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[www.rompetrol.com](http://www.rompetrol.com)**ROMPETROL RAFINARE S.A.  
Q1 2017 IFRS CONSOLIDATED UNAUDITED RESULTS****Positive operational results in Q1 2017 in line with Q1 2016**

Rompetrol Rafinare S.A. (symbols, Bucharest Stock Exchange: RRC, Reuters: ROMP.BX, Bloomberg: RRC RO) has released today its first quarter 2017 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 Downstream S.R.L, Rompetrol Gas S.R.L, Rompetrol Quality Control S.R.L, Rom Oil SA, Rompetrol Logistics S.R.L and Rompetrol Petrochemicals S.R.L.

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**HIGHLIGHTS – CONSOLIDATED**

		Q1 2017	Q1 2016	%
<b>Financial</b>				
Gross Revenues	USD	821,449,743	714,807,226	15%
Net Revenues	USD	614,192,328	476,239,404	29%
EBITDA	USD	34,523,149	34,977,045	-1%
EBITDA margin	%	5.6%	7.3%	-23%
EBIT	USD	9,614,339	10,640,350	-10%
Net profit / (loss)	USD	(63,549)	40,237	N/A
Net Profit / (loss) margin	%	0.0%	0.0%	N/A

Rompetrol Rafinare Constanta (RRC) gross revenues reached USD over 821 million in the first quarter of 2017 higher by 15% against Q1 2016 influenced by the increase of international quotations for petroleum products.

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Q1 2017 IFRS CONSOLIDATED UNAUDITED RESULTS****ECONOMIC ENVIRONMENT**

		Q1 2017	Q1 2016	%
Brent Dated	USD/bbl	54	34	58%
Ural Med	USD/bbl	52	32	62%
Brent-Ural Differential	USD/bbl	1.48	1.65	-11%
Premium Unleaded 10 ppm FOB Med	USD/l	543	396	37%
Diesel ULSD 10 ppm FOB Med	USD/l	478	311	53%
RON/USD Average exchange rate		4.25	4.07	4%
RON/USD Closing exchange rate		4.26	3.93	8%
RON/EURO Average exchange rate		4.52	4.49	1%
RON/EURO Closing exchange rate		4.55	4.47	2%
USD/EURO Closing rate		1.07	1.14	-6%
Inflation in Romania*		-0.20%	-0.92%	-78%

Source: Platts, \* INSEE

Outright prices averaged above \$50 per barrel over the quarter. Following the OPEC/non-OPEC agreement from last year, the OPEC-10 has shown a relatively high compliance rate over Q1 so far and a hefty decline in output compared to Q4 2016. The annual comparison shows that a big chunk of the cuts have been compensated for by additions from countries such as Iran, Libya or Nigeria. Crude averages were situated somewhat higher than in Q4 2016 and significantly over year-on-year averages, slightly around 53.7\$/bbl for Brent and around 52.2\$/bbl for Urals grades.

Concerning Urals crude oil, its performance followed variation of Brent crude with significant ups and downs. Pressure for Urals is also expected to come from the domestic front as we see lower Russian run rates over the year contributing to higher exports, especially given a more favorable crude export tax regime. Sweet-sour differentials remained around 1.5\$/bbl.

Gasoline cracks were pressured by high stock levels at the start of the quarter, but fundamental market factors are now somewhat improved. Seasonally weak demand and strong supply in early Q1 brought gasoline cracks to lower levels in late February – early March. Despite the weakening, gasoline was the key product leading margins higher, export outlets have remained strong, with Latin American crude runs showing few signs of a revival and demand for foreign cargoes in the West Africa region firming up, as well as bidding for European volumes for Asian markets. Crack levels to Brent Dtd registered a quarterly average of 137\$/mt with a maximum of over 144\$/mt for February.

Gas oil/diesel cracks in the Med and NWE remained solid over most of Q1, with the Med in particular benefitting from heavy maintenance and adverse weather conditions that complicated Black Sea loadings early in the year. Further support has likely come from the expected seasonal tightening of gas oil balances towards the end of Q1, with maintenance in NWE front-loaded to March, which in analyst's view should help to drop regional gas oil/diesel demand. Middle distillate cracks to Brent Dtd remained quite steady throughout Q1 (between \$68/mt and \$76/mt) and well over year-on-year average (around \$54/mt).



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European refining margins performance remained relatively good, in line with results obtained during Q4 2016. Med margins out-performed the neighboring NWE region, with logistical issues in the Black Sea offering support and leading to a steady widening of the Med's margin advantage as Q1 progressed.

*\*The information is based on analysis provided by JBC Energy GmbH*

Trade Registry No J 13/534/1991 IBAN RO22BACX0000000030500310  
Fiscal Identification No RO1860712 UniCredit Trade Bank - Constanta



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**Q1 2017 IFRS CONSOLIDATED UNAUDITED RESULTS**

**REFINING SEGMENT**

		Q1 2017	Q1 2016	%
<b>Financial</b>				
Gross Revenues	USD	698,019,450	576,368,166	21%
Net Revenues	USD	514,938,357	376,788,065	37%
EBITDA	USD	27,038,887	20,684,805	31%
EBITDA margin	%	5.3%	5.5%	-4%
EBIT	USD	8,935,813	5,829,323	53%
Net profit / (Loss)	USD	(1,368,524)	(10,411,135)	-87%
Net profit / (Loss) margin	%	-0.3%	-2.8%	-90%
Gross cash refinery margin/tonne (PEM)	USD/t	49.0	42.3	16%
Gross cash refinery margin/bbl (PEM)	USD/bbl	6.75	5.82	16%
Net cash refinery margin/tonne (PEM)	USD/t	22.9	16.8	36%
Net cash refinery margin/bbl (PEM)	USD/bbl	3.1	2.3	36%
<b>Operational</b>				
Feedstock processed in Petromidia refinery	Kt	1,201	1,297	-7%
Feedstock processed in Vega refinery	Kt	61	66	-8%
Gasoline produced	Kt	318	379	-16%
Diesel & jet fuel produced	Kt	619	617	0%
Motor fuels sales - domestic	Kt	464	377	23%
Motor fuels sales - export	Kt	397	559	-29%
Export- fuels	%	46%	60%	-23%
Domestic - fuels	%	54%	40%	34%

*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.*

Rompetrol Rafinare S.A. gross revenues reached USD 698 million during Q1 2017 increase by 21% as against 2016, influenced by the increase of international quotations for petroleum products.

In Q1 2017, the total throughput for Petromidia refinery was 1.2 million tons by 7.42% lower compared with the same period last year when the total throughput was 1.297 million tons. The decrease of the throughput was mainly due to unfavorable weather conditions from January 2017 and also due to planned shutdowns of units within the Petromidia refinery.

In Q1 2017, the total throughput for Vega refinery was 60,834 tons, by 8.15% lower compared with the same period last year when the total throughput was 66,231 tons.



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The gross refinery margin improved in Q1 2017 compared with the same period last year by 16% reaching a level of 49 \$/t as against 42.3 \$/t in Q1 2016. The company's financial results were positively influenced by favorable market conditions and by production and energy process optimization programs (increase of white products yields) and operating costs optimization, programs that started in the year 2014 and successfully continued in 2015 and 2016.

Rompetrol Rafinare S.A. continued to be an important contributor to Romania's fiscal budget with over USD 253 million in Q1 2017.

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**Q1 2017 IFRS CONSOLIDATED UNAUDITED RESULTS****PETROCHEMICALS SEGMENT**

		Q1 2017	Q1 2016	%
<b>Financial</b>				
Revenues	USD	40,610,359	50,431,130	-19%
EBITDA	USD	(445,002)	3,216,390	N/A
EBIT	USD	(4,251,161)	(753,537)	464%
Net profit / (Loss)	USD	(3,581,070)	3,183,119	N/A
<b>Operational</b>				
Propylene processed	kt	34	33	2%
Ethylene processed	kt	11	17	-31%
Sold from own production	kt	44	54	-19%
Sold from trading	kt	0.0	0.6	-93%
Total sold		44	55	-19%
Export	%	46%	55%	
Domestic	%	54%	45%	

*Petrochemicals segment comprises the petrochemicals activity from Rompetrol Rafinare and the activity of Rompetrol Petrochemicals SRL*

Starting 1<sup>st</sup> of January 2014, the petrochemicals activity was transferred from Rompetrol Petrochemicals to Rompetrol Rafinare S.A., being fully integrated in the propylene, utilities and logistics flow.

The current petrochemicals activity is carried out through PP and LDPE units.

The operation of PP (polypropylene) unit is ensured through raw material produced entirely in the Petromidia refinery.

In terms of low density polyethylene unit (LDPE), the petrochemicals segment works 100% with ethylene from import.

The petrochemicals segment is the sole polypropylene producer in Romania and has constantly succeeded to increase its market share on secondary categories of products. Its dynamic development strategy has secured the company a competitive position on the domestic market and on the regional one – the Black Sea and Mediterranean region and the Eastern and Central Europe.

In Q1 2017, the total polymers production for Petrochemicals area was 33.021 thousand tons by 14.65 % lower compared with the same period last year when the total polymers production was 38.689 thousand tons, mainly caused by unplanned shutdown of the LDPE unit.

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**Q1 2017 IFRS CONSOLIDATED UNAUDITED RESULTS****MARKETING SEGMENT**

		Q1 2017	Q1 2016	%
<b>Financial</b>				
Gross Revenues	USD	500,596,517	427,584,342	17%
EBITDA	USD	7,865,022	11,910,512	-34%
EBIT	USD	3,154,859	7,472,943	-58%
Net profit / (Loss)	USD	3,111,496	9,176,632	-66%
<b>Operational</b>				
Fuels quantities sold in retail	Kt	148	136	7%
Fuels quantities sold in wholesale	Kt	257	226	14%
LPG quantities sold	Kt	90	67	34%

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

In Q1 2017 the marketing segment had a turnover of over USD 500 million, higher by 17% compared with the same period of 2016.

In the first quarter of 2017 compared to the similar period of 2016, the Platt's quotations (FOB Med Italy-mean), expressed in the currency of reference, USD were on average by 37% higher for gasoline and by 53% higher for diesel. The decrease of the exchange rate USD/RON by 4% led to an effective increase of 42% for gasoline

Internally, a major influence in changing prices had a reduction in VAT starting with 1<sup>st</sup> January 2017, from 20% to 19%, and excise duties on fuels were reduced by 70 eurocents/1000 liters, changes that were fully transferred to prices paid by customers at the pump.

As of March 2017, the Rompetrol Downstream's distribution segment contained 752 points of sale, including the network of owned stations, partner stations and mobile stations: expres, cuves and internal bases.

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**Q1 2017 IFRS CONSOLIDATED UNAUDITED RESULTS****APPENDIX 1 – CONSOLIDATED INCOME STATEMENT Q1 2017, UNAUDITED***Amounts in USD*

	Q1 2017	Q1 2016	%
Gross Revenues	821,449,743	714,807,226	15%
Sales taxes and discounts	(207,257,415)	(238,567,822)	-13%
<b>Net revenues</b>	<b>614,192,328</b>	<b>476,239,404</b>	<b>29%</b>
Cost of sales	(582,168,222)	(427,389,947)	32%
<b>Gross margin</b>	<b>52,024,106</b>	<b>48,849,457</b>	<b>6%</b>
Selling, general and administration	(41,102,195)	(38,038,135)	8%
Other expenses, net	(1,307,572)	(170,972)	665%
<b>EBIT</b>	<b>9,614,339</b>	<b>10,640,350</b>	<b>-10%</b>
Finance, net	(8,541,229)	(8,156,038)	5%
Net foreign exchange gains / (losses)	(1,082,095)	(2,154,899)	-50%
<b>EBT</b>	<b>(8,985)</b>	<b>329,413</b>	<b>N/A</b>
Income tax	(54,584)	(289,176)	-81%
<b>Net result</b>	<b>(63,549)</b>	<b>40,237</b>	<b>N/A</b>
<b>EBITDA</b>	<b>34,523,149</b>	<b>34,977,045</b>	<b>-1%</b>



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**Q1 2017 IFRS CONSOLIDATED UNAUDITED RESULTS****APPENDIX 2 – CONSOLIDATED BALANCE SHEET MARCH 31, 2017, UNAUDITED***Amounts in USD*

	31 March 2017	31 December 2016	%
		<b>Audited</b>	
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	7,842,190	7,265,762	8%
Goodwill	82,871,706	82,871,706	0%
Property, plant and equipment	1,118,484,149	1,138,146,913	-2%
Financial assets and other	64,920,778	64,968,050	0%
<b>Total Non Current Assets</b>	<b>1,274,098,823</b>	<b>1,293,252,431</b>	<b>-1%</b>
<b>Current assets</b>			
Inventories	265,839,107	230,091,565	16%
Trade and other receivables	412,630,494	287,577,488	43%
Derivative financial Instruments	-	5,340	-100%
Cash and cash equivalents	8,308,280	15,810,298	-47%
<b>Total current assets</b>	<b>686,777,881</b>	<b>533,484,691</b>	<b>29%</b>
<b>Total assets</b>	<b>1,960,876,704</b>	<b>1,826,737,122</b>	<b>7%</b>
<b>Equity and liabilities</b>			
<b>Total Equity</b>	<b>478,564,849</b>	<b>478,624,262</b>	<b>0%</b>
<b>Non-current liabilities</b>			
Long-term debt	170,188,291	193,162,805	-12%
Provisions	75,713,795	76,429,343	-1%
Other	484,285	483,680	0%
<b>Total non-current liabilities</b>	<b>246,384,371</b>	<b>270,075,828</b>	<b>-9%</b>
<b>Current Liabilities</b>			
Trade and other payables	940,430,693	788,571,675	19%
Derivative financial instruments	308,078	323,130	-5%
Short-term debt	295,188,713	289,142,227	2%
<b>Total current liabilities</b>	<b>1,235,927,484</b>	<b>1,078,037,032</b>	<b>15%</b>
<b>Total equity and liabilities</b>	<b>1,960,876,704</b>	<b>1,826,737,122</b>	<b>7%</b>

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

Chairman of the Board of Directors  
of ROMPETROL RAFINARE S.A.

Catalin Dumitru

Chief Executive Officer

Yedil Utekov



Chief Financial Officer

Vasile-Gabriel Manole