

# Fourth quarter 2019

Aker BP ASA

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11 February 2020



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# Fourth quarter 2019 highlights

## New fields on stream

- Johan Sverdrup
- Valhall Flank West

## Strong operational performance

- Record high production efficiency >95%
- Production costs below USD 10 per boe

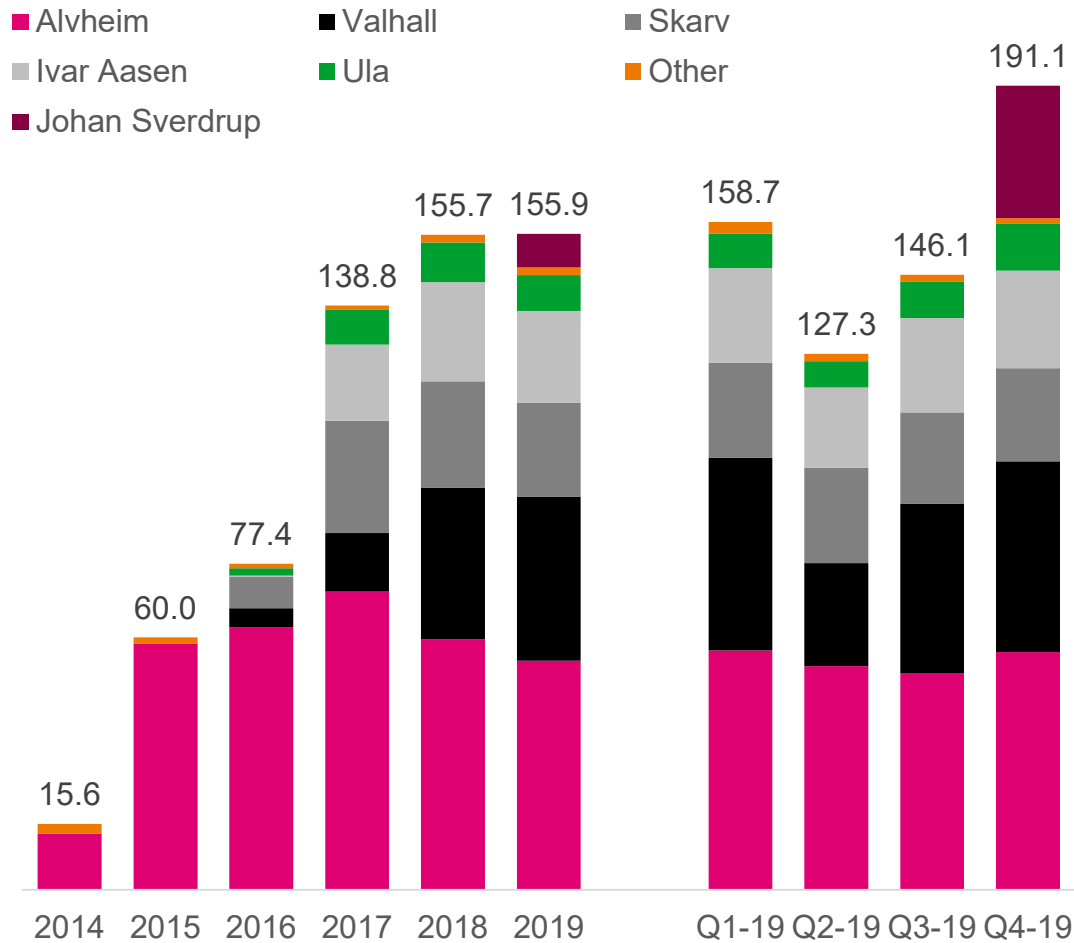
## Business development

- Progressing towards a solution in the NOAKA area
- Deal with PGNiG to strengthen position in Skarv area

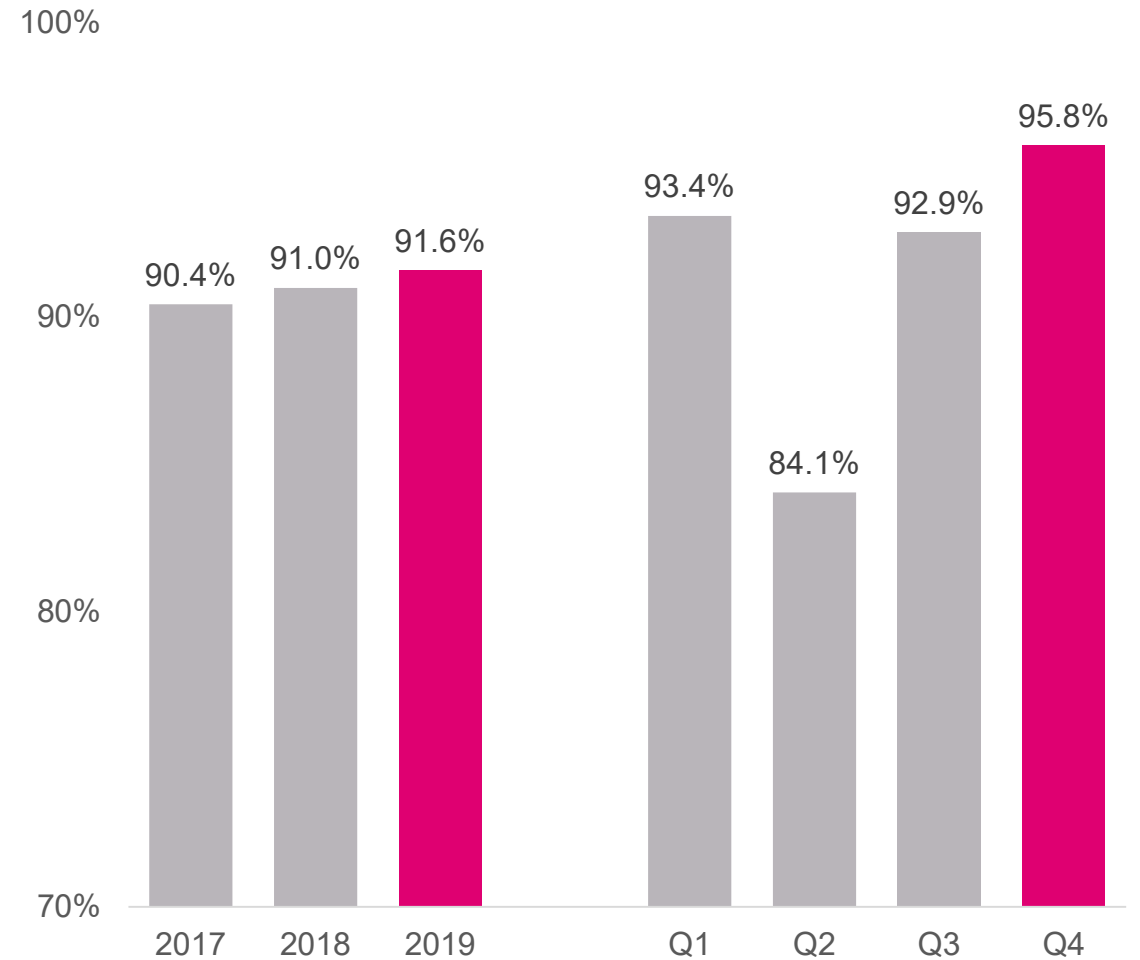
Key figures		Q4-19	Q3-19	2019
Production	mboepd	191.1	146.1	155.9
Sales	mboepd	184.5	143.3	157.6
Realized liquids price	USD/bbl	64.2	62.0	64.8
Realized gas price	USD/scm	0.17	0.16	0.18
Total income	USDm	1,003	723	3,347
EBITDA	USDm	745	480	2,286
Operating profit	USDm	491	196	1,327
Net profit (loss)	USDm	112	(43)	141
Effective tax rate	USDm	74%	130 %	87%
EPS	USD	0.31	(0.12)	0.39
DPS	USD	0.52	0.52	0.52

# Production overview

Net production, mboepd



Production efficiency\*



## EXPLORATION

## 2019 exploration wells

16 wells completed – high success rate

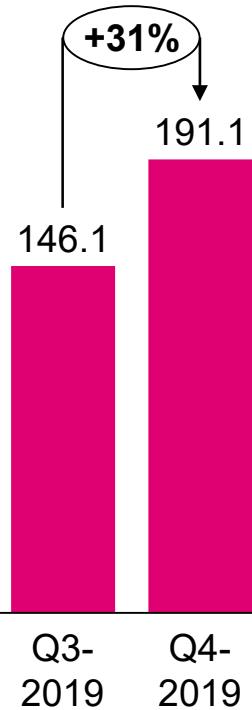
License	Prospect	Operator	Aker BP share	Est. spud	Pre-drill mmboe	Status
<b>PL869</b>	<b>Froskelår Main</b>	<b>Aker BP</b>	<b>60 %</b>	<b>Q1</b>	<b>45 - 153</b>	<b>Discovery 60-130 mmboe</b>
PL857	Gjøkåsen	Equinor	20 %	Q1	26 - 1427	Dry
PL033	Hod Deep West	Aker BP	90 %	Q1	2 - 22	Dry
<b>PL869</b>	<b>Froskelår NE</b>	<b>Aker BP</b>	<b>60 %</b>	<b>Q2</b>	<b>7 - 23</b>	<b>Discovery 2-10 mmboe</b>
PL916	JK	Aker BP	40 %	Q2	100 - 420	Dry
PL814	Freke-Garm	Aker BP	40 %	Q2	16 - 81	Dry
PL777	Hornet	Aker BP	40 %	Q2	14 - 137	Dry
PL502	Klaff	Equinor	22 %	Q2	50 - 372	Non-commercial discovery
PL869	Rumpetroll	Aker BP	60 %	Q2	45 - 148	Non-commercial discovery
<b>PL442</b>	<b>Liatårnet</b>	<b>Aker BP</b>	<b>90 %</b>	<b>Q2</b>	<b>39 - 331</b>	<b>Discovery 80-200 mmboe</b>
PL762	Vågar	Aker BP	20 %	Q3	63 - 130	Dry
PL986	Nipa	Aker BP	30 %	Q3	35 - 115	Dry
<b>PL942</b>	<b>Ørn</b>	<b>Equinor</b>	<b>30 %</b>	<b>Q3</b>	<b>8 - 40</b>	<b>Discovery 50-88 mmboe</b>
<b>PL838</b>	<b>Shrek</b>	<b>PGNIG</b>	<b>30 %</b>	<b>Q3</b>	<b>10 - 22</b>	<b>Discovery 19-38 mmboe</b>
<b>PL782S</b>	<b>Busta</b>	<b>Conoco</b>	<b>20 %</b>	<b>Q3</b>	<b>54 - 199</b>	<b>Discovery 6-63 mmboe</b>
PL019C	Kark	Aker BP	60 %	Q3	15 - 48	Non-commercial discovery

# Financial review

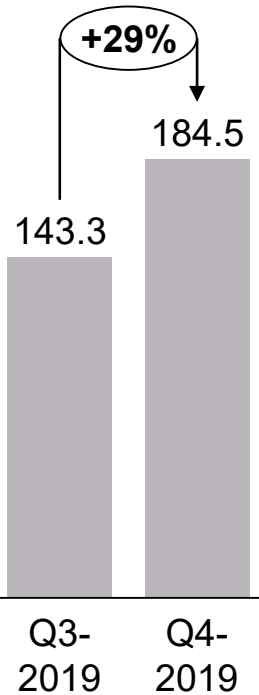
# Oil and gas sales

## Volume (mboepd)

### Production



### Sales

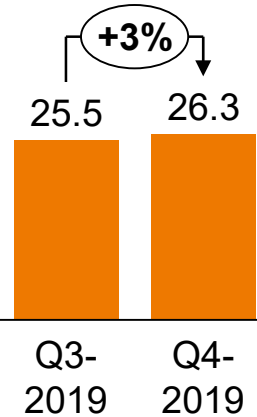


## Realised prices (USD/boe)

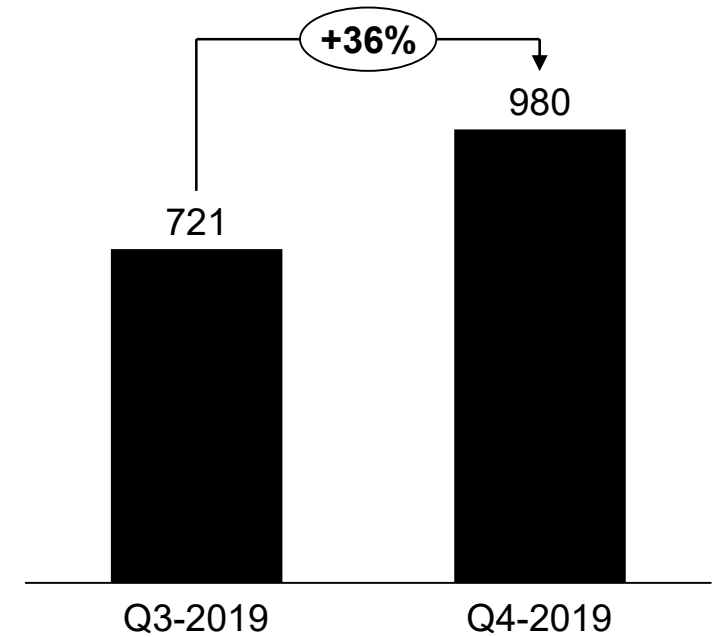
### Liquids



### Natural gas



## Petroleum revenues (USDm)



## FINANCIAL REVIEW

# Income statement

USD million	Q4 2019	Q3 2019	Q4 2018*	2019	2018*
<b>Total income</b>	<b>1,003</b>	<b>723</b>	<b>916</b>	<b>3,347</b>	<b>3,752</b>
Production costs	154	167	178	720	694
Other operating expenses	19	6	8	35	17
<b>EBITDAX</b>	<b>830</b>	<b>550</b>	<b>731</b>	<b>2,591</b>	<b>3,041</b>
Exploration expenses	85	70	72	306	296
<b>EBITDA</b>	<b>745</b>	<b>480</b>	<b>658</b>	<b>2,286</b>	<b>2,745</b>
Depreciation	255	206	196	812	752
Impairment losses	(1)	78	20	147	20
<b>Operating profit (EBIT)</b>	<b>491</b>	<b>196</b>	<b>442</b>	<b>1,327</b>	<b>1,972</b>
Net financial items	(67)	(53)	(44)	(243)	(171)
<b>Profit/loss before taxes</b>	<b>424</b>	<b>143</b>	<b>398</b>	<b>1,084</b>	<b>1,802</b>
Tax (+) / Tax income (-)	312	186	335	943	1,326
<b>Net profit/loss</b>	<b>112</b>	<b>(43)</b>	<b>63</b>	<b>141</b>	<b>476</b>
EPS (USD)	0.31	(0.12)	0.17	0.39	1.32



# Statement of financial position

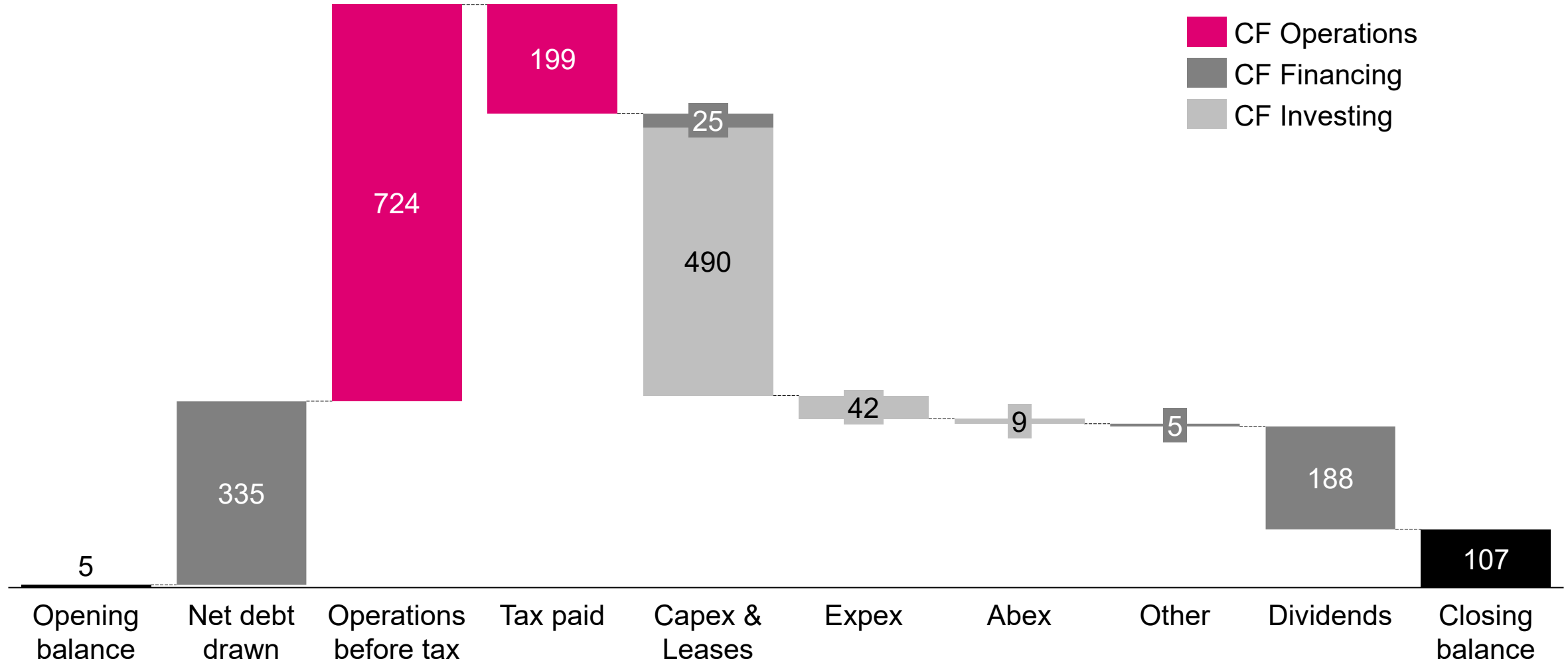
USD million

Assets	31.12.19	30.09.19	31.12.18*
Goodwill	1,713	1,713	1,860
Other intangible assets	2,537	2,571	2,433
Property, plant and equipment	7,023	6,614	5,746
Right-of-use asset	194	215	-
Receivables and other assets	652	609	614
Calculated tax receivables	-	-	11
Cash and cash equivalents	107	5	45
<b>Total Assets</b>	<b>12,227</b>	<b>11,727</b>	<b>10,709</b>

Equity and liabilities	31.12.19	30.09.19	31.12.18*
Equity	2,368	2,444	2,977
Other provisions for liabilities incl. P&A (long)	2,646	2,543	2,581
Deferred tax	2,235	2,279	1,753
Bonds and bank debt	3,287	2,940	2,018
Lease debt	313	341	-
Other current liabilities incl. P&A	1,017	985	828
Tax payable	361	195	552
<b>Total Equity and liabilities</b>	<b>12,227</b>	<b>11,727</b>	<b>10,709</b>

# Cash flow – fourth quarter 2019

USD million



# FINANCIAL REVIEW

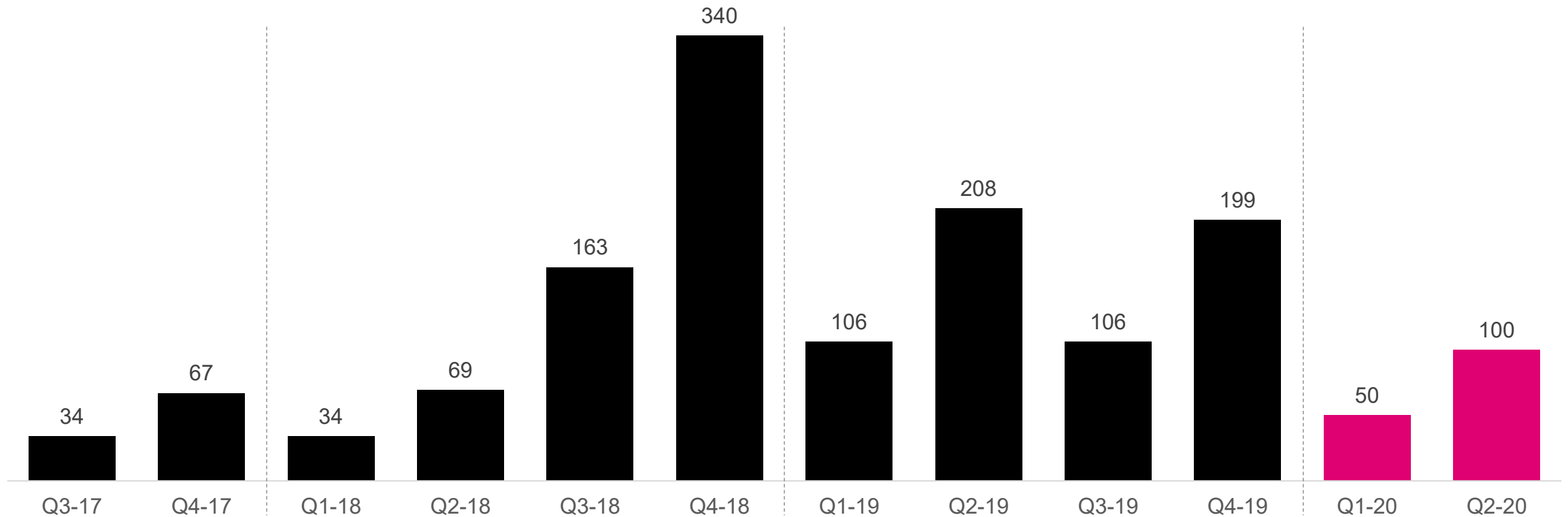
## Tax payments

USD million

For fiscal year 2017

For fiscal year 2018

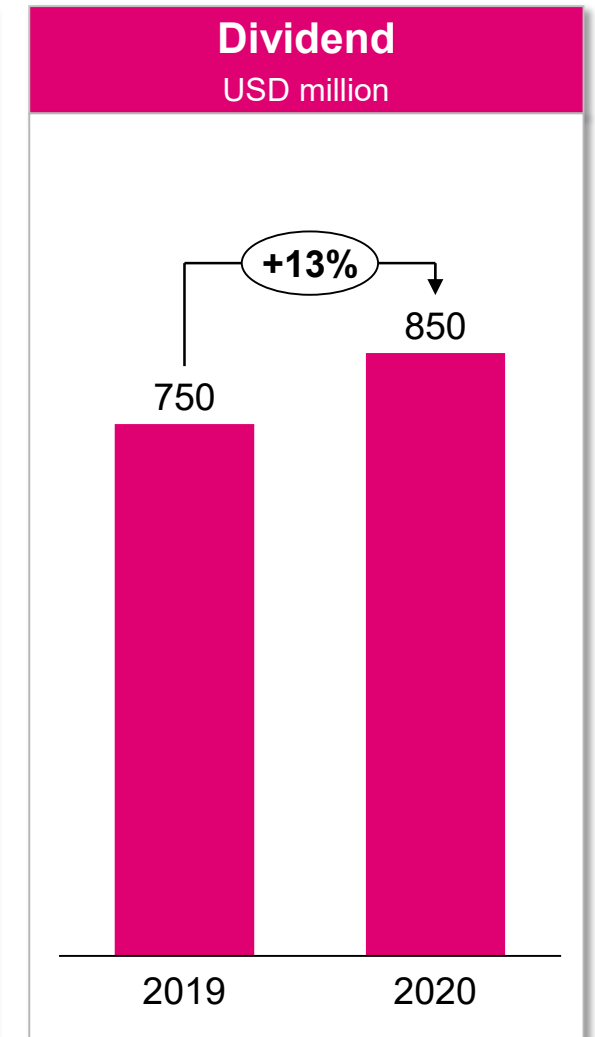
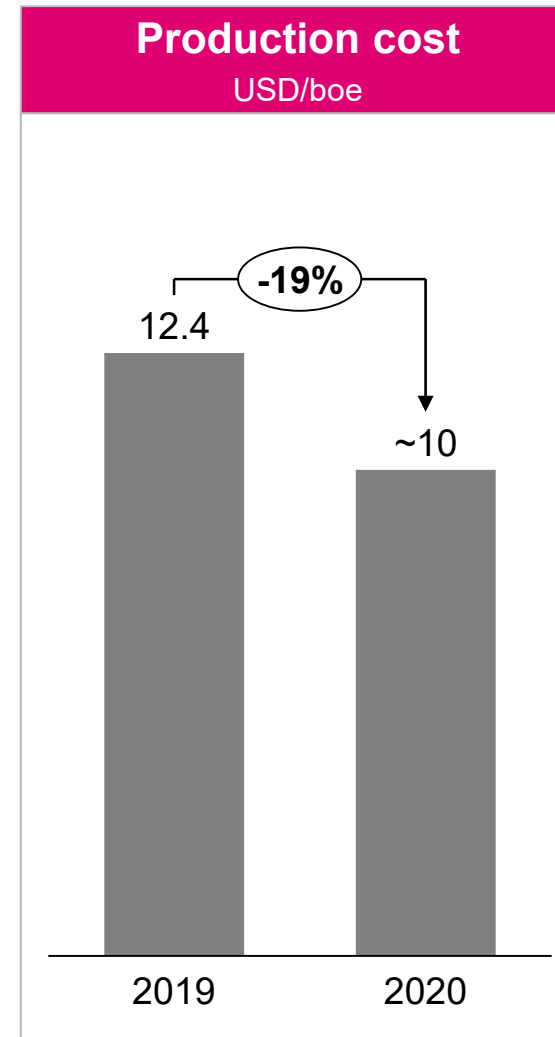
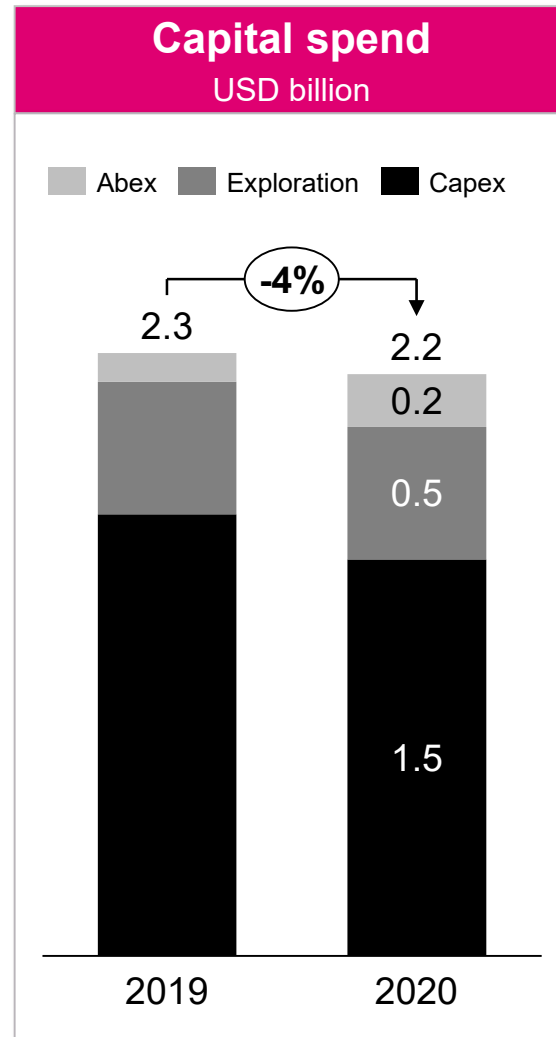
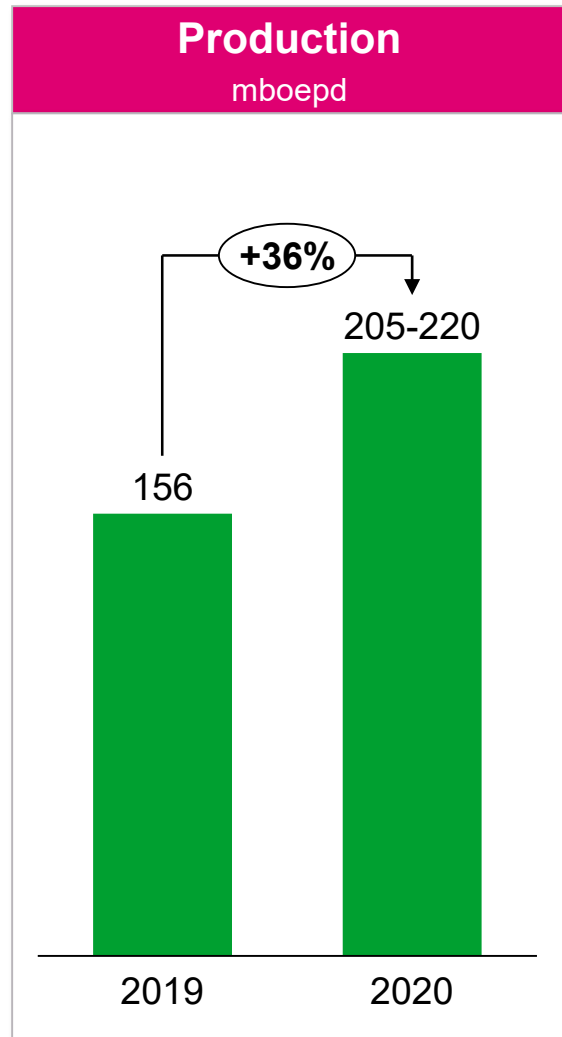
For fiscal year 2019



# Guidance summary

	Updated 2019 guidance <sup>1)</sup>	Actual 2019
Production <sup>2)</sup>	~155 mboepd	155.9 mboepd
Capex <sup>3)</sup>	USD 1.6-1.7 billion	USD 1.67 billion
Exploration spend	USD ~550 million	USD 501 million
Abandonment spend	USD ~100 million	USD 109 million
Production cost per boe <sup>4)</sup>	USD ~12.5	USD 12.4
Dividends	USD 750 million	USD 750 million

# Growing production – Reducing spend – Increasing dividends



# Priorities ahead

## Execute

- Start-up of new wells
- Excellent project execution

## Improve

- Keep momentum on improvement agenda
- Mature the Aker BP operating model

## Grow

- Mobilize for NOAKA area development
- Mature recent discoveries





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