

Serbia: NIS posted 3 % higher profit in 2016

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Serbian oil company NIS, majority owned by Russian GazpromNeft, announced that it has recorded a net profit in the amount of 121,2 million euros in 2016, which is a 3 % increase compared to 2015 and marked a discontinued downward trend that was brought by the oil industry crisis back in 2014.

The company's earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to 321.7 million euros. Such performance has been accomplished as a result of the implemented operative efficiency boost measures, the effect of which is estimated to almost 70 million euros in 2016. NIS has continued to invest in development projects and with total investments of 174.6 is among the top investors in Serbia. The company's liabilities related to taxes and other public revenues amounted to 1.32 billion euros in 2016, or 7 % more than in the previous year.

Total output of crude oil and natural gas reached 1.46 million tons of oil equivalent in the last year, which is a 3.4 % increase. Total crude oil refining volume was 3.3 million tons or 1 % more than in 2015.

In 2016, business operations diversification was also continued. NIS produced a total of 147.505 MWh of electricity, which is 19 % more than in the previous year. The company also continued activities on the project for the construction of combined heat and power plant (CHPP) in Pancevo and entered the agreement regarding exploitation of thermal energy with Chinese Betec.

NIS' CEO Kirill Kravchenko said on the occasion that the company intends to make the year of 2017 a continuation of a positive trend of growth in key financial and operative indicators that will secure a long-term efficiency of NIS' business operations. Therefore, GazpromNeft will invest more than 800 million euros into NIS strategic projects in the period 2017-2019.