

TRANSGAZ S.A.

Magistrala energetică
a viitorului.



TRANSGAZ

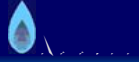


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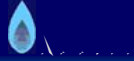


1. **Summary presentation of Transgaz main activities during 2007;**
2. **Financial overview - 2007 and 2006:**
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 - **Net profit allocation;**
 - **Cash-flow.**
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4. **Comparative analysis for the main indicators for 2007 and 2006;**
3. **Budget 2008 versus Budget 2007;**
4. **TGN's shares on Bucharest Stock Exchange, during the first four months of 2008.**



1. Summary presentation of Transgaz activities during 2007

No.	INDICATOR	um	2006	2007	CHANGES	
					ABSOLUTE	RELATIVE (%)
1	Volume of gas transported trough NTS	Mn cm	15.237,34	14.546,58	-690,76	-4,54
2	Volume of gas circulated	Mn cm	18.313,92	17.029,52	-1.284,40	-7,02
3	Technological consumption	Mn cm	388,54	329,72	-58,82	-15,14
4	Technological consumption /gas circulated	%	2,12	1,94	-0,18	-8,49
5	Ordered transit capacities	Mn cm	23.670	23.770	+100,00	+0,43
6	Quantities of sold import gas	Mn cm	87	157	+70,00	+80,46



TRANSGAZ PERFORMANCE RATIOS

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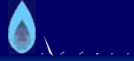
No.	SPECIFICATION	2006	2007	CHANGES	
				ABSOLUTE	RELATIVE (%)
1	NET TURNOVER	909.017.487	1.038.866.794	+129.849.307	+14,29
2	TOTAL REVENUES	982.295.999	1.064.236.983	+81.940.984	+8,35
3	TOTAL EXPENDITURES	696.005.832	794.906.765	+98.900.933	+14,21
4	GROSS RESULT	286.290.167	269.330.218	-16.959.949	-5,93
5	TAX ON PROFIT	48.377.640	45.323.764	-3.053.876	-6,32
6	NET PROFIT	237.912.527	224.006.454	-13.906.073	-5,85
7	INVESTMENTS EXPENDITURES –TOTAL of which – investment loans reimbursement	228.053.000	249.266.000	+21.213.000	+9,30
		51.183.000	48.416.000	-2.767.000	-5,41
8	INVESTMENT SOURCES (net profit, depreciation, credits, connection tariff to NTS)	228.053.000	277.092.000	+49.039.000	+21,51
9	AVERAGE NUMBER OF PERSONNEL	4.838	4.869	+31	+0,64
10	GROSS DIVIDEND / SHARE	11,69	9,66	-2,03	-17,37



2. FINANCIAL OVERVIEW – 2007 / 2006 - BALANCE SHEET

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No	SPECIFICATION	31.XII. 2006	31. XII. 2007	CHANGES	
				ABSOLUTE	RELATIVE (%)
1	Intangibile assets	501.897.730	497.865.672	- 4.032.058	-0,81
2	Tangibile assets	1.404.088.759	1.536.914.804	+132.826.045	+9,46
3	Financial assets	180.645	939.496	+758.851	+420,08
4	TOTAL FIXED ASSETS	1.906.167.134	2.035.719.972	+129.552.838	+6,79
5	Inventories	36.851.972	31.320.289	- 5.531.683	-15,01
6	Accounts receivables and prepayments	162.230.392	175.780.842	+13.550.450	+8,36
7	Cash and cash equivalents	79.265.896	366.618.710	+287.352.814	+362,52
8	TOTAL CURRENT ASSETS	278.348.250	573.719.841	+295.371.591	+106,12
9	Expenses in advance	644.525	866.461	+221.936	+34,44
10	Liabilities–total of which:	918.157.747	919.826.455	+1.668.708	+0,19
11	<i>Liabilities to be paid within one year</i>	<i>294.222.446</i>	<i>311.163.974</i>	<i>+16.941.528</i>	<i>+5,76</i>
12	<i>Liabilities to be paid within more than a year</i>	<i>623.935.301</i>	<i>608.662.481</i>	<i>-15.272.820</i>	<i>-2,45</i>



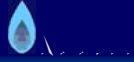
No	SPECIFICATION	YEAR ENDED AT 31.XII. 2006	YEAR ENDED AT 31. XII. 2007	CHANGES	
				ABSOLUTE	RELATIVE (%)
1	Provisions	17.592.891	27.173.940	+3.581.049	+20,36
2	Revenues in advance	51.109.518	96.373.889	+45.264.371	+88,57
3	Subscribed and paid –up capital	103.830.370	117.738.440	+13.908.070	+13,40
4	Capital premium	-	251.933.300	+251.933.300	
5	Total reserves, of which:	760.861.431	888.133.215	+127.271.784	+16,73
	- reserves from reassessments	106.277.055	98.309.305	-7.967.750	-7,50
6	OUTCOME OF THE FINANCIAL YEAR	237.912.527	224.006.454	-13.906.073	-5,85
7	PROFIT APPROPRIATION	(5.434)	(2.781.614)	+2.776.180	
	legal reserves				
8	TOTAL OWN CAPITAL -	1.198.299.753	1.566.931.990	+368.632.237	+30,77



2. FINANCIAL OVERVIEW 2007 / 2006- PROFIT & LOSS ACCOUNT

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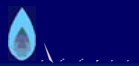
Nr. Crt.	SPECIFICAȚII	31.XII.2006	31. XII.2007	MODIFICĂRI	
				ABSOLUTE	RELATIVE (%)
1	NET TURNOVER	909.017.487	1.038.866.794	+129.849.307	+14,28
2	OPERATING REVENUES	941.199.966	1.051.656.687	+110.456.721	+11,74
3	OPERATING EXPENSES	675.881.508	780.369.561	+104.488.053	+15,46
4	GROSS OPERATING RESULT	265.318.458	271.287.126	+5.968.668	+2,25
5	FINANCIAL REVENUES	41.096.033	12.580.296	-28.515.737	- 69,39
6	FINANCIAL EXPENSES	20.124.324	14.537.204	-5.587.120	- 27,77
7	GROSS FINANCIAL RESULT	20.971.709	(1.956.908)	-22.928.617	-109,34
8	CURRENT PROFIT	286.290.167	269.330.218	-16.959.949	-5,93
9	TOTAL REVENUES	982.295.999	1.064.236.983	-81.940.984	-8,35
10	TOTAL EXPENSES	696.005.832	794.906.765	+98.900.933	+14,21
11	GROSS PROFIT	286.290.167	269.330.218	-16.959.949	-5,93
12	TAX ON PROFIT	48.377.640	45.323.764	-3.053.876	-6,32
13	NET PROFIT	237.912.527	224.006.454	-13.906.073	-5,85



2. FINANCIAL OVERVIEW 2007 / 2006 – CASH FLOW

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No	SPECIFICATION	YEAR ENDED on 31.XII.2006	YEAR ENDED on 31. XII.2007	CHANGES	
				ABSOLUTE	RELATIVE (%)
1	CASH FLOW FROM OPERATING ACTIVITIES	283.601.907	313.322.663	+29.720.756	+10,48
2	CASH FLOW USED FOR INVESTMENT ACTIVITIES	(167.290.220)	(202.583.701)	-35.293.481	+21,10
3	CASH FLOW FOR FINANCING ACTIVITIES	(87.383.912)	178.367.003	+265.750.915	-304,12
4	TOTAL CASH FLOW	28.927.775	289.105.965	+260.178.190	+899,41
5	CASH & CASH EQUIVALENTS AT THE BEGINNING PERIOD	33.045.263	61.973.038	+28.927.775	+87,54
7	CHANGES IN CASH & CASH EQUIVALENTS	28.927.775	289.105.965	+260.178.190	+899,41
8	CASH & CASH EQUIVALENTS AT THE END OF PERIOD	61.973.038	351.079.003	+289.105.965	+466,51



2. FINANCIAL OVERVIEW

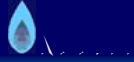
2007 / 2006- NET PROFIT APPROPRIATION

No.	SPECIFICATION	LEI		CHANGES	
		YEAR ENDED on 31.XII.2006	YEAR ENDED on 31. XII.2007	ABSOLUTE	RELATIVE (%)
1	APPROPRIATION OF ACCOUNTING PROFIT, AFTER THE DEDUCTION OF TAX ON PROFIT : <input type="checkbox"/> Legal reserves; <input type="checkbox"/> Dividends; <input type="checkbox"/> Net profit appropriated for own financing	237.912.527	224.006.453,61	-13.906.073,39	-5,85
		5.434	2.781.614	+2.776.180	
		121.384.642	113.735.333,04	-7.649.308,96	
		116.522.451	107.489.506,57	-9.032.944,43	
2	Gross dividend per share : Shares Capital Number of shares Gross dividend/share – lei	103.830.370	117.738.440	+13.908.070	+13,40
		10.383.037	11.773.844	+1.390.807	+13,40
		11,69	9,66	-2,03	-17,37



3. ACHIEVEMENTS 2007 VERSUS BUDGET 2007

SPECIFICATION – THOUSAND LEI	BUDGET 2007	ACHIEVEMENTS 2007	CHANGES
TOTAL REVENUES of which:	1.060.384	1.064.235	+ 0,36
revenues from transmission activity		735.133.766	
revenues from transit activity		190.267.099	
TOTAL EXPENDITURES	812.517	794.906	- 2,17
GROSS RESULT - PROFIT	247.867	269.329	+ 8,66
TAX ON PROFIT	39.997	45.321	+ 13,31
NET RESULT – PROFIT	207.870	224.006	+ 7,76
INVESTMENT EXPENSES – TOTAL , of which	240.485	249.266	+ 3,65
Investment loan reimbursement	51.826	48.416	- 6,58
FINANCING SOURCES FOR INVESTMENT (net profit, depreciation, credits, connection tariff at NTS)	240.485	277.206	+ 15,27
TURNOVER	1.034.415	1.038.867	+ 0,43
AVERAGE NUMBER OF PERSONNEL	5.003	4.869	- 2,68
TOTAL EXPENDITURES AT 1000 LEI TOTAL REVENUES	766,25	746,93	- 2,52
VOLUME OF GAS TRANSPORTED – mn cm	14.671	14.547	- 0,85
ECONOMIC PROFITABILITY RATIO – (%)	10,45	10,42	- 0,29
LEVERAGE RATIO – (%)	43,66	35,32	-19,10
GLOBAL LIQUIDITY RATIO – (%)	114,37	182,54	+ 59,60
GROSS PROFIT MARGIN - (%)	23,96	25,93	+ 8,22



4. COMPARATIVELY ANALYSIS FOR THE MAIN INDICATORS/RATIO FOR 2007 AND 2006

No	SPECIFICATION	31.XII.2006	31. XII.2007	CHANGES	
				ABSOLUTE	RELATIVE (%)
1	TOTAL EXPENDITURES AT 1000 LEI TOTAL REVENUES	708,55	746,93	+38,38	+5,42
2	ECONOMIC PROFITABILITY RATIO (%)	12,14	10,42	-1,72	-14,17
3	LEVERAGE RATIO (%)	42,02	35,32	-6,70	-15,95
4	GLOBAL LIQUIDITY RATIO (%)	94,60	182,54	+87,94	+92,96
5	GROSS PROFIT MARGIN (%)	31,49	25,93	-5,56	-17,66
6	QUICKLY LIQUIDITY RATIO (%)	0,95	1,84	+0,89	+0,89
7	EBITDA / TURNOVER (%)	40,95	34,17	-6,78	-16,56
8	EBITDA / OWN CAPITAL (%)	31,07	22,65	-8,42	-27,10
9	NET PROFIT / OWN CAPITAL (%)	19,85	14,30	-5,55	-29,30
10	COVERED INTEREST RATIO (%)	20,40	23,08	+2,68	+13,14
11	WORK CAPITAL PROFITABILITY RATIO (%)	23,00	16,06	-6,94	-30,18
12	RESULT/ SHARE RTIO	22,91	21,56	-1,35	-5,89



5- BUDGET 2008 versus BUDGET 2007

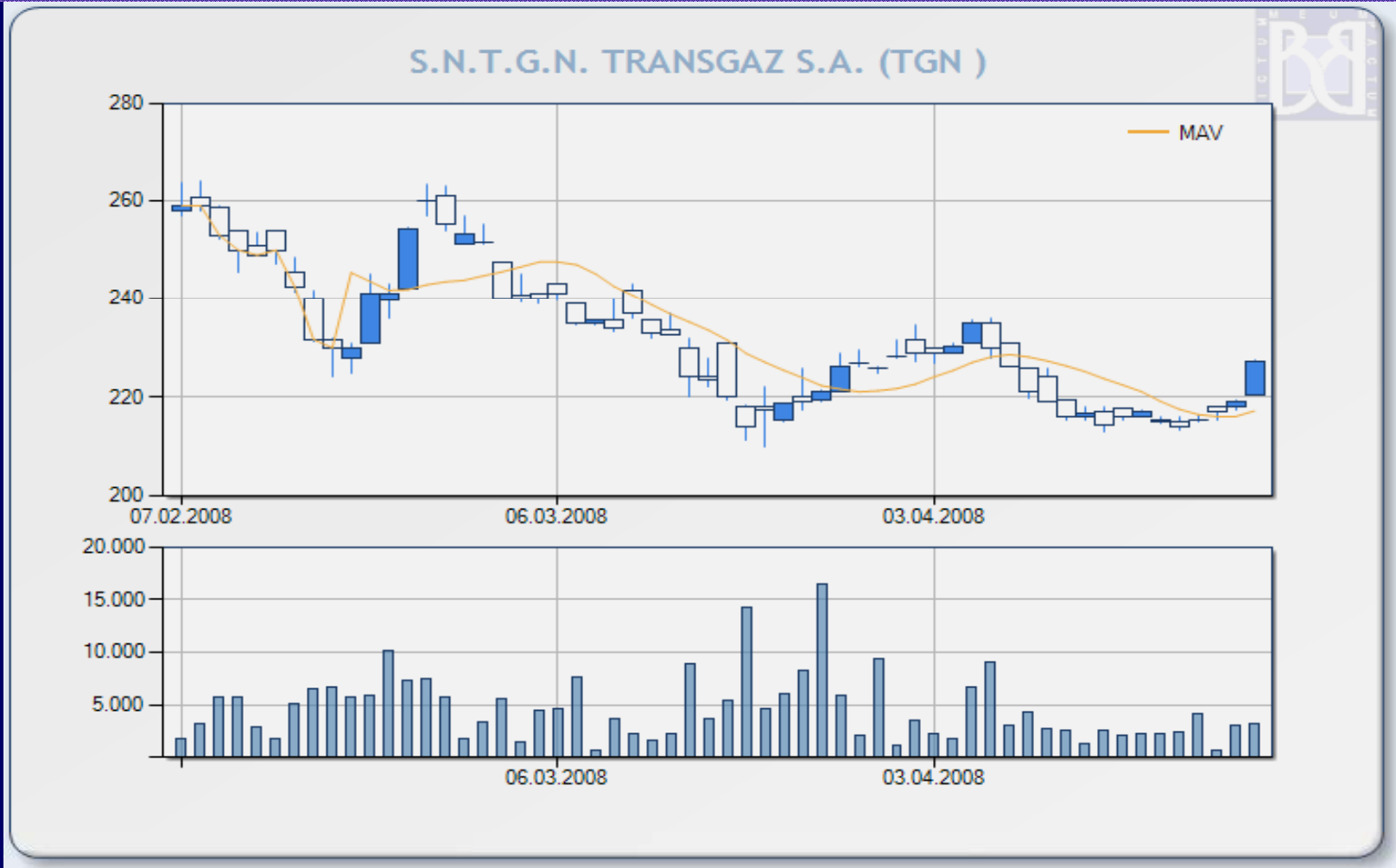
SPECIFICATION - THOUSAND LEI	BUDGET 2007	BUDGET 2008	2008/2007 -%
TOTAL REVENUES	1.060.384	1.275.034	+ 20,24
TOTAL EXPENDITURES	812.517	957.404	+ 17,83
GROSS RESULT	247.867	317.630	+ 28,15
TAX ON PROFIT	39.997	48.397	+ 21,00
NET RESULT	207.870	269.233	+ 29,52
TOTAL INVESTMENT EXPENSES, of which	240.485	587.261	+ 144,20
reimbursement of investment loans	51.826	66.781	+ 29,16
FINANCING SOURCES OF THE INVESTMENT EXPENDITURES (net profit, depreciation, loans, connection tariff to NTS)	240.485	587.261	+ 144,20
TURNOVER	1.034.415	1.241.598	+ 20,03
AVERAGE NUMBER OF PERSONNEL	5.003	5.003	0
TOTAL EXPENDITURES AT 1000 LEI TOTAL REVENUES	766,25	750,88	- 2,01
VOLUME OF GAS TRANSPORTED – mn cm	14.671	15.355	+ 4,66
ECONOMIC PROFITABILITY RATIO -%	10,45	14,06	+ 34,55
LEVERAGE RATIO -%	43,66	35,78	- 18,05
GLOBAL LIQUIDITY RATIO - %	114,37	218,02	+ 90,63
GROSS PROFIT MARGIN - %	23,96	25,58	+ 6,76

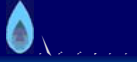


THE CHARACTERISTICS OF SHARES

FIELD	UTILITIES
TIER	I
MARKET	REGS
SYMBOL	TGN
Cod ISIN	ROTGNTACNOR8
SECTION	BVB
TYPE OF TRANSACTION	Actiuni
NUMBER OF SHARES	11.773.844
SHARE FACE VALUE: LEI /SHARE	10
SHARE CAPITAL -LEI	117.738.440
MARKET CAPITALISATION on May, 05,2008	2.676.194.741,20 ~743,4 MILLIONS €
PER	11,95
P/BV	1,71
DIVY	4,41
EPS	19,03

6. TGN's shares on Bucharest Stock Exchange during the first four months of 2008.





**THANK YOU FOR YOUR KIND
ATTENTION
AND SHOULD YOU HAVE ANY
QUESTIONS,
PLEASE DO NOT HESITATE
TO ADDRESS THEM !**