OMV Petrom Q2/20 Results
Christina Verchere, CEO

July 29, 2020

Legal Disclaimer

This presentation does not, and is not intended to, constitute or form part of, and should not be construed as, constituting or forming part of, any actual offer to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares issued by the Company or any of its subsidiaries in any jurisdiction or any inducement to enter into investment activity; nor shall this document or any part of it, or the fact of it being made available, form the basis of, or be relied on in any way whatsoever. No part of this presentation, nor the fact of its distribution, shall form part of or be relied on in connection with any contract or investment decision relating thereto; nor does it constitute a recommendation regarding the securities issued by the Company. The information and opinions contained in this presentation and any other information discussed in this presentation are provided as at the date of this presentation and are therefore of a preliminary nature, have not been independently verified and may be subject to updating, revision, amendment or change without notice. Where this presentation quotes any information or statistics from any external source, it should not be interpreted that the Company has adopted or endorsed such information or statistics as being accurate.

No reliance may be placed for any purpose whatsoever on the information contained in this presentation, or any other material discussed verbally. No representation or warranty, express or implied, is given as to the accuracy, fairness or currentness of the information or the opinions contained in this document or on its completeness and no liability is accepted for any such information, for any loss howsoever arising, directly or indirectly, from any use of this presentation or any of its content or otherwise arising in connection therewith.

This presentation may contain forward-looking statements. These statements reflect the Company's current knowledge and its expectations and projections about future events and may be identified by the context of such statements or words such as "anticipate," "believe", "estimate", "expect", "intend", "plan", "project", "target", "may", "will", "would", "could" or "should" or similar terminology. By their nature, forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control that could cause the Company's actual results and performance to differ materially from any expected future results or performance expressed or implied by any forward-looking statements.

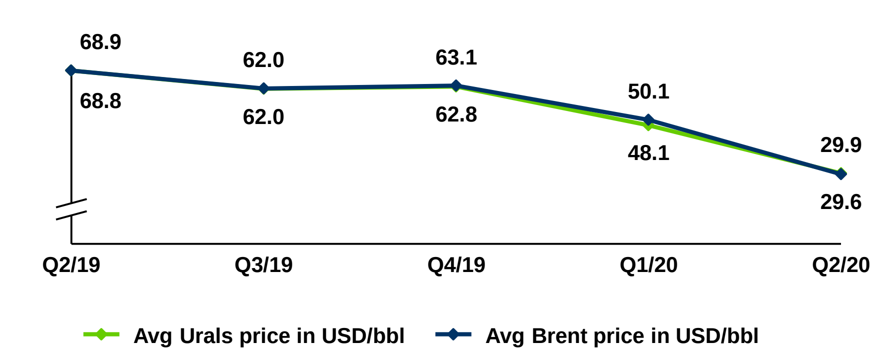
None of the future projections, expectations, estimates or prospects in this presentation should in particular be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared or the information and statements contained herein are accurate or complete. As a result of these risks, uncertainties and assumptions, you should in particular not place reliance on these forward-looking statements as a prediction of actual results or otherwise. This presentation does not purport to contain all information that may be necessary in respect of the Company or its shares and in any event each person receiving this presentation needs to make an independent assessment.

The Company undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this presentation that may occur due to any change in its expectations or to reflect events or circumstances after the date of this presentation.

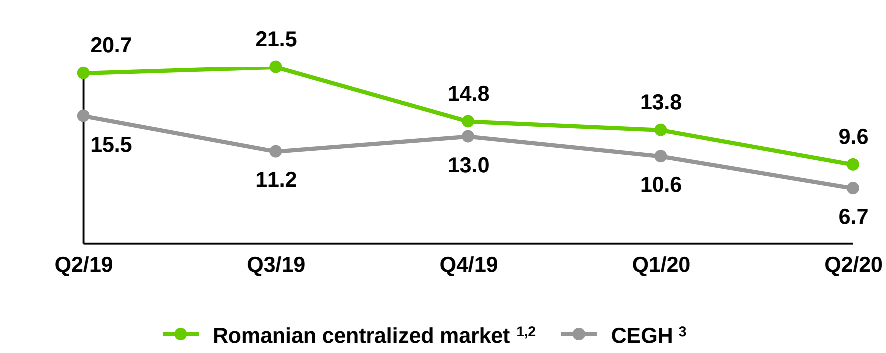
This presentation and its contents are proprietary to the Company and neither this document nor any part of it may be reproduced or redistributed to any other person.

Economic environment

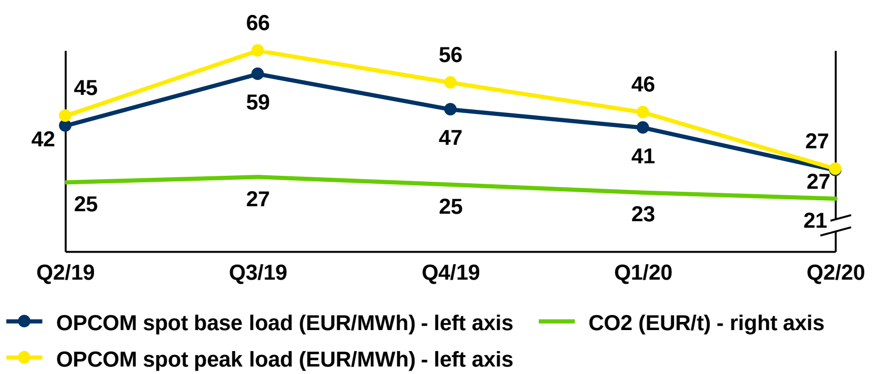
Oil price (USD/bbl)



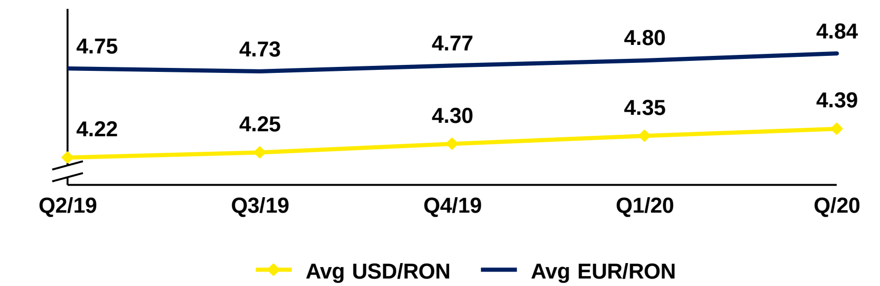
Gas prices (EUR/MWh)[1]



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

Romanian environment

Fiscal and regulatory framework

Authorities' reaction to COVID:

- Emergency state mid-March to mid-May; followed by alert state
- Health and social, fiscal and monetary measures
- National Investment and Economic Relaunch Plan

Recent regulatory changes

- New gas release program
- Removal of centralized market obligation
- Windfall tax for gas suppliers to households and thermal energy producers
- Regulated power allocation

Macroeconomic environment

GDP growth:

- Q1/20[1]: + 2.7% yoy
- 2020e[2]: - 6% yoy

CPI annual inflation:

- Jun 20/Jun 19[1]: 2.6%;
- 2020e[2]: 2.5%

Demand:

	6m/20 yoy	Q2/20 yoy
Fuels[3]	-10%	-23%
Gas[4]	+1%	+11%
Power[5]	-7%	-11%

[1] Romanian National Institute of Statistics; [2] EC, Summer 2020 Economic Forecast, 7 July 2020; [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

OMV Petrom

Key messages Q2/20

Financial performance

Clean CCS Operating result	Operating Cash Flow	Clean CCS ROACE
RON 0.3 bn	RON 1.2 bn	10.3%

Operational highlights

Managed crisis with no business interruptions and net working capital at optimal levels

Upstream:

- Strong hydrocarbon production performance; OPEX/boe dropped by 11% yoy

Downstream Oil:

- Refining utilization above regional peers, strong performance on all sales channels

Downstream Gas:

- Excellent power performance; gas sales account for ~60% of total Romanian demand

Strategic highlights

- Successful bidder for **offshore license in Black Sea, Georgia**
- **Negotiations** with Auchan are ongoing
- Neptun Deep: **no progress on offshore law**

HSSE

LTIR[1] Jul 19 – Jun 20: 0.19; strongest performance since 2017

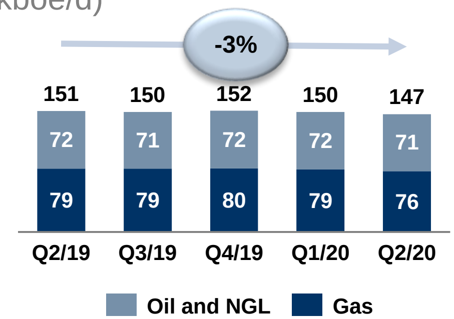
[1] *Lost time injury rate (employees and contractors) for OMV Petrom Group*

OMV Petrom

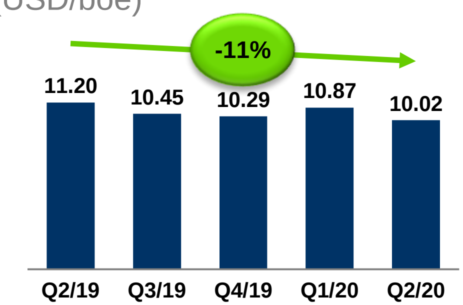
Operational KPIs

Upstream

Hydrocarbon production
(kboe/d)

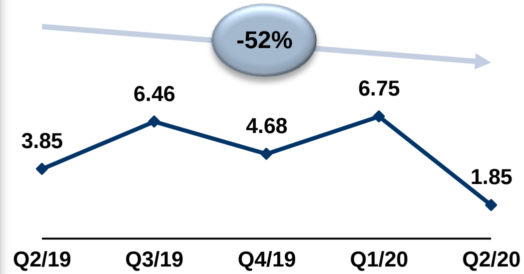


OPEX
(USD/boe)

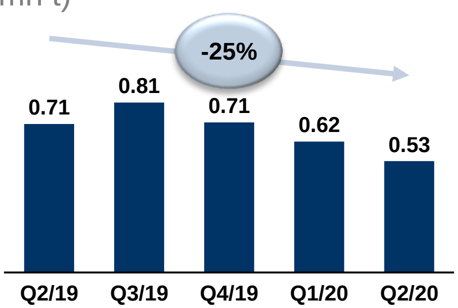


Downstream Oil

OMV Petrom Indicator refining margin (USD/bbl)

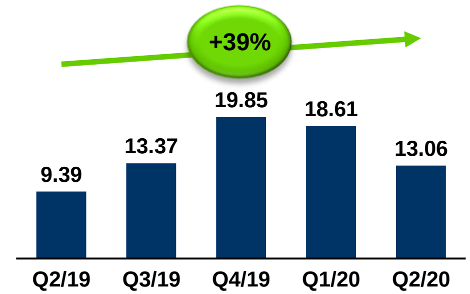


Retail sales volumes
(mn t)

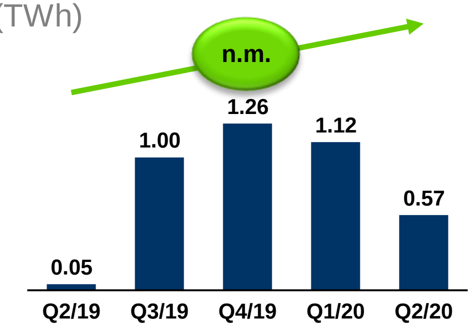


Downstream Gas

Gas sales volumes
(TWh)



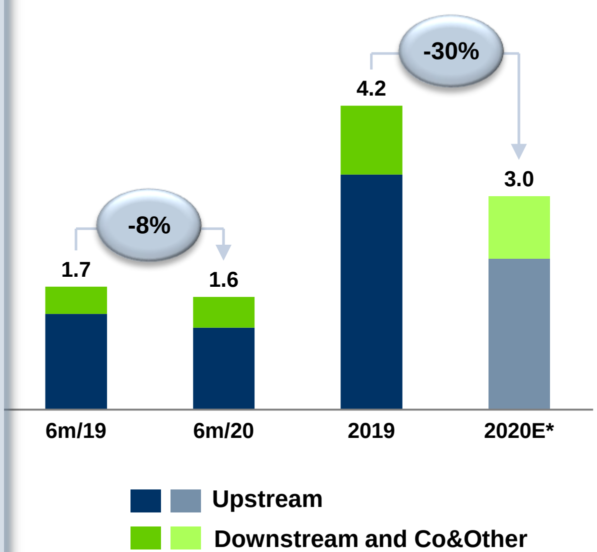
Net electrical output
(TWh)



OMV Petrom

CAPEX and E&A

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



**CAPEX including capitalized exploration and appraisal and excluding acquisitions*

CAPEX incl. capitalized E&A

- **6m/20** at RON 1.6 bn:
  - 28 new wells and sidetracks
  - ~430 workovers
  - Securing long-term logistic access to Petrobrazi refinery
  - Bio-compliance blending project
- **2020E** at RON ~3.0 bn:
  - Wells and sidetracks: ~60
  - Workovers (constant level yoy)
  - Compliance and environmental projects

E&A

- **6m/20** at RON 0.09 bn:
  - 3D seismic acquisition in Urziceni East block started in Q4/19 and finalized in Q1/20; data interpretation ongoing
  - 1 well in testing phase
- **2020E** at RON ~0.2 bn:
  - 1 well planned to be tested by year-end
  - 2 wells and seismic operations postponed

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

Ability to cope with challenges

- Proven track record in managing economic crises
- Integrated business model supports financial results
- Resilience in highly volatile market, underpinned by business optimization and strict cost discipline
- Dividend for financial year 2019 paid in June, +15% yoy

Rapid response to COVID-19

- Health and safety – our first priority
- Managed the crisis with no business interruptions and keeping net working capital at optimal levels
- Critical facilities run in partial/full isolation mode
- Implemented work from home and flexible time, process digitalization in place to a large extent, qualified digital signature implemented

Adjustment to oil price and demand drop

- Intensified CAPEX prioritization and cost reduction
- Refinery utilization rate adjusted downwards to slightly above 80% in April
- Postponed key assets shutdowns

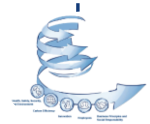
Going forward

- No compromise on health and safety
- Ensure security of supply: oil products, gas, power
- Critical facilities: measures put in place for ensuring business continuity
- Extend work from home and flexible time, accelerating digitalization
- Implement CAPEX prioritization, cost reductions and portfolio optimization
- Committed to our progressive dividend policy

OMV Petrom – a sustainable choice for our stakeholders

Sustainability strategy 2019-25

- 5 pillars: HSSE, Carbon Efficiency, Innovation, Employees, Business Principles and Social Responsibility



Social

- Employees' health and safety remain top priority
- Support for ~350 communities; EUR 13.5 mn invested in 2019
- Gender diversity: 23% women at company level and 38 nationalities

Climate change

- We are committed to contributing to Romania's transition to a low-carbon economy
- Gas resources from the Black Sea can be part of the solution
- 2019 GHG emissions lower yoy: -7% Scope 1; -44% Scope 2
- Investments of EUR 46 mn in energy efficiency improvement
- 27% reduction target for the carbon intensity of our operations by 2025 vs. 2010

Governance

- Sustainability governance is an executive board (EB) level responsibility
- EB – a good mix of experience, expertise, qualification, diversity
- Remuneration[1]: fixed and performance-related assessed against financial and non-financial metrics (including share price, selected ESG[2])

Climate-related risk and opportunities

- TCFD[3] supporter
- We are analyzing the risks and opportunities that climate change poses to business and value chains, together with their financial impacts

OMV Petrom: Attractive investment proposition

- **Strong financial position**
- **Progressive dividend policy and attractive yield**
- **Sustainable choice**

[1] Executive Board members and senior management; [2] ESG: Environmental (incl. emission reduction targets), Social and Governance-related criteria; [3] Task Force on Climate-related Financial Disclosures

OMV Petrom

OMV Petrom Q2/20 Results
Alina Popa, CFO

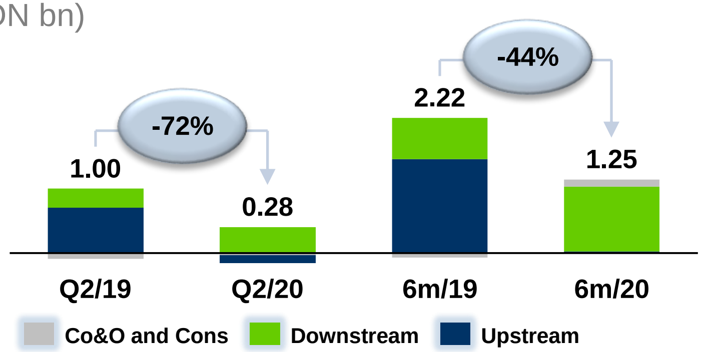
July 29, 2020

OMV Petrom S.A.

OMV Petrom
The energy for a better life.

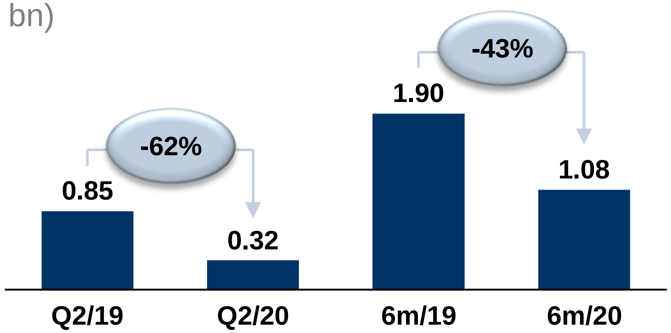
Income Statement highlights

Clean CCS Operating Result
(RON bn)



- Q2/20 Clean CCS Operating Result reflects:
  - Lower oil and gas prices
  - Weak refining margin
  - Decreased fuel sales volumes
  - Higher contribution from power

Clean CCS Net Income[1]
(RON bn)

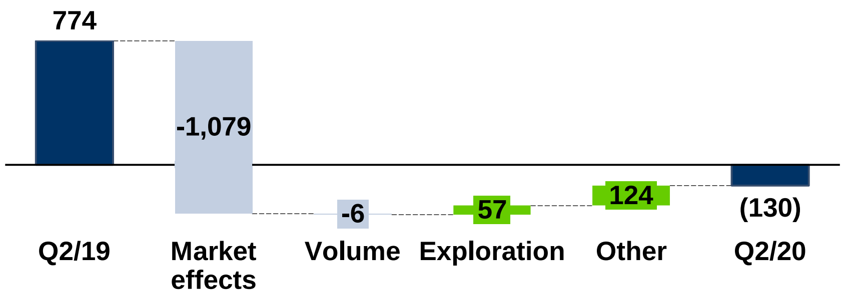


- Q2/20 Clean CCS Net Income reflects:
  - Unfavourable market environment
  - Lower effective tax rate due to fiscal credit from social sponsorships
  - Financial Result in Q2/20: recognition of interest income from arbitration proceedings

[1] *Attributable to stockholders of the parent*

Clean CCS Operating Result

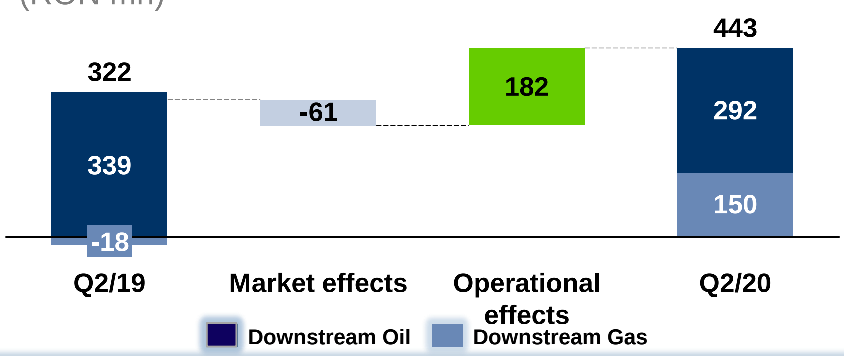
Upstream
(RON mn)



- Lower oil and gas prices

- Favourable FX
- Lower exploration expenses
- Lower production cost
- NRV reversal
- Lower depreciation

Downstream
(RON mn)



- Gas sales volumes: +39%
- Improved power performance built on forward contracts
- Hedge deals and strict cost management

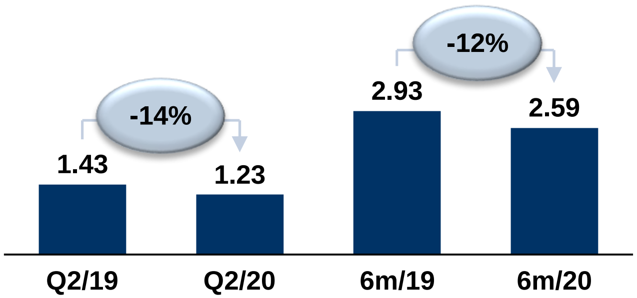
- Lower refining margin
- Refined products sales -17%
- Lower gas prices and power spark spreads

OMV Petrom

Cash Flow highlights

Cash Flow from Operating Activities

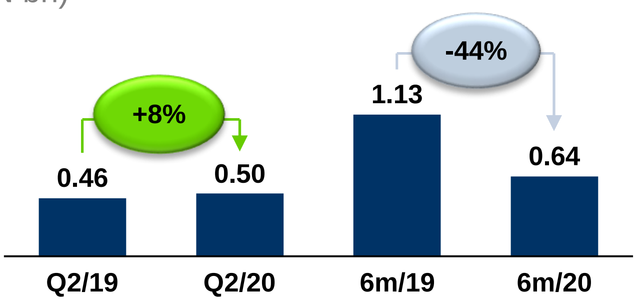
(RON bn)



- Q2/20 CFO: lower decrease than Operating Result due to improved net working capital

Free Cash Flow [1]

(RON bn)



- Q2/20 CFO[2]: -14% yoy
- Q2/20 CFI[3]: -24% yoy

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

Strong response to adjust to the weak market environment

	Reductions of ~RON 1.8 bn (2020 vs. 2019)		Realized reductions of ~RON 0.6 bn[3] (6m/20 vs. 6m/19)
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]	RON 0.1 bn
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 0.3 bn[1]	RON 0.2 bn
Other measures	▪ Contract re-negotiations ▪ Selling CO2 certificates ▪ Refining margin hedge	RON 0.3 bn[1]	RON 0.2 bn

[1] 2020 revised guidance vs. 2019 absolute amount; [2] Vs. 2019 and initial plan for 2020; [3] Total differs due to rounding

OMV Petrom

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 +20 mn
OMV Petrom indicator refining margin	USD +1/bbl	~EUR +25 mn
Exchange rates (EUR/USD)	USD appreciation by 5 USD cents	~EUR +30 mn

Outlook 2020

Indicators	Actual 2019	Actual 6m/20	Assumptions/Targets 2020
Brent oil price	USD 64.21/bbl	USD 40.07/bbl	USD 40/bbl
Production	152 kboe/d	149 kboe/d	decline below 5% yoy [1]
Refining margin	USD 4.67/bbl	USD 4.36/bbl	USD <4/bbl (previously: USD >5/bbl)
CAPEX [2]	RON 4.2 bn	RON 1.6 bn	RON ~3.0 bn
FCF after dividends [3]	RON 1.7 bn	RON (1.2) bn	Negative

[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

OMV Petrom

Q&A

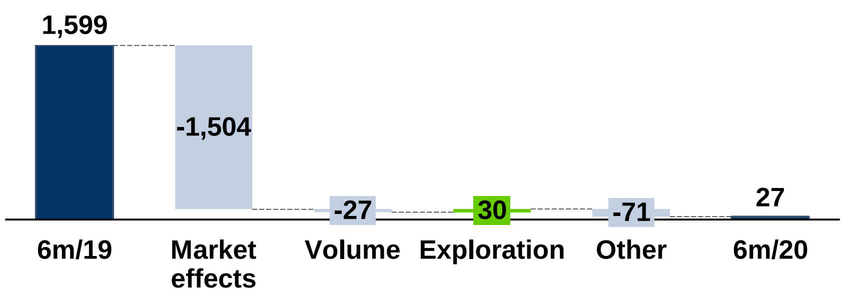
The energy for a better life.

Back-up

The energy for a better life.

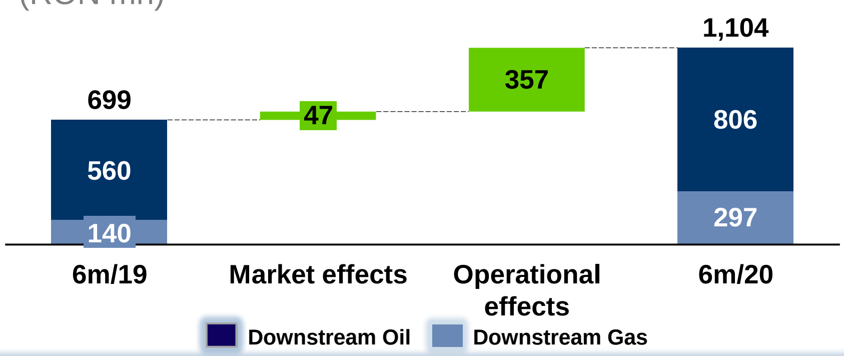
Clean CCS Operating Result

Upstream
(RON mn)



- Lower oil and gas prices
- One-off positive effect in Q1/19
- Favourable FX
- Lower exploration expenses

Downstream
(RON mn)



- Higher refining margin
- Gas sales volumes: +46%
- Improved power performance built on forward contracts
- Refined products sales -9%
- Lower gas prices

OMV Petrom