Petrom Investor News

Bucharest
November 7, 2013
8:30 am
7:30 am (CET), 6:30 am (GMT)

Petrom Group: results[1] for Q3 and January – September 2013

including interim financial statements as of September 30, 2013

Q3/13 vs Q3/12:

- **Clean CCS EBIT increased 22%, mainly driven by higher realized oil price and strong cost management**
- **Daily production in Romania advanced slightly, supported by workovers, intensive drilling and field redevelopment activities**
- **Investments in E&P increased 37% vs Q3/12, in line with our Group strategy to spend around 80% of CAPEX in E&P**
- **Black Sea: seismic data processing ongoing; drilling activities to be resumed next year**
- **Lower contribution from downstream, reflecting challenging market environment**

Mariana Gheorghe, CEO of OMV Petrom S.A.: "In the third quarter we continued to deliver a solid performance, benefiting from a favorable crude price environment and cost optimization. In E&P, over the first nine months of 2013, we managed to achieve the first year-on-year production stabilization at Group level since privatization, as a result of continuous investments. Exploration offshore is progressing and, in joint venture with ExxonMobil, we aim to resume drilling in the Neptun block around mid-2014. G&P performance reflected the challenging market environment with subdued demand and low electricity prices, while in R&M, refining margins remained under pressure. Going forward, we will maintain our focus on delivering on our operational excellence initiatives and investment program. These initiatives remain essential prerequisites for a sustainable performance and cash flow generation that will support our ambitious investment program in the Black Sea in the coming years, in an investment-friendly taxation and regulatory environment."

Q2/13	Q3/13	Q3/12	Δ%	Key performance indicators (in RON mn)	9m/13	9m/12	Δ%
1,389	1,585	1,286	23	EBIT	4,556	3,989	14
1,438	1,619	1,326	22	Clean CCS EBIT [2]	4,637	4,031	15
1,061	1,272	870	46	Net income attributable to stockholders[3]	3,663	2,897	26
1,103	1,301	916	42	Clean CCS net income attributable to stockholders [2,3]	3,731	2,945	27
0.0187	0.0225	0.0153	46	EPS (RON)	0.0647	0.0511	26
0.0195	0.0230	0.0162	42	Clean CCS EPS (RON) [2]	0.0659	0.0520	27
1,963	2,399	1,335	80	Cash flow from operating activities	6,207	4,381	42

[1] The financials are unaudited and represent Petrom Group's (herein after also referred to as "the Group") consolidated results prepared according to IFRS; all the figures refer to Petrom Group, unless otherwise stated; financials are expressed in RON mn and rounded to closest integer value, so minor differences may result upon reconciliation; 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 R&M
[3] After deducting net income attributable to non-controlling interests

PETROM
Member of OMV Group

Financial highlights

Q2/13	Q3/13	Q3/12	∆%	in RON mn	9m/13	9m/12	∆%
5,787	6,574	6,983	(6)	Sales [1]	18,150	19,185	(5)
1,307	1,539	1,289	19	EBIT E&P [2]	4,263	4,185	2
(8)	(2)	59	n.m.	EBIT G&P	103	224	(54)
71	111	266	(58)	EBIT R&M	279	155	79
(24)	(20)	(29)	(32)	EBIT Co&O	(59)	(78)	(24)
42	(44)	(299)	(85)	Consolidation	(30)	(498)	(94)
1,389	**1,585**	**1,286**	**23**	**EBIT Group**	**4,556**	**3,989**	**14**
-	**(29)**	**(117)**	**(75)**	**Special items**[3]	**(70)**	**(245)**	**(71)**
-	(4)	(1)	352	thereof: Personnel and restructuring	(4)	(65)	(94)
-	(25)	-	n.m.	Unscheduled depreciation	(66)	-	n.m.
-	-	(116)	n.m.	Other	-	(180)	n.m.
(50)	(5)	78	n.m.	CCS effects: Inventory holding gains/(losses)	(10)	203	n.m.
1,307	1,544	1,405	10	Clean EBIT E&P [2, 4]	4,267	4,425	(4)
(8)	(2)	59	n.m.	Clean EBIT G&P [4]	144	223	(35)
121	141	189	(25)	Clean CCS EBIT R&M [4]	314	(48)	n.m.
(24)	(20)	(28)	(30)	Clean EBIT Co&O [4]	(59)	(70)	(16)
42	(44)	(299)	(85)	Consolidation	(30)	(498)	(94)
1,438	**1,619**	**1,326**	**22**	**Clean CCS EBIT** [4]	**4,637**	**4,031**	**15**
1,282	1,530	1,049	46	Income from ordinary activities	4,396	3,497	26
1,061	1,273	864	47	Net income	3,666	2,892	27
1,061	1,272	870	46	Net income attributable to stockholders[5]	3,663	2,897	26
1,103	**1,301**	916	**42**	**Clean CCS net income attributable to stockholders** [4, 5]	**3,731**	**2,945**	**27**
0.0187	0.0225	0.0153	46	EPS (RON)	0.0647	0.0511	26
0.0195	0.0230	0.0162	42	Clean CCS EPS (RON) [4]	0.0659	0.0520	27
1,963	2,399	1,335	80	Cash flow from operating activities	6,207	4,381	42
0.0347	0.0423	0.0236	80	CFPS (RON)	0.1096	0.0773	42
1,692	568	3,234	(82)	Net debt	568	3,234	(82)
7	2	15	(85)	Gearing (%) [6]	2	15	(85)
1,079	1,407	1,178	19	Capital expenditure	3,487	3,506	(1)
-	-	-	n.a.	ROFA (%) [7]	20.9	18.5	13
-	-	-	n.a.	ROACE (%) [7, 8]	18.8	15.8	19
-	-	-	n.a.	Clean CCS ROACE (%) [4, 7, 8]	20.2	17.8	13
-	-	-	n.a.	ROE (%) [7]	19.6	17.3	13
17	17	18	(5)	Group tax rate (%)	17	17	(4)
20,138	20,017	21,961	(9)	Petrom Group employees at the end of the period	20,017	21,961	(9)

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 R&M; [5] After deducting net income attributable to non-controlling interests; [6] Net debt divided by equity; [7] Starting with Q4/12, calculated on a rolling basis based on the previous four consecutive quarters. Historic figures were adjusted accordingly; [8] Starting Q4/12, the definitions for NOPAT and capital employed were adjusted. Please see section "abbreviations and definitions" for details. Historic figures were adapted accordingly.

Business segments

Exploration and Production (E&P)

Q2/13	Q3/13	Q3/12	Δ%	in RON mn	9m/13	9m/12	Δ%
1,307	1,539	1,289	19	EBIT [1]	4,263	4,185	2
-	(4)	(116)	(96)	Special items	(4)	(240)	(98)
1,307	1,544	1,405	10	Clean EBIT [1]	4,267	4,425	(4)

Q2/13	Q3/13	Q3/12	Δ%	Key performance indicators	9m/13	9m/12	Δ%
16.74	16.78	16.75	0	Total hydrocarbon production (mn boe)	49.98	50.03	0
184	182	182	0	Total hydrocarbon production (kboe/day)[2]	183	183	0
7.97	8.12	8.13	0	Crude oil and NGL production (mn bbl)	24.08	24.40	(1)
1.34	1.33	1.32	0	Natural gas production (bcm)	3.97	3.93	1
47.46	46.84	46.69	0	Natural gas production (bcf)	140.15	138.70	1
102.15	110.63	109.26	1	Average Urals price (USD/bbl)	108.09	111.25	(3)
91.88	98.10	91.21	8	Average Group realized crude price (USD/bbl) [3]	96.54	94.13	3
70	108	77	40	Exploration expenditures (RON mn)	365	336	9
80	84	69	23	Exploration expenses (RON mn)	354	168	110
14.42	14.94	14.67	2	OPEX (USD/boe)	14.76	15.33	(4)

[1] Excluding intersegmental profit elimination; [2] Production figures in kboe/day are rounded; [3] Realized price includes hedging result (for 2012 interim periods)

Third quarter 2013 (Q3/13) vs. third quarter 2012 (Q3/12)

- **Clean EBIT increase supported by higher realized crude price and strict cost management**
- **Group hydrocarbon production slightly increased driven by higher production volumes in Romania, as a result of significant investment efforts**
- **In Romania, production costs in RON terms dropped by 7%; at Group level, OPEX in USD/boe increased 2% mainly due to stronger RON against USD**

In Q3/13, the crude price environment remained supportive, as the average Urals crude price slightly increased to USD 110.63/bbl. Average realized crude prices increased by 8% to USD 98.10/bbl as no hedges were concluded in 2013, while Q3/12 reflected hedging losses of RON (83) mn.

Clean EBIT increased by 10% compared to Q3/12 to RON 1,544 mn, mainly due to higher oil and gas sales and lower production costs, which counterbalanced unfavorable FX rate effects (USD weaker against RON) and higher depreciation. Reported EBIT increased by 19%, reflecting lower special items compared with Q3/12.

Group production costs in USD/boe increased by 2% compared to Q3/12, mainly due to negative FX effects (USD 7% weaker against RON), despite lower nominal production costs and higher production volumes. In Romania, production costs in USD/boe were stable, reaching USD 14.24/boe. When expressed in RON terms, production costs in Romania decreased by 7% to RON 47.78/boe, triggered by strict cost management and higher production volumes.

Exploration expenditures increased by 40%, amounting to RON 108 mn, mainly due to higher capitalized drilling expenditures. Exploration expenses were 23% higher in Q3/13, related mostly to the relinquishment of some exploration blocks.

In Q3/13, the drilling program comprised 48 new wells in Romania (Q3/12: 31 new wells).

Group daily hydrocarbon production was 182.4 kboe (of which 171.2 kboe in Romania) and total production stood at 16.8 mn boe, slightly above Q3/12. In Romania, total oil and gas production increased by 0.7% to 15.75 mn boe, supported by workovers, drilling and field redevelopment activities. Domestic crude oil production was 7.23 mn bbl, slightly above Q3/12. Domestic gas production reached 8.5 mn boe, 0.9% above Q3/12, mainly supported by the good results of the offshore workover campaigns in the Istria block. In Kazakhstan, oil and gas production amounted to 1.03 mn boe, which is 6.7% lower compared to the same period of 2012, following technical constraints in the TOC fields. Sales volumes increased by 2% compared to Q3/12 mainly due to higher sales for all products in Romania.

Third quarter 2013 (Q3/13) vs. second quarter 2013 (Q2/13)

Clean EBIT increased by 18% compared with the Q2/13 level, mainly due to higher oil and NGL sales and higher gas prices, which offset higher depreciation and royalties. Reported EBIT stood almost at the same level with Clean EBIT. Group production costs in USD/boe increased by 4%, mainly driven by higher service costs. In Romania, production costs expressed in USD/boe increased by 1% and, when expressed in RON/boe, domestic production costs advanced by 1% compared to the Q2/13 level, to RON 47.78/boe. Exploration expenditures increased by 55% while exploration expenses advanced by 6%, the latter mainly relating to the relinquishment of some exploration blocks in Q3/13.

Total daily production was slightly below Q2/13, mainly due to workover jobs in the Totea field, slightly compensated by production increase in Kazakhstan. Group sales volumes increased by 3% compared to the Q2/13 level, driven by higher oil and NGL sales and higher sales from stock.

Gas and Power (G&P)

Q2/13	Q3/13	Q3/12	Δ%	in RON mn	9m/13	9m/12	Δ%
(8)	(2)	59	n.m.	EBIT	103	224	(54)
-	-	-	n.a.	Special items	(42)	1	n.m.
(8)	(2)	59	n.m.	Clean EBIT	144	223	(35)

Q2/13	Q3/13	Q3/12	Δ%	Key performance indicators	9m/13	9m/12	Δ%
1,063	1,043	855	22	Gas sales volumes (mn cbm) [1]	3,633	3,497	4
11.50	11.24	9.24	22	Gas sales volumes (TWh) [1]	39.13	37.72	4
45.7	48.5	45.7	6	Average regulated domestic gas price for households (RON/MWh) [2]	46.6	45.7	2
55.3	63.4	45.7	39	Average regulated domestic gas price for non-households (RON/MWh) [2]	55.5	45.7	21
136	129	142	(9)	Average import gas price (RON/MWh) [3]	132	146	(10)
0.23	0.78	0.80	(3)	Net electrical output (TWh)	1.83	0.91	102
124	173	239	(28)	OPCOM spot average electricity base load price (RON/MWh) [4]	151	224	(33)
157	215	300	(28)	OPCOM average electricity peak load price (RON/MWh) [4]	191	281	(32)

[1] *Including internal transfers within OMV Petrom S.A. (e.g. Brazi power plant)*
[2] *According to gas price liberalization roadmap enforced by the Government starting February 1, 2013. ANRE recommended prices for prior periods*
[3] *Q2/13, Q3/13 and 9m/13 data represent ANRE assumptions*
[4] *Q3/13 and 9m/13 data are preliminary*

Third quarter 2013 (Q3/13) vs. third quarter 2012 (Q3/12)

- **Clean EBIT impacted by lower contribution of both gas and power businesses**
- **Gas sales volumes increased by 22%, however on lower margins as the upside from gas price liberalization is reflected in E&P**
- **Brazi power plant net electrical output of 0.76 TWh, covering around 6% of national electricity consumption, but electricity prices dropped 28%**

Clean EBIT significantly decreased compared to Q3/12, reflecting the lower contribution of the gas business, as the upside from gas price liberalization is reflected in E&P starting February 2013. Additionally, the power business was negatively affected by adverse market conditions.

Estimated natural **gas** consumption in Romania decreased by 11% in Q3/13 as compared to the same period of the previous year, while Petrom gas sales volumes increased by 22% due to higher demand for domestic gas coming from large wholesalers and supported by the slight increase in Petrom domestic gas production.

At the end of Q3/13, the total volume of natural gas stored by Petrom amounted to 279 mn cbm compared to 556 mn cbm at the end of Q3/12, reflecting higher domestic gas demand in Q3/13.

In Q3/13, the regulated domestic gas price was RON 63.4/MWh for the non-household sector and RON 48.5/MWh for households, while the estimated average import gas price based on ANRE assumptions was USD 405/1,000 cbm (or the equivalent of RON 129/MWh).

The average import quota set by ANRE for the non-household sector was 20% in Q3/13, lower compared to an average of 26% in Q3/12.

Estimated Romanian gross **electricity** production decreased by approximately 3% versus Q3/12, while national electricity demand decreased by over 6%; the surplus output was exported. Increased production from hydro and renewable sources, compared to the same quarter of last year, contributed to the 28% decrease in Romanian day ahead market prices, which averaged RON

173/MWh for base load and RON 215/MWh for peak load, according to preliminary data published by OPCOM.

With a net availability of over 96% and a net electrical output of 0.76 TWh (3% lower compared to Q3/12), the Brazi power plant covered around 6% of Romania's estimated electricity consumption, delivering 0.42 TWh on the regulated market.

In Q3/13, the Dorobantu wind park, with a net availability of over 94%, delivered a net electrical output of 0.02 TWh (10% lower than in Q3/12), for which Petrom received approximately 12,600 green certificates. Pursuant to Government Emergency Ordinance no. 57/2013, adopted in July 2013, Law no. 220/2008 regarding the support system for renewable power was amended. As such, starting July 1, 2013, the allocation of one (out of two) green certificates for each MWh of hydropower or wind power produced (or two certificates for photovoltaic power) is postponed until March 31, 2017. The secondary legislation on this topic still needs to be defined.

Third quarter 2013 (Q3/13) vs. second quarter 2013 (Q2/13)

Compared to Q2/13, Clean EBIT slightly improved helped by strict management of receivables. Petrom **gas** sales volumes decreased by 2%, while estimated Romanian gas consumption was 15% lower.

The net **electrical** output of the Brazi power plant significantly improved against Q2/13, reflecting the one month planned shutdown in Q2/13 and the more favorable market conditions in Q3/13. The stable demand and a slight increase in electricity output, with a lower contribution from hydro and wind compensated by coal and gas sources, triggered a spot market price increase of around 40% compared to the previous quarter.

The net electrical output of the Dorobantu wind park seasonally decreased by 21% as compared to Q2/13. The new regulatory provisions mentioned above, together with the lower output, led to a 71% decrease in the number of green certificates received by Dorobantu wind park.

Refining and Marketing (R&M)

Q2/13	Q3/13	Q3/12	Δ%	in RON mn	9m/13	9m/12	Δ%
71	111	266	(58)	EBIT	279	155	79
-	(25)	-	n.m.	Special items	(25)	-	n.m.
(50)	(5)	78	n.m.	CCS effect: Inventory holding gains/(losses) [1]	(10)	203	n.m.
121	141	189	(25)	Clean CCS EBIT [1]	314	(48)	n.m.

Q2/13	Q3/13	Q3/12	Δ%	Key performance indicators	9m/13	9m/12	Δ%
(1.62)	(4.31)	(0.46)	n.m.	Indicator refining margin (USD/bbl) [2]	(2.30)	(1.00)	129
1.02	1.03	0.86	20	Refining input (mn t) [3]	3.00	2.29	31
92	90	76	18	Refinery utilization rate (%) [4]	90	66	35
1.34	1.46	1.29	13	Total refined product sales (mn t) [5]	3.91	3.63	8
0.92	1.03	1.09	(5)	thereof Marketing sales volumes (mn t) [6]	2.69	2.86	(6)
792	785	799	(2)	Marketing retail stations	785	799	(2)

[1] Current cost of supply (CCS): Clean CCS EBIT eliminates special items and inventory holding gains/losses (CCS effects) resulting from R&M
[2] The indicator refining margin is based on the international quotations for products [Augusta] and Urals crude and a standard yield set typically for Petrobrazi refinery as of Q1/11 (indicator expected to be adapted after completion of Petrobrazi modernization program); actual refining margins realized by Petrom may vary from the indicator refining margin as well as from the market margins due to factors including a different crude slate, product yield and operating conditions
[3] Figure includes crude and semi-finished products, in line with OMV Group reporting standard
[4] Reflects Petrobrazi refinery nameplate capacity adjustment to 4.2 mn t/y starting Q3/12 (previously 4.5 mn t/y)
[5] Includes all products sold by Petrom Group
[6] Excludes export sales which are included in total refined product sales

Third quarter 2013 (Q3/13) vs. third quarter 2012 (Q3/12)

- **R&M clean CCS EBIT burdened by weak refining margins due to lower cracks, in a high crude price environment**
- **Refinery utilization improved to 90%**
- **Marketing business reflected oil price environment, lower commercial sales and stable retail volumes**

Clean CCS EBIT decreased to RON 141 mn mainly due to depressed refining margins, only partially offset by stringent cost management. Despite higher crude quotations, the negative market outlook at the end of the period led to inventory losses (CCS effects) of RON 5 mn which, combined with special charges of RON 25 mn, generated a reported EBIT of RON 111 mn.

The indicator **refining** margin was USD (4.31)/ bbl, lower compared to the Q3/12 level of USD (0.46)/bbl. The overall refining margin level deteriorated due to the higher cost of crude and lower spreads for oil products, other than propylene and LPG.

The total quantity of refining input in Q3/13 was higher than in Q3/12, when the refinery was gradually restarted after the 6-week shutdown in Q2/12. Total refined product sales increased by 13%, triggered by higher exports.

Total group **marketing** sales volumes in Q3/13 were 5% below the Q3/12 level. Group retail sales, which amounted to 68% of total group marketing sales, are 1% below the level of Q3/12 sales volumes. Commercial sales dropped by 13% compared to the same quarter last year, due to sales portfolio optimization in the context of the current economic environment, with lower volumes for all products other than jet and gasoline and also due to Petrom LPG divestment in January 2013.

At the end of September 2013, the total number of filling stations operated within Petrom Group shows a decrease of 14 units compared to Q3/12, mainly as a result of retail network optimization in the Republic of Moldova.

Third quarter 2013 (Q3/13) vs. second quarter 2013 (Q2/13)

Clean CCS EBIT increased by 17% compared to Q2/13 due to a stronger contribution from the marketing segment, which reflected the seasonally higher sales volumes (driving season).

The indicator refining margin decreased to USD (4.31)/ bbl in Q3/13 from USD (1.62)/ bbl in Q2/13, mainly due to lower product cracks and a higher Urals crude price. The Petrobrazi utilization rate remained high, reflecting the ongoing optimization, market demand and stock management.

Outlook 2013

Market environment

For 2013, we expect the average Brent oil price to remain above USD 100/bbl and the Brent-Urals spread to stay tight.

In the local gas market, we anticipate further weak overall demand. The positive effects of economic growth on gas demand are expected to be more than counterbalanced by the fall in industry gas consumption, in the context of gas price liberalization and improvement in energy saving measures in the industry as well as in the residential sector. In terms of gas prices, for 2013 – 2014 the Government enforced a roadmap for the gradual increase of regulated domestic gas prices and the first four steps, which were scheduled this year, have been duly implemented. Starting February 2013, the Government also introduced a package of fiscal measures that impacts oil and gas producers, imposing a 60% tax on additional revenues resulting from domestic gas price liberalization net of incremental royalties and upstream investments (the latter capped at 30% of the additional revenues) and a 0.5% tax on extraction of crude. We do not expect a substantial impact on the 2013 result from the combined effect of gas price liberalization together with the implementation of the new fiscal and regulatory measures. This is mainly due to the fact that Petrom 2012 results already reflected better commercial terms for domestic gas sales, above the officially introduced baseline of RON 45.7/MWh for regulated domestic gas prices.

In the power market, prices are expected to be under pressure due to supply dynamics, with additional capacity coming on stream from renewables, as well as low demand, which reflects, in part, prospective energy efficiency measures. Given its high flexibility, the Brazi power plant is expected to play an important role in the balancing market, in the context of increasing contribution from renewables.

In Refining and Marketing, margins and volumes are expected to be further challenged by high crude price levels and the weak demand amid marginal economic recovery in our operating region.

Petrom Group

- Petrom plans to invest around EUR 1.2 bn in 2013
- Strive for high HSSE standards and continue reducing the lost-time injury rate
- Pursue discussions with the Romanian authorities to define a long term, stable and investment-friendly taxation and regulatory framework

Exploration and Production

- In order to maintain production stability in Romania, we will further progress several field redevelopment projects focusing on drilling, workovers, water and steam injection
- Plan for seven redevelopment projects in execution phase by year-end
- Drill more than 140 wells in 2013, of which two appraisal wells in the Totea field
- E&P capital expenditure will represent approx. 80% of Group CAPEX; the bulk of E&P CAPEX will be directed towards drilling development wells, Totea Deep and field redevelopment projects, workover activities and subsurface operations, performance enhancement initiatives as well as surface facilities projects
- Neptun block: In 2013, together with ExxonMobil, we completed the largest 3D seismic acquisitions in the Black Sea, while further exploration activities are expected to take place in 2014. Due to previous commitments of the drilling rig, the ship will arrive in the first part of 2014 and exploration drilling is expected to start around mid-2014. Our next drilling campaign includes at least one well and, subject to results and related studies, we plan to drill an additional exploration well in Neptun block in H2/2014
- Growth opportunities via exploration acreage acquisition in the Black Sea: pursue further steps towards finalization of transfer agreement for the purchase with ExxonMobil of an 85% interest in the deep water portion of the Midia Block (Romania); continue negotiations on the Production Sharing Agreement for Skifska block (Ukraine)
- Kazakhstan – extend water injection scheme in Komsomolskoe field and continue carrying out the TOC (Tasbulat, Aktas, Turkmenoi) field redevelopment plan to address the production challenges
- Drive operational excellence through long-term partnerships and other initiatives / performance programs

Gas and Power

- Maintain the leading position in the free gas market whilst adapting sales strategy to the expected liberalization under new energy law
- Enhance the value of equity gas by continuously optimizing operations at the gas-fired power plant Brazi and consolidating its position in the electricity market
- Realize synergies by bundling electricity sales with natural gas sales

Refining and Marketing

- Implement further steps within the Petrobrazi refinery modernization program, due for completion in 2014, with a focus on the Vacuum Gas Oil conversion project
- Continue energy efficiency improvements and reduce CO_2 emissions
- Finalize Bacau terminal modernization by the end of 2013 and commence operations at the beginning of 2014
- Further pursue stringent cost discipline and optimization of the downstream business.

Group interim financial statements and notes

(condensed, unaudited)

Legal principles and general accounting policies

The interim condensed consolidated financial statements for the nine months ended September 30, 2013 have been prepared in accordance with IAS 34 Interim Financial Statements.

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 financial statements as of December 31, 2012.

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 financial statements for the year ended December 31, 2012, except as described herein.

The amendments to IAS 1 "Presentation of Financial Statements" and the Improvements to IFRSs (2009 – 2011) have been implemented since January 1, 2013, without material impact for the condensed interim financial statements.

The detailed structure of the consolidated companies in Petrom Group at September 30, 2013 is presented in the Appendix 1 to the current report.

The condensed interim consolidated financial statements for 9m/13 are unaudited and an external review by an auditor was not performed.

Changes in the consolidated Group

The sale of Petrom LPG SA subsidiary was closed on January 7, 2013.

On September 17, 2013 OMV Petrom SA acquired from OMV Exploration & Production Gmbh the company OMV Petrom Ukraine E&P Gmbh.

Seasonality and cyclicality

Seasonality is of particular significance in G&P and R&M; for details please refer to the relevant section in the business segments.

In addition to the interim financial statements and notes, further information on main factors affecting the interim financial statements as of September 30, 2013, is given as part of the description of Petrom Group's business segments performance.

Exchange rates

Petrom uses the National Bank of Romania (NBR) exchange rates in its consolidation process. Income statements of subsidiaries are translated to RON using average 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.

Q2/13	Q3/13	Q3/12	Δ%	NBR FX rates	9m/13	9m/12	Δ%
4.395	4.440	4.522	(2)	Average EUR/RON FX rate	4.407	4.434	(1)
3.367	3.354	3.617	(7)	Average USD/RON FX rate	3.348	3.463	(3)
4.459	4.460	4.533	(2)	Closing EUR/RON FX rate	4.460	4.533	(2)
3.415	3.305	3.503	(6)	Closing USD/RON FX rate	3.305	3.503	(6)

Income statement (unaudited)

Q2/13	Q3/13	Q3/12	Consolidated income statement (in RON mn)	9m/13	9m/12
5,787.18	6,574.20	6,983.30	Sales revenues	18,150.31	19,185.28
(129.27)	(180.91)	(164.08)	Direct selling expenses	(472.78)	(515.47)
(3,826.51)	(4,300.28)	(4,859.64)	Production costs of sales	(11,508.85)	(12,909.55)
1,831.40	**2,093.01**	**1,959.58**	**Gross profit**	**6,168.68**	**5,760.26**
46.07	58.64	56.80	Other operating income	160.49	136.45
(250.76)	(300.07)	(280.94)	Selling expenses	(850.23)	(836.91)
(50.74)	(43.28)	(56.48)	Administrative expenses	(139.30)	(174.98)
(79.54)	(84.22)	(68.67)	Exploration expenses	(353.71)	(168.48)
(107.79)	(138.59)	(324.04)	Other operating expenses	(430.14)	(727.50)
1,388.64	**1,585.49**	**1,286.25**	**Earnings before interest and taxes (EBIT)**	**4,555.79**	**3,988.84**
4.12	0.12	(1.18)	Income from associated companies	5.80	3.79
18.43	98.40	9.45	Interest income	182.69	39.64
(90.49)	(97.65)	(194.79)	Interest expenses	(285.64)	(482.59)
(38.23)	(56.66)	(50.74)	Other financial income and expenses	(62.81)	(52.49)
(106.17)	**(55.79)**	**(237.26)**	**Net financial result**	**(159.96)**	**(491.65)**
1,282.47	**1,529.70**	**1,048.99**	**Profit from ordinary activities**	**4,395.83**	**3,497.19**
(221.17)	(256.78)	(184.50)	Taxes on income	(730.10)	(605.60)
1,061.30	**1,272.92**	**864.49**	**Net income for the period**	**3,665.73**	**2,891.59**
1,061.04	**1,272.06**	**870.16**	**thereof attributable to stockholders of the parent**	**3,663.16**	**2,896.91**
0.26	0.86	(5.67)	thereof attributable to non-controlling interests	2.57	(5.32)
0.0187	**0.0225**	**0.0153**	**Basic earnings per share (RON)**	**0.0647**	**0.0511**

Statement of comprehensive income (unaudited)

Q2/13	Q3/13	Q3/12	Consolidated statement of comprehensive income (in RON mn)	9m/13	9m/12
1,061.30	**1,272.92**	**864.49**	**Net income for the period**	**3,665.73**	**2,891.59**
(0.18)	(4.25)	10.49	Exchange differences from translation of foreign operations	(3.49)	11.00
-	-	(212.18)	Gains/(losses) on hedges	-	55.17
(0.18)	**(4.25)**	**(201.69)**	**Total of items that may be reclassified ("recycled") subsequently to the income statement**	**(3.49)**	**66.17**
0.81	2.92	28.77	Income tax relating to components of other comprehensive income	1.39	(14.01)
0.63	**(1.33)**	**(172.92)**	**Other comprehensive income for the period, net of tax**	**(2.10)**	**52.16**
1,061.93	**1,271.59**	**691.57**	**Total comprehensive income for the period**	**3,663.63**	**2,943.75**
1,061.39	**1,269.68**	**697.00**	**thereof attributable to stockholders of the parent**	**3,660.56**	**2,950.41**
0.54	1.91	(5.43)	thereof attributable to non-controlling interests	3.07	(6.66)

Notes to the income statement

Third quarter 2013 (Q3/13) vs. third quarter 2012 (Q3/12)

Consolidated sales in Q3/13 amounted to RON 6,574 mn and were 6% lower compared to Q3/12, mainly due to lower crude sales volumes that more than offset higher sales of petroleum products and gas. R&M represented 82% of total consolidated sales, G&P accounted for 13% and E&P for 5% (sales in E&P being largely intra-group sales rather than third-party sales).

The Group's EBIT amounted to RON 1,585 mn, 23% higher compared to the result recorded in Q3/12 (RON 1,286 mn), positively impacted by higher realized oil prices and strict cost management. Moreover, the Q3/12 result was burdened by special charges related to a legal case in Kazakhstan and also by a negative effect at the Consolidation line (intersegmental profit elimination[1]) driven by higher inventories in stock. Clean CCS EBIT of RON 1,619 mn is also higher compared to the value of RON 1,326 mn recorded in Q3/12. Clean CCS EBIT is stated after eliminating inventory holding losses of RON 5 mn and special charges of RON 29 mn.

The net financial result of RON (56) mn significantly improved compared to RON (237) mn in Q3/12. The positive impact in Q3/13 was driven by lower net interest expenses in relation to the discounting effects of receivables and also by lower interest expenses on borrowings.

The profit from ordinary activities amounted to RON 1,530 mn and corporate income tax was RON 257 mn in Q3/13. Current tax expenses on the Group's income were RON 246 mn and deferred tax expenses amounted to RON 11 mn. The effective tax rate in Q3/13 was 17%, lower than 18% in Q3/12.

Net income attributable to stockholders (i.e. net income attributable to stockholders of the parent) was RON 1,272 mn, significantly higher than RON 870 mn in Q3/12. Clean CCS net income attributable to stockholders was RON 1,301 mn. EPS was RON 0.0225 in Q3/13, versus RON 0.0153 in Q3/12, while Clean CCS EPS was RON 0.0230 compared to RON 0.0162 in Q3/12.

Third quarter 2013 (Q3/13) vs. second quarter 2013 (Q2/13)

Compared to Q2/13, sales increased by 14%, positively influenced by higher volumes of petroleum products and electricity sold, as well as by the favorable oil price environment. Consequently, EBIT in Q3/13 also increased by 14% (Q2/13: RON 1,389 mn). Clean CCS EBIT increased by 13% compared to Q2/13 (Q2/13: RON 1,438 mn).

The net financial result improved to RON (56) mn in Q3/13 compared to RON (106) mn in Q2/13, mainly driven by lower net interest expenses in relation to the discounting effects of receivables, partially offset by higher net FX losses mainly related to USD loans given by Petrom to its Kazakh subsidiaries.

The corporate income tax amounted to RON 257 mn (Q2/13: RON 221 mn) and the effective tax rate in Q3/13 was 17%, same level as in Q2/13. Net income attributable to stockholders was 20% higher than in Q2/13, while Clean CCS net income attributable to stockholders increased by 18% from RON 1,103 mn in Q2/13 to RON 1,301 mn in Q3/13.

[1] This margin elimination represents an unrealized profit related to the oil and gas which was transferred by E&P, but is still in the stocks of the other Petrom Group's segments, as raw materials or finished products.

Statement of financial position, capital expenditure and gearing (unaudited)

Consolidated statement of financial position (in RON mn)	Sept 30, 2013	Dec 31, 2012
Assets		
Intangible assets	819.32	966.51
Property, plant and equipment	29,675.30	28,512.59
Investments in associated companies	44.11	39.44
Other financial assets	2,293.61	2,357.23
Other assets	23.27	34.72
Deferred tax assets	803.17	866.16
Non-current assets	**33,658.78**	**32,776.65**
Inventories	2,014.25	2,250.54
Trade receivables	1,592.75	1,968.09
Other financial assets	34.80	98.93
Other assets	226.10	210.82
Cash and cash equivalents	1,546.51	666.65
Current assets	**5,414.41**	**5,195.03**
Assets held for sale	88.68	172.94
Total assets	**39,161.87**	**38,144.62**
Equity and liabilities		
Capital stock	5,664.41	18,983.37
Reserves	19,848.39	4,454.90
Stockholders' equity	**25,512.80**	**23,438.27**
Non-controlling interests	(29.88)	(32.93)
Equity	**25,482.92**	**23,405.34**
Provisions for pensions and similar obligations	240.36	241.33
Interest-bearing debts	1,538.12	1,717.05
Provisions for decommissioning and restoration obligations	5,750.83	5,866.10
Other provisions	547.91	644.88
Other financial liabilities	146.36	168.29
Deferred tax liabilities	11.25	8.24
Non-current liabilities	**8,234.83**	**8,645.89**
Trade payables	3,023.01	2,880.08
Interest-bearing debts	443.79	524.64
Current income tax payable	268.71	261.21
Other provisions and decommissioning	643.68	1,210.27
Other financial liabilities	321.57	360.85
Other liabilities	743.28	764.96
Current liabilities	**5,444.04**	**6,002.01**
Liabilities associated with assets held for sale	0.08	91.38
Total equity and liabilities	**39,161.87**	**38,144.62**

Notes to the statement of the financial position as of September 30, 2013

Capital expenditures stood at RON 3,487 mn, broadly similar to the level registered in 9m/12 of RON 3,506 mn, as the higher investments in E&P were compensated by the lower CAPEX in G&P and R&M.

Investments in E&P activities (RON 3,052 mn) represented 88% of total CAPEX for the first nine months in 2013. These investments were focused on activities related to drilling development wells, integrated field redevelopment initiatives, workover activities and sub-surface operations and surface facilities, as well as investments related to the Totea Deep project.

Investments in G&P in the first nine months (RON 12 mn) were significantly below 9m/12, as the Brazi power plant started commercial operations in August 2012.

R&M investments (RON 392 mn) accounted for 11% of total investments in the first nine months of 2013 and were mainly related to the Petrobrazi modernization program (including modernization of the Gas Desulfurization with Sulfur Recovery Unit and of the Vacuum Gas Oil conversion). In addition, investment funds were also directed to efficiency projects, as well as to legal and environmental compliance projects.

CAPEX for the Corporate & Other (Co&O) segment was RON 31 mn, mainly referring to investments directed to IT projects.

Compared to the year-end 2012, total assets increased by RON 1,017 mn, to RON 39,162 mn. The change was mainly driven by the net increase of RON 1,016 mn in property, plant and equipment and intangible assets, as investments exceeded depreciation and impairments. Current assets also increased, mainly driven by the increase in cash and cash equivalents, partially compensated by the decrease of inventories and trade receivables.

Equity amounted to RON 25,483 mn as of September 30, 2013, continuing the increasing trend generated by the net profit in the current period, partially offset by the dividends distributed for the 2012 financial year (RON 1,586 mn). The Group's equity ratio[1] increased to 65% at the end of September 2013 compared to the level recorded at the end of December 2012 (61%).

Following the reimbursements made in the first nine months of 2013, total interest bearing debt decreased from RON 2,242 mn as of December 31, 2012 to RON 1,982 mn as of September 30, 2013.

The Group's liabilities other than interest bearing debt decreased by RON 801 mn, mainly due to the decrease in provisions, reduction of liabilities associated with assets held for sale following the finalization of the sale of the Petrom LPG subsidiary in January 2013 and also due to the payments made in Q1/13 relating the results of the fiscal review for the years 2009 and 2010. In this respect, OMV Petrom initiated necessary legal steps to contest the result of the fiscal review.

Petrom Group's net debt[2] shows a significant decrease to RON 568 mn, compared to RON 1,711 mn at the end of 2012. As of September 30, 2013, the gearing ratio[3] decreased to 2.23%, from 7.31% in December 2012, being positively influenced by the increase of cash and cash equivalents and also by the net profit recorded in 9m/13, exceeding the dividends distributed.

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

Cash flows (condensed, unaudited)

Q2/13	Q3/13	Q3/12	Summarized statement of cash flows (in RON mn)	9m/13	9m/12
1,282.47	**1,529.70**	1,048.99	**Profit before taxation**	**4,395.83**	3,497.19
(99.94)	(50.59)	120.96	Net change in provisions	(143.49)	(216.56)
(10.47)	1.46	16.43	Losses/(gains) on the disposal of non-current assets	(1.77)	7.26
791.11	867.15	748.23	Depreciation, amortization including write-ups	2,437.60	2,075.11
(24.22)	(8.33)	(18.40)	Net interest received/(paid)	(38.95)	(28.56)
(255.29)	(175.83)	(199.22)	Tax on profit paid	(663.31)	(750.71)
70.95	(14.32)	169.33	Other adjustments	11.31	337.33
1,754.61	**2,149.24**	**1,886.32**	**Sources of funds**	**5,997.22**	**4,921.06**
(70.29)	(29.66)	(260.75)	(Increase)/decrease in inventories	170.07	(471.81)
244.69	160.91	(277.39)	(Increase)/decrease in receivables	372.19	(236.40)
33.82	118.09	(13.15)	(Decrease)/increase in liabilities	(332.84)	168.51
1,962.83	**2,398.58**	**1,335.03**	**Net cash from operating activities**	**6,206.64**	**4,381.36**
(1,056.12)	(1,240.33)	(1,361.78)	Intangible assets and property, plant and equipment	(3,560.91)	(3,860.12)
-	-	-	Investments, loans and other financial assets	(0.10)	-
14.57	12.87	18.97	Proceeds from sale of non-current assets	35.54	45.12
-	-	-	Proceeds from sale of subsidiaries, net of cash disposed	53.76	-
(1,041.55)	**(1,227.46)**	**(1,342.81)**	**Net cash used in investing activities**	**(3,471.71)**	**(3,815.00)**
(228.28)	(32.60)	37.04	(Decrease)/increase in borrowings	(290.04)	725.83
(1,529.09)	(35.09)	(51.95)	Dividends paid	(1,564.96)	(1,737.75)
(1,757.37)	**(67.69)**	**(14.91)**	**Net cash from financing activities**	**(1,855.00)**	**(1,011.92)**
0.06	(0.41)	1.04	Effect of exchange rate changes on cash and cash equivalents	(0.07)	6.18
(836.03)	**1,103.02**	**(21.65)**	**Net (decrease)/increase in cash and cash equivalents**	**879.86**	**(439.38)**
1,279.52	443.49	336.11	Cash and cash equivalents at beginning of period	666.65	753.84
443.49	**1,546.51**	**314.46**	**Cash and cash equivalents at end of period**	**1,546.51**	**314.46**

Note: Starting Q1/13, net interest received/(paid) and tax on profit were reclassified as sources of funds items. Historic figures were reclassified accordingly.

Notes to the cash flows

In 9m/13, free cash flow (defined as net cash from operating activities less net cash used in investing activities) showed an inflow of funds of RON 2,735 mn (9m/12: RON 566 mn). Free cash flow less dividend payments resulted in a cash inflow of RON 1,170 mn (9m/12: outflow of RON 1,171 mn).

The inflow of funds from profit before tax, adjusted for non-cash items such as depreciation, net change of provisions and other non-cash adjustments, as well as net interest (paid)/received and income tax paid was RON 5,997 mn (9m/12: RON 4,921 mn).

Net working capital generated a cash inflow of RON 209 mn (9m/12: outflow of RON 540 mn), reflecting the decrease of inventories and receivables correlated with the increase of trade liabilities. The above positive result was partially compensated by the payments made following the receipt of the preliminary results of the fiscal review for the years 2009 and 2010.

Net cash flow from investing activities (outflow of RON 3,472 mn; 9m/12: RON 3,815 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 1,855 mn (9m/12: RON 1,012 mn), coming from payment of dividends in the amount of RON 1,565 mn and from repayment of the tranches that became due from the European Investment Bank, European Bank for Reconstruction and Development and the Black Sea Trade and Development Bank.

Condensed statement of changes in equity (unaudited)

in RON mn	Share capital	Revenue reserves	Other reserves[1]	Treasury shares	Stockholders' equity	Non-controlling interests	Total Equity
January 1, 2013	**18,983.37**	**4,396.08**	**58.84**	**(0.02)**	**23,438.27**	**(32.93)**	**23,405.34**
Net income for the period	-	3,663.16	-	-	3,663.16	2,57	3,665.73
Other comprehensive income for the period	-	-	(2.60)	-	(2.60)	0.50	(2.10)
Total comprehensive income for the period	**-**	**3,663.16**	**(2.60)**	**-**	**3,660.56**	**3.07**	**3,663.63**
Dividend distribution	-	(1,586.03)	-	-	(1,586.03)	(0.03)	(1,586.06)
Adjustments to share capital and revenue reserves [2]	(13,318.96)	13,318.96	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	-	-
Distribution of own shares	-	-	-	-	-	-	-
Change in interests	-	50.83	(50.83)	-	-	0.01	0.01
September 30, 2013	**5,664.41**	**19,843.00**	**5.41**	**(0.02)**	**25,512.80**	**(29.88)**	**25,482.92**

in RON mn	Share capital	Revenue reserves	Other reserves[1]	Treasury shares	Stockholders' equity	Non-controlling interests	Total Equity
January 1, 2012	**18,983.37**	**2,198.73**	**(79.68)**	**(0.02)**	**21,102.40**	**(25.79)**	**21,076.61**
Net income for the period	-	2,896.91	-	-	2,896.91	(5.32)	2,891.59
Other comprehensive income for the period	-	-	53.50	-	53.50	(1.34)	52.16
Total comprehensive income for the period	**-**	**2,896.91**	**53.50**	**-**	**2,950.41**	**(6.66)**	**2,943.75**
Dividend distribution	-	(1,755.96)	-	-	(1,755.96)	(0.01)	(1,755.97)
Adjustments to share capital and revenue reserves [2]	-	-	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	-	-
Distribution of own shares	-	-	-	-	-	-	-
Change in interests	-	-	-	-	-	-	-
September 30, 2012	**18,983.37**	**3,339.68**	**(26.18)**	**(0.02)**	**22,296.85**	**(32.46)**	**22,264.39**

[1] *Other reserves contain mainly exchange differences from the translation of foreign operations and unrealized gains and losses from hedges.*
[2] *Usage of the restatement of share capital arising from the first time adoption of IAS 29 "Reporting in hyperinflationary economics" to cover the accumulated loss resulted from IAS 29 implementation. This was approved at the Annual General Meeting of Shareholders held on April 22, 2013.*

Dividends

At the Annual General Meeting of Shareholders held on April 22, 2013, the shareholders of OMV Petrom S.A. approved the distribution of dividends for the financial year 2012 at the amount of RON 1,586 mn. The payment of dividends started on June 18, 2013.

Segment reporting

Intersegmental sales

Q2/13	Q3/13	Q3/12	Δ%	in RON mn	9m/13	9m/12	Δ%
2,838.96	3,180.33	2,988.00	6	Exploration and Production	8,997.33	9,022.19	0
100.65	93.23	105.64	(12)	Gas and Power	334.10	326.79	2
39.90	45.40	35.88	27	Refining and Marketing	130.67	119.72	9
141.67	137.62	138.03	0	Corporate and Other	413.07	412.57	0
3,121.18	**3,456.58**	**3,267.55**	**6**	**Total**	**9,875.17**	**9,881.27**	**0**

Sales to external customers

Q2/13	Q3/13	Q3/12	Δ%	in RON mn	9m/13	9m/12	Δ%
234.36	305.44	239.98	27	Exploration and Production	853.03	712.66	20
807.90	858.35	717.80	20	Gas and Power	2,802.83	2,665.09	5
4,727.01	5,393.23	6,010.22	(10)	Refining and Marketing	14,442.65	15,769.26	(8)
17.91	17.18	15.30	12	Corporate and Other	51.80	38.27	35
5,787.18	**6,574.20**	**6,983.30**	**(6)**	**Total**	**18,150.31**	**19,185.28**	**(5)**

Total sales

Q2/13	Q3/13	Q3/12	Δ%	in RON mn	9m/13	9m/12	Δ%
3,073.32	3,485.77	3,227.98	8	Exploration and Production	9,850.36	9,734.85	1
908.55	951.58	823.44	16	Gas and Power	3,136.93	2,991.88	5
4,766.91	5,438.63	6,046.10	(10)	Refining and Marketing	14,573.32	15,888.98	(8)
159.58	154.80	153.33	1	Corporate and Other	464.87	450.84	3
8,908.36	**10,030.78**	**10,250.85**	**(2)**	**Total**	**28,025.48**	**29,066.55**	**(4)**

Segment and Group profit

Q2/13	Q3/13	Q3/12	Δ%	in RON mn	9m/13	9m/12	Δ%
1,307.18	1,539.41	1,289.03	19	EBIT Exploration and Production	4,263.40	4,185.23	2
(8.31)	(1.84)	59.25	n.m.	EBIT Gas and Power	102.87	224.40	(54)
71.36	111.22	266.47	(58)	EBIT Refining and Marketing	278.61	155.23	79
(24.01)	(19.75)	(29.03)	(32)	EBIT Corporate and Other	(59.03)	(77.75)	(24)
1,346.22	**1,629.04**	**1,585.72**	**3**	**EBIT segment total**	**4,585.85**	**4,487.11**	**2**
42.42	(43.55)	(299.47)	(85)	Consolidation: Elimination of intersegmental profits	(30.06)	(498.27)	(94)
1,388.64	**1,585.49**	**1,286.25**	**23**	**Petrom Group EBIT**	**4,555.79**	**3,988.84**	**14**
(106.17)	**(55.79)**	**(237.26)**	**(76)**	**Net financial result**	**(159.96)**	**(491.65)**	**(67)**
1,282.47	**1,529.70**	**1,048.99**	**46**	**Petrom Group profit from ordinary activities**	**4,395.83**	**3,497.19**	**26**

Assets[1]

in RON mn	Sept 30, 2013	Dec 31, 2012
Exploration and Production	21,622.53	20,364.83
Gas and Power	2,992.64	3,146.14
Refining and Marketing	5,217.66	5,277.72
Corporate and Other	661.79	690.41
Total	**30,494.62**	**29,479.10**

[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 companies from OMV Group such as OMV Supply & Trading AG and OMV Refining & Marketing GmbH.

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

Financial Ratio	Formula	Value
Current ratio	Current Assets / Current Liabilities	0.99
Gearing Ratio	Net debt / Equity*100	2.23%
Days in receivables	Receivables average balance / Turnover*270	26.49
Fixed assets turnover [1]	Turnover / Fixed assets	0.82

[1] *Fixed assets turnover is calculated based on turnover for Q3/13*(360/270) days.*

Subsequent events

On November 6, 2013, the Court of Appeal in Bucharest rejected OMV Petrom SA's request against the Competition Council's decision. OMV Petrom SA will file an appeal to the High Court of Cassation and Justice, whose decision will be irrevocable.

As communicated through the adhoc report dated January 10, 2012, OMV Petrom SA requested the Court to annul the Competition Council Decision no. 97/2011 regarding the result of the antitrust investigation concerning the withdrawal of the retail product Eco Premium (unleaded gasoline pre-mixed with lead substitute) from the Romanian fuels market. The legal action aimed to exempt OMV Petrom SA from paying the fine imposed by the authority, amounting to RON 366,530,965.

The legal action initiated by OMV Petrom Marketing SRL (100% subsidiary of Petrom) against the Competition Council decision, was also rejected by the Court. Consequently, OMV Petrom Marketing SRL will file an appeal.

Declaration of the management

We confirm to the best of our knowledge that the condensed interim consolidated financial statements for the period ended September 30, 2013, prepared in accordance with the International Financial Reporting Standards, offer a true and fair view of 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 and their impact on the condensed interim financial statements.

Bucharest, November 7, 2013

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
Exploration and Production

Cristian Secosan
Member of the Executive Board
Gas and Power

Neil Anthony Morgan
Member of the Executive Board
Refining and Marketing

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	barrels of oil equivalent
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
E&P	Exploration and Production
EPS	Earnings per share
EUR	euro
ExxonMobil	ExxonMobil Exploration and Production Romania Limited ("ExxonMobil")
FX	Foreign Exchange
G&P	Gas and Power
HSSE	Health, Safety, Security and Environment
IFRSs; IASs	International Financial Reporting Standards; International Accounting Standards
mn	million
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
R&M	Refining and Marketing
S.A.; S.R.L.	Societate pe Actiuni (Joint-stock company); Societate cu Raspundere Limitata (Limited liability company)
TOC	Tasbulat Oil Corporation
t/y	tons/year
TWh	terawatt hours
USD	United States dollar

Appendix 1

Consolidated companies in Petrom Group at September 30, 2013

Parent company
OMV Petrom S.A.

Subsidiaries

EXPLORATION & PRODUCTION		**REFINING & MARKETING**	
Tasbulat Oil Corporation LLP (Kazakhstan)[1]	100.00%	OMV Petrom Marketing S.R.L. (Romania)	100.00%
OMV Petrom Ukraine E&P Gmbh	100.00%	Petrom Aviation S.A. (Romania)	99.99%
Kom Munai LLP (Kazakhstan)	95.00%	ICS Petrom-Moldova S.A. (Republic of Moldova)	100.00%
Petrom Exploration & Production Ltd.	50.00%	OMV Bulgaria OOD (Bulgaria)	99.90%
		OMV Srbija DOO (Serbia)	99.96%
GAS & POWER			
OMV Petrom Gas S.R.L.	99.99%		
Petrom Distributie Gaze S.R.L.	99.99%	**CORPORATE & OTHER**	
OMV Petrom Wind Power S.R.L.	99.99%	Petromed Solutions S.R.L.	99.99%

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

Associated company, accounted for at equity	
Congaz S.A. (Romania)	28.59%

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Next release:

The next results announcement for Q4 and January – December 2013 will be released on February 19, 2014, presenting Petrom Group consolidated preliminary results prepared according to IFRS.