Petrom Group
2013 Overview and 2014 Outlook

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General Meeting of Shareholders
Romania’s economy continued to recover in 2013

Global macro economy and Oil market

- Global economic growth decreased to **2.8%** from 3.2% in 2012
- Global oil demand increased by **1.4%** to 91.3 mn bbl/d
- Global oil supply rose by **0.7%** to 91.6 mn bbl/d
- Average Urals price decreased by **2%** to USD 108.3/bbl

Romanian macro indicators

- GDP growth estimated at **3.5%** (INS)
- Industrial production grew by **8.1%**
- CPI annual inflation average stood at **4%; 1.3% at year-end** (historic low)
- Decreased energy market demand

FX development

- RON appreciated against **USD** by **4%**, on average
- RON appreciated against **EUR** by **1%**, on average
2021 strategy: on track with delivery
2013: invest, optimize, explore new frontiers

**Optimize**
- G2P/CHP* projects ensure 40% of E&P electricity consumption
- New gas desulfurization and sulfur recovery unit at Petrobrazi
- KPMG validates Compliance Management in OMV Petrom
- Start modernization of ICPT Campina
- Divestment of Petrom Distributie Gaze & Petrom LPG

**Stabilize production in Romania**
- First production increase in Romania since privatization
- 7 FRD projects in execution
- World record in casing drilling

**Explore new frontiers**
- Second seismic survey completed on Neptun Deep
- Joint-venture with Repsol for deep onshore exploration in Romania

*CAPEX EUR 1.2 bn

* G2P – conversion of gas to power; CHP – combined heat & power generation
Health Safety Security and Environment (HSSE)  
- Safer operations

E&P LTIR\(^1\) Romania  
Significantly improved in 2013

- Fatality rate in Romania **reduced by 80%** since 2008
- **Petrom LTIR substantially improved**\(^2\) (0.33 in 2013 better than international benchmark)
- People more intensively **trained in HSSE**, which has become part of our corporate DNA (mindset and lean processes)

\(^1\) Lost time injury rate (employees and contractors)  
\(^2\) LTIR for Petrom Group, excluding Kazakhstan
E&P - First yearly increase of production in Romania since privatization

Daily production in Romania

Group production stable at 183 kboe
- Romania: 4 yrs stability despite ~10% average natural decline
- Kazakhstan: daily production decreased by 9%
- RRR of 32% in Romania in 2013:
  - oil: production 28.6 mn bbl; revisions of reserves estimates: 15.4 mn bbl; extensions and discoveries: 0.3 mn bbl
  - gas: production 5.19 bcm; revisions of reserves estimates: 0.35 bcm; extensions and discoveries: 0.31 bcm

Operational excellence
- 10 times less well interventions since privatization
- Increase of operating wells first time since privatization
- Significant reduction of GHG emissions: -4.8% 2013 vs. 2012

More than 20 FRDs projects to unlock additional reserves
- Maximize ultimate recovery
- 7 projects passed final investment decision: in execution
- Totea Deep development (avg production in 2013 ~5 kboe/d)

Exploration
- 3D Seismic coverage of exploration acreage in 2013: 73%
- Onshore
  - 5 onshore wells; 2 were successful (4340 Mamu, 21 Preajba Sud)

- Offshore
  - Neptun Deep and shallow: 3D seismic done; processing seismic
  - Midia Block: closed transfer agreement with Sterling Resources and PetroVentures

* G2P – conversion of gas to power; CHP – combined heat & power generation
G&P - Challenging gas and power markets

- Total gas consumption in Romania down by 8% in 2013
- Petrom gas sales slightly higher than in 2012
- Gas price liberalization positive effects reflected in E&P

Gas sales, bcm

<table>
<thead>
<tr>
<th>Year</th>
<th>Other*</th>
<th>Petrom gas sales</th>
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<tbody>
<tr>
<td>2009</td>
<td>13.1</td>
<td>4.8</td>
</tr>
<tr>
<td>2010</td>
<td>13.8</td>
<td>4.9</td>
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<tr>
<td>2011</td>
<td>14.2</td>
<td>5.1</td>
</tr>
<tr>
<td>2012</td>
<td>13.6</td>
<td>4.8</td>
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<tr>
<td>2013</td>
<td>12.5</td>
<td>4.9</td>
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Petrom net output

- Domestic electricity consumption decreased by 5% (production down 2%)
- Power prices down by 28%
- Brazi covered 5% of domestic power production in 2013

Petrom net output (TWh)

- 2011: 262
- 2012: 275
- 2013: 197

Power price (RON/MWh)

- 2011: 1.7
- 2012: 2.9
- 2013: 0.3

*Other domestic producers and imports
R&M - Good operational performance with high refinery utilization rate

- Strong operating profit despite margin pressure
- Highest Petrobrazi refinery utilization rate since privatisation
- Incremental improvements in product yield structure
- Increased energy efficiency
- Retail volumes constant in Romania, despite competitive market
- Focused cost management

Petrobrazi refinery utilization increased; fuel & loss on a downward trend

Romanian fuel market share *(%)
## Outlook 2014

### Market environment
- Average 2014 Brent oil price expected above USD 100/bbl
- Gas & power demand and electricity prices anticipated to remain under pressure
- Fuels volumes expected to be challenged by high price levels for international crude & oil products and fiscal measures in Romania

### Corporate highlights
- Investment budget for OMV Petrom SA: RON 6.6 bn; ~ 85% for E&P
- Dividends for 2013 in total amount of RON 1,745 mn
- Dialogue with Romanian authorities: long term, stable and investment-friendly taxation and regulatory regimes

### Operational priorities

**E&P**
- Production stable in Romania
- Bring additional 4 FRD projects in execution phase by year-end
- Joint-venture with ExxonMobil: Neptun Deep – resume drilling campaign mid-2014; Midia – seismic data interpretation

**G&P**
- Optimize gas value chain to address challenges in the market and maximize value creation
- Consolidate Brazi power plant position in the balancing and ancillary services markets by capitalizing on the plant flexibility

**R&M**
- Complete Petrobrazi modernization (30-day shutdown and turnaround starting end of May)
- Continue energy efficiency improvements and reduce CO2 emissions
- Start operations at revamped Bacau terminal and commence reconstruction of Cluj terminal
- Further pursue stringent cost discipline and optimization of the downstream business