OMV Petrom Group: results[1] for Q3 and January – September 2015

including interim condensed consolidated financial statements as of and for the period ended September 30, 2015

Q3/15 vs. Q3/14

- **Group result affected by the steep decrease in oil prices, only partly compensated by benefits from integration and lower costs**
- **Upstream: Hydrocarbon production down by 3% due to planned workovers at key gas wells in Romania**
- **Downstream Oil: higher Clean CCS EBIT driven by strong refining margins and improved oil products demand**
- **Downstream Gas: result supported by further optimization of equity gas value chain and by the power market environment**
- **Neptun Deep: exploration program continued as planned with Domino-4 well spudded in September**

Mariana Gheorghe, CEO of OMV Petrom S.A.:

"In the first nine months of 2015, the Group financial performance was severely affected by the approx. 50% drop in oil prices. In a persistently ongoing low crude price environment, we have decided to reduce our future oil price assumptions, which required impairments of Upstream assets. The negative impact in Upstream was only partly compensated by the good results in Downstream, capitalizing on our integrated business model and supported by improved refining margins and higher products demand.

In addition, we continued our efforts across the entire organization to contain capital spending and operational costs. I am particularly encouraged by the good response of the entire organization which shows the cultural change and business agility we have implemented at OMV Petrom over the last decade.

The Group hydrocarbon production came in flat yoy, as the past investments and discoveries compensated for the natural decline and the currently reduced level of CAPEX. In partnership with ExxonMobil, we have further pursued our exploration activities in the Neptun Deep block, with four wells finalized this year and the fifth started drilling.

Going forward, we will continue to adjust our level of activity while maintaining a strong balance sheet. Moreover, as previously stated, future investments remain dependent on long term, stable and investment-friendly taxation and regulatory framework as well as supportive market fundamentals."

Q2/15	Q3/15	Q3/14	Δ%	Key performance indicators (in RON mn)	9m/15	9m/14	Δ%
786	34	1,352	(97)	EBIT	1,315	3,449	(62)
657	1,061	1,552	(32)	Clean CCS EBIT [2]	2,312	4,176	(45)
693	(43)	1,020	n.m.	Net income attributable to stockholders [3]	999	2,407	(59)
481	820	1,189	(31)	Clean CCS net income attributable to stockholders [2, 3]	1,733	3,096	(44)
0.0122	(0.0008)	0.0180	n.m.	EPS (RON)	0.0176	0.0425	(59)
0.0085	0.0145	0.0210	(31)	Clean CCS EPS (RON) [2]	0.0306	0.0547	(44)
1,660	1,729	1,589	9	Cash flow from operating activities	4,179	4,979	(16)

Starting with April 1, 2015 the business segments were renamed as follows: Exploration and Production to Upstream, Refining and Marketing to Downstream Oil, Gas and Power to Downstream Gas.

[1] *The financials are unaudited and represent OMV Petrom Group's (herein after also referred to as "the Group") consolidated results prepared according to IFRS; all the figures refer to OMV Petrom Group, unless otherwise stated; financials are expressed in RON mn and rounded to closest integer value, so minor differences may result upon reconciliation; OMV Petrom uses the National Bank of Romania exchange rates for its consolidation process*

[2] *Adjusted for exceptional, non-recurring items; Clean CCS figures exclude special items and inventory holding effects (CCS effects) resulting from Downstream Oil*

[3] *After deducting net income attributable to non-controlling interests*

Financial highlights

Q2/15	Q3/15	Q3/14	Δ%	in RON mn	9m/15	9m/14	Δ%
4,540	4,816	5,475	(12)	Sales [1]	13,627	16,195	(16)
531	(407)	1,355	n.m.	EBIT Upstream [2]	288	3,564	(92)
422	121	74	64	EBIT Downstream	887	229	287
(10)	(23)	(41)	(45)	EBIT Co&O	(59)	(110)	(47)
(156)	343	(36)	n.m.	Consolidation	198	(234)	n.m.
786	**34**	**1,352**	**(97)**	**EBIT Group**	**1,315**	**3,449**	**(62)**
82	**(833)**	**(75)**	**n.m.**	**Special items [3]**	**(759)**	**(611)**	**24**
(15)	(41)	(75)	(45)	thereof: Personnel and restructuring	(64)	(78)	(17)
(5)	(786)	(4)	n.m.	Unscheduled depreciation	(794)	(495)	60
102	(5)	3	n.m.	Other	100	(38)	n.m.
47	(194)	(125)	55	CCS effects: Inventory holding gains/(losses)	(238)	(116)	105
551	416	1,433	(71)	Clean EBIT Upstream [2, 4]	1,143	4,134	(72)
220	503	197	156	Clean CCS EBIT Downstream [4]	900	343	163
(10)	(23)	(41)	(45)	Clean EBIT Co&O [4]	(59)	(68)	(13)
(104)	164	(36)	n.m.	Consolidation	327	(234)	n.m.
657	**1,061**	**1,552**	**(32)**	**Clean CCS EBIT [4]**	**2,312**	**4,176**	**(45)**
829	(48)	1,276	n.m.	Profit from ordinary activities	1,253	3,187	(61)
691	(46)	1,020	n.m.	Net income	991	2,407	(59)
693	(43)	1,020	n.m.	Net income attributable to stockholders [5]	999	2,407	(59)
481	**820**	**1,189**	**(31)**	**Clean CCS net income attributable to stockholders [4, 5]**	**1,733**	**3,096**	**(44)**
0.0122	(0.0008)	0.0180	n.m.	EPS (RON)	0.0176	0.0425	(59)
0.0085	0.0145	0.0210	(31)	Clean CCS EPS (RON) [4]	0.0306	0.0547	(44)
1,660	1,729	1,589	9	Cash flow from operating activities	4,179	4,979	(16)
0.0293	0.0305	0.0280	9	CFPS (RON)	0.0738	0.0879	(16)
1,990	1,253	1,062	18	Net debt	1,253	1,062	18
7	5	4	18	Gearing (%) [6]	5	4	18
1,007	928	1,575	(41)	Capital expenditure	2,997	4,480	(33)
-	-	-	n.a.	ROFA (%)	3.5	15.2	(77)
-	-	-	n.a.	ROACE (%)	2.5	13.2	(81)
-	-	-	n.a.	Clean CCS ROACE (%) [4]	8.4	15.7	(46)
-	-	-	n.a.	ROE (%)	2.5	13.3	(81)
17	5	20	(73)	Group tax rate (%)	21	24	(14)
16,450	16,217	18,210	(11)	OMV Petrom Group employees at the end of the period	16,217	18,210	(11)

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] Special items are added back or deducted from EBIT; for more details please refer to each specific segment;
[4] Adjusted for exceptional, non-recurring items; Clean CCS (current cost of supply) figures exclude special items and inventory holding effects (CCS effects) resulting from Downstream Oil;
[5] After deducting net income attributable to non-controlling interests;
[6] Net debt divided by equity.

Throughout the report, where not specified differently, amounts related to Downstream represent totals of Downstream Oil and Downstream Gas.

Business segments

Upstream

Q2/15	Q3/15	Q3/14	Δ%	in RON mn	9m/15	9m/14	Δ%
531	(407)	1,355	n.m.	EBIT [1]	288	3,564	(92)
(20)	(823)	(77)	n.m.	Special items	(855)	(571)	50
551	416	1,433	(71)	Clean EBIT [1]	1,143	4,134	(72)
1,329	1,099	2,046	(46)	Clean EBITD	3,289	6,019	(45)
929	844	1,411	(40)	CAPEX	2,790	3,698	(25)

Q2/15	Q3/15	Q3/14	Δ%	Key performance indicators	9m/15	9m/14	Δ%
16.48	15.97	16.39	(3)	Total hydrocarbon production (mn boe)	48.97	49.11	0
181	174	178	(3)	Total hydrocarbon production (kboe/d)[2]	179	180	0
7.74	7.60	7.68	(1)	Crude oil and NGL production (mn bbl)	23.01	23.20	(1)
1.34	1.28	1.33	(4)	Natural gas production (bcm)	3.97	3.97	0
47.23	45.26	47.04	(4)	Natural gas production (bcf)	140.34	140.07	0
61.42	49.75	100.93	(51)	Average Urals price (USD/bbl)	54.56	105.44	(48)
53.50	44.70	89.77	(50)	Average Group realized crude price (USD/bbl)	47.93	94.13	(49)
401	321	370	(13)	Exploration expenditures (RON mn)	1,087	799	36
133	62	28	124	Exploration expenses (RON mn)	261	161	62
13.16	13.11	16.37	(20)	OPEX (USD/boe)	13.51	17.36	(22)

[1] Excluding intersegmental profit elimination; [2] Production figures in kboe/d are rounded

Third quarter 2015 (Q3/15) vs. third quarter 2014 (Q3/14)

- **Clean EBIT significantly affected by lower oil prices, decreased sales volumes and higher depreciation**
- **Group production at 173.6 kboe/d, down 3% driven by planned workover at key gas wells in Romania**
- **OPEX in USD/boe decreased by 20% supported by favorable FX rates and cost reductions**

In Q3/15, the average Urals crude price dropped to USD 49.75/bbl, 51% lower compared to Q3/14. The oil price hedges for the period Q4/15 through Q2/16 were monetized, which together with the oil price hedges for Q3/15, have improved the clean EBIT by RON 84 mn. The average realized crude price, which reflected also the positive impact of the oil price hedges, decreased by 50% to USD 44.70/bbl.

Clean EBIT declined by 71% to RON 416 mn in Q3/15, driven by significantly lower realized oil prices, decreased sales volumes and higher depreciation. Exploration expenses increased to RON 62 mn, mostly in relation to onshore seismic acquisitions and geological and geophysical studies. OMV Petrom has decided to review its oil price assumptions for both the short and longer term. The assumptions for the Brent price are now USD 55/bbl for 2016, USD 70/bbl for 2017, USD 80/bbl for 2018 and USD 85/bbl from 2019 onwards. These revised assumptions have required impairments, mainly of production assets, at the end of Q3/15. Reported EBIT amounted to RON (407) mn in Q3/15, reflecting special charges of RON (823) mn, predominantly as a consequence of the reduced oil price assumptions and personnel restructuring.

Group production costs (OPEX) in USD/boe were 20% lower than in Q3/14, mainly due to favorable FX effects, lower service and personnel costs as well as the reduction of tax on constructions in Romania from 1.5% to 1.0%. In Romania, production costs in USD/boe decreased by 18% to USD 12.86/boe, while in RON terms, they stood at RON 51.23/boe, 3% below the Q3/14 level.

Exploration expenditures stood at RON 321 mn in Q3/15 (Q3/14: RON 370 mn), mostly driven by the drilling campaign in the deep offshore Black Sea.

Group daily hydrocarbon production was 173.6 kboe/d (Romania: 164.7 kboe/d) and total production stood at 15.97 mn boe (Romania: 15.15 mn boe), 3% lower yoy, due to lower production in Romania, partly compensated by the higher volumes in Kazakhstan. Domestic crude oil and NGL production was 6.85 mn bbl, 2% lower than in Q3/14, mainly due to natural decline. Domestic gas production declined to 8.30 mn boe (Q3/14: 8.64 mn boe), with the new wells put on stream and workovers during prior period in the Bustuchin field only partly offsetting the impact of the planned workovers and surface works in Totea Deep during T3/15.

In Kazakhstan, production amounted to 0.82 mn boe, 8% higher compared to the same period of 2014, when production volumes were affected by pipeline integrity issues in the Tasbulat field. Group hydrocarbon sales volumes have decreased by 3% compared to Q3/14, as higher oil sales volumes in Kazakhstan were offset by lower sales in Romania.

In Q3/15, we finalized drilling of 20 new wells and sidetracks, compared to 56 new wells in the same quarter last year.

Third quarter 2015 (Q3/15) vs. second quarter 2015 (Q2/15)

In Q3/15, the average Urals crude price decreased to USD 49.75/bbl, 19% lower compared to Q2/15. The average realized crude price, which reflected also the positive impact of the oil price hedges, decreased by 16% to USD 44.70/bbl.

Clean EBIT decreased compared to the Q2/15 level, mostly due to lower realized oil prices and decreased sales volumes, which offset the positive effect from lower exploration costs. Reported EBIT decreased to RON (407) mn mainly due to impairments of production assets, as well as personnel restructuring.

Group production costs in USD/boe were broadly stable compared to Q2/15. Production costs in Romania went slightly up by 2% when expressed in USD/boe, and by 1% in RON/boe terms (RON 51.23/boe), reflecting lower costs offset by the effect of the decreased production volumes.

Group daily production decreased by 4% to 173.6 kboe/d, mostly influenced by planned workovers at gas fields in Romania, while total production amounted to 15.97 mn boe (Q2/15: 16.48 mn boe). Group sales volumes decreased by 5% compared to the Q2/15 level, largely due to lower sales in Romania.

Downstream

Q2/15	Q3/15	Q3/14	Δ%	in RON mn	9m/15	9m/14	Δ%
422	121	74	64	EBIT	887	229	287
102	(9)	2	n.m.	Special items	96	3	n.m.
99	(374)	(125)	199	CCS effect: Inventory holding gains/(losses) [1]	(109)	(116)	(6)
220	503	197	156	Clean CCS EBIT [1]	900	343	163
304	560	303	84	thereof Downstream Oil	1,037	424	145
(84)	(56)	(107)	(47)	thereof Downstream Gas	(137)	(81)	68
406	690	373	85	Clean CCS EBITD [1]	1,450	863	68
77	82	161	(49)	CAPEX	203	696	(71)

Q2/15	Q3/15	Q3/14	Δ%	Downstream Oil KPIs	9m/15	9m/14	Δ%
8.95	9.87	5.11	93	Indicator refining margin (USD/bbl) [2]	9.03	0.36	n.m.
0.96	1.13	1.19	(5)	Refining input (mn t) [3]	3.09	2.87	7
81	94	103	(9)	Refinery utilization rate (%)[4]	87	85	3
1.22	1.37	1.28	7	Total refined product sales (mn t)	3.69	3.50	5
0.62	0.71	0.66	7	thereof retail sales volumes (mn t) [5]	1.87	1.76	7
				Downstream Gas KPIs			
10.57	10.85	8.68	25	Gas sales volumes (TWh)	38.11	33.39	14
10.15	8.45	8.38	1	thereof to third parties (TWh)	34.55	31.24	11
53.3	60	53.3	13	Average regulated domestic gas price for households (RON/MWh)	55.5	51.9	7
144	144	104	38	Average import gas price (RON/MWh) [6]	144	116	24
0.11	1.12	0.08	n.m.	Net electrical output (TWh)	1.52	0.78	96
129	183	139	31	OPCOM spot average electricity base load price (RON/MWh)	158	142	11

[1] Current cost of supply (CCS): Clean CCS EBIT eliminates special items and inventory holding gains/losses (CCS effects) resulting from Downstream Oil
[2] As of Q3/14, the standard yield for the calculation of the indicator refining margin has been updated following the finalization of the Petrobrazi modernization program; previously reported figures were not adjusted; the actual refining margins realized by OMV Petrom may vary from the indicator refining margin due to different crude slate, product yield and operating conditions
[3] Figures include crude and semi-finished products, in line with OMV Group reporting standard
[4] After the finalization of the Petrobrazi refinery modernization, the opportunity was taken to demonstrate the maximum throughput based on a timeframe of the best 30 consecutive days. As a result, the annual refining capacity has been updated from 4.2 mn t to 4.5 mn t as of Q1/15; previously reported figures were not adjusted accordingly
[5] Retail sales volumes include sales via Group's filling stations in Romania, Bulgaria, Serbia and Republic of Moldova
[6] Figures represent ANRE assumptions; Q2/15 price is extrapolated from Q1/15 as ANRE did not publish any price assumption for Q2/15.

Third quarter 2015 (Q3/15) vs. third quarter 2014 (Q3/14)

- **Downstream Oil: Significantly increased refining result mainly driven by strong refining margins**
- **Improving oil product demand led to 7% higher retail sales volumes**
- **Downstream Gas: Higher sales volumes and lower storage expenses**
- **Higher net electrical output from Brazi power plant reflecting optimized gas value chain and average spark spreads turned positive**

Clean CCS EBIT significantly improved to RON 503 mn in Q3/15 (Q3/14: RON 197 mn), driven by the strong performance of the Downstream Oil segment. Reported EBIT was RON 121 mn (Q3/14: RON 74 mn), reflecting negative CCS effects of RON (374) mn.

In Q3/15, the **Downstream Oil** Clean CCS EBIT increased significantly to RON 560 mn compared to RON 303 mn in Q3/14, mainly driven by better refining margins and improved oil product sales. Decreased crude oil prices and lower product quotations led to a negative CCS effect of RON (374) mn, resulting in a reported EBIT of RON 175 mn.

The indicator refining margin increased significantly from USD 5.11/bbl in Q3/14 to USD 9.87/bbl in Q3/15 mainly driven by the lower cost for crude.

The refinery utilization rate was 94% (Q3/14: 103%, due to temporarily higher throughput run after the scheduled refinery turnaround from Q2/14), also reflecting the standard capacity adjustment to 4.5 mn t/y as of Q1/15 (previously 4.2 mn t/y).

Total refined product sales increased by 7% mainly due to the positive development of domestic demand and higher exports.

Starting with Q3/15, the retail sales volumes, part of total refined product sales, are reported separately due to changes in the organizational structure in the Downstream Oil business, introduced for the optimization of sales channels.

In Q3/15, Group retail sales volumes, which accounted for 52% of total refined product sales, were 7% above the Q3/14 level due to higher demand mainly driven by lower product quotations. Non-retail sales volumes increased by 6% reflecting higher sales mainly of diesel and fuel oil.

At the end of Q3/15, the total number of retail filling stations operated within OMV Petrom Group decreased by 3 units compared to Q3/14 to 776, as a result of network optimization in Moldova.

The **Downstream Gas** Clean EBIT was RON (56) mn in Q3/15 vs. RON (107) mn in Q3/14, mainly reflecting higher segment sales and lower storage expenses. In addition, the Q3/14 result was impacted by RON (30) mn provisions for outstanding receivables.

As per OMV Petrom's estimations, national gas consumption increased by ~11% compared to Q3/14, mostly driven by the heat and power sector, while OMV Petrom's sales volumes increased by 25%, resulting from a significantly higher off-take by the Brazi power plant.

OMV Petrom's storage level at the end of the reporting period stood at 2.7 TWh (253 mn cbm), compared to 5.9 TWh (552 mn cbm) at the end of the same quarter last year. This reflected the company's strategy of minimizing the storage expense while entirely meeting the legal obligation to store.

Since January 2015, the import quota for non-households is no longer mandatory, whereas in Q3/14 the average import quota set by ANRE for non-households was 4%. The import quota for households was 0% in Q3/15, compared to 2% in Q3/14.

In Q3/15, the regulated domestic gas price for household consumers increased to RON 60/MWh from RON 53.3/MWh in Q3/14. On the Romanian Commodities Exchange, which continues to see very low levels of liquidity, the price of natural gas from domestic production varied between RON 79.5/MWh and RON 89.9/MWh for gas deliveries in Q3/15 (0.05 TWh), while for deliveries in Q4/15 and Q1/16 (0.3 TWh) the gas price varied between RON 78.8/MWh and RON 109.9/MWh[2].

National estimated gross electricity production increased by 1% vs. the same quarter of last year, while national electricity demand increased by 5%, mainly driven by household consumption, and net electricity exports declined by 23%.

According to preliminary data published by OPCOM, the base load electricity price averaged RON 183/MWh (Q3/14: RON 139/MWh), while the peak load electricity price averaged RON 204/MWh (Q3/14: RON 161/MWh), in the context of a hot summer and drought conditions negatively impacting hydro production. The optimization of our gas value chain and positive spark spreads created a favorable context for forward sales from the Brazi power plant, capturing additional opportunities from ancillary services and balancing markets. This translated into an increased electrical output of 1.10 TWh from the Brazi power plant (Q3/14: 0.06 TWh).

In Q3/15, the Dorobantu wind park delivered a net electrical output of almost 0.02 TWh, ~4% higher than in Q3/14. For the electricity produced and delivered to suppliers, OMV Petrom Wind Power S.R.L. received ~24,000 green certificates, half of them to become eligible for sale after January 1, 2018 (Q3/14: ~21,500).

[2] The gas price for transactions on the Romanian Commodities Exchange could include storage related tariffs in connection with the gas volumes sold/extracted from storage.

Third quarter 2015 (Q3/15) vs. second quarter 2015 (Q2/15)

Clean CCS EBIT significantly increased compared to Q2/15, mainly due to seasonally higher oil product sales and higher refining margins. Reported EBIT decreased to RON 121 mn from RON 422 mn in Q2/15, also reflecting negative CCS effects of RON (374) mn.

The **Downstream Oil** Clean CCS EBIT increased by 84% in Q3/15 compared to Q2/15, supported by seasonally increased oil product sales and higher refining margins.

The refinery utilization rate was 94% in Q3/15, higher than the previous quarter's level of 81%, which was affected by maintenance works. The indicator refining margin increased to USD 9.87/bbl in Q3/15 from USD 8.95/bbl in Q2/15, mainly as a result of improved gasoline spreads and lower cost for crude.

The **Downstream Gas** Clean EBIT was RON (56) mn vs. RON (84) in Q2/15, driven by the same factors which influence the evolution in Q3/15 vs. Q3/14, in addition to the lower impact from provisions for outstanding receivables.

As per OMV Petrom's estimations, national gas demand seasonally decreased by ~5% while OMV Petrom's sales volumes increased by 3% due to a higher off-take by the Brazi power plant.

The net electrical output of the Brazi power plant increased to 1.10 TWh from 0.09 TWh, on the back of positive spark spreads triggered by significantly higher electricity prices. Net electrical output of the wind park Dorobantu was 0.02 TWh, 18% lower vs. Q2/15.

Outlook 2015

Market, regulatory and fiscal environment

For the year 2015, we expect the **Brent oil price** to average between USD 50-60/bbl and the Brent-Urals spread to stay relatively tight.

The Romanian **gas and power markets and corresponding regulatory framework** are foreseen to remain volatile, which may adversely impact the Group's financial and operating results.

We estimate the **gas** demand in Romania for 2015 to be below the 2014 level, with increased competition and therefore further pressure on prices and margins. In the **power** market, we anticipate demand for 2015 to be relatively stable yoy and prices to slightly increase, while average spark spreads to be weak.

In Q4/15, **refining margins** are expected to decline from 9m/15 levels due to lower seasonal demand and persisting overcapacity in European markets. In the **retail business,** lower product prices due to decreased oil prices are expected to support the demand, nevertheless with increased competition.

Several amendments to the **Romanian general taxation framework** have been approved, which will enter into force in 2016 - 2017. As for the tax on constructions, it is envisaged to be maintained at 1% throughout 2016 and eliminated starting with 2017. In addition, as announced by the authorities, further developments are expected with respect to **upstream oil and gas taxation**, with public consultations envisaged to take place before new measures are applied.

Moreover, as previously stated, future investments remain dependent on long term, stable and investment-friendly taxation and regulatory framework as well as supportive market fundamentals.

OMV Petrom Group

- CAPEX for 2015 is expected to be approx. EUR 1 bn, ~30% down yoy, with more than 85% dedicated to Upstream;
- Intensified cost optimization programs (renegotiations with suppliers, reduction in use of consultancy, tight personnel policy and reprioritization of discretionary spend) across all business segments continue to be implemented for a potentially prolonged low oil price environment;
- OMV Petrom has decided to reduce its oil price assumptions for both the short and longer term. The assumptions for Brent are now USD 55/bbl for 2016, USD 70/bbl for 2017, USD 80/bbl for 2018 and then USD 85/bbl from 2019 onwards;
- A potentially prolonged low oil price environment could lead to reduced average annual Upstream CAPEX of approx. 25-35% vs. 2014. Consequently, over the medium term, hydrocarbon production in Romania could decrease by up to 4% p.a. on average.

Upstream

- Full year average Group production is expected to slightly drop by up to 2% compared with 2014, mostly driven by the planned workovers at key wells in Totea in Q3/15 and planned revamp of offshore gas compressors (Lebada NAG) in the fourth quarter of 2015, as well as the impact of reduced investment levels;
- Operational activities will focus on delivering around 1,000 workovers and approx. 70 new wells, dependent on the market and fiscal environment;
- We will continue our operational excellence initiatives focusing on efficiency (e.g. reduced mean time between failures, costs per workover and rates for new wells drilled), also taking into account the operating market environment;
- Value-based prioritization of the FRD projects in progress: 12 projects under development/execution will be continued; out of 17 projects in appraisal as of end 2014, four are further pursued, whereas the others are being reviewed;
- Joint venture with Repsol: one well (4000 Piscuri) encountered hydrocarbons in multiple layers, both oil and gas; another two leads are expected to progress;
- Joint-venture with ExxonMobil for Neptun Deep block: drilling at four wells finalized so far this year; drilling at Domino-4 well, spudded in September, is ongoing. We anticipate the current exploration drilling campaign to continue until the end of 2015. The results of drilling so far, together with the data from the forthcoming exploration activities, will be used for the evaluation of the consolidated block potential;

- Optimize Upstream portfolio by considering selling selected marginal fields;
- In Kazakhstan – further pursue water injection activities in both the TOC and Komsomolskoe fields in order to secure reservoir pressure and slow down the natural decline of production.

Downstream

- The refinery utilization rate for this year is expected to remain high; moreover, focus on economic efficiency improvements will continue;
- The fuel terminal network optimization program will continue, with reconstruction works at the Cluj terminal expected to be finalized by the end of 2015;
- Despite the shrinking demand and increased competition in the market, we expect to maintain our position in the gas market by improved portfolio optimization and customer orientation; we will pursue all gas sales channels, including centralized markets;
- The Brazi power plant continues to play an important role within our integrated gas value chain, a significant part of the production capacity having been sold forward for Q4/15.

Group interim condensed consolidated financial statements and notes as of and for the period ended September 30, 2015 (unaudited)

Legal principles and general accounting policies

The interim condensed consolidated financial statements for the nine months ended September 30, 2015 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as of December 31, 2014.

The accounting policies and valuation methods adopted in preparation of the interim condensed consolidated financial statements are consistent with those followed in preparation of the Group's annual consolidated financial statements for the year ended December 31, 2014, except for the adoption of new standards and interpretations effective as of January 1, 2015 or early adopted by the Group.

The following new and amended standards and interpretations have been implemented / early adopted since January 1, 2015. None has had a material impact on the interim condensed consolidated financial statements.

- Amendments to IAS 19 Defined Benefit plans: Employee Contribution (early adopted)
- Annual Improvements to IFRSs 2010-2012 Cycle (early adopted)
- Annual Improvements to IFRSs 2011-2013 Cycle

The detailed structure of the consolidated companies in OMV Petrom Group at September 30, 2015 is presented in the Appendix 1 to the current report.

The interim condensed consolidated financial statements as of and for the period ended September 30, 2015 included in this report are unaudited.

Seasonality and cyclicality

Seasonality is of particular significance in downstream; for details please refer to the relevant section in the business segments.

In addition to the interim condensed consolidated financial statements and notes, further information on main factors affecting the interim condensed consolidated financial statements as of and for the nine month period ended September 30, 2015 is given as part of the description of OMV Petrom Group's business segments performance.

Exchange rates

OMV Petrom uses the National Bank of Romania (NBR) exchange rates in its consolidation process. Income statements of subsidiaries are translated to RON using average of daily exchange rates published by the National Bank of Romania, detailed below.

Statements of the financial position of foreign subsidiaries are translated to RON using the closing rate method based on exchange rates published by the National Bank of Romania, detailed below.

Q2/15	Q3/15	Q3/14	Δ%	NBR FX rates	9m/15	9m/14	Δ%
4.444	4.429	4.414	0	Average EUR/RON FX rate	4.441	4.448	(0)
4.018	3.982	3.326	20	Average USD/RON FX rate	3.986	3.281	21
4.474	4.417	4.415	0	Closing EUR/RON FX rate	4.417	4.415	0
3.997	3.934	3.483	13	Closing USD/RON FX rate	3.934	3.483	13

Interim condensed consolidated income statement

Q2/15	Q3/15	Q3/14	Interim condensed consolidated income statement (in RON mn)	9m/15	9m/14
4,540.24	4,815.80	5,475.30	Sales revenues	13,626.78	16,194.56
(102.65)	(88.85)	(106.08)	Direct selling expenses	(300.04)	(355.49)
(3,255.75)	(4,325.65)	(3,541.62)	Production costs of sales	(10,724.48)	(10,986.11)
1,181.84	**401.30**	**1,827.60**	**Gross profit**	**2,602.26**	**4,852.96**
232.93	129.27	125.68	Other operating income	415.88	248.55
(233.75)	(233.89)	(285.94)	Selling expenses	(699.46)	(760.40)
(45.40)	(45.57)	(49.85)	Administrative expenses	(144.36)	(141.59)
(133.27)	(61.64)	(27.56)	Exploration expenses	(261.19)	(160.94)
(216.23)	(155.02)	(238.38)	Other operating expenses	(598.41)	(589.46)
786.12	**34.45**	**1,351.55**	**Earnings before interest and taxes (EBIT)**	**1,314.72**	**3,449.12**
2.07	4.08	5.98	Income / (loss) from associated companies	7.82	9.21
139.96	69.66	28.80	Interest income	218.76	63.97
(72.98)	(151.06)	(164.85)	Interest expenses	(303.24)	(363.49)
(26.09)	(5.30)	54.17	Other financial income and expenses	15.12	27.85
42.96	**(82.62)**	**(75.90)**	**Net financial result**	**(61.54)**	**(262.46)**
829.08	**(48.17)**	**1,275.65**	**Profit/(loss) from ordinary activities**	**1,253.18**	**3,186.66**
(138.00)	2.57	(255.93)	Taxes on income	(262.44)	(779.98)
691.08	**(45.60)**	**1,019.72**	**Net income/(loss) for the period**	**990.74**	**2,406.68**
692.54	**(42.76)**	**1,020.14**	**thereof attributable to stockholders of the parent**	**998.60**	**2,406.68**
(1.46)	(2.84)	(0.42)	thereof attributable to non-controlling interests	(7.86)	0.00
0.0122	**(0.0008)**	**0.0180**	**Basic earnings/(loss) per share (RON)**	**0.0176**	**0.0425**

Interim condensed consolidated statement of other comprehensive income

Q2/15	Q3/15	Q3/14	Interim condensed consolidated statement of other comprehensive income (in RON mn)	9m/15	9m/14
691.08	**(45.60)**	**1,019.72**	**Net income/(loss) for the period**	**990.74**	**2,406.68**
12.43	(6.22)	(18.04)	Exchange differences from translation of foreign operations	(6.74)	(31.04)
(13.79)	47.05	-	Gains/(losses) on hedges	36.91	-
(1.36)	**40.83**	**(18.04)**	**Total of items that may be reclassified ("recycled") subsequently to the income statement**	**30.17**	**(31.04)**
-	-	-	**Total of items that will not be reclassified ("recycled") subsequently to the income statement**	-	-
8.88	(3.85)	(11.21)	Income tax relating to items that may be reclassified ("recycled") subsequently to the income statement	(20.34)	(10.38)
-	-	-	Income tax relating to items that will not be reclassified ("recycled") subsequently to the income statement	-	-
8.88	**(3.85)**	**(11.21)**	**Total income taxes relating to components of other comprehensive income**	**(20.34)**	**(10.38)**
7.52	**36.98**	**(29.25)**	**Other comprehensive income/(loss)for the period, net of tax**	**9.83**	**(41.42)**
698.60	**(8.62)**	**990.47**	**Total comprehensive income/(loss) for the period**	**1,000.57**	**2,365.26**
698.78	**(6.51)**	**993.56**	**thereof attributable to stockholders of the parent**	**1,010.80**	**2,367.66**
(0.18)	(2.11)	(3.09)	thereof attributable to non-controlling interests	(10.23)	(2.40)

Notes to the interim condensed consolidated income statement

Third quarter 2015 (Q3/15) vs. third quarter 2014 (Q3/14)

Consolidated sales in Q3/15 amounted to RON 4,816 mn and were 12% below Q3/14, mainly due to the decrease of petroleum products sales revenues, following the steep decline in oil prices, which more than offset the increase in quantities sold and the higher sales of electricity. Downstream Oil represented 76% of total consolidated sales, Downstream Gas accounted for 19% and Upstream for 5% (sales in Upstream being largely intra-group sales rather than third-party sales).

The Group's EBIT deteriorated to RON 34 mn, compared to Q3/14 result of RON 1,352 mn, driven by lower sales revenues as a result of the challenging market environment and the impairment of assets in the Upstream segment, predominantly as a consequence of the reduced oil price assumptions both for the short and longer term.

Clean CCS EBIT of RON 1,061 mn is below the value recorded in Q3/14 of RON 1,552 mn, due to the unfavorable oil price environment. The clean CCS EBIT for Q3/15 is stated after eliminating net special charges of RON (833) mn (mainly in relation to impairment of assets in Upstream) and inventory holding losses of RON (194) mn, while Q3/14 is stated after eliminating net special charges of RON (75) mn and inventory holding losses of RON (125) mn.

The net financial result slightly deteriorated in Q3/15 to a loss of RON (83) mn compared with a loss of RON (76) mn in Q3/14, mainly due to changes in foreign exchange rates.

The result from ordinary activities was a loss of RON (48) mn and corporate income tax was positive at the amount of RON 3 mn reflecting the positive effect of deferred tax revenue. Current tax expenses on the Group's income were RON 116 mn and deferred tax revenues amounted to RON 119 mn, due to the impact from impairment of assets in Upstream.

The net result attributable to stockholders (i.e. net income attributable to stockholders of the parent) was a loss of RON (43) mn. The loss per share was RON (0.0008) in Q3/15, vs. earnings per share of RON 0.0180 in Q3/14.

Third quarter 2015 (Q3/15) vs. second quarter 2015 (Q2/15)

Compared to Q2/15, sales increased by 6%, mainly due to seasonally higher sales volumes of petroleum products and increased electricity volumes sold. The Group's EBIT decreased to RON 34 mn (Q2/15: RON 786 mn), mainly due to the impairment of assets in the Upstream segment, following reduced oil price assumptions, and due to the effect of operating income from a legal dispute in Q2/15. Clean CCS EBIT increased from RON 657 mn to RON 1,061 mn, due to higher quantities sold.

The net financial result deteriorated to a loss of RON (83) mn (Q2/15: income of RON 43 mn), as the positive impact from foreign exchange rate gains on EUR denominated bank loans was lower than interest expenses mainly in relation to discounting of receivables and than the one-off effect of the late payment interest income from the litigation settlement in Q2/15.

The net result attributable to stockholders in Q3/15 was a loss of RON (43) mn, compared to a gain of RON 693 mn in Q2/15.

Interim condensed consolidated statement of financial position, capital expenditure and gearing

Interim condensed consolidated statement of financial position (in RON mn)	September 30, 2015	December 31, 2014
Assets		
Intangible assets	2,460.99	1,656.88
Property, plant and equipment	31,535.58	32,289.64
Investments in associated companies	41.49	35.30
Other financial assets	2,485.28	2,191.79
Other assets	34.66	21.34
Deferred tax assets	1,209.56	1,047.78
Non-current assets	**37,767.56**	**37,242.73**
Inventories	2,052.71	2,250.05
Trade receivables	1,453.49	1,424.37
Other financial assets	439.98	388.87
Other assets	582.21	537.06
Cash and cash equivalents	822.60	1,267.98
Current assets	**5,350.99**	**5,868.33**
Assets held for sale	1.77	13.71
Total assets	**43,120.32**	**43,124.77**
Equity and liabilities		
Capital stock	5,664.41	5,664.41
Reserves	21,753.55	21,377.16
Stockholders' equity	**27,417.96**	**27,041.57**
Non-controlling interests	(46.60)	(36.29)
Equity	**27,371.36**	**27,005.28**
Provisions for pensions and similar obligations	283.51	283.01
Interest-bearing debts	1,494.34	1,588.96
Provisions for decommissioning and restoration obligations	7,964.97	7,254.92
Other provisions	513.04	553.85
Other financial liabilities	266.59	279.10
Deferred tax liabilities	7.75	-
Non-current liabilities	**10,530.20**	**9,959.84**
Trade payables	2,265.32	2,899.24
Interest-bearing debts	291.38	273.67
Current income tax payable	168.16	329.09
Other provisions and decommissioning	929.61	1,108.93
Other financial liabilities	651.52	664.46
Other liabilities	912.77	884.26
Current liabilities	**5,218.76**	**6,159.65**
Total equity and liabilities	**43,120.32**	**43,124.77**

Notes to the interim condensed consolidated statement of financial position as of September 30, 2015

Capital expenditure decreased to RON 2,997 mn from RON 4,480 mn in 9m/14.

Investments in Upstream activities (RON 2,790 mn) represented 93% of total CAPEX for the first nine months, being 25% below the 9m/14 level, as the swift reaction to the oil price decrease led to the prioritization of investments. Upstream investments were focused on activities related to field redevelopments, workover activities, drilling development wells, as well as investments related to the Neptun Deep project.

Downstream Oil investments (RON 199 mn) were significantly lower than in 9m/14 (RON 694 mn), as the Petrobrazi refinery modernization program was finalized. The investments were mainly related to the fuel terminal network optimization program (reconstruction works at the Cluj terminal). Investment funds were also directed to efficiency projects, as well as to legal and environmental projects.

Compared to December 31, 2014, total assets remained broadly stable at RON 43,120 mn, as the decrease in current assets was offset by higher non-current assets. The reduction in current assets was mostly driven by lower cash and cash equivalents, following payments made in relation to the fiscal review finalization in OMV Petrom and dividend distribution, and by the decrease in inventories due to higher quantities sold. The significant increase in intangible assets is mostly related to the ongoing drilling operations at the Neptun Deep block in the Black Sea; this effect was partially offset by the impairment of production assets in the Upstream segment, as a result of reduced oil price assumptions.

Equity increased to RON 27,371 mn as of September 30, 2015 compared to December 31 2014, as a result of the net profit generated in the current period, partially offset by dividends distributed for the 2014 financial year. The Group's equity ratio[1] stood at 63% at the end of September 2015 (December 31, 2014: 63%).

Total interest bearing debt slightly decreased from RON 1,863 mn as of December 31, 2014 to RON 1,786 mn as of September 30, 2015, following partial reimbursements made in the first nine months of 2015 and RON appreciation versus EUR between the end of 2014 and end of Q3/15.

The Group's liabilities other than interest bearing debt decreased by RON 294 mn, as a result of payments in relation to the fiscal review finalization in OMV Petrom and by the reduction in trade payables, partially offset by the increase of decommissioning provisions (following parameters and discount rate changes).

OMV Petrom Group's net debt[2] shows an increase from RON 890 mn as of December 31, 2014 to RON 1,253 mn as of September 30, 2015. Consequently, the gearing ratio[3] slightly increased to 4.6% (December 31, 2014: 3.3%).

[1] *Equity ratio is calculated as Equity/(Total Assets) x 100*
[2] *Net debt is calculated as interest bearing debt including financial lease liability less cash and cash equivalents*
[3] *Gearing ratio is calculated as Net debt/(Equity) x 100*

Interim condensed consolidated statement of cash flows

Q2/15	Q3/15	Q3/14	Summarized interim condensed consolidated statement of cash flows (in RON mn)	9m/15	9m/14
829.08	**(48.17)**	**1,275.65**	**Profit/(loss) before taxation**	**1,253.18**	**3,186.66**
25.87	(8.13)	15.23	Net change in provisions	(234.56)	16.07
(3.03)	(0.64)	(45.50)	Losses/(gains) on the disposal of non-current assets	(5.22)	(16.32)
974.16	1,661.10	797.86	Depreciation, amortization and impairments including write-ups	3,508.55	2,945.40
141.96	(8.39)	(10.33)	Net interest received/(paid)	116.40	(35.23)
(146.51)	(178.71)	(189.52)	Tax on profit paid	(598.74)	(652.58)
(86.66)	75.54	11.95	Other non-monetary adjustments	(37.26)	106.57
1,734.87	**1,492.60**	**1,855.34**	**Sources of funds ***	**4,002.35**	**5,550.57**
(108.69)	118.25	(71.33)	(Increase)/decrease in inventories	174.49	(320.24)
(8.24)	(50.55)	(51.65)	Increase in receivables	(153.67)	(411.59)
41.73	168.54	(143.55)	(Decrease)/increase in liabilities	156.02	160.13
1,659.67	**1,728.84**	**1,588.82**	**Net cash from operating activities**	**4,179.19**	**4,978.87**
(1,503.43)	(1,030.99)	(1,729.29)	Intangible assets and property, plant and equipment	(3,929.33)	(4,239.40)
-	-	-	Investments, loans and other financial assets	-	(45.28)
11.46	21.66	227.99	Proceeds from sale of non-current assets	46.29	261.09
-	-	-	Proceeds from sale of subsidiaries, net of cash disposed	-	15.99
(1,491.97)	**(1,009.33)**	**(1,501.30)**	**Net cash from investing activities**	**(3,883.04)**	**(4,007.60)**
178.72	(266.42)	(188.12)	Increase / (decrease) in borrowings	(116.85)	(98.33)
(627.79)	(0.88)	(59.19)	Dividends paid	(629.23)	(1,715.91)
(449.07)	**(267.30)**	**(247.31)**	**Net cash from financing activities**	**(746.08)**	**(1,814.24)**
(1.87)	(1.67)	15.00	Effect of exchange rate changes on cash and cash equivalents	4.55	6.28
(283.24)	**450.54**	**(144.79)**	**Net decrease in cash and cash equivalents**	**(445.38)**	**(836.69)**
655.30	372.06	716.34	Cash and cash equivalents at beginning of period	1,267.98	1,408.24
372.06	**822.60**	**571.55**	**Cash and cash equivalents at end of period**	**822.60**	**571.55**

* representing cash generated from operating activities before working capital movements

Notes to the interim condensed consolidated statement of cash flows January to September 2015 (9m/15) vs. January to September 2014 (9m/14)

In 9m/15, free cash flow (defined as net cash from operating activities less net cash from investing activities) showed an inflow of funds of RON 296 mn (9m/14: RON 971 mn). Free cash flow less dividend payments resulted in a cash outflow of RON 333 mn (9m/14: RON 745 mn).

The inflow of funds from profit before taxation, adjusted for non-cash items such as depreciation, net change of provisions and other non-cash adjustments, as well as net interest and income tax paid was RON 4,002 mn (9m/14: RON 5,551 mn), while net working capital generated a cash inflow of RON 177 mn (9m/14: outflow of RON 572 mn).

In Q3/15, OMV Petrom Group has monetized its oil price hedges for the period Q4/15 through Q2/16. The total pre-tax cash inflow from these hedges was RON 90 mn.

Net cash flow from investing activities (outflow of RON 3,883 mn; 9m/14: RON 4,008 mn) mainly includes payments for investments in intangible assets and property, plant and equipment.

Net cash flow from financing activities shows an outflow of funds amounting to RON 746 mn (9m/14: RON 1,814 mn), mainly arising from the payment of dividends of RON 629 mn.

Interim condensed consolidated statement of changes in equity

in RON mn	Share capital	Revenue reserves	Other reserves[1]	Treasury shares	Stockholders' equity	Non-controlling interests	Total Equity
January 1, 2015	**5,664.41**	**21,341.07**	**36.11**	**(0.02)**	**27,041.57**	**(36.29)**	**27,005.28**
Net income for the period	-	998.60	-	-	998.60	(7.86)	990.74
Other comprehensive income/(loss) for the period	-	-	12.20	-	12.20	(2.37)	9.83
Total comprehensive income/(loss) for the period	**-**	**998.60**	**12.20**	**-**	**1,010.80**	**(10.23)**	**1,000.57**
Dividend distribution	-	(634.41)	-	-	(634.41)	(0.09)	(634.50)
Change in interests	-	-	-	-	-	0.01	0.01
September 30, 2015	**5,664.41**	**21,705.26**	**48.31**	**(0.02)**	**27,417.96**	**(46.60)**	**27,371.36**

in RON mn	Share capital	Revenue reserves	Other reserves[1]	Treasury shares	Stockholders' equity	Non-controlling interests	Total Equity
January 1, 2014	**5,664.41**	**21,000.68**	**5.44**	**(0.02)**	**26,670.51**	**(28.83)**	**26,641.68**
Net income for the period	-	2,406.68	-	-	2,406.68	-	2,406.68
Other comprehensive income/(loss) for the period	-	-	(39.02)	-	(39.02)	(2.40)	(41.42)
Total comprehensive income/(loss) for the period	**-**	**2,406.68**	**(39.02)**	**-**	**2,367.66**	**(2.40)**	**2,365.26**
Dividend distribution	-	(1,744.63)	-	-	(1,744.63)	(0.04)	(1,744.67)
September 30, 2014	**5,664.41**	**21,662.73**	**(33.58)**	**(0.02)**	**27,293.54**	**(31.27)**	**27,262.27**

[1] Other reserves contain mainly exchange rate differences from the translation of foreign operations, reserves from business combinations in stages, unrealized gains and losses from hedges and exchange differences on loans considered net investment in a foreign operation.

Dividends

At the Annual General Meeting of Shareholders held on April 28, 2015, the shareholders of OMV Petrom S.A. approved the distribution of dividends for the financial year 2014 for the gross amount of RON 634 mn (RON 0.0112 per share). Payment of the dividends started on June 12, 2015.

Segment reporting

Intersegmental sales

Q2/15	Q3/15	Q3/14	Δ%	in RON mn	9m/15	9m/14	Δ%
2,400.79	1,968.85	3,130.45	(37)	Upstream	6,422.71	9,400.39	(32)
79.03	68.21	93.74	(27)	Downstream *	234.05	295.32	(21)
25.63	21.39	39.45	(46)	thereof Downstream Oil	74.33	119.53	(38)
84.78	66.69	79.32	(16)	thereof Downstream Gas	246.99	272.88	(9)
(31.38)	(19.87)	(25.03)	(21)	thereof intersegmental elimination Downstream Oil and Downstream Gas	(87.27)	(97.09)	(10)
50.51	44.03	41.06	7	Corporate and Other	141.95	332.06	(57)
2,530.33	**2,081.09**	**3,265.25**	**(36)**	**Total**	**6,798.71**	**10,027.77**	(32)

Sales to external customers

Q2/15	Q3/15	Q3/14	Δ%	in RON mn	9m/15	9m/14	Δ%
169.61	223.27	180.08	24	Upstream	533.93	666.45	(20)
4,364.46	4,587.21	5,289.51	(13)	Downstream	13,075.98	15,469.42	(15)
3,598.97	3,673.14	4,537.40	(19)	thereof Downstream Oil	10,093.99	12,710.88	(21)
765.49	914.07	752.11	22	thereof Downstream Gas	2,981.99	2,758.54	8
6.17	5.32	5.71	(7)	Corporate and Other	16.87	58.69	(71)
4,540.24	**4,815.80**	**5,475.30**	**(12)**	**Total**	**13,626.78**	**16,194.56**	**(16)**

Total sales (not consolidated)

Q2/15	Q3/15	Q3/14	Δ%	in RON mn	9m/15	9m/14	Δ%
2,570.40	2,192.12	3,310.53	(34)	Upstream	6,956.64	10,066.84	(31)
4,443.49	4,655.42	5,383.25	(14)	Downstream*	13,310.03	15,764.74	(16)
3,624.60	3,694.53	4,576.85	(19)	thereof Downstream Oil	10,168.32	12,830.41	(21)
850.27	980.76	831.43	18	thereof Downstream Gas	3,228.98	3,031.42	7
(31.38)	(19.87)	(25.03)	(21)	thereof intersegmental elimination Downstream Oil and Downstream Gas	(87.27)	(97.09)	(10)
56.68	49.35	46.77	6	Corporate and Other	158.82	390.75	(59)
7,070.57	**6,896.89**	**8,740.55**	**(21)**	**Total**	**20,425.49**	**26,222.33**	**(22)**

* Sales Downstream = Sales Downstream Oil + Sales Downstream Gas – intersegmental elimination Downstream Oil and Downstream Gas

Segment and Group profit

Q2/15	Q3/15	Q3/14	Δ%	in RON mn	9m/15	9m/14	Δ%
531.20	(407.01)	1,355.31	n.m	EBIT Upstream	288.27	3,563.66	(92)
421.57	120.63	73.77	64	EBIT Downstream	886.93	229.15	287
505.64	175.06	179.38	(2)	thereof EBIT Downstream Oil	1,022.28	310.77	229
(84.07)	(54.43)	(105.61)	(48)	thereof EBIT Downstream Gas	(135.35)	(81.62)	66
(10.48)	(22.59)	(41.18)	(45)	EBIT Corporate and Other	(58.68)	(110.14)	(47)
942.29	**(308.97)**	**1,387.90**	**n.m**	**EBIT segment total**	**1,116.52**	**3,682.67**	**(70)**
(156.17)	343.42	(36.35)	n.m	Consolidation: Elimination of intersegmental profits	198.20	(233.55)	n.m.
786.12	**34.45**	**1,351.55**	**(97)**	**OMV Petrom Group EBIT**	**1,314.72**	**3,449.12**	**(62)**
42.96	**(82.62)**	**(75.90)**	**9**	**Net financial result**	**(61.54)**	**(262.46)**	**(77)**
829.08	**(48.17)**	**1,275.65**	**n.m**	**OMV Petrom Group profit/(loss) from ordinary activities**	**1,253.18**	**3,186.66**	**(61)**

Assets[1]

in RON mn	Sept 30, 2015	Dec 31, 2014
Upstream	26,112.90	25,703.71
Downstream	7,373.35	7,717.88
thereof Downstream Oil	5,378.69	5,629.47
thereof Downstream Gas	1,994.66	2,088.41
Corporate and Other	510.32	524.93
Total	**33,996.57**	**33,946.52**

[1] *Segment assets consist of intangible assets and property, plant and equipment*

Other notes to the interim condensed consolidated financial statements

i) Significant transactions with related parties

Significant transactions in form of supplies of goods and services take place on a constant and regular basis with companies from OMV Group. The most significant ones are disclosed in the Appendix 2 of this report.

ii) Impairments

OMV Petrom has decided to review its oil price assumptions for both the short and longer term. The assumptions for Brent crude price are now for 2016 at USD 55/bbl, for 2017 at USD 70/bbl, for 2018 at USD 80/bbl and then USD 85/bbl from 2019 onwards. These revised assumptions led to impairments of RON 786 mn recognized in Q3/15 in the Upstream business, covering mainly production assets.

iii) Fair value measurement

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

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

Level 2: Using inputs for the asset or liability, other than quoted prices, that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

	September 30, 2015				December 31, 2014			
Financial instruments on asset side (in RON mn)	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives designated and effective as hedging instruments	-	-	-	-	-	-	-	-
Other derivatives	-	113.04	-	113.04	-	3.24	-	3.24
Total	**-**	**113.04**	**-**	**113.04**	**-**	**3.24**	**-**	**3.24**

	September 30, 2015				December 31, 2014			
Financial instruments on liability side (in RON mn)	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Liabilities on derivatives designated and effective as hedging instruments	-	-	-	-	-	-	-	-
Liabilities on other derivatives	-	(128.21)	-	(128.21)	-	-	-	-
Total	**-**	**(128.21)**	**-**	**(128.21)**	**-**	**-**	**-**	**-**

There were no transfers between levels of the fair value hierarchy.

Interest-bearing debts amounting to RON 1,785.72 mn (December 31, 2014: RON 1,862.63 mn) are valued at amortized cost. The estimated fair value of these liabilities was RON 1,831.59 mn (December 31, 2014: RON 1,826.83 mn). The carrying amount of all other financial assets and financial liabilities that were measured at amortized cost approximates their fair value.

Financial Ratios (presented in accordance with National Securities Commission Instruction No. 1/2006 requirements)

Financial Ratio	Formula	Value
Current ratio	Current Assets / Current Liabilities	1.03
Gearing Ratio	Net debt / Equity*100	4.58
Days in receivables	Receivables average balance / Turnover*270	28.51
Fixed assets turnover [1]	Turnover / Fixed assets	0.53

[1] *Fixed assets turnover is calculated based on turnover for Q3/15*(360/270) days.*

Declaration of the management

We confirm to the best of our knowledge that the interim condensed consolidated financial statements for the period ended September 30, 2015, prepared in accordance with the International Financial Reporting Standards, offer a true and fair view of OMV Petrom Group's assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the statements of operations and the information presented in this report give a true and fair view of important events that have occurred during the first nine months of the financial year 2015 and their impact on the interim condensed consolidated financial statements.

Bucharest, November 5, 2015

The Executive Board

Mariana Gheorghe
Chief Executive Officer
President of the Executive Board

Andreas Matje
Chief Financial Officer
Member of the Executive Board

Gabriel Selischi
Member of the Executive Board
Upstream

Lacramioara Diaconu-Pintea
Member of the Executive Board
Downstream Gas

Neil Anthony Morgan
Member of the Executive Board
Downstream Oil

Abbreviations and definitions

ANRE	Romanian Energy Regulatory Authority
bbl	barrel(s), i.e. 159 liters
bcf	billion cubic feet; 1 bcm = 35.3147 bcf for Romania or 34.7793 bcf for Kazakhstan
boe; kboe; kboe/d	barrels of oil equivalent; thousand barrels of oil equivalent; kboe per day
bn	billion
bcm	billion cubic meters
capital employed	equity including minorities plus net debt
cbm	cubic meters
CEO	Chief Executive Officer
Co&O	Corporate and Other
CAPEX	Capital expenditure
CCS	Current cost of supply
CFPS	Cash Flow Per Share
EBIT	Earnings before interest and tax
EBITD	Earnings Before Interest, Taxes, Depreciation and amortization, impairments and write-ups of fixed assets
EPS	Earnings per share
EUR	euro
ExxonMobil	ExxonMobil Exploration and Production Romania Limited
FX	Foreign Exchange
IFRSs; IASs	International Financial Reporting Standards; International Accounting Standards
mn	million
MWh	megawatt hour
NBR	National Bank of Romania
NGL	Natural Gas Liquids
n.a.	not applicable/not available (after case)
n.m.	not meaningful i.e. deviation exceeds (+/-)500% or comparison is made between positive and negative values
NOPAT	Net Operating Profit After Tax. Profit on ordinary activities after taxes plus net interest on net borrowings, +/– result from discontinued operations, +/– tax effect of adjustments
OPCOM	The administrator of the Romanian electricity market
OPEX	Operating Expenditures
Q	quarter
ROACE	Return On Average Capital Employed = NOPAT/Average Capital Employed (%)
ROE	Return On Equity = Net Profit/Average Equity (%)
ROFA	Return On Fixed Assets = EBIT/Average Fixed Assets (%)
RON	Romanian leu
S.A.; S.R.L.	Societate pe Actiuni (Joint-stock company); Societate cu Raspundere Limitata (Limited liability company)
TOC	Tasbulat Oil Corporation
t	metric tonne(s)
TWh	terawatt hour
USD	United States dollar
yoy	year-on-year

Appendix 1

Consolidated companies in OMV Petrom Group at September 30, 2015

Parent company
OMV Petrom S.A.

Subsidiaries

Upstream		**Downstream Oil**	
Tasbulat Oil Corporation LLP (Kazakhstan)[1]	100.00%	OMV Petrom Marketing S.R.L.	100.00%
OMV Petrom Ukraine E&P GmbH	100.00%	OMV Petrom Aviation S.A.	99.99%
OMV Petrom Ukraine Finance Services GmbH	100.00%	ICS Petrom Moldova S.A. (Republic of Moldova)	100.00%
Kom Munai LLP (Kazakhstan)	95.00%	OMV Bulgaria OOD (Bulgaria)	99.90%
Petrom Exploration & Production Ltd.	99.99%	OMV Srbija DOO (Serbia)	99.96%
Downstream Gas		**Corporate & Other**	
OMV Petrom Gas S.R.L.	99.99%	Petromed Solutions S.R.L.	99.99%
OMV Petrom Wind Power S.R.L.	99.99%		

[1] *Owned through Tasbulat Oil Corporation BVI as holding company*

Associated company, accounted for at equity	
OMV Petrom Global Solutions S.R.L.	25.00%

Appendixes 1 and 2 form part of the interim condensed consolidated financial statements

Appendix 2

Significant transactions with related parties

During the nine month period ended September 30, 2015, OMV Petrom Group had the following significant transactions with related parties (including significant balances as of September 30, 2015):

Related party (in RON mn)	Purchases 9m/15	Balances payable Sep 30, 2015
OMV Petrom Global Solutions S.R.L.	381.11	55.07
OMV Refining & Marketing GmbH	170.32	71.35
OMV Supply & Trading Limited	140.47	58.80
OMV Exploration & Production GmbH	59.58	35.56

Related party (in RON mn)	Revenues 9m/15	Balances receivable Sep 30, 2015
OMV Supply & Trading Limited	731.28	-
OMV Deutschland GmbH	184.28	27.63
OMV Supply & Trading AG	59.98	0.65
OMV International Services GmbH	2.19	28.80

During the nine month period ended September 30, 2014, OMV Petrom Group had the following significant transactions with related parties (including significant balances as of December 31, 2014):

Related party (in RON mn)	Purchases 9m/14	Balances payable December 31, 2014
OMV Refining & Marketing GmbH	218.14	71.65
OMV Petrom Global Solutions S.R.L.	140.66	79.62
OMV International Oil & Gas GmbH	75.58	9.89
OMV Exploration & Production GmbH	63.92	52.98

Related party (in RON mn)	Revenues 9m/14	Balances receivable December 31, 2014
OMV Supply & Trading AG	1,208.35	3.46
OMV Deutschland GmbH	174.46	20.65
OMV International Services GmbH	2.69	14.28

Appendixes 1 and 2 form part of the interim condensed consolidated financial statements

Contact

OMV Petrom Investor Relations

Tel: +40 372 088406; Fax: +40 21 30 68518

E-mail address: investor.relations.petrom@petrom.com

Next release:

The next results announcement for January – December and Q4 2015 will be released on February 18, 2016, presenting OMV Petrom consolidated preliminary results prepared according to IFRS.