

**ROMPETROL RAFINARE  
Q2 and H1 2011 IFRS CONSOLIDATED UNAUDITED RESULTS**


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**GOOD OPERATIONAL RESULTS IN H1 2011**

Romp petrol Rafinare S.A. (symbols, Bucharest Stock Exchange: RRC, Reuters: ROMP.BX, Bloomberg: RRC RO) has released today its Second Quarter and First Semester 2011 financial and operational unaudited results. The figures include unaudited consolidated financial statements for this period prepared by the company in accordance with International Financial Reporting Standards („IFRS”). The IFRS financial results differ in some respects from the Romanian Standards of Accounting.

Consolidated financial statements of Rompetrol Rafinare include the results of the parent company Rompetrol Rafinare and its subsidiaries Rompetrol Petrochemicals, Rompetrol Quality Control, Rom Oil, Rompetrol Downstream, Rompetrol Logistics and Rompetrol Gas.

The document is posted on our website in the Investor Relations section: [www.rompetrol.com](http://www.rompetrol.com)

**HIGHLIGHTS - CONSOLIDATED**

		Q2 2011	Q2 2010	%	H1 2011	H1 2010	%
<b>Financial</b>							
Gross Revenues	USD	1,351,471,188	924,536,736	46%	2,421,839,260	1,766,421,504	37%
Net Revenues	USD	1,109,080,397	732,924,468	51%	2,006,377,603	1,413,578,676	42%
EBITDA	USD	3,196,220	(5,183,473)		49,327,560	(24,769,310)	
EBITDA margin	%	0.3%	-0.7%		2.5%	-1.8%	
EBIT	USD	(31,646,682)	(33,823,676)		(23,534,412)	(78,491,574)	
Net profit / (loss)	USD	(52,364,687)	(61,707,973)		(63,710,271)	(119,037,889)	
Net Profit / (loss) margin	%	-4.7%	-8.4%		-3.2%	-8.4%	
Basic Earnings per share	USD	(0.0021)	(0.0029)		(0.0026)	(0.0056)	
Basic Earnings per share	RON	(0.0062)	(0.0096)		(0.0078)	(0.0177)	

Romp petrol Rafinare Constanta (RRC) gross revenues reached USD 1.351 billion in Q2 2011. The increase in gross revenues, compared to the same period last year, is mainly the result of higher international quotations for petroleum products, on gasoline as well as on diesel, as well as the increase of volume of petroleum products sold.

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**ENVIRONMENT**

		Q2 2011	Q2 2010	%	H1 2011	H1 2010	%
Brent Dated	USD/bbl	117.04	78.24	50%	111.09	77.29	44%
Ural Med	USD/bbl	114.21	76.41	49%	108.28	75.77	43%
Brent-Ural Differential	USD/bbl	2.84	1.82	55%	2.81	1.52	85%
Premium Unleaded 10 ppm FOB Med	USD/t	1,038	723	44%	980	720	36%
Diesel ULSD 10 ppm FOB Med	USD/t	985	679	45%	948	658	44%
RON/USD Average exchange rate		2.87	3.28	-13%	2.98	3.13	-5%
RON/USD Closing exchange rate		2.93	3.56	-18%	2.93	3.56	-18%
RON/EURO Average exchange rate		4.13	4.23	-2%	4.18	4.15	1%
RON/EURO Closing exchange rate		4.23	4.37	-3%	4.23	4.37	-3%
USD/EURO Closing rate		1.45	1.23	18%	1.45	1.23	18%
Inflation in Romania*		0.58%	0.66%	-12%	2.75%	1.77%	55%

Source: Platts, \* INSSE

Outright crude prices have expressed heightened levels of volatility in the first half of 2011 and analysts expect this to continue over the following months. The volatile market reflects grave uncertainties in the wider economic picture with the Euro-zone wrestling with debt crises in several member countries, while the US is dealing with looming insolvency and a high unemployment rate. The picture in non-OECD world has also become less clear due to Indian economy slowdown and China facing inflationary pressures. The European outlook for Russian sour crude oil foresees Urals Med falling under Urals North-West Europe based on Transneft's Q3 loading schedule, showing around 19% increase of liftings ex-Novorossiysk, the highest level since 2006. Further pressure is likely to come from increasing Iraqi supply. Sweet/sour differentials narrowed again from around 3.5\$/bbl to under 2\$/bbl end-June.

On the product side, second quarter witnessed in the Med average gasoline cracks of 175\$/mt in May with highs over 200\$/mt during the first May-decade, but in June cracks reverted to lower levels averaging around 135\$/mt. This marks a significant rise of around 30% year-on-year at its peak in May, but it also shows the direct impact of the crude oil price rise during same time frame.

For the middle distillates, cracks' evolution was far less spectacular during Q2 (averages remained in the 90\$/mt range in the Med) and only April average showed a year-on-year improvement. Compared to the US and main European consumers (Germany, France, Spain) where significant demand declines were reported, the Mediterranean area recorded healthy demand both to the West and East.

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**REFINING**

		Q2 2011	Q2 2010	%	H1 2011	H1 2010	%
<b>Financial</b>							
Gross Revenues	USD	1,222,976,444	792,887,697	54%	2,160,302,383	1,517,494,437	42%
Net Revenues	USD	1,002,408,404	623,806,202	61%	1,785,686,174	1,199,690,292	49%
EBITDA	USD	(7,222,784)	(1,386,309)	N/A	19,285,414	(29,290,465)	N/A
EBITDA margin	%	-0.7%	-0.2%	N/A	1.1%	-2.4%	N/A
EBIT	USD	(23,002,961)	(7,980,695)	188%	(16,629,178)	(46,058,107)	-64%
Net profit / (loss)	USD	(41,940,463)	(42,096,809)	0%	(34,813,089)	(93,539,748)	-63%
Net profit / (loss) margin	%	-4.2%	-6.7%	-38%	-1.9%	-7.8%	-75%
Gross cash refinery margin/tonne	USD/t	30.14	34.42	-12%	51.17	23.19	121%
Gross cash refinery margin/bbl	USD/b	4.15	4.74	-12%	7.05	3.19	121%
Net cash refinery margin/tonne	USD/t	(0.85)	1.84	N/A	15.72	(13.25)	N/A
Net cash refinery margin/bbl	USD/b	(0.12)	0.25	N/A	2.16	(1.82)	N/A
<b>Operational</b>							
Feedstock processed	Kt	1,105	991	11%	2,078	1,941	7%
Gasoline produced	Kt	353	327	8%	685	649	6%
Diesel & jet fuel produced	Kt	437	408	7%	829	793	5%
Motor fuels sales - domestic	Kt	406	392	4%	702	673	4%
Motor fuels sales - export	Kt	350	285	23%	718	646	11%
Export	%	46%	42%		51%	49%	
Domestic	%	54%	58%		49%	51%	

*Note: Refining segment comprises only the results of the refinery (parent company of Rompetrol Rafinare), including the operations of Vega.*

*Rompetrol Rafinare computes Gross cash refinery margin as follows – (Oil Product Sales – Cost of Feedstock) / Quantity of Feedstock related to the sales. Net Cash Refinery margin is the EBITDA of the refinery divided by quantity of feedstock related to sales.*



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The gross revenues of the refining segment reached USD 2.160 billion in H1 2011 higher by 42% compared with H1 2010. The increase in gross revenues is mainly the result of higher international quotations for petroleum products.

The operational results for H1 2011 were positively influenced by higher margins for petroleum products, mainly for distillates, and higher sales of finished products.

Ural/Brent differential increased to 2.84 USD/bbl in Q2 2011 compared with 1.82 USD/bbl in Q2 2010. Correlated with Ural/Brent differential, the feedstock had a different structure in Q2 2011 (60% Ural - 7% mixed crude oil - 33% CPC) compared to Q2 2010 (75% Ural – 25% CPC), with positive impact in the finished products structure: gasoline and diesel production higher by 8% and 7% respectively.

In Q2 2011 the refining average monthly throughput was 11% higher than in Q2 2010, when the activity was affected by planned shutdowns of important units (Diesel Hydrotreater catalyst replacement and heater decoking for Delayed Coker in May 2010 and Kerosene Hydrotreater catalyst replacement in June 2010).

VGA refinery achieved good results in H1 2011 compared to H1 2010: maximizing production of valuable products by increasing the n-hexane production by 39%, white spirit production by 148% and bitumen production by 85%.

In Q2 2011 the refining capacity utilization rate was 86.93%% by 11.4% higher than in Q2 2010 when the refining capacity utilization was 78.04%.

Rompetrol Rafinare continued to be an important contributor to Romania's fiscal budget with over USD 582 million in H1 2011.

Rompetrol Rafinare started the last phase of its capacity increase program for the Petromidia Refinery, from 3.8 million tons, to over 5 million tons of processed raw materials. The value of the investments made to this extent amount so far up to 234 million USD, the total value being estimated at over 377 million USD.

The program is part of The Rompetrol Group's strategy and its sole shareholder – KazMunayGas, to consolidate and develop its presence in Central and Eastern Europe, Romania, Bulgaria, Republic of Moldova, Ukraine and Georgia, where we have Rompetrol gas-stations, as well as in countries such as Turkey, Serbia or Greece. Also, this program support the company's objective to be amongst the top 25 refineries in Europe, based on profitability and operations results.

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**MARKETING**

		Q2 2011	Q2 2010	%	H1 2011	H1 2010	%
<b>Financial</b>							
Gross Revenues	USD	771,715,597	560,665,012	38%	1,316,277,522	1,011,086,096	30%
EBITDA	USD	9,502,361	(7,634,177)	N/A	17,957,463	(688,900)	N/A
EBIT	USD	(2,274,640)	(25,859,000)	-91%	(7,425,327)	(30,249,025)	-75%
Net profit / (loss)	USD	(5,916,697)	(18,020,711)	-67%	(30,592,532)	(20,758,177)	47%
<b>Operational</b>							
Quantities sold in retail	Kt	177	189	-6%	322	333	-3%
Quantities sold in wholesale	Kt	206	185	11%	352	317	11%
Retail Gross Margin	Kt	132	79	67%	134	110	22%
Wholesale Gross Margin	USD/t	44	18	144%	52	37	41%

*Note: Marketing segment includes the results of Rompetrol Downstream, Rom Oil, Rompetrol Quality Control Rompetrol Logistics and Rompetrol Gas*

In Q2 2011 quantitative sales increased by 3% compared to the same period in 2010. A similar ascending trend was maintained throughout the first semester of 2011, Rompetrol Downstream having recorded an increase of volumes by 4% as compared to the first semester of 2010.

The increase in fuel prices in H1 2011 was sustained mainly by the increase in the international Platts quotations for finished products (36% for gasoline and 44% for diesel), compared to the same period last year. This variance was influenced by several factors, such as the tension in Northern Africa and the Middle East (Tunisia, Egypt, Libya), the earthquake in Japan, as well as the uncertainty regarding the unstable economic situation of the Euro Zone, due to the financial issues of Greece.

In H1 2011 the higher volumes also impacted the increase in gross revenues by 30% influenced also by the increase of fuel prices impacted by international quotations variations and the increase of excise duties.

The financial results were positively influenced by favourable foreign exchange differences, due to RON appreciation against the US dollar: in Q2 2011 USD/RON average exchange rate was 2.87, lower by 13% compared with Q2 2010.

As of the end of June 2011, the distribution network of Rompetrol Downstream was composed of: 131 own stations, 157 partner stations, 126 expres stations, 153 internal bases, 196 cuves.

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**PETROCHEMICALS**

		Q2 2011	Q2 2010	%	H1 2011	H1 2010	%
<b>Financial</b>							
Revenues	USD	91,035,215	73,798,919	23%	197,488,339	146,524,028	35%
EBITDA	USD	(429,670)	3,493,757	N/A	9,032,530	5,380,104	N/A
EBIT	USD	(6,857,234)	530,923	N/A	(815,740)	(298,073)	N/A
Net profit / (loss)	USD	(4,995,680)	(1,264,658)	N/A	359,517	(3,166,044)	N/A
<b>Operational</b>							
Propylene processed	kt	32	30	6%	65	61	6%
Ethylene processed	kt	23	19	23%	59	37	59%
Sold from own production	kt	51	48	6%	112	97	15%
Sold from trading	kt	3	5	-45%	6	12	-49%
Total sold		54	53	1%	118	110	8%
Export	%	58%	54%		60%	55%	
Domestic	%	42%	46%		40%	45%	

Romp petrol Petrochemicals gross revenues reached USD 197.5 million in H1 2011, by 35% higher compared with the same period last year. The increase in gross revenues is the result of higher international quotations for petrochemical products, as well as higher quantities sold.

In H1 2011 versus H1 2010, the company's financial results improved due to positive margins from petrochemical products sales, diversification of product portfolio and streamlining of the company's activity, therefore EBITDA reached USD 9 million in H1 2011 higher compared with the same period last year.

The increase in the quantity of raw materials processed in H1 2011 compared with H1 2010 is the result of HDPE unit restart, starting November 2010. Also, the HDPE unit restart positively influenced the level of sales, leading to an increase by 15% in H1 2011 against the same period last year.

In H1 2011 Romp petrol Petrochemicals improved the quality of its products, thus the weight of high quality rated, polymers products reached 98.0% compared with an average of 97.4% in H1 2010.

Against the background of the reduction or shutting down of production capacities in Central and Eastern Europe, the company maintains its objective set in 2007 of becoming one of the main suppliers and producers of polymers in the region. In November 2010 the high density polyethylene installation (HDPE) was restarted. In 2011 the modernization program will allow an increase in the installation capacity, a reduction in the processing costs, a diversification of the range of products provided, as well as an increase in the operating safety.

Romp petrol Petrochemicals is the sole polypropylene producer in Romania; in 2010 and H1 2011 the company was also the sole producer of polyethylene, given the economic circumstances on the market, thus constantly increasing its market share. Its dynamic development strategy has secured the company a competitive position on the domestic and regional markets – in the Balkans Region. One of the advantages of the company is determined by its proximity to its customers, providing the products required Just - In - Time, as well as offering technical consulting and monitoring of their production cycle.

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**APPENDIX 1 – CONSOLIDATED INCOME STATEMENT 2011, UNAUDITED**

Amounts in USD

	<b>Q2 2011</b>	<b>Q2 2010</b>	<b>%</b>	<b>H1 2011</b>	<b>H1 2010</b>	<b>%</b>
Gross Revenues	1,351,471,188	924,536,736	46%	2,421,839,260	1,766,421,504	37%
Sales taxes and discounts	(242,390,791)	(191,612,268)	27%	(415,461,657)	(352,842,828)	18%
<b>Net revenues</b>	<b>1,109,080,397</b>	<b>732,924,468</b>	<b>51%</b>	<b>2,006,377,603</b>	<b>1,413,578,676</b>	<b>42%</b>
Cost of sales	(1,068,489,311)	(701,417,030)	52%	(1,883,114,847)	(1,359,706,073)	38%
<b>Gross margin</b>	<b>40,591,086</b>	<b>31,507,438</b>	<b>29%</b>	<b>123,262,756</b>	<b>53,872,603</b>	<b>129%</b>
Selling, general and administration	(66,559,334)	(59,181,614)	12%	(130,139,351)	(126,434,544)	3%
Other expenses, net	(5,678,434)	(6,149,500)	N/A	(16,657,817)	(5,929,633)	181%
<b>EBIT</b>	<b>(31,646,682)</b>	<b>(33,823,676)</b>	<b>-6%</b>	<b>(23,534,412)</b>	<b>(78,491,574)</b>	<b>-70%</b>
Finance, net	(22,095,396)	(20,854,597)	6%	(43,003,053)	(38,721,380)	11%
Net foreign exchange gains / (losses)	1,310,976	(6,010,630)	N/A	3,143,902	(790,663)	N/A
<b>EBT</b>	<b>(52,431,102)</b>	<b>(60,688,903)</b>	<b>-14%</b>	<b>(63,393,563)</b>	<b>(118,003,617)</b>	<b>N/A</b>
Income tax	66,415	(1,019,070)	N/A	(316,708)	(1,034,272)	-69%
<b>Net result</b>	<b>(52,364,687)</b>	<b>(61,707,973)</b>	<b>N/A</b>	<b>(63,710,271)</b>	<b>(119,037,889)</b>	<b>N/A</b>
<b>EBITDA</b>	<b>3,196,220</b>	<b>(5,183,473)</b>	<b>N/A</b>	<b>49,327,560</b>	<b>(24,769,310)</b>	<b>N/A</b>

**APPENDIX 2 – CONSOLIDATED BALANCE SHEET JUNE 30, 2011, UNAUDITED**
*Amounts in USD*

	June 30, 2011	December 31, 2010	%
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	23,132,236	29,244,456	-21%
Goodwill	82,871,706	82,871,706	0%
Property, plant and equipment	1,006,352,149	1,022,541,570	-2%
Financial assets and other	13,893,097	3,390,005	310%
<b>Total Non Current Assets</b>	<b>1,126,249,188</b>	<b>1,138,047,737</b>	<b>-1%</b>
<b>Current assets</b>			
Inventories	419,393,846	357,368,919	17%
Trade and other receivables	407,974,392	324,492,795	26%
Derivative financial Instruments	7,681,160	-	
Cash and cash equivalents	71,571,619	53,177,253	35%
<b>Total current assets</b>	<b>906,621,017</b>	<b>735,038,967</b>	<b>23%</b>
<b>Total assets</b>	<b>2,032,870,205</b>	<b>1,873,086,704</b>	<b>9%</b>
<b>Equity and liabilities</b>			
<b>Total Equity</b>	<b>(80,886,104)</b>	<b>(17,175,833)</b>	<b>371%</b>
<b>Non-current liabilities</b>			
Long-term debt	45,720,510	1,907,918	2296%
Other	21,505,782	31,832,739	-32%
<b>Total non-current liabilities</b>	<b>67,226,292</b>	<b>33,740,657</b>	<b>99%</b>
<b>Current Liabilities</b>			
Trade and other payables	886,136,039	709,940,734	25%
Short-term debt	1,160,393,978	1,146,581,146	1%
<b>Total current liabilities</b>	<b>2,046,530,017</b>	<b>1,856,521,880</b>	<b>10%</b>
<b>Total equity and liabilities</b>	<b>2,032,870,205</b>	<b>1,873,086,704</b>	<b>9%</b>

The financial figures are extracted from Company's unaudited IFRS financial reports.