# Q3

Quarterly Report 2018

OMV Aktiengesellschaft

The energy for a better life. OMV

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## Disclaimer regarding forward-looking statements

This report contains forward-looking statements. Forward-looking statements usually may be identified by the use of terms such as “outlook,” “expect,” “anticipate,” “target,” “estimate,” “goal,” “plan,” “intend,” “may,” “objective,” “will” and similar terms or by their context. These forward-looking statements are based on beliefs and assumptions currently held by and information currently available to OMV. By their nature, forward-looking statements are subject to risks and uncertainties, both known and unknown, because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of OMV. Consequently, the actual results may differ materially from those expressed or implied by the forward-looking statements. Therefore, recipients of this report are cautioned not to place undue reliance on these forward-looking statements.
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October 31, 2018

# OMV Group Report January–September and Q3 2018 including condensed consolidated interim financial statements as of September 30, 2018

## Key Performance Indicators [1]

### Group

- Clean CCS Operating Result increased by 31% to EUR 1,050 mn
- Clean CCS net income attributable to stockholders amounted to EUR 455 mn, clean CCS Earnings Per Share were EUR 1.39
- High cash flow from operating activities of EUR 970 mn
- Positive organic free cash flow after dividends of EUR 493 mn
- Clean CCS ROACE at 12%

### Upstream

- Production rose by 65 kboe/d to 406 kboe/d
- Production cost decreased by 22% to USD 6.8/boe

### Downstream

- OMV indicator refining margin stood at USD 5.7/bbl
- Natural gas sales slightly decreased to 23.3 TWh

## Key events

- On September 27, 2018, OMV communicated the production start-up of the Umm Lulu and Satah Al Razboot (SARB) fields, which showed an initial capacity of 50,000 barrels per day (10,000 barrels per day net to OMV). The fields will increase the production to 129,000 barrels per day (25,800 barrels per day net to OMV) by the end of 2018 and 215,000 barrels per day (43,000 barrels per day net to OMV) by 2023.
- On September 12, 2018, OMV entered into a Heads of Agreement with Sapura Energy Berhad ("Sapura Energy") to form a strategic partnership. The parties have agreed to continue negotiations on an exclusive basis. OMV intends to acquire a 50% interest in Sapura Energy's wholly-owned subsidiary, Sapura Upstream Sdn Bhd ("Sapura Upstream").
- On September 6, 2018, OMV closed the sale of OMV Samsun Elektrik Üretim Sanayi ve Ticaret A.Ş. to Yapisan Elektrik Üretim A.Ş., a subsidiary of Bilgin Enerji, based in Ankara. The transaction was signed on May 30, 2018.

[1] Figures reflect the Q3/18 period; all comparisons described relate to the same quarter in the previous year except where otherwise mentioned

# Directors' Report (condensed, unaudited)

## Group performance

### Financial highlights

In EUR mn (unless otherwise stated)

| Q3/18 | Q2/18 | Q3/17 | Δ% [1] | | 9m/18 | 9m/17 | Δ% |
|---|---|---|---|---|---|---|---|
| 5,607 | 5,706 | 4,646 | 21 | Sales [2] | 16,290 | 15,316 | 6 |
| | | | | | | | |
| **1,050** | **726** | **804** | **31** | **Clean CCS Operating Result [3]** | **2,593** | **2,270** | **14** |
| 554 | 457 | 300 | 84 | Clean Operating Result Upstream [3] | 1,449 | 880 | 65 |
| 484 | 338 | 510 | (5) | Clean CCS Operating Result Downstream [3] | 1,198 | 1,414 | (15) |
| (9) | (6) | (4) | (113) | Clean Operating Result Corporate and Other [3] | (14) | (30) | 53 |
| 20 | (64) | (3) | n.m. | Consolidation: Elimination of intersegmental profits | (40) | 6 | n.m. |
| 38 | 49 | 19 | 96 | Clean Group tax rate in % | 40 | 24 | 66 |
| 628 | 346 | 592 | 6 | Clean CCS net income [3] | 1,465 | 1,587 | (8) |
| **455** | **272** | **472** | **(4)** | **Clean CCS net income attributable to stockholders [3, 4]** | **1,103** | **1,257** | **(12)** |
| 1.39 | 0.83 | 1.45 | (4) | Clean CCS EPS in EUR [3] | 3.38 | 3.85 | (12) |
| | | | | | | | |
| **1,050** | **726** | **804** | **31** | **Clean CCS Operating Result [3]** | **2,593** | **2,270** | **14** |
| **(319)** | **(168)** | **(55)** | **n.m.** | **Special items [5]** | **(422)** | **(1,166)** | **64** |
| 33 | 44 | 9 | n.m. | CCS effects: Inventory holding gains/(losses) | 94 | (3) | n.m. |
| **763** | **602** | **758** | **1** | **Operating Result Group** | **2,265** | **1,101** | **106** |
| 470 | 363 | 247 | 91 | Operating Result Upstream | 1,311 | 924 | 42 |
| 284 | 318 | 517 | (45) | Operating Result Downstream | 1,020 | 199 | n.m. |
| (11) | (13) | (5) | (124) | Operating Result Corporate and Other | (25) | (35) | 28 |
| 20 | (66) | 0 | n.m. | Consolidation: Elimination of intersegmental profits | (40) | 13 | n.m. |
| (39) | (47) | (66) | 42 | Net financial result | (176) | (177) | 1 |
| 725 | 555 | 692 | 5 | Profit before tax | 2,089 | 924 | 126 |
| 46 | 50 | 21 | 114 | Group tax rate in % | 43 | 53 | (20) |
| 393 | 276 | 544 | (28) | Net income | 1,200 | 432 | 178 |
| 221 | 203 | 439 | (50) | Net income attributable to stockholders [4] | 830 | 124 | n.m. |
| 0.68 | 0.62 | 1.35 | (50) | Earnings Per Share (EPS) in EUR | 2.54 | 0.38 | n.m. |
| | | | | | | | |
| 970 | 1,233 | 792 | 22 | Cash flow from operating activities | 3,279 | 2,706 | 21 |
| 523 | (386) | 478 | 10 | Free cash flow before dividends | 675 | 3,127 | (78) |
| 523 | (1,078) | 478 | 10 | Free cash flow after dividends | (18) | 2,545 | n.m. |
| 493 | 88 | 474 | 4 | Organic free cash flow after dividends [6] | 1,226 | 1,047 | 17 |
| | | | | | | | |
| 2,306 | 2,848 | 450 | n.m. | Net debt | 2,306 | 450 | n.m. |
| 16 | 20 | 3 | n.m. | Gearing ratio in % | 16 | 3 | n.m. |
| 470 | 1,747 | 388 | 21 | Capital expenditure [7] | 2,556 | 1,086 | 135 |
| 459 | 506 | 392 | 17 | Organic capital expenditure [8] | 1,304 | 1,088 | 20 |
| 12 | 13 | 12 | 4 | Clean CCS ROACE in % [3] | 12 | 12 | 4 |
| 11 | 12 | 1 | n.m. | ROACE in % | 11 | 1 | n.m. |
| | | | | | | | |
| 19,978 | 20,086 | 20,747 | (4) | Employees | 19,978 | 20,747 | (4) |

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

[1] Q3/18 compared to Q3/17

[2] Sales excluding petroleum excise tax

[3] Adjusted for special items; clean CCS figures exclude fuels' inventory holding gains/losses (CCS effects) resulting from the fuels refineries and OMV Petrol Ofisi

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

[5] The disclosure of special items is considered appropriate in order to facilitate analysis of the ordinary business performance; to reflect comparable figures, certain items affecting the result are added back or deducted; special items from equity-accounted companies are included; starting with Q1/17, temporary effects from commodity hedging for material Downstream and Upstream transactions are included

[6] Organic free cash flow after dividends is cash flow from operating activities less cash flow from investing activities, excluding disposals and material inorganic cash flow components (e.g. acquisitions), and less dividend payments

[7] Capital expenditure including acquisitions

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

### Third quarter 2018 (Q3/18) compared to third quarter 2017 (Q3/17)

**Consolidated sales** increased by 21% to EUR 5,607 mn, primarily driven by higher prices in Downstream. The **clean CCS Operating Result** was up by 31% from EUR 804 mn to EUR 1,050 mn, mainly driven by a considerably higher Upstream result of EUR 554 mn (Q3/17: EUR 300 mn). Net market effects had a substantial positive impact of EUR 216 mn, following higher average oil and gas prices that were partially offset by hedging losses. The Downstream clean CCS Operating Result decreased to EUR 484 mn (Q3/17: EUR 510 mn), due to a lower Downstream Gas contribution, partially offset by a slight increase in Downstream Oil. The consolidation line amounted to EUR 20 mn in Q3/18 and mainly reflects positive reversal effects following the planned turnaround at the Petrobrazi refinery in Q2/18. OMV Petrom's clean CCS Operating Result amounted to EUR 363 mn (Q3/17: EUR 228 mn).

The **clean Group tax rate** was 38% compared to 19% in Q3/17, related to a considerably stronger Upstream contribution, particularly from high tax rate fiscal regimes such as Norway and Libya. In Q3/17, the clean Group tax rate was positively impacted by a settlement agreement regarding Pearl.The **clean CCS net income** reached EUR 628 mn (Q3/17: EUR 592 mn). **Clean CCS net income attributable to stockholders** slightly decreased to EUR 455 mn (Q3/17: EUR 472 mn). **Clean CCS Earnings Per Share** came in at EUR 1.39 (Q3/17: EUR 1.45).

Net **special items** of EUR (319) mn were recorded in Q3/18 (Q3/17: EUR (55) mn), mainly related to the recycling of FX losses following the divestment of the Samsun power plant in the amount of EUR (160) mn, as well as temporary hedging effects and unrealized commodity derivatives. **CCS effects** of EUR 33 mn were recognized in Q3/18. OMV Group's reported **Operating Result** came in at EUR 763 mn (Q3/17: EUR 758 mn). OMV Petrom's contribution to the Group's reported Operating Result increased to EUR 363 mn (Q3/17: EUR 191 mn).

The **net financial result** amounted to EUR (39) mn (Q3/17: EUR (66) mn). The increase was mainly related to higher interest income and lower FX losses. With a **Group tax rate** of 46% (Q3/17: 21%), **net income** amounted to EUR 393 mn (Q3/17: EUR 544 mn). **Net income attributable to stockholders** declined to EUR 221 mn (Q3/17: EUR 439 mn). **Earnings Per Share** for the quarter decreased to EUR 0.68 (Q3/17: EUR 1.35).

**Cash flow from operating activities** grew from EUR 792 mn in Q3/17 to EUR 970 mn, supported by an improved market environment and dividends received from Borealis in the amount of EUR 108 mn. **Free cash flow after dividends** rose to EUR 523 mn compared to EUR 478 mn in Q3/17.

**Net debt** increased to EUR 2,306 mn compared to EUR 450 mn on September 30, 2017, impacted by the acquisition of a 20% stake in an offshore concession in Abu Dhabi in Q2/18 and by the acquisition of a 24.99% share in the Yuzhno Russkoye natural gas field in Q4/17. On September 30, 2018, the **gearing ratio** stood at 16% (September 30, 2017: 3%).

**Organic capital expenditure** rose by 17% to EUR 459 mn (Q3/17: EUR 392 mn) and accounts for an increase of organic investments in Upstream that were undertaken primarily in Romania, Norway and the United Arab Emirates, as well as increased Exploration & Appraisal expenditure in Romania and Norway. In Downstream, organic capital expenditure also grew in Q3/18, driven by organic capital expenditure in Downstream Oil. Total **capital expenditure** amounted to EUR 470 mn (Q3/17: EUR 388 mn).

#### Special items and CCS effect

In EUR mn

| Q3/18 | Q2/18 | Q3/17 | Δ% [1] | | 9m/18 | 9m/17 | Δ% |
|---|---|---|---|---|---|---|---|
| **1,050** | **726** | **804** | **31** | **Clean CCS Operating Result [2]** | **2,593** | **2,270** | **14** |
| **(319)** | **(168)** | **(55)** | **n.m.** | **Special items** | **(422)** | **(1,166)** | **64** |
| **(5)** | (11) | (5) | 3 | thereof personnel and restructuring | (23) | (18) | (24) |
| (10) | (40) | (5) | (103) | thereof unscheduled depreciation | (50) | (31) | (61) |
| (1) | (1) | (25) | 95 | thereof asset disposal | 5 | (23) | n.m. |
| (303) | (116) | (19) | n.m. | thereof other | (354) | (1,094) | 68 |
| 33 | 44 | 9 | n.m. | CCS effects: Inventory holding gains/(losses) | 94 | (3) | n.m. |
| **763** | **602** | **758** | **1** | **Operating Result Group** | **2,265** | **1,101** | **106** |

[1] Q3/18 compared to Q3/17
[2] Adjusted for special items; clean CCS figures exclude fuels' inventory holding gains/losses (CCS effects) resulting from the fuels refineries and OMV Petrol Ofisi

The disclosure of **special items** is considered appropriate in order to facilitate analysis of ordinary business performance. To reflect comparable figures, certain items affecting the result are added back or deducted. These items can be divided into four subcategories: personnel restructuring, unscheduled depreciation and write-ups, asset disposals and other.

Furthermore, to enable effective performance management in an environment of volatile prices and comparability with peers, the **Current Cost of Supply (CCS)** effect is eliminated from the accounting result. The **CCS effect**, also called inventory holding gains and losses, is the difference between the cost of sales calculated using the current cost of supply and the cost of sales calculated using the weighted average method, after adjusting for any changes in valuation allowances. In volatile energy markets, measurement of the costs of petroleum products sold based on historical values (e.g. weighted average cost) can have distorting effects on reported results. This performance measurement enhances the transparency of results and is commonly used in the oil industry. OMV, therefore, publishes this measurement in addition to the Operating Result determined according to IFRS.

## Cash flow

### Summarized cash flow statement

In EUR mn

| Q3/18 | Q2/18 | Q3/17 | Δ% [1] | | 9m/18 | 9m/17 | Δ% |
|---|---|---|---|---|---|---|---|
| 1,242 | 832 | 989 | 26 | Sources of funds | 3,272 | 2,946 | 11 |
| 970 | 1,233 | 792 | 22 | Cash flow from operating activities | 3,279 | 2,706 | 21 |
| (447) | (1,619) | (314) | (42) | Cash flow from investing activities | (2,604) | 421 | n.m. |
| 523 | (386) | 478 | 10 | Free cash flow | 675 | 3,127 | (78) |
| (35) | (972) | (28) | (26) | Cash flow from financing activities | (1,219) | (763) | (60) |
| (12) | (5) | (10) | (21) | Effect of exchange rate changes on cash and cash equivalents | (24) | (35) | 32 |
| 476 | (1,362) | 440 | 8 | Net (decrease)/increase in cash and cash equivalents | (567) | 2,329 | n.m. |
| 2,938 | 4,300 | 4,203 | (30) | Cash and cash equivalents at beginning of period | 3,981 | 2,314 | 72 |
| **3,414** | **2,938** | **4,643** | **(26)** | **Cash and cash equivalents at end of period** | **3,414** | **4,643** | **(26)** |
| *1* | *11* | *-* | *n.a.* | *thereof cash disclosed within Assets held for sale* | *1* | *-* | *n.a.* |
| **3,413** | **2,927** | **4,643** | **(26)** | **Cash and cash equivalents presented in the consolidated statement of financial position** | **3,413** | **4,643** | **(26)** |
| **523** | **(1,078)** | **478** | **10** | **Free cash flow after dividends** | **(18)** | **2,545** | **n.m.** |
| **523** | **(1,079)** | **478** | **10** | **Free cash flow after dividends incl. non-controlling interest changes** | **(18)** | **2,545** | **n.m.** |

[1] Q3/18 compared to Q3/17

### Third quarter 2018 (Q3/18) compared to third quarter 2017 (Q3/17)

In Q3/18, **sources of funds** grew to EUR 1,242 mn (Q3/17: EUR 989 mn), supported by an improved market environment and dividends received from Borealis. Net working capital effects generated a cash outflow of EUR (272) mn (Q3/17: EUR (197) mn). **Cash flow from operating activities** increased to EUR 970 mn in Q3/18.

**Cash flow from investing activities** showed an outflow of EUR (447) mn compared to EUR (314) mn in Q3/17, mainly due to higher capital expenditures. Cash flow from investing activities in Q3/18 contained a cash inflow related to the divestment of OMV Samsun Elektrik Üretim Sanayi ve Ticaret A.Ş.

**Cash flow from financing activities** recorded an outflow of EUR (35) mn compared to EUR (28) mn in Q3/17.

**Free cash flow** (defined as net cash from operating activities +/– net cash from investing activities) increased to EUR 523 mn (Q3/17: EUR 478 mn).

## Risk management

As an international oil and gas company with operations extending from hydrocarbon exploration and production through to trading and marketing of mineral products and gas, OMV is exposed to a variety of risks, including market and financial risks, as well as operational and strategic risks. A detailed description of risks and risk management activities can be found in the 2017 Annual Report (pages 82–83).

The main uncertainties that can influence the OMV Group's performance are the commodity price risk, FX risk, operational risks and also political as well as regulatory risks. The commodity price risk is being monitored constantly and appropriate protective measures with respect to cash flow are taken, if required. The inherent exposure to safety and environmental risks is monitored through HSSE (Health, Safety, Security and Environment) and risk management programs, which have the clear commitment to keep OMV's risks in line with industry standards.

More information on current risks can be found in the "Outlook" section of the Directors' Report.

## Transactions with related parties

Please refer to the selected explanatory notes of the consolidated interim financial statements for disclosures on significant transactions with related parties.

## Outlook

### Market environment

For the year 2018, OMV expects the average Brent oil price to be at USD 74/bbl (previous forecast: USD 70/bbl). In 2018, average European gas spot prices are anticipated to be considerably higher compared to 2017 (previous forecast: higher compared to 2017).

### Group

- In 2018, organic CAPEX (including capitalized E&A and excluding acquisitions) is projected to come in at around EUR 1.9 bn.

### Upstream

- OMV expects total production to be above 420 kboe/d in 2018. Production from Russia is planned to contribute around 100 kboe/d. Production in Libya is forecasted to be higher than in 2017 (previous forecast: on a similar level to that of 2017).
- Production in Q4/18 is expected to be strong, slightly higher than in the first quarter of 2018. This will be driven by the production start-up of the two fields in Abu Dhabi and of Aasta Hansteen in Norway. Compared to the first quarter of 2018, the production volumes will be partly offset by the divestment of OMV's Upstream business in Pakistan. The acquisition in New Zealand is expected to be closed at the end of December 2018.
- Organic CAPEX for Upstream (including capitalized E&A and excluding acquisitions) is anticipated to come in at around EUR 1.3 bn in 2018.
- In 2018, Exploration and Appraisal expenditure is expected to be at EUR 300 mn.

### Downstream

#### Oil

- Refining margins are projected to be lower than in 2017.
- Petrochemical margins are forecasted to be at a similar level to those in 2017.
- In OMV's markets, retail and commercial margins are predicted to be on a level similar to 2017. Total refined product sales will be lower in 2018 compared to 2017 following the divestment of OMV Petrol Ofisi in June 2017.
- The utilization rate of the refineries is expected to be above 90% in 2018, despite the planned turnaround at the Petrobrazi refinery completed in Q2/18.

#### Gas

- Natural gas sales volumes are projected to be higher in 2018 than in 2017.
- Natural gas sales margins are forecasted to be at a similar level in 2018 to those in 2017.
- Net electrical output is expected to decrease in 2018 following the divestment of the Samsun power plant and due to an unfavorable market environment (previous forecast: slightly decrease in 2018).
- OMV will continue to finance the Nord Stream 2 pipeline.

# Business Segments

## Upstream

In EUR mn (unless otherwise stated)

| Q3/18 | Q2/18 | Q3/17 | Δ% [1] | | 9m/18 | 9m/17 | Δ% |
|---|---|---|---|---|---|---|---|
| 880 | 779 | 659 | 34 | Clean Operating Result before depreciation and amortization, impairments and write-ups | 2,425 | 1,930 | 26 |
| 554 | 457 | 300 | 84 | Clean Operating Result | 1,449 | 880 | 65 |
| (83) | (94) | (53) | (56) | Special items | (138) | 43 | n.m. |
| 470 | 363 | 247 | 91 | Operating Result | 1,311 | 924 | 42 |
| 333 | 1,584 | 272 | 23 | Capital expenditure [2] | 2,172 | 707 | n.m. |
| 70 | 75 | 53 | 33 | Exploration expenditure | 207 | 146 | 42 |
| 25 | 53 | 35 | (30) | Exploration expenses | 115 | 126 | (9) |
| 6.81 | 7.60 | 8.77 | (22) | Production cost in USD/boe [3] | 7.28 | 8.79 | (17) |
| | | | | **Key Performance Indicators** | | | |
| 406 | 419 | 341 | 19 | Total hydrocarbon production in kboe/d [3] | 421 | 338 | 24 |
| *160* | *160* | *166* | *(4)* | *thereof OMV Petrom* | *161* | *169* | *(5)* |
| 16.3 | 16.0 | 16.6 | (2) | Crude oil and NGL production in mn bbl | 48.2 | 49.0 | (2) |
| 121.8 | 128.3 | 83.4 | 46 | Natural gas production in bcf [3] | 385.6 | 244.5 | 58 |
| 35.2 | 35.7 | 28.4 | 24 | Total hydrocarbon sales volumes in mn boe [3] | 109.4 | 85.4 | 28 |
| 75.16 | 74.39 | 52.08 | 44 | Average Brent price in USD/bbl | 72.13 | 51.84 | 39 |
| 67.75 | 60.61 | 47.26 | 43 | Average realized crude price in USD/bbl | 62.07 | 47.87 | 30 |
| 4.56 | 4.63 | 5.21 | (12) | Average realized gas price in USD/1,000 cf [3] | 4.69 | 5.10 | (8) |
| 12.86 | 12.71 | 14.44 | (11) | Average realized gas price in EUR/MWh [3, 4] | 12.83 | 14.98 | (14) |
| 1.163 | 1.192 | 1.175 | (1) | Average EUR-USD FX rate | 1.194 | 1.114 | 7 |

Notes: The net result from the equity-accounted investment in Pearl is reflected in the Operating Result in all presented periods. Following the closing of the acquisition of 24.99% interest in the Yuzhno Russkoye gas field on December 1, 2017, OMV's share of 24.99% in Severneftegazprom ("SNGP," operator of Yuzhno Russkoye) has been accounted for at-equity and the result of the JSC Gazprom YRGM Development ("Trader") in which OMV has a stake of 99.99% has been fully consolidated.

[1] Q3/18 compared to Q3/17

[2] Capital expenditure including acquisitions; notably the acquisition of a 20% stake in two offshore oil fields in Abu Dhabi from ADNOC in the amount of USD 1.5 bn in Q2/18

[3] Including OMV's interest in the Yuzhno Russkoye gas field, starting with December 1, 2017

[4] The average realized gas price is converted to MWh using a standardized calorific value across the portfolio

### Third quarter 2018 (Q3/18) compared to third quarter 2017 (Q3/17)

- Strong increase of clean Operating Result to EUR 554 mn
- Production increased to 406 kboe/d
- Production cost decreased by 22% to USD 6.8/boe

The **clean Operating Result** substantially improved from EUR 300 mn in Q3/17 to EUR 554 mn, mainly due to significantly better net market effects of EUR 216 mn. Higher average oil and gas prices were partially offset by hedging losses. Operational performance had a positive impact of EUR 108 mn, mainly due to higher sales volumes following the acquisition of the interest in the Yuzhno Russkoye gas field and the higher production contribution from Libya. The Q3/17 result included a positive one-time effect of EUR 90 mn. In Q3/18, OMV Petrom contributed EUR 208 mn to the clean Operating Result compared to EUR 93 mn in Q3/17.

Net **special items** amounted to EUR (83) mn in Q3/18 mainly associated with temporary hedging effects of EUR (64) mn. The **Operating Result** substantially increased to EUR 470 mn (Q3/17: EUR 247 mn).

At USD 6.8/boe, **production cost** excluding royalties declined by 22% as a result of higher production supported by cost-saving programs and optimization initiatives as well as positive FX impacts. Production cost of OMV Petrom increased by 2% to USD 10.4/boe mainly due to lower production volumes.

**Total hydrocarbon production** rose by 19% to 406 kboe/d, primarily due to Russia's contribution of 89 kboe/d, and partially offset by maintenance work in Norway, the divestment of OMV's Upstream companies active in Pakistan in Q2/18 and lower production from Romania and Austria due to natural decline. OMV Petrom's total production was down by 4% to 160 kboe/d, mostly because of natural decline. **Total sales volumes** were up by 24%, mainly attributable to the contribution from Russia and supported by higher sales volumes in Libya. This was partially offset by lower sales volumes in Romania, Norway and New Zealand as well as the divestment of OMV's Upstream companies active in Pakistan in Q2/18.

In Q3/18, the **average Brent price** rose by 44% to around USD 75/bbl, mainly driven by strong demand growth, falling Iran exports ahead of secondary oil sanctions and concerns about the market's ability to absorb additional supply disruptions in a tightening market. The Group's **average realized** crude price increased by 43%. The **average realized gas price** in USD/1,000 cf decreased by 12% as Q3/18 reflects the contribution from Russia. Realized oil and gas prices were impacted by a hedging loss of EUR (59) mn in Q3/18.

**Capital expenditure** including capitalized E&A rose to EUR 333 mn in Q3/18 (EUR 272 mn in Q3/17) and accounted for an increase of organic investments that were undertaken primarily in Romania, Norway and the United Arab Emirates. **Exploration expenditure** rose by 33% to EUR 70 mn and was mainly related to activities in Romania and Norway.

## Downstream

In EUR mn (unless otherwise stated)

| Q3/18 | Q2/18 | Q3/17 | Δ% [1] | | 9m/18 | 9m/17 | Δ% |
|---|---|---|---|---|---|---|---|
| 598 | 454 | 628 | (5) | Clean CCS Operating Result before depreciation and amortization, impairments and write-ups [2] | 1,545 | 1,767 | (13) |
| 484 | 338 | 510 | (5) | Clean CCS Operating Result [2] | 1,198 | 1,414 | (15) |
| *458* | *318* | *450* | *2* | *thereof Downstream Oil* | *1,058* | *1,242* | *(15)* |
| *26* | *20* | *60* | *(58)* | *thereof Downstream Gas* | *140* | *172* | *(18)* |
| (233) | (66) | 0 | n.m. | Special items | (273) | (1,204) | 77 |
| 33 | 47 | 7 | n.m. | CCS effects: Inventory holding gains/(losses) [2] | 94 | (11) | n.m. |
| 284 | 318 | 517 | (45) | Operating Result | 1,020 | 199 | n.m. |
| 130 | 159 | 114 | 14 | Capital expenditure [3] | 372 | 374 | 0 |
| | | | | **Downstream Oil KPIs** | | | |
| 5.69 | 5.23 | 7.04 | (19) | OMV indicator refining margin in USD/bbl [4] | 5.23 | 6.17 | (15) |
| 430 | 408 | 428 | 0 | Ethylene/propylene net margin in EUR/t [5] | 430 | 436 | (2) |
| 98 | 77 | 96 | 2 | Utilization rate refineries in % | 89 | 90 | 0 |
| *5.50* | *4.98* | *5.39* | *2* | *Total refined product sales in mn t* | *15.01* | *18.87* | *(20)* |
| *1.74* | *1.60* | *1.72* | *1* | *thereof retail sales volumes in mn t* | *4.75* | *6.58* | *(28)* |
| *0.61* | *0.61* | *0.61* | *0* | *thereof petrochemicals in mn t* | *1.82* | *1.61* | *14* |
| | | | | **Downstream Gas KPIs** | | | |
| 23.26 | 24.79 | 24.00 | (3) | Natural gas sales volumes in TWh | 81.03 | 82.27 | (2) |
| 1.42 | 0.65 | 2.40 | (41) | Net electrical output in TWh | 3.58 | 5.19 | (31) |

[1] Q3/18 compared to Q3/17
[2] Current Cost of Supply (CCS): Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects) resulting from the fuels refineries and OMV Petrol Ofisi
[3] Capital expenditure including acquisitions
[4] Actual refining and petrochemical margins realized by OMV may vary from the OMV indicator refining margin, ethylene/propylene net margin as well as from the market margins due to factors including a different crude slate, product yield, operating conditions and a different feedstock
[5] Calculated based on West European Contract Prices (WECP) with naphtha as feedstock

### Third quarter 2018 (Q3/18) compared to third quarter 2017 (Q3/17)

- Downstream Oil result slightly increased driven by a strong operational performance
- Utilization rate of the refineries at a very high level of 98%
- Successfully closed the divestment of Samsun power plant in Turkey

The **clean CCS Operating Result** declined to EUR 484 mn in Q3/18 (Q3/17: EUR 510 mn), due to a lower Downstream Gas contribution, partially compensated by a slight increase in Downstream Oil.

The **Downstream Oil clean CCS Operating Result** grew slightly from EUR 450 mn in Q3/17 to EUR 458 mn. A weaker refining market environment was more than offset by higher contributions from the retail and commercial businesses. The **OMV indicator refining margin** decreased by 19% to USD 5.7/bbl (Q3/17: USD 7.0/bbl). Increased crude prices resulted in higher feedstock costs, negatively impacting the indicator refining margin. In addition heavy fuel oil margins declined, while middle distillate and naphtha margins improved. The refining market environment in Q3/17 was furthermore positively influenced by the hurricane season. The **utilization rate of the refineries** reached a very high level of 98% in Q3/18, compared to 96% in Q3/17. At 5.5 mn t, **total refined product sales** slightly increased by 2%. The retail business had a strong contribution due to higher margins, while sales volumes remained at a similar level. In the commercial business, sales volumes grew, while margins were slightly below Q3/17. OMV Petrom contributed EUR 117 mn (Q3/17: EUR 118 mn) to the clean CCS Operating Result of Downstream Oil.

The clean CCS Operating Result of the petrochemicals business decreased to EUR 74 mn in Q3/18 (Q3/17: EUR 84 mn). While the ethylene/propylene net margin was flat compared to Q3/17, the result was negatively affected by higher customer discounts due to the increased price level. The contribution from Borealis to the clean Operating Result grew to EUR 101 mn in Q3/18 (Q3/17: EUR 98 mn). The good result in Q3/18 was supported by the strong contribution from Borouge. European integrated poly-olefin margins were stable and the fertilizer business performance remained under pressure.

**Downstream Gas clean CCS Operating Result** decreased from EUR 60 mn in Q3/17 to EUR 26 mn. The Q3/18 result was mainly impacted by a lower power result, temporary negative storage valuation effects and a lower Gas Connect Austria result. The contri-bution from Gas Connect Austria weakened from EUR 24 mn to EUR 19 mn, mainly attributable to higher energy costs as well as to the expiration of long-term contracts and partially offset by additional short-term contracts. **Natural gas sales volumes** slightly de-clined from 24.0 TWh to 23.3 TWh, primarily due to lower sales volumes in Romania and Turkey, which were partially offset by higher sales in Germany. **Net electrical output** decreased to 1.4 TWh, mainly as a result of lower spark spreads and the divestment of the Samsun power plant in Turkey. OMV Petrom contributed EUR 21 mn (Q3/17: EUR 25 mn) to the clean CCS Operating Result of Downstream Gas.

Net **special items** amounted to EUR (233) mn, mainly related to the divestment of the Samsun power plant and to unrealized commodity derivatives. Following the closing of the divestment of the Samsun power plant, a FX loss was recorded ("recycled") in OMV's Group reported net income in the amount of EUR (160) mn. **CCS effects** of EUR 33 mn were booked as a result of rising crude prices during Q3/18. The **Operating Result** of Downstream declined to EUR 284 mn compared to EUR 517 mn in Q3/17.

**Capital expenditure** in Downstream amounted to EUR 130 mn (Q3/17: EUR 114 mn), of which EUR 113 mn (Q3/17: EUR 83 mn) was related to Downstream Oil.

# Group Interim Financial Statements (condensed, unaudited)

## Income statement (unaudited)

In EUR mn (unless otherwise stated)

| Q3/18 | Q2/18 | Q3/17 | | 9m/18 | 9m/17 |
|---|---|---|---|---|---|
| 5,607 | 5,706 | 4,646 | Sales revenues | 16,290 | 15,316 |
| 52 | 127 | 72 | Other operating income | 246 | 360 |
| 108 | 122 | 195 | Net income from equity-accounted investments | 337 | 416 |
| *101* | *106* | *98* | *thereof Borealis* | *293* | *305* |
| **5,767** | **5,955** | **4,913** | **Total revenues and other income** | **16,874** | **16,092** |
| (3,444) | (3,814) | (2,735) | Purchases (net of inventory variation) | (10,081) | (9,387) |
| (384) | (432) | (401) | Production and operating expenses | (1,208) | (1,224) |
| (91) | (91) | (70) | Production and similar taxes | (270) | (234) |
| (447) | (470) | (480) | Depreciation, amortization and impairment charges | (1,359) | (1,396) |
| (419) | (432) | (357) | Selling, distribution and administrative expenses | (1,268) | (1,147) |
| (25) | (53) | (35) | Exploration expenses | (115) | (125) |
| (193) | (61) | (77) | Other operating expenses | (308) | (1,479) |
| **763** | **602** | **758** | **Operating Result** | **2,265** | **1,101** |
| 0 | 6 | 0 | Dividend income | 7 | 5 |
| 37 | 23 | 22 | Interest income | 84 | 48 |
| (70) | (86) | (72) | Interest expenses | (220) | (195) |
| (6) | 10 | (17) | Other financial income and expenses | (47) | (35) |
| **(39)** | **(47)** | **(66)** | **Net financial result** | **(176)** | **(177)** |
| **725** | **555** | **692** | **Profit before tax** | **2,089** | **924** |
| (331) | (279) | (148) | Taxes on income | (889) | (492) |
| **393** | **276** | **544** | **Net income for the period** | **1,200** | **432** |
| | | | | | |
| ***221*** | ***203*** | ***439*** | ***thereof attributable to stockholders of the parent*** | ***830*** | ***124*** |
| *19* | *16* | *26* | *thereof attributable to hybrid capital owners* | *59* | *77* |
| *154* | *56* | *78* | *thereof attributable to non-controlling interests* | *311* | *231* |
| **0.68** | **0.62** | **1.35** | **Basic Earnings Per Share in EUR** | **2.54** | **0.38** |
| 0.67 | 0.62 | 1.34 | Diluted Earnings Per Share in EUR | 2.54 | 0.38 |

## Statement of comprehensive income (condensed, unaudited)

In EUR mn

| Q3/18 | Q2/18 | Q3/17 | | 9m/18 | 9m/17 |
|---|---|---|---|---|---|
| 393 | 276 | 544 | Net income for the period | 1,200 | 432 |
| 75 | 71 | (98) | Exchange differences from translation of foreign operations | 98 | 573 |
| 36 | 1 | (11) | Gains/(losses) on hedges | 91 | 22 |
| (6) | 78 | (25) | Share of other comprehensive income of equity-accounted investments | 24 | (134) |
| **105** | **149** | **(134)** | **Total of items that may be reclassified (“recycled”) subsequently to the income statement** | **213** | **461** |
| 0 | 21 | 0 | Remeasurement gains/(losses) on defined benefit plans | 21 | 0 |
| 0 | 5 | n.a. | Gains/(losses) on investments | 5 | n.a. |
| (4) | 95 | n.a. | Gains/(losses) on hedges that are subsequently transferred to the carrying amount of the hedged item | 103 | n.a. |
| 1 | 1 | 0 | Share of other comprehensive income of equity-accounted investments | 3 | 0 |
| **(3)** | **122** | **0** | **Total of items that will not be reclassified (“recycled”) subsequently to the income statement** | **131** | **0** |
| (9) | 1 | 2 | Income taxes relating to items that may be reclassified (“recycled”) subsequently to the income statement | (25) | 6 |
| 1 | (27) | 0 | Income taxes relating to items that will not be reclassified (“recycled”) subsequently to the income statement | (29) | 0 |
| **(8)** | **(26)** | **2** | **Total income taxes relating to components of other comprehensive income** | **(54)** | **6** |
| **94** | **245** | **(132)** | **Other comprehensive income for the period, net of tax** | **290** | **466** |
| **488** | **520** | **412** | **Total comprehensive income for the period** | **1,490** | **898** |
| **316** | ***453*** | ***336*** | ***thereof attributable to stockholders of the parent*** | **1,125** | ***621*** |
| *19* | *16* | *26* | *thereof attributable to hybrid capital owners* | *59* | *77* |
| *152* | *51* | *50* | *thereof attributable to non-controlling interests* | *306* | *200* |

## Statement of financial position (unaudited)

In EUR mn

| | Sep. 30, 2018 | Dec. 31, 2017 |
|---|---|---|
| **Assets** | | |
| Intangible assets | 2,891 | 2,648 |
| Property, plant and equipment | 14,156 | 13,654 |
| Equity-accounted investments | 2,856 | 2,913 |
| Other financial assets | 2,560 | 1,959 |
| Other assets | 31 | 55 |
| Deferred taxes | 762 | 744 |
| **Non-current assets** | **23,256** | **21,972** |
| | | |
| Inventories | 1,666 | 1,503 |
| Trade receivables | 2,872 | 2,503 |
| Other financial assets | 3,819 | 1,140 |
| Income tax receivables | 14 | 15 |
| Other assets | 379 | 265 |
| Cash and cash equivalents | 3,413 | 3,972 |
| **Current assets** | **12,162** | **9,398** |
| Assets held for sale | 341 | 206 |
| | | |
| **Total assets** | **35,759** | **31,576** |
| | | |
| **Equity and liabilities** | | |
| Capital stock | 327 | 327 |
| Hybrid capital | 1,987 | 2,231 |
| Reserves | 9,200 | 8,658 |
| OMV equity of the parent | 11,514 | 11,216 |
| Non-controlling interests | 3,270 | 3,118 |
| **Equity** | **14,785** | **14,334** |
| | | |
| Provisions for pensions and similar obligations | 964 | 1,003 |
| Bonds | 3,972 | 3,968 |
| Interest-bearing debts | 590 | 823 |
| Provisions for decommissioning and restoration obligations | 3,006 | 3,070 |
| Other provisions | 441 | 497 |
| Other financial liabilities | 978 | 405 |
| Other liabilities | 139 | 148 |
| Deferred taxes | 566 | 437 |
| **Non-current liabilities** | **10,656** | **10,352** |
| | | |
| Trade payables | 3,703 | 3,262 |
| Bonds | 804 | 788 |
| Interest-bearing debts | 68 | 114 |
| Provisions for income taxes | 259 | 140 |
| Provisions for decommissioning and restoration obligations | 63 | 110 |
| Other provisions | 310 | 349 |
| Other financial liabilities | 3,927 | 1,288 |
| Other liabilities | 1,022 | 775 |
| **Current liabilities** | **10,157** | **6,826** |
| Liabilities associated with assets held for sale | 162 | 63 |
| | | |
| **Total equity and liabilities** | **35,759** | **31,576** |

## Condensed statement of changes in equity (condensed, unaudited)

In EUR mn

| | Share capital | Capital reserves | Hybrid capital | Revenue reserves | Other reserves [1] | Treasury shares | OMV equity of the parent | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| **January 1, 2018** | **327** | **1,517** | **2,231** | **8,006** | **(857)** | **(8)** | **11,216** | **3,118** | **14,334** |
| **Adjustments on initial application of IFRS 9 and IFRS 15** | **-** | **-** | **-** | **39** | **3** | **-** | **42** | **0** | **42** |
| **Adjusted balance January 1, 2018** | **327** | **1,517** | **2,231** | **8,045** | **(854)** | **(8)** | **11,259** | **3,118** | **14,377** |
| Net income for the period | - | - | - | 889 | - | - | 889 | 311 | 1,200 |
| Other comprehensive income for the period | - | - | - | 22 | 273 | - | 295 | (5) | 290 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **911** | **273** | **-** | **1,184** | **306** | **1,490** |
| Capital increase | - | - | 496 | - | - | - | 496 | - | 496 |
| Dividend distribution and hybrid coupon | - | - | - | (490) | - | - | (490) | (161) | (651) |
| Change in hybrid capital | - | - | (741) | (60) | - | - | (800) | - | (800) |
| Disposal of treasury shares | - | 4 | - | - | - | 3 | 7 | - | 7 |
| Share-based payments | - | (13) | - | 0 | - | - | (13) | - | (13) |
| Increase/(decrease) in non-controlling interests | - | - | - | (8) | 0 | - | (9) | 7 | (2) |
| Reclassification of cash flow hedges to balance sheet [2] | - | - | - | - | (120) | - | (120) | - | (120) |
| **September 30, 2018** | **327** | **1,509** | **1,987** | **8,399** | **(702)** | **(6)** | **11,514** | **3,270** | **14,785** |

[1] "Other reserves" contain exchange differences from the translation of foreign operations, unrealized gains and losses from hedges as well as the share of other compr. income of equity-accounted investments

[2] The full amount was related to inventories that were already consumed as of September 30, 2018 and consequently recognized in the income statement

| | Share capital | Capital reserves | Hybrid capital | Revenue reserves | Other reserves [1] | Treasury shares | OMV equity of the parent | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| **January 1, 2017** | **327** | **1,507** | **2,231** | **7,990** | **(1,131)** | **(9)** | **10,915** | **3,010** | **13,925** |
| Net income for the period | - | - | - | 201 | | - | 201 | 231 | 432 |
| Other comprehensive income for the period | - | - | - | 0 | 498 | - | 497 | (31) | 466 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **200** | **498** | **-** | **698** | **200** | **898** |
| Dividend distribution and hybrid coupon | - | - | - | (442) | - | - | (442) | (141) | (584) |
| Disposal of treasury shares | - | 1 | - | - | - | 1 | 2 | - | 2 |
| Share-based payments | - | 6 | - | - | - | - | 6 | - | 6 |
| **September 30, 2017** | **327** | **1,514** | **2,231** | **7,748** | **(633)** | **(8)** | **11,179** | **3,069** | **14,247** |

[1] "Other reserves" contain exchange differences from the translation of foreign operations, unrealized gains and losses from hedges and available-for-sale financial assets as well as the share of other compr. income of equity-accounted investments

## Summarized statement of cash flows (condensed, unaudited)

In EUR mn

| Q3/18 | Q2/18 | Q3/17 | | 9m/18 | 9m/17 |
|---|---|---|---|---|---|
| **393** | **276** | **544** | **Net income for the period** | **1,200** | **432** |
| 456 | 482 | 489 | Depreciation, amortization and impairments including write-ups | 1,388 | 1,456 |
| 71 | 79 | 26 | Deferred taxes | 218 | 126 |
| (2) | 1 | (9) | Losses/(gains) on the disposal of non-current assets | (7) | (10) |
| (12) | (24) | (28) | Net change in personnel and long-term provisions | (10) | (30) |
| 335 | 19 | (33) | Other adjustments | 483 | 973 |
| **1,242** | **832** | **989** | **Sources of funds** | **3,272** | **2,946** |
| (166) | (143) | (228) | (Increase)/decrease in inventories | (167) | 39 |
| (370) | 455 | (76) | (Increase)/decrease in receivables | (637) | 398 |
| 317 | 87 | 120 | (Decrease)/increase in liabilities | 888 | (601) |
| (53) | 2 | (14) | (Decrease)/increase in short-term provisions | (76) | (76) |
| **970** | **1,233** | **792** | **Cash flow from operating activities** | **3,279** | **2,706** |
| | | | **Investments** | | |
| (494) | (1,700) | (318) | Intangible assets and property, plant and equipment | (2,625) | (1,077) |
| (96) | (60) | (71) | Investments, loans and other financial assets | (237) | (296) |
| 4 | (3) | 0 | Acquisitions of subsidiaries and businesses net of cash acquired | (46) | 0 |
| | | | **Disposals** | | |
| 35 | 8 | 20 | Proceeds from the sale of non-current assets | 46 | 50 |
| 104 | 136 | 55 | Proceeds from the sale of subsidiaries and businesses, net of cash disposed | 258 | 1,744 |
| **(447)** | **(1,619)** | **(314)** | **Cash flow from investing activities** | **(2,604)** | **421** |
| (25) | (801) | (25) | (Decrease)/increase in long-term borrowings | (1,028) | (79) |
| (10) | 26 | (3) | (Decrease)/increase in short-term borrowings | 6 | (102) |
| 0 | (693) | 0 | Dividends paid | (693) | (582) |
| 0 | 496 | 0 | Hybrid bond | 496 | 0 |
| **(35)** | **(972)** | **(28)** | **Cash flow from financing activities** | **(1,219)** | **(763)** |
| (12) | (5) | (10) | Effect of exchange rate changes on cash and cash equivalents | (24) | (35) |
| **476** | **(1,362)** | **440** | **Net (decrease)/increase in cash and cash equivalents** | **(567)** | **2,329** |
| 2,938 | 4,300 | 4,203 | Cash and cash equivalents at beginning of period | 3,981 | 2,314 |
| **3,414** | **2,938** | **4,643** | **Cash and cash equivalents at end of period** | **3,414** | **4,643** |
| *1* | *11* | *0* | *thereof cash disclosed within Assets held for sale* | *1* | *0* |
| **3,413** | **2,927** | **4,643** | **Cash and cash equivalents presented in the consolidated statement of financial position** | **3,413** | **4,643** |
| **523** | **(386)** | **478** | **Free cash flow** | **675** | **3,127** |
| **523** | **(1,078)** | **478** | **Free cash flow after dividends** | **(18)** | **2,545** |
| **523** | **(1,079)** | **478** | **Free cash flow after dividends incl. non-controlling interest changes** | **(18)** | **2,545** |

## Selected notes to the consolidated financial statements

### Legal principles

The interim condensed consolidated financial statements for the nine months ended September 30, 2018, have been prepared in accordance with IAS 34 Interim Financial Statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual statements and should be read in conjunction with the Group’s annual financial statements as of December 31, 2017.

The interim condensed consolidated financial statements for 9m/18 are unaudited and an external review by an auditor was not performed.

The interim condensed consolidated financial statements for 9m/18 have been prepared in million EUR (EUR mn, EUR 1,000,000). Accordingly, there may be rounding differences.

In addition to the interim financial statements, further information on main items affecting the preliminary financial statements as of September 30, 2018 is given as part of the description of OMV’s Business Segments in the Directors’ Report.

### Significant change in accounting policies

The Group has initially adopted IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers from January 1, 2018.

A number of other amendments and interpretations have been effective since January 1, 2018, but they do not have a material effect on the Group’s financial statements.

### IFRS 9 Financial Instruments

IFRS 9 introduces key changes to the classification and measurement of financial assets being based on a business model and contractual cash flows approach and implements a new impairment model based on expected credit losses. In addition, changes to hedge accounting have been made with the objective to better represent the effect of risk management activities that an entity adopts to manage exposures.

Except for hedge accounting, IFRS 9 was applied retrospectively. As permitted by IFRS 9, OMV did not restate the figures of the comparative period. The retrospective impact of applying IFRS 9 was accounted for through adjustments to the opening balances of the respective positions in equity as at January 1, 2018.

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL).

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Group’s financial assets as at January 1, 2018.

### Changes in measurement category from IAS 39 to IFRS 9

In EUR mn

| | Measurement category | | Paragraph | Carrying amount | | |
|---|---|---|---|---|---|---|
| | **IAS 39** | **IFRS 9** | | **Original (IAS 39)** | **New (IFRS 9)** | **Remeasurement effect** |
| **Assets as at January 1, 2018** | | | | | | |
| Equity-accounted investments | n.a. | n.a. | 1. | 2,913 | 2,916 | 3 |
| Other investments | Available-for-sale | FVOCI | 2. | 39 | 82 | 43 |
| Investment funds | Available-for-sale | FVTPL | 3. | 6 | 6 | - |
| Bonds | Available-for-sale | Amortized cost | 3. | 78 | 78 | 0 |
| Loans | Loans and receivables | Amortized cost | 4. | 348 | 345 | (2) |
| Other financial assets | Loans and receivables | Amortized cost | 4. | 1,019 | 1,015 | (4) |
| | FVTPL | FVTPL | | 641 | 641 | - |
| | Available-for-sale | FVTPL | | 139 | 139 | - |
| Derivative instruments: | | | | | | |
| a) Cash flow hedges | Fair value – hedging instrument | Fair value – hedging instrument | | 97 | 97 | - |
| b) Other derivative instruments | Held-for-trading | FVTPL | | 732 | 732 | - |
| Trade receivables | Loans and receivables | Amortized cost | 4. | 2,306 | 2,304 | (2) |
| | Loans and receivables | FVTPL | 5. | 197 | 197 | - |

1. The carrying amount of equity-accounted investments was increased by EUR 3 mn due to the implementation of IFRS 9. The related impact net of tax in OMV Group’s equity is EUR 3 mn.

2. IFRS 9 eliminates the exemption to measure unquoted equity instruments at cost rather than at fair value, in circumstances in which the range of reasonable fair value measurements is significant and the probabilities of the various estimates cannot reasonably be assessed. It only allows measurement at fair value and states indicators when the cost might not be a good representative of fair value. Under IFRS 9, all equity investments are designated as measured at fair value through OCI as they are held for long-term strategic purposes. Consequently, all fair value gains and losses are reported in OCI, no impairment losses are recognized in profit or loss and no gains or losses are reclassified to the income statement on disposal. The related impact net of tax in OMV Group’s equity is EUR 42 mn.

3. Available-for-sale financial assets, which include mainly investment funds and debt instruments, were recognized at fair value through OCI under IAS 39. Upon application of IFRS 9 the investment funds are measured at FVTPL. Based on the Group’s assessment debt instruments previously classified as available-for-sale financial assets, mainly consisting of bonds, are held within the business model with an objective to collect the contractual cash flows. Upon application of IFRS 9 they are therefore measured at amortized cost with an adjustment to the accumulated OCI against their carrying amount. The effect of both changes in OMV Group’s equity is immaterial.

4. The new impairment model requires the recognition of impairment provisions based on expected credit losses rather than only incurred credit losses as is the case under IAS 39. Financial assets measured at amortized cost and debt instruments that are carried at FVOCI are subject to the impairment provisions of IFRS 9. In general, the application of the expected credit loss model results in earlier recognition of credit losses and increases the amount of loss allowance recognized for the relevant items. Impairment losses are calculated based on a three-stage model using the internal or external counterparty rating and the associated probability of default. For certain financial instruments such as trade receivables, impairment losses are assessed under a simplified approach recognizing lifetime expected credit losses. The related impact net of tax in OMV Group’s equity upon initial application of IFRS 9 is EUR (6) mn.

5. Under IAS 39, all trade receivables were measured at amortized cost less any impairment. Upon the application of IFRS 9, however, the portfolio of receivables eligible for factoring or the securitization program is measured at FVTPL as they are held within a business model with an objective to sell them. Moreover, the trade receivables from arrangements with provisional pricing are also measured at FVTPL as the contractual cash flows are not solely payments of principal and interest on the principal amount outstanding. The adjustment to revenue reserves due to the new classification under IFRS 9 is insignificant.

**Reconciliation of changes in loss allowance based on measurement categories as at January 1, 2018**

In EUR mn

| Measurement category | Loss allowance under IAS 39 | Remeasure-ment | Loss allowance under IFRS 9 |
|---|---|---|---|
| **Loans and receivables (IAS 39)/Financial assets at amortized cost (IFRS 9)** | | | |
| Trade Receivables | 76 | 2 | 78 |
| Other Sundry Receivables and Assets | 292 | 4 | 296 |
| Loans | - | 2 | 2 |
| **Available for sale financial instruments (IAS 39)/Financial assets at amortized cost (IFRS 9)** | | | |
| Bonds | - | 0 | 0 |
| **TOTAL** | **368** | **9** | **377** |

There is no impact on the Group's classification and measurement of financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss. The Group does not have any such liabilities.

Under IFRS 9, generally more hedging instruments and hedged items qualify for hedge accounting. The Group's hedging relationships qualified as continuing hedges upon the adoption of IFRS 9. For cash flow hedges of a forecast transaction that results in the recognition of a non-financial item, the carrying value of that item must be adjusted for the accumulated gains or losses recognized directly in OCI under IFRS 9. The adjustment will affect profit or loss in the same manner and periods as the non-financial items to which they relate affect profit or loss. The accumulated gains and losses for these cash flow hedges are presented within Total items that will not be reclassified ("recycled") subsequently to the income statement in Statement of comprehensive income and the adjustment of the carrying value of the non-financial items is presented as a change in Statement of changes in equity outside of Total comprehensive income for the period. Under IAS 39 an accounting policy choice was elected to maintain the cash flow hedge reserves in equity and reclassify them to profit or loss in the same period as the non-financial item affects profit or loss.

### IFRS 15 Revenue from Contracts with Customers

IFRS 15 replaced the previous revenue recognition requirements in IFRS and applies to all revenue arising from contracts with customers. According to the new standard, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognized when, or as, the customer obtains control of the goods or services.

The Group adopted the new standard on January 1, 2018 using the modified retrospective method, with the cumulated adjustment from initially applying this standard recognized at January 1, 2018. As a result, the Group has not applied the requirements of IFRS 15 to the comparative periods presented.

Under IFRS 15, there are more transactions in which OMV acts in the capacity of an agent. An agent recognizes revenue for the commission or fee earned for facilitating the transfer of goods or services. The assessment according to the new standard is based on whether the Group controls the specific goods or services before transferring to the customer, rather than whether it has exposure to significant risks and rewards associated with the sale of the goods or services. Furthermore, under IFRS 15 more transactions have to be considered as non-monetary exchanges between entities in the same line of business that do not qualify for revenue recognition. Without this change due to IFRS 15 sales revenues and related costs would have been higher by EUR 182 mn, without any impact on the margin.

In addition, there are a small number of long-term supply contracts with different prices in different periods where the rates do not reflect the value of the goods at the time of delivery in the Group. Whereas under IAS 18 the invoiced amount was recognized as revenue, under IFRS 15 the revenue is recognized based on the average contractual price. Due to initial application of IFRS 15 retained earnings at January 1, 2018 have been adjusted by plus EUR 3 mn for these contracts.

### Estimated impact of the adoption of IFRS 16 Leases

This standard will replace IAS 17 and sets out new rules for lease accounting. The Group is currently assessing the impact of IFRS 16 on its consolidated financial statements. The most significant impact identified is that the Group will recognize new assets and liabilities for its operating leases, unless an exemption from IFRS 16 is applicable.

The analysis of the existing inventory of lease contracts indicates that the recognition of a right-of-use asset and lease liability for the existing contracts as of the reporting date would lead to an increase in property, plant and equipment and debt of approximately EUR 680 mn on January 1, 2019.

In the income statement, depreciation charges and interest expense will be reported instead of lease expense. This will lead to a slight increase in operating result, which will be offset by higher interest expense. The final impact will depend on various factors, such as the lease portfolio in place and interest rates prevailing at the transition date. Analysis of the impact will continue in the fourth quarter of 2018. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. OMV will initially apply IFRS 16 on January 1, 2019 using the modified retrospective approach for transition.

## Changes in the consolidated Group

Compared with the consolidated financial statements as of December 31, 2017, the consolidated Group changed as follows:

In **Upstream**, OMV GSB Limited, based in Wellington, was acquired as of March 16, 2018. The transaction did not have a material impact on the condensed interim financial statements.

OMV Abu Dhabi Production GmbH, based in Vienna, was included starting from April 29, 2018.

OMV Maurice Energy Limited, based in Wellington, and OMV (PAKISTAN) Exploration Gesellschaft m.b.H., based in Vienna, were deconsolidated per June 28, 2018, following a successful closing of a sale transaction.

OMV (Gnondo) Exploration S.A., OMV (Manga) Exploration S.A., OMV (Mbeli) Exploration S.A. and OMV (Ntsina) Exploration S.A., all based in Libreville, were liquidated per September 10, 2018.

In **Downstream,** OMV Samsun Elektrik Üretim Sanayi ve Ticaret A.Ş., based in Istanbul, was deconsolidated per September 6, 2018, following a successful closing of a sale transaction.

## Changes in the ownership of subsidiaries with a change in control

### Upstream

On June 28, 2018, the sale of the Upstream companies active in Pakistan to Dragon Prime Hong Kong Limited was closed. The gain on the disposal of the subsidiaries amounted to EUR 52 mn and was recognized in the line “Other operating income.” The gain is mainly attributable to the reclassification (“recycling”) of FX gains from other comprehensive income to the income statement.

### Downstream

On September 6, 2018, the sale of OMV Samsun Elektrik Üretim Sanayi ve Ticaret A.Ş. to Yapisan Elektrik Üretim A.Ş. was closed. The loss on the disposal of the subsidiary amounted to EUR 149 mn and was recognized in the line “Other operating expenses.” The loss is mainly attributable to the reclassification (“recycling”) of FX losses from other comprehensive income to the income statement.

The net cash inflows from the sale of subsidiaries and businesses during 9m/18 are summarized in the following table:

**Net cash inflows**

| In EUR mn | |
|---|---|
| **Consideration received** | **276** |
| less cash disposed of | (18) |
| **Net cash inflow** | **258** |

## Changes in ownership of subsidiaries without change in control

### Upstream

On June 7, 2018, OMV increased its interest in KOM MUNAI LLP, based in Aktau (Kazakhstan), to 100% by acquiring the remaining non-controlling interest.

## Other significant transactions

### Upstream

On April 29, 2018, OMV signed an agreement for the award of a 20% stake in the offshore concession in Abu Dhabi, SARB and Umm Lulu, as well as the associated infrastructure. The agreed participation fee of USD 1.5 bn was allocated to the acquired assets and is recognized in the lines “Intangible assets” and “Property, plant and equipment” in the balance sheet.

An ongoing divestment process led to the reclassification of a subsidiary in the Middle East and Africa region to “held for sale” as of June 30, 2018 without having an impact on the income statement.

In the North Sea region, a divestment process led to the reclassification of assets to “held for sale” as of June 30, 2018 and resulted in a pre-tax impairment amounting to EUR 36 mn that has been recognized in the line “Depreciation, amortization and impairment charges.” The valuation was based on the fair value less costs of disposal derived from the agreed sales price (Level 2 valuation).

## Seasonality and cyclicality

Seasonality is of significance, especially in the Downstream Business Segment. For details, please refer to the section “Business Segments.”

## Notes to the income statement

### Sales revenues

In EUR mn

| | 9m/18 |
|---|---|
| Revenues from contracts with customers | 16,406 |
| Revenues from other sources | (115) |
| **Total sales revenues** | **16,290** |

Other revenues mainly include revenues from commodity sales/purchases transactions that are within the scope of IFRS 9 Financial instruments, the adjustment of revenues from considering the national oil company's profit share as income tax in certain production sharing agreements in the Upstream segment, hedging result as well as rental and lease revenues.

### Revenues from contracts with customers

In EUR mn

| | | | | | 9m/18 |
|---|---|---|---|---|---|
| | Upstream | Downstream | | Corporate & Other | **Total** |
| | | Oil | Gas | | |
| Crude oil, NGL, condensates | 863 | 596 | - | - | **1,459** |
| Natural gas and LNG | 553 | 3 | 3,601 | - | **4,157** |
| Fuel, heating oil and other refining products | - | 8,119 | - | - | **8,119** |
| Petrochemicals | - | 1,495 | - | - | **1,495** |
| Gas storage, transmission, distribution and transportation | 7 | - | 155 | - | **163** |
| Other goods and services | 33 | 628 | 350 | 2 | **1,012** |
| **Total** | **1,457** | **10,841** | **4,106** | **2** | **16,406** |

### Income tax

In EUR mn (unless otherwise stated)

| Q3/18 | Q2/18 | Q3/17 | | 9m/18 | 9m/17 |
|---|---|---|---|---|---|
| (331) | (279) | (148) | Taxes on income and profit | (889) | (492) |
| (260) | (200) | (122) | Current taxes | (671) | (366) |
| (71) | (79) | (26) | Deferred taxes | (218) | (126) |
| 46 | 50 | 21 | Effective tax rate in % | 43 | 53 |

## Notes to the statement of financial position

### Commitments

As of September 30, 2018, OMV had contractual obligations for the acquisition of intangible assets and property, plant and equipment of EUR 1,018 mn (December 31, 2017: EUR 974 mn), mainly relating to exploration and production activities in Upstream.

### Equity

On May 22, 2018, the Annual General Meeting approved the payment of a dividend of EUR 1.50 per share, resulting in a total dividend payment of EUR 490 mn to OMV Aktiengesellschaft stockholders. Dividend distributions to minorities amounted to EUR 161 mn in 9m/18.

On March 14, 2018, the Supervisory Board approved that OMV exercises its right to call the EUR 750 mn hybrid bond issued on May 25, 2011. The fair value of the hybrid bond was reclassified from equity to short-term bonds as of March 14, 2018. In accordance with § 5 (3) of the terms and conditions of the hybrid bond 2011, OMV called and redeemed the hybrid bond at its nominal value plus interest on the first possible call date, i.e. April 26, 2018.

A new hybrid bond with a size of EUR 500 mn was issued on June 19, 2018. According to IFRS the proceeds of the hybrid bond (less costs of issuance) were fully treated as equity.

The total number of own shares held by the Company as of September 30, 2018, amounted to 542,151 (December 31, 2017: 772,230).

### Financial liabilities

As of September 30, 2018, short- and long-term borrowings, bonds and finance leases amounted to EUR 5,720 mn (December 31, 2017: EUR 5,986 mn). Finance lease liabilities totaled EUR 285 mn (December 31, 2017: EUR 292 mn).

### Fair value measurement

Financial instruments recognized at fair value are disclosed according to the following fair value measurement hierarchy:

Level 1: Using quoted prices in active markets for identical assets or liabilities.

Level 2: Using inputs for the asset or liability, other than quoted prices, that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
In order to determine the fair value for financial instruments within Level 2, usually forward prices on crude oil, natural gas, interest rates and foreign exchange rates are used as inputs to the valuation model. In addition, counterparty credit risk as well as volatility indicators are taken into account.

Level 3: Using inputs for the asset or liability that are not based on observable market data such as prices but on internal models or other valuation methods.

#### Financial instruments

In EUR mn

| | | | | Sep. 30, 2018 | | | | Dec. 31, 2017 |
|---|---|---|---|---|---|---|---|---|
| **Financial instruments on asset side** | **Level 1** | **Level 2** | **Level 3** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Equity investments [1] | - | - | 87 | **87** | - | - | - | **-** |
| Investment funds | 6 | - | - | **6** | 6 | - | - | **6** |
| Bonds [2] | - | - | - | **-** | 5 | 73 | - | **78** |
| Derivatives designated and effective as hedging instruments | - | 52 | - | **52** | - | 97 | - | **97** |
| Other derivatives | 1,868 | 1,773 | - | **3,641** | 360 | 372 | - | **732** |
| Net amount of assets and liabilities associated with assets held for sale | - | 144 | - | **144** | - | - | 2 | **2** |
| Other financial assets at fair value [3] | - | - | 788 | **788** | - | - | 780 | **780** |
| **Total** | **1,873** | **1,969** | **875** | **4,718** | **371** | **542** | **782** | **1,695** |

| | | | | Sep. 30, 2018 | | | | Dec. 31, 2017 |
|---|---|---|---|---|---|---|---|---|
| **Financial instruments on liability side** | **Level 1** | **Level 2** | **Level 3** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Liabilities on derivatives designated and effective as hedging instruments | - | 18 | - | **18** | - | 97 | - | **97** |
| Liabilities on other derivatives | 1,857 | 2,144 | - | **4,001** | 360 | 519 | - | **879** |
| **Total** | **1,857** | **2,162** | **-** | **4,019** | **360** | **616** | **-** | **977** |

[1] Upon implementation of IFRS 9, the classification of equity investments changed to Fair Value through OCI (see section “Significant change in accounting policies”)
[2] Upon implementation of IFRS 9, the classification of bonds changed to Amortized Costs (see section “Significant change in accounting policies”)
[3] Includes an asset from reserves redetermination rights related to the acquisition of interests in the field Yuzhno Russkoye and contingent considerations from the divestments of the 30% stake in the field Rosebank and of OMV (U.K.) Limited

With the exception of bonds valued at amortized cost (EUR 78 mn), the carrying amounts of other financial assets are the fair values. The fair value of bonds was EUR 78 mn.

Under IFRS 9 equity investments are designated as measured at fair value through OCI, as they are held for long-term strategic purposes. As of September 30, 2018, equity investments of EUR 87 mn (December 31, 2017: EUR 39 mn) are included in other financial assets (Level 3).

Bonds and other interest-bearing debts amounting to EUR 5,435 mn (December 31, 2017: EUR 5,694 mn) are valued at amortized cost. The estimated fair value of these liabilities was EUR 5,786 mn (December 31, 2017: EUR 6,150 mn). The carrying amount of other financial liabilities is effectively the same as their fair value, as they are predominantly short term.

## Segment reporting

### Intersegmental sales

In EUR mn

| Q3/18 | Q2/18 | Q3/17 | Δ% [1] | | 9m/18 | 9m/17 | Δ% |
|---|---|---|---|---|---|---|---|
| 853 | 818 | 638 | 34 | Upstream | 2,428 | 2,054 | 18 |
| 20 | 16 | 19 | 6 | Downstream | 54 | 58 | (8) |
| *16* | *10* | *8* | *97* | *thereof Downstream Oil* | *36* | *25* | *47* |
| *41* | *36* | *41* | *1* | *thereof Downstream Gas* | *115* | *113* | *1* |
| *(37)* | *(30)* | *(30)* | *(23)* | *thereof intrasegmental elimination Downstream* | *(97)* | *(79)* | *(22)* |
| 78 | 86 | 83 | (6) | Corporate and Other | 244 | 259 | (6) |
| **951** | **920** | **740** | **29** | **OMV Group** | **2,725** | **2,371** | **15** |

### Sales to third parties

In EUR mn

| Q3/18 | Q2/18 | Q3/17 | Δ% [1] | | 9m/18 | 9m/17 | Δ% |
|---|---|---|---|---|---|---|---|
| 456 | 375 | 277 | 65 | Upstream | 1,419 | 1,005 | 41 |
| 5,150 | 5,330 | 4,368 | 18 | Downstream | 14,868 | 14,306 | 4 |
| *4,141* | *3,763* | *3,219* | *29* | *thereof Downstream Oil* | *10,760* | *10,935* | *(2)* |
| *1,009* | *1,567* | *1,149* | *(12)* | *thereof Downstream Gas* | *4,108* | *3,371* | *22* |
| 1 | 1 | 1 | 42 | Corporate and Other | 3 | 5 | (31) |
| **5,607** | **5,706** | **4,646** | **21** | **OMV Group** | **16,290** | **15,316** | **6** |

### Total sales (not consolidated)

In EUR mn

| Q3/18 | Q2/18 | Q3/17 | Δ% [1] | | 9m/18 | 9m/17 | Δ% |
|---|---|---|---|---|---|---|---|
| 1,310 | 1,193 | 916 | 43 | Upstream | 3,847 | 3,059 | 26 |
| 5,169 | 5,347 | 4,387 | 18 | Downstream | 14,922 | 14,365 | 4 |
| *4,157* | *3,773* | *3,227* | *29* | *thereof Downstream Oil* | *10,796* | *10,960* | *(1)* |
| *1,050* | *1,604* | *1,190* | *(12)* | *thereof Downstream Gas* | *4,222* | *3,484* | *21* |
| *(37)* | *(30)* | *(30)* | *(23)* | *thereof intrasegmental elimination Downstream* | *(97)* | *(79)* | *(22)* |
| 79 | 87 | 84 | (6) | Corporate and Other | 247 | 264 | (6) |
| **6,558** | **6,626** | **5,386** | **22** | **OMV Group** | **19,016** | **17,688** | **8** |

### Segment and Group profit

In EUR mn

| Q3/18 | Q2/18 | Q3/17 | Δ% [1] | | 9m/18 | 9m/17 | Δ% |
|---|---|---|---|---|---|---|---|
| 470 | 363 | 247 | 90 | Operating Result Upstream | 1,311 | 924 | 42 |
| 284 | 318 | 517 | (45) | Operating Result Downstream | 1,020 | 199 | n.m. |
| *488* | *361* | *459* | *6* | *thereof Operating Result Downstream Oil* | *1,148* | *20* | *n.m.* |
| *(204)* | *(43)* | *57* | *n.m.* | *thereof Operating Result Downstream Gas* | *(129)* | *179* | *n.m.* |
| (11) | (13) | (5) | (126) | Operating Result Corporate and Other | (25) | (35) | 28 |
| 743 | 669 | 758 | (2) | Operating Result segment total | 2,305 | 1,088 | 112 |
| 20 | (66) | 0 | n.m. | Consolidation: Elimination of intersegmental profits | (40) | 13 | n.m. |
| 763 | 602 | 758 | 1 | OMV Group Operating Result | 2,265 | 1,101 | 106 |
| (39) | (47) | (66) | 42 | Net financial result | (176) | (177) | 1 |
| **725** | **555** | **692** | **5** | **OMV Group profit before tax** | **2,089** | **924** | **126** |

[1] Q3/18 compared to Q3/17

### Assets [1]

In EUR mn

| | Sep. 30, 2018 | Dec. 31, 2017 |
|---|---|---|
| Upstream | 12,240 | 11,322 |
| Downstream | 4,670 | 4,839 |
| thereof Downstream Oil | 3,714 | 3,704 |
| thereof Downstream Gas | 956 | 1,135 |
| Corporate and Other | 137 | 140 |
| **Total** | **17,047** | **16,301** |

[1] Segment assets consist of intangible assets and property, plant and equipment; not including assets reclassified to held for sale

## Other notes

### Transactions with related parties

In 9m/18, there were arm's-length supplies of goods and services between the Group and equity-accounted companies, except for transactions with OJSC Severneftegazprom, which are not based on market prices but on cost plus defined margin.

**Material transactions with related parties**

In EUR mn

| | 9m/18 | | 9m/17 | |
|---|---|---|---|---|
| | Sales and other income | Purchases and services received | Sales and other income | Purchases and services received |
| Borealis | 1,066 | 35 | 813 | 33 |
| GENOL Gesellschaft m.b.H. & Co KG | 150 | 1 | 119 | 2 |
| Erdöl-Lagergesellschaft m.b.H. | 29 | 45 | 28 | 39 |
| Enerco Enerji Sanayi ve Ticaret A.Ş. | 2 | 130 | 3 | 149 |
| Deutsche Transalpine Oelleitung GmbH | 0 | 20 | 0 | 22 |
| OJSC Severneftegazprom | - | 96 | - | - |
| Trans Austria Gasleitung GmbH | 8 | 17 | 26 | 16 |

**Related Party Balances**

In EUR mn

| | Sep. 30, 2018 | Dec. 31, 2017 |
|---|---|---|
| Trade receivables | 90 | 123 |
| Other receivables | 6 | 6 |
| Trade payables | 81 | 100 |
| Other payables | 3 | 4 |
| Contract liabilities | 143 | 153 |

Based on the OMV ownership structure, the Republic of Austria has an indirect relationship with OMV via ÖBIB (Österreichische Bundes- und Industriebeteiligungen) and is therefore, together with companies in which the Republic of Austria is a majority shareholder, considered a related party. OMV has transactions at arm's length in the normal course of business mainly with Österreichische Post AG, Verbund AG, Österreichische Bundesbahnen-Holding Aktiengesellschaft, Bundesbeschaffung GmbH and their subsidiaries.

Via IPIC (International Petroleum Investment Company), OMV has an indirect relationship with the Emirate of Abu Dhabi, which is, together with the companies under control of Abu Dhabi, also considered a related party. In 9m/18, there were supplies of goods and services for instance with Compañía Española de Petróleos (CEPSA) and Abu Dhabi National Oil company (ADNOC). OMV cooperates with ADNOC in several Upstream arrangements, one of which is an evaluation agreement over several undeveloped oil and gas fields in North-West Offshore Abu Dhabi. This agreement is resulting in an open long-term receivable balance towards ADNOC. Furthermore, OMV acquired a 20% share in the offshore concession in two oil fields in Abu Dhabi from ADNOC in Q2/18 (see "Other significant transactions"). Also CEPSA is a partner in the concession.

In 9m/18, OMV received dividend income of EUR 360 mn (9m/17: EUR 270 mn) from Borealis AG, EUR 15 mn (9m/17: EUR 11 mn) from Trans Austria Gasleitung GmbH, EUR 29 mn (9m/17: EUR 67 mn) from Pearl Petroleum Company Limited, EUR 10 mn (9m/17: EUR nil) from OJSC Severneftegazprom, EUR 1 mn (9m/17: EUR 3 mn) from Enerco Enerji Sanayi Ve Tickaret A.Ş and EUR 1 mn (9m/17: EUR nil) from Genol Gesellschaft m.b.H.

Borealis has two pending tax cases in Finland related to Borealis Technology Oy and Borealis Polymers Oy, which are described in detail in the OMV Annual Report 2017 (Note 15 – Equity-accounted investments). There have been no material changes up to the publication of the OMV Group Interim Financial Statements for 9m/18.

### Subsequent events

There were no material subsequent events leading up to the publication of the Group Interim Financial Statements for 9m/18.

# Declaration of the Management

We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group Directors' Report gives a true and fair view of important events that have occurred during the first nine months of the financial year and their impact on the condensed interim financial statements, the principal risks and uncertainties for the remaining three months of the financial year and the major related-party transactions to be disclosed.

Vienna, October 31, 2018

The Executive Board

Rainer Seele m.p.
Chairman of the Executive Board
and Chief Executive Officer

Reinhard Florey m.p.
Chief Financial Officer

Johann Pleininger m.p.
Deputy Chairman of the Executive Board
and Executive Board
Upstream

Manfred Leitner m.p.
Member of the Executive Board
Downstream

# Further Information

## Next events

- OMV Group Report January–December and Q4 2018: February 6, 2019

The entire OMV financial calendar and additional information can be found at www.omv.com.

## OMV contacts

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