OMV increases share in Borealis to 75%

Rainer Seele
Chairman of the Executive Board and CEO

March 12, 2020
Disclaimer

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AGENDA

- Transaction highlights & strategic rationale
- Borealis at a glance
- Combined market positions
- Financials
- Summary
OMV signs transformative agreement for increasing its share in Borealis to 75%

- OMV acquires additional 39% share in Borealis, increasing its share to a controlling interest of 75%
  - Purchase price of USD 4.68 bn
  - OMV is entitled to dividends distributed after 31 December 2019

- Expected to close by end of 2020, subject to regulatory approvals

- Company will be fully consolidated in OMV Group’s financials

- EPS accretive from first year onwards

- Gearing ratio excluding leases to be reduced to around 30% by end of 2021, supported by defined measures, including a EUR 2 bn divestment program
Strategic rationale – forward integration along the value chain

- Gain access to attractive growth business and markets
- Strengthen forward integration along value chain, increasing natural hedge
- Increase operating cash generation immediately and substantially
- Benefit from operational integration and synergies
- Become a technology leader in circular economy
Strategic rationale – OMV repositions in a low-carbon world

CEO Rainer Seele:

“We will change our portfolio towards products that are demanded in a low-carbon world …

… and, we want to become a leading player in circular economy”

~60% of plastic production expected to be based on recycled feedstock by 2050 according to McKinsey
AGENDA

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### Borealis – leading polymer producer with a focus on innovation

<table>
<thead>
<tr>
<th>Key Financials</th>
<th>Market Presence</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales 2019</strong></td>
<td>Leading polyolefin producer</td>
<td>Employees excluding JV</td>
</tr>
<tr>
<td>EUR 9.8 bn</td>
<td><strong>5.7 mt</strong></td>
<td>~6,900 ³</td>
</tr>
<tr>
<td><strong>Net profit 2019</strong></td>
<td><strong>#8 globally</strong></td>
<td></td>
</tr>
<tr>
<td>EUR 0.9 bn</td>
<td><strong>3.6 mt</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Operating cash flow 2019</strong></td>
<td>Leading fertilizer producer</td>
<td>Employees working in R&amp;D</td>
</tr>
<tr>
<td>EUR 1.4 bn</td>
<td><strong>#3 in Europe</strong></td>
<td>&gt;500</td>
</tr>
<tr>
<td></td>
<td>Major operations in Austria, Belgium, France, Nordics and Germany</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>European base</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Strong position in Middle East and Asia</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>40% in Borouge JV</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Expanding US position</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>50% in Baystar JV</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Capacities include 40% Borouge capacities and 50% Baystar capacities.

1. Purchase of 50% share from NOVA Chemicals into Novealis Holdings signed, closing expected in H1 2020
2. Excluding Borealis net working capital changes; including dividends from Borouge
3. Including mtm plastics GmbH, Ecoplast GmbH and Rosier
Borealis – technology leader with innovative solutions

**Borstar®**

- **Borstar® is a multi-modal proprietary technology** that yields special properties and structural benefits.
- **PE and PP with good processability for demanding applications** – broad molecular weight distribution with favourable mechanical properties.
- **Cost effective and smaller environmental footprint** by accelerating converting processes.
- **Borstar® makes Borealis a partner of choice**

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**Innovative company**

- 6,900 patents granted and 3,000 patents pending as of 2019.
- **Technology leader** in polymer production and recycling.
- High share of **specialty products**.

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<table>
<thead>
<tr>
<th>Borealis</th>
<th>Keep Discovering</th>
</tr>
</thead>
</table>
Borealis – strong profit contribution from specialties

Total Sales by segment, 2019

- Polyolefins: 53%
- Fertilizers & Others: 15%
- Base chemicals: 15%
- At-equity pro-rata sales: 17%

Specialty products in Borealis margin, 2019

- Specialty products: ~60%

EUR 9.8 bn

1 including 40% Borouge sales
2 Base chemicals defined as Ethylene, Propylene, Butadiene, Aromatics, Acetone and Phenol
Access to market with strong growth perspectives driven by economic growth and improving living standards

Polyolefins demand 2008 - 2028
Mt, CAGR

► **Fast growing market**: CAGR ~4% until 2028, above GDP growth

► **Asia is the main driver of growth** (CAGR ~5%)

► **Growth triggered by economic growth and improving living standards** in emerging countries and steady growth in mature economies
  
  ► While PE consumption per person is ~30 kg in developed countries, it is around 1 kg in developing countries

► **Market segments to drive the growth**: packaging, automotive, building and construction and textile

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1 Source: IHS Markit; polyolefins defined as polyethylene and polypropylene, excluding recycled volumes
Borealis has a global footprint

- **Antwerp**
  - Propylene: 480 kt
  - PP: 300 kt
- **Kallo**
  - Propylene: 480 kt
  - PP: 385 kt
  - Comp: 72 kt
- **Beringen**
  - PP: 385 kt
  - Comp: 72 kt
- **Rosier**
  - Fertilizer: 800 kt
- **Stenungsund**
  - Ethylene: 620 kt
  - Propylene: 230 kt
  - PE: 770 kt
- **Porvoo**
  - Ethylene: 380 kt
  - Propylene: 230 kt
  - Aromatics & butadiene: 175 kt
- **Ruwais** (Borouge)
  - Ethylene: 3,600 kt
  - PE: 2,300 kt
  - LDPE: 350 kt
  - PP: 1,760 kt
- **Shanghai** (Borouge)
  - PP: 90 kt
- **Itatiba**
  - Comp: 60 kt
- **Rockport**
  - Comp: 60 kt
- **Geleen**
  - Others: 120 kt
- **Gelsen**
  - PE: 120 kt
  - Comp: 90 kt
- **Burghausen**
  - PP: 560 kt
- **Linz**
  - Ammonia: 545 kt
  - Nitric Acid: 600 kt
  - Fertilizers: 1,100 kt
  - Melamine: 54 kt
- **Piesteritz**
  - Melamine: 90 kt
- **Schwechat**
  - PE: 480 kt
  - PP: 435 kt
  - Comp: 105 kt
- **Monza**
  - Comp: 30 kt
- **Ottnaarsheim**
  - Fertilizers: 300 kt
- **Grandpuits**
  - Ammonia: 440 kt
  - Nitric Acid: 400 kt
  - Fertilizers: 620 kt
- **Grand-Quevilly**
  - Ammonia: 405 kt
  - Nitric Acid: 945 kt
  - Fertilizers: 1,100 kt
- **Kallo**
  - Propylene: 480 kt
  - PP: 300 kt
- **Beringen**
  - PP: 385 kt
- **Rosier**
  - Fertilizer: 800 kt
- **Itatiba**
  - Comp: 60 kt

**Borealis (100%)**

- **Bоруге JV (Borealis 40%)**
- **Baystar JV (Borealis 50%)**

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1 Purchase of 50% share from NOVA Chemicals into Novealis Holdings signed, closing expected in H1 2020
Borouge, the largest polyolefin site in the world – benefitting from competitive feedstock and access to Asian growth markets

- The world’s largest integrated polyolefins complex
  - JV between ADNOC (60%) and Borealis (40%) established in 1998, first operations started in 2001
  - Following the start up of Borouge 3 in 2015, capacity increased to 4.5 mn t
  - PP5 unit will increase capacity to 5.0 mn t and will be the tenth Borstar® unit in Ruwais
  - ~ 3,000 employees
- Combining competitive feedstock for the ethane based crackers and direct access to Asian growth markets via deep-water harbor
- Strong growth in earnings over the last decade – net profit reached a level of EUR 0.9 bn in 2019
Well positioned for growth in cost-advantaged locations

**Europe**
- Belgium – new PDH plant in Kallo, located in proximity to port of Antwerp
  - Cost advantaged feedstock: propane
  - 750 kt p.a. PDH plant
  - In execution; start-up 2022
  - Investment EUR ~1 bn

**Americas**
- Texas (US) – Baystar JV with Total
  - 1,000 kt p.a. ethane cracker; in execution; start-up 2020
  - 625 kt p.a. Borstar® PE plant; start-up 2021
  - Investment (50%): USD ~2 bn, thereof USD ~0.7 bn paid

**Middle East**
- Abu Dhabi – Borouge
  - **New Borstar® PP plant** at Borouge 3 (PP5)
    - Capacity: 480 kt p.a.
    - Expected start-up in 2021
    - Investments (40%): USD ~0.2 bn
  - **Borouge 4 (FEED)**
    - 1,800 kt p.a. cracker

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1 Propane Dehydrogenated
2 Purchase of 50% share from NOVA Chemicals into Novealis Holdings signed, closing expected in H1 2020
3 Share in existing Baystar JV assets included
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OMV to become #1 in ethylene and propylene capacity in Europe

Top ethylene & propylene capacities in Europe
Mn t

<table>
<thead>
<tr>
<th>Company</th>
<th>Ethylene</th>
<th>Propylene</th>
<th>FIDed expansions</th>
</tr>
</thead>
<tbody>
<tr>
<td>OMV</td>
<td>2.0</td>
<td>2.0</td>
<td>0.7</td>
</tr>
<tr>
<td>DOW</td>
<td></td>
<td>2.0</td>
<td>4.4</td>
</tr>
<tr>
<td>Ineos</td>
<td></td>
<td>3.9</td>
<td></td>
</tr>
<tr>
<td>SABIC</td>
<td></td>
<td>3.3</td>
<td></td>
</tr>
<tr>
<td>LyondellBasell</td>
<td></td>
<td>3.0</td>
<td></td>
</tr>
<tr>
<td>BASF</td>
<td></td>
<td>2.8</td>
<td></td>
</tr>
<tr>
<td>Versalis¹</td>
<td></td>
<td>2.7</td>
<td></td>
</tr>
<tr>
<td>Shell</td>
<td>1.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BP</td>
<td>0.8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- OMV’s global monomer capacity will increase by over 50% to 6.4 Mn t
  - Thereof European ethylene and propylene: 4.0 Mn t
  - Thereof aromatics and butadiene: 0.6 Mn t
- PDH plant in Belgium will add further 0.75 Mn t of capacity in 2022, increasing OMV’s European ethylene and propylene capacity to 4.7 Mn t
- Strong operational advantages from forward integration – in 2019, OMV sold 80% of its monomers in Western Europe to Borealis
OMV extends value chain into polymers, immediately becoming one of the world’s leading producers

Top 10 polyolefins capacities **Globally**, 2018

<table>
<thead>
<tr>
<th>Company</th>
<th>Polyethylene</th>
<th>Polypropylene</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sinopec</td>
<td>7.7</td>
<td>5.8</td>
</tr>
<tr>
<td>Exxon</td>
<td>7.4</td>
<td>5.5</td>
</tr>
<tr>
<td>LyondellBasell</td>
<td>7.2</td>
<td>4.7</td>
</tr>
<tr>
<td>Dow</td>
<td>6.9</td>
<td>3.9</td>
</tr>
<tr>
<td>SABIC</td>
<td>6.7</td>
<td>3.0</td>
</tr>
<tr>
<td>CNPC</td>
<td>6.6</td>
<td>2.9</td>
</tr>
<tr>
<td>Braskem</td>
<td>5.9</td>
<td>2.0</td>
</tr>
<tr>
<td>OMV</td>
<td>5.7</td>
<td>2.6</td>
</tr>
<tr>
<td>Reliance</td>
<td>5.1</td>
<td>2.0</td>
</tr>
<tr>
<td>Ineos</td>
<td>4.9</td>
<td>2.1</td>
</tr>
</tbody>
</table>

► Extension of value chain provides a natural hedge against cyclicality
► Integrated value chain allows margin optimization
► OMV gains access to high growth segment of polymers
► OMV to become #8 globally and #2 in Europe

Mn t
OMV aims to become a significant player in circular economy

Total investments of up to EUR 1 bn for innovative sustainable solutions planned until 2025

Waste collection
- Co-founder of the project STOP
- Support to create a sustainable waste management system
- Reduce ocean plastic pollution in emerging countries

Design for recycling & mechanical recycling
- Technology leader within the industry
- Design for recycling – solutions to replace difficult-to-recycle materials with 100% recyclable ones
- 2 recycling plants in Austria and Germany

Chemical recycling
- ReOil® – patented technology, converting of plastic waste into high-quality synthetic crude
- Substantially lower CO2 emissions
- Successful operation of pilot plant
- Target: Upscaling to commercial plant of 200 kta by 2025
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Borealis – strong earnings track record

Borealis and pro-rata Borouge EBITDA
EUR bn

Borealis and pro-rata Borouge net income
EUR bn
Borealis – highly cash generative operations

Operating cash flow

<table>
<thead>
<tr>
<th>Year</th>
<th>EUR bn</th>
<th>Excl. changes in net working capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1.0</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>1.3</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>1.3</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>1.4</td>
<td></td>
</tr>
</tbody>
</table>

Borealis investments (excluding leases)

<table>
<thead>
<tr>
<th>Year</th>
<th>EUR bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>0.4</td>
</tr>
<tr>
<td>2016</td>
<td>0.4</td>
</tr>
<tr>
<td>2017</td>
<td>0.5</td>
</tr>
<tr>
<td>2018</td>
<td>0.4</td>
</tr>
<tr>
<td>2019</td>
<td>0.5</td>
</tr>
</tbody>
</table>

Dividends from Borouge

<table>
<thead>
<tr>
<th>Year</th>
<th>EUR bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>1.2</td>
</tr>
<tr>
<td>2018</td>
<td>1.3</td>
</tr>
<tr>
<td>2017</td>
<td>1.4</td>
</tr>
</tbody>
</table>

Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>EUR bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>0.4</td>
</tr>
<tr>
<td>2016</td>
<td>0.4</td>
</tr>
<tr>
<td>2017</td>
<td>0.5</td>
</tr>
<tr>
<td>2018</td>
<td>0.4</td>
</tr>
<tr>
<td>2019</td>
<td>0.5</td>
</tr>
</tbody>
</table>

1 excl. changes in net working capital
OMV to reach a new level of operating cash flow

Illustrative – OMV Operating Cash flow excluding changes in net working capital
EUR bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Downstream including 36% in Borealis</th>
<th>Upstream</th>
<th>Corporate &amp; Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>3.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>3.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>4.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>4.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2019 illustrative including Borealis

Borealis including 40% dividends from Borouge

Downstream excluding Borealis dividends

Upstream

Illustrative – OMV Operating Cash flow excluding changes in net working capital

Corporate & Others

OMV Group Conference Call, March 12, 2020
Cash outflows related to growth mostly in 2020/21

**Borealis organic Capex excluding leases and excluding Baystar JV**

EUR bn

<table>
<thead>
<tr>
<th></th>
<th>Past five years average</th>
<th>2020/21 average</th>
<th>2022</th>
<th>2023+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic growth</td>
<td>0.4</td>
<td>~1.0</td>
<td>~0.7</td>
<td>&lt;0.5</td>
</tr>
<tr>
<td>Running business</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Borealis Organic Capex**
  - Running business capex to remain below EUR 500 mn
  - Growth capex in 2020/21 mainly driven by PDH plant

- **Acquisition of additional 50% in Novealis Holding and funding of Baystar JV growth projects expected in 2020 and 2021 (~ USD 1.3 bn)**
  - Acquisition of additional 50% in Novealis Holding expected to close in H1/20

- **Growth capex in Borouge expected to be self funded**
Gearing ratio to be reduced to around 30% by the end of 2021

<table>
<thead>
<tr>
<th></th>
<th>Divestments of EUR 2 bn by 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gas Connect Austria</td>
</tr>
<tr>
<td></td>
<td>OMV retail stations in Germany</td>
</tr>
<tr>
<td></td>
<td>Kazakhstan Upstream business</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Postponement and re-evaluation of projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Postponement of Achimov 4/5 acquisition to 2022 (EUR &gt;1 bn)</td>
</tr>
<tr>
<td></td>
<td>FID Neptun earliest in 2021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>CAPEX reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Reduction of OMV CAPEX by EUR 200 mn to EUR 2.2 bn in 2020</td>
</tr>
<tr>
<td></td>
<td>Further optimization of combined business in 2021/22</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Substantial synergies</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>EUR 700 mn until end of 2025, including tax benefits</td>
</tr>
</tbody>
</table>

GEARING RATIO TARGET excluding leases

~30% by end of 2021
First assets part of the divestment program

Gas Connect Austria

- Ownership: OMV 51%, AS Gasinfrastruktur 49% (thereof, Allianz Group 60% and Snam 40%)
- Central hub in the European natural gas network
- Clean Operating Result in 2019 of EUR 97 mn
- **Strategic rationale:** OMV intends to exit completely the regulated gas transport business

OMV retail network in Germany

- 287 retail stations branded OMV in Germany
- Average throughput of 3.3 million liters
- **Strategic rationale:** Limited integration with refinery, as Burghausen is focused on petrochemicals and middle distillates
Progressive dividend policy reconfirmed

We reconfirm the commitment to delivering an attractive and predictable shareholder return through the business cycle.

OMV aims to increase the dividend or at least maintain it at the respective previous year’s level.
AGENDA

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- Combined perspectives way forward
- Financials
- Summary
OMV is repositioning in a low-carbon world, gaining access to markets with long-term growth perspectives.

OMV will become a leader in petrochemicals and polymers.

OMV aims to become a leader in high-growth recycling industry.

The deal will be immediately EPS accretive.

Measures in place to reduce gearing ratio to around 30% (excluding leases) by end of 2021.

Reconfirmation of progressive dividend policy.