

**ROMPETROL RAFINARE
Q1 2014 IFRS CONSOLIDATED UNAUDITED RESULTS****Positive operational results in Q1 2014**

Rompetrol Rafinare S.A. (symbols, Bucharest Stock Exchange: RRC, Reuters: ROMP.BX, Bloomberg: RRC RO) has released today its First Quarter 2014 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 S.A and its subsidiaries Rompetrol Petrochemicals S.R.L, Rompetrol Quality Control S.R.L, Rom Oil SA, Rompetrol Downstream S.R.L, Rompetrol Logistics S.R.L and Rompetrol Gas S.R.L.

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

HIGHLIGHTS – CONSOLIDATED

		Q1 2014	Q1 2013	%
Financial				
Gross Revenues	USD	1,306,748,884	884,337,090	48%
Net Revenues	USD	1,081,834,207	728,401,469	49%
EBITDA	USD	9,375,045	(119,038)	N/A
EBITDA margin	%	0.9%	0.0%	
EBIT	USD	(11,813,726)	(11,982,227)	N/A
Net profit / (loss)	USD	(26,826,765)	(25,183,244)	N/A
Net Profit / (loss) margin	%	-2.5%	-3.5%	

Rompetrol Rafinare Constanta (RRC) gross revenues reached USD 1.3 billion in the first quarter of 2014 higher by 48% against Q1 2013 influenced by the increase in the volume of petroleum products sold as against last year, despite the decreasing international quotations for petroleum products.



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ENVIRONMENT

		Q1 2014	Q1 2013	%
Brent Dated	USD/bbl	108	113	-4%
Ural Med	USD/bbl	107	111	-4%
Brent-Ural Differential	USD/bbl	0.79	1.20	-34%
Premium Unleaded 10 ppm FOB Med	USD/t	961	1,044	-8%
Diesel ULSD 10 ppm FOB Med	USD/t	919	964	-5%
RON/USD Average exchange rate		3.29	3.32	-1%
RON/USD Closing exchange rate		3.23	3.45	-6%
RON/EURO Average exchange rate		4.50	4.39	3%
RON/EURO Closing exchange rate		4.46	4.42	1%
USD/EURO Closing rate		1.38	1.28	8%
Inflation in Romania*		1.21%	1.73%	-30%

Source: Platts, * INSSSE

During Q1 crude oil markets moved slightly downward, evolution determined by global macroeconomic factors and influenced by production fluctuations in Arab countries. Crude averages were situated lower than in 2013 Q4 and significantly under 2013 Q1 averages, slightly over 108\$/bbl for Brent and around 107.5\$/bbl for Urals grades. Compared year-on-year average quotations decreased by over 4\$/bbl, a sign that supply uncertainties in the Middle East have less impact in outright prices than last year. Concerning Urals crude oil, its performance registered a somewhat linear variation. Sweet-sour differentials remained between 0.5 - 1\$/bbl. Re-integration of Crimea into Russia had no considerable impact on outright prices in Q1, but constitutes the starting point of heated debate whether or not the international community should impose economic sanctions on Russia. Nevertheless, European medium-sour crude market is expected to remain tight due to Russian efforts to shift mainland exports towards the Far East, lack of Iranian and Syrian barrels due to sanctions plus unreliable inflows of Iraqi Kirkuk crude oil. Luckily immediate impact of lower regional availability will be cushioned in April and May due to planned maintenance programs at several refineries.

In recent months, European gasoline cracks had an impressive performance especially starting February as arbitrage opportunities to US East Coast opened up for the first time since November last year, on the back of returning demand and declining US stocks. Crack levels to Brent Dtd registered around \$120/mt in January, \$146/mt in February and \$162/mt in March, highest level since early September 2013 based on refinery maintenance and robust demand from North Africa and the Persian Gulf.

During first quarter of 2014 we have witnessed some unusual developments on the international gasoil/diesel markets, highlighting close relationship between regional markets. A strong US market as a result of a very cold winter helped sustain European market for some time, providing some relief for European refiners as fuel oil demand on the local markets was lower than expected due to above average temperatures. Middle distillate cracks to Brent Dtd remained largely steady throughout Q1 (around \$101/mt) but significantly lower compared year-on-year (over \$112.5/mt). European diesel crack resisted to pressure during first 2 months, yet started to lose ground towards end-February. In part, its performance can be attributed to disappearing support from the US as well as increasing throughput in European refineries due to improving margins. Market analysts show relative optimism concerning global distillates market. For Europe in particular expectations are intakes to remain relatively low and export developments to continue to



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diverge (US & Middle Eastern exports to increase, Russian exports to decrease). Slightly increasing demand and better economic performance will probably boost middle distillates cracks in Europe.

European refining margins performance improved over 2014 Q1 as strengthening of gasoline and fuel oil cracks were enough to offset slight downtick in naphtha and jet markets. Main reasons behind this result lie in continued diminished crude intake in European refineries combined with positive demand growth. Looking to Q2, market analysts expect European refinery margins to show some improvement with middle distillates market gaining some strength from lower Russian exports and stabilizing demand. Still, increase in US export volumes will most probably limit crack values for diesel. Gasoline market should also remain fairly stable in Europe enjoying seasonal demand support, while biggest concern remains elevated US production.



**ROMPETROL RAFINARE
Q1 2014 IFRS CONSOLIDATED UNAUDITED RESULTS**

REFINING & PETROCHEMICALS

		Q1 2014	Q1 2013	%
Financial				
Gross Revenues	USD	1,212,993,490	778,884,387	56%
Net Revenues	USD	1,017,460,737	648,875,395	57%
EBITDA	USD	(5,285,822)	(9,620,036)	N/A
EBITDA margin	%	-0.5%	-1.5%	N/A
EBIT	USD	(21,335,759)	(14,329,541)	N/A
Net profit / (loss)	USD	(30,204,897)	(25,168,151)	N/A
Net profit / (loss) margin	%	-3.0%	-3.9%	N/A
Gross cash refinery margin/tonne (PEM)	USD/t	29.6	30.3	-3%
Gross cash refinery margin/bbl (PEM)	USD/b	4.07	4.2	-3%
Net cash refinery margin/tonne (PEM)	USD/t	(3.5)	(16.0)	N/A
Net cash refinery margin/bbl (PEM)	USD/b	(0.5)	(2.2)	N/A
Operational				
Feedstock processed	Kt	1,189	621	91%
Gasoline produced	Kt	334	216	55%
Diesel & jet fuel produced	Kt	591	293	102%
Motor fuels sales - domestic	Kt	343	242	42%
Motor fuels sales - export	Kt	549	250	120%
Petrochemicals products sales	Kt	39	33	20%
Export- fuels	%	62%	51%	
Domestic - fuels	%	38%	49%	

Note: Refining and Petrochemicals segment comprises the results of the company Rompetrol Rafinare SA (with respect to Petromidia and Vega refineries) together with the petrochemicals activity and Rompetrol Petrochemicals SRL. Gross refinery margin of Petromidia refinery ("PEM") is computed as follows – (Oil Product Sales – Cost of Feedstock) / Quantity of sales. Net Refinery margin is the EBITDA of Petromidia refinery divided by quantity of sales.

The gross revenues of the refining segment reached USD 1.21 billion in Q1 2014 higher by 56% compared with the same period of 2013, influenced by the increase in the volume of petroleum products sold as against the same period last year, despite the decreasing international quotations for petroleum products.

In Q1 2014, the total throughput for Petromidia refinery was 1.184 million tons by 87% higher compared with the same period last year when the total throughput was 0.632 million tons following the planned shutdown during March – April 2013 in order to perform the scheduled technological works.

In Q1 2014 the refining capacity utilization was 90.51% higher by 16% compared with the same period last year.



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Q1 2014 IFRS CONSOLIDATED UNAUDITED RESULTS**

Regarding Vega refinery, in Q1 2014 the throughput was 51,591 tons higher by 66% compared with Q1 2013 when the throughput was 30,996 tons. The increase is due to the fact that during March – April 2013 all units were shut down for the planned shutdown.

Despite the decrease of international quotations of finished petroleum products (gasoline and diesel) by 8% and 5% respectively, compared with a decrease of only 4% of Brent crude quotations, the company managed to improve its operational result, following higher volumes sold and optimization of conversion costs.

Starting January 1 2014, petrochemical activity was taken over by Rompetrol Rafinare SA. For the first three months of 2014 versus the same period last year, the petrochemical results were affected by the volatility of the petrochemicals market especially in March 2014, when the results were impacted by the decreasing cracks for petrochemicals products. As against end of 2013, in March 2014 propylene quotations increased by 7%, while polypropylene increased only by 2%.

Rompetrol Rafinare S.A. continued to be an important contributor to Romania's fiscal budget with over USD 319.6 million in 2014.

**ROMPETROL RAFINARE**
Q1 2014 IFRS CONSOLIDATED UNAUDITED RESULTS**MARKETING**

		Q1 2014	Q1 2013	%
Financial				
Gross Revenues	USD	645,882,243	503,210,849	28%
EBITDA	USD	12,819,513	7,384,694	74%
EBIT	USD	7,691,485	1,294,790	N/A
Net profit / (loss)	USD	1,547,584	(1,067,617)	N/A
Operational				
Fuels quantities sold in retail	Kt	135	134	1%
Fuels quantities sold in wholesale	Kt	194	117	65%
LPG quantities sold	Kt	64	57	12%

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

In 2014, the marketing segment turnover reached USD 645.8 million, higher by 28% compared with Q1 2013, positively influenced by an increase of 65% of the wholesale quantities sold in the first 3 months of 2014 compared with the same period of 2013.

In Q1 2014 compared with the same periods last year, the Platt's quotations (FOB Med Italy-mean), decreased by an average of 8% for gasoline, and by 5% for diesel in the context of a USD/RON exchange rate that also decreased by 1%.

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

As of March 2014, the Rompetrol Downstream's distribution segment contained 731 sale points, including the network of owned stations, partner stations and mobile stations: expres, cuves and internal bases.



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Q1 2014 IFRS CONSOLIDATED UNAUDITED RESULTS**

APPENDIX 2 – CONSOLIDATED BALANCE SHEET MARCH 31, 2014, UNAUDITED

Amounts in USD

	31 March 2014	31 December 2013	%
Assets			
Non-current assets			
Intangible assets	7,556,340	8,035,381	-6%
Goodwill	82,871,706	82,871,706	0%
Property, plant and equipment	1,132,316,397	1,149,815,701	-2%
Financial assets and other	1,007,099	1,202,723	-16%
Total Non Current Assets	1,223,751,542	1,241,925,511	-1%
Current assets			
Inventories	458,918,165	436,074,392	5%
Trade and other receivables	328,391,839	320,937,214	2%
Derivative financial Instruments	92,075	-	N/A
Cash and cash equivalents	36,834,241	118,470,507	-69%
Total current assets	824,236,320	875,482,113	-6%
Total assets	2,047,987,862	2,117,407,624	-3%
Equity and liabilities			
Total Equity	437,795,438	464,965,450	-6%
Non-current liabilities			
Provisions	73,246,042	73,246,042	0%
Other	558,818	541,083	3%
Total non-current liabilities	73,804,860	73,787,125	0%
Current Liabilities			
Trade and other payables	1,004,502,931	1,044,036,705	-4%
Derivative financial instruments	279,140	63,466	N/A
Provisions - current portion	-	313,417	N/A
Short-term debt	531,605,493	534,241,461	0%
Total current liabilities	1,536,387,564	1,578,655,049	-3%
Total equity and liabilities	2,047,987,862	2,117,407,624	-3%



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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