

August 7, 2018

PRESS RELEASE**ROMGAZ has to receive overdue debts worth over RON 16 million from ELCEN Constanta and warns on the possibility of stopping natural gas supplies**

Starting with October 1, 2017 Romgaz delivered natural gas as requested by the client, subject to the contract concluded with Electrocentrale Constanta. During the performance of the contract, Electrocentrale Constanta recorded overdue debts.

Until today, the invoices for the consumption as of June 30, 2018 are RON 15.76 million, out of which the overdue debt, invoiced, is RON 1.158 million.

ROMGAZ, having the approval of the Board of Directors, rescheduled these overdue debts by means of a convention agreement concluded in April this year, but the debts reached currently RON 16.28 million.

Until 31 July 2018, Electrocentrale Constanta paid RON 1.271 million representing the first two reschedule instalments and partially the third one, adding thereto the applicable interest.

On July 31, 2018 Electrocentrale Constanta had to pay RON 1.158 million representing the outstanding amount of the third instalment, subject to the above mentioned convention. Moreover, the gas distribution company also recorded debts.

Concurrently, in June and July this year, despite being notified, Electrocentrale Constanta did not fulfil the advance payment obligations, according to effective contractual provisions.

ROMGAZ points out that it will have to stop natural gas supplies to Electrocentrale Constanta if the debts are not immediately paid in compliance with the contract.

ROMGAZ expresses its availability and support to find solutions in order to comply with the contractual provisions according to the effective laws.

Romgaz Press Office**About Romgaz**

S.N.G.N. ROMGAZ S.A. is the largest gas producer and the main supplier in Romania. The company is listed on the Bucharest Stock Exchange (Bursa de Valori din Bucuresti – BVB) and the London Stock Exchange (LSE). The main shareholder is the Romanian State with a 70% stake. The company has a vast experience in the field of gas exploration and production and a history that began more than 100 year ago, in 1909. Romgaz undertakes geologic research in order to discover new gas reserves, produces methane by exploiting the reservoirs included in the company's portfolio, stores natural gas in underground storages, and performs interventions, workover and special operations at wells, and renders professional technological transportation services. In 2013, Romgaz extended its scope of work by taking over the Iernut thermoelectric power station, thus becoming also an electric power supplier.