

Bucharest
October 3, 2007

PETROM SETS UP A POWER BUSINESS UNIT

- ▶ **New business unit to administrate all Petrom's power projects**
- ▶ **The Power Business Unit started operations on October 1**

Petrom, the largest oil and gas producer in South Eastern Europe, established a new power business unit to run all the future projects in the power field. The division has started to operate on October 1.

Werner Schinhan, Petrom's Deputy CEO: "According to our strategy for 2010, which we reconfirmed in 2006, the company started activities in the power sector. We aim at both capitalizing the gas and power convergence – by building a gas fired power plant – as well as to initiate a series of projects which covers various types of energy: hydro, wind etc. I believe Petrom can contribute to the increase of Romania's energy independence, not only by securing the oil and gas reserves but also by increasing the number of renewable energy sources in the energy mix".

The establishment of this new business unit will bring a series of benefits to the administration of the power projects portfolio: streamlining of the decision making process, investments in line with the company's global strategy, centralization of the power knowledge, a single interface for external partners.

The Power Business Unit is subordinated to the company's Deputy CEO and is managed by Lăcrămioara Diaconu, who previously held the position of Director of Mergers & Acquisition, Capital Market Relations.

Lăcrămioara Diaconu, Director of Power Business Unit: "The construction of the gas fired plant at Petrobrazi is a EUR 500 mn investment and the most important project of the Power Business Unit. It is a project where I had the opportunity to be involved right from the start and where we are currently running a tender for the selection of the contractor who will build the power plant on the basis of a lump sum turn key contract. We anticipate that we will begin the power supply to the national power grid by the end of 2010. Our objective in the long run is to become a major player in the power business in Romania."

