

PRESS RELEASE

EUROGAS WELCOMES A NEW MEMBER FROM AUSTRIA

OMV - GAS GMBH

Eurogas welcomed OMV Gas GmbH from Austria which joined the organization as a full member from 1st of November 2005.

OMV Gas GmbH is an entirely owned subsidiary of OMV AG, with a network of 2,000 km of gas pipelines and three storage facilities in Austria. In 2004 OMV Gas and EconGas, a joint venture in which OMV Gas holds a share of 50%, sold a total of 8.4 billion cubic meters of gas. Capacity sales of the OMV Gas transit pipelines were about 43 billion cubic meters in the same year. Apart from Austria, these pipelines serve Croatia, France, Germany, Hungary, Italy and Slovenia.

One of OMV's major motivations is to expand its geographic activity area to the Central and Eastern European gas market by 2008. To achieve this, OMV has elaborated a strategy based on three areas of operations.

The first area is *the trading and marketing business* carried out via EconGas GmbH (OMV interest of 50%, a subsidiary formed end of 2002) and Petrom's gas division. EconGas is specialized in serving industrial consumers offering contractual and technical solutions like for example price stability guarantees, using modern risk management tools such as hedging. The company's target markets, apart from Austria, are all the neighboring countries.

The second area is *the transmission and storage business*. The OMV network performs a central hub function in the European interconnected gas supply system and is currently working to strengthen its position as a Central and East European gas supplier by upgrading the role of the Baumgarten gas hub.

The third and last area is the Group's *gas production activities*. OMV's oil and gas exploration and production operations extend from Central Europe (Albania, Austria, Bavaria, Bulgaria and Romania) and North Africa (Libya and Tunisia) to UK (North Sea) and Russia.

OMV Gas is part of **OMV AG** which is Austria's largest listed industrial company with group sales of 9.88 billion EUR, 6,475 employees in 2004, and a market capitalization of 15 billion EUR. OMV is active in Refining and Marketing in 13 countries and has set the goal to increase its market share by 20% in 2010. With the acquisition of a majority stake in Petrom in 2004, Romania's biggest oil and gas company, OMV has become the largest oil and gas group in Central Europe. OMV now has over 2,457 gas stations in 13 countries. The market share of the group in the refining and marketing business segment in the Danube Region is of around 18%.

Eurogas looks forward to a long and constructive cooperation with OMV Gas GmbH.

Eurogas is the European Union of the Natural Gas Industry representing European natural gas companies and associations of 21 countries towards the EU, all other relevant international institutions and stakeholders.

For more information, please contact Eurogas at: Avenue Palmerston 4, B-1000 Brussels
Tel: +32.(02).237.11.11, E-mail: eurogas@eurogas.org, Web site: www.eurogas.org

