

Q4

Quarterly Report 2020



OMV Group

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Table of Contents

Directors' Report (condensed, unaudited)	4
Group performance	4
Outlook	9
Business segments	10
Upstream	10
Downstream	12
Preliminary Group Financial Statements (condensed, unaudited)	15
Declaration of the Management	28
Further Information	29

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. Neither OMV nor any other person assumes responsibility for the accuracy and completeness of any of the forward-looking statements contained in this report. OMV disclaims any obligation to update these forward-looking statements to reflect actual results, revised assumptions and expectations and future developments and events. This report does not contain any recommendation or invitation to buy or sell securities in OMV.

OMV Group Report January–December and Q4 2020 including preliminary consolidated financial statements as of December 31, 2020

Key Performance Indicators ¹

Group

- ▶ Clean CCS Operating Result came in at EUR 524 mn
- ▶ Clean CCS net income attributable to stockholders amounted to EUR 219 mn, clean CCS Earnings Per Share were EUR 0.67
- ▶ Cash flow from operating activities excluding net working capital effects ² of EUR 830 mn
- ▶ Organic free cash flow before dividends of EUR 126 mn
- ▶ Clean CCS ROACE at 5%
- ▶ Lost-Time Injury Rate at 0.35
- ▶ Cost savings of more than EUR 300 mn versus 2019 achieved ³
- ▶ Dividend Per Share of EUR 1.85 proposed ⁴; increase of 6% compared to the previous year

Upstream

- ▶ Production decreased to 472 kboe/d
- ▶ Production cost decreased to USD 6.2/boe

Downstream

- ▶ OMV refining indicator margin significantly declined by 66% to USD 1.7/bbl
- ▶ Natural gas sales volumes increased by 13% to 50.4 TWh

Key events

- ▶ On February 4, 2021: OMV changes corporate structure and appoints new Executive Board member
- ▶ On January 20, 2021: Additional petrochemical investments in Burghausen Refinery
- ▶ On December 29, 2020: OMV Petrom divests production assets in Kazakhstan
- ▶ On December 15, 2020: OMV invests around EUR 200 mn in biofuel production at Schwechat Refinery
- ▶ On December 14, 2020: EG Group acquires OMV filling station business in Germany
- ▶ On December 10, 2020: OMV retains its leadership score in CDP Climate Change
- ▶ On December 3, 2020: OMV and VERBUND start up Austria's largest photovoltaic plant
- ▶ On November 19, 2020: OMV listed in Dow Jones Sustainability Index for third straight year
- ▶ On October 29, 2020: OMV and Mubadala complete Borealis transaction

Note: Figures in the following tables may not add up due to rounding differences. Differences between percentages are displayed as percentage points throughout the document. In the interest of a fluid style that is easy to read, non-gender-specific terms have been used in the OMV Group Report.

¹ Figures reflect the Q4/20 period; all comparisons described relate to the same quarter in the previous year except where otherwise mentioned.

² Displayed as sources of funds in the cash flow statement

³ Initial target of around EUR 200 mn in OPEX savings and reduction of exploration expenditures

⁴ As proposed by the Executive Board; subject to confirmation by the Supervisory Board and the Annual General Meeting 2021

February 4, 2021

Directors' Report (condensed, unaudited)

Group performance

Financial highlights

In EUR mn (unless otherwise stated)

Q4/20	Q3/20	Q4/19	Δ% ¹		2020	2019	Δ%
4,956	3,696	6,074	(18)	Sales revenues ²	16,550	23,461	(29)
524	317	781	(33)	Clean CCS Operating Result ³	1,686	3,536	(52)
184	(24)	459	(60)	Clean Operating Result Upstream ³	145	1,951	(93)
369	335	385	(4)	Clean CCS Operating Result Downstream ³	1,514	1,677	(10)
(17)	(12)	(31)	44	Clean Operating Result Corporate and Other ³	(47)	(67)	30
(12)	18	(33)	62	Consolidation: elimination of intersegmental profits	74	(25)	n.m.
33	38	43	(10)	Clean CCS Group tax rate in %	32	38	(6)
321	160	420	(23)	Clean CCS net income ³	1,026	2,121	(52)
219	80	310	(29)	Clean CCS net income attributable to stockholders ^{3,4}	679	1,624	(58)
0.67	0.24	0.95	(29)	Clean CCS EPS in EUR ³	2.08	4.97	(58)
524	317	781	(33)	Clean CCS Operating Result ³	1,686	3,536	(52)
954	(997)	7	n.m.	Special items ⁵	(220)	(64)	n.m.
35	72	37	(4)	CCS effects: inventory holding gains/(losses)	(416)	110	n.m.
1,513	(607)	824	84	Operating Result Group	1,050	3,582	(71)
153	(1,044)	448	(66)	Operating Result Upstream	(1,137)	1,879	n.m.
1,392	444	449	n.m.	Operating Result Downstream	2,160	1,847	17
(19)	(12)	(36)	46	Operating Result Corporate and Other	(56)	(91)	38
(12)	5	(36)	66	Consolidation: elimination of intersegmental profits	83	(54)	n.m.
(47)	(59)	(47)	0	Net financial result	(175)	(129)	(35)
1,466	(666)	777	89	Profit before tax	875	3,453	(75)
(33)	31	41	(74)	Group tax rate in %	(69)	38	(107)
1,946	(458)	458	n.m.	Net income	1,478	2,147	(31)
1,880	(487)	355	n.m.	Net income attributable to stockholders ⁴	1,258	1,678	(25)
5.75	(1.49)	1.09	n.m.	Earnings Per Share (EPS) in EUR	3.85	5.14	(25)
679	791	981	(31)	Cash flow from operating activities	3,137	4,056	(23)
(3,771)	368	342	n.m.	Free cash flow before dividends	(2,811)	(583)	n.m.
(4,430)	368	256	n.m.	Free cash flow after dividends	(3,690)	(1,441)	(156)
126	432	378	(67)	Organic free cash flow before dividends ⁶	1,273	2,119	(40)
				Dividend Per Share (DPS) in EUR ⁷	1.85	1.75	6
8,130	1,830	3,632	124	Net debt excluding leases	8,130	3,632	124
9,347	2,853	4,686	99	Net debt including leases	9,347	4,686	99
41	11	22	19	Gearing ratio excluding leases in %	41	22	19
32	15	22	10	Leverage ratio in %	32	22	10
4,830	363	773	n.m.	Capital expenditure ⁸	6,048	4,916	23
726	363	746	(3)	Organic capital expenditure ⁹	1,884	2,251	(16)
5	6	11	(6)	Clean CCS ROACE in % ³	5	11	(6)
8	1	11	(4)	ROACE in %	8	11	(4)
25,291	19,228	19,845	27	Employees	25,291	19,845	27
0.35	0.20	0.28	23	Lost-Time Injury Rate per 1 mn hours worked	0.32	0.34	(6)

¹ Q4/20 compared to Q4/19

² Sales revenues excluding petroleum excise tax

³ Adjusted for special items and CCS effects; further information can be found below the table "Special items and CCS effects."

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 the 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 and temporary hedging effects for material transactions are included.

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

⁷ 2020: as proposed by the Executive Board; subject to confirmation by the Supervisory Board and the Annual General Meeting 2021

⁸ Capital expenditure including acquisitions

⁹ Organic capital expenditure is defined as capital expenditure including capitalized Exploration and Appraisal expenditure and excluding acquisitions and contingent considerations.

February 4, 2021

Fourth quarter 2020 (Q4/20) compared to fourth quarter 2019 (Q4/19)

Consolidated sales revenues decreased by 18% to EUR 4,956 mn due to the overall lower global commodity price environment and reduced sales volumes for most products partially offset by higher natural gas sales volumes and two months of fully-consolidated Borealis results in the Downstream segment. The **clean CCS Operating Result** declined by 33% from EUR 781 mn to EUR 524 mn. The contribution of Upstream was EUR 184 mn (Q4/19: EUR 459 mn). In Downstream, the clean CCS Operating Result amounted to EUR 369 mn (Q4/19: EUR 385 mn). The consolidation line was EUR (12) mn in Q4/20 (Q4/19: EUR (33) mn). OMV Petrom's contribution to the Group's clean CCS Operating Result totaled EUR 95 mn (Q4/19: EUR 234 mn).

The **clean CCS Group tax rate** was 33%, significantly lower than in the same quarter last year (Q4/19: 43%). This reflects the reduced contribution from Upstream, in particular from countries with high tax regimes. The **clean CCS net income** weakened to EUR 321 mn (Q4/19: EUR 420 mn). The **clean CCS net income attributable to stockholders** was EUR 219 mn (Q4/19: EUR 310 mn). **Clean CCS Earnings Per Share** came in at EUR 0.67 (Q4/19: EUR 0.95).

Net **special items** of EUR 954 mn were recorded in Q4/20 (Q4/19: EUR 7 mn), which were mainly the result of the step-up in the valuation of the previously owned 36% share in Borealis AG. **CCS effects** of EUR 35 mn were recognized in Q4/20. The OMV Group's reported **Operating Result** increased considerably by 84% to EUR 1,513 mn (Q4/19: EUR 824 mn). OMV Petrom's contribution to the Group's reported Operating Result declined by 49% to EUR 110 mn (Q4/19: EUR 217 mn).

The **net financial result** stood at EUR (47) mn (Q4/19: EUR (47) mn). The **Group tax rate** was significantly affected by income from tax synergies from the acquisition of additional shares in Borealis that led to a write-up of deferred tax assets in the Austrian tax group (among other effects). **Net income** thus amounted to EUR 1,946 mn (Q4/19: EUR 458 mn). The **net income attributable to stockholders** increased considerably to EUR 1,880 mn (Q4/19: EUR 355 mn). **Earnings Per Share** amounted to EUR 5.75 (Q4/19: EUR 1.09).

As of December 31, 2020, **net debt excluding leases** amounted to EUR 8,130 mn compared to EUR 3,632 mn on December 31, 2019, mainly due to increased financing as a result of the acquisition of an additional 39% share in Borealis AG. As of December 31, 2020, the **gearing ratio excluding leases** stood at 41% (December 31, 2019: 22%). For further information on the gearing ratio, please see section "Financial liabilities" on page 24.

The leverage ratio KPI was introduced as an additional metric to measure OMV's debt level. It is defined as (net debt including leases) / (equity + net debt including leases), and amounted to 32% in Q4/20 (Q4/19: 22%).

Total **capital expenditure** came in at EUR 4,830 mn (Q4/19: EUR 773 mn) and was mainly related to the acquisition of an additional 39% share in Borealis AG for USD 4.68 bn. In Q4/20, **organic capital expenditure** decreased slightly by 3% to EUR 726 mn (Q4/19: EUR 746 mn).

January to December 2020 compared to January to December 2019

Consolidated sales revenues decreased by 29% to EUR 16,550 mn due to the overall lower global commodity price environment and reduced sales volumes for most products, mainly caused by the effects of the COVID-19 pandemic and partially offset by higher natural gas sales volumes in the Downstream segment. The **clean CCS Operating Result** declined considerably from EUR 3,536 mn in 2019 to EUR 1,686 mn. The contribution from Upstream amounted to EUR 145 mn (2019: EUR 1,951 mn). In Downstream, the clean CCS Operating Result stood at EUR 1,514 mn (2019: EUR 1,677 mn). The consolidation line was EUR 74 mn in 2020 (2019: EUR (25) mn). OMV Petrom's contribution to the Group's clean CCS Operating Result amounted to EUR 472 mn (2019: EUR 973 mn).

The **clean CCS Group tax rate** in 2020 was 32% (2019: 38%), reflecting the lower contribution from Upstream, in particular from countries with high tax regimes. The **clean CCS net income** declined to EUR 1,026 mn (2019: EUR 2,121 mn). The **clean CCS net income attributable to stockholders** amounted to EUR 679 mn (2019: EUR 1,624 mn). **Clean CCS Earnings Per Share** were EUR 2.08 (2019: EUR 4.97).

Net **special items** of EUR (220) mn were recorded in 2020 (2019: EUR (64) mn), which related mainly to the impairments triggered by OMV's revision of its long-term Brent crude oil price planning assumptions and offset to a large extent by a step-up in the valuation of the previously owned 36% share in Borealis. **CCS effects** of EUR (416) mn were recognized in 2020. The OMV Group's reported **Operating Result** decreased substantially to EUR 1,050 mn (2019: EUR 3,582 mn). The contribution of OMV Petrom to the Group's reported Operating Result declined to EUR 302 mn (2019: EUR 895 mn).

The **net financial result** decreased to EUR (175) mn (2019: EUR (129) mn) mainly due to the negative FX result which was only partly offset by lower interest expenses. The **Group tax rate** was significantly affected by income from tax synergies from the acquisition of additional shares in Borealis that led to a write-up of deferred tax assets in the Austrian tax group (among other effects). **Net income** thus amounted to EUR 1,478 mn (2019: EUR 2,147 mn). The **net income attributable to stockholders** was EUR 1,258 mn compared to EUR 1,678 mn in 2019. **Earnings Per Share** decreased to EUR 3.85 compared to EUR 5.14 in 2019.

February 4, 2021

Total **capital expenditure** amounted to EUR 6,048 mn (2019: EUR 4,916 mn) and was mainly related to the acquisition of an additional 39% share in Borealis for USD 4.68 bn. In 2019, total capital expenditure included the acquisition of a 50% interest in newly formed company SapuraOMV in the amount of USD 540 mn and the acquisition of a 15% stake in the ADNOC Refining and Trading Joint Venture for USD 2.43 bn. **Organic capital expenditure** decreased by 16% to EUR 1,884 mn (2019: EUR 2,251 mn) following the implementation of measures to safeguard the Company's financial strength. Due to the full consolidation of Borealis in the last two months of 2020, Borealis' share of EUR 196 mn is included in this figure.

Special items and CCS effect

In EUR mn

Q4/20	Q3/20	Q4/19	Δ% ¹		2020	2019	Δ%
524	317	781	(33)	Clean CCS Operating Result ²	1,686	3,536	(52)
954	(997)	7	n.m.	Special items	(220)	(64)	n.m.
(0)	(33)	(4)	91	thereof personnel restructuring	(39)	(34)	(16)
(0)	(914)	(25)	99	thereof unscheduled depreciation / write-ups	(1,084)	(39)	n.m.
13	3	(8)	n.m.	thereof asset disposals	19	5	n.m.
942	(53)	44	n.m.	thereof other	885	4	n.m.
35	72	37	(4)	CCS effects: inventory holding gains/(losses)	(416)	110	n.m.
1,513	(607)	824	84	Operating Result Group	1,050	3,582	(71)

¹ Q4/20 compared to Q4/19² Adjusted for special items and CCS effects

The disclosure of **special items** is considered appropriate in order to facilitate the analysis of the 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.

February 4, 2021

Cash flow**Summarized cash flow statement**

In EUR mn

Q4/20	Q3/20	Q4/19	Δ% ¹		2020	2019	Δ%
830	687	963	(14)	Sources of funds	2,786	4,264	(35)
679	791	981	(31)	Cash flow from operating activities	3,137	4,056	(23)
(4,450)	(423)	(639)	n.m.	Cash flow from investing activities	(5,948)	(4,638)	(28)
(3,771)	368	342	n.m.	Free cash flow	(2,811)	(583)	n.m.
(689)	1,158	(549)	(26)	Cash flow from financing activities	2,808	(484)	n.m.
(5)	(24)	(13)	57	Effect of exchange rate changes on cash and cash equivalents	(66)	(22)	n.m.
(4,465)	1,502	(219)	n.m.	Net (decrease)/increase in cash and cash equivalents	(69)	(1,088)	94
7,334	5,832	3,157	132	Cash and cash equivalents at beginning of period	2,938	4,026	(27)
2,869	7,334	2,938	(2)	Cash and cash equivalents at end of period	2,869	2,938	(2)
15	3	7	116	thereof cash disclosed within Assets held for sale	15	7	116
2,854	7,331	2,931	(3)	Cash and cash equivalents presented in the consolidated statement of financial position	2,854	2,931	(3)
(4,430)	368	256	n.m.	Free cash flow after dividends	(3,690)	(1,441)	(156)
126	432	378	(67)	Organic free cash flow before dividends ²	1,273	2,119	(40)

¹ Q4/20 compared to Q4/19² Organic free cash flow before dividends is cash flow from operating activities less cash flow from investing activities excluding disposals and material inorganic cash flow components (e.g., acquisitions).**Fourth quarter 2020 (Q4/20) compared to fourth quarter 2019 (Q4/19)**

In Q4/20, **sources of funds** decreased to EUR 830 mn (Q4/19: EUR 963 mn), significantly impacted by a less favorable market environment. Net working capital effects generated a cash outflow of EUR (151) mn, compared to a cash inflow of EUR 18 mn in Q4/19. As a result, **cash flow from operating activities** amounted to EUR 679 mn in Q4/20 (Q4/19: EUR 981 mn).

Cash flow from investing activities showed an outflow of EUR (4,450) mn compared to EUR (639) mn in Q4/19, including a cash outflow of EUR (3,805) mn related to the acquisition of an additional 39% stake in Borealis AG.

Free cash flow amounted to EUR (3,771) mn (Q4/19: EUR 342 mn).

Cash flow from financing activities recorded an outflow of EUR (689) mn compared to EUR (549) mn in Q4/19. While Q4/20 was impacted by dividend payments of EUR (659) mn, Q4/19 included the repayment of a EUR 500 mn bond.

Free cash flow after dividends declined to EUR (4,430) mn (Q4/19: EUR 256 mn).

Organic free cash flow before dividends decreased to EUR 126 mn (Q4/19: EUR 378 mn).

January to December 2020 compared to January to December 2019

In 2020, **sources of funds** dropped to EUR 2,786 mn (2019: EUR 4,264 mn), significantly impacted by a less favorable market environment, mainly caused by the effects of the COVID-19 pandemic. Working capital components generated a cash inflow of EUR 351 mn (2019: outflow of EUR (208) mn). **Cash flow from operating activities** amounted to EUR 3,137 mn, down by EUR (919) mn compared to 2019.

Cash flow from investing activities showed an outflow of EUR (5,948) mn in 2020, compared to EUR (4,638) mn in 2019. 2020 included a net cash outflow of EUR (3,870) mn related to the acquisition of an additional 39% stake in Borealis AG while 2019 included a cash outflow of EUR (460) mn related to the acquisition of a 50% interest in the new company SapuraOMV and a cash outflow of EUR (2,095) mn related to the acquisition of a 15% stake in the ADNOC Refining business. Cash flow from investing activities in 2020 included a cash outflow of EUR (18) mn related to the financing agreements for the Nord Stream 2 pipeline project (2019: EUR (113) mn).

Free cash flow amounted to EUR (2,811) mn (2019: EUR (583) mn).

Cash flow from financing activities showed an inflow of EUR 2,808 mn compared to an outflow of EUR (484) mn in 2019, mainly attributable to the issuance of bonds of EUR 3.25 bn and hybrid bonds of EUR 1.25 bn in 2020, while 2019 included new bonds of EUR 1.3 bn.

Free cash flow after dividends declined to EUR (3,690) mn in 2020 (2019: EUR (1,441) mn).

Organic free cash flow before dividends amounted to EUR 1,273 mn (2019: EUR 2,119 mn).

February 4, 2021

Risk management

As an international oil and gas company with operations extending from hydrocarbon exploration and production through to trading and marketing of mineral oil products and natural gas, OMV is exposed to a variety of risks, including market risks, financial risks, operational risks, and strategic risks. A detailed description of risks and risk management activities can be found in the 2019 Annual Report (pages 80–82).

The main uncertainties that can influence the OMV Group's performance are the commodity price risk, FX risk, operational risks, and also political and 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 a clear commitment to keeping OMV's risks in line with industry standards.

The global outbreak of the COVID-19 pandemic continues to have a major impact on global economic development. While oil prices increased during the fourth quarter following supply reductions in 2020 as well as expectations of increased demand and further positive effects from the start of the vaccinations, they still remain significantly volatile. Recent increases in COVID-19 cases around the world and in particular in Europe could lead to delays in the assumed demand recovery, following the response of governments and citizens. Thus, the consequences of the COVID-19 pandemic and the extent and duration of the economic impact cannot be reliably estimated from today's perspective. However, OMV is closely monitoring the development and regularly evaluating the impact on the Group's cash flow and liquidity position. OMV is responding to the situation with targeted measures to safeguard the Company's economic stability and the secure supply of energy. The health and wellbeing of every employee is the top priority. At the same time, OMV is implementing targeted measures to safeguard the Company's financial strength, namely reduction of investments, cost cutting, and postponing acquisition projects.

From today's perspective, we assume that based on the measures listed above, the Company's ability to continue as a going concern is not impacted.

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 preliminary consolidated financial statements for disclosures on significant transactions with related parties.

February 4, 2021

Outlook

Following the reorganization of the OMV Group, starting with Q1/21 OMV will change its reporting structure. The Business Segments will be reported as follows: Exploration & Production, Refining & Marketing, and Chemicals & Materials.

Market environment

For 2021, OMV expects the average Brent crude oil price to be in the range between USD 50/bbl and USD 55/bbl (2020: USD 42/bbl). In 2021, the average realized gas price is anticipated to be higher than EUR 10/MWh (2020: EUR 8.9/MWh).

Group

- ▶ In 2021, organic CAPEX is projected to come in at around EUR 2.7 bn ¹, including non-cash effective CAPEX related to leases of around EUR 0.2 bn.

Exploration & Production

- ▶ OMV expects total production to be at around 480 kboe/d in 2021 (2020: 463 kboe/d), depending on the security situation in Libya and imposed production cuts by governments.
- ▶ Organic CAPEX for Exploration & Production is anticipated to come in at EUR 1.1 bn in 2021.
- ▶ In 2021, Exploration and Appraisal (E&A) expenditure is expected to be at around EUR 230 mn (2020: EUR 227 mn).

Refining & Marketing

- ▶ The OMV refining indicator margin is expected above the previous year's level (2020: USD 2.4/bbl).
- ▶ Total refined product sales in 2021 are projected to be higher compared to 2020 (2020: 17.8 mn t). In OMV's markets, retail margins are forecast to be lower than in 2020 and commercial margins are predicted to be higher than the prior-year level.
- ▶ The utilization rate of the European refineries is expected to remain at the prior-year level (2020: 86%). In 2021, there is no major turnaround planned for our refineries in Europe.
- ▶ Natural gas sales volumes in 2021 are projected to be above those in 2020 (2020: 164 TWh).
- ▶ Organic CAPEX in Refining & Marketing and Corporate are forecast at around EUR 0.7 bn.

Chemicals & Materials

- ▶ The European ethylene indicator margin is expected to be at the prior year's level (2020: EUR 435/t). The European propylene indicator margin is projected to be at the prior year's level as well (2020: EUR 364/t).
- ▶ The polyethylene sales volume of Borealis AG in 2021 is projected to be slightly above the prior-year level (2020: 1.76 mn t). The polypropylene sales volume of Borealis AG is expected to be in line with the prior-year level (2020: 2.12 mn t).
- ▶ The European polyethylene indicator margin in 2021 is forecast to be above the previous year's level (2020: EUR 350/t). The European polypropylene indicator margin is expected to be above the previous year's level. (2020: EUR 413/t).
- ▶ Organic CAPEX related to Chemicals & Materials amount to around EUR 0.9 bn.

¹ Organic capital expenditure is defined as capital expenditure including capitalized Exploration and Appraisal expenditure and excluding acquisitions and contingent considerations.

February 4, 2021

Business segments

Upstream

In EUR mn (unless otherwise stated)

Q4/20	Q3/20	Q4/19	Δ% ¹		2020	2019	Δ%
518	315	896	(42)	Clean Operating Result before depreciation and amortization, impairments and write-ups	1,627	3,722	(56)
184	(24)	459	(60)	Clean Operating Result	145	1,951	(93)
(31)	(1,020)	(11)	(182)	Special items	(1,282)	(71)	n.m.
153	(1,044)	448	(66)	Operating Result	(1,137)	1,879	n.m.
301	204	489	(39)	Capital expenditure ²	1,090	2,070	(47)
39	26	120	(68)	Exploration expenditure	227	360	(37)
44	650	73	(39)	Exploration expenses	896	229	n.m.
6.22	7.50	6.39	(3)	Production cost in USD/boe	6.58	6.61	(0)

Key Performance Indicators

472	444	505	(7)	Total hydrocarbon production in kboe/d	463	487	(5)
182	165	214	(15)	thereof oil and NGL production in kboe/d	177	209	(15)
290	279	291	(0)	thereof natural gas production in kboe/d	286	279	3
16.8	15.2	19.7	(15)	Crude oil and NGL production in mn bbl	64.7	76.1	(15)
155.9	150.0	156.2	(0)	Natural gas production in bcf	612.0	593.1	3
454	422	477	(5)	Total hydrocarbon sales volumes in kboe/d	439	464	(5)
190	165	211	(10)	thereof oil and NGL sales volumes in kboe/d	177	210	(16)
264	258	266	(1)	thereof natural gas sales volumes in kboe/d	262	253	3
44.16	42.94	63.08	(30)	Average Brent price in USD/bbl	41.84	64.21	(35)
41.60	37.35	60.96	(32)	Average realized crude price in USD/bbl ³	37.97	61.66	(38)
3.37	2.64	3.81	(12)	Average realized gas price in USD/1,000 cf ³	3.12	4.08	(23)
9.26	7.27	11.26	(18)	Average realized gas price in EUR/MWh ^{3,4}	8.94	11.91	(25)
1.193	1.169	1.107	8	Average EUR-USD exchange rate	1.142	1.120	2

¹ Q4/20 compared to Q4/19² Capital expenditure including acquisitions, notably the acquisition of a 50% interest in the newly formed company SapuraOMV in 2019 for USD 540 mn.³ Average realized prices include hedging effects.⁴ The average realized gas price is converted to MWh using a standardized calorific value across the portfolio of 10.8 MWh for 1,000 cubic meters of natural gas.

Fourth quarter 2020 (Q4/20) compared to fourth quarter 2019 (Q4/19)

- ▶ The clean Operating Result dropped sharply to EUR 184 mn because of substantially lower oil and gas prices.
- ▶ Production fell by 33 kboe/d to 472 kboe/d, as new production in Malaysia partially offset declines in other areas.
- ▶ Production cost decreased to USD 6.2/boe.

In Q4/20, the **clean Operating Result** contracted sharply from EUR 459 mn to EUR 184 mn. A very challenging market environment weighed most strongly on results, along with a minor negative influence from operational performance. Net market effects had a negative impact of EUR (354) mn, mainly a consequence of materially lower average realized oil and gas prices and adverse FX effects. Operational performance lowered returns marginally by EUR (4) mn, as the production volume decreased. The absence of any major exploration write-offs lowered E&A expenses, improving the result. A positive impact also came from depreciation, which was EUR (83) mn lower, as a result of less production, impairments and reserve revisions. In Q4/20, OMV Petrom contributed EUR 5 mn to the clean Operating Result (Q4/19: EUR 147 mn).

In Q4/20, net **special items** amounted to EUR (31) mn (Q4/19: EUR (11) mn). The **Operating Result** contracted strongly to EUR 153 mn (Q4/19: EUR 448 mn).

Production cost excluding royalties declined slightly to USD 6.2/boe (Q4/19: USD 6.4/boe). OMV Petrom's production cost amounted to USD 11.4/boe.

The **total hydrocarbon production** volume decreased by 33 kboe/d to 472 kboe/d. Libyan production ramped up gradually during the quarter, following the end of the force majeure situation. Natural decline in Romania, lower natural gas demand in New Zealand caused by the COVID-19 pandemic and less Russian natural gas output due to low pipeline pressure were offset to a large extent by higher volumes in Malaysia from newly commissioned fields. OMV Petrom's total production was down by 12 kboe/d to 140 kboe/d, due to natural decline. **Total hydrocarbon sales volumes** fell to 454 kboe/d (Q4/19: 477 kboe/d), broadly following production developments.

February 4, 2021

After a decline in October, the Brent oil price benchmark restarted its recovery path in November, and surpassed the USD 50/bbl threshold for the first time in nine months early December. Better visibility concerning the development and deployment of a vaccine against COVID-19 restored some investor confidence and created a cautiously optimistic sentiment about a further economic rebound during 2021. In a quarterly comparison, the **average Brent price** increased further, to USD 44.2/bbl. In a yearly comparison however, the COVID-19 pandemic still exerted a strong negative pressure on the oil price development. This is why the Group's **average realized crude price** receded by 32% year over year. On the natural gas side, the tentatively positive economic sentiment was supported by substantial cold spells in the Northern hemisphere at the start of the heating season, driving up demand. Natural gas supply faced restraints triggered by a strike in Norway and global LNG outages. These developments drove European hub prices above last year's level during Q4/20. Due to OMV's non-European natural gas exposure and a time lag to hub prices in some markets, the **average realized gas price** in USD/1,000 cf was still lower than in the same quarter last year, by some 12%.

Capital expenditure including capitalized E&A decreased significantly as a result of cost-saving measures and reduced activity during the COVID-19 pandemic, from EUR 489 mn to EUR 301 mn in Q4/20. In Q4/20, organic capital expenditure was primarily directed at projects in Romania, Norway, the United Arab Emirates, and New Zealand. **Exploration expenditure** was cut by 68% to EUR 39 mn in Q4/20 and was mainly related to activities in Romania and Norway.

January to December 2020 compared to January to December 2019

The **clean Operating Result** dropped sharply from EUR 1,951 mn to EUR 145 mn in 2020. Net market effects had a negative impact of EUR (1,846) mn as a consequence of materially lower average realized oil and gas prices. A reduced operational performance lowered returns by EUR (245) mn and was mainly a consequence of the force majeure situation and the ensuing liftings shortfall in Libya during most of the year. Significantly higher sales volumes in Malaysia had a strong balancing effect. Depreciation decreased by EUR (286) mn due to reduced production, impairments and reserve revisions. In 2020, OMV Petrom contributed EUR 1 mn to the clean Operating Result compared to EUR 599 mn in 2019.

Net **special items** amounted to EUR (1,282) mn in 2020 (2019: EUR (71) mn) and were mainly related to the impairments triggered by OMV's revision of its long-term Brent crude oil price planning assumptions. The **Operating Result** contracted sharply to EUR (1,137) mn (2019: EUR 1,879 mn).

Production cost excluding royalties was at the same level on average in 2020 as in 2019, at USD 6.6/boe. Further cost saving initiatives and reduced activity during the COVID-19 lockdown were able to offset the incremental effect stemming from lower production. At OMV Petrom, production cost also remained stable at USD 10.9/boe.

The **total hydrocarbon production** volume decreased by 24 kboe/d to 463 kboe/d, primarily due to lower production in Libya as a result of the force majeure situation. Production in Malaysia rose substantially and was able to offset some of the reduced production in Romania, New Zealand and Russia. OMV Petrom's total production was down by 7 kboe/d to 145 kboe/d, mainly due to natural decline. Total sales volumes fell to 439 kboe/d (2019: 464 kboe/d) in line with production volumes.

In 2020, the **average Brent price** reached USD 41.8/bbl, a substantial decrease by 35%. The Group's **average realized crude price** dropped by 38%. The **average realized gas price** in USD/1,000 cf receded by 23%.

Capital expenditure including capitalized E&A was cut back to EUR 1,090 mn in 2020 (2019: EUR 2,070 mn) following a widespread effort to reduce spending. Capital expenditure in 2019 included the purchase of a 50% interest in newly formed company SapuraOMV for USD 540 mn. Organic capital expenditure was primarily directed at projects in Romania, Norway, the United Arab Emirates, and New Zealand. **Exploration expenditure** was EUR 227 mn in 2020, and could thus be reduced by 37% compared to 2019. It was mainly related to activities in Norway, New Zealand, Romania, and Malaysia.

Proved reserves (1P) as of December 31, 2020, increased to 1,337 mn boe (thereof OMV Petrom¹: 473 mn boe). With a one-year Reserve Replacement Rate (RRR) of 102% (2019: 135%), a value of over 100% has now been achieved five years in a row. The three-year RRR reached 138% (2019: 166%). Proved reserves remained stable despite the challenging market environment. Major contributions came from successful drilling and development activities in the United Arab Emirates, Russia and Norway, and the positive production performance in Russia, Norway and New Zealand. **Proved and probable reserves (2P)** increased to 2,365 mn boe (thereof OMV Petrom¹: 761 mn boe), remaining broadly stable as well, mostly as a result of successful development activities in Malaysia and New Zealand.

¹OMV Petrom covers Romania and Kazakhstan.

February 4, 2021

Downstream

In EUR mn (unless otherwise stated)

Q4/20	Q3/20	Q4/19	Δ% ¹		2020	2019	Δ%
585	454	526	11	Clean CCS Operating Result before depreciation and amortization, impairments and write-ups ²	2,106	2,223	(5)
369	335	385	(4)	Clean CCS Operating Result ²	1,514	1,677	(10)
43	47	35	25	thereof petrochemicals	224	241	(7)
162	59	50	n.m.	thereof Borealis ³	300	314	(5)
(33)	(49)	18	n.m.	thereof ADNOC Refining & Trading	(107)	8	n.m.
79	78	84	(7)	thereof gas	337	194	73
987	23	23	n.m.	Special items	1,071	31	n.m.
36	85	40	(12)	CCS effects: inventory holding gains/(losses) ²	(425)	139	n.m.
1,392	444	449	n.m.	Operating Result	2,160	1,847	17
4,519	155	270	n.m.	Capital expenditure ⁴	4,930	2,774	78

Key Performance Indicators							
1.71	0.87	5.02	(66)	OMV refining indicator margin in USD/bbl ⁵	2.44	4.44	(45)
369	375	363	2	Ethylene/propylene net margin in EUR/t ^{5,6}	400	433	(8)
81	90	98	(17)	Utilization rate refineries in %	86	97	(11)
4.37	4.68	5.17	(16)	Total refined product sales in mn t	17.81	20.94	(15)
1.47	1.75	1.64	(10)	thereof retail sales volumes in mn t	5.88	6.53	(10)
0.59	0.58	0.59	1	thereof petrochemicals in mn t	2.36	2.34	1
50.39	33.27	44.71	13	Natural gas sales volumes in TWh	164.01	136.71	20

Note: As of Q1/20, the reporting structure of the Downstream Business Segment was restructured to comprehensively reflect the operations of the Downstream business. For comparison only, figures of previous periods are presented in the same structure.

¹ Q4/20 compared to Q4/19

² Adjusted for special items and CCS effects; further information can be found below the table "Special items and CCS effects"

³ Borealis was fully consolidated in OMV's financials following the closing of the acquisition of the additional 39% stake on October 29, 2020.

⁴ Capital expenditure including acquisitions; notably the acquisition of an additional 39% stake in Borealis in Q4/20 for USD 4.68 bn and the purchase of a 15% stake in ADNOC Refining and Trading joint venture for USD 2.43 bn in Q3/19

⁵ Actual refining and petrochemical margins realized by OMV may vary from the OMV indicator refining margin, the ethylene/propylene net margin, and the market margins due to factors including different crude oil slate, product yield, operating conditions, or feedstock.

⁶ Calculated based on West European Contract Prices (WECP) with naphtha as feedstock

Fourth quarter 2020 (Q4/20) compared to fourth quarter 2019 (Q4/19)

- ▶ The COVID-19 pandemic led to a challenging market environment, negatively impacting refining margins and refined product sales volumes.
- ▶ Following the closing of the acquisition of the additional 39% stake on October 29, 2020, OMV now holds a 75% stake in Borealis, which is thus fully consolidated in OMV's financial figures, leading to a substantially higher contribution
- ▶ A positive impact from margin hedges and a resilient retail business supported the result.

The **clean CCS Operating Result** decreased slightly to EUR 369 mn (Q4/19: EUR 385 mn) as negative effects of the COVID-19 pandemic significantly weighed on refining margins and on demand. A substantially higher contribution from Borealis and positive effects from hedging contracts as well as the strong retail business helped largely compensate the adverse market effects. OMV Petrom's input to Downstream's clean CCS Operating Result amounted to EUR 103 mn (Q4/19: EUR 96 mn).

The **OMV refining indicator margin** declined by 66% to USD 1.7/bbl (Q4/19: USD 5.0/bbl), mainly as a consequence of the persistently weak macro environment and high inventories. Substantially lower middle distillate and weaker gasoline cracks dragged down the refining margin. Cheaper feedstock and higher fuel oil and naphtha cracks could only slightly offset this effect. In Q4/20, the **utilization rate of the refineries** came in at 81% (Q4/19: 98%). The decrease was mostly a consequence of maintenance activities at the Schwechat refinery and lower demand due to the COVID-19 pandemic. At 4.4 mn t, **total refined product sales volumes** were down by 16% in the wake of imposed travel restrictions. This was mainly attributable to lower commercial sales volumes; in particular, the demand for jet fuel plummeted. Sales volumes in retail eased by 10%, but improved margins and cost reductions were able to more than offset these adverse volume effects.

The contribution of the **petrochemicals business** rose to EUR 43 mn (Q4/19: EUR 35 mn) mainly driven by lower customer discounts due to the decreased price level. The **ethylene/propylene net margin** increased slightly by 2%, while benzene and butadiene spreads experienced a sharp decline.

The contribution of **Borealis** improved considerably by EUR 112 mn to EUR 162 mn (Q4/19: EUR 50 mn), mainly as a result of the full consolidation of the Borealis result following the acquisition of an additional 39% share on October 29, 2020. In Europe, Borealis benefitted from higher polyolefin sales volumes, especially in the packaging and automotive segments, stronger polyolefin margins

February 4, 2021

and positive inventory effects. The positive developments were partially offset by a reduced light feedstock advantage versus naphtha and an unplanned outage of the steam cracker in Finland. In addition, the result of the fertilizer business was lower compared to Q4/19, due to operational issues and decreased margins on the back of higher natural gas prices which could not be fully passed through to the market. Borouge recorded a significant improvement, mainly driven by stronger polyolefin volumes and prices in Asia.

The contribution of **ADNOC Refining & Trading** declined considerably to EUR (33) mn (Q4/19: EUR 18 mn). This was mainly attributable to an adverse market environment, which led to lower margins and utilization rates. In addition the Q4/19 result was positively influenced by one-off effects. Despite adverse market circumstances ADNOC Global Trading was successfully launched at the beginning of December.

The contribution of the **gas business** decreased to EUR 79 mn (Q4/19: EUR 84 mn), mainly as a consequence of a weaker storage and supply result. Gas Connect Austria is reclassified as an asset held for sale. The power business in Romania provided strong support thanks to favorable forward contracts. **Natural gas sales volumes** rose by 13% from 44.7 TWh to 50.4 TWh mainly on account of higher sales volumes in Germany and the Netherlands. These were partially offset by lower sales volumes in Romania.

Net **special items** amounted to EUR 987 mn (Q4/19: EUR 23 mn). With the closing of the Borealis transaction, OMV realized a step-up in the valuation of the previous 36% share in Borealis and booked a special item of around EUR 1.3 bn. In Q4/20, **CCS effects** of EUR 36 mn were recorded as a consequence of the increasing price level in the quarter. As a result, the Downstream's **Operating Result** rose sharply to EUR 1,392 mn compared to EUR 449 mn in Q4/19.

Capital expenditure in Downstream amounted to EUR 4,519 mn (Q4/19: EUR 270 mn) and was mainly related to the acquisition of an additional 39% stake in Borealis for USD 4.68 bn. In Q4/20, organic capital expenditure was predominantly related to investments in the European refineries as well as following the construction of the new propane dehydrogenation plant in Belgium by Borealis.

January to December 2020 compared to January to December 2019

At EUR 1,514 mn, the **clean CCS Operating Result** declined by 10% compared to the same period of the previous year (2019: EUR 1,677 mn). Negative effects of COVID-19 on demand as well as on refining margins could not be fully offset by a strong natural gas and retail business and a significant positive contribution of margin hedges. OMV Petrom's input to the clean CCS Operating Result of Downstream amounted to EUR 448 mn (2019: EUR 387 mn).

The **OMV refining indicator margin** declined by 45% to USD 2.4/bbl (2019: USD 4.4/bbl), primarily due to the negative effects of the COVID-19 pandemic. Substantially lower middle distillate and lower gasoline cracks following a weak macro environment put considerable pressure on refining margins. Lower Feedstock costs, a result of lower crude oil prices, and improved heavy fuel oil and naphtha margins could not offset these effects. In 2020, the **utilization rate of the refineries** reached a resilient level of 86% (2019: 97%), despite the imposed lockdown measures related to COVID-19. At 17.8 mn t, **total refined product sales volumes** were down by 15%, following lower demand as a result of imposed travel restrictions. The commercial business experienced lower sales volumes, in particular demand for jet fuel dropped sharply, while margins in the commercial business remained stable. The result in the retail business increased despite a reduction of 10% in retail sales volumes, following higher margins and a larger share of premium fuels.

The contribution of the **petrochemicals business** declined by 7% to EUR 224 mn (2019: EUR 241 mn), mainly as a consequence of lower petrochemical margins which were partially offset by slightly higher petrochemical sales volumes. The **ethylene/propylene net margin** contracted by 8%. While the butadiene net margin weakened considerably, benzene net margin decreased to a lesser extent.

The contribution of **Borealis** slightly decreased to EUR 300 mn (2019: EUR 314 mn). Following the acquisition of an additional 39% stake on October 29, 2020, the Borealis result was fully consolidated for the last two months of 2020. The effect from the full consolidation was offset by a weaker market environment, sizeable negative inventory effects as a consequence of this, and unplanned outages at the Stenungsund and Porvoo crackers. While polyolefin margins remained at a healthy level, polyolefin sales volumes slightly increased due to higher sales in the packaging sector, partially offset by lower sales in the automotive sector. The fertilizer business declined following a solid performance in 2019, mainly as a result of weaker margins and operational issues in Q4/20. The contribution from Borouge was down slightly mainly due to weak market conditions in Asia in the first half of the year.

In 2020, the contribution of **ADNOC Refining & Trading** came in at EUR (107) mn (2019: EUR 8 mn). As of Q1/20, the ADNOC Refining & Trading result is calculated based on Current Cost of Supply (CCS) and excludes inventory holding gains/losses. The adverse market environment in 2020 weighed on the result. In addition, the result was negatively impacted by an extensive turnaround of the Ruwais refinery complex, which started at the beginning of February and lasted into Q2/20. Despite challenging market circumstances, ADNOC Global Trading was successfully launched at the beginning of December.

The contribution of the **gas business** grew by 73% to EUR 337 mn (2019: EUR 194 mn), mainly as a consequence of the substantially improved power business in Romania as well as the greatly improved performance of the storage business and lower

February 4, 2021

depreciation. Gas Connect Austria is reclassified as an asset held for sale. The power business in Romania provided strong support thanks to favorable forward contracts, increased revenues from the electricity balancing market and a one-off revenue recovery stemming from a 2019 power price regulation. **Natural gas sales volumes** rose significantly from 136.7 TWh to 164.0 TWh, driven by higher sales volumes in Germany, the Netherlands, Belgium, and Austria.

Net **special items** amounted to EUR 1,071 mn (2019: EUR 31 mn). With the closing of the Borealis transaction, OMV realized a step-up in the valuation of the previous 36% share in Borealis and booked a special item of around EUR 1.3 bn. **CCS effects** of EUR (425) mn were caused by the sharp drop in crude oil prices in the first half of 2020. As a result, the **Operating Result** of Downstream increased by EUR 313 mn to EUR 2,160 mn (2019: EUR 1,847 mn).

Capital expenditure in Downstream amounted to EUR 4,930 mn (2019: EUR 2,774 mn) and was mainly related to the acquisition of an additional 39% stake in Borealis for USD 4.68 bn. In 2019, capital expenditure included the acquisition of a 15% stake in ADNOC Refining and Trading Joint Venture for USD 2.43 bn. Organic capital expenditure in 2020 was predominantly related to investments in the European refineries and in Borealis.

February 4, 2021

Preliminary Group Financial Statements (condensed, unaudited)

Income statement (unaudited)

In EUR mn (unless otherwise stated)

Q4/20	Q3/20	Q4/19		2020	2019
4,956	3,696	6,074	Sales revenues	16,550	23,461
1,461	95	38	Other operating income	1,877	280
62	42	89	Net income from equity-accounted investments	38	386
35	59	50	thereof Borealis	172	314
6,480	3,833	6,201	Total revenues and other income	18,465	24,127
(3,024)	(1,987)	(3,590)	Purchases (net of inventory variation)	(9,598)	(13,608)
(620)	(432)	(426)	Production and operating expenses	(1,892)	(1,695)
(75)	(67)	(134)	Production and similar taxes	(325)	(496)
(546)	(749)	(590)	Depreciation, amortization, impairments and write-ups	(2,418)	(2,302)
(546)	(456)	(476)	Selling, distribution and administrative expenses	(1,896)	(1,892)
(44)	(650)	(73)	Exploration expenses	(896)	(229)
(111)	(98)	(88)	Other operating expenses	(389)	(322)
1,513	(607)	824	Operating Result	1,050	3,582
0	2	0	Dividend income	19	5
49	40	39	Interest income	177	169
(70)	(71)	(73)	Interest expenses	(280)	(304)
(25)	(30)	(13)	Other financial income and expenses	(91)	1
(47)	(59)	(47)	Net financial result	(175)	(129)
1,466	(666)	777	Profit before tax	875	3,453
480	208	(320)	Taxes on income	603	(1,306)
1,946	(458)	458	Net income for the period	1,478	2,147
1,880	(487)	355	thereof attributable to stockholders of the parent	1,258	1,678
25	21	19	thereof attributable to hybrid capital owners	84	75
41	8	83	thereof attributable to non-controlling interests	136	393
5.75	(1.49)	1.09	Basic Earnings Per Share in EUR	3.85	5.14
5.75	(1.49)	1.09	Diluted Earnings Per Share in EUR	3.85	5.13

Statement of comprehensive income (condensed, unaudited)

In EUR mn

Q4/20	Q3/20	Q4/19		2020	2019
1,946	(458)	458	Net income for the period	1,478	2,147
(455)	(434)	(231)	Currency translation differences	(1,234)	39
(53)	(86)	36	Gains/(losses) on hedges	38	(45)
(28)	(56)	(16)	Share of other comprehensive income of equity-accounted investments	(102)	(1)
(536)	(576)	(211)	Total of items that may be reclassified ("recycled") subsequently to the income statement	(1,298)	(7)
4	(43)	48	Remeasurement gains/(losses) on defined benefit plans	4	(90)
(2)	—	1	Gains/(losses) on investments	(2)	1
9	(94)	7	Gains/(losses) on hedges that are subsequently transferred to the carrying amount of the hedged item	(113)	95
3	(0)	10	Share of other comprehensive income of equity-accounted investments	(6)	(6)
13	(137)	67	Total of items that will not be reclassified ("recycled") subsequently to the income statement	(118)	0
10	21	(15)	Income taxes relating to items that may be reclassified ("recycled") subsequently to the income statement	(10)	10
(11)	27	(2)	Income taxes relating to items that will not be reclassified ("recycled") subsequently to the income statement	18	(7)
(2)	48	(17)	Total income taxes relating to components of other comprehensive income	8	4
(524)	(665)	(161)	Other comprehensive income for the period, net of tax	(1,407)	(3)
1,422	(1,123)	297	Total comprehensive income for the period	70	2,144
1,437	(1,114)	226	thereof attributable to stockholders of the parent	(4)	1,752
25	21	19	thereof attributable to hybrid capital owners	84	75
(40)	(30)	52	thereof attributable to non-controlling interests	(9)	316

February 4, 2021

Statement of financial position (unaudited)

In EUR mn

	Dec. 31, 2020	Dec. 31, 2019
Assets		
Intangible assets	3,443	4,163
Property, plant and equipment	19,203	16,479
Equity-accounted investments	8,321	5,151
Other financial assets	3,447	2,414
Other assets	103	56
Deferred taxes	1,179	686
Non-current assets	35,695	28,950
Inventories	2,352	1,845
Trade receivables	3,316	3,042
Other financial assets	3,018	3,121
Income tax receivables	36	11
Other assets	537	297
Cash and cash equivalents	2,854	2,931
Current assets	12,112	11,248
Assets held for sale	1,464	177
Total assets	49,271	40,375
Equity and liabilities		
Share capital	327	327
Hybrid capital	3,228	1,987
Reserves	10,184	10,698
Equity of stockholders of the parent	13,739	13,012
Non-controlling interests	6,159	3,851
Equity	19,899	16,863
Provisions for pensions and similar obligations	1,458	1,111
Bonds	8,019	5,262
Lease liabilities	943	934
Other interest-bearing debts	1,280	620
Provisions for decommissioning and restoration obligations	3,926	3,872
Other provisions	576	572
Other financial liabilities	454	301
Other liabilities	135	157
Deferred taxes	1,229	1,132
Non-current liabilities	18,020	13,961
Trade payables	4,304	4,155
Bonds	850	540
Lease liabilities	141	120
Other interest-bearing debts	703	148
Income tax liabilities	278	332
Provisions for decommissioning and restoration obligations	72	87
Other provisions	304	293
Other financial liabilities	3,095	2,818
Other liabilities	868	903
Current liabilities	10,616	9,395
Liabilities associated with assets held for sale	736	156
Total equity and liabilities	49,271	40,375

February 4, 2021

Statement of changes in equity (condensed, unaudited)

In EUR mn

	Share capital	Capital reserves	Hybrid capital	Revenue reserves	Other reserves ¹	Treasury shares	Equity of stockholders of the parent	Non-controlling interests	Total equity
January 1, 2020	327	1,506	1,987	9,832	(635)	(4)	13,012	3,851	16,863
Net income for the period	—	—	—	1,341	—	—	1,341	136	1,478
Other comprehensive income for the period	—	—	—	(3)	(1,258)	—	(1,262)	(146)	(1,407)
Total comprehensive income for the period	—	—	—	1,338	(1,258)	—	80	(9)	70
Capital increase	—	—	1,241	—	—	—	1,241	—	1,241
Dividend distribution and hybrid coupon	—	—	—	(673)	—	—	(673)	(209)	(882)
Disposal of treasury shares	—	3	—	—	—	1	4	—	4
Share-based payments	—	(3)	—	—	—	—	(3)	—	(3)
Increase/(decrease) in non-controlling interests	—	—	—	5	—	—	5	2,519	2,524
Reclassification of cash flow hedges to balance sheet	—	—	—	—	73	—	73	8	81
December 31, 2020	327	1,506	3,228	10,502	(1,820)	(3)	13,739	6,159	19,899

¹ "Other reserves" contain currency translation differences, unrealized gains and losses from hedges as well as the share of other comprehensive income of equity-accounted investments.

	Share capital	Capital reserves	Hybrid capital	Revenue reserves	Other reserves ¹	Treasury shares	Equity of stockholders of the parent	Non-controlling interests	Total equity
January 1, 2019	327	1,511	1,987	8,830	(744)	(6)	11,905	3,436	15,342
Net income for the period	—	—	—	1,753	—	—	1,753	393	2,147
Other comprehensive income for the period	—	—	—	(79)	153	—	74	(77)	(3)
Total comprehensive income for the period	—	—	—	1,674	153	—	1,827	316	2,144
Dividend distribution and hybrid coupon	—	—	—	(673)	—	—	(673)	(188)	(861)
Disposal of treasury shares	—	3	—	—	—	2	5	—	5
Share-based payments	—	(8)	—	—	—	—	(8)	—	(8)
Increase/(decrease) in non-controlling interests	—	—	—	—	—	—	—	287	287
Reclassification of cash flow hedges to balance sheet	—	—	—	—	(44)	—	(44)	(0)	(44)
December 31, 2019	327	1,506	1,987	9,832	(635)	(4)	13,012	3,851	16,863

¹ "Other reserves" contain currency translation differences, unrealized gains and losses from hedges, and the share of other comprehensive income of equity-accounted investments.

February 4, 2021

Summarized statement of cash flows (condensed, unaudited)

In EUR mm

Q4/20	Q3/20	Q4/19	2020	2019
1,946	(458)	458	1,478	2,147
561	1,381	615	3,197	2,395
(589)	(258)	35	(846)	100
(8)	(2)	7	(12)	(7)
(165)	57	(31)	(40)	(24)
(914)	(34)	(121)	(991)	(346)
830	687	963	2,786	4,264
(50)	(91)	5	288	(260)
(757)	186	15	145	372
656	9	(2)	(82)	(320)
679	791	981	3,137	4,056
(564)	(388)	(605)	(1,960)	(2,158)
(95)	(24)	(58)	(194)	(2,265)
(3,815)	(51)	—	(3,880)	(460)
10	40	24	72	209
15	—	(0)	15	36
(4,450)	(423)	(639)	(5,948)	(4,638)
(23)	(81)	(490)	2,541	396
(7)	(3)	27	(96)	(22)
(659)	(0)	(86)	(879)	(858)
—	1,241	—	1,241	—
(689)	1,158	(549)	2,808	(484)
(5)	(24)	(13)	(66)	(22)
(4,465)	1,502	(219)	(69)	(1,088)
7,334	5,832	3,157	2,938	4,026
2,869	7,334	2,938	2,869	2,938
15	3	7	15	7
2,854	7,331	2,931	2,854	2,931
(3,771)	368	342	(2,811)	(583)
(4,430)	368	256	(3,690)	(1,441)

February 4, 2021

Selected notes to the preliminary consolidated financial statements

Legal principles

The preliminary condensed consolidated financial statements for 2020 have been prepared in line with the accounting policies that will be used in preparing the OMV Annual Report, which are consistent with those used in the 2019 Annual Report, except as described herein. The final, audited, consolidated statements will be published in March 2021 as part of the 2020 Annual Report.

The preliminary condensed consolidated financial statements for 2020 are unaudited and an external review by an auditor was not performed.

The preliminary condensed consolidated financial statements for 2020 have been prepared in million EUR (EUR mn, EUR 1,000,000). Accordingly, there may be rounding differences.

In addition to the preliminary consolidated financial statements, further information on main items affecting the preliminary consolidated financial statements as of December 31, 2020, is given as part of the description of OMV's business segments in the Directors' Report.

Changes in accounting policies

OMV adopted the amendments to IFRS which became effective on January 1, 2020. They do not have a material effect on the Group's financial statements.

Starting with Q4/20, reversals of impairments on tangible and intangible assets are reported within the line "Depreciation, amortization, impairments and write-ups" in order to improve the international comparability of the income statement presentation. The prior year figures have been adjusted accordingly. The change in presentation has no effect on the operating result.

Adjustments to income statement items

In EUR mn

	2019 (old)	Reclassification	2019 (new)
Other operating income	315	(35)	280
Total revenues and other income	24,162	(35)	24,127
Depreciation, amortization, impairments and write-ups	(2,337)	35	(2,302)

Changes in the consolidated Group

Compared with the consolidated financial statements as of December 31, 2019, the consolidated Group changed as follows:

Changes in consolidated Group

Name of company	Registered office	Type of change ¹	Effective date
Upstream			
OMV Maurice Energy GmbH	Vienna	Deconsolidation (I)	October 31, 2020
OMV Oil and Gas Exploration GmbH	Vienna	Deconsolidation (I)	October 31, 2020
PETROM EXPLORATION & PRODUCTION LIMITED	Douglas	Deconsolidation (I)	October 31, 2020
Downstream			
OMV Deutschland Marketing & Trading GmbH & Co. KG	Burghausen	First consolidation	April 1, 2020
OMV Deutschland Operations GmbH & Co. KG	Burghausen	First consolidation	April 1, 2020
OMV Gas Marketing & Trading d.o.o.	Zagreb	Deconsolidation (L)	June 30, 2020
Susana Beteiligungsverwaltungs GmbH	Vienna	First consolidation (A)	October 29, 2020
Borealis AG	Vienna	Increase in shares ²	October 29, 2020

¹ "First consolidation" refers to newly formed or existing subsidiaries, while "First consolidation (A)" indicates the acquisition of a company. Companies marked with "Deconsolidation (I)" have been deconsolidated due to immateriality, while those marked with "Deconsolidation (L)" were deconsolidated following a liquidation process.

² Following the increase of shares in Borealis AG, via the acquisition of Susana Beteiligungsverwaltungs GmbH, multiple entities have been added to the consolidated group of OMV Aktiengesellschaft either as fully or at-equity consolidated investments.

On October 29, 2020, OMV acquired an additional 39% share in Borealis AG from Mubadala Investment Company (Abu Dhabi) via acquisition of 100% shares in Susana Beteiligungsverwaltungs GmbH, increasing its stake in Borealis Group from 36% to 75%. The purchase price of the transaction amounted to USD 4,551 mn after customary closing adjustments were taken into account.

The acquisition is a strategic extension of OMV's value chain into high value chemicals. This provides a natural hedge against the cyclicity of each value chain step with respect to both volumes and market spreads, de-risking OMV's exposure to volatile markets.

February 4, 2021

Following the step acquisition, OMV obtained the right to nominate the majority of the executive board members and the most important activities in respect of impacting the variable returns of Borealis Group are decided by OMV. Hence, OMV has obtained control over Borealis Group in line with IFRS 10.

Obtaining control over Borealis Group has led to the discontinuation of the use of the equity method according to IAS 28 and application of the rules for business combination according to IFRS 3. OMV's previous 36% interest in Borealis was re-measured at the acquisition date fair value resulting in EUR 1,256 mn gain recognized in other operating income. Additionally, this led to a reclassification of net gains from other comprehensive income to other operating income in amount of EUR 28 mn, which were mainly related to currency translation differences.

The non-controlling interest in Borealis Group was measured at its proportionate share of the acquiree's identifiable net assets. The transaction did not result in a goodwill. The fair value of the receivables substantially matched their carrying amount, and all contractual cash flows less credit loss effects are expected to be collected. The fair value of the net assets acquired are detailed in the following tables.

Fair values of the net assets acquired

In EUR mn

	Borealis Group
Intangible assets	887
Property, plant and equipment	4,129
Equity-accounted investments	6,134
Other financial assets	743
Other assets	45
Deferred taxes	39
Non-current assets	11,977
Inventories	1,123
Trade receivables	684
Other financial assets	132
Income tax receivable	13
Other assets	310
Cash and cash equivalents	80
Current assets	2,341
Total assets	14,318
Provisions for pensions and similar obligations	457
Bonds	324
Lease liabilities	139
Other interest-bearing debts	1,131
Decommissioning and restoration obligations	38
Other provisions	12
Other financial liabilities	32
Other liabilities	2
Deferred taxes	549
Non-current liabilities	2,683
Trade payables	719
Bonds	5
Lease liabilities	34
Other interest-bearing debts	407
Income tax liabilities	62
Other provisions	27
Other financial liabilities	154
Other liabilities	163
Current liabilities	1,571
Total liabilities	4,254
Net assets	10,064
Non-controlling interests	(2,524)
Net assets acquired	7,540

February 4, 2021

Previously held at-equity share 36% - impact on consolidated income statement

In EUR mn	
	Borealis Group
Fair value	3,590
Carrying amount	2,333
Revaluation result	1,256
Amount reclassified from OCI to the income statement ("recycled")	28
Total impact – other operating income	1,284

Measurement of goodwill

In EUR mn	
	Borealis Group
Consideration	3,889
FX hedge effect	61
Fair value of previously held at-equity share	3,590
Net assets acquired	7,540
Goodwill	0

In 2020, Borealis Group contributed EUR 1,099 mn to consolidated sales and EUR (79) mn to consolidated net income of OMV Group since its inclusion. If the acquisition had already taken place at the beginning of the year, the calculated impact of Borealis Group to the OMV Group would have been EUR 5,866 mn on consolidated sales revenues, EUR 6,801 mn on unconsolidated sales revenues and EUR 302 mn on net income, respectively.

Cash flow impact

The cash flow from investing activities contained a cash outflow of EUR 3,870 mn related to the acquisition of Borealis Group, reflected in the line "Acquisition of subsidiaries and businesses net of cash acquired" as detailed in the below table.

Net cash outflows related to the acquisition

In EUR mn	
	Borealis Group
Consideration paid	3,950
less cash acquired	(80)
Net cash outflows from acquisition	3,870

Impact on income taxes

Due to tax synergies from the acquisition of additional shares in Borealis AG, deferred tax assets of the Austrian tax group increased by approximately EUR 500 mn, taking into consideration the five-year positive taxable result of Borealis tax group members.

Other significant transactions**Upstream**

OMV plans to divest its oil assets in Malaysia, which led to the reclassification of assets and liabilities to held for sale as of November 30, 2020. The reclassification did not lead to any impairment loss.

In December 2020 OMV Petrom (51% subsidiary of OMV) signed a transaction for the sale of its assets in Kazakhstan to Magnetic Oil Limited, which led to the reclassification of assets and liabilities to held for sale as of December 31, 2020.

Downstream

The planned sale of OMV's 51% stake in Gas Connect Austria GmbH has led to the reclassification of the Gas Connect Group and associated goodwill to assets and liabilities held for sale in Q1/20 without an impact on the Income Statement at that time. As per September 23, 2020, OMV signed the transaction contract with VERBUND. Closing is subject to regulatory approval and is expected in the first half of 2021.

On December 14, 2020, OMV and EG group reached an agreement for EG Group to acquire the OMV retail network (285 filling stations) in Germany. The transaction is subject to required regulatory approvals and closing is expected in 2021. The plan to divest the German filling stations business has led to the reclassification of the assets and liabilities to held for sale as of June 30, 2020. The reclassification did not lead to any impairment loss.

February 4, 2021

Seasonality and cyclicity

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

Notes to the income statement

Impairment charges and write-ups

Upstream

In Q1/20, OMV changed the short-term assumptions as follows: Brent oil price USD 40/bbl for 2020 (reduced from USD 60/bbl) and USD 50/bbl for 2021 (reduced from USD 70/bbl), and realized gas price EUR 10/MWh in 2020 (reduced from EUR 12/MWh). This led to a pre-tax impairment of EUR 119 mn for tangible assets (the producing oil and gas assets), mainly related to assets in New Zealand.

During Q3/20, OMV updated its mid-term plan and revised its long-term planning assumptions. The long-term Brent oil price assumptions were reduced to USD 60/bbl real, from USD 75/bbl applied before. The detailed Brent oil price assumptions are as follows:

- ▶ For 2021, OMV confirmed its oil price forecast of USD 50/bbl.
- ▶ The oil price expectations for 2022 and 2023 were reduced to USD 60/bbl from USD 70/bbl and USD 75/bbl, respectively.
- ▶ For the years 2024 to 2029, OMV assumed a Brent oil price of USD 65/bbl (before USD 75/bbl), which is expected to gradually decline to USD 60/bbl until 2035.
- ▶ From 2035 onwards, OMV used a Brent oil price of USD 60/bbl.
- ▶ All assumptions for the years 2025 onwards are based on 2025 real terms.

This led to additional pre-tax impairments (net of write-ups) of EUR 1,012 mn (tangible assets EUR 398 mn and intangible assets EUR 614 mn) for exploration and appraisal, development and production oil and gas assets, mainly related to assets in New Zealand, Romania, Austria and Abu Dhabi. A potential 1 percentage point increase of the after-tax discount rate would lead to additional post-tax impairments of EUR 200 mn to EUR 300 mn for producing assets and assets currently in the development phase as well as exploration and appraisal assets.

The COVID-19 pandemic continues to have a major impact on global economic development. While oil prices increased during the fourth quarter following supply reductions in 2020 as well as expectations of increased demand and further positive effects from the start of vaccinations, they still remain significantly volatile. Recent increases in COVID-19 cases around the world and in particular in Europe could lead to delays in the assumed demand recovery, following the response of governments and citizens.

Following the continued positive development of the Brent oil price (Q3/20: 42.94 USD/bbl vs. Q4/20: 44.16 USD/bbl) as well as realized gas price (Q3/20: 7.27 EUR/MWh vs. Q4/20: 9.26 EUR/MWh) in the fourth quarter of 2020, OMV did not identify any impairment triggers in Q4/20.

Downstream

During Q3/20, the long-term power and CO₂ price assumptions were revised, taking into account the improved power generation market. This led to the full reversal of impairments for the Brazi gas-fired power plant in Romania amounting to EUR 107 mn pre-tax.

Other notes to the income statement

Sales revenues

In EUR mn

	2020	2019
Revenues from contracts with customers	16,076	22,616
Revenues from other sources	474	845
Total sales revenues	16,550	23,461

Other revenues mainly include revenues from commodity 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 Business Segment, the hedging result, and rental and lease revenues.

February 4, 2021

Revenues from contracts with customers

In EUR mn

	2020			Total
	Upstream	Downstream	Corporate & Other	
Crude oil, NGL, condensates	769	615	—	1,384
Natural gas and LNG	715	3,280	—	3,995
Fuel, heating oil and other refining products	—	6,932	—	6,932
Petrochemicals	—	2,329	—	2,329
Gas storage, transmission, distribution and transportation	11	231	—	242
Other goods and services	27	1,164	3	1,194
Total	1,521	14,551	3	16,076

Revenues from contracts with customers

In EUR mn

	2019			Total
	Upstream	Downstream	Corporate & Other	
Crude oil, NGL, condensates	1,228	1,073	—	2,302
Natural gas and LNG	876	4,973	—	5,849
Fuel, heating oil and other refining products	—	11,161	—	11,161
Petrochemicals	—	1,768	—	1,768
Gas storage, transmission, distribution and transportation	20	232	—	252
Other goods and services	24	1,259	2	1,285
Total	2,148	20,466	2	22,616

Taxes on income and profit

In EUR mn (unless otherwise stated)

Q4/20	Q3/20	Q4/19		2020	2019
(109)	(50)	(285)	Current taxes	(244)	(1,207)
589	258	(35)	Deferred taxes	846	(100)
480	208	(320)	Taxes on income and profit	603	(1,306)
(33)	31	41	Effective tax rate in %	(69)	38

Notes to the statement of financial position**Commitments**

As of December 31, 2020 OMV had contractual obligations for the acquisition of intangible assets and property, plant and equipment of EUR 1,529 mn (December 31, 2019: EUR 1,343 mn), mainly relating to exploration and production activities in Upstream.

Equity

On September 29, 2020, the Annual General Meeting approved the payment of a dividend of EUR 1.75 per share, resulting in a total dividend payment of EUR 572 mn to OMV Aktiengesellschaft stockholders. Dividend distributions to minority shareholders amounted to EUR 209 mn in 2020.

An interest payment to hybrid capital owners amounting to EUR 101 mn was also made in 2020.

Two new hybrid bonds with a total size of EUR 1.25 bn were issued on September 1, 2020. 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 December 31, 2020, amounted to 297,846 (December 31, 2019: 372,613).

February 4, 2021

Financial liabilities**Gearing ratio excluding leases**

In EUR mn (unless otherwise stated)

	Q4/20	Q4/19	Δ %
Bonds	8,869	5,802	53
Other interest-bearing debts ¹	2,130	769	177
Debt	10,999	6,570	67
Cash and cash equivalents ²	2,869	2,938	(2)
Net Debt	8,130	3,632	124
Equity	19,899	16,863	18
Gearing ratio in %	41	22	19

¹ Including other interest-bearing debts that were reclassified to liabilities associated with assets held for sale² Including cash and cash equivalents that were reclassified to assets held for sale

On April 9, 2020, OMV issued senior bonds with a total volume of EUR 1.75 bn. The transaction consisted of three tranches: EUR 0.5 bn at a coupon of 1.500% due April 9, 2024, EUR 0.5 bn at a coupon of 2.000% due April 9, 2028, and EUR 0.75 bn at a coupon of 2.375% due April 9, 2032.

On June 16, 2020, OMV issued senior bonds with a total volume of EUR 1.5 bn. The transaction consisted of two tranches: EUR 0.75 bn at a coupon of 0.000% due June 16, 2023, and EUR 0.75 bn at a coupon of 0.750% due to June 16, 2030.

Fair value measurement

Financial instruments recognized at fair value are disclosed according to the fair value measurement hierarchy as stated in Note 2 of the OMV Consolidated Financial Statements 2019.

Fair value hierarchy of financial assets ¹ and net amount of assets and liabilities held for sale at fair value

In EUR mn

	Dec. 31, 2020				Dec. 31, 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Equity investments	—	—	15	15	—	—	24	24
Investment funds	35	—	—	35	—	—	—	—
Derivatives designated and effective as hedging instruments	—	71	—	71	—	284	—	284
Other derivatives	69	2,433	—	2,502	241	2,150	—	2,391
Other financial assets at fair value ²	—	—	744	744	—	—	721	721
Net amount of assets and liabilities associated with assets held for sale	—	98	—	98	—	8	—	8
Total	104	2,602	759	3,465	241	2,443	745	3,428

¹ Excluding assets held for sale² Includes an asset from reserves redetermination rights related to the acquisition of interests in the Yuzhno-Russkoye field and contingent considerations from the divestments of the 30% stake in the Rosebank field and of OMV (U.K.) Limited.**Fair value hierarchy of financial liabilities**

In EUR mn

	Dec. 31, 2020				Dec. 31, 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities on derivatives designated and effective as hedging instruments	—	98	—	97	—	237	—	237
Liabilities on other derivatives	70	2,349	—	2,418	266	1,976	—	2,241
Total	70	2,446	—	2,516	266	2,213	—	2,478

February 4, 2021

Financial assets and liabilities valued at amortized cost for which fair values are disclosed¹

In EUR mn

	Carrying amount	Fair Value	Fair value level		
			Level 1	Level 2	Level 3
Dec. 31, 2020					
Bonds	64	64	—	64	—
Financial assets	64	64	—	64	—
Bonds	8,869	9,652	9,352	300	—
Other interest-bearing debt	1,983	2,002	—	2,002	—
Financial liabilities	10,852	11,654	9,352	2,302	—
Dec. 31, 2019					
Bonds	78	77	5	72	—
Financial assets	78	77	5	72	—
Bonds	5,802	6,317	6,317	—	—
Other interest-bearing debt	769	792	—	792	—
Financial liabilities	6,570	7,109	6,317	792	—

¹ Excluding assets and liabilities that were reclassified to held for sale

Segment reporting

Intersegmental sales

In EUR mn

Q4/20	Q3/20	Q4/19	Δ% ¹		2020	2019	Δ%
632	460	920	(31)	Upstream	2,178	3,656	(40)
9	15	20	(53)	Downstream	63	84	(25)
82	89	85	(3)	Corporate and Other	348	341	2
724	565	1,025	(29)	Total	2,589	4,081	(37)

Sales to third parties

In EUR mn

Q4/20	Q3/20	Q4/19	Δ% ¹		2020	2019	Δ%
370	372	667	(45)	Upstream	1,527	2,583	(41)
4,586	3,322	5,406	(15)	Downstream	15,019	20,874	(28)
1	1	1	(7)	Corporate and Other	4	4	18
4,956	3,696	6,074	(18)	Total	16,550	23,461	(29)

Total sales (not consolidated)

In EUR mn

Q4/20	Q3/20	Q4/19	Δ% ¹		2020	2019	Δ%
1,002	832	1,587	(37)	Upstream	3,705	6,239	(41)
4,595	3,338	5,426	(15)	Downstream	15,082	20,958	(28)
83	91	86	(3)	Corporate and Other	352	345	2
5,680	4,260	7,099	(20)	Total	19,139	27,542	(31)

Segment and Group profit

In EUR mn

Q4/20	Q3/20	Q4/19	Δ% ¹		2020	2019	Δ%
153	(1,044)	448	(66)	Operating Result Upstream	(1,137)	1,879	n.m.
1,392	444	449	n.m.	Operating Result Downstream	2,160	1,847	17
(19)	(12)	(36)	46	Operating Result Corporate and Other	(56)	(91)	38
1,526	(612)	861	77	Operating Result segment total	967	3,636	(73)
(12)	5	(36)	66	Consolidation: elimination of intersegmental profits	83	(54)	n.m.
1,513	(607)	824	84	OMV Group Operating Result	1,050	3,582	(71)
(47)	(59)	(47)	0	Net financial result	(175)	(129)	(35)
1,466	(666)	777	89	OMV Group profit before tax	875	3,453	(75)

¹ Q4/20 compared to Q4/19

February 4, 2021

Assets¹

In EUR mn

	Dec. 31, 2020	Dec. 31, 2019
Upstream	12,662	15,049
Downstream	9,721	5,315
Corporate and Other	262	277
Total	22,646	20,642

¹ Segment assets consist of intangible assets and property, plant and equipment. They do not include assets reclassified to held for sale.

Other notes

Transactions with related parties

In 2020, 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 equity-accounted investments

In EUR mn

	2020		2019	
	Sales and other income	Purchases and services received	Sales and other income	Purchases and services received
Abu Dhabi Polymers Company Limited (Borouge)	16	0	—	—
Borealis AG	897	31	1,284	42
Borouge Pte. Ltd.	40	51	—	—
GENOL Gesellschaft m.b.H. ¹	93	1	196	2
Erdöl-Lagergesellschaft m.b.H.	51	68	76	59
Enerco Enerji Sanayi Ve Ticaret A.Ş.	0	—	0	9
Deutsche Transalpine Oelleitung GmbH	0	27	0	34
OJSC Severneftegazprom	—	133	—	179
Trans Austria Gasleitung GmbH ²	10	23	10	22

¹ In 2019, transactions with GENOL Gesellschaft m.b.H. and GENOL Gesellschaft m.b.H. & Co KG are included, while in 2020, transactions were only with GENOL Gesellschaft m.b.H. (the business of GENOL Gesellschaft m.b.H. & Co KG was transferred to GENOL Gesellschaft m.b.H. in October 2019).

² Trans Austria Gasleitung GmbH was reclassified to held for sale in Q1/20.

Balances with equity-accounted investments

In EUR mn

	Dec. 31, 2020	Dec. 31, 2019
Loans receivables	753	—
Advance payments	16	—
Trade receivables	78	84
Other receivables	7	41
Contract assets	7	—
Trade payables	106	63
Other payables	143	1
Contract liabilities	144	170

Dividend income from equity-accounted investments

In EUR mn

	2020	2019
Abu Dhabi Oil Refining Company	—	34
Abu Dhabi Petroleum Investments LLC	5	—
Borealis AG	108	297
Bayport Polymers LLC	21	—
Deutsche Transalpine Oelleitung GmbH	1	—
GENOL Gesellschaft m.b.H. ¹	0	1
OJSC Severneftegazprom	14	6
Pearl Petroleum Company Limited	25	31
PEGAS CEGH Gas Exchange Services GmbH	1	1
Società Italiana per l'Oleodotto Transalpino S.p.A.	1	—
Trans Austria Gasleitung GmbH ²	16	14
Total Group	191	384

¹ 2019 includes dividends from GENOL Gesellschaft m.b.H. & Co KG, while 2020 includes dividends from GENOL Gesellschaft m.b.H. (the business of GENOL Gesellschaft m.b.H. & Co KG was transferred to GENOL Gesellschaft m.b.H. in October 2019).

² Trans Austria Gasleitung GmbH was reclassified to held for sale in Q1/20.

February 4, 2021

The loans receivable balance mainly included drawdowns under a member loan agreement granted to Bayport Polymers. The book value including the related accrued interests amounted to EUR 735 mn as of December 31, 2020. The undrawn financing commitments provided to Bayport Polymers amounted to EUR 407 mn as of December 31, 2020.

Information on the government-related entities can be found in the OMV Consolidated Financial Statements 2019 (Note 35 Related Parties). There have been no changes up to the publication of the preliminary consolidated financial statements for 2020.

On March 12, 2020, OMV and Mubadala Investment Company signed the share purchase agreement for the acquisition of the additional 39% share in Borealis AG. More details can be found in the section “Changes in consolidated Group.”

Subsequent events

On February 3, 2021, the Supervisory Board of OMV Aktiengesellschaft has approved a reorganization of the OMV Group involving splitting and expanding the current area of Refining & Petrochemical Operations into two areas: Refining and Chemicals & Materials. This structural change facilitates the forward integration in the chemicals sector that has been underway ever since OMV acquired a majority stake in Borealis. With this change, OMV is consistently positioned across the entirety of its expanded value chain and can bundle all relevant responsibilities for petrochemicals and chemicals in a single board division.

The OMV Supervisory Board has appointed Alfred Stern (56) as Executive Board member for Chemicals & Materials.

The changes to the OMV corporate structure and the new Executive Board appointment will take effect as of April 1, 2021.

February 4, 2021

Declaration of the Management

We confirm to the best of our knowledge that the preliminary and unaudited financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group as required by the applicable accounting standards and that the Group Directors' Report gives a true and fair view of the development and performance of the business and the position of the Group together with a description of the principal risks and uncertainties that the Group faces.

Vienna, February 4, 2021

The Executive Board

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

Reinhard Florey m.p.
Chief Financial Officer

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

Thomas Gangl m.p.
Chief Downstream Operations Officer

Elena Skvortsova m.p.
Chief Commercial Officer

Further Information

Next events

- ▶ OMV Group Trading Update Q1/21: April 9, 2021
- ▶ OMV Group Report January–March 2021: April 29, 2021
- ▶ OMV Ordinary Annual General Meeting: June 2, 2021

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

OMV contacts

Florian Greger, Vice President and Head of Investor Relations
Tel.: +43 1 40440-21600; e-mail: investor.relations@omv.com

Andreas Rinofner, Public Relations
Tel.: +43 1 40440-21472; e-mail: public.relations@omv.com