

MOL Group raises full year EBITDA target based on first half results

- ▶ MOL Group delivered CCS EBITDA of USD 1.3bn in H1 similarly to previous year
- ▶ Upstream and Consumer Services offset weaker Downstream contribution
- ▶ Net profit reached USD 512mn

Budapest, 3 August 2018 – Today MOL Group announced its financial results for the first six months of 2018. EBITDA was sustained at the very strong 2017 level of USD 1.3bn, based on which the company upgraded its target for the full year to USD 2.4bn (from around USD 2.2bn).

Upstream EBITDA jumped to USD 612mn (HUF 159.4bn) for the first six months, up by 37% year-on-year, driven by rising oil and gas prices. Average daily hydrocarbon production was nearly stable in H1 year-on-year at 110 thousand barrels of oil equivalent per day (boepd). Lower production volumes in Hungary, Croatia and Russia were offset by increased production in the UK. The Catcher Area reached plateau production rates of over 60 thousand boepd (gross) in May following the start-up of gas export (MOL has 20% non-operated stake in Catcher).

Downstream Clean CCS EBITDA was USD 492mn (HUF 128.4bn) in H1 2018, 24% lower year-on-year from a very high base, primarily affected by the adverse macro developments. The integrated petrochemicals margin dropped by more than 150 EUR/t and the Group refinery margin was 1.1 USD per barrel weaker. Strong internal performance mainly in petrochemicals could only partly offset the weaker margins.

Consumer Services continued to reach new all-time high results ending the first six months of the year with USD 192mn EBITDA (HUF 50.2bn), an increase of 28% compared to the previous year. The increase was driven by a combination of increasing non-fuel margins, strong fuel sales growth on the back of increasing CEE fuel consumption. Non-fuel margin continued to increase at a higher pace than fuel margin reaching 27% of the total margin, up from 24% a year ago.

The Gas Midstream segment reached USD 116mn EBITDA (HUF 29.8bn) in the first half-year, up 8% year-on-year.

Chairman-CEO Zsolt Hernádi commented the results: *“Our resilient, integrated business model once again proved its worth in a changing external environment, allowing us to upgrade our full-year 2018 Clean CCS EBITDA guidance to around USD 2.4bn (from around USD 2.2bn). MOL Group delivered strong results in the first half of 2018 and maintained its profitability at last year’s outstanding level of USD 1.3bn EBITDA amidst rising oil prices and weaker downstream margins. We also made good progress and are going ahead at full steam with executing our 2030 transformational strategy.”*

About MOL Group

MOL Group is an integrated, international oil and gas company, headquartered in Budapest, Hungary. It is active in over 30 countries with a dynamic international workforce of 26,000 people and a track record of more than 100 years in the industry. MOL’s exploration and production activities are supported by more than 80 years’ experience in the hydrocarbon field and its diverse portfolio includes oil and gas presence in 13 countries, with production activity in 8 countries. MOL Group operates four refineries and two petrochemicals plants under integrated supply chain management in Hungary, Slovakia and Croatia, and owns a network of nearly 2,000 service stations across nine countries in Central & South Eastern Europe.

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