

OMV Petrom 2018 Full Year Results General Meeting of Shareholders

April 19th, 2019

Alina Popa
Chief Financial Officer

OMV Petrom S.A.

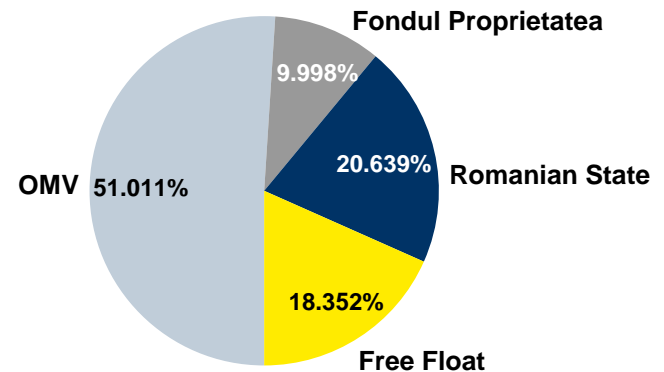


OMV Petrom
The energy for a better life.

Market Capitalization

- ▶ **Largest Romanian company listed on the Bucharest Stock Exchange by market capitalization**
- ▶ **Market capitalization** end of 2018: RON 16.9 bn, accounting for around 12% of the total market capitalization of the companies listed on the BSE

Shareholder structure



YEAR 2018

**Separate financial statements of
OMV Petrom S.A.
(IFRS)**

OMV Petrom S.A. – Key Indicators

Key indicators (RON mn)	2018	2017	%
Sales revenues	17,782	14,783	20
Operating result	4,883	2,990	63
Net financial result	(279)	(267)	(4)
Net income for the year	3,880	2,400	62

- **Sales revenues** increased by 20% to RON 17,782 mn compared to 2017, driven by higher commodity prices and electricity sales volumes, partially offset by lower sales volumes of gas and petroleum products.
- **Operating result** for the year 2018 amounted to RON 4,883 mn, 63% higher than RON 2,990 mn in 2017, driven mainly by higher commodity prices and ongoing cost optimization.
- **Net financial result** slightly decreased to a loss of RON (279) mn in 2018 from RON (267) mn in 2017.
- **Net income** significantly increased to RON 3,880 mn in 2018 compared to RON 2,400 mn in 2017, due to the positive evolution of the Operating Result.

OMV Petrom S.A. – Financial Position

Key indicators (RON mn)	Dec 31, 2018	Dec 31, 2017	%
Non-current assets	33,543	33,346	1
Current assets (including assets held for sale)	9,471	7,679	23
Total equity	30,314	27,560	10
Liabilities (including liabilities held for sale)	12,700	13,465	(6)

- ▶ **Non-current assets** slightly increased by 1% to RON 33,543 mn, compared to the end of 2017 (RON 33,346 mn).
- ▶ **Total current assets**, including assets held for sale, increased by 23% to RON 9,471 mn compared to RON 7,679 mn at the end of 2017, mostly driven by the increase in cash and cash equivalents.
- ▶ **Total equity** increased to RON 30,314 mn as of December 31, 2018 compared to RON 27,560 mn as of December 31, 2017, as a result of the net profit generated in the current period, partially compensated by the distribution of dividends for the financial year 2017 for the gross amount of RON 1,133 mn (gross dividend per share of RON 0.020). The equity ratio^{*)} of 70% as of December 31, 2018 was slightly higher than the level as of December 31, 2017 (67%).
- ▶ **Total liabilities** decreased by 6% to RON 12,700 mn as of December 31, 2018, mainly due to lower provisions for decommissioning and restoration obligations following reassessment partially compensated by net increase in interest bearing debts.

^{*)} Equity ratio is computed as Total equity / Total assets in %

OMV Petrom S.A. – IFRS Actual figures vs. 2018 Budget

Key indicators (RON mn)	2018 Actual	2018 Budget	%
Sales revenues	17,782	13,680	30%
Operating result	4,883	2,936	66%
Net income for the period	3,880	2,582	50%
Total investment*	5,495	5,549	-1%

** include amounts for fixed assets acquisitions, financial investments, advance payments on fixed assets, land deeds, financial leasing and exclude increases from reassessment of provisions.*

Key drivers Actual vs. Budget 2018

- ▶ **Sales revenues** exceeded budgeted level by 30% driven by higher commodity prices, higher petroleum products sales triggered by increased demand, higher gas and power sales volumes
- ▶ **Operating result** above budgeted level driven by higher commodity prices, strong performance and strict cost discipline across all business segments
- ▶ **Investments** were almost at budget level, delays in Neptun Development and field redevelopment projects are balanced by increased drilling, increased activities in workover/ subsurface operations and accelerated works in key projects from Refining

YEAR 2018

**Consolidated financial
statements of
OMV Petrom Group
(IFRS)**

OMV Petrom Group – Key Indicators

Key indicators (RON mn)	2018	2017	%
Sales revenues	22,523	19,435	16
Operating result	5,213	3,270	59
Net financial result	(299)	(366)	18
Net income for the year	4,078	2,489	64

- ▶ **Sales revenues** increased by 16% to RON 22,523 mn, driven by higher commodity prices and electricity sales volumes, partially offset by lower sales volumes of gas and petroleum products.
- ▶ The Group's **Operating Result** for the year 2018 increased by 59% to RON 5,213 mn (2017: RON 3,270 mn), supported mainly by higher commodity prices and ongoing cost optimization.
- ▶ The **net financial** result improved to RON (299) mn in 2018 from RON (366) mn in 2017.
- ▶ **Net income** was of RON 4,078 mn in 2018 compared to RON 2,489 mn in 2017, due to the positive evolution of the Operating Result.

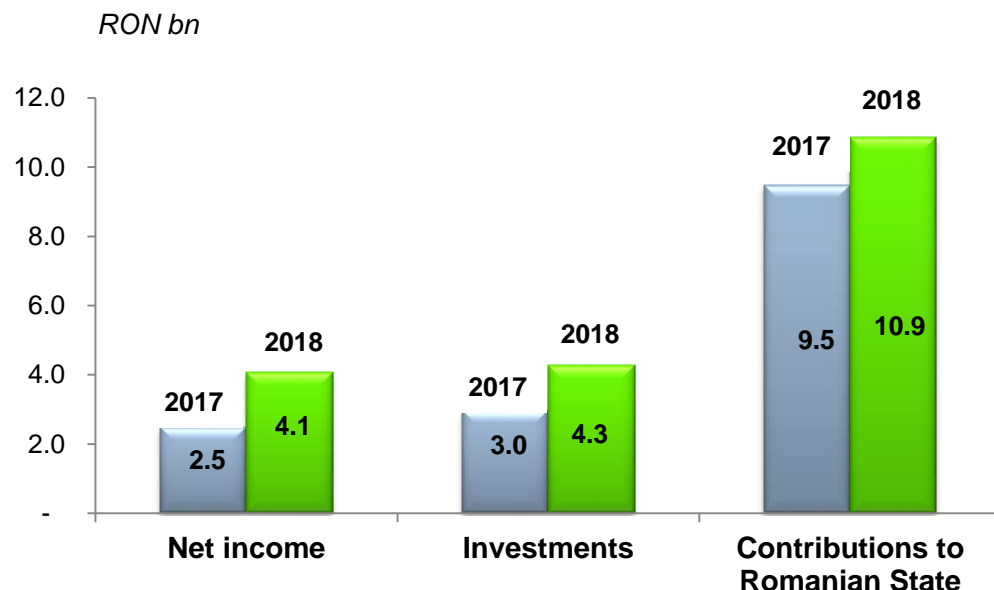
OMV Petrom Group – Consolidated Financial Position

Key indicators (RON mn)	Dec 31, 2018	Dec 31, 2017	%
Non-current assets	33,549	33,727	(1)
Current assets (including assets held for sale)	10,235	8,332	23
Total equity	31,368	28,421	10
Liabilities (including liabilities held for sale)	12,416	13,638	(9)

- ▶ **Non-current assets** slightly decreased by 1% to RON 33,549 mn, compared to the end of 2017 (RON 33,727 mn).
- ▶ The increase in **total current assets**, including assets held for sale, of 23% was mainly driven by a higher cash and cash equivalents position.
- ▶ The increase in **total equity** by RON 2,947 mn was the result of the net profit generated in the current year, partially offset by the dividends distributed by OMV Petrom SA for the 2017 financial year in a gross amount of RON 1,133 mn. The equity ratio ^{*)} slightly increased to 72% (2017: 68%).
- ▶ **Total liabilities** decreased with 9% mainly due to reassessment of provisions and net decrease of interest bearing debts.

^{*)} Equity ratio is computed as Total equity / Total assets in %

OMV Petrom Group – Contribution to the state budget in Romania



- ▶ Increased **profit tax** due to higher operating result.
- ▶ Increase in **crude oil royalty** due to increase in oil price and increase in **gas royalty** mainly due to increase in price used in the calculation of royalty, following setting the gas reference price at CEGH.
- ▶ Increase in **excise** mainly due to increase in excise duty rate in 2017*)

*) Excise duties for gasoline and diesel increased in 2017 in two steps: 0.16 RON/liter from 15 September 2017 and 0.16 RON/liter from 1 October 2017 (VAT not included).

Abbreviations

BSE	Bucharest Stock Exchange
bn	billion
CEGH	Central European Gas Hub in Vienna
IFRS	International Financial Reporting Standards
mn	million
OMV	OMV Aktiengesellschaft
RON	Romanian leu
S.A.; S.R.L.	Joint-stock company; Limited liability company
VAT	Value added tax



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