

**Today competitiveness =
right investment in the past**

4th EU Refining Forum Brussels
11 December 2014

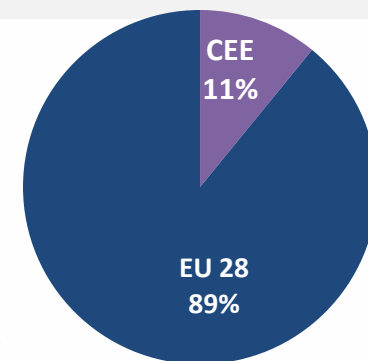
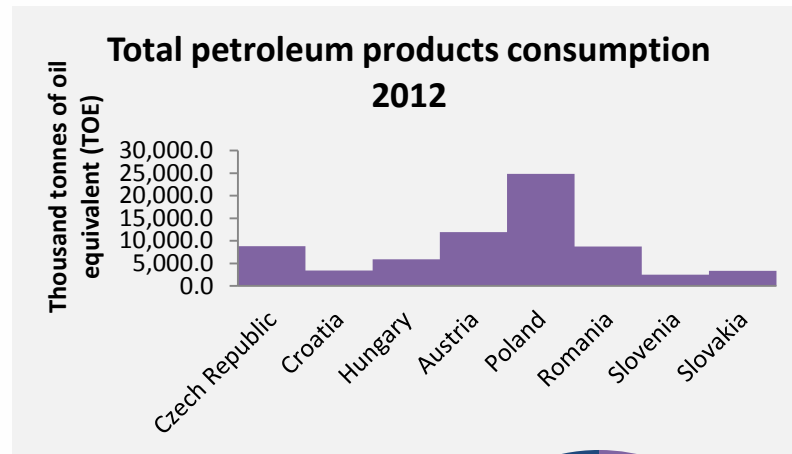
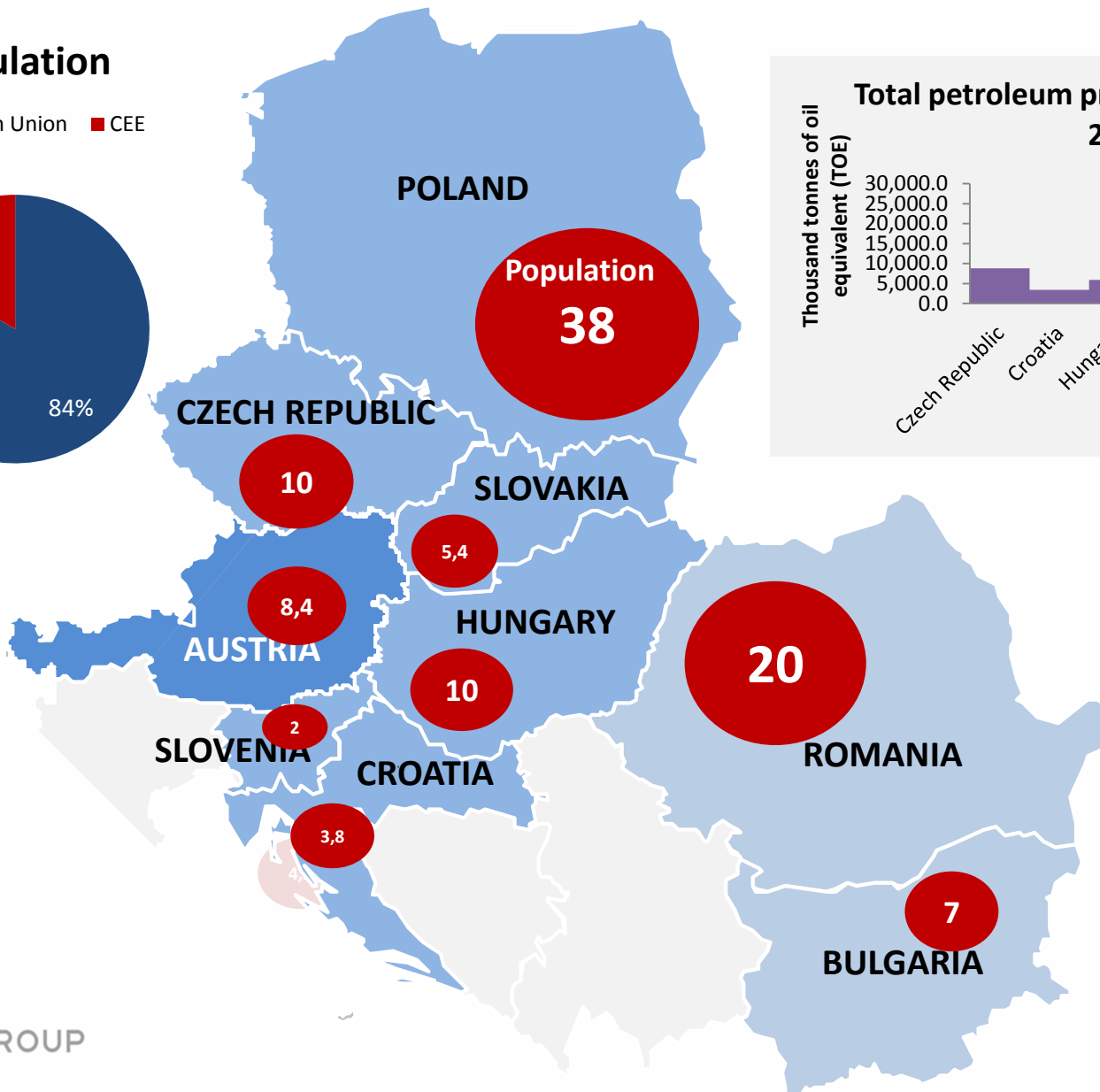
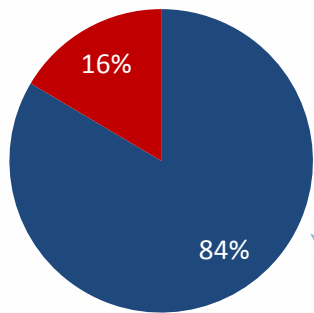


50% FLEXIBILITY
50% SPEED
100% MOL BUBI

Central Eastern Europe

Population

■ European Union ■ CEE



Operating Environment in CEE in 2004

MOL Group Refineries

SCHWECHAT
Capacity: 9.8 mtpa
NCI: 6.2



ARPECHIM
Capacity: 3.5 mtpa
NCI: 7.3



PETROBRAZI
Capacity: 4.5 mtpa
NCI: 7.3



PLOCK
Capacity: 13.8 mtpa
NCI: 9.4



GDANSK
Capacity: 6.0 mtpa
NCI: 11.8



KRALUPY
Capacity: 5.4 mtpa
NCI: 7.5



LITVINOV
Capacity: 3.3 mtpa
NCI: 8.4



NOVI SAD
Capacity: 2.5 mtpa
NCI: 2.5



PANCEVO
Capacity: 4.5 mtpa
NCI: 4.9



BOSANSKI BROD
Capacity: 1.5 mtpa
NCI:



NOVI SAD
Capacity: 2.5 mtpa
NCI: 2.5



ROMPETROL
Capacity: 4.8 mtpa
NCI: 10.7



PETROTEL
Capacity: 2.5 mtpa
NCI: 7.6



ONESTI
Capacity: 3.5 mtpa
NCI: 9.8



BRATISLAVA
Capacity: 6.1 mtpa
NCI: 11.5



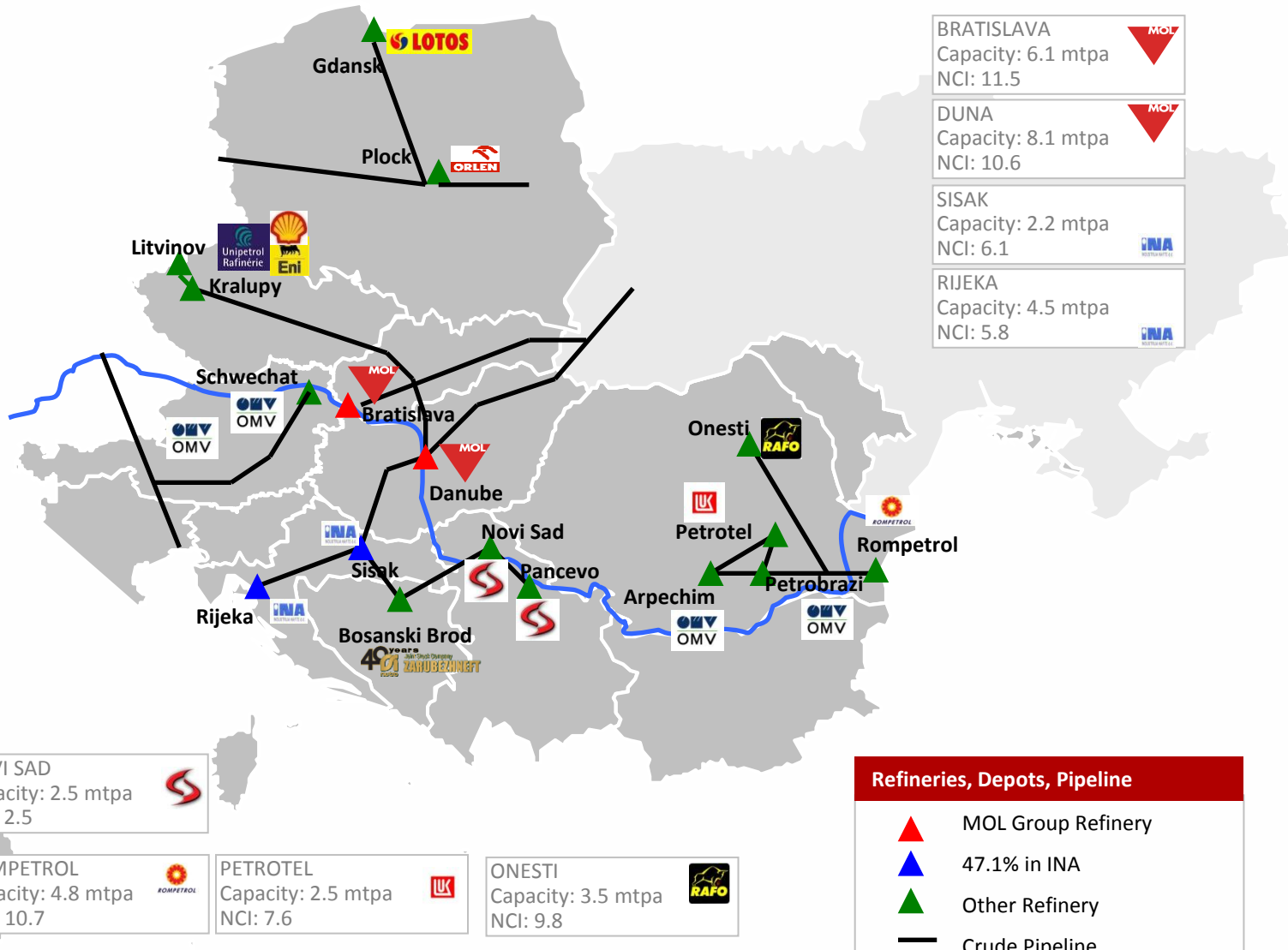
DUNA
Capacity: 8.1 mtpa
NCI: 10.6



SISAK
Capacity: 2.2 mtpa
NCI: 6.1



RIJEKA
Capacity: 4.5 mtpa
NCI: 5.8



Refineries, Depots, Pipeline

- MOL Group Refinery
- 47.1% in INA
- Other Refinery
- Crude Pipeline

Operating Environment in CEE today

MOL Group Refineries

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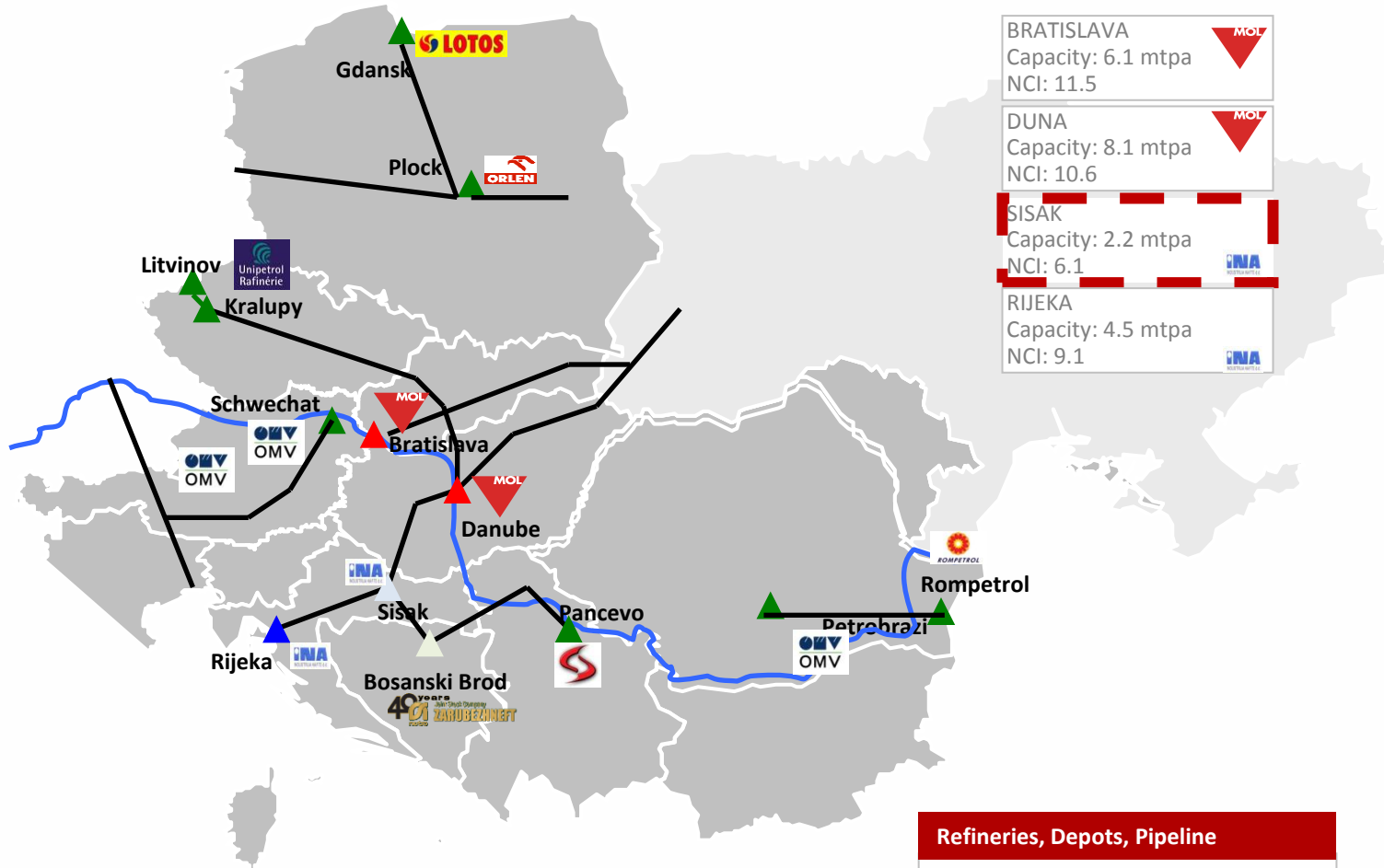
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RIJEKA
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NCI: 9.1



Refineries, Depots, Pipeline

- ▲ MOL Group Refinery
- ▲ 47.1% in INA
- ▲ Other Refinery
- Crude Pipeline

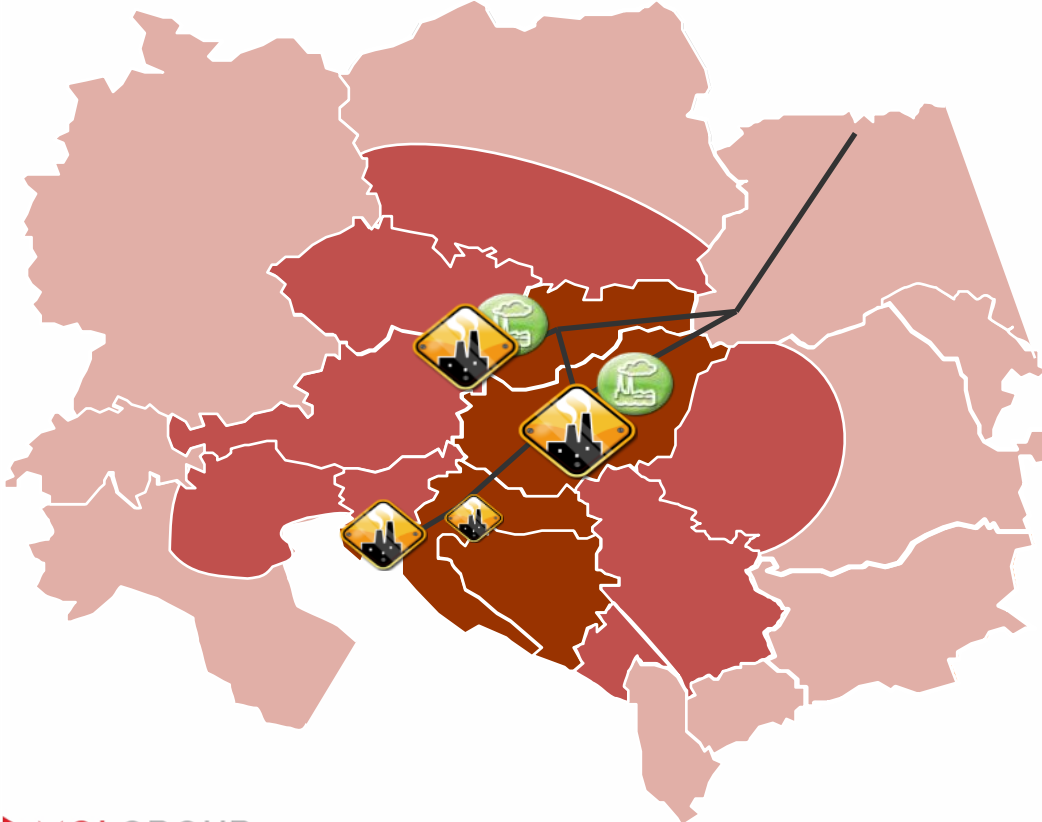
MOL GROUP - integrated oil & gas company

NET REVENUE*
USD **24.1** BN

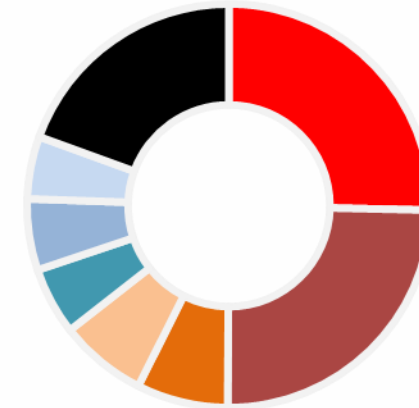
EBIDTA
USD **2.3** BN

OPERATING
CASH FLOW
USD **2.7** BN

CAPEX
USD **1.2** BN



OWNERSHIP STRUCTURE



- Foreign investors
- Hungarian State
- CEZ MH B. V.
- Oman Oil Bp Limited
- OTP Bank Plc.
- Magnolia Finance Limited
- ING Bank N. V.
- Other investors

Strong refinery and commercial position in CEE region:

- ▶ 6 production units with total capacity of 20.9 mtpa refining
- ▶ 2.1 mtpa petrochemicals
- ▶ >1,700 filling stations

Bratislava Refinery

An aerial photograph of the Bratislava Refinery, showing a dense network of industrial structures. The facility is characterized by numerous tall distillation columns, a complex web of pipes and walkways, and several large storage tanks. A prominent feature is a tall, slender chimney with a red and white striped top. The refinery is situated in an urban area, with residential buildings visible in the background.

Area: 620 hectares

Distillation capacity: 6.1 Mt/year

Processed crude: 6 Mt/year

Nelson complexity index : 11.5

Share of light products (%): 85

Number of employees: cca. 1200

Danube Refinery

Area: 800 hectares

Distillation capacity: 8.1 Mt/year

Processed crude: 7 Mt/year

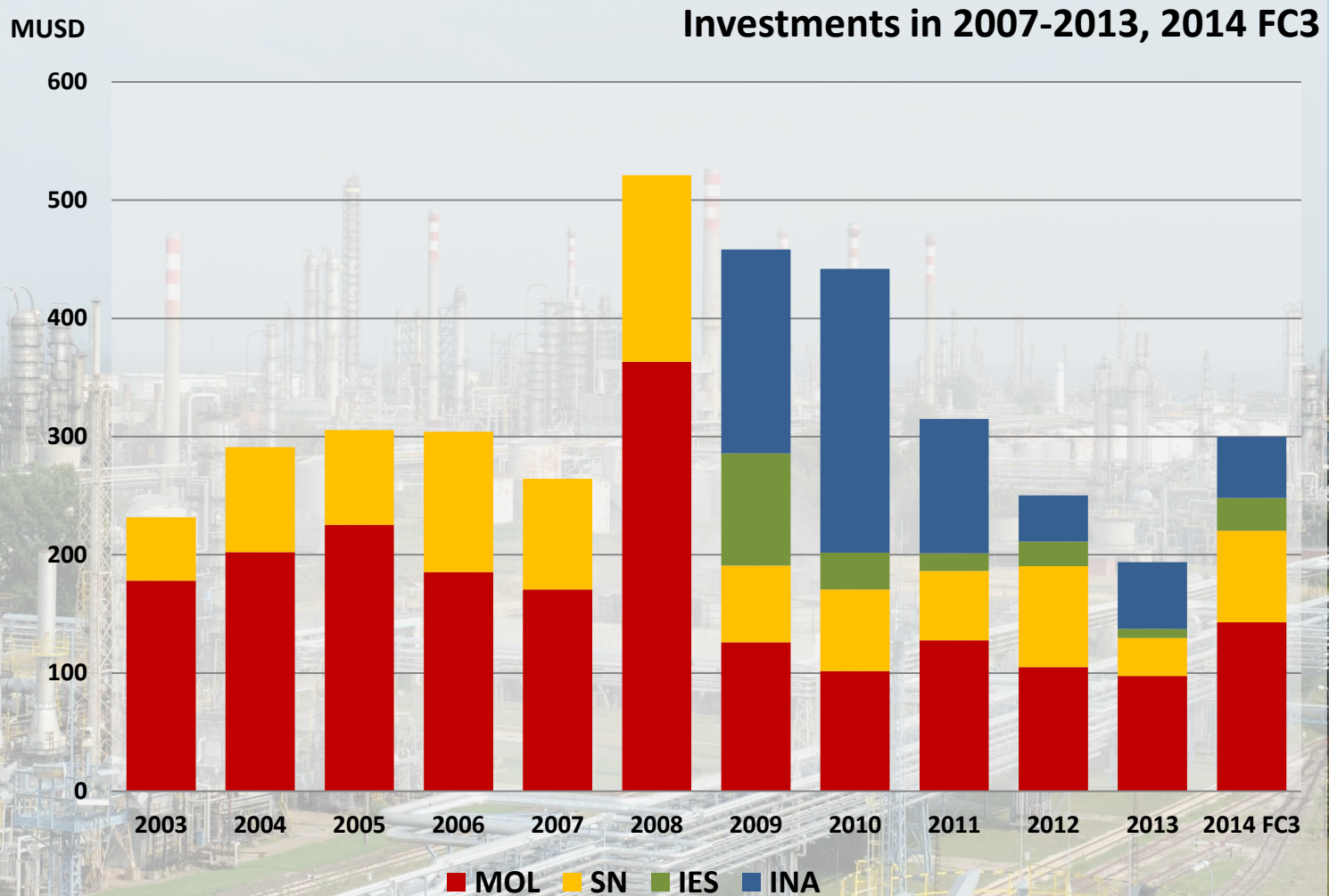
Nelson complexity index : 10.6

Share of light products (%): 78

Number of employees: cca. 1300



High complexity and compliance with EU legislation has meant significant investment in past decade



Achieving high complexity has meant significant investment in past decade

MUSD

600

500

400

300

200

100

0

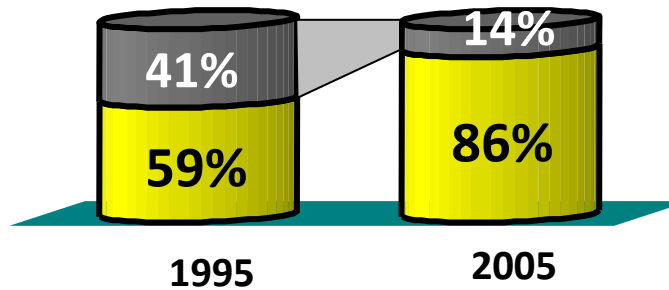
2003

2004

2005

BRATISLAVA REFINERY

Over decade from „Zero to Hero“!

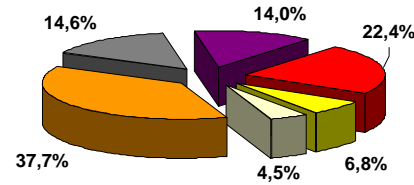


Products with low market value
(heavy fuel oils, bitumen, sulphur etc)

Products with high added value
(motor fuels, plastics)

DUNA REFINERY

Without Coker



Gasoline

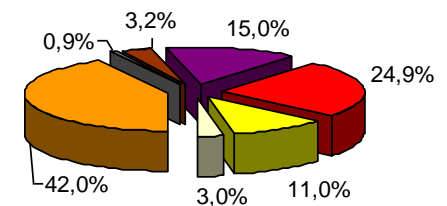
Gas- and heating oil

Other

Naptha

Fuel oil

With Coker



Kerosene

Coke

We have further plans to move ahead

RIJEKA PHASE 1 COMBINE COMPLIANCE & FLEXIBILITY



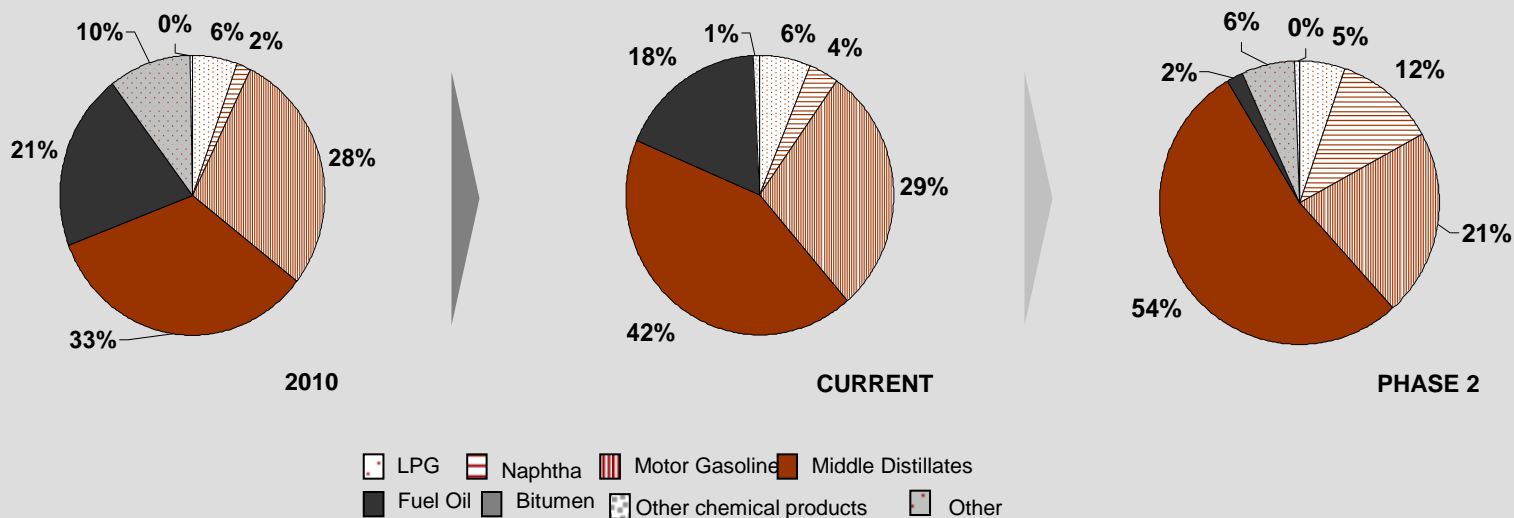
- ▶ Diesel yield improvement
- ▶ Sulphur emission reduction
- ▶ Increase NCI to 9.1
- ▶ 5-7 years' investment cca. USD 700M

RIJEKA PHASE 2 ENTERING THE TOP LEAGUE



- ▶ Delayed Coker (1 Mtpa) technology
- ▶ Sulphur free products
- ▶ NCI increase above 10
- ▶ 3-4 years investment, estimated at cca. USD 450M

Product yields – basis, current (after Phase 1) and expected after Phase 2



Non-competitive asset to transform



MANTOVA REFINERY

- ▶ High diesel yield but low complexity
- ▶ Good market position, no economical scale
- ▶ Low competitiveness today



MANTOVA LOGISTIC CENTRE

- ▶ Landlocked distribution center
- ▶ Pipeline connection to the ports
- ▶ Industrial zone, experienced manpower
- ▶ Transformation cost ca usd 120 mio

Fit to survive today.....

Fit to invest for tomorrow

Predictable legislation

**Global game
European playground**



**Freedom to operate
under market forces**

Customer says always the final word...

Competition is not only the basis of protection to the consumer, but is the incentive to progress.

Herbert Hoover

"Promoting competitiveness, which is the overarching aim of policy, must be woven into the fabric of all policy areas, at all levels of government...."

Elzbieta Bienkowska

THANK YOU FOR YOUR ATTENTION!