

# Hungary, Croatia: MOL INA misfortune, million losses in 1Q2016

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**Date :** May 11, 2016

INA CEO Aldott said that level of refinery production and sales volumes is slightly lower compared to the same period last year, as a result of the overhaul in the Rijeka refinery which was completed in the first quarter.

Losses of Ina Group in the first quarter of 2016 amounted to HKN 66 million, while in the same period last year the company operated with a profit of HKN 50 million, according to data from the financial statements of INA published on Friday.

In the first quarter Ina Group generated net sales revenues in the amount of HKN 2.6 billion, which is 31% less than the year before, while EBITDA excluding one-off items fell by 66% to HKN 263 million.

According to the business report, Ina Group recorded a net result excluding non-recurring items of HKN 66 million in the first quarter. However, CCS EBITDA excluding one-off items amounted to 379 billion, which is 62% less than in the first quarter of 2015.

However, when taking into account one-off items such as severance pay of 168 million, Ina Group operated with a loss of 66 million, whereas last year it achieved profit of 50 million.

When commenting quarterly results, INA CEO Zoltán Áldott pointed out that the entire first quarter of 2016 was affected by a very low price of Brent oil in the amount of about \$34 per barrel.

He added that one-off items also affected financial statement due to Retail segment restructuring.

Aldott stated that the Management Board initiated a stabilization program with the aim of mitigating adverse effects of low prices and providing sound basis for future investments. He added that business results are expected to recover even if the prices remain low and that capital investments are higher than in the first quarter last year by HKN 342 million.

Aldott pointed out that despite Ina's currently limited exploration concessions, they managed to raise crude oil production by 10%, mostly in Croatia, but also in Egypt.

As for the refinery, Aldott said that level of refinery production and sales volumes is slightly lower compared to the same period last year, as a result of the overhaul in the Rijeka refinery which was completed in the first quarter. By the end of the year the production and sales increase is expected, transmits Serbia-energy.eu