Q4 and full year 2019 Results Conference Call

Rainer Seele
Chairman of the
Executive Board and CEO

February 6, 2020

The energy for a better life. OMV

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This report contains forward-looking statements. Forward-looking statements may be identified by the use of terms such as “outlook,” “expect,” “anticipate,” “target,” “estimate,” “goal,” “plan,” “intend,” “may,” “objective,” “will”, and similar terms or by their context. These forward-looking statements are based on beliefs and assumptions currently held by and information currently available to OMV. By their nature, forward-looking statements are subject to risks and uncertainties, both known and unknown, because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of OMV. Consequently, the actual results may differ materially from those expressed or implied by the forward-looking statements. Therefore, recipients of this report are cautioned not to place undue reliance on these forward-looking statements.

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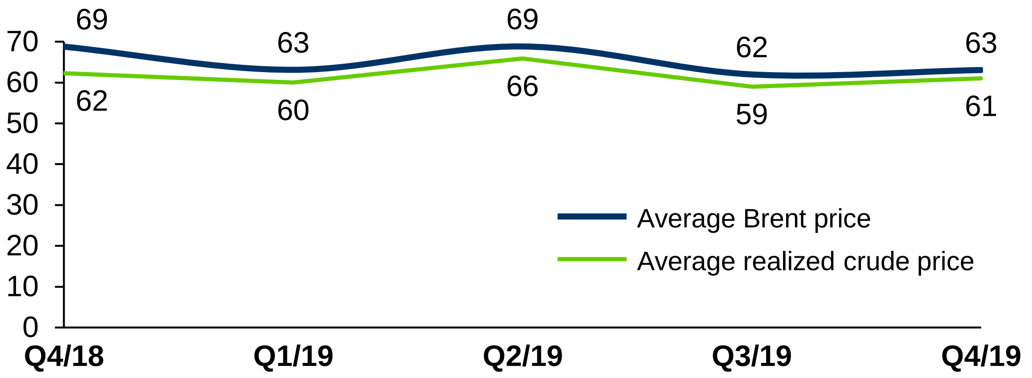
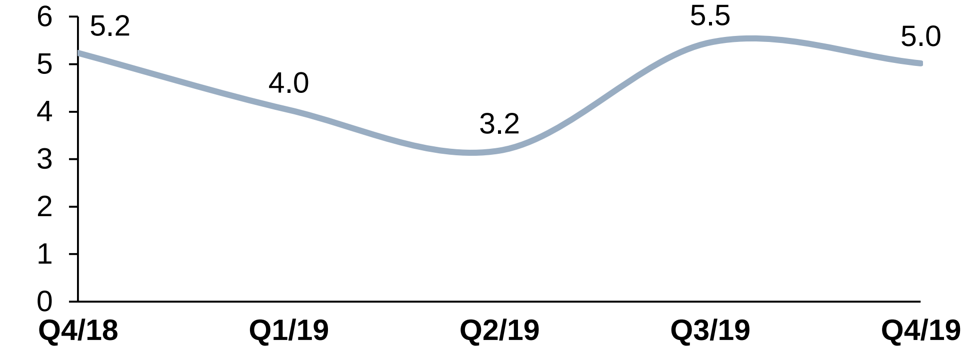
Macro environment – Weaker market environment than in Q4/18 in Upstream and Downstream

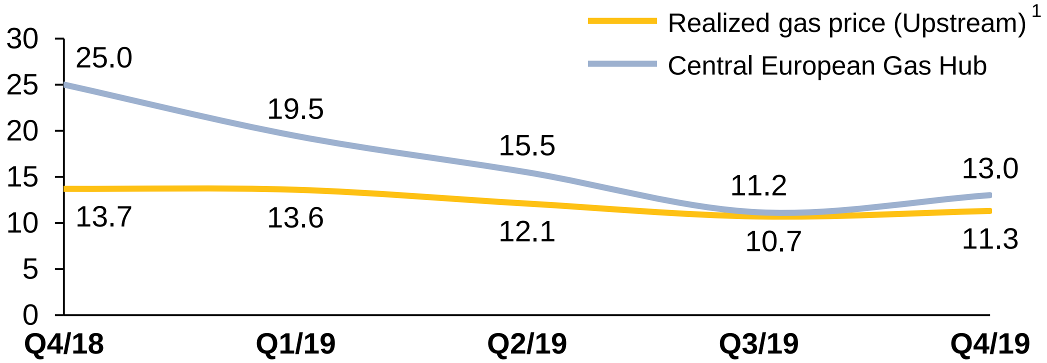
Oil prices
USD/bbl



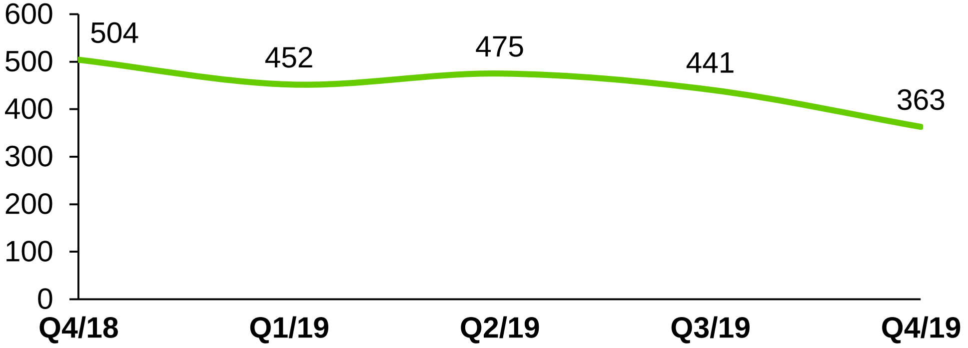
OMV indicator refining margin
USD/bbl



Gas prices
EUR/MWh



Ethylene/propylene net margin [2]
EUR/t



Note: All figures are quarterly averages
[1] Converted to MWh using a standardized calorific value across the portfolio
[2] Spread between market prices of ethylene/propylene and naphtha including standard processing consumption

Key messages

FINANCIAL PERFORMANCE

Clean CCS Operating Result of **EUR 781 mn (-26% y-o-y)** impacted by weaker market environment in Upstream and Downstream

Quarterly cash flow from operating activities [1] of **EUR 963 mn**

Dividend Per Share of EUR 2.00 (+ 14% vs. 2018)

[1] Excluding net working capital effects

STRONG OPERATIONS

Quarterly production of **505 kboe/d**

Production cost at **USD 6.4/boe**

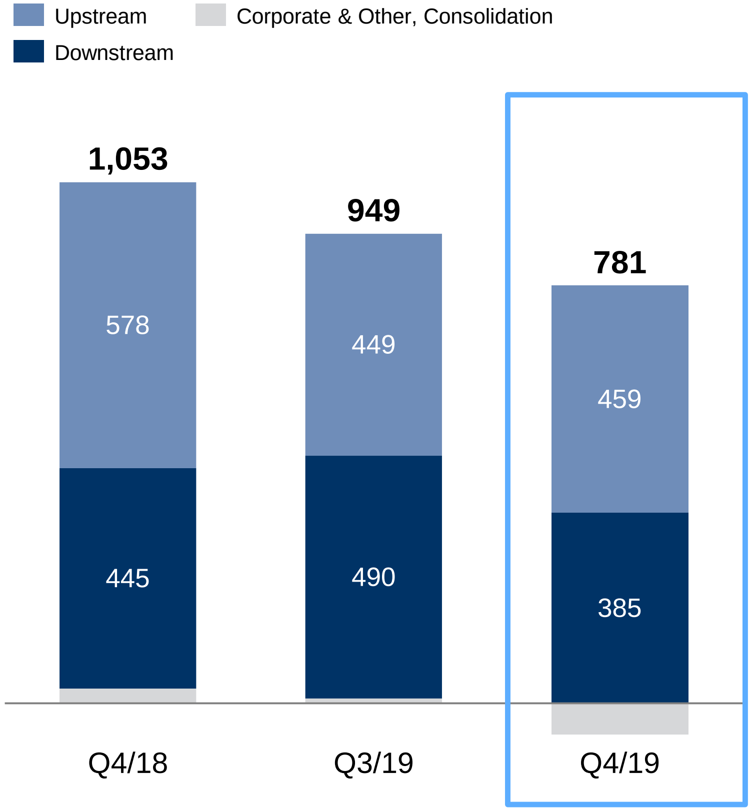
Refinery **utilization rate of 98%**

DELIVERING THE STRATEGY

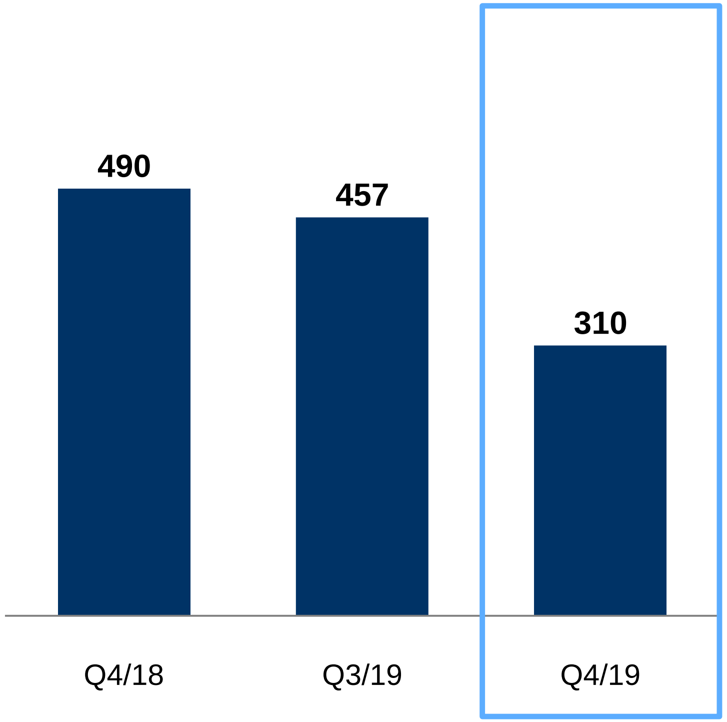
Agreed to sell share in mature oil field in **New Zealand**

Clean CCS Operating Result impacted by weaker market environment and higher depreciation

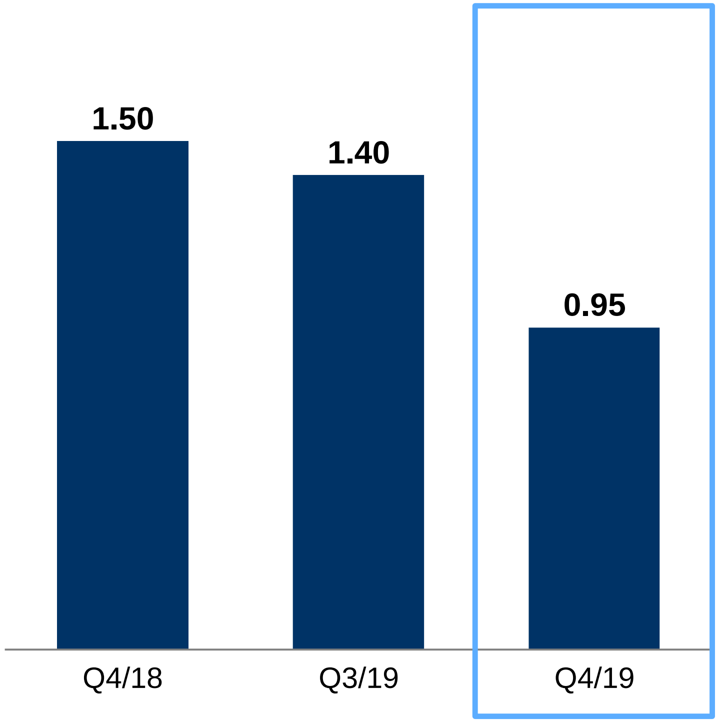
Clean CCS Operating Result
EUR mn



Clean CCS Net Income attributable to stockholders
EUR mn



Clean CCS Earnings Per Share
EUR

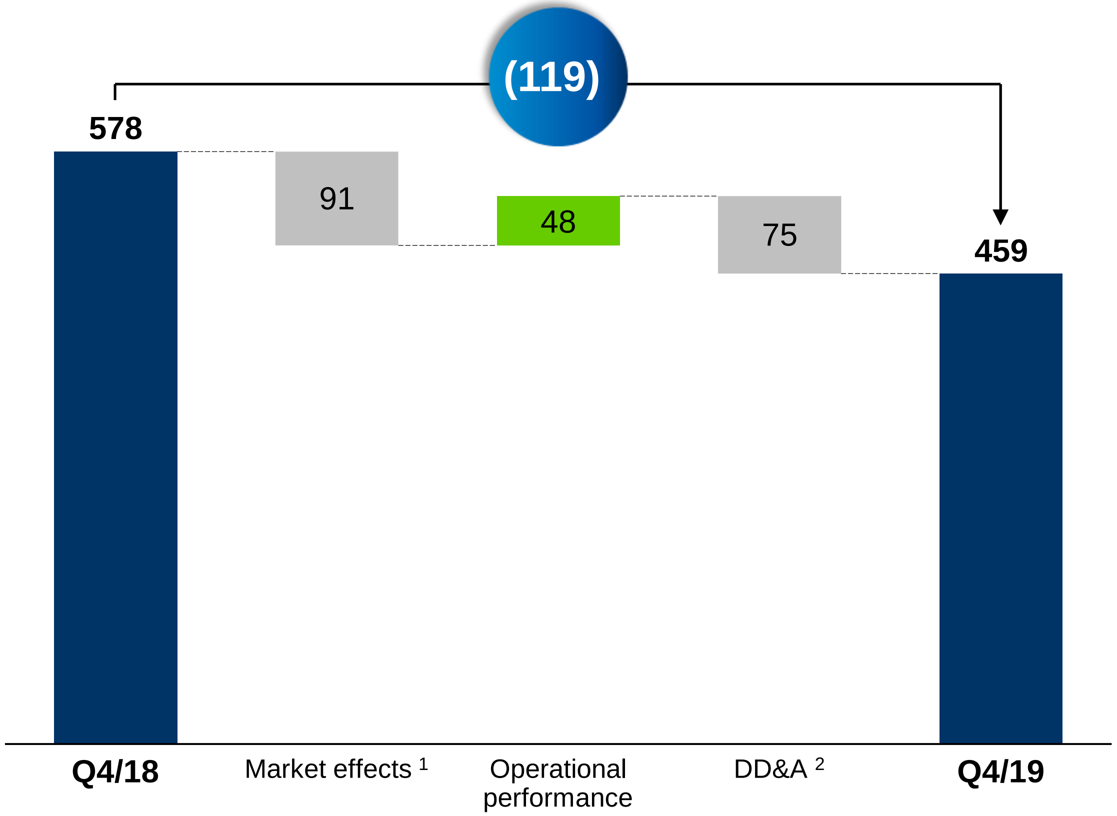


OMV

Upstream – Higher gas sales volumes offset by weaker market environment, fewer oil liftings in Norway, and higher depreciation

Clean Operating Result

EUR mn



[1] Market effects defined as oil and gas prices, foreign exchange impact, price effect on royalties, and hedging, selling, and distribution costs in Russia

[2] Depreciation, Depletion, and Amortization

Q4/19 vs. Q4/18

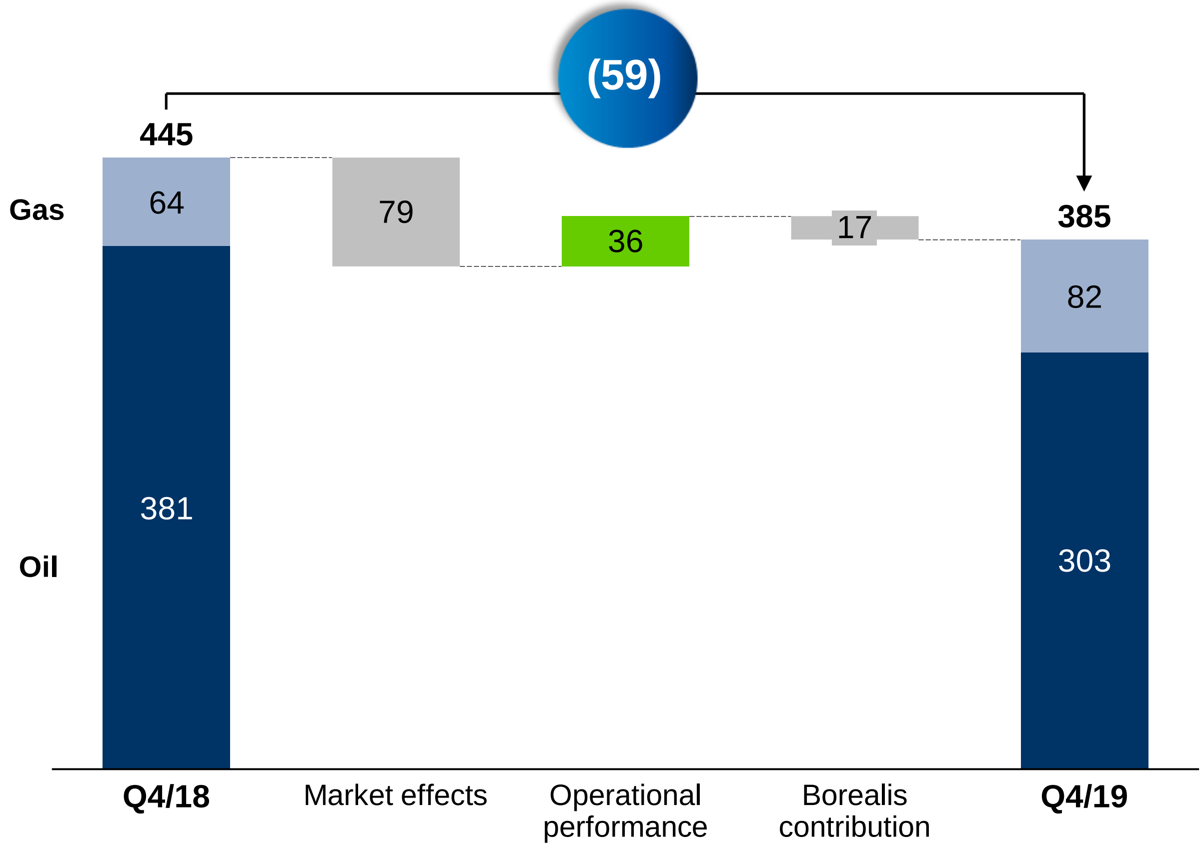
- Weaker market environment
  - Realized oil price decreased by 2%
  - Realized gas price decreased by 18%
  - Positive FX impact due to stronger USD/EUR
- Production of 505 kboe/d (up by +58 kboe/d):
  - New Zealand (+31 kboe/d) due to acquisition of Shell's assets
  - Malaysia (+15 kboe/d) following SapuraOMV acquisition
  - Norway (+10 kboe/d) mainly due to Aasta Hansteen
  - UAE (+5 kboe/d) following Umm Lulu/Sarb ramp-up
  - Libya (+5 kboe/d)
  - Romania (-6 kboe/d) mainly due to natural decline
- +50 kboe/d higher sales volumes; increase mostly in gas, fewer oil liftings in Norway
- Production costs almost flat at USD 6.4/boe (+2%)
- Higher depreciation due to acquisitions and higher production in Norway and Libya

OMV

Downstream – Weaker market environment in petrochemicals partially offset by stronger Gas and ADNOC contribution

Clean CCS Operating Result

EUR mn



[1] Market effects defined as refining indicator margin and petrochemical margins

Q4/19 vs. Q4/18

Oil

- Weaker market environment
  - Refining indicator margin at USD 5/bbl (-4%)
  - Ethylene/propylene net margins at EUR 363/t (-28%)
- Operational performance
  - Refinery utilization rate at 98%
  - Normalized regional supply situation; lower retail margins and commercial volumes
  - Decreased contribution from petrochemicals (-56%); lower margins partially offset by reduced feedstock costs
  - Positive ADNOC contribution
- Lower contribution from Borealis (-27%) mainly due to a decreased contribution from Borouge, partially offset by positive inventory effects

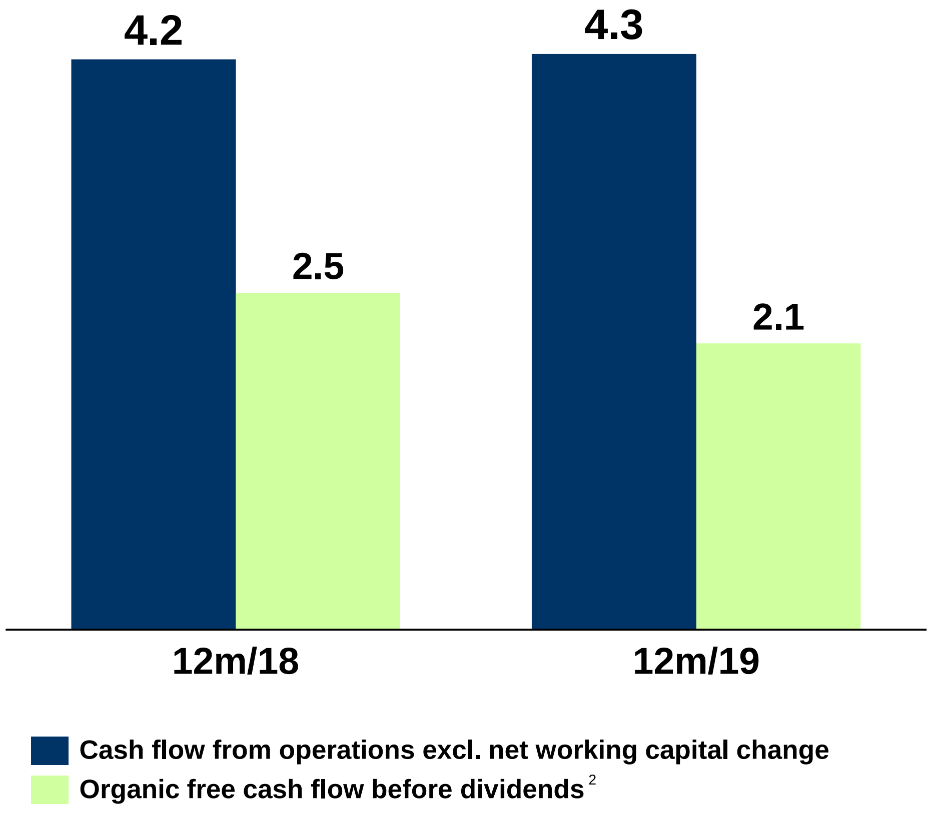
Gas

- Higher natural gas sales
- Positive storage effects due to realization of summer/winter spreads
- Baumgarten incident insurance reimbursement in Q4/18

2019 cash flow from operating activities excluding net working capital effects at EUR 4.3 bn

Organic cash flow 12m/19

EUR bn



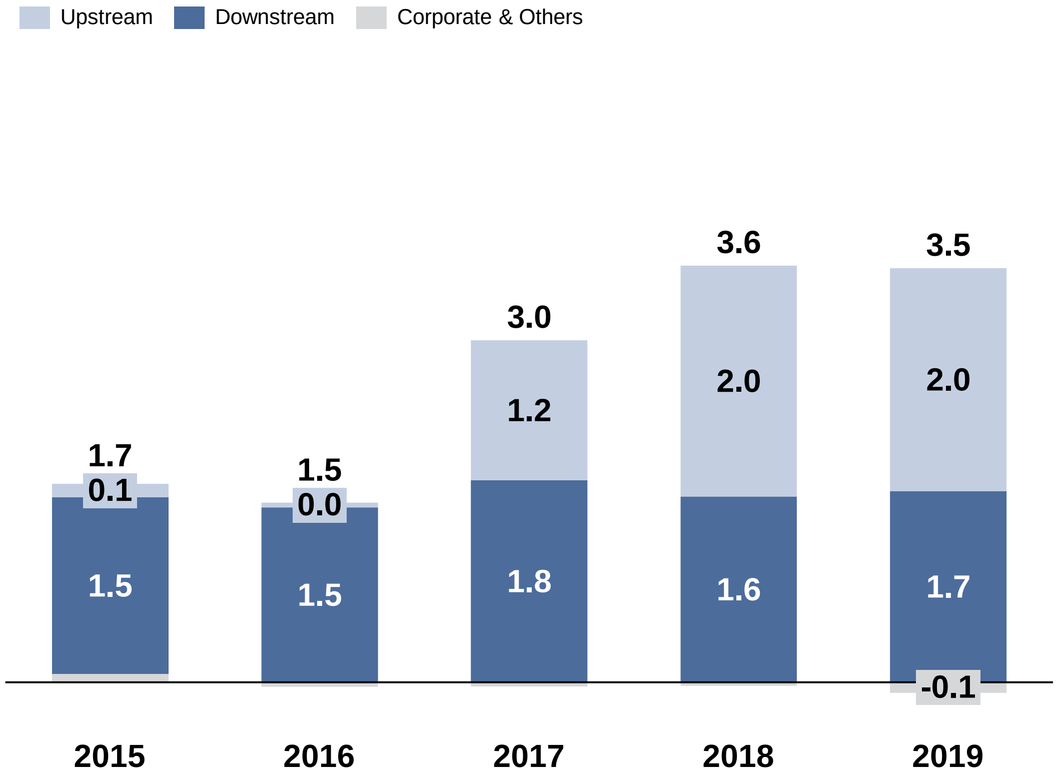
Cash flows 12m/19 vs. 12m/18

- Increase of sources of funds by EUR 41 mn
  - Borealis dividends in Q4/19 of EUR 153 mn (FY/19: EUR 297 mn, FY/18: EUR 360 mn)
- Net working capital effects of EUR (208) mn (12m/18: EUR 173 mn)
- Organic cash flow from investing activities[1] at EUR (1.9) bn (12m/18: EUR (1.9) bn)
- Organic free cash flow before dividends of EUR 2.1 bn (12m/18: EUR 2.5 bn)
- Payment of dividends of EUR 858 mn (12m/18: EUR 779 mn)
- Inorganic cash flow from investing activities of EUR (2.7) bn

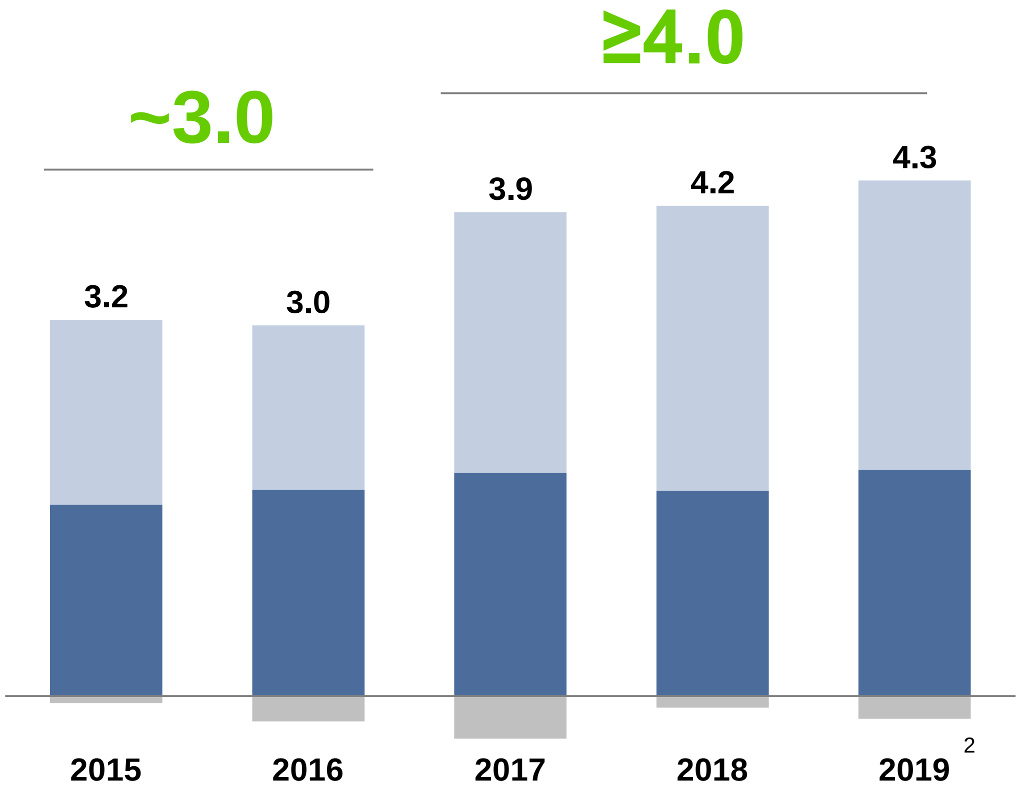
[1] Organic cash flow from investing activities is Cash flow from investing activities excluding divestments and material inorganic cash flow components (e.g. acquisitions).
[2] Organic free cash flow before dividends is Cash flow from operating activities less Organic cash flow from investing activities.

Strong full year results despite weaker market environment

Clean CCS Operating Result
EUR bn



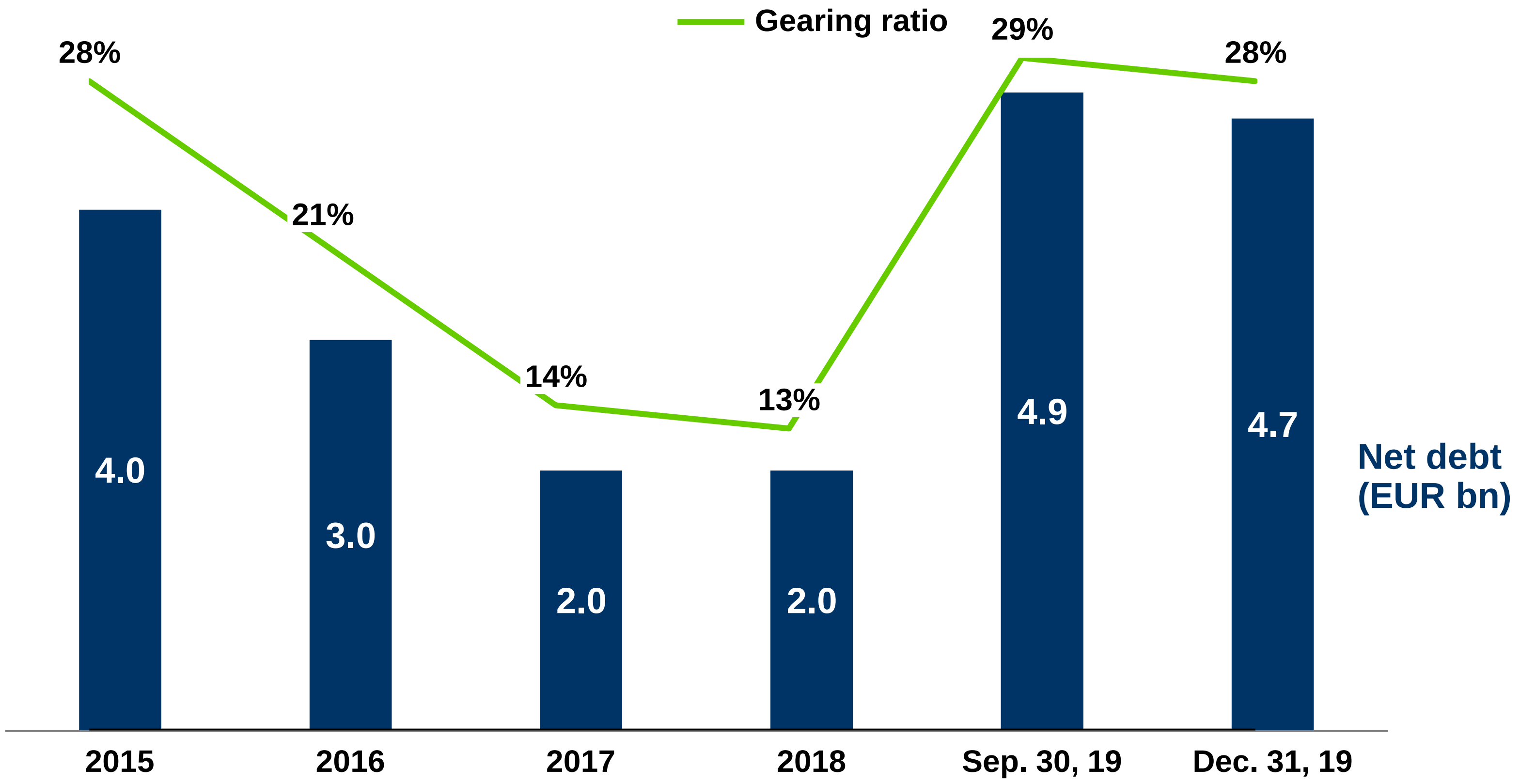
Cash flow from operating activities [1]
EUR bn



[1] Excluding changes in net working capital
[2] As of Q1/19 it includes also net changes in short-term provisions. 2018 figures were adjusted.

Healthy balance sheet

Net debt and gearing ratio



Cash position
EUR bn [1]

2.9

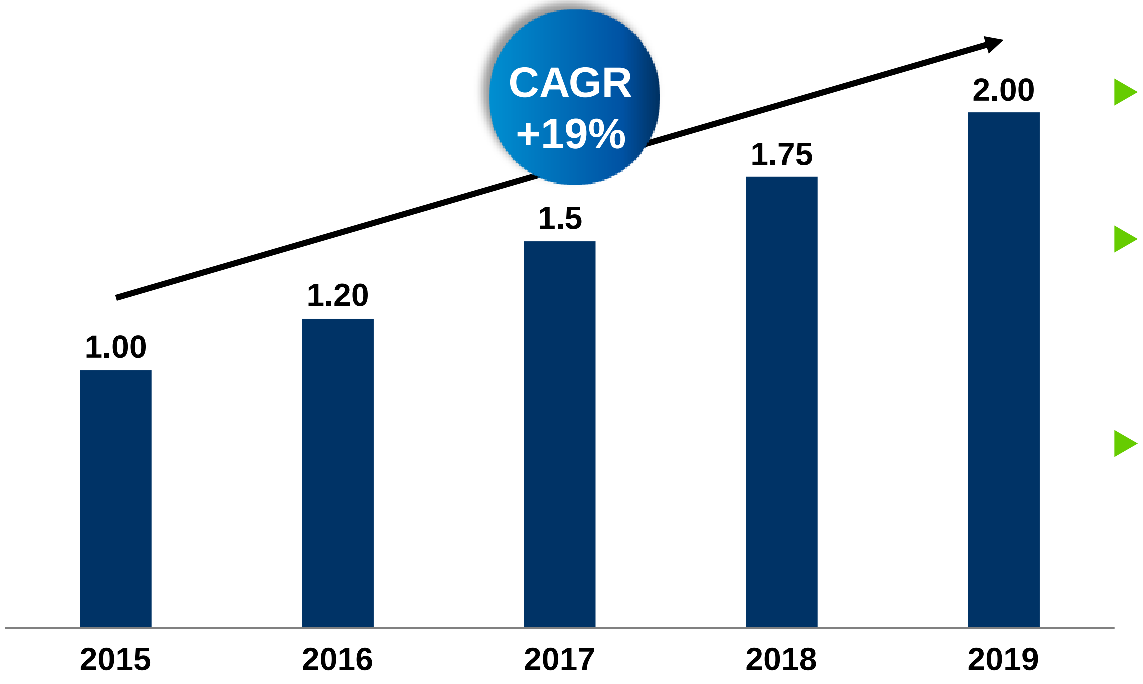
Undrawn revolving credit facilities
EUR bn [1]

3.2

[1] As of end of 2019

Delivering on our progressive dividend policy – Record dividends in 2019

Dividend Per Share
EUR



2015	2016	2017	2018	2019
3.8%	3.6%	2.8%	4.6 %	4.0%

Dividend yield

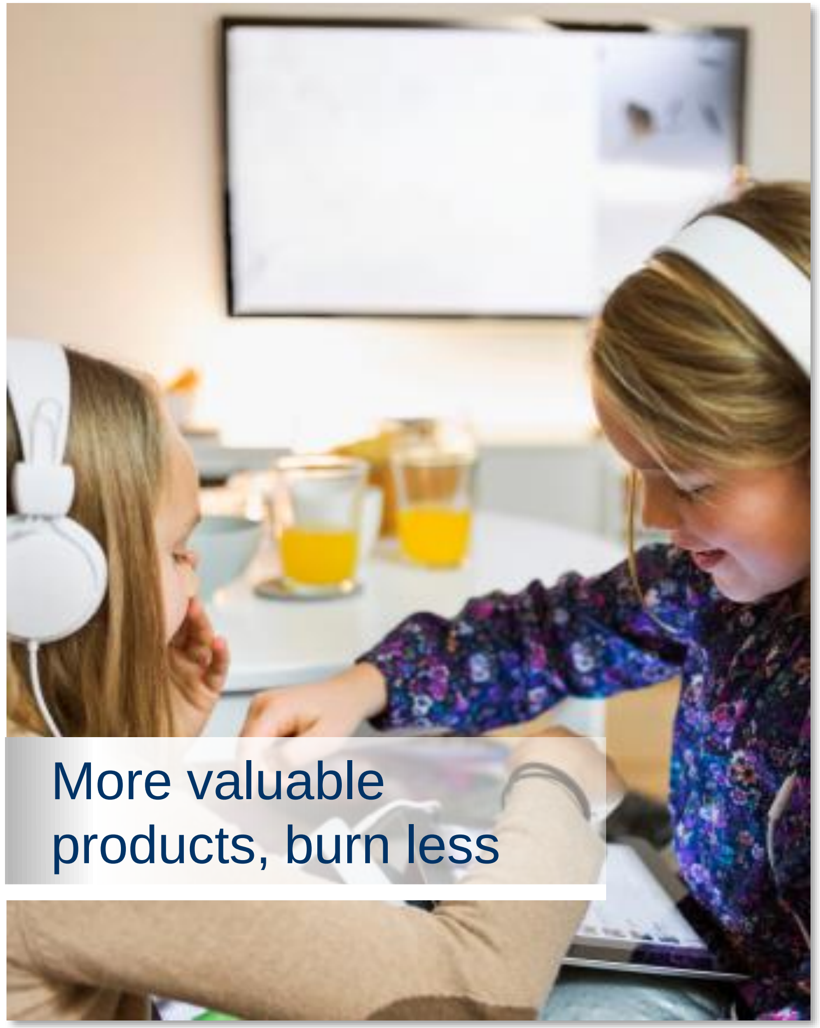
- **Record dividend of EUR 2.00** per share for 2019 proposed **(+14% vs. 2018**)
- We are committed to delivering an **attractive and predictable shareholder return** through the business cycle
- Progressive dividend policy: **OMV aims to increase the dividend or at least maintain it at the previous year's level**

Outlook 2020

	2019	Outlook 2020
Brent oil price (USD/bbl)	64	**60**
Average realized gas price (EUR/MWh)	11.9	**<11.9**
Total hydrocarbon production (kboe/d)	487	**~500** [1]
OMV European indicator refining margin (USD/bbl)	4.4	**>5.0**
Ethylene/propylene net margin (EUR/t)	433	**<400**
Utilization rate European refineries (%)	97%	**~95%**
Organic CAPEX (EUR bn)	2.3	**2.4**
E&A expenditures (EUR mn)	360	**350**

[1] Depending on the security situation in Libya

Move towards a lower-carbon future



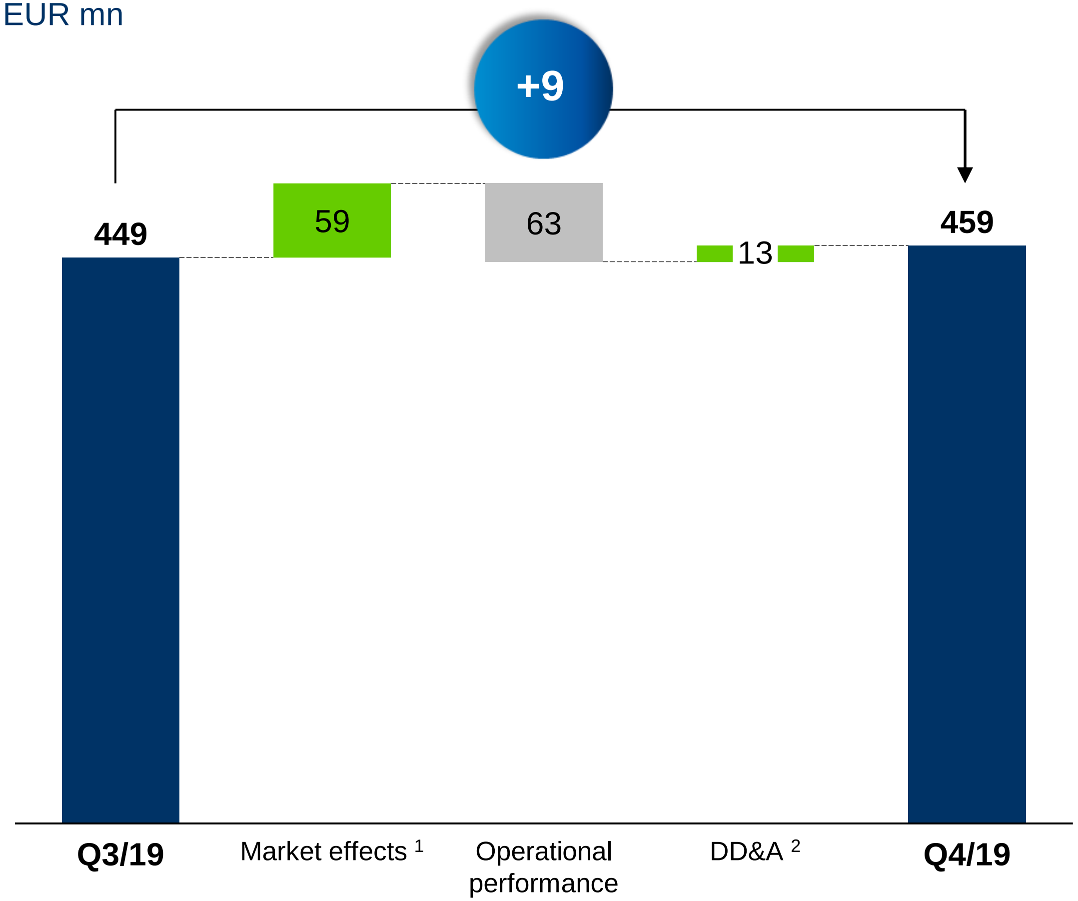
OMV

BACKUP

Upstream – Stronger market environment offset by lower oil sales volumes and higher E&A expenses

Clean Operating Result

EUR mn



Q4/19 vs. Q3/19

- Stronger market environment
  - Realized oil price increased by 3%
  - Realized gas price increased by 5%
- Production of 505 kboe/d (+25 kboe/d)
  - Russia (+17 kboe/d) due to annual maintenance in Q3/19 and seasonality
  - Norway (+7 kboe/d)
  - Libya (+2 kboe/d)
- +12 kboe/d (1.1 mn boe) higher sales mainly due to higher production in Russia, partially offset by fewer oil liftings in Norway
- Exploration well in New Zealand (Gladstone 1) write-off
- Production costs almost flat USD 6.4/boe (+1%)
- Stable depreciation level

[1] Market effects defined as oil and gas prices, foreign exchange impact, price effect on royalties and hedging, selling and distribution costs in Russia

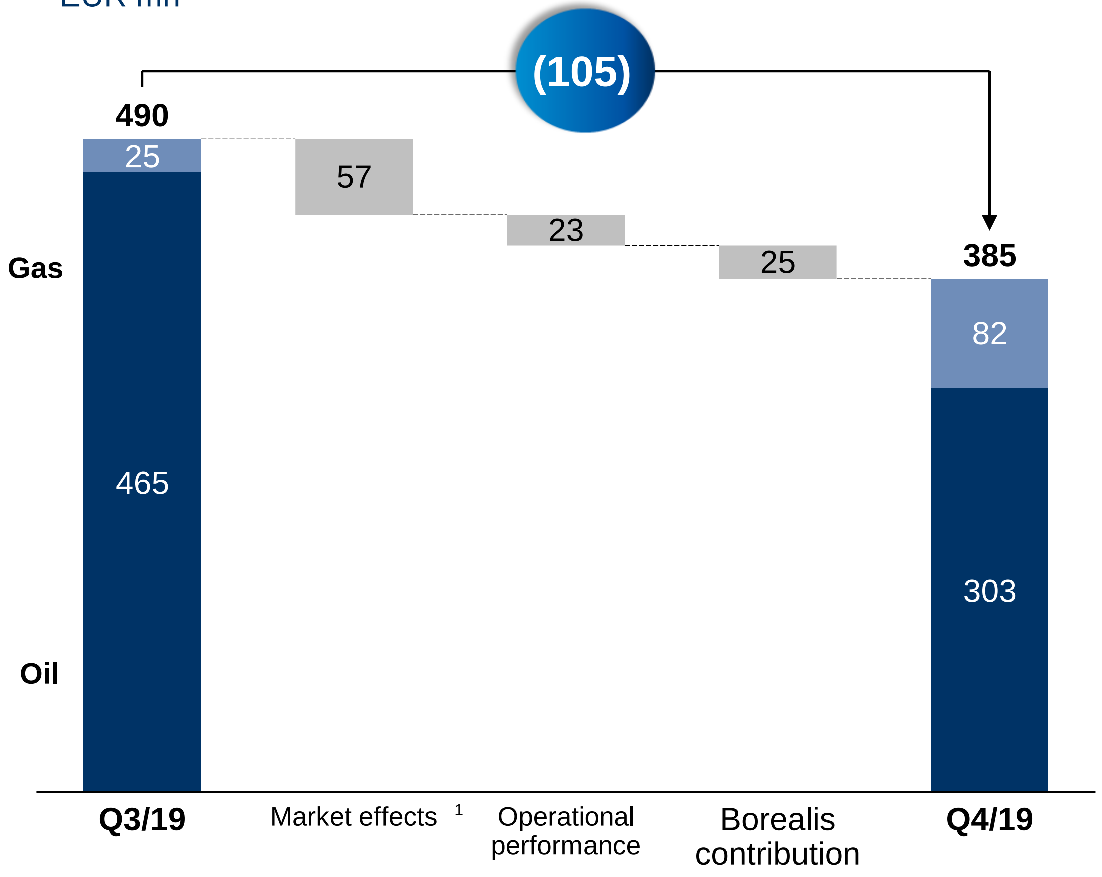
[2] Depreciation, Depletion and Amortization

OMV

Downstream – Lower earnings impacted by weaker refining and petrochemical margins, partially offset by gas result

Clean CCS Operating Result

EUR mn



Q4/19 vs. Q3/19

Oil

- Weaker market environment
  - Lower refining margin (-8%)
  - Lower ethylene/propylene net margins (-18%)
- Operational performance
  - Exceptionally high utilization rate (98%)
  - Lower total refined product sales (-8%) due to seasonality and normalized supply regional constraints
  - Positive ADNOC contribution
- Lower Borealis contribution driven by lower integrated polyolefin margins and seasonality effect

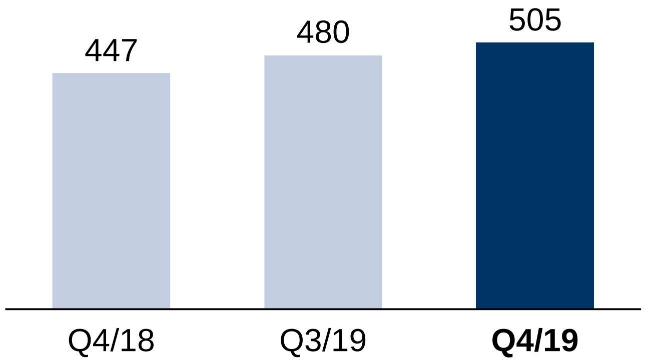
Gas

- Significantly higher natural gas sales, mainly driven by Germany
- Higher storage business result

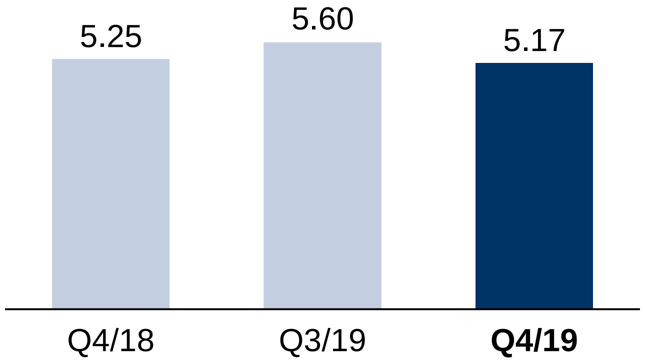
[1] Market effects defined as refining indicator margin and petrochemical margins

Operational KPIs

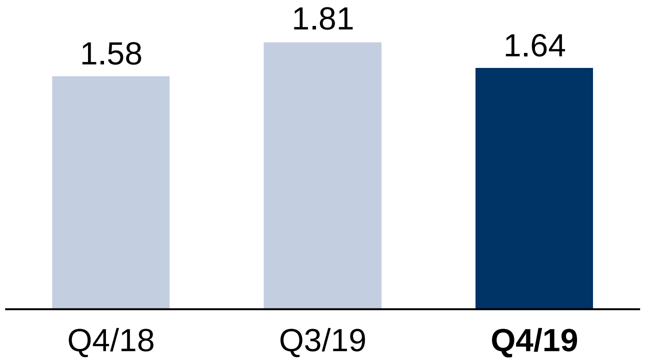
Hydrocarbon production
kboe/d



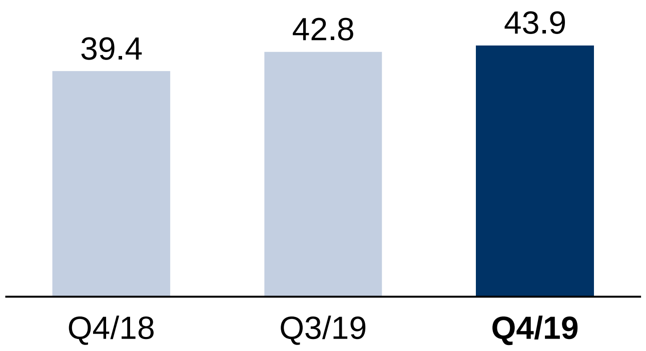
Refined product sales
mn t



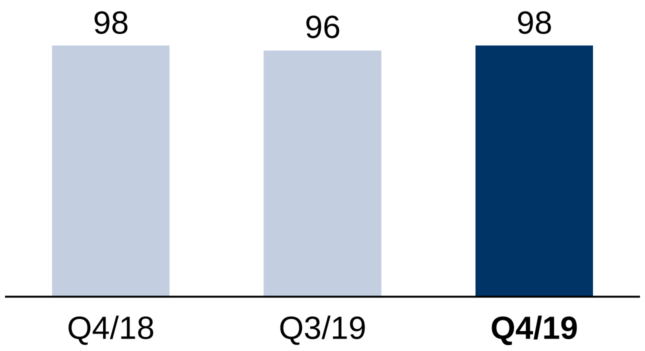
Retail sales
mn t



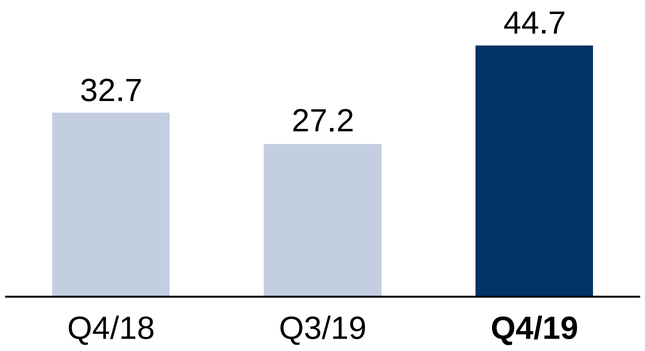
Hydrocarbon sales
mn boe



Refinery utilization rate
%



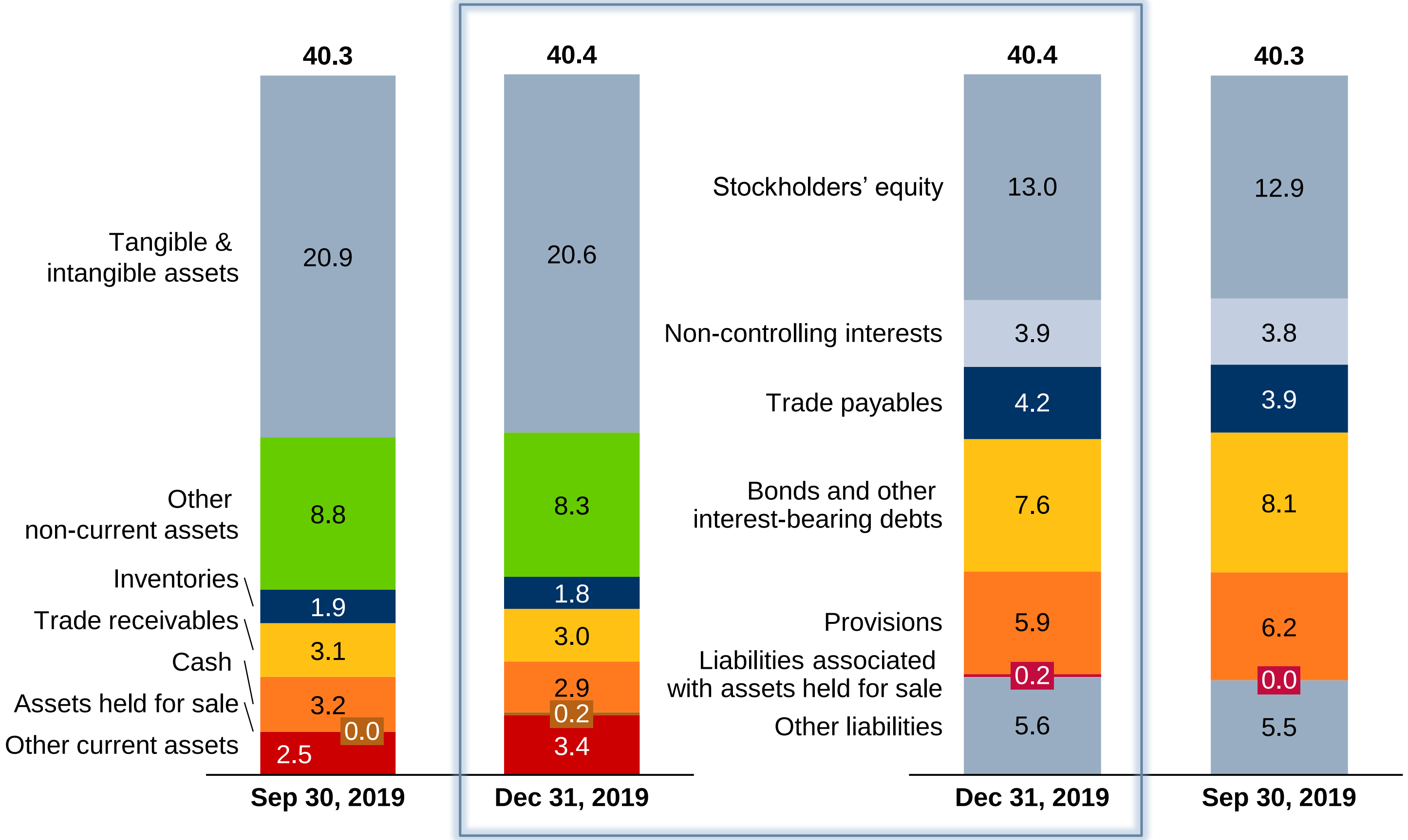
Natural gas sales
TWh



Strong balance sheet

Balance sheet Dec. 31, 2019 vs. Sep. 30, 2019

EUR bn



- Assets and liabilities held for sale impacted by the reclassification of the 69% stake in Maari field in New Zealand as well as 40 marginal oil and gas fields in Romania
- EUR 500 mn bond repaid in Q4/19

Sensitivities of OMV Group in 2020

Annual impact [1] in EUR mn	**Clean CCS Operating Result**	**Operating cash flow**
Brent oil price (USD +1/bbl)	+60	+25
OMV invoiced gas price (EUR +1/MWh)	+140	+90
OMV indicator refining margin (USD +1/bbl) [2]	+110	+85
Ethylene/propylene net margin (EUR +10/t)	+15	+10
EUR-USD (USD changes by USD 0.01)	+25	+15

[1] Excluding hedging

[2] Excluding at-equity accounted investments; does not include inventory impact

Materially different Brent and FX levels (vs. current levels) would lead to different sensitivity results.