

Capital Market Story

February 2020



OMV Petrom S.A.



OMV Petrom
The energy for a better life.

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All figures throughout this presentation refer to OMV Petrom Group (herein after also referred to as “the Group”), unless otherwise stated. The financials represent OMV Petrom Group’s consolidated results prepared according to IFRS (Q4/19 financials are unaudited). The financials are expressed in RON mn and rounded to closest integer value, so minor differences may result upon reconciliation.

Starting January 2017, OMV Petrom’s consolidated Income Statement has been restructured in line with industry best practice in order to better reflect the operations of the Group and enhance transparency for investors. For more information, please see OMV Petrom’s Investor News published on April 6, 2017, which can be found on the company’s website www.omvpetrom.com, section Investors › Investor News.

Investment proposition



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OMV Petrom's Investment Proposition

Integrated oil and gas company

High safety standards

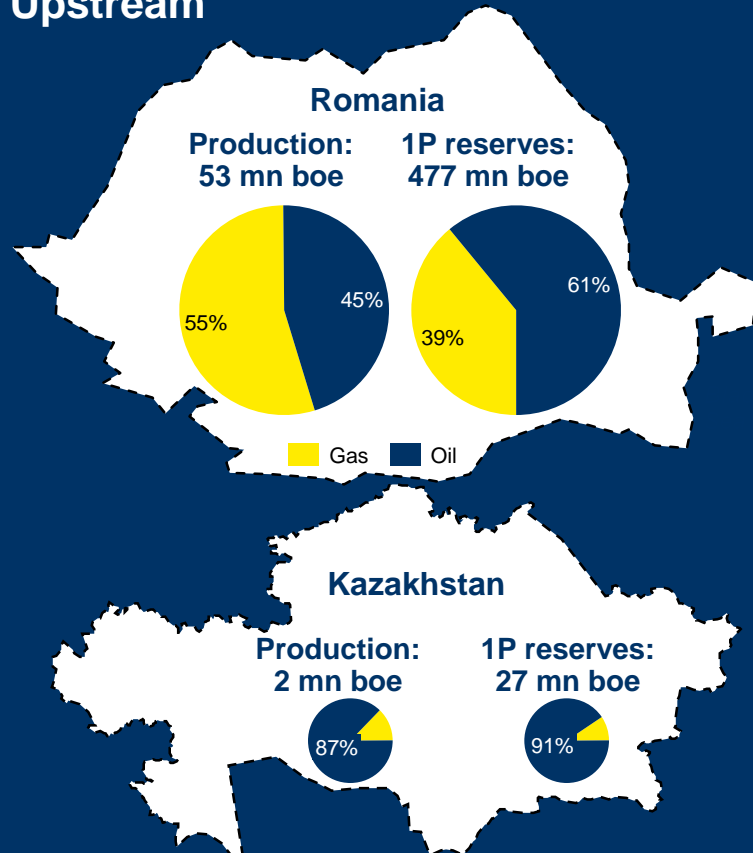
**Earnings resilience and
capital stewardship**

**Cost efficiency and
operational excellence**

**Strong cash conversion
and attractive shareholder
return**

Operating in the integrated oil and gas sector

Upstream



Downstream

Petrobrazi refinery, 4.5 mn t/yr capacity

793 filling stations, operated via 2 brands: Petrom and OMV
5.5 mn t total refined product sales (thereof 2.8 mn t retail sales)

Brazi gas-fired power plant (capacity 860 MW)

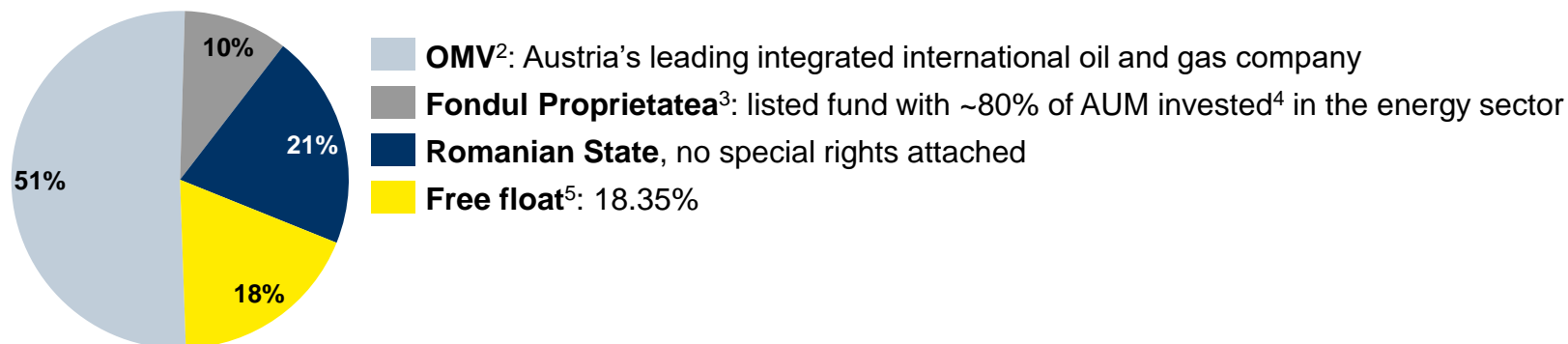
Gas sales 5.2 bcm (54.8 TWh)



All data refers to 2019

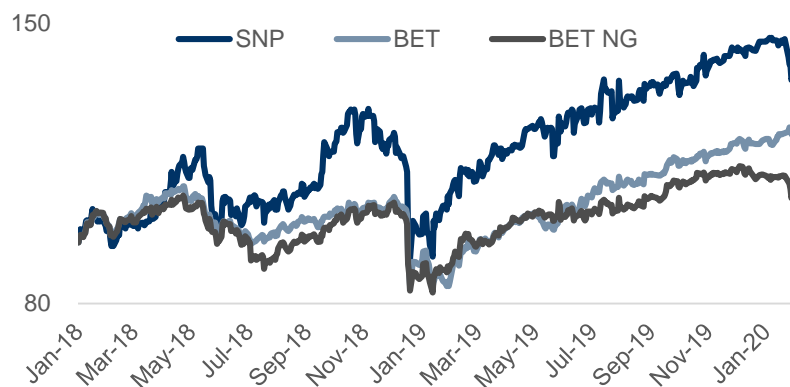
Shareholder structure and capital market environment

OMV Petrom S.A. shareholder structure¹ (%)



Share price performance⁶

Index Jan 2018 = 100



Share information

Bucharest Stock Exchange Symbol	SNP
Ordinary shares	56,644,108,335
London Stock Exchange Symbol	PETB (GDR)
GDRs⁷ outstanding as at end-Jan 2020	181,353

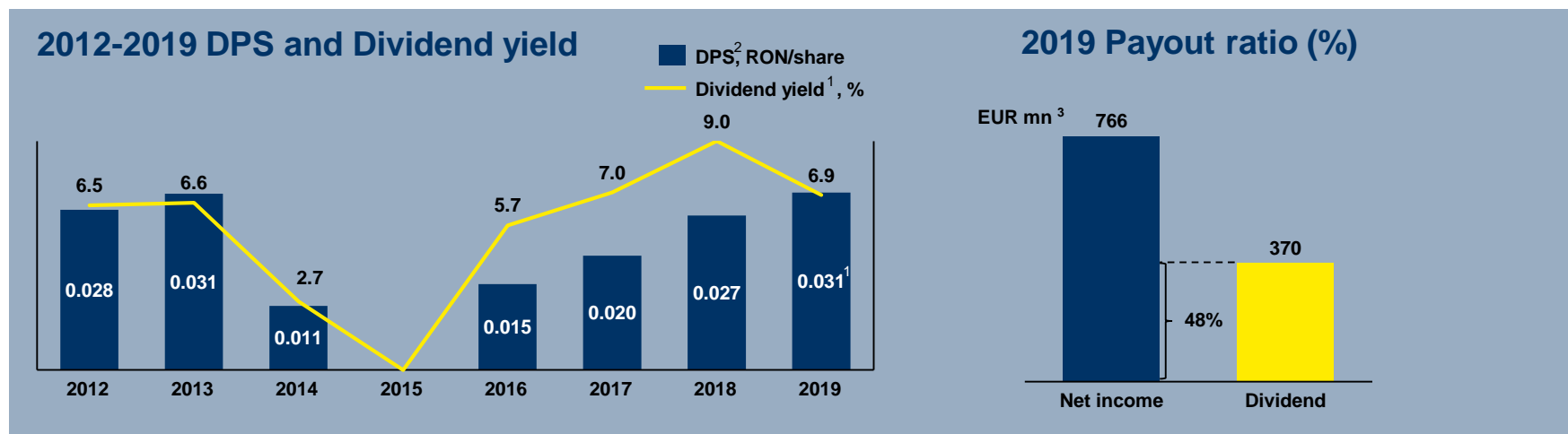
¹ As of December 31, 2019; ² Shareholder since December 2004; ³ Fondul Proprietatea holds 9.9985% of OMV Petrom shares; ⁴ As of end-January 2020; ⁵ Premium tier on the Bucharest Stock Exchange and main market on the London Stock Exchange; ⁶ Rebased quotations on the Bucharest Stock Exchange; ⁷ 1 GDR = 150 ordinary shares

...and cash flow into returns to shareholders

Dividend Policy

OMV Petrom S.A. is committed to deliver a competitive shareholder return throughout the business cycle, including paying a progressive dividend. We aim to increase our dividend each year or at least maintain it at the previous year's level, in line with the financial performance and investment needs, considering the long term financial health of the Company.

Total shareholder return¹ 2019: 59%



¹ Calculated based on the closing share price as of the last trading day of the respective year; ² Executive Board's proposal subject to approvals of the Supervisory Board and Annual General Meeting of Shareholders on April 27, 2020; ³ Calculated at NBR average RON/EUR rate: 4.7453

Sustainability Strategy 2025



HSSE vision: “ZERO Harm – NO Losses”

- ▶ Zero work related fatalities
- ▶ Stabilize Lost-Time Injury Rate at below 0.3

Carbon efficiency

- ▶ Reduce OMV Petrom’s carbon intensity of operations by 27% until 2025 (vs. 2010)
- ▶ Phase out existing routine flaring and venting latest until 2030

Employees

- ▶ Increase share of female employees at management level up to 30% by 2025
- ▶ Increase next generation of talents through Fresh Graduate

Innovation

- ▶ Implement Advanced Recovery pilots in OMV Petrom Upstream
- ▶ Co-process biogenic materials in Petrobrazil refinery by 2025

Business Principles and Social Responsibility

- ▶ Maintain social license to operate
- ▶ Assess Community Grievance Mechanism of all OMV Petrom Business Divisions against UN Effectiveness Criteria

Our HSSE vision: “ZERO Harm – NO Losses”



- ▶ 2019 LTIR¹: 0.31*
- ▶ **Upstream:**
 - ▶ Assets Moesia, Petromar and Kazakhstan recorded ZERO LTI in 2019
 - ▶ Asset Moesia achieved 10 mn man-hours without LTI
- ▶ **Downstream Oil:**
 - ▶ 7 mn man-hours without LTI and the end of 2019
- ▶ **Downstream Gas:**
 - ▶ ZERO LTI in 2019
 - ▶ 2.5 mn man-hours without LTI

¹ Lost time injury rate (employees and contractors) for OMV Petrom Group, *estimated

Investing to reduce the environmental impact



- ▶ GHG¹ intensity: estimated reduction by 22% in 2019 vs. 2010
- ▶ Freshwater Withdrawal Intensity: estimated reduction by 36% in 2019 vs. 2012

▶ Upstream:

- ▶ EUR 50 mn investment for a new energy efficient gas treatment process (low temperature separation) at Hurezani, Gorj county (the largest gas treatment facility in the country)

▶ Downstream Oil:

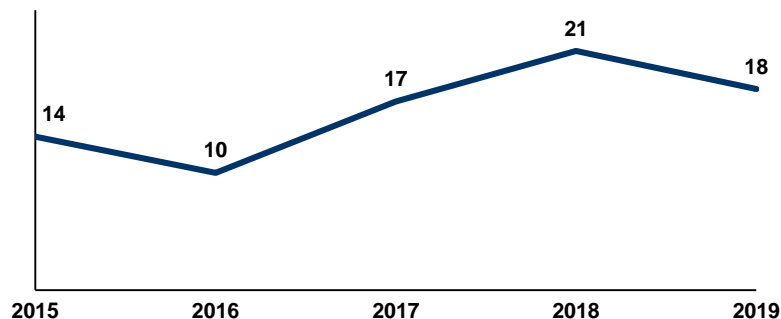
- ▶ EUR 46 mn investment for a closed blowdown system at Petrobrazi refinery to eliminate the emissions of volatile organic compounds from the Coker unit
- ▶ EUR 19 mn total investment for modernizing the fuel terminal in Arad by using the best available international technologies in the field



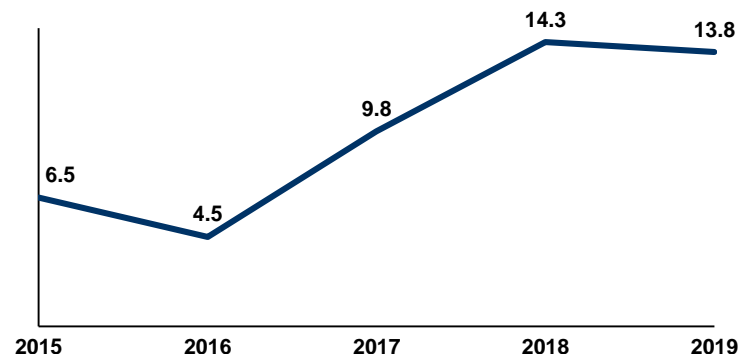
¹ Greenhouse gases

Turning efficiency savings into cash flow...

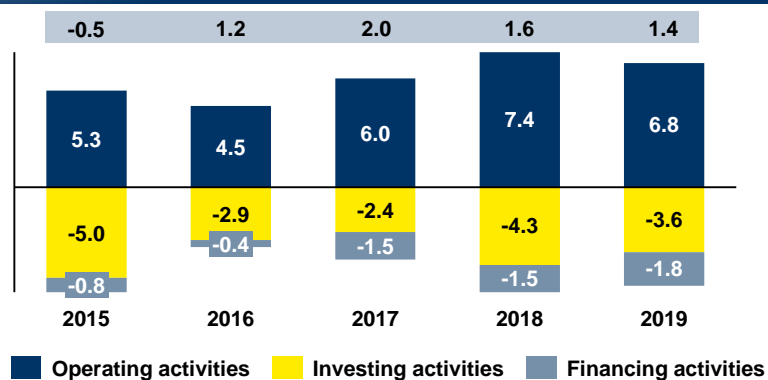
Clean CCS Operating Result margin¹ (%)



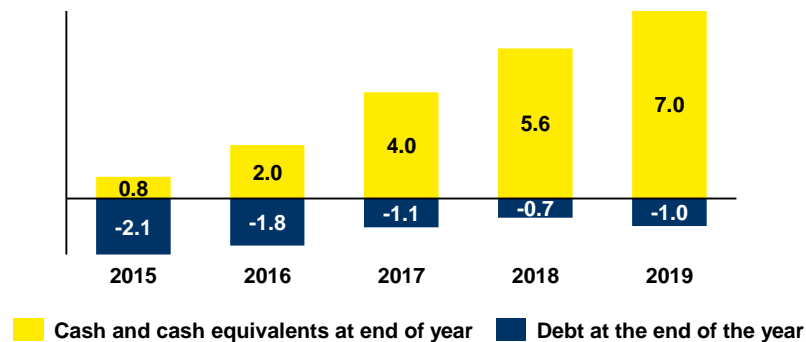
Clean CCS ROACE (%)



Cash flow (RON bn)



Net cash and Debt (RON bn)

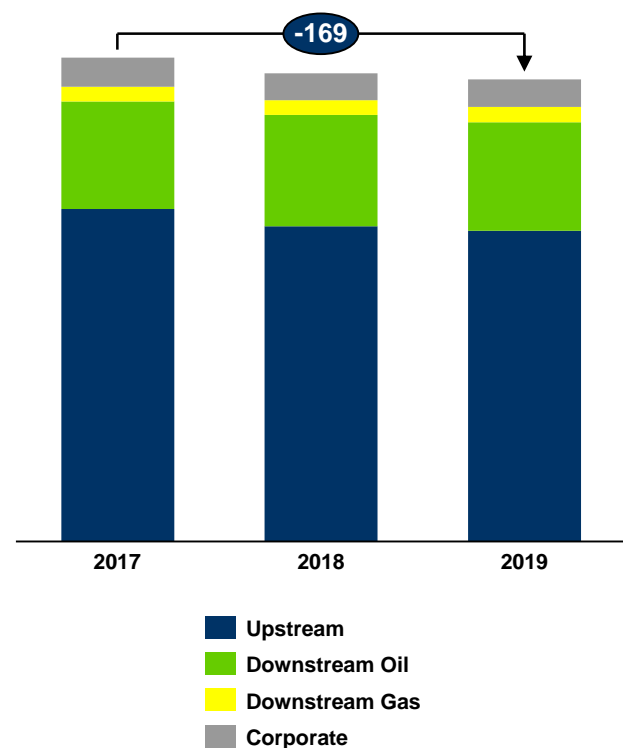


¹ Clean CCS Operating Result / Sales; Sales were restated to reflect the new Income Statement structure

Cost efficiency and operational excellence

Total operating cost¹

(RON mn)



¹ On comparable basis with 2017

Key drivers 2019 vs. 2017

- ▶ **Upstream:** efficiency programs implemented led to cost base reduction by -7%
- ▶ **Corporate Costs:** -6%
- ▶ **Headcount:** further downsized -10%

Strategy 2021+

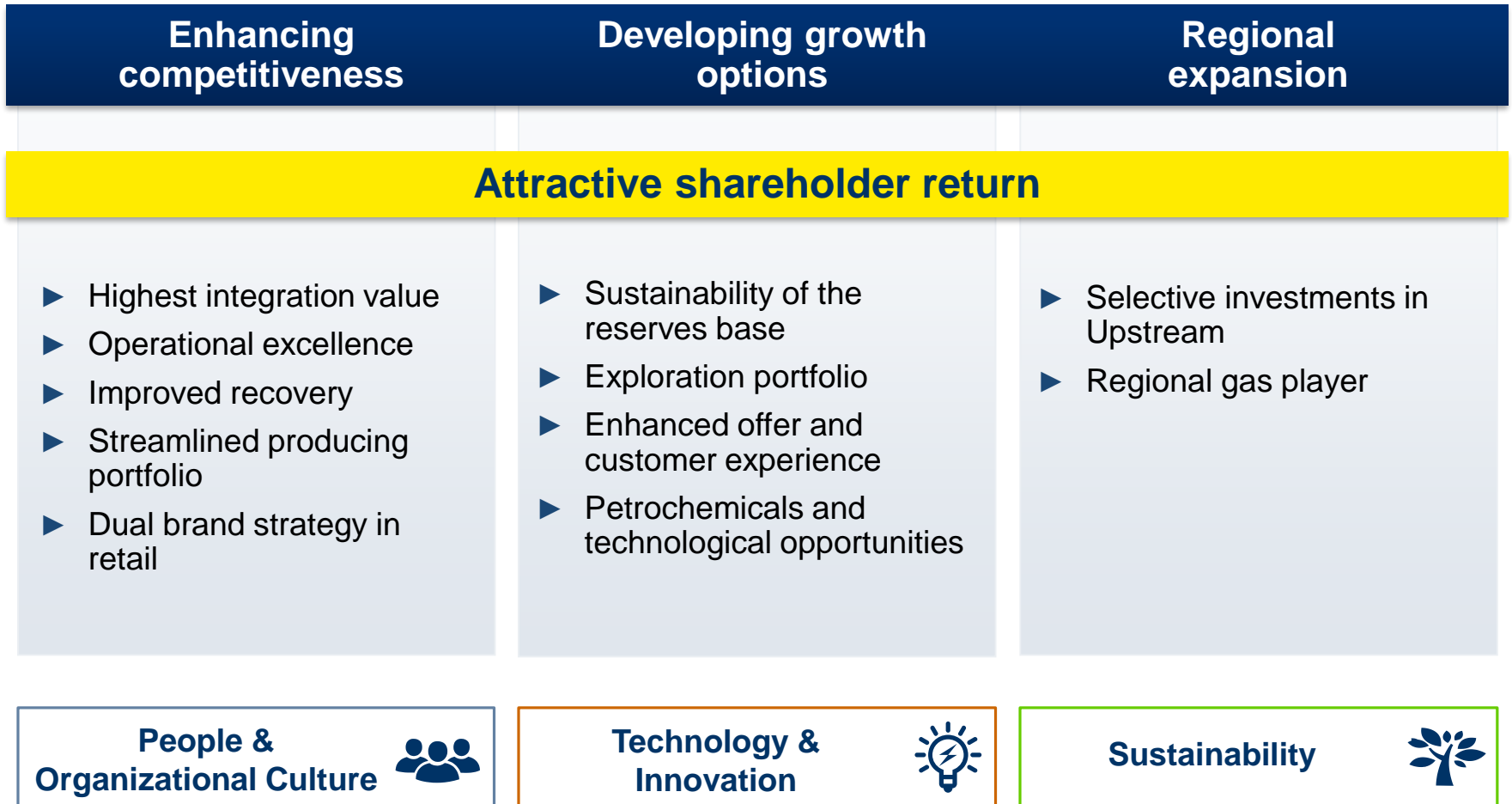


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OMV Petrom's strategic directions



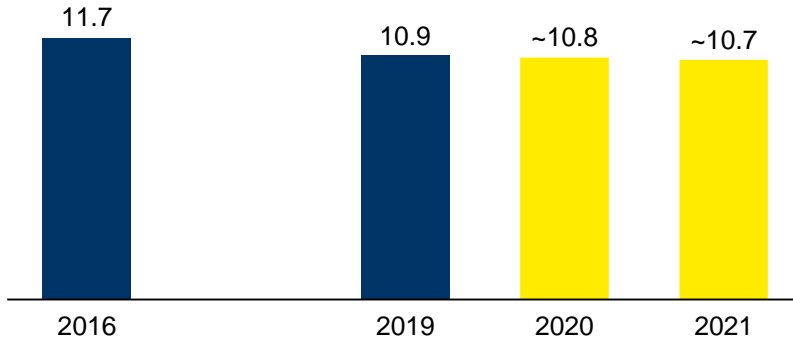
- ✓ ~11 USD/boe stabilized production cost despite production decline
- ✓ **Neptun Deep** concept selected and project maturation towards Final Investment Decision
- ✓ **28 marginal fields divested, additional 40 are being transferred**
- ✓ **Simplified footprint, 7 producing assets**
- ✓ **70%** automated wells and modernized/ automated facilities
- ✓ **>50 mn boe** class 4 and 5 deep onshore gas and oil resources added through exploration ready for appraisal/ testing
- ✓ Contract signed to enter offshore **Bulgaria**



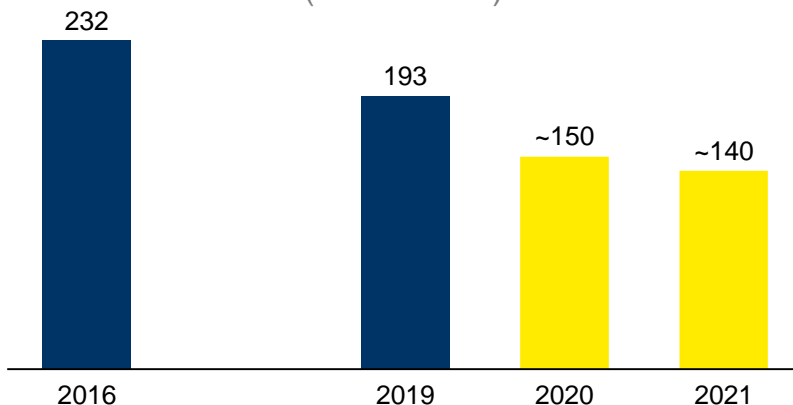
Upstream 2017 - 2019

Upstream: focus on the most profitable barrels

Unit cost development
(USD/ boe)



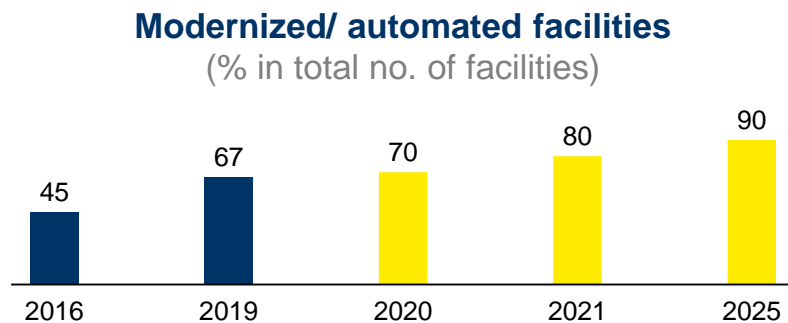
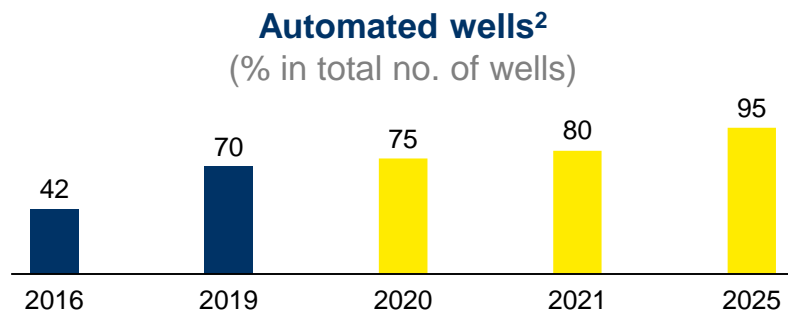
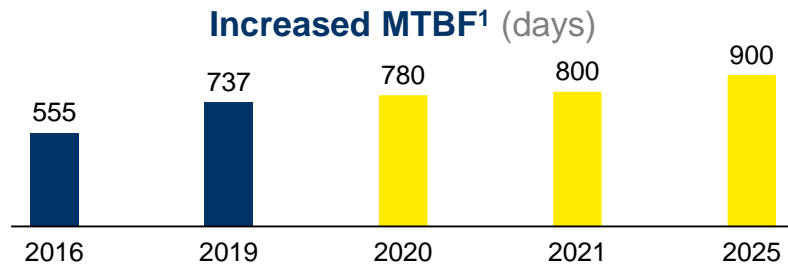
Footprint development ¹
(no. of fields)



- ▶ Maintain strict cost and capital discipline and rigorous project reviews
- ▶ Drill around 100 new wells & sidetracks per year
- ▶ Maintain high workover activity to manage production decline
- ▶ Apply innovative IOR/ EOR² techniques to maximize recovery (e.g. polymer injection)
- ▶ Simplify footprint and reduce complexity
- ▶ Target underexplored Near Field Opportunities in the proximity of existing infrastructure

¹ Romania only; ² IOR – Improved Oil Recovery; EOR – Enhanced Oil Recovery

Upstream: continued operational excellence



- ▶ Committed to operational excellence
- ▶ Increase MTBF¹ by focusing on root cause analysis and identification of new technologies
- ▶ Increase degree of automation and digitalization
- ▶ Modernize and simplify facilities
- ▶ Reach 95% automated wells and 90% modernized/ automated facilities

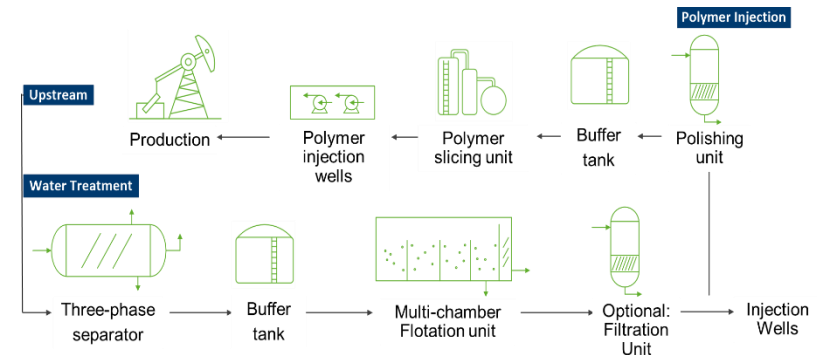
¹ Mean time between failures; ² Oil and gas producing wells; ³ Only considering Phase 1 of the programs

IOR/ EOR¹ (Polymer) projects in OMV Petrom

Polymer Flooding

- ▶ After primary and secondary recovery, typically a large amount of oil still remains in the reservoir providing a significant potential for EOR methods
- ▶ Polymer flooding is applied to enhance the amount of oil that can be extracted from the reservoir and targets to increase the total recovery by up to 15% of the original oil in place

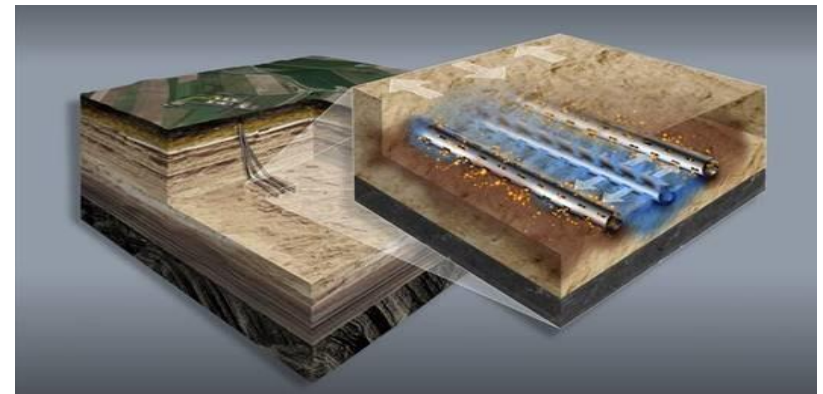
Surface Concept



IOR/ EOR Polymer Projects & Status

- ▶ Independenta Phase I - polymer injection ongoing
- ▶ Vata Polymer Pilot - engineering ongoing
- ▶ Preajba, Cartojani, Otesti, Slatioarele, Moreni Pilot Projects - develop phase
- ▶ Independenta & Vata Roll Out Projects - develop phase

Polymer Injection Scheme



¹ IOR – Improved Oil Recovery; EOR – Enhanced Oil Recovery

Upstream: Expand in Black Sea region capitalizing on existing skills and know-how



Neptun Deep project

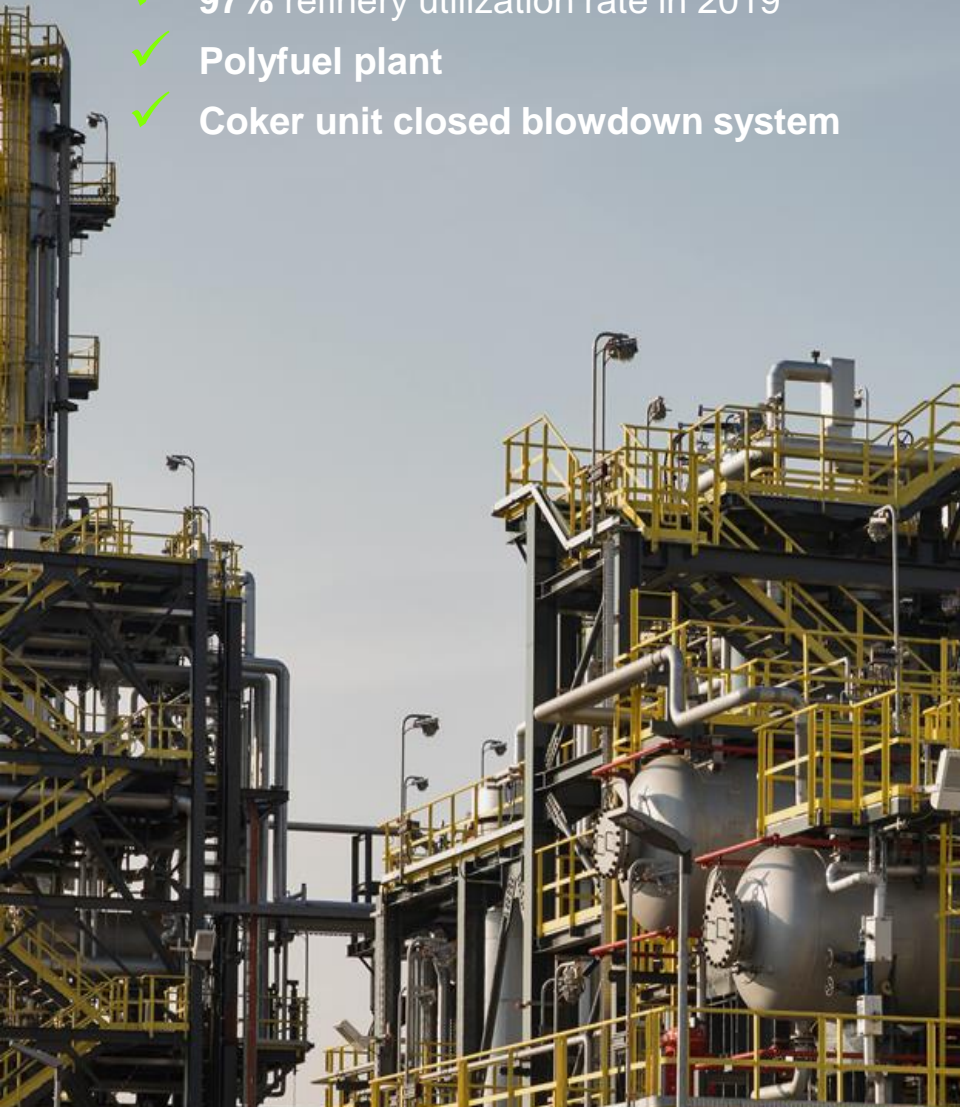
- ▶ OMV Petrom (50%), ExxonMobil (50%, Operator)
- ▶ Domino-1 discovery in 2012 (first offshore deep water exploration well)
- ▶ Resources Domino-1 discovery of 125-250 mn boe¹
- ▶ Joint Venture Expenditures to date (Exploration & Appraisal) over USD 1.5 bn²
- ▶ Two seismic acquisition campaigns: 2009; 2012 – 2013
- ▶ Second exploration drilling campaign successfully finalized in January 2016
 - ▶ Drilled 7 wells
 - ▶ Successful well test of Domino structure
- ▶ Matured through concept selection phase
- ▶ Key contributor to RRR³ target

Bulgaria offshore deep water

- ▶ Contract to acquire 30% share in the Han Asparuh exploration license from OMV E&P⁴
- ▶ OMV E&P (30%), Total (40%, Operator), Repsol (30%)
- ▶ First exploration well, Polshkov-1, drilled in 2016, followed by Rubin-1 in 2017, and Melnik-1 in 2018
- ▶ Geological and geophysical studies to be performed to identify additional exploration drilling targets
- ▶ Supports OMV Petrom's regional expansion strategy

¹ OMV Petrom initial estimate as communicated for the Domino-1 well in February 2012; ² Gross Value; ³ Reserves Replacement Rate; ⁴ Closing of the transaction is subject to certain conditions precedent and is expected by mid-2020

- ✓ 4-5 year refinery turnaround cycle
- ✓ <8% Fuel & Loss in 2019
- ✓ 97% refinery utilization rate in 2019
- ✓ Polyfuel plant
- ✓ Coker unit closed blowdown system



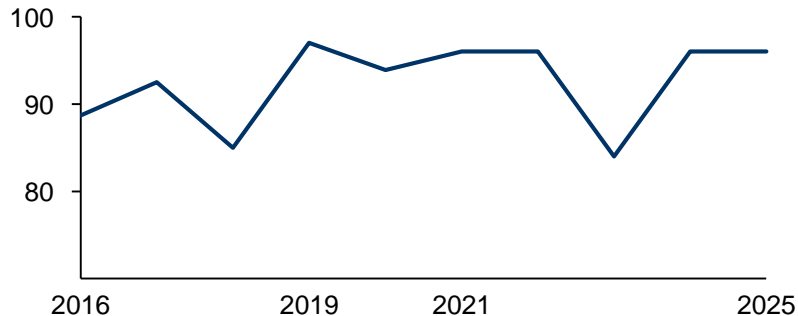
- ✓ Fully modernized fuel storage network
- ✓ MyAuchan, first convenience store in a filling station in Romania
- ✓ >5 mn l throughput/ filling station in Romania
- ✓ >25% growth of non-fuel sales (vs. 2016)



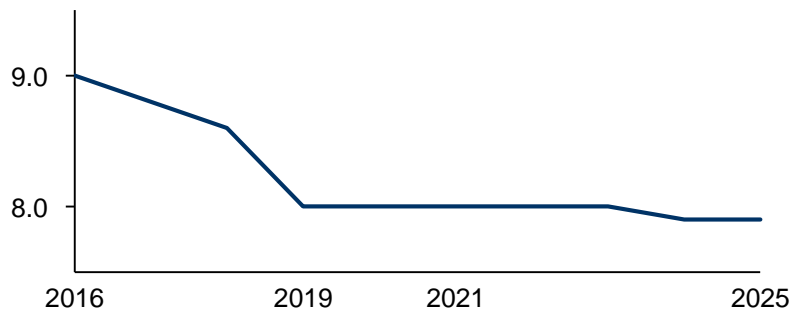
Downstream Oil 2017 - 2019

Downstream Oil: high level of performance in Petrobrasi refinery

Utilization rate (%)



Fuel and Loss (%)



- ▶ Focus on operational excellence
- ▶ Improve refinery operations to international benchmarks
- ▶ Maintain cost discipline
- ▶ 4-5 year turnaround cycle, limiting disruption of production and achieving cost savings
- ▶ Implement digital technologies in refinery to automate processes for maintenance and operations
- ▶ Started supplying 0.5% Sulphur marine fuel oil in December 2019; only provider in the region, supporting emissions reduction

Downstream Oil: high-value products and technological opportunities in refining



Polyfuel project	Coker Unit	High-value products
<ul style="list-style-type: none">▶ Increase output of high-demand and high-value products by reconversion of 50,000 tones liquefied petroleum gas (LPG)▶ Total investment ~EUR 65 mn▶ A unique, environmental-friendly technology	<ul style="list-style-type: none">▶ Total investment of ~EUR 46 mn▶ A closed blowdown system ensuring complete elimination of volatile organic compounds emissions, thus supporting the reduction of the environmental impact	<ul style="list-style-type: none">▶ Evaluate petrochemicals opportunities▶ Sustainable use of hydrocarbons to decrease carbon footprint▶ Opportunity to increase profitability (i.e. bio-oil co-processing ensuring independency on restricted supply)

Downstream Oil: enhance offer and customer experience in retail

Secure strong position on the retail market by clearly differentiating our two brands



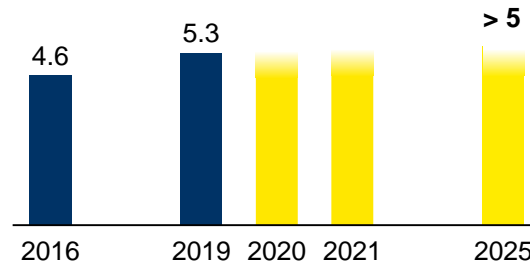
Best value for money

Together for Romania!

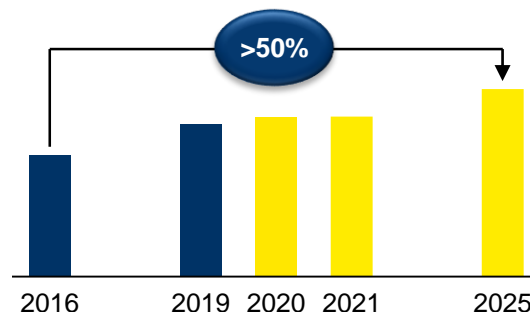
- ▶ Undisputed leader in fuel retail in Romania
- ▶ Strategic partnerships and programs increasing customer loyalty:
 - ▶ Auchan: encouraging pilot results; MoU signed to extend partnership
 - ▶ Subway: 11 locations running
- ▶ Refreshed design and dedicated communication and activations to attract younger families



Increase throughput per filling station in Romania (mn l)



Non-oil Business sales



Top quality leader

Energy for a better life

- ▶ OMV MaxxMotion Performance Fuels:
 - ▶ Recognized by customers as the top quality fuels in Romania
 - ▶ “Prolonged life of the engine” via unique cleaning molecules
- ▶ VIVA concept as differentiator through constant innovation and best customer experience
- ▶ “Close 2 you” – high quality products and efficient solutions focused on customer needs



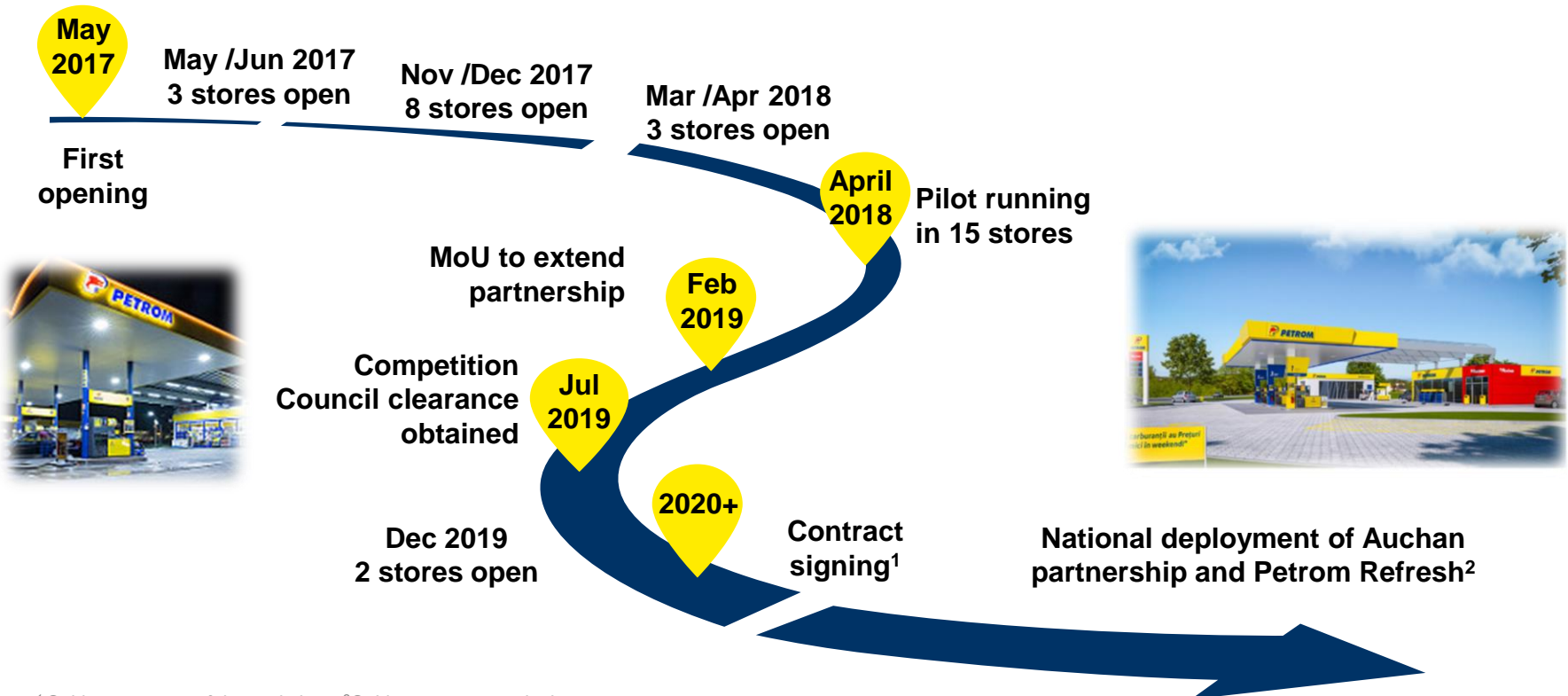
MyAuchan in Petrom – first convenience store in a filling station in Romania

Enhance customer experience

Save time through convenient
(24/7) **one-stop destination**

Fair, accessible pricing
at every customer point

Refreshed, welcoming
on-site look & feel



¹ Subject to successful negotiations; ² Subject to contract signing

IMO 2020: OMV Petrom ready to capture market opportunities from new regulations (1/2)



Refinery well positioned for new regulations

- ▶ **Advantaged by crude oil slate....:**
 - Over 80% of crude oil input with <0.5% sulfur content
- ▶ **... and refining yield:**
 - Over 70% white products¹
 - Around 40% diesel
 - No High Sulfur Fuel Oil production

New Marine Fuel Oil (MFO) product with 0.5% Sulfur

- ▶ **MFO 0.5% produced in Petrobrazi** following minor investment completed on time and budget
- ▶ **Ready to offer the new product in Constanta port**, tapping into new business in the Black Sea
- ▶ **Expected shortage of Marine Fuel Oil (MFO) 0.5%** in the first years starting 2020

Financial impact

- ▶ Sensitivities of impact in refining margin:
 - + 10 USD/t in Diesel crack spread → approx. USD +16 mn
 - - 10 USD/t in LSFO² crack spread → approx. USD (1) mn
- ▶ OMV Petrom to capture full market benefit in 2020-2024

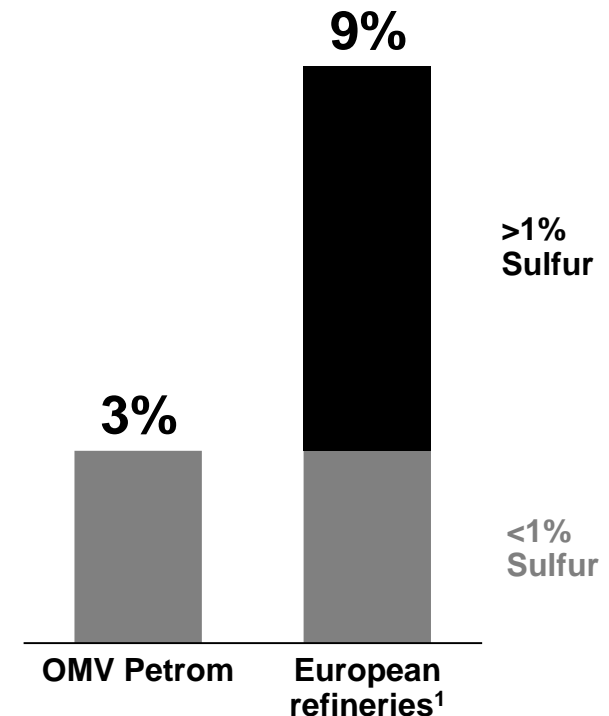
¹ White products include LPG, Gasoline, Diesel, Jet fuel; ² Low Sulfur Fuel Oil

IMO 2020: OMV Petrom ready to capture market opportunities from new regulations (2/2)

IMO global sulfur regulations

- ▶ Global sulfur limit for ships: from 4.5% in 2005, to 3.5% in 2012 and 0.5% in 2020
- ▶ Ship owners have the following options:
 1. Continue to use Heavy Fuel Oil (install scrubbers)
 2. Switch to new grade of Marine Fuel Oil (0.5% sulfur)
 3. Switch to marine gasoil
 4. Switch to LNG

Heavy Fuel Oil Yield (%)



¹ Source: Wood Mackenzie 2018 report- 84 European refineries



- ✓ Strengthened **leading** position on the Romanian gas market
- ✓ **51 TWh** avg. yearly gas sales
- ✓ Diversified **sourcing** to extend **supply portfolio**
- ✓ **3.2 TWh** Brazi power plant avg. yearly net electrical output
- ✓ Gas and power operations successfully **integrated**
- ✓ **Regional operations** in neighbouring countries
- ✓ **Digitalization** program started

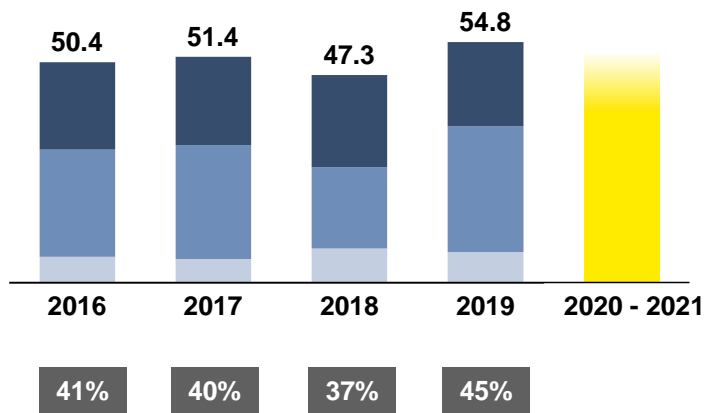
Downstream Gas 2017 - 2019

Downstream Gas: consolidate position on the Romanian gas market

Diversify gas sales channels

Enhanced Origination and Portfolio management

Gas sales (TWh)



% in Romanian consumption

■ End customers ■ Wholesalers* ■ Brazi power plant

*including regulated sales in 2019

- ▶ Sustainably preserve leading gas market position
- ▶ Maintain end-user portfolio while supplying all other sales channels
- ▶ Be the supplier of choice for the large industrial gas consumers
- ▶ Develop origination to diversify supply portfolio
- ▶ Capture highest integrated gas and power value
- ▶ Maximize availability of Brazi power plant
- ▶ Enhance offer and customer experience
- ▶ Improve agility, automate processes; be a digital pioneer in customer experience

Downstream Gas: Value added through international expansion



- ▶ Enrich sale and supply portfolios to mitigate volume and Romanian market concentration risks
- ▶ Expand operations in the neighbouring countries (subject to framework and interconnectors development)
- ▶ Grow regionally with Neptun volumes monetization

Success built on three core strategic enablers

People & Organizational Culture

- ▶ Supporting Business Growth
- ▶ Leadership Development
- ▶ Employer Attractiveness
- ▶ Simplification & Digitalization
- ▶ Performance Management
- ▶ Diversity

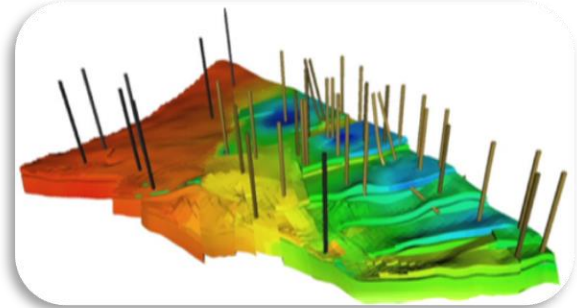
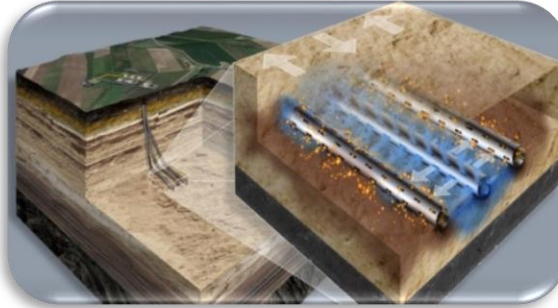
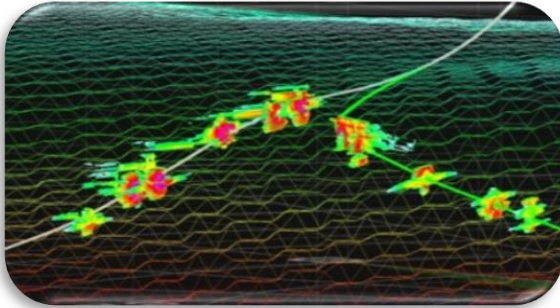
Technology & Innovation

- ▶ Digital Journey: Upstream DigitUp; Downstream DigitalMotion; Corporate programs
- ▶ Digital Democracy: Tools & skills for the people; Leadership development
- ▶ Open Innovation: Big partnerships; Start-ups; Technology scouting & deployment
- ▶ Culture & New ways of working: Agile; Design thinking; Rapid prototyping; Hackathons

Sustainability

- ▶ Safety: ZERO Harm - NO losses; Keep leading position in Process Safety
- ▶ Climate change: Reducing GHG intensity by 27% until 2025 vs. 2010; No new projects with routine flaring and venting; Improvement of energy efficiency
- ▶ Social responsibility: Maintain social license to operate

Upstream: Technology and Innovation for a sustainable future



- ▶ Digital Oil Field - well automation and online condition monitoring
- ▶ Standardized Narrow Band-Internet of Things (NB-IoT) - connectivity for the wells located in isolated areas and solution for cyber security
- ▶ Production automated forecasting - improved process and data availability
- ▶ Dashboard and Advanced Analytics via iPMS¹ - visualization and analytic solutions

- ▶ SAP Mobile Solution & Integrated well planning - automated coordination and management of operational, workover and drilling processes
- ▶ Smart Automated Reservoir Analysis - automated process to identify new opportunities
- ▶ First multilateral multistage stimulated offshore well drilled and put in production in 2018
- ▶ IOR/EOR² technologies and Grafysorber Nanotechnology Pilot – maximized recovery
- ▶ Upstream Automation Laboratory: proper environment for testing equipment/solutions



¹ integrated Production Management System; ² Improved/Enhanced Oil Recovery

Downstream: Automation and digitalization



Refinery

Digital Solutions in Refinery

- ▶ Electronic coordination and management of the maintenance and operations
- ▶ Refinery Dashboard - Data gathering and processing for monitoring and prediction
- ▶ Virtual Operator Training - Desktop-based 2D & 3D simulators
- ▶ eTop Turnaround Digital Board
- ▶ Terminal Automation System



Digital Solutions in Retail

- ▶ Fast lane - payment at the pump for fuel (outdoor payment terminal)
- ▶ Electronic labels to improve filling stations (FS) operations and price accuracy
- ▶ Data analytics and Power BI reporting to enable business decisions
- ▶ Video analytics - harness retail assets to alert on HSSE events and improve FS operations through live information analysis
- ▶ Smart Apps, automated self-service interface for customers and partners

Retail



Q4/19 and FY19 results review



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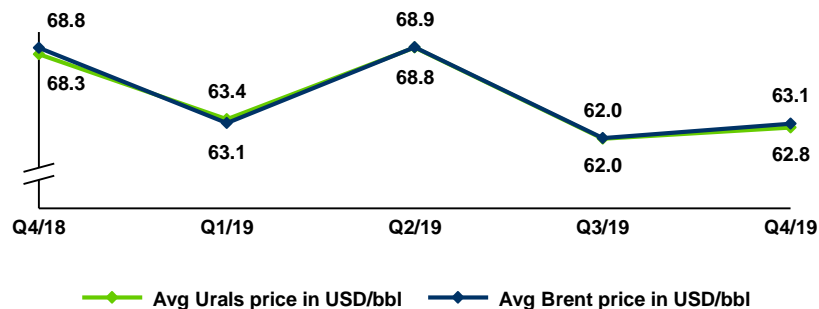


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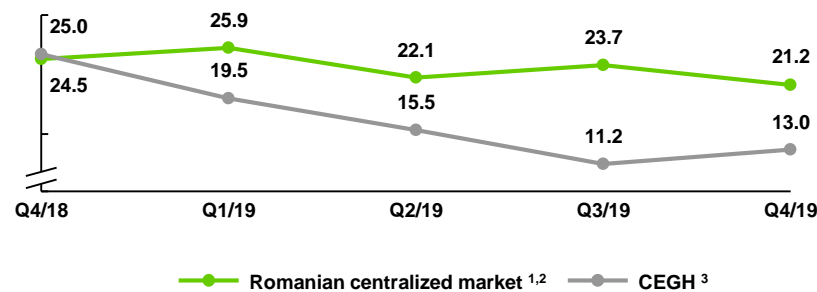
The energy for a better life.

Economic environment

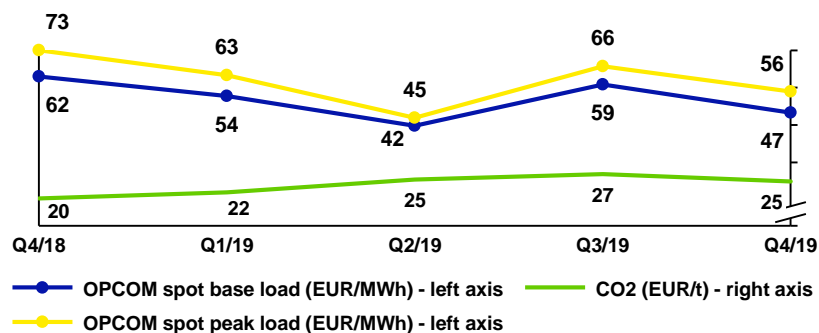
Oil price (USD/bbl)



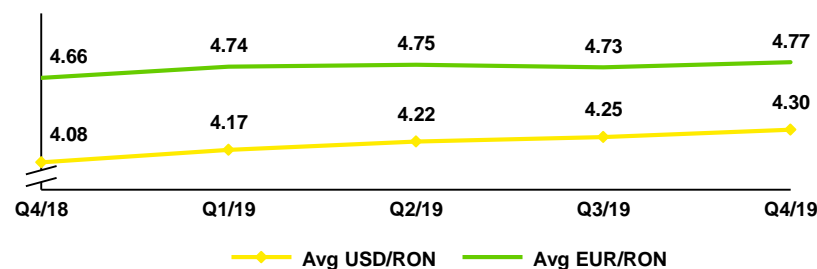
Gas prices (EUR/MWh)¹



Power prices in Romania¹ and CO₂ prices



FX (RON/USD and RON/EUR)



¹ Prices translated at NBR average RON/EUR rate; ² All transactions concluded on the Romanian commodities exchanges (BRM and OPCOM) in the respective quarter; includes various products in terms of storage costs, flexibility and timing; ³ Day-ahead market Central European Gas Hub

Romanian environment

Macroeconomic environment

2019e GDP growth¹: +4.1% yoy

Q4/19 GDP growth¹: +4.2% yoy

CPI annual inflation: Dec 19/Dec 18: 4.04%; Q4/19: 1.08%

Demand:

	2019 yoy	Q4/19 yoy
Fuels²	+5.8%	+5.7%
Gas³	-6%	-14%
Power⁴	-1%	-3%

Fiscal and regulatory framework

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)



¹ Romanian National Institute of Statistics; ² Fuels refer only to retail diesel and gasoline; OMV Petrom estimates based on Romanian National Institute of Statistics data; ³ According to company estimates; ⁴ According to preliminary data available from the grid operator

Key messages Q4/19

Financial performance



Clean CCS Operating result

RON 1.1 bn



Operating Cash Flow

RON 1.8 bn



Clean CCS ROACE

13.8%



Dividend proposal ¹

RON 1.8 bn

Operational highlights



Upstream:

- ▶ Shallow offshore drilling campaign finalized, 3 producing wells
- ▶ Large 3D seismic acquisition survey in Urziceni East block ongoing



Downstream Oil:

- ▶ Excellent operational performance
- ▶ Production of IMO 2020 compliant marine fuel oil started in Petrobraz

Downstream Gas:

- ▶ Increased gas trading and diversified supply to cover extended sale portfolio

Strategic highlights



Black Sea:

- ▶ Regional expansion into exploration offshore Bulgaria
- ▶ Changes to the Offshore Law are needed in order to move the Neptun Deep project forward; committed to dialogue with the authorities on the way forward

HSSE

LTIR² 2019: 0.31; GHG³ intensity 2019: -22% vs. 2010

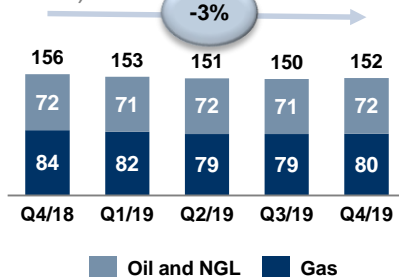
¹ Executive Board's proposal subject to approvals of the Supervisory Board and Annual General Meeting of Shareholders on April 27, 2020; ² Lost time injury rate (employees and contractors) for OMV Petrom Group; ³ Greenhouse gases

Operational KPIs

Upstream

Hydrocarbon production

(kboe/d)



OPEX

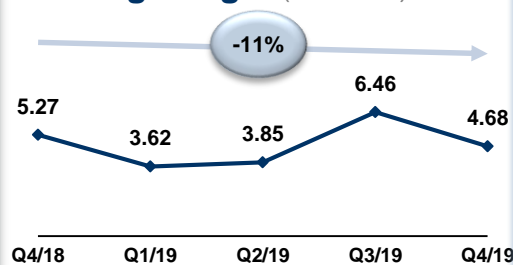
(USD/boe)



Downstream Oil

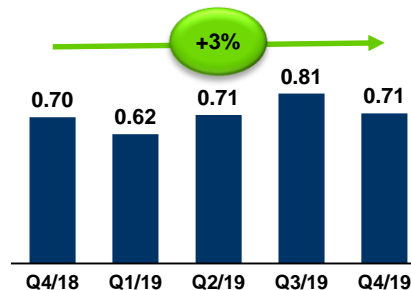
OMV Petrom Indicator refining margin

(USD/bbl)



Retail sales volumes

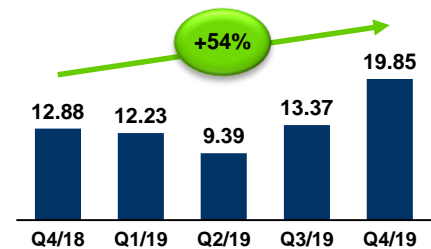
(mn t)



Downstream Gas

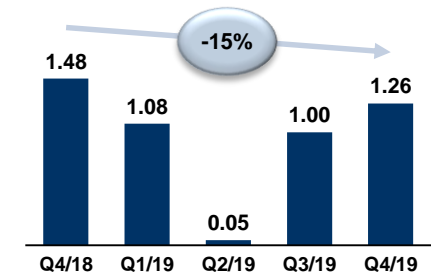
Gas sales volumes

(TWh)



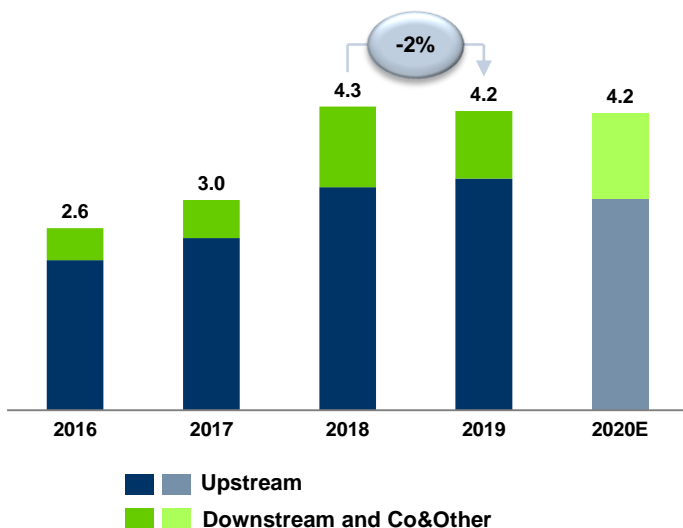
Net electrical output

(TWh)



CAPEX and E&A

Group CAPEX incl. capitalized E&A (RON bn)



CAPEX incl. capitalized E&A

- ▶ **2019 at RON 4.2 bn:**
 - ▶ 100 new wells and sidetracks
 - ▶ ~900 workovers
 - ▶ Shallow offshore drilling campaign
 - ▶ Coker Closed Blowdown system
 - ▶ CCPP Brazi planned shut down
 - ▶ Recognition of assets under IFRS 16 Leases
- ▶ **2020E at RON ~4.2 bn:**
 - ▶ ~100 wells and sidetracks
 - ▶ Constant level of workovers yoy
 - ▶ Compliance and environmental projects

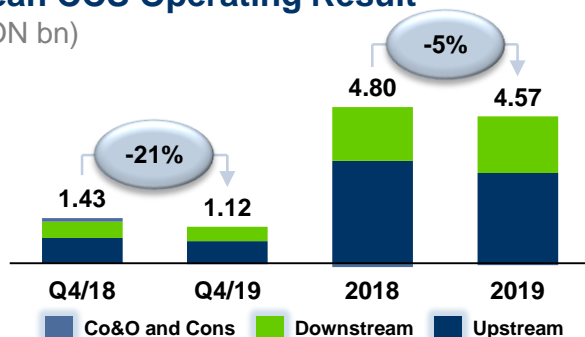
E&A

- ▶ **2019 at RON 0.4 bn:**
 - ▶ 2 wells drilled in 2019
 - ▶ 4461 Totea South well production started in October
- ▶ **2020E at RON ~0.3 bn**
 - ▶ 3D seismic acquisition in Urziceni East block started in Q4/19 to be finalized in H1/20

Income Statement highlights

Clean CCS Operating Result

(RON bn)

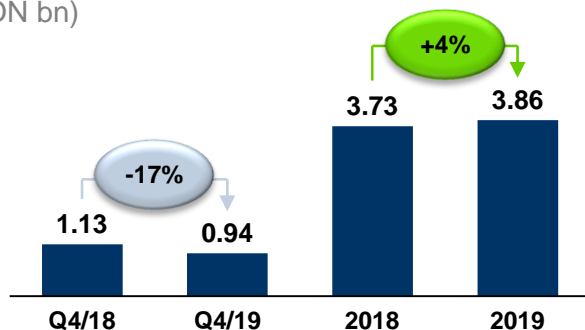


► Q4/19 Clean CCS Operating Result reflects:

- Lower oil prices
- Higher sales volumes of fuels and gas
- Favorable FX development and prices for natural gas

Clean CCS Net Income¹

(RON bn)



► Q4/19 Clean CCS Net Income reflects:

- Lower Clean CCS Operating Result
- Higher Financial Result

¹ Attributable to stockholders of the parent

Special items and CCS effect

RON mn	Q4/19	Q4/18	2019	2018
Clean CCS Operating Result	1,120	1,426	4,573	4,804
CCS effects: Inventory holding gains / (losses)	17	(81)	42	186
Special items	(89)	406	(370)	223
Thereof Upstream	(204)	340	(255)	306
Downstream Oil	(6)	13	(204)	9
Downstream Gas	129	60	156	(73)
Operating Result	1,049	1,751	4,245	5,213

Q4/19



- ▶ Gain from forward contracts in Downstream Gas



- ▶ Impairment of assets held for sale in Upstream

2019



- ▶ Gain from forward contracts in Downstream Gas

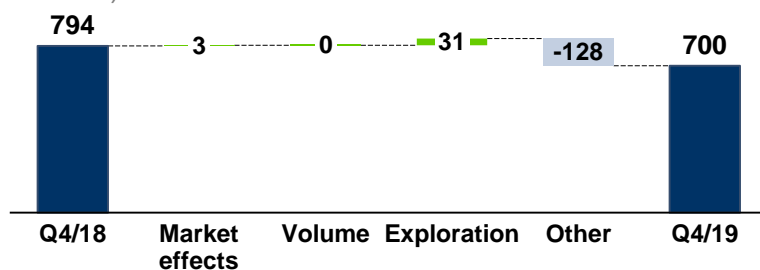


- ▶ Impairment of assets held for sale in Upstream
- ▶ Estimated soil remediation costs in relation to Arpechim refinery

Clean CCS Operating Result

Upstream

(RON mn)



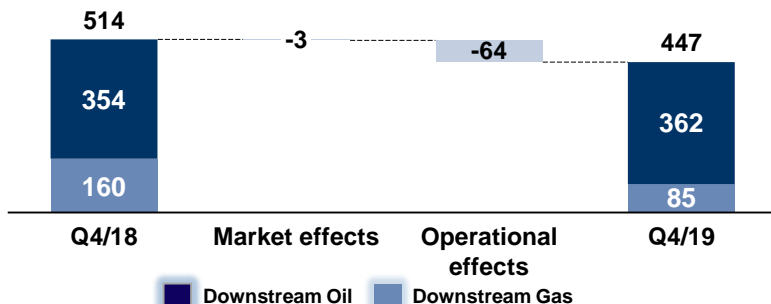
- ▶ Favourable FX
- ▶ Higher realized gas prices
- ▶ Lower exploration expenses



- ▶ Lower crude prices
- ▶ Sales volumes -1%

Downstream

(RON mn)



- ▶ 98% refining utilization rate
- ▶ Refined products sales +4%
- ▶ Gas sales volumes: +54%

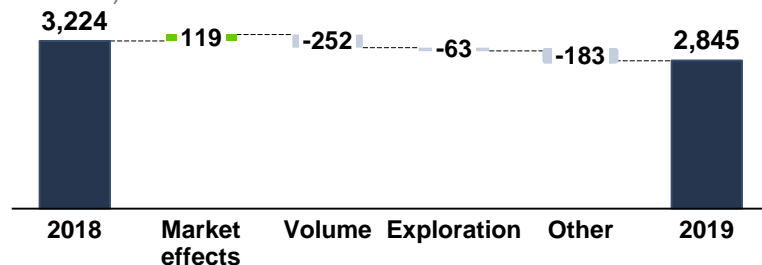


- ▶ Lower refining margin
- ▶ Lower power sales and spark spreads

Clean CCS Operating Result

Upstream

(RON mn)



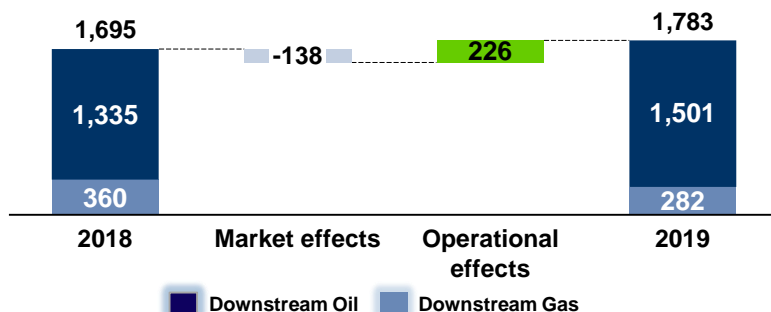
- ▶ Favourable FX
- ▶ Higher realized gas prices
- ▶ Clarification of a tax topic



- ▶ Lower crude prices
- ▶ Sales volumes -4%

Downstream

(RON mn)



- ▶ 97% refining utilization rate
- ▶ 2018 refinery turnaround low base
- ▶ Refined products sales +10%
- ▶ Higher gas sales volumes

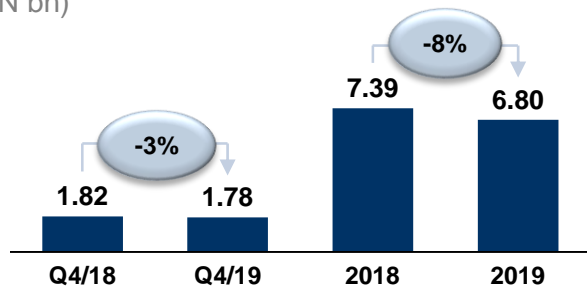


- ▶ Lower refining margins

Cash Flow highlights

Cash Flow from Operating Activities

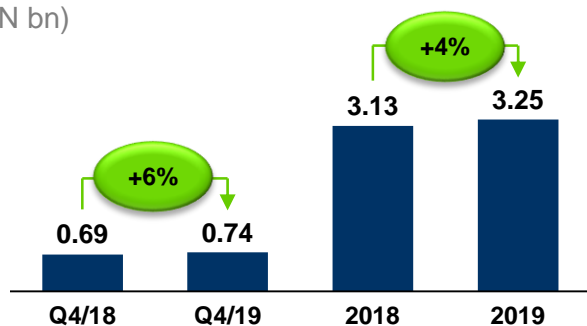
(RON bn)



- Q4/19 CFO: lower decrease than Operating Result due to higher depreciation and impairments

Free Cash Flow

(RON bn)

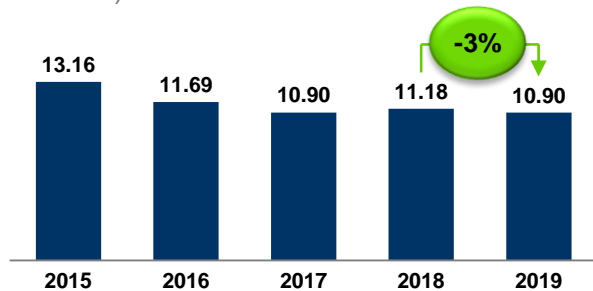


- Q4/19 CFO¹ -3% yoy
- Q4/19 CFI² -8% yoy

¹ Cash Flow from Operating Activities; ² Cash flow from investing activities

Upstream KPIs

OPEX¹ (USD/boe)

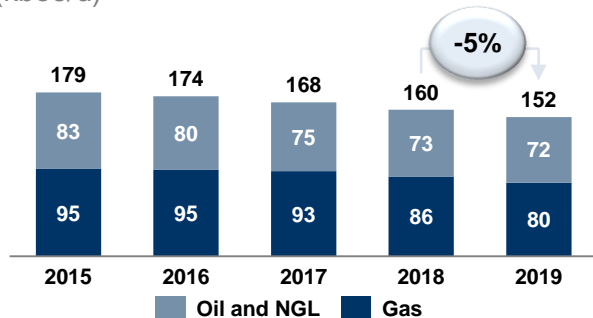


Key drivers 2019 vs. 2018

Lower OPEX, in USD/boe terms, -3%:

- ▶ Favourable FX
- ▶ Lower production available for sale

Hydrocarbon production (kboe/d)



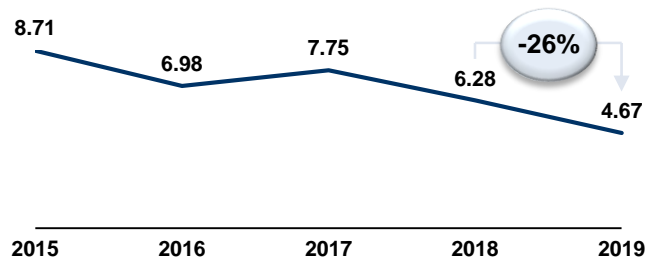
Total Upstream production -5%, due to:

- ▶ Natural decline
- ▶ Surface works
- ▶ Marginal fields divestments
- ▶ Contribution from new wells

¹ OMV Petrom aligned the production cost definition with its industry peers. Administrative expenses and selling and distribution costs are excluded from 2017 onwards. 2016 OPEX figures were re-calculated accordingly. Previous years' figures were not recalculated.

Downstream Oil KPIs

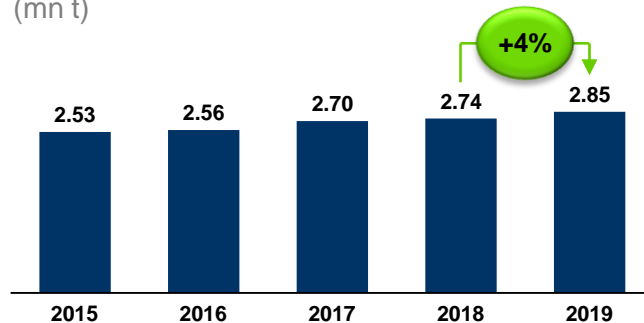
OMV Petrom Indicator refining margin
(USD/bbl)



Key drivers 2019 vs. 2018

- ▶ Refining margin -26% yoy, due to lower products spreads

Retail sales volumes
(mn t)



- ▶ Retail sales up 4% yoy, driven by higher demand
- ▶ Refined product sales +10% following 2018 refinery turnaround

Downstream Gas KPIs

Gas sales volumes

(TWh)

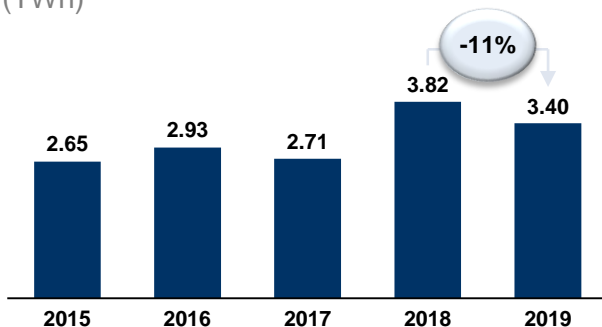


Key drivers 2019 vs. 2018

- ▶ Higher gas sales volumes, built on third party acquisitions
- ▶ Gas sales to regulated market: 12.51 TWh

Net electrical output

(TWh)



- ▶ Lower net electrical output
- ▶ Power sales to regulated market: 1.14 TWh
- ▶ Still positive spark spreads, although lower yoy

Outlook 2020



OMV Petrom S.A.



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The energy for a better life.

Outlook 2020

Indicators	Actual 2019	Assumptions/Targets 2020
Brent oil price	USD 64.21/bbl	USD 60/bbl
Production	152 kboe/d	decline below 5% yoy ¹
Refining margin	USD 4.67/bbl	USD >5.0/bbl
CAPEX	RON 4.2 bn	RON ~4.2 bn
FCF after dividends	RON 1.7 bn	Positive

¹ Not including portfolio optimization

Sensitivities in 2020

OMV Petrom Group main sensitivities		Operating Result impact
Brent oil price	USD +1/bbl	~EUR +20 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

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Appendix

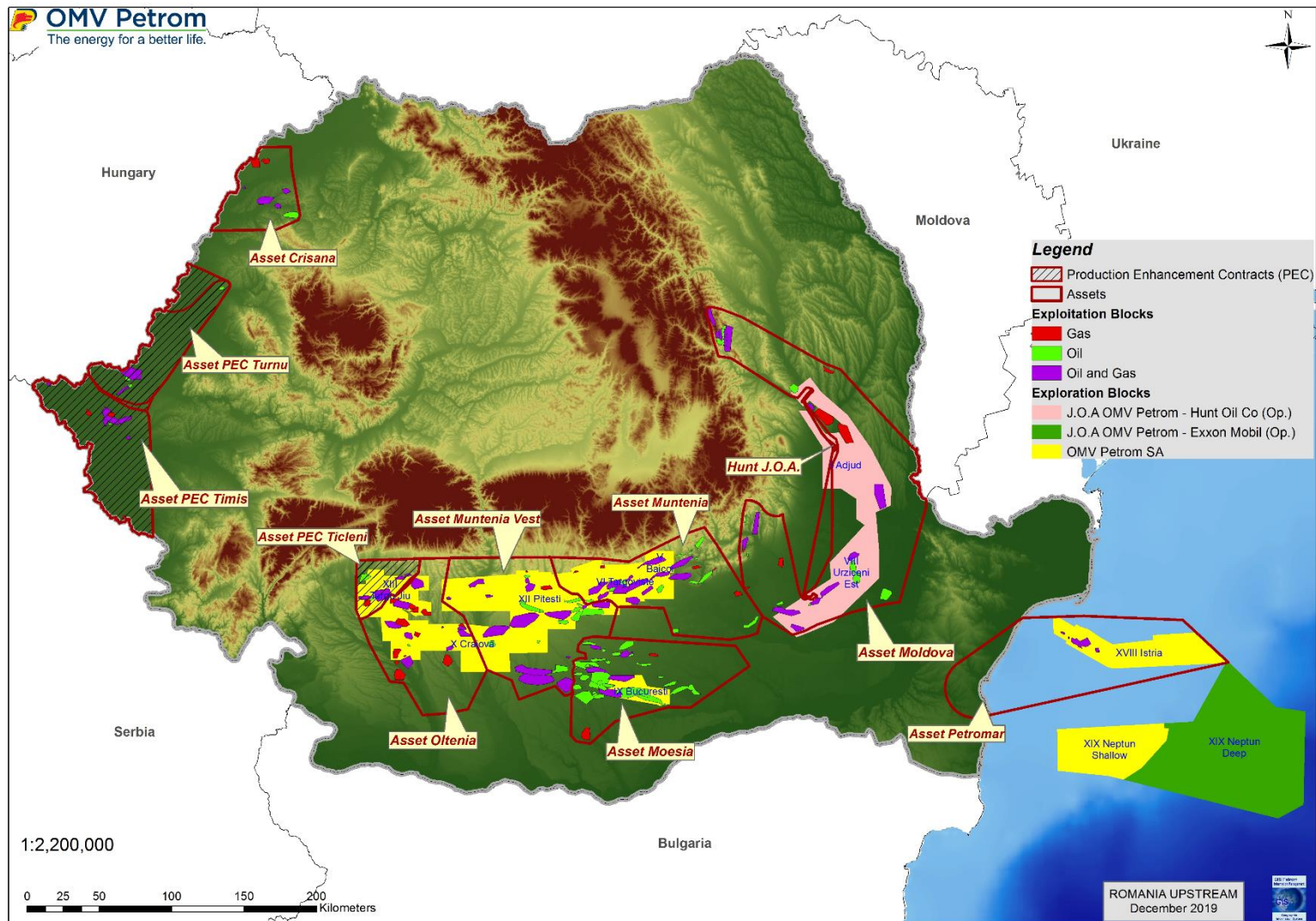


OMV Petrom S.A.

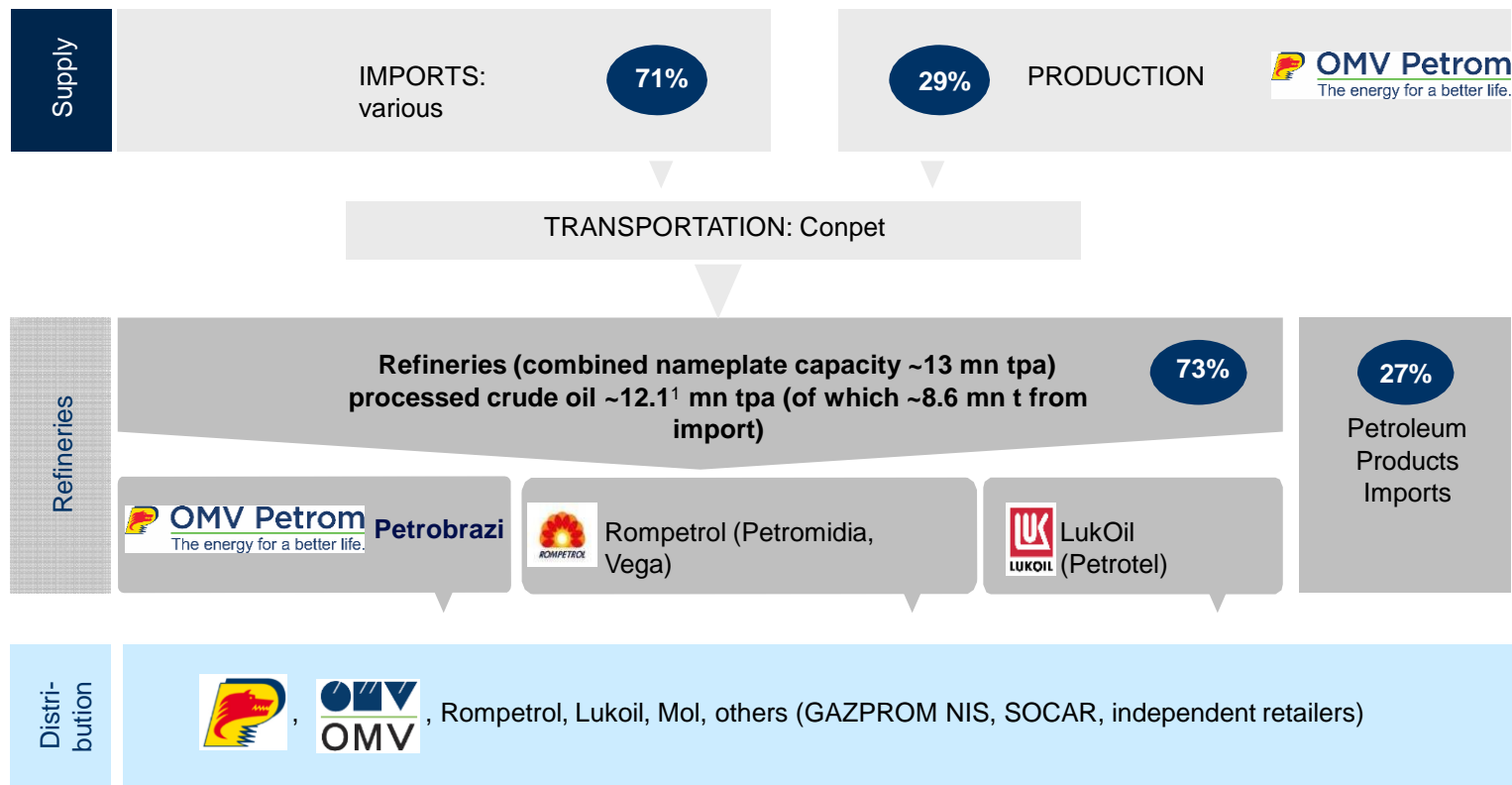


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Upstream Romania map

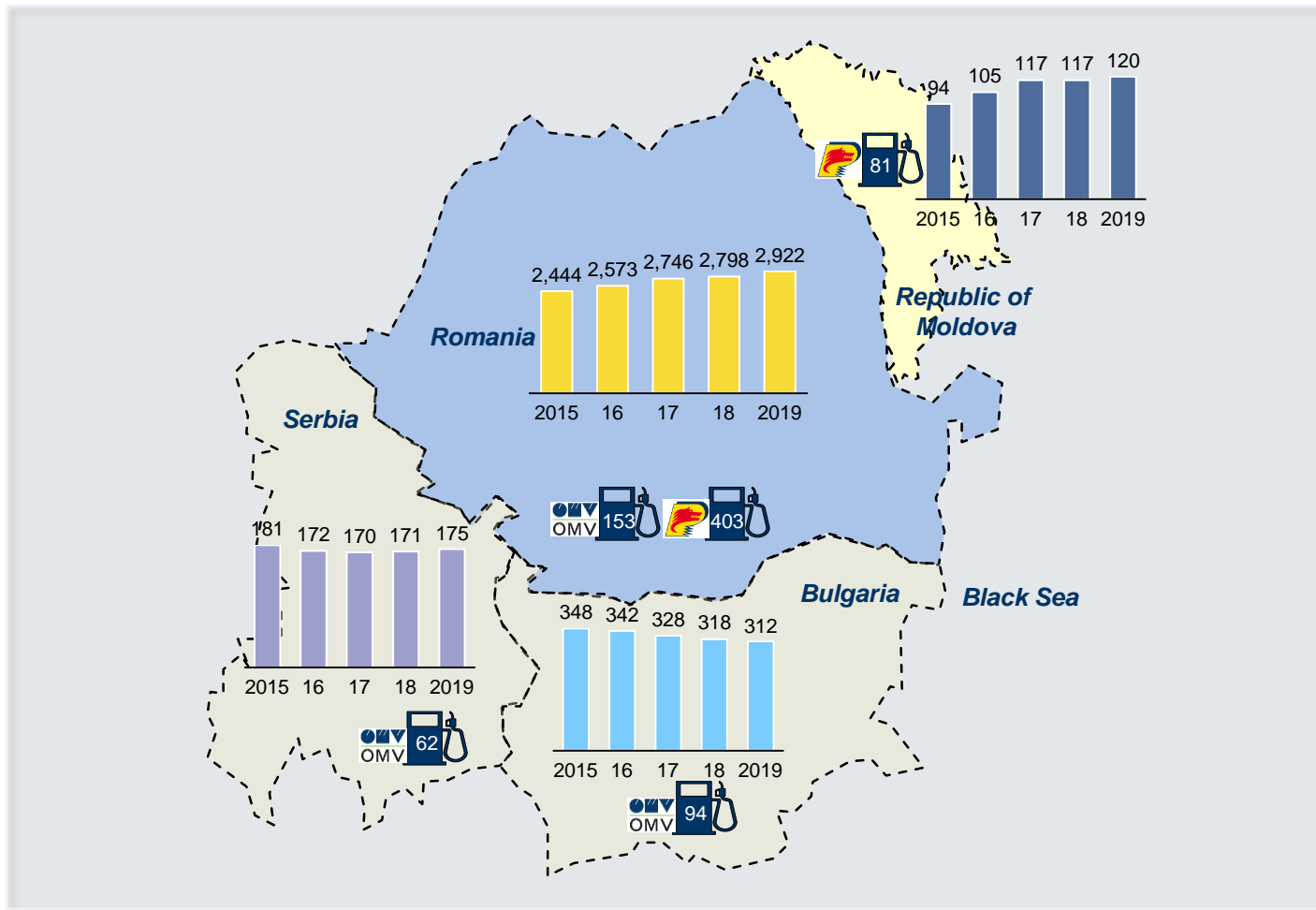


Romanian oil market overview in 2019

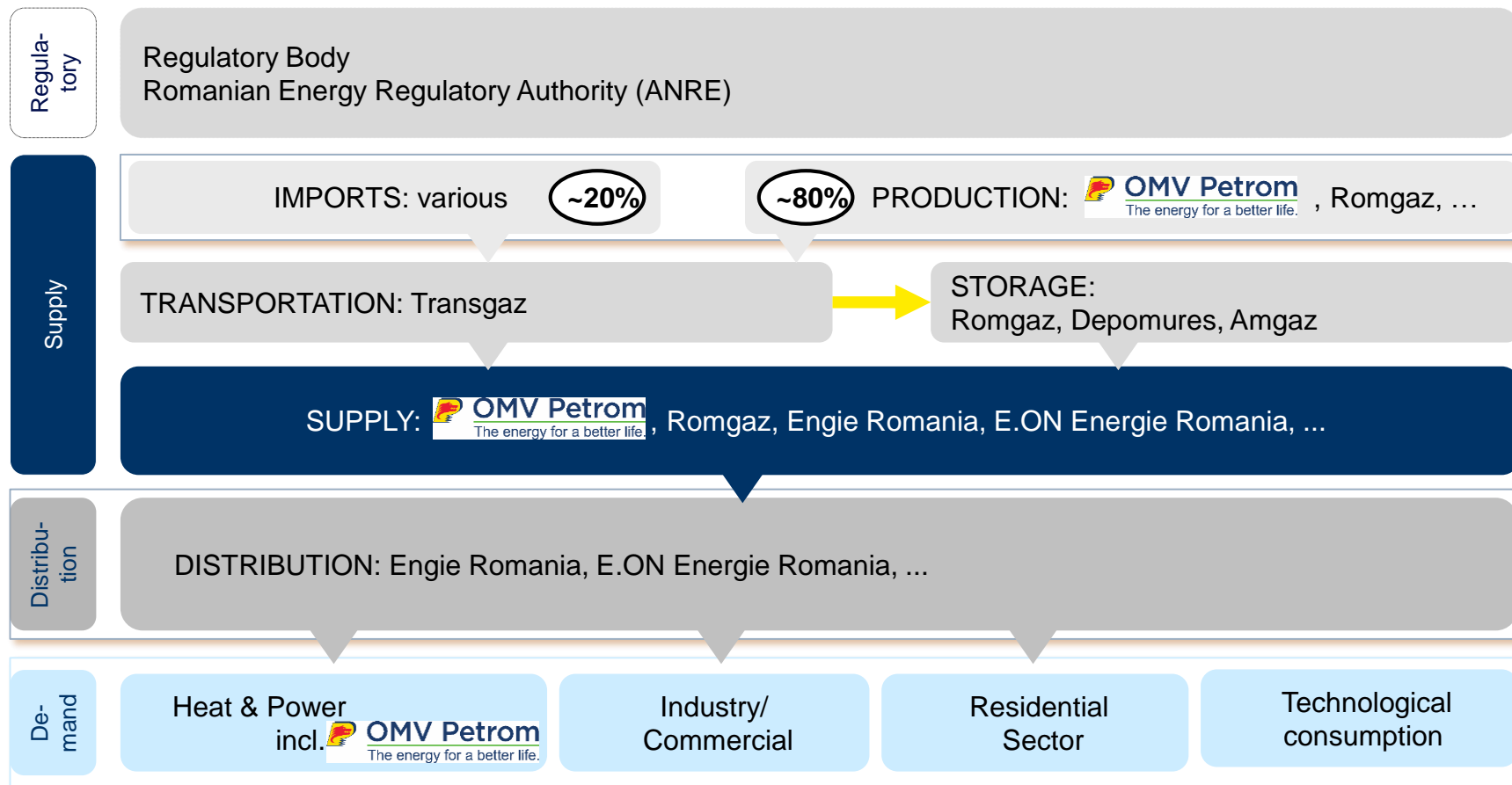


¹ Only crude oil processed (other feedstock not included). Data source: National Institute of Statistics (INS) and OMV Petrom calculations

OMV Petrom Group fuel retail sales (mn l)

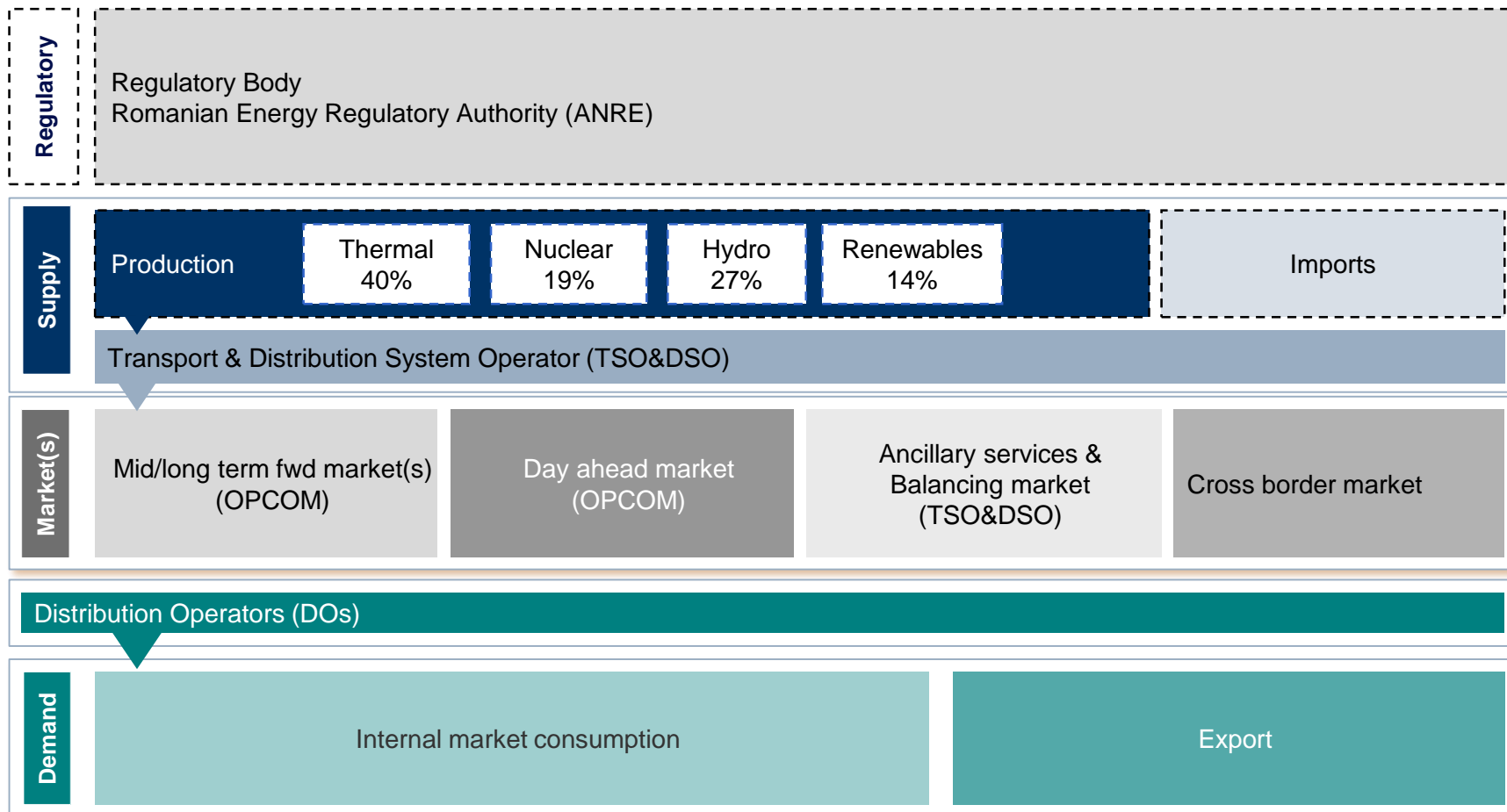


Romanian gas market overview in 2019



Data source: ANRE monthly monitoring reports 2019 until August; Company estimates afterwards

Romanian power market overview in 2019



Data source: Transelectrica real-time system data, may be subject to change

Cash flow Statement

RON mn	2015	2016	2017	2018	2019
Cash flow from operating activities (CFO)	5,283	4,454	5,954	7,385	6,803
Thereof, Depreciation, amortization and impairments including write-ups	6,761	3,464	3,580	2,872	3,638
Change in net working capital (NWC)	146	-27	-199	32	-256
Cash flow from investing activities (CFI)	-4,953	-2,896	-2,446	-4,261	-3,556
Cash flow from financing activities (CFF), of which	-794	-376	-1,524	-1,495	-1,844
Dividends paid	-631	-1	-842	-1,123	-1,516
Cash and equivalents at end of period	813	1,996	3,979	5,609	7,014
Free cash flow (FCF)	329	1,559	3,508	3,125	3,246
Free cash flow after dividends	-301	1,558	2,666	2,002	1,730

Income Statement

RON mn		2015	2016	2017	2018	2019
Sales ¹		18,493	16,647	19,435	22,523	25,485
Clean CCS Operating Result		2,529	1,700	3,273	4,804	4,573
Thereof	Upstream	919	575	1,674	3,224	2,845
	Downstream Oil	1,315	1,112	1,533	1,335	1,501
	Downstream Gas	-145	11	220	360	282
	Corporate and Other	-68	-62	-74	-87	-89
	Consolidation	509	65	-80	-28	34
Operating Result		-522	1,476	3,270	5,213	4,245
Financial result ¹		-204	-211	-366	-299	32
Taxes		36	-227	-415	-836	-642
Net income ²		-676	1,043	2,491	4,078	3,635
Clean CCS net income ²		1,801	1,162	2,488	3,728	3,863

¹ Restated to reflect the new Income Statement structure; ² Attributable to stockholders of the parent

Operating Result

RON mn		2015	2016	2017	2018	2019
Clean CCS Operating Result		2,529	1,700	3,273	4,804	4,573
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	Corporate and Other	-68	-62	-74	-87	-89
	Consolidation	509	65	-80	-28	34
Operating Result		-522	1,476	3,270	5,213	4,245
Thereof	Upstream	-1,815	401	1,661	3,531	2,589
	Downstream Oil	1,230	1,289	1,681	1,385	1,475
	Downstream Gas	-216	3	86	286	438
	Corporate and Other	-68	-65	-76	-106	-156
	Consolidation	346	-153	-82	116	-102

Key financial indicators (consolidated) – restated¹

in RON mn	2016	2017	2018	2019	Q1/19	Q2/19	Q3/19	Q4/19
Sales	16,647	19,435	22,523	25,485	5,420	5,900	6,869	7,296
Clean CCS Operating Result	1,700	3,273	4,804	4,573	1,227	998	1,228	1,120
Operating Result ²	1,476	3,270	5,213	4,245	1,288	969	939	1,049
Operating result before depreciation	4,940	6,854	8,085	7,879	2,043	1,868	1,859	2,109
Clean CCS net income attributable to stockholders	1,162	2,488	3,728	3,863	1,056	845	1,024	938
Net income attributable to stockholders	1,043	2,491	4,078	3,635	1,151	823	785	875
Cash flow from operating activities	4,454	5,954	7,385	6,803	1,505	1,429	2,094	1,775
Free cash flow after dividends	1,558	2,666	2,002	1,730	666	-1,053	1,383	734
Non-current assets	35,129	33,727	33,549	34,933	34,036	34,231	35,163	34,933
Total equity	26,706	28,421	31,368	33,501	32,538	31,823	32,619	33,501
Net debt / (cash)	-237	-2,897	-4,891	-5,982	-5,237	-4,160	-5,394	-5,982
CAPEX	2,575	2,969	4,289	4,225	826	887	1,079	1,432
Gearing ratio	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Clean CCS EPS (RON)	0.0205	0.0439	0.0658	0.0682	0.0186	0.0149	0.0181	0.0166
EPS (RON)	0.0184	0.0440	0.0720	0.0642	0.0203	0.0145	0.0139	0.0154
Clean CCS ROACE	5%	10%	14%	14%	15%	16%	15%	14%
Payout ratio	81%	45%	38%	48%				
Dividend per share (gross, RON)	0.0150	0.0200	0.0270	0.031				
Employees at the end of the period	14,769	13,790	13,201	12,347	12,853	12,767	12,611	12,347
NBR rates	2016	2017	2018	2019	Q1/19	Q2/19	Q3/19	Q4/19
EUR/RON average	4.49	4.57	4.65	4.75	4.74	4.75	4.73	4.77
USD/RON average	4.06	4.05	3.94	4.24	4.17	4.22	4.26	4.31

¹ Restated to reflect the new Income Statement structure; ² Specific Upstream taxes in Romania for 2018 amounted to RON 1,206 mn, representing 13.1% of total Upstream hydrocarbon revenues, and include royalties (RON 831 mn) and supplementary oil and gas taxation (RON 375 mn). Specific Upstream taxes in Romania for 2019 amounted to RON 1,227 mn, representing 13.5% of total Upstream hydrocarbon revenues, and include royalties (RON 707 mn), supplementary oil and gas taxation (RON 473 mn) and 2% ANRE contribution for gas production activities (RON 47 mn). For 2019, the 2% ANRE contribution for gas supply and electricity production and supply activities was in amount of RON 45 mn.

Contact Investor Relations

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2020 Financial Calendar:

April 27: Annual General Meeting of Shareholders

April 29: Q1 2020 results

July 29: Q2 2020 results

October 29: Q3 2020 results