



SOCIETATEA NATIONALA DE TRANSPORT GAZE NATURALE
"TRANSGAZ"-S.A. MEDIAS

Capital social: 117 738 440,00 RON ORC: J32/301/2000 C.I.F.: RO13068733

Medias ,Piata Constantin I Motas, nr. 1, jud. Sibiu, cod: 551130

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CURRENT REPORT

Under Article 224 of Law no. 297/2004

Date of report: **July 1st, 2008**

Name of issuer: **SNTGN TRANSGAZ SA MEDIAS**

Headquarters: **Medias, no.1, C.I. Motas Sq., code 551130**

Phone/fax no.: **0269-803333/0269-839029**

Fiscal registration code: **RO13068733**

Commerce Registration no.: **J32/301/2000**

Subscribed and paid-up share capital: **Lei 117,738,440**

Regulated market trading the issued securities: **Bucharest Stock Exchange**

KEY EVENTS TO BE REPORTED

SNTGN TRANSGAZ SA MEDIAS notifies all persons concerned that a "*Joint Development Agreement*" on the interconnection of the high-pressure Hungarian Gas Transmission System with the Romanian Gas Transmission System – by building of a pipeline in the direction Szeged-Arad – was concluded with the Hungarian Company - FGSZ NATURAL GAS TRANSMISSION CLOSED COMPANY LIMITED BY SHARES, on July 1st, 2008.

On the Romanian territory, the DN700/PN63 pipeline is of approx. 62 km between the Horia (close to Arad) connection point and the Csanadpalota (Nadlac) Romanian – Hungarian cross-border point. Out of the total 62 km of pipeline, 36.7 km, between Horia and Pecica, have already been built.

The maximum transmission capacity of the interconnection pipeline is of 4.4 bcm/year associated to an average hourly flow rate of 500 thousand cm/hour.

Under the Joint Development Agreement, the date planned for the completion of the Romanian pipeline and the start of commercial operations is within a year and 6 months from the signing thereof.

Each party hereto shall bear the costs related to the design and construction, operation and maintenance of the pipeline on their own territories.

The interconnection of the two national gas transmission systems is of a great economic benefit both to Romania and Hungary, which as EU member states, are interested in co-operating in the interconnection of their gas transmission systems and in the implementation of EU Directive 2004/67/EC on the means to ensure the security of gas supply.

Ioan RUSU

Director General