OMV Group Factsheet Q4 2022

February 2, 2023

Key Performance Indicators[1]

Group

- Clean CCS Operating Result grew slightly to EUR 2,101 mn, due to better performance in Refining & Marketing and Exploration & Production
- Clean CCS net income attributable to stockholders of the parent decreased to EUR 700 mn; clean CCS Earnings Per Share were EUR 2.14
- Cash flow from operating activities excluding net working capital effects decreased to EUR 1,233 mn
- Organic free cash flow before dividends totaled EUR 534 mn
- Clean CCS ROACE stood at 19%
- Total Recordable Injury Rate (TRIR) was 1.23
- Regular dividend per share of EUR 2.80 proposed[2], up 22% compared to the previous year. In addition, special dividend of EUR 2.25 proposed[2]

Chemicals & Materials

- Polyethylene indicator margin Europe declined to EUR 370/t, polypropylene indicator margin Europe decreased to EUR 398/t
- Polyolefin sales volumes lessened to 1.42 mn t

Refining & Marketing

- OMV refining indicator margin Europe grew sharply to USD 17.5/bbl[3]
- Fuels and other sales volumes Europe decreased marginally to 4.33 mn t

Exploration & Production[4]

- Production decreased by 106 kboe/d to 385 kboe/d, mainly due to the change in the consolidation method of Russian operations
- Production cost increased by 43% to USD 9.1/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 Q4/22 period; all comparisons described relate to the same quarter in the previous year except where otherwise mentioned.

[2] As proposed by the Executive Board, subject to review by the Supervisory Board; subject to approval by the Annual General Meeting 2023

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

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

Outlook

On January 1, 2023, the Group introduced a new corporate structure, designed to fully enable the delivery of Strategy 2030. Following the reorganization and starting from Q1/23, the Group will report on the following business segments: Chemicals & Materials, Fuels & Feedstock (former Refining & Marketing), and Energy (former Exploration & Production). As part of the introduction of the new corporate structure, Gas & Power Eastern Europe, which includes Supply, Marketing, and Trading of gas in Romania and Turkey and one gas-fired power plant in Romania, was transferred from Fuels & Feedstock to the Energy business segment.

Market environment

In 2023, OMV expects the average Brent crude oil price to be above USD 80/bbl (2022: USD 101/bbl). For 2023, the average realized gas price is anticipated to be around EUR 35/MWh (2022: EUR 54/MWh), with a THE price forecast between EUR 60/MWh and EUR 70/MWh (2022: EUR 122/MWh).

Group

- In 2023, organic CAPEX is projected to come in at around EUR 3.7 bn[1] (2022: EUR 3.7 bn), including non-cash effective CAPEX related to leases of around EUR 0.2 bn.

Chemicals & Materials

- In 2023, the ethylene indicator margin Europe is expected to be around EUR 530/t (2022: EUR 560/t). The propylene indicator margin Europe is expected to be around EUR 480/t (2022: EUR 534/t).
- In 2023, the steam cracker utilization rate in Europe is expected to be around 90% (2022: 74%). Turnarounds are planned at the Schwechat cracker in Q2 and at the Porvoo cracker in Q3.
- In 2023, the polyethylene indicator margin Europe is forecast to be around EUR 350/t (2022: EUR 390/t). The polypropylene indicator margin Europe is expected to be around EUR 400/t (2022: EUR 486/t).
- In 2023, the polyethylene sales volumes excluding JVs are projected to be around 1.8 mn t (2022: 1.69 mn t). The polypropylene sales volumes excluding JVs are expected to be around 2 mn t (2022: 1.84 mn t).
- Organic CAPEX related to Chemicals & Materials is predicted to be around EUR 1.1 bn in 2023 (2022: EUR 1.4 bn).

Fuels & Feedstock

- In 2023, the OMV refining indicator margin Europe is expected to be between USD 10/bbl and USD 15/bbl (2022: USD 14.7/bbl).
- In 2023, fuels and other sales volumes in OMV's markets in Europe are projected to be slightly higher than in 2022 (2022: 15.5 mn t). Commercial margins are forecast to be above those in 2022. Retail margins are forecast to be around the 2022 level.
- In 2023, the utilization rate of the European refineries is expected to be around 95% (2022: 73%). A turnaround at the Petrobrazi refinery is planned in Q2.
- Organic CAPEX in Fuels & Feedstock is forecast at around EUR 1.0 bn in 2023 (2022: EUR 0.8 bn).

Energy

- OMV expects total production to be around 360 kboe/d in 2023 (2022: 392 kboe/d) due to the exclusion of the Russian volumes and natural decline, in particular in Norway and Romania.
- Organic CAPEX for Energy is anticipated to come in at around EUR 1.6 bn in 2023 (2022: EUR 1.4 bn).
- Exploration and Appraisal (E&A) expenditure is expected to be between EUR 200 mn and EUR 250 mn (2022: EUR 202 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)

Q4/22	Q3/22	Q4/21	Δ[1]		2022	2021	Δ
14,507	17,170	13,348	9%	Sales revenues	62,298	35,555	75%
2,101	**3,516**	**2,001**	**5%**	**Clean CCS Operating Result[2]**	**11,175**	**5,961**	**87%**
57	214	512	(89)%	Clean Operating Result Chemicals & Materials[2]	1,457	2,224	(34)%
714	600	358	99%	Clean CCS Operating Result Refining & Marketing[2]	2,415	945	155%
1,324	2,686	1,155	15%	Clean Operating Result Exploration & Production[2]	7,396	2,892	156%
(26)	(10)	(22)	(15)%	Clean Operating Result Corporate & Other[2]	(50)	(62)	19%
32	26	(2)	n.m.	Consolidation: elimination of intersegmental profits	(43)	(39)	(11)%
54	54	36	17	Clean CCS Group tax rate in %	48	36	12
917	1,645	1,239	(26)%	Clean CCS net income[2]	5,807	3,710	57%
700	**1,206**	**1,018**	**(31)%**	**Clean CCS net income attributable to stockholders of the parent[2, 3]**	**4,394**	**2,866**	**53%**
2.14	3.69	3.11	(31)%	Clean CCS EPS in EUR[2]	13.44	8.77	53%
2,101	**3,516**	**2,001**	**5%**	**Clean CCS Operating Result[2]**	**11,175**	**5,961**	**87%**
56	**153**	**(501)**	**n.m.**	**Special items[4]**	**861**	**(1,315)**	**n.m.**
(286)	(134)	89	n.m.	CCS effects: inventory holding gains/(losses)	210	418	(50)%
1,872	**3,535**	**1,590**	**18%**	**Operating Result Group**	**12,246**	**5,065**	**142%**
71	165	67	6%	Operating Result Chemicals & Materials	2,039	1,828	12%
724	623	(397)	n.m.	Operating Result Refining & Marketing	3,392	451	n.m.
1,081	2,737	1,947	(44)%	Operating Result Exploration & Production	6,936	2,910	138%
(45)	(17)	(26)	(73)%	Operating Result Corporate & Other	(86)	(74)	(16)%
40	26	(2)	n.m.	Consolidation: elimination of intersegmental profits	(35)	(51)	31%
(205)	(220)	(55)	n.m.	Net financial result	(1,481)	(194)	n.m.
1,667	3,314	1,535	9%	Profit before tax	10,765	4,870	121%
73	59	56	17	Group tax rate in %	52	42	10
448	1,359	677	(34)%	Net income	5,175	2,804	85%
308	833	538	(43)%	Net income attributable to stockholders of the parent[3]	3,634	2,093	74%
0.94	2.55	1.65	(43)%	Earnings Per Share (EPS) in EUR	11.12	6.40	74%
1,233	2,895	3,455	(64)%	Cash flow from operating activities excl. net working capital effects	9,843	8,897	11%
1,439	3,182	2,782	(48)%	Cash flow from operating activities	7,758	7,017	11%
499	2,287	2,321	(79)%	Free cash flow before dividends	5,792	5,196	11%
451	2,006	2,241	(80)%	Free cash flow after dividends	4,333	4,199	3%
534	2,484	2,024	(74)%	Organic free cash flow before dividends[5]	4,891	4,536	8%
683	1,160	4,771	(86)%	Net debt excluding leases	683	4,771	(86)%
2,207	2,661	5,962	(63)%	Net debt including leases	2,207	5,962	(63)%
3	4	22	(19)	Gearing ratio excluding leases in %	3	22	(19)
8	9	21	(14)	Leverage ratio in %	8	21	(14)
1,057	1,025	911	16%	Capital expenditure[6]	4,201	2,691	56%
1,031	848	907	14%	Organic capital expenditure[7]	3,711	2,650	40%
19	21	13	6	Clean CCS ROACE in %[2]	19	13	6
17	18	10	7	ROACE in %	17	10	7
22,309	22,273	22,434	(1)%	Employees	22,309	22,434	(1)%
1.23	1.12	0.96	28%	Total Recordable Injury Rate (TRIR)[8]	1.23	0.96	28%

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] Q4/22 compared to Q4/21

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

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

[4] 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.

[5] 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).

[6] Capital expenditure including acquisitions

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

[8] Calculated as a 12-month rolling average per 1 mn hours worked

Fourth quarter 2022 (Q4/22) compared to fourth quarter 2021 (Q4/21)

Consolidated sales revenues increased by 9% to EUR 14,507 mn due to higher market prices. The **clean CCS Operating Result** rose by EUR 100 mn to EUR 2,101 mn due to the improved performance of Refining & Marketing and Exploration & Production. The clean Operating Result of Chemicals & Materials decreased to EUR 57 mn (Q4/21: EUR 512 mn), while the clean CCS Operating Result of Refining & Marketing improved to EUR 714 mn (Q4/21: EUR 358 mn). In Exploration & Production, the clean Operating Result grew to EUR 1,324 mn (Q4/21: EUR 1,155 mn). The consolidation line was EUR 32 mn in Q4/22 (Q4/21: EUR (2) mn).

The **clean CCS Group tax rate** came in at 54%, higher than in the same quarter of the previous year (Q4/21: 36%), due to a higher share of Exploration & Production in the Group profits, and therein an increased contribution from Exploration & Production countries with a high tax regime. The **clean CCS net income** decreased to EUR 917 mn (Q4/21: EUR 1,239 mn). The **clean CCS net income attributable to stockholders of the parent** was EUR 700 mn (Q4/21: EUR 1,018 mn). **Clean CCS Earnings Per Share** declined to EUR 2.14 (Q4/21: EUR 3.11).

Net **special items** of EUR 56 mn were recorded in Q4/22 (Q4/21: EUR (501) mn) and were mainly driven by the release of a provision in the LNG business, partly offset by temporary hedging effects and net impairments in the Exploration & Production segment. **CCS effects** of EUR (286) mn were recorded in Q4/22. The reported **Operating Result** improved to EUR 1,872 mn (Q4/21: EUR 1,590 mn).

The **net financial result** came in lower at EUR (205) mn (Q4/21: EUR (55) mn). This development was mainly related to the negative foreign exchange result and the fair value adjustment of investments in Russia (for further details, see chapter "Selected notes to the preliminary consolidated financial statements," section "Impact of Russia-Ukraine crisis"), and was partly offset by the increased net interest result, which was attributable mostly to higher interest income on cash deposits. The **Group tax rate** came in at 73% (Q4/21: 56%) and was mainly impacted by a positive contribution from countries with a high tax regime, and deferred tax asset valuation allowance for the Austrian Tax Group. **Net income** decreased to EUR 448 mn (Q4/21: EUR 677 mn) and **Net income attributable to stockholders of the parent** decreased to EUR 308 mn (Q4/21: EUR 538 mn). **Earnings Per Share** declined to EUR 0.94 (Q4/21: EUR 1.65).

As of December 31, 2022, **net debt excluding leases** decreased to EUR 683 mn from EUR 4,771 mn on December 31, 2021. As of December 31, 2022, the gearing ratio excluding leases stood at 3% (December 31, 2021: 22%). For further information on the gearing ratio, please see section "Financial liabilities" of the preliminary consolidated financial statements. The **leverage ratio** defined as (net debt including leases) / (equity + net debt including leases) amounted to 8% as of December 31, 2022 (December 31, 2021: 21%).

Total **capital expenditure** reached EUR 1,057 mn (Q4/21: EUR 911 mn) and was mainly driven by organic projects in all three business segments. In Q4/22, **organic capital expenditure** stepped up by 14% to EUR 1,031 mn (Q4/21: EUR 907 mn), mainly due to larger investments in Exploration & Production and Chemicals & Materials.

Business segments

Chemicals & Materials

Fourth quarter 2022 (Q4/22) compared to fourth quarter 2021 (Q4/21)

- The clean Operating Result decreased by 89% to EUR 57 mn as a result of the slowdown of the chemicals sector, which led to weaker margins and demand, substantial negative inventory valuation effects in the nitrogen and polyolefins business, and a lower performance of the joint ventures.

- The contribution from the Borealis JVs declined by 86%. A softening market environment led to a lower contribution from Baystar and Borouge, which was only partially compensated for by a stronger USD. The Baystar ethane cracker saw operational challenges during the start-up and also experienced a shutdown caused by the hard freeze in December, limiting financial contributions. 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 **clean Operating Result** saw a decline of EUR 455 mn to EUR 57 mn (Q4/21: EUR 512 mn). A stronger result contribution from OMV base chemicals was more than offset by substantial negative inventory valuation effects in the nitrogen and polyolefins business, a strong decline in polyolefin indicator margins in Europe, lower sales volumes in Europe, and a lower contribution from Borealis JVs.

The result of OMV base chemicals increased compared to Q4/21, despite the impact of lower utilization of the Burghausen and Schwechat steam crackers, as it was supported by insurance proceeds related to the incident at the crude distillation unit at the Schwechat refinery on June 3, 2022. The **ethylene indicator margin Europe** increased by 7% to EUR 535/t (Q4/21: EUR 498/t), while the **propylene indicator margin Europe** declined by 12% to EUR 443/t (Q4/21: EUR 506/t). While ethylene experienced support from lower supply, propylene saw pressure from ample supply as a result of high refinery runs.

The **utilization rate of the European steam crackers** operated by OMV and Borealis decreased by 8 percentage points to 83% in Q4/22 (Q4/21: 92%), mainly due to lower overall European demand.

The contribution of **Borealis excluding JVs** dropped sharply by EUR 360 mn to EUR (23) mn (Q4/21: EUR 337 mn). Negative inventory valuation effects, around EUR 200 mn lower compared to Q4/21, lower polyolefin indicator margins compared to the strong levels seen in Q4/21, and lower polyolefin sales volumes in Europe weighed on the result. In addition, the Q4/21 result benefited from a one-time payment of a licensing fee related to the Borouge 4 expansion. In the base chemicals business, a weaker propylene indicator margin and slightly lower utilization of the steam crackers were to a large extent offset by greater light feedstock advantage and a higher phenol contribution. The contribution from the polyolefin business saw a substantial decline in light of negative inventory valuation effects, the decrease in polyolefin indicator margins, and lower sales volumes. Polyolefin indicator margins declined from the strong levels seen in Q4/21, when the market continued to experience a tight supply/demand balance as worldwide logistical constraints were still ongoing. The **European polyethylene indicator margin** declined by 19% to EUR 370/t (Q4/21: EUR 458/t), while the **European polypropylene indicator margin** decreased substantially by 42% to EUR 398/t (Q4/21: EUR 690/t). Polyolefin indicator margins in Q4/22 suffered as a result of the global economic slowdown and inflationary pressure on customers, which weakened demand. Polypropylene demand in particular was under pressure as it is more exposed to cyclical durable goods. Increased availability of imported volumes amplified these effects. Realized margins for standard products saw a substantial negative impact following the current demand weakness and higher utility costs, while margins for specialty products improved slightly. Polyethylene sales volumes decreased by 3% compared to Q4/21, while polypropylene sales volumes declined substantially by 19%. The decrease in sales volumes was mainly a result of lower demand, as a cautious European buying sentiment prevailed. The decline mainly affected sales volumes in the consumer products and infrastructure industries, while volumes in the mobility and energy industries saw slight increases compared to Q4/21. The result contribution from the nitrogen business saw a significant decline and turned negative in Q4/22, following substantial negative inventory valuation effects as a result of the strong decline in gas prices. Lower sales volumes were to some extent offset by higher margins.

The contribution of **Borealis JVs** decreased by EUR 119 mn to EUR 19 mn in Q4/22 (Q4/21: EUR 138 mn), mainly due to a negative contribution from Baystar and a lower contribution from Borouge. 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 Q4/21. **Polyethylene sales volumes from the JVs** decreased by 6%, while **polypropylene sales volumes from the JVs** grew by 33%. Compared to Q4/21, sales volumes at Borouge grew, with polypropylene sales volumes in particular benefiting greatly from the full ramp-up of the new polypropylene unit (PP5). The pricing environment in Asia weakened compared to Q4/21, as new polyolefin production capacities came online and consumer demand was dampened by COVID-19 lockdowns and the real estate crisis in China. At Baystar, the ethane cracker recorded a low utilization rate in Q4/22 due to operational challenges during the start-up and the hard freeze in December, which led to its shutdown. Combined with a weak market environment, the revenues at Baystar were limited, while costs increased due to the charge of full depreciation after the start-up and higher interest expenses, leading to a negative result contribution.

Net **special items** amounted to EUR 15 mn (Q4/21: EUR (444) mn) and were mainly due to commodity derivatives. Net special items in Q4/21 were mainly related to the impairment of the nitrogen business of Borealis. The **Operating Result** of Chemicals & Materials came in at EUR 71 mn in Q4/22 compared to EUR 67 mn in Q4/21.

Capital expenditure in Chemicals & Materials grew in Q4/22 to EUR 351 mn (Q4/21: EUR 268 mn). The increase was mainly driven by higher organic capital expenditure. In Q4/22, besides ordinary ongoing business investments, organic capital expenditure was predominantly related to the construction of the ReOil® demo plant in Austria.

Refining & Marketing

Fourth quarter 2022 (Q4/22) compared to fourth quarter 2021 (Q4/21)

- The clean CCS Operating Result almost doubled to EUR 714 mn, driven by stronger refining indicator margins and the significantly improved performance of ADNOC Refining & ADNOC Global Trading. This was partly offset by the weaker result in Gas & Power Eastern Europe, as well as negative supply effects, increased utilities costs, and a lower retail result.
- ADNOC Refining & ADNOC Global Trading showed a substantially higher contribution to the result, mainly as a result of higher refining margins.
- The contribution of the Gas & Power Eastern Europe business decreased considerably to EUR 30 mn (Q4/21: EUR 117 mn), mainly because Petrom Gas & Power was significantly regulated through extended scope of capped prices and of overtaxation, for both gas and power.

The **clean CCS Operating Result** almost doubled to EUR 714 mn (Q4/21: EUR 358 mn), mainly due to stronger refining indicator margins and a significantly higher contribution from ADNOC Refining & ADNOC Global Trading. In addition, insurance proceeds in connection with the incident at the Schwechat refinery in June 2022 were recorded. However, it will be cash effective only in 2023. Partly offsetting this were the reduced result in Gas & Power Eastern Europe, negative supply effects, increased utilities costs, and a lower retail result.

The **OMV refining indicator margin Europe** strengthened markedly to USD 17.5/bbl (Q4/21: USD 6.2/bbl). Significantly higher cracks for diesel and jet fuel were only slightly offset by higher fuel and losses due to the further Brent price increase, and lower heavy fuel oil and naphtha cracks. In Q4/22, the **utilization rate of the European refineries** came in at 96% (Q4/21: 95%). At 4.3 mn t, **fuels and other sales volumes Europe** remained constant when compared to the same quarter of the previous year (Q4/21: 4.3 mn t). When adjusting for the divestment of the German retail business, the total fuels and other sales volumes Europe slightly increased as a result of higher jet fuel sales volumes following a recovery in aviation activity. The retail business performance declined as it was impacted by price regulations in Hungary and voluntary discounts in Romania, the missing contribution from Germany, and higher variable costs. This was partially compensated for by higher non-fuel business sales. The commercial business contribution was essentially unchanged.

The contribution of **ADNOC Refining & ADNOC Global Trading** to the clean CCS Operating Result increased significantly to EUR 114 mn (Q4/21: EUR 14 mn), mainly as a result of higher refining margins at ADNOC Refining. In addition, ADNOC Global Trading provided strong support to the result compared to the same period of the previous year.

The contribution of the **Gas & Power Eastern Europe business** to the result decreased considerably to EUR 30 mn (Q4/21: EUR 117 mn), mainly because Petrom Gas & Power was significantly regulated through extended scope of capped prices and of overtaxation, for both gas and power. Better gas and power margins were able to partially offset this.

Net **special items** amounted to EUR 304 mn (Q4/21: EUR (845) mn) and were primarily related to commodity derivatives. In Q4/21, the net special items included an impairment in ADNOC Refining amounting to EUR (669) mn.

In Q4/22, **CCS effects** of EUR (294) mn were recorded as a result of declining crude oil prices throughout the quarter. The **Operating Result** of Refining & Marketing increased sharply to EUR 724 mn (Q4/21: EUR (397) mn).

Capital expenditure in Refining & Marketing was EUR 274 mn (Q4/21: EUR 315 mn). In Q4/22, organic capital expenditure was predominantly related to the European refineries and the retail network.

Exploration & Production

Fourth quarter 2022 (Q4/22) compared to fourth quarter 2021 (Q4/21)

- The clean Operating Result increased to EUR 1,324 mn thanks to substantially higher oil and gas prices, more than offsetting the adverse effects stemming mainly from the change in the consolidation method of Russian operations (for further details see chapter “Selected notes to the preliminary consolidated financial statements,” section “Impact of Russia-Ukraine crisis”).

- Production was down by 106 kboe/d to 385 kboe/d, mainly due to the change in the consolidation method of Russian operations.

- Gas Marketing Western Europe weighed on the result with EUR (77) mn, mainly due to Russian supply curtailments.

In Q4/22, the **clean Operating Result** improved from EUR 1,155 mn in Q4/21 to EUR 1,324 mn. Positive effects stemming from a favorable market environment were limited by the adverse effects stemming from the change in the consolidation method of Russian operations. Market effects boosted returns by EUR 544 mn owing to persistently strong commodity price growth for both crude oil and natural gas, as well as a positive FX influence. Additional taxation in Romania had a negative effect on results of around EUR (90 mn) in Q4/22. The result of Gas Marketing Western Europe and the missing contribution from Russia following the change in the consolidation method of operations there lowered the result. The negative result contribution of Gas Marketing Western Europe was mainly caused by the curtailments and the volatility of natural gas supply from Russia. A change in the reporting logic of the LNG result given the rising importance of LNG for natural gas supply diversification and a higher storage profit were partial compensators. 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 some of the minor declines in other countries.

In Q4/22, net **special items** amounted to EUR (243) mn (Q4/21: EUR 792 mn). A positive natural gas hedging result was confronted with adverse inventory valuation effects and net impairments to the tune of EUR 190 mn. Higher natural gas price assumptions led to write-ups in Austria and New Zealand, whereas in Romania, the impairments amounting to around EUR 400 mn were mainly driven by revised future production profiles for the assets due to a natural decline that was steeper than previously expected and by higher operating costs. The release of a provision in the LNG business in Q4/22 also had a positive effect. The **Operating Result** decreased to EUR 1,081 mn (Q4/21: EUR 1,947 mn).

Production cost excluding royalties increased to USD 9.1/boe (Q4/21: USD 6.4/boe), mainly driven by the change in the consolidation method of Russian operations as of March 1, 2022, as well as global cost pressures.

The **total hydrocarbon production** volume decreased by 106 kboe/d to 385 kboe/d. The main reasons for this reduction were the change in the consolidation method of Russian operations as of March 1, 2022, and natural decline in Romania and Austria. Production increased in the United Arab Emirates after a revision of OPEC+ restrictions. **Total hydrocarbon sales volumes** declined to 367 kboe/d (Q4/21: 467 kboe/d) on the back of the change in the consolidation method of Russian operations, partly offset by higher sales volumes in Libya and the revision of OPEC+ restrictions in the United Arab Emirates.

The oil price continued its decline during the fourth quarter, with the Chinese COVID-19 policy and OPEC+ production decisions being the key driving factors. The OPEC+ decision to cut output caused prices to rise in October, supported by a weaker USD, but limited by a renewal of pandemic containment measures in China. November saw a brief price surge to USD 100/bbl as China decided to ease COVID-19 restrictions, but this increase reversed quickly after the infection rate accelerated. Demand concerns fueled a degressive trend that continued until mid-December. At this point, a number of positive consumption signals provoked a minor price rebound that lasted until year-end. Compared to the third quarter, the **average Brent price** declined by 12%, averaging at USD 88.9/bbl. In a yearly comparison, the Group’s **average realized crude oil price** increased by 12%, following the Brent price movement and the change of the transfer price calculation for Romanian crude oil production. On the natural gas side, European spot prices fell considerably during the quarter, by around 50%. The reason for this was the high filling level in European natural gas storage facilities in combination with the unusually mild weather, which reduced the likelihood of a natural gas supply shortfall in Europe in the winter of 2022/23. Adding to that was the perspective of increasing supply, founded on the expansion of LNG importing capacity to Europe, most notably the first regasification terminal in Germany that went into operation in late December. On a quarterly average, European natural gas prices remained at a similar level to the first two quarters of 2022, and was roughly half of the level of Q3/22. 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 318 mn to EUR 415 mn in Q4/22 due to a higher level of activity compared to the same quarter in the previous year. In Q4/22, organic capital expenditure was primarily directed at projects in Romania, the United Arab Emirates, and Austria. **Exploration expenditure** decreased by 7% to EUR 68 mn in Q4/22 and was mainly related to activities in Norway, Romania, and at SapuraOMV.

Disclaimer regarding forward-looking statements

This report contains forward-looking statements. Forward-looking statements usually 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. Neither OMV nor any other person assumes responsibility for the accuracy and completeness of any of the forward-looking statements contained in this report. OMV disclaims any obligation to update these forward-looking statements to reflect actual results, revised assumptions and expectations and future developments and events. This report does not contain any recommendation or invitation to buy or sell securities in OMV.