

# Report January – June and Q2 2011

including interim financial statements  
as of June 30, 2011

Political turmoil in North Africa  
and Middle East adversely impacts  
results

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Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
807	567	647	(12)	EBIT	1,374	1,357	1	2,334
827	587	706	(17)	Clean EBIT	1,414	1,400	1	2,657
726	468	623	(25)	Clean CCS EBIT <sup>1</sup>	1,194	1,271	(6)	2,470
365	269	338	(20)	Net income attributable to stockholders <sup>2</sup>	634	684	(7)	921
				Clean CCS net income attributable to				
272	236	314	(25)	stockholders <sup>1,2</sup>	507	611	(17)	1,118
1.22	0.88	1.13	(22)	EPS in EUR	2.10	2.29	(8)	3.08
0.91	0.77	1.05	(26)	Clean CCS EPS in EUR <sup>1</sup>	1.68	2.04	(18)	3.74
892	384	765	(50)	Cash flow from operations	1,276	1,512	(16)	2,886
–	–	–	n.a.	Dividend per share in EUR	–	–	n.a.	1.00

<sup>1</sup> Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects) resulting from the fuels refineries and Petrol Ofisi.

<sup>2</sup> After deducting net income attributable to hybrid capital owners and net income attributable to non-controlling interests.

- ▶ **EBIT down vs. Q2/10:** Clean CCS EBIT decreased by 25% to EUR 468 mn burdened by the loss of production in Libya and Yemen, high exploration expenses as well as lower refining margins; clean CCS net income attributable to stockholders is down 25% to EUR 236 mn
- ▶ **Strong improvement of gearing ratio:** After completion of the capital increase and hybrid bond issue in Q2/11, the gearing ratio came down to 34% versus 47% in the end of Q1/11
- ▶ **Outlook for 2011:** In E&P, production is expected to remain below the level of 2010 due to production disruptions in North Africa and the Middle East; in R&M, the full consolidation of Petrol Ofisi should support the results; in G&P, the start of commercial operation of the first power projects is expected in H2/11

### Gerhard Roiss, CEO of OMV:

“The second quarter brought multiple challenges some of which we were not able to influence. The political instability in North Africa and the Middle East is still prevailing, costing us a significant amount of production every day. The loss in volumes could not be offset by higher crude prices. In R&M as well as in G&P, the overriding theme was margin pressure which has left its mark on these segments’ results. With regard to managing our balance sheet, we have successfully closed two major capital markets transactions last quarter – a capital increase and a hybrid bond each EUR 750 mn in size – and thereby reduced our gearing to 34%. I am also happy about the successes stemming from our exploration endeavors which have recently yielded three promising discoveries. Clearly, we will continue to face challenges in the future but, with our updated strategy to be announced in September, we will be strongly positioned to manage them.”

#### Content

2| Directors’ report  
(unaudited)

2| Financial highlights  
3| Significant events  
3| Outlook  
4| At a glance  
5| Exploration and Production  
7| Refining and Marketing  
10| Gas and Power

5| Business segments

12| Group interim financial statements and notes (unaudited)

13| Income statement  
15| Balance sheet, CAPEX and gearing  
17| Cash flows  
18| Changes in equity  
19| Segment reporting  
20| Other notes

21| Declaration of the management

22| Further information

# Directors' report (condensed, unaudited)

## Financial highlights

### Second quarter 2011 (Q2/11)

In Q2/11, results were supported by a favourable crude price environment (Brent price in USD exceeded last year's Q2 average by 50%) but burdened by a significantly lower production level and lower refining margins. The **Group's reported EBIT** of EUR 567 mn was therefore 12% below the level of Q2/10 while **Petrom's contribution** to reported EBIT increased to EUR 296 mn from EUR 170 mn in Q2/10. The **net financial result** was significantly below the Q2/10 level at EUR (53) mn. **Net income attributable to stockholders** of EUR 269 mn was down 20% compared to Q2/10. **Clean CCS EBIT** decreased by 25% vs. Q2/10 to EUR 468 mn in Q2/11. Clean CCS EBIT is stated after eliminating positive inventory holding effects of EUR 119 mn as well as net special charges of EUR 20 mn, mainly relating to the write-off of a Kazakh exploration licence. The contribution of **Petrom** to the Group's **clean CCS EBIT** was EUR 306 mn, 93% above last year's level. **Clean CCS net income attributable to stockholders** was EUR 236 mn (Q2/10: EUR 314 mn). **Clean CCS EPS** was EUR 0.77 (Q2/10: EUR 1.05). The **gearing ratio** improved to 34% supported by the successful capital increase and a hybrid bond transaction both closed in Q2/11.

In **Exploration and Production (E&P)**, clean EBIT decreased by 22% vs. Q2/10 and reached EUR 439 mn, reflecting the political turmoil in North Africa and the Middle East and higher exploration expenses, which could not be compensated by the positive impact of the strong crude price. At 275,000 boe/d, the Group's oil and gas production was significantly below Q2/10, particularly burdened by the loss of production in Libya and Yemen.

In **Refining and Marketing (R&M)**, clean CCS EBIT came in significantly below the level of Q2/10 at EUR 11 mn mainly suffering from the decline in the OMV indicator refining margin and a lower contribution from the petrochemicals business due to a scheduled turnaround of the petrochemical activities in Schwechat. The marketing business was impacted by a still difficult margin environment which could not be offset by the positive contribution from Petrol Ofisi.

In **Gas and Power (G&P)**, clean EBIT of EUR 26 mn was 38% above the Q2/10 level, mainly reflecting a strong contribution of the gas logistics business and a lower negative impact from Doljchim.

### January – June 2011 (6m/11)

In 6m/11, results benefited from the average Brent price in USD being 44% higher than in 6m/10 but were impacted by lower production levels and refining margins. The **Group's EBIT** of EUR 1,374 mn was slightly above the level of 6m/10. The **EBIT contribution of Petrom** amounted to EUR 578 mn, a 44% increase from EUR 401 mn in 6m/10. The **net financial result** was significantly below 6m/10, mainly reflecting FX losses. **Net income attributable to stockholders** of EUR 634 mn was 7% below last year's level. **Clean CCS EBIT** decreased by 6% to EUR 1,194 mn after excluding net special charges in the amount of EUR 39 mn mainly relating to impairments in E&P and positive CCS effects of EUR 220 mn. **Petrom's clean CCS EBIT** contribution stood at EUR 588 mn, up 55% from EUR 381 mn. In 6m/10 **clean CCS net income attributable to stockholders** was EUR 507 mn and **clean CCS EPS** was EUR 1.68, 18% below 6m/10.

In **E&P**, clean EBIT came in just at last year's level, mainly reflecting the positive effect of higher price levels, which was however offset by lower sales volumes, higher exploration expenses, unfavourable FX effects and a negative hedging result. The Group's oil and gas production stood at 290,000 boe/d, 9% below 6m/10.

In **R&M**, clean CCS EBIT decreased significantly to EUR 22 mn, reflecting a difficult margin environment in both refining and marketing as well as a weaker petrochemicals result due to the scheduled turnaround of the petrochemical activities in Schwechat in Q2/11. The contribution from Petrol Ofisi, which was not included in 6m/10, could only partially offset these effects.

In **G&P**, clean EBIT was down by 7% compared to 6m/10, mainly driven by the supply, marketing and trading business, which suffered from extreme pressure on margins.

## Significant events in Q2/11

On April 13, OMV announced a major gas discovery in the Zola-1 exploration well in Australia.

On April 26, OMV announced the first two important results following the acquisition of Pioneer's Exploration and Production assets in Tunisia. Furthermore, OMV published its decision not to participate in the upcoming OMV Petrom S.A. secondary public offering.

On May 16, OMV announced the launch of a rights issue of up to 27,272,727 new shares and its intention to issue subordinated hybrid notes.

On May 17, OMV's Ordinary Annual General Meeting approved a dividend of EUR 1.00 per share for 2010. Due to the resignation of Peter Michaelis from the Supervisory Board, Markus Beyrer was elected as member of the Supervisory Board until the close of the General Meeting 2013. In addition, OMV informed about core shareholders' intended participation in the OMV capital increase.

On May 25, OMV announced a new organizational structure of its Turkish operations and Ms Gülsüm Azeri as new CEO. Additionally, OMV announced the issue of EUR 750 mn of hybrid notes.

On June 3, OMV disclosed a drilling success in its operated Bina Bawi block in the Kurdistan Region of Iraq.

On June 6, OMV successfully completed the capital increase by issuing 27,272,727 shares for a subscription and offer price of EUR 27.50 per share raising total proceeds of EUR 750 mn.

On June 8, Nabucco Gas Pipeline International GmbH announced the signing of the Project Support Agreements (PSAs) with the ministers of each transit country in Kayseri, Turkey.

## Outlook 2011

For 2011, we expect the main market drivers to remain highly volatile. We expect the Brent oil price to be within a range of USD 90-110/bbl. We would also anticipate continuing volatility for the relevant FX rates. Refining margins are expected to recover somewhat due to improved demand for middle distillates. Petrochemical margins were very strong in Q2/11 and are expected to remain attractive in the second half of the year. Marketing volumes as well as margins are expected to remain under pressure as western markets are not expected to show any growth, despite some signs of economic recovery, due to saturation, while Southeastern Europe is still feeling the impact of the economic downturn.

To partly secure the Group's cash flow in 2011, OMV entered into oil price swaps in January 2011 for a volume of 50,000 bbl/d of 2011 production securing a price of USD 97/bbl and into EUR-USD average rate forwards at USD 1.37, covering those volumes until the end of 2011. OMV targets an investment level below its guidance of average annual CAPEX of EUR 2.7 bn (excluding major acquisitions) until 2015, while maintaining the Group's strong investment grade credit rating and a stable financial profile remains a key focus. It is one of OMV's main priorities to strive for world class HSEQ standards including the reduction of the LTI rate (lost-time injury).

**E&P** expects lower production levels in 2011 compared to last year due to the ongoing political instability in North Africa and the Middle East. We are closely monitoring the political situation in both Libya and Yemen. In Libya, production ceased in the beginning of March 2011 and no further production is expected for the balance of the year (in 2010, production in Libya was around 33,000 boe/d). Regarding Yemen, OMV's production stopped in mid-March after an attack on an export

pipeline. In July, the damaged pipeline was repaired and production has been restarted. Given continued security concerns it's possible that further production interruptions occur during the remainder of the year. The production loss from both countries will partly be compensated by recent acquisitions. Production levels in Tunisia will benefit from the recent acquisition of the Pioneer assets. Following the closing of the acquisition of Petronas' E&P subsidiary in Pakistan in July, the new assets will contribute to production immediately. In the currently ongoing drilling of the exploration well Bina Bawi-3 in the Kurdistan Region of Iraq, hydrocarbons have been encountered in one of the shallower reservoir targets. Final results including deeper targets are expected to be announced later this year. In Romania and Austria, we continue to focus on reducing the natural production decline and on enhancing the recovery rates from mature fields.

The challenging margin environment in refining as well as marketing will continue to pressure the R&M segment. After the routine turnarounds of the Neustadt site in Bayernoil (Q1/11) and the petrochemical plants in Schwechat (Q2/11) no further shutdowns in the western refineries are scheduled for the rest of the year. At Petrom, no major shutdown is scheduled for Petrobrazi whilst the Arpechim refinery will remain permanently closed. In the marketing business, continuous network optimization of the retail business should improve profitability. As of 2011, Petrol Ofisi is fully consolidated and will thus add to OMV's marketing performance. At Petrom, the revised Petrobrazi refining investment will continue. Stringent cost management together with further streamlining of the business will support profitability in R&M.

Within the **G&P** segment, the implementation of the Third Energy Package of the EU (unbundling requirement) will be a major focus for the gas logistics business in 2011. Commercial operations of the Gate regasification terminal in Rotterdam (OMV stake: 5%) are planned to start in September. As regards the gas sales markets, the commissioning of new power plant projects will lead to additional demand for natural gas. International trading activities as part of portfolio management, as well as to create further business opportunities, are increasing. The main focus regarding the Nabucco gas pipeline project are negotiations with gas supply countries in the Caspian Region, which will be followed by the

start of the open season process for marketing the transport capacity. The start-up of the gas-fired power plant in Brazi (Romania) and the wind park in Dorobantu (Romania) are expected in H2/11, marking the operational entry of OMV into the power business. In early 2011, the Romanian regulatory authorities decided to extend the "gas basket" to internal non-technological usage that will also include the power plant in Brazi. Commencing in July, a further regulation also enforced a 10% increase of gas prices for industrial consumers. Though unlikely to significantly impact Petrom's results in 2011 these factors will adversely impact the contribution of the Brazi power plant in 2012.

## At a glance

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
8,071	7,960	5,730	39	Sales <sup>1</sup>	16,032	11,015	46	23,323
677	412	500	(18)	EBIT E&P <sup>2</sup>	1,089	1,056	3	1,816
94	138	222	(38)	EBIT R&M	232	313	(26)	397
73	26	18	41	EBIT G&P	98	105	(6)	277
(15)	(11)	(42)	(75)	EBIT Corporate and Other	(25)	(63)	(60)	(128)
(22)	2	(50)	n.m.	Consolidation	(20)	(54)	(63)	(28)
<b>807</b>	<b>567</b>	<b>647</b>	<b>(12)</b>	<b>EBIT Group</b>	<b>1,374</b>	<b>1,357</b>	<b>1</b>	<b>2,334</b>
282	296	170	74	thereof EBIT Petrom group	578	401	44	708
8	32	–	n.a.	thereof EBIT Petrol Ofisi	40	–	n.a.	–
677	439	560	(22)	Clean EBIT E&P <sup>2,3</sup>	1,117	1,116	0	2,099
11	11	120	(91)	Clean CCS EBIT R&M <sup>3</sup>	22	147	(85)	225
73	26	19	38	Clean EBIT G&P <sup>3</sup>	98	106	(7)	279
(14)	(10)	(24)	(60)	Clean EBIT Corporate and Other <sup>3</sup>	(23)	(45)	(48)	(105)
(22)	2	(50)	n.m.	Consolidation	(20)	(54)	(63)	(28)
<b>726</b>	<b>468</b>	<b>623</b>	<b>(25)</b>	<b>Clean CCS EBIT <sup>3</sup></b>	<b>1,194</b>	<b>1,271</b>	<b>(6)</b>	<b>2,470</b>
283	306	159	93	thereof clean CCS EBIT Petrom group <sup>3</sup>	588	381	55	789
9	18	–	n.a.	thereof clean CCS EBIT Petrol Ofisi <sup>3</sup>	27	–	n.a.	–
699	514	645	(20)	Income from ordinary activities	1,213	1,342	(10)	1,961
473	378	424	(11)	Net income	851	881	(3)	1,214
365	269	338	(20)	Net income attributable to stockholders <sup>4</sup>	634	684	(7)	921
272	236	314	(25)	Clean CCS net income attributable to stockholders <sup>3,4</sup>	507	611	(17)	1,118
1.22	0.88	1.13	(22)	EPS in EUR	2.10	2.29	(8)	3.08
0.91	0.77	1.05	(26)	Clean CCS EPS in EUR <sup>3</sup>	1.68	2.04	(18)	3.74
892	384	765	(50)	Cash flow from operating activities	1,276	1,512	(16)	2,886
2.98	1.26	2.56	(51)	CFPS in EUR	4.22	5.06	(17)	9.66
5,421	4,312	3,123	38	Net debt	4,312	3,123	38	5,167
47	34	29	18	Gearing in %	34	29	18	46
1,039	483	496	(3)	Capital expenditures	1,522	856	78	3,207
–	–	–	n.a.	Dividend per share in EUR <sup>4</sup>	–	–	n.a.	1.00
–	–	–	n.a.	ROFA in %	17	22	(24)	18
–	–	–	n.a.	ROACE in %	12	13	(5)	10
–	–	–	n.a.	ROE in %	14	17	(16)	11
31,142	30,516	32,484	(6)	OMV employees	30,516	32,484	(6)	31,398
24,339	23,693	26,736	(11)	thereof Petrom group	23,693	26,736	(11)	24,662

Figures in this and the following tables may not add up due to rounding differences.

<sup>1</sup> Sales excluding petroleum excise tax.

<sup>2</sup> Excluding intersegmental profit elimination shown in the line "Consolidation".

<sup>3</sup> Adjusted for exceptional, non-recurring items; clean CCS figures exclude inventory holding gains/losses (CCS effects) resulting from the fuels refineries and Petrol Ofisi.

<sup>4</sup> After deducting net income attributable to hybrid capital owners and net income attributable to non-controlling interests.

# Business segments

## Exploration and Production (E&P)

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
1,355	1,196	1,183	1	Segment sales	2,551	2,324	10	4,666
677	412	500	(18)	EBIT	1,089	1,056	3	1,816
0	(27)	(60)	(55)	Special items	(27)	(60)	(55)	(283)
677	439	560	(22)	Clean EBIT	1,117	1,116	0	2,099

Q1/11	Q2/11	Q2/10	Δ%	Key performance indicators	6m/11	6m/10	Δ%	2010
27.4	25.1	28.9	(13)	Total hydrocarbon production in mn boe	52.5	57.5	(9)	115.9
304,000	275,000	318,000	(13)	Total hydrocarbon production in boe/d	290,000	318,000	(9)	318,000
14.4	12.2	15.8	(23)	Crude oil and NGL production in mn bbl	26.6	31.6	(16)	63.4
72.9	72.1	73.6	(2)	Natural gas production in bcf	145.1	145.1	0	295.1
105.43	117.04	78.24	50	Average Brent price in USD/bbl	111.09	77.29	44	79.50
94.13	100.22	71.82	40	Average realized crude price in USD/bbl	96.89	72.81	33	73.44
112.70	143.92	75.69	90	Exploration expenditure in EUR mn	256.63	136.68	88	375.65
55.43	179.25	60.84	195	Exploration expenses in EUR mn	234.68	95.90	145	238.70
13.65	14.48	12.56	15	OPEX in USD/boe	14.05	12.64	11	12.83

### Thereof Petrom group (included above)

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
299	283	212	34	EBIT	582	428	36	715
0	(21)	0	n.a.	Special items	(21)	0	n.a.	(126)
299	304	212	44	Clean EBIT	603	428	41	841

Q1/11	Q2/11	Q2/10	Δ%	Key performance indicators	6m/11	6m/10	Δ%	2010
186,000	187,000	182,000	3	Total hydrocarbon production in boe/d	187,000	184,000	2	184,000
8.3	8.4	8.3	1	Crude oil and NGL production in mn bbl	16.6	16.6	0	33.3
1.3	1.3	1.3	4	Natural gas production in bcm <sup>1</sup>	2.6	2.5	3	5.2
102.67	114.21	76.86	49	Average Urals price in USD/bbl	108.29	76.12	42	78.29
90.14	95.72	66.76	43	Average realized crude price in USD/bbl	92.92	68.31	36	68.72
160.29	172.11	149.97	15	Regulated gas price for domestic producers in USD/1,000 cbm	165.95	157.72	5	155.44
16.66	16.11	16.89	(5)	OPEX in USD/boe	16.39	16.77	(2)	16.74

<sup>1</sup> Reported in bcm, as gas prices in Romania are based on 1,000 cbm.

### Second quarter 2011 (Q2/11)

- ▶ **Q2/11 result burdened by considerably lower production volumes, mainly due to missing production from Libya and Yemen**
- ▶ **Significantly higher exploration expenses driven by the write-off of unsuccessful wells in the UK and Australia as well as of an exploration licence in Kazakhstan and high exploration activities**
- ▶ **Petrom total production up by 3% compared to Q2/10, partly due to production optimization initiatives in Romania, which could mitigate the natural decline**

The **Brent** price in USD was 50% above the Q2/10 level, while the Group's **average realized crude price** rose by 40% to USD 100.22/bbl reflecting a negative hedging result in Q2/11. The **Urals** price, the reference oil price in Romania, increased by 49%. The OMV Group's **average realized gas price** in EUR was 14% above the Q2/10 level.

Despite a significantly higher oil price, **EBIT** fell by 18% compared to Q2/10, mainly due to lower sales volumes, considerably higher exploration expenses, unfavourable FX

effects and a negative hedging result. While oil price **hedges** entered into in Q1/11 have burdened the Q2/11 result (EUR (63) mn), this effect was somewhat mitigated by a positive contribution of the EUR-USD hedge (EUR 16 mn). The net result of these hedges adversely impacted EBIT by EUR (47) mn vs. a negative hedging result of EUR (3) mn in Q2/10. Due to the write-off of unsuccessful wells in the UK (Lagavulin) and Australia (Klimt blocks) as well as the write-off of an exploration licence in Kazakhstan (Kultuk), **exploration expenses** almost tripled vs. Q2/10, to EUR 179 mn. Excluding net special

charges of EUR 27 mn, which mainly related to the aforementioned write-off of Kultuk, **clean EBIT** was 22% below the level of Q2/10, which at the time was burdened by the impairment of Bardolino (UK, EUR 60 mn).

**Production costs** excluding royalties (OPEX) in USD/boe increased by 15% vs. Q2/10, mainly reflecting the overall decline in production volumes as well as the negative FX effects (especially due to the stronger RON). At Petrom, OPEX in USD/boe was down by 5%, despite negative FX effects (the RON strengthened by 13% against the USD), mainly due to slightly higher volumes. OMV Group's total **exploration expenditure** increased by 90% to EUR 144 mn compared to Q2/10, predominantly as a result of increased exploration activities in Romania, Norway, the UK and Australia (Zola).

**Total OMV daily production of oil, NGL and gas** was 13% below Q2/10 at 275,000 boe/d, mainly due to the ongoing political instability in Libya and Yemen, some planned maintenance shutdowns in Austria (Aderklaa) and New Zealand (Maari) as well as maintenance and repair works in the UK (Schiehallion). Petrom's total daily production volumes were 3% above Q2/10 due to increased production quantities in Kazakhstan as well as higher volumes in Romania, where production optimization initiatives have offset the natural decline. **Total OMV daily oil and NGL production** fell by 23% vs. Q2/10, mainly reflecting the production halt in Libya and Yemen as well as the decline in New Zealand, which could not be compensated by the higher contribution from Tunisia (inclusion of Pioneer assets) and Kazakhstan. **Total OMV**

**daily gas production** was marginally below Q2/10, mainly due to the planned maintenance shutdown in Austria, which was almost offset by the rise in volumes in Romania and Kazakhstan. Higher sales volumes in Austria, Tunisia and Kazakhstan could not counterbalance the loss of sales volumes in Libya and Yemen, resulting in a 9% decrease in **total sales quantity**.

**Compared to Q1/11**, clean EBIT fell by 35%, mainly reflecting the decline in sales volumes, the significant rise in exploration expenses as well as negative FX effects, which could not be compensated by the higher crude price level (Brent and Urals in USD/bbl both up by 11%). In fact, the increase in oil price in EUR terms was much lower than in USD terms (Brent and Urals in EUR/bbl both up by 6%). The hedging result was, at EUR (47) mn, a greater burden on the EBIT line than in Q1/11 (EUR (24) mn). Total daily production came in 10% below the previous quarter. Daily oil production was down by 16% vs. Q1/11, mainly due to the ongoing political instability in Libya and Yemen, which led to a reduction of 24,000 bbl/d vs. Q1/11. The export pipeline in Yemen, which had been attacked in Q1/11, was finally repaired in July 2011 and production has been restarted. Some maintenance shutdowns in New Zealand (Maari) and the UK (Schiehallion) have also negatively affected production volumes and could not be offset by the positive contribution from the Tunisian Pioneer assets. Daily gas production was down by 2%, mainly due to the planned maintenance shutdown in Aderklaa (Austria). Overall, sales volumes have followed the same trend as production quantities.

## January – June 2011 (6m/11)

The Brent price increased by 44% compared to 6m/10. The Group's average **realized crude price** was USD 96.89/bbl, a smaller increase of 33% reflecting the negative hedging result of EUR (71) mn, which stood in contrast to a positive hedging result of EUR 32 mn in 6m/10. The Group's average **realized gas price** was up by 12%, reflecting the increased overall gas price level, which is, however, lagging behind the oil price development, and in spite of the unchanged Romanian gas price situation.

Despite a significantly higher oil price, **EBIT** rose by only 3% compared to 6m/10, mainly due to lower sales volumes, significantly higher exploration expenses, unfavourable FX effects and a negative hedging result. EBIT in 6m/11 included net special charges of EUR 27 mn, mainly relating to the write-off of Kultuk. Given that 6m/10 EBIT included net special charges of EUR 60 mn, relating to the impairment of the Bardolino field (UK), **clean EBIT** came in just at last year's level.

**Production costs** excluding royalties in USD/boe (OPEX) increased by 11% compared to 6m/10, mainly reflecting the decline in volumes as well as negative FX effects. At Petrom,

OPEX was down by 2%. **Exploration expenditure** was up 88% on 6m/10, mainly driven by increased activities in Australia (Zola), the UK, Romania (Totea Deep) and Norway. **Total OMV daily production** of oil, NGL and gas was 9% below the level of 6m/10, as higher volumes from Tunisia (Pioneer assets) and Kazakhstan could not compensate for lower volumes from Libya, Yemen and Austria (planned shutdown). **Total OMV daily oil and NGL production** was down by 16%, mainly reflecting the production decline in Libya and Yemen. Production in Libya was at normal levels until February 20, 2011. Starting in March 2011, various fields ceased to provide routine data reports on official production volumes and since then production has effectively ceased. OMV therefore stopped reporting this production. Production in Yemen had been stopped since mid-March 2011 due to the aforementioned attack on an export pipeline, which was finally repaired in July. **Total OMV daily gas production** came in at 6m/10 level, as production increases in Romania, Kazakhstan and Pakistan made up for the decline in Austria. Lower sales volumes in Libya, Yemen and New Zealand could not be compensated by higher volumes in Austria, Tunisia and Kazakhstan; thus the **total sales quantity** decreased by 5%.

## Refining and Marketing (R&M)

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
6,117	6,533	4,722	38	Segment sales	12,650	8,481	49	18,042
94	138	222	(38)	EBIT	232	313	(26)	397
37	11	37	(70)	thereof petrochemicals	48	57	(16)	95
(18)	8	19	(58)	Special items	(10)	36	n.m.	(14)
				CCS effects:				
101	119	83	44	Inventory holding gains/(losses) <sup>1</sup>	220	130	70	187
11	11	120	(91)	Clean CCS EBIT <sup>1</sup>	22	147	(85)	225

Q1/11	Q2/11	Q2/10	Δ%	Key performance indicators	6m/11	6m/10	Δ%	2010
2.30	1.51	3.39	(56)	OMV indicator refining margin in USD/bbl <sup>2</sup>	1.90	3.15	(40)	2.90
5.02	5.14	4.78	7	Refining input in mn t	10.16	9.91	3	20.97
85	86	69	25	Utilization rate refineries in % <sup>3</sup>	86	72	19	76
4.49	4.61	4.55	1	Refining output in mn t	9.09	8.86	3	18.99
7.03	7.73	6.03	28	Total refined product sales in mn t	14.76	11.42	29	24.48
4.97	5.73	3.96	45	thereof marketing sales volumes in mn t	10.70	7.39	45	16.03
0.54	0.39	0.53	(27)	thereof petrochemicals in mn t	0.93	1.03	(10)	2.08
4,742	4,701	2,319	103	Marketing retail stations	4,701	2,319	103	2,291

### Thereof Petrom group (included above)

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
(12)	14	30	(55)	EBIT	1	34	(96)	25
(25)	1	2	(63)	Special items	(24)	3	n.m.	0
				CCS effects:				
25	11	10	10	Inventory holding gains/(losses) <sup>1</sup>	36	17	113	50
(12)	2	19	(89)	Clean CCS EBIT <sup>1</sup>	(10)	14	n.m.	(25)

Q1/11	Q2/11	Q2/10	Δ%	Key performance indicators	6m/11	6m/10	Δ%	2010
(0.88)	(1.39)	0.99	n.m.	OMV indicator refining margin east in USD/bbl <sup>2</sup>	(1.13)	0.92	n.m.	0.33
0.96	0.99	1.08	(8)	Refining input in mn t	1.95	2.16	(10)	4.15
81	83	51	63	Utilization rate refineries in % <sup>3</sup>	82	51	60	49
0.91	0.94	0.93	1	Refining output in mn t	1.85	1.88	(2)	3.78
1.14	1.28	1.31	(2)	Total refined product sales in mn t	2.42	2.48	(3)	5.38
0.86	0.97	1.03	(6)	thereof marketing sales volumes in mn t	1.83	1.91	(4)	4.16
794	794	804	(1)	Marketing retail stations	794	804	(1)	801

### Thereof Petrol Ofisi (included above)

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
8	35	–	n.a.	EBIT	43	–	n.a.	–
0	2	–	n.a.	Special items	2	–	n.a.	–
				CCS effects:				
(2)	12	–	n.a.	Inventory holding gains/(losses) <sup>1</sup>	11	–	n.a.	–
9	20	–	n.a.	Clean CCS EBIT <sup>1</sup>	30	–	n.a.	–

Q1/11	Q2/11	Q2/10	Δ%	Key performance indicators	6m/11	6m/10	Δ%	2010
1.50	1.86	–	n.a.	Total refined product sales in mn t	3.36	–	n.a.	–
2,470	2,458	–	n.a.	Marketing retail stations	2,458	–	n.a.	–

<sup>1</sup> Current cost of supply (CCS): Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects) resulting from the fuels refineries and Petrol Ofisi.

<sup>2</sup> As of Q1/11, the OMV indicator refining margin east has been adapted to reflect changes in the yield structure as well as the planned closure of the Arpechim refinery. Prior periods have not been restated.

<sup>3</sup> As of Q1/11, the Arpechim refinery is no longer reflected in the calculation. Prior periods have not been restated.

## Second quarter 2011 (Q2/11)

- ▶ **High cost for own crude consumption due to the oil price increase burdened OMV indicator refining margin**
- ▶ **Petrochemicals business impacted by planned maintenance turnaround in the Schwechat refinery**
- ▶ **Marketing business still facing margin pressure**

The impact of higher crude and product prices and increased sales volumes led to a 38% increase in **R&M segment sales** compared to Q2/10.

At EUR 11 mn, **clean CCS EBIT** came in considerably below the level of Q2/10 (EUR 120 mn), mainly reflecting the decline in the OMV indicator refining margin and a lower contribution from the petrochemicals business. Net special income in Q2/11 was EUR 8 mn mainly due to book gains realized in connection with the sale of filling stations in Germany. Positive CCS effects of EUR 119 mn due to higher crude price levels led to a reported EBIT of EUR 138 mn (vs. EUR 222 mn in Q2/10).

The **clean CCS EBIT** in **refining** was considerably below the level of Q2/10, reflecting the decrease of the OMV indicator refining margin from USD 3.39/bbl to USD 1.51/bbl mainly as a result of increased crude prices, which led to higher costs for own crude consumption and which could not be offset by higher middle distillate and gasoline spreads. Furthermore, the contribution of the petrochemicals business was lower due to the planned maintenance turnaround of the petrochemical activities at the Schwechat refinery. At Petrom, the refining result also suffered from the decline of the indicator margin, which could not be compensated by an improved cost and operational performance supported by the closure of Arpechim. The OMV indicator refining margin east, which since Q1/11 reflects the standardized yield structure of the Petrobrazil refinery only (the yield structure used for calculating the OMV indicator refining margin was updated in Q1/11 to the current configuration of Petrobrazil), was at USD (1.39)/bbl (vs. USD 0.99/bbl in Q2/10), as a consequence of the increased cost of own crude consumption due to the higher oil price.

Overall **capacity utilization** stood at 86% and since Q1/11 no longer includes the Arpechim refinery in Romania in the calculation. In refining west, capacity utilization was at a level above last year (87% vs. 77% in Q2/10) since the Schwechat

refinery was in a planned maintenance shutdown in Q2/10. The utilization rate of the refinery Petrobrazil reached 83% in Q2/11 compared to 52% in the same period last year when Petrobrazil was in scheduled turnaround from early April until early May. Total OMV **refining output** was up 1% compared to Q2/10.

The **petrochemicals result** was, at EUR 11 mn, clearly below the level of Q2/10 (EUR 37 mn) due to the planned maintenance turnaround of petrochemical activities at the Schwechat refinery in Q2/11 which reduced sales volumes by 27%. The improvement in olefin margins was insufficient to offset the above mentioned impact.

The **clean marketing result** was below the level of Q2/10, mainly due to a still difficult demand and margin environment further exacerbated by an increase in costs such as the new crisis tax in Hungary and higher costs for advertising. These developments could not be offset by the positive contribution from **Petrol Ofisi** which however still suffered from margin pressure. Overall, **marketing sales volumes** were up by 45% compared to Q2/10, driven by the Petrol Ofisi contribution. As of June 30, 2011, the total number of **retail stations** in OMV Group increased by 103% compared to the end of June 2010, again as a consequence of the consolidation of Petrol Ofisi.

**Compared to Q1/11**, clean CCS EBIT of the business segment R&M was at the same level in spite of the decline in the OMV indicator refining margin due to reduced middle distillate spreads and higher costs for own crude consumption and in spite of a lower contribution from the petrochemicals business due to the scheduled turnaround in Schwechat. These developments were offset by the marketing business, which was supported by the start of the driving season and the higher contribution from Petrol Ofisi. Margin pressure eased slightly in Central and Eastern European markets, however, Petrol Ofisi is still facing a difficult margin environment.

## January – June 2011 (6m/11)

R&M **segment sales** increased by 49% due to higher price levels and sales volumes.

At EUR 22 mn, **clean CCS EBIT** came in significantly below 6m/10 (EUR 147 mn), mainly reflecting a difficult margin environment in both refining and marketing but also the inability to fully capture benign petrochemical margins due to the maintenance turnaround of the petrochemical activities in Schwechat in Q2/11. Taking into account positive CCS effects of EUR 220 mn (vs. EUR 130 mn in 6m/10) as well as net special charges of EUR 10 mn, this led to an **EBIT** of EUR 232 mn, 26% below last year's level.

The **refining** result declined considerably compared to 6m/10, mainly due to the decrease in the OMV indicator refining margin as a result of increased crude prices which led to higher costs for own crude consumption, but also due to a weaker petrochemicals result for the above mentioned reasons. These impacts could not be offset by an improved cost and operational performance supported by the closure of Arpechim. The OMV indicator refining margin east was below the level of 6m/10 (USD (1.13)/bbl vs. USD 0.92/bbl in 6m/10) as higher costs for own crude consumption could not be offset by improved spreads for gasoline and middles distillates.



Overall **capacity utilization** increased to 86% (vs. 72% in 6m/10) due to the impact of the maintenance shutdowns in Schwechat and Petrobrazil in Q2/10 and the fact that since Q1/11 Arpechim is no longer included in this calculation. Total **refining output** was up by 3%.

The **petrochemicals result** declined compared to 6m/10 due to the scheduled turnaround in Schwechat in Q2/11, which impeded the ability to fully profit from the favourable margin

environment. Petrochemical sales volumes were down 10% vs. 6m/10.

The **marketing result** came in below the level of 6m/10 mainly due to a still difficult margin environment especially in Eastern Europe as well as higher costs such as the new crisis tax in Hungary and higher costs for advertising which could not be offset by the positive contribution from Petrol Ofisi, which was not included in the 6m/10 figures.

## Gas and Power (G&P)

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
1,752	1,313	783	68	Segment sales	3,065	2,051	49	4,365
73	26	18	41	EBIT	98	105	(6)	277
0	0	0	(100)	Special items	0	(1)	(100)	(2)
73	26	19	38	Clean EBIT	98	106	(7)	279

Q1/11	Q2/11	Q2/10	Δ%	Key performance indicators	6m/11	6m/10	Δ%	2010
6.63	4.69	3.27	43	Combined gas sales volumes in bcm	11.32	8.89	27	18.03
856,519	908,272	888,547	2	Average storage capacities sold in cbm/h	882,396	867,449	2	867,507
24.98	25.55	21.53	19	Total gas transportation sold in bcm	50.53	42.53	19	89.21

### Thereof Petrom group (included above)

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
8	(2)	(11)	(81)	EBIT	6	6	(4)	39
0	0	0	(100)	Special items	0	0	(100)	(2)
8	(2)	(11)	(81)	Clean EBIT	6	6	(7)	41

Q1/11	Q2/11	Q2/10	Δ%	Key performance indicators	6m/11	6m/10	Δ%	2010
396	428	360	19	Import price in USD/1,000 cbm <sup>1</sup>	408	347	18	360
160	172	150	15	Regulated gas price for domestic producers in USD/1,000 cbm	166	158	5	155
1.46	1.05	0.89	19	Gas sales volumes in bcm	2.51	2.36	7	4.66

<sup>1</sup> The actual import gas prices published retrospectively by ANRE on a monthly basis are presented in the table. As of the date of this report, the latest available data is for May 2011, hence the Q2/11 and 6m/11 figures are estimates.

### Second quarter 2011 (Q2/11)

- ▶ **Gas sales volumes at EconGas increased significantly compared to Q2/10, mainly driven by higher short-term deals on international gas hubs**
- ▶ **Strong pressure on margins in EconGas' target markets negatively impacted the result**
- ▶ **Transportation business benefited from higher gas transportation sold**

**Clean EBIT** came in at EUR 26 mn, 38% above Q2/10, mainly reflecting a strong contribution of the gas logistics business and a lower negative impact from Petrom's fertilizer plant Doljchim due to the ongoing closure process. **EBIT** showed the same development as no special items were booked.

The business unit **supply, marketing and trading** recorded a 43% increase in total sales volumes compared to Q2/10. EconGas' sales volumes were mainly driven by higher short-term deals on international gas hubs. Margins were under strong pressure as spot prices remained below long-term gas prices. In this market environment, margins achievable on wholesale and short-term deals are very slim.

**Petrom's** sales volumes increased by 19% compared to Q2/10, while the estimated natural gas consumption of Romania increased by 10% compared to the same period of the previous year. This increase was supported by lower injection of domestic volumes into storage compared to the previous year which enabled higher volumes to be placed on the market. In Q2/11, Petrom again was burdened by the statutory import obligation for its captive gas consumption due to high import prices. Lower new bad debt provisions than in Q2/10 supported the result.

The recommended (de facto regulated) gas price for domestic producers has remained at RON 495/1,000 cbm since February 2008, while in USD terms this meant an increase of 15% compared to Q2/10.

In the business unit **gas logistics**, the storage business showed slightly higher volumes and withdrawal rates sold compared to Q2/10. The transportation business reported transportation volumes sold at notably higher levels than in Q2/10 due to additional pipeline capacity available in Austria (new pipeline Baumgarten-Auersthal and WAG expansion). Activities related to the implementation of the Third Energy Package of the European Union (unbundling requirement) resulted in higher costs compared to Q2/10.

After Petrom's decision to exit the chemicals business, production at Doljchim's methanol plant was stopped in Q4/10. Closure activities at Doljchim, such as the dismantling and decontamination of the plant are to be carried out in compliance with European environmental and safety standards. In Q2/11, the negative impact of Doljchim was significantly below the Q2/10 level.

In the business unit **power**, the construction of both Romanian power projects – the gas-fired power plant Brazi and the wind

farm in the Dorobantu region – is on track to start commercial production in H2/11. The first volumes were delivered to the grid as both power plants are in testing and commissioning stage. Also, the power plant project in Samsun, Turkey, is progressing according to plan. The progress in construction has manifested itself in an increased cost level in the business unit power.

**Compared to Q1/11**, clean EBIT fell by 65%, which was mainly driven by a seasonally lower contribution of the supply, marketing and trading business. Due to this seasonality, sales

volumes of EconGas decreased by 29% compared to Q1/11. Furthermore, EconGas suffered from lower margins in its target markets, reflecting reduced portfolio optimization possibilities. Compared to Q1/11, Petrom's sales volumes seasonally decreased by 28%, while the estimated Romanian total consumption decreased by 51%. The transportation business reported slightly higher transportation volumes sold due to the start up of a WAG pipeline expansion in Q2/11. The storage business saw the expected seasonal development with lower withdrawal and higher injection rates.

### January – June 2011 (6m/11)

**EBIT** was down by 6% compared to 6m/10, mainly driven by supply, marketing and trading, which suffered from extreme pressure on margins. **Clean EBIT** development was almost in line with the reported EBIT.

The business unit **supply, marketing and trading** saw a sharp increase in sales volumes compared to 6m/10 but was burdened by strong pressure on margins. EconGas reported a strong rise in sales volumes, mainly driven by low temperatures, an increase of short-term deals and higher international sales volumes. However, due to the persisting gap between long-term gas prices and spot prices, margins were severely under pressure. Gas sales of Petrom increased by 7% compared to 6m/10, while the estimated Romanian total consumption increased by 4%. The result was negatively impacted by higher import quota and higher import prices, as well as the order released by Romanian authorities enforcing

the gas basket consumption to internal non-technological usage. This was partly offset by the improved situation of bad debt provisions.

The **gas logistics** business benefited from increased gas transportation sold, primarily due to the aforementioned additional pipeline capacity available in Austria. Furthermore, an increase in storage volume and rates sold positively contributed to the logistics result.

As mentioned before, the methanol plant in Doljchim was stopped in Q4/10. The negative contribution compared to 6m/10 was therefore reduced.

In 6m/11, visible progress was made on both Romanian power projects as well as on the power plant Samsun in Turkey, manifesting itself in an increased cost level.

# Group interim financial statements and notes (condensed, unaudited)

## **Legal principles and general accounting policies**

The interim condensed consolidated financial statements for the six months ended June 30, 2011, have been prepared in accordance with IAS 34 Interim Financial Statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as of December 31, 2010.

The accounting policies adopted in preparation of the interim condensed consolidated financial statements are consistent with those followed in preparation of the Group's annual financial statements for the year ended December 31, 2010. The valuation methods in effect on December 31, 2010, remain unchanged.

The interim consolidated financial statements for Q2/11 are unaudited and an external review by an auditor was not performed.

## **Changes in the consolidated Group**

Compared with the consolidated financial statements as of December 31, 2010, the consolidated Group changed as follows:

In E&P, OMV Anaguid Ltd. and OMV South Tunisia Ltd., both based in Grand Cayman, were included as of March 1, 2011. The initial accounting for these two companies acquired from Pioneer is preliminary. The provisional amounts recognized at the acquisition date may therefore be adjusted or completed during the measurement period.

OMV (Tunesien) Exploration GmbH, Vienna, was merged into OMV (Tunesien) Production GmbH, Vienna, starting with the beginning of Q1/11.

In Corporate and Other (Co&O), OMV Insurance Broker GmbH, Vienna, was deconsolidated.

## **Seasonality and cyclicity**

Seasonality is of significance, especially in G&P and R&M; for details please refer to the section "business segments".

In addition to the interim financial statements and notes, further information on main items affecting the interim financial statements as of June 30, 2011, is given as part of the description of OMV's business segments.

## Income statement (unaudited)

Q1/11	Q2/11	Q2/10	Consolidated income statement in EUR mn		6m/11	6m/10	2010	
8,071.50	7,960.27	5,730.23		Sales revenues	16,031.77	11,014.82	23,323.44	
(69.87)	(74.81)	(60.20)		Direct selling expenses	(144.68)	(110.11)	(244.75)	
(6,748.84)	(6,758.12)	(4,643.77)		Production costs of sales	(13,506.96)	(8,849.39)	(19,187.96)	
<b>1,252.79</b>	<b>1,127.34</b>	<b>1,026.25</b>		<b>Gross profit</b>	<b>2,380.13</b>	<b>2,055.32</b>	<b>3,890.72</b>	
69.87	57.31	50.47		Other operating income	127.18	124.37	250.52	
(214.73)	(237.67)	(193.32)		Selling expenses	(452.40)	(370.55)	(755.51)	
(114.44)	(112.47)	(72.88)		Administrative expenses	(226.91)	(147.11)	(327.32)	
(55.43)	(179.25)	(60.84)		Exploration expenses	(234.68)	(95.90)	(238.70)	
(3.75)	(3.30)	(2.60)		Research and development expenses	(7.05)	(5.42)	(15.80)	
(127.06)	(84.89)	(100.37)		Other operating expenses	(211.95)	(203.57)	(470.11)	
<b>807.25</b>	<b>567.08</b>	<b>646.72</b>		<b>Earnings before interest and taxes (EBIT)</b>	<b>1,374.33</b>	<b>1,357.15</b>	<b>2,333.80</b>	
70.85	72.86	27.38		Income from associated companies	143.71	53.75	91.71	
0.11	6.70	6.51		Dividend income	6.82	9.40	9.97	
(94.68)	(83.56)	(86.21)		Net interest result	(178.24)	(164.79)	(335.85)	
(84.74)	(48.82)	50.28		Other financial income and expenses	(133.56)	86.86	(139.01)	
<b>(108.46)</b>	<b>(52.81)</b>	<b>(2.04)</b>		<b>Net financial result</b>	<b>(161.27)</b>	<b>(14.78)</b>	<b>(373.17)</b>	
<b>698.79</b>	<b>514.27</b>	<b>644.68</b>		<b>Profit from ordinary activities</b>	<b>1,213.06</b>	<b>1,342.37</b>	<b>1,960.63</b>	
(225.35)	(136.23)	(220.31)		Taxes on income	(361.58)	(461.57)	(746.51)	
<b>473.44</b>	<b>378.04</b>	<b>424.37</b>		<b>Net income for the period</b>	<b>851.48</b>	<b>880.80</b>	<b>1,214.12</b>	
<b>364.89</b>	<b>268.88</b>	<b>337.65</b>		<b>thereof attributable to stockholders of the parent</b>	<b>633.77</b>	<b>683.53</b>	<b>920.59</b>	
–	2.91	–		thereof attributable to hybrid capital owners	2.91	–	–	
108.55	106.26	86.72		thereof attributable to non-controlling interests	214.80	197.27	293.53	
<b>1.22</b>	<b>0.88</b>	<b>1.13</b>		<b>Basic earnings per share in EUR</b>	<b>2.10</b>	<b>2.29</b>	<b>3.08</b>	
1.22	0.88	1.13		Diluted earnings per share in EUR	2.09	2.28	3.07	
–	–	–		<b>Dividend per share in EUR</b>	–	–	<b>1.00</b>	
<b>Q1/11</b>	<b>Q2/11</b>	<b>Q2/10</b>	<b>Δ%</b>	<b>in EUR mn</b>	<b>6m/11</b>	<b>6m/10</b>	<b>Δ%</b>	<b>2010</b>
<b>70.85</b>	<b>72.86</b>	<b>27.38</b>	<b>166</b>	<b>Income from associated companies</b>	<b>143.71</b>	<b>53.75</b>	<b>167</b>	<b>91.71</b>
62.34	60.27	32.96	83	thereof Borealis	122.62	51.86	136	108.89
0.00	0.00	(3.20)	(100)	thereof Petrol Ofisi	0.00	5.26	(100)	(15.66)

## Statement of comprehensive income (unaudited)

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
<b>473.44</b>	<b>378.04</b>	<b>424.37</b>	<b>(11)</b>	<b>Net income for the period</b>	<b>851.48</b>	<b>880.80</b>	<b>(3)</b>	<b>1,214.12</b>
(77.13)	(253.59)	(73.65)	n.m.	Exchange differences from translation of foreign operations	(330.71)	188.47	n.m.	202.88
(2.29)	0.24	(0.39)	n.m.	Gains/(losses) on available-for-sale financial assets	(2.06)	0.89	n.m.	(0.06)
(149.25)	97.90	64.64	51	Gains/(losses) on hedges	(51.35)	68.37	n.m.	101.53
(16.59)	(17.75)	24.39	n.m.	Share of other comprehensive income of associated companies	(34.34)	53.02	n.m.	74.67
29.91	(21.04)	(13.05)	61	Income tax relating to components of other comprehensive income	8.87	(14.26)	n.m.	(21.47)
<b>(215.35)</b>	<b>(194.24)</b>	<b>1.94</b>	<b>n.m.</b>	<b>Other comprehensive income for the period, net of tax</b>	<b>(409.59)</b>	<b>296.50</b>	<b>n.m.</b>	<b>357.55</b>
<b>258.09</b>	<b>183.79</b>	<b>426.31</b>	<b>(57)</b>	<b>Total comprehensive income for the period</b>	<b>441.89</b>	<b>1,177.30</b>	<b>(62)</b>	<b>1,571.67</b>
108.45	122.86	455.89	(73)	thereof attributable to stockholders of the parent	231.31	1,036.47	(78)	1,277.48
–	2.91	–	n.a.	thereof attributable to hybrid capital owners	2.91	–	n.a.	–
149.64	58.03	(29.58)	n.m.	thereof attributable to non-controlling interests	207.67	140.83	47	294.19

## Notes to the income statement

### Second quarter 2011 (Q2/11)

**Consolidated sales** increased by 39% vs. Q2/10, mainly driven by significantly higher oil and product prices, increased gas sales volumes as well as the full consolidation of Petrol Ofisi. The **Group's reported EBIT** was, at EUR 567 mn (vs. EUR 647 mn in Q2/10), burdened by the loss of production from Libya and Yemen, significantly lower refining margins, a weaker USD and higher exploration expenses due to major write-offs. **Petrom group's EBIT** was EUR 296 mn, well above Q2/10, mainly driven by a higher oil price. In Q2/11, **net special charges** of EUR 20 mn primarily related to the write-off of the exploration licence Kultuk (Kazakhstan). In addition, positive **CCS effects** of EUR 119 mn were recorded. **Clean CCS EBIT** decreased from EUR 623 mn in Q2/10 to EUR 468 mn. Petrom's contribution to the Group's clean CCS EBIT was EUR 306 mn, 93% above last year's level.

The **net financial result** of EUR (53) mn was well below Q2/10 (EUR (2) mn), mainly driven by the valuation of USD loans made by Petrom to its Kazakh subsidiaries which benefited from the depreciation of the RON against the USD in Q2/10. Furthermore, in Q2/11, the USD loans of Petrol Ofisi led to valuation losses due to the depreciation of the TRY against the USD. The good performance of Borealis, driven by the favourable environment for base chemicals as well as high contributions from the joint venture Borouge led to a strong income contribution from associated companies.

Current **taxes** on Group income of EUR 130 mn and expenses from **deferred taxes** of EUR 6 mn were recognized in Q2/11. The **effective tax rate** in Q2/11 was 26% (Q2/10: 34%). This

decrease was mainly driven by a much higher at-equity income (mainly Borealis) and the missing contribution of high-taxed profits from Libya.

**Net income attributable to stockholders** was EUR 269 mn vs. EUR 338 mn in Q2/10. Minority and hybrid interests were EUR 109 mn (Q2/10: EUR 87 mn). **Clean CCS net income attributable to stockholders** was EUR 236 mn (Q2/10: EUR 314 mn). **EPS** for the quarter was at EUR 0.88 and **clean CCS EPS** was at EUR 0.77 (Q2/10: EUR 1.13 and EUR 1.05 respectively).

**Compared to Q1/11**, sales decreased by 1%, mainly driven by seasonally lower gas sales volumes, compensated by higher marketing sales volumes. EBIT was at EUR 567 mn, well below Q1/11 (EUR 807 mn), mainly driven by lower production due to the ongoing political instability in Libya and Yemen, a weaker USD and significantly higher exploration expenses. Clean CCS EBIT fell by 35%. The net financial result was well above last quarter, due to higher FX losses in Q1/11 particularly for the USD loans granted by Petrom to its Kazakh subsidiaries. The Group's effective tax rate in Q2/11 was 26% (Q1/11: 32%). The main reasons for this decline were the missing contribution of high-taxed profits from Libya and a loss in high-taxed UK due to the write-off of an unsuccessful well (Lagavulin). Net income attributable to stockholders was EUR 269 mn (EUR 365 mn in Q1/11). Clean CCS net income attributable to stockholders decreased to EUR 236 mn vs. EUR 272 mn in Q1/11.

### January – June 2011 (6m/11)

The 46% increase in **consolidated sales** vs. 6m/10 was mainly driven by significantly higher crude and product prices, increased marketing and gas sales volumes as well as the first time full consolidation of Petrol Ofisi. The **Group's EBIT** was slightly above 6m/10, at EUR 1,374 mn, favoured by higher oil prices and therefore also higher positive CCS effects, partly compensated by lower production volumes and refining margins as well as higher exploration expenses. **Petrom's EBIT contribution** increased, driven mainly by higher oil prices to EUR 578 mn vs. EUR 401 mn in 6m/10. **Net special charges** of EUR 39 mn (6m/10: EUR 43 mn) mainly related to the closure cost of the Arpechim refinery and the write-off of the exploration licence Kultuk (Kazakhstan). Positive **CCS effects** of EUR 220 mn were recognized (6m/10: EUR 130 mn). **Clean CCS EBIT** fell by 6% to EUR 1,194 mn; Petrom's contribution was EUR 588 mn, 55% above 6m/10.

In 6m/11, the **net financial result** at EUR (161) mn was well below 6m/10 (EUR (15) mn), mainly driven by the valuation of USD loans granted by Petrom to its Kazakh subsidiaries (appreciation of the RON against the USD in 6m/11 in contrast

to a depreciation of the RON against the USD in the same period last year). Furthermore, USD loans raised by Petrol Ofisi had a negative impact on the financial result due to the depreciation of the TRY against the USD in 6m/11. These negative impacts were partly compensated by a significantly higher at-equity contribution of Borealis due to a strong margin environment.

Current **taxes** on Group income of EUR 323 mn and expenses from **deferred taxes** of EUR 39 mn were recognized in 6m/11. The **effective tax rate** was 30% (6m/10: 34%), mainly driven by a much higher at-equity income (mainly Borealis) and a significantly lower contribution of high-taxed profits from Libya.

**Net income attributable to stockholders** was EUR 634 mn, below 6m/10 (EUR 684 mn). Minority and hybrid interests were EUR 218 mn (6m/10 EUR 197 mn). **Clean CCS net income attributable to stockholders** was EUR 507 mn (6m/10: EUR 611 mn). **EPS** was at EUR 2.10, **clean CCS EPS** was at EUR 1.68 (6m/10: EUR 2.29 and EUR 2.04 respectively).

## Balance sheet, capital expenditure and gearing (unaudited)

Consolidated balance sheet in EUR mn	June 30, 2011	Dec. 31, 2010
<b>Assets</b>		
Intangible assets	3,185.44	3,092.70
Property, plant and equipment	13,175.08	12,828.80
Investments in associated companies	1,535.02	1,487.63
Other financial assets	1,158.36	1,152.68
Other assets	134.60	108.45
<b>Non-current assets</b>	<b>19,188.50</b>	<b>18,670.26</b>
<b>Deferred taxes</b>	<b>194.71</b>	<b>189.59</b>
Inventories	3,101.77	2,818.13
Trade receivables	3,097.23	2,930.54
Other financial assets	384.83	352.61
Income tax receivables	109.48	103.07
Other assets	265.72	299.94
Cash and cash equivalents	1,228.09	946.13
Non-current assets held for sale	67.93	93.54
<b>Current assets</b>	<b>8,255.06</b>	<b>7,543.98</b>
<b>Total assets</b>	<b>27,638.27</b>	<b>26,403.83</b>
<b>Equity and liabilities</b>		
Capital stock	327.27	300.00
Hybrid capital	740.79	–
Reserves	9,405.67	8,780.58
OMV equity of the parent	10,473.74	9,080.58
Non-controlling interests	2,287.58	2,231.71
<b>Equity</b>	<b>12,761.32</b>	<b>11,312.29</b>
Provisions for pensions and similar obligations	904.31	899.33
Bonds	1,972.24	1,990.13
Interest-bearing debts	2,274.27	3,015.05
Provisions for decommissioning and restoration obligations	1,877.48	1,932.57
Other provisions	312.59	295.57
Other financial liabilities	161.12	193.44
Other liabilities	8.33	9.15
<b>Non-current liabilities</b>	<b>7,510.33</b>	<b>8,335.25</b>
<b>Deferred taxes</b>	<b>784.30</b>	<b>535.85</b>
Trade payables	3,396.94	3,361.58
Bonds	23.41	72.61
Interest-bearing debts	1,153.69	895.52
Provisions for income taxes	192.16	121.48
Other provisions	464.43	451.27
Other financial liabilities	379.25	309.22
Other liabilities	961.29	1,000.51
Liabilities associated with assets held for sale	11.16	8.25
<b>Current liabilities</b>	<b>6,582.33</b>	<b>6,220.45</b>
<b>Total equity and liabilities</b>	<b>27,638.27</b>	<b>26,403.83</b>

## Notes to the balance sheet as of June 30, 2011

**Capital expenditure** increased to EUR 1,522 mn (6m/10: EUR 856 mn). Substantially higher CAPEX in the E&P and R&M segments stood in contrast to lower CAPEX in the G&P and Corporate and Other (Co&O) segments.

**E&P** invested EUR 1,099 mn (6m/10: EUR 381 mn). The main driver for the significant increase was the purchase of the Tunisian subsidiaries of Pioneer, together with significant field development works in Romania, Austria and Kazakhstan. CAPEX in the **R&M** segment, mainly comprising investments in quality enhancement projects in Austria and Romania and the further acquisition of shares from the minority shareholders of Petrol Ofisi A.S. as well as the construction and remodelling of filling stations and terminals, amounted to EUR 216 mn (6m/10: EUR 104 mn). CAPEX in the **G&P** segment of EUR 191 mn (6m/10: EUR 348 mn) was mainly related to investments in the construction of power plants in Brazi, Romania, and Samsun, Turkey, as well as the WAG pipeline expansion project. CAPEX in the **Co&O** segment was EUR 16 mn (6m/10: EUR 22 mn).

Compared to year-end 2010, **total assets** increased by EUR 1,234 mn or 5% to EUR 27,638 mn mainly as a result of the significant CAPEX mentioned above. Further positive effects came from the increase in trade receivables resulting from the higher oil price environment and the net increase in cash position following the capital increase and hybrid bond issue.

This was partially compensated by reimbursements of third party loans.

OMV successfully **increased** its **share capital** with the placement of 27.3 mn shares at a subscription price of EUR 27.50 per share on June 6, 2011. Additionally, a hybrid bond issue with a size of EUR 750 mn was successfully completed on May 25, 2011. According to IFRS the proceeds of the hybrid bond can be fully treated as equity.

**Equity** increased due to the aforementioned capital measures by approximately 13%, thus improving the Group's **equity ratio** to 46% on June 30, compared with 43% at the end of 2010.

The **total number of own shares** held by the Company on June 30, 2011 was unchanged at 1,203,195.

Short- and long-term borrowings, bonds and financial leases stood at EUR 5,540 mn on June 30, 2011 (December 31, 2010: EUR 6,113 mn), thereof EUR 116 mn liabilities for financial leases (December 31, 2010: EUR 139 mn). Cash and cash equivalents increased to EUR 1,228 mn (December 31, 2010: EUR 946 mn). OMV reduced its **net debt** position to EUR 4,312 mn compared to EUR 5,167 mn at the end of 2010.

On June 30, 2011, the **gearing ratio** stood at 33.8% (December 31, 2010: 45.7%).



## Cash flows (unaudited)

Q1/11	Q2/11	Q2/10	Summarized statement of cash flows in EUR mn	6m/11	6m/10	2010
<b>473.44</b>	<b>378.04</b>	<b>424.37</b>	<b>Net income for the period</b>	<b>851.48</b>	<b>880.80</b>	<b>1,214.12</b>
365.82	449.95	386.49	Depreciation and amortization including write-ups	815.78	671.69	1,571.18
32.58	6.29	(6.29)	Deferred taxes	38.87	28.34	29.25
(4.70)	(4.58)	(2.23)	Losses/(gains) on the disposal of non-current assets	(9.28)	(3.83)	(1.46)
18.54	0.37	(11.41)	Net change in long-term provisions	18.90	12.23	71.56
86.50	(280.43)	(211.22)	Other adjustments	(193.93)	(278.00)	89.13
<b>972.18</b>	<b>549.63</b>	<b>579.72</b>	<b>Sources of funds</b>	<b>1,521.82</b>	<b>1,311.23</b>	<b>2,973.78</b>
(73.19)	(297.53)	124.15	(Increase)/decrease in inventories	(370.73)	234.39	(52.11)
(550.75)	384.39	(33.20)	(Increase)/decrease in receivables	(166.36)	(420.92)	(698.31)
463.08	(220.82)	60.75	(Decrease)/increase in liabilities	242.26	352.83	670.64
80.59	(31.38)	33.50	(Decrease)/increase in short-term provisions	49.21	34.59	(7.69)
<b>891.90</b>	<b>384.29</b>	<b>764.90</b>	<b>Net cash from operating activities</b>	<b>1,276.20</b>	<b>1,512.11</b>	<b>2,886.31</b>
			Investments			
(596.87)	(508.50)	(549.97)	Intangible assets and property, plant and equipment	(1,105.37)	(1,036.05)	(2,087.61)
(4.44)	(5.75)	(11.08)	Investments, loans and other financial assets including changes in short-term financial assets	(10.19)	(31.33)	(40.41)
(609.34)	0.00	(8.55)	Acquisitions of subsidiaries and businesses and businesses net of cash acquired	(609.34)	(15.87)	(813.55)
20.09	30.34	3.38	Disposals			
			Proceeds from sale of non-current assets	50.43	20.58	39.69
0.00	0.00	5.00	Proceeds from the sale of subsidiaries, net of cash disposed	0.00	28.44	26.79
<b>(1,190.57)</b>	<b>(483.90)</b>	<b>(561.21)</b>	<b>Net cash used in investing activities</b>	<b>(1,674.47)</b>	<b>(1,034.24)</b>	<b>(2,875.09)</b>
(367.37)	88.77	(177.28)	(Decrease)/increase in long-term borrowings	(278.60)	587.48	536.56
(23.10)	0.08	0.00	Acquisition of non-controlling interest	(23.02)	0.00	0.00
66.02	(107.74)	(164.84)	(Decrease)/increase in short-term borrowings	(41.72)	(169.26)	52.48
0.00	(432.86)	(322.67)	Dividends paid	(432.86)	(322.67)	(333.56)
–	1,473.23	–	Capital increase and hybrid bond	1,473.23	–	–
0.00	0.00	0.00	(Repurchase)/sale of treasury shares	0.00	0.00	0.44
<b>(324.45)</b>	<b>1,021.47</b>	<b>(664.79)</b>	<b>Net cash from financing activities</b>	<b>697.02</b>	<b>95.55</b>	<b>255.92</b>
(8.30)	(8.49)	4.07	Effect of exchange rate changes on cash and cash equivalents	(16.79)	15.90	4.45
<b>(631.41)</b>	<b>913.37</b>	<b>(457.02)</b>	<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>281.96</b>	<b>589.32</b>	<b>271.59</b>
946.13	314.72	1,720.88	Cash and cash equivalents at beginning of period	946.13	674.54	674.54
<b>314.72</b>	<b>1,228.09</b>	<b>1,263.86</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,228.09</b>	<b>1,263.86</b>	<b>946.13</b>

## Notes to the cash flows

In 6m/11, the **inflow of funds** from net income, adjusted for non-cash items such as depreciation, net change in long-term provisions, non-cash income from investments and other positions, was EUR 1,522 mn (6m/10: EUR 1,311 mn); **net working capital** generated a cash outflow of EUR 246 mn (6m/10: inflow of EUR 201 mn), which led to a EUR 236 mn decrease in **cash flow from operations** as compared to 6m/10, reaching EUR 1,276 mn.

**Cash flow from investing activities** (outflow of EUR 1,674 mn vs. outflow of EUR 1,034 mn in 6m/10) also includes, in addition to payments for investments in intangible assets and property, plant and equipment (EUR 1,105 mn), the cash outflow for the purchase of the Tunisian subsidiaries of Pioneer of EUR 623 mn (net cash outflow less cash acquired amounted to EUR 609 mn). In 6m/10, this position also included the cash inflow from the sale of OMV Italia S.r.l. (EUR 23 mn).

**Free cash flow** (defined as net cash from operating activities less net cash used in investing activities) showed an outflow of funds of EUR 398 mn (6m/10: Inflow of EUR 478 mn). Dividends of EUR 433 mn were paid out in 6m/11, higher than the 6m/10 value of EUR 323 mn further to the EUR 109 mn paid by OMV Petrom S.A. to minority shareholders. **Free cash flow less dividend payments** resulted in a cash outflow of EUR 831 mn (6m/10: Cash inflow of EUR 155 mn).

**Cash flow from financing activities** reflected an inflow of funds amounting to EUR 697 mn (6m/10: Inflow of funds of EUR 96 mn) following the issuance of new shares (inflow of EUR 732 mn) and a hybrid bond (inflow of EUR 741 mn). Other effects were the additional purchase of shares from the minority shareholders of Petrol Ofisi A.S. totalling EUR 23 mn and the dividends paid during the period (6m/10 had besides dividend payments a cash inflow of EUR 500 mn from a Eurobond issue as well as EUR 250 mn cash outflows for the repayment of a bond).

## Condensed statement of changes in equity (unaudited)

in EUR mn	Share capital	Capital reserves	Hybrid capital	Revenue reserves	Other reserves <sup>1</sup>	Treasury shares	OMV equity of the parent	Non-controlling interests	Total equity
<b>January 1, 2011</b>	<b>300.00</b>	<b>783.90</b>	<b>0.00</b>	<b>8,198.65</b>	<b>(188.76)</b>	<b>(13.21)</b>	<b>9,080.58</b>	<b>2,231.71</b>	<b>11,312.29</b>
Total comprehensive income for the period				636.67	(402.46)		234.22	207.67	441.89
Capital increase	27.27	705.16	740.79				1,473.23		1,473.23
Dividend distribution				(298.80)			(298.80)	(144.27)	(443.06)
Increase/(decrease) in non-controlling interests				(15.50)			(15.50)	(7.53)	(23.02)
<b>June 30, 2011</b>	<b>327.27</b>	<b>1,489.06</b>	<b>740.79</b>	<b>8,521.03</b>	<b>(591.21)</b>	<b>(13.21)</b>	<b>10,473.74</b>	<b>2,287.58</b>	<b>12,761.32</b>

in EUR mn	Share capital	Capital reserves	Hybrid capital	Revenue reserves	Other reserves <sup>1</sup>	Treasury shares	OMV equity of the parent	Non-controlling interests	Total equity
<b>January 1, 2010</b>	<b>300.00</b>	<b>783.64</b>	<b>-</b>	<b>7,573.72</b>	<b>(545.65)</b>	<b>(13.39)</b>	<b>8,098.32</b>	<b>1,936.47</b>	<b>10,034.79</b>
Total comprehensive income for the period				683.53	352.94		1,036.47	140.83	1,177.30
Dividend distribution				(298.78)			(298.78)	(23.89)	(322.67)
Increase/(decrease) in non-controlling interests				3.48			3.48	1.53	5.01
<b>June 30, 2010</b>	<b>300.00</b>	<b>783.64</b>	<b>-</b>	<b>7,961.95</b>	<b>(192.71)</b>	<b>(13.39)</b>	<b>8,839.49</b>	<b>2,054.94</b>	<b>10,894.43</b>

<sup>1</sup> Other reserves contain 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 associates' other comprehensive income.

## Dividends

On May 17, 2011, the Annual General Meeting approved the payment of a dividend of EUR 1.00 per share, resulting in a total dividend payment of EUR 299 mn to OMV shareholders,

the same level as last year. Dividend payments to minorities amounted to EUR 144 mn in 6m/11.

## Segment reporting

### Intersegmental sales

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
1,113.69	1,041.38	924.75	13	Exploration and Production	2,155.07	1,779.32	21	3,620.37
6.81	5.53	8.02	(31)	Refining and Marketing	12.33	16.45	(25)	29.66
34.74	33.96	25.80	32	Gas and Power	68.69	47.22	45	103.08
88.29	76.83	92.83	(17)	Corporate and Other	165.12	167.83	(2)	335.96
<b>1,243.52</b>	<b>1,157.69</b>	<b>1,051.40</b>	<b>10</b>	<b>OMV Group</b>	<b>2,401.22</b>	<b>2,010.82</b>	<b>19</b>	<b>4,089.07</b>

### Sales to external customers

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
241.78	154.32	258.66	(40)	Exploration and Production	396.10	544.36	(27)	1,045.68
6,110.57	6,527.02	4,713.77	38	Refining and Marketing	12,637.59	8,464.43	49	18,012.33
1,716.97	1,279.03	757.17	69	Gas and Power	2,995.99	2,004.00	50	4,261.92
2.19	(0.10)	0.62	n.m.	Corporate and Other	2.09	2.04	2	3.52
<b>8,071.50</b>	<b>7,960.27</b>	<b>5,730.23</b>	<b>39</b>	<b>OMV Group</b>	<b>16,031.77</b>	<b>11,014.82</b>	<b>46</b>	<b>23,323.44</b>

### Total sales

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
1,355.47	1,195.70	1,183.42	1	Exploration and Production	2,551.17	2,323.68	10	4,666.05
6,117.37	6,532.55	4,721.79	38	Refining and Marketing	12,649.92	8,480.88	49	18,041.99
1,751.70	1,312.98	782.97	68	Gas and Power	3,064.69	2,051.22	49	4,365.00
90.47	76.73	93.45	(18)	Corporate and Other	167.20	169.87	(2)	339.48
<b>9,315.02</b>	<b>9,117.97</b>	<b>6,781.62</b>	<b>34</b>	<b>OMV Group</b>	<b>18,432.99</b>	<b>13,025.65</b>	<b>42</b>	<b>27,412.51</b>

### Segment and Group profit

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
677.33	412.10	499.57	(18)	EBIT Exploration and Production <sup>1</sup>	1,089.43	1,055.80	3	1,815.60
93.94	137.61	221.63	(38)	EBIT Refining and Marketing	231.56	313.25	(26)	397.36
72.87	25.58	18.10	41	EBIT Gas and Power	98.45	105.08	(6)	277.00
(14.77)	(10.56)	(42.09)	(75)	EBIT Corporate and Other	(25.34)	(63.13)	(60)	(128.28)
<b>829.37</b>	<b>564.73</b>	<b>697.22</b>	<b>(19)</b>	<b>EBIT segment total</b>	<b>1,394.11</b>	<b>1,411.00</b>	<b>(1)</b>	<b>2,361.69</b>
(22.13)	2.35	(50.50)	n.m.	Consolidation: Elimination of intersegmental profits	(19.78)	(53.85)	(63)	(27.89)
<b>807.25</b>	<b>567.08</b>	<b>646.72</b>	<b>(12)</b>	<b>OMV Group EBIT</b>	<b>1,374.33</b>	<b>1,357.15</b>	<b>1</b>	<b>2,333.80</b>
<b>(108.46)</b>	<b>(52.81)</b>	<b>(2.04)</b>	<b>n.m.</b>	<b>Net financial result</b>	<b>(161.27)</b>	<b>(14.78)</b>	<b>n.m.</b>	<b>(373.17)</b>
<b>698.79</b>	<b>514.27</b>	<b>644.68</b>	<b>(20)</b>	<b>OMV Group Profit from ordinary activities</b>	<b>1,213.06</b>	<b>1,342.37</b>	<b>(10)</b>	<b>1,960.63</b>

<sup>1</sup> Excluding intersegmental profit elimination shown in the line "Consolidation".

## Assets <sup>1</sup>

in EUR mn	June 30, 2011	Dec. 31, 2010
Exploration and Production	8,017.09	7,310.58
Refining and Marketing	6,388.45	6,773.96
Gas and Power	1,709.99	1,567.80
Corporate and Other	245.00	269.16
<b>Total</b>	<b>16,360.53</b>	<b>15,921.49</b>

<sup>1</sup> Segment assets consist of intangible assets and property, plant and equipment.

## Other notes

### Significant transactions with related parties

Business transactions in the form of supplies of goods and services take place on a constant and regular basis with the associated companies Borealis AG and Bayernoil Raffineriegesellschaft mbH.

### Subsequent events

On September 20, 2010, OMV signed an agreement to acquire the entire share capital of Petronas' E&P operating entity in Pakistan from PETRONAS International Corporation Limited. Closing of the transaction took place on July 11, 2011.

For further information please refer to the explanations given within the section Outlook of the Director's report.

# Declaration of the management

We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group Directors' report gives a true and fair view of

important events that have occurred during the first six months of the financial year and their impact on the condensed interim financial statements, of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Vienna, August 10, 2011

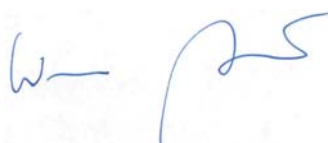
The Executive Board



Gerhard Roiss  
Chief Executive Officer  
and Chairman of the Executive Board



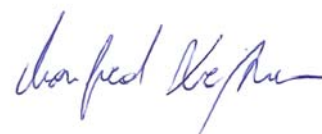
David C. Davies  
Deputy Chairman of the Executive Board  
Chief Financial Officer



Werner Auli  
Member of the Executive Board  
Gas and Power



Jaap Huijskes  
Member of the Executive Board  
Exploration and Production



Manfred Leitner  
Member of the Executive Board  
Refining and Marketing including  
petrochemicals

# Further information

## EBIT breakdown

### EBIT

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
677	412	500	(18)	Exploration and Production <sup>1</sup>	1,089	1,056	3	1,816
94	138	222	(38)	Refining and Marketing	232	313	(26)	397
73	26	18	41	Gas and Power	98	105	(6)	277
(15)	(11)	(42)	(75)	Corporate and Other	(25)	(63)	(60)	(128)
(22)	2	(50)	n.m.	Consolidation	(20)	(54)	(63)	(28)
<b>807</b>	<b>567</b>	<b>647</b>	<b>(12)</b>	<b>OMV Group reported EBIT</b>	<b>1,374</b>	<b>1,357</b>	<b>1</b>	<b>2,334</b>
<b>(20)</b>	<b>(20)</b>	<b>(59)</b>	<b>(66)</b>	<b>Special items <sup>2</sup></b>	<b>(39)</b>	<b>(43)</b>	<b>(8)</b>	<b>(323)</b>
(2)	(9)	(3)	n.m.	thereof: Personnel and restructuring	(10)	(6)	75	(101)
0	(21)	(61)	(65)	Unscheduled depreciation	(21)	(61)	(65)	(258)
2	6	1	n.m.	Asset disposal	8	20	(59)	32
(20)	4	3	37	Other	(16)	4	n.m.	4
				<b>CCS effects:</b>				
<b>101</b>	<b>119</b>	<b>83</b>	<b>44</b>	<b>Inventory holding gains/(losses) <sup>3</sup></b>	<b>220</b>	<b>130</b>	<b>70</b>	<b>187</b>
<b>726</b>	<b>468</b>	<b>623</b>	<b>(25)</b>	<b>OMV Group clean CCS EBIT <sup>3</sup></b>	<b>1,194</b>	<b>1,271</b>	<b>(6)</b>	<b>2,470</b>
677	439	560	(22)	thereof: Exploration and Production <sup>1</sup>	1,117	1,116	0	2,099
11	11	120	(91)	Refining and Marketing CCS <sup>3</sup>	22	147	(85)	225
73	26	19	38	Gas and Power	98	106	(7)	279
(14)	(10)	(24)	(60)	Corporate and Other	(23)	(45)	(48)	(105)
(22)	2	(50)	n.m.	Consolidation	(20)	(54)	(63)	(28)

<sup>1</sup> Excluding intersegmental profit elimination shown in the line "Consolidation".

<sup>2</sup> Special items are added back or deducted from EBIT; for more details please refer to each specific segment.

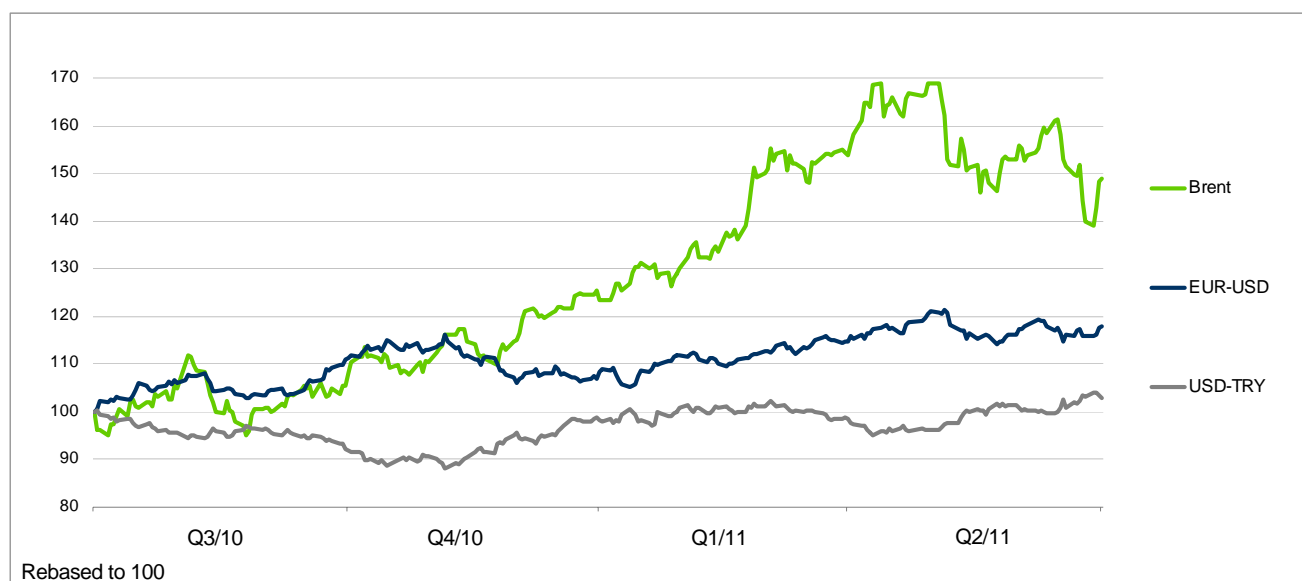
<sup>3</sup> Current cost of supply (CCS): Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects) resulting from the fuels refineries and Petrol Ofisi.

### EBITD

Q1/11	Q2/11	Q2/10	Δ%	in EUR mn	6m/11	6m/10	Δ%	2010
895	710	770	(8)	Exploration and Production <sup>1</sup>	1,604	1,501	7	2,888
225	269	318	(16)	Refining and Marketing	493	504	(2)	812
80	36	25	43	Gas and Power	116	119	(2)	307
(4)	0	(30)	n.m.	Corporate and Other	(4)	(38)	(89)	(80)
(22)	2	(50)	n.m.	Consolidation	(20)	(54)	(63)	(28)
<b>1,173</b>	<b>1,017</b>	<b>1,033</b>	<b>(2)</b>	<b>OMV Group</b>	<b>2,190</b>	<b>2,031</b>	<b>8</b>	<b>3,899</b>

<sup>1</sup> Excluding intersegmental profit elimination shown in the line "Consolidation".

## Economic environment: Oil prices and exchange rates



According to the IEA, **global oil demand** rose by 1.5 mn bbl/d or 1.7% to 88.7 mn bbl/d in the first half of 2011. Demand contracted by 1% in the OECD area, while non-OECD demand climbed by almost 4%. The Chinese economy remains highly oil intensive, and demand rose by 7%. Global oil production climbed by 1.4% year-on-year to reach 88.1 mn bbl/d, although only part of the fall of 0.9 mn bbl/d in Libyan output was replaced by other sources to cover global oil demand. The remaining supply gap was filled by an inventory drawback of 0.6 mn bbl/d. OPEC's output of 29.7 mn bbl/d of crude and 5.8 mn bbl/d of NGL gave it a market share of over 40%. The IEA estimates full-year crude oil demand at 89.5 mn bbl/d (+1.4%) in 2011.

Spot **Brent crude** started the year at USD 93.70/bbl and passed the USD 100/bbl mark at the start of February. Oil prices advanced on political instability in some North African

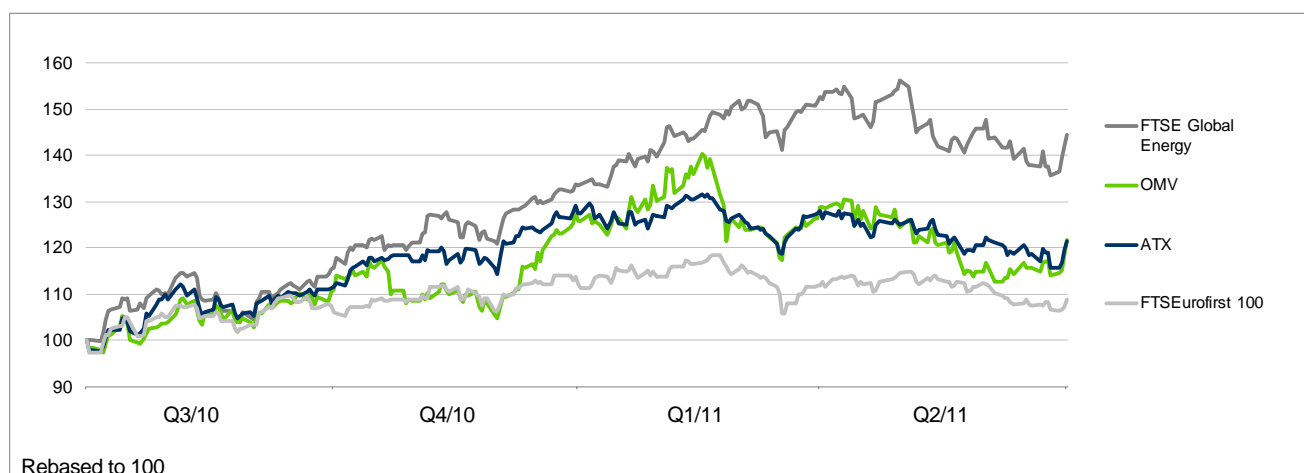
and Middle Eastern countries – particularly the absence of exports from OPEC member Libya due to the armed conflict there – and Brent hit a year's high of USD 126.64/bbl in mid April. Its average price over 6m/11 was USD 111.09/bbl, representing a 44% year-on-year increase. The average price of **Urals** grade crude was USD 108.29/bbl in 6m/11. On the Rotterdam product market, the prices of gasoline and heavy fuel oil jumped by about 28%, and that of middle distillates by some 35% year-on-year in EUR terms.

Sentiment on financial markets was dominated by the debt crisis in the Eurozone and the political deadlock on plans to bring the US budget deficit under control. The USD lost ground against the EUR and the average **EUR-USD exchange rate** of 1.403 was 6% up vs. 6m/10. The **Turkish Lira (TRY)** depreciated vs. the USD in 6m/11 to an average of 1.574/USD, 3% weaker than in 6m/10.

Q1/11	Q2/11	Q2/10	Δ%		6m/11	6m/10	Δ%	2010
105.43	117.04	78.24	50	Average Brent price in USD/bbl	111.09	77.29	44	79.50
102.67	114.21	76.86	49	Average Urals price in USD/bbl	108.29	76.12	42	78.29
1.368	1.439	1.271	13	Average EUR-USD FX-rate	1.403	1.327	6	1.326
4.221	4.138	4.185	(1)	Average EUR-RON FX-rate	4.180	4.149	1	4.212
3.088	2.876	3.301	(13)	Average USD-RON FX-rate	2.983	3.138	(5)	3.185
2.159	2.258	1.956	15	Average EUR-TRY FX-rate	2.208	2.021	9	1.997
1.578	1.569	1.541	2	Average USD-TRY FX-rate	1.574	1.525	3	1.508
2.44	3.38	4.72	(28)	NWE refining margin in USD/bbl	2.91	4.34	(33)	3.98
0.42	1.62	3.54	(54)	Med Urals refining margin in USD/bbl	1.02	3.52	(71)	2.89

Source: Reuters/Platts.

## Stock watch



After the positive development in Q1/11, the OMV share price showed a weaker performance in Q2/11. After reaching its quarterly high of EUR 32.30 on April 8, the OMV share price started to weaken, reaching its quarterly low of EUR 27.85 on June 6. By June 30, however, the stock managed to recover somewhat and closed at EUR 30.13. Thus, overall, the OMV share price on the Vienna Stock Exchange decreased by 6%

in Q2/11. International financial markets showed a mixed picture with the FTSEurofirst 100 down by 3% and the FTSE Global Energy Index (composed of the largest oil and gas companies worldwide) falling by 5% while the Dow Jones Industrial Average and the Nikkei were up by around 1% respectively. The Austrian blue-chip index ATX decreased by 4%.

ISIN: AT0000743059	Market capitalization (June 30)	EUR 9,824 mn
Vienna Stock Exchange: OMV	Last (June 30)	EUR 30.13
Reuters: OMVV.VI	Year's high (February 14)	EUR 34.69
Bloomberg: OMV AV	Year's low (June 6)	EUR 27.85
ADR Level I: OMVKY	Shares outstanding (June 30)	326,069,532
	Shares outstanding (weighted) in Q2/11	302,111,722
ISIN: XS0422624980	6.250% OMV Eurobond (2009–2014)	
ISIN: XS0434993431	5.250% OMV Eurobond (2009–2016)	
ISIN: XS0485316102	4.375% OMV Eurobond (2010–2020)	
ISIN: XS0629626663	6.750% OMV perp-NC7/12 Hybrid Notes	

## Abbreviations

bbl: barrel(s), i.e. 159 litres; bcf: billion cubic feet; bcm: billion cubic meters; bn: billion; boe: barrels of oil equivalent; boe/d: boe per day; cbm: cubic meter; CCS: current cost of supply; Co&O: Corporate and Other; E&P: Exploration and Production; EPS: earnings per share; EUR: euro; FX: foreign exchange; G&P: Gas and Power; LNG: liquefied natural gas; m: meter; mn: million; n.a.: not available; n.m.: not meaningful; NGL: natural gas liquids; NWE: North-West European; R&M: Refining and Marketing including petrochemicals; RON: Romanian leu; t: metric tonnes; TRY: Turkish lira; USD: US dollar

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