

Rompetrol Rafinare, a part of the KMG International Group, recorded financial results affected by the significant decrease in gross refining margins, halved compared to the previous year. Driven by restrictive measures imposed with the onset of the COVID-19 pandemic, the first quarter of 2020 was marked by sharp declines in the oil and gas market all over the world.

The consolidated financial result was also affected by the unfavorable weather conditions recorded in the first two months of 2020, which led to bottlenecks in the supply of raw materials. Then, in March, the Petromidia refinery stopped operations for scheduled turnaround works. At the same time, the depreciation of the national currency against the euro and the dollar has put additional pressure on refining margins.

Amid the installations shutdowns in the first quarter, Rompetrol Rafinare recorded a gross turnover of 929 million dollars in the first three months of 2020. In addition, the operational profit (EBITDA) was strongly affected by the high volatility of the oil and gas market environment.

At the same time, the company recorded a negative net result of 87.8 million dollars in the first quarter of the year, down from the negative net result of the same period last year - 14 million dollars.

In the first quarter of the year, a total of 1.24 million tons of raw materials were processed at the Petromidia refinery. During the same period, the degree of utilization of the refining capacity decreased by 23.5 % compared to Q1 2019, to the indicator of 73.5 %, due to bad weather conditions, respectively of the interruption of the operational processes for the general turnaround.

Regarding the Vega Ploiesti refinery, the most long-standing refinery in Romania and the only domestic producer of bitumen and hexane, the unit processed over 72,000 tons of raw materials, slightly lower than in Q1 2019, when the refinery processed 79,000 tons.

The gross turnover of the refining segment reached over 760 million dollars in Q1 2020, decreasing by 23 % compared to Q1 2019. The variation compared to the first quarter of 2019 was mainly influenced by the decrease in international market quotations of oil and gas on petroleum products, along with the decrease in the volume of products sold in external markets.