OMV Petrom
The energy for a better life.

Christina Verchere

Chief Executive Officer and President of the Executive Board

Alina Popa

Chief Financial Officer

The spoken word applies. Check against delivery.

Christina Verchere – OMV Petrom – CEO

Slide 1 – Intro

Good afternoon, ladies and gentlemen, and a warm welcome from my side. Thank you for joining our call and I hope you and your families are all safe and healthy.

We are in exceptional circumstances that is testing all of us, completely changing our lives on very short notice. The oil & gas industry is one of the most impacted sectors and this became more visible in the recent weeks, with the US benchmark for crude price entering negative territory for the first time in history. It's an unprecedented crisis that unfolds on three layers: dealing with the pandemic and the isolation measures while continuing to ensure energy, rapid oil price decline and drastic drop in petroleum products demand.

It is a real pleasure to present to you today how the market performed in the first three months of the year, OMV Petrom's performance, and the measures taken to address this crisis, how we believe the market situation will develop in the months ahead and how we are responding.

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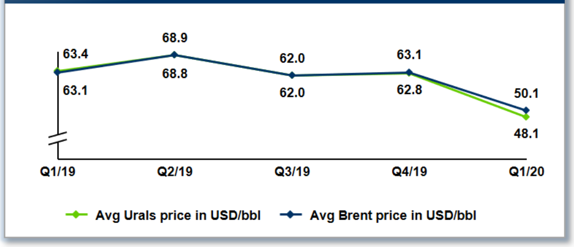
Slide 2 – Legal Disclaimer

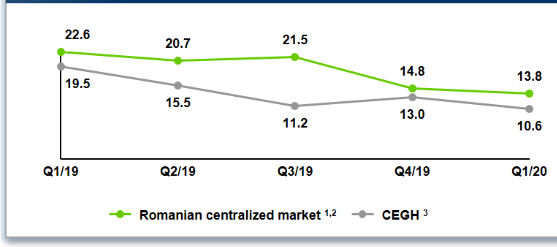
Firstly, please let me draw your attention to our Legal Disclaimer, which you can read in detail on slide 2.

Economic environment

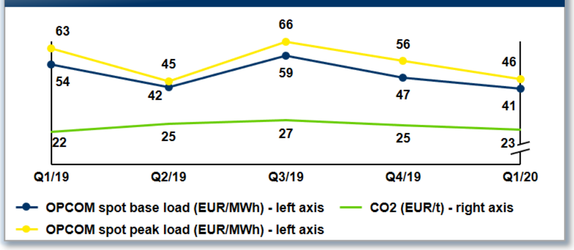
Oil price (USD/bbl)



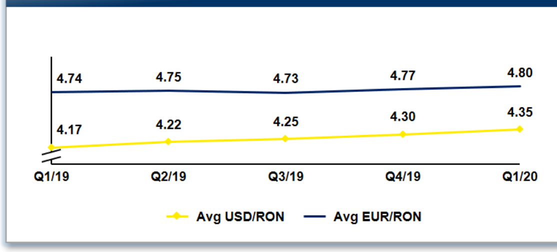
Gas prices (EUR/MWh)[1]



Power prices in Romania[1] and CO_2 prices



FX (RON/USD and RON/EUR)



[1] Prices translated at NBR average RON/EUR rate; [2] Day-ahead price, average computed based on daily trades published on BRM platform; [3] Day-ahead market Central European Gas Hub

Slide 3 – Economic environment

Let me start with an overview of the commodities and exchange rates environment, as well as some macroeconomic, energy, and regulatory environment highlights for Romania in the first quarter of 2020.

The Brent oil price averaged 50 USD per barrel, 21 percent down year-on-year and quarter-on-quarter. At the end of March, the oil price was around 75% lower year-to-date, back to the levels recorded in 2002; moreover, we are witnessing unprecedented volatility, with oil price dropping by more than 20% in one day on March 9.

Despite the production cuts announced by OPEC+, oil prices continued to fall in the weeks that followed, reasoning that a "historic yet insufficient" deal by major oil producers to cut output was unlikely to offset a coronavirus-led demand rut. Brent-Urals differential saw a sharp decline after mid-February and fell by over USD 5/bbl in just one month, due to a series of supply and demand factors. On the supply side, Russia's seaborne crude exports have been facing severe competition in Europe from other producers, who were offering their crudes at huge discounts. On the demand side, as most European countries are now in lockdown in reaction to the coronavirus, this has forced refiners to cut runs massively.

European gas prices saw a decrease of approx. 45 percent on CEGH compared to the first quarter of 2019. The low European spot prices in the first quarter of this year resulting from a combination of low demand mainly due to warm weather and COVID-19 effects in the second half of March, as well as over-supply, particularly due to record LNG imported volumes, but also due to large volumes available in storage.

On the Romanian centralized markets, the day-ahead price of natural gas averaged 13.8 EUR per megawatt-hour, approximately 39 percent lower year-on-year. Gas prices on the Romanian market declined at a slower pace compared to European hubs prices due to Romania's limited interconnection capacity, reflecting the supply-demand dynamics on the local market.

Base load electricity prices in Romania were down around 24 percent year-on-year in EUR terms. Despite this price development, the spark spreads were positive this quarter, in the context of lower gas and CO_2 prices.

Regarding the exchange rates, in the first quarter of 2020, the USD was 4 percent stronger versus the RON on average year-on-year, while the EUR appreciated by 1 percent versus the RON.

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Romanian environment

Fiscal and regulatory framework

Authorities' reaction to COVID:

- Emergency state since mid-March
- Health and social, fiscal and monetary measures
- Price cap for fuels, gas and power during emergency state

Recent regulatory changes

Government Emergency Ordinance no. 1/2020:

- 2% fee on gas and power turnover eliminated starting Jan 2020
- Faster return to a liberalized market for gas (July 2020) and power (Jan 2021)

Draft ANRE order on gas release program

Macroeconomic environment

GDP growth:

- Q4/19[1]: + 4.2% yoy
- 2020e[2]: - 5% yoy

CPI annual inflation:

- Mar 20/Mar 19[1]: 3.1%;
- 2020e[2]: 1.4%

Demand Q1/20 yoy:

Fuels[3]	**+4.6%**
Gas[4]	-2%
Power[5]	-3%

[1] Romanian National Institute of Statistics; [2] IMF, April 2020: -5%; [3] Fuels refer only to retail diesel and gasoline; OMV Petrom estimates based on Romanian Petroleum Association data; [4] According to company estimates; [5] According to preliminary data available from the grid operator

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Slide 4 – Romanian environment

As a response to COVID-19, a nation-wide state of emergency was declared in Romania on the 16th of March. This is currently expected to last until mid-May.

The authorities imposed health and social measures, such as increased testing, social distancing, closure of schools, limited entertainment and travel. In addition, a fiscal package was put in place to support the business environment, through payment of technical unemployment, credit line guarantees and subsidized interest for working capital for companies.

Given the sizable drop in GDP expected this year, the huge fiscal deficit and the steep drop in consumption, we believe that additional measures are needed to address the impact of this crisis on the business environment.

On the regulatory and fiscal environment, several amendments providing for a faster return to a liberalized market, have already been implemented via GEO 1/2020. The changes refer to the timing of the price liberalization as of July 1, 2020 for gas and January 1, 2021 for electricity. The 2 percent financial contribution to ANRE was also repealed starting January 1, 2020. The ANRE license fee in place now reflects the principles applied before Ordinance 114/2018: for power activities, a 0.1% fee on turnover, and for gas activities a fixed tariff per megawatt-hour supplied.

Restrictions imposed during the emergency period include price caps for fuels, natural gas and electricity at the levels in place at the end of March. Their impact will be assessed once secondary legislation becomes available.

The draft ANRE regulation regarding the proposed gas release mechanism was in public consultation until the 14th of April. Changes are also needed in the primary legislation to repeal centralized market obligation for 2020 and to allow the gas release mechanism implementation starting with July 2020 until December 2022. The discussions with market participants regarding main elements of the gas release program are ongoing, and we continue to follow developments on this topic.

With regards to macro indicators, the Romanian GDP advanced in the fourth quarter of 2019 by 4.2 percent, while the annual inflation index in March 2020 versus March 2019 was 3.1 percent.
In the new coronavirus context, the outlook for 2020 GDP growth of various international agencies worsened, now expected to drop around 5 percent in 2020 vs 2019, based on estimates from international financial institutions, while domestic macroeconomic imbalances, such as budget or current account deficits, are widening.

The speed of economic recovery is strongly dependent on public and private investments and, in this context, the oil and gas industry can play a key role.

Looking at the Romanian energy sector in the first quarter of 2020, the market demand for our products was mixed. Demand for retail fuels increased by 4.6 percent year-on-year, supported by a strong development in the first two months, when it increased by 12 percent, then in March, demand dropped by almost 9 percent. Gas demand decreased year-on-year by an estimated 2 percent in the first quarter, mainly due to warm weather at the beginning of the year. Power demand decreased year-on-year by 3 percent. Domestic power production decreased by 4 percent year-on-year, with lower contribution from coal, Romania being a net importer of power.

For the full year 2020, we expect a sharp decline of demand for all our products, reflecting the weak economic environment.

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Key messages Q1/20

Financial performance

Clean CCS Operating result	Operating Cash Flow	Clean CCS ROACE
RON 1.0 bn	RON 1.4 bn	12.5%

Operational highlights

Upstream:

- Strong hydrocarbon production performance
- Largest onshore 3D seismic survey in Europe (Urziceni East block) finalized

Downstream Oil:

- Excellent operational performance, partly offset by the start of the pandemic crisis

Downstream Gas:

- Increased gas trading to maintain customer portfolio while meeting CMO and regulated market provisions

Strategic highlights

- Initial dividend maintained[1], based on a **strong balance sheet**
- Neptun Deep: **no progress on offshore law**
- **Negotiations** with Auchan are ongoing

HSSE

LTIR[2] Apr 19 – Mar 20: 0.24; **LTIR Q1/20**: 0.0

[1] Initial Management proposal approved by the General Meeting of Shareholders on April 27; [2] Lost time injury rate (employees and contractors) for OMV Petrom Group

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Slide 5 – Key messages Q1/20

On slide 5, we present the key highlights of the first quarter of 2020.

Overall for our company, the first quarter results reflect the significant decrease in oil price which had an impact on Upstream financials, partly compensated by Downstream performance, which proves the benefits of our integrated business.

At group level, Clean CCS Operating Result was around 1.0 billion RON, 21 percent lower than in the first quarter of 2019.

Our operating cash flow decreased to 1.4 billion RON, by 10 percent year-on-year.

The Clean CCS ROACE decreased on a year-on-year basis by 2.6 percentage points, to 12.5 percent.

In the first quarter, in Upstream, our production performance was strong, with only 2 percent decrease year-on-year. We finalized ahead of schedule and on budget a large 3D seismic acquisition survey in exploration block VIII-Urziceni East started last year, with Hunt Oil as operator. Covering more than 1,500 km^2, this is the largest onshore seismic survey in Europe.

In Downstream Oil, we had an excellent result, due to improved refining margins, as well as strong operational and sales performance, partly offset by the start of the pandemic crisis.

In Downstream Gas, as part of our strategy to maintain the leading position on the Romanian gas market, we diversified our supply sources and intensified trading, to cover regulated and centralized market obligations.

Based on our strong balance sheet and cash position, we maintained the dividend for 2019 as proposed on the 6th of February. Management's proposal was approved by the General Meeting of Shareholders this Monday and the payment of dividend will start on 5th of June.

Regarding our partnership with Auchan, the contractual negotiations continue despite this difficult period, with some contractual items pending agreement between the parties.

We remain keen to see the Neptun Deep strategic project being developed. The final investment decision depends on several key pre-requisites including the Offshore Law, for which we see no progress.

On HSSE, the Lost Time Injury Rate on a 12-month rolling basis was 0.24, better than international benchmark. As for the first quarter this year, we had an outstanding HSSE performance, with zero lost time injuries.

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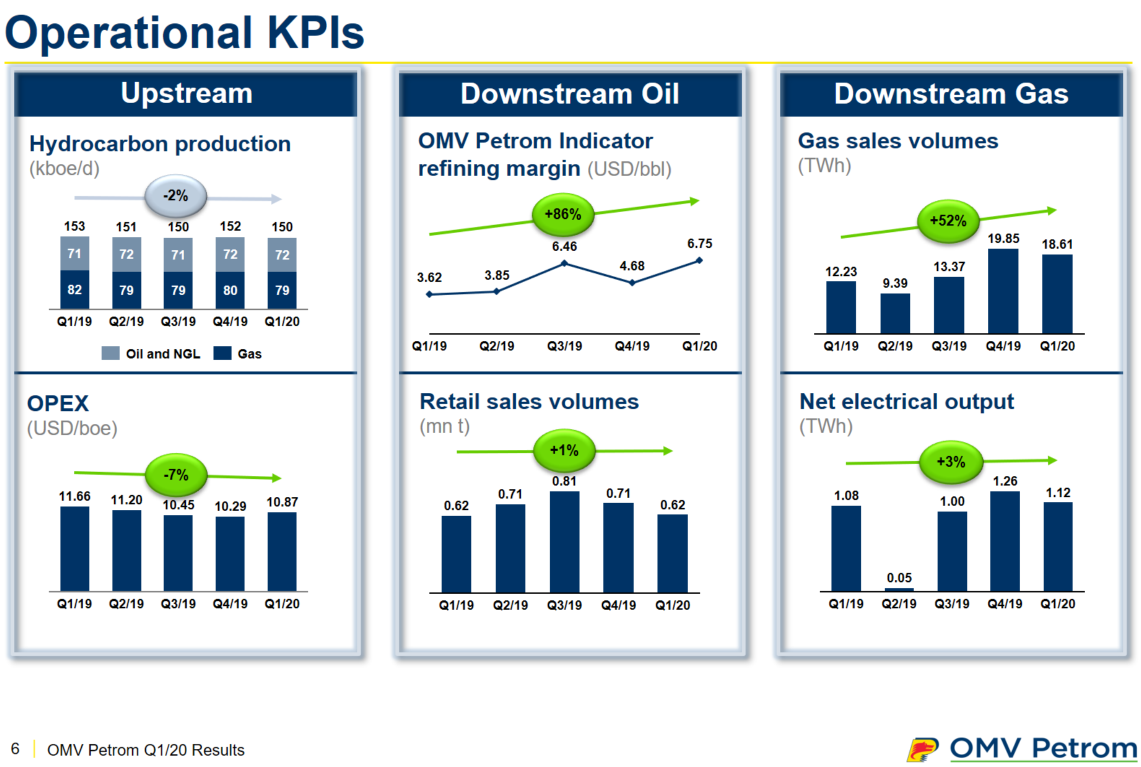
Operational KPIs
Upstream
Hydrocarbon production
(kboe/d)
-2%
153
151
150
152
150
71
72
71
72
72
82
79
79
80
79
Q1/19
Q2/19
Q3/19
Q4/19
Q1/20
Oil and NGL
Gas
OPEX
(USD/boe)
-7%
11.66
11.20
10.45
10.29
10.87
Q1/19
Q2/19
Q3/19
Q4/19
Q1/20
Downstream Oil
OMV Petrom Indicator refining margin (USD/bbl)
+86%
3.62
3.85
6.46
4.68
6.75
Q1/19
Q2/19
Q3/19
Q4/19
Q1/20
Retail sales volumes
(mn t)
+1%
0.62
0.71
0.81
0.71
0.62
Q1/19
Q2/19
Q3/19
Q4/19
Q1/20
Downstream Gas
Gas sales volumes
(TWh)
+52%
12.23
9.39
13.37
19.85
18.61
Q1/19
Q2/19
Q3/19
Q4/19
Q1/20
Net electrical output
(TWh)
+3%
1.08
0.05
1.00
1.26
1.12
Q1/19
Q2/19
Q3/19
Q4/19
Q1/20
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Slide 6 – Operational KPIs

On slide 6, I would like to present to you the strong operational performance, as reflected in our KPIs in the first quarter of 2020.

Let me start with **Upstream**.

The daily hydrocarbon production decreased in the first quarter of 2020 by approximately 2 percent year-on-year, or by 1.5 percent if we exclude the effect of the nine marginal fields transferred to Mazarine in March 2019.

Daily crude oil and NGL production increased by 1.4 percent year-on-year, excluding portfolio optimization activities. Including the effect of transfer to Mazarine, daily crude oil and NGL production over the past five quarters was broadly stable at around 72 thousand barrels per day. In the latest quarter, this was achieved mainly due to increased production in Kazakhstan, driven by the ramp-up of well interventions and workover activities starting in January 2019.

Gas production decreased by 4 percent year-on-year, due to natural decline in the main fields and the impact of maintenance activities. The decline was partly compensated by the contribution from the exploration well 4461 Totea South, which started production in the fourth quarter of 2019, and the workover jobs results.

Our OPEX per barrel of oil equivalent was slightly below 11 dollars, 7 percent lower year-on-year. This performance was manly driven by further operational efficiencies and the stronger dollar versus RON.

In **Downstream Oil**, the indicator refining margin increased in the first quarter by 86 percent or 3 dollars and 13 cents per barrel year-on-year, as an effect of better product spreads, except for middle distillates, and of lower crude prices. We had an excellent refinery utilization rate of 96 percent, similar to the one in the first quarter of 2019.

Total refined product sales volumes as well as group retail sales volumes slightly advanced year-on-year, reflecting the favorable market conditions before the COVID-19 outbreak in our region. The increased demand in the first two and a half months of the year was supported by the mild winter and extra excise elimination, while the effect of COVID-19 outbreak was visible only towards the end of March.

In **Downstream Gas**, total gas volumes advanced 52 percent year-on-year and we managed to successfully maintain our customer portfolio in the context of the regulated market allocation and centralized market obligation. We supplied the regulated gas market with 5.5 terawatt-hours in the first quarter, as per the set allocation.

Net electrical output was 1.12 terawatt-hour, slightly higher than in the first quarter of 2019. No quantities were supplied to the regulated power market, as there was no allocation in this respect.

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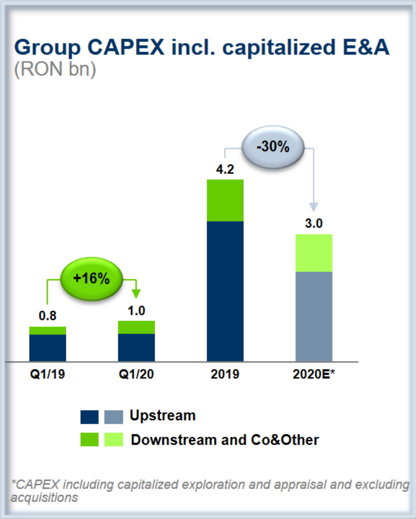
CAPEX and E&A



CAPEX incl. capitalized E&A

- **Q1/20** at RON 1.0 bn:
  - 20 new wells and sidetracks
  - ~210 workovers
  - Securing long term logistic access to Petrobrazi refinery
  - Bio compliance blending project
- **2020E** at RON ~3.0 bn (from RON 4.2 bn previous guidance):
  - Wells and sidetracks (reduced by >30% from ~100)
  - Workovers (constant level yoy)
  - Compliance and environmental projects

E&A

- **Q1/20** at RON 0.07 bn:
  - 3D seismic acquisition in Urziceni East block started in Q4/19 and finalized in Q1/20
  - 1 well in testing phase
- **2020E** at RON ~0.2 bn (from RON 0.3 bn previous guidance):
  - 1 well planned to be tested by year end
  - 2 wells and seismic operations postponed

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Slide 7 – CAPEX and E&A

Slide 7 provides an overview of CAPEX and exploration and appraisal activities for the first quarter of 2020 and the outlook for the whole year.

Our total CAPEX in the first quarter of 2020 was around 1.0 billion RON, 16 percent higher year-on-year.

The majority was spent in Upstream, where we continued our drilling activities, with an average of 9 drilling rigs being active during the first quarter. We finalized the drilling of 20 new wells and sidetracks and performed 212 workover jobs.

In Downstream we invested mostly in refining, mainly for securing long term logistic access through railway lines at Petrobrazi refinery and for the bio compliance blending project.

At Group level, for 2020, we initially planned organic investments, including capitalized exploration and appraisal, of about 4.2 billion RON, similar to the 2019 level. However, faced with the challenges raised by the COVID-19 outbreak and the depressed oil price environment, we decided to adjust our capital expenditures by 30 percent, to about 3 billion RON.

In Upstream, we will slow down the drilling activities this year, reducing by more than 30 percent the number of new wells and sidetracks, from the initially planned 100 wells and we plan to maintain a constant level of workovers year-on-year.

In Downstream, we will postpone the non-committed CAPEX, delay the investments in growth projects, mainly for studies and engineering, while maintaining our focus on safety, compliance and running business investments.

Moving to exploration and appraisal activities, as already mentioned, together with Hunt Oil as operator, we completed the 3D seismic survey. In the first quarter of 2020, we also had one exploration well in the testing phase, while another one it is planned to be tested by year end.

In 2020, we expect exploration expenditures to be around 0.2 billion RON, reduced from the initially planned 0.3 billion RON, due to the postponement of some of the planned drilling activity and seismic acquisition.

OMV Petrom's response to COVID-19 and the new market environment

Partner for Romania

- Working intensively with authorities to **contain impact on operations and critical infrastructure**
- **Reliable and responsible tax payer**

Prepared to cope with challenges

- **Proven track record** in managing economic crises
- **Integrated business model** expected to support financial results
- **Resilience in highly volatile market**, supported by **business optimization** and strict **cost discipline**

Rapid response to COVID-19

- **Health and safety – our first priority**
- **Protection and disinfection** of work spaces
- Implemented **work from home and flexible time, process digitalization** in place to a large extent, qualified **digital signature** in roll-out
- **Ensure security of supply:** oil products, gas, power
- Filling stations: **increased sanitizing measures**

Adjustment to oil price and demand drop

- Intensify **CAPEX prioritization** and **cost reduction**
- **Refinery utilization rate** adjusted downwards to slightly above 80% in April
- Postpone key assets shutdowns
- Continue **portfolio optimization**

OMV Petrom: Attractive investment proposition

- **Strong financial position**
- **Progressive dividend policy**
- **Attractive dividend yield**

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Slide 8 – OMV Petrom's response to COVID-19 and the new market environment

Ladies and gentlemen, in these unsettling times, we remain a reliable partner for Romania, working intensively with the authorities to contain the effects of COVID-19 on our operations and critical infrastructure.

We are living difficult times, with the outbreak of the new coronavirus, the recent drop in oil prices and the current uncertainty of the economic outlook. Despite the current situation, we are confident that our company is prepared to cope with these challenges.

We have a proven track record of managing crises, as demonstrated by the manner in which we navigated through the 2008-2009 economic crisis and the low oil price environment in 2014-2016. Thanks to the efficiency measures put in place during those years, we have now a leaner structure and improved flexibility. Our integrated business model, with the Petrobrazi refinery on the oil value chain and the Brazi power plant on the gas value chain, is expected to support our financial results in the current low oil price environment.

Our organization's resilience is being tested in the context of the new coronavirus outbreak. And we have been responding to the threats and challenges posed by this pandemic having two priorities in mind: protecting our employees and customers' health and safety, while ensuring security of supply.

We have learned that digital tools and ways of working can prove essential in overcoming some of the challenges brought on by the pandemic. This further supports the need for digital transformation and innovation, and we are proud that our recent efforts in the direction of innovation and digitalization bore fruit under these difficult circumstances.

In order to protect our employees, we introduced work from home and flexible working hours wherever possible; moreover we are working hard to upgrade the agility of our business by digitalizing our processes and rolling-out the qualified digital signature.

Of course not all jobs are suitable for teleworking and we are aware of our strategic role in ensuring energy supply for Romania. We hold true to our mission of providing energy for a better life, and we refer to energy in all forms: oil products, natural gas and electricity.

As previously announced, starting last summer we are offering to all our B2B customers, bulk and cards, solutions to become fully digital. We moved to full digitization of fuel contracts with business customers by implementing digital signature of fuel contracts; once again, embracing innovation and new technologies helped our business under the current circumstances.

Current oil price environment and demand drop require timely and appropriate measures to reduce the impact on our financial position. Consequently, we will intensify our efforts for CAPEX prioritization, portfolio optimization and cost reduction, and Alina will provide more details on these financial measures.

On the demand side, towards the end of the quarter, the lockdown led to a decline in retail sales of more than 30 percent year-on-year, with even higher decrease in the last week of March; this triggered a downwards adjustment of the refinery utilization rate to slightly above 80%.

All these measures aim to reduce the impact of this unprecedented crisis on our strong financial position. This will allow us remain an attractive proposition for investors, being able to pursue our strategic directions while offering attractive dividend yields.

That this is a particularly difficult period for everyone is beyond dispute. However, today’s crisis is also an opportunity to challenge the way our society, our company and us, as individuals have been functioning and to change our ways of working, reduce internal bureaucracy and focus more on innovation.

With that, please let me now hand over to Alina, who will go into the quarterly financials and the outlook for the year 2020 in detail.

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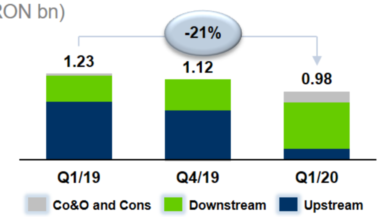
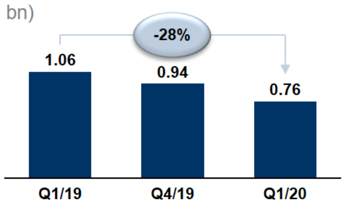
Income Statement highlights

Clean CCS Operating Result
(RON bn)



- Q1/20 Clean CCS Operating Result reflects:
  - Lower oil and gas prices
  - Improved refining margin
  - Positive consolidation line

Clean CCS Net Income[1]
(RON bn)



- Q1/20 Clean CCS Net Income reflects:
  - Lower Clean CCS Operating Result
  - Negative Financial Result

[1] *Attributable to stockholders of the parent*

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Slide 10 – Income Statement highlights

Thank you, Christina, and good afternoon also from my side.

I will continue the presentation with slide 10, starting with some highlights from the Income Statement, with focus on the developments of the first quarter of 2020 versus the similar period of 2019.

Sales increased by 12 percent year-on-year, supported by higher sales volumes of natural gas, partially reduced by lower commodity prices and lower sales volumes of electricity.

In the first quarter of 2020, Upstream Clean Operating Result decreased by 81 percent year-on-year, mainly due to lower oil and gas prices and higher depreciation. Downstream Clean CCS Operating Result increased by 75 percent year-on-year, mainly as a result of higher refining margins, but also benefiting from margin hedges, sale of CO2 certificates in Downstream Oil and gains from power forward contracts in Downstream Gas.

The clean consolidation line of 180 million RON in the first quarter of this year reflects the realization of the intragroup margin, mainly as an effect of the gas storage extraction and of the lower margin elimination for oil products, as a result of the decline in crude price.

Consequently, the Group Clean CCS Operating Result decreased by only 21 percent year-on-year.

The net financial result decreased from a gain of 24 million RON in the first quarter of 2019 to a loss of (50) million RON in the first quarter of 2020, mainly due to higher interest expenses in relation to the discounting of receivables and lower interest income. As a reminder, last year's figure included a positive impact reflected in interest income in relation to clarification of a tax related topic.

As a result, the Clean CCS net income attributable to stockholders decreased by 28 percent year-on-year to 760 million RON.

The reported Net income attributable to stockholders decreased by 43 percent year-on-year to 653 million RON.

Special items and CCS effect

RON mn	Q1/20	Q4/19	Q1/19
Clean CCS Operating Result	**975**	**1,120**	**1,227**
CCS effects: Inventory holding gains / (losses)	(239)	17	38
Special items	94	(89)	23
Thereof Upstream	(27)	(204)	50
Downstream Oil	27	(6)	21
Downstream Gas	114	129	1
Corporate and Other	(21)	(8)	(49)
Operating Result	**830**	**1,049**	**1,288**

Q1/20 CCS effect

- Negative due to decrease in quotations

Q1/20 Special Items

- Gain from forward contracts in Downstream Gas
- Impairment of production assets

Slide 11 – Special items and CCS effect

On slide 11, we bridge the Clean CCS Operating Result to the Reported Operating Result.

For the first quarter of 2020, we recorded inventory holding losses amounting to (239) million RON due to the sharp decrease of crude prices over the quarter.

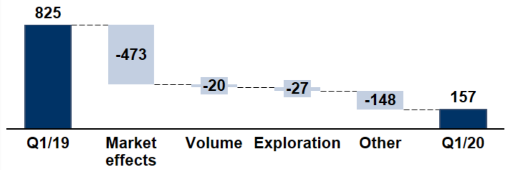
Looking at special items, in the first quarter of 2020 we had a special net income of 94 million RON. This is mainly due to temporary gains from forward contracts in Downstream Gas, partly offset by an impairment of Upstream production assets.

For comparison, in the first quarter of 2019, inventory holding gains amounted to 38 million RON and special items comprised a net income of 23 million RON, as the gain in Upstream from marginal fields' disposal and the reversal of a provision in Downstream Oil were partly compensated by the sponsorship for the pediatric oncology hospital in Corporate and Other.

The Reported Operating Result was down by 36 percent year-on-year.

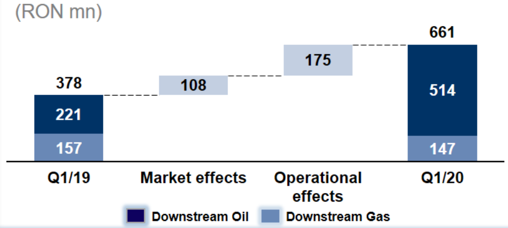
Clean CCS Operating Result

Upstream
(RON mn)



- Lower oil and gas prices
- Higher exploration expenses
- Higher depreciation
- Favourable FX

Downstream
(RON mn)



- Higher refining margin
- 96% refining utilization rate
- Refined products sales +1%
- Gas sales volumes: +52%
- Improved power performance built on forward contracts
- Lower gas prices

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Slide 12 – Clean CCS Operating Result

Let me go on to slide 12, which shows the major building blocks for the development of the Clean CCS Operating Result in the first quarter of 2020. These two charts illustrate the benefits of our integrated business model.

I will start with Upstream, where the negative market effect deviation of (426) million RON reflects the steep decrease in oil and gas prices, partly compensated by the stronger USD versus RON.

Although total hydrocarbon sales volumes were slightly higher year-on-year, the negative volume deviation of (20) million RON is the effect of higher volumes of gas subject to over-taxation.

Exploration expenses were higher by 27 million RON, due to the seismic acquisition in VIII - Urziceni East block.

Other deviations include mainly higher depreciation and a positive effect in the first quarter of 2019 of revenues in relation to clarification of a tax-related topic.

As a result, Upstream Clean Operating Result decreased by 81 percent year-on-year to 157 million RON.

Looking at the lower chart, in the first quarter of 2020 the Clean CCS Operating Result of Downstream increased by 75 percent compared to the first quarter of 2019, reflecting an improved performance in Downstream Oil and a weaker result of the Downstream Gas segment.

In Downstream Oil, the positive market effect reflects the increased refining margin, as a result of better product spreads and of lower crude price. Furthermore, in first quarter of 2020, we had an excellent operational performance, supported by the refinery utilization rate of 96 percent, improved fuel and losses, and refined products sales volumes higher by 1 percent year-on-year, reflecting the increase in both retail and non-retail sales channels. The refining margin hedges concluded in the last quarter of 2019 had a positive effect of around 60 million RON in the Clean CCS Operating Result in the first quarter of 2020. An additional positive impact in the result of first quarter of 2020 was driven by the sale of CO2 certificates.

The Downstream Gas Clean Operating Result reflects the benefits of our integration model: the weaker performance of the gas business, affected by lower prices, despite higher sales volumes, was largely compensated by the power segment which recorded an improved performance, built on forward contracts.

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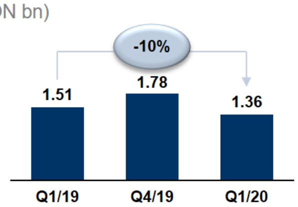
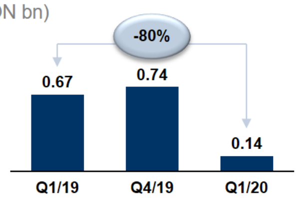
Cash Flow highlights

Cash Flow from Operating Activities
(RON bn)



- Q1/20 CFO: lower decrease than Operating Result due to higher depreciation, impairments and provisions

Free Cash Flow [1]
(RON bn)



- Q1/20 CFO[2]: -10% yoy
- Q1/20 CFI[3]: +46% yoy

[1] Before dividends; [2] Cash Flow from Operating Activities; [3]Cash flow from investing activities

Slide 13 – Cash Flow highlights

On slide 13, I would like to continue with the highlights of our cash flow statement.

In the first quarter of 2020, we achieved an operating cash flow of 1.4 billion RON, 10 percent lower year-on-year. Operating cash flow decreased to a lower extent than Operating Result mainly due to the non-cash items: higher depreciation and the impairment of Upstream production assets booked in the first quarter of 2020 as well as an increase in provisions, mainly for inventories, following the net realizable value test performed, as a result of steep decline of quotations compared with the 31st of December 2019 levels.

Regarding the evolution of the net working capital, we recorded a cash outflow from net working capital of 101 million RON in the first quarter of 2020, mostly due to a decline in liabilities, mainly related to trade payables for crude oil and petroleum products purchased.

For comparison, in the first quarter of 2019 we recorded a cash outflow of 188 million RON.

Our net payments for investments amounted to 1.2 billion RON in the first quarter of 2020 versus 0.8 billion RON in the first quarter of 2019.

The net cash position increased to 6.1 billion RON at the end of the first quarter of 2020 from 5.2 billion RON at the end of the first quarter of 2019.

Our dividends for the financial year 2019, amounting to RON 1.76 billion, will be paid starting June 5, 2020.

Strong response to adjust to the weak market environment

Reduced CAPEX

- Rephased and **optimized** long-term delivery **projects**
- Cut of non-committed CAPEX
- Focus on projects in development, decrease by >30% of number of wells to be drilled

RON 1.2 bn[1] (30%)[2]

Reduced operating costs and E&A

- Postpone exploration activities (seismic acquisitions and exploration wells drilling)
- Reduction of consulting, advertising, electricity costs
- Hiring freeze, reduce overtime, training & travel

RON 320 mn[1]

Other cash flow measures

- Contract re-negotiations
- Selling CO2 certificates
- Refining margin hedge

RON 60 mn[1]

Reductions of ~RON 1.5 bn (2020 vs. 2019)

[1] 2020 revised guidance vs. 2019 absolute amount; [2] Vs. 2019 and initial plan for 2020

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Slide 14 – Strong response to adjust to the weak market environment

In the current extremely challenging environment, we took swift financial actions to ensure the health of our balance sheet.

For the full year 2020, we reduced our total capital expenditure, exploration expenditure and operating costs from an initial planned amount of 8.2 billion RON to a total expected sum of 6.7 billion RON.

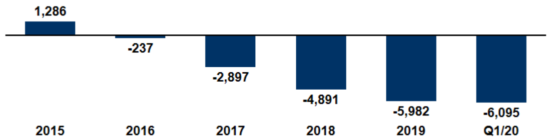
On the CAPEX side, the 30 percent reduction will come from less drilling, rephasing and optimizing long-term delivery projects and postponement of non-committed investments.

Regarding operational costs and exploration and appraisal expenditures currently planned for 2020, these were reduced by 320 million RON compared to 2019.

Other cash flow measures include contract re-negotiations, sale of CO2 certificates and refining margin hedges.

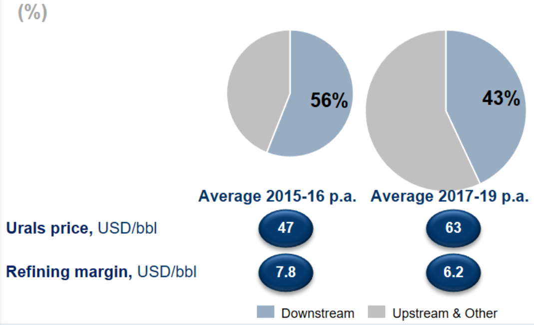
Prepared to cope with challenges

Net Debt/(Cash)
(RON mn)



- Strong balance sheet
- No gearing

Group's Clean CCS Operating Result breakdown
(%)



- Integrated business model supports financial results

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Slide 15 – Prepared to cope with challenges

As Christina mentioned earlier, we believe that we are well prepared to cope with these unprecedented challenges, as we are supported by our strong balance sheet and our integrated business model.

We have a strong balance sheet which shows at the end of the first quarter of 2020, a net cash position of 6.1 billion RON.

As illustrated by the lower graph, our integrated business model supports the financial results, as, when Upstream business is hit by decreasing oil prices, Downstream benefits from reduced feedstock costs.

Sensitivities in 2020

OMV Petrom Group main sensitivities		Operating Result impact
Brent oil price	USD +1/bbl	~EUR +20 mn
Equity gas price	EUR +1/MWh	~EUR +18 mn
OMV Petrom indicator refining margin	USD +1/bbl	~EUR +25 mn
Exchange rates (EUR/USD)	USD appreciation by 5 USD cents	~EUR +50 mn

Slide 16 – Sensitivities in 2020

We are witnessing increased volatility and a twofold pressure on oil prices: from both the supply and the demand side, with global forecasts being currently pessimistic due to the coronavirus outbreak, which, together with the efforts to contain it, are expected to affect the global economy and, as a result, to have an impact on prices and demand for our products.

Given this high volatility of commodities' prices and the uncertainty of the economic situation, we present on slide 16 the sensitivities of our Operational Result to commodities prices, as well as to exchange rates. I believe this helps our shareholders to roughly assess the impact of any price movement.

For commodities, a change of Brent crude price of 1 USD per barrel of oil equivalent, would have an effect on our Operating Result of around 20 million EUR in 2020.

Based on the sensitivity analysis, a long-term price assumption of 60 USD per barrel of Brent crude would lead to additional impairments to property, plant and equipment between 1.2 and 1.5 billion RON.

A change of the average realized gas price of 1 EUR per megawatt-hour would have an effect on our Operating Result of around 18 million EUR in 2020. The impact represents the sensitivity for Upstream Operating Result and is valid for gas prices ranging between 10 and 17.5 EUR per megawatt-hour, as outside these limits the gas over-taxation would be different.

A change of 1 USD per barrel of the refining margin would have an effect on our Operating Result of around 25 million EUR.

For the exchange rates, an appreciation of the USD vs the EUR by 5 USD cents would have a positive effect on our Operating Result of around 50 million EUR.

Outlook 2020

Indicators	Actual 2019	Assumptions/Targets 2020
Brent oil price	USD 64.21/bbl	USD 40/bbl (Previously: USD 60/bbl)
Production	152 kboe/d	decline below 5% yoy [1]
Refining margin	USD 4.67/bbl	USD >5.0/bbl
CAPEX [2]	RON 4.2 bn	RON ~3.0 bn (Previously: RON ~4.2 bn)
FCF after dividends [3]	RON 1.7 bn	Negative (Previously: Positive)

[1] Not including portfolio optimization; [2] CAPEX including capitalized exploration and appraisal and excluding acquisitions; [3] FCF before dividends is expected to be positive; as we kept unchanged the dividend proposal, FCF after dividends is expected to turn negative

Slide 17 – Outlook 2020

Let me conclude our presentation with the outlook for the full year 2020, on slide 17.

Here I would like to highlight our main market assumptions for the full year 2020 and how they compare to the actual figures for 2019.

The outbreak of the new coronavirus (COVID-19) and the efforts to contain it affect the global economy and, as a result, have a negative impact on prices and demand of oil products and crude oil. Based on the knowledge we have as of today, the COVID-19 impact is included in this outlook.

We anticipate oil price to be on average at 40 USD per barrel this year, revised down from 60 USD per barrel, with an expectation that the second quarter will be the toughest quarter.

In Upstream, we aim to contain the hydrocarbon production decline versus 2019 below 5 percent, not including portfolio optimization.

In Downstream Oil, we expect refining margins to be above 5 USD per barrel. As you know, at the end of last year we have hedged approximately one third of the refinery's budgeted production volumes. We have locked in a positive contribution for the next three quarters, which is expected to be in each quarter in a similar magnitude as seen in the first quarter.

For this year we expect a positive free cash flow before dividends. Given our strong balance sheet, we kept unchanged the dividend proposal, in spite of the negative impact from COVID-19. Consequently our free cash flow after dividends for 2020 is expected to turn negative (revised from positive).

With regards to demand for oil products, gas and power, we expect it to be significantly lower than in 2019, reflecting the COVID-19 outbreak impact.

We are focused on energy efficiency and the decrease of the emissions footprint of our operations, and we target until 2025 to reduce the carbon intensity by 27 percent vs. 2010.

We will continue our dialogue with the authorities and we are looking forward to seeing the proposed amendments to key oil and gas legislation approved.

With this, I close our presentation and thank you for your attention.

We are now available for your questions.


Q&A
OMV Petrom S.A.