

Factsheet

OMV Downstream (Gas & Power)

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OMV Downstream

OMV lead company for natural gas and power

- ▶ Modern, high efficient pipeline network and central gas turntable in Europe
- ▶ Energy supplies are secured through diversification and gas storage

In recent years, European gas markets have undergone fundamental structural changes. The expansion of renewable power generation capacity and high utilization of coal-fired power plants have contributed to a reduced gas demand in Europe. Particularly in Western Europe, gas markets have been characterized by rising liquidity and strong competition. These changes have also had repercussions for OMV's gas and power business. However, as the cleanest fossil energy source, gas will play an important role in the energy mix of the future.

Gas & Power optimizes the position of OMV in the gas and energy business. The strategy in place at Gas & Power focuses on the identification and development of the most attractive markets for its gas portfolio, the management of the supply positions, the development and the management of supporting infrastructure (pipeline, storage) and the maximization of the integrated value added through optimization of the portfolios.

Overview of Business Areas

Supply, Marketing & Trading

Supply, Marketing & Trading coordinates and manages OMV's gas supply and sales activities. It also bundles the trading activities for all products in order to ensure central portfolio optimization and is responsible for the commercial optimization of the power plants.

G&P Sales markets gas and power in the relevant markets through the respective subsidiaries: In Austria, OMV Gas Marketing & Trading GmbH is responsible for direct sales activities in Austria, Germany, Hungary, The Netherlands and Belgium. In Romania, OMV, through OMV Petrom is no. 1 in gas sales on the free market and no. 2 in the production of gas. Furthermore, OMV is active on the power market, covering both the production part of the value chain through the Brazi power plant and power supply.

Gas Logistics and International Projects (GLIP)

Gas Logistics Assets

The OMV subsidiary Gas Connect Austria GmbH (GCA) is responsible for the commercialization of transportation capacities in Austria as well as for the safe and smooth operation of an approximately 900 km long high-pressure gas pipeline network. As an Austrian transmission system operator with total gas sales transportation volumes for entry/exit of 151 bcm per year, GCA is an essential part for the Austrian and European security of gas.



Downstream Gas Facts

- ▶ **Natural gas high-pressure pipeline network:** operation of a 900 km network in Austria
- ▶ **Baumgarten distribution node*:** major natural gas turntable for Europe
- ▶ **Marketed capacity in Austria:** 151 bn m³
- ▶ **Storage:** total volume of 2.7 bn m³ (30 TWh) in Austria
- ▶ **Gas trading on CEGH:** nominated gas volume of approx. 659 TWh in 2019
- ▶ **Gas trading in 2018:** 114 TWh sold gas in Europe, Romania and Turkey
- ▶ **Electricity:** one gas-fired power plant in the 800 MW category (Brazi/Romania)

* via Gas Connect Austria

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Gas storages in Austria and Germany, with a total capacity of 2.7 bcm (30 TWh), ensure that OMV customers can respond to any seasonal supply fluctuations or short term supply disruptions.

The Central European Gas Hub AG (CEGH) provides a gas trading platform in Austria for international gas companies with a CEGH OTC Market and the CEGH Gas Exchange of Wiener Boerse with a Spot Market (including Within-Day Market) and a Futures Market. CEGH also offers the CEGH Czech Gas Exchange in cooperation with Power Exchange Central Europe (PXE) and is the operator of the Virtual Trading Point (VTP) in Austria. The company is a subsidiary of OMV Gas & Power (65 %), Wiener Boerse (20 %) and Eustream (15 %). In 2018, the CEGH established itself as one of Central Europe's leading trading platforms when it achieved a trading volume of 659TWh of natural gas.

International Projects

The business unit GLIP develops comprehensive, integrated pipeline transport solutions for natural gas – from the early phases (Business Development and Concept Stage) to the handover of the infrastructure. GLIP offers the needed know-how in project management and engineering. The team's experts evaluate the economic feasibility of various routes as well as project options and proactively contribute in shaping the relevant legal framework. Beside its own projects, GLIP renders services to other business units within the OMV Group.

Key Projects:

- ▶ Nord Stream 2: Nord Stream 2 AG a wholly owned subsidiary of Gazprom, is building an offshore pipeline with a capacity of 55 bn m³/year, which will enable the transport of natural gas directly from Russia to Germany. Together with Shell, Wintershall, Uniper and Engie OMV is financing 50% of the pipeline. The natural gas will be transported via Germany, the Czech Republic and Slovakia to Baumgarten and thereby foster Baumgarten's role as a central gas hub and enhance the security of supply in Central and Eastern Europe.
- ▶ Neptun: Together with ExxonMobil, OMV Petrom is planning to develop a major gas reserve in the Black sea. GLIP will secure the connection of the field to the Romanian gas network and will find export solutions to supply OMV markets with equity gas, with the aim of maximizing the netback.

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