OMV Group Factsheet Q3 2022

October 28, 2022

Key Performance Indicators[1]

Group

- Clean CCS Operating Result grew substantially to EUR 3,516 mn, fueled by better performance in Exploration & Production and Refining & Marketing
- Clean CCS net income attributable to stockholders of the parent increased significantly to EUR 1,206 mn; clean CCS Earnings Per Share were EUR 3.69
- Cash flow from operating activities excluding net working capital effects grew to EUR 2,895 mn
- Organic free cash flow before dividends totaled EUR 2,484 mn
- Clean CCS ROACE stood at 21%
- Total Recordable Injury Rate (TRIR) was 1.12

Chemicals & Materials

- Polyethylene indicator margin Europe declined to EUR 312/t, polypropylene indicator margin Europe decreased to EUR 357/t
- Polyolefin sales volumes went down to 1.32 mn t

Refining & Marketing

- OMV refining indicator margin Europe rose sharply to USD 14.4/bbl[2]
- Fuels and other sales volumes Europe decreased by 21% to 3.71 mn t

Exploration & Production[3]

- Production decreased by 89 kboe/d to 381 kboe/d, mainly due to the change in the consolidation method of Russian operations
- Production cost increased by 22% to USD 8.2/boe

Notes: 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. As of Q1/22, the gas business, previously reported in Refining & Marketing, was split into Gas Marketing Western Europe reported under Exploration & Production, and Gas & Power Eastern Europe reported under Refining & Marketing. For comparison only, 2021 figures are presented in the new structure.

[1] Figures reflect the Q3/22 period; all comparisons described relate to the same quarter in the previous year except where otherwise mentioned.

[2] As of Q2/22, the refining indicator margin reflects the change in the crude oil reference price from Urals to Brent at OMV Petrom.

[3] As of March 1, 2022, Russian operations are no longer included in Group operational KPIs, Operating Results, or cash flows.

Outlook

Market environment

In 2022, OMV expects the average Brent crude oil price to be above USD 100/bbl (2021: USD 71/bbl). For 2022, the average realized gas price is anticipated to be in the range between EUR 55/MWh and EUR 60/MWh (previous forecast: around EUR 45/MWh; 2021: EUR 16.5/MWh).

Group

- In 2022, organic CAPEX is projected to come in at around EUR 3.7 bn[1] (2021: EUR 2.6 bn), including non-cash effective CAPEX related to leases of around EUR 0.6 bn.

Chemicals & Materials

- In 2022, the ethylene indicator margin Europe is expected to be above the 2021 level (2021: EUR 468/t). The propylene indicator margin Europe is expected to be above the 2021 level (2021: EUR 453/t).
- In 2022, the steam cracker utilization rate in Europe is expected to be below the 2021 level (2021: 90%). Schwechat refinery returned to full operations on October 7, which will benefit the steam cracker utilization rate going forward.
- In 2022, the polyethylene indicator margin Europe is forecast to be around EUR 400/t (2021: EUR 582/t). The polypropylene indicator margin Europe is expected to be around EUR 500/t (2021: EUR 735/t).
- In 2022, the polyethylene sales volumes excluding JVs are projected to be below the 2021 level (previous forecast: slightly below the 2021 level; 2021: 1.82 mn t). The polypropylene sales volumes excluding JVs are expected to be below the 2021 level (previous forecast: slightly below the 2021 level; 2021: 2.13 mn t).
- Organic CAPEX related to Chemicals & Materials is predicted to be around EUR 1.4 bn in 2022 (2021: EUR 0.8 bn).

Refining & Marketing

- The OMV refining indicator margin Europe is expected to be around USD 15/bbl (2021: USD 3.7/bbl).
- In 2022, fuels and other sales volumes in OMV's markets in Europe are projected to be slightly lower than in 2021 (2021: 16.3 mn t). Commercial margins are forecast to be below those in 2021. Retail margins are forecast to be significantly below the 2021 level.
- In 2022, the utilization rate of the European refineries is expected to be significantly below the prior-year level (2021: 88%). Schwechat refinery returned to full operations on October 7.
- Organic CAPEX in Refining & Marketing is forecast at around EUR 0.8 bn in 2022 (2021: EUR 0.6 bn).

Exploration & Production

- OMV expects total production to be around 390 kboe/d in 2022 (2021: 486 kboe/d). As of March 1, 2022, Russian volumes are no longer included in the total production due to a change in consolidation method.
- Organic CAPEX for Exploration & Production is anticipated to come in at around EUR 1.4 bn in 2022 (2021: EUR 1.1 bn).
- Exploration and Appraisal (E&A) expenditure is expected to be at around EUR 220 mn in 2022 (2021: EUR 210 mn).

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

Group performance

Financial highlights

In EUR mn (unless otherwise stated)

Q3/22	Q2/22	Q3/21	Δ[1]		9m/22	9m/21	Δ
17,170	14,793	8,512	102%	Sales revenues[2]	47,791	22,206	115%
3,516	**2,937**	**1,790**	**96%**	**Clean CCS Operating Result[3]**	**9,074**	**3,959**	**129%**
214	602	623	(66)%	Clean Operating Result Chemicals & Materials[3]	1,401	1,712	(18)%
600	745	342	75%	Clean CCS Operating Result Refining & Marketing[3]	1,702	587	190%
2,686	1,617	834	n.m.	Clean Operating Result Exploration & Production[3]	6,071	1,737	n.m.
(10)	(8)	(16)	40%	Clean Operating Result Corporate & Other[3]	(25)	(40)	37%
26	(19)	7	n.m.	Consolidation: elimination of intersegmental profits	(75)	(37)	(104)%
54	37	41	13	Clean CCS Group tax rate in %	46	35	11
1,645	1,860	1,018	62%	Clean CCS net income[3]	4,890	2,471	98%
1,206	**1,418**	**781**	**55%**	**Clean CCS net income attributable to stockholders of the parent[3, 4]**	**3,694**	**1,847**	**100%**
3.69	4.34	2.39	54%	Clean CCS EPS in EUR[3]	11.30	5.65	100%
3,516	**2,937**	**1,790**	**96%**	**Clean CCS Operating Result[3]**	**9,074**	**3,959**	**129%**
153	**543**	**(750)**	**n.m.**	**Special items[5]**	**804**	**(814)**	**n.m.**
(134)	196	38	n.m.	CCS effects: inventory holding gains/(losses)	496	329	51%
3,535	**3,676**	**1,079**	**n.m.**	**Operating Result Group**	**10,374**	**3,475**	**199%**
165	1,242	618	(73)%	Operating Result Chemicals & Materials	1,968	1,760	12%
623	1,304	298	109%	Operating Result Refining & Marketing	2,668	849	n.m.
2,737	1,166	174	n.m.	Operating Result Exploration & Production	5,855	963	n.m.
(17)	(16)	(19)	9%	Operating Result Corporate & Other	(41)	(48)	15%
26	(19)	7	n.m.	Consolidation: elimination of intersegmental profits	(75)	(49)	(54)%
(220)	(14)	(63)	n.m.	Net financial result	(1,277)	(140)	n.m.
3,314	3,662	1,016	n.m.	Profit before tax	9,098	3,335	173%
59	31	52	7	Group tax rate in %	48	36	12
1,359	2,513	484	181%	Net income	4,727	2,128	122%
833	1,947	279	198%	Net income attributable to stockholders of the parent[4]	3,326	1,555	114%
2.55	5.96	0.85	198%	Earnings Per Share (EPS) in EUR	10.18	4.76	114%
2,895	2,365	2,007	44%	Cash flow from operating activities excl. net working capital effects	8,610	5,443	58%
3,182	461	1,608	98%	Cash flow from operating activities	6,320	4,234	49%
2,287	1,487	1,012	126%	Free cash flow before dividends	5,293	2,875	84%
2,006	532	978	105%	Free cash flow after dividends	3,882	1,958	98%
2,484	(190)	1,032	141%	Organic free cash flow before dividends[6]	4,356	2,512	73%
1,160	3,113	6,214	(81)%	Net debt excluding leases	1,160	6,214	(81)%
2,661	4,631	7,394	(64)%	Net debt including leases	2,661	7,394	(64)%
4	12	28	(24)	Gearing ratio excluding leases in %	4	28	(24)
9	15	25	(17)	Leverage ratio in %	9	25	(17)
1,025	797	628	63%	Capital expenditure[7]	3,144	1,780	77%
848	797	624	36%	Organic capital expenditure[8]	2,680	1,743	54%
21	19	10	10	Clean CCS ROACE in %[3]	21	10	10
18	16	15	3	ROACE in %	18	15	3
22,273	22,338	22,757	(2)%	Employees	22,273	22,757	(2)%
1.12	1.08	1.11	1%	Total Recordable Injury Rate (TRIR)[9]	1.12	1.11	1%

Note: As of Q1/22, the gas business, previously reported in Refining & Marketing, was split into Gas Marketing Western Europe reported under Exploration & Production, and Gas & Power Eastern Europe reported under Refining & Marketing. For comparison only, 2021 figures are presented in the new structure.

[1] Q3/22 compared to Q3/21
[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 a 12-month rolling average per 1 mn hours worked

Third quarter 2022 (Q3/22) compared to third quarter 2021 (Q3/21)

Consolidated sales revenues increased substantially by 102% to EUR 17,170 mn due to significantly higher market prices. The **clean CCS Operating Result** rose strongly by EUR 1,726 mn to a record EUR 3,516 mn due to better performance of Exploration & Production and Refining & Marketing. The clean Operating Result of Chemicals & Materials decreased to EUR 214 mn (Q3/21: EUR 623 mn), while the clean CCS Operating Result of Refining & Marketing improved to EUR 600 mn (Q3/21: EUR 342 mn). In Exploration & Production, the clean Operating Result grew markedly to EUR 2,686 mn (Q3/21: EUR 834 mn). The consolidation line was EUR 26 mn in Q3/22 (Q3/21: EUR 7 mn).

The **clean CCS Group tax rate** came in at 54%, higher than in the same quarter last year (Q3/21: 41%), due to a significantly higher contribution from Exploration & Production, in particular from countries with a high tax regime. The **clean CCS net income** rose substantially to EUR 1,645 mn (Q3/21: EUR 1,018 mn). The **clean CCS net income attributable to stockholders of the parent** was EUR 1,206 mn (Q3/21: EUR 781 mn). **Clean CCS Earnings Per Share** grew to EUR 3.69 (Q3/21: EUR 2.39).

Net **special items** of EUR 153 mn were recorded in Q3/22 (Q3/21: EUR (750) mn) and were mainly driven by temporary hedging effects. **CCS effects** of EUR (134) mn were recognized in Q3/22. The reported **Operating Result** improved to EUR 3,535 mn (Q3/21: EUR 1,079 mn).

The **net financial result** decreased to EUR (220) mn (Q3/21: EUR (63) mn). This development was mainly related to the fair value adjustment of investments in Russia (for further details see the chapter “Selected notes to the consolidated interim financial statements,” part “Impact of Russia-Ukraine crisis”) and was partly offset by the improved foreign exchange result and the increased net interest result attributable mostly to higher interest income on cash deposits. The **Group tax rate** came in at 59% (Q3/21: 52%), while **net income** increased to EUR 1,359 mn (Q3/21: EUR 484 mn). **Net income attributable to stockholders of the parent** was EUR 833 mn (Q3/21: EUR 279 mn). **Earnings Per Share** rose considerably to EUR 2.55 (Q3/21: EUR 0.85).

As of September 30, 2022, the **net debt excluding leases** decreased to EUR 1,160 mn from EUR 6,214 mn on September 30, 2021. As of September 30, 2022, the **gearing ratio excluding leases** stood at 4% (September 30, 2021: 28%). For further information on the gearing ratio, please see the section “Financial liabilities” of the consolidated interim financial statements. The leverage ratio defined as (net debt including leases) / (equity + net debt including leases) came to 9% as of September 30, 2022 (September 30, 2021: 25%).

Total **capital expenditure** reached EUR 1,025 mn (Q3/21: EUR 628 mn) and was mainly driven by organic growth projects in all three business segments, as well as the equity injection to finance the Borouge 4 project. In Q3/22, **organic capital expenditure** stepped up by 36% to EUR 848 mn (Q3/21: EUR 624 mn), mainly due to larger investments in Refining & Marketing and Exploration & Production.

Business segments

Chemicals & Materials

Third quarter 2022 (Q3/22) compared to third quarter 2021 (Q3/21)

- The clean Operating Result decreased by 66% to EUR 214 mn, mainly due to a substantial drop in the result of the OMV base chemicals business, reduced polyolefin indicator margins in Europe, which experienced elevated levels in Q3/21, negative inventory valuation effects, and lower sales volumes in Europe.

- The result of the Borealis JVs declined by 34%. A softening market environment led to a lower contribution from Baystar and Borouge and was only partially compensated for by a stronger USD. In addition, the decreased participation in Borouge following the successful listing of 10% of the Company's total issued share capital on June 3, 2022 impacted financial and operational contributions.

- The utilization rate of the steam crackers in Europe experienced a strong decline following a planned turnaround at the Burghausen steam cracker and due to reduced utilization of the steam cracker in Schwechat as a result of a limited utilization of the crude distillation unit in the refinery.

The **clean Operating Result** saw a decline of EUR 409 mn to EUR 214 mn (Q3/21: EUR 623 mn). A negative result contribution from OMV base chemicals, mainly due to reduced utilization rates of the Burghausen and Schwechat steam crackers, lower polyolefin indicator margins in Europe compared to the high levels seen in Q3/21, negative inventory effects in Q3/22, lower sales volumes in Europe, and a lower contribution from Borealis JVs were the main reasons for the weaker result.

The result of OMV base chemicals saw a substantial drop in Q3/22. The negative impact from lower utilization of the Burghausen and Schwechat steam crackers, higher costs, and increased alternative feedstock costs were only compensated for to a limited extent by increased ethylene and propylene indicator margins. Higher feedstock costs were also a result of third-party naphtha purchases, which were conducted to mitigate the impact of the reduced refinery utilization. The **ethylene indicator margin Europe** increased by 26% to EUR 614/t (Q3/21: EUR 489/t), while the **propylene indicator margin Europe** rose by 18% to EUR 574/t (Q3/21: EUR 488/t). Indicator margins were supported by weaker naphtha cracks and benefited from high ethylene and propylene contract prices. The high contract prices for olefins originated in Q2/22, but declined to a certain extent in Q3/22 as olefin demand softened in the summer months. However, an improved market environment was more than offset by the negative impact from reduced utilization of the steam crackers in Burghausen and Schwechat, higher costs of third-party feedstock supply in Schwechat, and an overall higher cost environment.

The **utilization rate of the European steam crackers** operated by OMV and Borealis went down considerably, by 25 percentage points, to 63% in Q3/22 (Q3/21: 88%). This was due to the planned turnaround of the steam cracker in Burghausen, but also as a result of the incident at the crude distillation unit on June 3, 2022 at the Schwechat refinery, which also led to a reduced steam cracker utilization rate.

The contribution of **Borealis excluding JVs** decreased by EUR 290 mn to EUR 109 mn (Q3/21: EUR 400 mn). Declining polyolefin indicator margins compared to the elevated levels seen in Q3/21, negative inventory valuation effects compared to positive ones in Q3/21, and lower polyolefin sales volumes in Europe were only partially offset by a higher contribution from the nitrogen business. In the base chemicals business, stronger olefin indicator margins were more than offset by negative inventory valuation effects and a lower light feedstock advantage. The contribution from the polyolefin business saw a significant decline in light of substantial negative inventory effects, the decline in polyolefin indicator margins, and lower sales volumes. Polyolefin indicator margins declined from the elevated levels seen in Q3/21, when the market experienced a tight supply/demand balance as worldwide logistical constraints were still ongoing. The **European polyethylene indicator margin** declined by 41% to EUR 312/t (Q3/21: EUR 524/t), while the **European polypropylene indicator margin** decreased by 52% to EUR 357/t (Q3/21: EUR 748/t). Polyolefin indicator margins in Q3/22 suffered from the impact of rising feedstock prices, while a global economic slowdown and inflationary pressures led to customers taking a wait-and-see approach, thereby weakening demand. In particular, polypropylene demand was under strain as it has greater exposure with more cyclical durable goods. Increased availability of imported volumes from the Middle East and the US amplified these effects. While the realized margins for standard products were impacted by the current decrease in demand in particular, margins for specialty products remained steady and even improved slightly on a per ton basis. Polyethylene sales volumes decreased by 16% compared to Q3/21, while polypropylene sales volumes declined by 19%. The decrease in sales volumes was mainly due to lower demand and the wait-and-see approach taken by customers, but was also a result of the reduced feedstock availability at the Schwechat site following reduced utilization of the steam cracker. The decline mainly affected sales volumes in the consumer products and infrastructure industries, while volumes in the mobility industry saw a slight increase compared to the lower demand in Q3/21 caused by semiconductor shortages. The result contributed by the nitrogen business rose sharply compared to Q3/21, mostly due to positive inventory effects, while increased fertilizer prices were mostly offset by higher natural gas prices and lower sales volumes.

The contribution of **Borealis JVs** decreased by EUR 46 mn to EUR 90 mn in Q3/22 (Q3/21: EUR 137 mn), mainly due to a lower contribution from Baystar and Borouge as both experienced a softening market environment. The favorable impact of a stronger USD managed to partially compensate for these effects. Additionally, the successful listing of 10% of Borouge's total issued share capital on June 3, 2022 lowered financial and operational contributions in comparison to Q3/21. Polyethylene sales volumes from the JVs decreased by 6%, while polypropylene sales volumes from the JVs grew by 5%. Compared to Q3/21, sales volumes at Borouge grew. While polyethylene sales volumes increased slightly, polypropylene sales volumes benefitted strongly from the full ramp-up of the new polypropylene unit (PP5). The pricing environment in Asia weakened compared to Q3/21, as new polyolefin production capacities came online and global economic uncertainty grew. Compared to Q3/21, Baystar experienced a weaker market environment as increased ethane prices weighed on margins, while sales volumes saw slight increases. The ethane cracker at Baystar started up in July and is currently in the ramp-up phase.

Net **special items** amounted to EUR (48) mn (Q3/21: EUR (5) mn) and were mainly due to commodity derivatives. The **Operating Result** of Chemicals & Materials came in at EUR 165 mn in Q3/22 compared to EUR 618 mn in Q3/21.

Capital expenditure in Chemicals & Materials increased in Q3/22 to EUR 401 mn (Q3/21: EUR 202 mn). The increase was mainly driven by an equity injection to Borouge 4 of EUR 0.1 bn and a slight increase in organic capital expenditure. In Q3/22, besides ordinary ongoing business investments, organic capital expenditure was predominantly related to investments made by Borealis in the construction of the new propane dehydrogenation plant in Belgium, the construction of the ReOil® demo plant in Austria, and the turnaround in the Burghausen refinery.

Refining & Marketing

Third quarter 2022 (Q3/22) compared to third quarter 2021 (Q3/21)

- The clean CCS Operating Result rose sharply to EUR 600 mn driven by a strong result in Gas & Power Eastern Europe, the significantly improved performance of ADNOC Refining & ADNOC Global Trading, and stronger refining indicator margins. This was only partly offset by the reduced utilization rate of the refineries, following the planned turnaround at Burghausen and the limited production at Schwechat due to the incident on June 3, 2022.

- The Gas & Power Eastern Europe contribution increased considerably to EUR 261 mn (Q3/21: EUR 20 mn), mainly stemming from higher gas and power margins.

- ADNOC Refining & ADNOC Global Trading showed a substantially higher contribution to the result, mainly as a result of higher refining margins in ADNOC Refining.

- The Schwechat refinery operated at a significantly lower utilization rate throughout the quarter as a result of the incident on June 3, 2022, when during a legally required water pressure test in the finalization phase of the refinery turnaround, damage occurred to the main crude oil distillation unit. The incident had a negative impact on the result in Q3/22. On October 7, 2022, OMV announced that the Schwechat refinery had returned to full operation.

The **clean CCS Operating Result** increased substantially to EUR 600 mn (Q3/21: EUR 342 mn). A substantially better result in Gas & Power Eastern Europe, a significantly higher contribution from ADNOC Refining & ADNOC Global Trading, and stronger refining indicator margins more than compensated for the negative production effects caused by the incident at the Schwechat refinery, the turnaround at the Burghausen refinery, a lower retail result, and a lower contribution from margin hedges.

The **OMV refining indicator margin Europe** strengthened markedly to USD 14.4/bbl (Q3/21: USD 4.2/bbl). Significantly higher cracks for diesel and jet fuel were only slightly offset by rising fuel and losses due to the further Brent price increase, and lower heavy fuel oil and naphtha cracks. In Q3/22, the **utilization rate of the European refineries** decreased by 47 percentage points to 44% (Q3/21: 91%), mainly caused by significantly reduced utilization at the Schwechat refinery due to the incident on June 3, 2022. In addition, the Burghausen refinery operated at a lower utilization rate as a result of the planned turnaround in Q3/22. At 3.7 mn t, **fuels and other sales volumes Europe** decreased by 21% mainly as a consequence of lower supply availability in Schwechat and the divestment of the German retail business, partly offset by higher jet fuel sales volumes. The retail business performance declined as it was impacted by the missing contribution from Germany and voluntary discounts on pump prices in Romania. The commercial business showed a slightly lower contribution due to reduced term volumes and slightly lower margins impacted by price caps on gasoline and diesel in Hungary.

The contribution of **ADNOC Refining & ADNOC Global Trading** to the clean CCS Operating Result increased significantly to EUR 104 mn (Q3/21: EUR 6 mn), mainly as a result of higher refining margins in ADNOC Refining. In addition, ADNOC Global Trading provided strong support to the result compared to the same period of last year.

The contribution of the **Gas & Power Eastern Europe business** to the result rose substantially to EUR 261 mn (Q3/21: EUR 20 mn), mainly due to a very strong gas business contribution mostly from gas transactions outside Romania. It was also positively affected by a better power result driven by higher power selling prices and increased net electrical output, partly offset by the power overtaxation regulation in Romania.

Net **special items** amounted to EUR 158 mn (Q3/21: EUR (82) mn) and were primarily related to commodity derivatives. In Q3/22, **CCS effects** of EUR (134) mn were recorded as a result of declining crude oil prices throughout the quarter. The **Operating Result** of Refining & Marketing doubled to EUR 623 mn (Q3/21: EUR 298 mn).

Capital expenditure in Refining & Marketing was EUR 226 mn (Q3/21: EUR 120 mn). In Q3/22, organic capital expenditure was predominantly related to the European refineries due to turnaround activities in the Burghausen refinery and repair works at the Schwechat refinery. In addition, investments were related to project progress on the co-processing unit in Schwechat and the retail network.

Exploration & Production

Third quarter 2022 (Q3/22) compared to third quarter 2021 (Q3/21)

- The clean Operating Result grew sharply to EUR 2,686 mn thanks to substantially higher oil and gas prices, more than offsetting the adverse effects stemming from the change in the consolidation method of Russian operations.
- Production was down by 89 kboe/d to 381 kboe/d, mainly due to the change in the consolidation method of Russian operations.
- Gas Marketing Western Europe weighed on the result with EUR (162) mn, mainly due to Russian supply curtailments.

In Q3/22, the **clean Operating Result** rose sharply from EUR 834 mn in Q3/21 to EUR 2,686 mn. A favorable market environment was confronted with the adverse effects stemming from the change in the consolidation method of Russian operations. Net market effects boosted returns by EUR 2,148 mn, owing to the persistently strong commodity price growth for both crude oil and natural gas, as well as a positive FX influence. The result of Gas Marketing Western Europe, and the missing contribution of Russia following the change in the consolidation method of these operations, lowered the result by a total of EUR 268 mn. The negative result contribution of Gas Marketing Western Europe was mainly caused by the curtailments of natural gas supply from Russia. Production decreased mainly due to the change in the consolidation method of Russian operations. The increase in production in the United Arab Emirates was able to offset the decrease in other countries.

In Q3/22, net **special items** amounted to EUR 51 mn (Q3/21: EUR (660) mn), with the majority driven by temporary hedging effects in Gas Marketing Western Europe. The **Operating Result** strengthened to EUR 2,737 mn (Q3/21: EUR 174 mn).

Production cost excluding royalties increased to USD 8.2/boe (Q3/21: USD 6.7/boe), driven by the change in the consolidation method of Russian operations as of March 1, 2022.

The **total hydrocarbon production** volume decreased by 89 kboe/d to 381 kboe/d. The main reasons for this decline were the change in the consolidation method of Russian operations as of March 1, 2022, and natural decline in Romania. Production increased in the United Arab Emirates after a revision of OPEC+ restrictions. **Total hydrocarbon sales volumes** declined to 385 kboe/d (Q3/21: 465 kboe/d) on the back of the change in the consolidation method of Russian operations, partly offset by the revision of OPEC+ restrictions.

The oil price displayed a gradual and highly volatile descent during the third quarter, with opposing factors competing for influence. The quarter had started with ongoing supply issues, most notably the Libyan outage. But as soon as production there came back on stream by mid-July, demand concerns driven by interest rate hikes in key industrial nations and the Chinese COVID-19 policy increasingly took the lead. This sentiment continued through August and September, with the strong US dollar weighing additionally on demand. On the supply side, a potential nuclear deal with Iran and speculation on OPEC+ market intervention were the dominating themes. By the end of the quarter, supply gains and persisting economic woes had driven the oil price below USD 90/bbl, under the pre-Ukraine war level. Over the entire quarter, the **average Brent price** declined by 11%, averaging at USD 100.8/bbl. In a yearly comparison, the Group's **average realized crude oil price** increased by 42%, partly driven by a change in the transfer price calculation for Romanian crude oil production. On the natural gas side, European spot prices continued to climb, driven by further Russian supply curtailments. This trend continued through August, with benchmark prices spiking at record highs toward the end of the month. Seasonally low demand and the fact that European gas storage operators were able to increasingly fill up their depots with natural gas from outside Russia caused prices to drop slightly during September. On a quarterly average, European natural gas prices remained at a still historically high level of around EUR 200/MWh. OMV's **average realized natural gas price** in EUR/MWh increased significantly compared to the same quarter of the previous year.

Capital expenditure including capitalized E&A rose from EUR 300 mn to EUR 390 mn in Q3/22 due to a higher level of activity compared to the same quarter last year. In Q3/22, organic capital expenditure was primarily directed at projects in Romania and Norway. **Exploration expenditure** increased by 36% to EUR 60 mn in Q3/22 and was mainly related to activities in Norway, Austria, and New Zealand.

Disclaimer regarding forward-looking statements

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