



CONPET S.A.

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CIF: RO1350020 ; Cod CAEN 4950; înregistrată la
Registrul Comerțului Prahova sub nr. J29/6/22.01.1991
Capital social subscris și vărsat 28 569 842,40 lel



QUARTERLY REPORT

**REGARDING THE ECONOMIC - FINANCIAL ACTIVITY OF
„CONPET” S.A.**

for the period ended September 30th, 2015



Situatia economico-financiară	4
Statement of the Financial Position	5
Global Result Statement	8
Cash-flow Statement	13
Analysis of the Company's Business	14
Operational Data	14
Capital Expenditure (investments)	18
Economic Financial Indicators	20
Other Aspects	22
Litigations	22
Shareholding Structure	24
Member List of the Executive Management	25
Cases of non-compliance of the financial obligations	25
Amendments to the Shareholders' Rights	25
Other changes in the company	25
Significant Transactions	26
Overview of the Financial Statements	26
Annexes	27



REPORT AND ISSUER IDENTIFICATION DATA

Quarterly report as per:

Law no. 297/2004 regarding the capital market and CNVM Regulation no. 1/2006 regarding the issuers and the securities operations

Report Date	CONPET S.A.
Issuer's Name	No, 1-3, Anul 1848 Street, Ploiești, Prahova County, Zip Code 100559
Registered offices	+40-244 401360 / +40-244 516451
Telephone/facsimile	conpet@conpet.ro / www.conpet.ro
E-mail / Internet	1350020
Sole Registration Number,	J29/6/22.01.1991
Trade Registry Number	Bucharest Stock Exchange, category Premium
The regulated market trading the issued securities	28,569,842.40 RON
Subscribed and paid-up share capital	8,657,528 shares with a nominal value of 3.3 RON/share
Main features of the issued securities	586,980,398 RON (67.80 RON/share at 30.09.2015)
Total market value	International Accounting Standard 34 - „Interim Financial Reporting”
Accounting standard applied	Simplified Interim Financial Statements concluded at 30.09.2015 have not been audited
Auditing	



The Economic - Financial Statement

The evolution of the company's main financial indicators, within the nine months period ended June 30th, 2015 as compared to the Revenues and Expenditure Budget (REB) and the same period last year, is exposed in the table below:

Indicators	Achieved 30.09.2015	R.E.B. 30.09.2015	▲ Achieved / R.E.B. 30.09.2015	Achieved 30.09.2014	▲ Achieved 9 months 2015/2014
PERFORMANCE INDICATORS					
BoA/ General Director					
EBITDA (million RON)	94.28	77.91	121.0%	86.24	109.32%
Operating Expenses (%Turnover)	87.68%	92.19%	95.1%	89.11%	98.40%
Productivity (RON/employee)	180,067	174,675	103,1%	176,996	101.74%
Number of technical breakage	35	57	61,4%	51	68.63%
Number of broker's reports	6	2	100%	3	100%
BSE position - capitalization	17	25	32%	19	11%
OPERATING INDICATORS					
Total transported quantities (tons)	5,296,983	4,659,016	113.7%	4,912,381	107.83%
Operating costs / ton (RON/ton)	47,29	55,87	84,6%	51,15	92.45%
FINANCIAL INDICATORS					
Total operating income (million RON)	308.46	303.93	101.5%	302.31	102.03%
Operating Expenses (million RON)	250.48	260.30	96.2%	251.25	99.69%
Operating profit margin (% Operating Income)	18.80	14.35	130.9%	16.89	111.29%
INVESTMENT PLAN TRACKING INDICATORS					
Investments - public domain (million RON)	16.59	20.32	81.7%	16.28	101.92%
Investments - operating area (million RON)	6.84	7.39	92.5%	2.44	280.27%
Average no. of employees	1,713	1,740	98.4%	1,708	100.29%

The interim financial statements on January - September 2015 have not been audited and have been prepared in compliance with the International Accounting Standard 34 - „Interim Financial Reporting”.



a) Statement of the Financial Position at September 30th, 2015

	30.09.2015 (non-audited) [RON]	31.12.2014 (audited) [RON]
Assets		
Fixed assets		
Tangible assets	402,280,248	415,493,461
Intangible assets	2,308,836	3,162,304
Financial investments	428,022	527,515
Total fixed assets	405,017,106	419,183,280
Current assets		
Inventories	8,137,586	7,709,304
Trade receivables and other receivables	41,551,217	34,812,158
Short term investments	255,228,993	0
Cash and cash equivalent	105,691,211	343,037,311
Prepayments	298,730	213,560
TOTAL Current assets	410,907,737	385,772,333
TOTAL Assets	815,924,843	804,955,614
Shareholders' equity and debts		
Shareholders' Equity		
Share capital, of which:	28,569,842	28,569,842
<i>Subscribed share capital</i>	28,569,842	28,569,842
Revaluation reserves	96,500,976	107,646,176
Legal reserves	5,713,968	5,713,968
Other reserves	495,653,492	472,512,205
Retained earnings	70,585,883	59,440,683
Profit/loss for the period	52,010,301	51,434,194
Other shareholders' equity elements	(1,891,974)	(1,891,974)
Total Shareholders' equity	747,142,488	723,425,094
Long term debts		
Deferred tax liabilities	1,891,974	1,891,974
Provision for the employees' benefits	3,639,247	3,772,056
Total long term debts	5,531,221	5,664,030
Commercial debts	20,746,139	30,032,321
Other debts	27,985,848	24,001,008

Short term provisions	13,189,955	20,853,022
Total current debts	61,921,942	74,886,351
Total Debts	67,453,163	80,550,381
Deffered income		
Investment Subsidies	1,310,268	958,088
Deferred income	18,924	22,050
Deferred income	1,329,192	980,138
Total shareholders' equity and debts	815,924,843	804,955,613

Fixed Assets

In the fixed assets structure are to be found both investments made in the operating area and investments made in the public domain, in compliance with the provisions of the Oil Concession Agreement regarding the lease of the operation of the Crude oil, Rich gas, Condensate and Liquid ethane Pipeline National Transport System, here included the major pipelines, installation, equipment and ancillary facilities.

During 01.01.2015 - 30.09.2015 the net value of the tangible and intangible assets lowered by 14,066,682 RON, the remaining part representing:

- +23,425,841 RON expenses on tangible assets in progress;
- -5,020,865 RON fixed assets disposals;
- -32,846,615 RON amortization correspondng to 01.01.2015 – 30.09.2015
- + 374,957 RON surplus inventory input transferred to the public domain;

Commissionings during 01.01.2015 - 30.09.2015 amounted to 28,358,991 RON.

Current Assets

At September 30, 2015, the current assets increased by almost 7% as compared to December 31, 2014, mainly due to increased commercial debts and cash hike.

Long-term Debts

Long-term debts stood nearly flat, at the level registered at 31.12.2014.

Short-term debts

At September 30, 2015, the short-term debts recorded 27% increase as compared to December 31, 2014, mainly determined by the reduction, by 30%, of the commercial debts.

Shareholders' Equity

The shareholders' equity recorded approximately 3% increase as compared to 31.12.2014, resulting from modernization quota reserves and augmentation of the retained earnings 31.12.2014.

Short term Provisions

The diminution, by the amount of 7,663,067 of the balance of these provisions at 30.09.2015 was mainly due to the cancellation of the provision on share of profit established at 31.12.2014, in amount of



5,335,168 RON, written-back following the settlement of this liability within the month of June 2015, to the provision for litigations amounting to 613,000 RON, set for the litigation in the file no. 1269/105/2014. In this file, the company CONPET S.A. was sued by the former General Director, Tudora Dorin, by way of the formulated claim requesting the payment of wage benefits as a result of the termination of the contract of mandate before the due term. By the Civil Sentence no. 746/2015, Prahova Law Court, Section II on Civil, Administrative Law and Fiscal matters, made a record of the withdrawal of the trial of the civil action having as scope the claims formulated by the plaintiff Tudora Dorin.

The evolution of COTE shares



Issue Info	
Total no. of shares	8,657,528
Nominal Value	3.30
Share capital	28,569,842.40
Total 52 weeks	
No. of transactions	3,249
Volume	2,829,450
Value	142,558,696.94
52 weeks high	75.85
52 weeks low	49.02
Indicators	
Market Cap.	583,517,387.20
PER	11.34
P/BV	0.81
EPS	5.94
DIVY	8.81
Dividend (2014)	5.9409792



Price Statistics	
% 1 month	2.12%
% 3 month	3.69%
% 6 months	5.81%
% vs BET 1 month	2.51%
% vs BET 3 months	6.64%
% vs BET 6 months	4.69%
% YTD	22.43%
% YOY	33.33%

Dividends

For 2014 was approved a gross dividend per share in amount of 5.9409792 RON. The dividend was calculated by observing the legislation provisions applicable to the profit distribution at the companies where State holds majority stake herein, based on a dividend payout ratio of 91.22%.

Total dividend to be distributed: 51,434,194 RON

Dividend per share: 5.9409792 RON



Following the Resolution of the Ordinary General Meeting of Shareholders dated April 28, 2015, the payment of dividends related to 2014 financial year was performed via Depozitarul Central starting 23.07.2015 to the shareholders registered in the Shareholders' Registry at registration date 03.07.2015 (ex-date 02.07.2015).

Up to 30.09.2015, out of the total dividends allocated for 2014, Depozitarul Central paid up dividends to the shareholders in amount of 46,142,107 RON. The tax on dividends held and paid to the State Budget amounted to 3,144,553 RON.

b) Global result statement for the nine months period ended September 30, 2015

	January 1st September 30th 2015 [RON] (non-audited)	January 1st September 30th 2014 [RON] (non-audited)
Sales revenues	285,663,818	281,950,441
Other revenues	22,791,546	20,359,348
Total operating revenues	308,455,364	302,309,789
Expenses		
Expenses for raw materials and consumables	12,976,990	13,381,060
Personnel expenses	79,038,134	72,247,039
Value adjustments on tangible and intangible assets	36,297,191	35,179,486
Value adjustments on current assets	(563,327)	(404,259)
Outside expenses	81,197,207	88,687,284
Other expenses	49,326,557	46,874,047
Provisions adjustments	(7,795,876)	(4,715,605)
Total operating expenses	250,476,876	251,249,052
Operating profit	57,978,488	51,060,737
 Financial Revenues	 4,543,019	 7,404,996
Financial Expenses	5,437	252,668
Financial Profit	4,537,582	7,152,328
 Earnings before tax	 62,516,070	 58,213,065
 Income tax expenses	 10,505,769	 10,259,314
Profit for the year	52,010,301	47,953,751



The main economic - financial indicators achieved for the period of nine months ended 30.09.2015, as compared to REB related to the same period, are exposed in the table below:

Indicator	Achieved January 1 st September 30 th , 2015	REB January 1 st September 30 th , 2015	▲ Achieved / REB 9 months 2015
[RON]			
Net turnover	285,663,818	282,264,677	▲ 1.2%
Operating revenues	308,455,364	303,933,677	▲ 1.5%
Operating expenses	250,476,876	260,304,097	▼ 3.8%
Gross operating profit	57,978,488	43,629,580	▲ 32.9%
EBITDA	94,275,679	77,907,211	▲ 21.0%
Financial Revenues	4,543,019	4,143,750	▲ 9.6%
Financial Expenses	5,437	198,000	▼ 97.3%
Gross financial profit	4,537,582	3,945,750	▲ 15.0%
Total revenues	312,998,383	308,077,427	▲ 1.6%
Total expenses	250,482,313	260,502,097	▼ 3.8%
Gross Profit	62,516,070	47,575,330	▲ 31.4%
Net Profit	52,010,301	39,891,330	▲ 30.4%

The evolution of these indicators during 01.01.2015 - 30.09.2015 YoY, is as follows:

Indicator	Achieved January 1 st September 30 th , 2015	REB January 1 st September 30 th , 2014	▲ Achieved 9 months 2015/2014
[RON]			
Net turnover	285,663,818	281,950,441	▲ 1.3%
Operating revenues	308,455,364	302,309,789	▲ 2.0%
Operating expenses	250,476,876	251,249,052	▼ 0.3%
Gross operating profit	57,978,488	51,060,737	▲ 13.5%
EBITDA	94,275,679	86,240,223	▲ 9.3%
Financial Revenues	4,543,019	7,404,996	▼ 38.6%
Financial Expenses	5,437	252,668	▼ 97.8%
Gross financial profit	4,537,582	7,152,328	▼ 36.6%
Total revenues	312,998,383	309,714,785	▲ 1.1%
Total expenses	250,482,313	251,501,720	▼ 0.4%
Gross Profit	62,516,070	58,213,065	▲ 7.4%



Net Profit	52,010,301	47,953,751	▲ 8.5%
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Statement of the main indicators achieved during 01.01 - 30.09.2015 YoY generally describe a positive trend, as follows:

- The increase, by 3.266 thousand RON YoY of the transport revenues and by 1% as compared to REB led to a 1.3 YoY increase in the turnover and 1.2% increase as opposed to the budget provisions.
- The operating expenses decreased by 0.3%, as opposed to last year, the savings being made to the expenses related to materials, fuels, rail crude transport, decontamination services.
- The operating profit increase, by 6,918 thousand RON (13.5 %) YoY, was due to the excess over the transported quantities, by 385 thousand tons and to the 772 thousand RON fall in the expenses;
- The financial revenues have exceeded the budgeted level (399.3 thousand RON), nevertheless lowered by 2,861.9 thousand RON (38.6%) YoY due to the diminution of the interest rate on bank deposits.

As compared to the budget provisions, the company recorded 31.4% increase in the gross profit following the 32.9% hike in the operating profit.

OPERATING RESULTS

Operating revenues

During January - September 2015 YoY, the evolution of the operating activity and transported quantities, is as follows:

Indicator	Achieved January 1 st - September 30 th , 2015	Achieved January 1 st - September 30 th , 2014	▲ Achieved 9 months 2015/2014
[RON]			
Transport services			
Transported Quantities - tons, out of which:	5,296,983	4,912,381	▲ 7.8%
Domestic Subsystem - tons	2,935,928	2,982,430	▼ 1.6%
Import Subsystem- tons	2,361,055	1,929,951	▲ 22.3%
Transport Revenues - Ron, o/w:	283,792,930	280,526,687	▲ 1.2%
Domestic Subsystem	232,554,396	237,169,485	▼ 1.9%
Import Subsystem	51,238,534	43,357,202	▲ 18.2%
Rental income	1,870,888	1,423,754	▲ 31.4%
Other operating revenues, o/w:	22,791,546	20,359,348	▲ 11.9%
Write-back of modernization quota	21,549,025	18,897,032	▲ 14.0%
Income from sale of assets	401,209	761,363	▼ 47.3%
Other revenues	841,312	700,953	▲ 20.0%

Total operating revenues	308,455,364	302,309,789	▲ 2.0%
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During January - September 2015 YoY, the transport revenues recorded an increase amounting to 3,266 thousand RON (1.2%), mainly due to the increase, by 385 thousand tons, of the transported quantities, but also to the augmentation of the import crude oil transport tariff starting February 3, 2015.

The revenues on the crude oil, rich gas and condensate transport services account for 92% in 2015 and 92.7% in 2014 in the company's total operating revenues.

During 01.01 – 30.09.2015, have been achieved other revenues from the operating activity, 2,432 thousand RON higher (12%) YoY. The increase was made out of the modernization quota revenues (write-back of the amortization registered for the tangible assets financed from the modernization quota).

Operating Expenses

As compared to the Revenues and Expenditure Budget, the total operating expenses during January-September 2015, are as follows:

Indicator	Achieved January 1 st - September 30 th , 2015	REB January 1 st - September 30 th , 2015	▲ Achieved/ REB 9 months 2015
Material expenses, o/w:	5,554,982	7,735,203	▼ 28.2%
- <i>Expenses for consumables</i>	2,291,085	3,253,932	▼ 29.6%
- <i>Fuel expenses</i>	1,720,294	2,248,944	▼ 23.5%
<i>Other outside expenses (with energy and water)</i>	7,422,008	8,638,060	▼ 14.1%
Personnel expenses, o/w:	79,038,134	80,712,653	▼ 2.1%
- <i>Salary expenses</i>	51,486,874	51,572,051	▼ 0.2%
- <i>Expenses related to the social security insurance contributions and other legal requirements</i>	15,851,394	16,004,544	▼ 1.0%
- <i>Other personnel expenses</i>	11,699,866	13,136,058	▼ 10.9%
Tangible and intangible assets depreciation related expenses	36,297,191	34,277,631	▲ 5.9%
Outside services expenses, out of which:	81,197,207	87,167,202	▼ 6.8%
- <i>Maintenance (Maintenance, current and capital repairs) expenses</i>	1,948,866	2,710,519	▼ 28.1%
- <i>Crude oil rail transport expenses</i>	46,755,613	47,726,597	▼ 2.0%
- <i>Decontamination expenses</i>	926,984	1,997,000	▼ 53.6%
- <i>Royalties</i>	21,689,102	21,545,031	▼ 0.7%
- <i>other third party services</i>	9,876,642	13,188,055	▼ 25.1%
Value adjustments on current assets	(563,327)	0	
Provisions adjustments	(7,795,876)	(9,590,122)	▼ 18.7%
Other operating expenses, out of which:	49,326,557	51,363,470	▼ 4.0%
- <i>modernization quota expenses</i>	44,690,312	44,804,188	▼ 0.3%
Total operating expenses	250,476,876	260,304,097	▼ 3.8%

The evolution of the total operating expenses during January - September 2015 YoY, is as follows:

Indicator	Achieved January 1 st - September 30 th , 2015	Achieved January 1 st - September 30 th , 2014	▲ Achieved 9 months 2015/2014
[RON]			
Material expenses, o/w:	5,554,982	5,442,120	▲ 2.1%
-Expenses for consumables	2,291,085	2,823,020	▼ 18.8%
-Fuel expenses	1,720,294	2,138,396	▼ 19.6%
Other outside expenses (with energy and water)	7,422,008	7,938,941	▼ 6.5%
Personnel expenses, o/w:	79,038,134	72,247,039	▲ 9.4%
-Salary expenses	51,486,874	49,209,061	▲ 4.6%
-Expenses related to the social security insurance contributions and other legal requirements	15,851,394	14,896,573	▲ 6.4%
-Other personnel expenses	11,699,866	8,141,405	▲ 43.7%
Tangible and intangible assets depreciation related expenses	36,297,191	35,179,486	▲ 3.2%
Outside services expenses, o/w:	81,197,207	88,687,284	▼ 8.4%
-Maintenance (Maintenance, current and capital repairs) expenses	1,948,866	1,930,675	▲ 0.9%
-Crude oil rail transport expenses	46,755,613	55,457,919	▼ 15.7%
-Decontamination expenses	926,984	1,031,388	▼ 10.1%
- Royalties	21,689,102	21,252,866	▲ 2.1%
-other third party services	9,876,642	9,014,436	▲ 9.6%
Value adjustments on current assets	(563,327)	(404,259)	▲ 39.3%
Provisions adjustments	(7,795,876)	(4,715,605)	▲ 65.3%
Other operating expenses, o/w:	49,326,557	46,874,046	▲ 5.2%
-modernization quota expenses	44,690,312	43,357,022	▲ 3.1%
Total operating expenses	250,476,876	251,249,052	▼ 0.3%

The operating expenses achieved during 01.01.2015 - 30.09.2015 are in amount of 250.5 million RON and account for 96.2% of the approved budget.

Have been recorded overruns of the budgeted figures related to fixed assets amortization expenses, resulted from the reevaluation of the tangible assets and to the royalty payable for the additional transport revenues.

The value of the operating expenses decreased by 0.3% during 01.01.2015 - 30.09.2015 as opposed to 2014, mainly due to the diminution of the expenses incurred by decontamination works, rail transport.

During 01.01.2015 - 30.09.2015 YoY have been recorded overruns, namely: the material expenses (2.07%) mainly, of the expenses on protection equipment; the personnel expenses (9.4%) following the increase of the basic salary starting July 2014 (indexed on average by almost 2.5%), out of the employees' share of profit over the level registered last year, awarding of the facultative pension (Pillar III), starting October 2014.

Result of the activity	September 30 th , 2015	September 30 th , 2014	▲ Achieved 9 month 2015/2014
Operating Profit	57,978,488	51,060,737	▲ 13.5%
Financial Profit	4,537,582	7,152,328	▼ 36.6%
Gross Profit	62,516,070	58,213,065	▲ 7.4%
Income Tax	10,505,769	10,259,314	▲ 2.4%
Net profit for the year	52,010,301	47,953,751	▲ 8.5%

The favorable evolution of the revenues and expenses during January - September 2015 triggered a 7.4% YoY hike of the gross profit. The rise in gross profit was possible due to the increase, by 13.5%, of the operating activity.

**c) The cash flow statement during 01.01.2015 - 30.09.2015
(direct method)**

	Name of the element	01.01.2015- 30.09.2015	01.01.2014- 30.09.2014
Cash flows from operating activities:			
+	Cash collections from customers	304,719,390	308,880,355
+	Other collections	5,566,842	5,287,597
-	Payments to goods and services suppliers	106,513,766	104,255,804
-	Payments to and on behalf of the employees	80,137,825	73,736,483
-	VAT payments	45,285,062	43,800,335
-	Income tax related payments	9,379,731	8,473,294
-	Other payments for operating activities	32,807,419	27,844,790
A	Net cash from operating activities	36,162,429	56,057,246
Cash flows from investment activities:			
+	Proceeds from sale of tangible assets	401,209	761,363
+	Proceeds from modernization quota	44,690,312	43,357,022
-	Payments for purchase of tangible assets	22,956,900	22,248,359
-	Payments for interest, financing fees, differences in the exchange rate	0	0
-	Reimbursements of certain loans	0	0
B	Net cash from investment activities	22,134,621	21,870,026
Cash flows from financing activities			
+	Proceeds from short-term financial investments	6,640,800	0
+	Proceeds from interests related to banking investments	3,946,037	7,001,421
+	Proceeds from other financial income	4,883	535,473
-	Payments on short-term financial investments	259,979,356	0
-	Dividends paid	46,186,031	28,803,503
C	Net cash from financing activities	-295,573,667	-21,266,609
<i>Net increase of the cash and cash equivalents=A+B+C=D2-D1</i>		-237,276,617	56,660,663
D1	Cash and cash equivalents at the beginning of the period	342,967,828	256,564,674
D2	Cash and cash equivalents at the end of the period	105,691,211	313,225,337



	<i>Government securities in the form of government bonds and treasury bills</i>	253,338,556	0
	Total cash at the end of the period	359,029,766	313,225,337

CONPET business generates stable and visible cash flows.

The decrease in cash and cash equivalents at 30.09.2015 YoY is due to placements in short-term investments (acquisition of government securities in the form of treasury bills and government bonds), mentioned in the end of the cash flow statement.

The net cash from **operating activities** records a diminution during 01.01. - 30.09.2015 (64.5%YoY), on the one hand, due to a fall in proceeds on the reported period, due to the receipt from OMV Petrom S.A., within the month of December 2014, of payments related to transport invoices with maturity in 2015 and on the other hand, due to the augmentation of the value of the payments made to goods and services suppliers (due to the amendment, from 60 days, to 30 days, of the payment deadline of the invoices on the services supplied under the contract concluded with SNTFM CFR MARFA S.A.) and rise in payments made to the employees following the awarding of the amounts as share of profit.

As concerns the net cash from **investment activities**, we hereby observe that the values registered at the end of the two reviewed periods are positive, nevertheless describing a slightly ascending trend in 2015.

As regards the net cash from **financing activities**, both periods recorded deficit, triggered, during 01.01 - 30.09.2015, by the acquisition of government securities in the form of treasury bills and government bonds (due in 2016), and by the payment of dividends related to 2014, and during 01.01 - 30.09.2014 by the payments of dividends related to 2013, as compared to the proceeds resulted mainly from the negotiated interests on the short-term deposits made and collection of the anniversary coupon bond on government securities.

Moreover, in 2015, the capital market interests continued the ascending trend, which determined the diminution of the company's proceeds obtained from cash investments.

OVERVIEW OF THE COMPANY BUSINESS

a) Operating Data

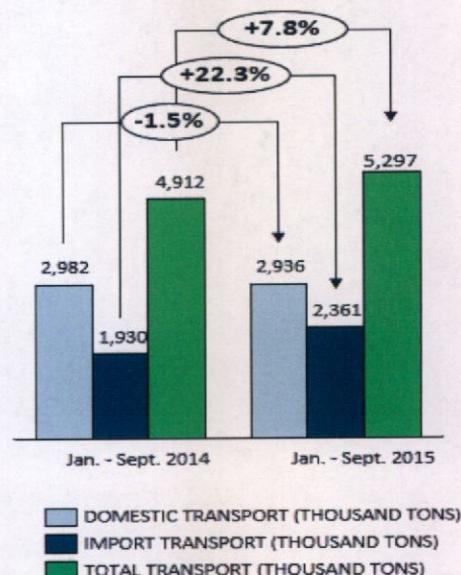
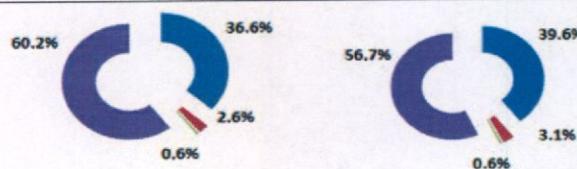
Transported Quantities

Transport Subsystems	Achieved 30.09.2015	REB 30.09.2015	Achieved/ REB 30.09.2015	Achieved 30.09.2014	Achieved 30.09.2015/ 2014
- thousand tons -					
Domestic Sub-system	2,935.9	2,995.3	98.0%	2,982.4	98.4%
Import Sub-system	2,361.1	1,663.7	141.9%	1,929.9	122.3%
Total:	5,296.9	4,659.1	113.7%	4,912.4	107.8%

TRANSPORTED QUANTITIES ON THE DOMESTIC AND IMPORT SUB-SYSTEMS DURING JANUARY – SEPTEMBER 2015

JANUARY - SEPTEMBER 2015 VS JANUARY - SEPTEMBER 2014

5,297 thousand tons TOTAL TRANSPORTED QUANTITIES		▲ 7.8%
55% SHARE OF THE DOMESTIC TRANSPORTED QUANTITIES IN TOTAL TRANSPORTED QUANTITIES		▼ 8.7%
45% SHARE OF THE IMPORTED VOLUMES IN TOTAL TRANSPORTED QUANTITIES		▲ 13.5%
Share of the crude oil and derivatives transport during Jan. - Sept. 2014	Share of the crude oil and derivatives transport during Jan. - Sept. 2015	



Legend:

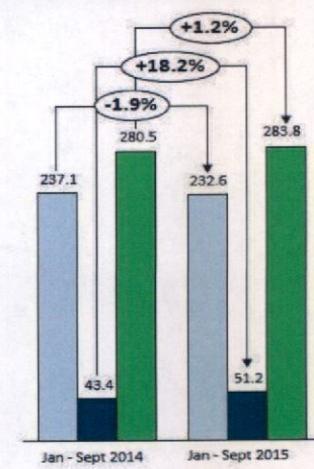
Blue - Imported crude, Red - Rich gas
Green - Condensate, Purple - Domestic crude

REVENUES INCURRED BY THE TRANSPORT ON THE DOMESTIC AND IMPORT SUB-SYSTEMS DURING JANUARY - SEPTEMBER 2015 VS. JANUARY - SEPTEMBER 2014

283.8 mRON	▲ 1.2%
TOTAL TRANSPORT REVENUES	
232.6 mRON	▼ 1.9%
DOMESTIC TRANSPORT REVENUES	
51.2 mRON	▲ 18.2%
IMPORT TRANSPORT REVENUES	
82%	▼ 3.1%
SHARE OF THE DOMESTIC TRANSPORT REVENUES IN TOTAL TRANSPORT REVENUES	
18%	▲ 16.7%
SHARE OF THE IMPORT TRANSPORT REVENUES IN TOTAL TRANSPORT REVENUES	

The transport revenues increased as a result of:

- Increase, by 22.3%, of the transported volumes on the import sub-system;
- Rise, by 9.9%, of the transport tariff for the import sub-system, in February 2015;



Legend:
Domestic Transport (mRON) - Blue
Import Transport (mRON) - Dark Blue
Total Transport (mRON) - Green

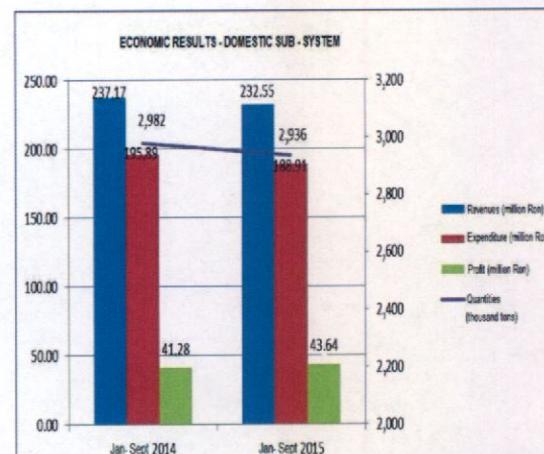
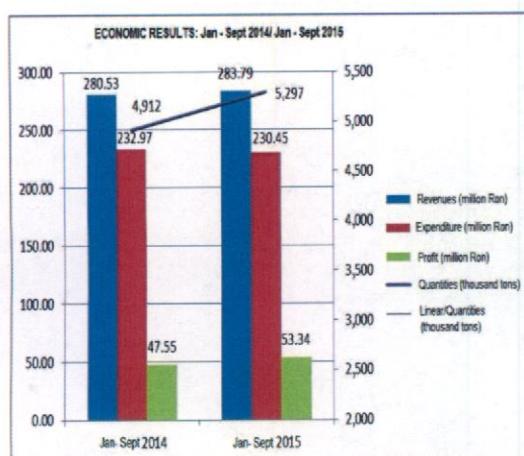
PROFITABILITY OF THE TRANSPORT SUB-SYSTEMS

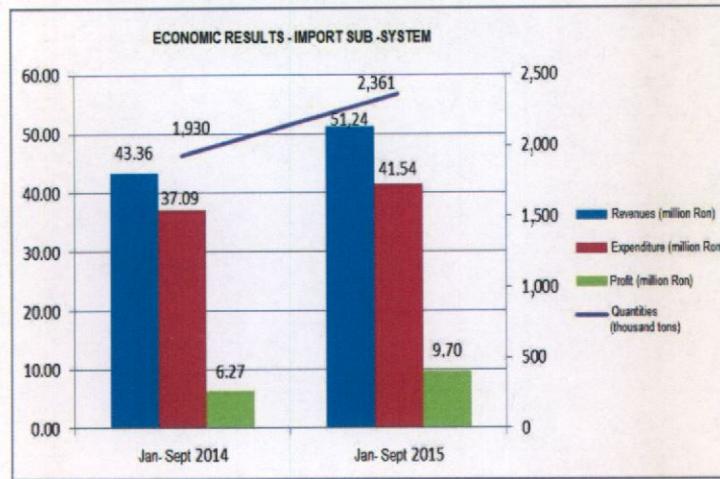
On 30.09.2015 YoY, the profitability according to transport sub-systems, is as follows:

INDICATOR	MU	DOMESTIC SUB-SYSTEM			IMPORT SUB-SYSTEM			TOTAL		
		Achieved			Achieved			Achieved		
		2015	2014	Δ	2015	2014	Δ	2015	2014	Δ
Transport revenues	Million RON	232.55	237.17	▼1.95	51.24	43.36	▲18.18	283.79	280.53	▲1.16
Related expenses	Million RON	188.91	195.89	▼3.56	41.54	37.09	▲12.01	230.45	232.97	▼1.08
Profit/(loss)	Million RON	43.64	41.28	▲5.71	9.70	6.27	▲54.65	53.34	47.55	▲12.17
Quantity	Thousand tons	2,935.93	2,982.43	▼1.56	2,361.06	1,929.95	▲22.34	5,296.98	4,912.38	▲7.83
Revenue/ton	RON/ton	79.21	79.52	▼0.39	21.70	22.47	▼8.55	53.58	57.11	▼6.18
Cost/ton	RON/ton	64.34	65.68	▼2.03	17.60	19.22	▼23.04	43.51	47.43	▼8.26
Profit/(loss)/ton	RON/ton	14.87	13.84	▲7.39	4.11	3.25	▲26.41	10.07	9.68	▲4.02
Profit/(loss) margin	Δ	18.77	17.41	▲7.81	18.92	14.46	▲30.86	18.79	16.95	▲10.88

The revenues per transported ton related to the transport activity on the domestic sub-system registered a decrease by 0.39% YoY, being mainly due to the reduction of the transported quantities, by 1.56% (46.5 thousand tons).

The transport activity on the import sub-system generated an 8.55% Y/Y lower revenue per transported ton. The quantity's growth rate (22.34%) frontloaded the increase in revenues (18.18%), whereas the additionally transported quantities were made for Petromidia refinery (388.18 thousand tons), in which case the average transport tariff is 7.85 Lei/ton, below the level of the average tariff on the import crude oil transport tariff at company level, which is 25.45 RON/ton.





Elements bearing Impact on Revenues

Tariffs Evolution

The transport tariff on the crude oil, rich gas, condensate and liquid ethane National Pipeline Transport System are being set pursuant to the Order of the President of the National Agency for Mineral Resources and enters into force at the publishing date thereof in the Official Gazette of Romania. The methodology for the settlement of the crude oil transport tariffs through the crude oil, rich gas, condensate and ethane National Transport System is being regulated by NAMR pursuant to Order no. 53/2008.

The transport tariff is differentiated according to the two transport sub-systems (domestic and import). The tariffs approved by the National Agency for Mineral Resources for the servicing of domestic crude oil, rich gas and condensate, related to the period 01.01.2013-30.09.2015, are as follows:

Average tariff for the transport on the domestic sub-system -Lei/ton-

• Order no.150/2012 for the period 05.06.2012 - 10.12.2013	74.58
• Order no.199/2013 for the period 11.12.2013 - to date	78.64

The tariffs on the transport of the imported crude oil are those set by NAMR pursuant to Order no. 12/29.01.2015, starting February 2015. The tariffs are being charged differently, per refineries, per transported quantities interval, being applied the tariff bracket system, as follows:

	Ploiești Basin		Petromidia	
Quantities (tons)	Tariff as per NAMR Order no. 13/ 14.01.2010, Official Gazette of Romania no. 42/19.01.2010	Tariff as per NAMR Order no. 12/ 29.01.2015, Official Gazette of Romania no. 90/03.02.2015	Tariff as per NAMR Order no. 13/ 14.01.2010, Official Gazette of Romania no. 42/19.01.2010	Tariff as per NAMR Order no. 12/ 29.01.2015, Official Gazette of Romania no. 90/03.02.2015
0 – 60 000	25.42	28.03	6.5	7.85

60 001-100 000	24.73	27.27	5.95	7.19
100 001-150 000	23.74	26.18	5.44	6.57
>150 000	20.91	23.06	3.79	4.58

b) Capital Expenditure (Investments)

CONPET investment projects are primarily aiming at boosting efficiency of the transport activity. The investments are financed from own sources, namely: the modernization quota (for the modernization of the assets belonging to public domain and new investments) and other own sources.

The synthesis of the investments, per types of works and appurtenance of the assets, performed within the first 9 months of 2015, as compared to the program for the same period and to total 2015, is as follows:

Crt. No.	Name of the objective	2015 revised programme	2015 cummulative 9 months		
			Programmed	Achieved	%
	Total general, o/w:	51,912	27,702	23,426	85%
I	PUBLIC DOMAIN	37,528	20,315	16,591	82%
1	Pipeline rehabilitation, out of which:	22,018	11,194	8,624	77%
1,1	Pipeline replacement	19,280	10,041	7,817	78%
1,2	Safe Disposals	2,738	1,153	807	70%
2	Modernization and monitoring of the cathodic protection system at central and sectoral level, related to Ticleni-Ploiesti, Line 1 and Line 2 crude oil transport pipelines	4,500	1,880	401	21%
3	Modernization and monitoring of the cathodic protection system related to the domestic and import National Transport System	811	211	216	103%
4	Pilot system for detection and location of product leaks from the crude oil major pipelines system Videle - Cartojani - Ploiesti	100	0,00	0,00	-
5	Technical Consulting and Assistance	50	0,00	0,00	-
6	Tanks	1,031	282	92	33%
7	Fire Prevention and Extinction (Rom. PSI) installation	250	250	240	96%
8	Electric power feed	789	389	390	100%
9	Telecommunication works	385	385	383	99%
10	Pumping systems modernization	888	468	149	32%
11	Modernization of rail tanks weighing systems	1,560	760	1,554	-
12	Ramp modernization	111	1	0,42	42%
13	Stations' buildings and fencing	7	7	2	28%
14	Other investment objectives	4,938	4,473	4,539	101%
15	Projects, Studies, Technical Appraisals	90	15	0	0%
II	OPERATING AREA	14,384	7,387	6,835	93%

	Investment objectives, out of which:	8,084	3,401	3,431	101%
1	Pipeline rehabilitation	1,005	548	777	142%
2	Water feeds	461	361	360	100%
3	Electric power feed	896	711	769	108%
4	Station heating systems	53	13	25	-
5	Fire Prevention and Extinguishing (Rom. PSI) installation	110	110	106	97%
6	Stations buildings and fencing	679	319	280	88%
7	LDH and railway tanks	1,348	494	750	-
8	Other works	1,072	661	360	55%
9	Non-tangible investments	2,460	184,00	4	2%
	Independent Facility and Equipment	6,300	3,986,00	3,404	85%

The Investments made within the first 9 months of 2015 amount to 23,426 thousand RON, out of which, by source of financing:

- Other sources (the modernization quota) - 15,789 thousand RON ;
- Own sources (profit) – 7,637 thousand RON.

The investments program considered:

- The continuation of the works for the rehabilitation of the major pipelines for crude oil and rich gas transport;
- Investment works on the installation, equipment and ancillary facilities related to the national transport system, out of which, the most significant:
 - Modernization of 11 measuring skids by way of an upgrade to the sampling system;
 - Modernization of Imeci Fire Prevention and Extinguishing (Rom. PSI);
 - Modernization and monitoring of the cathodic protection system at central and sectorial level, related to Ticleni-Ploiești, Line 1 and Line 2 crude oil transport pipelines;
 - Modernization and monitoring of the cathodic protection system related to the domestic and import National Transport System;
 - SCADA Upgrade;
 - Procurement of equipment for the modernization of CONPET hardware and software infrastructure.

The commissionings achieved within the first 9 months of 2015 amounted to 28,359 thousand RON, out of which, by sources of financing :

- 18,319 thousand RON from other sources;
- 10,040 thousand RON from own sources-profit;

and according to the works, as follows:

- Rehabilitation of Orlești road and drains for the run-off of rain water;
- Biled fencing;
- Rehabilitation of Călăreți R2 tank;
- Modernization of Salonta building;
- Modernization of Pecica ramp;
- Rehabilitation of Mislea fencing;
- Modernization of Urlați building gate;
- Modernization of CONPET multiplexor system, telecommunication system;
- Video call system;
- Poiana Lacului and Cireșu water feed;
- Replacement crude oil pipeline Ø 12 3/4" Cartojani-Ploiești, in Sf. Gheorghe village area, Crevedia Mare commune, Giurgiu County, on a length of 550 m;
- Modernization of Bărăganu premises;
- Sampling System;



- Replacement crude oil pipelines Ø 12", 14" Cartojani-Ploiești, in Crivat river area, Cornești-Cătunu locality (2x0,3km), L=0,3km each;
- Modernization of microwave radio relay lines + introduction of Cireșu location in the telecommunication system-IInd Floor;
- Audio-call system;
- Crude oil pipeline Ø 6 5/8" Ochiuri -Moreni, Valea lui Șerb area, over a length of 1.300 m
- R4 tank Cireșu;
- Modernization of the pumps' monitoring and vibration system in Orlești station;
- Modernization of uninterrupted power stations - UPS telecommunication system sites
- PR railway tank 193-3, 444-0, 430-9, 447-3, 429-1, 441-6, 445-7;
- Modernization of Imeci Fire Prevention and Extinguishing installation
- Intrusion detection alarm systems with perimetral detection in Bărăganu, Siliște și Călăreți stations;
- 5/8" Teiș-Moreni pipeline, in Tuicanu area, approximately 800 m in length;
- LDH 86 0093-9 and 81 0860-2;
- Modernization of exterior illumination equipment at Siliște station;
- Replacement of crude oil pipeline 5 9/16" Ghelința warehouse- Imeci ramp, undercrossing Ghelința-Hilid road- Sohodol river, L=3km;
- Right river bank defence works, by way of gabions, in case of Agi Cabul river crossing by the crude transport pipelines in Cuza Voda area, Constanța county;
- Crude pipeline Ø 4 1/2" Grindu-Urziceni, in Garbovi area, about 2700m;
- Replacement crude oil pipeline Ø 4" Recea-Mislea, around Mislea locality, from Mislea station to Recea station, L=3 km;
- Modernization of the installation for the use of natural gas in Călăreți station;
- Drains rehabilitation in Berca ramp;
- Modernization of the railway tank weighing system Berca Ramp;
- 10 3/4" Potlogi - Gaiseni pipeline, Carpenis area, Giurgiu county, L=1000 m
- Replacement of rich gas transport pipeline Ø 4" degasolination Abramut - Marghita Ramp, around the dewatering of Baranca river 2400 m and replacement of the crude pipeline Petrești warehouse - Marghita Ramp Ø 4" on a length of about 2500 m,
- Replacement of crude oil pipeline Ø 12 3/4" and Ø 14"Cartojani-Ploiești, Ilfovăt river under-crossing;
- Non-tangible investments;
- Independent Facility and Equipment.

Economic - Financial Indicators

Name of the indicator	Calculation Formula	January – September 2015	January – September 2014
1. Current liquidity Indicator	Current assets / Current debts	8.43	7.07
2. Debt ratio indicator (%)	Borrowed capital / Equity x 100	0.00	0.00
	Borrowed capital / Employed capital x 100	0.00	0.00
3. Rotation speed of the clients' debts (days)	Average balance clients / Turnover x 365 zile	32	36
4. Rotation speed of the fixed assets (no. of times)	Turnover/fixed assets	0.71	0.70

The Current Liquidity Indicator measures the company's ability to pay off one's short-term liabilities. The obtained 8.43 value exceeds the recommended and acceptable value which approximates 2. The indicator evolution reflects the company's keen ability to cover the current liabilities by the current assets.

The Debt ratio indicator, calculated in relation to both equity and employed capital, expresses the effectiveness of the credit risk management. The value of this indicator is zero, the company has no average and long-term loans.

Rotation speed of the clients' debts expresses the company effectiveness in collecting its claims. The indicator knew a decreasing trend, being materialised in the collection of receivables in 32 days.

The Rotation speed of the fixed assets assesses the effectiveness of the fixed assets activity by reviewing the turnover value generated by a certain amount of fixed assets. The level of this indicator is 0,71 rotations at 2015 level.

Significant Events

Within the first nine months of 2015, at Company level took place a series of significant events, as follows:

- Starting January 5, 2015, Bucharest Stock Exchange applied a new market segmentation and CONPET shares have been included to Category Premium;
- The approval of the transport tariff on the import subsystem pursuant to NAMR Order no. 12/19.01.2015 published in the Official Gazette of Romania no. 90 dated 03.02.2015.
- On 22.04.2015, pursuant to GD no. 270 (published in the Official Gazette of Romania no. 293/29.04.2015) was approved the Company's Revenues and Expenditure Budget.
- **General Meetings of Shareholders**

On April 28, 2015 took place the General Meeting of Shareholders, where have been approved:

- The annual financial statements for 2014FY, as well as the 2014 Annual Report on the economic-financial activity of CONPET and the profit distribution;

OGMS Decision no.3 dated 10.06.2015 approves:

- CONPET's Revenues and Expenditure Budget for 2015 financial year;
- The performance objectives and indicators of the Board of Administration, namely the annexes 1 and 1.1 to the administration contracts;

The EGMS Decision no. 2 dated 10.06.2015 approves:

- The initiation of the procedure for the augmentation of the share capital of the company by the value of the 47 lands for which have been obtained Land Ownership Certificates,

The OGMS Decision no. 4 din dated 14.09.2015 approves:

- Procurement of legal assistance and representation services in the file no. 5216/204/2008*/ pending before Ploiești Court of Appeal;
- Level of subcomponent 2 of the variable component for the non-executive administrators.



Other Aspects

Litigations

The outstanding disputes the company is involved in, are exposed below:

- **File no. 5555/2/2014 – The High Court of Cassation and Justice (on the merits, placed on the docket for legal action, by the initial number 33317/3/2007)**

Parties: Authority for State Assets' Recovery (Rom. AVAS), Ministry of Economy, Trade and Business Environment (Office of State Ownership and Privatization in Industry) (Rom. MECMA (OPSPI) – acting as Plaintiff;

CONPET S.A., Fondul Proprietatea S.A., The Independent Registry Regisco S.A., Romanian Securities Commission - acting as Defendants;

Scope of the request: Action for the recovery of posession of a number of 524,366 shares out of the share capital of CONPET S.A.

Clarifications: Pursuant to decision no. 118/30.01.2015, the Court of Appeal Bucuresti leaves to the appeal declared by the Appellant - Plaintiffs Department for Energy within the Ministry of Economy and the Ministry of Economy acting as successor in title of the Ministry of Economy, Trade and Business Environment, grants the request formulated by the Appellant - Plaintiffs Department for Energy within the Ministry of Economy and the Ministry of Economy acting as successor in title of the Ministry of Economy, Trade and Business Environment, in opposition to the Defendant Fondul Proprietatea S.A.. Admits the property right of the Plaintiff Ministry of Economy over 524,366 CONPET S.A. shares. Obliges the defendants to pay all due diligence for the entry thereof be made in the Shareholders' Registry. The Department for Energy within the Ministry of Economy and Fondul Proprietatea SA filed for appeal.

Trial date: 02.02.2016

- **File no. 2378/105/2009 - Prahova Law Court**

Parties: Cojocaru Irinel - plaintiff

Conpet S.A. - defendant

Scope of the request: Action for the recovery of posession of the land in surface of 2500 m², located in Ploiesti, Rezervoarelor street

Procedural Status of the case: on the merits

Trial Date: 18.11.2015

- **File no. 6544/105/2011* - Prahova Law Court**

Parties: Conpet S.A. - defendant

ICIM S.A. - defendant

E.T.H. Arhitectural Systeme S.R.L. by the legal liquidator Societatea Dascalescu & Co – Plaintiff

Scope of the request: Claims, the amount subject to dispute: 1,146,784.7 RON to which are being added liquidated- damages (penalties /interests)

Procedural Status of the case: on the merits

Trial Date: 02.12.2015

- **File no. 2037/204/2011 – Prahova Law Court**

Parties: Conpet S.A. – defendant reconvenient

Zabava Traian – plaintiff defendant

Zabava Iuliana - plaintiff defendant

Ministry of Public Finances - D.G.F.P. PRAHOVA – impleader

ANRM - impleader

Filipestii de Targ commune represented by the Mayor - impleader

Ministry of Public Finances - Intervener

ANRM – Intervener

Scope of the request: Claims amounting to 26,959 RON exchange value for the prejudice and 15,408 RON annuity as per the expert appraisal.



Clarifications: By way of the civil sentence no. 833/02.03.2015, Câmpina District Court ordered CONPET to pay to the plaintiffs:

- 15,408 RON as exchange value for the lack of land use during 2010-2011;
- 26,959 RON as exchange value for the prejudice incurred by the plaintiffs;
- 1,836 RON representing annuity for the 103 m² right of way to the land held by plaintiff-defendants;
- legal interests to the amounts awarded to the plaintiffs as of the filing date of the action, 14.04.2011, up to the effective date of payment;
- 4,600 RON court charges.

Câmpina District Court ordered the plaintiffs:

- to remove the construction made over the oil products pipelines.

Establishes legal right of way in favor of Conpet SA, in surface of 103 m².

Admits the impleader request formulated by CONPET, against third-party Filipeștii de Târg Commune by the Mayor and consequently, orders the impleaded Filipeștii de Târg Commune by Mayor to pay to CONPET the amount of 26,959 RON representing exchange value for the prejudice incurred by the plaintiffs due to the failure to achieve the objective living house, CONPET being ordered to pay this amount to the plaintiffs.

Orders CONPET to pay to the State the amount of 1,931.06 RON representing the amount for which the plaintiffs benefitted from public legal aid as per the admitted claims and the remaining 3,055.55 RON representing aid they benefitted from is borne by the State.

Obliges the impleader Filipeștii de Târg Commune by Mayor to the payment of 1,433.77 RON to CONPET, representing legal expenses that cover the legal stamp duty CONPET is ordered to pay to the State according to the public legal aid admitted to the plaintiff.

CONPET and Filipeștii de Târg Commune by Mayor challenged by appeal.

The Ministry of Public Finances - PRAHOVA General Directorate for Public Finances (Rom. D.G.F.P. PRAHOVA formulated a request for clarification of the operative part of the judgement, admitted by Campina District Court pursuant to the issued Court resolution no. 22.04.2015, ordering the elimination from the operative part of the Civil Sentence no. 833/02.03.2015 passed in relation to the file no. 2037/204/2011, of the instance provision regarding: „Partially admits the stated action in opposition to the impleaders Ministry of Public Finances and NAMR and in opposition to the interveners: Ministry of Public Finances and NAMR. This Court Resolution will be attached to the Judgement both in the case file and in the Court's Judgement Record. Right of appeal within 15 days as of the communication thereof.

Procedural Status of the case: pursuant to Judgement no. 451/21.10.2015, Prahova Law Court dismissed, as unfounded, the appeals formulated by the appellant-defendant CONPET and the appellant impleader Filipeștii de Târg Commune by Mayor. Orders the appellants to jointly and severally pay to the appellee Zabava Traian 3,000 RON as legal expenses. Irrevocable.

➤ **File no. 2785/105/2008 – Ploiești District Court**

Parties : Edizol S.A. – plaintiff

Conpet S.A. – defendant

Scope: Claims, amounts subject to dispute: 95,572 RON and furtheron 31,824 RON/year

Procedural Status of the case: on the merits

Clarifications: Action dismissed. The Judgement may be challenged by appeal following communication thereof.

➤ **File no. 5519/315/2013 - Târgoviște District Court**

Parties: CONPET S.A. - defendant;

Popescu Floarea - plaintiff;

Scope: Claims amounting to 114,376 RON and annuity;

Procedural Status of the case: pursuant to the Civil Sentence no. 3506/15/10.2015, Târgoviște District Court ordered CONPET to pay the plaintiffs:

- 425 RON, representing exchange value for the lucerne harvest on the 241 sq.m. plot, during 2011 - 2015;
- 17,247.51 RON representing exchange value for the lack of use of the 437 sq.m. land, in view of building a real - estate property - construction;



- 85 RON annuity for the 241 sq.m. land, starting 2016;
- 1,388.62 RON representing legal expenses;

Târgoviște District Court ordered the plaintiff:

- To ease CONPET access on the 241 sq.m passage identified by way of the appraisal report.

Right of appeal within 30 days as of the communication.

➤ **File no. 4317/105/2014 - Prahova Law Court**

Parties: Conpet S.A. - Plaintiff

Ploiești city - Department of Local Public Finances - defendant

Scope: CONPET brings the action before the administrative court asking the Court to include in the judgement to pass, the followings: - cancellation of the Decision no. 259/07.05.2014 issued by Ploiești city - the Department of Local Public Finances whereupon has been dismissed the challenge filed by CONPET against the Notice of Assessment no. 22271/26.02.2014 and Fiscal Audit Report no. 22271/26.02.2014; - partial annulment of Notice of Assessment no. 22271/26.02.2014, as well as of the subsequent deeds, respectively of the ascertainment of the Fiscal Audit Report, having as consequence the exemption from the payment of the 770,966 RON representing additional fiscal liabilities and of the amount of 712,065 RON representing accessory liabilities related to the core liability.

Procedural Status of the case: on the merits

Trial Date: 07.12.2015

Shareholding Structure

The shareholding structure at the reference date: 06.10.2015 is the following:

Name of the Shareholder	No. of shares	%
THE ROMANIAN STATE BY THE MINISTRY OF ENERGY, SMALL AND MEDIUM ENTERPRISES AND BUSINESS ENVIRONMENT, BUCHAREST, District 6	5,083,372	58.7162
Legal Persons	2,893,166	33.4179
Natural Persons	680,990	7.8659
TOTAL	8,657,528	100

The Extraordinary General Meeting of Shareholders dated 10.06.2015 approved the initiation of the procedure to increase the share capital of CONPET S.A. by the value of the 47 lands for which have been obtained Land Ownership Certificates, as well as the formulation of a request to the Trade Register Office attached to Prahova Law Court for the appointment of an expert appraisal, under the provisions of Articles 38 and 39 of the Law 31/1990 regarding the companies, republished, further amendments and additions, to draft the report appraisal of the equity in kind represented by the 47 lands.

For the pursuit of the GMS Resolution, the company submitted, to the Trade Register Office attached to Prahova Law Court, the request for the appointment of the expert appraiser that is to set the value of the goods for the augmentation of the share capital;

CONPET S.A. Ploiești concluded, with the appraiser appointed by the Trade Register Office, within the month of September, the service supply contract, regarding the appraisal of the lands in view of augmenting the share capital, the completion deadline being October 2015.

PRESENTATION LIST OF THE EXECUTIVE MANAGEMENT MEMBERS

In compliance with the organizational structure approved pursuant to the BoA Resolution no. 12/24.07.2014, during 01.01.2015 - 30.09.2015, the executive management of CONPET S.A. had the following composition:

Ilași Liviu	Director General
Ionescu Gheorghe	Director, Operations Direction
Toader Sanda	Director, Economic Direction
Niculae Daniel	Director, Critical Infrastructure Protection Direction
Dumitrache Anamaria	Director, Corporate Management Direction
Zoican Liviu Aurel	Manager, Production Department
Antonescu Valentin Leonard	Deputy Manager, Production Department
Beldiman Ion*	Manager, Maintenance Department*
Buzatu Dan	Manager, IT-Telecommunications-SCADA Department
Curteanu Veronica	Manager, Financial Department
Albu George Radu	Manager, Procurement and Investments Management Department

*Up to 15.07.2015, the "Maintenance Department Manager" position was filled by Mr. Istrate Marius, who, as of the above mentioned date, requested to be moved to an execution position.

Cases of non-Compliance of the Financial Obligations

n/a

Amendments to the Rights of the Shareholders

n/a

Other Amendments in the Company

The Board of Administration has the following composition:

Non-executive administrators:

- Mr. Dan Weiler - Chairman of the BoA;
- Mrs. Roxana-Elena Gheorghe - BoA Member;
- Mrs. Cristiana Chiriac - BoA Member;
- Mr. Lefter Răzvan Ștefan - BoA Member;
- Mr. Radu Bugică - BoA Member;
- Mr. Darius Dumitru Meșca - BoA Member

Executive Administrator:

- Mr. Liviu Ilași - BoA Member and General Director.

The Chairman of the Board of Administration was elected by the members of the Board of Administration pursuant to the BoA Decision no. 16 / 28.11.2013, as per the provisions of Art. 19 paragr. (3) of the Articles of Incorporation of the company.

Amendments to the Composition of the Board of Administration of the Company



- The renunciation of Mr. Dinu Dragoș - Lucian of the capacity of Board of Administration member, effective starting 29.09.2015, with effect on the termination of the administration contract concluded with CONPET S.A., under Article 36.7 of the contract;
- Appointment of Mr. Lefter Razvan Ștefan in the capacity of provisional non-executive administrator of CONPET S.A., starting 01.10.2015.
- The appointment of the non-executive provisional administrator is being made in compliance with the provisions of Article 137², Paragraph 1 of Law no. 31/1990 regarding the companies, republished, further amendments and completions, of Article 19 paragraph 4 of the Articles of Incorporation of CONPET S.A., taking account of the recommendation of the Nomination and Remuneration Committee. The non-executive provisional administrator is being nominated up to the next meeting of the Ordinary General Meeting of Shareholders that will be convened under the law.

Organizational Chart

The last amendment brought to the organizational chart was approved by the Board of Administration, during the meeting dated 21.01.2015 and considered the addition of the following structures: CONPET S.A. Canteens - headquarters I and Canteen - headquarters II, subordinated to the Administrative Service within the Procurement and Investments Management Department (the Economic Direction).

Significant Transactions

The Company performs trades related to the core business, as well to the auxiliary activities and also with companies where the State holds integral or majority stake herein.

The value of these transaction is detailed here-under:

	January 1st - September 30th 2015	January 1st - September 30th 2014
Sales	80,483	271,794
Procurement	66,411,746	62,367,342

The balances, at the end of the reporting periods, of the companies where the State holds integral or majority stake, are exposed below:

	January 1st - September 30th 2015	January 1st - September 30th 2014
Trade liabilities	7,449	8,652
Commercial debts	8,444,839	13,169,458

As concerns the trades with companies held by the State, during 01.01. - 30.09.2015, the 90% weight in the value of the procurement and 99% share in the total trade liabilities are held by SNTFM - CFR MARFA S.A..

OVERVIEW OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements related to 01.01.2015 - 30.09.2015 are not being audited and have been prepared in compliance with the Internal Financial Reporting Standards (IFRS) adopted by the European Union.

Chairman of the Board of Administration

Dan Weiler
S.s. Illegible
Stamp

General Director

Liviu Ilași
S.s. Illegible

Economic Director

Sanda Toader
S.s. Illegible



Annexes:

Status of the contracts for the procurement of works and goods with values exceeding 500,000 Euro, concluded during 01.01.2015-30.09.2015;

Status of the contracts for the procurement of services with values exceeding 100,000 Euro, concluded during 01.01.2015-30.09.2015;



STATUS OF THE CONTRACTS FOR THE PROCUREMENT OF WORKS AND GOODS WITH VALUES
EXCEEDING 500,000 EURO, CONCLUDED DURING 01.01.2015-30.09.2015

Name of the contractor	Scope of Contract	Name of Contract	Applied Procedure	Procurement	Name of the Beneficiary (if different from the contracting authority)	Number of the tender notice/invitation	Contract Value (in RON)	The contract value after the potential addenda (in RON)	Contract Commencement Date	Initially established contract duration (in months)	Final Contract Duration (in months)
S.C. GDF SUJUZ ENERGY ROMANIA S.A.	Natural gas supply for 27 consumption sites belonging to CONPET S.A. Ploiesti"	Tender - participation notice published on CONPET website (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)	P-CA 69/09.03.2015			48691 from 30.12.2014	3,311,756.13	3,311,756.13	01.04.2015	12	12



S.C. INSPECT S.A. Ploiești	Performance of replacement works on the crude oil import pipeline 28" Constanța- Bărăganu on 17 sections, totalling 10145 m in length, between Constanța and C1	L-CA 92/25.03.2 015	Tender - participation notice published on CONPET website (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)	47861 from 16.12.2014	13,909,663	13,909,663	15.04.2015 (location delivery)	24
			Fuel supply, via Petrom credit cards, in the Supplier's stations in Romania	P-CA 101/30.03. 2015	URG 2029 from 16.01.2015	4,394,250	01.04.2015	36
OMV PETROM MARKETING SRL Bucuresti			Tender - participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)					



DDVALUE GLOBAL CONSULTIN G SRL	Modernization and monitoring execution works on the cathodic protection system, at central and sectoral level, of Ticleni – Ploiești, Line 1, Line 2 crude transport pipelines	Tender - participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)	URG 2057/06.05. 2015	10,780,004.00	10,780,004.00	27.08.2015 (location delivery)	12	12
	Replacement of 24" Bărăganu – Călăreti crude oil import pipeline, 16179 meters total length, between Bărăganu and Călăreti pumping stations, on sections 1,2,3,4,6,7,8,9 ,10,11,13,14 and 5.1 (line 5 without the undercrossing of the National Road +railway)	Tender - participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)	L-CA 293/02.09. 2015	13,718,876.00	13,718,876.00	17.09.2015 (Location delivery)	24	24



General Director,
Eng. Liviu Ilăși
S.s. Illegible
Stamp

Economic Director
Econ. Sanda Toader
S.s. Illegible

Director of Procurement and Investment
Management Department
Eng. Radu Albu
S.s. Illegible



CONPET S.A. Ploiești

STATUS OF THE CONTRACTS FOR THE PROCUREMENT OF SERVICES WITH VALUES EXCEEDING 100,000 EURO, CONCLUDED DURING 01.01.2015 - 30.09.2015

Name of the Contractor	Scope of Contract	Name of Contract	Applied Procurement Procedure	Name of the Beneficiary (if different from the contracting authority)	Number of the tender notice/invitation	Contract Value (in RON)	Initial Value (in RON)	The value potential addenda (in RON)	Contract following addenda (in RON)	Commencement Date	Contract Duration (in months)	Initially established contract duration (in months)	Final Contract Duration (in months)
ABB SP Z.O.O. VARSOVIA	Design, supply, configuration, testing and installation of a SCADA System upgrade hard and Soft.	S-CA 53/24.02.2015	Tender-participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)	URG 1892 from 10.11.2014	2,900,000	2,900,000				24.02.2015	9	9	
The NATIONAL COMPANY OF RAIL FREIGHT TRANSPORT "CFR MARFA" S.A. București	Services of crude oil and rich gas rail transport, from the loading ramps to the destinations set out by CONPET.	S-CA 102/30.03.2015	Negotiation	11662 from 27.03.2015	255,128,496	255,128,496				01.04.2015	48	48	



THE COMPANY CAMELEON SECURITY SYSTEMS S.R.L., Bucureşti	Guard, protection and intervention services in relation to CONPET S.A. objectives, goods and values located at: Central Dispatch, Administrative headquarters II, Voinţa Sports Base, Strejnic Sports Base and Inoşteţi material warehouse	S-CA 211/05.06.2015	direct procurement - tender invitation published on CONPET website	11312/25.03.2015	1,024,955.52	1,024,955.52	08.06.2015	24	24
BRILLIANT TECHNOLOGIES SRL	Integrated System for GPS Satellite Supervision and Monitoring	S-CA 212/08.06.2015	Tender- participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)	46198/04.12.2014	602,640.00	602,640.00	01.10.2015	36	36
GDO MOV IMPEX SRL	LFI verification and maintenance	S-CA 272/07.08.2015	Tender- participation notice published on CONPET site (Art. 22 of the	24418/06.07.2015	593,196.67	593,196.67	28.11.2015	24	24



Contractor	Description of the contract	Internal Procurement Procedural Norms of CONPET S.A.)				
ROSEN EUROPE BV OLDENZAAL, HOLLAND	In-line inspection of the 12/4" „ crude oil transport pipelines on the undercrossing of Danube and Borcea and 14" Poarta – Alba Calareti – Pitesti and drafting of the inspection reports	Tender- participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)				
ENVIROTECH S.R.L.	Subsequent contract I – servicing the rehabilitation of the polluted geological environment and water courses following breakdowns along the routes of the crude oil, rich gas and ethane and takeover of the soil contaminated	Tender- participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)	Tender- participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)	Tender- participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)	Tender- participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)	Tender- participation notice published on CONPET site (Art. 22 of the Internal Procurement Procedural Norms of CONPET S.A.)

Quarterly Report
January – September 2015

	with petroleum product for CONPET S.A. objectives spread throughout the country						
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General Director - Eng. Liviu Ilasi, S.s. Illegible, Stamp

Economic Director - Econ. Sanda Toader, S.s. Illegible

Director of the Investments and Procurement Management Department, S.s. Illegible

