLATINA	484,932	83,398,581	2,581,070
ELECTROMAGNETICA	129,140	21,354,590	0
TOTAL	614,072	104,753,171	2,581,070

Electricity delivered to the competitive market

Next Day Markt (NDM) - Hidroelectrica S. A. sold on **Next Day Market** a quantity of 71,127 MWh worth RON 15.4 million. Transitions were made on the platform managed by CN Transelectrica - OPCOM SA, with counterpart on OPCOM SA. OPCOM SA acts both as a buyer and seller for all transactions on the next day market.

Centralized Market for Bilateral Contracts (PCCB) - Hidroelectrica S. A. sold on the Centralized Market for Bilateral Contracts a quantity of 490,915 MWh, worth RON 85 million.

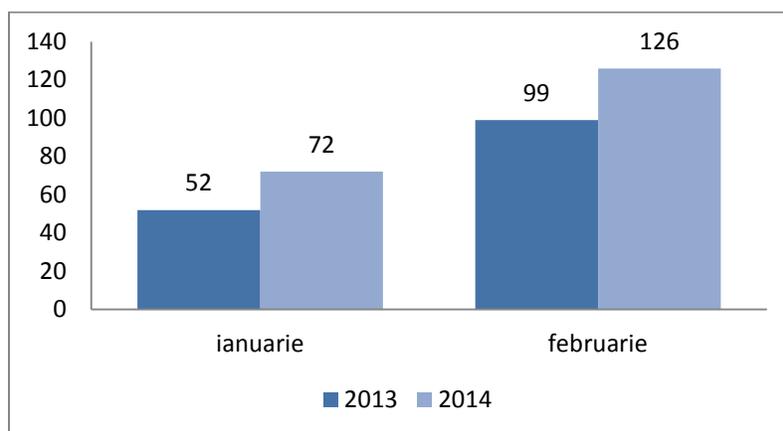
Balancing Market - Hidroelectrica S.A. delivered on the Balancing market (Transelectrica) a quantity of 110,496 MWh, worth RON 41 million.

Gross profit and EBITDA (unaudited data)

Gross profit as of 28.02.2014 was RON 126 million, RON 26 million higher than the gross profit realized in the first two months of 2013, representing an increase of 26.6%.

By February 28, 2014, operating income has achieved RON 38.5 million higher than the same period of 2013, while operating expenses were lowered by RON 7.5 million from those recorded on 28 February 2013.

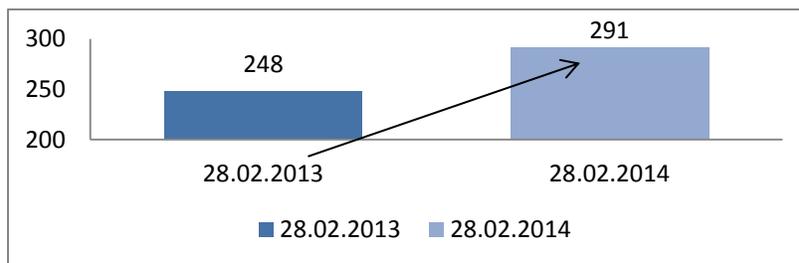
Evolution of gross income in the period January-February 2014 compared to the same period of 2013 is shown in the chart below:



Financial results between 01.01.2014 - 28.02.2014, compared to the same period last year is as follows:

Indicators	28.02.2013	28.02.2014	Difference	%
	(Ron)	(Ron)	(Ron)	
	<i>1</i>	<i>2</i>	<i>2-1</i>	<i>2/1*100</i>
Net turnover	396,144,994	434,139,959	37,994,965	109.59
Operating revenues	400,077,815	438,621,893	38,544,078	109.63
Operating expenses	315,780,339	308,220,049	(7,560,290)	97.61
Operating result	84,297,476	130,401,844	46,104,368	154.69
Financial income	28,421,804	4,348,983	(24,072,821)	15.30
Financial expenses	13,558,042	9,201,675	(4,356,367)	67.87
Financial result	14,863,762	(4,852,692)	(19,716,454)	19.75
Total revenues	428,499,619	442,970,876	14,471,257	103.38
Total expenditure	329,338,381	317,421,724	(11,916,657)	96.38
Gross result	99,161,238	125,549,152	26,387,914	126.61

On 28.02.2014, the EBITDA value was RON 291 million to RON 248 million in February 2013, which represents an increase of RON 43 million, i.e. 17%.



On 28.02.2014, the date of the last balance, the main balance sheet items that define financial position are as follows:

	Million RON	
ASSETS	28.02.2013	%
Intangible assets	4	0.02
Tangible assets	19,704	97.38
Financial assets	58	0.29
FIXED ASSETS	19,766	97.68
Stocks	107	0.53
Receivables	253	1.25
Short term investment	2	0.01
Cash	106	0.52
CURRENT ASSETS	467	2.31
Expenses recorded in advance	2	0.01
ASSETS TOTAL	20,235	100.00

	Million RON	
ASSETS	28.02.2014	%
Intangible assets	1	0.01
Tangible assets	18,883	97.24
Financial assets	25	0.13
FIXED ASSETS	18,909	97.37
Stocks	109	0.56
Receivables	279	1.44
Short term investment	13	0.07
Cash	105	0.54
CURRENT ASSETS	505	2.60
Expenses recorded in advance	5	0.03
ASSETS TOTAL	19,420	100.00

	Million RON	
LIABILITY	28.02.2013	%
Share capital	4,479	22.14
Revaluation reserves	11,130	55.01
Reserves	1,118	5.52
Reported result	(688)	(3.4)
Current result	99	0.49
Distribution of profit	0	0.00
EQUITY	16,139	79.76
Patrimony	39	0.19
Short term debts	2,368	11.70
Long term debts	1,277	6.31
TOTAL DEBTS	3,645	18.01
Other liabilities	412	2.04
LIABILITY TOTAL	20,235	100.00

	Million RON	
LIABILITY	28.02.2014	%
Share capital	4,481	23.07
Revaluation reserves	11,018	56.74
Reserves	1,276	6.57
Reported result	(749)	(3.86)
Current result	845*	4.35
Distribution of profit	46	0.24
EQUITY	16,824	86.63
Patrimony	39	0.20
Short term debts	1,142	5.88
Long term debts	1,053	5.42
TOTAL DEBTS	2,196	11.31
Other liabilities	361	1.86
LIABILITY TOTAL	19,419	100.00

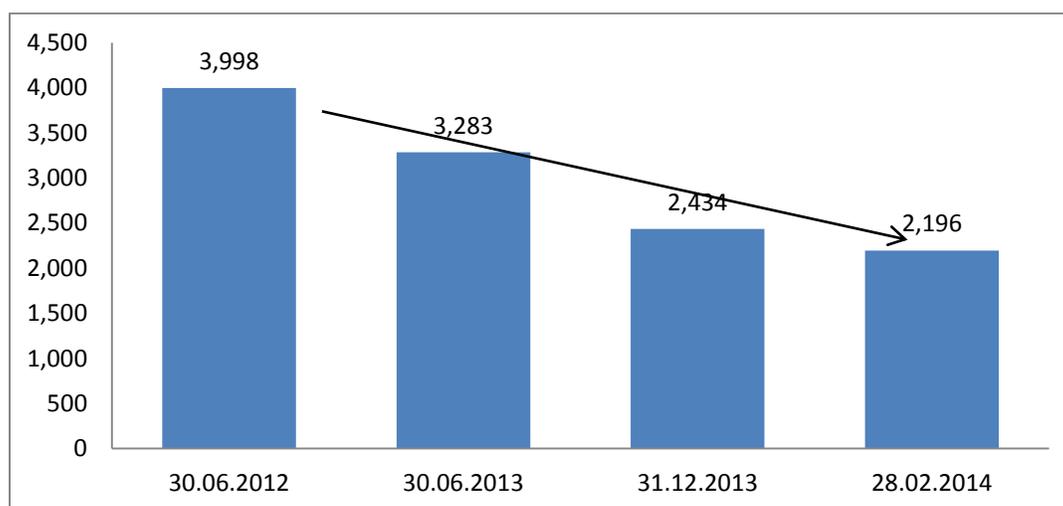
* current result on 28.02.2014 amounting to RON 845 million includes the net result of 2013, preliminary results and undistributed worth RON 719 million.

Situation of debts on 28 February 2014

Total liabilities as of 28.02.2014 are RON 2,196 million, registering a decrease of 1,087 million on **30.06.2013** compared to 238 million RON total debt registered on 31.12.2013.

Decreased of total company liabilities was driven primarily by lower commercial contracts after initiation of insolvency proceedings and the repayment of loans, without contracting new ones.

During the period when the company has been in the procedure of insolvency, were negotiated and obtained significant trade discounts for ongoing maintenance contracts, refurbishment and investment works.



Evolution and structure of debt in the period 30.06.2012 - 28.02.2014 is as follows:

-RON-

Indicator	30.06.2012	30.06.2013	31.12.2013	28.02.2014
Debts to be paid within a period of one year, of which:	2,328,381,413	1,967,163,553	1,382,635,995	1,142,223,508
Credit lines	814,371,526	436,074,226	200,820,007	162,425,836
Investment loans and other short term liabilities	613,768,218	669,324,430	633,287,717	522,403,877
Trade payables	900,241,669	861,764,897	548,528,271	457,393,795
Debts to be paid within a period of more than one year	1,669,191,148	1,316,200,264	1,051,727,474	1,053,478,701
Total liabilities	3,997,572,561	3,283,363,817	2,434,363,469	2,195,702,209

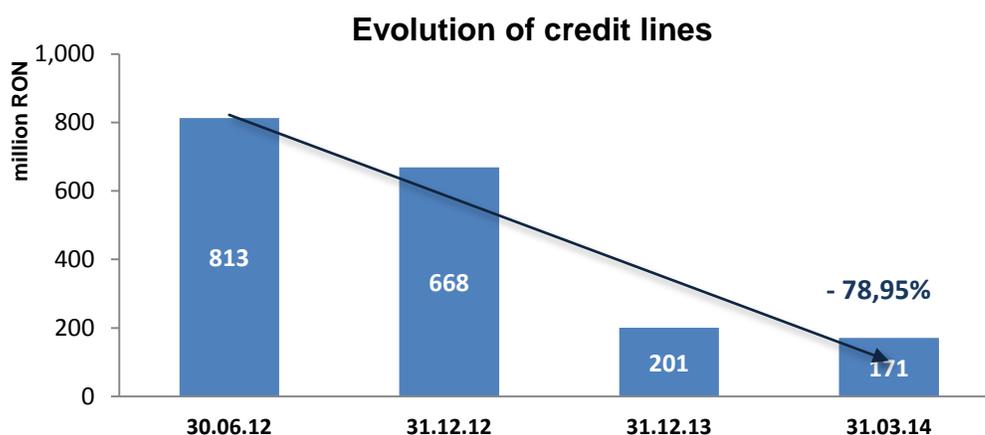
Short term debts

Credit lines

on 31.03.2014, operating credit lines are as follows:

No	Bank	Nominal value	Currency	Loan balance on 31.03.2014 (line currency)	Available balance on 31.03.2014 (line currency)	Maturity
1	Banca Română de Dezvoltare	300,000,000	RON	41,970,470	258,029,530	30.09.2014
2	Banca Transilvania	120,000,000	RON	-	120,000,000	11.04.2014
3	Royal Bank of Scotland	8,740,000	EUR	8,700,618	39,382	31.07.2014
4	CITIBANK	27,976,653	USD	27,976,653	0	31.12.2015
	TOTAL (equivalent in RON)	549,315,103		171,110,113	378,204,989	

During the period 30.06.2012 - 03.31.2014, short-term financial debt decreased by RON 642 million, equivalent of 78.95%. Evolution between June 2012 - March 2014 is shown in the chart below:

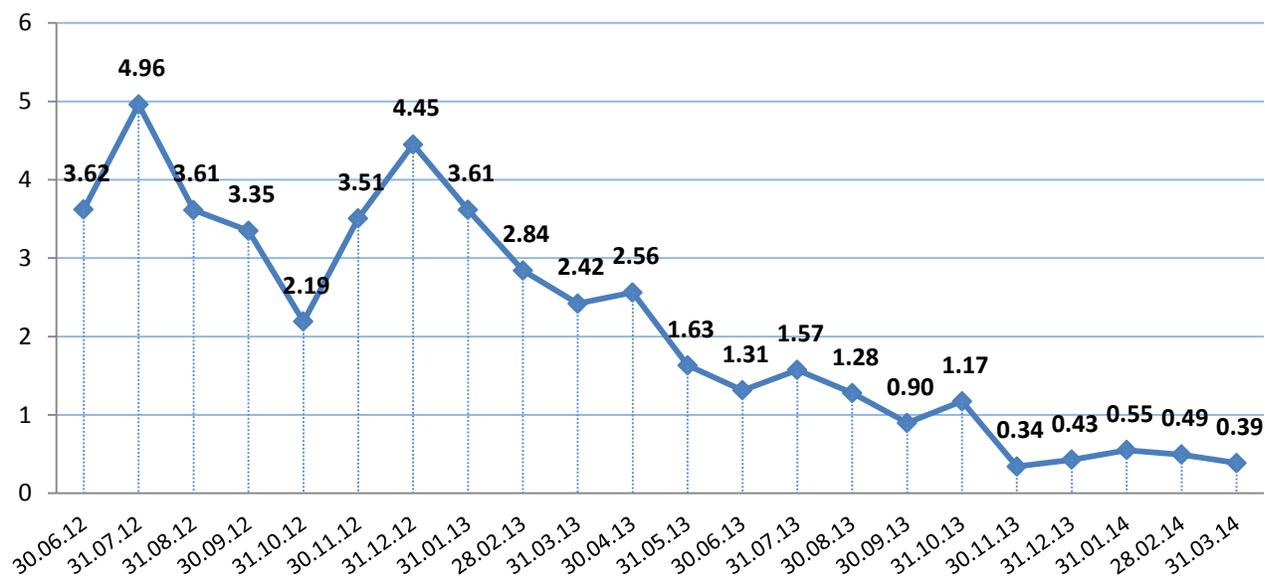


The significant decrease of balance credit lines occurred as result of:

- irrevocable principal repayments were made monthly, based on credit lines denominated in foreign currency contracted from RBS Bank, respectively Citibank. As of 31.08.2012, had been repaid monthly 1 million EURO from the line of credit balance granted by RBS Bank. Also in the third quarter of 2012 were made quarterly repayments from principal in the amount of USD 4 million, based on contracted line from Citibank. The limit of these lines was irreversibly reduced in proportion to payments of principal. Principal repayments made under the credit line granted by Citibank were stopped in late June 2013, when the value of the credit line used was below the limit approved by the bank: USD 30 million.
- repayments on credit lines that operate according to the principle of overdraft: credit lines granted by BRD, ING Bank and Banca Transilvania.

Between June 2012 - March 2014, the financial costs associated with short-term financial debt decreased, the monthly interest and fees associated with credit lines was reduced by 89.36% in March 2014 versus June 2012.

Costs of credit lines (interest and fees) expressed in million RON



In September 2013 an addendum was signed with BRD Groupe Societe Generale to extend the validity of the available funds under this line, the maturity of the facility being reviewed to: 30.09.2014.

On 03.20.2014 was concluded an addendum to the credit line contract signed with Citibank, to reimburse the existing principal balance on 01.03.2014: 27.92 million USD in approximately equal monthly installments during the period 31.10.2014 - 31.12.2015. Short-term financial debts to Citibank will help reduce total financial debt by 9.39% between 31.10.2014 - 31.12.2015 and will equate to a saving interest costs amounting to 1.48 million RON.

Also, in the first quarter of 2014 was concluded the assignment package, which provides financial guarantee obligations derived from credit line granted by BRD thus:

Bank	Nominal value of line	Currency	Assignment	The annual amount of disposals (RON)
BRD	300,000,000	RON	Electricity supply contracts concluded on the regulated market and PCCB	375,000,000

Trade payables

Structure of the main trade payables recorded on 31.03.2014 as follows:

Supplier	Balance debts on 31.03.2014 (RON)	Current debts (RON)	Outstanding debts <30 days (RON)	Outstanding debts > 30 days (RON)
APELE ROMÂNÊ	262,506,408	247,506,408	-	15,000,000
HIDROCONSTRUCTIA	82,616,082	82,616,082	-	-

SN NUCLEARELECTRICA SA	43,808,469	43,808,469	-	-
TRANSELECTRICA	36,575,464	36,575,464	-	-
C.E. OLTENIA	12,437,515	12,437,515	-	-
ENERGOMONTAJ SA	7,589,663	7,525,498	64,165	-
HIDROELECTRICA SERV	6,106,721	6,106,721	-	-
TOTAL TOP 7 suppliers (RON)	451,640,322	436,576,157	64,165	15,000,000

On 11.04.2014, after the payment made to Apele Romane **outstanding debts were extinguished.**

During March 2014 were paid debts to suppliers of production and investment totaling RON 68 million, thus:

Type of supplier	Supplier	Value payment (RON)
Production suppliers	Apele Române	10,086,704
	Hidroelectrica SERV	24,419,812
	Other supplier	12,547,323
Total production suppliers		47.053.839
Investment suppliers	Hidroconstrucția	13,705,203
	Energomontaj	4,889,663
	UCM Reșița	2,120,021
	Hydro Engineering	6,811
	Romelectro	170,149
Total investment suppliers		20,891,847
Total commercial suppliers		67,945,686

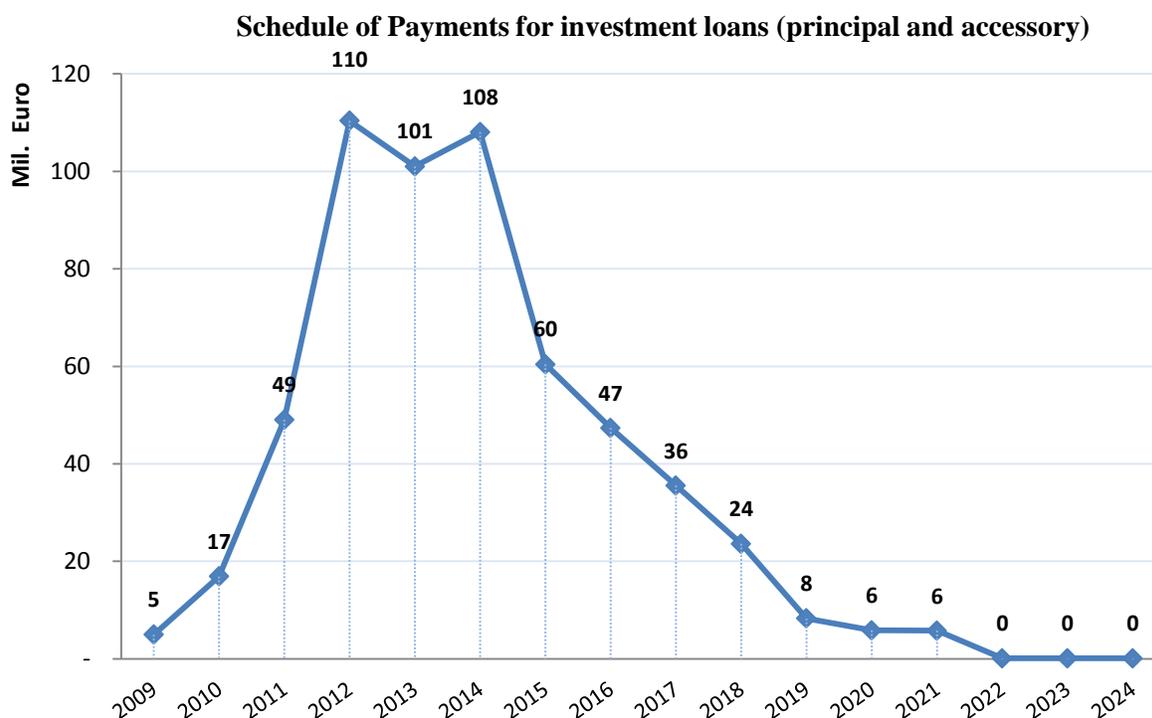
During 30.07.2013 - 31.03.2014, within the 7 rescheduling agreements concluded for debts entered in the List of creditors, were paid in installments, in amount of RON 368 million.

Long-term debt

Investment Loans

In the period 20.06.2012 - 31.03.2014, Hidroelectrica honored on maturity the financial debt service on medium-and long term, paying bank to financial institutions the amount of EUR 188,949,575, representing interest and fees in the amount of EUR 26.848 .651.

The evolution of the debt service for investment loans, repayments and associated costs in the period 2009-2024 is presented in the chart below.



Net monetary position

Net monetary position has registered a steady improvement, reducing cash deficit at a rate of approx. 92.37% from the negative value of (763) million RON existing on 30.06.2012 at a negative value of (58) million RON, on 28.02.2014.

Specification	June 2012	December 2012	December 2013	February 2014
Cash and bank accounts	51	54	74	104
Short-term credit lines	(814)	(668)	(201)	(162)
Net monetary position	(763)	(614)	(127)	(58)

In March 2014 the reducing line of financial expenses were undertaken due to:

- Termination of the credit agreement signed with the EBRD in the amount of 110 million Euros to finance the project Refurbishment HPP Stejarul Biczaz, given the suspension of the validity of financial funds during insolvency proceedings;
- **Closing the maturity of the credit line granted by Alpha Bank, amounting to RON 80 million** given the lack of short-term financing need. The option not to extend the validity of the credit line contracted from Alpha Bank over a period of 1 year have facilitated **cost savings in value of RON 400,000**, representing the fee for the line extension that would have been charged by Alpha Bank;
- Issue an internal decision for transferring weekly the balance existing in subsidiaries and plants' bank accounts and to Hidroelectrica Executive bank account, through which operates the credit line worth RON 300 million, contracted from BRD. This ensures minimization of funds

used under the credit line granted by BRD and therefore diminishes registered interest for using the credit line.

In line with **maximizing financial income** was conducted the following:

Establishment of 3 deposits for one month. At the maturity of the 3 deposits - 14.44.2014, the company will charge interest in value of RON 219.792.

For effective management of monetary funds available to the company, was created a tool to monitor cash flow that allows defining decisions for saving extra cash availabilities and deadlines for charging correlation with the time of collection of the debt claims.

In order to reduce financial costs and increase financial income during April 2014 following will be conducted:

- Analysis of current bank accounts to close all accounts with banks that do not credit the company nowadays. Thus, cost savings will be reported by elimination of fees charged for: monthly management accounts and confirmation of current accounts balances to company's auditor;
- Concluding overnight deposit contracts with BCR, ING Bank and Citibank to obtain financial income from the significant financial compensation funds existing at the end of each banking day in the accounts opened at the three banks.

Share capital

On 28.02.2014, Resolution No.7 EGM, approved Hidroelectrica's share capital increase with the value of RON 5,014,000, in kind contribution of the Romanian State, representing the land for a total of 14 lots on which were obtained ownership certificates in the period December 2012 - April 2013.

Also on 28.02.2014, were issued 2 certificates of ownership of land by the Ministry of Economy for the following sites:

Series/no./date of certificate	Name arrangement/ Name of site	Subsidiary of HPP	Area (sq.m.)	Value appraiser report (RON)
			<i>exclusive</i>	
M03 12919/28.02.2014	Network 2 - Gura Văii	HS Porțile de Fier	8,944.00	743,872
M03 12920/28.02.2014	Captare Nopteasa	HS Râmnicu Vâlcea	982.07	28,217
TOTAL				772,089

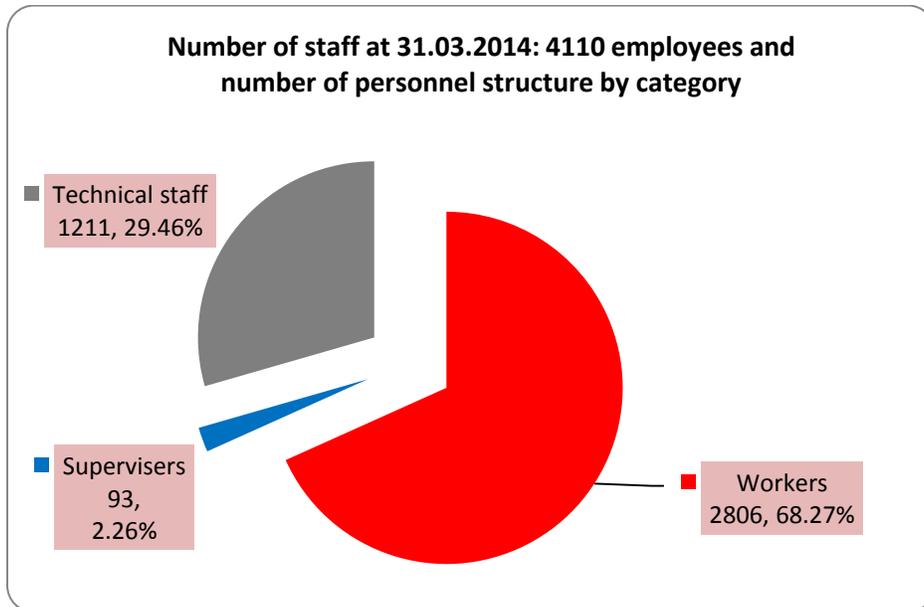
5. Human resources activity

Resizing staff structure emerged as a necessity designed to ensure efficient work and at the same time a reduction in staff costs.

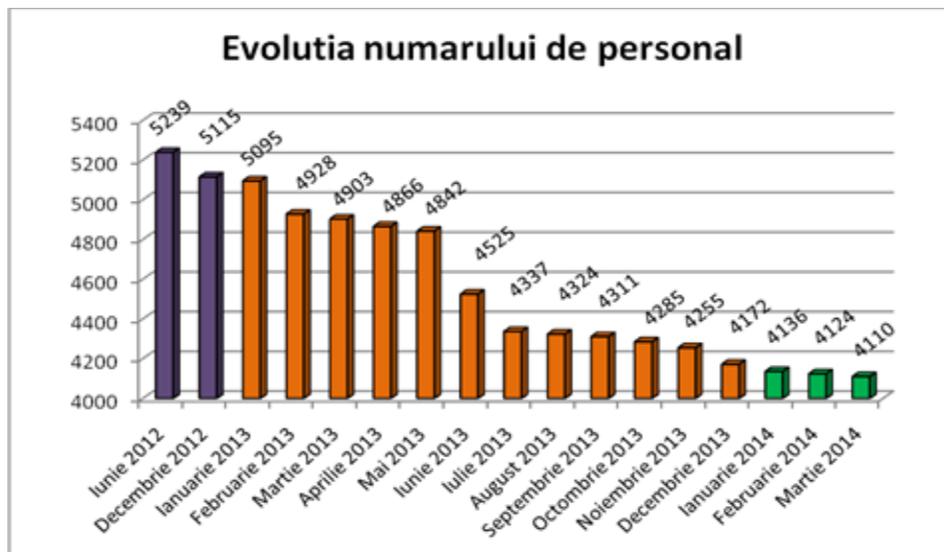
If on 20.06.2012, the date of opening of insolvency proceedings, were employed 5,239 people with individual contract, with a monthly gross salary and negotiated allowances in value of RON 20,944,716 (without the influence of about 70 allowances, bonus, increases, allowances which

represent 59% of total salary income). On 31.03.2014, the company had a total of 4,110 employees, representing a decrease of staff with 21.55 %

Structure of the categories of personal on 31.03.2014 is as follows:



Evolution of the number of staff in the period June 2012-March 2014 is as follows:



Evolution of Subsidiaries personnel during 2014 is presented below:

No	SUBSIDIARY	EXISTING PERSONNEL ON 31.01.2014	EXISTING PERSONNEL ON 28.02.2014	EXISTING PERSONNEL ON 31.03.2014
1	HS BISTRITA	552	557	555
2	HS CLUJ	457	454	452
	CLUJ	247	244	243
	ORADEA	210	210	209
3	HS CURTEA DE ARGES	798	793	792
	CURTEA DE ARGES	575	571	571
	BUZAU	223	222	221
4	HS HATEG	456	456	454
	HATEG	312	312	310
	CARANSEBES	144	144	144
5	HS PORTI DE FIER	567	567	567
	PORTI DE FIER	382	382	382
	TG JIU	185	185	185
6	HS RM VALCEA	694	686	680
	RM VALCEA	464	456	450
	SLATINA	230	230	230
7	HS SEBES	441	440	437
	SEBES	212	211	210
	SIBIU	229	229	227
8	EXECUTIVE	171	171	173
	TOTAL	4136	4124	4110

In March 2014 a total of 17 employees left Hidroelectrica according to the table below:

No.	Reasons for leaving the organization	No. of employees that left in March 2014
1	Mutual agreement	1
2	Death	2
3	Resignation	1
4	Retirement on age	9
5	Partial anticipated retirement	3
6	Anticipated retirement	1
	TOTAL	17

Employments:

In March 2014 three personas were hired for Hidroelectrica executive positions.

For the 164 employees laid off in 2013 who had signed the conventions for the rescheduling of severance payments were paid in March 2014 redundant net amount of RON 388,340.

The "Phoenix" program launched in 2013 by Euro INSOL SPRL, Administrator appointed by the court, aimed to appointment of professional managers for top management positions in Hidroelectrica SA.

The total number of vacancies in the project was initially 67, and of these, the number of jobs considered critical were 28: Executive managers (4 positions), Branch Managers (13 positions), department managers in the Hidroelectrica Executive (11 posts).

After the merging of subsidiaries on 25.06.2013, the vacancies remained in the selection process were reduced to 54:

	Total	Subsidiary	Executive
A.Total vacancies for holders of leading positions appointed by delegation, which: A=B+C	54	34	20
1. Leading positions with holders appointed by delegation	49	34	15
2. Vacancies	5	0	5
B. Completed today	6	5 Subsidiary managers	1 department manager Management of Utilities
C. Rest to be completed	48	29, of which: 2 Subsidiary managers (Cluj and Hateg) 16 deputy managers 11 engineers plant chief	19, of which: 5 executive managers 1 directorate deputy manager 13 department managers

The Administrator appointed by the court approved the organizational chart given on 25.02.2014, reducing 1 management position, the position of Director of Strategy and Acquisitions.

At this point, the total number of executive management positions decreased from 20 to 19. Holders on 13 of these positions are currently appointed by delegation, one manager is final (Manager of Utilities department) and 5 posts are vacant.

Pedersen & Partners trained Hidroelectrica team to conduct interviews with all relevant candidates for the posts of Deputy Managers for subsidiaries and branch chief engineers.

Potential candidates could apply directly on the Hidroelectrica website; a total of **2,447 applications** were registered at the end of receiving resumes period.

The project is sustainable and available to the Hidroelectrica team, methodology that can be applied later in the company and for other leading positions (middle management).

In March 2014 using Pedersen & Partners database and methodology were held the final interviews for the position of department directors and Hidroelectrica executive managers.

Selected candidates are mostly chosen from those who applied within the "Phoenix" project and were recommended by the consultant.

Thus, starting 24.03.2014, **Mr. Adrian George is the new Manager of the Financial Department** of Hidroelectrica. During 1993-1995 he worked in the Price Waterhouse Coopers, from 1995 to 2001 filled the position of CFO at ABN AMRO Bank Romania. From 2002 to 2007 he was CFO at Raiffeisen Bank Romania, from 2007 and until 2009 held the same position at Bancpost. Until being employed in Hidroelectrica he had held the position of CFO at Mandy Foods International.

Starting 31.03.2014 the Financial Manager of the company is Mrs. Gabriela Mihailescu. Gabriela Mihailescu graduated from the Academy of Economic Studies - Faculty of Economics in foreign language (French) and has Ph.D. in Economics from the Academy of Economic Studies in "Investment Banking Portfolio Management" She holds a Master in Finance and Management Control at the Orleans University, France;

He has held top management positions in finance at OTP Bank Romania (CFO, controlling director) and financial analyst in the Department of Management Control BRD.

6. Cooperation activity and international relations

In the period under review, steps were taken to identify opportunities for cooperation in hydropower domain, ensuring the preparation and conduct business correspondence with companies / organizations to identify potential foreign partners and to develop collaborative relationships hydropower in Romania: **PVB Power Bulgaria, Embassy of Russian Federation, CEEP Belgia, Europe Business Assembly – Great Britan, Euromoney Plc – Great Britan, REECO Romania.**

Also, in order to promote the launch of a new phase of the sale of small hydroelectric power plants by open bid was sent relevant information to 32 foreign diplomatic missions (embassies) in Romania to the attention of potential interested foreign partners,.

In 2013 Hidroelectrica has started a series of discussions with **the World Bank** for the involvement in funding refurbishment projects and increase the safety in operation of the three hydropower plants selected i.e. HPP Vidraru, HPP Mărișelu and HPP Retezat. **Currently, the World Bank is in the preliminary stage regarding the three projects**, so that in the near future to take a decision on modalities for further cooperation between the two entities.

7. Procurement and logistics activities

The main activities undertaken by the administrator appointed by the court were:

1) Making public procurement procedures for goods, services and works, approved by the Hidroelectrica Executive annual program:

a) Negotiation exempted from GEO 34/2006 to award "**Legal assistance and representation services in the process with NAFA (ANAF)**". The procedure was completed by the contract of legal assistance achieving a reduction of RON 380,476, representing 57% of the estimated value of the acquisition.

b) Direct purchase - "**Stationery and supplies**" - proceedings initiated by sending a request for proposals to five operators. The procedure was completed by finalising the Order, thus achieving a reduction of **RON 8,898**, representing **66%** of the estimated value of the acquisition.

2) Documentation and approval received from SH in accordance with Hidroelectrica procedures, by drawing up and approval of the Joint Notes and Decisions regarding initiation procedures for acquisition of products by subsidiaries, services and works provided in their annual programs, according to the values approved by Hidroelectrica executive in Requisition. At the Department level were reviewed and approved the "Notes of Approval" for 42 cases of acquisition submitted by subsidiaries.

3) Making centralized procurement of goods and services that meet the needs of all subsidiaries as follows:

- Open bid for "Cleaning and sanitation services in indoor and outdoor spaces for Executive and 7 HP subsidiaries". The procedure was completed by concluding 8 contracts, achieving a reduction of RON **83,365**, representing **8.18 %** of the estimated value of the acquisition.

4) Central programming and delivery optimization for executive HE level for ongoing contracts in subsidiaries in respect of: bulk diesel for heating and generators, mineral oils, meal vouchers.

5) Development Procedures "Procurement process and logistics"

Were prepared and approved the following specific procedures for Procurement and Logistics Process:

a Operational procedures procurements exempted from the procedures provided by GEO 34/2006 code: PO-07-01-03_01;

b Operational Procedures purchase, services and works according to the GEO. 34/2006 code: PO-07-01-03_02.

There are currently starting / running award procedures for necessary products and services for Executive and branches, according to supporting documents as follows:

- „ recharging, check and repair services for extinguishers" the procedure "Open bid". Tender documentation validated by ANRMAP in ESPP, participation notice to be published.

- „medical services" the procedure "Negotiation exempted from GEO 34/2006 ". Procedure published in the ESPP and on company website. The procedure was initiated by sending a request to four operators with term for submission of tenders by 15.04.2013.
- „RCA and CASCO insurance services for fleet" the procedure "Offer Request". Tender documentation is in the stage of validation by ANRMAP in ESPP.
- "Assessment services for HIDROELECTRICA tangibles - construction and technological equipment" the procedure "Offer Request". Tender documentation is in the stage of certification and approval.
- "Rental services for fleet management software" - 4-year Framework Agreement by "Direct purchase". The acquisition is in the stage of analyzing bids submitted and award services.
- "Preparation of Manual services for accounting policies" through "Direct purchase". The acquisition is in the stage of analyzing bids submitted and award services.
- Negotiation subsequent contract of the Framework Agreement no. 49/04.04.2012 on services, involving the "Integrated Quality Management System Recertification - Environment - Occupational Health and Safety" concluded between Hidroelectrica - purchaser and SC SRAC CERT SRL - service provider. Negotiation will take place on 07.04.2013.
- „Management consulting services for setting policy on variable payment, including the objectives and performance indicators for top management positions in Hidroelectrica" through "Direct purchase". The acquisition is in the tendering term 04.04.2014.
- "Risk analysis services to security objectives SH Hateg, SH Rm Valcea, SH Curtea de Arges and SH Bistrita" by "Direct purchase". The acquisition is in the stage of analyzing submitted bids and award services.

Was developed the operational procedures for purchase, services and works through direct purchase code: PO-07-01-03_03. Procedure should be updated in order to be signed, according to new organizational structures of Hidroelectrica SA and in accordance with company policy.

HIDROELECTRICA - 2014 annual program of the centralized procurement was prepared and is going to be signed / approved by management.

The program was developed centrally, considering the specific needs of each customer (functional departments of the Executive and Subsidiaries). This allows identification of all potential necessary acquisitions required by Hidroelectrica beneficiary compartments. It creates the opportunity for the acquisition to be centrally performed by aggregating all purchases that have the same need. Centralized purchasing has the following advantages:

- purchasing at prices much lower than if the acquisition would have been made by the recipient compartment /HS.
- reducing specific costs for procurement process.
- purchasing of goods / services / works with the same level of quality and performance.
- reducing the risk of being able to purchase products / services / works to potential bidders who meet certain Hidroelectrica requirements and quality standards.

- inviting to competition of prospective bidders who have logistics, financial and technical ability to ongoing nationwide contracts
- purchasing products from manufacturers or dealers with national territorial coverage.

Mention that up today, starting 20.06.2012, by conducting procurement procedures through application <http://contracte/aar/> wereb registered reductions totaling RON 680,082,872. In this regard, Hydro Subsidiaries were requested to continuously updating the database, by daily using and filling in the application.

It was also ordered securing public procurement process related to the conditions of applying direct purchases as a way of assignment, by implementing a Hidroelectrica database unit for the acquisition of goods, services and works within the limits provided for by art. 19 of Ordinance 34/2006 (EUR 30,000 without VAT for services and products, respectively EUR 100,000 for works).

B. Procedural measures

Meetings of the General Assembly of Shareholders

1. Extraordinary General Meeting of Shareholders dated 28.02.2014

Extraordinary General Meeting of Shareholders of "HIDROELECTRICA" SA, convened by the administrator appointed by the court on 28.02.2014 unanimously decided:

- Revocation of the special administrator, Mr. Ioan Mihaila, appointed by Resolution no. 36/29.05.2013 of the General Meeting of Shareholders in accordance with Art. 18 of Law no. 85/2006 on insolvency proceedings.
- Appointment of Mr. Dumitrascu Gabriel as special administrator to represent the interests of shareholders in the insolvency proceedings against the debtor Societatea de Producere a Energiei Electrice in Hidrocentrale "HIDROELECTRICA" SA.

Minutes of the Extraordinary General Meeting of Shareholders dated 28.02.2014 was recorded in the case file and published in the Insolvency Proceedings Bulletin no. 4563/06.03.2014

2. Extraordinary General Meeting of Shareholders dated 28.02.2014

"HIDROELECTRICA" SA Extraordinary General Meeting of Shareholders convened on 18.03.2014 by the administrator appointed by the court unanimously approved the following:

1. Open outcry auction, in stage III, for a total of 14 packages of assets, representing a total of 22 small hydropower stations (SHPP s) as follows:
 - a. Group of assets – small hydro power plants in the Neagra Șarului basin, Suceava County: CHEM Gura Haitii 1, SHPP Gura Haitii 2 at starting price of RON 4,538,900 + VAT;
 - b. Small hydro power plants on Valea cu Pești creek, Neagra Șarului river, Suceava County: SHPP Lucaciu, at starting price of RON 1,023,500 + VAT;

- c. Group of assets – small hydro power plants in the Neagra Șarului basin, Suceava County: SHPP Neagra Șarului 1, SHPP Neagra Șarului 2, SHPP Șaru Dornei 1, SHPP Șaru Dornei 2 at starting price of RON 16,399,400 + VAT,
 - d. Small hydro power plants on Calimanel river, Suceava County: SHPP Panaci starting at starting price of RON 1,258,100 + VAT;
 - e. Small hydro power plant on Neagra Șarului river, Suceava County: SHPP Plai Monah at starting price of RON 1,752,300 + VAT;
 - f. Small hydro power plant on Trotus river, Bacău County: SHPP Caralița at starting price of RON 3,702,766 + VAT;
 - g. Small hydro power plant on Neagra river, Neamț County: SHPP Neagra at starting price of RON 994 800 + VAT;
 - h. Small hydro power plant on Bolovăniș river, Neamț County: SHPP Bolovăniș at starting price of RON 1,855,200 + VAT;
 - i. Small hydro power plant on Cracău river, Neamț County: SHPP Cracău 1 at starting price of RON 2,332,173 + VAT;
 - j. Small hydro power plant in Suceava County: SHPP Fălticeni - at starting price of RON 156 602 + VAT;
 - k. Small hydro power plant on Chiuzbaia, Maramureș County: SHPP Chiuzbaia at starting price of RON 1,842,200 + VAT;
 - l. Group of assets – Small hydro power plant on Prahova river, Prahova County: SHPP Nedelea 1, SHPP Nedelea 2 - at starting price of RON 8,618,157 + VAT;
 - m. Small hydro power plant on Arges river, Giurgiu County: SHPP Ogrezeni - at starting price of RON 299 708 + VAT;
 - n. Group of assets – Small hydro power plant on Valea Cracului river, Hunedoara County: SHPP Valea Cracului 1, SHPP Valea Cracului 2, SHPP Valea Cracului 3, SHPP Zeicani - at starting price of RON 9,076,100 + VAT;
2. Open outcry auction for the land area of 3025 square meters located in Târgu Jiu, cadastral no. 43847, of Hidroelectrica assets - SH Iron Gates, at the starting price of RON 900,000 + VAT.
 3. The sale of the assets mentioned in section 1 and 2 in the following conditions:
 - a) Selling method: public open outcry auction, competitive auction at an increasing price to the offered price;
The minimum sale price, excluding VAT, is equal to the offer price, respectively:
 - Group of assets – small hydro power plants in the Neagra Șarului river basin, Suceava County: CHEM Gura Haitii 1, SHPP Gura Haitii 2 - starting auction price / minimum sale price of RON 4,538,900;
 - Small hydro power plants on Valea cu Pești creek, Neagra Șarului river, Suceava County: SHPP Lucaciu - starting auction price / minimum sale price of RON 1,023,500;

- Group of assets – small hydro power plants in the Neagra Șarului basin, Suceava County: SHPP Neagra Șarului 1, SHPP Neagra Șarului 2, SHPP Șaru Dornei 1, SHPP Șaru Dornei 2 - starting auction price / minimum sale price of RON 16,399,400;
 - Small hydro power plants on Calimanel river, Suceava County: SHPP Panaci - starting auction price / minimum sale price of RON 1,258,100 ;
 - Small hydro power plant on Neagra Șarului river, Suceava County: SHPP Plai Monah - starting auction price / minimum sale price of RON 1,752,300;
 - Small hydro power plant on Trotus river, Bacău County: SHPP Caralița - starting auction price / minimum sale price of RON 3,702,766;
 - Small hydro power plant on Neagra river, Neamț County: SHPP Neagra starting auction price / minimum sale price of RON 994,800;
 - Small hydro power plant on Bolovăniș river, Neamț County: SHPP Bolovăniș - starting auction price / minimum sale price of RON 1,855,200;
 - Small hydro power plant on Cracău river, Neamț County: SHPP Cracău 1 - starting auction price / minimum sale price of RON 2,332,173;
 - Small hydro power plant in Suceava County: SHPP Fălticeni - - starting auction price / minimum sale price of RON 156 602;
 - Small hydro power plant on Chiuzbaia, Maramureș County: SHPP Chiuzbaia - starting auction price / minimum sale price of RON 1,842,200;
 - Group of assets – Small hydro power plant on Prahova river, Prahova County: SHPP Nedelea 1, SHPP Nedelea 2 - - starting auction price / minimum sale price of RON 8,618,157;
 - Small hydro power plant on Arges river, Giurgiu County: SHPP Ogrezeni - - starting auction price / minimum sale price of RON 299,708;
 - Group of assets – Small hydro power plant on Valea Cracului river, Hunedoara County: SHPP Valea Cracului 1, SHPP Valea Cracului 2, SHPP Valea Cracului 3, SHPP Zeicani - starting auction price / minimum sale price of RON 9,076,100;
 - Land of an area of 3025 sqm situated in Târgu Jiu, with cadastral no. 43847, part of Hidroelectrica S.A. assets – HS Portile de Fier - starting auction price / minimum sale price of RON 900,000 (aprox. EUR 200.000).
- b) Auction step: 5% of offer price;
 - c) Auction participation guarantee 10% of the tender price;
 - d) The fee for direct access to data and information regarding the asset that include the purchase price and the Presentation File: RON 4000, plus VAT, for each of the 14 asset packages - small hydropower stations (SHPS) and RON 600 plus VAT, for the land of 3025 square meters located in the Târgu Jiu city, with cadastral no. 43847;
 - e) Method of payment: full payment;
 - f) Advertising on offer: Considering the Communication of the Commission on aids offered by state in the process of land and buildings sale by public authorities, published in the Official Journal of the European Communities no. C 209/3 dated

- 10.07.1997 will perform advertising of the sale offer so as to be available to all potential buyers. Thus, the offer of sale advertisement will be published in one or two local newspapers, in one or two newspapers of wide circulation and in an international journal, if necessary, where applicable; Presentation files will be prepared by Hidroelectrica according to Art. 110 of the Methodological Norms approved by GD No. 577/2002, with subsequent amendments.
- g) The tender commission: the tender commission shall consist of seven (7) members appointed in accordance with Decision no. 208/14.03.2014 of Hidroelectrica management, endorsed by EURO INSOL SPRL administrator appointed by the court and special administrator in the insolvency;

Minutes of the Hidroelectrica's Extraordinary General Meeting of Shareholders dated 18.03.2014, registered in the case file date 20.03.2014 and published on the company website www.hidroelectrica.ro

Litigations status

1. Appeals in insolvency proceedings.

Disputes relating to insolvency proceedings pending after admission the appeals against creditors that the bankruptcy judge dismissed as unfounded or inadmissible complaints can be grouped into three categories, depending on the subject of Case:

1.1. Appeals against Preliminary Table of Creditors.

1.1.1. The appeal filed by Alpiq Romindustries SRL.

Alpiq Romindustries is also one of energy traders whose bilateral sale contracts of electricity have been denounced so that the amount for which a statement of affairs has been requested has a component of compensation for termination.

Alpiq Romindustries requested registration in the Table of creditors with the amount of RON 527,790,918.03, representing (i) damages for failure to deliver the entire amount incurred in 2011 as a result of invoking the force majeure clause and (ii) compensation for cancellation of the contract by the administrator appointed by the court.

The appeal was filed with the Court of Bucharest - Civil Department VII no. 36549/3/2012 and by sentence no. 5558/05.06.2013 was rejected as inadmissible.

Alpiq appeal against that decision was upheld by the Court of Appeal that the civil decision no. 463/25.02.2014 upheld the appeal, quashed the sentence and sent the case back to the court of first instance. At the date of this report hearing is not set.

1.1.2. The appeal filed by Alpiq Romenergie SRL.

The objector is one of energy traders whose bilateral sale contracts of electricity have been denounced so that the amount for which a statement of affairs has been requested has a component of compensation for termination.

Alpiq Romenergie requested registration in the Table of creditors with the amount of RON 719,152,974.30, representing (i) damages for failure to deliver the entire amount incurred in 2011 as a result of invoking the force majeure clause and (ii) compensation for cancellation of the contract by the administrator appointed by the court.

The appeal was filed with the Court of Bucharest - Civil Department VII no. 36546/3/2012 and by sentence no. 3788/10.04.2013 was rejected as inadmissible.

Alpiq's appeal against this decision was filed with the Court of Appeal and the court postponed the pronouncement at the hearing dated 09.04.2014, the pronouncement being postponed to 16.04.2014.

1.1.3. The appeal filed by Energy Holding.

Energy Holding requested enrollment in Preliminary table of creditors with the amount of RON 91,137,692.26 representing damages for Hidroelectrica failure to fulfill the obligation to deliver the entire quantity of electricity stipulated in the contract for 2011, the year in which due to severe drought Hidroelectrica cited force majeure clause and reduced quantities delivered for bilateral contracts.

The Administrator appointed by the court rejected the request for registration in the table, measure that was challenged by Energy Holding in the file no. 36545/3/2012.

By sentence no. 3757/10.04.2013 Bucharest Court rejected the appeal as inadmissible.

Energy Holding appeal against the sentence aforementioned was accepted by the Court of Appeal Civil through decision no. 643/12.03.2014, the sentence being written off and cause referred back.

Until the time of this report hearing was not fixed for trial.

1.1.4. The appeal filed by Termoelectrica S.A.

Termoelectrica filed a statement of claim allowed in part by the administrator appointed by the court, which rejected the registration of amount of RON 9,336,477.76 requested by Termoelectrica as contractual penalties.

Termoelectrica appeal against the preliminary table was admitted by the bankruptcy judge with the sentence no. 1150/06.02.2013 pronounced in case no. 36561/3/2012 and ordered enrollment of receivable under suspense condition.

Administrator appointed by the court appeal was upheld by the Court of Appeals which, by Decision no. 456/25.02.2014 quashed the sentence and sent the case back for retrial.

Until the time of this report hearing was not fixed for trial.

1.1.5. The appeal filed by Elsid Titu SA.

Elsid filed statement of claim for the amount of RON 13,026,661 representing Hidroelectrica prejudice for the failure of the obligation to deliver the entire quantity of electricity for 2011, due to force majeure activation clause driven by severe drought.

Administrator appointed by the court dismissed Elsid enrollment as being challenged before the bankruptcy judge in the file no. 36861/3/2012.

By sentence no. 3806/10.04.2013 Bucharest Court rejected the appeal as inadmissible.

Elsid appeal against this judgment was upheld by the Court of Appeals which, by Decision no. 456/25.02.2014 overturned the ruling and ordered the case to be sent for retrial.

By the time this report was not set deadline for judgment.

1.1.6. The appeal filed by Electrocarbon SA.

Electrocarbon filed statement of claim for the amount of RON 18,074,422 representing prejudice for Hidroelectrica failure to deliver the entire quantity of electricity for 2011, due to force majeure clause activation driven by severe drought.

Administrator appointed by the court dismissed Electrocarbon enrollment as being challenged before the bankruptcy judge in the file no. 36857/3/2012.

By sentence no. 3754/10.04.2013 Bucharest Court rejected the appeal as inadmissible.

Electrocarbon appeal against this judgment was upheld by the Court of Appeals which, by Decision no. 889/04.04.2014 overturned the ruling and ordered the case to be sent for retrial.

By the time this report was not set deadline for judgment.

1.1.7. The appeal filed by National Union Petrom Energie.

The Union filed on behalf of union members - employees of Hidroelectrica application to be enrolled in the Table of creditors, accepted in part by the administrator appointed by the court which rejected the registration of the amount of RON 1,262,040.67.

The appeal filed by Unions against preliminary table was recorded before the Court under no. 37378/3/2012, being rejected as inadmissible by sentence no. 3767/10.04.2013.

We mention that after the sentence the administrator appointed by the court has paid the full amount requested by the Union through the appeal.

Union's appeal against that decision was upheld by the Court of Appeals which, by Decision no. 2044/07.11.2013 quashed the sentence and order the case to be sent back to the court of first instance.

Sent for retrial to the Tribunal; first hearing was set for 11.06.2014.

1.1.8. The appeal filed by Alro SA Slatina.

Alro filed statement of claim for the amount of RON 129,664,792.20 representing prejudice for Hidroelectrica failure to deliver the entire quantity of electricity for 2011, due to force majeure clause activation driven by severe drought. Administrator appointed by the court rejected the request for enrollment as being challenged by Alro before bankruptcy judge in the file no. 36781/3/2012.

By sentence no. 3789/10.04.2013 Bucharest Court rejected the appeal as inadmissible.

Alro appeal against this judgment was upheld by the Court of Appeals which, by Decision no. 464/25.02.2014 quashed the sentence and ordered the case to be sent for retrial.

By the time this report was not set deadline for substantive judgment.

1.1.9. The appeal filed by EFT AG.

EFT filed statement of claim for the sum of RON 11,287,478.89 representing prejudice for Hidroelectrica failure to deliver the entire quantity of electricity for 2011, due to force majeure clause activation driven by severe drought. Administrator appointed by the court rejected the request for enrollment as being challenged by EFT before the bankruptcy judge in the file no. 37379/3/2012.

By sentence no. 1151/06.02.2013 Bucharest Court rejected the appeal as inadmissible.

EFT appeal against this judgment was upheld by the Court of Appeals which, by Decision no. 644/12.03.2014 quashed the sentence and ordered the case to be sent for retrial.

By the time this report was not set deadline for substantive judgment.

1.1.10. The appeal filed by Andritz Hydro GMBh Ravensburg.

Andritz has made application to the statement of affairs for claims related to work performed under contracts in force. The request was granted in part, Administrator appointed by the court rejected the application for RON 846,403.35, considering that this amount is not due to be paid by Hidroelectrica.

Andritz appeal was filed with the Court under no. 37358/3/2012 being rejected as unfounded by civil sentence no. 1405/13.02.2013.

Andritz appeal was upheld by the Court of Appeal that the decision of the civil no. 839/25.03.2014 quashed the sentence and sent the case back to the court of first instance.

By the time this report was not set deadline for substantive judgment.

1.1.11. The appeal filed by SCA Campeanu si Asociatii.

Attorneys Company filed statement of claim for the amount of RON 14,721,727 representing the services rendered under the contract no. 109/05.09.2008 to identify and clarify the legal status of all the buildings that were to be expropriated for the completion of the investment objective of national public interest "Hydropower Pascani Arrangement".

Administrator appointed by the court refused to sign the full amount claimed as undue.

Law firm appealed against this measure, filed with the Court file no. 37611/3/2012 and accepted by the bankruptcy judge through sentence no. 2361/06.03.2013, ordering the registration of the Company law with all the amount requested, under suspense condition, until the publication of the decision by the Government to approve the expropriation of properties triggering procedures contained in the AHE Pascani expropriation corridor.

Campeanu and Associates appeal was upheld by the Court of Appeal decision no. 847/27.03.2014 regarding the court of appeal registration removed under the condition of the claim.

1.1.12. The appeal filed by Danube Salvage and Towage SRL.

The creditor has made application to the statement of affairs for the amount of RON 40,448.39 arising from lease of a ship.

Administrator appointed by the court dismissed enrollment, finding that Hidroelectrica had already paid the amount.

Opposition to the table referred by the Danube Salvage and Towage was rejected as unfounded by the Bucharest Court through sentence no. 1404/13.02.2013 given regarding file no. 37366/3/2012.

Creditor's appeal was upheld by the Court of Appeals which, by Decision no. 840/25.03.2014 quashed the sentence and sent the case back to the court of first instance.

By the time this report was not set deadline for substantive judgment.

1.2. Appeals against enforcement of force majeure clause in bilateral contracts in 2012.

1.2.1. The appeal filed by Alro SA Slatina.

In 2012 Hidroelectrica management decided to apply the force majeure clause in bilateral contracts due to plummeting production amid severe drought. The measure was countersigned by the Administrator appointed by the court.

Alro challenged the force majeure clause at the bankruptcy judge, which by the sentence no. 4394/24.04.2013 pronounced in case no. 31569/3/2012 dismissed the appeal as inadmissible.

Alro appeal against the sentence was upheld by the Court of Appeals which, by Decision no. 462/25.02.2014 quashed the sentence and sent the case back to the court of first instance.

By the time this report was not set deadline for judgment.

1.2.2. The appeal filed by Elsid Titu SA.

ELSID Titu SA is one of the traders, whose contracts have been affected by application of force majeure clause in 2012 decided by Hidroelectrica management, formulating an appeal against this measure.

Like Alro SA, Elsid challenged force majeure clause applying to the bankruptcy judge with the sentence no. 4393/24.04.2013 pronounced in case no. 31833/3/2012 dismissing the appeal as inadmissible.

Elsid appeal against the sentence was argued before the Court of Appeal at the hearing dated 04.09.2014, the pronouncement being postponed to 16.04.2014.

1.3. Appeals against termination measures of bilateral contracts for the sale of electricity.

1.3.1. The appeal filed by Alpiq Romindustries.

Noting that the execution debtor registered damages from the sale of electricity to the trader, the Administrator appointed by the court ordered termination of the contract under Art. 86 of the Insolvency Act, with effect from 01.08.2012.

Alpiq Romindustries appeal denunciation against the measure, filed with the Court under no. 31379/3/2012.

Through civil sentence no. 5557/05.06.2013 bankruptcy judge has rejected the appeal as inadmissible.

Alpiq Romindustries appeal was upheld by the Court of Appeal Civil with Decision no. 461/25.02.2014, ordering the quashing of the sentence and sent the case back to the court of first instance.

By the time this report was not set deadline for substantive judgment.

1.3.2. The appeal filed by Energy Holding.

Similarly, regarding the above referenced contract, and contract with the trader about Administrator appointed by the court ordered found that the debtor's property is prejudiced, which is why he ordered the denunciation with effect from 01.08.2012.

Against the termination measure, Energy Holding filed an appeal, registered with the Court under no. 29713/3/2012.

Through civil sentence no. 5355/29.05.2013 bankruptcy judge has rejected the appeal as inadmissible.

Energy Holding appeal was upheld by the Court of Appeal with Decision no. 729/20.03.2014, ordering the quashing of the sentence and sent the case back to the court of first instance.

By the time this report was not set deadline for judgment.

1.3.3. The appeal filed by Andritz Hydro GMBh Viena.

Analyzing the contractual relationship between Andritz and Hidroelectrica based on the framework contract no. 2I/50765 dated 09.11.2001 and noting that under this framework agreement and subsequent agreements were signed independent agreements and amendments no. 4/05.12.2002 respectively 6/26.03.2003. Amendments were never executed by Andritz but based on which Hidroelectrica paid a consistent advance, and fore this reason the Administrator ordered their denunciation.

Andritz filed appeal against the measure, registered with the Court under no. 4697/3/2013.

By sentence no. 5561/05.06.2013 Court dismissed the appeal as unfounded.

Andritz appeal against that decision was upheld by the Court of Appeal with decision no. 731/20.03.2014, sentence was quashed and the cause sent back to the court of first instance.

By the time this report was not set deadline for judgment.

2. Oppositions against the decision to open insolvency proceedings.

Against the decision of the Bucharest Court dated 20.06.2012 in case no. 22456/3/2012, which opened insolvency proceedings have registered oppositions the traders Alpiq Romindustries, Alpiq Romenergie, Alpiq AG, respectiv Sindicatul Hidroelectrica Hidrosind and National Union Petrom Energie.

The oppositions have been filed with the Court of Bucharest and were joined in the file no. 26502/3/2012.

By sentence no. 6218/19.06.2013 Court upheld the exception of the lack of interest, motivated by the advanced stage of insolvency proceedings.

Appeal of traders and the Unions has been admitted by the Court of Appeal by decision no. 459/25.02.2014, court quashed the sentence and sent the case back to trial.

By the time this report was not set deadline for judgment.

3. Action for damages brought in insolvency proceedings.

3.1. Actions brought by traders against Hidroelectrica.

3.1.1. Action brought by Alpiq Romindustries.

This trader filed claims damages based on the provisions of art. 86 paragraph (2) of the Insolvency Act obliging Hidroelectrica to the payment of RON 398,615,235.65 as damages for termination of the contract ordered by Administrator appointed by the court.

We mention that the amounts of the same title were requested by the trader also by the appeal to the preliminary table.

Action is filed with the Court under no. 22371/3/2013 and has hearing on 14.05.2014, the period for which the applicant was ordered to pay the legal fee stamp to the requested value.

3.1.2. Action brought by Alpiq Romenergie.

Similar to the situation described above, the trader brought damages based on the provisions of art. 86 paragraph (2) of the Insolvency Act obliging Hidroelectrica to the payment of RON 215,752,920.21 damages for termination of the contract ordered by Administrator appointed by the court.

Trader asked the amounts of the same title by the appeal to the preliminary table.

Action is filed with the Court under no. 22367/3/2013 and has hearing on 14.05.2014.

3.1.3. Action brought by Energy Holding.

Energy Holding brought a similar action in damages for the sum of RON 1,047,308,908.79, founded on the provisions of art. 86 paragraph (2) of the Insolvency Law.

The case is filed with the Court under no. 22062/3/2013 and has hearing on 11.06.2014.

3.2. Proceedings brought Hidroelectrica against energy traders.

3.2.1. Action brought against Alpiq Romindustries.

Hidroelectrica's action requested Alpiq Romindustries to pay damages for refusing to renegotiate in good faith the price of electricity due to which Hidroelectrica recorded damages due to the difference between the price charged on the electricity markets and the contractual price.

The action was filed with the Court under no. 22862/3/2013 being solved by the court through civil sentence no. 1598/01.04.2014 mentioning that specified action was dismissed as unfounded.

The solution will be appealed in due time after judgment motivation and communication of the sentence.

3.2.2. Action brought against Alpiq Romenergie.

Hidroelectrica's action requested Alpiq Romenergie to pay damages for refusing to renegotiate in good faith the price of electricity due to which Hidroelectrica recorded damages due to the difference between the price charged on the electricity markets and the contractual price.

The action was filed with the Court under no. 22857/3/2013 and has hearing on 15.04.2014, term that could remain in court to adjudicate on cause.

3.2.3. Action brought against Energy Holding.

Hidroelectrica's action requested Energy Holding to pay damages for refusing to renegotiate in good faith the price of electricity due to which Hidroelectrica recorded damages due to the difference between the price charged on the electricity markets and the contractual price.

The action was filed with the Court under no. 22864/3/2013 and has hearing on 20.05.2014, term that could remain in court to adjudicate on cause.

Administrator appointed by the court
Euro Insol SPRL
By Coordinating practitioner
Attorney in law Dr. Remus Borza