



wintershall dea

WINTERSHALL DEA

Q3 2019 RESULTS PRESENTATION

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NOVEMBER 27TH, 2019





Q3 2019 RESULTS PRESENTATION

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This document includes projections and other "forward-looking statements", which are based on current expectations of the Company's management and projections about future events and financial performance. These forward-looking statements involve a number of risks, uncertainties, and assumptions about the Company and its subsidiaries, which are beyond the control of the Company. In light of these risks, uncertainties and assumptions, actual results may not occur or may differ materially from those predicted in the forward-looking statements and from the past performance of the Company. As a result, you should not rely on these forward-looking statements. The Company accepts no obligation to update any forward-looking statements set forth herein or to adjust them to future events or developments.

Non-GAAP and Non-IFRS Financial Measures

This document contains certain non GAAP and non IFRS measures and ratios, including for example EBITDAX, net debt, net working capital, coverage ratios and EBITDAX per boe that are not required by, or presented in accordance with, any GAAP or IFRS.

These non GAAP and non IFRS measures and ratios may not be comparable to similarly titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS or any GAAP. The Company's management uses these measures to measure operating performance and liquidity as a basis for strategic planning and forecasting, as well as monitoring certain aspects of our operating cash flow and liquidity. Non GAAP and non IFRS measures and ratios such as EBITDAX, coverage ratios and EBITDAX per boe are not measurements of the Company's performance or liquidity under IFRS and should not be considered as alternatives to operating profit, profit for the year, capital expenditure or any other performance measures derived in accordance with IFRS or any GAAP or as alternatives to cash flow from operating, investing or financing activities.

Some of the limitations of EBITDAX are:

- they do not reflect the Company's cash expenditures or future requirements for contractual commitments;
- they do not reflect changes in, or cash requirements for, our working capital needs;
- they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments on our debt;
- although depreciation and amortization are non cash charges, the assets being depreciated and amortized will often need to be replaced in the future and EBITDAX does not reflect any cash requirements that would be required to make such replacements; and
- they do not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations.

Because of these limitations, EBITDAX should not be considered as measures of discretionary cash available to us to invest in the growth of our business or as measures of cash that will be available to us to meet our obligations.

MACROECONOMIC BACKDROP

DEVELOPMENTS

- Q3 continued to signal abundant oil and gas supplies globally

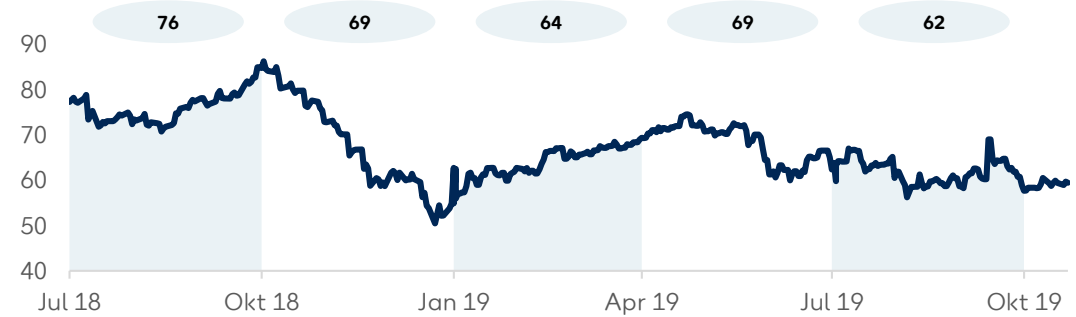
Oil

- Price remains rangebound around **\$60/bbl (c.20% decline vs Q3 2018)** due to weakening demand growth and abundant supply from North American shale producers
- Global oil markets stomached major disruptions without lasting price impact

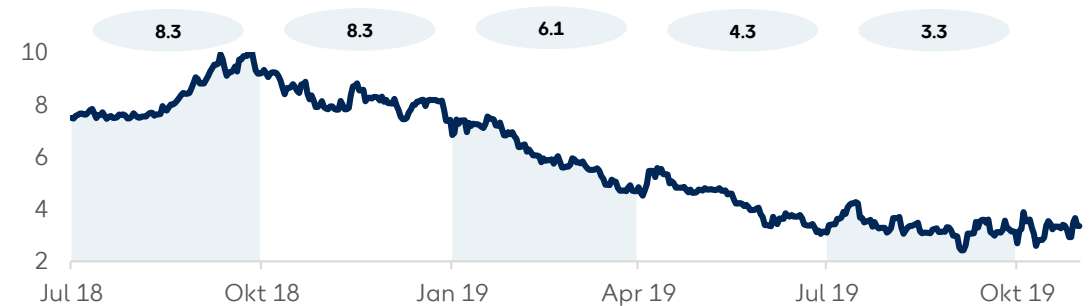
Natural gas

- LNG supplies to Europe continue to remain plentiful depressing European gas prices (**\$3.3/mmbtu represents c.60% decline vs Q3 2018**)
- Storage levels in Europe are higher than usual at this point in the cycle

BRENT PRICE DEVELOPMENT (\$/BBL)



GAS PRICE DEVELOPMENT (\$/MMBTU) ⁽¹⁾



⁽¹⁾ TTF DAY AHEAD PRICES

Q3 2019 RESULTS PRESENTATION

KEY FIGURES

Production	EBITDAX	Production Costs	Free Cash Flow	Leverage	LTIF ⁽¹⁾
<p>Q3: 613 mboe/d vs. 578 mboe/d in Q3 2018 (+6%)</p> <p>2019 YTD: 635 mboe/d</p>	<p>Q3: €708 million vs. €957 million in Q3 2018 (-26%)</p> <p>2019 YTD: €2,225 million</p>	<p>Q3: \$3.8/boe vs. \$4.8/boe in Q3 2018 (-21%)</p> <p>2019 YTD: \$3.8/boe</p>	<p>Q3: €22 million vs. €60 million in Q3 2018 (-63%)</p> <p>2019 YTD: €173 million</p>	<p>1.80x</p>	<p>0.4 per million work hours</p>

(1) LOST TIME INCIDENT FREQUENCY, LAST TWELVE MONTHS
 ALL Q3 2018 FIGURES REPRESENT AN AGGREGATION OF WINTERSHALL HOLDINGS GMBH AND DEA DEUTSCHE ERDOEL AG RESULTS, WITHOUT ANY PRO FORMA ADJUSTMENTS
 ALL 9M FIGURES REPRESENT AN AGGREGATION OF PRO FORMA JANUARY-APRIL FIGURES AND MAY-SEPTEMBER ACTUAL FIGURES

RECENT DEVELOPMENTS

M&A – portfolio optimization and streamlining ongoing

- Sale of 45% share in the Aguada Federal and 50% in Bandurria Norte blocks;
- Sale of interests in Nyhamna terminal and Polarled pipeline in Norway

Exploration – continue with focused E&A drilling and portfolio optimization

- Successful exploration bid round in Brazil with two awarded offshore blocks;
- Farm down of 30% interest in three own operated blocks in the Potiguar Basin in Brazil

Project delivery – project development pipeline progressing on track to deliver profitable growth

- **Achimov I** – development completed;
- **Dvalin** – production drilling commenced in August;
- **Nova** – completed installation of subsea pipelines and umbilicals

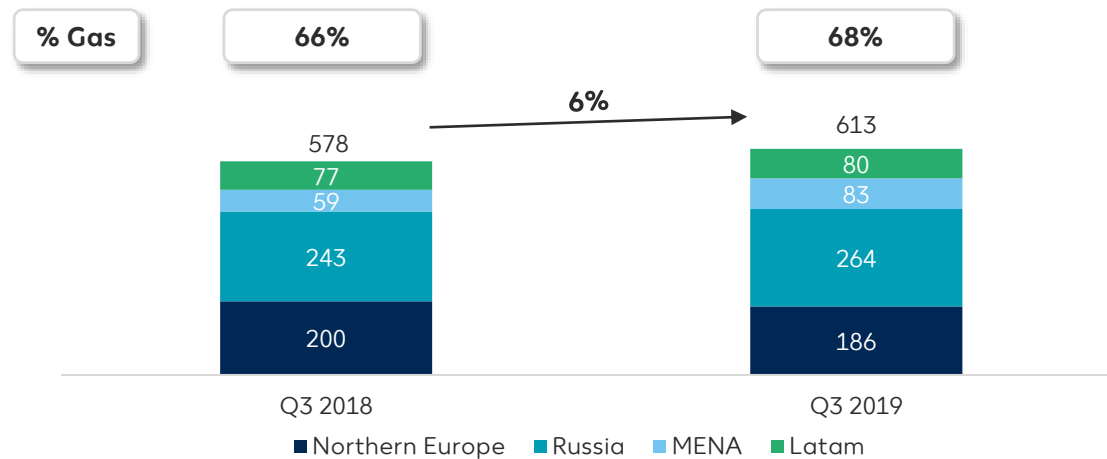
Merger integration – agreement with works council and labour union reached



Q3 2019 RESULTS PRESENTATION

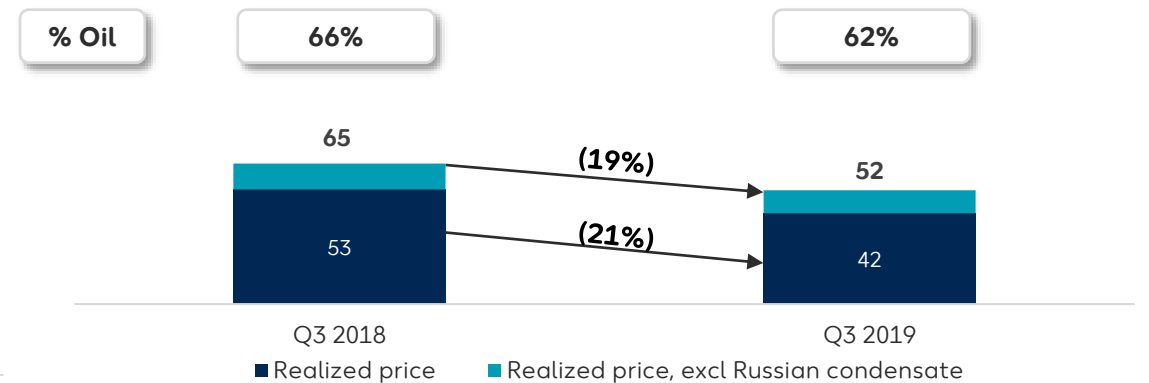
PRODUCTION AND PRICING

WORKING INTEREST PRODUCTION⁽¹⁾ (MBOE/D)



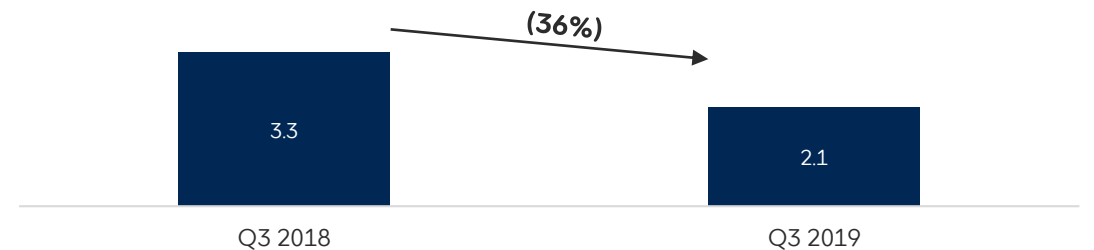
- Group Q3 production increase of 35mboe/d or 6% primarily as a result of:
 - MENA increase of 24mboe/d or 41% due to two additional fields coming onstream in the West Nile Delta development (Egypt);
 - Russia increase of 21mboe/d or 9% due to new production wells coming onstream in Achimov and Yuzhno Russkoye fields
- Q3 production is impacted by seasonal maintenance, 9m average is 635mboe/d

LIQUIDS REALIZED PRICE (\$/BOE)



BRENT AVERAGE (\$/BBL) 76 (Q3 2018) 62 (Q3 2019)

GAS REALIZED PRICE (\$/MSCF)



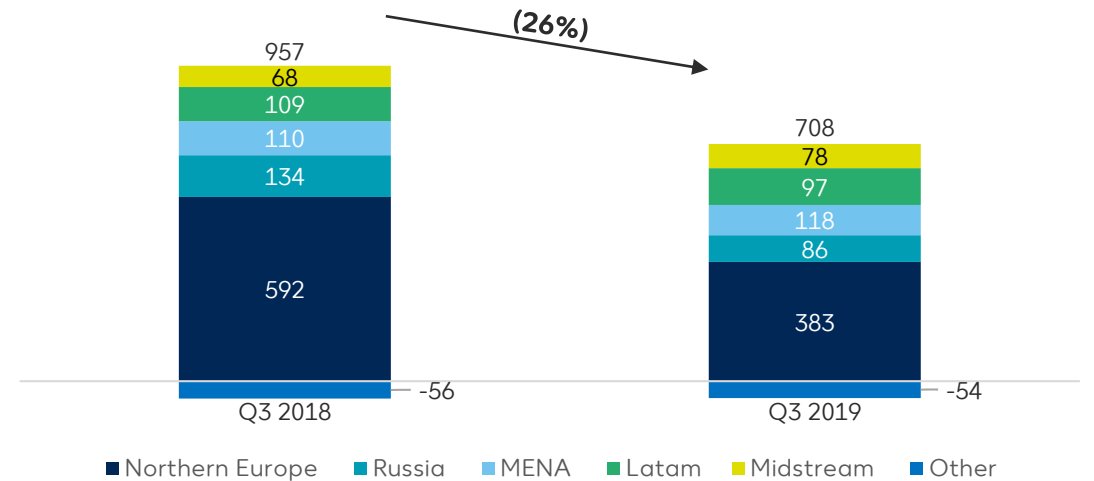
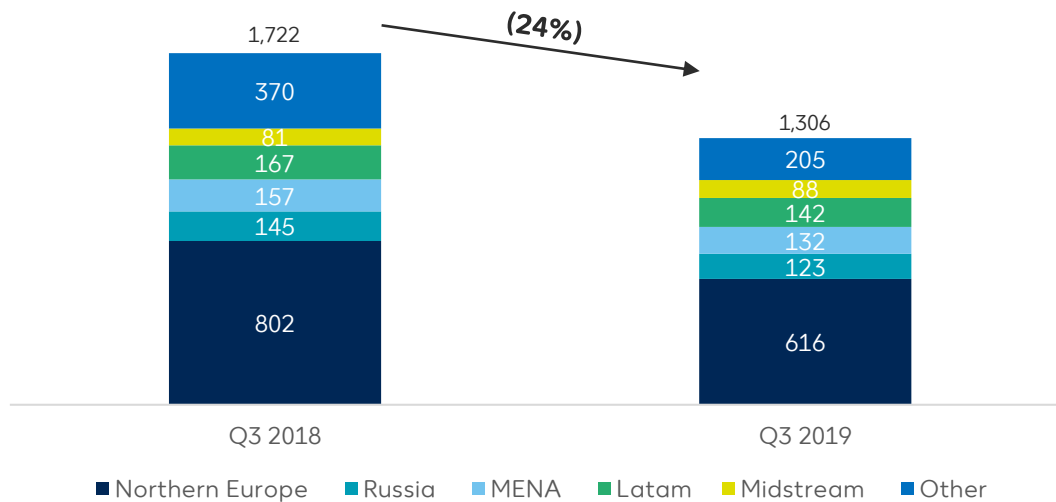
⁽¹⁾ INCLUDES PRODUCTION FROM AT-EQUITY ACCOUNTED COMPANIES

Q3 2019 RESULTS PRESENTATION

REVENUES AND PROFITABILITY

TOTAL REVENUES AND OTHER INCOME⁽¹⁾ (€ MILLION)

EBITDAX (€ MILLION)



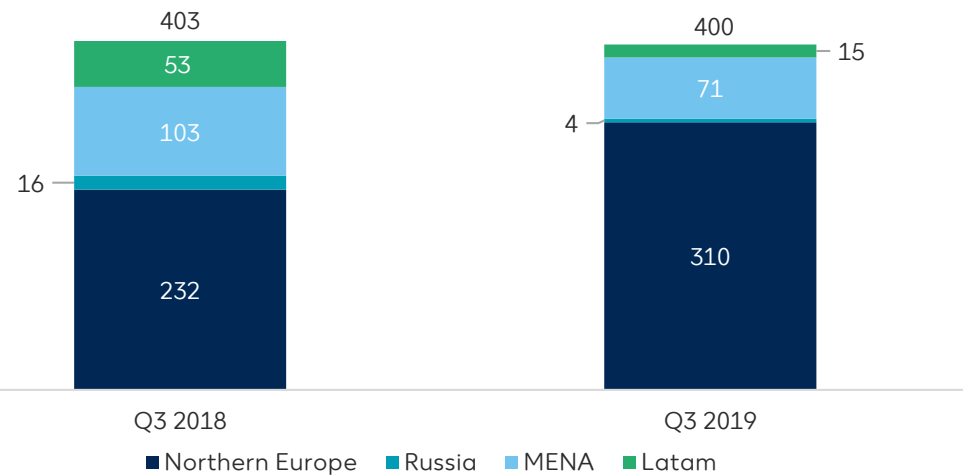
- Total revenues and other income decreased 24% due to significantly lower gas and oil prices
- Decrease partially offset by higher production and higher income from other operating income and income from equity accounted investments

- Q3 '19 unit production costs 21% lower YoY
- Absolute costs remained stable due to offsetting effects of cost efficiencies and increased production

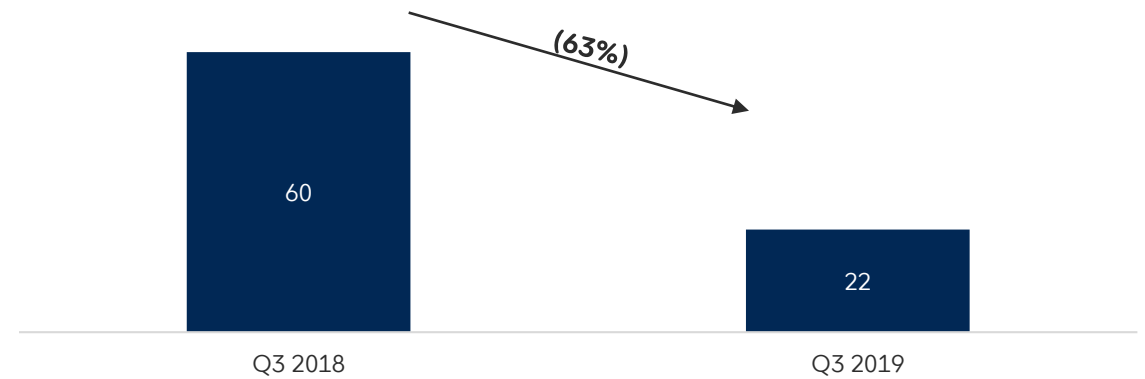
⁽¹⁾ TOTAL REVENUES AND OTHER INCOME COMPRISE SALES REVENUES GAS AND OIL, SALES REVENUES GAS TRANSPORT/MIDSTREAM AND OTHER OPERATING INCOME

CAPEX AND FREE CASH FLOW

CAPEX (€ MILLION)



FREE CASH FLOW (€ MILLION)

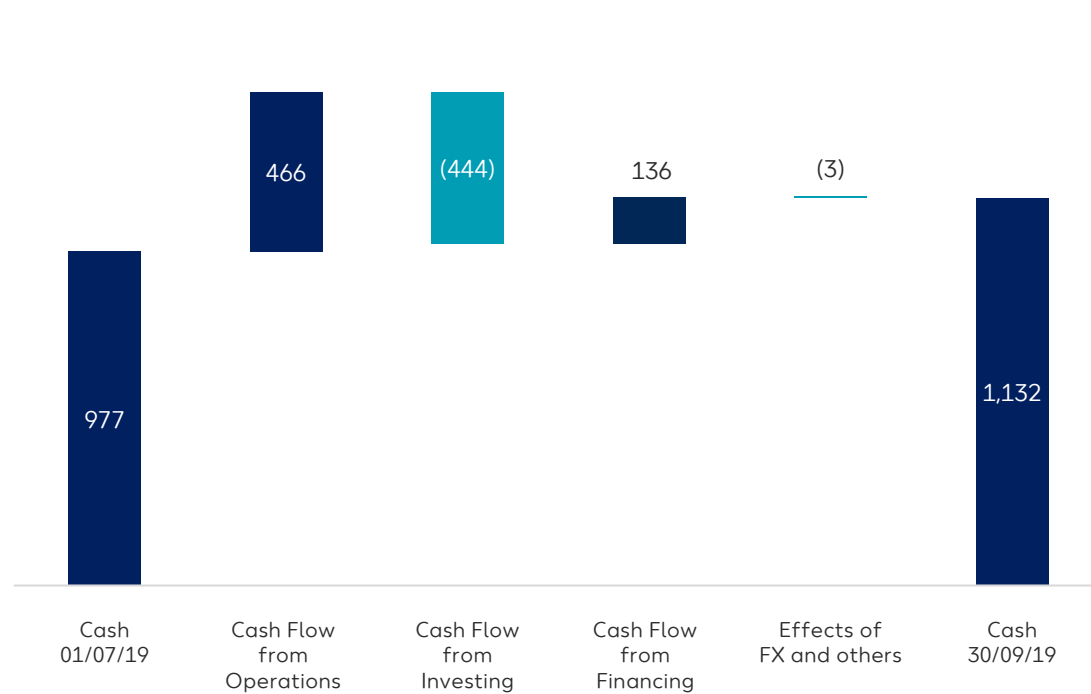


- Capex remains largely flat YoY as completion of investment campaign in Egypt offset by increased investment activity in Norway

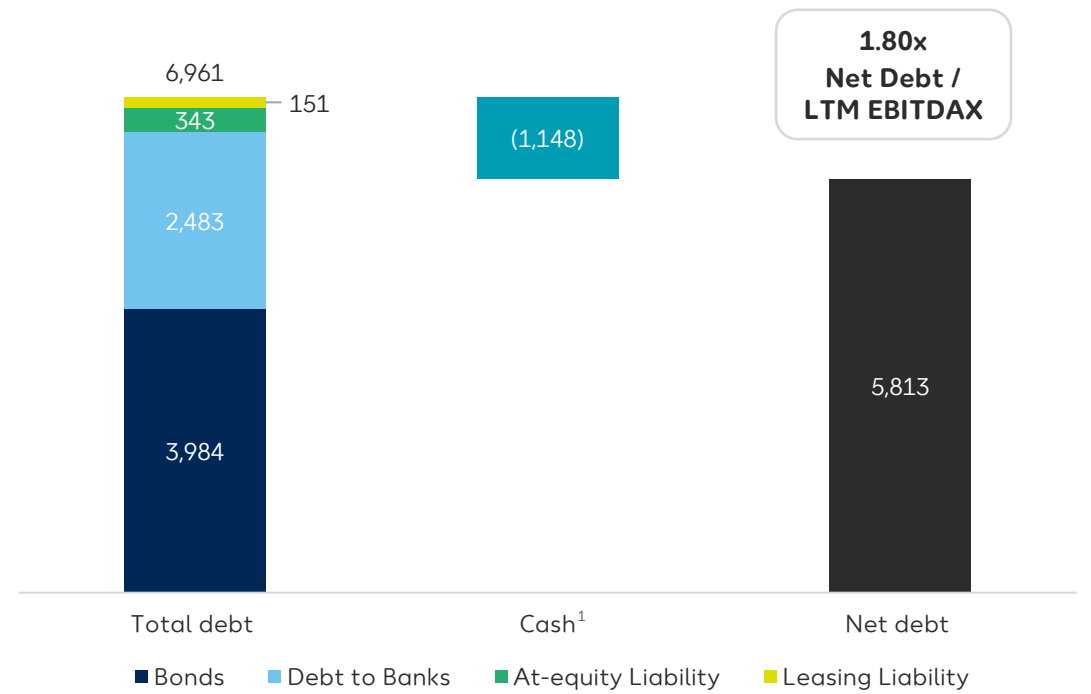
- Free cash flow declined 63% primarily due to price effect

CASH FLOW DEVELOPMENT

CASH FLOW BRIDGE (€ MILLION)



NET DEBT POSITION



¹ INCLUDING INTEREST BEARING FINANCIAL RECEIVABLES TOWARDS RELATED PARTIES

GUIDANCE AND OUTLOOK

	Original Guidance	Updated Guidance
Production*	635 mboe/d	640 mboe/d
Capital Expenditure	Up to €1,700 million	~€1,600 million

* INCLUDES IMPACT FROM BOTH CONSOLIDATED AND NON-CONSOLIDATES ENTITIES

APPENDIX





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Q3 2019 RESULTS PRESENTATION

RESULTS SUMMARY (CONSOLIDATED FINANCIAL STATEMENTS)

	May-Sept 2019 (Wintershall Dea)	July-Sept 2019 (Wintershall Dea)	January-April 2019 (Wintershall only)
Production (mboe/d)	625	613	526
Realized crude price (\$/boe)	40	42	37
Realized gas price (\$/mscf)	2.2	2.1	2.2
Revenue and other income (€ million)	2,218	1,306	1,600
Sales revenue (€ million)	2,078	1,234	1,529
Result from operating activities	465	296	(955)
EBITDAX (€ million)	1,176	708	786
Net result (€ million)	168	35	(851)
Capex (€ million)	670	400	170
Free Cash Flow (€ million)	71	22	312
Net debt (€ million)		5,813	N/A
Leverage Ratio (LTM)		1.80x	N/A

Q3 2019 RESULTS PRESENTATION

DEFINITIONS

CAPEX	<ul style="list-style-type: none">• Capex (excluding M&A) for the Group consists of payments for intangible assets, property, plant and equipment and investment property
EBITDAX	<ul style="list-style-type: none">• EBITDAX defined as income before tax but adjusted for the following items: financing costs, exploration expense, DD&A and impairments, acquisitions, disposals, extraordinary items, minority interest, FX gains and losses, pensions, loss or gain in relation to disposal of fixed assets
Free cash flow	<ul style="list-style-type: none">• Free cash flow for the Group comprises the cash flow from operating activities and the cash flow from investing activities but excludes payments for acquisitions
Production costs	<ul style="list-style-type: none">• Production costs include G&A allocation but exclude export and processing tariffs, finance items and R&D
LTIF	<ul style="list-style-type: none">• Lost time injury frequency per million work-hours
Leverage	<ul style="list-style-type: none">• Net debt divided by last twelve months EBITDAX