

ROMGAZ

Societatea Națională de Gaze Naturale Romgaz S.A. - Medias - Romania



CURRENT REPORT

In compliance with the Romanian Capital Market Law no. 297/2004 and CNVM Regulation no. 1/2006

Report date: November 16, 2015

Company name: Societatea Nationala de Gaze Naturale ROMGAZ S.A.

Address: Medias, 4 Constantin I. Motas Square, Sibiu County - Romania, 551130

Phone/fax no: 004-0269-201020 / 004-0269-846901

Fiscal Code: RO14056826

Trade Register registration number: J32/392/2001

Subscribed and paid in share capital: 385,422,400 RON

Regulated market where the issued securities are traded: Bucharest Stock Exchange (BVB), London Stock Exchange (LSE)

Significant event to be reported:

- **Approval of the Revised 2015 Income and Expenditure Budget of S.N.G.N. ROMGAZ S.A.**

S.N.G.N. ROMGAZ S.A. Revised 2015 Budget has been approved by Government Decision on November 11, 2015. The Government Decision will be published in the Official Gazette.

Attached:

The Appendix with the Indicators of the Revised 2015 Budget (approved)

Director General
Virgil - Marius METEA

REVISED 2015 INCOME AND EXPENDITURE BUDGET

| | | | | RON thousand | | |
|------------|----------|---|---------|---------------------|--|--|
| | | INDICATORS | Row no. | Revised 2015 Budget | | |
| 0 | 1 | 2 | 3 | 4 | | |
| I | | TOTAL REVENUE (Rw.1=Rw.2+Rw.5+Rw.6) | 1 | 4 459 824 | | |
| | 1 | Total operating revenue, out of which: | 2 | 4 417 073 | | |
| | | a) subsidies, according to legal provisions in force | 3 | | | |
| | | b) transfers, according to legal provisions in force | 4 | | | |
| | 2 | Financial revenue | 5 | 42 751 | | |
| | 3 | Extraordinary revenue | 6 | | | |
| II | | TOTAL EXPENSES (Rd.7=Rd.8+Rd.20+Rd.21) | 7 | 3 114 745 | | |
| | 1 | Operating expenses, out of which: | 8 | 3 092 695 | | |
| | | A. expenses for goods and services | 9 | 485 938 | | |
| | | B. expenses for taxes, duties and similar payments | 10 | 777 531 | | |
| | | C. personnel-related expenses, out of which: | 11 | 616 350 | | |
| | | C0 expenses for salaries and wages (Rw. 13+ Rw.14) | 12 | 481 169 | | |
| | | C1 expenses for salaries | 13 | 429 246 | | |
| | | C2 expenses for bonuses | 14 | 51 922 | | |
| | | C3 other personnel expenses, out of which: | 15 | 1 475 | | |
| | | expenses with compensation for early release of personnel | 16 | | | |
| | | C4 expenses for the contract of mandate and for other management and control bodies, committees and commissions | 17 | 2 693 | | |
| | | C5 expenses for social security, special funds and other legal obligations | 18 | 131 013 | | |
| | | D. other operating expenses | 19 | 1 212 876 | | |
| | 2 | Financial expenses | 20 | 22 050 | | |
| | 3 | Extraordinary expenses | 21 | | | |
| III | | GROSS RESULT (profit/loss) | 22 | 1 345 079 | | |
| IV | | PROFIT TAX | 23 | 312 274 | | |

| | | INDICATORS | Row no. | Revised 2015 Budget |
|-----|----|--|---------|---------------------|
| 0 | 1 | 2 | 3 | 4 |
| V | | PROFIT AFTER DEDUCTION OF PROFIT TAX, out of which: | 24 | 1 032 805 |
| | 1 | Legal reserve | 25 | |
| | 2 | Other reserves representing fiscal facilities provided by law | 26 | |
| | 3 | Coverage of accounting loss from previous years | 27 | |
| | 4 | Establishing equity finance for projects co-financed from foreign loans, and establishing sources for reimbursement of equity installments, payment of interest rates, charges and other costs related to such loans. | 28 | |
| | 5 | Accounting profit after deduction of the amounts provided at Rws. 25, 26, 27, 28 and 29. | 29 | |
| | 6 | Accounting profit after deduction of the amounts provided at Rws. 25, 26, 27, 28 and 29. | 30 | 1 032 805 |
| | 6a | Profit to be distributed from previous years | 30 a | 130 000 |
| | 6b | Total profit to be distributed (30+30a) | 30 b | 1 162 805 |
| | 7 | Profit share payable to employees within the limit of 10% of the net profit, but not more than one average salary paid by the economic operator during the reference financial year | 31 | 17 110 |
| | 8 | Minimum 50% payments to the state budget or local budget in case of autonomous regies, or as dividends paid to shareholders in case of national companies and companies which are fully state-owned or where the state is the major shareholder, out of which: | 32 | 884 936 |
| | a) | - dividends to the state budget | 33 | 619 455 |
| | b) | - dividends to the state budget | 33 a | |
| | c) | - dividends to other shareholders | 34 | 265 481 |
| | 9 | Retained earnings not allocated to rws. 31-32 are allocated to other reserves and represent the company's own equity finance | 35 | 277 869 |
| VI | | REVENUE FROM EUROPEAN FUNDS | 36 | |
| VII | | ELIGIBLE EXPENSES FROM EUROPEAN FUNDS, out of which: | 37 | |
| | a) | expenses for materials | 38 | |
| | b) | expenses for salaries | 39 | |
| | c) | expenses for services | 40 | |
| | d) | expenses for promotion and advertising | 41 | |
| | e) | other expenses | 42 | |

| | | INDICATORS | Row no. | Revised 2015 Budget |
|------|---|---|---------|---------------------|
| 0 | 1 | 2 | 3 | 4 |
| VIII | | INVESTMENT FINANCING SOURCES, out of which: | 43 | 1 100 000 |
| | 1 | Allocations from the budget, out of which: | 44 | |
| | | budget allocations related to payments of previous years committments | 45 | |
| IX | | INVESTMENT COSTS | 46 | 1 100 000 |
| X | | SUPPORTING DATA | 47 | |
| | 1 | Forecasted no. of employees at the end of the year | 48 | 6 377 |
| | 2 | Average total number of employees | 49 | 6 250 |
| | 3 | Average monthly income per employee (lei/ person) determined on basis of personnel-related expenses*) | 50 | 6 077 |
| | 4 | Average monthly income per employee (lei/ person) determined on basis of salary-related expenses (Rw.13/Rw.49)/12*1000 | 51 | 5 723 |
| | 5 | Labour productivity in financial units per total average number of employees in current prices (thousand lei/person) (Rw.2/Rw.49) | 52 | 707 |
| | 6 | Labour productivity in physical units per total average number of employees (finished goods quantity/person) | 53 | |
| | 7 | Total expenses related to lei 1 000 total revenue (Rw.7/Rw.1)x1000 | 54 | 698 |
| | 8 | Outstanding payments | 55 | |
| | 9 | Accounts receivables | 56 | 885 810 |

*) according to GD 26/2013