

To the Management,
S.N.T.G.N. Transgaz S.A.

INDEPENDENT REPORT OF LIMITED ASSURANCE OVER THE INFORMATION INCLUDED IN THE CURRENT REPORT ISSUED BY THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF LAW NO. 297/2004 AND REGULATION NO. 1/2006

1. We have been appointed by S.N.T.G.N. Transgaz S.A. („the Company”) to report on the information included in the current report from June 15, 2016 (the “Current report”) issued by the Company in accordance with the provisions of *the Stock exchange law no. 297/2004, with the subsequent amendments* („Law no. 297/2004) and of the *Regulation no. 1/2006 of the National Security Commission* („CNVM”), *actually Financial Supervisory Authority* („ASF”) regarding the issuers and operations on the stock exchange, updated form (“Regulation no. 1/2006”), as an independent conclusion of limited assurance according to which, based on the procedures performed, nothing came to our attention to make us believe that the reported transactions included in the Current report are not in accordance, under all material aspects, with art.113, paragraph G, point 6 from the Regulation no. 1/2006. The Current report from June 15, 2016 has been prepared by the management of the Company to report to ASF in accordance with the provisions of art. 225 from Law no. 297/2004 and Regulation no. 1/2006.

Management’s Responsibility

2. Management is responsible for the preparation and fair presentation of the Current report and of the transactions included in the Current report from June 15, 2016 that are free of material misstatement, in accordance with art. 225 from Law no. 297/2004 and Regulation no. 1/2006, and for the information presented in these reports. This responsibility includes: designing, implementing and maintaining an internal control relevant to the preparation and presentation of the Current report that are free of material misstatement, due to fraud or error. Also, this responsibility includes compliance with the provisions of art. 225 from Law no. 297/2004 And Regulation no. 1/2006 and maintaining adequate supporting documents regarding the Current report. Management is responsible for preventing and detecting fraud and ensuring compliance with the legislation and regulations in force.

Auditor’s Responsibility

3. Our responsibility is to analyze the reported transactions included by the Company in the Current report and to report in the form of an independent conclusion of limited assurance, based on the evidence obtained. We conducted the engagement in accordance with International Standard on Assurance Engagements („ISAE”) 3000 as adopted by the Romanian Financial Auditors Chamber regarding the assurance engagement other than Audits or Reviews of Historical Financial Information. This standard require that we comply with ethical requirements, including independence requirements, and plan and perform our procedures in order to obtain a corresponding assurance level of whether the transactions included in the Current report, are in accordance, under all material aspects, with art. 113, paragraph G, point 6 of Regulation no. 1/2006, as a basis for our independent conclusion of limited assurance.

4. The selected procedures depend on our understanding of the Current report and of other circumstances of the engagement, as well as our considerations on areas where material misstatements may occur. In developing our understanding on the Current report and on the transactions reported in the Current report we took into consideration the Company's internal control relevant to the preparation and presentation of the Current report in accordance with the provisions of art. 225 of Law no. 297/2004 and Regulation no. 1/2006 in order to establish the procedures that are appropriate in these circumstances, but not for the purpose of expressing a conclusion on the effectiveness of internal control for the preparation and fair presentation of the Company's Current report and the transactions reported in the Current report.
5. Limited assurance is narrower than absolute or reasonable assurance. The procedures for obtaining evidence for a limited assurance engagement are more restricted than in a reasonable assurance engagement, and therefore the level of assurance obtained is lower than in a reasonable assurance engagement.
6. As part of this engagement, we have not performed audit review or verification procedures of the Current report and on the transactions reported in the Current report in accordance with the International Standards on Auditing or International Standards on Review Engagements adopted by the Chamber of Financial Auditors of Romania, nor on the sources from which the Current report and the transactions reported in the Current report were extracted. Our procedures were only performed in connection with the Current report from June 15, 2016. We have not performed other additional procedures to verify whether the Current report include all contracts with managers, employees, shareholders, as well as their affiliated entities, to be reported according to Art. 225 of Law no. 297/2004 with the subsequent amendments for the period January 1 – June 30, 2016

Criteria

7. The criteria used in this engagement were:
 - a) Services for gas storage are billed at regulated rates, in accordance with the provisions of the Romanian Regulatory Authority for Energy ("ANRE") Order number 58/2015 extended by Order number 9/2016;
 - b) For each contract included in the Current report obtained in accordance with point number 6 of this report we compared the names of the parties concluding the contract, number, date and nature of the contracts included in the Current report against the contracts signed between the parties;
 - c) For each contract included in the Current report obtained in accordance with point number 6 of this report we compared the object of the contracts included in the Current report against the contracts signed between the parties;
 - d) For each contract included in the Current report obtained in accordance with point number 6 of this report we compared the total value of the contracts included in the Current report against the information presented in the contracts signed between the parties;
 - e) For each contract included in the Current report obtained in accordance with point number 6 of this report we compared the guarantees, penalties, payment terms of the contracts included in the Current report against the information presented in the contracts signed between the parties;
 - f) For each contract included in the Current report obtained in accordance with point number 6 of this report we compared the prices against the regulated tariffs in accordance with point number 7.a) of this report.

8. Our conclusion was formed on the basis, and in connection with, the aspects presented in this Report. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our qualified conclusion with limited assurance.

Basis for Qualified Conclusion

9. The prices related to the contracts included in the Current report from June 15, 2016 have been established in accordance with the regulated tariffs by ANRE, through Order number 58/2015 prolonged by Order number 9/2016. These tariffs are regulated and are not established under market conditions.

Qualified Conclusion

10. Based on the procedures performed, except for the possible effects of the matters mentioned in paragraph 9, nothing came to our attention to make us believe that the transactions reported in the Current report are not in accordance, under all material aspects, with art. 113, paragraph G, point 6 from Regulation no. 1/2006.

Other Matters

11. Our report is solely issued for the purpose stated in the first paragraph of this report and is prepared to inform the Management of the Company as a whole. Our report should not be regarded as suitable for use by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company that obtains access to our report or a copy of the report and chooses to rely on our report (or part thereof), should do so at its own risk. Our engagement was performed in order to report to the Management of the Company on those aspects that need to be reported in an independent report of limited assurance, and for no other purpose.


Deloitte Audit S.R.L.
Bucharest, Romania
July 25, 2016