

Petrom Group 2013 Overview and 2014 Outlook

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General Meeting of Shareholders



PETROM

Member of OMV Group

Romania's economy continued to recover in 2013

Global macro economy and Oil market

- ▶ Global **economic growth** decreased to **2.8%** from 3.2% in 2012
- ▶ Global **oil demand** increased by **1.4%** to 91.3 mn bbl/d
- ▶ Global **oil supply** rose by **0.7%** to 91.6 mn bbl/d
- ▶ Average **Urals price** decreased by **2%** to USD 108.3/bbl

Romanian macro indicators

- ▶ **GDP growth** estimated at **3.5%** (INS)
- ▶ **Industrial production** grew by **8.1%**
- ▶ **CPI annual inflation average** stood at **4%; 1.3% at year- end** (historic low)
- ▶ **Decreased energy market demand**

FX development

- ▶ **RON** appreciated against **USD** by **4%**, on average
- ▶ **RON** appreciated against **EUR** by **1%**, on average

2021 strategy: on track with delivery

2013: invest, optimize, explore new frontiers

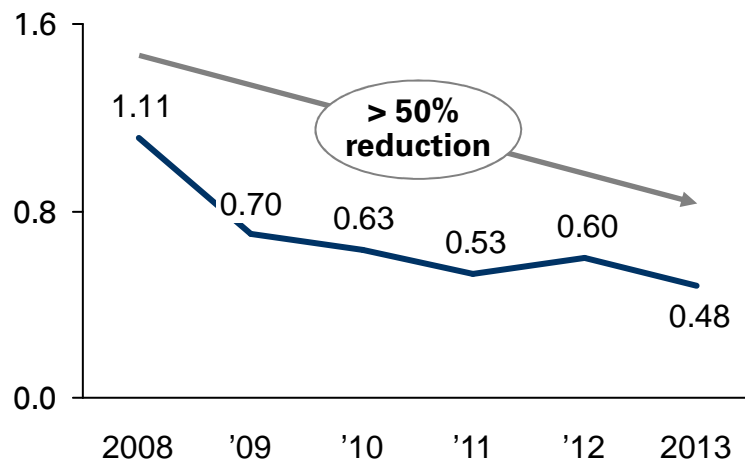


Health Safety Security and Environment (HSSE)

- Safer operations

E&P LTIR¹ Romania

Significantly improved in 2013



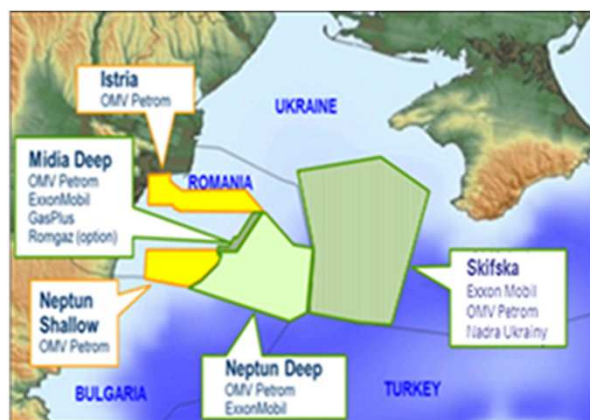
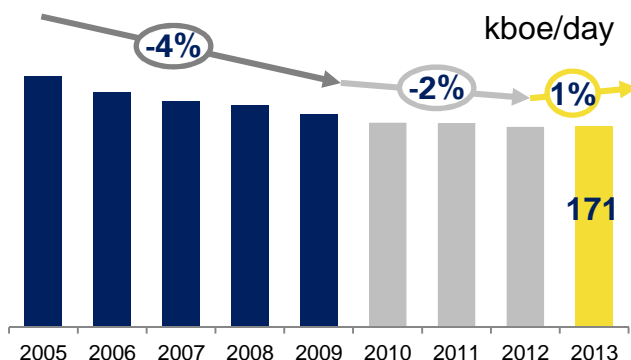
- ▶ Fatality rate in Romania **reduced by 80%** since 2008
- ▶ **Petrom LTIR substantially improved²** (0.33 in 2013 better than international benchmark)
- ▶ People more intensively **trained in HSSE**, which has become part of our corporate DNA (mindset and lean processes)

¹ Lost time injury rate (employees and contractors)

² LTIR for Petrom Group, excluding Kazakhstan

E&P - First yearly increase of production in Romania since privatization

Daily production in Romania



Shallow Water Blocks OMV Petrom (Romania)
 Deep Water Blocks OMV Petrom (Romania, Ukraine)

Group production stable at 183 kboe

- ▶ Romania: 4 yrs stability despite ~10% average natural decline
- ▶ Kazakhstan: daily production decreased by 9%
- ▶ RRR of 32% in Romania in 2013:
 - oil: production 28.6 mn bbl; revisions of reserves estimates: 15.4 mn bbl; extensions and discoveries: 0.3 mn bbl
 - gas: production 5.19 bcm; revisions of reserves estimates: 0.35 bcm; extensions and discoveries: 0.31 bcm

Operational excellence

- ▶ 10 times less well interventions since privatization
- ▶ Increase of operating wells first time since privatization
- ▶ Significant reduction of GHG emissions: -4.8% 2013 vs.2012

More than 20 FRDs projects to unlock additional reserves

- ▶ Maximize ultimate recovery
- ▶ 7 projects passed final investment decision: in execution
- ▶ Totea Deep development (avg production in 2013 ~5 kboe/d)

Exploration

- ▶ 3D Seismic coverage of exploration acreage in 2013: 73%

Onshore

- ▶ 5 onshore wells; 2 were successful (4340 Mamu, 21 Preajba Sud)

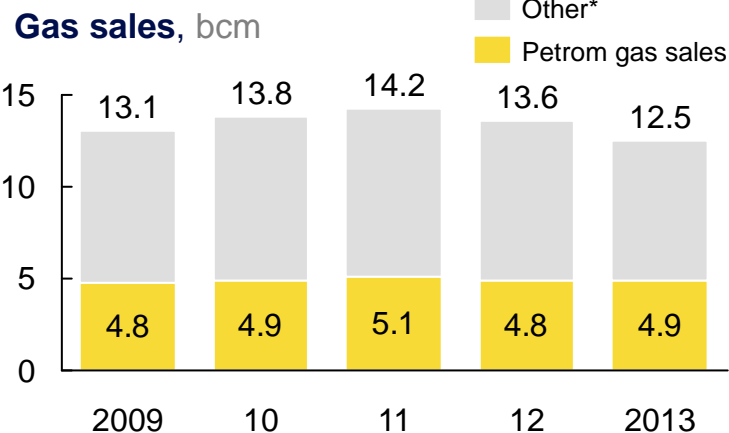
Offshore

- ▶ Neptun Deep and shallow: 3D seismic done; processing seismic
- ▶ Midia Block: closed transfer agreement with Sterling Resources and PetroVentures

G&P - Challenging gas and power markets



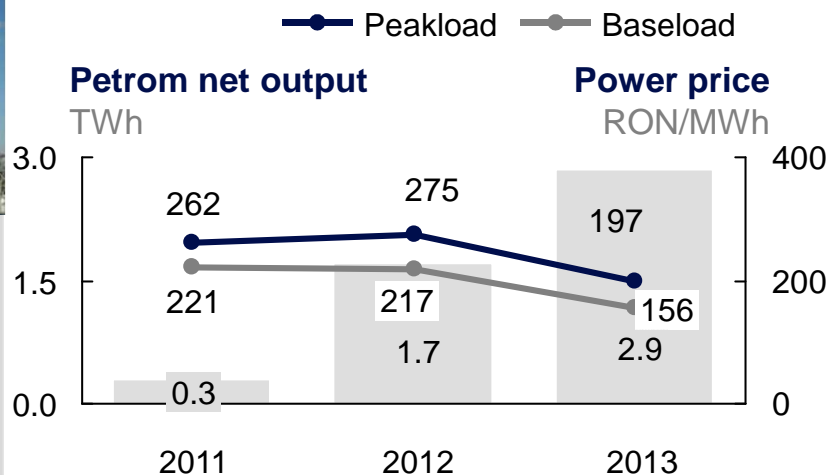
Gas



- ▶ Total gas consumption in Romania down by 8% in 2013
- ▶ Petrom gas sales slightly higher than in 2012
- ▶ Gas price liberalization positive effects reflected in E&P



Power

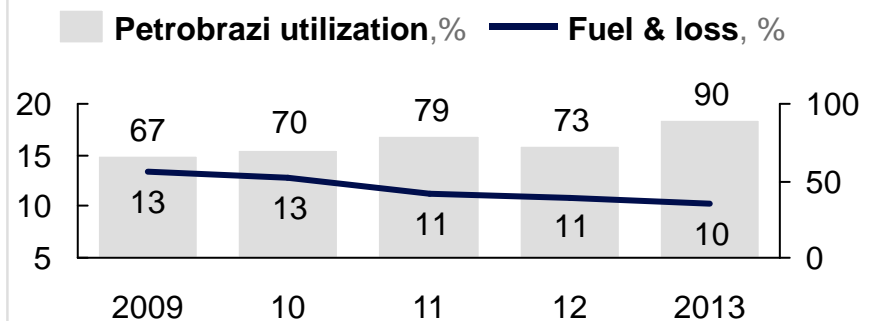


- ▶ Domestic electricity consumption decreased by 5% (production down 2%)
- ▶ Power prices down by 28%
- ▶ Brazi covered 5% of domestic power production in 2013

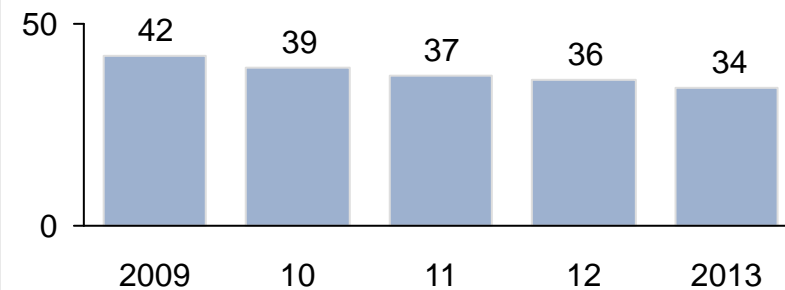
R&M - Good operational performance with high refinery utilization rate

- ▶ Strong operating profit despite margin pressure
- ▶ Highest Petrobrazî refinery utilization rate since privatisation
- ▶ Incremental improvements in product yield structure
- ▶ Increased energy efficiency
- ▶ Retail volumes constant in Romania, despite competitive market
- ▶ Focused cost management

Petrobrazî refinery utilization increased; fuel & loss on a downward trend



Romanian fuel market share *(%)



*Retail and commercial segments (excluding sales to oilcos)

Outlook 2014

Market environment

- ▶ Average 2014 Brent oil price expected above USD 100/bbl
- ▶ Gas & power demand and electricity prices anticipated to remain under pressure
- ▶ Fuels volumes expected to be challenged by high price levels for international crude & oil products and fiscal measures in Romania

Corporate highlights

- ▶ Investment budget for OMV Petrom SA: RON 6.6 bn; ~ 85% for E&P
- ▶ Dividends for 2013 in total amount of RON 1,745 mn
- ▶ Dialogue with Romanian authorities: long term, stable and investment-friendly taxation and regulatory regimes

Operational priorities

- E&P**
 - ▶ Production stable in Romania
 - ▶ Bring additional 4 FRD projects in execution phase by year-end
 - ▶ Joint-venture with ExxonMobil: Neptun Deep – resume drilling campaign mid-2014; Midia – seismic data interpretation
- G&P**
 - ▶ Optimize gas value chain to address challenges in the market and maximize value creation
 - ▶ Consolidate Brazi power plant position in the balancing and ancillary services markets by capitalizing on the plant flexibility
- R&M**
 - ▶ Complete Petrobrazi modernization (30-day shutdown and turnaround starting end of May)
 - ▶ Continue energy efficiency improvements and reduce CO2 emissions
 - ▶ Start operations at revamped Bacau terminal and commence reconstruction of Cluj terminal
 - ▶ Further pursue stringent cost discipline and optimization of the downstream business