



ROMGAZ

H1/Q2 2018

Financial Results

August 2018



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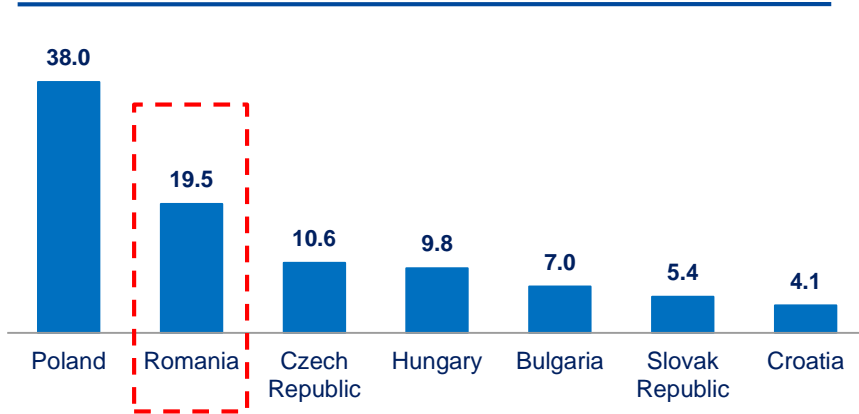
All figures included in this presentation are rounded ("round to nearest" method).

	page #
Economic context and gas market	4
ROMGAZ: Highlights H1/Q2	8
ROMGAZ: Company Overview	9
Main Activities	12
Investments	21
Financial Performance	22
Dividend Distribution	26
Shareholder Structure and Stock Performance	27
Main Strategic Goals	28
Romgaz – Investment Case	30
The Board	31
Selected recent events	32

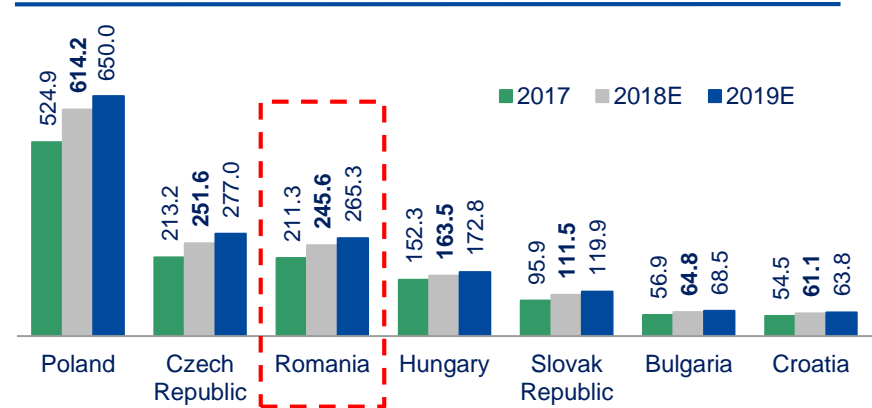
Economic context and gas market

Romania: Large country, favourable economy development, growth perspectives

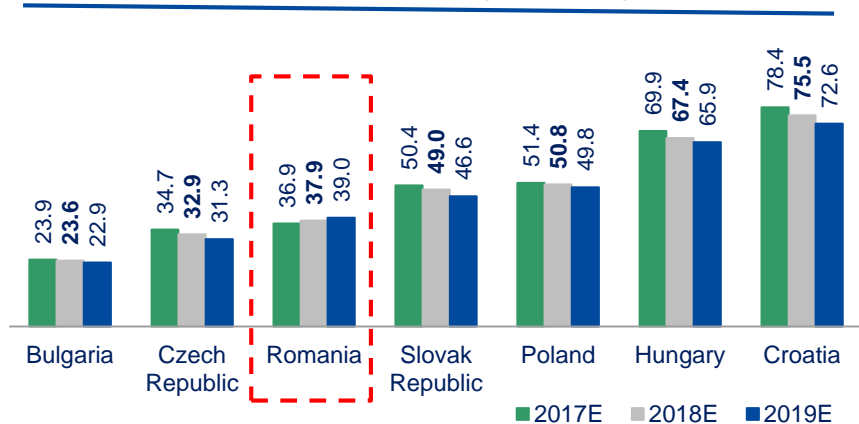
2018E Population (m)



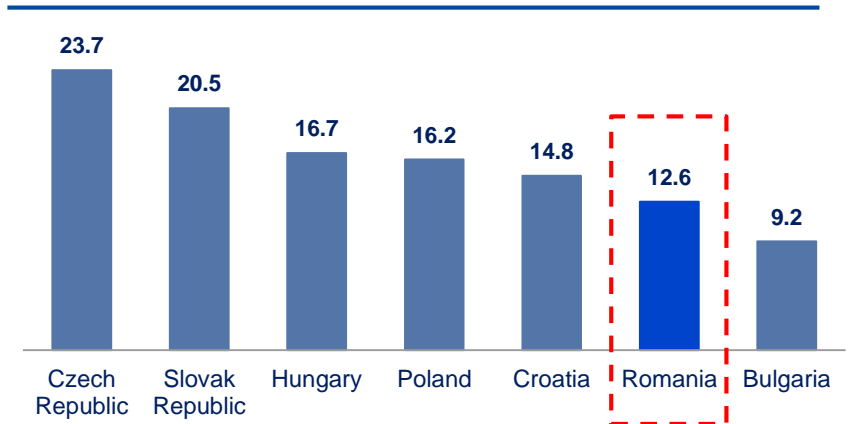
2018E GDP¹ (USD bn)



Public debt² (% of GDP)



2018E GDP per capita³ (USD '000)



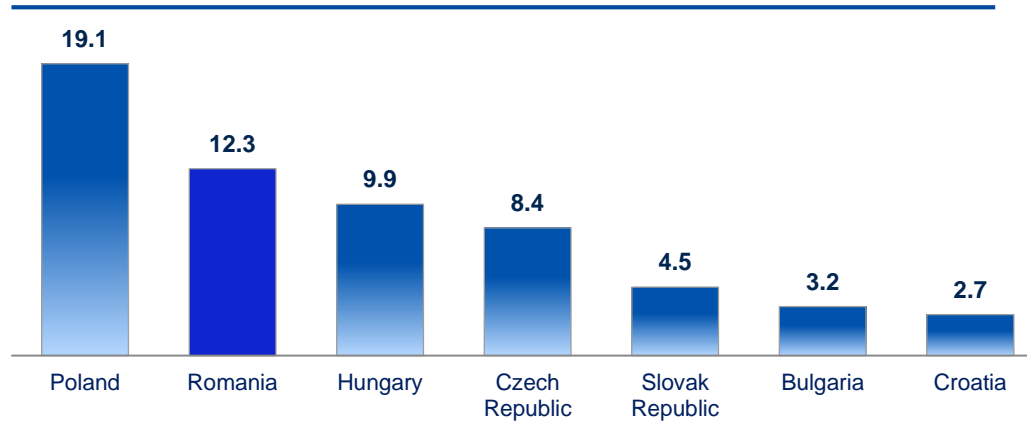
Source: IMF World Economic Outlook – April 2018

¹ Gross Domestic Product, current prices ² General Government Gross Debt, % of GDP ³ Gross Domestic Product per Capita, current prices

Economic context and gas market

Romania: Well-positioned Gas Market

Gas consumption in CEE¹ (2017, bcm)



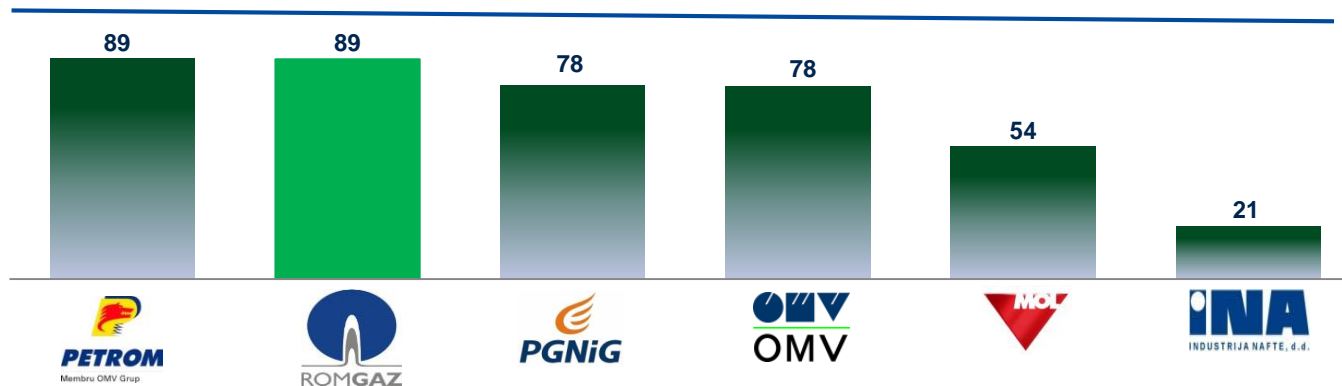
Gas represents an important clean source of energy

In the region:

Romania is one of the largest gas producers

Romgaz ranks among top gas producers

Gas Producers in the region² (2017 output, kboepd)



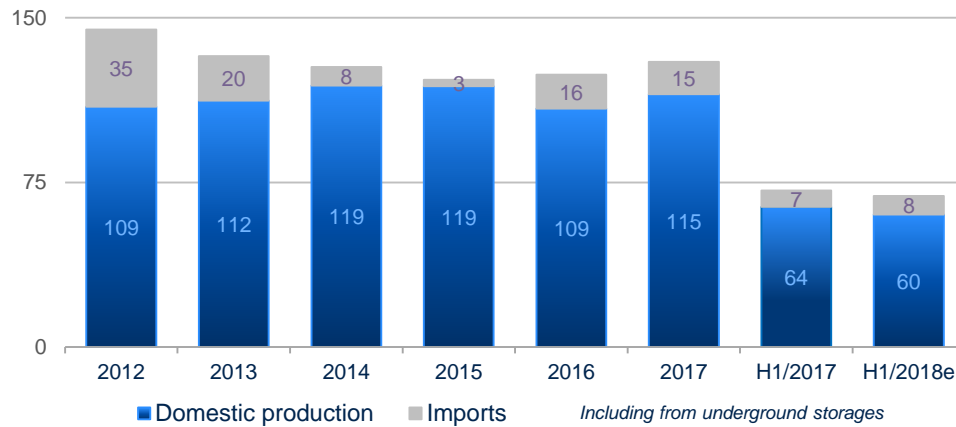
Source: ¹ BP Annual Statistical Review of World Energy (June 2018), Romgaz estimate for Romania based on ANRE data;

² Romgaz computation based on companies' reports, Petrom: Romania+abroad, OMV excluding Petrom.

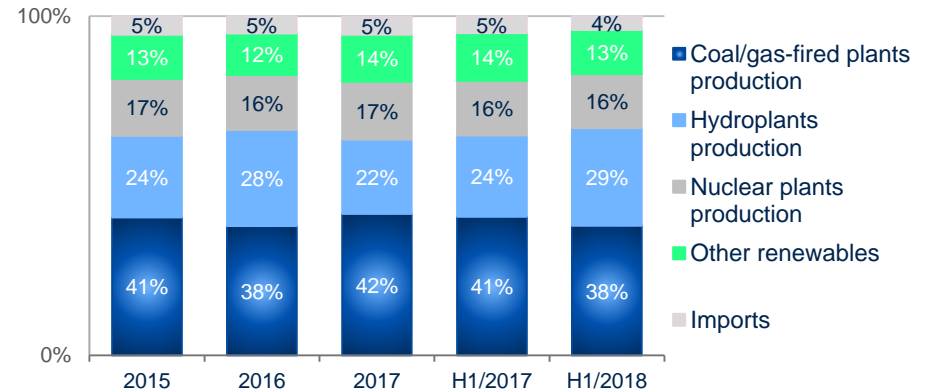
Economic context and gas market

Romania: Resilient gas production levels, market characteristics

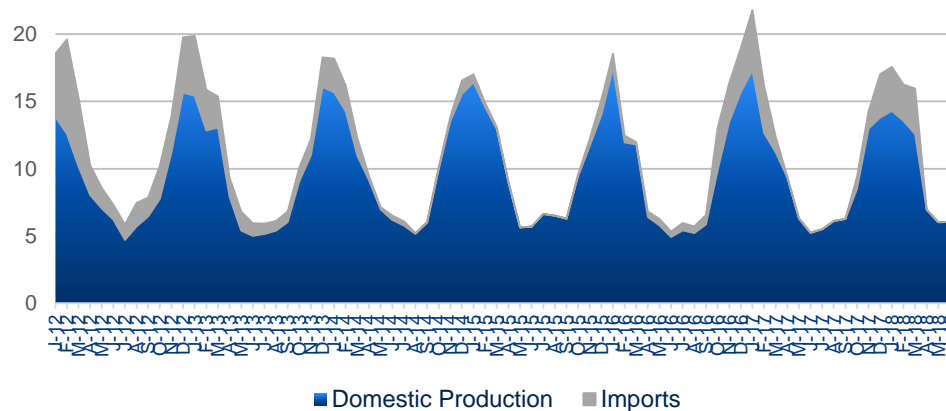
Natural Gas Consumption* (mln MWh)



Energy resources**



Seasonality of Gas Consumption* (mln MWh)



Sources:

* ANRE Reports (new format starting with Jan/2017);

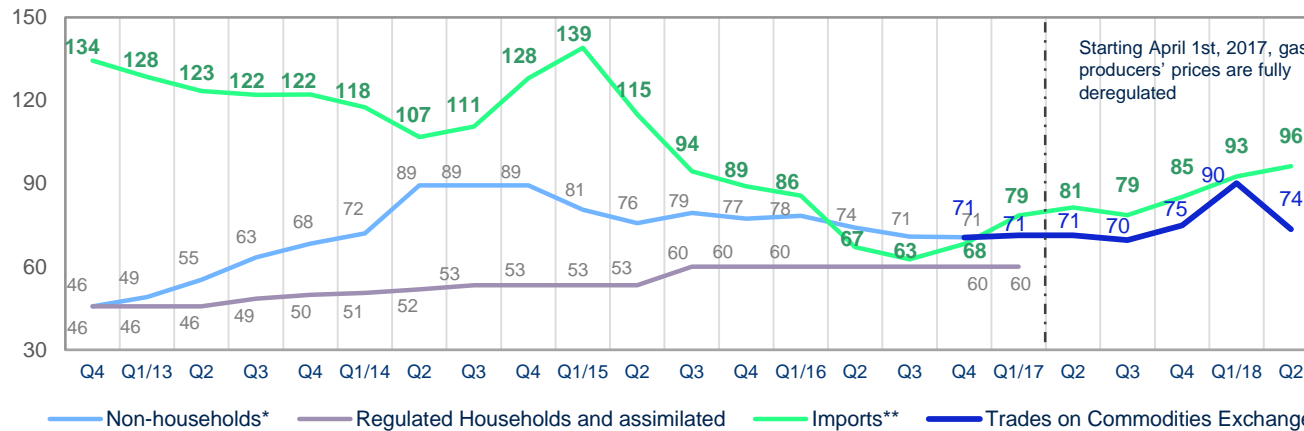
Romgaz estimates for H1 2018

** Statistics Institute

Economic context and gas market

Romania: Gas Producers and Prices, Final Consumers

Regulated / Free Prices of Producers and Imports Prices (RON/MWh)

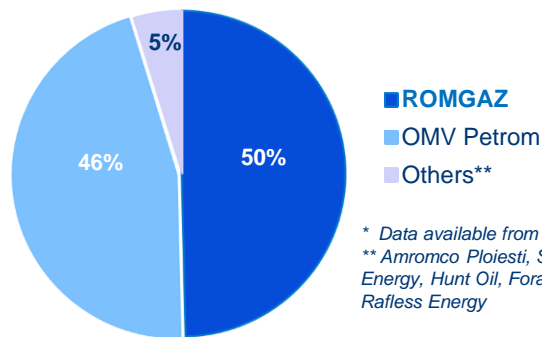


Source: ANRE's Annual Monitorisation Reports and Monthly Reports; Commodities Exchange

* Producers' regulated gas prices until end-2014; 2015-2016: price of gas sold by producers to suppliers of final clients on the competitive market, weighed with volumes

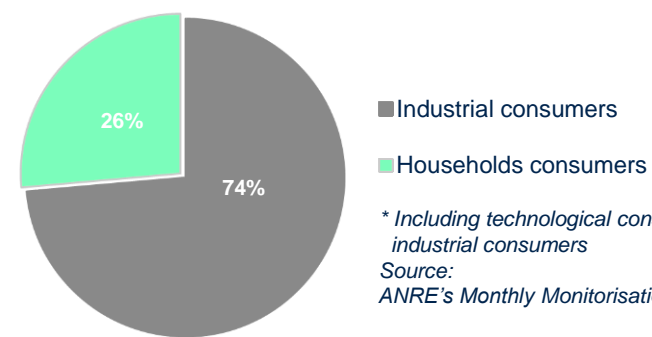
** Current Import Prices 2017-2018: excluding storage, and until June 2018

Gas producers in Romania (4mo 2018*)



* Data available from ANRE
 ** Amromco Ploiesti, Stratum Energy, Hunt Oil, Foraj Sonde, Raffless Energy

Final Consumers in Romania* (2017)



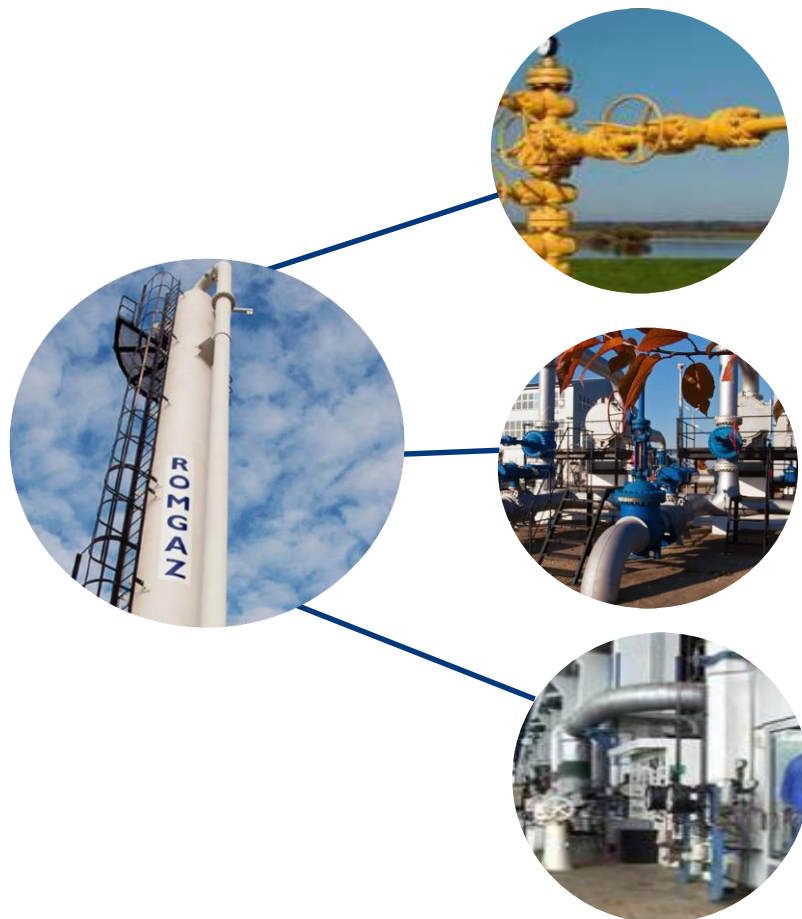
* Including technological consumption of industrial consumers
 Source: ANRE's Monthly Monitorisation Reports

ROMGAZ: Highlights H1/Q2*

Major developments – positive outlook in H1/Q2 !

- **Gas deliveries - above the domestic market development !** Market share improved accordingly to 45.3% in H1
- **Gas production +3.2% y/y and +0.7% vs the guideline in H1 (+4.1% y/y in Q2) !** Due to optimization and rehabilitation programmes, and shrinking natural decline ! Higher market share in terms of gas output also achieved
- **Positive outcomes from the new external audit of our gas reserves and resources** (resources +55%, avg RRR of 78%)
- **Gas chain management optimization** to mitigate storage/electricity market developments
- Changes in fiscal legislation took the toll
- **Profitability remains significant** (EBITDA / NP rates at 47.2% / 32.2% respectively in H1)
- **High capex** to meet our development strategy (ROM 653 million in H1, +3x y/y)
- **Significant dividends** distributed to please investors !

Major Producer and Supplier of Natural Gas in Romania



Gas Exploration, Production & Supply

- Around 150 commercial gas fields - significant onshore and offshore exploration potential, important discoveries and enhancements made lately
- Among top gas producers in Romania (output of 2.64 bcm in H1/18, 5.16 bcm in full year 2017)
- Significant market share in the total gas supply in Romania

Underground Gas Storage

- Working capacity: 2.92 bcm, upgraded from 2.77 bcm previously
- Important investments to secure the gas supply
- Market share of 91% in Romania
- Regulated activity (revenue-cap methodology, RR on RAB)

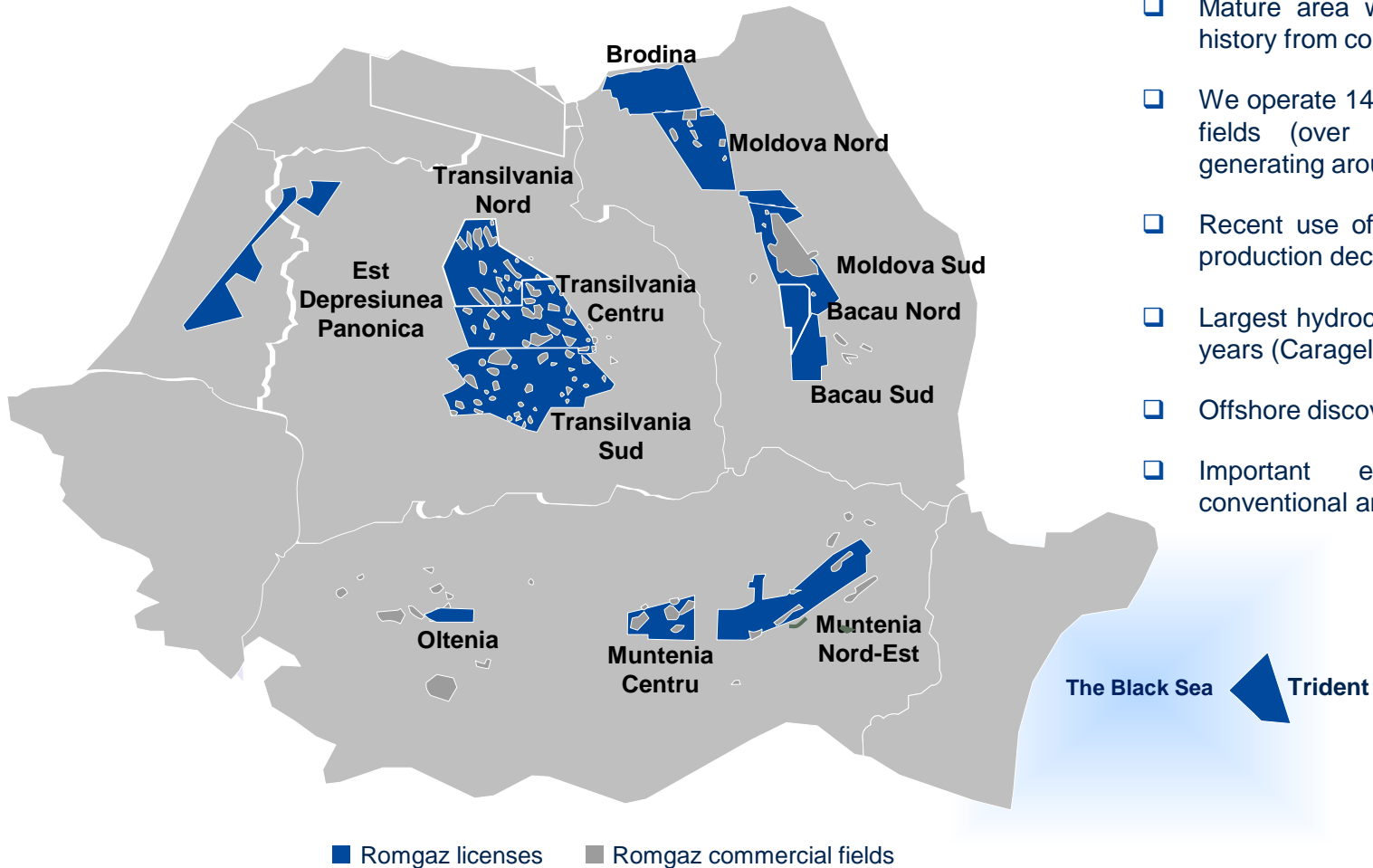
Electricity Production

- New power plant in construction (430 MW)
- 600 MW old capacity still operational
- Market share of 2.95%* in terms of production in full year 2017

** ROMGAZ estimate based on data provided by CNTEE Transelectrica SA*

Company Overview

Major Producer and Supplier of Natural Gas in Romania

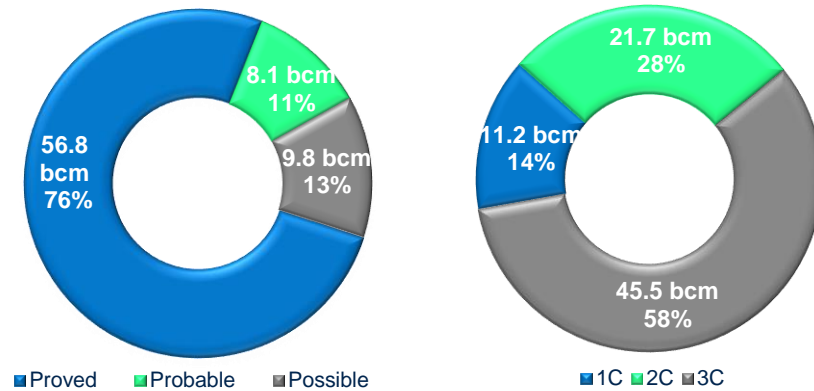


- ❑ Mature area with over 100-year production history from conventional reservoirs
- ❑ We operate 148 commercial fields; 30 mature fields (over 30-year old) are currently generating around 80% of total production
- ❑ Recent use of new technologies to mitigate production decline
- ❑ Largest hydrocarbon discovery in the past 30 years (Caragele) - to be brought on stream
- ❑ Offshore discovery in the Black Sea as well
- ❑ Important exploration potential from conventional and unconventional reservoirs

Company Overview

Last external audit (Dec-2017): Contingent resources +55%, avg annual RRR over 78%

Gas Audited Reserves¹ and Contingent Resources² Dec 31, 2017
(bcm, % of total)



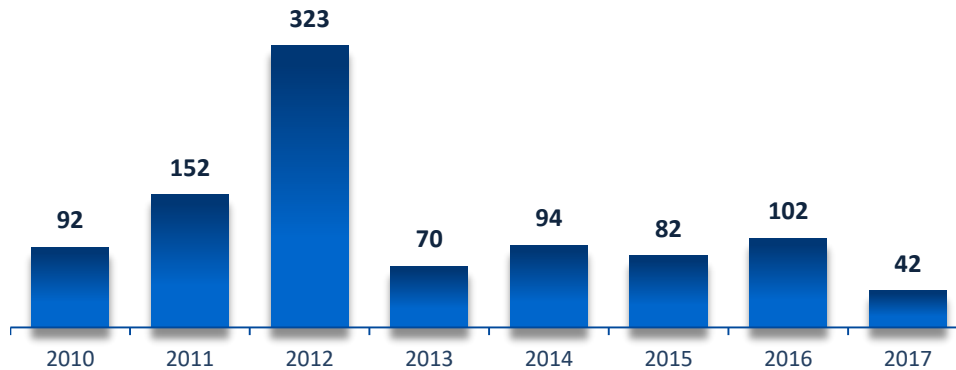
□ Last external audit of our gas reserves and resources, completed by US DeGolyer&MacNaughton as of Dec-2017, revealed:

- total C Resources +55% (78.4 bcm in 2017 vs 50.5 bcm before)
- 5-year avg RRR of 78% - well above our target of 70%

□ Average size of proved reserves per average field is of 0.45 bcm, with 15 fields over 1 bcm

□ Recovery factors between 55% and 85% for most fields (90% in the more mature fields)

Reserves Replacement Rates (RRR) (%)



□ Reevaluation driven by investment in well workovers and installation of compressors

□ Bringing existing discoveries on-stream

□ New discoveries

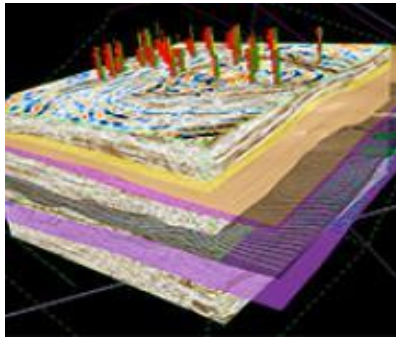
Source: External audit prepared by DeGolyer&MacNaughton USA, as of Dec 31, 2017

¹ Probable and possible reserves have not been risk adjusted to make them comparable to proved reserves

² Application of any risk factor to contingent resources quantities does not equate contingent resources with reserves

Exploration Activities

Efforts undertaken to unlock the resource potential and secure production



- We have petroleum agreements for 8 onshore exploration blocks (about 17,650 km² across the Transylvania, Moldova, Oltenia and Muntenia basins), with 100% working interests

Plus 1 petroleum agreement for offshore E&P in the Black Sea (with Lukoil)

- In Sept, 2017, ANRM approved the renewal of petroleum concession agreements for development-production of 54 commercial fields (with Romgaz) and of other 8 commercial fields (with Romgaz and Amromco Energy)

First exploration programme agreed with the National Agency for Mineral Resources: 1997-2002

Further extensions by 2/5 years afterwards

Our Exploration Programme in the 8 blocks was extended by additional 5 years:

- ✓ Investment period: Oct 2016 – Oct 2021
- ✓ Total exploration area 16,296 km²
- ✓ Total value of over USD 289 mln (c. RON 1,100 mln)

Romgaz: Oct/2016 – Oct/2021 Exploration Program		
Seismic activities	2D studies (km)	200
	3D studies (km ²)	1,000
Drilling	No. of wells	43
	Drilling (meters)	113,000
Total investment value agreed (USD mln)		289

Efforts undertaken to unlock the resource potential and secure production



Significant developments

- ✓ **Largest hydrocarbon discovery in the past 30 years (June 2016):** located in NE of the Moesian Platform in Caragele structure – production tests completed at 2 exploration wells confirmed an estimated contingent resource of 25-27 bcm; as part of Romgaz' major exploration projects, the 35 km long Caragele structure has been explored for production units located at depths between 1500-5000 m;
- ✓ **Large discovery announced in the Black Sea, Trident block (Oct 2015):** gas estimated contingent resource can exceed 30 bcm
Current stage: discovery new data assessment, geological background reanalysis and future appraisal wells design.

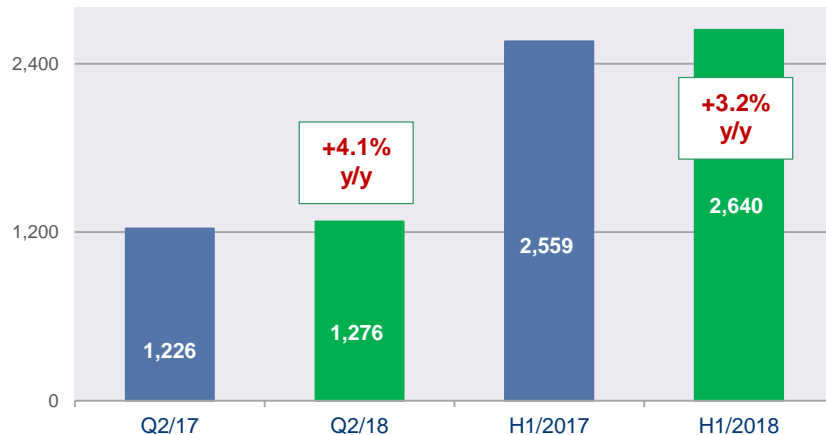
Latest developments:

- ❑ **Capex for exploration activities in H1:** +70% y/y to RON 162 million, or 25% of total investments (4 exploration drilling wells fully completed, plus 47 wells in different development stages and 27 wells under design)
- ❑ **Trident block:** on March 7, 2018, SGM approved the increase of Romgaz working interest in the offshore exploration-development-production block EX-30 Trident to 12.2%, by accepting a 2.2% share of Pantlantic's interest following its withdrawal
- ❑ **Caragele field:** continuous development with investments reaching EUR 40 mln already, and further investments following in new production and development wells of around EUR 100 mln (Dec/2017)

Natural Gas Production

Favorable developments in H1/Q2 2018, Natural decline arrested to a large extent

Romgaz: Significant output level in 2018 (mln cm)



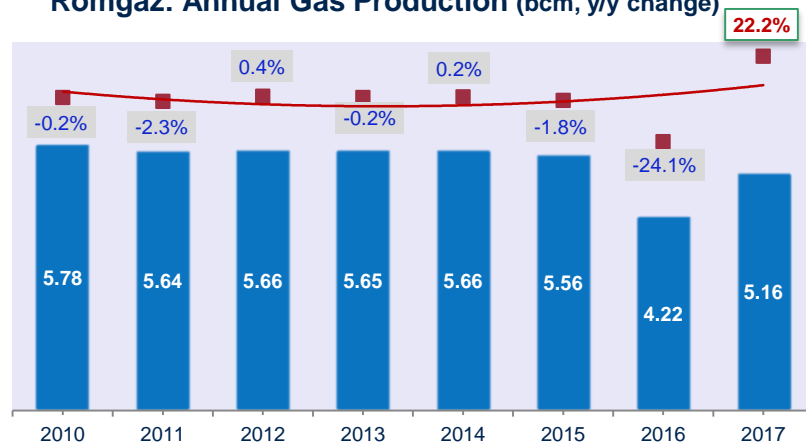
□ In H1 2018, we produced 2.64 bcm of natural gas, +3.2% compared to last year and +0.7% above the budget

□ In Q2 alone, we succeeded to **increase our gas production by 4.1%** compared to the same period of 2017

□ The good performance this year was mainly triggered by:

- modernization of surface production infrastructure
- output in Caragele commercial reservoir +44% y/y (+6 new wells)
- installing new field / group mobile compressors
- rehabilitation programmes (workover and recompletion of 50 wells)
- optimisation of production in main mature reservoirs (including modern equipment)
- installation of SCADA production monitorisation programme.

Romgaz: Annual Gas Production (bcm, y/y change)



➤ We succeeded to **diminish the Natural Production Decline** during the past years **to about 1.4%**, mainly by (a) installation of gas compression and production rehabilitation, (b) acquisition of 3D seismic data, dynamic and static reservoir modelling, and (c) production from new discoveries

➤ **Favorable production perspective** – significant hydrocarbon discovery in Caragele structure

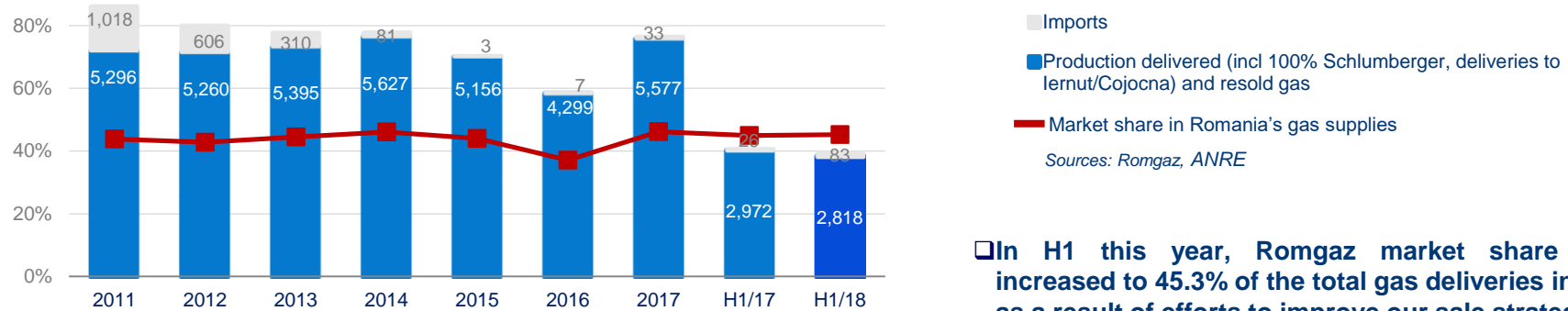
➤ Ongoing production optimization programme for the mature reservoirs

➤ **Production enhancement** includes rehabilitation projects for main fields, workover and recompletion of wells and installation of new compression capacities

Gas Supply & Sales

H1/2018: Higher market share in Romania's supply, robust client portfolio as well

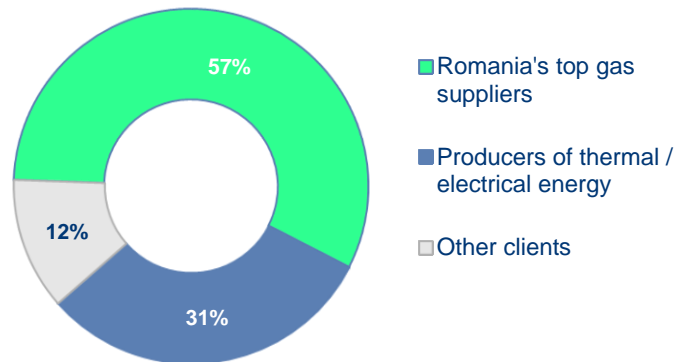
Romgaz: Gas deliveries in Romania's total supply (mln cm)



☐ In H1 this year, Romgaz market share favorably increased to 45.3% of the total gas deliveries in Romania, as a result of efforts to improve our sale strategy

☐ Considering only domestically-produced gas, our market share improved to 50.0% of the domestic gas consumption

Romgaz: Key third-party Clients (quantities of gas sold, 2017)



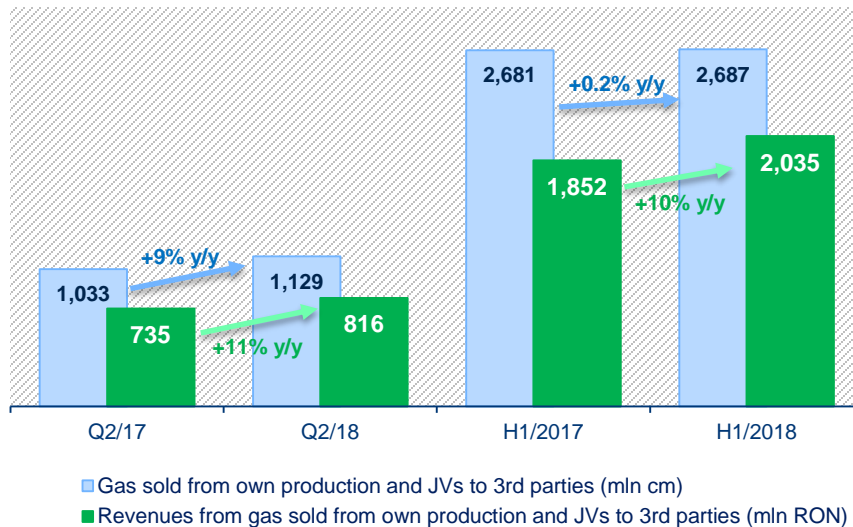
- We enjoy a strong portfolio of clients
- Around 60% of Romgaz' gas sales are generally performed to the country's large gas suppliers
- **Our gas trading strategy aims to:**
 - secure a balanced client portfolio
 - diminish the payment defaults
 - ensure price flexibility by trading on free markets.

Portfolio breakdown reflects specific quarterly characteristics of gas demand

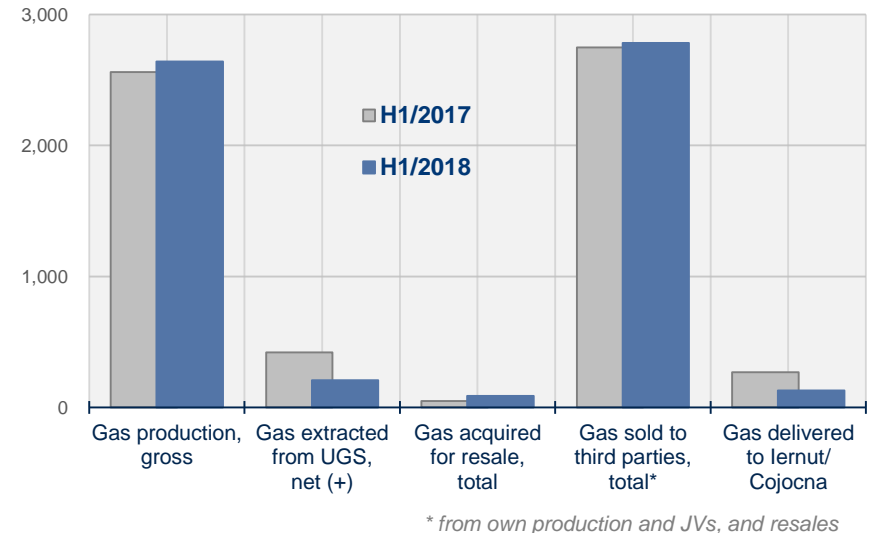
Gas Supply & Sales¹

Strong gas sales in H1/Q2 2018, Gas Chain Management to mitigate seasonality and demand

Romgaz: Gas Sales – revenues and volumes



Romgaz: Gas Chain Management (mln cm)



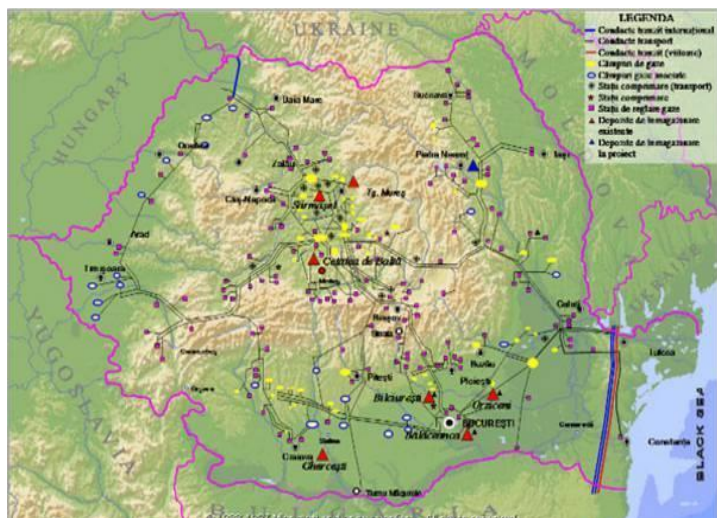
UPSTREAM SEGMENT CONTRIBUTION: 86% in Revenue and 89% in EBITDA (in H1)

- ❑ In H1 2018, we succeeded to increase Revenues from gas sales (from own production and JVs) by almost 10%, to 2.0 bn RON; volumes sold were marginally up by 0.2%, still a good performance in our view considering the decrease recorded in the country's gas consumption
- ❑ In Q2 alone, related Revenues advanced by a much as 11% y/y, and volumes sold advanced by 9% y/y
- ❑ Efforts were undertaken with respect to the gas sale strategy
- ❑ Efforts are undertaken to optimize the gas value chain
- ❑ Gas sales are accompanied by storage-related revenues, as well as by revenues from electricity production and trade
- ❑ Management of gas flow from production to clients is a priority
- ❑ On quarterly basis, gas sales are generally peaking in Q1 and Q4
- ❑ Quarterly deliveries to CTE Iernut are based on fluctuant energy demand

¹ Consolidated figures for H1/Q2 2017, H1/Q2 2018

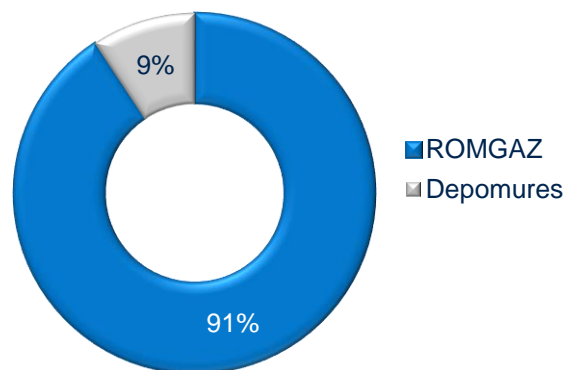
Underground Gas Storage

Romgaz Group: Romania's Largest Operator of UGS (Underground Storage) facilities



Romgaz: Underground Gas Storages - working capacities (mln cm/cycle) -			
Bilciuresti	1,310	Cetatea de Balta	100
Sarmasel	950	Ghercesti	150
Urziceni	360	Balaceanca	50
Total Working Capacity: 2,920 (starting July/2016)			

ROMGAZ UGS Market share

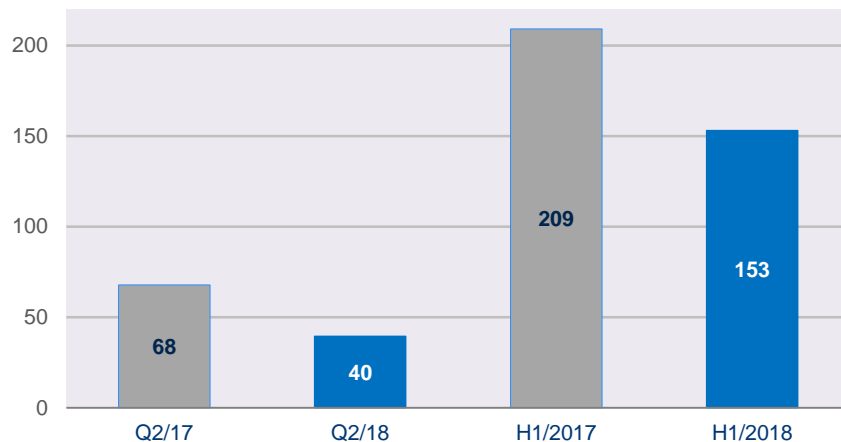


- ❑ **Romgaz Group operates 6 facilities**, with total working capacity of 2.92 bcm; it also owns a 40% stake in Depomures (0.30 bcm), a joint venture with Engie (former Gaz de France)
- ❑ The UGS activity was separated into a distinct legal entity on April 01, 2018
- ❑ **Investment plans aim to extend the existing capacity and build a new one – in order to secure gas supply long-term**
- ❑ **Performed Investments:** we extended the storage capacity of Sarmasel (completed in July/2016) and Urziceni (completed in 2014)
- ❑ **Storage activity is regulated by ANRE** using the revenue-cap methodology – fourth regulatory period (of 1-year, from 5-year before) started in Apr 2018, royalties of 3% of operating revenues

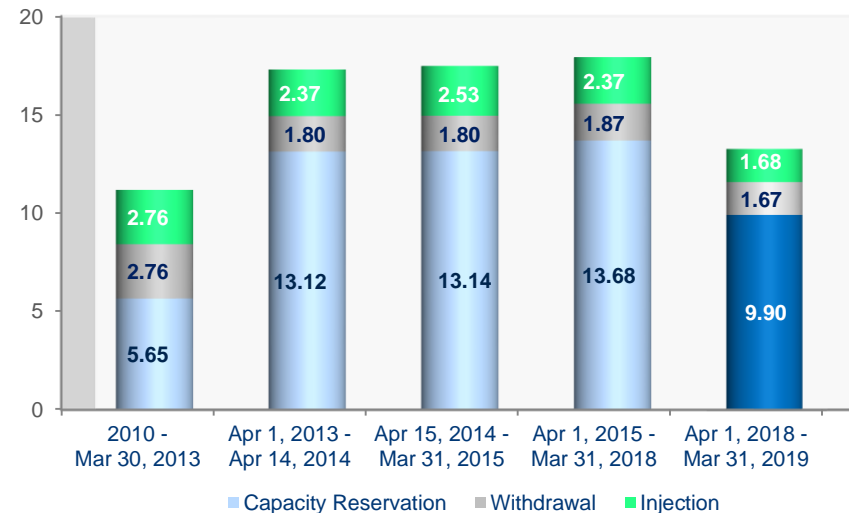
Underground Gas Storage¹

H1/Q2 2018 performance, new tariffs applicable starting Q2

Romgaz: Revenue from Storage Services (mln RON)
- capacity reservation, withdrawal, injection -



Romgaz: Regulated storage tariffs (RON/MWh)



STORAGE SEGMENT CONTRIBUTION: 6% in Revenue and 5% in EBITDA (in H1)

- In the first 6 months, we reported UGS revenues of RON 153 mln, lower by 27% y/y
- The evolution reflects the lower gas consumption on the domestic market, weak storage activity, corroborated with the new lower regulated storage tariffs
- Separation of the UGS activity into a distinct legal entity became effective as of April 01, 2018
- New tariffs are in force starting April 01, 2018
- Capacity reservation activity provides the bulk of the UGS revenues (around 80% in recent years)

¹ Consolidated figures for H1/Q2 2017, H1/Q2 2018

Electricity Production & Trading

Player in the Power Sector as well, Important ongoing investment plans

Romgaz: Electricity Production

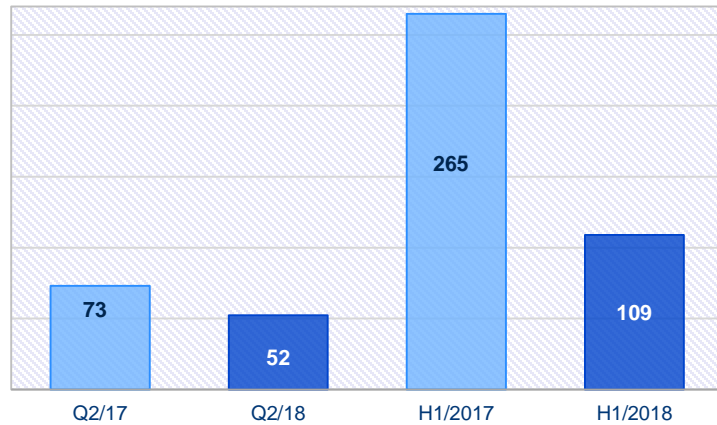


- **The new electrical power plant (430 MW capacity, minimum 55% efficiency rate) is presently under construction** (completion due in 2020); Ministry of Energy approved a non-reimbursable financing of 25% of the total eligible investment from the National Investment Plan
- The existing power plant CTE Iernut currently operates at a capacity of 600 MW (split in 4 units of 100/200 MW each)
- In FY 2017, CTE Iernut produced 1.9 TWh of electricity, achieving among the highest utilization rates - of 48% - since it was transferred to Romgaz back in 2013 ! (considering an operating capacity of 75%)
- Good strategic positioning in the middle of the Romanian electricity system
- Main roles are to cover national power consumption by acting in the electricity wholesale and balancing markets, ensure ancillary services to the national system, eliminate possible network constrains in NW Romania

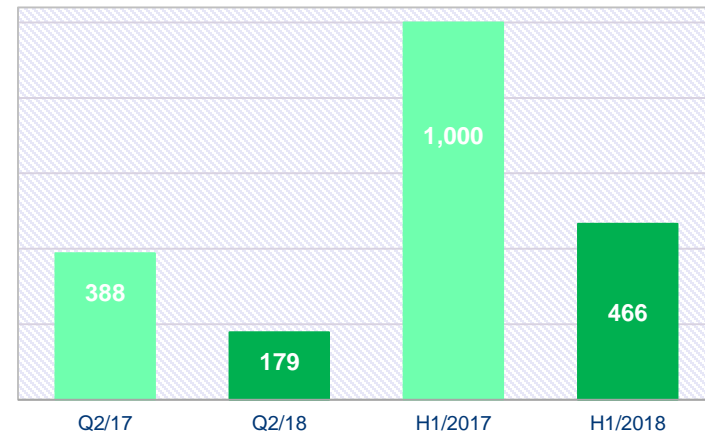
Electricity Production & Trading¹

H1/Q2 2018: performance triggered by market evolution

Romgaz: Revenues from Electricity (mIn RON)



Romgaz: Production of Electricity (GWh)



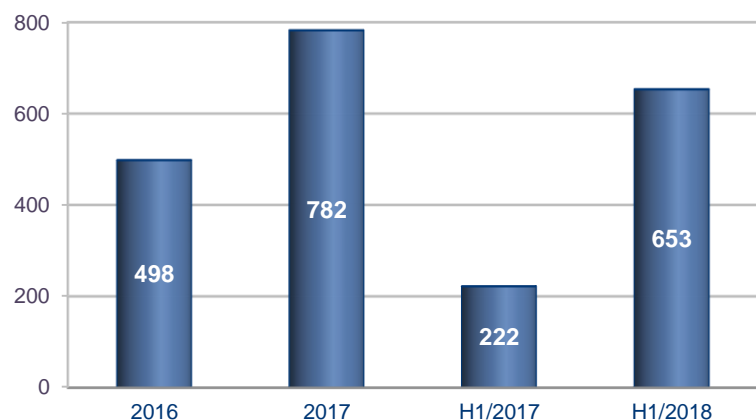
ELECTRICITY SEGMENT CONTRIBUTION: 4% in Revenue (in H1)

- ❑ In H1 2018, we recorded lower electricity production and revenues compared to the same period of last year, triggered by mild weather during the winter months, availability of hydro power, and weak prices as well in Q1
- ❑ We achieved a market share of 1.5% in H1 in terms of electricity production
- ❑ Recall that in FY2017, we recorded the highest level of revenues since the transfer of Iernut plant (in 2012), due to lower hydro / wind energy production, warm summer and lower production of some gas/coal-fired/ thermal/nuclear plants as well (market share of 2.9%)

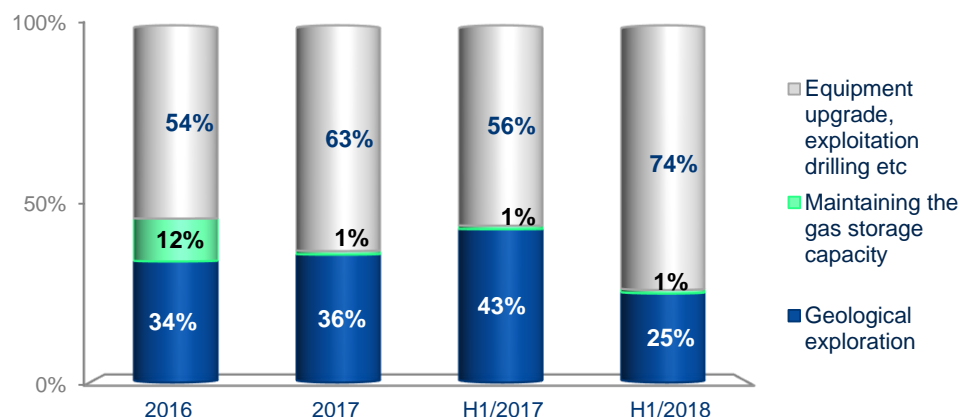
¹ Consolidated figures for H1/Q2 2017, H1/Q2 2018

Key role in arresting the production decline, significant developments in H1/2018

Romgaz: Capital Expenditures (RON mln)



Romgaz: Breakdown of Investments



- ❑ In H1, we succeeded to invest an amount higher 3 times compared to the same period of the previous year
- ❑ Investments were exclusively financed from the company's own sources
- ❑ Our capex plan is budgeted at 1.6 bn RON for full year 2018

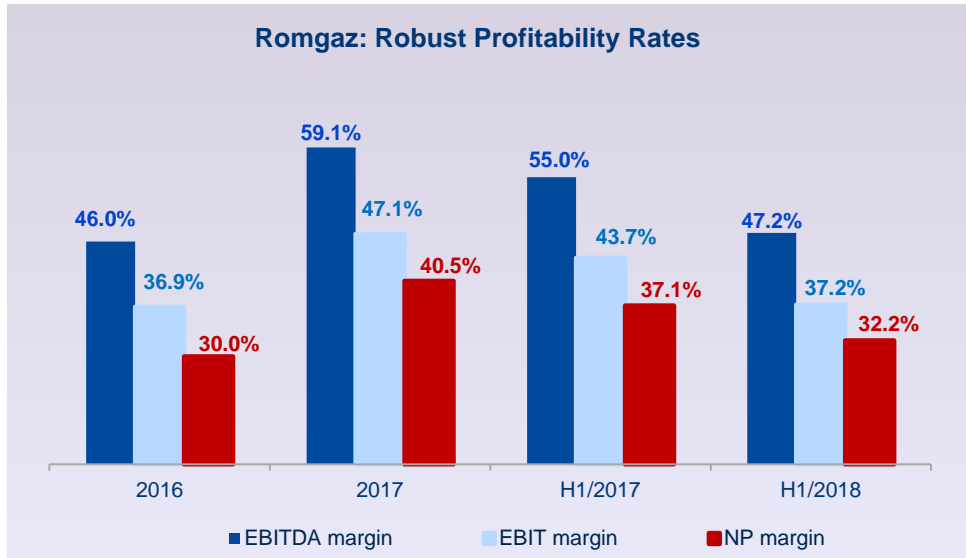
Main achievements in H1 2018:

- ❑ We completed the objectives started in the previous year, we carried out the preparatory activities (designing, obtaining land plots, approvals, agreements, authorizations, acquisitions) for the new objectives
- ❑ We also performed modernization and workovers for the production wells in operation
- ❑ Regarding the construction of the new power plant Iernut, we executed foundation works, and have also been delivered 4 gas turbines, 3 generators for gas turbines and other equipment

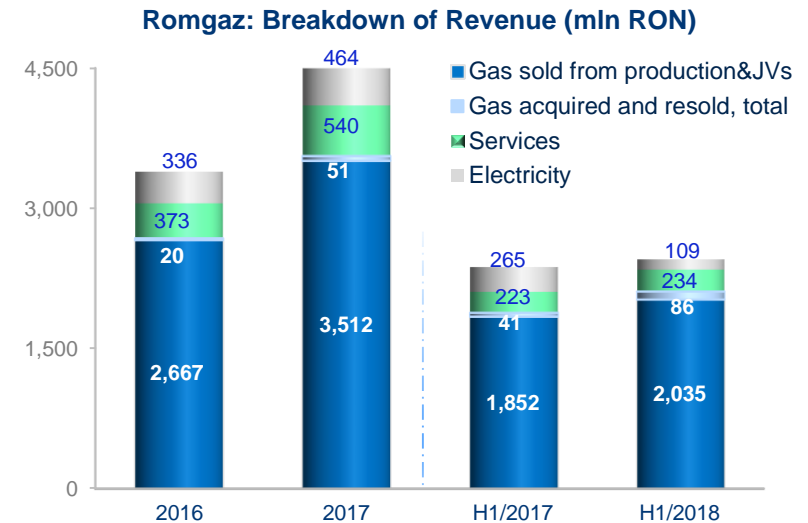
¹ Consolidated figures for H1/Q2 2017, H1/Q2 2018

Financial Performance¹

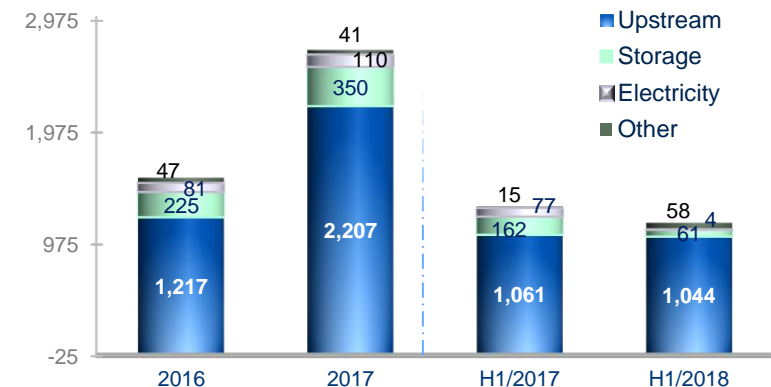
H1/2018: Semi-annual Profitability margins remain strong



2017: EBITDA margin of 53.7% if adjusted for one-off income



Romgaz: EBITDA Structure by Segments (mln RON)



- In H1 2018, we continued to achieve significant profitability rates:
EBITDA of 47.2%, EBIT of 37.2% and Net Profit margin of 32.2%
- Although our margins are robust, we notice the impact of higher taxes paid (both gas royalty and the windfall profit tax)
- Also, lower natural gas consumption in Romania, lower storage tariffs and weak power generation activity took their toll

¹ Consolidated figures for H1/Q2 2017, H1/Q2 2018

Financial Performance¹

H1/Q2 2018: Selected P&L items, NP -2% y/y in Q2, profitability rates are robust

RON mln	2015	2016	2017	Q2/17	Q2/18	H1/17	H1/18
Revenues - of which	4,053	3,412	4,585	895	992	2,392	2,475
Gas Production	3,291	2,667	3,512	735	816	1,852	2,035
Gas acquired for resale	19	20	51	3	2	41	86
Storage	333	345	540	78	40	223	153
Electricity	357	336	464	73	52	265	109
Other services	33	28	34	10	76	14	80
Other income	80	361	364	15	1	66	4
Cost of commodities sold	(40)	(50)	(61)	(9)	(17)	(46)	(103)
Changes in inventory	138	21	(187)	22	32	(142)	(65)
Raw materials	(78)	(55)	(64)	(16)	(18)	(32)	(35)
Exploration expense	(42)	(253)	(137)	(73)	(56)	(73)	(113)
Headcount expense	(512)	(498)	(563)	(147)	(162)	(261)	(286)
Other gains and losses	(319)	(468)	(120)	(60)	(22)	(65)	(45)
Impairment losses on trade receivables*	-	-	-	-	(6)	-	(19)
Other expenses	(1,041)	(882)	(1,091)	(201)	(277)	(516)	(634)
EBITDA	2,218	1,570	2,708	422	460	1,315	1,168
EBITDA margin**	54.7%	46.0%	59.1%	47.2%	46.4%	55.0%	47.2%
D&A	(794)	(311)	(549)	(40)	(99)	(268)	(246)
EBIT	1,425	1,259	2,159	382	362	1,046	922
EBIT margin	35.2%	36.9%	47.1%	42.7%	36.4%	43.7%	37.2%
Net Interest income	44	22	22	6	15	11	26
Profit before tax	1,469	1,281	2,181	388	377	1,057	948
Income tax	(275)	(256)	(326)	(61)	(57)	(169)	(150)
Net Profit	1,194	1,025	1,855	326	319	887	798
Net margin	29.5%	30.0%	40.5%	36.5%	32.2%	37.1%	32.2%

- ❑ In Q2 alone, revenues increased by almost 11% y/y, based on higher revenues from gas sales and other services which compensated the storage and electricity sales
- ❑ The Net Profit stood at RON 39 million, marginally at the same level as in the same period of 2017
- ❑ Overall in H1 2018, we incurred higher expenses for taxes: windfall profit tax of RON 266 mln and gas&UGS royalties of RON 196 mln (vs RON 207 mln and RON 142 mln respectively in H1/17)
- ❑ All in all, we reported a Net Profit of RON 798 mln (-11% y/y), with a strong net margin of 32.2%
- ❑ Changes in the accounting policy occurred in 2018:
 - (1) IFR15 “Revenue from contracts with customers” starting Q1 (details provided in our H1/2018 IFRS Report, Note 2)
 - (2) Voluntary change in the accounting of exploration costs starting Q2 (details provided in our H1/2018 IFRS Report, Note 10)
- ❑ The financial performance shows that efforts undertaken by the company's management to maintain an elevated profitability in a challenging environment were successful

* Separated from “Other gains and losses” due to the application of IFRS 15 in 2018

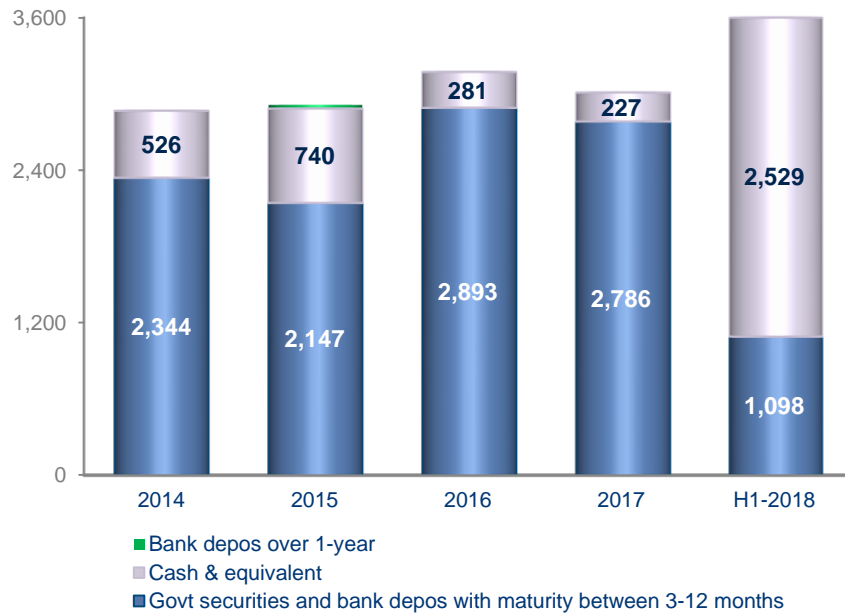
** 2017: 53.7% if adjusted for the RON 244mln one-off income

¹ Consolidated figures for H1/Q2 2017, H1/Q2 2018

Financial Performance¹

Cash position remained robust at end-H1 2018 as well

Romgaz: Cash & equivalent and treasury bonds (RON mln)



- At June 30, 2018, overall cash position (cash, bank deposits and gov't treasury bonds) remained strong, amounting to RON 3,627 mln in total.

Romgaz: Selected Cash Flow Items

RON mln	2015	2016	2017	H1/18
Net profit for the period	1,194	1,025	1,855	798
Operating Cash Flow before Δ WC and Income tax	2,600	2,321	3,005	1,283
Movements in working capital	(123)	(268)	104	94
Net Cash flows from operating activities	2,131	1,744	2,799	1,151
Net Cash flows from investing activities	(702)	(1,163)	(633)	1,129
Net Cash flows from financing activities	(1,215)	(1,041)	(2,220)	21
Net change in cash and cash equivalents *	214	(460)	(53)	2,301

* This line reflects only the change in cash and cash equivalent (i.e. bank accounts with maturity lower than 3 months)

¹ Consolidated figures for H1/Q2 2017, H1/Q2 2018

Financial Performance¹

Strong B&S Structure, Debt-free in H1 2018

Romgaz: Selected Balance Sheet Items

RON mln	Dec 31, 2015	Dec 31, 2016 restated	Dec 31, 2017 restated	June 30, 2018
Total non-current assets, thereof	6,497	5,916	6,010	6,236
Property plant and equipment	5,996	5,790	5,843	6,088
Other intangible assets	400	15	9	7
Bank depos	29	-	-	-
Total current assets, thereof	4,188	4,721	4,526	4,547
Inventories	560	576	390	256
Trade and other receivables	601	829	816	262
Govt securities and bank depos (+3mo maturity)	2,147	2,894	2,787	1,098
Cash and equivalents	740	281	227	2,529
Contract assets and contract costs	-	-	-	219
Other assets	140	142	306	182
Total assets	10,685	10,636	10,536	10,783
Shareholders' Equity				
Share capital	385	385	385	385
Reserves	2,582	3,020	2,313	2,498
Retained earnings	6,725	5,970	6,297	4,967
Total Shareholders' Equity	9,692	9,376	8,995	7,851
Non-current liabilities, thereof	366	314	400	404
Provisions	201	194	281	290
Current liabilities, thereof	626	947	1,141	2,528
Trade and other payables	187	570	606	144
Contract liabilities	-	-	-	49
Current tax liabilities	91	60	129	59
Total liabilities	992	1,261	1,541	2,932
Total equity and liabilities	10,685	10,636	10,536	10,783

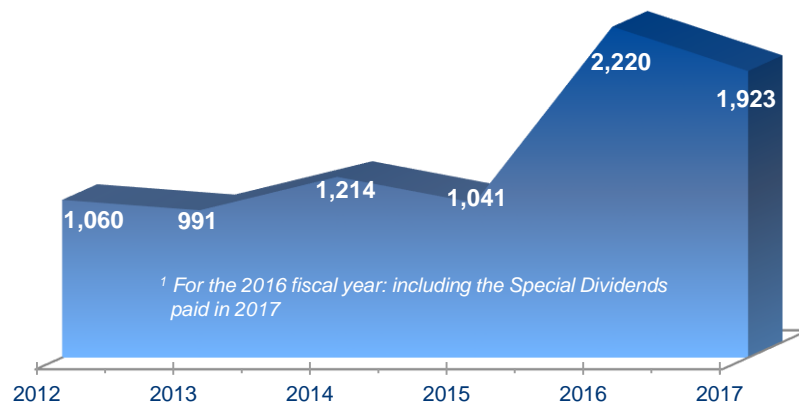


¹ Consolidated figures for 2016, 2017 and H1 2018

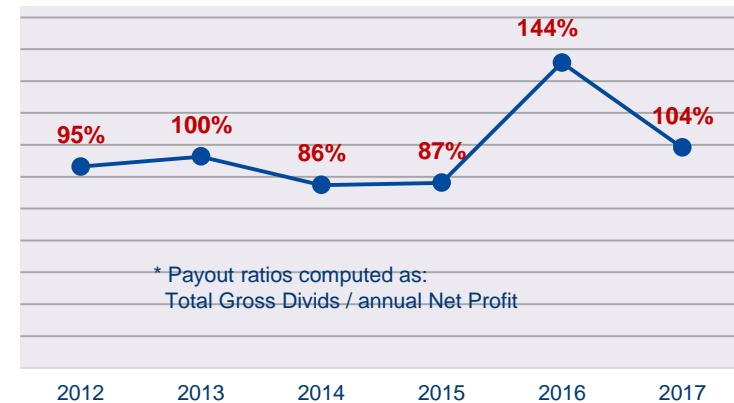
Dividend distribution

Strong Dividend Payout Ratios

Romgaz: History of Gross Dividend Distribution¹ (RON mln)



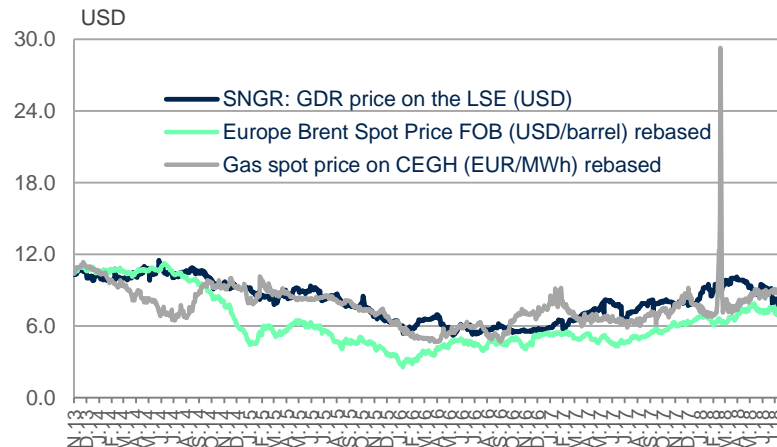
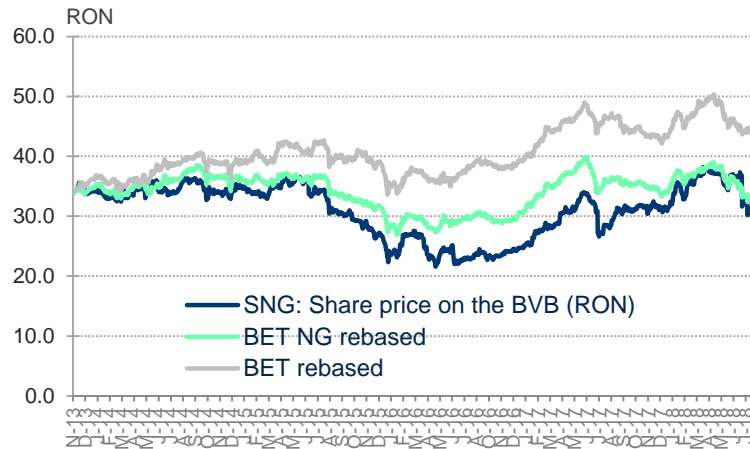
Romgaz: Gross Dividend Payout ratios*



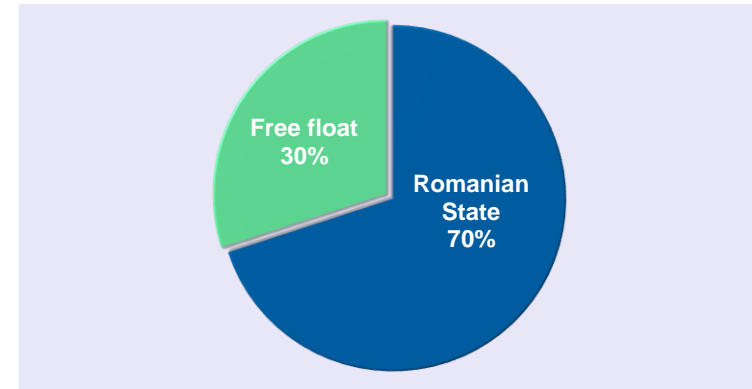
- ❑ **2017 NP distribution: gross dividend of RON 4.99 / share** (RON 4.34 from 2017 NP + RON 0.65 from retained earnings)
- ❑ For the fiscal years ending Dec 31, 2017 and 2016, the gov't mandated its representatives in majority state-owned companies to distribute as dividends minimum 90% of the annual NP; also, OUG no 29 / 30.03.2017 allows these companies to distribute retained earnings as dividends
- ❑ For FY2016, total gross dividends amounted to **RON 1,472 mln** in total or **RON 3.82 / share**
- ❑ Additionally, in October 2017, shareholders approved the distribution of **Special Dividends of RON 748 mln (RON 1.94 / share)**
- ❑ Generally, majority state-owned companies are required by law to distribute minimum 50% of the annual NP to shareholders in the form of dividends

Shareholding Structure and Stock Performance

Among blue-chips on the domestic capital market



Romgaz: Shareholding Structure



- ❑ Current shareholding structure: the Romanian State (Ministry of Energy) – majority shareholder with a **70% stake**; Free Float - **30%** (includes shares traded on the BVB and GDRs traded on the LSE)
- ❑ Romgaz ranks the **2nd largest** domestic stock traded on the BVB – with a mktcap of EUR 2.7 bn *)
- ❑ The **4th most traded** stock on the BVB *)
- ❑ Included in BVB's main indices (weighing 28% in energy and utilities BET-NG index, and between 10%-12% in BET, BET-XT, BET-TR, ROTX)
- ❑ Included in main global indices with allocation on Romania (such as FTSE, MSCI, S&P, STOXX, Russell Frontier).

Total no of shares: 385.42m

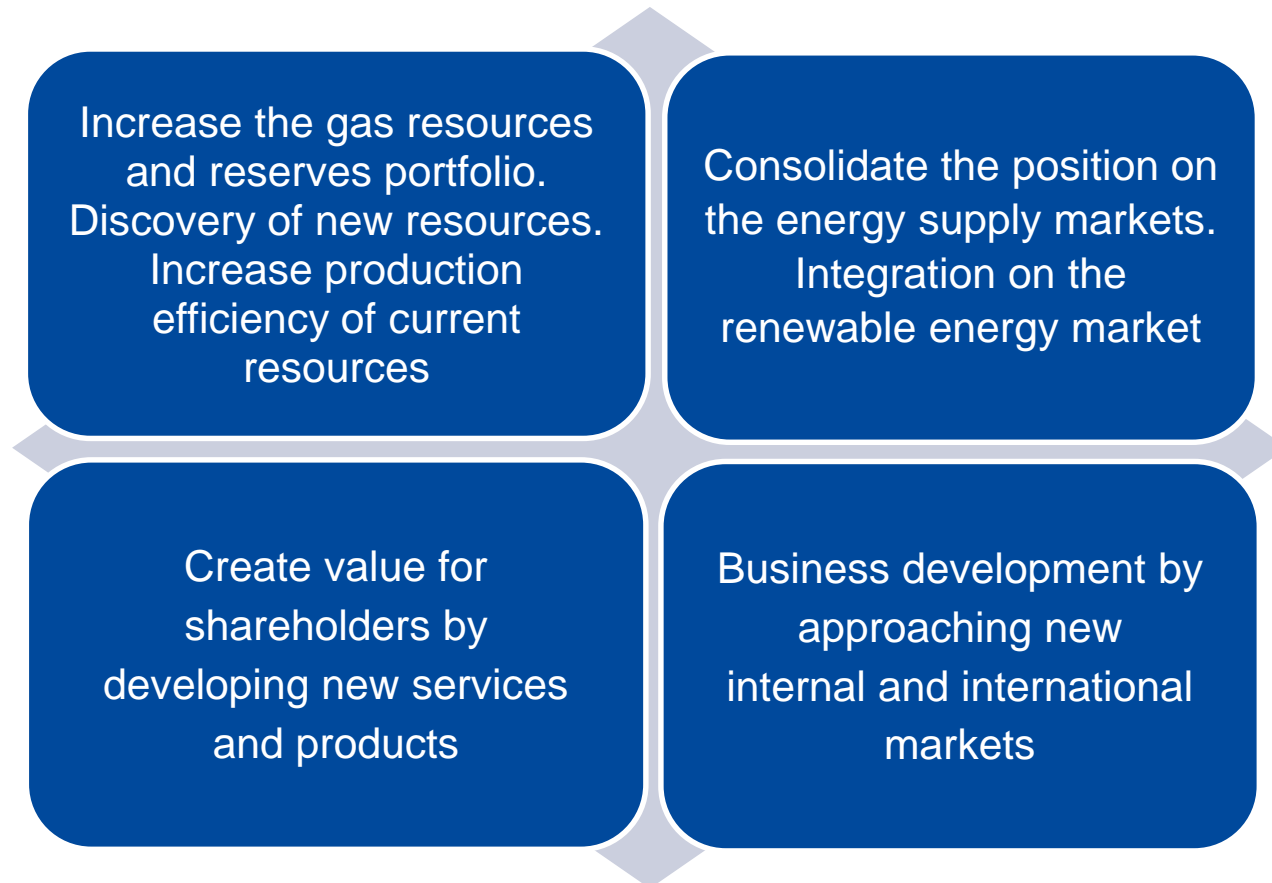
*) Based on the trading price on Aug 8, 2018, and on BVB's past 6m/12m trading statistics

Main Strategic Objectives

Strong Commitment for Business Development

VISION

- Romgaz proposes to be an active, profitable and competitive player on the gas & electricity production market
- Romgaz has to pursue both an intensive development on the local market and an international development in order to become an important player on the regional energy market



Romgaz – Investment Case



Why to invest in Romgaz shares

<ul style="list-style-type: none"> ➤ Operational excellence / robust margins 	<p>EBITDA margin of 47.2% in H1/18 EBIT margin of 37.2%, Net margin of 32.2% as well</p>
<ul style="list-style-type: none"> ➤ High dividend payout ratios to please investors 	<p>Gross Dividend payout ratio of 104% for 2017 (computed as Total Gross Dividends per 2017 Net Profit; Source of dividends: net profit and retained earnings)</p>
<ul style="list-style-type: none"> ➤ Strong cash reserves ➤ Debt free B&S 	<p>We are able to finance by ourselves the investment program Cash¹ / Mktcap =29% (share price at Aug 8, 2018)</p>
<ul style="list-style-type: none"> ➤ Among top gas producers in Romania and one of the largest in the region as well 	<p>Favorable market share in terms of gas production in Romania Main operator of the Underground Gas Storages in Romania Holder of large gas reserves among European countries</p>
<ul style="list-style-type: none"> ➤ Strong base of gas reserves in Romania 	<p>Based on our investment policy, we intend to maintain the reserves level and the high RRR (avg of 78% during 2013-2017)</p>
<ul style="list-style-type: none"> ➤ Expected opening of the export gas markets 	<p>Export markets will enlarge our client portfolio, with positive outcome on revenues</p>
<ul style="list-style-type: none"> ➤ Important investment plans in Romania 	<p>Capex are generally focused on exploration; also - we will build a stronger position on the electricity market and aim to increase efficiency of the UGS</p>
<ul style="list-style-type: none"> ➤ Prudent investment policy for projects abroad 	<p>Minority participations aimed to minimize the operational risk and to avoid the waste of our cash reserves</p>
<ul style="list-style-type: none"> ➤ Strong management team, skilled workforce 	<p>Management team has significant expertise in the sector, headcount is strongly committed</p>

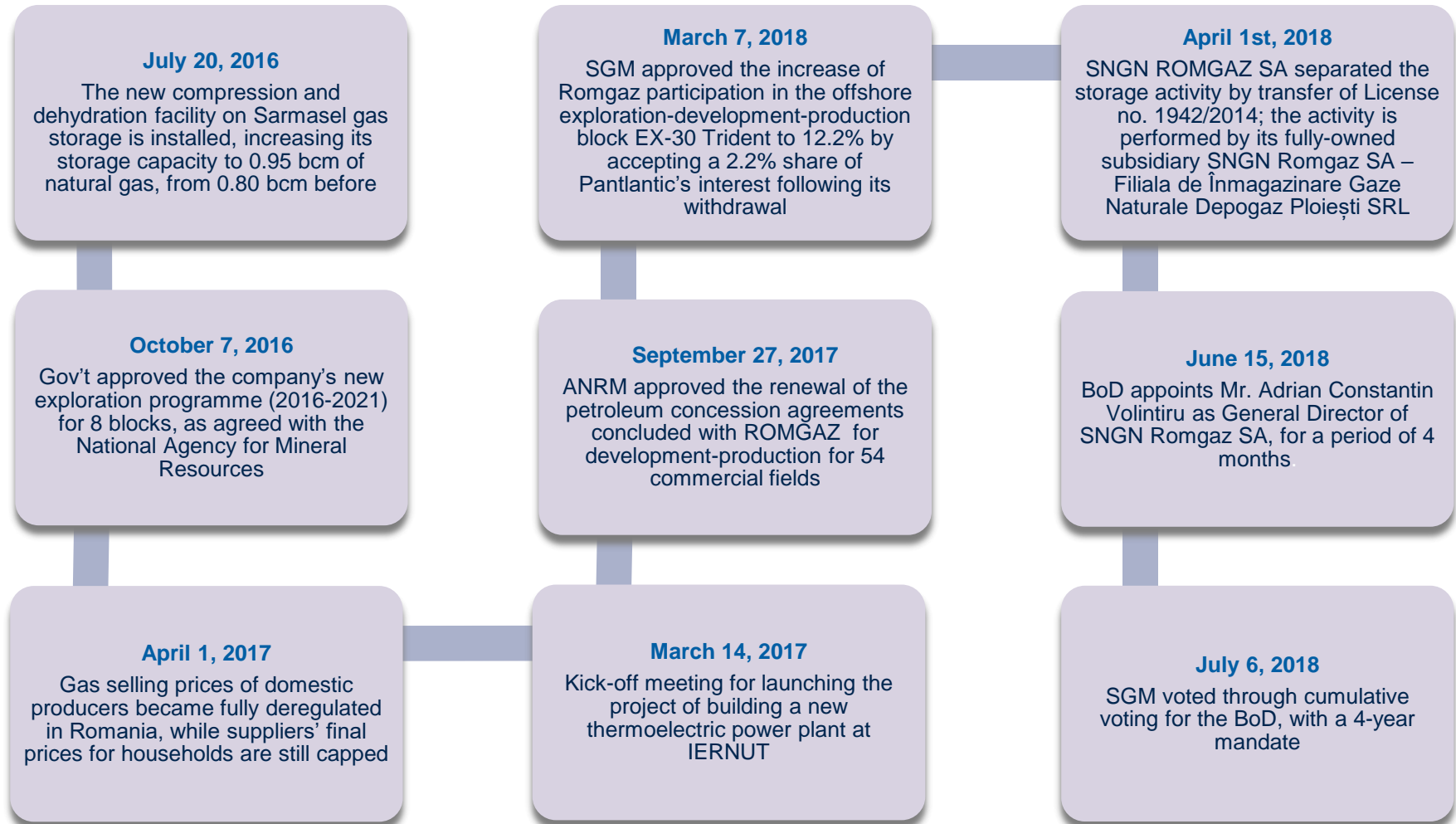
¹ considering all cash equivalents at H1 2018, consolidated figure

The Board: Balanced Team of Professionals



<p>Adrian Constantin Volintiru Executive Member</p>	<p>Ramona Ungur Non-executive Member</p>	<p>Remus Grigorescu Non-executive Member</p>	<p>Romeo Cristian Ciobanu Non-executive Independent Member</p>	<p>Aristotel Marius Jude Non-executive Member</p>	<p>Petrus Antonius Maria Jansen Non-executive Member</p>
<p>Selected Experience:</p> <ul style="list-style-type: none"> - Secretary of State, Ministry of Economy (2013-2014) - Chairman, AVAS (2012-2013) - Board Chairman, Posta Romana (2012-2013), Board member of Romgaz (2013) and Marexin (2008-2011) - Top positions -Relad, Vulcan, Upetrom, Rompetrol etc - MBA, Harvard BS 	<p>Selected Experience:</p> <ul style="list-style-type: none"> - Board Member, Oil Terminal SA (since 2017) - Top positions in Banca Comerciala Romana (2010 - 2018) - Director, Eximbank Romania (2008-2009) 	<p>Selected Experience:</p> <ul style="list-style-type: none"> - Associate Professor, other positions with "Constantin Brancoveanu" University of Pitesti (since 2000) - Inspector, Ministry of National Education (2012-2013) - PhD in Economy 	<p>Selected Experience:</p> <ul style="list-style-type: none"> - Director of Politech (since 2016) - Professor, Technical University of Iasi (since 2000), - PhD in Electronic Technology and Reliability - PhD in Chemistry and Chemical Technology - MBA, Technical University of Iasi 	<p>Selected Experience:</p> <ul style="list-style-type: none"> - Secretary of State for the Ministry of Energy (2015-2017) - SNGN Romgaz SA (various management positions) - Board member of Depomures SA (during 2010-2014) and of Amgaz SA (2009-2015) - MBA, Bucuresti 	<p>Selected Experience:</p> <ul style="list-style-type: none"> - Board Member, SNGN Romgaz SA (2015-2017) - London School of Business and Finance, Lecturer (since 2013) - Cohn & Jansen JWT, Partner (since 2002) - MBA - NIMBAS, Utrecht, University of Bradford UK

Selected Events – relevant for our activity



THANK YOU FOR YOUR ATTENTION !



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Capital Market: Adina Stefanescu; Cristina Hulpus;
Călin-Dumitru Banea; Anca Deac

Homepage: www.romgaz.ro

Financial Calendar 2018

Feb 15: Release of the 2017 Preliminary Financial Results

Feb 16: Confcall with financial analysts / investors

April 26: SGM to approve the 2017 Financial Results

April 27: Release of the 2017 Annual Report

May 15: Release of the Q1 2018 Financial Results

May 16: Confcall with financial analysts / investors

Aug 14: Release of the H1/Q2 2018 Financial Results and confcall with
financial analysts / investors

Nov 15: Release of the 9M/Q3 2018 Financial Results

Nov 16: Confcall with financial analysts / investors