OMV Group Factsheet Q1 2021

April 29, 2021

Key Performance Indicators [1]

Group

- Clean CCS Operating Result increased by 24% to EUR 870 mn
- Clean CCS net income attributable to stockholders amounted to EUR 424 mn, clean CCS Earnings Per Share were EUR 1.30
- Cash flow from operating activities excluding net working capital effects increased by 104% to EUR 1,711 mn
- Organic free cash flow before dividends of EUR 532 mn
- Clean CCS ROACE at 6%
- Total Recordable Injury Rate (TRIR) at 0.80

Exploration & Production

- Production increased by 23 kboe/d to 495 kboe/d
- Production cost increased by 7% to USD 6.9/boe

Refining & Marketing

- OMV refining indicator margin Europe significantly declined by 66% to USD 1.7/bbl
- Natural gas sales volumes increased by 23% to 59.0 TWh

Chemicals & Materials

- Polyethylene indicator margin Europe increased by 107% to EUR 548/t, polypropylene indicator margin Europe grew by 54% to EUR 608/t
- Polyolefin sales volumes increased by 9% to 1.53 mn t

Note: Figures in the following tables may not add up due to rounding differences. In the interest of a fluid style that is easy to read, non-gender-specific terms have been used in the OMV Group Report.

[1] Figures reflect the Q1/21 period; all comparisons described relate to the same quarter in the previous year except where otherwise mentioned.

Outlook

Following the reorganization of the OMV Group, OMV changed its reporting structure as of Q1/21. The business segments are now reported as follows: Exploration & Production, Refining & Marketing, and Chemicals & Materials.

Market environment

For 2021, OMV expects the average Brent crude oil price to be in the range between USD 60/bbl and USD 65/bbl (previous forecast: in the range between USD 50/bbl and USD 55/bbl; 2020: USD 42/bbl). In 2021, the average realized gas price is anticipated to be higher than EUR 11/MWh ((previous forecast: higher than EUR 10/MWh; 2020: EUR 8.9/MWh).

Group

- In 2021, organic CAPEX is projected to come in at around EUR 2.7 bn [1], including non-cash effective CAPEX related to leases of around EUR 0.2 bn.

Exploration & Production

- OMV expects total production to be at around 480 kboe/d in 2021 (2020: 463 kboe/d), depending on the security situation in Libya and production cuts imposed by governments.
- Organic CAPEX for Exploration & Production is anticipated to come in at EUR 1.1 bn in 2021.
- In 2021, Exploration and Appraisal (E&A) expenditure is expected to be at around EUR 230 mn (2020: EUR 227 mn).

Refining & Marketing

- The OMV refining indicator margin Europe is expected to exceed the previous year's level (2020: USD 2.4/bbl).
- In 2021, fuels and other sales volumes Europe are projected to be higher compared to 2020 (2020: 15.5 mn t). In OMV's markets, retail margins and commercial margins are forecast to be lower than in 2020 (previous forecast: commercial margins are predicted to be higher than the prior-year level).
- The utilization rate of the European refineries is expected to remain at the prior-year level (2020: 86%). In 2021, there is no major turnaround planned for our refineries in Europe.
- Natural gas sales volumes in 2021 are projected to be above those in 2020 (2020: 164 TWh).
- Organic CAPEX in Refining & Marketing and Corporate are forecast at around EUR 0.7 bn.

Chemicals & Materials

- The ethylene indicator margin Europe is expected to be at the prior-year level (2020: EUR 435/t). The propylene indicator margin Europe is projected to be at the prior-year level as well (2020: EUR 364/t).
- The polyethylene sales volume excl. JVs in 2021 is projected to be slightly above the prior-year level (2020: 1.76 mn t). The polypropylene sales volume excl. JVs is expected to be in line with the prior-year level (2020: 2.12 mn t).
- The polyethylene indicator margin Europe in 2021 is forecast to substantially exceed the prior-year level (previous forecast: above the previous year's level; 2020: EUR 350/t). The polypropylene indicator margin Europe is expected to be substantially higher than the prior-year level. (previous forecast: above the prior-year level; 2020: EUR 413/t).
- Organic CAPEX related to Chemicals & Materials is predicted at around EUR 0.9 bn.

[1] Organic capital expenditure is defined as capital expenditure including capitalized Exploration and Appraisal expenditure and excluding acquisitions and contingent considerations.

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Group performance

Financial highlights

In EUR mn (unless otherwise stated)

Q1/21	Q4/20	Q1/20	Δ [1]		2020
6,429	4,956	4,760	35%	Sales revenues [2]	16,550
870	**524**	**699**	**24%**	**Clean CCS Operating Result [3]**	**1,686**
361	184	137	163%	Clean Operating Result Exploration & Production [3]	145
108	161	367	(71)%	Clean CCS Operating Result Refining & Marketing [3]	996
442	208	133	n.m.	Clean Operating Result Chemicals & Materials [3]	519
(7)	(17)	(15)	54%	Clean Operating Result Corporate & Other [3]	(47)
(34)	(12)	77	n.m.	Consolidation: elimination of intersegmental profits	74
27	33	33	(5)	Clean CCS Group tax rate in %	32
599	321	420	43%	Clean CCS net income [3]	1,026
424	**219**	**316**	**34%**	**Clean CCS net income attributable to stockholders [3, 4]**	**679**
1.30	0.67	0.97	34%	Clean CCS EPS in EUR [3]	2.08
870	**524**	**699**	**24%**	**Clean CCS Operating Result [3]**	**1,686**
63	**954**	**(165)**	**n.m.**	**Special items [5]**	**(220)**
225	35	(453)	n.m.	CCS effects: inventory holding gains/(losses)	(416)
1,158	**1,513**	**81**	**n.m.**	**Operating Result Group**	**1,050**
349	153	(9)	n.m.	Operating Result Exploration & Production	(1,137)
400	144	(151)	n.m.	Operating Result Refining & Marketing	592
465	1,247	133	n.m.	Operating Result Chemicals & Materials	1,568
(10)	(19)	(20)	51%	Operating Result Corporate & Other	(56)
(46)	(12)	128	n.m.	Consolidation: elimination of intersegmental profits	83
(46)	(47)	(77)	40%	Net financial result	(175)
1,112	1,466	5	n.m.	Profit before tax	875
25	(33)	n.m.	n.m.	Group tax rate in %	(69)
835	1,946	(68)	n.m.	Net income	1,478
654	1,880	(159)	n.m.	Net income attributable to stockholders [4]	1,258
2.00	5.75	(0.49)	n.m.	Earnings Per Share (EPS) in EUR	3.85
1,711	830	838	104%	Cash flow from operating activities excluding net working capital effects	2,786
1,065	679	1,121	(5)%	Cash flow from operating activities	3,137
414	(3,771)	481	(14)%	Free cash flow before dividends	(2,811)
376	(4,430)	481	(22)%	Free cash flow after dividends	(3,690)
532	126	594	(11)%	Organic free cash flow before dividends [6]	1,273
7,870	8,130	3,232	144%	Net debt excluding leases	8,130
9,077	9,347	4,262	113%	Net debt including leases	9,347
37	41	19	18	Gearing ratio excluding leases in %	41
30	32	20	10	Leverage ratio in %	32
493	4,830	469	5%	Capital expenditure [7]	6,048
487	726	422	15%	Organic capital expenditure [8]	1,884
6	5	11	(5)	Clean CCS ROACE in % [3]	5
11	8	8	2	ROACE in %	8
24,197	25,291	19,702	23%	Employees	25,291
0.80	0.60	0.84	(5)%	Total Recordable Injury Rate (TRIR) [9]	0.60

[1] Q1/21 compared to Q1/20

[2] Sales revenues excluding petroleum excise tax

[3] Adjusted for special items and CCS effects; further information can be found below the table "Special items and CCS effects."

[4] After deducting net income attributable to hybrid capital owners and net income attributable to non-controlling interests

[5] The disclosure of special items is considered appropriate in order to facilitate the analysis of the ordinary business performance. To reflect comparable figures, certain items affecting the result are added back or deducted. Special items from equity-accounted companies and temporary effects from commodity hedging for material transactions are included.

[6] Organic free cash flow before dividends is cash flow from operating activities less cash flow from investing activities excluding disposals and material inorganic cash flow components (e.g., acquisitions).

[7] Capital expenditure including acquisitions

[8] Organic capital expenditure is defined as capital expenditure including capitalized Exploration and Appraisal expenditure and excluding acquisitions and contingent considerations.

[9] Calculated as 12 months rolling average per 1 mn hours worked.

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First quarter 2021 (Q1/21) compared to first quarter 2020 (Q1/20)

Consolidated sales revenues significantly increased by 35% to EUR 6,429 mn due to the additional revenues from the full consolidation of Borealis. The **clean CCS Operating Result** improved by 24% from EUR 699 mn to EUR 870 mn. The clean Operating Result of Exploration & Production grew to EUR 361 mn (Q1/20: EUR 137 mn), while the clean CCS Operating Result of Refining & Marketing declined to EUR 108 mn (Q1/20: EUR 367 mn). In Chemicals & Materials, the clean Operating Result rose sharply to EUR 442 mn (Q1/20: EUR 133 mn). The consolidation line was EUR (34) mn in Q1/21 (Q1/20: EUR 77 mn) and was mainly due to higher intercompany eliminations resulting from higher crude oil and product prices.

At 27%, the **clean CCS Group tax rate** was lower than in the same quarter last year (Q1/20: 33%), following the higher contribution from the full consolidation of Borealis. The **clean CCS net income** surged to EUR 599 mn (Q1/20: EUR 420 mn). The **clean CCS net income attributable to stockholders** was EUR 424 mn (Q1/20: EUR 316 mn). **Clean CCS Earnings Per Share** rose to EUR 1.30 (Q1/20: EUR 0.97).

Net **special items** of EUR 63 mn were recorded in Q1/21 (Q1/20: EUR (165) mn) and were mainly related to unrealized commodity derivatives. **CCS effects** of EUR 225 mn were recognized in Q1/21. The OMV Group's reported **Operating Result** rose considerably to EUR 1,158 mn (Q1/20: EUR 81 mn).

The **net financial result** improved to EUR (46) mn (Q1/20: EUR (77) mn). The improvement was mainly related to the foreign exchange result. With a **Group tax rate** of 25%, **net income** grew significantly to EUR 835 mn (Q1/20: EUR (68) mn). N**et income attributable to stockholders** increased considerably to EUR 654 mn (Q1/20: EUR (159) mn). **Earnings Per Share** increased to EUR 2.00 (Q1/20: EUR (0.49)).

As of March 31, 2021, **net debt excluding leases** amounted to EUR 7,870 mn compared to EUR 3,232 mn on March 31, 2020, mainly due to increased financing impacted by the acquisition of an additional 39% share in Borealis. As of March 31, 2021, the **gearing ratio excluding leases** stood at 37% (March 31, 2020: 19%). For further information on the gearing ratio, please see the section "Financial liabilities".

The leverage ratio KPI was introduced as an additional metric to measure OMV's debt level. It is defined as (net debt including leases) / (equity + net debt including leases) and amounted to 30% as of March 31, 2021 (March 31, 2020: 20%).

Total **capital expenditure** came in at EUR 493 mn (Q1/20: EUR 469 mn) and was mainly driven by projects in the Exploration & Production and the Chemicals & Materials segments. In Q1/21, **organic capital expenditure** increased by 15% to EUR 487 mn (Q1/20: EUR 422 mn).

Business segments

Exploration & Production

First quarter 2021 (Q1/21) compared to first quarter 2020 (Q1/20)

- The clean Operating Result grew significantly to EUR 361 mn thanks to a strong operational performance.
- Production up by 23 kboe/d at 495 kboe/d, driven by Libya, Malaysia, and Tunisia; lifting schedules delayed sales volumes.
- Production cost increased to USD 6.9/boe, mainly due to adverse FX effects.

In Q1/21, the **clean Operating Result** increased markedly from EUR 137 mn in Q1/20 to EUR 361 mn. A favorable market environment supported a very positive operational development. Net market effects had an incremental influence of EUR 55 mn, mainly thanks to beneficial commodity price changes. Adverse factors were FX movements and hedging losses. Operational performance boosted returns by EUR 152 mn on the back of higher production and sales volumes, mainly driven by the return of full operations in Libya. A significantly lower number of exploration write-offs reduced E&A expenses, improving the result. A small positive impact also came from depreciation, which was EUR (17) mn lower, as a result of reserve revisions and asset impairments triggered by revised commodity price assumptions.

In Q1/21, net **special items** amounted to EUR (12) mn (Q1/20: EUR (146) mn). In Q1/20, asset impairments were carried out in New Zealand, Tunisia, and Austria following revised short-term oil and gas price assumptions. The **Operating Result** improved to EUR 349 mn (Q1/20: EUR (9) mn).

Production cost excluding royalties increased to USD 6.9/boe (Q1/20: USD 6.4/boe), mainly due to adverse FX effects.

The **total hydrocarbon production** volume expanded by 23 kboe/d to 495 kboe/d. Libyan production was at full capacity during the entire quarter, while output in the same period last year had been affected by a force majeure situation. Output in Malaysia and Tunisia grew on the back of the commissioning of new gas fields. Natural decline in Romania and Austria, drilling activities in Norway, and pipeline pressure limitations in Russia stifled production growth to some extent. **Total hydrocarbon sales volumes** rose to 457 kboe/d (Q1/20: 446 kboe/d), with lifting schedules delaying sales volume growth compared to production volumes in some countries.

The gradual start of vaccination activity to protect against COVID-19 infections helped the oil price continue its positive trend into Q1/21. By mid-March 2021, the Brent indicator price was approaching the USD 70/bbl mark. However, news of vaccine delays and reinstating lock-down measures aiming to counter a new surge in infections in Europe ended the trend in the final weeks of the quarter. On a quarterly comparison, the **average Brent price** increased further to USD 61.1/bbl. The oil price also rose in an annual comparison. This is why the Group's **average realized crude oil price** advanced by almost 18% year over year. On the natural gas side, the cold weather-driven Asian demand, shipping constraints, and some LNG production restrictions reduced LNG imports into Europe at the beginning of the year, just as a substantial cold spell in the region triggered a surge in heating and power demand. This coincidence led to price spikes above 25 EUR/MWh by mid-January. Subsequent cold spells during February and March supported gas price levels further. Due to OMV's non-European natural gas exposure and a time lag to hub prices in some markets, the **average realized natural gas price** in EUR/MWh was some 6% lower than in the same quarter last year.

Capital expenditure including capitalized E&A decreased significantly as a result of cost saving measures and reduced activity during the COVID-19 pandemic, from EUR 335 mn to EUR 266 mn in Q1/21. In Q1/21, organic capital expenditure was primarily directed at projects in Romania, Norway, and the United Arab Emirates. **Exploration expenditure** was cut by 59% to EUR 46 mn in Q1/21 and was mainly related to activities in Norway.

Refining & Marketing

First quarter 2021 (Q1/21) compared to first quarter 2020 (Q1/20)

- The COVID-19 pandemic led to a challenging market environment, negatively impacting refining margins, fuels and other sales volumes, and refinery utilization rates.

- Margin hedges contributed positively to the result, however to a lesser extent than in Q1/20.

The **clean CCS Operating Result** decreased to EUR 108 mn (Q1/20: EUR 367 mn) as negative effects of the COVID-19 pandemic significantly weighed on refining margins and on demand. The **OMV refining indicator margin Europe** declined by 66% to USD 1.7/bbl (Q1/20: USD 4.9/bbl), mainly as a consequence of the persistently weak macro environment and strengthening crude oil prices. Substantially lower middle distillate spreads and increased feedstock costs dragged down the refining margin. Higher naphtha and gasoline cracks could only slightly offset this effect. In Q1/21, the **utilization rate of the European refineries** decreased by 13 percentage points to 81% (Q1/20: 94%). The decrease was following considerably lower demand due to COVID-19 related restrictions. At 3.3 mn t, **fuels and other sales volumes Europe** fell by 17% in the wake of imposed travel restrictions. This was mainly attributable to lower commercial sales volumes; in particular, the demand for jet fuel plummeted. The retail business experienced lower margins following the high levels seen in Q1/20; sales volumes in retail also eased by 7%.

The contribution of **ADNOC Refining & Trading** declined to EUR (25) mn (Q1/20: EUR (7) mn). This was mainly attributable to an adverse market environment, which led to significantly lower margins. Following the successful launch at the end of 2020, ADNOC Global Trading was able to support the result to some extent.

The contribution of the **gas business** decreased to EUR 70 mn (Q1/20: EUR 92 mn), mainly as a consequence of a weaker storage and supply result. **Natural gas sales volumes** rose by 23% from 48.0 TWh to 59.0 TWh mainly on account of higher sales volumes in Germany and the Netherlands, and were partially offset by lower sales volumes in Romania.

Net **special items** amounted to EUR 55 mn (Q1/20: EUR (14) mn) and were mainly related to unrealized commodity derivatives. In Q1/21, **CCS effects** of EUR 237 mn were recorded as a consequence of an increasing crude oil price level in the quarter, compared to significant negative CCS effects in Q1/20. As a result, the **Operating Result** of Refining & Marketing rose sharply to EUR 400 mn (Q1/20: EUR (151) mn).

Capital expenditure in Refining & Marketing amounted to EUR 91 mn (Q1/20: EUR 110 mn). In Q1/21, organic capital expenditure was predominantly related to investments in the European refineries and in retail.

Chemicals & Materials

First quarter 2021 (Q1/21) compared to first quarter 2020 (Q1/20)

- Substantially higher polyolefin indicator margins and higher polyolefin sales volumes boosted the contribution from Borealis excluding JVs
- The contribution of Borealis JVs benefited from a strong polyolefin market environment in Asia leading to higher sales volumes and prices
- Following the closing of the acquisition of an additional 39% stake on October 29, 2020, OMV now holds a 75% stake in Borealis, which is thus fully consolidated in OMV's figures, leading to substantially higher contributions

The **clean Operating Result** more than tripled to EUR 442 mn (Q1/20: EUR 133 mn), mainly following substantially higher polyolefin margins, higher polyolefin sales volumes and positive inventory valuation effects. The full consolidation of Borealis added significantly to the results.

The contribution of OMV base chemicals declined mainly due to lower ethylene and propylene indicator margins. The **ethylene indicator margin Europe** decreased by 21% to EUR 406/t (Q1/20: EUR 517/t), while the **propylene indicator margin Europe** decreased to a lesser extent, by 11%, to EUR 360/t (Q1/20: EUR 402/t). Both indicator margins were impacted by higher naphtha prices compared to Q1/20, when the naphtha price collapsed at the end of the quarter due to the emerging COVID-19 pandemic.

The contribution of **Borealis excluding JVs** grew by EUR 216 mn to EUR 270 mn (Q1/20: EUR 54 mn), mainly following a strong performance of the polyolefin business and increased contribution from the base chemicals business, slightly offset by a lower result of the fertilizer business. Moreover, the full consolidation of the Borealis result following the acquisition of an additional 39% share on October 29, 2020, supported the result. The Borealis base chemicals business improved following positive inventory valuation effects, partially offset by lower margins. The polyolefin business saw a steep rise driven by higher margins and volumes, but also following positive inventory valuation effects. The **polyethylene indicator margin Europe** more than doubled to EUR 548/t (Q1/20: EUR 265/t) and the **polypropylene indicator margin Europe** also grew substantially by 54% to EUR 608/t (Q1/20: EUR 395 /t). Both indicator margins were supported by a strong demand in the European markets coupled with a tightening supply-demand balance, with a lower than anticipated supply increase due to logistic constraints and fewer capacity additions. Polyethylene sales volumes improved by 8% while polypropylene sales volumes grew by 4% compared to Q1/20. Especially the consumer products, healthcare, and energy segments drove demand. The contribution of the fertilizer business was lower compared to Q1/20, following lower sales volumes and margins. A backlog of sales volumes due to operational issues in the second half of 2020 and higher natural gas prices diminished the impact of a positive market environment.

The contribution of **Borealis JVs** amounted to EUR 124 mn in Q1/21 and benefited in particular from a strong recovery of the Asian markets, leading to higher polyolefin prices and sales volumes. In addition, the at-equity contribution from the JVs had a positive impact following the full consolidation of Borealis. Polyethylene sales volumes from the JVs grew by 17% while polypropylene sales volumes from the JVs improved by 13% compared to Q1/20. Both were mainly a consequence of higher Borouge sales volumes following an increased operational performance and a strong demand in the Asian markets. The sales volumes from Baystar decreased slightly following the negative impact of the Texas freeze.

Net **special items** amounted to EUR 23 mn (Q1/20: EUR (0) mn) and were mainly related to unrealized commodity derivatives. The **Operating Result** of Chemicals & Materials rose considerably to EUR 465 mn compared to EUR 133 mn in Q1/20.

Capital expenditure in Chemicals & Materials amounted to EUR 130 mn (Q1/20: EUR 18 mn). Following the closing of the acquisition of an additional 39% stake on October 29, 2020, capital expenditure now also includes Borealis. In Q1/21, organic capital expenditure was predominantly related to investments following the construction by Borealis of the new propane dehydrogenation plant in Belgium.

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