

In September, Romanian natural gas transmission system operator Transgaz announced that it is seeking a loan worth 74 million euros, which will be used to finance its investment projects.

Transgaz recently said that it has signed a loan agreement worth 74 million euros with Banca Comerciala Romana (BCR).

The statement from the company said that the proceeds will be used to finance two projects: the development of the national gas transmission system in northeastern Romania, namely the Onesti-Gheraesti-Letcani route and the construction of interconnection between the national gas transmission system and an international transmission pipeline Transit-1.

The loan's maturity should be 13 years, with one year grace period, payable in semi-annual installments, but it is still considering whether to accept fixed or variable interest rate. The deadline for submission of bids by interested financial institutions is 8 October. The loan agreement should be signed by the end of October. Transgaz recorded a net profit in the amount of 48 million euros in the first half of 2020, which is by 18.6 % more compared to the same period last year. The company's operating profit was 12 % higher reaching 49.8 million euros, while operating revenues fell by 2.2 % to 156.8 million euros in the first six months of the year. Operating costs fell by 7.67 % year-on-year to 106.8 million euros. Total revenues fell by 9.3 % reaching 175.8 million euros. In the first half of the year, Transgaz invested a total of 156 million euros, which is more than double compared to the same period in 2019.