



ROMPETROL RAFINARE
Q2 and H1 2015 IFRS CONSOLIDATED UNAUDITED RESULTS

Positive and increasing operational results in Q2 2015 versus Q2 2014

Rompetrol Rafinare S.A. (symbols, Bucharest Stock Exchange: RRC, Reuters: ROMP.BX, Bloomberg: RRC RO) has released today its Second Quarter and First Semester 2015 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.

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

HIGHLIGHTS – CONSOLIDATED

		Q2 2015	Q2 2014	%	H1 2015	H1 2014	%
Financial							
Gross Revenues	USD	1,108,073,671	1,474,961,983	-25%	1,986,067,239	2,781,710,867	-29%
Net Revenues	USD	815,743,506	1,139,467,188	-28%	1,473,571,876	2,221,301,395	-34%
EBITDA	USD	67,003,922	16,108,104	316%	56,283,332	25,483,149	121%
EBITDA margin	%	8.2%	1.4%		3.8%	1.1%	
EBIT	USD	32,456,817	(5,033,096)	N/A	41,359,524	(16,846,822)	N/A
Net profit / (loss)	USD	18,478,582	(20,161,506)	N/A	17,960,730	(46,988,271)	N/A
Net Profit / (loss) margin	%	2.3%	-1.8%		1.2%	-2.1%	

Rompetrol Rafinare Constanta (RRC) gross revenues reached USD 1.108 billion in Q2 2015, decrease by 25% as against Q2 2014 influenced by the decrease of international quotations for petroleum products, despite the increase in the volume of petroleum products sold.

**ROMPETROL RAFINARE
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		Q2 2015	Q2 2014	%	H1 2015	H1 2014	%
Brent Dated	USD/bbl	62	110	-44%	58	109	-47%
Ural Med	USD/bbl	61	108	-43%	57	108	-47%
Brent-Ural Differential	USD/bbl	0.45	1.47	-69%	0.75	1.12	-33%
Premium Unleaded 10 ppm FOB Med	USD/t	661	1,008	-34%	602	984	-39%
Diesel ULSD 10 ppm FOB Med	USD/t	574	917	-37%	545	918	-41%
RON/USD Average exchange rate		4.02	3.23	24%	3.99	3.26	22%
RON/USD Closing exchange rate		4.00	3.21	24%	4.00	3.21	24%
RON/EURO Average exchange rate		4.44	4.43	0%	4.45	4.46	0%
RON/EURO Closing exchange rate		4.47	4.39	2%	4.47	4.39	2%
USD/EURO Closing rate		1.12	1.37	-18%	1.12	1.37	-18%
Inflation in Romania*		-2.37%	-0.04%	N/A	-1.22%	1.17%	N/A

Source: Platts, * INSSSE

In the first half of 2015, international crude markets continued to be subject to the oversupply thanks in large part to higher output from core Middle Eastern OPEC members and a US shale crude industry which, in terms of output at least, has so far proven to be remarkably resilient to lower prices.

Crude oil prices were negatively impacted, as key economic performance forecast, by the decrease of oil demand in some key centers in non-OECD countries, simultaneously with less geo-political risk influence than in previous years.

Taking into account the above, Brent outright prices registered an average lower than H1 2014 by approximately 50\$/bbl during first half of 2015. At the beginning of 2015 crude prices were at the tail end of the major H2 2014 decreasing trend, with Brent falling below \$47 per barrel in mid-January, the lowest level since first quarter of 2009. After Q1 2015 the situation looks fairly better, prices following an upward trajectory with average for June being over 61\$/bbl.

Urals differentials in the Med moved within a narrow discount range and did not fall below \$2.00 per barrel, over the entire first half of 2015. This limited variation has resulted in a semester average of about \$ 0.75 / bbl below Brent, and by \$ 0.37 / bbl below the average in the same period last year.

The Med Urals assessments were boosted largely on the back of much tighter availability of exports, with average Black Sea loadings over H1 scheduled at 16% lower y-o-y. Further support stemmed from regional refineries maintaining higher crude intake due to relatively strong refining margins, however, first half of 2015 did not see Urals Med differentials move to a premium against Dated Brent as higher volumes of Iraqi crude loading from Ceyhan offset bullish factors.



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European gasoline went from strength to strength throughout first half of 2015 on the back of a suite of bullish factors. Cracks rose from the \$100/mt level in January to \$250/mt in mid-June, picking up to extraordinary highs in July before correcting downwards slightly.

The combined effect of steep y-o-y declines in crude intake in Latin America and onset of seasonal refinery maintenance, filtered through to European gasoline via an overall tighter global market, and prompted increased opportunities for European sellers to traditional export markets in the Middle East (especially in the run-up to Ramadan), Africa and Central and South America, as well as in Asia (for example blending components into China). Towards the end of the first half of 2015, a tighter high-octane blending component market began to add impetus to the crack run, especially as demand for high-octane summer spec gasoline for the summer driving season began to rise. Strong demand in the US also began to see significant y-o-y growth in US Atlantic Coast imports at the end of second quarter 2015 (many of which were sourced from Europe) which further tightened prompt supplies.

After a relatively robust first quarter, European middle distillates cracks fell to lower levels at the end of the second quarter. For gas oil/diesel, a major contributor to the early strength was on the demand side, where the combination of lower oil prices, more stringent bunker fuel sulphur content regulations, and colder temperatures sent consumption above past years' levels in Q1. In more recent months, supply-side factors have come to the fore, most notably uptick in EU-15 & Norway middle distillates production over H1. This has led to weakening cracks for both gas oil/diesel and jet/kero. Adding to the pressure have been elevated gas oil/diesel arrivals from the Middle East (Ruwais and Yanbu refineries), as well as US where high crude runs created a substantial amount of middle distillates that started to sail to Europe from April onwards.

JBC Energy's standard Urals cracking margin for the Mediterranean has averaged \$8.20 per barrel over the first six months of 2015. This is up significantly from the \$1.50 per barrel level that was recorded over H1 2014. The major driving factors behind such resurgence in European refining margins were buoyant demand growth induced by lower outright prices as well as favorable crude market structure developments. With such elevated refining margins European refiners have been incentivized to boost crude intake. In terms of margin drivers, it is clear that gasoline has been the dominant driving factor over H1 2015. Gas oil/diesel and jet cracks have steadily decreased over H1 as high crude intake (in order to benefit from such high gasoline cracks) has seen the middle distillates products segment increasingly being oversupplied.

Looking ahead to second half of 2015, we would expect Med margins to weaken compared to H1, as refiners returning from maintenance are adding more supply to an already oversupplied market.

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



ROMPETROL RAFINARE
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REFINING

		Q2 2015	Q2 2014	%	H1 2015	H1 2014	%
Financial							
Gross Revenues	USD	969,907,774	1,280,539,352	-24%	1,728,212,159	2,429,609,617	-29%
Net Revenues	USD	714,650,394	993,653,621	-28%	1,278,412,591	1,947,191,133	-34%
EBITDA	USD	44,860,801	(2,303,311)	N/A	36,438,143	(7,263,575)	N/A
EBITDA margin	%	6.3%	-0.2%		2.9%	-0.4%	
EBIT	USD	36,555,251	(14,159,756)	N/A	49,506,999	(32,749,227)	N/A
Net profit / (loss)	USD	24,886,173	(22,933,383)	N/A	44,451,332	(51,279,214)	N/A
Net profit / (loss) margin	%	3.5%	-2.3%		3.5%	-2.6%	
Gross cash refinery margin/tonne (PEM)	USD/t	52.58	26.88	96%	36.69	28.21	30%
Gross cash refinery margin/bbl (PEM)	USD/b	7.24	3.70	96%	5.05	3.88	30%
Net cash refinery margin/tonne (PEM)	USD/t	31.55	(2.06)	N/A	14.73	(2.88)	N/A
Net cash refinery margin/bbl (PEM)	USD/b	4.3	(0.3)	N/A	2.03	(0.4)	N/A
Operational							
Feedstock processed	Kt	1,417	1,222	16%	2,673	2,405	11%
Gasoline produced	Kt	328	322	2%	648	657	-1%
Diesel & jet fuel produced	Kt	782	636	23%	1,431	1,227	17%
Motor fuels sales - domestic	Kt	474	424	12%	821	767	7%
Motor fuels sales - export	Kt	559	473	18%	1,133	1,023	11%
Export	%	54%	53%		58%	57%	
Domestic	%	46%	47%		42%	43%	

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 969 million in Q2 2015 decrease by 24% as against Q2 2014, influenced by the decrease of international quotations for petroleum products, despite the increase in the volume of petroleum products sold.

In Q2 2015, the total throughput for Petromidia refinery was 1,418 million tons by 15.87% higher compared with the same period last year when the total throughput was 1,224 million tons.



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In Q2 2015 the refining capacity utilization in Petromidia refinery was 88.76% higher by 12.18% compared with the same period last year.

In Q2 2015, the total throughput for Vega refinery was 91.941 thousand tons by 14% higher compared with the same period last year when the total throughput was 80.585 thousand tons.

In Q2 2015 the refining capacity utilization in Vega refinery was 111.44% higher by 14.1% compared with the same period last year.

The gross refinery margin improved in Q2 2015 compared with the same period last year, the company's financial results were positively influenced by favorable market conditions.

Rompetrol Rafinare S.A. continued to be an important contributor to Romania's fiscal budget with over USD 389 million in Q2 2015.



ROMPETROL RAFINARE
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PETROCHEMICALS

		Q2 2015	Q2 2014	%	H1 2015	H1 2014	%
Financial							
Revenues	USD	46,855,826	62,157,999	-25%	96,879,413	162,181,743	-40%
EBITDA	USD	4,615,651	533,059	N/A	(3,204,321)	207,501	N/A
EBIT	USD	1,037,972	(3,157,114)	N/A	(10,505,415)	(5,903,402)	N/A
Net profit / (loss)	USD	3,203,547	(2,652,063)	N/A	(16,813,004)	(4,511,129)	N/A
Operational							
Propylene processed	kt	31	28	10%	62	57	9%
Ethylene processed	kt	14	15	-8%	29	28	6%
Sold from own production	kt	37	41	-9%	90	85	6%
Sold from trading	kt	1	2	-49%	2	4	-43%
Total sold		39	43	-11%	92	89	4%
Export	%	60%	55%		58%	57%	
Domestic	%	40%	45%		42%	43%	

Starting 1st 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.

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 Q2 2015, the total polymers production for Petrochemicals area was 37.527 thousand tons by 5% higher compared with the same period last year when the total polymers production was 35.728 thousand tons.

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www.rompetrol.com**ROMPETROL RAFINARE
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		Q2 2015	Q2 2014	%	H1 2015	H1 2014	%
Financial							
Gross Revenues	USD	645,274,536	848,542,534	-24%	1,112,444,968	1,494,424,777	-26%
EBITDA	USD	17,932,034	17,811,783	1%	25,819,137	30,631,296	-16%
EBIT	USD	13,016,637	12,199,965	7%	15,821,257	19,891,450	-20%
Net profit / (loss)	USD	8,982,012	5,391,918	67%	4,225,826	6,939,502	-39%
Operational							
Quantities sold in retail	Kt	157	150	5%	289	285	1%
Quantities sold in wholesale	Kt	279	263	6%	468	458	2%
LPG quantities sold	Kt	72	74	-2%	138	138	0%

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

During the first 6 months of 2015, the marketing segment had a turnover of USD 1.112 billion, lower with 26% compared with the same period of 2014.

During the first 6 months of 2015 the exchange rate was only with 22% higher than during the same period of the previous year, the quotations expressed in USD decreased by 39% for gasoline and 41% for diesel, the combined effect of both factors being the effective decrease in RON quotations by approximately 25% for gasoline and approximately 27.5% for diesel.

However, contrary to the decrease in quotations, the influence of the higher excise level during 2015 compared to the first quarter of year 2014 determined the decrease in the average prices by 9% for gasoline and 10% for diesel.

In Q2 2015 compared to Q2 2014, the Platt's quotations (FOB Med Italy-mean), expressed in the currency of reference, USD, were on average by 35% lower for gasoline and by 38% lower for diesel. The increase of the exchange rate USD/RON by 25% led to an effective decrease of 19% for gasoline quotation and of 22.4% for diesel quotation.

Furthermore, the excise level, which represents an important share of the final price of fuel, was in Q2 2015 at the same level as the one during the same period of the previous year. Nevertheless, for the period analyzed, the prices in the Rompetrol stations have been, on average, lower by 8.5% for gasoline and lower by 10.4% for diesel compared to Q2 2014.

At the global economy level, the crude oil quotations had a slight increase during Q2 compared to Q1. The oil surplus generated by the high production levels of OPEC counter-balanced this increase, along with economic information, at times positive, reported by the main oil consumers, USA and China. Other events, such as the nuclear negotiation with Iran, the Greek debt crisis, the Yemen crisis, had minor and provisional impact in the evolution of international prices.

As of June 2015, the Rompetrol Downstream's distribution segment contained 735 points of sale, including the network of owned stations, partner stations and mobile stations: expres, cuves and internal bases.



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APPENDIX 1 – CONSOLIDATED INCOME STATEMENT 2015, UNAUDITED

Amounts in USD

	Q2 2015	Q2 2014	%	H1 2015	H1 2014	%
Gross Revenues	1,108,073,671	1,474,961,983	-25%	1,986,067,239	2,781,710,867	-29%
Sales taxes and discounts	(292,330,165)	(335,494,795)	-13%	(512,495,363)	(560,409,472)	-9%
Net revenues	815,743,506	1,139,467,188	-28%	1,473,571,876	2,221,301,395	-34%
Cost of sales	(727,118,912)	(1,092,553,294)	-33%	(1,377,930,905)	(2,136,921,601)	-36%
Gross margin	88,624,594	46,913,894	89%	95,640,971	84,379,794	13%
Selling, general and administration	(41,652,474)	(51,543,646)	-19%	(79,546,442)	(100,308,715)	-21%
Other expenses, net	(14,515,303)	(403,344)	N/A	25,264,995	(917,901)	N/A
EBIT	32,456,817	(5,033,096)	N/A	41,359,524	(16,846,822)	N/A
Finance, net	(13,689,610)	(16,014,072)	-15%	(27,966,736)	(31,184,112)	-10%
Net foreign exchange gains / (losses)	39,148	1,009,082	-96%	5,084,579	1,210,006	320%
EBT	18,806,355	(20,038,086)	N/A	18,477,367	(46,820,928)	N/A
Income tax	(327,773)	(123,420)	166%	(516,637)	(167,343)	209%
Net result	18,478,582	(20,161,506)	N/A	17,960,730	(46,988,271)	N/A
EBITDA	67,003,922	16,108,104	316%	56,283,332	25,483,149	121%

