



**29.04.2016**

## **PRESS RELEASE**

The National Gas Transmission Company "TRANSGAZ" SA notifies all stakeholders that the economic-financial results for 2015 as contemplated in the Annual Financial Statements and in the Report of the Board of Administration were approved by the General Ordinary Shareholders' Assembly - convened on 29.04.2016.

The results achieved in 2015 prove that the indicators established under the mandate contracts were exceeded by over 10-15%.

Therefore, Transgaz' outstanding financial performance for 2015 is reflected in the following indicators:

- EBITDA for 2015 amounting to Lei 779,579 thousand is higher by 26% than as estimated under the Company's Administration Plan for 2015, i.e. Lei 619,625 thousand;
- OPEX (except for depreciation) for 2015, amounting to Lei 883,818 thousand, is lower by Lei 193,184 than as estimated under the Company's Administration Plan for 2015;
- Other relevant indicators: total revenue – Lei 1,706,634 thousand; total expenses – Lei 1,099,534 thousand; gross profit – Lei 607,100 thousand; net profit – Lei 488,729 thousand;
- The detailed financial results can be referred to on the company's website, at: [www.transgaz.ro](http://www.transgaz.ro)

The main drivers for the company's significant performance for 2015 are as follows:

- The increase in the revenues from international gas transmission services generated by the variations in the contract currency exchange rates
- The increase in the capacity charge share in the total revenues from 35% to 60%
- The increase in the booked capacity considering the shift to capacity booking by entry/exit points as of 01.08.2014
- The decrease in the volume charge share in the total revenues from 65% to 40%;
- The increase in the invoiced gas amounts;
- The gross savings related to various expense categories aggregating Lei 345,852 thousand

The company's Administration Plan for 2015 contemplated an estimated investment volume of Lei 352,200 thousand, out of which investments amounting to Lei 239,554 thousand were implemented in 2015, i.e. an achievement level of 68%. The savings which have been made for the last years by the

proper planning of investments, except for the urgent works strictly required to secure the safe operation of the National Gas Transmission System, lay the solid foundations for the equity funding of the company's strategic importance projects.

In this context, the company succeeded to obtain, based on extensive negotiations (of about 2 years), one of the most considerable EU grants and the highest amount to be individually allocated to a Romanian company, i.e. Euro 179 million for the implementation of the BG-RO-HU-AT Corridor (BRUA Project).

TRANSGAZ' General Ordinary Shareholders' Assembly within the meeting on 29.04.2016 approved the company's annual financial results for 2015 and acknowledged the *Report of the Nomination and Remuneration Advisory Committee on the remuneration and other benefits granted to the company's administrators and directors in 2015*. The compensation of the managerial team for the relevant performance during 2015 amounting to Lei 2.82 mil represents the sole remuneration of the members of Transgaz' Board of Administration.

TRANSGAZ' Administrators have undertaken the achievement of the following fundamental goals:

- The company's sustainable development;
- Streamlining of the operational process;
- Safeguarding the compliance with the Romanian and European regulations.

TRANSGAZ is the technical operator of the Romanian National Gas Transmission System implementing the national strategy for domestic and international gas transmission, gas dispatching as well as research and design, under conditions of efficiency, transparency, safety, non-discriminatory access and competitiveness, in compliance with the Romanian and EU standards and laws on quality, performance, environment and sustainable development.

## **CORPORATE COMMUNICATION DEPARTMENT**