Investor News

May 18, 2015, 8:30 am (local time), 7:30 am (CEST), 6:30 am (BST)

OMV Petrom S.A.

OMV Petrom Group: results[1] for January – March 2015

including interim financial statements as of March 31, 2015

Q1/15 vs Q1/14

- **Romanian hydrocarbon production above 174 kboe/d, ~2% higher yoy as a result of previous investments**
- **Upstream operating profits affected by the ~50% drop in oil price**
- **Stronger contribution from Downstream Oil reflecting the strength of our integrated business and the gradual recovery of the market**
- **Neptun Deep: continuing exploration activity, as planned**

Mariana Gheorghe, CEO of OMV Petrom S.A.:

"On the back of previous investments, Romanian hydrocarbon production advanced in Q1/15 by approx. 2% yoy, on higher contribution from well workovers and field (re)developments. Nevertheless, the Upstream result was affected by the sharp drop in oil prices, which was only partly compensated by positive FX effects and slightly higher sales volumes. In exploration, together with ExxonMobil, we finalized drilling at two deepwater wells and the rig has since been moved to a new drilling location in the Neptun deep block. In Downstream Oil, refining contribution was strong, triggered by solid refining margins and improved operational performance, while in marketing, retail sales volumes advanced by 4% yoy.

In response to the low crude price environment, we scaled back our 2015 group investments by approx. 30% yoy and continued to optimize our cost structure, measures which are expected to protect our free cash flow position. Nevertheless, these initiatives will impact our hydrocarbon production in the future.

In the next months, we expect public consultations on the fiscal and regulatory environment to continue, as announced by the authorities, and we aim for a stable, predictable and investment-friendly framework, which is a key precondition for future investments."

Q4/14	Q1/15	Q1/14	∆%	Key performance indicators (in RON mn)	2014	2013	∆%
(111)	494	1,472	(66)	EBIT	3,338	5,958	(44)
1,026	594	1,477	(60)	Clean CCS EBIT [2]	5,202	6,015	(14)
(304)	349	1,075	(68)	Net income attributable to stockholders [3]	2,103	4,821	(56)
668	433	1,080	(60)	Clean CCS net income attributable to stockholders [2, 3]	3,764	4,869	(23)
(0.0054)	0.0062	0.0190	(68)	EPS (RON)	0.0371	0.0851	(56)
0.0118	0.0076	0.0191	(60)	Clean CCS EPS (RON) [2]	0.0665	0.0860	(23)
1,851	791	2,072	(62)	Cash flow from operating activities	6,830	8,048	(15)
-	-	-	n.a.	Dividend/share (RON)	0.0112	0.0308	(64)

Starting with April 1, 2015 the business segments were renamed as follows: Exploration and Production to Upstream, Refining and Marketing to Downstream Oil, Gas and Power to Downstream Gas.

[1] The financials are unaudited and represent OMV Petrom Group's (herein after also referred to as "the Group") consolidated results prepared according to IFRS; all the figures refer to OMV Petrom Group, unless otherwise stated; financials are expressed in RON mn and rounded to closest integer value, so minor differences may result upon reconciliation; OMV Petrom uses the National Bank of Romania exchange rates for its consolidation process

[2] Adjusted for exceptional, non-recurring items; Clean CCS figures exclude special items and inventory holding effects (CCS effects) resulting from Downstream Oil

[3] After deducting net income attributable to non-controlling interests

OMV Petrom

Financial highlights

Q4/14	Q1/15	Q1/14	Δ%	in RON mn	2014	2013	Δ%
5,347	4,271	5,296	(19)	Sales [1]	21,541	24,185	(11)
369	164	1,372	(88)	EBIT Upstream [2]	3,932	5,529	(29)
(1,127)	345	108	219	EBIT Downstream	(897)	498	n.m.
(40)	(26)	(10)	148	EBIT Co&O	(151)	(97)	55
687	11	2	n.m.	Consolidation	454	29	n.m.
(111)	**494**	**1,472**	**(66)**	**EBIT Group**	**3,338**	**5,958**	**(44)**
(981)	**(8)**	**(0)**	**n.m.**	**Special items [3]**	**(1,592)**	**(33)**	**n.m.**
(27)	(8)	(2)	264	thereof: Personnel and restructuring	(104)	(21)	404
(917)	(3)	-	n.a.	Unscheduled depreciation	(1,412)	(66)	n.m.
(38)	3	2	48	Other	(76)	54	n.m.
(156)	(92)	(5)	n.m.	CCS effects: Inventory holding gains/(losses)	(272)	(24)	n.m.
532	175	1,372	(87)	Clean EBIT Upstream [2, 4]	4,667	5,542	(16)
248	177	114	55	Clean CCS EBIT Downstream [4]	591	541	9
(40)	(26)	(10)	148	Clean EBIT Co&O [4]	(108)	(96)	12
285	268	2	n.m.	Consolidation [4]	52	29	81
1,026	**594**	**1,477**	**(60)**	**Clean CCS EBIT [4]**	**5,202**	**6,015**	**(14)**
(277)	472	1,340	(65)	Profit from ordinary activities	2,909	5,699	(49)
(307)	345	1,075	(68)	Net income	2,100	4,824	(56)
(304)	349	1,075	(68)	Net income attributable to stockholders [5]	2,103	4,821	(56)
668	**433**	**1,080**	**(60)**	**Clean CCS net income attributable to stockholders [4, 5]**	**3,764**	**4,869**	**(23)**
(0.0054)	0.0062	0.0190	(68)	EPS (RON)	0.0371	0.0851	(56)
0.0118	0.0076	0.0191	(60)	Clean CCS EPS (RON) [4]	0.0665	0.0860	(23)
1,851	791	2,072	(62)	Cash flow from operating activities	6,830	8,048	(15)
0.0327	0.0140	0.0366	(62)	CFPS (RON)	0.1206	0.1421	(15)
890	1,528	(356)	n.m.	Net debt	890	332	168
3	6	(1)	n.m.	Gearing (%) [6]	3	1	164
1,758	1,062	1,249	(15)	Capital expenditure	6,239	5,303	18
-	-	-	n.a.	Dividend/share (RON)	0.0112	0.0308	(64)
-	7.1	19.0	(63)	ROFA (%)	10.3	19.7	(48)
-	4.8	17.9	(73)	ROACE (%)	7.6	19.0	(60)
-	11.0	18.1	(39)	Clean CCS ROACE (%) [4]	13.6	19.2	(29)
-	5.1	17.8	(71)	ROE (%)	7.8	19.4	(60)
(11)	27	20	36	Group tax rate (%)	28	15	81
16,948	16,726	19,509	(14)	OMV Petrom Group employees at the end of the period	16,948	19,619	(14)

Figures in this and the following tables may not add up due to rounding differences.
[1] Sales excluding petroleum excise tax;
[2] Excluding intersegmental profit elimination shown in the line "Consolidation";
[3] Special items are added back or deducted from EBIT; for more details please refer to each specific segment;
[4] Adjusted for exceptional, non-recurring items; Clean CCS (current cost of supply) figures exclude special items and inventory holding effects (CCS effects) resulting from Downstream Oil;
[5] After deducting net income attributable to non-controlling interests;
[6] Net debt divided by equity.

Throughout the report, where not specified differently, amounts related to Downstream represent totals of Downstream Oil and Downstream Gas.

Business segments

Upstream

Q4/14	Q1/15	Q1/14	Δ%	in RON mn	2014	2013	Δ%
369	164	1,372	(88)	EBIT [1]	3,932	5,529	(29)
(164)	(11)	-	n.m.	Special items	(735)	(13)	n.m.
532	175	1,372	(87)	Clean EBIT [1]	4,667	5,542	(16)
1,283	862	1,987	(57)	Clean EBITD	7,302	8,031	(9)
1,652	1,018	1,084	(6)	CAPEX	5,349	4,401	22

Q4/14	Q1/15	Q1/14	Δ%	Key performance indicators	2014	2013	Δ%
16.71	16.52	16.36	1	Total hydrocarbon production (mn boe)	65.82	66.64	(1)
182	184	182	1	Total hydrocarbon production (kboe/d)[2]	180	183	(1)
7.74	7.67	7.83	(2)	Crude oil and NGL production (mn bbl)	30.94	32.10	(4)
1.37	1.36	1.31	4	Natural gas production (bcm)	5.34	5.29	1
48.47	47.85	46.15	4	Natural gas production (bcf)	188.54	186.91	1
75.85	52.89	107.42	(51)	Average Urals price (USD/bbl)	97.95	108.30	(10)
64.25	45.37	95.54	(53)	Average Group realized crude price (USD/bbl)	86.67	96.85	(11)
426	365	99	267	Exploration expenditures (RON mn)	1,224	453	170
(5)	66	44	52	Exploration expenses (RON mn)	156	423	(63)
17.02	14.23	17.00	(16)	OPEX (USD/boe)	17.27	15.45	12

[1] Excluding intersegmental profit elimination; [2] Production figures in kboe/d are rounded

First quarter 2015 (Q1/15) vs. first quarter 2014 (Q1/14)

- **Romanian production above 174 kboe/d, up ~2% yoy on the back of higher contribution from well workovers and field (re)developments**
- **Clean EBIT impacted by lower oil price realization**
- **Neptun Deep: drilling activity has continued**

In Q1/15, the average Urals crude price decreased to USD 52.89/bbl, 51% lower compared to Q1/14. The average realized crude price decreased by 53% to USD 45.37/bbl.

Clean EBIT decreased by 87% to RON 175 mn in Q1/15, mainly due to lower oil and NGL prices, partially compensated by favorable FX effects (USD 20% stronger against RON) and higher gas and NGL sales volumes. Reported EBIT in Q1/15 decreased by 88% to RON 164 mn, also reflecting special charges mainly in relation with personnel restructuring.

Group production costs (OPEX) in USD/boe were 16% lower than in Q1/14, mainly due to favorable FX effects. In Romania, production costs decreased by 17% in USD/boe, while, in RON terms, they were 1% below the Q1/14 level reflecting the lower tax on constructions and materials expenses, as well as higher production available for sale.

Exploration expenditures increased to RON 365 mn (Q1/14: RON 99 mn), mainly in relation to the ongoing drilling in the Neptun Deep block together with the operator ExxonMobil. Exploration expenses amounted to RON 66 mn in Q1/15, mostly in relation with the write-off of one onshore well.

In March the drilling at Pelican South-1 well was completed and a new exploration well was spudded.

Group daily hydrocarbon production was 183.5 kboe/d (of which 174.3 kboe/d in Romania) and total production stood at 16.5 mn boe, reflecting higher production in Romania and lower production in Kazakhstan. In Romania, total oil and gas production stood at 15.7 mn boe, 2% above the Q1/14 level (15.4 mn boe). Domestic crude oil production was 6.9 mn bbl, 2% below the Q1/14 level (7.0 mn bbl) due to natural decline and planned workovers at key wells. Domestic gas production advanced by 4% to 8.8 mn boe, mostly supported by new wells put on stream in the Bustuchin field, as well as bean-up on Totea field. In Kazakhstan, production amounted to 0.8 mn boe, 9% lower compared to the same period of 2014, mainly reflecting the steep natural decline of key fields as well as some technical constraints (associated gas limitations and water production). Hydrocarbon sales volumes have increased by 1% compared to Q1/14, mainly triggered by the higher gas and NGL sales volumes in Romania.

In Q1/15, we finalized drilling of 37 new wells and sidetracks, compared to 18 new wells performed in the same quarter last year.

First quarter 2015 (Q1/15) vs. fourth quarter 2014 (Q4/14)

In Q1/15, the average Urals crude price decreased to USD 52.89/bbl, 30% lower compared to Q4/14. The average realized crude price decreased by 29% to USD 45.37/bbl.

Clean EBIT dropped 67% vs Q4/14 mostly due to lower oil and gas sales, which offset the favorable effects from FX (USD 12% stronger against RON) and lower royalties. Reported EBIT dropped 55% vs Q4/14, the latter reflecting higher special charges, mainly in relation to the impairment in Kazakhstan triggered by unsuccessful field redevelopment results in the TOC fields.

Group production costs in USD/boe decreased by 16% compared to Q4/14 level, mainly resulting from favorable FX effects and lower services expenses. Production costs in Romania decreased by 16% when expressed in USD/boe, and by 6% in RON/boe terms (RON 54.73/boe), reflecting the lower tax on constructions and strict cost management.

Group daily production increased by 1% to 183.5 kboe/d supported by higher daily volumes in Romania while total production amounted to 16.5 mn boe (Q4/14: 16.7 mn boe). Group sales volumes decreased by 1% compared to the Q4/14 level, largely due to lower sales in Kazakhstan.

Downstream

Q4/14	Q1/15	Q1/14	Δ%	in RON mn	2014	2013	Δ%
(1,127)	345	108	219	EBIT	(897)	498	n.m.
(817)	3	(0)	n.m.	Special items	(815)	(19)	n.m.
(558)	165	(5)	n.m.	CCS effect: Inventory holding gains/(losses) [1]	(674)	(24)	n.m.
248	177	114	55	Clean CCS EBIT [1]	591	541	9
230	174	75	131	thereof Downstream Oil	654	374	75
18	3	39	(92)	thereof Downstream Gas	(63)	167	n.m.
436	354	291	22	Clean CCS EBITD	1,300	1,258	3
101	44	155	(72)	CAPEX	797	845	(6)

Q4/14	Q1/15	Q1/14	Δ%	Downstream Oil KPIs	2014	2013	Δ%
5.90	8.24	(2.41)	n.m.	Indicator refining margin (USD/bbl) [2]	1.89	(2.83)	n.m.
1.14	1.00	1.00	0	Refining input (mn t) [3]	4.01	4.01	0
101	86	92	(7)	Refinery utilization rate (%)[4]	89	90	(1)
1.30	1.10	1.11	(1)	Total refined product sales (mn t) [5]	4.81	5.22	(8)
0.89	0.75	0.72	5	thereof Marketing sales volumes (mn t) [6]	3.38	3.62	(7)
				Downstream Gas KPIs			
14.31	16.69	13.47	24	Gas sales volumes (TWh)	47.70	52.70	(9)
13.05	15.95	12.00	33	thereof to third parties (TWh)	44.29	46.22	(4)
53.3	53.3	50.6	5	Average regulated domestic gas price for households (RON/MWh)	52.3	47.4	10
130	144	129	12	Average import gas price (RON/MWh) [7]	120	131	(9)
0.55	0.29	0.58	(50)	Net electrical output (TWh)	1.32	2.86	(54)
189	162	145	12	OPCOM spot average electricity base load price (RON/MWh)	154	156	(1)

[1] Current cost of supply (CCS): Clean CCS EBIT eliminates special items and inventory holding gains/losses (CCS effects) resulting from Downstream Oil
[2] As of Q3/14, the standard yield for the calculation of the indicator refining margin has been updated following the finalization of the Petrobrazi modernization program; previously reported figures were not adjusted; the actual refining margins realized by OMV Petrom may vary from the indicator refining margin due to different crude slate, product yield and operating conditions
[3] Figure includes crude and semi-finished products, in line with OMV Group reporting standard
[4] After the finalization of the Petrobrazi refinery modernization, the opportunity was taken to demonstrate the maximum throughput based on a timeframe of the best 30 consecutive days. As a result, the annual refining capacity has been updated from 4.2 mn t to 4.5 mn t as of Q1/15; previously reported figures were not adjusted accordingly
[5] Includes all products sold by OMV Petrom Group
[6] Excludes export sales which are included in total refined product sales
[7] Represents ANRE assumptions

First quarter 2015 (Q1/15) vs. first quarter 2014 (Q1/14)

- **Downstream Oil: higher contribution from both refining and marketing**
- **Higher indicator refining margin mainly due to updated standard yields and lower cost for crude; marketing sales volumes up by 5%**
- **Downstream Gas result affected by provisions for outstanding receivables**
- **Gas sales volumes increased by 24%**

The Clean CCS EBIT increased by 55% to RON 177 mn in Q1/15, mainly driven by the strong performance of the refining business. The reported EBIT significantly improved versus Q1/14, to RON 345 mn, mainly reflecting positive CCS effects of RON 165 mn.

In Q1/15, the **Downstream Oil** Clean CCS EBIT increased to RON 174 mn, supported by strong refining margins, better operational performance after the refinery modernization and improved contribution from marketing. Additionally, the positive effect from the reassessment of the stock valuation adjustment of RON 257 mn was partially offset by inventory holding losses of RON (92) mn, which led to a reported EBIT of RON 342 mn.

The indicator refining margin increased significantly from USD (2.41)/bbl in Q1/14 to USD 8.24/bbl in Q1/15 due to the updated standard yield, lower cost for crude and higher product spreads.

The refinery utilization rate was 86% (92% in Q1/14), also reflecting the capacity adjustment to 4.5 mn t/y as of Q1/15 (previously 4.2 mn t/y).

Total refined product sales decreased by 1% reflecting lower export sales. In addition, OMV Petrom had to build and maintain increased levels of compulsory stocks of oil products, above our previous inventory levels.

Total group marketing sales volumes in Q1/15 were 5% above the Q1/14 level. Group retail sales, which accounted for 71% of total group marketing sales, increased by 4% compared to Q1/14 due to higher demand driven mainly by lower product quotations. Commercial sales increased by 6% reflecting higher sales of diesel, gasoline and aviation fuel due to improved demand.

At the end of Q1/15, the total number of filling stations operated within OMV Petrom Group decreased by 6 units to 778 compared to Q1/14, mainly as a result of network optimization in Bulgaria.

The **Downstream Gas** Clean EBIT decreased by 92% to RON 3 mn in Q1/15, mainly due to RON 38 mn provisions for outstanding receivables booked in the gas business, despite higher gas sales volumes.

National estimated gas consumption dropped by 4% compared to Q1/14, while OMV Petrom's gas sales volumes increased by 24% driven by higher sales to the fertilizer industry and to the regulated market, as well as new clients, which more than compensated the reduced Brazi power plant utilization.

At the end of Q1/15, the total volume of natural gas stored by OMV Petrom amounted to 7 mn cbm compared to 74 mn cbm at the end of Q1/14.

In Q1/15, the regulated domestic gas price for household consumers increased by 5% versus Q1/14, to RON 53.3/MWh, while the gas price for non-household consumers was liberalized starting January 2015. On the Romanian Commodities Exchange, the price of natural gas from domestic production varied between RON 87.5/MWh and RON 90/MWh for contracts signed and gas delivered in Q1/15. The average import gas price based on ANRE estimate was USD 380/1,000 cbm (or the equivalent of RON 144.0/MWh).

Since January 2015, the import quota for the non-household sector is no longer mandatory, whereas in Q1/14 the average import quota set by ANRE for the non-household sector was 23%.

According to estimations, national gross electricity production increased by almost 6% versus the same quarter of last year, while national electricity demand increased by 3% and net electricity exports by 45%.

According to preliminary data published by OPCOM, the base load electricity price averaged RON 162/MWh (Q1/14: RON 145/MWh), while the peak load electricity price averaged RON 197/MWh (Q1/14: RON 193/MWh). Negative average spark spreads slightly deteriorated compared to Q1/14 due to higher gas price, thus triggering reduced net electrical output from the Brazi power plant to 0.26 TWh (Q1/14: 0.55 TWh).

In Q1/15, the Dorobantu wind park delivered a net electrical output of almost 0.03 TWh, 9% higher than in Q1/14. For the electricity produced and delivered to suppliers, OMV Petrom Wind Power S.R.L. received ~45,900 green certificates, half of which are expected to become eligible for sale after January 1, 2018 (Q1/14: ~40,500 green certificates, half of them eligible for sale).

First quarter 2015 (Q1/15) vs. fourth quarter 2014 (Q4/14)

The Clean CCS EBIT decreased by 29% compared to Q4/14, mainly due to seasonally lower contribution of the marketing business. The reported EBIT significantly improved versus Q4/14, which was mainly impacted by the RON (716) mn impairments in the power business and by the negative CCS effects of RON (558) mn.

The **Downstream Oil** Clean CCS EBIT decreased in Q1/15 compared to Q4/14, driven by seasonally lower marketing sales, partially offset by better refining margins.

The refinery utilization rate stood at 86%, while the indicator refining margin increased to USD 8.24/bbl in Q1/15 from USD 5.90/bbl in Q4/14, mainly as a result of lower cost for crude and better product spreads.

Compared to Q4/14, the **Downstream Gas** Clean EBIT decreased by 83% in Q1/15, mainly due to RON 38 mn provisions for outstanding receivables booked in the gas business in Q1/15, whereas the Q4/14 result was supported by the reversal of a RON 30 mn provision following collections.

National estimated gas consumption increased by 11% versus Q4/14 due to lower temperatures, which triggered increased demand from the district heating sector. OMV Petrom's gas sales volumes increased by 17%, also reflecting higher sales to the regulated market, as well as new clients.

The net electrical output of the Brazi power plant decreased by 49% compared to Q4/14 due to negative average spark spreads. Net electrical output of the wind park Dorobantu remained stable compared to Q4/14.

Outlook 2015

Market, regulatory and fiscal environment

We expect the **Brent** oil price to average between USD 50-60/bbl. The Brent-Urals spread is anticipated to stay relatively tight.

The **gas and power markets and corresponding regulatory framework** are undergoing continuous changes that may adversely impact the company's financial and operating results.

In 2015, **gas** demand in Romania is not expected to recover, which will lead to increased competition and therefore further pressure on prices and margins.
In the **power** market, demand is anticipated to be relatively stable and prices to remain under pressure.

In 2015, **refining** margins are expected to come down from the recent highs, due to persisting overcapacity in local and European markets.
Due to the decreased oil price, lower product prices are expected to support the demand in the **marketing** business, nevertheless with increased competition.

As publicly announced by the authorities, the Romanian **general taxation framework** is subject to changes which may enter into force at the beginning of next year. In addition, further developments with respect to upstream oil and gas taxation are expected, with the new measures envisaged to be applicable starting with 2016.

As previously stated, our aim remains to achieve a long term, stable and investment-friendly taxation and regulatory framework, a key precondition for future investments.

OMV Petrom Group

- CAPEX for 2015 is expected to be approx. EUR 1 bn, of which approx. 85% will be dedicated to Upstream. The decrease in investments yoy is expected to negatively impact future hydrocarbon production;
- Intensified cost optimization programs across all business segments to be prepared for a potentially prolonged low oil price environment;
- To partly protect the Group's cash flow from the potential negative impact of lower oil prices for the period of July 2015 through June 2016, OMV Petrom entered into oil price hedges for a volume of 15,000 bbl/d of the Upstream oil production (approx. 20% of group annual oil production). Via a zero premium collar program, OMV Petrom has secured a Brent price floor of USD 55/bbl by giving away the upside above USD ~69/bbl throughout July to December 2015, above USD ~73/bbl through January to March 2016, and above USD ~82/bbl through April to June 2016.

Upstream

- Production in Romania increased above 174 kboe/d in Q1/15; the full year average is expected to be ~2.5% lower given planned workovers at key wells in Totea and Mamu, and revamp of offshore gas compressors (Lebada NAG) in the second half of the year, as well as the impact of reduced investment levels;
- A potentially prolonged low price environment is expected to reduce the annual Upstream CAPEX by approx. 25-35% and hydrocarbon production by up to 4% during 2015-2017 vs 2014;
- We will continue our operational excellence initiatives focusing on efficiency, also taking into account the operating market environment;
- Operational activities will focus on delivering around 1,000 workovers and approx. 70 new wells, dependent on the market and fiscal environment;
- Value-based prioritization of the FRD projects in progress: 12 projects under development/execution will be continued this year; out of 17 projects in appraisal as of end 2014, 4 will be further pursued this year and 13 are being re-engineered;
- Joint venture with Repsol: one well (4000 Piscuri) reached target depth and will be tested and another well (6500 Baicoi) was suspended due to technical reasons; another two leads expected to progress;
- Joint venture with Hunt Oil: Padina Nord discovery to further advance; development options are under consideration;

- Joint-venture with ExxonMobil for Neptun Deep: drilling continues as planned with Pelican South-1 exploration well finalized in March 2015 and Dolphin-1 exploration well completed early May; since then the drilling rig has been moved to a new drilling location; additional exploration targets will be considered for 2015. The results of drilling so far, together with the data from the forthcoming exploration activities will be used for the evaluation of the consolidated block potential;
- Further optimize Upstream portfolio by selling selected marginal fields;
- In Kazakhstan – further pursue water injection schemes in both the TOC and Komsomolskoe fields in order to secure reservoir pressure and slow down the natural decline of production.

Downstream

- We will further capitalize on the successful completion of the Petrobrazi refinery modernization along the whole value chain; moreover, the refinery will continue economic efficiency improvements;
- The fuel terminal network optimization program will continue with the reconstruction works at the Cluj terminal expected to be finalized by the end of 2015;
- The gas value chain will be optimized in an integrated manner so as to dynamically address challenges in the market and maximize value creation;
- Continued pressure on spark spreads is anticipated, which may lead to a negative result of the power business in 2015; in this context, the focus will be on strict cost management, portfolio optimization and capturing available market opportunities by capitalizing on the Brazi power plant operational flexibility;
- Three-week planned outage of the Brazi power plant until May 7.

Group interim financial statements and notes (condensed, unaudited)

Legal principles and general accounting policies

The interim condensed consolidated financial statements for the three months ended March 31, 2015 have been prepared in accordance with IAS 34 Interim Financial Statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as of December 31, 2014.

The accounting policies and valuation methods adopted in preparation of the interim condensed consolidated financial statements are consistent with those followed in preparation of the Group's annual consolidated financial statements for the year ended December 31, 2014.

The detailed structure of the consolidated companies in OMV Petrom Group at March 31, 2015 is presented in the Appendix 1 to the current report.

The interim condensed consolidated financial statements for Q1/15 are unaudited and an external review by an auditor was not performed.

Changes in the consolidated Group

During Q1/15, there was no change in the consolidated Group structure.

Seasonality and cyclicality

Seasonality is of particular significance in downstream; for details please refer to the relevant section in the business segments.

In addition to the interim financial statements and notes, further information on main factors affecting the interim financial statements as of March 31, 2015 is given as part of the description of OMV Petrom Group's business segments performance.

Exchange rates

OMV Petrom uses the National Bank of Romania (NBR) exchange rates in its consolidation process. Income statements of subsidiaries are translated to RON using average of daily exchange rates published by the National Bank of Romania, detailed below.

Statements of the financial position of foreign subsidiaries are translated to RON using the closing rate method based on exchange rates published by the National Bank of Romania, detailed below.

Q4/14	Q1/15	Q1/14	Δ%	NBR FX rates	2014	2013	Δ%
4.433	4.450	4.503	(1)	Average EUR/RON FX rate	4.444	4.419	1
3.547	3.959	3.287	20	Average USD/RON FX rate	3.349	3.328	1
4.482	4.410	4.451	(1)	Closing EUR/RON FX rate	4.482	4.485	0
3.687	4.112	3.242	27	Closing USD/RON FX rate	3.687	3.255	13

Income statement (unaudited)

Q4/14	Q1/15	Q1/14	Consolidated income statement (in RON mn)	2014	2013
5,346.70	4,270.74	5,295.93	Sales revenues	21,541.26	24,185.22
(124.21)	(108.54)	(132.37)	Direct selling expenses	(479.70)	(646.20)
(4,829.00)	(3,143.08)	(3,269.90)	Production costs of sales	(15,815.11)	(15,484.69)
393.49	**1,019.12**	**1,893.66**	**Gross profit**	**5,246.45**	**8,054.33**
67.18	53.68	69.96	Other operating income	315.73	298.26
(317.28)	(231.82)	(236.88)	Selling expenses	(1,077.68)	(1,090.38)
(47.62)	(53.39)	(43.48)	Administrative expenses	(189.21)	(193.56)
4.77	(66.28)	(43.73)	Exploration expenses	(156.17)	(423.45)
(211.36)	(227.16)	(167.88)	Other operating expenses	(800.82)	(687.34)
(110.82)	**494.15**	**1,471.65**	**Earnings before interest and taxes (EBIT)**	**3,338.30**	**5,957.86**
1.46	1.67	(6.81)	Income / (loss) from associated companies	10.67	4.40
8.36	9.14	18.01	Interest income	72.33	205.90
(185.66)	(79.20)	(124.41)	Interest expenses	(549.15)	(360.20)
9.18	46.51	(18.84)	Other financial income and expenses	37.03	(109.36)
(166.66)	**(21.88)**	**(132.05)**	**Net financial result**	**(429.12)**	**(259.26)**
(277.48)	**472.27**	**1,339.60**	**Profit from ordinary activities**	**2,909.18**	**5,698.60**
(29.53)	(127.01)	(264.59)	Taxes on income	(809.51)	(874.56)
(307.01)	**345.26**	**1,075.01**	**Net income for the period**	2,099.67	**4,824.04**
(304.01)	**348.82**	**1,075.44**	**thereof attributable to stockholders of the parent**	**2,102.67**	**4,820.85**
(3.00)	(3.56)	(0.43)	thereof attributable to non-controlling interests	(3.00)	3.19
(0.0054)	**0.0062**	**0.0190**	**Basic earnings per share (RON)**	**0.0371**	**0.0851**
-	-	-	**Dividend/share (RON)**	**0.0112**	**0.0308**

Statement of comprehensive income (condensed, unaudited)

Q4/14	Q1/15	Q1/14	Consolidated statement of comprehensive income (in RON mn)	2014	2013
(307.01)	**345.26**	**1,075.01**	**Net income for the period**	**2,099.67**	**4,824.04**
1.31	(12.95)	(7.27)	Exchange differences from translation of foreign operations	(29.73)	(4.36)
-	3.65	-	Unrealized gains/(losses) on hedges	-	-
1.31	**(9.30)**	**(7.27)**	**Total of items that may be reclassified ("recycled") subsequently to the income statement**	**(29.73)**	**(4.36)**
(21.01)	-	-	Remeasurement gains/ (losses) on defined benefit plans	(21.01)	-
(21.01)	**-**	**-**	**Total of items that will not be reclassified ("recycled") subsequently to the income statement**	**(21.01)**	**-**
(8.83)	(25.37)	0.35	Income tax relating to items that may be reclassified ("recycled") subsequently to the income statement	(19.21)	2.73
3.36	-	-	Income tax relating to items that will not be reclassified ("recycled") subsequently to the income statement	3.36	-
(5.47)	**(25.37)**	**0.35**	**Total income taxes relating to components of other comprehensive income**	**(15.85)**	**2.73**
(25.17)	**(34.67)**	**(6.92)**	**Other comprehensive income for the period, net of tax**	**(66.59)**	**(1.63)**
(332.18)	**310.59**	**1,068.09**	**Total comprehensive income for the period**	**2,033.08**	**4,822.41**
(327.16)	**318.53**	**1,068.40**	**thereof attributable to stockholders of the parent**	**2,040.50**	**4,818.27**
(5.02)	(7.94)	(0.31)	thereof attributable to non-controlling interests	(7.42)	4.14

Notes to the income statement

First quarter 2015 (Q1/15) vs. first quarter 2014 (Q1/14)

Consolidated sales in Q1/15 amounted to RON 4,271 mn and were 19% below Q1/14 value, mainly due to the decrease of petroleum products sales revenues, following the steep decline in oil prices, partially offset by higher sales of natural gas. Downstream Oil represented 66% of total consolidated sales, Downstream Gas accounted for 31% and Upstream for 3% (sales in Upstream being largely intra-group sales rather than third-party sales).

The Group's EBIT amounted to RON 494 mn, lower than the result recorded in Q1/14 (Q1/14: RON 1,472 mn), driven mainly by the impact of lower selling prices for petroleum products following the decrease of international quotations.

Clean CCS EBIT of RON 594 mn is also significantly below the value recorded in Q1/14 of RON 1,477 mn, due to the unfavorable crude price environment. Clean CCS EBIT is stated after eliminating net special charges of RON 8 mn and inventory holding losses of RON (92) mn.

The net financial result increased in Q1/15 to RON (22) mn compared with RON (132) mn in Q1/14, as it was positively influenced by the FX gains resulting from USD appreciation against RON, while Q1/14 was burdened by the result of a fiscal review in OMV Petrom's Kazakh branch.

The result from ordinary activities amounted to RON 472 mn and corporate income tax was RON 127 mn in Q1/15. Current tax expenses on the Group's income were RON 114 mn and deferred tax expenses amounted to RON 13 mn. The effective tax rate in Q1/15 was 27%, mainly in relation to activities in Kazakhstan and fiscal review finalization in OMV Petrom.

The net result attributable to stockholders (i.e. net income attributable to stockholders of the parent) was RON 349 mn, while clean CCS net income attributable to stockholders was RON 433 mn. EPS was RON 0.0062 in Q1/15, versus RON 0.0190 in Q1/14, while Clean CCS EPS was RON 0.0076 compared to RON 0.0191 in Q1/14.

First quarter 2015 (Q1/15) vs. fourth quarter 2014 (Q4/14)

Compared to Q4/14, sales decreased by 20%, mainly due to seasonally lower sales volumes of petroleum products and declining oil price environment, as well as lower electricity volumes sold, that more than offset the positive effect of the increase in natural gas sales quantities. The Group's EBIT increased to RON 494 mn (Q4/14: RON (111) mn), as Q4/14 result was impacted by one-off charges mainly in relation with impairments in Downstream Gas.

Clean CCS EBIT deteriorated by 42% compared to Q4/14, to RON 594 mn, reflecting seasonally lower sales volumes and the challenging market environment.

The net financial result improved to RON (22) mn (Q4/14: RON (167) mn), mainly due to the fact that Q4/14 was negatively affected by late payment interest following the fiscal review in OMV Petrom, while Q1/15 was positively influenced by FX gains on EUR bank loans following the slight depreciation of EUR against RON.

The net result attributable to stockholders in Q1/15 amounted to RON 349 mn, compared to RON (304) mn in Q4/14, while Clean CCS net income attributable to stockholders decreased by 35% to RON 433 mn.

Statement of financial position, capital expenditure and gearing (unaudited)

Consolidated statement of financial position (in RON mn)	March 31, 2015	Dec 31, 2014
Assets		
Intangible assets	1,945.33	1,656.88
Property, plant and equipment	32,124.57	32,289.64
Investments in associated companies	36.97	35.30
Other financial assets	2,184.00	2,191.79
Other assets	23.64	21.34
Deferred tax assets	1,036.50	1,047.78
Non-current assets	**37,351.01**	**37,242.73**
Inventories	2,062.68	2,250.05
Trade receivables	1,468.60	1,424.37
Other financial assets	412.51	388.87
Other assets	774.73	537.06
Cash and cash equivalents	655.30	1,267.98
Current assets	**5,373.82**	**5,868.33**
Assets held for sale	13.62	13.71
Total assets	**42,738.45**	**43,124.77**
Equity and liabilities		
Capital stock	5,664.41	5,664.41
Reserves	21,695.69	21,377.16
Stockholders' equity	**27,360.10**	**27,041.57**
Non-controlling interests	(44.23)	(36.29)
Equity	**27,315.87**	**27,005.28**
Provisions for pensions and similar obligations	283.02	283.01
Interest-bearing debts	1,606.36	1,588.96
Provisions for decommissioning and restoration obligations	7,141.92	7,254.92
Other provisions	557.40	553.85
Other financial liabilities	268.40	279.10
Non-current liabilities	**9,857.10**	**9,959.84**
Trade payables	2,422.85	2,899.24
Interest-bearing debts	286.46	273.67
Current income tax payable	193.99	329.09
Other provisions and decommissioning	833.97	1,108.93
Other financial liabilities	748.82	664.46
Other liabilities	1,079.39	884.26
Current liabilities	**5,565.48**	**6,159.65**
Total equity and liabilities	**42,738.45**	**43,124.77**

Notes to the statement of financial position as of March 31, 2015

Capital expenditure decreased to RON 1,062 mn (Q1/14: RON 1,249 mn) due to lower CAPEX in Downstream Oil and Upstream.

Investments in Upstream activities (RON 1,018 mn) represented 96% of total CAPEX for Q1/15, being 6% below the Q1/14 level, with the swift reaction to the oil price decrease leading to the prioritization of investments. Upstream investments were focused on activities related to field redevelopment initiatives, workover activities and sub-surface operations, surface facilities, drilling development wells, as well as investments related to the Neptun Deep project.

Downstream Oil investments (RON 42 mn) were significantly lower than in Q1/14 (RON 155 mn), the latter reflecting the modernization program of the Petrobrazi refinery which was finalized in Q2/14. The Q1/15 investments were mainly related to the fuel terminal network optimization program, as well as efficiency projects and legal and environmental compliance projects.

Compared to the year-end 2014, total assets decreased by 1%, to RON 42,738 mn. The change was mostly driven by lower cash and cash equivalents and the reduction in inventories following the seasonal gas sales from storage. Investments exceeded depreciation and impairments, leading to a net increase in property, plant and equipment and intangible assets.

Equity increased to RON 27,316 mn as of March 31, 2015 compared to the year-end 2014, as a result of the net profit generated in the current period. The Group's equity ratio[1] increased to 64% at the end of March 2015, slightly higher than the level of December 2014 (63%).

Total interest bearing debt (Q1/15: RON 1,893 mn) remained almost at the same level, as the increase due to RON/USD foreign exchange effect offset the repayments during the period.

The Group's liabilities other than interest bearing debt decreased by RON 727 mn, being influenced by payments in relation with fiscal review finalization in OMV Petrom and by the reduction in trade payables.

OMV Petrom Group's net debt[2] shows an increase from RON 890 mn as of December 2014 to RON 1,528 mn as of March 2015. Consequently, the gearing ratio[3] increased to 5.6%, from 3.3% in December 2014.

[1] *Equity ratio is calculated as Equity/(Total Assets) x 100*
[2] *Net debt is calculated as interest bearing debt including financial lease liability less cash and cash equivalents*
[3] *Gearing ratio is calculated as Net debt/(Equity) x 100*

Cash flows (condensed, unaudited)

Q4/14	Q1/15	Q1/14	Summarized statement of cash flows (in RON mn)	2014	2013
(277.48)	**472.27**	**1,339.60**	**Profit before taxation**	2,909.18	**5,698.60**
240.40	(252.30)	36.84	Net change in provisions	256.47	(60.31)
(3.83)	(1.55)	(3.49)	Losses/(gains) on the disposal of non-current assets	(20.15)	(1.50)
1,860.88	873.27	812.43	Depreciation, amortization including write-ups	4,806.30	3,354.72
(25.74)	(17.17)	(4.75)	Net interest paid	(60.97)	(64.18)
(274.00)	(273.52)	(229.09)	Tax on profit paid	(926.57)	(904.74)
78.71	(26.12)	78.57	Other adjustments	185.25	102.25
1,598.93	**774.88**	**2,030.12**	**Sources of funds**	**7,149.51**	**8,124.84**
5.68	164.93	(72.08)	(Increase)/decrease in inventories	(314.57)	145.53
259.57	(94.88)	(30.64)	(Increase)/decrease in receivables	(152.02)	339.72
(13.21)	(54.25)	144.48	(Decrease)/increase in liabilities	146.92	(562.10)
1,850.97	**790.68**	**2,071.88**	**Net cash from operating activities**	**6,829.84**	**8,047.99**
(1,670.13)	(1,394.91)	(1,408.77)	Intangible assets and property, plant and equipment	(5,909.53)	(4,995.37)
-	-	(0.28)	Investments, loans and other financial assets	(45.28)	(0.10)
19.64	13.17	7.48	Proceeds from sale of non-current assets	280.73	47.14
-	-	15.99	Proceeds from sale of subsidiaries, net of cash disposed	15.99	53.74
(1,650.49)	**(1,381.74)**	**(1,385.58)**	**Net cash from investing activities**	**(5,658.09)**	**(4,894.59)**
495.82	(29.15)	(32.99)	Increase / (decrease) in borrowings	397.49	(837.34)
(15.13)	(0.56)	(0.36)	Dividends paid	(1,731.04)	(1,574.31)
480.69	**(29.71)**	**(33.35)**	**Net cash from financing activities**	**(1,333.55)**	**(2,411.65)**
15.26	8.09	(3.15)	Effect of exchange rate changes on cash and cash equivalents	21.54	(0.16)
696.43	**(612.68)**	**649.80**	**Net (decrease)/increase in cash and cash equivalents**	**(140.26)**	**741.59**
571.55	1,267.98	1,408.24	Cash and cash equivalents at beginning of period	1,408.24	666.65
1,267.98	**655.30**	**2,058.04**	**Cash and cash equivalents at end of period**	**1,267.98**	**1,408.24**

Notes to the cash flows

In Q1/15, free cash flow (defined as net cash from operating activities less net cash from investing activities) showed an outflow of funds of RON 591 mn (Q1/14: inflow of RON 686 mn). Free cash flow less dividend payments resulted in a cash outflow of RON 592 mn (Q1/14: inflow of RON 686 mn).

The inflow of funds from profit before taxation, adjusted for non-cash items such as depreciation, net change of provisions and other non-cash adjustments, as well as net interest and income tax paid was RON 775 mn (Q1/14: RON 2,030 mn).

Net working capital generated a cash inflow of RON 16 mn (Q1/14: RON 42 mn), the decrease in inventories being partially offset by the movements in receivables and liabilities.

Net cash flow from investing activities (outflow of RON 1,382 mn; Q1/14: RON 1,386 mn) mainly includes payments for investments in intangible assets and property, plant and equipment.

Net cash flow from financing activities shows an outflow of funds amounting to RON 30 mn (Q1/14: RON 33 mn), mainly coming from the repayment of the tranche from the loan received from the European Investment Bank.

Condensed statement of changes in equity (unaudited)

in RON mn	Share capital	Revenue reserves	Other reserves[1]	Treasury shares	Stockholders' equity	Non-controlling interests	Total Equity
January 1, 2015	**5,664.41**	**21,341.07**	**36.11**	**(0.02)**	**27,041.57**	**(36.29)**	**27,005.28**
Net income for the period	-	348.82	-	-	348.82	(3.56)	345.26
Other comprehensive income for the period	-	-	(30.29)	-	(30.29)	(4.38)	(34.67)
Total comprehensive income for the period	**-**	**348.82**	**(30.29)**	**-**	**318.53**	**(7.94)**	**310.59**
Dividend distribution	-	-	-	-	-	-	-
March 31, 2015	**5,664.41**	**21,689.89**	**5.82**	**(0.02)**	**27,360.10**	**(44.23)**	**27,315.87**

in RON mn	Share capital	Revenue reserves	Other reserves[1]	Treasury shares	Stockholders' equity	Non-controlling interests	Total Equity
January 1, 2014	**5,664.41**	**21,000.68**	**5.44**	**(0.02)**	**26,670.51**	**(28.83)**	**26,641.68**
Net income for the period	-	1,075.44	-	-	1,075.44	(0.43)	1,075.01
Other comprehensive income for the period	-	-	(7.04)	-	(7.04)	0.12	(6.92)
Total comprehensive income for the period	**-**	**1,075.44**	**(7.04)**	**-**	**1,068.40**	**(0.31)**	**1,068.09**
Dividend distribution	-	-	-	-	-	-	-
March 31, 2014	**5,664.41**	**22,076.12**	**(1.60)**	**(0.02)**	**27,738.91**	**(29.14)**	**27,709.77**

[1] Other reserves contain mainly exchange rate differences from the translation of foreign operations and reserves from business combinations in stages.

Dividends

At the Annual General Meeting of Shareholders held on April 28, 2015, the shareholders of OMV Petrom S.A. approved the distribution of dividends for the financial year 2014 for the gross amount of RON 634 mn. Payment of the dividends will start on June 12, 2015.

Segment reporting

Intersegmental sales

Q4/14	Q1/15	Q1/14	Δ%	in RON mn	2014	2013	Δ%
2,627.89	2,053.07	3,045.41	(33)	Upstream	12,028.28	12,112.56	(1)
89.10	86.81	102.31	(15)	Downstream *	385.30	476.74	(19)
33.01	27.31	37.37	(27)	thereof Downstream Oil	152.54	180.65	(16)
88.42	95.52	106.77	(11)	thereof Downstream Gas	361.30	435.56	(17)
(32.33)	(36.02)	(41.83)	(14)	thereof intersegmental elimination Downstream Oil and Downstream Gas	(128.54)	(139.47)	(8)
61.01	47.41	139.70	(66)	Corporate and Other	393.07	553.25	(29)
2,778.00	**2,187.29**	**3,287.42**	**(33)**	**Total**	**12,806.65**	**13,142.55**	**(3)**

Sales to external customers

Q4/14	Q1/15	Q1/14	Δ%	in RON mn	2014	2013	Δ%
194.32	141.05	264.06	(47)	Upstream	860.77	1,107.85	(22)
5,146.48	4,124.31	5,006.62	(18)	Downstream	20,615.90	23,007.54	(10)
3,891.11	2,821.88	3,961.71	(29)	thereof Downstream Oil	16,601.99	19,127.63	(13)
1,255.37	1,302.43	1,044.91	25	thereof Downstream Gas	4,013.91	3,879.91	3
5.90	5.38	25.25	(79)	Corporate and Other	64.59	69.83	(8)
5,346.70	**4,270.74**	**5,295.93**	**(19)**	**Total**	**21,541.26**	**24,185.22**	**(11)**

Total sales (not consolidated)

Q4/14	Q1/15	Q1/14	Δ%	in RON mn	2014	2013	Δ%
2,822.21	2,194.12	3,309.47	(34)	Upstream	12,889.05	13,220.41	(3)
5,235.58	4,211.12	5,108.93	(18)	Downstream*	21,001.20	23,484.28	(11)
3,924.12	2,849.19	3,999.08	(29)	thereof Downstream Oil	16,754.53	19,308.28	(13)
1,343.79	1,397.95	1,151.68	21	thereof Downstream Gas	4,375.21	4,315.47	1
(32.33)	(36.02)	(41.83)	(14)	thereof intersegmental elimination Downstream Oil and Downstream Gas	(128.54)	(139.47)	(8)
66.91	52.79	164.95	(68)	Corporate and Other	457.66	623.08	(27)
8,124.70	**6,458.03**	**8,583.35**	**(25)**	**Total**	**34,347.91**	**37,327.77**	**(8)**

* Sales Downstream = Sales Downstream Oil + Sales Downstream Gas – intersegmental elimination Downstream Oil and Downstream Gas

Segment and Group profit

Q4/14	Q1/15	Q1/14	Δ%	in RON mn	2014	2013	Δ%
368.67	164.08	1,372.08	(88)	EBIT Upstream	3,932.33	5,528.61	(29)
(1,126.59)	344.73	108.10	219	EBIT Downstream	(897.44)	497.96	n.m.
(390.14)	341.58	71.47	378	thereof EBIT Downstream Oil	(79.37)	385.53	n.m.
(736.45)	3.15	36.63	(91)	thereof EBIT Downstream Gas	(818.07)	112.43	n.m.
(40.36)	(25.61)	(10.34)	148	EBIT Corporate and Other	(150.50)	(97.25)	55
(798.28)	**483.20**	**1,469.84**	**(67)**	**EBIT segment total**	**2,884.39**	**5,929.32**	**(51)**
687.46	10.95	1.81	n.m.	Consolidation: Elimination of intersegmental profits	453.91	28.54	n.m.
(110.82)	**494.15**	**1,471.65**	**(66)**	**OMV Petrom Group EBIT**	**3,338.30**	**5,957.86**	**(44)**
(166.66)	**(21.88)**	**(132.05)**	**(83)**	**Net financial result**	**(429.12)**	**(259.26)**	**66**
(277.48)	**472.27**	**1,339.60**	**(65)**	**OMV Petrom Group profit from ordinary activities**	**2,909.18**	**5,698.60**	**(49)**

Assets[1]

in RON mn	March 31, 2015	Dec 31, 2014
Upstream	25,976.54	25,703.71
Downstream	7,575.84	7,717.88
thereof Downstream Oil	5,515.42	5,629.47
thereof Downstream Gas	2,060.42	2,088.41
Corporate and Other	517.52	524.93
Total	**34,069.90**	**33,946.52**

[1] *Segment assets consist of intangible assets and property, plant and equipment*

Other notes

Significant transactions with related parties

Business transactions in the form of supplies of goods and services take place on a constant and regular basis with companies from OMV Group such as OMV Supply & Trading Limited and OMV Supply & Trading AG.

Financial Ratios (presented in accordance with National Securities Commission Instruction No. 1/2006 requirements)

Financial Ratio	Formula	Value
Current ratio	Current Assets / Current Liabilities	0.97
Gearing Ratio (%)	Net debt / Equity*100	5.59
Days in receivables	Receivables average balance / Turnover*90	30.48
Fixed assets turnover [1]	Turnover / Fixed assets	0.50

[1] *Fixed assets turnover is calculated based on turnover for Q1/15*(360/90) days.*

Subsequent events

On April 28, the Ordinary General Meeting of Shareholders (OGMS) approved OMV Petrom S.A.'s Revenues and Expenditures Budget for the financial year 2015, with investments estimated at RON 5.3 bn (which also include OMV Petrom SA contribution to share participation in OMV Petrom group's subsidiaries, which are eliminated at Group level). The OGMS also approved a gross dividend of RON 0.0112/share for the financial year 2014, for a total amount of RON 634 mn, corresponding to a 30% payout ratio. The OGMS reappointed Ernst & Young Assurance Service S.R.L. as the company's financial auditor for 2015 and appointed Christoph Trentini as the new member of the Supervisory Board for the remaining term of Hans-Peter Floren's mandate, respectively until 28 April 2017 and Bogdan-Nicolae Badea for the remaining term of Lucian-Dan Vladescu's mandate, respectively until 28 April 2017.

Declaration of the management

We confirm to the best of our knowledge that the interim condensed consolidated financial statements for the period ended March 31, 2015, prepared in accordance with the International Financial Reporting Standards, offer a true and fair view of OMV Petrom Group's assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the statements of operations and the information presented in this report give a true and fair view of important events that have occurred during the first three months of the financial year 2015 and their impact on the interim condensed consolidated financial statements.

Bucharest, May 18, 2015

The Executive Board

Mariana Gheorghe
Chief Executive Officer
President of the Executive Board

Andreas Matje
Chief Financial Officer
Member of the Executive Board

Gabriel Selischi
Member of the Executive Board
Upstream

Lacramioara Diaconu-Pintea
Member of the Executive Board
Downstream Gas

Neil Anthony Morgan
Member of the Executive Board
Downstream Oil

Abbreviations and definitions

ANRE	Romanian Energy Regulatory Authority
bbl	barrel(s), i.e. 159 liters
bcf	billion cubic feet; 1 bcm = 35.3147 bcf for Romania or 34.7793 bcf for Kazakhstan
bean-up	increase choke size
boe; kboe; kboe/d	barrels of oil equivalent; thousand barrels of oil equivalent; kboe per day
bn	billion
bcm	billion cubic meters
capital employed	equity including minorities plus net debt
cbm	cubic meters
CEO	Chief Executive Officer
Co&O	Corporate and Other
CAPEX	Capital expenditure
CCS	Current cost of supply
CFPS	Cash Flow Per Share
EBIT	Earnings before interest and tax
EBITD	Earnings Before Interest, Taxes, Depreciation and amortization, impairments and write-ups of fixed assets
EPS	Earnings per share
EUR	euro
ExxonMobil	ExxonMobil Exploration and Production Romania Limited
FX	Foreign Exchange
HSSE	Health, Safety, Security and Environment
IFRSs; IASs	International Financial Reporting Standards; International Accounting Standards
mn	million
MWh	megawatt hour
NBR	National Bank of Romania
NGL	Natural Gas Liquids
n.a.	not applicable/not available (after case)
n.m.	not meaningful i.e. deviation exceeds (+/-)500% or comparison is made between positive and negative values
NOPAT	Net Operating Profit After Tax. Profit on ordinary activities after taxes plus net interest on net borrowings, +/– result from discontinued operations, +/– tax effect of adjustments
OPCOM	The administrator of the Romanian electricity market
OPEX	Operating Expenditures
Q	quarter
ROACE	Return On Average Capital Employed = NOPAT/Average Capital Employed (%)
ROE	Return On Equity = Net Profit/Average Equity (%)
ROFA	Return On Fixed Assets = EBIT/Average Fixed Assets (%)
RON	Romanian leu
S.A.; S.R.L.	Societate pe Actiuni (Joint-stock company); Societate cu Raspundere Limitata (Limited liability company)
TOC	Tasbulat Oil Corporation
t	metric tonne(s)
TWh	terawatt hour
USD	United States dollar
yoy	year-on-year

Appendix 1

Consolidated companies in OMV Petrom Group at March 31, 2015

Parent company
OMV Petrom S.A.

Subsidiaries

Upstream		**Downstream Oil**	
Tasbulat Oil Corporation LLP (Kazakhstan)[1]	100.00%	OMV Petrom Marketing S.R.L.	100.00%
OMV Petrom Ukraine E&P GmbH	100.00%	OMV Petrom Aviation S.A.	99.99%
OMV Petrom Ukraine Finance Services GmbH	100.00%	ICS Petrom Moldova S.A. (Republic of Moldova)	100.00%
Kom Munai LLP (Kazakhstan)	95.00%	OMV Bulgaria OOD (Bulgaria)	99.90%
Petrom Exploration & Production Ltd.	50.00%	OMV Srbija DOO (Serbia)	99.96%

Downstream Gas		**CORPORATE & OTHER**	
OMV Petrom Gas S.R.L.	99.99%	Petromed Solutions S.R.L.	99.99%
OMV Petrom Wind Power S.R.L.	99.99%		

[1] *Owned through Tasbulat Oil Corporation BVI as holding company*

Associated company, accounted for at equity	
OMV Petrom Global Solutions S.R.L.	25.00%

Contact

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Next release:

The next results announcement for January – June and Q2 2015 will be released on August 12, 2015, presenting OMV Petrom consolidated results prepared according to IFRS.