

Challenges and opportunities for an integrated oil and gas company

ÖGEW Herbsttagung
Vienna, 12 November 2010

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OMV has positioned itself as an integrated market leader in Central and Southeastern Europe



E&P: Solid player in second tier

- ▶ Oil & gas production is running at a total of about 317,000 boe/d, proved reserves (P1) approximately 1.2 bn boe
- ▶ International E&P portfolio spread across 17 countries comprising six core regions
- ▶ Focus on OECD and areas from which OMV markets can be supplied



R&M: Clear market leader

- ▶ 20% market share in 13 CEE and SEE markets
- ▶ Five refineries with 25.8 mn t/y capacity and a network of 2,433 filling stations
- ▶ 42% stake in leading Turkish marketing company Petrol Ofisi
- ▶ Integrated petrochemical business and 36% stake in Borealis



G&P: Turntable in supply and logistics

- ▶ Shipping of some 75 bcm per year of natural gas to Western Europe
- ▶ Operation of storage facilities with a capacity of 2.3 bcm
- ▶ Gas sales of 13 bcm in CEE, SEE and Turkey
- ▶ Long-term Russian and Norwegian supply contracts and access to equity gas

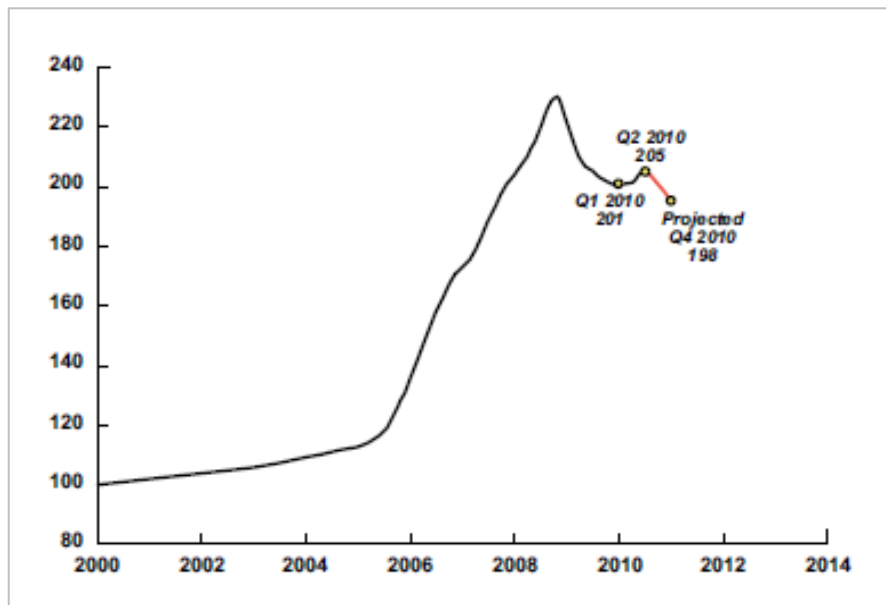
Figures refer to 2009; since Q1/10 R&M is active in 12 CE/SEE markets

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Cost pressure remains a challenge for the energy industry

Upstream Cost of Capital Index (UCCI)



- ▶ Upstream construction costs rose by 1.7% in Q2 2010
- ▶ Steel price fluctuations and the consequences of the spill could cause a second post-recession dip in the UCCI later this year
- ▶ Steel prices rose more quickly than expected in Q2 2010 with Chinese demand growth being the driving factor
- ▶ Aging workforce and a limited number of new engineers entering the market will add to the escalation

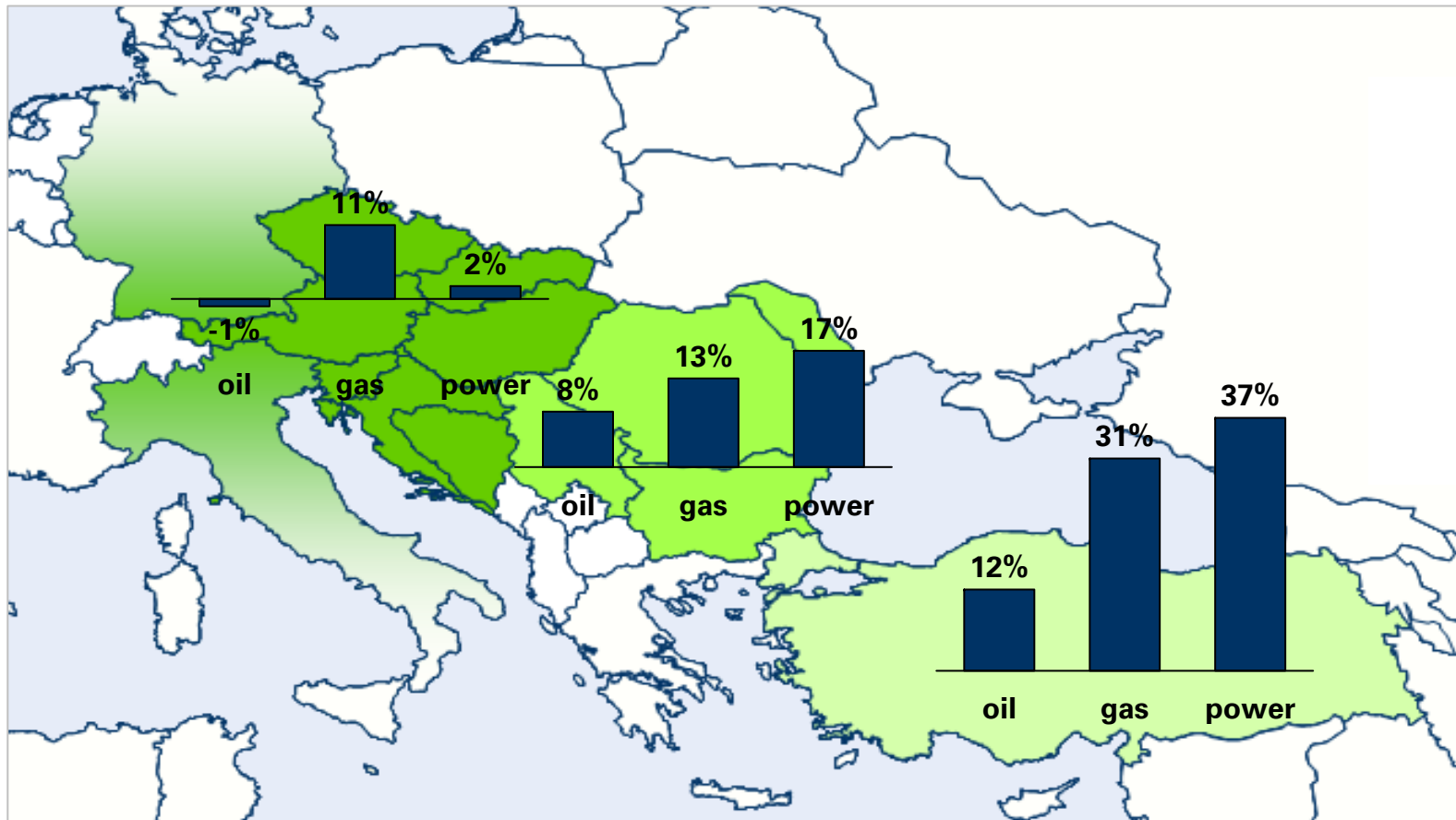
Remark: Year 2000 indicates 100%

Source: CERA (July 2010)

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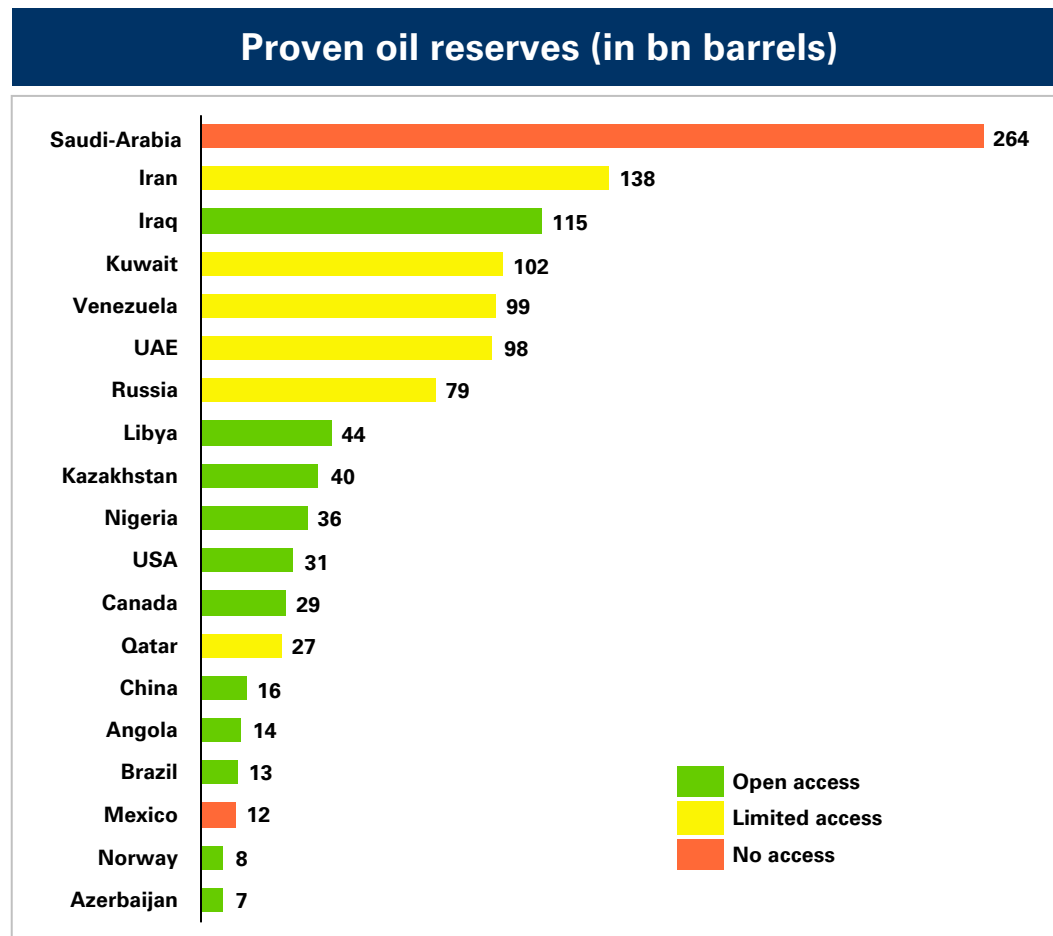


Energy demand growth is mainly driven by emerging regions, with limited growth from developed countries



Remark: Growth rates until 2015 for oil, gas and electricity consumption in CEE, SEE and Turkey
Source: OMV analysis

Difficult access to resources due to power of NOCs



- ▶ Top-20 oil producing countries representing 93% of proven oil reserves, but no or limited access to ~70% of these reserves
- ▶ Increased worldwide competition as NOCs are expanding outside host countries and IOCs fight for OECD assets

Source: BP Statistical Review 6/2009; data by end 2008

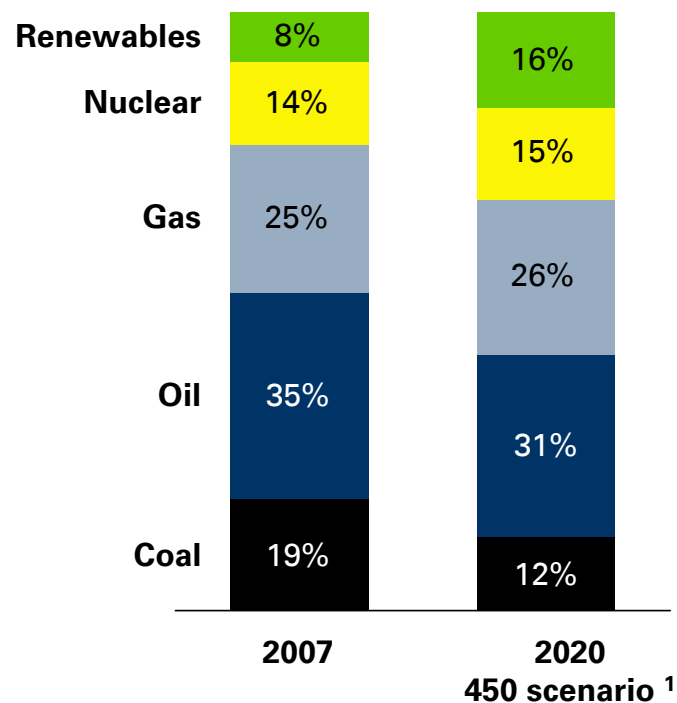
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Changing energy mix driven by tightening CO₂ regime

Drivers of changing energy mix

- ▶ Tightening CO₂ regime (e.g. ETS)
- ▶ Subsidies to promote renewable energies (e.g. feed-in tariffs)
- ▶ Efficiency targets (e.g. EU 20-20-20)
- ▶ Cost depression of alternative energy sources (e.g. photovoltaic wafers)
- ▶ Public awareness of climate change

EU-27 energy demand mix



Source: IEA/WEO 11/2009

¹ Remark: The 450 scenario is a 'green' scenario of the IEA and depicts a world in which collective policy action is taken to limit the long-term concentration of greenhouse gases in the atmosphere to 450 ppm CO₂-equivalent

OMV's response to challenges

Market challenges

Cost development

Energy demand growth driven by emerging regions, limited growth from developed countries

Difficult access to resources due to power of national oil companies (NOCs)

Changing energy mix mainly driven by tightening CO₂ regime

OMV's positioning

- ▶ Cost initiatives with clear targets
- ▶ Capital discipline

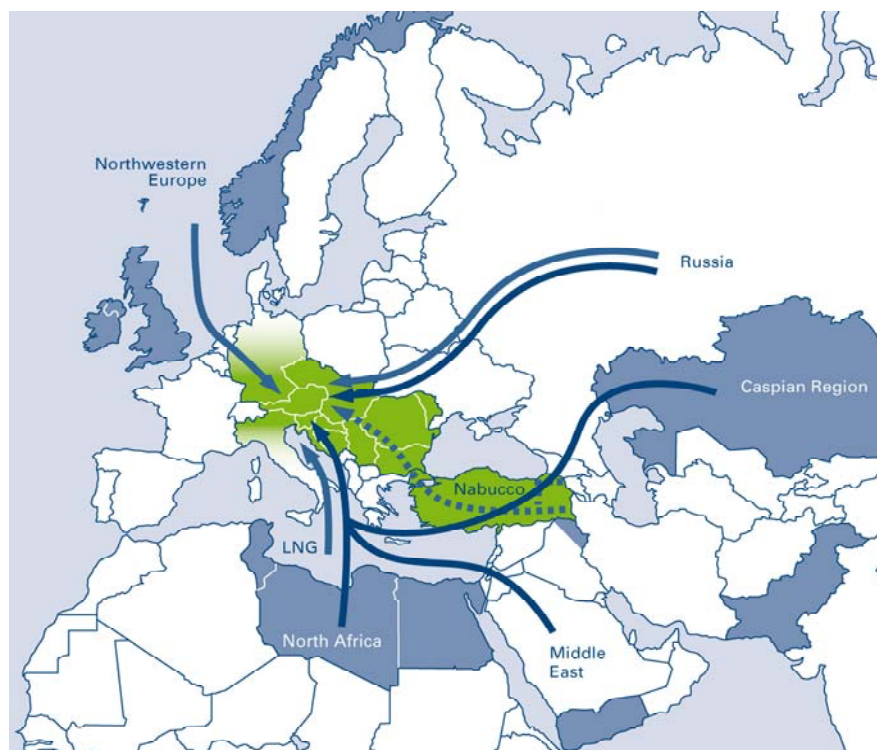
- ▶ Position as integrated energy company in SEE and Turkey
- ▶ Stronger E&P position

- ▶ Integrated business model to develop international E&P portfolio
- ▶ 80% of E&P production in EU & OECD countries

- ▶ Strengthen G&P business division also by investments in combined cycle gas-fired power plants (CCPP)
- ▶ Selective investments in renewable power

OMV's benefit from integrated portfolio

OMV landscape today



■ E&P ■ Downstream activities (R&M and G&P) ○ Downstream activities as well as E&P
— Gas supply — Oil supply

Proven USP of OMV

Market leadership in growth market

- ▶ OMV's expansion into CEE, SEE and Turkey laid the ground for successful growth
- ▶ 20% R&M market share in the region
- ▶ Gas initiatives to reach significant market share in the region

Integration as key advantage for OMV

- ▶ Integrated activities from upstream assets, supply, logistics, refining to marketing and trading and power generation
- ▶ Key argument for successful acquisition of Petrom and Northern Iraq assets

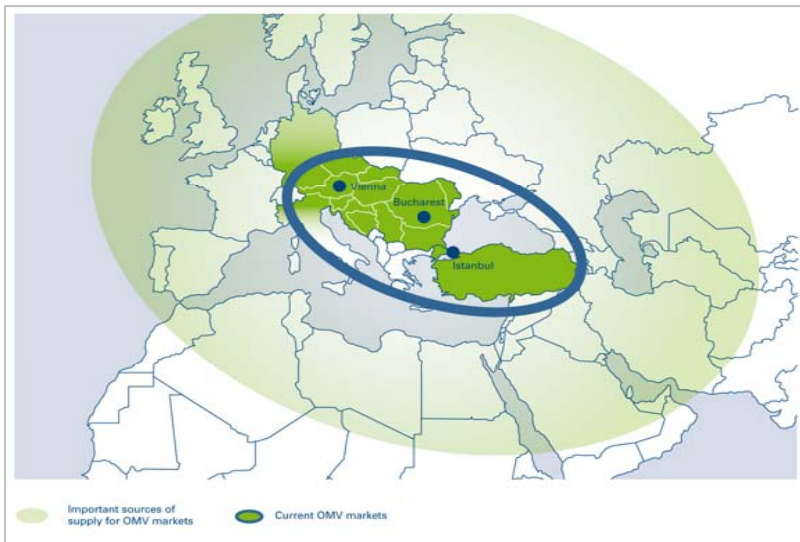
Access to equity oil & gas

- ▶ E&P activities in our markets and neighbouring regions
- ▶ Supply diversification enabled through key logistics projects (Nabucco and LNG)

Solid financial structure

- ▶ Conservative financial policy with low gearing ratio
- ▶ Investments are prioritized

OMV's 3plus strategy and its strategic thrust



The OMV 3plus strategy: Combination of our 3 strengths leads to sustainable growth

- ▶ 3 markets - **PLUS** supply regions strengthening market position (and vice-versa)
- ▶ 3 business segments - **PLUS** synergies through leveraging integration
- ▶ 3 values: Pioneers, Professionals, Partners - **PLUS** expansion of the business portfolio towards sustainability

Strategic thrust

Regional focus

Move to growth markets in SEE and Turkey and connect to supply regions.

Portfolio adaptation

Grow through integration and strengthen E&P and G&P businesses.

Integration and costs

Use integration to create value through synergies and facilitate access to business opportunities. Strict cost and capital discipline.