

In Zagreb on 19 January 2010

INA-INDUSTRIJA NAFTE d.d. – Announcement

With regard to the incident in Sisak refinery on Saturday, January 16, a number of speculations from Sisak ecological association appeared in the media referring to the closure of Sisak refinery. Hereby we wish to inform the public once more on the incident, but also on the ongoing modernization of Sisak refinery.

On Saturday, January 16, 2010, around 7.50 pm a fire and explosion occurred on the KP-6 plant, section D-3500. Five fire-fighting brigades were on site. The fire was put under control during the evening and later on completely extinguished. There were no injured persons and, in accordance with the monitoring stations, the impact on the environment was not recorded. INA Commission is currently establishing all detailed circumstances of this incident as well as the resulting damage. On all the crucial results of the Commission, we will promptly inform the public.

With regard to the claims of Sisak ecological association that INA allows such incidents with the eventual intention of closing down the Sisak refinery, we strictly reject such intolerable speculations. In any industrial complex due to the large number of complex facilities and technological processes, unfortunately, these situations may occur. This is confirmed by the fact that the incident occurred within recently modernized FCC plan which is a key gasoline production unit.

We have to emphasise that INA has invested 115 million euros (over 800 million kuna) in Sisak refinery from the beginning of the modernization project and it continues to invest because the main factor of INA's success is nothing else than refinery modernization. Modernization of Sisak refinery continues as a part of the investment programme estimated at one billion US dollar, which will result in both INA's refineries being one of the most modern refinery plants in the world.

Even at this very moment in Sisak refinery the construction of the Isomerization plant within modernisation project is intensively ongoing and we will continue with such activities in the next period until both of INA refineries are modernised.

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