

Petromidia Refinery – record operational performance in 2013

Rompotrol Rafinare S.A. (symbols, Bucharest Stock Exchange: RRC, Reuters: ROMP.BX, Bloomberg: RRC RO) has released today its Fourth Quarter 2013 and 2013 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 Rompotrol Rafinare include the results of the parent company Rompotrol Rafinare S.A and its subsidiaries Rompotrol Petrochemicals S.R.L, Rompotrol Quality Control S.R.L, Rom Oil SA, Rompotrol Downstream S.R.L, Rompotrol Logistics S.R.L and Rompotrol Gas S.R.L.

The document is posted on our website in the Investor Relations section: www.rompetrol.com

HIGHLIGHTS – CONSOLIDATED

		Q4 2013	Q4 2012	%	2013	2012	%
Financial							
Gross Revenues	USD	1,488,510,322	1,194,335,458	25%	4,899,808,638	4,619,549,311	6%
Net Revenues	USD	1,202,116,914	985,517,026	22%	3,910,907,653	3,843,481,873	2%
EBITDA	USD	13,894,611	55,047,609	N/A	29,004,264	76,830,813	N/A
EBITDA margin	%	1.2%	5.6%		0.7%	2.0%	
EBIT	USD	864,596	(43,436,935)	N/A	(38,526,480)	(119,532,295)	N/A
Net profit / (loss)	USD	(12,860,275)	(48,042,724)	N/A	(98,978,910)	(163,033,733)	N/A
Net Profit / (loss) margin	%	-1.1%	-4.9%		-2.5%	-4.2%	

Rompotrol Rafinare Constanta (RRC) gross revenues reached USD 1.488 billion in the fourth quarter of 2013 higher by 25% against Q4 2012, while for the year 2013 gross revenues reached USD 4.899 billion influenced by the increase in the volume of petroleum products sold as against last year, despite the decreasing international quotations for petroleum products.



ROMPETROL RAFINARE Q4 and 2013 IFRS CONSOLIDATED UNAUDITED RESULTS

ENVIRONMENT

		Q4 2013	Q4 2012	%	2013	2012	%
Brent Dated	USD/bbl	109	110	-1%	109	112	-3%
Ural Med	USD/bbl	109	109	0%	108	111	-2%
Brent-Ural Differential	USD/bbl	0.34	0.90	-62%	0.36	0.95	-62%
Premium Unleaded 10 ppm FOB Med	USD/t	942	973	-3%	981	1,023	-4%
Diesel ULSD 10 ppm FOB Med	USD/t	935	961	-3%	931	969	-4%
RON/USD Average exchange rate		3.27	3.49	-6%	3.33	3.47	-4%
RON/USD Closing exchange rate		3.26	3.36	-3%	3.26	3.36	-3%
RON/EURO Average exchange rate		4.45	4.53	-2%	4.42	4.46	-1%
RON/EURO Closing exchange rate		4.48	4.43	1%	4.48	4.43	1%
USD/EURO Closing rate		1.38	1.32	4%	1.38	1.32	4%
Inflation in Romania*		0.61%	0.93%	-34%	1.57%	0.93%	68%

Source: Platts, * INSSSE

In the fourth quarter quotations for crude oil on the international market had a slightly downward trend, driven by global macroeconomic factors and influenced by fluctuations in oil production extracted in the Arab countries. Average quotations ranged below the previous quarter and were around \$ 109 / bbl for both Brent crude and for the type Urals. Average quotations have remained stable for both types of oil compared to the same period in 2012. The variation of quotations for Urals crude oil was characterized by a high degree of volatility temporarily hovering above Brent crude oil quotations according to market demand and product availability. The difference between Brent crude and the Urals quotations returned to normal values (around 1 USD / bbl) , only towards the end of December. The long - awaited agreement between Iran and the UN Security Council countries plus Germany on temporary taming sanctions brought only a short term decline of quotations.

In recent months, the difference between the quotation for gasoline and Brent crude oil on the European market had a modest trend influenced by lower demand and U.S. refiners' preferential status resulting from lower prices of raw materials of regional origin. The average difference between the quotation for gasoline and Brent crude had monthly averages about \$ 118 / mt in October, \$ 111 / mt in November and \$ 115 / mt in December, the variation being limited by the naphtha excellent performance of the group. The difference between naphtha and Brent crude quotations recorded in the quarter higher level compared to the past 10 months due to improving demand, low availability of products on the market and rising international prices of LPG Low volatility was a direct consequence of the situation of advantage in the refining sector in the U.S., and also poor reflection of the state they are in the refining sector in Europe. In terms of performance group of middle distillates, which recorded relatively stable values in the fourth quarter with a medium difference versus Brent crude around \$ 108 / mt , but significantly below the comparative period of last year (above \$ 127 / mt).

European market and the difference between diesel and Urals quotations had a level below \$ 150 / mt in both the Mediterranean and in North-West Europe. Diesel remains among the most profitable products to European refiners, mainly because of chronic deficit of the regional market. Consequently, refiners are investing to increase the yield of distillates. This increase (most significant moment in the small European countries) failed to offset a decline in refinery utilization and average distillate production in the fourth quarter fell by 1.2 million bbl /day over the same period last year. Market analysts predict that the difference between the quotations of oil and the middle distillate products group will be additional pressure coming from increasing competition from refiners in the U.S. and Middle East.



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Q4 and 2013 IFRS CONSOLIDATED UNAUDITED RESULTS

The poor performance of European refining margin reflected the difficult market situation of main petroleum products except naphtha Group - the only group who enjoyed robust demand. Results were located predominantly in the last quarter in negative area or small above zero. Refining margin in the European market has fallen steadily in the last three months mainly due to decreasing values recorded for gasoline, which could not be offset by the impressive results of the constant naphtha or diesel. Market analysts predict an improvement in the global economy in the near future, expected to reach around 3% in mid-2014. Upward trend will be supported by a growing economic climate both in the U.S. and in major European OÉCD countries, while some restrictions on growth performance may come from the Chinese economy or currency depreciation in countries in Asia and South America.



**ROMPETROL RAFINARE
Q4 and 2013 IFRS CONSOLIDATED UNAUDITED RESULTS**

REFINING

		Q4 2013	Q4 2012	%	2013	2012	%
Financial							
Gross Revenues	USD	1,379,400,246	1,100,944,321	25%	4,405,512,300	4,270,625,763	3%
Net Revenues	USD	1,121,037,615	904,516,531	24%	3,540,085,234	3,554,601,432	0%
EBITDA	USD	6,224,716	47,074,520	N/A	(16,075,626)	58,345,084	N/A
EBITDA margin	%	0.6%	5.2%	N/A	-0.5%	1.6%	N/A
EBIT	USD	432,303	(24,208,553)	N/A	(50,260,979)	(70,612,229)	N/A
Net profit / (loss)	USD	(3,408,362)	(30,134,589)	N/A	(81,721,859)	(118,699,352)	N/A
Net profit / (loss) margin	%	-0.3%	-3.3%	N/A	-2.3%	-3.3%	N/A
Gross cash refinery margin/tonne (PEM)	USD/t	29.07	37.72	-23%	24.72	35.39	-30%
Gross cash refinery margin/bbl (PEM)	USD/b	4.00	5.19	-23%	3.40	4.87	-30%
Net cash refinery margin/tonne (PEM)	USD/t	3.4	50.4	N/A	(5.0)	14.1	N/A
Net cash refinery margin/bbl (PEM)	USD/b	0.5	6.9	N/A	(0.7)	1.9	N/A
Operational							
Feedstock processed	Kt	1,315	1,017	29%	4,149	4,012	3%
Gasoline produced	Kt	368	321	14%	1,194	1,287	-7%
Diesel & jet fuel produced	Kt	678	465	46%	2,031	1,713	19%
Motor fuels sales - domestic	Kt	471	418	13%	1,623	1,536	6%
Motor fuels sales - export	Kt	507	340	49%	1,443	1,307	10%
Export	%	52%	45%		47%	46%	
Domestic	%	48%	55%		53%	54%	

Note: Refining segment comprises the results of the company Rompetrol Rafinare (which operates Petromidia and Vega refineries). Rompetrol Rafinare computes Gross refinery margin as follows – (Oil Product Sales – Cost of Feedstock) / Quantity of sales. Net Refinery margin is the EBITDA of the refinery divided by quantity of sales.

The gross revenues of the refining segment reached USD 4.405 billion in 2013 lower by 3% compared with the same period of 2012, influenced by the increase in the volume of petroleum products sold as against last year, despite the decreasing international quotations for petroleum products.

In Q4 2013, the total throughput for Petromidia refinery was 1.318 million tons by 28% higher compared with the same period last year when the total throughput was 1.028 million tons. In Q4 2013 the refining capacity utilization was 98% higher by 23% compared with Q4 2012.



ROMPETROL RAFINARE Q4 and 2013 IFRS CONSOLIDATED UNAUDITED RESULTS

In 2013 the total throughput was 4.18 million tons higher by 3.32% against 2012. The designed capacity utilization (14,000 tons/day) was 86.18% higher by 11.68% compared with the same period of 2012, reaching also the highest average daily throughput of 12.74 kt/day.

In 2013, following the finalization of the investment program, diesel yield significantly increased by almost 20% compared with last year. Thus, 1,9 million tons of diesel were produced in Petromidia, being the highest level ever reached in history. White products yield reported to total feedstock reached 85.6%, being also the highest level ever reached in Petromidia history.

Regarding Vega refinery, in Q4 2013 the throughput was 77,515 tons higher by 12% compared with Q4 2012 when the throughput was 68,917 tons, while for 2013 the throughput was 240,553 tons lower by 21% compared with last year when the throughput was 305,171 tons. The decrease is due to lower market demand for the niche products and lower quantities of raw materials received at the beginning of 2013.

Company's financial results were significantly influenced by the refining margin, which decreased significantly in both the fourth quarter and in 2013 being negatively influenced by adverse market conditions, following the decrease of international quotations of finished petroleum products (gasoline and diesel) by 4%, compared with a decrease of only 3% of Brent crude quotations.

Starting with 2007, when The Rompetrol Group was purchased by KazMunayGas, the processing capacity of Petromidia and Vega refineries increased from 3.8 million tons to 5 million tons and also the technological processes were optimized. Therefore, in the last 6 months of 2013, Petromidia refinery reached a maximum throughput of 14 thousand tons per day.

Last year, The Rompetrol Group finished the investment program in Petromidia refinery which became the largest and most powerful in Romania. Petromidia represents over 40% of Romania's refining capacity and total investment made by the Group and its sole shareholder, KazMunayGas - oil and gas national company of Kazakhstan, amounted to 700 million euros.

Rompetrol Rafinare S.A. continued to be an important contributor to Romania's fiscal budget with over USD 1.4 billion in 2013.

**ROMPETROL RAFINARE
Q4 and 2013 IFRS CONSOLIDATED UNAUDITED RESULTS****MARKETING**

		Q4 2013	Q4 2012	%	2013	2012	%
Financial							
Gross Revenues	USD	830,829,376	718,309,627	16%	2,943,112,711	2,673,035,916	10%
EBITDA	USD	14,398,497	7,482,834	92%	47,277,655	28,637,283	65%
EBIT	USD	7,319,486	(15,389,990)	N/A	26,911,618	(23,255,472)	N/A
Net profit / (loss)	USD	(1,544,463)	(17,601,681)	N/A	1,055,355	(44,026,373)	N/A
Operational							
Fuels quantities sold in retail	Kt	161	171	-6%	641	678	-6%
Fuels quantities sold in wholesale	Kt	274	218	26%	925	746	24%
LPG quantities sold	Kt	70	68	3%	262	290	-10%

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

In 2013, the marketing segment turnover reached USD 2.943 billion, higher by 10% compared with 2012, positively influenced by an increase of 24% of the wholesale quantities sold in 2013 compared with the same period last year.

In both Q4 and 12 months 2013 compared with the same periods last year, the Platt's quotations (FOB Med Italy-mean), decreased by an average of 3%, respectively by 4% for gasoline and diesel in the context of a USD/RON exchange rate that also decreased by 6%, respectively 4%.

The financial results of the distribution segment were positively influenced mainly by sales channel optimisation and the cost cutting program.

As of December 2013, the Rompetrol Downstream's distribution segment includes 742 sale points, including the network of owned stations, partner stations and mobile stations: express, cuves and internal bases.



ROMPETROL RAFINARE Q4 and 2013 IFRS CONSOLIDATED UNAUDITED RESULTS

PETROCHEMICALS

		Q4 2013	Q4 2012	%	2013	2012	%
Financial							
Revenues	USD	79,624,119	68,248,228	17%	251,082,207	247,294,513	2%
EBITDA from current operations*	USD	(1,921,562)	286,375	N/A	1,801,753	(8,159,557)	N/A
EBIT	USD	47,454,983	(3,184,112)	N/A	40,932,015	(20,239,957)	N/A
Net profit / (loss) from current operations*	USD	(358,317)	(5,301,101)	N/A	(8,930,004)	(21,494,955)	N/A
Net profit / (loss)	USD	46,435,031	(5,301,101)	N/A	37,863,344	(21,494,955)	N/A
Operational							
Propylene processed	kt	32	29	13%	107	119	-10%
Ethylene processed	kt	15	21	-29%	55	58	-5%
Sold from own production	kt	51	46	12%	160	167	-4%
Sold from trading	kt	2	2	4%	9	11	-20%
Total sold		53	47	12%	168	177	-5%
Export	%	66%	58%		60%	55%	
Domestic	%	34%	42%		40%	45%	

*In order to provide comparability of results 2013/2012, the impact resulted from the one off extraordinary transaction, in respect of the transfer of activity of Rompetrol Petrochemicals to Rompetrol Rafinare SA has been eliminated

Rompetrol Petrochemicals gross revenues reached USD 251 million in 2013 higher by 2% compared with the year 2012. The modest growth in gross revenues is mainly the result of lower quantities sold as a result of the planned shutdown during March 2013, despite the increase in selling prices against last year.

In 2013 versus last year the quantity of raw materials processed decreased by 8% due to the planned shutdown during March - April 2013 in order to perform the scheduled technological works.

For the year 2013 versus last year, the company's financial results were positively influenced by the good margins, for petrochemicals products, incurred especially in January, June and also in the third quarter of 2013, when EBITDA reached a positive level of USD 1.5 million, USD 0.9 million and respectively USD 4.33 million.

In Q4 2013, the financial results were positively influenced by a one off transaction, with no impact at consolidated level, following the integration process of Rompetrol Petrochemicals activity into Rompetrol Rafinare SA.

In 2013 the weight of high quality rated polymers products reached 97.7%.

Rompetrol Petrochemicals is the sole polypropylene producer in Romania; starting with 2010 the company was also the sole producer of polyethylene, providing 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.



APPENDIX 1 – CONSOLIDATED INCOME STATEMENT 2013, UNAUDITED

Amounts in USD

	Q4 2013	Q4 2012	%	2013	2012	%
Gross Revenues	1,488,510,322	1,194,335,458	25%	4,899,808,638	4,619,549,311	6%
Sales taxes and discounts	(286,393,408)	(208,818,432)	37%	(988,900,985)	(776,067,438)	27%
Net revenues	1,202,116,914	985,517,026	22%	3,910,907,653	3,843,481,873	2%
Cost of sales	(1,155,123,483)	(919,374,834)	26%	(3,750,650,422)	(3,672,713,538)	2%
Gross margin	46,993,431	66,142,192	-29%	160,257,231	170,768,335	-6%
Selling, general and administration	(58,876,175)	(54,833,020)	7%	(219,687,893)	(220,106,359)	0%
Other expenses, net	12,747,340	(54,746,107)	N/A	20,904,182	(70,194,271)	N/A
EBIT	864,596	(43,436,935)	N/A	(38,526,480)	(119,532,295)	N/A
Finance, net	(13,739,499)	(6,812,944)	102%	(57,664,085)	(55,988,793)	3%
Net foreign exchange gains / (losses)	264,626	1,479,697	-82%	(2,404,625)	11,955,758	N/A
EBT	(12,610,277)	(48,770,182)	N/A	(98,595,190)	(163,565,330)	N/A
Income tax	(249,998)	727,458	N/A	(383,720)	531,597	N/A
Net result	(12,860,275)	(48,042,724)	N/A	(98,978,910)	(163,033,733)	N/A
EBITDA	13,894,611	55,047,609	N/A	29,004,264	76,830,813	N/A



APPENDIX 2 – CONSOLIDATED BALANCE SHEET DECEMBER 31, 2013, UNAUDITED

Amounts in USD

	31 December 2013	December 31, 2012	%
Assets			
Non-current assets			
Intangible assets	8,038,527	11,715,765	-31%
Goodwill	82,871,706	82,871,706	0%
Property, plant and equipment	1,149,790,455	1,150,819,800	0%
Financial assets and other	1,202,723	7,594,750	-84%
Total Non Current Assets	1,241,903,411	1,253,002,021	-1%
Current assets			
Inventories	436,074,392	446,917,386	-2%
Trade and other receivables	317,813,145	284,613,763	12%
Cash and cash equivalents	118,470,507	159,264,897	-26%
Total current assets	872,358,044	890,796,046	-2%
Total assets	2,114,261,455	2,143,798,067	-1%
Equity and liabilities			
Total Equity	461,594,732	361,897,872	28%
Non-current liabilities			
Long-term debt	-	-	
Provisions	73,246,043	68,797,216	6%
Other	825,920	869,785	-5%
Total non-current liabilities	74,071,963	69,667,001	6%
Current Liabilities			
Trade and other payables	1,043,976,416	917,143,556	14%
Derivative financial instruments	63,466	2,520,211	-97%
Provisions - current portion	313,417	11,501,341	-97%
Short-term debt	534,241,461	781,068,086	-32%
Total current liabilities	1,578,594,760	1,712,233,194	-8%
Total equity and liabilities	2,114,261,455	2,143,798,067	-1%

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

Board of Directors
President
Azamat Zhangulov

Chief Executive Officer
Sorin Graure



Chief Financial Officer
Giani-Iulian Kacic

ROMPETROL RAFINARE SA

SITUATIA POZITIEI FINANCIARE INDIVIDUALE la 31 decembrie 2013 -neauditata

	<u>31 decembrie 2013</u> <u>RON</u>	<u>31 decembrie 2012</u> <u>RON</u>
Imobilizari necorporale	17.153.647	6.466.548
Fond comercial	152.720	152.720
Imobilizari corporale	2.996.688.866	2.497.604.454
Imobilizari financiare	2.005.537.969	2.005.537.969
Total active imobilizate	5.019.533.202	4.509.761.691
Stocuri, net	1.043.665.277	1.167.936.143
Creante si cheltuieli inregistrate in avans,net	1.161.041.280	1.253.362.130
Casa si conturi la banci	226.547.312	435.731.646
Total active circulante	2.431.253.869	2.857.029.919
TOTAL ACTIVE	7.450.787.071	7.366.791.610
Capital social subscris	4.410.920.573	4.410.920.573
Inflatia aferenta capitalului social	5.734.750.095	5.734.750.095
Prime de capital	232.637.107	232.637.107
Alte rezerve	3.177.546.654	2.677.987.912
Pierdere reportata	(10.912.561.844)	(10.614.908.344)
Rezultatul exercitiului financiar curent	(224.447.001)	(297.653.500)
Total capitaluri proprii	2.418.845.584	2.143.733.843
Provizioane	233.695.537	228.590.403
Total datorii pe termen lung	233.695.537	228.590.403
Datorii comerciale si alte datorii	3.691.822.654	3.236.451.025
Instrumente financiare derivate	119.701	8.289.422
Imprumut de la actionari pe termen scurt	1.096.068.180	1.711.276.576
Imprumut de la banci pe termen scurt	43.699	43.931
Provizioane-partea curenta	10.191.716	38.406.410
Total datorii curente	4.798.245.950	4.994.467.364
TOTAL DATORII SI CAPITALURI PROPRII	7.450.787.071	7.366.791.610

AZAMAT ZHANGULOV

Presedintele Consiliului De Administratie

SORIN GRAURE

Director General



Giani- Iulian Kacic

Director Economic

Intocmit (Contabil Sef)

Pasa Cherata

ROMPETROL RAFINARE SA

CONTUL DE PROFIT SI PIERDERE la 31 decembrie 2013 –neauditat

Activitati continue	2013 RON	2012 RON
Cifra de afaceri neta	11.748.666.980	12.323.113.339
Costul productie vandute	(11.869.849.929)	(12.154.045.477)
Profit brut	(121.182.949)	169.067.862
Cheltuieli de desfacere si general-administrative	(181.050.510)	(163.438.757)
Alte venituri/(cheltuieli) operationale	83.328.565	(182.032.525)
Profit operational	(218.904.896)	(176.403.420)
Rezultatul financiar,net	(103.467.260)	(118.726.844)
(Pierderi)/ castiguri din diferentele de curs valutar, net	97.925.155	(2.523.236)
Pierdere bruta	(224.447.001)	(297.653.500)
Impozitul pe profit		
Pierdere exercitiului	(224.447.001)	(297.653.500)
Rezultatul pe actiune(bani/actiune)		
De baza	(0,51)	(0,67)

AZAMAT ZHANGULOV

Preedintele Consiliului De Administratie

SORIN GRAURE

Director General



Giani- Iulian Kacic

Director Economic

Intocmit (Contabil Sef)

Pasa Cherata

ROMPETROL RAFINARE SA

CONTUL DE PROFIT SI PIERDERE GLOBAL la 31 decembrie 2013-neauditat

	<u>2013</u>	<u>2012</u>
	RON	RON
Pierdere neta	<u>(224.447.001)</u>	<u>(297.653.500)</u>
Alte elemente ale rezultatului global		
Castiguri/pierderi actuariale aferente beneficiilor de pensionare	<u>(4.336.258)</u>	<u>(521.430)</u>
Alte elemente ale rezultatului global pe an, fara taxe	<u>(4.336.258)</u>	<u>(521.430)</u>
Total rezultat global pe an	<u>(228.783.259)</u>	<u>(298.174.930)</u>

AZAMAT ZHANGULOV

Președintele Consiliului De Administratie

SORIN GRAURE

Director General



Giani- Iulian Kacic

Director Economic

Intocmit (Contabil Sef)

Pasa Cherata