

# Serbia: NIS recorded 1.34 million euros net profit in Q1 2019

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In the first quarter of 2019, Serbian oil company NIS, majority owned by Russian GazpromNeft, continued the implementation of strategic projects which stand as a base for future development of the company.

Total volume of investments is 70.4 million euros, which is 6 % more compared to the first quarter of 2018. The largest investments were made in the field of oil and gas exploration and production, while the priority was the continuation of investments in deep processing in the Pancevo oil refinery, which will make refineries one of the most modern ones in Eastern Europe.

In March, the construction of a combined heat and power (CHP) plant started in Pancevo. In addition, NIS, in cooperation with MET Group, continued the development of Plandiste wind farm project.

Earnings before interest, taxes, depreciation and amortization (EBITDA) in the first three months of 2019 amounted to 53.4 million euros, while net profit amounted to 1.34 million euros. The financial results were affected by lower crude oil prices compared to Q1 2018, capital overhaul at the Pancevo oil refinery and higher depreciation.

In terms of operational indicators, 321,000 tons of oil and gas were produced in the first quarter of 2019, with 599,000 tons of processed crude oil. At the same time, sales of oil products amounted to 726,000 tons.

NIS' EBITDA amounted to 455 million euros in 2018, which is 14 % more than in 2017, while the company's net profit stood at 212 million euros. Net profit in Q1 2018 amounted to 31.3 million euros.