

Bucharest
May 8, 2009

Petrom ensures the funding of the first fully private power generation project

- ▶ **State-of-the-art technology for greenfield power plant in Brazi**
- ▶ **Total value of project amounts to around EUR 500 mn**
- ▶ **First loan granted by EIB to Petrom, in amount of EUR 200 mn**
- ▶ **EBRD contributes with a new loan amounting to EUR 200 mn**
- ▶ **External credits obtained so far and the intra-group credit granted by OMV complement the internally generated cash flows for the years 2009 and 2010**

Petrom, the largest oil and gas producer in South-Eastern Europe, secures the external funds for the construction of a gas-fired power plant, by signing two unsecured corporate credits with EIB and EBRD, each in amount of EUR 200 mn, with a 12 year maturity.

Mariana Gheorghe, CEO Petrom: "By these two credits we are practically closing the financing program agreed in 2008, aimed at securing the necessary resources in order to achieve our objectives for 2009-2010, along with the intra-group credit from OMV and the cash flow generated by the company. The two credits from EBRD and EIB ensures long term financing for a strategic project with strong economic impact. It is remarkable that two reputable, strong financial institutions have worked together to secure financing for such an important project contributing to the development of the Romanian power system."

The construction of the power plant in Brazi is the first private power generation greenfield project in Romania. With a capacity of 860 MW, the plant will secure approximately 8-9% of the power generated in Romania, contributing to the stabilization of the power generating system in Romania, as of 2012.

Approximately 20% of the capacity of the plant will be used to cover Petrom's own consumption, while the rest will be sold on the power market in Romania.

"With this project the EBRD is providing much needed long-term funding to support private investments in the Romanian power generation sector. By investing in modern solutions, the Bank is helping revamp the electricity sector in Romania, facilitating competition and the further liberalisation of the Romanian energy market", EBRD's Director for Power and Energy Utilities Nandita Parshad said.

The power plant is designed in accordance with the highest technical standards and will meet the latest European environmental requirements, while benefiting from state-of-the-art equipment for emissions reduction.

The project includes the construction of a 30 km gas pipe for gas supply and of a high voltage power line for the transmission in the national grid.

"With this EUR 200 mn financing of the Petrom Brazi Power Project, the European Investment Bank is supporting an important greenfield energy project in Romania, which meets the most modern standards in terms of efficiency and environmentally sound energy generation. This loan will provide long term funds at competitive conditions to a leading private sector investor in the Romanian energy sector, where needs for upgrading and new capacity remain significant and where the private sector can play an important role. As a first time operation by the EIB to Petrom and the largest corporate loan by the Bank to Romania, it is also an important step in the Bank's relationship with the Romanian corporate sector. Today's signature thus underlines EIB's commitment to Romania and the development of its energy sector as part of the Bank's contribution to support the diversification of the local energy generation portfolio" Jean Christophe Laloux, EIB's Director for Lending Operations in South East Europe, said.

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