Bucharest
August 6, 2008
8.30 am
7.30 am [CET], 6.30 am [BST]

Results[1] for Q2 and January – June 2008 show continuous improvements in operational performance

- **Strong operational performance and high crude prices lead to an increase of EBIT by 53% compared to Q2/07; in the first half of the year EBIT almost doubled compared to 6m/07**
- **Modernization efforts: Investments higher by 74% as compared to Q2/07**
- **Oil production in Romania stable, refining efficiency further improved**
- **Total domestic marketing volumes higher by 26% compared to Q2/07**
- **Outlook for 2008: We expect to deliver further robust earnings, supported by new field developments in upstream and ongoing modernization**

Mariana Gheorghe, CEO of Petrom: "In the second quarter of 2008 we again recorded positive results, which significantly improved comparing to the same period last year, due to improved operational performance as well as high oil prices. We made higher investments of 74% compared to the same period in 2007, kept oil production at the stabilized level of last year, increased refining efficiency and recorded a significant increase in oil products sales. Operational profit was lower than in Q1/08 mainly due to lower gas production, higher depreciation and provisions.
Given the current global energy environment, marked by high energy prices and increasing demand, we will continue to focus on strong measures to maintain the level of hydrocarbon production, increase energy efficiency and develop the renewable energy, all supported by considerable investment amounts. Our entry into the power business together with our renewable energy projects will enable us to make the transition, in the mid to long term, from an oil and gas company to an energy company. "

Q1/08	Q2/08	Q2/07	ΔQ2	Key performance indicators(RON mn)	6m/08	6m/07	%	2007
1,029	838	548	53%	EBIT	1,867	942	98%	1,965
1,269	1,300	766	70%	EBITDA	2,570	1,389	85%	3,111
977	687	506	36%	Net income	1,664	887	88%	1,778
3,719	4,555	2,677	70%	Turnover	8,274	5,434	52%	12,284
2,047	1,338	771	74%	Investments*	3,385	1,322	156%	3,820
35,069	34,120	29,667	15%	Employees at the end of period	34,120	29,667	15%	26,397

**Investments include increases of Petrom share participations*

[1] The financials are reviewed and prepared according to RAS; all the figures refer to Petrom SA unless otherwise stated

The essence of motion PETROM
Member of OMV Group

Significant events January – June 2008

At the **beginning of 2008**, Petrom assigned new management responsibilities. Mr. Siegfried Gugu, responsible for E&P Services, and Mr. Gerald Kappes, responsible for Gas and Power, were appointed as new members of the Executive Board, which is now made up of seven executive directors.

On **March 27**, Petrom and Romgaz signed with the Government of Romania, represented by the Ministry of Economy and Finance, a protocol that regulates their participation in the Social Fund. The Government of Romania set up the Social Fund to grant social aid to low-income households. The value of the Social Fund for this year is RON 172 mn, of which Petrom's total contribution will be RON 80 mn.

On **March 31**, Petrom signed the contract for building the Brazi power plant with a consortium composed of General Electric (USA) and Metka (Greece). The consortium will build and deliver a turn-key gas-fired combined cycle power plant with a capacity of 860 MW by September 2011.

On **April 22,** the General Shareholders' Meeting approved the proposed 2007 dividend to Petrom shareholders of RON 0.0191 per share and a total gross amount of RON 1,082 mn, representing 61% of net profits. The GSM also approved an investments budget for 2008 over RON 6.1 bn. More than half of the budgeted investments are in Exploration and Production activities.

On **May 5**, Petrom announced that with effect from July 1, 2008 Mr. Neil Anthony Morgan will be the new member of the Executive Board responsible for Refining. Mr. Morgan was appointed to this position by the Supervisory Board of Petrom, following the appointment of Mr. Jeffrey Rinker as Senior Vice President at OMV group level, responsible for Joint Ventures & Strategic Projects in Refining. In addition, Mr. Rinker will retain certain responsibilities related to Petrom Refining at least until the end of the transition period in 2011.

At the beginning of **June,** Petrom reviewed its strategic objectives for 2010 in the context of the latest international challenges. The analysis re-affirmed the viability of the objectives for 2010 set by the company in 2005. In the same month, Petrom together with OMV hosted a site visit to Bucharest and the Petrobrazi refinery and oil fields, providing institutional investors and analysts with an operational update about the ongoing restructuring and modernization of Petrom.

Outlook for 2008

The main focus in 2008 is the continuation of the restructuring and modernization of Petrom. The first results of the modernization efforts in E&P are now visible and we expect oil production volumes to slightly increase in 2008. In the Petrom refineries, gradual improvements are being made; however, more significant earnings improvements are unlikely before the completion of the full restructuring programme in 2011.

We expect the main market drivers (crude price, refining margins and the USD/EUR exchange rate) to remain highly volatile throughout 2008. The average crude price and the spread between Brent and Urals will be above the 2007 level, albeit with considerable short-term fluctuations. The average USD/EUR exchange rate for 2008 is expected to weaken compared to the 2007 year-end level. We expect in 2008 a relatively stable RON versus the USD, while depreciating against the EUR. We foresee refining margins below 2007 levels, mainly due to the high cost of own energy consumption. In Marketing, we expect a slightly better margin environment than in 2007 and increased sales.

In **Exploration and Production (E&P),** volumes are expected to be slightly above last year's level. The well modernization program continues, together with efforts to further enhance production efficiency. We will also continue to maximize the production level in Romania through an intensive drilling program combined with the re-development of the first out of the 50 major fields and the continuation of our successful well re-completion program. Provided that normal weather conditions will prevail, start of production at the promising discovery of the Delta offshore field can be expected at the end of the last quarter of 2008.

One of the key objectives in 2008 is the successful integration of the recently acquired oil services business of Petromservice. Petrom is now in a position to directly control the modernization process of this business in order to increase quality and efficiency of the operations and to support the reduction of production costs and increase production. Overall industry cost inflation is expected to continue in a high oil price environment. However, actions to tighten cost control and the modernization program at Petrom will help to mitigate this trend.

In **Refining and Marketing** (**R&M)**, the restructuring and modernization programs continue as planned. In Refining, the restructuring program focuses on energy efficiency and product yield improvements. During 2008, we plan to complete the FEED (front end engineering and design) phase for all major investments in Petrobrazi and advance construction of the FCC (fluid catalytic cracking) gasoline post-treater project to meet the scheduled start-up in early 2009. Consequently, gradual improvements due to the current restructuring investments are expected, while more significant earnings improvements in refining are anticipated after the completion of the large investments in 2011. In today's environment within Petrom's refinery segment, the Arpechim refinery cannot generate the required rate of return due to the high own energy consumption, unfavourable product yields and high fixed costs. Therefore, the investment focus will be to ensure HSE compliance and several options are under discussion to reorganize the operations at Arpechim. In the course of the planning process which is expected to last for the next months, these options will be evaluated. After finalization of this planning process, the resulting impacts, including potential impairments, will be reassessed.

In Marketing the demand for fuel is expected to increase further, while the company will pursue its efforts to improve the quality of the filling station network. As a consequence, we expect a further increase in sales and a higher contribution from the non-oil business.

In **Gas and Power** (**G&P)** we expect the business to grow despite the volatility of the current environment. Due to the regulated market price and the increasing import price for gas, margins are under pressure. While the development of regulated gas prices and the impact of potential changes in the fertilizer industry remain uncertain, we expect increased demand from the gas-fired power plants which are the major drivers of the strong growth in gas demand in Europe. We believe that additional value can be generated through the expansion of the gas value chain into power business. The start of the construction of the power plant in Romania at Brazi will be a milestone in 2008.

In order to meet our growth targets and the ongoing modernization of Petrom's operations while addressing the general trend of increasing costs in the oil industry, **average annual investments** of approximately **EUR 1.5 bn** are planned until 2010. All investment decisions are taken on a value-based approach, which is essential if we are to meet our target of a 13% ROACE over the course of the business cycle, given average market indicators.

Exploration and Production (E&P)

Q1/08	Q2/08	Q2/07	∆Q2	Key performance indicators* (RON mn)	6m/08	6m/07	%	2007
1,094	992	698	42%	EBIT	2,086	1,328	57%	2,848
1,267	1,331	845	58%	EBITDA	2,598	1,616	61%	3,556
1,765	876	476	84%	Investments**	2,641	879	200%	2,465

** As of January 2008, E&P financials include the results of the new business division Exploration and Production Services (EPS)*
*** Investments include increases of Petrom share participations*

Q1/08	Q2/08	Q2/07	∆Q2	Key performance indicators	6m/08	6m/07	%	2007
17.57	17.18	17.48	-2%	Total production (mn boe)	34.75	35.25	-1%	70.27
193,069	188,752	192,000	-2%	Total production (boe/day)	190,910	195,000	-2%	193,000
1,134	1,130	1,139	-1%	Crude and NGL production (kt)	2,264	2,262	0%	4,541
8.16	8.13	8.19	-1%	Crude and NGL production (mn boe)	16.29	16.27	0%	32.66
1,439	1,384	1,421	-3%	Gas production (mn cm)	2,823	2,903	-3%	5,751
93.00	117.24	65.30	80%	Average Urals price in USD/bbl	105.22	59.74	76%	69.38
85.15	105.31	59.51	77%	Average realised crude price USD/bbl	95.23	54.35	75%	63.00
209.84	247.31	145.83	70%	Average realised crude price RON/bbl	228.59	136.27	68%	153.44
197.47	211.71	187.07	13%	Regulated gas price for domestic producers in USD/1,000 cm	204.49	170.00	20%	183.98
17.08	18.73	16.55	13%	Domestic production cost, USD/boe	17.89	15.98	12%	16.83
42.09	43.83	40.24	9%	Domestic production cost, RON/boe	42.95	40.06	7%	41.00

Second quarter 2008 (Q2/08)

- **Strong results due to higher international oil prices**
- **Investments in Q2/08 higher by 84% than in Q2/07**
- **Crude production successfully maintained; however, Q2/08 gas production volumes lower due to limitations in the gas distribution network**
- **Well modernization program ahead of schedule with 3,537 wells completed by end June 2008**

The **domestic realized crude price** increased by 77% to USD 105.31/bbl compared to Q2/07 due to higher international prices. However, the domestic realized crude price rose only by 70% in RON terms over the same period last year, due to the strengthening of the RON against the USD.

EBIT increased by 42% compared to Q2/07 despite relatively lower production volumes. The favorable oil price environment more than offset the adverse FX developments and the higher exploration expenses.

Group oil and gas production decreased by 1% to 17.69 mn boe compared to Q2/07 due to the decrease of domestic gas production. **Group oil production** reached 8.55 mn boe, up by 1% compared to Q2/07, as a result of the increase of oil production in Kazakhstan.

Total oil and gas production in Romania amounted to 17.18 mn boe in Q2/08, 2% lower than in Q2/07.

In Q2/08, the **domestic crude oil production** amounted to 1.1 mn tons, only 1% lower than in Q2/07. Oil production was maintained at almost the same level thanks to improved drilling performance and the well modernization program.

Natural gas production reached 1,384 mn cbm, 3% lower than in Q2/07. Gas production continued to be affected by poor condition of the transport network that hampered the access to the system, electricity supply interruptions and unexpected temporary shutdowns at some major clients in the fertilizer industry.

Domestic production costs of USD 18.73/boe were 13% higher compared to Q2/07 mainly driven by the high level of industry cost inflation, service related costs and lower gas production. The strengthening of the RON against the USD by 4% impacted also negatively the domestic production costs. When expressed in RON/boe, domestic production costs increased by 9% compared to Q2/07.

Petrom SA had **exploration costs** in Q2/08 amounting RON 142 mn which included RON 38.6 mn costs related to wells for which the drilling started in prior years.
E&P investments in Romania increased by 84% compared to Q2/07 driven by increased drilling activity and well modernizations.

Compared to Q1/08, EBIT decreased by 9% as a result of the production decrease, higher production cost triggered by industry cost inflation and higher exploration expenses. Total oil and gas production in Romania was 2% lower than in Q1/08, mainly due to the 4% decrease in natural gas production, driven by poor condition of the transport network and also affected by seasonal differences. Domestic crude oil production was at the same level as in Q1/08. Domestic production costs in RON/boe rose by 4% in Q2/08 compared to Q1/08 (9.6% increase when expressed in USD) due to the depreciation of the USD in Q2/08.

E&P investments in Romania were 50% lower than in Q1/08, as the acquisition of the oil services business of Petromservice from Petrom was included in Q1/08.

January – June 2008 (6m/08)

In 6m/08 the **domestic realized crude price** rose by 75% to USD 95.23/bbl compared to 6m/07 due to higher international prices. However, the domestic realized crude price increased by only 68% in RON terms over the same period last year, due to the strengthening of the RON against the USD. The increase in regulated domestic gas prices for producers is not reflected in the turnover result, as the effect is attributed to the Social Gas Fund.

EBIT increased by 57% compared to 6m/07 mainly as a result of higher oil prices.

Compared to 6m/07, **group oil and gas production** decreased by 1% to 35.71 mn boe as a consequence of the domestic gas production decrease. **Group oil production** was up by 1% compared to 6m/07, reaching 17.07 mn boe, due to the increase of oil production in Kazakhstan.

Total oil and gas production of Petrom SA in Romania amounted to 34.75 mn boe in 6m/08 (1% lower than in 6m/07).

In 6m/08, the **crude oil production of Petrom SA in Romania** amounted to 2.26 mn tons, equal to 6m/07. Stabilization of oil production was achieved through improved drilling performance, modernization of wells, and the application of new technologies.

Natural gas production reached 2,823 mn cbm, 3% lower than in 6m/07, due to the same factors as in Q2/08.

Domestic production costs of USD 17.89/boe were 12% higher compared to 6m/07, mainly driven by the strengthening of the RON against the USD by 5%, industry cost inflation and service related costs. Expressed in RON/boe, domestic production costs increased by 7% compared to 6m/07.

Petrom SA had **exploration costs** in 6m/08 amounting RON 162.2 mn which included RON 38.6 mn costs related to wells for which the drilling started in prior years. In addition, Petrom SA had exploration capitalized in 6m/08 amounting to RON 49.5 mn.

E&P investments in Romania increased by 200% in 6m/08 compared to 6m/07 mainly due to the acquisition of the oil services business of Petromservice, but also due to increased drilling activity and well modernizations.

Turnaround program

The well modernization program has continued successfully. For the first six months of this year a total number of 1,425 wells have been modernized, of which 858 well in Q2/08. Overall, the project is ahead of schedule: 3,537 wells have been modernized since the start of the program in 2007. By the end of 2008, approximately 5,000 wells will be modernized with a positive impact on both production cost savings and the increase of production. The number of working crews increased from 33 at the end of March 2008 to 42 at the end of June. As a result, the number of interventions should reduce from 20/well/year to 2/well/year.

A total of 2,360 km new 2D seismic was acquired in the first half of 2008.

Drilling activity speeded up during 6m/08 leading to a total number of 121 development wells being drilled, of which 73 were in Q2/08.

The Field Redevelopment Plans are progressing and the development of Mamu gas field has been already initiated.

Exploration and Production Services (EPS)

The acquisition and integration of the acquired oil services business of Petromservice into Petrom supports two strategic objectives of the E&P division: the stabilization of the oil and gas production and the reduction of production costs. For the integration of the newly acquired oil services, a new division was created within Petrom: Exploration and Production Services (EPS), effective February 2008. EPS results are consolidated within the E&P segment.

The integration of oil services progresses in line with our planning. The first phase – the stabilization phase - was successfully concluded. During the second phase the focus is on the consolidation of the operational business and performing projects in order to realize the turnaround.

The workover & drilling, maintenance and logistics functions have been strengthened by implementing modern methods of management and optimizing the existing equipment. For the second half of 2008, the main steps will be the implementation of efficiency measures and the start of the reorganization of on-site service.

The turnaround of EPS will start after the analysis phase currently going on. The turnaround program should be finished by 2010.
Through these measures production costs should be reduced by USD 1.5 per barrel.

International E&P activities

Oil and gas production in Kazakhstan amounted to 509 thousand boe, 13% higher than in Q1/08 and 31% higher than in Q2/07. Several wells were put in function whilst an increase of production quantities was achieved after fracturing operations at already functioning wells.

The **Komsomolskoe** field development continues, with first oil production expected in Q4/08.

In **Russia,** one of the three exploration wells reached total depth but will be deepened further. The drilling of the other two is behind schedule and will reach its target in Q3/08 and Q4/08, respectively. Seismic acquisition is on schedule and results are expected by early 2009. The work program for 2009 is being prepared.

Two license extensions were granted in the Saratov Region. Extensions are being sought for more licenses that are scheduled to expire in late 2008.

Refining and Marketing (R&M)

Q1/08	Q2/08	Q2/07	ΔQ2	in RON mn	6m/08	6m/07	%	2007
(118)	(74)	(158)	53%	EBIT	(192)	(465)	59%	(1065)
(76)	(10)	(103)	90%	EBITDA	(86)	(341)	75%	(736)
198	238	235	1%	Investments	436	330	32%	1,004

Q1/08	Q2/08	Q2/07	ΔQ2	Key performance indicators	6m/08	6m/07	%	2007
1,459	1,505	1,206	25%	Crude input (kt)	2,964	2,874	3%	5,917
403	408	227	80%	thereof imported crude (kt)	812	804	1%	1,570
73	76	60	27%	Utilization rate (%)	75	72	4%	74
0.65	1.12	6.52	-83%	Refining margin indicator (USD/bbl)	0.90	5.45	-83%	3.56
1,128	1,329	951	40%	Marketing sales (kt)	2,457	2,066	19%	4,707
431	417	230	81%	thereof export (kt)	849	576	47%	1,476

Second quarter 2008 (Q2/08)

- **Improved result based on continued efficiency gains and rising inventory valuations, despite the deteriorating margin environment**
- **Good progress in improving the environmental legacy problems**
- **Throughput per filling station is continuously improving due to the implementation of the full agency system and higher domestic demand**
- **Domestic marketing volumes increased by 26% compared to Q2/07, despite higher fuel prices**

EBIT of the R&M business improved significantly compared to **Q2/07**, despite the deteriorating margin environment. This was partly due to the favourable inventory valuation increase in the oil product price and higher marketing volumes. Our result was also supported by continued improved yields of high value products and incremental reduction in own fuel consumption.

The total quantity of **crude processed** in Q2/08 amounted to 1,505 thousand tons, higher by 25% compared to Q2/07, of which 27% represented imported crude oil.

The **refining margin indicator**[2] dropped to a very low level of only USD 1.12/bbl, which was USD 5.40 /bbl lower than in Q2/07, mainly due to higher oil prices.

Diesel cracks climbed further, to USD 325/t; that is USD 111/t more than Q1/08 and USD 182/t more than the comparable period of 2007. **Gasoline cracks** gained only USD 45/t from Q1/08, up to USD 196/t, lagging USD 53/t behind the level of Q2/07.

The **refinery utilization rate was** 76%, optimizing the import of expensive crudes in the current margin environment. The Q2/08 utilization rate was significantly higher than the comparable period in the previous year, which had been affected by the general turnaround at Arpechim in April 2007.

For the same reason, **petrochemical and special product sales** were 18% higher than the Q2/07 level.

All fuels supplied by Petrom to the domestic market are compliant with the legal regulations regarding biofuels components. Starting July 1, 2008, the diesel fuels include 4% bio-components.

[2] The refining margin indicator is based on the international quotations for products [Augusta] and Urals crude and a standardized yield set typical for Petrom's refineries

Two important milestones were reached in dealing with major environmental legacy problems: The first waste sludge from Petrobrazi lagoon was removed for incineration in May, and we finished cleaning up the enormous (60,000 cubic meters) municipal garbage deposit within the refinery.

Total marketing sales increased by 40% in comparison with Q2/07 and by 18% in comparison with Q1/08, with business being seasonally weaker in the first quarter.

White product sales on the domestic market were 19% above Q2/07 level, driven by the higher demand, the upgrade of the filling station network and improved retail station management. **Domestic gasoline sales** were up by 14% compared to Q2/07, while **domestic diesel sales** increased by 23% compared to the same period of 2007. Notably, the sale of aviation fuels recorded a 12% increase over Q2/07.

Retail sales increased in comparison with Q2/07 by 26% to 466 mn liters (373 thousand tons equivalent), while **total commercial and export sales** amounted to 956 thousand tons, 46% higher than in Q2/07, due to higher demand for fuel oils on the domestic and external market but also due to the refinery shutdown in Q2/07. **Commercial domestic sales** amounted to 539 thousand tons registering an increase of 26% compared to Q2/07.

Exported quantities were 81% higher in Q2/08 compared to Q2/07, mainly due to exporting heavy fuel oil quantities, which could not be sold locally due to lower demand.

The average **throughput per filling station** is continuously improving, mainly as a result of the implementation of the **full agency system**.

Petrom sold through its subsidiaries 404 mn liters of fuel to retail customers in Q2/08, of which 60% represented international sales. Compared to Q2/07, retail subsidiaries sales are 25% higher.

The **non-oil business** also registered a significant increase. The total turnover increased to RON 114 mn, 51% higher compared to Q2/07, due to portfolio and purchase process optimization.

At the end of Q2/08, Petrom SA had 450 filling stations, while under Petrom Group operated in total 805 filling stations: 547 in Romania and 258 in Republic of Moldova, Bulgaria and Serbia.

The focus in 2008 will remain the modernization of the existing filling station network: Four stations were opened in Q1/08, 7 in Q2/08 and another 11 are under construction.

R&M investments increased to RON 238 mn, up by 1% compared to Q2/07.

In Refining, the EUR 90 mn fluid catalytic cracking (FCC) gasoline post treater project, the largest investment project currently under construction in Petrom Refining, reached an important milestone when the lump sum turn-key (LTSK) construction contract conversion was signed with EPC (Engineering, procurement and construction) contractor Uhde. The project remains on schedule for completion in early 2009.

In Marketing, the investments are mainly focused on reconstructing and modernizing the remaining, old-style Petrom filling stations and on the rebuilding of the main terminals within supply and logistics.

Compared to Q1/08, EBIT improved by 37% on the back of further inventory valuation increases and favourable margin development, with significant advances in both gasoline and diesel cracks.

January – June 2008 (6m/08)

EBIT at the R&M business improved significantly compared to 6m/07, despite the deteriorating margin environment, driven by positive inventory effects in refining, a more profitable product yield and improvements in the marketing business: Higher deliveries to both domestic and foreign markets, purchase process optimization, and reduced costs.

The total quantity of **crude processed** in 6m/08 amounted to 2,964 thousand tons, higher by 3% compared to 6m/07, of which 27% represented imported crude oil.

Due to higher oil prices, the **refining margin indicator** dropped to a very low level of only USD 0.9/bbl, which was 4.55 USD/bbl lower than in 6m/07.

Gasoline cracks were USD 25/t below 6m/07 [6m/08: USD 174/t], while diesel cracks improved significantly, up to USD 270/t in 6m/08 versus USD 139/t in 6m/07. The refining utilization rate increased compared to 6m/07 to 75%, due to the influence of the Arpechim turnaround in April 2007, combined with the effect of optimizing the imports of expensive crudes in the current margin environment.

Mainly for the same reason, **petrochemical and special product sales** are 3.3% higher than the 6m/07 level.

Total marketing sales of 2,457 thousand tons increased by 19% in comparison with 6m/07.

White product sales on the domestic market were 13% above the 6m/07 level, driven by higher demand, the upgrade of the filling station network and also the improved retail station management. **Domestic gasoline sales** were up by 4% compared to 6m/07, while **domestic diesel sales** increased by 19% compared to the same period of 2007. Aviation fuel sales increased significantly compared to 6m/07 with 32%.

Retail sales increased in comparison with 6m/07 by 24% to 848 mn liters, while **commercial domestic sales** amounted to 929 thousand tons, 2% lower than in 6m/07, due to lower demand for fuel oils in the domestic market.

Exported quantities were 47% higher in 6m/08 compared to 6m/07, mainly due to exporting heavy fuel oil, which could not be sold locally.

R&M investments increased by 32% compared to 6m/07, driven by Refining investments in the FCC (fluid catalytic cracking) gasoline post-treater project in Petrobrazi and further projects within the modernisation program.

Marketing investments decreased by 23% in 6m/08 compared to 6m/07. The main decrease came in retail (-54%) due to a lower number of filling stations reconstructed and modernized compared to the same period of 2007. In 6m/07, 12 filling stations were reconstructed and modernized and 4 new ones built, while in 6m/08, 11 filling stations reconstructed and modernized.

Gas and Power (G&P)

Q1/08	Q2/08	Q2/07	∆Q2	in RON mn	6m/08	6m/07	%	2007
70	(42)	23	-	EBIT*	29	81	-65%	123
38	179	2	-	Investments*	217	3	-	32

As of January 1, 2008 Chemicals are included in the G&P segment. As the contribution of Chemicals was not considered material, previous period's numbers have not been restated.

Q1/08	Q2/08	Q2/07	∆Q2	Key performance indicators	6m/08	6m/07	%	2007
1,582	1,213	1,305	-7%	Consolidated gas sales*, mn cbm	2,794	2,910	-4%	5,546
1,452	1,127	1,205	-6%	thereof Gas sales Petrom SA, mn cbm	2,580	2,695	-4%	5,156
197.47	211.71	187.07	13%	Regulated gas price for domestic producers in USD/1,000 cbm	204.49	170.00	20%	183.98
486.67	495.00	455.00	9%	Regulated gas price for domestic producers in RON/1,000 cbm	490.83	426.25	15%	448.13
370	370	275	35%	Import gas price in USD/1,000 cbm **	370	288	28%	293
146	129	178	-27%	Sales Doljchim (kt)	275	354	-22%	688

**Consolidated gas sales include the sales of Petrom SA, Petrom Gas SRL and Petrom Distributie Gaze as well as internal transfers to other segments*
*** Actual import gas price increased in Q2/08 to 410 USD/1000 cm, but was not considered by the regulator. Same situation for 6m/08, when the actual import gas price stood at 392 USD/1000 cm.*

Second quarter 2008 (Q2/08)

- **Seasonally lower results in the marketing and trading business compared to Q1/08**
- **Maintenance shutdown at Doljchim burdened sales volumes and result**
- **Main contracts for the combined cycle power plant Brazi signed**

The **gas sales** of Petrom SA decreased by 6% compared to Q2/07, due to the adverse market conditions caused by regulatory measures and also because demand from gas-fired power plants in Q2/08 was lower than last year due to weather conditions.

EBIT generated by the G&P business of Petrom SA can not be directly compared to Gas EBIT in Q2/07, as Doljchim results were consolidated only starting 2008. G&P EBIT in Q2/08 was negatively affected by the turnaround at Doljchim and due to price increase related to gas import obligations.

In **gas supply, marketing and trading,** regulatory effects with increased import prices and stable regulated sales prices, as well as a challenging market environment negatively impacted the results.

While the Romanian Natural Gas regulator considered for the regulated basket price an unchanged import gas price of USD 370/1,000 cbm as in Q1/08, the actual price of imported gas increased to USD 410/1,000 cbm in Q2/08. The **average regulated gas** price for Romanian producers was USD 211.71/1,000 cbm (RON 495.00/1,000 cbm), up by 13% compared to Q2/07 (9% in RON terms) and unchanged compared to Q1/08.

Petrom injected 160.4 mn cbm into storage in Q2/08. The total volume of natural gas in storage at the end of June was 174.47 mn cbm, compared to 152.73 mn cbm in Q2/07.

As natural gas distribution is not considered a core activity of Petrom SA, the strategic decision was taken to divest this activity to a qualified partner who will guarantee the continuation and future development of Petrom Distributie Gaze srl (PDG). This divestment process is expected to be finalized in the second half of 2008.

Doljchim's result in Q2/08 was negative (RON -55 mn) due to a decline in sales and asset write-offs. Although the selling prices of fertilizers, especially methanol, were higher this year, the overall result of Doljchim in Q2/08 was negatively affected by the lower quantities produced due to the maintenance shutdown of the methanol plant in May to June 2008. The volume of **Doljchim sales** decreased by 27%, compared with

Q2/07, to 129 thousand tons (Q2/07: 178 thousand tones), also for the reasons mentioned above.

Export sales represented around 47% of total sales. Doljchim's products were mainly exported to neighbouring countries such as Hungary, Bulgaria and Serbia, but also to markets like Slovakia, Austria, Italy, Spain, Turkey and Peru.

Investments in G&P were significantly higher than in Q2/07.

Power division investments in Q2/08 amounted to RON 168 mn, relating to the advance payment for a lump sum turn key contract (LSTK) for the combined cycle power plant (CCPP) Brazi concluded with General Electric–Metka consortium (the Consortium) and the advance payment in respect of the LSTK contract Brazi Vest Substation Extension concluded with Itochu-Toshiba.

The investments in Doljchim amounted to RON 11 mn, over four times higher than in Q2/07. These were directed mainly towards works for environmental protection, mechanical equipment, health and safety and infrastructure.

EBIT decreased significantly **compared to Q1/08,** mainly due to the seasonal decline in the gas supply, marketing and trading business and the negative result of Doljchim. Consolidated gas sales were down by 23% due to seasonality, in line with the trend in natural gas consumption in Romania which showed an even steeper decline. As mentioned above, Doljchim's result was burdened by the effects of the turnaround, which led to lower sales volumes, and by the write-offs of assets in Q2/08.

January – June 2008 (6m/08)

The **gas sales** of Petrom SA decreased by 4% compared to 6m/07.

EBIT generated by the G&P business of Petrom SA was significantly lower compared to Gas EBIT in 6m/07, mainly because of the negative contribution of Doljchim in Q2/08 and a lower result of gas supply, marketing and trading. In **gas supply, marketing and trading**, results were further affected by the regulatory environment, increasing import prices and the non repetition of the positive effect of high demand from the power sector, which prevailed last year.

While the Romanian Natural Gas regulator considered for the regulated basket price an unchanged import gas price of USD 370/1,000 cbm as in Q1/08, the actual price of imported gas increased to USD 392/1,000 cbm in 6m/08 compared with USD 288/1,000 cbm in 6m/07. The **average regulated gas** price for Romanian producers was USD 204.49/1,000 cbm (RON 490.83/1,000 cbm), up by 20% compared to 6m/07 (15% in RON terms).

The regulated end-user gas price for households and industrial customers in Romania increased by 8.5%, as of February 1, 2008. However, the gas price increase in February 2008 did not impact the result of G&P since, in accordance with the agreement with the Romanian government in March 2008, Petrom contributed RON 36 mn in 6m/08 to the newly established Social Gas Fund. The Social Fund was set up to make grants to alleviate the burden of gas price increases on low income Romanians households who rely on gas for domestic heating.

EBIT recorded by Doljchim in 6m/08 was negative (RON -44 mn).

The volume of **Doljchim sales** decreased by 22% to 275 thousand tons. The decrease was mainly due to the major maintenance shutdowns undertaken at the fertilizer plants and ammonia plant in January and February and the methanol plant in May to June.

Export sales represented around 40% of total sales.

The investments in Doljchim amounted to RON 36 mn while Power related investments stood at RON 180.7 mn.

Status of Brazi power plant construction

The construction of Brazi power plant is advancing according to schedule and within the budget approved last year. In the second quarter of 2008 the Power division made further steps in advancing the project and important milestones were reached:

- Conclusion of the site preparation works (underground demolition and rerouting)
- The site was handed over to the Consortium in order to prepare the construction area.

The following contracts were signed in 6m/08:

- Lump sum turn key (LSTK) contract for building Brazi power plant signed with a Consortium formed of General Electric and Metka
- Long Term Service Agreement (LTSA) for CCCP Brazi with General Electric International Inc.
- High voltage connection lump sum turn key contract with Siemens for the evacuation of the energy generated by CCPP Brazi
- Contract with Itochu-Toshiba (Japan) for Brazi Vest substation extension

The Owner Engineering services contract (OE) for CCPP Brazi with ESBI Engineering (Ireland) and Facilities Management Ltd. is in the final stage and closing is scheduled for Q3/08.

Financial highlights 6m/08

Profit and loss account

The Company's **turnover** increased by 52% to RON 8,274 mn compared to 6m/07 mainly due to higher fuel sales (both domestic and export sales and both quantities and prices). The same positive selling price impact was recorded in the G&P segment.

Other operating revenues increased to RON 91 mn due to a higher level of sales of assets in Marketing and E&P.

Operating expenses increased 40% compared to 6m/07, to RON 6,614 mn, mainly due to the increase in raw materials costs caused by higher crude oil prices, cost of merchandise sold in R&M and higher staff costs, as well as the impact of the integration of the oil business service acquired from Petromservice as of February 2008. Litigation provisions for risks and charges and increased adjustments on the value of tangible and intangible assets related to higher investments had a significant effect on operating expenses. Since end of 2007, Petrom is involved in litigation initiated by a number of former and current employees based on a different interpretation of some of the clauses of the Petrom Collective Bargaining Agreement for Easter and Christmas bonuses. After careful consideration and based on the outcome of court decisions received until June, Petrom has provided in its accounts an additional amount of RON 446.6 mn in Q2/08 to cover this potential risk.

EBIT amounted to RON 1,867 mn, 98% above the RON 942 mn result in 6m/07 with positive contributions from both E&P and R&M.

The most significant contribution to this higher result came from **the E&P** segment, whose EBIT increased by 57%, from RON 1,328 mn to RON 2,086 mn, mainly driven by the ongoing favorable crude price development. This positive impact was partly offset by the contribution to the social fund, based on the protocol signed in March 2008 by Petrom with the Ministry of Economy and Finance. In this protocol it was agreed that Petrom will contribute voluntarily to the Gas Social Fund. The contribution was established at RON 80 mn, payable in 11 equal monthly instalments of RON 7.27 mn. By the end of June, this contribution amounted to RON 36 mn and was fully funded by E&P.

In **R&M**, EBIT improved substantially on 6m/07, rising by 273 mn RON, mainly on the back of positive inventory effects in refining and improvements in the marketing business, such as purchase process optimization and reduced costs. The result also reflects positive developments in the R&M business, notably a more profitable product yield in refining, as well as higher deliveries both to domestic and foreign market.

In the **G&P** segment, EBIT fell to RON 29 mn from RON 78 mn [aggregate results of Gas and Chemicals in 6m/07] mainly because of the decrease of chemicals and gas sales. As of 2008, Doljchim is reported under this segment.

The Company's **financial result** improved to RON 198 mn from RON 110 mn in 6m/07, mainly due to gains from the disposal of financial investments.

The corporate tax charge increased in 6m/08 by RON 237 mn to RON 401 mn, due to the increase in the operating result.

Net profit increased by 88% compared with 6m/07 as a direct consequence of the higher operating result, partially offset by higher corporate taxes.

As a result of Petrom's business activities, a significant tax contribution was generated for the state budget amounting to RON 3,135 mn, 42% higher than in 6m/07. Income tax (RON 401 mn), excise duties (RON 1,494 mn), royalties (RON 353 mn) and VAT payable (RON 390 mn) accounted for around 85% of the total tax contribution in 6m/08.

Balance sheet

Total assets amounted to RON 23 bn at June 30, 2008, up by 8% compared to the end of 2007 [2007: RON 21 bn], mainly as a result of the increase in tangible and intangible assets and inventories, offset by a decrease in financial investments following the disposal of umbrella funds, and a lower net cash and bank position. The higher cash outflows for capital expenditures, loans granted to subsidiaries and dividends payments to the State and other shareholders led to a lower net cash position at June 30, 2008.

Non current assets increased by 11% to RON 18 bn, mainly driven by significant investments related to E&P: the acquisition of the oil business services of Petromservice, the development and modernization of wells, surface facilities and production equipments partially offset by a decrease in financial assets mainly from the disposal of the umbrella funds.

The increase in inventories reflected increased costs compared with the previous year and higher market prices while the increase in receivables was caused by higher turnover in 6m/08. The increases in both inventories and receivables were exceeded by the decrease in pre-payments and in the cash position. As a consequence, **total current assets** declined by 3% to RON 4,771 mn compared to end of 2007 (2007: RON 4,786 mn). **Total liabilities** increased by 13%, at June 30, 2008 amounting to RON 9,209 mn, mainly due to an increase in dividends payable and provisions.

Shareholders' equity amounted to RON 13,692 mn as of end of 6m/08, up by 4% from end of 2007, as a result of the retained earnings for 2007 of RON 586 mn, partially offset by the reversal of the fair value related to the umbrella funds sold in Q1/08 amounting to RON 74 mn.

Capital expenditures

Q1/08	Q2/08	Q2/07	ΔQ2	in RON mn	6m/08	6m/07	%	2007
1,765	876	476	84%	Exploration & Production	2,641	879	200%	2,465
198	238	235	1%	Refining & Marketing	436	330	32%	1,004
38	179	2	-	Gas & Power*	217	3	-	32
46	46	54	-15%	Corporate & others (including Petrom Solutions)	92	105	-12%	303
2,047	**1,338**	**771**	**74%**	**Total investments**	**3,385**	**1,322**	**156%**	**3,820**

* As of January 1, 2008, Chemicals are included in the G&P segment. As the contribution of Chemicals was not considered material, Chemicals' 2007 related investments were not restated in the G&P line, however they are included in total investments.

The total capital expenditure in Q2/08 was RON 1,338 mn, 74% up on Q2/07.

Investments in E&P were 84% higher than in Q2/07, representing 65% of the total for Q2/08, mainly due to the focus on development and production drilling and to the ongoing well modernization program. Approximately 18% of the total investments were allocated to R&M. In Refining, investments were mainly relating to the Gasoline in–line blending system project at Petrobrazi and to the new FCC (fluid catalytic cracking) gasoline hydrotreating unit scheduled for start-up in early 2009. The marketing division was focused on the modernization of filling stations. Investments in G&P represented mainly investments in Petrobrazi Power plant. As of January 2008, Finance & IT related investments, formerly part of Corporate, are now reported under Petrom Solutions. Investments in Petrom SA for 6m/08 where more than two times higher than in 6m/07.

Business environment

Crude oil demand grew by 0.8 mn bbl/d to 86.4 mn bbl/d in 6m/08. Demand was up by 1.4 mn bbl/d in the non-OECD countries, while in the OECD area it fell by 0.6 mn bbl/d. The reduction in demand in OECD area was mostly driven by the fall in US demand, where the prospects of a prolonged economic slowdown continue to gather pace. In contrast, the Chinese economy continued to grow, generating more than a third of the world's additional demand. In both South America and Middle East demand was also higher.

World production stood at 86.7 mn bbl/d in 6m/08 and was 1.6% up compared to the same period a year ago. As a consequence, the resulting excess global oil supply of around 0.3 mn bbl/d fed into increased reserves. OPEC's oil production was 32.3 mn bbl/d in 6m/08, growing at an annualised rate of 5%, or 1.5 mn bbl/d. Two thirds of the global oil production increase came from Saudi Arabia and Iraq, which contributed by 0.5 mn bbl/d each. Kuwait and Angola also increased their production. Within OPEC, production continued to decline in both Nigeria and Venezuela. In particular, supply outages in Nigeria generated by militant attacks, could create total disruptions of around 900 mb/d. These might be even higher if Chevron's labour dispute is prolonged.

Oil production in non-OPEC countries, mainly OECD members and South America, registered a decline of 0.9 mn bbl/d. In the CIS countries however, oil production increased marginally by 1%, or 0.1 mn bbl/d.

The average **Brent price** in 6m/08 stood at USD 109.05/bbl, more than 70% higher compared to the same period a year ago, when it was USD 63.21/bbl. Since the beginning of the year, the Brent oil price increased by 45%. Although supply and demand conditions as well as a weak US dollar partially explain the recent increase in oil prices, these alone cannot account for the recent significant daily fluctuations in the oil price. Concerns about crude oil delivery disruptions and the Iranian nuclear programme crisis aside, it appears that intensifying speculation activity in the oil crude forward market has been a factor behind oil price increases. To address this, US policymakers have passed what is likely to be the first of several resolutions aimed at reducing speculative investment in US energy commodities. The average **Urals price** in 6m/08 was USD 105.22/bbl, 76% above 6m/07.

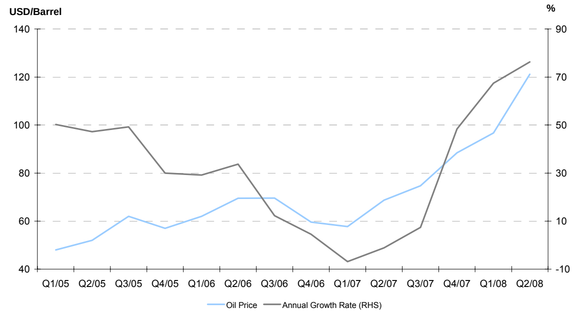
In Romania, provisional first quarter **GDP growth** was 8.2% surpassing even the most optimistic expectations. Household consumption was particularly strong, going up by over 14% at an annualised rate. Gross fixed capital formation growth was also impressive, recording a 33% increase compared to the same period a year ago. According to preliminary data, the FDI in Romania was over EUR 4 bn in the first semester, and, if it continues to come in at this pace, it could well reach its highest amount within the last two decades.

The gap between Consumer Price Index (CPI) and Producer Price Index (PPI) **inflation** continued to widen in June, to 8.1%. PPI inflation has reached 16.7%, with most of the increase caused by higher import prices of raw materials, energy, and food.

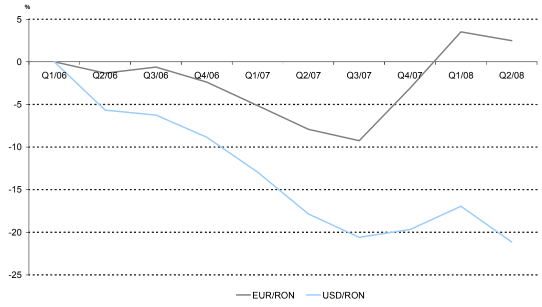
In June, the National Bank of Romania once again raised its benchmark **interest rate** by a further 25 basis points to 10%. This marked the sixth consecutive increase in interest rates since June 2007, when the NBR benchmark interest rate was 7%.

In the first half of 2008 the evolution of EUR/RON and USD/RON exchange rates continued to display opposite trends. The RON fell against the EUR while the weak US dollar made the RON stronger. Thus, in the second quarter of 2008, the **average USD/ RON rate** was 4% higher compared to the average value recorded during the second quarter of 2007, while the **average EUR/ RON rate** continued to depreciate by another 11.3% over the same period. However, on a quarterly basis the RON has strengthened against both the EUR and USD. In the second quarter of 2008, the RON rose by 5% against the USD and by 1% the EUR.

Oil Brent Crude, Price Evolution and Annual Growth Rate



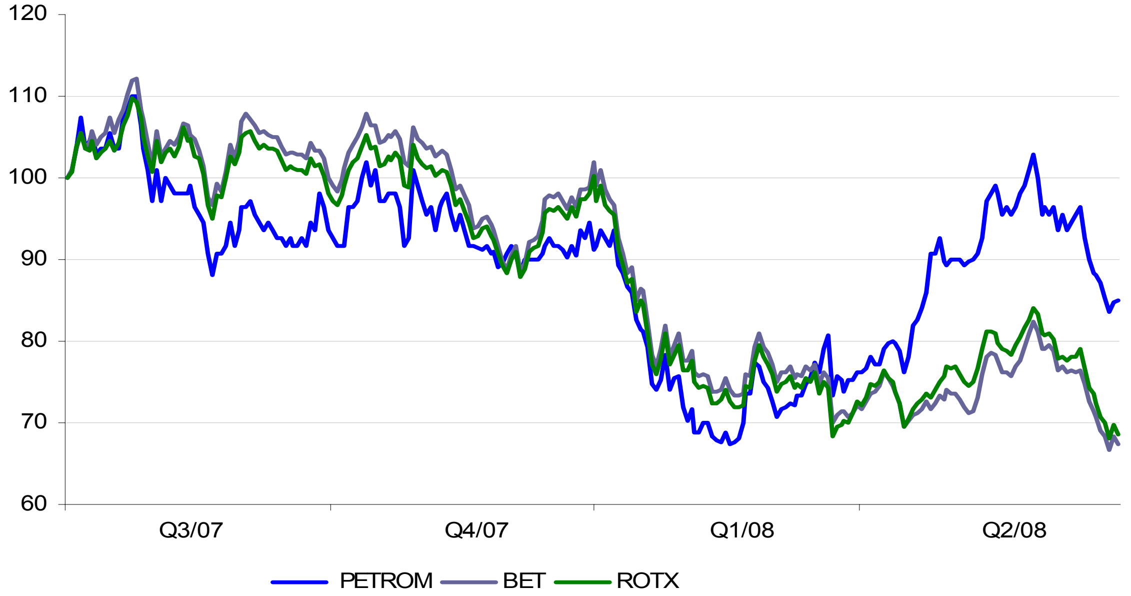
Evolution of FX Rates



Stock watch: January – June 2008

Evolution of Petrom share price, BET and ROTX indexes

July 2007 – June 2008



The Petrom share rose in Q2/08 by 18% compared to Q1/08, while the BET index fell by 6%. The highest share price achieved by Petrom in Q2/08 was RON 0.5600/share (June 2), while the low was on April 14 (RON 0.4150/share).

ISIN: ROSNPPACNOR9	Market capitalization (June 30)	RON 26.2 bn
Bucharest Stock Exchange: SNP	Market capitalization (June 30)	EUR 7.2 bn
Reuters: SNPP.BX	Closing price June 30, RON/share	0.4630
Bloomberg: SNP RO	Year's high (June 2), RON/share	0.5600
	Year's low (February 15), RON/share	0.3670
	Number of shares	56,644,108,335

Subsequent events

At the beginning of July, Petrom entered a contract with Uhde, part of the German group Thyssen Krupp, for the construction of a gasoline desulphurisation plant in Petrobrazi. The value of the contract is EUR 90 mn. The construction of this unit will mark the switch to the production of gasoline with low sulphur content. Therefore, as of 2009, on the Romanian market we will sell only Euro 5 fuels, with a 10 ppm sulphur content.

The installation, with a production capacity of 700,000 t/year, is scheduled to come on-stream in early 2009.

As of July 1, 2008, ANRE increased the gas prices delivered to population by an average of 12.5%, considering the natural gas import price increased to USD480/1,000 cubic meters in the third quarter. At the same time electricity prices were increased by 5.31% on average. Domestic producers’ price remained the same.

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Next release:

The next results announcement January – September, and Q3 2008 will be released on November 6, 2008.

The financial statements for the first half 2008 have been prepared in accordance with the Romanian Accounting Standards and offer a fair and appropriate image with the situation of Petrom's assets, liabilities, financial positioning and profit and statements of operations, whilst the information presented in this report reflects fairly and completely the company's activity.

Mariana Gheorghe
Chief Executive Officer

PETROM S.A.
PETROM
București România

Reinhard Pichler
Chief Financial Officer

Abbreviations

ANRE	Romanian Energy Regulatory Authority
bbl	Barrel
boe	Barrel of oil equivalent
bn	Billion
CIS	Commonwealth of Independent States
CCPP	Combined Cycle Power Plant
cbm	Cubic meters
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortization
E&P	Exploration and Production
EPS	Exploration and Production Services
FCC	Fluid Catalytic Cracking
FEED	Front-End Engineering and Design
G&P	Gas and Power
GSM	General Shareholders' Meeting
GDP	Gross Domestic Product
HSE	Health, Safety, Security and Environment
kt	Thousand tons
mn	Million
NGL	Natural Gas Liquids
OECD	Organisation for Economic Co-operation and Development
RON	New Romanian Lei
ROACE	Return On Average Capital Employed
R&M	Refining and Marketing
t	ton

Profit and Loss Account as of June 30, 2008

(Figures only for Petrom SA, according to Romanian Accounting Standards)

RON	June 30, 2007	June 30, 2008
1. Net turnover	5,433,777,397	8,273,569,492
Sales of production	3,180,339,088	6,948,184,483
Sales of merchandise	2,253,438,309	1,325,385,009
Interest income- from lease companies	-	-
Interest from subsidies related to net turnover	-	-
2. Movements in stocks of finished goods		
Cr balance	196,915,156	57,804,435
Dr balance	-	-
3. Own work capitalized	8,926,607	57,694,628
4. Other operating revenues	9,778,312	91,200,962
TOTAL OPERATING REVENUES	**5,649,397,472**	**8,480,269,517**
5. a) Raw materials and consumables expenses	1,308,501,025	2,151,387,944
Other materials expenses	20,563,347	32,409,123
b) Other utilities expenses (energy and water)	220,869,189	255,740,936
c) Purchase of goods for resale	206,744,717	379,334,297
6. Salary expenses, of which:	835,421,981	1,082,934,277
a) Salaries	611,564,185	812,410,852
b) Social security contributions	223,857,796	270,523,425
7 a) Adjusting the value of tangible and intangible assets	446,950,824	702,975,832
a.1) Expenses	462,513,885	711,443,510
a.2) Revenues	15,563,061	8,467,678
b) Adjusting the value of current assets	11,542,555	3,579,316
b.1) Expenses	73,913,181	34,162,811
b.2) Revenues	62,370,626	30,583,495
8. Other operating expenses	1,780,044,008	1,833,200,797
8.1 Third parties services	1,280,139,865	1,205,939,891
8.2 Other taxes, duties and similar expenses	281,447,775	413,865,409
8.3 Other operating expenses	218,456,368	213,395,497
Interest related to refinancing activities	-	-
Adjustments for provisions for risks and charges	-122,999,892	172,086,699
Expenses	58,735,484	485,649,920
Revenues	181,735,376	313,563,221
TOTAL OPERATING EXPENSES	**4,707,637,754**	**6,613,649,221**
OPERATING RESULT:		
- Profit	**941,759,718**	**1,866,620,296**
- Loss	-	-
9. Income from investments	26,494,525	97,666,069
- out of which, within the group	-	96,133,558
10. Income from other financial investments and receivables , part of financial assets	-	-
- out of which, within the group	-	-
11. Income from interest	144,341,141	70,141,873
- out of which, within the group	-	39,678,266
Other financial revenues including forex gain	137,619,384	1,271,713,792
TOTAL FINANCIAL REVENUES	**308,455,050**	**1,439,521,734**
12. Adjustment of financial assets and investments held	-172,375,310	13,446,928

RON	June 30, 2007	June 30, 2008
Expenses	14,550,449	19,179,057
Revenues	186,925,759	5,732,129
13. Interest expenses	614	533,265
- out of which, within the group	-	-
Other financial expenses including forex loss	370,520,199	1,226,816,130
TOTAL FINANCIAL EXPENSES	**198,145,503**	**1,240,796,323**
FINANCIAL RESULT		
- Profit	110,309,547	198,725,411
- Loss	-	-
14 Current result:		
- Profit	**1,052,069,265**	**2,065,345,707**
- Loss	-	-
15. Extraordinary revenues	-	-
16. Extraordinary expenses	-	-
17. Extraordinary result:	-	-
- Profit		
- Loss		
TOTAL REVENUES	**5,957,852,522**	**9,919,791,251**
TOTAL EXPENSES	**4,905,783,257**	**7,854,445,544**
Profit before tax:		
- Profit	**1,052,069,265**	**2,065,345,707**
- Loss	-	-
18. Tax on profit	164,553,028	401,214,337
19. Other tax expenses not shown above	-	-
20. NET RESULT OF FINANCIAL YEAR:		
- Profit	**887,516,237**	**1,664,131,370**
- Loss	-	

Balance Sheet as of June 30, 2008

(Figures only for Petrom SA, according to Romanian Accounting Standards)

RON	31/12/2007	30/06/2008
A. Non current assets		
I Intangible assets	303,556,285	1,241,442,823
II Tangible assets	10,564,332,777	12,268,580,500
III Financial Assets	5,506,940,916	4,619,752,553
Total non current Assets	**16,374,829,978**	**18,129,775,876**
B. Current assets		
I. Inventories	1,922,375,343	2,184,676,976
II. Receivables	2,015,809,727	2,320,217,455
III. Short term investments	7,616	-
IV. Cash and Bank accounts	752,634,771	219,272,738
Total Current Assets	**4,690,827,457**	**4,724,167,169**
C. Prepayments	95,376,124	46,908,554
D. Payables within one year	2,580,025,427	3,473,578,090
o/w Bonds and interests bearing liabilities	-	-
E. Current assets, less current liabilities	2,042,617,251	1,150,478,282
F. Total assets less current liabilities	18,417,447,229	19,280,254,158
G. Payables in more than one year	**28,982,010**	**21,371,137**
o/w Bonds and interests bearing liabilities	-	-
H. Provisions for risks and charges	5,196,454,236	5,558,792,252
I. Deferred income	171,453,281	154,752,944
1. Investments subsidies	7,892,378	7,733,593
2. Deferred income	163,560,903	147,019,351
J. Share capital and reserves		
I. Share capital	5,664,410,834	5,664,410,834
Out of which:		
- subscribed and paid in share capital	5,664,410,834	5,664,410,834
- subscribed and not paid in share capital		
- patrimony		
II. Premium related to capital		
III. Revaluation reserves	57,417,759	53,246,037
IV. Reserves	5,792,755,272	5,722,936,666
V. Retained earnings		
Credit balance	1,521,411	587,632,269
Debit balance		
VI. Profit for the period		
Credit balance	1,778,042,301	1,664,131,370
Debit balance		
Profit appropriation	110,028,972	-
Total Shareholders' Equity	**13,184,118,605**	**13,692,357,176**
Public patrimony	-	-
Total equity	**13,184,118,605**	**13,692,357,176**