

OMV Petrom posts net profit down 70% in first nine months

The OMV Petrom Group posted in the first nine months of this year a net profit of 826 million lei, down 70% compared to the same period of last year, the results being affected by the Covid-19 crisis, according to a release sent on Thursday to AGERPRES.

At the same time, sales revenues decreased by 17%, to 15.1 billion lei.

Also, investments were also by 15% lower, reaching 2.4 billion lei.

In the first nine months, the company's contribution to the state budget was 7.2 billion lei, including dividends worth 360 million lei paid to the Romanian state.

"The global outbreak of the Covid-19 pandemic continues to have a major impact on the evolution of the global economy. Although crude oil prices rose slightly during the second quarter due to declining supply, they remain volatile. The recent increases in Covid-19 cases around the world could delay the expected recovery of demand, due to the reaction of governments and citizens," said company representatives.

Thus, the consequences of the Covid-19 pandemic, the magnitude and duration of the effects on the economy cannot be reliably estimated at this time.

However, OMV Petrom closely monitors developments and regularly assesses the impact on the Group's cash flow and liquidity.

By 2020, OMV Petrom expects the average price of Brent crude oil to be 40 dollars a barrel, up from 64 dollars last year.

"Due to the impact of Covid-19, the demand for petroleum products and electricity is estimated to be below the level recorded in 2019, while the demand for natural gas is estimated at a level similar to that of 2019, supported by large natural gas-based consumer industries," say the officials of the oil company.