



**3 MONTHS 2019
RESULTS PRESENTATION**

MAY 16th, 2019

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- The detailed financial statements and the report prepared pursuant to the requirements of FSA (The Financial Supervision Authority) are made available on the company's website www.conpet.ro.
- The reporting period is January 1, 2019 – March 31, 2019.
- The financial statements to date and for the 3 months period ended March 31, 2019 have been prepared in compliance with the International Accountancy Standard 34 "Interim Financial Reporting" approved by Order of the Ministry of Public Finances no.2844/2016 and have not been audited.
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3 months 2019/ 3 months 2018

105.9 / 99.0 mRON

▲ 7.0%

OPERATING REVENUES, o/w:

96.0 / 90.0 mRON

▲ 6.7%

TRANSPORT RVENUES

90.5 / 86.2 mRON

▲ 5.0%

OPERATING EXPENSES

26.8 / 24.0 mil. lei

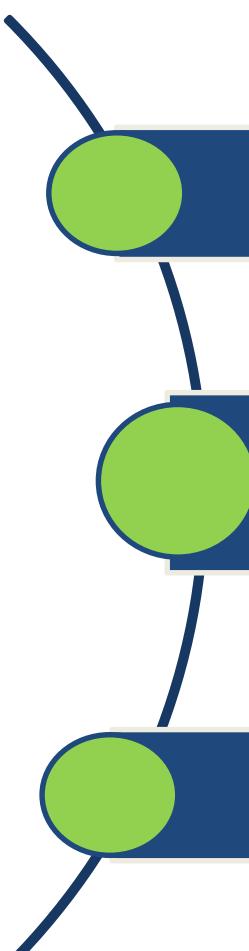
▲ 11.7%

EBITDA

14.4 / 11.5 mRON

▲ 25.2%

NET PROFIT



The increase in the operating revenues by 7 % (6.9 mRON) was made on the growth of the transport service revenues by 6.7% (6 mRON).



The operating expenses are higher by 4.3 mRON (5.0%). There have been recorded increases in the personnel expenses (3.3 mRON), electricity expenses (0.2 mRON), rail transport expenses (0.3 mRON), oil royalty expenses (0.5 %), etc.



Net profit increasing by 2.9 mRON (25.2 %).

Financial statements for the date and the 3 months period ended March 31, 2019 have not been audited

1. PRELIMINARY FINANCIAL RESULTS 3 months 2019

1.1 OPERATING REVENUES

3 months 2019/ 3 months 2018

Indicators (mRON)	3 months 2019		3 months 2018		Changes 2019/2018	
					mRON	%
Revenues from transport services	96.0	90.0	+6.0	▲	6.7%	
Other turnover revenues	2.8	1.0	+1.8	▲	180%	
TURNOVER	98.8	91.0	+7.8	▲	8.6%	
Other operating revenues	7.1	8.0	-0.9	▼	12.5%	
TOTAL OPERATING REVENUES	105.9	99.0	+6.9	▲	7.0%	

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- Revenues from transport account for 91% of the total operating income and records an increase by 6 mRON (6.7%) in the first 3 months of 2019 compared to 3 months 2018. The increase is mainly driven by higher tariffs.
- Other operating revenues mainly contain the write-back of the reserve established on the account of modernization expenses. In the first 3 months of 2019, the revenues from the modernization quota were 7.5 mRON, higher by 0.4 mRON YoY.

1. PRELIMINARY FINANCIAL RESULTS 3 months 2019

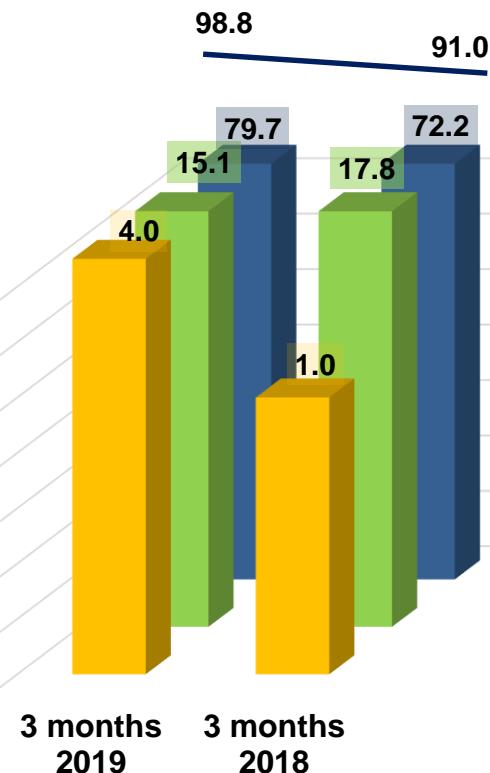
1.2 TURNOVER BY CLIENTS

3 months 2019/ 3 months 2018

TURNOVER – CLIENTS (mRON)

SHARE IN TURNOVER (%)

CLIENTS	3	3	CHANGES	
	months 2019	months 2018	mRON	2019/2018
 PETROM Member of OMV Group	79.7	72.2	+7.5	▲ 10.4%
 LUK PETROTEL LUKOIL	15.1	17.8	-2.7	▼ 15.2%
OTHER CLIENTS	4.0	1.0	+3.0	▲ 300%
TOTAL TURNOVER	98.8	91.0	+7.8	▲ 8.6%



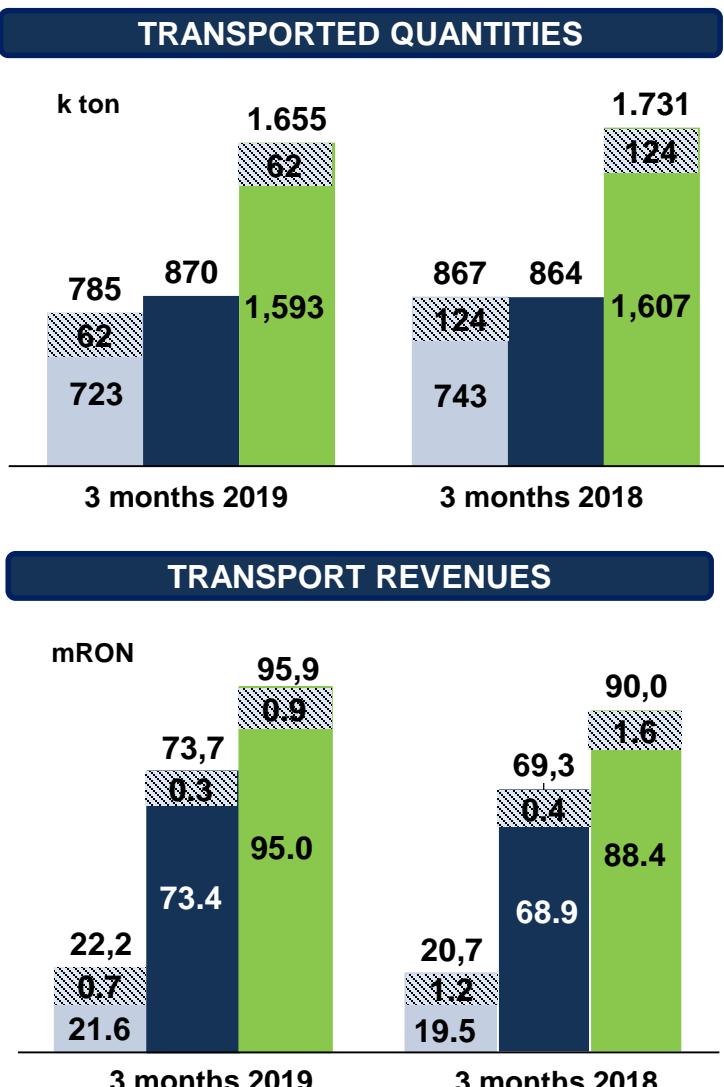
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■ Other clients ■ Lukoil ■ OMV Petrom

— Turnover (mRON)

2. FACTORS HAVING INFLUENCED THE TRANSPORT REVENUES

3 months 2019/ 3 months 2018



IMPORT TRANSPORT SUBSYSTEM
 DOMESTIC TRANSPORT SUBSYSTEM
 OTHER CRUDE OIL TRANSPORT OPERATIONS
 TOTAL TRANSPORT

+6 k tons ▲ 0.7%
DOMESTIC SUBSYSTEM TRANSPORTED QUANTITIES

-20 k tons ▼ 2.7%
IMPORT SUBSYSTEM TRANSPORTED QUANTITIES

-62 k tons ▼ 50.0%
OTHER TRANSPORT OPERATIONS

+4.5 mRON ▲ 6.5%
DOMESTIC TRANSPORT SUBSYSTEM REVENUES

+2.1 mRON ▲ 10.8%
IMPORT TRANSPORT SUBSYSTEM REVENUES

-0.7 mRON ▼ 43.8%
OTHER TRANSPORT OPERATIONS

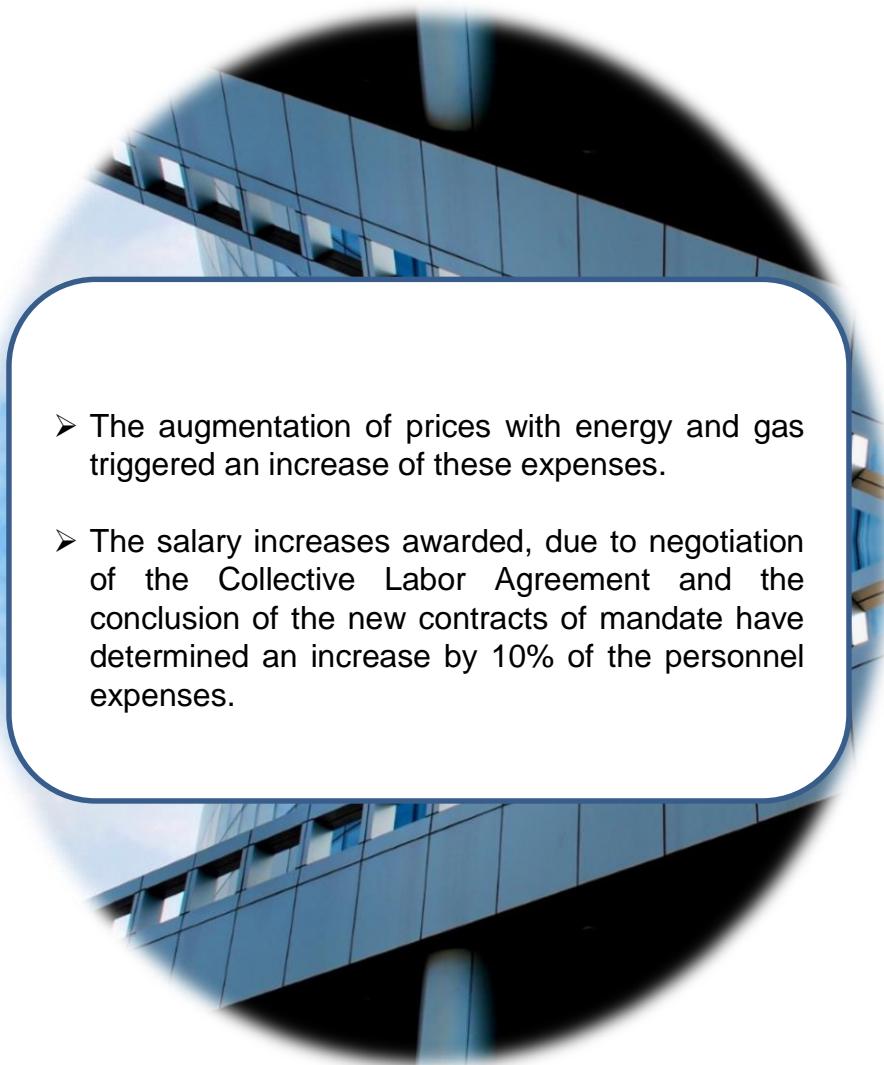
The charged quantities transported were 76 k tons lower whereas the revenues obtained from the transport of this volume were 6 mRON higher, increase mainly due to the augmentation of the transport tariffs.

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3. FACTORS HAVING INFLUENCED THE OPERATING EXPENSES

3 months 2019/ 3 months 2018

Indicators (mRON)	3 months 2019		3 months 2018		Changes 2019/2018	
					mRON	%
Material expenses	1.5	1.6	-0.1	▼	6.3%	
Expenses with energy, gas and water	3.9	3.7	+0.2	▲	5.4%	
Personnel expenses	35.2	31.9	+3.3	▲	10.3%	
Expenses related to the amortization of the tangible and intangible assets	11.3	11.2	+0.1	▲	0.9%	
Expenses with the crude oil rail transport	14.2	13.9	+0.3	▲	2.2%	
Oil royalty	7.4	6.9	+0.5	▲	7.3%	
Other operating expenses	17.0	17.0	-	-	-	
Total operating expenses	90.5	86.2	+4.3	▲	5.0%	

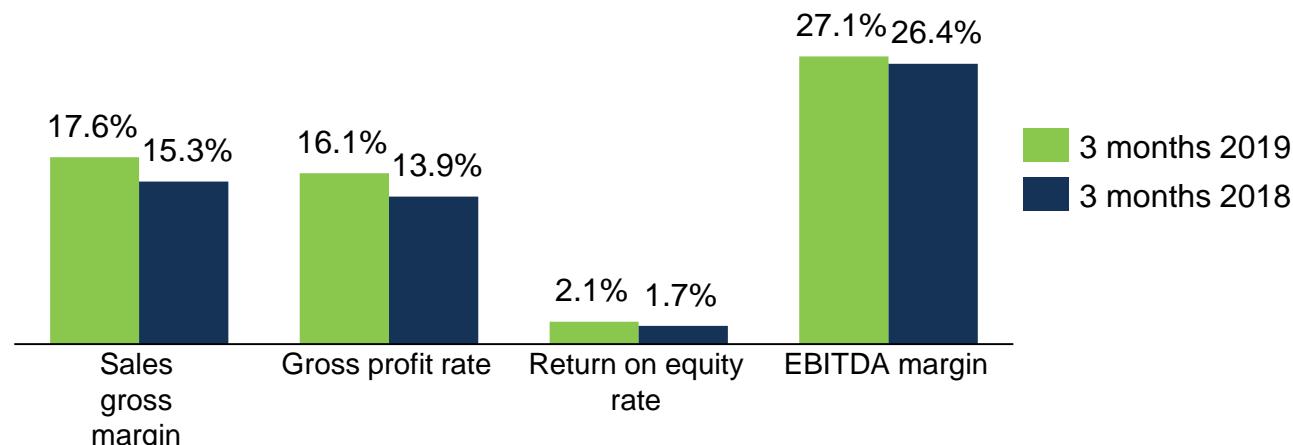


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4. MAIN ECONOMIC - FINANCIAL INDICATORS

3 months 2019/ 3 months 2018

Indicators	3 months 2019	3 months 2018
Sales gross margin	17.6%	15.3%
Gross profit rate	16.1%	13.9%
Return on equity	2.1%	1.7%
Net profit per share(RON/share)	1.67	1.32
EBITDA margin	27.1%	26.4%

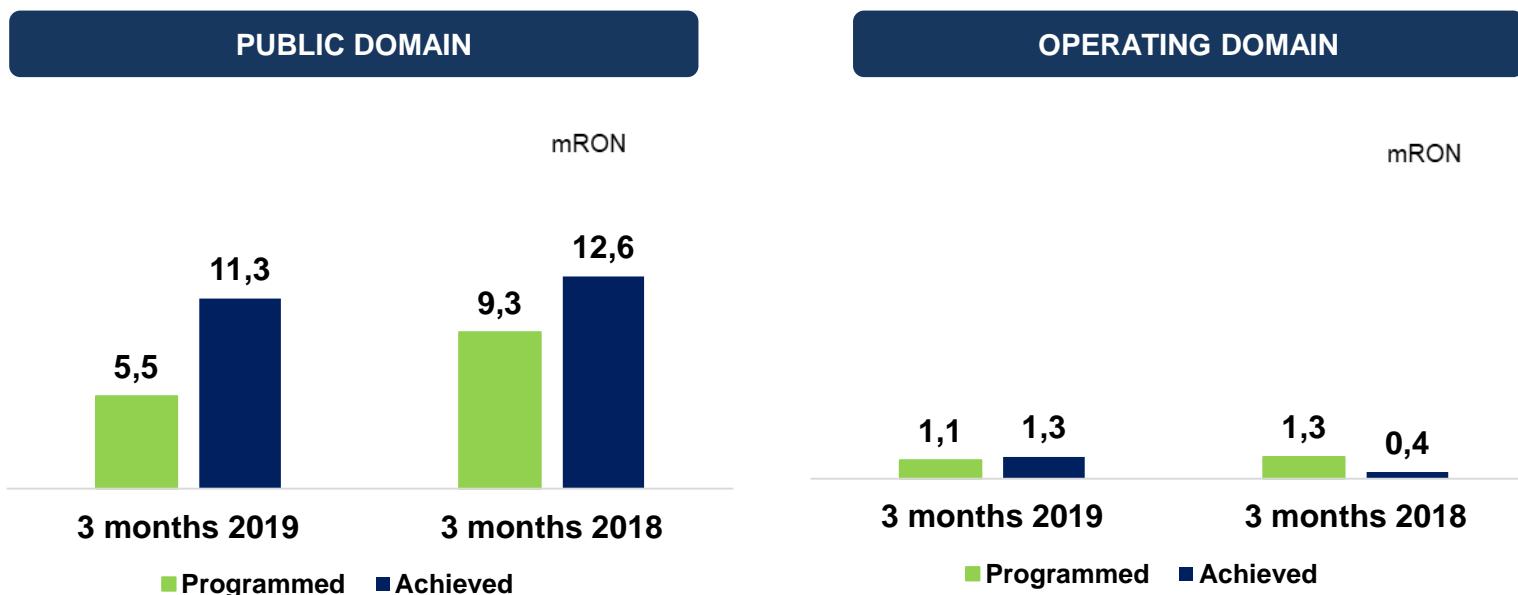
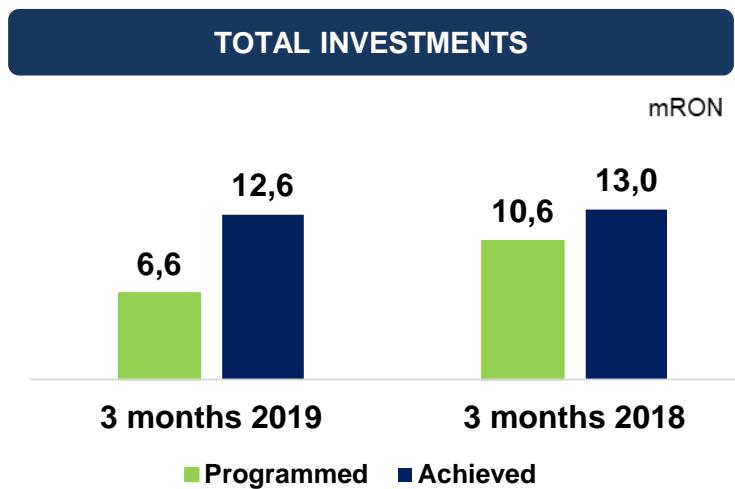


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5. INVESTMENTS

5.1 EVOLUTION OF THE ACHIEVED INVESTMENTS

3 months 2019/ 3 months 2018



5. INVESTMENTS

5.2 INVESTMENTS PROGRAM 2019-2021

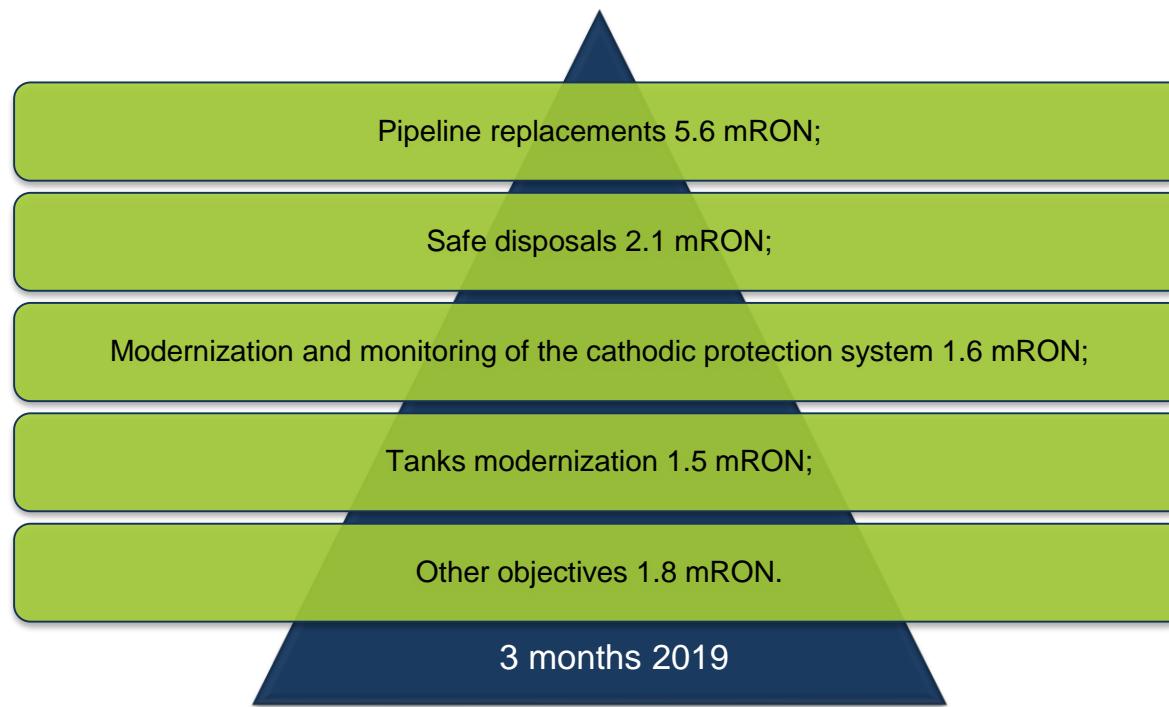
The value of the expenses related to the investment objectives proposed in 2019-2021 Investments Program is:

2019
86 mRON

2020
133.5 mRON

2021
156 mRON

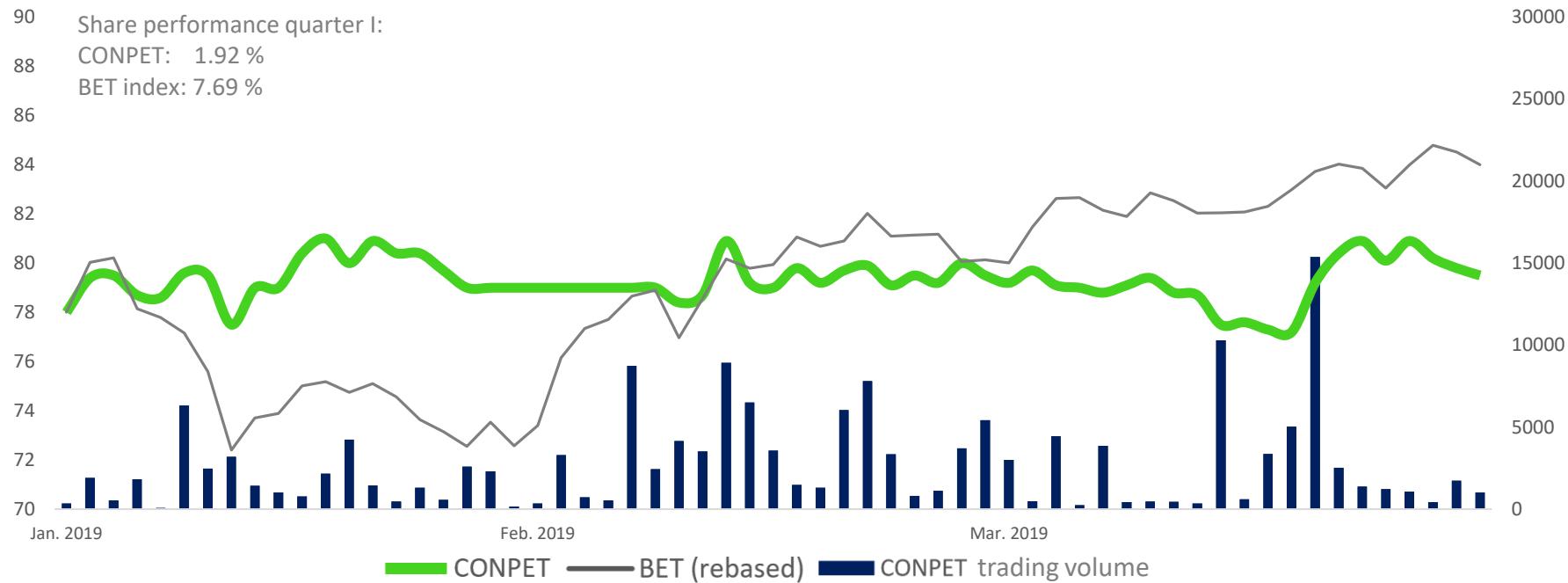
The main investment objectives realized in 3 months 2019 include modernization works of the National Transport System, consisting of:



6. STOCK MARKET PERFORMANCE

6.1 LATEST PROGRESS AND CORPORATE EVENTS

The evolution of COTE share (RON) vs. BET index (rebased) January – March 2019



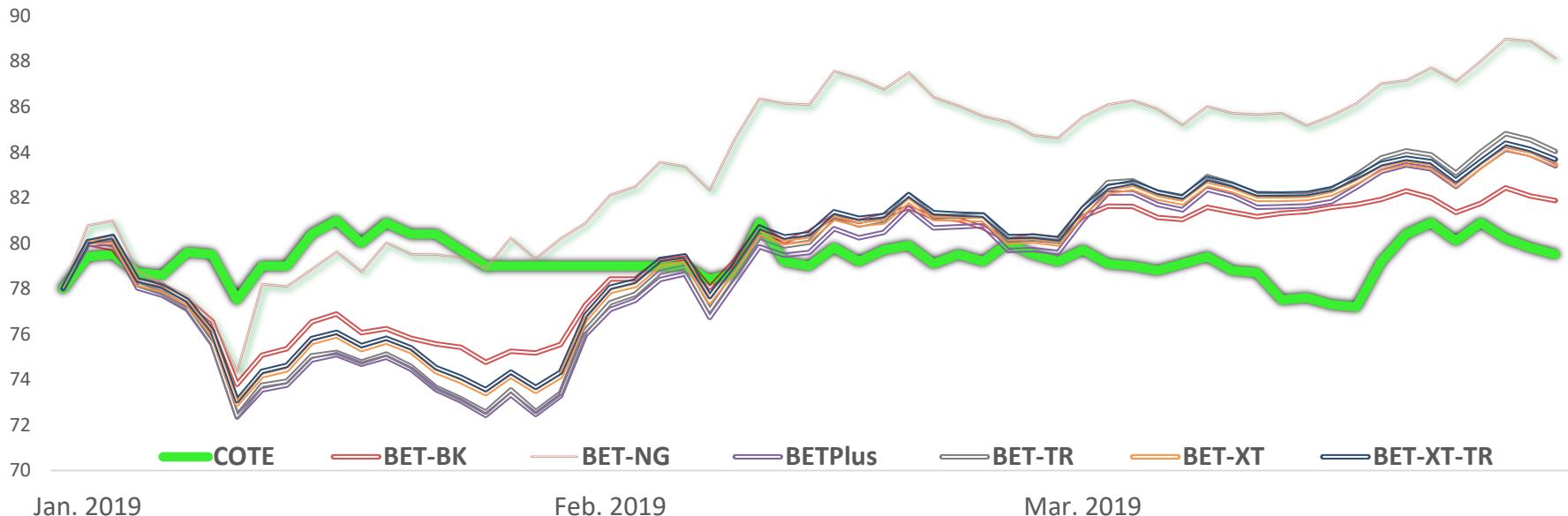
Stock Market Capitalization



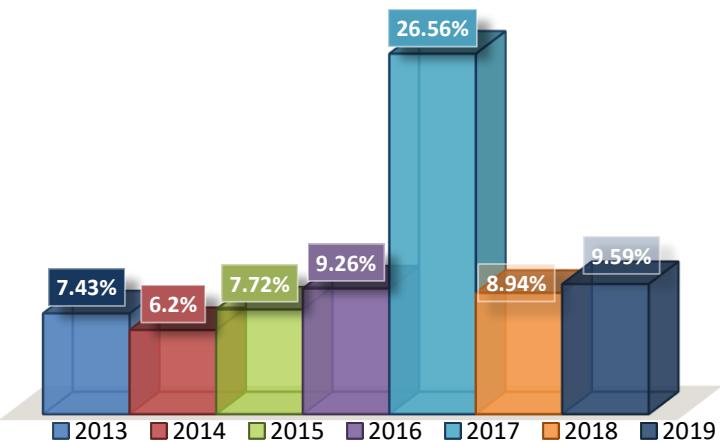


6. STOCK MARKET PERFORMANCE

6.2 EVOLUTION OF COTE SHARE VS. STOCK MARKET INDICES (REBASED) WHERE IS INCLUDED (JAN. – MAR. 2019)



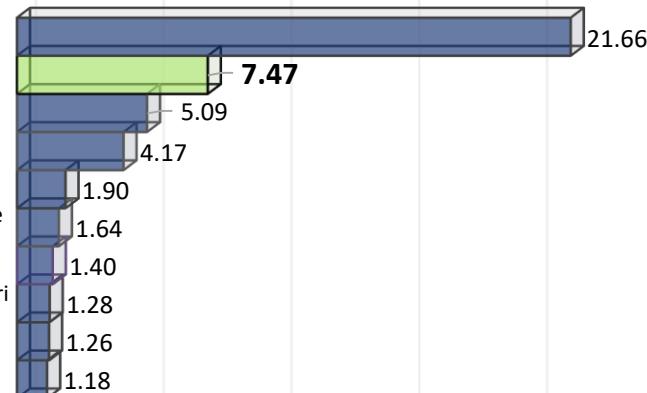
Dividend Yield (%)



At the dividend yield was considered the share price from the last day of every year.

Top dividends approved by the companies in 2019 (RON)

- SNTGN Transgaz
- Conpet
- Gastronom Buzau
- Romgaz
- Transilvania Constructii
- BRD - Groupe Societe Generale
- Erste Group Bank AG
- Transilvania Broker de Asigurari
- SN Nuclearelectrica
- Bursa de Valori Bucuresti



6. STOCK EXCHANGE PERFORMANCE

6.4 RECENT AND FUTURE EVENTS

June 19, 2018

NAMR has approved the modification of crude oil transport tariffs for the domestic and import subsystems

December 18, 2018

The OGMS was convened for the approval of the financial and non-financial performance indicators which will be annexed to the administrators' mandate contract.

April 23, 2019

The Ordinary General Meeting of the Shareholders approved the allocation of dividends for 2018 worth 7.47 lei / share

August 22, 2018

The OGMS elects new members for the Board of Administration with a 4 years mandate.

March 16, 2019

N.A.M.R. approved the transport tariffs in relation to Rompetrol Rafinarie S.A.

November 6, 2018

Appointment of Mr. Chis Timur -Vasile and Mrs. Sanda Toader as Director General, namely Economic Director of CONPET S.A., starting 07.11.2018, with a 4-year mandate

March 28, 2019

CONPET S.A. concluded for a period of 4 years the contract with CFR MARFA for railway transport services amounting to 242 million RON

June 20, 2018

FTSE Russell decided to include CONPET S.A. in the FTSE Frontier Markets Index

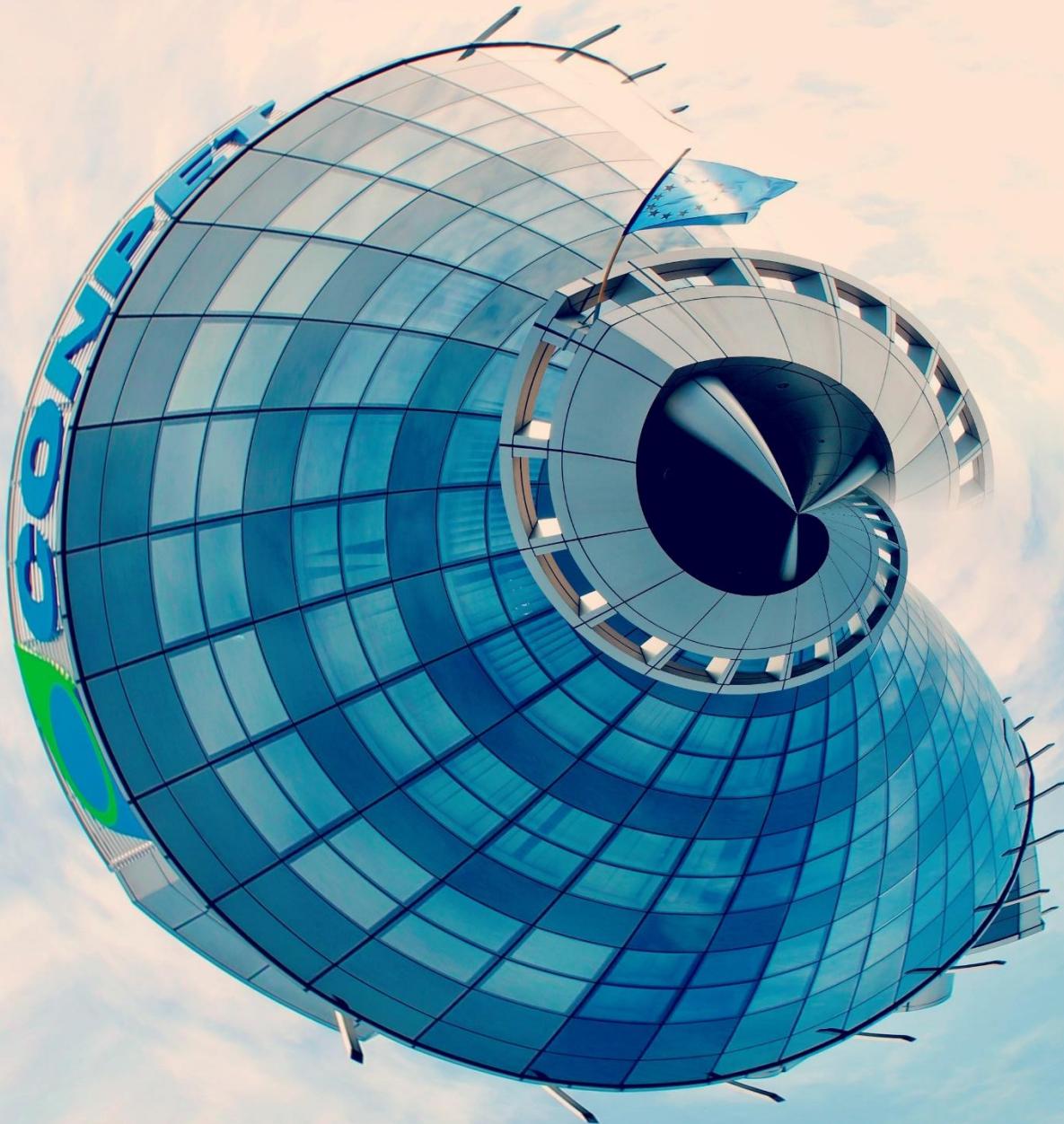
February 28, 2019

CONPET S.A. concluded with OMV Petrom a contract for crude oil transportation services amounting to 309 million RON, for a period of 1 year

April 23, 2019

OGMS has approved the Annual Administrators' Annual Report and the Annual Financial Statements for the year 2018

7. ANNEXES



PROFIT & LOSS ACCOUNT

Indicators (mRON)			VARIATION		2019/2018
	3 months 2019	3 months 2018	mRON		
Turnover	98.8	91.0	+7.8	▲ 8.6%	
Other operating revenues	7.1	8.0	-1.1	▼ 11.3%	
TOTAL OPERATING REVENUES	105.9	99.0	+6.9	▲ 7.0%	
Stocks	1.5	1.6	-0.1	▼ 6.3%	
Expenses with energy and water	3.9	3.7	+0.2	▲ 5.4%	
Personnel expenses	35.2	31.9	+3.3	▲ 10.3%	
Impairments of tangible and intangible assets	11.3	11.2	+0.1	▲ 0.9%	
Current assets impairments	(0.02)	(0.02)	-	-	
Third party expenses	25.5	23.8	+1.7	▲ 7.1%	
Other operating expenses (modernization quota expenses, etc)	8.3	13.4	-5.1	▼ 38.1%	
Provisions adjustments	4.8	0.6	+4.2	▲ 700%	
TOTAL OPERATING EXPENSES	90.5	86.2	+4.3	▲ 5.0%	
OPERATING RESULT	15.4	12.8	+2.6	▲ 20.3%	
Financial revenues	2.0	1.1	+0.9	▲ 81.8%	
Financial expenses	0.040	0.001	+0.039	▲ 3900%	
FINANCIAL PROFIT	1.9	1.1	+0.8	▲ 72.7%	
GROSS PROFIT	17.3	13.9	+3.4	▲ 24.5%	
Corporate tax expenses	2.9	2.4	+0.5	▲ 20.8%	
NET RESULT	14.4	11.5	+2.9	▲ 25.2%	
<i>EPS (net profit/no. of shares)</i>	1.67	1.32	+0.4	▲ 26.5%	
EBITDA	26.8	24.0	+2.8	▲ 11.7%	

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FINANCIAL STANDING

Indicators (mRON)	31 March 2019	31 March 2018
Tangible assets	432.1	409.3
Non-tangible assets	2.6	1.2
Financial investments	0.9	0.9
Receivables related to the deferred corporate tax	3.8	1.1
TOTAL FIXED ASSETS	439.3	412.5
Stocks	8.3	9.4
Trade receivables and other receivables	38.2	40.8
Short-term investments	0	70.8
Cash and cash equivalents	282.6	220.3
Accrued expenses	2.2	2.2
TOTAL CURRENT ASSETS	331.3	343.5
TOTAL ASSETS	770.6	756.0
Share capital o/w:	28.6	28.6
Subscribed and paid-up share capital	28.6	28.6
Legal Reserves	5.7	5.7
Revaluation Reserves	24.7	29.6
Other Reserves	496.1	484.1
Retained Earnings	106.5	116.0
Result for the period	14.5	11.4
TOTAL EQUITY	676.1	675.4
Investment Subsidies	1.1	1.3
Accrued Revenues	0.009	0.010
TOTAL ACCRUED REVENUES	1.1	1.3
Long-term provisions	14.6	12.9
Long-term trade receivables	0.9	0.0
TOTAL LONG-TERM LIABILITIES	15.5	12.9
Trade liabilities	20.8	19.9
Current corporate tax	3.7	2.6
Other liabilities	35.4	38.0
Short-term provisions	18.1	10.0
TOTAL CURRENT LIABILITIES	78.0	66.3
TOTAL LIABILITIES	93.5	79.3
TOTAL EQUITIES AND LIABILITIES	770.7	756.0

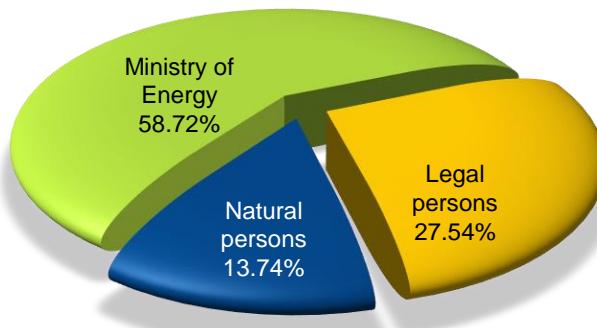
Indicators (mRON)	Achieved 3 months 2019	Achieved 3 months 2018	Budget 3 months 2019	Variation 3 months 2019 vs. 2018		Variation Achieved vs. Budget 3 months 2019	
				mRON	%	mRON	%
Operating revenues							
Turnover revenues	98.8	91.0	91.1	+7.8	▲ 8.6%	+7.7	▲ 8.5%
Other revenues	7.1	8.0	7.6	-1.1	▼ 11.3%	-0.5	▼ 6.6%
TOTAL OPERATING REVENUES	105.9	99.0	98.7	+6.9	▲ 7.0%	+7.2	▲ 7.3%
Operating expenses							
Stocks Expenses	1.5	1.6	2.1	-0.1	▼ 6.2%	-0.6	▼ 28.6%
Expenses with energy and water	3.9	3.7	3.9	+0.2	▲ 5.4%	-	-
Personnel expenses	35.2	31.9	36.9	+3.3	▲ 10.3%	-1.7	▼ 4.6%
Impairments on tangible and intangible assets	11.3	11.2	11.4	+0.1	▲ 0.9%	-0.1	▼ 0.9%
Current assets adjustments	(0.02)	(0.02)	0.08	-	-	-	-
Third party expenses	25.5	23.8	23.7	+1.7	▲ 7.1%	+1.8	▲ 7.6%
Other expenses	8.3	13.4	7.7	-5.1	▼ 38.1%	+0.6	▲ 7.8%
Provisions adjustments	4.8	0.6	2.2	+4.2	▲ 700.0%	+2.6	▲ 118.2%
TOTAL OPERATING EXPENSES	90.5	86.2	87.9	+4.3	▲ 5.0%	+2.6	▲ 3.0%
OPERATING PROFIT	15.4	12.8	10.8	+2.6	▲ 20.3%	+4.6	▲ 42.6%
Financial revenues	2.0	1.1	0.8	+0.9	▲ 81.8%	-1.2	▲ 150.0%
Financial expenses	0.040	0.001	0.010	+0.039	▲ 3900%	+0.030	▲ 300.0%
FINANCIAL PROFIT	1.9	1.1	0.8	+0.8	▲ 72.7%	+1.1	▲ 137.5%
GROSS PROFIT	17.3	13.9	11.6	+3.4	▲ 24.5%	+5.7	▲ 49.1%
Income tax expenses	2.9	2.4	2.1	+0.5	▲ 20.8%	+0.8	▲ 38.1%
NET RESULT	14.4	11.5	9.5	+2.9	▲ 25.2%	+4.9	▲ 51.6%
<i>EPS (net profit/no. of shares)</i>	1.67	1.32	1.09	+0.4	▲ 26.5%	+0.58	▲ 53.2%

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Company's Brief Overview

- **Operator of the national crude oil, rich gas and condensate transport network;**
- **Natural monopoly position** on the Romanian market;
- **30 years concession** agreement to operate the transport network, concluded, **in July 2002** with the **National Agency for Mineral Resources**;
- Core business includes:
 - transport of crude oil, rich gas and condensate via the **Domestic transport subsystem** (74.6 % in turnover achieved at 3 months 2019)
 - Transport of crude oil via the **Import subsystem** from Oil Terminal Constanta to two refineries in Romania (22.6% of the turnover achieved at 3 months 2019).
- **Company's business is regulated by NAMR**, which sets tariffs for:
 - The transport of domestic crude oil, rich gas and condensate (last update in June 2018)
 - Import crude transport (last update in June 2018)
 - For the transport relation with Petromidia refinery (last update in March 2019)

Shareholding Structure (31.03.2019)



Transport Network Overview

- The transport system via pipelines covers approximately **3,800 km of pipelines**, of which, for the transport of crude oil, rich gas and condensate are currently operated 3,161 km of pipelines. The National Transport System for the crude oil, condensate, rich gas and ethane consists of transport subsystems grouped according to the transported products, as follows:
- **Subsystem for crude oil and condensate domestic transport** is made up of pipelines with a length of approximately 1,540 km by which the crude oil and condensate can be transported from the production units of the operation area OMV Petrom, all over the countries, to the refineries. The crude oil and condensate domestic production is being transported via pipelines, by rail tanks or combined (the railway and the pipelines). **6.9 million tons/year** transport throughput and 126 k cubic meters storage capacity;
- **Subsystem for rich gas transport** is destined for the transport of rich gas from the degasolinations from Ardeal to Petrobrazi Refinery.
- Subsystem for ethane transport provides the ethane transport from the deethanization platform Turburea to Arpechim Pitesti. Currently, due to the inactivity of Arpechim refinery, the subsystem is not being used and only one section of the pipeline is being used for the transport of condensate from Totea warehouse to Petrobrazi refinery.
- **Subsystem for imported crude oil transport**, 1,438 km of pipelines in length provides the crude oil transport from Oil Terminal Constanta to the refineries in Ploiesti, Arpechim-Pitesti and Midia. **20.2 million tons/year** transport capacity and 45 thousand cubic meteres storage capacity.

For the railway transport of crude oil, condensate and rich gas by rail tanks to Petrobrazi and Lukoil refineries, CONPET has the following facilities: 12.7 km of railway, 13 loading/unloading ramps, 13 locomotives, 40 tank cars for crude, 29 tank cars for rich gas. This supporting infrastructure delivers the transport services to OMV PETROM and LUKOIL refineries.

PUMP STATIONS

- Domestic crude oil loading depot
- Rich gas loading depot
- Rich gas station
- Domestic crude oil station
- Automated imported crude oil station
- Automated domestic crude oil station
- Refinery

Ungaria



STAȚII POMPARE

- Rampă țării
- Rampă gazolină
- Stație gazolină
- Stație pompă țării
- Stație automatizată țării import
- Stație automatizată țării țării
- Rafinărie

REȚEA DE TRANSPORT

- Conducă transport țării
- Conducă transport gazolină
- Conducă transport etan lichid
- Conducă transport țării import

TRANSPORT NETWORK

- Domestic crude oil pipeline
- Rich gas pipeline
- Liquid ethane pipeline
- Imported crude oil pipeline

Serbia

Bulgaria

Marea Neagră

PROIECT DE VIITOR

- Constanta - Pitești - Pancevo

FUTURE PROJECT

- Constanta - Pitești - Pancevo

GHEORGHE Cristian
- Florin
Chairman

POPA Claudiu
Aurelian
Member

GAVRILĂ Florin -
Daniel
Member

ALBULESCU Mihai -
Adrian
Member

IACOB Constantin
Ciprian
Member

MESCA Darius -
Dumitru
Member

PAVĂL Karina
Member



Thank you for your kind attention!

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