

Date of report: **01 October 2019**

Name of issuing entity: **SNTGN TRANSGAZ SA MEDIAS**

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Telephone/fax number: **0269803333/0269839029**

Tax number: **RO 13068733**

Trade Register number: **J32/301/2000**

Subscribed and paid-up capital: **RON 117.738.440**

Regulated market on which issued securities are traded: **Bucharest Stock Exchange**

The National gas transmission company would like to inform shareholders and investors about the fact that on 30 September 2019 **the first investment objective along BRUA route, i.e. the Gas Compressor Station Jupa was inaugurated.**

**Please find below the full text of the press release:**

**30 September 2019, Jupa, Caras Severin** – Transgaz inaugurated the Gas Compressor Station Jupa part of BRUA Phase I Project (Project of Common Interest of the European Union) which is developed in the context of the need to diversify gas sources in the EU countries. The event took place in the presence of high Romanian and European officials. The Secretary of State within the Ministry of Economy, Mr. Calin Bodea, presented the message of Mr. Nicolae Badalau, Minister of Economy on this occasion.

The main scope of BRUA Project is to ensure access to new gas sources and to facilitate the transmission of Caspian gas to the Central and Eastern European markets. The project ensures bi-directional transmission capacities of 1.5 bcma in the Bulgaria direction and 4.4 bcma in the Hungary direction.

**On the occasion of the above mentioned event Mr. Ion Sterian Transgaz' Director General stated:** *"By the manner in which Transgaz has managed the BRUA project so far, it has proved to be capable to manage strategic initiatives of European scale. BRUA is on time, as I have stated on every occasion and in the coming period we will continue to inaugurate new investment objectives within this project. I would like to thank all Transgaz' employees, as well as all constructors for their efforts. Apart from BRUA Transgaz is also managing, at the same time, other major investment projects as the ones allowing for the development of the National Gas Transmission System so that every local community has access to gas but also the gas transmission pipeline Ungheni-Chisinau, which will lead to the increase in the regional energy security and will provide a new economic and energy perspective in the Republic of Moldova. We have successfully overcome all such challenges by our work, professionalism, seriousness, responsibility and our devotion to Transgaz' mission and to the commitments undertaken by Romania in this field".*

**Within the message sent on the occasion of the inauguration of the first investment objective on the BRUA route, the Gas Compressor Station Jupa, the Minister of Economy, Mr. Nicolae Bădălău declared:**

"I would like to congratulate Transgaz for this success. Ever since I have taken over the portfolio of the Ministry of Economy I have strongly supported the need for major investments. BRUA, Ungheni-Chișinău, Pojorâta-Vatra Dornei, all the developments of the National Gas Transmission System but also the pipelines Vadu-T1 and Tuzla Podișor allowing for taking over gas from the off-shore blocks all of them being the proof of such major medium and long term investments with concrete effects in the national economy. Romania has an enormous energy potential but such potential needs infrastructure in order to be attained."

**Data on BRUA and the Gas Compressor Station Jupa**

BRUA Phase I consists in the achievement of the following objectives: Podisor-Recas pipeline 32" x 63 bar, 479 km long and 3 gas compressor stations (CS Podisor, CS Bibesti and CS Jupa) each being equipped with two compressor units (one active and one redundant) with a possibility to ensure bidirectional gas flows. The project ensures bidirectional gas capacities of 1.5 bcma to/from Bulgaria and 4.4 bcma from/to Hungary.

The gas compressor Jupa is a technological equipment interconnected to the following main gas pipelines: DN 32" CS Bibesti – CS Jupa, DN 32" CS Jupa – Hungary, DN 20" West 1, DN 20" West 2. The scope of CS Jupa - Caraș Severin county is to compress the gas from the main pipelines it is connected to in order to off-set the pressure loss which is related to gas transmission. The station is bidirectional; it can compress gas both from Bibesti direction towards Hungary and from Hungary to Bibesti.

CS Jupa includes two Gas Compressor Units (one active and one back-up) manufactured by SOLAR TURBINES, USA, with a power of 4.6 MW/piece and consisting of:

- SOLAR Centrifugal compressor unit C40 (meant to increase the gas pressure for transmission)
- SOLAR CENTAUR 50 gas turbine (the engine actuating the centrifugal compressor).

The value of the construction contract related to CS Jupa as at 31.08.2019 (maintenance excluded) is Lei 103.56 million. The value of the 2 compressor units installed at CS Jupa is Euro 12.6 mil.

The works commencement order was issued on 16 April 2018.

The average number of the Romanian and American workers and specialists working on-site: 160/ the maximum number of the Romanian and American workers and specialists working on-site: 210.

The National Gas Transmission Company Transgaz SA Romania is the technical operator of the National Gas Transmission System (NTS) ensuring the meeting of the national strategic goals for domestic and international gas transmission in conditions of efficiency, transparency, safety, non-discriminatory access and competitiveness, as well as the research and design in its specific domain of activity, compliance with the European and national laws, the quality, performance, environmental protection and sustainable development standards.