

Gas and Power

Petrom is a leading player in the Romanian gas market, covering all gas market user segments from small households to large-scale industrial consumers and power producers. In order to leverage the value of natural gas, we took the decision to move the value chain one step forward by developing our own power generation business. Gas and Power also includes chemicals, this segment being represented by the Doljchim chemical plant.

Our achievements in 2009

- ▶ Consolidation of our position in the Romanian gas market under a difficult business environment
- ▶ Construction of the 860 MW power plant continued according to schedule and budget
- ▶ Further steps to move into the field of renewable energy
- ▶ Prepare for the entry into compressed natural gas supply to the automotive sector
- ▶ Prepare for entry into the power market in 2011, by successful commissioning of the Brazi power plant and by operating one renewable energy project
- ▶ Exit the chemical business by the end of 2010

Our strengths

- ▶ One of the leading producers and marketers in Romania
- ▶ High degree of flexibility and competence, taking advantage of our wellhead-to-burnertip vertical integration
- ▶ Full coverage of the requirements of all market segments in Romania
- ▶ Best placed to further expand the gas value chain by entering into power business
- ▶ Professional integration of IT and business processes

Our strategic directions

- ▶ Enlarge Petrom's gas position to become leader in the Romanian gas market and a recognized player in Southeastern Europe (SEE)
- ▶ Develop gas storage business
- ▶ Enter power generation market by building the 860 MW gas fired power plant at Brazi
- ▶ Establish an electricity sales and trade concept within Petrom
- ▶ Enter renewable energy business
- ▶ Complete engineering concept of a Zero Emission Power Plant which will contribute to the reduction of the carbon footprint of Petrom and create synergies with E&P

Our objectives for 2010

- ▶ Increase gas marketing volume in Romania and consolidate domestic market share
- ▶ Establish a basic foundation for a sizeable gas business in the neighboring countries

Enter power generation market through the Brazi power plant