

Prospectus dated 15 June 2018



OMV AKTIENGESELLSCHAFT

*(incorporated as a joint stock corporation (Aktiengesellschaft)
under the laws of the Republic of Austria)*

2.875% Euro 500,000,000 Perpetual Subordinated Fixed to Reset Rate Notes

OMV Aktiengesellschaft, Trabrennstraße 6-8, 1020 Vienna, Republic of Austria ("OMV AG" or the "Issuer") will issue on 19 June 2018 (the "Issue Date") EUR 500,000,000 in aggregate principal amount of subordinated notes subject to interest rate reset at 5-year intervals commencing at the first reset date on 19 June 2024 (the "Notes") at an issue price of 100.00% of their principal amount (the "Issue Price"). The Notes are issued in denominations of EUR 100,000 each.

The Notes will be governed by the laws of the Federal Republic of Germany ("Germany").

The Notes shall bear interest on their principal amount (i) from and including the Issue Date to but excluding 19 June 2024 (the "First Reset Date") at a fixed rate of 2.875% *per annum*; (ii) from and including the First Reset Date to but excluding 19 June 2028 at the relevant 5-year swap rate for the relevant interest period plus a margin being equal to the initial credit spread and (iii) from and including 19 June 2028 at the relevant 5-year swap rate for the relevant interest period plus a margin being equal to the initial credit spread plus 100 basis points *per annum*.

Interest on the Notes, if any, is payable annually in arrear on 19 June each year commencing on 19 June 2019 (each an "Interest Payment Date").

Payment of interest in relation to the Notes may be deferred at the option of the Issuer (the "Deferred Interest Payments"). The Issuer may pay such Deferred Interest Payments (in whole or in part) at any time upon due notice but will only be obliged to pay such Deferred Interest Payments on the Notes (in whole, but not in part) under certain other circumstances (as set out in the terms and conditions for the Notes, the "Terms and Conditions"). Such Deferred Interest Payments will not bear interest themselves. The Notes have no scheduled redemption. The Issuer may call the Notes for redemption (in whole but not in part) with effect as of (i) any Business Day during the period of 90 calendar days up to and including the First Reset Date or (ii) the Second Reset Date or (iii) any Interest Payment Date thereafter. The Issuer may redeem the Notes following a Gross-up Event, a Tax Event, an Accounting Event, a Rating Event, a Repurchase Event or a Change of Control Event (each as defined in the Terms and Conditions of the Notes).

The expected rating of the Notes is "Baa2" from Moody's Investors Services ("Moody's") and "BBB" from Fitch Ratings Ltd ("Fitch").

In the case of an insolvency or liquidation of the Issuer, the obligations of the Issuer under the Notes will rank subordinated to all present and future unsubordinated and subordinated obligations of the Issuer (as set out in § 2 (1) (b) of the Terms and Conditions).

The Notes will initially be represented by a temporary global note (the "Temporary Global Note"), without interest coupons, which will be exchangeable for a permanent global note (the "Permanent Global Note") without interest coupons, not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership.

This prospectus (the "Prospectus") constitutes a prospectus within the meaning of Article 5.3 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended, *inter alia*, by Directive 2010/73/EG (the "Prospectus Directive"). This Prospectus will be published in electronic form together with all documents incorporated by reference on the website of the Luxembourg Stock Exchange (www.bourse.lu) and will be available free of charge at the specified office of the Issuer.

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier*, Luxembourg ("CSSF") of the Grand-Duchy of Luxembourg ("Luxembourg") in its capacity as competent authority (the "Competent Authority") under the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities as amended (*loi du 10 juillet 2005 relative aux prospectus pour valeurs mobilières*, the "Luxembourg Act"). The Issuer will prepare and make available an appropriate supplement to this Prospectus if at any time the Issuer will be required to prepare a prospectus supplement pursuant to Article 13 of the Luxembourg Prospectus Law. By approving a prospectus, CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer. The Issuer has requested CSSF to provide the competent authority in the Republic of Austria ("Austria"), and may request CSSF to provide competent authorities in additional host Member States within the European Economic Area, with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Luxembourg Act.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and are subject to United States tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act ("Regulation S") unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the official list of the Luxembourg Stock Exchange (the "Official List") and to be admitted to trading on the Luxembourg Stock Exchange's Regulated Market. Furthermore, an application will be made to list the Notes on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange. Each of the Luxembourg Stock Exchange's Regulated Market and the Vienna Stock Exchange's Official Market (*Amtlicher Handel*) are regulated markets for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (the "Regulated Market").

Structuring Agents to the Issuer and Joint Bookrunners

BNP PARIBAS

J.P. MORGAN

Joint Bookrunners

ERSTE GROUP

ING

MUFG

SOCIÉTÉ GÉNÉRALE CORPORATE &
INVESTMENT BANKING

RESPONSIBILITY STATEMENT

The Issuer with its registered office in Vienna, Austria, accepts responsibility for the information contained in this Prospectus and hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

NOTICE

No person is authorised to give any information or to make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer or the joint bookrunners set forth on the cover page (each a "**Manager**" and together, the "**Managers**").

This Prospectus should be read and understood in conjunction with any supplement hereto, if any, and with any other documents incorporated herein by reference.

The Issuer has confirmed to the Managers that this Prospectus contains all information which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and the rights attaching to the Notes which is material in the context of the issue and offering of the Notes; that the information contained herein with respect to the Issuer and the Notes is accurate and complete in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held and based on reasonable assumptions; that there are no other facts with respect to the Issuer or the Notes, the omission of which would make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading; that the Issuer has made all reasonable enquiries to ascertain all facts material for the purposes aforesaid.

The Issuer has undertaken with the Managers to supplement this Prospectus in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus in respect of the Notes issued on the basis of this Prospectus which is capable of affecting the assessment of the Notes and which arises or is noted between the time when this Prospectus has been approved and the time when trading of the Notes on a regulated market begins.

This Prospectus contains certain forward-looking statements, including statements using the words "believes", "anticipates", "intends", "expects" or other similar terms. This applies in particular to statements under the caption "GENERAL INFORMATION ON THE ISSUER AND THE GROUP" and statements elsewhere in this Prospectus relating to, among other things, the future financial performance, plans and expectations regarding developments in the business of the Group (as defined therein). These forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that may cause the actual results, including the financial position and profitability of the Group, to be materially different from or worse than those expressed or implied by these forward-looking statements. Neither the Issuer nor the Managers assume any obligation, except as required by law, to update such forward-looking statements and to adapt them to future events or developments.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. This Prospectus does not constitute an offer of Notes or an invitation by or on behalf of the Issuer or the Managers to purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer or the Managers to a recipient hereof and thereof that such recipient should purchase any Notes.

This Prospectus reflects the status as of its date. The offering, sale and delivery of the Notes and the distribution of the Prospectus may not be taken as an implication that the information contained herein is accurate and complete subsequent to the date hereof or that there has been no adverse change in the financial condition of the Issuer since the date hereof.

To the extent permitted by the laws of any relevant jurisdiction, neither any Manager nor any of its respective affiliates nor any other person mentioned in this Prospectus, except for the Issuer, accepts responsibility for the accuracy and completeness of the information contained in this Prospectus or any other document incorporated by reference, and accordingly, to the extent permitted by the laws of any relevant jurisdiction, none of them makes any representation, express or implied, or warranty or accepts any responsibility for the accuracy and completeness of the information contained in any of these documents. The Managers have not independently verified any such information and accept no responsibility for the accuracy thereof.

This Prospectus may only be used for the purpose for which it has been published.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of this Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required to inform themselves about and to observe any such restrictions. For a description of the restrictions applicable in the European Economic Area, the United States of America, the United Kingdom and Japan, see "Selling Restrictions". In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and are subject to tax law requirements of the United States of America; subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to U.S. persons.

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PRIIPs Regulation / Prospectus Directive / Prohibition of sales to EEA retail investors – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**") or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The legally binding language of this Prospectus is English. Any part of the Prospectus in German language constitutes a translation for additional information, except for the Terms and Conditions of the Notes in respect of which German is the legally binding language.

IN CONNECTION WITH THE ISSUE OF THE NOTES, J.P. MORGAN SECURITIES PLC (THE "**STABILISING MANAGER**") (OR ANY PERSON ACTING ON BEHALF OF ANY STABILISING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 CALENDAR DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 CALENDAR DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. SUCH STABILISING SHALL BE IN COMPLIANCE WITH LAWS, DIRECTIVES, REGULATIONS AND RULES OF ANY RELEVANT JURISDICTION.

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RISK FACTORS

This section "Risk Factors" comprises the following parts:

- I. Risk Factors regarding OMV AG and the Group;*
- II. Risk Factors regarding the Notes.*

Should one or several of the following risks materialise, this could lead to a material decline in the price of the Notes or, in the worst-case scenario, to a total loss of interest and the amount invested by investors.

Each prospective purchaser of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

A prospective purchaser may not rely on the Issuer, the Dealer(s) or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Words and expressions defined in "Terms and Conditions" of the Notes below shall have the same meanings in this section.

Risk Factors regarding OMV AG and the Group

The following is a disclosure of risk factors that may affect OMV AG's ability to fulfil its obligations under the Notes. Prospective investors should consider these risk factors before deciding to purchase Notes issued under the Programme.

Prospective investors should consider all information provided in this Prospectus, the documents incorporated by reference and any supplement thereto and consult with their own professional advisers if they consider it necessary. In addition, investors should be aware that the risks described may combine and thus modify one another.

Within this section "Risk Factors regarding OMV AG and the Group", the terms "OMV" and the "Group" mean OMV AG together with all of its subsidiaries.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Risks related to the financial and economic crisis, the Euro zone sovereign debt crisis, Brexit and the volatile economic environment.

The global financial and economic crisis in 2007 and the following years, the sovereign debt crisis in the Euro zone countries (the "**Euro zone**", which includes 18 EU member states that have implemented the Euro as official currency) commencing in 2010, the vote of the British people to leave the EU ("**Brexit**") as well as a volatile economic environment illustrated the potential impact of certain risks on OMV that can have material adverse effects on OMV's business, results of operations and financial condition. It is uncertain how long effects of macroeconomic developments and uncertainties, as experienced in recent years, will last, or whether financial and economic trends may worsen in the future, in particular in certain geographic regions. It is currently not foreseeable whether Brexit will have an impact on attempts to potentially hold similar referendums in other EU member states and their outcomes or on the macroeconomic situation in particular in the EU and European Economic Area ("**EEA**"). OMV may ultimately face major challenges in a period of new or longer than expected adverse economic conditions. Oil and gas prices and margins could fall and remain lower than in previous times due to reduced demand and, as a result of reduced demand, higher reserves of crude oil in inventories could be built up. The degree to which producers reduce production could also affect prices and margins, in particular if major oil-producing nations continue not to reduce crude oil production volumes despite reduced demand and/or high reserves of crude oil stored in inventories. At the same time, governments face greater pressure on public finances leading to the risk of increased taxation. Brexit may have an adverse effect on the macroeconomic and political situation in other EU and EEA member states and on their public finances. Adverse economic conditions may also lead

to intensified competition for market share and available margin, with consequential adverse effects on volumes and prices. The financial and economic situation may also have a negative impact on third parties with whom OMV does, or will do, business. If there is an extended period of constraint in the capital or credit markets, at a time when cash flows from OMV's business operations may be under pressure or additional funds may be required, this may impact OMV's ability to fund its operations or required future investments, with a consequent negative effect on its business, and may impact shareholder returns, including dividends or the Issuer's share price. Changes in OMV's debt ratings could have a material adverse effect on its cost or sources of financing. Decreases in the funded levels of OMV's pension plans may increase OMV's pension funding requirements.

Strategic risks

A decline in the prices of and/or the demand for crude oil, natural gas, petroleum products, electricity and gas transportation capacities would have an adverse effect on OMV's results of operations. Changes of planning assumptions may lead to significant impairments of OMV's assets and provisions for onerous contracts.

The demand for and prices of crude oil, natural gas, petroleum products and electrical power depend on a variety of factors over which OMV has no control, including:

- global and regional economic and political developments in resource-producing regions, in particular in the Middle East, including also sanctions against oil exports from certain countries;
- international supply and demand;
- the levels of reserves of crude oil stored in inventories worldwide or in certain geographic regions;
- the level of consumer and industry demand;
- weather conditions and other environmental impact;
- movements of summer and winter spreads;
- the price, availability and attractiveness of alternative products;
- actions taken by governments;
- governmentally regulated supply tariffs for gas and electrical power;
- governmentally regulated tariffs for regulated transport infrastructure;
- the impact of certain economic and political events (including foreign currency exchange); and
- the ability and willingness of international cartels (such as OPEC) and oil-producing nations to influence production levels and prices as well as the decisions taken by such cartels or oil-producing nations.

Historically, international crude oil and natural gas prices have fluctuated widely. A material decline in the price of crude oil or natural gas would have a material adverse effect on OMV's results of operations and reserves estimates. Starting from September 2014, prices of crude oil significantly decreased. In 2015, markets faced sharp declines in oil prices from USD 56/barrel ("bbl") as of 31 December 2014 to USD 37/bbl as of 31 December 2015, resulting from a significant oversupply and slowed down demand. Traditionally such oversupply was mitigated by production curtails in major producing countries, in particular the leading OPEC member states. In February 2016, Qatar, Saudi Arabia, Russia and Venezuela have pledged to cap future production at January 2016 levels. In November 2016, OPEC member states agreed on the first production cut since 2008. Russia, a non-member state of the OPEC, also agreed to cap future production. After the low of USD 26/bbl in January 2016, oil prices increased in 2016 and, especially following the agreement of OPEC members in November 2016 to cut production by 1.2 mn bbl in the first half of 2017, supported also by Russia and other producers, increased to USD 50/bbl in December 2016. Following a brief lull in spring 2017 that brought a decline to a year's minimum of USD 44.3/bbl, the oil price rose by around 50% to USD 66.5/bbl at the end of the year 2017. The relatively consistent adherence to production restrictions extended until March 2018, and the robust economic and geopolitical situation supported this price increase. Also in the first three months of 2018, the oil price further increased to approx. USD 67/bbl as of 31 March 2018. It is currently not foreseeable whether recent oil price increases will continue and to which extent and in which way international cartels or leading oil-producing nations will amend crude oil production levels according to actual demand by the markets. Also it remains open to which extent such actions may in fact influence prices. Furthermore, lower crude oil and natural gas prices may also reduce the amount of oil and natural gas that OMV can produce economically – especially in different regions of its global portfolio – or reduce the economic viability of projects planned or in development and may have a material adverse effect on OMV's business, results of operations and financial condition.

Furthermore, rapid material and/or sustained changes in oil, gas and petroleum product and electricity prices can impact the validity of the assumptions on which strategic decisions are based and, as a result, the ensuing actions derived from

those decisions may no longer be appropriate. For example, a prolonged period of low oil, gas or petroleum product or electricity prices may affect OMV's ability to maintain its strategies, which are typically based on certain assumptions concerning price developments. Price declines or longer than expected periods of lower prices could prevent OMV from maintaining earnings and cash flows at a level sufficient to meet its targets, pursue its strategy and to fund OMV's planned capital expenditure. OMV's strategy focuses on exercising a stringent capital spending regime and targets a positive free cash flow after dividends. To achieve this goal, OMV aims at generating enough cash to finance all of its expenditure, inter alia for shifting its portfolio to low-cost regions. Any new price declines or longer than expected periods of lower prices may potentially lead to amendments or changes to OMV's strategy.

In addition, OMV may also be required to review and amend its planning assumptions in case of new price declines or longer than expected periods of lower prices. Long-term planning assumptions are critical to the valuation of assets. Amendments of planning assumptions have significant impacts on OMV's financials. By way of example, in October 2015 OMV published its decision to review and adjust its oil price assumptions for both the short and longer term. These revised assumptions led to impairments of EUR 974 million recognised in the third quarter of 2015 in the Upstream business, covering both assets under production and development, as well as exploration assets. Further reductions in the price of oil and gas, together with increased market volatility have caused OMV to review and adjust its price assumptions for both the short and longer term in January 2016, which mainly led to additional write-offs in the fourth quarter of the financial year 2015 of EUR 1.475 billion. The gas price assumptions (CEGH gas price) in Euro per megawatt hour of energy ("EUR/MWh") were revised to reflect the depressed European market conditions at that time as well.

Currently applied oil price assumptions of OMV are:

- 2018: Brent oil price (USD/bbl) of 68, EUR/USD exchange rate of 1.15;
- mid-term: Brent oil price (USD/bbl) of 70, EUR/USD exchange rate of 1.20; and
- long-term: Brent oil price (USD/bbl) of 70 to 80, EUR/USD exchange rate of 1.15 to 1.20.

Currently applied gas price assumptions of OMV (CEGH gas price) are:

- 2018: CEGH gas price (EUR/MWh) of 18;
- mid-term: CEGH gas price (EUR/MWh) of 20; and
- long-term: CEGH gas price (EUR/MWh) of 20 to 22.

Changes of oil or gas prices or of other relevant prices and according changes of planning assumptions by OMV may lead to significant additional impairments of OMV's assets and provisions for onerous contracts. If any of these risks materialise, this may have a material adverse effect on OMV's business, results of operations and financial condition.

A decline in refining and retail margins would negatively affect OMV's results of operations.

The operating results of OMV's refining business depend largely on the spread, or margin, between prices OMV can obtain in the market for its refined petroleum products and prices it pays for crude oil, other feedstock or retail products. The cost to acquire inputs or products and the prices at which OMV can ultimately sell these products depend on a variety of factors beyond OMV's control. Refining margins declined from record highs in 2015. By way of example, as a result of the Petrobrazzi modernization program and market effects, the OMV indicator refining margin increased by 69% from US Dollar ("USD") 1.94/bbl in 2013 to USD 3.28/bbl in 2014 and, mainly due to lower costs for own crude consumption, better product spreads and the adaption of the Petrobrazzi modernization program, such refining margin further increased from USD 3.28/bbl in 2014 to USD 7.24/bbl in 2015. In the financial year 2016, in turn the OMV indicator refining margin again decreased from USD 7.24/bbl to USD 4.75/bbl, mainly due to lower naphtha and middle distillates spreads, whereas the refining margin for 2017 recognised a significant re-increase to USD 6.05/bbl, which was largely attributable to stronger middle distillates, naphtha and fuel oil margins. In the first quarter of 2018, OMV's refining margin decreased from USD 5.68/bbl in the fourth quarter of 2017 (and from USD 5.42/bbl in the first quarter of 2017) to USD 4.79/bbl. For the full year 2018, the refining margins are projected to be lower than in 2017. OMV's refining margins have fluctuated, and will continue to fluctuate, due to numerous factors, including:

- changes in operating capacity of refineries in the markets OMV serves and the rest of the world;
- changes in the differentials between different quality crude oil prices on international markets;
- changes in the supply of refined products, including imports;
- variations in demand for crude oil and refined products in the markets OMV serves as well as global markets;
- changes in the levels of reserves of crude oil stored in inventories worldwide or in certain geographic regions; and

- changes in environmental or other regulations, which could require OMV to make substantial expenditures without necessarily increasing the capacity or operating efficiency of OMV's refineries.

Although an increase or decrease in the price of crude oil generally results in a corresponding increase or decrease in the price of the majority of refined products, changes in the prices of refined products generally lag behind upward and downward changes in crude oil prices. As a result, a rapid and significant increase in the market price for crude oil has an adverse impact on refining margins. Accordingly, the oil price increased as a result of the political unrest in a number of countries in the Middle East in recent years and has impacted OMV's refining margins in Libya until 2014. Inter alia the re-increases of oil prices in 2016 have adversely affected OMV's refining margins, whereas oil price increases in 2017 nevertheless had no adverse impact on the 2017 refining margin, which increased compared to 2016. Similar risks may materialise in case of political or social unrests in other countries which are leading producers of crude oil. Furthermore, the movements in the price of crude oil and refining margins may not correlate at any given time.

Retail margins are also influenced by different factors such as the overall economic environment, negative impacts on demand, changes in overall price levels and trends (in particular if OMV in an increasing price environment is not able to pass the increase to the market quickly or at all, especially in case of a higher sensitivity of customers to price developments), changes in product flows and availability, changes in market demand, behaviour of other market players, taxation as well as other regulatory aspects. All these factors may lead to declining retail margins.

Any such decline in refining or retail margins may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV is exposed to the cyclicity of the petrochemical industry; future developments of petrochemical product prices are unpredictable and may have a material adverse effect on OMV's business.

OMV produces and markets petrochemical products, such as ethylene and propylene. In addition, OMV owns a 36% interest (as of 31 March 2018) in Borealis, a leading provider of solutions in the fields of polyolefins, base chemicals and fertilizers. Prices of petrochemical products have been cyclical as a result of shifts in European and worldwide production capacity and demand patterns. The petrochemical industry historically has experienced alternating periods of tight supply, causing prices and margins to increase, followed by periods of substantial additions to capacity, resulting in excess supply and declining prices and margins. For instance, for the first half of 2015, Borealis expected to be impacted by negative inventory effects due to rapidly falling monomer prices and a lower profitability in 2015 compared to 2014. In turn, in the financial year 2015, Borealis benefited from a strong market environment during 2015 and delivered a net income contribution of EUR 356 million. In the financial year 2016, Borealis benefited from a strong market environment especially in the polyolefins business and delivered a net income contribution to OMV of EUR 399 million, mainly due to higher polyolefins margins as well as a solid contribution from the base chemicals business. In 2017, Borealis group's net income contribution to OMV amounted to EUR 394 million. There can be no assurance that future demand for benzene and propylene and their by-products will be sufficient to utilise fully OMV's current and anticipated capacity or to outweigh lower margins for other petrochemical products. Excess capacity, to the extent it occurs, may depress prices and margins. Additions to industry capacity may adversely affect market conditions.

Future developments of petrochemical product prices are unpredictable, may be subject to volatile developments and may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV must acquire or develop additional oil and gas reserves to sustain its current reserve and production levels.

OMV's future production is dependent on its success in finding and developing or acquiring additional proven oil and natural gas reserves. A material part of OMV's current reserves consists of mature oil and gas fields in Romania and Austria. In 2017, OMV's three-year average Reserve Replacement Rate ("**RRR**") was 116% after 70% in 2016, 73% in 2015, 87% in 2014 and 93% in 2013. For the year 2017, the single-year rate was 191% after a single-year RRR of 101% in 2016, mainly supported by the acquisition of 24.99% in the Yuzhno Russkoye natural gas field in Russia, of 44% in 2015, of 64% in 2014 and of 113% in 2013. OMV targets a positive free cash flow after dividends, meaning that enough cash shall be generated to finance all of OMV's expenditure. Accordingly, any such further exploration efforts are limited by OMV's prudent financial strategy. Further, the intended asset swap with Gazprom PJSC ("**Gazprom**") is an important factor in OMV's strategy to target a RRR of 100% per year: Gazprom will receive a 38.5% stake in OMV Norge, and in exchange OMV will receive a 24.98% share in Achimov IV/V in Russia. The swap transaction, which is expected to be closed in 2018, would add approximately 560 mn barrel of oil equivalent ("**boe**") to OMV's reserves, making a significant contribution to the development of OMV's RRR. Moreover, the acquisition of a 24.99% share in the Russian Yuzhno Russkoye field from Uniper SE, which was closed in November 2017, is expected to add approx. 580 mn boe into OMV's reserves and contributed substantially to the RRR increase in 2017. There is a risk that OMV's exploration and development activities or efforts to purchase proven reserves, including the intended asset swap, may fail, or its discoveries or purchases may turn out to be insufficient to replenish its current reserves. The challenges to extension of OMV's reserves are growing due to increasing competition for access to opportunities globally. Additional exploration and production from oil reserves can also be limited by international cartels such as OPEC. If OMV is unsuccessful, it

will not meet its production targets and its total proven reserves will decline, which will have a material adverse effect on OMV's business, results of operations and financial condition. In connection with exploration projects, OMV faces numerous challenges. These include uncertain geology, frontier conditions, availability of new technology and engineering capacity, availability of employees, project delays and cost overruns, as well as technical, fiscal, regulatory, political and other conditions. Such obstacles may impair these projects and, in turn, OMV's business, results of operations and financial condition.

OMV's envisaged asset swap with Gazprom and the acquisition of 24.99% of the economic rights in the production of the Yuzhno Russkoye field may not be as successful as intended.

OMV and Russia's Gazprom intend to swap upstream assets. In exchange for a share of 38.5% in OMV Norge (which is active in the North Sea region in Norway), OMV is intended to receive a minority stake of 24.98% in the Achimov IV/V developments in the Urengoy gas and condensate field in Western Siberia held by Gazprom and the German company Wintershall. In December 2016, OMV signed a binding basic agreement with Gazprom regarding the envisaged asset swap, which is expected to be closed in 2018. This is part of OMV's strategy to target acquisitions in regions with attractive cost positions like the Middle East and Russia to reduce its portfolio cost. In connection with the intended asset swap, OMV faces several risks associated with investments and joint ventures. OMV aims at receiving a minority stake of under 25% in the Achimov IV/V developments and may eventually not be in a position to influence business decisions in relation to these developments. Even in case of in-depth due diligences and assessments, there is the risk that OMV may fail in achieving the initially defined goals of the intended assets swap. It cannot be excluded that OMV's assets exchanged with Gazprom may in the future turn out to have higher valuations than OMV projected at the time of the asset swap. Further, the transaction with Gazprom may eventually not be concluded or, if concluded, there can be no assurance that the intended transaction will turn out satisfactory and the strategic goals will be reached. Political risks in relation to Russia and in relation to business cooperations with Russian companies could also adversely affect the success of the intended asset swap.

Further, on 30 November 2017 OMV closed the acquisition of shares in two Russian companies (OJSC Severneftegazprom and JSC Gazprom YRGM Development) from Uniper SE for a purchase price of EUR 1,719 million. The transaction provided for OMV receiving 24.99% of the economic rights in the production of the Yuzhno Russkoye field in Western Siberia. OMV's partners in this field are Gazprom and Wintershall. Also in relation to this completed transaction similar risks exist: OMV faces several risks associated with investments and joint ventures and may not be in a position to influence business decisions as intended. Initially defined goals may not be achieved, and economic valuations may turn out to be inaccurate. Political risks also apply to the Yuzhno Russkoye business activities of OMV.

Materialisation of any such risks may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV's strategy in the Downstream business segment includes several risks. E.g., the success of the strategy significantly depends on the pursuit of the restructuring strategy including divestments, the success of the Nord Stream 2 pipeline project and on the availability of competitive gas supply on the international markets.

In line with OMV's strategic targets in the Downstream Gas business, the focus is to continue restructuring Downstream Gas. Measures include the completed divestment of a minority stake of 49% in GAS CONNECT AUSTRIA GmbH ("GCA") closed in late 2016 as well as the closing of the divestment of 100% of OMV's wholly owned subsidiary OMV Petrol Ofisi, a leading company in the Turkish oil products retail and wholesale market, in order to free up capital tied up in OMV's portfolio. The transaction was signed in March 2017 and closed on 13 June 2017. OMV's involvement as a financing partner in the Nord Stream 2 pipeline project with Gazprom, an international gas pipeline with a total capacity of 55 billion cubic meters a year and stretching approx. 1,220 km through the Baltic Sea from the Russian coast to Germany near Greifswald, has been developed in 2016 and 2017: OMV, ENGIE, Gazprom, Shell, Uniper and Wintershall jointly withdrew their merger control notifications from the Polish competition authority followed by the termination of the respective shareholders' agreement. This had no consequence on the continuation of the Nord Stream 2 project by Gazprom. In April 2017, OMV, together with ENGIE, Shell, Uniper and Wintershall, committed to fund 50% of the total costs of EUR 9.5 billion for the Nord Stream 2 project. OMV's commitment under financing agreements with the project company Nord Stream 2 AG, all of which shares are held by Gazprom, amounts to up to EUR 950 million or 10% of the total costs. In 2017, the first drawdowns under the financing agreements took place and resulted in cash outflows of EUR 324 million. In addition, in the first three months of 2018, cash outflows due to further drawdowns of EUR 81 million were accounted for. OMV has committed to provide long-term financing to the project to secure a long-term utilisation of the Austrian gas import and export infrastructure. OMV's wider strategic reorientation in Downstream Gas is associated with several risks, in particular if the restructuring measures fail or turn out to be less successful than anticipated. OMV's strategic shift may turn out to be of high risk as stable lower returns shall be exchanged.

In addition, political and regulatory developments both inside and outside of Europe may have detrimental effects on the Nord Stream 2 project and/or OMV's financing of the project. On 8 November 2017, the European Commission tabled a

new legislative proposal aiming at amending the Directive 2009/73/EC which would extend the scope of EU energy law to all pipelines bringing gas to the EU internal market from third countries. This proposal is subject to approval by the European Parliament and the Council of the European Union. Such amendment may have a material effect on the Nord Stream 2 project and/or OMV's financing of the project. Further, on 30 November 2017, the Danish parliament adopted a law allowing the country's foreign ministry to consider the feasibility of laying pipelines through the territorial waters of the country and reject the request for construction in the light of national security considerations. The new law may negatively affect the Nord Stream 2 project and/or OMV's financing of the project as it is planned that the route of the Nord Stream 2 pipeline will pass through the Danish waters. Nord Stream 2 may cause additional costs for the involved parties, completion may fail, or the project may not be as successful as anticipated by OMV. Further, on 30 April 2018, the Polish Competition Authority initiated proceedings against OMV Gas Marketing Trading & Financing B.V. alleging that the agreements entered into with ENGIE, Gazprom, Shell, Uniper and Wintershall for the financing of the Nord Stream 2 project constitute the formation of a joint venture without obtaining prior clearance under the Polish merger control rules. The proceedings are only at a very early stage but, depending on their outcome, may have a material adverse effect on OMV's business, results of operations and financial condition.

In addition to the outlined restructuring measures, OMV still depends on equity gas supply to increase OMV's sales volumes and support the transportation, storage and electrical power business.

If it is not possible to secure new or existing equity gas supply sources on competitive terms or on a timely basis or if projects cannot be developed as successfully as assessed at the time of conclusion, OMV's integrated strategy in the Downstream business segment, and in particular the restructuring of Downstream Gas, may fail or may not be realised as planned, which may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV's oil and natural gas reserves data presented in this Prospectus are only estimates which may vary significantly from the actual quantities of oil and gas reserves that may be recovered.

The reserves data set forth in this Prospectus represents only estimates and should not be construed as exact quantities. Numerous uncertainties are inherent in estimating quantities of proven reserves, future rates of production, and the timing of development expenditures. The reliability of proved reserve estimates depends on a number of factors, assumptions and variables, many of which are beyond OMV's control. These include:

- the quality and quantity of available geological, technical and economic data;
- whether the prevailing tax rules and other government regulations, contractual conditions, oil, gas and other prices will remain the same as on the date the estimates were made;
- the production performance of OMV's reservoirs; and
- extensive engineering interpretation and judgment.

Results of drilling, testing and production after the date of the estimates may require substantial downward revisions in OMV's reserves data.

Any downward adjustment could lead to lower future production and higher depreciation charges, and thus adversely affect OMV's results of operations, financial condition and future prospects.

OMV is dependent on natural gas supplies from Russia. Gas supplies from Russia may be interrupted. OMV's gas supply contracts with Gazprom could be modified or may not be renewed.

OMV depends to a large extent on supplies of natural gas from Russia for its gas supply, marketing and trading business. In 2017, approx. 9% (2016: 6%) of its total natural gas supplies were sourced from Russia.

At the beginning of 2009, for instance, a fortnight-long halt of Russian gas imports affected large parts of Europe and there can be no assurance that OMV will not experience interruptions in the future and that OMV would be able to compensate any disruptions to supply or short delivery. Further, the political conflict between Russia and the European Union in light of political developments in Ukraine/Crimea since 2014 increases the risk of further interruptions and/or increasing costs of gas supply from Russia, which may have a material adverse effect on OMV's business, results of operations and financial condition. In April 2017, OMV, together with ENGIE, Shell, Uniper and Wintershall, committed to fund 50% of the total costs of EUR 9.5 billion for the Nord Stream 2 project. OMV's commitment under financing agreements with the project company Nord Stream 2 AG amounts to up to EUR 950 million. The financial commitment by the European companies OMV, Wintershall, Uniper, Shell and ENGIE underscores the Nord Stream 2 project's strategic importance for the European gas market, contribution to competitiveness as well as medium and long-term energy security.

OMV's current supply contracts with Gazprom effectively expire in 2040. The contract parties (Gazprom and OMV) could, however, modify the terms of the agreements under certain circumstances, as such long-term supply contracts contain clauses under which both parties have the right to demand price revisions in case of changing market conditions.

If Gazprom fails to perform under OMV's supply agreements, or if the agreements are modified or not renewed, OMV might not be able to find alternative sources of natural gas on comparable terms or on a timely basis, which may have a material adverse effect on OMV's business, results of operations and financial condition.

An OMV subsidiary has a material supply contract with Enerco for Russian gas to assure constant gas-supply for the Turkish market, negotiated in US Dollar as reference currency. Since 2013 and until late 2015, *inter alia* in light of political developments in Turkey, the Turkish Lira deteriorated compared to the US Dollar. Further deteriorations in the Turkish Lira compared to the US Dollar have occurred since 2016. This development might result in long-term gas supply contracts becoming uneconomical for a certain period of time.

OMV's acquisitions and portfolio optimisation transactions lead to numerous risk exposures.

OMV has completed a number of acquisitions in the past and has actively aimed at optimising its portfolios by acquisitions and divestments. OMV's most significant past acquisitions include a 51.01% interest in the Romanian oil and gas company Petrom, and a 100.00% interest in Petrol Ofisi, a leading oil marketing firm in Turkey, which was divested again in 2017. In 2009, OMV acquired a 10% share in Pearl Petroleum Company Limited ("**Pearl**") which is active in oil and gas development, exploration and production in the Kurdistan Region of Iraq. In 2011, OMV completed the acquisitions of the Tunisian Exploration and Production subsidiaries Pioneer Natural Resources Tunisia Ltd. and Pioneer Natural Resources Anaguid Ltd. from Pioneer Natural Resources and the Pakistan subsidiary Petronas Carigali (Pakistan) Ltd from PETRONAS International Corporation Limited. In turn, in 2017, OMV divested its 50% stakes in the Tunisian Asstart oil field as well as in the operating company SEREPT. In 2012, OMV grew its Norway portfolio by acquiring a 15% stake in the Aasta Hansteen gas field development and a 20% stake in the Edvard Grieg oil field development. In 2013, OMV completed the acquisition of significant production and development assets in Norway and in the United Kingdom (West of Shetland) from Statoil for USD 2.65 billion; however, in January 2017, OMV closed the sale of 100% of the shares in OMV (U.K.) Limited to Siccar Point Energy Limited. Further, also in 2013, OMV agreed to start exploration in Gabon ahead of a major drilling programme in the country together with Ophir Energy, a London-listed exploration company. In March 2014, OMV acquired four licenses in West of Shetland, United Kingdom, including the field Cambo and the Blackrock prospect. In 2014, OMV entered an offshore exploration project in Namibia, where OMV acquired a 25% interest (total stake acquired by OMV and its strategic partner Murphy Luderitz Oil Co., Ltd.: 65%). Also in 2014, OMV expanded its portfolio in Madagascar by entering two blocks onshore and signing a farm-in agreement. In 2016, OMV however exited Gabon, Namibia and onshore Madagascar in view of its amended strategy. OMV's and Gazprom's envisaged intended asset swap as well as the 24.99% share in the Russian Yuzhno Russkoye field in Western Siberia acquired from Uniper SE on 30 November 2017 for a purchase price of EUR 1,719 million are significant acquisitions for OMV (see also "*— OMV's envisaged asset swap with Gazprom and the acquisition of 24.99% of the economic rights in the production of the Yuzhno Russkoye field may not be as successful as intended*" above). In 2015, OMV acquired 66 filling stations in Austria and 6 filling stations by means of acquiring the Austrian company FE-Trading GmbH, whereas OMV on 30 December 2015 entered into an agreement with Unipetrol RPA, s.r.o for the sale of up to 68 filling stations in the Czech Republic, a transaction which was closed in a staggered way commencing in summer 2016. In addition, OMV closed the full takeover of OMV Gas Marketing & Trading GmbH (formerly: EconGas GmbH) ("**OGMT**") by acquiring 35.75% from the minority shareholders in 2016. In March 2018, OMV published the acquisition of Shell's Upstream business in New Zealand, comprising joint venture interests in Pohokura (48%), the largest gas producing field in New Zealand, and Maui (83.75%) as well as related infrastructure for production, storage and transportation for a purchase price of USD 578 million. In parallel to the acquisition of the interests in Pohokura and Maui, OMV has also acquired Shell's 60.98% interest in the Great South Basin exploration block. In April 2018, OMV reported that OMV and Abu Dhabi National Oil Company (ADNOC) agreed that OMV acquires a 20% interest in the concession for the offshore oil fields Satah Al Razboot (SARB) (with the satellite fields Bin Nasher and Al Bateel) and Umm Lulu as well as the associated infrastructure for a purchase price of USD 1.5 billion. OMV's capital expenditures over the contract term are estimated to amount to approximately USD 2 billion; thereof approximately USD 150 million will be spent per annum during the first five years.

Acquisitions (and later divestments in the course of portfolio optimisation efforts) raise significant management and financial challenges, including:

- the need to integrate the acquired company's infrastructure, including management information systems, risk and asset-liability management systems;
- the resolution of outstanding legal, regulatory, contractual or labour issues arising from the acquisition, including potential litigations and/or arbitrations; further, this includes the risk of administrative fines if e.g. merger control applications are not filed in jurisdictions judged to be of minor significance or where the legal situation is unclear;
- the integration of marketing, customer service and product offerings;
- the integration of different company and management cultures;

- the realisation of targeted synergies;
- the ability to assess in a timely manner whether acquisitions made should be divested again in case of less successful developments

Moreover, integrating and consolidating acquired operations, personnel and information systems requires the dedication of management resources that may divert attention from its day-to-day business and disrupt key operating activities, difficulties that may be increased by the necessity of coordinating geographically separated organisations.

There can be no assurance that OMV will be able to identify future acquisition targets, that acquired businesses will be fully integrated into OMV, or that expected cost savings and revenue generation opportunities will be realised. Therefore, some of OMV's past acquisitions have not, and future acquisitions may not, achieve the initially defined goals and consequently may become part of portfolio optimisations including, but not limited to, divestments. In case of divestments, OMV may not be able to receive purchase prices adequately reflecting the original purchase prices paid or investments made in the acquired companies or their businesses. Likewise, there can be no assurance that existing or future joint ventures and cooperations will turn out satisfactory and the strategic goals will be reached. In particular, commercial or other problems of OMV's joint ventures and cooperation partners may have a negative effect on OMV. Strategic decisions to sell previously acquired assets led to several divestments, including, for example, the divestment of OMV's 45% stake in Bayernoil in 2014, the sale of its 36% operated stake in the Bina Bawi field in the Kurdistan Region of Iraq in 2015, the divestment of the UK operations in 2016/2017, the sale of Petrol Ofisi closed in June 2017, the sale of its 50% stake in the Ashtart oil field in the Gulf of Gabes, Tunisia, as well as of the 50% stake in the operating company in August 2017 and the divestment of Upstream business in Pakistan in February 2018. Given the challenging crude price environment, it cannot be excluded that the restructuring of OMV's exploration and appraisal projects portfolio may include further scale down of activities or farm down of participation in certain ventures or projects as well as acquisitions of explorations in other regions. It cannot be excluded that OMV may in the future sell other assets or participations for strategic reasons.

OMV's development may be affected by slower growth in the markets in which it operates.

OMV's strategy has relied on its ability to identify and enter new product areas, customer segments and geographic markets. OMV has pursued this strategy through a combination of organic growth and various acquisitions. OMV's organic development will depend in large part on the market conditions of the sectors of its activities in the countries in which OMV operates. The economies in these countries may continue to be restrained in the coming years. The current volatile global market environment could continue to negatively affect the demand for OMV's products and the prices at which they can be sold and the viability of the markets in which OMV operates, and consequently may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV's petrochemicals business is substantially dependent on a single customer for a majority of its sales.

Substantially more than half of OMV's total petrochemical production is sold to a single customer, Borealis (of which a 36% interest is owned by OMV), pursuant to long-term agreements under which Borealis has an obligation to purchase certain quantities of OMV's petrochemical production until 2028. If Borealis fails to purchase these quantities as and when required by the agreements for any reason, OMV's results of operations will be negatively affected, at least in the short term, to the extent OMV is unable to sell in the market at comparable prices the portion of OMV's petrochemical output currently purchased by Borealis.

Any such developments may have a material adverse effect on OMV's business, results of operations and financial condition.

A substantial portion of OMV's assets and operations outside of Europe are exposed to political and economic risks, and future disruptions may have a material adverse effect on OMV's business.

A significant portion of OMV's oil and gas assets and of OMV's supply sources is located in countries outside of the European Union – with developing economies or unstable political, economic or social environments. In view of the intended asset swap with Gazprom and the completed acquisition of 24.99% of the economic rights in the production of the Yuzhno Russkoye field in Western Siberia, a substantial portion of OMV's assets and operations is shifted towards Russia. As a result of such development and OMV's other international portfolio, a significant portion of OMV's revenue is derived from, or is dependent on, countries in which OMV's operations are exposed to economic and political risks, including expropriation and nationalisation of property, civil strife and acts of war or terrorism. Political uncertainties in particular relate to Libya, Kazakhstan, Yemen, Pakistan, Russia, Tunisia and Turkey, where OMV operates and has financial investments. In addition, in certain countries in which OMV is active, it may be difficult to repatriate investment and profits. If it is perceived that OMV is not respecting or advancing the economic and social progress of the communities in which it operates, its reputation and shareholder value could be damaged.

Any future disruptions may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV is exposed to risks related to changes in the valuations of Group assets, companies or participations.

OMV is exposed to the risk that valuations of Group assets, Group companies or of OMV's participations could change for several reasons. This may in particular apply to Group companies or participations of OMV traded on capital markets as well as in case of changes in long-term oil or gas price and foreign exchange rate assumptions. In certain cases, OMV may be forced to devalue its participations in Group companies or participations due to mandatory accounting principles. By way of example, in October 2015 and January 2016, OMV reviewed and adjusted its oil price assumptions for both the short and longer term, which were the main reasons for significant write-offs in amounts of approx. EUR 0.947 billion and EUR 1.475 billion (see also "*A decline in the prices of and/or the demand for crude oil, natural gas, petroleum products and electricity would have an adverse effect on OMV's results of operations. Changes of planning assumptions may lead to significant impairments of OMV's assets*" above).

Any significant changes in the valuation of assets, Group companies or participations may have a material adverse effect on OMV's results of operations and financial condition.

Violations of sanctions could subject OMV to penalties.

European, U.S. and other international sanctions have been imposed on companies engaging in certain types of transactions with specified countries or companies or individuals in those specified countries. For example, enterprises operating in certain countries in the Middle East and Africa have been subject to such sanctions as well as Russia or Russian enterprises following the political crisis in Ukraine and the Crimea since 2014.

At the beginning of August 2017, the President of the United States approved a package of new sanctions, *inter alia* Russia-related sanctions, which had previously been passed by the U.S. Senate in June 2017 and by the U.S. House of Representatives in July 2017. The new U.S. law H.R. 3364, known as the "*Countering America's Adversaries Through Sanctions Act*" "H.R. 3364"), *inter alia* aims to restrict activities concerning crude oil projects and export pipelines, codifies already existing executive order sanctions and gives sanctions extraterritorial effects. The President of the United States is vested with certain powers and discretion to impose sanctions on individually identified persons, independent of whether such person is a U.S. person. Albeit Public Guidance Notes issued by the Department of State published on 31 October 2017 clarify that loan agreements made prior to 2 August 2017 would not be subject to section 232 sanctions, the U.S. law H.R. 3364 and any new sanctions may affect the international Nord Stream 2 gas pipeline project, for which OMV and other companies have committed to financing. Further, in April 2018, the United States of America imposed punitive measures against seven Russian businessmen, including also the chairman of Gazprom but not Gazprom as a group, a dozen of their companies and 17 senior government officials. The sanctions do not directly affect Gazprom or OMV. A failure to comply with restrictions under U.S. sanction laws could expose OMV to retaliatory measures.

On 8 May 2018, the President of the United States announced his decision to end U.S. participation in the nuclear agreement between the U.S., Iran and certain other governments (*Joint Comprehensive Plan of Action*) and to re-impose sanctions against Iran, in particular secondary sanctions that had been suspended. The re-imposition of sanctions comes in two main phases. In any event after a 180-day wind-down period ending on 4 November 2018, the U.S. government will fully re-impose additional sanctions. By 5 November 2018, the U.S. government also expects to move to the List of Specially Designated Nationals and Blocked Persons (the "**SDN List**") various Iranian parties that were removed from the SDN List. As of then the National Iranian Oil Company is moved to the SDN List and secondary sanctions may attach to dealings with the National Iranian Oil Company following its re-designation. The snapback has material adverse effect on OMV's engagement in Iran. OMV may have to withdraw from any engagement in Iran as of 4 November 2018. In contrast thereto, the European Union is committed to the nuclear agreement and to maintaining the growth of trade and economic relations between the EU and Iran. For mitigating the impact of US sanctions on European businesses the European Commission has reactivated the Blocking Statute (i.e. anti-boycott rules) that was established in 1996. The Blocking Statute forbids EU companies from complying with the extraterritorial US sanctions. The snapback of US extraterritorial sanctions and the conflicting European Blocking Statute may have material adverse effect on both, OMV's engagement in Iran as well as the relationship with US suppliers, investors and banks.

Actual or alleged violations of existing or future European, U.S. or other international sanctions could subject OMV to both monetary and non-monetary penalties that could have a material adverse effect on OMV's ability to obtain goods and services in the international markets or access the U.S. or international capital or bank debt markets, or cause reputational damage. Also, the implementation of new sanctions or the tightening and extending of existing sanctions could have a material adverse effect on OMV's business and operations. In addition, political and regulatory developments both inside and outside of Europe may have detrimental effects on the Nord Stream 2 project and/or OMV's financing of the project.

Any such developments may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV's activities are subject to antitrust and competition laws and regulations and OMV may be subject to antitrust investigations, proceedings or additional new regulations.

OMV's activities are subject to antitrust and competition laws and regulations in many of its countries of operations. In case of an antitrust law infringement, OMV could incur significant losses and penalties in the context of any related antitrust and competition law proceedings. For example, in 2011, the Romanian antitrust authority imposed penalties of RON 503.8 million (approx. EUR 115 million, using March 2012 closing exchange rate of EUR/RON 4.382) on Petrom and OMV Petrom Marketing SRL ("**OMV Petrom Marketing**") relating to a breach of antitrust rules. The findings refer to an agreement of several companies to withdraw a type of gasoline from the Romanian market in 2008. The decisions of the Romanian antitrust authority were appealed by Petrom and OMV Petrom Marketing. In March 2016, the Supreme Court of Justice reduced the fine applied to OMV Petrom Marketing from RON 137 million (i.e. EUR 31 million, using March 2012 closing exchange rate of EUR/RON 4.382) to the amount of RON 109 million (i.e. EUR 25 million, using March 2016 closing exchange rate of EUR/RON 4.4718). Furthermore, in April 2016, the Supreme Court partially annulled the Romanian antitrust authority's decision in relation to Petrom, reducing the fine applied to Petrom from RON 367 million (i.e. EUR 84 million, using March 2012 closing exchange rate of EUR/RON 4.382) to the amount of RON 298 million (i.e. EUR 67 million, using March 2016 closing exchange rate of EUR/RON 4.4718). Based on the findings of antitrust proceedings, plaintiffs could also seek compensation for any alleged damages as a result of anticompetitive business practices on part of OMV. On 18 January and 25 February 2016, the Bulgarian Commission for Protection of Competition announced the initiation of an investigation about the infringement of competition rules on the retail market in Bulgaria. OMV Bulgaria OOD was also subject to the investigation, among other major retailers on the Bulgarian market. On 28 March 2017, the Bulgarian Commission for Protection of Competition decided to terminate the proceedings without establishing an infringement against the competition rules by imposing the commitment on the investigated companies to adopt internal measures guaranteeing that employees will not exchange commercial information among each other.

The occurrence of any such events could have a material adverse effect on OMV's business, results of operations and financial condition.

OMV is exposed to changes in the taxes and tariffs imposed on its operations.

OMV is active in 15 countries in the Upstream segment and in 13 countries in the Downstream segment and any of these countries could modify its tax laws or royalty regimes in ways that would adversely affect OMV. OMV is subject, among others, to corporate taxes, energy taxes, petroleum revenue taxes, concessions, royalties, customs surcharges and excise duties, each of which may affect OMV's sales and earnings. In addition, OMV is exposed to changes in royalty regimes and taxes imposed on crude oil and gas production. By way of example, Petrom faces a change in the Upstream taxation from 2018 onwards: The Romanian Parliament had resolved on the approval of the Government Ordinance 7/2013 on natural gas supplementary taxation which in particular includes an increase of the tax rate from 60% to 80% for the gas sales revenues above 85 RON/MWh and the introduction of the tax as a tax permanent, as temporary application until 31 December 2018 was eliminated. These provisions are applicable since 1 April 2018. Changes in royalty and fiscal regimes may relate to OMV's current or planned operations in the countries it operates in and may affect OMV's strategic decisions for future operations.

Significant changes in the tax regimes of countries in which OMV operates or regarding the level of production royalties OMV is required to pay, may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV faces competition from other oil and gas companies in all areas of its operations.

OMV is under competitive pressure in virtually all parts of its business. OMV faces competition in the Upstream business segment with regard to obtaining exploration and development licenses, acquiring oil and gas production properties or acquiring other exploration and production companies. OMV's petroleum product retail and wholesale marketing business in CE/SEE is also highly competitive. In OMV's CE/SEE markets, OMV also competes with local state-related entities. OMV's competitors include multinational, well-established oil companies with significantly greater financial resources and international operating experience than OMV has. These companies may be able to pay more for exploration prospects, licenses, productive oil and gas properties and retail and marketing assets and to generally make larger investments than OMV can. As a result, competition may materially adversely affect OMV's business, financial results or condition of operations.

OMV has various relationships with different stakeholders, which could result in conflicts of interest.

OMV has various business relationships with suppliers, customers, investors and other stakeholders, all of them pursuing their own interests, which, as a rule, deviate from each other and may be incompatible with a shareholder's interests. Conflicts of interest may further result from

- functions which OMV AG has in its Group companies, e.g. the interests of OMV AG as a shareholder of its less than wholly-owned subsidiaries may differ from the interests of other shareholders of these subsidiaries;
- functions which OMV AG's board members hold in entities with whom OMV is doing business: By way of example, Supervisory Board member Karl Rose currently holds a function as strategy advisor of Abu Dhabi National Oil Company (ADNOC). OMV is of the view that this function does not provide for an actual conflict of interest as Mr Rose will not interfere in any approvals of Abu Dhabi related projects of OMV's Supervisory Board and also does not work on any projects of ADNOC that may create a conflict with his position at OMV. It nevertheless cannot be excluded that such function appears to bear a conflict of interest from a third-party perspective; and
- functions of representatives of ÖBIB and IPIC in OMV AG's Supervisory Board: Two members of OMV AG's Supervisory Board hold functions with Mubadala Investment Company, the sole shareholder of IPIC: Alyazia Al Kuwaiti is executive director for Upstream & Integrated and Mansour Al Mulla is chief financial officer for Petroleum and Petrochemicals. Further, the three members of the Supervisory Board Peter Löscher, Marc Hall and Karl Rose have been nominated by the nomination committee of ÖBIB, the election of which has been proposed to the Supervisory Board and has been voted for by the Annual General Meeting as of 18 May 2016 and Gertrude Tumpel-Gugerell as a member of the Supervisory Board has been nominated by the nomination committee of ÖBIB and proposed to the Supervisory Board. She was elected by the Annual General Meeting as of 19 May 2015. It cannot be excluded that such Supervisory Board members, in fulfilling their duties as Supervisory Board members, will take interests of ÖBIB and IPIC into account that may conflict with other investors' interests.

Country-specific risks

OMV's global operations expose it to various potential risks that are specific to the different countries in which it operates. The value of OMV's international investments in companies outside Austria may be adversely affected by unfavourable or arbitrary local economic, political, military, legal, regulatory and social trends and developments. Country-specific risks also include potential politically motivated exercises of influence, investigations or accusations against OMV, its operations and business or its officers. Due to its 51.01% participation in Petrom (as of 31 March 2018), OMV is particularly vulnerable to adverse changes, trends and developments or acts in Romania, where Petrom explores and produces hydrocarbons, refines crudes, markets petroleum products and natural gas as well as sells electricity. In June 2017 OMV divested its former 100.00% participation in Petrol Ofisi for EUR 1.368 billion to Vitol Group. The divestment reduced the Group's Turkey exposure but country-specific risks in Turkey still are a factor for the remaining Group operations in the country.

In addition, OMV's operations in the regions North Africa, the Middle East and the Caspian region (Kazakhstan), and the activities in Russia – including in particular (i) the asset swap with Gazprom including receipt of a 24.98% share in the Achimov IV/V developments in Russia in exchange for a 38.5% share in OMV (NORGE) AS for Gazprom, and (ii) the acquisition of a 24.99% share in the Yuzhno Russkoye natural gas field located in Western Siberia, Russia, acquired from Uniper SE in March 2017 and closed on 30 November 2017, are subject to greater risks than operations in more developed markets, in particular due to sanction regimes, higher political instability, including in some regions also civil unrest, and acts of war or terrorism, lower security standards as well as less developed legal systems and enforcement options. In relation to activities in Russia and Iran, OMV is in particular exposed to risks resulting from current and/or future sanctions and the limits for activities in such countries set by applicable sanction frameworks. Especially in the Middle East, it cannot be excluded that the influence of the Islamic State (IS), an extremist militant group and self-proclaimed caliphate and Islamic territory still in some parts of Iraq and Syria, which also has limited territorial control in Libya and Yemen, further destabilises the region and leads to increasing political instability. It cannot be excluded that even successful defeats of the Islamic State troops by national military may not solve the instability in the affected territories and that the Islamic State may regain control of certain areas. Further, the Islamic State and its fundamentalist supporters may shift their actions to increased single acts of terror in certain regions OMV is active in, instead of aiming at regaining of control over larger territories. The materialisation of any of these risks could have a material adverse effect on OMV's business, financial results or condition of operations.

OMV has made investments in countries in Central and South-eastern Europe ("CE/SEE") which have gone through a recession.

A large portion of OMV's refining and oil product distribution network is located in CE/SEE. The financial crisis that began in autumn 2007 and its resulting economic effects have triggered a recession in most countries in the region, the negative effects of which have been prolonged by the sovereign debt crisis in the Euro zone countries since 2010. Sharp declines in economic activity, combined with rising unemployment, public debt and financial capital outflows have significantly worsened the economic outlook for the region. Consequently, OMV has experienced and may continue to experience stagnating or declining sales in the CE/SEE region. In addition, OMV's capital investments in these markets may prove to have been too high in light of economic conditions less favourable than those which OMV assumed when

OMV made the investments, which may lead to further asset impairment charges. The recent unfavourable economic developments and their continuation may have a material adverse effect on OMV's business, results of operations and financial condition.

Economic and political developments in CE/SEE and Turkey as well as the entrance of new competitors in the regions' markets may negatively affect the development of OMV's business.

The expansion and development of business activity in the CE/SEE region and Turkey was a central component of the strategy of OMV. The economic development in this region is subject to risks common to all regions that have recently undergone, or are undergoing, political, economic and social changes, including currency fluctuations, evolving regulatory environments, inflation, economic recession, local market disruption, labour unrest, changes in disposable income or gross national product, variations in interest rates, taxation policies and levels of economic growth, declines in birth rate and other similar factors. Far-reaching political and economic reforms mean that political and economic tensions could accompany the development of the new democratic and market-oriented systems. The countries in the CE/SEE region, in which OMV operates that are not EU member states, and Turkey, are not yet as stable and developed as EU member states. The possibility of significant changes or unpredictable developments still exists in sectors of the economy and the law, such as taxation, foreign exchange controls and property law. Further, in such countries there is a higher risk of politically motivated exercise of influence or erratic and inconsistent legal or regulatory actions and interventions than in EU member states. Any future regulatory intervention may also have a material adverse effect on OMV's business, results of operations and financial condition. OMV's competitors could also significantly develop their presence in these markets, in particular in the event that subsidiaries of globally active oil and gas companies with greater financial resources than those available to OMV enter the market.

Any such developments may have a material adverse effect on OMV's business, results of operations and financial condition.

The legal systems and procedural safeguards in certain CE/SEE countries, Russia and Turkey are not yet fully developed and material changes in law may occur.

The legal systems of many CE/SEE countries and Turkey have undergone fundamental changes in recent years. In many cases, the interpretation and procedural safeguards of the new legal and regulatory systems are still being developed, which may result in an inconsistent application of existing laws, regulations or procedural measures and uncertainty as to the application and effect of new laws, regulations and procedural measures. This is especially true for Romania, which joined the EU in 2007, and for Turkey. Moreover, in some jurisdictions in which OMV is active, the legal framework for the various lines of business may change at any time, including changes that would include nationalisation of individual lines of business. This inter alia applies to Russia. Additionally, in some circumstances, it may not be possible to obtain the legal remedies provided for under relevant laws and regulations within reasonable time or at all. CE/SEE countries and Turkey may also lack an institutional history, and there may be no generally adhered to or observed procedural guidelines. As a result, shifts in government policies and regulations tend to be more frequent and less predictable.

Any such inconsistency, insufficiency or unpredictable change in the legal system of any of these countries or unpredictable application of laws in such countries may have a material adverse effect on OMV's business, financial results and conditions of operations.

Bureaucracy, corruption, deficiencies of the legal system, economic contraction and wide-ranging competencies of audit agencies may adversely affect OMV's operations in Romania.

OMV's business operations in Romania may face a number of adverse conditions and heightened legal, economic and political risks as compared to Western European standards. The relationship between government and business may be impaired by bureaucratic inefficiency, a lack of transparency and instances of corruption. Together with Greece, Bulgaria and Italy, Romania ranks lowest among the EU member states in the Transparency International Corruption Perceptions Index 2017 (source: http://www.transparency.org/news/feature/corruption_perceptions_index_2017). Its legal and judicial systems may not always provide the same recourse and sanctions (e.g. against corruption) as are found among most other EU member states and enforcement may, in practice, be unpredictable, difficult and/or time-consuming.

As a result of the global economic and financial crisis and the related currency losses suffered by the Romanian leu ("RON") and Romania's downgrade to below investment grade by the rating agencies Standard & Poor's and Fitch Ratings in late 2008, both consumer and corporate purchasing power fell, and investment plans were reconsidered. The country's economic output contracted sharply in 2009 and decreased further in 2010. These conditions and developments resulted in a deterioration of the business and investment climate. Any new similar crisis would have a material adverse effect on operations in Romania and therefore on OMV's business, results of operations and financial condition. The rating of Romania by Standard & Poor's is BBB- (stable outlook), while Moody's Investors Service rates Romania as Baa3 (stable outlook) and Fitch Ratings as BBB- (stable outlook), the lowest investment grade, substantiated by the government's low debt ratios and access to multilateral finance and moderate medium-term growth.

Furthermore, there are a number of agencies that are authorised to conduct audits (controls) of companies doing business in Romania. These controls are similar in nature to tax audits performed by tax authorities in many countries but may extend not only to tax matters but to other legal and regulatory matters in which the applicable agency may be interested. In addition, the agencies conducting these controls may be subject to significantly lower regulation and the company under review may have significantly lower safeguards than it is customary in many countries. It is likely that Petrom will continue to be subject to controls from time to time for violations and alleged violations of existing and new laws and regulations. The reviews and controls by agencies and any resulting penalties could have a material adverse effect on OMV's business, results of operations and financial condition.

Deficiencies of the legal system, contradictory policies and a deterioration of the investment climate may adversely affect OMV's operations in Turkey.

Turkey is a complex and challenging market, and businesses may face many of the legal, economic, political and security risks that are characteristic of medium-developed countries. The legal, regulatory and taxation framework in Turkey may, in some aspects, be inconsistent and in need of reform. Continuing concerns of foreign companies are caused by Turkey's perceived excessive bureaucracy, unpredictable legal system, exercise of political influence, weak intellectual property protection and lack of transparency in tenders. Furthermore, the judiciary is declared to be independent, but the need for judicial reform and confirmation of its independence are subjects open for debate. Any adverse change in Turkey's legal, political or economic environment as well as perceived legal and regulatory deficiencies, contradictory policies and protectionist tendencies may have an adverse impact on OMV's operations in Turkey, which basically consist of sales and production of gas and power in Turkey, and therefore, on OMV's business, results of operations and financial condition.

Economic, political, legal and social instability, including acts of terrorism, as well as the risk of not being awarded the necessary licenses/permits/concessions may adversely affect OMV's operations, in particular in Libya, Tunisia, Turkey, Pakistan, Yemen, Russia, Abu Dhabi, the Kurdistan Region of Iraq and Kazakhstan (together the "Operating Region").

Not all countries in the Operating Region have made equal progress in increasing their gross domestic product in recent years and there is no guarantee that any positive trends will be sustainable. In addition, there is no assurance that the Operating Region will remain receptive to foreign trade and investment. Any deterioration in the economic conditions or climate for foreign trade and investment in the Operating Region could have a material adverse effect on the Operating Region's economy which, in turn, may have a negative impact on OMV's business, results of operations and financial condition. Were any of the following factors, which have been characteristic of the economy in some or all states of the Operating Region at various times during recent years, to recur or continue, this could have a negative influence on the investment climate in the Operating Region and may have a negative impact on OMV's business, results of operations and financial condition:

- significant declines in gross domestic product and high government debt relative to gross domestic product;
- unstable local currencies, high levels of inflation or restrictions on transfers of hard currency outside of states within the Operating Region;
- a weak banking system providing limited liquidity to domestic enterprises;
- widespread tax evasion;
- growth of a black and grey market economy, corruption and extensive penetration of organised crime into the economy;
- significant increases in unemployment and underemployment; and
- impoverishment of a large portion of the population.

The political climate in the countries of the Operating Region is unstable and security continues to be an important concern, since the potential for attacks on employees and/or facilities, social unrest, including strikes and political protests and demonstrations remains high. A number of countries in North Africa and the Middle East, in particular Yemen, Tunisia, Libya and Pakistan have recently been and may continue to be subject to political unrest, including uprisings and government retaliation, as well as terrorist attacks and violence aimed against civilians, employees and facilities. By means of acts of terrorism, war and murder, the so-called Islamic State (IS), an extremist militant group and self-proclaimed caliphate and Islamic state, had occupied parts of Iraq and Syria and implemented a fundamentalist regime. In addition, the Islamic State also gained limited territorial control in Libya and Yemen and acts of war between the Islamic State and Kurdish troops in the Kurdistan Region of Iraq have moved close to the Turkish border in 2015. It cannot be excluded that territories liberated in 2017 and 2018, which were previously occupied by the Islamic State, may fall under IS control again in the future. If political instability and acts of terrorism in one or more of the countries in the Operating Region continues or heightens or spills over to other regions close to the Operating Region, it could have

wider political, social and economic consequences in the economies of the Operating Region and neighbouring countries such as regime changes, increased nationalism, restrictions on foreign ownership and possible violence as well as war and, as a result, on OMV's business, results of operations and financial condition.

In addition, OMV's operations could become subject to the risk of expropriation and nationalisation, to which not all countries in the Operating Regions apply the same standards as are commonly found in Western jurisdictions.

Organised crime, including extortion and fraud, may pose a risk to businesses in the Operating Region. Many countries in the Operating Region still face considerable weaknesses in the fight against corruption and organised crime. Property and employees may become targets of theft, violence or extortion. Threats or incidents of crime may force OMV to cease or alter certain activities or to liquidate certain investments, which may cause losses or have other negative impacts on OMV. OMV's operations could be adversely affected by illegal activities, corruption or claims implicating OMV in illegal activities. Corruption and theft may also arise within OMV.

The legal systems in the Operating Region may be subject to greater risks and uncertainties than more mature legal systems. In particular, risks associated with the Operating Region's legal systems include: (i) unavailability of and inconsistencies between and among the countries' constitutions and various laws, presidential decrees, governmental, ministerial and local orders, decisions, resolutions and other acts; (ii) provisions in the laws and regulations that are ambiguously worded or lack specificity and thereby raise difficulties when implemented or interpreted; and (iii) difficulty in predicting the outcome of judicial application of legislation. The Iraqi government has over the past years contested the legality and validity of all Exploration and Production contracts concluded in the Kurdistan Region of Iraq and uncertainty over their enforceability continues. Further, in areas controlled by the Islamic State, previously applicable laws did no longer apply but were replaced by sharia law as interpreted by the Islamic State. The independence of the judicial systems of the Operating Region and their immunity from economic and political influences remains questionable. Court systems are often understaffed and underfunded and may have a large backlog of unresolved cases, which often causes proceedings to take several years, and their independence may be threatened by budgetary reliance on the national government. Enforcement of court orders and judgments can, in practice, be very difficult, time-consuming and may fail for a variety of reasons.

Countries in the Operating Region currently have a number of laws related to various taxes imposed by central and local authorities. These tax laws and their implementing regulations may be unclear and subject to frequent changes and amendments. Differing opinions regarding legal interpretations may exist both among and within governmental ministries and organisations, including the tax authorities, creating uncertainties and areas of conflict. Tax declarations/returns, together with other legal compliance areas (e.g. customs and currency control matters), are subject to review and investigation by a number of authorities, which are authorised by law to impose substantial fines, penalties and interest charges. These circumstances generally create tax risks in the Operating Region which are more significant than those typically found in countries with more developed tax systems.

The occurrence of any such event affecting the Operating Region's economic, political, social, legal and tax systems may make operation in these countries subject to greater risks and uncertainties than in Western European jurisdictions and may have a material adverse effect on OMV's business, results of operations and financial condition.

Furthermore, OMV is dependent on exploration rights and is, therefore, in each country of the Operating Region subject to the risk that it does not obtain the necessary licenses or that such licenses are not renewed or are renegotiated on terms unfavourable to OMV. Inability to obtain such rights will considerably affect OMV's business, results of operations and financial condition.

Shortfalls in crude oil supplies from Yemen could continue to adversely affect OMV's business.

In the Upstream business segment, due to the political unrests in Yemen since 2011, OMV was negatively affected by a reduction of its production in this country.

In Yemen, production was severely disrupted during 2011 due to attacks on the export pipeline used by OMV's operations. During 2012, the political turmoil continued and production restarted in July 2012 after repair of the oil export pipeline and by the fourth quarter 2012 oil could be again exported. In November 2012, production was again interrupted for several weeks. In 2013 and 2014, the security situation in Yemen remained volatile. Although increased security measures around the Habban field enabled safe operations within the concession area in 2014, production performance was reduced due to security incidents outside the perimeter. Road blockages affecting transportation, labour disputes and several attacks on the oil export pipeline caused sporadic production shutdowns. The average production in 2014 was 6.4 thousand barrels per day ("kboe/d") after 4.8 kboe/d in 2013. Since early April 2015, production in Yemen was completely shut-in due to security issues. In the financial year 2015, OMV made impairments of EUR 402 million on Upstream operations in Yemen. However, as the Habban field location has not been affected by the deteriorated security environment, comprehensive technical, commercial and security arrangements have been put in place to achieve resumption of production in Block S2 as of 1 April 2018.

If political instability in Yemen continues or the political climate deteriorates, if security measures implemented by OMV for its operation areas in Yemen fail or if operations in Yemen will again shut-in, this could have a material adverse effect on OMV's business, results of operations and financial condition.

Shortfalls in crude oil supplies from Libya could continue to adversely affect OMV's business.

In the Upstream business segment, OMV's operations were negatively affected by the unstable political situation in Libya in recent years. OMV's average Libyan production throughout 2013 was 21.5 kboe/d and in 2014 8.8 kboe/d, reflecting the deteriorating political and security environment. OMV's assets in the west of Libya were shut in during November 2014, having operated on an intermittent basis throughout 2014, and remained generally shut in. In the financial year 2015, OMV accordingly made impairments of EUR 143 million on Upstream operations in Libya. Even though OMV restarted operations in late 2016 and recorded increased oil and NGL production of 9.1 mn boe in Libya in 2017, the situation remains challenging.

If the political and security climate remains in its present state or deteriorates again, this could cause further production disruptions or shutdowns, which may have a material adverse effect on OMV's business, results of operations and financial condition.

Political and social instability in Ukraine and the Black Sea region, the political crisis between Russian and Western countries as well as related sanctions imposed may adversely affect OMV's operations and financial position.

In February 2014, following civil protests and unrests as well as a series of violent events in Kiev, a revolution took place in Ukraine. The revolution resulted in a series of changes in quick succession in Ukraine's socio-political system and included the installation of a new interim government. Russia refused to recognise Ukraine's new interim government and supported a referendum on the formerly Ukraine administered autonomous Republic of Crimea (Crimean peninsula) and Sevastopol. The referendum, which resulted in an affirmative vote to join Russia, was condemned by the European Union, the United States of America, the Ukraine and the Crimean Tatar officials as contrary to Ukraine's constitution and international law. On 17 March 2014, the Crimean Parliament declared the independency from Ukraine and, on 18 March 2014, signed a treaty of accession of the Republic of Crimea and Sevastopol into the Russian Federation. On 27 March 2014, the UN General Assembly passed a non-binding resolution declaring the Crimean referendum 2014 invalid and the incorporation of Crimea into the Russian Federation illegal. On 15 April 2014, the Ukrainian parliament declared the Crimea as a territory temporarily occupied by Russia. The political situation remains highly unstable in the Eastern part of the Ukraine.

As a result of the crisis, the political relationships between Russia and Western industry nations, including in particular countries of the European Union as well as the G7 bloc of developed nations (Canada, France, Germany, Italy, Japan, the United Kingdom and the United States of America), have deteriorated. For instance, sanctions were imposed to prevent Russian and Crimean officials and politicians from traveling to Canada, the United States, and the European Union. The European Union imposed further sanctions on Russia, Russian individuals and entities such as asset freezes, introduced restrictions on access to the capital market for certain financial institutions and on the export or sales of certain technologies and the provision of services for deep water oil exploration and production, arctic oil exploration and production or shale oil projects. In addition, the political climate between Russia on the one side and Baltic states Estonia, Lithuania and Latvia as well as Scandinavian countries on the other side has been adversely affected by military manoeuvres conducted by Russia in the Baltic region and Scandinavia, including acclaimed breaches of the air territory of Scandinavian and Baltic countries by Russian military forces. In relation to the political situation in Syria, Russia and the United States support different parties in the Syrian conflict.

Further, the new U.S. law H.R. 3364 inter alia aims to restrict activities concerning crude oil projects and export pipelines of the Russian Federation and tightens already existing executive order sanctions and gives sanctions extraterritorial effects. The President of the United States is vested with certain powers and discretion to impose sanctions on individually identified persons, independent of whether such person is a U.S. person. Albeit Public Guidance Notes issued by the Department of State published on 31 October 2017 clarify that loan agreements made prior to 2 August 2017 would not be subject to section 232 sanctions, the U.S. law H.R. 3364 and any new sanctions may affect the international Nord Stream 2 gas pipeline project, for which OMV and other companies have committed to financings, and/or OMV's financing of the project as well as OMV's contractual obligations. A failure to comply with restrictions under sanction laws could expose OMV potentially to retaliatory measures. Further, in April 2018, the United States of America imposed punitive measures against seven Russian businessmen, including also the chairman of Gazprom but not Gazprom as a group, a dozen of their companies and 17 senior government officials.

If the political crisis between Russia and Western nations continues, this may lead to further political and social instability in Ukraine as well as in the Black Sea region. This may also affect the economic development in the region as well as OMV's operations. Sanctions and extended sanctions, respectively, may preclude OMV from performing parts of its operations in the Black Sea or conducting business with Russian entities at all. OMV may be forced to cease transactions with Russian entities, to amend existing contractual terms or, if failing to comply with imposed sanctions,

OMV may face serious penalties. Penalties could also have a material adverse effect on OMV's ability to obtain goods and services in the international markets, to access the U.S. or international capital or bank debt markets, or cause reputational damages.

If any of these risks materialise, this may have a material adverse effect on OMV's business, results of operations and financial condition. Such risks may in particular increase in relation to completion of the envisaged asset swap between OMV and Gazprom and the associated 24.98% participation of OMV in the Achimov IV/V blocks of a Gazprom gas field in northern Siberia in exchange for a 38.50% share in OMV (NORGE) AS, which is estimated to be closed in 2018, as well as in relation to the acquisition of a 24.99% share in the Russian Yuzhno Russkoye field from Uniper SE, which was closed towards the end of 2017.

Petrom's business may be negatively affected since Petrom is required to comply with Romanian public procurement regulations related with its relevant activity in the Upstream business segment. Petrom is a party to labour related litigation and may face further claims by employees, and co-determination rights of Petrom's employees could constrain some restructuring measures, all of which may have a material adverse effect on Petrom's and OMV's business. Petrom was accused of a breach of Romanian competition laws, could be subject to compensation claims in connection with land use/ownership rights over lands and may have to bear substantial environmental restoration costs.

Petrom is required to apply public procurement provisions because (i) it conducts a relevant activity such as exploitation of a geographical area for the purpose of extracting oil and natural gas and (ii) the relevant activity is conducted based on special or exclusive rights granted further to tenders based on concession agreements. Furthermore, Petrom has to apply public procurement provisions when awarding contracts/framework agreements for the purpose of performing the relevant activity. "As is" applicability of public procurement rules may conflict with Petrom specific business needs under high pressure to comply with work commitments and with evolving and unforeseeable needs during the performance of a contract that is subject to the requirements of such laws. If the impact of such risks cannot be outweighed by benefits resulting from increased transparency and opening of the market due to public procurement procedures, this may have a material adverse effect on Petrom's and OMV's business, results of operations and financial condition.

Since the end of 2007, Petrom has been involved in litigation initiated by a number of former and current employees based on differing interpretations of several clauses included in Petrom's collective bargaining agreement relating to Easter and Christmas bonuses. In the following years, further claims were raised against Petrom based on the differing interpretations of other provisions of the collective bargaining agreement. Currently, the main types of claims refer to special rights to be granted to employees working offshore. OMV's total allocation to the provision for such claims was RON 1,506 million (i.e. EUR 415 million, using the average foreign exchange rate in 2007 and 2008 for the amounts booked in each year). As of 31 March 2018, the provision amounted to RON 70.1 million (i.e. approx. EUR 15.1 million, using March 2018 closing exchange rate of EUR/RON 4.6565), following payments made under the claims and reductions after re-assessment of related risks in 2015, 2016 and 2017. The above figures represent Petrom's assessment of potential liabilities and its best estimate of likely cash outflows with respect to the ongoing litigation. Since 2009, the collective bargaining agreement has been renegotiated regularly. At the end of 2017, a new collective bargaining agreement applicable to Petrom was signed. The provisions of such agreement are in line also with the litigation experience and the view the courts have in interpreting the employees' rights as resulting from the collective bargaining agreement and are also meant to mitigate further litigation deriving thereof. The currently applicable collective bargaining agreement expires at the end of 2019. 45 days prior to its expiration, the negotiation for a new collective bargaining agreement has to be initiated and the parties might decide the extension of the current collective bargaining agreement up to the finalization of such negotiation for a maximum period of 12 months. Furthermore, employees' information on this matter was substantially increased in order to raise awareness on the topic and a focus was put on clarifying discussions with claimants.

Potential violations of Romanian labour law in connection with outsourcing could lead to claims for re-employment and/or indemnities or require Petrom to make payments in connection with the social security scheme, should the transferred employees be made redundant within a specified time period. Claims and other possible litigations and disputes may have a material adverse effect on Petrom's and OMV's business, results of operations and financial condition. In addition, Petrom's employees have co-determination rights, which could constrain some restructuring measures and, therefore, have a material adverse effect on Petrom's and OMV's business, results of operations and financial condition.

On 18 January and 25 February 2016, the Bulgarian Commission for Protection of Competition announced the initiation of several investigations about the infringement of competition rules on the fuel market. OMV Bulgaria OOD, in which Petrom holds a share of 99.9% (the residual 0.10% are held by OMV Refining & Marketing GmbH), was also subject to the investigation in relation to two proceedings, among other major retailers on the Bulgarian market. In March and June 2017, the Bulgarian Commission for Protection of Competition decided to terminate the investigations against OMV

Bulgaria OOD (see "*— OMV's activities are subject to antitrust and competition laws and regulations and OMV may be subject to antitrust investigations, proceedings or additional new regulations*").

Petrom faces a variety of litigations, arbitrations, proceedings and disputes referring to a wide range of subjects, such as, but without being limited to, real estate matters, fiscal matters, intellectual property, environmental, competition, administrative matters, commercial matters, labour related litigation, debt recovery, insolvency of contractors, criminal deeds, and contraventional matters. It is possible that unanticipated judicial outcomes might occur. Petrom is also exposed to claims in connection with land use/ownership rights over lands and further real estate related proceedings.

In the course of the privatisation of Petrom, the Romanian government agreed to indemnify Petrom for certain costs in connection with Petrom's wells decommissioning and environmental restoration obligations. Consequently, Petrom recorded a receivable relating to the expenditure recoverable from the Romanian state for such well decommissioning and environmental restoration obligations. On 31 December 2017, the book value of Petrom's expenditure recoverable from the Romanian State in the respective audited consolidated financial statements was RON 2,021 million (i.e. EUR 434 million, using the December 2017 closing exchange rate of EUR/RON 4.6585). At 31 March 2018, the book value of Petrom's expenditure recoverable from the Romanian state for such wells decommissioning and environmental restoration obligations was RON 2,038 million (i.e. EUR 438 million, using March 2018 closing exchange rate of EUR/RON 4.6565). The process of filing claims for reimbursement of well decommissioning and environmental restoration costs is still continued. As of 31 March 2018, RON 80 million (i.e. EUR 17 million, using March 2018 closing exchange rate of EUR/RON 4.6565) were reimbursed by the Romanian state.

Based on Annex P of the Petrom Privatisation Agreement, in April 2016 OMV submitted to the Romanian State a notice of dispute regarding certain notices of claims unpaid by the Romanian State in relation to certain wells decommissioning and environmental restoration obligations amounting to RON 153 million (i.e. EUR 33 million, using the December 2017 closing exchange rate of EUR/RON 4.6585). On 7 March 2017, OMV, as party in the privatisation agreement, initiated arbitration proceedings against the Romanian State, in accordance with the International Chamber of Commerce Rules, in Paris, France. In October 2017, a request to supplement the initial arbitration proceedings with additional notices of claims related to certain wells decommissioning and environmental restoration obligations amounting to RON 134 million (i.e. EUR 29 million, using the December 2017 closing exchange rate of EUR/RON 4.6585) was submitted to the ICC tribunal.

OMV's Turkish gas and power business may incur significant opportunity costs in obtaining/renewing necessary licenses.

Obtaining/renewing the requisite licenses might cause business interruptions and/or involve significant costs and may have a material adverse effect on OMV's Turkish business, results of operations and financial condition.

Risks related to the environment

Future climate change and carbon pricing may result in increased expenditure and reduced profitability.

Compliance with laws, regulations and obligations relating to climate change and carbon pricing could result in substantial capital expenditure and reduced profitability from higher operating costs and lower revenues and may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV is subject to stringent environmental and health and safety regulations which incur costs relating to compliance and remediation that may adversely affect its results of operations and financial condition.

OMV's operations are subject to numerous and increasingly stringent environmental laws and regulations relating to the protection of human health and safety and the environment, including, for example, those relating to emissions, energy consumption and waste treatment and disposal. In addition, OMV is generally required to obtain and comply with environmental permits or licenses for its operations which cause emissions or discharge of pollutants and for the handling of hazardous substances or waste treatment and disposal. Failure to comply with environmental laws could result in substantial cost and liabilities vis-à-vis third parties or governmental authorities. As environmental laws and regulations become more stringent, the amount and timing of future expenditures required to maintain substantial compliance could vary significantly from their current levels and could adversely affect the availability of funds for capital expenditures and other purposes.

OMV has made, and will continue to make, substantial expenditures to comply with environmental laws and regulations. To the extent that the cost of compliance increases and OMV cannot pass on future increases to its customers, such increases may have an adverse effect on OMV's results of operations and financial condition.

OMV's operations are dependent on the allocation of sufficient allowances under the EU Emission Trading Scheme.

Under the European Union Emission Trading Scheme launched in January 2005, producers of greenhouse gas emissions are granted limited amounts of emission allowances for free; if the emissions exceed the amount of allocated allowances, producers of greenhouse gases are obliged to reduce their level of emissions or acquire additional allowances.

OMV needs emission allowances for some of its business activities. If OMV's emissions exceed the amount of allowances allocated to OMV, OMV will have to reduce its emissions and/or acquire additional emission allowances (which may be scarce and consequently only obtainable at high cost). The amount of allowances may therefore prove to be a factor limiting expansion of some of OMV's facilities. In particular, the tightening of rules in the European Union's Emission Trading Scheme from 2013 (so-called EU ETS phase III) onwards might lead to increased production costs, which in turn might significantly affect OMV's international competitiveness. Shortage of emission allowances or an increase in production costs may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV's exposure to weather conditions may negatively affect demand for OMV's products.

Significant changes in weather conditions in Austria and the rest of Europe from year to year may affect demand for natural gas and some refined products. Accordingly, the results of operations of Downstream Gas and, to a lesser extent, Downstream Oil, as well as the comparability of results over different periods may be affected by changes in weather conditions. Furthermore, OMV's operations, particularly offshore production of oil and natural gas, are exposed to extreme weather that can result in material disruption to OMV's operations and consequent loss or damage of properties and facilities.

Any such exposure to changing or adverse weather conditions may have a material adverse effect on OMV's business, results of operations and financial condition.

Aging infrastructure in OMV's operations, improper waste management, operational incidents or unexpected safety incidents may lead to spills, leakages, other contamination or severe damages. Such incidents may cause substantial environmental clean-up, decommissioning and restoration costs as well as liabilities and may damage not only the environment but also threaten humans' lives and affect communities and OMV's reputation.

OMV's facilities and pipeline operations require regular monitoring, maintenance and renewal. OMV is regularly faced with aging infrastructure and may not always be able to make the necessary replacements and upgrades at all of its facilities to ensure the technical integrity of its operations. This could, among other things, result in spills and leakages. Furthermore, certain of OMV's real properties, e.g. in Austria, have been classified by the authorities as historically contaminated and there may be other contaminations of which OMV is currently unaware. Spills, leakages and other contamination resulting from aging infrastructure and other contamination, e.g. as a result of improper waste management, may result in substantial environmental decommissioning and restoration costs and could cause damages to communities and OMV's reputation.

In addition, spills, leakages and contamination can result from operational incidents, and may be particularly severe in the case of offshore drilling, as shown by BP's Deepwater Horizon rig accident and the resulting oil spill in the Gulf of Mexico in April 2010. In December 2017, a sudden gas release at the Baumgarten gas distribution station operated by GCA resulted in an explosion and subsequent fires. One contract employee died as a result of this incident and 21 people were injured.

OMV has interests in various offshore drilling undertakings, in particular in the Black Sea off the Romanian and Bulgarian coast, in New Zealand and Australia, Tunisia, as well as on Norwegian territory of the North Sea (and acts as operator in some of them). Due to a vast gap between the potential risk exposure and available risk transfer opportunities in the form of insurance coverage, the bulk share of such risk of operational incidents remains with OMV (and/or the respective operator). As a consequence, any operational incident resulting in environmental contamination could result in substantial financial and reputational damages. In addition, international regulations and insurance requirements may increase as a result of an accident, and offshore operations could become more difficult and expensive in the future. This would have a material adverse effect on OMV's business, results of operations and financial condition. For additional operational risks in connection with offshore drilling, see "*Operational risks*" below.

Compliance and control risks

Government intervention and regulation may have a material adverse effect on OMV's business. OMV might not be able to comply with its obligations under licenses.

The oil and gas industry is subject to regulation and intervention by governments, in particular in matters such as the award of exploration and production interests, restrictions on production and exports, environmental measures, control over the development and abandonment of fields and installations, the nationalisation or renationalisation of assets, imposition of specific drilling obligations, environmental and health and safety protection controls and other risks relating to changes in local government regimes and policies or exercise of political influence. In some jurisdictions, gas prices are regulated (e.g. Pakistan) or the government may be entitled to effect (temporary) price regulations. Further, OMV is exposed to the application of new methodologies for the determination of reference prices. A change in regulation or the level of intervention in the countries in which OMV conducts operations or distributes its products may have a material adverse effect on OMV's business, results of operations and financial condition.

In addition, OMV has to comply with conditions contained in licenses, such as operating permits. A failure by OMV to comply with substantial conditions might lead to governmental intervention. Any violations of substantial conditions may therefore have a material adverse effect on OMV's business, results of operations and financial condition.

OMV buys, sells and trades oil and gas products in certain regulated commodity markets. The oil industry is also subject to the payment of royalties and taxation, which tend to be high compared with those payable in respect of other commercial activities, and operates in certain tax jurisdictions that feature a degree of uncertainty relating to the interpretation of, and changes to, tax law. By way of example, in February 2018, the Romanian National Agency for Mineral Resources (NAMR) issued an order for the approval of a new methodology to determine the natural gas reference price used for calculation of royalties, which is now based on the quantity weighted CEGH day ahead market average price of the previous month. As a result of new laws and regulations or government interventions, OMV could be required to curtail or cease certain operations, or OMV could incur additional costs, all of which may have a material adverse effect on OMV's business, results of operations and financial condition.

Incidents of ethical misconduct or non-compliance with applicable laws and regulations could be damaging to OMV's reputation and shareholder value.

OMV's reputation is critical to OMV's ability to maintain its licenses to operate and secure new resources. OMV's code of conduct defines its commitment to integrity, compliance with all applicable legal requirements, ethical standards and the behaviours and actions OMV expects of its businesses and employees. Ethical misconduct or non-compliance with applicable laws and regulations or OMV's code of conduct could be damaging to OMV's reputation and shareholder value. Multiple events of non-compliance could call into question the integrity of OMV's operations and may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV may be subject to various acts of crime, e.g. fraud.

OMV's activities are exposed to risks resulting from attempted or committed fraud or other similar crimes by OMV's personnel, business partners or external third parties. Compliance, audit, review and control systems may not be appropriate or may fail in certain instances. OMV may not be able to implement necessary amendments for compliance, audit, review and control systems or such systems may be circumvented. In any such cases, OMV is exposed to attempted or committed fraud or other similar crimes. This also includes the risk of internet and IT crimes (e.g. e-mail fraud attempts, hacks of accounting tools, etc).

Consequently, any major attempted or committed act of crime may have a material adverse effect on OMV's business, results of operations and financial condition.

Operational risks

OMV is subject to operational risks relating to the exploration, production, transportation and storage of oil and gas, crude refining and processing and power generation as well as relating to contractual obligations. Some of these risks may be uninsured or uninsurable.

Oil, gas, power and chemical activities involve significant hazards. OMV's operations are subject to risks generally relating to the exploration for and production of oil and gas, including blowouts, fires, equipment failure, tanker accidents, damage or destruction of key assets and other risks that can result in personal injuries, loss of life and property and environmental damage. Offshore operations, in particular, are subject to a wide range of hazards and potential consequences, including capsizing, collision, bad weather and environmental pollution (see also "*Risks related to the environment*" above). In addition, OMV's operations of gas transportation and compression facilities, refinery and petrochemical complexes, oil pipeline systems, storage and loading facilities, chemical facilities and power plants subject OMV to the risks generally relating to such operations. Unexpected incidents or damages may lead to interruptions of operations. By way of example, the gas-fired power plant Brazi in Romania has been shut down unexpectedly in 2017 due to the failure of the steam turbine transformer. One power transformer at the Brazi power plant remained non-available more than half a year, but OMV was partly compensated by the property damage and business interruption insurance. In certain circumstances, OMV's insurance may not cover or be adequate to cover the consequences of such events, or insurance coverage may not be available. Moreover, OMV may not be able to maintain adequate insurance in the future at rates that it considers reasonable. The occurrence of any event that is not fully covered by insurance could have a material adverse effect on OMV's business, results of operations and financial condition. Further, operational risks may also materialise out of contractual obligations. By way of example, in past years, OMV recorded a provision for a long-term, non-cancellable contract for regasification capacity and storage that became onerous due to the negative development of market conditions for LNG terminal capacity in Europe. The provision represented the unavoidable costs of meeting the contractual obligations, which also included costs for the purchase of additional LNG capacities in future periods, since the regasification of LNG and subsequent sale of the gas positively contributes to the coverage of the fixed costs. It cannot be excluded that developments since recording the provision may lead to further provisions to be booked in the future.

The realisation of such operational risks and/or contractual obligations may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV may experience operational, political and/or technological problems which may delay or hinder the progress of ongoing and planned projects.

OMV develops its business in part through investments in projects designed to improve its competitive position, such as construction of pipelines or upgrading various facilities. OMV may experience operational, political, technological or other problems beyond OMV's control, both of its own and of its contractual partners, which may delay or hinder the progress of its projects and lead to increased costs, and consequently may have a material adverse effect on OMV's business, results of operations and financial condition. Insufficient gas availability could result in delays or the cancellation of a project and/or increase the costs of operation.

OMV may be required to curtail, delay or cancel drilling operations.

Exploration and production require high levels of investment and are subject to natural hazards and other uncertainties, including those relating to the physical characteristics of an oil or natural gas field. The cost of drilling, completing or operating wells is often uncertain. OMV may be required to curtail, delay or cancel drilling operations because of a variety of factors, including unexpected drilling conditions, pressure or irregularities in geological formations, equipment failures or accidents, adverse weather conditions and compliance with governmental requirements, such as drilling moratoria following an accident.

The realisation of any of these risks may have a material adverse effect on OMV's business, results of operations and financial condition.

Failure to meet product quality standards may have a material adverse effect on OMV's business.

Supplying customers with on-specification products is critical to maintaining OMV's license to operate and its reputation in the marketplace. Failure to meet product quality standards throughout the value chain could lead to harm to people and the environment resulting in the loss of customers and, consequently, may have a material adverse effect on OMV's business, results of operations and financial condition.

Inadequate contingency plans or crisis management may have a material adverse effect on OMV's business.

Contingency plans are required to continue or recover operations following a disruption or incident. Inability to restore or replace critical capacity to an agreed level within an agreed timeframe would prolong the impact of any disruption. Similarly, crisis management plans and capability are essential to deal with emergencies at every level of OMV's operations to respond in an appropriate manner to either an external or internal crisis. Inadequacies in this regard could severely affect business and operations and consequently may have a material adverse effect on OMV's business, results of operations and financial condition.

Acts of terrorism or (civil) war could severely disrupt OMV's business or lead to substantial losses and damages.

Security threats require continuous oversight and control. Acts of terrorism or acts of (civil) war affecting OMV's plants and other facilities, pipelines, transportation facilities and assets, computer systems or employees could severely disrupt business and operations and cause severe harm to people, the environment and/or OMV's facilities. Certain acts of terrorism or (civil) war may not be fully covered by insurances. It cannot be guaranteed that payments from current insurance policies of OMV would suffice to cover all possible losses and damages resulting from acts of terrorism or (civil) war. Consequently, acts of terrorism or (civil) war may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV's investment with partners and in joint ventures may reduce its ability to manage risks and costs.

Certain of OMV's major projects and operations are conducted with partners or in joint ventures. OMV's investment with partners and in joint ventures may reduce its ability to manage risks and costs. OMV could have limited influence over and control of the behaviour and the financial capabilities of its partners and the performance of operations in which it is engaged. By way of example, OMV and Gazprom envisage an asset swap leading to a 24.98% participation of OMV in the Achimov IV/V blocks of a Gazprom gas field in northern Siberia in exchange for a 38.50% share in OMV (NORGE) AS for Gazprom. Further, on 30 November 2017 OMV closed the acquisition of shares in two Russian companies for a purchase price of EUR 1,719 million from Uniper SE, under which OMV received 24.99% of the economic rights in the production of the Yuzhno Russkoye field in Western Siberia (see also "*OMV's envisaged asset swap with Gazprom and the acquisition of 24.99% of the economic rights in the production of the Yuzhno Russkoye field may not be as successful as intended*" above). On 29 April 2018, OMV and Abu Dhabi National Oil Company (ADNOC) signed the agreements for OMV's acquisition of a 20% interest in the concession for the offshore oil fields Satah Al Razboot (SARB) (with the satellite fields Bin Nasher and Al Bateel) and Umm Lulu as well as the associated infrastructure for a purchase price of USD 1.5 billion. OMV's capital expenditures over the contract term are estimated to amount to approximately USD 2 billion, thereof approximately USD 150 million will be spent per annum during the first five years.

Any materialisation of any risks associated with investments and joint ventures with partners may have a material adverse effect on OMV's business, results of operations and financial condition.

Shortcomings or failures related to OMV's treasury and trading activities in OMV's systems, risk management, internal controls, processes or personnel could lead to disruption of its business.

In the normal course of business, OMV is subject to operational risk around its treasury and trading activities. Controls over these activities are dependent on OMV's ability to process, manage and monitor a large number of complex transactions across many markets and currencies according to applicable regulatory frameworks. Shortcomings or failures in its systems, risk management, internal controls, processes or personnel could lead to disruption of OMV's business, financial loss, regulatory intervention or damage to its reputation and may have a material adverse effect on OMV's business, results of operation and financial condition.

Major disruption of OMV's information technology systems may have a material adverse effect on OMV's business.

OMV's activities are increasingly dependent on sophisticated information technology ("IT") systems. IT systems are vulnerable to a number of problems, such as software or hardware malfunctions, malicious hacking or cyber attacks, physical damage to vital IT centres and computer virus infection. IT systems need regular upgrading to meet the needs of changing business and regulatory requirements, to keep pace with the requirements of OMV's existing operations and possible expansion into new markets and to protect OMV's IT operations according to up-to-date security standards. OMV may not be able to implement necessary upgrades on a timely basis, and upgrades may fail to function as planned. Further, OMV's IT security may be subject to cyber attacks or hacking attempts, which may lead to damages or disruptions of OMV's IT (both hardware and software) as well as damages, disruptions or circumventions of OMV's IT security systems. Further, there is a significant risk that disruptions of OMV's IT may cause operations to cease for certain time periods, which may cause severe damages.

Consequently, any major damage, disruption and/or circumvention of its existing IT systems may have a material adverse effect on OMV's business, results of operations and financial condition.

OMV is dependent on its key personnel.

OMV's future success depends to a significant extent upon the leadership and performance of the members of the Executive Board as well as certain other key employees. In addition, this also applies to members of the Supervisory Board, in particular in times when significant strategic decisions are to be taken. The Issuer may not be able to retain its executive officers and key personnel or attract additional qualified members to its management team in the future.

The loss of the services of members of the Executive Board or of Supervisory Board members could have a material adverse effect on OMV's business, results of operations and financial condition.

Litigation, arbitration and disputes may have a material adverse effect on OMV's business.

OMV faces litigation, arbitration and disputes worldwide. From time to time, cultural and political factors may lead to unprecedented and unanticipated judicial outcomes, which may sometimes even be contrary to local and international law. In addition, certain governments, state and regulatory bodies have, in the opinion of OMV, exceeded their constitutional authority by attempting unilaterally to amend or cancel existing agreements or arrangements, by failing to honour existing contractual commitments and by seeking to adjudicate disputes between private litigants. Further, OMV faces the risk of unfavourable and/or unexpected outcomes of litigations, arbitral proceedings or other forms of dispute resolution. Accruals set by OMV for litigations, arbitral proceedings or other forms of dispute resolution may turn out to be insufficient to cover all liabilities under such proceedings, including costs. Further, it cannot be excluded that – based on the outcomes of single litigations, arbitral proceedings or other forms of dispute resolution – other persons may raise claims based on comparable arguments. In such case, there is a risk that even a negative outcome in a single dispute with low amounts at stake may lead to future claims against OMV.

Litigation, arbitration and disputes may have a material adverse effect on OMV's business, results of operations and financial condition.

Financial risks

Movements in foreign currency exchange rates can have a material effect on OMV's results of operations and financial condition. Changes of planning assumptions may lead to significant impairments.

OMV's activities, in particular concerning the Upstream business and, to a lesser extent, related to the distribution of products expose OMV to fluctuations in currencies, in particular the USD, RON, TRY, Russian Rubel ("RUB") and Norwegian Krone ("NOK"). Such currency risks may have adverse effects on OMV's cash flow, income statement or balance sheet (translation risk). Translation risk arises on the consolidation of OMV's subsidiaries preparing their financial statements in currencies other than in EUR. OMV's largest translation risk exposures result from changes in USD, RON, TRY, NOK and RUB denominated assets against the EUR.

In addition, prices of crude oil, natural gas and refined products are principally fixed in, or tied to, the USD, while a significant portion of OMV's expenses are denominated in, or tied to, the EUR. Accordingly, a depreciation of the USD against the EUR has an adverse effect on OMV's results of operations. Certain of OMV's business segments also export products from countries within the Euro zone to countries outside the Euro zone and their results of operations may be affected by movements in a local market's currency against the EUR. Furthermore, fluctuations of the EUR against the USD, RON, TRY, NOK or RUB can have a negative impact on certain balance sheet items, such as loans. Adverse currency fluctuations may have a material adverse effect on OMV's business, results of operations and financial condition.

Furthermore, fluctuations of the EUR against the USD, RON, TRY, NOK, RUB or any other currency may require OMV to change its long-term strategy and to review and amend its planning assumptions related to foreign currency exchange rate developments. By way of example, in October 2015, OMV amended its planning assumptions for the EUR/USD exchange rate to 1.15 until 2019 and thereafter, compared to previously applied assumptions of EUR/USD exchange rates of 1.30 for 2017 and of 1.35 for 2018 and thereafter. Currently, OMV assumes a EUR/USD exchange rate of 1.15 for 2018. Changes of assumptions may lead to significant impairments (see also "A decline in the prices of and/or the demand for crude oil, natural gas, petroleum products and electricity would have an adverse effect on OMV's results of operations. Changes of planning assumptions may lead to significant impairments of OMV's assets" above).

If any of these risks materialise, this may have a material adverse effect on OMV's business, results of operations and financial condition.

Movements in interest rates may have a material adverse effect on OMV's business.

Interest on OMV's debt is partly indexed at a spread to benchmark rates such as the Euro Interbank Offered Rate ("EURIBOR[®]") and the London Interbank Offered Rate, "LIBOR[®]". Variable interest rates expose OMV to the risk of increasing interest rates while the risk associated with fixed interest rates lies in a possible decline in interest rate levels. Interest rate swaps are used by OMV from time to time to convert fixed rate debt into floating rate debt, and vice versa. For example, as of 31 December 2013, fair value hedge accounting was applied for an interest swap of a notional volume of USD 50 million from fixed to floating rates, which was used to hedge the fair value of a bond (fair value hedge) issued by OMV. At 31 December 2017, OMV did not have any open position, as the interest rate swap ran out and no new interest rate hedges were entered into.

Movements in interest rates can have a material impact on OMV's finance expense in respect to its indebtedness and may have a material adverse effect on OMV's business, results of operations and financial condition.

Liquidity problems could have a material adverse effect on OMV's business, results of operation and financial condition.

In light of the financial and economic crisis, the Eurozone sovereign debt crisis and restrictions on the availability of credit, liquidity risk management is of particular importance to OMV. Should OMV be unable to ensure its liquidity, that it retains the necessary financial flexibility and maintains sufficient liquidity reserves in form of committed credit lines and short term uncommitted money market lines, this could have a material adverse effect on OMV's business, results of operation and financial condition. Further, OMV's attempts to monitor financial risks on the cash flow and liquidity, which are reviewed regularly by OMV's Risk Committee, may not be successful in detecting all material liquidity risks for OMV at all or in a timely manner. Such failures may have a material adverse effect on OMV's business, results of operation and financial condition.

Adverse financial market conditions may affect OMV's ability to refinance.

The costs and availability of financing have been adversely affected by the crisis in the financial markets after 2008. If the financial market environment, which had cleared up in the past years, were to deteriorate again, OMV may encounter difficulties in refinancing its financial obligations or may be able to refinance only at increased market rates. In such challenging financial market conditions, it might especially be difficult for OMV to obtain funds on the bank or capital market. The inability of OMV to refinance via bank or capital markets would have a material adverse effect on its liquidity position and might, in a worst case, result in its insolvency.

OMV may incur future costs with respect to its defined benefit pension plans.

In 2017, OMV paid EUR 9 million to pension funds (2016: EUR 15 million) to cover shortfalls in the respective previous year. If the performance of the pension funds is negative or fails to reach the required rate of return, OMV would be required to contribute additional funds to cover any shortfalls, which may have a material adverse effect on OMV's business, results of operations and financial condition.

The covenants contained in OMV's financing arrangements may limit its financial and operating flexibility.

OMV's financing arrangements contain covenants that could limit OMV's ability to finance its future operations and capital needs and its ability to pursue certain business activities that may be in its interest.

If OMV breaches the covenants of any financing arrangement and is unable to cure the breach or obtain a waiver from the lenders, it could be in default under the terms of such arrangement. A default under any single financing arrangement could result in a default under other financing arrangements and could cause lenders under such other arrangements to accelerate all amounts due under such financing arrangements. In addition, in an event of default, the lenders under OMV's credit lines could terminate their commitments to extend credit, cease making loans, or institute foreclosure proceedings, and OMV could be forced into bankruptcy or liquidation.

Any default may therefore have an immediate material adverse effect on OMV's business, results of operations and financial condition.

The failure of counterparties to pay amounts due may have a material adverse effect on OMV's business.

Credit risk is the potential exposure of OMV to losses in case counterparties fail to perform or pay amounts due. Credit risks arise from both commercial and financial partners. A severe economic and financial crisis like the ones experienced in the past in the Eurozone may affect the creditworthiness of some of OMV's business partners negatively in comparison to the past and/or may cause OMV's assessments of the creditworthiness of its counterparties to become outdated rapidly. As a consequence, OMV may experience a higher than normal level of counterparty failure. The realisation of such counterparty risk may have a material adverse effect on OMV's business, results of operations and financial condition.

Actual results could differ from accounting estimates and such differences may have a material adverse effect on OMV's business.

The preparation of financial statements requires OMV to make certain accounting estimates that are characterised by a high degree of uncertainty, complexity and judgment. These estimates affect the reported amount of OMV's assets and liabilities, as well as the reported amount of OMV's income and expenses for a given period. Actual results could differ from such estimates, due to, among other things, the following factors: uncertainty, lack or limited availability of information, the availability of new informative elements, variations in economic conditions such as prices, and the final outcome of legal, environmental or regulatory proceedings. Such differences between the accounting estimates and the final financial statements may have a material adverse effect on OMV's business, results of operations and financial condition.

Declining and/or volatile commodity prices could have an adverse effect on OMV's results of operations.

Commodity prices can be, and have historically been, subject to considerable fluctuations. OMV uses financial instruments to hedge parts of the main risks associated with the volatility of commodity prices (especially associated with the oil and gas prices and refining margins). OMV uses a portfolio approach for risk management to ensure that sufficient cash flow is available to cover the cash needs of the Group and maintain OMV's investment grade credit rating. In 2017, a range of financial swaps for both oil and gas volumes were entered into, resulting in a total negative operating result impact of EUR 72 million (oil: EUR (128) million, gas: EUR 56 million). Also in 2016, a range of financial swaps for both oil and gas volumes was entered; as a result of such measure a total negative impact on operating result from hedges of EUR 18 million was recognised in the financial year 2016. Furthermore, from the hedging strategy introduced in 2015, a EUR 12 million valuation gain on the January to June 2016 hedging instruments was recycled to profit and loss from other comprehensive income in 2016. Therefore, the total negative operating result impact from these hedges amounted to EUR 6 million. Due to their limited scope and their structure, hedges cannot entirely eliminate commodity price risks. In addition, the hedges are entered into for a short term and are not a safeguard against adverse price developments in the long term. Declining and/or volatile commodity prices not covered by OMV's hedges may result in losses and have a material adverse effect on OMV's business, results of operations and financial condition.

Risk Factors regarding the Notes

An investment in the Notes involves certain risks associated with the characteristics of the Notes. Such risks could result in principal or interest not being paid on time or at all by the Issuer and/or a material impairment of the market price of the Notes. The following is a description of risk factors in relation to the Notes.

The Notes may not be a suitable investment for all investors.

Each potential investor must determine the suitability of any such investment with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it in connection with such investment, either alone or with the help of a financial adviser. In particular, each potential investor should:

- i. have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;
- ii. have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

- iii. have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- iv. understand thoroughly the Terms and Conditions of the Notes, including in particular the subordination status of the Notes and the option of OMV to defer interest payments, and be familiar with the behaviour of financial markets and of any financial variable which might have an impact on the return on the Notes;
- v. be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- vi. know, that it may not be possible to dispose of the Notes for substantial period of time, if at all.

Potential investors should also consult their own tax adviser as to the tax consequences of the purchase, ownership and disposition of Notes.

Deferral of interest payments at the election of the Issuer

Holders of the Notes (the "**Holders**" and each of them a "**Holder**") should be aware that, in certain cases at the election and at the discretion of the Issuer, interest will not be due and payable (*fällig*) on the scheduled Interest Payment Date, and that the payment of the resulting Deferred Interest Payments is subject to certain further conditions.

Failure to pay interest as a result of an interest deferral will not constitute a default of the Issuer or a breach of any other obligations under the Notes or for any other purposes. Interest deferred will constitute Deferred Interest Payments, payment dates of which are not set at the time of their deferral. As a consequence, investors who depend on annual interest payments on the Notes shall not invest in the Notes at all.

Holders will not receive any additional interest or compensation for the deferral of payment. In particular, the resulting Deferred Interest Payments will not themselves bear interest.

Any deferral or increased likelihood of deferral of interest payments will likely have an adverse effect on the market price of the Notes. In addition, as a result of the Deferred Interest Payments provision of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities that accrue interest not subject to such deferrals and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Fixed to Reset Rate Notes

The Notes bear a fixed interest on their aggregate Principal Amount up to the relevant First Reset Date.

A holder of a fixed interest rate note is exposed to the risk that the price of the note may fall because of changes in the market interest rate. While the nominal interest rate of a fixed interest rate note is fixed during the life of such note or during a certain period of time, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of such note changes in the opposite direction. If the market interest rate increases, the price of such note typically falls, until the yield of such note is approximately equal to the market interest rate. If the market interest rate falls, the price of a fixed interest rate note typically increases, until the yield of such note is approximately equal to the market interest rate. Holders should be aware that movements of the market interest rate can adversely affect the price of the Notes and can lead to losses for the Holders if they sell the Notes during the period in which the market interest rate exceeds the fixed interest rate of the Notes.

The Holders are exposed to risks relating to the reset of interest rates based on the 5-year Swap Rate. Interest rate reset may result in a decline of yield.

From and including the relevant First Reset Date pursuant to § 3 of the Terms and Conditions, the Notes bear interest at a rate which will be determined on each Reset Date (as defined in § 3(3) of the Terms and Conditions) at the then applicable 5-year Swap Rate (as defined in § 3(3) of the Terms and Conditions) for the relevant Reset Period (as defined in § 3(3) of the Terms and Conditions) plus the relevant margin. The Holders of securities with a fixed interest rate that will be reset during the term of the securities, as it will be the case for the Notes, if not previously redeemed, are exposed to the risk of fluctuating interest rate levels and uncertain interest income. Potential investors cannot determine a future yield of the Notes at the time of purchase and cannot compare their anticipated return on investment with that of investments having longer fixed interest periods or certain maturities. Potential investors should be aware that the performance of the 5-year Swap Rate cannot be anticipated. Potential investors in the Notes should bear in mind that neither the current nor the historical level of the 5-year Swap Rate is an indication of the future development of such 5-year Swap Rate.

Furthermore, during each Reset Period, it cannot be ruled out that the price of the Notes may fall as a result of changes in the market interest rate, as the market interest rate fluctuates. During each of these periods, the Holders are exposed to the risks as described under "Fixed to Reset Rate Notes".

Risks associated with the reform of EURIBOR and other interest rate benchmarks

The EURIBOR and other interest rates or other types of rates and indices such as the annual swap rate for swap transactions which are deemed "benchmarks" (each a "**Benchmark**" and together, the "**Benchmarks**"), to which the distributions on the Notes will, from and including the First Reset Date, be linked, have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented.

International proposals for reform of Benchmarks include the European Council's regulation (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmark Regulation**") which fully applies since 1 January 2018. According to the Benchmark Regulation, a Benchmark may only be used if its administrator obtains authorisation or is registered and in case of an administrator which is based in a non-EU jurisdiction, if the administrator's legal benchmark system is considered equivalent (Art. 30 Benchmark Regulation), the administrator is recognised (Art. 32 Benchmark Regulation) or the benchmark is endorsed (Art. 33 Benchmark Regulation) (subject to applicable transitional provisions). If this is not the case, the Notes could be impacted.

The Benchmark Regulation could have a material impact on the Notes in any of the following circumstances:

- the Benchmark for determining the relevant Reset Reference Bank Rate (as defined in § 3(3) of the Terms and Conditions) could not be used as such if its administrator does not obtain authorisation or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the 'equivalence' conditions, is not 'recognised' pending such a decision and is not 'endorsed' for such purpose. In such event, the Notes could be impacted; and
- the methodology or other terms of the benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could lead to adjustments to the Reset Reference Bank Rate of the Notes, including Independent Adviser determination of the rate or level of such benchmark.

If the Calculation Agent determines that the Screen Page and/or the Reset Reference Bank Rate is not available as at the relevant Reset Rate Determination Date because EURIBOR is no longer being calculated or administered, then the benchmark replacement provisions set forth in the Terms and Conditions will apply, which in the end could result in the same rate being applied to the Notes, therefore transforming the Notes into fixed rate notes.

Uncertainty as to the continuation of the Reset Reference Bank Rate and/or the EURIBOR and the rate that would be applicable if the Reset Reference Bank Rate and/or the EURIBOR were discontinued may adversely affect the trading market and the value of the Notes. At this time, it is not possible to predict what the effect of these developments will be or what the impact on the value of the Notes will be.

In addition to the aforementioned proposal, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Any changes to a Benchmark as a result of the Benchmark Regulation or other initiatives, could have a material adverse effect on the costs of refinancing a Benchmark or the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Although it is uncertain whether or to what extent any of the above-mentioned changes and/or any further changes in the administration or method of determining a Benchmark could have an effect on the value of any Notes or the distributions which will, as from and including the First Reset Date, be linked to the relevant Benchmark, investors should be aware that any changes to the relevant Benchmark may have a material adverse effect on the value of the Notes.

The Notes are perpetual securities and Holders may not declare the Notes due and payable.

The Notes are perpetual securities and Holders may not declare the Notes due and payable. The Issuer is under no obligation to redeem the Notes at any time. The Holders have no right to call for their redemption. Certain market expectations may exist among investors in the Notes with regard to the Issuer making use of a right to call the Notes for redemption at certain points in time. The Issuer, however, is not obliged to exercise any such right to call the Notes, either in line with market expectations or otherwise. Should the Issuer's actions diverge from such market expectations, the market value of the Notes could be adversely affected and the liquidity of the Notes could be reduced.

Prospective investors should be aware that they may be required to bear the financial risks of an investment in the Notes for a long and unpredictable period and may not recover their investment before the end of this period.

Holders are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments.

Any person who purchases the Notes is relying on the creditworthiness of the Issuer and has no rights against any other person. Holders are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Notes. A materialisation of the credit risk may result in partial or total failure of the Issuer to make interest and/or redemption payments under the Notes.

In addition, even if the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due has not actually decreased, market participants could nevertheless be of that opinion. Market participants may in particular be of such opinion, if market participants' assessment of the creditworthiness of corporate debtors in general or debtors operating in the industries sector adversely changes. If any of these risks occur, third parties would only be willing to purchase the Notes for a lower price than before the materialisation of said risk. The market value of the Notes may therefore decrease.

Risk of Early Redemption

At the Issuer's option, the Notes may be redeemed (in whole but not in part) pursuant to the Terms and Conditions of the Notes with effect as of (i) any Business Day during the 90 calendar days period up to and including the First Reset Date, (ii) the Second Reset Date or (iii) any Interest Payment Date thereafter. Furthermore, the Issuer may call the Notes for redemption (in whole but not in part) after the occurrence of (iv) a Gross-up Event, (v) a Tax Event, (vi) an Accounting Event, (vii) a Rating Event, (viii) a Repurchase Event or (ix) a Change of Control Event.

In the event that the Issuer exercises (or may be perceived to exercise) the option to call and redeem the Notes, the Holders are exposed to the risk that their investments have a lower than expected yield and they may only be able to reinvest the redemption proceeds in securities with a lower yield. Additionally, Holders are exposed to a market value risk, i.e. the Notes are unlikely to rise substantially above the price at which they can be redeemed if the Issuer may or may be perceived to call and redeem the Notes.

Subordination

The obligations of the Issuer under the Notes will be unsecured deeply subordinated obligations which in an insolvency or liquidation of the Issuer rank *pari passu* among themselves and with any Parity Obligation, subordinated to all present and future unsubordinated and subordinated obligations of the Issuer (other than Parity Obligations), and senior only to all present and future Junior Obligations. According to the Terms and Conditions of the Notes, in an insolvency or liquidation of the Issuer, no payments under the Notes will be made to the Holders unless the Issuer has discharged or secured in full (i.e. not only with a quota) all claims that rank senior to the Notes. As long as such condition precedent is not fulfilled, the Holders will have no claims under the Notes and in particular no voting right in a creditor's assembly of the Issuer pursuant to the Austrian Insolvency Act (*Insolvenzordnung*, the "**Insolvency Act**").

In a liquidation, insolvency or any other proceeding for the avoidance of insolvency of the Issuer, the Holders will in all likelihood recover proportionately less than the holders of unsubordinated or subordinated obligations of the Issuer or may recover nothing at all.

Investors should take into consideration that liabilities ranking senior to the Notes may also arise out of events that are not reflected on the Issuer's balance sheet, including, without limitation, the issuance of guarantees or other payment undertakings. Claims of beneficiaries under such guarantees or other payment undertakings will, in liquidation or insolvency proceedings of the Issuer, become unsubordinated or subordinated liabilities and will therefore be paid in full before payments are made to Holders.

The Holders have limited ability to influence the outcome of an insolvency proceeding or a restructuring outside insolvency.

As long as the condition precedent described under the risk factor "Subordination" above is not fulfilled, the Holders will have no claims under the Notes and in particular no voting right in a creditor's assembly (*Gläubigerversammlung*) of the Issuer pursuant to the Insolvency Act. Thus, Holders of the Notes will have limited ability to influence the outcome of any insolvency proceeding or a restructuring outside insolvency.

In Austria, the following insolvency proceedings according to the Insolvency Act are available: (i) insolvency proceedings (*Insolvenzverfahren*), (ii) restructuring proceedings where a bankruptcy receiver is appointed (*Sanierungsverfahren mit Masseverwalter*), and (iii) restructuring proceedings where the debtor retains the right to self-administration (*Sanierungsverfahren mit Eigenverwaltung*). In the case of each type of insolvency proceeding, Holders have a limited ability to influence the outcome of such proceedings.

Holder have no voting rights.

The Notes are non-voting with respect to shareholders' meetings of the Issuer. Consequently, the Holders cannot influence any decisions by the Issuer to defer interest payments or to optionally settle Deferred Interest Payments or any other decisions by the Issuer's shareholders concerning the capital structure or any other matters relating to the Issuer.

Enforcement and Limited Remedies

The only remedy against the Issuer available to the Holders for recovery of amounts which have become due in respect of the Notes will be the institution of legal proceedings to enforce payment of the amounts or to file an application for the institution of insolvency proceedings. On an insolvency or liquidation of the Issuer, any Holder may only declare its Notes due and payable and may claim the amounts due and payable under the Notes, after the Issuer having discharged or secured in full (i.e. not only with a quota) all claims that rank senior to the Notes.

No express events of default or cross default

The Holders of the Notes should be aware that the Terms and Conditions of the Notes do not contain any express event of default provisions. Accordingly, Holders of the Notes have no right under the Terms and Conditions to call and redeem the Notes under circumstances generally referred to as events of default such as late payment or failure to pay.

There will be no cross default under the Notes.

No limitation on issuing further debt ranking senior or pari passu with the Notes

The Issuer has not entered into any restrictive covenants in connection with the issuance of the Notes regarding its ability to incur additional indebtedness ranking *pari passu* or senior to the obligations under or in connection with the Notes. The incurrence of any such additional indebtedness may significantly increase the likelihood of a deferral of payments of interest under the Notes and/or may reduce the amount recoverable by Holders in the event of insolvency or liquidation of the Issuer. In addition, under the Notes, the Issuer will not be restricted from issuing or repurchasing its other securities. Holders of Notes will not be protected under the terms of the Notes in the event of a highly leveraged transaction, a reorganisation or a restructuring, merger or similar transaction that may adversely affect Holders.

Liquidity risk

There is currently no secondary market for the Notes. Application will be made for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange as well as on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange. There can, however, be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. Neither the Issuer nor the Managers are under any obligation to maintain such a market. In an illiquid market, an investor may not be able to sell his Notes at any time at fair market prices. The ability of Holders to sell the Notes might also be restricted for country-specific reasons. Further, there can be no assurance that a market for the Notes will not be subject to disruptions. Any such disruptions may have an adverse effect on the Holders.

There is a risk that trading in the Notes will be suspended, interrupted or terminated.

The listing of the Notes may be suspended or interrupted by the competent regulatory authority for any of a number of reasons, including violation of price limits, breach of statutory provisions, occurrence of operational problems of the stock exchange or generally if deemed required in order to secure a functioning market or to safeguard the interests of investors. Furthermore, trading in the Notes may be terminated, either upon decision of the stock exchange, a regulatory authority or upon application by the Issuer. Investors should note that the Issuer has no influence on trading suspension or interruptions (other than where trading in the Notes is terminated upon the Issuer's decision) and that investors in any event must bear the risks connected therewith. In particular, investors may not be able to sell their Notes where trading is suspended, interrupted or terminated, and the stock exchange quotations of such Notes may not adequately reflect the price of such Notes. Finally, even if trading in the Notes is suspended, interrupted or terminated, investors should note that such measures may neither be sufficient nor adequate nor in time to prevent price disruptions or to safeguard the investors' interests; for example, where trading in the Notes is suspended after price-sensitive information relating to such Notes has been published, the price of such Notes may already have been adversely affected. All these risks would, if they materialise, have a material adverse effect on the investors

Ratings of the Issuer or the Notes, if any, may be subject to change at all times.

Ratings of the Issuer, if any, may not adequately reflect all risks of the investment in Notes issued by the Issuer. Equally, ratings may be suspended, downgraded or withdrawn. Such suspension, downgrading or withdrawal may have an adverse effect on the market value and trading price of the Notes.

A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Due to future money depreciation (inflation), the real yield of an investment may be reduced.

Inflation risk describes the possibility that the value of assets such as the Notes or income therefrom will decrease as inflation reduces the purchasing power of a currency. Inflation causes the rate of return to decrease in value. If the inflation rate exceeds the interest paid on any Notes the yield on such Notes will become negative and investors will have to suffer a loss.

Currency risk

The Notes are denominated in Euro. If such currency or any successor represents or becomes a foreign currency to a Holder, such Holder is particularly exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes measured in the Holder's currency. Changes in currency exchange rates result from various factors such as macroeconomic factors, speculative transactions and interventions by central banks and governments.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Because the Global Notes are held by or on behalf of a Clearing System, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

The Notes will be represented by one or more Global Notes. Such Global Notes will be kept in custody by or on behalf of a Clearing System. Investors will not be entitled to receive definitive Notes. The Clearing System will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through the Clearing System and the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary for the Clearing System for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of the Clearing System to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of beneficial interests in the Global Notes.

Risks in connection with the application of the German Act on Issues of Debt Securities (Gesetz über Schuldverschreibungen aus Gesamtemissionen).

Since the Terms and Conditions of the Notes provide for meetings of Holders or the taking of votes without a meeting, the Terms and Conditions of the Notes may be amended by majority resolution of the Holders of the Notes and a Holder is subject to the risk of being outvoted by a majority resolution of the Holders of the Notes. The rules pertaining to resolutions of Holders are set out in the German Act on Debt Securities of 2009 (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – "SchVG") and are largely mandatory. Pursuant to the SchVG the relevant majority for Holders' resolutions is generally based on votes cast, rather than on the aggregate Principal Amount of the Notes outstanding, therefore, any such resolution may effectively be passed with the consent of less than a majority of the aggregate Principal Amount of the Notes outstanding. As such majority resolution is binding on all Holders of the Notes, certain rights of a Holder against the Issuer under the Terms and Conditions of the Notes may be amended or reduced or even cancelled.

An Austrian court may appoint a trustee (Kurator) for the Notes to exercise the rights and represent the interests of Holders on their behalf.

Pursuant to the Austrian Notes Trustee Act (*Teilschuldverschreibungskuratorengesetz*) (RGGI 49/1874 of 24 April 1874), a trustee (*Kurator*) may be appointed by an Austrian court, upon the request of any interested party (e.g., a Holder) or upon the initiative of the competent court, for the purposes of representing the common interests of the Holders in matters concerning their collective rights. In particular, this may occur if insolvency proceedings are initiated against the Issuer, in connection with any amendments to the Terms and Conditions of the Notes or changes relating to the Issuer, or under other similar circumstances. If a trustee is appointed, it will exercise the collective rights and represent the interests of the Holders and will be entitled to make statements on their behalf which shall be binding on all Holders. Where a trustee represents the interests and exercises the rights of Holders, this can conflict with or otherwise adversely affect the interests of individual or all Holders.

The market value of the Notes could decrease due to a number of factors, including the creditworthiness of the Issuer.

The market value of the Notes is, amongst others, influenced by a change in the creditworthiness (or the perception thereof) of the Issuer and by the credit rating of the Issuer and a number of other factors including, but not limited to, economic and political events in Austria or elsewhere, factors affecting the capital markets in general and the stock exchanges on which the Notes are traded, market interest, rate of return and certain market expectations with regard to the Issuer making use of a right to call the Notes for redemption on the relevant First Reset Date, the Second Reset Date or any Interest Payment Date thereafter and the price at which a Holder can sell the Notes might be considerably below the issue price or the purchase price paid by such Holder.

If the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due decreases, for example, because of the materialisation of any of the risks regarding the Issuer, the market value of the Notes will suffer. In addition, even if the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due actually has not decreased, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as the Issuer could adversely change. If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialisation of mentioned risk. Under these circumstances, the market value of the Notes will decrease.

Market volatility and other factors

The Issuer has applied for the listing of the Notes on the Official List of the Luxembourg Stock Exchange and will apply for the listing of the Notes on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange. The trading market for notes may be volatile and can be adversely impacted by many events. In the event of such exchange listings, the market for Notes is influenced by economic and market conditions in Austria or Luxembourg and, to varying degrees, by market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in Austria, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Notes or that economic and market conditions will not have other adverse effects.

Increased government spending, high levels of national debt and loss of trust of market participants in the ability to repay these debts have led to the sovereign debt crisis, affecting the rating of various European States and the yield for sovereign bonds and leading to high volatility in the markets. From and including the First Reset Date, the Notes bear interest at a rate which will be determined on each Reset Date at the 5-year Swap Rate for the relevant Reset Period plus a margin. Should a date on which the interest rate for the Notes is determined fall into times of such high volatility due to the sovereign debt crisis or for other reasons, this could have an adverse effect on the interest rate then determined.

No assurance can be given as to the impact of any possible judicial decision or change of laws or administrative practices after the Issue Date.

The Terms and Conditions of the Notes are based on German law in effect as at Issue Date. No assurance can be given as to the impact of any possible judicial decision or change to German law or other relevant laws (including German and Austrian tax laws) or administrative practice or the official application or interpretation of German or Austrian law (or any other law applicable) after the Interest Date.

Potential investors assume the risk that the credit spread of the Issuer changes (credit spread risk).

A credit spread is the margin payable by the Issuer to the Holder as a premium for the assumed credit risk of the Issuer. Credit spreads are offered and sold as premiums on current risk-free interest rates or as discounts on the price. Factors influencing the credit spread include, among other things, the creditworthiness and rating of the Issuer, probability of default, recovery rate, remaining term to maturity of obligations under any collateralisation or guarantee and declarations as to any preferred payment or subordination. The liquidity situation, the general level of interest rates, overall economic developments, and the currency in which the relevant obligation is denominated may also have a positive or negative effect. Potential investors are exposed to the risk that the credit spread of the Issuer widens, resulting in a decrease in the price of the Notes.

The Notes may be subject to risks in relation to FATCA.

Whilst the Notes are in global form and held within a Clearing System, it is not expected that the reporting regime and potential withholding tax imposed by Sections 1471 through 1474 (including any agreements under Section 1471(b)) of the United States Internal Revenue Code of 1986, certain intergovernmental agreements relating thereto, or laws implementing any foregoing (collectively "**FATCA**") will affect the amount of any payment received by Clearstream Banking S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear**"). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary is not entitled (or has failed to establish its eligibility) to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has paid the common depositary or common safekeeper for CBL and

Euroclear (as bearer of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through CBL and Euroclear and subsequent custodians or intermediaries.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. Payments of interest on the Notes, or profits realised by the Holders upon the sale or redemption of the Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely upon the tax summary included in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only these advisers are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections included in this Prospectus.

Financial Transaction Tax

Pursuant to the proposal by the European Commission for a "Council Directive implementing enhanced cooperation in the area of financial transaction tax" eleven EU Member States, i.e. Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, the Slovak Republic, Slovenia and Spain ("**Participating Member States**") shall charge a financial transaction tax ("**FTT**") on financial transactions as defined if at least one party to the transaction is established in the territory of a Participating Member State and a financial institution established in the territory of a Participating Member State is party to the transaction, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction (residency principle). In addition, the proposal contains rules pursuant to which a financial institution and, respectively, a person which is not a financial institution are deemed to be established in the territory of a Participating Member State if they are parties to a financial transaction in certain instruments issued within the territory of that Participating Member State (issuance principle).

According to a publication by the Council of the European Union dated 8 December 2015, shares and derivatives shall be taxed initially. All Participating Member States except for Estonia have agreed on main features of the tax base, but not on the respective tax rates. It is unclear whether an FTT will be introduced at all. The FTT as proposed by the European Commission has a very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. If an FTT is introduced, due to higher costs for investors there is a risk that it would result in fewer transactions taking place, thereby negatively affecting the earnings of the Issuer.

Prospective Holders of Notes are advised to seek their own professional advice in relation to the FTT.

Incidental costs related in particular to the purchase and sale of Notes may have a significant impact on the profit potential of the Notes.

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional parties – domestic or foreign – are involved in the execution of an order, including, but not limited to, domestic dealers or brokers in foreign markets, Holders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs). In addition to such costs directly related to the purchase of securities (direct costs), Holders must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

No assurance can be given as to the impact of any possible judicial decision or change of laws or administrative practices after the date of this Prospectus.

The Terms and Conditions are based on the laws of Germany in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in German law or administrative practice or the official application or interpretation of German law after the date of this Prospectus. Were the German choice of law provision in the Notes not respected by the relevant courts in Germany and were such courts to decide that Austrian law is the appropriate governing law for the Notes, then any provision in the Notes that is inconsistent with Austrian law could be deemed to be unenforceable.

TERMS AND CONDITIONS OF THE NOTES

The German text of the Terms and Conditions of the Notes is controlling and legally binding. The English translation is for convenience only. The Issuer accepts responsibility for the correct translation of the Terms and Conditions into the English language.

Der deutsche Text der Anleihebedingungen der Schuldverschreibungen ist maßgeblich und rechtsverbindlich. Die englische Übersetzung dient lediglich Informationszwecken. Die Emittentin übernimmt die Verantwortung für die ordnungsgemäße Übersetzung der Anleihebedingungen in die englische Sprache.

Anleihebedingungen

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information. Absätze in Kursivschrift sind nicht Bestandteil dieser Anleihebedingungen.

§ 1

Verbriefung und Nennbetrag

- (1) Währung, Nennbetrag und Form.
- Die OMV Aktiengesellschaft (die "**Emittentin**") begibt am 19. Juni 2018 (der "**Begebungstag**") auf den Inhaber lautende, nachrangige Schuldverschreibungen mit fester Verzinsung und Anpassung des Zinssatzes (die "**Schuldverschreibungen**") im Nennbetrag von je EUR 100.000 (der "**Nennbetrag**") und im Gesamtnennbetrag von EUR 500.000.000.
- (2) Globalurkunden und Austausch.
- (a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**Vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine ausgetauscht. Die vorläufige Globalurkunde und die Dauerglobalurkunde (jeweils eine "**Globalurkunde**") tragen jeweils die eigenhändigen oder faksimilierten Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Hauptzahlstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.
- (b) Die Vorläufige Globalurkunde wird an einem Tag gegen die Dauerglobalurkunde ausgetauscht, der nicht weniger als 40 Kalendertage nach dem Tag der Ausgabe der Vorläufigen Globalurkunde liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die Vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die

Terms and Conditions

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is provided for convenience only. Paragraphs in italics do not form part of these Terms and Conditions.

§ 1

Form and Denomination

- (1) Currency, Denomination and Form.
- OMV Aktiengesellschaft (the "**Issuer**") issues on 19 June 2018 (the "**Issue Date**") subordinated fixed to reset rate bearer notes (the "**Notes**") in a denomination of EUR 100,000 each (the "**Principal Amount**") in the aggregate Principal Amount of EUR 500,000,000.
- (2) Global Notes and Exchange.
- (a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons. The Temporary Global Note will be exchangeable for a permanent global note (the "**Permanent Global Note**") without coupons. The Temporary Global Note and the Permanent Global Note (each a "**Global Note**") shall each be signed manually or in facsimile by two authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Principal Paying Agent. Definitive notes and interest coupons will not be issued.
- (b) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date not earlier than 40 calendar days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions). Payment of interest on Notes represented by a Temporary Global Note

Schuldverschreibungen über solche Finanzinstitute halten). Zinszahlungen auf durch eine Vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der Vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt werden, diese Vorläufige Globalurkunde gemäß Absatz (b) dieses § 1 (2) auszutauschen. Wertpapiere, die im Austausch für die Vorläufige Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten Staaten von Amerika zu liefern.

- (3) Jede Globalurkunde wird solange von einem oder im Namen eines Clearing Systems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. "**Clearing System**" bedeutet jeweils Folgendes: Clearstream Banking S.A., Luxembourg ("**CBL**") und Euroclear Bank SA/NV ("**Euroclear**"), CBL und Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**", oder jeder Funktionsnachfolger eines ICSDs. Die Schuldverschreibungen werden in Form einer classical global note ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.
- (4) Den Inhabern der Schuldverschreibungen (die "**Anleihegläubiger**") stehen Miteigentumsanteile bzw. Rechte an der Globalurkunde zu, die nach Maßgabe des anwendbaren Rechts und der Regeln und Bestimmungen des Clearingsystems übertragen werden können.

§ 2 Status

- (1) Die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen begründen nicht besicherte Verbindlichkeiten der Emittentin, die im Falle der Insolvenz oder Liquidation der Emittentin
- (a) untereinander und mit Gleichrangigen Verbindlichkeiten gleichrangig sind,
- (b) nachrangig gegenüber allen gegenwärtigen und zukünftigen nicht nachrangigen und nachrangigen Verbindlichkeiten der Emittentin (mit Ausnahme von Gleichrangigen Verbindlichkeiten und Nachrangigen Verbindlichkeiten) sind, und
- (c) nur gegenüber allen gegenwärtigen und zukünftigen Nachrangigen Verbindlichkeiten vorrangig sind.

"**Gleichrangige Verbindlichkeit**" bezeichnet

will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to subparagraph (b) of this § 1 (2). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States of America.

- (3) Each Global Note will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means each of the following: Clearstream Banking S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear**"), CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**", or any successor in respect of the functions performed by each of the ICSDs. The Notes are issued in classical global note form and are kept in custody by a common depository on behalf of both ICSDs.
- (4) The holders of the Notes (the "**Holders**") are entitled to proportional co-ownership interests or rights in the Global Note, which are transferable in accordance with applicable law and the rules and regulations of the Clearing System.

§ 2 Status

- (1) The obligations of the Issuer under the Notes constitute unsecured obligations of the Issuer which in an insolvency or liquidation of the Issuer rank
- (a) *pari passu* among themselves and with any Parity Obligation,
- (b) subordinated to all present and future unsubordinated and subordinated obligations of the Issuer (other than Parity Obligations and Junior Obligations), and
- (c) senior only to all present and future Junior Obligations.

"**Parity Obligation**" means any present or future

jede gegenwärtige oder zukünftige Verbindlichkeit der Emittentin aus (i) einem gegenwärtigen oder zukünftigen Wertpapier, Namenswertpapier oder einem anderen Instrument, die aufgrund gesetzlicher Bestimmungen oder vertraglicher Vereinbarungen gleichrangig im Verhältnis zu den Verbindlichkeiten der Emittentin aus den Schuldverschreibungen ist, sowie (ii) einer Garantie oder sonstigen Haftungsübernahme, welche die Emittentin für ein gegenwärtiges oder zukünftiges Wertpapier, Namenswertpapier oder anderes Instrument einer Tochtergesellschaft der Emittentin übernommen hat, wenn die Verbindlichkeit der Emittentin aus der Garantie oder der sonstigen Haftungsübernahme aufgrund gesetzlicher Bestimmungen oder vertraglicher Vereinbarung gleichrangig im Verhältnis mit den Verbindlichkeiten der Emittentin aus den Schuldverschreibungen ist. Erfasst werden insbesondere auch die im Jahre 2015 durch die Emittentin begebenen Nachrangigen Schuldverschreibungen mit fester Verzinsung und Anpassung des Zinssatzes, mit unendlicher Laufzeit (ISIN XS1294342792 und ISIN XS1294343337).

"Tochtergesellschaft" bezeichnet einen Rechtsträger, dessen Abschluss aufgrund gesetzlicher Vorgaben oder nach Maßgabe allgemein anerkannter Rechnungslegungsgrundsätze zu einem beliebigen Zeitpunkt mit dem der Emittentin zu konsolidieren ist (Vollkonsolidierung).

"Nachrangige Verbindlichkeit" bezeichnet jeden gegen die Emittentin gerichteten Anspruch aus (i) den Stammaktien der Emittentin, (ii) jeder gegenwärtigen oder zukünftigen Aktie einer anderen Gattung von Aktien der Emittentin, (iii) jedem anderen gegenwärtigen oder zukünftigen Wertpapier, Namenswertpapier oder anderen Instrument, das von der Emittentin begeben ist und bei dem die daraus folgenden Verbindlichkeiten der Emittentin mit den Stammaktien der Emittentin aufgrund gesetzlicher Bestimmungen oder vertraglicher Vereinbarung gleichrangig sind und (iv) einer Garantie oder sonstigen Haftungsübernahme der Emittentin, welche diese für gegenwärtige oder zukünftige Wertpapiere, Namenswertpapiere oder andere Instrumente einer Tochtergesellschaft der Emittentin übernommen hat, wenn die Verbindlichkeiten der Emittentin aus der Garantie oder der sonstigen Haftungsübernahme aufgrund gesetzlicher Bestimmungen oder vertraglicher Vereinbarung gleichrangig im Verhältnis zu den unter (i), (ii) und (iii) beschriebenen Verbindlichkeiten der Emittentin sind.

obligation of the Issuer arising under (i) any present or future security, registered security or other instrument and such obligation ranks or is expressed to rank *pari passu* with the Issuer's obligations under the Notes, and (ii) any guarantee or other assumption of liability by the Issuer which it has assumed in relation to any present or future security, registered security or other instrument issued by a Subsidiary of the Issuer if the Issuer's obligations under such guarantee or other assumptions of liability rank or are expressed to rank *pari passu* with its obligations under the Notes. For the avoidance of doubt, this shall also include the Issuer's Perpetual Subordinated Fixed to Reset Rate Notes issued in 2015 (ISIN XS1294342792 and ISIN XS1294343337).

"Subsidiary" means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer (*Vollkonsolidierung*).

"Junior Obligations" means each claim against the Issuer arising under (i) the ordinary shares of the Issuer, (ii) any present or future share of any other class of shares of the Issuer, (iii) any other present or future security, registered security or other instrument issued by the Issuer under which the Issuer's obligations rank or are expressed to rank *pari passu* with the ordinary shares of the Issuer and (iv) any guarantee or other assumption of liability by the Issuer which it has assumed in relation to any present or future security, registered security or other instrument issued by a Subsidiary of the Issuer if the Issuer's obligations under such guarantee or other assumption of liability rank or are expressed to rank *pari passu* with the instruments described under (i), (ii) and (iii) above.

- | | |
|---|--|
| <p>(2) Im Falle einer Insolvenz oder Liquidation der Emittentin ist jedwede Zahlung unter den Schuldverschreibungen an die Anleihegläubiger dadurch aufschiebend bedingt, dass die Emittentin zuvor sämtliche Verpflichtungen aus gegenüber den Schuldverschreibungen gemäß § 2(1) vorrangigen Verbindlichkeiten zur Gänze (d.h. nicht nur quotenmäßig) bezahlt oder besichert hat.</p> | <p>(2) In an insolvency or liquidation of the Issuer, no payments under the Notes shall be made to the Holders unless the Issuer has discharged or secured in full (i.e. not only with a quota) all claims that, pursuant to § 2(1), rank senior to the Notes (condition precedent).</p> |
| <p>(3) Die Anleihegläubiger sind nicht berechtigt, Forderungen aus den Schuldverschreibungen gegen etwaige Forderungen der Emittentin gegen sie aufzurechnen, und die Emittentin ist nicht berechtigt, etwaige Forderungen, welche sie gegen einen Anleihegläubiger hat, gegen Forderungen dieses Anleihegläubigers aus den Schuldverschreibungen aufzurechnen.</p> | <p>(3) The Holders may not set off any claim arising under the Notes against any claim that the Issuer may have against any of them. The Issuer may not set off any claims it may have against any Holder against any claims of such Holder under the Notes.</p> |
| <p>(4) Für die Rechte der Anleihegläubiger aus den Schuldverschreibungen ist diesen keine Sicherheit durch die Emittentin oder durch Dritte gestellt; eine solche Sicherheit wird auch zu keinem Zeitpunkt gestellt werden.</p> | <p>(4) No security is, or shall at any time be, granted by the Issuer or any other person securing rights of the Holders under the Notes.</p> |

**§ 3
Zinsen**

- (1) Zinslauf.
- Im Zeitraum ab dem 19. Juni 2018 (der "**Zinslaufbeginn**") (einschließlich) werden die Schuldverschreibungen bezogen auf den Gesamtnennbetrag in Höhe des jeweils maßgeblichen Zinssatzes verzinst. Zinsen in Bezug auf jede Zinsperiode sind nachträglich am 19. Juni eines jeden Jahres zur Zahlung vorgesehen, beginnend am 19. Juni 2019 (jeweils ein "**Zinszahlungstag**"), und werden nach Maßgabe der in § 4(1) dargelegten Bedingungen fällig.
- (2) Zinssatz.
- (a) Der "**Zinssatz**" entspricht
- (i) vom Zinslaufbeginn (einschließlich) bis zum 19. Juni 2024 (der "**Erste Resettermin**") (ausschließlich) einem Fest-Zinssatz in Höhe von 2,875 % per annum; und
- (ii) vom Ersten Resettermin (einschließlich) dem Reset-Zinssatz per annum für die betreffende Zinsperiode.
- (b) Der "**Reset-Zinssatz**" per annum ist der maßgebliche 5-Jahres Swapsatz zuzüglich einer Marge von
- (i) 233,5 Basispunkten per annum für jede Zinsperiode während des Zeitraums vom Ersten Resettermin (einschließlich) bis zum 19. Juni 2028 (ausschließlich); und

**§ 3
Interest**

- (1) Interest Accrual.
- (a) In the period from and including 19 June 2018 (the "**Interest Commencement Date**") the Notes bear interest on their aggregate Principal Amount at the relevant Rate of Interest. In respect of each Interest Period, interest is scheduled to be paid annually in arrear on 19 June of each year, commencing on 19 June 2019 (each an "**Interest Payment Date**"), and will be due and payable (*fällig*) in accordance with the conditions set out in § 4(1).
- (2) Rate of Interest.
- (a) "**Rate of Interest**" means
- (i) from and including the Interest Commencement Date to but excluding 19 June 2024 (the "**First Reset Date**") a fixed interest rate of 2.875 % per annum; and
- (ii) from the First Reset Date (including), the Reset Interest Rate per annum for the relevant Interest Period.
- (b) The "**Reset Interest Rate**" per annum will be the relevant 5-year Swap Rate plus
- (i) 233.5 basis points per annum for any Interest Period during the period from and including the First Reset Date to but excluding 19 June 2028; and

- (ii) 333,5 Basispunkten per annum für jede Zinsperiode, die am oder nach dem 19. Juni 2028 beginnt;

wie jeweils von der Berechnungsstelle festgelegt.

(3) Definitionen.

Der "**5-Jahres Swapsatz**" für einen Reset-Zeitraum bezeichnet den Mid-Swap-Satz wie auf dem Reuters Bildschirm "ICESWAP2" um 11:00 Uhr (MEZ) am maßgeblichen Reset-Zinsfeststellungstag angezeigt, oder, sofern der Satz nicht zur maßgeblichen Zeit auf dem Bildschirm angezeigt wird, der Mid-Swap-Satz, wie auf der Nachfolgeside angezeigt (jeweils, die "**Reset-Bildschirmseite**").

In dem Fall, dass der maßgebliche 5-Jahres Swapsatz nicht auf der Reset-Bildschirmseite am maßgeblichen Reset-Zinsfeststellungstag angezeigt wird, ist der maßgebliche 5-Jahres Swapsatz der Reset-Referenzbankensatz am maßgeblichen Reset-Zinsfeststellungstag. Der "**Reset-Referenzbankensatz**" ist der Prozentsatz, der am maßgeblichen Reset-Zinsfeststellungstag auf Basis der 5-Jahres Swapsatz-Quotierungen, die der Emittentin und der Berechnungsstelle ungefähr um 11:00 Uhr (MEZ) von fünf führenden Swap-Händlern im Interbankenhandel (die "**Reset-Referenzbanken**") gestellt werden, von der Berechnungsstelle berechnet wird. Wenn (a) mindestens drei Quotierungen genannt werden, wird der 5-Jahres Swapsatz von der Berechnungsstelle auf der Basis des rechnerischen Mittels (oder, für den Fall, dass nur drei Quotierungen genannt werden, des Medians) von den genannten Quotierungen unter Ausschluss der höchsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der höchsten Quotierungen) und der niedrigsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der niedrigsten Quotierungen) berechnet, (b) nur zwei Quotierungen genannt werden, ist der Reset-Referenzbankensatz das rechnerische Mittel dieser genannten Quotierungen, (c) nur eine Quotierung genannt wird, ist der Reset-Referenzbankensatz eben diese genannte Quotierung, und (d) keine Quotierungen genannt werden und der IFA (wie nachstehend definiert) nicht in der Lage ist, eine angemessene alternative Quotierung zu bestimmen, entspricht der Reset-Referenzbankensatz für den maßgeblichen Zeitraum dem zuletzt auf der Reset-Bildschirmseite als Jahresrate verfügbaren 5-Jahres Swapsatz für Euro-Swap-Transaktionen.

"**5-Jahres Swapsatz-Quotierungen**" bezeichnet das rechnerische Mittel der nachgefragten und angebotenen Sätze für den jährlichen

- (ii) 333.5 basis points per annum for any Interest Period commencing on or after 19 June 2028;

in each case as determined by the Calculation Agent.

(3) Definitions.

The "**5-year Swap Rate**" means, in respect of any Reset Period, the mid-swap rate as displayed on Reuters screen "ICESWAP2" or, if such rate is not displayed on such screen as at the relevant time, the mid-swap rate as displayed on a successor page (in each case, the "**Reset Screen Page**") as at 11:00 a.m. (Central European time) on the relevant Reset Interest Determination Date.

In the event that the relevant 5-year Swap Rate does not appear on the Reset Screen Page on the relevant Reset Interest Determination Date, the 5-year Swap Rate will be the Reset Reference Bank Rate on such Reset Interest Determination Date. "**Reset Reference Bank Rate**" means the percentage rate calculated by the Calculation Agent on the basis of the 5-year Swap Rate Quotations provided by five leading swap dealers in the interbank market (the "**Reset Reference Banks**") to the Issuer and the Calculation Agent at approximately 11:00 a.m. (Central European time) on the relevant Reset Interest Determination Date. If (a) at least three quotations are provided, the 5-year Swap Rate will be calculated by the Calculation Agent on the basis of the arithmetic mean (or, if only three quotations are provided, the median) of the quotations provided, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest); (b) only two quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations provided; (c) only one quotation is provided, the Reset Reference Bank Rate will be the quotation provided; and (d) no quotations are provided, and if the IFA (as defined below) is unable to determine an appropriate alternative rate, the Reset Reference Bank Rate for the relevant period will be equal to the last available 5 year mid-swap rate for euro swap transactions, expressed as an annual rate, on the Reset Screen Page.

The "**5-year Swap Rate Quotations**" means, in relation to any Reset Period, the arithmetic mean of the bid and offered rates for the annual fixed

Festzinszahlungsstrom (berechnet auf einer 30/360 Tagesberechnungsbasis) eines fixed-for-floating Euro Zinssatz-Swaps, der (i) eine 5-jährige Laufzeit beginnend am maßgeblichen Reset-Tag hat, (ii) auf einen Betrag lautet, der dem einer repräsentativen einzelnen Transaktion in dem relevanten Markt zur relevanten Zeit eines anerkannten Händlers mit guter Bonität im Swap-Markt entspricht, und (iii) dessen variabler Zahlungsstrom auf dem 6-Monats EURIBOR Satz (berechnet auf einer Actual/360 Tagesberechnungsbasis) oder, für den Fall, dass der 6-Monats-EURIBOR Satz am maßgeblichen Reset-Zinsfeststellungstag nicht länger berechnet oder geführt wird, auf jedem alternativen Satz, der die Euro Interbank Offered Rate ("EURIBOR") im marktüblichen Gebrauch zum Zwecke der Bestimmung variabler Zinssätze hinsichtlich auf Euro lautender Sicherheiten, ersetzt hat, wie von einem unabhängigen Finanzberater ("IFA"), der durch die Emittentin als alleiniger Verantwortlicher bestimmt wurde, festgelegt, beruht. Der alternative Satz wird der Emittentin von dem IFA mitgeteilt und unverzüglich danach von der Emittentin gemäß § 12 veröffentlicht, allerdings, für den Fall, dass der IFA in gutem Glauben und nach Beratung mit der Emittentin feststellt, dass es keinen einheitlichen Marktkonsens gibt, ob eine Rate den EURIBOR im marktüblichen Gebrauch ersetzt hat, darf der IFA eine angemessene alternative Rate bestimmen, und diese Entscheidung des IFA ist bindend für die Emittentin, die Berechnungsstelle und die Anleihegläubiger. Für den Fall, dass der IFA nicht in der Lage ist, eine angemessene alternative Rate zu bestimmen, entspricht der maßgebliche Reset-Referenzbankensatz dem zuletzt auf der Reset-Bildschirmseite durch die Berechnungsstelle zur Verfügung gestellten 5-Jahres Swapsatz.

"Reset-Tag" bezeichnet den Ersten Resettermin und danach jeden fünften Jahrestag des jeweils unmittelbar vorangehenden Reset-Tages.

"Reset-Zeitraum" bezeichnet jeden Zeitraum ab dem Ersten Resettermin (einschließlich) bis zum nächstfolgenden Reset-Tag (ausschließlich) und nachfolgend ab jedem Reset-Tag (einschließlich) bis zu dem jeweils nächstfolgenden Reset-Tag (ausschließlich).

"Reset-Zinsfeststellungstag" bezeichnet in Bezug auf einen Reset-Zeitraum, den Tag welcher zwei Geschäftstage vor den Beginn des maßgeblichen Reset-Zeitraums fällt.

"Geschäftstag" bezeichnet einen Tag, an dem alle maßgeblichen Stellen des Trans-European Automated Real-time Gross settlement Express Transfer (TARGET 2) Systems Geschäfte

leg (calculated on a 30/360 Day Count basis) of a fixed-for-floating euro interest rate swap which (i) has a term of 5 years commencing on the relevant Reset Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (iii) has a floating leg based on the 6-month EURIBOR rate (calculated on the basis of the actual number of days elapsed and a year of 360 days) or, if the 6-month EURIBOR rate is no longer being calculated or administered as at the relevant Reset Interest Determination Date, any alternative rate which has replaced the Euro Interbank Offered Rate ("EURIBOR") in customary market usage for the purposes of determining floating rates of interest in respect of euro denominated securities, as determined by an independent financial adviser (the "IFA") appointed by the Issuer in its sole discretion. The alternative rate will be notified to the Issuer by the IFA, and will promptly be published thereafter by the Issuer in accordance with § 12, provided, however, that if the IFA determines, in good faith and following consultation with the Issuer, that there is no clear market consensus as to whether any rate has replaced EURIBOR in customary market usage, the IFA may determine an appropriate alternative rate, and the decision of the IFA will be binding on the Issuer, the Calculation Agent and the Holders. If the IFA is unable to determine an appropriate alternative rate, the relevant Reset Reference Bank Rate shall be equal to the last 5-year Swap Rate available on the Reset Screen Page as determined by the Calculation Agent.

"Reset Date" means the First Reset Date, and thereafter any fifth anniversary of the immediately preceding Reset Date.

"Reset Period" means each period from (and including) the First Reset Date to (but excluding) the next following Reset Date and thereafter from (and including) each Reset Date to (but excluding) the next following Reset Date.

"Reset Interest Determination Date" means, in respect of any Reset Period, the day falling two Business Days prior to the beginning of the relevant Reset Period.

"Business Day" means a day on which all relevant parts of the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET 2) system are operational.

tätigen.

- (4) Die Berechnungsstelle wird den Reset-Zinssatz für jede Zinsperiode bestimmen und veranlassen, dass dieser der Emittentin, der Hauptzahlstelle und jeder Börse, an der die Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, mitgeteilt sowie gemäß § 12 unverzüglich, aber keinesfalls später als am achten auf dessen Bestimmung folgenden Geschäftstag veröffentlicht wird.
- (5) Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Hauptzahlstelle und die Anleihegläubiger bindend.
- (6) Sofern Zinsen in Bezug auf eine Zinsperiode oder einen Teil davon zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).
- "Zinsperiode"** bezeichnet jeden Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und nachfolgend ab einem Zinszahlungstag (einschließlich) bis zu dem jeweils nächstfolgenden Zinszahlungstag (ausschließlich).
- "Zinstagequotient"** bezeichnet im Hinblick auf die Berechnung eines Betrages von Zinsen auf die Schuldverschreibungen für einen beliebigen Zeitraum (ab dem ersten Tag dieses Zeitraums (einschließlich) bis zum letzten Tag dieses Zeitraums (ausschließlich)) (der **"Zinsberechnungszeitraum"**)
- (i) wenn der Zinsberechnungszeitraum der Feststellungsperiode entspricht, in die er fällt, oder kürzer als diese ist, die Anzahl von Tagen in dem Zinsberechnungszeitraum dividiert durch das Produkt aus (A) der Anzahl von Tagen in der betreffenden Feststellungsperiode und (B) der Anzahl der Feststellungsperioden, die üblicherweise in einem Jahr enden; und
- (ii) wenn der Zinsberechnungszeitraum länger als eine Feststellungsperiode ist, die Summe aus
- (A) der Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in der sie beginnt, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode; und
- (4) The Calculation Agent will determine the Reset Rate of Interest for each Interest Period and cause the same to be notified to the Issuer, the Principal Paying Agent and, if required by the rules of any stock exchange on which the Notes are then listed, to such stock exchange, and published in accordance with § 12 without undue delay, but, in any case, not later than on the eighth Business Day after its determination.
- (5) All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Principal Paying Agent and the Holders.
- (6) If interest is required to be calculated for any Interest Period or part thereof, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).
- "Interest Period"** means each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and thereafter from and including an Interest Payment Date to but excluding the next following Interest Payment Date.
- "Day Count Fraction"** means, in respect of the calculation of an amount of interest on the Notes for any period of time (from and including the first day of such period to but excluding the last day of such period) (the **"Calculation Period"**)
- (i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Periods normally ending in any year; and
- (ii) if the Calculation Period is longer than one Determination Period, the sum of:
- (A) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the number of days in such Determination Period; and

(B) die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die nachfolgende Feststellungsperiode fallen, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode.

"**Feststellungsperiode**" bezeichnet den Zeitraum ab dem 19. Juni eines Jahres (einschließlich) bis zum 19. Juni des Folgejahres (ausschließlich).

(7) Verzinsung nach Eintritt eines Kontrollwechselereignisses.

Wenn ein Kontrollwechselereignis eintritt und die Emittentin die Schuldverschreibungen nicht insgesamt gemäß § 5(6) zurückzahlt, erhöht sich der für die Zinszahlung auf die dann ausstehenden Schuldverschreibungen ansonsten anwendbare Zinssatz ab dem Tag, der 60 Kalendertage nach dem letzten Tag des Kontrollwechselzeitraums liegt, (wie in § 5(6) definiert) um zusätzliche 5,00 % (d.h. 500 Basispunkte) per annum. Für den Fall, dass in dem Zeitraum zwischen dem Eintritt des ersten Kontrollwechsels und dem Tag, an dem die Kontrollwechselereignis-Mitteilung in Bezug auf diesen ersten Kontrollwechsel veröffentlicht wird, mehr als ein Kontrollwechsel eintritt, erhöht sich der für die Berechnung der Zinsen ansonsten anzuwendende Zinssatz jedoch nur einmal.

(8) Ende des Zinslaufs und Verzugszinsen.

Die Verzinsung der Schuldverschreibungen endet mit Beginn des Tages, an dem ihr Kapitalbetrag zur Rückzahlung fällig wird. Sollte die Emittentin eine Zahlung von Kapital auf diese Schuldverschreibungen bei Fälligkeit nicht leisten, werden die Schuldverschreibungen bis zum Tag der tatsächlichen Zahlung weiter verzinst. Der in einem solchen Fall anzuwendende Zinssatz wird gemäß diesem § 3 bestimmt.

§ 4

Fälligkeit von Zinszahlungen; Aufschub von Zinszahlungen; Zahlung Aufgeschobener Zinszahlungen

(1) Fälligkeit von Zinszahlungen; wahlweiser Zinsaufschub.

(a) Zinsen, die während einer Zinsperiode auflaufen, werden an dem betreffenden Zinszahlungstag fällig, sofern sich die Emittentin nicht entscheidet, die betreffende Zinszahlung (insgesamt, jedoch nicht teilweise) aufzuschieben.

Wenn sich die Emittentin zur Nichtzahlung aufgelaufener Zinsen an einem Zinszahlungstag entscheidet, dann ist sie nicht verpflichtet, an

(B) the number of days in such Calculation Period falling in the next Determination Period divided by the number of days in such Determination Period.

"**Determination Period**" means the period from and including the 19 June in any year to but excluding the 19 June in the following year.

(7) Interest following the occurrence of a Change of Control Event.

If a Change of Control Event occurs and the Issuer does not redeem the Notes in whole in accordance with § 5(6), the interest rate applicable to the then outstanding Notes will be subject to an additional 5.00 % (i.e. 500 basis points) per annum above the otherwise prevailing rate from the day falling 60 calendar days after the last day of the Change of Control Period (as defined in § 5(6)). Provided however that, in case more than one Change of Control will have occurred in the period from the occurrence of the first Change of Control to the day on which the Change of Control Event Notice with regard to such first Change of Control is published, the otherwise applicable Interest Rate will only be increased once.

(8) End of interest accrual and default interest.

The Notes will cease to bear interest from the beginning of the day on which their principal amount is due for repayment. If the Issuer fails to make any payment of principal under the Notes when due, the Notes will continue to bear interest until the day on which such payment is made. In such case the applicable rate of interest will be determined pursuant to this § 3.

§ 4

Due date for interest payments; Deferral of interest payments; Payment of Deferred Interest Payments

(1) Due date for interest payments; optional interest deferral.

(a) Interest which accrues during an Interest Period will be due and payable (*fällig*) on the relevant Interest Payment Date, unless the Issuer elects to defer the relevant payment of interest (in whole but not in part).

If the Issuer elects not to pay accrued interest on an Interest Payment Date, then it will not have any obligation to pay such interest on such

dem betreffenden Zinszahlungstag Zinsen zu zahlen. Eine solche Nichtzahlung von Zinsen begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verpflichtungen aufgrund dieser Schuldverschreibungen oder für sonstige Zwecke. Soweit sich die Emittentin entscheidet, an einem Zinszahlungstag die Zinsen nicht zu zahlen, hat sie dies gemäß § 12 innerhalb einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen vor dem betreffenden Zinszahlungstag bekannt zu machen.

Die aufgrund einer derartigen Entscheidung der Emittentin gemäß dieses Absatzes auf die Schuldverschreibungen nicht gezahlten Zinsen werden, auf kumulierter Basis, aufgeschoben und gelten als aufgeschobene Zinszahlungen ("**Aufgeschobene Zinszahlungen**").

- (b) Aufgeschobene Zinszahlungen werden nicht verzinst.
- (2) Freiwillige Zahlung von Aufgeschobenen Zinszahlungen.

Die Emittentin ist berechtigt, ausstehende Aufgeschobene Zinszahlungen jederzeit insgesamt oder teilweise nach Bekanntmachung gemäß § 12 unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen zu zahlen, wobei eine solche Bekanntmachung (i) den Betrag an Aufgeschobenen Zinszahlungen, der gezahlt werden soll, und (ii) den für diese Zahlung festgelegten Termin enthalten muss. Eine Zahlung von ausstehenden Aufgeschobenen Zinszahlungen erfolgt pro rata an alle Anleihegläubiger.

- (3) Pflicht zur Zahlung von Aufgeschobenen Zinszahlungen.

Die Emittentin ist verpflichtet, ausstehende Aufgeschobene Zinszahlungen insgesamt und nicht nur teilweise am nächsten auf den Zinszahlungstag folgenden Pflichtnachzahlungstag zu zahlen.

- (4) Definitionen

In diesen Anleihebedingungen gilt Folgendes:

Ein "**Obligatorisches Nachzahlungsereignis**" bezeichnet vorbehaltlich des nachstehenden Satzes 2 jedes der folgenden Ereignisse:

- (i) die ordentliche Hauptversammlung der Emittentin beschließt, eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf eine Aktie einer beliebigen Gattung der Emittentin zu leisten (mit Ausnahme einer Dividende, Ausschüttung oder Zahlung in Form von Stammaktien der Emittentin);

Interest Payment Date. Any such non-payment of interest will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose. If the Issuer decides to not pay the Interest on an Interest Payment Date, the Issuer shall publish this in accordance with § 12 not less than 10 and not more than 15 Business Days prior the relevant Interest Payment Date,

Any interest in respect of the Notes which has not been paid due to such an election of the Issuer in accordance with this paragraph will be deferred, on a cumulative basis, and shall constitute deferred interest payments ("**Deferred Interest Payments**").

- (b) Deferred Interest Payments shall not themselves bear interest.
- (2) Optional Settlement of Deferred Interest Payments.

The Issuer is entitled to pay outstanding Deferred Interest Payments (in whole or in part) at any time on publishing not less than 10 and not more than 15 Business Days' notice in accordance with § 12 which notice will specify (i) the amount of Deferred Interest Payments to be paid and (ii) the date fixed for such payment. Any payment of outstanding Deferred Interest Payments shall be made pro rata to all Holders.

- (3) Mandatory payment of Deferred Interest Payments.

The Issuer must pay outstanding Deferred Interest Payments (in whole but not in part) on the next Mandatory Settlement Date following the Interest Payment Date.

- (4) Definitions

For the purposes of these Terms and Conditions:

"**Compulsory Settlement Event**" means any of the following events, subject to the proviso in sentence 2 below:

- (i) the ordinary general meeting of shareholders (*ordentliche Hauptversammlung*) of the Issuer resolves on the payment of any dividend, other distribution or other payment on any share of any class of the Issuer (other than a dividend, distribution or payment which is made

- in the form of ordinary shares of the Issuer);
- (ii) die Emittentin zahlt eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf eine Nachrangige Verbindlichkeit oder eine Tochtergesellschaft zahlt eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf Verbindlichkeiten dieser Tochtergesellschaft, bezüglich derer die Emittentin eine Nachrangige Verbindlichkeit übernommen hat (in allen Fällen mit der Ausnahme einer Dividende, Ausschüttung oder Zahlung in Form von Stammaktien der Emittentin); oder
- (iii) die Emittentin oder eine Tochtergesellschaft (jeweils direkt oder indirekt) zahlt Wertpapiere, Namenswertpapiere oder andere Instrumente, die Nachrangige Verbindlichkeiten darstellen, oder Wertpapiere, Namenswertpapiere oder andere Instrumente einer Tochtergesellschaft, bezüglich derer die Emittentin eine Nachrangige Verbindlichkeit übernommen hat, zurück, kauft solche Wertpapiere, Namenswertpapiere oder Instrumente zurück oder erwirbt solche Wertpapiere, Namenswertpapiere oder Instrumente anderweitig.
- In den vorgenannten Fällen (ii) und (iii) tritt jedoch kein Obligatorisches Nachzahlungsereignis ein, wenn
- (x) die Emittentin nach Maßgabe der Bedingungen der betreffenden Nachrangigen Verbindlichkeit oder die betreffende Tochtergesellschaft nach Maßgabe der Bedingungen der betreffenden Verbindlichkeit der Tochtergesellschaft, bezüglich derer die Emittentin eine Nachrangige Verbindlichkeit übernommen hat, zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist; oder
- (y) die Emittentin eine Aktie einer beliebigen Gattung der Emittentin oder eine Nachrangige Verbindlichkeit oder Verbindlichkeit einer Tochtergesellschaft der Emittentin, bezüglich derer die Emittentin eine Nachrangige Verbindlichkeit übernommen hat, nach Maßgabe eines bestehenden oder zukünftigen Aktienoptions- und/oder Aktienbeteiligungsprogramms und/oder ähnlichen Programms für Mitglieder des Vorstands oder des Aufsichtsrats (oder, im Falle verbundener Unternehmen, ähnlicher Gremien) und/oder Mitarbeiter der Emittentin und/oder mit
- (ii) the Issuer pays any dividend, other distribution or other payment in respect of any Junior Obligation or any Subsidiary pays any dividend, other distribution or other payment in respect of an obligation of such Subsidiary in relation to which a Junior Obligation has been assumed by the Issuer (in each case other than a dividend, distribution or payment which is made in the form of ordinary shares of the Issuer); or
- (iii) the Issuer or any Subsidiary redeems, repurchases or otherwise acquires (in each case directly or indirectly) any security, registered security or other instrument constituting a Junior Obligation or a security, registered security or other instrument of a Subsidiary in relation to which a Junior Obligation has been assumed by the Issuer.
- The cases (ii) and (iii) above are subject to the proviso that no Compulsory Settlement Event occurs if
- (x) the Issuer is obliged under the terms and conditions of such Junior Obligation, or the relevant Subsidiary is obliged under the terms and conditions of such obligation of the Subsidiary in relation to which a Junior Obligation has been assumed by the Issuer, to make such payment, such redemption, such repurchase or such other acquisition; or
- (y) the Issuer repurchases or otherwise acquires any share of any class of the Issuer or any Junior Obligation or obligation of a Subsidiary of the Issuer in relation to which a Junior Obligation has been assumed by the Issuer pursuant to the obligations of the Issuer under any existing or future stock option and/or stock ownership programme and/or similar programme for any members of the executive board or supervisory board (or, in the case of affiliates, comparable boards) and/or employees of the Issuer and/or any of its affiliates and (in any case) the Issuer (or if through an affiliate, its affiliate)

ihr verbundener Unternehmen zurückkauft oder anderweitig erwirbt und (in jedem Fall) die Emittentin (falls diese über ein mit ihr verbundenes Unternehmen erwirbt, das verbundene Unternehmen) die Aktien im vorgenannten Zusammenhang als eigene Aktien (*treasury shares*) gemäß den durch § 65 Abs. 1 Nr. 8 Aktiengesetz oder § 65 Abs. 1 Nr. 4 Aktiengesetz gesetzten Grenzen zurückkauft oder anderweitig erwirbt.

"**Pflichtnachzahlungstag**" bezeichnet den frühesten der folgenden Tage:

- (i) der Tag, der fünf Geschäftstage nach dem Tag liegt, an dem ein Obligatorisches Nachzahlungsereignis eingetreten ist;
- (ii) der Tag, an dem die Emittentin Zinsen auf die Schuldverschreibungen zahlt;
- (iii) der Tag, an dem die Emittentin eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf eine Gleichrangige Verbindlichkeit oder eine Tochtergesellschaft eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf Verbindlichkeiten dieser Tochtergesellschaft, bezüglich derer die Emittentin eine Gleichrangige Verbindlichkeit übernommen hat, zahlt;
- (iv) der Tag, an dem die Emittentin oder eine Tochtergesellschaft (jeweils direkt oder indirekt) Wertpapiere, Namenswertpapiere oder sonstige Instrumente, die Gleichrangige Verbindlichkeiten darstellen, oder Wertpapiere, Namenswertpapiere oder sonstige Instrumente einer Tochtergesellschaft, bezüglich derer die Emittentin eine Gleichrangige Verbindlichkeit übernommen hat, oder Schuldverschreibungen zurückzahlt, zurückkauft oder anderweitig erwirbt;
- (v) den Tag der Rückzahlung der Schuldverschreibungen gemäß diesen Anleihebedingungen; und
- (vi) den Tag, an dem eine Anordnung zur Auflösung, Abwicklung oder Liquidation der Emittentin ergeht (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht, bei dem bzw. bei der die Emittentin noch zahlungsfähig ist und bei dem bzw. bei der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt),

repurchases or otherwise acquires any of its shares in the aforementioned context as treasury shares under the limits provided for in § 65 (1) no 8 Stock Corporation Act (AktG) or § 65 (1) no 4 Stock Corporation Act (AktG).

"**Mandatory Settlement Date**" means the earliest of:

- (i) the date falling five Business Days after the date on which a Compulsory Settlement Event has occurred;
- (ii) the date on which the Issuer pays interest on the Notes;
- (iii) the date on which the Issuer pays any dividend, other distribution or other payment in respect of any Parity Obligation or any Subsidiary pays any dividend, other distribution or other payment in respect of an obligation of such Subsidiary in relation to which a Parity Obligation has been assumed by the Issuer;
- (iv) the date on which the Issuer or any Subsidiary redeems, repurchases or otherwise acquires (in each case directly or indirectly) any security, registered security or other instrument constituting a Parity Obligation, or a security, registered security or other instrument of a Subsidiary in relation to which a Parity Obligation has been assumed by the Issuer, or any of the Notes;
- (v) the date of redemption of the Notes in accordance with these Terms and Conditions; and
- (vi) the date on which an order is made for the winding up, dissolution or liquidation of the Issuer (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer),

mit der Maßgabe, dass

- (x) in den vorgenannten Fällen (iii) und (iv) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin nach Maßgabe der Bedingungen der betreffenden Gleichrangigen Verbindlichkeit, oder die betreffende Tochtergesellschaft nach Maßgabe der Bedingungen der betreffenden Verbindlichkeiten der Tochtergesellschaft, bezüglich derer die Emittentin eine Gleichrangige Verbindlichkeit übernommen hat, zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist; und
- (y) im vorgenannten Fall (iv) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin oder die betreffende Tochtergesellschaft Gleichrangige Verbindlichkeiten oder Verbindlichkeiten einer Tochtergesellschaft der Emittentin, bezüglich derer die Emittentin eine Gleichrangige Verbindlichkeit übernommen hat, oder Schuldverschreibungen nach einem öffentlichen Rückkaufangebot oder öffentlichen Umtauschangebot zu einem unter dem Nennwert je Gleichrangiger Verbindlichkeit bzw. je Verbindlichkeit einer Tochtergesellschaft, bezüglich derer die Emittentin eine Gleichrangige Verbindlichkeit übernommen hat, bzw. je Schuldverschreibung liegenden Kaufpreis zurückkauft oder anderweitig erwirbt.

§ 5

Rückzahlung und Rückkauf

- (1) Keine Endfälligkeit.
Die Schuldverschreibungen haben keinen Endfälligkeitstag und werden, außer gemäß den Bestimmungen in diesem § 5, nicht zurückgezahlt.
- (2) Rückkauf.
Die Emittentin oder eine Tochtergesellschaft kann, soweit gesetzlich zulässig, jederzeit Schuldverschreibungen auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden.
- (3) Rückzahlung nach Wahl der Emittentin.
Die Emittentin ist berechtigt, die

provided that

- (x) in the cases (iii) and (iv) above no Mandatory Settlement Date occurs if the Issuer is obliged under the terms and conditions of such Parity Obligation, or the relevant Subsidiary is obliged under the terms and conditions of such obligation of the Subsidiary in relation to which a Parity Obligation has been assumed by the Issuer, to make such payment, such redemption, such repurchase or such other acquisition; and
- (y) in the case (iv) above no Mandatory Settlement Date occurs if the Issuer or the relevant Subsidiary repurchases or otherwise acquires any Parity Obligation, or obligation of a Subsidiary of the Issuer in relation to which a Parity Obligation has been assumed by the Issuer, or any Notes in whole or in part in a public tender offer or public exchange offer at a purchase price per Parity Obligation, or, as applicable, per obligation of a Subsidiary in relation to which a Parity Obligation has been assumed by the Issuer, or, as applicable, per Note below its par value.

§ 5

Redemption and Repurchase

- (1) No scheduled redemption.
The Notes have no final maturity date and shall not be redeemed except in accordance with the provisions set out in this § 5.
- (2) Repurchase.
Subject to applicable laws, the Issuer or any Subsidiary may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.
- (3) Redemption at the Option of the Issuer.
The Issuer may call the Notes for redemption (in

Schuldverschreibungen (insgesamt und nicht nur teilweise) durch Erklärung gemäß § 5(5) mit Wirkung (i) zu jedem Geschäftstag im Zeitraum von 90 Kalendertagen bis zum und einschließlich dem Ersten Resettermin oder (ii) zum Zweiten Resettermin oder (iii) zu jedem nachfolgenden Zinszahlungstag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin jede Schuldverschreibung am festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen. "**Zweiter Resettermin**" bezeichnet den 19. Juni 2029.

- (4) Rückzahlung nach Eintritt eines Gross-up Ereignisses, eines Steuerereignisses, eines Rechnungslegungsereignisses, eines Ratingereignisses oder eines Rückkaufereignisses.

(a) *Gross-up Ereignis.*

Wenn ein Gross-up Ereignis eintritt, ist die Emittentin jederzeit berechtigt, die Schuldverschreibungen (insgesamt und nicht nur teilweise) durch Erklärung gemäß § 5(5) mit Wirkung zu dem darin für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin jede Schuldverschreibung am festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

Ein "**Gross-up Ereignis**" liegt vor, wenn der Hauptzahlstelle ein Gutachten eines anerkannten Steuerberaters, der im Auftrag der Emittentin handelt, übermittelt wird, welches bestätigt, dass die Emittentin aufgrund einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Republik Österreich oder deren politischen Untergliederungen oder Steuerbehörden, oder als Folge einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung dieser Gesetze oder Vorschriften, die jeweils nach dem Begebungstag eingetreten ist, verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 7 zu zahlen und die Emittentin diese Verpflichtung nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.

Die Bekanntmachung der vorzeitigen

whole but not in part) upon giving notice in accordance with § 5(5) with effect as of (i) any Business Day during the period of 90 calendar days up to and including the First Reset Date or (ii) the Second Reset Date or (iii) any Interest Payment Date thereafter. In the case such call notice is given, the Issuer shall redeem each Note at its Principal Amount plus any interest accrued on the Note to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3) on the specified redemption date. "**Second Reset Date**" means 19 June 2029.

- (4) Redemption following a Gross-up Event, a Tax Event, an Accounting Event, a Rating Event, or a Repurchase Event.

(a) *Gross-up Event.*

If a Gross-up Event occurs, the Issuer may at any time call the Notes for redemption (in whole but not in part) upon giving notice in accordance with § 5(5) with effect as of the date fixed for redemption therein. In the case such call notice is given, the Issuer shall redeem each Note at the Principal Amount plus any interest accrued on the Note to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3) on the specified redemption date.

A "**Gross-up Event**" will occur if an opinion of a recognised tax adviser, acting upon instructions of the Issuer, has been delivered to the Principal Paying Agent, stating that the Issuer has or will become obliged to pay Additional Amounts pursuant to § 7 as a result of any change in, or amendment to, the laws or regulations of the Republic of Austria or any political subdivision or any authority thereof or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective after the Issue Date, and that obligation cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate.

No such notice of early redemption may be

Rückzahlung darf nicht früher als 90 Kalendertage vor dem Tag erfolgen, an dem die Emittentin erstmals verpflichtet wäre, Zusätzliche Beträge gemäß § 7 zu zahlen.

(b) *Rechnungslegungsereignis, Steuerereignis.*

Wenn ein Rechnungslegungsereignis oder ein Steuerereignis eintritt, ist die Emittentin jederzeit berechtigt, die Schuldverschreibungen (insgesamt und nicht nur teilweise) durch Erklärung gemäß § 5(5) mit Wirkung zu dem darin für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin jede Schuldverschreibung am festgelegten Rückzahlungstermin (i) zu 101 % des Nennbetrags zurückzuzahlen, falls die Rückzahlung bis zu 90 Kalendertage vor dem Ersten Resettermin erfolgt und (ii) zum Nennbetrag, falls die Rückzahlung an einem Tag erfolgt, der 90 Kalendertage oder weniger vor dem Ersten Resettermin oder am oder nach dem Ersten Resettermin liegt, jeweils zuzüglich der bis zum Tag der Rückzahlung (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen, zurückzuzahlen.

Ein "**Rechnungslegungsereignis**" liegt vor, wenn eine anerkannte Wirtschaftsprüfungsgesellschaft von internationalem Rang, die im Auftrag der Emittentin handelt, der Hauptzahlstelle ein Gutachten übermittelt, wonach aufgrund einer Änderung der Rechnungslegungsgrundsätze oder deren Auslegung nach dem Begebungstag die durch die Ausgabe der Schuldverschreibungen beschafften Gelder nicht oder nicht mehr als "Eigenkapital" gemäß den International Financial Reporting Standards ("**IFRS**") bzw. anderer Rechnungslegungsstandards, die die Emittentin für die Erstellung ihrer konsolidierten Jahresabschlüsse anstelle der IFRS anwenden kann, ausgewiesen werden dürfen.

Ein "**Steuerereignis**" liegt vor, wenn der Hauptzahlstelle ein Gutachten eines anerkannten Steuerberaters, der im Auftrag der Emittentin handelt, übergeben worden ist, aus dem hervorgeht, dass aufgrund einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Republik Österreich oder deren politischen Untergliederungen oder Steuerbehörden oder aufgrund einer entsprechenden Änderung oder Ergänzung auf internationaler oder EU-Ebene oder als Folge einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung dieser Gesetze oder Vorschriften oder aufgrund einer Änderung oder Ergänzung der Auslegung oder Anwendung dieser Gesetze oder Vorschriften aufgrund

given earlier than 90 calendar days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts pursuant to § 7.

(b) *Accounting Event, Tax Event.*

If an Accounting Event or a Tax Event occurs, the Issuer may at any time call the Notes for redemption (in whole but not in part) upon giving notice in accordance with § 5(5) with effect as of the date fixed for redemption therein. In the case such call notice is given, the Issuer shall, on the specified redemption date, redeem each Note (i) at 101 % of the Principal Amount if the redemption occurs up to 90 calendar days prior to the First Reset Date and (ii) at the Principal Amount if the redemption occurs on a day which is 90 calendar days or less prior to the First Reset Date or on or after the First Reset Date, in each case plus any interest accrued on the Note to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3).

An "**Accounting Event**" shall occur if a recognised accountancy firm of international standing, acting upon instructions of the Issuer, has delivered an opinion to the Principal Paying Agent, stating that as a result of a change in accounting principles, or interpretation thereof, after the Issue Date the funds raised through the issuance of the Notes must not or must no longer be recorded as "equity" pursuant to the International Financial Reporting Standards ("**IFRS**") or any other accounting standards that may replace IFRS for the purposes of the annual consolidated financial statements of the Issuer.

A "**Tax Event**" will occur if an opinion of a recognised tax adviser, acting upon instructions of the Issuer, has been delivered to the Principal Paying Agent, stating that as a result of any amendment to, or change in, the laws or regulations of the Republic of Austria or any political subdivision or any taxing authority thereof or due to respective amendments or changes on an international or EU level affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations or due to amendments or changes of the interpretation or application of such laws or regulations due to administrative practice and/or jurisprudence, which amendment or

Verwaltungspraxis und/oder Rechtsprechung, die jeweils nach dem Begebungstag eingetreten ist, Zinsen, die von der Emittentin auf die Schuldverschreibungen zu zahlen sind, von der Emittentin nicht mehr im gleichen Maße für die Zwecke der österreichischen Ertragsteuer voll abzugsfähig sind wie die Zahlung von Zinsen auf nicht nachrangige Schuldverschreibungen und die Emittentin dieses Risiko nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.

(c) *Ratingereignis.*

Wenn ein Ratingereignis eintritt, ist die Emittentin jederzeit berechtigt, die Schuldverschreibungen (insgesamt und nicht nur teilweise) durch Erklärung gemäß § 5(5) mit Wirkung zu dem darin für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin jede Schuldverschreibung am festgelegten Rückzahlungstermin (i) zu 101 % des Nennbetrags zurückzuzahlen, falls die Rückzahlung bis zu 90 Kalendertage vor dem Ersten Resettermin erfolgt und (ii) zum Nennbetrag, falls die Rückzahlung an einem Tag erfolgt, der 90 Kalendertage oder weniger vor dem Ersten Resettermin oder am oder nach dem Ersten Resettermin liegt, jeweils zuzüglich der bis zum Tag der Rückzahlung (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen, zurückzuzahlen.

Ein "**Ratingereignis**" liegt vor, wenn die Emittentin in einer Mitteilung gemäß § 12 bestätigt, dass eine Anpassung, Klarstellung oder Änderung der "equity credit" Kriterien durch eine Rating-Agentur, die der Emittentin ein Kreditrating auf Basis einer vertraglichen Beziehung mit der Emittentin erteilt, erfolgt ist und diese Anpassung, Klarstellung oder Änderung entweder ein niedrigerer "equity credit" der Schuldverschreibungen als der "equity credit", den die Rating-Agentur am Begebungstag erteilt hatte, oder, falls kein "equity credit" am Begebungstag erteilt wurde, als an dem Tag, an dem der "equity credit" erstmals erteilt wurde, zur Folge hatte.

(d) *Rückkaufereignis.*

Falls aufgrund eines Rückerwerbs oder einer Rückzahlung der Schuldverschreibungen durch die Emittentin oder eine Tochtergesellschaft nur noch 25 % oder weniger des ursprünglich begebenen Gesamtnennbetrages der Schuldverschreibungen ausstehen (ein "**Rückkaufereignis**"), ist die Emittentin

change is effective after the Issue Date, interest payable by the Issuer in respect of the Notes is no longer fully deductible by the Issuer for Austrian income tax purposes to the same extent as interest payable by the Issuer on any unsubordinated obligations of the Issuer, and that risk cannot be avoided by the Issuer taking such reasonable measures as it (acting in good faith) deems appropriate.

(c) *Rating Event.*

If a Rating Event occurs, the Issuer may at any time call the Notes for redemption (in whole but not in part) upon giving notice in accordance with § 5(5) with effect as of the date fixed for redemption therein. In the case such call notice is given, the Issuer shall, on the specified redemption date, redeem each Note (i) at 101 % of the Principal Amount if the redemption occurs up to 90 calendar days prior to the First Reset Date and (ii) at the Principal Amount if the redemption occurs on a day which is 90 calendar days or less prior to the First Reset Date or on or after the First Reset Date, in each case plus any interest accrued on the Notes to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3).

A "**Rating Event**" will occur if the Issuer certifies in a notice pursuant to § 12 that an amendment, clarification or change has occurred in the equity credit criteria of any rating agency from whom the Issuer is assigned sponsored ratings and this amendment, clarification or change has resulted in a lower equity credit for the Notes than the respective equity credit assigned by the rating agency on the Issue Date, or if equity credit is not assigned on the Issue Date, at the date when the equity credit is assigned for the first time.

(d) *Repurchase Event.*

If as a result of the Issuer or any Subsidiary having purchased or redeemed Notes only 25 % or less of the aggregate Principal Amount of the Notes initially issued are outstanding (a "**Repurchase Event**"), the Issuer may, upon giving notice in accordance with § 5(5), call the Notes for redemption (in whole but not in part)

berechtigt, die verbleibenden Schuldverschreibungen (insgesamt, jedoch nicht teilweise) durch Erklärung gemäß § 5(5) mit Wirkung zu dem von der Emittentin in der Bekanntmachung festgelegten Rückzahlungstermin zu kündigen (ein "**Clean-up Call**"). Im Falle eines solchen Clean-up Calls hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung (ausschließlich) in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

(5) Bekanntmachung der Rückzahlung.

Die Emittentin kann ein Recht zur Rückzahlung gemäß § 5(3) oder § 5(4) durch eine Veröffentlichung gemäß § 12 unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Kalendertagen ausüben. Die Bekanntmachung muss in den Fällen des § 5(4) diejenigen Tatsachen enthalten, auf welche die Emittentin ihr Kündigungsrecht stützt, und den für die Rückzahlung festgelegten Tag bezeichnen.

(6) Vorzeitige Rückzahlung nach Eintritt eines Kontrollwechselereignisses.

(a) Wenn ein Kontrollwechsel (wie in § 5(6)(d) definiert) eintritt, hat die Emittentin unverzüglich den Kontrollwechsel gemäß § 12 zu veröffentlichen.

(b) Wenn ein Kontrollwechselereignis (wie in § 5(6)(d) definiert) eintritt, hat die Emittentin unverzüglich den Kontrollwechselereignis-Stichtag (wie in § 5(6)(d) definiert) zu bestimmen und das Kontrollwechselereignis und den Kontrollwechselereignis-Stichtag gemäß § 12 zu veröffentlichen (die "**Kontrollwechselereignis-Mitteilung**").

(c) Wenn ein Kontrollwechselereignis eintritt, ist die Emittentin berechtigt, die Schuldverschreibungen (insgesamt, jedoch nicht teilweise) durch Erklärung gemäß dem nachstehenden Absatz mit Wirkung zu dem darin für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin jede Schuldverschreibung am Kontrollwechselereignis-Stichtag zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

Die Emittentin kann ihr Recht zur Rückzahlung gemäß diesem § 5(6) durch eine

with effect as of the redemption date specified by the Issuer in the notice (a "**Clean-up Call**"). In the case such Clean-up Call notice is given, the Issuer shall redeem the Notes at the Principal Amount plus any interest accrued on the Notes to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3) on the specified redemption date.

(5) Notification of Redemption.

The Issuer is entitled to exercise any right to redeem pursuant to § 5(3) or § 5(4) by publishing a notice in accordance with § 12 not less than 30 nor more than 60 days' notice period. In the case of § 5(4) such notice must set forth the underlying facts of the Issuer's right to redemption and specify the date fixed for redemption.

(6) Early Redemption following a Change of Control Event.

(a) If a Change of Control occurs, the Issuer will publish a notice in accordance with § 12 of the Change of Control (as defined in § 5(6)(d)) without undue delay.

(b) If a Change of Control Event (as defined in § 5(6)(d)) occurs, the Issuer will fix the Change of Control Event Effective Date (as defined in § 5(6)(d)) and publish in accordance with § 12 the Change of Control Event and the Change of Control Event Effective Date without undue delay (the "**Change of Control Event Notice**").

(c) If a Change of Control Event occurs, the Issuer may call the Notes for redemption (in whole but not in part) with effect as of the Change of Control Event Effective Date upon giving notice in accordance with the following paragraph. In the case such call notice is given, the Issuer shall redeem each Note at the Principal Amount plus any interest accrued on the Note to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3) on the Change of Control Event Effective Date.

The Issuer may exercise its right to an early redemption pursuant to this § 5(6) by publishing

Veröffentlichung gemäß § 12 unter Einhaltung einer Frist von nicht mehr als 60 Kalendertagen nach Bekanntmachung der Kontrollwechselereignis-Mitteilung ausüben.

- (d) In diesen Anleihebedingungen bezeichnet:
- Ein "**Kontrollwechsel**" tritt ein, wenn:
- (i) die Emittentin vom betreffenden Aktionär Informationen erhält über
 - (A) die Erlangung einer kontrollierenden Beteiligung an ihr nach § 22b des österreichischen Übernahmegesetzes (ÜbG); und/oder
 - (B) die Erlangung einer kontrollierenden Beteiligung nach § 22 Abs. 1 ÜbG; oder
 - (ii) durch ein österreichisches Gericht oder eine österreichische Verwaltungsbehörde eine endgültige und verbindliche Entscheidung über die Erlangung einer kontrollierenden Beteiligung an der Emittentin nach § 22 Abs. 1 oder § 22b ÜbG ergeht; oder
 - (iii) ein Übernahmeangebot zum Erwerb der kontrollierenden Beteiligung nach § 25a ÜbG erfolgreich abgeschlossen wurde; oder
 - (iv) die Emittentin alle oder im Wesentlichen alle ihre Vermögenswerte an eine Person oder Personen überträgt, bei denen es sich nicht um eine oder mehrere hundertprozentige Tochtergesellschaften der Emittentin handelt;

wobei Änderungen im Syndikat der Kernaktionäre (etwa Anteilsverschiebungen, Beitritt von Dritten) nicht als Kontrollwechsel gelten, solange die Kernaktionäre Österreichische Bundes- und Industriebeteiligungen GmbH oder ihre Rechtsnachfolger oder eine sonstige Gesellschaft, die direkt oder indirekt von der Republik Österreich kontrolliert wird, und International Petroleum Investment Company oder Mubadala Investment Company oder deren jeweilige Rechtsnachfolger oder jede andere von der Regierung von Abu Dhabi direkt oder indirekt kontrollierte Gesellschaft jeweils einzeln oder gemeinsam mehr als 30 % des Grundkapitals der Emittentin halten.

Ein "**Kontrollwechselereignis**" tritt ein, wenn:

- (i) ein Kontrollwechsel eingetreten ist; und
- (ii) an dem Maßgeblichen Bekanntgabetag

in accordance with § 12 not more than 60 calendar days' notice after publication of the Change of Control Event Notice.

- (d) In these Terms and Conditions:
- A "**Change of Control**" occurs if:
- (i) the Issuer receives information from the relevant shareholder
 - (A) on the obtaining of a controlling holding in it pursuant to § 22b of the Austrian Takeover Act (*Übernahmegesetz*); and/or
 - (B) on the obtaining of a controlling holding pursuant to § 22(1) of the Austrian Takeover Act (*Übernahmegesetz*); or
 - (ii) an Austrian court or an Austrian administrative authority takes a final and binding decision on the obtaining of a controlling holding in the Issuer pursuant to § 22(1) or § 22b of the Austrian Takeover Act (*Übernahmegesetz*); or
 - (iii) a voluntary tender offer for the obtaining a control stake pursuant to § 25a of the Austrian Takeover Act (*Übernahmegesetz*) has been completed successfully; or
 - (iv) if the Issuer sells or transfers all or substantially all of its assets to any Person or Persons, other than to one or more wholly-owned subsidiaries of the Issuer;

provided that changes in the syndicate of the core shareholders (e.g. changes in the shareholding, accession of third persons) shall not constitute a Change of Control, as long as the core shareholders Österreichische Bundes- und Industriebeteiligungen GmbH or its successors or any other entity directly or indirectly controlled by the Republic of Austria and International Petroleum Investment Company or Mubadala Investment Company or any of their respective successors or any other entity directly or indirectly controlled by the government of Abu Dhabi, jointly or severally, hold more than 30 % of the share capital of the Issuer.

A "**Change of Control Event**" occurs if:

- (i) a Change of Control has occurred; and
- (ii) on the Relevant Announcement Date

die unbesicherten langfristigen Verbindlichkeiten der Emittentin:

- (A) über ein Investment-Grade-Rating (Baa3/BBB- oder ein entsprechendes oder besseres Kreditrating) einer beliebigen Ratingagentur verfügen und dieses Rating innerhalb des Kontrollwechselzeitraums entweder auf ein Rating unterhalb von Investment Grade (Ba1/BB+ oder ein entsprechendes oder schlechteres Rating) herabgestuft (das "**Nicht-Investment-Grade-Rating**") oder zurückgenommen wird und nicht innerhalb des Kontrollwechselzeitraums durch diese Ratingagentur wieder auf Investment Grade angehoben wird; oder
- (B) über ein Nicht-Investment-Grade-Rating einer beliebigen Ratingagentur verfügen und dieses Rating innerhalb des Kontrollwechselzeitraums entweder um einen oder mehrere Ratingstufen herabgestuft (beispielsweise wäre eine Herabstufung von Ba1 auf Ba2 eine Herabstufung um eine Ratingstufe) oder zurückgenommen wird und nicht innerhalb des Kontrollwechselzeitraums wieder auf mindestens das Kreditrating angehoben wird, über das die Schuldverschreibungen unmittelbar vor dieser Herabstufung durch die jeweilige Ratingagentur verfügten; oder
- (C) nicht über ein Rating durch eine beliebige Ratingagentur verfügen, und es der Emittentin nicht möglich ist, bis zum Ende des Kontrollwechselzeitraums ein Rating von mindestens Investment Grade zu erhalten; und
- (iii) die jeweilige Ratingagentur bei ihrer Entscheidung zur Herabstufung oder Zurücknahme eines Kreditratings gemäß den obigen Ziffern (ii)(A) und (ii)(B) öffentlich bekannt gibt oder schriftlich bestätigt, dass diese Entscheidung(en) ganz oder teilweise aufgrund des Eintritts des Kontrollwechsels oder der Maßgeblichen Bekanntgabe des Möglichen Kontrollwechsels erfolgte(n).

Verwenden Moody's, Standard & Poor's oder Fitch andere Ratingstufen als die oben unter (ii) genannten, oder wird ein Rating von einer Ersatz-Ratingagentur erhalten, so hat die Emittentin diejenigen Ratingstufen von Moody's, Standard & Poor's oder Fitch bzw. dieser Ersatz-Ratingagentur zu ermitteln, die den

the Issuer's long term senior unsecured debt:

- (A) carry an investment grade credit rating (Baa3/BBB-, or equivalent, or better) from any Rating Agency, and such rating is, within the Change of Control Period, either downgraded to a non-investment grade credit rating (Ba1/BB+, or equivalent, or worse) (a "**Non-Investment Grade Rating**") or withdrawn and is not within the Change of Control Period reinstated to an investment grade credit rating by such Rating Agency; or
- (B) carry a Non-Investment Grade Rating from any Rating Agency and such rating is, within the Change of Control Period, either downgraded by one or more rating categories (by way of example, Ba1 to Ba2 being one rating category) or withdrawn and is not within the Change of Control Period reinstated to at least the same credit rating applied to the Notes immediately prior to such downgrading by such Rating Agency; or
- (C) carry no rating from any Rating Agency and the Issuer is unable to obtain such a rating of at least investment grade by the end of the Change of Control Period; and
- (iii) in making any decision to downgrade or withdraw a credit rating pursuant to paragraphs (ii)(A) and (ii)(B) above, the relevant Rating Agency announces publicly or confirms in writing that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control or the Relevant Potential Change of Control Announcement.

If the rating designations employed by any of Moody's, Standard & Poor's or Fitch are changed from those which are described in subparagraph (ii) above, or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine the rating designations of Moody's, Standard & Poor's or Fitch or such Substitute

vorherigen Ratingstufen von Moody's, Standard & Poor's oder Fitch am genauesten entsprechen.

"Kontrollwechselereignis-Stichtag" bezeichnet den von der Emittentin in der Kontrollwechselereignis-Mitteilung festgelegten Tag, der

- (i) ein Geschäftstag sein muss;
- (ii) nicht weniger als 62 und nicht mehr als 93 Kalendertage nach Bekanntmachung der Kontrollwechselereignis-Mitteilung liegen darf; und
- (iii) falls zum betreffenden Zeitpunkt Qualifizierte Fremdkapitalwertpapiere ausstehen, mindestens einen Tag nach dem Tag liegen muss, an dem eine Kündigung der Gläubiger der Qualifizierten Fremdkapitalwertpapiere aufgrund des Kontrollwechselereignisses (oder eines ähnlichen Konzepts) wirksam wird.

"Kontrollwechselzeitraum" bezeichnet den Zeitraum ab dem Maßgeblichen Bekanntgabetag bis 90 Kalendertage nach dem Kontrollwechsel (oder ein längerer Zeitraum, innerhalb dessen in Bezug auf die Schuldverschreibungen eine Überprüfung des Ratings oder gegebenenfalls die Zuteilung eines Ratings durch eine Ratingagentur erwogen wird (wobei diese Erwägung innerhalb des Zeitraums, der 90 Kalendertage nach dem Kontrollwechsel endet, öffentlich gemacht wurde), der jedoch eine Dauer von 60 Kalendertagen nach der öffentlichen Bekanntgabe dieser Erwägung nicht überschreiten darf);

"Maßgebliche Bekanntgabe des Möglichen Kontrollwechsels" bezeichnet eine öffentliche Bekanntgabe oder Erklärung der Emittentin, eines tatsächlichen oder potenziellen Bieters oder eines Beraters, der für einen tatsächlichen oder potenziellen Bieter handelt, in Bezug auf einen möglichen Kontrollwechsel, wenn innerhalb von 180 Kalendertagen nach dem Tag dieser Bekanntgabe oder Erklärung ein Kontrollwechsel eintritt;

"Maßgeblicher Bekanntgabetag" bezeichnet den früheren der folgenden Tage: (i) den Tag der ersten öffentlichen Bekanntgabe des jeweiligen Kontrollwechsels und (ii) den Tag der frühesten Maßgeblichen Bekanntgabe des Möglichen Kontrollwechsels (sofern eine solche erfolgt);

"Person" bezeichnet eine natürliche Person, eine Gesellschaft, eine Kapitalgesellschaft, ein Unternehmen, eine Personengesellschaft, ein Joint Venture, ein Betrieb, eine Personenvereinigung, eine Organisation, ein

Rating Agency (as appropriate) as are most equivalent to the prior rating designations of Moody's, Standard & Poor's or Fitch.

"Change of Control Event Effective Date" means the date fixed by the Issuer in the Change of Control Event Notice, which

- (i) must be a Business Day;
- (ii) must fall not less than 62 and not more than 93 calendar days after publication of the Change of Control Event Notice; and
- (iii) must, if at the relevant time any Qualifying Debt Securities are outstanding, be at least one day after the date on which a put notice of the holders of the Qualifying Debt Securities due to the Change of Control (or a similar concept) becomes effective.

"Change of Control Period" means the period commencing on the Relevant Announcement Date and ending 90 calendar days after the Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 90 calendar days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 calendar days after the public announcement of such consideration);

"Relevant Potential Change of Control Announcement" means any public announcement or statement by the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 180 calendar days following the date of such announcement or statement, a Change of Control occurs;

"Relevant Announcement Date" means the earlier of (i) the date of the first public announcement of the relevant Change of Control and (ii) the date of the earliest Relevant Potential Change of Control Announcement (if any);

"Person" means any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state, in each case whether or not being a separate entity;

Treuhandvermögen (*trust*), ein Staat oder eine Behörde eines Staates, jeweils unabhängig davon, ob es sich dabei um einen eigenständigen Rechtsträger handelt;

"Qualifizierte Fremdkapitalwertpapiere" bezeichnet jede gegenwärtige oder zukünftige Verbindlichkeit, die

- (i) durch Schuldscheine oder durch Schuldverschreibungen oder sonstige Wertpapiere, die an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert oder gehandelt werden oder werden können, verbrieft, verkörpert oder dokumentiert ist, einschließlich Schuldscheine (unabhängig davon, ob diese ursprünglich als Privatplatzierung vertrieben wurden);
- (ii) entweder direkt von der Emittentin begeben ist oder indirekt von einer anderen Gesellschaft unter der Garantie der Emittentin;
- (iii) nicht nachrangig ist; und
- (iv) ein Solicited Rating aufweist.

"Ratingagentur" bezeichnet Fitch, Moody's und Standard & Poor's oder jede andere Ratingagentur mit vergleichbarem internationalem Ruf, durch die die Emittentin sie jeweils ersetzt (eine **"Ersatz-Ratingagentur"**).

"Fitch" bezeichnet die Fitch Ratings Ltd., ihre Tochtergesellschaften oder ihre Rechtsnachfolgerin.

"Moody's" bezeichnet Moody's Investors Service, Inc. oder ihre Rechtsnachfolgerin.

"Standard & Poor's" bezeichnet Standard & Poor's Rating Services, ein Unternehmen von The McGraw-Hill Companies Inc. oder ihre Rechtsnachfolgerin.

"Solicited Rating" bezeichnet ein Rating, das von einer externen Ratingagentur erteilt wird, die gemäß EU- oder US-Vorschriften anerkannt wird und mit der die Emittentin in einem Vertragsverhältnis steht, in dessen Rahmen die Ratingagentur ein Rating für die Qualifizierten Fremdkapitalwertpapiere erteilt.

§ 6 Zahlungen

- (1) Die Emittentin verpflichtet sich, Kapital und Zinsen auf die Schuldverschreibungen bei Fälligkeit in Euro zu zahlen. Die Zahlung von Kapital und Zinsen erfolgt, vorbehaltlich geltender steuerrechtlicher und sonstiger gesetzlicher Regelungen und Vorschriften, über die Hauptzahlstelle zur Weiterleitung an das

"Qualifying Debt Securities" means any current or future indebtedness that:

- (i) is in the form of, or represented by, a certificate of indebtedness or notes or other securities which are or are capable of being quoted, listed, dealt in or traded on a stock exchange or other recognised securities market, including certificates of indebtedness (*Schuldscheine*) (whether or not initially distributed by way of private placement);
- (ii) is either issued directly by the Issuer or indirectly by any other company and benefitting from a guarantee of the Issuer;
- (iii) is not subordinated; and
- (iv) benefits from a Solicited Rating.

"Rating Agency" means Fitch, Moody's and Standard & Poor's or any other rating agency of comparable international standing (a **"Substitute Rating Agency"**) substituted for any of them by the Issuer from time to time.

"Fitch" means Fitch Ratings Ltd., its subsidiaries or any successor.

"Moody's" means Moody's Investors Service, Inc. or any successor.

"Standard & Poor's" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies Inc. or any successor.

"Solicited Rating" means a rating assigned by an external rating agency recognised by EU or US regulations with whom the Issuer has a contractual relationship under which the Qualifying Debt Securities are assigned a rating.

§ 6 Payments

- (1) The Issuer undertakes to pay, as and when due, principal and interest on the Notes in Euro. Payment of principal and interest on the Notes will be made, subject to applicable fiscal and other laws and regulations, through the Principal Paying Agent for on-payment to the Clearing System or to its order for credit to the respective

Clearingsystem oder nach dessen Weisung zur Gutschrift für die jeweiligen Kontoinhaber. Die Zahlung an das Clearingsystem oder nach dessen Weisung befreit die Emittentin in Höhe der geleisteten Zahlung von ihren entsprechenden Verbindlichkeiten aus den Schuldverschreibungen. Eine Bezugnahme in diesen Anleihebedingungen auf Kapital oder Zinsen der Schuldverschreibungen schließt jegliche Zusätzliche Beträge gemäß § 7 ein.

- (2) Falls ein Fälligkeitstag für die Zahlung von Kapital und/oder Zinsen kein Geschäftstag ist, erfolgt die Zahlung erst am nächstfolgenden Geschäftstag. Die Anleihegläubiger sind nicht berechtigt, Zinsen oder eine andere Entschädigung wegen eines solchen Zahlungsaufschubs zu verlangen.

§ 7 Besteuerung

- (1) Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen sind ohne Einbehalt oder Abzug an der Quelle von irgendwelchen Steuern, Gebühren oder Abgaben gleich welcher Art, die von oder für die Republik Österreich oder irgendeiner ihrer Gebietskörperschaften oder Behörden mit Steuerhoheit erhoben werden ("**Steuern**"), zu zahlen, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben.
- (2) In diesem Fall wird die Emittentin, vorbehaltlich der nachfolgenden Absätze, diejenigen zusätzlichen Beträge ("**Zusätzlichen Beträge**") zahlen, die erforderlich sind, dass die von jedem Anleihegläubiger zu empfangenden Nettobeträge nach einem solchen Einbehalt oder Abzug von Steuern dem jeweiligen Betrag entsprechen, den der Anleihegläubiger ohne einen solchen Einbehalt oder Abzug von Steuern erhalten hätte. Die Emittentin hat jedoch keine Verpflichtung zur Zahlung solcher Zusätzlicher Beträge im Hinblick auf Steuern,
- (i) denen der Anleihegläubiger aus irgendeinem anderen Grund als der bloßen Tatsache unterliegt, dass er Anleihegläubiger ist und einschließlich dass der Anleihegläubiger aufgrund einer persönlichen unbeschränkten oder beschränkten Steuerpflicht derartigen Steuern unterliegt; oder
 - (ii) die auf andere Weise als durch Einbehalt oder Abzug an der Quelle aus Zahlungen von Kapital oder etwaigen Zinsen zu entrichten sind; oder
 - (iii) denen der Anleihegläubiger deshalb unterliegt, weil er in der Republik Österreich ansässig ist oder weil er

account holders. Payments to the Clearing System or to its order will to the extent of amounts so paid constitute the discharge of the Issuer from its corresponding liabilities under the Notes. Any reference in these Terms and Conditions of the Notes to principal or interest will be deemed to include any Additional Amounts as set forth in § 7.

- (2) If the due date for any payment of principal and/or interest is not a Business Day, payment will be effected only on the next Business Day. The Holders will have no right to claim payment of any interest or other indemnity in respect of such delay in payment.

§ 7 Taxation

- (1) All payments of principal and interest in respect of the Notes will be made without withholding or deduction at source for, or on account of, any present or future taxes, duties or governmental charges of whatever nature which are imposed or levied by or on behalf of the Republic of Austria or any political subdivision thereof or any authority or agency therein or thereof having power to tax ("**Taxes**"), unless such withholding or deduction is required by law.
- (2) In such event, the Issuer will pay such additional amounts ("**Additional Amounts**") as shall be necessary, subject to the below, in order that the net amounts receivable by each Holder, after such withholding or deduction of Tax, shall equal the respective amount which would have been received by the Holder had no such withholding or deduction of Taxes been required. However, the Issuer shall not be obliged to pay any Additional Amounts on account of any such Taxes
- (i) which the Holder is subject to for any reason other than the mere fact of being a Holder, including if the Holder is subject to such Taxes based on a personal unlimited or limited tax liability; or
 - (ii) which are to be paid on payments of principal and interest, if any, by any means other than withholding or deduction at source; or
 - (iii) to which a Holder is liable by reason of being a resident of or having some other personal or business connection with

andere persönliche oder geschäftliche Verbindungen zur Republik Österreich hat und nicht lediglich aufgrund der Tatsache, dass Zahlungen gemäß diesen Anleihebedingungen aus der Republik Österreich stammen oder steuerlich so behandelt werden; oder

- (iv) die nur deshalb an der Quelle einbehalten oder abgezogen werden, weil der Anleihegläubiger oder der aus einer Schuldverschreibung wirtschaftlich Berechtigte es versäumt hat, irgendwelche Anforderungen (einschließlich der Beibringung von Formularen und/oder anderer Unterlagen) aus einem Gesetz, einem Vertrag, einer Bestimmung oder einer administrativen Regelung in Steuersachen, aufgrund deren er einen Anspruch auf Erlass der gesamten oder eines Teils der Steuern gehabt hätte, zu erfüllen, soweit eine solche Erfüllung eine Voraussetzung für die Befreiung von solchen Steuern ist; oder
- (v) jede Kombination der Absätze (i) bis (iv).

Außerdem sind Zusätzliche Beträge nicht im Hinblick auf Zahlungen unter den Schuldverschreibungen an solche Anleihegläubiger zu zahlen, die Treuhänder oder Personengesellschaften sind bzw. nicht wirtschaftliche Eigentümer im Hinblick auf solche Zahlungen sind, sofern solche Zahlungen nach den Gesetzen der Republik Österreich für Steuerzwecke bei der Berechnung des Einkommens eines Treugebers oder eines Gesellschafters einer Personengesellschaft oder eines wirtschaftlichen Eigentümers zu berücksichtigen wären, die nicht zum Erhalt Zusätzlicher Beträge berechtigt wären, wenn ein solcher Treugeber, Gesellschafter einer Personengesellschaft oder wirtschaftlicher Eigentümer Anleihegläubiger der Schuldverschreibungen gewesen wäre.

§ 8

Durchsetzung

- (1) Falls die Emittentin Zinsen oder Kapital auf die Schuldverschreibungen bei Fälligkeit nicht oder nicht rechtzeitig zahlt, ist jeder Anleihegläubiger berechtigt, rechtliche Schritte zur Durchsetzung der fälligen Beträge einzuleiten oder einen Antrag auf Eröffnung eines Insolvenzverfahrens über das Vermögen der Emittentin zu stellen. In der Insolvenz oder der Liquidation der Emittentin hat der Anleihegläubiger vorbehaltlich § 2 je Schuldverschreibung eine Forderung in Höhe des Nennbetrags zuzüglich

the Republic of Austria and not merely by reason of the fact that payments according to these Terms and Conditions of the Notes are derived, or for the purpose of taxation are deemed to be derived, from the Republic of Austria; or

- (iv) which are imposed or withheld solely by reason of the failure by the Holder or the beneficial owner of a Note to comply with any requirement (including the provision of necessary forms and/or other documentation) under a statute, treaty, regulation, or administrative practice in tax matters to establish entitlement to exemption from all or part of such Taxes, to the extent such compliance is a prerequisite for exemption from such Taxes; or
- (v) any combination of items (i) to (iv);

nor shall any Additional Amounts be paid with respect to any payments on Notes to Holders which are fiduciaries or partnerships or which are not beneficial owners of such payments, to the extent such payments would for tax purposes be required by the laws of the Republic of Austria to be included when calculating the income of a trustor or a member of a partnership or a beneficial owner which would not have been entitled to receive such Additional Amounts had such trustor, member of a partnership or beneficial owner been the Holder of the Notes.

§ 8

Enforcement

- (1) If the Issuer fails to pay any interest or principal on the Notes when due, each Holder may institute legal proceedings to enforce payment of the amounts due or file an application for the institution of insolvency proceedings for the assets of the Issuer. On an insolvency or liquidation of the Issuer, each Note shall entitle the Holder to claim for an amount equal to the Principal Amount plus accrued interest and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3), subject to

aufgelaufener Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen.

- (2) Jeder Anleihegläubiger ist berechtigt, seine Schuldverschreibungen durch schriftliche Mitteilung gegenüber der Emittentin und der Hauptzahlstelle zur Rückzahlung fällig zu stellen, woraufhin diese Schuldverschreibungen sofort zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung (ausschließlich) in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen ohne weitere Handlungen oder Formalitäten fällig werden (unter der in § 2(2) dargestellten Bedingung, soweit anwendbar), falls eine Anordnung zur Abwicklung, Auflösung oder Liquidation der Emittentin ergeht (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht, bei dem bzw. bei der die Emittentin noch zahlungsfähig ist und bei dem bzw. bei der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt).
- (3) Die Schuldverschreibungen sehen keinen Drittverzug vor.

§ 9

Vorlegungsfrist, Verjährung

Die Vorlegungsfrist der Schuldverschreibungen wird auf zehn Jahre verkürzt. Die Verjährungsfrist für während der Vorlegungsfrist zur Zahlung vorgelegte Schuldverschreibungen beträgt zwei Jahre beginnend mit dem Ablauf der jeweiligen Vorlegungsfrist.

§ 10

Weitere Emissionen

Die Emittentin kann ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen begeben, die in jeder Hinsicht (mit Ausnahme der ersten Zinszahlung) die gleichen Bedingungen wie die Schuldverschreibungen dieser Anleihe haben und die zusammen mit den Schuldverschreibungen dieser Anleihe eine einzige Anleihe bilden.

§ 11

Zahlstellen und Berechnungsstelle

- (1) Bestellung.
- Die Emittentin hat Deutsche Bank Aktiengesellschaft als Hauptzahlstelle in Bezug auf die Schuldverschreibungen (die

§ 2.

- (2) Any Holder may, by written notice addressed to the Issuer and the Principal Paying Agent, declare its Notes due and payable, whereupon such Notes shall become immediately due and payable at their Principal Amount plus any interest accrued on such Notes to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3) without further action or formality (subject to the condition described in § 2(2), if applicable), if an order is made for the winding up, dissolution or liquidation of the Issuer (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer).
- (3) There will be no cross default under the Notes.

§ 9

Presentation Period, Prescription

The presentation period of the Notes is reduced to 10 years. The prescription period for Notes presented during the presentation period shall be two years beginning at the end of the relevant presentation period.

§ 10

Further Issues

The Issuer may from time to time, without the consent of the Holders, create and issue further Notes having the same terms and conditions as the Notes in all respects (except for the first payment of interest) so as to form a single series with the Notes.

§ 11

Paying and Calculation Agent

- (1) Appointment.
- The Issuer has appointed Deutsche Bank Aktiengesellschaft as principal paying agent with respect to the Notes (the "**Principal Paying**

"**Hauptzahlstelle**" und gemeinsam mit jeder etwaigen von der Emittentin nach § 11(2) bestellten zusätzlichen Zahlstelle, die "**Zahlstellen**") bestellt.

Die Emittentin hat Deutsche Bank Aktiengesellschaft als Berechnungsstelle in Bezug auf die Schuldverschreibungen (die "**Berechnungsstelle**" und, gemeinsam mit den Zahlstellen, die "**Verwaltungsstellen**") bestellt.

Die Geschäftsräume der Verwaltungsstellen befinden sich unter den folgenden Adressen:

Hauptzahlstelle:
Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Deutschland

Berechnungsstelle:
Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Deutschland

(2) Änderung oder Beendigung der Bestellung.

Die Emittentin behält sich das Recht vor, jederzeit die Benennung einer Zahlstelle zu verändern oder zu beenden und Nachfolger bzw. zusätzliche Zahlstellen zu ernennen. Änderungen in Bezug auf die Zahlstellen oder deren angegebene Geschäftsstellen werden umgehend gemäß § 12 veröffentlicht.

(3) Status der beauftragten Stellen.

Die Zahlstellen und die Berechnungsstelle handeln ausschließlich als Vertreter der Emittentin und übernehmen keine Verpflichtungen gegenüber den Anleihegläubigern; es wird kein Vertrags-, Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet. Die Zahlstellen und die Berechnungsstelle sind von den Beschränkungen des § 181 des deutschen Bürgerlichen Gesetzbuchs befreit.

**§ 12
Bekanntmachungen**

- (1) Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, außer den in § 14(6) vorgesehenen Bekanntmachungen, die ausschließlich gemäß den Bestimmungen des SchVG (wie nachstehend definiert) erfolgen, werden (solange die Schuldverschreibungen an der Luxemburger Wertpapierbörse notiert sind) auf der Internet-Seite der Luxemburger Börse unter www.bourse.lu veröffentlicht. Für das Datum und die Rechtswirksamkeit sämtlicher Bekanntmachungen ist die erste Veröffentlichung maßgeblich.

Agent" and, together with any additional paying agent appointed by the Issuer in accordance with § 11(2), the "**Paying Agents**").

The Issuer has appointed Deutsche Bank Aktiengesellschaft as calculation agent with respect to the Notes (the "**Calculation Agent**" and, together with the Paying Agents, the "**Agents**").

The addresses of the specified offices of the Agents are:

Principal Paying Agent:
Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Germany

Calculation Agent:
Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Germany

(2) Variation or Termination of Appointment.

The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint successor or additional Paying Agents. Notice of any change in the Paying Agents or in the specified office of any Paying Agent will promptly be published pursuant to § 12.

(3) Status of the Agents.

The Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of contract, agency or trust for or with any of the Holders. The Paying Agents and the Calculation Agent are exempt from the restrictions of § 181 of the German Civil Code (*Bürgerliches Gesetzbuch*).

**§ 12
Notices**

- (1) All notices regarding the Notes, other than any notices stipulated in § 14(6) which shall be made exclusively pursuant to the provisions of the SchVG (as defined below), will be published (so long as the Notes are listed on the Luxembourg Stock Exchange) on the website of the Luxembourg Stock Exchange on www.bourse.lu. Any notice will become effective for all purposes on the date of the first such publication.

(2) Die Emittentin ist ferner berechtigt, alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung an die Anleihegläubiger zu übermitteln.

§ 13 Ersetzung

(1) Ersetzung.

Die Emittentin (oder die Nachfolgeschuldnerin) ist jederzeit berechtigt, sofern sie sich nicht mit einer fälligen Zahlung von Kapital oder Zinsen oder einer anderen Zahlung aus den Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Anleihegläubiger jede andere Gesellschaft, deren stimmberechtigte Gesellschaftsanteile zu mehr als 90 % direkt oder indirekt von der Emittentin gehalten werden und deren Geschäftszweck in der Aufnahme von Mitteln für die Refinanzierung von verbundenen Unternehmen besteht und die keine wesentlichen operativen Vermögenswerte hält oder Anteile an operative Gesellschaften der Emittentin oder deren Tochtergesellschaften hält (die "**Nachfolgeschuldnerin**"), an Stelle der Emittentin als Hauptschuldnerin für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

- (i) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;
- (ii) die Nachfolgeschuldnerin alle erforderlichen behördlichen Genehmigungen erhalten hat und berechtigt ist, an die Hauptzahlstelle die zur Erfüllung der Zahlungsverpflichtungen auf die Schuldverschreibungen zu zahlenden Beträge in Euro zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin oder die Emittentin ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;
- (iii) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Anleihegläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Anleihegläubiger infolge der Ersetzung auferlegt werden;
- (iv) die Emittentin unwiderruflich und unbedingt gegenüber den Anleihegläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die

(2) The Issuer will also be entitled to deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders.

§ 13 Substitution

(1) Substitution.

The Issuer (or the Substitute Debtor) may, without the consent of the Holders, if the Issuer is not in default with any payment of principal or of interest or any other amount due in respect of the Notes, at any time substitute for the Issuer, any other company of which more than 90 % of the voting shares or other equity interests are directly or indirectly owned by the Issuer and which has the corporate function of raising financing and passing it on to affiliates and which holds no significant operating assets or has any ownership in the operating companies of the Issuer or its Subsidiaries (the "**Substitute Debtor**") as principal debtor in respect of all obligations arising from or in connection with the Notes, provided that:

- (i) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;
- (ii) the Substitute Debtor has obtained all necessary governmental authorisations and may transfer to the Principal Paying Agent in Euro and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;
- (iii) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder as a result of such substitution;
- (iv) the Issuer irrevocably and unconditionally guarantees on a subordinated basis in favour of each Holder the payment of all sums payable

Schuldverschreibungen zu zahlenden Beträge auf nachrangiger Basis garantiert;

- (v) aufgrund der Ersetzung kein Ereignis eintreten würde, welches die Nachfolgeschuldnerin dazu berechtigen würde, die Schuldverschreibung gemäß § 5(4) zu kündigen und zurückzuzahlen;
- (vi) der Hauptzahlstelle jeweils ein oder mehrere Rechtsgutachten bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten vorgelegt wird bzw. werden, das bestätigt bzw. die bestätigen, dass die Bestimmungen in diesem § 13(1) erfüllt wurden; und
- (vii) der Hauptzahlstelle jeweils eine schriftliche Bestätigung von jeder Rating-Agentur, die ein Kreditrating für die Schuldverschreibungen erteilt hat, vorgelegt wird, die bestätigt, dass die Ersetzung nicht dazu führt, dass das Kreditrating der Schuldverschreibungen herabgestuft oder zurückgenommen wird.

(2) **Bezugnahmen.**

Im Fall einer Schuldnerersetzung gemäß Absatz (1) gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Nachfolgeschuldnerin und jede Bezugnahme auf die Republik Österreich als eine solche auf den Staat (die Staaten), in welchem die Nachfolgeschuldnerin ihren Sitz hat bzw., soweit hierbei ein Unterschied gemacht werden muss, steuerlich ansässig ist.

(3) **Bekanntmachung und Wirksamwerden der Ersetzung.**

Die Ersetzung der Emittentin ist gemäß § 12 bekannt zu machen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin und im Falle einer wiederholten Anwendung dieses § 13 jede frühere Nachfolgeschuldnerin von ihren sämtlichen Verbindlichkeiten aus den Schuldverschreibungen frei.

§ 14

Änderung der Anleihebedingungen durch Beschluss der Anleihegläubiger; Gemeinsamer Vertreter

- (1) Die Emittentin kann die Anleihebedingungen mit Zustimmung aufgrund Mehrheitsbeschlusses der Anleihegläubiger nach Maßgabe der §§ 5 ff. des deutschen Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("**SchVG**") in seiner jeweiligen gültigen Fassung ändern. Die Anleihegläubiger können insbesondere einer Änderung wesentlicher

by the Substitute Debtor in respect of the Notes;

- (v) no event would occur as a result of the substitution that would give rise to the right of the Substitute Debtor to call the Notes for redemption pursuant to § 5(4);
- (vi) there shall have been delivered to the Principal Paying Agent an opinion or opinions with respect to the relevant jurisdictions of lawyers of recognised standing to the effect that the provisions of this § 13(1) above have been satisfied; and
- (vii) there shall have been delivered to the Principal Paying Agent a written confirmation from each rating agency that has assigned a rating in respect of the Notes confirming that the substitution will not result in the rating of the Notes being downgraded or withdrawn.

(2) **References.**

In the event of a substitution pursuant to subsection (1), any reference in these Terms and Conditions to the Issuer will be a reference to the Substitute Debtor and any reference to the Republic of Austria will be a reference to the Substitute Debtor's country (countries) of incorporation or, if different, of the domicile for tax purposes.

(3) **Notice and Effectiveness of Substitution.**

Notice of any substitution of the Issuer will be given by publication in accordance with § 12. Upon such publication, the substitution will become effective, and the Issuer and in the event of a repeated application of this § 13, any previous Substitute Debtor will be discharged from any and all obligations under the Notes.

§ 14

Amendments to the Terms and Conditions by resolution of the Holders; Joint Representative

- (1) The Issuer may amend the Terms and Conditions with the consent of a majority resolution of the Holders pursuant to §§ 5 et seq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen, "SchVG"*), as amended from time to time. In particular, the Holders may consent to amendments which materially change the

Inhalte der Anleihebedingungen, einschließlich der in § 5 Absatz 3 SchVG vorgesehenen Maßnahmen, mit den in dem nachstehenden § 14(2) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Anleihegläubiger verbindlich.

- (2) Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Anleihegläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen, insbesondere in den Fällen des § 5 Absatz 3 Nummer 1 bis 9 SchVG, geändert wird, bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine "**Qualifizierte Mehrheit**").
- (3) Die Anleihegläubiger können Beschlüsse in einer Gläubigerversammlung gemäß §§ 5 ff. SchVG oder im Wege einer Abstimmung ohne Versammlung gemäß § 18 und § 5 ff. SchVG fassen.
- (a) Die Teilnahme an der Gläubigerversammlung und die Ausübung der Stimmrechte ist von einer vorherigen Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Kalendertag vor der Gläubigerversammlung zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 15(3)(i)(A) und (B) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.
- (b) Zusammen mit der Stimmabgabe müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 15(3)(i)(A) und (B) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Stimmabgabe (einschließlich) bis zum letzten Tag des Abstimmungszeitraums (einschließlich) nicht übertragbar sind, nachweisen.
- (4) Wird für die Gläubigerversammlung gemäß § 14(3)(a) oder die Abstimmung ohne Versammlung gemäß § 14(3)(b) die mangelnde

substance of the Terms and Conditions, including such measures as provided for under § 5(3) of the SchVG, by resolutions passed by such majority of the votes of the Holders as stated under § 14(2) below. A duly passed majority resolution will be binding upon all Holders.

- (2) Except as provided by the following sentence and provided that the quorum requirements are being met, the Holders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of § 5(3) numbers 1 through 9 of the SchVG, may only be passed by a majority of at least 75 % of the voting rights participating in the vote (a "**Qualified Majority**").
- (3) The Holders can pass resolutions in a meeting (*Gläubigerversammlung*) in accordance with §§ 5 et seqq. of the SchVG or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 18 and § 5 et seqq. of the SchVG.
- (a) Attendance at the meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third calendar day preceding the meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 15(3)(i)(A) and (B) hereof in text form and by submission of a blocking instruction by the depositary bank stating that the relevant Notes are not transferable from (and including) the day such registration has been sent until (and including) the stated end of the meeting.
- (b) Together with casting their votes, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 15(3)(i)(A) and (B) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from (and including) the day such vote has been cast until (and including) the day the voting period ends.
- (4) If it is ascertained that no quorum exists for the meeting pursuant to § 14(3)(a) or the vote without a meeting pursuant to § 14(3)(b), in case

Beschlussfähigkeit festgestellt, kann – im Fall der Gläubigerversammlung – der Vorsitzende eine zweite Versammlung im Sinne von § 15 Absatz 3 Satz 2 SchVG und – im Fall der Abstimmung ohne Versammlung – der Abstimmungsleiter eine zweite Versammlung im Sinne von § 15 Absatz 3 Satz 3 SchVG einberufen. Die Teilnahme an der zweiten Versammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Anleihegläubiger abhängig. Für die Anmeldung der Anleihegläubiger zu einer zweiten Versammlung gelten die Bestimmungen des § 14(3)(a) entsprechend.

- (5) Die Anleihegläubiger können durch Mehrheitsbeschluss die Bestellung und Abberufung eines gemeinsamen Vertreters, die Aufgaben und Befugnisse des gemeinsamen Vertreters, die Übertragung von Rechten der Anleihegläubiger auf den gemeinsamen Vertreter und eine Beschränkung der Haftung des gemeinsamen Vertreters bestimmen. Die Bestellung eines gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn er ermächtigt wird, wesentlichen Änderungen der Anleihebedingungen gemäß § 14(2) zuzustimmen.
- (6) Bekanntmachungen betreffend diesen § 14 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.
- (7) Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen gelten entsprechend für die Bestimmungen einer etwaigen Garantie gemäß § 13(1)(iv).

§ 15 Schlussbestimmungen

- (1) Anzuwendendes Recht
- Form und Inhalt der Schuldverschreibungen sowie alle sich daraus ergebenden Rechte und Pflichten bestimmen sich nach dem Recht der Bundesrepublik Deutschland, mit Ausnahme des § 2 (*Status*), der sich nach dem Recht Österreichs bestimmt.
- (2) Gerichtsstand
- Ausschließlicher Gerichtsstand für alle Rechtsstreitigkeiten aus den in diesen Anleihebedingungen geregelten Angelegenheiten ist, soweit gesetzlich zulässig, Frankfurt am Main, Bundesrepublik Deutschland. Die Emittentin verzichtet unwiderruflich darauf, gegenwärtig oder zukünftig gegen die Gerichte in Frankfurt am Main als Forum für Rechtsstreitigkeiten Einwände zu erheben, und versichert, keines der Gerichte in Frankfurt am Main als ungelegen

of a meeting, the chairman (*Vorsitzender*) may convene a second meeting in accordance with § 15 paragraph 3 sentence 2 of the SchVG or, in case of a vote without a meeting, the scrutineer (*Abstimmungsleiter*) may convene a second meeting within the meaning of § 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Holders' registration. The provisions set out in § 14(3)(a) shall apply *mutatis mutandis* to the Holders' registration for a second meeting.

- (5) The Holders may by majority resolution provide for the appointment or dismissal of a joint representative, the duties and responsibilities and the powers of such joint representative, the transfer of the rights of the Holders to the joint representative and a limitation of liability of the joint representative. Appointment of a joint representative may only be passed by a Qualified Majority if such joint representative is to be authorised to consent, in accordance with § 14(2) hereof, to a material change in the substance of the Terms and Conditions.
- (6) Any notices concerning this § 14 shall be made exclusively pursuant to the provisions of the SchVG.
- (7) The provisions set out above applicable to the Notes shall apply *mutatis mutandis* to any guarantee granted pursuant to § 13(1)(iv).

§ 15 Final Provisions

- (1) Applicable Law
- The form and content of the Notes and all rights and duties arising therefrom shall be governed by, and construed in accordance with, the laws of the Federal Republic of Germany, except for § 2 (*Status*) which shall be governed by Austrian law.
- (2) Place of Jurisdiction
- To the extent legally permissible, exclusive place of jurisdiction for all proceedings arising from matters provided for in these Terms and Conditions will be Frankfurt am Main, Federal Republic of Germany. The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of Frankfurt am Main being nominated as the forum to hear and determine any proceedings and to settle any disputes, and agrees not to claim that any of those courts is not a convenient or appropriate

oder unangemessenes Forum zu bezeichnen.

Dies gilt vorbehaltlich eines zwingenden Gerichtsstandes für besondere Rechtsstreitigkeiten im Zusammenhang mit dem SchVG.

(3) Geltendmachung von Rechten

Jeder Anleihegläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Anleihegläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen geltend zu machen gegen Vorlage:

- (i) einer Bescheinigung der Depotbank, die (A) den vollen Namen und die volle Anschrift des Anleihegläubigers bezeichnet, (B) den gesamten Nennbetrag von Schuldverschreibungen angibt, die am Ausstellungstag dieser Bescheinigung den bei dieser Depotbank bestehenden Depots dieses Anleihegläubigers gutgeschrieben sind und (C) bestätigt, dass die Depotbank dem Clearingsystem und der Hauptzahlstelle eine schriftliche Mitteilung gemacht hat, die die Angaben gemäß (A) und (B) enthält und Bestätigungsvermerke des Clearingsystems sowie des betroffenen Kontoinhabers bei dem Clearingsystem trägt sowie
- (ii) einer von einem Vertretungsberechtigten des Clearingsystems oder der Hauptzahlstelle beglaubigten Ablichtung der Globalurkunde; oder
- (iii) eines anderen, in Rechtsstreitigkeiten in dem Land der Geltendmachung zulässigen Beweismittels.

"**Depotbank**" bezeichnet ein Bank- oder sonstiges Finanzinstitut, bei dem der Anleihegläubiger Schuldverschreibungen im Depot verwahren lässt und das ein Konto bei dem Clearingsystem hat, einschließlich des Clearingsystems.

**§ 16
Sprache**

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

forum.

This is subject to any exclusive court of venue for specific legal proceedings in connection with the SchVG.

(3) Enforcement of Rights

Any Holder may in any proceedings against the Issuer or to which the Holder and the Issuer are parties protect and enforce in his own name his rights arising under his Notes on the basis of:

- (i) a certificate issued by this Custodian (A) stating the full name and address of the Holder, (B) specifying an aggregate Principal Amount of Notes credited on the date of such statement to such Holder's securities account(s) maintained with this Custodian and (C) confirming that this Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information specified in (A) and (B) and bearing acknowledgements of the Clearing System and the relevant account holder in the Clearing System and
- (ii) a copy of the Global Note relating to the Notes, certified as being a true copy by a duly authorised officer of the Clearing System or the Principal Paying Agent; or
- (iii) any other means of evidence permitted in legal proceedings in the country of enforcement.

"**Custodian**" means any bank or other financial institution with which the Holder maintains a securities account in respect of any Notes and having an account maintained with the Clearing System, including the Clearing System.

**§ 16
Language**

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is provided for convenience only.

GENERAL INFORMATION ON THE ISSUER AND THE GROUP

In this section ("*General Information on the Issuer and the Group*") of the Prospectus, unless the context requires otherwise, "**Issuer**" and "**OMV AG**" refer to OMV Aktiengesellschaft, a company incorporated under the laws of the Republic of Austria, and "**Group**" and "**OMV**" refer to OMV Aktiengesellschaft and its subsidiaries. Figures in the tables of this section which refer to the financial years ended 31 December 2016 and 31 December 2017 are taken from the audited consolidated financial statements of the Issuer as of and for the financial years 2016 and 2017, and therefore, labelled as "audited", except where stated otherwise. Figures which refer to the three months period ended on 31 March 2018 are not taken from the audited consolidated financial statements of the Issuer as of and for the financial years 2016 and 2017 and, therefore, are labelled as "unaudited".

HISTORY AND DEVELOPMENT

The Issuer's legal name is OMV Aktiengesellschaft. It also uses the commercial name OMV.

The Issuer was founded by merger of various companies by agreements dated 10 February 1956 and is a joint stock corporation (*Aktiengesellschaft*) under the laws of the Republic of Austria for a period of unlimited duration, with its registered seat in Vienna, Austria. The Issuer is registered with the companies' register (*Firmenbuch*) at the Commercial Court of Vienna under the registration number FN 93363 z. As of the date of this Prospectus, OMV AG's share capital totals EUR 327,272,727. The share capital is divided into 327,272,727 shares. The Issuer's principal place of business is at Trabrennstraße 6-8, 1020 Vienna, Austria and the telephone number of its registered office is +43 1 40440-0.

OBJECTS OF THE ISSUER

Pursuant to clause 2 of OMV's articles of association dated 14 August 2014 (the "**Articles of Association**") the objects of the Issuer are:

- i) the investment in other enterprises and corporations as well as the management and administration of such investments (holding company), including the acquisition and disposal of investments in Austria and abroad;
- ii) all activities, irrespective of their legal basis, in connection with prospecting for, extracting and processing in any production stage of hydrocarbons and other mineral resources; the production of fuel and other devices for vehicles, stationary power sources (engines) and heating systems;
- iii) the sale of and the trade with goods and products as well as substances of all kinds, in particular those mentioned under (ii), including their stocking (magazines) and storage for third persons;
- iv) services of all kinds including the operation of necessary plants and equipment. These services in particular include any consulting, planning and realisation services in all fields, in particular in the fields of industrial medicine, construction, drilling, wells, chemistry, electro technology, transport of goods and persons, catering, hotel industry and tourism, information technology, infrastructure, laboratories, mechanical engineering, insurance management, management consultancies, licensing of production processes, patents, industrial design and the like;
- v) hiring, letting (leasing) of labour force;
- vi) the business of insurance and reinsurance;
- vii) the construction and operation of all kinds of plants for power generation, regardless of the source of energy;
- viii) the construction and operation of network and line systems of all kinds, in particular of pipelines;
- ix) all activities relating to waste management;
- x) the construction and the operation of petrol and gas filling stations, car-wash installations, repair and retail outlets, garages, and all other activities in connection with the aforementioned.

According to the Articles of Association, the Issuer is entitled to conduct any business and adopt any measures which are deemed to be necessary to or useful for achieving its corporate objectives, in particular to conduct any activities which are similar or related to the Issuer's corporate objectives. The Issuer is in particular entitled to buy and sell and rent and lease real estate property, whether as lessee/tenant or as lessor/landlord. The Issuer may establish branches in Austria and abroad.

SELECTED FINANCIAL DATA OF OMV

The following information and data have been extracted from, and are only a summary of, (i) the audited consolidated financial statements of OMV AG as of and for the financial year ended 31 December 2017 (including the comparative amounts for the financial year ended 31 December 2016), (ii) the audited consolidated financial statements of OMV AG as of and for the financial year ended 31 December 2016 and (iii) the unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018 of OMV AG. The audited consolidated financial statements of OMV AG as of and for the financial year ended 31 December 2017 and the audited consolidated financial

statements of OMV AG as of and for the financial year ended 31 December 2016 have been prepared in compliance with International Financial Reporting Standards (IFRSs) as adopted by the EU. The audited consolidated financial statements of OMV AG as of and for the financial years ended 31 December 2017 and 2016 have been audited by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., certified public auditors and members of the Austrian Chamber of Tax Advisers and Chartered Accountants (*Kammer der Steuerberater und Wirtschaftsprüfer*), authorised by law from the Ministry of Economics and Labour of the Republic of Austria. The unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018 have been prepared in accordance with IAS 34 Interim Financial Statements and have not been audited.

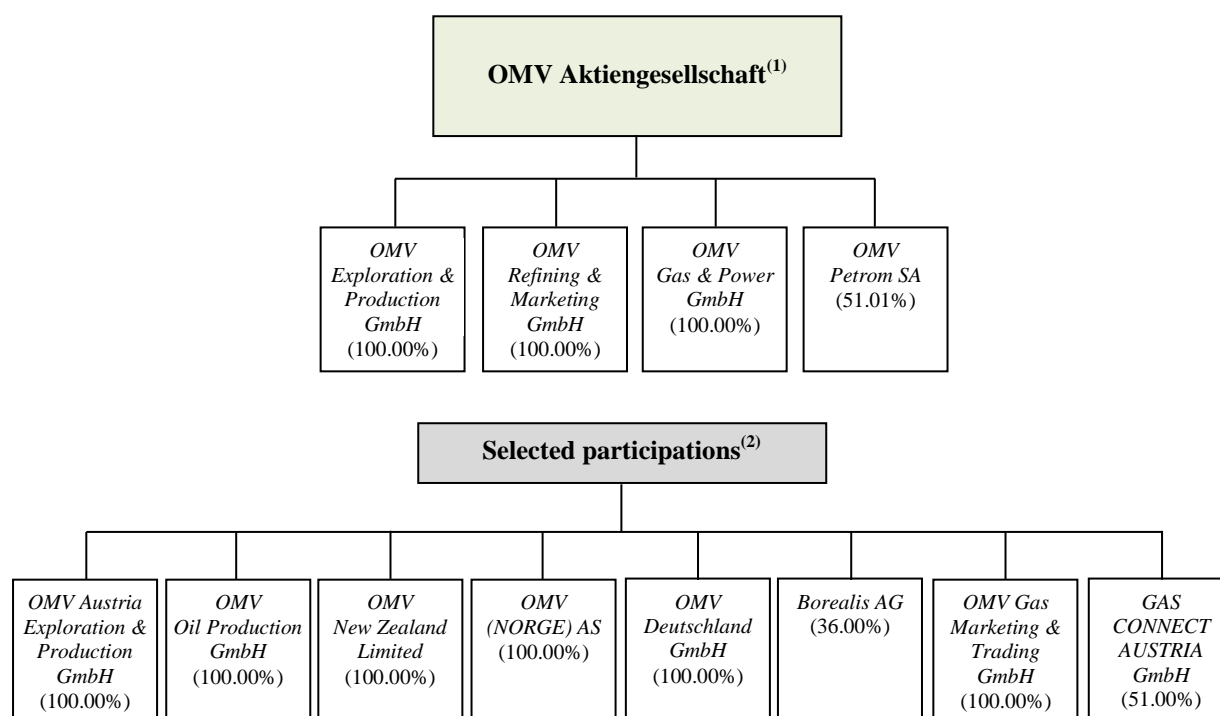
The audited consolidated financial statements as of and for the financial years ended 31 December 2016 and 2017, together with the respective auditor's report of Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. thereon, and such unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018 are incorporated by reference into this Prospectus. The financial information presented below should be read in conjunction with those documents incorporated by reference into this Prospectus.

	As of 31 December		As of 31 March
	2017	2016	2018
	<i>(in EUR million) audited</i>		<i>(in EUR million) unaudited</i>
Assets			
Non-current assets	21,972	21,042	21,757
Current assets.....	9,398	7,666	10,416
Assets held for sale	206	3,405	192
Equity and liabilities			
Total Equity/Equity	14,334	13,925	13,999
Non-current liabilities.....	10,352	10,354	10,201
Current liabilities	6,826	6,727	8,109
Liabilities associated with assets held for sale	63	1,107	55
Total assets/equity and liabilities	31,576	32,112	32,365

(Sources: Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017 (including the comparative amounts as of and for the financial year ended 31 December 2016), Issuer's unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018)

ORGANISATIONAL STRUCTURE

The Issuer has two major shareholders (see "Major Shareholders"). Further, the Issuer and its subsidiaries form the Group. The following diagram shows, in simplified form, several of the main participations of the Issuer as of the date of this Prospectus:



(1) This simplified chart does not provide detailed information on the way participations are held; in certain of the subsidiaries at a lower level, OMV Aktiengesellschaft also directly holds certain stakes.

(2) "Selected participations" includes directly and indirectly held participations of OMV Aktiengesellschaft and is simplified. The chart does not provide detailed information on the way participations are held.

(Sources: OMV Annual Report 2017, internal data)

In addition to wholly owned subsidiaries (including *inter alia* OMV Exploration & Production GmbH, OMV Refining & Marketing GmbH and OMV Gas & Power GmbH, as of the date of this Prospectus, the Issuer directly or indirectly owns interests of 51.01% in the Romanian oil and gas company OMV Petrom SA ("**Petrom**"), 100.00% in OMV Gas Marketing & Trading GmbH (formerly: EconGas GmbH) ("**OGMT**"), and a 51.00% share in GAS CONNECT AUSTRIA GmbH (GCA). In relation to the former shareholding of OMV in OMV Petrol Ofisi A.Ş. ("**Petrol Ofisi**"), OMV divested the Turkish fuel supply and distribution company via a sale of 100.00% of the shares of OMV's Turkish holding company OMV Petrol Ofisi Holding A.S to VIP Turkey Enerji A.S., a subsidiary of Vitol Group, a transaction which was closed in June 2017. The sale did not include the gas and power business of Petrol Ofisi and some other assets. The gas and power business remained with OMV Gas & Power GmbH as an integral part of the Group.

OMV holds a 36.00% interest in Borealis AG ("**Borealis**"), a provider of innovative solutions in the fields of polyolefin, base chemicals and fertilizers. In addition, OMV holds a 10.00% stake in Pearl, which is involved in exploration and production of hydrocarbons in the Kurdistan Region of Iraq, a 40.00% interest in the Turkish gas wholesaler Enerco Enerji Sanayi Ve Ticaret A.S. and a 55.60% stake in Erdöl-Lagergesellschaft m.b.H, which is holding the major part of the emergency stock of crude and petroleum products in Austria.

BUSINESS STRATEGY

Overview

OMV is producing and marketing oil and gas, innovative energy and high-end petrochemical solutions. It is active in the Upstream business and in the Downstream business (split into Downstream Oil and Downstream Gas).

In the financial year 2017, crude oil prices strongly increased by 18% to USD 66.87/bbl as of 31 December 2017. The average price of Brent crude oil in the financial year 2017 amounted to USD 54.19/bbl and was 24% higher on a year-to-year basis than in the financial year 2016 (2016: USD 43.73/bbl).

Restructured core business of OMV (2015-2017)

In the financial year 2015, following the appointment of new CEO Rainer Seele and in reaction to fundamental changes in market conditions, a comprehensive review of OMV's strategy took place and a restructuring of OMV's core business commenced. Financial and operational goals were implemented, including in particular portfolio optimisation through active management, minimization of effects of volatile oil prices and development of a sustainable reserve base. Investments, exploration and appraisal expenses and production costs were reduced since 2015 by systematically implementing cost reduction programs.

Strategic measures implemented in the course of the restructuring of OMV's core business included:

Upstream ("*value over volume growth*"):

- Improvements of the cost structure compared to 2015: Reduction of investment expenses, Exploration and Appraisal ("**E&A**") expenditure and production costs
- Reduction of production costs from USD 13.2/boe in 2015 to USD 8.8/boe in 2017
- Significant increase in value creation: clean Operating Result of EUR 1.225 billion in 2017
- Increase in production to 348 kboe/d in 2017
- Optimisation of the portfolio through divestments (for example, OMV UK) and acquisitions (for example, in Russia)
- Achievement of a three-year average reserve replacement rate ("**RRR**") of 116%
- Expansion and strengthening of strategic partnerships

Downstream Oil ("*strong cash generation*"):

- Sale of the Turkish retail business OMV Petrol Ofisi
- Free cash flow doubled from 2015 to 2017
- Increase of captive market share in Retail
- MaxxMotion premium fuel share increased significantly
- 40.00% share acquired in full-service provider for e-mobility SMATRICS

Downstream Gas ("*restructuring and increase in sales*"):

- Integration of OMV Trading and EconGas to OMV Gas Marketing & Trading GmbH
- Divestment of 49% share in GAS CONNECT AUSTRIA GmbH ("**GCA**") in 2016
- Sales activities continually expanded
- Financing partner in Nord Stream 2 pipeline project

Expected future market environment

According to the "New Policies" scenario of the International Energy Agency (IEA), global energy demand will increase from approximately 13,800 mn t in 2016 to more than 16,000 mn t in 2030. Natural gas will be the strongest-growing primary energy source among fossil fuels. A decarbonisation policy and stricter emissions standards will lead to a flattening out in the demand for oil products long term. The IEA expects oil to continue to be the dominant fossil energy source far beyond 2030, with the increase in consumption to stem primarily from countries in Asia, the Middle East and Africa.

The growth in demand for crude oil is the result of increased demand for products from the petrochemical industry and the transport sector in these emerging markets. While demand for crude oil products is forecast to develop negatively in saturated markets such as North America and Northwest Europe, the global growth in demand beyond 2030 will come from the emerging markets in China, India, Africa and the Middle East. Significant growth in the demand for gas is anticipated especially in Asia (primarily China and India). In Europe, natural gas is catching up to oil according to forecasts: Both energy sources will cover a share of approx. 50% of the primary energy demand by 2030. By 2040, natural gas will have overtaken crude oil in relative and absolute figures despite an overall flattening out in demand growth. Due to increasing global liquefaction capacities (particularly in the USA and Australia), significant additional amounts of liquefied natural gas ("**LNG**") will be able to be imported to Europe by 2020, depending of demand for LNG

in Asia. The European supply streams will be influenced significantly by the resulting market behaviour of the established suppliers (especially Russia).

The growth in global demand for petrochemical products is tied to the general development of the economy (gross domestic product – "**GDP**"). More than two-thirds of the increasing demand for hydrocarbons are expected to stem from the emerging Asian markets by 2030, which have the largest share of global population growth and corresponding potential for an increase in the standard of living. In these markets, demand is anticipated to increase disproportionately to GDP. The developed markets in Europe, North America and Japan are expected to show stable growth in the demand for petrochemical products in line with GDP. Expansions in petrochemical capacity with ethanol and gas condensate are expected in regions with access to cheap, gasbased feedstocks, such as North America (shale gas), the Middle East (associated gas) and Russia.

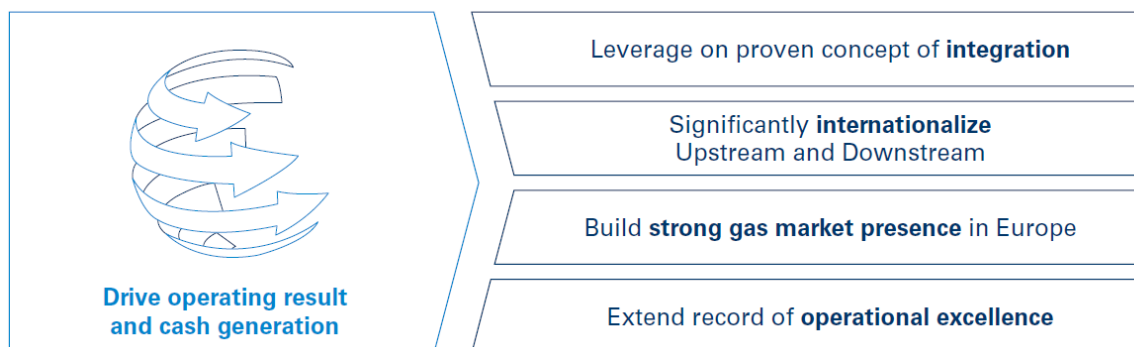
Strategic cornerstones – Strategy 2025

The OMV Strategy 2025 expands on the proven concept of integration on an international level to benefit from growing demand for oil and gas products outside of Europe. Based on a balanced growth strategy in Upstream and Downstream, the size and geographical reach of OMV is intended to be expanded considerably.

The long-term goal of OMV is a significant increase in oil and gas production in Upstream and in processing capacities in Downstream. For Upstream, the focus will be on continuing to improve the costs position and ensure a sustainable reserve replacement. The business development in Downstream is intended to emphasise forward integration into petrochemical products and to increase the production amounts of jet fuel. To achieve this goal, OMV is counting on its proven ability to sustainably build and expand partnerships and cooperations.

Strategy 2025 intends transforming OMV into an international, diversified and integrated oil and gas company with a focused regional orientation and considerably increased production and processing capacities.

The strategic cornerstones can be illustrated in an overview as follows:



(Source: Annual Report 2017)

In detail, OMV has set the following strategic measures:

- Value growth in Upstream:

Value growth will continue to be the guiding principle for selecting growth projects: Low-cost, highly profitable barrels are prioritized over a growth in volume. Based on the current forecast and project pipeline, OMV aims to increase production to roughly 500 kboe/d by 2020 and roughly 600 kboe/d by 2025. Targeted production costs of below USD 8/boe are expected to improve the costs position and therefore value creation. OMV aims to sustainably increase the value of the Upstream portfolio through merger and acquisition ("**M&A**") activities in regions with low development and production costs and through a risk-based approach. Adherence to strict cost management and profitability-oriented capital discipline will remain a key element of OMV's strategy. OMV will continue to focus its portfolio on key regions with a production of more than 50 kboe/d each. Portfolio growth with sustainable reserve replacement will be being pursued with the development of projects in selected regions (such as the Middle East and Russia). Australasia is to be developed to the status of a core region by 2025 in order to unlock the growth potential of the rapidly growing Asian market by achieving critical mass. In all, OMV is pursuing a geopolitically and technologically balanced and economically resilient portfolio. OMV will successively increase the share of natural gas in its portfolio to more than 50% by 2025 to improve the long-term profitability and carbon efficiency of its portfolio. OMV's reserve replacement strategy is focused on the acquisition of reserves and complementary E&A activities that will continually be adapted to the production goal. To ensure a RRR of more than 100% (three-year average) in the long term, proven oil and gas reserves ("**1P reserves**") are intended to be increased to more than 2 billion barrel of oil equivalent ("**bn boe**") by 2025

along with an average reserve life of eight to ten years. In addition, state-of-the-art technology will be used to increase the total recovery rate through secondary and tertiary reserve replacement methods. Strategic partnerships will remain an important lever for access to oil and gas fields of significant sizes, with long-term perspectives and value creation. Working together with selected national oil companies ensures access to fields with sustainable production. On a global scale, OMV's cooperations with strong international oil companies are estimated to support the expansion of technological expertise while also aiming at minimising operational and financial risks.

- Optimisation of Downstream in Europe:

To expand OMV's Downstream market position in the future, the shares of petrochemical products and jet fuel are intended to be expanded in the portfolio of products for the European market by means of sales channels, operational excellence and strict cost management at all locations. A high level of integration between the three refinery locations in Austria, Germany and Romania shall continue to contribute to the above-average degree of utilisation. The strategic focus in the retail business lies in increasing the sales of fuels from OMV refinery production via the filling stations in the premium and discount segment. The number of stations in the discount retail business is intended to be expanded continually in the coming years, while the focus of the premium retail network is on increasing the market share of the premium product MaxxMotion and developing the service and shop offerings. Production of natural gas is declining at a rapid rate in the European market. Correspondingly, OMV's production capacities and long-term supply contracts with international market partners form the basis for sustainable and reliable supply to customers by OMV. Modern, resilient infrastructure is essential for this. The infrastructure project Nord Stream 2 to expand direct supply capacities for natural gas from Russia is therefore of relevance for OMV. In addition, developing and integrating the offshore project Neptun in the Black Sea into the Romanian supply structure will be pushed forward. In the future, OMV intends developing new European markets and to increase the total sales volume of natural gas significantly, especially in Northwest Europe. Cooperation with international global market leaders in natural gas production and sales form the foundation for OMV's intended economical business development.

- International Downstream growth:

In its position as – according to Executive Board estimates – a leader in Europe, the Downstream Business Segment is pursuing the goal of participating in the growth of the international markets for fuels and petrochemical products. Therefore, OMV's production capacities are intended to be expanded significantly and internationally developed. Existing partnerships and alliances form an essential prerequisite for expanding OMV's business model to new regions.

OMV's M&A criteria include strategic criteria as well as financial criteria with a focus on cash and value. As to strategic criteria, inorganic growth needs to be in line with OMV's strategy, e.g. maintaining the balanced Upstream and Downstream portfolio, focussing on low-cost and hydrocarbon-rich countries in defined upstream regions, proximity to growing downstream markets and thriving for a balanced risk profile in terms of geography and applied technology. As to financial criteria, the cash profile (focus on acquisitions being timely cash generative, generating positive free cash flows in a mid-term perspective and contributing resilient cash flows) and the return profile (applying defined investment hurdles considering risks to ensure value accretive acquisitions) are of importance. In an overall perspective, the inorganic growth needs to be pursued in line with OMV's medium and long-term financial targets, including OMV's clean CCS ROACE target (see "*Financial steering*" below). For the period from 2018 to 2025, OMV's strategy includes a budget for acquisitions of EUR 10 billion, which will be used depending on market opportunities.

Financial steering

OMV's strategy includes the ambition to fulfill the expectations of the financial and capital markets in terms of value creation, financial stability, competitiveness and compliance. OMV's shareholder value management is focused on evaluating the long-term investment projects of the business segments in terms of the economic added value for OMV, the free cash flow contribution and efficient cost control. OMV's strategic goals for financial management are

- long-term preservation of a positive free cash flow after dividends and taking into account a progressive dividend policy and competitive shareholder returns,
- supporting value creation through a medium and long-term clean CCS ROACE of $\geq 12\%$,
- growing clean CCS net income attributable to stockholders,
- ensuring financial stability through a gearing ratio of $\leq 30\%$, and
- long-term preservation of the current investment-grade credit rating.

Investment and business activities are accompanied and supported by leading risk and compliance management. OMV

intends ensuring its competitiveness through continual process optimisation and harmonisation along with the corresponding IT infrastructure and the use of digital processes.

Oil price, gas price and EUR/USD assumptions

The nominal oil price and gas price assumptions and the EUR/USD exchange rate currently applied by OMV are the following:

	2018	mid-term	long-term
Brent oil price (in USD/bbl) ⁽¹⁾	68	70	70-80
CEGH gas price (in EUR/MWh) ⁽²⁾	18	20	20-22
EUR/USD exchange rate	1.15	1.20	1.15-1.20

(1) In US Dollar per bbl.

(2) In Euro per megawatt hour.

(Sources: internal data)

BUSINESS OF OMV

Overview

OMV is an integrated, international oil and gas company active in (i) the Upstream business segment, which includes exploration, development and production activities, and (ii) the Downstream business segment split into Downstream Gas, which includes the marketing of gas and power, and Downstream Oil covering the Group's refining and marketing as well as petrochemicals activities. In addition to these segments (also shown in the following chart), OMV's management, financing activities and certain service functions are concentrated in the OMV Corporate segment.

In the Upstream segment, OMV is particularly active in four core regions (i) Central and Eastern Europe (CEE), (ii) the North Sea, (iii) Middle East and Africa and (iv) Russia as well as the development region Australasia. As of 31 December 2017, the international portfolio consisted of 15 countries: Austria, Bulgaria, Romania and Kazakhstan in CEE, Norway in the North Sea region, Kurdistan region of Iraq, Libya, Pakistan, Tunisia, the United Arab Emirates, Madagascar and Yemen in the Middle East and Africa region, Russia as a fourth core region and Australia and New Zealand as part of the development region Australasia. As of 31 December 2017, OMV had proven oil and gas reserves (1P) of approximately 1.15 bn boe (2016: 1.03 bn boe), proven and probable reserves (2P) of 1.9 bn boe and a production of around 348 kboe/d in 2017 (2016: 311 kboe/d). More than 80% of OMV's Upstream production in 2016 came from member states of the European Union ("EU") and of the Organisation for Economic Co-operation and Development ("OECD"). The oil and gas split in production in the Upstream segment was approx. 52 (oil)% to 48 (gas)% in 2017.

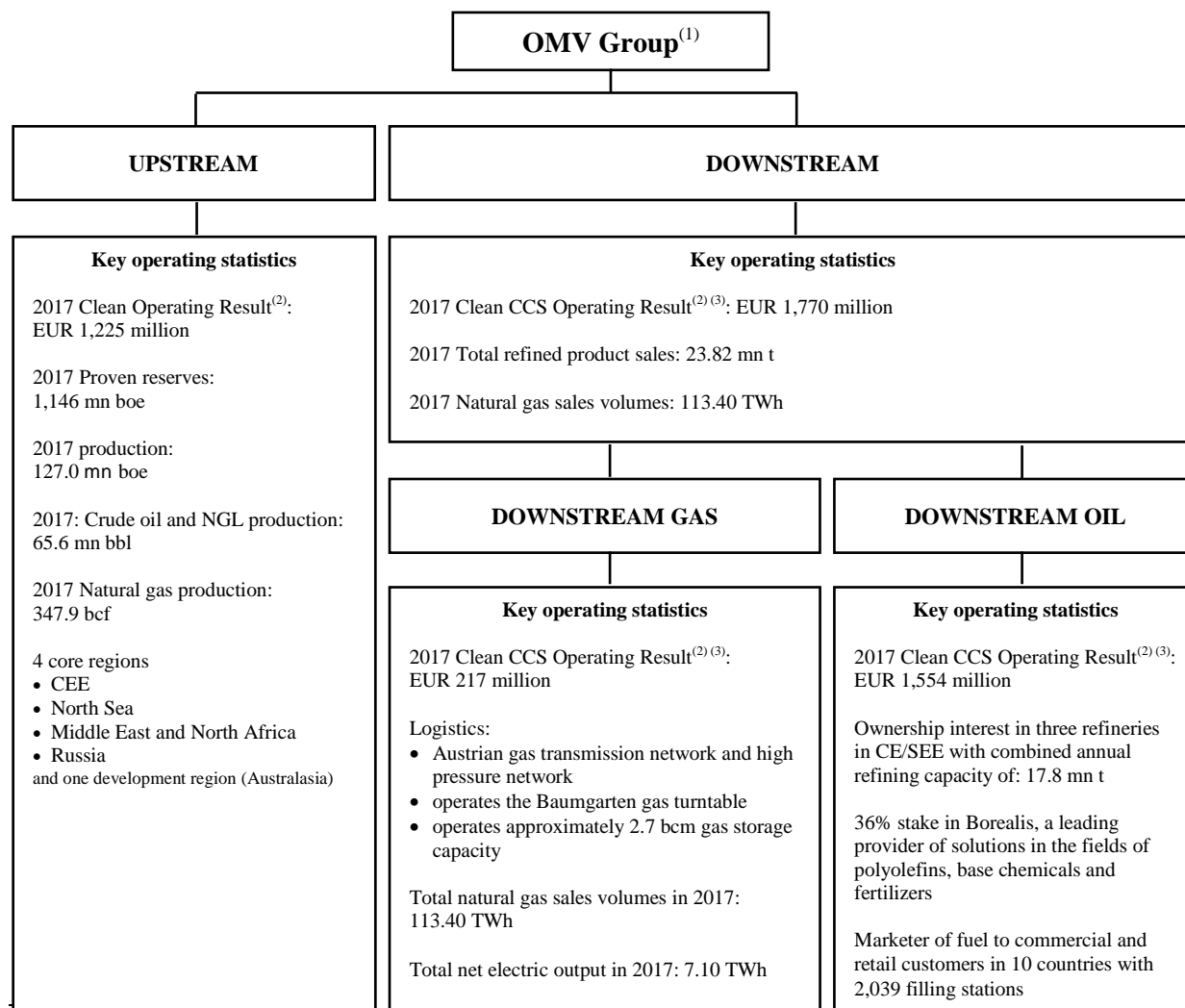
In Downstream Gas, OMV sold approximately 113 terawatt hours ("TWh") of natural gas in the financial year 2017 (financial year 2016: approx. 109 TWh). OMV operates a gas pipeline network in Austria as well as four own gas storage facilities with a capacity of 2.7 billion cubic metres ("bcm") (31 TWh). The CEGH operated by Central European Gas Hub AG is established as a gas trading platform on the gas routes from East to West and also operates a gas exchange. The gas distribution node in Baumgarten is Central Europe's largest entry point for gas from Russia. OMV also operates two gas-fired power plants in Romania and Turkey.

Downstream Oil operates three refineries: The Schwechat (Austria) and Burghausen (southern Germany) refineries, both of which feature integrated petrochemical production, and the Petrobrazi refinery (Romania), which mainly processes Romanian crude. In Downstream Oil, OMV's annual refining capacity as of 31 December 2017 was 17.8 mn t (as of 31 December 2016: 17.8 mn t). The total refined product sales were 23.82 mn t in 2017 (2016: 30.74 mn t). As of 31 December 2017, the retail network consisted of 2,039 filling stations in 10 countries with a strong multi-brand portfolio (2016: 3,777 in 11 countries, which comprised in particular Petrol Ofisi in Turkey).

With Group sales revenues of EUR 20.222 billion in 2017 (2016: EUR 19.260 billion), a workforce of 20,721 employees as of 31 December 2017 (as of 31 December 2016: 22,544 employees) and a market capitalization of approximately EUR 17.29 billion as of 31 December 2017 (as of 31 December 2016: approximately EUR 10.96 billion), OMV AG is Austria's largest listed industrial company as of 31 December 2017.

As of and for the three months ended 31 March 2018, OMV employed 20,595 employees, Group sales revenues amounted to EUR 4.98 billion in the three months ended 31 March 2018 and OMV's market capitalisation as of 31 March 2018 was approximately EUR 15.44 billion.

The following organisational chart shows the main lines of business for OMV:



⁽¹⁾ As of and for the financial year ended 31 December 2017, unless otherwise specified.

⁽²⁾ Clean CCS Operating Result is Operating result adjusted for special items and CCS effects.

⁽³⁾ Current Cost of Supply (CCS): Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects) resulting from the fuels refineries and OMV Petrol Ofisi.

(Sources: unaudited part "Oil and Gas Reserve Estimation and Disclosures" of the audited consolidated financial statements 2017, OMV Annual Report 2017, internal data)

Segments

Upstream. The Upstream business segment explores, develops and produces crude oil, natural gas liquids and natural gas and focuses on four core regions (i) CEE (Romania and Austria), (ii) the North Sea, (iii) the Middle East and Africa and (iv) Russia, as well as the development region Australasia, covering a total of 15 countries worldwide.

Downstream

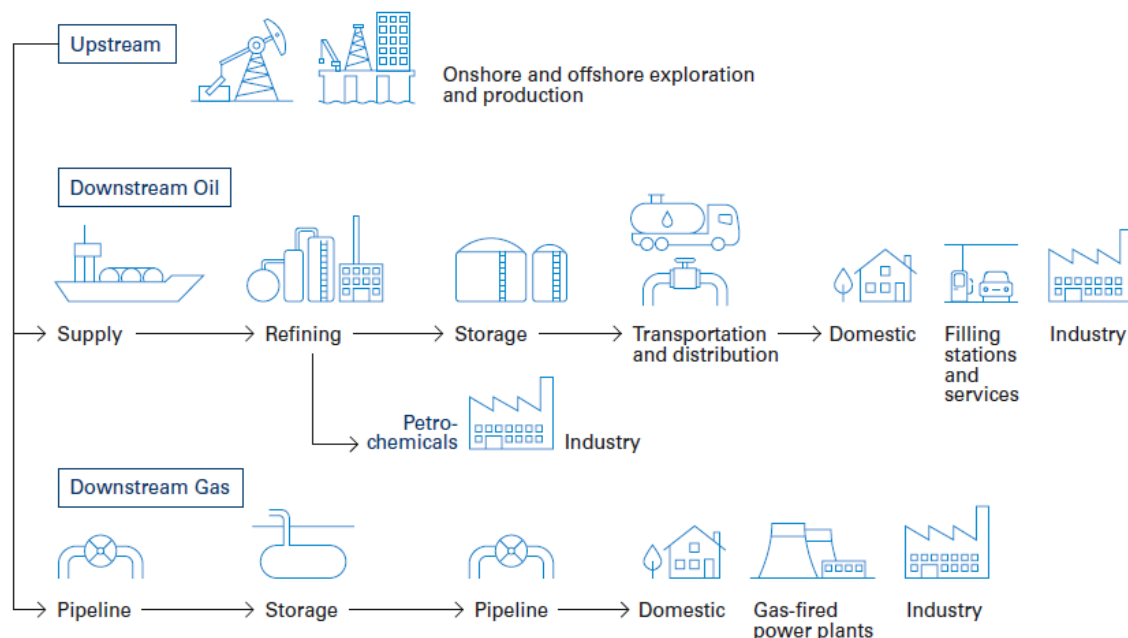
- **Downstream Gas.** In Downstream Gas, one of two parts of the business segment Downstream, OMV operates across the entire gas value chain. OMV engages in gas transit through and transport within Austria, as well as in the gas storage, supply, marketing and trading. OMV is an operator of long-distance gas transmission pipelines in Austria. Since 2008, Downstream Gas also includes the Group's activities in the electricity business. The power business is providing an additional marketing platform for gas to OMV.
- **Downstream Oil.** Downstream Oil, the second part of the business segment Downstream, comprises the three refineries and petrochemical complexes in Schwechat (Austria), Burghausen (Germany) and in Petrobrazi (Romania). In these refineries, oil and gas is processed into petroleum products, which are sold to commercial

and private customers. Furthermore, Downstream Oil includes OMV's network of filling stations which as of 31 December 2017 covered 2,039 filling stations in 10 countries.

Corporate and Other. The Corporate and Other (Co&O) segment comprises group management, financing activities and certain service functions.

Value chain of segments

The value chain of OMV's business segments Upstream and Downstream, consisting of Downstream Gas and Downstream Oil, can be summarised as follows:



(Source: OMV Annual Report 2017, internal data)

Sales and Earnings

The following tables show an overview of sales and earnings for each of OMV's business segments:

Sales

	Year ended 31 December		Three months ended 31 March	
	2017	2016	2018	2017
	<i>(in EUR million)</i>		<i>(in EUR million)</i>	
	<i>audited</i>		<i>unaudited</i>	
Upstream ⁽¹⁾	4,168	3,285	1,345	1,136
Downstream ⁽¹⁾	18,967	18,316	4,406	5,119
– thereof Downstream Oil ⁽¹⁾	14,099	14,630	2,866	3,913
– thereof Downstream Gas ⁽¹⁾	4,983	3,779	1,569	1,236
– thereof intrasegmental elimination Downstream	(116)	(93)	(29)	(31)
Corporate and Other (Co&O)	355	370	81	91
Total sales (not consolidated)	23,490	21,971	5,832	6,346
Consolidation/intersegmental sales.....	(3,267)	(2,711)	(854)	(828)
Sales revenues	20,222	19,260	4,977	5,518

(1) Including intra group/intersegmental sales. Labeled as total sales (not consolidated) in the unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018.

(Sources: Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017 (including the comparative amounts as of and for the financial year ended 31 December 2016), Issuer's unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018)

Operating Result

	Operating Result / year ended 31 December		Operating Result / three months ended 31 March	
	2017	2016	2018	2017
	<i>(in EUR million)</i> <i>audited</i>		<i>(in EUR million)</i> <i>unaudited</i>	
Upstream.....	1,218	(1,046)	478	508
Downstream	584	1,106	417	540
thereof Downstream Oil	412	1,145	299	453
thereof Downstream Gas	171	(38)	118	87
Corporate and Other (Co&O)	(48)	(56)	(1)	(16)
Consolidation: Elimination of intersegmental profits/losses.....	(21)	(36)	6	5
Group.....	1,732	(32)	899	1,037

(Sources: Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017 (including the comparative amounts as of and for the financial year ended 31 December 2016), Issuer's unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018)

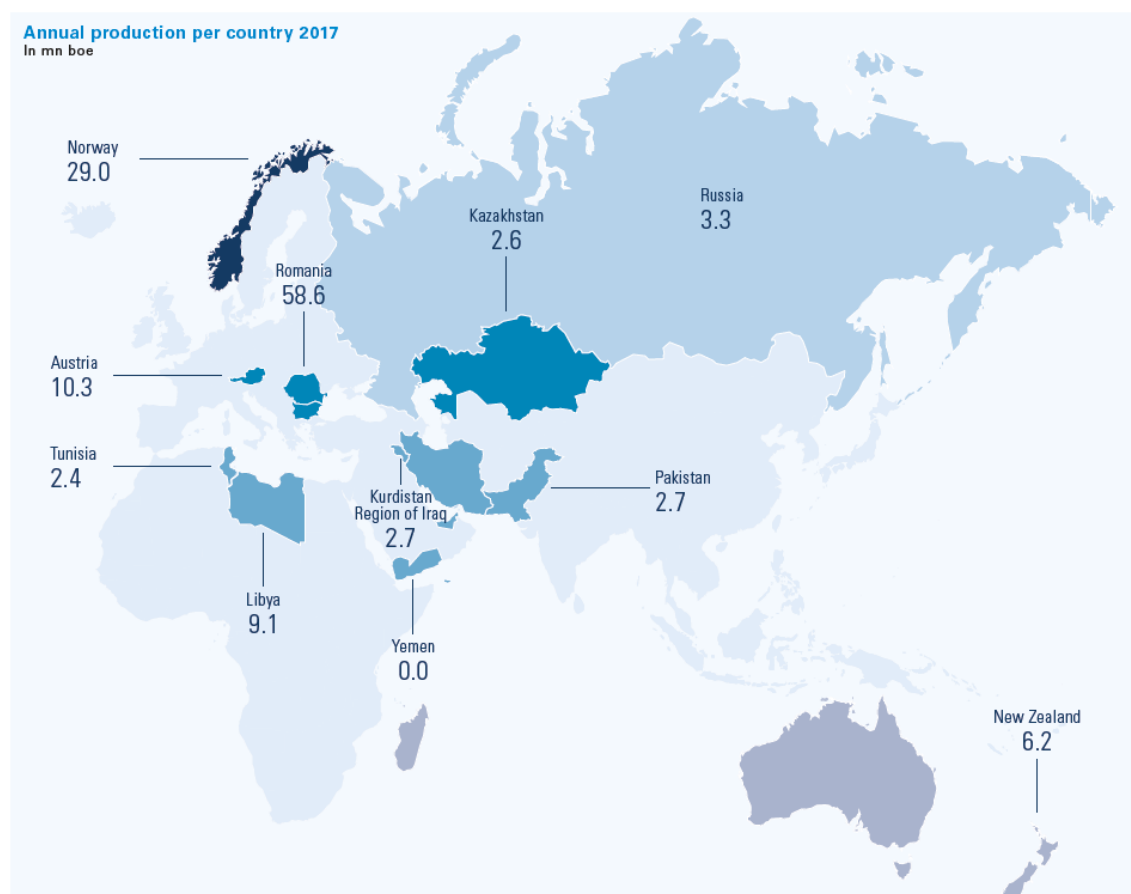
UPSTREAM

Overview

The Upstream portfolio is spread across 15 countries and currently focuses on the four core regions (i) CEE, (ii) the North Sea, (iii) Middle East and Africa, (iv) Russia as well as the development region Australasia.

The following map shows the geographic focus, core areas of OMV's Upstream activities as of 31 December 2017 as well as the 2017 annual production per country in million barrels of oil equivalent ("mn boe"):

Core region 1	Core region 2	Core region 3	Core region 4	Rest of world
● Central and Eastern Europe	● North Sea	● Middle East and Africa	● Russia	● Rest of world
Austria Bulgaria Romania Kazakhstan	Norway	Kurdistan Region of Iraq Libya Pakistan Tunisia United Arab Emirates Yemen		Australia Madagascar New Zealand



(Source: OMV Annual Report 2017, internal data)

Starting in 2018, the non-core region "rest of the world" has been renamed into Australasia and Madagascar has been assigned to Middle East and Africa. As of the date of this Prospectus, CEE comprises Austria, Bulgaria, Romania and Kazakhstan and the region. North Sea comprises Norway. Countries of OMV in the Middle East and Africa region are the Kurdistan Region of Iraq, Libya, Pakistan, Tunisia, the United Arab Emirates, Madagascar and Yemen. The fourth core region is Russia and the development region Australasia comprises Australia and New Zealand.

History

OMV extended its market position in CE/SEE and Kazakhstan through its acquisition of Petrom in 2004. In 2011, OMV acquired the entire share capital of Petronas Carigali (Pakistan) Ltd and completed the acquisition of 100% of the issued share capital of Pioneer Natural Resources Tunisia Ltd. and Pioneer Natural Resources Anaguid Ltd. (together "**Pioneer Tunisia**"). By focusing the business in the United Kingdom largely onto the West of Shetland area, in 2012 OMV (U.K.) Limited divested a 5% stake in the Beryl Area producing fields and 1.5% of the Boa producing field and acquired a

17.5% stake in Tobermory and Bunnehaven discoveries, West of Shetlands, from Statoil (U.K.) Limited in exchange for a 30% stake in the Northern North Sea discovery, Mariner East. Also in 2012, Abu Dhabi National Oil Company, OMV Abu Dhabi E&P GmbH (OMV) and Wintershall Middle East GmbH – Abu Dhabi (Wintershall) signed a technical evaluation agreement to appraise the sour gas and condensate field in Shuwaihat, located 25 km to the West of Ruwais in the Western Region of Abu Dhabi. In Norway, OMV grew its portfolio in 2012 by acquiring a 15% stake in the Aasta Hansteen gas field development and a 20% stake in the Edvard Grieg oil field development. With the return of relative calm in 2012 after the Arab Spring in 2011, OMV restarted operations in North Africa and the Middle East. In 2013, production in Romania showed a year-on-year increase for the first time since Petrom was acquired in 2004. In contrast, the international portfolio was impacted by production interruptions in Libya and New Zealand. The acquisition of assets in Norway and the UK from Statoil further increased OMV's footprint in the North Sea area. Also in 2013, OMV entered Sub-Saharan African markets, including Madagascar through the acquisition of a 40% share in the Grand Prix exploration block (working interest was increased to 90% in 2015). The financial year 2015 was a challenging year for OMV in the Upstream segment with segment sales (including intra-group sales) of EUR 3,900 million and an EBIT of EUR (2,371) million. The same applies to the challenging year 2016, when Upstream segment sales of EUR 3,285 million (including intra-group sales) were achieved.

For key projects in OMV's Upstream exploration and development portfolio see "*Upstream key projects in 2017*" below.

Developments in 2017

In 2017, Health, Safety, Security and Environment (“**HSSE**”) remained the priority in Upstream. Joint efforts kept the Lost-time Injury Rates (“**LTIR**”) at a low level of 0.28 (2016: 0.33).

In the financial year 2017, OMV was able to increase Upstream segment sales significantly by 27% compared to 2016 to EUR 4,168 million in 2017 as a result of an improved market environment and restarting of production in Libya. After the elimination of intra-group sales of EUR 2,839 million in 2017, the external sales of Upstream in 2017 were EUR 1,329 million and made approximately 7% of the Group's external sales (2016: EUR 1,013 million and 5%).

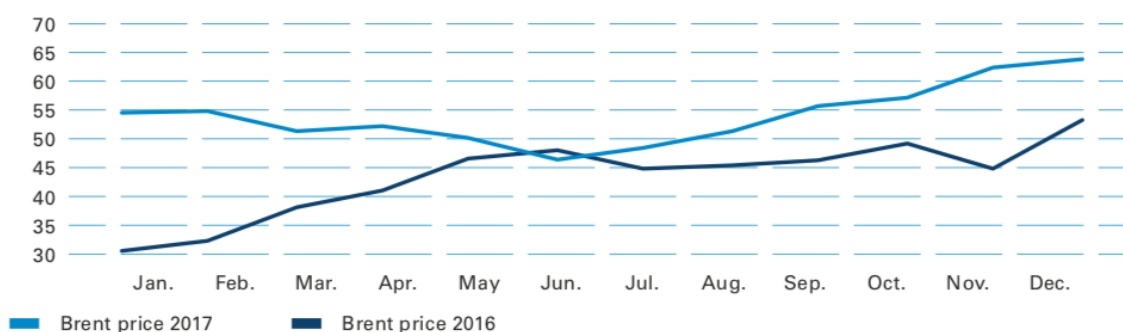
OMV took significant actions in 2017 to reshape its Upstream portfolio in line with the focus on low-cost production regions and sustainable reserves replacement. These included entering Russia with approximately 100 kboe/d added to daily production, the divestment of selected assets and efforts to strengthen partnerships in the Middle East and Africa region. Production cost decreased to USD 8.8/boe as a result of the higher production coupled with the successful implementation of the cost reduction program, while the reserves replacement rate reached 191% at year-end 2017. Total hydrocarbon (oil, natural gas liquids and gas) production rose by 12% from 311 kboe/d in 2016 to 348 kboe/d in 2017, mainly as a result of the higher production from Libya and Norway as well as the production contribution from Russia.

In 2017, the average Brent price reached USD 54/bbl, an increase of 24% compared to 2016, predominantly due to significant stock draws and a higher geopolitical risk. OMV's average realised crude price rose by 26%. Upstream capital expenditures amounted to EUR 2,781 million in 2017 (2016: EUR 1,356 million), which were mainly related to the Yuzhno Russkoye acquisition and to investments in field redevelopments, drilling and work-over activities in Romania as well as in field developments in Norway.

The following chart shows the development of monthly average crude oil prices (Brent) in the financial years 2016 and 2017:

Crude price (Brent) – monthly average

In USD/bbl



(Sources: OMV Annual Report 2017, internal data)

For information on OMV's Upstream portfolio development in 2017 and 2018 see "*Description by geographic area–Upstream portfolio developments in 2017 and 2018*" below.

Developments in the first three months of 2018

In the first three months of 2018, the Upstream segment recognised a record level of total hydrocarbon production at 437 kboe/d, an increase by 31% compared to 335 kboe/d in the first three months of 2017. The increase was particularly driven by Russia's contribution of 106 kboe/d and a higher Libyan production by 15 kboe/d, which more than offset the decrease of Petrom's production to 162 kboe/d in the respective period. Upstream production cost in the first three months of 2018 amounted to USD 7.42/boe, a decrease by 17% compared to USD 8.91/boe in the first three months of 2017, mainly as a result of higher production coupled with the ongoing cost reduction program, partly offset by negative foreign exchange impacts due to USD devaluation. Total hydrocarbon sales volumes increased from 28.5 mn boe in the first three months of 2017 to 38.5 mn boe as a result of the contribution from Russia following the acquisition of the interest in the Yuzhno Russkoye gas field as well as higher sales volumes in Libya and Norway.

Developments in exploration, production and proven reserves

The following table shows OMV's production in 2016 and 2017 of crude oil and natural gas liquids ("NGL"), natural gas and oil equivalent in million barrels ("mn bbl"), billion cubic feet ("bcf") and mn boe according to these countries and regions:

	Production in 2017 ⁽¹⁾				Production in 2016 ⁽¹⁾			
	Oil & NGL	Natural gas ⁽²⁾		Oil equiv.	Oil & NGL	Natural gas ⁽²⁾		Oil equiv.
	<i>mn bbl</i>	<i>bcf</i>	<i>mn boe</i>	<i>mn boe</i>	<i>mn bbl</i>	<i>bcf</i>	<i>mn boe</i>	<i>mn boe</i>
Romania ⁽³⁾	25.0	181.6	33.6	58.6	26.3	185.4	34.3	60.7
Norway	18.7	61.6	10.3	29.0	17.1	51.4	8.6	25.6
Austria	4.6	34.2	5.7	10.3	5.1	31.2	5.2	10.3
Other countries ⁽⁴⁾⁽⁵⁾	17.3	70.5	11.8	29.0	9.4	46.9	8.0	17.1
Total.....	65.6	347.9	61.3	127.0	57.9	314.9	55.9	113.8

⁽¹⁾ Certain figures included in the table have been subject to rounding adjustments. Accordingly, certain figures may not be an arithmetic aggregation for the figures that preceded them.

⁽²⁾ To convert gas from standard cubic feet ("scf") to boe the following conversion factor was applied in all countries: 1 boe = 6,000 scf; except for Romania where the following was used: 1 boe = 5,400 scf.

⁽³⁾ As OMV AG holds 51% of Petrom, it is fully consolidated and figures therefore include 100% of Petrom's production of crude oil and natural gas.

⁽⁴⁾ In 2016, "other countries" consists of Kazakhstan, Libya, New Zealand, Pakistan, Tunisia and UK.

⁽⁵⁾ In 2017, "other countries" consists of Kazakhstan, Libya, New Zealand, Pakistan, Tunisia, Kurdistan Region of Iraq and Russia.

(Sources: unaudited part "Oil and Gas Reserve Estimation and Disclosures" of the audited consolidated financial statements 2017, OMV Annual Report 2017, internal data)

In 2016, total hydrocarbon production (oil equivalent) increased from 113.8 mn boe in 2015 to 127.0 mn boe, consisting of a daily production of 348 kboe/d, mainly as a result of higher production in Libya and Norway as well as the production contribution from Russia.

The following table shows OMV's proved developed and undeveloped reserves as at 31 December 2016 and 31 December 2017 of crude oil and NGL, natural gas and oil equivalent in mn bbl, bcf and mn boe according to these countries and regions:

	Proven reserves at 31 December 2017 ⁽¹⁾				Proven reserves at 31 December 2016 ⁽¹⁾			
	Oil & NGL	Natural gas ⁽²⁾		Oil equiv.	Oil & NGL	Natural gas ⁽²⁾		Oil equiv.
	<i>mn bbl</i>	<i>bcf</i>	<i>mn boe</i>	<i>mn boe</i>	<i>mn bbl</i>	<i>bcf</i>	<i>mn boe</i>	<i>mn boe</i>
Romania ⁽³⁾	320.1	1,200.9	222.4	542.5	329.6	1,360.7	252.0	581.6
Austria	38.0	219.1	36.5	74.6	41.2	230.3	38.4	79.6
Other countries ⁽⁴⁾⁽⁵⁾ ..	212.7	1,896.3	316.0	528.7	256.7	673.3	112.2	368.9
Total.....	570.8	3,316.3	574.9	1,146	627.6	2,264.4	402.6	1,030

⁽¹⁾ Certain figures included in the table have been subject to rounding adjustments. Accordingly, certain figures may not be an arithmetic aggregation for the figures that preceded them.

⁽²⁾ To convert gas from scf to boe the following conversion factor was applied in all countries: 1 boe = 6,000 scf; except for Romania where the following was used: 1 boe = 5,400 scf.

2016: Including approximately 72 bcf of cushion gas held in storage reservoirs.

- 2017: Including approximately 68 bcf of cushion gas held in storage reservoirs.
- (3) As OMV AG holds 51% of Petrom, it is fully consolidated and figures therefore include 100% of Petrom's proven developed and undeveloped reserves.
- (4) In 2016, "other countries" consists of Kazakhstan, Libya, New Zealand, Norway, Pakistan, Tunisia and UK.
- (5) In 2017, "other countries" consists of Kazakhstan, Libya, New Zealand, Norway, Pakistan, Tunisia, Kurdistan Region of Iraq and Russia.

(Sources: internal data)

As of 31 December 2017, OMV had proven reserves of approx. 570.8 mn bbl of crude oil and NGL, and 3,316.3 bcf proven reserves of natural gas, amounting to 1,146 mn boe in proven reserves of oil equivalent. Proven reserves as of 31 December 2017 of crude oil and NGL decreased, compared to 626.6 mn bbl as of 31 December 2016, and proven reserves of natural gas significantly increased from 2,264 bcf as of 31 December 2016 to 3,316.3 bcf as of 31 December 2017. Proven reserves of oil equivalent as of 31 December 2017 increased from approx. 1,030 mn boe as of 31 December 2016 to 1,146 mn boe as of 31 December 2017. Proven reserves are estimated by OMV's own Qualified Reserves Estimators in accordance with the SEC regulations. The estimates are independently evaluated every two years, most recently in 2016 (with respect to 2015 figures) by DeGolyer and MacNaughton.

Taking into consideration OMV's total hydrocarbon production in 2017 (127.00 mn boe), OMV's total proven reserves (oil & NGL and natural gas) in the amount of approximately 1,146 mn boe would theoretically secure OMV's production for the next approx. 9 years.

As of 31 December 2017, OMV's RRR has been 116% on average over the past three full business years (as of 31 December 2015: 70%), mainly supported by the acquisition of 24.99% in the Yuzhno Russkoye natural gas field in Russia. Additional reserves were booked because of positive reserves revisions, largely in Norway and Romania, as well as a contract extension in the Kurdistan Region of Iraq following the settlement agreement between the Kurdistan Regional Government ("**KRG**") and Pearl after arbitration proceedings. The 2017 one-year RRR was 191% (2016: 101%).

Evaluation is conducted in accordance with the globally accepted Petroleum Resources Management System (PRMS 2007). The disclosure of proven reserves is solely on SEC standards.

Proved and probable oil and gas reserves (2P) amounted to 1,943 mn boe in 2017 (thereof OMV Petrom: 839 mn boe) mainly due to the Yuzhno Russkoye acquisition, which more than compensated for the divestments of OMV (U.K.) Limited, Ashtart in Tunisia and several fields in Romania.

Description by geographic area

The following is a description by geographic area of assets and activities of the Upstream business segment:

Romania⁽¹⁾ and Austria

	Year ended 31 December	
	2017	2016
Production		
Crude oil and NGL production (mn bbl).....	29.6	31.4
Natural gas production (bcf).....	215.9	216.6
Total production (mn boe)⁽²⁾.....	69.0	70.9
Proven reserves		
Proved oil and NGL reserves (mn bbl).....	358.1	370.8
Proved natural gas reserves (bcf).....	1,420.0	1,591.1
Total proven reserves (mn boe)⁽²⁾.....	617.0	661.2

(1) As OMV AG holds 51% of Petrom, it is fully consolidated and figures therefore include 100% of Petrom's production and proven reserves.

(2) To convert gas from scf to boe the following conversion factor was applied in all countries: 1 boe = 6,000 scf; except for Romania where the following was used: 1 boe = 5,400 scf.

(Sources: internal data)

The majority of OMV's production volumes of 348 kboe/d in 2017 and proven reserves of 1,146 mn boe at the end of the year 2017 stem from OMV's mature core countries, Romania and Austria as well as Russia. Higher production was also recognised in Norway and Libya.

Since 2004, OMV has owned 51.01% in Petrom. Romania is OMV's largest exploration and production venture with an average daily production of 161 kboe/d in 2017 (2016: 165.8 kboe/d).

Other countries^{(1) (2)}

	Year ended 31 December	
	2017	2016
Production		
Crude oil and NGL production (mn bbl).....	36.0	26.5
Natural gas production (bcf).....	132.1	98.3
Total production (mn boe)⁽³⁾	58	42.9
Proven reserves		
Proved oil and NGL reserves (mn bbl).....	212.7	256.7
Proved natural gas reserves (bcf)	1,896.3	673.3
Total proven reserves (mn boe)⁽³⁾	528.7	368.9

⁽¹⁾ In 2016, "other countries" consists of Kazakhstan, Libya, New Zealand, Norway, Pakistan, Tunisia and UK.

⁽²⁾ In 2017, "other countries" consists of Kazakhstan, Libya, New Zealand, Norway, Pakistan, Tunisia, Kurdistan Region of Iraq and Russia.

⁽³⁾ To convert gas from scf to boe the following conversion factor was applied in all countries: 1 boe = 6,000 scf.

(Sources: internal data)

Upstream portfolio developments in 2017 and 2018:

In the financial year 2017, OMV continued to optimise its Upstream portfolio in line with the focus on low-cost production regions and sustainable reserves replacement. These were mainly supported by the acquisition of a share in a producing gas field in Russia and by the divestment of Ashtart field in Tunisia and of marginal fields in Romania. The security situation in Libya improved, which enabled the restart of production during 2016. For further impacts of the political situation on the Group's Libyan assets and production, see "Risk Factors— Shortfalls in crude oil supplies from Libya could continue to adversely affect OMV's business".

Russia:

In the financial year 2017, Russia was set up as a new core area for the Upstream segment. On 30 November 2017, OMV completed the acquisition of a 24.99% share in the Yuzhno Russkoye natural gas field located in Western Siberia from Uniper SE. The purchase price amounted to EUR 1,719 mn and included customary closing adjustments. The transaction was retroactively effective as of 1 January 2017. OMV's share in Yuzhno Russkoye adds approximately 100 kboe/d to OMV's daily production.

Negotiations with Gazprom regarding an asset swap progressed during the year as anticipated and the closing, including regulatory approval, is expected to proceed as planned in 2018. This agreement comprises a 38.5% stake in OMV (NORGE) AS in exchange for a 24.98% stake in the project for developing blocks 4 and 5 of the Achimov formation in the Urengoy region, Russia.

Middle East and Africa:

Given the improvement of the political and security situation in Libya, OMV steadily ramped up production in both the Sirte Basin and Murzuq Basin (Sharara) oil fields in 2016, with an average OMV production rate of 25 kboe/d for the year 2017.

In 2017, in the course of the ongoing restructuring of the Upstream portfolio OMV took the decision to divest its Upstream Business in Pakistan. On 28 February 2018, a Sale Purchase Agreement was signed with Dragon Prime Hong Kong Limited at an agreed sales price of EUR 157 million, whereas in case of a dividend payment to OMV or capital increase by OMV the purchase price will be adjusted. The transaction is subject to conditions, including the relevant regulatory approvals. Closing is expected by end of 2018. OMV Pakistan holds interests in five development and production leases, and operates the producing Sawan, Miano, Latif, Gambat, and Mehar blocks. It further holds interests in five exploration blocks, of which four are operated. OMV also holds a 10% stake in PARCO, a joint venture between Pakistan and Abu Dhabi in the Downstream business. This stake is not part of the divestment.

In 2017, OMV closed the sale of its 50% stake in Ashtart, an offshore oil field in the Gulf of Gabès, Tunisia, as well as its 50% stake in the operating company SEREPT to PERENCO, an independent oil and gas company.

Following the recognition of the Heads of Agreement (HoA) in the course of the arbitration against the KRG reserves of the 10% at-equity investment in Pearl were reported for the first time at the end of 2016, effective as of 1 January 2017 Pearl's production was included in OMV's key performance indicators accordingly. In August 2017, the KRG and Pearl reached a full and final settlement of a long-lasting dispute on the Khor Mor and Chemchemal gas condensate. As a

result of the settlement, Pearl was awarded USD 2.3 billion. OMV received USD 66 million in the form of a dividend from Pearl, while USD 44 million (OMV share) were deposited into a dedicated account for future investments in Khor Mor and Chemchemal. The remainder of the awarded amount, USD 1.3 billion, was converted from debt to petroleum cost hence will be recovered through future production. OMV's Upstream clean Operating Result was positively impacted by about EUR 90 million.

In the United Arab Emirates, where OMV secured its first Upstream project in 2012, on 5 April 2018 OMV reported that OMV and Abu Dhabi National Oil Company (ADNOC) agreed that OMV will acquire a 20% interest in the concession for the offshore oil fields Satah Al Razboot (with the satellite fields Bin Nasher and Al Bateel) and Umm Lulu as well as the associated infrastructure. On 29 April 2018, OMV reported that OMV and ADNOC signed the transaction documents. The agreed participation fee amounts to USD 1.5 billion and the duration of the contract is 40 years. The concession will be retroactively effective as of 9 March 2018. The SARB field is located in shallow waters, 120 km away from Abu Dhabi. First oil is expected before the end of 2018. The oil production at plateau rates is expected to be above 20 kboe/d (net to OMV) and it is anticipated to be reached early in the next decade. The Umm Lulu field is located offshore, about 30 km away from Abu Dhabi, in shallow waters. The early production started in the fourth quarter of 2016. The oil production plateau is also anticipated to be reached early in the next decade and it is expected to deliver 20 kboe/d (net to OMV). OMV's share of the reserves, for the period of the concession agreement, would amount to approximately 450 mn barrels oil for the two main fields, with upside potentials from the satellite fields Bin Nasher and Al Bateel. OMV's capital expenditures over the contract term are estimated to amount to approximately USD 2 billion, thereof approximately USD 150 million will be spent per annum during the first five years.

Romania and Kazakhstan:

All assets of OMV in Kazakhstan are held and operated by Petrom. The portfolio optimisation in the countries was continued in 2017. Nineteen marginal fields were divested to Mazarine Energy Romania, effective 1 August 2017, and further divestments of marginal fields are under evaluation.

In 2017, drilling activities were ramped up resulting in 14 active drilling rigs by December 2017 in Petrom's operated licenses. A total of 69 new wells and sidetracks were drilled by the end of 2017, a significant year-on-year increase in accordance with Petrom's strategy to support the increase of the reserves replacement rate. These activities included the initiation of a drilling campaign in the Petrom-operated Istria Block in the shallow waters of the Black Sea. The campaign consists of four wells to be drilled, two of them in 2018.

In Kazakhstan, a ten-year extension of the Komsomolkoye, Tukmenoi and Aktas licenses until 2028 was achieved. The license for the Tasbulat field is valid until 2023. Options for a potential regional expansion of Petrom with priority in the Caspian and Western Black Sea region are currently being assessed.

New Zealand:

On 15 March 2018, OMV published the acquisition of Shell's Upstream business in New Zealand, comprising joint venture interests in Pohokura (48%), the largest gas producing field in New Zealand, and Maui (83.75%) as well as related infrastructure for production, storage and transportation for a purchase price of USD 578 million. OMV commenced activities in New Zealand in 1999. Since then, OMV New Zealand Ltd. has pursued several expansion plans. OMV is an existing partner in the acquired assets (OMV's current stakes: 26% in Pohokura and 10% in Maui) and intends to assume operatorship in both joint ventures. The economic effective date of the transaction is 1 January 2018. The transaction is likely to be completed in 2018. It is subject to conditions, including New Zealand Commerce Act and Overseas Investment approvals. In parallel to the acquisition of the interests in Pohokura and Maui, OMV has also acquired Shell's 60.98% interest in the Great South Basin exploration block (GSB). The transfer of GSB is immediately effective and increased OMV's stake in GSB to 82.93%.

Norway:

OMV has been active in Norway since 2006, when OMV (NORGE) AS received accreditation from the Norwegian Oil and Energy Ministry to operate on the country's continental shelf. On 4 April 2018, OMV reported the completion of the drilling of the Hades and Iris exploration well 6506/11-10 in PL 644 B by OMV (Norge) AS and the discovery of gas and condensate. The HPHT (high pressure, high temperature) well had two exploration targets, the primary target of the Hades prospect in the Cretaceous Lange Formation, and the secondary target in the Jurassic Garn Formation of the Iris prospect. The well discovered gas and condensate in both exploration targets with very good reservoir properties. The preliminary result is based on data gathered from both reservoir intervals and indicates a discovery size for Hades of 20 to 115 mn recoverable boe, and for Iris an estimated discovery size of 20 to 130 mn recoverable boe. OMV (Norge) AS is the operator of PL 644/644 B with a 30% working interest. The partners are Statoil Petroleum AS (30%), Faoe Petroleum Norge AS (20%) and Spirit Energy Norge AS (20%).

The intended asset swap with Gazprom foresees that Gazprom will receive a 38.5% stake in OMV (NORGE) AS, and in exchange OMV will receive a 24.98% share in Achimov IV/V in Russia. The transaction is intended to be closed in

2018.

Yemen:

With the acquisition of Preussag Energie GmbH in 2003, OMV gained a presence in Yemen and holds four large exploration and production licenses. In Yemen, the second quarter of 2015 brought a major deterioration of the security environment. A sea blockade of the ports in Yemen prevented the crude export. OMV had to shut-in all production facilities in early April 2015 and declared force majeure on all its blocks and open contracts.

However, as the Habban field location has not been affected by the deteriorated security environment, comprehensive technical, commercial and security arrangements have been put in place to resume production from Block S2 as of 1 April 2018. The oil is being trucked to the facilities in the near-by Block 4, operated by YICOM (Yemen Company for Investment in Oil & Minerals and further pumped via a 204 km pipeline to YICOM's Al Nushaima Terminal where it is lifted by vessel, transported and sold to the Aden Refinery.

For further impacts of the political situation on the Group's assets and production in Yemen, see "*Risk Factors—Shortfalls in crude oil supplies from Yemen could continue to adversely affect OMV's business*".

Upstream key projects in 2017:

Gulfaks (Norway, OMV 19%)

At the Statoil-operated Gulfaks field, with 136 wells available for production, eight new platform wells were drilled and completed in 2017. In addition, the Gulfaks Subsea Compression project was successfully put on stream during the year. The completed Cat J rig arrived in Norway, received Norwegian compliance approval and will head to the fields in 2018. The Cat J rig is specially designed to perform efficient drilling operations on subsea development solutions in addition to conventional surface drilling from fixed platforms.

Gudrun (Norway, OMV 24%)

The Statoil-operated Gudrun field continued with a good level of production from the existing platform wells, mainly as a consequence of delayed field decline and increased in-place volumes. During 2017, the operator also initiated projects to investigate potential new wells in the field as well as a potential change in drainage strategy, which will be further matured in 2018.

Edvard Grieg (Norway, OMV 20%)

The Edvard Grieg offshore oil field operated by Lundin produced significantly above expectations in 2017 due to de-bottlenecking and high facility uptime. Ten wells were completed in 2017 and the field development plan includes the completion of four more wells in 2018.

Aasta Hansteen (Norway, OMV 15%) including Polarled

The substructure and the topside of the Aasta Hansteen platform, the Statoil-operated deepwater gas development, were successfully transported from the production yard in South Korea to Norway. Furthermore the testing and the successful mating of the substructure to the topside were also completed in 2017. OMV expects start of the production in the fourth quarter of the financial year 2018.

Nawara (Tunisia, OMV 50%)

The OMV-operated onshore Nawara gas condensate field development project is proceeding with the gas treatment plant unit in Gabès and approaching mechanical completion. As of the date of this Prospectus, the pipeline is completely installed, it has been hydrotested and the completion of the line valve stations is expected in 2018. Work is progressing at the central processing facility, with mechanical work ongoing as most of the skids and equipment are delivered to the site. The project's overall progress, as of 31 December 2017, was around 86% completion, behind schedule due to the social and political unrest in South Tunisia throughout the summer months 2017. The first gas delivery from the Nawara pipeline is expected in 2019.

Neptun (Romania, OMV 50%)

Neptun Deep represents the deepwater sector of the XIX Neptun block in the Romanian Black Sea, where Petrom is conducting activities through a joint venture with ExxonMobil (operator). Following the first gas discovery made during the 2011 - 2012 exploration drilling campaign (Domino-1 well), extensive seismic acquisitions and further exploration and appraisal drilling, including well testing, were performed. In 2017, extensive engineering activities took place in preparation for the potential final investment decision that is planned for the second half of 2018.

Other major projects (Romania, OMV 100%)

In 2017, several field development and redevelopment projects such as Independenta Phase 1 and Burcioaia were handed over to operations. Meanwhile, other projects achieved some major milestones, such commissioning of the produced

water treatment plant in Suplac, the first gas delivery to the National Transport System in Madulari and start of project execution in Hurezani, where the aim is to install a low-temperature separation unit and build the related pipelines.

The offshore rejuvenation program, which started in 2015, consists of 34 projects with the target of upgrading the offshore facilities and pipelines, reducing operational risk and increasing process safety with a total estimated investment expected to exceed EUR 200 million by 2022.

Production costs data

In the financial year 2017, production costs excluding royalties ("OPEX") decreased by approx. 17% from USD 10.6/boe in the financial year 2016 to USD 8.8/boe. This was mainly the result of the higher production coupled with the successful implementation of the cost reduction program.

In the first three months of 2018, production costs amounted to USD 7.42/boe, a decrease by 17% compared to USD 8.91/boe in the first three months of 2017, mainly as a result of higher production coupled with the ongoing cost reduction program, partly offset by negative foreign exchange impacts due to USD devaluation.

Decommissioning

Following full economic depletion of any hydrocarbon field, costs are incurred in the clean-up and removal of facilities from the production site. Such costs vary significantly depending upon the location of the site (onshore or offshore), the nature of facilities (mobile or fixed), and the related legal requirements. In the financial year 2017, decommissioning costs totalled EUR 55 million as compared to approximately EUR 69 million in 2016.

Exploration, appraisal and development

OMV focuses on developing identified projects with proven reserves and on exploration in its core areas. The following table sets forth the number of completed wells for the years 2016 and 2017:

<i>Number of completed wells</i>	Number of completed wells	
	2017	2016
Exploration and appraisal drilling	13	9
Successful exploration and appraisal drilling	5	3
Exploration wells.....	10	8
Crude oil.....	2	1
Natural gas	0	1
Dry wells.....	8	6
Appraisal wells	3	1
Crude oil.....	2	1
Natural gas	1	0
Dry wells.....	0	0
Development and production wells.....	84	64
Total	97	73

(Sources: internal data)

In 2017, OMV completed the drilling of 13 exploration and appraisal wells in five different countries, out of which five were successful. The drilling of three other wells was ongoing at year-end, with one high-impact well in Norway. In the Barents Sea, OMV successfully completed the drilling and testing of the 7324/8-3 appraisal well in the Wisting oil field. This was a key well for progressing the Wisting discovery towards development concept selection. Two exploration and appraisal wells in Norway were finalised in 2017. In the North Sea, well 16/1-27 contributed to the successful appraisal of the Edvard Grieg field thereby optimising field development.

In the Middle East and Africa region, appraisal drilling in the Shuwaihat field in the United Arab Emirates and OMV-operated exploration drilling in the East Abu Dhabi area were finalised in 2017. The results of the Shuwaihat 6/6A well are still under evaluation. In southern Tunisia, there was a successful test of the oil exploration discovery well Sondes-1.

Six geophysical surveys in five different countries were acquired in 2017, while two were ongoing at year-end. These activities were carried out in Norway, Tunisia, Pakistan, New Zealand and Australia. The required permitting and planning activities for the acquisition of the 650 km² Schönkirchen 3D seismic survey in Austria were concluded in 2017.

OMV continued to optimise the exploration portfolio throughout 2017 with relinquishments and additions in Norway, Yemen and Pakistan and exploration license prolongation in Romania.

Exploration and appraisal expenditures decreased to EUR 230 million in 2017, compared to EUR 307 million in 2016,

which was in line with the exploration strategy and reflects the current cost focus of OMV, as well as the delay of some key projects.

Selected operational and financial data

The following table shows certain operational and financial data for the Upstream business segment. OMV's oil and natural gas reserves data presented in this Prospectus are only estimates which may vary significantly from the actual quantities of oil and gas reserves that may be recovered.

<i>Upstream / selected operational and financial data</i>	As of and for the financial year ended 31 December		As of and for the three months ended 31 March	
	2017	2016	2018	2017
	<i>unaudited, unless otherwise indicated</i>		<i>unaudited</i>	
Sales (in EUR million) ⁽¹⁾	4,168 ⁽²⁾	3,285 ⁽²⁾	1,345	1,136
thereof intra-group/intersegmental sales (in EUR million)	2,839 ⁽²⁾	2,272 ⁽²⁾	757	718
thereof external sales (in EUR million)	1,329 ⁽²⁾	1,013 ⁽²⁾	588	418
Operating Result (in EUR million)	1,218 ⁽²⁾	(1,046) ⁽²⁾	478	508
Production (in mn boe)	127.0	113.8	39.4	30.1
Proven reserves (in mn boe)	1,146	1,030.1	n.a. ⁽³⁾	n.a. ⁽³⁾

⁽¹⁾ Including intra-group/intersegmental sales. Labeled as total sales (not consolidated) in the unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018.

⁽²⁾ Audited.

⁽³⁾ Proven reserves were not available as of 31 March 2017 and 31 March 2018.

(Sources: Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017 (including the comparative amounts as of and for the financial year ended 31 December 2016), Issuer's unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018, Annual Report 2017, internal data)

Sales (including intra-group/intersegmental sales) for the financial year 2017 totalled EUR 4,168 million, a significant increase of 27% from EUR 3,285 million in 2016. Thereof, external sales increased notably from EUR 1,013 million in 2016 to EUR 1,329 million in 2017. Also intra-group sales recorded significant increases from EUR 2,272 million in 2016 to EUR 2,839 million in 2017.

Operating result increased significantly from EUR (1,046) million in 2016 to EUR 1,218 million in 2017, which was in particular attributable to higher realised oil and gas prices and higher sales volumes in Libya (after the ramp-up of production in 2017) and Norway, where higher production was achieved. In addition, there were positive effects from lower depreciation and production cost in 2017. Net special items recorded in 2017 amounted to EUR (7) million (2016: EUR (1,086) million, mostly related to impairments from the UK divestments).

At USD 8.8/boe, production cost excluding royalties were down by 17% compared to 2016. This was the result of the higher production coupled with the successful implementation of the cost reduction program.

OMV's Upstream segment invested in total EUR 2,781 million in the financial year 2017 (2016: EUR 1,356 million). A significant portion of EUR 1,719 million is attributable to the acquisition of the 24.99% interest in the Yuzhno Russkoye field.

In the first three months of 2018, sales (including intersegmental sales) amounted to EUR 1,345 million after EUR 1,136 million in the first three months of 2017. The significant increase by 18% was mainly the result of the acquisition of the 24.99% interest in the Yuzhno Russkoye field, higher sales volumes in Libya and Norway as well as an improved market environment. The clean Operating Result substantially improved from EUR 321 million in the first three months of 2017 to EUR 438 million in the first three months of 2018. This was largely attributable to higher sales volumes following the acquisition of the interest in the Yuzhno Russkoye gas field and the higher production contribution from Libya. In turn, the operating result decreased from EUR 508 million in the first three months of 2017 to EUR 478 million in the first three months of 2018, mainly due to a significantly lower amount of special items in the first three months of 2018 (EUR 40 million) mostly associated with temporary hedging effects, compared to the first three months of 2017 (EUR 187 million). In the first three months of 2018, Petrom contributed EUR 139 million to the clean Operating Result, compared to EUR 102 million in the first three months of 2017.

DOWNSTREAM

Overview

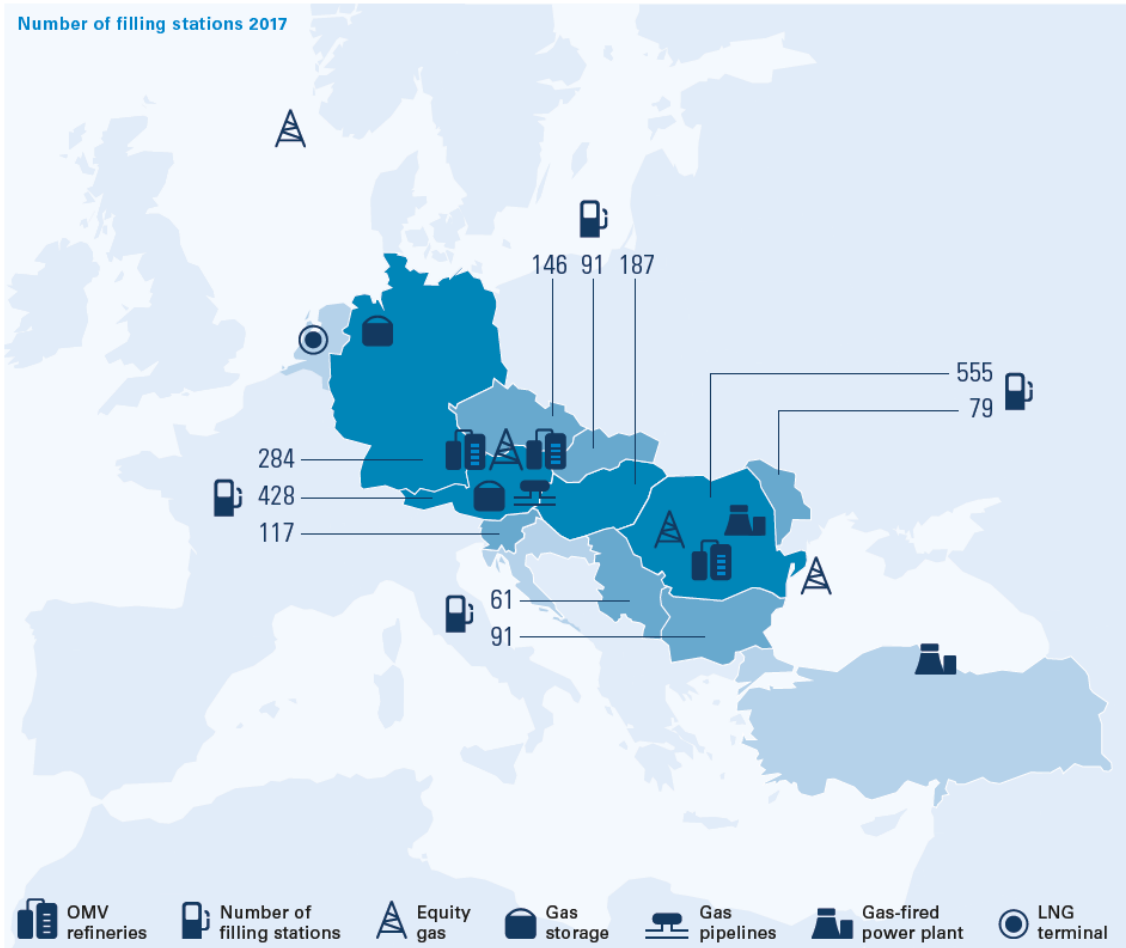
The business segment Downstream includes Downstream Gas and Downstream Oil.

In 2017, HSSE remained the priority in Downstream. Joint efforts helped to reduce LTIR down to 0.40 (2016: 0.50). Regrettably, the Downstream segment had two fatalities during the financial year 2017, one in Hungary at an OMV filling station and one in the course of the explosion following the sudden gas release in Baumgarten, Austria, where further 21 persons were injured. OMV's Downstream Oil operates along the entire oil value chain: It processes equity and third-party crude in its three refineries and markets refined products to commercial customers and through its retail network of 2,039 filling stations as of 31 December 2017. The refineries in Schwechat and Burghausen operate petrochemical complexes, with the petrochemical company Borealis, in which OMV holds a stake of 36%, as a key customer.

Downstream Gas markets OMV's European equity gas production as well as third party gas to end-use customers and on Europe's main gas hubs. As of 31 December 2017, it operated an approx. 900 km high-pressure natural gas pipeline network in Austria, had 31 TWh of storage capacity (2016: 30 TWh) and held a share of 65% in the Central European Gas Hub (CEGH), an important gas trading hub in Central and Eastern Europe. Furthermore, as of the date of this Prospectus, OMV operates two gas-fired power plants with a total generation capacity of 1.7 GW in Romania and Turkey.

The following map shows OMV's Downstream business segment markets as of 31 December 2017:

● Downstream Oil & Gas market	● Downstream Oil market	● Downstream Gas market
Austria	Bulgaria	Croatia
Germany	Czech Republic	Netherlands
Hungary	Moldova	Turkey
Romania	Serbia	
	Slovakia	
	Slovenia	



(Sources: OMV Annual Report 2017, internal data)

Selected operational and financial data

The following table shows certain operational and financial data for the business segment Downstream (including Downstream Gas and Downstream Oil):

Downstream / selected operational and financial data	As of and for the financial year ended 31 December		As of and for the three months ended 31 March	
	2017	2016	2018	2017
	<i>unaudited, unless otherwise indicated</i>		<i>unaudited</i>	
Sales ⁽¹⁾ (in EUR million).....	18,967 ⁽²⁾	18,316 ⁽²⁾	4,406	5,119
thereof intra-group/intersegmental sales (in EUR million)	79 ⁽²⁾	73 ⁽²⁾	18	21
thereof external sales (in EUR million)	18,887 ⁽²⁾	18,243 ⁽²⁾	4,388	5,097
Operating Result (in EUR million)	584 ⁽²⁾	1,106 ⁽²⁾	417	540
Clean CCS Operating Result ⁽³⁾ (in EUR million)	1,770	1,533	376	494
Total refined product sales (in mn t).....	23.82	30.74	4.53	6.54
Utilisation rate refineries (in %)	90	89	93	96
Natural gas sales volumes (in TWh).....	113.40	108.89	32.98	32.30

⁽¹⁾ Including intra-group/intersegmental sales. Labeled as total sales (not consolidated) in the unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018.

⁽²⁾ Audited.

⁽³⁾ Current Cost of Supply (CCS): Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects).

(Sources: Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017 (including the comparative amounts as of and for the financial year ended 31 December 2016), Issuer's unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018, Annual Report 2017, Quarterly Report Q1 2018, internal data)

Downstream segment sales (including intra-group sales) in the financial year 2017 totalled EUR 18,967 million, a slight increase from EUR 18,316 million in 2016, which was mainly driven by external sales. Operating Result significantly decreased from EUR 1,106 million in 2016 to EUR 584 million. This result reflects net special items of EUR (1,242) million, mainly related to the divestment of OMV Petrol Ofisi. Upon closing of the divestment, a recycling of foreign exchange losses was recorded in OMV's net income in the amount of EUR 1.2 billion. This stems from the negative development of the Turkish Lira against the Euro since the acquisition of OMV Petrol Ofisi in 2010. The clean CCS Operating Result grew substantially in 2017, from EUR 1,533 million in 2016 to EUR 1,770 million, due to improved results in both Downstream Oil and Downstream Gas.

Total refined product sales decreased from 30.74 million tons in the financial year 2016 to 23.82 million tons in the financial year 2017, mainly due to the divestment of OMV Petrol Ofisi and the according reduction of filling stations. Excluding OMV Petrol Ofisi, total refined product sales marginally declined mainly caused by slightly lower petrochemical sales following the planned turnaround activities at the Schwechat refinery. In turn, natural gas sales volumes increased from 108.89 TWh in the financial year 2016 to 113.40 TWh in the financial year 2017 and the utilisation rate of refineries slightly increased from 89% in the financial year 2016 to 90% in the financial year 2017.

In the first three months of the financial year 2018, Downstream segment sales (including intersegmental sales) significantly decreased from EUR 5,119 million in the first three months of 2017 to EUR 4,406 million, mainly due to the missing contribution of OMV Petrol Ofisi, which was divested in June 2017. Operating Result significantly decreased from EUR 540 million in the first three months of 2017 to EUR 417 million in the first three months of 2018. The Downstream clean CCS Operating Result amounted to EUR 376 million in the first three months of 2018 (first three months of 2017: EUR 494 million). The higher clean CCS Operating Result from Downstream Gas (first three months of 2018: EUR 94 million, compared to EUR 82 million in the first three months of 2017) was more than offset by a weaker Downstream Oil clean CCS Operating Result due to the missing earnings contribution from OMV Petrol Ofisi and a lower refining margin. In view of the divestment of OMV Petrol Ofisi, total refined product sales significantly decreased in the first three months of 2018, whereas natural gas sales volumes slightly increased, compared to the first three months of 2017, primarily due to increased sales volumes in Germany and Turkey, which were partially offset by lower sales volumes in Romania.

Downstream Gas

Overview

OMV's Downstream Gas supply portfolio consists of equity gas and is complemented by contracted volumes. Downstream Gas markets OMV's European equity gas production as well as third party gas to end-use customers and on Europe's main gas hubs. OMV markets and trades natural gas in eight European countries and in Turkey. Total natural gas sales volumes amounted to approx. 113 TWh in 2017 (2016: approx. 109 TWh).

Through its subsidiaries OMV operates a gas pipeline network in Austria and owns gas storage facilities with a capacity of 2.7 bcm (31 TWh). OMV imports large amounts of natural gas to Austria and sells treated gas produced at its own fields. With about one third of all Russian gas exports to Western Europe passing through OMV's Baumgarten gas turntable, OMV plays an important role in gas transit. The pipeline network and gas storage facilities contribute to the security of supply in Austria and beyond. The Central European Gas Hub (CEGH) is a well-established gas trading platform on the gas routes from East to West and also operates a gas exchange.

OMV Gas & Power GmbH was set up to consolidate OMV's various gas and power business areas. OMV conducts its natural gas transport through the gas infrastructure company GCA (with a current shareholding of 51% following the sale of a minority stake of 49% to a consortium of Allianz Capital Partners and SNAM S.p.A. by the end of 2016).

OMV's marketing and trading business is carried out through OGMT (formerly: EconGas GmbH), a company in which OMV holds a 100% share, in Austria and neighbouring countries and through Petrom's gas business (Romania), as well as through OMV Enerji Ticaret Limited Sirketi in Turkey.

In the power business, OMV currently holds two assets in commercial operations, the gas-fired power plant Brazi in Romania and the gas-fired power plant Samsun in Turkey (total generation capacity of the two gas-fired power plants of 1.7 GW). However, on 30 May 2018, OMV published that it will divest the Samsun power plant to Bilgin Enerji at a confidential price with closing expected in the fourth quarter of 2018 at the latest.

Overview, developments in the supply, marketing and trading business in 2017

The overall market environment for gas and power remained challenging in the financial year 2017. The European gas market was highly competitive and increasingly volatile.

In 2017, Downstream Gas had a local presence in Austria, Germany, Hungary, the Netherlands and Croatia. External sales volumes in these countries amounted to 56.6 TWh, representing a slight increase compared to 2016. Due to the highly competitive and increasingly volatile European gas market situation, the margins remained under pressure. This situation is expected to continue in the future. In Germany, Downstream Gas plans to increase its market share by 2025. By the end of 2017, sales reached 17.1 TWh, representing an increase of 25% compared to 2016. In Romania, Petrom's gas activities, in the context of a still volatile gas market regulatory framework, increased the natural gas sales volumes to third parties slightly over 2016, reaching approximately 45.3 TWh in 2017. In Turkey, natural gas sales volumes increased from 8.9 TWh in 2016 to 10.9 TWh in 2017. In 2017, OMV Gas concluded two material LNG deals, including a sale and purchase agreement with Qatargas (world's largest producer of LNG), under which Qatargas will deliver up to 1.1 mn t of LNG per annum for five years. Additionally, OMV Gas and Cheniere (Houston-based energy company primarily engaged in LNG-related business) have entered into a medium-term multiyear LNG sales agreement under which Cheniere will deliver a number of LNG cargoes to OMV in Europe. The LNG cargoes to be delivered to Europe will provide an additional gas supply source to meet OMV's ambitious sales growth targets in Northwest Europe while also providing even greater security of supply to OMV's geographically diverse supply portfolio.

Developments in the first three months of 2018

Downstream Gas clean CCS Operating Result increased from EUR 82 million in the first three months of 2017 to EUR 94 million in the first three months of 2018. The previous year's first quarter was positively impacted by valuation effects related to supply and storage hedges as well as future contracts. The result of the first three months of 2018 reached its five-year record, as it was supported by higher sales volumes coupled with increased margins and the realization of arbitrage opportunities in the markets. Lower annual temperatures led to a strong demand for natural gas. The contribution from GCA remained flat at EUR 27 million in the first three months of 2018, compared to EUR 26 million in the first three months of 2017. Natural gas sales volumes rose from 32.3 TWh to 33.0 TWh, primarily due to increased sales volumes in Germany and Turkey, which were partially offset by lower sales volumes in Romania. Despite decreased net electrical output, caused by an unfavorable market environment, the contribution from the power business increased as a result of a positive hedging contribution. Petrom contributed EUR 17 million to the clean CCS Operating Result of Downstream Gas in the first three months of 2018.

Developments in gas logistics

OMV's gas logistics business comprises its 51% share in GCA. In alignment with the requirements of the "Third Energy

Package", GCA was approved by the Austrian regulatory authority E-Control as a certified Independent Transmission System Operator on 6 July 2012. The appointment of GCA as market area manager is a function mainly concerned with the coordination of the Austrian Transmission System Operators and took place in April 2012 for an initial period of two years. AGGM Austrian Gas Grid Management AG, a subsidiary of GCA, was appointed as a distribution area manager, which is a body exercising certain functions for all Austrian distribution system operators. As of 1 January 2013, a new gas market model including an entry/exit tariff system was introduced, which required the transformation of the existing point-to-point contracts. Through GCA, OMV owns and operates natural gas pipelines for transit through Austria and is the principal carrier of high pressure natural gas for Austrian domestic consumption. GCA – in addition to its activities as independent transmission operator – functions as market area manager for the Eastern market area. In the course of structural reshaping of Austrian transmission system operators, OMV has acquired 100% of the Baumgarten Oberkappel-Gasleitungsgesellschaft m.b.H. ("**BOG**") during 2013 and 2014. Additionally, GCA sold 49% of its stake in AGGM Austrian Gas Grid Management AG to several Austrian distribution companies.

GCA was merged with BOG in September 2014 and spun off its Trans Austria Gasleitung (TAG pipeline) service activities into Trans Austria Gasleitung GmbH ("**TAG**") in October 2014, receiving additional shares in return. After this consolidation, two natural gas Transmission System Operators (TSOs) remained, both certified as Independent Transmission System Operators (ITOs), in Austria. Baumgarten, located near Vienna and close to the Slovak border, is a key location for OMV's gas infrastructure. OMV's turntable at Baumgarten functions as an interconnection point for high-capacity pipeline systems serving major markets with large storage facilities nearby. Russian natural gas imports enter Austria at Baumgarten where the TAG and West-Austria Gasline ("**WAG**") pipelines originate.

Due to the important logistics node Baumgarten, the Virtual Trading Point Austria is the most important trading point for the Central European Gas Hub ("**CEGH**"), the gas hub platform established by OMV. CEGH is co-owned by OMV Gas & Power GmbH (65%), Wiener Börse AG (20%) and the Slovakian transmission system operator Eustream (15%). The CEGH gas exchange, established in 2009 to offer exchange trading functions (in addition to OTC trading), is operated by, and under the license of, the Vienna Stock Exchange.

Due to a change in tariff regulation at the beginning of 2017, the gas transportation business suffered significantly from the decreased interest rate levels and consequently lower allowed returns for the regulated business. This was partly compensated for by higher transport volumes triggered by renewed gas-to-power utilisation and higher domestic consumption due to lower costs. For the storage business, 2017 with depressed summer/winter spreads placed more pressure on prices. This environment forced OMV to shut down operations at the Thann site (working gas volume: 250 mcm) and to extract existing cushion gas. The technical utilisation was 100% in October 2016 and down to only 6% filling level in April 2017, which shows a high demand for flexibility in the market.

At the Central European Gas Hub Virtual Trading Point, 622 TWh of natural gas were traded in 2017, an increase of 17% compared to 2016. In CEGH's first year of Gas Exchange cooperation with the French company Powernext, the exchange-traded volumes in Austria recorded a significant volume of 89 TWh in 2017, almost tripling that of 2016.

In relation to the Nord Stream 2 pipeline project, an international gas pipeline with a total capacity of 55 billion cubic meters a year and stretching approx. 1,220 km through the Baltic Sea from the Russian coast to Germany near Greifswald, in April 2017, an important step towards its implementation has been achieved, responding to the need of the European Union for additional gas imports and thereby improving security of supplies to Europe. OMV, together with ENGIE, Shell, Uniper and Wintershall, committed to fund 50% of the total costs of EUR 9.5 billion for the Nord Stream 2 project. OMV's commitment under financing agreements with the project company Nord Stream 2 AG, all of which shares are held by Gazprom, amounts to up to EUR 950 million. In 2017, the first drawdowns under the financing agreements took place and resulted in cash outflows of EUR 324 million. In addition, in the first three months of 2018, cash outflows due to further drawdowns of EUR 81 million were accounted for. OMV has committed to provide long-term financing to the project to secure a long-term utilisation of the Austrian gas import and export infrastructure operated by GCA. Gazprom is and is intended to remain the sole shareholder of Nord Stream 2 AG.

Developments in the power generation business

In August 2012, the combined cycle power plant (CCPP) Brazi (Romania; 860 MW) entered into commercial operation. The gas-fired power plant in Samsun (Turkey; 870 MW) started operations in June 2013. The wind park Dorubantu in Romania was divested in December 2017. On 30 May 2018, OMV published that it will divest the Samsun power plant to Bilgin Enerji at a confidential price with closing expected in the fourth quarter of 2018 at the latest.

The power business was positively affected in 2017 by higher power prices both in Romania and Turkey compared to 2016, which led to a better power result. Net electrical output was 7.10 TWh, an increase of 37% compared to 2016. The financial impact of the non-availability of one power transformer at the Brazi power plant (Romania) for more than half the year in 2017 was partly compensated for by the property damage and business interruption insurance.

Selected operational and financial data

The following table shows certain operational and financial data for Downstream Gas:

Downstream Gas / selected operational and financial data	As of and for the financial year ended		As of and for the three months ended	
	31 December		31 March	
	2017	2016	2018	2017
	<i>unaudited, unless otherwise indicated</i>		<i>unaudited</i>	
Sales ⁽¹⁾ (in EUR million).....	4,983 ⁽²⁾	3,779 ⁽²⁾	1,569	1,236
thereof intra-group/intersegmental sales (in EUR million)	161 ⁽²⁾	139 ⁽²⁾	37	43
thereof external sales (in EUR million)	4,822 ⁽²⁾	3,640 ⁽²⁾	1,532	1,194
Operating Result (in EUR million)	171 ⁽²⁾	(38) ⁽²⁾	118	87
Clean CCS Operating Result ⁽³⁾ (in EUR million)	217	192	94	82
Natural gas sales volumes Third Party (in TWh)	113	109	33.0	32.3
Average storage capacity (in TWh)	15.73	22.14	17.43	22.57

⁽¹⁾ Including intra-group/intersegmental sales. Labeled as total sales (not consolidated) in the unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018.

⁽²⁾ Audited.

⁽³⁾ Current Cost of Supply (CCS): Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects).

(Sources: Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017 (including the comparative amounts as of and for the financial year ended 31 December 2016), Issuer's unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018, Annual Report 2017, Quarterly Report Q1 2018, internal data)

In the financial year 2017, segment sales (including intra-group sales) of Downstream Gas totalled EUR 4,983 million, a significant increase compared to EUR 3,779 million in the financial year 2016. After elimination of intra-group sales to refineries, the contribution of Downstream Gas to OMV's external sales in 2017 was EUR 4,822 million (2016: EUR 3,640 million).

The Operating Result turned positive and improved from EUR (38) million in the financial year 2016 to EUR 171 million in the financial year 2017. The Downstream Gas clean CCS Operating Result improved by 13% from EUR 192 million in the financial year 2016 to EUR 217 million in the financial year 2017. This included the reversal of temporary valuation effects from storage and supply hedges in the amount of EUR 29 million. The contribution from GCA decreased from EUR 131 million in 2016 to EUR 97 million in 2017 following the unfavourable change in regulated tariffs.

Total natural gas sales volumes amounted to approx. 113.40 TWh in 2017 after 108.89 TWh in 2016.

The power business improved significantly, with net electrical output increasing to 7.10 TWh in 2017 (2016: 5.18 TWh).

In the first three months of 2018, natural gas sales volumes amounted to approx. 32.98 TWh, compared to 32.3 TWh in the first three months of 2017, primarily due to increased sales volumes in Germany and Turkey, which were partially offset by lower sales volumes in Romania.

The gas supply business showed an increase from a total of 787 TWh in 2016 to 834 TWh in 2017. The gas transportation volumes sold entry/exit (figures include only sales to third parties) in 2017 amounted to 1.499 TWh (2016: 1.448 TWh). In the first three months of 2018, gas transportation volumes sold entry/exit amounted to 326 TWh.

Gas supply in TWh

	Year ended		Three months ended	
	31 December		31 March	
	2017	2016	2018	2017
	<i>unaudited</i>		<i>unaudited</i>	
Equity gas supply ⁽¹⁾	77	71	18	19
Russia ⁽²⁾	72	51	20	16
Norway	8	8	2	2
Others	677	657	211	204
Total	834	787	251	241

- (1) Equity gas supply from Austria, Romania and partly Norway.
(2) Russian supply in Austria, Romania and Turkey.

(Sources: internal data)

DOWNSTREAM OIL

Overview

OMV fully owns the refineries Schwechat in Austria and Burghausen in Germany, both with integrated petrochemical complexes. Together with the Petrobrazi plant in Romania, as of 31 December 2017, OMV's refineries had a total annual production capacity of 17.8 mn t.

The following table shows OMV's ownership interests in and the resulting annual capacities for OMV of its refining complexes:

	Ownership (as of 31 December 2017)	Annual refining capacity
	<i>in %</i>	<i>in mn t/year</i>
Refineries west		
Schwechat.....	100.00	9.6
Burghausen.....	100.00	3.8
Refineries east		
Petrobrazi.....	51.01	4.5
Total.....	-	17.8⁽¹⁾

⁽¹⁾ Total capacity available to OMV.

(Sources: OMV Annual Report 2017, internal data)

Downstream Oil operates along the entire oil value chain: It processes equity and third-party crude in the three inland refineries in Austria, Germany and Romania. In Austria and Germany, OMV is forward integrated into petrochemicals, with Borealis (36% stake of OMV) as a key customer. As of 31 December 2017, OMV had a network of 2,039 filling stations that spanned across 10 countries (CE/SEE) (as of 31 December 2016: 3,777 filling stations in 11 countries, which, at that time, included OMV Petrol Ofisi). As of 31 March 2018, the number of marketing retail stations amounted to 2,038 (as of 31 March 2017: 3,733 filling stations which, at that time, included OMV Petrol Ofisi).

Developments in the financial year 2017

In the financial year 2017, sales (including intra-group sales) in Downstream Oil decreased to EUR 14,099 million or 60% of total segment sales (before consolidation) (2016: EUR 14,630 million or 67%), mainly as a result of the divestment of OMV Petrol Ofisi in June 2017.

The clean CCS Operating Result was improved in 2017, mainly driven by increased refining and petrochemical margins and the performance in the retail business, which more than compensated for the negative impact of the planned turnaround at the Schwechat refinery. The OMV indicator refining margin significantly increased from USD 4.7/bbl in 2016 to USD 6.0/bbl in 2017, mainly due to the impacts of a severe hurricane season in the United States and unplanned outages of major European refineries compared to 2016. This was largely attributable to stronger middle distillates, naphtha and fuel oil margins. The utilisation rate of the refineries amounted to 90% in 2017 (2016: 89%). At 23.82 mn t, total refined product sales decreased by 23%, which was attributed to the divestment of OMV Petrol Ofisi in June 2017. Excluding OMV Petrol Ofisi, total refined product sales marginally declined mainly caused by slightly lower petrochemical sales following the planned turnaround activities at the Schwechat refinery.

Developments in the first three months of 2018

In the first three months of 2018, the OMV indicator refining margin decreased by 12% to USD 4.8/bbl (first three months of 2017: USD 5.4/bbl). Increased crude prices resulted in higher feedstock costs and lower margins, in particular for heavy fuel oil and naphtha, which could not be offset by slightly increased middle distillate margins. The OMV indicator refining margin was additionally impacted by negative foreign exchange effects. The utilisation rate of the refineries was 93% in the first three months of 2018, after a level of 96% in first three months of 2017 supported by stock building for the planned turnaround at the Schwechat refinery, which took place in the second quarter of 2017. At 4.5 mn t in the first three months of 2018, total refined product sales decreased by 31% due to the divestment of OMV Petrol Ofisi which had contributed 2.0 mn t in the first three months of 2017. Excluding OMV Petrol Ofisi total refined product sales remained flat, sales volumes and margins grew slightly in the retail business, while they slightly decreased in the commercial business.

Development of Borealis

OMV's petrochemicals integration with Borealis plays a pivotal role in securing the long-term position of OMV's refineries in Schwechat and Burghausen. OMV aims to continue its efforts to nurture and increase the prolific relationship with Borealis to deliver high-end petrochemical solutions.

In the financial year 2017, Borealis, which is accounted for at-equity, benefited from a strong market environment especially in the polyolefins business and delivered a stable net income contribution to OMV in 2017 of EUR 394 million (2016: EUR 399 million). The second consecutive outstanding year was again supported by a very healthy olefin and polyolefin market environment, overcompensating for the continued fertilizer trough, which suffered from lower demand and prices. In addition, Borealis' joint venture with the Abu Dhabi National Oil Company, Borouge, benefited from increased margins and again delivered an excellent result.

Borealis announced that it will move to the FEED (Front End Engineering and Design) stage for a new, worldscale propane dehydrogenation plant in Kallo, Belgium. In addition, Borealis, Total and NOVA Chemicals have signed definitive agreements to form a joint venture to build and operate a light feed cracker and a polyethylene facility in Bayport, Texas; Start-up end of 2020. Moreover, Borealis and United Chemical Company LLP (UCC) signed a Joint Development Agreement (JDA) for the development of a world-scale polyethylene project, integrated with an ethane cracker, in the Republic of Kazakhstan. Recently Borealis and Borouge announced the launch of Anteo, a new family of linear low-density polyethylene packaging grades for the global packaging market. It delivers easy processability at lower extruder pressure, better sealing integrity and improved puncture resistance.

In the first three months of 2018, OMV generated a net income from equity-accounted investments from Borealis of EUR 86 million compared to EUR 113 million in the first three months of 2017 due to lower polyolefin margins in the first three months of 2018 and positive inventory effects in the first three months of 2017.

Selected operational and financial data

The following table shows certain operational and financial data for Downstream Oil:

Downstream Oil / selected operational and financial data	As of and for the financial year ended		As of and for the three months ended	
	31 December		31 March	
	2017	2016	2018	2017
	<i>unaudited, unless otherwise indicated</i>		<i>unaudited</i>	
Sales ⁽¹⁾ (in EUR million).....	14,099 ⁽²⁾	14,630 ⁽²⁾	2,866	3,913
thereof intra-group/intersegmental sales (in EUR million)	34 ⁽²⁾	28 ⁽²⁾	10	9
thereof external sales (in EUR million)	14,065 ⁽²⁾	14,603 ⁽²⁾	2,856	3,904
Operating Result (in EUR million)	412 ⁽²⁾	1,145 ⁽²⁾	299	453
Clean CCS Operating Result ⁽³⁾ (in EUR million)	1,554	1,341	282	411
Total refined product sales (in mn t).....	23.82	30.74	4.53	6.54

⁽¹⁾ Including intra-group/intersegmental sales. Labeled as total sales (not consolidated) in the unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018.

⁽²⁾ Audited.

⁽³⁾ Current Cost of Supply (CCS): Clean CCS figures exclude special items and inventory holding gains/losses (CCS effects).

(Sources: Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2017 (including the comparative amounts as of and for the financial year ended 31 December 2016), Issuer's unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018, Annual Report 2017, Quarterly Report Q1 2018)

In the financial year 2017, Downstream Oil's clean CCS Operating Result increased from EUR 1,341 million in 2016 by 16% or EUR 213 million to EUR 1,554 million in 2017, mainly driven by increased refining and petrochemical margins and the performance in the retail business. These factors more than outweighed the negative impact of the planned turnaround at the Schwechat refinery. The clean CCS Operating Result of the petrochemicals business improved by EUR 7 million to EUR 245 million in 2017 (2016: EUR 238 million), despite the planned turnaround activities at Schwechat, whereas sales volumes were below the level of 2016.

The retail business continued its strong performance in the financial year 2017 and proved to be a stable outlet for refinery products as well as a cash generator. Due to the impact of the OMV Petrol Ofisi divestment in June 2017, total sales volume dropped by 22% to 8.13 mn t (2016: 10.40 mn t). The average throughput, in turn, could be increased

through further efficiency gains and strong performance in all key markets. OMV continues to focus on its multibrand strategy with a planned expansion into Germany based on a signed agreement with Aldi Süd. The OMV brand is positioned as a premium brand with VIVA representing a strong shop, gastronomy and service offer. The unmanned Avanti filling station brand stands for discount, and the Petrom brand represents value for money. OMV's premium fuels brand MaxxMotion performed well in 2017, reflecting its premium quality focus, as well as its perceived affordability due to moderate product price increases. The non-oil business, such as the VIVA convenience stores and car wash, continued its development in 2017 with an increased contribution compared to 2016. A focus on the highest quality products and services in the premium filling station network remains one of the key differentiators.

In the first three months of 2018, Downstream Oil's sales (including intersegmental sales) significantly decreased to EUR 2,866 million after EUR 3,913 million in the first three months of 2017, which still had included segment sales attributable to OMV Petrol Ofisi. In the same period, the Downstream Oil clean CCS Operating Result declined to EUR 282 million, compared to EUR 411 million in the first three months of 2017. This was also partially due to the divestment of OMV Petrol Ofisi in June 2017, which had contributed EUR 53 million to the clean CCS Operating Result in the first three months of 2017. Petrom contributed EUR 52 million to the clean CCS Operating Result of Downstream Oil in first three months of 2018.

CAPITAL EXPENDITURE⁽¹⁾

Capital expenditure

	Financial year ended 31 December		Three months ended 31 March	
	2017	2016	2018	2017
	<i>(in EUR million)</i>		<i>(in EUR million)</i>	
	<i>unaudited</i>		<i>unaudited</i>	
Upstream.....	2,781	1,356	255	209
Downstream	580	513	82	91
Downstream Oil	491	463	69	84
Downstream Gas	90	49	14	7
Corporate and Other (Co&O)	15	10	2	1
Total.....	3,376	1,878	339	302

⁽¹⁾ Includes acquisitions as well as equity-accounted investments and other interests; adjusted for capitalised decommissioning costs, exploration wells that have not found proven reserves, borrowing costs and other additions which by definition are not considered as capital expenditure.

(Sources: Annual Report 2017, Quarterly Report Q1 2018, internal data)

OMV's capital expenditure in the financial year ended 31 December 2017 amounted to EUR 3,376 million, a significant increase compared to EUR 1,878 million in the financial year 2016. The significant increase was mainly driven by the acquisition of the 24.99% share in the Yuzhno Russkoye gas field in Russia, which was closed on 30 November 2017.

In 2017, capital expenditure in the Upstream business segment amounted to EUR 2,781 million after EUR 1,356 million in 2016, a significant increase of 105%, and considered the acquisition of the 24.99% interest in the Yuzhno Russkoye field at a purchase price in the amount of EUR 1,719 million as well as organic investments, which were undertaken primarily in Romania (field redevelopments, drilling and work-over activities) and Norway (field developments).

In the financial year 2017, capital expenditure in Downstream amounted to EUR 580 million after EUR 513 million in the financial year 2016 (increase by 13%). Investments in Downstream Oil increased to EUR 491 million in 2017 (2016: EUR 463 million), mainly due to activities related to the planned turnaround at the Schwechat refinery. Downstream Gas capital expenditure amounted to EUR 90 million (2016: EUR 49 million), reflecting increased regular maintenance activities in the power business.

The remaining EUR 15 million of capital expenditure in the year ended 31 December 2017 (2016: EUR 10 million) is related to corporate and other activities.

In the first three months of 2018, capital expenditure totaled EUR 339 million (first three months of 2017: EUR 302 million) with the majority dedicated to Upstream. In the Upstream segment, capital expenditure including capitalised E&A increased to EUR 255 million in the first three months of 2018 (EUR 209 million in the first three months of 2017). Organic investments were undertaken primarily in Romania and Norway. Exploration expenditures rose by 15% to EUR 61 million in the first quarter of 2018 compared to the first quarter of 2017 and were mainly related to activities in Norway, Romania and Austria. In the first quarter of 2018, capital expenditure in the Downstream segment amounted to EUR 82 million (first three months of 2017: EUR 91 million), EUR 69 million of which were attributable to Downstream

Oil (first three months of 2017: EUR 84 million).

MATERIAL CONTRACTS

Gazprom asset swap basic agreement (Achimov IV/V developments)

In December 2016, OMV signed a binding basic agreement with Gazprom which provides that Gazprom receives a 38.5% stake in OMV Norge, and in exchange OMV receives a 24.98% share in the Achimov IV/V developments in the Urengoy gas and condensate field in Western Siberia held by Gazprom and the German company Wintershall. The transaction is subject to an agreement on the final transaction documents and regulatory and further corporate approvals. According to the basic agreement, Closing is envisaged in 2018. The swap transaction would add approximately 560 mn boe to OMV's reserves, making a significant contribution to the development of OMV's RRR. The field is currently expected to begin production towards the end of 2020 and is expected to deliver high-plateau production for more than 10 years.

Uniper purchase agreement (Yuzhno Russkoye development)

Further operations in Russia have been agreed on 5 March 2017 when OMV reached an agreement with Uniper SE for the acquisition of 24.99% of the economic rights in the production of the Yuzhno Russkoye natural gas field in Western Siberia, Russia. OMV's partners in this field are Gazprom and Wintershall. The purchase price amounted to EUR 1,719 million. The transaction was closed on 30 November 2017 and was retroactively effective as of 1 January 2017. OMV's share of the remaining recoverable reserves during the license term (lasting until the end of the year 2043) amounts to approximately 580 mn boe. OMV's share of the daily production is approx. 100,000 boe/d.

Nord Stream 2 financing agreements

On 24 April 2017, OMV, ENGIE, Shell, Uniper and Wintershall have committed to fund 50% of the total costs of EUR 9.5 billion for the Nord Stream 2 project, an international gas pipeline with a total capacity of 55 billion cubic meters a year and stretching approx. 1,220 km through the Baltic Sea from the Russian coast to Germany near Greifswald. OMV's commitment under financing agreements signed with the project company Nord Stream 2 AG, all of which shares are held by Gazprom, amounts to up to EUR 950 million or 10% of the total costs. In 2017, the first drawdowns under the financing agreements took place and resulted in cash outflows of EUR 324 million. In addition, in the first three months of 2018, cash outflows due to further drawdowns of EUR 81 million were accounted for. OMV has committed to provide long-term financing to the project to secure a long-term utilisation of the Austrian gas import and export infrastructure operated by GCA. Gazprom is and is intended to remain the sole shareholder of Nord Stream 2 AG.

On 2 August 2017, the President of the United States approved a package of new sanctions, *inter alia* Russia-related sanctions, which had previously been passed by the U.S. Senate in June 2017 and by the U.S. House of Representatives in July 2017. In relation to the new U.S. law H.R. 3364, known as the "*Countering America's Adversaries Through Sanctions Act*", which *inter alia* aims to restrict activities concerning crude oil projects and export pipelines of Russian Federation and tightens already existing executive order sanctions and gives sanctions extraterritorial effects, certain risks arose for OMV. The President of the United States is vested with certain powers and discretion to impose sanctions on individually identified persons, independent of whether such person is a U.S. person. Albeit Public Guidance Notes issued by the Department of State published on 31 October 2017 clarify that loan agreements made prior to 2 August 2017 would not be subject to section 232 sanctions, the U.S. law H.R. 3364 and any new sanctions may negatively affect the international Nord Stream 2 gas pipeline project.

LICENSE SYSTEMS

In the ordinary course of its business, OMV enters into numerous contracts with various entities. In connection with its exploration and production activities, OMV is, in particular, dependent on the licenses that are necessary to explore, develop and produce crude oil, natural gas liquids and natural gas. The terms and conditions of the oil and gas contracts under which OMV is granted the required licenses differ from country to country. In some countries, OMV owns the oil and gas it produces and pays royalties and/or taxes as consideration therefor (royalty-tax or concessionary system). In other countries, ownership of the resources is retained by the state and OMV receives a remuneration or reimbursement (contractual system), which in the case of OMV is generally in kind (production sharing contracts; as opposed to service contracts, which provide for a cash remuneration).

The following overview sets forth the license systems as of 31 December 2017 under which OMV operated by country:

	<u>License system</u>
Austria.....	Concessionary system
Bulgaria.....	Concessionary system
Romania.....	Concessionary system
Kazakhstan.....	Concessionary system
Norway.....	Concessionary system
Russia.....	Concessionary system
Kurdistan Region of Iraq.....	Production sharing
Libya.....	Production sharing
Pakistan.....	Concessionary system
Tunisia.....	Concessionary system
United Arab Emirates ⁽¹⁾	Concessionary system
Yemen.....	Production sharing
Australia.....	Concessionary system
Madagascar ⁽²⁾	Production sharing
New Zealand.....	Concessionary system

⁽¹⁾ Currently Service Agreement in place.

⁽²⁾ OMV exited on-shore operations in Madagascar in 2017. Smaller offshore activities in Madagascar are still being conducted.

(Sources: internal data)

TREND INFORMATION

There has been no material adverse change in the prospects of OMV since 31 December 2017. No developments are currently foreseen that are reasonably likely to have a material effect on OMV's prospects.

RECENT EVENTS

On 28 February 2018, OMV announced the divestment of its Upstream business in Pakistan by means of a sale to Dragon Prime Hong Kong Limited for a purchase price of EUR 157 million, whereas in case of a dividend payment to OMV or capital increase by OMV the purchase price will be adjusted. The transaction is subject to conditions, including the relevant regulatory approvals. Closing is expected by end of 2018. OMV Pakistan holds interests in five development and production leases, and operates the producing Sawan, Miano, Latif, Gambat, and Mehar blocks. It further holds interests in five exploration blocks, of which four are operated. OMV also holds a 10% stake in PARCO, a joint venture between Pakistan and Abu Dhabi in the Downstream business. This stake is not part of the divestment.

On 14 March 2018, by means of public disclosure of inside information, OMV disclosed the call and redemption of the EUR 750 million hybrid bond 2011 (ISIN XS0629626663) as of the first call date, 26 April 2018 and its consideration to issue a new perpetual, subordinated (hybrid) bond with a volume of up to EUR 500 million. The potential issue of the new hybrid bond depends inter alia on given market conditions and could take place within 18 months after the publication of the intention, in any event at the earliest in May 2018.

On 15 March 2018, OMV published the acquisition of Shell's Upstream business in New Zealand, comprising joint venture interests in Pohokura (48%), the largest gas producing field in New Zealand, and Maui (83.75%) as well as related infrastructure for production, storage and transportation for a purchase price of USD 578 million. OMV is an existing partner in the acquired assets (OMV's current stakes: 26% in Pohokura and 10% in Maui) and intends to assume operatorship in both joint ventures. The economic effective date of the transaction is 1 January 2018. The transaction is targeted to be completed towards the end of 2018. It is subject to conditions, including New Zealand Commerce Act and Overseas Investment approvals. In parallel to the acquisition of the interests in Pohokura and Maui, OMV has also acquired Shell's 60.98% interest in the Great South Basin exploration block (GSB). The transfer of GSB was immediately effective as of signing and increased OMV's stake in GSB to 82.93%.

On 4 April 2018, OMV reported the completion of the drilling of the Hades and Iris exploration well 6506/11-10 in PL 644 B by OMV (Norge) AS and the discovery of gas and condensate. The HPHT (high pressure, high temperature) well had two exploration targets, the primary target of the Hades prospect in the Cretaceous Lange Formation, and the secondary target in the Jurassic Garn Formation of the Iris prospect. The well discovered gas and condensate in both exploration targets with very good reservoir properties. The preliminary result is based on data gathered from both reservoir intervals and indicates a discovery size for Hades of 20 to 115 mn recoverable boe, and for Iris an estimated discovery size of 20 to 130 mn recoverable boe. OMV (Norge) AS is the operator of PL 644/644 B with a 30% working interest. The partners are Statoil Petroleum AS (30%), Faroe Petroleum Norge AS (20%) and Spirit Energy Norge AS

(20%).

On 5 April 2018, by means of public disclosure of inside information, OMV reported that OMV and Abu Dhabi National Oil Company (ADNOC) agreed that OMV will acquire a 20% interest in the concession for the offshore oil fields Satah Al Razboot (SARB) (with the satellite fields Bin Nasher and Al Bateel) and Umm Lulu as well as the associated infrastructure for a purchase price of USD 1.5 billion. On 29 April 2018, OMV reported that OMV and ADNOC signed the transaction documents. The agreed participation fee amounts to USD 1.5 billion and the duration of the contract is 40 years. The concession will be retroactively effective as of 9 March 2018. The SARB field is located in shallow waters, 120 km away from Abu Dhabi. First oil is expected before the end of 2018. The oil production at plateau rates is expected to be above 20 kbb/d (net to OMV) and it is anticipated to be reached early in the next decade. The Umm Lulu field is located offshore, about 30 km away from Abu Dhabi, in shallow waters. The early production started in the fourth quarter of 2016. The oil production plateau is also anticipated to be reached early in the next decade and it is expected to deliver 20 kbb/d (net to OMV). OMV's share of the reserves, for the period of the concession agreement, would amount to approximately 450 mn barrels oil for the two main fields, with upside potentials from the satellite fields Bin Nasher and Al Bateel. OMV's capital expenditures over the contract term are estimated to amount to approximately USD 2 billion, thereof approximately USD 150 million will be spent per annum during the first five years.

On 8 May 2018, the President of the United States announced his decision to end U.S. participation in the nuclear agreement between the U.S., Iran and certain other governments (*Joint Comprehensive Plan of Action*) and to re-impose sanctions against Iran, in particular secondary sanctions that had been suspended. The re-imposition of sanctions comes in two main phases. In any event after a 180-day wind-down period ending on 4 November 2018, the U.S. government will fully re-impose additional sanctions. By 5 November 2018, the U.S. government also expects to move to the SDN List various Iranian parties that were removed from the SDN List. As of then the National Iranian Oil Company is moved to the SDN List and secondary sanctions may attach to dealings with the National Iranian Oil Company following its re-designation. The snapback has material adverse effect on OMV's engagement in Iran. OMV may have to withdraw from any engagement in Iran as of 4 November 2018.

On 22 May 2018, the AGM of OMV AG resolved on elections of two new members of the Supervisory Board: Alyazia Al Kuwaiti and Mansour Al Mulla were both elected and followed former Supervisory Board members Muradha Al Hashmi and Ahmed Matar Al Mazrouei who stepped down from their functions as of the AGM on 22 May 2018. Further, on 21 March 2018, Angela Schorna was appointed as a new Supervisory Board member delegated by the Group works council and followed former member delegated by the Group works council Wolfgang Baumann.

On 30 May 2018, OMV published that it will divest the gas-fired power plant Samsun power plant to Bilgin Enerji at a confidential price. Closing of the divestment is expected for the fourth quarter of 2018 at the latest.

On 5 June 2018, OMV and Gazprom jointly announced that they signed an extension for natural gas supplies to Austria until 2040. The existing gas supply contract between Gazprom and OMV for supplies to Austria with Russian natural gas would have run until 2028.

HEALTH, SAFETY, SECURITY AND ENVIRONMENT

Each of the Group's companies is subject to laws and (compliance) regulations with respect to protection of the environment and employee health and safety in the countries in which the Group operates. In addition to laws and regulations, there is also an increasingly higher expectation and demand from the society and the marketplace to improve health, safety, security and environment (HSSE) standards. OMV accepts occupational health, occupational and workplace safety, process safety, security, asset integrity and effective environmental protection as integral parts for its operations and manages these matters with highest priority.

OMV's chief executive officer and the members of the executive board in charge of each of the business divisions establish HSSE objectives and targets for the Group and the business divisions with the involvement of HSSE managers and experts. OMV's goal ZERO Harm – NO Losses stands for a joint vision, mission and trust that all accidents and losses can be prevented. Management at Group companies' level is responsible for the implementation of HSSE objectives and programs. Supported by group-wide reporting processes and systems in place, the management at all levels receives timely information on incidents and HSSE related performance indicators as well as regular updates on HSSE target achievement. In order to achieve this vision, during 2017 the OMV Group HSSE Strategy 2020 was established as an integral part of the OMV Sustainability Strategy. The HSSE strategy was launched by the Executive Board in conjunction with a commitment ceremony.

The combined LTIR for own employees and contractors amounted to 0.34 per million work hours in 2017 after 0.40 in 2016 and 0.27 in 2015. The LTIR for own employees decreased from 0.37 in 2016 to 0.24 in 2017 and the LTIR for contractors decreased from 0.42 in 2016 to 0.39 in 2017. OMV regrettably lost two contract employees in the financial year 2017 (2016: two fatalities), one in Hungary at an OMV filling station and one in the course of the explosion following the sudden gas release in Baumgarten, Austria, where further 21 persons were injured. In the Upstream

segment, the LTIR amounted to 0.28 in 2017 after 0.33 in 2016. In the Downstream business segment in 2017, the LTIR decreased from 0.50 in 2016 to 0.40.

The combined total recordable injury rate ("**TRIR**") for own employees and contractors in 2017 amounted to 0.79 (2016: 0.70) per million work hours. The TRIR for own employees increased to 0.73 in 2017 after 0.66 in 2016. Also for contractors the TRIR increased in 2017 to 0.82 following a TRIR for contractors in 2016 of 0.72.

Employee well-being and health are core elements of ensuring the ability to work. In 2017, OMV continued offering health care and health prevention, such as cardiovascular prevention programs, vaccinations and health hours.

Key HSSE safety actions in 2017 included (i) continuation of the Group-wide roll out of the Safety Culture Program, with new safety culture evaluations in different ventures, training workshops with local employees and follow-ups on actions established in 2016, (ii) formal issue and rollout of the Group's new Reporting, Investigation and Classification of Incidents Standard, which addresses gaps and deficiencies identified during audits of the incident investigation process performed by external experts in 2016, and (iii) Improving the usability of our central reporting tool where all incidents, findings and defined actions are reported and tracked.

In 2017, the nature and frequency of terrorist attacks in Europe and elsewhere continued on the same trajectory as 2016. Mainland Europe, in particular, experienced numerous random, high-impact terrorist attacks utilising a variety of improvised methods. Considerable effort was placed on ensuring the continued security and safety of employees working and traveling throughout the region by utilising OMV's dynamic travel security platform. This tool proved to be an invaluable asset, especially in its 24/7 capability to monitor flight bookings, track individual cell phones and deliver instant travel or emergency notifications to travelers via SMS.

Further, HSSE environmental action in 2017 mainly included (i) continuation of the implementation of the new Group-wide Environmental Management Standard, introducing a zero routine flaring and venting policy, (ii) endorsement of the World Bank initiative "*Zero routine flaring by 2030*", (iii) development of an Environmental Strategy 2020 focusing on carbon and water management, as well as compliance with ISO 14001/ISO 50001, and (iv) continuation of the roll-out of a Corporate Environmental Risk Assessment tool, which allows optimised data handling, prioritisation and action tracking.

Spill risk management is another key focus across OMV operations. In the financial year 2017, there was one (2016: two) major hydrocarbon spill in Tunisia with 120,000 litres of hydrocarbons spilled (2016: 39,500 litres).

OMV's key target set in 2017 in relation to acting on climate change mitigation is to reduce OMV's overall greenhouse gas ("**GHG**") intensity by 10% by 2021 compared to 2013.

MANAGEMENT OF OMV AKTIENGESELLSCHAFT

The Issuer has a two-tier management and oversight structure, consisting of the executive board (*Vorstand*) (the "**Executive Board**") and the supervisory board (*Aufsichtsrat*) (the "**Supervisory Board**"). The Executive Board is responsible for managing OMV's business and represents OMV in dealings with third parties. The Supervisory Board is responsible for appointing and removing the members of the Executive Board and supervising the business conducted by the Executive Board. Although the Supervisory Board does not actively manage the group, both the Austrian Stock Corporation Act (*Aktiengesetz*) and the Issuer's Articles of Association, together with the Executive Board's internal rules of procedure (*Geschäftsordnung*), require the consent of the Supervisory Board or one of its committees before the Executive Board takes certain actions. The Issuer's overall strategy is presented to the Supervisory Board at meetings entirely devoted to discussing major projects.

The current business address of each of the members of the Executive Board and Supervisory Board is Trabrennstraße 6-8, 1020 Vienna, Austria.

Executive Board (Vorstand)

The Executive Board may consist of between two and six members who are appointed by the Supervisory Board for a term of up to five years. Currently, the Executive Board consists of:

<u>Name</u>	<u>Date of initial appointment</u>	<u>Function</u>	<u>Principal activities performed outside the Issuer and the Group</u>
Rainer Seele	1 July 2015	Executive Board chairman and chief executive officer, responsible for the overall management and coordination of the Group	Borealis AG (vice-chairman of the supervisory board); Industriellenvereinigung (Federation of Austrian Industries) (member of the executive board), Wien (Vienna); Deutsch-Russische Auslandshandelskammer (German-Russian Chamber of Foreign Trade) (president)

Reinhard Florey	1 July 2016	Executive Board member and chief financial officer, responsible for Finance	CEESEG AG (member of the supervisory board), Wiener Börse AG (member of the supervisory board)
Johann Pleininger	1 September 2015	Executive Board member and deputy chief executive officer, responsible for the business segment Upstream	Österreichische Gesellschaft für Erdölwissenschaften (ÖGEW) (chairman); FK Austria Wien AG (member of the supervisory board)
Manfred Leitner	1 April 2011	Executive Board member, responsible for the business segment Downstream and OMV's plastic and chemical interests	Borealis AG (member of the supervisory board); Fachverband der Mineralölindustrie WKÖ (Association of the Petroleum Industry, Austrian Economic Chamber) (chairman)

(Sources: internal data, company register excerpts)

Supervisory Board (Aufsichtsrat)

Pursuant to the Articles of Association, the Supervisory Board must consist of at least six members elected by the Issuer's shareholders. Two thirds of the members are elected by the Issuer's shareholders and one third is appointed by the Issuer's works council. The current members of the Supervisory Board are:

<u>Name</u>	<u>Date of initial election/appointment</u>	<u>Function</u>	<u>Principal activities performed outside the Issuer</u>
Peter Löscher	Initially elected in the AGM of 18 May 2016	Supervisory Board chairman, Presidential and Nomination Committee chairman, Remuneration Committee chairman, Portfolio and Project Committee first deputy chairman, Audit Committee member	Sulzer AG (chairman of the board of directors); Telefonica (member of the board of directors); TBG AG (member of the board); TechVisionCapital GmbH (CEO); Medical Technology Ventures Partners (General Partner)
Gertrude Tumpel-Gugerell	Initially elected in the AGM of 19 May 2015	Supervisory Board first deputy chairwoman, Presidential and Nomination Committee first deputy chairwoman, Audit Committee chairwoman, Portfolio and Project Committee member, Remuneration Committee member	Vienna Insurance Group (supervisory board member), Commerzbank AG (supervisory board member), Österreichische Forschungsförderungsgesellschaft (chairman of the supervisory board)
Alyazia Al Kuwaiti	Elected in the AGM of 22 May 2018; served as Supervisory Board member before between 2008 and 2016	Supervisory Board second deputy chairwoman, Presidential and Nomination Committee second deputy chairwoman, Audit Committee second deputy chairwoman, Portfolio and Project Committee second deputy chairwoman, Remuneration Committee second deputy chairwoman	Mubadala – Petroleum & Petrochemicals platform (member of the board); Compania Espanola de Petroleos (member of the board of directors); Securities and Commodities Authority (member of the board); Khalifa Fund (member of the board); Abu Dhabi Fund for Development (member of the board); Senaat General Holding Corporation (member of the board); National Petroleum Construction Company (board member)
Mansour Al Mulla	Initially elected at the AGM of 22 May 2018	Supervisory Board member; Presidential and Nomination Committee member, Portfolio and Project Committee member	Aldar Properties PJSC (member of the board of directors, chairman of the audit committee); Anglo Arabian Healthcare Investment LLC (member of the board); Gulf Energy Maritime (member of the board)
Wolfgang C. Berndt	Initially elected in the AGM of 26 May 2010	Supervisory Board member, Audit Committee first deputy chairman, Remuneration Committee first deputy chairman	Miba Aktiengesellschaft (chairman of the supervisory board); Mitterbauer Beteiligungs – Aktiengesellschaft (chairman of the supervisory board); BAST Unternehmensbeteiligungs AG (member of the supervisory board)
Elif Bilgi-Zapparoli	Initially elected in the AGM of 13 May 2009	Supervisory Board member	Bank of America Merrill Lynch (managing director)
Helmut Draxler	Initially elected in the AGM of 16 October 1990	Supervisory Board member, Audit Committee member,	Siemens Aktiengesellschaft Österreich (member of the supervisory board); Linz AG (member of the supervisory board);

		Remuneration Committee member	Wiener Städtische Wechselseitiger Versicherungsverein - Vermögensverwaltung – Vienna Insurance Group (member of the supervisory board); Landesholding Burgenland GmbH (member of the supervisory board)
Marc H. Hall	Initially elected in the AGM of 18 May 2016	Supervisory Board member, Portfolio and Project Committee member	REM – Restructuring & Energy Management e.U. (director)
Karl Rose	Initially elected in the AGM of 18 May 2016	Supervisory Board member, Portfolio and Project Committee chairman	Energie Steiermark AG (vice chairman of the supervisory board); Strategy Lab GmbH (managing director); Abu Dhabi National Oil Company (strategy advisor); Technische Universität Graz (member of the research and development advisory board); Stiftung Energie & Klimaschutz Baden-Württemberg (member of the board of foundation)
Herbert Werner	Initially elected in the AGM of 4 June 1996	Supervisory Board member, Audit Committee member	HCW Vermögensverwaltungs GmbH (member of the management board); HCW Verkehrsbetriebe GmbH (member of the management board); Innstadt Brauerei AG (chairman of the supervisory board); Ottakringer Holding AG (vice-chairman of the supervisory board); Ottakringer Getränke AG (vice chairman of the supervisory board)
Christine Asperger	Initially appointed in 2013	Supervisory Board member (delegated by the Group works council), Portfolio and Project Committee member	Not applicable
Angela Schorna	Initially appointed in 2018	Supervisory Board member (delegated by the Group works council), Presidential and Nomination Committee member, Audit Committee member	Not applicable
Herbert Lindner	Initially appointed in 2013	Supervisory Board member (delegated by the Group works council), Audit Committee member, Portfolio and Project Committee member	Not applicable
Alfred Redlich	Initially appointed in 2013	Supervisory Board member (delegated by the Group works council), Presidential and Nomination Committee member	Not applicable
Gerhard Singer	Initially appointed in 2016	Supervisory Board member (delegated by the Group works council), Portfolio and Project Committee member, Audit Committee member	Not applicable

(Sources: internal data, company register excerpts)

Corporate Governance, Board Practices and Conflict of Interests

The Austrian Corporate Governance Code was published by the Austrian Working Group on Corporate Governance, a group of private organisations and individuals in 2002 and has been amended most recently in January 2018. The code is publicly accessible at www.corporate-governance.at. The Austrian Corporate Governance Code primarily applies to Austrian stock-market-listed companies that undertake to adhere to its principles. In addition, the Vienna Stock Exchange requires compliance with the Austrian Corporate Governance Code under provisions applicable for companies the shares of which are traded in the prime market segment. The Austrian Corporate Governance Code is based on statutory provisions of Austrian corporate law, securities law and capital markets law ("Legal Requirements", "L-Rules"). In addition, the Austrian Corporate Governance Code contains rules considered to be a part of common international

practice, such as the principles set out in the OECD Principles of Corporate Governance and the recommendations of the European Commission. Non-compliance with these rules must be explained ("Comply or Explain", "C-Rules"). The Austrian Corporate Governance Code also contains rules that are voluntary and do not require explanation in the case of deviations ("Recommendation", "R-Rules").

OMV AG currently complies in full, including R-Rules, with the Austrian Corporate Governance Code. OMV's compliance with the Austrian Corporate Governance Code in 2017 was evaluated externally by independent advisors.

As for C-Rules 27 and 28, an explanation concerning the variable remuneration components is provided in the corresponding section in the remuneration report of the Executive Board in the Annual Report 2017: Pursuant to C-Rules 27 and 28 of the Austrian Corporate Governance Code, for the variable remuneration components, measurable performance criteria are fixed in advance. Given the industry-inherent volatility of commodity prices and market conditions, political country risks as well as an increased safety exposure, OMV's variable remuneration plans give the Supervisory Board and the Remuneration Committee, respectively, in line with the general practice in the oil and gas industry, certain room for adjustments to amend individual components in case of significant changes in external factors (e.g. oil price) as well as to determine the achievement of individual criteria. Any adjustments are always in line with relevant factors and within disclosed maximum limits.

Further, as for C-Rule 36, an explanation concerning the self-evaluation of the Supervisory Board is provided in the section concerning the working practices of the Supervisory Board in the Annual Report 2017: Pursuant to C-Rule 36, the Supervisory Board shall discuss the efficiency of its activities annually, in particular its organisation and work procedures (self-evaluation). In the financial year 2016, the Supervisory Board initiated a thorough self-evaluation of its activities with external support, the results of which were discussed within the Supervisory Board in the first quarter of 2017 and followed up throughout 2017.

As provided for in the rules of procedure of the Supervisory Board (based on the obligation pursuant to the Articles of Association to provide for committees), the Supervisory Board maintains the following committees:

The Presidential and Nomination Committee: The Presidential and Nomination Committee is authorised to take decisions on matters of urgency. The Supervisory Board may transfer other duties and powers of approval to the Presidential and Nomination Committee on an ad-hoc or permanent basis. A delegation has to be supported by reasons. In its capacity as the Nomination Committee, this body makes proposals to the Supervisory Board for the appointment or replacement of Executive Board members and deals with succession planning. It also supports with recommendations regarding the appointments to the Supervisory Board resolved by general shareholders meetings. There were five meetings of the Presidential and Nomination Committee in 2017, in which discussions focused on Executive and Supervisory Board matters.

The Audit Committee: The Audit Committee is established and responsible according to article 92 section 4a Austrian Stock Corporation Act (*Aktiengesetz*) *inter alia* to review and prepare the adoption of the annual accounts, the proposal for the distribution of profits, the situation report ("Directors' report") and the consolidated accounts. Furthermore, it deals with the internal control system, the risk management and the auditor's report about risk management, and it reports on this to the Supervisory Board. Finally, the committee deals with the work and results of the group auditor, with the selection of the group auditor in view of the appropriateness of the group auditor's fees and the recommendation to the supervisory board for selection of the group auditor. The Audit Committee also reviews and supervises the independence of the group auditor. The members of the Audit Committee possess the necessary financial expertise for such responsibilities in sufficient number. In the financial year 2017, the Audit Committee held six meetings, predominantly dealing with preparations for the audit of the annual financial statements, assessment of the auditors' activities, internal audit, internal control and risk management systems, as well as the presentation of the annual financial statements.

The Portfolio and Project Committee: The Portfolio and Project Committee shall prepare fundamental decisions of a complex nature in co-operation with the Executive Board when necessary, and reports on these decisions and any recommendations to the Supervisory Board. In the financial year 2017, six meetings of the Portfolio and Project Committee were held.

The Remuneration Committee: The Remuneration Committee deals with all matters concerning the remuneration of the Executive Board members and with their employment contracts. The Remuneration Committee is empowered to conclude, amend and terminate employment contracts with members of the Executive Board, and to take decisions on the award of bonuses (variable compensation components) and other such benefits. The Remuneration Committee met five times during the financial year 2017. Executive Board members were invited to attend parts of some of the meetings of the Remuneration Committee. PwC provided remuneration advice to the Remuneration Committee in 2017; in 2018 hkp///group was mandated to consult the Remuneration Committee regarding the structure and level of the Executive Board's compensation. PwC and hkp///group were appointed by the Remuneration Committee and did not advise the Executive Board, ensuring independence with respect to the Austrian Corporate Governance Code. Besides, PwC provided tax and reporting advice in the financial year 2017.

There are no conflicts of interest between the duties of the members of the Executive Board and Supervisory Board of the Issuer and their private interests or other duties other than the following: One member of the Issuer's Supervisory Board, Alyazia Al Kuwaiti, has held different functions at IPIC until 2017 and currently is executive director for Upstream & Integrated at Mubadala Investment Company, the sole shareholder of IPIC, and another member of the Issuer's Supervisory Board, Mansour Al Mulla currently is chief financial officer for Petroleum and Petrochemicals at Mubadala Investment Company, the sole shareholder of IPIC. Further, the three members of the Supervisory Board Peter Löscher, Marc Hall and Karl Rose have been nominated by the nomination committee of Österreichische Bundes- und Industriebeteiligungen GmbH ("ÖBIB"), the election of which has been proposed to the Supervisory Board and has been voted for by the Annual General Meeting as of 18 May 2016. Gertrude Tumpel-Gugerell had already been proposed as a member of the Supervisory Board by ÖBIB in 2015 and elected by the Annual General Meeting on 19 May 2015. It cannot be excluded that such Supervisory Board members, in fulfilling their duties as Supervisory Board members, will take interests of ÖBIB and IPIC into account that may conflict with other investors' interests.

It nevertheless cannot be excluded that functions which OMV AG's board members hold in entities with whom OMV AG is doing business, may in the future lead to conflicts of interest with duties of the members of the Executive Board and Supervisory Board of the Issuer. By way of example, Supervisory Board member Karl Rose currently holds a function as strategy adviser of Abu Dhabi National Oil Company (ADNOC). OMV is of the view that this function does not provide for an actual conflict of interest as Mr Rose will not interfere in any approvals of Abu Dhabi related projects of OMV's Supervisory Board and also does not work on any projects of ADNOC that may create a conflict with his position at OMV. It nevertheless cannot be excluded that such function appears to bear a conflict of interest from a third party perspective.

CAPITAL STRUCTURE

The Issuer's share capital consists of fully paid-in no-par value common voting shares issued in bearer form. As of the date of this Prospectus, the Issuer's issued and fully paid-in share capital amounts to EUR 327,272,727, divided into 327,272,727 no-par value common voting shares. Under Austrian law, no-par value shares (*Stückaktien*) represent a calculatory portion of the share capital which equals the total amount of issued share capital divided by the number of shares. The calculatory portion of the share capital of the Issuer's no-par value common voting shares amounts to EUR 1.00 per share. The one-share-one-vote principle applies and there are no classes of shares that carry special or preferential voting rights.

The Issuer's shares are listed on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange (*Wiener Börse*) under the symbol "OMV" and traded in the prime market segment.

The Annual General Meeting of 14 May 2014 authorised the Executive Board, subject to the approval of the Supervisory Board, until 14 May 2019 to increase, once or in several tranches, also by way of indirect offer, for subscription after taking over by one or several credit institutions, against cash contributions, the Issuer's share capital by up to EUR 32,727,272 by issuing up to 32,727,272 new no-par value common voting shares in bearer form. Subject to the approval of the Supervisory Board, the Executive Board is authorised to exclude in this connection the subscription right of the Issuer's shareholders (i) to adjust fractional amounts or (ii) to satisfy stock options or long term incentive plans including matching share plans for employees, senior employees and members of the Executive Board/ management boards of the Issuer or any of its affiliates, or other employee stock ownership plans and subject to the approval of the Supervisory Board, to set the issue price and conditions of issuance (authorised capital).

The Annual General Meeting of 18 May 2016 authorised the Executive Board until (and including) 17 May 2021, upon approval by the Supervisory Board but without any further resolution by the Annual General Meeting, to utilize the Issuer's treasury stock or dispose of it to grant treasury shares to employees, senior employees and/or members of the Executive Board/management boards of the Issuer or one of its affiliates including for purposes of share transfer programs, in particular long term incentive plans including matching share plans or other stock ownership plans, under exclusion of the general purchasing possibility of shareholders.

MAJOR SHAREHOLDERS

The Issuer has two major shareholders, ÖBIB and IPIC. ÖBIB holds 31.50% and IPIC holds 24.90% of the capital stock of OMV AG.

ÖBIB is the privatisation and industrial holding company of the Republic of Austria. ÖBIB is incorporated and organised as an Austrian limited liability company (*Gesellschaft mit beschränkter Haftung*) under the Federal Act on the amendment of the Federal Act regarding the Reorganisation of Österreichische Industrieholding Aktiengesellschaft and of Post- und Telekombeteiligungsverwaltungsgesellschaft and of the Federal Financial Market Stability Act (*Bundesgesetz, mit dem das Bundesgesetz über die Neuordnung der Rechtsverhältnisse der Österreichischen Industrieholding Aktiengesellschaft und der Post und Telekombeteiligungsverwaltungsgesellschaft (ÖIAG-Gesetz 2000) und das Bundesgesetz über Maßnahmen zur Sicherung der Stabilität des Finanzmarktes (Finanzmarktstabilitätsgesetz-FinStaG) geändert werden (ÖBIB-Gesetz 2015)*) Federal Law Gazette I No 37/2015, and has its registered seat in

Vienna.

IPIC is the Abu Dhabi state enterprise which is responsible for all foreign investments in the oil and chemicals sector. Abu Dhabi holds all shares in IPIC via its wholly-owned holding company Mubadala Investment Company PJSC. IPIC is supervised by the Supreme Petroleum Council of Abu Dhabi which oversees the Emirate's oil and gas operations, and related industries. IPIC has its registered seat in Abu Dhabi.

A consortium agreement concluded between the two major shareholders provides for their coordinated action and for restrictions on transfers of shareholdings.

As of the date of this Prospectus, ÖBIB owns 103,090,898 shares representing 31.50% of the Issuer's share capital and IPIC owns 81,490,900 shares representing 24.90% of the Issuer's share capital. As of the date of this Prospectus, the Issuer holds approximately 0.17% of its share capital (treasury shares) which are neither entitled to vote nor to receive dividends. The remaining 43.43% of the Issuer's share capital is in free float.

OMV AG believes that Austrian corporate law provides sufficient safeguard to avoid the abuse by ÖBIB and/or IPIC of its/their control of OMV AG.

LITIGATION AND ARBITRATION

The Issuer and its subsidiaries are party to certain lawsuits and administrative proceedings before various courts and governmental agencies arising from the ordinary course of business involving various contractual, labour, cartel, tax and other matters.

Except as described below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of OMV AG or the Group, except as described herein. Further, it cannot be excluded that – based on the outcomes of single litigations, arbitral proceedings or other forms of dispute resolution – other persons may raise claims based on comparable arguments. In such case, there is a risk that even a negative outcome in a single dispute with low amounts at stake may lead to future claims against OMV.

Petrom employee litigation

Since the end of 2007, Petrom has been involved in litigation initiated by a number of former and current employees based on differing interpretations of several clauses included in Petrom's collective bargaining agreement relating to Easter and Christmas bonuses. In the following years, further claims were raised against Petrom based on the differing interpretations of other provisions of the collective bargaining agreement. Currently, the main types of claims refer to special rights to be granted to employees working offshore. OMV's total allocation to the provision for such claims was RON 1,506 million (i.e. EUR 415 million, using the average foreign exchange rate in 2007 and 2008 for the amounts booked in each year). As of 31 March 2018, the provision amounted to RON 70.1 million (i.e. approx. EUR 15.1 million, using March 2018 closing exchange rate of EUR/RON 4.6565), following payments made under the claims and reductions after re-assessment of related risks in 2015, 2016 and 2017. The above figures represent Petrom's assessment of potential liabilities and its best estimate of likely cash outflows with respect to the ongoing litigation. Since 2009, the collective bargaining agreement has been renegotiated regularly. At the end of 2017, a new collective bargaining agreement applicable to Petrom was signed, following the expiration of the last collective bargaining agreement and the conclusion of negotiations between Petrom and the union. The provisions of the new collective bargaining agreement were drafted and negotiated taking also in consideration the litigation deriving thereof. The currently applicable collective bargaining agreement expires at the end of 2019. Furthermore, employees' information on this matter was substantially increased in order to raise awareness on the topic and a focus was put on clarifying discussions with claimants.

ASTRA refinery case

In 2004 (prior to Petrom's privatisation), the Romanian Ministry of Economy initiated a strategy to develop Romanian production of industrial and motor lubes and issued a memorandum regarding the same. In respect of the memorandum, Petrom concluded two purchase contracts with Rafinaria Astra Romana S.A. ("**Astra**") in March 2004.

In 2005, Astra filed a claim against Petrom, alleging that Petrom did not fulfil its contractual obligations. Petrom argued that Astra had, on several occasions, notified Petrom that it did not request oil deliveries under the contract and ceased to perform its own contractual obligations. Furthermore, Petrom pleaded various procedural exceptions, including the statute of limitations. In November 2005, Petrom was ordered to purchase the lubes refined by Astra and to sell crude oil to Astra, both for the entire period of the contract, i.e. until the end of 2010. Appeals filed by Petrom were dismissed. In December 2009, Astra initiated the enforcement of the court decision and in November 2010 filed a claim requesting the court to compel Petrom to pay penalties for alleged damages resulting from failure to comply with the court decision. An extrajudicial expert's appraisal estimated the damages (for the period October 2004 to 31 December 2010) at

approximately RON 490.50 million (i.e. approx. EUR 105 million, using the December 2017 closing exchange rate of EUR/RON 4.6585), which was later increased to RON 624 million (i.e. approx. EUR 134 million, using the December 2017 closing exchange rate of EUR/RON 4.6585)

On 5 May 2011, the court admitted the exception of lack of jurisdiction raised by Petrom and declined the competence towards the Bucharest Tribunal - Commercial Section. Astra has filed a final appeal against the decision. The court admitted the final appeal filed by Astra and sent back the case to District 1 Local Court, considering that this court has the jurisdiction to settle the case.

On 26 July 2013, the District 1 Local Court delivered its ruling, rejecting Astra's claim and obliging Astra to pay RON 50,000 for legal expenses. The award of the court is subject to second degree appeal. On 4 March 2014, Astra filed a second degree appeal against the said award. On 19 December 2014, the court delivered the ruling, admitting the second degree appeal filed by Astra, quashing the ruling of District 1 Local Court from 26 July 2013 and sending back the case to District 1 Local Court with a first hearing held on 26 October 2015. In such hearing, Petrom raised the procedural exception regarding the time barring period of Astra's claim. On 15 February 2016, the court admitted the exception regarding the time barring period for the first count from Astra's statement of claim and granted a new hearing on 7 March 2016, for continuing the judgement for the second count from Astra's statement of claim. On 21 March 2016, the District 1 Local Court rejected the entire claim filed by Astra and obliged Astra to pay Petrom the amount of RON 76,522 (i.e. approx. EUR 16,426, using the December 2017 closing exchange rate of EUR/RON 4.6585) as legal expenses. The court decision was appealed by means of a second degree appeal (recourse) of Astra at Bucharest Tribunal. The 6th commercial section of the Bucharest Tribunal declined the case to the third civil section, where the proceedings were pending, with next hearings set for October 2017. After postponing several times, the court, by irrevocable decision, allowed the second appeal, quashed the challenged decision and sent the case back to be solved by the same court.

Glencore litigation

Petrom is claimant in a litigation against Glencore International AG ("**Glencore**") involving Glencore's supply of quantities of crude oil which did not fulfil the contracted quality and typology specifications between 1993 and 1996. In March 2015, Petrom was awarded USD 40 million, plus interest up to the date of payment. In April 2015, Glencore paid USD 87 million in principal and interest to Petrom. Glencore has appealed the judgment and, was heard by the Court of Appeal in May 2016. Glencore's appeal was fully rejected in July 2016. According to OMV's knowledge, it can be considered that Petrom irrevocably won Glencore's appeal. Petrom also filed an appeal for increasing the interest rate awarded for two amounts for a certain period. After hearings held on 7 March 2017, the Court of Appeal allowed the appeal and granted the enhanced interest rate requested by Petrom. In view of the successful appeal, Petrom received several payments from Glencore in a total amount of approx. USD 1.5 million and GBP 0.2 million; in addition, the final value of the appeal's legal costs recoverable by Petrom were settled between parties and recovered by Petrom. Therefore, the litigation is considered as finalised since the end of June 2017, when the final settlement payments were received.

Proceedings with respect to OMV Samsun CCPP in Turkey

In Turkey, OMV Samsun Elektrik Üretim Sanayi ve Ticaret A.S. ("**OMV Samsun**") has accessed proceedings initiated against the Ministry of Food, Agriculture and Live Stock, the Ministry of Environment and Urban Planning and the Energy Market Regulatory Authority ("**EMRA**") in relation to (i) alleged incorrect re-zoning of the land on which the power plant was built and (ii) annulment of generation license granted to OMV Samsun. Neither of these claims were initiated against OMV AG or OMV Samsun and OMV Samsun is neither a plaintiff nor a defendant in those cases, but joined the cases as intervenor-defendant, as a negative decision or an injunctive relief in the proceedings could have delayed the construction and commissioning of the power plant or endangered the completion of the project and start of operations. The construction, commission and completion phase of the project has meanwhile been completed.

As regards the proceedings referred to at (i) above, the Samsun 2nd Administrative court decided for the cancellation of the permit for the usage of the power plant land for non-agricultural purposes. OMV Samsun sent an appeal petition to the State Council in December 2015. The Council of State for the 8th Circuit upheld the local court's decision on 22 November 2017, which means rejection of OMV Samsun's appeal request. OMV Samsun requested for rectification on 17 January 2018 against this decision. The Council of State has not rendered its decision yet. This decision will be final and binding. However, OMV is of the opinion that even in case of a negative decision for OMV Samsun the cancellation of the first land permit will not have a direct impact since OMV already received a new permit for non-agricultural use of the land in 2013. In the proceedings referred to at (ii) above, the competent court rendered a decision suspending the execution of the EMRA's decision to grant OMV Samsun the first generation license dated in 2008. In the meantime, EMRA granted a new generation license to OMV Samsun in 2013 and terminated the first generation license. OMV Samsun Power Plant started commercial operation based on the second power generation license. EMRA submitted a statement to the court file stating that there are no grounds to give a judgment on the merits as the 2008 dated first generation license was terminated by EMRA in accordance with the new Electricity Market Law. The 13th Chamber of the State Council resolved in favour of OMV Samsun that there is no legal ground to give a judgment on the merits of the case, a decision of which became binding and final. The file is concluded and was archived on 25 October 2016, whereby

OMV Samsun currently operates under the second generation license dated 2013.

On 14 April 2014, the aquaculture cooperative and 12 individuals ("**Plaintiffs**") filed a claim against EMRA and the Ministry of Energy and Natural Resources, requesting annulment and suspension of the second electricity generation license of OMV Samsun dated 4 March 2013. Plaintiffs' main allegations are (i) the license granted by EMRA is illegal since provisional article 14 of the Electricity Market Law was annulled by the Constitutional Court on 22 May 2014, (ii) the power plant is harming the fish eggs in Black Sea due to intake and discharge of sea water. On 25 March 2015, OMV Samsun applied to intervene in the proceedings and filed its statement of defence. The first instance court dismissed the case in favor of OMV Samsun and served the reasoning decision on the plaintiff. The Ministry of Energy and OMV both submitted defence statements against an appeal by the plaintiff and argued that such appeal was belated and submitted after expiry of the applicable term. The 13th Chamber of the State Council rejected the case on 20 December 2016 by following OMV's and the Ministry's argument. As opposed to the rejection by the 13th Chamber of the State Council, the plaintiff filed an appeal petition in January 2017. OMV filed its own petition against the appeal petition of the plaintiff and claims that the rejection decision of the Ankara 3rd Administration Court, which is in favor of OMV, shall be upheld. The Council of the State rejected the plaintiff's claim on 30 November 2017 and sent the file back to the first instance court. The first instance court issued the finalisation report on 7 March 2018. Thus, the case was closed in favor of OMV Samsun and the decision is final and binding.

Mehar litigation (Pakistan)

In 2011, OMV acquired the entire share capital of Petronas Carigali (Pakistan) Ltd, which holds a development and production license for the Mehar oil and gas development in an amount of 59.21%, from PETRONAS International Corporation Limited, which had acquired the underlying assets in 2000 from a company controlled by its shareholder Hashoo Group owned by the Haswani family. The acquisition of Petronas Carigali (Pakistan) Ltd was approved by the Government of Pakistan. Petronas Carigali (Pakistan) Ltd's company name was subsequently changed to OMV Maurice Energy Ltd ("**OMEL**"). OMEL remained operator of the Mehar license. Other partners holding development and production licenses for Mehar are (i) GHPL (25%) and (ii) Ocean Pakistan Limited ("**OPL**") and its sister company Zaver Petroleum Corporation Limited ("**ZPCL**") (total share of 15.79%).

OPL and ZPCL as well as their ultimate shareholder Mr Haswani have subsequently filed several claims in order to challenge the transactions concluded as well as the valid title of OMEL as operator of the Mehar license. Such claims in particular include the attempt (i) to challenge the acquisition of assets by PETRONAS International Corporation Limited in 2000, (ii) to challenge the Pakistani Government's approval of the acquisition of Petronas Carigali (Pakistan) Ltd by OMV in 2011, as well as (iii) to receive damages in an amount of approx. USD 37 million resulting from an unsuccessful exploration well.

OMEL filed an arbitral/judicial proceeding against OPL/ZPCL seeking to refer the dispute to local arbitrators which should resolve on OPL/ZPCL's defaults. In 2011, OMV obtained an interim relief order which authorised OMEL to continue operatorship at the Mehar field at its own risk and cost. Based on this interim relief, OPL/ZPCL reject to pay all cash calls amount to approx. USD 40 million. Following the commencement of production in the Mehar license in November 2013, OMEL filed an application for interim relief, seeking the compensation between the unpaid cash calls of OPL/ZPCL and claims of OPL/ZPCL for proceeds resulting from the condensate/gas sale. OMEL discovered a new gas-condensate field ("*Sofiya*") in the Mehar license in the financial year 2013.

In November 2014, OMV filed an arbitration application with the ICC in London for outstanding cash calls in an amount of approx. USD 50 million (including interest). OPL/ZPCL denied the tribunal's jurisdiction and, therefore, the proceedings continued without them. In the proceedings in the London Court of Commerce, in which OPL/ZPCL challenged the jurisdiction of the ICC on the claim, the court ruled in OMV's favour on OPL and confirmed jurisdiction and left the decision on ZPCL to the jurisdiction of the ICC. This decision of the London Court of Commerce was appealed against by OPL/ZPCL. OMV cross-appealed, appeal hearings took place and in November 2015, OPL/ZPCL's appeal was dismissed and OMV's cross appeal admitted as regards OMV's Joint Operating Agreement claims. Based on such outcome OMV and OPL/ZPCL entered into a settlement agreement in December 2015, according to which OPL/ZPCL acknowledged OMV's position and its right as a license holder and agreed to pay the outstanding past cash calls of USD 40 million in milestones, which have been completely paid and the settlement consumed to date, and any future cash calls turning due. In light of the settlement agreement, the ICC arbitration and the London court proceedings were withdrawn by the parties and most of other proceedings in Pakistan as well. In one remaining case, OPL/ZPCL challenged the government's decision of OMV's purchase of the capital share of Petronas Carigali (Pakistan) Ltd., which claim OPL/ZPCL has withdrawn to in accordance with the settlement agreement. Such case was not officially closed due to formal legal reasons under Pakistan law; an appeal to the Appeal Court was filed by both parties at the beginning of May 2016. The case has been adjourned since then for mere formal or bureaucratic reasons and awaits decision.

Litigation in Iraq (Kurdistan region)

At the end of 2013, Dana Gas, Crescent Petroleum and Pearl (with OMV being a 10% shareholder of Pearl) initiated

arbitration proceedings against the KRG at the London Court of International Arbitration in order to clarify certain contractual rights under the agreement with KRG. By an interim relief order dated 10 July 2014, the arbitral tribunal confirmed its jurisdiction and requested KRG to pay 70% of certain outstanding invoices of approx. USD 141 million. As KRG refused to pay, the arbitral tribunal issued a ruling on 17 October 2014 rejecting the discharge of an order claimed by the KRG and requiring the payment of USD 100 million within 30 days. As KRG failed again to pay the said amount, enforcement was filed in the English court and confirmed to proceed in November 2015. An interim settlement agreement was concluded wherein the KRG committed to staged payments to Pearl of 10% of the total amounts paid by the KRG to other oil exporters on a monthly basis from February 2016 credited against the amount of the pre-emptory order as well as for LPG and condensate. A partial final award was issued at the end of 2015 and corrected in January 2016, according to which the KRG has to pay approx. USD 1,963,370,320 to Pearl, in which OMV holds a 10% share, for outstanding hydrocarbon sales considerations. Enforcement of the 2nd partial final award was filed and served to KRG. In February 2017, a 3rd partial final award was rendered following the September 2016 hearing, the essence of the ruling was the rejection of KRG's claims of alleged delay by Pearl in the development of Khor Mor/Chemchemical. Prior to a hearing scheduled for September 2017, KRG, Dana Gas, Crescent Petroleum and Pearl reached a settlement over the dispute about the open financial claims agreement on the appraisal and development of Khor Mor and Chemchemical fields. Upon signing of the settlement agreement, USD 600 million were paid by KRG to Petroleum Company Limited. Further USD 400 million were paid in a dedicated account reserved (until 2020) for the further development of Khor Mor. A remainder of USD 1.24 billion was reclassified from debt to petroleum cost recoverable from future revenues generated from the heads of agreement areas. The settlement enables the development of 500 MMscf/d (million standard cubic feet per day) in Khor Mor and the appraisal of Chemchemical with future development options. Following the settlement the arbitration was withdrawn, the payments and relevant obligations under the settlement at the date were fulfilled and the case is to be considered as closed.

Current and potential arbitrations under Petrom Privatisation Agreement

On 3 August 2015, OMV delivered a notification pursuant to Clause 7.1.1 of the Petrom Privatisation Agreement relating to a potential dispute arising out of or in connection with the Privatisation Agreement concluded between the Romanian State and OMV in relation to the privatisation of Petrom in 2004. The matter of such potential dispute relates to the detailed implementation mechanism of the Petrom's land share capital increase by means of which certain land used by Petrom and in relation to which Petrom is entitled to receive ownership certificates is to be transferred to Petrom pursuant to the Petrom Privatisation Agreement and to privatisation legislation against issuance of new shares to the Romanian State. Since this matter was not yet resolved by amicable negotiations within this period and the 180 days from the notification elapsed, OMV could request the initiation of arbitration proceedings against the Romanian State through the Ministry of Energy in accordance with ICC Rules, the place of arbitration being Paris, France.

Based on Annex P of the Petrom Privatisation Agreement, in April 2016 OMV submitted to the Romanian State a notice of dispute regarding certain notices of claims unpaid by the Romanian State in relation to certain wells decommissioning and environmental restoration obligations amounting to approx. EUR 34 million. On 7 March 2017, OMV, as party in the privatisation agreement, initiated arbitration proceedings against the Romanian State, in accordance with the International Chamber of Commerce Rules, in Paris, France. In October 2017, a request to supplement the initial arbitration proceedings with additional notices of claims related to certain wells decommissioning and environmental restoration obligations amounting to approx. EUR 30 million was submitted to the ICC tribunal.

Austrian tax assessment

On 30 October 2015, OMV Supply & Trading AG received an assessment by the Austrian tax authorities for the financial years 2011-2013 regarding an additional VAT payment of approximately EUR 80 million plus interest. In addition, OMV Supply & Trading AG received an assessment by the Austrian tax authorities on 7 July 2017 for the financial year 2014 regarding an additional VAT payment of approx. EUR 9.8 million plus interest. The additional VAT payments are due to OMV Supply & Trading AG's application of a triangular VAT exemption for product supplies to Slovenia. OMV Supply & Trading AG filed an appeal against the assessment by the Austrian tax authorities for the assessments 2011-2014. In June 2017 OMV Supply & Trading AG received a "preliminary decision" from the tax office rejecting the appeal against the assessment 2011-2013. The appeal was therefore forwarded to the Federal Finance Court. No decision from the Federal Finance Court has been made up to the date of this Prospectus. Regarding the appeal against the assessment for 2014 OMV Supply & Trading AG applied for a suspension of the decision until the Federal Finance Court has decided upon the assessment 2011-2013.

Investigations by Bulgarian competition authorities

On 18 January and 25 February 2016, the Bulgarian Commission for Protection of Competition announced the initiation of two investigations about the infringement of competition rules on the retail market in Bulgaria. OMV Bulgaria OOD, in which Petrom has a 99.90% shareholding (the residual 0.10% are held by OMV Refining & Marketing GmbH), was also subject to the investigation, among other major retailers on the Bulgarian market. In the context of the first investigation OMV Bulgaria OOD received one request for information in 2016. On 29 June 2017, the Bulgarian

Competition Authority rendered a decision establishing that no infringement of the competition rules has been committed by OMV Bulgaria OOD. As regards the second investigation, several requests for information were received from the authority and also an unannounced inspection was carried out on 25 April 2016 at the OMV Bulgaria OOD headquarters. Subject matter of the investigation was an alleged restriction of competition on the retail market for gasoline and diesel through exchanges of price information and other market information for the purpose of price co-operation. On 28 March 2017, the Bulgarian Commission for Protection of Competition decided to terminate the proceedings without establishing an infringement against the competition rules by imposing the commitment on the investigated companies to adopt internal measures guaranteeing that employees will not exchange commercial information among each other.

Investigations by the European Commission

On 6 June 2016, the European Commission carried out an unannounced inspection at Petrom based on the allegation that Petrom had committed not to export natural gases outside Romania, possibly in agreement and/or concerted practice with other companies that are active on the wholesale natural gas market. Further information requests have not been received by Petrom so far and the European Commission has not yet formally opened proceedings in this case. On 13 June 2017, the European Commission carried out another inspection at Petrom based on the allegation of a market sharing agreement or concerted practice on the upstream market for the exploration and production of gas. On 5 September 2017, the European Commission followed-up with a request for information.

Initiation of proceedings by the Polish Competition Authority

On 30 April 2018, the Polish Competition Authority initiated proceedings against OMV Gas Marketing Trading & Financing B.V. alleging that the agreements entered into with ENGIE, Gazprom, Shell, Uniper and Wintershall for the finance of the Nord Stream 2 project constitutes the formation of a joint venture without obtaining prior clearance under the Polish merger control rules. The proceedings are only at a very early stage and the parties are asked to respond to the allegations.

Fraud Case Possibly in Relation to Environmental Obligations

Petrom was informed of criminal investigations related to fraud, possibly in connection with environmental obligations. Petrom was summoned in May 2015 by the Prosecutor's Office of the Constanta Court of Appeal, but the hearing was postponed with no other date for a future hearing being communicated. No charges were officially made against or communicated to Petrom. The file has been taken over by the Directorate for Investigating Organized Crime and Terrorism. The investigation is ongoing, with witnesses currently being heard.

Prosecution in Turkey related to Point

On 17 March 2016, media reported that an Istanbul prosecutor has submitted an indictment accusing *inter alia* Doğan Holding honorary chairman Aydın Doğan and İşbank board chairman Ersin Özince of establishing an organisation for the purpose of engaging in criminal activities and violating Turkish anti-smuggling law (involvement in and financing of a fuel-smuggling ring linked to claims of tax evasion in oil products imports). According to media reports, a total of 47 executives have been accused of being members of that illegal organisation, including also OMV's former Executive Board member David Davies, OMV's current Executive Board member Manfred Leitner, OMV's current senior vice president retail Jürgen Schneider and former head of OMV's Executive Board, Gerhard Roiss.

The case dates back to when Doğan Holding and İşbank, Turkey's biggest listed lender, were stakeholders in Petrol Ofisi prior to its acquisition by OMV. OMV had acquired a minority stake of 34% in 2006 and increased its participation to more than 95% in 2010. Petrol Ofisi's former affiliate Point is accused of conducting said illegal practices between 2001 and 2007.

OMV's current and former managers are involved in this and a parallel proceeding in Mersin (now merged into a single case file in Istanbul, as explained in the last paragraph, below) as individuals solely due to their former functions as supervisory board members of Petrol Ofisi. Pursuant to Turkish law, all board members of companies allegedly involved in criminal activities can be *ex officio* pursued for the alleged infringement irrespective of any actual personal involvement. OMV takes the view that the indictment is not supported by evidence, both in respect of the OMV-related defendants, and the substance of the claims. As supervisory board members of Petrol Ofisi they have never been involved in operational activities of Point and, therefore, lack any actual involvement, as well as the required intent for any wrongdoing. The accusations by the Istanbul prosecutor do not relate to OMV or any other Group companies.

On 17 March 2016, Ahter Kutadgu of Doğan Holding rejected the accusations as baseless and argued that no laws were violated as the oil products imported were, regardless of their country of origin, exempt from Turkish customs tariffs and only subject to VAT to be paid by Petrol Ofisi's customers. OMV submitted to the court an independent expert report that confirms Doğan's above arguments.

In September 2016, against the defendants' objections based on well-established rules of procedure and jurisdiction, the Mersin court gave in to the Istanbul court's request to merge the two case files in Istanbul. The defendants' appeal was

subsequently rejected in November 2016. The joinder of the cases means that progress in the Mersin case becomes futile and squandered, because the Istanbul case is at a preliminary stage compared to the Mersin case. In the first hearing following the joinder, the Istanbul court indicated its willingness to complete the taking of the defendants' initial defensive statements, which constitute a mandatory procedural step under Turkish law before the court can undertake any further steps in litigation. A hearing took place on 27 November 2017 and the court had still not completed the statements of all Turkish defendants. Another hearing took place on 19 March 2018. The Court acknowledged receipt of the statements obtained on the basis of The Hague Treaty. As one statement from a defendant is still outstanding, the Court decided to wait for it and scheduled the next hearing for 2 July 2018.

Borealis Finnish tax re-assessment

In December 2015, Borealis Polymers Oy ("**BPOY**"), a Finnish subsidiary of Borealis (an at-equity held participation of OMV in which OMV owns a 36% interest), received a reassessment decision by the Finnish Tax Authority ("**FTA**") regarding the year 2009. Based on this reassessment decision the taxable income of BPOY has been increased by an amount of EUR 364 million leading to an additional requested payment of EUR 153 million, comprising taxes, late payment interest and penalties. A suspension of payment has been obtained pending the decision. The decision of the Board of Adjustment has been received on 11 October 2017. The Board of Adjustment contradicts the FTA's view that the license arrangement, entered into between BPOY and Borealis AG in 2009, should be considered as a sale of businesses and holds the view that it should be accepted. The Board of Adjustment has however concluded that also "something else of value" besides the licensed intangibles was transferred to Borealis AG. Based on this decision the taxable income of BPOY should be increased by an amount of EUR 156 million leading to an additional requested payment of EUR 62 million, comprising taxes, late payment interest and penalties. Borealis believes that also this decision fails to properly apply Finnish and international tax law and does not adequately consider the relevant facts of the case. Borealis therefore filed an appeal to the Helsinki Administrative Court in December 2017.

In January 2017, Borealis received two decisions of the FTA with regard to Borealis Technology Oy ("**TOY**"). The Board of Adjustment has confirmed the FTA's view that license arrangements, entered into between TOY and Borealis AG in 2008 and 2010, should be considered as a sale of businesses. The Board of Adjustment is requesting that TOY pays an additional EUR 297 million, comprising taxes, late payment interest and penalties. Borealis believes that this decision fails to properly apply Finnish and international tax law and does not adequately consider the relevant facts of the case. Borealis appealed this decision to the Helsinki Administrative Court in March 2017 and has obtained a suspension of payment until the final decision.

Potential discrimination case

OMV has been confronted with claims by former employees of an OMV group company in connection with alleged discrimination. The former employees claim that equal treatment rules were violated in view of discrimination by gender and age. Currently, proceedings initiated by the Ombud for Equal Treatment (*Gleichbehandlungsanwaltschaft*) are pending at the Austrian Equal Treatment Commission (*Gleichbehandlungskommission*). As of the date of this prospectus, proceedings before an Austrian employment court have been initiated by a former employee and are also pending.

SIGNIFICANT CHANGES AND MATERIAL ADVERSE CHANGES

There have been no significant changes in the financial or trading position of the Issuer or of the Group since 31 March 2018 and no material adverse changes in the prospects of the Issuer since 31 December 2017.

RATING

OMV is rated A3⁽¹⁾ (outlook stable) by Moody's Investors Service Ltd. ("**Moody's**")⁽²⁾⁽³⁾ and A- (outlook stable) by Fitch Ratings Ltd ("**Fitch**")⁽³⁾⁽⁴⁾⁽⁵⁾.

The ratings have the following meanings:

Moody's: Moody's rating scale for long-term securities ranges from Aaa (Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.) to C (Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.). Baa1- to Baa3-rated obligations are judged to be medium grade and with some speculative elements and moderate credit risk; Out of this range, Baa1 is the highest credit rating. Obligations rated A (A1 to A3) are judged to be upper-medium grade and are subject to low credit risk. Out of the range A1 to A3, A3 is the lowest rating.

Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification from Aaa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of the generic rating category.

A Moody's rating outlook is an opinion regarding the likely rating direction over the medium term. Rating outlooks fall into four categories: Positive, Negative, Stable, and Developing.

Fitch: A: High credit quality. "A" ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories.

Rating Outlooks indicate the direction a rating is likely to move over a one- to two-year period. They reflect financial or other trends that have not yet reached the level that would trigger a rating action, but which may do so if such trends continue.

⁽¹⁾ A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

⁽²⁾ Moody's is established in the European Community and is registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, amended by Regulation (EC) No. 513/2011 of the European Parliament and of the Council of 11 March 2011 (the "**CRA Regulation**").

⁽³⁾ Rating as of 21 May 2018 / Moody's and as of 7 June 2018 / Fitch.

⁽⁴⁾ Fitch is established in the European Community and is registered under the CRA Regulation.

⁽⁵⁾ The European Securities and Markets Authority publishes on its website (www.esma.europa.eu) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

TAXATION

The following is a general discussion of certain Austrian and Luxembourg tax consequences of the acquisition and ownership of Notes. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws currently in force and as applied on the date of this Prospectus, in Austria and Luxembourg which are subject to change, possibly with retroactive or retrospective effect.

PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISERS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS APPLICABLE IN AUSTRIA, LUXEMBOURG AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS.

Austria

General remarks

This section on taxation contains a brief summary of the Issuer's understanding with regard to certain important principles which are of significance in connection with the purchase, holding or sale of the Notes in Austria. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. This summary is based on the currently applicable tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may possibly also be effected with retroactive effect and may negatively impact on the tax consequences described. It is recommended that potential investors in the Notes consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Notes. Tax risks resulting from the Notes (in particular from a potential qualification as equity for tax purposes instead of debt) shall in any case be borne by the investor. For the purposes of the following it is assumed that the Notes are legally and factually offered to an indefinite number of persons.

Income taxation

Individuals having a domicile (*Wohnsitz*) and/or their habitual abode (*gewöhnlicher Aufenthalt*), both as defined in sec. 26 of the Austrian Federal Fiscal Procedures Act (*Bundesabgabenordnung*), in Austria are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a domicile nor their habitual abode in Austria are subject to income tax only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of management (*Ort der Geschäftsleitung*) and/or their legal seat (*Sitz*), both as defined in sec. 27 of the Austrian Federal Fiscal Procedures Act, in Austria are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of management nor their legal seat in Austria are subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Both in case of unlimited and limited (corporate) income tax liability Austria's right to tax may be restricted by double taxation treaties.

Pursuant to sec. 27(1) of the Austrian Income Tax Act (*Einkommensteuergesetz*), the term investment income (*Einkünfte aus Kapitalvermögen*) comprises:

- income from the letting of capital (*Einkünfte aus der Überlassung von Kapital*) pursuant to sec. 27(2) of the Austrian Income Tax Act, including dividends and interest; the tax basis is the amount of the earnings received (sec. 27a(3)(1) of the Austrian Income Tax Act);
- income from realised increases in value (*Einkünfte aus realisierten Wertsteigerungen*) pursuant to sec. 27(3) of the Austrian Income Tax Act, including gains from the alienation, redemption and other realisation of assets that lead to income from the letting of capital (including zero coupon bonds); the tax basis amounts to the sales proceeds or the redemption amount minus the acquisition costs, in each case including accrued interest (sec. 27a(3)(2)(a) of the Austrian Income Tax Act); and
- income from derivatives (*Einkünfte aus Derivat*) pursuant to sec. 27(4) of the Austrian Income Tax Act, including cash settlements, option premiums received and income from the sale or other realisation of forward contracts like options, futures and swaps and other derivatives such as index certificates (the mere exercise of an

option does not trigger tax liability); generally, the tax basis amounts to the sales proceeds or the redemption amount minus the acquisition costs (sec. 27a(3)(3)(c) of the Austrian Income Tax Act).

Also the withdrawal of the Notes from a securities account (*Depotentnahme*) and circumstances leading to a restriction of Austria's taxation right regarding the Notes vis-à-vis other countries, e.g. a relocation from Austria (Wegzug), are in general deemed to constitute a sale (cf. sec. 27(6)(1) and (2) of the Austrian Income Tax Act). The tax basis amounts to the common value minus the acquisition costs (sec. 27a(3)(2)(b) of the Austrian Income Tax Act).

Individuals subject to unlimited income tax liability in Austria holding the Notes as non-business assets are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. Investment income from the Notes with an Austrian nexus (*inländische Einkünfte aus Kapitalvermögen*), basically meaning income paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle*), is subject to withholding tax (*Kapitalertragsteuer*) at a flat rate of 27.5% (given that the investment income is covered under sec. 27a(1) of the Austrian Income Tax Act, for which a public placement (*bei ihrer Begebung in rechtlicher und tatsächlicher Hinsicht einen unbestimmten Personenkreis angeboten*) is prerequisite for securitised claims receivables (*Wertpapiere, die ein Forderungsrecht verbriefen*)); no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to sec. 97(1) of the Austrian Income Tax Act). Investment income from the Notes without an Austrian nexus must be included in the investor's income tax return and is subject to income tax at the flat rate of 27.5%. In both cases upon application the option exists to tax all income subject to income tax at a flat rate pursuant to sec. 27a(1) of the Austrian Income Tax Act at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Also, another option for offsetting losses (*Verlustausgleichsoption*) in the case of investment income subject to Austrian withholding tax exists pursuant sec. 97(2) of the Austrian Income Tax Act. The acquisition costs must not include ancillary acquisition costs (*Anschaftungsnebenkosten*; sec. 27a(4)(2) of the Austrian Income Tax Act). Expenses such as bank charges and custody fees must not be deducted (sec. 20(2) of the Austrian Income Tax Act); this also applies if the option to regular taxation is exercised. Sec. 27(8) of the Austrian Income Tax Act, *inter alia*, provides for the following restrictions on the offsetting of losses: negative income from realised increases in value and from derivatives may be neither offset against interest from bank accounts and other non-securitized claims vis-à-vis credit institutions (except for cash settlements and lending fees) nor against certain income from private foundations, foreign private law foundations and other comparable legal estates (*Privatstiftungen, ausländische Stiftungen oder sonstige Vermögensmassen, die mit einer Privatstiftung vergleichbar sind*); investment income subject to income tax at a flat rate pursuant to sec. 27a(1) of the Austrian Income Tax Act may not be offset against investment income subject to the progressive income tax rate (this equally applies in case of an exercise of the option to regular taxation); negative investment income not already offset against positive investment income may not be offset against other types of income. The Austrian custodian agent has to effect the offsetting of losses by taking into account all of a taxpayer's securities accounts with the custodian agent, in line with sec. 93(6) of the Austrian Income Tax Act, and to issue a written confirmation to the taxpayer to this effect.

Individuals subject to unlimited income tax liability in Austria holding the Notes as business assets are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. Investment income from the Notes with an Austrian nexus is subject to withholding tax at a flat rate of 27.5%. While withholding tax has the effect of final taxation for income from the letting of capital, income from realised increases in value and income from derivatives must be included in the investor's income tax return (nevertheless income tax at the flat rate of 27.5%). Investment income from the Notes without an Austrian nexus must always be included in the investor's income tax return and is subject to income tax at the flat rate of 27.5%. In both cases upon application the option exists to tax all income subject to income tax at a flat rate pursuant to sec. 27a(1) of the Austrian Income Tax Act at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Also, another option for offsetting losses (*Verlustausgleichsoption*) in the case of investment income subject to Austrian withholding tax exists pursuant sec. 97(2) of the Austrian Income Tax Act. The flat tax rate does not apply to income from realised increases in value and income from derivatives if realizing these types of income constitutes a key area of the respective investor's business activity (sec. 27a(6) of the Austrian Income Tax Act). If the flat tax rate applies, expenses such as bank charges and custody fees must not be deducted (sec. 20(2) of the Austrian Income Tax Act); this also applies if the option to regular taxation is exercised. Pursuant to sec. 6(2)(c) of the Austrian Income Tax Act, depreciations to the lower fair market value and losses from the alienation, redemption and other realisation of financial assets and derivatives in the sense of sec. 27(3) and (4) of the Austrian Income Tax Act, the income of which is subject to income tax at the flat rate of 27.5%, are primarily to be offset against income from realised increases in value of such financial assets and derivatives and with appreciations in value of such assets within the same business unit (*Wirtschaftsgüter desselben Betriebes*); only 55% of the remaining negative difference may be offset against other types of income.

Pursuant to sec. 7(2) of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*), corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on income in the sense of sec. 27(1) of the Austrian Income Tax Act from the Notes at a rate of 25%. Income in the sense of sec. 27(1) of the Austrian Income Tax Act from the Notes with an Austrian nexus is subject to withholding tax at a flat rate of 27.5%. However,

pursuant to sec. 93(1a) of the Austrian Income Tax Act the withholding agent may apply a 25% rate if the debtor of the withholding tax is a corporation. Such withholding tax can be credited against the corporate income tax liability. Under the conditions set forth in sec. 94(5) of the Austrian Income Tax Act withholding tax is not levied in the first place. Losses from the alienation of the Notes can be offset against other income.

Pursuant to sec. 13(3)(1) in connection with sec. 22(2) of the Austrian Corporate Income Tax Act, private foundations (*Privatstiftungen*) pursuant to the Austrian Private Foundations Act (*Privatstiftungsgesetz*) fulfilling the prerequisites contained in sec. 13(3) and (6) of the Austrian Corporate Income Tax Act and holding the Notes as non-business assets are subject to interim taxation at a rate of 25% on interest income, income from realised increases in value and income from derivatives (*inter alia*, if the latter are in the form of securities) given that the flat rate pursuant to sec. 27a(1) of the Austrian Income Tax Act is applicable and that sec. 13(4) of the Austrian Corporate Income Tax Act is not applicable. Pursuant to the Austrian tax authorities' view, the acquisition costs must not include ancillary acquisition costs. Expenses such as bank charges and custody fees must not be deducted (sec. 12(2) of the Austrian Corporate Income Tax Act). Interim tax is generally not triggered insofar as distributions subject to withholding tax are made to beneficiaries in the same tax period. Investment income from the Notes with an Austrian nexus is in general subject to withholding tax at a flat rate of 27.5%. However, pursuant to sec. 93(1a) of the Austrian Income Tax Act the withholding agent may apply a 25% rate if the debtor of the withholding tax is a corporation. Such withholding tax can be credited against the tax triggered. Under the conditions set forth in sec. 94(12) of the Austrian Income Tax Act withholding tax is not levied.

Individuals and corporations subject to limited (corporate) income tax liability in Austria are taxable on income from the Notes if they have a permanent establishment (*Betriebsstätte*) in Austria and the Notes are attributable to such permanent establishment (cf. sec. 98(1)(3) of the Austrian Income Tax Act, sec. 21(1)(1) of the Austrian Corporate Income Tax Act). In addition, individuals subject to limited income tax liability in Austria are also taxable on interest in the sense of sec. 27(2)(2) of the Austrian Income Tax Act and accrued interest (including from zero coupon bonds) in the sense of sec. 27(6)(5) of the Austrian Income Tax Act from the Notes if the (accrued) interest has an Austrian nexus and if withholding tax is levied on such (accrued) interest. This does not apply to individuals being resident in a state with which automatic exchange of information exists. (Accrued) Interest with an Austrian nexus is (accrued) interest the debtor of which has its domicile, place of management and/or its legal seat in Austria or is an Austrian branch of a non-Austrian credit institution or is accrued interest from securities issued by an Austrian issuer (sec. 98(1)(5)(b) of the Austrian Income Tax Act). Under applicable double taxation treaties, relief from Austrian income tax might be available. However, Austrian credit institutions must not provide for such relief at source; (sec. 5(1)(7) of the Double Tax Treaty Relief Decree (DBA-Entlastungs-Verordnung) instead, the investor may file an application for repayment of tax with the competent Austrian tax office.

Inheritance and gift taxation

Austria does not levy inheritance or gift tax.

Certain gratuitous transfers of assets to private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*) are subject to foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Transfer Tax Act (*Stiftungseingangssteuergesetz*) if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat and/or their place of management in Austria. Certain exemptions apply in cases such as transfers *mortis causa* of financial assets within the meaning of sec. 27(3) and (4) of the Austrian Income Tax Act (except for participations in corporations) if income from such financial assets is subject to income tax at a flat rate pursuant to sec. 27a(1) of the Austrian Income Tax Act. The tax basis is the fair market value of the assets transferred minus any debts in connection therewith, calculated at the time of transfer. The tax rate generally is 2.5%, with higher rates applying in special cases.

In addition, there is a special notification obligation for instance for gifts of money, receivables, shares in corporations, participations in partnerships, certain (part of) businesses, movable tangible assets and intangibles if the donor and/or the donee have a domicile, their habitual abode, their legal seat and/or their place of management in Austria. Not all gifts are covered by the notification obligation: In case of gifts to certain related parties, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Transfer Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may trigger fines of up to 10% of the common value of the assets transferred.

Further, gratuitous transfers of the Notes may trigger income tax at the level of the transferor pursuant to sec. 27(6)(1) and (2) of the Austrian Income Tax Act (see above).

Luxembourg

Withholding Tax

(i) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

(ii) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23rd December 2005, as amended, (the Relibi Law), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes. Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. If the paying agent is established outside of Luxembourg but within the EU or in the EEA the Luxembourg tax resident individual note holder may opt for a 20 % tax levy under Luxembourg law.

The proposed financial transaction tax

Pursuant to the proposal by the European Commission for a "Council Directive implementing enhanced cooperation in the area of financial transaction tax" eleven EU Member States, i.e. Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, the Slovak Republic, Slovenia and Spain ("**Participating Member States**") shall charge a financial transaction tax ("**FTT**") on financial transactions as defined if at least one party to the transaction is established in the territory of a Participating Member State and a financial institution established in the territory of a Participating Member State is party to the transaction, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction (residency principle). In addition, the proposal contains rules pursuant to which a financial institution and, respectively, a person which is not a financial institution are deemed to be established in the territory of a Participating Member State if they are parties to a financial transaction in certain instruments issued within the territory of that Participating Member State (issuance principle).

According to a publication by the Council of the European Union dated 8 December 2015, shares and derivatives shall be taxed initially. All Participating Member States except for Estonia have agreed on main features of the tax base, but not on the respective tax rates. It is unclear whether an FTT will be introduced at all. The FTT as proposed by the European Commission has a very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. If an FTT is introduced, due to higher costs for investors there is a risk that it would result in fewer transactions taking place, thereby negatively affecting the earnings of the Issuer.

Prospective Holders of Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

In certain circumstances payments made on or with respect to the Notes after 31 December 2018 may be subject to U.S. withholding tax under Sections 1471 through 1474 of the U.S. Internal Revenue Code (commonly referred to as "**FATCA**") or similar law implementing an intergovernmental approach to FATCA. FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. If withholding is required under FATCA, the Issuer will not be required to pay any additional amounts with respect to the withheld amounts.

SUBSCRIPTION, OFFER, AND SALE OF THE NOTES

General

The Issuer will agree in an agreement to be signed on or about the date of this Prospectus to sell to BNP Paribas, J.P. Morgan Securities plc, Erste Group Bank AG, ING Bank N.V., MUFG Securities EMEA plc and Société Générale (together, the "**Managers**"), and the Managers will agree, subject to certain customary closing conditions, to purchase, the Notes on the Issue Date at a price of 100.00% of their aggregate Principal Amount (the "**Issue Price**"). The Issuer has furthermore agreed to pay certain fees to the Managers and to reimburse the Managers for certain expenses incurred in connection with the issue of the Notes.

The Managers or their affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer and its affiliates, for which the Managers or their affiliates have received or will receive customary fees and commissions.

There are no interests of natural and legal persons involved in the issue, including conflicting ones, which are material to the issue.

Offer of the Notes

The Notes were placed with professional investors only and in compliance with applicable offer restrictions. There will be no public offer of the Notes. The Notes will be delivered on the Issue Date via book-entry through the Clearing System and its account holding banks against payment of the relevant Issue Price.

The Issuer will not charge any costs, expenses or taxes directly to any investor. Investors must inform themselves about any costs, expenses or taxes in connection with the purchase of Notes which are generally applicable in their respective country of residence, including any charges of their own depository banks in connection with the purchase or holding of securities.

SELLING RESTRICTIONS

General

Each Manager has represented and agreed that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in or from which it purchases, offers, sells or delivers the Notes or possesses or distributes the Prospectus and that it will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Managers shall have any responsibility therefor.

United States of America and its Territories

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Issue Date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision: the expression "retail investor" means a person who is one (or more) of the following:

- i. a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
- ii. a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Each Manager has represented and agreed that,

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Law**") and, accordingly, each Manager has undertaken that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan. For purposes of this paragraph, "**resident of Japan**" shall have the meaning as defined under the Financial Instruments and Exchange Law.

GENERAL INFORMATION

Authorisation

The creation and issue of the Notes has been authorised by resolutions of the Executive Board of the Issuer dated 26 February 2018 and by resolution of the Supervisory Board of the Issuer as of 14 March 2018 as well as by resolutions of the Executive Board of the Issuer at pricing of the Notes on 12 June 2018.

Use of Proceeds

The Issuer intends to use the net proceeds for general corporate purposes.

Expenses related to admission of trading

The total expenses relating to admission of trading are expected to amount to approximately EUR 18,000.

Clearance and settlement

The Notes have been accepted for clearance through Euroclear and Clearstream. The Notes have been assigned the following securities codes:

ISIN: XS1713462403

Common Code: 171346240

WKN: A1919E

Listing and Admission to Trading

Application has been made for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the Official List. Furthermore, an application will be made to list the Notes on the Vienna Stock Exchange and to admit to trading the Notes on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange.

Notices to the Holders

For so long as the Notes are listed on the Luxembourg Stock Exchange, all notices to the Noteholders regarding the Notes shall be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). The Issuer will be entitled to deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders to the extent that the rules of the stock exchange on which the Notes are listed so permit.

Documents on display

Copies of the following documents specified below will be available for inspection at the specified office of the Issuer, during normal business hours, as long as any of the Notes are outstanding.

- (i) the Articles of Association (in the German language and an English translation thereof);
- (ii) the Annual Reports 2016 and 2017 containing the audited consolidated financial statements of the Issuer as of and for the fiscal years ended on 31 December 2016 and 2017; and;
- (iii) "Report January – March and Q1 2018" containing the unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018.

Yield to First Reset Date

For the subscribers, the yield of the Notes until the First Reset Date is 2.875% *per annum*, calculated on the basis of the Issue Price.

Such yield is calculated in accordance with the ICMA (International Capital Markets Association) Method. The ICMA method determines the effective interest rate on notes by taking into account accrued interest on a daily basis.

Rating of the Notes

The expected rating of the Notes is "Baa2" from Moody's and "BBB" from Fitch.

Statutory Auditor

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Wagramer Straße 19, 1220 Vienna, Austria, a member of the *Kammer der Steuerberater und Wirtschaftsprüfer Österreich* and independent auditor of the Issuer, has audited, and rendered unqualified audit reports on, the German language annual consolidated financial statements of the Issuer as at and for the years ended 31 December 2016 and 31 December 2017.

Third Party Information

Information from third party sources has been accurately reproduced herein and, as far as the Issuer is aware and is able to ascertain from such information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be incorporated by reference into this Prospectus:

Document / Heading	Page reference in the relevant source document
The audited consolidated financial statements as of and for the financial year ended 31 December 2016 contained in the OMV AG "Geschäftsbericht 2016"	
Bestätigungsvermerk	108-117
Konzern-Gewinn- und Verlustrechnung	118
Konzern-Gesamtergebnisrechnung	119
Konzernbilanz	120-121
Entwicklung des Konzern-Eigenkapitals	122-123
Konzern-Cashflow-Rechnung	124
Konzernanhang	
Grundlagen und Methoden	125-144
Erläuterungen zur Gewinn- und Verlustrechnung	145-151
Erläuterungen zur Bilanz	152-185
Ergänzende Angaben zur Finanzlage	186-200
Segmentberichterstattung	201-203
Sonstige Angaben	204-213
The audited consolidated financial statements as of and for the financial year ended 31 December 2017 contained in the OMV AG "Geschäftsbericht 2017"	
Bestätigungsvermerk	108-117
Konzern-Gewinn- und Verlustrechnung	118
Konzern-Gesamtergebnisrechnung	119
Konzernbilanz	120-121
Entwicklung des Konzern-Eigenkapitals	122-123
Konzern-Cashflow-Rechnung	124
Konzernanhang	
Grundlagen und Methoden	125-145
Erläuterungen zur Gewinn- und Verlustrechnung	146-152
Erläuterungen zur Bilanz	153-185
Ergänzende Angaben zur Finanzlage	186-201
Segmentberichterstattung	202-204
Sonstige Angaben	205-214
The unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018 contained in the OMV AG "Quartalsbericht 2018 - Q1"	
Konzernzwischenabschluss (<i>verkürzt, ungeprüft</i>)	
Gewinn- und Verlustrechnung (<i>ungeprüft</i>)	12
Gesamtergebnisrechnung (<i>verkürzt, ungeprüft</i>)	13
Konzernbilanz (<i>ungeprüft</i>)	14
Eigenkapitalveränderungsrechnung (<i>verkürzt, ungeprüft</i>)	15
Konzern-Cashflow-Rechnung (<i>verkürzt, ungeprüft</i>).....	16
Ausgewählte Erläuterungen zum Konzernzwischenabschluss	
Gesetzliche Grundlagen, Bilanzierungsgrundsätze	17-19
Erläuterungen zur Gewinn- und Verlustrechnung	20
Erläuterungen zur Bilanz	20-21
Segmentberichterstattung	22
Ergänzende Angaben	23
The audited consolidated financial statements as of and for the financial year ended 31 December 2016 contained in the OMV AG "Annual Report 2016" (non-binding English translation of the German language version)	
Auditor's report	108-117
Consolidated income statement	118

Consolidated statement of comprehensive income	119
Consolidated statement of financial position	120-121
Consolidated statement of changes in equity	122-123
Consolidated statement of cash flows	124
Notes	
Accounting principles and policies	125-144
Notes to the income statement	144-151
Notes to the statement of financial position	152-185
Supplementary information on the financial position	186-200
Segment reporting	201-203
Other information	204-213

Unaudited information contained in the OMV AG "Annual Report 2016"

Page 65, sentence starting with "The average Brent oil price..." as contained in the first paragraph under the heading "Financial performance"	65
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The audited consolidated financial statements as of and for the financial year ended 31 December 2017 contained in the OMV AG "Annual Report 2017" (non-binding English translation of the German language version)

Auditor's report	108-117
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Consolidated statement of comprehensive income	119
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Unaudited information contained in the OMV AG "Annual Report 2017"

Page 71, "Average brent price" for 2017 and 2016 as contained in the respective line of the table "At a glance"	71
Page 77, sentence starting with "Total annual petrochemical production..." as contained in the first paragraph under the heading "Downstream Oil"	77

The unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018 contained in the OMV AG "Quarterly Report 2018 - Q1" (non-binding English translation of the German language version)

Group interim financial statements (condensed, unaudited)	
Income statement (unaudited)	12
Statement of comprehensive income (condensed, unaudited)	13
Statement of financial position (unaudited)	14
Condensed statement of changes in equity (condensed, unaudited)	15
Summarized statement of cash flows (condensed, unaudited)	16
Selected notes to the interim consolidated financial statements	
Legal principles, general accounting policies	17-19
Notes to the income statement	20
Notes to the statement of financial position	20-21
Segment reporting	22
Other notes	23

Unaudited information contained in the OMV AG " Quarterly Report 2018 - Q1"

Page 3, figure for "Free cash flow after dividends" for Q1/2018 as contained in the respective bullet starting with "Free cash flow after dividends ..." of the para	3
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"Group"

Page 4, bold figure for "Clean CCS Operating Result" for Q1/2018 as contained in the respective line of the table "Financial highlights"

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The information contained in the source documents that is not included in the cross-reference list above, is considered as additional information and is not required by the relevant schedules of the Commission Regulation (EC) 809/2004.

Any document incorporated by reference (i.e. the audited consolidated financial statements of the Issuer as of and for the financial years 2016 and 2017 and the corresponding auditor's report thereon, respectively, the unaudited condensed group interim financial statements as of and for the three months ended 31 March 2018 and the unaudited information as specified in the table above under "Documents Incorporated by Reference") into this Prospectus will be available for inspection at the specified office of the Issuer during normal business hours, as long as any of the Notes are outstanding and on the website of the Luxembourg Stock Exchange under "www.bourse.lu".

ANY WEBSITES INCLUDED IN THE PROSPECTUS ARE FOR INFORMATION PURPOSES ONLY AND DO NOT FORM PART OF THE PROSPECTUS.

ISSUER

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Deutsche Bank Aktiengesellschaft

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Federal Republic of Germany

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London NW1 6AA
United Kingdom

J.P. Morgan Securities plc

25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

JOINT BOOKRUNNERS

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Austria

ING Bank N.V.

Foppingadreef 7
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