

# General Meeting of Shareholders OMV Petrom S.A.

## Budget 2016

Bucharest, April 26<sup>th</sup>, 2016



OMV Petrom

# OMV Petrom S.A. - Outlook 2016

---

## Economic environment

- ▶ **Brent oil price** expected to average USD 40/bbl; CAPEX cuts and cost optimization program initiated to mitigate revenue decrease
- ▶ **Refining** margins expected to decline from 2015 levels due to persisting overcapacity

## Upstream

- ▶ Production is expected to drop mostly driven by lower investments as well as the planned surface facilities upgrade at Totea Deep
- ▶ Continuation of our operational excellence initiatives focusing on efficiency
- ▶ The results of the drilling campaign in Neptun Deep block are sufficiently encouraging to progress more detailed work to determine if commercial development is viable, though in the current environment a phased development approach might be considered
- ▶ Further progress on the exploration joint ventures with Hunt Oil

## Downstream

- ▶ In the Petrobrazi refinery, one month planned shutdown and turnaround is scheduled in Q2/2016 for maintenance works and reauthorizations
- ▶ Focus on improving operational performance and delivering on economic energy efficiency upgrades will continue
- ▶ **Gas** demand in Romania is expected to remain broadly flat, leading to increased competition and margin pressure
- ▶ Continued pressure on spark spreads anticipated and relatively stable power market; focus will be on capitalizing on the Brazi power plant operational flexibility
- ▶ Dorobantu wind park: envisaged divestment, in line with company strategy to focus on core business



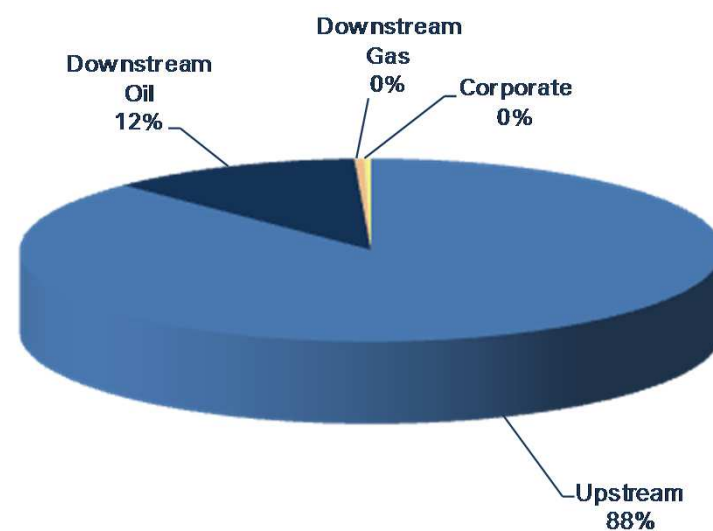
## Key Performance Indicators – OMV Petrom S.A. Budget 2016

Key Performance Indicators		Measure unit	Budget 2016
Upstream	Hydrocarbon production	mn boe	59.3
	Hydrocarbon production	kboe/day	162.0
	Crude oil and NGL production	mn bbl	25.9
	Natural gas production	bcm	5.1
Downstream Gas	Gas Sales Quantities	TWh	47.9
	Net electrical output	TWh	1.3
Downstream Oil	Refined product sales	mn tons	4.2



## Investments – OMV Petrom S.A. Budget 2016 – IFRS (RON mn)

Business Division	Budget 2016	%
Upstream	3,483	88%
Downstream Oil	465	12%
Downstream Gas	17	0%
Corporate	13	0%
<b>TOTAL OMV PETROM S.A.</b>	<b>3,979</b>	<b>100%</b>



- Above presented investments include amounts for fixed assets acquisitions, financial investments, financial leasing and exclude increases from reassessment of provisions

Standalone financials prepared in accordance with International Financial Reporting Standards (IFRS), as stipulated into Ministry of Finance Order no.1286/2012



## Key Financial Indicators – OMV Petrom S.A. Budget 2016 - IFRS (RON mn)

Financial Indicators	Budget 2016
Sales revenues (excluding excise tax)	10,764
Production costs of sales	-10,010
Selling expenses	-288
Administrative and Other expenses	-404
<b>Earnings before interest and taxes (EBIT)</b>	<b>62</b>
<b>Net income (NI)</b>	<b>199</b>

*The financial indicators are rounded to closest integer value, so minor differences may result upon reconciliation*

Balance Sheet Indicators	Budget 2016
Fixed Assets <sup>*)</sup>	29,407
Equity	25,290
Capital employed	26,798

<sup>\*)</sup> Fixed assets = tangible and intangible assets

Standalone financials prepared in accordance with International Financial Reporting Standards (IFRS), as stipulated into Ministry of Finance Order no.1286/2012

