OMV Petrom

2015 Full Year Results

General Meeting of Shareholders
April 26th, 2016

Andreas Matje
Chief Financial Officer
Market Capitalization

- Largest Romanian company listed on the Bucharest Stock Exchange by stock market capitalization
- Market capitalization end of 2015: RON 16.4 bn
- EPS of OMV Petrom Group 2015: RON -0.0119

OMV Petrom S.A. shareholder structure

- Romanian State (via Ministry of Energy): 20.64%
- Fondul Proprietatea: 18.99%
- Free float: 9.36%
- OMV: 51.01%

Largest Romanian company listed on the Bucharest Stock Exchange by stock market capitalization.
EPS of OMV Petrom Group 2015: RON -0.0119.
Difficult oil price environment

in USD/bbl

Historical data

Future assumptions

- Brent oil price (monthly average)
- Oil price assumptions range
- OMV Petrom oil price assumptions (annual average)

1 based on data published by international institutions and banks as of April 15
YEAR 2015

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

<table>
<thead>
<tr>
<th>Key indicators (RON mn)</th>
<th>2015</th>
<th>2014</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenues</td>
<td>13,952</td>
<td>16,537</td>
<td>(16)</td>
</tr>
<tr>
<td>Earnings before interest and taxes (EBIT)</td>
<td>(595)</td>
<td>3,541</td>
<td>n.m</td>
</tr>
<tr>
<td>Net financial result</td>
<td>(102)</td>
<td>(998)</td>
<td>(90)</td>
</tr>
<tr>
<td>Net income/(loss)</td>
<td>(631)</td>
<td>1,837</td>
<td>n.m</td>
</tr>
</tbody>
</table>

- **Sales revenues** decreased by 16% to RON 13,952 mn, largely due to lower petroleum products sales revenues, following the steep decline in oil prices, which more than offset the increase in quantities sold as a result of higher market demand and higher sales of electricity.

- **EBIT** for the year 2015 was negative amounting RON (595) mn, compared to a positive result of RON 3,541 mn in 2014, mainly due to lower sales revenues and higher impairment of producing assets in Upstream, following revision of oil price assumptions for short and long term.

- Improvement in the **net financial result** was mainly the consequence of the positive outcome of a litigation dispute during 2015 and to the fact that 2014 was affected by provisions for fiscal review in OMV Petrom.

- **Net income** was a loss of RON (631) mn, compared to a net profit of RON 1,837 mn in 2014, due to the negative impact of the operational results.
OMV Petrom S.A. – Financial Position

<table>
<thead>
<tr>
<th>Key indicators (RON mn)</th>
<th>Dec 31, 2015</th>
<th>Dec 31, 2014</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>36,500</td>
<td>37,494</td>
<td>(3)</td>
</tr>
<tr>
<td>Current assets</td>
<td>4,394</td>
<td>5,680</td>
<td>(23)</td>
</tr>
<tr>
<td>Equity</td>
<td>25,091</td>
<td>26,316</td>
<td>(5)</td>
</tr>
<tr>
<td>Liabilities</td>
<td>15,803</td>
<td>16,859</td>
<td>(6)</td>
</tr>
</tbody>
</table>

- **Non-current assets** decreased by 3%, the increase in intangible assets - mostly related to the drilling operations at the Neptun Deep block in the Black Sea - being more than offset by the impairment of producing assets in the Upstream segment, as a result of revised oil price assumptions.

- The reduction in **current assets** by 23% was driven by the decrease in trade receivables, mostly in relation with subsidiaries, by lower cash and cash equivalents, as a result of lower operational cash flows and dividend distribution, and by the decrease in inventories due to higher quantities sold.

- **Equity** position decreased by 5% driven by the net loss recorded for the 2015 year, due to impairments recognized in Q3/15 and Q4/15, and by dividends distributed for the 2014 financial year.

- **Liabilities** decreased by 6%, largely influenced by the reduction in interest-bearing debts (mainly in connection with lower cash-pooling from subsidiaries), by the reduction in trade payables and in other liabilities, mainly as a result of payments in relation to the fiscal review finalization in OMV Petrom, partially offset by the increase of decommissioning provisions.
OMV Petrom S.A. – IFRS 2015
Actual figures vs. Budget

- **Sales revenues** exceeded budget by 11% due to higher sales volume of petroleum products compensating lower product prices.

- **EBIT** turned negative vs. the positive budget driven by the steep drop in oil price and impairments of producing assets in upstream due to revised short and long-term market perspective.

- **Investments** are 20% below budgeted level, as some envisaged share capital increases in subsidiaries did not materialize.

<table>
<thead>
<tr>
<th>Key indicators (RON mn)</th>
<th>2015 Actual</th>
<th>2015 Budgeted</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenues</td>
<td>13,952</td>
<td>12,571</td>
<td>11%</td>
</tr>
<tr>
<td>EBIT</td>
<td>(595)</td>
<td>1,121</td>
<td>n.m.</td>
</tr>
<tr>
<td>EBITDA</td>
<td>5,533</td>
<td>4,501</td>
<td>23%</td>
</tr>
<tr>
<td>Net income</td>
<td>(631)</td>
<td>1,102</td>
<td>n.m.</td>
</tr>
<tr>
<td>Total investments*</td>
<td>4,258</td>
<td>5,296</td>
<td>-20%</td>
</tr>
</tbody>
</table>

*Include amounts for fixed assets acquisitions, financial investments, land deeds, financial leasing and excludes increases from reassessment of provisions.
YEAR 2015

Consolidated financial statements of OMV Petrom Group (IFRS)
Sales revenues decreased by 16% to RON 18,145 mn, largely due to lower petroleum product sales revenues, following the steep decline in oil prices, which more than offset both the increase in quantities sold as a result of higher market demand and higher sales of electricity.

EBIT for the year 2015 was negative amounting to RON (530) mn, compared to the positive result of RON 3,338 mn in 2014, mainly due to lower sales revenues and higher impairment of producing assets in Upstream (both in Romania and Kazakhstan), following revised oil price assumptions for short and long-term.

Improvement in the net financial result to RON (196) mn in 2015 from RON (429) mn in 2014 is mainly related to the positive outcome of a litigation dispute during 2015 and to the fact that 2014 was affected by provisions for fiscal review in OMV Petrom.

Net income turned to a loss of RON (690) mn compared to a net profit of RON 2,100 mn in 2014, due to the negative impact of the operational results.
OMV Petrom Group – Consolidated Financial Position

Key indicators (RON mn) | Dec 31, 2015 | Dec 31, 2014 | %
---|---|---|---
Non-current assets | 36,020 | 37,243 | (3)
Current assets | 5,099 | 5,882 | (13)
Equity | 25,688 | 27,005 | (5)
Liabilities | 15,430 | 16,119 | (4)

- **Non-current assets** decreased by 3%, due to the fact that the increase in intangible assets, which is mostly related to the drilling operations at the Neptun Deep block in the Black Sea, was more than offset by higher impairments of producing assets in the Upstream segment (both in Romania and Kazakhstan), as a result of revised oil price assumptions.

- Reduction in **current assets** by 13% was mostly driven by lower cash and cash equivalents, as a result of lower operational cash flows and dividend distribution, and by the decrease in inventories due to higher quantities sold.

- **Equity** position decreased by 5% as a consequence of the negative result of the year 2015, driven by impairments recognized in the period, and of the dividends distributed for the 2014 financial year.

- **Liabilities** decreased by 4%, largely influenced by the reduction in trade payables and in other liabilities, mainly as a result of payments in relation to the fiscal review finalization in OMV Petrom, partially offset by the increase of decommissioning provisions.
OMV Petrom Group (Romanian companies) – Contributions to Romanian State Budget

Contributions to State budget of Romanian companies from OMV Petrom Group amounted to RON 11.1 bn in 2015, 1% higher than in 2014 (RON 10.9 bn):

- **Excise tax**: 18% increase compared with 2014, up to RON 6,013 mn;
- **VAT** increased from RON 2,017 mn in 2014 to RON 2,261 mn in 2015;
- **Royalties**: 23% decrease compared to 2014, reaching RON 656 mn, reflecting lower crude oil quotations;
- **Employer and employees social contributions**: 4% lower than in 2014, to RON 845 mn;
- **Profit tax** decreased by 40% in 2015 compared to prior year, from RON 866 mn to RON 519 mn, following lower operational results;
- **Exploitation of natural resources tax and natural gas additional revenues tax** decreased by 20% from RON 464 mn in 2014 to RON 373 mn in 2015;
- **Construction tax** decreased by 30% from RON 325 mn in 2014 to RON 226 mn in 2015, after reduction of tax rate from 1.5% to 1%;
- **Dividends**: RON 131 mn paid in 2015 for 2014 profits (RON 360 mn paid in 2014);
- **Other taxes** decreased from RON 81 mn in 2014 to RON 61 mn in 2015.
Thank you!