

To the Management,
Electromagnetica S.A.

**INDEPENDENT REPORT OF LIMITED ASSURANCE OVER THE INFORMATION INCLUDED IN THE
CURRENT REPORT ISSUED BY THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF LAW
NO. 24/2017 AND REGULATION NO. 1/2006**

1. We have been appointed by Electromagnetica S.A. („the Company”) to report on the information included in the current report from May 10, 2017 (the “Current Report”) issued by the Company in accordance with the provisions of *the Law no.24/2017 on issuers of financial instruments and market operations (“Law no.24/2017”)* and of the *Regulation no. 1/2006 of the National Security Commission („CNVM”), actually Financial Supervisory Authority („ASF”) regarding the issuers and operations on the stock exchange, updated form (“Regulation no. 1/2006”)*, as an independent conclusion of limited assurance according to which, based on the procedures performed, nothing came to our attention to make us believe that the reported transactions included in the Current Report are not in accordance, under all material aspects, with art.113, paragraph G, point 6 from the Regulation no. 1/2006. The Current Report has been prepared by the management of the Company to report to ASF in accordance with the provisions of art. 82 from Law no. 24/2017 and Regulation no. 1/2006.

Management’s Responsibility

2. Management is responsible for the preparation and fair presentation of the Current Report and of the transactions included in the Current Report that are free of material misstatement, in accordance with art. 82 from Law no. 24/2017 and Regulation no. 1/2006, and for the information presented in these reports. This responsibility includes: designing, implementing and maintaining an internal control relevant to the preparation and presentation of the Current Report that is free of material misstatement, due to fraud or error. Also, this responsibility includes compliance with the provisions of art. 82 from Law no. 24/2017 and Regulation no. 1/2006 and maintaining adequate supporting documents regarding the Current Report. Management is responsible for preventing and detecting fraud and ensuring compliance with the legislation and regulations in force. Management is responsible for ensuring that the personnel involved in the preparation of the Current Report is properly trained.

Auditor’s responsibility

3. Our responsibility is to analyze the reported transactions included by the Company in the Current Reports and to report in the form of an independent conclusion of limited assurance, based on the evidence obtained. We conducted the engagement in accordance with International Standard on Assurance Engagements („ISAE”) 3000 as adopted by the Romanian Financial Auditors Chamber regarding the assurance engagements other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform our procedures in order to obtain a corresponding assurance level of whether the transactions included in the Current Report, are in accordance, under all material aspects, with art. 113, paragraph G, point 6 of Regulation no. 1/2006, as a basis for our independent conclusion of limited assurance.

4. We apply the International Standard on Quality Control 1 and, accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.
5. The selected procedures depend on our understanding of the Current Report and of other circumstances of the engagement, as well as our considerations on areas where material misstatements may occur. In developing our understanding on the Current Report and on the transactions reported in the Current Report we took into consideration the Company's internal control relevant to the preparation and presentation of the Current Reports in accordance with the provisions of art. 82 of Law no. 24/2017 and Regulation no. 1/2006 in order to establish the procedures that are appropriate in these circumstances, but not for the purpose of expressing a conclusion on the effectiveness of internal control for the preparation and fair presentation of the Company's Current Report and the transactions reported in the Current Report.
6. Limited assurance is narrower than absolute or reasonable assurance. The procedures for obtaining evidence for a limited assurance engagement are more restricted than in a reasonable assurance engagement, and therefore the level of assurance obtained is lower than in a reasonable assurance engagement.
7. As part of this engagement, we have not performed audit, review or verification procedures of the Current Report and on the transactions reported in the Current Reports in accordance with the International Standards on Auditing or International Standards on Review Engagements adopted by the Chamber of Financial Auditors of Romania, nor on the sources from which the Current Report and the transactions reported in the Current Report were extracted. Our procedures were only performed in connection with the Current Report from May 10, 2017. We have not performed other additional procedures to verify whether the Current Report includes all contracts with managers, employees, shareholders, as well as their affiliated entities, to be reported according to Art. 82 of Law no. 24/2017 with the subsequent amendments.

Criteria

8. The criteria used in this engagement were:
 - For the contracts presented in the Current Report, we verified that the contractual details correspond to the underlying signed agreements and that the contracts were signed by the appropriate management levels;
 - As far as there is a market price for goods and services rendered to the Company by the related or by the Company to related parties, we discussed with the management the manner in which the prices were set and if, from case to case, the agreed prices correspond to prices used in contracts signed with third parties for similar goods and services. If there were no market prices available, we analyzed if the respective transactions are performed in accordance with the contracts signed and approved by the management of the Company.
9. Our conclusion was formed on the basis, and in connection with, the aspects presented in this Report. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion with of limited assurance.

Conclusion

10. Based on the procedures performed, nothing came to our attention to make us believe that the transactions reported in the Current Report are not in accordance, under all material aspects, with art. 113, paragraph G, point 6 from Regulation no. 1/2006.

Other Matters

11. Our report is solely issued for the purpose stated in the first paragraph of this report and is prepared to inform the Management of the Company as a whole. Our report should not be regarded as suitable for use by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company that obtains access to our report or a copy of the report and chooses to rely on our report (or part thereof), should do so at your own risk. Our engagement was performed in order to report to the Management of the Company on those aspects that need to be reported in an independent report of limited assurance, and for no other purpose.

<i>For signature, please refer to the original Romanian version.</i>

Deloitte Audit S.R.L.
Bucharest, Romania
August 4, 2017