

October 27, 2015

ANNOUNCEMENT
on Initiating the 2015 Income and Expenditures Budget
Amendment Process

The Board of Directors of Societatea Nationala de Gaze Naturale ROMGAZ S.A. endorsed the amended 2015 Budget proposal in compliance with the legal provisions on the possibility of economic operators to adjust the income and expenditures budget, stipulated in art. 10, paragraph (2) of Government Ordinance No. 26/2013, as subsequently amended and supplemented.

The figures of the amended budget have considered: the decrease of the national gas demand, which is significantly lower than forecasted in the Budget approved by Government Decision No. 329/2015; the impairment of the Black Sea projects (Rapsodia Block), which did not deliver the expected outcome; and the adjustment (uncertainty) of receivables uncollected from Electrocentrale Bucuresti and Electrocentrale Galati.

According to the accounting policy approved by the Board of Directors, the decrease in net profit to be distributed due to the abandonment of exploration projects, will be offset by past years' reserves set up for development and modernization of natural gas production (under Government Decision No. 168/1998).

We state that the Income and Expenditures Budget proposal endorsed by the Board of Directors has been submitted to the Ministry of Energy, Small and Medium Sized Enterprises and the Business Environment in compliance with art. 6 of Government Ordinance No. 26/2013.

Director General,

(**VIRGIL - MARIUS METEA**

