

Report January – December and Q4 2010

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Recovering environment drives strong results

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
395	582	354	64	EBIT	2,334	1,410	66
648	609	476	28	Clean EBIT	2,657	1,590	67
632	567	413	37	Clean CCS EBIT ¹	2,470	1,418	74
149	88	103	(15)	Net income after minorities	921	572	61
290	216	117	85	Clean CCS net income after minorities ¹	1,118	596	88
0.50	0.30	0.35	(15)	EPS in EUR	3.08	1.91	61
0.97	0.72	0.39	85	Clean CCS EPS in EUR ¹	3.74	1.99	88
470	904	401	125	Cash flow from operations	2,886	1,847	56
-	-	-	n.a.	Dividend per share in EUR ²	1.00	1.00	0

¹ Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects) resulting from the fuels refineries

² 2010: Proposal to the Annual General Meeting 2011

- ▶ **Clean results up vs. Q4/09:** Clean CCS EBIT increased by 37% to EUR 567 mn supported by the higher crude price, better refining margins and a strong G&P business; clean CCS net income after minorities is up 85% to EUR 216 mn
- ▶ **Strong full year performance:** EPS up by 61% to EUR 3.08; proposed dividend of EUR 1.00 per share at previous year's level
- ▶ **Outlook for 2011:** In E&P, production is expected to be at a similar level to 2010; in R&M, the inclusion of Petrol Ofisi should support the results; in G&P, the start of commercial operation of the first power projects is expected in H2/11

Wolfgang Ruttendorfer, CEO of OMV:

"We look back at 2010 as a year of outstanding operational performance coupled with transformational acquisition steps in line with our integrated growth strategy. On the operational side, 2010 EBIT has increased 66% vs. 2009 on the back of a more favorable oil price and refining margin environment as well as a strong contribution from the G&P business. The results were further supported by reaching our target of reducing overhead costs by EUR 300 mn by the end of 2010 and we decided to extend this program with the aim to save another EUR 200 mn until 2012. In pursuit of our strategy we have managed to close the acquisition of a further 54.14% in Petrol Ofisi and will now focus on integrating the company into the Group as well as strengthening Turkey as a third strategic hub. In February, we further enlarged our E&P portfolio by closing the acquisition of 100% of the Tunisian subsidiaries of Pioneer. All in all, I am confident that OMV will be in great shape when I hand over to my colleague Gerhard Roiss, my successor as CEO, at the end of March."

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Directors' report (condensed, unaudited)

Financial highlights

Fourth quarter 2010 (Q4/10)

In Q4/10, results were driven by a favorable crude price environment (Brent price exceeded last year's Q4 average by 16%) and an improved OMV indicator refining margin (USD 3.48/bbl vs. 0.79/bbl in Q4/09). The **Group's reported EBIT** of EUR 582 mn was therefore 64% above the level of Q4/09 and **Petrom's contribution** to reported EBIT increased to EUR 229 mn from EUR 45 mn in Q4/09. The **net financial result** was at EUR (247) mn significantly below the Q4/09 level, mainly driven by charges relating to the application of IFRS 3 "business combinations" due to the full consolidation of Petrol Ofisi. **Net income after minorities** of EUR 88 mn was down 15% compared to Q4/09. **Clean CCS EBIT** increased 37% from Q4/09 to EUR 567 mn in Q4/10. Clean CCS EBIT is stated after eliminating positive inventory effects of EUR 42 mn as well as net special charges of EUR 27 mn, mainly relating to provisions for personnel restructurings. The contribution of **Petrom** to the Group's **clean CCS EBIT** was EUR 229 mn, 67% above last year's level. **Clean CCS net income after minorities** was EUR 216 mn (Q4/09: EUR 117 mn). **Clean CCS EPS** was EUR 0.72 (Q4/09: EUR 0.39).

In **Exploration and Production (E&P)**, clean EBIT decreased by 10% vs. Q4/09 and reached EUR 461 mn, despite the

favorable oil price environment, mainly due to lower sales volumes and a negative hedging result. At 320,000 boe/d the Group's oil and gas production was slightly below Q4/09. Significant unrealized losses mainly relating to a seasonal decrease in inventory levels more than offsetting the effect of higher oil prices were eliminated in the consolidation line.

In **Refining and Marketing (R&M)**, clean CCS EBIT came in clearly above the level of Q4/09 at EUR (46) mn. The refining business improved mainly on the back of the increase in the OMV indicator refining margin. Marketing was mainly burdened by additional costs arising from the newly introduced crisis tax in Hungary.

In **Gas and Power (G&P)**, clean EBIT of EUR 129 mn was 72% above the Q4/09 level, mainly reflecting a strong contribution of the supply, marketing and trading business that was characterized by significantly higher volumes and also due to the reversal of provisions for **outstanding receivables** at Petrom. The logistics business benefited from higher transportation volumes sold due to the start-up of a new pipeline in the domestic transportation system.

January – December 2010

In 2010, the average Brent price in USD was 29% higher than in 2009. Overall, the Group generated a strong financial performance, with EBIT and net income well above last year's levels. The **Group's EBIT** of EUR 2,334 mn was 66% above the level of 2009. The **EBIT contribution of Petrom** amounted to EUR 708 mn, a 86% increase from EUR 382 mn in 2009. The **net financial result** was below 2009, mainly reflecting the above mentioned charges due to the full consolidation of Petrol Ofisi. **Net income after minorities** of EUR 921 mn was 61% above last year's level. **Clean CCS EBIT** increased by 74% to EUR 2,470 mn after excluding net special charges mainly relating to impairments in E&P and provisions for personnel restructurings, as well as positive CCS effects of EUR 187 mn. **Petrom's clean CCS EBIT** contribution stood at EUR 789 mn, up 79% from EUR 440 mn. **Clean CCS net income after minorities** was EUR 1,118 mn and **clean CCS EPS** was EUR 3.74, 88% above 2009. Due to full consolidation of POAS, the **gearing ratio** stood at 45.7% at the end of December.

In **E&P**, clean EBIT increased by 38% compared to 2009, mainly reflecting higher price levels and positive FX effects. The Group's oil and gas production stood at 318,000 boe/d, slightly above last year's level.

In **R&M**, clean CCS EBIT increased significantly to EUR 225 mn, mainly due to an improved margin environment, cost savings and positive effects from restructuring in Petrom, which more than compensated a weaker marketing result impacted by reduced market demand.

In **G&P**, clean EBIT was up by 9%, mainly driven by a strong contribution of the logistics business that benefited from higher transportation volumes sold. The supply, marketing and trading business saw a strong pressure on margins, which was mitigated by re-negotiated supply contracts in H2/10 and higher volumes.

Significant events in Q4/10

On October 4, OMV announced two new gas-condensate discoveries in the OMV operated Nawara production concession in Southern Tunisia.

On October 22, OMV agreed with Dogan Holding to increase OMV's stake in Petrol Ofisi A.S., thereby gaining sole control over one of the leading companies in the Turkish oil products retail and commercial business.

On November 17, OMV sold 56 filling stations in the German states of Thuringia and Saxony to a subsidiary of the Polish oil group PKN ORLEN.

On December 10, one year after the start of the gas spot market, Central European Gas Hub and Vienna Stock Exchange launched the futures market on the CEGH Gas Exchange of Wiener Börse.

On December 14, the Supervisory Board agreed to appoint Manfred Leitner to the OMV Executive Board to take over the Refining and Marketing incl. petrochemicals business (R&M) with effect from April 1, 2011.

On December 22, OMV successfully closed the acquisition of 54.14% in Petrol Ofisi thereby increasing its stake from 41.58% to 95.72%.

Outlook 2011

For 2011 we expect the main market drivers to remain highly volatile. We expect the Brent oil price to be within a range of USD/bbl 80-100. The Brent-Urals spread is expected to remain tight. Our expectation for the relevant FX rates is also for continuing volatility. Refining margins are expected to recover somewhat due to improved demand for middle distillates. Petrochemical margins are anticipated to decrease compared to 2010, impacted by additional global petrochemical capacity. Marketing volumes as well as margins are expected to remain under pressure as western markets, despite economic recovery, are not expected to show any growth due to saturation while southeastern Europe is still feeling the impact of the economic downturn. To partly secure the Group's cash flow in 2011, OMV entered into oil price swaps in January 2011 for a volume of 50,000 bbl/d of 2011 production securing a price of USD 97/bbl and into EUR-USD average rate forwards at USD 1.37, covering those volumes until the end of 2011. OMV targets an investment level broadly in line with our guidance of average annual CAPEX of EUR 2.7 bn (without major acquisitions) until 2015, while maintaining the Group's strong investment grade credit rating and a stable financial profile remains a key focus. It is one of OMV's main priorities to strive for world class HSEQ standards including the reduction of the LTI-rate (lost-time injury).

E&P's production target for 2011 is to achieve production (excluding recent acquisitions) at a similar level to that of 2010. Increased production levels are expected in Yemen due to additional early production facilities coming on stream and in Kazakhstan following solution of the start-up difficulties. The increased volumes are expected to compensate for the natural decline in Romania and Austria. E&P will continue to focus on reducing the natural production decline and on enhancing the recovery rates from mature fields in its two core countries Romania and Austria. OMV signed a sale and purchase agreement to

acquire Petronas' E&P assets in Pakistan in Q3/10. The transaction is expected to be closed in H1/11.

The overall challenging margin environment will continue to pressure the **R&M** segment. In the Schwechat refinery, a six weeks' routine turnaround of the petrochemical plants is scheduled for Q2/11. Bayernoil will have a four weeks' routine turnaround of the Neustadt site in Q1/11. At Petrom, no major shutdown is scheduled for Petrobrazil. The Arpechim refinery is expected to stay offline throughout the year while the target to exit the refinery by 2012 at the latest remains in place. The construction of the "Ethylen Pipeline Süd", which will strengthen the petrochemical industry in Bavaria, will continue, with completion expected in H2/11. In the marketing business, continuous network optimization of the retail business should lead to improved profitability. In 2011, Petrol Ofisi will be fully consolidated and will thus add to OMV's marketing performance. At Petrom, the revised Petrobrazil refining investment will continue. Stringent cost management together with further streamlining of the business will support profitability in R&M.

Within the **G&P** segment, the implementation of the 3rd Energy Package will be a major focus for the logistics business in 2011. Further expansions of the WAG pipeline, as well as the commissioning of a newly constructed compressor station in Baumgarten (Austria), aim at increasing the transport capacity in 2011. Commercial operations of the Gate regasification terminal in Rotterdam (OMV stake: 5%) are planned to start in H2/11. On the gas sales markets the commissioning of new power plant projects will lead to additional demand for natural gas. Main planned steps regarding Nabucco are the finalization of negotiations with supply countries in the Caspian Region and an open season process for marketing the transport capacity. Based on a successful conclusion of the above, the final investment decision will be taken. The foundation

of OMV Trading GmbH is another step towards the development of cross-commodity and cross-regional trading activities in order to expand OMV's international activities along the entire gas and power value chain with the main focus on SEE and Turkey. The start-up of the gas-fired power plant in Brazi (Romania) and the wind park in

Dorobantu (Romania) in H2/11 mark the operational entry of OMV into the power business. In Romania, starting February 1, the Romanian regulatory authorities issued an order applying the gas basket consumption to internal non-technological usage. This will also include our power project in Brazi.

At a glance

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
5,673	6,635	4,794	38	Sales ¹	23,323	17,917	30
320	440	483	(9)	EBIT E&P ²	1,816	1,450	25
84	0	(140)	(100)	EBIT R&M	397	(143)	n.m.
45	127	56	125	EBIT G&P	277	235	18
(18)	(48)	(27)	73	EBIT Corporate and Other	(128)	(91)	41
(37)	63	(18)	n.m.	Consolidation	(28)	(41)	(32)
395	582	354	64	EBIT Group	2,334	1,410	66
522	461	512	(10)	Clean EBIT E&P ^{2,3}	2,099	1,517	38
124	(46)	(126)	(63)	Clean CCS EBIT R&M ³	225	(222)	n.m.
45	129	75	72	Clean EBIT G&P ³	279	256	9
(22)	(39)	(29)	35	Clean EBIT Corporate and Other ³	(105)	(92)	15
(37)	63	(18)	n.m.	Consolidation	(28)	(41)	(32)
632	567	413	37	Clean CCS EBIT ³	2,470	1,418	74
283	335	242	39	Income from ordinary activities	1,961	1,182	66
138	195	111	76	Net income	1,214	717	69
149	88	103	(15)	Net income after minorities	921	572	61
290	216	117	85	Clean CCS net income after minorities ³	1,118	596	88
0.50	0.30	0.35	(15)	EPS in EUR	3.08	1.91	61
0.97	0.72	0.39	85	Clean CCS EPS in EUR ³	3.74	1.99	88
470	904	401	125	Cash flow from operating activities	2,886	1,847	56
1.57	3.03	1.34	125	CFPS in EUR	9.66	6.18	56
3,262	5,167	3,314	56	Net debt	5,167	3,314	56
30	46	33	38	Gearing in %	46	33	38
585	1,767	673	162	Capital expenditures	3,207	2,355	36
-	-	-	n.a.	Dividend per share in EUR ⁴	1.00	1.00	0
-	-	-	n.a.	ROFA (%)	18	12	46
-	-	-	n.a.	ROACE (%)	10	6	68
-	-	-	n.a.	ROE (%)	11	7	54
32,219	31,398	34,676	(9)	OMV employees	31,398	34,676	(9)
26,447	24,662	28,984	(15)	thereof Petrom group	24,662	28,984	(15)

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

¹ Sales excluding petroleum excise tax

² Excluding intersegmental profit elimination shown in the line "Consolidation"

³ Adjusted for exceptional, non-recurring items; clean CCS figures exclude inventory holding gains/losses (CCS effects) resulting from the fuels refineries

⁴ 2010: Proposal to the Annual General Meeting 2011

Business segments

Exploration and Production (E&P)

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
1,191	1,152	1,101	5	Segment sales	4,666	3,797	23
320	440	483	(9)	EBIT	1,816	1,450	25
(202)	(21)	(29)	(28)	Special items	(283)	(67)	n.m.
522	461	512	(10)	Clean EBIT	2,099	1,517	38

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
29.0	29.4	30.0	(2)	Total hydrocarbon production in mn boe	115.9	115.5	0
316,000	320,000	327,000	(2)	Total hydrocarbon production in boe/d	318,000	317,000	0
15.8	16.0	16.7	(4)	Crude oil and NGL production in mn bbl	63.4	62.6	1
74.5	75.6	75.0	1	Natural gas production in bcf	295.1	297.2	(1)
76.86	86.46	74.53	16	Average Brent price in USD/bbl	79.50	61.67	29
72.65	75.55	72.49	4	Average realized crude price in USD/bbl	73.44	60.94	21
106.86	132.11	71.21	86	Exploration expenditure in EUR mn	375.65	251.85	49
61.55	81.26	39.08	108	Exploration expenses in EUR mn	238.70	239.05	0
11.84	14.21	12.67	12	OPEX in USD/boe ¹	12.83	12.02	7

Thereof Petrom group (included above)

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
119	167	158	6	EBIT	715	582	23
(105)	(21)	(40)	(46)	Special items	(126)	(51)	146
224	189	198	(5)	Clean EBIT	841	633	33

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
183,000	185,000	187,000	(1)	Total hydrocarbon production in boe/d	184,000	187,000	(2)
8.4	8.3	8.5	(2)	Crude oil and NGL production in mn bbl	33.3	33.5	0
1.3	1.3	1.3	0	Natural gas production in bcm ²	5.2	5.3	(3)
75.55	85.30	74.27	15	Average Urals price in USD/bbl	78.29	61.18	28
68.48	69.80	69.14	1	Average realized crude price in USD/bbl	68.72	58.86	17
150.11	156.66	171.38	(9)	Regulated gas price for domestic producers in USD/1,000 cbm ³	155.44	162.38	(4)
15.41	18.02	15.93	13	OPEX in USD/boe ¹	16.74	15.06	11

¹ Starting with 2010, the calculation of OPEX/boe is based on net production available for sale (i.e. exclusive of own consumption). In Q4/10, the impact of this change leads to an increase of USD 0.73/boe for OMV E&P and USD 1.34/boe for Petrom E&P.

² Reported in bcm, as gas prices in Romania are based on 1,000 cbm

³ Prices in 2010 refer to the latest prices published by ANRE (Romanian Energy Regulatory Authority) for Q4/09

Fourth quarter 2010 (Q4/10)

- Favorable oil price environment and a stronger USD support Q4/10 result; Sales volumes lower than in Q4/09
- Production volumes slightly below Q4/09 level: Higher volumes from Kazakhstan and the UK almost compensated for lower volumes in Romania and New Zealand
- Three-year average reserve replacement rate increased from 71% to 82%

The Brent price in USD was 16% above the Q4/09 level, while the Group's average realized crude price rose by 4% to USD 75.55/bbl reflecting the negative hedging result in Q4/10. Further, an adjustment in the internal compensation price regime between E&P and R&M in Romania, carried out at the beginning of 2010 in order to properly reflect the high integration value of the Romanian refineries, burdened the realized crude price. The Urals price, the reference oil

price in Romania, increased by 15%. The OMV Group's average realized gas price in EUR was at the Q4/09 level.

Despite the favorable oil price environment and positive FX effects, EBIT fell by 9% compared to Q4/09, mainly due to lower lifting volumes and a negative hedging result. Hedges entered into in Q2/09 for parts of the 2010 oil production have burdened the result by EUR (45) mn in Q4/10, in

contrast to a positive contribution of EUR 21 mn in Q4/09. **Exploration expenses** have more than doubled vs. Q4/09. Excluding net special charges of EUR 21 mn, relating to personnel restructuring, **clean EBIT** was 10% below the level of Q4/09.

Production costs excluding royalties (OPEX) in USD/boe increased by 12% versus Q4/09, mainly reflecting the negative quantity effect of the exclusion of own consumption in the calculation of OPEX starting from Q1/10 as well as higher service costs, which could partially be compensated by positive FX effects (especially due to the weakening RON). At Petrom, OPEX in USD/boe was up by 13%, despite positive FX effects (the RON weakened by 9% against the USD), mainly due to lower volumes for the above mentioned reason. **Exploration expenditure** increased by 86% to EUR 132 mn compared to Q4/09, mainly due to increased exploration activities in Romania, Austria, the UK and the Faroe Islands which stood in contrast to decreased exploration activities in Tunisia, Slovakia and Yemen.

Total production of oil, NGL and gas was slightly below Q4/09 at 320,000 boe/d. **Oil and NGL production** fell by 4% vs. Q4/09 despite the increase in Kazakhstan (mainly Komsomolskoe) and the UK (Bardolino came on stream in September 2010), which could not compensate for the natural production decline in Romania and lower volumes in

New Zealand (operational difficulties). **Gas production** was marginally above Q4/09, mainly due to higher volumes in Romania, Austria and Pakistan (Latif North-1 came on stream in Q4/10), which offset lower production in the UK and Kazakhstan. Higher sales volumes in Pakistan and the UK could not offset the lower sales volumes in Romania, Austria and Libya; thus the **total sales quantity** decreased by 5%.

Compared to Q3/10, clean EBIT declined by 12% mainly due to the negative hedging result of EUR (45) mn in Q4/10, which stood in contrast to a positive result of EUR 17 mn in Q3/10, an unfavorable FX effect and increased production costs also due to higher workover activities. These negative impacts, however, were partially mitigated by higher oil prices (Brent and Urals up by 12% and 13%, respectively). Sales volumes were down by 2% vs. Q3/10, mainly due to lower volumes in Yemen, Austria and Romania. These effects could not be compensated by higher volumes in Tunisia and Pakistan. Total production came in 1% above the previous quarter. Oil production was also 1% above Q3/10, as lower volumes in New Zealand and Kazakhstan were offset by increased volumes in Libya and the UK (start-up of Bardolino). Gas volumes were up by 2% as a higher production in Romania, Kazakhstan and Pakistan (Latif North-1 came on stream) made up for lower volumes in the UK.

January – December 2010

The Brent crude price increased by 29% compared to 2009. The Group's average **realized crude price** was USD 73.44/bbl, an increase of 21% reflecting the significantly lower positive effect from hedging (EUR 4 mn vs. EUR 108 mn in 2009). The Group's average **realized gas price** was up by 7%, reflecting the increased overall gas price level, which is however lagging behind the oil price development, and in spite of the unchanged Romanian gas price situation.

EBIT rose by 25% compared to 2009, mainly due to higher prices, despite a lower positive hedging result. EBIT included net special charges of EUR (283) mn (2009: EUR (67) mn), relating to the above mentioned items as well as the impairment of the Bardolino field (UK) in Q2/10, and impairments of Strasshof (Austria) and Petrom's Kazakh activities in Q3/10 as a result of executed technical assessments. The latter was also attributable to the re-introduction of an export customs duty in Kazakhstan. **Clean EBIT** was, therefore, 38% above last year's level.

Production costs excluding royalties in USD/boe (OPEX) increased by 7% compared to 2009, mainly reflecting the volume effect from the exclusion of own consumption. At Petrom, OPEX was up by 11% mainly due to the negative impact of lower production volumes on unit costs as well

as the exclusion of own consumption, despite positive FX effects (RON weakened against the USD). **Exploration expenditure** was up 49 on 2009, mainly driven by increased activities in the Kurdistan Region of Iraq, Tunisia and Norway. **Total production** of oil, NGL and gas was slightly above the level of 2009, as higher volumes from Kazakhstan, Libya and Austria compensated for lower volumes from Romania and Tunisia. **Oil and NGL production** was up by 1%, mainly due to increased production in Kazakhstan as well as in Libya, where output curtailments imposed due to the OPEC quota had been temporarily reallocated to other operators in 2010. **Gas production** fell by 1% mainly as Romania's gas production was negatively impacted by the delay in completion of key gas fields and the harsh weather conditions in Q1/10. Lower sales volumes in Romania and Austria could not be compensated by higher volumes in Kazakhstan and New Zealand; thus the **total sales quantity** decreased by 2%.

As of December 31, 2010, **proved oil and gas reserves** were 1,153 mn boe (of which 832 mn boe related to Petrom). The proved and probable oil and gas reserves amounted to 1,728 mn boe (Petrom: 1,172 mn boe). This has led to an increase in the three-year average reserve replacement rate to 82% in 2010 (2009: 71%). For the single year 2010, this rate was 70% (2009: 85%).

Refining and Marketing (R&M)

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
4,653	4,908	3,609	36	Segment sales	18,042	13,900	30
84	0	(140)	(100)	EBIT	397	(143)	n.m.
31	7	0	n.m.	thereof petrochemicals west	95	40	135
(55)	4	(76)	n.m.	Special items	(14)	(93)	(85)
				CCS effects:			
15	42	63	(34)	Inventory holding gains/(losses) ¹	187	172	8
124	(46)	(126)	(63)	Clean CCS EBIT ¹	225	(222)	n.m.

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
1.84	3.48	0.79	n.m.	OMV indicator refining margin in USD/bbl	2.90	1.99	46
5.38	5.68	5.54	3	Refining input in mn t ²	20.97	22.58	(7)
77	81	79	2	Utilization rate refineries in %	76	82	(7)
4.93	5.20	4.97	5	Refining output in mn t ³	18.99	20.28	(6)
6.49	6.57	6.30	4	Total refined product sales in mn t ⁴	24.48	25.53	(4)
4.42	4.22	4.16	1	thereof marketing sales volumes in mn t ⁵	16.03	16.79	(5)
0.52	0.53	0.49	7	thereof petrochemicals in mn t	2.08	2.02	3
2,310	2,291	2,433	(6)	Marketing retail stations	2,291	2,433	(6)

Thereof Petrom group (included above)

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
20	(30)	(87)	(66)	EBIT	25	(146)	n.m.
(3)	(1)	(75)	(99)	Special items	0	(92)	(100)
				CCS effects:			
7	27	40	(33)	Inventory holding gains/(losses) ¹	50	105	(52)
16	(56)	(52)	7	Clean CCS EBIT ¹	(25)	(160)	(84)

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
(1.15)	0.69	(1.74)	n.m.	OMV indicator refining margin east in USD/bbl	0.33	0.02	n.m.
0.94	1.05	1.25	(16)	Refining input in mn t ²	4.15	5.46	(24)
44	49	58	(16)	Utilization rate refineries in %	49	65	(24)
0.86	1.04	1.05	(1)	Refining output in mn t ³	3.78	4.99	(24)
1.41	1.49	1.45	3	Total refined product sales in mn t ⁴	5.38	6.18	(13)
1.17	1.08	1.15	(7)	thereof marketing sales volumes in mn t ⁵	4.16	4.67	(11)
802	801	814	(2)	Marketing retail stations	801	814	(2)

¹ Current cost of supply (CCS): Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects) resulting from the fuels refineries

² As of Q1/10, this figure is adjusted to the refining west reporting standard which includes crude and semi-finished products. Historic figures have been adjusted.

³ Prior to Q1/10 practice had been to disclose refining sales volumes which had also included traded goods sourced externally. Refining output figures for earlier periods are also reported here.

⁴ Shown for the first time as of Q1/10. Includes all products sold by the Group. Figures for previous periods are also reported here.

⁵ As of Q1/10 the Petrom figure excludes export sales which are included in total refined product sales. Historic figures have been adjusted.

Fourth quarter 2010 (Q4/10)

- ▶ **OMV indicator refining margin improved, but result burdened by one-off costs**
- ▶ **Petrochemical environment better than in Q4/09, however with a downward trend towards year end**
- ▶ **Solid marketing performance impacted by Hungarian crisis tax**

The impact of higher crude and product price levels led to a 36% increase in **R&M segment sales** compared to Q4/09.

prices led to a reported EBIT of EUR 0 mn (vs. EUR (140) mn in Q4/09).

At EUR (46) mn, **clean CCS EBIT** came in above the level of Q4/09 (EUR (126) mn), mainly reflecting the increase in fuels margins and despite a number of one-off costs totalling EUR (70) mn. Net special income in Q4/10 was EUR 4 mn relating to the sale of filling stations in Germany. Positive CCS effects of EUR 42 mn due to increasing crude

The clean CCS EBIT in **refining** improved compared to Q4/09, mainly reflecting the increase of the OMV indicator refining margin from USD 0.79/bbl to 3.48/bbl. The result in refining west was further supported by higher petrochemical sales volumes. At Petrom, the refining result was impacted by write-offs of storage tanks and spare

parts mainly at the site of the Arpechim refinery, which is planned to be exited by 2012 at the latest. This could not be compensated by the higher OMV indicator refining margin and an adjustment in the internal compensation price regime in Romania, carried out at the beginning of 2010 in order to properly reflect the high integration value of the Romanian refineries. The OMV indicator refining margin east was above the level of Q4/09 (USD 0.69/bbl vs. USD (1.74)/bbl), as a consequence of higher product spreads which offset the increased cost of own crude oil consumption due to the higher oil price.

Overall **capacity utilization** stood at 81%. With a high level of 95%, capacity utilization in refining west was above Q4/09 as OMV's western refineries partly benefited from the restriction in overall regional supply caused by strikes at refineries in France at the beginning of the quarter. At Petrom, utilization declined to 49% reflecting the Arpechim refinery not being operated. The utilization rate of the refinery Petrobrazi was 86% in Q4/10. Total OMV **refining output** was up 5% compared to Q4/09.

The **petrochemicals result** was above the level of Q4/09 due to better propylene margins and higher sales volumes, which were up by 7% compared to Q4/09.

January – December 2010

R&M **segment sales** increased by 30% due to higher price levels.

At EUR 225 mn, **clean CCS EBIT** improved significantly compared to 2009 (EUR (222) mn), mainly reflecting an improved margin environment, cost savings and the ongoing restructuring at Petrom. Taking into account positive CCS effects of EUR 187 mn (vs. EUR 172 mn in 2009) as well as net special charges of EUR 14 mn led to an **EBIT** also considerably above last year's level (EUR 397 mn vs. EUR (143) mn in 2009).

The **refining** result improved considerably compared to 2009, mainly due to the increase in the OMV indicator refining margin, a favorable petrochemical margin development (especially for propylene), cost savings as well as a positive effect from the ongoing restructuring of Arpechim (sale of the petrochemicals unit, stop-and-go mode of the refinery). The OMV indicator refining margin

The **clean marketing result** was below the level of Q4/09, mainly due to a lower contribution from the western marketing business as a consequence of additional costs arising from the newly introduced crisis tax in Hungary which was due in Q4/10 for the whole year 2010. The marketing business at Petrom, however, slightly improved since cost reductions helped compensate for the persisting weak market environment. Overall, **marketing sales volumes** were slightly up compared to Q4/09 (+ 1%). As of December 31, 2010, the total number of **retail stations** in the Group declined by 6% compared to the end of December 2009, mainly as a consequence of the sale of the Italian filling station network and the sale of selected Austrian stations as part of ongoing retail network optimization.

Compared to Q3/10, clean CCS EBIT declined considerably. Despite a higher OMV indicator refining margin, a number of one-off costs totalling EUR (70) mn and higher costs at the end of the year in both refining and marketing, depressed olefin margins in the petrochemical business and lower margins and volumes in marketing resulting from the end of the driving season burdened the result.

east was above the level of 2009 (USD 0.33/bbl vs. USD 0.02/bbl in 2009) as improved product spreads more than offset higher costs for own crude consumption as a consequence of the increased oil price.

Overall **capacity utilization** decreased to 76% due to the impact of the maintenance shutdowns in Schwechat and Petrobrazi in Q2/10 and Arpechim being shut down for nearly nine months throughout the year. Total **refining output** was down by 6%.

The **petrochemicals result** improved notably compared to 2009, mainly reflecting higher olefin margins. Petrochemical sales volumes were 3% above the level of 2009.

The **marketing** result came in significantly below the level of 2009 since both volumes and margins were suffering from the still weak economic environment.

Gas and Power (G&P)

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
778	1,536	970	58	Segment sales	4,365	3,273	33
45	127	56	125	EBIT	277	235	18
0	(2)	(18)	(91)	Special items	(2)	(21)	(88)
45	129	75	72	Clean EBIT	279	256	9

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
3.11	6.03	4.30	40	Combined gas sales volumes in bcm	18.03	13.06	38
801,939	933,192	929,945	0	Average storage capacities sold in cbm/h	867,507	850,207	2
21.74	24.93	19.98	25	Total gas transportation sold in bcm	89.21	75.29	18

Thereof Petrom group (included above)

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
(11)	44	(1)	n.m.	EBIT	39	17	131
0	(2)	(18)	(91)	Special items	(2)	(21)	(90)
(11)	46	17	164	Clean EBIT	41	37	10

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
371	376	290	30	Import price in USD/1,000 cbm ^{1,2}	360	353	2
150	157	171	(9)	Regulated gas price for domestic producers in USD/1,000 cbm ¹	155	162	(4)
0.73	1.58	1.37	15	Gas sales volumes in bcm	4.66	4.59	1

¹ In 2010, ANRE (Romanian Energy Regulatory Authority) ceased to publish the regulated gas price for domestic producers and the import price taken into account for the regulated end user/basket gas price calculation. The regulated gas prices for domestic producers for 2010 in the table above are the latest published by ANRE.

² For 2010, the actual import gas prices published retrospectively by ANRE on a monthly basis are presented in the table. Import gas prices for 2009 have not been adjusted.

Fourth quarter 2010 (Q4/10)

- ▶ **Gas sales volumes at EconGas increased significantly compared to Q4/09, mainly driven by higher wholesale quantities, thus also positively affecting the results**
- ▶ **Petrom benefited from a reversal of provisions for outstanding receivables**
- ▶ **Logistics business recorded increased transportation volumes sold**

Clean EBIT came in 72% above Q4/09, mainly reflecting a strong contribution of the supply, marketing and trading business that was characterized by significantly higher volumes and also due to the reversal of provisions at Petrom. **EBIT** more than doubled compared to the previous year, as Q4/09 was heavily burdened by provisions related to the planned closing of Doljchim.

Supply, marketing and trading recorded a 40% increase in total sales volumes compared to Q4/09. EconGas' sales volumes were mainly driven by low temperatures, higher wholesale volumes and higher sales volumes on international gas hubs. Re-negotiations of supply contracts supported margins and reduced the pressure caused by spot prices that remained at a low level during 2010.

Petrom's sales volumes were 15% higher than in Q4/09, while the natural gas consumption of Romania increased by 3% compared to the same period of the previous year. One of the main drivers for the increase in Petrom's sales volumes was the strong demand of the fertilizer industry, which was largely covered by quantities extracted from

storage. Further, Petrom benefited from a reversal of provisions for outstanding receivables, mainly from municipal companies, as major parts of the overdue outstanding receivables have been paid.

ANRE, the Romanian Energy Regulatory Authority, has ceased publication of regulated gas prices. The latest figure published by ANRE for the import price was USD 290/1,000 cbm in Q4/09. The recommended (de facto regulated) gas price for domestic producers was also last published in Q4/09 and therefore remained at RON 495/1,000 cbm, while in USD terms this meant a decrease of 9% compared to Q4/09.

In **logistics**, the storage business showed stable volumes and slightly higher rates sold than in Q4/09. The transportation business reported transportation volumes sold at notably higher levels than in Q4/09 due to the start-up of a new pipeline (Baumgarten-Auersthal pipeline) in the domestic transportation system.

In December 2009, Petrom decided to exit the chemicals business and to close the fertilizer plant **Doljchim** in 2010. Due to the stop of Doljchim's methanol plant in October, the negative EBIT of Doljchim was reduced to approximately EUR (1) mn, a reduction of 97%, as Q4/09 was heavily burdened by provisions for the planned closing of Doljchim.

In the business unit **power** the construction of both Romanian power projects – the gas power plant Brazi and the wind farm in the Dorobantu region – continued according to schedule. In Brazi, the testing of the main components and systems has already been started. Also the power plant project in Samsun, Turkey, is progressing according to plan. The progress in construction has manifested itself in an increased cost level in the business unit power.

January – December 2010

EBIT increased by 18% compared to last year, mainly driven by a strong contribution of the logistics business that benefited from higher transportation volumes sold. The supply, marketing and trading business saw strong pressure on margins, which was mitigated by re-negotiated supply contracts in H2/10 and higher volumes. Volumes secured for the power plant in Turkey were sold under difficult market conditions and negatively affected EBIT. **Clean EBIT** showed a lower rise than reported EBIT, as special items for the planned closure of Doljchim were booked in 2009.

Supply, marketing and trading saw a sharp increase in sales volumes compared to the previous year, which was driven by low temperatures, wholesale deals and higher sales volumes at international gas hubs of **EconGas**. This volume growth as well as re-negotiated supply contracts in H2/10 compensated the difficult margin environment due to low spot prices on international hubs. Sales volumes of Petrom increased by 1% compared to 2009, while Romanian total consumption increased by 5%. Petrom's internal transfer volumes were below 2009, driven by the stop-and-go-mode of the Arpechim refinery and low utilization of

Compared to Q3/10, clean EBIT showed the expected seasonal increase in the supply, marketing and trading business that benefited from strong sales volumes. EconGas was positively impacted by strong wholesale activities and a growth of sales volumes at international gas hubs. Compared to Q3/10, Petrom's sales volumes increased by 116%, while Romanian consumption rose by 106%. EBIT was further positively impacted by reversals of provisions for outstanding receivables. The logistics business reported higher transportation volumes sold compared to Q3/10, which were mainly driven by the start-up of a new pipeline in the domestic transportation system. The storage business saw the expected seasonal development with higher withdrawal rates and higher volumes sold.

Doljchim. The result was negatively impacted by lower margins, as in the previous year it benefited from import quantities extracted from storage.

The **logistics** business benefited from increased total gas transportation sold, primarily due to the start-up of a new compressor station at the TAG pipeline in Q4/09 and a new pipeline in the domestic transportation system in Q4/10. Further, additional capacity sales were reported at the WAG pipeline. Storage volume and rates sold positively contributed to the logistics result.

Since the decision to exit the chemicals business at the end of 2009, **Doljchim** has been operated only when necessary to optimize Petrom's integrated operations, thereby reducing its clean EBIT compared to 2009 from (14) mn to approximately EUR (8) mn.

In the **power** business, the construction of the power plants in Brazi, Dorobantu and Samsun are progressing according to schedule. Building up this business has resulted in costs above the level of 2009.

Group financial statements and notes

(condensed, unaudited)

Legal principles and general accounting policies

The condensed consolidated financial statements for 2010 have been prepared in accordance with Austrian law and International Financial Reporting Standards (IFRS), as adopted by the European Union.

Changes in the consolidated Group

Compared with the consolidated financial statements as of December 31, 2009, the consolidated Group changed as follows:

In E&P, OMV Bina Bawi GmbH, OMV Rovi GmbH, OMV Sarta GmbH, OMV Block 70 upstream GmbH, all based in Vienna, and Petrom Exploration & Production Limited, Douglas, were included in Q3/10. OMV Maurice Energy GmbH, Vienna, is fully consolidated as of Q4/10.

The group of companies of RING OIL HOLDING & TRADING LTD, Nicosia, including seven subsidiaries in Russia, were sold at the beginning of September 2010.

In R&M, the sale of OMV Italia S.r.l., Bolzano, was closed in March 2010.

As of December 22, 2010, the acquisition of additional 54.14% of the shares of Petrol Ofisi A.S., Istanbul, was

closed. The interest of 95.72 % in Petrol Ofisi A.S. and its subsidiaries Erk Petrol Yatirimlari A.S., Istanbul, Kibris Türk Petrolleri Ltd., Lefkosa (Nicosia), Marmara Depoculuk Hizmetleri Sanayi ve Ticaret Anonim Sirketi, Istanbul, Petrol Ofisi Alternatif Yakitlar Toptan Satis A.S., Istanbul, Petrol Ofisi Gaz Iletim A.S., Istanbul, PO Georgia LLC, Tbilisi, Petrol Ofisi Akdeniz Rafinerisi Sanayi ve Ticaret A.S., Istanbul and Petrol Ofisi Arama Üretim Sanayi ve Ticaret Anonim Sirketi, Ankara, is fully consolidated with the end of December 2010. The interest in Petrol Ofisi A.S. was previously accounted for at equity.

M.P. PETROLEUM DISTRIBUTIE SA, Bucharest, was merged into OMV PETROM MARKETING SRL, Bucharest, starting with the beginning of Q4/10.

In G&P, Wind Power Park SRL, Galbiori, has been fully consolidated since Q2/10. In Q3/10, OMV Gas Storage GmbH, Vienna, was included, while in Q4/10 OMV Trading GmbH, Vienna, was included.

In Co&O, OMV Finance Service GmbH, Vienna, is fully consolidated since Q2/10 and Petromed Solutions Srl, Bucharest, since Q3/10. OMV Enerji Holding A.S., Istanbul, was included in Q4/10.

Income statement (unaudited)

Q3/10	Q4/10	Q4/09	Consolidated income statement in EUR mn	2010	2009
5,673.18	6,635.44	4,794.27	Sales revenues	23,323.44	17,917.27
(68.29)	(66.35)	(57.70)	Direct selling expenses	(244.75)	(212.67)
(4,775.39)	(5,563.18)	(3,946.91)	Production costs of sales	(19,187.96)	(14,703.60)
829.50	1,005.90	789.66	Gross profit	3,890.72	3,001.00
48.24	77.90	65.18	Other operating income	250.52	223.64
(193.34)	(191.62)	(226.06)	Selling expenses	(755.51)	(800.12)
(69.47)	(110.73)	(88.18)	Administrative expenses	(327.32)	(299.88)
(61.55)	(81.26)	(39.08)	Exploration expenses	(238.70)	(239.05)
(4.15)	(6.23)	(3.58)	Research and development expenses	(15.80)	(14.44)
(154.21)	(112.34)	(144.33)	Other operating expenses	(470.11)	(461.27)
395.03	581.62	353.62	Earnings before interest and taxes (EBIT)	2,333.80	1,409.88
38.29	(0.33)	7.60	Income from associated companies	91.71	65.53
0.30	0.28	(0.19)	Dividend income	9.97	11.64
(97.09)	(73.97)	(114.82)	Net interest result	(335.85)	(297.76)
(53.16)	(172.70)	(4.52)	Other financial income and expenses	(139.01)	(7.46)
(111.67)	(246.72)	(111.93)	Net financial result	(373.17)	(228.05)
283.36	334.90	241.69	Profit from ordinary activities	1,960.63	1,181.83
(145.52)	(139.42)	(130.77)	Taxes on income	(746.51)	(464.90)
137.84	195.48	110.92	Net income for the period	1,214.12	716.93
148.82	88.23	103.40	thereof attributable to owners of the parent	920.59	571.71
(10.99)	107.25	7.52	thereof attributable to non-controlling interests	293.53	145.22
0.50	0.30	0.35	Basic earnings per share in EUR	3.08	1.91
0.50	0.29	0.35	Diluted earnings per share in EUR	3.07	1.91
-	-	-	Dividend per share in EUR ¹	1.00	1.00

¹ 2010: Proposal to the Annual General Meeting 2011

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
38.29	(0.33)	7.60	n.m.	Income from associated companies	91.71	65.53	40
19.33	37.70	4.14	n.m.	thereof Borealis	108.89	11.86	n.m.
19.23	(40.15)	1.52	n.m.	thereof Petrol Ofisi	(15.66)	39.59	n.m.

Statement of comprehensive income (unaudited)

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
137.84	195.48	110.92	76	Net income for the period	1,214.12	716.93	69
(65.59)	80.01	(1.24)	n.m.	Exchange differences from translation of foreign operations	202.88	(175.61)	n.m.
(0.95)	-	0.66	n.m.	Gains/(losses) on available-for-sale financial assets	(0.06)	622.92	n.m.
33.16	-	(115.17)	n.m.	Gains/(losses) on hedges	101.53	(190.77)	n.m.
(8.28)	29.93	1.00	n.m.	Share of other comprehensive income of associated companies	74.67	11.24	n.m.
(7.21)	-	21.86	n.m.	Income tax relating to components of other comprehensive income	(21.47)	30.38	n.m.
(48.88)	109.94	(92.90)	n.m.	Other comprehensive income for the period, net of tax	357.55	298.17	20
88.95	305.42	18.02	n.m.	Total comprehensive income for the period	1,571.67	1,015.10	55
44.83	196.18	49.58	n.m.	thereof attributable to owners of the parent	1,277.48	1,006.40	27
44.12	109.24	(31.56)	n.m.	thereof attributable to non-controlling interests	294.19	8.70	n.m.

Notes to the income statement

Fourth quarter 2010 (Q4/10)

With an increase of 38%, **consolidated sales** are higher than in Q4/09, mainly driven by higher oil and product prices as well as an increase in gas sales volumes, which more than compensated for the decrease in marketing sales volumes at Petrom. The **Group's reported EBIT** came to EUR 582 mn, above Q4/09 (EUR 354 mn) mainly due to higher oil prices, improved refining and petrochemical margins, increased gas sales volumes, a stronger USD as well as lower net special charges. **Petrom group's EBIT** was EUR 229 mn, also clearly above Q4/09 (EUR 45 mn) mainly due to last year's impairments of refining assets and Doljchim closure costs in Q4/09. In Q4/10, **net special charges** of EUR 27 mn primarily related to personnel restructuring costs in Romania. In addition, positive **CCS effects** of EUR 42 mn were recorded. **Clean CCS EBIT** increased from EUR 413 mn in Q4/09 to EUR 567 mn in Q4/10; the contribution of Petrom to the Group's clean CCS EBIT was EUR 229 mn, well above last year's level.

The **net financial result** of EUR (247) mn was well below Q4/09 (EUR (112) mn), mainly driven by the first time full consolidation of OMV's interest in Petrol Ofisi, our interest to date in the company having been reported at equity. This change requires the application of IFRS 3 "Business Combinations", leading to certain foreign exchange losses which had previously been booked against equity to be recycled through income. Further, reducing the existing book value per share to the price payable per share for the 54.14% in Petrol Ofisi also resulted in a charge to income at closing. The mentioned charges as well as higher FX losses and a weaker at-equity result of Petrol Ofisi due to the TRY depreciation vs. USD and one-off items, were only partly compensated by lower net interest charges and a considerably higher at-equity contribution of Borealis.

Current **taxes** on Group income of EUR 158 mn and income from **deferred taxes** of EUR 19 mn were recognized in Q4/10. The **effective tax rate** in Q4/10 was 42% (Q4/09: 54%). The higher contribution of the highly taxed Libyan ventures in Q4/09 was the main reason for the lower effective tax rate compared to Q4/09.

Net income after minorities was EUR 88 mn, compared to EUR 103 mn in Q4/09. Minority interest was EUR 107 mn (Q4/09: EUR 8 mn). **Clean CCS net income after minorities** was EUR 216 mn (Q4/09: EUR 117 mn). **EPS** for the quarter was at EUR 0.30 and **clean CCS EPS** was at EUR 0.72 (Q4/09: EUR 0.35 and EUR 0.39 respectively).

Compared to Q3/10, sales increased by 17%, mainly driven by rising oil prices and seasonally higher gas sales volumes. The reported EBIT at EUR 582 mn was above Q3/10 (EUR 395 mn), mainly due to higher oil prices and gas sales volumes as well as considerably higher net special charges in Q3/10, partly mitigated by lower petrochemical margins. Clean CCS EBIT decreased by 10%. The net financial result was well below Q3/10, mainly driven by charges in relation with the application of IFRS 3 "business combinations" due to the full consolidation of Petrol Ofisi as well as a weaker at-equity result of Petrol Ofisi due to the TRY depreciation vs. USD, seasonally lower demand and one-off items. A higher at-equity contribution of Borealis could mitigate these effects to some extent. The effective tax rate of the Group in Q4/10 was 42% (Q3/10: 51%). The higher effective tax rate in Q3/10 mainly reflected the impairments recognized in lower taxed countries in the previous quarter. Net income after minorities at EUR 88 mn was below Q3/10 (EUR 149 mn). At EUR 216 mn, clean CCS net income after minorities also decreased vs. Q3/10 (EUR 290 mn).

January – December 2010

The 30% increase in **consolidated sales** compared to 2009 was mainly driven by higher crude and product prices as well as higher gas sales volumes. The **Group's EBIT**, at EUR 2,334 mn, is well above the level of 2009 (EUR 1,410 mn), mainly favored by higher oil prices as well as a better refining and petrochemical margin environment. The **EBIT contribution of Petrom** group increased to EUR 708 mn compared to EUR 382 mn in 2009, mainly driven by higher oil prices and lower net special charges as well as lower costs related to the Arpechim refinery being shut down for nearly nine months throughout the year. In 2010, **net special charges** of EUR 323 mn mainly related to impairments of E&P assets in Kazakhstan, the UK and Austria as well as personnel restructuring costs. In addition, positive **CCS effects** of EUR 187 mn were recognized. **Clean CCS EBIT** increased by 74% to EUR 2,470 mn; the contribution of Petrom to the Group's clean CCS EBIT was

EUR 789 mn, well above last year's level (2009: EUR 440 mn).

In 2010, the **net financial result** at EUR (373) mn was well below 2009 (EUR (228) mn), mainly driven by charges in relation with the application of IFRS 3 "business combinations" due to the full consolidation of Petrol Ofisi as well as higher net interest charges, partly compensated by a significantly higher at-equity contribution of Borealis due to a strong margin environment.

Current taxes on the income of the Group were EUR 717 mn and expenses from **deferred taxes** of EUR 29 mn were recognized in 2010. The **effective tax rate** was 38% (2009: 39%). This improvement was mainly attributable to a lower profit contribution of highly taxed Libyan E&P results as well as a relatively higher contribution of lower taxed Romanian results.

Net income after minorities was EUR 921 mn, well above 2009 (EUR 572 mn). Minority interests were EUR 294 mn (2009: EUR 145 mn). **Clean CCS net income after**

minorities was EUR 1,118 mn (2009: EUR 596 mn). **EPS** was at EUR 3.08, clean **CCS EPS** was at EUR 3.74 (2009: EUR 1.91 and EUR 1.99 respectively).

Balance sheet, capital expenditure and gearing (unaudited)

Consolidated balance sheet in EUR mn	Dec. 31, 2010	Dec. 31, 2009
Assets		
Intangible assets	3,092.70	812.39
Property, plant and equipment	12,828.80	11,370.40
Investments in associated companies	1,487.63	2,214.97
Other financial assets	1,152.68	1,173.03
Other assets	108.45	45.05
Non-current assets	18,670.26	15,615.85
Deferred taxes	189.59	177.60
Inventories	2,818.13	2,324.76
Trade receivables	2,930.54	1,934.64
Other financial assets	352.61	402.38
Income tax receivables	103.07	70.79
Other assets	299.94	159.14
Cash and cash equivalents	946.13	674.54
Non-current assets held for sale	93.54	55.51
Current assets	7,543.98	5,621.77
Total assets	26,403.83	21,415.21
Equity and liabilities		
Capital stock	300.00	300.00
Reserves	8,780.58	7,798.32
Stockholders' equity	9,080.58	8,098.32
Non-controlling interests	2,231.71	1,936.47
Equity	11,312.29	10,034.79
Provisions for pensions and similar obligations	899.33	883.84
Bonds	1,990.13	1,475.93
Interest-bearing debts	3,015.05	1,720.73
Provisions for decommissioning and restoration obligations	1,932.57	1,801.73
Other provisions	295.57	259.73
Other financial liabilities	193.44	200.10
Other liabilities	9.15	11.71
Non-current liabilities	8,335.25	6,353.76
Deferred taxes	535.85	295.10
Trade payables	3,361.58	2,141.53
Bonds	72.61	310.00
Interest-bearing debts	895.52	363.88
Provisions for income taxes	121.48	101.46
Other provisions	451.27	418.62
Other financial liabilities	309.22	502.87
Other liabilities	1,000.51	868.22
Liabilities associated with assets held for sale	8.25	24.99
Current liabilities	6,220.45	4,731.57
Total equity and liabilities	26,403.83	21,415.21

Notes to the balance sheet as of December 31, 2010

Capital expenditure increased to EUR 3,207 mn (2009: EUR 2,355 mn). Substantially higher CAPEX in both the R&M and G&P segments was partly offset by lower CAPEX in the E&P and Corporate and Other (Co&O) segments.

E&P invested EUR 1,152 mn (2009: EUR 1,500 mn). The single biggest capital investment in 2010 took place in Yemen in order to further develop the Habban field. E&P also invested significantly in Romania, Austria and Kazakhstan. CAPEX in the **R&M** segment, mainly comprising the acquisition of a further 54.14% in Petrol Ofisi A.S. for EUR 1 bn and investments in quality enhancement projects in Austria and Romania as well as the construction and remodeling of filling stations, amounted to EUR 1,394 mn (2009: EUR 347 mn). CAPEX in the **G&P** segment of EUR 612 mn (2009: EUR 381 mn) related mainly to investments in the construction of power plants in Brazi, Romania, and Samsun, Turkey, as well as the WAG pipeline expansion project. CAPEX in the **Co&O** segment was EUR 49 mn (2009: EUR 127 mn).

Compared to year end 2009, above mentioned CAPEX led to an increase of **total assets** by EUR 4,989 mn or 23% to EUR 26,404 mn. The biggest offsetting change was the

reduction in investments in associated companies by EUR 727 mn, which is related to Petrol Ofisi A.S., being fully consolidated as of December 31, 2010.

Equity increased by approximately 13%. The Group's equity ratio decreased to 43% (year-end 2009: 47%).

The **total number of own shares** held by the Company amounted to 1,203,195 (December 31, 2009: 1,219,695).

Short- and long-term borrowings, bonds and financial leases stood at EUR 6,113 mn on December 31, 2010 (December 31, 2009: EUR 3,989 mn), thereof EUR 139 mn liabilities for financial leases (December 31, 2009: EUR 118 mn). Cash and cash equivalents increased to EUR 946 mn (December 31, 2009: EUR 675 mn). OMV increased its **net debt** position to EUR 5,167 mn (mainly caused by the acquisition of a further 54.14% share in Petrol Ofisi), compared to EUR 3,314 mn at the end of 2009. A ten-year bond with a notional amount of EUR 500 mn was issued in February 2010 while in June 2010 a bond with a notional amount of EUR 250 mn was redeemed.

On December 31, 2010, the **gearing ratio** stood at 45.7% (December 31, 2009: 33.0%).

Cash flows (unaudited)

Q3/10	Q4/10	Q4/09	Summarized statement of cash flows in EUR mn	2010	2009
137.84	195.48	110.92	Net income for the period	1,214.12	716.93
528.92	370.58	394.28	Depreciation and amortization including write-ups	1,571.18	1,319.55
19.43	(18.52)	(38.85)	Deferred taxes	29.25	(85.60)
(3.85)	6.23	(10.23)	Losses/(gains) on the disposal of non-current assets	(1.46)	5.28
59.47	(0.14)	34.26	Net change in long-term provisions	71.56	(48.28)
51.63	315.50	104.92	Other adjustments	89.13	96.14
793.43	869.13	595.30	Sources of funds	2,973.78	2,004.02
(368.76)	82.27	(38.62)	(Increase)/decrease in inventories	(52.11)	(196.68)
(3.51)	(273.89)	(153.88)	(Increase)/decrease in receivables	(698.31)	(120.64)
100.54	217.28	(8.23)	(Decrease)/increase in liabilities	670.64	281.44
(51.81)	9.53	6.85	(Decrease)/increase in short-term provisions	(7.69)	(121.40)
469.88	904.32	401.42	Net cash from operating activities	2,886.31	1,846.74
			Investments		
(569.13)	(482.43)	(477.27)	Intangible assets and property, plant and equipment	(2,087.61)	(2,206.46)
(3.14)	(5.94)	(58.08)	Investments, loans and other financial assets including changes in short-term financial assets	(40.41)	(522.81)
(0.67)	(797.00)	(3.46)	Acquisitions of subsidiaries and businesses net of cash acquired	(813.55)	(13.27)
			Disposals		
16.30	2.82	41.70	Proceeds from sale of non-current assets	39.69	1,532.69
(0.81)	(0.84)	0.00	Proceeds from the sale of subsidiaries, net of cash disposed	26.79	-
(557.46)	(1,283.39)	(497.11)	Net cash used in investing activities	(2,875.09)	(1,209.86)
158.77	(209.69)	3.67	(Decrease)/increase in long-term borrowings	536.56	1,048.46
(112.99)	334.72	(175.64)	(Decrease)/increase in short-term borrowings	52.48	(1,370.89)
-	(10.89)	-	Dividends paid	(333.56)	(335.97)
-	0.44	0.53	(Repurchase)/sale of treasury shares	0.44	0.93
45.79	114.58	(171.45)	Net cash from financing activities	255.92	(657.47)
(11.86)	0.41	0.25	Effect of exchange rate changes on cash and cash equivalents	4.45	(4.96)
(53.65)	(264.08)	(266.89)	Net (decrease)/increase in cash and cash equivalents	271.59	(25.55)
1,263.86	1,210.21	941.43	Cash and cash equivalents at beginning of period	674.54	700.09
1,210.21	946.13	674.54	Cash and cash equivalents at end of period	946.13	674.54

Notes to the cash flows

In 2010, **free cash flow** (defined as net cash from operating activities less net cash used in investing activities) showed an inflow of funds of EUR 11 mn (2009: EUR 637 mn). Dividends of EUR 334 mn were paid out in 2010 (2009: dividends of EUR 336 mn). **Free cash flow less dividend payments** resulted in a cash outflow of EUR 323 mn (2009: cash inflow EUR 301 mn).

The inflow of funds from net income, adjusted for non-cash items such as depreciation, net change in long-term provisions, non-cash income from investments and other positions, was EUR 2,974 mn (2009: EUR 2,004 mn); **net working capital** generated a cash outflow of EUR 87 mn (2009: EUR 157 mn).

Cash flow from investing activities (outflow of EUR 2,875 mn; 2009: EUR 1,210 mn) includes, besides payments for investments in intangible assets and property, plant and equipment (EUR 2,088 mn) and also the cash outflow for the investment in Petrol Ofisi A.S. of EUR 1,007 mn (net cash outflow less cash acquired amounted to EUR 797 mn). In 2009, this position also included the cash inflow from the sale of the MOL shares (EUR 1,400 mn).

Cash flow from financing activities led to an inflow of funds amounting to EUR 256 mn (2009: outflow of funds of EUR 657 mn) and – besides dividend payments of EUR 334 mn – included also the cash inflow from a further Eurobond issue (EUR 500 mn) in Q1/10 as well as the cash outflows for the repayment of a bond (EUR 250 mn).

Condensed statement of changes in equity (unaudited)

in EUR mn	Share capital	Capital reserves	Revenue reserves	Other reserves ¹	Treasury shares	OMV stockholders' equity	Non-controlling interests	Total equity
January 1, 2010	300.00	783.64	7,573.72	(545.65)	(13.39)	8,098.32	1,936.47	10,034.79
Total comprehensive income for the period			920.59	356.89		1,277.48	294.19	1,571.67
Dividend distribution			(298.78)			(298.78)	(34.77)	(333.55)
Sale of treasury shares		0.26			0.18	0.44		0.44
Effects from business combinations							38.86	38.86
Increase/(decrease) in non-controlling interests			3.13			3.13	(3.04)	0.09
December 31, 2010	300.00	783.90	8,198.65	(188.76)	(13.21)	9,080.58	2,231.71	11,312.29

in EUR mn	Share capital	Capital reserves	Revenue reserves	Other reserves ¹	Treasury shares	OMV stockholders' equity	Non-controlling interests	Total equity
January 1, 2009	300.00	783.31	7,310.09	(980.33)	(14.00)	7,399.08	1,964.17	9,363.24
Total comprehensive income for the period			571.71	434.68		1,006.40	8.70	1,015.10
Dividend distribution			(298.76)			(298.76)	(37.20)	(335.97)
Sale of treasury shares		0.33			0.61	0.93		0.93
Increase/(decrease) in non-controlling interests			(9.32)			(9.32)	0.80	(8.52)
December 31, 2009	300.00	783.64	7,573.72	(545.65)	(13.39)	8,098.32	1,936.47	10,034.79

¹ Other reserves contain exchange differences from the translation of foreign operations, unrealized gains and losses from hedges and available-for-sale financial assets as well as the share of associates' other comprehensive income

Dividends

On May 26, 2010, the Annual General Meeting approved the payment of a dividend of EUR 1.00 per share, resulting in a total dividend payment of EUR 299 mn to OMV shareholders, the same amount as last year (also

EUR 299 mn). Payments to minority shareholders amounted to EUR 35 mn in 2010.

Segment reporting

Intersegmental sales

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
917.62	923.43	856.57	8	Exploration and Production	3,620.37	2,965.13	22
10.85	2.36	6.55	(64)	Refining and Marketing	29.66	25.60	16
20.26	35.60	24.57	45	Gas and Power	103.08	67.89	52
93.65	74.48	101.67	(27)	Corporate and Other	335.96	343.35	(2)
1,042.38	1,035.87	989.36	5	OMV Group	4,089.07	3,401.98	20

Sales to external customers

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
273.14	228.18	244.78	(7)	Exploration and Production	1,045.68	832.11	26
4,642.05	4,905.86	3,602.51	36	Refining and Marketing	18,012.33	13,874.80	30
757.64	1,500.27	945.62	59	Gas and Power	4,261.92	3,205.14	33
0.35	1.13	1.35	(16)	Corporate and Other	3.52	5.21	(32)
5,673.18	6,635.44	4,794.27	38	OMV Group	23,323.44	17,917.27	30

Total sales

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
1,190.75	1,151.61	1,101.35	5	Exploration and Production	4,666.05	3,797.24	23
4,652.90	4,908.21	3,609.07	36	Refining and Marketing	18,041.99	13,900.41	30
777.90	1,535.87	970.19	58	Gas and Power	4,365.00	3,273.03	33
94.01	75.61	103.02	(27)	Corporate and Other	339.48	348.57	(3)
6,715.56	7,671.31	5,783.63	33	OMV Group	27,412.51	21,319.24	29

Segment and Group profit

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
320.29	439.51	482.52	(9)	EBIT Exploration and Production ¹	1,815.60	1,449.97	25
84.43	(0.32)	(139.60)	(100)	EBIT Refining and Marketing	397.36	(142.77)	n.m.
45.03	126.90	56.40	125	EBIT Gas and Power	277.00	235.05	18
(17.54)	(47.60)	(27.47)	73	EBIT Corporate and Other	(128.28)	(91.06)	41
432.21	518.48	371.85	39	EBIT segment total	2,361.69	1,451.19	63
(37.18)	63.14	(18.23)	n.m.	Consolidation: Elimination of intercompany profits	(27.89)	(41.31)	(32)
395.03	581.62	353.62	64	OMV Group EBIT	2,333.80	1,409.88	66
(111.67)	(246.72)	(111.93)	120	Net financial result	(373.17)	(228.05)	64
283.36	334.90	241.69	39	OMV Group Profit from ordinary activities	1,960.63	1,181.83	66

¹ Excluding intersegmental profit elimination shown in the line "Consolidation"

Assets ¹

in EUR mn	Dec. 31, 2010	Dec. 31, 2009
Exploration and Production	7,212.21	6,818.90
Refining and Marketing	6,970.68	4,213.41
Gas and Power	1,469.44	889.46
Corporate and Other	269.16	261.02
Total	15,921.49	12,182.80

¹ Segment assets consist of intangible assets and property, plant and equipment

Other notes

Significant transactions with related parties

Business transactions in the form of supplies of goods and services take place on a constant and regular basis with the associated companies Borealis AG and Bayernoil Raffineriegesellschaft mbH.

Subsequent events

On January 6, 2011, OMV signed an agreement to purchase 100% of the issued share capital of Pioneer Natural Resources Tunisia Ltd. and Pioneer Natural Resources Anaguid Ltd. from Pioneer Natural Resources, an independent US oil and gas company. Closing of the transaction took place on February 18, 2011. The purchase

price paid was USD 800 mn plus USD 39.3 mn working capital.

At the end of January 2011, OMV has entered into oil price swaps, locking in a Brent price of approx. USD 97/bbl for a production volume of 50,000 bbl/d, and into EUR-USD average rate forwards (at USD 1.37) covering those volumes until the end of 2011.

On February 4, 2011, OMV has sold its heating oil subsidiary OMV Wärme VertriebsgmbH, a 100%-owned subsidiary of OMV Refining & Marketing GmbH. The deal is expected to be closed in H1/11 following the completion of the antitrust inquiry.

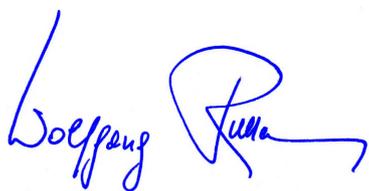
Declaration of the management

We confirm to the best of our knowledge that the preliminary and unaudited consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group

Directors' report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

Vienna, February 23, 2011

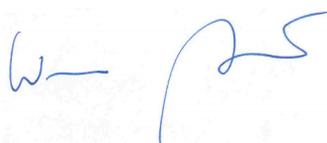
The Executive Board



Wolfgang Ruttenstorfer
Chief Executive Officer
and Chairman of the Executive Board



Gerhard Roiss
Deputy Chairman of the Executive Board
Refining and Marketing including petrochemicals



Werner Auli
Member of the Executive Board
Gas and Power



David C. Davies
Member of the Executive Board
Chief Financial Officer



Jaap Huijskes
Member of the Executive Board
Exploration and Production

Further information

EBIT breakdown

EBIT

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
320	440	483	(9)	Exploration and Production ¹	1,816	1,450	25
84	0	(140)	(100)	Refining and Marketing	397	(143)	n.m.
45	127	56	125	Gas and Power	277	235	18
(18)	(48)	(27)	73	Corporate and Other	(128)	(91)	41
(37)	63	(18)	n.m.	Consolidation	(28)	(41)	(32)
395	582	354	64	OMV Group reported EBIT	2,334	1,410	66
(253)	(27)	(123)	(78)	Special items ²	(323)	(180)	79
(57)	(39)	(48)	(19)	thereof: Personnel and restructuring	(101)	(54)	88
(200)	3	(77)	n.m.	Unscheduled (depreciation)/ write ups	(258)	(119)	116
4	8	9	(17)	Asset disposal	32	22	44
0	1	(7)	n.m.	Other	4	(29)	n.m.
				CCS effects:			
15	42	63	(34)	Inventory holding gains/(losses) ³	187	172	8
632	567	413	37	OMV Group clean CCS EBIT ³	2,470	1,418	74
522	461	512	(10)	thereof: Exploration and Production ¹	2,099	1,517	38
124	(46)	(126)	(63)	Refining and Marketing CCS ³	225	(222)	n.m.
45	129	75	72	Gas and Power	279	256	9
(22)	(39)	(29)	35	Corporate and Other	(105)	(92)	15
(37)	63	(18)	n.m.	Consolidation	(28)	(41)	(32)

¹ Excluding intersegmental profit elimination shown in the line "Consolidation"

² Special items are added back or deducted from EBIT; for more details please refer to each specific segment

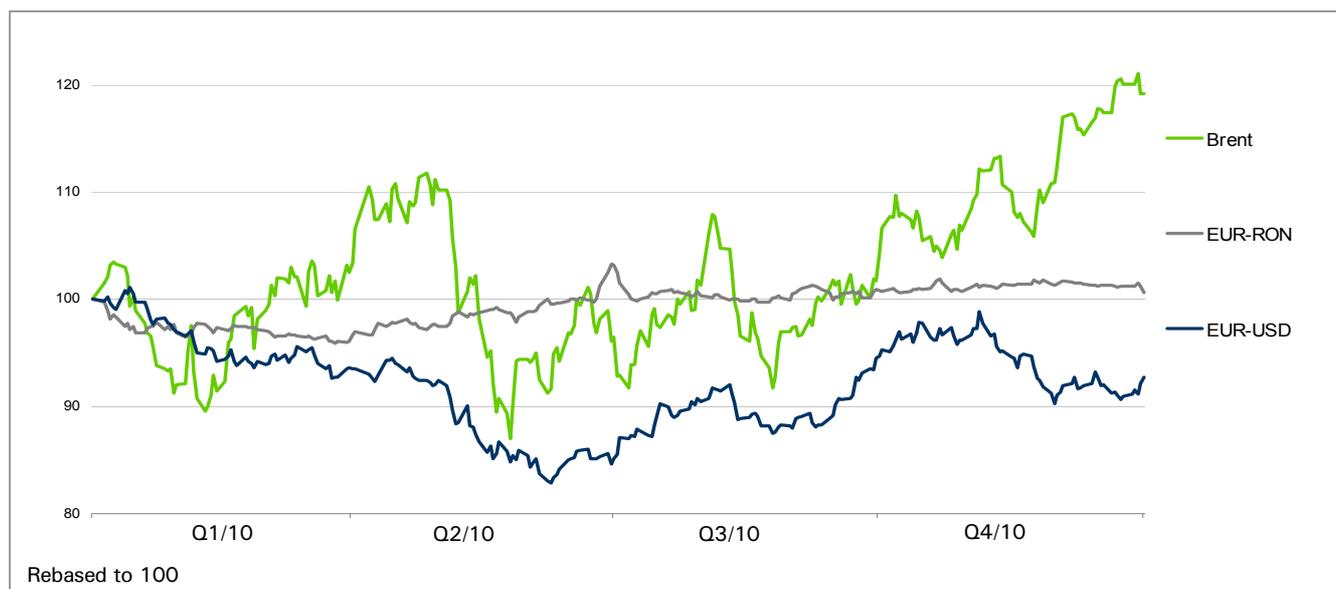
³ Current cost of supply (CCS): Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects) resulting from the fuels refineries

EBITD

Q3/10	Q4/10	Q4/09	Δ%	in EUR mn	2010	2009	Δ%
723	664	688	(3)	Exploration and Production ¹	2,888	2,250	28
185	124	29	n.m.	Refining and Marketing	812	303	168
53	135	63	113	Gas and Power	307	263	16
(6)	(36)	(15)	141	Corporate and Other	(80)	(42)	91
(37)	63	(18)	n.m.	Consolidation	(28)	(41)	(32)
918	950	747	27	OMV Group	3,899	2,734	43

¹ Excluding intersegmental profit elimination shown in the line "Consolidation"

Economic environment: Oil prices and exchange rates



According to the IEA, **global oil demand** recorded its second highest rise in the past 30 years, following declines in 2008 and 2009, progressing by 2.7 mn bbl/d or over 3% to 87.7 mn bbl/d. Non-OECD demand was up by 2 mn bbl/d or over 5%, while growth in OECD countries was 0.7 mn bbl/d or 1.5%. **Global oil output** increased by 2.5% to 87.3 mn bbl/d, and inventories shrank by 0.4 mn bbl/d following stock builds in the previous two years. OPEC boosted daily production to 29.2 mn bbl of crude and 5.3 mn bbl of NGLs. The overall gain of 1 mn bbl/d brought the organization a market share of about 40%. Spot **brent crude** began the year close to USD 78/bbl, and price volatility was initially lower than in recent years. With prices remaining within a relatively narrow range, OPEC left its production ceiling unchanged. Oil prices advanced

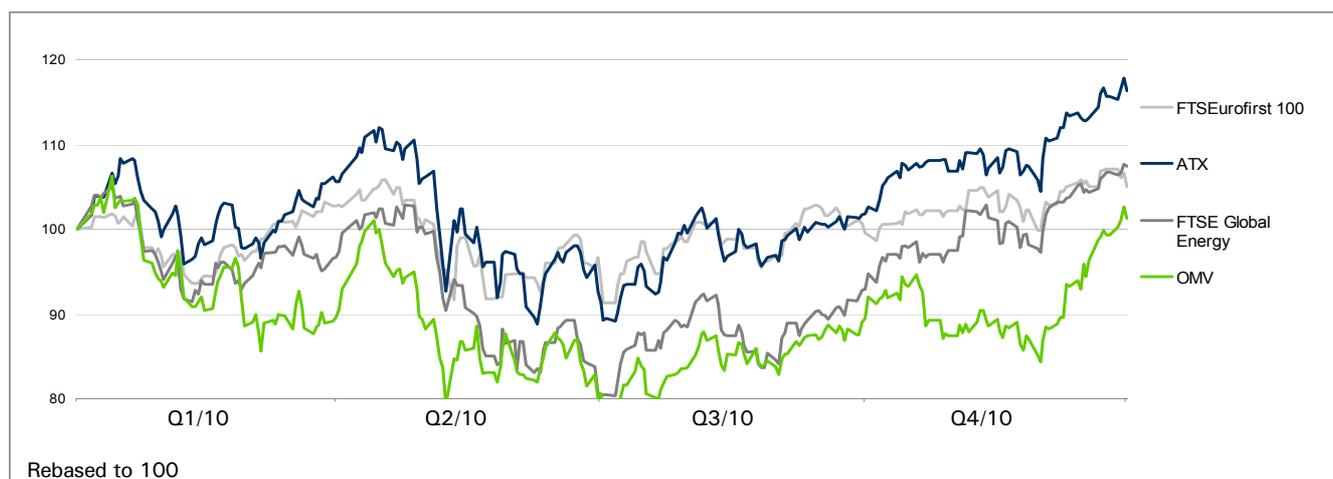
strongly in the fourth quarter to reach a year's high of USD 94/bbl in the last week of December. The average price over 2010 was USD 79.50/bbl – 29% up on the USD 61.67/bbl recorded in 2009. Russian **Urals** grade averaged USD 78.29/bbl. The average EUR/t prices of the main product groups on the **Rotterdam product market** were 35–40% higher year on year. The North West European refining margin narrowed by about 10% from its 2009 level.

The **EUR/USD exchange rate** averaged USD 1.33 over the year compared to EUR 1.39 in 2009 – a 5% fall. The **Romanian Leu (RON)** slightly appreciated vs. the EUR in 2010 to an average of 4.212/EUR, 1% stronger than 2009.

Q3/10	Q4/10	Q4/09	Δ%		2010	2009	Δ%
76.86	86.46	74.53	16	Average Brent price in USD/bbl	79.50	61.67	29
75.55	85.30	74.27	15	Average Urals price in USD/bbl	78.29	61.18	28
1.291	1.358	1.478	(8)	Average EUR-USD FX-rate	1.326	1.395	(5)
4.255	4.289	4.268	0	Average EUR-RON FX-rate	4.212	4.240	(1)
3.298	3.160	2.888	9	Average USD-RON FX-rate	3.185	3.048	4
2.81	1.19	2.82	(58)	NWE refining margin in USD/bbl	2.90	3.23	(10)
1.74	2.74	1.56	76	Med Urals refining margin in USD/bbl	2.87	2.08	38

Source: Reuters

Stock watch



The OMV share price as well as the international financial markets in general showed a strong performance in Q4/10. The OMV share price continued the rally from the end of the previous quarter until the second half of October, when it entered into a period of temporary decline. After reaching its quarterly low of EUR 25.89 on November 30, the OMV share price followed a steep upward trend, reaching its quarterly high of EUR 31.52 on December 29. Thus,

overall, the price for OMV shares on the Vienna Stock Exchange increased by 13% in Q4/10. International financial markets showed a similar but slightly less pronounced positive picture, with the FTSEurofirst 100 up by 5%, the Dow Jones up by 7% and the Nikkei up by 9%. The Austrian blue-chip index ATX gained 14% and the FTSE Global Energy Index (composed of the largest oil and gas companies worldwide) rose by 16%.

ISIN: AT0000743059	Market capitalization (December 31)	EUR 9,293 mn
Vienna Stock Exchange: OMV	Last (December 31)	EUR 31.10
Reuters: OMVV.VI	Year's high (January 11)	EUR 32.63
Bloomberg: OMV AV	Year's low (July 6)	EUR 24.12
ADR Level I: OMVKY	Shares outstanding (December 31)	298,796,805
	Shares outstanding (weighted) in 2010	298,781,978
ISIN: XS0422624980	6.250% OMV Eurobond (2009–2014)	
ISIN: XS0434993431	5.250% OMV Eurobond (2009–2016)	
ISIN: XS0485316102	4.375% OMV Eurobond (2010–2020)	

Abbreviations

bbl: barrel(s), i.e. 159 liters; bcf: billion cubic feet; bcm: billion cubic meters; bn: billion; boe: barrels of oil equivalent; boe/d: boe per day; cbm: cubic meter; CCS: current cost of supply; Co&O: Corporate and Other; E&P: Exploration and Production; EPS: earnings per share; EUR: euro; FX: foreign exchange; G&P: Gas and Power; LNG: liquefied natural gas; m: meter; mn: million; n.a.: not available; n.m.: not meaningful; NGL: natural gas liquids; NWE: North-West European; R&M: Refining and Marketing including petrochemicals; RON: Romanian leu; t: metric tons; TRY: Turkish lira; USD: US dollar

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