

ПРИСТА

CORPORATIVE INFORMATIVE EDITION

issue 04/ 2015

*We wish you prosperity
and success in the New 2016 Year!*

PRISTA OIL UZBEKISTAN

PRISTA OIL HUNGARY

Желаем ти весела Коледа и
много щастлива Нова година!

ПОЖЕЛАВАМЕ ВИ
ВЕСЕЛО
ПОСРЕЩАНЕ НА
НОВАТА
2016-А
ГОДИНА!

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PRISTA OIL TURKEY

PRISTA OIL ROMANIA

PRISTA OIL SERBIA

HAPPY NEW YEAR

2016





8%

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ЯНУАРИ 2016**

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ACCENTS

Another year has passed from the calendar, leaving behind the hard work, creative searches and professional fulfillment of the established 'Prista Oil Holding' Team.

In 2015, probably, as a whole, the Company is denoted by the sign of good Fortune. Certainly, in some occasions Fate has prevailed and supported the development to keep the right direction.

In all cases, the growth of sales on the domestic market in Bulgaria should be annotated by its quite good results. Recently, good news from traditional Romania and Uzbekistan, improving business in Central Europe and in Turkey are also a cause for joy.

Of course, we have to point out the white swallow in the Group - Monbat - one of the

most successful companies in Bulgaria. Not coincidentally, this is assumed to be a reference point, which other Company's subsidiaries should follow.

After the reckoning, the priorities should be outlined, as these are the locomotive of the glorious revival of the new Prista Oil composition in 2016. This is just the beginning of a relatively structurally clear horizon, which shall enable a successful implementation of the objectives set out.

The reward is understandable when one meets Prista's clients and partners in the country and is warmly welcomed. This is the attitude towards Prista oil as both - a manufacturer and a dealer of lubricating products with guaranteed quality, awarded with loyalty, respect and security.

Let the new year 2016 strengthen and improve the successful practices and make all members of the Prista Oil Family, happier, more efficient, and better!

Happy New Year 2016!



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Editor in Chief

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2015 showed a sustainability of Prista Oil Management model

The result was a product of creativity, activity but also luck



Interview with Petar Bozadjiev,
Executive Director of Prista Oil Holding EAD

■ ■ How is Prista Oil Group and in particular Prista Oil Bulgaria sending 2015?

- 2015 was definitely a good year for Prista Group with Monbat traditionally achieving great results. Even though for Monbat the price on the market of lead was once again very specific /curves with fluctuations of large amplitudes leading to some difficulties experienced by production companies/. Thanks to our vertical integration, I think we were not affected and even managed to achieve very good results. This was also due to the increase in sales, in

particular. This year Monbat has a growth of 19% in revenues on annual basis and volume growth of 15 per cent. Which is quite a serious achievement.

We fulfilled the production plan for lubricant oils and fluids for 2015 and for the first time this was done without big export transactions. Results are based on our organic business in the state it is now – growing in all our territories.

In fact, we enjoy for a second year really good results after the acquisition of Chevron – Romania that has been sustainably developing. There is a very

good synergy between the companies - **PRISTA** and Chevron, even though each one of them follows a different approach towards the market.

Prista Ukraine is growing, Czech Republic got back on truck showing some growth as well. Turkey did not create those difficulties we used to have up until last year. For a fourth year in a row, Uzbekistan managed to achieve fantastic results even under challenging circumstances. The price of base oils was quite low and this led to poorer export orientation. Nevertheless, the company demonstrated it could successfully market its products locally and achieve serious financial results.

■ In fact, do difficulties help Prista evolve?

- They help anybody who can feel the problems and stay focused. But success finds the ones who have prepared for it. In 2012 and 2013 we experienced very serious problems, it was a time to rethink our business, to improve our teams. If we are look at it realistically, in one to two countries, we still have the same people on top management level. The people, working for Prista Oil now, came from major companies in the industry – Shell, Castrol, OMV, people who wish to unite this spirit of entrepreneurship with a specific corporate level. Along with the opportunities for personal achievements, they bring experience and operational discipline to **PRISTA**.

A business can't be successful if there is no discipline, no stance towards results, deadlines, interaction.

Therefore, this may be another reason why even

without major and “juicy” operations, we still managed to achieve what was planned. Had this happened in 2013, it probably wouldn't have become a reality. Because the maturity of the teams, the maturity of the coordination at the time were not at this level.

For me 2015 was a year for testing the sustainability of Prista model. Personally, I dedicated very few hours and days on lubricants production. The time was fully spent on Monbat and for that reason I was pretty curious to see whether the things we have built for the past 2-3 years will prove sustainable. The results showed not only sustainability but evolution as well. At the same time, **PRISTA** keeps on further optimizing its performance for the benefit of its financial state which is not an easy process today. What I mean here is loan structure servicing, debts reduction, etc.

■ Let's have a look at what happened in Prista Oil – Bulgaria

- The organic business of Prista Oil Bulgaria has grown with 25 per cent. We intended to make two major export operations but due to circumstances beyond our control we were not able to close 2-3 big tenders. But in return, these will happen in the coming year which is good as a start.

Prista Oil Bulgaria is the company from which main production originates, the mother company. Here is why it also carries the burden of operational and group management costs. When there are no operations, such as those related to large volumes of international tenders, this puts an extra burden on it.

This year, thanks to the rest of our operations, this was not felt that much. The essential thing is that in 2016 – 2017 the incoming profit will probably be directed towards investment financing and not simply towards generating results. So, we can say that we have a recovered business in all of the countries.

We shouldn't omit the fact that our partnership with Chevron has also delivered results.

■ **The symbiosis between PRISTA® and Chevron proved quite beneficial in terms of both know-how and marketing.....**

- It is the right symbiosis because it demands a responsible organization with competencies in the field of distribution. You can't work with Chevron if you lack basic competencies, operational and commercial discipline.

With these commitments in mind, we will continue building a "literate" commercial structure.

We are far from claiming that we are the best. But surely, we will become. It is one of our priorities set for 2016.

In 2013 we laid the foundation. In 2014 we started the structural tasks and objectives. This year we tested if they were sustainable.

In 2016 we will concentrate much more of our efforts on the competencies and development of our employees. The situation allows us now to look at the future in a more progressive way.

Earlier I said that luck finds the people, who have prepared for it, but it is a fact that we worked hard and some things we achieved fighting the circumstances. At times, even me, I wonder that it all went that well. The result is a product of creativity, activity but also luck. I can't give the formula for it, whether it was because we were responsible that luck came or because we are minions of fortune. I do remember some important for the Group events when luck was definitely on our side.

But let's assume that luck and success go hand in hand!

■ **Some time ago the company's motto was "PRISTA® is destined to succeed". Do you share it?**

- **PRISTA®** is destined to enjoy huge success.

„Private Label“ Program Works Successfully for Prista Oil Romania

Gabriel Hulubas
Commercial Manager
Prista Oil Romania



SUCCESSFUL PROJECTS

At the beginning of 2015 we designed an action plan which enabled a sustainable growth of Prista Oil brand in Romanian market and also the growth of the sold volumes. The following projects are part of this plan:

■ Increasing the number of distributors per type of addressability, retail or commercial and industry, for each area that had no coverage. We managed to establish partnerships with two new distributors from Brasov area, Alcip and Auto Ro, one from Iasi area, TOP Lubricants and one from Mures Area, Rond Com. In this way we increased the availability of **PRISTA** goods and finally the volumes sold in each area. For next year we forecasted to continue this policy and cover the all areas with

two distributors, one with retail approach and one for industry and commercial business.

■ Another channel which received our special attention was industrial segment. In order to have a complete approach we divided this channel in three different segments:

o General industry and in this segment we can mention the new cooperation with Ferroli Romania, Rompetrol Rafinare, Walter Tolstoi or PVC Compound,

o Railways transport companies where we succeed to sell at companies like Group Feroviar Roman, the most important operator for railways goods transportation, Via Terra Spedition, Interregional Calatori or to the company which makes maintenance like Reloc or Multimodal.

o Turbines and insulating oils where we can mention as a new customers Air Liquide Romania, ENEL Power Green or Veolia Romania or EON Moldova.

■ Another channel in which we have focused was “Private Label” program addressed to the Spare Parts distribution companies, importers of different tools which want to have the own brand and Gas station or Shops Networks. In this program we succeeded to start the collaboration with Conex Distribution, a local Spare parts distribution company with national coverage, for antifreeze and greases, O’mac Padure si Gradina, an important importer of tools for forest and garden and Honest General Trading, network of shops and distribution company of different tools for garden and home. For next year we plan to

continue and develop this program by bringing another important spare parts company and one of most important Gas station network.

PRODUCT INNOVATION

Although Prista Oil Romania isn't a production company, that means that the Research and Development are not our main businesses, we came in the Romanian market with new products and packages in order to increase the competitiveness and attractiveness of our offer and to follow of market tendency. From new products introduced into the Romanian market in 2015 we can enumerate:

- **PRISTA® Bio- MHM 46** a totally new products biodegradable lubricant in a new field of mining technology that minimizes hazardous pollution caused by accidental fluid spillage, lowers disposal costs of the used fluid, and helps the user industry to comply with environmental safety regulations.

- A new viscosity grade in the existing plasticizer product range **PRISTA® PK-8** that have been developed for use as one of the components in the rubber stock production.

- Extensive range of innovative transmission fluid **VERILA® ATF** designed to meet requirements GM Type A Suffix A, new packaging and new label design;

- A new viscosity grade in the existing automotive gear

oils **PRISTA® Ultragear Synthetic 75W-80** formulated with extended performance reserve for applications requiring API GL-4/5 and MT-1 service.

In 2016 we plan to come in the market with two new products:

- Calcium sulfonate greases **PRISTA® Hyperbar CS 2** known that possess superior high temperature, extreme pressure and rust protection properties to meet general purpose requirements and many common industrial and automotive specifications.

- **PRISTA® 2T Outboard**, water-cooled two-stroke engines used in outboard marine applications, in order to have access to a new market for light boats in port cities along to Danube.

NEW TEAM MEMBERS

We succeeded to complete our sales team with a new ASM for Moldavia Area. Our new colleague has a rich experience of sales, he was working along time in companies like Pepsi Co., Ursus Breweries, part of SABMiller PLC, or spare parts distribution companies Conex distribution and ATP Exodus.

PLANS FOR 2016

For 2016 we have proposed to continue development of these three projects started in 2015, covering of entire territory with two distributors per type of addressability, increased the numbers of industrial customers

and development of "Private Label" program. Apart of these we plan to open a new market in Republic of Moldavia, together with an important local distributors and to increase the numbers of SKU's sold in Romanian market especially TOP products in 1 and 4L packs. From marketing point of view, we plan to keep the current promotions, for TOP products and Heavy Duty products and to increase the visibility on internet especially on Facebook. As a novelty for next year, we plan to make regional sales and technical training with distributor sales force, in each region, in order to increase their competence and trust in our products.

Gabriel Hulubas
Commercial Manager
Prista Oil Romania

Meeting of Prista Oil Romania S.A. distributors

25-26 September 2015



At the end of September, Prista Oil Romania S.A. organized for their distributors an event, held over two days at Ruse in Bulgaria, at which attended both the main collaborators of the company and some of the POR staff, as well as outstanding representatives of Prista Oil Holding. The declared aim of this meeting was to combine in a more creative, a session of

technical information on **PRISTA** products, presentation of Prista Oil Company from Ruse, discussion on market type and business, but also spending some pleasant and instructive moments together, by visiting Basarabovo Monastery. Based on a beautiful weather, on Pista Oil Holding hospitality but also on openness and willingness of all participants, the event

proved to be a complete success, everyone having a high professional experience and enjoyable time spent with collaborators.

World Environment Day 2015

6 June 2015

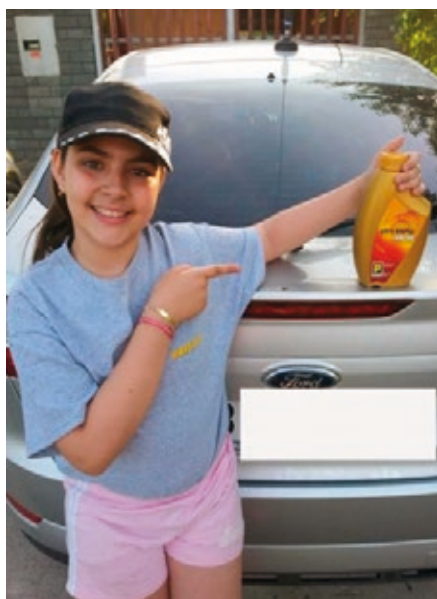


On World Environment Day, with young and old, we came to clean garbage from Comana forest. There we are, so we started to work!

Thanks Comana Forestry, through the involvement of Mr. Engineer Cătălin Croitoru, then those of Comana Natural Park by Mr. Dorobanțu Ioan and our friend Ana-Maria Bogdan from More Green. Thank you. On Saturday, 6th of June 2015, the Company

Prista Oil Romania organized, with the help of Comana Natural Park and Comana Forestry an ample cleaning, sanitation and gathering recyclable waste from Comana Forest and Neajlovului Delta, thus following the global campaign to protect the environment. The event

was attended by all employees from Bucharest, together with their families.



Children's Day

1 June 2015

The personnel from Prista Oil Romania SA, on the occasion of 1st of June, participated in compiling

their own 'family' album with all children in their families.



Awards childhood

May 12, 2015 12.00 - 24.00 May 31, 2015.

Facebook contest 'Awards childhood' Issue 1, 2015

From the contest:

'1st of June – Photo Contest

'Awards Childhood'-

Win a Prista oil change for your car and a Samsung tablet for your kids!

At the end of the competition there were registered over 150 photos, which we classified in an album on Facebook.

The winners were:

Alexandra Mihai, with 1308 likes, will receive a Prista oil change for car and a Samsun tablet!

The following 5 prizes, one folding chair, are assigned as follows:

Isaila Issa Issabelle, 1063 likes

Ady Si Remus Luca, 625 likes

Cristina Petcu, 494 likes

Cami Ionescu, 464 likes

Andutu Alex, 440 likes

DE 1 Iunie
"PREMIUM COPILĂRIA"

E SIMPLU

Postează fotografiile!

Câștigă un schimb de ulei Prista pentru autoturismul tău și o tabletă Samsung pentru copil!



Earth Day

22 April 2015

In 2009, the United Nations declared April 22 as the official holiday of the planet Earth and common expression of desire of all to build a stable society, for a cleaner and greener future. As respect for the Earth and to celebrate this day, Prista Oil Romania SA decided that to plant saplings this year in Comana Forest, near Bucharest.

New challenges in 2016



From 17-19 November 2015 a second joint conference for industrial oils of ICIS&ELGI took place. It was attended by leading manufacturers of base oils and additives. The conference covered the most important and significant topics related to the future development of the industry. One of the most interesting subjects given special consideration was the increasing problem linked to the reconstruction and shutting down of refineries for Group I base oils.

Changes which are expected to occur in near future are related to:

- Total-Gonfreville – Reconstruction and reduction by 50% in production capacity of Group I base oils
- Joint venture Exxon/Total/BP - Dunkirk - sold to Colas and shut down in April 2015 ; the new owner focused on bitumen production;
- Exxon Mobil- Rotterdam-planned for reconstruction in 2018 for production of Group II base oil
- Q8 - sold to Gunvor and closed until further finalization of the deal
- SK Lubricants/Repsol – Cartagena – the reconstruction

was complete by the end of 2014 and will be oriented towards production of Group I and Group II base oils.

- Shell - Hamburg- sold to Nynas who is changing it for production of naphthenic base oils.

In terms of application, we could say that the distribution of base oils in lubricants production is as follows: 70% for industrial oils and 30% for motor oils. By 2014 Group I base oils take 44% of all quantity used, and Group II base oils about 34%. The forecasts are for about 14% growth in Group II base oils by 2019, which are expected to reach 48%, and a reduc-

tion by 26% in Group I base oils.

Most significantly these changes reflect on Brt quantities, as for all base oils ranging from Group I to SN 600 there are existing substitutes either from Group II or Group III but for Brt there are no such substitutes at the moment. In many motor and industrial oils formulations, Group I base oils were already replaced and this trend will continue being maintained by both the manufacturers of additives and the manufacturers of lubricants. This trend is particularly noticeable for the European market and to a much lesser degree for countries from Middle East and Africa.

In other words, replacing Brt in gear, circulating and other VG150 to VG680 industrial oils, rubber plasticizers, transmission oils, etc., is a serious challenge we need to face.

Different options as substitutes exist and each manufacturer is free to choose the direction in which to go, concentrating his efforts on heavy naphthenic raw materials, thickeners with different chemical compositions, synthetic or vegetable oil-based components.

Changes in marine oils industry are also expected as a result of the changes in ecological requirements towards the reduction of harmful emissions and prevention of seawater pollution. These

changes will affect most seriously the type of fuels used. It is expected that mainly two types of fuels will be used in near future – one with very low Sulphur content (< 1.0%) and another with very high Sulphur content (3.5-4.0%).

In fact, right now there is no technology that allows the use of only one universal oil, i.e. an engine burning a different fuel being lubricated with two completely different types of cylinder oils. Currently, Lukoil and Maersk use a so-called Blending on Board system which satisfies to a certain degree the requirements for the different types of lubricants used on board.

Another group of products with lasting and permanent changes is Metal Working Fluids. Changes in this group are mainly driven by the introduction of new restrictions for the use of boric acid, formaldehyde releasing products and amines. Representatives from leading companies shared that the presentation of new products in line with the new technologies took more than 10 years. This mainly relates to clients being familiarized with the specific performance of this type of products, monitoring, etc.

Last but not least, the upcoming issue of ACEA and the new API specification were mentioned again. Main subject of discussion concerning passenger cars and light

duty vehicles was the introduction of new C5 category dictated by the requirements for better fuel economy. While this specification for SAE Xw-20 with a HTHS lowered to 2.6mPa.s has been the subject of debate, there is a lot of talk that it will become a reality.

Similar is the direction of the expected API CK-4 category promoting marketing of low viscosity and fuel saving lubricants resistant to the higher-temperature and higher-pressure working conditions typical for modern engines. The additive technology continues to improve which is a prerequisite for the entry and establishment of this type of products.

In the light of the foregoing, we can expect a dynamic, interesting and challenging 2016! Let's wish ourselves good luck!

*Written by
Albena Vasileva*



2015 - a fresh start for the CEE Cluster



Newly born CEE Cluster is building a business that will allow it to stand firm in Central Europe. Striving to be 'the best in class' for commercial sales, the organization offers solutions to customers in a sustainable and profitable way.

*On the picture from left to right:
Tivadar Runtag, Eva Fenichel and Gabor Egri
at the Hauliers Forum in Budapest*

In 2015 CEE Cluster restructured the team launching an aggressive strategy for growth aimed at gaining strong market positions in the Czech Republic, Slovakia and Hungary. The ambition is to turn a historically slow business upside down, changing the organisational structure and

almost fully renovate the team. 'The first step was to reshape the organisation in a way that could efficiently support our strategy. It is very important to work with the right people on the right positions' explains Tivadar Runtag, Cluster Manager CEE. 'We have a new, dedicated team of experts and

each one of these experts is keen to undertake the journey to success. Please allow me to mention them by name as they all work hard for this success to become a reality in these difficult times: Pavla Melounova, Lenka Adamcova, Lenka Zdarska, Zsuzsanna Garab, Eva Fenichel, Pavel Herynk, Jan

Basta, Tomas Krenzelok, Jakub Musil, Martin Pechacek, Oldrich Olbert and Gabor Egri. I thank all of them.'

A cornerstone of the new business strategy was the focus on **TEXACO** product range. In order to create brand awareness, the team attended key industry events like the Hungarian Hauliers Forum in Budapest and organized successful customer events in the Czech Republic and Hungary to strengthen brand awareness and visibility even more.

The first step of the new strategy for growth was to develop a strong distribution network. The Czech team managed to cover the most important market segments of all the regions as it was building local partner alliances. 'In October, during our first Distributor Meeting we explained to the partners how



important it is for all of us to work in synergy. We agreed to focus on those growing market segments for which Prista and Texaco have strong Customer Value Propositions' says Pavel Herynk, Automotive Lubricants Manager CEE, Country Manager for Prista Oil-Czech and Slovakia. 'Shortly after the meeting we managed to attract new customers in cooperation with our distributors

and, all in all, this sales channel showed encouraging volume progress in 2015.

Chevron has valuable global partnerships with OEMs (manufacturers of machines and engines) and the CEE team wants to exploit these deals in the region. Prista Oil supplies the DAF trucks workshops in the Czech Republic with high quality Ursa heavy duty



motor oils and will start delivering to Hungary soon. By servicing Jenbacher - the gas engines market leaders - with the world class HDAX portfolio, Prista's market share in the Power Generation segment is already exceeding 10%. The next goal for the sales teams will be to secure new deals with MAN and Volvo workshops in the region.

Further improving of sales efficiency is the key factor for growth. The CEE team recently implemented Chevron's Sales Force - mPower CRM tool, a powerful internet-based marketing and sales platform focused on business growth via advanced management of prospects and existing customers, as well as marketing campaigns. Prista Oil is the first among Chevron's European partners to implement this platform, and the Czech Republic and Hungary are the first countries to deploy this tool within the Group.

Along with the focus on sales growth, it is also important to

focus on cost savings, primarily due to optimisation of the logistics and office infrastructure. With its recent office being relocated to Prague, Prista Oil Czech is set to cut down 800 euros a month on rental costs. Under the guidance of the Corporate Supply Chain Management, Pavel Herynk renegotiated the logistics contract for the Czech Republic which is expected to bring even more savings in the future. On the other hand, Prista Hungary moved its warehouses to Budapest in August. The central location and the newly contracted professional logistic operators will help reducing shipping costs and a 'state of the art' service will improve customers' satisfaction.

And what's in line for the next year?

'2016 will be a very busy year for us. We will continue implementing our strategy.' Mr. Runtag says. 'We are planning to strengthen our positions through more direct local and regional customers such as Arriva, Tedom,

Bosch Car Service network and Ener-G. We also see the 'private label' segment as a growth opportunity for **PRISTA** products. We want to continue developing our sales team skills by introducing Prista Competency Model and improve our technical knowledge so that we become better at offering solutions to our industrial customers. We will continue working hard towards achieving the ambitious market share and the profitability targets as planned. "Learn from the best, test, and pass it on", this is the approach we shall be taking.'

Prista Oil Ukraine: 2015 Summary

*Team Prista Oil
Ukraine*



- Extended our sales team by one more KAM – Vladimir Levchyk
- Terminated relationship with low efficient business partners
- Searched and appointed new LOB/Channel/Segment Prista dedicated distributors and implemented various motivational sales tools
- Through newly-appointed distribution significantly improved Prista's presence in all available trade channels, especially in retail channel
- Extended number of Prista end-users across the market
- Strengthened **PRISTA** brand awareness via various sales support materials, product and technical trainings provided to resellers and end-customers, as well as participation in specialized exhibitions and fairs
- Restarted supplying mining sector - a strategic project and great achievement!
- Managed to control appropriately money collection process
- Managed to optimize our costs. i.e. revised basic contracts with all logistics suppliers

All the 2015 actions result in restarted business in Ukrainian market and makes Prista Oil Ukraine a profit generating company with a positive EBITDA.

Since we've been focused mostly on indirect sales during 2015, for 2016 there is a clear and ambitious target to improve Prista's direct sales and all above makes us believe that in 2015 we've have put a solid base for achieving 2016 sales goals



Hydrostroy AD-Town of Varna honoured Prista oil as a proven producer and a reliable supplier



Dipl. Eng. Nayden Kostadinov has been working as a Chief Engineer at Hydrostroy AD since 11 years. He is responsible for the Transport and Mechanization, as well as for the different types of productions - asphalt mixing plants, quarries. In general, his official commitments are related to the Company's "lifeblood".

Currently, there are 105 heavy duty vehicles, 75 of which are dump trucks. The road-construction equipment including graders, excavators, and four groups of asphalt paving equipment: asphalt paver, two big bandage rollers, compulsory, one small and one rubber roller are also under the supervision of Dipl. Eng. Kostadinov. Proper operation and maintenance of two crushers and screeners also form part of his duties as a Company's Chief Engineer.

From 2007 onwards the fleet is constantly updated. Barely the

next year, had the new machines formed 60 per cent of all. The main brands of heavy duty vehicles are Mercedes and Ford.

Prista oil was introduced at Hydrostroy two years ago. 'The path to this point turned out to be relatively long', recognized Kostadinov. 'Mainly due to price differences - we have shown the offers of other traders. It is mostly about the higher price class oils, such as **TEXACO**. Once this difference was overcome, we started and now we keep working with Prista oil. We are definitely satisfied with the established

relationship and the products that we use', says Dipl. Eng. Nayden.

In fact, for a long time, Hydrostroy uses **PRISTA** brand greases. Now, motor oils, two-stroke cutting machine oils comes in turn as the Company has a large number of machinery and this is associated with the current road maintenance. Almost the whole range of preferred hydraulic oils are manufactured by Prista oil. **PRISTA** brand antifreeze is used especially when the quality is required, and this is already proven.

In addition to the price, Prista oil's advantage compared to other



marketers is the ability to respond appropriately to any situation. 'The situations occurring in our Company, not infrequently, are violent and require rapid response', says Kostadinov. In general, our requests are planned, but in case of accidents, we need to respond very quickly. Just one machine's capacity could be loaded from 200 to 600 liters of oil. Therefore, such a large amount makes no sense and is not maintained in stock.

Also, Hydrostroy is a major client of oil-coolant. In principle, this oil should never be replaced until an accident occurs and the coil bursts.

Although recent work directly with Prista oil brand products, Dipl. Eng. Kostadinov is well acquainted with the capacities of the Factory's laboratory since 2007. At that time, new trucks from a known brand were purchased, which were

loaded with motor oil of the same brand. However, according to the truck's computer after certain mileage it was recorded, that it had consumed 60 per cent of its resource, although, according to the Record book, the mileage before replacement was longer. He has sent one litre of oil to Prista Laboratory and after some delicate vicissitudes, he received his answers. Following the claims exhibited by Hydrostroy and the new samples tested in a laboratory abroad, Prista Laboratory results were confirmed.

The Company operated equipment is significantly more loaded than the machinery and vehicles moving on the asphalted Republican network roads. Oil should be replaced by motor hours for the road-construction equipment, regardless of the manufacturer's characteristics.

Working with a single supplier is significantly better both in terms of time and of a complex service provision. Larger amounts of requested oils and coolants allow negotiation at more beneficial prices. Practice has proven that to purchase one product at lower cost from a particular supplier, and other product from another one, etc. is not worth. "Supply" Department is responsible to observe and make contacts, market analysis and annual selection of suppliers of consumables within the period February-March.



Annual meeting between Prista Oil representative and partners from Taiwan took place in Taichung on 14 and 15 November

Distributors, their key customers and owners of service stations participated in the two-day event



Taiwan is a small country but an industrial giant. The country is three times smaller than Bulgaria with its area of 36,000 square meters, however its population accounts of nearly 23,0 million people. The gross national product for the last year was 529.5 billion US\$ and the average annual per capita income is 22,632 US\$. The economic growth in 2014 was 3.74% while for this year it is expected to reach 3.78%. The unemployment rate is absolutely negligible by European standards – barely 3.72%. Taiwan is a leading manufacturer of notebooks, tablets, LCD moni-

tors, digital cameras and shoes.

In line with the observed economic growth, the car market in Taiwan has been on the increase for the last 3 years. The sales of new vehicles increased with over 12% - from 378,456 units in 2013 to 423,829 units in 2014, according to registration data released from the Ministry of Transportation and Communications. During the first half of 2015 the sales showed a positive trend again

with total sales reaching around 216,500 vehicles. On a group level, Toyota Group holds one third of the new vehicle market, ahead of Mitsubishi (10.5 %), Renault-Nissan alliance (10.5%), Honda (6.5%).



European cars are also very popular in Taiwan.

It is the new car fleet that determines the increasing demand for synthetic and semi synthetic motor oils with nearly all major manufacturers being present on this market. In addition, products of European origin are highly regarded in Taiwan. **PRISTA** products have been on this market for about 5 years now enjoying great popularity on account of their high quality and performance.

On 14th and 15th of November an annual meeting was held in Taichung between Prista Oil representatives, the importer of **PRISTA** products for Taiwan, major distributors and their key clients.

Major distributors of Prista Oil for Taiwan are Ming Wei International Co and Zeng Tong Hang Company. For both companies this is a family business – while the owners, Mr. Wu Chi Chao and Mr. Ling Xing

Long, are busy with the distribution of the products, their wives are in charge of and vigorously monitor the financial discipline.

Ming Wei company was established in 2003 with 7 employees. The main activity of the company is distribution of automotive lubricants and automotive diagnostic tools. With 5 sales representatives and 3 sub-distributors, the company handles the distribution of **PRISTA** products in Northern Taiwan.

Zeng Tong Hang company was established in 2002. The company has 10 employees of which 7 sales representatives handling the distribution of **PRISTA** products in the South of the island.

After a visit to the major service centers in the area of Taichung, a meeting between a Prista Oil representative, the distributors of Prista and their key clients took place on 15th of November in the



meeting room of Ming Wei International Co. The idea behind this event was to familiarize the clients from Taiwan with the major activities of Prista Oil Holding EAD and its products.

The presentation attracted great interest with almost 40 owners of service stations being present. All participants expressed their satisfaction with the high quality **PRISTA** products which is a good precondition for further development of the brand presence on this distant market.



Albena AutoTrans chooses Prista Oil as a proven reliable Bulgarian partner



Deyan Minev,
representing
Albena AutoTrans
/Managing Director/
since 2012

Mr. Minev has been working in the Company since 1993. Until 2007 his job was associated with the operation of passenger cars within the Holding structure; from 2007 until 2012 - with the construction; and from then until now – with the bus transport.

Currently, Albena AutoTrans operates 56 buses of different years of manufacturing, as the relative ratio of new and old ones is 50:50. Conditionally, a division could be made between buses manufactured prior to and

after 2000. The Company's main activity is tours transportation and airports transfer from Varna, Burgas, and sometimes from Sofia. During the Autumn-Winter Season, transportation is provided to Bulgarian tourists travelling within the country and abroad, and also to workers from the Town of Dobrich to Albena.

Bus fleet consists of DAF, MAN; Bova from the Nederland which, compared to the most common brands in terms of price and quality, are significantly

more competitive. There are two Chinese brands of buses, which were purchased in 2005.

Already at the moment European brands are purchased mainly.

For one reason or another, Albena AutoTrans fleet was reduced by half. In 2007, the Company had 120 buses. At that time, however, the competition in the industry pressured the daughter company of the holding structure. Smaller companies with significantly lower costs provided

better transportation offers, which naturally resulted in reducing the means of transport. Often, this is due to unfair competition, but when choosing a carrier the market has recognized Minev.

In fact, Albena AutoTrans encounters a problem outside the tourist season.

Albena AutoTrans, for more than 8 years, prefers and uses Prista oil brand products. It can be said that this transporter prefers **TEXACO** for its newer buses Euro 3 and Euro 4 with catalysts, **PRISTA** for its older ones. In addition to the motor oils, transmission oils are used for gearboxes, greases, antifreeze. During all this time of partnership, these products have proven to be reliable and impeccable, affirmed Deyan Minev,



representing Albena AutoTrans. Also in this case the complex service – delivery of almost all consumables and warranty – is a major advantage when choosing supplies. Prista oil supplies the necessary oil and lubricants on-site, at the same time guarantees

their quality. Let's remind the fact that this is a Bulgarian Company takes an important place in the Company's policy when choosing the **PRISTA** brand.





Base oils 2015 Europe

No relief in sight yet for Europe

Europe's base oil refiners are facing another difficult year, with rising Group II imports, sluggish demand and sinking prices. Some capacity is at last being idled



At the risk of sounding repetitive, European Group I base oil producers are set to face a challenging year in 2015. This same prediction was made for 2014, primarily because of the expected arrival of competitively priced Group II material from Chevron's new 1.2m tonne/year plant in Pascagoula, Mississippi, in the US.

Challenging conditions did indeed ensue for European Group I producers in 2014, although later than originally foreseen because of a delay to Pascagoula's start-up from the end of the first quarter to the beginning of the third quarter.

But while the difficult times were delayed. They did arrive

and were ultimately made even worse by other factors, namely poor demand and collapsing crude oil prices. These challenging conditions are set to continue through 2015.

Demand had been disappointing throughout 2014, both on an underlying basis and

with respect to Group I, with blenders increasingly moving toward formulations using Group II and Group III instead. Poor underlying demand for lubricants is linked to the ailing European economy and as such prospects for a significant improvement this year are not high.

Group I-specific demand erosion in favor of Groups II and III is also likely to continue. Pascagoula material has flowed not only into Europe but also to some key importing countries where it competes with European Group I exports. A good example is India, which also receives Group II exports from South Korea and Taiwan, and where European exporters have struggled recently to place cargoes.

The SK Lubricants/Repsol joint venture plant in Cartagena, Spain, also started up at the end of September 2014. The plant has a total capacity of 100,000 tonnes/year, approximately one-third of which is Group II (albeit with the less common viscosity of 3 centi-

stokes) and two-thirds Group III.

MIDDLE EAST NEW CAPACITY

Another new Group II/III plant is set to commence production next year in the Middle East. Abu Dhabi National Oil Co's (ADNOC) plant is expected to come on line around the second quarter of this year and will produce 100,000 tonnes/year of Group II and 500,000 tonnes/year of Group III.

Plummeting crude oil prices have, on the face of it not contributed drastically to Group I refiners' troubles, in light of the fact that the collapse has given them access to cheap feedstock vacuum gasoil. However, so rapid has the corresponding collapse been for base oil prices, and so quickly do buyers expect to see upstream losses reflected in base oil prices, that some refiners have begun to suffer.

This is particularly true of inland refineries that face higher transportation costs (and therefore narrower margins) and also

longer lead times. With end-users being acutely-aware of the falling feedstock prices and the backdrop of generally weak market conditions, refiners are being forced to discount base oils that were produced from crude oil purchased earlier, at higher prices.

CLOSURES PLANNED FOR 2015

While no Group I refiners actually closed down in 2014 as was thought possible, some closures have been announced for 2015.

The Colas refinery in Dunkerque, France, will shut its 260,000 tonnes/year unit in the first quarter, while Shell will shut its 370,000 tonne/year unit in Pernis in the Netherlands. It is also understood that Total will rationalize some or all of its base oils production in Gonfreville, France, but details are not clear.

Despite these upcoming closures, the market is expected by most to remain weak for at



least the first half of 2015, if not the whole year. January, at least, has borne out this prediction, with widespread price decreases that showed no signs of slowing.

REFINERS ARE BEING FORCED TO DISCOUNT BASE OILS THAT WERE PRODUCED FROM CRUDE OIL PURCHASED EARLIER, AT HIGHER PRICES

A refiner explained that, rather than tighten up the Group I market, the closures will simply balance it out, possibly stabilizing prices but not increasing them. Indeed, most participants expect more Group I capacity rationalization to follow as Group II and Group III production grows.

However, not all is lost. Firstly, many industrial lubricant blenders are apparently resistant to switching away from Group I simply because of the time, effort and money it would cost. With a high number of different lubricant formulations already based on Group I base oils, to reformulate these with different base oils will not be a simple task.

Secondly, Group II and III

base oil plants do not produce heavy viscosity oils, equivalent to Group I bright stock and produce middle viscosities at lower yields. Therefore, certain Group I base oil plants may be able to reposition themselves as a niche producers of heavy grades. There is also likely to be a drive for Group I refiners to upgrade to Group II or Group III production, where feasible.

LONG-EXPECTED DECLINE

For most, however, the coming closures represent the beginning of the long-expected decline of European Group I base oils production.

In the meantime, Group I refiners appear to be adopting one of two strategies. Some of those aforementioned units with higher transportation costs have reduced their operating rates, faced with an oversupply of stock that they may struggle to shift.

However, many others, particularly those on the coast that are ideally suited to exporting, have taken advantage of the cheap feedstock prices and run their units

at maximum rates.

Furthermore, base oil prices have decreased by proportionally less than most other refinery productions, such as naphtha, and so base oils offer the most attractive netbacks. As such, refiners have tweaked their output as much as possible in favour of base oils production.

Diagnosing Low Oil Pressure Causes

/continuation from previous edition/



If you have found a worn or damaged oil pump that needs replacing, read all the instructions before you attempt to install the new pump. This is common sense advice but it is amazing how many people assume they know how to replace an oil pump on an engine provided that they have never replaced a pump before. There can be surprises, so take a few minutes to review the instructions.

Most pump manufacturers do not recommend using a sealer on the pump mounting. Use the gasket or O-ring that is provided. The risk of using sealer is that if too much is applied, some of it may end up inside the pump or block the pump passageways.

Toss the old pickup tube and screen and replace with a new one. Yes, you can attempt to clean and reuse the old screen but it is risky. The bottom cover often hides a lot of debris, and solvent can loosen „hidden“ debris inside the tube that will later be sucked into the pump.

Use the correct installation tool to seat the pickup tube in the pump. Do not force it in with a

hammer as doing so may deform the pump housing and/or damage the tube.

Make sure the pump is properly mounted, and that the pickup tube is properly positioned before replacing the oil pan. The pickup screen should usually be about half an inch above the bottom of the oil pan. This will reduce the risk of drawing in debris that settles to the bottom of the pan. Make sure the pickup is not too high because you do not want it sucking air either.

The pump should be primed before the engine is started. This can be done by adding some oil to the pump before it is installed (packing the pump with grease is not recommended). If the pump is driven off the distributor, the distributor can be removed so the pump can be turned with a drill to prime the system.

Another alternative for all types of pumps is to use an aftermarket aerosol priming system that feeds oil under pressure to the engine through the oil pressure sending unit fitting. This type of system was originally

developed for rebuilt engines, but can be used in any application where the engine should be primed before it is cranked.

Install a new oil filter and fill it with oil (this does not work with filters that mount sideways on the engine unfortunately) to eliminate the delay in lubrication that normally occurs when the engine is first started after replacing the filter.

Finally, start the engine and make sure oil pressure is within specifications. Use a mechanical pressure gauge and do not rely on the dash gauge or the warning light to verify that the repairs you have made have eliminated the low oil pressure problem.

Note: Only specialized service centers are able to implement many of the above listed repairs



The Most Ignored Branding Tool on the Planet

It's free, it offers a built-in audience, and it's something you already have

How many emails do you send each day? And how many of them get forwarded to other parties? Probably too many to count.

Email has become one of our most frequently used communication tools, but there's more to it than meets the eye - email is an opportunity to market your brand. There is an overlooked, underestimated opportunity in every single email you send: the signature line. This valuable piece of real estate can inform, engage, and increase brand awareness. When was the last time you paid it the attention it deserves?

Dust off your signature line and make it useful, rather than invisible, or worse yet, annoying. Here are five ways to put it to work for you.

1. Include cool stuff.

The signature line is a great place to spread the word about your social mediapresence and any outstanding achievements. Have you won an award, been on television, or been featured on inc. com? Include that information, along with a link! Also, be thorough about the contact information you include. Don't make people search

for your phone number when it should be right at their fingertips.

2. Relay your brand's purpose.

Hopefully, your tagline includes your purpose. Sum that purpose up into a few powerful words and include it in your signature area. At the very least, seeing it will embed it subconsciously in the minds of many. Your bigger purpose is something you're proud of - give it a well deserved home on every email.

3. Brand yourself, not someone from the 18th century.

Quotes are nice; they inspire and remind people of what's important. But you are unique; you have your own thoughts and beliefs and are capable of inspiring others in your own words. I personally believe it's more important to use this space to express your brand purpose, but if you must include a quote, make it your own.

4. Remove images, like logos and embedded business cards.

Many email systems turn your signature graphics, like logos and embedded business card

images, into attachments. Your signature line will appear stripped down and rendered useless, even annoying, when you use graphics. Instead, use fonts and colors that reflect your logo. Consider that information like your website address and phone number cannot be copied and pasted into calendars or documents when you display them as a graphic. Stick to text for optimum effectiveness.

5. Less is more.

Don't be tempted to include every single means of contacting you. If you're not a brick and mortar retailer, it's unnecessary to include your physical address. Multiple websites and more than two phone numbers overwhelm and clutter the space.

*By Marla Tabaka,
Inc. Magazine*



party

Christmas Party 2015



'More work to all' wished and promised the President of the Board of Directors of Prista Oil, Mr. Plamen Bobokov during his traditional addressing to the workers at the Christmas Corporate Party in „Leventa“, Ruse.

'Good health and relaxation to all' wished Bobokov, as he is expecting to achieve together in the new year a single real purpose - to return Prista Oil's glory as one of the most successful companies in this

region and the country. Officially, he has announced his desire for Prista to catch up the success of Monbat in terms of financial results.

Monbat's response - in the face of the Chairman of the Board of the Subsidiary Company, Mr. Atanas Bobokov came just in time: 'It will take a hard work of this Company', which was accepted as a serious challenge.

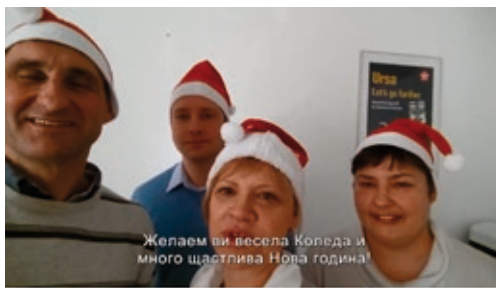


The most laconic Mr. Petar Bozadzhiev wished to all a good health and success in both professional and personal aspects.

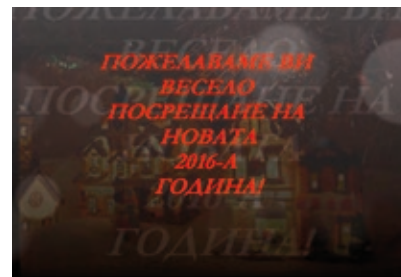
The Executive Director, Mr. Tsvetomir Atanasov, briefly expressed his satisfaction with the achievements in 2015 and his expectations for the same to happen in 2016, even though these have already increased.



PRISTA OIL ROMANIA



PRISTA OIL HUNGARY



PRISTA OIL UKRAINE



The Member of the Board of Directors, Mr. Milen Boychev, addressed his greetings to the female part of the staff by noticing that this is the basis for the success of Prista Oil. 'I expect the male part of the staff to develop the potential that it holds', as his expectations should mostly be felt by the Sales Team. Boychev addressed a special greeting to the Football Team, as despite their personal and work commitments they honored the football field.



Dance formation „Flamingo“ contributed to the good mood of all celebrators. A traditional Lottery brought luck to a large number of participants in the party.





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НАЦИОНАЛНА КОМПАНИЯ ЗА СЪБИРАНЕ И ОПОЛЗОТВОРЯВАНЕ НА ОТРАБОТЕНИ МАСЛА•ООД



„Национална компания за събиране и оползотворяване на отработени масла“ ООД /НКООМ/ е дружество, което не разпределя печалба, а акумулираните средства се инвестират в създаването на ефективна и устойчива система за събиране, транспортиране, съхранение и оползотворяване на отработени масла и нефтопродукти, която да осигурява високо ниво на защита на околната среда.

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