



## **BUSINESS NEWS OF THE ISSUER NIS A.D. NOVI SAD**

### **Results of NIS Business Operation for the First Nine Months 2011**

Today at Belgrade Stock Exchange NIS presented its Results of Business Operation for the First nine months of 2011. According to the nonconsolidated and unaudited financial report developed in accordance with the international standards, in the first nine months of this year NIS realized net profit of 27.1 billion RSD. This increase of the profit was mostly influenced by the strengthened exchange rate of the domestic currency (in comparison to dolar and Euro), then by the increase of business operation efficiency, as well as by the increase in the production of domestic crude oil and gas.

Net profit before exchange currency differential is 22.7 billion RSD, which is 71% higher than for the same period last year.

EBITDA for the nine months of 2011. amounts to 32.3 billion RSD, i.e. 88% higher than in comparison to the same indicator for the same period last year.

Sales revenue excluding excises is 133 billion RSD (19 percent higher in comparison to 2010). Operational cash flow (OCF) for the first nine months amounts to 17.4 billion RSD, i.e. 23 percent higher than last year.

Total debt towards banks has been reduced in the first nine months of this year to 506 million USD, which is for 105 million USD lower than on 1 January 2011.

The level of paid taxes and fiscal obligations is the same as in the first 9 months of the last year and amounts to 61.9 billion RSD.

In this period 1,108.6 conditional tons of crude and gas was produced, which is for 26 percent higher than the level of production for the first nine months last year.

In the first nine monts Refineries of NIS a.d. refined 1,574 thousand tons of crude, i.e. 20 percent less than in 2010, due to the implementation of the planned turn arounds in Pancevo Oil Refinery in March and September this year.

In the first nine months this year the sales volume has been for about 7.7 percent lower than in the same period last year, mostly due to the decrease in export for 33 percent, and for the purpose of optimization of the sales structure. The decrease in retail in the amount of 4.5 percent in comparison to the one for the same period last



year has been a consequence of the lowered demand on the market in general, as well as of the closing of certain petrol stations because of reconstruction.

In the period from July to September 2011 four totally reconstructed petrol stations have been put to operation (Kragujevac 5, Mali Pozarevac, Kragujevac 2 and Vrsac 2), one completely new petrol station has been opened (in Plandiste) as well as 11 LPG installations. Since the beginning of the year NIS has put into operation seven reconstructed and two newly built petrol stations, as well as 22 LPG installations all over Serbia.

Since the beginning of the year NIS realized 16.32 billion RSD of investments, the majority of which has been invested into the modernization project (MHC/DHT), reconstruction and construction of petrol stations, building of the unit for the regeneration of used sulfuring acid and reconstruction of the terminal in the Pancevo Oil Refinery.

**Deputy CEO –  
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**Sergey Fominykh**

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