

**S.N.G.N. ROMGAZ S.A.**  
**BALANCE SHEET**  
**AS AT DECEMBER 31, 2011**  
**(all amounts are expressed in RON, unless specified otherwise)**

COUNTY: Sibiu  
LEGAL ENTITY: Romgaz SA  
ADDRESS: Medias  
Str Unirii nr 4  
TELEPHONE: 0269.842.262; FAX: 0269.841.679  
TRADE REGISTRY NO.:  
J32/392/2001

OWNERSHIP FORM: 12  
MAIN BUSINESS  
(name of CAEN group) : 062 – Extraction of natural gases  
CODE OF CAEN GROUP: 0620  
SOLE REGISTRATION CODE:  
RO14056826

	<u>Row</u>	<u>Note</u>	<u>December 31, 2010</u>	<u>December 31, 2011</u>
<b>A. NON CURRENT ASSETS</b>				
<b>I. INTANGIBLE ASSETS</b>				
2. Set-up expenses	02		602,918	95,645
3. Concessions, patents, licenses, similar rights and assets and other intangible assets	03		34,552,505	35,114,271
5. Advances and intangible assets in progress	05		<u>154,153,637</u>	<u>82,393,120</u>
<b>TOTAL</b>	<b>06</b>		<b><u>189,309,060</u></b>	<b><u>117,603,036</u></b>
<b>II. PROPERTY, PLANT AND EQUIPMENT</b>				
1. Land and buildings	07		3,867,892,404	4,602,739,721
2. Installations and machinery	08		616,676,899	741,711,884
3. Other fixtures, plant and furniture	09		22,309,259	21,512,826
4. Advances and tangible assets in progress	10		<u>720,046,948</u>	<u>726,107,250</u>
<b>TOTAL</b>	<b>11</b>		<b><u>5,226,925,510</u></b>	<b><u>6,092,071,681</u></b>
<b>III. FINANCIAL NON CURRENT ASSETS</b>				
2. Loans to related parties	13		-	8,571,569
5. Long term investments	16		8,237,891	7,984,673
6. Other loans	17		<u>7,576,996</u>	<u>6,740,880</u>
<b>TOTAL</b>	<b>18</b>		<b><u>15,814,887</u></b>	<b><u>23,297,122</u></b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>19</b>		<b><u>5,432,049,457</u></b>	<b><u>6,232,971,839</u></b>
<b>B. CURRENT ASSETS</b>				
<b>I. INVENTORIES</b>				
1. Raw materials and consumables	20		159,825,938	166,368,508
2. Work in progress	21		2,304,717	58,262,918
3. Finished goods and merchandise	22		922,330,431	226,609,398
4. Advances for purchases of inventories	23		<u>10,194,476</u>	<u>80,413,370</u>
<b>TOTAL</b>	<b>24</b>		<b><u>1,094,655,562</u></b>	<b><u>531,654,194</u></b>
<b>II. RECEIVABLES</b>				
1. Trade receivables	25		1,387,548,254	1,614,102,845
2. Amounts receivable from related parties	26		-	14,053
4. Other receivables	28		<u>4,989,234</u>	<u>28,217,678</u>
<b>TOTAL</b>	<b>30</b>		<b><u>1,402,537,488</u></b>	<b><u>1,642,334,576</u></b>

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	<u>Row</u>	<u>Note</u>	<u>December 31, 2010</u>	<u>December 31, 2011</u>
<b>III. Short term investments</b>				
2. Other short term investments	32		947,847,625	2,434,475,794
<b>TOTAL</b>	<b>33</b>		<b>947,847,625</b>	<b>2,434,475,794</b>
iv. Petty cash and bank accounts	34		63,075,083	83,660,889
<b>Total current assets</b>	<b>35</b>		<b>3,508,115,758</b>	<b>4,692,125,453</b>
<b>C. Prepaid expenses</b>	<b>36</b>		<b>4,807,171</b>	<b>2,823,288</b>
<b>D. PAYABLES: AMOUNTS PAYABLES WITHIN ONE YEAR</b>				
2. Amounts due to credit institutions	38	18	13,229,574	6,802,798
3. Advances received on account of orders	39		205,427,687	575,060,414
4. Trade payables	40		80,716,489	63,627,386
8. Other payables, including tax and social security payables	44	17	182,263,397	291,245,614
<b>TOTAL</b>	<b>45</b>		<b>481,637,147</b>	<b>936,736,212</b>
<b>E. NET CURRENT ASSETS</b>	<b>46</b>		<b>3,031,283,377</b>	<b>3,758,210,074</b>
<b>F. TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
	47		<b>8,463,332,834</b>	<b>9,991,181,913</b>
<b>G. PAYABLES: AMOUNTS PAYABLE IN MORE THAN 1 YEAR</b>				
2. Amounts owed to credit institutions	49	18	-	-
<b>TOTAL</b>	<b>56</b>		-	-
<b>H. PROVISIONS</b>				
1. Provisions for pensions and similar obligations	57		52,773,327	53,626,842
2. Provisions for taxes	58		35,346,917	35,346,917
3. Other provisions	59		232,242,648	315,682,809
<b>TOTAL</b>	<b>60</b>		<b>320,362,892</b>	<b>404,656,568</b>
<b>I. DEFERRED INCOME</b>				
1. Subsidies for investments	61		4,171,688	2,222,690
2. Deferred income	62		2,405	2,455
Amounts to be reversed within 1 year	63		2,405	2,455
Negative goodwill	65		-	99,665
<b>TOTAL</b>	<b>66</b>		<b>4,174,093</b>	<b>2,324,810</b>
<b>J. EQUITY AND RESERVES</b>				
i. Equity, of which				
Capital subscribed and paid in	67	7	383,038,380	383,038,380
<b>TOTAL</b>	<b>70</b>		<b>383,038,380</b>	<b>383,038,380</b>
<b>III. REVALUATION RESERVES</b>	<b>72</b>		<b>2,830,911,509</b>	<b>3,933,334,277</b>

The accompanying notes are an integral part of these financial statements

**S.N.G.N. ROMGAZ S.A.**  
**BALANCE SHEET**  
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<b>IV. RESERVES</b>			
1. Legal reserves	73	76,607,676	76,607,676
3. Reserves representing surplus made from revaluation reserves	75	73,075,079	80,304,380
4. Other reserves	76	<u>3,998,259,398</u>	<u>4,088,133,940</u>
<b>TOTAL</b>	<b>77</b>	<b><u>4,147,942,153</u></b>	<b><u>4,245,045,996</u></b>
<b>V. PROFIT OR LOSS CARRIED FORWARD</b>			
Cr balance	81	125,698,058	-
Dr balance	82	-	8,964,635
<b>VI. PROFIT OR LOSS FOR THE YEAR</b>			
CR balance	83	651,208,154	1,031,748,972
Allocation of profit	85	-	-
<b>Total Equity</b>	<b>86</b>	<b><u>8,138,798,254</u></b>	<b><u>9,584,202,990</u></b>
<b>TOTAL EQUITY AND RESERVES</b>	<b>88</b>	<b><u>8,138,798,254</u></b>	<b><u>9,584,202,990</u></b>

Authorized and signed on the behalf of the Board on April 23, 2012 by:

**General Manager**

Surname and name: Costel Totan  
Signature \_\_\_\_\_

Company's stamp

**PREPARED BY**

Surname and name: Marius Veza  
Position Economic Director  
Signature \_\_\_\_\_

Registration no. with professional body

**S.N.G.N. ROMGAZ S.A.**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**  
(all amounts are expressed in RON, unless specified otherwise)

	<u>Row</u>	<u>Note</u>	<u>Year ended December 31, 2010</u>	<u>Year ended December 31, 2011</u>
<b>1. Net turnover</b>	<b>01</b>	<b>10</b>	<b><u>3,574,215,704</u></b>	<b><u>4,211,149,514</u></b>
Production sold	02	10	2,714,519,018	2,856,529,847
Income from sale of goods	03		859,696,686	1,354,619,667
2. Income pertaining to cost of work in progress				
Cr balance	07		80,006,822	80,545,239
3. Production made by the entity for own purposes and capitalized	09		227,016,150	84,890,939
4. Other operating income	10		<u>242,262,399</u>	<u>175,251,299</u>
<b>TOTAL OPERATING INCOME</b>	<b>12</b>		<b><u>4,123,501,075</u></b>	<b><u>4,551,836,991</u></b>
5. a) Raw materials and other consumables	13	19	262,984,429	155,218,846
Other material expenses	14		5,079,152	6,801,600
5. b) Other external expenses (power and water supply)	15		80,370,433	86,875,643
Goods expenses	16		717,498,738	1,168,559,623
Commercial discounts received (acc.609)	17		1,714,114	14,651
<b>6. Personnel related expenses</b>	<b>18</b>		<b><u>478,198,017</u></b>	<b><u>478,080,584</u></b>
a) Salaries and bonuses	19		374,451,280	371,325,725
b) Social security	20		103,746,737	106,754,859
<b>7. a) Value adjustments regarding the tangible and intangible assets</b>	<b>21</b>		<b><u>592,228,705</u></b>	<b><u>795,566,975</u></b>
a.1) Expenses	22		592,228,705	826,165,928
a.2) Income	23		-	30,598,953
<b>7. b) Value adjustments regarding the current assets</b>	<b>24</b>		<b><u>(225,085)</u></b>	<b><u>(192,455,483)</u></b>
b.1) Expenses	25		331,072	313,778,288
b.2) Income	26		556,157	506,233,771
8. Other operating expenses	27		1,094,781,380	794,643,305
8.1 Expenses regarding the external provisions	28	21	192,398,001	176,584,180
8.2 Other taxes and similar payments	29		267,987,802	260,806,692
8.3 Other expenses	30		634,395,577	357,252,433
Adjustments regarding the provisions	32		(11,285,621)	(5,944,311)
Expenses	33		23,389,032	23,138,661
Income	34		<u>34,674,653</u>	<u>29,082,972</u>
<b>TOTAL OPEARTING EXPENSES</b>	<b>35</b>		<b><u>3,217,916,034</u></b>	<b><u>3,287,332,131</u></b>

The accompanying notes are an integral part of these financial statements

**S.N.G.N. ROMGAZ S.A.**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**  
(all amounts are expressed in RON, unless specified otherwise)

	<u>Row</u>	<u>Note</u>	<u>Year ended December 31, 2010</u>	<u>Year ended December 31, 2011</u>
<b>OPERATING PROFIT OR LOSS</b>				
Profit	<b>36</b>		905,585,041	1,264,504,860
11. Interest income	<b>42</b>		94,286,616	106,796,748
Other financial income	<b>44</b>		<u>20,326,167</u>	<u>8,473,526</u>
<b>Financial expenses – TOTAL</b>	<b>45</b>		<u><b>114,612,783</b></u>	<u><b>115,270,274</b></u>
12. Value adjustments regarding the financial assets and financial investments held as current assets	<b>46</b>		-	3,391,855
Expenses	<b>47</b>		-	3,391,855
13. Interest expenses	<b>49</b>		1,672,474	1,097,169
Other financial expenses	<b>51</b>		<u>126,142,633</u>	<u>54,619,371</u>
<b>TOTAL FINANCIAL EXPENSES</b>	<b>52</b>		<u><b>127,815,107</b></u>	<u><b>59,108,395</b></u>
<b>FINANCIAL PROFIT OR LOSS</b>				
Profit	<b>53</b>		-	56,161,879
Loss	<b>54</b>		(13,202,324)	-
<b>14. CURRENT PROFIT OR LOSS:</b>				
Profit	<b>55</b>		892,382,717	1,320,666,739
16. Extraordinary expenses	<b>58</b>		222,337	-
<b>17. PROFIT OR LOSS FROM EXTRAORDINARY ACTIVITY</b>				
-loss	<b>60</b>		<u>222,337</u>	<u>-</u>
<b>Total income</b>	<b>61</b>		<u><b>4,238,113,858</b></u>	<u><b>4,667,107,265</b></u>
<b>Total expenses</b>	<b>62</b>		<u><b>3,345,953,478</b></u>	<u><b>3,346,440,526</b></u>
<b>GROSS PROFIT OR LOSS:</b>				
Profit	<b>63</b>		892,160,380	1,320,666,739
18. Income tax	<b>65</b>		240,952,226	288,917,767
<b>20. NET PROFIT OR LOSS FOR THE YEAR</b>				
<b>profit</b>	<b>67</b>		<u><b>651,208,154</b></u>	<u><b>1,031,748,972</b></u>

All the Company's activities are continuous.

Authorized and signed on the behalf of the Board on April 23, 2012 by:

**General Manager**

Surname and name: Costel Totan

Signature\_\_\_\_\_

Company's stamp

**PREPARED BY**

Surname and name: Marius Veza

Position Economic Director

Signature\_\_\_\_\_

Registration no. with professional body