

**To: Bucharest Stock Exchange
ASF (Financial Supervisory Authority) Financial Instruments and
Investments Sector**

CURRENT REPORT

Report date: 24.11.2017

In compliance with:

- CNVM Regulation no. 1/2006 on issuers and operations with securities
- Law no. 297/2004 on the capital market
- Law no. 24/2017 on issuers

Entity name: S.C. ELECTROMAGNETICA S.A.

Address: 266-268 CALEA RAHOVEI Street, District 5, BUCHAREST

Telephone: 404.21.02; 404.21.08 FAX: 404.21.95; 404.21.94

Trade Register registration no.: J 40/19/1991

Unique code of registration: 414118

Share capital subscribed and paid up: 67 603 870.4 Lei

The regulated market where the issued securities are traded: Premium Tier, BVB

Important events to be reported: verdict for the Case 3778/2/2016 pending before the Bucharest Court of Appeal

With regard to Case no. 3778/2/2016 pending before the Bucharest Court of Appeal concerning the annulment of the administrative act (Decision no. 82/24.12.2015 of the Competition Council penalizing Electromagnetica for alleged anti-competitive actions and Order no. 297/03.03.2012 of the President of the Competition Council), we hereby inform you that on the trial date November 23, 2017, the court has rejected the claim as unreasonable.

Court's decision in short: *Rejects the claim as unreasonable. With appeal within 15 days of communication. The appeal shall be filed with the Bucharest Court of Appeal, the 8th administrative and fiscal court.*

We specify that Electromagnetica will appeal in law.

Sincerely,

Eugen Scheusan
General Manager