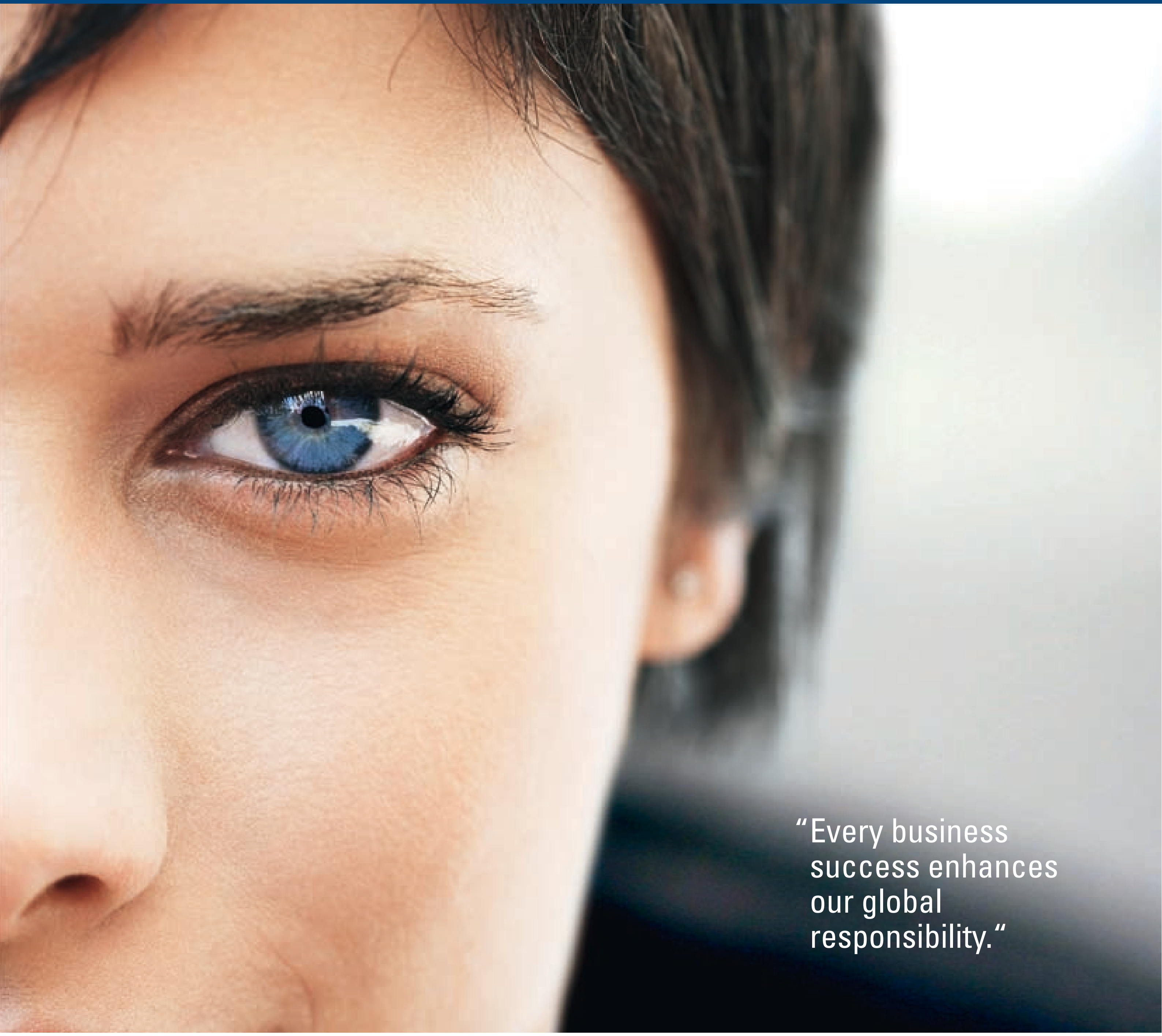
Annual Financial Report 2008



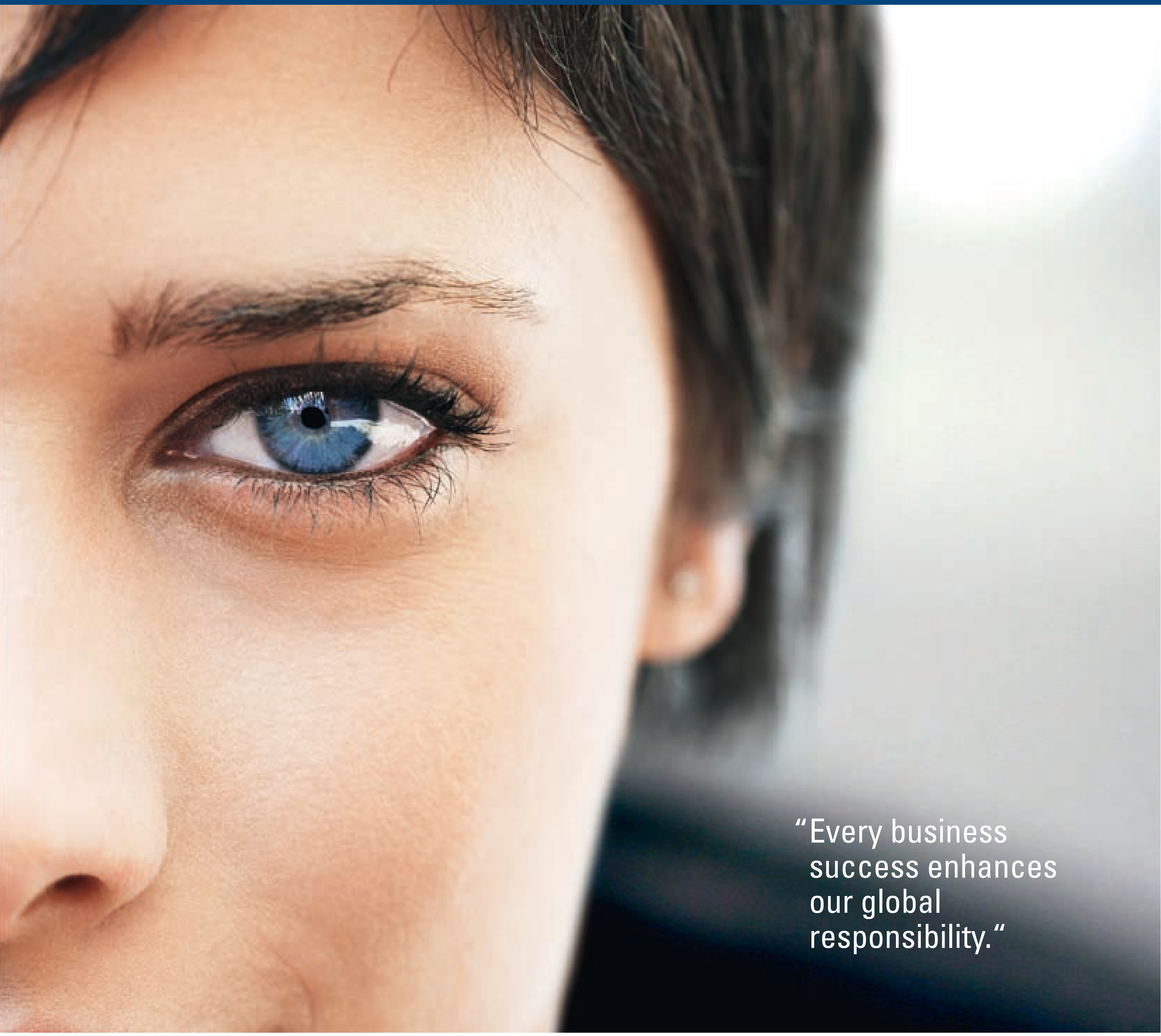
Part 1: Annual Report of the Group including director’s report and consolidated financial statements

Part 2: Separate financial statements of OMV Aktiengesellschaft

Part 3: Declaration of the Executive Board according to § 82 (4) (3) BörseG

Move & More. OMV

Annual Report 2008



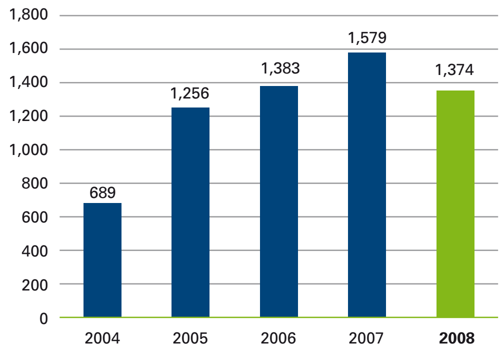
Move & More. OMV

Contents

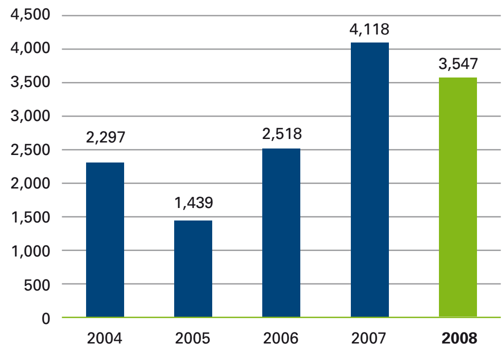
At a glance

EUR mn	**2008**	2007	Δ
Sales	25,543	20,042	27%
EBIT	2,340	2,184	7%
Net income after minorities	1,374	1,579	(13)%
Clean EBIT	3,105	2,377	31%
Clean net income after minorities	1,738	1,649	5%
Cash flow from operating activities	3,214	2,066	56%
Capital expenditure	3,547	4,118	(14)%
EUR			
Earnings per share	4.60	5.29	(13)%
Clean earnings per share	5.82	5.52	5%
Cash flow per share	10.76	6.92	56%
Dividend per share	1.00	1.25	(20)%
%			
Return on average capital employed (ROACE)	12	16	(24)%
Return on equity (ROE)	16	19	(18)%

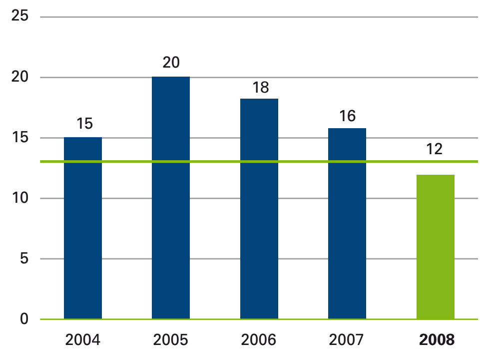
Net income after minorities in EUR mn



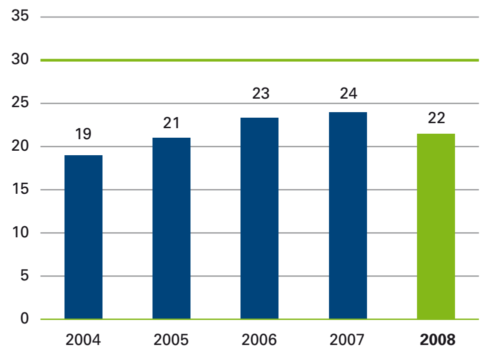
Capital expenditure in EUR mn



ROACE in % (Target: 13%)

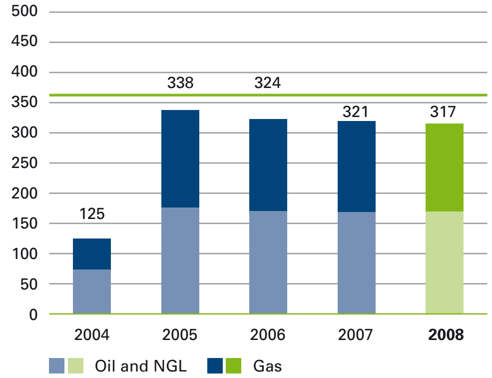


Payout ratio in % (Target: 30%)

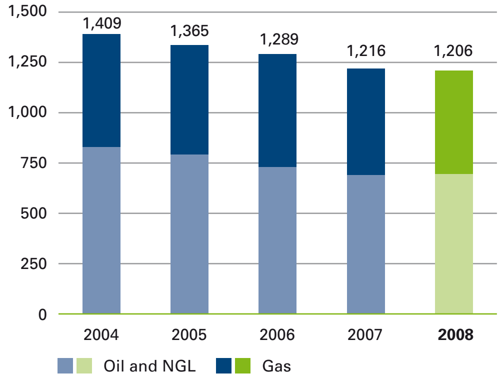


Exploration and Production

Production in 1,000 boe/d (Target: 350,000-360,000 boe/d)

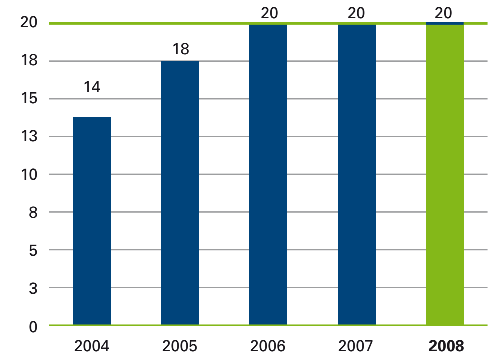


Proved reserves in mn boe

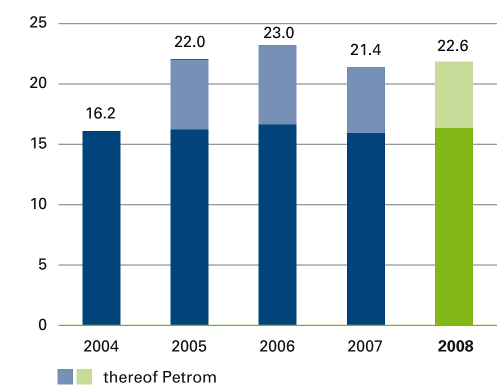


Refining and Marketing

Marketing market share in % (Target: 20%)

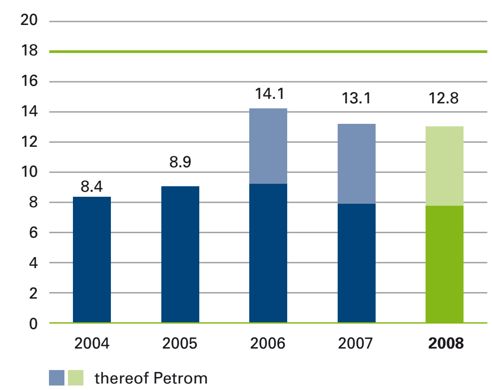


Refining sales volumes in mn t

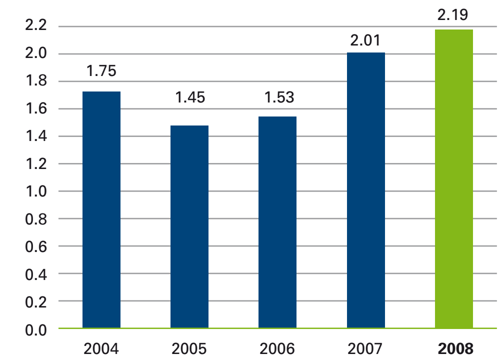


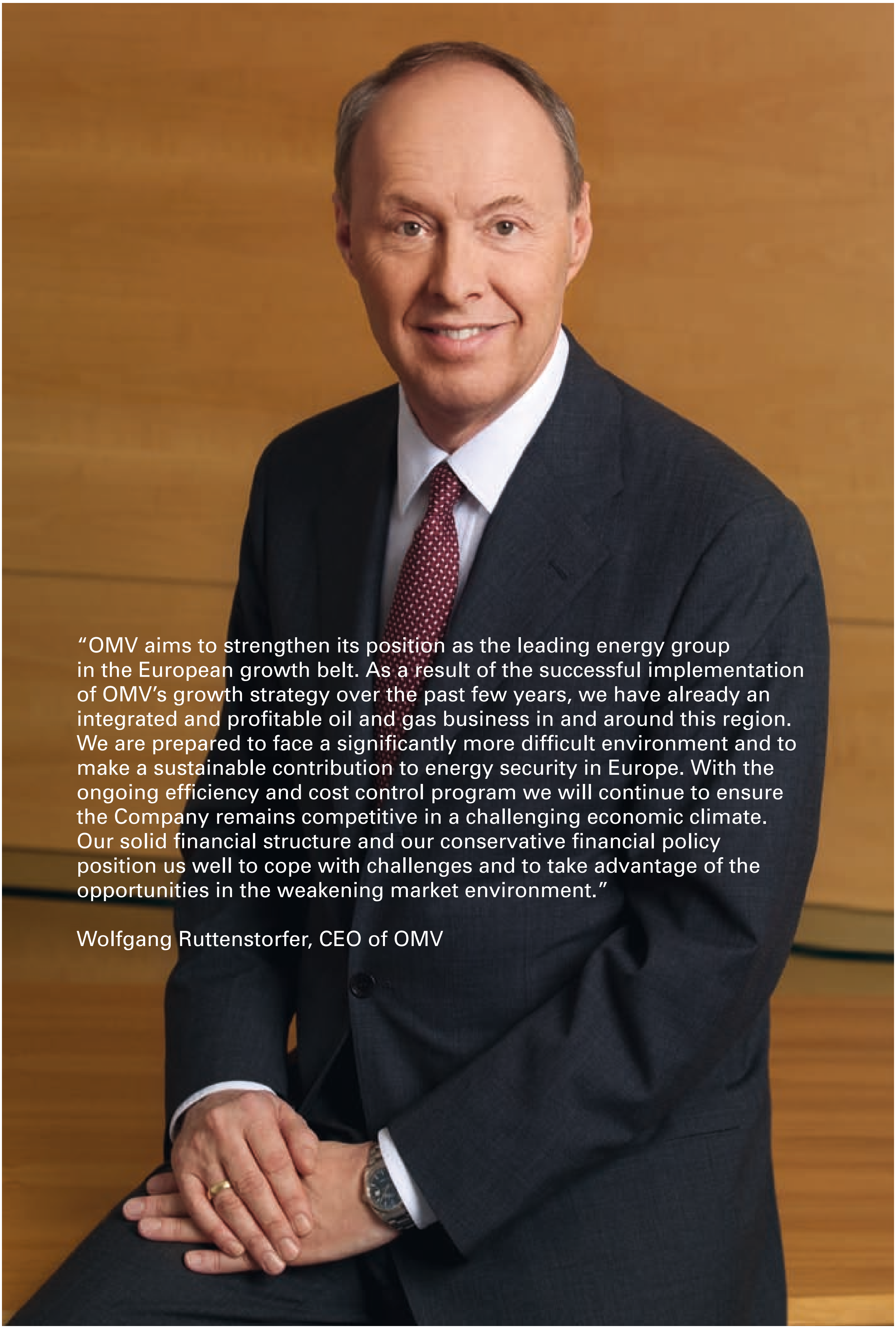
Gas and Power

Gas sales in bcm (Target: 18 bcm)



Contracted gas storage volume for third parties in bcm





“OMV aims to strengthen its position as the leading energy group in the European growth belt. As a result of the successful implementation of OMV’s growth strategy over the past few years, we have already an integrated and profitable oil and gas business in and around this region. We are prepared to face a significantly more difficult environment and to make a sustainable contribution to energy security in Europe. With the ongoing efficiency and cost control program we will continue to ensure the Company remains competitive in a challenging economic climate. Our solid financial structure and our conservative financial policy position us well to cope with challenges and to take advantage of the opportunities in the weakening market environment.”

Wolfgang Ruttenstorfer, CEO of OMV

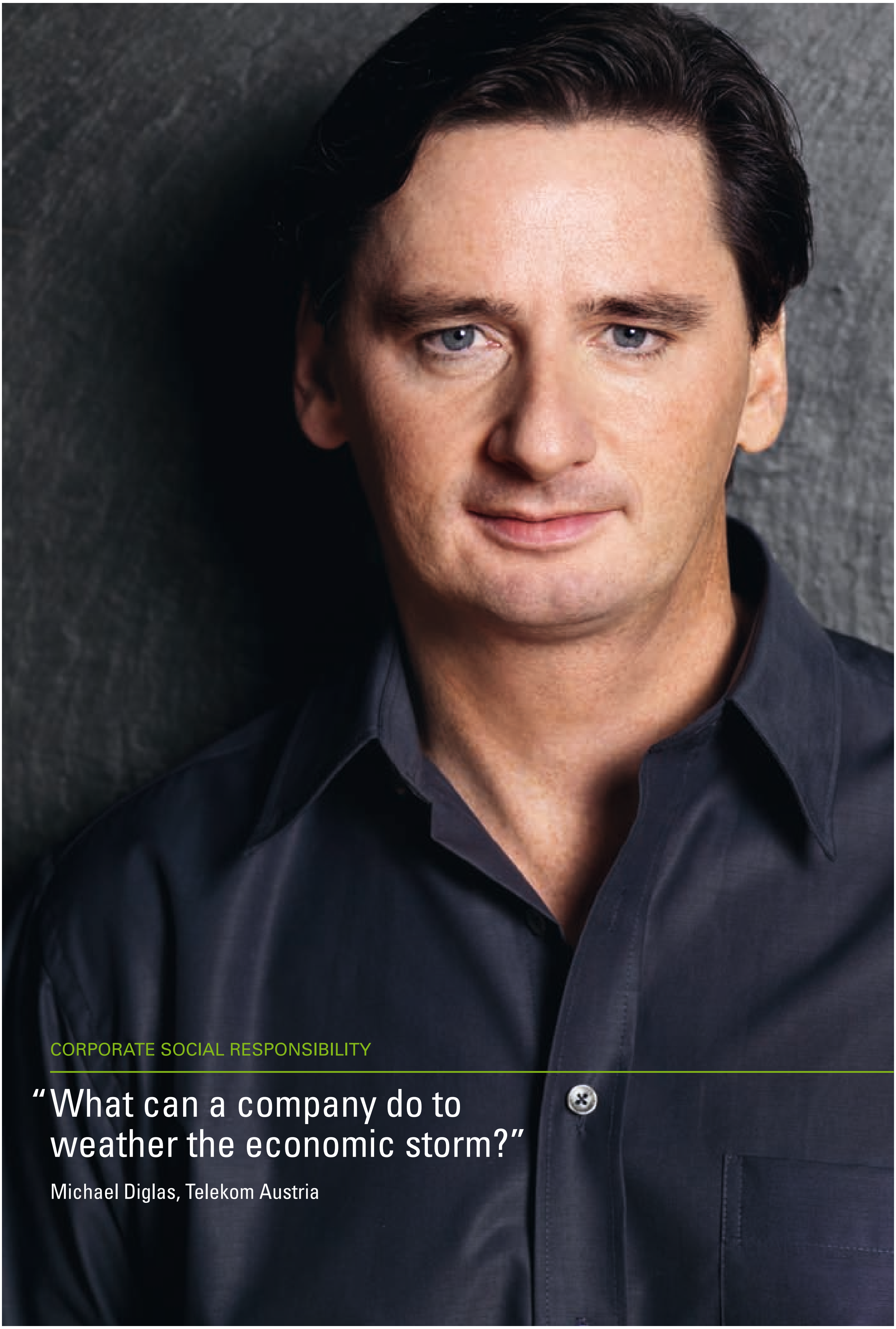
CAPITAL MARKETS

“What is your position on the future?”

Gudrun Egger, Fixed Income Research, Erste Bank

"Bring it on! We're ready."

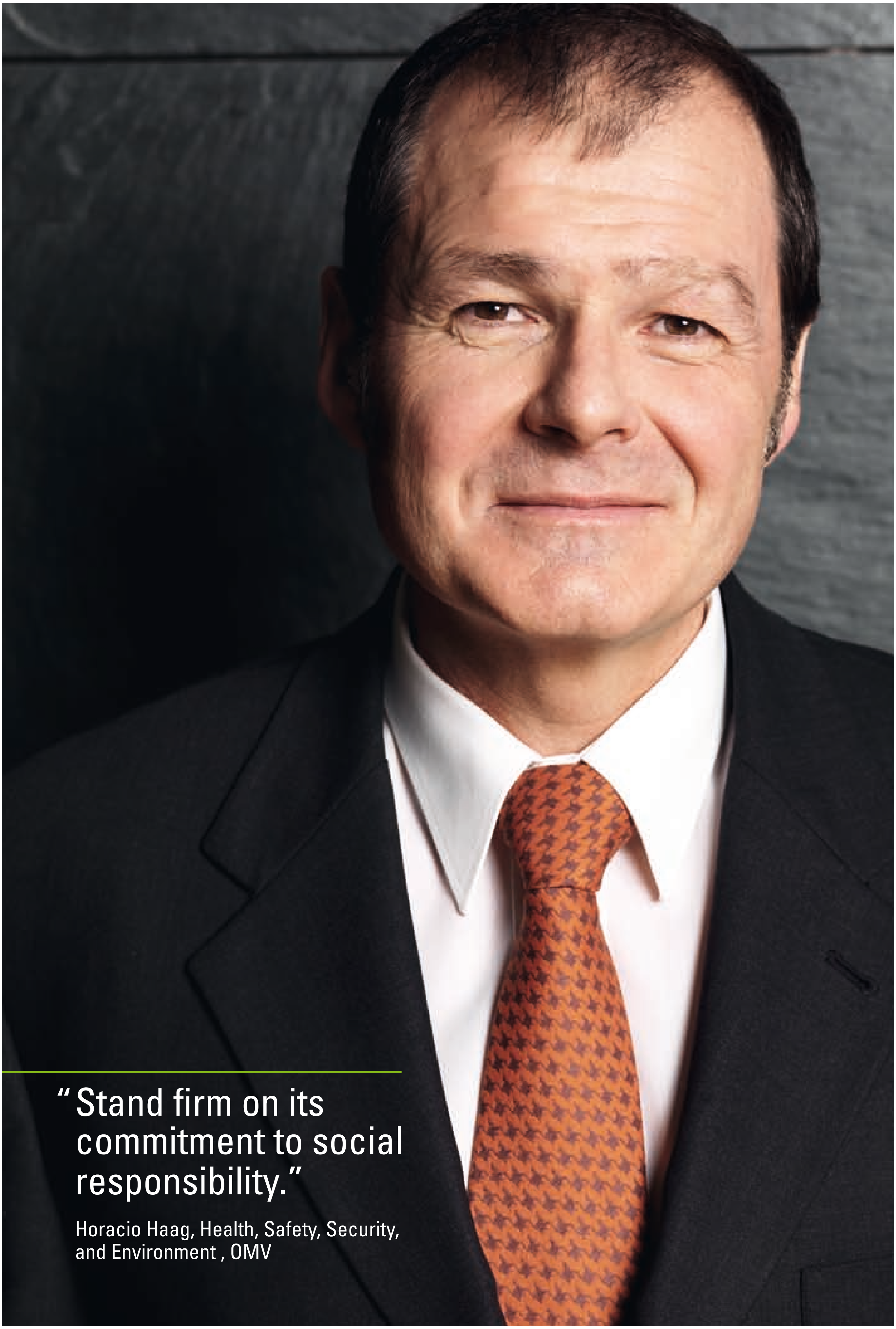
Klaus Orlovits, Treasury, OMV



CORPORATE SOCIAL RESPONSIBILITY

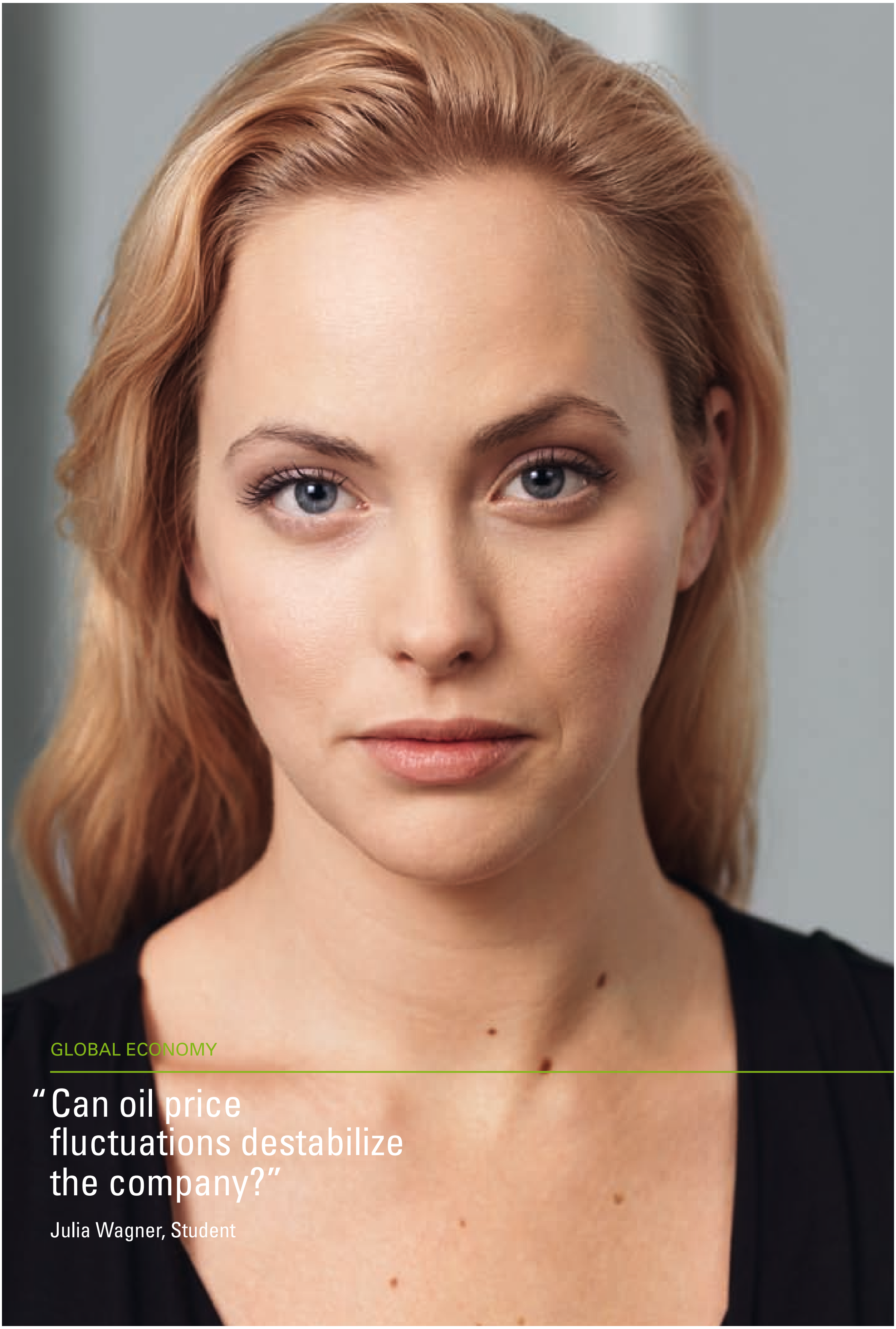
“What can a company do to weather the economic storm?”

Michael Diglas, Telekom Austria



"Stand firm on its commitment to social responsibility."

Horacio Haag, Health, Safety, Security, and Environment , OMV



GLOBAL ECONOMY

"Can oil price fluctuations destabilize the company?"

Julia Wagner, Student

"Being solidly integrated helps us withstand them."

Jeffrey Rinker,
R&M Strategic Projects, OMV

Executive Board

From left to right: Helmut Langanger, Gerhard Roiss, Wolfgang Ruttenstorfer, David C. Davies, Werner Auli

Wolfgang Ruttenstorfer (*1950)
Chairman and Chief Executive Officer since January 1, 2002. Responsible for the overall management and coordination of the Group. A graduate of the Vienna University of Economics and Business Administration, he began his career with OMV in 1976. He was a member of the Executive Board from 1992 to 1997. After serving as Austrian Secretary of State for Finance between 1997 and 1999, he returned to the OMV Group as Deputy Chief Executive Officer with responsibility for Finance and the Gas segment at the beginning of 2000.

Gerhard Roiss (*1952)
Deputy Chairman responsible for Refining and Marketing including petrochemicals and chemicals since January 1, 2002. Gerhard Roiss received his business education at Vienna, Linz and Stanford Universities and subsequently had senior appointments at various companies in the consumer goods industry. In 1990, he was appointed to the board of PCD Polymere GmbH. In 1997 he joined the OMV Group Executive Board, heading up Exploration and Production and Plastics until the end of 2001.

Werner Auli (*1960)
Member of the Executive Board responsible for Gas and Power since January 1, 2007. Werner Auli joined OMV in 1987 after graduating from the Vienna University of Technology. From 2002 to 2004, he was managing director of EconGas GmbH, from 2004 on he was managing director of OMV Gas GmbH and since 2006 he has been managing director of OMV Gas & Power GmbH.

David C. Davies (*1955)
Chief Financial Officer since April 1, 2002. David Davies graduated from the University of Liverpool, UK with a degree in Economics in 1978, and began his working life as a chartered accountant. He subsequently held positions with international corporations in the beverage, food and health industries. Before joining OMV he was finance director at a number of British companies.

Helmut Langanger (*1950)
Executive Board member responsible for Exploration and Production since January 1, 2002. Helmut Langanger studied Economics in Vienna after graduating from the Leoben University of Mining and Metallurgy. He joined OMV in 1974. In 1992, he was appointed Senior Vice President for Exploration and Production, and in this position he played a key role in building up the Group's international E&P portfolio.

Statement of the Chairman of the Executive Board

Dear shareholders,
My colleagues on the Executive Board and I are very pleased and proud to be able to report to you that your Company has once again delivered an excellent performance in 2008, despite an increasingly testing business environment.
I am pleased to inform you that:

- OMV has had another successful year, and has posted what are in many aspects record results, for the sixth year in succession.
- You will profit from this strong performance; your dividend will represent a payout ratio of 22%.
- Thanks in no small measure to our conservative financial policy, as shown by a gearing ratio of 37%, we are well placed to confront the challenges of the current operating environment.

Before turning to our strategy, I would first like to look at our results for 2008 in more detail and discuss the highlights of the past year.

Results for 2008
2008 was unquestionably a year of extreme events. By mid-year, oil prices had spiraled to well over USD 140 per barrel, but during H2/08 both oil and share prices plummeted due to the global financial crisis. The continued high level of steel and oil field service prices, and the weak USD also weighed on results. Nevertheless, OMV recorded 31% year-on-year growth in clean EBIT to some EUR 3.1 bn, driven by a 34% increase in the average oil price over that for 2007, as well as strong margins in Refining and Marketing, among other factors. Clean net income after minorities was 5% up year-on-year at about EUR 1.7 bn. This renewed record profit, accompanied by strong cash flow from operating activities of around EUR 3.2 bn, was a product of the consistent execution of our expansion strategy. Despite the heavy investment spending of recent years our gearing ratio is only 37%. In the current economic situation, it is particularly vital to maintain this conservative stance.
This will call for careful handling of financial resources to ensure that we have the means to proceed with major investment projects that promise sustainable value growth. At the same time, however, OMV has always sought to give you a stake in its good performance. I am therefore glad to be able to propose a dividend of EUR 1 per share for 2008, which still corresponds to a payout ratio of 22%. This reduced dividend reflects our resolve to remain a financially sound business, even in today's stormy economic climate.

Continuing our conservative financial strategy

In 2008, we systematically pursued our goal of consolidating and extending OMV's position as one of the leading energy companies in the European "growth belt".

Extention of the production portfolio

In Exploration and Production (E&P), work progressed on the field developments in Kazakhstan and New Zealand, while in Austria the Strasshof and Ebenthal gas fields were brought onstream. The extension of our licenses in Libya contributes substantially to our resource base and future production. In addition, OMV was awarded exploration licenses in Norway, Pakistan, Slovakia and Tunisia. The proved and probable reserves of approx. 2 bn boe will lead to an adequate long-term production level.

Modernization of western refineries completed

The Refining and Marketing (R&M) segment completed the modernization of all three western refineries (Bayernoil, Burghausen and Schwechat). Meanwhile, underperforming filling stations were identified, and the disposal process initiated and in some cases concluded.

On track to a fully integrated energy company with power generation

The internationalization of the Gas and Power (G&P) segment is proceeding quickly. The Central European Gas Hub is being transformed into one of the key trading hubs in continental Europe and, with Gazprom and the Vienna Stock Exchange on board as shareholders, its attractiveness will increase further. As announced last year, G&P has begun building a gas-fired power plant in Romania, taking OMV another step closer to its goal of becoming a fully-integrated energy group with electricity generation in its portfolio of activities. Another positive is the fact that commissioning a clean, new gas power plant will enable dirty, old coal-fired stations to be taken off the grid. The modernization process at Petrom has been driven further ahead and its success is already

Successful modernization of Petrom

becoming visible. For instance, oil production in Romania has been stabilized and the modernization of wellhead equipment at over 5,000 wells has been completed. Exploration activities in the country are also starting to bear fruit and the first discoveries are already producing. Petromservice's oil field service operations were acquired in order to improve E&P's cost base in Romania. The main focus was on leveraging potential synergies by coordinating the Exploration & Production Services (EPS) with the E&P organization. Petrom achieved an impressive 71% reserve replacement rate two years ahead of schedule – an achievement we are particularly proud of. The restructuring of Petrom's marketing business was completed and the filling stations changed over to new contracts. The outlets operated under the new PetromV premium brand meet OMV standards and have VIVA shops. The non-oil retail business at VIVA stores made a significant contribution to marketing's sales. The modernization program at the Petrom refineries brought substantial increases in efficiency. These positive developments at Petrom were, unfortunately, accompanied by a setback in terms of a number of lawsuits filed by current and former employees. We are taking these actions very seriously and have done everything necessary to defend them. Nevertheless, this situation has prompted Petrom to make appropriate litigation provisions.

During the year we extended our presence in Turkey by progressively increasing our interest in Petrol Ofisi, which now stands at about 42%, giving us a strong platform for possible further expansion initiatives in this promising market.

Sustainability actions planned

Sustainability

As regards the execution of our strategy, we are not only concerned with meeting our targets but also with the way we do so. We want to do business sustainably, as well as being commercially successful. This means minimizing the potential social and environmental impact of our activities. For some years now, OMV has been an active member of the UN Global Compact. In order to fulfill its obligations and give due weight to sustainability, during the year under review we adopted a corporate directive on sustainability management, which sets out our integrated approach to sustainability and the related organizational framework. Going forward, we will now be focusing on implementing sustainability actions aligned with this policy.

Strategy

The execution of our expansion strategy over the past few years through acquisitions such as Bayernoil, Preussag, Petrom, Petrol Ofisi and Borealis has demonstrated that we are capable of creating and growing sustainable value. OMV is working to position itself as the leading energy group in the European "growth belt". To the end we are pursuing three strategic thrusts:

- Regional focus: Expanding downstream in CEE, SEE and Turkey, through R&M and G&P, and establishing secure supply links with the producing regions in the Middle East and Caspian Region.
- Adjusting our asset portfolio: Strengthening our E&P and G&P businesses with – among others – selective power generation investments; reduction of the carbon intensity of our activities.
- Costs and synergies: Strict cost and capital discipline, coupled with integration of our businesses so as to realize cost and revenue synergies.

Outlook for 2009

I expect key market indicators that are critical to our operations to remain highly volatile in 2009. The forecast economic slowdown will lead to low growth rates in the Central and Southeast European markets served by OMV. Above all, though, it is low oil prices and shrinking refining margins that are likely to make this an exceptionally demanding year.

This situation has not caught us unprepared. OMV has already surmounted plenty of challenges in its time. As an integrated energy group with comparatively low gearing and strong cash flow, we have the financial strength to weather economic storms.

We began drawing up cost reduction programs and resolutely implementing them when oil prices were still high. We are now reaping the rewards and have the necessary flexibility to respond quickly to new challenges. Our investment plans are being prioritized and scaled back, so as to keep them to a level appropriate to the current harsh environment.

Particularly in an environment like this, it is important to demonstrate that we look after our financial resources carefully, in order to show you that your money is safe and bolster your confidence in OMV. OMV has therefore entered hedging contracts with regard to fluctuations in the oil price and EUR-USD exchange rate.

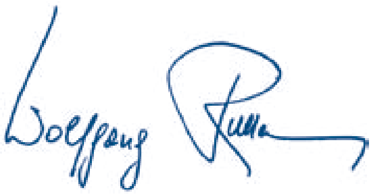
Apart from these financial measures, steady earnings contributions from all business segments and our efforts to leverage integration synergies should play a major part in maintaining OMV's success. In E&P, I expect the newly developed fields in New Zealand and Kazakhstan to bring an increase in oil and gas production. In R&M, the thermal cracker at Schwechat refinery, which will result in an improved product yield, is due to come onstream this year. G&P will focus on diversifying the long-term supply contracts (for imports via pipeline or LNG). A key project to increase the security of supply is the Nabucco gas pipeline which the EU has made a priority. Meanwhile, we are pressing ahead with forward integration into the electrical power business and construction of the gas-fired power plant at Brazi, Romania. We plan to build an additional hub, alongside Austria and Romania, in the fast growing Turkish market, so as to link R&M and G&P more strongly with the surrounding producing regions.

In a worsening operating environment, clear values have a particularly important role to play in guiding business behavior and shaping a company's identity. We therefore made 2008 a year of implementing our values ("Professionals, Pioneers and Partners"), and used many examples and actions to communicate the "3Ps" and bring them to life for our people.

Profitable, sustainable growth

We believe that our strategic focus on becoming an integrated energy group, coupled with our financial strength, selective investment policy and cost reduction programs, will underpin sustainable growth, even at a time of rapidly deteriorating business conditions. This approach will set us apart from our competitors and enable us to remain an attractive company for investors and employees.

Finally, I wish to thank you, our shareholders, for your confidence in OMV, and our employees for the daily efforts that have made our success to date possible. I look forward to another year of good partnership with our stakeholders.



Wolfgang Ruttenstorfer

Highlights 2008

January

- OMV and Gazprom sign agreement to jointly develop the Central European Gas Hub and further storage projects.

February

- Submission of formal merger notification with regards to the intended combination of OMV and MOL to the European Commission.
- RWE joins the Nabucco consortium as a sixth partner.

March

April

- OMV questions the validity of several AGM resolutions of MOL, due to the refusal of the MOL board to provide sufficient transparency on shareholder structure.
- OMV acquires an 80% interest as operator in a Tunisian offshore exploration license.

May

- The OMV AGM approves a dividend of EUR 1.25 per share for 2007, representing a 24% payout ratio.
- OMV signs a 3-year syndicated revolving credit facility with a credit volume at EUR 1.5 bn.

June

- OMV is awarded its sixth offshore exploration license in Norway.

July

- New exploration success in Tunisia, further drillings and 3D acquisitions planned.
- OMV signs agreement with NOC in Libya to renew contracts for major oil fields, thus transforming the existing contracts to the standard EPSA IV.

August

- OMV revokes its declaration of intent to combine OMV and MOL after indicated refusal of OMV's proposed commitments by the European Commission.
- Acquisition of two exploration licenses in Pakistan.
- Start of production of the Austrian gas fields Strasshof and Ebenthal.
- OMV announces its plans to further strengthen its power generation activities by setting up a gas-fired power plant in Turkey.

September

- OMV obtains credit ratings: Moody's Investors Service assigned an "A3 (stable)" rating and FitchRatings an "A- (stable)" rating.
- Two successful offshore drillings in the UK support growth of future offshore oil and gas reserves.
- Inauguration of the expanded capacities of the Burghausen site, enhancing its position at the petrochemical industry.

October

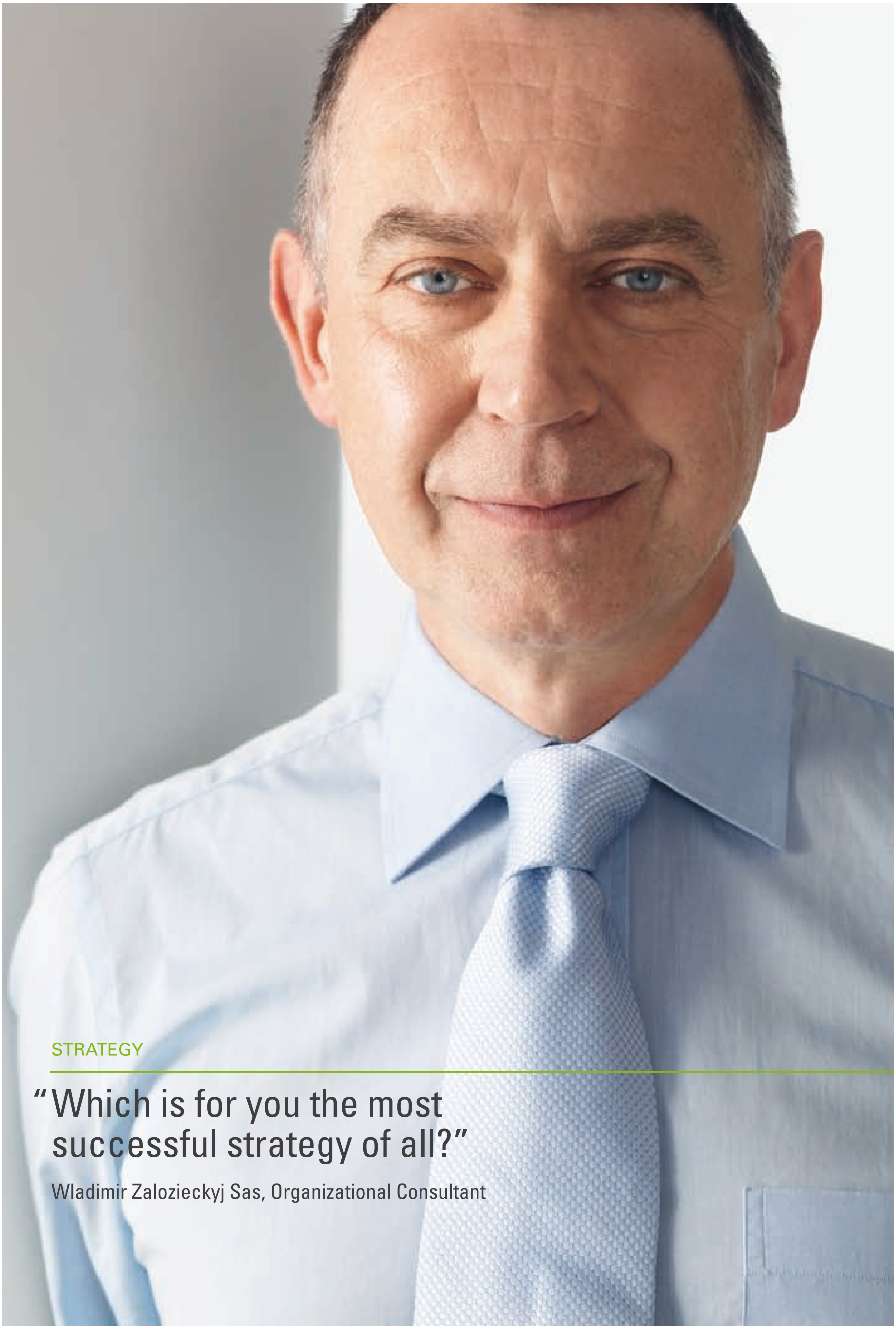
- IPIC, one of OMV's core shareholders increases its stake to 19.2%, thus share of ÖIAG/IPIC consortium up to 50.7%.
- Petrom signs a credit facility of EUR 375 mn with a three-year term.
- Successful exploration well in Tunisia, drilling of further wells planned.
- Krk confirmed as location for Adria LNG terminal.

November

- OMV together with Gazprom and Vienna Stock Exchange intend to jointly develop the Central European Gas Hub and establish a gas exchange.

December

- The restructuring activities of the refinery network Bayernoil were completed with the installation of a new hydrocracker in Neustadt. Closure of the Ingolstadt refinery led to a reduction of the annual refining capacity from 12 to 10.3 mn t.



STRATEGY

“Which is for you the most successful strategy of all?”

Wladimir Zalozieckyj Sas, Organizational Consultant

"Doing what one does best."

Martina Kletzmaier, R&M Strategy, OMV

OMV Group objectives and strategy

Where we are in 2008

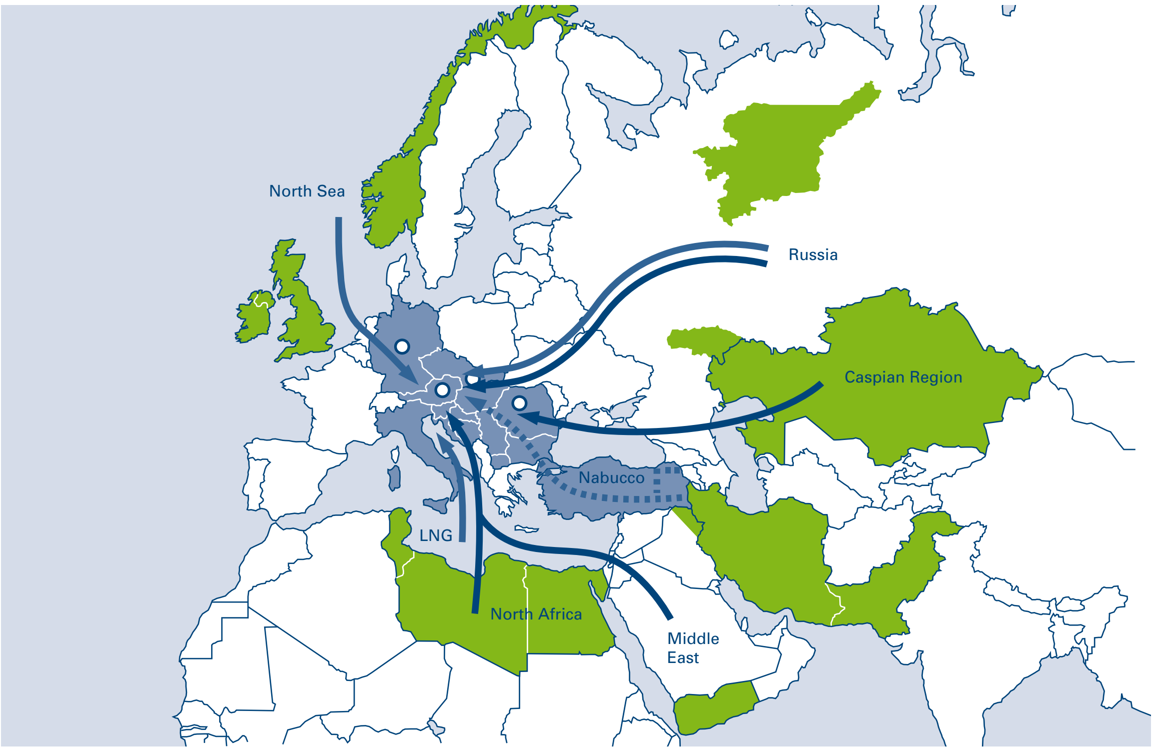
Core business segments E&P, R&M and G&P

OMV is the leading energy group in Central and Southeastern Europe. Our core business segments are Exploration and Production, Refining and Marketing including petrochemicals, and Gas and Power. Our oil and gas production currently runs at a rate of 317,000 boe/d and our proved reserves are approximately 1.2 bn boe. Our annual refining capacity is 25.8 mn t and we operate a network of more than 2,500 filling stations in 13 Central and Southeast European countries. OMV currently ships some 66 bcm per year of natural gas to Western Europe and operates gas storage facilities with a capacity of around 2.3 bcm. Our gas sales are an annual 13 bcm.

Apart from our wholly owned subsidiaries, OMV Exploration & Production, OMV Refining & Marketing, OMV Gas & Power and OMV Future Energy Fund, we own interests of 51% in the Romanian oil and gas company Petrom, 59% (held directly and indirectly) in gas marketing company EconGas, 45% in the Bayernoil refinery network and 42% in the leading oil marketing company in Turkey, Petrol Ofisi. OMV also has a 21% stake in the Hungarian oil and gas company MOL.

The Group's chemical operations are concentrated in Borealis, in which OMV has a 36% interest. One of our two core shareholders, Abu Dhabi based International Petroleum Investment Company (IPIC) holds the other 64%. Borealis is among the world's leading producers of polyolefins and melamine.

Balanced integration across businesses and markets



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

As a financially strong, integrated energy business, and the market leader in Central and Southeastern Europe, we are well placed to address the challenges now facing the industry – namely, volatile oil prices, and heavy investment needs, partly because of climate change, as well as the need to diversify energy supplies and increase supply security.

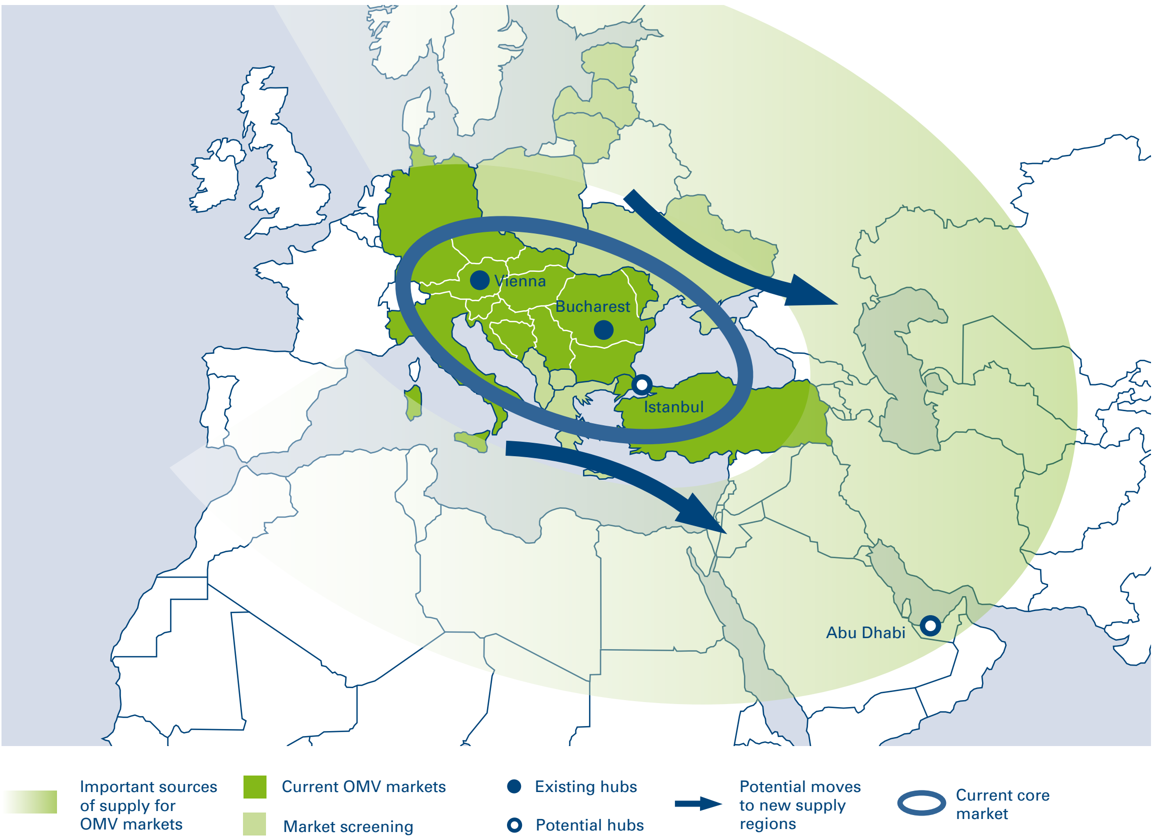
Prepared to cope with challenges of the industry

Our strategy

OMV is the leading energy group in the European "growth belt"
OMV has the vision to continue shaping the future of the energy industries of the countries along the European "growth belt". We plan to extend our leadership in downstream operations in these emerging markets and secure our supply lines to the producing regions. We will be adjusting our asset portfolio accordingly, by strengthening our Exploration and Production (E&P) and Gas and Power (G&P) businesses, and investing selectively in power generation and renewable energy sources. Our integrated business model leverages cost and earnings synergies and imposes tight cost and capital discipline.

Strengthening of the integrated business model

Continue market penetration in existing markets and develop towards Middle East and Caspian supply regions



Security of supply through expansion of the upstream position

Extending our lead in emerging markets and securing our supply lines

Our core market is the European "growth belt". Our goal is to extend our leadership in the oil and gas markets of these regions. Petrom has developed into our regional hub for Southeastern Europe. We hope to include Turkey in our core market and are exploring the possibility of turning it into another hub. At the same time, OMV is looking to increase its footprint in the Middle East, so as to grow its upstream operations, and obtain secure oil and gas supplies for its markets in Central and Southeastern Europe.

Main investment focus on E&P and G&P

Extending our asset portfolio by strengthening the E&P and G&P segments, and investing selectively in power generation and renewable energy sources

OMV is rebalancing its investment portfolio towards E&P and G&P. We are also selectively investing in electricity generation in order to maximize the added value by integrating our natural gas operations with our power business. And we are examining the prospects for increased use of renewables so as to reduce the carbon intensity of power generation.

Realizing synergies through an integrated business model

We pay close attention to tight cost and capital discipline. As an integrated energy supplier OMV looks for opportunities to cut costs and boost earnings by exploiting synergies within its business segments. An example of this is our Global Solutions subsidiary, established to provide IT support services across the OMV Group. We also capitalize on synergies along the supply chain, and gain competitive advantage from our integrated structure. The best example of this is the production of natural gas by E&P, which transports and stores the gas before either marketing it or using it to generate electricity at our own power plants. Transforming our refineries into conversion hubs with a broader range of energy products creates further synergies.

Our objectives for 2010

Continued focus on growth

- E&P: Raise our oil and gas production to 350,000-360,000 boe/d by developing new fields and increasing recovery from mature fields, realizing Petrom's full potential and expanding our exploration portfolio.
- R&M: Further strengthening of our market leading position (20% market share in CEE) and increase of our profitability with a focus on the restructuring of the Petrom refineries. In Turkey we want to expand our position in an integrated manner.
- G&P: Grow our gas marketing operations to achieve annual sales of 18 bcm, and develop the Central European Gas Hub. Improve the security of Europe's gas supplies by pushing the Nabucco gas pipeline project ahead. Develop a profitable electrical power business by commissioning our first gas-fired power plant in 2011.
- Attain a ROACE of 13% under average market conditions, and stand out clearly from regional competitors in terms of market capitalization.

Exploration and Production

Our well balanced international E&P portfolio, spread across 19 countries, comprises six core regions: Central and Southeastern Europe; North Africa; North-West Europe; Middle East; Australia and New Zealand; and Russia and the Caspian Region. Due to our majority stake in the Romanian oil and gas company Petrom, Romania and Austria are the main sources of our oil and gas supplies. Together, they account for some 70% of output. Output is currently about 317,000 boe/d and proved oil and gas reserves are 1.2 bn boe.

Our achievements in 2008

- Continued modernization of Petrom's E&P activities: Stabilization of Romanian crude production; completion of the oil well modernization program; acquisition of Petromservice's field service operations; and increase in the reserve replacement rate in Romania to 71%.
- Major oil and gas field developments: Production start-up at the Strasshof and Ebenthal fields (Austria); preparations for start-up at the Maari oil field (New Zealand, came onstream in Q1/09); and completion of most of the surface equipment at the Komsomolskoe oil field (Kazakhstan), with a view to bringing it onstream in H1/09.
- Extension of the contracts for producing fields in Libya to 2032 and signature of a contract for the redevelopment of the giant Nafoora-Augila oil field.
- License awards in Norway, Pakistan, Slovakia and Tunisia.

Our initiatives

- Increase oil and gas output by undertaking major field developments.
- Unlock the full potential of the Romanian assets by mounting intensive drilling and production optimization campaigns, and integrating Petromservice's activities.
- Focus our portfolio on six core regions.
- Expand our exploration portfolio in order to lay the foundations for future growth.
- Deploy state-of-the-art exploration technologies.
- Add to, and effectively apply our outstanding operational expertise to increase recovery from mature oil fields.
- Investigate methods for producing unconventional oil and gas reserves at fields operated by OMV and Petrom.
- Build up offshore expertise.
- Act as the operator on most of our assets.
- Strengthen our partnerships with selected national and international oil companies.
- Deliver industry leading HSE and CSR performance.

Our competitive advantages

Balanced asset portfolio

- Strong focus on Central and Southeast European EU member states through Petrom's operations.
- Strong track record in optimizing recovery from complex onshore structures.
- Use of state-of-the-art seismic technologies and exploration techniques.
- Outstanding expertise in building and operating sour gas production systems.
- Experience in developing and operating fields in politically and environmentally sensitive areas.
- Balanced risk profile thanks to a global asset portfolio spread across six core regions.
- The synergies open to an integrated oil and gas company.

Our objectives for 2010

Focus on organic growth

We are targeting an increase in production to 350,000-360,000 boe/d by 2010 through new field developments and re-developments in Kazakhstan, Libya, New Zealand, Romania, Tunisia and Yemen. We aim to keep up the drive to modernize Petrom in order to make the most of the company's considerable potential. We plan to continue to expand our promising exploration portfolio in order to underpin sustainable, long-term growth.

Refining and Marketing including petrochemicals

We operate refineries in Schwechat, Austria and Burghausen, Southern Germany, both with integrated petrochemical complexes. Together with the Petrobrazi and Arpechim plants in Romania and our 45% stake in Bayernoil, Southern Germany, these give us a total annual capacity of 25.8 mn t (530,000 bbl/d). Our network of filling stations (2,528 stations spanning 13 Central and Southeast European countries) and an efficient commercial business underpin our market leadership and give us a strong platform for profitable growth.

Progress in numerous projects

Our achievements in 2008

- Completion of the restructuring program at Bayernoil: Closure of one of the three plants (Ingolstadt) and improvement in the product slate through the construction of a new hydrocracker.
- Ongoing construction of a thermal cracker at Schwechat refinery in order to enable it to run more heavy crude.
- Start of construction of a new ethylene pipeline in Southern Germany.
- Completion of the restructuring program and achievement of turnaround in Petrom's marketing business.
- Strengthening of our non-oil marketing business thanks to the successful repositioning of the VIVA brand.

Further development projects planned

Our initiatives

- Restructure Petrobrazi refinery in Romania with integrated capacity expansion.
- Enhance our profitability by consolidating and optimizing our retail networks in our core markets.
- Increase the competitiveness of our petrochemical activities by pushing forward with growth and integration
- Transform the refineries into energy/conversion hubs with a broader range of energy products.
- Develop a backward integrated downstream position in the Mediterranean/Black Sea region.

Strong market positioning in CEE

Our competitive advantages

- An eastern refinery hub (Petrobrazi and Arpechim) in addition to our western hub (Schwechat, Burghausen and Bayernoil), as well as improved access to crude supplies thanks to the Petrom acquisition – a major advance towards profitable growth.
- An efficient filling station network with extensive market coverage and strong brands (OMV, Avanti and Petrom).
- An innovative approach to non-oil retailing.
- High product quality and environmental standards.

Our objectives for 2010

We aim to extend our market leadership in the Danube and Black Sea regions. We have already hit our target of a 20% market share for our marketing business, ahead of time. Over the past five years we have invested heavily in restructuring the refineries west to adapt them to changed demand patterns. The petrochemical capacity at the Schwechat and Burghausen plants has been expanded in cooperation with Borealis. The main priority going forward will be restructuring Petrom's Romanian refineries. Another strategic objective is transforming our refineries into energy/conversion hubs. In marketing, the focus will be on further restructuring of the retail network and enhancing service offerings at our filling stations in order to differentiate ourselves from the competition and increase efficiency.

Gas and Power

The Gas and Power segment has significant growth potential as natural gas is a key primary energy source of the future. We operate across the entire gas value chain. We import large amounts of natural gas to Austria – largely from Russia and Norway – and also produce gas at our own fields. We play a key role in gas transit, with about one-third of all Russian gas exports to Western Europe traveling via the Baumgarten gas turntable. Our 2,000 km pipeline network and our gas storage facilities make a major contribution to security of supply in Austria and beyond. The Central European Gas Hub has grown into one of the top three gas hubs in continental Europe. We plan to extend the value chain by developing an electrical power business, thereby exploiting synergies with the gas business.

Our achievements in 2008

- Implementation of the Nabucco gas pipeline project on schedule.
- Decision on the site of the new Adria LNG terminal on the island of Krk in Croatia.
- Commissioning of the WAG loop and the Eggendorf compressor station on the TAG pipeline.
- Commencement of work on the 860 MW gas-fired power plant in Brazi in Romania.
- Go-ahead for construction of an 890 MW gas-fired power station in Samsun, opening the way for entry to the fast growing Turkish electricity market.
- EconGas membership of the main markets in continental Europe.
- Agreement between OMV, Gazprom, Centrex and the Vienna Stock Exchange to cooperate on developing the Central European Gas Hub into the largest gas hub in continental Europe.

Our initiatives

Further growth planned

- Achieve still closer physical integration of the upstream and gas businesses.
- Develop new supply routes from the gas rich Caspian Region and the Middle East to Central Europe (Nabucco gas pipeline and LNG).
- Expand Austrian gas transportation infrastructure.
- Develop an international storage business, using the Baumgarten trading platform and the Nabucco gas pipeline.
- Turn the Central European Gas Hub into the number one gas hub in continental Europe, and subsequently into a gas exchange.
- Establish EconGas as a major Central European gas supplier.
- Continue to develop Petrom's market leading gas business.
- Develop a profitable electrical power business by building power plants, and integrating the gas and power businesses.
- Reduce the carbon footprint of our production operations and products.

Our competitive advantages

All segments of the value chain covered

- Operation of the largest gas logistics center in Central Europe.
- Transportation and marketing of natural gas produced by ourselves.
- Long-term relationships and contracts with major gas suppliers.
- Highly competitive storage and transport costs.
- Key turntable in the international gas transit system.
- Strong gas marketing subsidiaries.

Our objectives for 2010

Increase of sales volume planned

We aim to strengthen our position in Central and Southeastern Europe and plan to boost annual gas sales to 18 bcm by 2010. One-third of the gas sold is to be sourced from our own production, resulting in the consolidation of what is already a stable and sustainable gas business in the heart of Europe. In addition, we intend to turn the Central European Gas Hub into a major gas exchange, and extend OMV's business activities along the gas supply chain, through to electrical power business.

Sustainability

New publication: OMV Sustainability Report

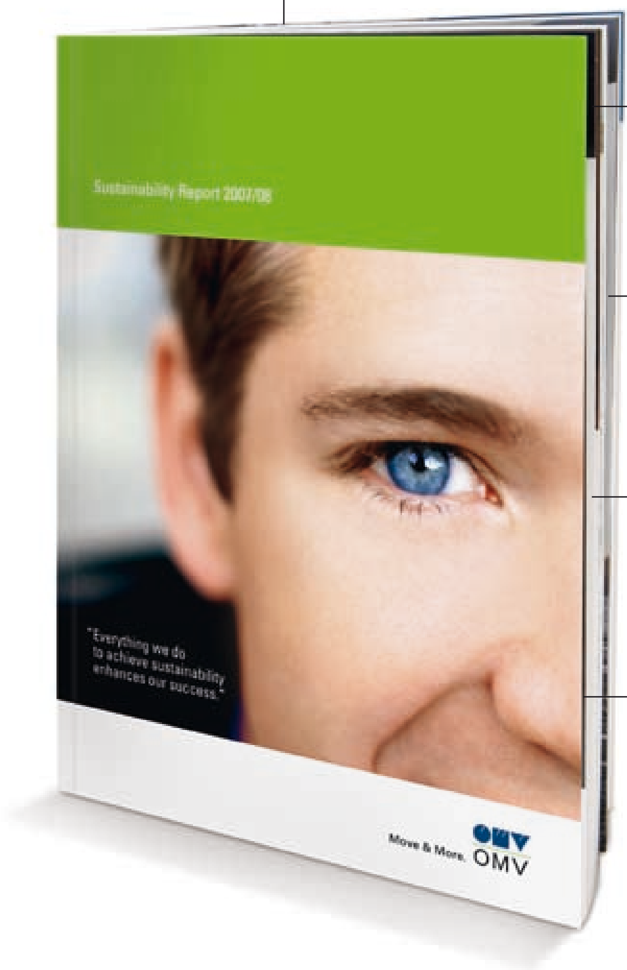
Changes in sustainability reporting

Changes have been made to our sustainability reporting in order to provide timely information on OMV Group corporate social responsibility (CSR), and health, safety, security and environment (HSE) activities.

The former HSE Report and biannual CSR Performance Report have been combined in a new publication – the OMV Sustainability Report. This is being published for the first time simultaneously with the Annual Report and offers detailed information on CSR, the OMV Future Energy Fund, research and development, human resources, and health, safety, security and environment, among other subjects.

Topics related to the economic section of the sustainability reporting framework advocated by the Global Reporting Initiative (GRI) and to our corporate profile have mainly been included in the Annual Report. The elements that previously formed part of the Annual Report and are now incorporated in the Sustainability Report are briefly outlined below.

Corporate Social Responsibility:
Management CSR approach, objectives and activities, focusing on human rights



OMV Future Energy Fund:
Support for projects related to future sources of energy

Research and development:
New developments and the practical implementation of ideas aimed at benefiting our customers, the environment and the Group

Human resources:
Human resources approach, objectives and activities

Health, safety, security and environment:
Information on occupational medical programs, safety management across all operations worldwide and environmental and climate change initiatives and performance

Statement by the Chairman of the Supervisory Board

Dear shareholders,

OMV is continuing to play a pacesetting role in corporate governance in Austria, and is making its detailed report on the subject already this year. It goes without saying that the Supervisory Board has considered the new legal requirements that came into force at the start of the current financial year, and especially the duties of the Audit Committee.

The challenges presented by the current financial and economic crisis, and the potential implications for future business developments were thoroughly discussed at the meetings of the Supervisory Board. The Board also devoted particularly close attention to the promising gas power station projects and OMV's corporate strategy.

The Board's committees addressed key issues relating to the Group's accounting processes, risk management and internal controls. We were also able to satisfy ourselves that a comprehensive group-wide personnel development program, a well designed succession planning system and a functioning issuer compliance system are in place.

The Company posts details of dealings by members of the Executive and Supervisory Boards, and their current holdings of OMV shares on its website (www.omv.com).

In 2007, the Supervisory Board performed a self-evaluation in accordance with international standards. This was aimed at continuously improving our working methods so as to ensure that we are capable of fulfilling our responsibilities to shareholders and other stakeholders. Another evaluation was conducted in 2008, and these reviews have now become a permanent part of the process of critical reflection on the Board's activities.

The Corporate Governance Report on the following pages contains additional information on the Supervisory Board and its committees.

Annual financial statements and dividend
Following thorough examination and discussions with the auditors at Audit Committee and plenary meetings, the Supervisory Board approved the directors' report, prepared in accordance with section 127 Stock Corporation Act, and the parent entity financial statements for 2008, which were thereby adopted under section 125 (2) of the Act, as well as the consolidated financial statements for 2008. The Board also approved the Corporate Governance Report.

Support of the dividend proposal

The Supervisory Board has accepted the Executive Board's proposal to the Annual General Meeting to pay a dividend of EUR 1.00 per share and to carry forward the remaining EUR 75,402,437 to new account.

Finally, I should like to congratulate the Executive Board and the entire workforce on these results, and thank them for their far-sighted approach to their work.

Vienna, March 25, 2009

Rainer Wieltsch

Corporate Governance Report

Maximum transparency in our management and internal control structures helps create and consolidate market and stakeholder confidence. OMV has therefore always sought to meet the expectations placed in it in terms of good corporate governance, and has complied with the Austrian Code of Corporate Governance (ACCG) since its publication. The following description of our corporate governance practices anticipates the future legal requirements and conforms to the recommendations of the ACCG. OMV is a signatory of the UN Global Compact, and has adopted a comprehensive, Group-wide code of conduct, as well as a related business ethics directive, drawn up with the assistance of international expert consultants.

Commitment to Austrian Code of Corporate Governance

The Company complies with the ACCG issued by the Austrian Working Group for Corporate Governance and publicly accessible at: www.corporate-governance.at. There were no deviations from the code during the year under review; the external evaluation of compliance with the code is publicly accessible at: www.omv.com.

Executive Board

Wolfgang Ruttenstorfer, *1950
Terms of office July 3, 1992 to January 27, 1997 and January 1, 2000 to March 31, 2011.

Chairman of the Executive Board. Responsible for the overall management and coordination of the Group as well as the corporate functions Corporate Affairs & Sustainability, Corporate Communications, Corporate Development and Corporate Human Resources. Furthermore, he is responsible for the OMV Future Energy Fund.

Member of the Supervisory Boards of Wiener Börse AG, Wiener Städtische Wechselseitige Versicherungsanstalt – Vermögensverwaltung Versicherungsverein auf Gegenseitigkeit (chairman) and F. Hoffmann-La Roche AG.

Gerhard Roiss, *1952
Term of office September 17, 1997 to March 31, 2014.

Deputy Chairman of the Executive Board: Responsible for Refining and Marketing including petrochemicals as well as chemicals and the corporate function Corporate Purchasing.

Member of the Supervisory Boards of Österreichische Post AG and AABAR Investments PJSC.

After retirement of Mr. Ruttenstorfer, Mr. Roiss shall succeed as Chairman of the Executive Board.

Werner Auli, *1960
Term of office January 1, 2007 to March 31, 2014.

Responsible for Gas and Power.

David C. Davies, *1955
Term of office April 1, 2002 to March 31, 2010.

Chief Financial Officer. Responsible for the corporate functions Investor Relations, Corporate Controlling & Accounting, Corporate Internal Audit, Group Treasury, Tax, IT, service network (OMV Global Solutions) and OMV Insurance Broker.

Helmut Langanger, *1950
Term of office January 1, 2002 to September 30, 2010.

Responsible for Exploration and Production.

Member of the Supervisory Board of Schoeller-Bleckmann Oilfield Equipment AG.

At its meeting on March 25, 2009, the Supervisory Board of OMV reconfirmed the management team consisting of Wolfgang Ruttenstorfer, Gerhard Roiss, Werner Auli, David C. Davies and Helmut Langanger, effective from April 1, 2009. Regarding the concrete terms of office the fact was taken into consideration that Wolfgang Ruttenstorfer as well as Helmut Langanger have decided to quit the service after having reached the age of 60. The contract of Mr. Davies was confirmed to be effective from April 1, 2009 until March 31, 2010. This will correspond to the original contract period for the time being while Mr. Davies and his family consider their situation.

Working methods of the Executive Board

The approval requirements, responsibilities of individual Executive Board members, procedures and the approach to conflicts of interest are governed by the Internal Rules of the Executive Board. The Board holds weekly meetings in order to exchange information and take decisions on all matters requiring its approval.

Remuneration system

The remuneration of the OMV Executive Board is at competitive market levels for the relevant employment market, and has a strong performance related component. Conformity with market rates is maintained by regular external benchmarking against relevant Austrian industrial companies and the European peer group. The short- and long-term elements of the performance related components are taken into account. The short-term incentives are bonus agreements based on the Company'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 are on a par with those of companies of comparable size.

The payment of an occupational 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.

Additional information is presented in Notes 27 and 32 to the financial statements, in particular about the remuneration of the Executive Board split into fixed and variable salary, pension fund contributions and benefits in kind (company car, accident insurance and reimbursed expenses).

Executive Board members are covered by directors and officers liability, and legal expenses insurance. The entire Supervisory Board and many other OMV employees also have such coverage, and as joint insurance premiums are paid it is not possible to attribute these costs to individual Executive Board members.

MbO program for executives and experts

Some persons at other management levels are also members of stock option plans. In 2008, a total of 2,554 managers and experts participated in a graduated management by objectives (MbO) program entitling them to bonuses for attaining objectives.

Members of the Supervisory Board

Supervisory Board

The membership of the OMV Supervisory Board and seats held by members on other Supervisory Boards are disclosed below in compliance with Rule C 58 ACCG.

Rainer Wieltsch
Chairman, seats: Austrian AG, Österreichische Post AG and Telekom Austria AG.

Mohamed Nassar Al Khaily
Deputy Chairman, seats: Compañía Española Petroleos S.A. (until May 14, 2008).

Alyazia Ali Saleh Al Kuwaiti
(Assistant Manager/Evaluation & Execution, IPIC) Deputy Chairwoman (since May 14, 2008).

Peter Michaelis
(Managing Director of ÖIAG), Deputy Chairman Seats: Austrian Airlines AG (chairman), Österreichische Post AG (chairman) and Telekom Austria AG (chairman).

Murtadha M. Al Hashemi
(Division Manager/Finance, IPIC), seats: Compañía Española Petroleos S.A. (until May 14, 2008).

Helmut Draxler
Seats: RHI AG.

Mohamed Al Khaja
(Division Manager/Research & Business Development, IPIC), (since May 14, 2008).

Wolfram Littich
(Chairman of the management board of Allianz Elementar Versicherungs-AG).

Gerhard Mayr
Seats: Lonza Group Ltd, UCB S.A. and Alcon Inc.

Herbert Stepic
(Deputy chairman of Raiffeisen Zentralbank Österreich AG).

Herbert Werner
Seats: Innstadt Brauerei AG (chairman) and Ottakringer Brauerei AG.

Norbert Zimmermann
(Chairman of the management board of Berndorf Industrieholding AG) Seats: Schoeller-Bleckmann Oilfield Equipment AG (chairman), Bene AG and Oberbank AG.

Delegated by the Group works council (employee representatives)

Leopold Abraham, Wolfgang Baumann, Franz Kaba, Ferdinand Nemesch and Markus Simonovsky.

Diversity

The 15 members of the Supervisory Board include one woman, four members aged under 50 and two non-Austrian citizens.

Independence

The Supervisory Board has adopted the guidelines set out in Annex 1 ACCG, and the other guidelines set out below, with regard to members elected by the Annual General Meeting: No member of the Supervisory Board may serve on the Executive Board of an OMV 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 an OMV Group company. No 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 of the members elected by the Annual General Meeting except for Mr. Draxler regarding the criterion on the duration of membership have declared their independence from the Company and its Executive Board for the duration of their membership. All have declared their independence during the 2008 financial year, and have stated that they were independent up to the time of making such declarations (Rule C 53 ACCG). Under Rule C 54 ACCG, Draxler, Littich, Mayr, Stepic, Werner and Zimmermann have made declarations stating that they had no connections with any major shareholders during the 2008 financial year and up to the time of making such declarations.

Working methods of the Supervisory Board

The Supervisory Board fulfills of its duties – in particular, supervising the Executive Board and advising it on strategy – by discussing the Company's situation and objectives at meetings. Except in cases of urgency, decisions are taken at meetings. During the year under review the Supervisory Board held five meetings, one of which was devoted to strategy. The appointment of four committees enables optimum use to be made of Supervisory Board members' expertise. Brief descriptions of these committees are given below (see also the Report of the Supervisory Board).

Presidential and Nomination Committee

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 permanent basis. In its capacity as the Nomination Committee, this body makes proposals to the Supervisory Board for the appointment or replacement of Executive Board members and deals with succession planning. It also makes recommendations to the General Meeting for appointments to the Supervisory Board. One meeting of the Presidential and Nomination Committee took place during the year; this was largely devoted to succession planning.

Audit Committee

Performs the duties established by section 92 (4a) Stock Corporation Act. Three meetings of the Audit Committee were held during the year. These were chiefly concerned with preparations for the audit of the annual financial statements, legal changes and compliance therewith, the auditors' activities, and internal audit and risk management, as well as proposals for the selection of the auditors, and the presentation of the annual financial statements.

Auditors

When making proposals for the selection of the auditors by the General Meeting, which is the responsibility of the Audit Committee and the Supervisory Board as a whole, attention must be paid to auditor independence; this involves comparing the auditing fees and other fee income. In 2008, the auditors, Deloitte Wirtschaftsprüfungs GmbH (including their network in the meaning of section 271b ACC) received EUR 1.32 mn in fees for other engagements. This represented approx. 44% of the amount paid for auditing the consolidated financial statements.

Project Committee

Helps the Executive Board to prepare for complex decisions on key issues where necessary, and reports on these decisions and any proposals to the Supervisory Board. The Project Committee met once during the year under review, mainly focusing on the merger with MOL and progress with restructuring at Petrom.

Remuneration Committee

Deals with all aspects of the remuneration of Executive Board members and with their employment contracts. The committee is empowered to conclude, amend and terminate the employment contracts with Board members, and to take decisions on the award of bonuses (variable compensation components) and other such benefits to the latter. Two meetings of the Remuneration Committee took place during the year. These determined the objectives used as performance measures, and the bonuses to be granted.

There were no transactions requiring approval in the meaning of section 95 (5) no. 12 Stock Corporation Act; however, attention is drawn to transactions totaling approx. EUR 1.5 bn with RZB (Mr. Stepic is a member of the bank's managing board; the transactions in question represent less than 1% of the Raiffeisen Group's total assets).

The Internal Rules of the Supervisory Board contain detailed procedures for the treatment of conflicts of interest on the part of board members.

Committees optimize application of competences

Remuneration of Supervisory Board members

Remuneration

In accordance with the articles of incorporation, the Annual General Meeting resolves the compensation of the elected members of the Supervisory Board for the previous financial year. The 2008 Annual General Meeting adopted the following compensation scale:

Annual compensation for Supervisory Board members	EUR
for the Chairman	29,200
for the Deputy Chairmen	21,900
for the ordinary members	14,600
for the committee chairmen	12,000
for the committee deputy chairmen	10,000
for ordinary committee members	8,000

The above amounts, for the 2007 financial year, were disbursed to the board members concerned in 2008; these were exclusive of expenses (travel and attendance expenses).

Name (year of birth)	Position/committee membership [1]	Remuneration (in EUR)	Term of office
Rainer Wieltsch (1944)	Chairman; also of the Pres. Com., Proj. Com., Audit Com. and Remun. Com.	77,200	May 24, 2002 to May 13, 2009
Mohamed Nasser Al Khaily (1966)	Deputy Chairman; also of the Pres. Com., Proj. Com., Audit Com. and Remun. Com.	59,900	June 7, 1995 to May 14, 2008
Alyazia Ali Saleh Al Kuwaiti (1975)	Deputy Chairwoman; also of the Pres. Com., Proj. Com., Audit Com. and Remun. Com.	—	May 14, 2008 to May 13, 2009
Peter Michaelis (1946)	Deputy Chairman; also of the Pres. Com., Proj. Com., Audit Com. and Remun. Com.	59,900	May 23, 2001 to May 13, 2009
Murtadha M. Al Hashemi (1966)	Pres. Com., Proj. Com.	30,600	May 18, 1999 to May 14, 2008
Helmut Draxler (1950)	Audit Com.	22,600	Oct. 16, 1990 to May 13, 2009
Mohamed Al Khaja (1980)	Pres. Com., Proj. Com.	—	May 14, 2008 to May 13, 2009
Wolfram Littich (1959)	Proj. Com. and Audit Com.	30,600	May 23, 2001 to May 13, 2009
Gerhard Mayr (1946)		14,600	May 24, 2002 to May 13, 2009
Herbert Stepic (1946)		14,600	May 18, 2004 to May 13, 2009
Herbert Werner (1948)	Audit Com.	22,600	June 4, 1996 to May 13, 2009
Norbert Zimmermann (1947)	Proj. Com. and Remun. Com. (from May 14, 2008)	22,600	May 23, 2001 to May 13, 2009
Leopold Abraham (1947)	Pres. Com., Proj. Com. and Audit Com.	—	Delegation by the Group works council is for an indefinite period; however, the employee representatives may be recalled at any time.
Wolfgang Baumann (1958)	Pres. Com. and Audit Com.	—	
Franz Kaba (1953)	Proj. Com.	—	
Ferdinand Nemesch (1951)	Proj. Com. and Audit Com.	—	
Markus Simonovsky (1973)		—	

[1] Abbreviations: Pres. Com. = Presidential and Nomination Committee; Proj. Com. = Project Committee; Audit Com. = Audit Committee; Remun. Com. = Remuneration Committee.

Mr. Al Khaily attended less than half of the meetings.
According to his employment contract with ÖIAG, Mr. Michaelis has transferred his remuneration resulting from his Supervisory Board function in OMV Aktiengesellschaft to ÖIAG.

The Group works council holds regular meetings with the Executive Board in order to exchange information on developments affecting employees.

Rights of minority shareholders

- General Meeting:
  An extraordinary general meeting must be convened at the request of shareholders holding at least 5% of the shares. All duly registered shareholders are entitled to attend general meetings, ask questions and vote.
- Election of the Supervisory Board:
  Shareholders holding one-third of the capital stock represented at the general meeting may demand the separate election of each member. If a person stands for election to every position on the board and obtains at least one-third of the votes cast in the elections for each position, then this person is elected to the last position and no vote is required thereon.

Vienna, March 25, 2009

The Executive Board

Wolfgang Ruttenstorfer

Gerhard Roiss

Werner Auli

David C. Davies

Helmut Langanger

Value management

In order to sustainably maximize the long-term enterprise value, it is crucial to run the Company on a strict cost, project and risk management system and to assess investment decisions on the basis of profitability benchmarks. Value management is therefore an integral feature of the OMV Group's management system, to which great importance is attached at the highest levels.

Value management crucial for planning and decision making

The high priority given to value management is reflected in our planning and decision-making processes, as well as in the metrics and control measures configured into our management information system. The main targets of the OMV Group are to steer the strategic and operational management of its businesses towards:

- Growth in the stock market and enterprise value of the Group
- Competitive returns for shareholders
- "Best-in-class" risk management

Tight cost management

Consistent adherence to this approach results in different target systems depending on the perspective taken. While some short-term discrepancies between these target systems might occur, it is crucial that, over the long term, all three above mentioned targets are fulfilled. In all investment decisions, achieving a given hurdle rate (minimum rate of return) is an essential requirement. The hurdle rate is derived from the cost of capital, which is impacted by the level of risk. Together with our high focus on a strict cost and project management system, this is crucial for meeting our target of a 13% ROACE over the course of the business cycle, based on our mid-cycle assumptions.

During the annual strategic planning process a corporate value analysis is performed. This involves a critical examination of the success of the current strategy in achieving the Group's value enhancement targets.

A part of the management tools is the Balanced Scorecard (BSC), which exists for the Group as a whole and separately for all of its business segments. An essential part of our BSC is the definition of strategic cost targets; furthermore, the BSC is enabling us to increase the focus on non-financial metrics – such as internal business processes, customers, market, learning and growth targets – that make the achievement of strategic objectives measurable.

While implementing the strategy for 2010, the changes in the Group's structure and further improvements in operational performance should create an attractive value growth potential for investors.

Ratios %

	Targets 2010 [1]	**2008**	2007	2006	2005	2004
Return on average capital employed (ROACE)	13	12	16	18	20	15 [2]
Return on equity (ROE)	16–18	16	19	20	22	19 [2]
Gearing ratio	≤ 30	37	24	7	(2)	12
Payout ratio	30	22	24	23	21	19

[1] Targets based on mid-cycle assumptions.
[2] Adjusted for Petrom acquisition.

OMV shares and bonds

2008 was another outstanding year for OMV in business terms. However, our share price was affected by the stock market crash, declining 66% over the year thereby underperforming the Vienna Stock Exchange, given that the Austrian Traded Index (ATX) blue chip index shed 61% in 2008.

Extreme market volatility

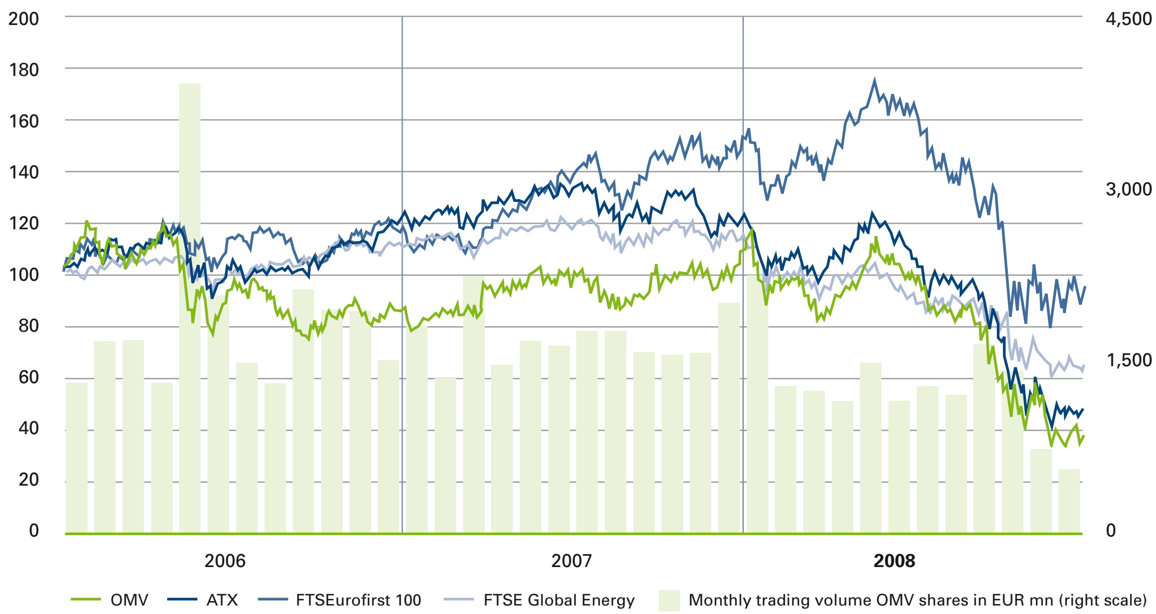
2008 was one of the toughest and most volatile years on record for world stock markets, with the US subprime crisis signaling the start of a downward spiral. Oil and gas stocks were hit particularly hard by the oil price downturn that began in the summer. The FTSE Global Energy Index (comprising the world's largest oil and gas companies) tumbled by 38% in 2008. All of the main stock indices suffered heavy losses on the year (DAX (40)%; FTSEurofirst 100 (43)%; Dow Jones (34)%; Nikkei (44)%). The Vienna stock market took a particularly severe pounding due to the financial crisis and Austrian companies' significant exposure to emerging Europe, with the ATX plunging by 61% in 2008.

OMV share price performance and volume

Tough year for OMV shares

After a strong showing in 2007, OMV's share price performance was heavily negative in 2008, in line with domestic and emerging market trends, recording a 66% fall on the year. Taking the EUR 1.25 per share dividend paid on May 20 into account, stockholders suffered a 64% decrease in value in 2008. Our market capitalization was EUR 6 bn at year end. The total capitalization of all Austrian shares listed on the Vienna Stock Exchange shrank by 66% to EUR 52 bn. Negative sentiment, coupled with a dearth of significant new listings and secondary offerings resulted in a share turnover decline of 24% on the Vienna Stock Exchange, to EUR 143 bn. The volume of OMV stock traded dropped by over 20%, to EUR 15.5 bn. Our stock accounted for 11% of overall volume traded at the Vienna Stock Exchange.

Share price development (rebased to 100)



OMV share	ISIN: AT0000743059
Listings	Vienna, USA (ADR Level I)
Symbols	Vienna Stock Exchange: OMV Reuters: OMV.VI Bloomberg: OMV AV
ADR information	Sponsored Level I and Rule 144A, 1 ADR represents 1 share
Depositary	JPMorgan ADR Group 4 New York Plaza, 13th Floor New York, NY 10004, USA
Custodian	Bank Austria AG, Julius Tandler-Platz 3, 1090 Wien
Level I	OMVKY, CUSIP: 670875509 ISIN: US6708755094
Rule 144A	OMVZY, CUSIP: 670875301 ISIN: US6708753016
OMV bond	ISIN: AT0000341623
Duration, coupon	2003 to June 30, 2010; 3.75%

Approval by the Annual General Meeting

Decisions taken at the Annual General Meeting

The main items dealt with at the Annual General Meeting on May 14, 2008 were the approval of a dividend of EUR 1.25 per share for 2007 and of a new share buy-back program authorizing the repurchase of up to 10% of the shares in issue. The reason for the buy-back program is the intention to continue with the stock option program for management remuneration. The latter is designed to align management's interests with those of stockholders by giving it a substantial long-term stake in the success of the Company.

Employee bonus scheme and stock option plans

Under a further employee stock ownership plan, implemented in the fall of 2008, employees received one free share for every three purchased, subject to a two-year holding period. During the year 31,266 own shares were again resold to satisfy options exercised under existing plans (for details of the stock option plan see Note 27 or visit www.omv.com). At year end 2008, OMV held a total of 1,252,899 own shares, or 0.42% of the capital stock as a result of the latest buy-back programs. The number of shares in circulation was thus 298,747,101. The capital stock of OMV Aktiengesellschaft is exactly EUR 300 mn, divided into 300 mn bearer shares.

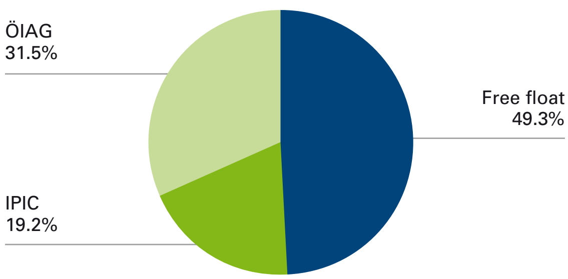
The Executive Board will be proposing a dividend of EUR 1.00 per share at the next Annual General Meeting, due to take place on May 13, 2009. This represents a reduction of 20% as compared to 2007, and reflects our conservative financial stance in today's highly challenging environment. The recommended dividend represents a payout ratio of 22%, and a dividend yield, based on the closing price on the last trading day of 2008, of about 5.3%.

Credit ratings

OMV received its first credit ratings by international rating agencies in September 2008. Moody's Investors Service assigned OMV an A3 senior unsecured issuer rating, and Fitch an A- issuer default rating, underlining our Group's strong credit profile. Both agencies gave their ratings "stable" outlooks.

Shareholder structure

Following an increase in the interest owned by International Petroleum Investment Company (IPIC), Abu Dhabi in October 2008, OMV's shareholder structure at year end 2008 was: 49.3% free float; 31.5% ÖIAG (representing the Austrian State); and 19.2% IPIC. Our capital stock consists entirely of common shares, and due to the application of the one-share one-vote principle there are no classes of shares that bear special rights. A consortium agreement between the two major stockholders, IPIC and ÖIAG provides for their coordinated behavior and restrictions on the transfer of shareholdings.



Petrom site visit and OMV Capital Markets Day

We held two major events for analysts and institutional investors in 2008. Petrom and OMV issued joint invitations to a two-day site visit in Romania at the start of June. The entire Petrom Executive Board gave presentations, and the 60 or so invitees were able to witness the progress made with restructuring during tours of oil fields and the Petrobrazi refinery. In November, the OMV Executive Board gave presentations on operational and strategic issues, and answered questions at a one-day event in London. Adjustments to the investment program in response to the current economic and financial situation were also outlined during this Capital Markets Day. For further details and the presentations given during the site visit and Capital Markets Day, please visit our website at www.omv.com > Investor Relations.

Investor relations activities

During the year the Executive Board and the Investor Relations team staged numerous roadshows in Europe and the US in order to maintain and deepen relationships with analysts and investors. A total of over 290 one-on-one meetings and presentations were held, attracting some 900 people. Executive Board members devoted around 300 hours to face-to-face conversations with investors and analysts. In the interests of transparency and timeliness, all important information and news for stockholders, analysts and bond investors is posted on our corporate website at www.omv.com.

Financial calendar	Date [1]
Q4 2008 trading statement	January 27, 2009
Results for 2008	February 25, 2009
Q1 2009 trading statement	April 17, 2009
Results for January–March 2009	May 8, 2009
Record date [2]	May 7, 2009
Annual General Meeting [3]	May 13, 2009
Ex dividend date	May 18, 2009
Dividend payment date	May 19, 2009
Q2 2009 trading statement	July 17, 2009
Results for January–June 2009	August 5, 2009
Q3 2009 trading statement	October 20, 2009
Results for January–September 2009	November 10, 2009
Results for 2009	February 2010

[1] Subject to final confirmation.
[2] Attendance of the AGM is conditional on the deposit of shares.
[3] Commencing at 2.00 p.m. at the Austria Center Vienna, Bruno-Kreisky-Platz 1, 1220 Vienna, Austria.

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To request quarterly and annual reports, please contact us or use the ordering service under www.omv.com.

At a glance					in EUR
	2008	2007	2006	2005	2004 [1]
Number of outstanding shares in mn [2]	298.75	298.73	298.71	298.68	298.65
Market capitalization in EUR bn [2]	5.59	16.56	12.84	14.78	6.62
Volume traded on the Vienna Stock Exchange in EUR bn	15.68	19.84	22.59	11.49	4.29
Year's high	57.80	55.42	59.86	52.89	22.45
Year's low	16.70	39.10	37.20	20.93	11.93
Year end [2]	18.72	55.42	42.99	49.50	22.17
Earnings per share	4.60	5.29	4.64	4.21	2.55
Book value per share	24.77	27.24	23.36	19.73	14.29
Cash flow [3] per share	10.76	6.92	6.80	7.06	3.86
Dividend per share	1.00 [4]	1.25	1.05	0.90	0.44
Payout ratio in %	22	24	23	21	19
Dividend yield in % [2]	5.34	2.26	2.44	1.82	1.96
Total shareholder return in % [5]	(64)	31	(11)	125	91

[1] Adjusted for the ten-for-one stock split. [2] As of December 31. [3] Net cash provided by operating activities. [4] Proposed dividend.
[5] Assuming no reinvestment of dividends.

Business environment

Serious deterioration of the world economy

The global financial crisis spread extensively in 2008, unleashing a dramatic wave of wealth destruction. The second half of 2008 witnessed a massive deterioration in the real **world economy**. Governments and central banks attempted to quell the crisis by stepping in with injections of liquidity and coordinated cuts in benchmark interest rates. The sharp setback to economic activity struck the OECD countries first, halving their average growth rate to 1.2%, and then spilled over to every other region in the world. Real global economic growth decreased to about 3%. Although the long commodity price bull market abruptly went into reverse, world trade volume expanded by 4%.

Economic crisis weakens growth of entire EU

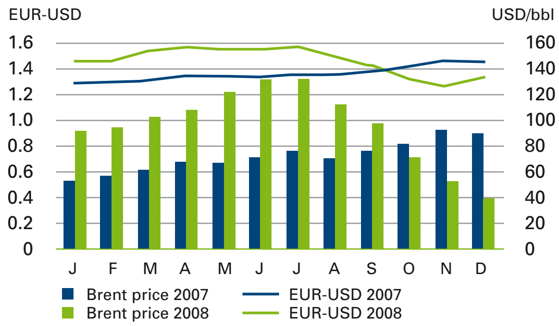
Most **European Union** member states felt the full force of the recession, and GDP growth across the region slipped below 1%. The credit shortage impacted the real economy especially corporate investment and private consumption. In **Germany** GDP growth dropped to 1.3%. Export industries were hit by faltering foreign demand, and private consumption stagnated. The downturn was somewhat milder in **Austria**, where real GDP grew by 1.7%, but the export and investment sectors – particularly buoyant in 2007 – rapidly lost momentum. The 12 **new EU member states** maintained their growth lead, recording an average 4.4% increase in GDP, but some countries were already sliding deep into recession. Shrinking foreign investment, tighter credit and currency depreciations exacerbated the fall in growth rates.

Romania achieved highest growth

Romania posted the fastest rate of economic growth in the enlarged European Union at 7.8%. Domestic demand and exports were again the main contributors to growth, rising by 10% and 14%, respectively. However, there was a severe slowdown in H2/08, accompanied by a high fiscal deficit and worsening financial market conditions.

The International Energy Agency puts **global oil demand** for the year at 85.8 mn bbl/d down by 0.2%. The main factor driving this trend was a 3.4% drop in industrial countries' demand. By contrast non-OECD consumption continued to expand, climbing by 3.7%. Global **oil output** rose by 0.9 mn bbl/d to 86.6 mn bbl/d. OPEC boosted its market share to 42.8%, producing 32.1 mn bbl/d of crude oil and 5.0 mn bbl/d of NGL. OECD oil production contracted by 2.6% and Russian output declined for the first time since 1996. Saudi Arabia, Iraq and Angola accounted for most of the overall increase in supply.

Crude price (Brent) and EUR-USD exchange rate



Crude oil prices set new records in quick succession up to the start of July 2008. Starting the year on USD 96/bbl, Brent blend broke through USD 100/bbl for the first time on March 1, 2008 and hit an all-time high of USD 144.22/bbl on July 3, 2008. Prices plummeted from mid-July onwards and by year end Brent had reached USD 36.55/bbl – a level last seen in July 2004. The average price for the year was 34% up on 2007 at USD 97.26/bbl. During H1/08 the expectation of unfettered demand growth in emerging countries with regulated energy prices and the dispute over Iran's nuclear program fed bullish market psychology. However, a fundamental shift in sentiment occurred during the summer, and from then on the massive deterioration in the economic outlook and the pessimistic oil demand forecasts were reflected in oil prices. OPEC production cutbacks failed to halt the slide.

Rotterdam product prices largely tracked crudes, but trends varied depending on product. The year-on-year increases in annual average prices of the main products on a euro basis ranged between 10–42%. The EUR-USD exchange rate averaged 1.47 over the year.

Preliminary estimates of **energy consumption in Austria** show a moderate gain of 1% to some 1,430 petajoules. Domestic gas demand climbed by 7% year on year to stand at 9 bcm. Domestic natural gas production was 1.5 bcm and met around one-sixth of demand. Net imports rose by 14%; part of the increase was attributable to rising inventories. At year end the underground storage facilities contained 3.3 bcm and were 80% full. This was sufficient to cope with the fortnight-long halt to Russian gas imports at the start of 2009 without imposing supply restrictions.

Petroleum product sales on markets served by OMV were up by some 3.2 mn t to 85 mn t. This marked gain was driven by a 2.1 mn t or 26% jump in demand for heating oil, a rise of 1.3 mn t or 4% in automotive diesel use and a rise of 7% in aviation kerosene sales. Gasoline sales dropped by 3%, extending the downward trend witnessed in recent years. The 6% fall in sales of heavy fuel oil was caused by lower power station use and industrial demand.

The Danube East sales region (Bulgaria, Moldova, Romania and Serbia) recorded overall demand growth of 5%. In Romania – the largest market in this region – robust demand for diesel (+15%) and aviation kerosene (+20%) was offset by declines of 5% in gasoline and 24% in heavy fuel oil demand.

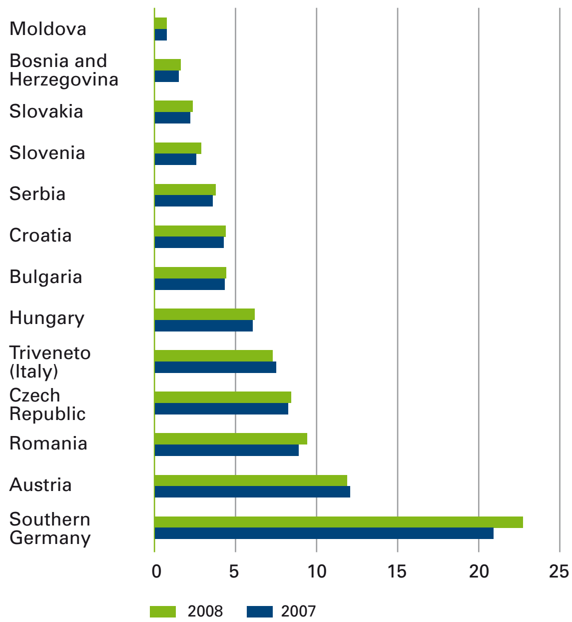
The 4% upturn in total sales in the Danube West region (Austria, Czech Republic, Germany, Hungary and Slovakia) was mainly propelled by gains of 36% and 27% in extra light heating oil sales in Germany and Austria respectively. In Austria, overall petroleum product sales volume was almost 1% down on 2007 at 11.9 mn t. Automotive fuel sales slipped – gasoline by 6% and diesel by 3%. Heavy fuel oil sales slumped by 20%.

Oil product demand in the Adriatic sales region (Bosnia and Herzegovina, Croatia, Italy and Slovenia) was up by 2%. The outstanding feature of the year was a 14% increase in diesel sales in Slovenia.

For the **polyolefin** market, 2008 was a year of price volatility and a sharp decline in sales during H2/08. Total European polyolefin sales volume was down by 7% year-on-year.

Declining sales of polyolefins

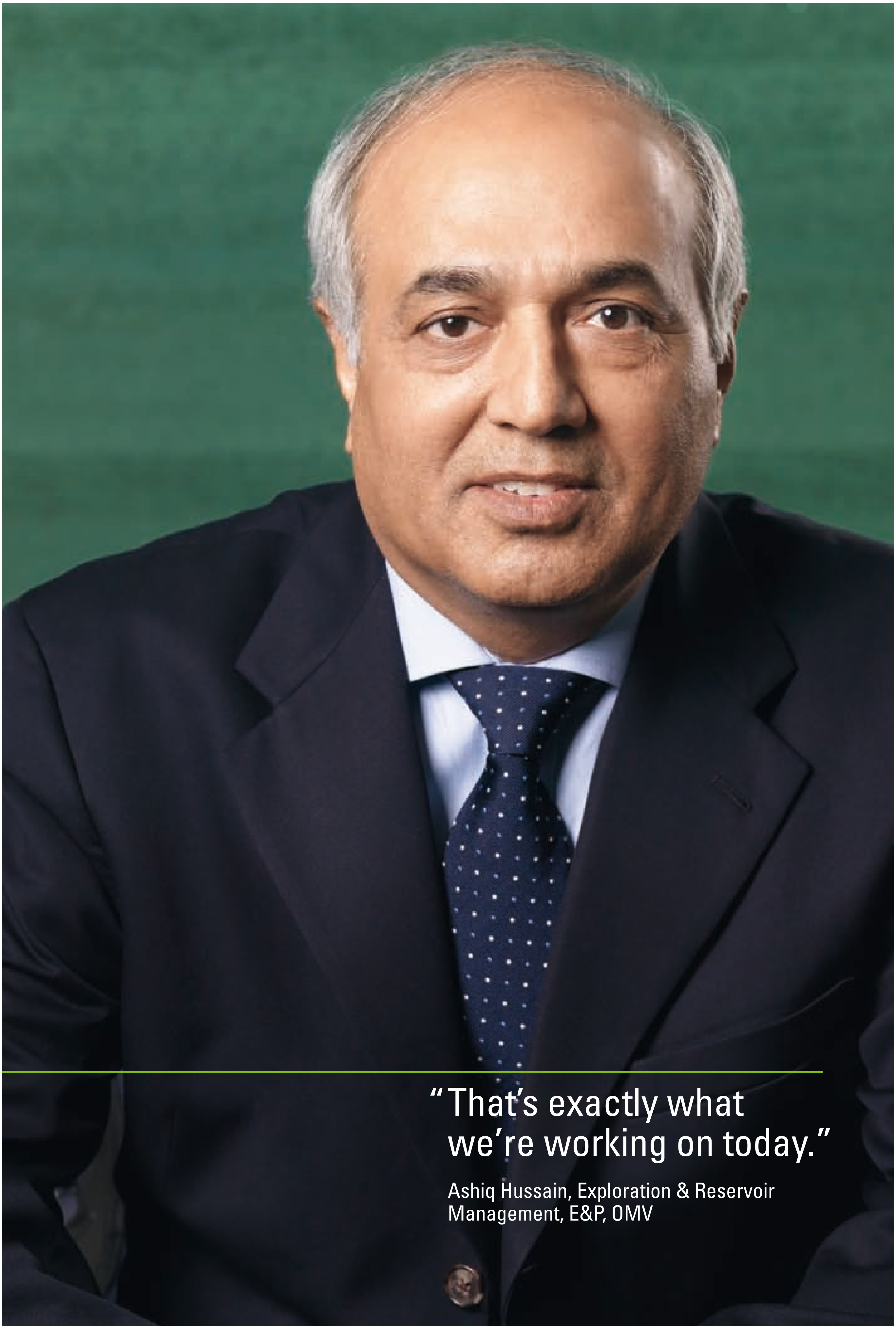
Consumption of oil products in mn t



ENERGY SUPPLY

"Who will make sure that there's enough energy for everyone by the time I grow up?"

Max Daichendt, aged 5


"That's exactly what we're working on today."
Ashiq Hussain, Exploration & Reservoir Management, E&P, OMV

Exploration and Production

The Exploration and Production (E&P) segment benefited from the favorable oil and gas price environment during 9m/08. This more than compensated for the negative effect of the slightly diminished production volumes in Romania, mainly attributable to reduced gas demand caused by shutdowns at important customers in the fertilizer industry, and in the UK, due to operational issues at Schiehallion as well as the sale of Dunlin.

Record result due to high prices

Strong results due to high price levels

EBIT increased by 20% to EUR 2,311 mn (thereof Petrom: EUR 821 mn) with higher oil and gas prices compensating for rising costs and slightly lower production levels. The Group's average realized oil price in USD increased by 35% and average realized gas price in EUR by 10%. Special items were mainly related to write-offs, personnel restructuring and litigation provisions. Excluding special items, clean EBIT increased by 32% to EUR 2,618 mn (thereof Petrom: EUR 1,119 mn).

Production slightly below previous year

Production of hydrocarbons was 115.9 mn boe (thereof Petrom: 71.1 mn boe), a 1% decrease compared to 2007. This equates to a production rate of 317,000 boe/d (thereof Petrom: 194,000 boe/d). Lower production volumes in Romania and the UK were largely offset by oil production increases at the fields in Yemen and Kazakhstan as well as higher production in Libya.

Industry-wide cost inflation

Production costs excluding royalties (OPEX) increased by 8% to USD 14.3/boe (2007: USD 13.2/boe). Three-year average finding costs rose to USD 6.0/boe (2007: USD 4.7/boe) due to industry-wide cost inflation and adverse exchange rate movements.

Exploration portfolio expanded

OMV recorded another year of exploration successes in Romania, Austria, Libya, Tunisia and the UK. Of 70 wells drilled (44 exploration wells and 26 appraisal wells), 29 resulted in discoveries, equating to a success rate of 41%. Extensive seismic data acquisition was carried out in Australia, Egypt, the UK, the Kurdistan Region of Iraq, Pakistan, Tunisia, New Zealand and Norway, significantly strengthening our exploration drilling portfolio for the next few years.

Proved hydrocarbon reserves as of December 31, 2008 were 1,206 mn boe (thereof Petrom: 872 mn boe) and proved and probable oil and gas reserves amounted to 2,032 mn boe (thereof Petrom: 1,399 mn boe). This resulted in a three-year average reserve replacement rate of 55% (three-year average in 2007: 46%). The reserve replacement rate for the Group for 2008 reached 91% (2007: 38%). In Romania, the reserve replacement rate increased to 71% in 2008 (2007: 38%), thereby already exceeding the target of 70% set for 2010.

In **Austria**, production decreased to 37,600 boe/d (2007: 39,200 boe/d) mainly due to the revamp of the Aderklaa sour gas processing plant which aims to increase its throughput in future. The Strasshof and Ebenthal gas fields were put on stream in Q3/08 and, since production commenced, has contributed an additional 3,000 boe/d to production volumes in H2/08.

In **Bavaria**, the Seeg-1 exploration well recorded hydrocarbon shows, albeit not commercially viable.

OMV and NAFTA a.s. started joint geological studies in the **Slovak** part of the Vienna Basin, where OMV acquired significant exploration acreage at the beginning of 2008.

At a glance

	2008	2007	Δ
Segment sales in EUR mn	5,089	4,247	20%
Earnings before interest and taxes (EBIT) in EUR mn	2,311	1,933	20%
Capital expenditure in EUR mn	2,328	1,364	71%
Production in mn boe	115.9	117.2	(1)%
Proved reserves as of December 31 in mn boe	1,206	1,216	(1)%

In the **United Kingdom**, production decreased to 7,800 boe/d (2007: 10,500 boe/d) mainly due to operational issues at Schiehallion and the sale of OMV's interest in the Dunlin field (divested in April 2008), but also due to natural decline. The Amos exploration well was completed with an oil discovery in April 2008. The Jackdaw appraisal well and a sidetrack confirmed the significant potential of the structure.

OMV strengthened its exploration portfolio in **Norway** by successfully bidding for one block as operator and acquiring an interest in a non-operated block, both located in the Norwegian Sea. Four out of OMV's six exploration licenses in Norway are OMV operated.

In **Libya**, production increased to 33,900 bbl/d (2007: 32,000 bbl/d). Development of NC186 and NC115 I and R fields led to first oil in June. In the same month, OMV signed an agreement with the Libyan National Oil Corporation (NOC) and Occidental Petroleum for the re-development of the giant 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, NOC, OMV, Repsol, Total and StatoilHydro, renewed the agreements for blocks NC186 and NC115 in the Murzuq Basin. The terms were amended to conform to EPSA IV standard and contract duration was also extended to 2032, including a five-year exploration period. In December, NOC approved the development plans for the NC186 J and K fields and the re-development plan for the OMV operated Shatirah field in NC163.

In **Tunisia** production increased to 9,000 boe/d (2007: 8,100 boe/d). OMV continued successful drilling in its operated Jenein Sud block, resulting in two further oil and gas condensate discoveries, Ahlem-1 and Sourour-1. To strengthen the exploration portfolio, an 80% operated interest was acquired from Thani Tunisia Sidi Mansour B.V. in the Sidi Mansour block in the Gulf of Gabes.

In **Egypt**, 1,500 km² 3D seismic in the offshore Block 11 (Obaiyed) was acquired.

Divestment of the interest in the Boquerón field joint venture in **Venezuela** was initiated and closing is expected in 2009.

In **Pakistan**, production decreased to 17,000 boe/d (2007: 18,300 boe/d). Appraisal of the two OMV operated gas discoveries in the Latif and Gambat blocks commenced in early 2008. OMV was successful in acquiring interests in four new non-operated exploration blocks.

In the **Kurdistan Region** of Iraq, 2D seismic was acquired in the two OMV operated exploration blocks Mala Omar and Shorish.

Stronger production in Yemen

In **Yemen**, drilling of new development wells and expansion of offloading facilities resulted in a further increase in gross production from the Habban oil field to 7,900 bbl/d, thereof 3,300 bbl/d net to OMV (2007: 1,700 bbl/d net to OMV).

OMV acquired 7,800 km of 2D seismic in four large deepwater blocks in **Australia**, located in the prospective Carnarvon Basin.

Start of production from Maari oil field in Q1/09

In **New Zealand**, production reached 13,100 boe/d (2007: 13,400 boe/d). Due to the overheated markets for equipment and services as well as bad weather conditions, start of production from Maari oil field was delayed to Q1/09. In addition, processing of 20,000 km of 2D seismic in three OMV operated deep water exploration licenses in the Great South Basin was completed.

Significant increase of reserve replacement rate in Romania

Petrom holds exploration licenses for 15 onshore and 2 offshore blocks in **Romania**, with a total area of approx. 55,000 km². Petrom operates 270 commercial oil and gas fields, which produced a combined volume of 188,500 boe/d (2007: 192,500 boe/d). Stabilization of oil production was achieved through improved drilling performance, well modernization and the application of new technologies to augment well productivity. Gas production was negatively affected by limitations in the gas transportation network and unplanned shutdowns by major customers in the fertilizer industry. Application of modern reservoir management and production technologies in addition to exploration discoveries yielded a reserve replacement rate of 71% in

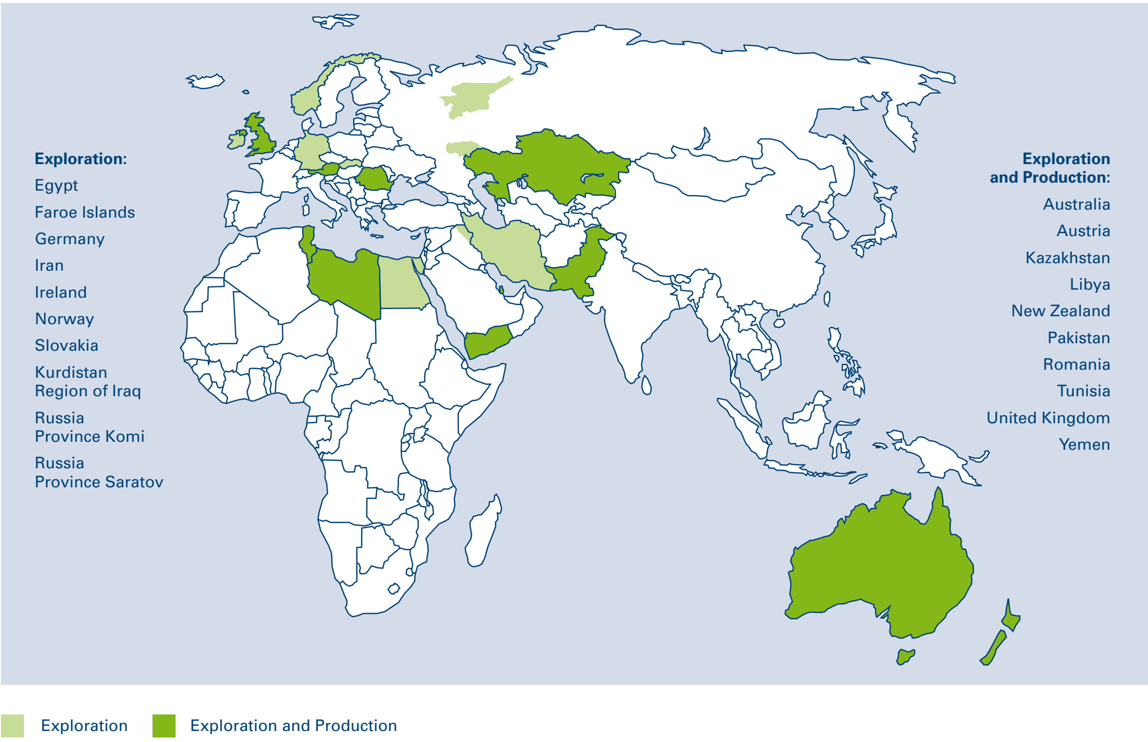
Romania (38% in 2007), achieving the 2010 target two years ahead of schedule. The well modernization program was also completed. 5,049 wells were renewed, generating positive effects on production cost, production volumes and operational safety. The program was rewarded with the Excellence Award by the International Project Management Association (IPMA) as the best project in Romania in 2008. Petrom has signed an important agreement with ExxonMobil to initiate a common exploration campaign for a deep offshore area in the Black Sea. Petromservice, acquired in February 2008, is being integrated into Petrom E&P to increase quality and operational efficiency as well as to reduce production costs. In-depth analyses of operations were conducted and 'quick wins' were realized.

In **Bulgaria**, OMV relinquished the Varna Deep Sea exploration block and closed its branch office.

In **Kazakhstan**, production increased to 5,700 boe/d (2007: 4,600 boe/d) due to infill drilling and successful well stimulations in the Tasbulat Oil Company fields (Tasbulat, Turkmenoi, Aktas). First oil from the Komsomolskoe onshore oil field is expected during H1/09. The first horizontal producer and vertical gas injector wells were finalized and drilling is ongoing for four additional horizontal producers. Infrastructure and pipeline construction were finalized and the central processing facility was at the stage of mechanical completion by the end of 2008.

Exploration work in the Saratov region in **Russia** continued in 2008 and approximately 1,500 km 2D seismic was acquired.

Worldwide exploration and production portfolio



Outlook for 2009

E&P production will increase as the Maari oil field (New Zealand) started with production in Q1/09 and Komsomolskoe oil field (Kazakhstan) will come on stream during H1/09. In addition, the Austrian gas fields Strasshof and Ebenthal, the Habban oil field in Yemen and the Mamu gas field and Delta oil field, both in Romania, will make positive contributions to production volumes. However, OPEC quotas will result in a lower production contribution from Libya. The first OMV operated exploration well in the Kurdistan Region of Iraq will be drilled in H2/09.

Focus on cost control

In total, OMV plans to drill about 40 exploration and appraisal wells. In Romania, the successful integration of the oil service business of Petromservice and the continuation of the Petrom turnaround program will be of major importance. The successfully completed well modernization program, the increase in operational efficiency coupled with streamlining of the organization will have a positive impact on operating costs for Petrom. The business focus will continue to be on strict cost control and project prioritization within E&P worldwide, with a view to tackling the volatile environment.

Production in 2008

	Oil and NGL		Natural gas		Total
	mn t	mn bbl	bcf	mn boe	mn boe
Austria	0.8	6.1	46.1	7.7	13.8
Petrom	4.8	34.4	198.3	36.7	71.1
Northwestern Europe	0.2	1.8	6.2	1.0	2.9
North Africa	2.1	15.7	0.0	0.0	15.7
Middle East	0.2	1.2	37.2	6.2	7.4
Australia/New Zealand	0.2	1.7	20.1	3.4	5.0
Total	**8.3**	**60.9**	**308.0**	**55.0**	**115.9**

Proved reserves as of Dec. 31, 2008

	Oil and NGL		Natural gas		Total
	mn t	mn bbl	bcf	mn boe	mn boe
Austria	7.3	51.4	494.0	82.3	133.7
Petrom	66.8	481.4	2,113.9	390.9	872.3
Northwestern Europe	1.8	13.8	28.5	4.8	18.6
North Africa	15.3	116.3	0.0	0.0	116.3
Middle East	1.8	13.3	105.1	17.5	30.8
Australia/New Zealand	2.7	20.1	83.6	13.9	34.0
Total	**95.7**	**696.4**	**2,825.2**	**509.4**	**1,205.8**

Refining and Marketing including petrochemicals

The results of the Refining and Marketing including petrochemicals (R&M) segment were impacted by substantial adverse inventory effects caused by declining crude prices in H2/08. However, the operating performance improved: Energy efficiency in the Petrom refineries further increased and margins on fuels as well as petrochemicals in refining west developed favorably. The extended petrochemical capacity of Burghausen added further benefit and the restructuring at the Bayernoil refineries was completed in 2008. The marketing business increased its contribution to the segment result in spite of fierce competition. A restructuring program for the OMV and Petrom filling station networks and rigorous cost-control programs increased efficiency and profitability.

Strong margins for fuels and petrochemicals

Earnings impacted by negative inventory effects and one-off charges

2008 was marked by contrasting fortunes for the crude oil price, with the latter reaching an all-time high in July followed by a four-year low in December, causing negative inventory effects of around EUR 300 mn, while margins on fuels and petrochemicals were favorable in 2008. The R&M segment was burdened by substantial one-off items, resulting in a negative EBIT of EUR (105) mn, which is well below the EUR 84 mn of 2007. At EUR 302 mn, clean EBIT is EUR 78 mn higher than in 2007. This figure excludes net one-off charges arising mainly from the impairment of the Arpechim refinery in Romania and restructuring costs relating to filling station networks as well as provisions for litigation in Petrom.

Negative impact of inventory effects

Despite overall increases in refining margins, caused by strong middle distillate prices, and slightly higher refinery utilization (up by 1% to 86%), earnings in refining decreased mainly caused by significant negative inventory effects as a result of the falling crude price, which declined by more than 60% during the year 2008. The refining EBIT of Petrom was additionally burdened by weak gasoline margins, which could not be offset by further improvement in own crude consumption rates (down from 12.5% in 2007 to 11.5%). The EBIT of the petrochemicals business in Austria and Germany more than doubled compared to 2007, as a result of higher capacity in the Burghausen refinery after integration of a metathesis unit was completed at the end of 2007, and higher olefin margins were realized as a consequence of declining naphtha prices in combination with quarterly in-advance fixed sales prices.

Marketing again posted a year-on-year increase in clean EBIT. By the end of 2008, the Petrom retail network comprised 819 sites and witnessed a further increased average annual throughput of more than 4 mn liters. While total retail margins slightly exceeded the 2007 level, commercial sales volumes and margins recovered from the low levels seen in 2007. Total marketing sales volumes increased by 8% compared to 2007.

Petrom benefiting from restructuring progress

The main focus of activities continued to be the integration and restructuring of Petrom. The turnaround in the marketing business was completed, with 2008 being the first year in which a positive EBIT contribution was made. In retail, the modernization of the filling station network in Romania was completed.

At a glance

	2008	2007	Δ
Segment sales in EUR mn	20,883	16,312	28%
Earnings before interest and taxes (EBIT) in EUR mn	(105)	84	n.m.
Capital expenditure in EUR mn	894	1,284	(30)%
Product sales by refining business in mn t	22.64	21.42	6%
Marketing sales volumes in mn t	18.45	17.09	8%

In Moldova, the remaining 35% of Petrom Moldova was acquired ensuring full control of the company. That business is now also being restructured.

In the commercial business, the main activities were the acquisition of an additional stake in Petrom Aviation (share increased from 48.5% to 69.4%) and the merger of the Petrom LPG activities into the LPG business, acquired from Shell Gas in 2007. The storage tank rationalization program is proceeding. By the end of 2008, two modern tank farms conforming to western standards are under construction and will be opened in 2010. Old terminals that have been shut down are being removed and the locations decommissioned.

Old equipment is also being removed at a site renewal project in the Petrobrazi refinery with soil decontamination and land recultivation schemes implemented, thus contributing to improved environmental and security standards. The FCC (fluid catalytic cracking) gasoline post-treater unit was completed in 2008 and will significantly enhance Petrom's capabilities for production of EU specification fuels. Progress was made on the Front-End Engineering and Design (FEED) phase for the major Petrobrazi repositioning investment during the year and the first long-lead items were ordered.

The strategic initiative to divest the Arpechim petrochemicals business was not completed due to the worsening economic environment in 2008. Due to the critical condition of the petrochemicals market, the operation of the steam cracker unit was halted in mid-November.

Restructuring investments in western refineries completed

In December, the restructuring of the refinery network Bayernoil 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 mn t to 10.3 mn t (of which OMV share is 45%). A new hydrocracker in Neustadt was also installed. These modernization measures contribute to the growing demand for middle distillates and will have a positive impact on efficiency.

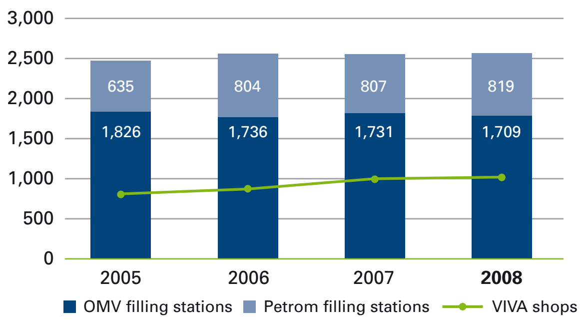
New thermal cracker in Schwechat

In Schwechat, the construction of a thermal cracker was completed and will start operations early in 2009. This investment allows OMV to increase residue conversion by enabling use of heavier crudes while increasing the proportion of higher quality products in the output mix. Additionally, one desulfurization unit was upgraded supporting the production of sulfur free products.

Annual refining capacities

	mn t
Refineries west	
Schwechat	9.6
Burghausen	3.6
Bayernoil	4.6
Refineries east	
Petrobrazi	4.5
Arpechim	3.5
Total	**25.8**

Number of filling stations and VIVA shops



Optimization of filling station network

Efficiency of marketing business increasing

Optimization and efficiency-enhancing projects in marketing again yielded in substantially increased contribution to EBIT. Network segmentation in retail resulted in divestment of inefficient filling stations in Austria and the withdrawal from non-core regions in Germany. The number of filling stations was therefore slightly reduced to 2,528 while the average throughput increased to 3.4 mn liters (compared to 3.1 mn liters in 2007). The roll-out of the VIVA convenience store concept was continued as planned. Shop sales again increased by more then 14% compared to 2007. In the commercial business, the sale of the heating oil end-customer unit in Germany and further streamlining of the customer base will lead to increased efficiency. In partnership with BP, a sulfur-free heating oil branded "Vitatherm" was successfully launched in autumn in Austria and Germany.

Petrol Ofisi operationally strong but negative FX effects

Extremely volatile year for Borealis

While the petrochemical industry witnessed a further rise in sales prices in the beginning of 2008, continuing the upward trend of previous years, in H2/08 the entire industry faced a dramatic and unprecedented drop in prices and volumes as a result of the financial crisis and its impacts on the global economy.

Cracker margins were very low in the first six months of the year, when crude and naphtha prices increased, while olefin prices – fixed at the beginning of a quarter – lagged behind. Cracker margins recovered by the second half of the year as a consequence of declining naphtha prices in combination with quarterly-in-advance fixed olefin prices, whereas the development of polyolefin margins worsened in the second half

Markets served by Refining and Marketing

of the year. At the end of 2008, polyolefin sales prices and volumes dropped sharply which led to further deteriorating margins for this product.

Borealis' melamine and fertilizer production achieved an all-time high level of profitability in 2008 despite some volatility particularly during Q4/08.

Borouge – a 40:60 joint venture between Borealis and the Abu Dhabi National Oil Company (ADNOC) – continued to perform extremely well during the year. In addition to the Borouge 2 project, a feasibility study was initiated for Borouge 3 to add an additional 2.5 mn t of capacity by 2014.

Highlights of Borealis' asset investment program in Europe were the inauguration of a 330,000 t polypropylene plant in Burghausen (Germany), the beginning of construction at a new polyethylene plant in Stenungsund (Sweden) and the groundbreaking for the expansion of Borealis' international innovation headquarters in Linz (Austria).

Record operating results for Petrol Ofisi mitigated by FX losses

During 2008, OMV raised its stake in Petrol Ofisi – the Turkish filling station and commercial market leader – to 42%. Thanks to above-average margins in its retail and commercial businesses as well as increased sales volumes over the previous year, Petrol Ofisi achieved its highest operating result ever. However, due to the sharp depreciation of the Turkish lira against the USD in 2008, Petrol Ofisi's contribution to OMV Group's financial income declined from EUR 104 mn in 2007 to EUR 10 mn.

Outlook for 2009

Refinery fuels margins are expected to weaken from 2008 levels and the petrochemical business is expected to suffer from reduced market demand and lower margins caused by the economic downturn. In Schwechat, the thermal gasoil unit will come on stream at the beginning of 2009, which will enable an increase in the share of heavy crude oil input and should also result in improvement of the product yield. No major shutdowns are planned in 2009.
The construction of the Ethylene Pipeline Süd (EPS) C_2 pipeline will continue and should be completed in 2010. The EPS will strengthen the petrochemical industry in Bavaria (Germany).
In Petrom, the restructuring of the refining business will proceed according to the plans earlier announced. Investments in the marketing business are focused on optimization and efficiency increase. Marketing sales are expected to fall slightly, with a decline in marketing margins.

Focus 2009 on further optimization and efficiency increase

Gas and Power

In 2008, the Gas segment was renamed Gas and Power (G&P) in recognition of our decision to enter the electricity generation business. Entry to the power generation market, thereby extending the gas supply chain, will be one of the main factors driving the development of G&P over the next few years, and will also play an important role in OMV's transformation into an integrated energy group.

Good financial year 2008

Segment EBIT was stable at EUR 245 mn (thereof Petrom EUR 30 mn). The contribution from the logistics business unit grew by about 38% as a result of the consolidation of the pipeline operation company Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H (from Q4/07 onwards), as well as increased total gas transportation sold and full storage capacity utilization. The supply, marketing and trading business unit was impacted by the severe oil price decline in H2/08 and the difficult trading conditions on international spot markets in 2008. Notwithstanding these adverse conditions, the supply, marketing and trading business delivered a solid contribution to G&P results. Total sales volume edged down due to declining demand in Romania, although EconGas posted higher sales volumes. Since the start of 2008, Petrom's Doljchim fertilizer plant has been included in G&P's segmental reporting; it made a negative contribution to EBIT of EUR 21 mn.

Further international projects

Extending G&P's footprint

After establishing a presence in Turkey and Azerbaijan in 2007, OMV also opened an office in Turkmenistan to represent the Group's interests in the Caspian Region in autumn 2008. Near the end of 2008, OMV joined forces with RWE Supply & Trading GmbH to form Caspian Energy Company Ltd. that will promote infrastructure solutions related to the Nabucco gas pipeline.

Supply, marketing and trading

Greater advantage is taken of synergies between the operating subsidiaries in the supply, marketing and trading business unit. Sales volume was only marginally lower at about 13 bcm despite increasingly difficult market conditions. In April 2008, OMV and Gazprom marked the 40th anniversary of the first Russian gas deliveries. The celebrations underlined the close cooperation that has been a feature of this long partnership.

EconGas

In 2008, EconGas positioned itself favorably in the main gas markets in continental Europe. Stepping up its trading activities is a key element in the company's expansion strategy and an important step towards further internationalizing its operations. However, it is not being distracted from the Austrian market, which gives it a strong base to build on. The success of the international expansion of EconGas policy is shown by the fact that exports now account for over one-quarter of its 7.5 bcm in sales. In 2008, trading via the Hungarian subsidiary occurred for the first time. During the year under review, EconGas also continued to invest in import diversification in the interests of supply security, so as to capitalize on demand growth and be more capable of riding out any supply disruptions. In 2008, preparations were also made to receive the first LNG delivery, destined for the Italian market, for the beginning of 2009.

At a glance

	2008	2007	Δ
Segment sales in EUR mn	3,798	3,096	23%
Earnings before interest and taxes (EBIT) in EUR mn	245	244	0%
Capital expenditure in EUR mn	243	155	57%
Natural gas sold in bcm	12.8	13.1	(2)%
Transportation capacity sold in bcm	66.3	64.3	3%
Storage volume sold in mn cbm	2,187	2,006	9%

Petrom

Despite the adverse conditions in the Romanian gas market created by plunging demand from the fertilizer industry, political and regulatory issues, rising import prices and the global financial crisis, Petrom succeeded in defending its strong position in 2008. Although total Romanian gas demand contracted by 5.4% year-on-year, totaling 14.6 bcm in 2008, Petrom's sales only declined by 4.5% to 5.02 bcm, and its marketing arm, Petrom Gas s.r.l., recorded increases in sales volume and market share. Producer gas prices, which are still regulated, were raised from RON 470 to RON 495/1,000 cbm in February 2008. However, the price fell by 14% in USD terms due to exchange rate movements. In spite of these challenges, well designed optimization programs and strict cost management delivered excellent results for the year.

International infrastructure projects aimed at safeguarding Europe's security of supply

The Austrian transport and storage activities are grouped in the logistics business unit. This is also responsible for three projects that are crucial to European gas supply security – the Nabucco gas pipeline and the Gate and Adria LNG terminals. During the year, we also commenced implementation of an international storage portfolio.

Nabucco gas pipeline project

The Nabucco gas pipeline is one of the most important European energy infrastructure projects under way at present. Its strategic goal is diversification of European gas supplies by tapping into the world's largest gas reserves. The planned 3,300 km pipeline would transport natural gas from the Caspian Region and the Middle East to Central Europe. A market survey carried out in 2008 indicated market demand of more than double the pipeline's planned rated capacity of 31 bcm/y. Nabucco is currently in the project development phase, with the start of construction scheduled for 2011 and commissioning of the first pipeline phase scheduled for 2014. In February 2008, a sixth member, RWE Supply & Trading GmbH, joined the Nabucco consortium, strengthening it considerably and greatly improving the project's chances of implementation. The year also saw the final decision on the regulatory exemptions for Austria and Hungary under the EU Gas Directive. Rulings by the Romanian and Bulgarian regulators are promised for H1/09. The European Commission is participating in talks on an inter-governmental agreement between the Nabucco countries, which have reached an advanced stage. Other planned milestones in 2009 are the marketing of the transportation capacity via an open season process, technical detail engineering, and the start of the social and environmental impact assessment.

Nabucco project of high importance for Europe

LNG business

Construction of the Gate LNG terminal in Rotterdam began on schedule in 2008. OMV holds a 5% interest in the terminal and EconGas has reserved 3 bcm/y of regasification capacity there. In 2008, E.ON became the fourth minority shareholder, leading to a decision to increase the terminal's capacity to 12 bcm/y. The facility is due to start operating in 2011. The Croatian government has confirmed the island of Krk as the location for the planned Adria LNG terminal in which OMV holds a 25.58% stake. Local partners are due to join the consortium in 2009. The terminal is scheduled to come onstream in 2014/15 at an initial capacity of around 11 bcm/y, to be raised to 15 bcm/y by subsequent expansion.

Progress in LNG projects

Secure long-term outlook for the transport and storage business

2008 was another good year for the transport and storage businesses operated by OMV Gas GmbH, a wholly owned subsidiary of OMV Gas & Power GmbH. In response to European efforts to enhance and harmonize transparency, a new definition of transmission volumes was introduced in 2008. This is based on the quantities delivered to other transmission or distribution system operators at the interconnection points. The volume of gas transported by our systems rose by 3% to 66.3 bcm in 2008. This increase was mainly driven by the expansion of the WAG pipeline and by the commissioning of the Eggendorf compressor station on the TAG pipeline. The 2007 long-term plan of the control

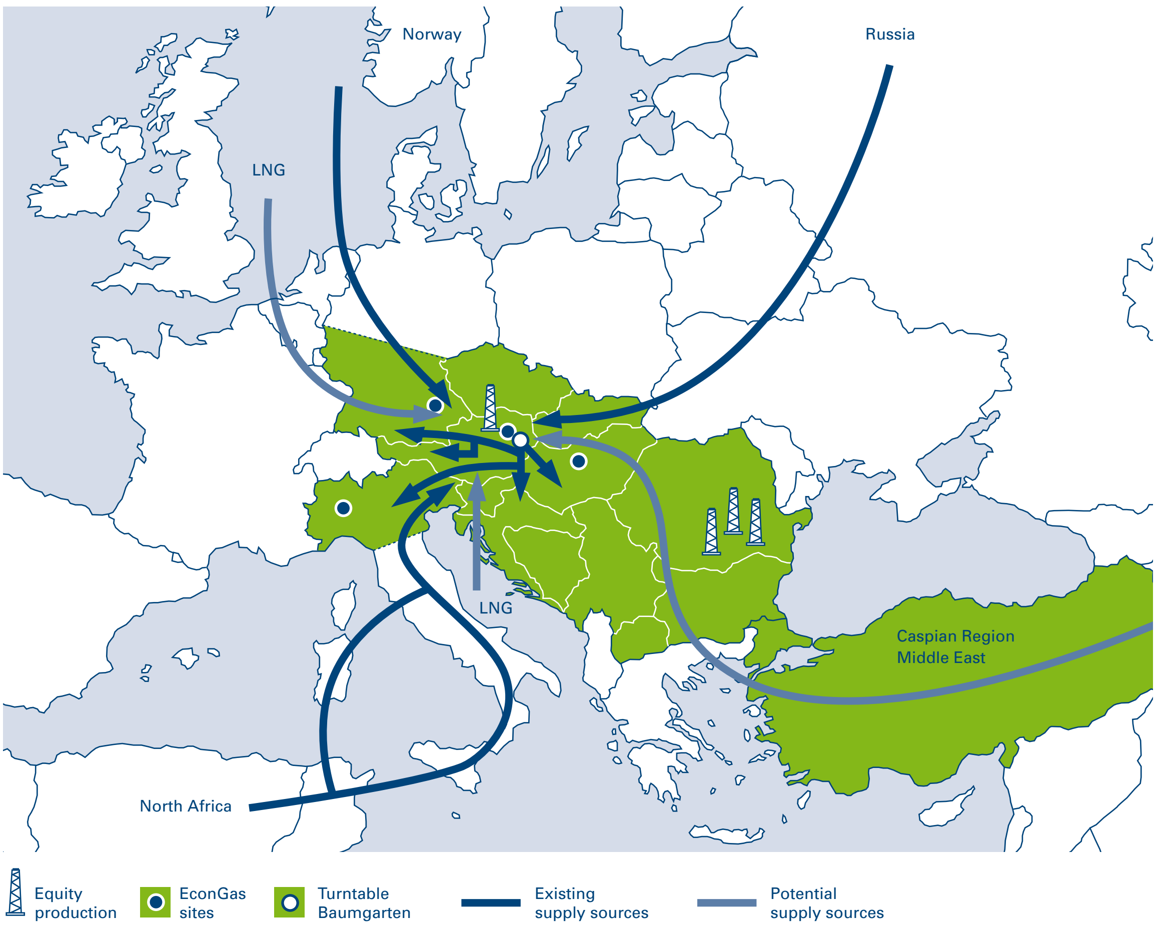
Further growth of G&P

area manager AGGM gives top priority to the Südschiene (southern corridor) project, aimed at underpinning supply security in Styria and Carinthia (Austria). As part of this project, which is crucial to supplies in the Eastern control area, in 2008 OMV Gas GmbH began laying the Baumgarten-Auersthal pipeline section, due for completion in 2011. Supply security concerns are reflected in the increased demand for our storage services. Storage capacity sales to Austrian and foreign customers were up by 9% on 2007 – which itself was a year of high capacity utilization – to 2,187 mn cbm. The trend towards contracts with long durations continued in 2008, signaling customers' desire to lock in what limited capacity exists in good time.

Powering ahead

In 2008, we made good headway with building an electrical power business. We are working to create additional value through forward integration of the existing value chain. The electrical power business will focus on fast-growing markets and offer potential synergies with other OMV operations. This strategic thrust is reflected in the addition of the new business unit Power to the Gas segment. OMV Power International GmbH, a wholly-owned subsidiary of OMV

Strong position of the G&P segment in the European growth belt



Gas & Power GmbH, is tasked with implementing the electrical power projects. Construction of the power plant at the Petrobrazi site in Romania is proceeding according to schedule. Other power plants projects, in Germany and Turkey, are on the drawing board, and renewable generation projects are currently being evaluated.

Developing the Central European Gas Hub (CEGH) into a gas exchange

Membership of CEGH grew again in 2008, from 64 to 80. This led to increased liquidity and propelled traded monthly volume to an all-time high of over 2 bcm in December 2008. The sixth auction held on behalf of EconGas under the gas release program again attracted strong domestic and foreign interest, and 250 mn cbm of natural gas was sold. Now with new shareholders on board, the company is working to turn CEGH into the leading gas hub in continental Europe. OMV, Gazprom, Centrex and the Vienna Stock Exchange will be collaborating to develop it into a true gas exchange.

Chemicals

In 2008, responsibility for the Doljchim fertilizer plant in Romania passed from E&P to G&P. During the year, production was affected by scheduled turnaround and some unplanned shutdowns. Financial performance was satisfactory in H1/08 due to strong product prices, but in H2/08 Doljchim was hit by lower prices and weaker demand as a result of the financial crisis, leading to production cutbacks and temporary shutdowns.

Outlook for 2009

Gas supply, marketing and trading is mounting a major drive to expand its international marketing and trading activities with a view to hitting its 18 bcm sales target by 2010. Key elements of this strategy are supply portfolio diversification and the conclusion of more long-term contracts. This depends on opening up new supply sources and LNG or pipeline routes. The focus is on the Caspian Region, the Middle East and North Africa. Another high priority is developing integrated projects with E&P to boost the proportion of equity gas in our long-term supply portfolio. In Romania, gas demand is expected to fall again, depressed by low fertilizer output. In the logistics business unit, the Austrian TAG and WAG pipeline expansion projects will continue in 2009; these should lift the quantity of gas transported to over 70 bcm by 2010. Completion of the Weitendorf compressor station on the TAG pipeline is scheduled for 2009. On the international front, the main milestone will be the marketing of Nabucco capacity via an open season process. This and the inter-governmental agreements that will establish the legal framework will open the way for the final investment decision. Meanwhile the Caspian Energy Company will launch the first studies on pipelines in Central Asia. Development of our new LNG business will be driven by aggressively pursuing the Rotterdam (Gate) and Krk (Adria LNG) regasification projects, and carrying out a detailed evaluation of the options for constructing liquefaction plants. CEGH will step up its cooperation with international brokerage and trading firms in order to increase liquidity, and will continue to work towards the development of a gas exchange in cooperation with the Vienna Stock Exchange. In 2009, the electrical power business will continue with the construction of the power plant in Romania. Work on the gas and electricity network connections is due to start during the year.

Several projects to strengthen business segment

OUTLOOK

“What will you focus on in 2009?”

Stefan Maxian, Equity Analyst, Raiffeisen Centrobank

"Implementing our strategy
in a challenging environment."

David C. Davies, Chief Financial Officer, OMV

Directors' report

Group financials			EUR mn
	2008	2007	Δ
Sales revenues	25,543	20,042	27%
Earnings before interest and taxes (EBIT)	2,340	2,184	7%
Net income before minorities	1,529	1,843	(17)%
Net income after minorities	1,374	1,579	(13)%
Cash flow from operating activities	3,214	2,066	56%
Capital expenditure [1]	3,547	4,118	(14)%
Employees as of December 31	41,282	33,665	23%

[1] Includes acquisitions as well as investments in associated companies and other interests; adjusted for additions which by definition are not considered as capital expenditure.

Record operating result despite challenging environment

OMV again delivered a record operating result in 2008. Compared to 2007, EBIT increased by 7% to EUR 2,340 mn, with high oil prices more than offsetting the weaker USD and substantial one-off special charges. Net special charges mainly related to provisions for litigations in Romania, the impairment of Arpechim and restructuring expenses in Austria, Germany and at Petrom. Net income including minorities was down by 17% on the previous year to EUR 1,529 mn, and net income after minorities declined by 13% to EUR 1,374 mn. The net financial result at EUR (31) mn came in considerably below previous year's level, mainly as a result of the weaker at-equity result and the weaker net interest result. The effective corporate tax rate was 34% in 2008 (2007: 24%). This sizeable increase is attributable to reduced profit contribution from net-of-tax at-equity and low-taxed Petrom incomes in relation to high-taxed E&P results. This effect is exacerbated by the new contracts in Libya which came into effect in H2/08. Return on average capital employed (ROACE) declined from 16% to 12%, return on fixed assets (ROfA) fell from 25% to 23%, and return on equity (ROE) also decreased from 19% to 16%. For definitions of these ratios readers are referred to the abbreviations and definitions on page 147 which are an integral part of the Directors' report.

Strengthened E&P portfolio

In the **Exploration and Production (E&P)** segment, the exploration portfolio was strengthened considerably by new exploration licenses in Norway, Pakistan, Tunisia and Slovakia. By signing new contracts with the Libyan National Oil Corporation the OMV Group strengthened its long-lasting engagement in this region and extended its access to the profitable onshore blocks in the Murzuk Basin until 2032. In addition, together with Occidental, OMV succeeded in signing agreements for the re-development of the giant oilfield Nafoora Augila and other oilfields in the prolific Sirte Basin. The Maari offshore oil field in New Zealand and the Komsomolskoe onshore oil field in Kazakhstan are in the final development stage. In Austria, Ebenthal and Strasshof went on stream and have been contributing to E&P's domestic gas production since August. In Yemen, Habban oil production was increased by drilling additional wells. OMV recorded exploration successes in Romania, Austria, Libya, Tunisia and the UK. In February 2008, the Romanian oil services business of Petromservice was acquired to enhance the quality and efficiency in Petrom's service business. The well modernization program at Petrom is completed with 5,049 wells modernized, reducing maintenance shutdowns from 20 per oil well per year to just 2.

In the **Refining and Marketing including petrochemicals (R&M)** segment, the main focus of investments was to finalize the modernization of the western refineries. In the Bayernoil refinery network (OMV share: 45%), restructuring was completed in Q4/08. The restructuring activities included the closure of the Ingolstadt refinery, leading to a reduction of the annual refinery capacity in Bayernoil from 12 mn t to 10.3 mn t, and the installation of a new hydrocracker in the Neustadt refinery. It enables an increase in the share of heavy crude oil input, and at the same time, an improvement in product yield by increasing middle distillates and reducing heavy fuel oil. In Schwechat, a further reduction of sulfur content in heating oil extra light down to 10 ppm was achieved by upgrading a desulfurization unit in Q2/08. Furthermore, the construction of a thermal cracker to extend residual conversion was completed. This enables the use of heavier crude oil and the production of higher quality products from Q1/09 onwards. The optimization of retail network, leading to divestment of tail end filling stations in Austria and the withdrawal from non-core regions in Germany, contributed to an increased efficiency in the marketing business. In the Romanian refineries a comprehensive modernization program is gradually being implemented resulting in first improvements of the yield structure. However, it is likely that larger earnings improvements will not become visible until the completion of extensive investments. In Petrobrazi, a new FCC gasoline post treater unit (fluid catalytic cracker) was technically completed in 2008 and will enhance Petrom's abilities to comply with European product specifications from Q1/09 onwards. In Arpechim, impairment of the book value of the fuels refinery was booked in Q3/08 to reflect its weak economic performance. Negotiations concerning the sale of the petrochemicals business are still ongoing. One success was the turnaround of the marketing business, with 2008 being the first year with positive EBIT contribution. The modernization of the retail network of Petrom is now fully completed resulting in a further increase in annual throughput per station to 4 mn liters.

In 2008, the stake held in Petrol Ofisi, Turkey's leading company in the retail and commercial business, was increased by a further 2.0% points to 41.6%.

In the **Gas and Power (G&P)** segment, a new loop "Kirchberg – Lichtenau" in the WAG pipeline and a compressor station at the TAG pipeline were completed and brought into operation according to plan, leading to an increased gas transportation capacity. In Romania, the progress of the first OMV gas-fired power plant at the Petrobrazi refinery is proceeding according to plan. In August OMV purchased a 60% stake in Borasco Elektrik. The latter will set up an 890 MW gas-fired power plant in Samsun on the Turkish Black Sea Coast.

High interest in Nabucco capacities

The Nabucco gas pipeline project is in the development phase in which all technical, legal, economic and financial issues are assessed. In preparation for the open season process, where binding bids for transportation capacities will be made by shippers, a market survey on a non-binding basis has been performed in 2008. This market survey clearly revealed that the demand for Nabucco capacity is such that Nabucco is more than 100% overbooked by potential shippers from day one on a long-term basis.

Earnings before interest and taxes (EBIT)

Earnings before interest and taxes (EBIT) [1]			EUR mn
	2008	2007	Δ
Exploration and Production (E&P)	2,311	1,933	20%
Refining and Marketing incl. petrochemicals (R&M)	(105)	84	n.m.
Gas and Power (G&P)	245	244	0%
Corporate and Other (Co&O)	(111)	(77)	44%
OMV Group	**2,340**	**2,184**	**7%**

[1] Consolidation adjustments as disclosed in the segment report of the Notes have been allocated to the segments.

E&P benefited from high price level

E&P EBIT increased by 20% to EUR 2,311 mn, mainly due to significantly higher prices, despite production volumes being slightly down and net negative FX effects. Total production of oil, NGL and gas fell by 1% to 317,000 boe/d. Oil and NGL production was 1% higher than in 2007 as increased production in Libya, Yemen, Kazakhstan and Tunisia more than compensated for shortfalls in the UK. Gas production fell by 4%. At Petrom, gas production was negatively impacted by well workovers, water influx in some wells as well as technical difficulties due to pipeline pressure. In 2008, non-recurring net expenses of EUR 307 mn were reported, mainly related to litigation provisions in Romania and impairments in Russia and Iran.

R&M EBIT impacted by one-offs

Despite considerable improvements in the marketing business and petrochemicals west, the reported **R&M** EBIT came in substantially below last year's level, mainly reflecting substantial net special charges and significant inventory losses in refining. The reported non-recurring net expenses of EUR 408 mn mainly related to litigation provisions in Romania, impairments of the Arpechim fuel refinery and of filling stations. Negative inventory effects could not be compensated by the 19% increase of the OMV indicator refining margin and higher refining sales volumes (up by 6%). The OMV indicator refining margin east, with a high proportion of own crude consumption in the calculation, showed a decline due to the high crude price environment experienced during 9m/08. Overall capacity utilization increased slightly to 86%. Volumes in the retail and the commercial business showed a positive trend. Margins in the retail sector improved slightly and margins in the commercial business recovered from the very low levels of 2007, especially in diesel and domestic heating oil.

G&P EBIT was EUR 245 mn at levels comparable to 2007. While the logistics business benefited from high storage demand, pipeline extensions and the consolidation of Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H., gas supply, marketing and trading was negatively influenced by lower volumes and difficult market conditions. Furthermore, the result was burdened by the inclusion of Doljchim fertilizer plant in G&P. In 2008, non-recurring net expenses of EUR 29 mn were recognized, mainly related to litigation provisions and the impairment of assets at Doljchim.

Expenses in the **Corporate and Other (Co&O)** segment increased by 44% to EUR 111 mn in 2008. This is mainly due to the fact that, starting in 2008, costs that relate to pure corporate functions at Petrom are reported separately in the Co&O line and are no longer absorbed by the operating segments.

Notes to the income statement

Summarized income statement			EUR mn
	2008	2007	Δ
Sales revenues	25,543	20,042	27%
Direct selling expenses	(238)	(216)	10%
Cost of sales	(20,704)	(15,953)	30%
Other operating income	278	212	31%
Selling and administrative expenses	(1,161)	(1,224)	(5)%
Exploration, research and development expenses	(348)	(237)	47%
Other operating expenses	(1,030)	(439)	134%
Earnings before interest and taxes (EBIT)	**2,340**	**2,184**	**7%**
Net financial result	(31)	228	n.m.
Taxes on income	(780)	(569)	37%
Net income	**1,529**	**1,843**	**(17)%**
Thereof attributable to minority interests	155	264	(41)%
Net income after minorities	**1,374**	**1,579**	**(13)%**

OMV is an integrated energy company. As oil produced by the E&P segment is either processed at Group refineries or – in large part – marketed by R&M (Supply & Trading), the R&M business segment represents the largest share of the Group's consolidated sales. The volatility in the main factors affecting profitability – crude oil prices and the USD – may cause considerable swings in sales and cost of sales, and the impacts on earnings are therefore difficult to predict. The order backlog is of relatively low importance to the oil business.

Compared to 2007, **consolidated sales revenues** increased by 27% to EUR 25,543 mn, mainly driven by the favorable market environment in 9m/08. Sales of the **E&P** segment increased by 20% to EUR 5,089 mn as a result of significantly higher oil and gas prices. After the elimination of intra-group transactions (mainly crude oil, partly gas) of EUR 4,066 mn, the contribution of the E&P segment to consolidated sales revenues was EUR 1,023 mn or about 4% of the Group's total (2007: EUR 853 mn or 4%). Consolidated sales in the **R&M** segment amounted to EUR 20,837 mn or 81% of total sales (2007: EUR 16,285 mn or 81%). **G&P** sales increased to EUR 3,798 mn (2007: EUR 3,096 mn), mainly caused by considerably higher gas prices and the inclusion of Doljchim fertilizer plant in the G&P segment. After elimination of intra-group sales to refineries, the G&P segment's contribution was EUR 3,675 mn or approximately 14% of total sales (2007: EUR 2,896 mn or 14%).

Over 50% of Group sales from Austria and Germany

Austria retained its position as the most important of the Group's **geographical markets** with sales of EUR 8,734 mn or 34% of the Group's total (2007: EUR 6,896 mn or 34%). Sales revenues in Germany increased from EUR 3,845 mn in 2007 to EUR 4,686 mn in 2008, representing a revenue contribution of 18% in 2008 (2007: 19%). In Romania, sales revenues also increased, amounting to EUR 3,801 mn or 15% of total sales (2007: EUR 3,154 mn or 16%). Sales in the Rest of Central and Eastern Europe were EUR 4,429 mn or 17% of Group sales (2007: EUR 3,339 mn or 17%), Rest of Europe accounted for EUR 2,765 mn or 11% (2007: EUR 2,022 mn or 10%). Sales revenues in the Rest of the World rose to EUR 1,127 mn, representing 4% of total sales (2007: EUR 787 mn or 4%).

Direct selling expenses increased by 10% to EUR 238 mn and mainly consisted of third-party freight-out expenses. **Cost of sales**, which included variable and fixed production costs as well as costs of goods and materials employed, increased by 30% to EUR 20,704 mn, primarily reflecting the high average price level in 2008. Largely driven by exchange gains, **other operating income** rose by 31% to EUR 278 mn.

Apart from exchange gains this item mainly comprised gains on the disposal of assets, income from insurance indemnifications and other compensations, subsidies, and licenses. **Selling expenses** of EUR 882 mn largely remained at last year's level, while **administrative expenses** were reduced by 14% to EUR 279 mn.

Exploration expenses rose by 51%

Exploration costs were up by 51% to EUR 334 mn, mainly due to increased exploration activities at Petrom, in North Africa, and in the Kurdistan Region of Iraq.

Research and development (R&D) expenses of EUR 14 mn were down by 12% compared to the previous year and chiefly related to the R&M segment.

Other operating expenses were up by 134% compared to 2007, amounting to EUR 1,030 mn. This large increase was mainly caused by the litigation provisions booked at Petrom, but also by higher costs for third party services, restructuring costs and foreign exchange losses.

Petrol Ofisi and Borealis contributed lower results

Net financial result showed an expense of EUR 31 mn (2007: income of EUR 228 mn). The reduction compared to the previous year was mainly due to a weaker income from associated companies (down by EUR 180 mn). Dividend income rose by EUR 38 mn, while net interest income developed unfavorably (drop by EUR 86 mn). **Income from associated companies** amounted to EUR 118 mn (2007: EUR 298 mn), with the recognized share of the Borealis group result accounting for EUR 91 mn (2007: EUR 186 mn) and the pro-rata result of the Turkish marketing company Petrol Ofisi accounting for EUR 10 mn (2007: EUR 104 mn). The result of Borealis was burdened by reduced market demand due to the global economic downturn and by stock revaluation effects, that of Petrol Ofisi by the depreciation of the Turkish lira against the US dollar. **Dividend income** was EUR 92 mn (2007: EUR 53 mn) and contained a dividend from the MOL investment at the amount of EUR 78 mn (2007: EUR 26 mn). **Net interest income** showed an expense balance of EUR 213 mn (2007: EUR 127 mn), the increase compared to the previous year being due to the higher gearing ratio.

Taxes on income increased by EUR 211 mn to EUR 780 mn compared to 2007. Current taxes on income were up by EUR 281 mn to EUR 837 mn as a result of E&P's strong profit performance. In 2008, **deferred tax income** of EUR 57 mn (2007: EUR 14 mn deferred tax expense) was recognized. The Group's **effective tax rate** increased by 10.2% points to 33.8% compared to 2007. This sizeable increase was mainly attributable to comparatively lower profit contribution from at-equity investments shown net of tax and low-taxed Petrom incomes in relation to high-taxed E&P results. This effect is exacerbated by the new contracts in Libya which came into effect in H2/08. As a consequence of the new contracts, the scope of accounting for EPSA contracts was extended. The taxes payable under certain EPSA contracts in the form of deliveries of crude are disclosed as taxes on income, so that revenues are grossed up. In addition, the lower effective tax rate in 2007 was also due to the one-off effect related to the tax rate change in Germany in 2007.

Capital expenditure

Capital expenditure [1]			EUR mn
	2008	2007	Δ
Exploration and Production	2,328	1,364	71%
Refining and Marketing incl. petrochemicals	894	1,284	(30)%
Gas and Power	243	155	57%
Corporate and Other	82	1,316	(94)%
Total capital expenditure	**3,547**	**4,118**	**(14)%**
+/– Changes in the consolidated Group and other adjustments	284	59	381%
– Investments in financial assets	(132)	(1,314)	(90)%
Additions according to statement of non-current assets (intangible and tangible assets)	**3,699**	**2,864**	**29%**
+/– Non-cash changes	(469)	(546)	(14)%
Cash outflow due to investments in intangible and tangible assets	**3,230**	**2,318**	**39%**
+ Cash outflow due to investments in securities, loans and other financial assets	389	1,419	(73)%
Investments as shown in the cash flow statement	**3,619**	**3,737**	**(3)%**

[1] Includes 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.

Strong increase in investment in E&P and G&P

Capital expenditure decreased to EUR 3,547 mn (2007: EUR 4,118 mn). Substantially lower CAPEX in Co&O and R&M were partly compensated by higher CAPEX in E&P as well as in G&P. CAPEX in 2007 had been exceptionally high due to the acquisition of an additional stake in the Hungarian oil and gas company MOL.

E&P invested EUR 2,328 mn (2007: EUR 1,364 mn) mainly in the acquisition of the oil service activities of Petromservice, field developments in Romania, Austria, the UK, Kazakhstan and New Zealand and signature bonuses agreed with the Libyan NOC for the oil fields NC115 and NC186 as well as for the Nafoora Augila oil field. Capital expenditure in the **R&M** segment amounted to EUR 894 mn (2007: EUR 1,284 mn), mainly related to investments in quality enhancement projects in Austria and Romania as well as the construction and remodeling of filling stations. The main focus of investment in the **G&P** segment (2008: EUR 243 mn; 2007: EUR 155 mn) related to investments in the construction of power plants in Brazi, Romania and Samsun, Turkey, and the WAG expansion project. Capital expenditure in the **Co&O** segment was EUR 82 mn (2007: EUR 1,316 mn, of which EUR 1,205 mn related to MOL).

The reconciliation of total capital expenditure to additions according to the statement of non-current assets (intangible and tangible) mainly relates to investments in financial assets, changes in the consolidated Group and additions which by definition are not considered as capital expenditure. The difference between the additions shown in the statement of non-current assets and the investments reported in the cash flow statement partly arise from investments in intangible and tangible assets that did not affect cash flows during the period (including liabilities arising from investments and capitalized borrowing costs). In addition, cash outflows due to investments in financial assets are included in the overall investments shown in the cash flow statement.

Balance sheet

Summarized balance sheet	2008	%	2007	% (EUR mn)
Assets				
Non-current assets	15,351	72	14,760	69
Intangible assets and property, plant and equipment	11,229	53	9,450	44
Investments in associated companies	1,955	9	2,126	10
Other non-current assets	2,167	10	3,184	15
Deferred tax assets	140	1	56	0
Current assets	5,884	28	6,434	30
Inventories	2,173	10	2,444	12
Trade receivables	2,000	9	2,409	11
Other current assets	1,712	8	1,581	7
Equity and liabilities				
Equity	9,363	44	10,340	49
Non-current liabilities	5,833	27	3,781	18
Pensions and similar obligations	932	4	923	4
Bonds and interest-bearing debts	2,526	12	916	4
Decommissioning and restoration obligations	1,679	8	1,556	7
Provisions and other liabilities	696	3	386	2
Deferred tax liabilities	363	2	308	1
Current liabilities	5,816	27	6,822	32
Trade payables [1]	2,141	10	2,573	12
Interest-bearing debts	1,607	8	2,515	12
Other provisions and liabilities [1]	2,069	10	1,734	8
Total assets/equity and liabilities	**21,376**	**100**	**21,250**	**100**

[1] Accruals for goods and services not yet invoiced, which were reported under other provisions and liabilities in 2007, are reported as trade payables (short-term) in 2008. The comparative figures for 2007 have been adjusted accordingly.

Total assets almost unchanged

Total assets grew slightly by EUR 126 mn to EUR 21,376 mn. The increase in non-current assets was primarily related to capital expenditure. The decline in current assets by EUR 550 mn can be mainly attributed to reduced crude and product prices which are reflected in lower inventory values and trade receivables.

Non-current assets grew by EUR 591 mn to EUR 15,351 mn, of which EUR 1,779 mn relate to the increase in **intangible assets and property, plant and equipment**. High additions to intangible assets and property, plant and equipment (EUR 3,699 mn) exceeded the total of depreciation and amortization as well as disposals by EUR 2,719 mn. The ratio of intangible assets and property, plant and equipment to total assets climbed from 44% to 53%.

Investments in associated companies declined by a total of EUR 171 mn, with positive results from associated companies – mainly from Borealis and Petrol Ofisi – as well as increases (Borasco, additional shares in Petrol Ofisi) being more than offset by strong reductions due to currency translation and disposals (Oberösterreichische Ferngas). **Other non-current assets**, which primarily comprise financial investments, securities and non-current receivables, declined by EUR 1,017 mn, with the downturn caused by lower MOL share prices being the most important factor.

Inventories fell by EUR 271 mn, primarily reflecting reduced cost of goods purchased. The decrease in **current trade receivables** of EUR 409 mn was compensated by a decline in **current trade payables** of EUR 432 mn. **Other current assets** rose by EUR 131 mn.

Equity (including minorities) declined by EUR 976 mn, leading to a reduction of the equity ratio from 49% as of December 31, 2007 to 44% at the balance sheet date. Net income and positive effects from hedges were offset by reductions caused by revaluations of securities, exchange rate differences and dividend distribution.

While **pensions and similar obligations** remained largely unchanged, the non-current **decommissioning and restoration obligations** rose by EUR 123 mn. Parameter changes and discount unwinding effects were the major factors responsible for this increase, which was partly offset by foreign currency translation effects.

Changes in **financing structure**, caused by a high level of capital expenditure, led to a net growth of short- and long-term borrowings and bonds of EUR 717 mn with a net increase in long-term borrowings of EUR 1,624 mn being partly offset by a reduction of short-term borrowings of EUR 907 mn.

Other provisions and liabilities went up by EUR 646 mn (of which EUR 335 mn were current).

Gearing ratio

High capital expenditure (mainly driven by substantial investments in property, plant and equipment as well as intangible assets) exceeded self-financing in 2008, leading to an increase in bank liabilities.

As of December 31, 2008, short- and long-term borrowings and bonds amounted to EUR 4,148 mn (2007: EUR 3,431 mn) while cash and cash equivalents as well as current securities accounted for EUR 700 mn (2007: EUR 978 mn) in total. **Net debt** thus increased by EUR 995 mn to EUR 3,448 mn (2007: EUR 2,453 mn). As at December 31, 2008, the **gearing ratio**, defined as net debt divided by equity, was 37% (2007: 24%). Part of this increase is due to the 9% reduction in equity compared to 2007.

Cash flow

The Group's cash flow statement is prepared using the indirect method, whereby adjustments are made for changes in the consolidated Group, foreign exchange differences and other non-cash transactions.

Strong operating cash flow

Cash flow from operating activities increased by EUR 1,148 mn or 56% from EUR 2,066 mn to EUR 3,214 mn. The reconciliation of net income for the year to cash flow from operating activities (before changes in working capital) resulted in a net upward adjustment of EUR 1,198 mn for 2008 (2007: EUR 828 mn). While depreciation and amortization added EUR 1,293 mn (2007: EUR 977 mn), deferred taxes contributed a decrease of EUR 57 mn (2007: upward adjustment EUR 23 mn) to the cash flow. Higher long-term provisions (including employee benefits, and decommissioning and restoration obligations) resulted in an increase of EUR 99 mn (2007: EUR 31 mn). Further increases were due to losses from the disposal of non-current assets of EUR 7 mn (2007: losses of EUR 17 mn). Write-ups of fixed assets and other non-cash items resulted in a decrease of EUR 144 mn (2007: EUR 220 mn). Other non-cash items include the shares of associates' results (less dividend payments), which amounted to EUR 59 mn (2007: EUR 208 mn).

Funds released from net working capital in 2008 amounted to EUR 487 mn (2007: funds tied up in working capital EUR 605 mn). Decreases in receivables and inventories led to an inflow of EUR 647 mn (2007: cash outflow of EUR 1,256 mn), whereas decreases in liabilities reduced funds by EUR 334 mn (2007: increase by EUR 553 mn). The increase in short-term provisions led to a cash inflow of EUR 175 mn (2007: EUR 98 mn).

Stable cash flow from investment activities

Investment cash outflows for non-current assets of EUR 3,619 mn (2007: EUR 3,737 mn) were partly offset by inflows of proceeds from the sale of non-current assets amounting to EUR 267 mn (2007: EUR 126 mn). Acquisitions of consolidated subsidiaries less cash acquired caused cash outflows of EUR 356 mn, whereby purchase price payments for acquisitions and increases in interests of EUR 358 mn were partly offset by cash inflows due to the full consolidation of subsidiaries formerly accounted for at-equity (2007: cash outflows of EUR 4 mn). Proceeds from the sale of Group companies less cash and cash equivalents held were EUR 25 mn (2007: EUR 16 mn). **Net cash outflow from investment activities** totaled EUR 3,404 mn (2007: EUR 3,573 mn).

In 2008, the Company repurchased some of its own shares, which led to a cash outflow of EUR 0.5 mn (2007: EUR 65 mn). The Group received EUR 755 mn from the net increase of short-term and long-term borrowings (2007: EUR 1,212 mn). Cash outflows for dividend payments amounted to EUR 547 mn (2007: EUR 487 mn), of which EUR 373 mn (2007: EUR 312 mn) were paid to OMV shareholders and EUR 174 mn (2007: EUR 175 mn) to minority shareholders of subsidiaries. **Net cash inflow from financing** activities amounted to EUR 209 mn (2007: EUR 660 mn).

Improved risk awareness and risk diversification

Risk management

OMV is an integrated multinational energy group. Its operations extend from hydrocarbon exploration and production and processing through to trading and marketing of mineral products and gas. In common with the entire oil and gas industry, OMV is exposed to a variety of risks – mainly market risk, but also operational, strategic, regulatory, political, as well as hazard risks. OMV takes the view that due to its substantial diversification and the embedded, although unpredictable internal hedge quality, overall risk is significantly reduced. In particular, risks in the R&M business are naturally hedged by opposing trends in oil and gas production. However, the balancing effects of opposing industry risks often lag or can weaken. Therefore, OMV's risk management activities focus on the group-wide net risk exposure of the existing and future portfolio. Risk management is centrally coordinated by Group Treasury.

The overall objective of the risk policy is to safeguard the cash flows required by the Group for growth and to maintain a strong investment grade credit rating. New business strategies and the associated risks are also monitored with respect to rating implications. Risk policies are reviewed twice a year by the Executive Risk Committee.

The main purpose of the Enterprise Wide Risk Management (EWRM) is to enhance risk awareness and risk governance. Thorough assessment of risk should support the exploitation of business opportunities in a systematic manner in order to ensure sustainable growth in OMV's value. Since 2003, the EWRM system has helped to enhance risk awareness and risk management skills across the entire organization, including subsidiaries in approximately 20 different countries.

An electronic risk monitoring system is used to assess, prioritize and monitor all significant risks, and the potential impact of key risks. Additionally, the system is used to record recent developments and actions taken. Overall risk is computed with the aid of a simulation model and put in relation to equity cover according to the target in order to have a strong investment grade rating. Reports on the findings of the EWRM process, together with risk reports from material associated companies, are submitted to the Executive Board twice a year. In compliance with the Austrian Code of Corporate Governance, the effectiveness of the EWRM system is evaluated by the auditor on an annual basis. The key non-financial and financial risks identified in respect of OMV's medium-term plan are: Market price risks, legal and compliance risks, liquidity risk, business process risks, foreign exchange risks (particularly relating to the USD, RON, TRY and HUF), personnel risks as well as hazard risks.

Although OMV has extensive experience of the political environment in CEE and in its core oil and gas production areas, political developments in all markets where OMV operates are kept under constant observation. Furthermore, country-specific risks are assessed before entering new countries. A group-wide environmental risk reporting system is used to evaluate existing and potential obligations. Risks related to the EU Emission Trading Scheme are separately recorded, aggregated for the Group as a whole, and monitored by a joint operating committee (Carbon Steering Committee) on an ongoing basis. The respective risks are evaluated in the business segments. The Group portfolio is analyzed and assessed by Corporate Carbon Management. Through systematic staff succession and development planning, Corporate Human Resources plans for suitable managerial staff to meet future growth requirements in order to mitigate personnel risks.

The control and mitigation of identified and assessed risks take place at all organizational levels using clearly defined risk policies and responsibilities. Most risks are managed locally in the business units. However, the management of some key risks is governed by Corporate Directives, for example those relating to health, safety, security and environment, legal matters and compliance, human resources, corporate social responsibility with a focus on human rights and market price risks.

The analysis and management of the financial risks arising from foreign currencies, interest rates, commodity prices, counterparties, pensions and CO_2 emissions, liquidity as well as insurable risks are undertaken in a consolidated way in Group Treasury.

The central market price risk is monitored and analyzed as to the potential cash flow impact using a specific risk analysis model that considers portfolio effects. Results of the risk analysis are discussed by the Operating Committee comprising senior management of the business segments and corporate functions. Proposals for hedging strategies are submitted to the Executive Board for approval.

The key foreign currency risks are associated with the fluctuations of the USD against the EUR and RON. The Group has a net USD long position resulting mainly from sales of oil and gas production. Their effects on cash flow and/or the balance sheet (translation risk) as well as the correlation with the oil price are also regularly analyzed. Translation exposure also arises from investments in Turkey and Hungary.

To protect the Group's cash flow from the adverse impact of falling oil prices, derivative instruments have been used to hedge the proceeds from 65,000 bbl/d in 2009. To achieve this goal, put spreads were used, where a price floor of USD 80/bbl is secured as long as the oil price is above USD 65/bbl. In case the oil price is below USD 65/bbl in 2009, the hedge pays 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 be able to profit from oil prices above approximately USD 110/bbl in 2009 for the above stated volume. In addition, OMV entered USD hedges for an exposure of USD 1 bn for 2009, to secure the cash flow and reduce the impact of EUR-USD exchange rate movements. OMV is therefore only exposed to exchange rate movements within the range of EUR-USD 1.32 to 1.15 for the stated volume.

Use of hedging instruments for 2009

To balance the Group's interest rate portfolio, some USD and EUR denominated loans were converted from fixed to floating rates, according to predefined rules. The credit risk associated with the Group's principal counterparties continues to be managed on the basis of country and bank limits: Risks related to banks and financial institutions as well as key trading counterparties are managed by Group Treasury while all other counterparty risks are managed on a business segment level.

Health, safety, security and environment

Increase of HSE awareness in Romania, however, rising incident rates

Enhancing HSE awareness, especially at Petrom, continued to be a top priority in 2008. Over 250,000 hours of HSE training were given (2007: 330,000), more than two-thirds of them in Romania.

Despite of huge efforts in order to strengthen the HSE culture and especially safety awareness, the number of severe incidents in OMV Group stepped up significantly in 2008 (compared to 2007). The lost time incident rate (LTIR) for own employees increased to 0.91 (2007: 0.65) per million hours worked, while it decreased to 0.92 (2007: 1.24) for contractors. The total recordable incident rate (TRIR) was 2.17 (2007: 1.56) per million hours worked for own employees and 1.73 (2007: 2.05) for contractors in 2008. Seven (2007: three) Petrom employees and nine (2007: eight) contractors – thereof five (2007: five) in Petrom – died as a result of work-related accidents, twelve (2007: three) of them in road accidents. The Group fatal accident rate was 9.39 (2007: 4.54) per 100 million hours worked for own employees and 9.64 (2007: 9.22) for contractors. Severe road accidents, especially in Romania and in some countries outside Europe, represent a high risk for the safety of OMV and Petrom employees. Thus, specific road safety programs will be in the focus of safety management in the future.

Formulation of a carbon strategy

The Group recorded a total of 12 significant hydrocarbon spills (>1,000 liters) and 1,689 minor releases during the year (2007: 14 and 870 respectively). In 2008, OMV Group formulated a carbon strategy, aimed at reducing greenhouse gas emissions and de-carbonizing the product portfolio. Petrom continued to focus on compliance with national and EU regulations in the area of HSE.

In October, major fire incidents occurred at the Schwechat and Arpechim refineries. There were no injuries and no danger was posed either to the environment or the local community.

Information required by § 243a Unternehmensgesetzbuch (Austrian Commercial Code)

The following information is disclosed according to § 243a Unternehmensgesetzbuch (Austrian Commercial Code):

1. The capital stock is EUR 300,000,000 and is divided into 300,000,000 bearer shares of no par value. There is only one class of shares.

2. There is a consortium agreement between the two core shareholders International Petroleum Investment Company (IPIC) and Österreichische Industrieholding Aktiengesellschaft (ÖIAG) which provides for coordinated behavior and certain limitations to transfers of stockholdings.

3. ÖIAG holds 31.5% and IPIC holds 19.2% of the capital stock.

4. All shares have the same control rights.

5. Employees who are shareholders directly exercise their voting right at the Annual General Meeting.

6. The Company's Executive Board must consist of between two and six members. Candidates who would complete their final term of office after reaching the age of 65 may not be appointed. The Company's Supervisory Board must consist of at least six members elected by the General Meeting and of the members nominated under section 110 (1) Arbeitsverfassungsgesetz (Austrian Labor Constitution Act). Members of the Supervisory Board must not be over 65 years of age at the time of their election. To approve capital increases pursuant to section 149 Austrian Stock Corporation Act and alterations of the articles of association (except those concerning the Company's objects), simple majorities of the votes and capital represented in the taking of the resolution is sufficient.

7. a) The Executive Board has been authorized by resolution of the Annual General Meeting held on May 24, 2007, to increase, subject to the consent of the Supervisory Board, the capital stock of the Company by May 23, 2012, in one or more tranches, by an aggregate amount not exceeding EUR 36.35 mn by issuance of up to 36,350,000 new common shares in bearer form against cash or contributions in kind, also to the exclusion of shareholders' rights of subscription in the event of contributions in kind and, subject to the consent of the Supervisory Board, to set the issue price and conditions of issuance (authorized capital).

   b) The capital stock has been conditionally increased by EUR 36.35 mn under section 159 (2) (1) Austrian Stock Corporation Act by issuance of up to 36,350,000 common shares in bearer form (conditional capital). The conditional capital increase will only be carried out if holders of the convertible bonds issued on the basis of the Annual

General Meeting resolution held on May 24, 2007, exercise their right to convert them into the Company's stock.

c) The total number of new shares currently or potentially to be issued under the terms of the convertible bonds and the number of shares to be issued from the authorized capital may not exceed 36,350,000 (amount-related determination of authorizations in accordance with paragraph a and b), whereby the conversion right of the holders of the convertible bonds must be granted in every case.

d) The Annual General Meeting on May 14, 2008 authorized the Executive Board to repurchase own shares up to the maximum legally permitted (currently 10% of capital stock), during a period of 18 months from the day of the resolution in question. Own shares can be used to satisfy stock option plans or can be sold at any time via the stock exchange or by way of public offering.

8. According to the shareholders' agreement between OMV and Dogan Sirketler Grubu Holding A.S. (Dogan) regarding Petrol Ofisi A.S., the respective other party is, in the event of a change of control either in OMV or in Dogan to defined strategic acquirers (i.e. if the acquirer has to fully consolidate OMV or Dogan according to IFRS or exercises control by means of equal rights jointly with a third party) up to May 16, 2016, entitled to acquire 34% of the shares of Petrol Ofisi at a price based on an agreed formula, thus terminating the shareholders' agreement.

9. There are no agreements between the Company and members of the Executive Board and Supervisory Board or employees regarding the payment of compensation in the event of a public takeover bid.

10. The most important elements of the internal control and risk management system regarding the accounting process are: Minimum standards for the internal control system are defined by an internal Corporate Guideline. Corporate Internal Audit controls the compliance with these standards through regular audits of individual group companies and informs the supervisory board about the results of the audits performed. The establishment of group-wide standards for the preparation of annual and interim financial statements by means of the corporate IFRS Accounting Manual is also regulated by an internal Corporate Guideline. The group uses a comprehensive risk management system. The essential processes of the financial reporting system have been identified and analyzed. The effectiveness of these processes is evaluated based on a rolling time schedule and benchmarked against best practice (e.g. derivatives, debtors management). The risk management system is included within the regular audit scope of the auditors. The results of the audits performed are reported to the audit committee.

Outlook for 2009

Highly volatile environment expected

For 2009, we expect the main market drivers (crude price, refining margins and the EUR-USD exchange rate) to remain highly volatile. Despite the significant drop in the oil price – from a record USD 144/bbl level for Brent in July 2008 to around USD 40/bbl at the beginning of 2009 – we expect crude oil prices to stabilize in H1/09 and to recover slightly in H2/09. The Brent-Urals spread should narrow compared to the 2008 average level.

The average EUR-USD exchange rate for 2009 is expected to be highly volatile, overall we are expecting a weaker EUR compared to the average 2008 level. Based on the recent weakness of several CEE currencies we expect a highly volatile but overall decreasing RON versus the USD and the EUR compared to 2008 average levels.

The current downturn in the global economy is expected to lead to a slowdown in growth rates in OMV's relevant markets. Refinery fuels margins are expected to weaken from the 2008 level and the petrochemicals business is expected to suffer from reduced market demand and lower margins caused by the economic downturn. Marketing sales volumes are expected to decline slightly and marketing margins are expected to be lower.

Investment projects screened, prioritized and reduced

OMV as an integrated energy company with low leverage has the financial strength to withstand the impact of a weaker economic environment. With its strong operating cash flow and solid financial structure, OMV is well positioned to cope with the challenges and opportunities of the current market. The Group's planned investments are screened and prioritized to reduce CAPEX to levels reflective of the current challenging environment.

To protect the Group's cash flow from the potential negative impact of falling oil prices, derivative instruments have been used to hedge earnings in the E&P segment (for more details refer to the "Risk management" section). These hedging instruments acquired in 2008 are mostly classified as hedge accountable, therefore most of the income statement effect will be recorded in 2009.

Increase in production in E&P due to new field developments

In **E&P**, production is expected to increase due to new fields coming on stream in 2009. The oil fields Maari in New Zealand and Komsomolskoe in Kazakhstan are expected to start production in H1/09. In addition, the Austrian gas fields Strasshof and Ebenthal, put on stream in Q3/08, as well as drilling in the Mamu gas field and the development of the Delta oil field in Romania will contribute positively to production. On the other hand, OPEC quotas will lead to a lower production contribution from Libya than in 2008. In Romania, the further integration and restructuring of the oil services business of Petromservice, acquired in February 2008, will be one of the key activities. The successfully completed well modernization program, the increase in operational efficiency and streamlining of the organization will positively influence the operating costs of Petrom in 2009. The business focus will further be on tight cost control and project prioritization within E&P to tackle the volatile environment.

In the **R&M** segment, the thermal gasoil unit in Schwechat will come on stream in Q1/09, which will enable an increase in the share of heavy crude oil input and, at the same time, an improvement in the product yield. No major shutdowns are planned in the refineries. In 2009, the construction of the Ethylene Pipeline South will be continued and should be completed in 2010. This pipeline will strengthen the petrochemical industry in Bavaria (Germany). In Petrom, the restructuring of the refining business will proceed according to the communicated plan. Investments in the marketing business are focused on optimization and efficiency increases.

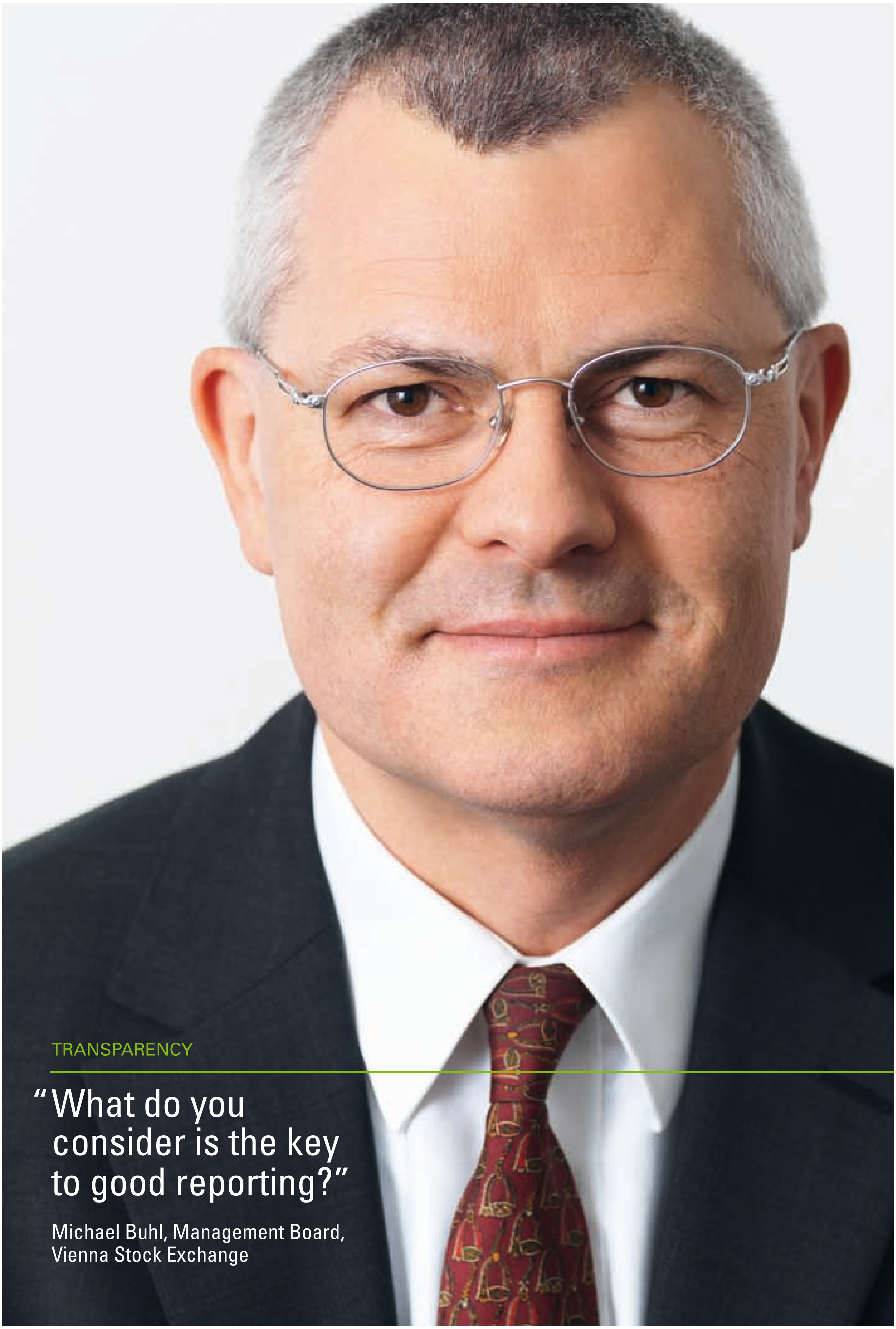
In the **G&P** segment, strong focus will remain on the enhancement of its sales activities through increasing market penetration as well as on increasing trading activities at European gas hubs via EconGas. In Romania, the tendency of declining gas consumption is expected to continue in 2009 due to lower demand mainly from the fertilizer industry. In order to strengthen the position of OMV's gas business in Europe, diversification of long-term supply will be pursued in respect of accessing new supply sources – be it via pipeline or LNG. For the Nabucco gas pipeline project an open season process is planned in 2009, which should lead to the first binding transport contracts. Major milestones for the Gate LNG terminal in Rotterdam are the construction of the outer LNG tanks and the jetty substructure. For the Adria LNG project in Croatia, the Combined Risk Assessment, the Environmental Impact Study and the Front End Engineering and Design award process are to be completed in 2009. Further extension of the WAG gas pipeline will continue, aiming to increase the transport capacity by 2011. The construction of the power plant at Brazi in Romania continues according to plan.

Vienna, March 25, 2009

The Executive Board

Wolfgang Ruttenstorfer | Gerhard Roiss

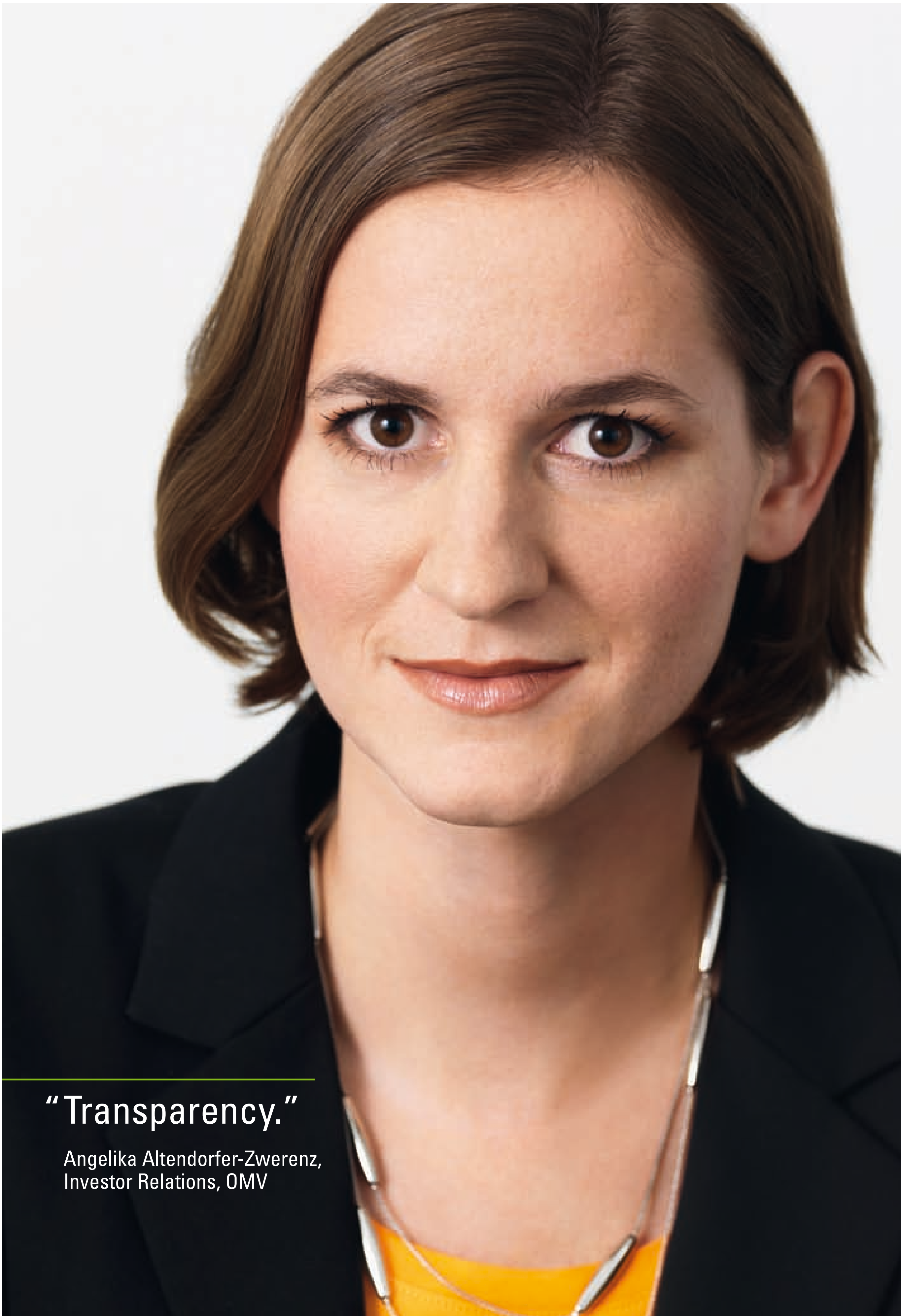
Werner Auli | David C. Davies | Helmut Langanger



TRANSPARENCY

"What do you consider is the key to good reporting?"

Michael Buhl, Management Board,
Vienna Stock Exchange



"Transparency."

Angelika Altendorfer-Zwerenz,
Investor Relations, OMV

Auditors' report
(report on the consolidated financial statements)

We have audited the accompanying consolidated financial statements of OMV Aktiengesellschaft, Vienna, for the financial year from January 1, 2008, to December 31, 2008. These consolidated financial statements comprise the consolidated balance sheet as of December 31, 2008, and the consolidated income statement, statement of changes in stockholders' equity and cash flow statement for the year ended December 31, 2008, and a summary of significant accounting policies and other explanatory notes except for Note 34 "Supplementary oil and gas disclosures (unaudited)".

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: Designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. Based on the results of our audit, in our opinion the consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2008, and of its financial performance and its cash flows for the financial year from January 1, 2008 to December 31, 2008, in accordance with International Financial Reporting Standards as adopted by the EU.

Report on other legal and regulatory requirements

Laws and regulations applicable in Austria require us to perform audit procedures to determine whether the consolidated management report is consistent with the consolidated financial statements and whether the other disclosures made in the consolidated management report do not give rise to misconception of the position of the Group. In our opinion, the consolidated management report for the Group is consistent with the consolidated financial statements.

Vienna, March 25, 2009

Deloitte Wirtschaftsprüfungs GmbH

Walter Müller m.p. Certified Public Accountant	Bernhard Vanas m.p. Certified Public Accountant

Consolidated income statement for 2008

Consolidated income statement	Note	2008	2007
			EUR 1,000
Sales revenues		**25,542,598**	**20,042,036**
Direct selling expenses		(238,404)	(216,168)
Costs of sales		(20,704,398)	(15,953,347)
Gross profit		**4,599,795**	**3,872,521**
Other operating income	6	278,366	211,928
Selling expenses		(881,616)	(900,197)
Administrative expenses		(279,174)	(323,791)
Exploration expenses		(333,970)	(221,197)
Research and development expenses		(13,644)	(15,457)
Other operating expenses	7	(1,030,095)	(439,318)
Earnings before interest and taxes (EBIT)		**2,339,662**	**2,184,489**
Income from associated companies	8	117,886	297,999
Dividend income		91,582	53,230
Net interest income	8	(213,491)	(127,427)
Other financial income and expenses	8	(26,559)	3,844
Net financial result		**(30,582)**	**227,647**
Profit from ordinary activities		**2,309,080**	**2,412,136**
Taxes on income	9	(780,130)	(569,340)
Net income for the year		**1,528,950**	**1,842,796**
thereof attributable to own shareholders		**1,374,437**	**1,578,836**
thereof attributable to minority interests		154,513	263,959
Basic earnings per share in EUR	10	**4.60**	**5.29**
Diluted earnings per share in EUR	10	4.60	5.28
Weighted average number of shares		298,753,838	298,651,826
Adjusted weighted average number of shares		298,908,833	299,193,681
Proposed dividend		299,779	374,506
Proposed dividend per share in EUR		**1.00**	**1.25**

Consolidated balance sheet as of December 31, 2008

Assets			EUR 1,000
	Note	2008	2007
Non-current assets			
Intangible assets [1]	11	807,460	521,322
Property, plant and equipment [1]	12	10,421,486	8,928,646
Investments in associated companies	13	1,955,100	2,125,635
Other financial assets	16	2,124,661	3,167,745
Other assets	17	42,587	16,501
		15,351,294	**14,759,848**
Deferred taxes	22	**140,298**	**55,534**
Current assets			
Inventories	14	2,172,927	2,444,171
Trade receivables	15	1,999,791	2,409,204
Other financial assets	16	697,962	594,043
Income tax receivables		76,909	61,833
Other assets	17	176,360	193,981
Cash and cash equivalents		700,086	699,564
Non-current assets held for sale	18	60,356	31,336
		5,884,390	**6,434,131**
Total assets		**21,375,983**	**21,249,512**

[1] Due to reclassifications prior year's figures have been adjusted: For more detailed information, refer to the relevant Notes.

Equity and liabilities			EUR 1,000
	Note	2008	2007
Equity	19		
Share capital		300,000	300,000
Reserves		7,099,076	7,838,687
OMV stockholders' equity		**7,399,076**	**8,138,687**
Minority interests		1,964,168	2,200,833
Stockholders' equity		**9,363,243**	**10,339,520**
Non-current liabilities			
Provisions for pensions and similar obligations	20	931,775	923,060
Bonds	21	488,116	466,990
Interest-bearing debts	21	2,038,205	448,806
Provisions for decommissioning and restoration obligations	20	1,678,790	1,555,952
Other provisions	20	283,072	276,218
Other financial liabilities	21	399,324	93,063
Other liabilities	21	13,927	16,418
		5,833,209	**3,780,507**
Deferred taxes	22	**363,173**	**307,820**
Current liabilities			
Trade payables [1]	21	2,141,067	2,573,046
Interest-bearing debts	21	1,606,509	2,514,827
Provisions for income taxes	20	85,415	85,370
Other provisions [1]	20	552,348	391,704
Other financial liabilities [1]	21	415,411	317,560
Other liabilities [1]	21	1,007,457	911,594
Liabilities associated with assets held for sale	18	8,149	27,564
		5,816,358	**6,821,666**
Total equity and liabilities		**21,375,983**	**21,249,512**

[1] Due to reclassifications prior year's figures have been adjusted: For more detailed information, refer to the relevant Notes.

Changes in stockholders' equity

Changes in stockholders' equity in 2008 [1] — EUR 1,000

	Share capital	Capital reserves	Revenue reserves	Other reserves	Treasury shares	OMV stock-holders' equity	Minority interests	Stock-holders' equity
January 1, 2008	**300,000**	**782,385**	**6,318,288**	**751,943**	**(13,929)**	**8,138,687**	**2,200,833**	**10,339,520**
Unrealized gains/(losses) on revaluation of securities								
Profit/(loss) for the year before taxes on income	—	—	—	(1,320,054)	—	(1,320,054)	(1,307)	(1,321,361)
Income taxes	—	—	—	(194)	—	(194)	209	15
Realized (gains)/losses recognized in income statement before taxes on income	—	—	—	19,649	—	19,649	—	19,649
Income taxes	—	—	—	(4,911)	—	(4,911)	—	(4,911)
Unrealized gains/(losses) on revaluation of hedges								
Profit/(loss) for the year before taxes on income	—	—	—	81,277	—	81,277	32,705	113,982
Income taxes	—	—	—	(13,068)	—	(13,068)	(1,290)	(14,358)
Realized (gains)/losses recognized in income statement before taxes on income	—	—	—	9,173	—	9,173	(11,028)	(1,855)
Income taxes	—	—	—	(2,696)	—	(2,696)	2,653	(43)
Transfer to acquisition costs	—	—	—	(1,029)	—	(1,029)	(721)	(1,750)
Income taxes	—	—	—	258	—	258	180	438
Exchange differences from translation of foreign operations and other	—	—	—	(519,103)	—	(519,103)	(198,303)	(717,405)
Realized (gains)/losses recognized in income statement	—	—	—	(8,149)	—	(8,149)	(7,830)	(15,979)
Gains/(losses) recognized directly in equity, resulting from a company consolidated at-equity	—	—	—	26,576	—	26,576	—	26,576
Gains/(losses) recognized directly in equity, net of taxes on income	**—**	**—**	**—**	**(1,732,271)**	**—**	**(1,732,271)**	**(184,731)**	**(1,917,002)**
Net income for the year	—	—	1,374,436	—	—	1,374,436	154,513	1,528,949
Total gains/(losses) for the year	**—**	**—**	**1,374,436**	**(1,732,271)**	**—**	**(357,835)**	**(30,218)**	**(388,053)**
Dividend distribution	—	—	(373,453)	—	—	(373,453)	(173,635)	(547,088)
Repurchase of treasury shares	—	—	—	—	(446)	(446)	—	(446)
Sale of treasury shares	—	930	—	—	378	1,308	—	1,308
Effects from business combinations in stages	—	—	1,330	—	—	1,330	4,746	6,076
Increase/(decrease) in minority interests	—	—	(10,516)	—	—	(10,516)	(37,558)	(48,074)
December 31, 2008	**300,000**	**783,315**	**7,310,086**	**(980,328)**	**(13,997)**	**7,399,076**	**1,964,168**	**9,363,243**

[1] See Note 19.

Changes in stockholders' equity in 2007 [1] **EUR 1,000**

	Share capital	Capital reserves	Revenue reserves	Other reserves	Treasury shares	OMV stock-holders' equity	Minority interests	Stock-holders' equity
January 1, 2007	**300,003**	**795,298**	**5,042,902**	**854,989**	**(14,141)**	**6,979,051**	**2,197,209**	**9,176,260**
Unrealized gains/(losses) on revaluation of securities								
Profit/(loss) for the year before taxes on income	—	—	—	(13,995)	—	(13,995)	(4,541)	(18,536)
Income taxes	—	—	—	2,577	—	2,577	727	3,304
Realized (gains)/losses recognized in income statement before taxes on income	—	—	—	1,587	—	1,587	1,680	3,267
Income taxes	—	—	—	(241)	—	(241)	(270)	(510)
Unrealized gains/(losses) on revaluation of hedges								
Profit/(loss) for the year before taxes on income	—	—	—	17,927	—	17,927	18,322	36,249
Income taxes	—	—	—	(6,610)	—	(6,610)	(4,677)	(11,287)
Realized (gains)/losses recognized in income statement before taxes on income	—	—	—	2,670	—	2,670	8,351	11,021
Income taxes	—	—	—	491	—	491	(1,489)	(998)
Transfer to acquisition costs	—	—	—	(9,204)	—	(9,204)	6,131	(3,073)
Income taxes	—	—	—	4,901	—	4,901	(981)	3,920
Exchange differences from translation of foreign operations and other	—	—	—	(103,523)	—	(103,523)	(123,552)	(227,075)
Gains/(losses) recognized directly in equity, resulting from a company consolidated at-equity	—	—	—	374	—	374	—	374
Gains/(losses) recognized directly in equity, net of taxes on income	**—**	**—**	**—**	**(103,046)**	**—**	**(103,046)**	**(100,299)**	**(203,345)**
Net income for the year	—	—	1,578,836	—	—	1,578,836	263,959	1,842,796
Total gains/(losses) for the year	**—**	**—**	**1,578,836**	**(103,046)**	**—**	**1,475,790**	**163,660**	**1,639,450**
Dividend distribution	—	—	(311,940)	—	—	(311,940)	(175,265)	(487,205)
Repurchase of treasury shares	—	—	—	—	(64,861)	(64,861)	—	(64,861)
Repurchase of convertible bonds	—	(255)	—	—	—	(255)	—	(255)
Sale of treasury shares	—	711	—	—	247	958	—	958
Conversion of convertible bonds	—	(13,366)	—	—	64,727	51,361	—	51,361
Redemption of convertible bonds	—	(6)	—	—	—	(6)	—	(6)
Capital decrease	(3)	3	(99)	—	99	—	—	—
Effects from business combinations in stages	—	—	8,231	—	—	8,231	15,587	23,818
Increase/(decrease) in minority interests	—	—	358	—	—	358	(358)	—
December 31, 2007	**300,000**	**782,385**	**6,318,288**	**751,943**	**(13,929)**	**8,138,687**	**2,200,833**	**10,339,520**

[1] See Note 19.

Consolidated cash flow statement

Consolidated cash flow statement [1]		EUR 1,000
	2008	2007
Net income	**1,528,950**	**1,842,796**
Depreciation and amortization	1,293,077	977,456
Write-ups of fixed assets	(6,132)	(5,689)
Deferred taxes	(56,685)	22,967
(Gains)/losses from disposal of non-current assets	6,559	17,433
Increase/(decrease) in provisions for pensions and severance payments	42,814	(58,295)
Increase/(decrease) in long-term provisions	55,739	89,098
Other non-cash (income)/expenses	(137,536)	(214,791)
	2,726,786	**2,670,975**
Decrease/(increase) in inventories	167,375	(500,174)
Decrease/(increase) in receivables	479,207	(755,668)
Increase/(decrease) in liabilities	(334,186)	553,007
Increase/(decrease) in short-term provisions	175,056	98,111
Cash flow from operating activities	**3,214,238**	**2,066,251**
Investments		
Intangible assets and property, plant and equipment	(3,229,983)	(2,317,824)
Investments, loans and other financial assets	(389,252)	(1,419,337)
Acquisitions of subsidiaries and businesses net of cash acquired	(355,862)	(3,977)
Increase/(decrease) in short-term financial investments	279,096	26,227
Disposals		
Proceeds from the sale of property, plant and equipment	266,573	125,732
Proceeds from the sale of Group companies less cash and cash equivalents	25,032	15,762
Cash flow from investment activities	**(3,404,396)**	**(3,573,416)**
Increase in long-term borrowings	1,708,097	23,189
Repayments of long-term borrowings	(47,886)	(232,053)
Repurchase of convertible bonds	—	(1,119)
Repurchase of treasury shares	(446)	(64,861)
Increase/(decrease) in short-term borrowings	(905,004)	1,421,340
Dividends paid	(547,088)	(487,205)
Increase in capital including sale of treasury stock	1,308	958
Cash flow from financing activities	**208,981**	**660,249**
Effect of foreign exchange rate changes on cash and cash equivalents	(18,301)	(17,779)
Net increase/(decrease) in cash and cash equivalents	**522**	**(864,695)**
Cash and cash equivalents at beginning of year	699,564	1,564,259
Cash and cash equivalents at end of year	**700,086**	**699,564**

[1] See Note 23.

Notes:
Accounting principles and policies

1 Legal principles and general accounting policies

OMV Aktiengesellschaft (registered in the Austrian Register of Companies with its office based at Otto-Wagner-Platz 5, 1090 Vienna, Austria), is an international energy company with activities in Exploration and Production (E&P), Refining and Marketing including petrochemicals (R&M), and Gas and Power (G&P).

These financial statements have been prepared and are **in compliance with the International Financial Reporting Standards (IFRSs) as endorsed by the EU.** The financial year corresponds to the calendar year.

For the upstream activities, which contain the search for oil and gas reserves and the exploitation of those reserves, the Company applies the rules of US GAAP industry standard SFAS 19. The application of SFAS 19 occurs in line with the provisions of IFRS 6 (for exploration and appraisal activities) and with the provisions of other IFRSs/IASs for the development and production activities.

The **reserves information**, which is supplementary to the Notes (Note 34) is prepared in accordance with SFAS 69 (Disclosures about Oil and Gas Producing Activities). This supplementary information is unaudited and not part of the Notes.

The consolidated financial statements for 2008 have been prepared in thousands of EUR. Accordingly there may be rounding differences.

Preparation of the consolidated financial statements requires management to make **estimates and assumptions** that affect the amounts reported for assets, liabilities, income and expenses, as well as the amounts disclosed in the Notes. Actual outcomes may differ from these estimates. The Executive Board believes that any deviations from these estimates will not have material influence on the consolidated financial statements in the near term. The Board does not believe that OMV is exposed to the effects of any major concentration of risks in the short term. Estimates and assumptions need to be made particularly with respect to reserves, provisions for restoration costs, interest rates and oil price development. Planning assumptions concerning the oil price development reflect management's best estimate and were benchmarked against external expertise. Reserves are estimated by the Group's own engineers. The estimates are audited externally every two years. Property, plant and equipment as of December 31, 2008 include oil and gas assets of EUR 5,099,197 thousand (2007: EUR 3,930,560 thousand). Estimates of future restoration costs are also based on reports by Group engineers and on past experience. The resulting provision for decommissioning and restoration costs amounts to EUR 1,679,232 thousand (2007: EUR 1,561,174 thousand). Provisions for decommissioning and restoration costs and impairment losses require estimates of interest rates. These estimates have material effects on the amounts of the provisions.

2 Consolidation

The financial statements of all consolidated companies have the balance sheet date December 31, and are prepared in accordance with uniform group-wide standards.

Assets and liabilities of subsidiaries acquired are included at their fair values at the time of acquisition. Where the costs of acquisition exceed the net fair values of the identifiable assets and liabilities (including contingent liabilities) acquired, the difference is recognized as goodwill. If acquisition costs are below the identifiable assets less liabilities assumed, the difference is recognized as income in the period of acquisition. Minority interests are disclosed at the fair value of the recognized assets and liabilities. Goodwill recognized is reviewed for impairment at least once a year. All impairments of goodwill are immediately expensed, and there are no subsequent write-backs of such impairment losses.

For E&P joint ventures, which are based on jointly controlled assets, a proportionate share of all assets, liabilities and expenses is included in the consolidated financial statements.

A summary of subsidiaries, associated companies and other investments is included under Note 33.

Number of consolidated companies

	2008 Full consolidation	2008 Equity consolidation	2007 Full consolidation	2007 Equity consolidation
At the beginning of the year	**92**	**14**	**93**	**18**
Included for the first time	3	1	3	2
Merged	(1)	–	(2)	(2)
Previously included at-equity, now consolidated	2	(2)	2	(2)
Deconsolidated during the year	(8)	(1)	(4)	(2)
At the end of the year	**88**	**12**	**92**	**14**
[thereof domiciled and operating abroad]	[48]	[7]	[48]	[7]
[thereof domiciled and operating in Austria, and operating abroad]	[18]	[–]	[21]	[–]

In **Exploration and Production (E&P)**, OMV (EGYPT) Exploration GmbH, Vienna, and OMV (SLOVAKIA) Exploration GmbH, Vienna, were included for the first time at the beginning of 2008. The liquidation of the companies OMV (ALBANIEN) onshore Exploration GmbH in Liqu., Vienna, OMV (YEMEN) Exploration GmbH in Liqu., Vienna, OMV (YEMEN) South Hood Exploration GmbH in Liqu., Vienna, OMV (SUDAN) Exploration GmbH in Liqu., Vienna and OMV (SUDAN BLOCK 5B) Exploration GmbH in Liqu., Vienna, was finalized in Q4/08.

With effect from February 1, 2008, Petrom SA finalized the acquisition of oil service activities from Petromservice SA. Under the terms of the acquisition, Petrom SA acquired the related assets and took over 9,775 employees of Petromservice SA. The purchase price for this business, which was integrated into Petrom SA's E&P segment, amounted to EUR 328.5 mn.

In **Refining and Marketing including petrochemicals (R&M)**, the remaining 20.33% interest in WÄRME-ENERGIE VORARLBERG Beratung- und Handels GmbH, Lustenau, was acquired as of January 1, 2008 and merged into OMV Wärme VertriebsgmbH with effect from January 1, 2008. In Q4/08 the disposal of the companies RAFISERV ARPECHIM SA, Pitesti, and RAFISERV PETROBRAZI SA, Brazi, was finalized; the companies were deconsolidated. After acquisition of a further 20.87% interest, SOCIETATEA COMERCIALA PETROM AVIATION SA, Otopeni, which formerly was consolidated at-equity, is fully consolidated since Q4/08.

The interest in **Petrol Ofisi A.S.**, Turkey's leading filling station operator and retailer, was increased to 41.58% due to further share purchases in the course of 2008. In the consolidated financial statements Petrol Ofisi A.S. is accounted for with the at-equity method. The capital stock of Petrol Ofisi A.S. consists of 550,000,000 shares with a nominal value of TRY 1.00 per share; as of December 31, 2008, the stock market price was New Turkish lira (TRY) 2.76 per share. Free float at the Istanbul stock exchange was 4.2% of total outstanding shares at year end.

At the balance sheet date there was a major court case pending in the relevant Turkish courts. On August 31, 2006, the Turkish Energy Market Regulatory Authority (EMRA) imposed fines totaling TRY 1.6 bn (EUR 0.9 bn) on 28 of Turkey's 30 distribution companies in respect of litigation with reference to the supply of unlicensed distributors during the transition period following the introduction of the new Turkish Petroleum Act at the beginning of 2005. The fine imposed on Petrol Ofisi A.S. and its subsidiary ERK Petrol Yatirimlari A.S. amounted to some TRY 600 mn (EUR 349 mn). Petrol Ofisi A.S. has appealed to the Supreme Court and the Administrative Court of Appeal for cancellation of the fine and applied for stay of payment until the case is settled. On January 31, 2007, the Supreme Court granted the application for stay of payment until settlement of the case. On the basis of the Supreme Court's decision, no provision has been made, as in previous years.

In **Gas and Power (G&P),** OMV Gas Ve Enerji Limited Sirketi, Istanbul, was fully consolidated while Borasco Elektrik Üretim Sanayi ve Ticaret A.S., Istanbul, was consolidated at-equity – both beginning with Q3/08.

Reorganization transactions finalized in Q3/08 include the merger of Ferngas Beteiligungs-Aktiengesellschaft, Vienna, into Oberösterreichische Ferngas Aktiengesellschaft, Linz (consolidated at-equity) together with the renaming of Oberösterreichische Ferngas Aktiengesellschaft, Linz, into EGBV Beteiligungsverwaltung GmbH, Vienna, and the change from inclusion at-equity to full consolidation. In the course of this transaction the interest held in EconGas GmbH, Vienna, and its subsidiaries was increased to 58.81%. The interest in Cogeneration-Kraftwerke Management Oberösterreich GmbH, Linz (consolidated at-equity) was disposed of in Q3/08.

Various distribution organizations and shell companies are not included in consolidation, on the grounds that they are not material.

OMV intends to sell its subsidiary OMV Italia S.r.l., Verona, by the end of 2009.

The effect on the Group's assets and liabilities and the consolidated statement of cash flows of the acquisition of oil service activities from Petromservice SA and the acquisition of SOCIETATEA COMERCIALA PETROM AVIATION SA, Otopeni, is shown below. The figures for 2007 reflect the acquisition of "Oil Company 'Renata'" LLC, the inclusion of EconGas Hungária Földgázkereskedelmi Kft., Budapest, (from Q3/07 on) and the inclusion of PETROM DISTRIBUTIE GAZE SRL, PETROM LPG SA, Bucharest, and Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H., Vienna, (from Q4/07 on).

Net cash outflows for subsidiaries and businesses acquired — **EUR 1,000**

	2008	2007
Intangible assets and property, plant and equipment	359,781	63,187
Financial assets	—	562
Current assets	10,306	69,390
Payables and other liabilities	(34,935)	(61,746)
Net assets	**335,152**	**71,393**
Cash outflows for subsidiaries and businesses acquired [1]	**358,309**	**41,108**
Cash and cash equivalents acquired with businesses	—	(798)
Cash and cash equivalents from changes in method of consolidation	(2,447)	(36,333)
Net cash outflows for subsidiaries and businesses acquired	**355,862**	**3,977**

[1] This item includes also cash outflows of EUR 27,290 thousand for increases in interest in already fully consolidated subsidiaries.

In accounting for the acquisitions the purchase method was applied, and amounts in accordance with IFRS were determined for the first time; carrying amounts in accordance with IFRS immediately before the acquisitions were not available.

The newly acquired subsidiary contributed a loss of EUR 512 thousand to the consolidated net income of OMV Group from the date of its inclusion in OMV Group. In 2007, the companies acquired in 2007 contributed a cumulative loss of EUR 1,834 thousand to the consolidated net income from the dates of their respective inclusions in OMV Group.

3 Accounting and valuation principles

a) Revenue recognition
In general, revenues are realized when goods or services are supplied, the amount receivable is fixed or determinable, and collection is probable. In E&P, revenues are recognized when products are delivered and risk and ownership have passed to the customer. In the retail business, revenues from the Group's own filling stations are recognized when products are supplied to the customers. In the case of non-Group filling stations, revenues are recognized when products are delivered to the stations. In G&P, sales under long-term contracts are recognized on delivery. Additional volumes supplied under these contracts are recognized when accepted by the customer. Gas storage revenues are recognized on the basis of committed storage and withdrawal rates; similarly, gas transit revenues are recognized on the basis of committed volumes.

b) Exploration expenses
Exploration expenses relate exclusively to E&P and comprise all the 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 impairments on exploration wells where no proved reserves could be demonstrated. Depreciation of economically successful exploration wells forms part of costs of sales.

c) Research and development expenses
Research and development expenses include all direct and indirect materials, personnel and external services costs incurred in connection with the focused search for new development techniques and significant improvements in products, services and processes, and in connection with research activities.

d) Exploration and production sharing agreements
Exploration and production sharing agreements (EPSAs) are a form of contract for oil and gas concessions in which production is shared between one or more oil companies and the host country in defined proportions. The taxes payable under certain EPSA agreements in the form of deliveries of crude are disclosed as taxes on income so that revenues are not reduced by netting.

e) Intangible assets and property, plant and equipment
Intangible assets and property, plant and equipment are recognized at costs of acquisition or construction and – to the extent depreciable – net of accumulated depreciation, amortization and impairment losses. Depreciation and amortization is calculated on a straight-line basis, except for E&P activities, where depreciation occurs on a unit-of-production basis to a large extent.

Non-current assets classified as held for sale are disclosed at the lower of carrying amount and fair value less costs to sell. Non-current assets and groups of assets are classified as held for sale if their carrying amount is to be realized by sale and not by continued use. For assets to be so classified, the sale must be estimated as highly probable, and the asset must be available for immediate disposal in its present condition.

In accordance with IAS 36, both intangible assets and property, plant and equipment are reviewed at balance sheet date for any indications of impairment. For intangible assets with indefinite useful lives and for goodwill, impairment tests are carried out annually. This applies even where there are no indications for 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 disappear, 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.

Depreciation and amortization are disclosed in the consolidated income statement under costs of sales. For filling stations, impairment losses are disclosed as part of selling expenses, for exploration assets as exploration expenses, and for other assets as production costs of sales or as other expenses.

The accounting and valuation treatment of exploration and extraction of oil and gas fields follows IFRS 6 and – wherever this is not applicable – the relevant US GAAP industry standards, which are accepted internationally as an industry standard.

Useful life		**Years**
Intangible assets		
Goodwill		Indefinite
Software		3–5
Concessions, licenses, etc.		5–20 or contract duration
Business-specific property, plant and equipment		
E&P	Oil and gas wells	Unit-of-production method
R&M	Storage tanks	40
	Refinery facilities	25
	Pipeline systems	20
	Filling station components	ca. 5–20 (component approach)
G&P	Gas pipelines	20–30
Other property, plant and equipment		
Production and office buildings		20 or 40–50
Other technical plant and equipment		10–20
Fixtures and fittings		5–10

E&P activities are valued using the successful efforts method. The acquisition costs of geological and geophysical studies before the discovery of proved reserves form part of expenses for the period. The costs of wells are capitalized and reported as intangible assets until the existence or absence of potentially commercially viable oil or gas reserves is established. Wells which are not commercially viable are expensed. The costs of exploration wells whose commercial viability has not yet been determined continue to be capitalized as long as the following conditions are satisfied:

1. Sufficient oil and gas reserves have been discovered to justify completion as a production well.

2. Sufficient progress is being made in assessing the economic and technical feasibility to justify beginning field development in the near future.

License acquisition costs and capitalized exploration and appraisal activities are generally not depreciated as long as they are related to unproved reserves, but tested for impairment. Once the reserves are proved and commercial viability established, the related assets are reclassified into tangible assets and depreciation commences. Capitalized exploration and development costs and support equipment are generally depreciated on a unit-of-production and proved developed reserves basis, with the exception of capitalized exploration rights and acquired reserves, which are amortized on the basis of total proved reserves.

Directly attributable capital expenses of plant modernization are capitalized in the year in which they arise, and thereafter depreciated on a straight-line basis over the period until the next upgrade. The costs for replacements of components are capitalized and carrying values of the replaced parts derecognized. Costs relating solely to maintenance and repairs are treated as expenses in the year in which they arise.

Property, plant and equipment include assets being used under finance leases. Since the Group enjoys the economic benefits of ownership, the assets are capitalized – at the lower of the present value of the minimum lease obligation and the fair value – and then depreciated over their expected useful lives or the duration of the lease, if shorter. A liability equivalent to the capitalized amount is recognized, and future lease payments are split into the finance charge and the capital repayment element.

All lease agreements not classified as finance leases are treated as operating leases, and the lease payments then form part of the expenses for the period.

f) Financial assets
Shares in Group companies not consolidated and other investments for which there is no market price on an active market are carried at acquisition cost or at an appropriate lower value where there is objective evidence of impairment. Associated companies are recognized at the proportionate share of equity.

Available-for-sale securities are recognized at fair value. Unrealized gains and losses are disclosed separately under equity net of any attributable deferred taxes. Where there is objective evidence of impairment, write-downs are charged against income. Where the reason for the recognition of an impairment loss subsequently ceases to exist, the amount of the reversal up to amortized costs is taken to equity in the case of equity instruments, and in the case of other financial instruments is included as income.

Held-to-maturity securities are carried at amortized cost less any identified impairment losses.

Securities at fair value through profit or loss are recognized in the income statement for the period at fair value including gains and losses.

Securities without stock exchange listings or market values, whose fair value cannot be reliably estimated, are disclosed at acquisition cost less any impairment losses.

Trade date accounting is applied to regular way purchases and sales of securities.

Interest-bearing loans are disclosed at nominal value, interest-free loans and loans at low rates of interest at present value. With the exception of derivative financial instruments, which are recognized at fair value, and foreign currency items, which are translated at closing rates, receivables and other assets are disclosed at carrying amounts. This can be taken to be a reasonable estimate of fair value since in the majority of cases the residual maturity is less than a year. Long-term receivables are discounted using the effective interest rate method.

g) 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 have been used to estimate the fair value of financial instruments at balance sheet date. 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.

Unrealized gains and losses are as a general rule recognized as income or expense, except where the requirements for hedge accounting are met. For hedge accounting to be applied, the hedging relationship must be regularly documented and actual hedge effectiveness must be in the range between 80% and 125%.

In the case of fair value hedges, changes in the fair value resulting from the risk being hedged for both the hedged item and the hedging instrument are recognized as income or expense.

For cash flow hedges, the effective part of the changes in fair value is recognized directly in equity, while the ineffective part is recognized immediately in the income statement. Where the hedging of cash flows results in an asset or liability, the amounts that are provided under equity are recognized in the income statement in the period in which the hedged position affects earnings.

Derivatives embedded in financial instruments or host contracts are treated as independent if their risks and characteristics are not closely associated with the host contracts and the host contracts were not recognized at fair value. The related unrealized gains and losses are recognized as income or expense.

h) Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of qualified assets are capitalized until the assets are substantially ready for their intended use or sale. All other costs of borrowing are expensed in the period in which they are incurred.

i) Government grants
Government grants are recognized as income where there is reasonable assurance that the conditions attaching to them will be fulfilled and that the grants will be received. Grants satisfying these conditions reduce the acquisition costs of the related assets.

j) Inventories
Inventories are recognized at costs of acquisition or production using the average price method and taking into account lower net realizable values. Costs of production comprise directly attributable costs and fixed and variable indirect material and production overhead costs. Production-related administrative costs and the costs of company pension schemes and voluntary employee benefits are also included.

Under the Austrian Oil Stockholding Act (1982), OMV is obliged to maintain stocks of both crude oil and oil products. The additional domestic inventories are valued using a long-term weighted average price method, applied on the basis of crude oil equivalents. For finished products in excess of the obligatory emergency reserves, product-related production costs per product group are recognized. In this carrying capacity approach the allocation of production costs is based on the current market value of the product groups produced.

k) Provisions
Provisions are set up for all present obligations to third parties where it is probable that the obligation will be settled and the amount of the obligation can be estimated reliably. Provisions for individual obligations are based on the best estimate of the amount necessary to settle the obligation.

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. They are therefore disclosed as a separate item. 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. As a general rule, the obligation is calculated on the basis of best estimates. 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. For present obligations relating to other environmental risks and measures, provisions are made where it is likely that such obligations will arise and the amount of the obligation can be estimated reliably.

Pensions and similar obligations: OMV Group has both defined contribution and defined benefit pension plans. In the case of defined contribution plans, OMV has no obligations beyond payment of the agreed premiums, and no provision is therefore made. In contrast, participants in defined benefit plans are promised pensions at certain levels. 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 these defined benefit pension plans remain with OMV.

Provisions for pensions, severance payments and jubilee payments are calculated using the projected unit credit method, which divides the costs of the estimated benefit entitlements over the whole period of employment and thus takes future increases in remuneration into account. Excluding Petrom, actuarial gains and losses falling within a corridor of 10% of the greater of projected benefit obligations and plan assets – measured in both cases at the beginning of the year – are not recognized in pensions and severance payments provisions. Actuarial gains and losses falling outside this corridor are distributed according to the average remaining years of service of the participants in the plan. Interest expense accruing on pension provisions together with income from pension plan assets is disclosed as part of financial income and expense.

Provisions for voluntary and not voluntary separations under restructuring programs are recognized if a detailed plan has been approved by management prior to balance sheet date, and an irrevocable commitment is thereby established. Voluntary modifications to employees' remuneration arrangements are recognized if the employees concerned have accepted the employing company's offer. Provisions for obligations under individual separation agreements are recognized at the present value of the obligation where the amounts and dates of payment are fixed and known.

The Group makes provisions for the shortfall in emissions allowances on the basis of the EU Emissions Trading Scheme for greenhouse gas emissions allowances (see Note 20).

l) Liabilities
Liabilities are carried at acquisition cost, with the exception of derivative financial instruments, which are recognized at fair value, and foreign currency liabilities, which are translated at closing rates. Long-term liabilities are discounted using the effective interest rate method. The carrying amount of other liabilities is effectively the same as their fair value because they are predominantly short-term.

If goods and services supplied in connection with operating activities have not yet been invoiced but both the dates and amounts of supply are already established, the obligations are included under liabilities.

Convertible bonds are considered as composite instruments, consisting of a debt component and an equity component. The fair value of the debt component is calculated as of the date of issue by applying the market interest rate for comparable non-convertible loans prevailing at the time. The difference between the proceeds of issue of the convertible bond and the fair value of the debt component gives the value of the option to convert the liability into equity, which is disclosed as equity. Where convertible bonds are repurchased, the amount in excess of the outstanding debt component valued at fair value is set off against revenue reserves without effect on income or expense. Differences between the fair values of the liability at the time of repurchase and the carrying amounts are recognized as part of financial income or expense.

m) Taxes on income including deferred taxes
In addition to corporate income taxes, trade earnings taxes and investment income withholding taxes, OMV's consolidated financial statements also include and disclose as taxes on income typical E&P taxes on net cash flows from oil and gas production (Petroleum Revenue Tax (PRT) in the United Kingdom, Petroleum Resource Rent Tax (PRRT) in Australia), charges under the tax paid cost system (TPC) in Libya and certain EPSAs (see Note 3 d). Provision is made for deferred taxes on all temporary differences (differences between Group carrying amounts and tax bases which reverse in subsequent years). Tax loss carryforwards are taken into account in calculating deferred tax assets. Deferred tax assets and liabilities at Group level are shown netted where there is a right of set-off and the taxes relate to matters subject to the same tax jurisdiction. If the probability of deferred tax assets being realized is greater than 50%, then the values are retained. Otherwise, a valuation allowance is made. Where unrealized intra-group profits contained in inventories are eliminated, deferred taxes are recognized.

n) Stock option plans
Stock option plans (see Note 27) approved by resolutions of Annual General Meetings are provided for Executive Board members and senior executives. These entitlements can be enjoyed in the form of the award of shares at a fixed exercise price or as 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 based on applicable fair values are built up over the vesting period, so that by the end of the vesting period the fair value of the options outstanding is fully provided for.

o) First-time adoption of new or revised standards and interpretations
The following interpretations, which were adopted by the EU, were applicable for the first time in 2008, without having a material influence on the Group's financial statements:

- IFRIC 11 IFRS 2 – Group and Treasury Share Transactions
- IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

In the light of the prevailing financial crisis, the IASB adopted amendments to IAS 39 and IFRS 7 in October 2008, which were endorsed by the EU within the same month. The amendments, which are applicable as from July 1, 2008, allow the reclassification of certain financial assets out of the fair value through profit and loss category in rare circumstances. OMV has not made use of this possibility.

p) Standards and interpretations not yet effective
At the time of authorization of these financial statements for publication, the following revisions, amendments and interpretations had already been published by the IASB and partly endorsed by the EU, but their application was not yet mandatory.

Endorsed by the EU and published in the Official Journal of the EU:

- IFRS 8 Operating Segments (applicable to financial years beginning on or after January 1, 2009). This standard replaces IAS 14. It requires that the information contained in segment reports be presented in the same way as it is internally reported to the entity's senior operating decision makers for use as a basis for decisions on the performance of the enterprise and resource allocations (management approach).

- Amendment to IAS 23 Borrowing Costs (to be applied in connection with qualifying assets recognized on or after January 1, 2009). The main change is that the previous benchmark treatment will no longer be permitted. In other words, it will no longer be possible to recognize borrowing costs as an expense in the period in which they are incurred regardless of how the funds are applied. The amendment will have no impact on the Group's accounting and valuation methods, as it already is the Group's policy to capitalize borrowing costs attributable to qualifying assets.

- Amendments to IFRS 2 Share-based Payment (applicable to financial years beginning on or after January 1, 2009). The amendments essentially concern the clarification of the terms vesting conditions and cancellations.

- IFRIC 13 Customer Loyalty Programmes (applicable to financial years beginning on or after July 1, 2008). This interpretation deals with accounting by companies that grant loyalty award credits (loyalty points or air miles) to their customers, who can redeem them when purchasing other goods or services.

- Amendments to IAS 1 Presentation of Financial Statements (applicable to financial years beginning on or after January 1, 2009). These amendments largely concern formal aspects of IAS 1. It is the outcome of the first phase of the IASB-FASB convergence project aimed at improving and harmonizing the presentation of financial information.

- Amendments to IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation (applicable to financial years beginning on or after January 1, 2009). Under the new requirements, some puttable financial instruments and instruments imposing obligations arising only on liquidation are no longer classified as financial liabilities but as equity, provided that specified criteria are being met.

- Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards and IAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (effective for financial years beginning on or after January 1, 2009). The amendments are intended to facilitate the measurement of the initial cost of certain investments in the separate financial statements of first-time adopters. Also, the distinction between pre- and post-acquisition dividends was removed from IAS 27, now requiring total dividends to be recognized as income.

- Improvements to IFRSs – a collection of amendments to International Financial Reporting Standards (generally effective for financial years beginning on or after January 1, 2009, with exceptions specified for some of the amendments). This standard, including 35 amendments, is the first to be published under the IASB's annual improvements project which is intended to deal with non-urgent, minor amendments to standards.

Not yet endorsed by the EU:

- Revised versions of IFRS 3 Business Combinations and IAS 27 Consolidated and Separate Financial Statements (both applicable to financial years beginning on or after July 1, 2009). The main changes relate to acquisitions of some, but not all (i.e. not 100%) of the equity interests in a subsidiary (e.g. new approach to the accounting presentation of minority interests, remeasurement of existing equity interests through income or expense when control is obtained, and income-neutral accounting for changes in ownership interests in a subsidiary without loss of control).

- Revised version of IFRS 1 First Time Adoption of IFRS (effective for entities applying IFRSs for the first time for financial years beginning on or after January 1, 2009). The new version retains the substance of the previous version, but within a changed structure which should make it easier for the reader to understand and use.

- Amendment to IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items (applicable to financial years beginning on or after July 1, 2009). The amendment clarifies how the existing principles underlying hedge accounting should be applied in two particular situations: Designation of a one-sided risk in a hedged item and designation of inflation in a financial hedged item.

- IFRIC 12 Service Concession Arrangements (would be applicable to financial years beginning on or after January 1, 2008, but has not been endorsed yet). This interpretation gives guidance on accounting for agreements under which a government or other institution contracts private operators to provide public services.

- IFRIC 15 Agreements for the Construction of Real Estate (applicable to financial years beginning on or after January 1, 2009). This interpretation standardizes accounting practices for the recognition of revenue by real estate developers for sales of units (such as apartments or houses) 'off plan', i.e., before construction is complete.

- IFRIC 16 Hedges of a Net Investment in a Foreign Operation (effective for financial years commencing on or after October 1, 2008). This interpretation clarifies which foreign currency risks qualify for hedge accounting in the hedge of a net investment and where within the group the respective hedging instrument(s) can be held. It also gives guidance on how to determine the amounts to be recycled on disposal of the net investment.

- IFRIC 17 Distributions of Non-cash Assets to Owners (applicable to financial years beginning on or after July 1, 2009). The interpretation addresses how an entity should measure and account for distributions of assets other than cash when it pays dividends to its owners.

- IFRIC 18 Transfer of Assets from Customers (to be applied to transfers of assets from customers received on or after July 1, 2009). The interpretation clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services (such as a supply of electricity, gas or water).

Early application of the above revised versions, amendments and interpretations by OMV is not foreseen. Potential effects in the respective years of first-time adoption are currently being evaluated by management for the revised standards and interpretations.

4 Foreign currency translation

Monetary foreign currency balances are disclosed at closing rates, and exchange gains and losses accrued at balance sheet date are recognized in the income statement.

The financial statements of Group companies where the functional currency differs from the Group's presentation currency are translated using the closing rate method. Differences arising from balance sheet items translated at closing rates are disclosed in changes in stockholders' equity. Income statement items are translated at average rates for the period (mean rates). Differences arising from the use of average rather than closing rates also result in direct adjustments to equity. As a result of the introduction of the EUR in Slovakia on January 1, 2009 the exchange rate has been set at 30.126 SKK-EUR on July 8, 2008.

The main rates applied in translating currencies to EUR were as follows:

Foreign currency translation

		2008		2007
	Balance sheet date	Average	Balance sheet date	Average
Australian dollar (AUD)	2.027	1.742	1.678	1.635
Bulgarian lev (BGN)	1.956	1.956	1.956	1.956
New Romanian leu (RON)	4.023	3.683	3.608	3.335
New Zealand dollar (NZD)	2.419	2.077	1.902	1.863
Pound sterling (GBP)	0.953	0.796	0.733	0.684
Slovak crown (SKK)	30.126	31.262	33.583	33.775
Czech crown (CZK)	26.875	24.946	26.628	27.766
New Turkish lira (TRY)	2.149	1.906	1.717	1.787
Hungarian forint (HUF)	266.700	251.510	253.730	251.350
US dollar (USD)	1.392	1.471	1.472	1.371

Notes to the income statement

5 Total cost information

The positions of the income statement contain the following **personnel expenses**:

Personnel expenses		EUR 1,000
	2008	2007
Wages and salaries	860,870	832,199
Costs of defined benefit plans	24,482	29,108
Costs of defined contribution plans (pension fund contributions)	12,933	11,094
Net expenses of restructuring separations	125,348	79,406
Other employee benefits	102,321	87,795
Total	**1,125,954**	**1,039,602**

Personnel expenses include expenses for severance payments of EUR 42,617 thousand (2007: EUR 16,866 thousand) and for pensions of EUR 74,487 thousand (2007: EUR 53,763 thousand). These expenditures also include personnel restructuring costs.

Depreciation, amortization and impairment losses of intangible assets and property, plant and equipment consisted of:

Depreciation, amortization and impairment losses		EUR 1,000
	2008	2007
Depreciation and amortization	915,335	789,601
Impairment losses	377,539	187,349
Total	**1,292,874**	**976,951**

The bulk of impairment losses in 2008 consisted of EUR 284,993 thousand at Petrom SA (mainly unsuccessful exploration wells, EUR 96,920 thousand and impairment of refining and petrochemical units of Arpechim, EUR 167,629 thousand). Other major impairment losses chiefly relate to impairments of several exploration licenses in Russia (EUR 28,352 thousand) and filling stations in Croatia (EUR 10,045 thousand) and Bosnia (EUR 10,098 thousand).

In 2007, the principal impairment losses were EUR 97,619 thousand at Petrom SA (mainly exploration wells, filling stations and petrochemical units), two exploration licenses in Russia (EUR 24,222 thousand), the Suilven field in the UK (EUR 20,873 thousand), goodwill for OMV Ceská republika, s.r.o. (EUR 12,272 thousand) and filling stations of OMV Deutschland GmbH (EUR 8,682 thousand).

In the consolidated income statement the impairment losses are disclosed as follows: EUR 180,943 thousand (2007: EUR 58,098 thousand) under costs of sales, EUR 160,873 thousand (2007: EUR 63,917 thousand) under exploration costs, EUR 33,017 thousand (2007: EUR 44,431 thousand) under selling costs and EUR 2,706 thousand (2007: EUR 20,902 thousand) as part of other operating expenses.

6 Other operating income

Other operating income		EUR 1,000
	2008	2007
Other operating income	**278,366**	**211,928**
[thereof gains on the disposal and write-up of non-current assets not including financial assets]	[52,040]	[45,041]
[thereof exchange gains from operating activities]	[117,488]	[62,661]

7 Other operating expenses

Other operating expenses		EUR 1,000
	2008	2007
Other operating expenses	**1,030,095**	**439,318**
[thereof expenses on disposal of non-current assets not including financial assets]	[21,681]	[45,987]
[thereof exchange losses from operating activities]	[140,285]	[68,523]

Other operating expenses include the allocation to litigation provisions in Petrom amounting to EUR 357,601 thousand (2007: EUR 61,511 thousand), net expenses for personnel reduction schemes in Group companies of EUR 125,348 thousand (2007: EUR 79,406 thousand) and EUR 28,158 thousand standby costs for the floating production, storage and offtake vessel (FPSO) for the Maari oilfield platform in New Zealand.

8 Net financial result

Income from associated companies included income of EUR 123,758 thousand (2007: EUR 318,680 thousand) and expenses of EUR 5,872 thousand (2007: EUR 20,681 thousand).

Net interest income		EUR 1,000
	2008	2007
Interest income from available-for-sale financial instruments	3,900	4,122
Interest income from loans and receivables	35,691	75,848
Interest expense on financial liabilities measured at amortized cost	(143,825)	(99,304)
Other interest income and expense	(109,256)	(108,094)
Net interest income	**(213,491)**	**(127,427)**

In 2008, interest on borrowings amounting to EUR 19,189 thousand (2007: EUR 23,928 thousand) was capitalized.

Other interest income and expense consisted mainly of interest accrued on pension provisions of EUR 48,544 thousand (2007: EUR 48,909 thousand), the interest component accrued on the provision for personnel reduction plans and the net provision for decommissioning and restoration obligations of EUR 6,343 thousand and EUR 69,306 thousand respectively (2007: EUR 5,776 thousand and EUR 69,270 thousand respectively). Interest income on pension plan assets in 2008 amounted to EUR 20,384 thousand (2007: EUR 22,446 thousand).

Other financial income and expenses for the year included net foreign exchange gains on financial instruments amounting to EUR 5,826 thousand (2007: EUR 4,003 thousand).

9 Taxes on income

The income tax burden and the pre-tax earnings determining the effective tax rate were as follows:

Taxes on income — EUR 1,000

	2008	2007
Profit from ordinary activities		
Austria	797,185	927,629
Foreign	1,511,895	1,484,507
Total	**2,309,080**	**2,412,136**
Taxes on income		
Austria	148,853	122,654
Foreign	688,102	433,052
Deferred taxes	(56,825)	13,635
Taxes on income	**780,130**	**569,340**

The reconciliation of deferred taxes was as follows:

Changes in deferred taxes [1] — EUR 1,000

	2008	2007
Deferred taxes January 1	(243,610)	(226,896)
Deferred taxes December 31	(223,471)	(243,610)
Changes in deferred taxes	**20,139**	**(16,714)**
Deferred taxes on revaluation of securities and hedges taken directly to equity	21,615	420
Changes in consolidated Group, exchange differences	15,071	2,659
Deferred taxes per income statement	**56,825**	**(13,635)**
The deferred tax balance was made up as follows:		
Change in tax rate	(386)	(37,627)
Elimination of unrealized intra-group profits	(2,155)	(2,003)
Release and creation of valuation allowance for deferred taxes	10,107	(11,409)
Loss carryforwards not recognized in prior years	(1,116)	(6,855)
Reversal of temporary differences, including additions to and use of loss carryforwards	50,375	44,260

[1] Including deferred taxes for assets held for sale.

The **effective tax rate** is the ratio of income tax expense to profit from ordinary activities – to the extent that the tax expense is attributable to profit from ordinary activities. The table below shows the resultant tax rate compared with the standard Austrian corporate income tax rate of 25%, and the major differences.

Tax rates		%
	2008	2007
Austrian corporate income tax rate	**25.0**	**25.0**
Tax effect of:		
Differing foreign tax rates	9.8	7.2
Non-deductible expenses	3.5	3.3
Non-taxable income	(5.5)	(8.7)
Change in tax rate	0.0	(1.6)
Expired tax loss carryforwards	0.1	0.1
Write-down on investments at parent company level	0.0	(0.1)
Change in valuation allowance for deferred taxes	0.4	(0.5)
Other	0.5	(1.1)
Effective Group income tax rate	**33.8**	**23.6**

OMV Aktiengesellschaft forms a tax group with its major subsidiaries in Austria in accordance with section 9 of the Austrian Corporate Income Tax Act 1988 (KStG). Taxable profits and losses of all the Group's main subsidiaries in Austria and some foreign subsidiaries (OMV Australia Pty Ltd., OMV Slovensko s.r.o. and OMV Gaz Ve Enerji Limited Sirketi) are aggregated.

Investment income transferred from domestic subsidiaries is in general exempt from taxation. Dividends from foreign investments in which there is a holding of 10% or more are also excluded from liability to tax at the level of the Austrian parent company.

Taxes on income charged directly to equity totaled EUR 16,836 thousand (2007: 5,571 thousand). In 2008, tax loss carryforwards of EUR 71,137 thousand (2007: EUR 104,577 thousand) were used; the associated deferred taxation was EUR 20,161 thousand (2007: EUR 30,552 thousand).

10 Earnings per share

Earnings per share (EPS)

			2008	2007
	Earnings excluding minorities in EUR 1,000	Number of shares	EPS EUR	EPS EUR
Basic	1,374,437	298,753,838	4.60	5.29
Diluted	1,374,437	298,908,833	4.60	5.28

In 2008 and 2007, there were no discontinued operations.

The calculation of diluted earnings per share takes into account the weighted average number of ordinary shares in issue following the conversion of all potentially diluting ordinary shares. This includes all the options outstanding at December 31, 2008, under the stock option plans for 2004 and 2005, which provide for the acquisition of a total of 154,995 shares on favorable terms (payment of the difference between the share prices at the time the options were granted and the time of exercise in the form of shares).

Notes to the balance sheet

11 Intangible assets

Intangible assets — EUR 1,000

2008	Concessions, licenses, rights	Oil and gas assets with unproved reserves	Goodwill	Payments in advance	Total
Costs of acquisition and production					
January 1, 2008	**398,088**	**382,722**	**33,582**	**37,988**	**852,380**
Exchange differences	(36,717)	(21,945)	232	(936)	**(59,365)**
Changes in consolidated Group	5	2,974	–	–	**2,979**
Additions	322,812	271,388	–	5,177	**599,377**
Transfers	38,975	(27,275)	(442)	(37,139)	**(25,881)**
Assets held for sale	(697)	175	–	–	**(521)**
Disposals	(26,410)	(35,992)	(15,321)	(7)	**(77,730)**
December 31, 2008	**696,056**	**572,048**	**18,050**	**5,083**	**1,291,238**
Development of amortization					
January 1, 2008	**217,572**	**98,209**	**15,277**	**–**	**331,058**
Exchange differences	(7,800)	(18,550)	–	–	**(26,351)**
Changes in consolidated Group	–	–	–	–	**–**
Amortization	90,923	2,015	–	–	**92,939**
Impairment	1,248	159,686	–	–	**160,934**
Transfers	(28)	(3,815)	–	–	**(3,843)**
Assets held for sale	(489)	–	–	–	**(489)**
Disposals	(18,760)	(34,896)	(15,277)	–	**(68,933)**
Write-ups	(1)	(1,537)	–	–	**(1,538)**
December 31, 2008	**282,665**	**201,113**	**–**	**–**	**483,778**
Carrying amount January 1, 2008	180,516	284,513	18,305	37,988	**521,322**
Carrying amount December 31, 2008	**413,391**	**370,935**	**18,050**	**5,083**	**807,460**
2007					
Costs of acquisition and production					
January 1, 2007	**337,225**	**212,939**	**33,650**	**1,558**	**585,372**
Exchange differences	(6,585)	(19,680)	(1,252)	(2,588)	**(30,105)**
Changes in consolidated Group	873	4,887	–	–	**5,760**
Additions	65,257	203,546	1,265	40,031	**310,099**
Transfers	7,932	(10,923)	(9)	(975)	**(3,975)**
Disposals	(6,614)	(8,047)	(72)	(38)	**(14,771)**
December 31, 2007	**398,088**	**382,722**	**33,582**	**37,988**	**852,380**
Development of amortization					
January 1, 2007	**176,625**	**9,467**	**–**	**–**	**186,092**
Exchange differences	(2,091)	(6,228)	–	–	**(8,319)**
Changes in consolidated Group	773	–	–	–	**773**
Amortization	45,166	849	–	–	**46,015**
Impairment	1,640	80,106	15,277	–	**97,023**
Transfers	(60)	22,022	–	–	**21,962**
Disposals	(3,963)	(8,007)	–	–	**(11,970)**
Write-ups	(518)	–	–	–	**(518)**
December 31, 2007	**217,572**	**98,209**	**15,277**	**–**	**331,058**
Carrying amount January 1, 2007	160,600	203,472	33,650	1,558	**399,280**
Carrying amount December 31, 2007	**180,516**	**284,513**	**18,305**	**37,988**	**521,322**

Oil and gas assets with unproved reserves consist of capitalized exploration and exploratory type appraisal costs as well as exploration licenses. Before 2008 this position has been included in tangible assets. Prior year's figures have been adjusted.

Property, plant and equipment — EUR 1,000

12 Property, plant and equipment

	Land, land rights and buildings, including buildings on third-party property	Oil and gas assets	Plant and machinery	Other fixtures, fittings and equipment	Assets under construction	Payments in advance	**Total**
Costs of acquisition and construction							
January 1, 2008	**2,402,165**	**5,942,584**	**4,586,861**	**1,503,598**	**1,120,471**	**126,651**	**15,682,330**
Exchange differences	(66,842)	(377,082)	(62,646)	(15,195)	(76,527)	(13,200)	**(611,492)**
Changes in consolidated Group	7,199	—	(5,769)	(3)	188	—	**1,615**
Additions	105,838	1,598,479	247,289	131,642	923,809	92,751	**3,099,808**
Transfers	102,194	184,618	300,174	87,273	(598,537)	(48,668)	**27,054**
Assets held for sale	(66,312)	(980)	(7,827)	(31,909)	(8,203)	—	**(115,231)**
Disposals	(49,743)	(28,814)	(42,816)	(63,895)	(34,270)	(138)	**(219,676)**
December 31, 2008	**2,434,498**	**7,318,805**	**5,015,267**	**1,611,512**	**1,326,930**	**157,396**	**17,864,408**
Development of depreciation							
January 1, 2008	**835,340**	**2,296,537**	**2,628,625**	**952,265**	**33,528**	**7,390**	**6,753,686**
Exchange differences	(10,952)	(52,934)	(31,367)	(7,359)	(4,113)	(179)	**(106,904)**
Changes in consolidated Group	—	—	(10,791)	(15)	—	—	**(10,806)**
Depreciation	90,828	407,861	207,078	116,629	—	—	**822,396**
Impairment	56,428	590	99,238	12,892	47,140	317	**216,604**
Transfers	(4,031)	(44,291)	49,868	25,238	(14,843)	(6,911)	**5,031**
Assets held for sale	(38,466)	—	(4,934)	(25,321)	—	—	**(68,722)**
Disposals	(31,018)	(17,188)	(38,235)	(55,185)	(22,004)	(138)	**(163,769)**
Write-ups	(1,953)	(32)	(1,509)	(321)	(777)	—	**(4,593)**
December 31, 2008	**896,176**	**2,590,543**	**2,897,972**	**1,018,821**	**38,931**	**479**	**7,442,922**
Carrying amount January 1, 2008	1,566,825	3,646,047	1,958,236	551,333	1,086,943	119,261	**8,928,645**
Carrying amount December 31, 2008	**1,538,323**	**4,728,262**	**2,117,295**	**592,691**	**1,287,999**	**156,916**	**10,421,486**

Property, plant and equipment — EUR 1,000

	Land, land rights and buildings, including buildings on third-party property	Oil and gas assets	Plant and machinery	Other fixtures, fittings and equipment	Assets under construction	Payments in advance	Total
Costs of acquisition and construction							
January 1, 2007	**2,266,287**	**5,406,314**	**3,800,544**	**1,346,378**	**861,334**	**67,257**	**13,748,114**
Exchange differences	(20,387)	(311,984)	(19,882)	(7,029)	(61,469)	(8,819)	**(429,570)**
Changes in consolidated Group	23,224	—	29,625	1,921	1,437	101	**56,308**
Additions	86,432	707,018	542,346	143,202	972,993	101,421	**2,553,412**
Transfers	116,752	185,593	314,046	70,921	(651,117)	(31,608)	**4,587**
Assets held for sale	—	(14,646)	—	—	—	—	**(14,646)**
Disposals	(70,143)	(29,711)	(79,818)	(51,795)	(2,707)	(1,701)	**(235,875)**
December 31, 2007	**2,402,165**	**5,942,584**	**4,586,861**	**1,503,598**	**1,120,471**	**126,651**	**15,682,330**
Development of depreciation							
January 1, 2007	**750,009**	**2,008,277**	**2,515,088**	**892,500**	**45,783**	**7,799**	**6,219,456**
Exchange differences	(2,025)	(116,862)	(6,960)	(2,981)	(1,490)	(475)	**(130,792)**
Changes in consolidated Group	1,588	—	—	738	—	—	**2,326**
Depreciation	81,514	403,736	157,061	100,629	646	—	**743,586**
Impairment	36,517	6,904	24,571	3,652	18,614	67	**90,325**
Transfers	(632)	896	5,285	981	(27,880)	—	**(21,350)**
Assets held for sale	(38)	—	—	—	—	—	**(38)**
Disposals	(30,826)	(6,414)	(66,279)	(42,472)	(17)	(1)	**(146,010)**
Write-ups	(767)	—	(141)	(782)	(2,128)	—	**(3,818)**
December 31, 2007	**835,340**	**2,296,537**	**2,628,625**	**952,265**	**33,528**	**7,390**	**6,753,685**
Carrying amount January 1, 2007	1,516,278	3,398,037	1,285,456	453,878	815,551	59,458	**7,528,658**
Carrying amount December 31, 2007	**1,566,825**	**3,646,047**	**1,958,236**	**551,333**	**1,086,943**	**119,261**	**8,928,645**

Land, land rights and buildings, including buildings on third-party property include land to the value of EUR 507,695 thousand (2007: EUR 512,771 thousand).

Oil and gas assets consist of development type appraisal costs, development costs as well as production costs. Prior year's figures have been adjusted (see Note 11).

Property, plant and equipment with a total carrying amount of EUR 46,510 thousand (2007: EUR 14,608 thousand) was transferred to **assets held for sale.** Thereof EUR 2,020 thousand have been sold until year-end 2008.

Sales of assets held for sale in 2007, relating to the Dunlin joint venture of OMV (U.K.) Limited, were completed in 2008.

In connection with the construction of property, plant and equipment, **interest on borrowings** of EUR 19,189 thousand has been capitalized in 2008 (2007: EUR 23,928 thousand). It was largely not related to borrowings taken up specifically for the purpose, but was calculated using a special financing interest rate of 4.4% (2007: 4.5%). At balance sheet date, there were contractual obligations for the acquisition of property, plant and equipment amounting to EUR 1,033,522 thousand (2007: EUR 867,668 thousand).

Finance lease

Property, plant and equipment include assets being used under finance lease agreements. Finance lease is used inter alia by OMV (U.K.) Limited for a gas processing plant, by OMV Slovensko s.r.o. and OMV Ceská 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.

Lease and rental agreements — EUR 1,000

			2008			2007
	Acquisition cost	Accumulated depreciation	Carrying amount	Acquisition cost	Accumulated depreciation	Carrying amount
Land, land rights and buildings, including buildings on third-party property	24,751	7,769	16,982	23,534	5,898	17,636
Plant and machinery	33,434	27,746	5,688	30,924	25,096	5,828
Other fixtures, fittings and equipment	2,112	697	1,415	6,414	6,414	0
Total	**60,296**	**36,212**	**24,084**	**60,872**	**37,408**	**23,463**

In 2008, conditional lease payments under finance lease agreements amounted to EUR 906 thousand (2007: EUR 18 thousand).

Commitments under finance leases as of December 31, — EUR 1,000

			2008			2007
	≤1 year	1–5 years	>5 years	≤1 year	1–5 years	>5 years
Total future minimum lease commitments	29,370	133,662	11,166	2,340	7,079	12,131
[thereof interest component]	[13,567]	[31,296]	[2,944]	[1,027]	[2,712]	[3,153]
Present value of minimum lease payments	**15,803**	**102,367**	**8,222**	**1,313**	**4,367**	**8,978**

The commitments under finance leases as of December 31, 2008 also include a floating production, storage and offtake vessel (FPSO) for the Maari oilfield platform in New Zealand. Since the beneficial ownership has not been transferred until the end of 2008, the finance lease is not represented in the balance sheet.

Operating lease

OMV also makes use of operating leases, mainly for filling station sites, IT equipment and vehicle fleets. In 2008, these expenses amounted to EUR 95,335 thousand (2007: EUR 65,535 thousand).

Future lease commitments — EUR 1,000

Payable within 1 year	66,610
Payable between 1 and 5 years	174,068
Payable after more than 5 years	247,990
Total future minimum lease commitments	**488,667**

The future lease commitments already include the lease for the new OMV head office payable from 2009 on.

There are options to renew the leases for a large proportion of the leased filling station sites.

13 Investments in associated companies

Associated companies — EUR 1,000

Carrying amount	2008	2007
January 1	**2,125,635**	**1,786,141**
Exchange differences	(242,322)	78,477
Changes in consolidated Group	(65,707)	(3,968)
Additions and results	258,145	350,517
Disposals	(120,650)	(85,533)
December 31	**1,955,100**	**2,125,635**

Summarized balance sheet and income statement information for companies accounted for at-equity was as follows:

Summarized information for companies accounted for at-equity — EUR 1,000

	2008	2007
Current assets	3,581,519	3,685,636
Non-current assets	7,148,760	7,222,162
Liabilities	5,485,617	5,359,717
Net sales	17,397,176	15,485,113
Earnings before interest and taxes (EBIT)	560,577	719,270
Net income for the year	297,428	673,533

14 Inventories

During the year, inventory values decreased by EUR 271,244 thousand or 11.1% to EUR 2,172,927 thousand. Inventories at balance sheet date were as follows:

Inventories — EUR 1,000

	2008	2007
Crude oil	420,356	674,423
Other raw materials	368,092	308,333
Work in progress: Petroleum products	144,294	219,997
Other work in progress	10,221	3,862
Finished petroleum products	623,133	783,999
Other finished products	578,719	434,257
Prepayments	28,111	19,300
Total	**2,172,927**	**2,444,171**

Inventory values of crude oil and petroleum products decreased by 29.2% to EUR 1,187,783 thousand (2007: EUR 1,678,419 thousand).

In 2008, the costs of raw materials included in production costs were EUR 17,204,905 thousand (2007: EUR 13,134,433 thousand).

Expensed valuation allowances against inventories amounted to EUR 127,964 thousand (2007: EUR 45,052 thousand).

15 Trade receivables

Trade receivables (carrying amounts) — EUR 1,000

	2008	2007
Receivables from associated companies	52,034	49,403
Receivables from other companies	1,947,757	2,359,801
Total	**1,999,791**	**2,409,204**

The carrying amounts of trade receivables approximate their fair values.

Valuation allowances for trade receivables — EUR 1,000

	2008	2007
January 1	**87,544**	**100,480**
Additions/(releases)	44,759	5,419
Disposals	(32,017)	(20,752)
Foreign exchange rate differences and changes in consolidated Group	(6,230)	2,396
December 31	**94,056**	**87,544**

Carrying amount of impaired trade receivables — EUR 1,000

	2008	2007
Before impairments	133,896	231,277
Net of impairments	39,841	143,733

The aging of trade receivables which were past due but not impaired was as follows:

Carrying amounts of trade receivables past due but not impaired — EUR 1,000

	2008	2007
Up to 60 days overdue	101,647	157,201
61 to 120 days overdue	2,630	270
More than 120 days overdue	8,815	3,985
Total	**113,092**	**161,455**

16 Other financial assets

The carrying amount of **other financial assets** was as follows:

Other financial assets (carrying amounts after valuation) EUR 1,000

	Valued at fair value through profit or loss	Valued at fair value through equity	Valued at amortized cost	**Total carrying amount**	[thereof short-term]	[thereof long-term]
December 31, 2008						
Investments in not-consolidated companies	–	820,816	58,278	**879,094**	[–]	[879,094]
Investment funds	–	6,620	–	**6,620**	[–]	[6,620]
Bonds	–	166,527	–	**166,527**	[–]	[166,527]
Derivatives designated and effective as hedging instruments	19,110	571,445	–	**590,555**	[369,357]	[221,198]
Other derivatives	98,529	–	–	**98,529**	[98,529]	[–]
Loans	–	–	341,762	**341,762**	[1,996]	[339,766]
Other receivables from not-consolidated subsidiaries	–	–	–	**–**	[–]	[–]
Other receivables from associated companies	–	–	9,840	**9,840**	[9,830]	[10]
Other sundry receivables	–	–	729,696	**729,696**	[218,250]	[511,446]
Total	**117,639**	**1,565,408**	**1,139,576**	**2,822,623**	**[697,962]**	**[2,124,661]**
December 31, 2007						
Investments in not-consolidated companies	–	2,141,532	57,124	**2,198,656**	[–]	[2,198,656]
Investment funds	278,279	189,904	–	**468,183**	[278,279]	[189,904]
Bonds	–	55,717	–	**55,717**	[–]	[55,717]
Derivatives designated and effective as hedging instruments	1,581	74,807	–	**76,388**	[53,657]	[22,731]
Other derivatives	4,389	–	–	**4,389**	[4,389]	[–]
Loans	–	–	206,317	**206,317**	[2,370]	[203,948]
Other receivables from not-consolidated subsidiaries	–	–	5,047	**5,047**	[1,801]	[3,246]
Other receivables from associated companies	–	–	3,724	**3,724**	[3,724]	[–]
Other sundry receivables	–	–	743,367	**743,367**	[249,823]	[493,544]
Total	**284,249**	**2,461,960**	**1,015,579**	**3,761,788**	**[594,043]**	**[3,167,745]**

With the exception of investments in not-consolidated companies valued at cost, for which there are no stock exchange or market prices, the carrying amounts are the fair values of other financial assets.

The carrying amounts of financial assets at fair value through profit or loss (excluding derivatives designated and effective as hedging instruments, which are not classified as financial assets at fair value through profit or loss) at December 31, 2008, were EUR 98,529 thousand (2007: EUR 282,668 thousand). These consist exclusively of financial assets held for trading. The carrying amounts of available-for-sale financial assets at December 31, 2008, were EUR 1,052,241 thousand (2007: EUR 2,444,277 thousand). There were no held-to-maturity financial assets at either December 31, 2007, or December 31, 2008.

Investments in not-consolidated companies valued at fair value through equity consist only of the interest in the Hungarian oil and gas company MOL and include cumulative negative fair value adjustments of EUR 616,225 thousand (2007: positive adjustments of EUR 704,122 thousand). These shares are valued at the stock exchange quotation at the balance sheet date. Considering all circumstances, this stock exchange quotation does not reflect the sustainable enterprise value; for this reason, no impairment affecting profit and loss was carried out. OMV holds a share of 21.22% in MOL, of which shares amounting to EUR 795,669 thousand are used in repo transactions as collateral for short-term bank loans at December 31, 2008. The provision in MOL's articles of incorporation limiting the voting rights of any single shareholder to 10% means that OMV does not exercise a significant influence over the company's business.

The loans include interest-bearing shareholder loans to IOB Holdings A/S and Erdöl-Tanklagerbetrieb GmbH totaling EUR 42,775 thousand (2007: EUR 42,775 thousand) with an average interest rate of 5.52% in 2008, and an interest-free shareholder loan of EUR 294,750 thousand (2007: EUR 159,750 thousand) to BAYERNOIL Raffineriegesellschaft mbH.

Amortized costs of securities — EUR 1,000

	2008	2007
Investments in not-consolidated companies at fair value	1,437,041	1,437,410
Investments in not-consolidated companies at cost	58,278	57,124
Investment funds at fair value through profit or loss	—	276,020
Available-for-sale investment funds	6,631	212,646
Bonds	171,883	57,543

Valuation allowances for other financial receivables [1] — EUR 1,000

	2008	2007
January 1	**106,697**	**122,574**
Additions/(releases)	1,199	(398)
Disposals	(1,926)	(9,042)
Foreign exchange rate differences	(10,783)	(6,436)
December 31	**95,187**	**106,697**

[1] Related to other sundry receivables included in item other financial assets.

Carrying amount of other financial receivables — EUR 1,000

	2008	2007
Before impairments	95,275	107,521
Net of impairments	88	825

The aging of other financial receivables which were past due but not impaired was as follows:

Carrying amount of other financial receivables past due but not impaired — EUR 1,000

	2008	2007
Up to 60 days overdue	1,499	1,523
61 to 120 days overdue	—	1,647
More than 120 days overdue	12	2,567
Total	**1,511**	**5,737**

17 Other assets

Other assets — EUR 1,000

	2008		2007	
	Short-term	Long-term	Short-term	Long-term
Prepaid expenses	32,953	15,947	62,163	16,501
Other payments on account	16,974	—	—	—
Other non-financial receivables	126,434	26,641	131,818	—
Other assets	**176,360**	**42,587**	**193,981**	**16,501**

18 Assets and liabilities held for sale

In 2008, assets and liabilities held for sale consist of land and property owned by OMV Aktiengesellschaft and Petrom SA, filling stations of OMV Refining & Marketing GmbH and OMV Deutschland GmbH and the E&P-investment Boquerón, S.A, Venezuela. These transactions should be closed in 2009.

In 2007, the principal assets and liabilities held for sale consisted of land owned by OMV Aktiengesellschaft, and of the Dunlin field (a joint venture in the UK).

Assets and liabilities held for sale — EUR 1,000

	2008	2007
Non-current assets	53,928	20,644
Current assets and deferred taxes	6,428	10,692
Assets held for sale	**60,356**	**31,336**
Provisions	5,695	25,549
Liabilities	2,454	2,015
Liabilities associated with assets held for sale	**8,149**	**27,564**

19 Stockholders' equity

The **capital stock** of OMV Aktiengesellschaft consists of 300,000,000 (2007: 300,000,000) fully paid no par value shares with a total nominal value of EUR 300,000 thousand (2007: EUR 300,000 thousand). There are no different classes of shares, and no shares with special rights of control. All shares are entitled to dividends for the financial year 2008, with the exception of treasury shares held by OMV Aktiengesellschaft.

The Executive Board has been authorized by resolution of the Annual General Meeting 2007, to increase the capital stock of OMV Aktiengesellschaft with the approval of the Supervisory Board by up to EUR 36,350 thousand by the issue of up to 36,350,000 no par value shares until May 23, 2012 (authorized capital).

The Annual General Meeting of May 14, 2008 authorized the Executive Board for a period of 18 months after the date of the authorization to purchase the Company's stock up to the maximum amount permissible by law (currently 10% of the authorized share capital). Repurchased shares may be used to service the stock option plans or can at any time be sold through the stock exchange or by means of a public offer.

Capital reserves have been formed by the introduction into OMV Aktiengesellschaft of funds by its shareholders over and above the capital stock, on the basis of their ownership relationship.

The Group's **revenue reserves** include the net income and losses of consolidated subsidiaries and investments included at-equity, as adjusted for the purposes of consolidation.

The **gains or losses recognized directly in consolidated equity** at balance sheet date shown under other reserves were as follows:

Gains/(losses) recognized directly in equity **EUR 1,000**

		December 31, 2008			December 31, 2007	
	Gross	Taxes	Net	Gross	Taxes	Net
Foreign exchange differences and other	(423,194)	—	(423,194)	104,058	—	104,058
Unrealized gains/(losses) on securities	(620,152)	691	(619,461)	680,253	5,796	686,049
Change in equity of company included at-equity not affecting income or expense	—	—	—	(26,576)	—	(26,576)
Unrealized gains/(losses) on hedges	74,338	(12,011)	62,328	(15,083)	3,495	(11,588)
Gains/(losses) recognized directly in equity	**(969,008)**	**(11,320)**	**(980,328)**	**742,652**	**9,291**	**751,943**

For 2008, OMV Aktiengesellschaft proposes a dividend of EUR 1.00 per eligible share.

For 2007, OMV Aktiengesellschaft proposed a dividend of EUR 1.25 per eligible share. This dividend was paid in May 2008.

The Annual General Meetings for the years 2000 to 2008 approved the repurchase of treasury shares in connection with the provision of stock option plans. The costs of repurchased shares have been reflected in a reduction in equity. Gains or losses on the re-issue of treasury shares (issue proceeds less acquisition cost) result in an increase or reduction in capital reserves.

Changes in **treasury shares** were as follows:

Treasury shares

	Number of shares	Repurchase cost EUR 1,000
January 1, 2007	**1,289,606**	**14,141**
Additions	1,627,390	64,861
Disposals	(1,647,930)	(65,072)
December 31, 2007	**1,269,066**	**13,930**
Additions	15,774	446
Disposals	(31,941)	(378)
December 31, 2008	**1,252,899**	**13,997**

The **number of shares in issue** was as follows:

Number of shares in issue

	Number of shares	Treasury shares	Shares in issue
January 1, 2007	**300,002,400**	**1,289,606**	**298,712,794**
Capital decrease	(2,400)	(2,400)	—
Purchase of treasury shares	—	1,627,390	(1,627,390)
Used to cover conversions and stock options	—	(1,645,130)	1,645,130
Sale of treasury shares	—	(400)	400
December 31, 2007	**300,000,000**	**1,269,066**	**298,730,934**
Purchase of treasury shares	—	15,774	(15,774)
Used to cover stock options	—	(31,266)	31,266
Sale of treasury shares	—	(675)	675
December 31, 2008	**300,000,000**	**1,252,899**	**298,747,101**

Changes in **provisions** during the year were as follows:

20 Provisions

Provisions					**EUR 1,000**
	Pensions and similar obligations	Current income taxes	Decom-missioning and restoration [1]	Other provisions [2]	**Total**
January 1, 2008	**923,060**	**85,370**	**1,555,952**	**667,923**	**3,232,305**
Exchange differences	(6,829)	(1,199)	(141,825)	(50,763)	**(200,616)**
Changes in consolidated Group	156	407	—	(2,983)	**(2,420)**
Used	(69,602)	(54,702)	(15,535)	(358,770)	**(498,609)**
Payments to funds	(9,837)	—	—	—	**(9,837)**
Allocations	124,625	55,539	280,273	555,516	**1,015,953**
Transfers	(29,798)	—	4,990	24,808	**—**
Liabilities associated with assets held for sale	—	—	(5,065)	(312)	**(5,377)**
December 31, 2008	**931,775**	**85,415**	**1,678,790**	**835,420**	**3,531,400**
[thereof short-term]	[—]	[85,415]	[—]	[552,349]	**[637,764]**

[1] The short-term portion of the decommissioning and restoration provision, amounting to EUR 442 thousand (2007: EUR 5,221 thousand), is included under other provisions.

[2] In 2007, this item included accrued vacations of EUR 31,227; starting in 2008, these are included under other liabilities (see Note 21). The comparative figure for 2007 has been adjusted to reflect this change.

Provisions for pensions, and similar obligations

Employees of Austrian Group companies whose service began before December 31, 2002, are entitled to receive **severance payments** upon termination of employment or on reaching normal retirement age. The entitlements depend on years of service and final compensation levels. Entitlements to severance payments for employees whose service began after December 31, 2002, are covered by defined contribution plans.

The indexed **pension commitments** in respect of currently active employees of OMV Aktiengesellschaft were transferred to an external pension fund managed by APK-Pensionskasse AG in earlier years.

The defined benefit plans are generally based on years of service and the employee's average compensation over the last five calendar years of employment. These pension plans are non-contributory. For the defined contribution plans, the reported expense corresponds to the contributions payable for the period.

Employees in Austria and Germany are entitled to **jubilee payments** after completion of a given number of years of service. These plans are non-contributory and unfunded.

Defined benefit pension obligations were as follows:

Defined benefit pension plans EUR 1,000

	2008	2007	2006	2005	2004
Present value of obligations financed through funds	522,420	551,603	539,403	525,873	473,205
Market value of plan assets [1]	(349,295)	(381,439)	(382,386)	(366,003)	(347,153)
Unrecognized actuarial gains/(losses)	(72,970)	(72,315)	(65,075)	(75,303)	(41,932)
Provision for obligations financed through funds	**100,155**	**97,849**	**91,942**	**84,567**	**84,120**
Present value of obligations not financed through funds	524,123	560,277	578,398	598,230	606,917
Unrecognized actuarial gains/(losses)	(5,765)	(21,451)	(19,316)	(18,915)	6,002
Provision for obligations not financed through funds	**518,358**	**538,826**	**559,082**	**579,315**	**612,919**
Provision for defined benefit pension obligations	**618,513**	**636,675**	**651,024**	**663,882**	**697,039**

[1] In 2008, this item includes EUR 770 thousand in respect of qualifying insurance contracts (2007: EUR 770 thousand).

Changes in the provisions for **severance payments, jubilee payments and personnel reduction schemes** were as follows:

Severance payments, jubilee payments and personnel reduction schemes EUR 1,000

	2008	2007	2006	2005	2004
Present value of obligations	469,082	442,024	496,157	463,075	414,674
Unrecognized actuarial gains/(losses)	(5,994)	(12,953)	(6,182)	(12,114)	1,329
Provision for obligations	**463,088**	**429,071**	**489,975**	**450,961**	**416,003**

Changes in **provisions and expenses** were as follows:

Provisions and expenses EUR 1,000

		2008		2007
	Pensions	Severance and jubilee entitlements, and personnel reduction schemes	Pensions	Severance and jubilee entitlements, and personnel reduction schemes
Provision January 1	**636,675**	**429,071**	**651,024**	**489,975**
Expense for the year	39,242	126,455	38,084	91,978
Additions from businesses acquired	—	20,036	—	—
Allocation to funds	(10,658)	—	(5,195)	—
Benefits paid	(46,746)	(93,715)	(47,565)	(143,188)
Exchange translation difference	—	(18,759)	—	(9,987)
Liabilities taken over as a result of mergers	—	—	327	293
Provision December 31	**618,513**	**463,088**	**636,675**	**429,071**
Current service cost	5,374	117,536	6,597	75,877
Interest cost	48,544	17,334	48,909	15,684
Expected return on plan assets	(20,384)	—	(22,446)	—
Amortized actuarial (gains)/losses	5,708	(8,415)	4,679	417
Past service cost	—	—	345	—
Expenses of defined benefit plans for the year	**39,242**	**126,455**	**38,084**	**91,978**

Expenses for interest accrued on personnel reduction schemes of EUR 6,343 thousand (2007: EUR 5,776 thousand) have been included under interest expense.

Severance and jubilee entitlements and personnel reduction schemes include provisions of EUR 149,826 thousand (2007: EUR 142,687 thousand) for the costs of personnel reduction schemes disclosed under other short-term provisions.

Underlying assumptions for calculating pension expense and expected defined benefit entitlements as of December 31

	2008 Pensions	2008 Severance, jubilees	2007 Pensions	2007 Severance, jubilees
Capital market interest rate	5.50%	5.50%	4.50%	4.50%
Future increases in salaries	3.85%	3.85%	3.85%	3.85%
Inflation	2.50%	—	1.90%	—
Long-term rate of return on plan assets	5.50%	—	6.00%	—

In 2007, for calculating the provision for severance payments at Petrom SA a discount rate of 4.34% and an inflation rate of 3.00% have been used.

Allocation of plan assets as of December 31

	2008 VRG IV	2008 VRG VI	2007 VRG IV	2007 VRG VI
Asset category				
Equity securities	23.1%	25.6%	37.3%	42.1%
Debt securities	54.7%	47.2%	37.7%	45.9%
Cash and money market investments	16.4%	27.2%	18.3%	12.0%
Other	5.8%	—	6.7%	—
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**

The **market value of plan assets** for defined benefit pension obligations financed through funds was as follows:

Market value of plan assets — **EUR 1,000**

	2008 VRG IV	2008 VRG VI	2007 VRG IV	2007 VRG VI
Market value of plan assets January 1	**180,496**	**200,173**	**172,417**	**209,969**
Expected return on plan assets	9,833	10,534	10,290	12,138
Allocation to funds	7,713	2,945	5,195	—
Benefits paid	(3,178)	(17,270)	(2,187)	(16,086)
Transfers of funds assets	—	—	1,043	(1,043)
Actuarial gains/(losses) on pension plan assets for the year	(33,810)	(8,911)	(6,262)	(4,805)
Market value of plan assets December 31	**161,054**	**187,471**	**180,496**	**200,173**

Investment policies aim to achieve an optimal investment portfolio structure and to ensure that existing entitlements are covered at all times. The investment of plan assets is governed by section 25 Austrian Pension Fund Act and the Investment Fund Act. In addition to these regulations, the investment guidelines of APK-Pensionskasse AG regulate the spread of asset allocation, the use of funds of funds and the selection of fund managers. New categories of investments or the employment of a wider range of funds requires the approval of the APK-Pensionskasse AG management board. Diversification for both equity and debt securities is global; however, the bulk of the debt securities are EUR-denominated.

The funds of the asset allocation and risk group (VRG) IV are invested in EUR-denominated bond funds, international equity funds and money market investments. As part of the policy of risk diversification, in selecting the asset managers, their different management styles and investment approaches have been taken into account.

In 2005, the investment management policy for the funds of VRG VI was changed to a value-at-risk approach. The process involves investing in European equities and in low-risk assets, with a defined worst-case loss limit, but also with the opportunity of benefiting from positive stock market performance.

Favorable or adverse variances in the performance of individual VRGs compared with target returns on plan assets exist, due to their different maturities and to different developments in the capital markets. As a consequence of the weakness of the global financial markets starting in September 2008 also the performance of VRG IV was negative in 2008; due to the value-at-risk approach the performance of VRG VI was balanced in 2008.

For 2009, defined benefit related contributions to APK-Pensionskasse AG of EUR 5,378 thousand are planned.

Projected **payments to beneficiaries of pension plans** for 2009–2018 are as follows:

Projected payments to beneficiaries of pension plans	**EUR 1,000**
	Pensions
2009	67,750
2010	68,484
2011	69,011
2012	70,306
2013	72,180
2014-2018	366,038

Provisions for decommissioning and restoration obligations

Changes in capitalized decommissioning costs and provisions for decommissioning and restoration obligations are shown in the table below. In the event of changes in estimated restoration costs, only the effect of the change in present value of the change is recognized in the period concerned. If the value increases, the increase is written off over the remaining useful life of the asset, and if it decreases, the decrease is deducted from capitalized asset value.

Capitalized decommissioning costs and provisions for decommissioning and restoration obligations EUR 1,000

	Acquisition cost	Depreciation	Carrying amount
Capitalized decommissioning costs			
January 1, 2008	**240,409**	**138,210**	**102,199**
Exchange differences	(14,705)	(1,984)	(12,721)
New obligations	23,992	—	23,992
Acquisitions and disposals	—	—	—
Assets held for sale [1]	(1,856)	(667)	(1,189)
Increase arising from revisions in estimates	39,522	—	39,522
Depreciation	—	17,783	(17,783)
Disposal (decommissioning)	(16,632)	(17,027)	395
Reduction arising from revisions in estimates	(2,297)	—	(2,297)
December 31, 2008	**268,433**	**136,315**	**132,117**
Decommissioning and restoration obligations [2]			
January 1, 2008	**—**	**—**	**1,561,174**
Exchange differences	—	—	(153,992)
New obligations	—	—	31,063
Liabilities associated with assets held for sale [1]	—	—	(5,062)
Increase arising from revisions in estimates [3]	—	—	165,877
Reduction arising from revisions in estimates	—	—	(2,522)
Accrued discounting	—	—	97,547
Repayments	—	—	(14,853)
December 31, 2008	**—**	**—**	**1,679,232**

1 The assets and liabilities held for sale mainly refer to planned disposals of filling stations in Austria and Germany.
2 The short-term portion of this item at December 31, 2008, amounting to EUR 442 thousand (2007: EUR 5,221 thousand), is included under other provisions.
3 This item includes an increase in provision of EUR 132,857 thousand based on changes in the estimates for Petrom SA.

The provision for decommissioning and restoration costs includes obligations in respect of Petrom SA amounting to EUR 1,262,444 thousand (2007: EUR 1,194,654 thousand). There is a corresponding claim against the Romanian state of EUR 506,630 thousand (2007: EUR 473,363 thousand), which is disclosed as a non-current asset under other financial assets.

Other provisions EUR 1,000

	2008		2007	
	Short-term	Long-term	Short-term	Long-term
Environmental costs	2,019	116,953	1,589	110,484
Other personnel provisions [1]	183,794	355	168,405	286
Other	366,535	165,764	221,711	165,448
Other provisions	**552,348**	**283,072**	**391,705**	**276,218**

1 In 2007, this position included accrued vacations of EUR 31,227 thousand, which are reported as other liabilities from 2008 on. The comparative figure for 2007 has been adjusted.

Other personnel provisions include short-term costs of staff reductions amounting to EUR 149,826 thousand (2007: EUR 142,687 thousand). Other provisions contain current provisions for decommissioning and restoration costs of EUR 442 thousand (2007: EUR 5,221 thousand). This item also includes EUR 150,438 thousand short-term and EUR 94,985 thousand long-term litigation provisions due to litigations with former and current employees for various types of claims due to differing interpretations of some of the clauses of the Petrom Collective Bargaining Agreement.

Emissions certificates
Directive 2003/87/EC of the European Parliament and of the European Council established a greenhouse gas emissions trading scheme, requiring member states to draw up national plans to allocate emissions certificates. Under this scheme, affected OMV Group companies (with the exception of Petrom SA) received a total of 11,204,724 free emissions certificates for the first period, 2005–2007. Romania was admitted to the scheme in January 2007, when it joined the EU. 4,344,491 certificates were allocated to 19 plants of Petrom.

Total emissions for 2007 amounted to 3,754,249 t for OMV plants (2006: 3,867,453 t; 2005: 3,851,722 t). OMV surrendered certificates for this amount to the relevant national emissions trading registries in April 2008 (April 2007 and April 2006 respectively). In 2007, emissions of Petrom plants amounted to 3,992,018 t; certificates for that amount were surrendered to the relevant trading registry.

For the first year of the trading period 2008–2012 a total of 8,066,373 free emission certificates were allocated by national allocation plans to the OMV Group companies concerned, thereof 3,987,421 to 19 plants of Petrom in Romania.

As of December 31, 2008, OMV Group held 8,072,732 emissions certificates, of which 3,300,000 emissions certificates are used in repo transactions as collateral for short-term bank loans.

Emissions certificates

	Emissions certificates as of December 31, 2008
Allocation for 2008	8,066,373
Net purchases and sales in 2008 [1]	6,359
Total	**8,072,732**

[1] Purchases are valued at their acquisition cost.

As of December 31, 2008 (as well as of December 31, 2007) there was no shortfall in certificates for the OMV Group.

21 Liabilities

Liabilities EUR 1,000

	2008 Total	Short-term	Long-term	2007 Total	Short-term	Long-term
Bonds	**488,116**	—	488,116	**466,990**	—	466,990
Interest-bearing debts	**3,644,715**	1,606,509	2,038,205	**2,963,633**	2,514,827	448,806
[thereof to banks] [1]	**[3,644,715]**	[1,606,509]	[2,038,205]	**[2,963,633]**	[2,514,827]	[448,806]
Trade payables (short-term) [2]	**2,141,067**	2,141,067	—	**2,573,046**	2,573,046	—
[thereof to not-consolidated subsidiaries]	**[87]**	[87]	[—]	**[695]**	[695]	[—]
[thereof to associated companies]	**[60,137]**	[60,137]	[—]	**[56,048]**	[56,048]	[—]
Other financial liabilities [2]	**814,735**	415,411	399,324	**410,624**	317,560	93,063
Other liabilities [3]	**1,021,385**	1,007,457	13,927	**928,011**	911,594	16,418
Liabilities associated with assets held for sale	**8,149**	8,149	—	**27,564**	27,564	—
Total	**8,118,166**	**5,178,594**	**2,939,572**	**7,369,867**	**6,344,591**	**1,025,276**

[1] Amounts due to banks are secured by pledged securities of OMV Clearing und Treasury GmbH (MOL shares, see Note 16) in the amount of EUR 795,669 thousand and of OMV Refining & Marketing GmbH in the amount of EUR 4,911 thousand (2007: OMV Refining & Marketing GmbH, EUR 4,718 thousand).

[2] Accruals for goods and services not yet invoiced, which were reported under other financial liabilities in 2007, are reported as trade payables (short-term) in 2008. The comparative figures for 2007 have been adjusted accordingly.

[3] Accrued vacation, which was reported under other provisions in 2007, is reported under other liabilities in 2008. The comparative figures for 2007 have been adjusted accordingly.

Bonds

Bonds issued

	Nominal	Coupon	Repayment	**2008** Carrying amount December 31 EUR 1,000	2007 Carrying amount December 31 EUR 1,000
Domestic corporate bond [1]	EUR 250,000,000	3.75% fixed	30.6.2010	252,476	248,613
US private placement [1]	USD 182,000,000	4.73% fixed	27.6.2013	130,775	123,633
	USD 138,000,000	4.88% fixed	27.6.2015	104,864	94,744
Total				**488,116**	**466,990**

[1] In part, derivatives (interest swaps) were used to convert the interest rates from fixed to floating.

Interest-bearing debts and bonds

Some of the Group's interest-bearing debts to non-banks involve financial covenants, which relate in the main to adjusted equity ratios, cash flow from operating activities excluding interest income and expense, and earnings before interest, taxes, depreciation and amortization (EBITDA).

Interest-bearing debts and bonds have the following maturities:

Interest-bearing debts and bonds		EUR 1,000
	2008	2007
Short-term loan financing	1,606,509	2,474,703
Short-term component of long-term financing	—	40,125
Total short-term	**1,606,509**	**2,514,827**
Maturities of long-term financing		
2009/2008 (short-term component of long-term financing)	—	40,125
2010/2009	428,800	37,549
2011/2010	1,280,798	248,613
2012/2011	91,084	154,675
2013/2012	460,775	90,081
2014/2013 and subsequent years	264,864	384,877
Total for 2010/2009 onwards	**2,526,321**	**915,796**

Breakdown of interest-bearing debts and bonds by currency and interest rate					EUR 1,000
			2008 Weighted average interest rate		2007 Weighted average interest rate
Long-term interest-bearing debts and bonds [1]					
Fixed rates	EUR	532,476	3.55%	528,738	3.55%
	USD	235,640	4.79%	218,377	4.79%
Total		**768,116**		**747,115**	
Variable rates	AUD	4,193	6.47%	40,854	7.46%
	EUR	1,524,963	4.03%	70,700	5.39%
	NZD	76,475	5.76%	53,844	9.06%
	RON	125,735	17.55%	—	—
	USD	26,839	2.88%	43,408	5.23%
Total		**1,758,205**		**208,806**	
Short-term interest-bearing debts and bonds [2]					
BGN		9,719	6.35%	—	—
EUR		1,537,955	5.37%	2,264,066	4.61%
HRK		3,824	12.44%	285	8.95%
HUF		25,875	10.99%	111,866	7.67%
MDL		—	—	342	17.50%
RON		29,136	16.33%	—	—
SKK		—	—	4,694	4.45%
USD		—	—	93,450	6.15%
Total		**1,606,509**		**2,474,703**	

[1] Including short-term components of long-term debts.

[2] Short-term interest-bearing debt in 2008 included fixed interest liabilities amounting to EUR 741,340 thousand (2007: EUR 6,470 thousand), all of which were in EUR (2007: EUR 6,128 thousand in USD, EUR 342 thousand in Moldovan lei [MDL]). All other short-term interest-bearing debt was at variable rates (including overnight money).

Interest-bearing debts and bonds amounting to EUR 4,132,830 thousand (2007: EUR 3,430,623 thousand) are valued at amortized cost. The estimated fair value of these liabilities was EUR 4,101,239 thousand (2007: EUR 3,403,237 thousand), of which EUR 1,477,865 thousand (2007: EUR 726,198 thousand) was at fixed rates and EUR 2,623,374 thousand (2007: EUR 2,677,039 thousand) was at floating rates. The fair value of financial liabilities for which market prices were not available was established by discounting future cash flows using interest rates prevailing at balance sheet date for similar liabilities with similar maturities.

Other financial liabilities

Other financial liabilities [1] — **EUR 1,000**

	Total	Short-term	Long-term
2008			
Trade payables (long-term)	**86,973**	—	86,973
Liabilities to not-consolidated subsidiaries	**518**	401	117
Liabilities to associated companies	**6,800**	—	6,800
Liabilities on derivatives designated and effective as hedging instruments	**509,018**	249,919	259,099
Liabilities on other derivatives	**16,385**	16,385	—
Other sundry financial liabilities	**195,042**	148,707	46,335
Total	**814,735**	**415,411**	**399,324**
2007			
Trade payables (long-term)	**40,588**	—	40,588
Liabilities to not-consolidated subsidiaries	**418**	418	—
Liabilities to associated companies	**6,811**	11	6,800
Liabilities on derivatives designated and effective as hedging instruments	**102,997**	87,777	15,220
Liabilities on other derivatives	**8,202**	8,202	—
Other sundry financial liabilities	**251,607**	221,152	30,455
Total	**410,624**	**317,560**	**93,063**

[1] Accruals for goods and services not yet invoiced, which were reported under other financial liabilities in 2007, are reported as trade payables (short-term) in 2008. The comparative figures for 2007 have been adjusted accordingly.

The carrying amount of liabilities on derivatives corresponds to the fair value. Liabilities on derivatives designated and effective as hedging instruments contain liabilities on fair value hedges of EUR 55,954 thousand (2007: EUR 46,088 thousand) whose fair value adjustments have been recognized through profit or loss. Fair value adjustments on other liabilities on derivatives designated and effective as hedging instruments have been recognized through equity. The liabilities on other derivatives are financial liabilities at fair value through profit or loss. All other items are liabilities to be classified as measured at amortized cost.

Other liabilities

Other liabilities			EUR 1,000
	Total	Short-term	Long-term
2008			
Other taxes and social security liabilities	**643,617**	643,571	46
Payments received in advance	**313,511**	300,739	12,772
Other sundry liabilities [1]	**64,257**	63,148	1,109
Total	**1,021,385**	**1,007,457**	**13,927**
2007			
Other taxes and social security liabilities	**603,510**	603,505	4
Payments received in advance	**205,285**	188,872	16,413
Other sundry liabilities [1]	**119,216**	119,216	—
Total	**928,011**	**911,594**	**16,418**

[1] Accrued vacation, which was reported under other provisions in 2007, is reported under other sundry liabilities in 2008. The comparative figures for 2007 have been adjusted accordingly.

22 Deferred taxes

Deferred taxes				EUR 1,000
	Deferred tax assets before allowances	Allowances	Net deferred tax assets	Deferred tax liabilities
2008				
Intangible assets	10,878	564	10,314	83,999
Property, plant and equipment	140,142	—	140,142	367,544
Other financial assets	24,403	—	24,403	1,471
Accrued Petroleum Revenue Tax (PRT)	688	—	688	1,375
Inventories	20,664	126	20,538	22,014
Receivables and other assets	34,157	15,877	18,279	177,402
Untaxed reserves	—	—	—	8,013
Provisions for pensions and similar obligations	99,364	—	99,364	—
Other provisions	246,830	5,747	241,083	25,334
Liabilities	199,787	225	199,563	212,024
Other deferred taxes not associated with balance sheet items	—	—	—	103,654
Tax loss carryforwards	62,293	37,307	24,986	—
Total	**839,205**	**59,847**	**779,358**	**1,002,829**
Netting (same tax jurisdictions)			(637,514)	(637,514)
Deferred taxes associated with assets held for sale			(1,546)	(2,142)
Deferred taxes per balance sheet			**140,298**	**363,173**

Deferred taxes EUR 1,000

	Deferred tax assets before allowances	Allowances	Net deferred tax assets	Deferred tax liabilities
2007				
Intangible assets	19,714	—	19,714	2,798
Property, plant and equipment	113,128	—	113,128	463,971
Other financial assets	26,670	5	26,665	1,376
Accrued Petroleum Revenue Tax (PRT)	2,171	—	2,171	1,086
Inventories	10,298	130	10,169	58,440
Receivables and other assets	44,929	17,860	27,069	49,006
Untaxed reserves	20	—	20	25,190
Provisions for pensions and similar obligations	101,156	—	101,156	13
Other provisions	231,170	4,894	226,276	24,396
Liabilities	101,568	752	100,816	182,483
Other deferred taxes not associated with balance sheet items	—	—	—	90,846
Tax loss carryforwards	69,067	40,255	28,812	—
Total	**719,890**	**63,896**	**655,994**	**899,604**
Netting (same tax jurisdictions)			(591,448)	(591,448)
Deferred taxes associated with assets held for sale			(9,012)	(336)
Deferred taxes per balance sheet			**55,534**	**307,820**

Deferred taxes on the retained earnings of Group companies are generally only recognized where there is no possibility of tax-free transfers to the parent company or where there is no future tax income or expense associated with consolidation entries.

As of December 31, 2008, OMV had **tax loss carryforwards** of EUR 242,343 thousand (2007: EUR 234,321 thousand). Eligibility of losses for carryforward expires as follows:

Losses for carryforward EUR 1,000

	2008	2007
2008	—	7,057
2009	2,761	1,229
2010	5,311	9,277
2011	4,755	14,021
2012	2,530	6,727
2013	66,270	—
After 2013/2012	56,277	26,983
Unlimited	104,439	169,027
Total	**242,343**	**234,321**

Supplementary information on the financial position

23 Cash flow statement

Cash and cash equivalents include cash balances, bank accounts and highly liquid short-term investments with low realization risk, i.e., negligible short-term exchange and interest risks. The maximum maturity at the time of acquisition for such investments is three months. The cash balances of Amical Insurance Limited amounting to EUR 16,208 thousand (2007: EUR 30,887 thousand) are not entirely available for use, as a result of the statutory regulations governing insurance. Additional EUR 15,081 thousand refer to pledged accounts.

Cash flow statement		EUR 1,000
	2008	2007
Interest payments	(137,219)	(122,058)
Income tax payments	(572,059)	(546,244)
Dividend payments by associated companies	58,104	37,604

24 Contingent liabilities

OMV recognizes provisions for litigation where the litigation is likely to result in obligations. Management is of the opinion that litigation, to the extent not covered by provisions or insurance, will not materially affect the Group's financial position. The production facilities and properties of all Group companies are subject to a variety of environmental protection laws and regulations in the countries where they operate. The estimated cost of known environmental obligations has been provided in accordance with the Group's accounting policies. For oil and gas pipelines, provisions for decommissioning and restoration are made if an obligation exists at balance sheet date. In conformity with the going concern principle, no provisions have been made for contingent obligations in respect of decommissioning where the timing cannot be predicted.

Management believes that compliance with current laws and regulations, and future more stringent laws and regulations, will not have a material negative impact on consolidated results in the near future.

Disposals of subsidiaries in past years (Chemie Linz GmbH and PCD Polymere GmbH) have led to the Company's assuming liability for potential environmental risks. The total amount of these contingent liabilities is limited to EUR 101,740 thousand. As at balance sheet date, no claims had arisen in consequence of the above disposals.

In connection with the sale of the PCD group in 1998, agreements expiring in 2017 have been arranged on real estate in Schwechat and Burghausen; exercise of the options would lead to an exchange of properties.

As part of the agreement for the disposal of AMI Agrolinz Melamine International GmbH contingent liabilities up to a maximum of EUR 67,500 thousand were assumed, in particular, for any environmental risks and any costs of ongoing litigation. The period of liability (with some exceptions) is limited to 60 months from the date the transaction was closed. The period of liability for similar contingent liabilities included in the agreement for the disposal of Polyfelt GmbH expired in December 2008.

Liquidity risk
For the purpose of assessing liquidity risk, budgeted operating and financial cash inflows and outflows throughout the Group are monitored and analyzed on a monthly basis in order to establish the expected net change in liquidity. This is then compared with current money market deposits and existing loans as well as maturities of the current portfolio, and the available liquidity reserves. This analysis provides the basis for financing decisions and capital commitments.

In the light of the financial crisis and restrictions on the availability of credit, OMV puts additional emphasis on liquidity risk and its management. To ensure that OMV Group remains solvent at all times and retains the necessary financial flexibility, liquidity reserves in form of committed credit lines are maintained.

The operational liquidity management includes a cash concentration process to pool liquid funds. It enables the management of surplus liquidity and liquidity requirements to the best advantage of individual companies and the Group as a whole.

Details of OMV Group's financial liabilities are shown in Note 21.

Capital risk
Capital risk management at OMV Group is part of value management and is based on two key performance measures, ROACE (return on average capital employed) and the gearing ratio. Based on its mid-term planning assumptions, OMV targets a ROACE of 13% over the business cycle and a long-term gearing ratio of up to 30%.

Market risk
Derivative and non-derivative instruments are used as required to manage market risks resulting from changes in interest rates, foreign exchange rates and commodity prices which could have a negative effect on assets, liabilities or expected future cash flows. The general rule is that derivatives are used for the purpose of hedging risks on underlying transactions. Derivative instruments are contracts whose value is derived from one or more underlying financial instruments, indices or prices that are defined in the contract. The initial recognition of derivatives takes place as soon as the contracts become contractually binding, i.e., when the rights and obligations arise. They are derecognized when the contractual rights and obligations lapse or are transferred.

Commodity price risk management
Financial instruments are used where appropriate to hedge the main industry risks associated with price volatility, such as the highly negative impact of low oil prices on cash flow, in accordance with an internal corporate guideline on the management of commodities risk.

OMV uses a portfolio model for **strategic risk management for commodities** to ensure that sufficient cash flow is available to finance the Group's growth and maintain its investment grade credit profile.

To protect the Group's cash flow from the adverse impact of falling oil prices, derivative instruments have been used to hedge the proceeds of 65,000 bbl/d in 2009. To achieve this goal, put spreads were used, where a price floor of USD 80/bbl is secured as long as the oil price is above USD 65/bbl. In case the oil price is below USD 65/bbl in 2009, the hedge pays 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 be able to profit from oil prices above approximately USD 110/bbl in 2009 for the above stated volume. The hedges are over-the-counter (OTC) contracts with first class banks. In 2007, OMV purchased put options to provide a hedge against a heavy fall in prices in 2008 – in the E&P segment around 18% of total production was hedged.

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.

Open commodity contracts as of December 31, 2008 were as follows:

Nominal and fair value of open contracts — **EUR 1,000**

		2008		2007
	Nominal	Fair value	Nominal	Fair value
Strategic risk management				
Commodity options [1]	623,001	211,830	1,372,693	248
Operational risk management				
Commodity futures	183,924	14,618	125,858	(73)
Commodity swaps	821,821	32,694	1,274,257	(41,403)
Commodity options	2,261	0	1,724	101
Gas swaps	1,028,152	(164,980)	771,027	12,143
Gas options	41,597	5,678	43,266	193

[1] Commodity options used for strategic risk management in 2008 are combined financial products composed of put and call options.

The fair values at balance sheet date were as follows:

Fair values						EUR 1,000
			2008			2007
	Nominal	Fair value assets	Fair value liabilities	Nominal	Fair value assets	Fair value liabilities
Cash flow hedges						
Commodity options (strategic risk management)	507,985	171,618	—	—	—	—
Commodity swaps	132,321	114,371	(95,841)	478,353	22,010	(24,536)
Gas swaps	923,005	242,801	(357,902)	723,078	54,330	(33,522)
Fair value hedges						
Commodity swaps	—	—	—	99,998	—	(35,624)
Gas swaps	98,733	5,636	(55,976)	33,806	557	(8,993)
Gas options	41,597	5,678	—	11,050	—	—
Derivatives held for trading						
Commodity options (strategic risk management)	115,016	40,212	—	1,372,693	248	—
Commodity futures	183,924	14,618	—	125,858	—	(73)
Commodity swaps	689,500	28,049	(13,885)	695,906	4,750	(8,003)
Commodity options (operational risk management)	2,261	0	—	1,724	101	—
Gas swaps	6,414	815	(354)	14,144	853	(1,081)
Gas options	—	—	—	32,216	193	—

Cash flow hedging for commodities

Cash flow hedging for commodities (excluding minority interests) — EUR 1,000

	Period of expected cash flows for cash flow hedges	Direct equity adjustments from cash flow hedges	[thereof: Transfer from equity disclosed in income statement]	[thereof: Transfer from equity against original costs of acquisition]
2008				
Brent options	2009	127,025	[–]	[–]
Swaps fix to floating – Brent	2009	(102,770)	[(44,213)]	[–]
Swaps fix to floating – products	2009	124,877	[66,077]	[–]
Swaps fix to floating – gas	until Q4/11	(82,881)	[(12,691)]	[(1,029)]
2007				
Brent options	–	–	[–]	[–]
Swaps fix to floating – Brent	2008	56,648	[54,971]	[–]
Swaps fix to floating – products	2008	(76,903)	[(61,004)]	[(15,585)]
Swaps fix to floating – gas	until Q1/11	18,619	[(255)]	[–]

In R&M, crude oil on the purchase side and products on the sales side are hedged separately, with the aim of protecting future margins.

Crude is hedged by buying on a fixed and selling on a floating rate basis, and products are hedged by selling fixed and buying floating.

The hedging of future cash flows is accounted for as a cash flow hedge, and the effective part of the change in value of the derivative is taken directly to equity. When the hedged item (underlying transaction) affects profit and loss, the amounts previously taken to equity are released to profit and loss. The ineffective part of the cash flow hedges, amounting to a positive EUR 13,396 thousand (2007: negative EUR 313 thousand) was recognized in profit and loss.

Fair value hedges for commodities
For fair value hedges, both the changes in value of the underlyings and the countervailing changes in value of the hedges are recognized through profit or loss. The differences are measures of hedging ineffectiveness.

Fair value hedges for commodities — EUR 1,000

	2008	2007
Changes on underlyings	68,785	51,972
Changes on hedges	(69,594)	(52,866)

Sensitivity analysis

For open hedging contracts of the kinds discussed above, sensitivity analysis is performed to determine the effect of market price fluctuations (+/–10%) on market value. The sensitivity of OMV Group's overall earnings differs from the sensitivity shown below, since the contracts concluded are used to hedge operational exposures.

The effect of market price fluctuations on earnings or equity depends on the type of derivative used, and on whether hedge accounting is applied. Market price sensitivity for derivatives to which cash flow hedge accounting is applied is shown in the sensitivity table for equity. Sensitivity to market price fluctuations for all other open derivatives is shown in the sensitivity table for earnings.

The market value sensitivities of open derivatives are currently as follows:

Sensitivity analysis for open derivatives affecting equity before taxes — EUR 1,000

		2008		2007
	Market price +10%	Market price (10)%	Market price +10%	Market price (10)%
Strategic risk management				
Commodity options	(15,320)	12,323	(24)	127
Operational risk management				
Commodity futures	(1,847)	1,847	(325)	325
Commodity swaps	(3,226)	3,226	(15,359)	15,359
Commodity options	—	—	118	(67)
Gas swaps	8,252	(8,252)	(2,661)	2,661
Gas options	(412)	412	(99)	406

Sensitivity analysis for open derivatives affecting equity — EUR 1,000

		2008		2007
	Market price +10%	Market price (10)%	Market price +10%	Market price (10)%
Strategic risk management				
Commodity options	—	—	—	—
Operational risk management				
Commodity futures	—	—	—	—
Commodity swaps	(747)	747	(3,564)	3,564
Commodity options	—	—	—	—
Gas swaps	1,594	(1,594)	11,608	(11,608)
Gas options	—	—	—	—

Foreign exchange risk management

OMV operates in many countries and currencies, therefore industry-specific activities and the corresponding exchange risks need to be precisely analyzed. The USD represents OMV's greatest risk exposure, in the form of movement of the USD against the EUR and the RON. Other currencies have only a limited impact on cash flow and EBIT.

The transaction risk on USD cash flows is monitored on an ongoing basis. The Group's long/short net position is reviewed at least annually and the sensitivity is calculated: OMV has a USD long position in E&P and a comparatively smaller USD short position in its R&M business. OMV has a netted USD long position as the USD position from operating business of the segments E&P and R&M are offsetting only to a small extent. This analysis provides the basis for management of transaction risks on currencies.

OMV entered into currency option contracts for an exposure of USD 1 bn for 2009, to secure cash flow and reduce the impact of EUR-USD exchange rate movements. OMV is therefore only exposed to exchange rate movements within the range of EUR-USD 1.32 to 1.15 for the stated volume.

As of December 31, 2008, the nominal value of transactions hedging planned USD transactions, USD receivables and transactions used to manage liquidity was as follows:

Transactions used to manage liquidity — EUR 1,000

	2008 Nominal	2008 Fair value	2007 Nominal	2007 Fair value
Currency options [1]	735,791	54,131	—	—
Currency forwards	218,549	2,313	343,636	(1,158)
Currency swaps	13,183	(785)	12,085	(87)

[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 are used as hedging instruments for planned transactions in 2009.

Cash flow hedging for currency derivatives

Cash flow hedging for currency derivatives — EUR 1.000

	Period of expected cash flows for cash flow hedges	Direct equity adjustments from cash flow hedges	[thereof: Transfer from equity disclosed in income statement]	[thereof: Transfer from equity against original costs of acquisition]
2008				
Currency options	2009	23,815	[—]	[—]
Currency forwards	2009	122	[—]	[—]

The hedging of future USD cash flows is accounted for as a cash flow hedge, and the effective part of the change in value of the derivative is taken directly to equity. When the transaction affects profit and loss, the amounts previously taken to equity are released to profit and loss.

In 2007, no cash flow hedge accounting was used for currency derivatives.

Translation risk is also monitored on an ongoing basis at Group level, and the risk position is evaluated. Translation risk arises on the consolidation of subsidiaries preparing their financial statements in currencies other than in EUR. The largest exposures result from changes in the value of the RON and the USD against the EUR. The long-term foreign exchange rate risk on investments in subsidiaries not preparing financial statements in EUR is calculated and appraised on a regular basis.

For financial instruments, sensitivity analysis is performed for changes in foreign exchange rates, and the sensitivity of the principal currency exposures is as follows: The main exposures as of December 31, 2008, were to the EUR-HUF, EUR-RON and EUR-USD exchange rates. On Group level, the EUR-RON sensitivity not only includes the RON net exposure versus EUR but also the net RON exposure versus the USD, since the USD-RON exposure can be split into a EUR-RON and EUR-USD exposure.

Sensitivity analysis for financial instruments affecting earnings before taxes [1] **EUR 1,000**

	2008 10% appreciation of the EUR	**2008** 10% depreciation of the EUR	2007 10% appreciation of the EUR	2007 10% depreciation of the EUR
EUR-RON	14,875	(14,875)	32,309	(32,309)
EUR-USD	(30,477)	30,477	(13,258)	13,258

[1] Refers only to financial instruments and is not the same as the Group's overall foreign exchange rate sensitivity for EBIT.

Sensitivity analysis for financial instruments affecting equity **EUR 1,000**

	2008 10% appreciation of the EUR	**2008** 10% depreciation of the EUR	2007 10% appreciation of the EUR	2007 10% depreciation of the EUR
EUR-HUF	(81,714)	81,714	(214,153)	214,153

Sensitivity analysis
For the open USD option contracts and the currency forwards qualifying for hedge accounting a sensitivity analysis is performed to determine the effect of exchange rate fluctuations (+/-10%) on the fair value. The sensitivity of the fair values of open currency forwards and currency swaps is included in the sensitivity analysis for financial instruments, since they are exactly offsetting.

The USD-sensitivities of open derivatives are currently as follows:

Sensitivity analysis for open derivatives affecting earnings before taxes **EUR 1,000**

	2008 EUR +10%	**2008** EUR (10)%	2007 EUR +10%	2007 EUR (10)%
Currency options	12,177	(27,692)	—	—
Currency forwards	—	—	—	—
Currency swaps	—	—	—	—

Sensitivity analysis for open derivatives affecting equity **EUR 1,000**

	2008 EUR +10%	**2008** EUR (10)%	2007 EUR +10%	2007 EUR (10)%
Currency options	43,536	(23,815)	—	—
Currency forwards	12	(12)	—	—
Currency swaps	—	—	—	—

Interest rate management
To facilitate management of interest rate risk, OMV's liabilities are analyzed in terms of fixed and floating rate borrowings, currencies and maturities. Appropriate ratios for the various categories are established, and where necessary derivative instruments are used to hedge fluctuations outside predetermined ranges.

Interest rate swaps are used from time to time to convert fixed rate debt into floating rate debt, and vice versa. Since 2005 interest on EUR 100 mn and USD 50 mn has been swapped from fixed to floating rates. The interest rate spread between the swap and the loan is accounted for as an adjustment to interest expense.

As of December 31, open positions were as follows:

Open positions EUR 1,000

		2008		2007
	Nominal	Fair value	Nominal	Fair value
Interest rate swaps	135,927	8,181	133,965	(387)

Interest rate swaps used to hedge the fair value of bonds (fair value hedges) issued by OMV Group (see Note 21) are treated as fully effective.

Interest sensitivities
The open interest swaps shown above have been used to convert fixed interest rates to floating to hedge the fair values of bonds issued, and are classified as a fair value hedge. The effect of an interest rate increase of 0.5 percentage points as of December 31, 2008 would have been a EUR 2.0 mn reduction in market value (2007: EUR 2.0 mn). The effect of an interest rate decrease of 0.5 percentage points as of December 31, 2008, would have been a EUR 2.0 mn increase in market value (2007: EUR 2.0 mn).

Petrom SA holds financial assets whose market value would be affected by changes in interest rates. The effect of an interest rate increase of 0.5 percentage points as of December 31, 2008, would have been a EUR 1.0 mn reduction in the market value of these financial assets (2007: EUR 1.0 mn). A 0.5 percentage points fall in the interest rate as of December 31, 2008, would have led to an increase in market value of EUR 1.0 mn (2007: EUR 1.0 mn).

OMV also carries out regular analysis of the impact of interest rate changes on interest income and expense on floating rate deposits and borrowings. The effects of changes in interest rate are not at present thought to constitute a material risk.

On the Group's floating rate net debt as of December 31, 2008, net interest expense would rise or fall by EUR 6.8 mn if interest rates rose or fell by 0.5 percentage points. As of December 31, 2007, the same change in interest rate would have meant a rise or a fall in net interest income of EUR 10.5 mn.

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. The procedures are governed by guidelines, both at OMV and at Petrom SA. Contracts involving financial instruments are only entered into with counterparties with top grade credit ratings. In the interests of risk diversification, financial agreements are always spread between a number of different banks.

Credit risk versus financial counterparties in strategic risk management, foreign exchange rate risk management and interest rate risk management amounted to a maximum of EUR 1,033.3 mn as of December 31, 2008 (2007: EUR 96.6 mn). Credit risk versus financial counterparties in operational risk management in the R&M business amounted to a maximum of EUR 337.3 mn (2007: EUR 574.8 mn).

Investment risk
To hedge medium-term investments in external funds, the following instruments, which were sold in 2008, were used by the Group's external fund managers in 2007:

Instruments				**EUR 1,000**
		2008		2007
	Nominal	Fair value	Nominal	Fair value
Index futures	—	—	15,847	236
Interest rate futures	—	—	879,266	(179)

26 Result on financial instruments

Result on financial instruments		**EUR 1,000**
	2008	2007
Result on financial instruments at fair value through profit or loss	11,617	4,393
Result on available-for-sale financial instruments	76,868	34,413
Result on held-to-maturity financial instruments	—	—
Result on loans and receivables	62,973	56,525
Result on financial liabilities measured at amortized cost	(249,072)	(68,197)
Total	**(97,613)**	**27,135**

The result on financial instruments includes dividend income (excluding associated companies), interest income and expense, foreign exchange gains and losses, gains and losses on the disposal of financial assets, impairment losses and write-ups of financial assets, and fair value adjustments to financial instruments at fair value through profit or loss. Income or expenses on derivative instruments used to hedge operational risks and set off by opposed expenses or income in costs of sales or sales revenues are not included in the result on financial instruments. The result on financial instruments at fair value through profit or loss consists exclusively of the result on held-for-trading financial instruments.

In the income statement, a negative EUR 68,754 thousand (2007: negative EUR 10,884 thousand) of the result on financial instruments forms part of operating profit (EBIT) and a negative EUR 28,859 thousand (2007: positive EUR 38,019 thousand) forms part of the net financial result.

The result on available-for-sale financial instruments in 2008 includes an amount of EUR 19,649 thousand (2007: EUR 22,743 thousand) removed from equity during the period under review and recognized as expense in the income statement. In addition to the result on available-for-sale financial instruments shown in the table, in 2008 a loss of EUR 1,321,361 thousand (2007: loss of EUR 18,536 thousand) was recognized directly in equity; this related mainly to investments in not-consolidated companies (see Note 16).

The result on available-for-sale financial instruments includes impairment losses of EUR 3 thousand (2007: EUR 154 thousand). There were no write-ups of available-for-sale financial instruments in 2008 (2007: EUR 1,353 thousand). The result on loans and receivables includes impairment losses of EUR 59,158 thousand (2007: EUR 47,460 thousand). Write-ups of loans and receivables amount to EUR 13,222 thousand (2007: EUR 42,107 thousand).

27 Stock option plans

On the basis of resolutions of the relevant Annual General Meetings, OMV has – starting in 2000 – implemented long-term performance oriented compensation plans for the Executive Board and selected senior executives in the Group. The executives in question – provided they themselves invest in OMV shares – are granted options entitling them to acquire OMV shares (or their monetary equivalents) on favorable terms if the stock price has risen by at least 15%.

In the explanations that follow, the numbers of options and the values have been adjusted for the 10–for–1 stock split on July 11, 2005.

At the times the options were granted, details of the plans were as follows:

Main conditions

	2008 plan	2007 plan	2006 plan	2005 plan	2004 plan
Start of plan	1.9.2008	1.9.2007	1.9.2006	1.9.2005	1.9.2004
End of plan	31.8.2015	31.8.2014	31.8.2013	31.8.2012	31.8.2011
Vesting period	2 years	2 years	2 years	2 years	2 years
Exercise price	EUR 47.550	EUR 47.850	EUR 45.190	EUR 34.700	EUR 16.368
Option entitlement per OMV share held	20	20	20	20	15
Qualifying own investment					
Executive Board	1,136 shares [1]	1,230 shares [1]	1,242 shares [1]	2,390 shares [1]	3,980 shares [1]
Senior executives	379 shares [1]	410 shares [1]	414 shares [1]	800 shares [1]	1,330 shares [1]
Options granted					
Executive Board members					
Auli [2]	22,720	24,600	8,280	–	19,950
Davies	22,720	24,600	24,840	47,800	59,700
Langanger	22,720	24,600	24,840	47,800	59,700
Roiss	22,720	24,600	24,840	47,800	59,700
Ruttenstorfer	22,720	24,600	24,840	47,800	59,700
Total – Executive Board	**113,600**	**123,000**	**107,640**	**191,200**	**258,750**
Other senior executives	428,280	440,760	360,220	532,000	484,350
Total options granted	**541,880**	**563,760**	**467,860**	**723,200**	**743,100**
Plan threshold share price	**EUR 54.680**	**EUR 55.030**	**EUR 51.970**	**EUR 39.910**	**EUR 18.823**

[1] Or 25%, 50%, or 75% thereof.
[2] Member of the Executive Board since January 1, 2007.

At balance sheet date, all options for the 2003 plan and some of the options for the 2004 and 2005 plans were exercised. As of December 31, 2007, some of the options for the 2003, 2004 and 2005 plans were exercised.

Participation in the stock option plans is subject also to the following terms and conditions:

1. Eligibility to participate in the stock option plans is conditional on investment by the participant, who must hold the shares at the start of the plan and for the entire period until exercise.

2. For all plans, the number of shares participants are required to hold is calculated by dividing the maximum permitted investment by the average quoted price of the stock in the month of May in the year of issue. Options may also be exercised at levels of 25%, 50% or 75% of the maximum holding.

3. In the event of participants disposing of their underlying investments, the options are forfeited. The options are not transferable and expire if not exercised.

4. The exercise price is the average price for the period from May 20 to August 20.

5. Provided that the plan thresholds are attained, the options may be exercised in the exercise period for the 2004 plan during the 20 trading days after publication of the quarterly reports (exercise window). For the plans for 2005–2008 exercise windows are periods where exercise is not prohibited according to the following criteria. Options may not be exercised:
   - when the plan participant is party to insider information;
   - during the blackout period specified in the Issuers Compliance Regulation (six weeks before scheduled publication of the annual results, three weeks before publication of the quarterly results or any other restricted periods defined by compliance officers);
   - if the Executive Board forbids the exercise for a specific period.

6. Evidence of the participant's underlying investment must be furnished when exercising an option. The options may be exercised by purchasing the shares or by having the difference between the current market price and the exercise price paid out in cash or in the form of shares, provided always that the market price of OMV stock at the time of exercise exceeds the exercise price by at least 15%.

In 2008 and 2007 movements in options under the stock option plans were as follows:

Stock option plans

	2008		2007	
	Number of options	Weighted average exercise price EUR	Number of options	Weighted average exercise price EUR
Outstanding options as of January 1	**1,905,850**	**37.163**	**2,085,585**	**28.529**
Options granted	541,880	47.550	563,760	47.850
Options exercised	(325,340)	21.029	(743,495)	21.048
Outstanding options as of December 31	**2,122,390**	**42.288**	**1,905,850**	**37.163**
Options exercisable at year end [1]	—	—	**874,230**	**25.974**

[1] The options for the plans 2004, 2005 and 2006 would have been exercisable at year end, if the share price would have been above the respective plan threshold.

During 2008, a total of 325,340 options granted under the 2003, 2004 and 2005 plans were exercised. The amount due in respect of all options was the difference between the current share price and the exercise price. For 42,000 options, the options were exercised through the purchase of shares. The weighted average market price at the time of exercise in 2008 was EUR 54.376. Considering the plan threshold, the intrinsic value of the options exercisable as of December 31, 2008 was EUR 0. (As of December 31, 2008 the share price was below the plan threshold for all plans.)

During 2007, 743,495 options granted under the 2003, 2004 and 2005 plans were exercised. For 722,495 options the difference between the current share price and the exercise price was paid; the amount due in respect of all options was settled in cash. For 21,000 options, the options were exercised through the purchase of shares. The weighted average market price at the time of exercise in 2007 was EUR 50.087. The intrinsic value of the options exercisable as of December 31, 2007 was EUR 25,742 thousand.

Exercise of options by plan participants was as follows:

Options exercised

	2008 Options exercised	2008 Weighted average exercise price EUR	2007 Options exercised	2007 Weighted average exercise price EUR
Executive Board members				
Auli	–	–	–	–
Davies	107,500	24.519	84,000	10.404
Langanger	42,000	10.404	71,850	12.882
Roiss	29,700	16.368	–	–
Ruttenstorfer	59,700	16.368	42,000	10.404
Total – Executive Board	**238,900**	**18.987**	**197,850**	**11.304**
Other senior executives	86,440	26.672	545,645	24.581
Total options exercised	**325,340**	**21.029**	**743,495**	**21.048**

Compensation expense from the exercise of options reflects the value of the options exercised at the date of exercise and amounted as follows:

Compensation expense **EUR 1,000**

	2008	2007
2003 plan	1,711	6,722
2004 plan	6,944	10,694
2005 plan	2,194	4,174
Total	**10,849**	**21,590**

Of this amount, EUR 8,293 thousand (2007: EUR 7,447 thousand) was attributable to Executive Board members and EUR 2,556 thousand (2007: EUR 14,143 thousand) to other senior executives.

As of December 31, 2008, **outstanding options** under the various plans were as follows:

Outstanding options

Plan	Exercise price EUR	Options outstanding	Remaining maturity in years	Options exercisable at year end [1]
2004	16.368	173,490	2.7	–
2005	34.700	375,400	3.7	–
2006	45.190	467,860	4.7	–
2007	47.850	563,760	5.7	–
2008	47.550	541,880	6.7	–
Total		**2,122,390**		–

[1] The options for the plans 2004, 2005 and 2006 would have been exercisable at year end, if the share price would have been above the respective plan threshold.

The options are valued using the Black-Scholes model. The expected average volatility of the stock has been calculated on the basis of the volatility of the past five years. The possibility of earlier exercise is reflected in the risk-free interest rate selected, which is based on rates prevailing at balance sheet date.

The fair value as of December 31, 2008 is calculated on the basis of the options still outstanding, while the fair value as of the time of award is based on the total options granted. Assuming that the conditions for exercise are fulfilled during the exercise period, the fair value of the stock option plans is as follows:

Valuation as of December 31, 2008

	2008 plan	2007 plan	2006 plan	2005 plan	2004 plan
Market value of plan (EUR 1,000)	4,031	4,497	3,312	1,191	664
Calculation variables					
Market price of stock (EUR)	18.72	18.72	18.72	18.72	18.72
Risk-free rate of return	3.349%	3.232%	3.092%	2.951%	2.664%
Maturity of options (including vesting period)	6.7 years	5.7 years	4.7 years	3.7 years	2.7 years
Average dividend yield	6.7%	6.7%	6.7%	6.7%	6.7%
Share price volatility	40%	40%	40%	40%	40%

Provision is made for the expected future costs of options unexercised at balance sheet date based on fair values. For new plans, the expense is spread over the two-year vesting period. As of December 31, 2008, the provision amounted to EUR 8,836 thousand (2007: EUR 34,976 thousand), and the net decrease was EUR 26,140 thousand (2007: increase EUR 4,259 thousand).

Segment reporting

28 Business operations and key markets

OMV Group is divided into three operating segments: Exploration and Production (E&P), Refining and Marketing including petrochemicals (R&M) and Gas and Power (G&P). Group management, financing activities and certain service functions are concentrated in the Corporate and Other (Co&O) segment.

The Group's involvement in the oil and gas industry, by its nature, exposes the Group to certain risks: These include political instability, deteriorating economic conditions, changes in legislation or fiscal regimes, as well as other operating risks inherent in the industry, such as the high volatility of crude oil prices and the USD. A variety of measures are used to manage these risks. Apart from the integration of the Group's upstream and downstream operations, and the policy of maintaining a balanced portfolio of OECD and non-OECD assets in the E&P segment, the main instruments used are operational in nature. Insurance and taxation are also dealt with on a group-wide basis. OMV maintains information on the political situation in all the countries in which it operates. Regular surveys are undertaken across the Group to identify current litigation and pending court and administrative proceedings.

Business decisions of fundamental importance are made by the Executive Board of OMV. The business segments are independently managed, as each represents a strategic unit with different products and markets.

E&P's activities focus on six core regions. In 2008, the existing exploration portfolio was expanded with new exploration licenses in the core regions Northwestern Europe, Middle East and North Africa.

R&M operates two refineries, in Schwechat and Burghausen, and further two refineries in Romania. It also has a 45% interest in Bayernoil Raffineriegesellschaft mbH (third-party processing refineries). It has a powerful presence in the filling station and wholesale businesses in its main markets – Austria, and Central and South Eastern Europe. OMV's interest in Petrol Ofisi A.S., Turkey's leading filling station operator and retailer, was increased to 41.6% during 2008.

The **G&P** segment is of major significance in gas transport in Austria, the gas transit business and in gas importing. OMV is the sole operator of long-distance gas transmission pipelines in Austria. The power business extends the gas value chain into gas fired power plants. Due to changes in management responsibilities the Doljchim fertilizer in Romania plant is included in G&P since 2008 (before: E&P).

The key measure of operating performance for the Group is earnings before interest and taxes (EBIT). In compiling the segment results, business activities with similar characteristics have been aggregated. Intra-group sales and cost allocations by the parent company are determined in accordance with internal OMV policies; management is of the opinion that the transfer prices of goods and services exchanged between segments correspond to market prices. Business transactions not attributable to operating segments are included in the results of the Co&O segment.

OMV Group's **primary segment reporting** is based on business segments.

29 Segment reporting

Primary segment reporting — **EUR mn**

	E&P	R&M	G&P	Co&O	**Total**	Consoli-dation	**Consoli-dated total**
2008							
Sales [1]	5,089.10	20,883.36	3,798.34	367.55	**30,138.35**	(4,595.75)	**25,542.60**
Intra-group sales	(4,065.95)	(46.10)	(123.24)	(360.46)	**(4,595.75)**	4,595.75	—
External sales	1,023.15	20,837.26	3,675.10	7.09	**25,542.60**	—	**25,542.60**
EBIT [2]	2,273.67	(105.47)	244.64	(110.51)	**2,302.33**	37.34	**2,339.66**
Total assets [3]	7,306.65	7,571.37	1,868.91	277.95	**17,024.88**	—	**17,024.88**
Investments in PPE/IA	2,632.96	834.35	149.52	82.36	**3,699.19**	—	**3,699.19**
Investments in associated companies	—	890.25	86.44	978.41	**1,955.10**	—	**1,955.10**
Assets held for sale	1.33	38.78	—	20.25	**60.36**	—	**60.36**
Liabilities [4]	2,917.28	2,541.75	1,235.29	726.03	**7,420.34**	—	**7,420.34**
Depreciation and amortization	490.60	356.18	24.78	43.78	**915.34**	—	**915.34**
Impairment losses	162.43	201.97	11.63	1.51	**377.54**	—	**377.54**
Income from associated companies [5]	—	87.19	12.02	18.68	**117.89**	—	**117.89**
2007							
Sales [1]	4,247.42	16,311.91	3,096.32	260.78	**23,916.44**	(3,874.41)	**20,042.04**
Intra-group sales	(3,393.99)	(26.57)	(199.95)	(253.90)	**(3,874.41)**	3,874.41	—
External sales	853.43	16,285.35	2,896.37	6.89	**20,042.04**	—	**20,042.04**
EBIT [2]	1,967.71	84.31	243.59	(76.61)	**2,219.00**	(34.51)	**2,184.49**
Total assets [3]	5,758.11	8,072.58	1,130.39	447.49	**15,408.57**	—	**15,408.57**
Investments in PPE/IA	1,460.65	1,143.68	149.32	109.86	**2,863.51**	—	**2,863.51**
Investments in associated companies	—	874.77	90.58	1,160.28	**2,125.63**	—	**2,125.63**
Assets held for sale	22.65	—	—	8.69	**31.34**	—	**31.34**
Liabilities [4]	2,567.48	3,177.36	618.45	684.53	**7,047.83**	—	**7,047.83**
Depreciation and amortization	424.52	307.17	20.77	37.14	**789.60**	—	**789.60**
Impairment losses	100.16	83.10	4.48	0.11	**187.85**	—	**187.85**
Income from associated companies [5]	—	164.64	26.29	107.07	**298.00**	—	**298.00**

[1] Including intra-group sales.
[2] See consolidated income statement for reconciliation of EBIT to net income for the year.
[3] Including intangible assets (IA), property, plant and equipment (PPE), inventories, trade receivables, receivables from associated companies and companies with which a participating relationship exists, and other receivables and assets.
[4] Including trade payables, provisions for pensions and similar obligations, provisions for decommissioning and restoration obligations, other provisions excluding provisions for other taxes amounting to EUR 2.83 mn (2007: EUR 10.79 mn), other financial liabilities and other liabilities.
[5] See Note 8.

Details of the **secondary segments** were as follows:

Secondary segment reporting EUR mn

	Austria	Germany	Romania	Rest of CEE	Rest of Europe	Rest of world [4]	**Total**	Consoli-dation	**Consoli-dated total**
2008									
Sales [1]	9,717.74	4,686.79	6,539.12	4,430.39	2,785.61	1,978.69	**30,138.35**	(4,595.75)	**25,542.60**
Intra-group sales	(983.25)	(0.41)	(2,738.61)	(0.93)	(21.03)	(851.52)	**(4,595.75)**	4,595.75	—
External sales	8,734.48	4,686.38	3,800.51	4,429.46	2,764.59	1,127.17	**25,542.60**	—	—
EBIT [2]	810.79	95.43	312.02	(4.62)	108.68	980.03	**2,302.33**	37.34	**2,339.66**
Total assets [3]	5,131.78	1,914.95	6,053.17	1,416.64	547.50	1,960.84	**17,024.88**	—	**17,024.88**
Investments in PPE/IA	677.44	91.11	1,818.55	107.77	76.96	927.36	**3,699.19**	—	**3,699.19**
2007									
Sales [1]	7,743.92	3,846.14	5,434.40	3,339.25	2,076.48	1,476.26	**23,916.44**	(3,874.41)	**20,042.04**
Intra-group sales	(847.80)	(1.20)	(2,280.34)	(0.65)	(54.92)	(689.50)	**(3,874.41)**	3,874.41	—
External sales	6,896.12	3,844.94	3,154.06	3,338.60	2,021.56	786.76	**20,042.04**	—	—
EBIT [2]	602.47	81.43	600.74	20.79	93.14	820.43	**2,219.00**	(34.51)	**2,184.49**
Total assets [3]	4,276.62	2,245.86	5,352.76	1,552.28	751.96	1,229.09	**15,408.57**	—	**15,408.57**
Investments in PPE/IA	708.09	408.69	1,188.12	137.07	79.90	341.64	**2,863.51**	—	**2,863.51**

1 Including intra-group sales.
2 See consolidated income statement for reconciliation of EBIT to net income for the year.
3 Including intangible assets (IA), property, plant and equipment (PPE), inventories, trade receivables, receivables from associated companies and companies with which a participating relationship exists, and other receivables and assets.
4 Rest of world: Principally Australia, Iran, Kazakhstan, Libya, New Zealand, Pakistan, Tunisia, Yemen.

Other information

30 Average number of employees

Average number of employees [1]

	2008	2007
OMV Group excluding Petrom group	5,639	5,349
Petrom group	35,605	32,028
Total Group	**41,243**	**37,377**

[1] Calculated as the average of the month's end number of employees during 2008.

31 Expenses group auditors

The expenses for services rendered by the group auditors comprise the following:

Expenses for services rendered by the group auditors **EUR 1,000**

	2008	2007
Year-end audit	2,990	2,616
Other assurance services	507	700
Tax advisory services	55	18
Other services	762	507
Total	**4,313**	**3,841**

32 Related parties

Under IAS 24, details of relationships with related parties and related enterprises 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 2008, there were arm's-length supplies of goods and services between the Group and the following companies included at-equity: Borealis AG, Petrol Ofisi A.S. and Oberösterreichische Ferngas AG.

Related enterprises **EUR 1,000**

		2008		2007
	Sales	Receivables	Sales	Receivables
Borealis AG	1,488,600	125,242	1,004,642	95,351
Oberösterreichische Ferngas AG [1]	2,437	—	3,294	320
Petrol Ofisi A.S.	3,185	—	34,510	2,953
Total	**1,494,222**	**125,242**	**1,042,446**	**98,624**

[1] Until the reorganization transactions as of the end of June 2008.

At balance sheet date, there were trade payables to Bayernoil Raffineriegesellschaft mbH of EUR 59,119 thousand (2007: EUR 54,216 thousand).

At balance sheet date, there was a loan to IOB Holding A/S of EUR 35,975 thousand outstanding (2007: EUR 35,975 thousand), and one to Bayernoil Raffineriegesellschaft mbH of EUR 294,750 thousand (2007: EUR 159,750 thousand).

Total **remuneration received** by the Executive Board was made up as follows:

Remuneration received by the Executive Board EUR 1,000

2008	Auli	Davies	Langanger	Roiss	Ruttenstorfer	Total
Fixed remuneration for 2008	452	572	507	593	679	**2,803**
Variable remuneration (for 2007)	625	1,044	1,044	1,203	1,362	**5,277**
Pension fund contributions	96	222	338	270	444	**1,371**
Benefits in kind (company car, accident insurance) and reimbursed expenses	8	9	8	8	8	**42**
Total	**1,181**	**1,848**	**1,897**	**2,073**	**2,494**	**9,493**
2007						
Fixed remuneration for 2007	350	525	460	530	600	**2,465**
Variable remuneration (for 2006)	68	1,105	1,105	1,273	1,442	**4,993**
Pension fund contributions	72	208	129	99	145	**653**
Benefits in kind (company car, accident insurance) and reimbursed expenses	8	9	8	8	8	**42**
Total	**498**	**1,847**	**1,702**	**1,910**	**2,195**	**8,153**

Details of stock option plans are shown in Note 27.

The members of the Executive Board and the members of the Supervisory Board are covered by directors and officers liability insurance (D&O) and legal costs insurance. A large number of other OMV employees also benefit from these two forms of insurance, and the insurers levy lump-sum premiums, which are not specifically attributed to the Board members.

Compensation of former members of the Executive Board and their surviving dependants amounted to EUR 1,071 thousand (2007: EUR 1,043 thousand).

In 2008, the total remuneration (excluding stock option plans) of 39 top executives (excluding the Executive Board; 2007: 39) amounted to EUR 13,485 thousand (2007: EUR 10,707 thousand), of which basic remuneration, such as salaries, accrued vacations and bonuses was EUR 11,134 thousand (2007: EUR 8,997 thousand) and EUR 1,027 thousand (2007: EUR 1,250 thousand) were expenses for pension fund contributions. The expenses for severance benefits were EUR 1,264 thousand (2007: EUR 437 thousand), and other long-term benefits amounted to EUR 60 thousand (2007: EUR 23 thousand). See Note 27 for details of stock option plans.

In 2008 remuneration expenses for the Supervisory Board amounted to EUR 383 thousand (2007: EUR 374 thousand, including EUR 5 thousand decrease in provisions).

Raiffeisen Zentralbank Österreich AG is one of the enterprises in which a member of the Supervisory Board has a material financial interest (section 95 (5) (12) Austrian Companies Act (AktienG)); the bank is one of OMV Group's most important banking partners, but not leading in terms of volume of business.

Direct and indirect investments of OMV Aktiengesellschaft with an interest of at least 20%

	Parent company	Equity interest in %	Type of consolidation [1]
Exploration and Production			
"Artamira" LLC, Saratov	RING	100.00	C
"CARneft" OJSC, Saratov	RING	100.00	C
"Chalykneft" OJSC, Saratov	RING	100.00	C
KOM MUNAI LLP, Almaty	PETROM	95.00	C
"Management Company 'CorSarNeft' " LLC, Moscow	RING	100.00	C
"Neftepoisk" LLC, Saratov	RING	100.00	C
"Oil Company 'RENATA' " LLC, Usinsk	RING	100.00	C
OMV (ALBANIEN) Adriatic Sea Exploration GmbH, Vienna	OMVEP	100.00	C
OMV AUSTRALIA PTY LTD, Perth	OMV AG	100.00	C
OMV Austria Exploration & Production GmbH, Vienna (OEPA)	OMVEP	100.00	C
OMV (BAYERN) Exploration GmbH, Vienna	OEPA	100.00	C
OMV (Bulgaria) Offshore Exploration GmbH, Vienna	OMVEP	100.00	C
OMV (EGYPT) Exploration GmbH, Vienna	OMVEP	100.00	C
OMV (EGYPT) Oil & Gas Exploration GmbH, Vienna	OMVEP	100.00	NC
OMV Exploration & Production GmbH, Vienna (OMVEP)	OMV AG	100.00	C
OMV EXPLORATION & PRODUCTION LIMITED, Douglas	OMVEP	100.00	C
OMV (FAROE ISLANDS) Exploration GmbH, Vienna	OMVEP	100.00	C
OMV Global Oil & Gas GmbH, Vienna	OMVEP	100.00	NC
OMV (IRAN) onshore Exploration GmbH, Vienna	OMVEP	100.00	C
OMV (IRELAND) Exploration GmbH, Vienna	OMVEP	100.00	C
OMV (IRELAND) Killala Exploration GmbH, Vienna	OMVEP	100.00	NC
OMV New Zealand Limited, Wellington (NZEA)	OMVEP	100.00	C
OMV (NORGE) AS, Stavanger	OMVEP	100.00	C
OMV OF LIBYA LIMITED, Douglas	OMVEP	100.00	C
OMV Oil and Gas Exploration GmbH, Vienna	OMVEP	100.00	C
OMV Oil Exploration GmbH, Vienna	OMVEP	100.00	C
OMV Oil Production GmbH, Vienna	OMVEP	100.00	C
OMV (PAKISTAN) Exploration Gesellschaft m.b.H., Vienna	OMVEP	100.00	C
OMV Petroleum Exploration GmbH, Vienna	OMVEP	100.00	C
OMV Proterra GmbH, Vienna	OEPA	100.00	C
OMV (RUSSLAND) Exploration & Production GmbH, Vienna	OMVEP	100.00	C
OMV (SLOVAKIA) Exploration GmbH, Vienna	OEPA	100.00	C
OMV (Tunesien) Exploration GmbH, Vienna	OMVEP	100.00	C
OMV (Tunesien) Production GmbH, Vienna (OTNPR)	OMVEP	100.00	C
OMV (TUNESIEN) Sidi Mansour GmbH, Vienna	OMVEP	100.00	NC
OMV (U.K.) Limited, London	OMVEP	100.00	C
OMV Upstream International GmbH, Vienna	OMVEP	100.00	NC
OMV (YEMEN) Al Mabar Exploration GmbH, Vienna	OMVEP	100.00	C
OMV (Yemen Block S2) Exploration GmbH, Vienna	OMVEP	100.00	C
OMV (YEMEN) South Sanau Exploration GmbH, Vienna	OMVEP	100.00	NC

33 Direct and indirect investments of OMV Aktiengesellschaft

Direct and indirect investments of OMV Aktiengesellschaft with an interest of at least 20% (continued)

	Parent company	Equity interest in %	Type of consolidation [1]
PEI 3 Verwaltungs GmbH, Düsseldorf	OTNPR	100.00	NC
PEI Venezuela Gesellschaft mit beschränkter Haftung, Düsseldorf	OMVEP	100.00	C
Petroleum Infrastructure Limited, Wellington	NZEA	100.00	C
PETROM EXPLORATION & PRODUCTION LIMITED, Douglas	PETROM	100.00	NC
Preussag Energie International GmbH, Burghausen	OMVEP	100.00	C
RING OIL HOLDING & TRADING LTD, Limassol (RING)	PETROM	74.90	C
"Saratovneftedobycha" CJSC, Saratov	RING	100.00	C
Société de Recherches et d'Exploitation des Pétroles en Tunisie, Tunis	OTNPR	50.00	NAE
TASBULAT OIL CORPORATION LLP, Aktau	PETROM	100.00	C
Thyna Petroleum Services S.A., Sfax	OTNPR	50.00	NAE
van Sickle Gesellschaft m.b.H., Vienna	OEPA	100.00	C
Refining and Marketing including petrochemicals			
Abu Dhabi Petroleum Investments LLC, Abu Dhabi	OMVRM	25.00	NAE
Adria-Wien Pipeline GmbH, Klagenfurt	OMVRM	76.00	C
Aircraft Refuelling Company GmbH, Vienna	OMVRM	33.33	NAE
Autobahn - Betriebe Gesellschaft m.b.H., Vienna	OMVRM	47.20	NAE
Avanti d.o.o., Zagreb	OHRVAT	29.93	NAE
AVIATION PETROLEUM SRL, Bucharest	PETROM	95.00	
	ROMAN	5.00	C
BAYERNOIL Raffineriegesellschaft mbH, Vohburg	OMVD	45.00	AE
BEYFIN GAZ SRL, Cluj-Napoca	PETROM	40.00	NAE
Borealis AG, Vienna	OMVRM	32.67	
	OMV AG	3.33	AE
BRAZI OIL & ANGHELESCU PROD COM SRL, Brazi	PETROM	37.70	NAE
BSP Bratislava-Schwechat Pipeline GmbH, Vienna	OMVRM	26.00	NAE
D.E.E.M. ALGOCAR SA, Buzias	PETROM	27.92	NAE
Deutsche Transalpine Oelleitung GmbH, Munich	OMVD	25.00	AE
DUNATÀR Köolajtermék Tároló és Kereskedelmi Kft., Budapest	OHUN	48.28	NAE
EPS Ethylen-Pipeline-Süd GmbH & Co KG, Munich	OMVD	21.95	AE
Erdöl-Lagergesellschaft m.b.H., Lannach	OMVRM	55.60	AE [1]
FONTEGAS PECO MEHEDINTI SA, Simian	PETROM	37.40	NAE
FRANCIZA PITESTI SRL, Piteşti	PETROM	40.00	NAE
GENOL Gesellschaft m.b.H., Vienna	OMVRM	29.00	NAE
GENOL Gesellschaft m.b.H. & Co, Vienna	OMVRM	29.00	AE
Heating Innovations Austria GmbH, Vienna	OMVRM	50.00	AE
ICS PETROM MOLDOVA SA, Chisinau	PETROM	100.00	C
M.P. PETROLEUM DISTRIBUTIE SRL, Bucharest	PETROM	95.00	
	ROMAN	5.00	C
OMV Bayern GmbH, Burghausen	OMVD	100.00	C
OMV BH d.o.o., Sarajevo	OMVRM	100.00	C
OMV BULGARIA OOD, Sofia	PETROM	99.90	
	OMVRM	0.10	C
OMV Česká republika, s.r.o., Prague	VIVTS	100.00	C
OMV Croatia d.o.o., Zagreb (OHRVAT)	OMVRM	100.00	C

Direct and indirect investments of OMV Aktiengesellschaft with an interest of at least 20% (continued)

	Parent company	Equity interest in %	Type of consolidation [1]
OMV Deutschland GmbH, Burghausen (OMVD)	OMVRM	90.00	
	OMV AG	10.00	C
OMV Hungária Ásványolaj Korlátolt Felelösségü Társaság, Budapest (OHUN)	OMVRM	100.00	C
OMV - International Services Ges.m.b.H., Vienna	OMVRM	100.00	C
OMV Italia S.r.l., Verona	OMVRM	100.00	C
OMV Refining & Marketing GmbH, Vienna (OMVRM)	OMV AG	100.00	C
OMV ROMANIA MINERALOEL SRL, Bucharest (ROMAN)	PETROM	99.90	
	OMVRM	0.10	C
OMV SLOVENIJA trgovina z nafto in naftnimi derivati, d.o.o., Koper	VIVTS	92.25	C
OMV Slovensko s.r.o., Bratislava	VIVTS	100.00	C
OMV SRBIJA d.o.o., Belgrade	PETROM	99.90	
	OMVRM	0.10	C
OMV Supply & Trading AG, Zug	OMVRM	100.00	C
OMV TRADING SERVICES LIMITED, London	OMVRM	100.00	NC
OMV-VIVA Kereskedelmi és Szolgáltatató Korlátolt Felelösségü Társaság, Budapest	OHUN	96.67	NC
OMV Wärme VertriebsgmbH, Vienna	OMVRM	100.00	C
PETROCHEMICALS ARGES SRL, Piteşti	PETROM	95.00	NC
Petrol Ofisi A.Ş., Istanbul	OMV AG	41.58	AE
PETROM LPG SA, Bucharest	PETROM	99.99	C
PETROM NADLAC SRL, Nadlac	PETROM	98.51	NC
Routex B.V., Amsterdam	OMVRM	20.00	NAE
SIOT Società Italiana per l'Oleodotto Transalpino S.p.A., Trieste	OMVRM	25.00	AE
SOCIETATEA COMERCIALA PETROM AVIATION SA, Otopeni	PETROM	69.37	C
SuperShop Marketing GmbH, Budapest	OHUN	50.00	NAE
TGN Tankdienst-Gesellschaft Nürnberg GbR, Nürnberg	OMVD	33.33	NAE
Transalpine Ölleitung in Österreich Gesellschaft m.b.H., Matrei in East Tyrol	OMVRM	25.00	AE
TRANS GAS SERVICES SRL, Bucharest	PETROM	80.00	NC
VIVA International Marketing- und Handels-GmbH, Vienna (VIVTS)	OMVRM	100.00	C
Gas and Power			
ADRIA LNG d.o.o., Zagreb	OGI	25.58	NAE
ADRIA LNG STUDY COMPANY LIMITED, Valletta	OGI	28.37	NAE
AGCS Gas Clearing and Settlement AG, Vienna	OGG	23.13	NAE
AGGM Austrian Gas Grid Management AG, Vienna	OGG	100.00	C
Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H., Vienna	OGG	51.00	C
Borasco Elektrik Üretim Sanayi ve Ticaret A.Ş., Istanbul	OPI	60.00	AE [1]
Central European Gas Hub AG, Vienna	OGI	100.00	C
CONGAZ SA, Constanța	PETROM	28.59	AE
DC Hidro Enerji Üretim A.Ş., Istanbul	OPI	70.00	NAE
EconGas Deutschland GmbH, Regensburg	ECOGAS	100.00	C
EconGas GmbH, Vienna (ECOGAS)	OGI	50.00	
	EGBV	13.55	C

Direct and indirect investments of OMV Aktiengesellschaft with an interest of at least 20% (continued)

	Parent company	Equity interest in %	Type of consolidation [1]
EconGas Hungária Földgázkereskedelmi Kft., Budapest	ECOGAS	100.00	C
EconGas Italia S.r.l, Milan	ECOGAS	100.00	C
EGBV Beteiligungsverwaltung GmbH, Linz (EGBV)	OGI	65.00	C
OMV Gas Adria d.o.o., Zagreb	OGI	100.00	NC
OMV Gas Germany GmbH, Düsseldorf	OGG	100.00	C
OMV Gas GmbH, Vienna (OGG)	OGI	99.99	
	OMV AG	0.01	C
OMV Gas & Power GmbH, Vienna (OGI)	OMV AG	100.00	C
OMV Gaz Ve Enerji Limited Şirketi, Istanbul	OGI	99.00	
	OPI	1.00	C
OMV Kraftwerk Haiming GmbH, Haiming	OPI	100.00	NC
OMV Power International GmbH, Vienna (OPI)	OGI	100.00	C
PETROM DISTRIBUTIE GAZE SRL, Bucharest	PETROM	99.99	C
PETROM GAS SRL, Bucharest	PETROM	100.00	C
POLIFLEX SRL, Brazi	PETROM	96.84	NC
ROBIPLAST COMPANY SRL, Bucharest	PETROM	45.00	NAE
SOCIETATEA ROMANA DE PETROL SA, Bucharest	PETROM	49.00	NAE
Corporate and Other			
Amical Insurance Limited, Douglas (AMIC)	OMV AG	100.00	C
ASOCIATIA ROMANA PENTRU RELATIA CU INVESTITORII, Bucharest	PETROM	20.00	NAE
BURSA MARITIMA SI DE MARFURI SA, Constanța	PETROM	20.09	NAE
Diramic Insurance Limited, Gibraltar	AMIC	100.00	C
Kompetenz- und Informationszentrum für Humanvermögen und interdisziplinäre Arbeits- und Unternehmensforschung GmbH, Klosterneuburg	SNO	24.44	NAE
MOL Hungarian Oil and Gas Plc., Budapest [2]	OCTS	21.22	NAE
OMV Clearing und Treasury GmbH, Vienna (OCTS)	SNO	100.00	C
OMV FINANCE LIMITED, Douglas	OMV AG	100.00	C
OMV Future Energy Fund GmbH, Vienna	OMV AG	100.00	C
OMV Insurance Broker GmbH, Vienna	OMV AG	100.00	C
OMV Solutions GmbH, Vienna (SNO)	OMV AG	100.00	C
PETROMED SOLUTION SRL, Bucharest	PETROM	99.99	NC
students4excellence GmbH, Vienna	OMV AG	20.00	NAE
VA OMV Personalholding GmbH, Linz	SNO	50.00	NAE
Petrom			
PETROM SA, Bucharest (PETROM) [3]	OMV AG	51.01	C

[1] Type of consolidation:
- C Consolidated subsidiary.
- AE Associated company, accounted for at-equity.
- AE [1] Despite majority interest not consolidated due to absence of control.
- NC Not-consolidated subsidiary; shell or distribution companies of relative insignificance individually and collectively to the consolidated financial statements.
- NAE Other investment recognized at cost; associated companies of relatively little importance to the assets and earnings of the consolidated financial statements.

[2] The share of 21.22% in MOL contains shares amounting to 20.57% of the company's nominal capital that were used in repo transactions as collateral for short-term bank loans at the balance sheet date (see Notes 16 and 21).

[3] Petrom is assigned to the relevant segments in the segment reporting.

Most of the subsidiaries which are not consolidated either have low business volumes or are distribution companies; the total sales, net income/losses and equity of such companies represent less than 2% of the Group totals.

Material joint ventures [1] of OMV Group oil and gas production

Country	Field name	License/block	Participation in %
Australia	Jabiru/Challis	AC/L 1, 2, 3	18.75
Libya	El Shararah	NC115	3.90
Libya	Nafoora Augila	Area 91	2.50
Libya	C103	Area 90/106	3.00
Libya	74/29	Area 70/71/87/103/104/119	3.00
Libya	NC186	NC186	2.88
Libya	Shatirah	NC163	17.85
New Zealand	Maui	PML 381012	10.00
New Zealand	Pohokura	PMP 38154	26.00
Pakistan	Miano		17.68
Pakistan	Sawan		19.74
Tunisia	Ashtart		50.00
Tunisia	El Hajeb/Guebiba		49.00
Tunisia	Cercina		49.00
Tunisia	Rhemoura		49.00
Tunisia	Gremda/El Ain		49.00
UK	Schiehallion	204/25a	5.88
UK	Beryl	9/13a	5.00
UK	Beryl	9/13a,b,c	5.00
UK	Boa	9/15a	13.62
UK	Skene	9/19	3.49
UK	Buckland	9/18a	3.17
UK	Maclure	9/19	1.67
UK	Ness & Ness South	9/13a, 9/13b	5.00
UK	Howe	22/12a North	20.00
UK	Jade	30/2c	5.57

[1] Exploration and not yet producing joint ventures are not included in this table.

OMV's capital obligations of Exploration and Production joint ventures

Country	Field name	License/block	Participation in %	Liability 2009 in USD	Liability 2010-2012 in USD	Liability after 2012 in USD
Australia		WA-290-P	40.00	6,000,000	—	—
Ireland		3/05	50.00	10,000,000	—	—
Kurdistan, Iraq	Mala Omar		80.00	20,000,000	—	—
Kurdistan, Iraq	Shorish		80.00	—	20,000,000	—
Libya	Package 1	NC199-204	40.00	7,000,000	—	—
Libya	El Shararah (Production)	NC115	3.90	11,250,000	11,250,000	—
Libya	El Shararah (Exploration)	NC115	30.00	—	21,240,000	—
Libya	NC186 (Exploration)	NC186	24.00	—	7,776,000	—
Libya	NC186 (Production)	NC186	2.88	51,000,000	51,000,000	—
Libya	Shatirah	NC163	17.85	2,040,000	—	—
Libya	Nafoora Augila	Area 91	2.50	35,000,000	35,000,000	—
Libya	C 103 (Production)	Area 90/106	3.00	11,500,000	11,500,000	—
Libya	C 103 (Exploration)	Area 90/106	25.00	—	5,000,000	—
Libya	74/29 (Production)	Area 70/71/87/103/104/119	3.00	3,500,000	3,500,000	—
Libya	74/29 (Exploration)	Area 70/71/87/103/104/119	25.00	—	31,250,000	—
Libya	C 102	Area 91	25.00	—	1,750,000	—
New Zealand	Maari	PML 38413	69.00	14,500,000	—	—
New Zealand	Western Platform	PEP 38401	31.25	510,000	—	—
New Zealand	Western Platform	PEP 38481	31.25	585,000	—	—
New Zealand	Tangaroa	PEP 38485	33.33	225,000	—	—
New Zealand	Northland Base	PEP 38618	50.00	75,000	—	—
New Zealand	Northland Base	PEP 38619	50.00	75,000	—	—
New Zealand		PEP 50119	36.00	498,000	—	—
New Zealand		PEP 50120	36.00	249,000	—	—
New Zealand		PEP 50121	36.00	498,000	—	—
Norway		PL 301CS	30.00	—	36,000,000	—
Norway		PL 471	50.00	—	23,000,000	—
Pakistan	Barkhan		15.00	850,000	1,430,000	—
Pakistan	Hanna		20.00	10,000	250,000	—
Pakistan	Harnai		20.00	105,000	1,130,000	—
Pakistan	Kalat		30.00	10,000	365,000	—
Pakistan	Latif		33.40	120,000	—	—
Pakistan	Sari South		20.00	—	4,133,333	—
Pakistan	Sawan		19.74	13,162,000	1,821,834	—
Tunisia	Ashtart		50.00	30,000,000	62,790,000	—
Tunisia	Jenein Sud		100.00	10,000,000	600,000	—
Tunisia	Sidi Mansour		100.00	10,000,000	25,000,000	—
UK	Central North Sea	29/2a	20.00	20,000,000	—	—
UK	West of Shetland	217/10,14,15	20.00	—	10,000,000	—
UK	West of Shetland	204/13 P1190	50.00	12,000,000	—	—
UK	West of Shetland	213/22,23,28	20.00	—	7,000,000	—
UK	West of Shetland	213/25a, 214/21a	6.50	4,500,000	—	—
Yemen	Al Mabar	Block 2	87.50	6,000,000	—	—
Yemen	Al Uqlah	Block S2	44.00	14,774,000	—	—
Yemen	South Sanau	Block 29	43.75	—	6,500,000	—

Exploration and Production joint ventures
Summarized balance sheet and income statement information for companies consisting predominantly of joint ventures:

Summary information for joint ventures included in consolidation — **EUR 1,000**

	2008	2007
Current assets	651,161	721,785
Non-current assets	1,888,417	1,192,773
Current liabilities	727,441	777,285
Non-current liabilities	1,029,901	737,679
Net sales	1,728,285	1,342,880
Earnings before interest and taxes (EBIT)	1,046,801	821,821
Net income for the year	509,829	478,430

Supplementary oil and gas disclosures (unaudited)

34 Supplementary oil and gas disclosures (unaudited)

The following tables provide supplemental information in respect of the Group's oil and gas activities. In the absence of detailed disclosure rules in this area under IFRS, the Group has elected to voluntarily disclose the data that would have been required under the US Statement of Financial Accounting Standard (SFAS) 69 (Disclosures about Oil and Gas Producing Activities) as if it was reporting under US GAAP. To the extent that information refers to financial statements data, the information is based on the primary financial statements (IFRS financial statements).

The individual countries are summarized in areas; these areas include the following countries:

Petrom: Romania, Kazakhstan, Russia

Rest of Europe: Albania, Bulgaria, Faroer Islands, Germany, Ireland, Norway , Slovakia, United Kingdom

North Africa: Libya, Tunisia, Egypt (since 2008)

Middle East: Iran, Kurdistan Region of Iraq (since 2007), Qatar (sold 2006), Pakistan, Yemen

Oceania: Australia, New Zealand

South America: Ecuador (sold 2006), Venezuela

As OMV holds 51% of Petrom, it is fully consolidated; figures for Petrom therefore include 100% of Petrom assets and results.

a) Capitalized costs
Capitalized costs represent the sum of capitalized oil and gas assets, including other intangible assets and property, plant and equipment such as land, plant and machinery, concessions, licences, rights.

Capitalized costs EUR 1,000

	Austria	Petrom	Rest of Europe [2]	North Africa [3]	Middle East	Oceania [4]	South America	**Total**
2008								
Unproved oil and gas properties	32,667	511,092	151,936	92,033	46,275	13,948	—	**847,951**
Proved oil and gas properties	1,561,651	4,104,271	602,781	1,345,819	184,147	444,584	—	**8,243,254**
Total	**1,594,318**	**4,615,363**	**754,716**	**1,437,853**	**230,422**	**458,531**	**—**	**9,091,204**
Accumulated depreciation	(819,019)	(958,551)	(480,938)	(548,793)	(74,247)	(128,228)	—	**(3,009,777)**
Net capitalized costs	**775,299**	**3,656,812**	**273,778**	**889,059**	**156,175**	**330,303**	**—**	**6,081,427**
2007								
Unproved oil and gas properties	111,994	166,951	87,798	47,516	48,689	17,033	—	**479,981**
Proved oil and gas properties	1,238,101	2,627,585	552,814	772,110	117,749	434,699	—	**5,743,058**
Total	**1,350,095**	**2,794,536**	**640,612**	**819,626**	**166,438**	**451,732**	**—**	**6,223,039**
Accumulated depreciation	(776,411)	(654,554)	(437,604)	(468,656)	(53,034)	(128,133)	—	**(2,518,392)**
Net capitalized costs [1]	**573,684**	**2,139,982**	**203,007**	**350,970**	**113,404**	**323,600**	**—**	**3,704,647**

Capitalized costs								EUR 1,000
	Austria	Petrom	Rest of Europe	North Africa	Middle East	Oceania	South America [5]	**Total**
2006								
Unproved oil and gas properties	62,336	91,792	44,022	39,496	22,675	4,250	—	**264,571**
Proved oil and gas properties	1,102,419	2,289,452	609,192	754,680	88,427	353,273	—	**5,197,443**
Total	**1,164,755**	**2,381,244**	**653,214**	**794,176**	**111,102**	**357,523**	**—**	**5,462,014**
Accumulated depreciation	(734,667)	(436,842)	(439,452)	(435,577)	(35,623)	(81,950)	—	**(2,164,112)**
Net capitalized costs [1]	**430,088**	**1,944,402**	**213,762**	**358,599**	**75,479**	**275,572**	**—**	**3,297,902**

[1] In 2007, capitalized costs include EUR 14 mn for assets held for sale in the UK. In 2006, capitalized costs include carrying amounts of assets held for sale in Tunisia of EUR 10 mn.
[2] In 2008, the UK asset Dunlin was sold.
[3] In 2008, costs for the signature bonuses and compensation payments for the prolongation of the Libyan licenses were capitalized.
[4] In 2008, capitalized costs of New Zealand, asset Maari, were diminished by stand-by fees for the FPSO and drilling rig amounting to EUR 28 mn. Costs were booked with effect to P&L instead.
[5] In 2006, the assets in Ecuador were sold and the assets in Venezuela were written off.

b) Costs incurred

Costs incurred include all costs, capitalized or expensed, during the year in the Group's oil and gas property acquisition, exploration and development activities. Costs incurred in foreign currencies have been converted using the average foreign exchange rate of the year.

Costs incurred								EUR 1,000
	Austria	Petrom	Rest of Europe [4]	North Africa	Middle East	Oceania	South America	**Total**
2008								
Acquisition of proved properties [1]	—	—	—	461,419	—	—	—	**461,419**
Acquisition of unproved properties	—	—	—	—	—	—	—	**—**
Decommissioning costs	7,686	1,532	—	—	—	—	—	**9,218**
Exploration costs	25,794	183,634	50,322	93,217	25,406	9,219	—	**387,590**
Development costs [2]	247,537	1,275,351	61,302	68,979	69,428	117,282	—	**1,839,879**
Costs incurred	**281,016**	**1,460,517**	**111,624**	**623,615**	**94,834**	**126,500**	**—**	**2,698,106**
2007								
Acquisition of proved properties	—	—	—	—	—	—	—	**—**
Acquisition of unproved properties	—	—	—	—	—	—	—	**—**
Decommissioning costs	7,480	—	—	234	—	—	—	**7,714**
Exploration costs	13,527	160,218	54,189	17,093	53,401	32,862	—	**331,289**
Development costs [2]	214,979	782,839	66,470	58,872	30,376	92,346	—	**1,245,883**
Costs incurred	**235,987**	**943,057**	**120,659**	**76,199**	**83,777**	**125,208**	**—**	**1,584,887**

Costs incurred EUR 1,000

	Austria	Petrom	Rest of Europe	North Africa	Middle East	Oceania	South America	Total
2006								
Acquisition of proved properties	—	—	—	—	—	(561)	—	**(561)**
Acquisition of unproved properties [3]	—	53,250	—	—	—	—	—	**53,250**
Decommissioning costs	7,000	3,290	—	43	—	—	—	**10,333**
Exploration costs	34,612	57,951	30,160	61,544	11,930	4,282	—	**200,479**
Development costs	94,656	334,574	46,098	41,146	23,715	86,320	12,053	**638,561**
Costs incurred	**136,268**	**449,065**	**76,258**	**102,733**	**35,645**	**90,042**	**12,053**	**902,062**

[1] The amount represents the costs for signature bonuses and compensation payments for the prolongation of the Libyan licenses.
[2] In 2008, development costs of Petrom included the purchase of the oil service business from Petromservice. In 2007, development costs included EUR 7 mn from assets held for sale in the UK.
[3] The amount is disclosed net of attributed deferred taxes of EUR 16.8 mn.
[4] In Norway exploration represents the costs less a 78% refund of the deductible costs.

c) Results of operations of oil and gas producing activities

The following table represents only those revenues and expenses which occur directly in connection with OMV´s oil and gas producing operations. The results of oil and gas activities should not be equated to net income since no deduction nor allocation is made for interest costs, general corporate overhead costs and other costs. Income taxes are hypothetically calculated, based on the statutory tax rates and the effect of tax credits on investments and loss carryforwards.

Results of operations of oil and gas producing activities EUR 1,000

	Austria	Petrom	Rest of Europe	North Africa	Middle East	Oceania [6]	South America	**Total**
2008								
Sales to unaffiliated parties	4,175	182,924	173,325	304,309	88,844	213,600	—	**967,177**
Intercompany sales and sales to affiliated parties	706,721	2,427,918	—	734,649	65,521	—	—	**3,934,810**
Result from asset sales [1]	(452)	(1,375)	7,676	—	9	(1)	—	**5,858**
	710,444	**2,609,467**	**181,001**	**1,038,959**	**154,374**	**213,599**	**—**	**4,907,845**
Production costs	(102,432)	(901,012)	(35,088)	(43,885)	(18,470)	(30,106)	—	**(1,130,993)**
Royalties	(97,346)	(199,340)	—	(2,298)	(4,383)	(27,514)	—	**(330,881)**
Exploration expenses	(21,459)	(145,166)	(35,061)	(40,711)	(38,251)	(9,218)	—	**(289,866)**
Depreciation, amortisation and impairment losses [2]	(51,617)	(314,198)	(18,840)	(73,468)	(19,934)	(31,219)	—	**(509,275)**
Other costs	(398)	7,769	(1,871)	17,344	866	(28,850)	153	**(4,987)**
	(273,252)	**(1,551,946)**	**(90,859)**	**(143,018)**	**(80,172)**	**(126,907)**	**153**	**(2,266,002)**
Results before income taxes	**437,192**	**1,057,521**	**90,141**	**895,940**	**74,203**	**86,692**	**153**	**2,641,843**
Income taxes [3]	(117,274)	(186,405)	(26,366)	(437,338)	(16,095)	(15,623)	(60)	**(799,163)**
Results from oil and gas properties	**319,918**	**871,116**	**63,775**	**458,602**	**58,107**	**71,068**	**93**	**1,842,680**
Storage fee [5]	42,755	—	—	—	—	—	—	42,755

Results of operations of oil and gas producing activities — EUR 1,000

	Austria	Petrom	Rest of Europe	North Africa	Middle East	Oceania	South America	**Total**
2007								
Sales to unaffiliated parties	(1,280)	142,341	165,298	138,301	81,918	169,676	—	**696,255**
Intercompany sales and sales to affiliated parties	535,693	2,115,987	—	649,725	26,963	—	—	**3,328,368**
Result from asset sales [1]	50	113	—	13,758	4	(2)	—	**13,923**
	534,463	**2,258,441**	**165,298**	**801,784**	**108,886**	**169,674**	**—**	**4,038,545**
Production costs	(97,367)	(903,964)	(28,877)	(58,255)	(13,865)	(26,146)	—	**(1,128,474)**
Royalties	(62,958)	(159,195)	—	(7,413)	(10,841)	(7,430)	—	**(247,836)**
Exploration expenses	(13,527)	(116,943)	(44,427)	(11,580)	(15,018)	(19,702)	—	**(221,197)**
Depreciation, amortisation and impairment losses [2]	(48,191)	(219,048)	(48,206)	(54,905)	(19,656)	(48,203)	—	**(438,210)**
Other costs	(342)	132	(3,299)	(1,400)	827	45	(847)	**(4,886)**
	(222,385)	**(1,399,018)**	**(124,809)**	**(133,553)**	**(58,553)**	**(101,437)**	**(847)**	**(2,040,602)**
Results before income taxes	**312,077**	**859,424**	**40,488**	**668,231**	**50,333**	**68,237**	**(847)**	**1,997,944**
Income taxes [3]	(80,503)	(135,491)	(25,287)	(280,538)	(16,913)	(808)	—	**(539,541)**
Results from oil and gas properties [4]	**231,574**	**723,933**	**15,201**	**387,693**	**33,420**	**67,429**	**(847)**	**1,458,403**
Storage fee [5]	40,556	—	—	—	—	—	—	**40,556**
2006								
Sales to unaffiliated parties	(63)	264,638	184,695	26,939	84,680	78,491	47,531	**686,912**
Intercompany sales and sales to affiliated parties	532,438	1,925,398	—	607,401	—	—	—	**3,065,237**
Result from asset sales [1]	1,886	57,700	—	8,345	1,872	2,376	(13,525)	**58,654**
	534,262	**2,247,736**	**184,695**	**642,685**	**86,552**	**80,867**	**34,006**	**3,810,803**
Production costs	(96,264)	(831,620)	(29,355)	(52,227)	(7,665)	(18,648)	(15,486)	**(1,051,265)**
Royalties	(70,090)	(158,370)	—	(8,324)	(11,316)	(2,802)	—	**(250,902)**
Exploration expenses	(32,683)	(49,624)	(36,888)	(36,940)	(10,490)	(4,282)	—	**(170,908)**
Depreciation, amortisation and impairment losses [2]	(42,381)	(230,101)	(40,202)	(52,164)	(11,078)	(15,646)	(26,019)	**(417,590)**
Other costs	91	(16,627)	4,304	(4,236)	(1,052)	557	(5,420)	**(22,382)**
	(241,327)	**(1,286,342)**	**(102,142)**	**(153,891)**	**(41,601)**	**(40,821)**	**(46,925)**	**(1,913,048)**
Results before income taxes	**292,935**	**961,394**	**82,553**	**488,794**	**44,952**	**40,046**	**(12,919)**	**1,897,755**
Income taxes [3]	(84,844)	(157,213)	(49,649)	(149,338)	(11,975)	—	(3,883)	**(456,902)**
Results from oil and gas properties [4]	**208,091**	**804,181**	**32,905**	**339,455**	**32,977**	**40,046**	**(16,802)**	**1,440,853**
Storage fee [5]	42,228	—	—	—	—	—	—	**42,228**

1 Dunlin (UK) was sold in 2008. In 2007, the asset Chergui (Tunisia) was sold. In 2006, the sales of assets in Ecuador, Qatar and Halk el Menzel (Tunisia) were included in this item.

2 2008: Depreciation includes write-down of Russia (EUR 26mn)
2007: The Rest of Europe caption contains a write-off in the UK (Suilven, EUR 21 mn).
2006: The Petrom caption includes write-offs in Kazakhstan (Sinelnikove, EUR 27 mn), the South America caption contains the write-off of Venezuela (EUR 25 mn).

3 Income taxes do not include deferred taxes. Income taxes in the Rest of Europe include corporation tax and Petroleum Revenue Tax (PRT). The PRT liability arises from the net cash flow of several producing fields in the UK. Income tax in North Africa includes amounts payable under a tax-paid cost (TPC) system for certain OMV interests in Libya and field specific taxes in Tunisia, which are not fully related to profits. Within 2008, the TPC system has been replaced by tax bearing EPSA contracts.

4 In 2007, EUR 3 mn are included from assets held for sale in the UK. In 2006, results include EUR 9 mn from discontinued operations in Ecuador and Qatar.

5 Inter-segmental rental fees before taxes received from the Gas and Power segment for providing gas storage capacities.

6 In 2008, other costs in New Zealand include expensed stand-by fees for the Maari FPSO and drilling rig.

d) Oil and gas reserve quantities

Proved 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. Proved developed reserves are proved reserves that can reasonably be expected to be recovered through existing wells with existing equipment and operating methods. Proved undeveloped reserves are expected to be recovered from undrilled production wells on exploration licenses.

Crude oil and NGL mn bbl

	Austria	Petrom	Rest of Europe	North Africa	Middle East	Oceania	South America	**Total**
Proved developed and undeveloped reserves as of January 1, 2006	**55.1**	**578.2**	**19.4**	**91.9**	**1.1**	**20.8**	**15.6**	**782.1**
Revisions of previous estimates	6.8	(12.3)	0.9	7.8	—	1.5	—	**4.8**
Purchases	—	—	—	—	—	—	—	**—**
Disposal	—	—	—	—	(1.0)	—	(13.5)	**(14.6)**
Extensions and discoveries	0.3	13.8	—	5.5	8.0	—	—	**27.6**
Production	(6.3)	(35.6)	(3.3)	(13.3)	(0.1)	(1.0)	(2.0)	**(61.6)**
Proved developed and undeveloped reserves as of December 31, 2006	**56.0**	**544.1**	**17.0**	**92.0**	**8.0**	**21.3**	**—**	**738.4**
Revisions of previous estimates	5.9	(4.3)	—	10.8	2.0	1.9	—	**16.2**
Purchases	—	—	—	—	—	—	—	**—**
Disposal	—	—	—	(0.1)	—	—	—	**(0.1)**
Extensions and discoveries	0.2	2.6	0.5	0.3	—	—	—	**3.6**
Production	(6.2)	(34.0)	(2.6)	(14.6)	(0.6)	(1.8)	—	**(59.8)**
Proved developed and undeveloped reserves as of December 31, 2007 [1]	**55.9**	**508.3**	**14.8**	**88.5**	**9.3**	**21.4**	**—**	**698.3**
Revisions of previous estimates	1.1	2.1	1.3	43.5	5.2	0.4	—	**53.7**
Purchases	—	—	—	—	—	—	—	**—**
Disposal	—	—	(0.6)	—	—	—	—	**(0.6)**
Extensions and discoveries	0.5	5.4	—	—	—	—	—	**5.8**
Production	(6.1)	(34.4)	(1.8)	(15.7)	(1.2)	(1.7)	—	**(60.9)**
Proved developed and undeveloped reserves as of December 31, 2008	**51.4**	**481.4**	**13.8**	**116.3**	**13.3**	**20.1**	**—**	**696.4**
Proved developed reserves								
as of December 31, 2006	49.2	410.4	15.9	80.4	2.7	4.4	—	**563.0**
as of December 31, 2007	49.1	374.3	13.4	78.0	9.3	6.0	—	**530.3**
as of December 31, 2008	45.4	368.1	11.8	105.4	9.2	5.7	—	**545.5**

[1] In 2007, 0.6 mn bbl included from assets held for sale in the UK.

Gas							**bcf**
	Austria	Petrom	Rest of Europe	North Africa	Middle East	Oceania	**Total**
Proved developed and undeveloped reserves as of January 1, 2006 [1]	**572.0**	**2,228.0**	**40.0**	**19.6**	**294.5**	**93.1**	**3,247.3**
Revisions of previous estimates	18.7	92.4	6.1	—	(29.1)	18.5	**106.6**
Purchases	—	—	—	—	—	—	—
Disposals	—	—	—	—	—	—	—
Extensions and discoveries	0.2	34.6	—	—	—	—	**34.9**
Production	(46.6)	(211.0)	(8.8)	—	(40.3)	(10.9)	**(317.6)**
Proved developed and undeveloped reserves as of December 31, 2006 [1]	**544.4**	**2,144.0**	**37.3**	**19.6**	**225.2**	**100.6**	**3,071.1**
Revisions of previous estimates	24.3	133.0	0.3	—	(46.1)	24.0	**135.5**
Purchases	—	—	—	—	—	—	—
Disposals	—	—	—	(19.6)	—	—	**(19.6)**
Extensions and discoveries	1.0	11.7	—	—	—	—	**12.7**
Production	(48.9)	(205.2)	(7.1)	—	(40.1)	(20.3)	**(321.6)**
Proved developed and undeveloped reserves as of December 31, 2007 [1]	**520.8**	**2,083.5**	**30.5**	**—**	**139.0**	**104.3**	**2,878.2**
Revisions of previous estimates	15.5	216.5	4.3	—	3.4	(0.6)	**239.1**
Purchases	—	—	—	—	—	—	—
Disposals	—	—	—	—	—	—	—
Extensions and discoveries	3.9	12.2	—	—	—	—	**16.1**
Production	(46.1)	(198.3)	(6.2)	—	(37.2)	(20.1)	**(308.0)**
Proved developed and undeveloped reserves as of December 31, 2008 [1]	**494.0**	**2,113.9**	**28.5**	**—**	**105.1**	**83.6**	**2,825.2**
Proved developed reserves							
as of December 31, 2006	276.8	1,595.3	37.1	—	156.2	63.6	**2,129.0**
as of December 31, 2007	328.3	1,529.3	29.9	—	78.8	89.7	**2,056.0**
as of December 31, 2008	309.3	1,673.4	27.9	—	51.9	83.7	**2,146.1**

[1] Including approximately 108 bcf of cushion gas held in storage reservoirs.

e) Standardized measure of discounted future net cash flows

The future net cash flow information is based on the assumption that the year-end economic and operating conditions will persist throughout the time during which proved reserves will be produced. Neither the effects of future pricing changes nor expected changes in technology and operating practices are considered.

Future cash inflows represent the revenues received from production volumes, including cushion gas held in storage reservoirs – assuming that the future production is sold at year-end prices. Future production costs include the estimated expenditures for production of the proved reserves plus any production taxes without consideration of future inflation. Future development costs include the estimated costs of development drilling and installation of production facilities, plus the net costs associated with decommissioning wells and facilities – assuming year-end costs continue without consideration of inflation. Future income tax payments are calculated on the basis of the income tax rate applicable in each of the countries in which the Group operates. The present cash value results from the discounting of the future net cash flow at a discount rate of 10% per year. The standardized measure does not purport to be an estimate of the fair value of the Group's proved reserves. An estimate of fair value would also take into account, amongst many other factors, the expected recovery of reserves in excess of proved reserves, anticipated changes in future prices and costs as well as a discount factor representative of the risks inherent in the production of oil and gas.

Standardized measure of discounted future net cash flows EUR 1,000

	Austria	Petrom	Rest of Europe	North Africa	Middle East	Oceania	South America	**Total**
2008								
Future cash inflows	5,158,050	18,733,816	472,570	4,145,767	807,280	146,225	—	**29,463,709**
Future production and decommissioning costs	(2,618,440)	(16,453,654)	(231,415)	(876,179)	(249,876)	(419,365)	—	**(20,848,928)**
Future development costs	(965,910)	(627,117)	(6,689)	(656,210)	(371,523)	(327,680)	—	**(2,955,129)**
Future net cash flows, before income taxes	**1,573,700**	**1,653,046**	**234,466**	**2,613,379**	**185,881**	**(600,820)**	**—**	**5,659,652**
Future income taxes	(513,050)	(108,379)	(159,959)	(234,282)	(140,622)	(114,788)	—	**(1,271,080)**
Future net cash flows, before discount	**1,060,650**	**1,544,667**	**74,506**	**2,379,097**	**45,259**	**(715,607)**	**—**	**4,388,572**
10% annual discount for estimated timing of cash flows	(345,475)	(838,828)	15,850	(988,488)	(49,808)	177,764	—	**(2,028,985)**
Standardized measure of discounted future net cash flows	**715,175**	**705,839**	**90,357**	**1,390,609**	**(4,549)**	**(537,844)**	**—**	**2,359,586**
2007								
Future cash inflows	6,284,329	36,445,869	1,108,131	5,565,030	868,509	1,770,763	—	**52,042,630**
Future production and decommissioning costs	(2,380,752)	(18,821,248)	(420,009)	(705,241)	(322,482)	(794,393)	—	**(23,444,125)**
Future development costs	(622,068)	(904,277)	(21,083)	(146,872)	(36,473)	(302,228)	—	**(2,033,000)**
Future net cash flows, before income taxes	**3,281,508**	**16,720,344**	**667,039**	**4,712,917**	**509,554**	**674,142**	**—**	**26,565,505**
Future income taxes	(1,376,479)	(4,335,324)	(374,132)	(1,411,543)	(148,640)	(231,403)	—	**(7,877,521)**
Future net cash flows, before discount	**1,905,029**	**12,385,020**	**292,908**	**3,301,374**	**360,914**	**442,739**	**—**	**18,687,984**
10% annual discount for estimated timing of cash flows	(668,956)	(6,411,501)	(63,622)	(915,073)	(109,309)	(88,102)	—	**(8,256,562)**
Standardized measure of discounted future net cash flows	**1,236,073**	**5,973,519**	**229,286**	**2,386,300**	**251,606**	**354,638**	**—**	**10,431,421**

Standardized measure of discounted future net cash flows								EUR 1,000
	Austria	Petrom	Rest of Europe	North Africa	Middle East	Oceania	South America	**Total**
2006								
Future cash inflows	4,639,631	29,095,765	935,614	4,198,394	835,999	1,454,787	—	**41,160,190**
Future production and decommissioning costs	(2,490,016)	(15,332,722)	(332,875)	(484,657)	(197,088)	(568,787)	—	**(19,406,145)**
Future development costs	(459,765)	(1,108,118)	(52,719)	(223,062)	(67,268)	(422,250)	—	**(2,333,182)**
Future net cash flows, before income taxes	**1,689,851**	**12,654,925**	**550,020**	**3,490,675**	**571,643**	**463,750**	**—**	**19,420,863**
Future income taxes	(486,938)	(2,164,681)	(290,061)	(952,256)	(247,692)	(129,882)	—	**(4,271,511)**
Future net cash flows, before discount	**1,202,912**	**10,490,244**	**259,959**	**2,538,419**	**323,951**	**333,868**	**—**	**15,149,353**
10% annual discount for estimated timing of cash flows	(500,108)	(5,675,407)	(67,320)	(778,940)	(100,280)	(112,568)	—	**(7,234,624)**
Standardized measure of discounted future net cash flows	**702,804**	**4,814,838**	**192,638**	**1,759,478**	**223,670**	**221,300**	**—**	**7,914,729**

f) Changes in the standardized measure of discounted future net cash flows

Changes in the standardized measure of discounted future net cash flows			EUR 1,000
	2008	2007	2006
Beginning of year	**10,431,421**	**7,914,729**	**10,314,537**
Oil and gas sales and transfers produced, net of production costs	(2,835,191)	(1,979,051)	(2,619,572)
Net change in prices and production costs	(10,335,013)	4,443,856	(1,098,128)
Net change due to purchases and sales of minerals in place	5,069	13,764	(134,000)
Net change due to extensions and discoveries	37,168	107,541	840,511
Development and decommissioning costs incurred during the period	749,872	844,777	299,411
Changes in estimated future development and decommissioning costs	(830,922)	(336,137)	(1,270,019)
Revisions of previous reserve estimates	971,359	738,436	559,439
Accretion of discount	923,306	725,496	976,589
Net change in income taxes	3,822,516	(1,682,083)	(412,926)
Other [1]	(580,000)	(359,907)	458,886
End of year [2]	**2,359,586**	**10,431,421**	**7,914,729**

[1] The caption other represents the impact of movements in foreign exchange rates versus the EUR.

[2] In 2007, EUR 5 mn are included from assets held for sale in the UK.

Vienna, March 25, 2009

The Executive Board

Wolfgang Ruttenstorfer
Chairman

Gerhard Roiss
Deputy Chairman

Werner Auli

David C. Davies

Helmut Langanger

Abbreviations and definitions

ACC Austrian Commercial Code (UGB)

ACCG Austrian Code of Corporate Governance

AGM Annual General Meeting

bbl, bbl/d barrels (1 barrel equals approximately 159 liters), barrels per day

bcf, bcm billion standard cubic feet (60 °F/16 °C), billion cubic meters (32 °F/0 °C)

Bitumen is produced when high grade crude oil is distilled. It is used to surface roads, and in roofing and insulation materials.

bn, mn billion, million

boe, boe/d barrels of oil equivalent, boe per day

CAPEX Capital Expenditure

capital employed equity including minorities plus net debt and provisions for pensions, less securities used for asset coverage of pension provisions

cbm, cf standard cubic meters, standard cubic feet

Co&O Corporate and Other

E&P Exploration and Production

EBIT Earnings Before Interest and Taxes

equity ratio stockholders' equity divided by balance sheet total expressed as a percentage

EPSA Exploration and Production Sharing Agreement

EU, EUR European Union, euro

finding cost total exploration expenses divided by changes in proved reserves (extensions, discoveries and revisions of previous estimates)

G&P Gas and Power

gearing ratio net debt divided by stockholders' equity expressed as a percentage

H1, H2 first, second half of the year

HSE Health, Safety, Security and Environment

IASs, IFRSs International Accounting Standards, International Financial Reporting Standards

LTIR Lost Time Incident Rate

monomers collective term for ethylene and propylene

MW megawatt

n.a., n.m. not available, not meaningful

net debt bank debt less liquid funds (cash and cash equivalents)

net income net operating profit after interest, tax and extraordinary items

NGL Natural Gas Liquids; natural gas which is extracted in liquid form during the production of hydrocarbons

NOC National Oil Company

NOPAT Net Operating Profit After Tax; profit on ordinary activities after taxes plus net interest on net borrowings and interest on pensions, less extraordinary result +/– tax effect of adjustments

OPEX Operating Expenditures, production cost, cost of material and personnel during production excluding royalties

payout ratio total dividend payment divided by net income after minorities expressed as a percentage

Petajoule corresponds to 1 quadrillion (10^{15}) wattseconds

polyolefins Monomers in the chain shape, collective term for polyethylene and polypropylene

ppm parts per million

PRT, PRRT Petroleum Revenue Tax, Petroleum Resource Rent Tax – these taxes exist in the UK and Australia

Q1, Q2, Q3, Q4 first, second, third, fourth quarter of the year

R&M Refining and Marketing including petrochemicals

ROACE Return On Average Capital Employed; NOPAT divided by average capital employed expressed as a percentage

ROE Return On Equity; net income for the year divided by average stockholders' equity expressed as a percentage

ROfA Return On fixed Assets; EBIT divided by average intangible and tangible assets expressed as a percentage

RON New Romanian Leu

RRR Reserve Replacement Rate

sales revenues sales excluding petroleum excise tax

SEC United States Securities and Exchange Commission

SFAS Statement on Financial Accounting Standards

t, toe metric tonne, tonne of oil equivalent

TRIR Total Recordable Incident Rate

USD US dollar

For more abbreviations and definitions please visit www.omv.com

Five-year summary

Five-year summary — EUR mn

	2008	2007	2006	2005	2004
Sales	25,543	20,042	18,970	15,580	9,829
Earnings before interest and taxes (EBIT)	2,340	2,184	2,061	1,958	975
Income from ordinary activities	2,309	2,412	2,156	1,948	1,015
Taxes on income	(780)	(569)	(506)	(488)	(324)
Net income before minorities	1,529	1,843	1,658	1,496	690
Net income after minorities	1,374	1,579	1,383	1,256	689
Clean EBIT	3,105	2,377	2,257	2,305	1,008
Clean net income after minorities	1,738	1,649	1,521	1,391	711
Balance sheet total	21,376	21,250	17,804	15,451	13,236
Equity	9,363	10,340	9,176	7,694	5,762
Net debt	3,448	2,453	630	(126)	692
Average capital employed [1]	13,341	11,735	9,120	7,495	4,670
Cash flow from operations	3,214	2,066	2,027	2,108	1,039
Capital expenditure	3,547	4,118	2,518	1,439	2,297
Depreciation	1,293	977	810	794	480
Earnings before interest, taxes and depreciation (EBITD)	3,633	3,161	2,877	2,752	1,454
Net operating profit after tax (NOPAT)	1,624	1,869	1,682	1,492	718
Return on average capital employed (ROACE) [1]	12%	16%	18%	20%	15%
Return on equity (ROE) [1]	16%	19%	20%	22%	19%
Stockholders' equity to total assets	44%	49%	52%	50%	44%
Gearing ratio	37%	24%	7%	(2)%	12%
Dividend per share [2, 3] in EUR	1.00	1.25	1.05	0.90	0.44
Earnings per share [2] in EUR	4.60	5.29	4.64	4.21	2.55
Clean earnings per share [2] in EUR	5.82	5.52	5.10	4.66	2.64
Employees as of December 31	41,282	33,665	40,993	49,919	57,480

[1] 2004: Adjusted for impact of Petrom acquisition.
[2] Figures for 2004 adapted according to stock split by the ratio of 1:10.
[3] Proposal to the Annual General Meeting for 2008.

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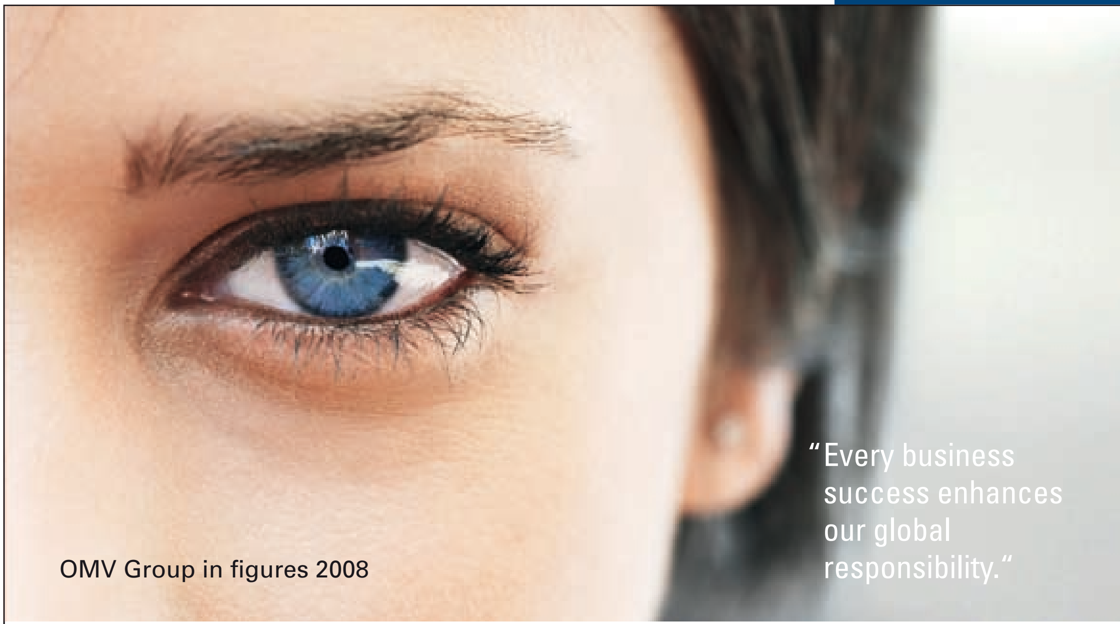

Move & More. OMV

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In the interest of a fluid style, which is easy to read, non-gender specific terms have been used throughout the annual report.
For the production of this report we used environmentally-friendly products.

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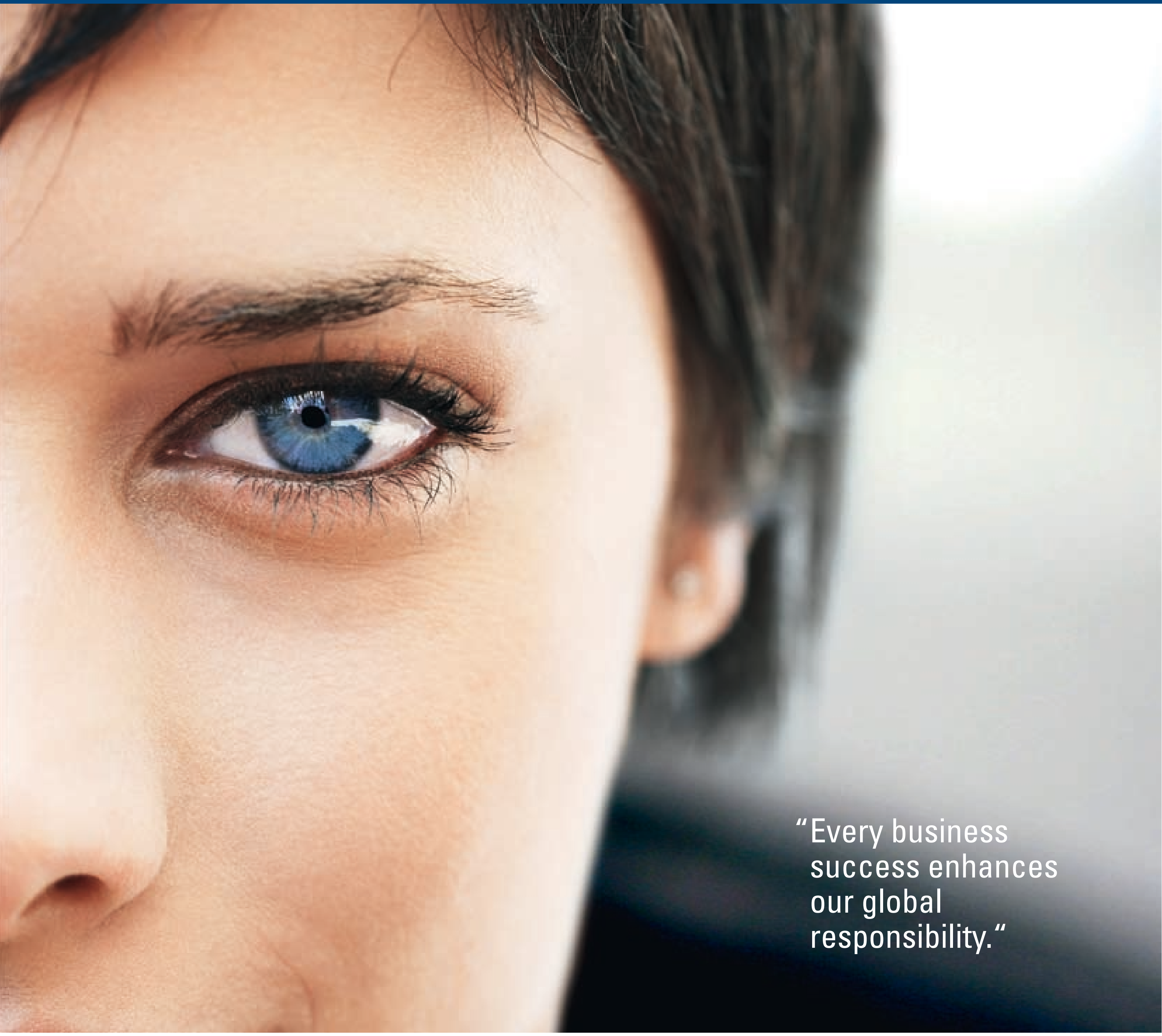
Annual Report 2008
of OMV Aktiengesellschaft



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Annual Report 2008 of OMV Aktiengesellschaft

Executive Board

From left to right: Helmut Langanger, Gerhard Roiss, Wolfgang Ruttenstorfer, David C. Davies, Werner Auli

Wolfgang Ruttenstorfer (*1950)
Chairman and Chief Executive Officer since January 1, 2002. Responsible for the overall management and coordination of the Group. A graduate of the Vienna University of Economics and business Administration, he began his career with OMV in 1976. He was a member of the Executive board from 1992 to 1997. After serving as Austrian Secretary of State for Finance between 1997 and 1999, he returned to the OMV Group as Deputy Chief Executive Officer with responsibility for Finance and the Gas segment at the beginning of 2000.

Gerhard Roiss (*1952)
Deputy Chairman responsible for Refining and Marketing including petrochemicals and chemicals since January 1, 2002. Gerhard Roiss received his business education at Vienna, Linz and Stanford Universities and subsequently had senior appointments at various companies in the consumer goods industry. In 1990, he was appointed to the board of PCD Polymere GmbH. In 1997 he joined the OMV Group Executive board, heading up Exploration and Production and Plastics until the end of 2001.

Werner Auli (*1960)
Member of the Executive board responsible for Gas and Power since January 1, 2007. Werner Auli joined OMV in 1987 after graduating from the Vienna University of Technology. From 2002 to 2004, he was managing director of EconGas GmbH, from 2004 on he was managing director of OMV Gas GmbH and since 2006 he has been managing director of OMV Gas & Power GmbH.

David C. Davies (*1955)
Chief Financial Officer since April 1, 2002. David Davies graduated from the University of Liverpool, UK with a degree in Economics in 1978, and began his working life as a chartered accountant. He subsequently held positions with international corporations in the beverage, food and health industries. before joining OMV he was finance director at a number of British companies.

Helmut Langanger (*1950)
Executive board member responsible for Exploration and Production since January 1, 2002. Helmut Langanger studied Economics in Vienna after graduating from the Leoben University of Mining and Metallurgy. He joined OMV in 1974. In 1992, he was appointed Senior Vice President for Exploration and Production, and in this position he played a key role in building up the Group's international E&P portfolio.

Statement by the Chairman of the Supervisory Board

Dear shareholders,
OMV is continuing to play a pacesetting role in corporate governance in Austria, and is making its detailed report on the subject already this year. It goes without saying that the Supervisory Board has considered the new legal requirements that came into force at the start of the current financial year, and especially the duties of the Audit Committee.

The challenges presented by the current financial and economic crisis, and the potential implications for future business developments were thoroughly discussed at the meetings of the Supervisory board. The board also devoted particularly close attention to the promising gas power station projects and OMV's corporate strategy.

The board's committees addressed key issues relating to the Group's accounting processes, risk management and internal controls. We were also able to satisfy ourselves that a comprehensive group-wide personnel development program, a well designed succession planning system and a functioning issuer compliance system are in place.

The Company posts details of dealings by members of the Executive and Supervisory boards, and their current holdings of OMV shares on its website (www.omv.com).

In 2007, the Supervisory board performed a self-evaluation in accordance with international standards. This was aimed at continuously improving our working methods so as to ensure that we are capable of fulfilling our responsibilities to shareholders and other stakeholders. Another evaluation was conducted in 2008, and these reviews have now become a permanent part of the process of critical reflection on the board's activities.

The Corporate Governance Report on the following pages contains additional information on the Supervisory board and its committees.

Annual financial statements and dividend
Following thorough examination and discussions with the auditors at Audit Committee and plenary meetings, the Supervisory board approved the directors' report, prepared in accordance with section 127 Stock Corporation Act, and the parent entity financial statements for 2008, which were thereby adopted under section 125 (2) of the Act, as well as the consolidated financial statements for 2008. The board also approved the Corporate Governance Report.

The Supervisory board has accepted the Executive board's proposal to the Annual General Meeting to pay a dividend of EUR 1.00 per share and to carry forward the remaining EUR 75,402,437 to new account.

Finally, I should like to congratulate the Executive board and the entire workforce on these results, and thank them for their far-sighted approach to their work.

Vienna, March 25, 2009

Rainer Wieltsch
Chairman of the Supervisory Board

Directors' report – Operational review

Business developments in 2008

Sales for the 2008 financial year were EUR 74.58 million (mn) (2007: EUR 74.44 mn). As OMV Aktiengesellschaft is a pure holding company, most of the sales consist of corporate service charges billed to the successor companies.

Earnings before interest and taxes (EBIT) were EUR 13.63 mn (2007: EUR -41.61 mn). The improvement in EBIT principally reflected gains on reversal of provisions for the stock option plan. In addition, the previous year's earnings were affected by the changeover in the method of providing for the plan to the IFRS model.

The **financial result** in 2008 was EUR 583.05 mn (2007: EUR 1,121.57 mn). Owing to the fact that OMV Aktiengesellschaft acts as a pure holding company the financial items chiefly relate to dividends and other income from investments. Income from investments was down on the previous year at EUR 895.04 mn (2007: EUR 1,106.83 mn). Dividend income from Petrom was stable at EUR 155.15 mn (2007: EUR 155.22 mn).

The contribution of the companies in the **Exploration and Production** (E&P) segment excluding Petrom to income from investments fell to EUR 517.20 mn (2007: EUR 614.99 mn), mainly as a result of the effects of the renewal of the Libyan E&P contracts in 2008 and increased exploration expense.

Investment income from **the Refining and Marketing** segment excluding Petrom decreased to EUR 92.01 mn (2007: EUR 185.71 mn). The main factor behind the decline was the absence of a dividend from OMV Deutschland GmbH.

The investment income contribution from the **Gas and Power** segment excluding Petrom dropped to EUR 92.89 mn (2007: EUR 130.59 mn), owing to finance costs related to the restructuring of the interest in Oberösterreichische Ferngas Aktiengesellschaft.

The **financial result** was also depressed by EUR 365.10 mn in expenses arising from revaluation of the interest in MOL.

Investment
The largest investment in 2008 was the increase in the holding in Petrol Ofisi — the Turkish retail and commercial market leader — from 39.58% to 41.58%. Petrol Ofisi has about 3,600 filling stations, and is the only operator in Turkey with a nationwide network.

Cash flows from operating activities for 2008 were positive at EUR 834.07 mn (2007: EUR 1,101.18 mn), and cash flows from investing activities negative at EUR 758.81 mn (2007: positive at EUR 49.27 mn), while cash flows from financing activities were positive at EUR 201.50 mn. The main investment activities items were the acquisition of an additional interest of about 2% in Petrol Ofisi, an increase of EUR 600 mn in the long-term receivables from OMV Deutschland GmbH, and the sale of securities held as long-term assets. The principal financing activities items were the raising of a EUR 400 mn long-term loan and dividend payments of EUR 373.45 mn.

Net income for the year was EUR 583.05 mn (2007: EUR 1,078.32 mn).

Total assets rose to EUR 8,752.88 mn (2007: EUR 8,049.73 mn).

At balance sheet date **stockholders' equity** including untaxed reserves was EUR 6,384.48 mn (2007: EUR 6,174.89 mn). The equity ratio as of December 31, 2008 was 72.94% (2007: 76.71%).

The ratio of **fixed assets** to total assets was 54.53% at balance sheet date (2007: 57.04%). Fixed assets were 62.47% (2007: 65.43%) covered by equity and long-term borrowings.

Return on equity (ROE), i.e. net income for the year divided by average shareholders' equity, was 9% (2007: 19%).

In 2008, the average number of **employees** at the holding company was 122 (2007: 113).

Information required by § 243a Unternehmensgesetzbuch (Austrian Commercial Code)

The following information is disclosed according to § 243a Unternehmensgesetzbuch (Austrian Commercial Code):

1. The capital stock is EUR 300,000,000 and is divided into 300,000,000 bearer shares of no par value. There is only one class of shares.

2. There is a consortium agreement between the two core shareholders International Petroleum Investment Company (IPIC) and Österreichische Industrieholding Aktiengesellschaft (ÖIAG) which provides for coordinated behavior and certain limitations to transfers of stockholdings.

3. ÖIAG holds 31.5% and IPIC holds 19.2% of the capital stock.

4. All shares have the same control rights.

5. Employees who are shareholders directly exercise their voting right at the Annual General Meeting.

6. The Company's Executive Board must consist of between two and six members. Candidates who would complete their final term of office after reaching the age of 65 may not be appointed. The Company's Supervisory Board must consist of at least six members elected by the General Meeting and of the members nominated under section 110 (1) Arbeitsverfassungsgesetz (Austrian Labor Constitution Act). Members of the Supervisory Board must not be over 65 years of age at the time of their election. To approve capital increases pursuant to section 149 Austrian Stock Corporation Act and alterations of the articles of association (except those concerning the Company's objects), simple majorities of the votes and capital represented in the taking of the resolution is sufficient.

7. a) The Executive Board has been authorized by resolution of the Annual General Meeting held on May 24, 2007, to increase, subject to the consent of the Supervisory Board, the capital stock of the Company by May 23, 2012, in one or more tranches, by an aggregate amount not exceeding EUR 36.35 mn by issuance of up to 36,350,000 new common shares in bearer form against cash or contributions in kind, also to the exclusion of shareholders' rights of subscription in the event of contributions in kind and, subject to the consent of the Supervisory Board, to set the issue price and conditions of issuance (authorized capital).

b) The capital stock has been conditionally increased by EUR 36.35 mn under section 159 (2) (1) Austrian Stock Corporation Act by issuance of up to 36,350,000 common shares in bearer form (conditional capital). The conditional capital increase will only be carried out if holders of the convertible bonds issued on the basis of the Annual General Meeting resolution held on May 24, 2007, exercise their right to convert them into the Company’s stock.

c) The total number of new shares currently or potentially to be issued under the terms of the convertible bonds and the number of shares to be issued from the authorized capital may not exceed 36,350,000 (amount-related determination of authorizations in accordance with paragraph a and b), whereby the conversion right of the holders of the convertible bonds must be granted in every case.

d) The Annual General Meeting on May 14, 2008 authorized the Executive Board to repurchase own shares up to the maximum legally permitted (currently 10% of capital stock), during a period of 18 months from the day of the resolution in question. Own shares can be used to satisfy stock option plans or can be sold at any time via the stock exchange or by way of public offering.

8. According to the shareholders’ agreement between OMV and Dogan Şirketler Grubu Holding A.S. (Dogan) regarding Petrol Ofisi A.S., the respective other party is, in the event of a change of control either in OMV or in Dogan to defined strategic acquirers (i.e. if the acquirer has to fully consolidate OMV or Dogan according to IFRS or exercises control by means of equal rights jointly with a third party) up to May 16, 2016, entitled to acquire 34% of the shares of Petrol Ofisi at a price based on an agreed formula, thus terminating the shareholders’ agreement.

9. There are no agreements between the Company and members of the Executive Board and Supervisory Board or employees regarding the payment of compensation in the event of a public takeover bid.

10. The most important elements of the internal control and risk management system regarding the accounting process are: Minimum standards for the internal control system are defined by an internal Corporate Guideline. Corporate Internal Audit controls the compliance with these standards through regular audits of individual group companies and informs the supervisory board about the results

of the audits performed. The establishment of group-wide standards for the preparation of annual and interim financial statements by means of the corporate IFRS Accounting Manual is also regulated by an internal Corporate Guideline. The group uses a comprehensive risk management system. The essential processes of the financial reporting system have been identified and analyzed. The effectiveness of these processes is evaluated based on a rolling time schedule and benchmarked against best practice (e.g. derivatives, debtors management). The risk management system is included within the regular audit scope of the auditors. The results of the audits performed are reported to the audit committee.

Risk management

Risk management is a group-wide integrated function based in Group Treasury at OMV Aktiengesellschaft. The group-wide risk identification and assessment process is coordinated by the department, while the entire portfolio risk is aggregated as a net position. A variety of risk management measures are taken on the basis of this position (which is mitigated by diversification effects), as part of the overall risk avoidance strategy. This concerns, in particular, direct financial risks including interest rate, foreign exchange, liquidity and pension risk. Group Treasury is also responsible for analyzing strategic price risk. In addition, OMV Aktiengesellschaft monitors the Group's exposure to investment risk (value at risk), as well as the transaction risks associated with major investments.

Interest rate and liquidity risk are managed by imposing limits. Derivatives (swaps) may be employed by Group Treasury for risk management purposes. For instance, during the year the existing dollar and euro denominated loans were converted from fixed to variable rates in order to balance the Group's debt portfolio.

Price hedges are proposed to the Executive Board by an operating committee, and are centrally managed and monitored. Part of the E&P segment's output was hedged against the risk of a sharp drop in oil prices in 2008. Derivative instruments were also employed to hedge cash flow against the negative impact of falling oil prices in 2009; the revenues from 25,000 bbl/d were protected in this way. The transactions were concluded with top rated banks on an over the counter (OTC) basis.

The main foreign exchange risks arise from fluctuations in the exchange rate of the USD against the EUR and RON. Sales of oil and gas produced by the Group result in a net long USD position. The effects of exchange rate movements on cash flow and/or the balance sheet (translation risk) are regularly analyzed, as is the relationship to oil prices. In 2008, Foreign exchange risk management activities did not involve the use of derivatives to hedge long USD positions against transaction risks. OMV Aktiengesellschaft took out hedges totaling USD 1 bn to protect cash flow and cushion the impact of fluctuations in the EUR-USD exchange rate.

The currency risk associated with investments (translation risk) — i.e. the impact on the income statement and balance sheet — is centrally monitored. OMV is exposed to translation risks by large investments in Romania, Turkey and Hungary.

Credit risk exposure associated with the Group's main counterparties continues to be managed on the basis of country and bank limits. The risks related to banks and financial institutions as well as major counterparties are centrally managed by Group Treasury; all other counterparty risks are managed at segment level.

Due to the current financial crisis and the resultant credit shortage Group Treasury is also focusing strongly on managing liquidity risk. The goal for 2009 is to finance investments and dividend payments largely from operating cash flow (neutral free cash flow less dividends).

The fact that Group financing is highly centralized means that OMV Aktiengesellschaft is necessarily obliged to assume the default risk on behalf of Group companies. Frequent reviews of corporate intrayear liquidity planning permit constant monitoring of Group companies' status, and enable countermeasures to be taken where necessary.

The investments are regularly tested for impairment, using generally accepted valuation methods. Valuation adjustments are made as necessary.

Health, Safety, Security and Environment (HSE)

OMV Aktiengesellschaft plays a dual role in HSE management, performing a strategic management function for the Group as a whole whilst also implementing these policies internally. For instance, the formulation of the Group HSE Strategy, the Carbon Strategy, and the setting of Balance Score Card targets, is led and coordinated by OMV Aktiengesellschaft in consultation with all business segments and Petrom.

In 2008, there was no reported accident in OMV Aktiengesellschaft. Awareness of health, safety and environmental issues was raised through role descriptions, training courses and information events.

Active involvement of employees in health topics was achieved via the implementation of Health Circles, where employees voice their health concerns and make suggestions.

A voluntary winter-flu vaccination campaign and a psychological stress assessment program figured prominent among other preventative health programs, run during the year.

In 2008, the emergency and crisis management Directive was audited by a second independent party (internal audit). Some improvement measures were raised.

Outlook for 2009

The second half of 2008 was marked by unexpected upheavals on financial, commodity and currency markets. The oil industry was particularly hard hit by oil, product and gas price, and exchange rate volatility. For 2009 we expect the main market drivers (crude price, refining margins and the EUR-USD exchange rate) to remain highly volatile.

Despite the significant drop in the oil price – from a record USD 144/bbl level for Brent in July 2008 to around USD 40/bbl at the beginning of 2009 – we expect crude oil prices to stabilize in H1/09 and to recover slightly in H2/09.

The average EUR-USD exchange rate for 2009 is expected to be highly volatile, overall we are expecting a weaker EUR compared to the average 2008 level. Based on the recent weakness of several CEE currencies we expect a highly volatile but overall decreasing RON versus the USD and the EUR compared to 2008 average levels.

The current downturn in the global economy is expected to lead to a slowdown in growth rates in OMV's relevant markets. Refinery fuels margins are expected to weaken from the 2008 level and the petrochemicals business is expected to suffer from reduced market demand and lower margins caused by the economic downturn. Marketing sales volumes are expected to decline slightly and marketing margins are expected to be lower.

Vieanna, March 25, 2009-03-29

The Executive Board

Financial statements
Balance sheet as of December 31, 2008

Assets			EUR 1,000
	Note	**2008**	2007
Fixed assets	1		
Intangible assets		0	0
Tangible assets		8,260	9,446
Financial assets		4,764,684	4,582,274
		4,772,944	**4,591,720**
Current assets			
Inventories			
Payments on account		–	16
		–	**16**
Accounts receivable and other assets	2		
Receivables from trade		23	0
Receivables from affiliated companies		3,593,393	3,368,908
Receivables from associated companies		196	0
Other receivables and other assets		61,974	36,692
		3,655,586	**3,405,600**
Own shares		13,859	13,930
Cash on hand and at bank		296,745	19,986
		3,966,190	**3,439,532**
Deferred taxes		**12,648**	**17,263**
Prepayments and accrued income		**1,096**	**1,213**
Total assets		**8,752,878**	**8,049,728**

Liabilities			EUR 1,000
	Note	2008	2007
Stockholders' equity	3		
Capital stock		300,000	300,000
Capital reserves			
appropriated		1,006,610	1,006,610
unappropriated		334	334
Revenue reserves		4,683.032	4,473,961
Reserve for treasury stock		13,859	13,930
Unappropriated income thereof income brought forward in 2008: 1,135 (2007: 3,268)		375,181	374,587
		6,379,016	**6,169,422**
Untaxed reserves	4		
Valuation reserve for impairments		5,464	5,464
Provisions	5		
Provisions for severance payments		6,409	6,694
Provisions for pensions		7,642	8,043
Provisions for taxes		—	21,550
Other provisions		55,543	83,369
		69,594	**119,656**
Liabilities	6		
Bonds		250,000	250,000
Amounts due to banks		1,400,336	941,662
Accounts payable from trade		8,908	11,825
Accounts payable to affiliates		468,292	317,202
Other liabilities		171,268	234,497
		2,298,804	**1,755,186**
Total liabilities		**8,752,878**	**8,049,728**
Contingent liabilities	7	1,587,564	1,529,414

Income statement

		Note	2008	2007
				EUR 1,000
1.	**Sales**	8	**74,580**	**74,436**
2.	Changes in inventories of finished products, work in progress and services not yet invoiced		–	(6)
3.	Other operating income	9	20,761	6,907
4.	Expenses for materials and services	10	(3,151)	(2,954)
5a.	Personnel expenses	11	(27,168)	(60,874)
5b.	Expenses for severance payments and pensions	12	(3,482)	(4,295)
6.	Depreciation and amortization		(365)	(426)
7.	Other operating expenses	13	(47,545)	(54,402)
8.	**Subtotal of items 1 to 7 (Earnings before interest and taxes)**		**13,630**	**(41,614)**
9.	Income from investments thereof affiliated companies: 890,420 (2007: 1,105,989)	14	895,039	1,106,815
10.	Income from other securities and lendings carried as financial assets thereof affiliated companies: 34,428 (2007: 9,436)		37,255	15,386
11.	Other interest and similar income thereof affiliated companies 117,588 (2007: 94,506)		151,114	106,711
12.	Gains on disposal and write-up of financial assets and securities held as current assets		1,952	715
13.	Expenses arising from financial assets and securities held as current assets thereof depreciation: 365,241 (2007: 2,953) thereof affiliated companies 714 (2007: 585)		(365,955)	(3,881)
14.	Interest and similar expenses thereof affiliated companies 38,797 (2007: 21,972)		(136,355)	(104,176)
15.	**Subtotal of items 9 to 14 (Financial result)**		**583,050**	**1,121,570**
16.	**Income from ordinary activities**		**596,680**	**1,079,956**
17.	Taxes on income	15	(13,634)	(1,637)
18.	**Net income for the year**		**583,046**	**1,078,319**
19.	Allocation to revenue reserves		(209,000)	(707,000)
20.	Income brought forward		1,135	3,268
21.	**Unappropriated income**		**375,181**	**374,587**

Notes

The accounts of **OMV Aktiengesellschaft**, A-1090 Vienna, as of December 31, 2008 have been drawn up in accordance with the Austrian Commercial Code (ACC) as amended. As the parent company of OMV Group, OMV Aktiengesellschaft also prepares separate consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs).

In the interests of clear presentation, some items of the balance sheet and income statement have been aggregated. The detailed disclosures are shown in the notes to the accounts. The total cost format is used for the presentation of the income statement.

The annual financial statements were prepared in euro (EUR). The presentation is in units of one thousand euro (EUR 1,000; EUR thousand). This may result in rounding differences.

Accounting and valuation principles

Intangible assets and **tangible fixed assets** are capitalized at cost and amortized/depreciated on a straight-line basis.

Depreciation is based on the following useful economic lives:

Category	Useful life
Buildings	10–50 years
Plant and equipment	4–20 years
Other fixtures and fittings, tools and equipment	4–25 years

In accordance with the relevant fiscal law provisions, a whole year's depreciation is recognized for **additions** in the first half of the year, and half a year's depreciation for additions in the second half.

Sustained and material **impairments** of fixed assets in excess of scheduled depreciation are recognized by writedowns.

Low value assets up to EUR 400 are capitalized and fully written off in the year of acquisition, and are shown as additions and disposals in the statement of fixed assets.

Investments are carried at acquisition cost less any permanent, material impairment. Securities held as fixed assets are carried at the lower of cost or market value at the last trade date of the year.

In order to gain a presence in Turkey, one of Europe's largest growth markets, OMV acquired a 34% interest in Petrol Ofisi – the leader in the country's filling station and commercial segments – from Doğan Holding on May 16, 2006. OMV built up its interest in Petrol Ofisi in 2008 and held 41.58% at year end. On August 31, 2006, the Turkish Energy Market Regulatory Authority (EMRA) imposed fines totaling New Turkish lira (TRY) 1.6 bn (EUR 0.9 bn) on 28 of Turkey's 30 distribution companies in respect of litigation with reference to the supply of unlicensed distributors during the transition period following the introduction of the new Turkish Petroleum Act at the beginning of 2005.

The fine imposed on Petrol Ofisi A.S. and its subsidiary ERK Petrol Yatirimlari A.S. amounted to some TRY 600 mn (EUR 349 mn). Petrol Ofisi A.S. has appealed to the Supreme Court and the Administrative Court of Appeal for cancellation of the fine and applied for stay of payment until the case is settled. On January 31, 2007, the Supreme Court granted the application for stay of payment until settlement of the case. On the basis of the Supreme Court's decision, no provision has been made, as in the previous year.

Accounts receivable and other assets are stated at cost. Non-interest bearing receivables with maturities of over one year are discounted. Foreign currency receivables are stated at the lower of acquisition cost or the European Central Bank (ECB) exchange rate at balance sheet date. All recognizable risks are accounted for by valuation allowances.

In the year under review **deferred taxes** arising from temporary differences were recognized pursuant to section 198(9–10) ACC. Current deferred taxes are reported under the Taxes on income item. In the 2005 financial year, OMV Aktiengesellschaft began charging tax contributions to Group companies due to the formation of a tax group under section 9 Corporate Tax Act. OMV Aktiengesellschaft retains the profits and losses of its successor companies under a profit and loss pooling agreement.

OMV Group has both defined contribution and defined benefit pension plans. In the case of defined contribution plans, OMV has no obligations beyond payment of the agreed premiums, and no provision is therefore made. In contrast, participants in defined benefit plans are promised pensions at certain levels. 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 these defined benefit pension plans remain with OMV.

Provisions for pensions, severance payments and jubilee payments are calculated using the projected unit credit method, which divides the costs of the estimated benefit entitlements over the whole period of employment and thus takes future increases in remuneration into account. Actuarial gains and losses falling within a corridor of 10% of the greater of projected benefit obligations and plan assets – measured in both cases at the beginning of the year – are not recognized in pensions and severance payments provisions. Actuarial gains and losses falling outside this corridor are distributed according to the average remaining years of service of the participants in the plan. Interest expense accruing on pension provisions together with income from pension plan assets is disclosed as part of financial income and expense.

The Company's pension obligations are partly funded by payments to an external pension fund. These are reported as expenses for pensions.

Liabilities arising from personnel separations are recognized if the amounts are fixed and a detailed plan, approved by management, is in existence before the balance sheet date, and is irrevocable.

All risks recognizable in the light of sound commercial judgment and contingent liabilities are provided for.

Liabilities are stated at the higher of nominal value or the amount repayable. Foreign currency liabilities are stated at the higher of cost or the ECB exchange rate at balance sheet date.

Stock option plans

On the basis of resolutions of the relevant Annual General Meetings, OMV has – starting in 2000 – implemented long-term performance oriented compensation plans for the Executive Board and selected senior executives in the Group. The executives in question – provided they themselves invest in OMV shares – are granted options entitling them to acquire OMV shares (or their monetary equivalents) on favorable terms if the stock price has risen by at least 15%.

In the explanations that follow, the numbers of options and the values have been adjusted for the 10–for–1 stock split on July 11, 2005.

At the times the options were granted, details of the plans were as follows:

Main conditions

	2008 plan	2007 plan	2006 plan	2005 plan	2004 plan
Start of plan	1.9.2008	1.9.2007	1.9.2006	1.9.2005	1.9.2004
End of plan	31.8.2015	31.8.2014	31.8.2013	31.8.2012	31.8.2011
Vesting period	2 years	2 years	2 years	2 years	2 years
Exercise price	EUR 47.550	EUR 47.850	EUR 45.190	EUR 34.700	EUR 16.368
Option entitlement per OMV share held	20	20	20	20	15
Qualifying own investment					
Executive Board	1,136 shares [1]	1,230 shares [1]	1,242 shares [1]	2,390 shares [1]	3,980 shares [1]
Senior executives	379 shares [1]	410 shares [1]	414 shares [1]	800 shares [1]	1,330 shares [1]
Options granted					
Executive Board members					
Auli [2]	22,720	24,600	8,280	–	19,950
Davies	22,720	24,600	24,840	47,800	59,700
Langanger	22,720	24,600	24,840	47,800	59,700
Roiss	22,720	24,600	24,840	47,800	59,700
Ruttenstorfer	22,720	24,600	24,840	47,800	59,700
Total – Executive Board	**113,600**	**123,000**	**107,640**	**191,200**	**258,750**
Other senior executives	428,280	440,760	360,220	532,000	484,350
Total options granted	**541,880**	**563,760**	**467,860**	**723,200**	**743,100**
Plan threshold: share price	**EUR 54.680**	**EUR 55.030**	**EUR 51.970**	**EUR 39.910**	**EUR 18.823**

[1] Or 25%, 50% or 75% thereof.
[2] Member of the Executive Board since January 1, 2007.

At balance sheet date, all options for the 2003 plan and some of the options for the 2004 and 2005 plans were exercised. As of December 31, 2007, some of the options for the 2003, 2004 and 2005 plans were exercised.

Participation in the stock option plans is subject also to the following terms and conditions:

1. Eligibility to participate in the stock option plans is conditional on investment by the participant, who must hold the shares at the start of the plan and for the entire period until exercise.

2. For all plans, the number of shares participants are required to hold is calculated by dividing the maximum permitted investment by the average quoted price of the stock in the month of May in the year of issue. Options may also be exercised at levels of 25%, 50% or 75% of the maximum holding.

3. In the event of participants disposing of their underlying investments, the options are forfeited. The options are not transferable and expire if not exercised.

4. The exercise price is the average price for the period from May 20 to August 20.

5. Provided that the plan thresholds are attained, the options may be exercised in the exercise period for the 2004 plan during the 20 trading days after publication of the quarterly reports (exercise window). For the plans for 2005–2008 exercise windows are periods where exercise is not prohibited according to the following criteria. Options may not be exercised:

   - when the plan participant is party to insider information;

   - during the blackout period specified in the Issuers Compliance Regulation (six weeks before scheduled publication of the annual results, three weeks before publication of the quarterly results or any other restricted periods defined by compliance officers);

   - if the Executive Board forbids the exercise for a specific period.

6. Evidence of the participant's underlying investment must be furnished when exercising an option. The options may be exercised by purchasing the shares or by having the difference between the current market price and the exercise price paid out in cash or in the form of shares, provided always that the market price of OMV stock at the time of exercise exceeds the exercise price by at least 15%.

In 2008 and 2007 movements in options under the stock option plans were as follows:

Stock option plans

		2008		2007
	Number of options	Weighted average exercise price EUR	Number of options	Weighted average exercise price EUR
Outstanding options as of January 1	**1,905,850**	**37.163**	**2,085,585**	**28.529**
Options granted	541,880	47.550	563,760	47.850
Options exercised	(325,340)	21.029	(743,495)	21.048
Outstanding options as of December 31	**2,122,390**	**42.288**	**1,905,850**	**37.163**
Options exercisable at year end [1]	—	—	**874,230**	**25.974**

[1] The options for the plans 2004, 2005 and 2006 would have been exercisable at year end if the share price had been above the respective plan threshold.

During 2008, a total of 325,340 options granted under the 2003, 2004 and 2005 plans were exercised. The amount due in respect of all options was the difference between the current share price and the exercise price. For 42,000 options, the options were exercised through the purchase of shares. The weighted average market price at the time of exercise in 2008 was EUR 54.376. Considering the plan threshold, the intrinsic value of the options exercisable as of December 31, 2008 was EUR 0. (As of December 31, 2008 the share price was below the plan threshold for all plans.)

During 2007, 743,495 options granted under the 2003, 2004 and 2005 plans were exercised. For 722,495 options the difference between the current share price and the exercise price was paid; the amount due in respect of all options was settled in cash. For 21,000 options, the options were exercised through the purchase of shares. The weighted average market price at the time of exercise in 2007 was EUR 50,087. The intrinsic value of the options exercisable as of December 31, 2007 was EUR 25,742 thousand.

Exercise of options by plan participants was as follows:

Options exercised

	Options exercised	**2008** Weighted average exercise price in EUR	Options exercised	2007 Weighted average exercise price in EUR
Executive Board members				
Auli	–	–	–	–
Davies	107,500	24.519	84,000	10.404
Langanger	42,000	10.404	71,850	12.882
Roiss	29,700	16.368	–	–
Ruttenstorfer	59,700	16.368	42,000	10.404
Total – Executive Board	**238,900**	**18.987**	**197,850**	**11.304**
Other senior executives	86,440	26.672	545,645	24.581
Total options exercised	**325,340**	**21.029**	**743,495**	**21.048**

Compensation expense arising from the exercise of options reflects the value of the options exercised at the date of exercise and amounted as follows:

Compensation expense **EUR 1,000**

	2008	2007
2003 plan	1,711	6,722
2004 plan	6,944	10,694
2005 plan	2,194	4,174
Total	**10,849**	**21,590**

Of this amount, EUR 8,293 thousand (2007: EUR 7,447 thousand) was attributable to Executive Board members and EUR 2,556 thousand (2007: EUR 14,143 thousand) to other senior executives.

As of December 31, 2008, **outstanding options** under the various plans were as follows:

Outstanding options

Plan	Exercise price EUR	Options outstanding	Remaining maturity in years	Options exercisable at year end [1]
2004	16.368	173,490	2.7	–
2005	34.700	375,400	3.7	–
2006	45.190	467,860	4.7	–
2007	47.850	563,760	5.7	–
2008	47.550	541,880	6.7	–
Total		**2,122,390**		–

[1] The options for the plans 2004, 2005 and 2006 would have been exercisable at year-end if the share price had been above the respective plan threshold.

The options are valued using the Black-Scholes model. The expected average volatility of the stock has been calculated on the basis of the volatility of the past five years. The possibility of earlier exercise is reflected in the risk-free interest rate selected, which is based on rates prevailing at balance sheet date.

The fair value as of December 31, 2008 is calculated on the basis of the options still outstanding, while the fair value as of the time of award is based on the total options granted. Assuming that the conditions for exercise are fulfilled during the exercise period, the fair value of the stock option plans is as follows:

Valuation as of December 31, 2008

	2008 plan	2007 plan	2006 plan	2005 plan	2004 plan
Market value of plan (EUR 1,000)	4,031	4,497	3,312	1,191	664
Calculation variables					
Market price of stock (EUR)	18.72	18.72	18.72	18.72	18.72
Risk-free rate of return	3.349%	3.232%	3.092%	2.951%	2.664%
Maturity of options (including vesting period)	6.7 years	5.7 years	4.7 years	3.7 years	2.7 years
Average dividend yield	6.7%	6.7%	6.7%	6.7%	6.7%
Share price volatility	40%	40%	40%	40%	40%

Provision is made for the expected future costs of options unexercised at balance sheet date based on fair values. For new plans, the expense is spread over the two-year vesting period. As of December 31, 2008, the provision amounted to EUR 8,836 thousand (2007: EUR 34,976 thousand), and the net decrease was EUR 26,140 thousand (2007: increase EUR 4,259 thousand).

Notes to the balance sheet

1 Fixed assets

In the year under review, fixed tangible assets were itemized in accordance with minimum statutory requirements. Movements in fixed assets in 2008 are presented in the statement of fixed assets.

The land and buildings item includes land valued at EUR 5,835 thousand (2007: EUR 5,901 thousand).

Liabilities arising from the use of off-balance sheet fixed assets were as follows:

EUR 1,000

	2008	2007
Maturing in one year	558	1,293
Maturing within the next five years	275	2,089
Total	**833**	**3,382**

Loans with maturities of up to one year amounted to EUR 9 thousand (2007: EUR 9 thousand). All the loans to affiliated companies have maturities of over one year. OMV Aktiengesellschaft extended a new loan of EUR 600,000 thousand to OMV Deutschland GmbH during the year under review. OMV Pakistan Exploration GmbH was accorded a USD 35,000 thousand credit line to develop the South West Miano Block gas field; USD 8,644 thousand was utilized.

In 2008, the Company acquired an additional 2% interest in Petrol Ofisi A.S. for EUR 30,567 thousand. During the year, Petrol Ofisi effected a capital increase of TRY 58,000,000 from own resources.

2 Accounts receivable and other assets

EUR 1,000

	2008		2007	
	≤ 1 year	> 1 year	≤ 1 year	> 1 year
Receivables from trade	23	—	—	—
Receivables from affiliated companies	3,593,393	—	3,368,908	—
[thereof trade]	[4,508]	[—]	[7,552]	[—]
Receivables from associated companies	196	—	—	—
[thereof trade]	[196]	[—]	[—]	[—]
Other receivables and assets	61,974	—	36,692	—
Total	**3,655,586**	—	**3,405,600**	—

Other receivables include a revolving loan of EUR 12,030 thousand (2007: EUR 4,677 thousand) to Trans Austria Gasleitung GmbH, as well as a tax credit of EUR 48,183 thousand (2007: EUR 28,652 thousand) in respect of corporate tax prepayments.

3 Stockholders' equity

The **capital stock** of OMV Aktiengesellschaft consists of 300,000,000 (2007: 300,000,000) fully paid no par value shares with a total nominal value of EUR 300,000 thousand (2007: EUR 300,000 thousand). There are no different classes of shares, and no shares with special rights of control. All shares are entitled to dividends for the financial year 2008, with the exception of treasury shares held by OMV Aktiengesellschaft.

The Executive Board has been authorized by resolution of the Annual General Meeting 2007, to increase the capital stock of OMV Aktiengesellschaft with the approval of the Supervisory Board by up to EUR 36,350 thousand by the issue of up to 36,350,000 no par value shares until May 23, 2012 (authorized capital).

The Annual General Meeting of May 14, 2008, authorized the Executive Board for a period of 18 months after the date of the authorization to purchase the Company's stock up to the maximum amount permissible by law (currently 10% of the authorized share capital). Repurchased shares may be used to service the stock option plans or can at any time be sold through the stock exchange or by means of a public offer.

For 2008, OMV Aktiengesellschaft proposes a dividend of EUR 1.00 per eligible share.

For 2007, OMV Aktiengesellschaft proposed a dividend of EUR 1.25 per eligible share. This dividend was paid in May 2008.

The Annual General Meetings for the years 2000 to 2008 approved the repurchase of own shares (treasury shares) in connection with the provision of stock option plans. The costs of repurchased shares have been reflected in a reduction in equity. Gains or losses on the re-issue of own shares (issue proceeds less acquisition cost) result in an increase or reduction in **capital reserves**.

Changes in **treasury shares** were as follows:

Treasury shares

	Number of shares	Repurchase cost EUR 1,000
January 1, 2007	**1,289,606**	**14,141**
Additions	1,627,390	64,861
Disposals	(1,647,930)	(65,072)
December 31, 2007	**1,269,066**	**13,930**
Additions	15,774	446
Disposals	(31,941)	(378)
December 31, 2008	**1,252,899**	**13,997**

The **number of shares in issue** was as follows:

Number of shares in issue

	Number of shares	Treasury shares	Shares in issue
January 1, 2007	**300,002,400**	**1,289,606**	**298,712,794**
Capital decrease	(2,400)	(2,400)	–
Purchase of treasury shares	–	1,627,390	(1,627,390)
Used to cover conversions and stock options	–	(1,645,130)	1,645,130
Sale of own shares	–	(400)	400
December 31, 2007	**300,000,000**	**1,269,066**	**298,730,934**
Purchase of treasury shares	–	15,774	(15,774)
Used to cover stock options	–	(31,266)	31,266
Sale of own shares	–	(675)	675
December 31, 2008	**300,000,000**	**1,252,899**	**298,747,101**

4 Untaxed reserves

The **untaxed reserves** are valuation reserves related to undeveloped and developed land, amounting to EUR 5,464 thousand (2007: EUR 5,464 thousand).

5 Provisions

Provisions for employee benefits are recognized in accordance with IAS 19. The indexed pension commitments in respect of currently active employees of OMV Aktiengesellschaft were transferred to an external pension fund managed by APK-Pensionskasse AG in earlier years. The defined benefit plans are generally based on years of service and the employee's average compensation over the last five calendar years of employment.

These pension plans are non-contributory. Changes in the funding of defined benefit plans, and in provisions for jubilee payments were as follows:

EUR 1,000

			2008			2007
	Pensions	Severance payments	Jubilee payments	Pensions	Severance payments	Jubilee payments
Present value of obligations financed through funds	23,440	—	—	23,140	—	—
Market value of plan assets	(11,876)	—	—	(12,242)	—	—
Unrecognized actuarial gains/(losses)	(3,922)	—	—	(2,855)	—	—
Provision for obligations financed through funds	**7,642**	**—**	**—**	**8,043**	**—**	**—**
Present value of obligations not financed through funds	—	6,990	443	—	7,485	409
Unrecognized actuarial gains/(losses)	—	(581)	—	—	(790)	—
Provision for obligations not financed through funds	**—**	**6,409**	**443**	**—**	**6,695**	**409**
Provision at January 1	**8,043**	**6,695**	**409**	**7,525**	**5,798**	**417**
Expense for the period	1,200	873	48	1,238	918	32
Allocation to the fund	(1,406)	—	—	(720)	—	—
Disbursements	—	(921)	(15)	—	—	(5)
Group transfer	(195)	(238)	1	—	(21)	(35)
Provision at December 31	**7,642**	**6,409**	**443**	**8,043**	**6,695**	**409**
Interest expense	1,020	319	18	979	292	19
Expense due to employee service in current period	649	551	39	638	626	13
Service expense not relating to period	—	—	—	—	—	—
Expected return on plan assets	(659)	—	—	(663)	—	—
Recognized actuarial (gains)/losses	190	3	(9)	284	—	—
Expense for the period	**1,200**	**873**	**48**	**1,238**	**918**	**32**

Underlying assumptions for calculating pension expense and expected defined benefit entitlements as of December 31, 2008:

	2008 Pensions	Severance, jubilees	2007 Pensions	Severance, jubilees
Capital market interest rate	5.50%	5.50%	4.50%	4.50%
Future increases in salaries	3.85%	3.85%	3.85%	3.85%
Inflation	2,50%	–	1.90%	–
Long-term rate of return on plan assets	5.50%	–	6.00%	–

Allocation of plan assets as of December 31, 2008:

	2008 VRG IV	VRG VI	2007 VRG IV	VRG VI
Asset category				
Equity securities	23.1%	25.6%	37.3%	42.1%
Debt securities	54.7%	47.2%	37.7%	45.9%
Cash and money market investments	16.4%	27.2%	18.3%	12.0%
Other	5.8%	–	6.7%	–
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Investment policies aim to achieve an optimal investment portfolio structure and to ensure that existing entitlements are covered at all times. The investment of plan assets is governed by section 25 Austrian Pension Fund Act and the Investment Fund Act. In addition to these regulations, the investment guidelines of APK-Pensionskasse AG regulate the spread of asset allocation, the use of funds of funds and the selection of fund managers. New categories of investments or the employment of a wider range of funds requires the approval of the APK-Pensionskasse AG management board. Diversification for both equity and debt securities is global; however, the bulk of the debt securities are EUR-denominated.

The funds of the asset allocation and risk group (VRG) IV are invested in EUR-denominated bond funds, international equity funds and money market investments. As part of the policy of risk diversification, in selecting the asset managers, their different management styles and investment approaches have been taken into account.

In 2005, the investment management policy for the funds of VRG VI was changed to a value-at-risk approach. The process involves investing in European equities and in low-risk assets, with a defined worst-case loss limit, but also with the opportunity of benefiting from positive stock market performance.

Favorable or adverse variances in the performance of individual VRGs compared with target returns on plan assets exist, due to their different maturities and to different developments in the capital markets. As a consequence of the decline of the global financial markets starting in September 2008 also the performance of VRG IV was negative in 2008; due to the value-at-risk approach the performance of VRG VI was balanced in 2008.

For 2009, defined benefit related contributions to APK-Pensionskasse AG of EUR 5,378 thousand are planned.

Other provisions largely consisted of the following:

		EUR 1,000
	2008	2007
Personnel provisions	18,637	44,066
Sundry provisions	36,906	39,303
Total	**55,543**	**83,369**

Personnel provisions include a provision for share options granted, amounting to EUR 8,836 thousand (2007: EUR 34,976 thousand). Due to the fall in the share price the provision was reduced by EUR 26,140 thousand. Other provisions include reinsurance amounting to EUR 34,123 thousand (2007: EUR 35,047 thousand) and a long-term provision of EUR 890 thousand (2007: EUR 1,679 thousand) for dismantling and removing costs.

6 Liabilities

				EUR 1,000
		2008		2007
	≤1 year	>1 year	≤1 year	>1 year
Bonds	–	250,000	–	250,000
Amounts due to banks	720,336	680,000	661,662	280,000
Accounts payable from trade	2,108	6,800	5,017	6,808
Accounts payable to affiliates	171,164	297,128	40,074	277,128
[thereof trade]	[79]	[–]	[118]	[–]
Other liabilities	164,908	6,360	228,216	6,280
[thereof taxes]	[163,420]	[–]	[218,211]	[–]
[thereof social security expenses]	[195]	[–]	[167]	[–]
Total	**1,058,516**	**1,240,288**	**934,969**	**820,216**

Other liabilities include personnel separation expenses of EUR 1,920 thousand (2007: EUR 1,704 thousand). They also include a prepayment of EUR 4,750 thousand received in 2006 arising from the disposal of fixed assets.

Liabilities with maturities of more than five years amounted to EUR 160,000 thousand (2007: EUR 160,000 thousand); all of these related to borrowings from banks.

7 Contingent liabilities under section 199 ACC

Contingent liabilities are as follows:

		EUR 1,000
	2008	2007
Guarantees	**1,587,564**	**1,529,414**
[thereof in favor of affiliated companies]	[1,587,564]	[1,529,414]

The change in contingent liabilities largely resulted from the reduction in the guaranty extended on behalf of OMV Finance Limited to EUR 850,000 thousand (2007: EUR 1,000,000 thousand). A new guaranty of EUR 30,750 thousand was made on behalf of EconGas GmbH to back a regasification contract.

OMV Aktiengesellschaft is liable for the redemption of the USD 320,000 thousand (EUR 229,935 thousand) US bond issue by OMV (U.K.) Limited.

Disposals of subsidiaries in past years (Chemie Linz GmbH and PCD Polymere GmbH) have led to the Company's assuming liability for potential environmental risks. The total amount of these contingent liabilities is limited to EUR 101,740 thousand. As at balance sheet date, no claims had arisen in consequence of the above disposals.

As part of the agreement for the disposal of AMI Agrolinz Melamine International GmbH contingent liabilities up to a maximum of EUR 67,500 thousand were assumed, in particular for any environmental risks and any costs of ongoing litigation. The period of liability (with some exceptions) is limited to 60 months from the date the transaction was closed.

The following **other financial commitments** are not reported under liabilities or contingent liabilities.

OMV Aktiengesellschaft has given an undertaking to OMV Clearing und Treasury GmbH, which runs the Group's clearing operations, to maintain its liquidity for the duration of its membership of the Group.

OMV Aktiengesellschaft assumed liability on behalf of OMV Finance Limited for a EUR 1,500,000 thousand credit facility which had not been utilized as of the balance sheet date.

OMV Aktiengesellschaft has issued guarantees and letters of comfort on behalf of certain exploration, production and distribution companies in respect of the fulfillment of concession and license agreements, and of various other agreements of indeterminate amounts. In connection with the sale of the PCD group in 1998, agreements expiring in 2017 have been arranged on real estate in Schwechat and Burghausen; exercise of the options would lead to an exchange of properties.

OMV Aktiengesellschaft is liable in the event of default by its successor companies on pensions, additional contributions to rectify shortfalls in the funding of obligations transferred to external pension funds, and bridging payments to separated employees.

Notes to the income statement

8 Sales

EUR 1,000

	2008	2007
Domestic	70,993	65,229
Foreign	3,587	9,207
Total	**74,580**	**74,436**

As OMV Aktiengesellschaft has been operating as a holding company since January 1, 2004, most of the sales consist of corporate service charges billed to the successor companies.

9 Other operating income

EUR 1,000

	2008	2007
Gains on disposal of fixed assets other than financial assets	376	51
Gains on reversal of provisions	18,867	5,749
Other	1,518	1,107
Total	**20,761**	**6,907**

The gains on reversal of provisions are mainly caused by a reduction from stock options.

10 Expenses for materials and services

EUR 1,000

	2008	2007
Cost of materials	186	213
Cost of services	2,965	2,741
Total	**3,151**	**2,954**

The main components of cost of materials and services are expenses for temporary labor and other third-party services.

11 Personnel expenses

EUR 1,000

	2008	2007
Salaries	23,257	56,957
Statutory social security, and pay-related levies and compulsory contributions	3,785	3,548
Other expenses for employee benefits	126	369
Total	**27,168**	**60,874**

The reduction in salaries in the year under review chiefly reflects lower stock option plan expense (2008: proceeds EUR 8,101 thousand; 2007: expenses EUR 23,919 thousand).

12 Expenses for severance payments and pensions

EUR 1,000	2008	2007
Expenses for severance payments	873	918
Payments to occupational pension funds	69	48
Defined contribution personnel expense	790	722
Defined benefit personnel expense	1,750	2,607
Total	**3,482**	**4,295**

Defined contribution pension expense includes EUR 615 thousand in provisions for personnel reduction programs (2007: EUR 1,292 thousand).

The breakdown of expenses for severance payments and pensions is as follows:

EUR 1,000	2008		2007	
	Severance payments	Pensions	Severance payments	Pensions
Executive Board	304	652	268	611
Senior executives	106	335	90	294
Other employees	532	1,553	608	2,424

13 Other operating expenses

EUR 1,000	2008	2007
Taxes not shown under item 17 (Taxes on income)	470	854
Other	47,075	53,548
Total	**47,545**	**54,402**

Other expenses include: EUR 10,175 thousand in insurance premiums, legal and consultancy fees (2007: EUR 15,364 thousand), EUR 12,844 thousand in advertising expenditure (2007: EUR 13,007 thousand), and EUR 11,336 thousand in services (2007: EUR 13,603 thousand).

14 Financial income and expenses

Income from investments of EUR 895,039 thousand (2007: EUR 1,106,815 thousand) included EUR 735,265 thousand (2007: EUR 941,918 thousand) in income from profit pooling arrangements, EUR 155,154 thousand (2007: EUR 164,071 thousand) in income from affiliated companies, and EUR 4,620 thousand (2007: EUR 826 thousand) in other investment income. As of the balance sheet date there were profit and loss pooling agreements with the following companies: OMV Solutions GmbH; OMV Refining & Marketing GmbH; OMV Exploration & Production GmbH; OMV Insurance Broker GmbH; OMV Gas & Power GmbH; and OMV Future Energy Fund GmbH.

This item also includes EUR 714 thousand in expenses arising from profit pooling arrangements (2007: EUR 585 thousand), as well as EUR 138 thousand in writedowns (2007: EUR 2,953 thousand). Gains on disposal of securities held as fixed assets were EUR 1,018 thousand (2007: —).During the year under review the interest in OMV Solutions GmbH was reduced by recognition of an impairment of EUR 365,102 thousand. This arose from a writedown of the investment in MOL Hungarian Oil and Gas Plc., held by a subsidiary of OMV Solutions GmbH, to a fair value calculated in an enterprise valuation carried out by OMV.

15 Taxes on income

EUR 1,000

	2008	2007
Current taxes	9,004	(8,814)
Deferred taxes	4,630	10,451
Total	**13,634**	**1,637**

Current taxes comprise EUR 3,834 thousand in deferred tax credits (2007: EUR 1,131 thousand), as well as the portion of the corporate income tax attributable to the top-tier corporation in consequence of the formation of a tax group under section 9 KStG (Corporate Tax Act) EUR 12,838 thousand (2007: EUR 13,084 thousand). The reduction in deferred tax chiefly reflects the provision for stock options and the utilization of one-seventh of the impairments recognized in previous years.

Supplementary information

16 Interest rate risk management and derivatives

To facilitate management of interest rate risk, OMV's liabilities are analyzed in terms of fixed and floating rate borrowings, currencies and maturities. Appropriate ratios for the various categories are established, and where necessary derivative instruments are used to hedge fluctuations outside predetermined ranges.

Interest rate swaps are used from time to time to convert fixed rate debt into floating rate debt, and vice versa. Since 2005, interest on EUR 100 mn and USD 50 mn has been swapped from fixed to floating rates. The interest rate spread between the swap and the loan is accounted for as an adjustment to interest expense.

EUR 1.000

		2008 Nominal value	2008 Fair value	2008 Carrying value	2007 Nominal value	2007 Fair value	2007 Carrying value
Interest rate Swap, Societe Generale	EUR	50,000	1,201	–	50,000	(755)	(755)
Interest rate Swap, Barclays	EUR	50,000	1,275	–	50,000	(631)	(631)
Interest rate Swap, ÖVAG	USD	35,927	5,705	–	33,965	1,000	–
FX Swap EUR-HUF	HUF	70,679	(394)	(394)	–	–	–
FX Swap EUR-HRK	HRK	12,236	313	–	6,821	(86)	(86)

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 have been used to estimate the fair value of financial instruments at balance sheet date. 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.

Where necessary, the Company hedges its own and Group companies' foreign currency risks.

To protect the cash flow from the adverse impact of falling oil prices, OMV Aktiengesellschaft concluded put spreads on its own account for some of its subsidiaries in order to hedge the proceeds of 25,000 bbl/d in 2009. A price floor of USD 80/bbl is secured as long as the oil price is above USD 65/bbl. In case the oil price is below USD 65/bbl in 2009, the hedge pays 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 companies would not be able to profit from oil prices above USD 110/bbl in 2009 for the above stated volume. The hedges are over-the-counter (OTC) contracts with first class banks and were transferred to the respective subsidiaries. The derivative contracts concluded with banks and Group companies are valued collectively by OMV Aktiengesellschaft, and they are therefore reported not by the parent but by the Group companies involved. As of 31 December 2008, the nominal value of these options was EUR 239,616 thousand and the fair value EUR 82,562 thousand.

OMV Aktiengesellschaft entered into currency option contracts on its own account for an exposure of approximately USD 1 bn for 2009, to secure cash flow and reduce the impact of EUR-USD exchange rate movements. OMV is therefore only exposed to exchange rate movements within the range of EUR-USD 1.32 to 1.15 for the stated volume. These options were concluded with first class domestic and foreign banks.

These options were also transferred to the Group companies concerned, and they are therefore reported in the accounts of those entities. As of 31 December 2008, the nominal value of these options was EUR 735,791 thousand and the fair value EUR 54,131 thousand.

17 Governing bodies and employees

The **average number of employees** was:

	2008	2007
Salaried employees	122	113
Total	**122**	**113**

Total **remuneration** of the Executive Board was made up as follows:

Remuneration of the Executive Board EUR 1,000

2008	Auli	Davies	Langanger	Roiss	Ruttenstorfer	**Total**
Fixed remuneration for 2008	452	572	507	593	679	**2,803**
Variable remuneration (for 2007)	625	1,044	1,044	1,203	1,362	**5,277**
Pension fund contributions	96	222	338	270	444	**1,371**
Benefits in kind (company car, accident insurance) and reimbursed expenses	8	9	8	8	8	**42**
Total	**1,181**	**1,848**	**1,897**	**2,073**	**2,494**	**9,493**

Remuneration of the Executive Board EUR 1,000

2007	Auli	Davies	Langanger	Roiss	Ruttenstorfer	**Total**
Fixed remuneration for 2007	350	525	460	530	600	**2,465**
Variable remuneration (for 2006)	68	1,105	1,105	1,273	1,442	**4,993**
Pension fund contributions	72	208	129	99	145	**653**
Benefits in kind (company car, accident insurance) and reimbursed expenses	8	9	8	8	8	**42**
Total	**498**	**1,847**	**1,702**	**1,910**	**2,195**	**8,153**

The members of the Executive Board and the members of the Supervisory Board are covered by directors and officers liability insurance (D&O) and legal costs insurance. A large number of other OMV employees also benefit from these two forms of insurance, and the insurers levy lump-sum premiums, which are not specifically attributed to the Board members.

Compensation of former members of the Executive Board and their surviving dependants amounted to EUR 1,071 thousand (2007: EUR 1,043 thousand).

In 2008, the total remuneration in OMV Group (excluding stock option plans) of 39 top executives (excluding the Executive Board; 2007: 39) amounted to EUR 13,485 thousand (2007: EUR 10,707 thousand), of which basic remuneration, such as salaries, accrued vacations and bonuses was EUR 11,134 thousand (2007: EUR 8,997 thousand) and EUR 1,027 thousand (2007: EUR 1,250 thousand) were expenses for pension fund contributions. The expenses for severance benefits were EUR 1,264 thousand (2007: EUR 437 thousand), and other long-term benefits amounted to EUR 60 thousand (2007: EUR 23 thousand). Details of the stock option plan are given in the discussion of accounting and valuation policies.

In 2008 remuneration expenses for the Supervisory Board of EUR 383 thousand (2007: EUR 374 thousand, including EUR 5 thousand decrease in provisions) were recorded.

As of the balance sheet date the provision for stock options granted to Executive Board members and senior executives amounted to EUR 8,836 thousand (2007: EUR 34,976 thousand). The change during the year under review was a negative EUR 26,140 thousand (2007: positive EUR 4,259 thousand).

OMV Aktiengesellschaft is the parent company of OMV Group and as such acts as a holding company. Furthermore, OMV Aktiengesellschaft renders financing and group management services to the other Group companies.

18 Dividend recommendation

Unappropriated income for the 2008 financial year was EUR 375,181 thousand (2007: EUR 374,587 thousand).

We recommend payment of a dividend of EUR 1.00 per share (excluding treasury stock) for the 2008 financial year, and carrying forward of the remainder.

Changes in untaxed reserves

EUR 1,000

	As of January 1, 2008	Allocations/ utilization	Transfer	As of December 31, 2008
Valuation reserve for impairments				
I. Tangible assets				
1. Land and buildings	5,464	–	–	5,464
	5,464	–	–	**5,464**

Direct and indirect investments of OMV Aktiengesellschaft (interests of at least 20 %)

in stated currency 1,000

	Equity interest in %	Equity/negative equity as of Dec. 31, 2008		Net income/loss in 2008
Domestic				
OMV Gas & Power GmbH, Vienna [1]	100.00	EUR	125,638	92,891
OMV Exploration & Production GmbH, Vienna [1]	100.00	EUR	253,946	517,197
OMV Future Energy Fund GmbH, Vienna [1]	100.00	EUR	35	(714)
OMV Insurance Broker GmbH, Vienna [1]	100.00	EUR	35	1,416
OMV Refining & Marketing GmbH, Vienna [1]	100.00	EUR	699,980	91,366
OMV Solutions GmbH, Vienna [1]	100.00	EUR	480,857	(333,348)
students4excellence GmbH, Vienna [3]	20.00	EUR	—	—
Non-domestic				
Amical Insurance Limited, Douglas	100.00	EUR	24,126	(1,351)
OMV AUSTRALIA PTY LTD, Perth [1]	100.00	AUD	(18,116)	(15,329)
OMV FINANCE LIMITED, Douglas	100.00	EUR	905	608
Petrol Ofisi A.S, Istanbul [2]	41.58	TRY	1,614,273	47,037
PETROM SA, Bucharest	51.01	RON	13,568,597	1,022,383

[1] Tax group member under section 9 Corporate Tax Act.
[2] Preliminary figures for 2008.
[3] Formed in 2008: no figures currently available.

Statement of fixed assets in accordance with section 226 (1) ACC

	As of Jan. 1, 2008	Additions
I. Intangible assets		
1. Concessions, patents, similar rights and licenses	4	–
	4	**–**
II. Tangible assets		
1. Land, leasehold rights and buildings, including buildings on third-party land	20,636	–
2. Plant and equipment	1,029	–
3. Other fixtures and fittings, tools and equipment	4,968	235
	26,633	**235**
III. Financial assets		
1. Investments in affiliated companies	3,540,639	–
2. Loans to affiliated companies	138,912	649,428
3. Other investments	885,204	30,574
4. Securities (loan stock rights) held as fixed assets	89,703	–
5. Other loans	42,976	–
	4,697,434	**680,002**
	4,724,071	**680,237**

EUR 1,000

Disposals	As of Dec. 31, 2008	Depreciation (cumulative)	Carrying value as of Dec. 31, 2008	Carrying value as of Dec. 31, 2007	Depreciation	Impairment in 2008
—	4	4	—	—	—	—
—	**4**	**4**	**—**	**—**	**—**	**—**
6,634	14,002	6,240	7,762	8,900	127	—
16	1,013	1,004	9	10	—	—
1,327	3,876	3,387	489	536	238	—
7,977	**18,891**	**10,631**	**8,260**	**9,446**	**365**	**—**
—	3,540,639	452,168	3,088,471	3,453,573	—	365,102
55,024	733,316	18,603	714,713	122,516	—	—
—	915,778	—	915,778	885,204	—	—
83,212	6,491	3,696	2,795	78,049	—	138
9	42,967	40	42,927	42,932	—	—
138,245	**5,239,191**	**474,507**	**4,764,684**	**4,582,274**	**—**	**365,241**
146,222	**5,258,086**	**485,142**	**4,772,944**	**4,591,720**	**365**	**365,241**

Supervisory Board

Rainer Wieltsch
Chairman
Member of 3 supervisory boards
appointed to the Board in the AGM of May 24, 2002

Mohamed Nasser Al Khaily
Deputy Chairman until May 14, 2008
Managing Director of IPIC
Member of 1 supervisory board
appointed to the Board in the AGM of June 7, 1995

Alyazia Ali Saleh Al Kuwaiti
Deputy Chairman from May 14, 2008
Assistant Manager/Evaluation & Execution of IPIC
appointed to the Board in the AGM of May 14, 2008

Peter Michaelis
Deputy Chairman
Member of the Management Board of ÖIAG
Member of 3 supervisory boards (3 chairmanships)
appointed to the Board in the AGM of May 23, 2001

Murtadha Mohammed Al Hashemi member until May 14, 2008
Division Manager/Finance of IPIC
Member of 1 supervisory board
appointed to the Board in the AGM of May 18, 1999

Helmut Draxler
Member of 1 supervisory board
appointed to the Board in the AGM of October 16, 1990

Mohamed Al Khaja member from May 14, 2008
Division Manager/Research & Business Development of IPIC
appointed to the Board in the AGM of May 14, 2008

Wolfram Littich
Chairman of the Management Board of Allianz Elementar Versicherungs-AG
appointed to the Board in the AGM of May 23, 2001

Gerhard Mayr
Member of 3 supervisory boards
appointed to the Board in the AGM of May 24, 2002

Herbert Stepic
Deputy Chairman of the Managing Board of Raiffeisen Zentralbank Österreich AG
appointed to the Board in the AGM of May 18, 2004

Herbert Werner
Chief Executive Officer
Member of 2 supervisory boards (1 chairmanship)
appointed to the Board in the AGM of June 4, 1996

Norbert Zimmermann
Member of the Management Board of Berndorf Industrieholding AG
Member of 3 supervisory boards (1 chairmanship)
appointed to the Board in the AGM of May 23, 2001

In addition to internationally experienced board members and directors of the core shareholder, the Supervisory Board appointed in the Annual General Meeting is made up of highly qualified independent members. OMV observes EU recommendations relating to independence.

Delegated by the Works Council:
Leopold Abraham
Wolfgang Baumann
Franz Kaba
Ferdinand Nemesch
Markus Simonovsky

The information relating to membership of supervisory boards refers to listed, non-Group companies. External supervisory board memberships are memberships of OMV Supervisory Board members outside their Groups, which under Rule 57 of the Austrian Corporate Governance Code are not included in the count.

Presidential and Nomination Committee:
Wieltsch (Chairman), Al Kuwaiti (Deputy), Michaelis (Deputy), Al Khaja, Abraham, Baumann

Audit Committee:
Wieltsch (Chairman), Al Kuwaiti (Deputy), Michaelis (Deputy), Draxler, Littich, Werner, Abraham, Baumann, Nemesch

Project Committee:
Wieltsch (Chairman), Al Kuwaiti (Deputy), Michaelis (Deputy), Al Khaja, Littich, Zimmermann, Abraham, Kaba, Nemesch

Remuneration Committee:
Wieltsch (Chairman), Al Kuwaiti, Michaelis, Zimmermann

Executive Board

Vienna, March 25, 2009

The Executive Board

Wolfgang Ruttenstorfer

CEO and Chairman of the Executive Board

Gerhard Roiss

Deputy Chairman; Refining and Marketing including petrochemicals

Werner Auli

Gas and Power

David C. Davies

Chief Financial Officer

Helmut Langanger

Exploration and Production

Auditors' Report

We have audited the financial statements, including the accounting records of OMV Aktiengesellschaft, Vienna, for the fiscal year from 1 January 2008 to 31 December 2008. The Company's management is responsible for the preparation and content of the financial statements and the accounting records and the management's report in accordance with Austrian regulations. Our responsibility is to express an opinion on these financial statements based on our audit and to state whether the management report is in accordance with the financial statements.

We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement and whether we can state that the management report is in accordance with the financial statements. In determining audit procedures we considered our knowledge of the business, the economic and legal environment of the company and expectations about potential errors.

The audit involves procedures to obtain evidence about amounts and disclosures in the financial statements predominantly on a sample basis. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements are in accordance with legal requirements and present fairly in all material respects, the financial position of the OMV Aktiengesellschaft as of 31 December 2008 and of the results of its operations and its cash-flows for the fiscal year from 1 January 2008 to 31 December 2008 in accordance with Austrian generally accepted accounting principles. The management report is in accordance with the financial statements.

Vienna, March 25, 2009

Deloitte Wirtschaftsprüfungs GmbH

Mag. Walter Müller

Dr. Bernhard Vanas

Certified Public Accountants

Abbreviations and definitions

ACC Austrian Commercial Code

ACCG Austrian Code of Corporate Governance

AGM Annual General Meeting

bbl, bbl/d Barrels (1 barrel equals approximately 159 liters), barrels per day

bcf, bcm billion standard cubic feet (60 °F/16 °C), billion cubic meters (32 °F/0 °C)

Bitumen is produced when high grade crude oil is distilled. It is used to surface roads, and in roofing and insulation materials.

bn billion

boe, boe/d barrels of oil equivalent, boe per day

CAPEX capital expenditure

capital employed equity including minorities plus net debt and provisions for pensions, less securities used for asset coverage of pension provisions

cbm, cf standard cubic meters, standard cubic feet

CFPS cash flow from operating activities per share

Co&O Corporate and Other

E&P Exploration and Production

EBIT Earnings before interest and taxes

equity ratio stockholders' equity divided by balance sheet total expressed as a percentage

EPS earnings per share

EPSA Exploration and Production Sharing Agreement

EU, EUR European Union, euro

F&D (finding & development) cost total exploration expenses divided by changes in proved reserves (extensions, discoveries and revisions of previous estimates)

G&P Gas and Power

gearing ratio net debt divided by stockholders' equity expressed as a percentage

HSE Health, Safety, Security and Environment

IASs, IFRSs International Accounting Standards, International Financial Reporting Standards

LTIR lost time incident rate

mn million

monomers collective term for ethylene and propylene

MW megawatt

n.a., n.m. not available, not meaningful

net debt bank debt less liquid funds (cash and cash equivalents)

net income net operating profit after interest, tax and extraordinary items

NGL natural gas liquids; natural gas which is extracted in liquid form during the production of hydrocarbons

NOPAT net operating profit after tax; profit on ordinary activities after taxes plus net interest on net borrowings and interest on pensions, less extraordinary result +/– tax effect of adjustments

payout ratio total dividend payment divided by net income after minorities expressed as a percentage

P/CF price cash flow ratio; share price divided by cash flow from operating activities per share

production costs, operating expenditures (OPEX) cost of materials and personnel during production excluding royalties

PRT, PRRT Petroleum Revenue Tax, Petroleum Resource Rent Tax – these taxes exist in the UK and Australia

R&M Refining and Marketing including petrochemicals

ROACE return on average capital employed; NOPAT divided by average capital employed expressed as a percentage

ROE return on equity; net income for the year divided by average stockholders' equity expressed as a percentage

ROfA return on fixed assets; EBIT divided by average intangible and tangible assets expressed as a percentage

RON new Romanian leu

sales revenues sales excluding petroleum excise tax

SEC United States Securities and Exchange Commission

SFAS Statement on Financial Accounting Standards

t, toe metric tonne, tonne of oil equivalent

TRIR total recordable incident rate

USD US dollar

WACC weighted average cost of capital

OMV Investor News is a mailing service for shareholders and everybody who is interested in OMV Group. This service provides financial and company information, e. g. quarterly financial reports, information about current events, etc. either by e-mail or by mail.

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Declaration according to § 82 (4) (3) BörseG

Statement of all Legal Representatives
We confirm to the best of our knowledge that the consolidated 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 the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

We confirm to the best of our knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the directors' report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Vienna, March 25, 2009

Wolfgang Ruttenstorfer

Chief Executive Officer and Chairman
of the Executive Board

Gerhard Roiss

Deputy Chairman
of the Executive Board

Werner Auli

Member of the Executive Board

David C. Davies

Member of the Executive Board

Helmut Langanger

Member of the Executive Board