

A RESPONSIBLE COMPANY, A COMPANY OF THE FUTURE!

INTERIM FINANCIAL STATEMENTS FOR 1Q 2020 (UNAUDITED)



Prepared in accordance with IFRS - UE



Summary

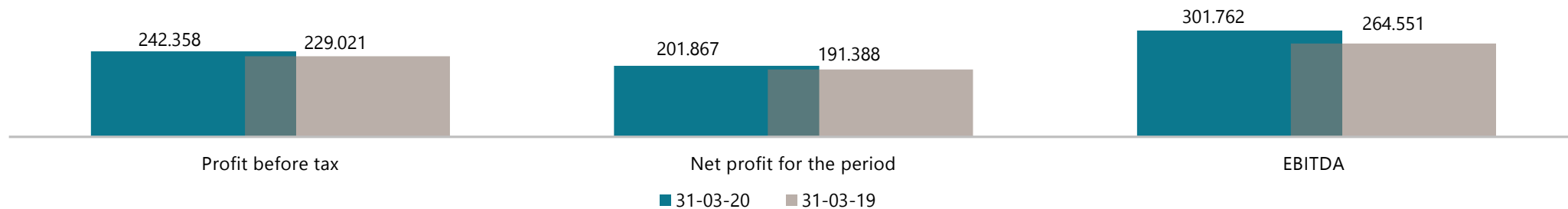
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1. Interim Income statement as of 31.03.2020
 2. Interim Balance sheet as of 31.03.2020
 3. Main revenue drivers
 4. Main costs drivers
 5. Main business drivers
 6. Main indicators
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1. Interim income statement as of 31.03.2020 (1)

MAIN INDICATORS

THOUSAND LEI	31.03.2020	31.03.2019	CHANGES 1Q2020/1Q2019	
			Absolute	Relative
Operational income before the balancing and construction activity according to IFRIC12	512.801	472.980	39.821	8%
Revenue from the balancing activity	64.515	103.961	-39.446	-38%
Income from the construction activity according to IFRIC12	339.363	150.176	189.187	126%
Financial income	7.271	22.687	15.417	-68%
Operational costs before the balancing and construction activity according to IFRIC12	272.333	255.737	16.596	6%
Expenses with balancing gas	64.515	103.961	-39.446	-38%
Cost of assets constructed according to IFRIC12	339.363	150.176	189.187	126%
Financial expenses	5.381	10.909	-5.528	-51%
Profit before tax	242.358	229.021	13.337	6%
Profit tax expense	40.491	37.634	2.858	8%
Net profit for the period	201.867	191.388	10.479	5%
EBITDA	301.762	264.551	37.211	14%
Turnover	569.493	569.920	-427	0%

Thousand Lei

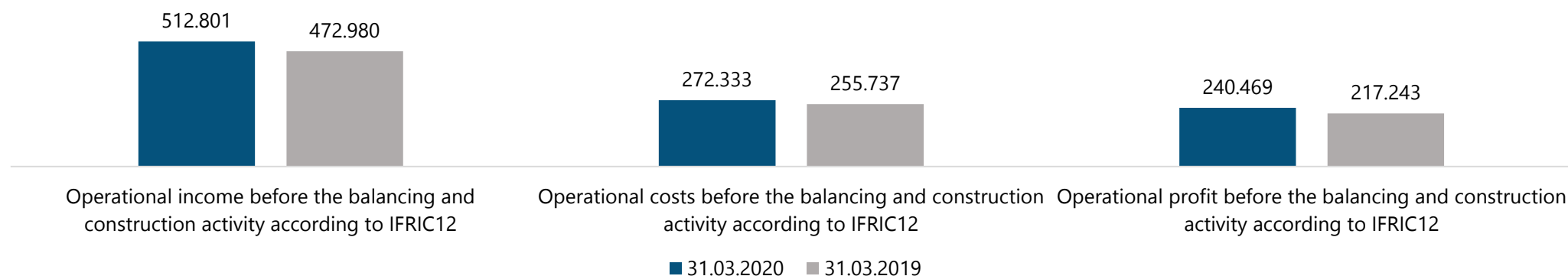


1. Interim income statement as of 31.03.2020 (2)

MAIN INDICATORS

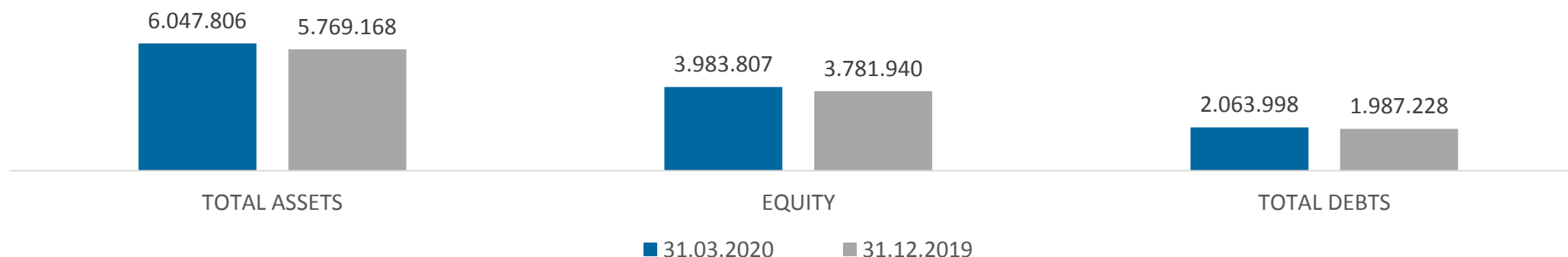
THOUSAND LEI	31.03.2020	31.03.2019	CHANGES 1Q2020/1Q2019	
			Absolute	Relative
Revenues from domestic gas transmission activity	474.268	378.769	95.499	25%
Revenues from international gas transmission activity	29.547	86.266	-56.719	-66%
Other revenues	8.986	7.946	1.040	13%
Operational income before the balancing and construction activity according to IFRIC12	512.801	472.980	39.821	8%
Employees costs	90.223	79.994	10.229	13%
Technological consumption, materials and consumables used	30.643	30.306	337	1%
Expenses with royalties	50.382	46.503	3.879	8%
Maintenance and transport	5.349	4.867	482	10%
Taxes and other amounts owed to the State	17.095	14.703	2.392	16%
Revenues/ Expenses with provision for risks and expenses	3.492	3.821	-329	-9%
Other operating expenses	13.855	28.234	-14.379	-51%
Depreciation	61.293	47.308	13.985	30%
Operational costs before the balancing and construction activity according to IFRIC12	272.333	255.737	16.596	6%
Operational profit before the balancing and construction activity according to IFRIC12	240.469	217.243	23.226	11%

Thousand Lei

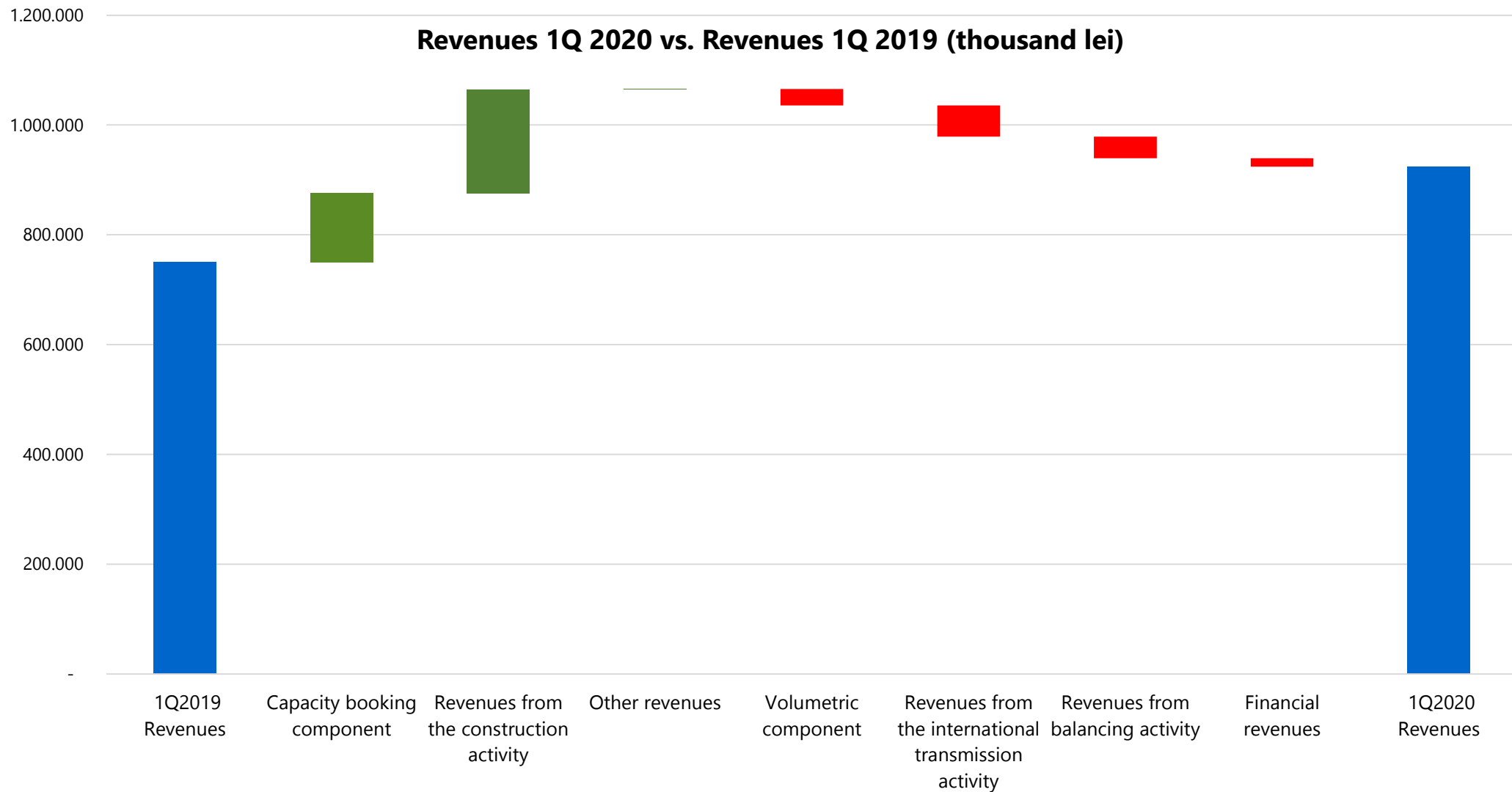


2. Interim Balance Sheet as of 31.03.2020

THOUSAND LEI	31.03.2020	31.12.2019	CHANGES	
			Absolute	Relative
FIXED ASSETS	4.818.223	4.484.129	334.094	7%
CURRENT ASSETS	1.229.582	1.285.039	-55.457	-4%
TOTAL ASSETS	6.047.806	5.769.168	278.638	5%
EQUITY	3.983.807	3.781.940	201.867	5%
LONG TERM DEBTS	1.481.389	1.489.789	-8.400	-1%
CURRENT DEBTS	582.609	497.439	85.170	17%
TOTAL DEBTS	2.063.998	1.987.228	76.770	4%
TOTAL EQUITY AND DEBTS	6.047.806	5.769.168	278.638	5%



3. Main revenue drivers (1)



3. Main revenue drivers (2)

1Q2020 compared to 1Q2019

Operating revenue before the balancing and construction activity, according to IFRIC12 increased by **8%** as compared to Q I 2019, which is higher by **LEI 39.821 thousand**.

The revenue was influenced mainly by the following factors:

- *revenue from capacity booking* higher by **LEI 125.579 thousand** due to:
 - *booked capacities* higher by 11.897.295 MWh, with a positive influence of LEI 29.423 thousand;
 - *capacity booking tariff* higher by Lei 0,76 lei/MWh, with a positive influence of LEI 96.156 thousand, increase mainly determined by the invoicing of revenue from the auction premium, following the capacity booking auctions performed according to the CAM-NC by interconnection points;
- *commodity revenue* lower by **LEI 30.080 thousand** due to:
 - the commodity transmission tariff lower by Lei 0,65 lei/MWh, with a negative influence of LEI 29.008 thousand;
 - the gas transmitted capacities lower by 646.721 MWh/68.088 thousand cm (▼1%), as compared to Q I 2019, with a negative influence of LEI 1.071thousand, detailed by categories of consumers as follows:

		3 months 2019	3 months 2020	Differences
Quantity transmitted for direct consumers	MWh	11.274.702	11.545.026	270.324
	thousand m ³	1.051.352	1.078.004	26.652
Quantity transmitted for distribution	MWh	33.610.132	32.693.087	-917.045
	thousand m ³	3.134.104	3.039.364	-94.740
Total	MWh	44.884.834	44.238.113	-646.721
	thousand m ³	4.185.456	4.117.368	-68.088

The tariffs decreased inn 01.01-31.03.2020 as compared to 01.01-31.03.2019, mainly due to:

- Order 10/2017 of the ANRE President on the amending of Order 32/2014 of ANRE President on the approval of the Gas Transmission Regulated Revenue, Total Revenue and Regulated Tariffs Methodology, which establishes the increasing by 5% per year of the percentage by which the approved revenue is recovered by the application of the capacity booking tariff, up to 85%, and the decreasing of the percentage by which the approved revenue is recovered by the application of the commodity tariff. In gas year 2018-2019 the variable component of the total revenue at the basis of the commodity tariffs is 30% of the total revenue and in gas year 2019-2020 to 25% of the total revenue;
- at the substantiation of the tariffs for gas year 2019-2020, the tax on the monopoly was not recognised by ANRE at the pass-through costs and implicitly at the regulated revenue.

3. Main revenue drivers (3)

1Q2020 compared to 1Q2019

- *international gas transmission revenue* lower by **LEI 56.719 thousand** due to the termination of the transmission contract with Gazprom Export Ltd for the Isaccea 2 - Negru Voda 2 pipeline and regulation of the Isaccea 1 – Negru Voda 1 pipeline transmission revenue according to the methodology approved by ANRE Order 41/2019 following the connection of this pipeline to the National Transmission System from 1 October 2019;
- *other operating revenue* higher by **LEI 1.040 thousand**.

Revenue from the balancing activity lower by **LEI 39.446 thousand** based on the following factors:

- quantity lower by 6.907MWh with a negative influence of LEI 768 thousand;
- trading price lower by LEI 41,67 /MWh, with a negative influence of LEI 38.678 thousand;

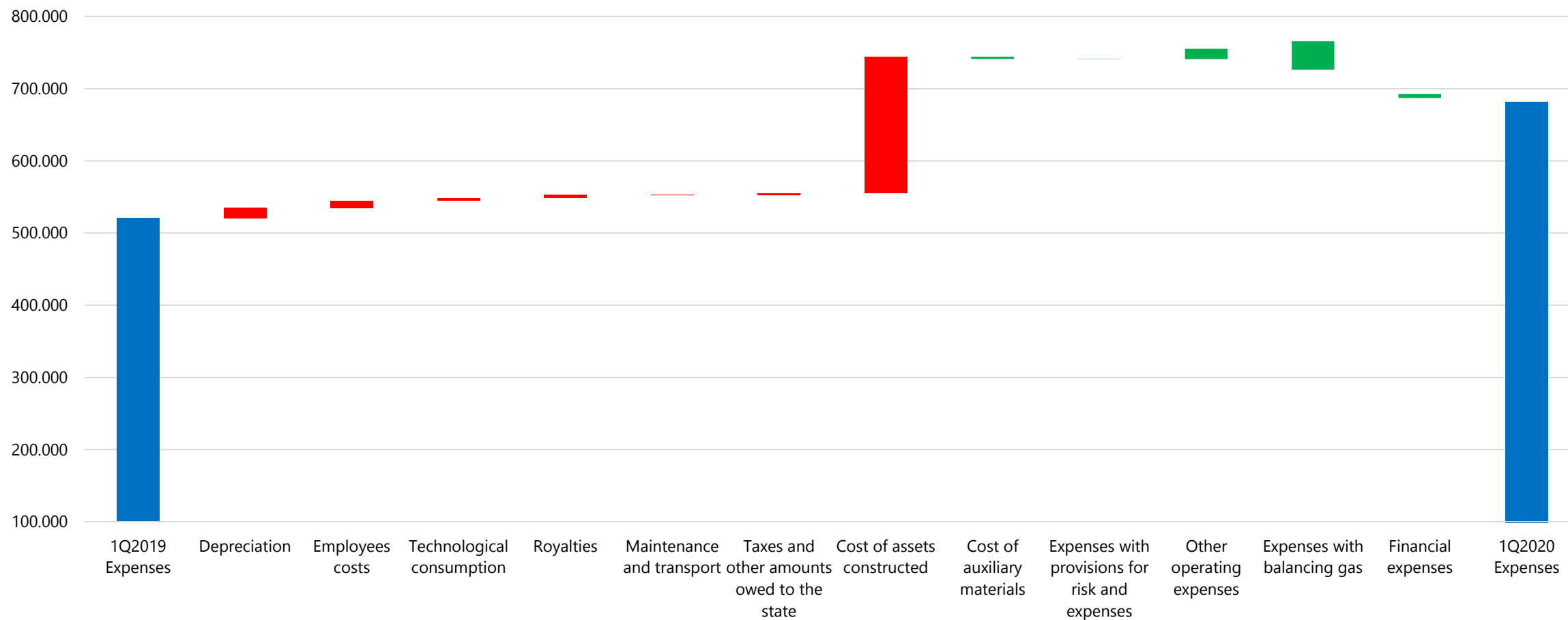
Revenue from the construction activity higher by **LEI 189.187 thousand**, registered in line with IFRIC 12, according to which revenue and costs related to the construction activity or the improvement of the transmission network, in exchange of which the intangible asset is registered, must be acknowledged in line with IAS 11, Construction Contracts;

Financial revenue has a negative influence of **LEI 15.417 thousand** due to the decreasing of exchange gains due to the diminishing of foreign currency holdings.

	1Q 2019	1Q 2020
Revenues from the domestic transmission activity, due to:	378.769	474.268
- Volumetric component	96.879	66.800
- Capacity booking component	281.890	407.469

4. Main costs drivers (1)

Expenses 1Q 2020 vs. 1Q 2019 (thousand lei)



4. Main costs drivers(2)

1Q2020 compared to 1Q2019

Operating costs before the balancing and construction activity according to IFRIC12 increased by **6%** as compared to Q I 2019, which is higher by **LEI 16.596 thousand**.

The company made savings of LEI 17.833 thousand, mainly in relation to the following cost elements:

- **other operating costs**: LEI 14.379 thousand, mainly due to the fact that in Q I 2020 the establishing/recording of adjustments for impairment of current assets was not necessary;
- **cost of auxiliary materials and other material costs**: LEI 3.124 thousand;
- **cost of provisions for risks and charges**: LEI 329 thousand.

		31.03.2020	31.03.2019	Differences
Technological consumption quantities	MWh	240.122	224.309	15.813
	thousand m ³	23.272	20.941	2.331

Exceedings amounting to LEI 34.428 thousand were recorded to the following cost elements:

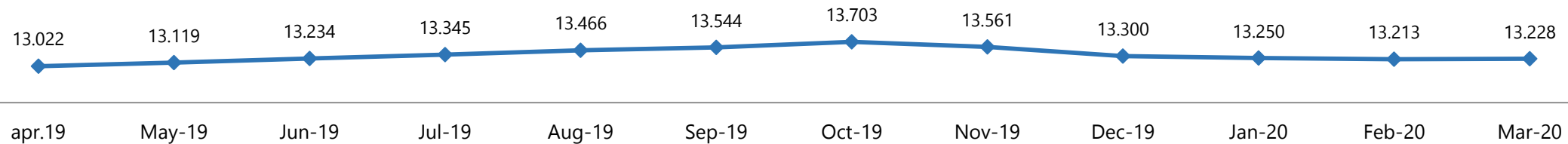
- **transmission system technological gas consumption and loss** amounting to **LEI 3.462 thousand**, due to the following:
 - average purchase price higher by LEI 7,83 /MWh as compared to the one obtained in Q I 2019, with a negative influence of LEI 1.881 thousand;
 - amount of gas for technological consumption higher by 15.813 MWh as compared to Q I 2019 , with a negative influence of LEI 1.581 thousand;
- **costs of personnel**: LEI 10.229 thousand;
- **cost of depreciation**: LEI 13.985 thousand;
- **costs of NTS concession royalty**: LEI 3.878 thousand;
- **costs of maintenance and transmission**: LEI 482 thousand;
- **cost of taxes and amounts due to the state**: LEI 2.393 thousand.

The financial cost is lower by **LEI 5.528 thousand** based on the foreign currency exchange loss.

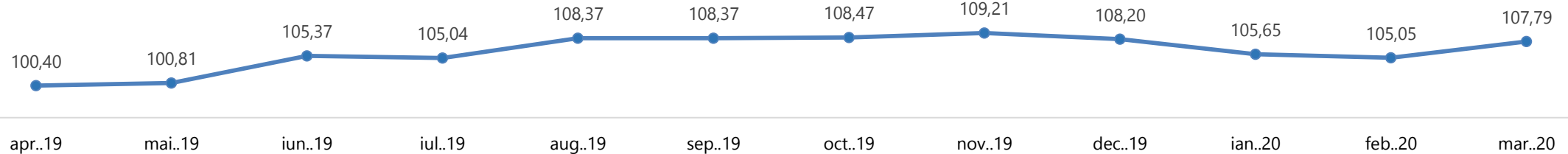
Compared to Q I 2019 the gross profit obtained in Q I 2020 increased by 6%, which is higher by LEI 13.337 thousand.

5. Main business drivers

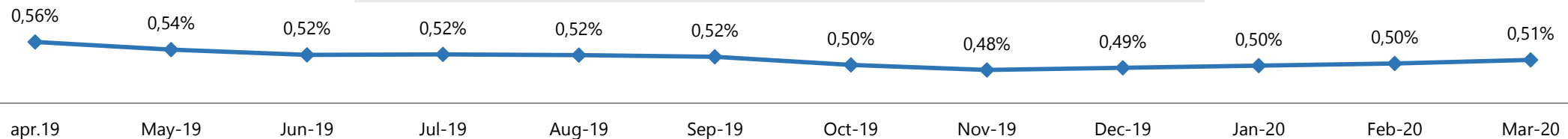
Natural gas volumes circulated (including storage quantities) - mil.cm - rolling 12 months



Natural gas aquisition price for technological consumption (RON/MWH)



% Technological consumption in total circulated gas volumes (rolling 12 months)



Circulated gas, out of which:		1Q 2019	1Q 2020
	MWh	45.054.044,385	44.364.276,697
	thousand m ³	4.211.546,462	4.139.811,568
	MWh	398.246,000	440.726,710
	thousand m ³	37.854,191	40.748,688
- storage			
Circulated gas storage share		0,88%	0,99%

		1Q 2019	1Q 2020
Technological consumption, materials and consumables used, of which:	thousand lei	30.306	30.643
▪ transmission system technological consumption and loss	thousand lei	22.422	25.883
- technological consumption quantity	MWh	224.309	240.122
▪ auxiliary materials	thousand lei	6.703	3.814
▪ other material costs	thousand lei	1.181	946



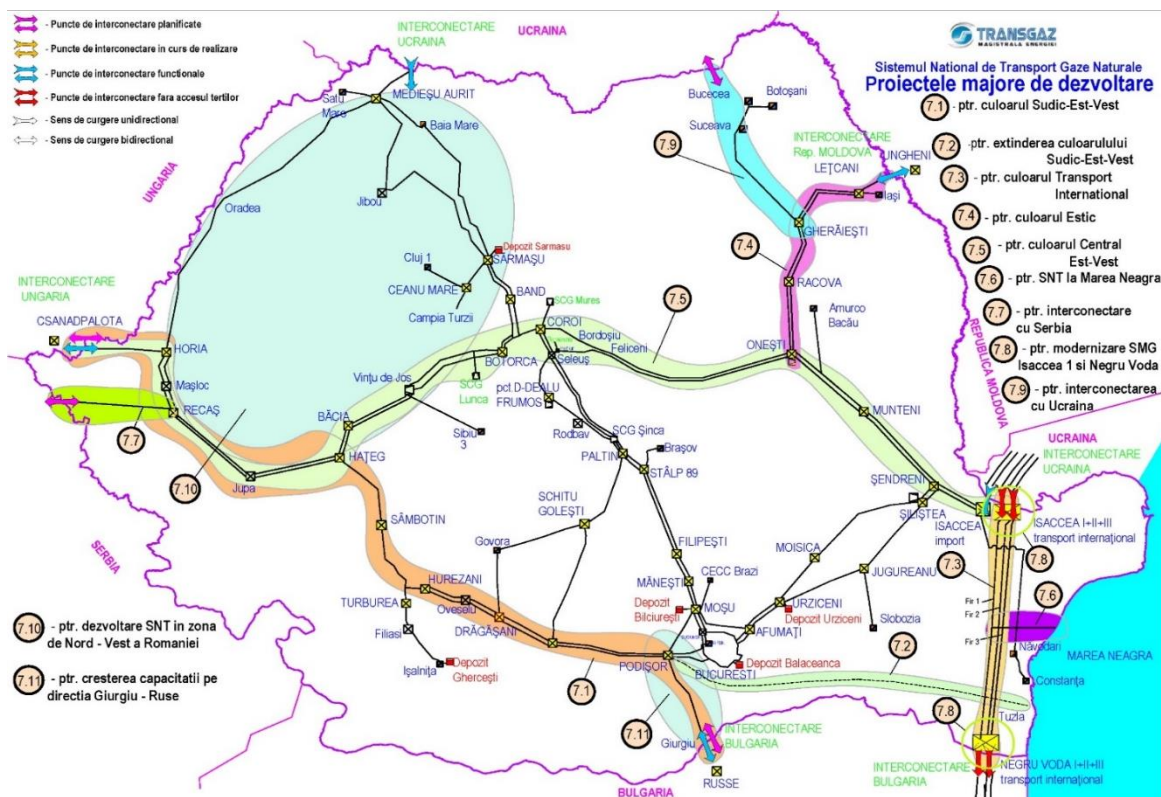
- ❑ over 13,400 km of main gas transmission pipelines and connections for gas supply, of which 369 km international gas transmission pipelines;
- ❑ 1,130 gas metering stations;
- ❑ 4 gas metering stations for international gas transmission;
- ❑ 7 gas metering stations for imported gas;
- ❑ 5 gas compressor stations with a total power of 30 MW (GCS)
- ❑ 1.038 cathodic protection stations (CPS);
- ❑ 58 valve control stations/technological nodes;
- ❑ 902 gas odorization units.

FUTURE NTS INFRASTRUCTURE

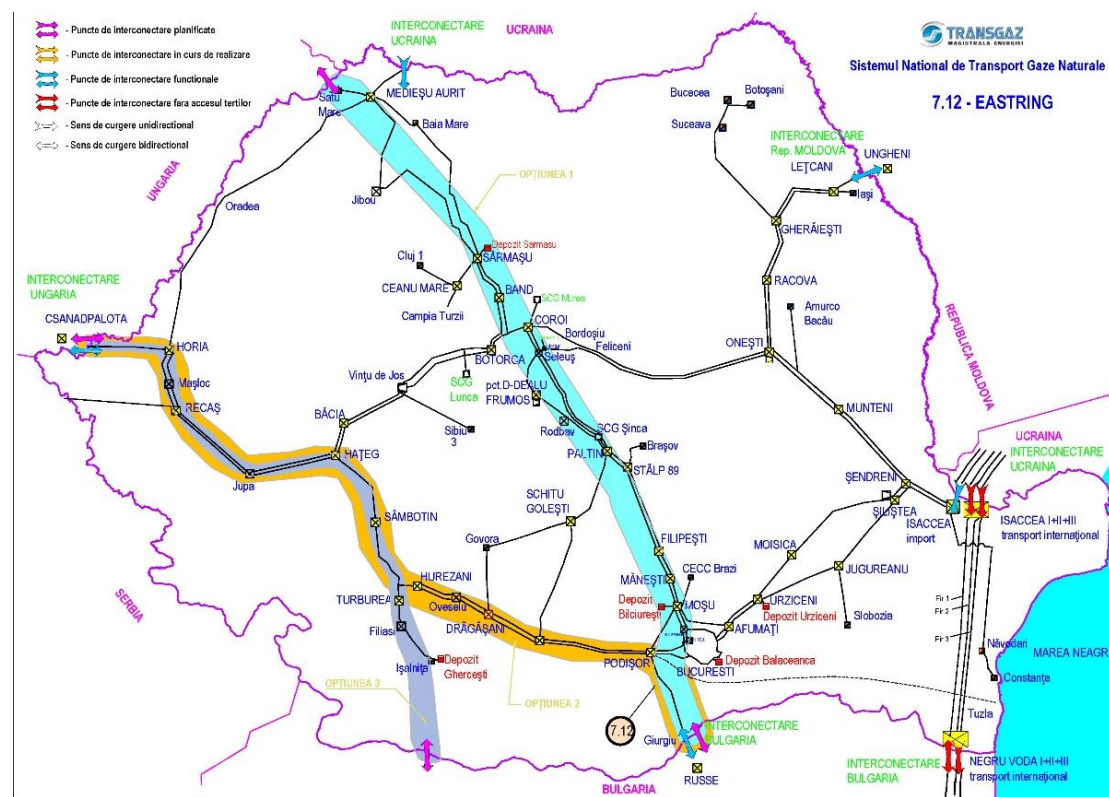
A modernized and competitive gas transmission system that ensures a high degree of interconnectivity, flexibility and access to multiple sources of supply.

Significant investments are needed for the construction of new connections, rehabilitate of parts of the existing system, and construction of new compressor stations.

MAJOR PROJECTS



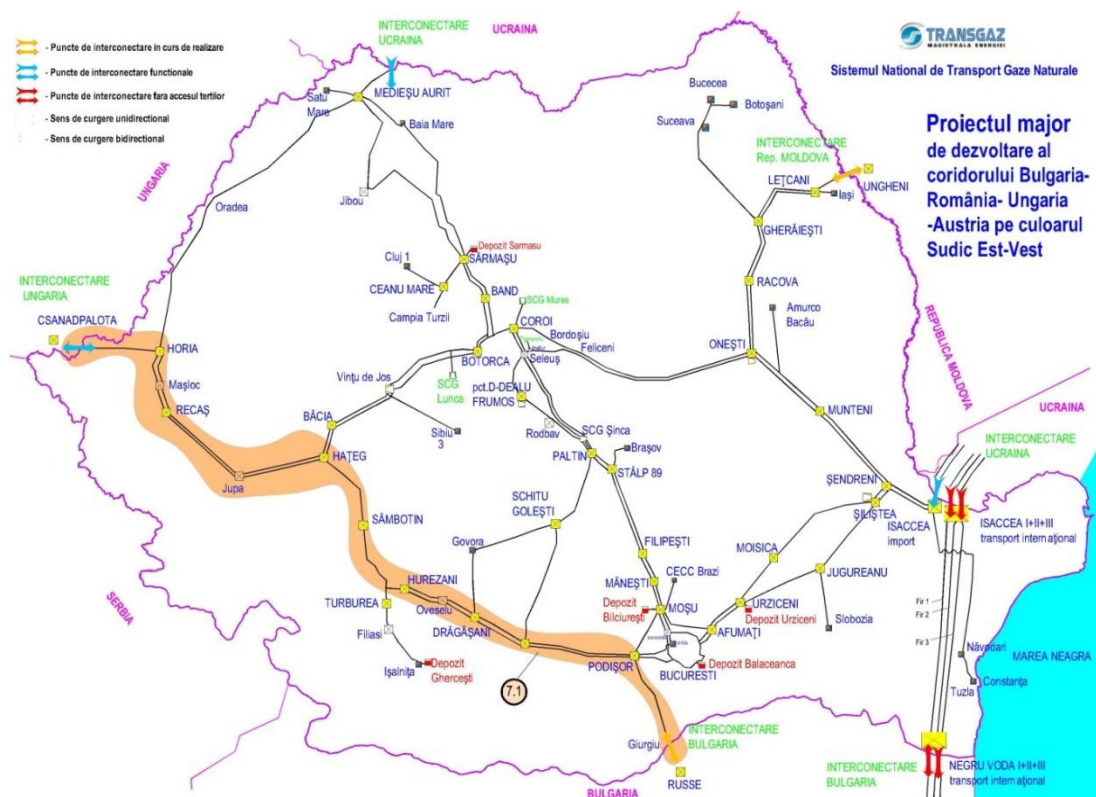
EASTRING



4,03 BILLION EURO

Project no	Project	Estimated value mil. Euro	Completion date	Project importance	Project status
7.1.1	Development on Romania's territory of the National Gas Transmission System on the Bulgaria - Romania - Hungary - Austria Corridor (Phase I)	478,6	2020	Ensuring a natural gas transmission capacity to Hungary of 1.75 bcm/y and 1.5 bcm/y to Bulgaria. The project importance at European Union level is reflected by the nomination of the "Gas pipeline from Bulgaria to Austria via Romania and Hungary" project both on the first and on the second and third list of common interest projects.	FID
7.1.2	Development on Romania's territory of the National Gas Transmission System on the Bulgaria - Romania - Hungary - Austria Corridor (Phase II)	74,5	2022	Ensuring a natural gas transmission capacity to Hungary of 4.4 bcm/y and 1.5 bcm/y to Bulgaria. The project importance at European Union level is reflected by the nomination of the "Gas pipeline from Bulgaria to Austria via Romania and Hungary" project both on the first and on the second and the third list of common interest projects.	A non FID
7.2	Development on Romania's territory of the Southern Transmission Corridor for taking over the natural gas from the Black Sea coast	371.6	2022	Taking-over the natural gas to be produced in the Black Sea (NTS) for its transmission to the Romanian and European markets is of strategic importance to Transgaz. The project importance at European Union level is reflected by nominating the Project on the 2nd and 3rd list of common interest projects.	A non FID
7.3	Interconnection of the national gas transmission system with the international natural gas pipeline T1 and Isaccea reverse flow.	77,7 Phase I: 8,8 Phase II: 68,9	Phase 1: 2018 Phase 2: 2020	Transgaz has a great interest in implementing this project for the following grounds: <ul style="list-style-type: none"> in order to eliminate the possibility of imposing extremely costly financial penalties by the European Commission; We mention that this project is part of the first, second and third list of common interest projects at EU level and will be carried out in two phases.	FID
7.4	Developments of the NTS in the North - East area of Romania in order to improve the natural gas supply of the area and to ensure the transmission capacities to the Republic of Moldova	174,25	2021	Ensuring a gas transmission capacity of 1.5 bcm/y at the interconnection point between the Romanian and Moldova Republic gas transmission systems.	FID
7.5	Amplification of the bidirectional gas transmission corridor Bulgaria - Romania - Hungary - Austria (BRUA Phase III) *	530	2025	Depending on the Black Sea offshore production increase further development of the network is considered, such as: an additional route through the center of Romania and a new interconnection with Hungary.	LA non FID
7.6	NTS new developments to take-over the gas from the Black Sea coast.	9,14	2021	Creating an additional point for taking over the natural gas from the Black Sea offshore exploitation perimeters.	FID
7.7	Romania-Serbia Interconnection	56.21	2021	Establish an interconnection pipeline with Serbia to diversify sources of supply and increase energy security in the region.	A non FID

Project no.	Project	Estimated value mil. Euro	Completion date	Project importance	Project status	Financing sources (mil. Euro)
7.8	Upgrading GMS Isaccea 1 and Negru Vodă 1	26,65	2021	Upgrading the gas metering stations at interconnection points to increase the level of energy security in the region.	FID	Own sources: 9,33 Attracted sources: 17,32
7.9	Interconnection of the national gas transmission system with the natural gas transmission system of Ukraine, Gherăești-Siret	125	2025	Establishing an interconnection with Ukraine in the direction of Gherăești-Siret, completing the project on NTS developments in the North-East area of Romania, in order to improve the natural gas supply in the area.	LA non FID	Surse proprii: 43,75 Attracted sources: 81,25
7.10	Development/Upgrading of the gas transmission infrastructure in the North-Western part of Romania	405	Phase 1 2022 Phase 2 2025 Phase 3 2026	Increasing the natural gas transmission capacities in the North-West of Romania to ensure the trends of consumption growth in the region.	LA non FID	Own sources : 141,75 Attracted sources: 263,25
7.11	Increase in the gas transmission capacity of the interconnection Romania-Bulgaria, in the Giurgiu-Ruse direction	51,8	2027	Improving the natural gas supply of the area.	LA non FID	Own sources : 18,13 Attracted sources: 33,67
7.12	Eastring-Romania	Phase 1: 1.297 Romania Phase 2: 357 Romania	Phase 1: 2025 Phase 2: 2030	EASTRING will be open to well-established sources as well as alternative sources. It will bring gas from new sources from the Caspian / Mediterranean / Black Sea / Middle East regions. At the same time, it will ensure the supply of Southeast Europe from European gas hubs. Total capacity will be available to any carrier or vendor.	LA non FID	Own sources : 578,9 Attracted sources: 1.075,1
7.13	Monitoring system, data control and acquisition for the cathodic protection stations related to the National Gas Transmission System	8	2023	Provides the ability to set, monitor and operate remotely and accurately the points of interest of the system, eliminates the cost of reading data, avoids situations where due to weather conditions it is not possible to read data and human errors, allow distributed control of locations, operating and maintenance costs, considerably reduces setup time.	LA non FID	Own sources : 2,8 Attracted sources: 5,2
7.14	Development of the SCADA system for the National Gas Transmission System	5,5	2023	Upgrading the natural gas transmission infrastructure by upgrading hardware and software architecture.	LA non FID	Own sources : 1,9 Attracted sources: 3,6



Aim:

- development of the gas transmission capacity between the Romanian and the Bulgarian and Hungarian gas transmission systems

Capacity:

- 1,75 bcm/y to Hungary
- 1,5 bcm/y to Bulgaria

Necessary investments:

- 32"x63 bar 479 km Podișor-Recaș pipeline
- 3 compressor stations: Podișor CS, Bibești CS and Jupa CS (Jupa CS and Podișor CS were inaugurated)

Total estimated costs:

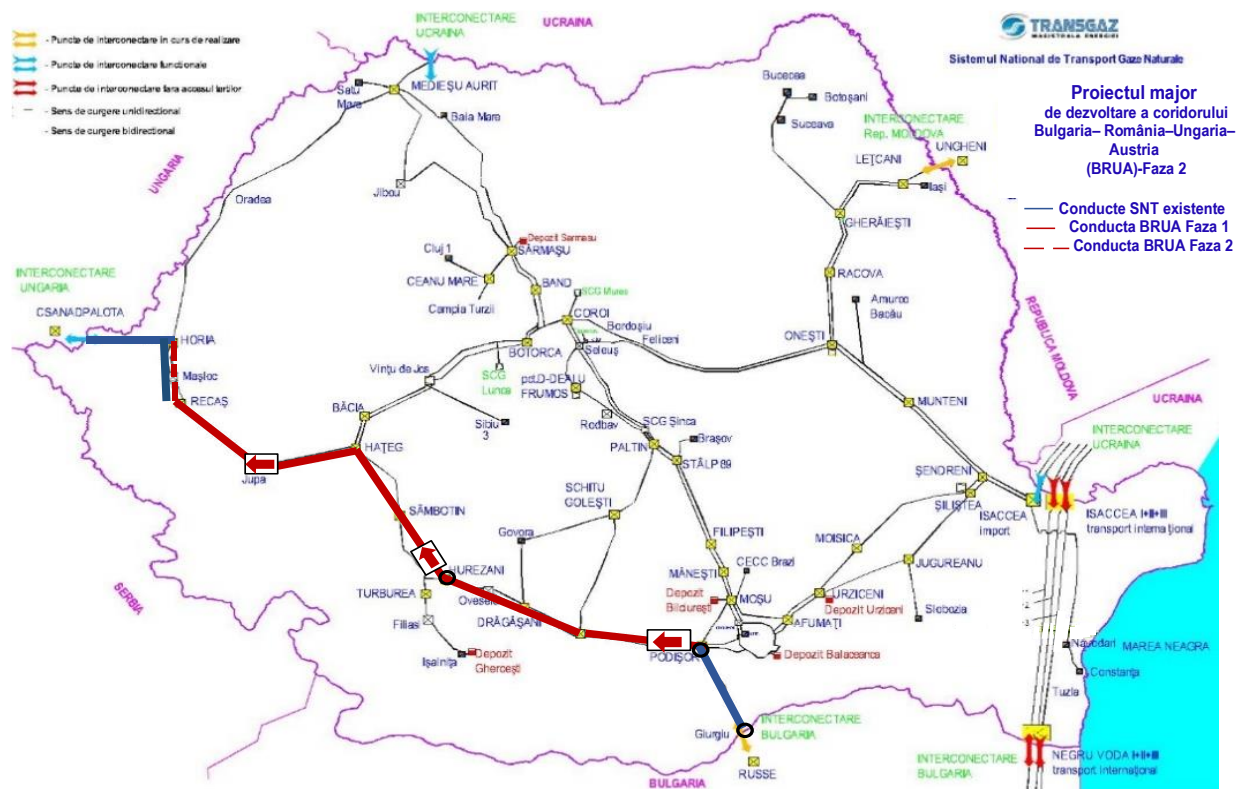
- 478,6 mil. Euro

EU contribution : 179 mil. Euro

Final investment decision – 2016

Estimated commissioning-2020

Romanian connection to the neighboring transit



Estimated commissioning-2022

Aim:

- the project aims to increase the gas flow to Hungary through the Horia - Csanádpalota interconnector

Capacity increase:

- from 1,75 bcm/y to 4,4 bcm/y to Hungary

Necessary investments:

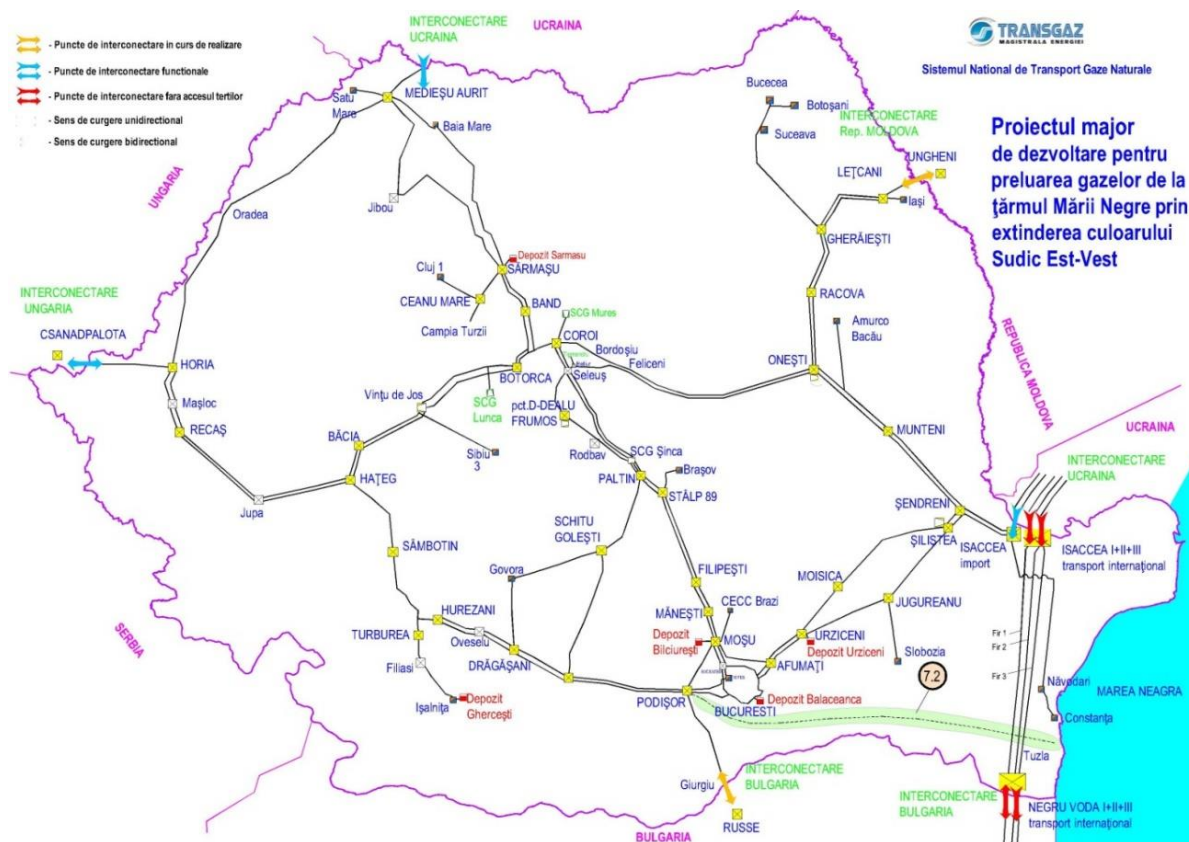
- 32"x63 bar ~50 km Recaş-Horia pipeline
- increasing the capacity of the three existing compressor stations (Jupa, Bibești, Podișor) by mounting an additional compressors in each station extension of Horia GMS
- GMS Horia amplification

Total estimated costs:

- 74,5 mil. Euro** (updated according to the latest project file)

Romanian connection to the neighboring transit

Completion of Phase 2 depends on the successful completion of the binding Open Season procedure for the reservation of capacity at IP Csanádpalota and the timetable for this procedure.



Estimated commissioning 2022
 (updated according to the latest project file)

Aim:

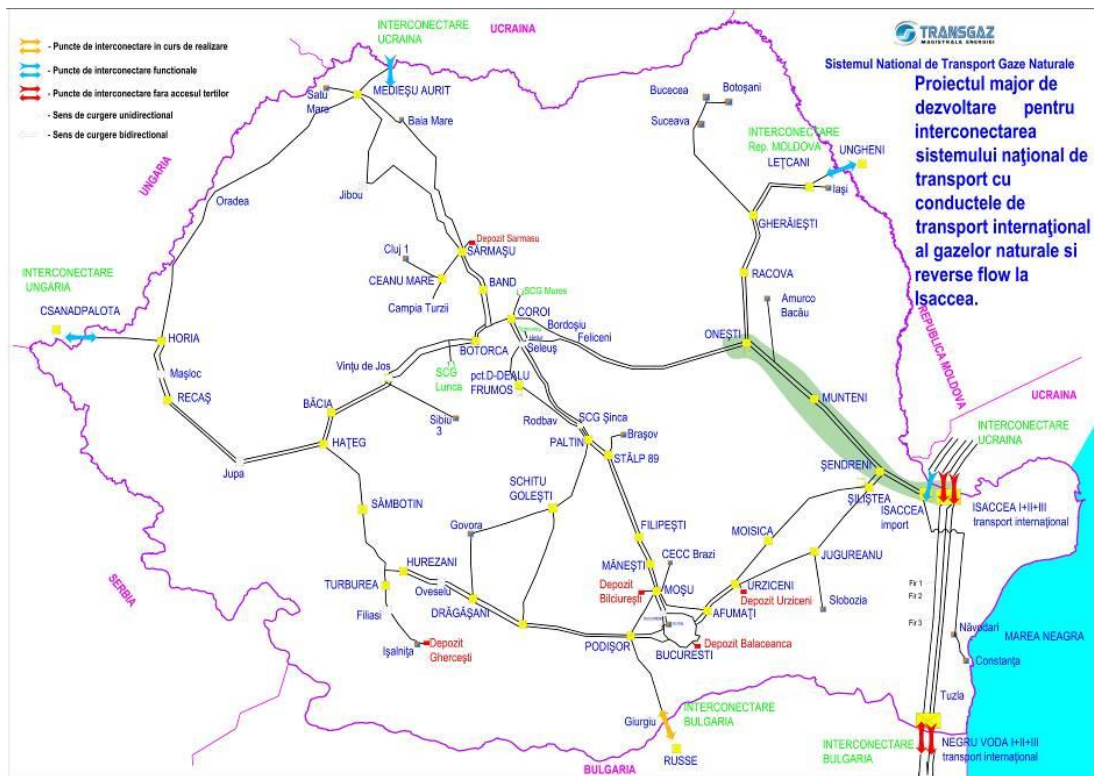
- create a transmission infrastructure for taking over to be produced in the Black Sea

Necessary investments:

- the Black Sea shore–Amzacea pipeline, 32.5 km, Ø 48" (Dn1200)
- the Amzacea–Podișor pipeline, 275.9 km, Ø 40" (Dn1000)

Total estimated costs:

- 371,6 mil. Euro** (updated according to the latest project file)



Aim:

- create a transmission corridor between Bulgaria, Romania and Ukraine.
- ensure physical reverse flow at the Negru Vodă 1 point, according to EU Regulation 994/2010

Necessary investments:

Phase1

- rehabilitation of Dn800 Onești - Cosmești pipeline
- Isaccea interconnection

Phase 2

- upgrading of Siliștea CS, Siliștea TN
- upgrading of Onești CS, Onești TN
- upgrading of Șendreni CS, Șendreni TN

Total estimated costs:

- **77,7 mil. Euro**

Final investment decision – 2018

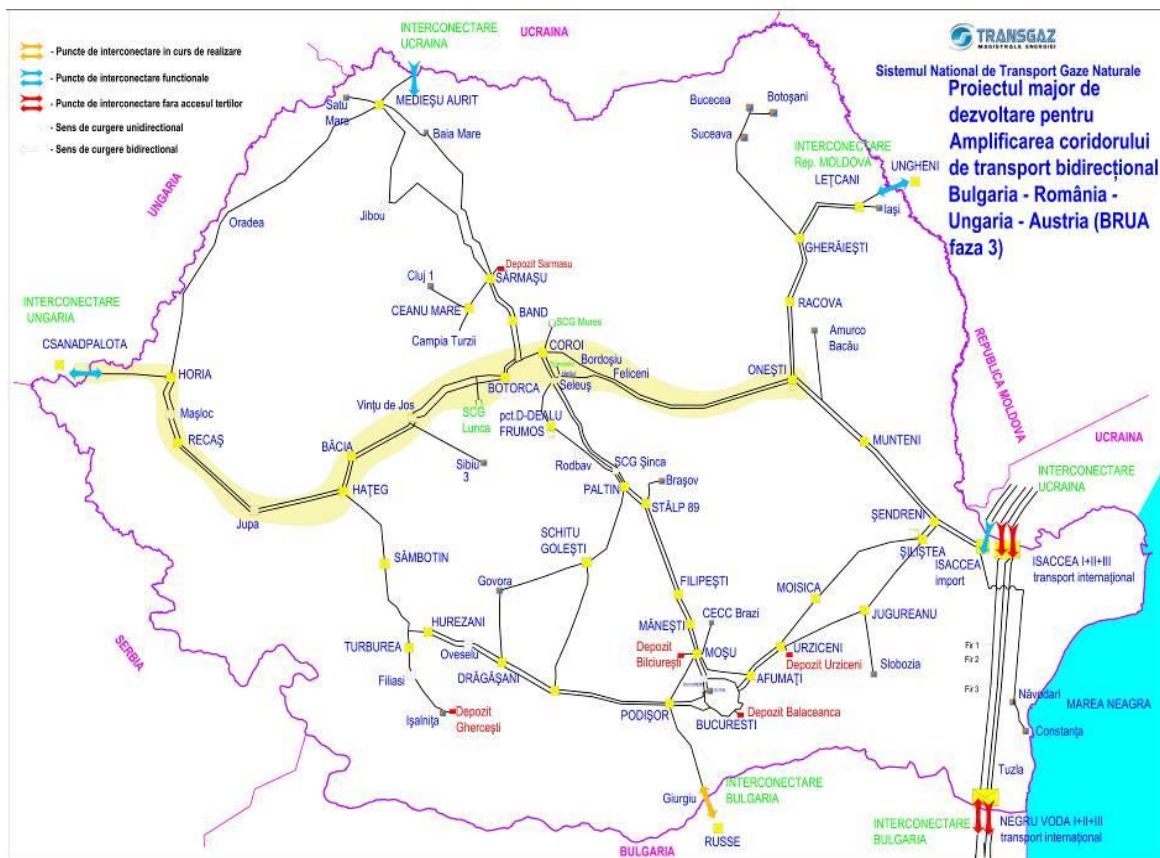
**Commissioning -2018 – Phase I
 Commissioning-2020 – Phase II**



- enhancing gas supply to North – East Romania
- ensuring 1.5 bcm/y transmission capacity at the interconnection point between the transmission systems of Romania and Moldova

- construction of a DN 700x104.1 km pipeline, in the Gherăiești - Lețcani direction
- construction of a DN 700x61.05 km pipeline, in the Gherăiești - Lețcani direction
- construction of a compressor station at Gherăiești of 9.14 MW
- construction of a compressor station at Onesti of 9.14 MW

- **174,25 mil. Euro**



Estimated completion date - 2025

Aim:

- development of gas transmission capacity on the Onești – Coroi – Hațeg – Nădlac corridor depending on the Black Sea or other onshore blocks gas volumes

Necessary investments:

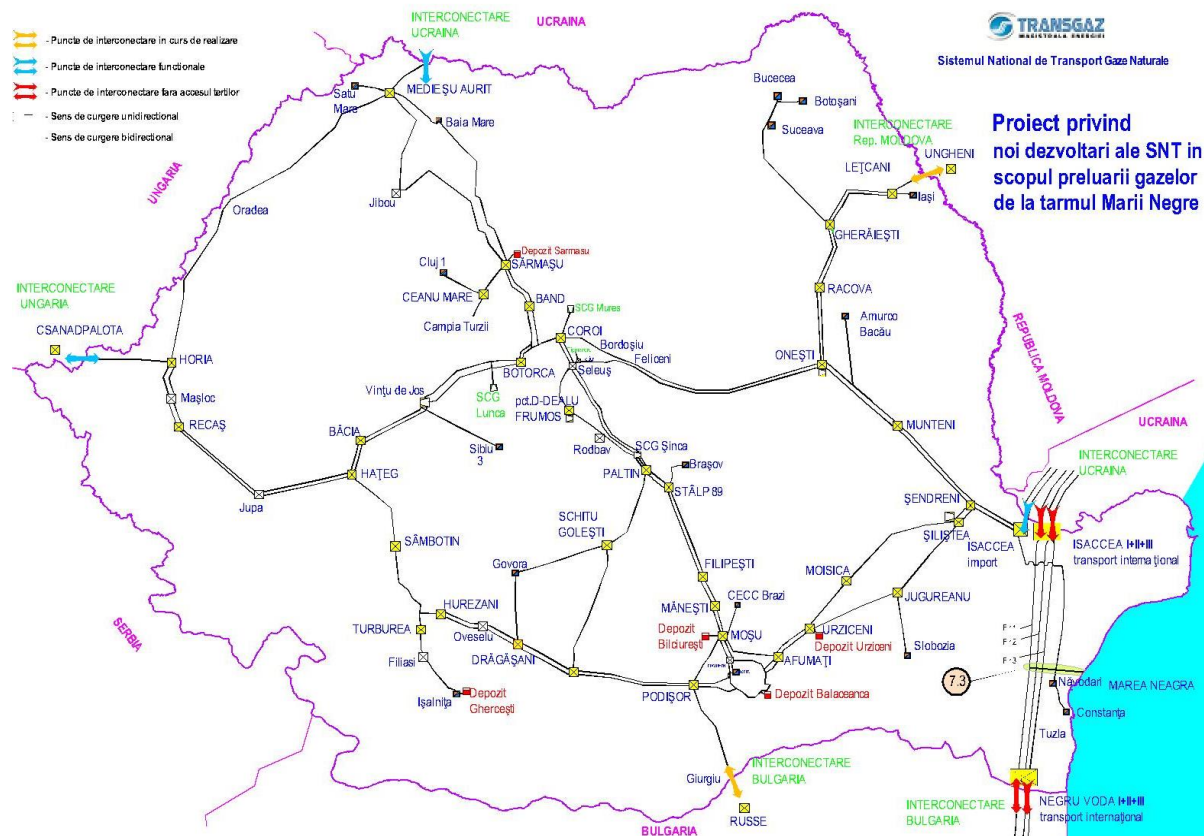
- rehabilitation of some pipeline sections part of the NTS
- replacement of existing NTS pipelines with newly installed pipelines parallel to the existing ones
- development of 4 or 5 new gas compressor stations

Capacity increase:

- 4,4 bcm/y to Hungary

Total estimated costs:

- 530 mil. Euro**



Aim:

- creation of an additional point for taking over natural gas discovered in the submarine exploitation blocks of the Black Sea

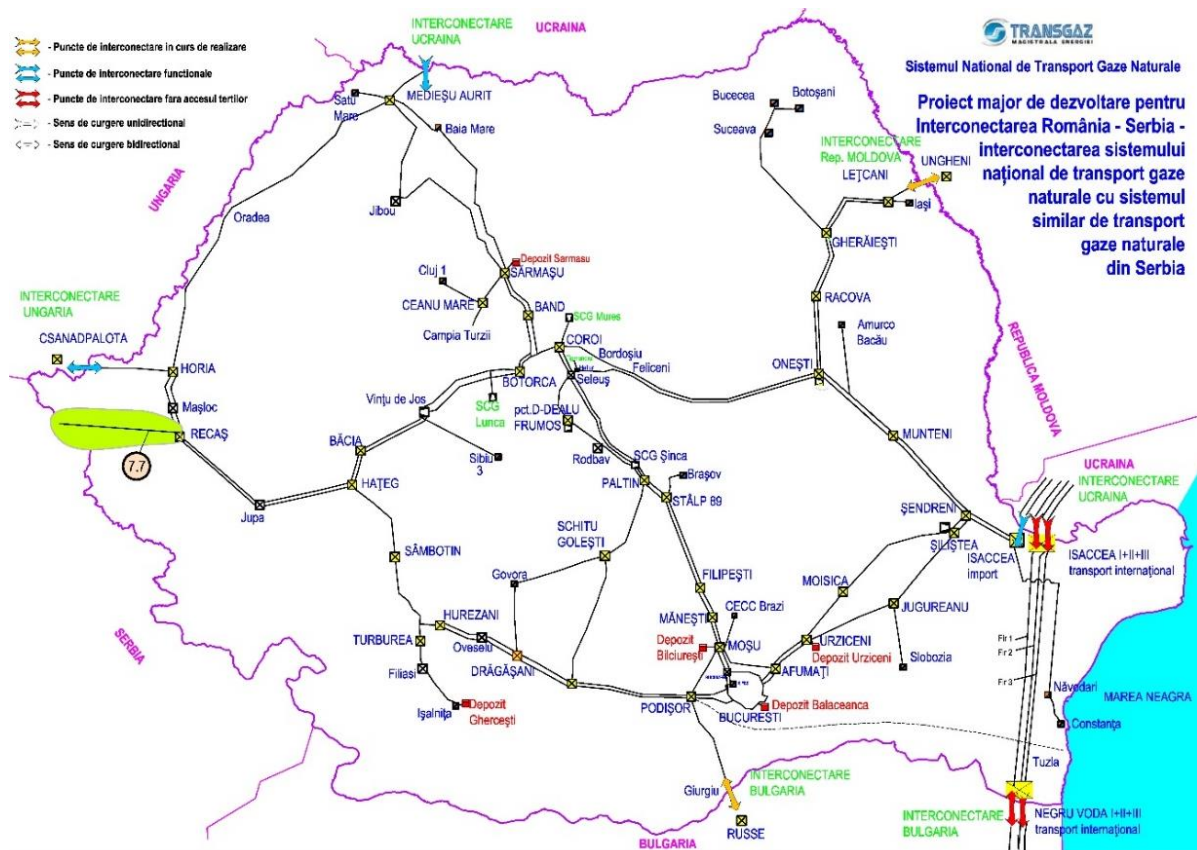
Necessary investments:

- construction of a 24.37 km DN 500 gas transmission pipeline from the Black Sea shore to the existing T1 international transmission pipeline.

Total estimated costs:

- 9,14 mil. Euro

Estimated commissioning 2021



Aim:

- enhancing security of energy supply to the region

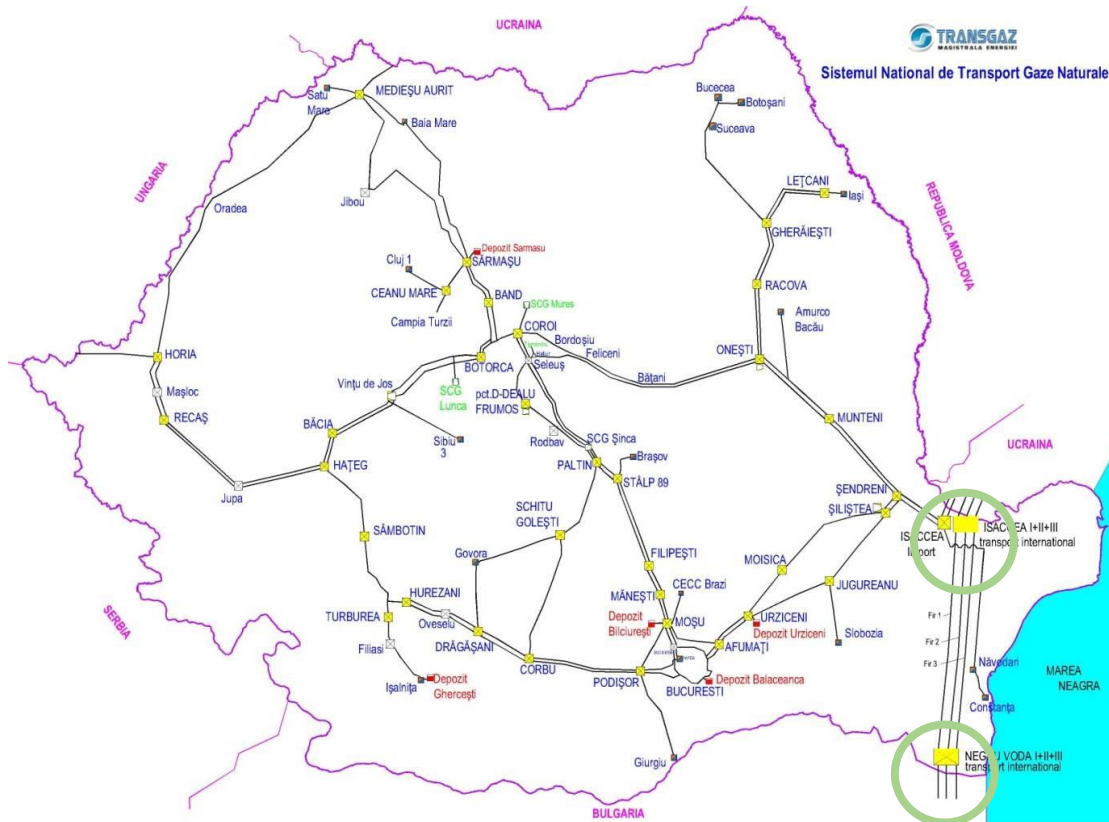
Necessary investments:

- construction of an approximately 97 km long pipeline in the Recas–Mokrin direction of which about 85 km on the territory of Romania and 12 km on the territory of Serbia, which will be connected to BRUA pipeline
- construction of a GMS at Comloșu Mare

Total estimated costs:

- **56,21 mil. Euro** (updated according to the latest project file)

Estimated commissioning-2021
 (updated according to the latest project file)



Aim:

- increasing the level of energy security in the region

Necessary investments:

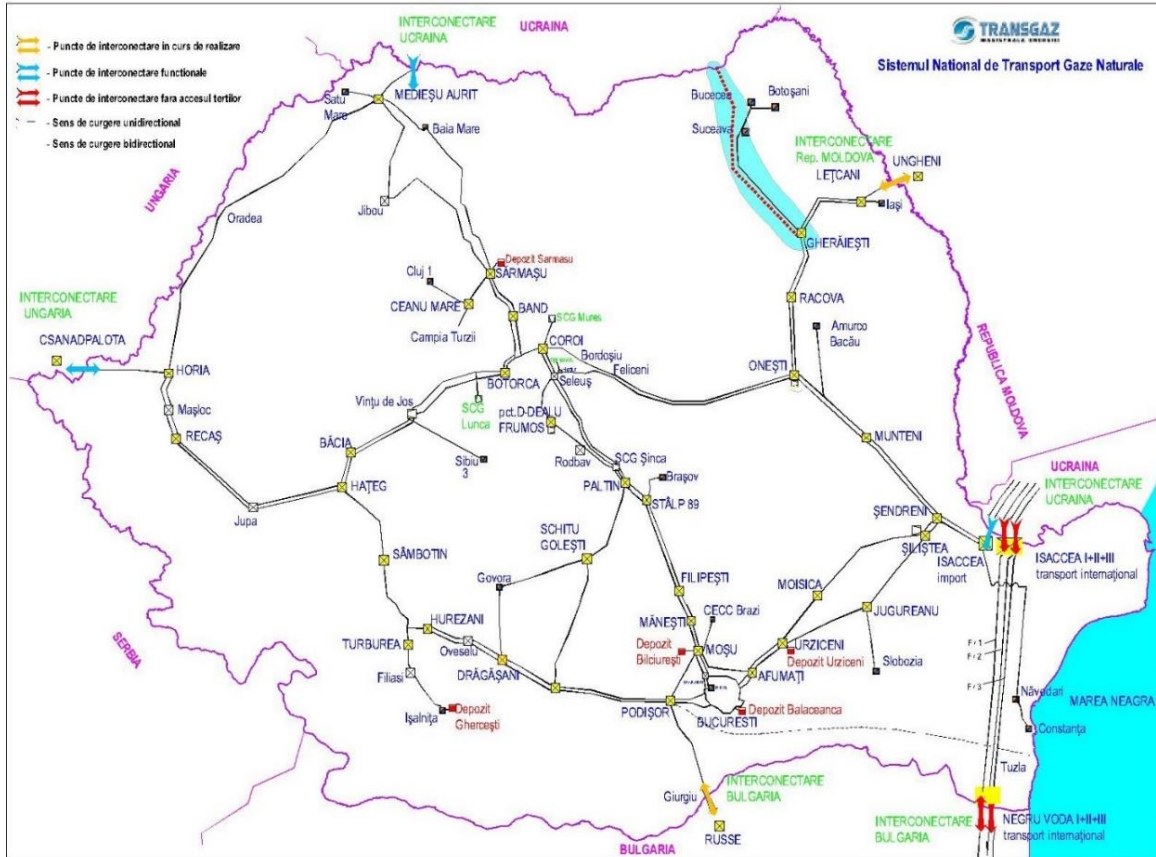
- construction of two new gas metering stations, replacing the existing ones. In the case of GMS Isaccea 1 the station will be built in the current station and in the case of GMS Negru Voda 1 on a location situated close to the location of the existing station

Total estimated costs (updated according to the latest project file) ~ 26,65 mil.Euro

- 13,88 mil. Euro- upgrading GMS Isaccea 1
- 12,77 mil. Euro– upgrading GMS Negru Vodă 1

Final Investment Decision – 2018

Estimated commissioning – GMS Isaccea 1- 2020
Estimated commissioning – GMS Negru Vodă 1- 2021



Estimated commissioning- 2025

Aim:

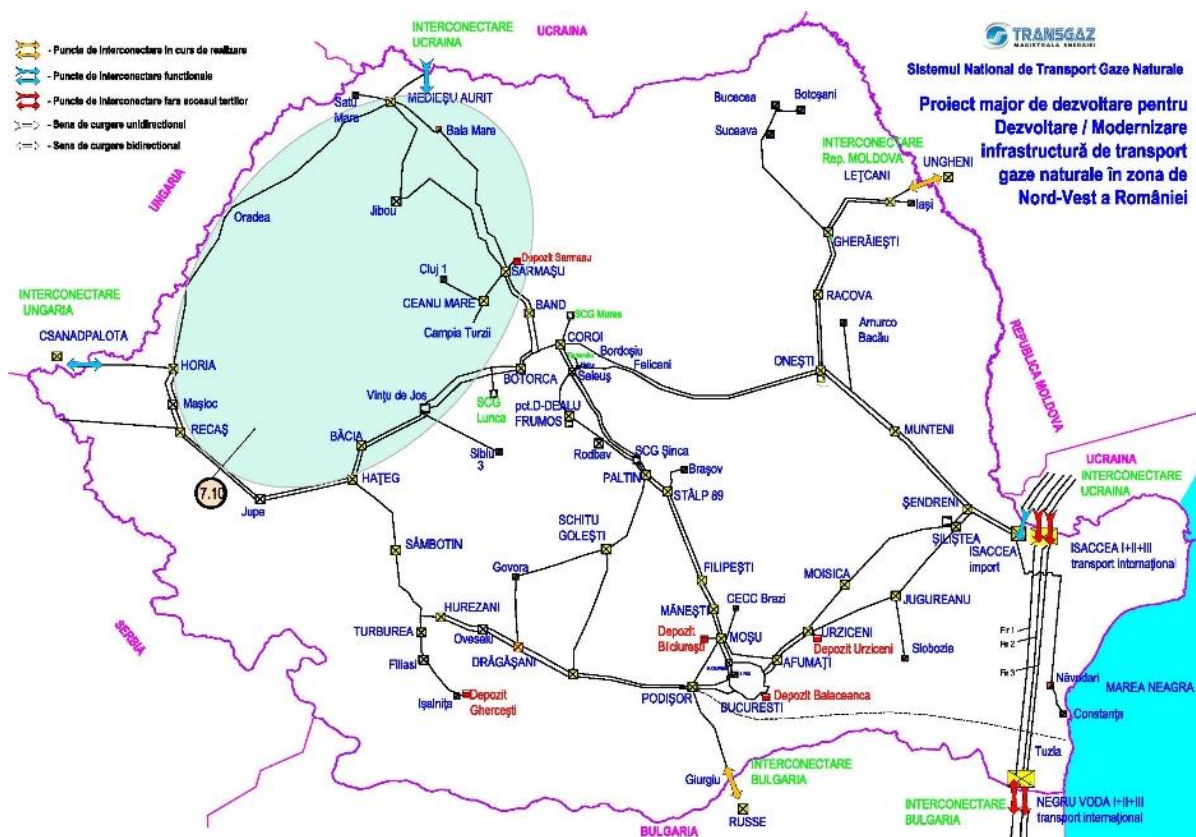
- increasing energy security to the region.

Necessary investments:

- the construction of a 130 km gas transmission pipeline and the related facilities, in the Gherăești – Siret direction
- construction of a cross-border gas metering station;
- extension of the Onești and Gherăești compressor stations, if necessary

Total estimated costs:

- **125 mil. Euro**



Aim:

- creation of new gas transmission capacities

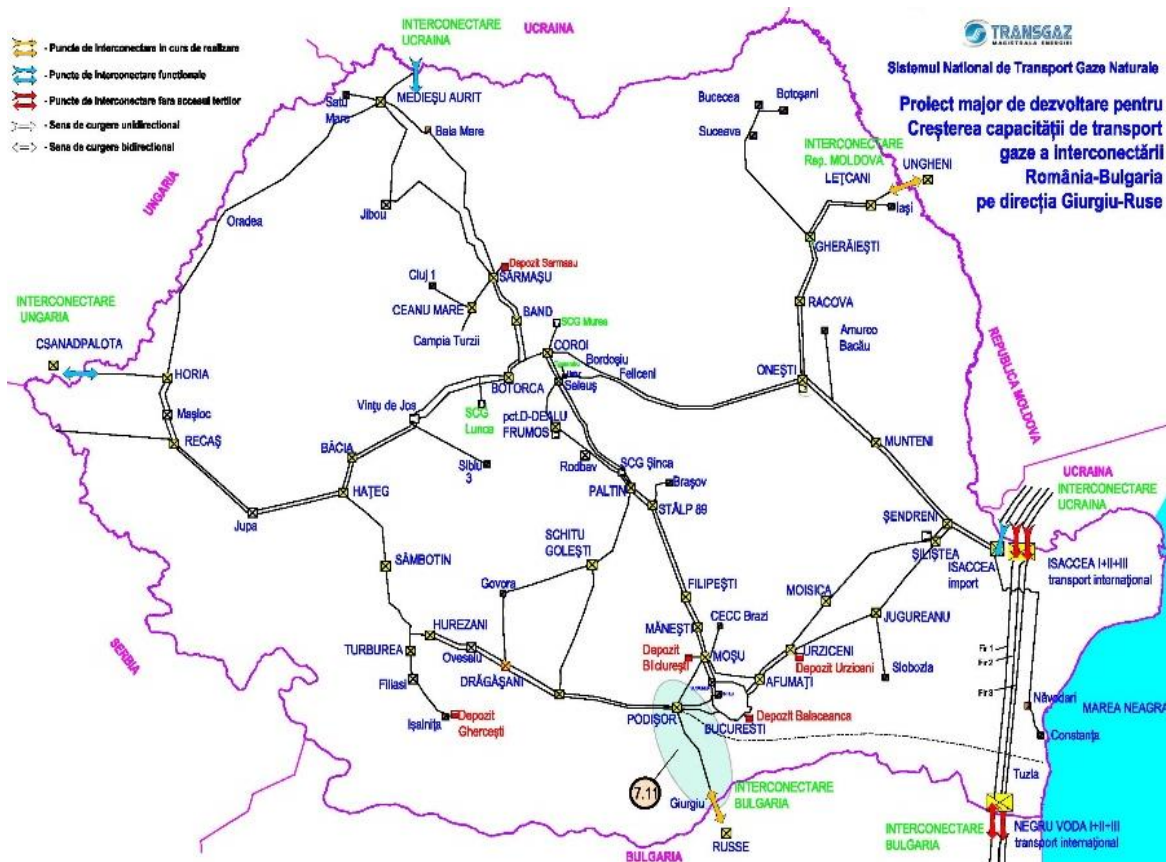
Necessary investments:

- construction of a gas transmission pipeline and of the related equipment in the direction Horia–Medieșu Aurit;
- construction of a gas transmission pipeline and of the related equipment in the direction Sărmășel–Medieșu Aurit
- construction of a gas transmission pipeline and of the related equipment in the direction Huedin–Aleșd;
- construction of a Gas Compressor Station at Medieșu Aurit

Total estimated costs:

- 405 mil. Euro

Estimated commissioning- 2026



Aim:

- enhancing security of energy supply to the region

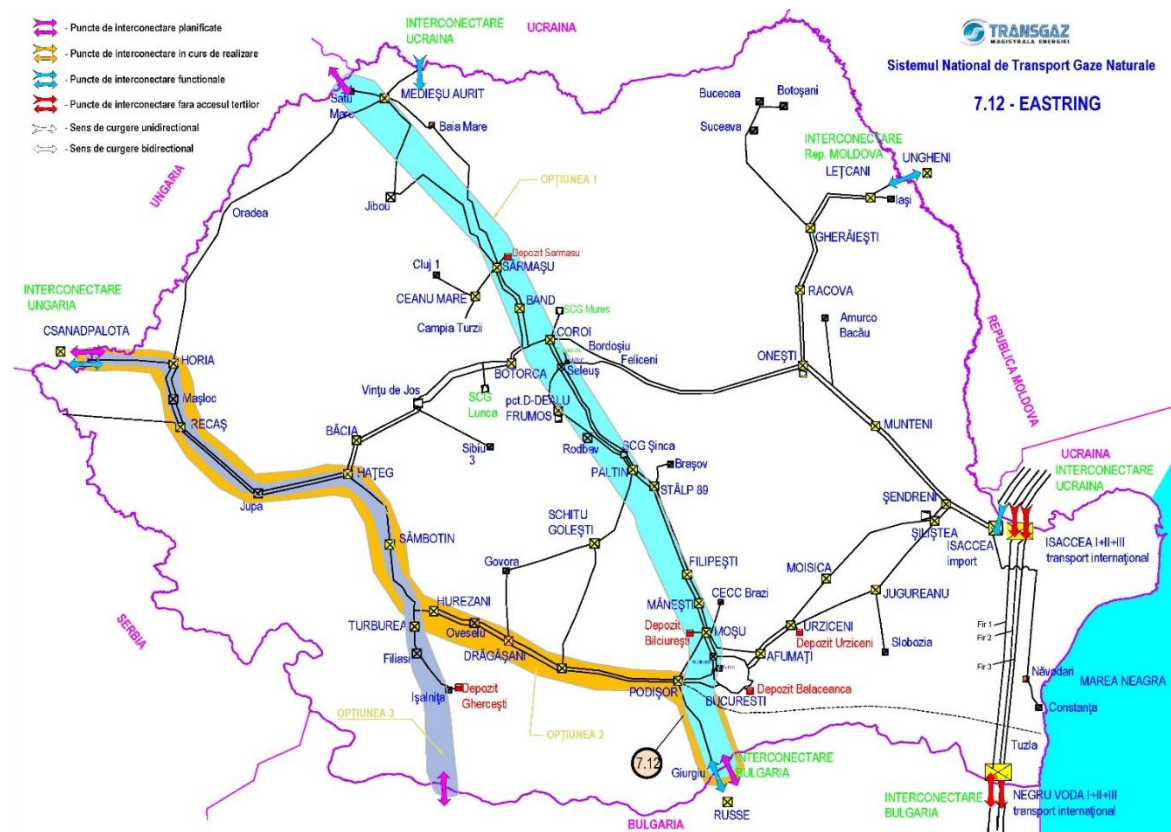
Necessary investments:

- construction of a new gas transmission pipeline and related facilities
- construction of a new Danube undercrossing
- enhancement of SMG Giurgiu

Total estimated costs:

- 51,8 mil. Euro

Estimated commissioning - 2027



Estimated commissioning –

2025 - Phase 1
2030 - Phase 2

Aim:

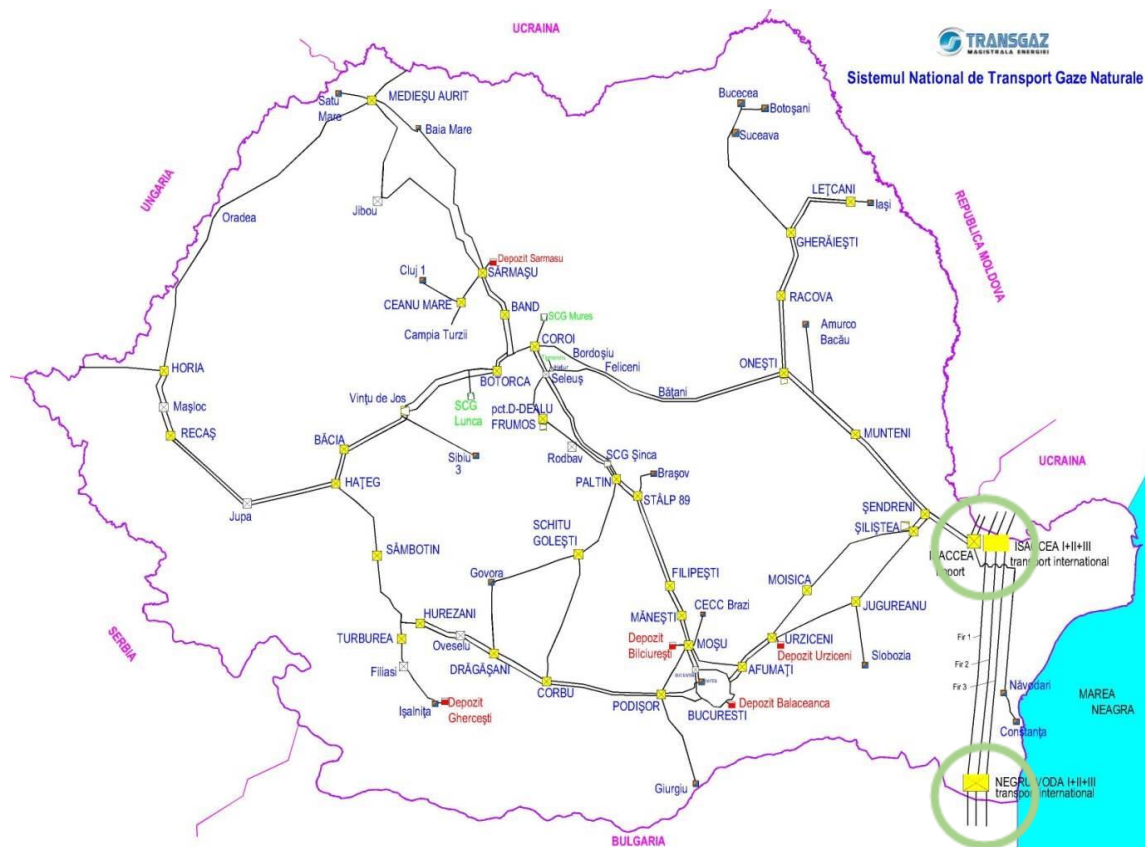
- EASTRING will ensure the most cost-reflective and direct transmission route between the gas platforms from the Western European region and the Balkans/Western Turkey. The possibility to diversify transmission routes and gas supply sources will safeguard the regional security of gas supply to the region, mainly in the South-Eastern European countries.

According to the feasibility study, the project will be implemented in two stages as follows:

- Phase 1 – Maximum capacity of 20 bcm/y;
- Phase 2 – Maximum capacity of 40 bcm/y.

Total investment costs:

- Phase 1 - 1.297 mil. Euro for Romania
(2.600 mil. Euro–total)
- Phase 2 - 357 mil. Euro for Romania
(739 mil. Euro–total)



Estimated commissioning - 2024

Aim:

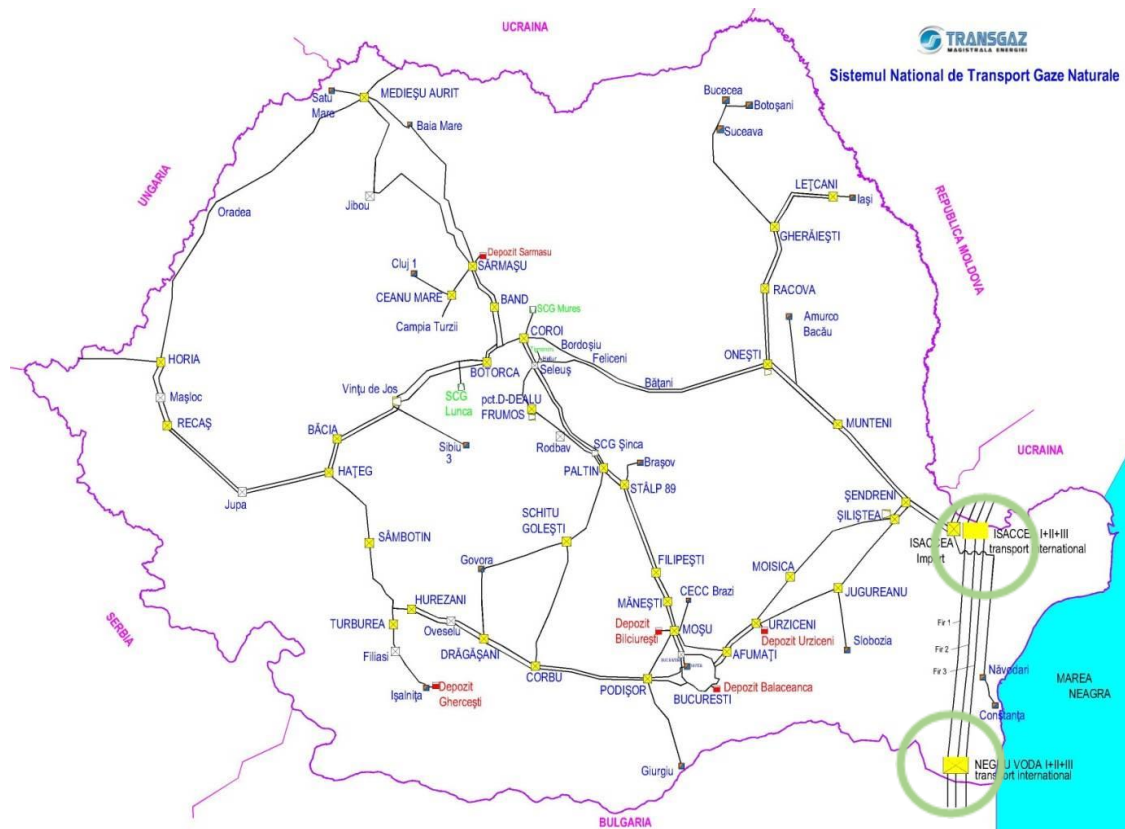
- increasing the level of energy security in the region

Necessary investments:

- modernization of the existing gas metering stations

Total estimated costs:

- **26,65 mil. Euro**



Aim:

- increasing the level of energy security in the region

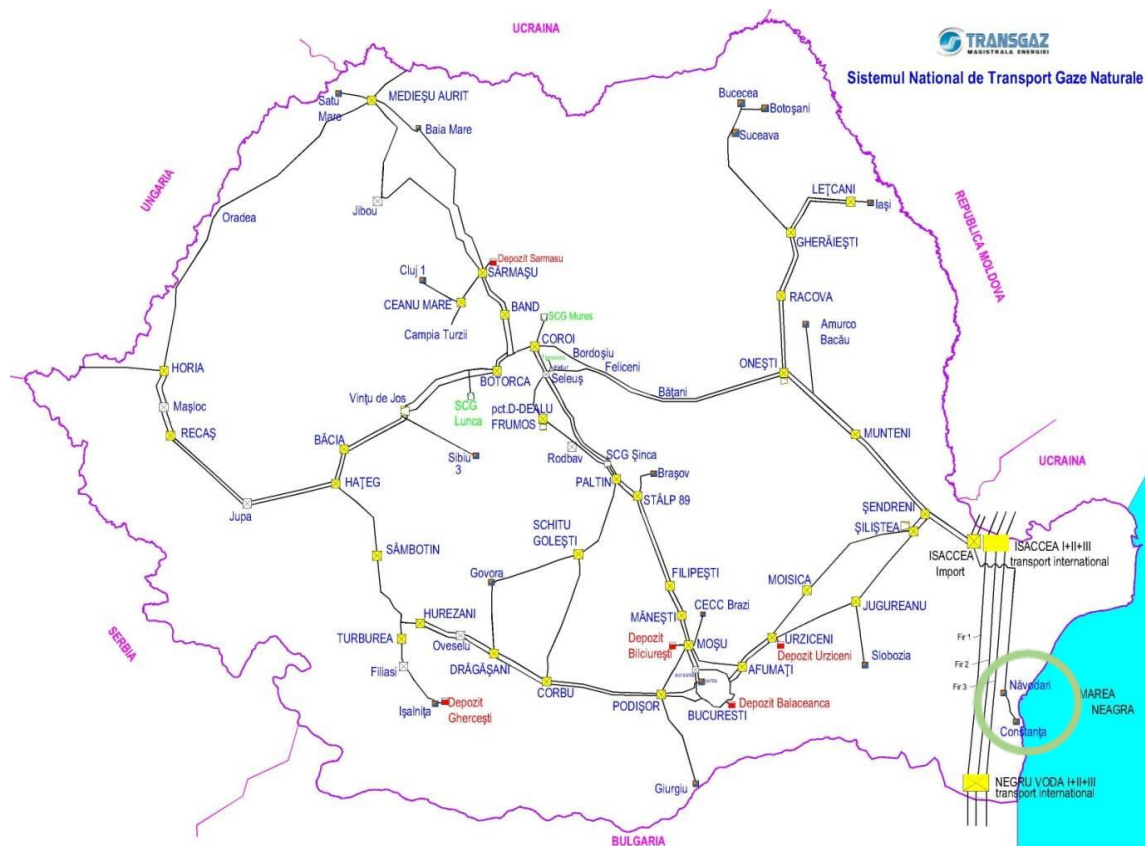
Necessary investments:

- modernization of the existing gas metering stations

Total estimated costs:

- 26,65 mil. Euro

Estimated commissioning - 2028



Estimated commissioning - 2026

Aim:

- Taking over natural gas from the Black Sea coast

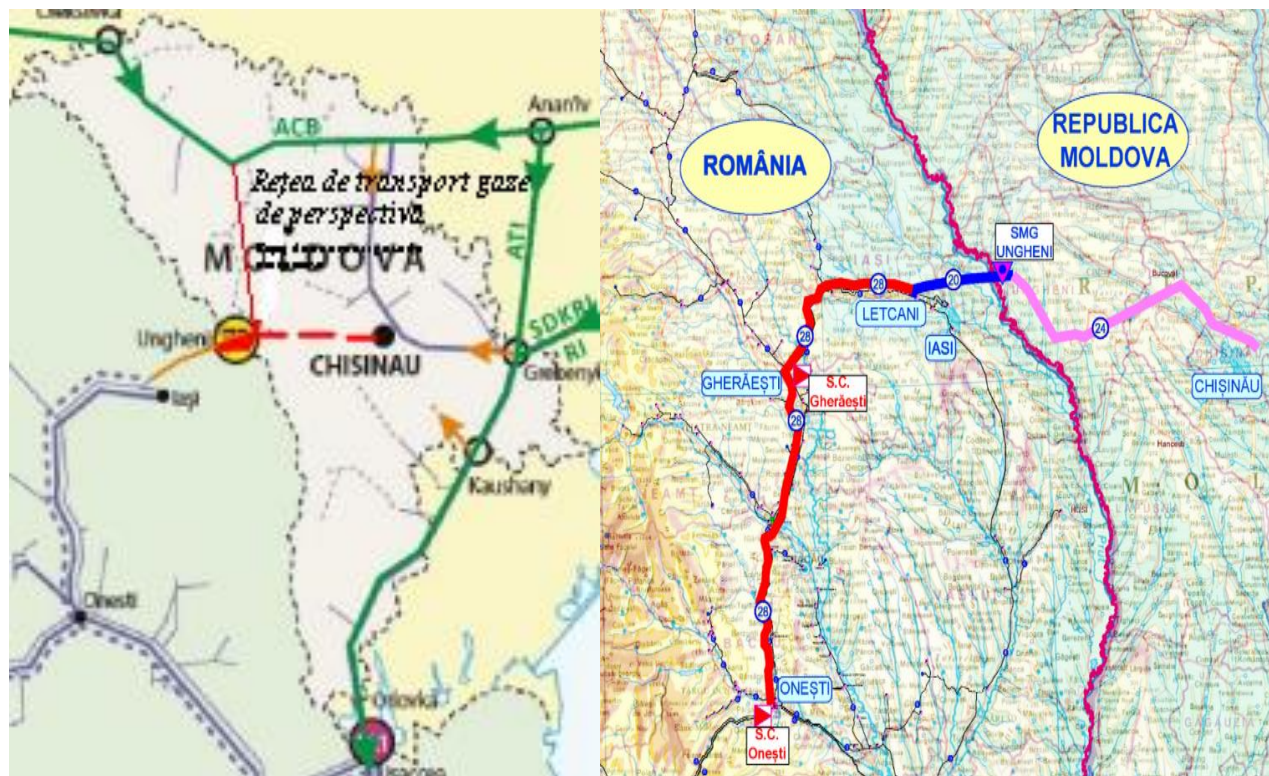
Necessary investments:

- Realization of an interconnection of the national natural gas transmission system at the LNG terminal by building a natural gas transmission pipeline, in a length of about 25 km, from the Black Sea coast to the T1 and T2 pipelines

Total estimated costs:

- 19,6 mil. Euro

Iași – Ungheni - Phase I; Ungheni – Chișinău – Phase II



Commissioning start of operation

End 2019

Completion construction of Ghidighici complex

Start 2020

Aim:

Increasing interconnectivity between Romania and the Republic of Moldova in terms of gas transmission infrastructure as well as the diversification of the sources and routes for the gas supply to the Republic of Moldova.

The project consists in:

- DN 600 55 bar 110 km-long pipeline;
- 4 metering regulating stations (at Semeni in Ungheni district, Ghidighici, Petricani and Tohatini - Chișinău);
- bidirectional gas metering node at Tohatini to connect the envisaged pipeline Ungheni – Chisinau and the existing Moldavia gas transmission system operated by MOLDOVATRANGAZ;
- 2 gas distribution pipelines from MRS Tohatini to the Chisinau distribution system, each 3.2 km long;
- 1 gas distribution pipeline, average pressure from MRS Ghidighici to the distribution system of Chisinau (at the intersection of Petricani and Balcani Streets), approximately 1.5 km;
- an operating complex at Ghidighici where the head office of VESTMOLDTRANSGAZ /EUROTRANSGAZ will be located.

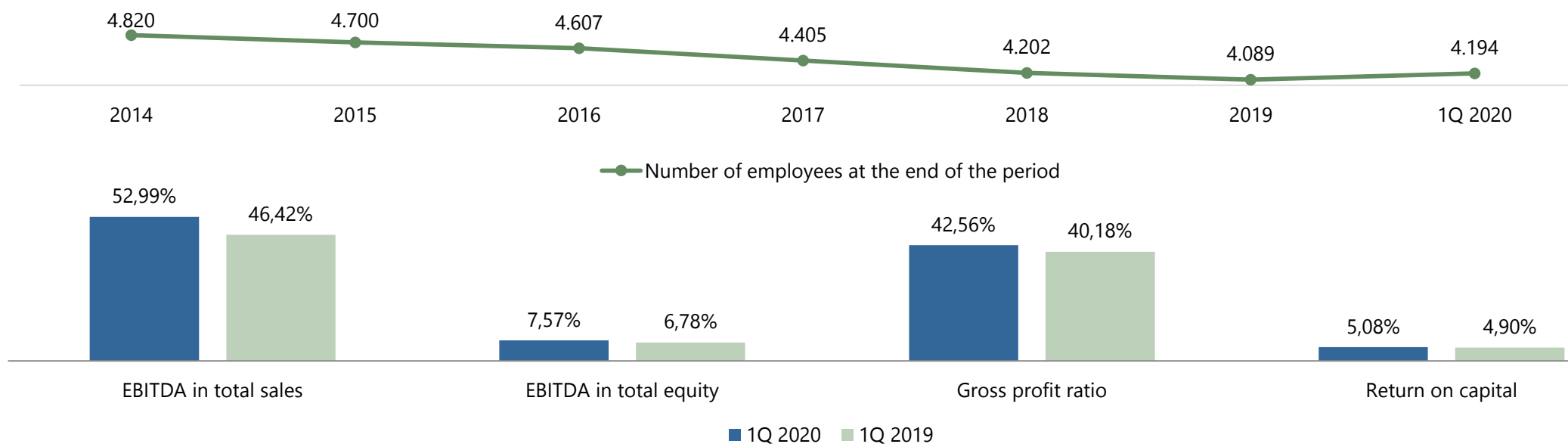
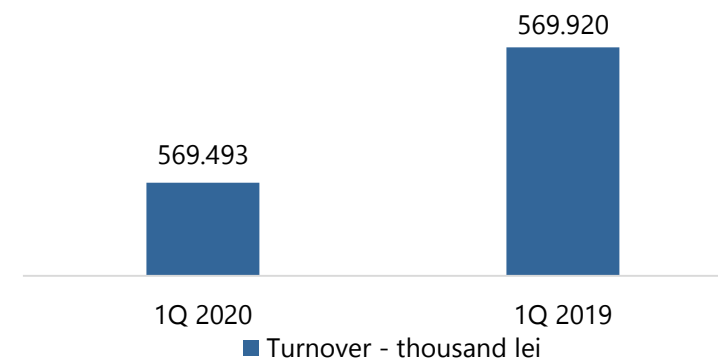
Total estimated costs:

- 80 mil Euro

6. Main indicators

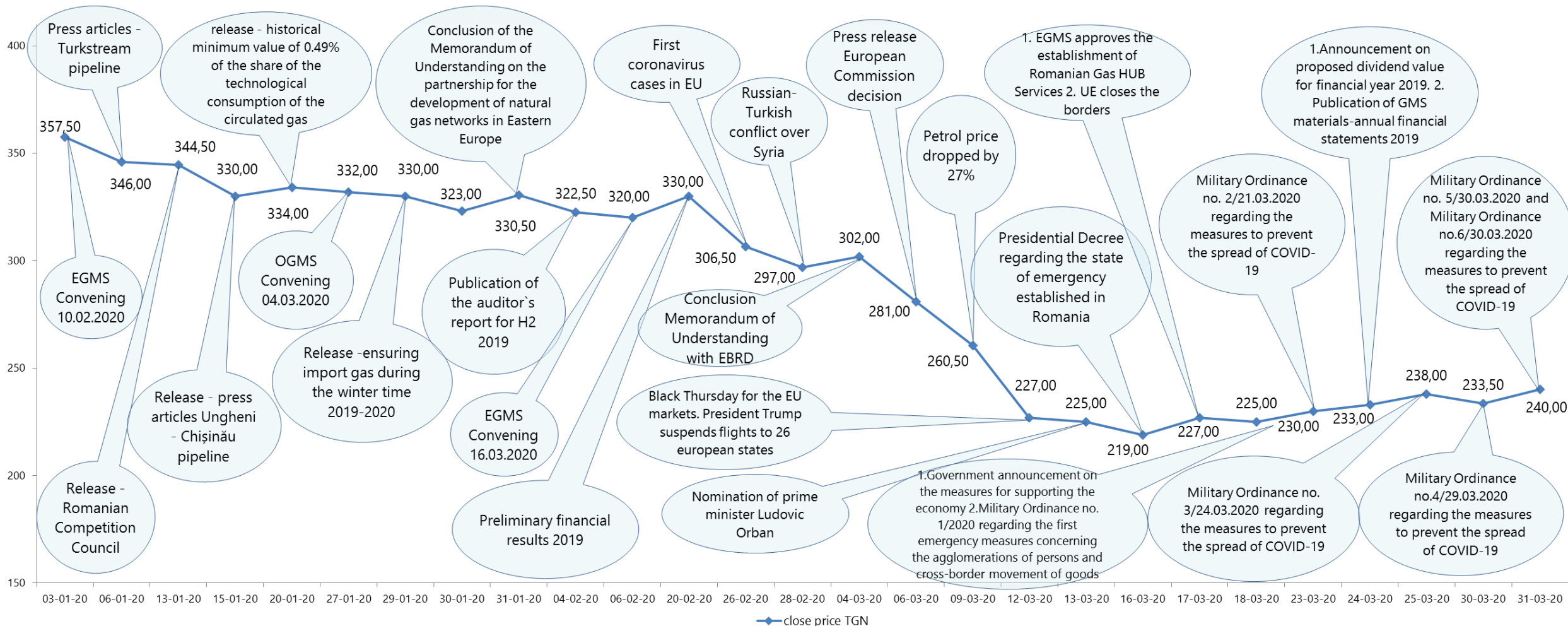
	1Q 2020	1Q 2019
EBITDA in total sales	52,99%	46,42%
EBITDA in total equity	7,57%	6,78%
Gross profit ratio	42,56%	40,18%
Return on capital	5,08%	4,90%
Current liquidity ratio	2,11	3,73
Quick liquidity ratio	1,34	2,90
Gearing	16,45%	6,10%
Interest coverage ratio	100,87	273,63
Turnover speed for clients debit - days	105,24	109,70
Turnover speed for credit providers - days	36,71	33,21

1Q2020 compared to 1Q2019

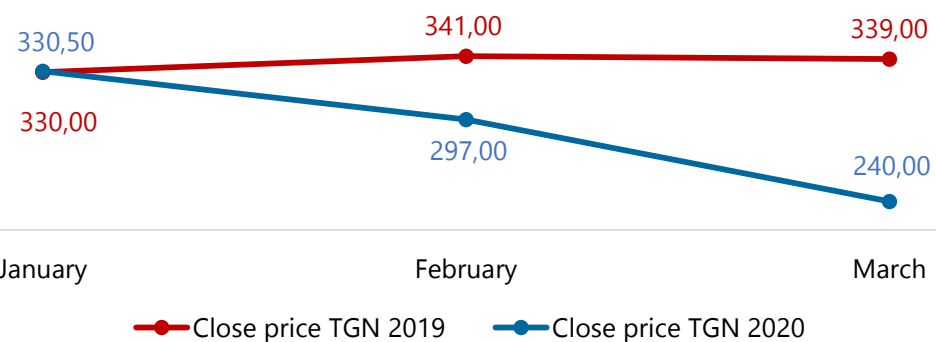


Stock Exchange TGN Evolution (1)

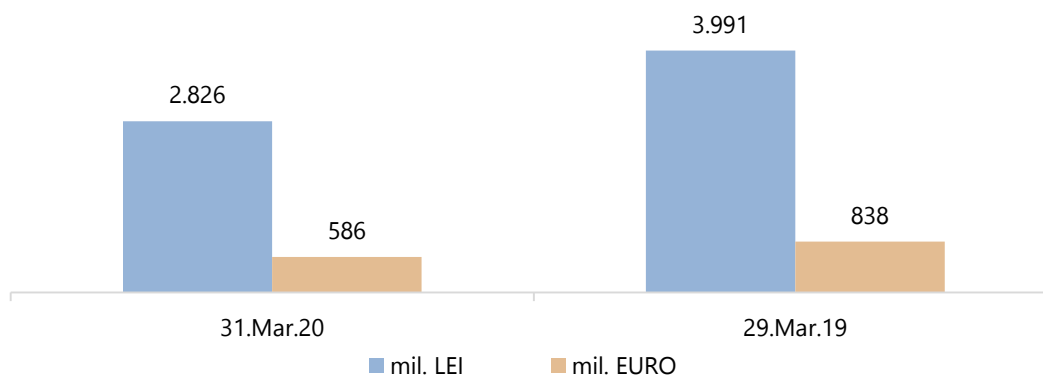
Main corporate events with an impact upon the share price in 1Q 2020



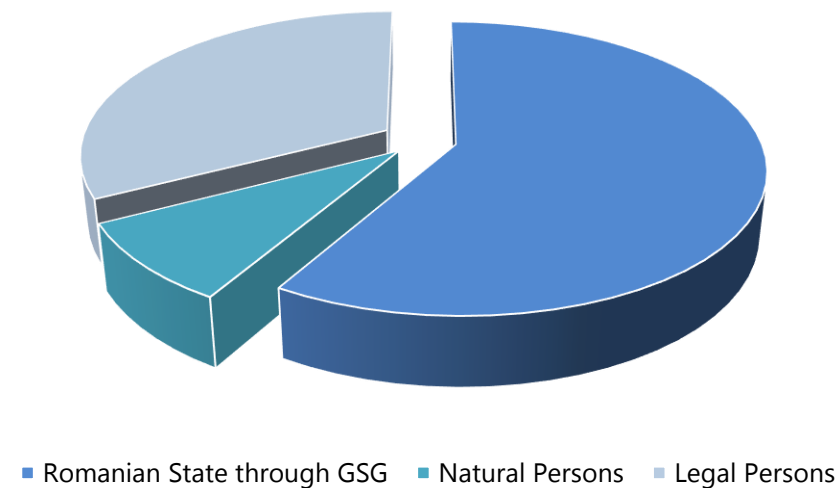
Stock Exchange TGN Evolution (2)



Market capitalization



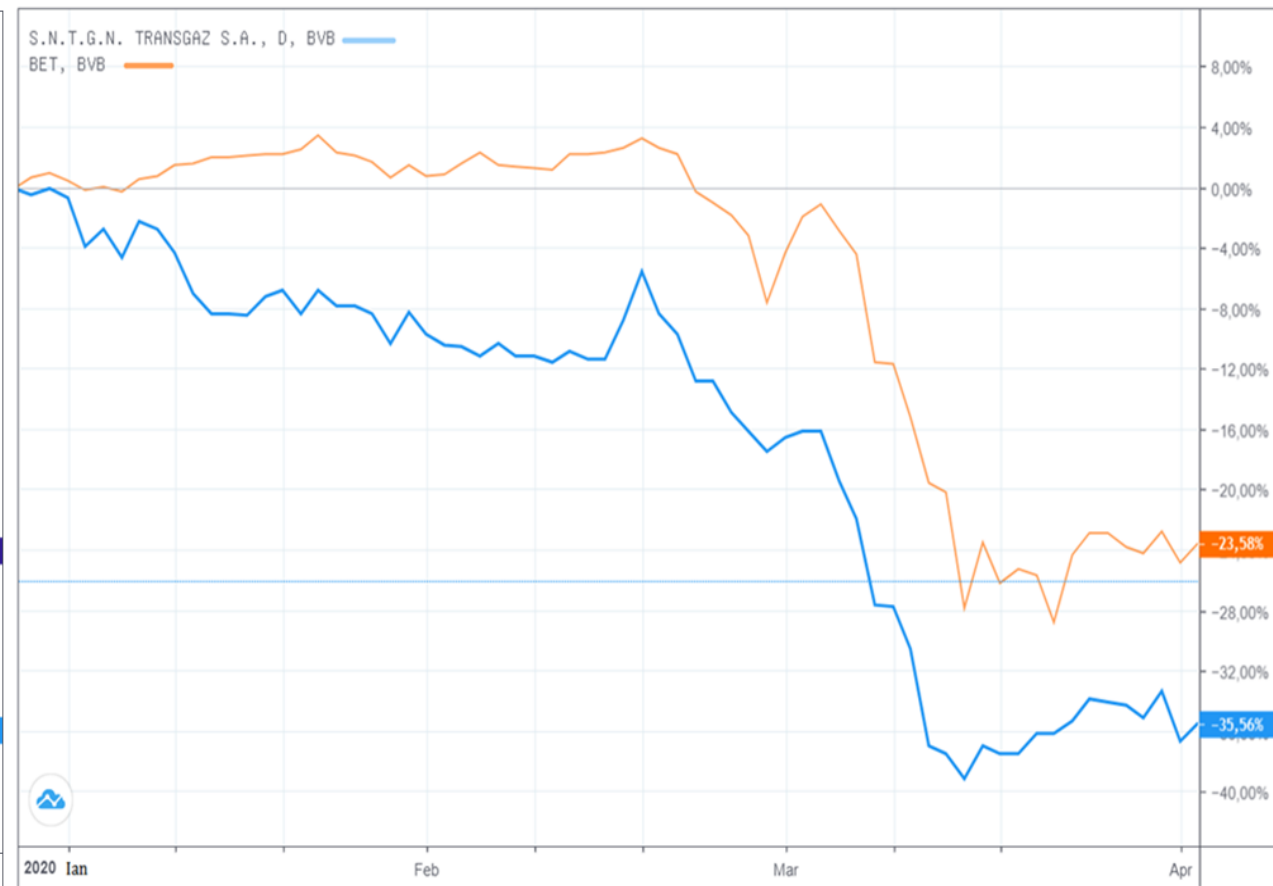
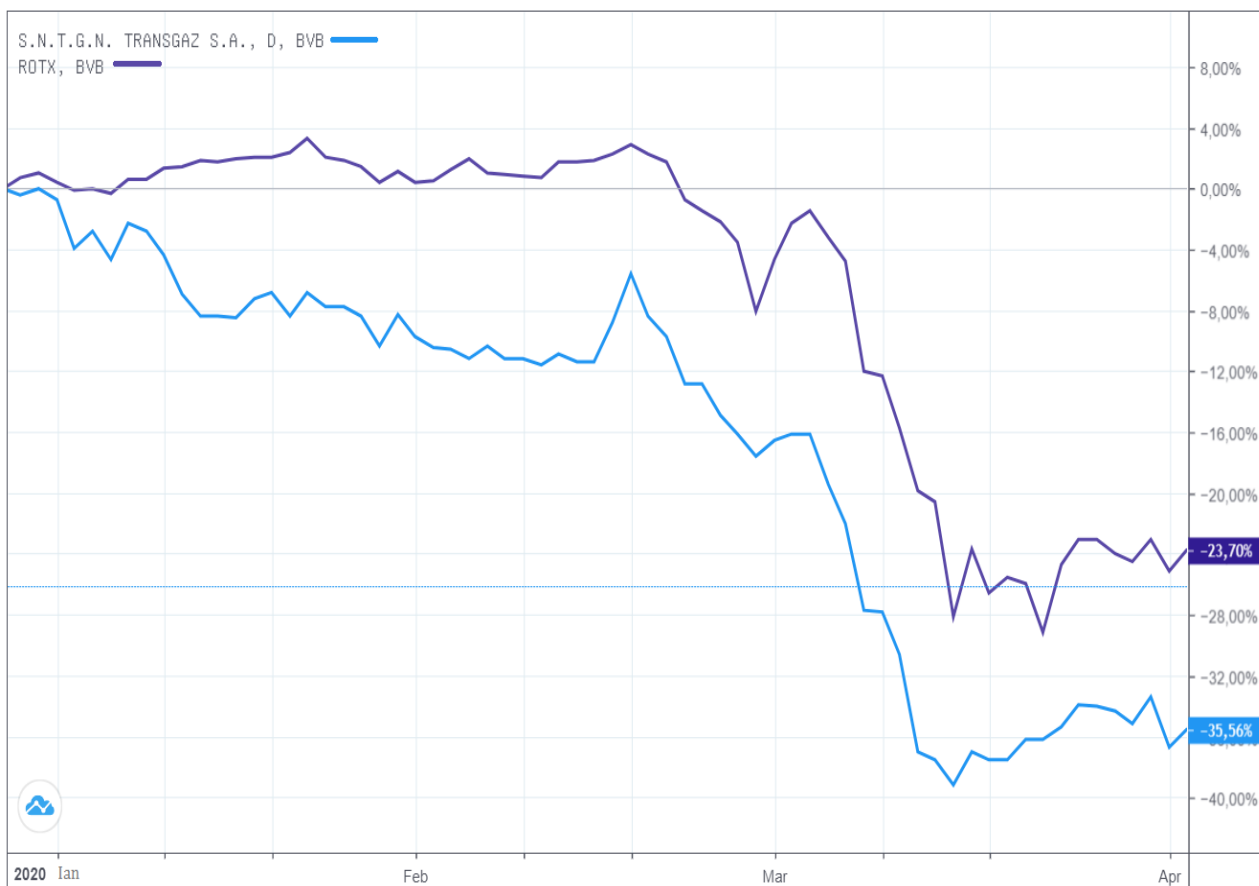
Shareholders structure at 05.03.2020



Stock Exchange TGN Evolution (3)



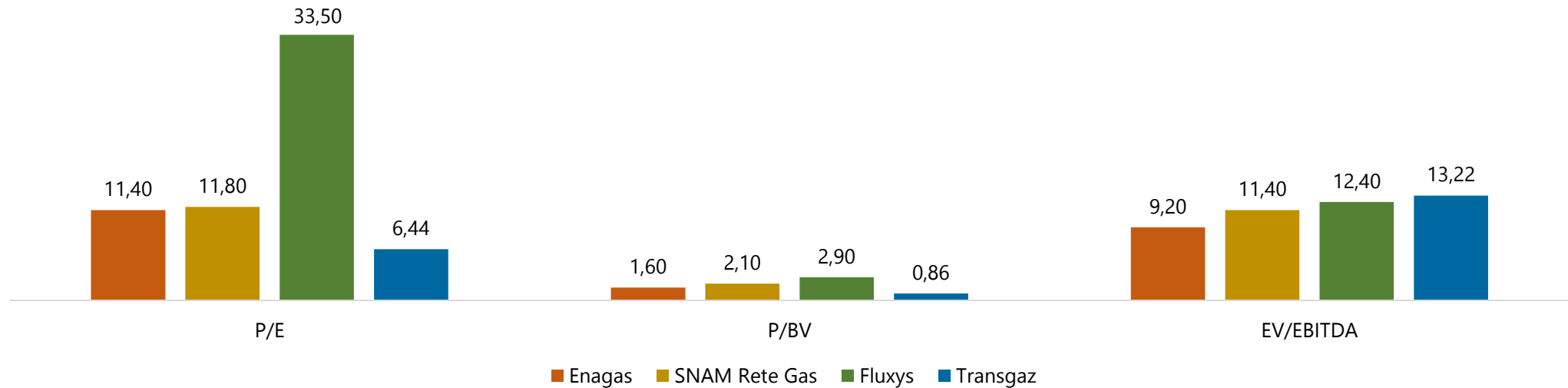
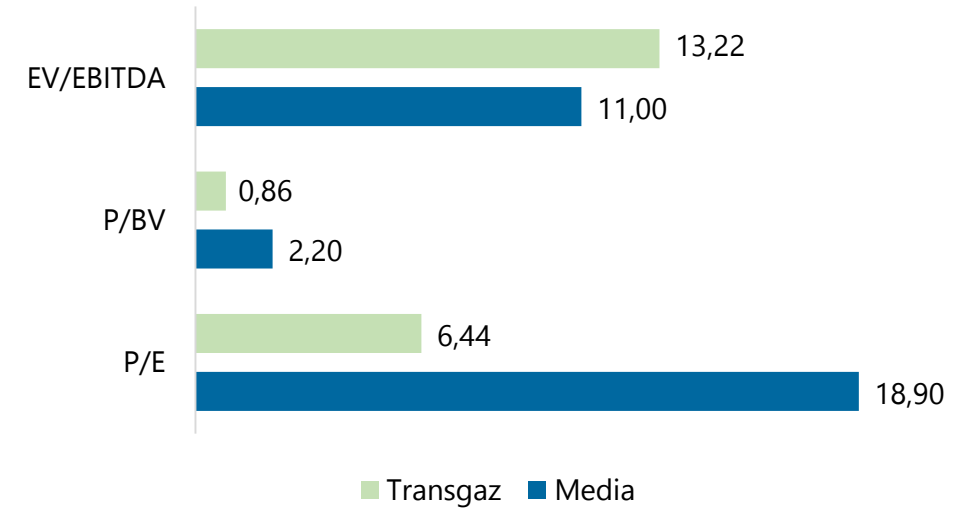
Stock Exchange TGN Evolution (4)



TRANSGAZ COMPARED TO PEERS

Company		P/E	P/BV	EV/EBITDA
Enagas	Spain	11,40	1,60	9,20
SNAM SpA	Italy	11,80	2,10	11,40
Fluxys	Belgium	33,50	2,90	12,40
Media		18,90	2,20	11,00
Transgaz	Romania	6,44	0,86	13,22
Premium /Discount		-65,93%	-60,91%	20,18%

Source: Bloomberg, 14.04.2020





Thank you for your kind attention!