

CURRENT REPORT

according to the provisions of Art. 65 of Law 24/2017

Date of report: **27 August 2020**

Name of issuing entity: SNTGN TRANSGAZ SA MEDIAS

Headquarters: Mediaș, 1 Constantin I. Motaș Square, Sibiu County

Telephone/fax number: 0269803333/0269839029

Tax number: RO 13068733

Trade Register number: J32/301/2000

Subscribed and paid-up capital: RON 117.738.440

Regulated market on which issued securities are traded: Bucharest Stock Exchange

Reported events: **Half-Year Report on 30.06.2020**

According to the provisions of capital market law, SNTGN Transgaz SA Medias informs those concerned of the following:

By Resolution 27 taken in the meeting held on 24 August 2020, the Board of Administration approved the Financial Statements of SNTGN Transgaz SA for Semester I 2020, prepared in accordance with the International Financial Reporting Standards adopted by the European Union.

In the same meeting the Board of Administration endorsed the Report issued by the Board of Administration of SNTGN Transgaz SA for the activity performed in Semester I 2020 for its submission to the Ordinary General Meeting of the Shareholders.

According to the capital market law, the unaudited Interim Financial Statements for Semester I 2020 contain:

- The Interim Statement of Financial Position;
- The Interim Statement of Comprehensive Income;
- The Interim Statement of Changes in Equity;
- The Interim Cash Flow Statement;
- Notes to the Interim Financial Statements;
- The Declaration of the SNTGN Transgaz SA persons responsible;
- Report for the revision of the Interim Financial Statements.

The Interim Financial Statements for Semester I 2020 are not audited.

The economic and financial activity of the National Gas Transmission Company Transgaz S.A. between January 2020 and June 2020 was conducted based on the indicators included in the revenue and expense budget approved by OGMS Resolution No. 2/04.03.2020.

The financial results on 30 June 2020 as compared to the results of the same period of 2019 are indicated in the table below:

No.	Indicator	MU	Sem I 2020	Sem I 2019	Absolute changes	Relative changes
0	1	2	3	4	5=3-4	5=3/4*100
1.	Turnover	thousand lei	851.174	938.808	-87.634	90,67
2.	Operating revenue before the balancing and the construction activity acc. to IFRIC12	thousand lei	759.029	774.994	-15.965	97,94
3.	Operating cost before the balancing and the construction activity acc. to IFRIC12	thousand lei	517.072	560.033	-42.961	92,33
4.	Operating profit before the balancing and the construction activity acc. to IFRIC12	thousand lei	241.957	214.961	26.996	112,56
5.	Revenue from balancing	thousand lei	111.953	183.208	-71.255	61,11
6.	Cost of balancing gas	thousand lei	111.953	183.208	-71.255	61,11
7.	Revenue from the construction activity acc. to IFRIC12	thousand lei	673.000	297.898	375.102	225,92
8.	Cost of constructed assets according to IFRIC12	thousand lei	673.000	297.898	375.102	225,92
9.	Operating profit	thousand lei	241.957	214.961	26.996	112,56
10.	Financial revenue	thousand lei	42.417	33.199	9.218	127,77
11.	Financial cost	thousand lei	7.228	16.433	-9.205	43,98
12.	Gross profit	thousand lei	277.146	231.726	45.420	119,60
13.	Profit tax	thousand lei	45.978	36.225	9.753	126,92
14.	Net profit	thousand lei	231.168	195.501	35.667	118,24
15.	Total comprehensive result related to the period	thousand lei	231.168	195.501	35.667	118,24
16.	Transmitted gas*	MWh	69.961.583	73.279.756	-3.318.173	95,47
17.	Investment cost	thousand lei	753.890	372.672	381.218	202,29
18.	Rehabilitation cost	thousand lei	4.470	3.014	1.456	148,33
19.	Gas consumption in the NTS	thousand lei	39.356	39.228	128	100,33
20.	Gas consumption in the NTS	MWh	358.118	389.039	-30.921	92,05

*) transmitted quantity for which transmission services are invoiced

In Semester I 2020 **operating revenue before the balancing and construction activity, according to IFRIC12** decreased by **2%** as compared to Semester I 2019, which is lower by **lei 15.965 thousand**.

In Semester I 2020 **operating costs before the balancing and construction activity according to IFRIC12** decreased by **8%** as compared to Semester I 2019, which is lower by **lei 42.961 thousand**.

As compared to Semester I 2019 the gross profit obtained in Semester I 2020 increased by 20%, which is higher by lei 45.419 thousand, the net profit registered by the company being 231.168 lei.

Compared to the Revenue and Expense Budget for Semester I 2020, the gross profit increased by 152% as compared to the plan, which is higher by lei 167.379 thousand as compared to the REB, and the net profit increased by 139% as compared to the plan, which is higher by lei 134.617 thousand as compared to the REB.

The situation of the indicators is detailed in the Report issued by the Board of Administration for Semester I 2020.

The full version of the Half-Year Report on 30.06.2020 is available:

- on our website at: http://www.transgaz.ro/en/investitori/raportari_financiare
- at the headquarters of SNTGN TRANSGAZ SA in Mediaş, 1 C.I. Medias Square, Sibiu County.
- In soft copy – on the website of the Bucharest Stock Exchange.

**Director - General
Ion Sterian**