

# General Meeting of Shareholders OMV Petrom

## 2019 Full Year Results

Alina Popa, Chief Financial Officer

April 27, 2020



# Today's Agenda

## Market Capitalization

### OMV Petrom SA

Separate Financial Statements (IFRS)

### OMV Petrom Group

Consolidated Financial Statements (IFRS)

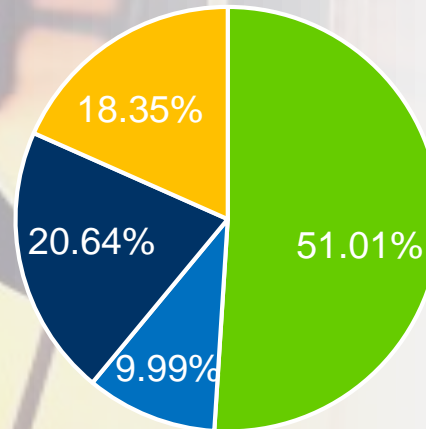
# OMV Petrom - largest Romanian company listed on BSE by market capitalization

25.3 bn lei

Market capitalization end of 2019

(≈14% of the total market cap of companies listed on BSE)

## Shareholder structure



■ OMV AG

■ Fondul Proprietatea

■ Romanian State

■ Free Float





# Today's Agenda

## Market Capitalization

### **OMV Petrom SA**

Separate Financial Statements (IFRS)

### **OMV Petrom Group**

Consolidated Financial Statements (IFRS)




# Income Statement - Key Indicators

## OMV Petrom S.A.

2018 (bn lei)	2019 (bn lei)
17.8	19.9
4.9	4.0
(0.28)	0.07
3.9	3.6

Sales revenues (+12%) 

Higher sales volumes of natural gas and petroleum products, higher selling price for electricity and natural gas, partially compensated by lower selling prices for petroleum products

Operating result (-18%) 

Due to unfavorable market environment, despite increased operational performance, due to a provision in relation to Arpechim refinery and an impairment of assets held for sale in Upstream.

Small net financial gain (n.m.) 

Net income for the year (-8%) 

Due to the negative evolution of the Operating Result

# Financial Position - Key Indicators

## OMV Petrom S.A.

December 31, 2018  
(bn lei)

December 31, 2019  
(bn lei)


33.5

34.7

Non-current assets (+4%) 

9.5

11.7

Current assets (+23%)   
Including assets held for sale  
Increase in cash and cash equivalents.

30.3

32.4

Total Equity (+7%) 

Net profit generated in the current period, partially compensated by dividends distribution (1.5 bn lei, dividend per share of 0.027 lei).

12.7

14.0

Liabilities (+11%) 

Incl. liabilities associated with assets held for sale  
Higher provisions for decommissioning and restoration following reassessment, higher lease liability following IFRS 16 implementation



# Actual figures vs. 2019 Budget

## OMV Petrom S.A.



### Sales revenues (19%) ↗

Higher sales volumes and prices for natural gas, higher sales volumes for petroleum products and for electricity, partially compensated by lower selling prices for electricity and petroleum products

### Operating result (+1%) ↗

Strong performance and strict cost discipline across all business segments, despite the unfavorable oil price environment and the decrease in refining margin

### Net income for the period (+11%) ↗

Better financial result as a consequence of higher interest income on bank deposits and positive impact of discounting of receivables

### Total investment<sup>1</sup> (-2%) ↘

Advance payments at lower level and delays for Neptun are balanced by recognition of assets under IFRS 16 Leases for a long term contract and increased drilling and workover activities

<sup>1)</sup> Include amounts for fixed assets acquisitions, financial investments, advance payments on fixed assets, land deeds, leases and excludes increases from reassessment of provisions. The 2019 figure also includes the right of use of assets derived from the adoption of IFRS 16 Leases, including the first-time application impact.



# Today's Agenda

## Market Capitalization

### OMV Petrom SA

Separate Financial Statements (IFRS)

### OMV Petrom Group

Consolidated Financial Statements (IFRS)



# Consolidated Income Statement - Key Indicators

## OMV Petrom Group

2018  
(bn lei)

22.5

2019  
(bn lei)

25.5

Sales revenues (+13%) 

Higher sales volumes and prices for natural gas, higher sales volumes for petroleum products and higher prices for electricity, partially compensated by lower selling prices for petroleum products.

5.2

4.2

Operating result (-19%) 

Unfavorable market environment, provision for future estimated soil remediation costs in relation to Arpechim refinery and an impairment of assets held for sale in Upstream.

(0.30)

0.03

Net financial result (n.m.) 

4.1

3.6

Net income for the year (-11%) 

Negative evolution of the Operating Result.

# Consolidated Financial Position

## OMV Petrom Group

December 31, 2018  
(bn lei)

December 31, 2019  
(bn lei)

33.5

34.9

Non-current assets (+4%) ↗

10.2

12.6

Current assets (+23%) ↗

Including assets held for sale

Higher cash and cash equivalents position

31.4

33.5

Total equity (+7%) ↗

Net profit generated in the current year, partially offset by the dividends distributed by OMV Petrom SA in amount of 1.5 bn lei.

12.4

14.0

Liabilities (+13%) ↗

Including liabilities associated with assets held for sale

Reassessment of provisions for decommissioning and restoration and higher lease liabilities following IFRS 16 implementation



# Contribution to the state budget in Romania

## OMV Petrom Group

2018  
(bn lei)

4.1

2019  
(bn lei)

3.6

Net Income ↻

4.3

4.2

Investments ↻

10.9

11.9

Contribution to  
Romanian State ↻

- ▶ New tax on additional revenues offshore (starting November 2018).
- ▶ Higher contribution for **ANRE licenses** (2% from relevant turnover starting 2019).
- ▶ Increase in **excise** mainly due to increase in excise duty\*) rate, higher diesel deliveries, partially offset by slightly lower gasoline deliveries.
- ▶ Increase in **VAT** mainly due to higher sales revenues
- ▶ Decrease in **profit tax** due to lower operational result.
- ▶ Decrease in **gas royalty** due to lower reference prices and lower production.

\*) Excise duties for gasoline and diesel increased starting 01.01.2019 following the update of duty rates with inflation, as per current legislation.



# Abbreviations

<b>BSE</b>	<b>Bucharest Stock Exchange</b>
<b>bn</b>	<b>Billion</b>
<b>CEGH</b>	<b>Central European Gas Hub in Vienna</b>
<b>IFRS</b>	<b>International Financial Reporting Standards</b>
<b>mn</b>	<b>Million</b>
<b>OMV</b>	<b>OMV Aktiengesellschaft</b>
<b>RON</b>	<b>Romanian leu</b>
<b>SA, SRL</b>	<b>Joint-stock company; Limited liability company</b>
<b>VAT</b>	<b>Value Added Tax</b>





**OMV Petrom**  
The energy for a better life.