

2008

Managing Complexities
and Realizing Potential



The Essence of Motion **PETROM**

Member of OMV Group

Note:

The financials presented in this booklet are audited and prepared according to RAS; all the figures refer to Petrom SA, unless otherwise specified.

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Statement of the Chief Executive Officer

Dear shareholders,

2008 was an extremely challenging year for Petrom. The Company benefited from the favorable oil price environment in early 2008, but was also hit by the general economic and oil-specific downturn, in the latter part of the year. After three quarters of exceptionally high oil prices, which also triggered an increase in oil industry costs, the fourth quarter saw not only a serious financial markets crisis, but also a collapse in oil prices.

The benefits of our continuous and consistent restructuring and modernization programs are becoming more and more visible:

- In **Exploration and Production**, we successfully maintained the oil production level, and have already achieved the 2010 reserve replacement rate target already in 2008 (RRR 71% in Romania). We successfully integrated the service activities of Petromservice, through the newly established division Exploration and Production Services, setting a solid foundation for the achievement of our strategic objectives to stabilize oil and gas production and reduce production costs. We undertook significant expansion in exploration activities, and we signed an agreement with Exxon-Mobil in order to initiate a joint exploration campaign for the deep water regions of the Black Sea.
- In **Refining and Marketing**, we recorded further efficiency improvements. In Refining, we reduced the level of own crude consumption by one percentage point and further upgraded our product yields. We progressed with the construction of the EUR 90 mn fluid catalytic cracking gasoline post treater project in Petrobrazî, which enables the production of Euro V gasoline at the site. In the Marketing segment, we have already achieved the 2010 target for throughput per filling station, which reached 4.3 mn liters in 2008. We successfully diversified our sales, registering a non-oil business sales increase of 45% compared to the previous year.

- In **Gas and Power**, we managed to consolidate our position on the Romanian gas market despite a difficult business environment. We also optimized the business model for the gas distribution operations and opened the construction site for the Brazi power plant in December 2008.

These results were possible due to a considerable investment effort, which rose to reach record levels of over RON 6 bn in 2008, 68% higher than the previous year, exceeding all our investment obligations stemming from the privatization contract. More importantly, these achievements were the result of the high level of commitment of our employees, supported by the continuous transfer of know-how from OMV Group.

Still, the past year was a year of mixed results as achievements recorded in 2008 were overshadowed by the high level of one-off items booked throughout the year: provisions for litigations and restructuring and the impairment of Arpechim. Moreover, as this situation coincided with the sharp decline of oil prices in the fourth quarter, Petrom's results suffered a significant negative impact, resulting in a 33% decrease in operating profit for the full year 2008, and a 43% decrease in net profit respectively, compared to 2007. Similarly, Petrom's share price experienced a poor performance in 2008, as it declined 64%, however outperforming the Bucharest Exchange Trading (BET) index, which decreased 71% given the turmoil on the international financial markets.

Among the above mentioned one-off items, the provision Petrom had to book for litigations initiated by former and current employees, conspicuous by its considerable size – RON 1.3 bn – had the largest negative impact on the Company's results. The litigations are based on differing interpretations of several clauses included in Petrom's Collective Bargaining Agreement regarding the granting of some bonuses previously included in the base salary (since 2003). Thus far, Petrom has taken all possible actions and committed all necessary resources to defend against the lawsuits and also to prevent a further increase in litigation.

In 2009, we will continue our investment program, however at a considerably reduced level compared to 2008, given the current unfavorable economic conditions. In order to ensure the necessary funds to finance an already reduced investment budget compared to the previous year – in addition to our efforts to attract external financing – the management's proposal is that no dividends should be distributed for 2008. Nevertheless, the Company's investment budget and dividend proposal are subject to shareholder approval at the General Meeting of Shareholders on April 28, 2009.

While currently focusing on mitigating the effects of the financial crisis, Petrom also pursues a sustainable long-term development strategy based on the 'triple bottom line' approach. As such, we devote significant attention to social and environmental concerns in carrying out our activities. Our aim is to become a role model for the business community and a responsible 'citizen' in the communities, where we operate. We are committed to treating every employee with respect, providing a safe and quality working environment, and offering the means for continuous professional and personal development. As an integrated oil and gas company, and the largest Romanian company, we are also committed to mitigating climate change impact by increasing energy efficiency and reducing carbon emissions, as well as implementing high HSE standards.

We are convinced that our achievements recorded in the four years since privatization, due to our continuous efforts and intensive restructuring and modernization, as well as our solid financial position and low leverage, place us in a good position to face the challenges of a weakening market environment. With a continuous emphasis on efficiency improvement and cost monitoring, together with a conservative financial strategy in line with OMV Group, we will focus on achieving our strategic objectives and further develop our competitive position in the oil and gas industry.



Mariana Gheorghe

Supervisory Board

Wolfgang Rutenstorfer – President

CEO and Chairman of the OMV Executive Board
First elected at the GMS held on January 11, 2005

Gerhard Roiss – Deputy Chairman

Deputy Chairman of OMV Executive Board, responsible for Refining and Marketing including Petrochemicals and Chemicals
First elected at the GMS held on January 11, 2005

David C. Davies

Chief Financial Officer of OMV and member of OMV Executive Board
First elected at the GMS held on January 11, 2005

Helmut Langanger

Member of the OMV Executive Board, responsible for Exploration and Production
First elected at the GMS held on January 11, 2005

Werner Auli

Member of the OMV Executive Board, responsible for Gas and Power
First elected at the GMS held on April 25, 2006

Kevin E. Bortz

Director of Natural Resources Team within EBRD
First elected at the GMS held on April 25, 2006

Emanoil Negut

Secretary of State for the Government's Controlling Authority within the Prime Minister's Office, representing the Authority for State Assets Recovery (AVAS) in Petrom's Supervisory Board

First elected at the GMS held on April 17, 2007

Cristian Marian Olteanu

Counsellor to the President of the Authority for State Assets Recovery, representative of the Property Fund in Petrom's Supervisory Board

First elected at the GMS held on April 17, 2007

Victor-Paul Dobre – Member until December 2008

Secretary of State for Relations with Prefectures, Ministry of Administration and Interior.

First elected at the GMS held on November 22, 2005. Following his election as member of the Romanian Parliament, Mr. Victor-Paul Dobre resigned from this position as member of Petrom's Supervisory Board.

On February 12, 2009, **Mr. Marian Turlea** was appointed as interim member of the Supervisory Board with effect until the next General Meeting of Shareholders. The new representative of the Romanian State in the Supervisory Board was appointed following the nomination made by the Ministry of Economy in its capacity as Petrom shareholder, and replaced Mr. Victor-Paul Dobre.

Mariana Gheorghe – Chief Executive Officer and President of the Executive Board

Responsible for: Corporate Communications; HSE; Corporate Human Resources; Corporate Development and Investor Relations; Corporate Affairs and Compliance; Legal

Reinhard Pichler – Chief Financial Officer

Responsible for: Corporate Finance and Controlling; Corporate Internal Audit; Corporate Risk Management and Treasury; Corporate Real Estate Management (CREM); Corporate Information Office (CIO); Global Solutions

Johann Pleininger

Responsible for Exploration and Production

Siegfried Gugu

Responsible for Exploration and Production Services

Gerald Kappes

Responsible for Gas and Power (including Chemicals)

Tamas Mayer

Responsible for Marketing

Neil Anthony Morgan

Responsible for Refining and Petrochemicals

On July 1, 2008, **Jeffrey Rinker**, who was the board member of Petrom responsible for Refining and Petrochemicals between the beginning of 2006 and July 2008, was appointed Senior Vice President at OMV Group level, responsible for Joint Ventures & Strategic Projects in Refining. In addition, Mr. Rinker will retain certain responsibilities related to Petrom Refining at least until the end of the transition period in 2011.

Petrom's strategic directions

Vision

We committed ourselves to consolidating our position as leading oil and gas company in South-Eastern Europe, leveraging on our role as the OMV Group operational hub for marketing in South-Eastern Europe and for exploration and production in Romania and the Caspian region.

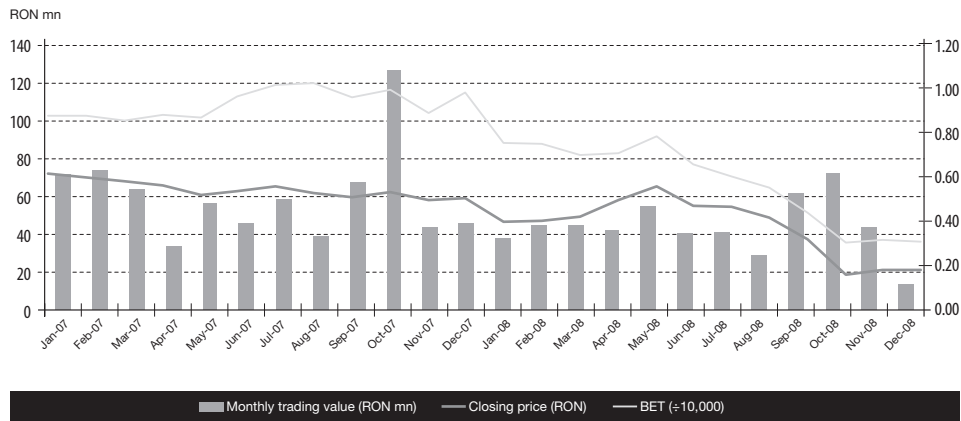
Petrom's strategic directions	
E&P	Maximize and ensure long-term oil and gas production in Romania
	Unlock gas potential
	Achieve competitive production cost
	Develop international activities, especially in the Caspian region
R&M	Petrobrazi refinery expansion and modernization
	Continue energy efficiency improvements
	Strengthen position in the aviation fuel market and LPG market
	Maintain retail market share by providing top class customer service and increasing efficiency
G&P	Enlarge Petrom's gas position to become leader in the end-user market in Romania and a recognized player in South-Eastern Europe (SEE)
	Enter the power generation market by building a 860 MW gas fired power plant
	Enter the renewable energy business

	2004	2005	2006	2007	2008
Number of shares	56,000,506,078	56,000,506,078	56,644,108,335	56,644,108,335	56,644,108,335
Market capitalization (RON mn) ¹	18,592	26,712	32,004	28,152	10,253
Market capitalization (EUR mn) ¹	4,721	7,264	9,077	8,056	2,609
Year's high (RON)	0.3430	0.5300	0.6550	0.6200	0.5600
Year's low (RON)	0.1400	0.2760	0.4410	0.4790	0.1290
Year end (RON)	0.3320	0.4770	0.5650	0.4970	0.1810
EPS (RON/share)	-	0.0253	0.0405	0.0314	0.0180
Dividend per share (RON)	-	0.0130	0.0179	0.0191	0 ²
Dividend yield ¹	-	2.4%	3.2%	3.8%	0
Payout ratio	-	52%	44%	61%	0

¹ Calculated based on the share price as of the last trading day of the respective year

² Proposed dividend

Evolution of Petrom share price and BET



Key ratios and operating statistics	2004	2005	2006	2007	2008
Revenues growth (% , yoy)	22	24	22	(7)	39
EBIT margin (%)	(7)	18	21	16	8
EBITDA margin (%)	1	26	28	25	21
ROFA (%)	(11)	13	17	11	5
ROACE (%)	(13)	22	21	16	7
ROE (%)	(11)	14	20	14	8
Current assets	4.9	3.2	2.8	1.9	1.5
Acid test	3.9	2.6	2.2	1.1	0.8

Petrom personnel data

Activity	2004	2005	2006	2007	2008
Exploration and Production (E&P)*	26,473	22,598	18,604	16,520	25,356
Refining	7,414	6,492	4,893	4,001	3,050
Marketing	14,010	12,285	6,465	3,001	2,243
Doljchim	1,548	1,588	1,534	1,313	1,124
Gas & Power**	-	-	21	18	32
Petrom Solutions***	-	-	670	939	1,046
Corporate	565	583	650	605	460
TOTAL	50,010	43,546	32,837	26,397	33,311

Headcount as of December 31

* As of January 2008, E&P includes the new business division Exploration and Production Services (EPS)

** The reporting of gas results started in 2006, previously included in E&P. As of 2008, the Gas division was renamed Gas and Power to reflect the activities in the Power area

***Petrom Solutions was established in 2006

Key figures for Petrom

Financial highlights (RON mn)	2004	2005	2006	2007	2008
Fixed assets	9,589	10,609	13,093	16,375	19,806
Current assets (including prepayments)	6,080	7,204	6,366	4,786	5,121
Non-current liabilities	5,020	4,855	4,878	5,397	7,912
Current liabilities	1,257	2,231	2,258	2,580	3,446
Shareholders' Equity	9,392	10,727	12,325	13,184	13,569

Financial results (RON mn)	2004	2005	2006	2007	2008
Net turnover	8,688	10,760	13,078	12,284	16,751
EBITDA	114	2,775	3,596	3,111	3,565
EBIT	(581)	1,884	2,777	1,965	1,309
Net (loss)/ profit	(974)	1,416	2,285	1,778	1,022
Operating Cash flow	1,856	2,771	2,955	2,486	4,383
Investments*	1,303	1,117	2,937	3,820	6,404

* Investments also include increases of Petrom share participations

Consolidated cash flows and investments by segments

Cash flow (RON mn)	2004	2005	2006	2007	2008
Net cash flow from operating activities including change in Working Capital	1,856	2,771	2,955	2,486	4,383
Net cash used from investment activities	(1,499)	(2,170)	(3,168)	(3,761)	(5,529)
Net cash used for financial activities	3,361	(219)	(836)	(1,423)	654
Cash and cash equivalents at the end of the year	4,117	4,500	3,451	753	261

Investments* by segments (RON mn)	2004	2005	2006	2007	2008
Exploration & Production ¹	669.3	531	1,336	2,465	4,524
Refining & Marketing	625	585	1,298	1,004	1,297
Gas & Power	-	-	1	32	386
Chemicals ²	8.6	1.6	5.5	16	-
Corporate & others (including Petrom Solutions)	-	0	297	303	197
TOTAL	1,303	1,117	2,937	3,820	6,404

* Investments also include increases of Petrom share participations

¹ Include the investments of Corporate (in 2005)

² As of January 1, 2008, Chemicals are included in the G&P segment

Key figures by segments

Net revenues per segments of activity (RON mn)	2004	2005	2006	2007	2008
Exploration & Production	6,158	7,137	7,370	7,429	9,828
Refining & Marketing	9,298	12,012	14,525	10,574	13,689
Gas & Power*	N/A	-	2,030	2,462	3,258
Chemicals (Doljchim)*	345	374	418	470	-
Inter-segment elimination	(6,268)	(8,550)	(10,927)	(8,453)	(9,377)
TOTAL	9,533	10,973	13,416	12,485¹	17,400²

* Gas revenues were included in E&P revenues in the previous years. The separate reporting started in 2006. As of January 1, 2008, the Gas division was renamed Gas and Power; Chemicals were included as well

¹ 2007 total revenues figure also includes RON 3 mn from Corporate & others

² 2008 total revenues figure also includes RON 2 mn from Corporate & others

EBIT per segments of activity (RON mn)	2004	2005	2006	2007	2008
Exploration & Production	572	2,782	3,744	2,848	3,228
Refining & Marketing, including petrochemicals	(1,153)*	(914)	(1,136)	(1,065)	(1,895)
Gas & Power**	-	-	118	123	104
Chemicals (Doljchim)	-	17	51	59	-
Corporate & Other***	-	-	-	-	(128)
TOTAL	(581)	1,884	2,777	1,965	1,309

* Includes Doljchim

** The reporting of gas results started in 2006, previously included in E&P. Starting 2008, the Gas division was renamed Gas and Power, in order to reflect the activities in the Power area. In addition, as of January 1, 2008, Chemicals are included in the G&P segment.

***Starting 2008, the costs that relate to corporate functions, which are carried out within Petrom were reported separately in the 'Corporate and Other' line, therefore no longer absorbed by the business.

	2004	2005	2006	2007	2008
Crude price for Brent (USD/bbl)	38.22	54.38	65.14	72.39	97.26
Crude price for Ural (USD/bbl)	34.50	50.87	61.35	69.38	94.77
Exchange rate EUR/RON	4.05	3.62	3.53	3.34	3.68
Realized crude Price Domestic (USD/bbl)	31.97	49.43	55.65	63.00	84.11
Regulated Domestic Gas Price (USD/1,000 cm)	-	110	122	184	196
World crude demand (mn bbl/d)	82.2	83.3	84.5	85.8	85.8
World crude output (mn bbl/d)	83.1	84.1	85.3	85.5	86.6

Overview E&P activities

Our Exploration and Production business explores for and extracts oil and natural gas in Romania and other countries in the region (Russia and Kazakhstan). Petrom is the sole crude oil producer in Romania and accounts for half of Romanian gas production. Our domestic and international oil and gas production amounted to 71 mn boe in 2008.

In **Romania**, Petrom holds exploration licenses for 15 onshore and 2 offshore blocks, with a total area of 59,100 km² (of which 13,730 km² offshore) and operates 270 commercial oil and gas fields.

In **Kazakhstan**, oil and gas production further increased in 2008 to 5,748 boe/d (up 25% compared to 2007) due to infill drilling and successful well stimulation projects in the TOC fields (Tasbulat, Turkmenoi, Aktas).

In **Russia** exploration work in the Saratov and Komi region continued in 2008.

One of the major achievements of 2008 was crude oil production stabilization at 89,300 boe/day. This was achieved through improved drilling performance, well modernization, and the application of new technologies related to well productivity. As a result of exploration and redevelopment activities, Petrom's reserve replacement rate target for 2010 was reached already in 2008 (71% in Romania). In addition, Petrom started a program to redevelop brown field in Romania, aimed at identifying new reserves and increase production. Towards the end of the year, significant progress was made with respect to the exploration activities by signing an agreement with ExxonMobil in order to initiate a common exploration campaign for the deep offshore in the Black Sea.

As of December 31, 2008, Petrom Group's total **proved oil and gas reserves** amounted to 872 mn boe (Romania: 843 mn boe), while the proved and probable oil and gas reserves amounted to 1,399 mn boe (Romania: 1,319 mn boe).

Integration of E&P Services (EPS)

Another major achievement in 2008 was the integration of the service activities of Petromservice. Effective February 1, 2008, Petromservice's oil service business and its relevant assets were integrated into Petrom and merged with the Drilling and Workover service units already existing in Petrom. Consequently, a new division, namely EPS, was set up to provide drilling, workover, maintenance and logistic services to E&P. The lean administrative structure and work process optimization of EPS supported the achievement of E&P's strategic objectives: the stabilization of the oil and gas production volumes and the reduction of service costs. EPS results are consolidated in E&P Financials.

Outlook for 2009

In 2009, the E&P action plan comprises expansion of the reserves portfolio, arresting natural decline and ensuring production for the long-term, as well as taking advantage of any cost reduction opportunity. The E&P investment program will continue in 2009, especially with focus on the drilling program and development of the most promising major fields, but the amount of investment has been revised downward due to both the financial crisis and international oil price volatility.

Throughout the year, the focus will continue to be on tight cost control and project prioritization within E&P to tackle the volatile environment. The Mamu gas field development as well as the Delta offshore oil field development will make considerable contributions to production on a full-year basis.

Starting with the first quarter of 2009, EPS will roll out the efficiency increase pilot project within all field clusters to increase efficiency at all levels, throughout the country. The EPS turnaround optimization program will contribute to the achievement of competitive production costs.

E&P at a glance*

Production and financial data	2004	2005	2006	2007	2008
Total production (mn boe)	81.31	77.95	73.06	70.27	68.98
Crude and NGL production (mn tons)	5.46	5.21	4.78	4.54	4.54
Gas production (bn cm)	6.44	6.19	5.92	5.75	5.55
Total net revenues (RON mn)	6,158	7,137	9,399 ¹	7,429	9,828
EBIT (RON mn)	572	2,782	3,744	2,848	3,228
EBITDA (RON mn)	1,071	3,414	4,334	3,556	4,490
Exploration expenditures (RON mn) ²	50.7	150.6	140.9	230.0	450.0
Investments (RON mn) ³	669.3	530.5	1,336	2,465	4,524

* Figures in the above table refer only to Petrom SA, excl. Kazakhstan affiliates. As of January 2008, E&P financials include the results of the new business division Exploration and Production Services (EPS)

¹ 2006 E&P revenues in the above table include gas revenues

² In addition RON 9.3 mn in 2005 and RON 29.4 mn in 2006 were spent in exploration but were capitalized and included in investments

³ Investments also include increases of Petrom share participations and investments during the year in exploration wells that proved unsuccessful; 2005 figure includes the investments of Corporate

Overview R&M activities

Petrom is the number one downstream operator in Romania, with an installed capacity of 8 mn tons per year in its two refineries at Petrobrazii and Arpechim, and operating, together with its affiliates, 550 filling stations in Romania, and a further 269 stations in neighboring countries (Bulgaria, Republic of Moldova and Serbia). The nameplate capacity of Petrobrazii is 4.5 mn tons/year and of Arpechim is 3.5 mn tons/year. We are also the leading provider of aviation fuel services in Romania and the number one player on the local LPG market.

In Refining, the deterioration of the economic environment and the steep reverse of the pricing environment produced a significant negative impact, which was offset only to a limited extent by the steady operational improvements achieved throughout the year. In 2008, we further improved the yields structure in our refineries, increasing middle distillates yields from 35% of products in 2007 to 37% and reducing own-crude consumption to 11.5%, lower by one percentage point of crude input, down from 12.5% in 2007.

In today's environment within Petrom's refining business, the Arpechim refinery cannot generate the required rate of return due to the high own energy consumption, unfavorable product yields and high fixed costs. To reflect these developments, an impairment of RON 605 mn was booked, representing the total book value of the Arpechim bulk refinery as of December 31, 2008.

In Marketing, the modernization of the filling station network in Romania was completed as the full agency system was fully implemented. As a direct consequence, the average sales per filling station increased significantly, reaching an annual average throughput of 4.3 mn liters at the end of 2008. The non-oil business also recorded a significant increase (up 45% over 2007), due to portfolio and purchase process optimization.

Outlook for 2009

Within the current economic context, further continuation of our restructuring process becomes even more critical.

In Refining, we aim to drive further incremental improvements in energy efficiency and yields development towards higher value products. Our refineries' utilization will be adapted to the existing market conditions to fulfill product demand.

Investments in the marketing business are focused on operations' optimization and efficiency increase. Marketing sales and margins are expected to fall slightly.

R&M at a glance

	2004	2005	2006	2007	2008
Crude input* (kt)	6,426	6,400	6,863	5,917	6,121
thereof: imported crude (kt)	1,465	1,404	2,138	1,570	1,831
Arpechim* (kt)	2,993	3,290	3,437	2,798	3,078
Petrobrazil* (kt)	3,433	3,110	3,426	3,119	3,043
Refinery capacity utilization rate	83%	80%	86%	74%	77%
Sales (kt)	1,722	5,046	5,465	4,707	5,210
thereof: Gasoline (kt)	643	1,849	2,120	1,587	1,716
Diesel (kt)	909	1,581	1,794	1,835	2,073
Number of operating filling stations within Petrom Group	658	635	804	807	819
thereof in Romania**	588	553	593	550	550
Total net revenues*** (RON mn)	7,300	8,914	14,525	10,574	13,689
EBIT*** (RON mn)	(1,153)	(914)	(1,136)	(1,065)	(1,895)
EBITDA*** (RON mn)	(957)	(662)	(914)	(736)	(1,055)
Investments*** (RON mn)	633.5	585.1	1,297.5	1,004	1,297

* Processed crude oil figure includes condensate and natural gas-associated liquids

** The number of filling stations reported in 2004 Annual Report included non-operating filling stations as well (24 in 2004)

*** Financial results (revenues, EBIT, EBITDA,) and investments for 2004 include also Doljchim

Production

Petroleum products (kt)	2004*	2005*	2006	2007	2008
Gasoline	2,286	2,308	2,094	1,570	1,654
Diesel	1,860	1,617	1,794	1,726	2,006
Kerosene / Jet Fuel	131	132	192	187	224
HFO	1,143	1,124	753	737	752
LPG total	151	200	305	248	252
Bitumen	127	139	166	129	192
Petroleum coke	159	153	196	176	195

* 2004-2005 petroleum production includes internal transfers

Overview G&P activities

Petrom is an important player in the Romanian gas market, covering all gas market segments. In order to leverage the value of natural gas, management decided to further expand the value chain by developing our power generation business.

In 2008, Petrom Group maintained its market position at a share of 34%, through a strong presence in all sectors of the gas market. The Gas business division of Petrom SA, formed in 2006, successfully consolidated itself in the Romanian gas market, focusing on sales to the large gas distribution companies and state-owned-power producers, whereas the 100% affiliate Petrom Gas srl expanded its market position in the end-users power plants and industrial sector. Together with the small gas distribution network spun off in 2007 into a wholly-owned company – Petrom Distributie Gaze srl – Petrom Group served all segments from small households to large-scale consumers.

The newly established (2007) Power division continued its consolidation in 2008 in order to reach Petrom's strategic goal of entering the power market. To this end, three main streams were pursued: build the 860 MW gas fired power plant, establish a sales and trade organization and enter the renewable power business. The process of obtaining all required authorizations and permits was also completed in 2008, so that the project is well on track to be completed in 2011.

Outlook for 2009

For the year 2009, a further drop of total gas consumption in Romania is anticipated as a consequence of the world economic crisis. The impact on Petrom's own production will be minor since gas imports will be predominantly affected.

The main goals of the Power division in 2009 are: continue with the construction of the combined cycle power plant Brazi, continue to grow the structure of Petrom sales and trade organization and continue efforts to enter renewable power business.

G&P at a glance*

	2005	2006	2007	2008
Total net revenues (RON mn)	n/a	2,030	2,462	3,258
EBIT (RON mn)	-	117	123	104
Investments	-	1	32	386
Consolidated gas sales (mn cbm) **	5,612	5,242	5,546	5,297
thereof Petrom SA	5,321	4,863	5,156	4,944
Regulated gas price for domestic producers (RON/1,000 cbm)	321	342	448	493
Regulated gas price for domestic producers (USD/1,000 cbm)	110	122	184	195
Import gas price (USD/1,000 cbm)	205	297	293	440

* Gas results were separated from E&P and started to be reported in 2006

** Consolidated gas sales include the sales of Petrom SA, Petrom Gas SRL and Petrom Distributie Gaze as well as internal transfers to other segments

Petrom's stock exchange and privatization history

2001: Petrom is listed on the Bucharest Stock Exchange. The SNP shares started trading on September 3, and close at 0.0720 RON.

2004: On July 23, MEC and OMV signed the privatization contract whereby OMV acquired 51% stake in Petrom through a combination of a direct purchase of 33.34% (EUR 669 mn) and a simultaneous capital increase in Petrom (EUR 831mn). On December 7, OMV paid EUR 1.5 bn for 51% of Petrom share capital and on December 14, the closing of the Privatization Agreement took place. Thus, OMV became the majority shareholder and Petrom's share capital increased as of December 31 to RON 5,600,050,608 with a nominal value of RON 0.1 per share. EBRD converted USD 73 mn of the Loan Agreement concluded with Petrom in 2002 into 2.03% of the Company's share capital.

2005: On November 22, the General Meeting of Shareholders (GMS) approved the share capital increase, giving to the existing shareholders the right to subscribe shares, with the nominal value of RON 0.1, in order to keep their holdings. The Ministry of Economy and Commerce (MEC) received 266,977,088 shares representing the value of the land for which the Company had obtained ownership titles between December 16, 2004 and October 10, 2005.

The trading period of the preference rights started on December 14, 2005 and ended on December 23, 2005. During this period, almost 198 mn Petrom rights were traded on the Bucharest Stock Exchange, the daily volume being between 12 mn and 58 mn rights. The price fluctuated between RON 0.0040 and RON 0.0046.

During the subscription period (January 9 – February 9, 2006), OMV subscribed 334,209,314 shares, the European Bank for Reconstruction and Development (EBRD) subscribed 13,275,740 shares, and a number of 3,924 shareholders, natural persons and legal entities, subscribed 29,140,115 shares. Same year, on March 15, ROTX index was launched on Vienna Stock Exchange. The index reflects in real-time the movement of the seven liquid blue chip stocks traded on the BSE, Petrom included with a weight representing approx. 24%.

2006: On February 27, at the request of Fondul Proprietatea S.A., 5,600,050,608 shares, issued by Petrom S.A. were transferred from the account of the Ministry of Economy and Commerce into the account of Fondul Proprietatea S.A.

Fondul Proprietatea is a fund created by the Romanian state in order to compensate the persons who suffered from the nationalization of their assets during the communist regime. Following the transfer and the share capital increase, the Ministry of Economy and Commerce owned 17,481,773,996 shares and Fondul Proprietatea S.A. 5,600,050,608 shares, representing 30.87% and 9.89%, respectively, of the share capital. As of the end of 2006, Petrom's main shareholder was OMV AG, with 51.01% of the share capital, followed by the Ministry of Economy and Commerce, with 30.87%. EBRD – a minority shareholder of Petrom, owned 2.02%, while 6.21% of the share capital was free-float traded on the Bucharest Stock Exchange, being held by around 500,000 private and institutional investors from Romania and from abroad.

2007: According to the provisions of the E.G.O. no 101/2006, on February 26, 2007, Depozitarul Central transferred the Petrom shares owned by the Ministry of Economy and Commerce in the account of the Authority for State Assets Recovery (AVAS).

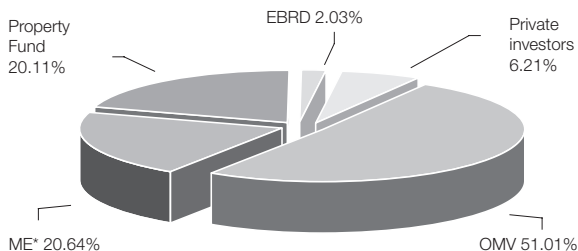
Subsequent to the transfer, AVAS owned 17,481,773,996 shares representing 30.862% of the Petrom share capital.

held by AVAS, into the account of Fondul Proprietatea S.A.

Subsequent to the transfer, AVAS owned 11,690,694,418 shares representing 20.64% of the share capital and Fondul Proprietatea S.A. owned 11,391,130,186 shares, representing 20.11% of the share capital.

On July 11, 2007, in compliance with the stipulations of the Government's Emergency Statutory Order no. 81/2007, Depozitarul Central transferred 5,791,079,578 shares, representing 10.223% of Petrom's share capital,

Current shareholders' structure



* As of January 15, 2009, the Ministry of Economy (ME) replaced AVAS in its position as Petrom shareholder, according to the provisions of Law no 308/30.12.2008.

Abbreviations and definitions

bbl	Barrel
bn	Billion
boe	Barrels of oil equivalent
cbm	Cubic meters
E.G.O.	Emergency Government Ordinance
GMS	General Meeting of Shareholders
HFO	Heavy Fuel Oil
LPG	Liquefied Petroleum Gas
mn	Million
kt	Thousand tons
RON,lei	New Romanian leu
NGL	Natural Gas Liquids
Capital employed	$\text{Equity} + (\text{Financial Current liabilities} + \text{Financial Non-current liabilities} - \text{Cash})$
EBIT	Earnings Before Interest and Taxes
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
ROACE	$\text{Return On Average Capital Employed} = \text{NOPAT} / \text{Average Capital Employed}$
ROFA	$\text{Return On Fixed Assets} = \text{NOPAT} / \text{Average Fixed Assets}$
ROE	$\text{Return On Equity} = \text{Net Profit} / \text{Average Equity}$
NOPAT	$\text{Net Operating Profit After Taxes} = \text{Net income} + (\text{Interest Expense} - \text{Interest income}) \times (1 - \text{tax rate})$
Current assets	$(\text{Total Current Assets} + \text{Prepayments}) / \text{Current Liabilities}$
Acid test	$(\text{Total Current Assets} + \text{Prepayments} - \text{Inventories}) / \text{Current Liabilities}$

Financial events	Date
Presentation of the results for January-December and Q4 2008 ^{1,2}	February 25, 2009
Publication of the Annual Report 2008	April 28, 2009
General Meeting of Shareholders	April 28, 2009
Presentation of the results for January-March 2009	May 8, 2009
Presentation of the results for January-June and Q2 2009	August 5, 2009
Presentation of the results for January-September and Q3 2009	November 10, 2009

¹ Preliminary result, according to Romanian Accounting Standards

² Approved by the Executive Board and to be submitted for the GMS approval

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To obtain quarterly and annual reports in Romanian and English, please send an e-mail to investor.relations.petrom@petrom.com or use the ordering service under www.petrom.com.

Petrom shares Symbols	
ISIN	SNPPACNOR9
Bucharest Stock Exchange	SNP
Bloomberg	SNP RO
Reuters	SNPP.BX

- 10.01. Changes within Petrom Executive Board
- 26.02. Results for January-December and Q4 2007
- 27.03. Petrom and Romgaz signed a protocol for contribution to the Social Gas Fund
- 31.03. Petrom signs the contract for building Brazi power plant with a Consortium formed of General Electric and Metka
- 05.05. Petrom will have a new Head of Refining (Mr. Neil Anthony Morgan)
- 07.05. Results for January-March 2008
- 03.06. Petrom reviewed its strategic objectives for 2010
- 08.07. Petrom to build new installation for gasoline production with low sulphur content
- 23.07. Petrom includes renewable energy in its projects portfolio
- 05.08. Results for January-June and Q2 2008
- 28.08. Petrom and the Federation of Road Transport Operators signed convention for fuel supply
- 03.10. Petrom increases its participation in Petrom Aviation
- 15.10. Petrom signed the largest medium term credit facility granted so far to a company in Romania
- 03.11. Protocol Petrom – FSLI Petrom Trade Union regarding the free distribution of own shares to the company's employees (100 shares per individual)
- 06.11. Results for January-September and Q3 2008
- 12.11. Petrom won the Excellence Award in Project Management for the Well Modernization Project
- 24.11. Petrom and Oltchim carry out negotiations regarding the transfer of the petrochemicals
- 03.12. Petrom and ExxonMobil signed an agreement to explore Black Sea offshore in Romania
- 11.12. Petrom initiates the mandatory public takeover of Petrom Aviation



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