

Petrom finalized the upgrade of the crude vacuum distillation unit in Petrobrazi refinery

- ▶ **Investments of approximately EUR 100 mn**
- ▶ **The refinery is from now on able to process the entire domestic crude production of Petrom**
- ▶ **The investment will lead to increased middle distillates yield and reduced energy consumption**

Petrom, the largest oil and gas producer in South-Eastern Europe, commissioned the modernized crude vacuum distillation unit in Petrobrazi refinery, during the scheduled 6-week refinery general shutdown. The investment for the modernization program amounted to around EUR 100 mn. Petrobrazi refinery resumed operations this week.

Neil Anthony Morgan, Petrom Executive Board member, responsible for Refining and Marketing: "Romanian refineries produce excess gasoline compared to the demand, whereas for diesel, around 30% comes from imports. The upgraded unit is very important in the refinery's modernization process because it will allow us to improve the product mix in order to respond to the market demand."

The main goal of the unit modernization was the technical adjustment in order to process the entire domestic crude production and will lead to increase of the middle distillates yield in the product mix and improve the energy efficiency.

The modernization project of the crude vacuum distillation unit was initiated in 2009 and the commissioning was done during the scheduled general shutdown which began in May 2012. In parallel with the commissioning of the unit, a series of other modernization and maintenance projects were performed.

"It was a great challenge, probably the most complex operation in the recent history of Petrobrazi refinery. Around 4,500 people from more than 100 companies, direct suppliers and subcontractors, performed around 60 projects to successfully finalize, in record time, the commissioning of the unit", Morgan added.

Until 2014, Petrom invests in total EUR 600 mn in Petrobrazi in order to increase efficiency and maximize the integration value of the plant. Out of this amount, approximately EUR 400 mn was already invested. Next milestones in refinery modernization target further increase of the diesel output.

Petrom Group

Petrom is the largest oil and gas group in Southeastern Europe, with activities in the business segments of Exploration and Production, Gas and Power as well as Refining and Marketing. The Group consolidated its position on the oil market in Southeastern Europe following a far-reaching modernization and efficiency increase process whereas investments accounted for more than EUR 7.7 bn during the last seven years.

In Romania and Kazakhstan, the Group exploits proved oil and gas reserves of approximately 812 mn boe (thereof 786 mn boe in Romania) and has a maximum annual refining capacity of 4.5 mn t as of end of 2011. OMV Petrom is present in the distribution market for oil products in Romania, Republic of Moldova, Bulgaria and Serbia through a network of approximately 800 filling stations, operated under two brands, Petrom and OMV. In Romania, this activity is performed through OMV Petrom Marketing, 100% owned by OMV Petrom. For its sustainable development, OMV Petrom has expanded the gas value chain into power. In this context, OMV Petrom has built an 860 MW gas fired power plant project at Brazi and began commercial operations at the Dorobantu 45 MW wind park.

In 2011, the Group's turnover was EUR 5,336 mn, EBIT was EUR 1,165 mn.

OMV, one of Austria's largest listed industrial companies holds a 51.01% share in OMV Petrom. In Exploration and Production, OMV is active in two core countries Romania and Austria and holds a balanced international portfolio. In Gas and Power, OMV sold approximately 272 TWh of gas in 2011. In Refining and Marketing, OMV has an annual refining capacity of 22.3 mn t and as of the end of 2011 approximately 4,500 filling stations in 13 countries including Turkey.

The Ministry of Economy holds 20.64% of OMV Petrom shares, the Property Fund SA holds 20.11%, the European Bank for Reconstruction and Development 2.03% and 6.21% is free float on the Bucharest Stock Exchange.

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