PROSPECTUS

OMV Aktiengesellschaft

(a joint stock corporation under the laws of Austria, registered number FN 93363 z)

Offering of up to 27,272,727 Ordinary Bearer Shares (with no-par value)

Listing of up to 27,272,727 Ordinary Bearer Shares (with no-par value) on the Official Market of the Vienna Stock Exchange

This is an offering of up to 27,272,727 ordinary no-par value bearer shares, ISIN AT0000743059, with a calculated notional amount of EUR 1.00 per share, of OMV Aktiengesellschaft, a joint stock corporation under Austrian law (the "Company" or the "Issuer", and together with its consolidated subsidiaries, "OMV" or the "Group"), which will be newly issued by the Company following a share capital increase (the "New Shares").

The Company's shareholders are invited to exercise their subscription rights to subscribe for the New Shares (the "Rights Offering"). New Shares for which subscription rights are not exercised in the Rights Offering will be offered in (i) a public offering to retail and institutional investors in the Republic of Austria and (ii) a private placement outside the Republic of Austria to institutional investors, including a private placement in the United States of America (the "United States") to qualified institutional buyers ("QIBs") in reliance on Rule 144A ("Rule 144A") under the U.S. Securities Act of 1933, as amended (the "Securities Act") (the offerings referred to in (i) and (ii) together, the "International Offering", and, together with the Rights Offering, the "Offering").

Shareholders exercising their subscription rights will be entitled to 1 New Share for every 11 subscription rights held against payment of the Offer Price (as defined below). Shareholders will receive one subsription right for each of the Company's ordinary bearer shares (the "Existing Shares", and together with the New Shares, the "Shares") held on May 18, 2011 and may exercise their subscription rights during the subscription period which begins on May 19, 2011 and is expected to end on June 6, 2011 at 12:00 noon CET (the "Subscription Period"). The Subscription Period may be extended or terminated at any time. Subscription rights not exercised by the end of the Subscription Period will expire without value. The offer period begins on May 19, 2011 and is expected to end on June 6, 2011, and may be shortened, extended or terminated at any time (the "Offer Period").

Maximum Offer Price: EUR 33 per New Share

On or about June 6, 2011, the Company will determine the final offer price (the "Offer Price") in consultation with the Joint Bookrunners (as defined below) on the basis of a bookbuilding process taking into account the closing price of the Existing Shares on or about June 6, 2011.

The Existing Shares are listed on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange (*Wiener Börse*) under the symbol "OMV" and traded in the prime market segment. The closing price of the Existing Shares on the Vienna Stock Exchange on May 16, 2011 was EUR 29.95 per Existing Share. Application will be made to list the New Shares on the Official Market of the Vienna Stock Exchange. Trading in the New Shares in the prime market segment is expected to commence on or about June 8, 2011.

The subscription rights and the New Shares have not been and will not be registered under the securities laws of any jurisdiction other than the Republic of Austria, in particular the Securities Act. Consequently, subscription rights may be exercised only by shareholders outside the United States in accordance with Regulation S under the Securities Act ("Regulation S") and in the United States by QIBs. The New Shares may be offered or sold only outside the United States in compliance with Regulation S and in the United States in accordance with Rule 144A. For a description of certain restrictions on offers, sales and transfers of the New Shares and the distribution of this prospectus, see "*Selling Restrictions*".

An investment in the New Shares carries a high degree of risk. See "*Risk Factors*" beginning on page 19 to read about factors that should be considered before exercising the subscription rights and investing in the New Shares. The New Shares should be bought and traded only by persons knowledgeable in investment matters.

The New Shares will be represented by a modifiable global certificate, which has been deposited with Oesterreichische Kontrollbank Aktiengesellschaft ("OeKB"). Interests in the New Shares will be credited on or about June 10, 2011 (the "Closing Date") against payment therefor, to the accounts of investors through book-entry facilities of OeKB, Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream Banking, société anonyme ("Clearstream").

This prospectus has been approved by the Austrian Financial Market Authority (*Finanzmarktaufsicht,* the "FMA") in its capacity as competent authority under the Austrian Capital Markets Act 1991 as amended (*Kapitalmarktgesetz*) (the "Capital Markets Act"). The accuracy of the information contained in this prospectus does not fall within the scope of examination by the FMA under applicable Austrian law. The FMA examines the prospectus only in respect of its completeness, coherence and comprehensibility pursuant to section 8a of the Capital Markets Act.

Joint Global Coordinators and Joint Bookrunners

BofA Merrill Lynch **Barclays Capital** **Deutsche Bank** **J.P. Morgan** **UniCredit**

Co-Lead Managers

BNP PARIBAS **Crédit Agricole CIB** **Erste Group** **Raiffeisen Centrobank** **SOCIÉTÉ GÉNÉRALE Corporate & Investment Banking**

The date of this prospectus is May 18, 2011

This document comprises a prospectus dated May 18, 2011 for the purposes of the offer of the New Shares to the public in Austria and the listing of the New Shares on the Official Market of the Vienna Stock Exchange. This prospectus has been prepared in accordance with Commission Regulation (EC) No. 809/2004 of April 29, 2004, as amended, and conforms to the requirements of the Capital Markets Act and the Austrian Stock Exchange Act (*Börsegesetz*) (the "Stock Exchange Act"). This prospectus will be filed as a listing prospectus (*Börseprospekt*) with the Vienna Stock Exchange in accordance with the Stock Exchange Act in connection with the listing application for the New Shares on the Official Market of the Vienna Stock Exchange, and will be deposited with the notification office (*Meldestelle*) at OeKB in accordance with the Capital Markets Act.

No person is or has been authorized to give any information or to make any representation in connection with the offer or sale of the New Shares, other than as contained in this prospectus, and, if given or made, any other information or representation must not be relied upon as having been authorized by the Company or the underwriters specified in section "*Underwriting*" (the "Managers") or any other person. The delivery of this prospectus at any time after the date hereof shall not, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date hereof or that the information set out in this prospectus is correct as at any time since its date.

Every significant new factor, material mistake or inaccuracy relating to the information included in this prospectus which is capable of affecting the assessment of the New Shares and which arises or is noted between the approval of the prospectus by the FMA and the earlier of the completion of the Offering and start of trading of the New Shares on the Vienna Stock Exchange will be published in a supplement to the prospectus in accordance with section 6 of the Capital Markets Act.

This prospectus has been prepared for the purpose of considering the purchase of the New Shares and to comply with the listing requirements of the Vienna Stock Exchange. In making an investment decision investors must rely on their own examination of OMV including, without limitation, the merits and risks involved.

The Managers are acting exclusively for the Company and no one else in connection with the Offering and will not regard any other person (whether or not a recipient of this prospectus) as a client in relation to the Offering and will not be responsible to any other persons for providing the protections afforded to clients of the Managers or for providing advice in connection with the Offering or the contents of this prospectus or any other matter referred to in this prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed upon the Managers by applicable regulation, none of the Managers accepts any responsibility whatsoever and makes no representation or warranty, express or implied, for the contents of this prospectus, including its accuracy, completeness or verification, or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the New Shares or the Offering and nothing in this prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future.

The distribution of this prospectus and the offer and sale of the New Shares are restricted by law in certain jurisdictions. The Company and the Managers require persons into whose possession this prospectus comes to inform themselves about, and to observe, any such restrictions. This prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the New Shares in any jurisdiction in which such offer or invitation would be unlawful.

In connection with the Offering, Merrill Lynch International, acting on behalf of the Managers, as stabilization manager, may effect transactions to stabilize the market price of the Shares. Stabilization may result in an exchange or market price of the Shares that is higher than might otherwise prevail and the exchange or market price may reach a level that cannot be maintained on a permanent basis. There is no obligation on the part of the stabilization manager to effect any stabilizing transactions, and any stabilizing, if commenced, may be discontinued at any time, and must be brought to an end no later than 30 days after the date of commencement of trading in the New Shares on the Vienna Stock Exchange.

See *“The Offering—Stabilization”*.

In connection with the Offering, each of the Managers and any of their respective affiliates, acting as an investor for its own account, may take up New Shares in the Offering and in that capacity may retain, purchase or sell for its own account such New Shares or related investments and may offer or sell such New Shares or other investments otherwise than in connection with the Offering. Accordingly, references in the prospectus to New Shares being offered or placed should be read as including any offering or placement of New Shares to any of the Managers or any of their respective affiliates acting in such capacity. None of the Managers intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

CERTAIN U.S. MATTERS

The subscription rights and the New Shares have not been and will not be registered under the Securities Act and may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Accordingly, the subscription rights and the New Shares are being offered and sold in the United States only to QIBs in transactions exempt from the registration requirements of the Securities Act and outside the United States in offshore transactions in reliance on Regulation S. Prospective purchasers are hereby notified that sellers of the New Shares may be relying on the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on offers, sales and transfer of the subscription rights and the New Shares, see "*Selling Restrictions*".

The securities offered hereby have not been recommended by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not passed upon the merits of the Offering or confirmed the accuracy or determined the adequacy of this prospectus. Any representation to the contrary is a criminal offence in the United States.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSONS, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE OR CAUSE TO BE MADE TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT, ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is organized under the laws of the Republic of Austria. The members of the Company's Management and Supervisory Boards are not residents of the United States and all or a substantial portion of the assets of such persons and of the Company are located outside of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Company or such other persons or to enforce against them in U.S. courts judgments obtained in such courts based on the civil liability provisions of the U.S. securities laws. In general, the enforceability in Austrian courts of final judgments of U.S. courts would require retrial of the case in the Republic of Austria.

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In this prospectus, unless the context otherwise requires,

- the "Company" or the "Issuer" refer to OMV Aktiengesellschaft;
- "OMV" or the "Group" refer to OMV Aktiengesellschaft and its consolidated subsidiaries at the relevant time;
- "IFRS" refers to International Financial Reporting Standards, including International Accounting Standards ("IASs") and interpretations published by the International Accounting Standards Board, as adopted by the EU.

FORWARD-LOOKING STATEMENTS

This prospectus contains certain forward-looking statements relating to the Group's business, financial condition, results of operations and strategies, and the industry in which it operates. Forward-looking statements concern future circumstances and results and include other statements that are not historical facts, sometimes identified by the words "might", "will", "should", "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", "seeks", "pursues", "goal" and similar expressions. Such statements reflect the Group's current views with respect to future events and are subject to risks and uncertainties. In this prospectus, forward-looking statements include, *inter alia*, statements relating to:

- the Group's implementation of its strategic initiatives;
- the development of aspects of the Group's results of operations;
- the Group's reserve information, production figures and levels of capacity;
- the Group's competitive position;
- certain financial targets the Group has set for itself;
- the Group's expectations of the impact of risks that affect its business, including those set forth below under "*Risk Factors*";
- future developments in the oil and gas industry (including demand and prices); and
- the Group's future business development, financial position and economic performance and general economic trends and developments.

The Group bases these forward-looking statements on its current plans, estimates, projections and expectations. These statements are based on certain assumptions that, although reasonable at this time, may prove to be erroneous. Investors should not place undue reliance on these forward-looking statements. Should the assumptions which are the basis for forward-looking statements materially change between the approval of the prospectus by the FMA and the completion of the Offering, a supplement to this prospectus in accordance with section 6 of the Capital Markets Act will be published.

Many factors could cause the Group's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors include, *inter alia*,

- changes in general economic and business conditions;
- levels of industry product supply, demand and pricing;

- changes and volatility in currency exchange rates;
- changes in governmental policy, laws and regulations and political and social conditions in the markets in which the Group operates;
- the timing of bringing of new fields on stream;
- material differences from reserve estimates;
- inability to find and develop reserves;
- changes in the competitive environment;
- the success of the Group's ongoing and anticipated acquisitions and divestitures;
- natural disasters and adverse weather conditions;
- other factors that are discussed in more detail under "*Risk Factors*" below; and
- factors that are not known to the Group at this time.

Should one or more of these factors or uncertainties materialize, or should the assumptions underlying the forward-looking statements included in this prospectus prove incorrect, events described in this prospectus might not occur or actual results may deviate materially from those described in this prospectus as anticipated, believed, estimated or expected, and the Group may not be able to achieve its financial targets and strategic objectives. Other than as required by law, in particular under section 6 of the Capital Markets Act, neither the Company nor the Managers intend, or assume any obligation, to update the forward-looking statements set forth in this prospectus.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial statements - documents incorporated by reference

The audited consolidated financial statements of the Company as of, and for the years ended, December 31, 2010, 2009 and 2008, in the English language (including the notes thereto, the "Audited Consolidated Financial Statements") as well as the consolidated interim financial statements (condensed, unaudited) of the Company as of, and for the three months ended, March 31, 2011, in the English language (including the notes thereto, the "Unaudited Consolidated Financial Statements", and together with the Audited Consolidated Financial Statements, the "Consolidated Financial Statements") are incorporated by reference into this prospectus and are defined herein as the "Documents Incorporated by Reference".

The Company has prepared the Audited Consolidated Financial Statements in accordance with IFRS. The Audited Consolidated Financial Statements were audited by Deloitte Audit Wirtschaftsprüfungs GmbH (formerly: Deloitte Wirtschaftsprüfungs GmbH) who are members of the Austrian Chamber of Chartered Accountants and Tax Advisers (*Kammer der Wirtschaftstreuhänder*). Deloitte Audit Wirtschaftprüfungs GmbH have acknowledged the incorporation by reference of their unqualified auditors' opinions in relation to the Audited Consolidated Financial Statements. This acknowledgement is not a consent as defined in Section 7 of the Securities Act. Information, designated as audited in this prospectus, is derived from the Audited Consolidated Financial Statements where the auditor has performed audit tests and procedures necessary for the purpose of expressing an opinion on the Audited Consolidated Financial Statements taken as a whole and not for the purpose of expressing an opinion on individual balances of accounts or summaries of selected transactions.

In the Shareholders' Meeting held on May 17, 2011, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. has been appointed as new auditor for the Group's 2011 financial statements.

The Documents Incorporated by Reference are available at the Company's registered office during usual business hours for 12 months from the date of publication of this prospectus, see "*Documents Available for Inspection*". The Consolidated Financial Statements may be inspected on OMV's website (www.omv.com) under the icons "Investor Relations" and "Download Center" as follows:

(i) OMV Interim Report 2011: the Unaudited Consolidated Financial Statements as of, and for the three months ended, March 31, 2011: consolidated income statement and consolidated statement of comprehensive income, page 12; consolidated balance sheet, page 14; consolidated cash flow statement, page 16; consolidated statement of changes in stockholders' equity, page 17; notes to the consolidated financial statements, pages 13, 15 and 17-20;

(ii) OMV Annual Report 2010: the audited consolidated financial statements as of, and for the year ended, December 31, 2010: consolidated income statement and consolidated statement of comprehensive income, pages 68-69; consolidated balance sheet and changes in stockholders' equity, pages 70-73; consolidated cash flow statement, page 74; notes to the consolidated financial statements, pages 75-149; auditors' report, page 67;

(iii) OMV Annual Report 2009: the audited consolidated financial statements as of, and for the year ended, December 31, 2009: consolidated income statement and consolidated statement of comprehensive income, pages 72-73; consolidated balance sheet and changes in stockholders' equity, pages 74-77; consolidated cash flow statement, page 78; notes to the consolidated financial statements, pages 79-150; auditors' report, page 71;

(iv) OMV Annual Report 2008: the audited consolidated financial statements as of, and for the year ended, December 31, 2008: consolidated income statement, page 69; consolidated balance sheet and changes in stockholders' equity, pages 70-73; consolidated cash flow statement, page 74; notes to the consolidated financial statements, pages 75-146; auditors' report, page 68.

OMV presents its financial statements in euro. References in this prospectus to "USD" or "$" are to

United States dollars, references to "RON" are to the Romanian leu, references to "TRY" are to the Turkish lira, references to "NZD" to New Zealand dollars and references to "euro", "EUR" or "€" are to the currency of the member states of the European Union participating in the Economic and Monetary Union.

Non-IFRS financial measures

This prospectus presents certain measures that are not measures defined by IFRS, including the following:

- "average capital employed" (stockholders' equity including non-controlling interests plus net debt and provisions for pensions, less securities used for asset coverage of pension provisions; average capital employed is calculated as the average of capital employed at the beginning and at the end of a period);
- "average stockholders' equity" (average of stockholders' equity excluding non-controlling interests at the beginning and at the end of a period);
- "capital expenditure" (funds used for acquisitions as well as investments in associated companies and other interests, adjusted for capitalized decommissioning costs, exploration wells that have not found proved reserves, borrowing costs and other additions which by definition are not considered as capital expenditure);
- "gearing ratio" (net debt divided by stockholders' equity including non-controlling interests, expressed as a percentage);
- "net debt" (interest bearing liabilities including bonds and financial lease liabilities less liquid funds, i.e. cash and cash equivalents; average net debt is calculated as the average of net debt at the beginning and at the end of a period);
- "net interest on net debt" (interest income and expenses on net debt plus foreign exchange gains and losses, fair value adjustments and impairment charges on financial instruments, and other financing costs relating to net debt);
- "NOPAT" or "net operating profit after tax" (profit from ordinary activities after taxes plus net interest on net debt and interest on pensions, adjusted for tax effects);
- "production in boe/d" (average daily total hydrocarbon production in a period);
- "return on equity" (net income for the period divided by average stockholders' equity including non-controlling interests, expressed as a percentage, per year); and
- "ROACE" or "return on average capital employed" (net operating profit after tax divided by average capital employed, expressed as a percentage, per year).

Management considers these measures as important indicators of the Group's recurring operations and liquidity and makes a regular use of these measures to evaluate the Group's operations. However, such non-IFRS measures are not measures of operating performance or liquidity under IFRS and should not be considered in isolation or as alternatives to the Group's net income or cash flow measures as determined in accordance with IFRS. Other companies may calculate such non-IFRS measures differently, and consequently OMV's presentation of these figures might not be readily comparable to such non-IFRS measures presented by other companies.

The financial information in this prospectus is not intended to comply with the reporting requirements of the U.S. Securities and Exchange Commission. Compliances with such requirements would require the modification or exclusion of certain financial measures presented in this prospectus.

Rounding adjustments

As is customary in commercial accounting, some numerical figures (including percentages) in this prospectus have been rounded to the nearest whole number or tenth of a million (EUR). As a result, figures shown as totals in some tables may not be the exact arithmetic aggregation of the rounded figures that precede them. Percentages cited in the text, however, were calculated using the actual values rather than the rounded values. Accordingly, in certain cases it is possible that the percentages in the text differ from percentages based on the rounded values.

Market and industry data, ratings and information concerning Petrol Ofisi

This prospectus includes information regarding market share, market position, growth rates and industry data for the Group's lines of business, which consists of estimates based on data and reports compiled by third parties and on the Group's knowledge of its sales and markets. Such third party sources include the International Monetary Fund ("IMF"), the Energy Information Administration ("EIA"), the 2010 Transparency International Corruption Perceptions Index, JBC Energy supply and demand projections, SRI Consulting, the Petroleum Economist Ltd, the Turkish Energy Market Regulatory Authority, DeGolyer and MacNaughton, Wood Mackenzie, the Vienna Stock Exchange, the Istanbul Stock Exchange and various company websites (in particular, www.borealis.com, www.bp.com, www.cez.cz/en/home.html, www.euas.gov.tr, www.verbund.com). In many cases there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring the Company to rely on internally developed estimates. The Company believes that such data are useful in helping investors understand the industry in which the Group operates and the Group's position within the industry. In addition, this prospectus contains information about the Company's Share price, which is based on information from Reuters.

This prospectus also presents the Group's credit ratings from Moody's Investor Services, Inc. ("Moody's") and Fitch, Inc./Fitch Ratings Ltd. ("Fitch"). Moody's is not established in the European Union or registered under Regulation (EC) No. 1060/2009 of September 16, 2009 on credit rating agencies, but has submitted an application for registration of its EU-based entities and for authorization to endorse credit ratings assigned by its non-EU entities to the competent regulatory authorities. Fitch Ratings Ltd. is established in the European Union. Fitch is not registered under Regulation (EC) No. 1060/2009 but has filed an application for registration for the Fitch Ratings group of companies within the EU. In addition, as part of the same application, Fitch Ratings Ltd. in the U.K. applied for permission to endorse ratings from Fitch's non-EU entities.

Furthermore, this prospectus includes financial, operating, business and market information for Petrol Ofisi A.Ş. ("Petrol Ofisi"). Such information was derived from Petrol Ofisi's financial statements and other information made publicly available by Petrol Ofisi, which can be viewed on Petrol Ofisi's website (www.petrolofisi.com).

The Company confirms that the information provided by third parties has been accurately reproduced. So far as the Company is aware and has been able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, neither the Company nor the Managers have independently verified such data. Therefore, neither the Company nor the Managers assume any responsibility for the correctness of any market share, market position, growth rates, industry or other data included in this prospectus. In addition, while the Company believes its internal research to be reliable, such research has not been verified by any independent sources.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available free of charge at the Company's registered office at Trabrennstraße 6-8, A-1020 Vienna, Austria (Tel: +43 (1) 404 40-0), during usual business hours for 12 months from the date of publication of this prospectus:

- the Articles of Association of the Company; and
- the Consolidated Financial Statements.

Copies of this prospectus will be available free of charge during usual business hours from the date of publication of this prospectus until the end of the Offer Period at the Company's registered office at Trabrennstraße 6-8, A-1020 Vienna, Austria.

In addition, the following documents may be inspected on the Company's website (www.omv.com) under "Investor Relations":

- the Articles of Association of the Company;
- this prospectus;
- the Consolidated Financial Statements;
- the Company's publication "OMV Group in figures 2010".

The information displayed on the Company's website or any third party website to which a reference is made in this prospectus does not form a part of this prospectus nor are such websites incorporated by reference in this prospectus, unless explicitly otherwise stated in this prospectus.

The Company furnishes to the United States Securities and Exchange Commission certain information in accordance with Rule 12g3-2(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). If, at any time, the Company is neither subject to Section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b), it will furnish, upon request, to any holder of the Company's common shares, any owner of any beneficial interest in the common shares or any prospective purchaser designated by a holder of common shares or such an owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

SUMMARY

***Warning**: The following summary must be read as an introduction to this prospectus, and any decision to invest in the New Shares should be based on a consideration of this prospectus as a whole, including the Consolidated Financial Statements and the matters set out under "Risk Factors". Civil liability attaches to those persons who have tabled this summary, including any translation thereof, and applied for its notification, but only if this summary is misleading, inaccurate or inconsistent when read together with the other sections of this prospectus. Where a claim relating to the information contained in this prospectus is brought before a court, a plaintiff investor might, under the national legislation of the relevant member state of the European Economic Area, have to bear the costs of translating this prospectus before the legal proceedings are initiated. In the event that such legal proceedings are initiated before a court in Austria, a German translation of the prospectus will be required, and the costs thereof will have to be borne initially by the plaintiff investor and ultimately by the party held to be responsible therefor in the legal proceedings.*

OMV

Business

According to management estimates, OMV is one of the leading energy companies in Central and Southeastern Europe ("CE/SEE") in terms of proved oil and gas reserves, production and refining capacity and overall market share in the marketing business in CE/SEE. OMV's core business segments are (i) Exploration and Production (of oil and gas); (ii) Refining and Marketing including petrochemicals; and (iii) Gas and Power. In 2010, OMV generated sales of EUR 23,323.4 million and EBIT of EUR 2,333.8 million. As of December 31, 2010, the Company's market capitalization was approximately EUR 9,300 million.

The *Exploration and Production* ("E&P") business segment explores, develops and produces crude oil, natural gas liquids and natural gas. In 2010, OMV's oil and gas production was approximately 318,000 barrels of oil equivalent per day ("boe/d") and its proven reserves were approximately 1.15 billion barrels of oil equivalent ("boe") at December 31, 2010. In its core assets in Austria and Romania, OMV is focusing on reducing the natural decline and enhancing recovery rates from mature fields. Future growth is expected to come via new field developments, exploration and acquisitions internationally. OMV intends to develop the existing portfolio to and beyond critical mass on a production per country basis and is looking to find new areas for expansion within the Caspian, Middle East and North Africa regions where OMV can leverage its existing E&P exposure. On September 20, 2010, OMV signed a sale and purchase agreement to acquire oil and gas exploration and production interests in Pakistan from PETRONAS International Corporation Limited. The closing of the transaction, which is subject to certain conditions precedent, is envisaged in 2011. On February 18, 2011, OMV completed the acquisition of two Tunisian E&P subsidiaries from Pioneer Natural Resources. The two transactions are (upon closing) expected to result in a substantial increase of OMV's production and reserves base in Pakistan and Tunisia.

The *Refining and Marketing including petrochemicals* ("R&M") business segment operates refineries in Schwechat, Austria, and Burghausen, Southern Germany, both with integrated petrochemical complexes. Together with Bayernoil Raffineriegesellschaft mbH ("Bayernoil"), Southern Germany, in which OMV has a 45.00% stake (as of March 31, 2011), and the Petrobrazi refinery in Romania, OMV's refineries have a total annual capacity of 22.3 million metric tonnes ("tonnes") or 460,000 barrels per day ("bbl/d") (as of March 31, 2011). On December 22, 2010, OMV completed the acquisition of Doğan Holding's 54.14% interest in Petrol Ofisi, giving OMV a 95.72% interest in a leading Turkish refined product marketing company and further establishing Turkey as the Group's third integrated regional growth hub. In March 2011, OMV has increased its interest in Petrol Ofisi to 96.98% as a result of a mandatory offer to free float shareholders. As of December 31, 2010, OMV had a network of 4,771 filling stations that spanned across 12 CE/SEE countries and Turkey.

The *Gas and Power* ("G&P") business segment is active in various stages of the gas value chain and consists of four business lines: (i) gas supply; (ii) gas logistics, involving transport and storage; (iii) power generation; and (iv) marketing and trading. OMV imports large amounts of natural gas to Austria – largely from Russia and Norway – and sells treated gas produced at its own fields ("equity gas"). With about one third of all Russian gas exports to Western Europe passing through OMV's Baumgarten gas turntable, OMV plays an important role in gas transit. Its 2,000 kilometer ("km") pipeline network and its gas storage facilities contribute to the security of supply in Austria and beyond. The Central European Gas Hub ("CEGH"), originally a wholly owned subsidiary of OMV Gas & Power GmbH and since June 2010 co-owned by OMV Gas & Power GmbH (80%) and Wiener Börse AG (20%), is OMV's gas trading platform. It serves as delivery point and service provider, while the related CEGH gas exchange, established in 2009 to offer exchange trading functions (in addition to OTC trading), is operated by, and under the license of, the Vienna Stock Exchange. Core markets for OMV's gas marketing and trading business are Austria, Germany, Italy, Hungary, Romania and Turkey. By entering the power business, OMV intends to extend its value chain from gas to electricity. The new power business will focus on markets with what management considers to be sound potential for integration with other OMV operations – especially in Austria, Germany, Romania and Turkey.

Strengths

- Leading market position in the CE/SEE and Turkish markets
- Balanced and integrated asset portfolio
- Well-balanced international E&P portfolio
- Long-term technical and commercial expertise in exploitation, development and exploration
- Experienced management team with track record of growth
- Solid financial structure and conservative financial policy
- Positioned in growing natural gas transportation and supply business

Strategy

OMV is operating in a challenging industry environment characterized by high oil price volatility, high investment needs to contribute to a low carbon economy, as well as the need to diversify and secure energy supply. Against this background, OMV has positioned itself as an integrated market player in the "European Growth Belt", which OMV defines as reaching from the Baltic Sea in the north, extending southeast and encompassing the countries of Central and Southeastern Europe, to Turkey in the south. OMV's strategic framework for sustainable growth is the "3plus" strategy pursuant to which OMV focuses on three integrated businesses (E&P, R&M and G&P). This enables OMV to benefit from Group-wide synergies, thereby leveraging its integrated position. OMV is active in the geographical markets CE/SEE and Turkey, plus the producing areas that provide supplies to them. OMV is guided by three core values (pioneers, professionals and partners), which are the basis for the expansion of the business portfolio towards sustainability. Going forward, OMV has the vision to shape the energy industry by:

- optimizing downstream business within its growth markets and connecting it to supply regions;
- focusing on reducing the natural decline and enhancing recovery rates from mature fields in its core assets in Austria and Romania, as well as achieving and exceeding critical mass on a per country basis in the current international E&P portfolio and finding new areas for expansion to build a future E&P portfolio;

- adapting the corporate portfolio by strengthening the G&P business and through selective investments in electrical power and renewable energy;
- realizing cost and revenue synergies through an integrated position and rigorous cost and capital discipline; and
- creating sustainable value.

The Offering

The Offering	The Offering comprises the Rights Offering and the International Offering.
The Rights Offering	The Company's shareholders are invited to exercise their subscription rights to subscribe for the New Shares.
The International Offering	New Shares for which subscription rights are not exercised in the Rights Offering will be offered in (i) a public offering to retail and institutional investors in the Republic of Austria and (ii) a private placement outside the Republic of Austria to institutional investors, including a private placement in the United States to QIBs in reliance on Rule 144A under the Securities Act. The definitive number of New Shares available for sale in the International Offering will be determined after expiration of the Subscription Period. The Managers reserve the right to reject any order in the International Offering in whole or in part.
New Shares	Up to 27,272,727 newly issued ordinary no-par value bearer shares with a calculated notional amount of EUR 1.00 per share. Each New Share carries a right to one vote at the Company's Shareholders' Meeting and full dividend rights from, and including, the financial year starting January 1, 2011.
Managers	Barclays Bank PLC, Deutsche Bank Aktiengesellschaft, J.P. Morgan Securities Ltd., Merrill Lynch International, UniCredit Bank Austria AG, BNP PARIBAS, Crédit Agricole Corporate and Investment Bank, Erste Group Bank AG, Raiffeisen Centrobank AG and SOCIÉTÉ GÉNÉRALE.
Maximum Offer Price	EUR 33 per New Share.
Offer Price	The Offer Price will be determined by the Company in consultation with the Joint Bookrunners on or about June 6, 2011 upon conclusion of the book-building process and taking

	into account the closing price of the Existing Shares on the Vienna Stock Exchange on or about June 6, 2011.
Publication of Offer Price and Number of New Shares	The Offer Price and the actual number of New Shares sold in the Offering are expected to be announced on or about June 6, 2011 (see "*The Offering*").
Subscription Period and Offer Period........................	The Subscription Period during which shareholders of the Company may exercise their subscription rights begins on May 19, 2011 and is expected to end on June 6, 2011 at 12:00 noon CET. The Offer Period during which investors may offer to purchase New Shares in the International Offering begins on May 19, 2011 and is expected to end on June 6, 2011. The Offering may be terminated, suspended or extended, the Subscription Period or the Offer Period may be extended or terminated, or the Offer Period may be shortened at the absolute discretion of the Company and the Managers at any time.
Subscription ratio	Based on the subscription ratio of 1:11, shareholders and holder of subscription rights are entitled to subscribe for 1 New Share for every 11 subscription rights held, at the Offer Price, which will be equal to or below the maximum Offer Price.
Exercise of subscription rights	Subscription rights may be exercised during the Subscription Period during ordinary business hours. Holders of subscription rights held through a depositary bank that maintains a securities account with OeKB or a financial institution that is a participant in Euroclear or Clearstream, are required to exercise their subscription rights by instructing such bank or financial institution to subscribe for New Shares on their behalf. Shareholders who do not wish to exercise their subscription rights at the maximum Offer Price, but who submit a subscription order at a price lower than the maximum Offer Price, will be allocated a number of New Shares corresponding to the number of subscription rights exercised by such shareholder only if the price limit set by the shareholder is not lower than the Offer Price. Subscription rights will expire without value if the price limit set by the shareholder is lower than the Offer Price. The subscription rights will expire at the end of the Subscription Period on June 6, 2011 at 12:00 noon

	CET. The exercise of subscription rights and the New Shares have not been and will not be registered under the securities laws of any jurisdiction other than the Republic of Austria. Foreign shareholders may therefore be restricted in exercising their subscription rights. In particular, the subscription rights and the New Shares have not been and will not be registered under the Securities Act or any U.S. state securities laws. Accordingly, subscription rights may be exercised only outside the United States in reliance on Regulation S under the Securities Act and in the United States by QIBs who comply with the requirements described under "*Selling Restrictions*". Holders of American Depositary Receipts ("ADRs") under the Company's ADR program will not be permitted to effect subscription for New Shares in respect of the ordinary shares that are represented by the ADRs. No application has been or will be made for trading of the subscription rights on any stock exchange.
Participation of ÖIAG and IPIC	ÖIAG has announced to substantially take part in the Offering and to maintain a shareholding of at least 30% in the Company. International Petroleum Investment Company of Abu Dhabi, United Arab Emirates ("IPIC") has informed the Company that it will exercise its subscriptions rights in the Rights Offering.
Form, Delivery and Payment of New Shares	The New Shares will be represented by a modifiable global certificate that has been deposited with OeKB. Delivery of the New Shares assigned in the Rights Offering and allotted in the International Offering against payment of the Offer Price is expected to take place on June 10, 2011. No physical share certificates will be delivered.
Stock Exchange Listing	The Existing Shares are listed on the Official Market of the Vienna Stock Exchange under the symbol "OMV" and traded in the prime market segment thereof. Application will be made to list the New Shares in the Official Market of the Vienna Stock Exchange. It is expected that the New Shares will be traded in the prime market segment starting on or about June 8, 2011.
Lock-up	The Company and its shareholder ÖIAG have undertaken vis-à-vis the Managers for a period of 180 days from the Closing Date, not to undertake,

	without the prior written consent of the Joint Bookrunners, certain measures which could have an effect on the market for the Shares, including capital increases, offers, pledges, sales of Shares or options on or securities convertible into Shares or other measures which, directly or indirectly, transfer ownership of Shares, subject, in the case of the Company, to certain exceptions (for further information on the lock-up provisions, see *"Underwriting—Lock-up")*.
International Securities Identification Number (ISIN)	AT0000743059 (Existing Shares and New Shares), AT0000A0FA73 (subscription rights)
Reuters Symbol	OMVV.VI
Trading Symbol..	OMV

Use of proceeds

Based on the closing price of the Existing Shares on the Vienna Stock Exchange on May 16, 2011 of EUR 29.95 and assuming that the maximum number of 27,272,727 New Shares is sold in the Offering, the gross proceeds from the sale of the New Shares are expected to amount to approximately EUR 816.8 million. The Issuer estimates that its total Offering-related expenses (including commissions of the Managers) will be approximately EUR 27.8 million and expects to receive net proceeds in the amount of approximately EUR 789.0 million.

The Issuer intends to use the net proceeds for the refinancing of the acquisitions of an additional 55.40% interest in Petrol Ofisi (following a mandatory offer to free float shareholders, see "*Petrol Ofisi*") and of two Tunisian E&P subsidiaries from Pioneer Natural Resources or for general corporate purposes.

Summary of risk factors

Before deciding to purchase the New Shares, investors should carefully consider certain risks. The price of the Shares may decline if any of these or other risks materialize and investors could lose all or part of their investment. These risks, which are presented in detail in the section "*Risk Factors*" below, include in particular:

Risks related to the recent financial and economic crisis and volatile economic environment

Strategic risks

- A decline in the prices of crude oil, natural gas, petroleum products and electricity would have an adverse effect on the Group's results of operations.
- A decline in refining margins would negatively affect the Group's results of operations.
- The Group is exposed to the cyclicality of the petrochemical industry; future developments of petrochemical product prices are unpredictable and may have a material adverse effect on the Group's business.
- The Group must acquire or develop additional oil and gas reserves to sustain its current

reserve and production levels.

- The Group's strategy in the G&P business significantly depends on the availability of new gas supply on the international markets.
- The Group's oil and natural gas reserves data presented in this prospectus are only estimates which may vary significantly from the actual quantities of oil and gas reserves that may be recovered.
- The Group is dependent on natural gas supplies from Russia. The Group's gas supply contracts with Gazprom could be modified or may not be renewed.
- The Group's growth strategy through acquisitions exposes it to numerous risks.
- The Group's development may be affected by slower growth in the markets in which it operates.
- The Group's petrochemicals business is substantially dependent on a single customer for a majority of its sales.
- A substantial portion of the Group's assets and operations outside of Europe are exposed to political and economic risks, and future disruptions may have a material adverse effect on the Group's business.
- Violations of sanctions could subject the Group to penalties.
- The Group's activities are subject to antitrust and competition laws and regulations and the Group may be subject to antitrust proceedings or additional new regulations.
- The Group is exposed to changes in the taxes and tariffs imposed on its operations.
- The Group faces competition from other oil and gas companies in all areas of its operations.
- The Group has various relationships with different stakeholders, which could result in conflicts of interest.

Country-specific risks

- The Group has made investments in countries in CE/SEE which have gone through a recession.
- Economic and political developments in CE/SEE and Turkey and the entrance of new competitors in the regions' markets may negatively affect the development of the Group's business.
- The legal systems and procedural safeguards in certain CE/SEE countries and Turkey are not yet fully developed and material changes in law may occur.
- Bureaucracy, corruption, deficiencies of the legal system, economic contraction and wide-ranging competencies of audit agencies may adversely affect the Group's operations in Romania.
- Deficiencies of the legal system, contradictory policies and a deterioration of the investment climate may adversely affect the Group's operations in Turkey.
- Economic, political, legal and social instability as well as the risk of not being awarded the

necessary exploration licenses may adversely affect the Group's operations in Libya, Tunisia, Egypt, Pakistan, Yemen, the Kurdistan Region of Iraq and Kazakhstan (together the "Operating Region").

- Shortfalls in crude oil supplies from Libya and Yemen could adversely affect the Group's business.
- Petrom's business may be negatively affected if Petrom's exploration licenses are not renewed.
- Petrom's business may be negatively affected if Petrom is required to comply with Romanian public procurement regulations.
- Petrom is a party to labor related litigation and may face further claims by employees, and co-determination rights of Petrom's employees could constrain restructuring measures, all of which may have a material adverse effect on Petrom's and the Group's business. Petrom is accused of a breach of Romanian competition laws, could be subject to compensation claims in connection with expropriations and may have to bear substantial environmental restoration costs.
- Petrol Ofisi may incur significant costs to obtain necessary permits and could be subject to losses as a result of lacking insurance and hedging measures.
- The Group's recent acquisition of additional assets in Tunisia is subject to risks arising from the current political climate.

Risks related to the environment

- Future climate change and carbon pricing may result in increased expenditure and reduced profitability.
- The Group is subject to stringent environmental and health and safety regulations which result in costs relating to compliance and remediation that may adversely affect its results of operations and financial condition.
- The Group's operations are dependent on the allocation of sufficient allowances under the EU Emission Trading Scheme.
- The Group's exposure to weather conditions may negatively affect demand for the Group's products.
- Aging infrastructure in the Group's operations, improper waste management and operational incidents, in particular in connection with the Group's offshore activities, may lead to spills, leakages and other contamination. Such incidents and contamination may cause substantial environmental decommissioning and restoration costs and damage communities and the Group's reputation.

Compliance and control risks

- Government intervention and regulation may have a material adverse effect on the Group's business. The Group might not be able to comply with its obligations under licences.
- Incidents of ethical misconduct or non-compliance with applicable laws and regulations could be damaging to the Group's reputation and shareholder value.

Operational risks

- The Group is subject to operational risks relating to the exploration, production, transportation and storage of oil and gas, crude refining and processing and, in the future, power generation. Some of these risks may be uninsured or uninsurable.

- The Group may experience operational, political and/or technological problems which may delay or hinder the progress of ongoing and planned projects.

- The Group may be required to curtail, delay or cancel drilling operations.

- Failure to meet product quality standards may have a material adverse effect on the Group's business.

- Inadequate contingency plans or crisis management may have a material adverse effect on the Group's business.

- Acts of terrorism could severely disrupt the Group's business.

- The Group's investment with partners and in joint ventures may reduce its ability to manage risks and costs.

- Shortcomings or failures in the Group's systems, risk management, internal controls processes or personnel could lead to disruption of its business.

- Major disruption of the Group's information technology systems may have a material adverse effect on the Group's business.

- The Group is dependent on its key personnel.

- Litigation and disputes may have a material adverse effect on the Group's business.

Financial risks

- Movements in foreign currency exchange rates can have a material effect on the Group's results of operations and financial condition.

- Movements in interest rates may have a material adverse effect on the Group's business.

- Liquidity problems could have a material adverse effect on the Group's business, results of operation and financial condition.

- A failure of the Offering could harm the Group's credit rating.

- Adverse financial market conditions may affect the Group's ability to refinance.

- The Group may incur future costs with respect to its defined benefit pension plans.

- The covenants contained in the Group's financing arrangements may limit its financial and operating flexibility.

- The failure of counterparties to pay amounts due may have a material adverse effect on the Group's business.

- Actual results could differ from accounting estimates and such differences may have a

material adverse effect on the Group's business.

- Declining and/or volatile commodity prices could have an adverse effect on the Group's results of operations.

Risks related to the Shares

- The Company's major shareholders may continue to exercise significant influence over the Group's strategic direction and major corporate actions.

- Investors resident in countries other than Austria may suffer dilution if they are unable to exercise pre-emptive rights in future capital increases.

- The market price of the Shares is volatile and could be adversely affected by future sales of the Shares in the public market.

- Shareholders are exposed to the risk of a failure of the Company to make dividend payments.

- Shareholders' interests in the Company may be diluted if the Company issues additional shares in the future.

- A suspension of trading in the Shares could adversely affect the share price.

Summary consolidated financial data

The following summary consolidated financial data should be read in conjunction with, and are qualified by reference to, "Operating and Financial Review" and the Consolidated Financial Statements incorporated into this prospectus by reference. The consolidated financial data presented below are derived from the Consolidated Financial Statements and internal data.

	Three months ended March 31,		Year ended December 31,		
	2011	2010	2010	2009	2008
	(in EUR million, except as otherwise noted)				
	(unaudited)		(audited)		
Consolidated Income Statement Data					
Sales revenues	8,071.5	5,284.6	23,323.4	17,917.3	25,542.6
Direct selling expenses	(69.9)	(49.9)	(244.8)	(212.7)	(238.4)
Costs of sales	(6,748.8)	(4,205.6)	(19,188.0)	(14,703.6)	(20,704.4)
Gross profit	**1,252.8**	**1,029.1**	**3,890.7**	**3,001.0**	**4,599.8**
Other operating income	69.9	73.9	250.5	223.6	278.4
Selling expenses	(214.7)	(177.2)	(755.5)	(800.1)	(881.6)
Administrative expenses	(114.4)	(74.2)	(327.3)	(299.9)	(279.2)
Exploration expenses	(55.4)	(35.1)	(238.7)	(239.1)	(334.0)
Research and development expenses	(3.8)	(2.8)	(15.8)	(14.4)	(13.6)
Other operating expenses	(127.1)	(103.2)	(470.1)	(461.3)	(1,030.1)
Earnings before interest and taxes (EBIT)	**807.2**	**710.4**	**2,333.8**	**1,409.9**	**2,339.7**
Income from associated companies	70.9	26.4	91.7	65.5	117.9
Dividend income	0.1	2.9	10.0	11.6	91.6
Net interest result	(94.7)	(78.6)	(335.9)	(297.8)	(213.5)
Other financial income and expenses	(84.7)	36.6	(139.0)	(7.5)	(26.6)
Net financial result	**(108.5)**	**(12.7)**	**(373.2)**	**(228.1)**	**(30.6)**
Profit from ordinary activities	**698.8**	**697.7**	**1,960.6**	**1,181.8**	**2,309.1**
Taxes on income	(225.3)	(241.3)	(746.5)	(464.9)	(780.1)
Net income for the period	**473.4**	**456.4**	**1,214.1**	**716.9**	**1,529.0**
thereof attributable to owners of the parent	364.9	345.9	920.6	571.7	1,374.4
thereof attributable to non-controlling interests	108.5	110.6	293.5	145.2	154.5
Consolidated Statement of Cash Flows Data					
Cash flows from operating activities	891.9	747.2	2,886.3	1,846.7	3,214.2
Cash flows from investing activities	(1,190.6)	(473.0)	(2,875.1)	(1,209.9)	(3,404.4)
Cash flows from financing activities	(324.4)	760.3	255.9	(657.5)	209.0
Net increase/(decrease) in cash and cash equivalents	(631.4)	1,046.3	271.6	(25.5)	0.5
Basic earnings per share (in EUR)	1.22	1.16	3.08	1.91	4.60
Dividend per share (in EUR)	n.a.	n.a.	1.00	1.00	1.00

	As of March 31,	As of December 31,		
	2011	2010	2009	2008
	(in EUR million)			
	(unaudited)	(audited)		
Consolidated Balance Sheet Data				
Non-current assets	19,377.9	18,670.3	15,615.8	15,351.3
Deferred taxes	214.3	189.6	177.6	140.3
Current assets	7,473.5	7,544.0	5,621.8	5,884.4
Total assets	**27,065.7**	**26,403.8**	**21,415.2**	**21,376.0**
Equity	11,547.3	11,312.3	10,034.8	9,363.2
Non-current liabilities	7,846.3	8,335.2	6,353.8	5,833.2
Deferred taxes	796.4	535.8	295.1	363.2
Current liabilities	6,875.8	6,220.4	4,731.6	5,816.4
Total equity and liabilities	**27,065.7**	**26,403.8**	**21,415.2**	**21,376.0**

	Three months ended March 31,		Year ended December 31,		
	2011	2010	2010	2009	2008
	(in EUR million, except as otherwise noted)				
	(unaudited)		(audited)		
Other Financial Data[1]					
Return on equity (in %)[2]	17%	18%	11%	7%	16%
Average capital employed[3]	17,156.3	14,067.4	14,274.3	13,638.7	13,341.3
NOPAT[4]	581.9	467.7	1,433.4	814.9	1,623.7
ROACE (in %)[5]	14%	13%	10%	6%	12%
Production (in boe/d)	304,000	317,000	318,000	317,000	317,000

(1) For further information on the use of these non-IFRS measures, including the limitation of these measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(2) Return on equity is defined as net income for the period divided by average stockholders' equity including non-controlling interests, expressed as a percentage, per year.

(3) Capital employed is defined as stockholders' equity including non-controlling interests plus net debt and provisions for pensions, less securities used for asset coverage of pension provisions. Average capital employed is calculated as the average of capital employed at the beginning and at the end of a period. Average capital employed in 2010 has been adjusted for the acquisition of Petrol Ofisi, i.e. the effects from the acquisition of Petrol Ofisi on capital employed as of December 31, 2010 have been excluded.

(4) Net operating profit after tax ("NOPAT") is defined as profit from ordinary activities after taxes plus net interest on net debt and interest on pensions, adjusted for tax effects.

(5) Return on average capital employed ("ROACE") is defined as NOPAT divided by average capital employed, expressed as a percentage, per year.

RISK FACTORS

Prospective investors should carefully review the following risk factors in conjunction with the other information contained in this prospectus before making an investment in the New Shares. If these risks materialize, individually or together with other circumstances, they may have a material adverse effect on the Group's business, results of operations and financial condition. The risks described below are in the Group's opinion, the most significant risks of which it is currently aware, but the list does not purport to be exhaustive, and the risks described are not the only risks to which OMV is exposed. The order in which the individual risks are presented does not provide an indication of the likelihood of their occurrence nor of the severity or significance of the individual risks. Additional risks not currently known to the Group or that it currently believes are immaterial may also adversely affect its business, financial condition and results of operations. Should any of these risks materialize, the trading price of the Shares could decline, and investors could lose all or part of their investment.

Risks related to the recent financial and economic crisis and volatile economic environment

The global financial and economic crisis and volatile economic environment illustrated the potential impact of certain risks on the Group that can have material adverse effects on the Group's business, results of operations and financial condition. The Group may ultimately face major challenges in a period of prolonged adverse economic conditions. Oil and gas prices and margins could fall and remain lower than in recent times due to reduced demand; the degree to which producers reduce production could also in part affect prices and margins. At the same time, governments face greater pressure on public finances leading to the risk of increased taxation. Adverse economic conditions may also lead to intensified competition for market share and available margin, with consequential adverse effects on volumes and prices. The financial and economic situation may also have a negative impact on third parties with whom the Group does, or will do, business. If there is an extended period of constraint in the capital or credit markets, at a time when cash flows from the Group's business operations may be under pressure, this may impact the Group's ability to fund its operations or maintain its long-term investment program, with a consequent negative effect on its business, and may impact shareholder returns, including dividends or the Company's share price. Changes in the Group's debt ratings could have a material adverse effect on its cost or sources of financing. Decreases in the funded levels of the Group's pension plans may increase the Group's pension funding requirements.

Strategic risks

A decline in the prices of crude oil, natural gas, petroleum products and electricity would have an adverse effect on the Group's results of operations.

The demand for and prices of crude oil, natural gas, petroleum products and electrical power depend on a variety of factors over which the Group has no control, including:

- global and regional economic and political developments in resource-producing regions, in particular in the Middle East;
- international supply and demand;
- the level of consumer and industry demand;
- weather conditions;
- the price and availability of alternative products;
- actions taken by governments;
- governmentally regulated supply tariffs for gas and electrical power;

- the impact of certain economic and political events; and
- the ability of international cartels (such as OPEC) and oil-producing nations to influence production levels and prices.

Historically, international crude oil and natural gas prices have fluctuated widely. A material decline in the price of crude oil or natural gas would have a material adverse effect on the Group's results of operations and reserves estimates. Furthermore, lower crude oil and natural gas prices may also reduce the amount of oil and natural gas that the Group can produce economically or reduce the economic viability of projects planned or in development and may have a material adverse effect on the Group's business, results of operations and financial condition.

Furthermore, rapid material and/or sustained changes in oil, gas and petroleum product and electricity prices can impact the validity of the assumptions on which strategic decisions are based and, as a result, the ensuing actions derived from those decisions may no longer be appropriate. For example, a prolonged period of low oil, gas or petroleum product or electricity prices may affect the Group's ability to maintain its long-term investment program, which is based on certain assumptions concerning price developments. Price declines could prevent the Group from maintaining earnings and cash flows at a level sufficient to meet its targets and to fund the Group's planned capital expenditure and may have a material adverse effect on the Group's business, results of operations and financial condition.

A decline in refining margins would negatively affect the Group's results of operations.

The operating results of the Group's refining business depend largely on the spread, or margin, between prices the Group can obtain in the market for its refined petroleum products and prices it pays for crude oil and other feedstocks. The cost to acquire feedstocks and the prices at which the Group can ultimately sell refined products depend on a variety of factors beyond the Group's control. The Group's refining margins have fluctuated, and will continue to fluctuate, due to numerous factors, including:

- changes in operating capacity of refineries in the markets the Group serves and the rest of the world;
- changes in the differentials between different quality crude oil prices on international markets;
- changes in the supply of refined products, including imports (e.g. the proportion of crude oil sourced from Libya, which totaled approximately one fifth of the Group's crude oil supplies in 2010, may decrease as a result of the current unrest and could disrupt the Group's refining operations with respect to certain high-quality products and require it to shift to end products with lower prices and margins);
- variations in demand for crude oil and refined products in the markets the Group serves as well as global markets; and
- changes in environmental or other regulations, which could require the Group to make substantial expenditures without necessarily increasing the capacity or operating efficiency of the Group's refineries.

Although an increase or decrease in the price of crude oil generally results in a corresponding increase or decrease in the price of the majority of refined products, changes in the prices of refined products generally lag behind upward and downward changes in crude oil prices. As a result, a rapid and significant increase in the market price for crude oil has an adverse impact on refining margins. Accordingly, the oil price increase as a result of the political unrest in a number of countries in the Middle East, in particular Libya, could adversely affect the Group's refining margins. Furthermore, the movements in the price of crude oil and refining margins may not correlate at any given time. Any such decline in refining margins may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group is exposed to the cyclicality of the petrochemical industry; future developments of petrochemical product prices are unpredictable and may have a material adverse effect on the Group's business.

The Group produces and markets petrochemical products, such as ethylene and propylene. In addition, the Group owns a 36.00% interest (as of December 31, 2010) in Borealis, a leading manufacturer of polyolefins and melamine. Prices of petrochemical products have been cyclical as a result of shifts in European and worldwide production capacity and demand patterns. The petrochemical industry historically has experienced alternating periods of tight supply, causing prices and margins to increase, followed by periods of substantial additions to capacity, resulting in excess supply and declining prices and margins. There can be no assurance that future demand for ethylene and propylene and their by-products will be sufficient to utilize fully the Group's current and anticipated capacity. Excess capacity, to the extent it occurs, may depress prices and margins. Additions to industry capacity may adversely affect market conditions. Future developments of petrochemical product prices are unpredictable and may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group must acquire or develop additional oil and gas reserves to sustain its current reserve and production levels.

The Group's future production is dependent on its success in finding and developing or acquiring additional proved oil and natural gas reserves. A material part of the Group's reserves consists of mature oil fields in Austria and Romania. OMV's average reserve replacement ratio was 82% over the past three years. For the year 2010, the ratio was 70% (2009: 85%). The Group is currently pursuing the extension or award of new exploration licences. In 2010, OMV's capital expenditure in the E&P segment amounted to EUR 1,252 million, which were mainly invested in Romania, Kazakhstan and Yemen. However, the Group's exploration and development activities or efforts to purchase proved reserves may fail, or its discoveries or purchases may turn out to be insufficient to replenish its current reserves. The challenges to extension of the Group's reserves are growing due to increasing competition for access to opportunities globally. Additional exploration and production from oil reserves can also be limited by international cartels such as OPEC. If the Group is unsuccessful, it will not meet its production targets and its total proved reserves will decline, which will have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's future oil and gas production depends on the success of large projects. In connection with these projects, the Group faces numerous challenges. These include uncertain geology, frontier conditions, availability of new technology and engineering capacity, availability of employees, project delays and cost overruns, as well as technical, fiscal, regulatory, political and other conditions. Such obstacles may impair these projects and, in turn, the Group's business, results of operations and financial condition.

The Group's strategy in the G&P business significantly depends on the availability of new gas supply on the international markets.

In line with the Group's strategic targets in the G&P business, additional gas supply contracts have to be concluded to increase the Group's sales volumes and support the transportation, storage and electrical power business. If it is not possible to so secure new natural gas supply sources on reasonable terms or on a timely basis, the Group's integrated growth strategy in the G&P business might fail or may not be realized as planned, which may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's oil and natural gas reserves data presented in this prospectus are only estimates which may vary significantly from the actual quantities of oil and gas reserves that may be recovered.

The reserves data set forth in this prospectus represent only estimates and should not be construed as exact quantities. Numerous uncertainties are inherent in estimating quantities of proved reserves, future rates of production, and the timing of development expenditures. The reliability of proved reserve

estimates depends on a number of factors, assumptions and variables, many of which are beyond the Group's control. These include:

- the quality and quantity of available geological, technical and economic data;
- whether the prevailing tax rules and other government regulations, contractual conditions, oil, gas and other prices will remain the same as on the date the estimates were made;
- the production performance of the Group's reservoirs; and
- extensive engineering interpretation and judgment.

Results of drilling, testing and production after the date of the estimates may require substantial downward revisions in the Group's reserve data. Any downward adjustment could lead to lower future production and higher depreciation charges, and thus adversely affect the Group's results of operations, financial condition and future prospects.

The Group is dependent on natural gas supplies from Russia. The Group's gas supply contracts with Gazprom could be modified or may not be renewed.

The Group depends to a large extent on supplies of natural gas from Russia for its gas supply, marketing and trading business. In 2010, approximately 24% of its total natural gas supplies were sourced from Russia.

At the beginning of 2009, for instance, a fortnight-long halt of Russian gas imports affected large parts of Europe and there can be no assurance that the Group will not experience interruptions in the future and that the Group would be able to compensate any disruptions to supply or short delivery.

The Group's current supply contracts with Gazprom expire in 2027. Furthermore, Gazprom could modify the terms of the agreements under certain circumstances, as such long-term supply contracts contain clauses under which both parties have the right to demand price revisions in case of changing market conditions. If Gazprom fails to perform under the Group's supply agreements, or if the agreements are modified or not renewed, the Group might not be able to find alternative sources of natural gas on comparable terms or on a timely basis, which may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group has long-term gas supply contracts in place whose price formulas are based on oil products. These contracts contain clauses under which both parties have the right to demand price revisions in case of changing market conditions. Due to the development of liquid spot markets for natural gas in Europe, in situations of gas oversupply prices in the spot markets may be below the Group's long-term oil-based gas prices, which may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's growth strategy through acquisitions exposes it to numerous risks.

The Group has completed a number of acquisitions. The Group's most significant past acquisitions include the acquisition of a substantial number of retail outlets in CE/SEE, a 51.01% interest in the Romanian oil and gas company Petrom, a 45.00% interest in the Bayernoil refining network in Southern Germany, and a 95.72% interest (including the additional 54.14% interest acquired in December 2010) in Petrol Ofisi, a leading oil marketing firm in Turkey (all of December 31, 2010). In May 2009, the Group acquired a 10.00% share in Pearl Petroleum Company Limited which is active in oil and gas development, exploration and production in the Kurdistan Region of Iraq and, in February 2011, OMV completed the acquisition of two Tunisian E&P subsidiaries of Pioneer Natural Resources.

The Group continually seeks opportunities to strengthen operations in its markets both through organic growth and further acquisitions. Acquisitions raise significant management and financial challenges, including:

- the need to integrate the acquired company's infrastructure, including management information systems, risk and asset-liability management systems;
- the resolution of outstanding legal, regulatory, contractual or labor issues arising from the acquisition; this includes the risk of administrative fines if e.g. merger control applications are not filed in jurisdictions judged to be of minor significance or where the legal situation is unclear;
- the integration of marketing, customer service and product offerings;
- the integration of different company and management cultures; and
- the realization of targeted synergies.

Moreover, integrating and consolidating acquired operations, personnel and information systems requires the dedication of management resources that may divert attention from its day-to-day business and disrupt key operating activities, difficulties that may be increased by the necessity of coordinating geographically separated organizations.

There can be no assurance that the Group will be able to identify future acquisition targets, that acquired businesses will be fully integrated into the Group or that expected cost savings and revenue generation opportunities will be realized. Therefore, the Group's past or future acquisitions may fail. Likewise, there can be no assurance that existing or future joint ventures and cooperations will turn out satisfactory and the strategic goals will be reached. In particular, commercial or other problems of the Group's joint ventures and cooperation partners may have a negative effect on the Group.

If some or all of the Group's existing or future acquisitions, joint ventures or cooperations prove to be unsuccessful, this may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's development may be affected by slower growth in the markets in which it operates.

The Group's strategy has relied, and will continue to rely, on its ability to identify and enter new product areas, customer segments and geographic markets. The Group has pursued this strategy through a combination of organic growth and various acquisitions. The Group's organic development will depend in large part on the market conditions of the sectors of its activities in the countries in which the Group operates. The economies in these countries may continue to be restrained in the coming years. The current volatile global market environment could continue to negatively affect the demand for the Group's products and the prices at which they can be sold and the viability of the markets in which the Group operates, and consequently may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's petrochemicals business is substantially dependent on a single customer for a majority of its sales.

Substantially more than half of the Group's total petrochemical production is sold to a single customer, Borealis, pursuant to long-term agreements under which Borealis has an obligation to purchase certain quantities of the Group's petrochemical production. If Borealis fails to purchase these quantities as and when required by the agreements for any reason, the Group's results of operations will be negatively affected, at least in the short term, to the extent the Group is unable to sell in the market at comparable prices the portion of the Group's petrochemical output currently purchased by Borealis. Such developments may have a material adverse effect on the Group's business, results of operations and financial condition.

A substantial portion of the Group's assets and operations outside of Europe are exposed to political and economic risks, and future disruptions may have a material adverse effect on the Group's business.

A significant portion of the Group's oil and gas assets and of the Group's supply sources is located in countries outside of the European Union – with developing economies or unstable political environments. As a result, a significant portion of the Group's revenue is derived from, or is dependent on, countries in which the Group's operations are exposed to economic and political risks, including expropriation and nationalization of property, civil strife and acts of war or terrorism. In addition, in certain countries in which the Group is active, it may be difficult to repatriate investment and profits. If it is perceived that the Group is not respecting or advancing the economic and social progress of the communities in which it operates, its reputation and shareholder value could be damaged. Any future disruptions may have a material adverse effect on the Group's business, results of operations and financial condition.

Violations of sanctions could subject the Group to penalties.

Violations of existing European, U.S. or other international sanctions could subject the Group to penalties that could have a material adverse effect on the Group's ability to obtain goods and services in the international markets or access the U.S. or international capital or bank debt markets, or cause reputational damage. European, U.S. and other international sanctions have been imposed on companies engaging in certain types of transactions with specified countries or companies or individuals in those countries. For example, enterprises operating in certain countries in the Middle East and Africa have been subject to such sanctions. The Group has business dealings with, and conducts operations in, countries such as Libya and Iran which have formerly been or currently are subject to international sanctions. In February and March 2011, the United Nations Security Council resolved to impose sanctions on the Libyan authorities, including an obligation of all member states to freeze all assets on their territories which are owned or controlled by certain individuals or (under the March 2011 resolution) entities, among others the Libyan National Oil Corporation ("LNOC"), a travel ban on President Muammar al Gaddafi, senior figures in his administration and certain other persons, and an arms embargo. The EU has, in February and March 2011, adopted sanctions implementing the measures called for by the United Nations and, in some areas, going further. In March 2011, LNOC was placed on the Specially Designated Nationals List administered by the Office of Foreign Assets Control of the US Department of the Treasury. Further sanctions also affecting OMV's business dealings with Libya may be imposed in the future. Any violation of current or future sanctions imposed on Libya, Iran or other countries by the Group could have a material adverse effect on its business, results of operations and financial condition.

The Group's activities are subject to antitrust and competition laws and regulations and the Group may be subject to antitrust proceedings or additional new regulations.

The Group's activities are subject to antitrust and competition laws and regulations in many countries of operations, especially in Europe: In 2008, the Group was subject to antitrust proceedings in relation to an alleged abuse of dominant market position by charging excessive fees for jet fuel at the Vienna airport. Following the proceedings, in July 2008, the Austrian Federal Competition Authority issued an expert opinion recommending a constant monitoring of jet fuel prices. In August 2009, based on its monitoring of the liquefied gas market over the past years, the Austrian Federal Competition Authority initiated proceedings with the Cartel Court in relation to an alleged abuse of dominant market position (due to market foreclosure and excessive switching costs) by the existing liquefied gas suppliers (including OMV). In September 2009, the Austrian Federal Competition Authority initiated proceedings before the Cartel Court in connection with the Salzburg Fuelling GmbH, a joint venture envisaged by the Company, BP Europa SE (previously BP Austria AG) and Shell Austria Gesellschaft m.b.H. to provide jet fuel storage and fuelling at the Salzburg airport, before it approved the joint venture, albeit subject to a number of conditions (in particular, cost-oriented and undiscriminating pricing for jet fuelling). The Austrian Federal Competition Authority also announced in September 2009 that fuel prices were not sufficiently transparent and requested the introduction of a code of conduct.

The Group may incur significant losses in future years in connection with possible new antitrust and competition proceedings. Furthermore, based on the findings of antitrust proceedings, plaintiffs could

seek compensation for any alleged damages as a result of anticompetitive business practices on part of the Group. The occurence of such events may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group is exposed to changes in the taxes and tariffs imposed on its operations.

The Group operates in more than twenty countries around the world, and any of these countries could modify its tax laws in ways that would adversely affect the Group. The Group is subject, among others, to corporate taxes, energy taxes, petroleum revenue taxes, concessions, royalties, customs surcharges and excise duties, each of which may affect the Group's sales and earnings. In addition, the Group is exposed to changes in fiscal regimes relating to royalties and taxes imposed on crude oil and gas production such as the expiration of the fiscal stability agreement in Romania in 2014.

Significant changes in the tax regimes of countries in which the Group operates or in the level of production royalties the Group is required to pay may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group faces competition from other oil and gas companies in all areas of its operations.

The Group is under competitive pressure in virtually all parts of its business. The Group faces competition in the E&P business with regard to obtaining exploration and development licenses, acquiring oil and gas production properties or acquiring other exploration and production companies. The Group's petroleum product retail and wholesale marketing business in CE/SEE and Turkey is also highly competitive. In the Group's CE/SEE and Turkish markets, the Group also competes with local state-related entities. The Group's competitors include multinational, well-established oil companies with significantly greater financial resources and international operating experience than the Group has. These companies may be able to pay more for exploration prospects, licenses, productive oil and gas properties and retail and marketing assets and to generally make larger investments than the Group can. As a result, competition may materially adversely affect the Group's business, financial results or condition of operations.

The Group has various relationships with different stakeholders, which could result in conflicts of interest.

The Group has various business relationships with suppliers, customers, investors and other stakeholders, all of them pursuing their own interests, which, as a rule, deviate from each other and may be incompatible with a shareholder's interests. Conflicts of interest may further result from

- functions which the Company has in its Group companies, e.g. the interests of the Company as a shareholder of its less than wholly-owned subsidiaries may differ from the interests of other shareholders of these subsidiaries;

- functions which the Company's board members hold in entities with whom OMV is doing business, e.g. the Company has, in 2010, entered into transactions with Raiffeisen Bank International AG ("RBI"), of which the Supervisory Board member Mr. Stepic is CEO, and may from time to time enter into transactions with two Allianz insurance companies, of which the Supervisory Board member Mr. Littich is CEO or Chairman of the supervisory board, respectively, whereby the interests of RBI or the respective Allianz insurance company may conflict with the Group's or its shareholders' interests; and

- functions of representatives of ÖIAG and IPIC in the Company's Supervisory Board: Three members of the Company's Supervisory Board are representatives of ÖIAG and IPIC and will be able to influence important corporate matters as long as ÖIAG and IPIC retain significant ownership in the Company's share capital, whereby the interests of ÖIAG and IPIC may conflict with other investors' interests.

Country-specific risks

OMV's global operations expose the Group to various potential risks that are specific to the different countries in which it operates. The value of the Group's international investments in energy companies outside Austria may be adversely affected by unfavorable local economic, political, military, legal, regulatory and social trends and developments. Due to its 51.01% participation in Petrom and 95.72% participation in Petrol Ofisi (both as of December 31, 2010), OMV is particularly vulnerable to adverse changes in Romania and Turkey. In addition, OMV's operations in the regions North Africa, the Middle East as well as the Caspian region (Kazakhstan) are subject to greater risks than operations in more developed markets, in particular due to higher political instability, lower security standards and less developed legal systems. The materialization of any of these risks could have a material adverse effect on the Group's business, financial results or condition of operations.

The Group has made investments in countries in CE/SEE which have gone through a recession.

A large portion of the Group's refining and oil product distribution network is located in CE/SEE. The financial crisis that began in autumn 2007 and its resulting economic effects have triggered a recession in most countries in the region. Sharp declines in economic activity, combined with rising unemployment and public debt and financial capital outflows have significantly worsened the economic outlook for the region. Consequently, the Group has experienced and may continue to experience stagnating or declining sales in the region. In addition, the Group's capital investments in these markets may prove to have been too high in light of economic conditions less favorable than those which the Group assumed when the Group made the investments, which may lead to further asset impairment charges. The recent unfavorable economic developments and their continuation may have a material adverse effect on the Group's business, results of operations and financial condition.

Economic and political developments in CE/SEE and Turkey and the entrance of new competitors in the regions' markets may negatively affect the development of the Group's business.

The expansion and development of business activity in the CE/SEE region and Turkey is a central component of the strategy of the Group. The economic development in this region is subject to risks common to all regions that have recently undergone, or are undergoing, political, economic and social change, including currency fluctuations, evolving regulatory environments, inflation, economic recession, local market disruption, labor unrest, changes in disposable income or gross national product, variations in interest rates, taxation policies and levels of economic growth, declines in birth rate and other similar factors. Far reaching political and economic reforms mean that political and economic tensions could accompany the development of the new democratic and market-oriented systems. The countries in the CE/SEE region in which the Group operates that are not EU member states, and Turkey, are not yet as stable as EU member states and the possibility of significant changes still exists in sectors of the economy and the law, such as taxation, foreign exchange controls and property law. The Group's competitors could also significantly develop their presence in these markets, in particular in the event that subsidiaries of globally active oil and gas companies with greater financial resources than those available to the Group enter the market. These developments may have a material adverse effect on the Group's business, results of operations and financial condition.

The legal systems and procedural safeguards in certain CE/SEE countries and Turkey are not yet fully developed and material changes in law may occur.

The legal systems of many CE/SEE countries and Turkey have undergone fundamental changes in recent years. In many cases, the interpretation and procedural safeguards of the new legal and regulatory systems are still being developed, which may result in an inconsistent application of existing laws and regulations and uncertainty as to the application and effect of new laws and regulations. This is especially true for Romania, which joined the EU in 2007. Moreover, in some jurisdictions in which OMV is active, the legal framework for the various lines of business may change at any time, including changes that would include nationalization of individual lines of business. Additionally, in some circumstances, it may not be possible to obtain the legal remedies provided for under relevant laws and regulations within reasonable time or at all. CE/SEE countries and Turkey may also lack an institutional

history, and there may be no generally observed procedural guidelines. As a result, shifts in government policies and regulations tend to be more frequent and less predictable than in EU-15 countries. Any such inconsistency, insufficiency or unpredictable change in the legal system of any of these countries may have a material adverse effect on the Group's business, financial results and conditions of operations.

Bureaucracy, corruption, deficiencies of the legal system, economic contraction and wide-ranging competencies of audit agencies may adversely affect the Group's operations in Romania.

The Group' business operations in Romania may face a number of adverse conditions and heightened legal, economic and political risks as compared to Western European standards. The relationship between government and business may be impaired by bureaucratic inefficiency, a lack of transparency and instances of corruption. After Greece and Bulgaria, Romania is perceived as the third most corrupt among the EU member states, according to the 2010 Transparency International Corruption Perceptions Index. Its legal and judicial systems may not always provide the same recourse and sanctions (e.g. against corruption) as are found among EU-15 member states, and enforcement may, in practice, be difficult and/or time-consuming.

As a result of the global economic and financial crisis and the related currency losses suffered by the RON and Romania's downgrade to below investment grade by ratings agencies Fitch and S&P in late 2008, both consumer and corporate purchasing power fell and investment plans were reconsidered. The country's economic output contracted sharply in 2009 and decreased further in 2010, and the economic crisis may last longer than expected and entail persisting volatile market conditions. These conditions and developments resulted, and may continue to result, in a deterioration of the business and investment climate and would have a material adverse effect on operations in Romania and therefore the Group's business, results of operations and financial condition.

Substantial increases in fuel prices in 2010 (in large part due to increased value-added tax) and future adverse (from a consumer perspective) price developments have resulted and may continue to result in protests and boycotts against oil companies such as Petrom.

Furthermore, there are a number of agencies that are authorized to conduct audits (controls) of companies doing business in Romania. These controls are similar in nature to tax audits performed by tax authorities in many countries, but may extend not only to tax matters but to other legal and regulatory matters in which the applicable agency may be interested. In addition, the agencies conducting these controls may be subject to significantly lower regulation and the company under review may have significantly lower safeguards than it is customary in many countries. It is likely that Petrom will continue to be subject to controls from time to time for violations and alleged violations of existing and new laws and regulations. The reviews and controls by agencies and any resulting penalties could have a material adverse effect on the Group's business, results of operations and financial condition.

Deficiencies of the legal system, contradictory policies and a deterioration of the investment climate may adversely affect the Group's operations in Turkey.

Turkey is a complex and challenging market, and businesses may face many of the legal, economic, political and security risks that are characteristic of medium-developed countries. The legal and regulatory framework in Turkey may, in some aspects, be inconsistent and in need of reform. Continuing concerns of foreign companies are caused by Turkey's perceived excessive bureaucracy, unpredictable legal system, weak intellectual property protection and lack of transparency in tenders. Furthermore, the judiciary is declared to be independent, but the need for judicial reform and confirmation of its independence are subjects of open debate. Such perceived legal and regulatory deficiencies as well as contradictory policies and protectionist tendencies existing in many ministries could have material adverse effects on the Group's business, results of operations and financial condition. In addition, Turkey's high current account deficit leaves the economy vulnerable to destabilizing shifts in foreign investor confidence. Any adverse change in Turkey's legal, political or economic environment may have an adverse impact on operations in Turkey and therefore the Group's

business, results of operations and financial condition.

Economic, political, legal and social instability as well as the risk of not being awarded the necessary exploration licenses may adversely affect the Group's operations in Libya, Tunisia, Egypt, Pakistan, Yemen, the Kurdistan Region of Iraq and Kazakhstan (together the "Operating Region").

Not all countries in the Operating Region have made equal progress in increasing their gross domestic product in recent years and there is no guarantee that any positive trends will be sustainable. In addition, there is no assurance that the Operating Region will remain receptive to foreign trade and investment. Any deterioration in the economic conditions or climate for foreign trade and investment in the Operating Region could have a material adverse effect on the Operating Region's economy which, in turn, may have a negative impact on the Group's business, results of operations and financial condition. Were any of the following factors, which have been characteristic of the economy in some or all states of the Operating Region at various times during recent years, to recur or continue, this could have a negative influence on the investment climate in the Operating Region and may have a negative impact on the Group's business, results of operations and financial condition:

- significant declines in GDP and high government debt relative to gross domestic product;
- unstable local currencies, high levels of inflation or restrictions on transfers of hard currency outside of states within the Operating Region;
- a weak banking system providing limited liquidity to domestic enterprises;
- widespread tax evasion;
- growth of a black and grey market economy, corruption and extensive penetration of organized crime into the economy;
- significant increases in unemployment and underemployment; and
- impoverishment of a large portion of the population.

The political climate in the countries of the Operating Region is unstable and security continues to be an important concern, since the potential for attacks on employees and/or facilities, social unrest, including strikes and political protests and demonstrations remains high. A number of countries in the Middle East, in particular Yemen, Tunisia, Egypt and Libya, have recently been and may continue to be subject to political unrest, including uprisings and government retaliation. If political instability in one or more of the countries in the Operating Region continues or heightens, it could have wider political, social and economic consequences in the economies of the Operating Region such as regime changes, increased nationalism, restrictions on foreign ownership and possible violence and, as a result, on the Group's business, results of operations and financial condition.

In addition, the Group's operations could become subject to the risk of expropriation and nationalization, to which not all countries in the Operating Regions apply the same standards as are commonly found in Western jurisdictions.

Organized crime, including extortion and fraud, may pose a risk to businesses in the Operating Region. Many countries in the Operating Region still face considerable weaknesses in the fight against corruption and organized crime. Property and employees may become targets of theft, violence or extortion. Threats or incidents of crime may force the Group to cease or alter certain activities or to liquidate certain investments, which may cause losses or have other negative impacts on OMV. The Group's operations could be adversely affected by illegal activities, corruption or claims implicating the Group in illegal activities. Corruption and theft may also arise within OMV.

The legal systems in the Operating Region may be subject to greater risks and uncertainties than more

mature legal systems. In particular, risks associated with the Operating Region’s legal systems include: (i) unavailability of and inconsistencies between and among the countries’ constitutions and various laws, presidential decrees, governmental, ministerial and local orders, decisions, resolutions and other acts; (ii) provisions in the laws and regulations that are ambiguously worded or lack specificity and thereby raise difficulties when implemented or interpreted; and (iii) difficulty in predicting the outcome of judicial application of legislation. The Iraqi government has over the past years contested the legality and validity of all E&P contracts concluded in the Kurdistan Region of Iraq and uncertainty over their enforceability continues. The independence of the judicial systems of the Operating Region and their immunity from economic and political influences remains questionable. Court systems are often understaffed and underfunded and may have a large backlog of unresolved cases, which often causes proceedings to take several years, and their independence may be threatened by budgetary reliance on the national government. Enforcement of court orders and judgments can, in practice, be very difficult, time-consuming and may fail for a variety of reasons.

Countries in the Operating Region currently have a number of laws related to various taxes imposed by central and local authorities. These tax laws and their implementing regulations may be unclear and subject to frequent changes and amendments. Differing opinions regarding legal interpretations may exist both among and within governmental ministries and organizations, including the tax authorities, creating uncertainties and areas of conflict. Tax declarations/returns, together with other legal compliance areas (e.g. customs and currency control matters), are subject to review and investigation by a number of authorities, which are authorized by law to impose substantial fines, penalties and interest charges. These circumstances generally create tax risks in the Operating Region which are more significant than those typically found in countries with more developed tax systems.

The occurrence of any such event affecting the Operating Region’s economic, political, social, legal and tax systems may make operation in these countries subject to greater risks and uncertainties than in Western European jurisdictions and may have a material adverse effect on the Group’s business, results of operations and financial condition.

Furthermore, the Group is dependent on exploration rights and is, therefore, in each country of the Operating Region subject to the risk that it does not obtain the necessary licenses or that such licenses are not renewed or are renegotiated on terms unfavorable to the Group. Inability to obtain such rights will considerably affect the Group’s business, results of operations and financial condition.

Shortfalls in crude oil supplies from Libya and Yemen could adversely affect the Group’s business.

In the E&P business segment, due to the current political unrests in Libya and Yemen, OMV is negatively affected by a reduction of its production in these countries. Since March 2011, OMV’s production in Libya and Yemen has effectively ceased. In 2010, Libya contributed approximately 32,800 boe/d, or about 10%, and Yemen approximately 6,600 boe/d, or about 2%, to OMV’s total production. Concrete impacts of the instability on the Group’s assets and production in Libya and Yemen are continuously under evaluation. In Libya, OMV’s presence has been reduced to few essential staff; in Yemen, production has been stopped since mid-March 2011 due to an attack on an export pipeline. If political instability in these countries continues or the political climate further deteriorates, it could have a material adverse effect on the Group’s business, results of operations and financial condition.

By the end of March 2011, force majeure was declared for all Libyan licenses as a result of which all obligations of OMV under the contracts were suspended for a period of up to two years. If the circumstances constituting force majeure are not resolved within a period of two years after the commencement of force majeure and no mutual agreement on a solution is achieved between OMV and LNOC, the contracts will terminate. In case of a termination of the contracts, force majeure should not result in expropriation of OMV and in case of expropriation, OMV’s assets in Libya should be protected by the bilateral investment treaty between Libya and Austria of 2004. If the Group's license contracts in Libya are terminated and OMV is expropriated in violation of the investment treaty between Libya and Austria, this could have a material adverse effect on the Group’s business, results of operations and financial condition.

With respect to the Group's R&M business segment, Libya accounted for approximately 4.4 million tonnes, or about one fifth, of the Group's total crude oil imports in 2010. Certain of OMV's refining operations, in particular the Burghausen refining complex, which was set up for and is specialized in the refining of Libyan crude oil, are furthermore, to varying degrees, dependent on supplies of high-quality Libyan oil. The substitution of such supplies with crude oil of similar quality would not only pose a logistical challenge for the Group but could require the adaptation of refining processes, disrupt refining operations with regard to certain high-quality products and require OMV to shift to lower-quality end products with lower prices and margins. Accordingly, shortfalls in Libyan oil supplies could disrupt OMV's operations, decrease refining margins and utilization and may have a material adverse effect on the Group's business, results of operations and financial condition.

Petrom's business may be negatively affected if Petrom's exploration licenses are not renewed.

Most of Petrom's exploration licences are set to expire in September 2011. The renewal of such licenses is imperative for Petrom's business. After understanding had been reached with the Romanian mining authorities, the issue has recently become a matter of discussion at government level. Should the licenses not be renewed or should their renewal be delayed beyond their expiration date or subject to conditions unfavorable to Petrom, this would have a material adverse effect on Petrom's and the Group's business, results of operations and financial condition.

Petrom's business may be negatively affected if Petrom is required to comply with Romanian public procurement regulations.

Petrom may be required to apply public procurement provisions if Petrom is considered to hold special or exclusive rights within the meaning of Romanian public procurement laws. Because Petrom's exploration licences were granted before its privatization based on its special status as Romania's national petroleum company, Petrom might be required to comply with public procurement regulations. An obligation to apply public procurement provisions would complicate Petrom's procurement management, decrease its flexibility and ability to respond quickly to new developments, could result in higher procurement expenses, and ultimately have a material adverse effect on Petrom's and the Group's business, results of operations and financial condition.

Petrom is a party to labor related litigation and may face further claims by employees, and co-determination rights of Petrom's employees could constrain restructuring measures, all of which may have a material adverse effect on Petrom's and the Group's business. Petrom is accused of a breach of Romanian competition laws, could be subject to compensation claims in connection with expropriations and may have to bear substantial environmental restoration costs.

Petrom is a party to numerous labor related claims with current and former employees. The total allocation to the provision for such claims was RON 1,506 million (i.e. EUR 415 million, using the average EUR/RON exchange rate in 2007 and 2008 for the amounts booked in each year). As of March 31, 2011, the provision amounted to RON 477 million (i.e. EUR 116 million, using the March 2011 closing foreign exchange rate of 4.1221 EUR/RON). In addition, Petrom has outsourced a large number of employment relationships. Violations of Romanian labor law in connection with such outsourcing agreements could lead to claims for re-employment and/or indemnities or require Petrom to make payments in connection with the social security scheme, should the transferred employees be made redundant within a specified time period. These claims and other possible litigations and disputes may have a material adverse effect on Petrom's and the Group's business, results of operations and financial condition. In addition, Petrom's employees have co-determination rights, which could constrain restructuring measures and, therefore, have a material adverse effect on Petrom's and the Group's business, results of operations and financial condition.

In 2005, Romanian antitrust authorities initiated investigations relating to a possible breach of antitrust rules by companies active in the Romanian oil and oil related products market. The accusations include the existence of anticompetitive agreements between Romanian market participants regarding abusive sale and resale price fixing as well as market and territory allocations. Penalties and sanctions resulting from these investigations may have a material adverse effect on Petrom's and the Group's business,

results of operations and financial condition.

Petrom has already made compensation payments to, and might be subject to further compensation claims raised by, former landowners based on a compensation law enacted in 2006 for land owned by Petrom after expropriations by the communist regime. The potential amounts can currently not be estimated and the Group has not established a provision to cover such potential claims. If the Group were to pay significant compensation under such claims, it would have a material adverse effect on the Group's business, results of operations and financial condition.

In the course of the privatization of Petrom, the Romanian government agreed to indemnify Petrom for certain costs in connection with Petrom's decommissioning and environmental restoration obligations. At December 31, 2010, the book value of Petrom's receivables vis-à-vis the Romanian state for such decommissioning and restoration obligations recorded in the Audited Consolidated Financial Statements was EUR 577 million. To date, the Romanian state has not paid the claimed amounts. Contractual reimbursement procedures are ongoing, however, the recoverability of such receivables cannot be assured. Failure by the Romanian government to pay such costs would have a material adverse effect on the Group's results of operations and financial condition.

Petrol Ofisi may incur significant costs to obtain necessary permits and could be subject to losses as a result of lacking insurance and hedging measures.

Many of Petrol Ofisi's premises and pipelines have been built before privatization and therefore partly lack zoning, building and/or occupancy permits. Obtaining the requisite permits might involve significant costs.

Further risks result from the lack of liability insurance and un-hedged fixed price delivery contracts. As a consequence, uninsured events and adverse price developments in connection with fixed price contracts may have a material adverse effect on Petrol Ofisi's and the Group's business, results of operations and financial condition.

The Group's recent acquisition of additional assets in Tunisia is subject to risks arising from the current political climate.

In January 2011, OMV signed an agreement to purchase two Tunisian E&P subsidiaries from Pioneer Natural Resources for a purchase price of USD 800 million plus working capital of Pioneer Tunisia, which was preliminarily valued at USD 39 million at closing of the transaction on February 18, 2011. Recently, Tunisia has experienced political and social unrest. Uncertainties surrounding the country's future political environment could adversely affect the business climate and foreign investment in Tunisia. Prior to the acquisition, OMV has maintained small-scale upstream operations in Tunisia, which will be expanded significantly through the acquisition. Political developments in Tunisia could pose challenges to the financial and operational profile of OMV's Tunisian assets and a continuation of the political uncertainties or a deterioration of the political climate may have a material adverse effect on the Group's business, results of operations and financial condition.

Risks related to the environment

Future climate change and carbon pricing may result in increased expenditure and reduced profitability.

Compliance with laws, regulations and obligations relating to climate change and carbon pricing could result in substantial capital expenditure and reduced profitability from higher operating costs and lower revenues and may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group is subject to stringent environmental and health and safety regulations which result in costs relating to compliance and remediation that may adversely affect its results of operations and financial condition.

The Group's operations are subject to numerous and increasingly stringent environmental laws and regulations relating to the protection of human health and safety and the environment, including, for example, those relating to emissions and waste treatment and disposal. In addition, the Group is generally required to obtain and comply with permits or licenses for its operations which cause emissions or discharge of pollutants and for the handling of hazardous substances or waste treatment and disposal. Failure to comply with environmental laws could result in substantial cost and liabilities vis-à-vis third parties or governmental authorities. As environmental laws and regulations become more stringent, the amount and timing of future expenditures required to maintain substantial compliance could vary substantially from their current levels and could adversely affect the availability of funds for capital expenditures and other purposes.

The Group has made, and will continue to make, substantial expenditures to comply with environmental laws and regulations. To the extent that the cost of compliance increases and the Group cannot pass on future increases to its customers, such increases may have an adverse effect on the Group's results of operations and financial condition.

The Group's operations are dependent on the allocation of sufficient allowances under the EU Emission Trading Scheme.

Under the European Union Emission Trading Scheme launched in January 2005, producers of green house gas emissions are granted limited amounts of emission allowances for free; if the emissions exceed the amount of allocated allowances, producers of green house gases are obliged to reduce their level of emissions or acquire additional allowances.

The Group needs emission allowances for some of its business activities. If the Group's emissions exceed the amount of allowances allocated to the Group, the Group will have to reduce its emissions and/or acquire additional emission allowances (which may be scarce and consequently only obtainable at high cost). The amount of allowances may therefore prove to be a factor limiting expansion of some of the Group's facilities. In particular, a tightening of rules in the European Union's Emission Trading Scheme for 2013 – 2020 might lead to increased production costs, which in turn will significantly affect the Group's international competitiveness. Shortage of emission allowances or an increase in production costs may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's exposure to weather conditions may negatively affect demand for the Group's products.

Significant changes in weather conditions in Austria and the rest of Europe from year to year may affect demand for natural gas and some refined products. Accordingly, the results of operations of the G&P segment and, to a lesser extent, the R&M segment, as well as the comparability of results over different periods may be affected by changes in weather conditions. Furthermore, the Group's operations, particularly offshore production of oil and natural gas, are exposed to extreme weather that can result in material disruption to the Group's operations and consequent loss or damage of properties and facilities. Any such exposure to changing or adverse weather conditions may have a material adverse effect on the Group's business, results of operations and financial condition.

Aging infrastructure in the Group's operations, improper waste management and operational incidents, in particular in connection with the Group's offshore activities, may lead to spills, leakages and other contamination. Such incidents and contamination may cause substantial environmental decommissioning and restoration costs and damage communities and the Group's reputation.

The Group's facilities and pipeline operations require regular monitoring, maintenance and renewal. The Group is regularly faced with aging infrastructure (e.g. Petrom operates approximately 25,000 km of pipelines, mostly aged between 40 and 60 years) and may not always be able to make the necessary replacements and upgrades at all of its facilities to ensure the technical integrity of its operations. This could, among other things, result in spills and leakages. Furthermore, certain of OMV's real properties, e.g. in Austria, have been classified by the authorities as contaminated and there may be other contaminations of which OMV is currently unaware. Spills, leakages and other contamination resulting

from aging infrastructure and other contamination, e.g. as a result of improper waste management, may result in substantial environmental decommissioning and restoration costs and could cause damages to communities and the Group's reputation.

In addition, spills, leakages and contamination can result from operational incidents, and may be particularly severe in the case of offshore drilling, as recently shown by BP's Deepwater Horizon rig accident and the resulting oil spill in the Gulf of Mexico in April 2010. OMV has interests in various offshore drilling undertakings, in particular in New Zealand, Romania, Tunisia and the U.K., Norwegian and Faroe Islands territory of the North Sea (and acts as operator in some of them). In addition, the Group might engage in drilling operations in the Black Sea in a 50:50 joint venture with Exxon in 2011/2012. Due to a vast gap between the potential risk exposure and available risk transfer opportunities in the form of insurance coverage, the bulk share of such risk of operational incidents remains with the Group (and/or the respective operator). As a consequence, any operational incident resulting in environmental contamination could result in substantial financial and reputational damages. In addition, international regulations and insurance requirements may increase as a result of an accident, and offshore operations could become more difficult and expensive in the future. This would have a material adverse effect on the Group's business, results of operations and financial condition. For additional operational risks in connection with offshore drilling, see "*—Operational risks*" below.

Compliance and control risks

Government intervention and regulation may have a material adverse effect on the Group's business. The Group might not be able to comply with its obligations under licences.

The oil and gas industry is subject to regulation and intervention by governments, in particular in matters such as the award of exploration and production interests, restrictions on production and exports, environmental measures, control over the development and abandonment of fields and installations, the nationalization or renationalization of assets, imposition of specific drilling obligations, environmental and health and safety protection controls and other risks relating to changes in local government regimes and policies. In some jurisdictions, gas prices are regulated (e.g. Romania) or the government may be entitled to effect (temporary) price regulations (as was the case in Turkey in summer 2009 for a two months' period). A change in regulation or the level of intervention in the countries in which the Group conducts operations or distributes its products may have a material adverse effect on the Group's business, results of operations and financial condition.

In addition, the Group has to comply with conditions contained in licences, such as operating permits. A failure by the Group to comply with substantial conditions might lead to governmental intervention. For example, the Arpechim refinery was temporarily closed by the Romanian authorities in 2007 due to alleged non-compliance with certain operating conditions. Any violations of substantial conditions may therefore have a material adverse effect on the Group's business, results of operations and financial condition.

The Group buys, sells and trades oil and gas products in certain regulated commodity markets. The oil industry is also subject to the payment of royalties and taxation, which tend to be high compared with those payable in respect of other commercial activities, and operates in certain tax jurisdictions that feature a degree of uncertainty relating to the interpretation of, and changes to, tax law. As a result of new laws and regulations or government interventions, the Group could be required to curtail or cease certain operations, or the Group could incur additional costs, all of which may have a material adverse effect on the Group's business, results of operations and financial condition.

Incidents of ethical misconduct or non-compliance with applicable laws and regulations could be damaging to the Group's reputation and shareholder value.

OMV's reputation is critical to the Group's ability to maintain its licences to operate and secure new resources. The Group's code of conduct defines its commitment to integrity, compliance with all applicable legal requirements, ethical standards and the behaviors and actions the Group expects of its businesses and employees. Ethical misconduct or non-compliance with applicable laws and regulations

or the Group's code of conduct could be damaging to the Group's reputation and shareholder value. Multiple events of non-compliance could call into question the integrity of the Group's operations and may have a material adverse effect on the Group's business, results of operations and financial condition.

Operational risks

The Group is subject to operational risks relating to the exploration, production, transportation and storage of oil and gas, crude refining and processing and, in the future, power generation. Some of these risks may be uninsured or uninsurable.

Oil, gas, power and chemical activities involve significant hazards. OMV's operations are subject to risks generally relating to the exploration for and production of oil and gas, including blowouts, fires, equipment failure, tanker accidents, damage or destruction of key assets and other risks that can result in personal injuries, loss of life and property and environmental damage. Offshore operations, in particular, are subject to a wide range of hazards, including capsizing, collision, bad weather and environmental pollution (see also "*—Risks related to the environment*" above). In addition, OMV's operations of gas transportation and compression facilities, refinery and petrochemical complexes, oil pipeline systems, storage and loading facilities, chemical facilities and, in the future, power plants subject the Group to the risks generally relating to such operations. In certain circumstances, OMV's insurance may not cover or be adequate to cover the consequences of such events, or insurance coverage may not be available. Moreover, OMV may not be able to maintain adequate insurance in the future at rates that it considers reasonable. The occurrence of any event that is not fully covered by insurance could have a material adverse effect on OMV's business, results of operations and financial condition.

The Group may experience operational, political and/or technological problems which may delay or hinder the progress of ongoing and planned projects.

The Group develops its business in part through investments in projects designed to improve its competitive position, such as construction of pipelines or upgrading various facilities. The Group may experience operational, political, technological or other problems beyond the Group's control, both of its own and of its contractual partners, which may delay or hinder the progress of its projects and lead to increased costs, and consequently may have a material adverse effect on the Group's business, results of operations and financial condition. The Nabucco project is, for instance, contingent upon the availability of gas volumes and, therefore, the conclusion of binding transport agreements. Insufficient gas availability could result in delays or the cancellation of the project and/or increase the costs of the pipeline's operation.

The Group may be required to curtail, delay or cancel drilling operations.

Exploration and production require high levels of investment and are subject to natural hazards and other uncertainties, including those relating to the physical characteristics of an oil or natural gas field. The cost of drilling, completing or operating wells is often uncertain. The Group may be required to curtail, delay or cancel drilling operations because of a variety of factors, including unexpected drilling conditions, pressure or irregularities in geological formations, equipment failures or accidents, adverse weather conditions and compliance with governmental requirements, such as drilling moratoria following an accident. The realization of any of these risks may have a material adverse effect on the Group's business, results of operations and financial condition.

Failure to meet product quality standards may have a material adverse effect on the Group's business.

Supplying customers with on-specification products is critical to maintaining the Group's licence to operate and its reputation in the marketplace. Failure to meet product quality standards throughout the value chain could lead to harm to people and the environment resulting in the loss of customers and, consequently, may have a material adverse effect on the Group's business, results of operations and financial condition.

Inadequate contingency plans or crisis management may have a material adverse effect on the Group's business.

Contingency plans are required to continue or recover operations following a disruption or incident. Inability to restore or replace critical capacity to an agreed level within an agreed timeframe would prolong the impact of any disruption. Similarly, crisis management plans and capability are essential to deal with emergencies at every level of the Group's operations to respond in an appropriate manner to either an external or internal crisis. Inadequacies in this regard could severely affect business and operations and consequently may have a material adverse effect on the Group's business, results of operations and financial condition.

***Acts of terrorism could severely disrupt the Group's business*.**

Security threats require continuous oversight and control. Acts of terrorism against the Group's plants and other facilities, pipelines, transportation, computer systems or employees could severely disrupt business and operations and cause severe harm to people and, consequently, may have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's investment with partners and in joint ventures may reduce its ability to manage risks and costs.

Certain of the Groups major projects and operations are conducted with partners or in joint ventures. The Group's investment with partners and in joint ventures may reduce its ability to manage risks and costs. The Group could have limited influence over and control of the behavior of its partners and the performance of operations in which it is engaged. This may have a material adverse effect on the Group's business, results of operations and financial condition.

Shortcomings or failures in the Group's systems, risk management, internal controls processes or personnel could lead to disruption of its business.

In the normal course of business, the Group is subject to operational risk around its treasury and trading activities. Controls over these activities are dependent on the Group's ability to process, manage and monitor a large number of complex transactions across many markets and currencies. Shortcomings or failures in its systems, risk management, internal controls processes or personnel could lead to disruption of the Group's business, financial loss, regulatory intervention or damage to its reputation and may have a material adverse effect on the Group's business, results of operation and financial condition.

Major disruption of the Group's information technology systems may have a material adverse effect on the Group's business.

The Group's activities are increasingly dependent on sophisticated information technology ("IT") systems. IT systems are vulnerable to a number of problems, such as software or hardware malfunctions, malicious hacking, physical damage to vital IT centers and computer virus infection. IT systems need regular upgrading to meet the needs of changing business and regulatory requirements and to keep pace with the requirements of the Group's existing operations and possible expansion into new markets. The Group may not be able to implement necessary upgrades on a timely basis, and upgrades may fail to function as planned. Consequently, any major disruption of its existing IT systems

may have a material adverse effect on the Group’s business, results of operations and financial condition.

The Group is dependent on its key personnel.

The Group’s future success depends to a significant extent upon the leadership and performance of the members of the Management Board as well as certain other key employees. The Company may not be able to retain its executive officers and key personnel or attract additional qualified members to its management team in the future. The loss of members of the Management Board and other key employees could have a material adverse effect on the Group’s business, results of operations and financial condition.

Litigation and disputes may have a material adverse effect on the Group’s business.

The Group faces litigation and disputes worldwide. From time to time, cultural and political factors may lead to unprecedented and unanticipated judicial outcomes, which may sometimes even be contrary to local and international law. In addition, certain governments, state and regulatory bodies have, in the opinion of the Group, exceeded their constitutional authority by attempting unilaterally to amend or cancel existing agreements or arrangements, by failing to honor existing contractual commitments and by seeking to adjudicate disputes between private litigants. Litigation and disputes may have a material adverse effect on the Group’s business, results of operations and financial condition.

Financial risks

Movements in foreign currency exchange rates can have a material effect on the Group’s results of operations and financial condition.

The Group’s activities, in particular the E&P business and, to a lesser extent, the distribution of products expose the Group to fluctuations in currencies, in particular the USD, RON and TRY. Such currency risks may have adverse effects on the Group’s cash flow, income statement or balance sheet (translation risk). Translation risk arises on the consolidation of the Group’s subsidiaries preparing their financial statements in currencies other than in EUR. The Group’s largest translation risk exposures result from changes in the value of the RON and the USD against the EUR, but translation exposure also arises from investments in Turkey.

In addition, prices of crude oil, natural gas and refined products are principally fixed in, or tied to, the USD, while a significant portion of the Group’s expenses are denominated in, or tied to, the EUR. Accordingly, a depreciation of the USD against the EUR has an adverse effect on the Group’s results of operations. Certain of the Group’s business segments also export products from countries within the euro zone to countries outside the euro zone and their results of operations may be affected by movements in a local market’s currency against the EUR. Furthermore, fluctuations of the EUR against the USD, RON or TRY can have a negative impact on certain balance sheet items, such as loans. Adverse currency fluctuations may have a material adverse effect on the Group’s business, results of operations and financial condition.

Movements in interest rates may have a material adverse effect on the Group’s business.

Interest on the Group’s debt is primarily indexed at a spread to benchmark rates such as the Europe Interbank Offered Rate, “Euribor”, and the London Interbank Offered Rate, “Libor”. Variable interest rates expose the Group to the risk of increasing interest rates while the risk associated with fixed interest rates lies in a possible decline in interest rate levels. Interest rate swaps are used by the Group from time to time to convert fixed rate debt into floating rate debt, and vice versa. As of December 31, 2010, open positions relating to interest rate swaps had a nominal value of EUR 102 million and a fair value of EUR 3 million. The effect of an interest rate increase of 0.5 percentage points as of December 31, 2010 would have been a EUR 1.3 million reduction in the fair value of such positions. As a consequence, movements in interest rates can have a material impact on the Group’s finance expense in respect to its indebtedness and may have a material adverse effect on the Group’s business, results of

operations and financial condition.

Liquidity problems could have a material adverse effect on the Group's business, results of operation and financial condition.

In the light of the recent financial and economic crisis and restrictions on the availability of credit, liquidity risk management is of particular importance to the Group. Should the Group be unable to ensure its liquidity, that it retains the necessary financial flexibility and maintains sufficient liquidity reserves in form of committed credit lines, this could have a material adverse effect on the Group's business, results of operation and financial condition.

A failure of the Offering could harm the Group's credit rating.

Since September 2008, the Group's long-term debt has been rated A3 by Moody's and A- by Fitch. Moody's indicates a stable outlook while Fitch indicates a negative outlook. The rating agencies have indicated that a significant increase in the Group's debt-to-equity ratio as a result of the recent acquisitions of an additional interest in Petrol Ofisi and the Tunisian E&P subsidiaries of Pioneer Natural Resources could harm the Group's rating. A failure of the Offering could therefore result in a downgrade. Possible future downgrades of the Group's financial rating, in case of a failed Offering or for any other reason, could affect the Group's ability to refinance on acceptable terms or at all, and may have a material adverse effect on its financial condition and liquidity.

Adverse financial market conditions may affect the Group's ability to refinance.

The costs and availability of financing have been adversely affected by the crisis in the financial markets. The Group may encounter difficulties in refinancing its financial obligations or may be able to refinance only at increased market rates. It might especially be difficult for the Group to obtain funds on the bank market. The inability of the Group to refinance would have a material adverse effect on its liquidity position and might, in a worst case, result in its insolvency.

The Group may incur future costs with respect to its defined benefit pension plans.

The indexed pension commitments in respect of currently active employees of the Group were transferred to an external pension fund managed by APK-Pensionskasse AG in two tranches in 1993 and 1997. As a consequence of the global financial weakness since September 2008, the performance of certain funds in which APK-Pensionskasse AG has invested was negative in 2008. The performance of these funds was positive in 2009 and 2010, but did not reach the rate of return required to avoid payments to cover shortfalls in all cases. Thus, OMV paid EUR 22.6 million in 2010 (2009: EUR 24.2 million; 2008: EUR 5.0 million) to cover shortfalls. If the performance of the pension funds is negative or fails to reach the required rate of return, the Group would be required to contribute additional funds to cover any shortfalls, which may have a material adverse effect on the Group's business, results of operations and financial condition.

The covenants contained in the Group's financing arrangements may limit its financial and operating flexibility.

The Group's financing arrangements contain covenants, including maximum leverage ratios, minimum net worth and maximum indebtedness of subsidiaries. These covenants could limit the Group's ability to finance its future operations and capital needs and its ability to pursue certain business activities that may be in its interest.

If the Group breaches the covenants of any financing arrangement and is unable to cure the breach or obtain a waiver from the lenders, it could be in default under the terms of such arrangement. A default under any single financing arrangement could result in a default under other financing arrangements and could cause lenders under such other arrangements to accelerate all amounts due under such financing arrangements. In addition, in an event of default, the lenders under the Group's credit lines could terminate their commitments to extend credit, cease making loans, or institute foreclosure

proceedings, and the Group could be forced into bankruptcy or liquidation. This would have an immediate material adverse effect on the Group's liquidity and may have a material adverse effect on the Group's business, results of operations and financial condition.

The failure of counterparties to pay amounts due may have a material adverse effect on the Group's business.

Credit risk is the potential exposure of the Group to losses in case counterparties fail to perform or pay amounts due. Credit risks arise from both commercial and financial partners. Due to the severity of the recent economic and financial crisis, it is possible that the creditworthiness of some of the Group's business partners is lower than in the past and/or the Group's assessments of the creditworthiness of its counterparties outdate rapidly. As a consequence, the Group may experience a higher than normal level of counterparty failure. The realization of such counterparty risk may have a material adverse effect on the Group's business, results of operations and financial condition.

Actual results could differ from accounting estimates and such differences may have a material adverse effect on the Group's business.

The preparation of financial statements requires the Group to make certain accounting estimates that are characterized by a high degree of uncertainty, complexity and judgment. These estimates affect the reported amount of the Group's assets and liabilities, as well as the reported amount of the Group's income and expenses for a given period. Actual results could differ from such estimates, due to, among other things, the following factors: uncertainty; lack or limited availability of information; the availability of new informative elements; variations in economic conditions such as prices; and the final outcome of legal, environmental or regulatory proceedings. Such differences between the accounting estimates and the final financial statements may have a material adverse effect on the Group's business, results of operations and financial condition.

Declining and/or volatile commodity prices could have an adverse effect on the Group's results of operations.

Commodity prices can be, and have historically been, subject to considerable fluctuations. The Group uses financial instruments to hedge the main risks associated with the volatility of commodity prices, such as the negative potential impact of low crude oil prices on sales, in accordance with internal corporate guidelines on the management of commodities risks. Due to their limited scope (the Group does not hedge prices for its entire production) and their structure (providing for a corridor or, in 2011, a fixed price with limited protection and a limitation on realizable prices to predetermined levels), these hedges cannot entirely eliminate commodity price risks. In addition, the hedges are entered into for a one-year term and are not a safeguard against adverse price developments in the longer term. Declining and/or volatile commodity prices not covered by the Group's hedges may result in losses and have a material adverse effect on the Group's business, results of operations and financial condition.

Risks related to the Shares

The Company's major shareholders may continue to exercise significant influence over the Group's strategic direction and major corporate actions.

Before the Offering, the Austrian state, acting through ÖIAG, and IPIC, own 31.5% and 20.0%, respectively, of the Company's share capital and will continue to hold significant stakes in the Company thereafter. ÖIAG and IPIC have entered into a shareholders' agreement which provides for, among other things, common voting and certain transfer restrictions concerning their respective shareholdings in the Company. This level of shareholding gives ÖIAG and IPIC significant influence to determine the outcome of matters brought to a Shareholders' Meeting for a vote. The issues that may be influenced by ÖIAG and IPIC include mergers and acquisitions or divestitures of major assets, approval of annual financial statements, declaration of dividends, capital increases and the election and removal of members of the Company's Supervisory Board. Three members of the Company's Supervisory Board are representatives of ÖIAG and IPIC. As long as ÖIAG and IPIC retain significant ownership in

the Company's share capital, they will be able to influence important corporate matters. The interests of ÖIAG and IPIC may conflict with other investors' interests.

Investors resident in countries other than Austria may suffer dilution if they are unable to exercise pre-emptive rights in future capital increases.

Under Austrian corporate law, shareholders generally have preferential statutory subscription rights *(Bezugsrechte)* relating to any shares issued in a capital increase, in proportion to their shareholding. Due to restrictions in other jurisdictions (including the United States), shareholders outside Austria may be prohibited under applicable law or excluded under the terms of the capital increase from participating in future capital increases, which could result in dilution of those shareholders' proportionate interests in the Issuer. Moreover, open-market purchases to counteract such dilution could be on terms less favorable than those offered to other shareholders in connection with a capital increase.

The market price of the Shares is volatile and could be adversely affected by future sales of the Shares in the public market.

The market price of the Shares is volatile and subject to sudden and significant declines. Price declines can result from a variety of factors, including the difference between the results the Company announces and forecasts by equity analysts; important contracts, mergers, acquisitions and strategic partnerships involving the Group or its competitors; fluctuations in the Group's financial condition and operating results; and general share price volatility in the markets where the Shares are listed or in the world markets overall. As a result, the investor may experience a material decline in the market price of the Shares.

In addition, the market price of the Shares could fall due to sales of a large number of the Shares in the market or the perception that such sales could occur. ÖIAG and IPIC own 31.5% and 20.0%, respectively, of the Company's share capital and future sales of substantial amounts of the Shares in the public market by these major shareholders could result in considerable decreases in the market price of the Shares.

Shareholders are exposed to the risk of a failure of the Company to make dividend payments.

The Company's ability to pay dividends in the future is uncertain. The Company's ability to pay dividends is dependent on, among other things, sufficient cash flows from operations. There can be no assurance that the Company will be able to pay a dividend or make any other return of capital to shareholders. In a worst case scenario, shareholders would not receive any dividend.

Shareholders' interests in the Company may be diluted if the Company issues additional shares in the future.

In the future the Company may decide to raise further capital to finance its business activities. The issuance of equity securities, the exercise of any convertible bonds or bonds with warrants the Company may issue in the future, as well as the purchase of other enterprises or participations in enterprises in exchange for shares, if so approved by Shareholders' Meeting, may lead to a commercial dilution of shareholders' interests in the Company. Under Austrian corporate law, shareholders have preferential statutory subscription rights (*Bezugsrechte*) in respect of any new shares issued by the Company in a capital increase in proportion to their shareholdings. Subscription rights may be excluded with a three quarters majority vote in the Shareholders' Meeting of the Company. Should any of these events occur, shareholders would suffer dilution, i.e. the percentage of interest they hold in the Company and the percentage of voting rights they are entitled to exercise, would decrease.

A suspension of trading in the Shares could adversely affect the share price.

The FMA is authorized to suspend or request the relevant regulated market on which the Shares are admitted to trading to suspend such securities from trading due to various reasons. The FMA is further authorized to instruct the Vienna Stock Exchange to suspend trading in an issuer's securities in

connection with measures taken against market manipulation and insider trading. The operator of a regulated market over which the FMA has supervisory jurisdiction must suspend trading in securities which no longer comply with the rules of the regulated market unless such step would likely cause significant damage to investors' interest or the orderly functioning of the market. If the operator of the regulated market does not do so, the FMA could demand the suspension of trading in securities, if it is in the interest of the orderly functioning of the market and does not impair investors' interests. Any suspension in the trading of the Shares could adversely affect the share price.

THE OFFERING

General

The Offering comprises up to 27,272,727 ordinary no-par value bearer shares with a calculated notional amount of EUR 1.00 per share, which will be newly issued by the Company following a share capital increase. Each New Share carries a right to vote at the Company's Shareholders' Meeting and full dividend rights from, and including, the financial year starting January 1, 2011.

The Offering consists of the Rights Offering to the Company's shareholders and the International Offering of such New Shares for which subscription rights are not exercised in the Rights Offering. The International Offering comprises (i) a public offering to retail and institutional investors in the Republic of Austria and (ii) a private placement outside of the Republic of Austria to institutional investors, including a private placement in the United States to QIBs in reliance on Rule 144A.

The Offering is subject to the registration of the capital increase with the commercial register.

No action has been or will be taken in any jurisdiction other than the Republic of Austria that would permit a public offering of the subscription rights or the New Shares. Investors, shareholders and depositary banks should inform themselves of applicable laws and regulations.

Hybrid capital

To refinance the acquisitions of an additional interest in Petrol Ofisi and of two Tunisian E&P subsidiaries (see "*Use of Proceeds*"), the Company, in addition to the Offering, has also announced its intention to issue hybrid capital (the "Hybrid Capital") in a benchmark size volume. The Hybrid Capital will be offered primarily to qualified investors as defined in Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (the "Prospectus Directive"). Further it is intended to publicly offer the Hybrid Capital in Austria, Luxembourg, Germany and The Netherlands upon approval, publication and passporting of a prospectus prepared by the Company. For further information regarding the Hybrid Capital, potential investors in the New Shares are referred to this prospectus, approved by the *Commission de Surveillance du Secteur Financier*, Luxembourg on May 17, 2011 and published on the website of the Luxembourg Stock Exchange (www.bourse.lu) on the same day. The information displayed on this website does not form a part of this prospectus and such website is not incorporated by reference in this prospectus.

If issued, the Hybrid Capital will be subordinated to the Company's senior debt, rank prior to the Shares and will bear interest rates as follows:

- from and including June 3, 2011 to but excluding April 26, 2018: a fixed interest rate (to be determined);
- from and including April 26, 2018 to but excluding April 26, 2023: a fixed interest rate consisting of (i) the 5-year swap rate on the second business day prior to April 26, 2018 and (ii) a margin (to be determined); and
- from and including April 26, 2023: a variable interest rate consisting of (i) the euro interbank offered rate for twelve-months euro deposits and (ii) a margin (to be determined; the margin will include a 100 basis point step up over the initial credit spread).

The Hybrid Capital, which has no scheduled maturity, may be redeemed at the option of the Company on April 26, 2018, on April 26, 2023 or thereafter annually on variable interest payment dates at the principal amount plus accrued interest, if any. Additionally, the Company may repay the Hybrid Capital in a gross-up event, tax event, accounting event, rating event, Fitch capital event and in case of minimal outstanding aggregate principal amount, each as defined in the terms and conditions as contained in the prospectus relating to the Hybrid Capital.

Subject to market conditions, the Hybrid Capital is expected to be offered to investors in the course of the Subscription Period of the capital increase. If the Hybrid Capital is issued, the issue size, the issue price and the applicable interest rates of the Hybrid Capital will be fixed in accordance with demand determined in a book-building process based on then prevailing market conditions and will be published following the conclusion of the book-building process.

Managers

Barclays Bank PLC, Deutsche Bank Aktiengesellschaft, J.P. Morgan Securities Ltd., Merrill Lynch International, UniCredit Bank Austria AG, BNP PARIBAS, Crédit Agricole Corporate and Investment Bank, Erste Group Bank AG, Raiffeisen Centrobank AG and SOCIÉTÉ GÉNÉRALE are acting as Managers in the Offering. The New Shares will be subscribed for by UniCredit Bank Austria AG on behalf of the the Joint Bookrunners, after expiry of the Subscription Period and the Offer Period, in accordance with section 153 para. 6 of the Austrian Stock Corporation Act (*Aktiengesetz*), with the obligation to provide the New Shares to existing shareholders or holders of subscription rights, as the case may be, who have exercised subscription rights.

Offer Period/Subscription Period

The Subscription Period during which shareholders of the Company may exercise their subscription rights begins on May 19, 2011 and is expected to end on June 6, 2011 at 12:00 noon CET. The Offer Period during which investors may offer to purchase New Shares in the International Offering begins on May 19, 2011 and is expected to end on June 6, 2011. The Offering may be terminated, suspended or extended, the Subscription Period or the Offer Period may be extended or terminated, or the Offer Period may be shortened at the absolute discretion of the Company and the Managers at any time. Subscription rights not exercised by the end of the Subscription Period will expire without value. The Offering may not be revoked after commencement of trading in the New Shares.

Subscription ratio

Prior to the commencement of the Subscription Period and the Offer Period, the Management Board, with the approval of the Supervisory Board, has set the maximum Offer Price at EUR 33 per New Share, the maximum number of New Shares to be issued at 27,272,727 and the subscription ratio at 1 New Share for every 11 subscription rights held.

Offer Price

The Management Board is authorized to determine the Offer Price and the final number of New Shares to be issued after expiry of the Subscription Period and the Offer Period on or about June 6, 2011. The Offer Price will be identical in the Rights Offering and the International Offering and will be set at or below the maximum Offer Price.The Offer Price and the definitive number of New Shares to be issued will be determined on the basis of the order book established in a book-building process after consideration of the closing market price of the Existing Shares on the Vienna Stock Exchange on the day of pricing, expected to be on or about June 6, 2011. The final Offer Price and the definitive number of New Shares sold in the Offering will be announced and published, including by way of an ad-hoc announcement, via electronic media, on or about June 6, 2011 and by short notice in the Official Gazette (*Amtsblatt zur Wiener Zeitung*) shortly thereafter. Such information will also be deposited with the FMA in accordance with the Capital Markets Act on or about June 7, 2011.

The Offer Price will be due and payable no later than June 10, 2011. No expenses or taxes will be charged to the subscribers for or the purchasers of the New Shares, except for customary banking fees. Prospective subscribers and investors are advised to inform themselves about these costs.

Rights Offering

Exercise of subscription rights

The Company's shareholders are invited to exercise their subscription rights during the Subscription Period which commences on May 19, 2011 and is expected to end on June 6, 2011 at 12:00 noon CET. Based on the subscription ratio of 1:11, shareholders (and holders of subscription rights) may subscribe for 1 New Share for every 11 subscription rights held. Shareholders who do not hold a number of Existing Shares divisible by 11 will not be able to exercise their subscription rights in full. The Company reserves the right to maintain the subscription ratio even if the definitive number of New Shares to be issued in the Offering is reduced. This would lead to an increase of a shareholder's interest in the Company's share capital if a shareholder exercises all of his subscription rights to acquire New Shares in the Rights Offering and if the definitive number of New Shares to be issued in the Offering is lower than the maximum number of New Shares.

Subscriptions for the New Shares will be accepted by UniCredit Bank Austria AG, Schottengasse 6-8, A-1010 Vienna, Austria (*Bezugsstelle*; the "Subscription Agent"), as well as by all other credit institutions in Austria, during ordinary business hours. Shareholders and holders of subscription rights who hold their subscription rights through a depositary bank that maintains a securities account with OeKB or through a financial institution that is a participant in Euroclear or Clearstream are required to exercise their subscription rights by instructing such bank or financial institution to subscribe for New Shares on their behalf in accordance with procedures established by the Company and the Managers, and any applicable additional procedures established by such bank or financial institution.

The exercise of a subscription right by shareholders or holders of subscription rights is irrevocable and cannot be annulled, modified, cancelled or revoked. Subscription rights not duly exercised by June 6, 2011 at 12:00 noon CET will expire without value.

Subscription rights may be exercised at the maximum Offer Price or at a lower price determined by the shareholder or holder of the subscription rights. Subscription rights holders who do not wish to exercise their subscription rights at the maximum Offer Price but submit a subscription order at a price that is lower than the maximum Offer Price will be allocated a number of New Shares corresponding to the number of subscription rights exercised by such holder only if the price limit set by the holder is not lower than the Offer Price. The Offer Price will be set at or below the maximum Offer Price. The subscription rights expire without value if the price limit set by their holders is lower than the Offer Price. This can be avoided only by submitting a subscription order without a price limit or with a price limit corresponding to the maximum Offer Price. Shareholders and holders of subscription rights exercising subscription rights are requested to set price limits of multiples of EUR 0.10.

Any extension of the Subscription Period or termination of the Rights Offering will be published via electronic media and in the Official Gazette (*Amtsblatt zur Wiener Zeitung*) as soon as possible thereafter. In the event of a termination of the Rights Offering, subscription rights already exercised will become void and any payment made for the subscription will be returned to the subscriber without interest.

If a shareholder or holder of subscription rights submits an invalid subscription or the Rights Offering is terminated, claims with respect to bank fees and other investor costs incurred in connection with the subscription will be governed by the contractual relationship between such investor and the financial institution that accepted the subscription.

From the beginning of the Subscription Period, Existing Shares will be traded without subscription rights ("ex subscription rights"). Subscription rights will be transferable; their ISIN is AT0000A0FA73. Neither the Company nor the Managers have provided for, nor have they authorized that any other person may provide for, the subscription rights to be traded on the Vienna Stock Exchange or any other stock exchange.

Special considerations for U.S. shareholders regarding the exercise of subscription rights

The subscription rights and the New Shares have not been and will not be registered under the securities laws of any jurisdiction other than the Republic of Austria. Foreign shareholders may therefore be restricted in exercising their subscription rights. In particular, the exercise of the subscription rights and the New Shares have not been and will not be registered under the Securities Act or any U.S. state securities laws and may not be offered or sold in the United States except to QIBs. Accordingly, subscription rights will not be permitted to be exercised by or on behalf of any person in the United States other than QIBs who comply with the requirements described under "*Selling Restrictions*". Holders of ADRs under OMV's ADR program will not be permitted to effect subscription for New Shares in respect of the ordinary shares that are represented by the ADRs.

International Offering

New Shares for which subscription rights are not exercised in the Rights Offering will be offered in (i) a public offering to retail and institutional investors in the Republic of Austria and (ii) a private placement outside of the Republic of Austria to institutional investors, including a private placement in the United States to QIBs in reliance on Rule 144A under the Securities Act.

The definitive number of New Shares available for sale in the International Offering will be determined after expiry of the Subscription Period. The Offer Period during which investors may offer to purchase New Shares in the International Offering begins on May 19, 2011, and is expected to end on June 6, 2011.

Prospective investors seeking to purchase New Shares in the International Offering are advised to contact their bank, broker or other financial adviser for further details regarding the manner in which purchase orders for New Shares are to be processed. There will be no minimum and no maximum number of New Shares for which purchase orders may be submitted by prospective investors in the International Offering, whether expressed as a number of New Shares or an amount in EUR. Multiple purchase orders will be accepted, subject to allocation as described below. Prospective investors in the International Offering may withdraw any purchase orders placed until the end of the Offer Period.

After the Offer Price has been set, the New Shares for which subscription rights are not exercised in the Rights Offering will be allocated to investors based on submitted purchase orders. No class of investors will receive preferential treatment in respect of allocations. Purchase orders will be considered only if they are placed at a price equal to or higher than the Offer Price. The amount of New Shares, if any, allocated to an investor will be determined in the absolute discretion of the Company and the Managers. Prospective investors in the International Offering are therefore advised to contact their bank, broker or other financial adviser for details regarding the actual allocation of New Shares made to them. Although the Company does not accept any responsibility therefor, the Company expects that information regarding allocations in the Offering will be made available by these institutions on or about the day on which trading in the New Shares is expected to commence.

Termination of the Offering

Pursuant to the underwriting agreement entered into by the Company and the Managers on May 18, 2011 (the "Underwriting Agreement"), the obligations of the Managers are subject to the fulfillment of conditions precedent such as the registration of the capital increase creating the New Shares with the commercial register and other customary conditions, and the Managers have the right to terminate the Underwriting Agreement under certain circumstances, including the occurrence of events of force majeure, up until the Closing Date which is expected to be on or about June 10, 2011.

In the event of termination, all exercised subscription rights as well as all purchase orders placed in the International Offering will become void. However, if a termination of the Underwriting Agreement occurs after registration of the capital increase or at a time when the registration of the capital increase cannot be prevented, delivery of the New Shares is reserved.

Settlement

The closing of the Offering will take place after the commencement of trading in the New Shares on the Vienna Stock Exchange. If an investor, including a shareholder or a holder of subscription rights, has sold New Shares to a third party prior to the delivery of such New Shares in book-entry form and is unable to meet its obligations to deliver the New Shares to a third party due to the termination of the Underwriting Agreement by the Managers, any legal recourse will arise exclusively from and be limited to the contractual relationship between the investor and such third party. In case of short sales in the New Shares by investors, the selling investor bears the risk of being unable to fulfill its delivery obligation.

Stabilization

In connection with the Offering, Merrill Lynch International, acting on behalf of the Managers, as stabilization manager may, itself or through affiliates, engage in stabilizing activities aimed at supporting the exchange or market price of the Shares in order to offset selling pressure in those securities. The stabilization manager is not obligated to stabilize and there is no guarantee that stabilization will take place at all. Stabilization, if undertaken at all, can be stopped at any time without prior notice. Stabilizing activities may take place from the date of publication of the Offer Price and must end no later than on the thirtieth calendar day after the date of commencement of trading in the New Shares on the Vienna Stock Exchange (the "Stabilization Period"). Stabilization may result in an exchange or market price of the Shares that is higher than might otherwise prevail, and the exchange or market price may reach a level that cannot be maintained on a permanent basis.

Following the end of the Stabilization Period, information regarding stabilizing activities (including the extent to which it has taken place, the dates on which the first and last stabilization trades were executed, and the dates on and price range within which all stabilization activity took place) will be published in accordance with Article 9 (3) of Regulation (EC) No. 2273/2003.

Form, delivery and payment

The New Shares will be represented by a modifiable global certificate that has been deposited with OeKB, Am Hof 4, A-1010 Vienna, Austria.

The Managers expect to deliver the New Shares assigned in the Rights Offering and allotted in the International Offering in book entry form through the facilities of OeKB, Euroclear and Clearstream against payment of the Offer Price on or about June 10, 2011.

Admission to the Vienna Stock Exchange and commencement of trading

Application will be made to list the New Shares on the Official Market of the Vienna Stock Exchange, where the Existing Shares are already admitted to trading. Subject to approval by the Vienna Stock Exchange, trading in the New Shares on the Vienna Stock Exchange is expected to commence in the prime market segment on or about June 8, 2011.

USE OF PROCEEDS

The Issuer will receive the net proceeds from the Offering comprising the gross proceeds from the sale of the New Shares less the commissions of the Managers and other Offering-related expenses incurred by the Issuer. The net proceeds depend on the actual number of New Shares sold, the Offer Price, the commissions and the Offering-related expenses.

Based on the closing price of the Existing Shares on the Vienna Stock Exchange on May 16, 2011 of EUR 29.95 and assuming that the maximum number of 27,272,727 New Shares is sold in the Offering, the gross proceeds from the sale of the New Shares are expected to amount to approximately EUR 816.8 million. The Issuer estimates that its total Offering-related expenses (including commissions of the Managers) will be approximately EUR 27.8 million and expects to receive net proceeds in the amount of approximately EUR 789.0 million.

The Issuer intends to use the net proceeds for the refinancing of the acquisitions of an additional 55.40% interest in Petrol Ofisi (following a mandatory offer to free float shareholders, see "*Petrol Ofisi*") and of two Tunisian E&P subsidiaries from Pioneer Natural Resources or for general corporate purposes.

None of the proceeds will be used in a way that would violate sanctions issued by either the European Union or the Office of Foreign Assets Control of the US Department of the Treasury.

MARKET INFORMATION

The Vienna Stock Exchange

Organization and market segments

The Vienna Stock Exchange is operated by an independent, privately owned stock corporation, the Wiener Börse AG, based on a license under the Stock Exchange Act issued by the Federal Ministry of Finance. Members of the Vienna Stock Exchange include banks, foreign investment firms and other firms trading in securities, derivatives and money market instruments, registered either within or outside of the European Economic Area. The supervisory authority is the FMA. The FMA monitors trading on the Vienna Stock Exchange with regard to, among other things, compliance with rules and regulations regarding insider trading activity, fairness in trading, and other market related matters.

As of April 30, 2011 shares and certificates of a total of 79 issuers were listed on the Official and Second Regulated Markets, the two most important markets of the Vienna Stock Exchange. The majority of these companies were incorporated in Austria as of such date. As of April 30, 2011 the market capitalization of all domestic companies listed on the Official and Second Regulated Markets of the Vienna Stock Exchange amounted to approximately EUR 89.4 billion (Source: Vienna Stock Exchange).

According to the Stock Exchange Act, for listing purposes the Austrian securities market consists of three statutory markets: the first tier market (the "Official Market"), the second tier market (the "Second Regulated Market") and the third tier market (the "Unregulated Third Market"). The Official Market and the Second Regulated Market have been registered as "regulated markets" pursuant to the Investment Services Directive. The Unregulated Third Market is organized and operated as a Multilateral Trading Facility ("MTF"). In December 2004, the U.S. Securities Exchange Commission granted the Vienna Stock Exchange the status of a "Designated Offshore Securities Market" in accordance with the Securities Act.

By meeting the statutory criteria, securities are admitted to listing on the Vienna Stock Exchange and are divided into various trading segments. To be traded in a specific segment, certain non-statutory criteria must be met by the issuer of the securities, in addition to the statutory listing criteria. The equity market is divided into the segments "prime market", "mid market" and "standard market".

The Issuer's Existing Shares are traded in the prime market. Subject to the approval of the Vienna Stock Exchange, the New Shares will also be traded in this segment. The prime market represents the highest ranking market segment of the Vienna Stock Exchange and is comprised of shares that are admitted to listing on the Official Market or Second Regulated Market and meet the most stringent listing criteria.

Out of the currently listed 39 companies on the prime market, only 20 companies are included in the Austrian Traded Index ("ATX") (Source: Vienna Stock Exchange). The ATX consists of the most actively traded (most liquid) and the most highly capitalized stocks in the prime market. It was designed to be broadly representative of the overall performance of all stock listed on the Vienna Stock Exchange, and is used as an underlying reference for futures, options and structured notes. The ATX is calculated, disseminated and licensed by the Vienna Stock Exchange on a real-time basis. The "ATX Prime" index contains all shares and certificates presently traded in the prime market segment. The Issuer's Shares are included in the ATX and in the ATX Prime indices.

The mid market segment comprises shares that are admitted to listing on the Official Market or the Second Regulated Market or shares that are traded on the Unregulated Third Market and that do not meet all listing criteria required for trading in the prime market, but meet certain non-statutory listing criteria in addition to those set out in the Stock Exchange Act. The standard market segment contains all securities admitted to listing on the Official Market or Second Regulated Market that meet neither the criteria for the prime market nor for the mid market. It is divided in two subsegments: standard market continuous and standard market auction.

Shares listed on the prime market or the standard market continuous are traded continuously, whereas securities listed on the mid market or the standard market auction are traded only once a day in an auction. To provide additional liquidity, stocks traded in the prime market and the standard market continuous segment must be serviced by a specialist trader, which has agreed to enter firm quotes into XETRA, the electronic trading system used by the Vienna Stock Exchange on a permanent basis. In both segments, additional liquidity providers other than the designated specialists are permitted to act as market makers in securities already serviced by at least one specialist. The market makers' commitments must meet certain minimum requirements set up by the Vienna Stock Exchange.

General information as well as a range of services, such as quotations and ad hoc information about the companies listed on the Vienna Stock Exchange is provided by the Vienna Stock Exchange via the internet (www.wienerborse.at). Information contained on the website of the Vienna Stock Exchange is not included by reference into this prospectus.

Trading and settlement

Officially listed securities are traded both on and outside of the Vienna Stock Exchange. Nearly half of all trades are over-the-counter ("OTC"). Shares and other equity securities listed on the Vienna Stock Exchange are quoted in EUR per share.

The electronic trading system used by the Vienna Stock Exchange is XETRA (Exchange Electronic Trading), the same trading system used by the Frankfurt Stock Exchange. The settlement system uses automated netting procedures and daily mark to market evaluation of collateral requirements to further reduce transfer costs.

Trading can be suspended by the Vienna Stock Exchange if orderly stock exchange trading is temporarily endangered or if its suspension is necessary in order to protect the public interest. The electronic system provides for automatic volatility interruptions and market order interruptions during auctions and for automatic volatility interruptions during continuous trading.

The settlement of transactions concluded on the stock exchange takes place outside the stock exchange. Exchange transactions (spot and forward markets) are settled through CCP Austria Abwicklungsstelle für Börsegeschäfte GmbH. These transactions are carried out T+3 on a delivery versus payment (DvP) basis, with OeKB acting on behalf of CCP Austria Abwicklungsstelle für Börsegeschäfte GmbH as the central custodian and settlement bank. In case of non-delivery, the transaction will be performed T+14 by a settlement in cash, with the defaulting counter-party having to pay a penalty to the purchaser(s). Settlement terms of OTC transactions depend on party agreement.

Share price development

The Existing Shares are listed on the Official Market, assigned to trading in the prime market segment, of the Vienna Stock Exchange. The table below sets forth the high and low closing price of the Existing Shares on the Vienna Stock Exchange for the periods indicated:

Period	High	Low
	(in EUR)	
2008	57.80	16.70
2009	31.00	18.02
2010	32.63	24.14
January 2011	33.00	30.35
February 2011	34.69	30.08
March 2011	31.90	29.02
April 2011	32.30	30.70
Through May 16, 2011	31.20	29.86

Source: Vienna Stock Exchange.

DIVIDEND POLICY

Holders of the Shares are entitled to an annual dividend declared in respect of the Issuer's financial year. The payment and amount of dividends are subject to approval by the shareholders at the annual Shareholders' Meeting.

The Company intends to pay and paid, respectively, the following dividends for the financial years 2010, 2009 and 2008:

	2010	**2009**	**2008**
Per share amount of dividends (in EUR)	1.00	1.00	1.00
Total amount of dividends paid (in EUR million)	300.0[(1)]	298.8	298.8
Earnings per share (in EUR)	3.08	1.91	4.60

(1) The total amount of dividends paid for 2010 depends on the number of shares outstanding on May 23, 2011 as treasury shares held by the Company are not eligible for dividends. As of the date of this prospectus, the Company held 1.2 million treasury shares. Consequently, the total amount of dividends would be EUR 298.8 million.

Source: Internal data.

Past dividends are not an indication of future dividends to be paid by the Issuer (see also "*Risk Factors—Shareholders are exposed to the risk of a failure of the Company to make dividend payments*.").

Pursuant to the Issuer's Articles of Association, profits of the Issuer (i.e. the net profit resulting after depreciation, adjustments, setting-up of provisions and reserves including allocation to the statutory reserve) shall be distributed, unless decided otherwise by the Shareholders' Meeting. In the mid-term, the Issuer targets a pay-out ratio of 30% of the Group's net income. However, the timing and amount of future dividend payments, if any, will depend upon the Issuer's future earnings and prospects, capital requirements and financial condition and such other factors as the Management and Supervisory Boards of the Issuer consider relevant. There can be no assurance that any dividends will be paid or that, if paid, they will correspond to the policy described above. See "*Description of the Share Capital of the Company and the Articles of Association—General provisions regarding profit appropriation and dividend payments*".

The Issuer's ability to pay dividends is based on its unconsolidated financial statements prepared in accordance with Austrian GAAP. Dividends may be paid only from the annual net profit (*Bilanzgewinn*) recorded in the Issuer's unconsolidated annual financial statements as approved by the Supervisory Board and the Shareholders' Meeting. In determining the amount available for distribution, the annual net income (*Jahresüberschuss*) must be adjusted to account for any accumulated undistributed net profit or loss from previous years as well as for withdrawals from or allocations to reserves. Certain reserves must be established by law, and allocation to such reserves must therefore be deducted from the annual net income in order to calculate the annual net profit.

Future dividends paid by the Issuer may be subject to deduction of Austrian withholding tax, as described in "*Taxation—Taxation in the Republic of Austria—Taxation of dividends*".

CAPITALIZATION AND INDEBTEDNESS

The following tables set out the Group's capitalization and net financial indebtedness as of March 31, 2011: (i) on an actual basis and (ii) as adjusted to reflect the issuance and sale of 27,272,727 New Shares at an Offer Price of EUR 29.95 per New Share, i.e. under the assumption that the Offer Price is fixed at the closing price of the Existing Shares of EUR 29.95 on the Vienna Stock Exchange on May 16, 2011, and the deduction of the commissions payable to the Managers and other Offering-related expenses incurred by the Issuer in an amount of approximately EUR 27.8 million as discussed under "*Use of Proceeds*". The information has been derived from the Unaudited Consolidated Financial Statements, which have been prepared in accordance with IFRS. The tables should be read in conjunction with "*Operating and Financial Review*" and the Unaudited Consolidated Financial Statements incorporated into this prospectus by reference.

	As of March 31, 2011	
	Actual	**As adjusted for this Offering**
	(unaudited)	
	(in EUR million)	
Cash and cash equivalents	**314.7**	**1,103.7**
Current financial liabilities (including current portion of long-term interest-bearing liabilities) [(1)]	1,179.0	1,179.0
Non-current financial liabilities (less current portion of long-term interesting-bearing liabilities)[(1)]	4,556.5	4,556.5
Total interest-bearing liabilities[(1)]	**5,735.5**	**5,735.5**
thereof guaranteed	0.0	0.0
thereof secured (repo transactions)	0.0	0.0
thereof unguaranteed and unsecured	5,735.5	5,735.5
Net indebtedness	**5,420.7**	**4,631.7**
Issued capital	300.0	327.3
Reserves	8,873.9	9,635.6
Non-controlling interests	2,373.4	2,373.4
Total shareholders' funds and non-controlling interest	**11,547.3**	**12,336.3**
Total capitalization and indebtedness	**16,968.0**	**16,968.0**

(1) Including financial lease liabilities.

Source: Unaudited Consolidated Financial Statements and internal data.

	As of March 31, 2011	
	Actual	**As adjusted for this Offering**
	(unaudited)	
	(in EUR million)	
Cash and cash equivalents	**314.7**	**1,103.7**
Current financial assets	**396.6**	**396.6**
Current bond liabilities	77.5	77.5
Current interest bearing debt	1,061.9	1,061.9
Current liabilities on finance leases	39.7	39.7
Current financial liabilities	**1,179.0**	**1,179.0**
Net current financial indebtedness/(assets)	**467.7**	**(321.3)**
Non-current bond liabilities	1,975.7	1,975.7
Non-current interest bearing debt	2,495.6	2,495.6
Non-current liabilities on finance leases	85.1	85.1
Non-current financial liabilities	**4,556.5**	**4,556.5**
Net financial indebtedness	**5,024.2**	**4,235.2**

Source: Unaudited Consolidated Financial Statements and internal data.

Working capital statement

The Issuer is of the opinion that cash flow from operating activities and cash and other liquid resources from other existing sources of financing available to it are sufficient to cover the Group's foreseeable payment obligations at least in the next 12 months from the date of this prospectus.

No material adverse change

There has been no material adverse change in the Group's financial position since March 31, 2011.

DILUTION

The net assets of the Group on a consolidated basis as of March 31, 2011 amounted to approximately EUR 9,174 million, or EUR 30.58 per Existing Share, based on 300,000,000 Existing Shares outstanding, each representing a calculated notional amount of EUR 1.00 of the nominal share capital. Net assets are total assets less total liabilities less capital attributable to non-controlling interests. Net assets per Existing Share are determined by dividing net assets by the number of outstanding shares.

Assuming the issue of 27,272,727 New Shares in this Offering and assuming that the Offer Price is fixed at the closing price of the Existing Shares of EUR 29.95 on the Vienna Stock Exchange on May 16, 2011, the Group's net assets as of March 31, 2011 would have been approximately EUR 9,963 million, or EUR 30.44 per Share, after deducting the commissions payable to the Managers and other Offering-related expenses incurred by the Issuer. This represents an immediate decrease (dilution) of approximately EUR 0.14 or less than 1% in the net assets per Share for existing shareholders who do not exercise their subscription rights, and an immediate accretion in net assets of approximately EUR 0.49 or 2% per Share to new investors purchasing New Shares in the Offering.

The following table illustrates the per share dilution:

	EUR
Assumed Offer Price equal to the closing price of the Existing Shares on May 16, 2011	29.95
Net assets per Existing Share as of March 31, 2011	30.58
Dilution per Share attributable to existing investors	0.14
Net assets per Share after the Offering..	30.44
Accretion per Share attributable to new investors..	0.49

Source: Own calculations.

Investors should be aware that the dilution (for existing investors) and accretion (for new investors) as calculated above is based on the assumption that the Offer Price for the New Shares corresponds to the closing price of the Existing Shares of EUR 29.95 on the Vienna Stock Exchange on May 16, 2011 and the issue of 27,272,727 New Shares.

Existing investors will be diluted and new investors will benefit from accretion if the Offer Price is fixed below EUR 30.58. In this case, actual dilution to existing investors is calculated by subtracting the net assets per Share after the Offering from EUR 30.58 and actual accretion to new investors is determined by subtracting the Offer Price from the net assets per Share after the Offering.

If the Offer Price is fixed above EUR 30.58, new investors will be diluted and the net assets per Share attributable to existing investors will increase (accretion). In this case, actual dilution to new investors is calculated by subtracting the net assets per Share after the Offering from the Offer Price and actual accretion to new investors is determined by subtracting EUR 30.58 from the net assets per Share after the Offering.

Net assets per Share after the Offering are the sum of net assets prior to the Offering plus net proceeds from the Offering, divided by the number of Shares outstanding immediately after the Offering.

SELECTED CONSOLIDATED FINANCIAL DATA

The following selected consolidated financial data should be read in conjunction with, and are qualified by reference to, "Operating and Financial Review" and the Consolidated Financial Statements incorporated into this prospectus by reference. The consolidated financial data presented below are derived from the Consolidated Financial Statements and internal data.

	Three months ended March 31,		Year ended December 31,		
	2011	**2010**	**2010**	**2009**	**2008**
	(in EUR million, except as otherwise noted)				
	(unaudited)		(audited)		
Consolidated Income Statement Data					
Sales revenues	8,071.5	5,284.6	23,323.4	17,917.3	25,542.6
Direct selling expenses	(69.9)	(49.9)	(244.8)	(212.7)	(238.4)
Costs of sales	(6,748.8)	(4,205.6)	(19,188.0)	(14,703.6)	(20,704.4)
Gross profit	**1,252.8**	**1,029.1**	**3,890.7**	**3,001.0**	**4,599.8**
Other operating income	69.9	73.9	250.5	223.6	278.4
Selling expenses	(214.7)	(177.2)	(755.5)	(800.1)	(881.6)
Administrative expenses	(114.4)	(74.2)	(327.3)	(299.9)	(279.2)
Exploration expenses	(55.4)	(35.1)	(238.7)	(239.1)	(334.0)
Research and development expenses	(3.8)	(2.8)	(15.8)	(14.4)	(13.6)
Other operating expenses	(127.1)	(103.2)	(470.1)	(461.3)	(1,030.1)
Earnings before interest and taxes (EBIT)	**807.2**	**710.4**	**2,333.8**	**1,409.9**	**2,339.7**
Income from associated companies	70.9	26.4	91.7	65.5	117.9
Dividend income	0.1	2.9	10.0	11.6	91.6
Net interest result	(94.7)	(78.6)	(335.9)	(297.8)	(213.5)
Other financial income and expenses	(84.7)	36.6	(139.0)	(7.5)	(26.6)
Net financial result	**(108.5)**	**(12.7)**	**(373.2)**	**(228.1)**	**(30.6)**
Profit from ordinary activities	**698.8**	**697.7**	**1,960.6**	**1,181.8**	**2,309.1**
Taxes on income	(225.3)	(241.3)	(746.5)	(464.9)	(780.1)
Net income for the period	**473.4**	**456.4**	**1,214.1**	**716.9**	**1,529.0**
thereof attributable to owners of the parent	364.9	345.9	920.6	571.7	1,374.4
thereof attributable to non-controlling interests	108.5	110.6	293.5	145.2	154.5
Consolidated Statement of Cash Flows Data					
Cash flows from operating activities	891.9	747.2	2,886.3	1,846.7	3,214.2
Cash flows from investing activities	(1,190.6)	(473.0)	(2,875.1)	(1,209.9)	(3,404.4)
Cash flows from financing activities	(324.4)	760.3	255.9	(657.5)	209.0
Net increase/(decrease) in cash and cash equivalents	(631.4)	1,046.3	271.6	(25.5)	0.5
Basic earnings per share (in EUR)	1.22	1.16	3.08	1.91	4.60
Dividend per share (in EUR)	n.a.	n.a.	1.00	1.00	1.00

	As of March 31,	As of December 31,		
	2011	**2010**	**2009**	**2008**
	(in EUR million)			
	(unaudited)	(audited)		
Consolidated Balance Sheet Data				
Non-current assets	19,377.9	18,670.3	15,615.8	15,351.3
Deferred taxes	214.3	189.6	177.6	140.3
Current assets	7,473.5	7,544.0	5,621.8	5,884.4
Total assets	**27,065.7**	**26,403.8**	**21,415.2**	**21,376.0**
Equity	11,547.3	11,312.3	10,034.8	9,363.2
Non-current liabilities	7,846.3	8,335.2	6,353.8	5,833.2
Deferred taxes	796.4	535.8	295.1	363.2
Current liabilities	6,875.8	6,220.4	4,731.6	5,816.4
Total equity and liabilities	**27,065.7**	**26,403.8**	**21,415.2**	**21,376.0**

	Three months ended March 31,		Year ended December 31,		
	2011	2010	2010	2009	2008
	(in EUR million, except as otherwise noted)				
	(unaudited)		(audited)		
Other Financial Data[1]					
Return on equity (in %)[2]	17%	18%	11%	7%	16%
Average capital employed[3]	17,156.3	14,067.4	14,274.3	13,638.7	13,341.3
NOPAT[4]	581.9	467.7	1,433.4	814.9	1,623.7
ROACE (in %)[5]	14%	13%	10%	6%	12%
Production (in boe/d)	304,000	317,000	318,000	317,000	317,000

(1) For further information on the use of these non-IFRS measures, including the limitation of these measures, see "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(2) Return on equity is defined as net income for the period divided by average stockholders' equity including non-controlling interests, expressed as a percentage, per year.

(3) Capital employed is defined as stockholders' equity including non-controlling interests plus net debt and provisions for pensions, less securities used for asset coverage of pension provisions. Average capital employed is calculated as the average of capital employed at the beginning and at the end of a period. Average capital employed in 2010 has been adjusted for the acquisition of Petrol Ofisi, i.e. the effects from the acquisition of Petrol Ofisi on capital employed as of December 31, 2010 have been excluded.

(4) Net operating profit after tax ("NOPAT") is defined as profit from ordinary activities after taxes plus net interest on net debt and interest on pensions, adjusted for tax effects.

(5) Return on average capital employed ("ROACE") is defined as NOPAT divided by average capital employed, expressed as a percentage, per year.

OPERATING AND FINANCIAL REVIEW

The following operating and financial review of the Group is based on and should be read in conjunction with the Consolidated Financial Statements. Unless stated otherwise, financial data presented in the tables of this Operating and Financial Review are derived from the Consolidated Financial Statements. The following discussion contains certain forward-looking statements that are based on assumptions about the Group and its business. The Group's actual results could differ materially from those anticipated in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this prospectus, particularly under "Risk Factors".

Overview

OMV is one of the leading energy companies in CE/SEE in terms of proved oil and gas reserves, production and refining capacity and overall market share in the marketing business in CE/SEE, according to management estimates. Sales revenues amounted to EUR 23,323 million in 2010 and EUR 8,071 million in the first three months of 2011. The Group achieved an EBIT of EUR 2,334 million in 2010 and EUR 807.2 million in the first three months of 2011. As of March 31, 2011, the Company's market capitalization was approximately EUR 9,567 million. OMV's total hydrocarbon production amounted to approximately 318,000 boe/d in 2010 and 304,000 boe/d in the first three months of 2011. Its proved oil and gas reserves amounted to approximately 1,153 million boe as of December 31, 2010, and its refining capacity was approximately 22.3 million tonnes per year. As of March 31, 2011, the Group operated a network of 4,742 filling stations in 12 CE/SEE countries and Turkey. In 2010, OMV sold approximately 89 bcm of natural gas transportation capacity, operated gas storage facilities with a capacity of around 2.4 bcm and sold approximately 18.0 bcm of gas to its customers. In addition to wholly owned subsidiaries, as of March 31, 2011, the Company directly or indirectly owned interests of 51.01% in the Romanian oil and gas company Petrom, 59.26% in the gas marketing company EconGas, 45.00% in the Bayernoil refinery network and 96.98% in Petrol Ofisi, a leading oil marketing company in Turkey. The Group's chemical operations are concentrated in Borealis, in which OMV had a 36.00% interest as of March 31, 2011.

Segment reporting

The Group's operations are divided into four reporting segments: (i) Exploration and Production (E&P); (ii) Refining and Marketing including petrochemicals (R&M); (iii) Gas and Power (G&P); and (iv) Corporate and Other (Co&O). The first three segments are operating segments. The Corporate and Other segment comprises group management, financing activities and certain service functions. The revenues and EBIT of these segments include intersegmental sales and EBIT and, therefore, do not sum up to consolidated Group revenues and EBIT. Intersegmental revenues and unrealized EBIT are eliminated on consolidation. Therefore, sales of the E&P segment are eliminated on consolidation to the extent such sales are made to other Group segments, in particular R&M, while EBIT realized on such intersegmental sales is reported in the E&P segment. Secondary reporting by geographic areas is used by management to collect additional information on the Group's operations by geographic location. These geographic areas are: Austria, Germany, Romania, Rest of CEE, Rest of Europe and Rest of World. This "Operating and Financial Review" follows the Group's segmentation.

Exploration and Production (E&P)

Exploration and Production comprises the exploration, development and production of crude oil, natural gas liquids and natural gas. The E&P segment produced approximately 304,000 boe/d in the first three months of 2011 compared to 317,000 boe/d in the first three months of 2010 and its proven reserves were approximately 1,153 million boe as of December 31, 2010. E&P is active in 16 countries and focuses on two core countries, Austria and Romania, and an international portfolio which comprises 14 additional countries.

Refining and Marketing including petrochemicals (R&M)

Refining and Marketing including petrochemicals comprises two refineries and petrochemical complexes in Schwechat (Austria) and Burghausen (Germany) and one refinery in Petrobrazi (Romania). It also includes the Group's 45.00% interest (as of December 31, 2010) in Bayernoil (third-party processing refineries). Furthermore, the R&M segment includes OMV's network of filling stations which spans across 12 CE/SEE countries and Turkey. OMV's 96.98% interest (as of March 31, 2011) in Petrol Ofisi is also for the most part included in the R&M segment and was fully consolidated as of December 31, 2010.

Gas and Power (G&P)

In the Gas and Power segment, OMV is active in various stages of the gas value chain. The segment includes four business lines: (i) gas supply; (ii) gas logistics, involving transport and storage; (iii) power generation; and (iv) marketing and trading. OMV operates long-distance gas transmission pipelines in Austria and plays an important role in gas transit. Since 2008, the G&P segment, which was previously called "Gas", includes the Group's activities in the electricity business. By entering into the power business, OMV intends to extend the gas value chain into gas fired power plants and to invest selectively in renewable power generation.

Corporate and Other (Co&O)

The Corporate and Other segment comprises group management, financing activities and certain service functions.

Key factors affecting the Group's results of operations

Management believes that the following factors have been the key drivers affecting the Group's business, results of operations and financial condition over the past three years, and will continue to be so.

Crude oil trading prices

The Group's results of operations depend to a significant extent on the prices of crude oil in the international markets, which in turn are influenced by international supply and demand and global and regional political and economic developments. The effect of crude oil trading prices is most pronounced in the E&P segment, where an increase in the prices of crude oil has a positive effect on sales and earnings. Prices of dated Brent crude have been highly volatile in the past. Prices of dated Brent crude averaged USD 97.26/bbl in 2008. Dated Brent crude prices reached an all time high of USD 144.22/bbl in July 2008 and by December 2008 decreased to USD 36.55/bbl – a level last seen in July 2004. Thereafter, prices of dated Brent crude rose to an average of USD 61.67/bbl in 2009, USD 79.50/bbl in 2010 and USD 105.43/bbl in the first three months of 2011. On March 31, 2011, prices of dated Brent crude stood at USD 116.95/bbl. The price volatility has been reflected in the Group's earnings.

Financial instruments are used to hedge a highly negative impact of low oil prices on cash flow in accordance with an internal corporate guideline on the management of commodities risk. At the end of January 2011, the Group has entered into oil price swaps, locking in a price of approximately USD 97/bbl for a production volume of 50,000 bbl/d until the end of 2011 (25,000 bbl/d of the hedged volumes relate to Petrom's production). As a result of these transactions, the Group has ensured a crude oil price of approximately USD 97/bbl for a volume of 50,000 bbl/d until the end of 2011 if the crude oil price is below the hedged price. At the same time, the Group will not profit from crude oil prices above approximately USD 97/bbl for the hedged volume. In 2010, derivative instruments were used to hedge prices for 63,000 bbl/d of the Group's crude oil production. The hedges provided a price floor (put option) of USD 54.20/bbl for 63,000 bbl/d in 2010, and were also structured so that the Group did not profit from oil prices above USD 75/bbl for the same volume. This structure allowed the Group to achieve a zero cost structure on the hedges. Derivative instruments were also used to hedge prices for 65,000 bbl/d in 2009. To achieve this goal, put spreads were used, where a price floor of USD 80/bbl

was secured providing the oil price stayed above USD 65/bbl. If the oil price fell below USD 65/bbl, the hedge paid out USD 15/bbl in addition to the realized market price. The put spreads were financed via call options in order to avoid initial investment (zero cost structure), whereby the Group would not profit from oil prices above approximately USD 110/bbl in 2009 for the above stated volume. In 2008, the E&P segment hedged around 18% of total production by way of put options against a heavy decline in prices.

Refining margins

The Group's results of operations, in particular in the R&M segment, are dependent on gross refining margins, which are the difference between the prices of bulk refined petroleum products sold and the price of crude oil and other feedstock purchased. In particular, EBIT in the R&M segment is directly correlated to refining margins. Refining margins have historically been volatile and at any given time may not track upward or downward adjustments in crude oil prices. In 2009, refining margins decreased by more than 60% compared to 2008 levels, reaching historical lows, mainly as a result of a sharp decline in middle distillate spreads due to falling demand in a weak economic environment and high inventories in Europe. In 2010, refining margins improved by almost 50% but still remained below the 2008 levels. This increase was primarily due to higher naphta and middle distillate spreads which increased due to the economic recovery in 2010. In the first three months of 2011, refining margins decreased by more than 20% compared to 2010 levels. Refining margins are influenced by factors beyond the Group's control, such as variations in demand for refined products and changes in refinery capacity.

Movements in the euro exchange rates

OMV operates in many countries and currencies. Therefore, movements in the exchange rates of currencies in the countries in which the Group operates can have a significant impact on the Group's operating results.

The following table sets out the exchange rates applied by the Group in translating currencies to EUR for the currencies that have the most significant impact on the Group's financial condition as of March 31, 2011 and 2010 and December 31, 2010, 2009 and 2008, as well as the average exchange rates applied for the first three months of 2011 and 2010 and for the years 2010, 2009 and 2008:

	First quarter 2011		First quarter 2010		2010		2009		2008	
	Balance sheet date	Average	Balance sheet date	Average	Balance sheet date	Average	Balance sheet date	Average	Balance sheet date	Average
Australian dollar (AUD)	1.374	1.361	1.474	1.529	1.314	1.442	1.601	1.773	2.027	1.742
Bulgarian lev (BGN)	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956
Czech crown (CZK)	24.543	24.375	25.444	25.868	25.061	25.284	26.473	26.435	26.875	24.946
Hungarian forint (HUF)	265.720	272.428	265.750	268.522	277.950	275.481	270.420	280.330	266.700	251.510
New Romanian leu (RON)	4.122	4.221	4.097	4.114	4.262	4.212	4.236	4.240	4.023	3.683
New Zealand dollar (NZD)	1.860	1.811	1.902	1.951	1.720	1.838	1.980	2.212	2.419	2.077
Pound sterling (GBP)	0.884	0.854	0.890	0.854	0.861	0.858	0.888	0.891	0.953	0.796
Turkish lira (TRY)	2.195	2.159	2.051	2.087	2.069	1.997	2.155	2.163	2.149	1.906
US dollar (USD)	1.421	1.368	1.348	1.383	1.336	1.326	1.441	1.395	1.392	1.471

Source: Audited Consolidated Financial Statements and internal data.

The USD represents OMV's greatest currency exposure, as trading prices of crude oil, natural gas and most petroleum products are stated in, or tied to, the USD. On the other hand, the Group's financial statements are prepared in EUR and a substantial portion of the Group's cost is incurred in EUR, RON and TRY. As a result, depreciation of the USD against the EUR can be expected to decrease the Group's reported earnings because a declining USD decreases the Group's sales to a greater extent than it decreases its costs. In addition, a depreciation of the RON against the EUR can be expected to have a positive effect on the Group's reported earnings due to the favorable impact of RON-denominated costs in EUR terms. Similar to movements of the RON against the EUR, a depreciation of the TRY against the EUR can be expected to have a positive effect on the Group's reported earnings due to the favorable impact of TRY-denominated costs in EUR terms.

The Group constantly monitors the transaction risk on USD cash flows and the net long/short position is reviewed at least annually. OMV has a USD long position in E&P and a comparatively smaller USD short position in R&M. As the USD long position originating from the E&P operations is only partly offset by results of the R&M segment, the Group's exposure is hedged by derivative instruments. For 2011, the Group hedged the proceeds from the sale of 50,000 bbl/d until the end of 2011, for which a EUR/USD exchange rate of 1.37 has been fixed. No similar hedging was concluded for 2010. For 2009, the Group entered into currency option contracts for an exposure of USD 1,000 million. As a result of such currency option contracts, for the stated exposure, the Group was exposed to EUR/USD exchange rate movements only within the range of 1.32 to 1.15 in 2009.

Acquisitions and disposals

Since its founding, the Group has emerged from a primarily Austrian business to one of Central and Southeastern Europe's leading integrated energy groups, with an extensive refining and marketing network throughout the region, worldwide exploration and production activities in 16 countries and an international chemicals and petrochemicals as well as gas business. This growth has been achieved through organic growth and acquisitions. Because the Group's strategy focuses on its key activities in core regions, the Group has also made, and will continue to make, disposals of non-core assets. Ongoing acquisitions and disposals affect the Group's results of operations due to the consolidation of acquired operations and deconsolidation of disposed operations and costs incurred in integrating and restructuring acquired operations.

Recent significant acquisitions

In January 2011, OMV through its fully owned subsidiary OMV (Tunesien) Production GmbH, signed an agreement to purchase 100% of the issued share capital of Pioneer Natural Resources Tunisia Ltd. and Pioneer Natural Resources Anaguid Ltd. (together "Pioneer Tunisia") from Pioneer Natural Resources, a U.S. oil and gas company, for a purchase price of USD 800 million plus working capital of Pioneer Tunisia as at the closing of the transaction. At closing of the transaction on February 18, 2011, the working capital of Pioneer Tunisia was preliminarily valued at USD 39 million. A final adjustment of the working capital calculation will be done based on the audited 2010 financial statements of Pioneer Tunisia. The purchase price was financed by OMV through existing cash and committed credit lines, which have been repaid before the date of this prospectus. The Issuer intends to use net proceeds from the Offering for the refinancing of this acquisition, see "*Use of Proceeds*". The acquisition significantly strengthened OMV's oil and gas production assets and reserve base in Tunisia. For more details on the acquisition, see "*Acquisition of Pioneer Tunisia*".

In December 2010, OMV acquired all shares in Petrol Ofisi held by Doğan Holding, thereby increasing its interest in Petrol Ofisi from 41.58% to 95.72%, and taking full control of the company. As a consequence of the transaction, Turkey will be positioned as a third hub of the Group, in addition to Austria and Romania. Petrol Ofisi has been fully consolidated in the audited consolidated financial statements as of December 31, 2010. The purchase price for the acquisition amounted to EUR 499.7 million and USD 694.6 million. Prior to completion, Petrol Ofisi paid a TRY-denominated dividend amounting to USD 203 million to OMV, USD 265 million to Doğan Holding and USD 21 million to free float shareholders. In March 2011, as a result of a mandatory offer to free float shareholders in Petrol Ofisi to purchase shares in Petrol Ofisi for a consideration of TRY 7.01 per share, OMV increased its share in Petrol Ofisi from 95.72% to 96.98% for a total consideration of TRY 51 million. For more information on this mandatory offer, see "*Petrol Ofisi—History and ownership*". The Issuer intends to use net proceeds from the Offering for the refinancing of the acquisition of the 55.40% interest in Petrol Ofisi from Doğan Holding and through the mandatory offer to free float shareholders, see "*Use of Proceeds*".

In September 2010, OMV signed a sale and purchase agreement with PETRONAS International Corporation Limited to acquire its oil and gas exploration and production interests in Pakistan, with an expected increase in production in Pakistan following the acquisition to approximately 25,000 boe/d by 2014. The closing of the transaction, which is envisaged to occur in 2011, is subject to the fulfilment of certain conditions precedent, in particular approval by the government of Pakistan.

In May 2009, OMV acquired from Crescent Petroleum Company International and Dana Gas PJSC a 10.00% share in Pearl Petroleum Company Limited, a company established to appraise, develop and produce the Khor Mor and Chemchemal gas fields in the Kurdistan Region of Iraq. Production from the Khor Mor and Chemchemal gas fields is expected initially to satisfy the requirements of local industry and provide quantities available for export primarily to Turkey and Europe via the planned Nabucco pipeline. In connection with the acquisition, OMV has made an initial payment of USD 350 million. Contingent payments may be made depending on further reserves determinations. No such payments were made to the date of this prospectus.

With effect from February 1, 2008, Petrom acquired the oil service activities of Petromservice SA. As part of the acquisition, Petrom acquired related assets and took over 9,775 employees. The purchase price amounted to EUR 328.5 million. The acquisition increased the quality and operational efficiency and reduced the production costs of the Group's Romanian E&P activities. The Group is in the process of integrating and restructuring Petromservice's operations.

Recent significant disposals

In February 2011, OMV sold an 89% interest in its heating oil subsidiary OMV Wärme VertriebsgmbH, a 100%-owned subsidiary of OMV Refining & Marketing GmbH to a consortium led by RWA Raiffeisen Ware Austria Aktiengesellschaft. OMV Refining & Marketing GmbH retained an 11% interest. The transaction is expected to close in the first half of 2011 following clearance by the Austrian antitrust authority. The sale completes the restructuring of OMV's heating oil business in Austria and Germany. The transaction is not expected to have a material impact on the Group's sales and EBIT.

As of December 31, 2008, OMV held a 21.22% interest in MOL Hungarian Oil and Gas Plc. ("MOL"). In March 2009, OMV sold its entire interest in MOL to Surgutneftegas, for a total consideration of EUR 1,400 million. Until its disposal, the investment in MOL was accounted for as an available-for-sale financial asset and was valued at fair value.

Ongoing restructuring program

OMV constantly monitors its cost efficiency and in recent times has undertaken a series of restructuring and cost reduction measures in order to increase productivity of the Group's businesses. The restructuring measures have resulted in charges, which have had an impact on the Group's EBIT.

The main recent and ongoing restructuring measures have related to the modernization of Petrom. A well modernization program for more than 5,000 oil wells in Romania was completed by the end of 2008, reducing the number of maintenance interventions and halting the decline in oil production. In the marketing business, Petrom's filling station network has been modernized and retail sales volumes could be increased by 6.7% from 2008 to 2010, with the effect that the marketing business has made a positive EBIT contribution each year since 2008. In the refining business, restructuring work at Petrom is still in progress. In 2008 and 2009, substantial restructuring work, focused on reduction in own crude consumption (from 14% in 2007 to 12% in 2009), improvements in the product yield structure and the installation of a FCC (fluid catalytic cracking) gasoline post-treater which enhanced Petrom's capabilities for fuel production in compliance with European product specifications, were completed. In 2010, Arpechim's petrochemical unit was sold and the Arpechim refinery was put on cold standby. In March 2011, the Group decided to close the Arpechim refinery by 2012. Refining capacity at Petrom's Petrobrazi refinery has been and will further be upgraded to compensate for the closure of the Arpechim refinery. Overall, Petrom expects to invest EUR 750 million between 2010 and 2014 in further modernizing and ensuring the maintenance of its Petrobrazi facility. See "*Business—Refining and Marketing including petrochemicals—Refining operations—Petrobrazi and Arpechim refining complexes*"). In 2009, the decision was taken to close the Doljchim fertilizer plant and consequently to exit the chemicals business at Petrom. Since then, Doljchim has been operated only when required to optimize Petrom's integrated operations, last in October 2010.

In addition to the restructuring at Petrom, the restructuring of the Bayernoil refinery network was

completed in 2008.

In the near term, the Group expects to incur additional restructuring charges, in particular in relation to the continued restructuring of Petrom.

Critical accounting policies

In the preparation of the Consolidated Financial Statements, management selects and applies certain accounting policies that it believes are important to the portrayal of the Group's financial condition and results of operations. As a result of the uncertainties inherent in the Group's business activities, management needs to make estimates and assumptions that require difficult, subjective and complex judgments.

OMV management believes that the critical accounting policies discussed below are affected most significantly by management's exercise of its judgment and estimates in the preparation of the Consolidated Financial Statements. The use of different but equally reasonable judgments or estimates by management could have resulted in significantly different results of operations. For a discussion of these and other accounting policies, please see the notes to the Consolidated Financial Statements.

Oil and gas accounting

Oil and gas reserves are key elements in the Group's investment decision-making process. Changes in proved oil and gas reserves are also an important element in testing for impairment and will affect the standardized measure of discounted future net cash flows presented in the Group's unaudited supplementary oil and gas disclosures that are part of the Consolidated Financial Statements. Furthermore, changes in proved oil and gas reserves affect the Group's unit-of-production depreciation charges. As a result, oil and gas reserves may significantly affect the financial statements of OMV.

Reserves are estimated by OMV's own engineers in accordance with the Society of Petroleum Engineers (SPE) guidance. The estimates are independently evaluated every two years, most recently in 2010 (with respect to 2009 figures) by DeGolyer and MacNaughton. Proved oil and gas reserves are the estimated quantities of crude oil, including condensate and natural gas liquids, and natural gas which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, such as prices and costs as of the date the estimate is made. Proved developed reserves are proved reserves that can reasonably be expected to be recovered through existing wells with existing equipment and operating methods.

Estimates of oil and gas reserves are inherently imprecise, require the application of judgment and are subject to future revisions. Accordingly, financial and accounting measures (such as depreciation, depletion and amortization charges, and decommissioning provisions) that are based on proved reserves, are also subject to change. The subjective judgments involved in estimating reserves involve geological and engineering assessments of in-place hydrocarbon volumes, the production, historical extraction recovery and processing yield factors, installed plant operating capacity and operating approval limits. The reliability of reserve estimates depends on the quality and quantity of technical and economic data and the efficiency of extracting and processing the hydrocarbons. Oil and gas reserves are reassessed at least once a year.

The Group reviews its oil and gas properties for impairment annually. Impairment is calculated, with respect to each property, as the difference between the market value of, or the discounted estimated future cash flows from, its proved and probable reserves, adjusted for risks related to such reserves, and the net book value of the property.

Decommissioning and restoration obligations

The Group's core activities regularly give rise to dismantling and removal, asset retirement and soil remediation obligations. These decommissioning and restoration obligations are principally of material importance in the E&P segment (oil and gas wells, above-surface facilities), and in connection with

filling stations on third-party property. At the time the obligation arises, it is provided for in full by recognizing as a liability the present value of future decommissioning and restoration expenses. An equivalent amount is capitalized as part of the carrying amount of long-lived assets. The capitalized asset is depreciated on a straight-line basis in R&M and using the unit-of-production method in E&P, and compound interest is accrued on the obligation at each balance sheet date until decommissioning and restoration.

As a general rule, decommissioning and restoration obligations are calculated on the basis of best estimates, including estimates of when the decommissioning event will occur and the costs associated with the decommissioning. Most decommissioning and restoration obligations are many years in the future and the precise requirements that will have to be met when the decommissioning event occurs are uncertain. Asset removal technologies are constantly changing, as are political, environmental, safety and public expectations. Consequently, the timing and amounts of such costs can be subject to significant changes. The Group reviews the timing and amount of future expenditures annually. A change in the variables used to prepare such estimates can have a significant effect on the provisions and charges related to the decommissioning of the Group's assets.

Pensions and post-retirement benefits

The Group's total pension and similar obligations amounted to EUR 899 million as of December 31, 2010, compared to EUR 884 million as of December 31, 2009 and EUR 932 million as of December 31, 2008.

OMV has both defined contribution and defined benefit pension plans. Defined benefit pension obligations are accounted for by setting up provisions for pensions, or by means of payments to an external pension fund. The risks associated with the defined benefit pension plans remain with OMV.

Accounting for pensions and other post-retirement benefits involves judgments about certain events, including estimated retirement dates, salary levels at retirement, mortality rates, rates of return on plan assets, determination of discount rates for measuring plan obligations, healthcare cost rates and utilization of healthcare services by retirees. These assumptions are based on the circumstances in each country in which pension or post-retirement benefits are provided. Determination of the projected benefit obligations for the Group's defined benefit plans affect the amounts of such obligations on the balance sheet and the amount of pension expense in the income statement. The assumptions used are reviewed annually and may vary from year to year, which will affect the result of operations.

Derivative instruments

Derivative instruments are used to hedge risks resulting from changes in interest rates, currency exchange rates and commodity prices. Derivative instruments are recognized at fair value, which reflects the estimated amounts that OMV would pay or receive if the positions were closed at balance sheet date. Quotations from banks or appropriate pricing models are used to estimate the fair value of financial instruments. Price calculation in these models is based on the forward prices and foreign exchange rates, as well as volatility indicators which were in effect at the balance sheet date. Changes in internal assumptions and forward curves could materially affect the internally computed fair value of derivative instruments, particularly long-term contracts, with a corresponding effect on the Group's equity or income. As of March 31, 2011, the derivative instruments held by the Group had a negative fair value of EUR 241 million.

Impairment

The Group has considerable investments in property, plant and equipment and intangible assets. As of December 31, 2010, the Group had property, plant and equipment of EUR 12,829 million. In addition, as of December 31, 2010, the Group had EUR 3,093 million of intangible assets, consisting primarily of concessions, licenses and rights, oil and gas assets with unproved reserves and goodwill.

Changes in the circumstances or expectation of future performance of an asset may be an indicator that

the asset is impaired, requiring its carrying value to be written down. Both intangible assets and property, plant and equipment are reviewed at each quarterly balance sheet date for any indications of impairment. Additionally, for intangible assets with indefinite useful lives and goodwill, impairment tests are carried out annually irrespective of whether there is any indication of impairment. Where the carrying amount of an asset exceeds the recoverable amount, an impairment loss is recognized to reduce the asset to its lower recoverable amount. Where in subsequent periods the reasons for recognition of an impairment loss are no longer relevant, the asset's value – except in the case of goodwill – is written back up to its amortized cost, and the difference is disclosed under other operating income.

Evaluations whether an asset is impaired or if an impairment should be reversed require a high degree of judgment and may to a large extent depend on the key long-term assumptions about the future. Such assumptions are used in estimating the relevant future cash flows, which are discounted to their present value, and may concern often volatile economic factors such as future market prices, currency exchange rates and future output, discount rates and political and country risk, among others. There is a high degree of reasoned judgment involved in establishing these assumptions, in determining other relevant factors such as forward price curves, in estimating production outputs, and determining the ultimate value of an asset.

Income taxes

The Group annually incurs significant amounts of income taxes payable to various jurisdictions and recognizes significant changes to deferred tax assets and deferred tax liabilities. In accordance with IAS 12 prescribing the accounting treatment for income taxes, the recognition is based on management expectations and interpretations of applicable laws and regulations. The quality of these estimates is highly dependent upon management's ability to properly apply at times very complex sets of rules, recognize changes in the applicable rules and, in the case of deferred tax assets, management's ability to project future taxable profits which will be available to utilize deductible temporary differences.

Comparison of Group results

Market overview

The 2008 financial year was characterized by extremely volatile oil prices which had increased to above USD 140/bbl by mid 2008 and then, in light of the financial crisis and a deterioration of the global economic environment, decreased by more than USD 100/bbl. Despite a sharp decrease in the second half of 2008, average prices for dated Brent crude (USD 97.26/bbl), naphtha (USD 786 per tonne) and diesel (USD 947 per tonne) increased significantly compared to 2007 levels. The EUR/USD exchange rate averaged 1.471 EUR/USD.

In 2009, oil prices stabilized at a level which was significantly (approximately 37%) below the 2008 comparable figures and averaged USD 61.67/bbl. As a result of the lower crude oil price environment, average prices in 2009 for naphtha (USD 531 per tonne) and diesel (USD 535 per tonne) decreased significantly compared to 2008 levels. The EUR/USD exchange rate averaged 1.395 EUR/USD.

In 2010, oil prices increased to an average price of USD 79.50/bbl and remained relatively stable throughout the year. Towards the end of the year, oil prices rose, primarily due to a recovery of the global economy and cold weather conditions in the northern hemisphere, and stood at USD 92.55/bbl as of December 31, 2010. In line with oil prices, average prices for naphtha (USD 709 per tonne) and diesel (USD 688 per tonne) increased compared to 2009 levels. The EUR/USD exchange rate averaged 1.326 EUR/USD.

In the three months ended March 31, 2011, oil prices rose from USD 92.55/bbl to USD 116.95/bbl by the end of March and averaged USD 105.43/bbl. This increase was driven mainly by political unrest in several Arab countries in North Africa and the Middle East, which in some cases, most of all Libya, resulted in a loss of oil exports. Average prices for naphtha (USD 906 per tonne) and diesel (USD 912 per tonne) increased in line with oil prices. The EUR/USD exchange rate averaged 1.368 EUR/USD.

The following table sets forth the Group's results of operations in the three months ended March 31, 2011 and 2010 as well as in the financial years ended December 31, 2010, 2009 and 2008:

	Three months ended March 31,			Year ended December 31,				
	2011	% Change	2010	2010	% Change	2009	% Change	2008
	(in EUR million, except percentages)							
	(unaudited)			(audited, except percentages)				
Sales revenues	8,071.5	53	5,284.6	23,323.4	30	17,917.3	-30	25,542.6
Direct selling expenses	(69.9)	40	(49.9)	(244.8)	15	(212.7)	-11	(238.4)
Costs of sales	(6,748.8)	60	(4,205.6)	(19,188.0)	30	(14,703.6)	-29	(20,704.4)
Gross profit	**1,252.8**	**22**	**1,029.1**	**3,890.7**	**30**	**3,001.0**	**-35**	**4,599.8**
Other operating income	69.9	-5	73.9	250.5	12	223.6	-20	278.4
Selling expenses	(214.7)	21	(177.2)	(755.5)	-6	(800.1)	-9	(881.6)
Administrative expenses	(114.4)	54	(74.2)	(327.3)	9	(299.9)	7	(279.2)
Exploration expenses	(55.4)	58	(35.1)	(238.7)	0	(239.1)	-28	(334.0)
Research and development expenses	(3.8)	33	(2.8)	(15.8)	10	(14.4)	6	(13.6)
Other operating expenses	(127.1)	23	(103.2)	(470.1)	2	(461.3)	-55	(1,030.1)
Earnings before interest and taxes (EBIT)	**807.2**	**14**	**710.4**	**2,333.8**	**66**	**1,409.9**	**-40**	**2,339.7**
Income from associated companies	70.9	>100	26.4	91.7	40	65.5	-44	117.9
Dividend income	0.1	-96	2.9	10.0	-14	11.6	-87	91.6
Net interest result	(94.7)	20	(78.6)	(335.9)	13	(297.8)	39	(213.5)
Other financial income and expenses	(84.7)	n.a.	36.6	(139.0)	>100	(7.5)	-72	(26.6)
Net financial result	**(108.5)**	**>100**	**(12.7)**	**(373.2)**	**64**	**(228.1)**	**>100**	**(30.6)**
Profit from ordinary activities	**698.8**	**0**	**697.7**	**1,960.6**	**66**	**1,181.8**	**-49**	**2,309.1**
Taxes on income	(225.3)	-7	(241.3)	(746.5)	61	(464.9)	-40	(780.1)
Net income for the period	**473.4**	**4**	**456.4**	**1,214.1**	**69**	**716.9**	-53	**1,529.0**
thereof attributable to owners of the parent	364.9	5	345.9	920.6	61	571.7	-58	1,374.4
thereof attributable to non-controlling interests	108.5	-2	110.6	293.5	>100	145.2	-6	154.5

Effects from the acquisition of a 54.14% interest in Petrol Ofisi in December 2010

Following the acquisition of an additional 54.14% interest in Petrol Ofisi in December 2010, the results of Petrol Ofisi are fully consolidated in the Group's results of operations in the three months ended March 31, 2011. The comparability of the Group's results of operations in the three months ended March 31, 2011 and 2010 is therefore affected by the first time consolidation of Petrol Ofisi as of December 31, 2010. The 2010 results of Petrol Ofisi are not consolidated in the Group's results of operations in 2010 and shown as income from associated companies.

For a discussion of the main drivers of Petrol Ofisi's results in 2010 and 2009, see "*Petrol Ofisi—Petrol Ofisi Group results in 2010 and 2009*".

Three months ended March 31, 2011 compared with three months ended March 31, 2010

Sales

In the three months ended March 31, 2011, sales increased by EUR 2,787 million or 53% to EUR 8,071 million from EUR 5,285 million in the three months ended March 31, 2010. This increase was primarily due to higher crude oil and product prices, which had a positive effect on sales in the E&P and R&M segments, as well as increased sales volumes in the R&M segment due to the first time full consolidation of Petrol Ofisi. The Group's crude oil production decreased from 317,000 boe/d in the three months ended March 31, 2010 to 304,000 boe/d in the three months ended March 31, 2011, primarily due to the effects of political instability in Libya and Yemen. In the G&P segment, sales increased by 38%, mainly due to higher gas sales volumes.

Direct selling expenses

Direct selling expenses comprise primarily cost of freight for tank trucks, tank wagons, ships and rail

shipment of goods and therefore do not move directly in response to changes in crude oil prices. Certain duties levied on crude oil exports in the E&P segment are also reported as direct selling expenses.

In the three months ended March 31, 2011, direct selling expenses increased by EUR 20 million or 40% to EUR 70 million from EUR 50 million in the three months ended March 31, 2010. This increase was primarily due to higher export taxes in Kazakhstan as a consequence of higher production volumes and higher crude oil prices, which lead to an increase of direct selling expenses in OMV's Kazakh subsidiaries of EUR 10 million.

Costs of sales

Costs of sales comprise materials and supplies, primarily crude oil and natural gas, and variable and fixed costs that can be allocated to sales such as manufacturing, maintenance, lifting, production and abandonment costs and depreciation (including impairments) of production facilities.

In the three months ended March 31, 2011, costs of sales increased by EUR 2,543 million or 60% to EUR 6,749 million from EUR 4,206 million in the three months ended March 31, 2010. This increase was primarily due to higher crude oil prices (which increased by 38% compared to the first quarter of 2010) as well as higher gas sales volumes and higher R&M sales volumes due to the consolidation of Petrol Ofisi as of December 31, 2010. The total impact of the consolidation of Petrol Ofisi on the Group's costs of sales was EUR 1,002 million.

Other operating income

Other operating income includes foreign exchange gains, gains on the disposal of assets and the reversal of provisions, insurance indemnifications, certain income from subsidiaries (including fees for crude oil production), trade discounts and license fees received and reversals of valuation allowances.

In the three months ended March 31, 2011, other operating income decreased by EUR 4 million or 5% to EUR 70 million from EUR 74 million in the three months ended March 31, 2010. This decrease was primarily due to gains on the disposal of OMV Italia S.r.l. in the first quarter of 2010, partly offset by foreign exchange gains, mainly at Petrom and Petrol Ofisi, in the first quarter of 2011.

Selling expenses

Selling expenses primarily consist of marketing and distribution costs.

In the three months ended March 31, 2011, selling expenses increased by EUR 37 million or 21% to EUR 215 million from EUR 177 million in the three months ended March 31, 2010. This increase was primarily due to the first time full consolidation of Petrol Ofisi as of December 31, 2010, resulting in an increase of selling expenses in the amount of EUR 44 million.

Administrative expenses

Administrative expenses include expenses for the management of the Group, planning and project department, controlling, accounting and reporting, financial department, legal department as well as personnel and other departments supporting the management.

In the three months ended March 31, 2011, administrative expenses increased by EUR 40 million or 54% to EUR 114 million from EUR 74 million in the three months ended March 31, 2010. This increase was primarily due to the first time full consolidation of Petrol Ofisi as of December 31, 2010, resulting in an increase of the Group's administrative expenses in the amount of EUR 20 million. Higher project costs and an allocation to provisions for management incentive programs, as opposed to a partial release of these provisions in the three months ended March 31, 2010, also contributed to the increase in administrative expenses.

Exploration expenses

Exploration expenses relate exclusively to E&P and comprise all costs associated with unproved reserves. These include geological and geophysical costs for the identification and investigation of areas with possible oil and gas reserves, and administrative, legal and consulting costs in connection with exploration. They also include all write-offs of exploration wells where no proved reserves could be demonstrated.

In the three months ended March 31, 2011, exploration expenses increased by EUR 20 million or 58% to EUR 55 million from EUR 35 million in the three months ended March 31, 2010. This increase was primarily due to higher write-offs related to three exploration wells in Romania.

Research and development expenses

Research and development expenses include all direct and indirect material, personnel and external services costs incurred in connection with the search for new development techniques and improvements in products, services and processes, and in connection with research activities. Research and development expenses in all years under review related primarily to the R&M segment.

In the three months ended March 31, 2011, research and development expenses increased by EUR 1 million or 33% to EUR 4 million from EUR 3 million in the three months ended March 31, 2010.

Other operating expenses

Other operating expenses include expenses other than those allocated to other cost line items.

In the three months ended March 31, 2011, other operating expenses increased by EUR 24 million or 23% to EUR 127 million from EUR 103 million in the three months ended March 31, 2010. This increase was due primarily to higher foreign exchange losses, mainly at Petrom and Petrol Ofisi.

Earnings before interest and taxes (EBIT)

In the three months ended March 31, 2011, EBIT increased by EUR 97 million or 14% to EUR 807 million from EUR 710 million in the three months ended March 31, 2010. This increase was due primarily to higher crude oil and product prices, as result of which EBIT in the E&P segment increased by 22% despite a decline in total hydrocarbon production by 4% and a 58% increase in exploration expenses. In the R&M segment, EBIT increased slightly, primarily due to higher petrochemical margins, inventory holding gains of EUR 101 million and the first time consolidation of Petrol Ofisi which contributed EUR 8 million to R&M EBIT. These effects were partly offset by lower marketing and refining margins as well as increased cost for own crude consumption due to higher crude oil prices. In the G&P segment, EBIT declined by 16%, primarily due to lower margins in EconGas' target markets and negative effects on Petrom's margins due to a higher import quota and import prices.

Income/loss from associated companies

Income/loss from associated companies includes the share of profit or loss of all companies consolidated according to the equity method.

In the three months ended March 31, 2011, income from associated companies increased by EUR 44 million or more than 100% to EUR 71 million from EUR 26 million in the three months ended March 31, 2010. This increase was due primarily to a strong contribution of Borealis in the amount of EUR 62 million compared to EUR 19 million in the three months ended March 31, 2010 due to a strong petrochemical margin environment in the first quarter of 2011.

Dividend income

In the three months ended March 31, 2011, dividend income decreased to EUR 0 million from EUR 3

million in the three months ended March 31, 2010.

Net interest result

Net interest result comprises interest income on financial assets as well as interest expense on financial liabilities and interest components accrued on pension, decommissioning and other provisions.

In the three months ended March 31, 2011, net interest expense increased by EUR 16 million or 20% to EUR 95 million from EUR 79 million in the three months ended March 31, 2010. This increase was due primarily to the acquisition and first time consolidation of Petrol Ofisi as of December 31, 2010 as result of which net debt increased from EUR 3,084 million as of March 31, 2010 to EUR 5,421 million as of March 31, 2011. This effect was partly offset by lower interest components accrued on provisions.

Other financial income and expenses

In the three months ended March 31, 2011, other financial expenses were EUR 85 million compared to an income of EUR 37 million in the three months ended March 31, 2010. This development was due primarily to foreign exchange losses mainly in relation with the stronger RON versus USD, which had a negative impact on the valuation of USD loans of Petrom to its Kazakh subsidiaries. Foreign exchange hedges entered into in connection with Petrol Ofisi's USD denominated financial liabilities also contributed to the Group's financial expenses.

Taxes on income

In the three months ended March 31, 2011, taxes on income decreased by EUR 16 million or 7% to EUR 225 million from EUR 241 million in the three months ended March 31, 2010. Current taxes on income of EUR 193 million and expenses from deferred taxes of EUR 33 million were recognized in the first quarter of 2011. The effective tax rate in the first quarter of 2011 was 32% compared to 35% in the first quarter of 2010. This decrease was primarily due to higher income from associates, mainly from Borealis, and lower contributions of high tax profits from Libya, partly offset by a tax increase in the United Kingdom.

Net income

In the three months ended March 31, 2011, net income increased by EUR 17 million or 4% to EUR 473 million from EUR 456 million in the three months ended March 31, 2010, due to the reasons discussed above.

Financial year 2010 compared with financial year 2009; and financial year 2009 compared with financial year 2008

Sales

Sales for the financial year 2010 were EUR 5,406 million or 30% higher at EUR 23,323 million compared to EUR 17,917 million in 2009, mainly driven by higher crude oil (Brent) prices which increased by 29% from USD 61.67/bbl in 2009 to USD 79.50/bbl in 2010. This increase in crude oil prices was accompanied by higher petroleum product and gas prices. The Group's total production volume remained relatively stable at 318,000 boe/d in 2010 compared to 317,000 boe/d in 2009. In the R&M segment, total refined product sales volumes declined by 4% from 25.5 million tonnes in 2009 to 24.5 million tonnes in 2010. Marketing volumes, which are included in total refined product sales volumes, also declined. The G&P segment benefited from higher gas sales volumes, which increased by 38% from 13.1 bcm in 2009 to 18.0 bcm in 2010, and higher gas transportation sold, which increased by 18% from 75.3 bcm in 2009 to 89.2 bcm in 2010.

In 2009, sales decreased by EUR 7,625 million or 30% to EUR 17,917 million from EUR 25,543 million in 2008, mainly driven by a 37% year-on-year decline in average crude oil prices and lower gas and petroleum product prices. In the R&M segment, sales were negatively affected by lower product

prices and lower sales volumes in both refining and marketing, primarily as a consequence of the difficult economic environment, as well as due to a lower number of filling stations operated by the Group (2,433 in 2009 compared to 2,528 in 2008). In the G&P segment, higher gas sales volumes and increasing transportation capacity and storage volume sold could not offset the negative effects on sales of a lower realized gas price, which decreased by 15% in 2009 compared to 2008.

Direct selling expenses

Direct selling expenses for the financial year 2010 were EUR 32 million or 15% higher at EUR 245 million compared to EUR 213 million in 2009. The increase was mainly due to an export tax in Kazakhstan, introduced in 2010 in the amount of EUR 25 million, and freight costs related to the start of production in the Komsomolskoe field in Kazakhstan at the end of 2009.

In 2009, direct selling expenses decreased by EUR 26 million or 11% to EUR 213 million from EUR 238 million in 2008 primarily due to lower sales volumes in R&M in 2009.

Costs of sales

Costs of sales for the financial year 2010 were EUR 4,484 million or 30% higher at EUR 19,188 million compared to EUR 14,704 million in 2009, mainly as a consequence of higher crude oil prices, higher gas sales volumes and stronger USD, partly offset by lower R&M sales volumes.

In 2009, costs of sales decreased by EUR 6,001 million or 29% to EUR 14,704 million from EUR 20,704 million in 2008, primarily due to lower crude oil prices and R&M sales volumes in 2009, partly offset by stronger USD.

Other operating income

Other operating income for the financial year 2010 was EUR 27 million or 12% higher at EUR 251 million compared to EUR 224 million in 2009. Other operating income in particular consisted of foreign exchange gains from operating activities in the amount of EUR 47 million (in 2009: EUR 47 million) and gains on the disposal (EUR 16 million) and write up (EUR 6 million) of non-current assets (not including financial assets) in the amount of EUR 23 million (in 2009: EUR 51 million). The increase in other operating income was mainly due to higher sales of CO_2 emission certificates and insurance indemnifications received in 2010 relating to a fire incident in the Schwechat refinery in 2008. This increase was partly offset by lower gains on the disposal of non-current assets, which in 2010 mainly related to the sale of non-core assets by Petrom and the sale of a property by the Company, compared to gains of EUR 45 million in 2009.

In 2009, other operating income decreased by EUR 55 million or 20% to EUR 224 million from EUR 278 million in 2008, primarily due to a decrease in foreign exchange gains from operating activities to EUR 47 million in 2009 (2008: EUR 117 million). This decrease in foreign exchange gains from operating activities was primarily due to a change in the presentation of losses from operative foreign exchange hedging instruments. In 2008, such losses were shown in sales (in case of a sales hedge) or costs of sales (in case of a procurement hedge), while they were presented as other operating income, offsetting foreign exchange gains, in 2009. In 2009, other operating income included a book gain on the sale of the Australian E&P assets Jabiru and Challis and a gain from the disposal of Austrian filling stations, which were sold as part of a program to optimize the retail network, whereas in 2008, other operating income included the sale of Petrom's non-core assets and book gains on the sale of the Dunlin oil field in the United Kingdom.

Selling expenses

Selling expenses for the financial year 2010 were EUR 45 million or 6% lower at EUR 756 million compared to EUR 800 million in 2009, primarily due to lower marketing volumes.

In 2009, selling expenses decreased by EUR 82 million or 9% to EUR 800 million from EUR 882

million in 2008, primarily due to active cost management in the downstream business.

Administrative expenses

Administrative expenses for the financial year 2010 were EUR 27 million or 9% higher at EUR 327 million compared to EUR 300 million in 2009, due primarily to a change in the allocation system of R&M management costs, as well as an increase in expenses related to management incentive programs by EUR 7 million compared to 2009.

In 2009, administrative expenses increased by EUR 21 million or 7% to EUR 300 million from EUR 279 million in 2008, due primarily to income in 2008 from the release of a provision for stock options, as OMV's share price fell significantly in 2008, compared to a recognition of a provision for incentive programs in 2009.

Exploration expenses

Exploration expenses remained stable at EUR 239 million in the financial years 2010 and 2009. This development was due to a comparable level of impaired exploration activities in 2010 and 2009. In 2010, write-offs mainly related to activities in Norway, Faroe Islands as well as Romania.

In 2009, exploration expenses decreased by EUR 95 million or 28% to EUR 239 million from EUR 334 million in 2008, primarily due to decreased activities at Petrom, where exploration expenses decreased from EUR 167 million in 2008 to EUR 65 million in 2009, in Austria and in North Africa, as well as due to impairments of Iranian and Russian assets in 2008. These effects were partly offset by impairments in 2009 of exploration licenses in Romania, Russia and the Meteor field in the United Kingdom.

Research and development expenses

Research and development expenses for the financial year 2010 were EUR 1 million or 10% higher at EUR 16 million compared to EUR 14 million in 2009.

In 2009, research and development expenses increased by EUR 1 million or 6% from EUR 14 million in 2008.

Other operating expenses

Other operating expenses for the financial year 2010 were EUR 9 million or 2% higher at EUR 470 million compared to EUR 461 million in 2009. The increase was particularly due to restructuring costs in connection with personnel reduction in the amount of EUR 98 million in 2010 (compared to EUR 54 million in 2009). Personnel reduction costs increased in Austria and Germany while they were lower at Petrom. This effect was partly offset by lower foreign exchange losses from operating activities which decreased from EUR 64 million in 2009 to EUR 49 million in 2010.

In 2009, other operating expenses decreased by EUR 569 million or 55% to EUR 461 million from EUR 1,030 million in 2008. This decrease was particularly due to the accrual of litigation provisions at Petrom of EUR 358 million in 2008, as well as lower expenses for personnel reduction plans of EUR 54 million in 2009 (compared to EUR 125 million in 2008) and lower foreign exchange losses from operating activities which decreased from EUR 140 million in 2008 to EUR 64 million in 2009. This decrease in foreign exchange losses from operating activities was primarily due to a change in the presentation of gains from operative foreign exchange hedging instruments. In 2008, such gains were shown in sales (in case of a sales hedge) or costs of sales (in case of a procurement hedge), while they were presented as other operating expenses, offsetting foreign exchange losses, in 2009.

Earnings before interest and taxes (EBIT)

EBIT for the financial year 2010 were EUR 924 million or 66% higher at EUR 2,334 million compared

to EUR 1,410 million in 2009. This increase was primarily due to the increase in the Group's average realized crude price by 21% from USD 60.94/bbl in 2009 to USD 73.44/bbl in 2010, reflecting also the significantly lower positive effects from hedging (EUR 4 million in 2010, compared to EUR 108 million in 2009). The Group's average realized gas price in 2010 was 7% higher than in the prior year, reflecting the increased overall gas price level. Production costs increased by 7% compared to 2009 and this effect was primarily due to the exclusion of own consumption from the calculation of production costs. In 2010, EBIT included net special charges of EUR 323 million (EUR 180 million in 2009), related mainly to impairments of E&P assets in Kazakhstan, the United Kingdom and Austria, as well as personnel restructuring costs. In the R&M segment, an improved margin environment, cost savings and the ongoing restructuring at Petrom had a positive impact on EBIT as well as a higher contribution of the petrochemicals business, lower net special charges and positive inventory effects of EUR 187 million due to higher crude oil prices at year end 2010. These factors were only partly offset by lower sales volumes in the R&M segment. In the G&P segment, the logistics business made a strong contribution to an 18% increase in EBIT, benefiting from higher transportation volumes sold. However, the gas supply, marketing and trading business saw a strong pressure on margins. The EBIT contribution of Petrom to Group EBIT increased by 86% compared to 2009 and amounted to EUR 708 million, driven mainly by higher oil prices and lower net special charges, as well as lower costs related to the Doljchim fertilizer and the Arpechim refinery, which was closed for nearly nine months in 2010.

In 2009, EBIT decreased by EUR 930 million or 40% to EUR 1,410 million from EUR 2,340 million in 2008, primarily as a result of lower realized oil and gas prices, which decreased by 32% and 15% respectively, principally due to the economic downturn in most of OMV's markets. The decline was in part offset by positive foreign exchange effects, mainly due to the strengthening of the USD. In the R&M segment, 2009 was characterized by depressed refining margins and a contraction in refined product sales volumes, each as a result of the weak economic environment in 2009. These effects were in part offset by positive inventory effects of around EUR 170 million as a consequence of rising crude oil prices towards the end of 2009 and increased cost efficiency due to restructuring and profitability enhancement programs. In the G&P segment, EBIT was negatively affected by significant provisions booked in respect of the closure of the Doljchim fertilizer plant in Romania and by lower gas sales prices, partly offset by slightly higher gas sales volumes and increased transportation capacity sold. The EBIT contribution of Petrom increased by 16% compared to 2008 and amounted to EUR 382 million (2008: EUR 328 million), mainly due to a substantial reduction in net special charges.

Income/loss from associated companies

Income from associated companies for the financial year 2010 was EUR 26 million or 40% higher at EUR 92 million compared to EUR 66 million in 2009. The increase was due primarily to a higher contribution of Borealis in the amount of EUR 109 million in 2010 (compared to EUR 12 million in 2009) due to a strong margin environment in light of a general economic upturn. This effect was partly offset by a loss at Petrol Ofisi in the amount of EUR 16 million (compared to income of EUR 40 million in 2009), which was mainly due to a weak market environment, one-off items and the TRY depreciation against the USD in 2010, which had a negative effect on Petrol Ofisi's USD-denominated outstanding debt.

In 2009, income from associated companies decreased by EUR 52 million or 44% to EUR 66 million from EUR 118 million in 2008. The decrease was due primarily to a lower Borealis contribution in 2009 which decreased from EUR 91 million in 2008 to EUR 12 million in 2009 as a result of lower margins in light of the general economic downturn. This effect was partly offset by an increased contribution of Petrol Ofisi (EUR 40 million in 2009 compared to EUR 10 million in 2008) as higher marketing margins and a stable TRY versus the USD positively affected the contribution of Petrol Ofisi.

Dividend income

Dividend income for the financial year 2010 was EUR 2 million or 14% lower at EUR 10 million compared to EUR 12 million in 2009.

In 2009, dividend income decreased by EUR 80 million or 87% to EUR 12 million from EUR 92 million in 2008. The significant decrease was due primarily to the MOL dividend in the amount of EUR 78 million paid in 2008, which, following the sale of the Group's stake in MOL in March 2009, did not contribute to the Group's dividend income in 2009.

Net interest result

Net interest expense for the financial year 2010 was EUR 38 million or 13% higher at EUR 336 million compared to an expense of EUR 298 million in 2009. This increase mainly related to higher interest expenses for provisions as well as higher financing costs for the Group's financial liabilities, primarily due to higher interest rates as a result of an extension of the Group's maturity profile in the second quarter of 2009.

In 2009, net interest expense increased by EUR 84 million or 39% to an expense of EUR 298 million from an expense of EUR 213 million in 2008. The increase mainly related to higher average net debt which increased from EUR 2,950 million in 2008 to EUR 3,381 million in 2009 and higher interest components accrued on provisions. Additionally, a provision for interest expenses in the amount of EUR 20 million relating to a tax review at Petrom was recognized in 2009.

Other financial income and expenses

Other financial income and expenses for the financial year 2010 were an expense of EUR 139 million, EUR 132 million or more than 100% higher than a EUR 7 million expense in 2009. The increase was due to a remeasurement loss in the amount of EUR 172 million in connection with the full consolidation of Petrol Ofisi as of December 31, 2010. This remeasurement related to the application of IFRS 3 "Business Combinations" as a result of which foreign exchange losses previously booked directly in equity had to be recognized in the income statement as an expense in 2010. Further, the interest held by OMV in Petrol Ofisi prior to the acquisition of the 54.14% interest in December 2010 had to be revalued to the lower purchase price for the 54.14% interest.

In 2009, other financial income and expenses improved by EUR 19 million or 72% to an expense of EUR 7 million from an expense of EUR 27 million in 2008. The change was due primarily to net foreign exchange gains on financial instruments of EUR 47 million in 2009 (compared to EUR 6 million in 2008), partly offset by a non-tax deductible loss in the amount of EUR 37 million on the sale of OMV's shares in the Hungarian oil and gas company MOL in March 2009.

Taxes on income

Taxes on income for the financial year 2010 were EUR 282 million or 61% higher at EUR 747 million compared to EUR 465 million in 2009. The increase was due primarily to higher profit from ordinary activities and a deferred tax expense of EUR 29 million compared to deferred tax income of EUR 82 million in 2009. The Group's effective tax rate decreased to 38.1% from 39.3% in 2009. This decrease was mainly attributable to a relatively lower profit contribution of high-taxed Libyan E&P results as well as the relatively higher contribution of the relatively lower taxed Romanian companies.

In 2009, taxes on income decreased by EUR 315 million or 40% to EUR 465 million from EUR 780 million in 2008. This decrease was due primarily to lower profit from ordinary activities due mainly to the decrease in the oil price, and higher deferred tax income which amounted to EUR 82 million in 2009 (compared to EUR 57 million in 2008). The Group's effective tax rate increased from 33.8% in 2008 to 39.3% in 2009. The increase was mainly attributable to a comparatively higher profit contribution of high-taxed E&P results, exacerbated by the transformation of contracts in Libya (which came into effect in the second half of 2008), to the standard Exploration and Production Sharing Agreements IV framework. In addition, the non-tax deductible loss on the sale of the share in MOL, together with the loss of dividend income from MOL in 2009, led to an increase in the effective tax rate in 2009.

Net income

Net income for the financial year 2010 was EUR 497 million or 69% higher at EUR 1,214 million compared to EUR 717 million in 2009. In 2009, net income decreased by EUR 812 million or 53% from EUR 1,529 million in 2008. These changes were due to the reasons discussed above.

Comparison of segment results

Period by period comparison for Exploration and Production (E&P)

	Three months ended March 31,			Year ended December 31,				
	2011	% Change	2010	2010	% Change	2009	% Change	2008
	(unaudited)			(audited, except as stated otherwise and percentages)				
Total segment sales in EUR million[(1)]	1,355	19	1,140	4,666	23	3,797	-25	5,089
EBIT in EUR million[(2)]	677	22	556	1,816	25	1,450	-36	2,274
Production in million boe (unaudited)	27.4	-4	28.5	115.9	0	115.5	0	115.9
Proved reserves in million boe (unaudited)	n.a.	n.a.	n.a.	1,153	-3	1,188	-1	1,206

(1) Including intra-group sales.
(2) Excluding intersegmental profit elimination.

Sales

In the three months ended March 31, 2011, sales increased by EUR 215 million or 19% to EUR 1,355 million from EUR 1,140 million in the three months ended March 31, 2010. This increase was primarily due to an increase in crude oil prices as the average Brent price increased from USD 76.36/bbl in the first quarter of 2010 to USD 105.43/bbl in the first quarter of 2011. Due to a negative hedging result, which had an adverse impact of EUR 24 million in the first three months of 2011 (compared to a postive hedging contribution of EUR 35 million in the first quarter of 2010), the average realized crude oil price increased only to USD 94.13/bbl. The positive effects from the increase in crude oil prices were partly offset by lower hydrocarbon production volumes which declined by 4%, mainly due to the political situation in Libya and Yemen, where production has effectively ceased as of March 2011. This decline could not be offset by increased crude oil production in Kazakhstan and Tunisia, where Pioneer Tunisia, which was consolidated as of March 1, 2011, contributed 2,200 boe/d to total production, and slightly higher gas production, which was mainly due to higher production volumes in Pakistan, Romania, Austria and Turkey, offsetting lower production in New Zealand and the United Kingdom.

Sales for the financial year 2010 totaled EUR 4,666 million, an increase of EUR 869 million or 23% from EUR 3,797 million in 2009. The increase was due primarily to higher crude oil prices as the average realized crude price climbed from USD 60.94 in 2009 by 21% to USD 73.44 in 2010, reflecting the significantly lower positive effects from hedging (EUR 4 million in 2010, compared to EUR 108 million in 2009). The average realized gas price increased by 7%, reflecting the increased overall gas price level. This effect was further supported by slightly higher production which increased to 318,000 boe/d (thereof Petrom: 184,000 boe/d) from 317,000 boe/d (thereof Petrom: 187,000 boe/d) in 2009. Higher volumes in Kazakhstan, Libya and Austria more than compensated lower volumes in Romania and Tunisia. In Libya, the Group was able to temporarily relocate to other operators output curtailments imposed due to OPEC quota in 2010. Gas production in Romania was negatively affected by the delay in completion of key gas fields and harsh winter conditions in the first quarter 2010.

In 2009, sales decreased by EUR 1,292 million or 25% to EUR 3,797 million from EUR 5,089 million in 2008. This decrease was due primarily to significantly lower crude oil and gas prices, as the Group's average realized oil price in USD dropped by 32% and the average realized gas price in EUR by 15%, each compared to 2008 levels. The negative effect of lower USD denominated oil prices was in part offset by a stronger USD. Production remained relatively stable at 317,000 boe/d (thereof Petrom 2009: 187,000 boe/d; 2008: 194,000 boe/d). Higher production in New Zealand, which almost doubled to 24,700 boe/d (mainly due to the start-up of production at the Maari oil field), Yemen and Austria compensated for natural production declines (Romania, United Kingdom, Tunisia and Pakistan), a

production shutdown in the United Kingdom due to a longer than expected maintenance work and lower production in Libya where OPEC quota negatively affected produced volumes.

EBIT

In the three months ended March 31, 2011, EBIT increased by EUR 121 million or 22% to EUR 677 million from EUR 556 million in the three months ended March 31, 2010. This increase was primarily due to higher sales and positive foreign exchange effects, partly offset by higher exploration expenses, which increased by 58% compared to the first quarter of 2010 and higher production costs, which increased by 7% in light of lower production volumes and higher service costs. EBIT in the first quarters of 2011 and 2010 was not affected by any one-off items.

EBIT for the financial year 2010 totaled EUR 1,816 million, an increase of EUR 366 million or 25% from EUR 1,450 million in 2009. The increase was due primarily to higher realized crude oil and gas sales prices, which was partly offset by a lower but still positive hedging result. Production costs increased by 7% compared to 2009, mainly due to the exclusion of own consumption from the calculation of production costs. Production costs at Petrom increased 11% year-on-year, mainly due to the negative impact of lower production volumes on unit costs and the exclusion of own consumption, despite positive foreign exchange effects of the weakening RON against the USD. Special items relating primarily to impairments of the Bardolino (United Kingdom) and Strasshof (Austria) oil fields, as well as Petrom's activities in Kazakhstan following results of a technical assessment negatively affected EBIT in the amount of EUR 283 million (compared to EUR 67 million in 2009).

In 2009, EBIT decreased by EUR 824 million or 36% to EUR 1,450 million from EUR 2,274 million in 2008. The decrease was due primarily to lower sales as a result of contracting oil and gas prices, partly offset by lower production costs (excluding royalties), which decreased by 16% to USD 12.0/boe (compared to USD 14.3/boe in 2008), as well as a stronger USD. Special items in the amount of EUR 67 million, mainly relating to write-offs, personnel restructuring and disposal of assets, negatively impacted E&P's EBIT in 2009 (compared to EUR 307 million in 2008).

Period by period comparison for Refining and Marketing (R&M)

	Three months ended March 31,			**Year ended December 31,**				
	2011	**% Change**	**2010**	**2010**	**% Change**	**2009**	**% Change**	**2008**
	(unaudited)			**(audited, except as stated otherwise and percentages)**				
Total segment sales in EUR million[(1)]......	6,117	63	3,759	18,042	30	13,900	-33	20,883
EBIT in EUR million..............................	94	3	92	397	n.a.	(143)	35	(105)
Total refined product sales in million tonnes (unaudited)[(2)]	7.03	31	5.38	24.48	-4	25.53	-5	26.99
thereof marketing sales in million tonnes (unaudited)[(3)]	4.97	45	3.43	16.03	-5	16.79	-6	17.32

(1) Including intra-group sales.
(2) The indicator "Total refined product sales" was first reported in 2010. The figure includes all products sold by OMV.
(3) Excluding Petrom export sales.

Sales

In the three months ended March 31, 2011, sales increased by EUR 2,358 million or 63% to EUR 6,117 million from EUR 3,759 million in the three months ended March 31, 2010. This increase was primarily due to higher product prices as a result of increased crude oil prices and higher total refined product sales volumes which increased due to the consolidation of Petrol Ofisi from 5.4 million tonnes by 31% to 7.0 million tonnes in the first three months of 2011. However, at the same time total refined product sales volumes of Petrom decreased by 3% from 1.2 million tonnes to 1.1 million tonnes.

Sales for the financial year 2010 totaled EUR 18,042 million, an increase of EUR 4,142 million or 30% from EUR 13,900 million in 2009. The increase was due primarily to higher product prices as a result

of higher crude oil prices. This effect was partly offset by lower total refined product sales volumes (24.5 million tonnes in 2010 compared to 25.5 million tonnes in 2009) and lower marketing sales volumes (16.0 million tonnes in 2010 compared to 16.8 million tonnes in 2009). A substantial part of the decrease was attributable to Petrom where total refined product sales volumes decreased by 13%, primarily as a result of the shut-down of the Arpechim refinery for almost nine months in 2010.

In 2009, sales decreased by EUR 6,983 million or 33% to EUR 13,900 million from EUR 20,883 million in 2008. The decrease was due primarily to a negative impact of lower product prices as a result of decreasing oil prices as well as lower total refined product sales volumes (25.5 million tonnes in 2009 compared to 27.0 million tonnes in 2008) and lower marketing sales volumes (16.8 million tonnes in 2009 compared to 17.3 million tonnes in 2008). These trends reflected the weak economic environment, which generally weighed on demand, as well as a lower number of filling stations operated by the Group.

EBIT

In the three months ended March 31, 2011, EBIT increased by EUR 2 million or 3% to EUR 94 million from EUR 92 million in the three months ended March 31, 2010. This increase was due primarily to higher sales and an 88% increase in the Group's petrochemical result, partly offset by lower refining margins which were negatively affected by higher cost for own crude consumption as a result of higher crude oil prices. The OMV indicator refining margin decreased from USD 2.92/bbl in the first quarter of 2010 to USD 2.30/bbl in the first quarter of 2011. At Petrom, the OMV indicator refining margin declined to negative USD 0.88/bbl, primarily due to high cost for own crude consumption which is higher in the Petrobrazi refinery than in Schwechat or Burghausen. The negative effects from a lower refining margin at Petrom were mitigated by lower costs due to the Arpechim refinery not operating in the first quarter of 2011. The refining business of Petrol Ofisi had a negative impact on Group EBIT of EUR 3 million, which was primarily due to negative inventory valuation effects. The marketing result was negatively affected by high margin pressure especially in the Eastern European markets, which could not be offset by a positive contribution of Petrol Ofisi in the amount of EUR 11 million in the first three months of 2011. Marketing sales volumes increased primarily due to the first time consolidation of Petrol Ofisi by 45%. In the first quarter of 2011, net special charges amounted to EUR 18 million relating primarily to the expected demolition costs in relation to the closure of the Arpechim refinery. Higher crude oil prices resulted in inventory holding gains of EUR 101 million in the first quarter of 2011, which had a significantly positive impact on EBIT.

EBIT for the financial year 2010 was EUR 397 million, an improvement of EUR 540 million from a negative EBIT of EUR 143 million in 2009. This improvement was due primarily to an improved margin environment (including higher refining and petrochemical margins), cost savings and the ongoing restructuring at Petrom. Refining capacity utilization decreased from 82% in 2009 to 76% in 2010, mainly due to maintenance shutdowns in Schwechat and Petrobrazi in the second quarter of 2010 and the shut down of the Arpechim refinery for almost nine months in 2010. The result of the petrochemicals business improved, mainly due to higher olefin margins and an increase in petrochemical sales by 3% compared to 2009. EBIT in marketing was significantly below the 2009 level, as both volumes and margins continued to suffer from a weak economic environment. Net special charges decreased from EUR 93 million in 2009 to EUR 14 million in 2010, which mainly related to personnel restructuring in the amount of EUR 58 million, partly offset by special income from insurance indemnifications relating to a fire incident in the Schwechat refinery in 2008 as well as gains from the disposal of OMV Italia S.r.l. in 2010. As a result of higher crude oil prices towards the end of 2010, positive inventory effects amounted to EUR 187 million.

In 2009, EBIT declined by EUR 37 million or 35% to negative EUR 143 million from negative EUR 105 million in 2008. This decline was due primarily to a sharp decline in refining margins due mainly to weak middle distillate spreads as a result of falling demand and high inventory levels in Europe in a weak economic environment. Refining capacity utilization in 2009 decreased to 82% (2008: 86%), reflecting a decline in refining sales volumes. In the petrochemical sector, lower product margins could not be offset by a 6% increase in sales volumes, and the marketing business also suffered from

lower margins and lower volumes as a consequence of the economic environment. The negative EBIT development was further affected by one-off charges of EUR 93 million in 2009, which mainly related to the revision of the Petrobrazi modernization investment program. These negative effects were only in part offset by positive inventory effects of EUR 172 million as a consequence of rising crude oil prices, and increased cost efficiency due to a consolidation of the retail network, cost control and profitability enhancement programs, as well as restructuring of the marketing organization.

Period by period comparison for Gas and Power (G&P)

	Three months ended March 31,			Year ended December 31,				
	2011	% Change	2010	2010	% Change	2009	% Change	2008
	(unaudited)			(audited, except as stated otherwise and percentages)				
Total segment sales in EUR million[(1)]	1,752	38	1,268	4,365	33	3,273	-14	3,798
EBIT in EUR million	73	-16	87	277	18	235	-4	245
Natural gas sold in bcm (unaudited)	6.6	18	5.6	18.0	38	13.1	2	12.8
Total gas transportation sold in bcm (unaudited)	25.0	19	21.0	89.2	18	75.3	14	66.3
Average storage capacities sold in thousand cbm/h (unaudited)	856.5	1	846.4	867.5	2	850.2	6	802.8

(1) Including intra-group sales.

Sales

In the three months ended March 31, 2011, sales increased by EUR 483 million or 38% to EUR 1,752 million from EUR 1,268 million in the three months ended March 31, 2010. This increase was primarily due to higher gas sales volumes which increased by 18% compared to the three months ended March 31, 2010. At Petrom, however, sales volumes decreased by 1% despite a slight increase in Romanian natural gas consumption. In logistics, the transportation business reported higher sales volumes while average withdrawal rates in the storage business remained almost stable.

Sales for the financial year 2010 totaled EUR 4,365 million, an increase of EUR 1,092 million or 33% from EUR 3,273 million in 2009. The increase was due primarily to an increase in sales volumes by 38% from 13.1 bcm in 2009 to 18 bcm in 2010. This increase in sales volumes was driven by low temperatures, wholesale deals and higher sales volumes at international gas hubs of EconGas. Gas sales volumes of Petrom increased by 1% compared to 2009, while Romanian total consumption increased by 5%. Petrom's internal sales were negatively affected by reduced activity at the Arpechim refinery and lower utilization of the Doljchim fertilizer plant.

In 2009, sales decreased by EUR 525 million or 14% to EUR 3,273 million from EUR 3,798 million in 2008. The decrease was primarily due to lower gas prices, which declined in line with the crude oil price as a result of the weak economic environment. This trend could not be offset by higher sales volumes, which increased by 2%, primarily due to a strong development of sales volumes at EconGas, while sales of Petrom were negatively affected by shrinking demand on the Romanian market and the gas dispute between Russia and Ukraine in January 2009. In the gas logistics business, transportation capacity and storage capacity sold continued to increase by 14% and 6%, respectively, as the Group's storage capacity was almost fully utilized.

EBIT

In the three months ended March 31, 2011, EBIT decreased by EUR 14 million or 16% to EUR 73 million from EUR 87 million in the three months ended March 31, 2010. This decrease was primarily due to lower margins in the supply and marketing business due to lower optimization possibilities an unfavourable spot price environment as well as lower margins in the trading business which could not be offset by higher trading volumes on international gas hubs. Petrom's margins were negatively affected by a higher import quota and higher import prices. The de facto regulated gas prices for domestic producers remained stable in RON terms and decreased by 4% compared to the first quarter of 2010 in USD terms. After Petrom's decision to exit the chemicals business and closure of the Doljchim

methanol plant, the negative EBIT contribution remained stable compared to the first quarter of 2010 at a loss of EUR 3 million.

EBIT for the financial year 2010 totaled EUR 277 million, an increase of EUR 42 million or 18% from EUR 235 million in 2009. The increase was mainly driven by a strong contribution of the logistics business that benefited from higher transportation volumes sold, primarily due to the start-up of a new compressor station at the TAG pipeline in the fourth quarter of 2009 and a new pipeline in the domestic transportation system in the fourth quarter of 2010. The supply, marketing and trading business was affected by a strong pressure on margins, which was mitigated by re-negotiated supply contracts in the second half of 2010 and higher sales volumes. Volumes secured for the Samsun (Turkey) power plant that is under construction were sold under difficult market conditions and negatively affected EBIT.

In 2009, EBIT decreased by EUR 10 million or 4% to EUR 235 million from EUR 245 million in 2008. This decrease was primarily due to a negative contribution of the Doljchim fertilizer plant in Romania as a result of significant provisions booked in respect of the closure of the plant. This factor could not be offset by improved earnings in the supply, marketing and trading businesses and the positive development of the logistics business which benefited from higher sales of transportation volumes and near-full storage capacity.

Liquidity and capital resources

Cash flow

The following table sets forth OMV's cash flow for the three months ended March 31, 2011 and 2010 as well as for the financial years 2010, 2009 and 2008:

	Three months ended March 31,			Year ended December 31,				
	2011	% Change	2010	2010	% Change	2009	% Change	2008
	(in EUR million, except percentages)							
	(unaudited)			(audited, except percentages)				
Net income	**473.4**	**4**	**456.4**	**1,214.1**	**69**	**716.9**	**-53**	**1,529.0**
Depreciation and amortization	365.9	27	287.4	1,577.6	19	1,325.1	2	1,293.1
Write-ups of fixed assets	(0.1)	-96	(2.2)	(6.5)	16	(5.5)	-10	(6.1)
Deferred taxes	32.6	-6	34.6	29.3	n.a.	(85.6)	51	(56.7)
(Gains)/losses from disposal of non-current assets	(4.7)	>100	(1.6)	(1.4)	n.a.	5.3	-20	6.6
Increase/(decrease) in provisions for pensions and severance payment	4.9	n.a.	(6.9)	(0.2)	-100	(89.9)	n.a.	42.8
Increase/(decrease) in long-term provisions	13.6	-55	30.5	71.7	72	41.6	-25	55.7
Other changes	86.5	n.a.	(66.8)	89.1	-7	96.1	n.a.	(137.5)
Sources of funds	**972.2**	**33**	**731.5**	**2,973.8**	**48**	**2,004.0**	**-27**	**2,726.8**
Decrease/(increase) in inventories	(73.2)	n.a.	110.2	(52.1)	-74	(196.7)	n.a.	167.4
Decrease/(increase) in receivables	(550.8)	42	(387.7)	(698.3)	>100	(120.6)	n.a.	479.2
Increase/(decrease) in liabilities	463.1	59	292.1	670.6	>100	281.4	n.a.	(334.2)
Increase/(decrease) in short-term provisions	80.6	>100	1.1	(7.7)	-94	(121.4)	n.a.	175.1
Cash flow from operating activities	**891.9**	**19**	**747.2**	**2,886.3**	**56**	**1,846.7**	**-43**	**3,214.2**
Investments								
Intangible assets and property, plant and equipment	(596.9)	23	(486.1)	(2,087.6)	-5	(2,206.5)	-32	(3,230.0)
Investments, loans and other financial assets	(4.4)	-78	(20.3)	(40.4)	-92	(522.8)	34	(389.3)
Acquisitions of subsidiaries and businesses net of cash acquired	(609.3)	>100	(7.3)	(813.6)	>100	(13.3)	-96	(355.9)
Increase/(decrease) in short-term financial investments	-	n.a.	-	-	n.a.	-	-100	279.1
Disposals								
Proceeds from the sale of non-current assets	20.1	17	17.2	39.7	-97	1,532.7	>100	266.6
Proceeds from the sale of Group companies less cash and cash	-	-100	23.4	26.8	**n.a.**	-	-100	25.0

equivalents..								
Cash flow from investing activities........	**(1,190.6)**	**>100**	**(473.0)**	**(2,875.1)**	**>100**	**(1,209.9)**	**-64**	**(3,404.4)**
Increase in long-term borrowings............	-	-100	768.5	1,015.4	-48	1,966.2	15	1,708.1
Repayments of long-term borrowings	(367.4)	>100	(3.7)	(478.9)	-48	(917.8)	>100	(47.9)
Repurchase of treasury shares	-	n.a.	-	-	n.a.	-	-100	(0.4)
Acquisition of non-controlling interest.....	(23.1)	n.a.	-	-	n.a.	-	n.a.	-
Increase/(decrease) in short-term borrowings..	66.0	n.a.	(4.4)	52.5	n.a.	(1,370.9)	51	(905.0)
Dividends paid...	-	n.a.	-	(333.6)	-1	(336.0)	-39	(547.1)
Increase in capital including sale of treasury stock...	-	n.a.	-	0.4	-53	0.9	-29	1.3
Cash flow from financing activities.......	**(324.4)**	**n.a.**	**760.3**	**255.9**	**n.a.**	**(657.5)**	**n.a.**	**209.0**
Effect of foreign exchange rate changes on cash and cash equivalents...................	(8.3)	n.a.	11.8	4.5	n.a.	(5.0)	-73	(18.3)
Net (decrease)/increase in cash and cash equivalents.....................................	**(631.4)**	**n.a.**	**1,046.3**	**271.6**	**n.a.**	**(25.5)**	**n.a.**	**0.5**
Cash and cash equivalents at beginning of the period	946.1	40	674.5	674.5	-4	700.1	0	699.6
Cash and cash equivalents at end of the period	**314.7**	**-82**	**1,720.9**	**946.1**	40	**674.5**	**-4**	**700.1**

Source: Consolidated Financial Statements and internal data.

Cash flow from operating activities

The Group's primary source of cash flows consists of funds generated from operations.

In the three months ended March 31, 2011, cash flow from operating activities increased by EUR 145 million or 19% to EUR 892 million from EUR 747 million in the three months ended March 31, 2010. This increase was primarily due to an improved operating performance supported by the favorable crude price environment.

Cash flow from operating activities for 2010 was EUR 1,040 million or 56% higher at EUR 2,886 million compared to EUR 1,847 million in 2009. The increase was due primarily to higher net income, higher depreciation and amortization expenses as well as deferred taxes. The EUR 87 million increase in working capital was due to higher crude oil and petroleum product prices at year end 2010 and negatively affected cash flow from operating activities. This increase remained slightly below the working capital increase in 2009 in the amount of EUR 157 million.

In 2009, cash flow from operating activities decreased by EUR 1,367 million or 43% to EUR 1,847 million from EUR 3,214 million in 2008. This decrease was primarily due to lower net income and an increase in working capital as inventories and receivables increased as a result of higher crude oil and petroleum product prices at year end 2009 compared to year end 2008. Furthermore, short-term provisions among others decreased as a result of the use of litigation provisions booked at Petrom in 2008. Liabilities, which also increased due to higher crude oil and petroleum product prices, could not offset these effects.

Cash flow from investing activities

In the three months ended March 31, 2011, cash flow used in investing activities increased by EUR 718 million to EUR 1,191 million from EUR 473 million in the three months ended March 31, 2010. This increase was due primarily to the acquisition of Pioneer Tunisia in February 2011 (see "*Key factors affecting the Group's results of operations—Acquisitions and disposals—Recent significant acquisitions*").

Cash flow used in investing activities for 2010 was EUR 1,665 million higher at EUR 2,875 million compared to EUR 1,210 million in 2009. This increase primarily reflected the acquisition of an additional 54.14% interest in Petrol Ofisi in 2010, which caused a net cash outflow of EUR 797 million, as well as the disposal of MOL shares in 2009, the proceeds of which reduced cash flow used in

investing activities by EUR 1,400 million in 2009.

In 2009, cash flow used in investing activities decreased by EUR 2,195 million or 64% to EUR 1,210 million from EUR 3,404 million in 2008. This decrease was due to lower investments in intangible assets and property, plant and equipment of EUR 2,206 million (compared to EUR 3,230 million in 2008) and lower acquisitions of subsidiaries and businesses of EUR 13 million in 2009 (compared to EUR 356 million in 2008), as the Group cut its investment program in light of the weak economic environment. Additionally, cash flow from investing activities was positively affected by higher proceeds from the sale of non-current assets of EUR 1,533 million in 2009 (compared to EUR 267 million in 2008), primarily due to proceeds of EUR 1,400 million from the sale of the shares in MOL.

Cash flow from financing activities

In the three months ended March 31, 2011, cash flow used in financing activities was EUR 324 million compared to a cash flow generated from financing activities of EUR 760 million in the three months ended March 31, 2010. This development was due primarily to an increase in long-term borrowings, primarily corporate bonds, in the three months ended March 31, 2010 as a result of which the Group's cash position increased to EUR 1,721 million as of March 31, 2010. In the three months ended March 31, 2011 the Group's cash position was partly used to repay long term borrowings in the amount of EUR 367 million.

Cash flow generated from financing activities for 2010 was EUR 256 million compared to a cash flow used in financing activities of EUR 657 million in 2009. The change from a cash outflow in 2009 to a cash inflow in 2010 was due primarily to lower repayments of long- and short-term liabilities in 2010 compared to 2009. This effect was partly offset by a lower increase in long-term borrowings in 2010 (increase of EUR 1,015 million) compared to 2009 (increase of EUR 1,966.2 milion). Dividend payments remained stable at EUR 334 million (compared to EUR 336 million in 2009).

In 2009, cash flow used in financing activities was EUR 657 million compared to cash flow generated from financing activities of EUR 209 million in 2008. The change was due primarily to repayments of short-term and long-term borrowings in 2009. This effect was only in part offset by lower dividend payments of EUR 336 million in 2009 compared to EUR 547 million in 2008.

Liquidity

The Group’s cash flow from operations is dependent on oil and gas prices and the Group’s level of production. Fluctuations in oil and gas prices, which are outside of the Group’s control, will cause changes in cash flows.

The main responsibility for the Group’s funding activities, financial and liquidity planning and risk management lies with OMV’s corporate treasury department. The treasury function provides a centralized service for overall funding activities, financial and liquidity planning and risk management. The Group’s general policy is to maintain a relatively low amount of liquidity reserves in the form of cash and cash equivalents while maintaining the balance of its liquidity reserves in the form of committed unused credit facilities to ensure that the Group has sufficient financial resources to meet its short-term funding requirements and to be in a position to take advantage of growth opportunities as quickly as they arise. Cash is generally not invested into financial instruments other than short-term deposits. Long-term funding is raised when a need is identified. In order to optimize borrowing costs, financial management policies are aimed at maintaining strong investment-grade ratings.

As of March 31, 2011, OMV had cash and cash equivalents of EUR 315 million, compared to EUR 946 million as of December 31, 2010 and EUR 675 million as of December 31, 2009.

As of March 31, 2011, undrawn committed credit lines totaling EUR 3,149 million were available to the Group, compared to EUR 2,914 million as of December 31, 2010 and EUR 2,987 million as of December 31, 2009.

Ratings

Since September 2008, the Group’s long-term debt has been rated A3 by Moody’s and A- by Fitch. As of the date of this prospectus, Moody's indicates a stable outlook while Fitch indicates a negative outlook. Prior to September 2008, the Group’s debt was not rated.

Each rating reflects the view of the rating agency only at the time the rating was issued. Investors should evaluate each rating separately and look to the rating agencies for any explanations of the significance of their ratings. A rating outlook is an opinion regarding the likely direction of a rating over the medium term. The rating agencies can change their ratings at any time if they believe that circumstances so warrant. Rating agencies can be expected to continue to monitor the Group’s financial strength and obligations paying ability, and no assurances can be given that future ratings downgrades will not occur, whether due to changes in the Group’s performance, changes in rating agencies’ industry views or ratings methodologies, or a combination of such factors. For additional information, see "*Risk Factors—Financial risks—A failure of the Offering could harm the Group's credit rating*".

Capital expenditure

The Group defines capital expenditure as funds used for acquisitions as well as investments in associated companies and other interests, adjusted for capitalized decommissioning costs, exploration wells that have not found proved reserves, borrowing costs and other additions which by definition are not considered as capital expenditure.

The following table sets out the Group’s total capital expenditure for the three months ended March 31, 2011 and 2010 as well as for the years ended December 31, 2010, 2009 and 2008, broken down by segments:

	Three months ended March 31,			**Year ended December 31,**				
	2011	**% Change**	**2010**	**2010**	**% Change**	**2009**	**% Change**	**2008**
	(in EUR million, except percentages) (unaudited)							
Exploration and Production	886	>100	170	1,252	-17	1,500	-36	2,328
Refining and Marketing	93	>100	28	1,194	>100	347	-61	894
Gas and Power	52	-63	141	712	87	381	57	243
Corporate and Other	8	-59	20	49	-61	127	55	82
Total capital expenditure	**1,039**	**>100**	**359**	**3,207**	**36**	**2,355**	**-34**	**3,547**

Source: Internal data.

Most of the Group's total capital expenditure relates typically to the E&P segment (85% in the first three months of 2011, 39% in 2010, 64% in 2009 and 66% in 2008), followed by the R&M segment (9% in the first three months of 2011, 37% in 2010, 15% in 2009 and 25% in 2008), the G&P segment (5% in the first three months of 2011, 22% in 2010, 16% in 2009 and 7% in 2008) and the Co&O segment (1% in the first three months of 2011, 2% in 2010, 5% in 2009 and 2% in 2008).

In the three months ended March 31, 2011, capital expenditure increased by EUR 680 million or more than doubled to EUR 1,039 million from EUR 359 million in the three months ended March 31, 2010. This increase was primarily due to higher capital expenditure in the E&P segment, mainly driven by the acquisition of Pioneer Tunisia, as well as in the R&M segments. Lower capital expenditure in the G&P and Co&O segments only partly offset higher capital expenditure in the other segments.

Capital expenditure for the financial year 2010 was EUR 852 million or 36% higher at EUR 3,207 million compared to EUR 2,355 million in 2009. This increase was mainly due to higher capital expenditure in the R&M and G&P segments, partly offset by lower capital expenditure in the E&P and Co&O segments.

In 2009, capital expenditure decreased by EUR 1,192 million or 34% to EUR 2,355 million from

EUR 3,547 million in 2008. This decrease reflects the reduction of the Group's capital expenditure program due to the challenging economic environment. Substantially lower capital expenditure in the E&P and R&M segments were partly offset by higher capital expenditure in the G&P and Co&O segments.

Exploration and Production

In E&P, capital expenditure in the three months ended March 31, 2011 was EUR 886 million, an increase of EUR 716 million compared to capital expenditure of EUR 170 million in the three months ended March 31, 2010. This increase was due primarily to the acquisition of Pioneer Tunisia and field development works in Romania, the United Kingdom and Yemen.

Capital expenditure for the financial year 2010 was EUR 248 million or 17% lower at EUR 1,252 million compared to EUR 1,500 million in 2009. Capital expenditure in the E&P segment in 2010 was mainly related to field developments in Romania, Austria, Yemen, the United Kingdom and Tunisia.

In 2009, capital expenditure decreased by EUR 828 million or 36% to EUR 1,500 million from EUR 2,328 million in 2008. Capital expenditure in the E&P segment in 2009 was mainly related to field developments in Romania, New Zealand, Austria, the United Kingdom, Kazakhstan and Yemen as well as the acquisition of a 10% share in Pearl Petroleum Company Limited.

Refining and Marketing including petrochemicals

In R&M, capital expenditure in the three months ended March 31, 2011 was EUR 93 million, an increase of EUR 64 million compared to capital expenditure of EUR 28 million in the three months ended March 31, 2010. This increase mainly related to investements in quality enhancement projects in Austria and Romania as well as the construction and remodelling of filling stations and terminals.

Capital expenditure for the financial year 2010 was EUR 847 million or more than 100% higher at EUR 1,194 million compared to EUR 347 million in 2009. Capital expenditure in the R&M segment mainly related to the acquisition of Petrol Ofisi and investments in quality enhancement projects in Austria and Romania, as well as the construction and redesign of filling stations.

In 2009, capital expenditure decreased by EUR 547 million or 61% to EUR 347 million from EUR 894 million in 2008. Capital expenditure in R&M in 2009 comprised mainly investments in quality enhancement projects in Austria and Romania as well as the construction and redesign of filling stations.

Gas and Power

In G&P, capital expenditure in the three months ended March 31, 2011 was EUR 52 million, a decrease of EUR 89 million or 63% compared to capital expenditure of EUR 141 million in the three months ended March 31, 2010. Capital expenditure of the G&P segment mainly related to investments in the construction of power plants in Brazi, Romania, and Samsun, Turkey, as well as the WAG pipeline expansion project. The decrease was primarily due to higher investments in the construction of the Brazi power plant in the first quarter of 2010.

Capital expenditure for the financial year 2010 was EUR 331 million or 87% higher at EUR 712 million compared to EUR 381 million in 2009. The main focus of investment in the G&P segment related to investments in the construction of power plants in Brazi (Romania) and Samsun (Turkey) as well as the WAG pipeline expansion project (Austria).

In 2009, capital expenditure increased by EUR 138 million or 57% to EUR 381 million from EUR 243 million in 2008. Capital expenditure in G&P in 2009 mainly related to the acquisition of 40% of the shares in the Turkish gas trading company Enerco Enerji Sanayi ve Ticaret A.S. and of an increase in interest in Borasco Elektrik Üretim Sanayi ve Ticaret A.S. (renamed OMV Samsun Elektrik Üretim Sanayi ve Ticaret A.S. in 2010) to 100%, which has been set up for the purpose of constructing and

operating a gas-fired combined cycle power plant in Samsun, Turkey. Furthermore, investments in the construction of the gas fired power plant in Brazi, Romania, and the WAG pipeline expansion project contributed to the increasing investments in the G&P segment.

Corporate and Other

In Corporate and Other, capital expenditure in the three months ended March 31, 2011 was EUR 8 million, a decrease of EUR 12 million or 59% compared to capital expenditure of EUR 20 million in the three months ended March 31, 2010. This decrease mainly related to costs incurred in connection with the new Petrom head office in the first quarter of 2010.

Capital expenditure for the financial year 2010 was EUR 78 million or 61% lower at EUR 49 million compared to EUR 127 million in 2009. The decrease was mainly related to extraordinary investments in 2009 in relation to the new Petrom head office in Bucharest.

In 2009, capital expenditure increased by EUR 45 million or 55% to EUR 127 million from EUR 82 million in 2008. The increase is attributable mainly to extraordinary investments in the new Petrom head office.

Investments in progress and future investments

Other than closing of the acquisition in Pakistan, the Group currently does not plan to make any major acquisitions in 2011. There are no principal future investments on which the Company's management bodies have already made firm commitments.

OMV targets an investment level of average annual capital expenditure of EUR 2,700 million (not taking into account major acquisitions) until 2015. At the same time, OMV remains committed to maintaining the Group's strong investment grade rating and a stable financial profile.

Debt

Interest bearing liabilities (financial liabilities)

As of March 31, 2011, the Group's interest bearing liabilities totaled EUR 5,611 million (excluding financial lease liabilities in the amount of EUR 125 million). This was a decrease of EUR 363 million or 6% compared to EUR 5,973 million as of December 31, 2010 (EUR 3,871 million as of December 31, 2009 and EUR 4,133 million as of December 31, 2008). The decrease in the first three months of 2011 was mainly due to repayments of long term borrowings at Petrom and Petrol Ofisi. The increase in 2010 was mainly due to the consolidation of Petrol Ofisi as of December 31, 2010 as well as the financing of the acquisition of Petrol Ofisi in December 2010.

Fixed-floating mix of long-term interest bearing liabilities

As of December 31, 2010, the Group's long-term interest bearing liabilities (excluding short-term components of long-term liabilities) totaled EUR 5,005 million. Including short-term components of long-term liabilities, long-term interest bearing liabilities totaled EUR 5,291 million. Without taking into account interest rate hedge instruments, liabilities in the amount of EUR 3,678 million (70%) carried fixed interest rates while EUR 1,613 million (30%) carried floating interest rates. The risk associated with fixed interest rates lies in a possible decline in interest rate levels, while the risk associated with variable interest rates arises from the possibility of an increase in interest rates. Average fixed interest rates amounted to 5.6% as of December 31, 2010 compared to 5.3% as of December 31, 2009 and 3.9% as of December 31, 2008. Average floating interest rates amounted to 4.5% as of December 31, 2010 compared to 4.3% as of December 31, 2009 and 5.1% as of December 31, 2008.

As of December 31, 2010, liabilities in the amount of EUR 102 million which carry fixed interest rates have been hedged to convert fixed rate debt into floating rate debt. For more details on such hedge instruments, see "*Risk management—Interest rate risk management*".

Maturity profile of long-term interest bearing liabilities

The following table shows the debt maturity profile of the Group's long-term interest bearing liabilities, including short-term components of long-term liabilities:

	As of December 31, 2010 (in EUR million)
Repayments fall due as follows:	
2011 (short-term components of long-term liabilities)	285
2012	1,168
2013	846
2014	1,608
2015	202
2016 and subsequent years	1,182
Total	**5,291**

Short-term debt as a percentage of all interest bearing liabilities decreased from 39% as of December 31, 2008 to 17% as of December 31, 2009 and 16% as of December 31, 2010 before increasing to 20% as of March 31, 2011. The decrease in 2009 and in 2010 was achieved by refinancing short-term debt with long-term debt, in particular bonds. In the first quarter of 2011, short term debt increased primarily at Petrol Ofisi to strengthen its liquidity base, while long term financial liabilities were repaid at Petrom and Petrol Ofisi.

Description of the Group's financing contracts

OMV's financing activities are partly conducted through the special purpose financing entity OMV Finance Limited, which is a wholly owned subsidiary of the Company with a registered office (seat) in Douglas, Isle of Man.

In April 2010, OMV Finance Limited entered into a EUR 1,500 million syndicated multi-currency credit facility with a five-year maturity and a floating interest rate, the applicable margin depending primarily on the rating assigned to OMV. The facility, which is guaranteed by OMV and currently fully unutilized, in addition to cross default and negative pledge clauses, contains a change of control clause pursuant to which all outstanding amounts have to be repaid if a person other than an entity controlled by the Austrian state gains control of OMV by holding more than 50% in OMV's share capital and no agreement is reached within 45 days from the occurrence of a change of control to continue the facility.

In December 2009 and October 2008, Petrom entered into two credit facilities (EUR 500 million and EUR 375 million, respectively) which are not guaranteed by the Company and are each syndicated to a bank consortium. The financial covenants included in the facilities relate to Petrom and require a net debt to EBITDA ratio of not more than 3.5 and tangible net worth of at least 30% of total assets. Furthermore, the facilities have to be repaid if the Company ceases to hold at least 51% in Petrom, a person or persons acting in concert (other than OMV) gain control over Petrom, or if the Company ceases to have ability to direct Petrom's management. Further, the facilities include cross default and negative pledge clauses.

In April 2009, OMV issued a Eurobond under its EMTN Program with a total volume of EUR 1,000 million. The bond which has a maturity of five years and pays a coupon of 6.25% does not include financial covenants. The bond has to be repaid in case of a change of control in the Company which occurs if (i) any person or persons acting in concert acquires a controlling interest in the Company pursuant to the Austrian takeover law; and (ii) the bond carries a non-investment grade rating, i.e. Ba1/BB+ or below. Furthermore, bondholders have a termination right if, inter alia, a debt of at least EUR 25 million is not paid by a member of the Group (cross acceleration). In June 2009 and February 2010, further bonds with total volumes of EUR 250 million (maturity of seven years, 5.25% coupon) and EUR 500 million (maturity of ten years, 4.375% coupon) with similar conditions were issued under the program.

In February 2009, OMV Finance Limited issued German loan notes (*Schuldscheine*) amounting to an

aggregate of EUR 555 million with maturities of five and seven years. The notes which are guaranteed by the Company and syndicated to a bank consortium, partly bear a fixed interest and partly a floating rate interest. The notes do not include financial covenants but have to be repaid if, inter alia, a debt of more than EUR 10 million is not paid by a member of the Group (cross acceleration) or if a change of control (being defined as liquidation or sale of at least 50% of the share capital of the Company) occurs. Further, the notes include a negative pledge clause.

In June 2005, OMV Finance Limited entered into a EUR 850 million multicurrency revolving credit facility, which is guaranteed by the Company and syndicated to a bank consortium. The facility, which is currently entirely undrawn, had an original term of five years, which was extended for two additional years. The facility includes a change of control clause comparable to the one included in the EUR 1,500 million facility and a cross default clause pursuant to which the facility has to be repaid if a debt of more than EUR 10 million is not paid by a member of the Group. Further, the facility contains a negative pledge clause. It does not include financial covenants (except for restrictions on financial indebtedness). The facility was drawn in the amount of EUR 600 million in connection with the acquisition of Pioneer Tunisia but was fully repaid in March 2011. As of the date of this prospectus, no amounts are outstanding under this facility.

The Group is currently in compliance with all its covenants under all financing agreements.

Net debt

The Group defines its net debt as interest bearing liabilities (including bonds and financial lease liabilities) less liquid funds, i.e. cash and cash equivalents.

As of March 31, 2011 net debt was EUR 5,421 million, an increase of EUR 254 million or 5% compared to EUR 5,167 million as of December 31, 2010. This increase mainly reflected the acquisition of Pioneer Tunisia in February 2011, which was partly offset by a strong cash flow from operating activities.

As of December 31, 2010, net debt was EUR 5,167 million, an increase of EUR 1,852 million or 56% compared to EUR 3,314 million as of December 31, 2009. This increase was due primarily to an increase in financial liabilities as a result of the full consolidation of Petrol Ofisi as of December 31, 2010 which led to the inclusion of the net debt of Petrol Ofisi (EUR 1,259 million as of December 31, 2010) in the Group's net debt position.

As of December 31, 2009, net debt was EUR 3,314 million. This represented a decrease of EUR 134 million or 4% compared to EUR 3,448 million on December 31, 2008 which was primarily due to the proceeds from the sale of the Group’s stake in MOL, partly offset by dividend payments to OMV shareholders and minorities and the acquisitions of a 10.00% stake in Pearl Petroleum Company Limited and a 40.00% interest in Enerco Enerji Sanayi ve Ticaret A.S. as well as an increase in interest in OMV Samsun Elektrik Üretim Sanayi ve Ticaret A.S. (until 2010 Borasco Elektrik Üretim Sanayi ve Ticaret A.S.) to 100%.

Gearing ratio

The Group’s gearing ratio is defined as net debt divided by stockholders' equity (including non-controlling interests).

The Group’s gearing ratio was up at 47% as of March 31, 2011 from 46% as of December 31, 2010. This increase was primarily due to an increase in net debt by 5%, which was only partly offset by a 2% increase in equity.

The Group’s gearing ratio was up at 46% as of December 31, 2010 from 33% as of December 31, 2009. The main factor responsible for this was an increase in net debt by 56%, which was only partly offset by a 13% increase in equity in 2010.

The Group’s gearing was down to 33% as of December 31, 2009 from 37% as of December 31, 2008. This decrease reflects a 4% decrease in net debt as well as a 7% increase in equity as of December 31, 2009 compared to December 31, 2008.

Contingent liabilities and guarantees

As of December 31, 2010, the Group had no contingent liabilities (including any off-balance sheet arrangements) which would be material to the Group.

Provisions

OMV establishes various types of provisions. The Group’s largest provisions relate to decommissioning and restoration (EUR 1,933 million, or 52% of total provisions, as of December 31, 2010) and pensions and similar obligations (EUR 899 million, or 24% of total provisions, as of December 31, 2010). Short-term provisions defined as provisions expected to mature within one year amounted to approximately 15% of the Group’s total provisions as of December 31, 2010 and related mainly to provisions for current income taxes, personnel reduction and litigation at Petrom.

Equity

The following table shows changes to equity for the three years ended December 31, 2008, 2009 and 2010 and the three months ended March 31, 2011:

	Share capital	Capital reserves	Revenue reserves	Other reserves[1]	Treasury shares	OMV stock-holders	Non-controlling interests	Total
	(in EUR million) (audited, except otherwise stated)							
Balance on December 31, 2007	**300.0**	**782.4**	**6,318.3**	**751.9**	**(13.9)**	**8,138.7**	**2,200.8**	**10,339.5**
Total comprehensive income	**-**	**-**	**1,374.4**	**(1,732.3)**	**-**	**(357.8)**	**(30.2)**	**(388.1)**
Dividend distribution	-	-	(373.5)	-	-	(373.5)	(173.6)	**(547.1)**
Repurchase of treasury shares	-	-	-	-	(0.4)	(0.4)	-	**(0.4)**
Sale of treasury shares	-	0.9	-	-	0.4	1.3	-	**1.3**
Effects from business combinations	-	-	1.3	-	-	1.3	4.7	**6.1**
Increase/decrease in non-controlling interests	-	-	(10.5)	-	-	(10.5)	(37.6)	**(48.1)**
Balance on December 31, 2008	**300.0**	**783.3**	**7,310.1**	**(980.3)**	**(14.0)**	**7,399.1**	**1,964.2**	**9,363.2**
Total comprehensive income	**-**	**-**	**571.7**	**434.7**	**-**	**1,006.4**	**8.7**	**1,015.1**
Dividend distribution	-	-	(298.8)	-	-	(298.8)	(37.2)	**(336.0)**
Sale of treasury shares	-	0.3	-	-	0.6	0.9	-	**0.9**
Increase/decrease in non-controlling interests	-	-	(9.3)	-	-	(9.3)	0.8	**(8.5)**
Balance on December 31, 2009	**300.0**	**783.6**	**7,573.7**	**(545.6)**	**(13.4)**	**8,098.3**	**1,936.5**	**10,034.8**
Total comprehensive income	**-**	**-**	**920.6**	**356.9**	**-**	**1,277.5**	**294.2**	**1,571.7**
Dividend distribution	-	-	(298.8)	-	-	(298.8)	(34.8)	**(333.6)**
Sale of treasury shares	-	0.3	-	-	0.2	0.4	-	**0.4**
Effects from business combinations	-	-	-	-	-	-	38.9	**38.9**
Increase/decrease in non-controlling interests	-	-	3.1	-	-	3.1	(3.0)	**0.1**
Balance on December 31, 2010	**300.0**	**783.9**	**8,198.7**	**(188.8)**	**(13.2)**	**9,080.6**	**2,231.7**	**11,312.3**
Total comprehensive income (unaudited)	**-**	**-**	**364.9**	**(256.4)**	**-**	**108.5**	**149.6**	**258.1**
Increase/decrease in non-controlling interests (unaudited)	-	-	(15.2)	-	-	(15.2)	(7.9)	**(23.1)**
Balance on March 31, 2011 (unaudited)	**300.0**	**783.9**	**8,548.4**	**(445.2)**	**(13.2)**	**9,173.9**	**2,373.4**	**11,547.3**

(1) Other reserves are not audited. The displayed amounts are the sum of the following audited items of the Group's consolidated statement of changes in equity: exchange differences from the translation of foreign operations, unrealized gains and losses from hedges and available-for-sale financial assets as well as the share of other comprehensive income of associates.

Group equity increased by 2% or EUR 235 million to EUR 11,547 million as of March 31, 2011 from EUR 11,312 million as of December 31, 2010. This increase was primarily due to the Group's net income of EUR 473 million in the three months ended March 31, 2011, which was partly offset by unrealized losses from the Group's oil price hedges entered into for 2011, which are booked directly in equity and had a negative effect on the Group's equity in the amount of EUR 119 million (net of taxes).

Group equity increased by 13% or EUR 1,277.5 million to EUR 11,312 million as of December 31, 2010 from EUR 10,035 million as of December 31, 2009. The increase was due primarily to the Group's 2010 net income of EUR 1,214 million and positive translation effects of foreign operations in the amount of EUR 223 million, partly offset by dividend distributions in the amount of EUR 334 million.

Group equity increased by 7% or EUR 672 million to EUR 10,035 million as of December 31, 2009 from EUR 9,363 million as of December 31, 2008. This chiefly reflected the Group's 2009 net income of EUR 717 million and the revaluation of the MOL stake to the sales price, partly offset by dividend distributions in the amount of EUR 336 million.

Return on average capital employed

Return on average capital employed (ROACE) is calculated by dividing NOPAT by average capital employed, expressed as a percentage, per year.

NOPAT (net operating profit after tax) is defined as profit from ordinary activities after taxes plus net interest on net debt and interest on pensions, adjusted for tax effects.

Capital employed is calculated as stockholders' equity including non-controlling interests plus net debt and provisions for pensions, less securities used for asset coverage of pension provisions. Average capital employed is calculated as the average of capital employed at the beginning and at the end of a period.

Based on its mid-term planning assumptions, over the business cycle, OMV targets a ROACE of 13%.

ROACE for the three months ended March 31, 2011 was 14%, an increase of 2% compared to 13% in the first quarter of 2010. The increase is due primarily to higher NOPAT, which increased by 24% from EUR 468 million in the first quarter of 2010 to EUR 582 million in the first quarter of 2011, while average capital employed increased by 22% from EUR 14,067 million in the first quarter of 2010 to EUR 17,156 million in the first quarter of 2011.

ROACE for 2010 was 10%, an increase of 68% compared to 6% in 2009. The increase was due to a substantial increase in NOPAT, which increased by 76% from EUR 815 million in 2009 to EUR 1,433 million in 2010, primarily reflecting the 66% increase in profit from ordinary activities. This positive effect of higher NOPAT on ROACE was only partly offset by higher average capital employed, which increased by 5% from EUR 13,639 million in 2009 to EUR 14,274 million in 2010.

ROACE for 2009 was 6%, a decrease of 51% compared to 12% in 2008. The decrease was caused by lower NOPAT (EUR 815 million in 2009 compared to EUR 1,624 million in 2008) due primarily to lower oil and gas prices as well as a depressed refining margin environment, while average capital employed increased only slightly (EUR 13,639 million in 2009 compared to EUR 13,341 million in 2008).

Recent developments

Due to the current political unrest in Libya and Yemen, OMV is negatively affected by a reduction of its production in these countries. Since March 2011, OMV's production in Libya and Yemen has effectively ceased. In 2010, Libya contributed approximately 32,800 boe/d, or about 10%, and Yemen approximately 6,600 boe/d, or about 2%, to OMV's total production. By the end of March 2011, force majeure was declared for all Libyan licenses as a result of which all obligations of OMV under the contracts were suspended for a period of up to two years. Contract terms are extended for the period of force majeure. Libya accounted for approximately 4.4 million tonnes, or about one fifth, of the Group's total crude oil imports in 2010. The impact of the instability on the Group's assets and production in Libya and Yemen as well as on the Group's R&M business are continuously under evaluation. For potential effects of the current political unrest on the Group, see "*Risk Factors—Shortfalls in crude oil supplies from Libya and Yemen could adversely affect the Group's business.*".

The Romanian state intends to sell a 9.84% stake of Petrom via the stock exchange in the course of 2011. In April 2011, OMV announced its decision not to participate in the secondary public offering.

In April 2011, the Group announced the discovery of a gas field on the north west shelf of Australia in the Zola-1 exploration well, which is located around 100 km from the Western Australian coast. The discovery, the subsequently drilled sidetrack appraisal well and an extensive wireline measurement and pressure testing program have confirmed the presence of gas within several high quality sands. Both wells are preliminarily plugged and abandoned. A new 3D seismic survey, commencing by mid 2011, is expected to be conducted on the site to further assess the development potential of the field.

In connection with the 2011 acquisition of two Tunisian E&P subsidiaries from Pioneer Natural Resources in Tunisia, OMV, in April 2011, announced the tie-in of OMV's first operated production well El-Badr-5 with a production of 1,500 boe/d (thereof 50% attributable to OMV) into the acquired Cherouq facilities and the granting of the Durra production concession, as the first important results from the acquired Pioneer portfolio under OMV.

Risk management

Overview

The oil and gas industry, by its nature, exposes the Group to various risks including market risks and operational risks (see also "*Risk Factors*"). Market risk is the possibility that changes in currency exchange rates, refining margins, petrochemical margins, oil and natural gas prices and interest rates will affect the value of the Group's financial assets, liabilities or expected future cash flows.

Effects of upstream and downstream integration in the sense of off-setting industry risks, if any, are often lagged, and may be altogether absent in the short run. Therefore, the Group's risk management activities focus on the Group-wide net risk exposure of the existing and future portfolio. Hedging instruments are used to protect cash flows from upstream oil production and refining margins. See *"Critical accounting policies—Derivative instruments*" and the Notes to the Consolidated Financial Statements for information concerning accounting for hedging activities. The Group regularly evaluates its hedging policy and adapts it to changes in the market. Therefore, past practices may not be indicative of any future hedging activities.

Risk management is specifically defined in the Group's corporate guidelines, pursuant to which risk management is centrally coordinated by Group Treasury.

The main purpose of the Group's Enterprise Wide Risk Management ("EWRM") is to enhance risk awareness and risk governance. The Management Board establishes the Group's goals and strategies, and the requirements under the EWRM, which are set out in formal guidelines. Under the guidelines, the Group has established a risk assessment process with clearly defined responsibilities for risk identification, assessment, monitoring and management. Twice a year, a risk report, which is based on the Group's medium-term planning over a three-year horizon and addresses the key non-financial and financial risks (such as market price risks, legal and compliance risks, liquidity risk, business process risks, foreign exchange risks, personnel risks and hazard risks) is prepared and submitted to the Management Board. When relevant, the report also covers the assessment of risks for strategic processes, such as when the Group engages in mergers and acquisitions or enters a new market. Any substantial increase in risk exposure is reported to the Management Board immediately. In accordance with the Austrian Corporate Governance Code, the effectiveness of the Group's EWRM system is evaluated by the Group's auditors on an annual basis.

Operational risk management

Operational risks relate to various aspects of the Group's operations, including environmental obligations, political stability in countries where the Group operates and other operational risks inherent in normal business activities. A number of measures are employed to manage these risks, including the Group's strategy to diversify its E&P portfolio in OECD and non-OECD countries. In addition, the

Group collects and analyzes information on the political situation in all the countries where it operates and conducts impact assessments prior to making investments in new markets. For environmental risks, a Group-wide reporting system to identify existing and potential environmental obligations has been put in place. Known event risks, such as damage or destruction of key assets or tanker accidents, as well as liabilities for specific product quality are insured to the extent considered appropriate.

Commodity price risk management

The Group's strategic commodity risk management operations, which are centralized in treasury, are aimed at maintaining earnings and cash flows at a level sufficient to meet targets and to fund the Group's planned capital expenditure. Financial instruments are used to hedge the main risks associated with the volatility of commodity prices – such as the negative potential impact of low crude oil prices on sales – in accordance with internal corporate guidelines on the management of market risk. Strategic hedging requires the approval of the Management Board. Derivative instruments are not used for speculative purposes.

For a description of the crude oil price hedges concluded by the Group to hedge its E&P sales against crude oil price fluctuations, see *"Key factors affecting the Group's results of operations—Crude oil trading prices"*.

In R&M's operational risk management, limited use is made of derivative instruments both as earnings hedges on selected product sales and to reduce exposure to price risks on inventory fluctuations. Crude oil and product swaps are used to hedge the refining margin (crack spread) – the difference between crude oil prices and bulk product prices. Gains and losses on hedging transactions are included in costs of sales.

Exchange-traded oil futures as well as OTC contracts (contracts for difference and swaps) are used in supply and trading to hedge short-term market price risks on purchases and sales. Gains and losses on hedging transactions are allocated to R&M, and are calculated using fair values.

In G&P, OTC swaps and options are used to hedge purchase and sales price risks. The aim is to hedge the price risk on inventory fluctuations and the differences in terms and conditions of purchases and sales.

Swaps do not involve an investment at the time the contracts are concluded; settlement normally takes place at the end of the quarter or month. The premiums on put options are payable when the contract is concluded; where options are exercised, payment of the difference between strike price and average market price for the period takes place at contract expiration.

The following table sets forth the fair value of open positions as of December 31, 2010, 2009, 2008:

	As of December 31,		
	2010	**2009**	**2008**
	(in EUR million) (audited)		
Strategic risk management			
Commodity options[(1)]	-	(160.2)	211.8
Operational risk management			
Commodity futures	1.5	(5.9)	14.6
Commodity swaps	(12.1)	(2.5)	32.7
Commodity options	-	-	0.0
Gas swaps	(6.0)	(6.5)	(165.0)
Gas options	4.5	7.2	5.7

(1) Commodity options used for strategic risk management are combined financial products composed of put and call options.

Foreign exchange risk management

OMV operates in many countries and currencies, therefore industry-specific activities and the corresponding exchange risks need to be monitored and analyzed. The USD represents OMV's greatest risk exposure, in the form of movements of the USD against the EUR, the RON and the TRY. Additionally, the Group is also exposed to the risk of detrimental movements of the EUR against the RON or the TRY. Other currencies have only a limited impact on cash flow and EBIT.

For details on the Group's hedging strategy see "*Key factors affecting the Group's results of operations —Movements in the euro exchange rates*".

The following table summarizes the fair value of open positions as of December 31, 2010, 2009, 2008:

	As of December 31,		
	2010	**2009**	**2008**
	(in EUR million) **(audited)**		
Currency options[1]	-	-	54.1
Currency forwards	3.1	(1.0)	2.3
Currency swaps	(4.7)	(0.9)	(0.8)

(1) Options in 2008 are combined financial products composed of put and call options.

Forwards and swaps shown under foreign exchange risk management are used exclusively to hedge foreign exchange rate risks on outstanding receivables and payables. The market value of these instruments will move in the opposite direction to the value of the corresponding receivable or liability if the relevant foreign exchange rate changes. The currency options were used in 2008 as hedging instruments for planned transactions in 2009.

Interest rate risk management

In order to manage interest rate risk, the Group monitors and evaluates the profile of its debt portfolio in terms of fixed and variable interest rates, currencies and maturities. Appropriate ratios for the various categories are established, and where necessary derivative instruments are used to maintain such predetermined ranges. Interest rate swaps are used from time to time to convert fixed rate debt into floating rate debt, and vice versa. The interest rate spread between the swap and the loan is accounted for as an adjustment to interest expense.

As of December 31, 2010, the nominal value of open positions relating to interest rate swaps was EUR 102 million (2009: EUR 135 million) and the fair value of open positions relating to interest rate swaps was EUR 3 million (2009: EUR 6 million).

Credit risk management

The main counterparty credit risks are assessed and monitored at Group level and segment level using predetermined limits for specific countries, banks and business partners. On the basis of creditworthiness, customers are assigned maximum permitted exposures in terms of amounts and maturities, and the creditworthiness assessments are reviewed at least annually or on an ad-hoc-basis. Contracts involving financial instruments are only entered into with counterparties with top grade credit ratings. In the interest of risk diversification, financial agreements are always spread between a number of different banks.

Credit risk vis-à-vis financial counterparties in strategic risk management, foreign exchange rate risk management and interest rate risk management amounted to a maximum of EUR 229 million as of December 31, 2010 (2009: EUR 753 million). Credit risk vis-à-vis financial counterparties in operational risk management in the R&M business amounted to a maximum of EUR 629 million as of December 31, 2010 (2009: EUR 430 million).

INDUSTRY OVERVIEW

The Central and Southeastern European oil & gas industry

From a regional perspective, OMV primarily focuses its downstream and gas and power activities in the Central and Southeastern European region (comprising Austria, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Southern Germany, Hungary, Moldova, Romania, Serbia, Slovakia and Slovenia) ("CE/SEE") and Turkey. According to 2009 International Monetary Fund ("IMF") estimates, the CE/SEE region and Turkey have a combined population of nearly 250 million (including the entire population of Germany; source: IMF World Economic Outlook Database, October 2010, accessible under www.imf.org under the tab "Data and Statistics", for more details see the table (and footnote 1) below).

The region's economies are becoming increasingly integrated due to legislation designed to liberalize both the domestic energy markets and trade more generally. In particular, legislation targeting the liberalization of refined product prices has led to the implementation of region-wide strategies by major energy companies, including cross-border investments and acquisitions, both by regional and foreign players. Given the relatively low level of hydrocarbon reserves and domestic oil and gas production, the region is heavily dependent on imports, primarily from the Middle East, Russia and the Caspian region.

The information in the following table provides an overview of selected data for the region relevant to the demand for oil products:

	Population	**Real GDP (PPP)**	**Real GDP growth**	**Real GDP (PPP) per capita**	**Total oil consumption**	**Natural gas consumption**	**Electricity consumption**
	(millions)[(1)]	(2009 current international dollar billions)[(1)]	(3 year CAGR)[(2)]	(2009 current international dollars per person)[(1)]	(thousand bbl/d)[(3)]	(billion cubic feet per year)[(3)]	(billion kilowatt hours per year)[(3)]
Austria	8.4	322.5	0.6%	38,567	270.8	310.8	63.3
Bosnia & Herzegovina	3.9	29.8	2.8%	7,634	28.0	7.8	8.7
Bulgaria	7.6	89.9	1.9%	11,883	110.0	93.6	31.7
Croatia	4.4	78.4	(0.3%)	17,707	94.0	100.8	16.1
Czech Republic	10.4	253.0	0.7%	24,271	206.0	288.9	62.3
Germany[(4)]	81.8	2,811.8	(0.4%)	34,388	2,440.0	3,271.8	544.5
Hungary	10.0	185.6	(1.4%)	18,506	155.8	399.1	37.8
Moldova	3.6	10.1	2.0%	2,839	17.5	82.3	4.5
Romania	21.5	254.8	1.4%	11,869	208.0	454.5	50.6
Serbia	7.4	78.1	2.7%	10,577	86.0.	57.9.	28.9
Slovakia	5.4	115.1	2.3%	21,245	79.4	216.9	26.8
Slovenia	2.0	55.4	(0.8%)	27,470	62.0	31.4	13.2
Turkey	70.5	879.3	(0.5%)	12,466	579.5	1,238.4	161.0

(1) IMF, World Economic Outlook Database, October 2010, accessible under www.imf.org under the tab "Data and Statistics" and the links "World Economic Outlook Databases (WEO)", "World Economic Outlook Database October 2010" and "By Countries (country-level data)" by selecting the relevant countries and the subjects "Gross domestic product based on purchasing-power-parity (PPP) valuation of country GDP", "Gross domestic product based on purchasing-power-parity (PPP) per capita GDP" and "Population", respectively. Population data as of 2009, IMF estimates used for Slovenia, Bosnia and Herzegovina, and Serbia. Real GDP (PPP) data as of 2008, IMF estimates used for Slovenia, Bosnia and Herzegovina, and Serbia.

(2) Compound annual growth rate (CAGR) for 2007 - 2009.

(3) Energy Information Administration ("EIA"), Country Energy Data Analysis, accessible under http://tonto.eia.doe.gov/country/ by selecting the relevant countries. Oil and natural gas consumption data as of 2009; electricity consumption data as of 2008.

(4) Including entire Germany.

Recent economic developments

Over the last decade, this region demonstrated strong GDP growth, significantly outperforming the Euro area. The economic and financial crisis interrupted the period in which the Southern and Eastern

European region successfully narrowed the economic gap vis-à-vis Western Europe.

The sharp fall in global economic activity in 2008 also negatively affected demand for crude and refined products. A drop-off in demand for oil and gas worldwide and worsened financial conditions triggered a revision of capital expenditure plans for some of the region's biggest integrated players. OMV, Petrom, MOL and PKN Orlen S.A. ("PKN Orlen") all reduced near-term CAPEX plans in 2009 in response to the poor economic conditions.

2010 saw refining margins remaining mixed, with refining margins in the fourth quarter 2010 at their strongest level since the first quarter 2009. The oil price also recovered over the course of 2010. Capital expenditure budgets for the region's integrated players have not seen further downward revisions, however are still below 2008 levels.

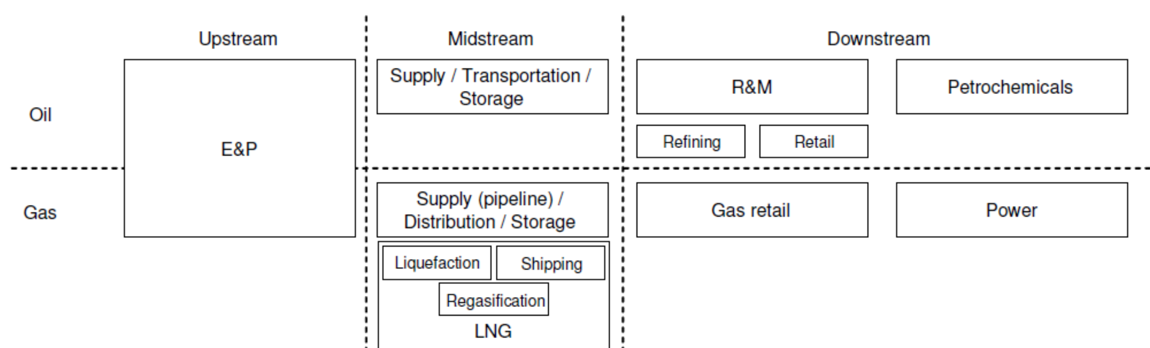
Industry structure

Overview

The oil & gas industry includes all commercial activity along the hydrocarbon value chain. This encompasses:

- exploration and production ("upstream");
- transport and supply ("midstream"), and potentially liquefaction, shipping and regasification (in the case of liquefied natural gas ("LNG")). Midstream oil and gas also include trading, storage and distribution of oil and gas;
- refining and marketing ("downstream oil"), which includes refining, retail, and typically, petrochemical production;
- retail gas ("downstream gas"), which includes retail sales to direct consumers and the gas-fired power industry.

The division into upstream, midstream and downstream operations for each commodity can be shown as follows:



In the CE/SEE and Turkey region, a number of varying types of commercial players exist along this value chain, depending on both their commercial and regional focuses:

- National Oil Companies "NOCs" – government-owned companies, typically active in home

region and surrounding countries, and across the value chain;

- International Oil Companies "IOCs" or "Majors" – global operations across the value chain in both oil and gas;
- Regional integrated, or "2nd tier" players – local oil and gas companies with regional focus, typically active in most, or all parts of the value chain in both oil and gas;
- Specialized players – companies focusing on one part of the value chain (e.g. specialized E&P companies), most often regionally focused.

Exploration and Production (E&P)

Although the region has relatively low oil and gas reserves compared to other hydrocarbon rich nations, the area has provided a base of operations for players from the region such as OMV, Petrom, MOL, INA-Industrija nafte d.d. ("INA"), PKN Orlen, Unipetrol, a.s. ("Unipetrol") and PGNiG SA, while attracting varying amounts of foreign investment from international oil companies.

The region's proved reserve base consists primarily of relatively mature oil and gas fields. Romania has the largest proven oil and gas reserves in the region and has attracted the greatest foreign investment in the region, highlighted by OMV's acquisition of 51.01% of Petrom, the former state oil company, in 2004.

Midstream oil supply and storage

Due to the net importer status of most of the countries in the region in both oil and gas, crude and natural gas supply and transport are key facets of the region's oil and gas industry.

Crude oil transport and storage. The region plays a key role in connecting Russian, CIS and Middle Eastern supply markets to Western European demand markets via a number of pipelines. The region's location between the Baltic Sea and the Adriatic Sea, as well as access from the Black Sea via the Danube and the North Sea via the Elbe, enables access to imports from Western Europe, Eastern Europe, the Middle East and North Africa, and exports to most major product markets in the Mediterranean and Atlantic Basin regions.

Imported crude oil and feedstock are mainly sourced from Russia and other countries of the former Soviet Union, via overland crude pipelines, as well as via the Black Sea, Baltic Sea and the Caspian Sea. Additional import routes include overland pipelines from the Mediterranean coast for North and West African supplies, as well as the River Elbe for North Sea crude oil supplies. The Transalpine Pipeline ("TAL") is the largest transporter of crude oil to Central Europe, with a length of approximately 465 km and a delivery capacity of approximately 36 million tonnes/y. TAL is owned by a variety of oil companies active in sourcing oil in the region (OMV 25%, Shell Austria Gesellschaft m.b.H. and Shell Deutschland Oil GmbH collectively 24%, ExxonMobil Central Europe Holding GmbH 16%, Ruhr Oel Gesellschaft m.b.H. (Germany) 11%, Eni Deutschland GmbH 10%, BP Europa SE 9%, Conoco Aktiengesellschaft (Switzerland) 3% and Total S.A. ("Total") 2%). OMV imports oil from countries including Kazakhstan, North Africa and Nigeria, and delivers to several destination areas or pipelines, such as the Adria-Wien Pipeline ("AWP") and TAL, which supply Austria, or the *Mitteleuropäische Rohölleitung* ("MERO"), the chief supplier for Czech refineries.

Typically, oil supply is either the responsibility of the country's state incumbent oil and gas company or a state owned oil pipeline operator. Other companies, such as Oil Terminal SA in Romania, provide oil transport services around loading, unloading and storage of crude oil products. Although governments in the region typically have one authorized operator, a number of foreign companies with oil and gas interests in the country have been involved in pipeline modernization/expansion projects. Turkey itself provides a key link between Central Asian and Middle Eastern oil supply markets and Western demand centers. The key pipelines include the Kirkuk–Ceyhan pipeline (50 million tonnes/y capacity), the Baku–Tbilisi–Ceyhan pipeline (50 million tonnes/y capacity) and the Ünye–Ceyhan pipeline

(70 million tonnes/y capacity not yet operating). The Kirkuk–Ceyhan pipeline is Iraq's largest export line.

Crude oil and refined product storage are typically undertaken by individual companies in large tank farms either along pipeline transportation routes, at the refinery or at strategic reserve locations, such as the Erdöl-Lagergesellschaft mbH in Austria, 55.60% owned by OMV, 23.07% by BP Europa SE, 16.73% by Shell Austria Gesellschaft m.b.H. and 4.60% by Eni Austria GmbH (as of December 31, 2010). Demand for crude oil storage is driven mainly by demand for strategic stocks: All members of the EU and International Energy Agency ("IEA") are required to maintain oil supply security in the form of Compulsory Stockholding Obligations.

Refining and Marketing (R&M)

Refining. The region is characterized by a structural shortage in middle distillates, such as diesel, and overcapacity in gasoline. Based on data provided by the consultancy service Wood Mackenzie there are 23 refineries in the CE/SEE and Turkey region with an aggregate crude processing capacity of approximately 125 million tonnes/y.

Refining industry participants include regional incumbents such as OMV, Petrom, MOL, PKN Orlen, INA, Unipetrol, Lukoil OAO ("Lukoil") and Türkiye Petrol Rafinerileri A.Ş. ("Tüpras"), of which only OMV, MOL, PKN Orlen and Lukoil have established a material presence outside their respective domestic markets. The major international oil companies have limited holdings in the region's refineries. Eni S.p.A. ("Eni") and Royal Dutch Shell PLC ("Shell") each hold an interest in Unipetrol's Kralupy and Litvinov refineries in the Czech Republic (32.40% and 16.30% respectively), after ConocoPhillips group sold its 16.11% stake in 2007 to Eni. The Schwedt refinery, located in Northern Germany owned by Shell, BP PLC ("BP"), Eni and Total, also supplies refined products to the Central and Eastern European market, mainly the Czech Republic and Poland. Eni and BP also have minority interests in the Bayernoil refinery network.

The Turkish refining market is dominated by Tüpras (7th largest refiner in Europe by capacity). CIS countries have continued to expand into CE/SEE and Turkish oil and gas markets: Lukoil of Russia owns a 49.00% stake of ERG refinery (7.8 million tonnes/y) in Sicily, JSC Gazprom Neft purchased NIS Petrol (7.3 million tonnes/y) in early 2008 and JSC KazMunaiGas purchased 75.00% of Rompetrol Group N.V. (5.5 million tonnes/y), having announced the closing of the acquisition of the remaining 25.00% in June 2009.

Marketing. Refined product marketing can be divided into two activities based on end customers: Fuel Retail, which targets retail consumers market via filling stations, and Product Wholesale, which targets commercial customers (including transportation, energy, and freight industries, as well as municipalities and other commercial consumers).

Fuel Retail: The region has been characterized by high growth in oil product consumption, an increasing number of passenger vehicles and a low retail network density. The petroleum products retail sector in the region has grown significantly in recent years and is expected to maintain that growth going forward, but continues to be less developed, particularly in rural areas.

Key inter-country players in the retail fuel market remain the groups Shell, ExxonMobil, Eni, ConocoPhillips, Lukoil, Total and OMV, with varying market shares across the region. Country-specific players include Slovakia's Slovnaft a.s., which controls approximately 40% of the Slovak market with its Benzinol and Slovnaft brands, Croatia's INA, Bulgaria's Petrol AD and Romania's Petrom. In Turkey, Petrol Ofisi is the dominant refined products distributor and, according to its estimates, holds 26.7% market share in terms of network size, with 2,480 service stations as of December 31, 2010. OMV, with a refining capacity of approximately 22.3 million tonnes per year and an estimated 20% market share in terms of retail sites (2,291 (excluding Petrol Ofisi Group's stations) as of December 31, 2010), has a leading position in the 12 CE/SEE countries in which it is active (source: OMV research).

While most incumbents have a dominant market share in their respective domestic markets, a few, including OMV and MOL, have established a region-wide presence. Competition from international competitors has focused primarily on high-throughput stations in densely populated metropolitan regions.

Refined Product Wholesale: Product wholesale involves the sale of motor fuel, heating oil, bitumen, jet fuel and liquefied petroleum gas ("LPG") directly to wholesalers or larger consumers. Typically, supply arrangements are made with local marketing players on commercial terms.

Petrochemicals and plastics

Key organic chemicals produced within the petrochemicals industry include: ethylene, propylene, butadiene (olefins), benzene, toluene and xylenes (aromatics) as well as methanol which are all precursors to different chemical products and plastics. Ethylene is a principal monomer used as feedstock for plastics, fibres and other organic chemicals, and often used as a proxy in the industry.

According to SRI Consulting, the estimated ethylene capacity in Central and Eastern Europe as of mid-2009 was 3,774 kilo tonnes excluding Russia and Ukraine. In Germany, the estimated capacity is 5,933 kilo tonnes. Despite limited capacity additions, the region has made good progress in debottlenecking capacities over the past few years with production rising approximately 4.3% CAGR (including Russia and Ukraine) from 2003 to 2008 (source: SRI Consulting, Chemical Economics Handbook, September 2009). Increases in regional production have been attributed to economic growth and increase in local consumption while ethylene derivative trade has been trending towards a much more balanced position.

Gas & Power (G&P)

Gas transport. The region is a key transit location for substantial natural gas exports from the former Soviet Union and the Middle East to the major gas demand centers of Western Europe. Given the higher Russian supply dependence of Eastern European countries compared to their Western counterparts, recent instabilities in Russian gas supply have put into question the security of gas supply to the region. Pipelines crossing Ukraine carry about 80% of the natural gas consumed in Europe. The Blue Stream and Yamal-Europe pipelines currently bypass the Ukraine; the Nabucco, South Stream and North Stream pipelines will bypass the Ukraine upon completion.

Key natural gas pipelines and pipeline projects include the planned Nabucco pipeline with first gas expected to flow in 2017, and a pipeline connecting Turkey and Greece, which became operational in December 2007 with an estimated capacity of 13 bcm/y. The Central European gas hub ("CEGH") in Baumgarten (located in Austria), which has developed into one of the top three gas hubs in continental Europe, serves as delivery point and service provider. The related CEGH gas exchange, established in 2009 to offer exchange trading functions (in addition to OTC trading), is operated by, and under the license of, the Vienna Stock Exchange. The current shareholders of CEGH are OMV (80%) and Wiener Börse AG (20%). A number of the regional companies have developed extensive gas transport and distribution networks to take advantage of their location.

Gas storage. Gas storage capacity is mainly used to cater to seasonal demand fluctuations, and can be undertaken via depleted oil and gas reservoirs, salt caverns or aquifers. The main gas storage providers across Europe include utilities (such as Germany's E.ON AG), midstream gas importers/distributors (such as Germany's VNG – Verbundnetz Gas Aktiengesellschaft) and gas logistics providers (such as Austria's OMV Gas GmbH).

Liquefied natural gas (LNG). LNG is already a key means of natural gas supply, representing approximately 28% of the world's natural gas trade (source: BP Statistical Review of World Energy 2010), with significant regasification capacity under construction globally. Current regasification facilities in the region include Marmara Ereglisi and Izmir in Turkey (source: Petroleum Economist Global LNG Map 2007).

Power generation. Power generation in the CE/SEE region is largely achieved via coal and nuclear

sources, with increasing importance placed on gas and renewables. Key illustrative statistics include the fact that half of Slovakia's power production (mainly via Slovenske Elektrarne a.s., with over 60% of installed market share) comes from coal-fired and nuclear energy, while nearly half of Bulgaria's approximately 10 gigawatt ("GW") installed capacity is coal-fired and more than half of Croatia's 4 GW of installed capacity comes from hydro power. Romania has the largest power sector in Eastern Europe, with nearly 22 GW of installed capacity, while Turkey has one of the largest power sectors in the region (besides Germany) with nearly 42 GW (source: EIA website, http://tonto.eia.doe.gov/country/).

ČEZ, a. s. ("CEZ") of Czech Republic is one of the largest electric utility companies in terms of installed capacity in the region (focused on Czech Republic, Bulgaria and Romania), along with being one of the top ten European utilities with a total installed capacity of over 14 GW. CEZ's power plant portfolio as of 2009 was 59.6% coal, 26.6% nuclear and 13.8% hydro and other (source: CEZ company reports accessible under www.cez.cz/en/home.html).

Austria's leading power generation company is Verbund AG, with approximately 9 GW of installed capacity (90% hydro, 10% thermal and wind) representing more than 40% of Austrian generation capacity (source: www.verbund.com under "investor relations"). Other key players in the region include Germany's E.ON AG and RWE AG (each with significant generation capacity in the region) and state-owned regional/municipal utilities. Turkey's power generation market remains dominated by state owned Elektrik Üretim A.Ş. ("EÜAŞ"), which generates approximately 43% of Turkish power (source: EÜAŞ website, www.euas.gov.tr/, under "Company Profile").

Gas supply, marketing and trading. The power sector remains the main driver of gas marketing, backed by several gas fired power plant projects which are currently under construction and further projects in planning stages. The majority of these power plants coming on stream are replacement investments, mainly in Germany. Furthermore there exists additional need for gas fired power plants as a flexible alternative for renewable energy sources (for example wind, which by nature has a less reliable production schedule given reliance on wind patterns).

Residential sales have remained mostly stable throughout the financial and economic crisis given their low dependence on general economic conditions, whereas industrial demand has decreased.

Recent major consolidation activity

The two dominant regional incumbents, OMV and MOL, have played key roles in the consolidation of the regional oil and gas industry over the last 10 years.

In December 2004, OMV acquired a majority stake in Romania's largest oil and gas company, Petrom. With effect from February 1, 2008, Petrom acquired the oil service activities of Petromservice SA. In September 2010, Petrom announced the sale of its exploration assets in Russia by selling its 74.90% interest in RingOil Holding & Trading Ltd. ("RingOil") and its seven subsidiaries, which had been acquired in late 2006.

In 2006, OMV acquired a 34.00% interest in Petrol Ofisi from and entered into shareholders' agreement with Doğan. In the course of 2007 and 2008, OMV increased its interest in Petrol Ofisi to 41.58%, whereby Doğan's participation amounted to 54.17% and the remaining 4.25% were free float. On December 22, 2010, OMV completed the acquisition of a 54.14% stake in Petrol Ofisi, thereby increasing its stake to 95.72% and fully consolidating the company within OMV. In March 2011, OMV has increased its interest in Petrol Ofisi to 96.98% as a result of a mandatory offer to free float shareholders.

In October 2008, MOL became the largest shareholder of INA (increasing its holding from 25% to 47%). In December 2010, MOL announced a tender for INA shares in an attempt to acquire more than 50% of INA's shares, but was not successful and could increase its stake only slightly. CIS countries have continued to expand into CE/SEE and Turkish oil and gas markets. Lukoil of Russia has been an active foreign acquirer, buying retail outlets in various countries in the region (693 retail stations in

Turkey through Akpet), as well as a 49% stake of ERG refinery in Sicily. JSC Gazprom Neft purchased NIS Petrol in early 2008, which owns 481 retail sites. JSC KazMunaiGas purchased 75% of Rompetrol Group N.V., gaining 599 retail sites, in autumn 2007 and announced the completion of the acquisition of the remaining 25% in June 2009.

The fragmented retail fuel markets in the region have seen a number of consolidation trends, including OMV's acquisition of BP's Aral network in the Czech Republic in 2005, ConocoPhillips group' sale of 171 filling stations in the Czech Republic to Lukoil in 2007, INA's sale of fuel retailer Crobenz with 14 stations to Lukoil in 2010, and Eni's purchase of ExxonMobil Corp.'s retail station network across the Czech Republic, Slovakia and Hungary, in 2007. In 2010, TNK-BP Holding from Russia acquired the Ukrainean fuel distribution company VilOil.

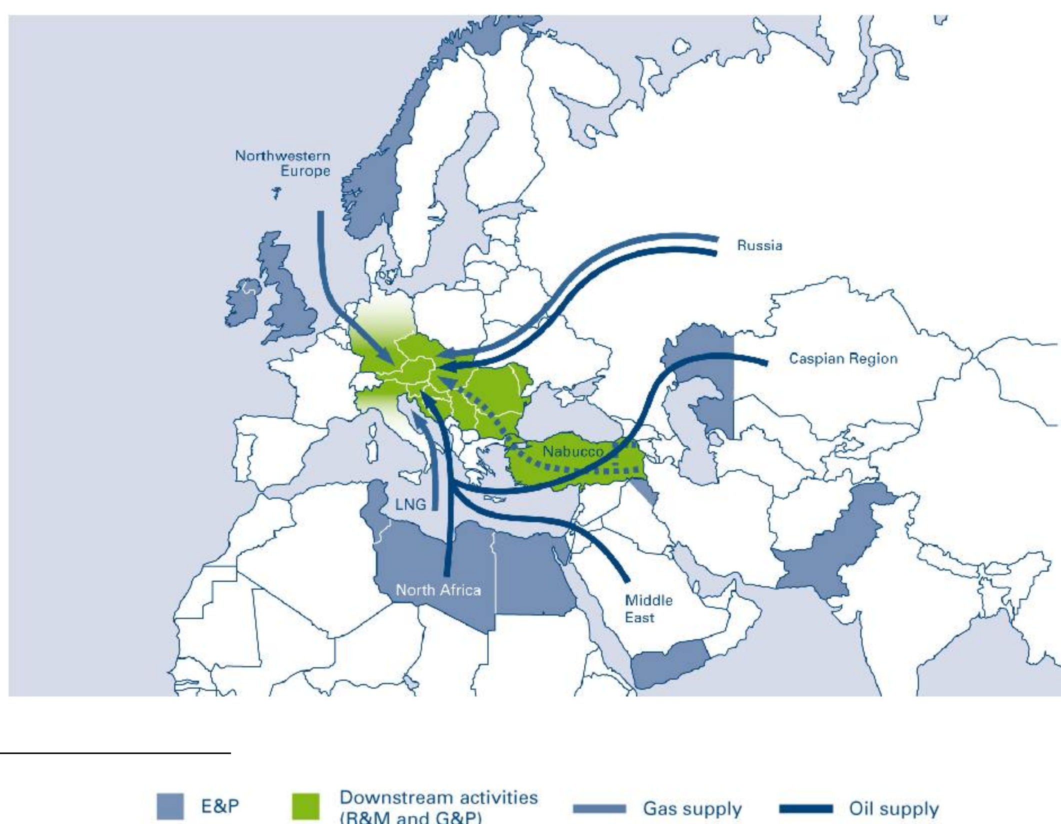
M&A activity in the Turkish market has revolved around the 2005 privatization of Tüpras, with 51% being acquired by Energy Investments Inc. (Enerji Yatirimlari A.Ş.), and the privatization of Petrol Ofisi.

BUSINESS

Overview

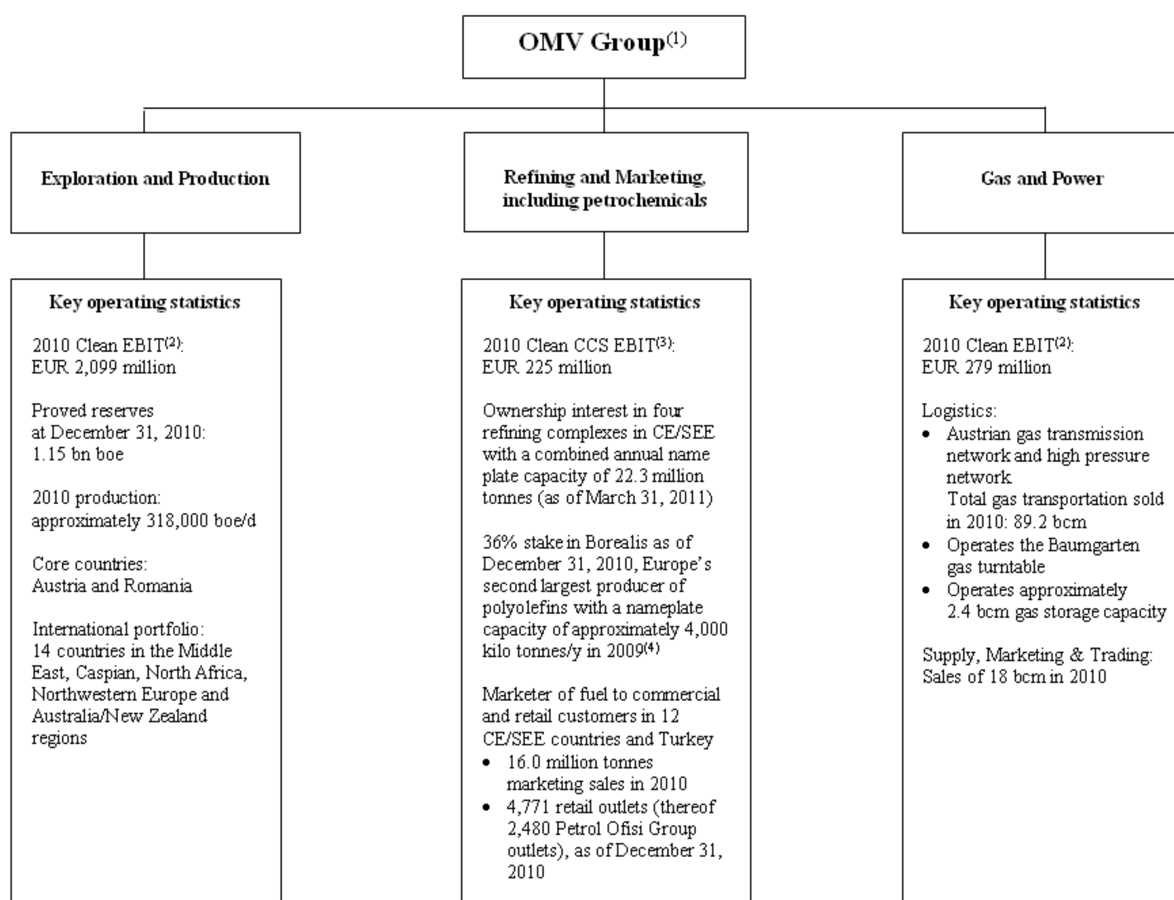
With Group sales of EUR 23,323.4 million in 2010, 31,398 employees and a market capitalization of approximately EUR 9,300 million as of December 31, 2010, OMV is, according to management estimates, one of the leading energy companies in Central and Southeastern Europe ("CE/SEE") in terms of proved oil and gas reserves, production and refining capacity and overall market share in the marketing business in CE/SEE. OMV's definition of CE/SEE is oriented at the markets it serves and includes Austria, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Southern Germany, Hungary, Moldova, Romania, Serbia, Slovakia and Slovenia. It does not include Poland.

The following chart shows the Group's geographical markets according to business segments and with respect to gas and oil supply:



Source: Internal data.

OMV explores, discovers and extracts oil and natural gas and provides energy, heat and mobility as well as day-to-day products and services. OMV's core business segments are (i) Exploration and Production (of oil and gas); (ii) Refining and Marketing including petrochemicals; and (iii) Gas and Power. In addition to these operating segments (also shown in the following chart), Group management, financing activities and certain service functions are concentrated in the Corporate and Other ("Co&O") segment.



(1) As of December 31, 2010, unless otherwise specified.
(2) Clean EBIT is earnings before interest and taxes, excluding special items.
(3) Clean CCS EBIT is earnings before interest and taxes, excluding special items and excluding inventory holding effects resulting from the fuels refineries.
(4) Source: Website of Borealis (www.borealisgroup.com) under the icons "About Us", "About Borealis" and "Key Figures".

Source: Audited Consolidated Financial Statements, internal data and website of Borealis (www.borealisgroup.com).

The *Exploration and Production* ("E&P") business segment explores, develops and produces crude oil, natural gas liquids and natural gas. In 2010, OMV's oil and gas production was approximately 318,000 boe/d and its proven reserves were approximately 1.15 billion boe at December 31, 2010. In its core assets in Austria and Romania, OMV is focusing on reducing the natural decline and enhancing recovery rates from mature fields. Future growth is expected to come via new field developments, exploration and acquisitions internationally. OMV intends to develop the existing portfolio to and beyond critical mass, on a production per country basis, and is looking to find new areas for expansion within the Caspian, Middle East and North Africa regions where OMV can leverage its existing E&P exposure. On September 20, 2010, OMV signed a sale and purchase agreement to acquire oil and gas exploration and production interests in Pakistan from PETRONAS International Corporation Limited. The closing of the transaction, which is subject to certain conditions precedent, is envisaged in 2011. On February 18, 2011, OMV completed the acquisition of two Tunisian E&P subsidiaries from Pioneer Natural Resources. The two transactions are (upon closing) expected to result in a substantial increase of OMV's production and reserves base in Pakistan and Tunisia.

The *Refining and Marketing including petrochemicals* ("R&M") business segment operates refineries in Schwechat, Austria, and Burghausen, Southern Germany, both with integrated petrochemical complexes. Together with Bayernoil Raffineriegesellschaft mbH ("Bayernoil"), Southern Germany, in

which OMV has a 45.00% stake (as of March 31, 2011), and the Petrobrazi refinery in Romania, OMV's refineries have a total annual capacity of 22.3 million metric tonnes ("tonnes") or 460,000 barrels per day ("bbl/d") (as of March 31, 2011). On December 22, 2010, OMV completed the acquisition of Doğan Holding's 54.14% interest in Petrol Ofisi, giving OMV a 95.72% interest in a leading Turkish refined product marketing company and further establishing Turkey as the Group's third integrated regional growth hub. In March 2011, OMV has increased its interest in Petrol Ofisi to 96.98% as a result of a mandatory offer to free float shareholders. As of December 31, 2010, OMV had a network of 4,771 filling stations that spanned across 12 CE/SEE countries and Turkey.

The *Gas and Power* ("G&P") business segment is active in various stages of the gas value chain and consists of four business lines: (i) gas supply; (ii) gas logistics, involving transport and storage; (iii) power generation; and (iv) marketing and trading. OMV imports large amounts of natural gas to Austria – largely from Russia and Norway – and sells treated gas produced at its own fields ("equity gas"). With about one third of all Russian gas exports to Western Europe passing through OMV's Baumgarten gas turntable, OMV plays an important role in gas transit. Its 2,000 kilometer ("km") pipeline network and its gas storage facilities contribute to the security of supply in Austria and beyond. CEGH, originally a wholly owned subsidiary of OMV Gas & Power GmbH and since June 2010 co-owned by OMV Gas & Power GmbH (80%) and Wiener Börse AG (20%), is OMV's gas trading platform. It serves as delivery point and service provider, while the related CEGH gas exchange, established in 2009 to offer exchange trading functions (in addition to OTC trading), is operated by, and under the license of, the Vienna Stock Exchange. Core markets for OMV's gas marketing and trading business are Austria, Germany, Italy, Hungary, Romania and Turkey. By entering the power business, OMV intends to extend its value chain from gas to electricity. The new power business will focus on markets with what management considers to be sound potential for integration with other OMV operations – especially in Austria, Germany, Romania and Turkey.

The following table sets forth the Group's development over the last three years:

	2010	2009	2008	2008-2010 CAGR[(1)]/ Average
OMV				
Sales revenues (EUR million)	23,323	17,917	25,543	(4.4)
EBIT[(2)] (EUR million)	2,334	1,410	2,340	(0.1)
Average capital employed (EUR million)[(3)]	14,274	13,639	13,341	3.4
ROACE[(4)] (%)	10	6	12	9.4[(5)]
E&P				
Total segment sales (EUR million)	4,666	3,797	5,089	(4.3)
EBIT (EUR million)[(6)]	1,816	1,450	2,274	(10.6)
Total proved reserves[(7)] (million boe)	1,153	1,188	1,206	(2.2)
Total production (million boe)	116	116	116	0.0
R&M				
Total segment sales (EUR million)	18,042	13,900	20,883	(7.1)
EBIT (EUR million)	397	(143)	(105)	n.a.
Total refined product sales[(8)] (million tonnes)	24	26	27	(5.7)
thereof marketing sales volumes[(9)] (million tonnes)	16	17	17	(3.0)
G&P				
Total segments sales (EUR million)	4,365	3,273	3,798	7.2
EBIT (EUR million)	277	235	245	6.3
Natural gas sold (bcm)	18	13	13	18.6
Total gas transportation sold (bcm)	89	75	66	16.0
Average storage capacities sold (thousand cbm/h)	868	850	803	4.0

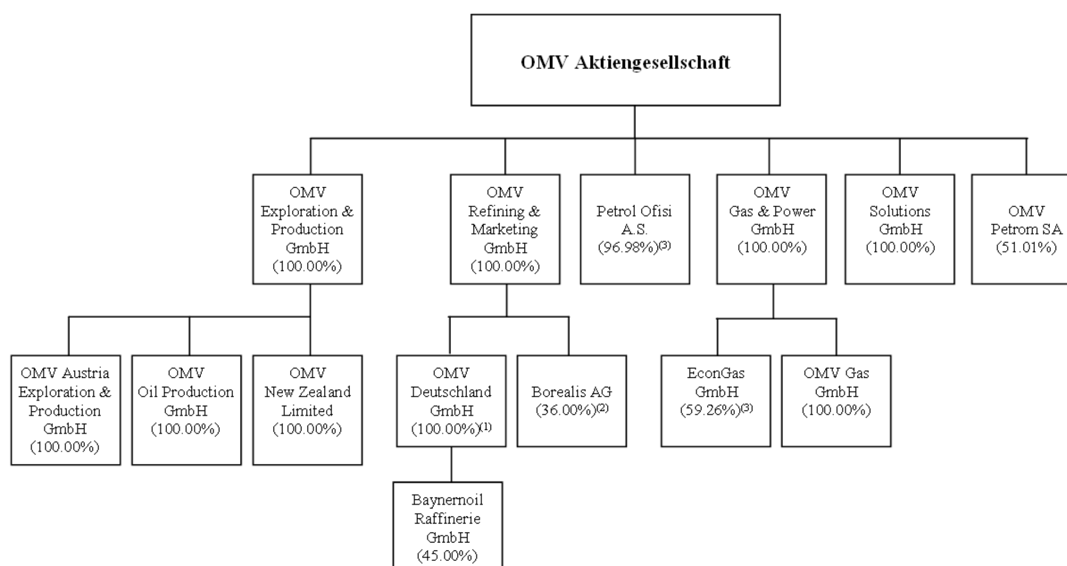
(1) Compound annual growth rate.
(2) Earnings before interest and taxes, excluding intersegmental profit elimination in E&P.
(3) Capital employed is defined as stockholders' equity including non-controlling interests plus net debt and provisions for pensions, less securities used for asset coverage of pension provisions. Average capital employed is calculated as the average of capital employed at the beginning and at the end of a period. Average capital employed in 2010 has been adjusted for the acquisition of Petrol Ofisi, i.e. the effects from the acquisition of Petrol Ofisi on capital employed as of December 31, 2010 have been excluded.
(4) Return on average capital employed (ROACE) is defined as NOPAT divided by average capital employed, expressed as a percentage, per year. NOPAT is defined as profit from ordinary activities after taxes plus net interest on net debt and interest on pensions, adjusted for tax effects.
(5) Average for 2008-2010.
(6) Excluding intersegmental profit elimination.
(7) Developed and undeveloped reserves as of December 31 of the respective year.

(8) The indicator "Total refined product sales" was first reported in 2010. The figure includes all products sold by OMV.
(9) Excluding Petrom export sales.

Source: Audited Consolidated Financial Statements and own calculations.

Organization

The following chart, in simplified form, shows the Company's main participations as of the date of this prospectus.



(1) 10% thereof held directly by the Company.
(2) 3.33% thereof held directly by the Company.
(3) Partly via holding companies not shown in the chart.

Source: Audited Consolidated Financial Statements (list of direct and indirect investments of the Company as of December 31, 2010) and internal data.

Apart from the Issuer's main wholly owned subsidiaries, OMV Exploration & Production GmbH ("OMV E&P"), OMV Refining & Marketing GmbH, OMV Gas & Power GmbH and OMV Solutions GmbH, as of December 31, 2010, the Issuer owns 51.01% in the Romanian oil and gas company OMV Petrom SA ("Petrom"). The Issuer's (direct and indirect) participations as of December 31, 2010 include a 95.72% interest (which, as a result of a mandatory offer to free float shareholders, increased to 96.98% in March 2011) in Petrol Ofisi, a leading company in the distribution and marketing of refined oil products in Turkey, a 45.00% interest in the refinery network company Bayernoil, and a 36.00% interest in Borealis. One of the Issuer's two core shareholders, IPIC, holds the remaining 64.00%. Borealis is among the world's major producers of polyolefins in terms of production volumes. In the business segment Gas and Power, the Issuer, as of December 31, 2010, directly and indirectly holds a 59.26% stake in the Austrian gas marketing company EconGas GmbH ("EconGas").

Business strategy

OMV is operating in a challenging industry environment characterized by high oil price volatility, high investment needs to contribute to a low carbon economy, as well as the need to diversify and secure energy supply. Against this background, OMV has positioned itself as an integrated market player in

the "European Growth Belt", which OMV defines as reaching from the Baltic Sea in the north, extending southeast and encompassing the countries of Central and Southeastern Europe, to Turkey in the south.

OMV's strategic framework for sustainable growth is the "3plus" strategy pursuant to which OMV focuses on three integrated businesses (E&P, R&M and G&P). This enables OMV to benefit from Group-wide synergies, thereby leveraging its integrated position. OMV is active in the geographical markets CE/SEE and Turkey, plus the producing areas that provide supplies to them. OMV is guided by three core values (pioneers, professionals and partners), which are the basis for the expansion of the business portfolio towards sustainability. Going forward, OMV has the vision to shape the energy industry by:

- optimizing downstream business within its growth markets and connecting it to supply regions;
- focusing on reducing the natural decline and enhancing recovery rates from mature fields in its core assets in Austria and Romania, as well as achieving and exceeding critical mass on a per country basis in the current international E&P portfolio and finding new areas for expansion to build a future E&P portfolio;
- adapting the corporate portfolio by strengthening the G&P business and through selective investments in electrical power and renewable energy;
- realizing cost and revenue synergies through an integrated position and rigorous cost and capital discipline; and
- creating sustainable value.

Optimize downstream business within its growth markets and connect it to supply regions

OMV aims to strengthen its oil and gas market position in CE/SEE and Turkey. To this end, OMV intends to realize further optimization potential within its downstream activities (e.g. recent optimization programs include an upgrade of the Petrobrazi refinery in Romania) and continue to develop its market position in strategically attractive markets. Romania has already developed into a second regional hub for OMV in CE/SEE. With the acquisition of an additional 54.14% interest in Petrol Ofisi, increasing its stake from 41.58% to 95.72%, OMV has taken a further step towards integrating Turkey into its core markets, positioning it as a third hub, and is also intensifying its activities in the Turkish gas and power generation market and exploring backward integration opportunities in the Mediterranean/Black Sea region. In March 2011, OMV has increased its interest in Petrol Ofisi to 96.98% as a result of a mandatory offer to free float shareholders. Turkey is also a key country for the planned Nabucco pipeline. At the same time, OMV targets establishing a link to the Middle East/Caspian supply regions where OMV plans to develop upstream to secure oil and gas supply for its markets in CE/SEE. In May 2009, OMV acquired a 10.00% stake in Pearl Petroleum Company Limited, which is active in oil and gas development, exploration and production in the Kurdistan Region of Iraq, providing the Group with access to equity gas from the Middle East.

Focus on reducing the natural decline and enhancing recovery rates from mature fields in its core assets in Austria and Romania, as well as achieving and exceeding critical mass on a per country basis in the current international E&P portfolio and find new areas for expansion to build a future E&P portfolio

E&P's strategy is to focus on reducing the natural decline and enhancing recovery rates from mature fields in its core assets in Austria and Romania, develop to and beyond critical mass on a per country level in the current international E&P portfolio and find new areas for expansion to build a future E&P portfolio. With more than 70 years of oil and gas production experience in Austria, OMV shows strong technical performance in various areas (high recovery rates, low production decline, reliability of

equipment). Technology pilot projects to further maximize value have been commenced in Austria and will be implemented in Romania when proven successfully. Romania has more than 150 years of oil experience. OMV via Petrom has a considerable asset base there and will continue to streamline its efforts – e.g. water injection is a top priority.

Critical mass on a per country basis in OMV's international E&P portfolio is considered important to benefit from scale effects and synergies within the respective countries. Transactions like the acquisition of new production, development and exploration licences in Pakistan in 2010 and the recent purchase of two Tunisian E&P subsidiaries from Pioneer Natural Resources contribute to this target. In other countries, critical mass may be pursued via acquisitions or by pursuing own exploration and development projects.

For new expansion areas OMV follows one basic rule: the further OMV steps away from its core – geographically or technologically – the more material the opportunity should be. Focus areas are the Caspian, Middle East and North Africa regions where OMV can leverage its existing E&P exposure, including the Nabucco corridor countries enabling E&P to supply equity gas to the planned Nabucco pipeline.

Adapt the corporate portfolio by strengthening the G&P business and through selective investments in electrical power and renewable energy

Generally, OMV is shifting its investment focus from R&M to E&P and G&P to balance its portfolio as measured by capital employed between the three business segments. In G&P, OMV plans to leverage its good partnership with Russia while further diversifying its supply sources, and to develop an integrated sales and trading business for G&P. In addition, OMV is investing selectively in gas-fired power plants to maximize the value of gas and is exploring opportunities in renewable assets to reduce the carbon impact of fossil fuels. In particular, OMV is currently constructing two low emission 800 MW class natural gas combined-cycle power plants, one in Romania (scheduled to start operations towards the end of 2011) and one in Turkey (expected to commence operations in the second half of 2012). The Samsun power plant in Turkey has a planned investment volume of EUR 600 million and enables OMV to enter the Turkish power industry and thereby take an important step in its pursuit to become a fully integrated energy supplier in a strategic location.

Realize cost and revenue synergies through an integrated position and rigorous cost and capital discipline

As a main priority, OMV keeps a strict focus on cost and capital discipline. Being a fully integrated energy provider, OMV is looking for opportunities to realize cost and revenue synergies between business segments, as demonstrated, for example, by its establishment of an integrated competence center providing Group-wide services in IT, financial services, HR consulting and administration, facility management, occupational health and procurement ("Global Solutions"). OMV views its trading and operation of assets as integrated functions. OMV thereby benefits from synergies along the value chain, and uses its integrated position as a value proposition. An example of this is the supply of equity gas by E&P which is transported and stored in OMV's infrastructure and then either marketed as gas or, in the future, can be converted to power in OMV's own plants. OMV also seeks to facilitate access to new opportunities through integrated joint projects.

Create sustainable value

OMV's goal is to create sustainable value based on its strategy of further strengthening the Group's market position in the European Growth Belt, developing the upstream and G&P businesses and adjusting its portfolio. Value will be realized along the "triple bottom line" ("people, planet, profit"), which means taking into consideration economic, environmental and social aspects of business decisions. Since management expects shortages of skilled personnel, operational risks and the need for significant reductions in CO_2 to be the main challenges ahead, OMV has defined diversity and education, health and safety and CO_2 emission reduction as the three major topics for its sustainability activities.

Key competitive strengths

In order to pursue its strategy, to maintain and improve its market position, and to meet the challenges now facing the industry, OMV believes it can rely upon the following principal competitive strengths:

Leading market position in the CE/SEE and Turkish markets

According to its own calculations, OMV is one of the leading energy companies in CE/SEE in terms of proved oil and gas reserves and production and refining capacity, and estimates to have an overall market share in the marketing business of approximately 20% in CE/SEE and 27% in Turkey. These calculations and estimates are, to some extent, based on energy balances, market volumes and other statistical data of third parties such as federal ministries and offices, national statistical offices, regulatory bodies, trade associations and other organizations providing economic and/or sector specific data in the jurisdictions in which OMV is active. Management considers the CE/SEE and Turkish markets to be among Europe's most attractive energy markets due to the fact that projected gross domestic product and energy demand development exceeds European Union averages.

Balanced and integrated asset portfolio

OMV benefits from physical integration within its businesses which provides a higher degree of security of supply, enables the Group to capture more value from the well-head to the end user and supports lower supply and distribution costs per unit than less integrated competitors. Furthermore, OMV's stakes (as of December 31, 2010) of 51.01% in Petrom, 45.00% in Bayernoil, 36.00% in Borealis, 95.72% in Petrol Ofisi and 59.26% in EconGas provide increased balance and diversification to the business and therefore help reduce cash flow volatility.

Well-balanced international E&P portfolio

OMV's upstream exploration and production portfolio spreads across 16 countries, comprising the core countries Austria and Romania as well as a balanced international portfolio. A key strength of OMV's portfolio is that 85% of its proven reserves are situated in EU/OECD countries. OMV's assets in Austria and Romania, although mature, offer opportunities to sustain production levels through improved recovery and the application of advanced technologies, such as pattern water injection optimization. E&P's international portfolio outside its two core countries is focused on areas where OMV either has an extensive operating history or which are suited to OMV's size and technical skills.

Long-term technical and commercial expertise in exploitation, development and exploration

OMV has experience in the exploitation of older, more mature oil and gas fields, most notably demonstrated by its management of the Vienna basin assets over more than 50 years. In particular, the Group has experience in the application of advanced reservoir management techniques to both more mature and more complex geological formations, implementing workover programs in environmentally sensitive areas and processing sour gas. The focus of exploration is to further increase contribution from producing countries (e.g. Tunisia, Libya, Yemen, New Zealand, Pakistan and U.K.) but also to build up new production in pure exploration countries (e.g. Kurdistan Region of Iraq, Norway and Egypt).

OMV also has a high level of expertise in the use of advanced geological and geophysical techniques (including the use of advanced techniques for analyzing the likelihood of locating hydrocarbons, such as 3D seismic technology) to globally support its field development and exploration activities.

Experienced management team with track record of growth

OMV has a track record of growth through organic initiatives and acquisitions. Its organic growth initiatives have included improved recovery from mature upstream assets, exploration success and new construction of retail sites. OMV has successfully acquired and integrated several companies and asset packages within and outside CE/SEE. These acquisitions have involved integrating complex assets and systems as well as personnel in countries with varying cultures and political and economic

environments. The Petrom acquisition is the largest and most complex to date. It has been followed recently by the 2010 acquisition of an additional 54.14% interest in Petrol Ofisi and the 2011 acquisition of two Tunisian E&P subsidiaries of Pioneer Natural Resources.

The management team has also proven its ability to achieve strategic targets for profitability and growth, as well as its ability to manage the complex transformation of OMV from a state-controlled, domestically focused entity into a multinational enterprise driven by performance targets.

Solid financial structure and conservative financial policy

OMV's management team is fully committed to maintaining a solid financial structure and conservative financial policy. OMV has recently made significant investments to support its future development and is pursuing this Offering as part of its conservative financial policy and to maintain a solid financial structure. Furthermore, the Group's financial strength is underpinned by its strong investment grade profile, reflected in ratings of A3 (stable outlook) by Moody's and A- (negative outlook) by Fitch.

Positioned in growing natural gas transportation and supply business

The natural gas business provides OMV with a relatively stable earnings stream and a good position in the gas industry. Austria and the rest of CE/SEE benefit from their strategic location between the increasing demand of Western Europe and the existing and emerging sources of natural gas supply in the former Soviet Union and the Caspian region. As of December 31, 2010, OMV supplied approximately 70% of the natural gas needs of Austria and owned approximately 50% of the gas storage capacity in Austria. Management estimates that currently about one third of all Russian gas exports to Western Europe pass through OMV's Baumgarten gas turntable and believes OMV's infrastructure in Austria, its 59.26% interest (as of December 31, 2010) in EconGas and its interest in Petrom's subsidiary OMV Petrom Gas SRL position OMV well to benefit both from the increasing demand for natural gas within CE/SEE and from the increasing transit of natural gas from the former Soviet Union and the Caspian region to Western Europe.

Segment-specific competitive strengths

In the E&P segment, OMV believes that its competitive advantages are: its assets in the core countries Austria and Romania, a track record in optimizing recovery from complex onshore structures achieving remarkably low decline rates, high reliability of secondary recovery technologies (e.g. water injection technologies), a focus on EU/OECD countries, growth potential in its international portfolio and in adjacent markets, the use of state-of-the-art 3D seismic technologies and exploration techniques, expertise in building and operating sour gas production systems, experience in politically and environmentally sensitive areas, a balanced risk profile thanks to the global spread of its asset portfolio and the synergies available to an integrated energy company.

In the R&M segment, OMV believes that its competitive advantages are: its supply position with two refinery hubs, efficiency and strong brand positioning of the filling station network, an innovative non-oil business (VIVA), high product quality as well as high environmental standards and a 96.98% stake in Petrol Ofisi, a nationwide retail station network operator and commercial wholesaler in the Turkish market.

In the G&P segment, OMV believes that its competitive advantages are: its operation of – according to management estimates – the largest gas logistics center in Central Europe (in Baumgarten, Austria), transportation and marketing of equity gas, long-term relationships and contracts with major gas suppliers, competitive storage and transportation costs, its key turntable function in the international gas transit system for Europe, its gas marketing subsidiaries, EconGas (including its international subsidiaries), the supplier of gas to distributors and business customers, and OMV Petrom Gas SRL in Romania, CEGH's OTC and exchange trading functions operated by the Vienna Stock Exchange and, in view of the implementation of its first power projects, the expansion of the Group's value chain from gas to electricity.

Exploration and Production

Overview

The Exploration and Production ("E&P") business segment explores, develops and produces crude oil, natural gas liquids and natural gas. The E&P portfolio is spread across 16 countries and currently focuses on the two core countries Austria and Romania and the international portfolio, which comprises an additional 14 countries in the Middle East, Caspian, North Africa, Northwestern Europe and Australia/New Zealand regions.

The following table shows OMV's proved reserves as at December 31, 2010 and production in 2010 of crude oil and natural gas liquids ("NGL"), natural gas and oil equivalent in million tonnes ("mn t"), million barrels ("mn bbl"), billion cubic feet ("bcf") and million barrels of oil equivalent ("mn boe") according to these countries and regions:

	Proved reserves at December 31, 2010					Production in 2010				
	Oil & NGL		Natural gas		Oil equiv.	Oil & NGL		Natural gas		Oil equiv.
	mn t	mn bbl	bcf	mn boe	mn boe	mn t	mn bbl	bcf	mn boe	mn boe
Austria	6.86	48.29	414.65	69.11	117.4	0.84	6.11	55.56	9.26	15.37
Romania	58.27	419.10	2,083.65	385.86	804.96	4.17	29.98	180.81	33.48	63.46
International portfolio	25.37	192.55	228.44	38.07	230.62	3.56	27.31	58.73	9.79	37.10
Total	**90.51**	**659.94**	**2,726.74**	**493.04**	**1,152.98**	**8.57**	**63.39**	**295.10**	**52.53**	**115.94**

Source: Internal data.

Taking into consideration OMV's total hydrocarbon production in 2010 (116 million boe), the Group's total proved reserves (oil & NGL and natural gas) in the amount of 1,153 million boe would theoretically secure the Group's production for almost 10 years.

OMV extended its position in CE/SEE and Kazakhstan through its acquisition of Petrom in 2004. On September 20, 2010, OMV signed a sale and purchase agreement to acquire oil and gas exploration and production interests in Pakistan from PETRONAS International Corporation Limited. The closing of the transaction is subject to the fulfilment of certain conditions precedent, including relevant approvals. On February 18, 2011, OMV completed the acquisition of 100% of the issued share capital of Pioneer Natural Resources Tunisia Ltd. and Pioneer Natural Resources Anaguid Ltd. (together "Pioneer Tunisia") from Pioneer Natural Resources, through its fully owned subsidiary OMV (Tunesien) Production GmbH. In addition, OMV continually seeks opportunities to extend operations in its markets both through organic growth and further acquisitions.

OMV's average daily production amounted to approximately 318,000 boe/d in 2010, of which crude oil and NGL comprised approximately 55% and natural gas approximately 45%. In 2010, approximately 68% of OMV's total oil and gas production came from Romania and Austria, with the remainder coming from OMV's international portfolio. OMV is the operator of properties representing approximately 87% of its proved reserves.

As of December 31, 2010, OMV had approximately 1,153.0 million boe in proved reserves of crude oil and NGL (57%) and natural gas (43%). In 2010, OMV's proved reserves decreased by 3% from 1,188.1 million boe as of December 31, 2009. Reserves are estimated by OMV's own engineers in accordance with the Society of Petroleum Engineers (SPE) guidance. The estimates are independently evaluated every two years, most recently in 2010 (with respect to 2009 figures) by DeGolyer and MacNaughton. OMV's average reserve replacement ratio over the past three years was 82% in 2010 (2009: 71%).

In 2010, exploration expenditures were up by 48% to EUR 376 million compared to the prior year, mainly due to increased exploration activities at Petrom, in North Africa and in the Kurdistan Region of

Iraq.

Furthermore, in order to reduce the natural decline and enhance recovery rates from its mature oil and gas fields in Austria and Romania, OMV focuses on production optimization and advances technology trials such as pattern water flooding and polymer injection.

Description by geographic area

The following is a description by geographic area of assets and activities of the E&P division.

Austria and Romania

	Year ended December 31,		
Production	**2010**	**2009**	**2008**
Crude oil and NGL production (million bbl)	36.1	37.9	38.7
Natural gas production (bcf)	236.4	236.1	242.2
Total production (million boe)	**78.8**	**80.7**	**82.7**
Proved oil and NGL reserves (million bbl)	467.4	484.4	508.5
Proved natural gas reserves (bcf)	2,498.3	2,546.0	2,576.5
Total proved reserves (million boe)	**922.4**	**947.7**	**976.5**

Source: Internal data.

Austria: Over the last 50 years, the local activities regarding the exploration and production of oil and natural gas have substantially contributed to Austria's energy supply and represent the core of OMV's E&P business activities.

The Austrian E&P activities focus on the Vienna basin, one of the main hydrocarbon regions of Central Europe. In addition, OMV E&P operates three subsurface gas storage units with a total volume of about 2.4 bcm, corresponding to one quarter of Austria's annual gas consumption. The acquisition of more than 1,700 square kilometers ("km²") of 3D seismic data since 1995 has led to the identification of several niche deposits as well as important gas finds such as Strasshof and Ebenthal in 2005.

In 2010, production totaled 42,100 boe/d (2009: 40,300 boe/d). By the end of 2010, a part of the existing Austrian oilfield infrastructure had undergone a long-term modernization program. As a first step in this program, the new tank farm Auersthal was mechanically completed and a partial start-up was performed in 2010. By June 2011, first oil is expected in the central gas oil separation plant at the Matzen oilfield. To further mitigate natural production decline, the Austrian Operational Excellence (AOE) program for production system optimization was initiated in 2010. In this connection, a pattern water injection pilot project was implemented in the Matzen oilfield in 2010. In the field Strasshof, however, a technical assessment has shown that OMV's originally expected production performance will not be achieved, and therefore led to an impairment of EUR 90 million.

Romania: Since 2004, OMV has owned 51.01% in Petrom. This transaction, according to management estimates, made OMV the largest oil and gas producer in CEE.

Romania is OMV's largest E&P venture with an average daily production of 173,900 boe/d in 2010 (2009: 180,800 boe/d) and approximately 18,300 staff. In the second half of 2010, a slow down of the natural production decline was achieved by concentrating on reservoir management initiatives, workovers, finalization of key wells and increased infill drilling. Investment efforts in 2010 focused on the drilling of development wells, workovers and production surface facilities. Gas prices in Romania are regulated by the government and generally significantly below the prices that can be charged in the international markets.

Although the history of petroleum extraction in Romania is extensive, the recoverable reserves base is still considerable, at around 805 million boe in proven reserves. Continuous workovers of mature fields and a successful drilling program, combined with diversification of the recovery mechanisms applied,

have helped maintain a good reserve replacement ratio in Romania. Consequently, the reserves replacement ratio increased from 70% in 2009 to 72% in 2010, representing the third consecutive year that it was maintained above 70%. OMV will increasingly focus on maximizing reservoir recovery. Water injection performance is top priority to maintain the energy in the reservoirs. OMV's recovery enhancement program in Romania currently includes 47 water injection initiatives and the Group plans to increase the number of water injection wells by approximately 18% by 2015, expecting that the water injection volume will increase by more than 30% compared to the current level. Furthermore, in the upcoming years, OMV intends to redevelop several major Romanian reservoirs with total hydrocarbon initial in place of more than 2 billion boe. As a consequence of these redevelopment projects, OMV expects to enhance recovery rates from the respective reservoirs by approximately 5%.

In Romania, Petrom holds exploration licenses for 15 onshore and two offshore blocks, with a total area of 59,100 km² (of which 13,730 km² is offshore) and operates 255 commercial oil and gas fields. The 3D seismic data, acquired in the offshore Neptun permit by the Petrom/ExxonMobil joint venture in 2009, were processed and evaluated in 2010 and identified potential commercial prospects. Decisions relating to offshore deep water exploration drilling in Romania are expected to be made in 2011.

The Romanian state intends to sell a 9.84% stake of Petrom via the stock exchange in the course of 2011. OMV decided not to participate in the secondary public offering, i.e. not to submit a bid for the available stake.

Slovakia: In 2007, OMV acquired a 50% participating interest in the Gbely and the Bazantnica licences in Western Slovakia to explore the Slovak pre-Neogene part of the Vienna basin. After having conducted an exploration program including, inter alia, seismic and drilling of an exploration well, OMV has decided to withdraw from these licences in 2011.

International portfolio

	Year ended December 31,		
Production	**2010**	**2009**	**2008**
Crude oil and NGL production (million bbl)	27.3	24.6	22.2
Natural gas production (bcf)	58.7	61.1	65.8
Total production (million boe)	**37.1**	**34.8**	**33.1**
Proved oil and NGL reserves (million bbl)	192.6	190.5	187.9
Proved natural gas reserves (bcf)	228.4	299.7	248.7
Total proved reserves (million boe)	**230.6**	**240.5**	**229.3**

Source: Internal data.

Kurdistan Region of Iraq: With its entry into the Kurdistan Region of Iraq in 2007, OMV has strengthened its E&P presence in the Middle East. On November 6, 2007, OMV's 100% subsidiary OMV Petroleum Exploration GmbH signed production sharing contracts with the Kurdistan Regional Government for the operatorship of two exploration blocks. The blocks Mala Omar and Shorish cover approximately 800 km² and are located in the vicinity of Erbil, the capital of the Kurdistan Region of Iraq. In 2008, work on the awarded blocks commenced with the acquisition of 2D seismic and was followed by the spudding of the first exploration well in the Shorish block in December 2009.

In May 2009, OMV acquired a 10.00% share in Pearl Petroleum Company Limited, a company established to develop, explore and produce the Khor Mor and Chemchemal gas fields in the Kurdistan Region of Iraq. OMV grew its exploration portfolio significantly in September 2010 and is now active in seven blocks (Mala Omar, Shorish, Chemchemal, Khor Mor, Rovi, Sarta and Bina Bawi) and operator of three (Mala Omar, Shorish and Bina Bawi). Three exploration wells were drilled and completed in 2010. These wells in the Rovi, Sarta and Shorish blocks are currently under evaluation.

Yemen: Besides a brief engagement in the early 1990s, OMV became active in Yemen with the acquisition of Preussag's international upstream assets in 2003. In the same year, the Habban oil field was discovered in Block S2 (Al Uqlah), which was subsequently developed, and oil production started

in 2006. The planning of the second development phase of the Habban field commenced in 2008, entailing the construction of a central processing facility for handling up to 30,000 boe/d of produced fluids and maintaining reservoir pressure, the completion of additional wells, and the laying of about 120 km of new pipeline. The Production Sharing Agreement ("PSA") for OMV's second exploration area Block 2 (Al Mabar) was ratified by the Yemeni Parliament in mid-2006. At that time, OMV (YEMEN) Al Mabar Exploration GmbH assumed operatorship and commenced exploration activities. In addition, OMV was successful with a bid for Block 29 in the Jeza-Qamar basin in late 2006. The PSA was signed by the Yemeni Parliament and became effective in March 2009.

In 2010, the Habban oil field contributed 6,600 bbl/d net to OMV's production (2009: 6,300 bbl/d net to OMV). OMV holds three large exploration and production licenses in Yemen, is currently focusing on further developing the already producing Block S2 and acquired an additional exploration block (Block 86) in 2010. In addition, OMV, in 2010, acquired a 20% interest in the TOTAL operated Block 70 and is in the process of finalizing a farm-in of 34% in Block 3 operated by OilSearch. Due to the current political unrests, OMV's production in Yemen has effectively ceased since March 2011, see also "*Risk factors-Shortfalls in crude oil supplies from Libya and Yemen could adversely affect the Group's business.*".

Pakistan: OMV E&P has been active in Pakistan since 1991 and is the largest international gas operator in the country in terms of operated volumes. The first success for OMV (PAKISTAN) Exploration GmbH was the Miano gas field discovery in 1993; full production in Miano was achieved in 2002. In 1998, OMV discovered the Sawan gas field, which was declared commercial in December 1999. The Sawan gas plant was commissioned in 2003. In the recent past, OMV has made two additional gas discoveries, namely Latif and Tajjal, which are now being developed.

OMV's activities in Pakistan are concentrated in the central Indus region, where OMV has established a strong position as the operator of the Sawan, Miano, Latif and Tajjal gas fields and Sawan and Kadanwari processing facilities and covers around 9% of Pakistan's natural gas demand. OMV has a portfolio of seven exploration licenses and two development and production licenses and operates five of its nine licenses. As a result of long-term contracts, the gas prices OMV is able to charge in Pakistan are frequently below the prices that can be charged in the international markets. In 2010, OMV's share of production from above stated fields was 14,000 boe/d (2009: 14,350 boe/d).

On September 20, 2010, OMV signed a sale and purchase agreement with PETRONAS International Corporation Limited to acquire its oil and gas exploration and production interests in Pakistan, including the Mubarak, Mehar and Daphro exploration licenses and the Mehar and Mubarak development and production leases with an expected increase in production in Pakistan to approximately 25,000 boe/d by 2014. The transaction is subject to the fulfilment of certain conditions precedent, including relevant approvals.

Kazakhstan: Kazakhstan, with considerable ongoing development, plays an important part in OMV's international oil production business. All assets are operated by Petrom, which has been active in the area since 1998 and currently operates five exploration and production licenses. Petrom produces oil and gas from the Turkmenoi, Aktas, Tasbulat and Komsomolskoe fields in the Mangistau region of Western Kazakhstan. The recently acquired Kultuk field is currently in the exploration and appraisal phase. The most recently developed field, the Komsomolskoe onshore oil field on the Caspian Sea's eastern shore, came on stream in 2009. However, in 2010, OMV executed a technical assessment in Komsomolskoe which, together with the re-establishment of the export customs duty, led to an impairment of EUR 105 million. Production from all four fields amounted to 9,900 boe/d in 2010 (2009: 6,300 boe/d).

Iran: In May 2001, OMV signed an exploration contract for the Mehr block (Zagros region) with the National Iranian Oil Company ("NIOC"). Work focused only on an area covering 2,500 km². OMV (Iran) Exploration GmbH has been the operator of the consortium, in which OMV has a 34% share and Repsol (Spain) and Sipetrol (Chile) each hold 33%. Three exploration wells were drilled by early 2008. However, due to technical and economic constraints, the consortium has withdrawn from field development negotiations, terminated the service agreement in early 2009, and OMV has subsequently

written off these assets. There are no further activities in the Mehr Block in Iran except the attempt to recover previously incurred exploration costs from NIOC.

OMV signed a Heads of Agreement with NIOC in 2007 regarding a potential participation in the development of an area in the South Pars Gas Field in the Persian Gulf (South Pars Field phase 12), a liquefaction plant for liquefied natural gas (Iran LNG) and subscriber agreements for liquefied natural gas. In late 2009, OMV withdrew from its non-binding discussions concerning the South Pars Field phase 12 development. There are no further activities in the Iran LNG project. OMV has started a joint study and technical evaluation of the Gorgan plain and Western Kopt-Dagh areas with NIOC in early 2010. The planned duration of this contract is approximately 24 months. OMV does not expect to have a significant exposure in Iran in the near term.

Turkey: Petrol Ofisi, which became partner in Turkey's largest offshore gas production project by acquiring a 26.75% stake in the South Akçakoca sub basin project from Tiway Turkey Ltd. (previously Toreador Türkiye Ltd. Şti) in 2009, had a net average daily production of approximately 600 boe/d in 2010.

Russia: In late 2006, Petrom acquired 74.90% of RingOil. On September 6, 2010, Petrom announced the sale of its exploration assets in Russia by selling RingOil and its seven subsidiaries.

United Kingdom: OMV (U.K.) Limited entered the U.K. offshore in 1987 with an award of non-operated exploration licences. First production was achieved in 1990 after the acquisition of producing assets in the Beryl and Dunlin Fields. OMV (U.K.) Limited became an operator for the first time in 2004.

Successful exploration and appraisal have led to important new non-operated producing fields being added in 1998 (Schiehallion), 2002 (Jade), 2004 (Howe) and 2008 (Boa), in addition to the continuing Beryl Area production. The Dunlin Field was divested in 2008. In the West of Shetlands, OMV established a firm position with discoveries in the fields Rosebank, Cambo and Tornado and focuses its efforts on maturing these discoveries. By acquiring eight additional licenses in the U.K. in 2010, OMV has further strengthened its position in this region. OMV currently has nine producing fields and 37 licences. In 2010, production in the U.K. increased to 7,200 boe/d (2009: 6,400 boe/d) mainly due to a production increase at the Schiehallion floating production, storage and offtake vessel.

Norway: Norway is, according to OMV's calculations, the seventh largest oil-producing nation, the third largest oil exporter and the second largest gas exporter in the world, while also providing a stable political and economic environment as well as a significant remaining resource potential. It also offers possible integration synergies with OMV's G&P division, such as access to the Central and Western European gas market, and OMV's U.K. activities, especially with regard to geology, geophysics and drilling operations. OMV has been active in Norway since 2006, when OMV (NORGE) AS received accreditation from the Norwegian Oil and Energy Ministry to operate on the country's continental shelf. As of December 31, 2010, the company holds ten offshore licenses on the continental shelf, of which six are operated by OMV. The licenses are situated in the Norwegian part of the North Sea, the Mid Norwegian Sea and in the Barents Sea between the North Cape and Svalbard. Currently, OMV is still in an exploratory startup phase in the country. Operated exploration drilling in the Norwegian Sea and partner-operated drilling in the North Sea are expected to commence in 2011.

Faroe Islands: OMV (FAROE ISLANDS) Exploration GmbH entered the offshore Faroes in 2005 with a group of four companies (Chevron, Statoil, Dong and OMV). The Chevron-led group (OMV 20%) secured Licence 8 in the second Faroe licence round. The Sula/Stelkur opportunity in Licence 8 is expected to progress towards a well within the next three years. In 2010, OMV farmed in 20% equity in Licence 5, operated by Eni, on which the Anne Marie exploration well was drilled in 2010 and encountered gas shows in low quality reservoir sections.

Ireland: OMV Ireland GmbH entered the Irish offshore in 2001 by farming into the Errigal well in Block (5/22-1). Following the Dooish discovery made in 2002, and the following West Dooish exploration well in 2007, activity in Ireland has been reduced to a low level. Licence 2/05 was

relinquished, and 3/05 is awaiting approval for assignment to a third party, following which the only remaining interest will be in Dooish (2/94).

Tunisia: OMV E&P has been active in Tunisia since the early 1970s, holding an equity interest in the group that discovered the Halk-el-Menzel oil field. With the acquisition of the international portfolio of Preussag Energie GmbH in 2003, OMV expanded its position by obtaining exploration and production licenses for seven oil fields, including the offshore Ashtart field, the then second largest in Tunisia and the first offshore field. In 2006, a complete refurbishment of the Ashtart production platform commenced and is expected to be completed by 2012. The project comprises the upgrade of processing facilities and drilling of additional wells to further develop the field. OMV exploration is concentrated on the Jenein Sud block which is situated in the Tunisian extension of the Ghadames basin. In 2010, OMV was awarded the Nawara production concession which was carved out from the Jenein Sud exploration permit.

After a gas and condensate discovery and successful testing in the Fella-1 and Ahlem-2 exploration well in February 2010 and in the Ritma-1 exploration well in June 2010, OMV and its partner ETAP, the Tunisian national oil company, each holding a 50% interest in the Nawara production concession, again recorded gas-condensate discoveries at the exploration wells Khouloud-1 and Benefsej-1 in October 2010. Upon completing the drilling campaign, nine discoveries were made in a row in the newly awarded Nawara production concession, thereby increasing the chance of making further commercially viable discoveries in the concession and the surrounding Jeinein Sud exploration permit.

On January 6, 2011, OMV, through its fully owned subsidiary OMV (Tunesien) Production GmbH, signed an agreement to purchase 100% of the issued share capital of Pioneer Tunisia from Pioneer Natural Resources, a U.S. oil and gas company, for a purchase price of USD 800 million plus working capital of Pioneer Tunisia. At closing of the transaction on February 18, 2011, the working capital of Pioneer Tunesia was preliminarily valued at USD 39 million. A final adjustment of the working capital calculation will be done based on the audited 2010 financial statements of Pioneer Tunisia. For more details on the acquisition, see "*Acquisition of Pioneer Tunisia*".

The acquisition significantly strengthened OMV's production and reserves base in Tunisia. OMV acquired immediate production of approximately 5,700 boe/d (average net production in the fourth quarter 2010), 90% thereof attributable to oil and 10% to gas, thereby doubling its daily production in Tunisia to above 10,000 boe/d. Based on a report by DeGolyer and MacNaughton of June 2010, Pioneer Tunisia's acreage holds 2P (proved and probable) reserves of 38 million boe and 3P (proved, probable and possible) reserves of 59 million boe. The acreage offers considerable exploration upside and will complement OMV's existing south Tunisian assets, Jenein Sud and Nawara, which it borders. The tie-in of OMV's first operated production well El-Badr-5 with a production of 1,500 boe/d (50% thereof OMV's stake) into the acquired Cherouq facilities and the granting of the Durra production concession, both in April 2011, were the first important results from the acquired Pioneer portfolio under OMV.

Furthermore, Pioneer Tunisia and OMV are both partners in the South Tunisia Gas Project ("STGP") which aims to build a 320 km gas pipeline from the Adam production concession to the city of Gabes by 2014 to supply the Tunisian domestic market with gas. Following consolidation of partnership structure at STGP, the decision making process will be enhanced.

Libya: In 1985, OMV acquired 25% of Occidental Petroleum Corporation's oil producing assets in Libya. OMV expanded its Libyan presence in 1994 by signing an agreement to develop the large El Shararah field in the Murzuq basin. In 1997, more exploration acreage was acquired in the Murzuq basin (blocks NC186, NC187 and NC190), resulting in seven discoveries to date. All seven fields in NC186 were in production by the end of 2010. In 2003, OMV's Libyan subsidiary – together with Repsol YPF ("Repsol") as operator – signed agreements for six additional blocks covering about 77,000 km². Three discoveries have been made so far.

In June 2008, OMV signed an agreement with the LNOC and Occidental Petroleum Corporation for the re-development of the large Nafoora Augila field and for enhanced oil recovery measures in the Intisar fields. The contract for these assets in the prolific Sirte basin was extended by 25 years to end in 2032

and includes a five-year exploration period. In July 2008, LNOC, OMV, Repsol, Total and StatoilHydro renewed their agreements for blocks NC186 and NC115 in the Murzuq basin. The terms were amended to conform with Exploration and Production Sharing Agreements ("EPSA") IV standard and contract duration was also extended to 2032, including a five-year exploration period.

In 2010, production increased to 32,800 bbl/d from 29,400 bbl/d in 2009. OMV continued the development of NC186 I and NC115 R fields, which had led to first oil production in June 2008, and of the J and K fields in NC 186, which had resulted in first oil being produced from the J field in December 2009 and the K field in May 2010. In Libya, production is limited by OPEC quota restrictions. Due to the current political unrest in Libya, OMV is negatively affected by a reduction of its Libyan production. Since March 2011, OMV's production in Libya has effectively ceased. By the end of March 2011, force majeure was declared for all Libyan licenses as a result of which all obligations of OMV under the contracts were suspended for a period of up to two years. Contract terms are extended for the period of force majeure. OMV is of the opinion that it would be in the interest of both parties that by the expiry of the two-year term a mutual agreement will have been achieved. If no agreement is achieved, force majeure should not result in expropriation of OMV and in case of expropriation, OMV's assets in Libya should be protected by the bilateral investment treaty between Libya and Austria of 2004. According to the bilateral investment treaty between Libya and Austria, OMV's subsidiaries including its Isle of Man companies are protected against expropriation by "compensation on the fair market value". For further impacts of the current political unrest on the Group's Libyan assets and production, see "*Risk Factors—Shortfalls in crude oil supplies from Libya and Yemen could adversely affect the Group's business.*".

Egypt: OMV E&P was awarded offshore exploration Block 11 in the 2006 Egyptian Natural Gas Holding Company ("EGAS") international bidding round. The deepwater offshore block covers approximately 9,140 km² and is located in the Mediterranean Sea, extending north from the Egyptian coast in the vicinity of the town of Matruh. Work on the awarded block commenced with the acquisition of 1,500 km² 3D seismic survey and the search for potential partners.

Australia: OMV E&P established its exploration and production base in Australia in 1999 by acquiring the local company Cultus Petroleum NL. OMV Australia Pty Ltd.'s offshore activities started with the development of the Patricia Baleen gas field in the Bass Strait with production starting in 2003. In the wake of rationalizing OMV's E&P portfolio, all gas assets were sold in 2005. Current exploration efforts primarily focus on the Carnarvon basin, off the coast of Western Australia. Having divested its non-core Timor Sea interests in 2009, OMV currently has interests in five operated exploration licenses and four non-operated licenses, all located in the Carnarvon basin. In 2010, a 4,000 km^2 3D seismic survey was acquired in advance of drilling planned in 2011.

In April 2011, the Group announced the discovery of a gas field on the north west shelf of Australia in the Zola-1 exploration well, which is located around 100 km from the Western Australian coast. The discovery, the subsequently drilled sidetrack appraisal well and an extensive wireline measurement and pressure testing program have confirmed the presence of gas within several high quality sands. Both wells are preliminarily plugged and abandoned. A new 3D seismic survey, commencing by mid 2011, is expected to be conducted on the site to further assess the development potential of the field.

New Zealand: OMV E&P commenced activities in New Zealand with the acquisition of Cultus Petroleum NL in 1999. Since then, OMV New Zealand Ltd. has pursued expansion plans. In 2002, OMV took up a 10% stake in Maui, at that time the country's largest gas field, establishing early production in New Zealand. OMV's acquisition of the international upstream division of Germany's Preussag Energie GmbH in 2003 included a 26% interest in the Pohokura gas development project in the Taranaki basin. Pohokura commenced production in late 2006 and now contributes about 38% of New Zealand's gas demand, having attained full production capacity in 2007.

First production from the newly developed Maari oil field commenced in February 2009 and is expected to have an estimated life time of ten to 15 years. Maari is expected to produce some 50 million barrels of oil and reached a peak production level of 28,700 bbl/d (gross) in 2010. Total production of OMV in New Zealand in 2010 reached 24,700 boe/d (2009: 24,700 boe/d). As part of its New Zealand

portfolio, OMV has interests in eight exploration licenses and three production licenses. Included in these, OMV has interests in and operates three exploration licences in the Great South Basin in New Zealand which have potential for large discoveries. With natural gas from two major gas fields and Maari full on stream, OMV, together with its partners, is New Zealand's largest liquid hydrocarbon producer (according to own estimates) and an important gas producer in the region.

Production cost data

In 2010, production costs excluding royalties ("OPEX") increased by 6.7% to USD 12.8/boe (2009: USD 12.0/boe, 2008: USD 14.3/boe). The increase in 2010 was due primarily to the fact that since 2010, the calculation of OPEX/boe is based (in line with presentation used by international competitors) on net production available for sale, i.e. exclusive of own consumption, and foreign exchange effects. Three-year average finding costs decreased to USD 4.6/boe (2009: USD 5.2/boe, 2008: USD 6.0/boe) due to successful exploration activities.

Decommissioning

Following full economic depletion of any hydrocarbon field, costs are incurred in the clean-up and removal of facilities from the production site. Such costs vary significantly depending upon the location of the site (onshore or offshore), the nature of facilities (mobile or fixed), and the related legal requirements. In 2010, decommissioning costs totaled EUR 78.1 million as compared to EUR 15.6 million in 2009 and EUR 9.2 million in 2008.

Exploration, appraisal and development

OMV focuses on developing identified projects with proved reserves and on exploration in its core areas. The following table sets forth the number of completed wells for the years 2010, 2009 and 2008:

Number of completed wells	**2010**	**2009**	**2008**
Exploration and appraisal drilling	22	33	70
Successful exploration and appraisal drilling	10	13	29
Exploration wells	**15**	**23**	**44**
Crude oil	4	4	7
Natural gas	0	3	9
Dry wells	11	16	28
Appraisal wells	**7**	**10**	**26**
Crude oil	0	4	10
Natural gas	6	2	3
Dry wells	1	4	13
Development and production wells	**199**	**213**	**348**
Total	**221**	**246**	**418**

Source: "OMV Group in figures 2010", page 11 and internal data.

In 2010, OMV recorded exploration successes in Tunisia, the Kurdistan Region of Iraq, Pakistan, Romania and Austria. Of 22 wells drilled (15 exploration wells and 7 appraisal wells), 10 resulted in discoveries, equating to a success rate of 45% (2009: 39%, 2008: 41%).

Extensive seismic data acquisition was carried out in Pakistan, Romania, Libya, Norway, Australia, New Zealand and Kazakhstan, strengthening the Group's exploration drilling portfolio for the next few years.

Refining and Marketing including petrochemicals

Overview

The Refining and Marketing including petrochemicals ("R&M") business segment operates refineries in

Schwechat, Austria, and Burghausen, Southern Germany, both with integrated petrochemical complexes. Together with the Petrobrazi plant in Romania and a 45.00% stake in Bayernoil, Southern Germany, OMV's refineries have a total annual production capacity of 22.3 million tonnes or 460,000 bbl/d (as of March 31, 2011). As of December 31, 2010, OMV had a network of 4,771 filling stations that span 12 CE/SEE countries and Turkey.

In 2006, OMV acquired a 34.00% interest in Petrol Ofisi. This interest was increased to 41.58% in the course of 2007 and 2008 and to 95.72% as a result of the acquisition of an additional 54.14% interest in December 2010. In March 2011, OMV has increased its interest in Petrol Ofisi to 96.98% as a result of a mandatory offer to free float shareholders. For information on Petrol Ofisi, see "*Petrol Ofisi*".

Refining operations

OMV R&M's refining operations are occupied with the multi-stage process of turning crude oil into finished petroleum products. In a first step, the crude oil is heated to 350 degrees Celsius and thereby "broken down", i.e. split into its components, as a result of the distillation process (evaporating and condensing in stages). This is how gas and primary gasoline, petroleum and gasoil are made. These basic products are then, in a second step, together with hydrogen, heated to 300 to 420 degrees Celsius at a pressure of 40 to 70 bar and thus freed from sulfur (desulfurization) in order to improve the end products' specifications by reducing their pollutive effect (the separated hydrogen sulfide from the desulfurization plants serves as a raw material to the chemical industry in the form of converted yellow sulphur). In order to attain their suitable octane numbers and thus qualify for use in engines, the gasolines are subsequently refined for the market by being heated to 520 degrees Celsius at a pressure of ten bar. The result of this production step is the basis for fuels, lubricants, heating fuels and other basic materials. Mixing or blending concludes the crude oil processing process. In the mixing or blending plants the various components are mixed with additives and processed into high-quality finished products. Diesel, for example, is a mixture of gas oil, kerosene and other substances.

OMV's principal refining complex is located near Schwechat and has a crude distillation nameplate capacity of 9.6 million tonnes per year ("tonnes/y"), indicating the amount of crude oil it can process per year. Its second refining complex is located near Burghausen, Germany, and has a crude distillation nameplate capacity of 3.6 million tonnes/y. OMV also has a 45.00% stake (as of December 31, 2010) in Bayernoil, which adds a 4.6 million tonnes/y further refining capacity. As a result of an intensive investment program performed over the last five years, these refineries were restructured and adapted to new market requirements.

In addition to the refinery hub west (Schwechat, Burghausen, Bayernoil), OMV R&M has created a refinery hub east through its 51.01% stake (as of December 31, 2010) in Petrom, comprising the Petrobrazi refinery in Romania with a refining capacity of 4.5 million tonnes/y. The Group's other refinery in Romania, Arpechim, will be closed by 2012 (for more details see "*—Petrobrazi and Arpechim refining complexes*" below).

After finalization of a modernization program, the refining yield is expected to improve by increasing from 38% to 45% for middle distillates (while decreasing from 12% to 7% for heavy fuel oil), thereby shifting towards lighter, higher-valued output. These figures already reflect the closure of Arpechim. For Western refineries (Schwechat, Burghausen and Bayernoil), the middle distillate yield is expected to remain unchanged at around 45%.

The following table shows OMV's ownership interests in and the resulting annual capacities for OMV of its refining complexes:

	% Ownership (as of December 31, 2010)	Total refining capacity (million tonnes/y)
Refineries west		
Schwechat	100.00%	9.6
Burghausen	100.00%	3.6
Bayernoil	45.00%	10.3(1)
Refineries east		
Petrobrazi	51.01%(2)	4.5
Total		**22.3**(3)

(1) 45% thereof, i.e. 4.6 million tonnes/y, available to OMV.

(2) The Romanian state intends to sell a 9.84% stake of Petrom via the stock exchange in the course of 2011. OMV decided not to participate in the secondary public offering, i.e. not to submit a bid for the available stake.

(3) Total capacity available to OMV, including only OMV's pro-rata capacity of 4.6 million tonnes/y from Bayernoil (instead of 10.3 million tonnes/y total refinery capacity).

Source: Internal data.

Schwechat refining complex (9.6 million tonnes/y, 100.00% interest)

OMV's principal refining complex is located near Schwechat, approximately five km east of the Viennese city border, and is the only refinery in Austria. The Schwechat refinery is one of the largest inland refineries in Europe, offering high product quality and safety and environmental standards.

Schwechat's crude oil refining capacity is 9.6 million tonnes/y, it employs approximately 900 employees and the refinery (including the corresponding tank farm Lobau) occupies a total area of 2.4 km^2. The storage capacity of the refinery (including the corresponding tank farms Schwechat, Lobau and St. Valentin) adds up to 3.4 million m^3. The Schwechat refinery imports crude oil from 15 countries, the diversified sourcing being an important element of its security of supply. Half of the crude oil refined in Schwechat (2010: 7.7 million tonnes) comes from Kazakhstan (23%), Libya (21%) and Austria (12%). The imported crude oil is pumped from TAL and AWP to Schwechat. Shortfalls in the supply of crude oil from Libya to Schwechat as a result of the current political unrest will require the Group to source crude oil from elsewhere but are not expected to materially affect refining operations at Schwechat.

OMV has constantly invested in the modernization of the Schwechat plants, as most recently demonstrated by the construction of a thermal cracker, completed in 2008. The cracker allows OMV to increase residue conversion by enabling use of heavier crudes while increasing the proportion of higher quality products in the output mix. At Schwechat, OMV has made considerable investments in sustainable environmental protection – spending approximately EUR 1.2 billion (out of approximately EUR 2.5 billion, which OMV invested in the modernization of the plants) in the past 25 years, both in terms of improvement of product specifications (e.g. production of unleaded gasoline and sulphur-free diesel) and of quality of the plants (e.g. emissions reduction). The Schwechat refinery was one of the first companies in Europe to be awarded the international environmental management certificate ISO 14001:2004. In October 2007, the new exhaust gas desulfurization and NOx removal plant (SNOx) started operations, reducing the flue gas emission concentrations of sulphur dioxide and nitrogen oxides to half the current EU limit values.

The following table sets forth the throughput and sales volume by product for the Schwechat refining complex for each of the three years indicated:

	Year ended December 31,			
	2010	**2010**	**2009**	**2008**
	(in thousand tonnes)	**(percentage of total sales)**	**(in thousand tonnes)**	**(in thousand tonnes)**
Feedstock				
Purchased/supplied crude oil	7,743		8,332	8,731

Semi finished product	590		598	654
Total throughput	8,333		8,930	9,384
Sales volume				
Petrochemicals	887	11.7%	866	793
Gasolines	1,635	21.5%	1,712	1,775
Jet fuel	483	6.4%	395	500
Diesel	2,746	36.2%	2,967	3,198
Home heating oil	836	11.0%	678	687
Fuel oils	375	4.9%	724	452
Bitumen	288	3.8%	420	449
Others	341	4.5%	328	654
Total sales	**7,592**	**100.0%**	**8,090**	8,508

Source: Internal data.

Burghausen refining complex (3.6 million tonnes/y, 100.00% interest)

The Burghausen refining complex is a high conversion specialist refinery with an integrated petrochemical facility, and is located near Burghausen, approximately 110 km east of Munich, Germany, in one of the main industrial areas of Bavaria and close to the Austrian/German border. It has a strong market position in the Munich area including the Munich airport by virtue of direct pipeline links. The refining complex began operations in 1967 and has since been upgraded and expanded on a number of occasions, most recently in 2006 - 2008.

In November 2006, OMV announced its EUR 1.1 billion investment in Bavaria for both Burghausen and Bayernoil (see below), which was completed in both refineries. In Burghausen, the main investment concerned the expansion of the petrochemicals operations together with Borealis, which invested EUR 200 million in the expansion of its neighboring plastics production facilities. In 2007, OMV increased the ethylene production by 110,000 tonnes/y to 450,000 tonnes/y and the propylene production by 315,000 tonnes/y to 560,000 tonnes/y. The increase in the polypropylene production by 330,000 tonnes/y to 570,000 tonnes/y in 2008 has increased Borealis' polyolefin capacities to 745,000 tonnes/y in total. Such capacity expansions were achieved through the construction of a new metathesis plant, the expansion of the ethylene plant as well as the construction of a major cracker furnace. Borealis expanded its polypropylene production by integrating an additional Borstar® polypropylene plant on its premises in Burghausen.

The following table sets forth the throughput and sales volume by product for the Burghausen refining complex for each of the three years indicated:

	Year ended December 31,			
	2010	**2010**	**2009**	**2008**
	(in thousand tonnes)	**(percentage of total sales)**	**(in thousand tonnes)**	**(in thousand tonnes)**
Feedstock				
Purchased/supplied crude oil	3,369		3,141	3,452
Semi finished product	261		294	212
Total throughput	**3,630**		**3,435**	**3,664**
Sales volume				
Petrochemicals	1,193	32.6%	1,109	1,064
Jet fuel	544	14.9%	527	529
Diesel	776	21.2%	597	646
Home heating oil	734	20.0%	752	1,043
Gasoil 3	124	3.4%	123	151
Calcined coke	222	6.1%	106	218
	69	1.9%	149	
Others				211
Total sales	**3,663**	**100.0%**	**3,362**	**3,710**

Source: Internal data.

The Burghausen refining complex was originally set up for and is specialized in the refining of Libyan crude oil and is therefore more dependent on oil supplies from Libya than other refineries. Accordingly, shortfalls in such supplies due to the current political unrest could adversely affect OMV's operations in Burghausen, since the substitution of high-quality Libyan crude oil with crude oil of similar quality would pose a logistical challenge and could require the adaptation of refining processes, disrupt the production of certain high-quality products and require OMV to shift to lower-quality end products with lower prices and margins.

Bayernoil refinery network (10.3 million tonnes/y, on a pro-rata basis 4.6 million tonnes/y attributable to OMV, 45.00% interest).

Bayernoil's pipeline-connected refineries at Vohburg and Neustadt, Germany, have a total nameplate refining capacity of approximately 10.3 million tonnes/y, thereof 4.6 million tonnes/y (45%) net to OMV. Bayernoil was founded in 1998 as a joint venture of Deutsche BP AG (now: BP Europa SE), Agip Deutschland AG (now: Eni Deutschland GmbH) and Ruhr Oel GmbH. Deutsche BP AG was the biggest stakeholder and OMV acquired a 45.00% stake from Deutsche BP AG in July 2003. BP Europa SE now owns a 10% direct stake and an indirect stake of 12.5% through Ruhr Oel GmbH's 25% ownership. Other Bayernoil shareholders include Eni Deutschland GmbH (with a 20% stake) and Rosneft (12.5% through Ruhr Oel GmbH's 25% stake).

In December 2008, the five-year restructuring program of the refinery network was completed and on-specification production commenced. The restructuring activities included the closure of the Ingolstadt refinery, leading to a reduction in annual refining capacity from 12 million tonnes to 10.3 million tonnes/y (of which OMV's share is 45%). The efficiency of the Bayernoil refinery network was increased through the installation of a new hydrocracker in Neustadt, Germany, which increased the share of heavy crude input and, at the same time, improved the product yield by increasing middle distillates and reducing heavy fuel oil production.

The following table sets forth the throughput and sales volume by product for the Bayernoil refining complex for each of the three years indicated:

	Year ended December 31,			
	2010	**2010**	**2009**	**2008**
	(in thousand tonnes)	**(percentage of total sales)**	**(in thousand tonnes)**	**(in thousand tonnes)**
Feedstock				
Purchased/supplied crude oil	4,503		4,436	4,402
Semi finished product	353		314	187
Total throughput	**4,856**		**4,750**	**4,589**
Sales volume				
Gasolines	1,242	26.5%	1,295	1,215
Jet fuel	360	7.7%	449	432
Diesel	1,633	34.9%	1,553	1,524
Home heating oil	668	14.3%	629	731
Fuel oils	155	3.3%	282	200
Bitumen	199	4.2%	224	158
Others	426	9.1%	216	566
Total sales	**4,683**	**100.0%**	**4,648**	**4,827**

Source: Internal data.

Petrobrazi and Arpechim refining complexes (4.5 and 3.5 million tonnes/y, 51.01% interest (each)).

The *Petrobrazi* refining complex is located near the city of Ploiesti, Romania, a regional commercial and industrial center approximately 50 km north of Bucharest, Romania. All of the crude oil processed in the Petrobrazi refinery comes from Petrom's own crude oil production, but the facility also has pipeline access to and is capable of processing imported crude oil. The main facilities of the complex

are two crude processing units with a total refining capacity of approximately 4.5 million tonnes/y. Between 2010 and 2014, EUR 750 million will be invested in the facility's maintenance and modernization. The aim of the modernization program is to adjust the capacity of the Petrobrazi refinery to 4.2 million tonnes/y, a suitable size for processing the domestic crude production of Petrom, as well as to adjust the refinery's yields to domestic demand by investing into a thermal cracker and a bitumen unit. These investments are expected to not only improve yields but also support a further increase in the operational efficiency of the Petrobrazi refinery.

The Petrobrazi refining complex is located in Petrom's principal domestic oil and gas producing regions and accounts for approximately 30% of the overall crude processing capacity of Romania. It is linked by and connected to pipeline infrastructure of Conpet SA, a state-owned transport company in Romania, with which Petrom contracts to transport crude oil from its production fields and from the crude oil terminal at Constanta on the Black Sea. Transport prices are regulated by NAMR, the regulatory authority for mineral resources in Romania, and subject to review by the Romanian competition authority. Petrom also relies on Oil Terminal SA for handling its crude oil imports. Oil Terminal SA is majority-owned by the government and is the only Romanian company which specializes in loading, unloading and storage of crude oil and oil products.

The Petrobrazi refining complex produces a wide range of refined oil and petrochemical products. Refined oil products include gasoline, diesel, jet fuel, heavy and light fuel and LPG. The petrochemicals operation at the Petrobrazi refining complex produces primarily maleic anhydride and phenol.

The *Arpechim* refining complex is located in Pitesti, Romania, an important regional commercial and industrial center approximately 100 km west-northwest of Bucharest. Arpechim's petrochemical unit was sold in 2010 and the Arpechim refinery was on standby for almost 9 months in 2010. To optimize refining assets, the Group's management decided in March 2011 to close the refinery by 2012.

The following table sets forth the throughput and sales volume by product for the Petrom refineries for each of the three years indicated:

	Year ended December 31,			
	2010	**2010**	**2009**	**2008**
	(in thousand tonnes)	**(percentage of total sales)**	**(in thousand tonnes)**	**(in thousand tonnes)**
Feedstock				
Total throughput	**4,175**		**5,161**	**6,121**
Sales volume				
Petrochemicals	42	1.1%	50	251
Gasolines	1,302	34.1%	1,794	1,677
Jet fuel	196	5.1%	214	231
Diesel	1,181	30.9%	1,992	1,928
Fuel oils	506	13.2%	631	313
Fuel coke	190	5.0%	180	181
Bitumen	46	1.2%	118	192
LPG	206	5.4%	264	206
Others	154	4.0%	144	590
Total sales	**3,822**	**100.0%**	**5,388**	**5,568**

Source: Internal data.

Refining logistics

Crude and feedstock supply

The feedstock to OMV's Schwechat and Burghausen refining complexes comes from crude and condensate purchased from third parties under term or spot contracts and OMV's own production in and outside of Austria. Imports are landed at Trieste, Italy, on the Adriatic Sea. The crude is then transported via the TAL. In the case of Burghausen, crude is transported via the TAL for approximately 370 km directly to Steinhöring, Germany in Southeastern Bavaria, from where it is carried to the

refining complex via an OMV owned 62 km spur line. In the case of Schwechat, crude is transported 153 km along the TAL to Würmlach, Austria, on the borders to Italy, where it connects to the AWP which then delivers crude through AWP's 420 km pipeline to the refining complex.

The feedstock for the Bayernoil refinery network is supplied via the TAL by imports from oil supply regions including Kazakhstan, North Africa and Nigeria.

OMV has secured capacity in the TAL and AWP pipelines through contractual arrangements and its ownership rights which in management's view are sufficient to provide the full feedstock requirement of the Schwechat, Burghausen and Bayernoil refining complexes over the long term.

The following table shows the length, capacity and throughput for the crude oil supply pipelines of OMV's refining division:

	Length	Capacity	Pipeline throughput		
			2010	2009	2008
	(km)	(million tonnes/y)	(million tonnes)		
Crude oil pipeline					
TAL	465	42	34.6	34.3	35.7
AWP	420	10	6.7	7.4	8.0

Source: Internal data.

TAL. The Transalpine Pipeline is the largest transporter of crude oil to Central Europe. It has a delivery capacity of approximately 42 million tonnes/y (740 thousand bbl/d). TAL is owned by the various TAL joint venture partners and operated by local TAL companies in each national section. As of December 31, 2010, OMV owns a 25.00% stake of the TAL, with other partners including Shell (24%), ExxonMobil (16%), Ruhr Oel (11%), Eni (10%), BP (9%), Conoco (3%) and Total (2%).

TAL started operations in 1967 and has since then delivered over 1,150 million tonnes of crude oil over the Alps to meet the petroleum demand of Austria and Southern Germany. In 2010, TAL discharged 412 ships and delivered 34.6 million tonnes of crude oil to various delivery points. Of the total throughput, 17.9 million tonnes went to the Bayernoil refineries in Ingolstadt, Neustadt and Burghausen, 6.7 million tonnes to AWP for further transport to the Schwechat refining complex, 6.9 million tonnes to the Karlsruhe refineries (Esso and Oberrheinische Mineralölwerke) and 3.1 million tonnes to MERO for further transport to Czech refineries. TAL covers approximately 75% of Austria's oil supply requirements each year.

TAL receives the crude oil from tankers at the marine facilities of Trieste, Italy, and after a short storage time in the Trieste tank farm, the crude oil is pumped across the Alps to its offtake regions.

AWP. The Adria-Wien Pipeline consists of a single pipeline system including tank storage, pipelines, pump stations and control center for the approximate 420 km route from Würmlach on the Italian-Austrian border northeast to the Schwechat refining complex. The AWP crude oil pipeline is the largest transporter of crude oil to the Schwechat refining complex. Currently, it delivers 88% of the total crude oil processed by the Schwechat refining complex and has a delivery capacity of approximately 10 million tonnes/y (201 thousand bbl/d). AWP is operated by a Adria-Wien Pipeline GmbH, of which OMV is the majority stakeholder with a 76.00% interest (as of December 31, 2010). The other shareholders are BP Europa SE (20%) and Eni Austria GmbH (4%).

Austria's entire supply of imported crude oil is provided through AWP. The crude oil is stored in the Italian harbor of Trieste and pumped through the TAL, the main pipeline of which goes to Ingolstadt, Germany. The TAL takes the crude oil destined for Austria into the Würmlach tank farm, which is located just past the Italian and Austrian border and has a total capacity of 250,000 m^3. From there, the AWP leads through the provinces of Carinthia, Styria, Burgenland and Lower Austria to the Schwechat refining complex near Vienna. The crude oil is in transit for around two and a half days between Trieste

and Schwechat.

Storage and transportation

OMV's total storage capacity for crude oil and products, including compulsory reserves, amounted to over 8 million m³ (50.3 million bbl) as of December 31, 2010.

In Austria, crude oil and finished products are mainly stored at the Schwechat refining complex and at the Lobau tank farm (across the river Danube from the Schwechat refining complex). OMV has tanks in Lobau with a total storage capacity of 1.6 million m³ (10.2 million bbl) which hold refined and intermediate products. In addition, tanks with a total storage volume of 1.3 million m³ (8.5 million bbl) allow the Group to hold and blend many different types of crude and feedstock to optimize flexibility in the Schwechat refining complex's crude slate.

OMV owns and operates a further terminal and tank farm in St. Valentin, Austria, consisting of 14 tanks with a total capacity of 464 thousand m³ (2.9 million bbl). The terminal is supplied from Schwechat by the wholly owned and OMV operated Product Pipeline West ("PLW"), which runs 172 km from Schwechat to St. Valentin. PLW has a capacity of 4 million tonnes/y (87 thousand bbl/d). At present the line supplies 1.4 million tonnes/y (28 thousand bbl/d) of gasoline, diesel, home heating oil and light fuel oils.

In addition, OMV owns and operates a tank farm in Graz in the southeast of Austria with a capacity of 8 thousand m³ and holds a 55.60% interest (as of December 31, 2010) in Erdöl-Lagergesellschaft mbH, which operates a storage facility at Lannach, in Southeastern Austria, primarily for strategic reserve purposes with a storage capacity of approximately 525 thousand m³ (3.30 million bbl).

Furthermore, OMV has access to storage facilities in Budapest, Hungary, and Bratislava, Slovakia, with combined storage volume of approximately 26 thousand m³ (0.16 million bbl), to which it transports products from Schwechat via the Danube. In Western and Southern Austria, OMV has access to storage depots owned by Eni Austria GmbH, with a storage capacity of approximately 18 thousand m³ (0.11 million bbl).

In addition to its crude pipeline trans-shipment and storage capabilities, the Group has rail and harbor facilities on the Danube River for a wide variety of products. Two Danube harbor pontoons, one dedicated to loading and the other dedicated to unloading, have a capacity of 130 million tonnes per month (33.94 thousand bbl/d) each. The railway facilities have a total capacity of 230 million tonnes per month (60.04 thousand bbl/d).

The total storage capacity of the Burghausen and Bayernoil refineries for crude oil and products amounts to approximately 1.56 million m³ (9.81 million bbl) (including required storage reserves). The crude tank farm in Steinhöring and the main tanks in Burghausen have a total crude storage capacity of 220 thousand m³ (1.37 million bbl). OMV also has access to a storage facility with a capacity of approximately 176 thousand m³ (1.11 million bbl) in Munich.

OMV owns and operates only a minor part of the transportation facilities it uses, such as trucks, barges or railway cars and contracts the majority of these services with third parties.

Supply and trading

OMV has a trading subsidiary in Zug, Switzerland, OMV Supply & Trading AG, which is primarily responsible for securing and optimizing the requisite crude and product feedstock for the day-to-day requirements of the refining complexes. This subsidiary is also responsible for selling the Group's international crude oil production. In addition, the Group's London subsidiary, OMV Trading Services Ltd., engages in trading and hedging activities. However, open market positions are limited and subject to strict internal controls. In 2010, OMV's trading subsidiary procured 21.4 million tonnes (160.5 million bbl) of crude oil and petroleum products, thereof 7.3 million tonnes (55.1 million bbl) for Schwechat, 3.0 million tonnes (22.2 million bbl) for Burghausen, 4.4 million tonnes (33.0 million bbl)

for Bayernoil, 0.3 million tonnes (2.0 million bbl) for Petrom and 0.9 million tonnes (6.9 million bbl) for OMV Slovenija and OMV Hrvatska, and traded approximately 5.5 million tonnes (41.3 million bbl).

The following table sets forth the amounts of crude oil imports from supply countries in the years indicated:

	2010	2009	2008
	(in thousand tonnes)		
Sources of processed crude oil			
Algeria	77	158	1,321
Austria	934	953	895
Azerbaijan	420	576	182
Egypt	502	396	407
Iran	707	180	335
Iraq	237	1,406	1,534
Kazakhstan	3,564	4,934	4,443
Libya(1)	4,376	4,389	5,030
Nigeria	1,720	1,098	434
Romania	3,804	4,346	4,290
Russia	1,715	795	1,440
Saudi Arabia	-	331	502
Syria	962	752	497
Tunisia	111	252	296
Venezuela	-	373	906
Others	388	131	194
Total	**19,518**	**21,071**	**22,706**

(1) For impact of the current political unrest in Libya on the Group's R&M business, see "*Risk Factors—Shortfalls in crude oil supplies from Libya and Yemen could adversely affect the Group's business.*".

Source: "OMV Group in figures 2010", page 15.

With regard to crude oil purchases, OMV intends to comply with sanctions applicable to it.

Petrochemicals and plastics

The Group is involved in producing and marketing plastics and petrochemicals through its 36.00% stake (as of December 31, 2010) in Borealis (the remaining 64.00% are held by IPIC), Europe's second largest polyolefin producer according to nameplate capacity (source: website of Borealis, www.borealisgroup.com, under the icons "About Us", "About Borealis" and "Key Figures"). Headquartered in Vienna, Borealis has production plants in eight countries (Austria, Belgium, Brazil, Finland, Germany, Italy, Sweden and the United States) and has approximately 5,000 employees worldwide. As of December 31, 2010, Borealis had a total manufacturing capacity of approximately 4 million tonnes/y of polyethylene and polypropylene. Borealis' asset investment program in Europe included the inauguration of a 330,000 tonnes/y polypropylene plant in Burghausen, Germany, in 2008, the inauguration of its expanded international innovation headquarters in Linz, Austria, in 2009 and the beginning of operation of a new 50,000 tonnes/y polyethylene plant in Stenungsund, Sweden, in 2010.

Borealis has production facilities at Schwechat and Burghausen connected through pipelines to OMV's refining complexes at these locations and is the most important customer for the products (ethylene and propylene) from these two facilities. As such, OMV views its stake in Borealis and its long term financial success as being of strategic significance.

Marketing

OMV has an important presence in both the filling station business and the wholesale businesses in its main markets in Austria and the rest of CE/SEE. In 2010, the marketing sales volume amounted to 16.0 million tonnes as compared to 16.8 million tonnes in 2009, which according to management estimates equals a market share of 20% in the relevant CE/SEE markets (Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Moldova, Romania, Serbia, Slovakia, Slovenia, and Southern Germany). This estimate is, to some extent, based on energy balances, market

volumes and other statistical data of third parties such as federal ministries and offices, national statistical offices, regulatory bodies, trade associations and other organizations providing economic and/or sector specific data in aforementioned countries.

In 2006, OMV acquired a 34.00% interest in Petrol Ofisi. This interest was increased to 41.58% in the course of 2008 and 2009 and to 95.72% as a result of the acquisition of an additional 54.14% interest in December 2010. In March 2011, OMV has increased its interest in Petrol Ofisi to 96.98% as a result of a mandatory offer to free float shareholders. For information on Petrol Ofisi, see "*Petrol Ofisi*".

Retail Operations

As of December 31, 2010, OMV operated 4,771 retail outlets in 12 European countries and Turkey, of which 417 were located in Austria. For retail outlets operated by Petrol Ofisi, see also "*Petrol Ofisi*".

	December 31,		
Retail network	**2010**	**2009**	**2008**
OMV filling stations, excluding Petrom and Petrol Ofisi	1,490	1,619	1,709
Petrom Group filling stations	801	814	819
Petrol Ofisi Group filling stations	2,480	n.a.	n.a.
Total	**4,771**	**2,433**	**2,528**
Thereof VIVA shops	**954**	**993**	**1,031**

Source: "OMV Group in figures 2010", page 17, OMV Annual Report 2010, page 41 and internal data.

OMV retail outlets offer customers a range of services, such as convenience shopping, food service and car wash.

Against the backdrop of intensive competition in the filling station market, OMV's strategy is to continue to focus on quality and convenience and strengthen and further expand premium station locations, including the VIVA brand. This requires locations with high customer frequency and the disposal of stations that do not meet this criterion. In line with this strategy, optimization and efficiency-enhancing projects have been undertaken, resulting in the sale of 60 filling stations in Austria in 2008, the divestment of further 100 filling stations and the decision to exit the Italian market (effective as of the first quarter 2010) in 2009 and the sale of 56 filling stations in the German states of Thuringia and Saxony to a subsidiary of the Polish oil group PKN Orlen in November 2010 with the strategic goal of focusing business activities on Southern Germany. Excluding Petrol Ofisi, the number of filling stations was reduced to 2,291 as of December 31, 2010, while the average throughput remained at the same level of 3.4 million liters as in the previous year.

Commercial business operations

OMV's commercial business distributes and sells motor fuel, heating oil, bitumen, jet fuel and LPG directly to wholesalers, utilities, municipalities, state agencies, industrial and retail customers throughout CE/SEE. Major commercial customers include:

- municipalities and public entities such as Austrian Army, Austrian Postal Service and Austrian railway companies requiring automotive fuels, heating fuels and lubricants;
- airlines requiring jet fuel, including Vienna and Munich airports, which are major transportation hubs for Central Europe; in addition, a joint venture (Salzburg Fuelling GmbH) was concluded by OMV, BP Europa SE and Shell Austria Gesellschaft m.b.H. to provide jet fuel storage and fuelling at the Salzburg airport;
- freight companies requiring diesel fuel and lubricants;
- the construction industry requiring bitumen;
- power generators requiring heavy fuel oil;
- industrial companies requiring heating oil and lubricants; and

- wholesalers and car repair shops, retailers and garages requiring automotive fuels, heating oil and lubricants.

In the commercial business (which includes wholesale business), the sale of the heating oil end-customer units in Austria and Germany is expected to lead to increased efficiency.

Gas and Power

Overview

The Gas and Power ("G&P") business segment is active in various stages of the gas value chain and consists of four business lines: (i) gas supply, comprising OMV's own production and the purchase of gas from third party suppliers; (ii) gas logistics, involving transport and storage; (iii) power generation; and (iv) marketing and trading.

With about one third of all Russian gas exports to Western Europe passing through the Baumgarten gas turntable, OMV plays an important role in gas transit. Its 2,000 km pipeline network and its gas storage facilities make a contribution to the security of supply in Austria and Western Europe. The CEGH, the gas trading platform established by OMV, has developed into one of the top three gas hubs in continental Europe. In addition, OMV plans to extend the value chain by developing an electrical power business, thereby exploiting synergies with the gas business.

Since the acquisition of Petrom in 2004, OMV's major expansion plans prompted the decision to restructure the gas business. As a result, OMV Gas International GmbH was founded in early 2006 and renamed OMV Gas & Power GmbH on May 17, 2008 to consolidate OMV's various gas and power business areas. OMV conducts its natural gas transport through OMV Gas GmbH and its subsidiaries. OMV's marketing and trading business is carried out through EconGas, a joint venture company in which OMV has a 59.26% interest (as of December 31, 2010), and through Petrom's gas business. The core market in Austria and neighboring countries is served by EconGas, while Petrom covers the Romanian market.

Gas supply

29% of OMV's gas supply is coming from its own production in Austria and Romania ("equity gas"). Russia, accounting for 24% in 2010, and Norway, accounting for 8% in 2010, are the main long-term suppliers of gas to OMV. Other volumes are mainly sourced on a short-term basis.

Supply in million m^3	**2010**	**2009**	**2008**
Equity gas supply	4,993	5,259	5,256
Russia	4,081	3,809	4,562
Norway	1,302	1,321	1,341
Others	6,746	2,996	2,007
Total	**17,122**	**13,385**	**13,166**

Source: "OMV Group in figures 2010", page 19.

In 2006, OMV (via its subsidiary EconGas) signed a gas supply contract with Gazexport Ltd., a wholly owned subsidiary of the Russian Gazprom, which covers gas imports to Austria until 2027 with an annual contract volume of approximately 5 bcm.

Gas logistics

Through OMV Gas GmbH, OMV owns and operates natural gas pipelines for transit through Austria and is the principal carrier of high pressure natural gas for Austrian domestic consumption. OMV Gas Storage GmbH markets approximately 50% of the gas storage capacity in Austria. As of December 31, 2010, OMV operated natural gas storage facilities at three locations with a total capacity of approximately 2.4 bcm and an associated withdrawal capacity of approximately 1.3 million m^3 per hour.

OMV's participations include interests in an international gas transmission pipeline network of approximately 2,000 km of pipelines which comprise two systems: the North-South pipeline network, which includes the Trans-Austria Gasline ("TAG") and the Süd-Ost Gasline ("SOL"), and the East-West pipeline network, which comprises the West-Austria Gasline ("WAG"), Penta West and the Hungary-Austria Gasline ("HAG").

In addition, OMV operates a domestic high-pressure network linking production units and storage and logistics facilities at its Baumgarten gas turntable. The total gas transportation sold in 2010 amounted to approximately 89.2 bcm.

Baumgarten, located near Vienna and close to the Slovak border, is a key location for OMV's gas infrastructure. OMV's turntable at Baumgarten functions as an interconnection point for high-capacity pipeline systems serving major markets with large storage facilities nearby. The planned Nabucco pipeline and additional Russian pipeline projects are expected to add to the hub's throughput, necessitating further expansions of the Austrian transit network. Russian natural gas imports enter Austria at Baumgarten, where the TAG and WAG pipelines originate. In 2010, about one third of all natural gas exports from Russia to Western Europe passed through OMV's Baumgarten gas turntable. OMV's principal natural gas compressor stations are located in Baumgarten, close to its existing gas storage facilities.

Baumgarten is also the most important trading point for CEGH, the gas hub platform established by OMV. Originally a wholly owned subsidiary of OMV Gas & Power GmbH, CEGH has been co-owned by OMV Gas & Power GmbH (80%) and Wiener Börse AG (20%) since June 2010. On January 25, 2008, OMV and Gazprom signed a cooperation agreement for a 50% participation of Gazprom in CEGH. Further negotiations in 2008 resulted in a new future shareholder structure in CEGH, with OMV and Gazprom each holding 30% and the Vienna Stock Exchange and Centrex Europe Energy & Gas each holding 20%. After the filing of a pre-notification, the new shareholder structure is due for a merger control filing with the Competition Directorate General in Brussels; such filing with the European Commission is still pending. The CEGH gas exchange, established in 2009 to offer exchange trading functions (in addition to OTC trading), is operated by, and under the license of, the Vienna Stock Exchange. The Exchange is in such function subject to the continuing supervision by the FMA, which may, for instance, issue orders to the Vienna Stock Exchange to ensure fulfilment of the license requirements and compliance with the Stock Exchange Act and other applicable laws. The handling of exchange business is carried out in two stages: the financial settlement and clearing is carried out by European Commodity Clearing AG in Leipzig, the physical settlement is carried out via the CEGH trading points. In addition to its function as delivery point, CEGH provides a number of services, in particular in connection with marketing and customer service, while the Vienna Stock Exchange is responsible for monitoring trading activity, publishing prices and keeping operational control of the exchange trading systems, under a cooperation agreement. Spot trading of natural gas and gas related products on the CEGH gas exchange of the Vienna Stock Exchange began in December 2009, the futures trading market was launched in December 2010. In 2010, CEGH recorded a total trading volume of approximately 3 bcm/month (2009: 2 bcm/month).

The significance of OMV's Baumgarten distribution node as a key European natural gas turntable is expected to further increase as a result of the Nabucco and South Stream gas pipeline projects:

Nabucco. The Nabucco gas pipeline project, in which OMV holds an interest of 16.67%, aims at diversifying European gas supplies and will give Europe access to the large gas reserves in the Caspian region and the Middle East. The intergovernmental agreement for the Nabucco gas pipeline project was signed on July 13, 2009, establishing the basic legal framework providing for equivalent legal conditions for gas transit throughout the entire Nabucco pipeline system. The environmental impact assessment of the project was started in 2010. A mandate letter with the European Bank for Reconstruction and Development, the European Investment Bank and the International Finance Corporation was signed in Brussels on September 6, 2010 to start the appraisal process for the financing of this project. The timeline of the project depends on the timing for gas supplies being available in the Caspian and Middle East regions, as announced by potential suppliers. The open season process will

start as soon as there are firm indications that gas supply commitments are in place. Consequently, the final investment decision will be taken with construction envisaged to commence in 2013 to align the Nabucco timeline with gas suppliers. First gas is expected to flow through the pipeline in 2017.

South Stream. The South Stream gas pipeline is to run from the eastern Black Sea coast in Russia across the Black Sea to Bulgaria. From there, one route option is assumed to pass through Serbia and Hungary to Austria, where it will flow into the Baumgarten turntable. The feasibility study for the Austrian subsection of South Stream will be completed in 2011. On April 24, 2010, OMV and Gazprom signed a cooperation agreement to construct the Austrian section of the South Stream gas pipeline between the Austrian-Hungarian border and Baumgarten, backed by an agreement on cooperation between Austria and Russia in the construction and operation of the Austrian section of South Stream.

Power generation

With the start of implementation of its first power projects in 2009, OMV is extending its value chain from gas to electricity. The power business will focus on markets with sound potential for integration with other OMV operations – especially Austria, Germany, Romania and Turkey.

Austria – Project Weitendorf. In Austria, OMV is constructing a waste-heat recovery plant at the site of the Weitendorf gas compressor station. Construction began in September 2009. This pilot project involves using waste heat from a compressor station on the TAG pipeline to generate electricity for infeed to the public grid. At full capacity with an electricity production of approximately 17 megawatt ("MW"), the gas compressor station is expected to generate electricity for about 28,500 households.

Romania – Project Brazi. In June 2009, construction of a combined-cycle power plant ("CCPP") began at the site of the Petrobrazi refinery, Romania. The 800 MW class gas-fired power plant is expected to have an additional total heat output of around 100 MW thermal. The rising demand for electrical power and outdated infrastructure make Romania an important market in the area of electrical power. Commercial operations are expected to commence towards the end of 2011.

Turkey – Project Samsun. With its subsidiary OMV Samsun Elektrik Üretim Sanayi ve Ticaret A.S. ("OMV Samsun Elektrik"), OMV is also intensifying its activities in the Turkish electrical power market. In June 2010, OMV Samsun Elektrik started the construction of an 800 MW class gas-fired power plant in Samsun (on the Turkish Black Sea coast) to sell generated electricity in the Turkish market. The location, which is near the Blue Stream gas pipeline terminal, is an essential factor to secure gas supply. The total investment is estimated at EUR 600 million and commissioning is expected to take place in the second half of 2012.

Germany – Project Haiming. OMV is in the planning phase to construct a modern CCPP in Haiming, Southern Germany. The aim of the 800 MW class gas-fired power plant is not only to generate sufficient energy for the OMV refinery in Burghausen, but also to supply it to neighboring industrial customers as well as other industrial companies in South-Eastern Bavaria. Current estimates by OMV suggest that nearly 50% of the total output of the power plant will be needed by the region. The excess electricity that is expected to be generated is planned to be fed into the main grid and sold on the electricity market.

Project Dorobantu. With the construction of a wind park in Dorobantu, Romania, OMV, together with its subsidiary Petrom, is going to realize its first renewable power project thereby supplementing its power plant portfolio. Construction of the 45 MW (possible extension to 54 MW) wind farm to be equipped with 3 MW Vestas wind turbines started in 2010 with foundation works. Commercial operations (approximately 113 GWh/y) are expected to begin in the second half of 2011.

Marketing and trading

The business unit Supply, Marketing & Trading, which comprises EconGas, Petrom and, in the future, Petrol Ofisi, is responsible for providing gas and electrical power to customers in North-West Europe, CEE and Turkey and complements OMV G&P's activities along the gas value chain through its gas

trading activities.

EconGas is the principal marketer of gas in Austria with a natural gas sales volume of 13.2 bcm in 2010 (8.3 bcm in 2009). EconGas sells directly to customers with an annual consumption of at least 500,000 m^3. Besides direct sales of natural gas to European business customers and sales to European retailers, EconGas also specializes in trading natural gas at international exchanges. Through its subsidiaries in Germany, Italy and Hungary, EconGas deals directly with customers in these countries. In Romania, the marketing activities in the natural gas sector are coordinated through Petrom's wholly owned subsidiary, OMV Petrom Gas SRL, one of the major gas retailers in Romania for business customers, distributors and power plants. Petrom, together with OMV Petrom Gas SRL, sold approximately 4.7 bcm in the year ended December 31, 2010 (4.6 bcm in in the year ended December 31, 2009). In May 2009, OMV acquired a 40.00% interest in Enerco Enerji ve Ticaret A.S., a Turkish gas import and wholesale company.

OMV's total gas sales volume, through EconGas, Petrom and OMV Gas & Power GmbH, was 18 bcm for the year ended December 31, 2010:

Gas sales in million m^3	**2010(2)**	**2009**	**2008**
OMV Gas & Power GmbH	174	178	221
EconGas	13,239	8,290	7,533
Petrom	4,661	4,594	5,021
Total(1)	**18,028**	**13,062**	**12,775**

(1) Deviations between sales volumes and supply volumes (table above) are due to changes in storage volumes.
(2) Single entity sales volumes do not add up to total sales volume due to intercompany eliminations.

Source: "OMV Group in figures 2010", page 19.

Trend information

In each business segment, OMV is adapting its portfolio of products and services to the requirements of the business and/or regulatory environment in the respective market and the demand trends it observes. An example is OMV's increasing focus on sustainable solutions, spanning all three operating business segments and leading to innovative production methods (such as metathesis) as well as new products fulfilling higher environmental standards. Additionally, OMV explores renewable energy options and has entered the power business. OMV is offering selected E-Services (such as OMV Filling Station Locator, Oil Finder or Fleet Services) and a range of supplementary services at filling stations (such as convenience shopping, food service, car wash and bank services) and is equally driven by market and, in particular, demand trends.

For further information on market trends and developments that are, according to the management's expectation, deemed likely to (further) affect the Group's prospects in the current business year, see *"Operating and Financial Review—Key factors affecting the Group's results of operations"*, *"Operating and Financial Review—Recent developments"* and *"Industry Overview"*.

Employees

As of December 31, 2010, the Group employed 31,398 persons as compared to 34,676 as of December 31, 2009 and 41,282 as of December 31, 2008. In 2010, the average number of employees (calculated as the average of the month's end numbers) totaled 32,542 (thereof 26,718 Petrom).

The table below provides a breakdown of OMV's employees as of December 31 for the years 2010, 2009 and 2008 into OMV excluding Petrom and Petrol Ofisi:

	2010		2009		2008	
	Number of employees	% of total employees	Number of employees	% of total employees	Number of employees	% of total employees
OMV excluding Petrom	6,736	21.5	5,692	16.4	5,694	13.8
Petrom	24,662	78.5	28,984	83.6	35,588	86.2
Total	**31,398**	**100.0**	**34,676**	**100.0**	**41,282**	**100.0**

Source: "OMV Group in figures 2010", page 9 and internal data.

Employee morale, participation and identification are important to OMV, since the Group considers its employees to be the most important factor for success. OMV maintains a continuous dialogue with its employees, places particular importance on the integration of new employees and offers employee incentives. In this context, see "*Management and Corporate Governance—Stock option plan and management incentive program*" for more information on the Company's stock option plan and management incentive program. As regards Petrom, the collective bargaining agreement currently in effect provides for the issuance of shares to certain employees. In the past, Petrom has used treasury shares to comply with this obligation.

Health, safety, security and environment

Each of the Group's companies is subject to numerous laws and regulations with respect to protection of the environment and employee health and safety in the countries in which the Group operates. In addition to laws and regulations, there is also an increasingly higher expectation and demand from the society and the marketplace to improve health, safety, security and environment ("HSSE") standards. OMV views occupational health, workplace safety, process safety, security, asset integrity and effective environmental protection as essential for its operations and manages these matters as any other critical business issue.

OMV's Chief Executive Officer and other members of the Management Board in charge of each of the business segments set HSSE objectives and targets for the Group and the segments with the assistance of "Sustainability:HSSE" managers and specialists. Management at Group companies' level is responsible for the implementation of "Sustainability:HSSE" objectives and programs. There is also a Group-wide reporting system (which is subject to regular third party monitoring) in place and management at all levels receives timely information on incidents, trends and legal developments as well as regular updates on target achievement.

Strengthening the HSSE management system has been in the focus during the last three years. One of the key goals was to raise awareness of HSSE issues among Petrom employees. About 229,000 training hours were recorded in 2010 – more than two thirds of them in Romania. Major communication programs at Petrom focused on environmental protection and road safety. Occupational health programs focus on health promotion by active employee involvement and high standards in all countries of operation. Emergency and crisis preparedness form an integral part of all operations.

Despite efforts to strengthen HSSE culture and especially safety awareness, occupational safety performance of OMV could not be further improved in 2010, compared to the year 2009. The lost time incident rate ("LTIR") for own employees was 0.74 per million work hours (2009: 0.71), while it decreased to 0.56 (2009: 0.68) for contractors. The total recordable injury rate ("TRIR") was 1.29 (2009: 1.53) per million work hours for own employees and 1.23 (2009: 1.58) for contractors. Three Petrom employees and one OMV contractor died out of work-related accidents in 2010. The Group fatal accident rate was 5.08 (2009: 1.50) per 100 million hours worked for own employees and 1.05 (2009: 3.54) for contractors. Specific road safety programs were started in 2009 and have shown first positive results: the number of commuting accidents in 2010 decreased to 16 (2009: 28). In spite of efforts to improve the internal controls system for environment-related activities, Petrom does not have a centralized system for the permanent monitoring of environmental permits and measures imposed by the environmental authorities and their implementation stage.

OMV recorded a total of eight significant hydrocarbon spills and 2,239 minor releases during the year

2010 (2009: 21 and 2,650 respectively). The amount of hydrocarbons spilled was 147,000 liters in 2010 (2009: 110,800 liters). The Group's carbon strategy, launched in 2008, aims at reducing greenhouse gas emissions and de-carbonizing of the product portfolio. Petrom continues to focus on compliance with national and EU regulations in the area of HSSE.

Environmental matters

The following is a summary of the developments and OMV's efforts in respect of certain environmental issues, which management considers important for the Group's business.

Energy management. The integration of Petrom nearly doubled the total energy consumption of OMV between 2004 and 2006. In 2010, OMV's total energy consumption was 134.1 petajoule (2009: 147.8 petajoule). To improve energy efficiency through thermal integration, heat recovery and process optimization is a core goal in all business segments. At Petrom, the ongoing modernization projects are expected to lead to energy efficiency improvements. The Schwechat and Burghausen refineries and the Petrom refining division have established an energy management system as part of the existing integrated management system. In 2010, they belonged to the first companies in their respective country (Austria, Germany, and Romania) to obtain a certification according to the European standard for efficient energy management EN 16001:2009 issued by the European Committee for Standardization and the European Committee for Electrotechnical Standardization.

Emission management. Direct emissions of CO_2, methane and nitrous oxide were 12.2 million tonnes in 2010 (2009: 11.7 million tonnes). Other greenhouse gases are of minor relevance and therefore not included in OMV's greenhouse gas figures. Greenhouse gas emissions have increased considerably with the growth of OMV and in particular due to the integration of Petrom, new oil production coming on stream in Kazakhstan, Yemen, and New Zealand, and also due to a revision in the way greenhouse gas emissions are calculated by Petrom E&P. OMV is subject to the European Union Emission Trading Scheme, with 20 of its installations included in the scheme. In addition to the trading of EU allowances, the OMV carbon portfolio is optimized by using credits from the flexible project-based mechanisms, the Clean Development Mechanism and Joint Implementation, as provided for under the EU Linking Directive (Directive 2004/101/EC of October 27, 2004).

Water management. In 2010, OMV's total water consumption was 59 million m^3 (2009: 61 million m^3), thereof 23 million m^3 (2009: 33 million m^3) surface water consumption. Waste water (in total 33 million m^3 in 2010 and 38 million m^3 in 2009) is discharged after appropriate treatments on site or off site in OMV-owned or communal water-treatment facilities.

Waste management. Total waste generated in 2010 increased by 16% to 602,186 tonnes (2009: 519,126 tonnes). Due to cleaning and remediation of sludge pits, the amount of hazardous waste increased by 95,000 tonnes, compared to the previous year. At Petrom, hazardous waste which was accumulated over a long period of time (sludge pits in E&P and refineries) has been and is expected to continue to be subject to specific waste management programs for the next few years.

Drilling mud. In drilling operations, OMV uses water-based, chloride-free mud wherever technically feasible in order to avoid hazardous substances. As a result, 90% of the drilling mud used by E&P is water-based. If for technical reasons, e.g. in the case of extended reach wells, this is not possible, the least toxic option of non-aqueous drilling fluids is selected.

Air emissions. While emissions of sulfur dioxide (SO_2) were significantly reduced over the past years, emissions of nitrogen oxides (NO_x) and non-methane volatile organic carbon compounds (NM-VOCs) increased. Both the modernization of existing facilities and new investments such as the new SNOx plant at the Schwechat refinery, which started operations in October 2007, help control and reduce air emissions.

Spills and leakages. Pipeline operations and technical integrity undergo regular monitoring to help avoid spills and leakages. In most of the countries, OMV does not have a high rate of oil spills, however, the rate of pipeline spills at Romanian and Austrian operations remains relatively high, mainly

due to aging infrastructure. However, the number of spills is expected to decline as older facilities are upgraded and increased focus is placed on preventive maintenance. An ongoing rationalization and replacement program resulted in substantial infrastructure improvements at E&P operations in Austria. As part of the program, OMV replaced several small production and separation plants by new and larger production plants and approximately 100 km of old pipeline in 2007 to 2008, and has been replacing approximately 10 km of old pipeline in addition per year since then.

Contaminations. Certain of OMV's real properties in Austria have been classified by the authorities as contaminated and there may be other contaminations of which OMV is currently unaware. In the course of Petrom's privatization, OMV took over some 11,000 closed wells, including restoration obligations in Romania. In the privatization agreement entered into between the Romanian state and Petrom, the Romanian state has undertaken certain of the decommissioning and environmental restoration costs (limited to a 15 year period for environmental damage and 30 years for restoration). The book value of Petrom's receivables vis-à-vis the Romanian state for these costs recorded in the audited consolidated financial statements as of December 31, 2010 was EUR 577 million. The receivables consist of EUR 109 million for costs relating to environmental cleanup and EUR 468 million for costs relating to the decommissioning of wells. OMV filed two claims for reimbursement of environmental cleanup costs in the amount of EUR 21 million. To date, the Romanian state has not paid the claimed amounts. Contractual reimbursement procedures are ongoing, however, the recoverability of such receivables cannot be assured. For more details on the related litigation, see "*Legal and administrative proceedings—Annex P case*".

Process safety and asset integrity. In 2007, 2008 and 2009, large fires occurred in the Petrobrazi, Arpechim and Schwechat refineries. Since only some parts of the plants were affected and the fires did not result in injuries or spread to adjacent buildings, the actual (asset) losses were limited. Based on thorough investigation of such incidents, process safety measures are constantly being reviewed and updated, including, among others, risk evaluation processes and organizational changes.

Community relations and social affairs

The Group is committed to stakeholder dialogue, the management of potential socio-economic impacts of its activities, community relations and the protection of human rights in its sphere of influence. A community relations standard applies from the conceptual stage of a project through to its implementation and abandonment. This includes the evaluation of social impacts and risks and the setup of appropriate community projects to minimize negative impacts.

Legal and administrative proceedings

The Issuer and its subsidiaries are party to certain lawsuits and administrative proceedings before various courts and governmental agencies arising from the ordinary course of business involving various contractual, labor, cartel, tax and other matters.

Except as described below and elsewhere in this prospectus, in particular under "*Petrol Ofisi—Legal proceedings*", there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or the Group. For risks in connection with legal disputes, see "*Risk Factors—Operational risks—Litigation and disputes may have a material adverse effect on the Group's business.*" and "*Risk Factors—Country-specific risks—Petrom is a party to labor related litigation and may face further claims by employees, and co-determination rights of Petrom's employees could constrain restructuring measures, all of which may have a material adverse effect on Petrom's and the Group's business. Petrom is accused of a breach of Romanian competition laws, could be subject to compensation claims in connection with expropriations and may have to bear substantial environmental restoration costs.*".

Petrom employee litigation

Since the end of 2007, Petrom has been involved in litigation initiated by a number of former and current employees based on differing interpretations of several clauses included in Petrom's collective bargaining agreement relating to Easter and Christmas bonuses. During 2008, 2009 and 2010, further claims were raised against Petrom based on the differing interpretations of other provisions of the collective bargaining agreements. The Group's total allocation to the provision for such claims was RON 1,506 million (i.e. EUR 415 million, using the average foreign exchange rate in 2007 and 2008 for the amounts booked in each year). Petrom has set up a project group in charge of managing this litigation, including periodical assessment of the potential liabilities and likely cash outflows with respect to ongoing cases. In 2009 and 2010, Petrom concluded that the existing provision was sufficient and therefore no further allocations to the provision were made. As of March 31, 2011, the provision amounted to RON 477 million (i.e. EUR 116 million, using the March 2011 closing foreign exchange rate of 4.1221 EUR/RON). The above figures represent Petrom's assessment of potential liabilities and its best estimate of likely cash outflows with respect to the ongoing litigation. As of March 31, 2011, approximately 64,000 plaintiffs (current and former employees) have filed lawsuits against Petrom in approximately 28,000 court proceedings; approximately 4,600 of these proceedings were pending at first instance. To reduce the risk of future misinterpretation, a new collective bargaining agreement was signed and entered into force on June 30, 2009.

ANRE case

In 2006, Romanian authorities jointly issued an order pursuant to which all gas consumers have to be supplied with a mix of domestic and imported gas under a so-called gas basket system and, in view of securing the availability of domestic gas for the basket system, obliging domestic producers to make their entire gas production available for the domestic gas market. In 2006, Petrom challenged the order, claiming among other things a breach of Petrom's rights under the petroleum agreement and Petroleum Law 238/2004, a violation of the constitutional right of freedom of trade and free access to an economic activity, and non-compliance with EU law. However, the court denied Petrom's request to petition the European Court of Justice for a preliminary ruling.

Petrom's claim seeking the annulment of the order was rejected in 2007, the appeal was rejected in February 2008. Following this final decision, the Romanian Electricity and Heat Regulatory Authority ("ANRE") requested Petrom to deliver to its branches the domestic/import gas mixture in accordance with the order and performed official inspections to verify Petrom's compliance with the order. ANRE's 2009 inspection report accused Petrom of failure to deliver gas to its branches (Doljchim, Arpechim, Petrobrazi) in accordance with the order. Petrom was fined by ANRE. Petrom challenged the inspection report and the fine and set up a provision of RON 32,000 for the fines. In January 2011, Romanian authorities, including ANRE, jointly issued a general order pursuant to which the Group's power project in Brazi would have to buy gas under the basket system instead of using exclusively gas produced by Petrom. Petrom has taken legal steps in order to contest the legality of this order. Although the implementation of the order will negatively affect Petrom's G&P results, the Group does not expect it to have a material impact on Petrom's overall results in 2011.

The order was recently amended. Currently, Petrom faces the following risks if it fails to comply with the gas basket system: a cessation of the transport and distribution services by its licensed operators, inspections by ANRE potentially resulting in new sanctions, the suspension or withdrawal of Petrom's licence, and fines of up to 5% of the total turnover of the previous financial year in case of repeated violations of the order. Petrom has filed a preliminary administrative complaint against the order with ANRE and will initiate court proceedings for suspension of the applicability of the amended order.

ASTRA refinery case

In 2004 (prior to Petrom's privatization), the Romanian Ministry of Economy initiated a strategy to develop Romanian production of industrial and motor lubes and issued a memorandum regarding same. In respect of the memorandum, Petrom concluded two purchase contracts with Rafinaria Astra Romana S.A. ("Astra") in March 2004.

In 2005, Astra filed a claim against Petrom, alleging that Petrom did not fulfill its contractual obligations. Petrom argued that Astra had, on several occasions, notified Petrom that it did not request oil deliveries under the contract and ceased to perform its own contractual obligations. Furthermore, Petrom pleaded various procedural exceptions, including the statute of limitations. In November 2005, Petrom was ordered to purchase the lubes refined by Astra and to sell crude oil to Astra, both for the entire period of the contract, i.e. until the end of 2010. Appeals filed by Petrom were dismissed. In December 2009, Astra initiated the enforcement of the court decision and in November 2010 filed a claim requesting the court to compel Petrom to pay penalties for alleged damages resulting from failure to comply with the court decision. An extrajudicial expert's appraisal estimated the damages (for the period October 2004 to December 31, 2010) at approximately EUR 114 million. In December 2010, Petrom submitted its statement of defense; the lawsuit is pending.

Annex P case

Petrom is claiming that the Romanian state has failed to reimburse Petrom for environmental expenses incurred by Petrom for decontamination performed under the provisions of Annex P of the privatization agreement. The Group claims RON 30 million (approximately EUR 7 million) for remedial actions for the contamination of two phosphorus and ammonia sludge pits of Petrom's Doljchim fertilizer plant and RON 61 million (approximately EUR 14 million) for the removal of contaminations at the internal pits within the Petrobrazi refinery.

In relation to the Doljchim fertilizer plant, the Romanian Ministry of Environment and Forests accepted a partial claim in the amount of EUR 200,000. In relation to the Petrobrazi claim, the ministry denied the claim, holding that the decontamination costs were accepted by the Company and Petrom under the privatization agreement. The Company and Petrom initiated dispute resolution procedures as set forth in the privatization agreement and served a notice of dispute in January 2011. The deadline for the authorities to respond to such notice is July 10, 2011.

Antitrust investigations

In 2005, Romanian antitrust authorities initiated investigations relating to a possible breach of antitrust rules by companies active in the Romanian oil and oil related products market. The allegations include the existence of anticompetitive agreements between Romanian market participants regarding abusive sale and resale price fixing as well as market and territory allocations. In connection with these investigations, Romanian antitrust authorities on September 23, 2009 conducted a dawn raid which also involved searches in the premises of Petrom and submitted a series of requests for detailed information on production, sales and market data to Petrom between January and March 2011.

A recent order supplemented the purpose of the investigation to include a possible breach of the provisions of the Treaty regarding the Functioning of the European Union. Although the investigated practices remain unchanged, such reference to the European legislation means that now the Competition Council is also investigating the potential effect the alleged anticompetitive practices might have on the trade between member states of the European Union. If, following the investigation, the Competition Council establishes that Petrom breached the applicable provisions, Petrom would face a fine in an amount between 0.5% and 10% of the total turnover generated in the previous financial year. The President of the Competition Council recently publicly stated that the investigation will be concluded in the near future and that to date the Competition Council has not identified any anticompetitive behavior.

Stegaroiu case

Prior to Petrom's privatization, Messrs. Stegaroiu initiated a claim against Petrom for property restitution representing one fifth of the subsoil of Scaeni hill (Boldesti village, Prahova County, Romania) and one fifth of a mining concession contract over the land located in the same village, arguing unlawful nationalization of such property by the state. After a dismissal of the claim by a court of first instance, in 2008, the court of appeal obliged Petrom to pay the claimants concessions totaling RON 51 million, subject to certain statutory conditions. Petrom's second appeal against this decision was dismissed. Two extraordinary appeals, i.e. a contestation in annulment and a revision are still

pending. Petrom's contestation of the title (aiming to clarify if the payment obligation is with Petrom or the Romanian State) was admitted in April 2011, whereby the court of appeal's ruling was modified so as to oblige Petrom to "propose reparatory measures" in the amount of RON 51 million which are to be effected by the Romanian State (and not to pay such amount itself). The decision is subject to appeal. The claimants initiated enforcement against Petrom, which Petrom challenged and which has been temporarily suspended by a court decision. In May 2010, the claimants filed for insolvency of Petrom which was dismissed in both first and appeal instance. In January 2011, Petrom filed a complaint with the European Court of Human Rights challenging treatment of the case by the Romanian national courts.

Litigation in Kazakhstan

Shakharmunaigas JSC has filed a claim against Korned LLP, a wholly-owned subsidiary of Petrom in Kazakhstan, seeking recovery of a penalty for delayed payment by Korned LLP for subsoil exploitation and production rights. Korned LLP, which was acquired by Petrom in December 2009, had acquired such rights of use from Shakharmunaigas JSC in April 2007 but not effected any payments, so that according to the terms of the agreement penalties accrued. In 2009, the agreement with Shakharmunaigas JSC was renewed and Korned LLP effected the agreed payments according to the new terms of payment. The penalty claims raised by Shakharmunaigas JSC are, despite the renewal of contract, based on the original agreement between the two parties dating from 2007 and various new documents dating from 2009 (after the renewal agreement was signed), which have never been mentioned in the context of the acquisition of Korned LLP by Petrom. The amount in dispute is approximately EUR 16 million. Shakharmunaigas JSC prevailed with its claim in first and second instance. Korned LLP is going to file an appeal with the cassational court.

Proceedings in connection with OMV's disposal of MOL shares

The FMA has initiated administrative proceedings against the Issuer's Management Board for delayed ad-hoc announcements regarding the disposal of its MOL shares by OMV. OMV sold the MOL shares to Surgutneftegas on March 29, 2009, and subsequently (on March 30, 2009) published an ad-hoc notification. The FMA fined all five members of the Management Board (then consisting of Messrs. Ruttenstorfer, Roiss, Davies, Langanger and Auli) due to the fact that ad-hoc announcements were only published on March 30, 2009, instead of one week prior to the disposal of the MOL shares (i.e. on March 22, 2009), when OMV was informed by an investment banker that the Russians were interested in advancing the transaction. All five board members have filed appeals.

Litigation in New Zealand

OMV New Zealand Limited, Todd Pohokura Limited and Shell Exploration NZ Limited are partners in the Pohokura joint venture, which is exploiting a substantial oil and gas field in New Zealand. At a meeting of the joint venture's governing body in 2006, off-take rules which contain constraints on production levels were agreed. Shell and OMV voted in favor of the off-take resolution, Todd voted against it. OMV and Shell also refused Todd to connect its pipes to the Pohokura production station in order to transport its share of gas and condensate away from the point of production. Todd sued OMV and Shell for damages for alleged breaches of contract and law, which were variously quantified up to approximately NZD 320 million (approximately EUR 175 million), 35% of which is OMV New Zealand's share. Todd also sought exemplary damages in excess of NZD 600 million (approximately EUR 328 million). In July 2010, the competent court rejected all claims advanced by Todd, stating inter alia that the decisions of the operating committee were "more or less" inevitable and that Todd had failed to properly quantify the damages. Todd appealed this decision. The hearing on the appeal is scheduled for August 2011.

Material contracts

In the ordinary course of its business, OMV enters into numerous contracts with various entities. In connection with its E&P activities, OMV is, in particular, dependent on the licenses that are necessary to explore, develop and produce crude oil, natural gas liquids and natural gas. The terms and conditions

of the oil and gas contracts under which OMV is granted the required licenses differ from country to country. In some countries, OMV owns the oil and gas it produces and pays royalties and/or taxes as consideration therefor (royalty-tax or concessionary system). In other countries, ownership of the resources is retained by the state and OMV receives a remuneration or reimbursement (contractual system), which in the case of OMV is generally in kind (production sharing contracts; as opposed to service contracts, which provide for a cash remuneration). The following table sets forth the license systems under which OMV operates by country:

	License system
Austria	Royalty tax
Romania	Royalty tax
Turkey	Royalty tax
Norway	Royalty tax
United Kindom	Royalty tax
Faroe Islands	Royalty tax
Libya	Production sharing
Tunisia	Royalty tax/production sharing
Egypt	Production sharing
Kurdistan Region of Iraq	Production sharing
Yemen	Production sharing/
Pakistan	Royalty tax
Kazakhstan	Royalty tax
Australia	Royalty tax
New Zealand	Royalty tax

Source: Internal data.

OMV has not, within the past two years entered into any material contracts outside the ordinary course of its business, except as described in this section and the remainder of this prospectus, in particular under *"Operating and Financial Review—Recent developments"*, *"Operating and Financial Review—Key factors affecting the Group's results of operations—Acquisitions and dispositions—Recent significant acquisitions"* and *"Operating and Financial Review—Liquidity and capital resources—Debt—Description of the Group's financing contracts."*.

Material tangible fixed assets

As an industrial group, property, plant and equipment are material to OMV and its business. The following table shows the book values of real property and buildings, oil and gas assets, plant and machinery, other fixtures, fittings and equipment, assets under construction and payments in advance. Such assets are owned predominantly by the Group and are not subject to encumbrances. For finance and operating leases of property, plant and equipment, see below.

	As of December 31,		
Carrying amount in EUR million	**2010**	**2009**	**2008**
Land, land rights and buildings, including buildings on third-party property	2,002.1	1,626.3	1,538.3
Oil and gas assets	5,665.1	5,428.2	4,728.3
Plant and machinery	2,264.3	2,246.2	2,117.3
Other fixtures, fittings and equipment	944.3	603.4	592.7
Assets under construction	1,507.2	1,111.1	1,288.0
Payments in advance	445.9	355.2	157.0
Total	**12,828.8**	**11,370.4**	**10,421.5**

Source: Audited Consolidated Financial Statements.

Property, plant and equipment include assets being used under finance lease agreements. Finance leases are used inter alia by OMV New Zealand Limited for a floating production, storage and offtake vessel for the Maari oilfield platform, by OMV Slovensko s.r.o. and OMV Česká republika, s.r.o. for filling stations and land, by OMV Gas & Power GmbH for natural gas filling stations, by OMV Deutschland GmbH for land and buildings, and by OMV Hungária Ásványolaj Kft. and Petrom LPG SA for fleet vehicles. As of December 31, 2010, the book value of such leases was EUR 227.4 million. In 2010, conditional lease payments under finance lease agreements amounted to EUR 1.0 million (2009:

EUR 1.1 million). The present value of future minimum commitments under finance leases as of December 31, 2010 amounted to EUR 41.8 million (payable within one year), EUR 75.1 million (payable between one and five years) and EUR 147.6 million (payable after five years). These include a finance lease agreement for gas cavern storages. The beneficial ownership will be transferred starting 2012. Therefore, the finance lease has not been recognized in the December 31, 2010 balance sheet.

OMV also makes use of operating leases, mainly for filling station sites, IT equipment and vehicle fleets. In 2010, these expenses amounted to EUR 126.1 million (2009: EUR 113.2 million). The total future minimum lease payments under non-cancellable operating leases as of December 31, 2010 totaled EUR 524.5 million. There are options to renew the leases for a large portion of the leased filling station sites.

For environmental issues that may affect the Group's utilization of the fixed tangible assets, see "—*Environmental matters*" and "—*Health, safety, security and environment*".

Intangible assets

The Group's intangible assets include concessions, licenses, rights, oil and gas assets with unproved reserves, goodwill and payments in advance, the book values of which as of December 31, 2010, 2009 and 2008 are shown in the table below:

	As of December 31,		
Carrying amount in EUR million	**2010**	**2009**	**2008**
Concessions, licenses, rights	1,384.7	405.1	413.4
Oil and gas assets with unproved reserves	527.8	372.3	370.9
Goodwill	1,137.0	17.1	18.1
Payments in advance	43.2	18.0	5.1
Total	**3,092.7**	**812.4**	**807.5**

Source: Audited Consolidated Financial Statements.

Trademarks: OMV has in Austria and various other countries registered trademarks for its master brand "OMV" and core product brands. Its logo is OMV's unique symbol of recognition. In the view of OMV's management, it represents the competence and success of the OMV brand, effectuates acceptance and trust and is of particular value to the entire communication. The Group's most important trademarks are the OMV logo, protected in several European and Asian countries, the non-figurative brand "OMV – Move & More", protected in Turkey, Ukraine and Vietnam, as well as the product brands VIVA, BIXXOL and Avanti. The VIVA logo and the related slogan "Good thing there's VIVA" are protected in several European countries, in particular the Group's R&M markets, i.e. the EU, Bosnia and Herzegovina, Croatia, Moldova (logo only), Serbia, Turkey and the Ukraine. BIXXOL is protected in several European countries, especially in OMV's R&M markets, and in Turkey and the Ukraine. The Avanti logo and the related slogan "avanti – fahren und sparen" – in the respective local language – is protected in several European countries, especially OMV's R&M markets.

Licenses: The E&P business relies on numerous exploration licenses. In 2010, OMV was awarded and/or acquired interests in licenses in the Kurdistan Region of Iraq, Yemen, U.K., Pakistan, Kazakhstan and Norway.

Except as disclosed above, the Group is not dependent on any intellectual property owned by third parties.

Research & development

Research and development ("R&D") expenses of EUR 15.8 million in 2010 were up by 9.7% compared to 2009 (EUR 14.4 million) and chiefly related to the R&M segment. Targeted R&D activities such as field developments (E&P), quality enhancement projects in Austria and Romania (R&M) and investments in the construction of power plants (G&P) support the business segments in developing their core competencies and achieving high-quality standards for OMV products and services. In

addition to the traditional areas of oil and gas production, processing and marketing, renewable energy is a focus of research and innovation activities for all the business segments.

Insurance

The Group maintains insurance in line with industry practice and in such amounts and with such coverage and deductibles as the management believes are reasonable, prudent and appropriate for the risks inherent in the Group's business. Among the risks insured are damage to property, consequential interruptions in business, as well as civil liability to third parties arising out of OMV's operations and products.

For risks in relation to insufficient insurance coverage and uninsured events, see "*Risk Factors—Country-specific risks—Petrol Ofisi may incur significant costs to obtain necessary permits and could be subject to losses as a result of lacking insurance and hedging measures.*", "*Risk Factors—Risks related to the environment—Aging infrastructure in the Group's operations, improper waste management and operational incidents, in particular in connection with the Group's offshore activities, may lead to spills, leakages and other contamination. Such incidents and contamination may cause substantial environmental decommissioning and restoration costs and damage communities and the Group's reputation.*" and "*Risk factors—Operational risks—The Group is subject to operational risks relating to the exploration, production, transportation and storage of oil and gas, crude refining and processing and, in the future, power generation. Some of these risks may be uninsured or uninsurable.*".

PETROL OFISI

Overview

Petrol Ofisi A.Ş. ("Petrol Ofisi" and, together with its consolidated subsidiaries, the "Petrol Ofisi Group"), headquartered in Istanbul, is a well-recognized and leading company in the marketing of refined oil products in Turkey. As of December 31, 2010, the Petrol Ofisi Group had 2,480 filling stations, one lubricant blending plant, ten fuel and two LPG terminals and 39 aviation supply units; the number of personnel was 1,000. Through its retail and logistics network, Petrol Ofisi is the only company with nationwide coverage in the Turkish mineral oil products market with a 26.7% share of the market, according to management estimates. Its stations had an average annual throughput of 2,100 m³ in 2010, higher than the estimated Turkish industry average of 1,500 m³. Petrol Ofisi serves its filling stations and commercial customers through 12 strategically positioned terminals/depots, representing approximately 24% of Turkey's storage capacity (source: Energy Market Regulatory Authority ("EMRA")) and expected to offer important logistical advantages.

Petrol Ofisi is primarily engaged in the marketing of automotive fuel and other refined products supplied from domestic and international sources to its retail and commercial customers. It produces and markets grease and lubricants and their by-products. At the beginning of 2009, Petrol Ofisi became a partner in Turkey's largest offshore gas production project, acquiring a 26.75% interest in the South Akçakoca sub basin project from Tiway Turkey Ltd. (previously Toreador Türkiye Ltd. Şti.).

In 2010, the Petrol Ofisi Group recorded a total sales volume of approximately 7.1 million tonnes of diesel, auto-LPG and gasoline, jet fuel, black products, lubricants and LNG. In the same year, the Petrol Ofisi Group recorded net sales of EUR 8.1 billion (TRY 16.1 billion), EBIT of EUR 125 million (TRY 249 million) and net loss of EUR 20 million (TRY 39 million). As of December 31, 2010, Petrol Ofisi Group's total assets were EUR 3.2 billion (TRY 6.6 billion) and its total shareholders' equity was EUR 1,049 million, excluding non-controlling interests of EUR 10 million. Petrol Ofisi's net financial position, as calculated and consolidated by OMV, was EUR 1,259 million.

In this section, for conversion of Petrol Ofisi's reported figures in TRY into EUR, the average 2010 exchange rate of 1.997 EUR/TRY was used for income statement items and the exchange rate of 2.069 EUR/TRY as of December 31, 2010 for balance sheet items. Petrol Ofisi's annual reports and interim reports which are not incorporated by reference into this prospectus can be viewed on Petrol Ofisi's website (www.petrolofisi.com). As of December 31, 2010, Petrol Ofisi was fully consolidated in the consolidated financial statements of OMV.

History and ownership

Petrol Ofisi was established in 1941 by the Turkish government to supply the public and the private sector in Turkey with petroleum by-products. The company was included in the privatization program in 1990 and 2000. In 2000, 51% of its shares held by the Privatization Administration were sold to İş-Doğan Petrol Yatırımları A.Ş. ("SPV"), a joint vehicle established by Türkiye İş Bankası A.Ş. ("Is Bank") and Doğan Şirketler Grubu Holding A.Ş. ("Doğan") in one of Turkey's largest privatization transactions. In 2002, a further 25.8% of Petrol Ofisi shares was sold to the SPV. In September 2005, Is Bank's total share in Petrol Ofisi was acquired by Doğan. With this acquisition, Doğan gained control of the company whose remaining minority shares were publicly traded on the Istanbul Stock Exchange.

In 2006, OMV acquired a 34.00% interest in Petrol Ofisi from and entered into a shareholders' agreement with Doğan. Over the course of 2007 and 2008, OMV increased its interest in Petrol Ofisi to 41.58%, after which Doğan's participation amounted to 54.14%, with the remaining 4.25% being free float. On December 22, 2010, OMV completed the acquisition of Doğan's 54.14% stake in Petrol Ofisi following the approval of the transaction by the relevant authorities including antitrust clearance, thereby increasing its stake to 95.72% and fully consolidating the company within the Group. The purchase price paid to Doğan amounted to EUR 499.7 million and USD 694.6 million. Prior to completion, Petrol Ofisi A.Ş. paid a dividend in TRY equal to USD 203 million to OMV, USD 265

million to Doğan and USD 21 million to free float shareholders. Closing of the transaction triggered a mandatory tender offer to free float investors of Petrol Ofisi which was executed according to Turkish laws and regulations. Investors of Petrol Ofisi could tender shares held by them in Petrol Ofisi from February 23, 2011 to March 8, 2011 for an offer price of TRY 7.01 per share. The offer was accepted by shareholders tendering 7,283,283 Petrol Ofisi shares. The Issuer thereby increased its directly and indirectly held interest in Petrol Ofisi from 95.72% prior to the tender offer to 96.98% after the tender offer. The total consideration paid by OMV to shareholders who tendered their shares in Petrol Ofisi was TRY 51 million.

In March 2011, Petrol Ofisi announced that it intends to delist the shares of Petrol Ofisi from the Istanbul Stock Exchange. However, in light of a decision of the competent Turkish regulatory authority of May 12, 2011 pursuant to which a delisting of Petrol Ofisi shares would require OMV to offer a different price than the one paid to Doğan Holding and offered to free float shareholders in the subsequent mandatory offer, the board of directors of Petrol Ofisi has decided to withdraw the delisting application and for the moment not to delist the Petrol Ofisi shares.

Strategic rationale for the acquisition

OMV believes that the acquisition of Petrol Ofisi is supported by compelling strategic and financial rationale. It is a further step in OMV's long-term growth strategy in the European Growth Belt and aims at positioning Turkey as a third hub, beside Austria and Romania. In addition to the activities of Petrol Ofisi, the gas-fired power plant in Samsun (under construction) and the Nabucco gas pipeline project, Turkey represents a strategic bridgehead to the resource-rich Caspian region and the Middle East.

Through the acquisition of an additional interest in Petrol Ofisi, OMV gains important positions in Turkey in the retail and wholesale oil product markets, in the marine fuel and lubricants markets, as well as in diesel imports. Petrol Ofisi also provides OMV with a network of strategically-positioned terminals and storage facilities (corresponding to approximately 24% of total petroleum storage capacity in Turkey), which are expected to offer important logistical advantages and supply flexibility in a market which has to rely significantly on imports to meet demand, thereby also providing a basis for extending the existing international product supply and trading business of OMV.

Given its track record in CE/SEE countries, OMV believes that it is well-positioned to optimize Petrol Ofisi's existing business through several initiatives:

- transformation of Petrol Ofisi from a fuel retailer and wholesaler into an integrated energy business, exploiting the competitive advantages offered by its nationwide network and geographical footprint in Turkey;
- re-positioning of Petrol Ofisi's retail and wholesale business model, with a clear operational focus on efficiency and profitability;
- transfer of oil-related best practices, management know-how and general and management competencies from OMV to Petrol Ofisi;
- optimization of Petrol Ofisi's network and brand strategy, allowing Petrol Ofisi to upgrade its existing network;
- optimization of lubricants portfolio across the combined group; and
- integration of Petrol Ofisi into OMV's product supply and trading business.

OMV expects to achieve synergies from measures such as:

- integration of Petrol Ofisi into OMV's product supply and trading operations;

- optimization of the purchasing function on the Petrol Ofisi Group level;
- development of the non-oil business;
- restructuring of asset utilization and the research and development function in the lubricants business; and
- integration of the aviation and commercial road transport (CRT) businesses.

In addition, several areas could offer potential for additional upside, such as:

- optimization of Petrol Ofisi's marketing network and brand synergies;
- transfer of management know-how;
- integration opportunities across all OMV's divisions; and
- improvement of the capital structure for Petrol Ofisi.

Petrol Ofisi Group results in 2010 and 2009

The following discussion of the Petrol Ofisi Group's results of operations in the financial years ended December 31, 2010 and 2009 is based on the audited financial statements of Petrol Ofisi as of December 31, 2010. Petrol Ofisi prepares its financial statements in TRY. For purposes of the below discussion, the TRY results have been translated into EUR by using the rounded translation rates applied by the Company for purposes of the Audited Consolidated Financial Statements, i.e. 1.997 EUR/TRY in 2010 and 2.163 EUR/TRY in 2009. These rates, and accordingly the EUR results, may deviate from EUR figures published by Petrol Ofisi, which uses different translation rates.

	Year ended December 31,		
	2010	**% Change**	**2009**
	(in EUR million, except percentages) (audited in TRY, translated into EUR, except percentages)		
Sales revenue	8,082.5	24	6,516.4
Cost of sales	(7,675.6)	27	(6,067.4)
Gross profit	**406.9**	**-9**	**449.0**
Research and development expenses	(0.3)	-60	(0.8)
Marketing, sales and distribution expenses	(178.8)	28	(140.0)
General administrative expenses	(41.3)	7	(38.6)
Other operating income	18.4	62	11.4
Other operating expenses	(80.2)	>100	(19.2)
Operating profit	**124.7**	**-52**	**261.9**
Finance income	354.8	-18	430.1
Finance expense	(496.6)	-9	(544.5)
Profit before taxation from continued operations	**(17.1)**	**n.a.**	**147.5**
Tax expense from continued operations	(2.6)	-91	(29.2)
Profit/loss from continued operations	**(19.7)**	**n.a.**	**118.3**
thereof attributable to non-controlling interest	1	-51	2
thereof attributable to equity holders of Petrol Ofisi	(21)	n.a.	116

Generally, the strengthening of the TRY against the EUR in 2010 compared to 2009 affected all line items discussed below. This had a positive effect of approximately 8% on Petrol Ofisi's EUR denominated results in 2010 compared to 2009.

Sales revenue

Sales are primarily incurred by Petrol Ofisi through the sale of refined products. Additionally, sales also include proceeds from the sale of natural gas and lubricants.

In 2010, sales increased by 24% to EUR 8,082 million from EUR 6,516 million in 2009, mainly driven by an increase in product prices due to higher crude oil prices. This effect was partly offset by a contraction of sales volumes in the commercial and industrial sales segments as a consequence of a weak market environment and the increase in usage of natural gas.

Cost of sales

Cost of sales consist primarily of crude oil costs and other supply costs incurred in connection with the refining business. Additionally, costs related to lubricant and natural gas production and procurement are also reported as cost of sales.

Cost of sales in 2010 increased by 27% to EUR 7,676 million from EUR 6,067 million in 2009 mainly due to an increase in crude oil prices and higher depreciation of natural gas exploration wells due to application of the unit of production method. In addition, Petrol Ofisi has applied a revised evaluation method of its national stock obligation. The national stock obligation, which was built up from 2004 to the third quarter of 2006, was since then valued at moving average prices on balance sheet dates. As the national stock obligation has to be maintained by Petrol Ofisi, as of December 31, 2010 it was revalued to the average price in the period when the national stock obligation was built up. This change in accounting method, which is in line with OMV's practice, led to higher cost of sales in 2010.

Marketing, sales and distribution expenses

Marketing sales and distribution expenses include operational expenses of Petrol Ofisi's marketing and selling divisions.

In 2010, marketing sales and distribution expenses increased by 28% to EUR 179 million from EUR 140 million in 2009, mainly as a consequence of an increase in depreciation and rental expenses related to Petrol Ofisi's retail network contract renewals in 2010.

General administrative expenses

General administrative expenses include costs of all supportive departments such as finance, legal, human resources and information technology.

In 2010, general administrative expenses increased by 7% to EUR 41 million from EUR 39 million in 2009 due to the strengthening of the TRY against the EUR. Expenses decreased by 1% in TRY terms as a consequence of successful cost management.

Other operating income

Other operating income consists of gains from the sale of fixed assets, commission income and reversal of provisions.

In 2010, other operating income increased by 62% to EUR 18 million from EUR 11 million in 2009, mainly as a consequence of an increase in gains from the sale of fixed assets and income resulting from the collection of special consumption taxes.

Other operating expenses

Other operating expenses comprise commission expenses, provision expenses, fines and penalties paid and loss from the sale of fixed assets.

In 2010, other operating expenses increased by more than 100% to EUR 80 million from EUR 19 million in 2009. This increase was primarily due to fines and penalties paid in the amount of EUR 40 million and realized losses from the sale of fixed assets amounting to EUR 11 million, each in 2010 compared to no such expenses in 2009.

Finance income

Finance income consists of interest income of term deposits, foreign exchange gains and discount interest income.

In 2010, finance income decreased by 18% to EUR 355 million from EUR 430 million in 2009 mainly as a consequence of decreased interest rates and lower fluctuations in the USD/TRY exchange rate.

Finance expense

Finance expense consists of interest expense, foreign exchange loss, discount of letter of credits and other discount expenses.

In 2010, finance expense decreased by 9% to EUR 497 million from EUR 544 million in 2009, due to reduced borrowing costs and the decreased volatility in the USD/TRY exchange rate.

Tax expense from continued operations

In 2010, tax expense from continued operations decreased by 91% to EUR 3 million from EUR 29 million in 2009, mainly as a consequence of lower taxable profit.

Profit/loss from continued operations

In 2010, Petrol Ofisi reported a loss from continued operations in the amount of EUR 20 million compared to a profit in the amount of EUR 118 million in 2009. This development was primarily due to the increase in cost of sales as a result of the revaluation of the national stock obligation in 2010 as well as lower net finance result due to the depreciation of the TRY versus the USD and lower USD/TRY fluctuations.

Taking into account profit attributable to non-controlling interests in the amount of EUR 1 million, loss attributable to equity holders of Petrol Ofisi was EUR 21 million. Thereof EUR 9 million were attributable to the Company's 41.58% interest in Petrol Ofisi, held in 2010 prior to the acquisition of an additional 54.14% interest as of December 31, 2010. The loss at Petrol Ofisi reported in the Company's consolidated income statement as loss from associated companies amounted to EUR 16 million (see "*Operating and Financial Review—Comparison of Group results—Financial year 2010 compared with financial year 2009; and financial year 2009 compared with financial year 2008—Income/loss from associated companies*") and comprises adjustments required due to the higher book value of the 41.58% interest held by the Company in Petrol Ofisi.

Subsidiaries

Petrol Ofisi's two main subsidiaries and their respective business are as follows:

- Kıbrıs Türk Petrolleri Ltd. ("Kipet") was established in 1974 in the Turkish Republic of Northern Cyprus and its primary operation is fuel distribution;

- Erk Petrol Yatırımları A.Ş. ("Erk") was established in 2003 and is engaged in the supply of fuel, petroleum products, LPG and similar products from Turkish domestic and foreign markets and their marketing, distribution and storage, sale of refinery by-products, production of grease and lubricants and their by-products, blending, establishment of facilities for production and blending, wholesale and retail sales of these products as well as product import and export.

The following table shows Petrol Ofisi's consolidated subsidiaries and its ownership interest:

	As of December 31, 2010
Kipet	52.00%
Erk	99.96%
Petrol Ofisi Alternatif Yakitlar Toptan Satış A.Ş.	99.89%
Petrol Ofisi Gaz Iletim A.Ş.	99.75%
Petrol Ofisi Akdeniz Rafinerisi Sanayi ve Ticaret A.Ş[(1)]	100.00%
PO Georgia LLC	100.00%
Petrol Ofisi Arama Üretim Sanayi ve Ticaret A.Ş.	99.96%
Marmara Depoculuk Hizmetleri A.Ş.	89.97%

(1) Less than 0.01% are held by other Group companies.

Source: Audited consolidated financial statements as of, and for the year ended, December 31, 2010, disclosures made to Istanbul Stock Exchange and internal data.

Retail station network

With its extensive retail filling station network comprising 2,480 retail stations, including 2,302 stations operating as Petrol Ofisi, 94 stations operating as Erk and 84 stations operating as Kipet (as of December 31, 2010), out of a total of 12,887 fuel stations in Turkey, the Petrol Ofisi Group has an estimated market share of approximately 26.7% and is the only fuel distribution company covering the entire area of Turkey. In 2010, the average annual throughput per station was 2,100 m³, which Petrol Ofisi estimates to be significantly higher than Turkish industry average of approximately 1,500 m³.

The vast majority of the retail stations in Petrol Ofisi's network are dealer owned and dealer operated ("DODO"). As a result of the DODO concept, dealer contracts have to be renewed every five years. Most of Petrol Ofisi's dealer contracts were due for renewal in 2010; substantially all of them were renewed.

Commercial and industrial sales

Petrol Ofisi is a major supplier of corporate customers predominantly in manufacturing, mining, agriculture, logistics and construction, public corporations and distributors. The Petroleum Market Law banned fuel distribution companies from making direct sales to customers that consume less than 5,000 tonnes a year. As a result, the distributor network has gained importance in small-scale sales.

Logistics network

With a total storage capacity of approximately one million m³ at ten fuel terminals and two LPG terminals in strategic locations across Turkey (as of December 31, 2010), Petrol Ofisi believes that it has a strong logistics network, controlling approximately 24% of Turkey's petroleum storage capacity. The Izmit, Aliağa, Kirikkale and Batman terminals are located next to domestic refineries and are supplied by pipelines directly from the refineries, while the remaining terminals and depots are generally supplied by vessels.

Petrol Ofisi believes that it has a competitive advantage as the large capacity gives the company the flexibility to distribute products more efficiently than its competitors, access multiple sources of supply, manage the national stock as required under the Petroleum Market Law and import a higher percentage of products than its competitors. The ability to import products is considered a key advantage to reduce product costs and have access to more competitive payment terms.

Products

Petrol Ofisi Group is engaged in the marketing, distribution and storage of a wide range of refined oil products, including gasoline, diesel, auto-LPG, kerosene, jet fuel, black products, LNG, marine diesel, heating oil, fuel oil and lubricants. The following table compares volumes for the years 2010 and 2009 for the main product lines:

	2010	2009	Change
	(in million tonnes)		(in %)
Diesel	3.84	3.79	1.3
Auto LPG + Gasoline	0.94	0.94	0.0
Jet fuel	1.59	1.63	-2.5
Black products	0.60	0.88	-31.8
Lubricants	0.08	0.07	14.3
LNG	0.09	0.07	28.6
Total sales volume	**7.1**	**7.3**	**-2.7**

Source: Petrol Ofisi annual report 2009 and internal data.

Gasoline, diesel and auto-LPG

In Turkey, national demand for diesel, which accounts for approximately 61% of total fuel sales, has increased by approximately 5% per year on average since 2000. Since gasoline has a higher tax than diesel and auto-LPG and hence a higher price, in recent years many consumers have started to opt for vehicles running on diesel or auto-LPG instead of gasoline. In 2009, auto-LPG consumption (in terms of tonnes) has, for the first time, exceeded gasoline consumption. Since leaded gasoline is being replaced by unleaded gasoline, the use of the former product is contracting rapidly, and is expected to disappear from the marketplace in the near future. All these factors have led to an approximately 7.7% decrease in the total gasoline consumption in Turkey in 2010, which was reflected in Petrol Ofisi's gasoline sales which decreased by 6.1% in 2010 compared to 2009, and an 8% increase in the total auto-LPG consumption in Turkey in 2010 (estimates of Petrol Ofisi).

Gasoline and diesel: In 2010, diesel sales were the largest contributor to Petrol Ofisi's product sales, accounting for approximately 52% of total product sales volume. A total of 0.65 million m³ of gasoline and 4.4 million m³ of diesel was sold in 2010. In 2010, Petrol Ofisi's estimated market share in diesel sales was 27.1% and nearly 23.9% in gasoline sales.

Auto-LPG: LPG is the general name given to specific mixtures of propane, butane and derivative gases according to industry standards. Gas emissions from burning LPG are lower compared to gasoline and diesel oil. Auto-LPG sales in Turkey are growing rapidly and Petrol Ofisi has become an important player in this sector with a sales volume of 460,000 tonnes or 0.6 million m³ in 2010, an increase of approximately 3% as compared to 2009. In 2010, Petrol Ofisi's estimated market share in auto-LPG sales was 17%.

Liquefied natural gas

Liquefied natural gas ("LNG"), which is created by lowering the temperature of natural gas to minus 162 degrees, is a cost-efficient and environment-friendly product with low emissions which is finding a wide area of use as source of energy. LNG's greatest advantage is that it can be carried anywhere in Turkey using cryogenic road tankers. The Petrol Ofisi Group, which started LNG activities in July 2005, sees LNG as an important expansion area as it enjoys cost advantages in the medium and long term for industrial, tourism and construction companies especially in areas where the installation of natural gas distribution networks is not feasible.

The Petrol Ofisi Group has a large storage and transportation capacity in LNG operating more than 200 LNG tanks and 36 LNG road tankers. Although its operations in this field started recently, the Petrol Ofisi Group has, according to Petrol Ofisi management estimates, become the second largest company in the industry in Turkey. Petrol Ofisi's LNG sales have increased to 92,000 tonnes in 2010, as compared to 73,000 tonnes in 2009.

Aviation and marine fuels

Petrol Ofisi's aviation operations supply jet fuel to the world's leading airline companies, both domestically and internationally. Sales volume decreased from 2.04 million m³ in 2009 to 1.99 million m³ in 2010. In 2010, Petrol Ofisi's estimated market share in jet fuel sales was slightly

above 60%. The number of aircraft re-fuellings amounted to 243,000 in 2010. Petrol Ofisi aims to become a regional player in aviation fuel sales by 2012.

Through its marine operations, Petrol Ofisi is the only fuel distribution company capable of supplying all marine fuels via eight marine terminals and 23 marine tankers along the Turkish coastline as well as via the largest floating station network in Turkey. The company is the only supplier offering transit bunker sales in the Black Sea (Samsun and Trabzon) and the Gulf of Iskenderun. In 2008, Petrol Ofisi has started bunker fuel sales in Ceyhan as the first and only supplier in the region. In 2010, Petrol Ofisi marine fuel sales were approximately 613,000 m³ and Petrol Ofisi's estimated market share in the domestic marine fuel and transit segments was 37% and 28%, respectively, in 2010.

Lubricants

In 2010, the Petrol Ofisi Group achieved domestic sales of 75,780 tonnes in lubricants with an additional 9,980 tonnes of lubricant exports to 24 countries, giving Petrol Ofisi an estimated market share of 24.1% in Turkey. Petrol Ofisi offers over 300 different products in the lubricants segment.

Manufacturing lubricants at its lubricant blending facilities in Derince, İzmit, the Petrol Ofisi Group has an annual capacity to produce 140,000 tonnes of lubricants (as of December 31, 2010). Petrol Ofisi's Aliağa plant with an annual capacity of 60,000 tonnes was closed as of January 26, 2009 for cost optimization reasons. The distribution and retail sales of lubricants are primarily carried out through filling stations and wholesale dealers, but also through direct sales to public and private sector institutions and exports to 24 countries. According to Petrol Ofisi's management estimates, one out of every four liters of lubricants sold in Turkey is produced and sold by the Petrol Ofisi Group.

E&P

At the beginning of 2009, Petrol Ofisi Arama Üretim Sanayi ve Ticaret A.Ş. invested in Turkey's first gas production project in the Black Sea. Petrol Ofisi is now a 26.75% partner in Turkey's largest offshore gas project, currently producing approximately 80,000 m³/d or 4% of the daily domestic gas production. The project is operated by the Turkish national oil company Turkish Petroleum and brings both exploration and production assets to Petrol Ofisi's E&P portfolio. Petrol Ofisi targets to build a balanced and profitable portfolio of upstream projects. The South Akçakoca sub basin project is the largest natural gas project and one of the largest upstream projects in Turkey. The average daily production was approximately 105,000 m³/d in 2010 and the current production rate is approximately 80,000 m³/d. Installation of the fourth offshore platform has been completed in 2010 and additional production wells are currently being connected to commence gas production in the first half of 2011. Initial production is expected to be between 120,000 to 150,000 m³/d and is planned to be increased after additional drilling in 2011.

Legal proceedings

Public prosecutors in Turkey have initiated criminal proceedings against 24 present and former Petrol Ofisi board members (among these four Austrian board members appointed by OMV, Messrs. Roiss, Leitner, Schneider and Madl) in connection with allegedly insufficient customs duties payments for imports of oil products by Petrol Ofisi in the years 2001 to 2007 based on incorrect declarations of the imported goods' value. In 2006, OMV for the first time acquired shares in Petrol Ofisi and the OMV designated board members were appointed thereafter. The background of such allegations is a deferred recognition of income and expenses in connection with hedging and financing transactions of Petrol Ofisi. To OMV's knowledge, these deferments did not result in any evasion of customs duties by Petrol Ofisi. Under Turkish law, legal entities cannot be held liable for infringement of law; instead, proceedings are initiated against the representatives of the legal entity, in particular its board members. The charges could be sanctioned by imprisonment and/or judicial fines. All concerned board members will have to give their statements in Turkey in the course of the proceedings; OMV appointed board members already gave their statements in March 2011. In accordance with advice rendered by its Turkish counsel, the Company's management considers these allegations and charges as unfounded and does not expect any fines to be imposed on or convictions of its board members.

A series of court proceedings is pending between the Istanbul Metropolitan Municipality and Petrol Ofisi. While the municipality claims payments of fees for the occupation by Petrol Ofisi of land owned by the municipality between 2001 and 2006, Petrol Ofisi refuses to pay such fees since the land had formerly been owned by Petrol Ofisi and was then nationalized by the municipality without any compensation. Various courts accepted and denied different portions of the claimed amounts. Parts of the court decisions are currently under review by the Turkish Supreme Court. The maximum amount to be paid by Petrol Ofisi under all claims raised by the municipality corresponds to approximately USD 4 million.

As a result of inspections conducted by various tax offices, Petrol Ofisi was fined approximately TRY 24 million for the alleged non-payment of withholding tax for rental payments made in connection with usufruct agreements for filling stations. While the courts decided most of these cases in favor of Petrol Ofisi, the Group expects the tax office to appeal against the decisions.

Another tax matter concerns the regular 2003 tax audit, as a result of which Petrol Ofisi is required to make additional tax payments (including penalties and interest) of approximately TRY 75 million in connection with the one-time discounting of deposits received against loans, interest-free treatment of certain loans, the scope of stamp duty liabilities in connection with certain contracts and the VAT treatment of certain insurance premia. Apart from an outstanding additional tax payment of approximately TRY 1 million relating to the VAT treatment of insurance premia, all disputes relating to the 2003 tax audit have been resolved pursuant to a Turkish tax amnesty law by payment of approximately TRY 9 million by Petrol Ofisi.

Another tax matter is related to stamp duties of public tender contracts and customs declarations, special consumption tax on cross-border deliveries, VAT on cross-border deliveries and various customs-related issues for the years 2005 to 2010. The total amount of tax in dispute is approximately TRY 9 million, including interest and penalty. The disputes regarding TRY 5 million thereof have been resolved pursuant to the above-mentioned Turkish tax amnesty law by payment of TRY 1 million by Petrol Ofisi.

Three court cases are pending between the electricity generation company EÜAŞ and Petrol Ofisi at Istanbul Administrative Courts. In two cases, Petrol Ofisi is seeking the cancellation of payment orders in the amount of TRY 7 million and TRY 8 million, respectively, in connection with occupation fees (rent for the allegedly unfair occupation of land). Both payment orders refer to the same payment demand; the second order was issued – in addition to the original order – by the tax office in charge of collecting the amount. In addition, EÜAŞ filed a court case against Petrol Ofisi claiming occupation fee equivalent to USD 5 million which Petrol Ofisi, considering itself the owner of the using right, had not paid.

ACQUISITION OF PIONEER TUNISIA

In January 2011, OMV through its fully owned subsidiary OMV (Tunesien) Production GmbH, signed an agreement to purchase 100% of the issued share capital of Pioneer Natural Resources Tunisia Ltd. and Pioneer Natural Resources Anaguid Ltd. (together "Pioneer Tunisia") from Pioneer Natural Resources, a U.S. oil and gas company, for a purchase price of USD 800 million plus working capital of Pioneer Tunisia as at the closing of the transaction. At the time of first consolidation, the working capital of Pioneer Tunisia was preliminarily valued at USD 58 million, of which USD 39 million were already paid to the seller at closing. A final adjustment of the working capital calculation will be done based on the audited 2010 financial statements of Pioneer Tunisia.

The following table sets out the subsidiaries acquired in connection with the acquisition of Pioneer Tunisia:

	Principal activity	**Date of acquisition**	**Percentage of voting equity interests acquired**
Pioneer Natural Resources Tunisia Ltd.	E&P	February 18, 2011	100.00%
Pioneer Natural Resources Anaguid Ltd.	E&P	February 18, 2011	100.00%

Source: Internal data.

Acquisition-related costs amounting to EUR 2.6 million have been excluded from the consideration transferred.

The following table sets out details of the assets acquired and liabilities recognised by OMV in connection with the acquisition of Pioneer Tunisia:

	Pioneer Natural Resources Tunisia Ltd.	**Pioneer Natural Resources Anaguid Ltd.**	**Total**
		(in USD million)	
		(unaudited)	
Non-current assets			
Intangible assets	90.0	58.1	148.1
Property, plant and equipment	573.9	44.2	618.2
Current assets			
Working capital	50.5	8.0	58.5
Non-current liabilities			
Deferred tax liabilities	(296.7)	(33.0)	(329.8)
Decommissioning liabilities	(10.5)	(6.3)	(16.9)
Fair value of identifiable net assets acquired	**407.2**	**70.9**	**478.1**

Source: Internal data.

The working capital acquired includes trade receivables with a fair value (equivalent to gross contractual amounts) of USD 24 million.

The initial accounting for the acquisition of Pioneer Tunisia has only been provisionally determined as of March 1, 2011. The necessary market valuations and other calculations had not been finalized and have therefore only been provisionally determined based on best estimate.

The following table sets out the goodwill recognised by OMV in connection with the acquisition of Pioneer Tunisia:

	Pioneer Natural Resources Tunisia Ltd.	Pioneer Natural Resources Anaguid Ltd.	Total
		(in USD million)	
		(unaudited)	
Consideration	754.5	104.0	858.5
Less: Fair value of identifiable net assets acquired	(407.2)	(70.9)	(478.1)
Goodwill arising on acquisition	**347.3**	**33.0**	**380.3**

Source: Internal data.

Goodwill arose in connection with the acquisition of Pioneer Tunisia because the cost of the combination included amounts in relation to the benefit of expected synergies, which are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

The Group's profit for the three months ended, March 31, 2011 includes an amount of EUR 4 million attributable to the additional business generated by Pioneer Tunisia. Sales revenues for the three months ended March 31, 2011 include EUR 19 million in respect of Pioneer Tunisia.

Had the acquisition of Pioneer Tunisia been effected as of January 1, 2011, the contribution to sales revenues of the Group would have been EUR 33 million, and the contribution to profit for the three months ended March 31, 2011 from ordinary activities would have been EUR 3 million. These numbers represent an approximate measure of the performance of Pioneer Tunisia based on the results for the three months ended March 31, 2011, taking into account the effects from the purchase price allocation. These numbers are not an indication of the performance of Pioneer Tunisia in future periods.

INDUSTRY REGULATION

OMV operates in many different countries, most notably in Austria, Romania and, especially after the acquisition of Petrol Ofisi, Turkey, and is therefore subject to a broad range of legislation and regulations. These cover virtually all aspects of the Group's business, including matters such as licensing, taxes, pricing of royalties and environmental protection.

Environmental legislation in the European Union

OMV is subject to numerous laws and regulations with respect to protection of the environment in the European Union and each member state in which it operates. The number of these laws and regulations has increased over the past years and such laws and regulations have become more stringent and have been more strictly enforced by the respective authorities.

European Union environmental laws and regulations and implementation in Austria

The following summary outlines the environmental legislation which is most relevant to the Group's operations. These laws and regulations have either already been implemented by member states of the European Union or are expected to come into force in the near future.

Emission Directive

EC Directive 2003/87/EC on emission trading (the "Emission Directive") provides for reductions of greenhouse gases. The Emission Directive establishes a scheme of greenhouse gas emission allowance trading in order to promote reductions of greenhouse gas emissions in an economically efficient manner. Installations that are listed in the directive are allocated a certain amount of emission certificates allowing a predetermined amount of greenhouse gas emission. Certificates are freely tradable, which is intended to create a market for emission permits. The total number of certificates for the entire European Union is fixed and decreases on a regular basis. The goal is to lower greenhouse gas emissions in compliance with the Kyoto Protocol, as prices for certificates are expected to be higher than the costs of installing production facilities that reduce the emission of greenhouse gas.

In implementing the directive, Austria enacted the Austrian Emission Certificate Act (*Emissionszertifikategesetz*, the "Emission Certificate Act") which provides for a reduction of greenhouse gases by 13% by 2012, compared to the EU requirement of an 8% reduction. The current level of emission allowances is regulated under the National Allocation Plan ("NAP") valid for the period 2008 – 2012.

Directive 2009/29/EC (amending Directive 2003/87/EC) to improve and extend the EU greenhouse gas emission allowance trading scheme amends the existing scheme and is to be implemented into national law by December 31, 2012. For the so-called third commitment period (2013-2020), the EU member states' current national allocation plans of emission allowances to different industries has been replaced by an EU-wide cap of greenhouse gas emissions and a corresponding allowance allocation method. Free allowances will significantly diminish. A number of industry sectors, namely those that are considered to be highly exposed to international trade and whose businesses are prone to moving outside of the EU, including oil refining, (commonly referred to as carbon leakage), will receive free allowances by exception. Power producers will not be eligible for free allocation under the scheme but will be (gradually) obliged to acquire their allowances at auctions starting in 2013.

Auto-Oil Directive

EC Directive 98/70/EC relating to the quality of petroleum and diesel fuels, as amended by EC Directive 2003/17/EC (the "Auto-Oil Directive"), provides for specifications aiming at a substantial reduction in pollutant emissions from motor vehicles. Pursuant to the Auto-Oil Directive, individual member states are required to ensure that, by January 1, 2005 and by January 1, 2009, all unleaded petrol marketed within their territory complies with certain specifications regarding levels of octane, methanol, ethanol. Member states are also required to ensure that sulphur-free (less than 10 ppm

sulphur content) petroleum and diesel fuel be available on the market within their territory by January 1, 2005, and, by 2009, all petroleum and diesel fuel marketed within their territory be sulphur free. All of OMV's refining complexes are in full compliance with the directive's specifications, including desulphurization standards.

REACH Regulation

The European Community REACH Regulation 1907/2006 is on chemicals and their safe use. It deals with the Registration, Evaluation, Authorisation and Restriction of Chemical substances and became effective on June 1, 2007. Manufacturers and importers of chemical substances are required to collect information on the properties of their chemical substances and to register the information in a central database run by the European Chemicals Agency (ECHA) in Helsinki. The regulation also requires the substitution of the most dangerous chemicals if suitable alternatives have been identified. REACH provisions will be phased-in over 11 years. As a producer of chemicals, the Group will have to comply with registering requirements as well as to adapt its production to REACH standards.

Amendments to SEVESO-II Directive

EC Directive 96/82/EC on the control of major-accident hazards involving dangerous substances (the "Seveso-II Directive") has been amended by Directive 2003/105/EC. The amendment provides in particular that chemical and thermal processing operations and storage related to exploitation of minerals in mines, quarries, or by means of boreholes are also subject to the rules on major-accident prevention and to the requirements of producing a safety report. Member states were obliged to implement the directive by July 1, 2005 and by October 1, 2005, all establishments which fell under the amended directive had to comply with its regulations. The Directive has been implemented by way of amendments to the Austrian Trade and to the Crude Oil Act.

NEC-Directive

EC Directive 2001/81/EC on National Emission Ceilings for certain atmospheric pollutants (the "NEC Directive") provides for a reduction of emissions of sulphur dioxide (SO_2), nitrogen oxide (NO_X), volatile organic compounds (VOC) and ammonia (NH_3). Austria has set up a national program to reduce emissions of atmospheric pollutants. The goal of the directive is that, by 2010, emissions of atmospheric pollutants in each member state of the European Union will not exceed certain levels.

Biofuel-Directive

In 2003 the Biofuels Directive 2003/30/EC on the promotion of the use of biofuels and other renewable fuels for transport set out indicative targets for member states. To support meeting the 2010 target, which is a 5.75% market share for biofuels in the overall transport fuel supply, the European Commission has adopted an EU Strategy for Biofuels.

Under this strategy, member states should (inter alia) ensure that a minimum proportion of biofuels and other renewable fuels is placed on their markets, and, to that effect, shall set national indicative targets. The directive had to be implemented into national law by the end of 2004 and was implemented in Austria by modification of the fuels regulation. Under this regulation, distributors of fuels are required to replace 5.75% (since 2008, thus meeting the goal set by the Directive two years early) of the total amount of fuels put on the market by biofuels. Currently a modification of the EC legislation is under discussion. Earlier drafts provided for a 10% proportion of biofuels to be reached in 2010. Given the current economic and financial crisis, it is, however, uncertain when and whether such modification will be adopted. OMV, as one of the main distributors of fuel, has to comply with the minimum proportion requirements by replacing the corresponding share of fuels by biofuels in its market output.

Third energy liberalization package

A third energy liberalization package, which was proposed by the European Commission in September

2007, was enacted at EU-level in 2009. Directive 2009/72/EC (repealing Directive 2003/54/EC) concerning common rules for the internal market in electricity provides for the separation of production and supply from transmission networks, which can be reached either by "ownership unbundling", or by one of the alternative models, the "Independent System Operator (ISO)" or the "Independent Transmission System Operator (ITO)", which also guarantee effective separation. Alternatively, arrangements which guarantee a more efficient independence of transmission system operators than the ITO model are also permitted (ITO+). The facilitation of cross-border trade in energy, more effective national regulators, the promotion of cross-border collaboration also with respect to investment in new infrastructure and greater market transparency on network operation and supply are other focal points of the third energy package.

State and local environmental legislation

In addition to laws and regulations of the European Union, OMV is also subject to state and local environmental laws and regulations in the countries in which it operates. For example, the Group's operations in Austria are subject to the Federal Act on Water Rights, the Federal Act on Waste Management and a number of Austrian state statutes requiring authorizations for certain projects, including the construction, expansion and recultivation of facilities for the extraction of natural resources. Similarly, oil and gas companies in Germany, including OMV's operations, are subject to the Federal Emission Control Act (*Bundesimmissionsschutzgesetz*) and the Federal Soil Protection Act (*Bundesbodenschutzgesetz*).

Austria

Regulation of the gas sector

Austria implemented the first EC Gas Directive (EC Directive 98/30/EC) in form of the Austrian Gas Act which entered into force on August 10, 2000 and was amended on October 1, 2002 (*Gaswirtschaftsgesetz 2000*, as amended, the "Austrian Gas Act") in anticipation of the enforcement of the second EC Gas Directive (EC Directive 2003/55/EC). The Austrian Gas Act fully liberalized the Austrian gas market for suppliers and consumers, allowing market participants to buy and sell gas in a system of regulated access to the domestic transportation network and providing for fixed network tariffs free of regional and quantitative restrictions.

Under the Austrian Gas Act, gas transmission system operators must allow natural gas companies and eligible customers to access their domestic transportation network on the basis of regulated network access tariffs. In Austria these tariffs include, in particular, payment for the use of the domestic transportation network and payment for capacity measurements. The Energy Control Commission, an independent regulatory authority, is authorized to determine tariffs for the use of the domestic transportation network on a "cost-plus" basis and to establish maximum prices for capacity measurements. The tariffs for international gas transmission are set on the basis of throughput and capacity used rather than the distances covered. The cost determination process is initiated either upon request of an affected party or by the Energy Control Commission without a third-party request.

The system of regulated network access under the Austrian Gas Act does not fully apply to the transit of gas through Austria. Companies wishing to transit gas through Austria must apply for transit capacity with the respective transmission system operators, such as OMV Gas GmbH, or other holders of transmission capacity, such as the Trans Austria Gasleitung GmbH and Baumgarten-Oberkappel Gasleitungsgesellschaft mbH, and enter with them into transit agreements. System access must be granted on non-discriminatory terms and transmission system operators must avoid improper practices or unfair restrictions. In particular, transmission system operators are prohibited from applying different contractual terms among shippers unless objective technical or economic reasons warrant unequal treatment and the terms are set on a proper cost-related basis. The Austrian Gas Act further provides that contractual terms must not threaten security of supply and quality of services. The Austrian Gas Act provides for "legal unbundling" of all integrated natural gas companies, which means that transmission and storage system operations must be separated from gas supply and sales activities with respect to legal form, organization and decision making. The Austrian Gas Act also requires gas storage

system operators to allow third parties access to their gas storage facilities. While gas storage fees are generally freely negotiated among the parties, the Energy Control Commission may adjust the storage fee components if negotiated fees exceed average storage fees in the European Union. The Austrian Gas Act established three regulatory zones in Austria: zone East, which includes Vienna, Lower Austria, Upper Austria, Salzburg, Carinthia, Styria and the Burgenland, zone Tyrol and zone Vorarlberg. Each zone has its own system operator who is responsible for providing requested transmission capacities as well as services for systems, transmission system control schedule management, long-term planning, and congestion and balancing energy management. Finally, the Austrian Gas Act established a clearing agency for the gas industry, which tenders surplus gas for sale and collects offers for gas supply needs.

In August 2003, the second EC Gas Directive came into force, which aims at accelerating the liberalization of the gas markets in Europe. It contains common regulations for the market of natural gas and repeals the first EC Gas Directive (EC Directive 98/30/EC). Member states of the European Union were required to implement the new directive by July 1, 2004.

The most relevant aspects of the second EC Gas Directive are the following:

- member states must designate one or more operators for transmission, distribution and storage systems of natural gas and liquidized natural gas, or LNG;

- where a transmission system operator is part of an integrated business, the operator must be independent from other activities not relating to gas transmission and storage, at least in terms of its legal form, organization and decision making. Integration of transmission and storage system operations is permitted. These rules do not, however, create an obligation to separate the ownership of assets of the transmission system from the integrated business. The directive provides for a "functional separation", which means that persons responsible for the management of the transmission system operator may not participate in activities related, directly or indirectly, to the day-to-day operation of the production, distribution and supply of natural gas;

- member states are required to implement a system of third-party access to the transmission and distribution system, LNG facilities, storage facilities and upstream pipeline networks; access to the system is regulated; negotiated access is provided only for storage facilities as an alternative option to regulated access;

- transmission and storage system operators may refuse access to their system only (i) due to lack of capacity, (ii) where access would prevent them from carrying out their public service obligations or (iii) on the basis of serious economic and financial difficulties with take-or-pay contracts (in which case companies can apply for a derogation); and

- exemption from the general criteria of third-party access may be granted on a case-by-case basis in the case of major new gas infrastructures or significant increases of capacity in existing infrastructures.

Austria initially has not amended the Austrian Gas Act in order to specifically implement the second EC Gas Directive, because the Austrian Gas Act already fully complied with it. However, Austria amended the Austrian Gas Act as well as relevant oil sector legislation in implementing EC Directive 2004/67/EC on security of supply. As regards the implementation of above mentioned third energy liberalization package, in particular Directive 2009/72/EC must be transposed into national law by March 3, 2011 (with certain exceptions). For this purpose, the Austrian lawmaker intends to pass a new Austrian Gas Act (*Bundesgesetz, mit dem Neuregelungen auf dem Gebiet der Erdgaswirtschaft erlassen werden; Gaswirtschaftsgesetz 2011*) a draft of which (*Ministerialentwurf*) was published in January 2011. Following the unbundling requirements of Directive 2009/72/EC and provided that certain conditions are met, the draft allows for all four unbundling models: "ownership unbundling", ISO, ITO and ITO+. Transmission system operators must comply with the provisions on unbundling by March 3, 2012. Furthermore, in line with EC Regulation 715/2009/EC on conditions for access to the natural gas

transmission networks, an entry/exit market model, inter alia for the calculation of tariffs for access to transmission systems, is introduced under the draft of the new Austrian Gas Act.

Regulation of the oil sector

Unlike the gas sector, European and Austrian oil markets are regulated only to a limited extent.

According to the Austrian Mineral Resources Act and certain provisions of the European Energy Charter Treaty, to which Austria is a party, all hydrocarbons existing in their natural condition in strata in Austria are the property of the state. Exploration, production and storage activities require a contract with the Republic of Austria, exploration permits, production concessions and storage permits. These are granted by the Austrian federal authorities (with respect to hydrocarbons, typically the federal Ministry for Economic Affairs and Labor) on a case-by-case basis and against payment of royalties. Royalties for hydrocarbons production are specified by law. They currently range from 2% to 14% for oil and 7% to 19% for natural gas based on the annual average import price of the resource. Certain additional royalties for exploration, production and subsurface storage activities are currently not statutorily predetermined, but fixed in the contract with the government. Licensees are entitled to use subsurface hydrocarbons deposits as storage facilities.

Transmission of crude oil and refined products through Austria is not directly affected by any specific Austrian regulation. The European Energy Charter Treaty addresses transmission of energy resources that cross at least two national borders. According to the treaty, signatory states are required to provide non-discriminatory freedom of access to oil transmission grids that are used for transnational oil transit and to implement measures against price discrimination in such oil transports. Access must be granted on a non-discriminatory, most-favored-nation basis that grants equal conditions to all transnational carriers.

According to the Austrian Pipeline Act, construction and operation of an oil pipeline requires a concession, which is generally granted for an unlimited period of time. In order to obtain a concession, applicants must grant interested third parties certain share of prospective transmission capacity which may result in a need to increase the capacity of the planned pipeline. After completion of the pipeline, access may be granted only on a negotiated basis, on the terms set by the pipeline operator.

In accordance with EC Directive EC 68/414/EEC, as amended by EC Council Directive 98/93/EC, the Austrian Act on the Maintenance of Minimum Stocks of Crude Oil and/or Petroleum Products (*Erdöl-Bevorratungs- und Meldegesetz 1982*) requires any importer of crude oil or petroleum products to maintain minimum reserves of 25% of the stocks imported by it in the preceding calendar year less the quantities of crude oil and petroleum products exported by it during that period (which is the equivalent to the prospective consumption for 90 days). Importers can comply with these obligations by either storing such reserves in their own facilities or by contracting out such duties to third parties (such third parties have to obtain a permit by the Federal Ministry of Economic Affairs). All reserves must be stored to be readily available for immediate emergency use. All importers and storage companies are required to report detailed information about imported reserves, such as capacity, location or type of energy product, to the federal Ministry for Economic Affairs on a regular basis and maintain documentation on such matters.

The legal requirements for the maintenance of emergency reserves of crude oil and/or petroleum products have been amended in 2006 in implementation of the Security of Supply-Dirctive 2004/67/EC. Since a further amdendment in 2008, the emergency reserve also includes biofuels and raw materials for the direct production of biofuels.

Romania

Regulation of the oil sector

The Romanian oil market is subject to regulation. Oil related upstream activities (e.g. exploration, development and production) are mainly regulated through the Petroleum Law no. 238/2004 (the

“Petroleum Law”) and the subsequent norms issued in its implementation (approved through Government Decision no. 2075/2004). Pursuant to the Romanian constitution and the Petroleum Law, all natural resources including oil resources are the exclusive property of the Romanian state. Oil related operations may only be performed by Romanian or foreign legal entities within the perimeters established by the regulatory authority.

The legal entities interested in obtaining the right to perform oil related operations must be granted with specific oil concessions/permits/licenses by the National Agency for Mineral Resources, the authority regulating and supervising petroleum activities (such as exploration, development, exploitation, storage, transmission, transit, etc.) in Romania. Concessions are awarded by way of public tender for a term of 30 years, with the possibility of extension for another 15 years. The National Agency for Mineral Resources may also grant prospecting permits allowing the holder to undertake exploration activities in a specific concession block for a maximum period of three years. The concession takes the form of a petroleum agreement (*acord pertrolier*) concluded between the National Agency for Mineral Resources and the Romanian or foreign legal entity being awarded the public tender. The concession’s entry into force is subject to governmental approval. The holder of the concession pays a petroleum royalty for the entire duration of the concession, the percentage of the royalty being determined in consideration of the type of activity to be undertaken (i.e. production, transit, transport or storage). Currently, the oil royalty payable for the performance of oil production activities ranges between 3.5% and up to 13.5% or the value of the extracted oil quantities.

Pursuant to Government Emergency Ordinance no. 54/2008 regarding the establishment and maintenance of minimum safety stocks for oil and crude oil, the level of the stocks, the allocation thereof between the National Administration of State Reserves and the legal entities and other aspects related to storage must each year be determined by a government decision. For 2008, for instance, Petrom was appointed as the legal entity having the obligation to maintain crude oil stocks and to store part of the reserves kept by the National Administration of State Reserves.

The Romanian legal framework differentiates between transport and transit of oil. The transport of oil through the national transport system is a public service of national interest. Conpet SA is the common transport operator under the Petroleum Law, having the necessary concession. The common transport operator has the obligation to ensure non-discriminatory treatment for all clients (except for specific cases regulated by law in which it may refuse access to the transportation system) and performs the oil transport on the basis of tariffs regulated by the National Administration of State Reserves. According to the Petroleum Law, the national oil transportation system is public property of the state and the right to use it requires a concession awarded in a public tender procedure. Investments accomplished using the concessionaire’s own resources in view of operating the national oil transportation system (such as modernization and development of the transportation system) are deemed to be assets in the public property of the state and must be returned to the Romanian state upon termination of the concession agreement.

Pursuant to the provisions of the Petroleum Law, the transit of petroleum through Romania is performed through the main pipelines on a contractual basis, observing both national and international legal provisions. The transit agreements are to be negotiated by the entities designated by the Romanian state with the correspondent entities in the involved states, based on contractual terms established through a mandate by the relevant authorities. Such agreements may not include unjustified restrictive conditions that may endanger the security of supply and the quality of services.

Regulation of the gas sector

Romania implemented the second EC Gas Directive (EC Directive 2003/55/EC) through the Natural Gas Law no. 351/2004, which is complemented by secondary regulations adopted either through government decisions or through orders of the responsible regulatory authority. Based on the Natural Gas Law no. 351/2004 and the Government Decision no. 638/2007 regarding the full opening of the electricity and natural gas market, the natural gas market was liberalized.

The principles underlying the functioning of the natural gas market in Romania take into account (i) the

promotion and assurance of competition on the natural gas market; (ii) full freedom of eligible consumers to choose their natural gas supplier, based on negotiated sale-purchase agreements for natural gas; (iii) free access of the participants to the natural gas market to natural gas transport, underground storage and distribution systems; (iv) public service obligations regarding transport, underground storage and distribution of natural gas; and (v) undiscriminating treatment of market participants. However, the implementation of such rules by the market operators as well as the current administrative practice of the relevant authorities requires further alignment with the legal framework of the EU.

Currently, according to the Natural Gas Law no. 351/2004, the natural gas market is divided into two segments: the competitive segment and the regulated segment. The competitive segment of the market refers to the trading of natural gas between suppliers as well as between suppliers and eligible consumers. In the competitive segment prices are freely formed, based on demand and supply and on competition mechanisms. The regulated segment of the market consists of regulated supply to final customers based on framework contracts and also comprises the following natural monopoly activities: management of commercial contracts and contractual balancing of the internal market, natural gas transmission, underground storage, distribution, transit, except for the transit carried out through dedicated major pipelines, based on regulated tariffs. For this segment of the market, the tariff and price systems are set by the regulatory authority. Pursuant to the EC Gas Directive as implemented through the Natural Gas Law no. 351/2004, starting from July 1, 2007, entities performing regulated activities in the natural gas sector have the obligation to ensure the legal and functional unbundling of the regulated activities from other activities in the sector.

Generally, persons acting in the natural gas market have to obtain the relevant authorizations, licenses and concessions, as the case may be, either from (i) the natural gas market regulatory authority – the National Energy Regulatory Authority – as regards most of the authorizations and licenses, (ii) the Ministry of Economy as regards concessions for the distribution and transmission services and related assets and (iii) the National Agency for Mineral Resources as regards the concession for the natural gas storage and extraction activities and related assets.

Turkey

Because Turkey applied for membership in the European Union, its energy legislation has been amended in the last decade so as to show a significant resemblance to the European energy legislation.

Regulation of the oil sector

OMV is engaged in the distribution, transportation, and storage of oil products as well as LPG storage through Petrol Ofisi and its subsidiaries. These activities are regulated among other laws by the Petroleum Market Law, the Petroleum Market License Regulation and the LPG Market Law.

Distribution and storage

Distribution activity is defined as the sale and supply of oil products to dealers including wholesale and supply of oil to eligible consumers. Storage activity is defined as the storage of oil products and LPG owned by another individual or legal entity in order to meet such third person's stock and operation needs. Petrol Ofisi holds distribution and oil and LPG storage licenses and its subsidiary Erk holds distribution licenses granted by EMRA, which is the competent regulatory authority for electricity, natural gas, LPG and the oil sector in general, including, downstream petroleum activities in Turkey. Moreover, Petrol Ofisi holds dealership licenses, LPG auto-gas retail licenses, and a LPG tube inspection, repair and maintenance license. The operations of Petrol Ofisi are subject to monitoring and supervision of EMRA. Although the prices in the oil market are principally freely determined, EMRA may, from time to time, intervene in the market by determining minimum or maximum price limits, which are valid for a maximum period of two months which can be extended by EMRA upon expiry.

In the Turkish oil market two types of price tariffs – fixed and capped tariffs – are applied. Fixed tariffs prescribe the exact price that must be paid per unit in consideration of delivery or performance of a

service. Capped tariffs refer to the maximum amount that may be charged per unit in consideration of delivery or performance of a service. Distributors and refining license holders must determine prices by capped tariffs, considering the prices applicable in markets close to Turkey. Dealers with stations must comply with the prices announced on their sign-boards. Storage license holders must determine prices by fixed tariffs. These fixed tariffs must be approved by, or notified to, EMRA in order to become effective: Storage license holders operating a storage unit not connected to transmission lines must only notify EMRA of and subsequently announce their tariffs, while storage license holders operating a storage unit connected to transmission lines must obtain the approval of EMRA before applying their tariffs. Approved tariffs are valid until they are amended or suspended; should the submitted tariff not be approved, the previous tariff remains in force. Transmission licensees are also required to obtain EMRA approval for their tariffs, whereas the tariffs of refining and distribution licensees are effective upon notification to EMRA.

A storage license holder cannot refuse to store another party's goods, if certain requirements, including storage capacity and technical adequacy of the storage unit, nature of the oil product and payments based on the tariffs, are met. In order to ensure security of supply and prevent the circulation of illicit and out-of-standard products, the addition of a national marker into liquid fuel by refineries, distributors and bunker license holders, is mandatory. Such addition must be effected at the refinery exit, customs entry or prior to being subject to commercial activity. The Petroleum Market Law implements the concept of "national oil stock". Refinery, fuel-oil and LPG distribution license holders must store at least 20 times of the daily average product amount supplied by them in their or in any other licensed storage facilities. Daily average product amount to be considered in calculation of national oil stock is calculated by dividing the previous period's distribution projection by 360. A distribution license holder's national storage requirement cannot be lower than 3,300 tonnes.

Since 2008, there is no limitation on the import of oil products, provided that the respective license (e.g. distribution license or refinery license) is obtained. Import of oil products by a distributor is limited to those products that are included in the distributor's license and must be notified to EMRA. In principle, trade of crude oil in Turkey can only be conducted by refinery and production licensees. Distributors must exclusively sell fuel-oil to their own dealers; sales to another distributor's dealers are permitted only in the event that activities of such distributor are temporarily ceased. Moreover, inter-distributor sale of fuel-oil (i.e. sale by a distributor to another distributor) is allowed if specifically permitted by EMRA. Such permission may be granted for a maximum of one year. As to market share restrictions, any distributor's market share must not exceed 45% and no distributor may sell more than 15% of its products through its own stations.

Transmission and transportation

Transmission is the transportation of petroleum through pipelines excluding pipelines between producers and refineries. Transportation activity, on the other hand, refers to the transportation of petroleum by transportation vehicles as opposed to pipelines. Petrol Ofisi also holds both transportation and transmission licenses. Transmission tariffs must be approved by EMRA. As it is the case in storage operations, unless a transmission license holder lacks the sufficient capacity, it cannot refuse to provide transmission services to another party, if certain requirements, including technical adequacy of the transmission unit, nature of the oil to be transmitted and payments on the tariffs, are met.

Refining

Refining is processing of crude oil in order to obtain new products. In 2007, Petrol Ofisi has established a subsidiary company, Petrol Ofisi Akdeniz Rafinerisi Sanayi ve Ticaret A.Ş. ("POAR") to engage in the refining of oil in Ceyhan, Adana which is a port on the Southeastern Mediterranean coast of Turkey known as an important transportation hub for the oil reserves in the region as it is a destination for important oil pipelines such as the Baku-Tblisi-Ceyhan and Kirkuk-Ceyhan oil pipelines (and the planned Samsun-Ceyhan oil pipeline). POAR applied to EMRA for the refinery license upon its establishment. In December 2008, during the application process in a stage where preliminary preparations (such as the environmental impact assessment report) were made, the Petroleum Market License Regulation was amended. The amendment provides that if there is more than one license

application of different investment types, e.g. electricity generation and refining or storage investments, for the same location, the application for the electricity generation license, which will be consuming the resources available in that particular location, will have priority over other license applications. POAR, which applied for a refining license, has initiated a lawsuit before the Council of State to annul the above provision, however, in the meantime an electricity generation company, Diler Elektrik Üretim A.Ş., applied for an electricity production license for the location in question. In 2009, the Council of State decided on a stay of the implementation of the disputed provision, until a final decision is reached. It is doubtful whether POAR will be granted a refinery license for the location in question, even if the case is won, due to a possible conflict with the acquired rights of Diler Elektrik Üretim A.Ş. EMRA has only granted one refinery license in Ceyhan, the construction of which could not yet be started due to problems with regional zoning ordinances. Other applications are still pending before EMRA.

Regulation of the gas sector

LNG transmission and wholesale of natural gas

The natural gas market activities in Turkey are regulated by the Natural Gas Market Law and the relevant regulations based thereon, which defines "transmission" as the delivery of natural gas by gas pipeline networks or LNG transportation vessels, excluding gathering lines allocated to exploitation and distribution network lines. Petrol Ofisi's subsidiaries, Petrol Ofisi Gaz İletim A.Ş. and Petrol Ofisi Alternatif Yakıtlar Toptan Satış A.Ş., hold licenses for LNG transmission and wholesale of natural gas, respectively. Petrol Ofisi Arama Üretim Sanayi ve Ticaret A.Ş. has also obtained a wholesale license in 2009. An expected amendment of the Natural Gas Market Law, a draft of which has not been published yet, may render certain information provided in this chapter incorrect in the near future.

LNG transmission license holders may engage in the transportation of LNG within Turkish territory and territorial waters. LNG transmission licensees are required to conduct the LNG filling, transportation and delivery activities in accordance with the applicable legislation and regulations. LNG transmission licensees are responsible for planning, constructing, supplying and/or operating the transportation vehicles and facilities in relation to LNG transmission activity in accordance with standards determined by applicable legislation and regulations. Transmission of natural gas is under the monopoly of BOTAŞ, a system operator company owned by the state.

Wholesale license holders may engage in purchasing natural gas from production companies, import companies and/or other wholesale companies and sell it to export companies, eligible consumers, compressed natural gas sales companies, import companies, distribution companies and/or other wholesale companies in Turkey. A wholesale company may also engage in importation activities, provided that it waives its wholesale license and its wholesale license is converted into an importation license.

Separate licenses are required for each activity in the natural gas sector. Companies in the natural gas market may obtain more than one license. However there are certain market and activity restrictions. Wholesale license holders cannot engage in distribution or transmission activities and may not participate in companies engaged in such.

As to general market limitations, the annual amount of natural gas sold by a wholesale license holder must not exceed 20% of Turkey's estimated consumption for the respective year, as determined by EMRA. Import companies must not import natural gas in excess of 20% of Turkey's estimated consumption for such year. The annual amount of natural gas sold to eligible consumers by a production company must not exceed 20% of Turkey's estimated consumption for the year; however the remaining amount of the produced natural gas may be sold in the market through import, distribution or wholesale companies. The estimated consumption for 2011 was determined at 39 billion m^3.

Furthermore, a natural gas license holder may not participate in any company engaging in the same field of activity, however, it may participate in one existing company engaged in a different field in the gas market, provided that no separate company is established.

However, such participation must not result in the natural gas license holder

- to own, directly or indirectly, more than half of the other company's share capital or assets,
- to hold more than half of the voting rights in the other company,
- to be entitled to appoint a majority of either the other company's members of the board of directors, of its internal statutory auditors or of its other representative bodies, or
- to have the right to otherwise manage such other company.

Share transfers exceeding certain thresholds (i.e. directly or indirectly 10% of the shares in a company, or 5% in a listed company) as well as share transfers, as a result of which the shareholding of an existing shareholder exceeds or falls below 10% of the share capital of the relevant company, are subject to EMRA's prior approval. Such restrictions are also applicable to voting agreements and share pledge agreements. Moreover, issuance or cancellation of privileged shares, the issuance of usufruct certificates and mergers of one or more license holders are also subject to EMRA's approval. Furthermore, an aggregation rule is applied, according to which the following shares are deemed to be owned by one person:

- the shares and other rights held by a shareholder in the license holder company, or his/her spouse and/or children; or held by the companies in which such persons are in the management or audit committees; or have an unlimited liability; and
- the shares and other rights held by a company in which the above mentioned persons, directly or indirectly, hold a stake of 25% or more.

Wholesale prices are freely determined by the parties to the transaction provided that such prices are in conformity with the tariffs approved by EMRA, are not a result of abuse of dominant position and ensure the security of the natural gas supply. The prices for transmission activities are determined by EMRA in accordance with the Natural Gas Market Tariffs Regulation after receipt of tariff proposals from license holders. For the calculation of the transmission prices EMRA uses the income ceiling method according to which prices are determined in a way to ensure the transmission company to cover for its costs and continue its investment.

License holders, operating under more than one license or operating in more than one premise must keep separate accounts for each activity and/or premise. Furthermore, cross-subsidizing between different activities under different licenses or activities operated in different premises is not allowed.

Exploration and production

In September 2008, Petrol Ofisi has established its subsidiary Petrol Ofisi Arama Üretim Sanayi ve Ticaret A.Ş. ("PO Arama") to engage in the exploration and production of hydrocarbons. On January 8, 2009, PO Arama bought shares totaling 26.75% out of 36.75% in the South Akçakoca sub basin project from Tiway Turkey Ltd. (previously Toreador Türkiye Ltd. Şti.), which is engaged in the exploration of natural gas in the Black Sea, allowing PO Arama to participate in the respective exploration licenses.

Exploration and exploitation of hydrocarbons is subject to the Petroleum Law and the General Directorate of Petroleum Affairs (the "GDPA") is the regulatory authority for oil and gas upstream activities. However, the Natural Gas Market Law regulates the sale of natural gas by production companies. Accordingly, production companies may engage in sale of natural gas provided that a wholesale license is obtained. In this respect, after having obtained a wholesale license, a production company may engage in selling natural gas to other wholesale companies, import or export companies, distribution companies, compressed natural gas sale, transmission and distribution companies and eligible consumers.

There are some area restrictions with regard to the exploration and exploitation fields and obligations arising from the conduct of exploration and exploitation activities. In this regard, an exploration field may not be larger than 50,000 hectares and an exploitation field may not be larger than 25,000 hectares. Each legal entity may only hold a maximum number of eight exploration licenses in one petroleum district. The aggregate size of the exploitation fields held by one entity in one region (oil and gas regions are determined by the GDPA and/or the Council of Ministers) may not exceed eight and the aggregate size of these fields may not exceed 150,000 hectares. Again, an aggregation rule is applied, according to which a legal entity holding a stake of 25% or more or having managerial rights in another legal entity is considered as being the same entity as the other. For each hectare a certain "state interest" determined for each year of operation, must be paid during exploration and exploitation phases. Furthermore, payment of a "state participation" corresponding to the value of one-eighth (1/8) of the natural gas produced is mandatory. The GDPA may require the state participation in cash or also in kind, the latter, however, not being common practice. The term of an exploration license is four years for on-shore exploration areas, such term being extendable by the GDPA by two years. Moreover, at the end of the second year of the extension, the Council of Ministers may grant a second extension for a maximum of two years. The total term of an exploration license may not exceed eight years for on-shore exploration areas. If petroleum is discovered prior to the expiration of the exploration license and the remaining term is not sufficient for the development of the discovery, the term of the exploration license may be extended for a maximum period of three years, starting from the date of the discovery. The license term and extension periods stated above for on-shore exploration areas may be increased by 50% for off-shore exploration areas. The term of an exploitation license is twenty years and may be extended twice by the Council of Ministers for a maximum term of ten years per extension. Therefore, the maximum term of an exploitation license is forty years under the current regime. An expected amendment of the Petroleum Law may render certain information provided in this chapter incorrect in the near future.

Environment

Environmental issues in Turkey are mainly regulated by the Environmental Law and its secondary regulations. Furthermore, the Petroleum Market Law and the Natural Gas Market Law explicitly oblige license holders to take the necessary measures in order not to pollute the environment. Petroleum license holders must insure the potential damages they may cause to other parties. Such insurances partially also cover environmental damages.

Under Turkish law, depending on their field of activity, companies are subject to different environmental regulations. Industrial activities and certain other environmentally sensitive activities are, as a rule, subject to a prior environmental impact assessment and require clearance. The establishment of oil refineries and the transmission of oil or natural gas through pipelines with a length of more than 40 kilometers and a diameter of more than 600 millimeters, require the preparation of an environmental impact assessment report. The establishment of oil and natural gas storage premises with a capacity of 500 to 50,000 m^3 requires an assessment whether an environmental impact assessment report is needed, except in connection with retail sale stations.

Industrial units discharging water to water sources such as sea, lakes and rivers or into wastewater infrastructure systems must obtain a discharge permit; likewise, units whose operations fall under the scope of the relevant regulation must obtain an emission permit for the operation phase of the facility. In addition, a noise control permit or other additional environmental permits may be required, depending on the activity. Moreover, handling of waste and hazardous chemicals is extensively regulated under the regulations based on the Environmental Law. Environmental permits are, in principle, issued by the Ministry of Environment.

The Environmental Permit and License Regulation was introduced on April 1, 2010, with the aim of setting forth the procedures related to obtaining the permits and licenses required under the Environmental Law. Accordingly, the environmental permit and license represents a unified umbrella certificate that covers both the environmental permit (including emissions, discharge, noise control, deep sea discharge and hazardous waste discharge) and the environmental license (signifying the

technical sufficiency in relation to the collection, recycling and disposal of wastes). Under the Environmental Permit and License Regulation, oil or natural gas storage facilities, which fall within the scope of the annexes of such regulation, are deemed as having the greatest environmental pollution effect, and are therefore required to obtain either an environmental permit or an environmental permit and license. The Environmental Permit and License Regulation also provides for various grandfathered provisions allowing for a transitional period in which companies may upgrade their facilities or make environmental changes in order to be fully compliant with the Environmental Permit and License Regulation, within a given timeframe. In this respect, companies that have obtained environmental permits (e.g. emission permit, discharge permit) separately pursuant to the specific regulations which were in place prior to the adoption of the Environmental Permit and License Regulation must apply for an environmental permit and/or environmental license within 30 days before the expiry date of the current environmental permit. Further, holders of indefinite term permits must apply for an environmental permit or environmental permit and license within two years from the effective date of the Environmental Permit and License Regulation (April 1, 2012).

The Environmental Law provides for the imposition of administrative monetary fines in case of incompliance with the above regulations together with other measures such as the termination of the relevant facility's activities in the event of material and persistent breaches of the Environmental Law. Environmental issues are also regulated in the Turkish Penal Code, which provides for imprisonment in case of willful pollution of the environment. Accordingly, the willful pollution of soil, water or air through discharge of waste and/or debris will be punished by imprisonment from six months to two years and such penalty may be doubled if the pollution has a permanent effect. In case of pollution by negligence, judicial monetary fines may be imposed.

MANAGEMENT AND CORPORATE GOVERNANCE

General

The Company has a two-tier board structure, consisting of a Management Board (*Vorstand*) and a Supervisory Board (*Aufsichtsrat*). The Management Board is responsible for the executive management and represents the Company towards third parties. The Supervisory Board is responsible for supervising the management and internal controls of the Company. Members of the Management Board are appointed by the Supervisory Board. Members of the Supervisory Board are elected by the Shareholders' Meeting (*Hauptversammlung*). Under Austrian co-determination rules, the Company's works council has a right to delegate one third of the Supervisory Board members. The corporate bodies of the Company are bound by applicable Austrian law, the Articles of Association of the Company (*Satzung*), the rules of procedure for the Management Board (*Geschäftsordnung für den Vorstand*), as unanimously adopted by the Management Board and approved by the Supervisory Board, and the rules of procedure for the Supervisory Board, as adopted by the Supervisory Board, and are in compliance with the Austrian Code of Corporate Governance (the "CGC"). The following is a summary of the most important provisions of the legal framework.

The members of the Management Board and Supervisory Board may be contacted at the Company's business address at Trabrennstraße 6-8, A-1020 Vienna, Austria.

Management Board

Appointment, duties and procedures of the Management Board

Members of the Management Board are appointed by the Supervisory Board for a maximum period of five years; re-appointment is possible. Pursuant to the Articles of Association, the Management Board consists of two to six members including substitute members. The Supervisory Board may remove a member of the Management Board prior to the expiration of its term for cause, such as gross negligence or deliberate breach of duty.

The Company is represented either by two members of the Management Board acting jointly, or by one member of the Management Board acting together with an authorized signatory holding a joint general power of attorney (*Gesamtprokurist*). Subject to statutory restrictions, the Company may also be represented by two authorized signatories.

The Management Board reports to the Supervisory Board at least annually regarding fundamental questions of future business policy as well as the future development of the assets, financial and earnings positions of the Company based on a forecast (yearly report). The Management Board reports to the Supervisory Board regularly, at least quarterly, on the course of the business, and the situation of the Company in comparison to the forecast and by taking into account the future development (quarterly report). The Management Board unanimously issues its rules of procedure including the allocation of responsibilities, which require the approval of the Supervisory Board. Should the Management Board not adopt it unanimously, the Supervisory Board would be competent for adoption. Resolutions of the Management Board are adopted by simple majority of the votes cast. In the case of a deadlock, the Chairman of the Management Board has a decisive vote. Further, resolutions of the Management Board are not effective if the Chairman of the Management Board objects.

The Management Board is not subject to legally binding instructions from the shareholders or from the Supervisory Board. Pursuant to the Austrian Stock Corporation Act (*Aktiengesetz*) (the "Stock Corporation Act"), the Articles of Association and the rules of procedure for the Management Board, certain management measures or significant transactions require the prior consent of the Supervisory Board or one of its committees. A failure by the Management Board to obtain such consent does not affect the validity of the transaction, but may render the Management Board liable for damages. The consent of the Supervisory Board or committees of the Supervisory Board is required for material decisions including:

- determination of general principles of the Group's business policy;
- acquisition and disposal of participations;
- acquisition, disposal and closing down of companies and businesses exceeding certain thresholds pursuant to the rules of procedure for the Management Board;
- acquisition, disposal and encumbrance of real estate exceeding certain thresholds pursuant to the rules of procedure for the Management Board;
- adoption of the Group's annual budget and investment plan;
- investments exceeding certain thresholds;
- establishment or closing down of certain lines of business and production methods;
- issuance of bonds or conclusion of loan or credit agreements if they exceed certain thresholds;
- granting of loans and credits or assumption of liabilities of third parties, each outside of the ordinary course of business, and exceeding certain thresholds;
- establishment or closing down of branch offices;
- conclusion of contracts with Supervisory Board members or companies in which a member of the Supervisory Board has a considerable economic interest relating to the performance of services outside their respective scope of activities as Supervisory Board members for the Company or a subsidiary for remuneration which is not insignificant.

Members of the Management Board

Currently, the Management Board consists of the following five members:

Name	Position	Year first appointed	Year current term expires
Mr. Gerhard Roiss	Chairman and Chief Executive Officer	1997	2014
Mr. David C. Davies	Vice-Chairman, Chief Financial Officer	2002	2014
Mr. Werner Auli	Member, responsible for G&P	2007	2014
Mr. Jacobus Gerardus Huijskes	Member, responsible for E&P	2010	2015
Mr. Manfred Leitner	Member, responsible for R&M including petrochemicals	2011	2014

Source: Internal data.

Mr. Gerhard Roiss

Mr. Gerhard Roiss was born in 1952. After studying economics in Vienna, Linz and Stanford, USA, he held various managerial positions in the consumer goods industry. In 1990, he joined OMV and headed the Group marketing department. In the same year he was appointed to the management board of PCD Polymere where he became CEO in March 1997. In September 1997, Mr. Roiss became a member of OMV's Management Board in charge of plastics operations and E&P. Since April 2011, he is the Chairman and Chief Executive Officer of the Management Board.

Mr. David C. Davies

Mr. David C. Davies was born in 1955. From 1975 to 1978, he studied economics at Liverpool University. From 1978 to 1981, he was trained at Touche Ross & Co, Liverpool to become a chartered accountant. From 1982 to 1999, he held positions at a number of international companies, including Price Waterhouse in Italy, BOC Group Plc, Grand Metropolitan Plc in Germany and the United States,

The Walt Disney Company, and London International Group Plc. Immediately prior to joining OMV, he worked as finance director for Morgan Crucible Company Plc, a publicly-owned advanced materials group with operations in more than 45 countries. Since April 2002, he has been a member of the Management Board and Chief Financial Officer of OMV. Since April 2011, he has been the Vice-Chairman of the Management Board.

Mr. Werner Auli

Mr. Werner Auli was born in 1960. Mr. Auli joined OMV in 1987 after graduating from the Vienna University of Technology. From 1993 to 2000, he was managing director of AUSTRIA Mineralöl Ltd., from 2000 to 2002, managing director of OMV Cogeneration Ltd., from 2002 to 2004, managing director of EconGas GmbH, from 2004 on managing director of OMV Gas GmbH and since 2006 he has been CEO of OMV Gas & Power GmbH. Mr. Auli is a member of the Management Board and responsible for G&P since January 1, 2007.

Mr. Jacobus Gerardus (Jaap) Huijskes

Mr. Jacobus Gerardus Huijskes was born in 1965. He studied mechanical engineering and started his professional career with Shell. Within the Shell group, he held a range of engineering, petroleum engineering and economic positions and, most recently, the position of executive vice president, responsible for worldwide major upstream projects. He has worked and lived internationally in the U.K., Norway, Oman, Australia and Russia and joined OMV as a member of the Management Board, responsible for E&P, in April 2010.

Mr. Manfred Leitner

Mr. Manfred Leitner was born in 1960. He studied commerce at the Vienna University of Economics and Business and began his career with OMV (E&P division) in 1985. After several years as finance manager in Tripoli, Libya, he returned to Austria in 1990 to take charge of the financial control department of the E&P division. In 1997, he transferred to R&M and took over management responsibility for planning and controlling. In 2003, he became business unit manager for downstream optimization & supply. Since April 1, 2011, Mr. Leitner has been a member of the Management Board and responsible for R&M including petrochemicals.

Management compensation

The remuneration of the members of the Management Board comprises a fixed base salary that corresponds to the individual duties, and to the strategic and operating responsibilities of the Board members, as well as a variable component. Conformity with market rates is maintained by regular external benchmarking against relevant Austrian industrial companies and OMV's European peer group, taking into account the short- and long-term elements of the performance related components. The short-term incentives are bonus agreements based on the Group's earnings, profitability and growth targets; objectives are agreed for specific projects related to the implementation of OMV's growth strategy. The long-term incentives are provided by stock option plans, which the Company estimates to be on a par with those of companies of comparable size.

Compensation of the Management Board totaled EUR 12.2 million in 2010. It included:

Compensation Management Board in EUR thousand			**2010**		
	Fixed[1]	**Variable[2]**	**Pension[3]**	**Others[4]**	**Total**
Mr. Wolfgang Ruttenstorfer[5]	800	1,104	574	8	**2,486**
Mr. Gerhard Roiss	700	965	462	8	**2,135**
Mr. Werner Auli	600	755	132	8	**1,495**
Mr. David C. Davies	665	826	250	9	**1,751**
Mr. Jacobus Gerardus Huijskes	375	525	98	22	**1,021**
Mr. Helmut Langanger[6]	461	826	341	1,654	**3,282**
Total	**3,601**	**5,000**	**1,857**	**1,711**	**12,169**

(1) Fixed remuneration for 2010.

(2) Variable remuneration for 2010.
(3) Pension fund contributions in 2010.
(4) Benefits in kind (company car, accident insurance), reimbursed expenses and, in case of Mr. Langanger, severance pay for 2010 and benefits from stock options exercised.
(5) Chairman of the Management Board until April 1, 2011.
(6) Member of the Management Board until September 30, 2010.

Source: Audited consolidated financial statements as of, and for the year ended, December 31, 2010.

For options granted to the Management Board members see "*Stock option plan*".

Members of the Management Board are entitled to a company car and are covered by a directors' and officers' liability and legal expenses insurance (D&O). The premiums for such insurance are paid by the Company. The entire Supervisory Board and certain other OMV employees have the same coverage: as a joint insurance premium is paid, it is not possible to attribute these costs to the individual members of the Management Board.

All members of the Management Board are also entitled to a company pension. The payment of a company pension is conditional on the attainment of a given age which is normally the statutory retirement age, though there is also the option of early retirement on a reduced pension. The principles governing retirement benefits are on similar terms to those for other employees. The rules for severance payments due upon termination of Board members' employment contracts are based on length of service; there are no other termination entitlements. The Company has no obligations beyond these agreements. In 2010, the Group's pension-related payments to former members of the Management Board and their surviving dependents amounted to EUR 1.1 million.

Supervisory Board

Appointment, duties and procedures of the Supervisory Board

The Supervisory Board consists of at least six members elected by the Shareholders' Meeting plus the members delegated by the works council. In any case, the number of Supervisory Board members must not exceed 20. Pursuant to the Austrian Labor Constitutional Act (*Arbeitsverfassungsgesetz*), the Company's works council may delegate one member for every two members of the Supervisory Board elected by the Shareholders' Meeting, and, in the event of an uneven number of elected members, an additional works council member. Currently, the Supervisory Board consists of ten members elected by the Shareholders' Meeting and five members nominated by the Company's works council.

Unless a member was elected for a shorter term of office, the term of office of every member of the Supervisory Board elected by the Shareholders' Meeting runs until the close of that Shareholders' Meeting which votes on the discharge from liability for the fourth financial year after such election, not counting the financial year in which such election is effected.

The Shareholders' Meeting may remove any Supervisory Board member it has elected by a simple majority of the votes cast at a Shareholders' Meeting. Members of the Supervisory Board delegated by the works council can be removed only by the works council.

The Supervisory Board is responsible for supervising the management of the Company. Supervision is exercised by review, discussion and approval, as required, of reports prepared by the Management Board. In addition, the Supervisory Board may request reports on specific matters relating to the Company or the Group. Certain material decisions of the Management Board require prior consent of the Supervisory Board (see "*—Management Board—Appointment, duties and procedures of the Management Board*"). The Supervisory Board represents the Company in transactions with members of the Management Board and appoints and removes the members of the Management Board.

The Supervisory Board elects a Chairman and one or two Vice-Chairpersons. Members of the Supervisory Board may resign by written notice to the Chairman of the Supervisory Board. Such

resignation takes effect four weeks after receipt of such notice, save where it is announced that such resignation is to become effective at a later date. In the event an elected member resigns before expiry of his term, the next general Shareholders' Meeting may elect a replacement for the remainder of the term. In the event that the Chairman resigns during a term, the Supervisory Board shall immediately conduct an election to replace him. In the event that both elected Vice-Chairpersons resign during their term, the Supervisory Board shall immediately conduct an election to replace at least one Vice-Chairperson. The Supervisory Board issues its own rules of procedure (*Geschäftsordnung für den Aufsichtsrat*).

The Supervisory Board meets at least quarterly. At least one third of the, and in any event three, members of the Supervisory Board including its Chairman or one of its Vice-Chairpersons must be present at a meeting to constitute a quorum. Resolutions of the Supervisory Board are adopted by simple majority of the votes cast. In the case of a deadlock, the Chairman of the meeting casts the decisive vote.

Members of the Supervisory Board

The current members of the Supervisory Board are:

Name	Position(1)	Year first appointed	Year current term expires
Members elected by the Shareholders' Meeting			
Mr. Markus Beyrer	Chairman; also of the Pres. Com., Proj. Com., Audit Com. and Remun. Com.	2011	2014
Mr. Wolfgang C. Berndt	Vice-Chairman; also of the Pres. Com., Proj. Com., Audit Com. and Remun. Com.	2010	2014
Mr. Khadem Abdulla Al Qubaisi	Vice-Chairman; also of the Pres. Com., Proj. Com., Audit Com. and Remun. Com.	2010	2014
Ms. Alyazia Ali Saleh Al Kuwaiti	Member; also of the Pres. Com. and Proj. Com.	2008	2011
Mr. Helmut Draxler	Member; Audit Com.	1990	2014
Mr. Wolfram Littich	Member; Proj. Com. and Audit Com.	2001	2014
Ms. Elif Bilgi-Zapparoli	Member	2009	2014
Mr. Herbert Stepic	Member	2004	2014
Mr. Herbert Werner	Member; Audit Com.	1996	2014
Mr. Norbert Zimmermann	Member; Proj. Com. and Remun. Com.	2001	2014
Members delegated by the works council			
Mr. Leopold Abraham	Member; Pres. Com., Proj. Com. and Audit Com.	1998	n.a.(2)
Mr. Wolfgang Baumann	Member; Pres. Com. and Audit Com.	2004(3)	n.a.(2)
Mr. Franz Kaba	Member; Proj. Com.	1999	n.a.(2)
Mr. Ferdinand Nemesch	Member; Proj. Com. and Audit Com.	2003	n.a.(2)
Mr. Martin Rossmann	Member	2011	n.a.(2)

(1) Abbreviations: Pres. Com. = Presidential and Nomination Committee; Proj. Com. = Project Committee; Audit Com. = Audit Committee; Remun. Com. = Remuneration Committee.
(2) The term of the works council representatives is indefinite. However, works council representatives may be replaced by the works council at any time.
(3) Mr. Baumann was also a member of the Supervisory Board from 1998 to 1999.

Source: Internal data.

Members elected by the Shareholders' Meeting

Mr. Markus Beyrer

Born 1965. Education: law, University of Vienna; commercial science, Vienna University of Economics and Business Administration; Concours at the European Commission (successful candidate); postgraduate studies of European law, Danube University Krems; Stanford Executive Program, Stanford University Graduate School of Business.

Career: Permanent representation of Austria at the European Union 1994 – 1996 (attaché for industry and trade), Austrian Federal Economic Chamber 1992 – 1994 (member of the EU expert team), 1996 – 1999 (expert for European and international affairs, environmental policy department), 2002 – 2004 (director for economic affairs), Cabinet of the Austrian Vice-Chancellor 1999 - 2002, Cabinet of the Austrian Federal Chancellor 2000 – 2002, Federation of Austrian Industries (*Industriellenvereinigung*) (Director General) 2004 – March 2011.

Mr. Wolfgang C. Berndt

Born 1942. Education: economics, Vienna University of Economics and Business Administration.

Career: Procter & Gamble group 1967 – 2001).

Mr. Khadem Abdulla Al Qubaisi

Born 1971. Education: economics, United Arab Emirates University.

Career: Abu-Dhabi Investment Authority 1994 – 1999, IPIC since 2000 (managing director since 2007).

Ms. Alyazia Ali Saleh Al Kuwaiti

Born 1975. Education: financial accounting, Portobello College, Dublin, international business management, University of Wollongong, Dubai.

Career: GASCO Abu Dhabi Gas Industries Ltd 2003 – October 2007, IPIC since November 2007 (assistant manager, evaluation & execution, investment division).

Mr. Helmut Draxler

Born 1950. Education: technical chemistry, University of Technology, Vienna.

Career: ESG Linz AG 1989 – 1993 (CEO), ÖBB 1993 – 2001 (CEO), RHI 2002 – 2007 (CEO).

Mr. Wolfram Littich

Born 1959. Education: business administration, Vienna University of Economics and Business Administration; economics, University of Vienna.

Career: Major Austrian banks 1984 – 1997, Wiener Börse AG 1997 – 2000 (member of the management board), Bank Austria AG 2000 – 2001 (member of the management board), Allianz Elementar Versicherungs-Aktiengesellschaften since 2001 (CEO).

Ms. Elif Bilgi-Zapparoli

Born 1967. Education: business administration, Harvard Graduate School of Business Administration; economics and international relations, Brown University and London School of Economics and Political Science.

Career: Morgan Stanley 1989 – 1992, Goldman Sachs 1994 – 1998, Eurobank Tekfen since 2007 (member of the management board), EFG Istanbul securities since 2001 (chairwoman).

Mr. Herbert Stepic

Born 1946. Education: business administration and economics and commerce, Vienna University of Economics and Business Administration.

Career: Raiffeisen Zentralbank Österreich AG (since 1972, director since 1986, member of the management board since 1987, vice-chairman of the management board since 1995), Raiffeisen International Bank-Holding AG/Raiffeisen Bank International AG since 2001 (CEO).

Mr. Herbert Werner

Born 1948. Education: School of International Trade, Vienna, business administration, Vienna University of Economics and Business Administration.

Career: WKG Wasserkraftwerke GmbH 1981 – 1986 (managing director), IGV Investitionsgütervermietung GmbH 1981 – 1986 (managing director), Österreichische Länderbank 1987 – 1992 (managing director), HCW Vermögensverwaltungs GmbH since 1994 (managing partner).

Mr. Norbert Zimmermann

Born 1947. Education: business administration, Vienna University of Economics and Business Administration.

Career: Böhm Ges.m.b.H. 1978 – 1986 (CEO), Berndorf Metallwaren Ges.m.b.H. 1986 (CEO), Berndorf Aktiengesellschaft 1988 (management buy-out, since then co-owner and CEO until 2008).

Members delegated by the works council

Mr. Leopold Abraham

Born 1947. Education: locksmith and welder, Pauker-Plants Mechanical Engineering, Technical College Vienna.

Career: OMV Aktiengesellschaft 1969 (technician, since 1980 executive employee), OMV Aktiengesellschaft 1998 – 2004 (chairman of the company works council and chairman of the European works council), ARGE – ÖIAG 2002 (chairman), OMV Austria Exploration & Production GmbH since 2004 (chairman of the works council), OMV Aktiengesellschaft since 2004 (chairman of the group works council and chairman of the European works council), coordination of European and international cooperation of the union of salaried private sector employees (GPA) since 2005 (chairman).

Mr. Wolfgang Baumann

Born 1958. Education: philosophy and law, University of Vienna.

Career: University of Vienna, Institute of Constitutional and Administrative Law 1980 – 1984 (assistant professor), Manz Publishing 1984 – 1986 (head of editorial office, law and seminars), OMV Aktiengesellschaft since 1986 (1986 – 1991 legal counsel, 1991 – 1996 deputy head of insurance department, 1996 – 1999 chairman of works council, 1999 – 2000 project development, 2000 – 2002 legal department, 2002 – 2011 head of corporate legal advisory and since 2011 senior advisor).

Mr. Franz Kaba

Born 1953. Education: mechanical and motorcar engineering, Technical College Vienna.

Career: ÖAF Gräf & Stift 1973 (technical employee), VÖEST-Alpine 1975 (technical employee), OMV Aktiengesellschaft 1981 – 1999 (technical employee), OMV Aktiengesellschaft 1999 – 2004 (member of the company works council and chairman of the works council Vienna), OMV Aktiengesellschaft since 2004 (vice-chairman of the group works council), OMV Refining & Marketing GmbH since 2004 chairman of the works council).

Mr. Ferdinand Nemesch

Born 1951. Education: carpenter, professional's certificate (*Meisterprüfung*)

Career: OMV Aktiengesellschaft 1971 (technician), OMV Aktiengesellschaft 1979 (works council, from 1988 vice-chairman of the works council, since 2004 chairman of the works council), OMV Refining and Marketing GmbH 2004 (chairman of the group works council), OMV Aktiengesellschaft since 2004 (vice-chairman of the group works council and of the European works council).

Mr. Martin Rossmann

Born 1970. Education: business administration studies, Social Academy of the Austrian Chamber of Labor.

Career: OMV Group since 1992 (1991 – 1992 lubricants division, 1992 – 2000 business development and strategic controlling, 2000 – 2003 staff division energy, coordination, projects and since 2004 chairman of the employees' council of OMV Solutions GmbH).

Committees of the Supervisory Board

According to the Articles of Association, the Supervisory Board may establish committees that may be granted decision powers. Committees can be established permanently or for specific tasks.

The Supervisory Board has established a Presidential and Nomination Committee (*Präsidial- und Nominierungsausschuss*), an Audit Committee (*Prüfungsausschuss*), a Project Committee (*Projektausschuss*) and a Remuneration Committee (*Vergütungsausschuss*).

Works council delegates may be represented in committees in proportion to their representation on the Supervisory Board (except for meetings of the Remuneration Committee which deal with the relations between the Company and the members of the Management Board other than the appointment and revocation of Management Board members and the granting of options for shares of the Company).

A committee has a quorum if at least three members, including the committee chairman or vice-chairman, attend the meeting. The Supervisory Board determines the internal rules of procedure for the committees.

Presidential and Nomination Committee

The Presidential and Nomination Committee is empowered to take decisions on matters of urgency. The Supervisory Board may transfer other duties and powers of approval to the Presidential and Nomination Committee on an ad hoc or a permanent basis. The Presidential and Nomination Committee makes proposals to the Supervisory Board for the appointment or replacement of Management Board members and deals with succession planning. It also makes recommendations to the Shareholders' Meeting for appointments to the Supervisory Board.

The current members of the Presidential and Nomination Committee are Mr. Beyrer (chairman), Mr. Berndt (vice-chairman), Mr. Al Qubaisi (vice-chairman), Ms. Al Kuwaiti, Mr. Abraham and Mr. Baumann.

Audit Committee

The Audit Committee is responsible for the audit and preparation of the approval of the financial statements and consolidated financial statements of the Company, the preparation of a proposal for the distribution of profits and the review of the management report. Furthermore, the Audit Committee prepares the proposal for the election of the Company's auditor by the Shareholders' Meeting.

One member of the Audit Committee must be a financial expert with special knowledge and practical experience in finance and accounting and reporting (*Finanzexperte*). Persons who were members of the Management Board, executives or auditors of the Company or persons having certified the consolidated financial statements of the Company within the last three years may not be financial expert or chairman of the Audit Committee.

The current members of the Audit Committee are Mr. Beyrer (chairman), Mr. Berndt (vice-chairman), Mr. Al Qubaisi (vice-chairman), Mr. Littich, Mr. Draxler, Mr. Werner, Mr. Abraham, Mr. Baumann and Mr. Nemesch. Mr. Littich was appointed as financial expert *(Finanzexperte)* on March 23, 2010.

Project Committee

The Project Committee prepares complex decisions of key importance in cooperation with the Management Board in matters which are assigned to it by the Supervisory Board. The Project Committee discusses with the Management Board in particular the strategic focus of OMV and its current position and reports on these decisions and any proposals to the Supervisory Board.

The current members of the Project Committee are Mr. Beyrer (chairman), Mr. Berndt (vice-chairman), Mr. Al Qubaisi (vice-chairman), Ms. Al Kuwaiti, Mr. Littich, Mr. Zimmermann, Mr. Abraham, Mr. Kaba and Mr. Nemesch.

Remuneration Committee

The Remuneration Committee deals with all aspects of remuneration of Management Board members and their employment contracts. The committee is empowered to conclude, amend and terminate the employment contracts with Management Board members, and to take decisions on the award of bonuses (variable compensation components) and other such benefits to Management Board members.

The current members of the Remuneration Committee are Mr. Beyrer (chairman), Mr. Berndt (vice-chairman), Mr. Al Qubaisi (vice-chairman) and Mr. Zimmermann.

Supervisory Board compensation

The Company's Articles of Association provide an attendance fee for meetings of the Supervisory Board in an amount determined by the Shareholders' Meeting as well as reimbursement of actual expenses including reasonable travel expenses for the members of the Supervisory Board. In addition, the Shareholders' Meeting may also provide an annual remuneration.

Furthermore, members of the Supervisory Board are protected up to a certain coverage limit by a D&O insurance policy provided by the Company which extends to personal liability of the Supervisory Board members arising from negligent breaches of duty committed within the scope of activity as a corporate body.

In accordance with the Articles of Association, the Shareholders' Meeting resolves the compensation of the elected members of the Supervisory Board for the previous financial year. The 2010 annual Shareholders' Meeting adopted, as in the previous years, the following compensation scale for the 2009 financial year (not including travel and attendance expenses):

Annual compensation for Supervisory Board members	in EUR thousand
for the Chairman	29.2
for the Vice-Chairpersons	21.9
for the ordinary members	14.6
for the committee chairmen	12.0
for the committee vice-chairpersons	10.0
for ordinary committee members	8.0

Source: OMV Annual Report 2010.

Accordingly, the total remuneration of each of the elected members of the Supervisory Board (excluding travel and attendance expenses) in 2010 for the year 2009 was as follows (amounts differ depending on when during the year the respective member was appointed to the Supervisory Board or its committees, and whether personal income tax was withheld):

Remuneration	Total (in EUR thousand)
Mr. Peter Michaelis[(1)]	77.2
Mr. Rainer Wieltsch	59.9
Ms. Alyazia Ali Saleh Al Kuwaiti	74.9
Mr. Mohamed Al Khaja	38.3
Ms. Elif Bilgi-Zapparoli	11.7
Mr. Helmut Draxler	22.6
Mr. Wolfram Littich	30.6
Mr. Gerhard Mayr	5.3
Mr. Herbert Stepic	14.6
Mr. Herbert Werner	22.6
Mr. Norbert Zimmermann	30.6
Total	**388.2**

(1) Chairman of the Supervisory Board until May 17, 2011. According to his employment contract with ÖIAG, Mr. Michaelis has transferred his remuneration resulting from his Supervisory Board function in OMV Aktiengesellschaft to ÖIAG.

Source: OMV Annual Report 2010.

Members of the Supervisory Board are not entitled to pension benefits after termination of their duties.

Duty of loyalty and care

Members of the Management Board and the Supervisory Board owe a duty of loyalty and care to the Company. In carrying out their duties, they must exercise the standard of care of a prudent and diligent business person. They are required to take into account a broad range of considerations when making their decisions, including the Company's interests and those of the shareholders, employees, creditors, and the public.

Generally, a shareholder has no direct recourse against members of the Supervisory Board or the Management Board in the event that they are believed to have breached their duty.

Certain additional information about board members

Activities performed outside the Group

The following table sets out the names of companies and business partnerships (excluding subsidiaries of OMV Aktiengesellschaft) of which each of the members of the Supervisory Board and Management Board has been a member of the administrative, management or supervisory boards or partner (as the case may be) at any time in the five years prior to the date of this prospectus. Functions and memberships in associations (like chamber of commerce, trade unions, social security institutions, etc.) are not included:

Name	Name of company	Function	Current function (yes/no)
Mr. Markus Beyrer	Siemens Aktiengesellschaft Österreich	Member of the supervisory board	Yes
	G4S Security Services AG	Member of the supervisory board	Yes
	Oesterreichische Nationalbank	Member of the general council	Yes
	Raiffeisen-Holding Niederösterreich-Wien	Vice-chairman of the supervisory board	Yes
	Autobahnen-und-Schnellstraßen-Finanzierungs-Aktiengesellschaft	Member of the supervisory board	No
	Vereinigung der Österreichischen Industrie (Industriellenvereinigung)	Director General	No
Mr. Wolfgang C. Berndt	GfK AG	Member of the supervisory board	Yes
	MIBA AG	Member of the supervisory board	Yes
	Mittelbauer Beteiligungs AG	Member of the supervisory board	Yes
	BAST AG	Member of the supervisory board	Yes
	Lloyds Banking Group PLC	Non-executive director	No
	Bank of Scotland PLC	Non-executive director	No
	HBOS PLC	Non-executive director	No
	Lloyds TSB Bank PLC	Non-executive director	No
	Cadbury PLC	Non-executive director	No
	Telekom Austria AG	Member of the supervisory board	No
Mr. Khadem Abdulla Al Qubaisi	International Petroleum Investment Company	Managing Director	Yes
	Aabar Investments	Chairman	Yes
	National Central Cooling Co.	Chairman	Yes
	Abu-Dhabi National Takafalu Co.	Chairman	Yes
	Alrroya Aleqtissadiya Newspaper	Chairman	Yes
	Hyundai Oilbank Co. Ltd.	Chairman	Yes
	Compañía Española de Petróleos, S.A.	Vice president of the administrative board	Yes
	First Gulf Bank	Member of the board of directors	Yes
	Emirates Investment Authority	Member of the board of directors	Yes
	Borealis AG	Member of the board of directors	Yes
	ABAG Aktiengesellschaft	Chairman of the supervisory board	Yes
Ms. Alyazia Ali Saleh Al Kuwaiti	AABAR Investments PJSC	Member of the board	No
	Alrroya Aleqtissadiya Newspaper	Member of the board	Yes
Ms. Elif Bilgi-Zapparoli	Merrill Lynch Yatirim Bank A.S. (Turkey)	CEO	Yes
	Merrill Lynch Menkul Degerler A.S. (Turkey)	Country head	Yes
	EFG Istanbul Securities	Chairwoman	Yes
	Eurobank Tekfen	Member of the management board	Yes
Mr. Helmut Draxler	RHI AG	Member of the supervisory board	Yes
	Siemens AG Österreich	Member of the supervisory board	Yes
	Linz AG	Member of the supervisory board	Yes
	Wiener Städtische Wechselseitige Versicherungsanstalt Vermögensverwaltung	Member of the supervisory board	Yes
	AAE Holding AG	Member of the supervisory board	Yes
	Orange Austria Telecommunication GmbH	Chairman of the supervisory board	Yes
	Hypo Alpe Adria AG	Member of the supervisory board	Yes
Mr. Wolfram Littich	Allianz Elementar Versicherungs-AG	CEO	Yes
	Allianz Elementar Lebensversicherungs-AG	CEO	Yes
	Allianz Investmentbank AG	Chairman of the supervisory board	Yes
	Allianz Pensionskasse AG	Chairman of the supervisory board	Yes
	Top Versicherungsservice GmbH	Chairman of the supervisory board	Yes
Mr. Herbert Stepic	Raiffeisen Bank International AG (formerly: Raiffeisen International Bank Holding AG)	CEO	Yes
	Raiffeisen Zentralbank AG	Deputy-CEO	No
	Other subsidiaries of Raiffeisen Group	Member of the supervisory board	Yes
	Oesterreichische Kontrollbank Aktiengesellschaft	Member of the supervisory board	Yes
Mr. Herbert Werner	HCW Vermögensverwaltungs GmbH	Member of the management board	Yes
	Innstadt Brauerei AG	Chairman of the supervisory board	Yes
	Ottakringer Holding AG	Vice-chairman of the supervisory board	Yes
	Ottakringer Getränke AG	Member of the supervisory board	Yes
	Der Teichwirt Betriebs GmbH	Partner (80%)	Yes
Mr. Norbert	Berndorf Industrieholding AG	Member of supervisory board	Yes

Name	Name of company	Function	Current function (yes/no)
Zimmermann			
	Schoeller-Bleckmann Oilfield Equipment AG	Chairman of the supervisory board	Yes
	Berndorf AG	Chairman of the supervisory board	Yes
	Bene AG	Vice-chairman of the supervisory board	Yes
	Oberbank AG	Member of the supervisory board	Yes
	Berndorf Immobilien AG	Chairman of the supervisory board	Yes
	DELTA Beteiligungsverwaltung	Chairman of the supervisory board	Yes
	Allianz Elementar Versicherung	Member of the supervisory board	Yes
	Siemens AG Österreich	Member of the supervisory board	Yes
	Redler Vermögensverwaltung GmbH	Member of the management board	Yes
	Romedius Management GmbH	Member of the management board	Yes
	Gebrüder Weiss AG	Member of the management board	Yes
	ABAG Aktiengesellschaft	Vice-chairman of the supervisory board	Yes
	RV Vermögensverwaltung GmbH	Member of the management board	Yes
Mr. Leopold Abraham	APK Pensionskasse AG	Member of the supervisory board	Yes
	Österreichische Industrieholding AG	Member of the supervisory board	Yes
	Piellachtaler Wohnbaugenossenschaft	Member of the supervisory board	Yes
Mr. Martin Rossmann	n.a.	n.a.	n.a.
Mr. Gerhard Roiss	Österreichische Post AG	Member of the supervisory board	No
Mr. David Davies	Wiener Börse AG	Member of the supervisory board	Yes
	Nova Chemicals Inc.	Director	No
Mr. Werner Auli	Caspian Energy Company Ltc.	Director	Yes
Mr. Jacobus Gerardus Huijskes	Sakhalin Energy Investment Company Ltd.	Executive director	No
Mr. Manfred Leitner	n.a.	n.a.	n.a.

Source: Internal data.

Conduct of board members

Within the five years prior to the date of this prospectus, no member of the Management Board or Supervisory Board:

- has been convicted in relation to fraudulent offences;

- has been associated with bankruptcies, receiverships or liquidations in his capacity as a member of the administrative, management or supervisory body or as a senior manager of a company;

- has been officially and publicly incriminated and/or sanctioned by statutory or regulatory authorities (including designated professional bodies) except that the FMA has initiated administrative proceedings against the Company's Management Board for delayed ad-hoc announcements regarding OMV's sale of its MOL shares to Surgutneftegas on March 29, 2009 and fined all five members of the Management Board (then consisting of Messrs. Ruttenstorfer, Roiss, Davies, Langanger and Auli) due to the fact that ad-hoc announcements were only published on March 30, 2009, instead of one week prior to the disposal of the MOL shares (i.e. on March 22, 2009). All five board members have filed appeals. Furthermore, public prosecutors in Turkey have initiated criminal proceedings against 24 present and former Petrol Ofisi board members, including Mr. Roiss and Mr. Leitner, in connection with allegedly insufficient customs duties payments for imports of oil products by Petrol Ofisi in the years 2001 to 2007 (based on incorrect declarations of the imported goods' value); or

- has been disqualified by a court from acting as a member of the administrative, management

or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

Shares held by board members

The following table sets forth the number of shares in the Company held by the members of the Management Board and the Supervisory Board as of the date of this prospectus:

Name	Number of shares held
Management Board	
Mr. Gerhard Roiss	174,528
Mr. David C. Davies	28,920
Mr. Werner Auli	23,272
Mr. Jacobus Gerardus Huijskes	12,136
Mr. Manfred Leitner	14,196
Supervisory Board	
Mr. Markus Beyrer	0
Mr. Wolfgang C. Berndt	16,500
Mr. Khadem Abdulla Al Qubaisi	0
Ms. Alyazia Ali Saleh Al Kuwaiti	0
Ms. Elif Bilgi-Zapparoli	0
Mr. Helmut Draxler	7,500
Mr. Wolfram Littich	0(1)
Mr. Herbert Stepic	0(2)
Mr. Herbert Werner	470
Mr. Norbert Zimmermann	0
Mr. Leopold Abraham	900
Mr. Wolfgang Baumann	432
Mr. Franz Kaba	616
Mr. Ferdinand Nemesch	1,000
Mr. Martin Rossmann	0
Total	**280,470**

(1) Mr. Littich has no personal shareholding in the Company. However, the Allianz insurance companies, of which Mr. Littich is CEO or Chairman of the supervisory board, respectively, may hold shares in the Company within ordinary assessments.
(2) Mr. Stepic has no personal shareholding in the Company. However, Raiffeisen Bank International AG, of which Mr. Stepic is CEO, may hold shares in the Company within ordinary assessments.

Source: Internal data.

Compliance with the Austrian Corporate Governance Code

The CGC was published by the Austrian Working Group on Corporate Governance, a group of organizations and individuals in 2002 and has been amended most recently in January 2010.

The CGC applies primarily to Austrian stock market-listed companies that undertake to adhere to its principles. The CGC is based on statutory provisions of Austrian corporate law, securities law and capital markets law (“Legal Requirements”, “L-Rules”). In addition, the CGC contains rules considered to be a part of common international practice, such as the principles set out in the OECD Principles of Corporate Governance and the recommendations of the European Commission. Non-compliance with some of these rules must be explained (“Comply or Explain”, “C-Rules”). The CGC also contains rules that are voluntary and do not require explanation in the case of deviations (“Recommendation”, “R-Rules”).

The principal rules and recommendations of the CGC include:

- equal treatment of shareholders under equal circumstances;
- remuneration for members of the management board should comprise fixed and business performance related components (based on long-term indicators); the individual remuneration

for each member of the management board should be reported in the annual financial statements;

- stock option plans for members of the management board should be approved by the shareholders' meeting and be based on objective parameters to be defined in advance; subsequent changes of the parameters should be avoided;

- conflicts of interests of members of the management board and the supervisory board should be disclosed in the annual financial statements;

- the majority of members of the supervisory board should be independent of the company and its management and the supervisory board should define the criteria that constitute independence;

- supervisory board committees should be established, in particular a remuneration committee (for remuneration and other issues with management board members) and a nomination committee;

- supervisory board members may not assume any functions on the boards of other enterprises that are competitors of the company;

- the number of members of the supervisory board (excluding employees' representatives) should be ten or less; supervisory board members should not sit on the supervisory boards of more than eight other listed companies (the function as a chairperson counts twice);

- annual and quarterly financial statements (drawn up according to internationally recognized accounting standards) should be published in a timely manner (within four and two months, respectively) and must remain publicly accessible for at least five years;

- communication structures should be established to meet information needs of shareholders in a timely and adequate manner, in particular by using the internet; dates essential for shareholders should be communicated sufficiently in advance; consolidated financial statements and interim reports should be published on the company's website in German and English;

- any director's dealings should be disclosed on the company's website directly or by referring to the website of the FMA;

- the independent auditors should make regular assessments of the company's risk management; and

- an annual report regarding compliance with the CGC should be included in the annual financial statements posted on the company's website.

The Company currently complies in full with all "L-Rules", "C-Rules" and "R-Rules" of the CGC.

Conflicts of interest

No potential conflict of interests exists in respect of any member of the Management Board or Supervisory Board between his duties to the Company and his private duties and/or other duties except for Ms. Al Kuwaiti and Mr. Al Qubaisi who, if the Supervisory Board or any of its committees deals with matters relating to Borealis, abstain from participating. There are no family ties between members of the Management Board and the Supervisory Board.

Pursuant to the CGC, the majority of members of the Supervisory Board should be independent of the Company and its management (see "*—Compliance with the Austrian Corporate Governance Code*").

The Supervisory Board has adopted the guidelines set out in Annex 1 CGC and the other guidelines set out below with regard to members elected by the Shareholders' Meeting: No member of the Supervisory Board may serve on the Management Board of a Group company. No member of the Supervisory Board may hold stock options issued by the Company or any affiliated company, or receive any other performance related remuneration from a Group company. No Supervisory Board member may be a shareholder with a controlling interest in the meaning of EU Directive 83/349/EEC or represent such an interest. All members elected by the Shareholders' Meeting (except for Mr. Draxler regarding the criterion on the duration of membership as he is a member for more than 15 years) have declared their independence from the Company and its Management Board for the duration of their membership. All have declared their independence during the 2010 financial year, and have stated that they were independent up to the time of making such declarations (Rule C 53 CGC). Under Rule C 54 CGC, Ms. Bilgi-Zapparoli, Mr. Berndt, Mr. Draxler, Mr. Littich, Mr. Stepic, Mr. Werner and Mr. Zimmermann have made declarations stating that they had no connections with any major shareholders during the 2010 financial year and up to the time of making such declarations.

Other legal relations with the Company

No legal relationships exist between the members of the Management Board or the Supervisory Board and the Company, its major shareholders or any of its subsidiaries, other than their respective appointments as Board members and the related service agreements.

Stock option plan and management incentive program

Until 2008, stock option plans approved by resolutions of annual Shareholders' Meetings were provided for Management Board members and senior executives. These entitlements are in the form of an award of shares at a fixed exercise price or a payment in the form of money or shares of the difference between the market value of the stock on the exercise date and the exercise price. The fair values for the stock options issued are calculated at the time of issue and as of subsequent balance sheet dates using the Black-Scholes model. Provisions are built up over the vesting period based on applicable fair values, so that by the end of the vesting period the fair value of the options outstanding is fully provided for. The following table sets forth information on the options granted to members of the Management Board and other eligible Group employees under the stock option plan 2008:

Numbers of options granted for each period and total number of options held as of the date of this prospectus	2008	Total number of options held
Members of the Management Board		
Mr. Ruttenstorfer[(1)]	22,720	119,960
Mr. Roiss	22,720	119,960
Mr. Auli	22,720	61,360
Mr. Davies	22,720	72,160
Mr. Huijskes[(2)]	-	0
Mr. Langanger[(3)]	22,720	133,330
Total number of options granted to the Management Board	**113,600**	**506,750**
Other senior executives	**428,280**	**1,530,050**
Total number of options granted	**541,880**	**2,036,800**

(1) Chairman of the Management Board until April 1, 2011.
(2) Member of the Management Board since April 2010.
(3) Member of the Management Board until September 30, 2010.

Source: Audited Consolidated Financial Statements and internal data.

Effective as of January 1, 2009, stock option plans were replaced by a long-term management incentive program. The program is a long-term compensation instrument in the form of a performance share plan for Management Board members and senior executives. Participants who reach a specified minimum share ownership in the Company (as percentage of base salary) by a specified record date and maintain the initial shares during the holding period, are allocated a number of shares depending on the achievement of performance targets, as measured after three years by performance indicators focusing

on sustained internal and external value creation. Each tranche as well as the annual plan terms (including performance targets) require the approval of the Remuneration Committee.

The 2010 long-term incentive program (for the period 2010 to 2015), requires a personal investment of 100% (CEO), 85% (Deputy CEO) and 70% (other Management Board members) of the respective gross basic salaries in OMV shares in 2010, which must be held until March 31, 2015. The number of shares is calculated on the basis of the average OMV stock price in the first quarter of 2010; shares deposited for the 2009 long-term incentive program are credited for the 2010 plan. Target levels were established for three equally (30%) weighted key indicators (total shareholder return, economic value added and earnings per share) and a forth indicator (safety performance), weighted with 10%. The observation period for attainment of the objectives comprises the financial years 2010, 2011 and 2012. If the targets are fully attained, participants will be allocated shares equal in value to 90% (CEO), 75% (Deputy CEO) and 60% (other Management Board members) of their respective gross basic salaries in 2010 on March 31, 2013. The number of shares is calculated on the basis of the average OMV stock price in the first quarter of 2010. If the targets are exceeded, additional shares will be allocated pro rata, up to a maximum of 175% of the shares due in case of 100% attainment, but at least 25% of the shares due on 100% attainment.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Shares held by board members in the Company

For information on shares in the Company held by members of the Management Board and the Supervisory Board, see "*Management and Corporate Governance—Certain additional information about board members—Shares held by board members*".

Activities of board members in companies outside OMV

For information on activities of the members of the Management Board and the Supervisory Board in companies outside the Group, see "*Management and Corporate Governance—Certain additional information about board members—Activities performed outside the Group*".

In 2010, the Company entered into transactions with Raiffeisen RBI, which represented less than 1% of RBI group's total assets. Mr. Stepic is CEO of RBI and member of the Company's Supervisory Board. These transactions have been entered into in the normal course of business and at arm's length.

The Company may from time to time – in the normal course of business and at arm's length – enter into transactions with two Allianz insurance companies, of which Mr. Littich is CEO or Chairman of the supervisory board, respectively.

Related party transactions

IAS 24 prescribes the disclosures necessary to draw attention to the possibility that the financial position and profit or loss of an entity may have been affected by the existence of related parties and by transactions and outstanding balances with such parties. Under IAS 24, details of relationships with related parties and related companies not included in consolidation must be disclosed. Enterprises and individuals are considered to be related if one party is able to control or exercise significant influence over the business of the other. In 2010, arm's-length supplies of goods and services existed between the Group and Borealis AG, which is consolidated at equity, and Petrol Ofisi, which was fully consolidated in the Group's balance sheet as of December 31, 2010, but consolidated at equity in the income statement for the year 2010:

	2010		2009		2008	
	Sales	Receivables	Sales	Receivables	Sales	Receivables
			(in EUR thousand)			
Borealis AG	1,430.653	139.843	986,555	102,320	1,488,600	125,242
Oberösterreichische Ferngas AG[(1)]	-	-	-	-	2,437	-
Petrol Ofisi A.Ş.	39	-	4	-	3,185	-
Total	**1,430.692**	**139.843**	**986,559**	**102,320**	**1,494,222**	**125,242**

(1) Oberösterreichische Ferngas AG was consolidated at equity until the disposal of OMV's interest in the company in June 2008.

Source: Audited Consolidated Financial Statements.

As of December 31, 2010, trade payables to Bayernoil Raffineriegesellschaft mbH of EUR 69.2 million (2009: EUR 62.2 million) and loans to IOB Holding A/S of EUR 36.1 million (2009: EUR 36.1 million), to Bayernoil Raffineriegesellschaft mbH of EUR 267.3 million (2009: EUR 298.8 million) and to Pearl Petroleum Company Limited of EUR 57.9 million (2009: EUR 47.5 million) were outstanding.

DESCRIPTION OF THE SHARE CAPITAL OF THE COMPANY AND THE ARTICLES OF ASSOCIATION

The following is a summary of the material terms of the Shares, as set out in the Articles of Association and certain relevant provisions of the Stock Corporation Act. This description is only a summary and does not include all the information contained in the Articles of Association. The Company encourages a review of the full Articles of Association, which are available for inspection at the Company's principal office or on the internet (www.omv.com). The information on the Company's website is not incorporated by reference into this prospectus.

The Articles of Association were last amended at the general Shareholders' Meeting held on May 26, 2010.

Share capital and shares

Prior to the Offering, the Company's issued and fully paid-in share capital amounts to EUR 300,000,000, divided into 300,000,000 no-par value ordinary voting bearer shares (*auf Inhaber lautende Stückaktien*). Each Share represents a calculated notional amount of EUR 1 of the share capital.

Following completion of the Offering and assuming that all New Shares are issued, the Company's issued and fully paid-in share capital will amount to EUR 327,272,727, divided into 327,272,727 no-par value ordinary voting bearer shares, each representing a calculated notional amount of EUR 1 of the share capital.

All Shares of the Company including the New Shares are issued under Austrian law. The Existing Shares are and the New Shares will be freely tradable. The Company is not aware of any restrictions that limit the rights of non-Austrians to own the Shares or to exercise voting rights in accordance with the procedures described below.

Development of the share capital since 2008

Since the redemption and cancellation of 2,400 treasury shares registered with the commercial register on May 8, 2007 (after such shares had been issued to holders of convertible bonds in 2006), the Company's share capital amounts to EUR 300,000,000 divided into 300,000,000 no-par value ordinary voting bearer shares.

Capital Increase in connection with the Offering

The New Shares will be issued based on the authorized capital as resolved by the Shareholders' Meeting held on May 13, 2009 pursuant to resolutions of the Management Board and the Supervisory Board dated May 16, 2011, to increase the Company's share capital from EUR 300,000,000 by up to EUR 27,272,727 by issuing up to 27,272,727 new no-par value ordinary voting bearer shares. The New Shares will carry dividend rights from and including the financial years starting from January 1, 2011. The Offer Price and the exact volume of the capital increase will be determined by a separate resolution to be adopted by the Management Board with the approval of the Presidential Committee of the Supervisory Board which is expected to be passed on or about June 6, 2011.

The capital increase is expected to be registered with the commercial register on or about June 8, 2011. Following a capital increase in the full amount of the resolutions of the Management Board, the share capital will amount to EUR 327,272,727, divided into 327,272,727 no-par value ordinary voting bearer shares.

Authorized and conditional capital

The general Shareholders' Meeting held on May 13, 2009 resolved to amend the Articles of Association and to authorize the Management Board, until May 13, 2014, subject to the consent of the Supervisory

Board, to increase the share capital of the Company by up to EUR 77,900,000 in one or several tranches, by issuing up to 77,900,000 new no-par value ordinary voting bearer shares against contributions in cash or in kind, thereby also excluding shareholders' subscription rights in the event of contributions in kind, and to determine the issue price and issue terms (Authorized Capital*; genehmigtes Kapital*).

The general Shareholders' Meeting held on May 13, 2009, also resolved on the conditional increase of the Company's share capital by up to EUR 77,900,000 by the issue of up to 77,900,000 new no-par value ordinary voting bearer shares (Conditional Capital; *bedingtes Kapital*). The Conditional Capital will only be increased to the extent that holders of convertible bonds issued on the basis of the general Shareholders' Meeting resolution of May 13, 2009, exercise their right to convert them into Shares. So far, the Company has not issued convertible bonds on the basis of the 2009 Shareholders' Meeting's authorization.

Conversion and option rights

There are currently no options or rights of conversion in respect of the Shares other than the options granted under the Company's stock option plan described under "*Management and Corporate Governance—Stock option plan*".

Form and certification of the Shares

Form and contents of the share certificates are determined by the Management Board. Shareholders have no right to request the issuance of individual share certificates.

Of the Company's 300,000,000 Existing Shares, 2,934,130 shares were represented in single share certificates (*Einzelaktien*) until 2011. In accordance with section 67 of the Stock Corporation Act, the Company has initiated cancellation procedures in respect of these single share certificates. After the Commercial Court Vienna had granted permission to initiate the cancellation procedure of such certificates on November 26, 2010, the Company published notices to surrender the single share certificates no later than March 18, 2011, including the information that they would otherwise be cancelled, in the Official Gazette (*Amtsblatt zur Wiener Zeitung*) in January and February 2011. In lieu of surrendered single share certificates, shareholders were granted pro rata joint ownership (*Miteigentum*) in the modifiable global certificate (*veränderbare Zwischensammelurkunde*), which already represented the remaining 297,065,870 shares in the Company and, since April 2011, i.e. subsequent to the cancallation procedures, represents all of the Company's 300,000,000 Existing Shares. 69,885 Existing Shares represented by single share certificates not surrendered by March 18, 2011 were cancelled. The modifiable global certificate has been deposited with the clearing system of OeKB, Am Hof 4, A-1011 Vienna, Austria.

The New Shares will be represented by the above-mentioned modifiable global certificate deposited with the clearing system of OeKB, Am Hof 4, A-1011 Vienna, Austria. Title to the New Shares will therefore be transferred in accordance with the rules of that clearing system (see "*Market Information—The Vienna Stock Exchange—Trading and settlement*").

General provisions regarding a change of the share capital

Austrian law permits a stock corporation to increase its share capital in any of the following ways:

- through a shareholders' resolution on the issuance of new shares against contributions in kind or in cash (ordinary capital increase; *ordentliche Kapitalerhöhung*);
- through a shareholders' resolution authorizing the management board, subject to approval of the supervisory board, to issue new shares up to a specified amount (not exceeding 50% of the issued share capital) within a specified period, which may not exceed five years (authorized capital; *genehmigtes Kapital*);
- through a shareholders' resolution on the issuance of new shares up to a specified amount for specific purposes, such as for employee stock options (not exceeding 10% of the issued

share capital), for conversion rights granted to holders of convertible bonds or for use as consideration in a merger (not exceeding 50% of the issued share capital) (conditional capital; *bedingtes Kapital*);

- through a shareholders' resolution authorizing the management board to effect a conditional capital increase with the approval of the supervisory board in order to grant stock options to employees, executives and members of the management board up to a certain nominal amount (not exceeding 10% of the issued share capital) (authorized conditional capital; *genehmigtes bedingtes Kapital*); or
- through a shareholders' resolution authorizing the conversion of unrestricted reserves or retained earnings into share capital, with or without the issuance of new shares (*Kapitalberichtigung*).

According to Austrian stock corporation law and the Articles of Association, an ordinary capital increase at the Company requires approval by a simple majority of the share capital present or represented at the shareholders' meeting. However, if the subscription rights of existing shareholders are to be excluded, a 75% majority of the share capital present or represented at the shareholders' meeting is required. Shareholder resolutions approving authorized capital, conditional capital or authorized conditional capital, require a 75% majority of the share capital present or represented at the shareholders' meeting.

Authorization to acquire treasury stock

Pursuant to the Stock Corporation Act, the Company may purchase its own shares only in the following limited circumstances:

- upon approval of the shareholders' meeting, for a period not exceeding 30 months and limited to a total of 10% of the issued share capital, if the shares are listed on a regulated market (such as the Official Market of the Vienna Stock Exchange), or if the shares are intended to be offered to the employees, executives, management board members and supervisory board members of the Company or of certain affiliated companies; the resolution must determine a minimum and a maximum consideration, provided that the Company keeps sufficient reserves;
- where the shares are acquired without payment of consideration or where the Company is acting as agent on a commission basis;
- to prevent substantial, immediately threatened damage to the Company (subject to the limitation of 10% of the overall share capital), provided that the Company keeps sufficient reserves;
- by way of a universal legal succession (i.e. succession by merger);
- for the purpose of indemnifying minority shareholders, provided that the Company keeps sufficient reserves; or
- as part of a redemption of shares in accordance with the rules for capital decreases and as approved by the shareholders' meeting.

Prior to the Offering, the Company held 1,203,195 Shares representing 0.4% of the share capital and an aggregated calculated notional amount of the Company's share capital of EUR 1.2 million. As of December 31, 2010, the Company held 1,203,195 Shares with an aggregate book value of EUR 13.2 million. The Shareholders' Meeting held on May 17, 2011 authorized the repurchase of up to 10% of the Company's share capital, for a period of 30 months beginning on May 17, 2011.

General provisions regarding subscription rights

Under Austrian law, shareholders are generally entitled to subscription rights (*Bezugsrechte*) allowing them to subscribe for any new shares (including securities convertible into shares, securities with warrants to purchase shares, securities with profit participation or participation certificates) to maintain their existing share in the share capital. Such subscription rights are in proportion to the number of

shares held by the shareholder. Shareholders may waive or transfer their subscription rights.

The shareholders' subscription rights may be excluded by a resolution of 75% of the share capital present or represented at the shareholders' meeting. A shareholders' resolution resolving upon an authorized capital may exclude the subscription rights or authorize the Management Board to exclude the subscription rights with a majority of 75% of the share capital present or represented at the shareholders' meeting. The decision of the Management Board to issue the shares from authorized capital and to exclude the shareholders' subscription rights requires the approval by the Supervisory Board. If shares are issued from a conditional capital, there are no subscription rights.

Subscription rights are not deemed to be excluded, when new shares are subscribed for by a credit institution, in order to offer the new shares to the existing shareholders.

Pursuant to the Stock Corporation Act, the period to exercise subscription rights may not last less than two weeks. The Management Board must publish a notice of the issue price and the commencement and duration of the subscription period in the Official Gazette (*Amtsblatt zur Wiener Zeitung*).

Shareholders' Meeting

Convention of the Shareholders' Meeting

The Shareholders' Meeting is convened by the Management Board or the Supervisory Board. A shareholder or a group of shareholders holding at least 5% of the share capital during at least three months before the application may demand the convention of a Shareholders' Meeting. The Shareholders' Meeting takes place at the registered seat of the Company in Vienna, Austria.

According to the Articles of Association, the shareholders of deposited shares have to prove that they held the shares on a record-date, i.e. the tenth day before the day of the Shareholders' Meeting, (*Depotbestätigung*). Such evidence must be received by the Company, at the address as specified in the notice announcing the Shareholders' Meeting, at least three business days before the Shareholders' Meeting. The depository may be a credit institution having its registered seat in a member state of the European Economic Area or a full member of the OECD. Shareholders of shares which are not deposited may use the confirmation of a notary public with an office in a member state of the European Economic Area or a full member of the OECD.

The Company must publish an invitation notice of the Shareholders' Meeting; the minimum period between the publication of the invitation notice and the day of the Shareholders' Meeting must be 28 days in case of a general Shareholders' Meeting and 21 days respectively in case of an extraordinary Shareholders' Meeting.

Shareholders may appoint proxies to represent them at Shareholders' Meetings.

The general Shareholders' Meeting must take place within the first eight months of each financial year.

Voting rights and majority requirements

Each share entitles its holder to one vote at the Shareholders' Meeting. The Shareholders' Meeting has a quorum if at least one shareholder or its representative with voting power is present. Resolutions of the Shareholders' Meeting are passed with simple majority of the votes cast or, in matters which require a majority of the share capital, with simple majority of the share capital present, unless mandatory law requires a higher majority.

Under Austrian mandatory law, among others, the following measures require a majority of at least 75% of the share capital present or represented at a Shareholders' Meeting:

- change of the business objectives;

- increase of share capital with a simultaneous exclusion of subscription rights;
- creation of authorized capital or conditional capital;
- decrease of share capital;
- exclusion of subscription rights for convertible bonds, participating bonds and participation rights;
- dissolution of the Company or continuation of the dissolved company;
- transformation of the Company into a limited liability company (*GmbH*);
- approval of a merger or a spin-off (proportionate to shareholdings);
- amendment of the Articles of Association;
- transfer of all assets of the Company; and
- approval of profit pools or agreements on the operation of the business.

A majority of 90% of the entire share capital is required for an upstream merger pursuant to the Transformation Act (*Umwandlungsgesetz*), with certain exceptions, for a spin-off disproportionate to shareholdings pursuant to the Spin-Off Act (*Spaltungsgesetz*) or for a squeeze-out pursuant to the Austrian Act on the Squeeze-out of Minority Shareholders (*Gesellschafter-Ausschlussgesetz*) (see "*Regulation of Austrian Securities Markets—Squeeze-out of minority shareholders*").

A shareholder or a group of shareholders holding at least 20% of the share capital may object to settlements or waivers of liability claims of the Company against members of the Management Board or the Supervisory Board.

A shareholder or a group of shareholders holding at least 10% of the share capital may in particular:

- apply for the appointment of a special auditor to audit activities with respect to the management of the Company, if these activities took place within the previous two years and if the Shareholders' Meeting objected to such application before;
- veto the appointment of a special auditor and request a court to appoint another special auditor;
- request an adjournment of the Shareholders' Meeting if the annual financial statements are found to be incorrect by the shareholders who require such adjournment;
- request a court to recall a member of the Supervisory Board for cause; and
- request the assertion of damage claims by the Company against members of the Management Board or the Supervisory Board or certain other parties, if the claim is not obviously unfounded.

A shareholder or a group of shareholders holding at least 5% of the share capital may in particular:

- request that a Shareholders' Meeting be convened or, if such request is not complied with within a reasonable time period, request a court to convene a Shareholders' Meeting or, upon court approval, convene a Shareholders' Meeting themselves (for this purpose the applicants must hold the stake during at least three months before the application);
- request that a topic be put on the agenda of the Shareholders' Meeting;
- request the assertion of damage claims of the Company against members of the Management Board or the Supervisory Board or certain other parties, if a special report reveals facts which may entitle to such damage claims;
- request court appointment of another auditor of the financial statements for cause; and

- appeal a shareholders' resolution, if such resolution provides for amortization, accumulated depreciation, reserves and accruals exceeding the limit set by law or the Articles of Association.

A shareholder or a group of shareholders with an aggregate shareholding of at least 1% of the share capital is entitled to submit proposals on the resolutions to be adapted to each item of the agenda of an already announced Shareholders' Meeting and request that the proposals, including the reasons therefore, are made available on the Company's website.

Change or impairment of shareholder's rights

The Stock Corporation Act contains provisions that protect the rights of individual shareholders. As a general rule, shareholders must be treated equally under equal circumstances, unless the concerned shareholders agree otherwise. Furthermore, measures affecting shareholders' rights generally require a shareholders' resolution. The rights of holders of the shares as a group can be changed by amendment of the Articles of Association.

The Articles of Association do not provide for more stringent conditions for the exercise of shareholders' rights than those provided by law. The Articles of Association provide that for resolutions concerning capital increases pursuant to sections 149 to 158 Stock Corporation Act and resolutions concerning the issue of convertible bonds or participating debentures (*Gewinnschuldverschreibungen*) pursuant to section 174 Stock Corporation Act, only a simple majority (of the votes cast and capital represented) shall be required.

Neither Austrian law nor the Articles of Association restrict the right of non-resident or foreign holders of the shares to hold or vote the shares.

General provisions regarding profit appropriation and dividend payments

The New Shares carry full dividend rights from, and including, the financial year starting January 1, 2011.

Each shareholder is entitled to receive an annual dividend, if and to the extent that the distribution of dividends is resolved by the Shareholders' Meeting. Based on the proposal of the Management Board and the report by the Supervisory Board, the Shareholders' Meeting resolves whether dividends will be paid for any financial year and on the amount and timing of any such dividend payments.

Pursuant to the Articles of Association, profits of the Company shall be distributed, unless decided otherwise by the Shareholders' Meeting.

Unless the Shareholders' Meeting resolves otherwise, dividends that are approved by the Shareholders' Meeting will be distributed via the paying agent to the shareholders on a pro rata basis, according to the number of Shares they own. Dividends become payable thirty days after the resolution of the Shareholders' Meeting unless the Shareholders' Meeting resolves otherwise. Dividends that have not been collected by shareholders within three years of their becoming payable are deemed forfeited and become part of the Company's statutory reserve (*gesetzliche Rücklage*).

Dissolution

The dissolution of the Company requires a majority of at least 75% of the share capital present or represented at the Shareholders' Meeting. If the Company is dissolved, any assets remaining after repayment of the outstanding debts and supplementary capital will be distributed pro rata to the shareholders.

GENERAL INFORMATION ABOUT THE COMPANY

Legal and commercial name, registered seat, financial year, duration

OMV Aktiengesellschaft is a stock corporation formed under Austrian law, with its registered seat in Vienna and its business address at Trabrennstraße 6-8, A-1020 Vienna, Austria. The Company may be reached at its business address (+43 (1) 404 40-0) or on its website under www.omv.com. The information on the Company's website is not incorporated by reference into this prospectus. The Company's as well as the Group's commercial name is OMV. The Company is registered with the commercial register of the Vienna Commercial Court under FN 93363 z. The Company's financial year is identical with the calendar year.

Corporate history and development

The Issuer was founded as a wholly-owned state company as "Österreichische Mineralölverwaltung Aktiengesellschaft" by merger of various companies by agreements dated February 10, 1956 and is a joint stock corporation incorporated under the laws of the Republic of Austria for an indefinite period, with its registered seat in Vienna.

The following events were important in the development of the Issuer and its business from its foundation to its current position:

1956: Founding of the Österreichische Mineralölverwaltung Aktiengesellschaft

1960: The Schwechat refinery is taken into operation

1965: Entry into mineral oil sales with Martha and ÖROP (later ELAN)

1968: First natural gas supply contract with the former USSR

1970: AWP is taken into operation

1974: TAG is taken into operation

1980: WAG is taken into operation

1984: First lead-free gasoline in Austria

1985: First international E&P operations in Libya

1987: Acquisition of the Burghausen refinery; first step taken towards privatization: 15% of capital stock

1989: Take-over of PCD Polymere GmbH ("PCD"); privatization of further 10% of ÖMV's capital stock

1990: Acquisition of CHEMIE LINZ Group; the first ÖMV filling station opens

1991: Commencement of the international filling station retail business with the first ÖMV filling stations in Hungary, Czech Republic, Slovakia, Germany and Italy

1994: Acquisition of 19.6% of ÖMV's capital stock by IPIC, Abu Dhabi

1995: Renaming from ÖMV to OMV

1996: Secondary Offering of 15% of OMV shares

1997: The first OMV CNG (compressed natural gas) filling station in Austria opens

1998: Sale of PCD to Borealis AG ("Borealis") and acquisition of 25% stake in Borealis

1999: Takeover of the Australian exploration-company CULTUS Petroleum NL; first OMV filling stations in Romania and Bulgaria

2000: Acquisition of approximately 10% of MOL

2001: Expansion of the exploration areas in Yemen, Iran and Ireland; natural gas sector spin-off to

OMV Erdgas AG (now OMV Gas GmbH)

2002: Acquisition of 25.1% of the Rompetrol Group; First OMV filling station in Serbia-Montenegro

2003: Acquisition of Preussag Energie international E&P-portfolio; acquisition of 45.00% of Bayernoil-Raffinerieverbund as well as 313 BP-filling stations in Germany, Hungary and Slovakia; first OMV filling stations in Bosnia and Herzegovina; acquisition of 139 Avanti filling stations in Austria, Czech Republic, Slovakia and Bulgaria

2004: Restructuring into a management holding; acquisition of a 51.01% stake in the Romanian oil and gas group, Petrom; capital increase and issue of a convertible bond, hence the free float representing more than 50% of issued share capital for the first time

2005: Sale of the stake in the Rompetrol Group; OMV and IPIC acquire 100% of Borealis; OMV sells 50% AMI Agrolinz Melamine International GmbH ("AMI") stake to IPIC

2006: Acquisition of a 34.00% stake in the Turkish oil and gas group, Petrol Ofisi

2007: Increase of shareholding in MOL to 20.20%; decision to realize the first OMV power plant project in Petrobrazi (Romania)

2008: ÖIAG/IPIC consortium increases shareholding in OMV to 50.66%; OMV increases its interest in Petrol Ofisi to 41.58%

2009: OMV sells its entire stake in MOL to Surgutneftegas; OMV acquires a 10.00% share in Pearl Petroleum Limited, thus participating in the appraisal, development and production of two large gas fields in the Kurdistan Region of Iraq

2010: ÖIAG/IPIC consortium increases shareholding in OMV to 51.50%; OMV increases its interest in Petrol Ofisi to 95.72% and agrees to purchase oil and gas exploration and production interests in Pakistan from PETRONAS International Corporation Limited

2011: OMV acquires two Tunisian E&P subsidiaries of Pioneer Natural Resources.

Corporate purpose

The Company's business objectives as stated in Article 2 of its Articles of Association include:

- the investment in other enterprises and corporations as well as the management and administration of such investments (holding company), including the acquisition and disposal of investments in Austria and abroad;

- all activities, irrespective of their legal basis, in connection with prospecting for, extracting and processing in any production stage of hydrocarbons and other mineral resources; the production of fuel and other devices for vehicles, stationary power sources (engines) and heating systems;

- the sale of and the trade with goods and products as well as substances of all kinds, in particular those mentioned in the paragraph above, including their stocking (magazines) and storage for third persons;

- services of all kinds including the operation of necessary plants and equipment (these services in particular include any consulting, planning and realization services in all fields, in particular in the fields of industrial medicine, construction, drilling, wells, chemistry, electro-technology, transport of goods and persons, catering, hotel industry and tourism, information technology, infrastructure, laboratories, mechanical engineering, insurance management, management consultancies, licensing of production processes, patents, industrial design and the like);

- hiring, letting (leasing) of labor force;

- the business of insurance and reinsurance;
- the construction and operation of all kinds of plants for power generation, regardless of the source of energy;
- the construction and operation of network and line systems of all kinds, in particular of pipelines;
- all activities relating to waste management;
- the construction and the operation of petrol and gas filling stations, carwash installations, repair and retail outlets, garages, and all other activities in connection with the aforementioned.

The Company is entitled to conduct any business and adopt any measures which are deemed to be necessary to or useful for achieving its corporate objectives, in particular to all to the objects of the Company similar or related activities. It is in particular entitled to buy and sell and rent and lease real estate property, whether as lessee/tenant or as lessor/landlord). The Company may establish branches in Austria and abroad.

Major shareholders and controlling interests

The Company currently has two major shareholders, Österreichische Industrieholding Aktiengesellschaft ("ÖIAG") and International Petroleum Investment Company ("IPIC"). ÖIAG is the privatization and industrial holding company of the Republic of Austria. ÖIAG is incorporated and organized as an Austrian joint stock corporation under the Federal Act on the Reorganization of the Österreichische Industrieholding Aktiengesellschaft and of the Post- und Telekombeteiligungsverwaltungsgesellschaft (ÖIAG Act 2000), as amended, and has its registered seat in Vienna. Under the ÖIAG Act 2000, ÖIAG is by law required to hold at least 25% plus one share in OMV. IPIC is the Abu Dhabi state enterprise which is responsible for all foreign investments in the oil and chemicals sector. It is supervised by the Supreme Petroleum Council of Abu Dhabi which oversees the Emirate's oil and gas operations, and related industries. IPIC has its registered seat in Abu Dhabi.

Prior to the completion of this Offering, according to information availabe to the Issuer, ÖIAG owned 94,499,990 Shares representing 31.5% of the Company's share capital and IPIC owned 60,050,273 Shares representing 20.0% of the Company's share capital. The remaining 48.5% were in free float. Prior to the Offering, the Company held 1,203,195 Shares representing 0.4% of its share capital. No other person is known to the Company to hold 5% or more of the Company's issued shares.

The Company's major shareholders do not have special voting rights. ÖIAG and IPIC have entered into a shareholders' agreement which, inter alia, provides for block voting and imposes certain limitations on the transfer of shareholdings of both partners. However, the Company is not party to this shareholders' agreement.

ÖIAG has announced to substantially take part in the Offering and to maintain a shareholding of at least 30% in the Company. IPIC has informed the Company that it will exercise its subscriptions rights in the Rights Offering.

Significant subsidiaries

The Company considers the following companies to be its significant subsidiaries:

Name of company	Country of incorporation	Registered seat	Percentage of ownership and voting power (as of December 31, 2010)
OMV Exploration & Production GmbH..........	Austria	Vienna	100.00
OMV Oil Production GmbH.	Austria	Vienna	100.00
OMV Deutschland GmbH..............................	Germany	Burghausen	100.00
OMV Refining & Marketing GmbH	Austria	Vienna	100.00
OMV Petrom SA..	Romania	Bucharest	51.01(1)
Petrol Ofisi A.Ş.	Turkey	Istanbul	95.72

(1) The Romanian state intends to sell a 9.84% stake of Petrom via the stock exchange in the course of 2011. OMV decided not to participate in the secondary public offering, i.e. not to submit a bid for the available stake.

Source: Audited consolidated financial statements as of, and for the year ended, December 31, 2010.

Notices

Pursuant to the Austrian Stock Corporation Act, notices must be made by publication in the Official Gazette (*Amtsblatt zur Wiener Zeitung*).

Paying agent and depository

The depository bank (*Verwahrstelle*) is Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, A-1010 Vienna, Austria.

Paying agent and depository (*Zahl- und Hinterlegungsstelle*) is UniCredit Bank Austria AG, Schottengasse 6-8, A-1010 Vienna, Austria. The depository (*Hinterlegungsstelle*) may also be an Austrian notary public or the head office of a domestic or foreign credit institution, as specified in the notice announcing the Shareholders' Meeting.

Specialist/market maker

As of the date of this prospectus, Raiffeisen Centrobank AG acts as specialist and Erste Group Bank AG, Timber Hill (Europe) AG and UniCredit Bank AG act as the market makers for the shares of the Company in accordance with the rules of the Vienna Stock Exchange and the prime market segment without contractual arrangement with the Company.

REGULATION OF AUSTRIAN SECURITIES MARKETS

Notification and disclosure of shareholdings

The following provisions of the Stock Exchange Act on the disclosure of major shareholdings as a rule apply in relation to issuers of securities listed on a regulated market in the EU if the home Member State of the issuer is Austria and, as far as notifications to the Vienna Stock Exchange are required, only to issuers of securities listed on a regulated market located in Austria.

Any person (irrespective of whether domestic or foreign) whose voting interest in such an issuer reaches, exceeds or falls below 5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 75% or 90% through acquisition or disposal of shares must give written notification to the issuer, the stock exchange and the FMA. Such notification must be made no later than two trading days after noting or having the possibility to note that the relevant thresholds have been reached, exceeded or are no longer met. For the purpose of calculating the shareholding, voting rights of shares owned by a third party are attributed to the person who exercises or may influence the exercise of voting rights attached to such shares. The Company is required to publish any such event within two trading days of being notified thereof. The Company is also obliged to publish any changes of the share capital and voting right thresholds as described above at the end of the calendar month of the respective change. Publications by the Company need to be made through an EU-wide electronic information dissemination system.

The provisions of the Stock Exchange Act on the disclosure of directors' dealings primarily apply in relation to issuers having their registered office in Austria whose shares are listed on the Official Market (*Amtlicher Handel*) or Semi-Official Market (*Geregelter Freiverkehr*) of an Austrian stock exchange:

Persons who undertake managerial responsibilities within an issuer and, where applicable, persons closely associated with them, must publish without delay and notify the FMA within five working days of the existence of any transactions conducted on their own account relating to shares of the issuer, or to derivatives or other financial instruments linked to them. Such notification requirement does not apply if the aggregated value of such person's transactions does not reach EUR 5,000 per calendar year.

In addition to the above notification and disclosure obligations under the Stock Exchange Act, under certain circumstances, the acquisition of shares or other methods of obtaining control of a company within the meaning of the Austrian Cartel Act (*Kartellgesetz*) may be subject to the Austrian Cartel Court's approval.

Insider trading and ad-hoc information

Austrian law prohibits the use of inside information in Austria or by Austrian citizens abroad with regard to financial instruments admitted to trading on a regulated market in Austria or for which a request for admission to trading on such market has been made. Austrian law further prohibits the use of inside information in Austria with regard to financial instruments admitted to trading on a regulated market in another EU member state or for which a request for admission to trading on such market has been made. Inside information is defined as detailed information not known to the public which, directly or indirectly, concerns one or more issuers of financial instruments, or one or more financial instruments, and which would, if it were publicly known, substantially influence the quoted value of such financial instruments or of derivatives linked to them, because a reasonable investor would likely use such information as the basis for his investment decision.

An insider is any person who has access to inside information either due to his position as a member of the administrative, managing or supervisory body of an issuer or due to his profession, occupation, responsibilities or shareholding (so called "*Primärinsider*"). Any person who gains access to inside information by way of a criminal offence is also an insider.

Any insider who uses inside information with the intent to gain a financial advantage for himself or a third party by buying or selling financial instruments or by offering or recommending such instruments

to third parties, or who provides access to such information to third parties without being required to do so, is subject to a criminal penalty of up to three years' imprisonment. If the financial advantage achieved exceeds EUR 50,000, the penalty is between six months' and five years' imprisonment. If this criminal offence is performed by a person who posseses inside information which has been made available to him by an insider (so called "*Sekundärinsider*"), he is subject to a criminal penalty of up to one year's imprisonment. If the financial advantage achieved exceeds EUR 50,000, the penalty is up to three years' imprisonment.

Pursuant to the Stock Exchange Act, every issuer is obliged to inform its employees and other persons providing services to the issuer about the prohibition on the abuse of inside information; to issue internal directives for the communication of information within the company; and to monitor compliance. Furthermore, issuers are obliged to take organizational measures to prevent the abuse of inside information or its disclosure to third parties. The FMA's Issuers' Compliance Regulation (*Emittenten-Compliance-Verordnung*) regulates the measures to be taken by issuers in further detail (e.g. blocking periods). In addition, it requires each issuer whose securities are admitted to the Official Market or the Second Regulated Market in Austria to issue a compliance directive (*Compliance-Richtlinie*). These compliance directives must be submitted to the FMA.

Issuers are required to establish a register of those persons working for them or being otherwise engaged by the issuer who have access to inside information, whether on a regular or occasional basis. Issuers are also required to regularly update this register and transmit it to the FMA whenever requested.

Furthermore, the Stock Exchange Act requires issuers of securities listed on a regulated market within the EU the home Member State of which is Austria to disclose to the public without delay any inside information that directly concerns them (so-called ad hoc information). Material changes to published inside information have to be published and identified as such. The issuer is required to publish ad hoc information via an EU-wide electronic information dissemination system and on its website. Prior to publishing relevant information, the issuer is required to communicate the ad hoc information to the FMA and the Vienna Stock Exchange. The issuer may delay the public disclosure of such information if such disclosure might harm the issuer's legitimate interests provided that such delay would not be likely to mislead the public and provided that the issuer is able to ensure the confidentiality. The issuer must inform the FMA if it decides to delay such public disclosure.

Market manipulation

Market manipulation refers to transactions or trade orders which give, or are likely to give, false or misleading signals as to the supply of, demand for, or price of, financial instruments, or which secure, by a person, or persons acting in collaboration, the price of one or several financial instruments at an abnormal or artificial level, unless the person who entered into the transactions or issued the trade orders has legitimate reasons for doing so and these transactions or trade orders conform to accepted market practices on the regulated market concerned. Market manipulation also comprises transactions or trade orders which employ fictitious devices or any other form of deception or contrivance. Finally, market manipulation includes dissemination of information through the media, including the internet, or by any other means, which gives, or is likely to give, false or misleading signals as to financial instruments, including the dissemination of rumors and false or misleading news, where the person who made the dissemination knew, or ought to have known, that the information was false or misleading. Market manipulation is subject to an administrative fine of up to EUR 75,000, which may be imposed by the FMA. Additionally, any pecuniary advantage attained by such transaction or trade order is to be declared forfeit by the FMA.

Takeover Act

The Austrian Takeover Act (*Übernahmegesetz*) (the "Takeover Act") primarily applies to public offers for the acquisition of shares of stock corporations registered in Austria, which shares are admitted to the Official or Second Regulated Market of the Vienna Stock Exchange. The primary purpose of the Takeover Act is to ensure that all shareholders of a company being acquired are treated equally and that

the shareholders receive a fair compensation for their shares in case of a change of control.

The Takeover Act provides that any public offer for the acquisition of shares of an Austrian company listed on an exchange in Austria has to be submitted to the Takeover Commission (*Übernahmekommission*) prior to its publication and has to be prepared and published in accordance with the requirements of the Takeover Act. Any person (or parties acting in concert) who acquires a controlling interest in an Austrian company listed on an exchange in Austria has to disclose that fact to the Takeover Commission without undue delay and make an offer to all other shareholders to purchase their shares in such company within 20 stock exchange trading days ("mandatory offer").

An interest shall be deemed to be controlling if more than 30% of the voting stock of a company is obtained. Acquisitions of voting rights not exceeding 30% will in no case trigger a mandatory offer ("safe harbor"). In the event of a holding of between 26% and 30%, the voting rights exceeding a participation of 26% are suspended unless such suspension is explicitly lifted by the Takeover Commission. The Takeover Commission, upon application, may impose conditions on the offeror instead of the suspension of voting rights.

In the event of a "passive" acquisition of control, there is no requirement to launch a mandatory offer if the acquirer of a controlling interest could not reasonably expect the acquisition of control at the time of acquiring the participation. Otherwise, the same provisions as outlined above apply (e.g. suspension of voting rights).

Under the "creeping-in" rule, the extension of an existing controlling interest shall also trigger a mandatory offer, if a person with a controlling interest who does not have a majority of the voting rights of a listed company acquires an additional 2% or more of the voting rights within a period of 12 months.

The minimum price to be offered in a mandatory offer or a voluntary offer aimed at the acquisition of a controlling interest must be the higher of (i) the highest price paid by the offeror during the last 12 months preceding the publication of the offer, and (ii) the average share price during the six months immediately preceding the publication of the offer. Under certain circumstances, an appropriate price is to be set for a mandatory offer. The price to be offered in a mandatory offer or a voluntary offer aimed at the acquisition has to be paid in cash. In addition, the offeror may offer securities in exchange for the shares.

The Takeover Act requires that the offeror prepares an offer document to be examined by an independent expert, either a qualified auditor or bank, before these offer documents are filed with the Takeover Commission and the target company. The management board and the supervisory board of the target company must issue a statement on the offer immediately after publication of the offer document which is also subject to mandatory examination by an independent expert. Any offers providing for a higher consideration or competing offers must follow the same rules. From the time of the publication of an offeror's intention to submit a public offer, the management board and the supervisory board of the target company generally may not undertake measures to jeopardize the offer. During such period, the offeror and the parties acting in concert must refrain from selling any shares in the target company and from purchasing target shares for a higher consideration than offered in the offer. The acceptance period for an offer may not be less than two weeks and not more than ten weeks, calculated in each case from the date of the publication of the offering document. In certain instances, such as in the case of a mandatory offer, there is a follow-up period of three months after the publication of the results of the offering within which the offer can be accepted.

The Takeover Commission supervises compliance with the Takeover Act and is authorized to fine any party who violates the Takeover Act. The Takeover Commission may institute proceedings ex officio and is not subject to supervision by any other regulatory authority.

Squeeze-out of minority shareholders

Pursuant to the Austrian Act on the Squeeze-out of Minority Shareholders (*Gesellschafter*

Ausschlussgesetz), a majority shareholder holding no less than 90% of the entire (voting and non-voting) share capital of a corporation under Austrian law may squeeze-out the remaining shareholders at an equitable price. The squeeze-out right is general and is not limited to a preceding takeover offer. The minority shareholders are not entitled to block the squeeze-out but have the right of separate judicial review of the fairness of the compensation paid for their minority stake. Where a squeeze-out follows a takeover offer, the consideration offered in the takeover bid is presumed to be fair where, through the acceptance of the offer, the offeror has acquired shares representing no less than 90% of the share capital entitled to vote of the target company.

Short sellings and notifications of suspicious transactions

The FMA is entitled to temporarily prohibit trades in financial instruments by enacting a regulation. In such regulation, the FMA has to specify the securities affected as well as the period of the ban, which must not exceed 3 months. Currently, FMA has made use of its power and prohibited naked short sales of shares of 4 issuers on the spot market (*Kassamarkt*). Non observation of the ban is subject to an administrative fine of up to EUR 75,000, which may be imposed by the FMA. In addition, FMA has issued guidelines on short selling transactions founding the suspicion of market manipulative behavior. Pursuant to the Stock Exchange Act, any person professionally arranging transactions must submit a notification of suspicious transactions involving inside trading or market manipulation to FMA if such person is registered or has its head office or branch in Austria. FMA has specified is an administrative circular this duty to be triggered by the entering into a holding of net short positions of minimum 0.25% of an issuer's outstanding share capital listed in Austria and to include OTC transactions in such shares and transactions taking place outside Austria as well.

TAXATION

Taxation in the Republic of Austria

The following is a brief summary of certain Austrian tax aspects in connection with the Rights Offering and New Shares. It is of a general nature and is not a full and comprehensive description of all Austrian tax consequences in connection with the acquisition, holding or disposal of the New Shares nor does it take into account the investors' individual circumstances or any special tax treatment applicable to the investors. Exceptions to the tax regime described herein may apply to certain investors. This summary is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors should consult their own professional advisors as to the particular tax consequences of the acquisition, holding or disposal of the New Shares.

This summary focuses on the tax treatment of dividends and capital gains which may be derived from the New Shares by individuals with a domicile or their habitual abode in Austria and legal entities with their corporate seat or their place of management in Austria ("residents") as well as by individuals who do not have a domicile nor their habitual abode in Austria and legal entities who do not have their corporate seat nor their place of management in Austria ("non residents"). The following summary is based on the tax legislation in force in Austria at the date of this prospectus, and is subject to any changes in Austrian law and practice occurring after that date, which changes may have retroactive effect.

Subscription rights

The receipt, exercise or expiration of subscription rights will not trigger Austrian income tax for a shareholder. The exercise of subscription rights leads to an acquisition of New Shares. Capital gains derived from the sale of the New Shares acquired upon the exercise of subscription rights and capital gains from the sale of subscription rights are taxable as described under "*Taxation of capital gains*" below.

Taxation of dividends

Austrian residents

Dividends paid by an Austrian stock corporation to its shareholders are subject to a withholding tax (*Kapitalertragsteuer – KESt*) at a rate of 25%. This tax is withheld by the company paying the dividend. The company, or the bank paying out the dividend on the company's behalf, is required to give the shareholder a certificate showing the gross dividend, the tax withheld, the date of payment and the period in respect of which the dividend is payable, and also the tax office to which the tax withheld was remitted.

Individual shareholders: For Austrian resident individuals the dividend withholding tax fully covers all income tax on such dividend income (final taxation – *Endbesteuerung*), which means that no further income tax is levied on the dividend income and the dividends do not have to be included in the shareholder's income tax return. Alternatively, the individual shareholder may include the dividends (together with his other income subject to the special 25% tax rate) in his regular annual tax assessment. In this case dividends that are paid until September 30, 2011 are taxed at half the average tax rate payable on the shareholder's total income whereas dividends that are paid after September 30, 2011 are taxed at the shareholder's regular progressive personal income tax rates. The Austrian withholding tax will be credited against the shareholder's personal income tax liability or, if higher, repaid. Expenses, including interest expenses, relating to the dividends are not deductible.

Corporate shareholders: For Austrian resident legal entities (*Körperschaften*), Austrian dividend income is exempt from corporate income tax, and the dividend withholding tax is credited against the corporate income tax liability of the shareholder or refunded. No withholding tax has to be deducted if dividends are paid (i) until September 30, 2011 to a corporate shareholder that directly holds at least 25% of the share capital of the Issuer or (ii) after September 30, 2011 to a corporate shareholder that

holds at least 10% of the share capital of the Issuer. Expenses in connection with tax exempt dividend income are generally not deductible but interest expenses connected with the acquisition of shares which qualify as business assets are under certain circumstances deductible.

Non residents

For non residents, dividends distributed by the Issuer are also subject to 25% withholding tax. However, double taxation treaties ("tax treaties") may provide for a reduction of Austrian tax on dividends. Austria has entered into tax treaties with more than 80 countries. Most of the Austrian tax treaties basically follow the OECD Model Convention and provide for a reduction of Austrian tax on dividends to 15% and for a further reduction in case of qualified participations. For example, the tax treaty with the United States (the "Treaty") provides for a reduction of Austrian withholding tax to 15% and, in case of a direct ownership of at least 10% of the voting stock by a company (other than a partnership), to 5%.

A non-resident shareholder who is entitled to a reduced rate under an applicable tax treaty (including the tax treaties with Germany, the UK and the United States) may apply for refund of the difference between the 25% withholding tax and the lower rate provided for by the tax treaty. In order to obtain such a refund, an eligible non-resident shareholder will generally have to provide a certificate of residence issued by the tax authorities of the shareholder's country of residence. Claims for refund of Austrian dividend withholding tax may be filed with the tax office of the Austrian city of Eisenstadt by using forms ZS RD 1 and ZS RD 1A (German) or ZS RE 1 and ZS RE 1A (English). The application forms may be obtained from the website operated by the Austrian Ministry of Finance (www.bmf.gv.at) (information on the website of the Austrian Ministry of Finance is not incorporated by reference into this prospectus).

Corporate shareholders who are resident in a member state of the European Union or in a state of the European Economic Area (EEA) with which comprehensive mutual assistance in tax administration and tax enforcement exists are entitled to a refund of the Austrian dividend withholding tax if and to the extent the shareholder provides evidence that in his country of residence no tax credit for such withholding tax is possible pursuant to a tax treaty.

Dividends paid to a company qualifying under the EU Parent Subsidiary Directive (Council Directive (EEC) No. 435/90 of July 23, 1990 as amended) ("EU company") are exempt from withholding tax if the EU company has held at least 10% of the share capital for an uninterrupted period of at least one year and meets certain additional criteria. Dividends which are attributable to an Austrian permanent establishment of an EU company are exempt from corporate income tax. The 25% withholding tax is credited against the Austrian corporate income tax liability of the EU company or refunded to it.

Taxation of capital gains

Austrian residents

For Austrian resident individuals capital gains realized on the sale or other disposal of New Shares until September 30, 2011 are subject to personal income tax at progressive rates because in such case the disposal of the New Shares takes place within one year after their acquisition (speculative transaction). Capital gains from speculative transactions are not taxable if the total of such gains does not exceed EUR 440 per calendar year. Losses from speculative transactions can only be offset against capital gains from other speculative transactions in the same calendar year, they cannot be offset against other taxable income or carried forward.

For capital gains realized on a sale or other disposal of New Shares after September 30, 2011 the following tax regime will apply: Any capital gain realized on the New Shares will, irrespective of the period of time the New Shares have been held for or the amount of the shareholding, qualify as investment income (*Einkünfte aus Kapitalvermögen*) and be subject to income tax at a special rate of 25%. The tax basis is, in general, the difference between the sale proceeds and the acquisition costs. Expenses in connection with a capital gain are not deductible. For New Shares which are held as private

assets, the acquisition costs of the New Shares will not include incidental acquisition costs. For the calculation of the acquisition costs of New Shares which are acquired at different points in time but held within the same securities account and having the same identification number, the weighted average price shall apply.

If the capital gain is settled by a domestic securities depository (*depotführende Stelle*) or paying agent (*auszahlende Stelle*) – which is an Austrian bank or the Austrian branch of a EU resident bank or investment firm –, the capital gain is subject to a 25% withholding tax (*Kapitalertragsteuer – KESt*). The 25% withholding tax deduction will result in a final income taxation for individuals who hold the New Shares as private assets (provided that the shareholder has evidenced the acquisition costs of the New Shares to the securities depository) and the respective capital gains do not have to be included in the shareholder's income tax return.

With effect as of October 1, 2011, withdrawals (*Entnahmen*) and other transfers of shares from a shareholder's securities account will be deemed to be a disposal unless certain requirements are met such as a transfer to a securities account owned by the same taxpayer (i) with the same domestic bank, (ii) with another domestic bank if the taxpayer instructs the transferring bank (securities depository) to disclose the acquisition costs of the shares to the transferee bank or (iii) with a foreign bank (securities depository), if the taxpayer instructs the transferring domestic bank to notify the competent Austrian tax office or, where the transferring bank is also a foreign bank (securities depository), the taxpayer himself notifies the competent Austrian tax office within a month. A transfer of shares without consideration to a securities account of another taxpayer will not result in a deemed disposal if, where the transferring bank is a domestic bank, the transferor evidences the transfer without consideration to the transferring bank or instructs the transferring bank to notify the competent tax office, or, where the transferring bank is a foreign bank, the taxpayer himself notifies the competent Austrian tax office within one month.

If the capital gain is not subject to Austrian withholding tax because there is no domestic securities depository and paying agent, the taxpayer will have to include the capital gain derived from the New Shares in his personal income tax return pursuant to the the provisions of the Austrian Income Tax Act. A special 25% income tax rate will apply to all capital gains realized after October 1, 2011.

Taxpayers, whose regular personal income tax is lower than 25% may opt for taxation of the capital gain from the New Shares (together with all other income subject to the special 25% tax rate) at their regular personal income tax rate (*Veranlagungsoption*). Expenses in connection with the capital gain are not deductible.

Losses from the sale of New Shares which are held as private assets may only be offset against other investment income (excluding, among others, interest income from bank deposits) of the same calendar year. This will require the filing of an income tax return with the competent tax office (*Verlustausgleichsoption*). Further, such losses cannot be offset against any other income or carried forward.

Capital gains derived from New Shares which are held by individuals as business assets will also be subject to the special 25% withholding tax with effect as of October 1, 2011. The capital gain will not be subject to any higher income tax than 25% but has to be included in the income tax return of the individual taxpayer holding the New Shares as business assets. Losses from a write-down or sale of New Shares which are held as business assets must primarily be set off against income and capital gains from financial instruments and only half of the remaining loss may be set off against other business income or carried forward.

The tax regime outlined above applies with effect as of October 1, 2011 also to a capital gain realized on a sale or other disposal of Existing Shares which were acquired against consideration after December 31, 2010. A capital gain realized on a sale or other disposal of Existing Shares which were acquired against consideration until December 31, 2010 is not subject to withholding tax and only taxable for Austrian residents if

- the disposal of the Existing Shares takes place within one year of acquisition (speculative

transaction);

- the transaction is not speculative, but the shareholder held at any time within five years preceding the sale directly or indirectly at least 1% of the Issuer's capital ("qualified shareholding");
- the Issuer is liquidated; or
- the Existing Shares qualify as business assets.

If such Existing Shares are sold within one year of the acquisition the standard progressive income tax rates apply. According to the current wording of the law, standard progressive income tax rates also apply if such Existing Shares are sold after the one-year period provided that they qualify as business assets and the capital gain is realized after September 30, 2011 (until such date the shareholder income is subject to half of the average income tax rate) but a draft bill of the Tax Amendment Act 2011 (*Begutachtungsentwurf Abgabenänderungsgesetz 2011*) published by the Ministry of Finance (it is yet unclear whether and when it will be passed as a law) provides for a 25% tax rate in such case.

Special transitional provisions apply to qualified shareholdings depending, among other aspects, on whether they were acquired before January 1, 2011 and continue to be 1% shareholdings on September 30, 2011. Furthermore, limitations also apply for Existing Shares on the use of capital losses.

For Austrian resident companies capital gains realized on the disposal of New Shares are generally subject to corporate income tax at the standard rate of 25%. Corporate investors deriving business income from the New Shares may avoid the application of the Austrian withholding tax on capital gains which is introduced with effect as of October 1, 2011 by filing a declaration of exemption (*Befreiungserklärung*) with the Austrian securities depository or paying agent. There is, *inter alia*, a special tax regime for Austrian private foundations (*Privatstiftung*).

If Austria loses its taxation rights in respect of the Shares to other countries (e.g. by a transfer of residence of such shareholder outside of Austria), a capital gain is recognized amounting to the difference between the acquisition cost and the fair market value of the Shares. Until September 30, 2011, and also thereafter for Existing Shares that where acquired against consideration until December 31, 2010, a capital gain is, in general, only recognized in such a case if the shareholder has a qualified shareholding. Taxation of such capital gain shall be deferred, however, upon request, if the shareholder moves to an EU member state or to an eligible EEA member state. The deferred tax shall be levied upon actual disposal of the Shares as well as upon transfer of the shareholder's residence for tax purposes to a state other than an EU member state or an eligible EEA member state. The deferred tax can, in general, only be levied within ten years after the shareholder moved his residence outside of Austria.

According to the Austrian income tax guidelines, the above provisions should also apply to capital gains from the sale of subscription rights.

Non residents

For non residents, capital gains on the sale of New Shares are only taxable in Austria if (i) the New Shares are attributable to an Austrian permanent establishment or (ii) if the selling shareholder had a qualified shareholding (i.e. if he held at any time within five years preceding the sale directly or indirectly at least 1% of the Issuer's capital). For non-residents such capital gains would in general not be subject to Austrian withholding tax but subject to 25% income tax by way of an assessment procedure. However, most of Austria's tax treaties, including the tax treaties with Germany, the U.K. and the United States, provide, in general, for an exemption of capital gains in Austria provided that the New Shares are not attributable to an Austrian permanent establishment.

According to the Austrian income tax guidelines, the above provisions should also apply to capital gains from the sale of subscription rights.

Other taxes

There should be no transfer tax, registration tax or similar tax payable in Austria by investors as a consequence of the acquisition, ownership or disposal of New Shares. The Austrian inheritance and gift tax was abolished with effect as of August 1, 2008. However, gifts must be notified to the tax authorities within a three-month notification period. There are certain exemptions from this notification obligation, for example for gifts among relatives that do not exceed an aggregate amount of EUR 50,000 per year or gifts among unrelated persons that do not exceed an aggregate amount of EUR 15,000 within five years.

The issuance of the New Shares is subject to capital duty (*Gesellschaftsteuer*) pursuant to the Austrian Capital Transactions Tax Act (*Kapitalverkehrsteuergesetz*) amounting to 1% of the consideration. Such tax is payable by the Issuer.

U.S. federal income taxation

The discussion of tax matters in this prospectus is not intended or written to be used, and cannot be used by any person, for the purpose of avoiding U.S. federal, state or local tax penalties, and was written to support the promotion or marketing of the transaction or matters addressed in this prospectus. Taxpayers should seek advice based on their particular circumstances from an independent tax adviser.

The following is a discussion of certain U.S. federal income tax consequences of the Offering and of the purchase, ownership and disposition of New Shares, but it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a particular person's decision to acquire such securities. The discussion applies only to U.S. Holders described below that hold Existing Shares or New Shares as capital assets for tax purposes. This discussion does not describe all of the U.S. federal income tax consequences that may be relevant to U.S. Holders in light of their particular circumstances, including alternative minimum tax consequences and tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- insurance companies;
- dealers and certain traders in securities;
- persons holding the New Shares as part of a hedge, straddle, conversion or other integrated transaction;
- persons whose functional currency for U.S. federal income tax purposes is not the USD;
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes;
- persons liable for the alternative minimum tax;
- tax-exempt organizations; or
- persons that own or are deemed to own 10% or more of OMV's voting stock.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds New Shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding New Shares and partners in such partnerships should consult their tax advisers as to the particular U.S. federal income tax consequences of the Offering and of owning and disposing of the New Shares.

This discussion is based on the Code, administrative pronouncements, judicial decisions, final, temporary and proposed Treasury regulations, all as of the date hereof. These laws are subject to change, possibly on a retroactive basis. Prospective purchasers should consult their own tax advisers concerning the U.S. federal, state, local and non-U.S. tax consequences of the Offering and of owning and disposing of the New Shares in their particular circumstances.

As used herein, the term "U.S. Holder" means a beneficial owner of Shares who is, for U.S. federal income tax purposes: (i) a citizen or resident of the United States; (ii) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States or any political subdivision thereof; or (iii) an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source and, in each case, who is eligible for the benefits of the Treaty.

This discussion assumes that OMV is not, and will not become, a passive foreign investment company (or "PFIC"), as discussed below.

Taxation of Rights

Generally, U.S. Holder will have no U.S. federal income tax consequences as a result of the receipt, exercise or expiration of the subscription rights (the "Rights"). A U.S. Holder that exercises Rights generally will have a tax basis in the New Shares so received equal to the price paid for the New Shares. The U.S. Holder's holding period for such New Shares will commence on the date of exercise of such Rights.

Taxation of distributions on New Shares

The gross amount of distributions paid on New Shares, including any amounts withheld by the Issuer in respect of Austrian taxes, other than certain pro rata distributions of ordinary shares or rights to receive ordinary shares, will generally constitute foreign source dividend income. The amount of the dividend a U.S. Holder will be required to include in income will equal the USD value of the Euro distribution, calculated by reference to the exchange rate in effect on the date the payment is received by the holder, regardless of whether the payment is converted into USD on the date of receipt. If the dividend is converted into USD on the date of receipt the U.S. Holder generally should not be required to recognize foreign currency gain or loss in respect of the dividend income.

Corporate U.S. Holders will not be entitled to claim the dividends-received deduction with respect to dividends paid by OMV. Subject to applicable limitations, dividends paid to certain non-corporate U.S. Holders in taxable years beginning before January 1, 2013 may be taxable at a maximum rate of 15%. Noncorporate U.S. Holders should consult their tax advisers regarding the availability of the reduced tax rate on dividends.

Subject to certain conditions and limitations under U.S. federal income tax law, a U.S. Holder will be eligible to claim a foreign tax credit for Austrian withholding taxes imposed at a rate not in excess of the rate provided by the Treaty on distributions by OMV in respect of the New Shares. Austrian taxes withheld in excess of a rate provided in the Treaty will not be eligible for credit against a U.S. Holder's federal income tax liability. See "—*Taxation in the Republic of Austria—Taxation of dividends*" above for a discussion of how to obtain the applicable Treaty rate. The limitation on foreign taxes eligible for credit is calculated separately with respect to two specific classes of income – "passive" income and general income. In lieu of claiming a foreign tax credit, a U.S. Holder may choose to deduct such Austrian withholding taxes in computing its U.S. federal taxable income. The U.S. federal income tax rules relating to foreign tax credits are complex. U.S. Holders should consult their tax advisors concerning the availability of foreign tax credits based upon their particular situations.

Sale and other disposition of New Shares

For U.S. federal income tax purposes, gain or loss realized on the sale or other disposition of New Shares will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the New Shares for more than one year. The amount of the gain or loss will equal the difference between

the U.S. Holder's tax basis in the New Shares disposed of and the amount realized on the disposition, in each case as determined in USD. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes.

Passive foreign investment company considerations

OMV believes that it was not a PFIC for U.S. federal income tax purposes for its 2010 taxable year and does not expect to be a PFIC in the foreseeable future. However, since PFIC status depends upon the composition of the income and assets of the Group (including subsidiaries owned 25% or more by value) and the market value of OMV's assets from time to time, there can be no assurance that OMV will not be a PFIC for any taxable year. If OMV were a PFIC for any taxable year during which a U.S. Holder held New Shares, gain recognized by such U.S. Holder on a sale or other disposition (including certain pledges) of the New Shares would be allocated ratably over the U.S. Holder's holding period for such New Shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before OMV became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for such taxable year, and an interest charge would be imposed on the resulting tax liability. Similar rules would apply to the portion of any distribution in respect of New Shares that exceeds 125% of the average of the annual distributions on New Shares received by a U.S. Holder during the preceding three years or such U.S. Holder's holding period, whichever is shorter. Certain elections may be available that would result in alternative treatments (such as a mark-to-market treatment) of the New Shares.

If OMV were to be treated as a PFIC in a taxable year in which it pays a dividend or the prior taxable year, the 15% dividend rate discussed above with respect to dividends paid to non-corporate U.S. Holders would not apply.

If OMV were classified as a PFIC, U.S. Holders would be subject to additional filing requirements and may be subject to substantial penalties for failure to comply. U.S. Holders should consult their own tax advisers regarding additional reporting requirements.

Certain reporting obligations

If a U.S. Holder (together with persons considered to be related to the U.S. Holder) subscribes for New Shares for a total Offer Price in excess of USD 100,000 (or the equivalent in Euros), the holder may be required to file Internal Revenue Service Form 926 for the holder's taxable year in which the subscription occurs. U.S. Holders should consult their own tax advisers to determine whether they are subject to any Form 926 filing requirements.

U.S. Holders should consult their own advisers regarding any additional reporting or filing obligations resulting from the purchase, ownership or disposition of New Shares.

Backup withholding and information reporting

Payment of dividends and sales proceeds that are made within the United States or through certain U.S. related financial intermediaries are generally subject to information reporting and may be subject to backup withholding unless (i) the U.S. Holder establishes, if requested, that it is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against such holder's U.S. federal income tax liability and may entitle such holder to a refund, provided that the required information is timely furnished to the IRS.

UNDERWRITING

The Company's shareholders are invited to exercise their subscription rights to subscribe for the New Shares. Any New Shares for which subscription rights are not exercised in the Rights Offering will be offered in (i) a public offering to retail and institutional investors in the Republic of Austria, and (ii) a private placement outside the Republic of Austria to institutional investors, including a private placement in the United States to qualified institutional buyers in reliance on Rule 144A under the Securities Act. The number of New Shares available for sale in the International Offering will be determined after the termination of the Subscription Period in respect of the Rights Offering. The Managers reserve the right to reject any order in whole or in part.

Subject to the terms and conditions set out in the underwriting agreement dated May 18, 2011 (the "Underwriting Agreement") among the Company and the Managers, and subject to the terms of the pricing agreement to be entered into among the Company and the Managers on the date of the pricing of the Offering, the Company will agree to offer for subscription or sell (as the case may be) to the Managers, and the Managers will severally agree to procure subscribers or purchasers for, or to subscribe or purchase themselves from the Company, up to the number of New Shares set out below next to their respective names at the Offer Price:

Managers	Maximum Number of New Shares	%
Barclays Bank PLC	4,636,364	17%
Deutsche Bank Aktiengesellschaft	4,636,364	17%
J.P. Morgan Securities Ltd.	4,636,363	17%
Merrill Lynch International	4,636,363	17%
UniCredit Bank Austria AG	4,636,363	17%
BNP PARIBAS.	818,182	3%
Crédit Agricole Corporate and Investment Bank	818,182	3%
Erste Group Bank AG	818,182	3%
Raiffeisen Centrobank AG	818,182	3%
SOCIÉTÉ GÉNÉRALE	818,182	3%
Total	**27,272,727**	**100**

The Underwriting Agreement provides that the obligations of the Managers are subject to the fulfillment of certain conditions, such as the registration of the New Shares in the companies' register and other customary conditions.

Underwriting commissions

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Managers a fixed underwriting commission equal to: (i) 1.00% of the gross proceeds from the sale of the New Shares which IPIC and ÖIAG commit to acquire in the Offering and (ii) 1.50% of the gross proceeds from the sale of the New Shares in the Offering, other than the New Shares acquired by IPIC and ÖIAG. In addition, the Company has agreed to pay the Managers an incentive fee, payable at the Company's sole discretion, of up to 0.75% of the gross proceeds from the sale of the New Shares in the Offering. The Company has also agreed to reimburse certain costs incurred by the Managers in connection with the Offering.

Indemnification and termination

The Underwriting Agreement provides that the Company will indemnify the Managers against liabilities in connection with the Offering that arise out of an untrue statement or alleged untrue statement of a material fact or an omission or alleged omission to state a material fact in this prospectus or other offering materials.

The Managers will be entitled to terminate the Underwriting Agreement until the closing of the Offering, in particular in the event that certain conditions precedent are not fulfilled, including the conditions that the Managers receive customary legal opinions, disclosure letters and comfort letters and that no force majeure event has occurred. In such case the New Shares may not be delivered.

Stabilization

In connection with the Offering, Merrill Lynch International, as stabilization agent may engage in stabilization activity aimed at supporting the exchange or market price of the Shares. For details on such activities, please see *"The Offering—Stabilization"*.

Other relations with the Managers

The Managers, severally, engage in investment, consulting and financial transactions with OMV from time to time in the ordinary course of their businesses and may continue to do so in the future. All investment, consulting and financial transactions with the Managers are conducted on an arm's length basis.

Lock-up

The Company has agreed with the Managers that until 180 days after the Closing Date, without the prior written consent of the Joint Bookrunners, the Company, or, in respect of (a) and (b) below, its Management Board or Supervisory Board, will not:

(a) exercise an authorization pursuant to the Company's Articles of Association to increase its capital;

(b) submit a proposal for a capital increase to any meeting of the shareholders of the Company for resolution; or

(c) offer, pledge, allot, issue (unless being required by applicable law), sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares in the Company's capital or any securities convertible into or exercisable or exchangeable for shares in the Company's capital or file any registration statement under the Securities Act or enter into any swap or other arrangement that transfers to another, in whole or in part, directly or indirectly, the economic consequence of ownership of shares in the Company's capital, whether any such transaction described above is to be settled by delivery of shares in the Company's capital or such other securities, in cash or otherwise.

The foregoing limitations will not apply (i) to the New Shares, (ii) to any common shares or options for common shares to be issued by the Company to directors and employees under a customary directors' and/or employees' stock option plan, and (iii) to any shares issued as a result of a share split.

In addition, the Company's shareholder ÖIAG has agreed with the Managers that until 180 days after the Closing Date, without the prior written consent of the Joint Bookrunners, it will not:

(a) submit a proposal for a capital increase to any meeting of the shareholders of the Company for resolution; or

(b) offer, pledge, allot, sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares in the Company's capital or any securities convertible into or exercisable or exchangeable for shares in the Company's capital or file any registration statement under the Securities Act or enter into any swap or other arrangement that transfers to another, in whole or in part, directly or indirectly, the economic consequence of ownership of shares in the Company's capital, whether any such transaction described above is to be settled by delivery of shares in the Company's capital or such other securities, in cash or otherwise.

SELLING RESTRICTIONS

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Manager will represent and agree that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of the New Shares to the public in that Relevant Member State prior to the publication of a prospectus in relation to the New Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may make an offer of New Shares to the public in that Relevant Member State at any time under the following exceptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to legal entities which are qualified investors as defined under the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospective Directive, subject to obtaining the prior consent of the other Managers; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of New Shares shall result in a requirement for the Company or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression "an offer of New Shares to the public" in relation to any New Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Shares to be offered so as to enable an investor to decide to purchase or subscribe the New Shares, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that member state, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

This prospectus and any other material in relation to the securities described herein is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospective Directive ("qualified investors") that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth entities or other persons falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The Securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Securities will be engaged in only with, relevant persons. This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

United States

The subscription rights (or exercise thereof) and the New Shares have not been and will not be registered under the Securities Act and may not be offered, exercised or sold in the United States (as

defined in Regulation S under the Securities Act), except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the New Shares in the Offering are being offered and sold:

- in the United States only to qualified institutional buyers within the meaning of Rule 144A under the Securities Act ("QIBs"); and
- outside the United States in accordance with Regulation S under the Securities Act.

The subscription rights may not be exercised by or on behalf of any person in the United States, except that holders of subscription rights in the United States who are QIBs may exercise the subscription rights in accordance with the procedures and subject to the terms and conditions described herein.

Investors' representations and restrictions on resale

Outside the United States

Each person exercising subscription rights in the Rights Offering and each purchaser of New Shares outside the United States will be deemed to have represented and agreed, that it has received a copy of this prospectus and that:

- the purchaser acknowledges that the subscription rights (or exercise thereof) and the New Shares have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on exercise and transfer;
- the purchaser (and any person for whose account or benefit the purchaser is exercising the subscription rights or acquiring the New Shares) is located outside the United States at the time the exercise or buy order for the subscription rights or the New Shares is originated and continues to be located outside the United States; and any person for whose account or benefit the purchaser is exercising the subscription rights or acquiring the New Shares reasonably believes that the purchaser is located outside the United States; and neither the purchaser nor any person acting on its behalf knows that the transaction has been pre-arranged with a buyer in the United States;
- the purchaser is aware of the restrictions on the offer, exercise and sale of the subscription rights and the New Shares pursuant to Regulation S described in this prospectus; and
- any offer, exercise, sale, pledge or other transfer of the subscription rights or the New Shares made other than in compliance with the above-stated restrictions will not be recognized by the Company.

Within the United States

Each person exercising subscription rights in the Rights Offering who is located in the United States will be required to sign and deliver an investment letter substantially containing the following representation and undertakings, and each purchaser of New Shares in the Offering within the United States in reliance on Rule 144A will be deemed to have represented and agreed as follows:

1. such person is, and at the time of such exercise or purchase will be, a QIB within the meaning of Rule 144A;
2. such person understands and acknowledges that the subscription rights (or the exercise thereof) and the New Shares have not been and will not be registered under the Securities Act, and that they may not be offered, sold or exercised, directly or indirectly, in the United States, other than in accordance with paragraph 4 below;

3. such person is exercising subscription rights or purchasing New Shares, as the case may be, (i) for its own account, or (ii) for the account of one or more other QIBs for which it is acting as a duly authorized fiduciary or agent with sole investment discretion with respect to each such account and with full authority to make the acknowledgements, representations and agreements in the investment letter with respect to each such account (in which case it makes such acknowledgements, representations and agreements on behalf of such QIBs as well), in each case for investment and not with a view to any resale or distribution of any New Shares;

4. such person understands and agrees that exercises of subscription rights by persons in the United States are permitted only by QIBs in reliance on a valid exemption from the registration requirements of the Securities Act and offers and sales of the New Shares are being made in the United States only to QIBs pursuant to and in reliance on Rule 144A, and that if in the future it or any such other QIB for which it is acting, as described in paragraph 3 above, or any other fiduciary or agent representing such investor decides to offer, sell, deliver, hypothecate or otherwise transfer any New Shares, it, any such other QIB and any such other fiduciary or agent will do so only (a)(i) pursuant to an effective registration statement under the Securities Act, (ii) to a person whom the holder and any person acting on its behalf reasonably believes is a QIB purchasing for its account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (iii) outside the United States in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S (and not in a pre-arranged transaction resulting in the resale of such New Shares into the United States) or (iv) pursuant to an exemption from registration under the Securities Act pursuant to Rule 144 thereunder, if available, and (b) in accordance with any applicable securities laws of any state or territory of the United States and of any other jurisdiction. Such person understands that no representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for the resale of the New Shares;

5. such person understands that for so long as New Shares issued upon the exercise of subscription rights are "restricted securities" within the meaning of Rule 144 under the Securities Act, no such New Shares may be deposited into any American depositary receipt facility established or maintained by a depositary bank, other than a restricted depositary receipt facility, and that such New Shares will not settle or trade trough the facilities of DTC or any other U.S. clearing system;

6. such person has received a copy of the prospectus and has had access to such financial and other information concerning the Group as it has deemed necessary in connection with making its own investment decision to exercise its subscription rights or purchase the New Shares. It has made its own independent investigation and appraisal of, without limitation, the business, financial condition, prospects, creditworthiness, status and affairs of the Group and the New Shares. It understands that there may be certain consequences under U.S. and other tax laws resulting from an investment in the New Shares and it has made such investigation and has consulted such tax and other advisors with respect thereto as it deemed appropriate. It acknowledges that neither the Company nor the Managers named herein nor any person representing the Company or the Managers has made any representation, express or implied, to it with respect to the Group or the exercise of subscription rights or offering or sale of any New Shares other than as set forth in the investment letter or in the prospectus which has been delivered to it, and upon which it is relying solely in making its investment decision with respect to the New Shares. It has held and will hold any offering materials, including the prospectus, it receives directly or indirectly from the Company in confidence, and it understands that any such information received by it is solely for it and not to be redistributed or duplicated by it. It acknowledges that it has read and agreed to the matters stated in the section "*Selling Restrictions*" of the prospectus;

7. such person, and each other QIB, if any, for whose account it is exercising the subscription rights or acquiring the New Shares, in the normal course of business, invests in or purchases securities similar to the New Shares, has such knowledge and experience in financial and

business matters that it is capable of evaluating the merits and risks of exercising the subscription rights or purchasing New Shares and is aware that it must bear the economic risk of an investment in any New Share for an indefinite period of time and it is able to bear such risk for an indefinite period and is able to sustain a complete loss of investment in the New Shares;

8. such person understands that these representations, warranties undertakings and acknowledgements are required in connection with U.S. securities laws and that the Company, its affiliates and the Managers will be relying on this letter and it irrevocably authorizes the Managers on its own behalf and on behalf of each beneficial owner of the subscription rights being exercised by it or New Shares being purchased by it, to rely on these representations and to produce this letter to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein or in connection with any other requirements of law;

9. such person undertakes promptly to notify the Company and the Managers if, at any time prior to the delivery to it of any New Shares, any of the foregoing ceases to be true.

Any offer, exercise, sale, pledge or other transfer of the subscription rights or the New Shares made other than in compliance with the above-stated restrictions shall not be recognized by the Company.

Each purchaser in the United States will also be deemed to have agreed to give any subsequent purchaser of the New Shares notice of any restrictions of the transfer thereof.

Any resale or other transfer, or attempted resale or other transfer, made other than in compliance with the above-stated restrictions shall not be recognized by the Company.

Holders of American Depositary Receipts ("ADRs") under the Company's ADR program will not be permitted to effect subscription for New Shares in respect of the common shares that are represented by such ADRs.

Australia

This document is not a prospectus for the purposes of the Corporations Act of Australia 2001 (the "Australian Corporations Act") and may not contain all of the information that an Australian investor may find in a prospectus prepared in accordance with the Australian Corporations Act which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares. As no prospectus will be lodged with the Australian Securities & Investments Commission ("ASIC") or otherwise prepared in accordance with the Australian Corporations Act in respect of the Offering, the New Shares will only be offered or issued to persons in Australia to whom an offer of shares for issue may be made without a prospectus under Part 6D.2 of the Australian Corporations Act or to persons outside Australia in accordance with the laws of any other applicable jurisdiction.

Investors located in Australia confirm and warrant that offers of securities may be made to them under section 708(11) of the Australian Corporations Act without requiring a prospectus or other form of disclosure document under the Australian Corporations Act and agree that they will not offer to sell the New Shares to any person that is not a professional investor under 708(11) of the Australian Corporations Act until the day after a notice is lodged by the Company with ASX that complies with subsections 708A(5)(e) and (6) of the Australian Corporations Act.

Canada

The New Shares have not been and will not be qualified by prospectus for sale to the public in Canada under applicable Canadian securities laws and, accordingly, any offer or sale of the New Shares in Canada will be made pursuant to an exemption from the applicable prospectus filing requirements, and otherwise in compliance with applicable Canadian laws. This document is not, and under no

circumstances is to be construed as, a prospectus, an advertisement or a public offering of the securities described herein in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the securities described herein, and any representation to the contrary is an offense.

Japan

The New Shares have not been and will not be registered under the Financial Instruments and Exchange Law, as amended (the "FIEL"). The New Shares are not being offered and sold and may not be offered or sold, directly or indirectly, in Japan or to or for the account of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for offering or sale, directly or indirectly, in Japan or to, or for the account of, any resident of Japan, except (i) pursuant to an exemption from the registration requirements under the FIEL and (ii) in compliance with any other regulations and ministerial guidelines of Japan.

Switzerland

The subscription rights and the New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the subscription rights, the New Shares or the Offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the Offering, the Issuer, the subscription rights or the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of subscription rights and the New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, and the offer of subscription rights and the New Shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of subscription rights or the New Shares.

Dubai International Financial Center

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority ("DFSA"). This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The securities to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities and should consult an authorized financial advisor if they do not understand the contents of this prospectus.

GLOSSARY OF ABBREVIATIONS AND DEFINITIONS

Term	Definition
Annual nameplate capacity	Maximum rated output (e.g. of a refinery) per year under specific conditions designated by the manufacturer
ANRE	Romanian Electricity and Heat Regulatory Authority
ASIC	Australian Securities & Investments Commission
Astra	Rafinaria Astra Romana S.A. (Romania)
Audit Com.	Audit Committee
Audited Consolidated Financial Statements	The audited consolidated financial statements of the Issuer as of, and for the years ended, December 31, 2010, 2009 and 2008, in the English language (including the notes thereto)
AWP	Adria-Wien Pipeline
bbl, bbl/d	Barrel, barrels per day (1 barrel equals approximately 159 liters)
bcf, bcm, bcm/y	Billion standard cubic feet (60 °F/16 °C), billion cubic meters (32 °F/0 °C), bcm per year
bn, mn	Billion, million
boe, boe/d	Barrels of oil equivalent, boe per day
BP	BP PLC
CAGR	Compound annual growth rate
CAPEX	Capital expenditure
capital employed	Shareholders' equity including non-controlling interests plus net debt and provisions for pensions, less securities used for asset coverage of pension provisions; capital employed in 2010 has been adjusted for the acquisition of Petrol Ofisi, i.e. the effects from the acquisition of Petrol Ofisi on capital employed as of December 31, 2010 have been excluded
cbm, cf	Standard cubic meters, standard cubic feet
CEE	Central and Eastern Europe or Central and Eastern European, OMV's E&P core region consisting of Austria, Romania and Slovakia
CE/SEE	Central Europe and Southeastern Europe or Central and Southeastern European, consisting of Austria, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Southern Germany, Hungary, Moldova, Romania, Serbia, Slovakia and Slovenia. It does not include Poland.
CEGH	Central European gas hub or Central European Gas Hub AG, a gas trading platform established by OMV
CEZ	ČEZ, a. s.; Czech electric utility company

CIS	Commonwealth of Independent States; a regional organization consiting of the former Soviet republics Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan (Georgia withdrew from the CIS as of August 18, 2009)
CISA	Swiss Federal Act on Collective Investment Schemes
Clean EBIT	EBIT, excluding special items
Clean CCS EBIT	EBIT, excluding special items and excluding inventory holding effects resulting from the fuels refineries
Consolidated Financial Statements	Audited Consolidated Financial Statements and Unaudited Consolidated Financial Statements
Co&O	Corporate and Other
CPI	Transparency International Corruption Perceptions Index
dated Brent crude	Market term for a cargo of North Sea Brent blend crude oil that has been assigned a date when it will be loaded onto a tanker
DIFC	Dubai International Financial Center, a near-shore financial hub for the Middle East and North Africa containing a capital market designated as a financial free zone in Dubai
DFSA	Dubai Financial Services Authority
DODO	Dealer owned dealer operated
Doğan	Doğan Şirketler Grubu Holding A.Ş.
E&P	Exploration and Production
EBIT	Earnings before interest and taxes
EGAS	Egyptian Natural Gas Holding Company
EMRA	Turkish Energy Market Regulatory Authority
Eni	Eni S.p.A.
EPSA	Libyan exploration and production sharing agreements
equity gas	Gas produced at OMV's own fields
EU, EUR	European Union, euro
EU-15	Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the U.K.
European Growth Belt	OMV's growth markets reaching from the Baltic Sea in the north, extending southeast and encompassing the countries of CE/SEE, to Turkey in the south
EÜAŞ	Elektrik Üretim A.Ş.

FIEL	Japanese Financial Instruments and Exchange Law
finding costs	Total exploration expenses divided by changes in proved reserves (extensions, discoveries and revisions of previous estimates)
FMA	Austrian Financial Market Authority
G&P	Gas and Power
GDP	Gross domestic product
GDPA	Turkish General Directorate of Petroleum Affairs
gearing ratio	Net debt divided by stockholders' equity including non-controlling interests, expressed as a percentage
Global Solutions	OMV's integrated competence center providing group-wide services in IT, financial services, HR administration, facility management and occupational health
GW	Gigawatt
HAG	Hungary-Austria Gasleitung or Hungary-Austria Gas pipeline
HSSE	Health, safety, security and environment
IASs	International Accounting Standards
IEA	International Energy Agency
IFRS	International Financial Reporting Standards, including IASs
IMF	International Monetary Fund
INA	INA-Industrija nafte d.d.; the national oil company of Croatia
IPIC	International Petroleum Investment Company; major shareholder of the Issuer
Is Bank	Türkiye İş Bankası A.Ş.
ISO	Independent System Operator; permissible model under Directive 2009/72/EC concerning common rules for the internal market in electricity providing for the separation of production and supply from transmission networks
ITO	Independent Transmission System Operator; permissible model under Directive 2009/72/EC concerning common rules for the internal market in electricity providing for the separation of production and supply from transmission networks
ITO+	Arrangements guaranteeing a more efficient independence of transmission system operators than the ITO model (also permitted under Directive 2009/72/EC concerning common rules for the internal market in electricity)
Joint Bookrunners	Merrill Lynch International, Barclays Bank PLC, Deutsche Bank Aktiengesellschaft, J.P. Morgan Securities Ltd. and UniCredit Bank Austria AG

km	Kilometers
km²	Square kilometers
LNG	Liquefied natural gas
LNOC	Libyan National Oil Corporation
LPG	Liquefied petroleum gas; specific mixtures of propane, butane and derivative gases
LTIR	Lost time incident rate
Lukoil	Lukoil OAO; Russian oil company
Managers	The Joint Bookrunners together with BNP PARIBAS, Crédit Agricole Corporate and Investment Bank, Erste Group Bank AG, Raiffeisen Centrobank AG and SOCIÉTÉ GÉNÉRALE
maximum Offer Price	EUR 33 per New Share; hightest amount at which the Offer Price may be set
MERO	Mitteleuropäische Rohölleitung
MOL	MOL Hungarian Oil and Gas Plc.
MW	Megawatt
m³; m³/d	Standard cubic meters; m^3 per day
naphtha	Liquid mixture of hydrocarbons
n.a., n.m.	Not available, not meaningful
net debt	Interest bearing liabilities (including bonds and financial lease liabilities) less liquid funds (cash and cash equivalents)
net interest on net debt	Interest income and expenses on net debt plus foreign exchange gains and losses, fair value adjustments and impairment charges on financial instruments, and other financing costs relating to net debt
NGL	Natural gas liquids; natural gas which is extracted in liquid form during the production of hydrocarbons
NIOC	National Iranian Oil Company
NOC	National Oil Corporation
NOPAT	Net operating profit after tax; profit from ordinary activities after taxes plus net interest on net debt and interest on pensions, adjusted for tax effects
NZD	New Zealand dollar
OECD	Organization for Economic Cooperation and Development comprising the 30 member countries Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United

	Kingdom, United States
OeKB	Oesterreichische Kontrollbank Aktiengesellschaft
Offer Price	The Offer Price, which is equal to or below the maximum Offer Price, will be determined by the Company in consultation with the Joint Bookrunners on or about June 6, 2011 upon conclusion of the book-building process and taking into account the closing price of the Existing Shares on the Vienna Stock Exchange on or about June 6, 2011.
ÖIAG	Österreichische Industrieholding Aktiengesellschaft; major shareholder of the Issuer
Oil Terminal SA	Romanian company specializing in loading, unloading and storage of crude oil and oil products; majority-owned by the government
OMV E&P	OMV's E&P segment or OMV Exploration & Production GmbH
OPEC	Organization of the Petroleum Exporting Countries; a permanent intergovernmental organization consisting of 12 member countries located across Asia, Africa and America (Algeria, Angola, Ecuador, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates and Venezuela)
Operating Region	Libya, Tunisia, Egypt, Pakistan, Yemen, the Kurdistan Region of Iraq and Kazakhstan
OPEX	Operating expenditures, production cost, cost of material and personnel during production excluding royalties
payout ratio	Total dividend payment divided by net income after non-controlling interests expressed as a percentage
Petajoule	1 petajoule corresponds to approximately 278 mn kilowatt hours
PFIC	Passive foreign investment company
PGNiG SA	Polish oil and gas exploration and production company
Pioneer Tunisia	Pioneer Natural Resources Tunisia Ltd. and Pioneer Natural Resoures Anaguid Ltd
PKN Orlen	PKN Orlen S.A.
PLW	Product Pipeline West
POAR	Petrol Ofisi Akdeniz Rafinerisi Sanayi ve Ticaret A.Ş.
PO Arama	Petrol Ofisi Arama Üretim Sanayi ve Ticaret A.Ş.
polyolefins	Monomers in the chain shape, collective term for polyethylene and polypropylene
Pres. Com.	Presidential and Nomination Committee
Proj. Com.	Project Committee
Prospectus	Directive 2003/71/EC of the European Parliament and of the Council of

Directive	November 4, 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC
2010 PD Amending Directive	Directive 2010/73/EU of the European Parliament and of the Council of November 24, 2010 amending Directives 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading and 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market
PSA	Production sharing agreement
RBI	Raiffeisen Bank International AG
Relevant Member State	Member state of the European Economic Area which has implemented the Prospectus Directive
Relevant Implementation Date	The date on which the Prospectus Directive is implemented in a Relevant Member State
Remun. Com.	Remuneration Committee
R&D	Research and development
R&M	Refining and Marketing including petrochemicals
ROACE	Return on average capital employed; NOPAT divided by average capital employed, expressed as a percentage, per year
ROE	Return on equity; net income for the period divided by average equity including non-controlling interests, expressed as a percentage, per year
RON	Romanian leu
sales revenues	Sales excluding petroleum excise tax
SEC	United States Securities and Exchange Commission
Seveso-II Directive	EC Directive 96/82/EC on the control of major-accident hazards involving dangerous substances
Shell	Royal Dutch Shell PLC
SPV	İş-Doğan Petrol Yatırımları A.Ş.
STGP	South Tunisia Gas Project
t, tonne; toe; tonnes/y	Metric tonne; tonne of oil equivalent; tonnes per year
TAG	Trans-Austria Gasleitung or Trans-Austria Gas pipeline
TAL	Transalpine Pipeline
TRY	Turkish lira

TRIR	Total Recordable Incident Rate
Total	Total S.A.
Tüpras	Türkiye Petrol Rafinerileri A.Ş.; Turkish petroleum refineries corporation
Unaudited Consolidated Financial Statements	The consolidated interim financial statements (condensed, unaudited) of the Company as of, and for the three months ended, March 31, 2011, in the English language
Unipetrol	Unipetrol, a.s.; Czech refinery and petrochemical company
USD	US dollar
UVS	Independent Administrative Senate (*Unabhängiger Verwaltungssenat*)
Vienna Stock Exchange	Wiener Börse AG
WAG	West-Austria Gasleitung or West-Austria Gas pipeline
WIFO	Austrian Institute of Economic Research
WIIW	Vienna Institute for International Economic Studies

STATEMENT PURSUANT TO COMMISSION REGULATION (EC) NO 809/2004 OF 29 APRIL 2004 AND PURSUANT TO SECTION 8 PARA 1 CAPITAL MARKETS ACT

OMV Aktiengesellschaft, with its corporate seat in Vienna, Austria, is responsible for this prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

OMV Aktiengesellschaft

as issuer (*als Emittent*)

Vienna, May 18, 2011

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Gerhard Roiss

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David C. Davies

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Werner Auli

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Jacobus Gerardus Huijskes

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Manfred Leitner

The following translation of the original summary is a separate document attached to the prospectus. It does not form part of the prospectus itself and has not been approved by the FMA. Further, the FMA did not review its consistency with the original summary.

Die folgende Übersetzung der Originalzusammenfassung ist ein separates Dokument und bildet einen Anhang zu diesem Prospekt. Sie ist selbst kein Teil dieses Prospekts und wurde nicht von der FMA gebilligt. Auch die Übereinstimmung mit der Originalzusammenfassung wurde nicht von der FMA geprüft.

GERMAN TRANSLATION OF THE SUMMARY

ZUSAMMENFASSUNG

Warnung: *Die folgende Zusammenfassung muss als Einleitung zum Prospekt verstanden werden, und jede Entscheidung zur Anlage in die jungen Aktien sollte sich auf eine Prüfung des gesamten Prospekts, einschließlich der Konzernabschlüsse und der unter „Risikofaktoren" dargelegten Inhalte, stützen. Diejenigen Personen, die diese Zusammenfassung, einschließlich jedweder Übersetzungen davon, vorgelegt und deren Meldung beantragt haben, können haftbar gemacht werden, jedoch nur für den Fall, dass diese Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird. Für den Fall, dass vor Gericht Ansprüche aufgrund der in diesem Prospekt enthaltenen Informationen geltend gemacht werden, könnten die als Kläger auftretenden Anleger in Anwendung der einzelstaatlichen Rechtsvorschriften der Mitgliedsstaaten des EWR die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen haben. Für den Fall, dass solche Ansprüche vor einem österreichischen Gericht geltend gemacht werden, wird eine deutsche Übersetzung des Prospekts erforderlich sein, und die Kosten hierfür müssen zunächst von dem als Kläger auftretenden Anleger und schließlich von der im Rechtsstreit unterliegenden Partei getragen werden.*

OMV

Geschäftstätigkeit

OMV ist nach Einschätzung des Managements eines der führenden Energieunternehmen in Zentral- und Südosteuropa ("CE/SEE") im Hinblick auf die sicheren Erdöl- und Erdgasreserven, Produktions- und Raffinerienominalkapazitäten und Gesamtmarktanteil im Marketing-Geschäft in CE/SEE. OMVs Kerngeschäftssegmente sind (i) Exploration und Produktion (von Erdöl und Erdgas); (ii) Raffinerien und Marketing inklusive Petrochemie; und (iii) Gas und Power. 2010 erzielte OMV einen Umsatz von EUR 23.323,4 Millionen und einen Betriebserfolg (EBIT) von EUR 2.333,8 Millionen. Zum 31. Dezember 2010 betrug die Marktkapitalisierung etwa EUR 9.300 Millionen.

Der Geschäftsbereich *Exploration und Produktion* („E&P") besteht aus dem Suchen, Finden und Fördern von Rohöl, Flüssigerdgasen und Erdgas. 2010 betrug die Produktion 318.000 Barrel Öläquivalent pro Tag („boe/d"), und die sicheren Öl- und Gasreserven beliefen sich zum 31. Dezember 2010 auf etwa 1,15 Milliarden Barrel Öläquivalent („boe"). In ihren Kernvermögenswerten in Österreich und Rumänien konzentriert sich OMV auf die Minimierung des natürlichen Förderabfalls und die Verbesserung der Gewinnung von Reserven aus reifen Ölfeldern. Zukünftiges Wachstum wird international aus der Entwicklung neuer Ölfelder, Explorationstätigkeit und Akquisitionen erwartet. OMV beabsichtigt, ihr derzeitiges Portfolio so zu entwickeln, dass die kritische Masse auf Basis der Produktionsmenge pro Land erreicht und überschritten wird, und sucht neue Expansionsgebiete in der Kaspischen Region, dem Mittleren Osten und Nordafrika, wo OMV die Hebelwirkung ihrer bestehenden E&P Präsenz nutzen kann. Am 20. September 2010 unterzeichnete OMV einen Kaufvertrag zum Erwerb des Explorations- und Produktionsgeschäfts von PETRONAS International Corporation Limited in Pakistan. Das Closing der Transaktion, das von gewissen aufschiebenden Bedingungen abhängt, soll 2011 stattfinden. Am 18. Februar 2011 schloss OMV die Akquisition von zwei tunesischen E&P Tochtergesellschaften von Pioneer Natural Resources ab. Von den beiden Transaktionen wird (nach Closing) eine wesentliche Steigerung der OMV Produktions- und Reservenbasis in Pakistan und Tunesien erwartet.

Der Geschäftsbereich *Raffinerien und Marketing inklusive Petrochemie* („R&M") betreibt Raffinerien in Schwechat, Österreich, und Burghausen, Süddeutschland, die beide über eine integrierte Petrochemie-Produktion verfügen. Gemeinsam mit der Bayernoil Raffineriegesellschaft mbH ("Bayernoil"), Süddeutschland, an der OMV einen Anteil von 45,00% (zum 31. März 2011) hält, und der Raffinerie Petrobrazi in Rumänien, verfügt OMV über eine Jahresgesamtkapazität von 22,3 Millionen Tonnen oder 460.000 Barrel pro Tag („bbl/d") (zum 31. März 2011). Am 22. Dezember 2010 schloss OMV den Erwerb des 54,14%-Anteils an Petrol Ofisi von der Doğan Holding ab und erhöhte so ihren Anteil an einem führenden türkischen Mineralölunternehmen auf 95,72% und baute die Positionierung der Türkei als dritten integrierten regionalen Wachstumsmarkt aus. Im März 2011 erhöhte sich OMVs Anteil an Petrol Ofisi infolge eines verpflichtenden Übernahmeangebots an Streubesitzaktionäre auf 96,98%. Zum 31. Dezember 2010 verfügte OMV über ein Netz von 4.771 Tankstellen, das sich über 12 CE/SEE-Länder und die Türkei erstreckt.

Der Geschäftsbereich *Gas und Power* („G&P") ist in mehreren Phasen der Gas-Wertschöpfungskette tätig und besteht aus vier Geschäftszweigen: (i) Gasversorgung; (ii) Gaslogistik, was Transport und Speicherung beinhaltet; (iii) Stromerzeugung; und (iv) Marketing und Trading (Handel). OMV importiert große Mengen an Erdgas nach Österreich – großteils aus Russland und Norwegen – und verkauft verarbeitetes Erdgas aus eigener Förderung (*equity gas*). Da etwa ein Drittel aller russischen Erdgasexporte nach Westeuropa über OMVs Erdgasverteilerstation in Baumgarten erfolgt, hat OMV eine wichtige Position im Gastransit. Ihr Leitungsnetz mit einer Länge von rund 2.000 Kilometern („km") und ihre Gasspeicher leisten einen wichtigen Beitrag zur Versorgungssicherheit in Österreich und darüber hinaus. Der Central European Gas Hub ("CEGH"), ursprünglich eine hundertprozentige Tochtergesellschaft der OMV Gas & Power GmbH und seit Juni 2010 im gemeinsamen Eigentum der OMV Gas & Power GmbH (80%) und der Wiener Börse AG (20%), ist die Gashandelsplattform der OMV. Er dient als Verteilerstelle und Dienstleistungsanbieter, während die zugehörige CEGH Gasbörse, die 2009 gegründet wurde, um eine Börsefunktion (zusätzlich zum OTC-Handel) anzubieten, von der Wiener Börse und unter deren Lizenz betrieben wird. Die Kernmärkte des Gasvermarktungs- und Handelsgeschäfts der OMV sind Österreich, Deutschland, Italien, Ungarn und Rumänien. Mit ihrem Eintritt in das Geschäftsfeld Power, beabsichtigt OMV, ihre Wertschöpfungskette von Gas zu Elektrizität zu erweitern. Das neue Stromgeschäft wird sich auf Märkte konzentrieren, in denen sich das Management Integrationspotential mit anderen OMV Betrieben – insbesondere in Österreich, Deutschland, Rumänien und der Türkei – erwartet.

Stärken

- Führende Marktposition in CE/SEE und Türkei
- Ausgewogenes und integriertes Asset-Portfolio
- Gut ausgewogenes internationales E&P Portfolio
- Langjährige technische und kaufmännische Erfahrung in der Aufschließung, Entwicklung und Aufsuchung
- Erfahrenes Management-Team mit Wachstumsgeschichte
- Solide Finanzstruktur und konservative Finanzpolitik
- Positionierung im wachsenden Erdgas-Transport- und -Liefergeschäft

Strategie

OMV ist in einem herausfordernden Branchenumfeld tätig, das durch hohe Ölpreis-Volatilität, hohen Investitionsbedarf zum Beitrag zu einer kohlenstoffarmen Wirtschaft sowie das Bedürfnis, zu diversifizieren und die Energieversorgung sicherzustellen, gekennzeichnet ist. Vor diesem Hintergrund hat sich OMV als integrierter Marktteilnehmer im „europäischen Wachstumsgürtel" positioniert, der sich nach OMVs Definition von der Ostsee im Norden nach Südosten auf die Länder Zentral- und Südosteuropas erstreckt und im Süden bis in die Türkei reicht. OMVs strategischer Rahmen für nachhaltiges Wachstum ist die „3plus" Strategie, nach der OMV sich auf die drei integrierten Geschäftsbereiche (E&P, R&M und G&P) konzentriert, was OMV ermöglicht, von der Nutzung gruppenweiter Synergien zu profitieren und so ihre integrierte Position einzusetzen. OMV ist in den geographischen Märkten CE/SEE und der Türkei, plus den Produktionsgebieten, die die Versorgung dieser Märkte untermauern, tätig. OMV wird von drei Grundwerten (Pioniere, Professionals und Partner) geleitet, auf denen die Expansion des Geschäftsportfolios in Richtung Nachhaltigkeit basiert. Im Hinblick auf die Zukunft hat OMV die Vision, die Energiebranche durch

- die Optimierung des Vertriebsgeschäfts innerhalb ihrer Wachstumsmärkte und deren Anbindung an Versorgungsregionen;
- die Konzentration auf die Reduktion des natürlichen Förderabfalls und die Verbesserung der Gewinnung von Reserven aus reifen Ölfeldern in den Kernvermögenswerten in Österreich und Rumänien, sowie das Erreichen und Überschreiten der kritischen Masse auf Basis der Produktionsmenge pro Land im derzeitigen internationalen E&P Portfolio and das Finden neuer Expansionsgebiete zum Aufbau eines zukünftigen E&P Portfolios;
- die Anpassung des Geschäftsportfolios durch die Stärkung des Geschäftsbereichs G&P und durch ausgewählte Investitionen in elektrischen Strom und erneuerbare Energien;
- die Realisierung von Kosten- und Umsatzsynergien durch eine integrierte Position und strenge Kosten- und Kapitaldisziplin; und
- nachhaltige Wertschöpfung

zu verändern.

Das Angebot

Das Angebot	Das Angebot umfasst das Bezugsangebot und das internationale Angebot.
Das Bezugsangebot	Die Aktionäre der Gesellschaft sind eingeladen, ihre Bezugsrechte zur Zeichnung von jungen Aktien auszuüben.
Das internationale Angebot	Junge Aktien, für die Bezugsrechte nicht im Rahmen des Bezugsangebots ausgeübt werden, werden (i) in einem öffentlichen Angebot an private und institutionelle Investoren in Österreich und (ii) in einer Privatplatzierung außerhalb Österreichs an institutionelle Investoren, einschließlich einer Privatplatzierung in den Vereinigten Staaten an qualifizierte institutionelle Investoren gemäß Rule 144A des U.S. Securities Act, angeboten. Die definitive Anzahl junger Aktien, die für den Verkauf im internationalen Angebot zur Verfügung stehen, wird nach Ablauf der Bezugsfrist festgelegt. Die Manager behalten sich das Recht vor, jede Kauforder, die im internationalen Angebot abgegeben wird, zur Gänze oder teilweise zurückzuweisen.
Junge Aktien	Bis zu 27.272.727 neu ausgegebene auf den Inhaber lautende nennwertlose Stückaktien mit einem rechnerischen Anteil des Grundkapitals von EUR 1 pro Aktie. Jede junge Aktie gewährt eine Stimme in der Hauptversammlung der Gesellschaft und volle Dividendenberechtigung ab und einschließlich dem Geschäftsjahr beginnend mit 1. Jänner 2011.
Manager	Barclays Bank PLC, Deutsche Bank Aktiengesellschaft, J.P. Morgan Securities Ltd., Merrill Lynch International, UniCredit Bank Austria AG, BNP PARIBAS, Crédit Agricole Corporate and Investment Bank, Erste Group Bank AG, Raiffeisen Centrobank AG and SOCIÉTÉ GÉNÉRALE.
Maximaler Angebotspreis	EUR 33 pro junger Aktie.
Angebotspreis	Der Angebotspreis wird von der Gesellschaft in Abstimmungen mit den Joint Bookrunners am oder um den 6. Juni 2011 nach Abschluss eines Bookbuilding Verfahrens und unter Berücksichtigung des Börseschlusskurses der bestehenden Aktien an der Wiener Börse am oder um den 6. Juni 2011 festgelegt.

Veröffentlichung des Angebotspreises und der Anzahl der jungen Aktien..	Der Angebotspreis und die definitive Anzahl der jungen Aktien, die im Angebot verkauft werden, wird voraussichtlich am oder um den 6. Juni 2011 bekannt gegeben (siehe „*Das Angebot*“).
Bezugsfrist und Angebotsfrist..................................	Die Bezugsfrist, während der Aktionäre der Gesellschaft ihre Bezugsrechte ausüben können, beginnt am 19. Mai 2011 und endet voraussichtlich am 6. Juni 2011 um 12.00 Uhr CET. Die Angebotsfrist, während der Investoren anbieten können, junge Aktien im internationalen Angebot zu kaufen, beginnt am 19. Mai 2011 und endet voraussichtlich am 6. Juni 2011. Das Angebot kann beendet, unterbrochen oder verlängert, die Bezugfrist oder die Angebotsfrist können verlängert oder beendet und die Angebotsfrist kann verkürzt werden, all das zu jedem Zeitpunkt und im vollständigen Ermessen der Gesellschaft und der Manager.
Bezugsverhältnis	Auf Basis des Bezugsverhältnisses von 1:11, sind Aktionäre und Inhaber von Bezugsrechten gegen Zahlung des Angebotspreises zum Bezug von 1 jungen Aktie je 11 gehaltener Bezugsrechte berechtigt; der Angebotspreis wird gleich oder niedriger als der maximale Angebotspreis sein.
Ausübung der Bezugsrechte.....................................	Bezugsrechte können während der Bezugsfrist während üblicher Geschäftszeiten ausgeübt werden. Inhaber von Bezugsrechten, die über eine Depotbank, die über ein Wertpapierdepot bei der OeKB verfügt, oder bei einem Finanzinstitut, das Mitglied von Euroclear oder Clearstream ist, gehalten werden, müssen zur Ausübung ihrer Bezugsrechte diese Bank oder dieses Finanzinstitut anweisen, junge Aktien für sie zu zeichnen. Aktionäre, die ihre Bezugsrechte nicht zum maximalen Angebotspreis ausüben möchten, sondern stattdessen eine Zeichnungserklärung zu einem geringeren als dem maximalen Angebotspreis abgeben, erhalten eine Anzahl junger Aktien entsprechend der Anzahl der ausgeübten Bezugsrechte nur dann, wenn das gesetzte Preislimit nicht geringer als der Angebotspreis ist. Bezugsrechte verfallen ohne Wert, wenn das Preislimit eines Aktionärs geringer als der Angebotspreis ist.

	Die Bezugsrechte erlöschen am Ende der Bezugsfrist am 6. Juni 2011 um 12.00 Uhr. Die Ausübung von Bezugsrechten und die jungen Aktien wurden und werden nach keinen anderen Wertpapiergesetzen außer denen der Republik Österreich registriert. Ausländische Aktionäre können daher in der Ausübung ihrer Bezugsrechte beschränkt sein. Vor allem wurden und werden Bezugsrechte und die jungen Aktien nicht nach dem U.S. Securities Act oder einem anderen U.S. amerikanischen Wertpapiergesetz registriert. Daher können Bezugsrechte ausschließlich außerhalb der Vereinigten Staaten gemäß Regulation S des U.S. Securities Acts und in den Vereinigten Staaten von qualifizierten institutionellen Käufern, die mit den Erfordernissen wie unter „*Selling Restrictions*“ beschrieben entsprechen, ausgeübt werden. Haltern von American Depositary Receipts („ADRs“) unter dem ADR Programm der Gesellschaft wird es nicht erlaubt sein, junge Aktien für Stammaktien zu zeichnen, die von ADRs vertreten werden. Ein Handel von Bezugsrechten wurde oder wird an keiner Börse beantragt.
Teilnahme von ÖIAG und IPIC	ÖIAG hat angekündigt, in substanziellem Ausmaß an der Kapitalerhöhung teilnehmen und ihren Anteil auf einem Niveau von über 30% halten zu wollen. IPIC hat die Gesellschaft informiert bei der Kapitalerhöhung ihre Bezugsrechts ausüben zu wollen.
Form, Lieferung und Bezahlung der jungen Aktien..	Die jungen Aktien werden durch eine veränderbare Globalurkunde vertreten, die bei der OeKB hinterlegt wurde. Die Lieferung der jungen Aktien, die ihm Bezugsangebot oder im internationalen Angebot gegen Zahlung des Angebotspreises zugeteilt wurden, erfolgt voraussichtlich am 10. Juni 2011 gegen Zahlung des Angebotspreises. Physische Aktienurkunden werden nicht ausgegeben.
Börsenotierung	Die bestehenden Aktien notieren im amtlichen Handel der Wiener Börse unter dem Symbol „OMV“ und werden im Prime Market Segment gehandelt. Es wird ein Antrag auf Zulassung der jungen Aktien zum amtlichen Handel an der Wiener Börse gestellt. Die jungen Aktien werden voraussichtlich ab 8. Juni 2011 im Prime Market Segment gehandelt.

Lock-up	Die Gesellschaft und ihr Gesellschafter ÖIAG haben sich gegenüber den Managern für einen Zeitraum von 180 Tagen ab dem Closing verpflichtet, ohne vorherige schriftliche Zustimmung der Joint Bookrunner bestimmte Maßnahmen, die eine Auswirkung auf den Markt für die Aktien haben könnten, einschließlich Kapitalerhöhungen, Angebote, Verpfändungen, Verkäufe von Aktien oder Optionen auf oder Wertpapiere wandelbar in Aktien oder andere Maßnahmen, die direkt oder indirekt zur Übertragung des Eigentums an Aktien führen, nicht zu treffen, im Fall der Gesellschaft mit bestimmten Ausnahmen (für nähere Information zu den Lock-up Bedingungen siehe „*Underwriting – Lock-up*“).
International Securities Identification Number (ISIN)	AT0000743059 (bestehende Aktien und junge Aktien), AT0000A0FA73 (Bezugsrechte)
Reuters Symbol	OMVV.VI
Trading Symbol	OMV

Verwendung des Emissionserlöses

Basierend auf einem Schlusskurs der bestehenden Aktien an der Wiener Börse von EUR 29,95 am 16. Mai 2011 und unter der Annahme, dass im Rahmen des Angebots die maximale Anzahl von 27.272.727 jungen Aktien verkauft wird, wird ein Bruttoemissionserlös aus dem Verkauf junger Aktien in Höhe von etwa EUR 816,8 Millionen erwartet. Die Emittentin schätzt, dass ihre angebotsbezogenen Kosten (inklusive Provision der Manager) bei etwa EUR 27,8 Millionen liegen werden und erwartet einen Nettoemissionserlös von etwa EUR 789,0 Millionen.

Die Emittentin beabsichtigt, den Nettoemissionserlös zur Refinanzierung des Erwerbs einer zusätzlichen Beteiligung in Höhe von 55,40% an Petrol Ofisi (im Anschluss an das Pflichtangebot an Streubesitzaktionäre, siehe „*Petrol Ofisi*“) und von zwei tunesischen E&P Tochtergesellschaften von Pioneer Natural Resources oder für allgemeine Unternehmenszwecke heranzuziehen.

Zusammenfassung der Risikofaktoren

Vor der Entscheidung, junge Aktien zu erwerben, sollten Investoren bestimmte Risiken sorgfältig berücksichtigen. Der Preis der Aktien kann sinken, sollte sich ein solches oder ein anderes Risiko verwirklichen, und Anleger könnten ihre gesamte Investition oder einen Teil davon verlieren. Diese Risiken, ausführlicher dargestellt im Abschnitt „*Risikofaktoren*“, sind insbesondere:

Risiken im Zusammenhang mit der jüngsten Finanz- und Wirtschaftskrise und dem volatilen wirtschaftlichen Umfeld

Strategische Risiken

- Sinkende Erdöl-, Erdgas-, Petroleumprodukt- und Strompreise würden einen negativen Effekt auf die Ertragslage der Gruppe haben.

- Eine Verschlechterung der Raffineriemargen würde die Ertragslage der Gruppe negativ beeinflussen.

- Die Gruppe ist der Zyklizität der Petrochemie-Industrie ausgesetzt; zukünftige Preisentwicklungen bei petrochemischen Produkten sind nicht vorhersehbar und könnten einen negativen Effekt auf das Geschäft der Gruppe haben.

- Die Gruppe muss zusätzliche Öl- und Gasreserven erwerben oder entwickeln, um ihre derzeitigen Reserve- und Produktionslevels aufrecht zu erhalten.

- Die Strategie der Gruppe im G&P Geschäft hängt wesentlich von der Verfügbarkeit neuer Erdgasbezugsquellen am internationalen Markt ab.

- Die in diesem Prospekt enthaltenen Daten betreffend Öl- und Gasreserven der Gruppe sind nur Schätzungen, die wesentlich von den tatsächlichen Mengen förderbarer Öl- und Gasreserven abweichen können.

- Die Gruppe ist von Erdgaslieferungen aus Russland abhängig. Die Gasliefervertäge der Gruppe mit Gazprom könnten modifiziert oder nicht erneuert werden.

- Ihre auf Akquisitionen basierende Wachstumsstrategie setzt die Gruppe zahlreichen Risiken aus.

- Die Entwicklung der Gruppe könnte durch langsameres Wachstum in den Märkten, in denen sie tätig ist, beeinflusst werden.

- Das Petrochemie-Geschäft der Gruppe hängt mit einem Großteil des Umsatzes wesentlich von einem einzigen Kunden ab.

- Ein wesentlicher Anteil des Vermögens und der Betriebe der Gruppe außerhalb Europas ist politischen und wirtschaftlichen Risiken ausgesetzt, und zukünftige Zerrüttungen könnten einen wesentlichen negativen Einfluss auf das Geschäft der Gruppe haben.

- Über die Gruppe könnten wegen Verletzungen von Sanktionen Strafen verhängt werden.

- Die Tätigkeit der Gruppe unterliegt kartell- und wettbewerbsrechtlichen Vorschriften und Vorgaben, und die Gruppe könnte Kartellrechtsstreitigkeiten oder zusätzlichen, neuen Regelungen ausgesetzt sein.

- Die Gruppe ist Veränderungen hinsichtlich der Steuern, Gebühren und Zöllen, die über ihre betriebliche Tätigkeit verhängt werden, ausgesetzt.

- Die Gruppe ist in allen Bereichen ihrer betrieblichen Tätigkeit dem Wettbewerb mit anderen Öl- und Gasunternehmen ausgesetzt.

- Die Gruppe steht in vielfältigen Beziehungen mit verschiedenen Interessensgruppen, was Interessenkonflikte auslösen könnte.

Länderspezifische Risiken

- Die Gruppe hat Investitionen in Ländern in CE/SEE getätigt, die durch eine Rezession gegangen sind.

- Wirtschaftliche und politische Entwicklungen in CE/SEE und der Türkei und der Eintritt neuer Wettbewerber in die Märkte dieser Regionen könnten einen negativen Effekt auf die Entwicklung des Geschäfts der Gruppe haben.

- Die Rechtssysteme und prozessualen Schutzeinrichtungen in verschiedenen CE/SEE-Ländern und der Türkei sind noch nicht vollständig entwickelt, und es kann zu wesentlichen Gesetzesänderungen kommen.

- Bürokratie, Korruption, Unzulänglichkeiten des Rechtssystems, wirtschaftliche Anspannung und weitreichende Kompetenzen von Aufsichtsbehörden könnten die Geschäftstätigkeit der Gruppe in Rumänien beeinträchtigen.

- Unzulänglichkeiten des Rechtssystems, widersprüchliche Politiken und eine Verschlechterung des Investitionsklimas könnten die Geschäftstätigkeit der Gruppe in der Türkei beeinträchtigen.

- Wirtschaftliche, politische, rechtliche und soziale Instabilität sowie das Risiko, nicht die erforderlichen Explorationslizenzen zu erhalten, könnten die Geschäftstätigkeit der Gruppe in Libyen, Tunesien, Ägypten, Pakistan, Jemen, der Region Kurdistan im Irak und Kasachstan (gemeinsam das „Operationsgebiet“) beeinträchtigen.

- Ausfälle der Erdölversorgung aus Libyen könnten das Geschäft der Gruppe negativ beeinflussen.

- Petroms Geschäft könnte negativ beeinflusst werden, wenn Petroms Explorationslizenzen nicht erneuert werden.

- Petroms Geschäft könnte negativ beeinflusst werden, wenn Petrom die rumänischen Vergaberechtsbestimmungen einhalten muss.

- Petrom ist Partei in mehreren Arbeitsrechtsstreitigkeiten und könnte durch weitere Mitarbeiter geklagt werden, und Mitbestimmungsrechte von Petrom-Mitarbeitern könnten Restrukturierungsmaßnahmen behindern, was alles einen wesentlichen negativen Einfluss auf das Geschäft von Petrom und der Gruppe haben könnte. Petrom wird ein Verstoß gegen rumänisches Wettbewerbsrecht vorgeworfen, könnte Ansprüchen auf Ausgleichszahlungen im Zusammenhang mit Enteignungen ausgesetzt sein und gezwungen sein, wesentliche Umweltrestaurationskosten zu tragen.

- Petrol Ofisi könnten beachtliche Kosten entstehen, um die erforderlichen Genehmigungen zu erhalten, und könnte aufgrund fehlender Versicherung und Hedging-Maßnahmen Verluste erleiden.

- Der jüngste Erwerb zusätzlicher Vermögenswerte in Tunesien ist mit Risiken aufgrund des aktuellen politischen Klimas verbunden.

Umweltbezogene Risiken

- Künftiger Klimawandel und Kohlenstoffpreisentwicklungen könnten zu erhöhten Ausgaben und geringerer Rentabilität führen.

- Die Gruppe unterliegt strengen Umwelt-, Gesundheits-, und Sicherheitsbestimmungen, deren Einhaltung und Sanierung Kosten nach sich zieht, die sich nachteilig auf die Ertrags- und Finanzlage der Gruppe auswirken könnten.

- Die Geschäftstätigkeit der Gruppe ist von der Zuteilung ausreichender Emissionsberechtigungen unter dem EU Emissionshandelssystem abhängig.

- Wetterbedingungen, denen die Gruppe ausgesetzt ist, könnten die Nachfrage nach den Produkten der Gruppe negativ beeinflussen.

- Alternde Infrastruktur in den Betrieben der Gruppe, unsachgemäße Abfallwirtschaft und Betriebsunfälle, insbesondere im Zusammenhang mit den Offshore-Aktivitäten der Gruppe, können zum Auslaufen und anderen Verschmutzungen führen. Solche Zwischenfälle und Kontaminierungen können beachtliche umweltbezogene Stilllegungs- und Sanierungskosten verursachen und dem Gemeinwesen und der Reputation der Gruppe Schaden zufügen.

Compliance- und Kontrollrisiken

- Staatliche Eingriffe und Regulierung können einen wesentlichen negativen Einfluss auf das Geschäft der Gruppe haben. Die Gruppe könnte nicht in der Lage sein, Verpflichtungen aus ihren Lizenzen zu erfüllen.

- Vorfälle ethischen Fehlverhaltens oder Nichteinhaltung anwendbarer Gesetze und Vorschriften könnten dem Ruf der Gruppe oder dem Unternehmenswert (s*hareholder value*) schaden.

Operative Risiken

- Die Gruppe unterliegt operativen Risiken hinsichtlich Aufsuchung, Förderung, Transport und Lagerung von Öl und Gas, Raffinierung und Verarbeitung von Rohöl und, in Zukunft, Stromerzeugung. Manche dieser Risiken sind nicht versichert oder versicherbar.

- Die Gruppe kann operative, politische und/oder technologische Probleme erfahren, die den Fortschritt laufender oder geplanter Projekte verzögern oder aufhalten können.

- Die Gruppe könnte gezwungen sein, Bohrungen einzuschränken, aufzuschieben oder zu abzubrechen.

- Die Unfähigkeit, Produktqualitätsstandards zu erfüllen, könnte einen wesentlichen negativen Effekt auf das Geschäft der Gruppe haben.

- Unzureichende Notfallpläne oder ein unzulängliches Krisenmanagement könnten einen wesentlichen negativen Effekt auf das Geschäft der Gruppe haben.

- Terroristische Handlungen könnten das Geschäft der Gruppe schwerwiegend stören.

- Investitionen der Gruppe mit Partnern oder in Joint Ventures könnten ihre Fähigkeit, Risiken und Kosten zu managen, verringern.

- Unzulänglichkeiten und Fehler der Systeme, des Risikomanagements, der internen Kontrolleinrichtungen oder des Personals der Gruppe könnten zu Betriebsunterbrechungen führen.

- Eine größere Störung der EDV-Systeme könnte einen wesentlichen negativen Effekt auf das Geschäft der Gruppe haben.

- Die Gruppe ist von ihrem Schlüsselpersonal abhängig.

- Prozesse und Rechtsstreitigkeiten könnten einen wesentlichen negativen Effekt auf das Geschäft der Gruppe haben.

Finanzielle Risiken

- Wechselkursbewegungen können einen wesentlichen negativen Effekt auf die Ertrags- und Finanzlage der Gruppe haben.

- Zinsschwankungen könnten einen wesentlichen negativen Effekt auf das Geschäft der Gruppe haben.

- Liquiditätsprobleme können einen wesentlichen negativen Effekt auf das Geschäft und die Ertrags- und Finanzlage der Gruppe haben.

- Ein Scheitern des Angebots könnte dem Kreditrating der Gruppe schaden.

- Ungünstige Finanzmarktbedingungen könnten die Fähigkeit der Gruppe zur Refinanzierung beeinflussen.

- Die Gruppe könnte künftige Kosten hinsichtlich ihrer Pensionsvorsorgepläne erleiden.

- Die in den Finanzierungsvereinbarungen der Gruppe enthaltenen Verpflichtungen könnten ihre finanzielle und operative Flexibilität einschränken.

- Die Unfähigkeit von Vertragspartnern, fällige Beträge zu bezahlen, könnte einen wesentlichen negativen Effekt auf das Geschäft der Gruppe haben.

- Tatsächliche Ergebnisse könnten von Schätzungen des Rechnungswesens abweichen, und solche Abweichungen könnten einen wesentlichen negativen Effekt auf das Geschäft der Gruppe haben.

- Sinkende oder volatile Rohstoffpreise könnten einen wesentlichen negativen Effekt auf die Ertragslage der Gruppe haben.

Risiken im Zusammenhang mit den Aktien

- Die Hauptaktionäre der Gesellschaft könnten weiterhin maßgeblichen Einfluss auf die strategische Ausrichtung und wesentliche gesellschaftsrechtliche Maßnahmen der Gruppe ausüben.

- Anleger, die in anderen Ländern als Österreich ansässig sind, könnten eine Verwässerung erleiden, falls sie nicht im Stande sind, Bezugsrechte bei zukünftigen Kapitalerhöhungen auszuüben.

- Der Preis der Aktien ist volatil und könnte durch zukünftige Aktienverkäufe im öffentlichen Markt negativ beeinflusst werden.

- Aktionäre sind dem Risiko ausgesetzt, dass die Gesellschaft unfähig ist, Dividendenzahlungen zu machen.

- Die Beteiligung der Aktionäre an der Gesellschaft könnte verwässert werden, wenn die Gesellschaft in Zukunft zusätzliche Aktien begibt.

- Eine Aussetzung des Handels mit den Aktien könnte den Aktienpreis nachteilig beeinflussen.

Zusammenfassung der Konzernfinanzdaten

Die nachstehenden, zusammenfassenden Konzernfinanzdaten sollten im Zusammenhang mit, und vorbehaltlich der Ausführungen in, dem Prospektteil "Operating and Financial Review" und den Konzernabschlüssen, welche per Verweis in den Prospekt aufgenommen wurden, gelesen werden. Die nachstehend dargestellten Konzernfinanzdaten wurden den Konzernabschlüssen entnommen.

	Für die ersten drei Monate		**Für das Jahr**		
	2011	**2010**	**2010**	**2009**	**2008**
	(in Millionen EUR, wenn nicht anders angegeben)				
	(ungeprüft)		**(geprüft)**		
Konzern-Gewinn- und Verlustrechnung					
Umsatzerlöse	8.071,5	5.284,6	23.323,4	17.917,3	25.542,6
Direkte Vertriebskosten	(69,9)	(49,9)	(244,8)	(212,7)	(238,4)
Umsatzkosten	(6.748,8)	(4.205,6)	(19.188,0)	(14.703,6)	(20.704,4)
Bruttoergebnis vom Umsatz	**1.252,8**	**1.029,1**	**3.890,7**	**3.001,0**	**4.599,8**
Sonstige betriebliche Erträge	69,9	73,9	250,5	223,6	278,4
Vertriebsaufwendungen	(214,7)	(177,2)	(755,5)	(800,1)	(881,6)
Verwaltungsaufwendungen	(114,4)	(74,2)	(327,3)	(299,9)	(279,2)
Explorationsaufwendungen	(55,4)	(35,1)	(238,7)	(239,1)	(334,0)
Forschungs- und Entwicklungsaufwendungen	(3,8)	(2,8)	(15,8)	(14,4)	(13,6)
Sonstige betriebliche Aufwendungen	(127,1)	(103,2)	(470,1)	(461,3)	(1.030,1)
Betriebserfolg (EBIT)	**807,2**	**710,4**	**2.333,8**	**1.409,9**	**2.339,7**
Ergebnis aus assoziierten Unternehmen	70,9	26,4	91,7	65,5	117,9
Dividendenerträge	0,1	2,9	10,0	11,6	91,6
Zinsergebnis	(94,7)	(78,6)	(335,9)	(297,8)	(213,5)
Sonstiges Finanzergebnis	(84,7)	36,6	(139,0)	(7,5)	(26,6)
Finanzerfolg	**(108,5)**	**(12,7)**	**(373,2)**	**(228,1)**	**(30,6)**
Ergebnis der gewöhnlichen Geschäftstätigkeit	**698,8**	**697,7**	**1.960,6**	**1.181,8**	**2.309,1**
Steuern vom Einkommen und vom Ertrag	(225,3)	(241,3)	(746,5)	(464,9)	(780,1)
Periodenüberschuss	**473,4**	**456,4**	**1.214,1**	**716,9**	**1.529,0**
davon den Eigentümern des Mutterunternehmens zuzurechnen	364,9	345,9	920,6	571,7	1.374,4
davon nicht beherrschenden Anteilen zuzurechnen	108,5	110,6	293,5	145,2	154,5
Konzern-Cashflow-Rechnung					
Cashflow aus der Betriebstätigkeit	891,9	747,2	2.886,3	1.846,7	3.214,2
Cashflow aus der Investitionstätigkeit	(1.190,6)	(473,0)	(2.875,1)	(1.209,9)	(3.404,4)
Cashflow aus der Finanzierungstätigkeit	(324,4)	760,3	255,9	(657,5)	209,0
Nettozunahme (+)/-abnahme (-) liquider Mittel	(631,4)	1.046,3	271,6	(25,5)	0,5
Unverwässerter Gewinn je Aktie in EUR	1,22	1,16	3,08	1,91	4,60
Dividende je Aktie in EUR	n.a.	n.a.	1,00	1,00	1,00

	Zum 31. März	**Zum 31. Dezember**		
	2011	**2010**	**2009**	**2008**
	(in Millionen EUR)			
	(ungeprüft)	**(geprüft)**		
Konzernbilanz				
Langfristiges Vermögen	19.377,9	18.670,3	15.615,8	15.351,3
Latente Steuern	214,3	189,6	177,6	140,3
Kurzfristiges Vermögen	7.473,5	7.544,0	5.621,8	5.884,4
Summe Aktiva	**27.065,7**	**26.403,8**	**21.415,2**	**21.376,0**
Eigenkapital	11.547,3	11.312,3	10.034,8	9.363,2
Langfristige Verbindlichkeiten	7.846,3	8.335,2	6.353,8	5.833,2
Latente Steuern	796,4	535,8	295,1	363,2
Kurzfristige Verbindlichkeiten	6.875,8	6.220,4	4.731,6	5.816,4
Summe Passiva	**27.065,7**	**26.403,8**	**21.415,2**	**21.376,0**

	Für die ersten drei Monate		Für das Jahr		
	2011	2010	2010	2009	2008
	(in Millionen EUR, wenn nicht anders angegeben)				
	(ungeprüft)		(geprüft)		
Andere Finanzkennzahlen[1]					
Return on equity (in %)[2]	17%	18%	11%	7%	16%
Durchschnittliches Capital Employed[3]	17.156,3	14.067,4	14.274,3	13.638,7	13.341,3
NOPAT[4]	581,9	467,7	1.433,4	814,9	1.623,7
ROACE (in %)[5]	14%	13%	10%	6%	12%
Produktion (in boe/d)	304.000	317.000	318.000	317.000	317.000

(1) Für weitere Informationen zur Verwendung von nicht-IFRS Kennzahlen, inklusive deren Einschränkungen, lesen Sie "*Presentation of Financial and Other Information—Non-IFRS financial measures*".

(2) Return on equity wird definiert als Periodenüberschluss dividiert durch durchschnittliches Eigenkapital inklusive Minderheitenanteile, ausgedrückt als Prozentsatz, pro Jahr.

(3) Capital Employed wird definiert als Eigenkapital inklusive Minderheitenanteile zuzüglich Nettoverschuldung und Rückstellungen für Pensionen, abzüglich Wertpapiere, die als Deckungsstock für Pensionsrückstellungen gehalten werden. Das durchschnittliche Capital Employed wird als Durchschnitt des Capital Employed am Beginn und Ende einer Periode berechnet. Das durchschnittliche Capital Employed im Jahr 2010 wurde um die Akquisition der Petrol Ofisi bereinigt, das bedeutet, die Effekte der Akquisition der Petrol Ofisi auf das Capital Employed zum 31. Dezember 2010 wurden nicht berücksichtigt.

(4) Net operating profit after tax ("NOPAT") wird definiert als Ergebnis der gewöhnlichen Geschäftstätigkeit nach Steuern zuzüglich Nettozinsaufwendungen auf die Nettoverschuldung und Zinsen für Pensionsrückstellungen, angepasst um Steuereffekte.

(5) Return on average Capital Employed ("ROACE") wird definiert als NOPAT dividiert durch das durchschnittliche Capital Employed, ausgedrückt als Prozentsatz, pro Jahr.

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