

Tim Umberger
Senior Advisor, East Capital
tim.umberger@eastcapital.com
+7 967 278 78 56

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By courier and e-mail

Ms. Aurora Negrut
SNGN Romgaz
President of the Board of Directors
Calea Plevni, No. 141
Bl. 1, Sc. A, Ap. 1
Bucharest 060011, Romania
aurora.negrut@energie.gov.ro



Proposal to distribute a special dividend in SNGN Romgaz

Dear Ms. Negrut,

As minority shareholders in SNGN Romgaz, we would, with this letter, like to outline our position regarding Romgaz' proposed distribution of dividends for 2015.

East Capital is a leading independent asset management company with more than 17 years of track record in portfolio and private equity investments in emerging and frontier markets, managing USD 2.1bn in assets and serving more than 500,000 clients from all over the world. Specialized in Eastern Europe, East Capital is among the largest portfolio investors in the region in general, and in Romania in particular. East Capital first invested in Romgaz during the IPO in 2013. Since then, East Capital has been an active and dedicated shareholder in the company, which has also included participation in subsequent placements. East Capital currently holds 0.23% of the total shares in Romgaz (corresponding to 0.75% of the free float), and is thereby a substantial minority shareholder in the company.

We are pleased to note that 2015 was a good year for Romgaz. The company managed to achieve solid margins despite a tough environment with decreasing consumption of natural gas in Romania and a complex situation with several significant receivables outstanding. With an operating cash flow in excess of RON 2bn, Romgaz was able to comfortably finance its capital expenditure needs as well as pay a dividend of RON 1.2bn to shareholders, without needing to utilize the RON 3bn cash position on the balance sheet.

Our models for 2016 suggest that we will see similar strength in 2016, with operating cash flow expected to exceed RON 2.1bn. Even assuming, in our view, a rather aggressive capital expenditure estimate of RON 1.3bn, and the proposed dividend payment for 2015 of RON 1.04bn, the company is clearly expected to remain in a healthy financial condition.

However, the net cash position currently amounts to approximately one third of the market capitalization of Romgaz. In our view, this position is too high, indicating an inefficient capital structure for a company like Romgaz. Based on this, we are confident that the company could

increase its dividend payment for 2015 by an additional RON 1.04bn without jeopardising neither the company's future development plans, nor its financial stability. Therefore, we would like to propose that Romgaz, in addition to the current proposal for dividends per share for 2015 of RON 2.7, also proposes to pay a special dividend of an additional RON 2.7 per share. We firmly believe that such a proposal would have a very strong positive signaling effect when existing and potential shareholders evaluate Romgaz' operational and financial strength as well as its incentives and tools to create long term value for all shareholders.

Sincerely yours,

Tim Umberger
Senior Advisor



Louise Hedberg
Head of Corporate Governance

