

# Results Q1/10

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## Cost focus and improved environment lift performance

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- ▶ Oil price increase drives improved results
  - ▶ Average oil price in Q1/10 USD 76.36/bbl, 72% above Q1 last year (USD 44.46/bbl) and above Q4/09 levels (USD 74.53/bbl)
  - ▶ OMV refining margins improved somewhat compared to Q4/09 though concerns remain
  - ▶ Q1/10 production at 317,000 boe/d, below previous quarter but above Q1/09
- ▶ Further reduction in operating costs in E&P and R&M enhanced performance
- ▶ Clean CCS NIAT after minorities of EUR 297 mn up by 136% vs. Q1/09
  - ▶ Decrease in effective tax rate to 35%
- ▶ Gearing ratio improved to 29% in line with long-term target

# Results for Q1/10

Q4/09	Q1/10	Q1/09	$\Delta$ Q1/09	in EUR mn	2009	2008	$\Delta$ 2008
354	710	266	167%	EBIT	1,410	2,340	(40)%
(112)	(13)	(88)	(86)%	Financial result	(228)	(31)	n.m.
(131)	(241)	(89)	171%	Taxes	(465)	(780)	(40)%
54%	35%	50%	(31)%	Effective Tax Rate	39%	34%	16%
111	456	89	n.m.	Net Income (NIAT)	717	1,529	(53)%
(8)	(111)	(48)	128%	Minorities	(145)	(155)	(6)%
103	346	40	n.m.	NIAT after minorities	572	1,374	(58)%
0.35	1.16	0.14	n.m.	EPS after minorities (EUR)	1.91	4.60	(58)%
–	–	–	n.a.	Dividend per share <sup>1</sup> (EUR)	1.00	1.00	0%
413	647	340	90%	Clean CCS EBIT	1,418	3,405	(58)%
117	297	126	136%	Clean CCS NIAT after minorities	596	1,942	(69)%
0.39	1.00	0.42	136%	Clean CCS EPS after minorities (EUR)	1.99	6.50	(69)%

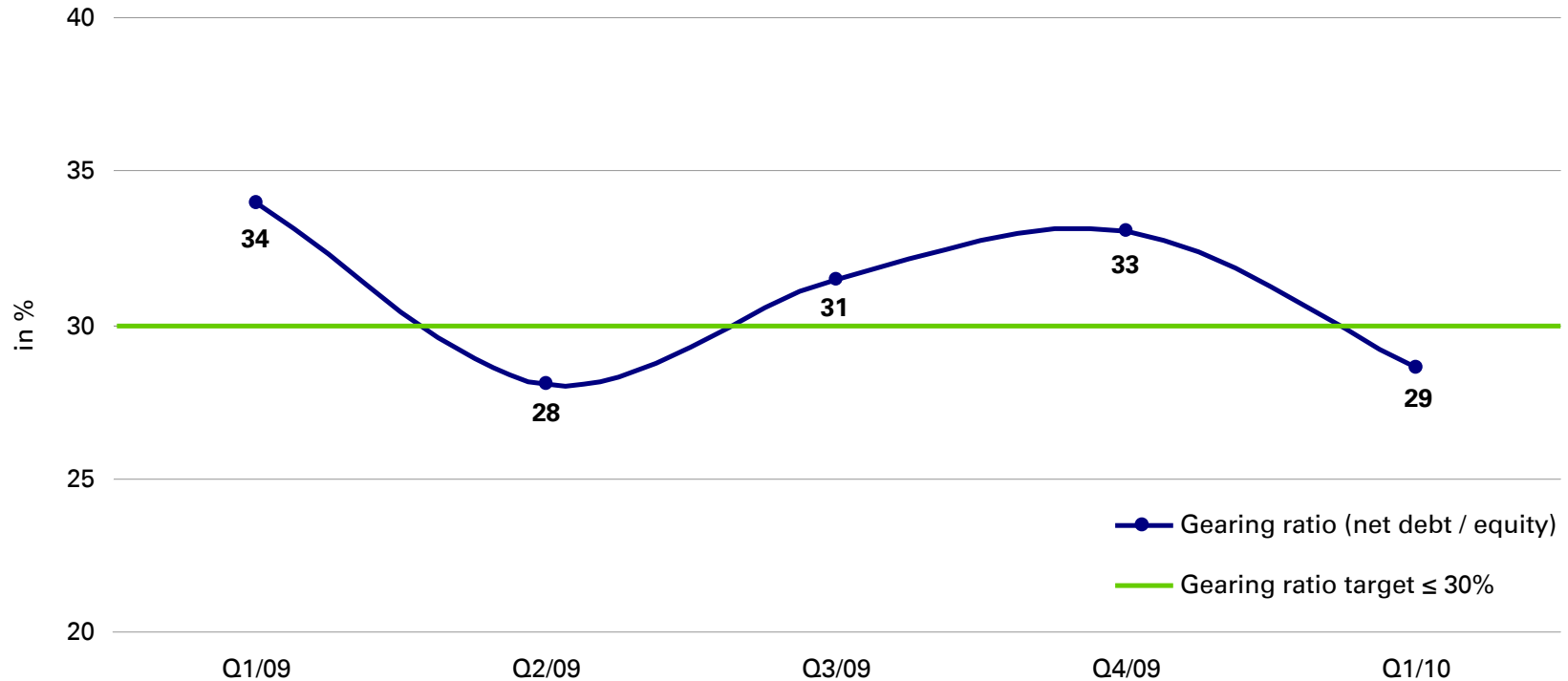
Figures in this and the following tables may not add up due to rounding differences.

<sup>1</sup> Figure for 2009 is a proposal to the AGM.

# Cash flow

Q4/09	Q1/10	Q1/09	$\Delta$ Q1/09	in EUR mn	2009	2008	$\Delta$ 2008
111	456	89	n.m.	Net income	717	1,529	(53)%
395	287	276	4%	Depreciation and amortisation	1,325	1,293	2%
90	(12)	33	n.m.	Other	(38)	(95)	60%
595	732	398	84%	Sources of funds	2,004	2,727	(27)%
(194)	16	517	(97)%	Change in net working capital	(157)	487	n.m.
<b>401</b>	<b>747</b>	<b>915</b>	<b>(18)%</b>	<b>Cash flow from operating activities</b>	<b>1,847</b>	<b>3,214</b>	<b>(43)%</b>
(497)	(473)	(668)	29%	Cash flow used in investment activities	(1,210)	(3,404)	64%
<b>(96)</b>	<b>274</b>	<b>248</b>	<b>11%</b>	<b>Free cash flow</b>	<b>637</b>	<b>(190)</b>	<b>n.m.</b>
<b>(96)</b>	<b>274</b>	<b>234</b>	<b>17%</b>	<b>Free cash flow after dividends</b>	<b>301</b>	<b>(737)</b>	<b>n.m.</b>

# Gearing ratio development



- ▶ Maintaining a strong investment grade rating remains key priority

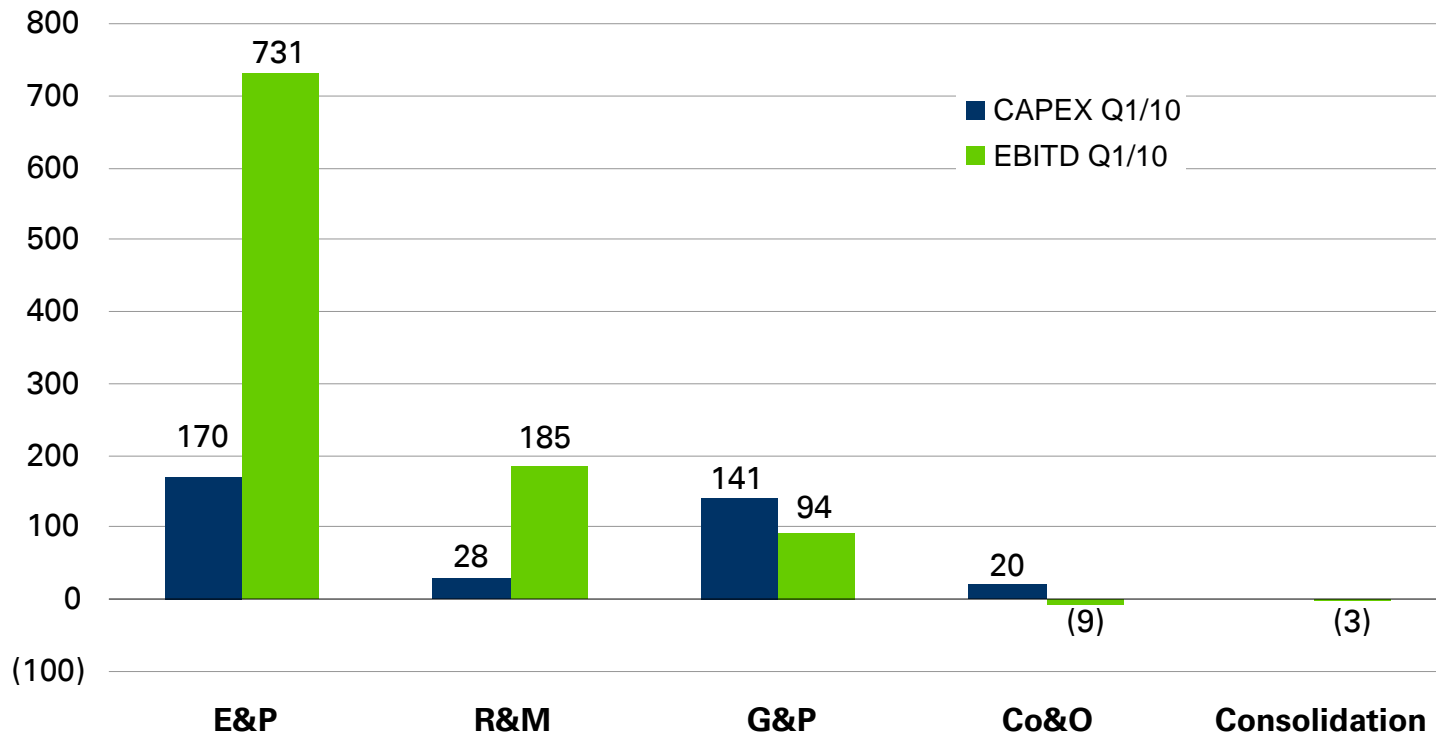
# CAPEX and EBITD

## CAPEX

Q1/10: EUR 359 mn

## EBITD

Q1/10: EUR 998 mn

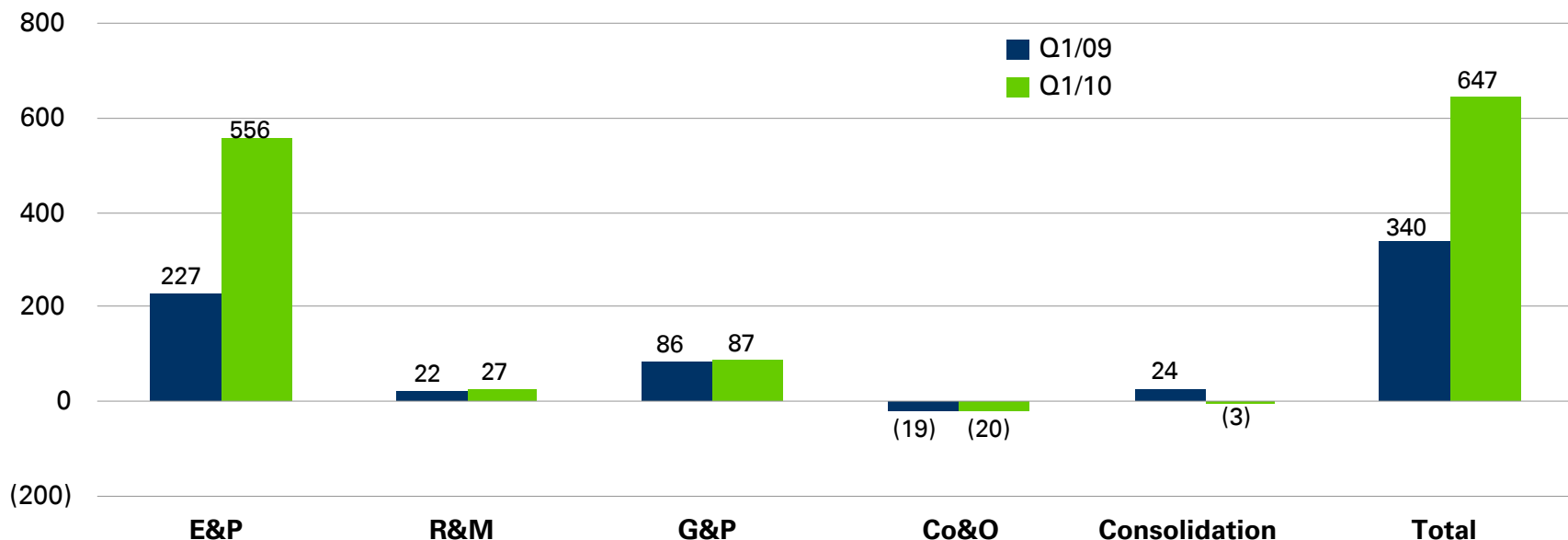


# Special items

Q4/09	Q1/10	Q1/09	in EUR mn	2009	2008
<b>354</b>	<b>710</b>	<b>266</b>	<b>Reported EBIT</b>	<b>1,410</b>	<b>2,340</b>
(48)	(3)	(1)	Personnel related costs	(54)	(125)
(77)	0	(1)	Unscheduled depreciation	(119)	(250)
9	19	11	Asset disposals	22	31
–	–	–	Provision for litigation Petrom	–	(358)
(7)	1	(1)	Other	(29)	(63)
<b>(123)</b>	<b>16</b>	<b>8</b>	<b>Total special items</b>	<b>(180)</b>	<b>(765)</b>
<b>476</b>	<b>694</b>	<b>258</b>	<b>Clean EBIT</b>	<b>1,590</b>	<b>3,105</b>
63	47	(82)	CCS gains/(losses)	172	(300)
<b>413</b>	<b>647</b>	<b>340</b>	<b>Clean CCS EBIT</b>	<b>1,418</b>	<b>3,405</b>

# Clean CCS EBIT Q1/10

OMV Group clean CCS EBIT Q1/10: EUR 647 mn (Q1/09: EUR 340 mn)

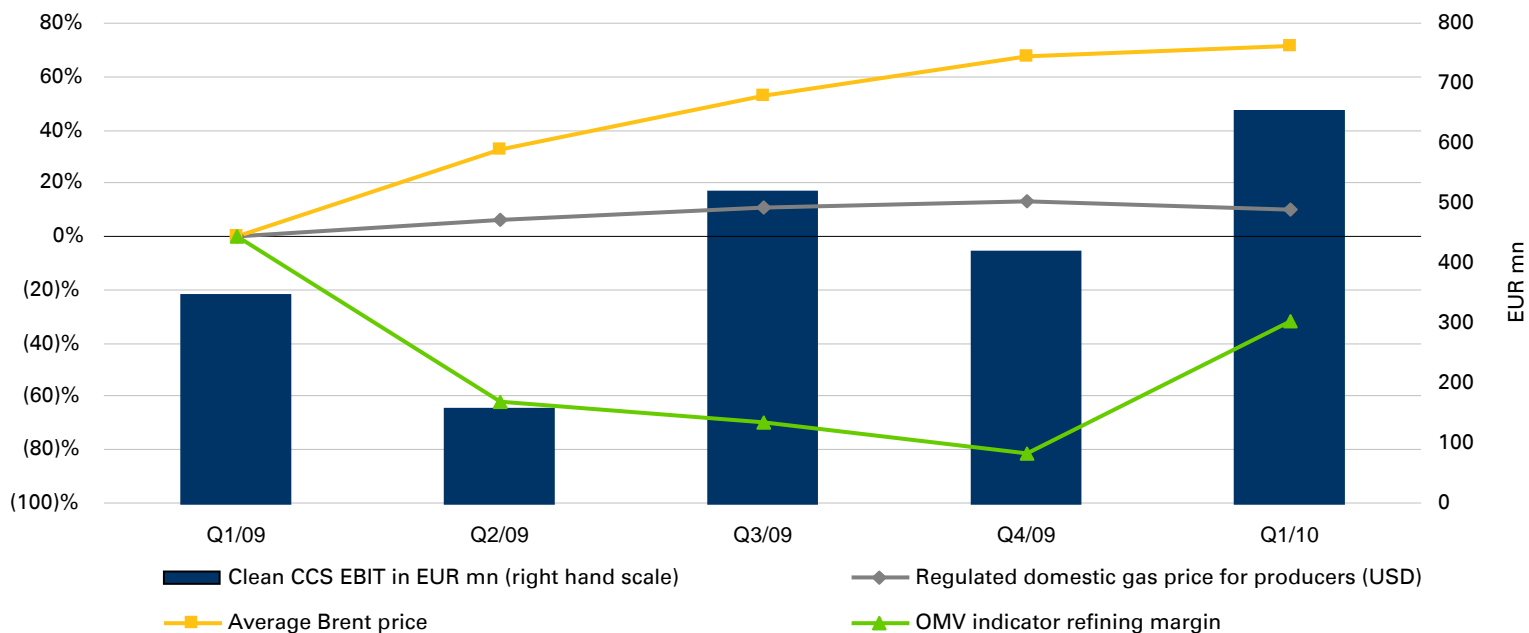


thereof Petrom group clean CCS EBIT:

E&P		R&M		G&P		Co&O		Consolidation		Total	
Q1/09	Q1/10	Q1/09	Q1/10	Q1/09	Q1/10	Q1/09	Q1/10	Q1/09	Q1/10	Q1/09	Q1/10
101	216	(51)	(4)	24	18	(7)	(5)	26	(2)	93	222

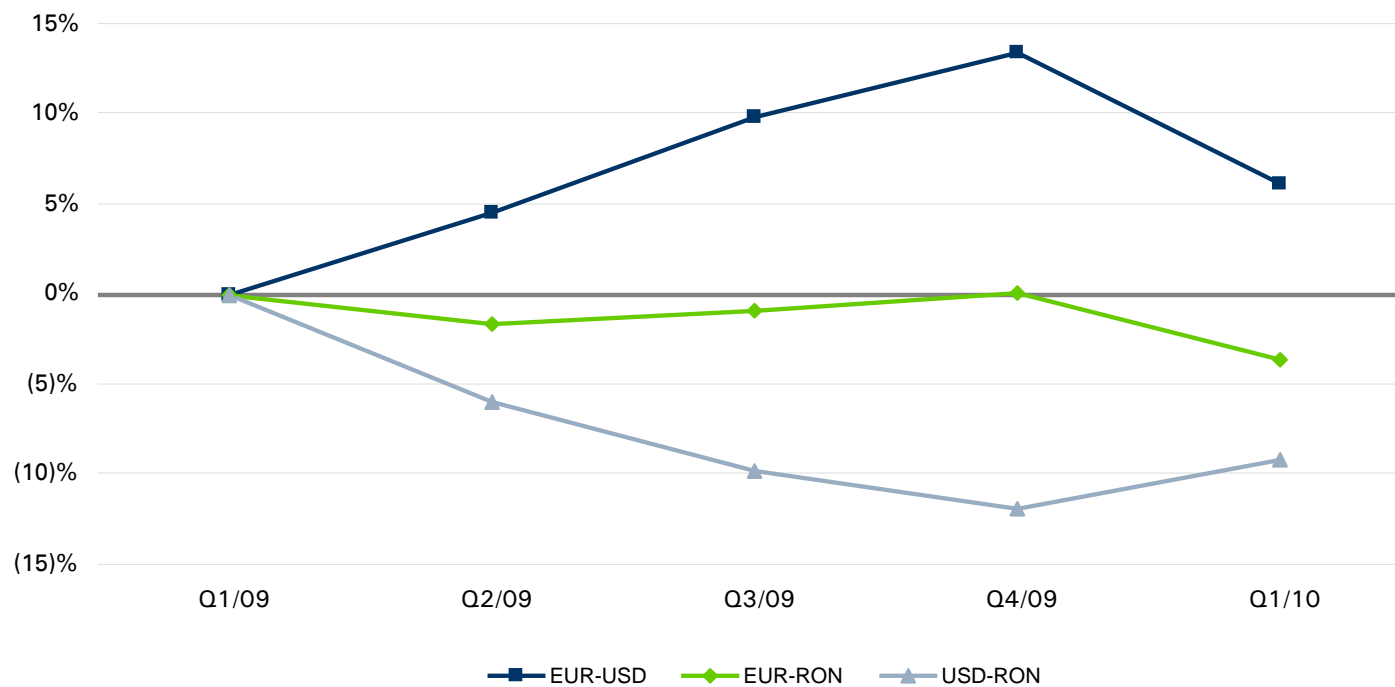


# Economic environment



Q4/09	Q1/10	Q1/09	Δ Q1/09		2009	2008	Δ 2008
74.53	76.36	44.46	72%	Average Brent price in USD/bbl	61.67	97.26	(37)%
0.79	2.92	4.26	(32)%	OMV indicator refining margin in USD/bbl	1.99	6.14	(68)%
171.38	166.33	150.97	10%	Regulated domestic gas price for producers in USD/1,000 cbm in Romania	162.38	195.59	(17)%
413	647	340	90%	Clean CCS EBIT in EUR mn	1,418	3,405	(58)%

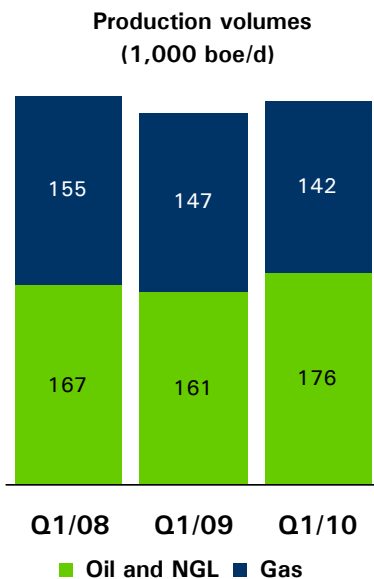
# Exchange rate development



	Q1/10	Q1/09	ΔQ1/09
Average EUR-USD FX-rate	1.383	1.303	6%
Average EUR-RON FX-rate	4.114	4.268	(4)%
Average USD-RON FX-rate	2.976	3.279	(9)%

# Group E&P: Strong EBIT on the back of oil price recovery

- ▶ Significant year-on-year increase in oil price supported Q1/10 results; a weaker USD mitigated this effect to some extent
- ▶ Production volumes above Q1/09 level: Significant volumes from New Zealand, Kazakhstan and Yemen more than offset the decline in Romania and Tunisia
- ▶ Commodity hedging 2010 gain in Q1/10 EUR 35 mn vs. EUR 21 mn in Q4/09
- ▶ Further cost reductions in Petrom E&P



Q4/09	Q1/10	Q1/09		2009	2008
483	556	227	EBIT in EUR mn <sup>1</sup>	1,450	2,274
512	556	227	Clean EBIT in EUR mn <sup>1</sup>	1,517	2,580
327	317	308	Total hydrocarbon production in 1,000 boe/d	317	317
74.53	76.36	44.46	Average Brent price in USD/bbl	61.67	97.26
72.49	73.79	45.88	Average realized crude price in USD/bbl	60.94	89.74
71	61	51	Exploration Expenditures in EUR mn	252	406
12.67	12.72	11.82	OPEX in USD/boe <sup>2</sup>	12.02	14.29

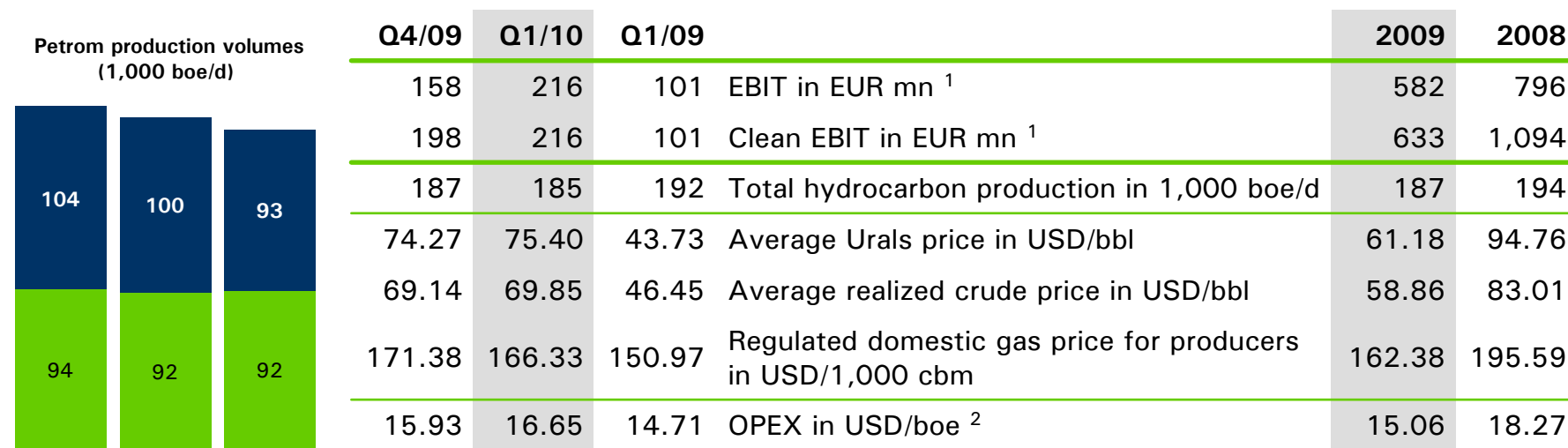
<sup>1</sup> Excluding intersegmental profit elimination

<sup>2</sup> Starting with 2010 the calculation of OPEX/boe is based on net production available for sale (i.e. exclusive of own consumption). In Q1/10, the impact of this change leads to an increase of around USD 0.63 /boe for OMV E&P and of around USD 1.18/boe for Petrom E&P



# Petrom E&P: Production affected by harsh weather conditions

- ▶ Severe winter weather conditions contributed to a slightly lower oil production in Romania
- ▶ In Romania, gas production was at lower levels than Q1/09, which coincided with the Russian gas delivery crisis
- ▶ Adjustment of internal compensation price regime in Romania burdened the realized crude price
- ▶ Overall hedging gain in Q1/10 EUR 21 mn vs. EUR 14 mn in Q4/09
- ▶ E&P service costs were further reduced



Q1/08    Q1/09    Q1/10

■ Gas  
■ Oil and NGL

12 | OMV Group, Q1/10

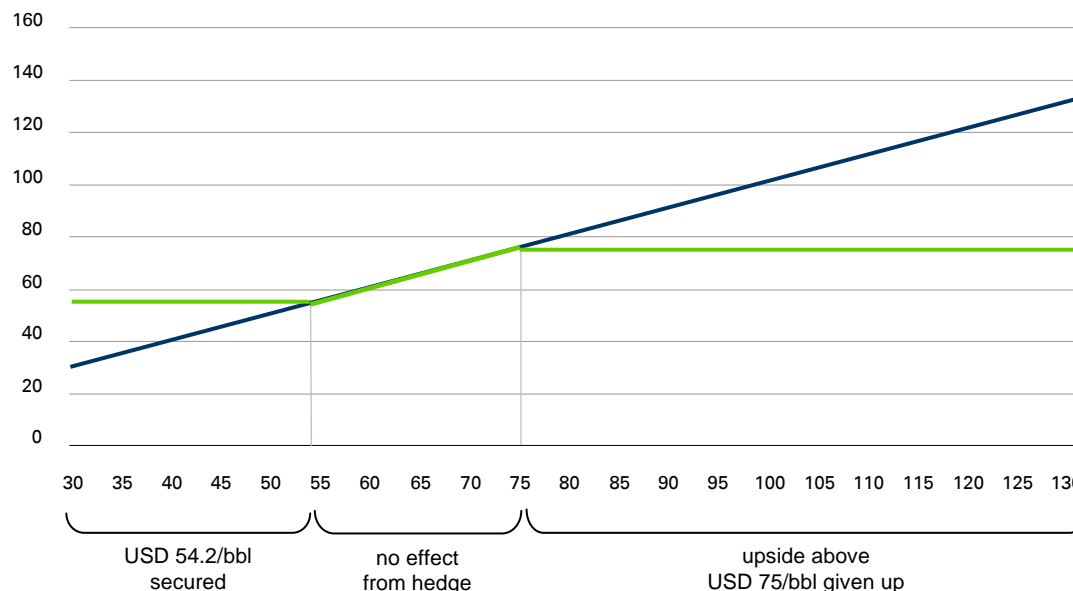
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# Hedging to secure cash flow in period of weaker operating conditions in 2010

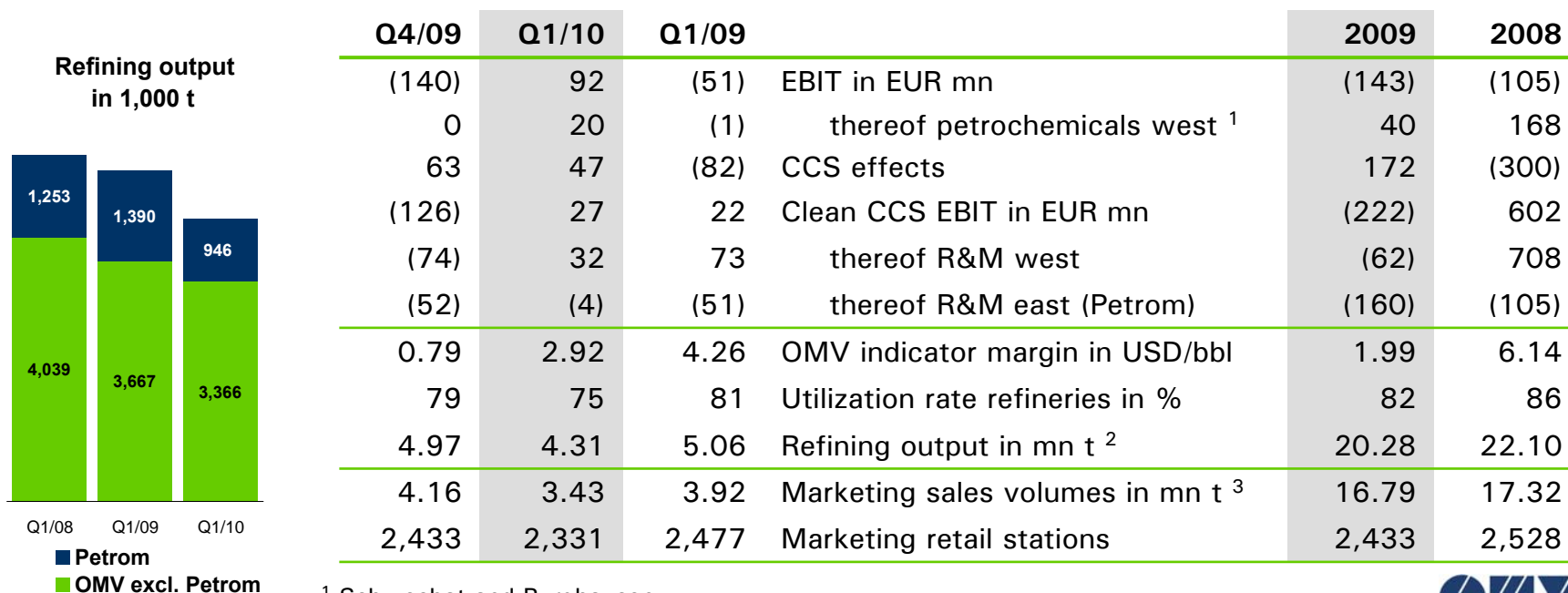
- ▶ Oil price hedging for 63,000 bbl/d hedged for 2010 with a zero cost structure



- ▶ Total P&L effect in Q1/10 EUR 35 mn
- ▶ Gains and losses relating to the time value losses of these instruments will revert to zero at the end of 2010

# Group R&M: Result still burdened by weak economic environment, mitigated by improved Petrom performance

- ▶ OMV refining margin shows sign of improvement vs. Q4/09 due to increased gasoline and naphtha spreads, whilst middle distillate spreads remain at historical low levels
- ▶ Increasing crude prices in Q1/10 resulted in positive CCS effects of EUR 47 mn in refining, whereas in Q1/09 negative CCS effects amounted to EUR 82 mn
- ▶ Petrochemical business improvement reflected a more favorable margin environment
- ▶ Marketing suffered from low demand and lower margins but was supported by cost reductions



Q4/09	Q1/10	Q1/09		2009	2008
(140)	92	(51)	EBIT in EUR mn	(143)	(105)
0	20	(1)	thereof petrochemicals west <sup>1</sup>	40	168
63	47	(82)	CCS effects	172	(300)
(126)	27	22	Clean CCS EBIT in EUR mn	(222)	602
(74)	32	73	thereof R&M west	(62)	708
(52)	(4)	(51)	thereof R&M east (Petrom)	(160)	(105)
0.79	2.92	4.26	OMV indicator margin in USD/bbl	1.99	6.14
79	75	81	Utilization rate refineries in %	82	86
4.97	4.31	5.06	Refining output in mn t <sup>2</sup>	20.28	22.10
4.16	3.43	3.92	Marketing sales volumes in mn t <sup>3</sup>	16.79	17.32
2,433	2,331	2,477	Marketing retail stations	2,433	2,528

<sup>1</sup> Schwechat and Burghausen

<sup>2</sup> Prior practice had been to disclose refining sales volumes which had also included traded goods sourced externally. Refining output figures for previous periods are also reported here

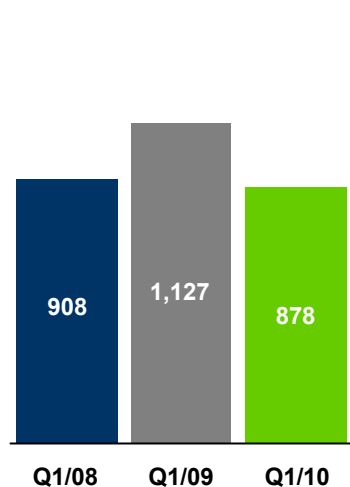
<sup>3</sup> As of Q1/10, Petrom figure excludes export sales. Figures for previous periods have been adjusted



# Petrom R&M: Refining operations improved, Marketing affected by weak demand

- ▶ Temporary shutdown in Arpechim refinery (Mid Jan – End of Feb) due to poor market conditions; transfer of petrochemical activities to Oltchim completed
- ▶ Increasing crude prices led to positive CCS effects of EUR 7 mn in Q1/10 compared to negative CCS effects of EUR 17 mn in Q1/09
- ▶ Improved cost position in Refining and Marketing due to restructuring efforts
- ▶ Marketing business down, affected by the weak economic environment
- ▶ Adjustment of internal compensation price regime in Romania supported the result

Marketing sales volumes  
in 1,000 t



Q4/09	Q1/10	Q1/09		2009	2008
(87)	4	(66)	EBIT in EUR mn	(146)	(488)
40	7	(17)	CCS effects	105	(57)
(52)	(4)	(51)	Clean CCS EBIT in EUR mn	(160)	(105)
(1.74)	0.85	2.65	OMV refining margin east in USD/bbl	0.02	1.43
58	52	67	Utilization rate refineries in %	65	77
1.05	0.95	1.39	Refining output in mn t <sup>1</sup>	4.99	5.57
1.15	0.88	1.13	Marketing sales volumes in mn t <sup>2</sup>	4.67	4.51
814	811	822	Marketing retail stations	814	819

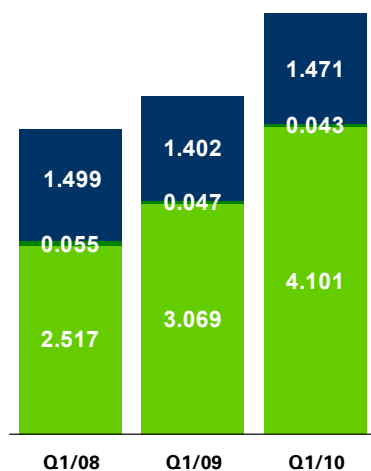
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# Group G&P: Strong contribution from transportation business

- ▶ Gas sales volumes significantly above Q1/09 levels; 34% higher volumes at EconGas due to lower temperatures and higher wholesale quantities
- ▶ Margins under pressure as spot prices were significantly below long-term gas prices
- ▶ Transportation volumes up vs. Q1/09, driven by additional capacity sales mainly due to the start-up of a new compressor station on the TAG pipeline and additional capacity sales on the WAG and HAG pipeline

Gas sales volumes in bcm



■ EconGas ■ OMV Gas ■ Petrom

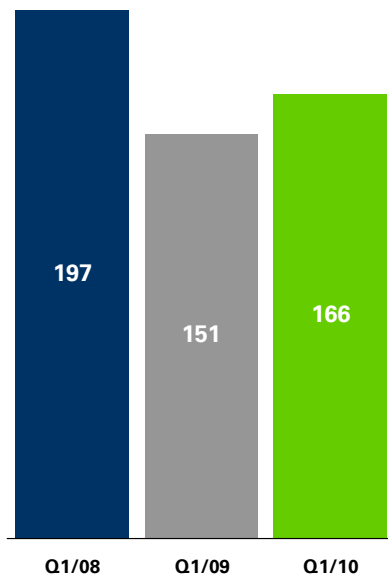
Q4/09	Q1/10	Q1/09		2009	2008
56	87	85	EBIT in EUR mn	235	245
75	87	86	Clean EBIT in EUR mn	256	274
4.30	5.61	4.52	Combined gas sales volumes in bcm	13.06	12.77
929.9	846.4	849.5	Average storage capacity sold in 1,000 cbm/h	850.2	802.8
19.98	21.00	17.38	Total gas transportation sold in bcm	75.29	66.32



## Petrom G&P: Result burdened by lower margins

- ▶ Sales volumes at Petrom increased compared to Q1/09, but lower margins than in Q1/09 when Petrom profited from quantities extracted from storage
- ▶ Import price in USD decreased by 40% compared to Q1/09 from USD 480/1,000 cbm to USD 290/1,000 cbm
- ▶ Preparations to close the Doljchim site by year-end continue

Regulated domestic gas price for producers in USD/1,000 cbm



Q4/09	Q1/10	Q1/09		2009	2008
(1)	17	23	EBIT in EUR mn	17	30
17	18	24	Clean EBIT in EUR mn	37	58
1.37	1.47	1.40	Gas sales volumes in bcm	4.59	5.02

## Outlook 2010:

### Oil price improving, refining margins stay challenging

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- ▶ In E&P, full year production is expected to increase supported by stronger contribution from Maari (New Zealand) and Komsomolskoe (Kazakhstan)
- ▶ Depressed bulk refining margins will remain the key challenge
- ▶ Short-term gas prices still under pressure; major G&P projects proceeding further in 2010
- ▶ Petrom restructuring and modernization fully on track
- ▶ Planned CAPEX of EUR 2.8 bn excluding major acquisitions
- ▶ Cost control programs to reduce OPEX and overhead costs by EUR 300 mn by 2010 are on track
- ▶ Establishing Turkey as a third hub remains a strategic objective

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