Annual Report 2015 of OMV Aktiengesellschaft

OMV Aktiengesellschaft

Moving more. Moving the future.

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Report of the Supervisory Board

Dear shareholders,

The oil and gas industry faced an extremely challenging year, as the oil price dropped from USD 57/bbl to USD 37/bbl during 2015. Reflecting this macro environment, OMV generated a negative free cash flow after dividends of EUR 569 mn in 2015. Going forward, OMV's key target is to achieve a positive free cash flow after dividends. Reserves life has declined from 9.7 years at year-end 2014 to 9.3 years at year-end 2015. OMV will continue to focus its investments in Upstream in order to maintain a sustainable reserves portfolio. OMV's share price rose by 19% in 2015, representing a strong outperformance of the FTSE Global Energy Index with a EUR price performance of (15)%. OMV extended its strong safety improvement record in 2015, which is demonstrated by a further reduction in the Lost-Time Injury Rate from 0.44 in 2014 to 0.27 in 2015. Sadly, the Group suffered two work-related fatalities during 2015.

New Executive Board members

In 2015, the Supervisory Board focused on the identification and appointment of new Executive Board members. As had been agreed in 2014, Gerhard Roiss resigned as Chairman of the Executive Board and CEO on June 30, 2015. He was succeeded on July 1, 2015 by Rainer Seele. Jaap Huijskes, Executive Board member responsible for Upstream, resigned from his position on August 31, 2015. The Supervisory Board appointed Johann Pleininger as his successor as of September 1, 2015. Furthermore, we conducted a process for the identification of a suitable successor for the CFO position, which was ongoing at year-end 2015 and led to the decision on January 19, 2016 that Reinhard Florey will become the new CFO later in the year.

Strategy

On December 15, 2015, the Supervisory Board unanimously approved the new strategy of OMV. The key elements of this strategy are as follows: OMV will remain an integrated oil and gas group, focusing on a sustainable Upstream portfolio with investments in low-cost assets. Capital expenditure, exploration activities and operating expenses will be aligned with the goal of ensuring a positive free cash flow after dividends.

Work of the Supervisory Board

Throughout 2015, the Supervisory Board thoroughly monitored the conduct of OMV's business by the Executive Board and advised the Executive Board in the decision-making process on the basis of detailed oral and written reports and constructive discussions between the Supervisory Board and the Executive Board. The Executive Board has regularly provided us with timely and comprehensive information on business operations, the overall economic situation in the company's core markets and the operating environment as well as business opportunities and risks for OMV. Numerous open discussions in an atmosphere of trust form the foundation for our deliberations and our communication with the Executive Board at all times. Particular attention was given to OMV's plan to participate in the Nord Stream 2 pipeline and in the development of Areas IV and V of the Achimov formation of the Urengoy oil, gas and condensate field in Russia, the latter in exchange for a participation by Gazprom in assets of OMV. A decision about this transaction will only be taken once the swapped assets, their valuation and the contractual arrangements have been determined. Furthermore, the Supervisory Board discussed and approved Upstream investment projects in Norway, the United Kingdom, New Zealand and Abu Dhabi. In Downstream, key topics were the intended divestment of a minority stake in Gas Connect Austria in order to both optimize the portfolio and strengthen cash flow and balance sheet as well as the full takeover of EconGas, which represented a significant step in restructuring OMV's gas business. On the Group's financing, we supported the issuance of hybrid notes in the total amount of EUR 1.5 bn to improve financial flexibility. Other focus areas included the annual planning process for the medium-term period (2016-2018), the budget for the financial year 2016 and the investment program going forward. Especially in the context of the plunge in oil prices, the Supervisory Board maintained that a positive free cash flow after dividends remains a core target even in a very difficult market environment. Finally, we performed our annual self-evaluation aimed at continuously improving both the efficiency and the effectiveness of our work as well as to ensure

The **Corporate Governance Report** contains additional information on the activities of the Supervisory Board and its committees

that the Supervisory Board is capable of fulfilling its responsibilities towards shareholders and other stakeholders.

Supervisory Board committees

The Presidential and Nomination Committee steered the search process for the positions of CEO, CFO and Executive Board member for Upstream. In this role, it proposed the above-mentioned appointments of Rainer Seele and Johann Pleininger to the Supervisory Board in 2015. It also recommended the candidates for election to the Supervisory Board to the Annual General Meeting. Finally, the Presidential and Nomination Committee also discussed OMV's strategy. The Remuneration Committee negotiated the employment contracts with Rainer Seele and Johann Pleininger and approved the termination of the employment contract of Jaap Huijskes. For contracts concluded after July 2015, settlement payments in the event of termination within the contract period have been reduced to 18 months' pay and have been limited to fixed salary only. Furthermore, the Remuneration Committee worked on the improvement of the variable compensation system for the Executive Board, which will serve as the basis for the upcoming management incentive programs. The Audit Committee dealt with key issues relating to accounting processes, internal audit, risk management and the Group's internal control and management systems. The Audit Committee examined in detail the procedures and calculation methods used in determining write-downs of assets (impairment tests). OMV's Group auditor, Ernst & Young, participated in every meeting of the Audit Committee, and we also took the opportunity at meetings to exchange views with the auditor without the presence of the members of the Executive Board on a regular basis. In order to keep up with the latest developments in corporate governance, financial reporting and auditing standards, we held a special workshop with OMV's Group auditor again this year. In line with international best practice, the Audit Committee has not been chaired by the Supervisory Board Chairman any longer since May 19, 2015. The Project Committee analyzed OMV's planned Upstream investments in Russia and the participation in the Nord Stream 2 pipeline project.

Composition of the Supervisory Board

Following the resignation of Chairman Rudolf Kemler and of Roy Franklin, Peter Oswald and Gertrude Tumpel-Gugerell were elected for the first time as members of the Supervisory Board at OMV's Annual General Meeting on May 19, 2015. Peter Oswald was elected as the new Chairman of the Supervisory Board.

Annual financial statements and dividend

After comprehensive review and discussions with the auditors at the Audit Committee and plenary meetings, which did not give rise to any qualifications, the Supervisory Board approved the directors' report, prepared in accordance with section 96 (1) Stock Corporation Act, and the financial statements of OMV Aktiengesellschaft for 2015, which were thereby approved pursuant to section 96 (4) of the Act. The same applies to the consolidated financial statements. The Supervisory Board likewise approved the Corporate Governance Report following its consideration by the Audit Committee. The Supervisory Board accepted the Executive Board's proposal to the Annual General Meeting to pay a dividend of EUR 1.00 per share and to carry forward the remainder of the profit for the year to new account. Finally, we sincerely thank the Executive Board and the entire staff of the Group for their commitment and support in the financial year 2015 as well as all shareholders, customers and partners for their trust. Our thanks also go to Rudolf Kemler as Chairman of the Supervisory Board until May 2015, Gerhard Roiss as CEO until June 2015 and Jaap Huijskes as Executive Board member responsible for Upstream until August 2015.

Vienna, March 22, 2016
For the Supervisory Board

Peter Oswald

Corporate Governance Report

OMV, as a publicly listed company with its headquarters in Austria, is dedicated to the principles of sound corporate governance. Austrian law, the articles of association, the internal rules for the corporate bodies and the Austrian Code of Corporate Governance (ACCG) provide the core legal framework for OMV's corporate governance. OMV has always sought to comply with best practice in corporate governance in order to ensure responsible management and control of the OMV Group, a high level of transparency for every stakeholder and, ultimately, the sustainable and long-term creation of value. OMV therefore also complies with the non-compulsory, best practice recommendations of the ACCG ("R-rules").

OMV adheres to the ACCG issued by the Austrian Working Group for Corporate Governance. The code is publicly accessible on www.corporate-governance.at. OMV's compliance with the ACCG in 2015 was evaluated externally by independent advisors. The report on the evaluation is available on www.omv.com and confirms that OMV conformed to all the C- and R-rules. As for C-rules 27 and 28, explanations concerning the variable remuneration plans are provided in the corresponding sections in the remuneration report.

Executive Board

From left to right: Johann Pleininger, David C. Davies, Rainer Seele, Manfred Leitner

Rainer Seele, *1960
Date of initial appointment: July 1, 2015
End of the current period of tenure: June 30, 2018
Chairman of the Executive Board and Chief Executive Officer (since July 1, 2015). Responsible for the overall management and coordination of the Group.

Deputy chairman of the supervisory board of Borealis AG.

He received his PhD in Chemistry at the University of Göttingen and subsequently had senior appointments at the BASF group, where, in 2000 he first became member of the executive board and then later chairman of the executive board at WINGAS GmbH. From 2009 until 2015, he was chairman of the board of directors of Wintershall Holding GmbH.

Gerhard Roiss, *1952
Date of initial appointment: September 17, 1997
As of June 30, 2015, Gerhard Roiss resigned as Chairman of the Executive Board and Chief Executive Officer with the responsibility for the overall management and coordination of the Group.

He studied business at Vienna, Linz and Stanford universities and subsequently had senior appointments at various companies in the consumer goods industry. In 1990, he was appointed to the board of PCD Polymere GmbH. In 1997, he joined the OMV Executive Board, heading Exploration and Production and Plastics until the end of 2001. From 2002 to 2011, he was Deputy Chairman of the Executive Board and responsible for Refining and Marketing.

David C. Davies, *1955
Date of initial appointment: April 1, 2002
End of the current period of tenure: March 31, 2017 (On January 19, 2016, OMV's Supervisory Board decided that Reinhard Florey will be appointed as Chief Financial Officer, at the latest with effect from August 1, 2016. David C. Davies will resign from his position one month after the start date of Reinhard Florey's mandate.)
Chief Financial Officer (since April 1, 2002) and Deputy Chairman of the Executive Board (since April 1, 2011). Responsible for Finance and OMV Solutions GmbH.

Deputy chairman of the supervisory board of Borealis AG (until September 13, 2015). Member of the supervisory boards of Wiener Börse AG and CEESEG Aktiengesellschaft as well as member of the board of directors of Xella International SA (until November 20, 2015).

He graduated from the University of Liverpool, UK, with a degree in economics in 1978 and began his working life as a chartered accountant. He subsequently held positions with international corporations in the beverage, food and health industries. Before joining OMV, he was finance director at a number of British companies.

Johann Pleininger, *1962
Date of initial appointment: September 1, 2015
End of the current period of tenure: August 31, 2018.
Responsible for the Business Segment Upstream since September 1, 2015.

He started his professional career at OMV in 1977 and later studied mechanical and economic engineering. In his time at OMV, he held various senior functions. From 2007 to 2013, he was Executive Board member of OMV Petrom in Bucharest, responsible for Exploration and Production. Most recently he has been the Senior Vice President responsible for the Upstream countries Romania and Austria as well as the development of the Black Sea region.

Jaap Huijskes, *1965
Date of initial appointment: April 1, 2010
As of August 31, 2015, Jaap Huijskes resigned as member of the Executive Board responsible for Upstream.

He studied mechanical engineering and started his professional career with Shell. There he held a number of engineering, petroleum engineering and economic roles and, most recently, held the position of executive vice president, responsible for major worldwide upstream projects. He has worked and lived in the UK, Norway, Oman, Australia and Russia, among other countries.

Manfred Leitner, *1960
Date of initial appointment: April 1, 2011
End of the current period of tenure: December 31, 2017
Responsible for the Business Segment Downstream and for OMV Group's plastic and chemical interests.

Member of the supervisory board of Borealis AG and chairman of the supervisory board of Erdöl-Lagergesellschaft m.b.H (until November 20, 2015).

After graduating in commerce at the Vienna University of Economics and Business Administration, he joined OMV in 1985. After working for two years in the finance department of the E&P business unit, he became head of finance at OMV's branch in Tripoli, Libya. Following his return to Austria, he was in charge of the controlling department within E&P until 1997. He then moved to the R&M Business Segment, where he led the Planning & Controlling Department until 2002, and was Senior Vice President for Downstream Optimization and Supply from 2003 until 2011.

Working practices of the Executive Board

The approval requirements, responsibilities of individual Executive Board members, decision-making procedures and the approach to conflicts of interest are governed by the Internal Rules of the Executive Board. The Executive Board holds at least bi-weekly meetings in order to exchange information and take decisions on all matters requiring plenary approval.

Remuneration report

The remuneration report provides an overview of the remuneration package for the Executive Board members. It outlines the principles of the remuneration policy and details of the different elements of remuneration including incentives and other benefits.

Executive Board remuneration policy

The Executive Board members are employed under local Austrian terms and conditions, and the salaries are therefore set in EUR (gross). Their employment contracts are concluded with OMV Aktiengesellschaft and governed by Austrian law. Reflecting additional responsibilities in Group companies, Gerhard Roiss had an additional employment contract with OMV Exploration & Production GmbH until June 30, 2015, and David C. Davies has an additional employment contract with OMV Solutions GmbH.

The remuneration of OMV's Executive Board members is at competitive levels for the relevant industry and has a strong performance-related component. Competitive rates are maintained through regular external benchmarking against peer groups such as European oil and gas companies and relevant Austrian and European industrial companies. PricewaterhouseCoopers LLP (PwC) acted as advisors to the Remuneration Committee throughout the year.

The performance-related component includes both short- and long-term elements. The measures used are based on financial and non-financial metrics. Specific projects related to the implementation of OMV's strategy are also taken into account.

Annual remuneration

Base salary

The fixed base remuneration of Executive Board members is paid monthly as a salary. The employment contracts stipulate 14 payments per year to be paid on the last banking day of a month.

Non-cash benefits

Executive Board members receive a company car and are eligible for accident insurance. Health coverage is only provided under the Austrian public social insurance system.

Bonus

The annual bonus consists of two integrated elements: a cash element (the Cash Bonus) and a share element (the Matching Share Plan). Both elements are equal and subject to the same performance criteria.

The **Cash Bonus** for the year 2015 was approved by the Remuneration Committee of the Supervisory Board. Depending on the achievement, a maximum of 100% of the base salary may be paid as variable cash remuneration in the following financial year.

The **Matching Share Plan (MSP)** for the year 2015 was approved by the Annual General Meeting in 2015 and serves as a long-term compensation vehicle for the members of the Executive Board that promotes retention and shareholder alignment in OMV, combining the interests of management and shareholders via a long-term investment in restricted shares. The plan also seeks to reduce inappropriate risk-taking. For Executive Board members, an award of shares will be made in the same amount of their realized gross annual cash bonus. The **performance criteria** for the annual bonus may not be amended during the term of the MSP. On determination of the annual cash bonus by the

Remuneration Committee, the MSP grant will be made net (after deduction of taxes) in Company shares which shall be transferred to a trustee deposit, managed by the Company, to be held for three years. Executive Board members can choose between cash payment or shares if and to the extent that they have already fulfilled the minimum shareholding requirements for the Long Term Incentive Plan.

Performance measures are agreed and then assessed at the end of the performance year. The performance criteria for the performance year 2015 are made up of the four areas set out below.

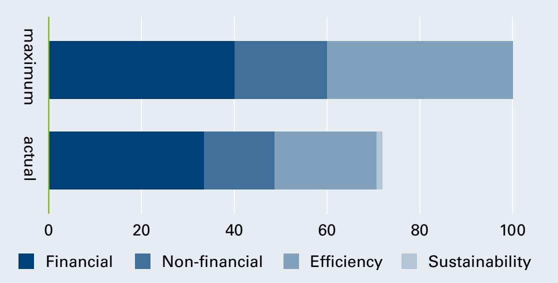
Area	Criteria
Financial	Clean CCS NOPAT; Free cash flow after dividends and before divestments
Non-financial	Production; Reserve Replacement Rate
Efficiency	Includes for example the execution of capital projects in time and in budget and cost savings
Sustainability	General progress

The achievement of targets shall be determined by comparing agreed targets with achieved results. The actual achievements are reviewed by an independent expert. The award of the Cash Bonus is conditional upon the relative achievement of the performance criteria against agreed threshold, target and stretch levels entitling to an award of 50%, 70% or 100% of the annual base salary, respectively.

The actual achievements in 2015 result in a payment of 72.1% of the base salary to be paid in 2016, and the same percentage also applies to the payments under the MSP in 2016.

The challenging market environment burdened the performance of financial targets, partly compensated by the successful implementation of the cost program and other efficiency measures. The positive LTIR development and successful sustainability projects led to a positive adjustment of the bonus achievement.

2015 bonus achievements in % of base salaries



In the case of a **clawback** event, shares granted will be reduced or may be clawed back upon request from the Supervisory Board. The following reasons are considered to be clawback events: reopening of audited financial statements due to miscalculation, material failure of risk management which leads to significant damages and serious misconduct of individual Executive Board members which violates Austrian law. Furthermore, if the shares or cash equivalent were based on incorrect calculations of the bonus, the Executive Board members are obliged to return or pay back benefits obtained due to such wrong figures.

Summary of annual remuneration

Based on the assumption that the performance criteria for the Cash Bonus and the MSP are reached at target level, the total annual remuneration corresponds to 240% of the base salaries of the Executive Board members.

Long-term remuneration and incentives

Long Term Incentive Plan

The Long Term Incentive Plan (LTIP) has operated since its introduction in 2009 and has been granted on an annual basis since then. The LTIP 2015, as approved by the Annual General Meeting in 2015, is a long-term compensation vehicle for the members of the Executive Board that promotes mid- and long-term value creation in OMV. The plan seeks to align the interests of management and shareholders by granting OMV shares to management subject to performance against key measures linked to the medium-term strategy and shareholder return.

Executive Board remuneration [1]							EUR 1,000
Remuneration 2015	**Roiss** [2] until 6/30/2015	**Seele** from 7/1/2015	**Davies** [3]	**Huijskes** until 8/31/2015	**Pleininger** from 9/1/2015	**Leitner**	**Total**
Fixed (base salary)	478	451	880	464	183	700	**3,155**
Variable (Cash Bonus) [4]	414	0	361	323	0 [5]	261	**1,359**
Benefits in kind (company car, accident insurance and reimbursed expenses)	5	71 [6]	10	6	3	10	**106**
Total	**896**	**522** [7]	**1,252**	**793**	**187**	**971**	**4,620**
Variable (Matching Share Plan; in shares) [8]	18,129 [9]	0	15,845	14,161	0	11,424	**59,559**
Fixed/variable ratio [10]	36/64	100/0	54/46	41/59	100/0	56/44	**53/47**
LTIP 2012 (in shares) [11]	14,536 [9]	0	10,902	6,489	0 [12]	6,489	**38,416**

1 There are discrepancies between individual items and totals due to rounding differences. The variable components relate to target achievement in 2014, for which the bonuses were paid in 2015 (accordingly, no bonus payments were made to Rainer Seele and Johann Pleininger in 2015). The base salary for David C. Davies includes an annual accommodation allowance. The base salaries for Gerhard Roiss and David C. Davies were adjusted as of April 1, 2015. The base salary for Manfred Leitner was adjusted as of January 1, 2015. These adjustments are linked to the inflation index
2 Partly paid out under the employment contract with OMV Exploration & Production GmbH
3 Partly paid out under the employment contract with OMV Solutions GmbH
4 Hans-Peter Floren received a cash bonus in the amount of EUR 272 thousand related to target achievement in 2014
5 Johann Pleininger received a cash bonus in the amount of EUR 93 thousand related to his target achievement as a senior manager in 2014
6 Including rent, parking, home flights, rental car, relocation costs and related taxes
7 In addition, Rainer Seele received a one-time payment in the amount of EUR 1,517 thousand which is linked to an obligation to buy OMV shares for the LTIP shareholding requirements
8 Hans-Peter Floren was entitled to 11,921 shares related to target achievement in 2014
9 Paid out in cash
10 Fixed includes base salary and benefits in kind; variable includes Cash Bonus and Matching Share Plan
11 Hans-Peter Floren was entitled to 6,489 shares related to target achievement in 2012-2014
12 Johann Pleininger was entitled to 3,504 shares based on the senior manager LTIP 2012 (partly paid out in cash)

The maximum share grant for each Executive Board member is expressed as a percentage of the annual gross base salary: 175% for the Chairman of the Executive Board, 150% for the Deputy Chairman of the Executive Board, 125% for other Executive Board members.

The performance period is three years (January 1, 2015 until December 31, 2017). At the start of the program, weightings were established for key indicators:

Measure	Weighting
Relative Total Shareholder Return (Relative TSR)	70%
Free cash flow after dividends over three years	20%
Sustainability element	10%

Relative TSR is measured against a well-balanced peer group of twelve oil and gas companies (i.e. Shell, BP, Total, Eni, Statoil, BG Group, Repsol, Galp Energia, MOL, Tupras, Neste Oil and PKN).

The achievement of targets shall be determined by comparing agreed indicators with actually achieved results.

To the extent the shareholding requirement is not fulfilled, the payment will be automatically made in the form of shares (net after tax deduction). As far as the shareholding requirement is already fulfilled, the payout can be made in cash. The base for the calculation of the respective number of shares is the average closing price on the Vienna Stock Exchange of the OMV share over the three-month period from January 1, 2015 to March 31, 2015 (EUR 23.75). The LTIP 2015 vests on March 31, 2018. The vesting levels for each performance metric are shown in the tables.

Free cash flow and Sustainability: Level of vesting	
Performance	**Vesting**
Stretch	100%
Target	70%
Threshold	50%
Below threshold	0%

Relative TSR: Level of vesting	
Performance	**Vesting**
Stretch: at or above upper quartile (≥75th percentile)	100%
Target: at median (=50th percentile)	50%
Threshold: at lower quartile (=25th percentile)	25%
Below threshold: below lower quartile (<25th percentile)	0%

LTIP 2013-2015 achievements	in %
Measure	**Weighting**
Relative TSR vs. peers	50%
ROACE	40%
Sustainability: Action Item Response Rate	5%
Sustainability: Contractor Management	5%
Total vesting percentage	**34.5%**

Awards will vest on a straight line basis between the performance levels/quartiles.

Based on the assumption that all performance criteria of the LTIP 2015 are reached at target level, the awards will be 98%, 84% and 70% of the base salary for the Chairman of the Executive Board, the Deputy Chairman of the Executive Board, and the other Executive Board members, respectively.

Executive Board members are required to **accumulate an appropriate shareholding** in OMV and have to hold these shares until retirement or departure from the Company. The shareholding requirement is defined as a percentage of the annual gross base salary: 200% for the Chairman of the Executive Board, 175% for the Deputy Chairman of the Executive Board, 150% for other Executive Board members. The shareholding must be accumulated and achieved within five years after start of the current employment contract as Executive Board member. All Executive Board members have already fulfilled at least a part of their minimum shareholding requirement through MSP payouts, previous LTIP investments and/or transfer of private shares (see table).

The degree of fulfillment of the LTIP 2013 goals is 34.5%, and the corresponding allocation of shares or cash payment will be made in 2016.

Strategic Incentive Plan

The Strategic Incentive Plan (SIP) is a long-term compensation scheme for Executive Board members (as well as for members of the executive management and selected Upstream experts) promoting a combined focus on the achievement of OMV's strategic objectives. It is based on virtual share grants that are paid out in cash equivalent, subject to achievement of defined performance measures, at the end of the plan period.

Each Executive Board member has to declare at the beginning of the program or at the beginning of the employment contract if he or she wants to participate in the SIP. Furthermore, each participating Executive Board member has to declare if he or she will participate with an additional personal investment. These declarations are then effective for the entire term of the plan.

Each participating Executive Board member receives a grant from OMV ("OMV Grant") in virtual shares that reflect the performance of the underlying OMV shares (the "Phantom Shares") in up to five consecutive annual tranches between 2014 and 2018, amounting to 22.5% of the annual gross base salary per year. Every year, Executive Board members having declared to make a personal investment in the form of OMV shares ("Investment Shares") must do

Shareholding requirement and fulfillment				
	Shareholding requirement		Fulfillment	
	In shares	As % salary	In shares (on Company trustee deposit)	As % requirement
Roiss	80,600	200%	80,600	100.00%
Seele	75,790	200%	32,200	42.49%
Davies	61,770	175%	54,626	88.43%
Huijskes	45,879	150%	38,419	83.74%
Pleininger	34,737	150%	8,462	24.36%
Leitner	44,211	150%	37,163	84.06%

so in an amount of 11.25% of the annual gross base salary. Shares on OMV trustee deposits relating to previous share incentive programs will not be counted towards the personal investment component under the SIP. However, vested shares granted under existing share incentive programs that exceed the shareholding requirements of those programs may be counted as Investment Shares. If Investment Shares are contributed, the OMV Grant will be supplemented by OMV with a complementary grant (the "Complementary Grant") in a ratio of 1:2 (i.e. each Phantom Share of the OMV Grant will be supplemented with two additional Phantom Shares under the Complementary Grant).

The performance measures are
(for further details, as for example the performance period, see the table "Key facts"):
- Average daily production of oil and oil equivalents in barrels on a yearly basis (440 kboe/d – 520 kboe/d, no payout in case production is <440 kboe/d) with vesting levels as shown in the table:

Production	
Performance	**Vesting**
Stretch	130%
Target	100%
Threshold	70%
Below threshold	0%

- Relative ROACE: Depending on the ROACE in relation to the production growth (compared to a peer group of Shell, BP, Total, Eni, Statoil, BG Group, Repsol, Galp Energia and MOL) over the performance period, the achievement will be adjusted as shown in the table:

Relative ROACE ranking	
Performance	**Adjustment factor**
Stretch: at or above upper quartile (≥75th percentile)	150%
Target: at median (=50th percentile)	100%
Threshold: at lower quartile (=25th percentile)	50%
Below threshold: below lower quartile (<25th percentile)	0%

For both performance measures, there is a straight line vesting between threshold and stretch levels.

Further conditions applying in combination as a prerequisite for any payout:
- The target achievement has to be sustainable – minimum of eight years 1P reserves life
- The average ROACE must exceed the average WACC (Weighted Average Cost of Capital) over a three-year period prior to vesting of the SIP. If ROACE falls below WACC after 2021 (or earlier), future payments may be adjusted downwards (sole discretion of the Remuneration Committee of the Supervisory Board)
- No capital increase during the performance period of the SIP

Under certain circumstances, the Supervisory Board may reduce or forfeit in full the payout under the SIP or may request repayment **("clawback")**. The clawback provision will apply in defined cases of gross misconduct.

The **cash payout** of the equivalent of the OMV Grant and the Complementary Grant is subject to the fulfillment of the performance criteria as mentioned above and will be paid out at the end of the performance period after calculation of the final performance. Any awards will be released over a period of three years. A payment in the amount of dividend equivalents for the OMV Grant and the Complementary Grant – both adjusted for the level of the final performance achievement – will be paid out in cash as part of the three installments. All payments will be made net of taxes and contributions. If the defined production threshold is not reached or the relative ROACE ranking is below the lower quartile, no payout will be effected at all.

According to C-rule 27 of the ACCG, maximum limits shall be fixed in advance for the variable remuneration component. The SIP is dependent on the development of the share price of OMV, and future maximum payouts therefore cannot be calculated in advance.

Key facts	
Plan start	July 1, 2014
Grant period	2014-2018 (five annual tranches)
Performance period	July 1, 2014 – December 31, 2021 (only in case the production target of 520 kboe/d is already achieved in 2019 or 2020, the performance and payout periods will be brought forward correspondingly)
Vesting date	Last day of the month following the official performance confirmation
Payout period	2022-2024 (or earlier, analogous to the performance period; share price changes will impact the amounts)
Holding period (for Investment Shares)	Until the end of the payout period

The achievement of all performance criteria will be confirmed by an external expert.

Further, pursuant to C-rules 27 and 28 of the ACCG, for the variable remuneration components, measurable performance criteria shall be fixed in advance. Given the industry-inherent volatility of commodity prices and market conditions, political country risks as well as an increased safety exposure, the variable remuneration plans (Cash Bonus, MSP, LTIP and SIP) give the Supervisory Board respectively the Remuneration Committee, in line with the general practice in the oil and gas industry, certain room for discretion to amend individual components in case of significant changes in the underlying circumstances as well as to determine the achievement of individual criteria, always in line with relevant factors and within maximum limits.

Stock Option Programs

Up to and including 2008, long-term incentives took the form of Stock Option Programs. These plans provided for a holding period of two years followed by an exercise period of five years. The 2008 plan was not exercised as the conditions (increase in the OMV share price set as a target when the plan was approved by the Annual General Meeting) were not met. No further stock options were issued after 2008.

Pensions

Gerhard Roiss is entitled to a defined benefit pension payment. The Company pays the contributions, calculated in accordance with discounted cash flow methods, into a pension fund (APK Pensionskasse AG). Rainer Seele, David C. Davies, Jaap Huijskes, Johann Pleininger and Manfred Leitner are entitled to defined contribution pension payments. The Company pays the contributions into a pension fund (APK Pensionskasse AG). The amount of the company pension depends on the amount of available capital in the pension fund. The annuitization is made in accordance with the pension fund's approved business plan. The retirement age for all Executive Board members is the Austrian statutory retirement age.

Pension fund contribution	EUR 1,000
Seele	113
Davies	321
Huijskes	181
Pleininger	49
Leitner	175
Floren	300
Total	**1,138**

Termination-related benefits

Gerhard Roiss and Jaap Huijskes resigned as members of the Executive Board effective June 30, 2015 and August 31, 2015, respectively. Hans-Peter Floren resigned effective December 31, 2014. They continued to receive payments (including benefits in kind) under their employment contracts.

Termination-related payments			EUR 1,000
	Roiss	Huijskes	Floren
Applicable period	July – Dec. 2015	Sept. – Dec. 2015	Jan. – Dec. 2015
Remuneration	485	372	902
Settlement payments	736 [1]	–	750
Total	**1,220**	**372**	**1,652**
Accruals for outstanding fixed payments	2,173	220 [2]	–

[1] Including upfront salary payments for the period January 2016 to March 2017 less pension benefits
[2] Including accruals for pension

Based on their employment contracts, they will receive additional payments in subsequent years. Gerhard Roiss is entitled to bonus payments for the period January 2016 to March 2017, which have been agreed as a lump-sum payment. LTIP and SIP payments will be settled according to the plan terms for good leavers effective March 31, 2017. Jaap Huijskes is entitled to salary and bonus payments until March 31, 2016. LTIP payments will be settled according to the plan terms for good leavers effective March 31, 2016. For Hans-Peter Floren, LTIP and SIP payments will be settled according to the plan terms for good leavers effective December 31, 2015 and June 30, 2015, respectively.

In accordance with C-rule 27a of the ACCG, the employment contracts with members of the Executive Board provide that settlement payments in the event of premature termination of such contracts without a material breach shall not exceed the amount set forth in the ACCG. For contracts concluded after July 2015, settlement payments in the event of termination within the contract period have been reduced to 18 months' pay and have been limited to fixed salary only. No settlement payment is made if the Executive Board member terminates the contract prematurely.

Directors' and officers' (D&O) insurance

OMV has concluded a Directors' and Officers' liability insurance (D&O insurance) on a group-wide basis. The expenses are borne by the Company. This insurance covers Executive Board members, Supervisory Board members and other OMV employees (officers). Coverage is provided for the personal legal liability of insured persons for financial losses out of wrongful acts committed while acting within the scope of their function. For the actual insurance period, the yearly premium (including taxes) for the entire OMV Group D&O insurance amounts to approximately EUR 550,000.

Indemnity

The Executive Board and officers of direct and indirect subsidiaries of OMV Aktiengesellschaft, to the extent legally possible, are also indemnified against claims by third parties in respect of their actions in exercise of their duties, except in cases of willful intent or gross negligence.

Policy principles for the remuneration of senior management and expert levels

The basic salaries of such employees are set in accordance with internationally accepted methods for determining market levels of remuneration and with the relevant legal regulations and collective agreements. The principles applicable to the Executive Board are applied to these employees in adapted form.

Note 31 provides additional information on the Long Term Incentive Plan, the Matching Share Plan and the Strategic Incentive Plan (valuation and exercise in previous years)

Consequently, some employees at senior management levels of the Group (98 people) are eligible for membership of the Long Term Incentive Plan. They are also eligible for bonus agreements, as discussed below.

In 2015, a total of some 3,900 managers and experts participated in a graduated Management by Objectives (MbO) program entitling them to bonuses for fulfilling objectives. There are also bonus schemes for other employees, which vary from country to country. Employee representatives are involved in designing these incentive schemes. In all these systems, payments are conditional on the attainment of financial and non-financial corporate targets as well as individually agreed objectives.

Participants in MbO programs can inspect their goal-setting agreements using the Group-wide Performance and Development System (PDS). This enables them to take account of each other's targets.

Supervisory Board

OMV's Supervisory Board consists of ten members elected by the General Meeting (shareholders' representatives) and five members delegated by the Group works council. Eight of the current shareholders' representatives were elected at the 2014 Annual General Meeting (AGM), and two were elected at the 2015 AGM, each for the maximum period as foreseen by the Aktiengesetz (AktG, Stock Corporations Act). The members of OMV's Supervisory Board in 2015 and their appointments to supervisory boards of other domestic or foreign listed companies are shown below.

More detailed information about all members of OMV's Supervisory Board, including their professional careers, can be downloaded from OMV's website at **www.omv.com > About OMV > Corporate Governance & Organization > Supervisory Board**

Peter Oswald, *1962 (from May 19, 2015; on March 4, 2016, Peter Oswald declared his resignation as member of the Supervisory Board with effect from the close of the Annual General Meeting on May 18, 2016)
(Chief Executive Officer: Europe & International Division, Mondi Group), Chairman
Seats: Mondi plc (UK), Mondi Ltd (South Africa), Miba Aktiengesellschaft (until June 25, 2015).

Rudolf Kemler, *1956 (until May 19, 2015)
(Managing Director, Österreichische Bundes- und Industriebeteiligungen GmbH (ÖBIB; former Österreichische Industrieholding AG)) (until June 8, 2015), Chairman
Seats: Österreichische Post AG (chairman) (until April 15, 2015) and Telekom Austria AG (chairman) (until May 27, 2015).

Wolfgang C. Berndt, *1942
Deputy Chairman
Seats: GfK SE and Miba Aktiengesellschaft (chairman).

Murtadha Al Hashmi, *1966
(Chief Financial Officer, International Petroleum Investment Company (IPIC)), Deputy Chairman
Seat: Banvit Bandirma Vitaminli Yem Sanayii A.Ş.

Alyazia Ali Saleh Al Kuwaiti, *1979
(Head of Midstream, Power & Utilities Investments, IPIC).

Elif Bilgi Zapparoli, *1967
(Co-Head of Emerging Markets (Ex-Asia) Investment Banking, Country Executive for Turkey and Head of Global Sovereign Wealth Funds Coverage, Bank of America Merrill Lynch).

Helmut Draxler, *1950
Seat: RHI AG (deputy chairman).

Roy A. Franklin, *1953 (until May 19, 2015)
Seats: Keller Group plc. (non-executive chairman) and SANTOS Group Ltd. and Boart Longyear Ltd. (until February 25, 2015).

Wolfram Littich, *1959
(Chairman of the executive board of Allianz Elementar Versicherungs-AG).

Herbert Stepic, *1946
(Consultant).

Gertrude Tumpel-Gugerell, *1952
(from May 19, 2015)
Seats: Commerzbank AG, Vienna Insurance Group AG.

Herbert Werner, *1948
Seats: Ottakringer Getränke AG (deputy chairman).

Delegated by the Group works council (employee representatives)
Christine Asperger, *1964,
Wolfgang Baumann, *1958,
Herbert Lindner, *1961,
Alfred Redlich, *1966,
Martin Rossmann, *1970.

Diversity

The main considerations in selecting the members of the Supervisory Board are relevant knowledge and experience in executive positions. Furthermore, aspects of diversity of the Supervisory Board with respect to the internationality of the members, the representation of both genders and the age structure are taken into account. The Supervisory Board includes four women and three non-Austrian nationals. The members of the Supervisory Board are aged between 36 and 73.

Independence

The Supervisory Board has defined the criteria that constitute independence (resolutions dated March 21, 2006 and March 25, 2009). In addition to the guidelines set out in Annex 1 of the ACCG, the Supervisory Board has established the following criteria with regard to its members elected by the General Meeting:

- A Supervisory Board member shall not serve on the executive board of an OMV Group company
- A Supervisory Board member shall not hold stock options issued by the Company or any affiliated company or receive any other performance-related remuneration from an OMV Group company
- A Supervisory Board member shall not be a shareholder with a controlling interest

in the meaning of EU Directive 83/349/EEC (i.e. a shareholder's interest of 50% or a dominant influence, e.g. through the right to appoint board members) or represent such a shareholder

All of the members elected by the General Meeting except (i) Rudolf Kemler, regarding the representation of a shareholder with controlling interest, and (ii) Helmut Draxler and Herbert Werner, regarding the duration of their terms, have declared their independence from the Company and its Executive Board during the 2015 financial year and up to the time of making such declarations (C-rule 53 of the ACCG). Under C-rule 54 of the ACCG, Peter Oswald, Wolfgang Berndt, Elif Bilgi Zapparoli, Helmut Draxler, Roy Franklin, Wolfram Littich, Herbert Stepic, Gertrude Tumpel-Gugerell and Herbert Werner have made declarations to the effect that they were not shareholders with a stake of more than 10% or represented such shareholders' interests during the financial year 2015 and up to the time of making such declarations. In the cases of Rudolf Kemler and Roy Franklin, their respective declarations relate to the period up to their leaving office as members of the Supervisory Board on May 19, 2015. Peter Oswald and Gertrude Tumpel-Gugerell were nominated for the election as Supervisory Board members by the nomination committee of the Österreichische Bundes- und Industriebeteiligungen GmbH and, subsequently (after being so proposed by the Presidential and Nomination Committee and the Supervisory Board), they were elected as Supervisory Board members on May 19, 2015.

Working practices of the Supervisory Board

The Supervisory Board fulfills its duties – in particular supervising the Executive Board and advising it on strategy – by discussing the Company's situation and objectives during board meetings. Decisions are also taken at these meetings, except in cases of urgency where decisions can be taken by circular vote. The set-up of four committees ensures that best possible use is made of the Supervisory Board members' expertise. Brief descriptions of these committees are given below.

In 2015, the Supervisory Board held seven meetings. In two of these meetings, the Executive Board and the Supervisory Board thoroughly discussed OMV's future strategy. No member of the Supervisory Board attended fewer than half of the meetings.

The Supervisory Board performed a self-evaluation and discussed the efficiency of its activities, in particular its organization and work procedures.

Presidential and Nomination Committee

This committee is empowered to take decisions on matters of urgency. The Supervisory Board may transfer other duties and powers of approval to the Presidential and Nomination Committee on an ad hoc or permanent basis. In its capacity as the Nomination Committee, this body makes proposals to the Supervisory Board for the appointment or replacement of Executive Board members and deals with succession planning. It also makes recommendations to the General Meeting for appointments to the Supervisory Board. There were five meetings of the Presidential and Nomination Committee in 2015, in which discussions focused on OMV's strategy as well as Executive and Supervisory Board matters.

Audit Committee

This committee performs the duties established by section 92 (4a) Stock Corporation Act. The committee held six meetings during the year. It predominantly dealt with preparations for the audit of the annual financial statements, assessment of the auditors' activities, internal audit, internal control and risk management systems as well as the presentation of the annual financial statements.

Auditors

The Supervisory Board monitors the auditors' independence and reviews a breakdown of the audit fees and fees for additional services besides auditing activities. In 2015, the auditors Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. (including their network in the meaning of section 271b Code of Commerce) received EUR 2.6 mn for the annual audit, EUR 1.25 mn for other assurance services and EUR 0.13 mn for other engagements.

See also the **Report of the Supervisory Board** for an overview of the individual committees' main activities in 2015

Name (current members in bold)	Position and committee memberships in 2015 [1]	Remuneration (in EUR, for 2014) [6]	Term of office [1]
Peter Oswald	Chairman; Chairman of the Pres. Com., Proj. Com. and Remun. Com.; Audit Com.	—	May 19, 2015 to 2016 AGM [5]
Rudolf Kemler	Chairman; Chairman of the Pres. Com., Proj. Com., Audit Com. and Remun. Com.	77,200 [2]	Nov. 1, 2012 to May 19, 2015
Wolfgang C. Berndt	Deputy Chairman; Chairman of the Audit Com. (from May 19, 2015 until Sept. 29, 2015); Deputy Chairman of the Pres. Com., Proj. Com., Audit Com. and Remun. Com.	61,900	May 26, 2010 to 2019 AGM
Murtadha Al Hashmi	Deputy Chairman; Deputy Chairman of the Pres. Com., Proj. Com., Audit Com. and Remun. Com.	61,900	May 10, 2012 to 2019 AGM
Alyazia Ali Saleh Al Kuwaiti	Pres. Com. and Proj. Com.	30,600	May 14, 2008 to 2016 AGM [5]
Elif Bilgi Zapparoli		14,600	May 13, 2009 to 2019 AGM
Helmut Draxler	Audit Com and Remun. Com.	30,600	Oct. 16, 1990 to 2019 AGM
Roy A. Franklin	Proj. Com.	22,600	May 14, 2014 to May 19, 2015
Wolfram Littich	Proj. Com. and Audit Com.	30,600	May 23, 2001 to 2016 AGM [5]
Herbert Stepic		14,600	May 18, 2004 to 2019 AGM
Gertrude Tumpel-Gugerell	Chairwoman of the Audit Com. (as of Sept. 29, 2015)	—	May 19, 2015 to 2020 AGM
Herbert Werner	Audit Com.	22,600	June 4, 1996 to 2019 AGM
Christine Asperger		— [3]	since Jan. 1, 2013 [4]
Wolfgang Baumann	Pres. Com., Proj. Com. and Audit Com.	— [3]	Dec. 16, 1998 to Apr. 1, 1999 and again since Nov. 11, 2004 [4]
Herbert Lindner	Proj. Com. and Audit Com.	— [3]	since June 1, 2013 [4]
Alfred Redlich		— [3]	since June 1, 2013 [4]
Martin Rossmann	Pres. Com., Proj. Com. and Audit Com.	— [3]	since May 5, 2011 [4]

[1] Abbreviations: Pres. Com. = Presidential and Nomination Committee; Proj. Com. = Project Committee; Audit Com. = Audit Committee; Remun. Com. = Remuneration Committee; AGM = Annual General Meeting
[2] In accordance with the employment contract with ÖIAG (and subsequently ÖBIB), Rudolf Kemler transferred his remuneration to ÖIAG/ÖBIB.
[3] Members delegated to the Supervisory Board by the Group works council do not receive remuneration but just attendance expenses
[4] Delegation by the Group works council is for an indefinite period of time; however, the employee representatives may be recalled at any time by the delegating body
[5] Declared resignation with effect from the close of the Annual General Meeting on May 18, 2016
[6] Does not include meeting fees in the amount of EUR 365/meeting

Project Committee

This committee supports the Executive Board in preparing complex decisions on key issues, where necessary, and reports on these decisions and any recommendations to the Supervisory Board. In 2015, one meeting of the Project Committee was held.

Remuneration Committee

This committee deals with all aspects of the remuneration of Executive Board members and with their employment contracts. The committee's membership does not include employee representatives. The committee is empowered to conclude, amend and terminate Executive Board members' employment contracts and to take decisions on the award of bonuses (variable remuneration components) and other such benefits to the latter. The Remuneration Committee met nine times during 2015. Executive Board members were invited to attend parts of the meetings of the Remuneration Committee. PwC provided remuneration advice to the Committee, which included market information drawn from published data, advice on the appropriate structure of short-term and long-term incentives as well as information on peer group performance and remuneration systems. They were appointed by the Remuneration Committee and did not advise the OMV Executive Board, ensuring independence with respect to the Austrian Code of Corporate Governance. Besides, PwC provided tax advice and valuation services to the Company in 2015.

Conflicts of interest and dealings by members of the Supervisory Board requiring approval

There were no transactions requiring approval in accordance with section 95 (5) (12) Stock Corporation Act. The Internal Rules of the Supervisory Board contain detailed procedures for the treatment of conflicts of interest on the part of Supervisory Board members.

Remuneration

In accordance with the articles of association, the AGM resolves the remuneration of the Supervisory Board members elected by the General Meeting for the previous financial year. The 2015 AGM adopted the following remuneration scale for the 2014 financial year:

Remuneration for Supervisory Board members	EUR
Chairman	29,200
Deputy Chairman	21,900
Ordinary member	14,600
Committee Chairman	12,000
Committee Deputy Chairman	10,000
Ordinary Committee member	8,000

The amounts for the financial year 2014 were disbursed to the Supervisory Board members concerned in 2015; these were exclusive of expenses (travel and attendance expenses). The total expenditure incurred by the Supervisory Board in 2015 was EUR 1,275,107, of this, members' remuneration (for the 2014 financial year) accounted for EUR 367,200, attendance expenses for EUR 81,468, travel expenses for EUR 757,826 (including retroactive reimbursement for the years 2012 to 2014), and conference equipment, organization and translation for EUR 68,614.

Employee participation

The Group works council holds regular meetings with the Executive Board in order to exchange information on developments affecting employees. Furthermore, the Group works council has made use of its right to delegate members to the Supervisory Board (one employee representative for every two members elected by the General Meeting). Therefore, out of the 15 Supervisory Board members, five members are employee representatives.

Rights of minority shareholders

- General Meeting: An Extraordinary General Meeting must be convened at the request of shareholders holding not less than 5% of the shares
- Agenda items must be included at the request of shareholders holding not less than 5% of the shares
- Shareholders holding not less than 1% of the shares may submit resolution proposals on all agenda items. Such resolution proposals must be posted on the website upon request of the respective shareholders
- Shareholders holding not less than 10% of the shares may require an extraordinary audit in the event of grounds for suspicion of irregularities or gross violations of the law or the articles of association
- All shareholders having duly provided evidence of their shareholding are entitled to attend General Meetings, ask questions and vote
- Election of the Supervisory Board: If elections to two or more positions on the Supervisory Board are held at the same General Meeting, separate votes must be held for each position. If elections to three or more seats on the Supervisory Board are held at the same General Meeting and if prior to the vote on the last position to be assigned it is found that at least one-third of all the votes have been cast in favor of the same person but he or she has not been elected, then this person must be declared as Supervisory Board member

Women's advancement

Being active in an industry with a strong technical focus, it is particularly challenging for the Company to achieve a satisfactory gender balance in all fields of business activity. Therefore, gender diversity is one of two major focus areas of OMV Group's diversity strategy. OMV is committed to supporting women's advancement to managerial positions. The strategic objective is to achieve the best diversity mix at senior management level, with the target of having 30% female Senior Vice Presidents by 2020. Mariana Gheorghe is the chairwoman of the executive board of OMV Petrom SA and Lacramioara Diaconu-Pinţea is a member of

OMV Petrom's Executive Board since April 2015. Gülsüm Azeri is the chairwoman of the executive board of OMV Petrol Ofisi. There are four female members in the OMV Supervisory Board; this corresponds to about 27% of the members. At the end of 2015, women held 17% of the Senior Vice President positions. The proportion of women in the Group as a whole is about 24%. Within OMV's leadership development programs, the proportion of women reached 35% in 2015. Within OMV's integrated graduate development program, the proportion of women has increased to 35% in 2015. So far, a variety of measures to foster diversity at OMV has been initiated and implemented successfully. A group-wide educational program – the diversity e-learning program – has been introduced to improve organizational capabilities and raise awareness. In addition, the topic of diversity has been incorporated in all Leadership Development Programs. OMV promotes talents from different backgrounds, thus ensuring the best mix in diverse teams. OMV especially supports the recruitment and development of women in technical positions. Through implementing gender neutral language in OMV's job advertisements and internal communication, OMV is contributing to equal opportunities among men and women. Gender diversity measures include scholarships for female students in technical fields and the "Technikqueens" project designed to spark girls' interest in technical careers early. Furthermore, OMV participated in Vienna's Girls' Day and the FIT (Frauen in die Technik) initiative. Through new flexible working time models such as job-sharing, flexible working time and home office options, OMV helps to improve the individual work-life balance and supports parents who would like to continue their careers while working part time. OMV also supports minor employment during periods of parental leave. The OMV head office in Vienna has two company kindergartens attended by children of OMV employees. OMV constantly monitors salary equality to ensure fair treatment and equal opportunities at all career stages.

External Evaluation of Corporate Governance

An external evaluation of OMV's compliance with the provisions of the ACCG is being performed each year. Regarding the evaluation for 2015, OMV engaged Mathias Ettel of the law firm Berger Ettel Rechtsanwälte. The official questionnaire of the Austrian Working Group for Corporate Governance was used for the evaluation, and the result was that OMV is in full compliance with the Austrian Corporate Governance Code including all non-compulsory recommendations. The report of the evaluation is available on OMV's website (www.omv.com).

Vienna, March 22, 2016

The Executive Board

Rainer Seele   David C. Davies   Johann Pleininger   Manfred Leitner

Directors' report – operational review

Business developments in 2015

Sales for the 2015 financial year were EUR 108.57 mn (2014: EUR 132.09 mn). As OMV Aktiengesellschaft is a pure holding company, most of the sales consist of corporate service charges billed to the subsidiaries, which substantially decreased compared to the previous year.

Earnings Before Interest and Taxes (EBIT) were EUR (53.53) mn (2014: EUR (36.35) mn). Lower EBIT in 2015 was mainly coming from lower sales partly compensated by lower administration costs due to the cost saving program.

The **financial result** in 2015 was EUR (578.20) mn (2014: EUR (775.24) mn). The financial items of OMV Aktiengesellschaft as a pure holding company mainly consist of the dividends and other income from investments of the operative companies. Net income from investments was EUR (424.46) mn and thus substantially below 2014 (EUR (697.36) mn), mainly because of impairments of participations in 2015. For the investment in OMV Petrol Ofisi A.Ş., an impairment of EUR 424.36 mn (2014: EUR 1,067.57 mn) has been reported, mainly due to a regulatory intervention (margin ceiling) and an overall higher risk assessment in Turkey. The dividend of OMV Petrom amounting to EUR 73.51 mn was below last year (2014: EUR 200.00 mn). In 2015 a provision for contingent losses was booked for EconGas in the amount of EUR 272.10 mn.

The contribution of the companies in the **Upstream** segment excluding OMV Petrom was below previous year's dividend, at EUR nil (2014: EUR 200.00 mn). The lower result mainly reflected the significant drop in oil and gas prices.

The contribution of the companies in the **Downstream** segment excluding OMV Petrom was above previous year, at EUR 323.04 mn (2014: EUR (40.71) mn). Investment income from the Downstream Oil segment excluding OMV Petrom increased to EUR 493.11 mn (2014: EUR (67.40) mn). The higher result came from the increased refining margins. The investment income contribution from the Downstream Gas segment excluding OMV Petrom was below the previous year for profit pooling EUR (184.71) mn (2014: EUR 13.32 mn) and above previous year for dividends EUR 21.97 mn (2014: EUR 13.37 mn). The lower Downstream Gas result reflected the weak gas market environment.

Investment

Key investment items in 2015 were capital injections to OMV Solutions GmbH and to OMV Exploration & Production GmbH.

Cash flows from operating activities for 2015 amounted to EUR 177.26 mn (2014: EUR 64.48 mn), cash flows from investing activities to EUR (542.70) mn (2014: EUR (160.18) mn) and cash flows from financing activities to EUR 1,104.92 mn (2014: EUR 17.10 mn).

Net loss for the year amounted to EUR (939.94) mn (2014: EUR (920.31) mn net loss for the year).

Total assets increased to EUR 14,258.31 mn (2014: EUR 13,386.42 mn).

At balance sheet date, **stockholders' equity** including untaxed reserves stood at EUR 4,984.79 mn (2014: EUR 6,333.26 mn). The equity ratio as of December 31, 2015, was 34.96% (2014: 47.31%).

The ratio of **fixed assets** to total assets was 83.02% at balance sheet date (2014: 93.69%).

Return On Equity (**ROE**) was (16.61)% (2014: (13.16)%).

In 2015, the average **number of employees** at the holding company was 430 (2014: 442).

For definitions of these ratios, readers are referred to the glossary of abbreviations and definitions, which is an integral part of the Directors' report.

Corporate Governance Report

The corporate Governance report is integrated into this Annual Report and additional details are available on OMV's website: www.omv.com > Investor Relations > Corporate Governance & Organization.

Information required by section 243a Unternehmensgesetzbuch (Austrian Commercial Code)

The following information is disclosed according to section 243a Austrian Commercial Code:

1. The capital stock amounts to EUR 327,272,727 and is divided into 327,272,727 bearer shares of no par value. There is only one class of shares.

2. There is a consortium agreement between the two core shareholders, Österreichische Bundes- und Industriebeteiligungen GmbH (ÖBIB) and International Petroleum Investment Company (IPIC),

which provides for coordinated behavior and certain limitations to transfers of stockholdings.

3. ÖBIB holds 31.5% and IPIC holds 24.9% of the capital stock.

4. All shares have the same control rights.

5. Employees who are shareholders directly exercise their voting right at the Annual General Meeting.

6. The Company's Executive Board must consist of two to six members. The Company's Supervisory Board must consist of at least six members elected by the Annual General Meeting and of the members nominated under section 110 (1) Arbeitsverfassungsgesetz (Austrian Labor Constitution Act). Resolutions concerning the dismissal of members of the Supervisory Board pursuant to section 87 (8) Aktiengesetz (Austrian Stock Corporation Act) require a simple majority of the votes cast. To approve capital increases pursuant to section 149 Austrian Stock Corporation Act and alterations of the Articles of Association (except those concerning the Company's objects), simple majorities of the votes and capital represented in adopting the resolution are sufficient.

7.a) With regard to the expiration on May 13, 2014 of the authorized capital decided upon by the Annual General Meeting on May 13, 2009, the Annual General Meeting has authorized the Executive Board on May 14, 2014, subject to the approval of the Supervisory Board, to increase by May 14, 2019, at once or in several tranches, also by way of indirect offer for subscription after taking over by one or several credit institutions according to Section 153 Paragraph 6 Stock Corporation Act, against cash contributions, the share capital by not more than EUR 32,727,272 by issuing up to 32,727,272 new no-par value common voting shares in bearer form. Subject to the approval of the Supervisory Board, the Executive Board has been authorized to exclude in this connection the subscription right of the shareholders

(i) to adjust fractional amounts or

(ii) to satisfy stock options or long term incentive plans including matching share plans for employees, senior employees and members of the Executive Board/ management boards of the Company or one of its affiliates, or other employees' stock ownership plans and subject to the approval of the Supervisory Board, to set the issue price and conditions of issuance (authorized capital).

The Supervisory Board has been authorized to adopt amendments to the Articles of Association resulting from the issuance of shares according to the authorized capital.

b) On May 17, 2011, the Annual General Meeting authorized the Executive Board to repurchase treasury shares of up to 10% of the capital stock during a period of 30 months from the day of the resolution in question. Treasury shares could be repurchased via the stock exchange, by way of public tender or in any other legally permitted way and to any legally permitted purpose until November 16, 2013. The Executive Board had also been authorized to rescind treasury shares upon repurchase as well as treasury shares currently owned by the Company without any further resolution by the Annual General Meeting until the same date.

c) The Executive Board has also been authorized until May 16, 2016, upon approval by the Supervisory Board but without any further resolution by the Annual General Meeting, to sell or use treasury shares upon repurchase as well as treasury shares currently owned by the Company via the stock exchange, by way of public tender, or in any other way. In particular, treasury shares can be utilized (i) to satisfy stock option and Long Term Incentive Plans for employees, executive staff and members of the Executive Board or the management of the Company or affiliated subsidiaries as well as other employees' bonus schemes, (ii) for convertible bonds, if issued, (iii) as a compensation for the acquisition of enterprises, participations or other assets and (iv) to any other legally permitted purpose. The general shareholders' subscription rights can be excluded and this authorization can be exercised wholly or partly.

8.a) A hybrid bond with a size of EUR 750 mn was placed on the market on May 25, 2011. The hybrid bears a fixed interest rate of 6.75% until April 26, 2018, thereafter a reset fixed rate (to be determined) until April 26, 2023, and thereafter a floating interest rate with a 100 basis points step up. The hybrid bond has no scheduled maturity date and may be redeemed at the option of OMV under certain circumstances. OMV has in particular the right to repay the hybrid bond at certain dates. In the case of a change of control, OMV may call the hybrid bond for redemption or else the applicable interest rate will be subject to an increase according to the terms and conditions of the hybrid bond.

b) On December 7, 2015, OMV issued hybrid notes with an aggregate size of EUR 1.5 bn, in two tranches of EUR 750 mn each. Tranche 1 bears a fixed interest coupon of 5.250% until but excluding December 9, 2021, which is the first call date of tranche 1, and tranche 2 bears a fixed interest coupon of 6.250% until but excluding December 9, 2025, which is the first call date of tranche 2. From December 9, 2021, until but excluding December 9, 2025, hybrid notes of tranche 1 will bear interest according to a fixed reset interest rate to be determined according to the relevant 5-year swap rate and an additional margin of 4.942% and, from December 9, 2025, with an additional step-up of 100 basis points. From December 9, 2025, hybrid notes of tranche 2 will bear interest according to a fixed reset interest rate to be determined according to the relevant 5-year swap rate and an additional margin of 5.409%, with an additional step-up of 100 basis points. The hybrid notes have no scheduled maturity date and may be redeemed at the option of OMV under certain circumstances. OMV has in particular the right to repay the hybrid notes at certain dates. In the case of a change of control, OMV may call the hybrid notes for redemption or else the applicable interest rate will be subject to an increase according to the terms and conditions of the hybrid notes.

9. At December 31, 2015, no other material agreements to which OMV is a party are in place which in case of change of control due to a takeover offer would come into effect, be amended or terminated.

10. There are no agreements between the Company and members of the Executive Board and Supervisory Board or employees regarding the payment of compensation in the event of a public takeover bid.

11. The most important elements of the internal control and risk management system regarding the accounting process are the following: Standards for the internal control system are defined by internal Corporate Guidelines. Corporate Internal Audit controls the compliance with these standards through regular audits, based on the annual audit plan approved by the Audit Committee, or through ad-hoc audits. The results of those audits are presented to the Audit Committee. The establishment of group-wide standards for the preparation of annual and interim financial statements by means of the corporate IFRS Accounting Manual is also regulated by an internal Corporate Guideline. The Group uses a comprehensive risk management system. The essential processes of the financial reporting system have been identified and analyzed. For the main "End-to-end" processes (e.g. Purchase-to-Pay, Order-to-Cash) group-wide standards are defined. Based on a rolling time plan, the implementation and the effectiveness are being monitored. In addition, the effectiveness of the risk management system is regularly evaluated by external auditors. The results of the evaluation are reported to the audit committee.

Risk management

In common with the entire oil and gas industry, OMV is exposed to a variety of risks – including market and financial risks, operational and strategic risks.

- **Market and financial risks** are arising from volatility in the prices of commodities, foreign exchange rates or interest rates. Also of importance are credit risks, which arise from the inability of a counterparty to meet a payment or delivery commitment. As an oil and gas company, OMV has a significant exposure to oil and gas prices. Substantial FX exposures include the USD, RON, NOK and TRY.
- **Operational risks** include especially all risks related with physical assets, HSSE, regulatory/compliance risks or project risks.
- **Strategic risks** arise for example from changes in technology but also include reputational and political risks. OMV operates in countries that are subject to political instability, in particular Libya, Yemen, Pakistan and Tunisia. The possible political changes may lead to disruptions and limitations in production as well as increased tax burden, restrictions on foreign ownership or even nationalization of property.

It is OMV's view that the Group's overall risk is significantly reduced due to its substantial diversification and the related, partially offsetting effects of different risks. The balancing effects of offsetting industry risks, however, can often lag or weaken. Therefore, OMV's risk management activities focus on the group-wide net risk exposure of the existing and future portfolio. The areas of risk management and insurance are centrally coordinated within the Corporate Finance department, which ensures that well-defined and consistent risk management processes, tools and techniques are applied across the entire organization. Risk ownership is assigned to those managers who are best suited to oversee and manage the related risk. The overall objective of the risk policy is to safeguard the cash flows required by the Group and to maintain a strong investment grade credit rating in line with the Group's risk appetite. New business strategies and the associated risks are also monitored with respect to rating implications. To protect the Group's cash flow from the potential negative impact of falling oil prices, derivative instruments were used to hedge the proceeds from the sale of 50,000 bbl/d for the period July 2015 – June 2016. The transaction was accounted for as a cash flow hedge until August 2015, when OMV Group monetized the oil price hedges for the period Q4/15 through Q2/16, leading to a positive EBIT impact of EUR 74 mn in 2015. Furthermore, a EUR 12 mn valuation gain on the January – June 2016 hedging instruments is reported within other comprehensive income and will be recycled to profit and loss in 2016. In the Downstream business, OMV is especially exposed to volatile refining margins and inventory risks. In order to mitigate those risks corresponding hedging activities are taken. Those include margin hedges as well as stock hedges. In addition, Emission Compliance Management takes care of a balanced position of emission allowances via selling the surplus or covering the gap. Financial risks (e.g. market prices, currencies) are reviewed quarterly by the Financial Risk Committee. A cross functional committee with senior management members of OMV Group – the Risk Committee – ensures that an Enterprise Wide Risk Management (EWRM) program is in place to effectively manage the integrated risks across the OMV Group. EWRM is continuously enhanced. The main purpose is to deliver value through risk-based management decision making. Thorough assessment of financial, operational and strategic risks should support the exploitation of business opportunities in a systematic manner in order to ensure sustainable growth in OMV's value. Since 2003, the EWRM system has helped to enhance risk awareness and risk management skills across the entire organization, including within subsidiaries in more than 20 countries. The risk culture is supported by an IT application facilitating the risk management processes established within OMV Group: risk identification, risk analysis, risk evaluation, risk treatment, reporting and risk reviewing through continuous surveillance of changes to the risk profile. Overall risk resulting from the bottom-up risk management process is computed with the aid of Monte Carlo simulations and compared against planning data. This is further combined with a senior management view from a top-down approach to capture the strategic risks. This process also includes those companies that are not fully consolidated. Twice a year the results from this process are consolidated and presented to the Executive Board and the Audit Committee. In compliance with the Austrian Code of Corporate Governance, the effectiveness of the EWRM system is evaluated by the external auditor on an annual basis. The key non-financial and financial risks identified in respect of OMV's medium-term plan are market price risks, political risks, regulatory and compliance risks, business process risks, foreign exchange risks (particularly relating to the USD, RON, NOK and TRY), project risks, personnel risks as well as hazard risks. OMV has extensive experience in the political environment in CEE and SEE. Political developments in all markets where OMV operates are kept under constant observation. Furthermore, country-specific risks are assessed before entering new countries. Risks related to the EU Emission Trading Scheme (EU ETS) are separately recorded and aggregated for the Group as a whole. Furthermore, OMV is monitoring emerging regulations related to climate change in all operating countries. Through systematic staff succession and development planning, Corporate Human Resources plans for suitable managerial staff to meet future growth requirements in order to mitigate personnel risks.

Control and mitigation of identified and assessed risks takes place at all organizational levels using clearly defined risk policies and responsibilities. The key Group risks are governed centrally to ensure the ability to meet the strategic objectives, through the essence of corporate directives, including those relating to health, safety, security and environment, legal matters and compliance, human resources and corporate social responsibility, with special emphasis on human rights and market price risks. Analysis and management of financial risks arising from foreign currencies, interest rates, commodity prices, counterparties, liquidity as well as insurable risks are undertaken in a consolidated way within Corporate Finance. Market price risk is monitored and analyzed centrally as to the potential cash flow impact using a specific risk analysis model that considers portfolio effects. Results of the risk analysis are discussed by the Financial Risk Committee comprising senior management of the Business Segments and corporate functions. Proposals for hedging strategies are submitted to the Executive Board for approval. The primary foreign currency risks are related to USD, RON, NOK and TRY currency exposure. The Group has a net USD long position, mainly resulting from sales of oil and gas production. The effects on cash flows and/or the statement of financial position (translation risk) as well as the correlation with the oil price are regularly monitored. Translation exposure arises from consolidation of subsidiaries with different functional currencies like USD, RON, NOK and TRY. To balance the Group's interest rate portfolio, loans can be converted from fixed to floating rates and vice versa, according to predefined rules. The main counterparty credit risks are assessed, monitored and controlled at Group and segment level, using predetermined credit limits for all counterparties, banks and security providers. The procedures are governed by guidelines at OMV, OMV Petrom and OMV Petrol Ofisi level.

Sustainability & HSSE (Health, Safety, Security, Environment)

At OMV, we have a long tradition of responsibility towards the environment and the society. In 2015, we embedded sustainability further in our operations. The OMV sustainability strategy, Resourcefulness, brings together our responsible commitments on health, safety, security, environment, diversity, business ethics, human rights and stakeholder engagement and it is expressed by three key focus areas: Eco-Efficiency, Eco-Innovation and Skills to Succeed. Resourcefulness is our way of achieving the business targets in a sustainable and responsible way and enables us to keep the license to operate. Sustainability Governance: Two governance bodies manage and oversee our sustainability strategy, Recourcefulness. The Resourcefulness Executive Team is chaired by the CEO and comprises representatives of each Resourcefulness topic and Business Segment and is responsible for further developing our strategy and implementing it into operations. It is advised by the Resourcefulness Advisory Board, chaired also by the CEO. It comprises high-ranking external experts. HSSE is a key value of OMV business. The physical and mental well-being and safety of our people, as well as the integrity of OMV operating facilities, are of crucial importance. Loss prevention and proactive risk management are essential to maintaining OMV's license to operate and to reach OMV vision "ZERO harm – NO losses". In 2015, the main security focus was the emerging situation in the Middle East and North Africa regions. OMV's goal is to optimize processes in order to use natural resources as efficiently as possible, and to reduce emissions and discharges. OMV have revised the Group's carbon strategy and have introduced "greenhouse gas intensity" as the new group-wide performance target. OMV focuses on reducing greenhouse gas emissions and saving energy costs.

Research and Development

OMV Aktiengesellschaft is not performing research and development projects itself, but coordinates the group-wide research and development projects.

Subsequent events for OMV Group

Starting with January 1, 2016, the internal organizational structure of the Upstream Business Segment was changed. This also affects the regional split. The new regions are Austria, Romania, North Sea, Middle East and Africa and Australasia.

OMV announced in February 2016 the initiation of a process to sell up to 100% of its wholly owned subsidiary OMV Petrol Ofisi A.Ş. OMV is currently selecting its advisors to support the potential transaction and the structuring of the envisaged process.

On January 18, 2016 and on February 25, 2016, the Bulgarian Commission for Protection of Competition announced the initiation of several investigations about the infringement of competition rules on fuel market. OMV Bulgaria OOD is subject to these investigations, among other major retailers on Bulgarian market. The sanctions for antitrust infringements are up to 10% of the total turnover of the company in the financial year prior to the sanctioning decision. No request of providing information was received so far from the authorities. At the date of signing these financial statements, the outcome of investigations could not be evaluated and no provision was recorded in this respect.

Outlook for OMV Group

Market environment: For the year 2016, OMV expects the Brent oil price to average around USD 40/bbl. The Brent-Urals spread is anticipated to be wider than in recent years. The gas market environment is expected to remain challenging in 2016. Refining margins are expected to decline from 2015 levels due to persisting overcapacity in European markets. In the petrochemical business, margins are also expected to decline from 2015. Due to the decreased oil price, lower product prices are expected to support the demand for mineral oil products.

Group: CAPEX for 2016 is expected to be around EUR 2.4 bn. In 2015, OMV implemented a cost reduction program yielding savings of approx. EUR 200 mn compared to 2014. Cost reduction efforts continue, to reflect the current difficult environment, with additional savings of EUR 100 mn targeted in 2017 vs. 2015. In Q3/15, OMV Group has monetized its oil price hedges for the period Q4/15 through Q2/16. This will improve the Group's Upstream EBIT by USD 13 mn in the first half year of 2016.

Upstream: Production in Libya and Yemen is expected to be affected throughout the year due to the extended critical security situation. Excluding these two countries, OMV expects total production for 2016 to average approximately 300 kboe/d. The combined production of Romania and Austria is expected to average in the range of 190-200 kboe/d. In Romania, works at onshore facilities including shut-ins at key wells are planned in the third quarter which will have an impact on production. In Norway, the average production for 2016 is expected to increase to approx. 60 kboe/d due to additional volumes mainly from the ramp up of Edvard Grieg. The total production level in Norway will be affected by planned turnarounds during the year. Upstream capital expenditure for 2016 is expected to be roughly 70% of total Group CAPEX and includes, among others, drilling and workover activities in Romania and Austria and the following major investment projects: Gullfaks, Aasta Hansteen and Edvard Grieg in Norway, Nawara in Tunisia and Schiehallion in the UK. In the Neptun Deep block (Romanian Black Sea), the second exploration drilling campaign was completed in January 2016 with seven wells finalized, the majority of them encountering gas. Further interpretation and analysis of the data gathered is required to enhance the assessment and determine the full block potential. The results of the drilling campaign are sufficiently encouraging to progress more detailed work to determine if a development is commercially viable. Exploration and appraisal expenditure is expected to be around EUR 450 mn in 2016.

Downstream: Capacity utilization adjusted for turnaround periods is expected to remain high due to the strong performance in all sales channels and will support the stable profit and cash contribution from the Downstream Oil business. Major shutdowns are planned in the Schwechat refinery for approx. one month from the end of Q1/16 into Q2/16 and in the Petrobrazi refinery for approx. one month in Q2/16. In October 2015 OMV signed a contract to acquire 100% of the shares in FE-Trading GmbH and FE-Trading trgovina d.o.o., companies that operate a chain of unmanned filling stations in Austria and Slovenia. The closing is expected in 2016. OMV has initiated a process to sell up to 100% of its wholly owned subsidiary OMV Petrol Ofisi A.S. OMV is currently selecting its advisors to support the potential transaction and the structuring of the envisaged process. Natural gas sales margins are expected to remain at low levels, due to the continued weak gas market environment. Spark spreads in Romania and Turkey are expected to remain weak. The divestment of a stake of up to 49% in Gas Connect Austria has been initiated and the transaction is expected to be signed in 2016. OMV has signed an agreement with its partners for the takeover of the remaining stake of 35.75% in EconGas by OMV, for which antitrust authorities approval is expected during 2016. Consequently, EconGas will be fully integrated into OMV Group, representing a further step in restructuring and increasing the efficiency of the gas business. The final investment decision for the Nord Stream 2 pipeline project is planned to be taken in the course of 2016.

Vienna, March 22, 2016

The Executive Board

Rainer Seele
Chairman

David C. Davies
Deputy-Chairman

Johann Pleininger

Manfred Leitner

Auditors' report

We have audited the accompanying financial statements, including the accounting system, of **OMV Aktiengesellschaft, Vienna,** for the fiscal year from January 1, 2015 to December 31, 2015. These financial statements comprise the balance sheet as of December 31, 2015, the income statement for the fiscal year ended December 31, 2015, and the notes.

Management's responsibility for the financial statements and for the accounting system

The Company's management is responsible for the accounting system and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility and description of type and scope of the statutory audit

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of December 31, 2015 and of its financial performance for the fiscal year from January 1, 2015 to December 31, 2015 in accordance with Austrian Generally Accepted Accounting Principles.

Opinion

In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of December 31, 2015 and of its financial performance for the fiscal year from January 1, 2015 to December 31, 2015 in accordance with Austrian Generally Accepted Accounting Principles.

Comments on the management report

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements and if the information is applicable pursuant § 243a UGB.

In our opinion, the management report is consistent with the financial statements. The information pursuant Section 243a UGB (Austrian Commercial Code) is accurate.

Vienna, March 22, 2016

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Alexander Wlasto (Wirtschaftsprüfer)   Mag. Gerhard Schwartz (Wirtschaftsprüfer)

This report is a translation of the original report in German, which is solely valid. Publication of the financial statements together with our auditors' opinion may only be made if the financial statements and the management report are identical with the audited version attached to this report. Section 281 paragraph 2 UGB (Austrian Commercial Code) applies.

Financial Statements
Balance sheet as of December 31, 2015

Assets	Note	EUR 2015	EUR 1,000 2014
Fixed assets	1		
Tangible assets		1,202,919	1,211
Financial assets		11,836,616,645	12,541,044
		11,837,819,564	**12,542,255**
Current assets			
Accounts receivable and other assets	2		
Trade Receivables		30,504	–
Receivables from affiliated companies		1,472,360,240	545,712
Receivables from associated companies		45,026	35,726
Other receivables and other assets		9,371,072	26,897
		1,481,806,842	**608,335**
Securities and shares			
Other Securities		96,629,951	128,766
Own shares		10,015,543	11,137
		106,645,494	**139,903**
Cash on hand and at bank		808,763,904	69,292
		2,397,216,240	**817,530**
Deferred taxes		–	–
Prepayments and accrued expenses		**23,276,698**	**26,634**
Total assets		**14,258,312,502**	**13,386,419**

Liabilities	Note	EUR 2015	EUR 1,000 2014
Stockholders' equity	3		
Capital stock		327,272,727	327,273
Capital reserves			
appropriated		1,729,337,821	1,729,338
unappropriated		333,728	334
Capital reserves for share-based payments		6,272,140	10,159
Revenue reserves			
unappropriated reserve		2,465,227,348	3,760,798
Reserve for treasury stock		10,015,543	11,137
Unappropriated income, thereof income brought forward EUR 85,842,151 (2014: EUR 14,102 thousand)		445,897,811	493,790
		4,984,357,119	**6,332,828**
Untaxed reserves	4		
Valuation reserve for impairments		431,303	431
Provisions	5		
Provisions for severance payments		7,235,403	8,007
Provisions for pensions		8,504,806	4,242
Provisions for taxes		447,627,948	133,312
Other provisions		315,881,158	43,356
		779,249,314	**188,917**
Liabilities	6		
Bonds		6,250,000,000	4,750,000
Amounts due to banks		468,315,051	443,400
Accounts payable from trade		10,532,911	11,920
Accounts payable to affiliates		1,533,379,555	1,416,736
Accounts payable to associates		—	1
Other liabilities		232,013,618	242,081
		8,494,241,135	**6,864,138**
Prepayments and accrued income		**33,631**	**105**
Total liabilities		**14,258,312,502**	**13,386,419**
Contingent liabilities	7	1,711,974,682	1,504,775

Income statement

		Note	EUR 2015	EUR 1,000 2014
1.	**Sales**	8	**108,568,505**	**132,093**
2.	Other operating income	9	1,677,717	7,605
3.	Expenses for materials and services	10	(8,424,745)	(12,988)
4a.	Personnel expenses	11	(75,399,516)	(73,985)
4b.	Expenses for severance payments, payments to occupational pension funds and expenses for pensions	12	(13,389,584)	(6,902)
5.	Depreciation and amortization		(150,804)	(151)
6.	Other operating expenses	13	(66,415,176)	(82,019)
7.	**Subtotal of items 1 to 6 (Earnings before interest and taxes)**		**(53,533,603)**	**(36,347)**
8.	Income from investments thereof affiliated companies EUR 593,758,128 (2014: EUR 432,187 thousand)	14	602,096,820	437,612
9.	Income from other securities and lendings carried as financial assets thereof affiliated companies EUR 73,664,590 (2014: EUR 29,882 thousand)		74,677,589	30,973
10.	Other interest and similar income thereof affiliated companies EUR 18,731,000 (2014: EUR 128,481 thousand)		67,871,391	150,051
11.	Gains on disposal and write-up of financial assets and securities held as current assets Thereof write-up EUR 18,834 (2014: EUR 6,444)		1,519,557	6,956
12.	Expenses arising from financial assets and securities held as current assets thereof impairments EUR 569,747,893 (2014: EUR 1,067,566 thousand) thereof affiliated companies EUR 1,026,551,740 (2014: EUR 1,134,962 thousand)	14	(1,026,551,740)	(1,134,972)
13.	Interest and similar expenses thereof concerning affiliated companies EUR 61,288,766 (2014: EUR 38,710 thousand)		(297,809,135)	(265,854)
14.	**Subtotal of items 8 to 13 (Financial result)**		**(578,195,518)**	**(775,235)**
15.	**Loss from ordinary activities**		**(631,729,121)**	**(811,582)**
16.	Taxes on income	15	(308,215,219)	(108,730)
17.	**Net loss for the year**		**(939,944,340)**	**(920,313)**
18.	Release of untaxed reserves		—	0
19.	Release of revenue reserves		1,300,000,000	1,400,000
20.	Income brought forward from previous years		85,842,151	14,102
21.	**Unappropriated income**		**445,897,811**	**493,790**

Notes

The accounts of **OMV Aktiengesellschaft**, Vienna, as of December 31, 2015 have been drawn up in accordance with the Austrian Commercial Code (ACC) as amended. As the parent company of the OMV Group, OMV Aktiengesellschaft also prepares separate consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs).

In the interests of clear presentation, some items of the balance sheet and income statement have been aggregated. The detailed disclosures are shown in the notes to the accounts. The total cost format is used for the presentation of the income statement.

The annual financial statements were prepared in euro (EUR). The presentation in the notes is in EUR 1,000 as well as EUR thousand, which may result in rounding differences.

Accounting and valuation policies

Intangible and **tangible assets** are capitalized at cost and amortized/depreciated on a straight-line basis.

Depreciation is based on the following useful economic lives:

Category	Useful life
Other fixtures and fittings, tools and equipment	4–10 years

In accordance with the relevant fiscal law provisions, a whole year's depreciation is recognized for **additions** in the first half of the year, and half a year's depreciation for additions in the second half.

Sustained and material **impairments** of fixed assets in excess of scheduled depreciation are recognized by write-downs.

Low value assets up to EUR 400 are capitalized and fully written off in the year of acquisition, and are shown as additions and disposals in the statement of fixed assets.

Investments are carried at acquisition cost less any permanent, material impairment. Securities held as fixed assets are carried at the lower of cost or market value at the last trade date of the year. The valuation of the investments was ascertained using the discounted cash flow method, taking into account the weighted average cost of capital (WACC) for each individual company.

Accounts receivable and other assets are stated at cost. Non-interest bearing receivables with maturities of over one year are discounted. Foreign currency receivables are stated at the lower of cost or fair value. All recognizable risks are accounted for by valuation allowances.

Securities and shares are stated at the lower of cost or fair value.

Deferred taxes are reported under the Taxes on income item. A tax group was formed with effect from January 1, 2005, under section 9 KStG (Corporate Tax Act), with OMV Aktiengesellschaft as the top-tier corporation. Due to group taxation, tax group members that make profits pay OMV Aktiengesellschaft tax contributions equal to the corporate tax attributable to those profits. If a tax group member makes an annual tax loss, OMV Aktiengesellschaft pays it a tax contribution of 25% of the transferred tax loss or the applicable corporate tax rate if different. OMV Aktiengesellschaft retains the profits and losses of most of its subsidiaries on the basis of profit and loss pooling agreements. With eight companies, OMV Aktiengesellschaft has a tax pooling agreement based on the liability method.

OMV Aktiengesellschaft has both **defined contribution and defined benefit pension plans.** In the case of defined contribution plans, OMV has no obligations beyond payment of the agreed premiums, and no provision is therefore recognized. In contrast, participants in defined benefit plans are promised pensions at certain levels. Defined benefit pension obligations are accounted for by setting up provisions for pensions, or by means of payments to an external pension fund. The risks associated with these defined benefit pension plans remain with OMV.

Provisions for pensions, severance payments and jubilee payments are calculated using the projected unit credit method, which divides the costs of the estimated benefit entitlements over the whole period of employment and thus takes future increases in remuneration into account.

When calculating pension and severance payment provisions, actuarial gains and losses for the current financial year are disclosed under personnel expenses or other operating income. Actuarial losses of EUR 4,248 thousand arising from the discontinuation with the corridor method at year-end 2011 were recognized as personnel expenses over a period of five years, in accordance with the supplements to the Chamber of Accountants and Tax Consultants Statements KFS/RL 2 and 3. The unrecognized actuarial losses arising from the discontinuation of the corridor method amounted to EUR 850 thousand as of December 31, 2015 (December 31, 2014: EUR 1,700 thousand).

Expenses of accrued interests for pension provisions together with income from pension plan assets are disclosed as part of financial income and expense.

Payments for defined contribution plans are reported as expenses for pensions.

Provisions for voluntary and non voluntary separations under restructuring programs are recognized if a detailed plan has been approved by management prior to balance sheet date, and an irrevocable commitment is thereby established.

All risks recognizable in the light of sound commercial judgment and contingent liabilities are provided for.

Liabilities are stated at the higher of nominal value or the amount repayable. Foreign currency liabilities are valued at the higher of cost or amount repayable.

The **currency hedges** concluded both with banks and with affiliates (on behalf of the affiliates) form a valuation unit from OMV Aktiengesellschaft's perspective. They are therefore not disclosed in the books of OMV Aktiengesellschaft but in the affiliates' financial statements.

Long Term Incentive (LTI) plans
Since 2009 LTI plans have been granted to the Executive Board and selected senior executives in the Group. From 2010 to 2015, yearly LTI plans were granted, with similar conditions. Participants of the plans 2009, 2010 and 2011 must hold shares until the end of the holding period. At vesting date, bonus shares will be granted to the participants. The number of bonus shares is determined depending on the achievement of defined performance targets. Disbursement is made in cash or in shares. Since 2011 participation to the plan also was granted to selected employees with outstanding development potential (potentials). Executive Board members and senior executives as participants of the 2012, 2013, 2014 and 2015 plans are required to build up an appropriate volume of shares and to hold those shares until retirement or departure from the Company.

Provision is made for the expected future costs of the LTI plans at statement of financial position date based on fair values. Fair values are determined using a model considering the expected target achievement and the expected share price. Expected dividends were incorporated into the measurement according to the Company's mid-term planning. For new plans, the expense is spread over the three-year vesting period. As of December 31, 2015, the provision amounted to EUR 11,100 thousand (2014: EUR 11,324), and the net change was EUR (224) thousand (2014: net change of EUR 8,171 thousand).

Main conditions

	2015 plan	2014 plan	2013 plan	2012 plan
Start of plan	1/1/2015	1/1/2014	1/1/2013	1/1/2012
End of performance period	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Vesting date	3/31/2018	3/31/2017	3/31/2016	3/31/2015
Share holding requirement				
Executive Board Chairman	200% of gross base salary	200% of gross base salary	200% of gross base salary	200% of gross base salary
Executive Board Deputy Chairman	175% of gross base salary	175% of gross base salary	175% of gross base salary	175% of gross base salary
Executive Board members	150% of gross base salary	150% of gross base salary	150% of gross base salary	150% of gross base salary
Senior executives	75% of gross base salary	75% of gross base salary	75% of gross base salary	75% of gross base salary
Personal investment held in shares				
Executive Board members				
Davies	54,626 shares	46,070 shares	46,070 shares	32,855 shares
Floren	31,929 shares	22,725 shares	16,226 shares	7,500 shares
Huijskes	38,419 shares	28,095 shares	21,298 shares	12,136 shares
Leitner	37,163 shares	28,207 shares	27,406 shares	16,060 shares
Pleininger [1]	8,462 shares	—	—	—
Roiss	80,600 shares	60,173 shares	60,173 shares	44,259 shares
Seele	32,200 shares	—	—	—
Total — Executive Board	**283,399 shares**	**185,270 shares**	**171,173 shares**	**112,810 shares**
Other senior executives	287,397 shares	263,809 shares	271,434 shares	278,497 shares
Total personal investment	**570,796 shares**	**449,079 shares**	**442,607 shares**	**391,307 shares**
Expected bonus shares as of December 31, 2015	**875,438 shares**	**280,268 shares**	**271,858 shares**	—
Maximum bonus shares as of December 31, 2015	**1,186,287 shares**	**800,918 shares**	**827,034 shares**	—
Fair value of plan (EUR 1,000)	**20,176**	**6,316**	**7,053**	—

[1] Johann Pleininger also takes part in the 2013 to 2015 plans in his position as senior executive. His personal investment for the 2013 and 2014 plans was 8,217 shares

Strategic Incentive Plan (SIP)

In 2014, the Strategic Incentive Plan (SIP) was granted to Executive Board members, selected executive managers and selected Upstream experts in the Group. The SIP is a long-term compensation scheme. It is based on virtual share grants that are paid out in cash equivalent, subject to achievement of defined performance measures, at the end of the plan period. Further conditions apply in combination as a prerequisite for any payout (grant period 2014-2018, performance period 2014-2021, payout period 2022-2024).

Each potential participant has to declare at the beginning of the program, if he or she wants to participate in the SIP. Furthermore, Executive Board members and participating senior executives have to declare if they will participate with an additional personal investment (“Investment Shares”). These declarations are then effective for the entire term of the plan.

Each participant will receive a grant from OMV (“OMV Grant”) in virtual shares that reflect the performance of the underlying OMV shares (the “Phantom Shares”) in up to five consecutive annual tranches between 2014 and 2018. If Investment Shares are contributed, the OMV Grant will be supplemented by OMV with a complementary grant (the “Complementary Grant”) in a ratio of 1:2 (i.e. each Phantom Share of the OMV Grant will be supplemented with two additional Phantom Shares under the Complementary Grant).

As of December 31, 2015, the maximum number of Phantom Shares granted amounted to 697,801, thereof 139,895 for Executive Board members.

Provision is made for the expected future costs of the Strategic Incentive Plans at statement of financial position date based on fair values. Fair values are determined using a model considering the expected target achievement and the expected share price using a Monte Carlo simulation. Expected dividends were incorporated into the measurement according to the Company’s mid-term planning and a discount rate of 0.71% was used. For new plans, the expense is spread over the vesting period. As of December 31, 2015, the provision amounted to EUR 777 thousand (2014: EUR 943 thousand).

Matching Share Plan (MSP)
The Matching Share Plans for the years 2014 and 2015, as approved by the Annual General Meeting in 2014, respectively 2015, are an integral part of the annual bonus agreement and serves as a long-term compensation vehicle for the members of the Executive Board that promotes retention and shareholder alignment in OMV, combining the interests of management and shareholders via a long-term investment in restricted shares. The plan also seeks to reduce inappropriate risk-taking. For Executive Board members, an award of shares will be made to match 100% of their realized gross annual cash bonus. The performance criteria for the annual bonus may not be amended during the term of the MSP. On determination of the annual cash bonus by the Remuneration Committee, an equivalent matching bonus grant will be made net (after deduction of taxes) in Company shares which shall be transferred to a trustee deposit, managed by the Company, to be held for three years.

Executive Board members can choose between cash payment or shares if and to the extent that they have already fulfilled the minimum shareholding requirements for the LTI Plans 2012 to 2015. As of December 31, 2015, a provision amounting to EUR 2,002 thousand was recorded (2014: EUR 1,433 thousand).

Total expense
In 2015, total expense of EUR 4,585 thousand (2014: EUR 5,194 thousand) has been recognized arising from share-based payment transactions, thereof EUR (3,887) thousand (2014: EUR 4,226 thousand) from transactions accounted for as equity-settled share-based payment transactions.

Notes to the balance sheet

1 Fixed assets

During the reporting period fixed tangible assets were itemized in accordance with minimum statutory requirements. Movements in fixed assets in 2015 are shown in the statement of fixed assets.

The Land and buildings item includes land valued at EUR 776 thousand (2014: EUR 790 thousand).

Commitments arising from the use of off-balance sheet tangible assets were as follows:

		EUR 1,000
	2015	2014
Maturing in one year	608	377
Maturing in the next five years	1,760	1,005

Loans with maturities of up to one year amounted to EUR 1,145,236 thousand (2014: EUR 730,010 thousand).

Loans		**EUR 1,000**
	2015	2014
Domestic		
OMV Exploration & Production GmbH	795,226,156	795,226
OMV Clearing und Treasury GmbH	—	630,000
OMV Refining & Marketing GmbH	750,000,000	350,000
GAS CONNECT AUSTRIA GmbH	300,000,000	280,000
OMV Gas & Power GmbH	—	100,000
OMV Finance Services GmbH	160,396,321	174,417
OMV (Tunesien) Production GmbH	62,932,950	32,129
BSP Bratislava-Schwechat Pipeline GmbH	1,388,010	1,222
EGW Heimstätte GmbH	120,352	112
Foreign		
Pearl Petroleum Company Limited	9,782,844	11,693
Total	**2,079,846,633**	**2,374,799**

During the reporting period OMV Aktiengesellschaft granted an additional loan of USD 35,000 thousand to OMV (Tunesien) Production GmbH and one of EUR 400,000 thousand to OMV Refining & Marketing GmbH. GAS CONNECT AUSTRIA GmbH received a further loan of EUR 60,000 thousand and paid off EUR 40,000 thousand. OMV Finance Services GmbH received a loan of USD 473 thousand and paid off USD 15,810 thousand. OMV Clearing und Treasury GmbH paid off EUR 630,000 thousand und OMV Gas & Power GmbH repaid EUR 100,000 thousand. Pearl Petroleum Company Limited has a credit facility of USD 32,574 thousand.

In 2015, grandparent company contributions were granted to the following companies: EUR 36,194 thousand to OMV (Yemen Block S 2) Exploration GmbH; NOK 613,773 thousand to OMV Finance Services NOK GmbH and USD 50,000 thousand to OMV (Tunesien) Production GmbH.

During the reporting period, further shares in OMV Petrol Ofisi A.Ş. amounting to TRY 33,709 thousand were purchased from minority shareholders.

2 Accounts receivable and other assets

EUR 1,000

	2015		2014	
	≤1 year	>1 year	≤1 year	>1 year
Trade Receivables	31	—	—	—
Receivables from affiliated companies	1,472,360	—	545,712	—
[thereof trade]	[4,906]	[—]	[4,145]	[—]
Receivables from associated companies	45	—	35,726	—
[thereof trade]	[8]	[—]	[—]	[—]
Other receivables and assets	9,371	—	26,897	—
Total	**1,481,807**	**—**	**608,335**	—

The reduction in receivables from associated companies largely resulted from the settlement of receivables from Trans Austria Gasleitung GmbH. Other receivables include EUR 7,597 thousand (2014: EUR 24,639 thousand) in corporate tax prepayments. The Other receivables and assets item includes no material income due after balance sheet date.

3 Stockholders' equity

The **capital stock** of OMV Aktiengesellschaft consists of 327,272,727 (2014: 327,272,727) fully paid no par value shares with a total nominal value of EUR 327,272,727 (2014: EUR 327,272,727). There are no different classes of shares and no shares with special rights of control. All shares are entitled to dividends for the financial year 2015, with the exception of treasury shares held by OMV Aktiengesellschaft.

With regard to the expiration on May 13, 2014 of the authorized capital decided upon by the Annual General Meeting on May 13, 2009, the Annual General Meeting has authorized the Executive Board on May 14, 2014, subject to the approval of the Supervisory Board, to increase by May 14, 2019, once or in several tranches, also by way of indirect offer for subscription after taking over by one or several credit institutions according to Section 153 Paragraph 6 Stock Corporation Act, against cash contributions, the share capital by not more than EUR 32,727,272 by issuing up to 32,727,272 new no-par value common voting shares in bearer form. Subject to the approval of the Supervisory Board, the Executive Board has been authorized to exclude in this connection the subscription right of the shareholders (i) to adjust fractional amounts or (ii) to satisfy stock options or long term incentive plans including matching share plans for employees, senior employees and members of the Executive Board/ management boards of the Company or one of its affiliates, or other employees' stock ownership plans and subject to the approval of the Supervisory Board, to set the issue price and conditions of issuance (authorized capital). The Supervisory Board has been authorized to adopt amendments to the Articles of Association resulting from the issuance of shares according to the authorized capital.

On May 17, 2011, the Annual General Meeting authorized the Executive Board to repurchase treasury shares of up to 10% of the capital stock during a period of 30 months from the day of the resolution in question. Treasury shares could be repurchased via the stock exchange, by way of public tender or in any other legally permitted way and to any legally permitted purpose until November 16, 2013. The Executive Board had also been authorized to rescind treasury shares upon repurchase as well as treasury shares currently owned by the Company without any further resolution by the Annual General Meeting until the same date. The Executive Board has also been authorized until May 16, 2016, upon approval by the Supervisory Board but without any further resolution by the Annual General Meeting, to sell or use treasury shares upon repurchase as well as treasury shares currently owned by the Company via the stock exchange, by way of public tender, or in any other way. In particular, treasury shares can be utilized (i) to satisfy stock option and long term incentive plans for employees, executive staff and members of the Executive Board or the management of the Company or affiliated subsidiaries as well as other employees' bonus schemes, (ii) for convertible bonds, if issued, (iii) as a compensation for the acquisition of enterprises, participations or other assets and (iv) to any other legally permitted purpose. The general shareholders' subscription rights can be excluded and this authorization can be exercised wholly or partly.

Capital reserves have been formed by the contribution of funds into OMV Aktiengesellschaft by its shareholders over and above the capital stock, on the basis of their ownership relationship.

Changes in **treasury shares** were as follows:

Treasury shares

	Number of shares	Cost EUR 1,000
January 1, 2014	**1,038,404**	**11,404**
Disposals	(23,302)	(256)
December 31, 2014	**1,015,102**	**11,148**
Disposals	(102,278)	(1,122)
December 31, 2015	**912,824**	**10,026**

The **number of shares in issue** was as follows:

Number of shares in issue

	Number of shares	Treasury shares	Shares in issue
January 1, 2014	**327,272,727**	**1,038,404**	**326,234,323**
Used for share-based compensations	—	(23,302)	23,302
December 31, 2014	**327,272,727**	**1,015,102**	**326,257,625**
Used for share-based compensations	—	(102,278)	102,278
December 31, 2015	**327,272,727**	**912,824**	**326,359,903**

For 2015, the Executive Board of OMV Aktiengesellschaft proposes a dividend of EUR 1.00 (2014: EUR 1.25) per eligible share, which is subject to confirmation by the Annual General Meeting in 2016. The dividend for 2014 was paid in May 2015 and amounted to EUR 407,948 thousand (2014 payment amounted to EUR 407,822 thousand).

4 Untaxed reserves

The **untaxed reserves** are valuation reserves related to undeveloped and developed land, amounting to EUR 431 thousand (2014: EUR 431 thousand).

5 Provisions

Provisions for employee benefits are recognized in accordance with IAS 19. The indexed pension commitments in respect of currently active employees of OMV Aktiengesellschaft were transferred to an external pension fund managed by APK-Pensionskasse AG in earlier years. The defined benefit plans are generally based on years of service and the employee's average compensation over the last five calendar years of employment.

These pension plans are non-contributory. Changes in the funding of defined benefit plans, and in provisions for jubilee payments were as follows:

EUR 1,000

	2015 Pensions	2015 Severance payments	2015 Jubilee payments	2014 Pensions	2014 Severance payments	2014 Jubilee payments
Present value of funded obligations	41,317	—	—	37,960	—	—
Market value of plan assets	(31,667)	—	—	(31,427)	—	—
Unrecognized actuarial gains/(losses)	(1,146)	—	—	(2,291)	—	—
Provision for funded obligations	**8,504**	**—**	**—**	**4,242**	**—**	**—**
Present value of unfunded obligations	—	6,939	1,708	—	7,416	1,616
Unrecognized actuarial gains/(losses)	—	296	—	—	591	—
Provision for unfunded obligations	**—**	**7,235**	**1,708**	**—**	**8,007**	**1,616**
Provision as of January 1	**4,242**	**8,007**	**1,616**	**3,681**	**11,634**	**1,589**
Expense for the year	4,733	613	338	2,796	34	177
Payments to funds	(471)	—	—	(2,235)	—	—
Benefits paid	—	(892)	(167)	—	(3,475)	(131)
Group transfer	—	(493)	(79)	—	(186)	(19)
Provision as of December 31	**8,504**	**7,235**	**1,708**	**4,242**	**8,007**	**1,616**
Interest cost	764	303	67	615	407	73
Current service cost	79	300	94	299	404	100
Expected return on plan assets	—	—	—	—	—	—
Amortized actuarial (gains)/losses	3,890	10	177	1,882	(777)	4
Expenses of defined benefit plans for the year	**4,733**	**613**	**338**	**2,796**	**34**	**177**

Underlying assumptions for calculating pension expenses and expected defined benefit entitlements as of December 31:

	2015		2014	
	Pensions	Severance, jubilees	Pensions	Severance, jubilees
Capital market interest rate	3.90%	3.90%	4.60%	4.60%
Future increases in salaries	3.25%	3.25%	3.25%	3.25%
Future increases in pensions	1.80%	—	1.80%	—
Long-term rate of return on plan assets	2.60%	—	3.00%	—

The biometrical basis for the calculation of provisions for pensions, severance and jubilee entitlements is provided by AVÖ 2008 P – Rechnungsgrundlagen für die Pensionsversicherung (Computational Framework for Pension Insurance) – Pagler & Pagler, using the variant for salaried employees. Employee turnover was estimated based on age or years of service respectively. The expected retirement age used for calculations is based on the earliest possible retirement age according to ASVG regulations.

Allocation of plan assets as of December 31

	2015		2014	
	VRG IV	VRG VI	VRG IV	VRG VI
Asset category				
Equity securities	23.36%	6.22%	26.04%	9.45%
Debt securities	59.19%	29.26%	59.98%	33.74%
Cash and money market investments	14.22%	64.52%	11.66%	56.81%
Other	3.23%	—	2.32%	—
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Investment policies aim to achieve an optimal investment portfolio structure and to ensure that existing entitlements are covered at all times. The investment of plan assets is governed by section 25 Austrian Pension Fund Act and the Investment Fund Act. In addition to these regulations, the investment guidelines of APK-Pensionskasse AG regulate the spread of asset allocation, the use of umbrella funds and the selection of fund managers. New categories of investments or the employment of a wider range of funds require the approval of the APK-Pensionskasse AG management board. Diversification of both equity and debt securities is global; however, the bulk of the debt securities is EUR-denominated.

The funds of the asset allocation and risk group VRG IV are invested in international equity and bond funds, alternative investment strategies (absolute return strategies, real estate and private equity) as well as money market investments. As part of the risk diversification policy, in selecting the asset managers, their different management styles and investment approaches have been taken into account. The long-term investment objective of the VRG IV is to outperform the benchmark (20% global equity, 45% global bonds and 35% absolute return/ money market instruments, from 2015 onwards 20% global equity, 65% global bonds, 5% cash, 5% alternatives, 5% real estate) and to cover existing and future entitlement payments of the VRG IV. The assets of the VRG IV are invested in such a manner as to ensure the security, quality, liquidity and profitability of the portfolio as a whole, as defined in the Austrian pension fund section 25. The asset allocation and the regional allocation of the VRG IV can and will deviate from the benchmark allocation if this in the judgment of APK is warranted by current asset prices and/or future expected returns. To enhance the return potential, active strategies for all asset classes will be used when justified by market characteristics and/or cost/benefit considerations. The majority of the assets of the VRG IV are invested in liquid active markets for which quoted prices are available. A smaller allocation to assets for which only observable but not quoted prices are available (e.g. real estate and certain absolute return strategies) is allowed when the risk return profile of such assets is believed to be favorable. Risk is managed actively and it is generally expected that the volatility and especially the drawdown risk of the VRG IV will be lower than that of the benchmark.

The investment management policy for the funds of VRG VI is a value-at-risk approach. The process involves investing in global equity markets, European bond instruments and low-risk money market funds with a defined worst-case loss limit, whereby the tactical allocation of funds is very flexible and model-driven. At the same time, the opportunity of benefiting from positive stock market performance shall be partly maintained. The long-term investment objective of the VRG VI is to provide stable, predictable returns that to the greatest possible extent cover the existing and future entitlement payments of the VRG VI. To increase the efficiency of the portfolio management and for cost considerations the portfolio is set up as a base portfolio consisting of short maturity government bonds and a futures overlay strategy. Active quoted prices are available for all assets of the VRG VI.

The actual returns of individual VRGs deviate from the target returns on the plan assets, due to their different maturities and to different developments in the capital markets. In 2015, the performance of VRG IV was slightly below the target return with a performance of +1.2%. The performance of VRG VI was slightly negative.

In 2016, defined benefit related contributions for 2015 to APK-Pensionskasse AG of EUR 14,000 are planned.

Other provisions largely consist of the following:

		EUR 1,000
	2015	2014
Personnel provisions	28,497	26,788
Sundry provisions	287,384	16,568
Total	**315,881**	**43,356**

Personnel provisions include provisions for the Long Term Incentive Plan amounting to EUR 11,100 thousand (2014: EUR 11,324 thousand) and provisions of EUR 777 thousand (2014: 943 thousand) for the Strategic Incentive Plan. Other provisions include a theoretical withdrawal premium of EUR 14,788 thousand (2014: EUR 15,155 thousand) for a reinsurance relation and a provision for contingent losses amounting to EUR 272,098 thousand (2014: EUR 824 thousand) due to the deteriorated economic situation of EconGas GmbH in view of significant changes in the gas market. In this context, OMV Aktiengesellschaft has entered into commitments in the form of declarations given.

Due to the recognition of corporate income tax to account for the recapture of losses by foreign tax group members at top-tier corporate level, a provision of EUR 74,782 thousand (2014: EUR 50,801 thousand) is reported for the period. In addition, a provision of EUR 290,336 thousand (2014: EUR 82,510 thousand) was recognized for future tax contribution liabilities arising from the transfer of losses incurred by domestic tax group members.

6 Liabilities

EUR 1,000

	2015		2014	
	≤1 year	>1 year	≤1 year	>1 year
Bonds	250,000	6,000,000	—	4,750,000
Amounts due to banks	99,426	368,890	330,954	112,446
Accounts payable from trade	10,553	—	11,920	—
Accounts payable to affiliates	1,533,379	—	1,416,736	—
[thereof trade]	[1,013]	[—]	[1,586]	[—]
Accounts payable to associates	—	—	1	—
[thereof trade]	[—]	[—]	[—]	[—]
Other liabilities	224,764	7,249	234,195	7,886
[thereof taxes]	[133,892]	[—]	[150,173]	[—]
[thereof social security expenses]	[720]	[—]	[832]	[—]
Total	**2,118,102**	**6,376,139**	**1,993,806**	**4,870,332**

A hybrid bond issue at a nominal amount of EUR 750,000,000 was completed on May 25, 2011. On December 7, 2015, OMV issued additional hybrid notes with an aggregate size of EUR 1.5 bn, in two tranches of EUR 750 mn each.

Bonds issued

	Nominal	Coupon	Repayment
International corporate bond	EUR 250,000,000	5.25% fixed	6/22/2016
	EUR 750,000,000	0.60% fixed	11/19/2018
	EUR 500,000,000	1.75% fixed	11/25/2019
	EUR 500,000,000	4.375% fixed	02/10/2020
	EUR 500,000,000	4.25% fixed	10/12/2021
	EUR 750,000,000	2.625% fixed	09/27/2022
	EUR 750,000,000	3.5% fixed	09/27/2027
Hybrid note	EUR 750,000,000		
	EUR 750,000,000		
	EUR 750,000,000		
Total	**EUR 6,250,000,000**		

Other liabilities include interest expenses for bonds of EUR 85,035 thousand (2014: EUR 79,308 thousand) and personnel reduction expenses of EUR 9,108 thousand (2014: EUR 9,546 thousand). Other liabilities include expenses, which are payable in 2016. The most important amounts comprise of interests for bonds of EUR 85,035 thousand (2014: EUR 79,308 thousand).

Liabilities with maturities of more than one year include liabilities with maturities of more than five years: bond liabilities amounting to EUR 4,250,000 thousand (2014: EUR 3,250,000 thousand) and liabilities due to banks amounting to USD 15,000 thousand (2014: USD 16,000 thousand)

7 Contingent liabilities under section 199 and other obligation under section 237 ACC

Contingent liabilities are as follows:

EUR 1,000	2015	2014
Guarantees	1,711,975	1,504,775
[thereof in favor of affiliated companies]	[1,711,821]	[1,504,621]

The change in contingent liabilities mainly resulted from guarantees issued for OMV Supply & Trading Limited in the amount of USD 378,260 thousand, an increase in the guarantee for OMV Deutschland GmbH by EUR 150,000 thousand, as well as the reduction of guarantees for OMV Supply & Trading AG by USD 193,450 thousand and for OMV (U.K.) Limited by USD 138,000 thousand.

The following **other financial commitments** are not reported under liabilities or contingent liabilities:

OMV Aktiengesellschaft has given an undertaking to OMV Clearing und Treasury GmbH, which runs the Group's clearing operations, to maintain its liquidity for the duration of its membership of the Group.

OMV Aktiengesellschaft has issued guarantees and letters of comfort on behalf of certain exploration, production and distribution companies in respect of the fulfillment of concession and license agreements and various other agreements of indeterminate amounts.

With a letter of financial support vis à vis OMV Gas Germany GmbH, OMV Aktiengesellschaft has undertaken to provide adequate financial funding if necessary.

OMV Aktiengesellschaft has also provided a letter of financial support to OMV (U.K.) Limited in order to maintain its liquidity.

OMV Aktiengesellschaft has joint liability for pension obligations assumed by Group companies, as well as for additional contributions to rectify shortfalls in the funding of obligations transferred to external pension funds and bridging payments to separated employees.

Notes to the income statement

8 Sales

EUR 1,000	2015	2014
Domestic	103,035	123,918
Foreign	5,534	8,175
Total	**108,569**	**132,093**

The sales consist both of corporate service charges paid by Group companies and of revenues generated by operational activities performed within Group companies.

9 Other operating income

EUR 1,000	2015	2014
Gains on the disposal of fixed assets other than financial assets	13	28
Gains on reversal of provisions	556	6,552
Other	1,109	1,025
Total	**1,678**	**7,605**

The gains on reversal of provisions arose from the provision for reinsurance as well as from the provision for personnel.

10 Expenses for materials and services

EUR 1,000	2015	2014
Cost of materials	157	228
Cost of services	8,267	12,760
Total	**8,424**	**12,988**

The expenses for services contain costs of services provided by third parties.

11 Personnel expenses

EUR 1,000	2015	2014
Salaries	64,071	63,136
Statutory social security, and pay-related levies and compulsory contributions	11,261	10,644
Other expenses for employee benefits	68	205
Total	**75,400**	**73,985**

12 Expenses for serverance payments, payments to occupational pension funds and expenses for pensions

EUR 1,000

	2015	2014
Expenses for severance payments	3,904	—
Payments to occupational pension funds	643	623
Defined contribution personnel expense	3,344	3,296
Defined benefit personnel expense	5,498	2,983
Total	**13,389**	**6,902**

Expenses for personnel reduction programs are included in position Expenses for severance payments amounting to EUR 3,594 thousand (2014: EUR nil) as well as in position Defined benefit personnel expense amounting to EUR 1,293 thousand (2014: EUR 569 thousand).

The breakdown of expenses for severance payments and pensions is as follows:

EUR 1,000

	2015		2014	
	Severance payments	Pensions	Severance payments	Pensions
Current and former members of Executive Board	1,804	1,138	165	973
Senior executives	166	885	167	802
Other employees	2,567	2,929	695	2,622
Actuarial (gains) and losses	10	3,890	(777)	1,882

13 Other operating expenses

EUR 1,000

	2015	2014
Taxes not shown under item 16 (Taxes on income)	1,473	1,174
Other	64,942	80,845
Total	**66,415**	**82,019**

The tax item largely concerns fees paid to Austrian Financial Market Authority. Other expenses include: EUR 21,843 thousand in services delivered by OMV Group's internal service provider (2014: EUR 23,644 thousand), EUR 9,365 thousand in advertising expenditure (2014: EUR 16,635 thousand), EUR 10,968 in legal and consultancy fees (2014: EUR 18,726 thousand), EUR 7,344 in various third-party services (2014: 6,535 thousand) and EUR 2,782 thousand in insurance premiums (2014: EUR 2,327).

14 Financial income and expenses

Income from investments amounting to EUR 602,097 thousand (2014: EUR 437,612 thousand) include EUR 497,653 thousand (2014: EUR 18,813 thousand) from profit-pooling arrangements, EUR 96,105 thousand in dividends from affiliated companies (2014: EUR 413,374 thousand) and EUR 8,339 thousand (2014: EUR 5,425 thousand) from other investment income. As of the balance sheet date, there were profit and loss pooling agreements with the following companies: OMV Solutions GmbH, OMV Refining & Marketing GmbH, OMV Insurance Broker GmbH and OMV Gas & Power GmbH. Income from investments includes loan revaluations amounting to EUR 19 thousand (2014: EUR 6,444 thousand). The expenses arising from financial assets include EUR 184,706 thousand (2014: EUR 67,397 thousand) in expenses arising from profit pooling agreements. This item also contains impairment losses of EUR 424,363 thousand (2014: EUR 1,067,565 thousand) related to OMV Petrol Ofisi A.Ş. on account of the difficult market environment as well as impairment losses of EUR 145,385 thousand (2014: EUR nil) related to OMV AUSTRALIA PTY LTD due to the reevaluation of the existing licenses in view of the low oil price environment. The economic situation of EconGas GmbH deteriorated due to significant changes in the gas market and environment. This item therefore contains an expense for contingent losses amounting to EUR 272,098 thousand.

15 Taxes on income

EUR 1,000

	2015	2014
Current taxes	308,346	85,729
Deferred taxes	(131)	23,001
Total	**308,215**	**108,730**

Current taxes comprise EUR 956 thousand in tax expense from previous years (2014: deferred tax income EUR 22,381 thousand) and EUR 307,390 thousand in corporate tax expense (2014: corporate tax expense of EUR 108,110 thousand) attributable to the top-tier corporation in consequence of the formation of a tax group under section 9 Corporate Tax Act, after the tax contributions charged. Current corporate tax expense includes corporate tax expense of EUR 23,981 thousand (2014: corporate tax income of EUR 16,227 thousand) due to the change in the corporate tax provision for the retroactive taxation of tax losses declared by foreign tax group members. Corporate tax expense includes a provision of EUR 290,336 thousand (2014: EUR 82,510) recognized for future tax contribution liabilities arising from the transfer of losses incurred by domestic tax group members.

Due to insufficient future taxable profit, no deferred tax income was recognized in the reporting period. The reported deferred tax income amounting to EUR 131 thousand (2014: deferred tax expense EUR 23,001 thousand) resulted from the reversal of adjustments not recognized in profit or loss.

16 Interest rate risk management and derivates

To facilitate management of interest rate risk, liabilities are analyzed in terms of fixed and floating rate borrowings, currencies and maturities. Appropriate ratios for the various categories are established, and where necessary derivative instruments are used to hedge fluctuations outside predetermined ranges.

Where necessary, the Company hedges its own and Group companies' foreign currency risks. OMV Aktiengesellschaft has entered hedges with banks, and transferred them to Group companies. For these hedges a valuation unit has been built, and these hedges are accounted in Group companies.

Interest rate swaps are used from time to time to convert fixed rate debt into floating rate debt, and vice versa. In 2015 the interest rate swap in a nominal of USD 50 million expired. The interest rate spread between the swap and the loan is accounted for as an adjustment to interest expense.

EUR 1,000

			2015			2014
	Notional value	Fair value	Carrying value	Notional value	Fair value	Carrying value
Interest rate Swap (USD)	—	—	—	41,183	901	—
FX Swap EUR-CZK	—	—	—	12,681	(62)	(62)
FX Swap EUR-AUD	—	—	—	31,632	(717)	(762)
FX Swap EUR-NOK	42,782	96	—	20,156	180	—

The fair value of the derivative instruments reflects the estimated amounts that OMV would pay or receive if the positions were closed at balance sheet date. Quotations from banks or appropriate pricing models are used to estimate the fair value of financial instruments at balance sheet date. These models apply the forward rates/forward prices and exchange rates ruling at balance sheet date, as well as volatility indicators to the price calculations. Recognition is under other provisions.

17 Governing bodies, employees and related parties

The **average number of employees** was:

	2015	2014
Salaried employees	430	442
Total	**430**	**442**

The **remuneration received** by the Executive Board was made up as follows:

Remuneration received by the Executive Board								**EUR 1,000**
2015	Seele	Davies	Floren [7]	Huijskes [6]	Leitner	Pleininger	Roiss [3]	**Total**
Short-term benefits	**2,039**	**1,251**	**874**	**793**	**971**	**187**	**897**	**7,012**
Fixed (base salary)	1,970 [4]	880	300	464	700	183	478	**4,975**
Variable (cash bonus)	—	361	572 [1]	323	261	—	414	**1,931**
Benefits in kind	69 [5]	10	3	6	10	3	5	**106**
Post employment benefits	**113**	**321**	**300**	**181**	**175**	**49**	—	**1,138**
Pension fund contributions	113	321	300	181	175	49	—	**1,138**
Termination benefits	—	—	**750**	**372**	—	—	**1,220**	**2,343**
Termination benefits	—	—	750	372	—	—	1,220	**2,343**
Share based payments	—	**684**	**771**	**528**	**458**	—	**835**	**3,275**
Variable (Matching Share Plan)	—	405	605 [2]	362	292	—	463	**2,127**
Variable (LTIP)	—	279	166	166	166	—	372	**1,148**
Total	**2,151**	**2,256**	**2,695**	**1,874**	**1,604**	**236**	**2,952**	**13,767**

1 Including variable cash bonus for 2015 EUR 300 thousand
2 Including EUR 300 thousand for Matching Share Plan 2015
3 In addition to the remuneration received in 2015, Gerhard Roiss is entitled to a bonus payment (covering cash bonus and Matching Share Plan bonus) for 2015 until March 31, 2017 amounting to EUR 2,173 thousand, payable on June 30, 2016 and payments under the Long Term Incentive Plans and the Strategic Incentive Plan until March 31, 2017 based on target achievement
4 Including EUR 1,517 thousand linked to an obligation to buy OMV shares for the LTIP shareholding requirements
5 Including rent, parking, home flights, rental car, relocation costs and related taxes
6 In addition to the remuneration received in 2015, Jaap Huijskes is entitled to salary and pension fund payments until March 31, 2016 amounting to EUR 220 thousand, to cash bonus and to payments under the Long Term Incentive Plans and the Strategic Incentive Plan until March 31, 2016 based on target achievement
7 Hans-Peter Floren resigned from the Executive Board effectively December 31, 2014

Remunerations for Gerhard Roiss were partly paid out under the employment contract with OMV Exploration & Production GmbH, for David C. Davies partly under the employment contract with OMV Solutions GmbH.

Remuneration received by the Executive Board						EUR 1,000
2014	Davies	Floren	Huijskes	Leitner	Roiss	**Total**
Short-term benefits	**1,385**	**1,112**	**1,202**	**969**	**1,532**	**6,199**
Fixed (base salary)	841	600	713	579	913	**3,645**
Variable (cash bonus)	533	506	478	381	610	**2,508**
Benefits in kind	10	6	10	9	10	**45**
Post employment benefits	**311**	**150**	**178**	**145**	**1,006**	**1,790**
Pension fund contributions	311	150	178	145	1,006	**1,790**
Severance payments	**737**	—	—	—	**2,963**	**3,700**
Severance payments	737	—	—	—	2,963	**3,700**
Share based payments	**1,000**	**428**	**742**	**651**	**1,244**	**4,065**
Variable (Matching Share Plan)	499	428	448	357	571	**2,303**
Variable (LTIP)	500	—	294	294	673	**1,762**
Total	**3,432**	**1,690**	**2,122**	**1,765**	**6,745**	**15,753**

The members of the Executive Board and the members of the Supervisory Board are covered by directors and officers liability insurance (D&O) and legal costs insurance. A large number of other OMV employees also benefit from these two forms of insurance, and the insurers levy lump-sum premiums, which are not specifically attributed to the Board members.

In 2015, remuneration expenses for the Supervisory Board amounted to EUR 482 thousand (2014: EUR 479 thousand).

OMV Aktiengesellschaft is the parent company of the OMV Group and acts as a holding company. OMV Aktiengesellschaft also provides the other Group companies with corporate financial and management services.

All transactions with related parties were concluded at arm's length.

Regarding the expenses rendered by the Auditor for the year just ended OMV Aktiengesellschaft refers to the consolidated financial statements of OMV Aktiengesellschaft.

18 Dividend recommendation

Unappropriated income for the 2015 financial year amounted to EUR 445,898 thousand (2014: EUR 493,790 thousand).

For 2015, the Executive Board of OMV Aktiengesellschaft proposes a dividend of EUR 1.00 (2014: EUR 1.25) per eligible share, which is subject to confirmation by the Annual General Meeting in 2015. The dividend for 2014 was paid in May 2015 and amounted to EUR 407,948 thousand (2014 payment amounted to EUR 407,822 thousand).

Changes in untaxed reserves

				EUR 1,000
	As of Jan. 1, 2015	**Utilization**	**Transfer**	**As of Dec. 31, 2015**
Valuation reserve for impairments				
Tangible assets				
Land	431	—	—	431
Total	**431**	**—**	**—**	**431**

Direct investments by OMV Aktiengesellschaft (interest of at least 20%)

1,000 in stated currency

	Equity interest in %	Currency	Equity as of 31 Dec. 2015	Net income/loss in 2015
Domestic				
OMV Exploration & Production GmbH, Vienna [1]	100.00	EUR	1,446,838	(879,627)
OMV Gas & Power GmbH, Vienna [1]	100.00	EUR	181,802	(189,733)
OMV Insurance Broker GmbH, Vienna [1]	100.00	EUR	45	(5)
OMV Refining & Marketing GmbH, Vienna [1]	100.00	EUR	1,254,445	490,308
OMV Solutions GmbH, Vienna [1]	100.00	EUR	3,274,405	4,512
Foreign				
Amical Insurance Limited, Douglas	100.00	EUR	75,142	11,982
OMV AUSTRALIA PTY LTD, Sydney [1]	100.00	AUD	(149,219)	(41,329)
OMV FINANCE LIMITED, Douglas [2]	100.00	GBP	136	(3)
OMV International Oil & Gas GmbH, Zug	100.00	EUR	1,402	836
OMV Petrol Ofisi Holding Anonim Şirketi, Istanbul	100.00	TRY	6,483,484	(345,606)
OMV Petrol Ofisi A. Ş., Istanbul [3]	44.60	TRY	613,915	(379,279)
OMV PETROM SA, Bucharest	51.01	RON	25,091,190	(630,640)

[1] Tax group member under section 9 Corporate Tax Act
[2] In liquidation as per 31 December 2015
[3] OMV Petrol Ofisi Holding Anonim Şirketi holds 55.40%, OMV therefore owns a total of 100% directly and indirectly

Supervisory Board

Peter Oswald (from May 19, 2015)
Chairman

Rudolf Kemler (till May 19, 2015)
Chairman

Wolfgang C. Berndt
Deputy Chairman

Murtadha Al Hashmi
Deputy Chairman

Alyazia Ali Saleh Al Kuwaiti

Elif Bilgi Zapparoli

Helmut Draxler

Roy A. Franklin (till May 19, 2015)

Wolfram Littich

Herbert Stepic

Gertrude Tumpel-Gugerell (from May 19, 2015)

Herbert Werner

Delegated by the Works Council:
Christine Asperger
Wolfgang Baumann
Herbert Lindner
Alfred Redlich
Martin Rossmann

In addition to internationally experienced board members and directors of the core shareholder, the Supervisory Board appointed in the Annual General Meeting is made up of highly qualified independent members. OMV observes EU recommendations relating to independence.

Presidential and Nomination Committee:
Oswald (Chairman) (from May 19, 2015), Kemler (Chairman) (till May 19, 2015), Berndt (Deputy), Al Hashmi (Deputy), Al Kuwaiti, Baumann, Rossmann

Audit Committee:
Oswald (Chairman) (from May 19, 2015), Kemler (Chairman) (till May 19, 2015), Tumpel-Gugerell (Chairwoman) (from September 29, 2015), Berndt (Deputy; Chairman (from May 19, 2015 till September 29, 2015)), Al Hashmi (Deputy), Draxler, Littich, Werner, Baumann, Lindner, Rossmann

Project Committee:
Oswald (Chairman) (from May 19, 2015), Kemler (Chairman) (till May 19, 2015), Berndt (Deputy), Al Hashmi (Deputy), Al Kuwaiti, Franklin (till May 19, 2015), Littich, Baumann, Lindner, Rossmann

Remuneration Committee:
Oswald (Chairman) (from May 19, 2015), Kemler (Chairman) (till May 19, 2015), Berndt (Deputy), Al Hashmi (Deputy), Draxler

Executive Board

Rainer Seele

Chairman of the Executive Board and CEO

David C. Davies

Deputy Chairman of the Executive Board and CFO

Johann Pleininger

Upstream

Manfred Leitner

Downstream

Vienna, March 22, 2016

The Executive Board

Rainer Seele
Chairman

David C. Davies
Deputy Chairman

Johann Pleininger

Manfred Leitner

Statement of fixed assets in accordance with section 226 (1) ACC

	As of Jan. 1, 2015	Additions
Tangible assets		
Land	790	—
Other fixtures and fittings, tools and equipment	884	261
	1,674	**261**
Financial assets		
Investments in affiliated companies	12,245,004	160,453
Loans to affiliated companies	2,361,771	591,206
Other investments	26,625	—
Securities (loan stock rights) held as fixed assets	8,197	—
Other lendings	13,046	607
	14,654,643	**752,266**
	14,656,317	**752,527**

Disposals	As of Dec. 31, 2015	Depreciation and amortization (cumulative)	Carrying value as of Dec. 31, 2015	Carrying value as of Dec. 31, 2014	Depreciation and amortization	Write-up	Impairment in 2015
							EUR 1,000
14	776	—	776	790	—	—	—
131	1,014	587	427	421	151	—	—
145	**1,790**	**587**	**1,203**	**1,211**	**151**	**—**	**—**
182	12,405,276	2,679,636	9,725,639	10,135,115	—	—	569,747
884,422	2,068,555	—	2,068,555	2,361,771	—	—	—
—	26,625	—	26,625	26,625	—	—	—
3,691	4,506	—	4,506	4,506	—	—	—
2,362	11,291	—	11,291	13,027	—	19	—
890,657	**14,516,253**	**2,679,636**	**11,836,616**	**12,541,044**	**151**	**19**	**569,747**
890,802	**14,518,043**	**2,680,223**	**11,837,819**	**12,542,255**	**151**	**19**	**569,747**

Abbreviations and definitions

ACC
Austrian Company Code

ACCG
Austrian Code of Corporate Governance

AGM
Annual General Meeting

bbl, bbl/d
Barrel (1 barrel equals approximately 159 liters), barrels per day

bcf, bcm
Billion standard cubic feet (60 °F/16 °C),
billion standard cubic meters (32 °F/0 °C)

bn
Billion

boe, boe/d
Barrel of oil equivalent, boe per day

CAPEX
Capital Expenditure

capital employed
Equity including non-controlling interests plus net debt

cbm, cf
Standard cubic meters (32 °F/0 °C),
standard cubic feet (60 °F/16 °C)

CCS
Current Cost of Supply

CEE
Central and Eastern Europe

Co&O
Corporate and Other

EBIT
Earnings Before Interest and Taxes

EBITD
Earnings Before Interest, Taxes, Depreciation and amortization, impairments and write-ups of fixed assets

EPS
Earnings Per Share; net income attributable to stockholders divided by total weighted average shares

EPSA
Exploration and Production Sharing Agreement

equity ratio
Equity divided by balance sheet total, expressed as a percentage

EU
European Union

EUR
Euro

FX
Foreign exchange

gearing ratio
Net debt divided by equity, expressed as a percentage

GDP
Gross domestic product

H1, H2
First, second half of the year

HSSE
Health, Safety, Security and Environment

IASs
International Accounting Standards

IFRSs
International Financial Reporting Standards

kbbl, kbbl/d
Thousand barrels, thousand bbl per day

kboe, kboe/d
Thousand barrels of oil equivalent, thousand boe per day

km^2
Square kilometer

KPI
Key Performance Indicator

LNG
Liquefied Natural Gas

LTIR
Lost-Time Injury Rate per million hours worked

mn
Million

MW
Megawatt

MWh
Megawatt hour

n.a.
Not available

n.m.
Not meaningful

net assets
Intangible assets, property, plant and equipment, equity-accounted investments, investments in other companies, loans granted to equity-accounted investments, total net working capital, less provisions for decommissioning and restoration obligations

net debt
Interest-bearing debts including bonds and finance lease liabilities less liquid funds (cash and cash equivalents)

net income
Net operating profit after interest and tax

NGL
Natural Gas Liquids; natural gas which is extracted in liquid form during the production of hydrocarbons

NOK
Norwegian Krone

NOPAT
Net Operating Profit After Tax; profit on ordinary activities after taxes plus net interest on net borrowings, +/– result from discontinued operations, +/– tax effect of adjustments

OECD
Organisation for Economic Cooperation and Development

OPEX
Operating Expenditures; cost of material and personnel during production excluding royalties

payout ratio
Dividend per share divided by earnings per share, expressed as a percentage

PJ
Petajoule, 1 petajoule corresponds to approx. 278 mn kilowatt hours

Q1, Q2, Q3, Q4
First, second, third, fourth quarter of the year

ROACE
Return On Average Capital Employed; NOPAT divided by average capital employed expressed as a percentage

ROE
Return On Equity; net income/loss for the year divided by average equity, expressed as a percentage

RONA
Return On Net Assets; NOPAT divided by average net assets, expressed as a percentage

RON
Romanian leu

RRR
Reserve Replacement Rate; total changes in reserves excluding production, divided by total production

sales revenues
Sales excluding petroleum excise tax

SEE
Southeastern Europe

t, toe
Metric tonne, tonne of oil equivalent

TRIR
Total Recordable Injury Rate

TRY
Turkish lira

TSR
Total Shareholder Return

TWh
Terawatt hour

USD
US dollar

For more abbreviations and definitions please visit www.omv.com > Press > Glossary.

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In the interest of a fluid style, which is easy to read, non-gender specific terms have been used in the directors' report and notes chapter of this annual report.







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