

Third quarter 2020

Aker BP ASA

29 October 2020



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Uniquely positioned for value creation

- **Continued strong operational performance**
 - Production on track
 - Low cost and low emissions
- **Building a leading E&P company**
 - Implementing new operating model
 - Bond refinancing further strengthens financial flexibility
- **Potential to double production at break-evens below \$30**
 - Tax changes provide unique investment conditions
 - Maturing projects with potential to add more than 500 mmboe¹⁾



Key performance indicators

SAFETY FIRST

1.1

Serious incidents
frequency (SIF)

PRODUCTION ON TRACK

201.6

Thousand barrels of
oil equivalents per day

LOW COST

\$7.3

Production cost
per boe produced

HIGH EFFICIENCY

86%

Production
efficiency¹⁾

LOW EMISSIONS

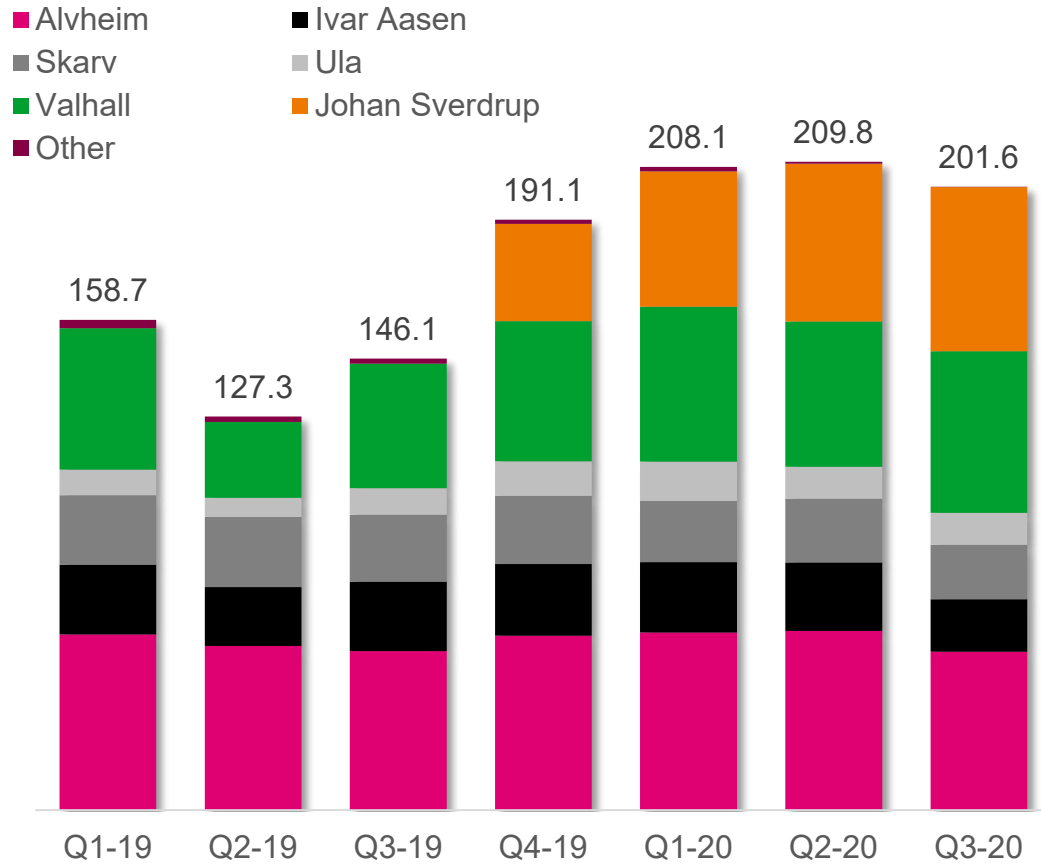
<5kg

CO₂ emissions
per boe

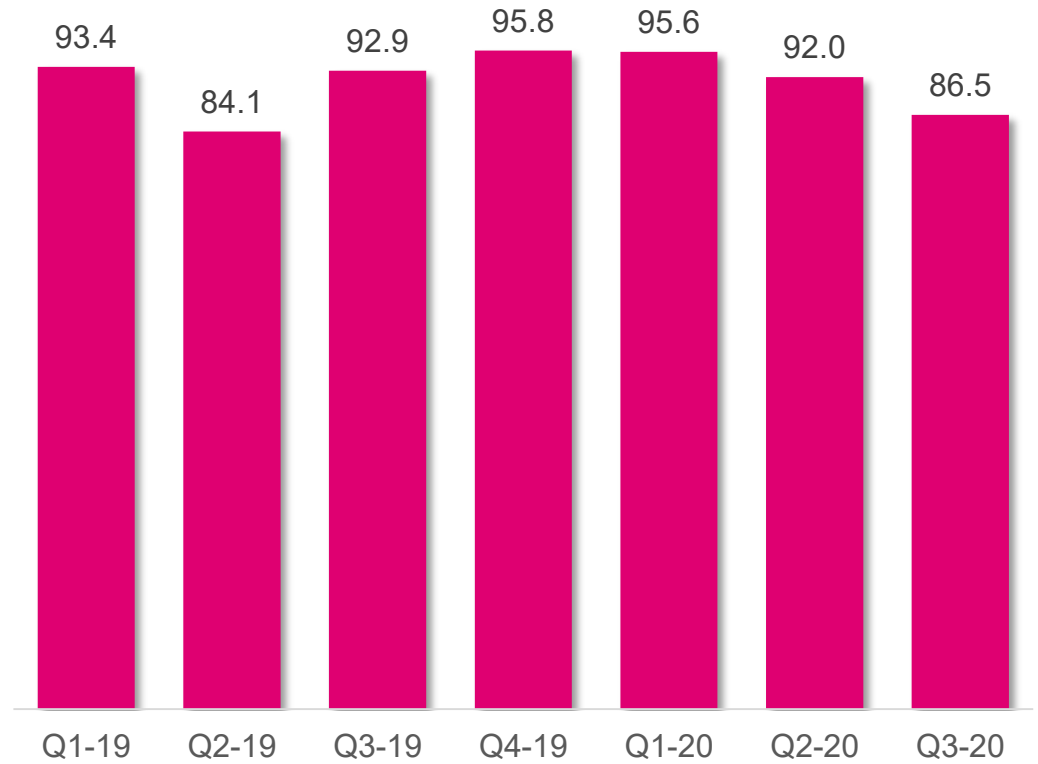


On track to deliver on 2020 production guidance

Production
(mboepd)

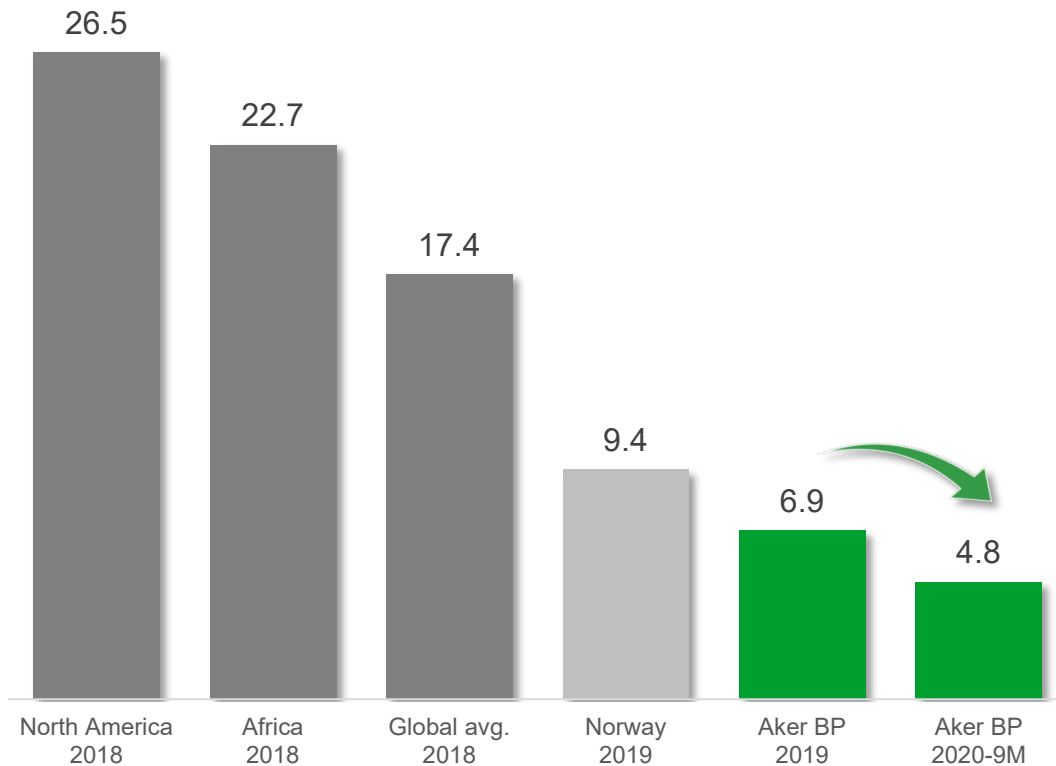


Production efficiency
Aker BP operated assets (percent)



Industry-leading low carbon intensity

Emissions intensity¹⁾
CO₂ - kg/boe



Contributing to the energy transition



Maximise value

Produce efficiently to return high value from oil & gas resources to our stakeholders



Minimise emissions

Reduce emissions from our operations focusing on the total footprint



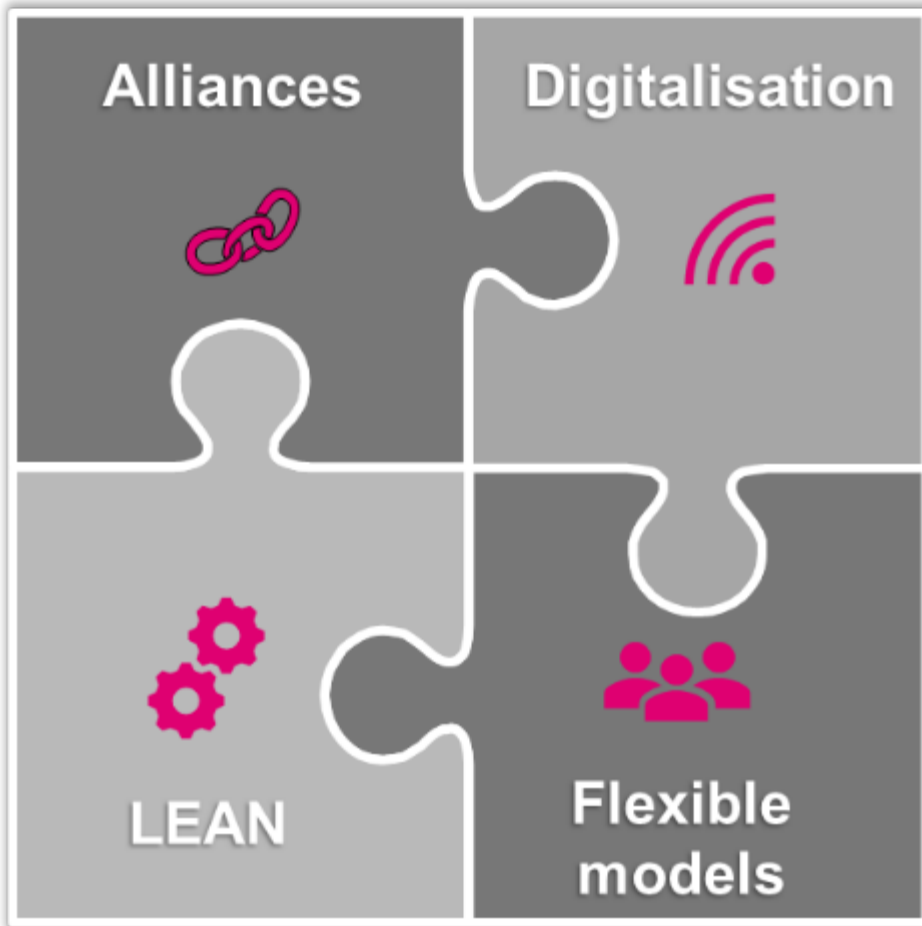
Improve and share

Contribute with data, know-how and technology to other industries

New operating model to improve efficiency and reduce cost

Using the improvement toolbox...

...to build a leading operating model

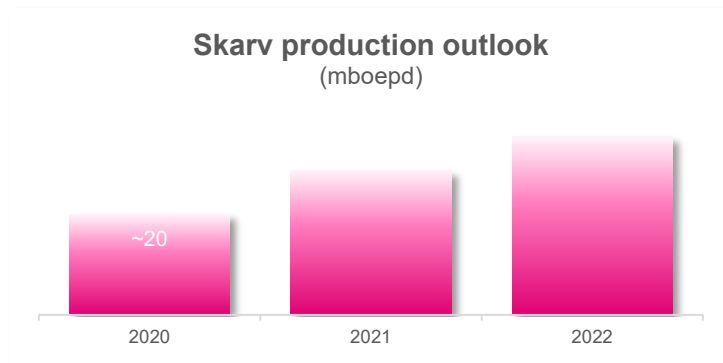


Q3-2020 | TARGETING PROFITABLE GROWTH

Ærfugl startup planned in Q4

...with the remainder of phase II on track for 2021

- **Keeping the facilities full**
 - Large production increase at Skarv
 - Low break-even project
- **Total reserves of 300 mmboe (gross)**
 - Extends over 60 kilometers
 - New technology unlocking resources
- **Excellent performance by Aker BP's alliances**
 - Progress according to cost and schedule
 - Major improvements since PDO



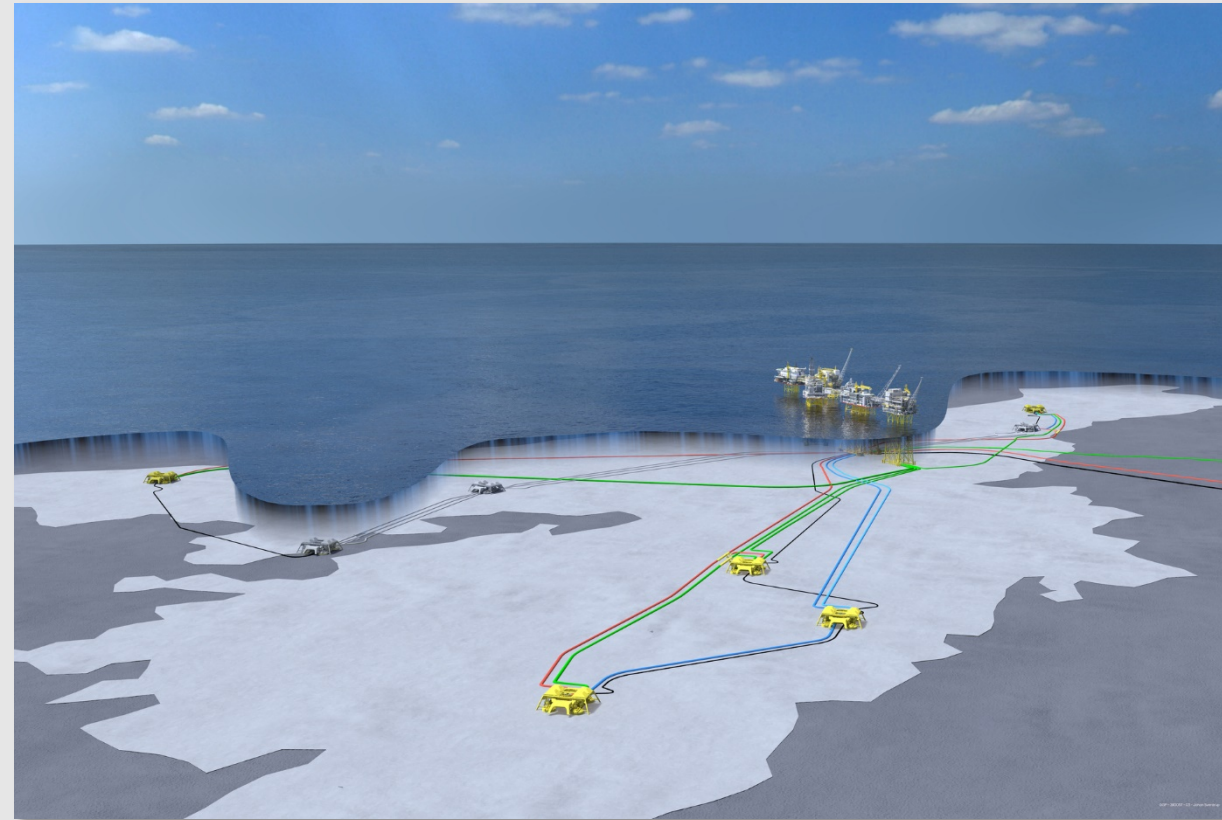
Q3-2020 | TARGETING PROFITABLE GROWTH

Development projects well underway

Hod – first oil in Q1-22

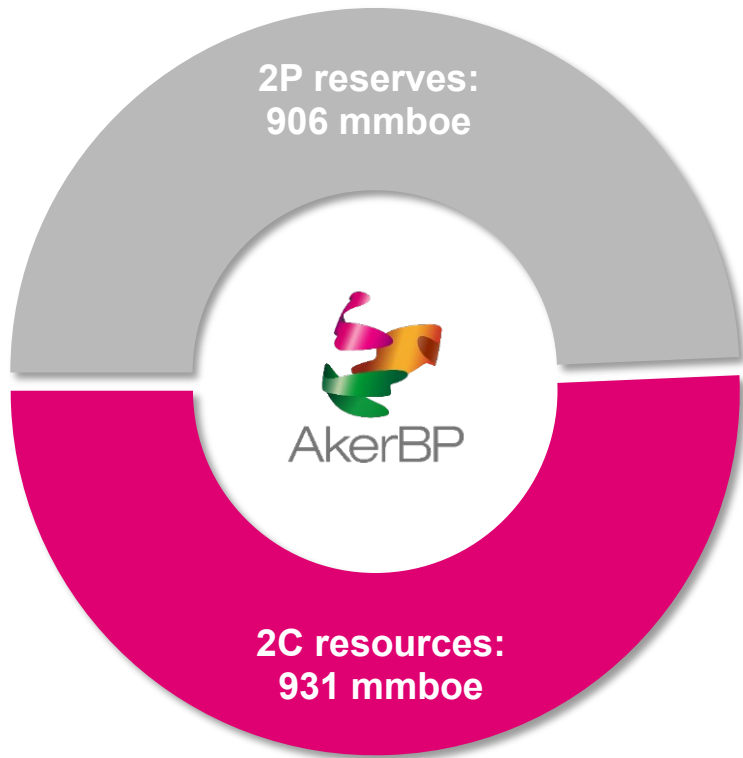


Sverdrup phase 2 – first oil in Q4-22

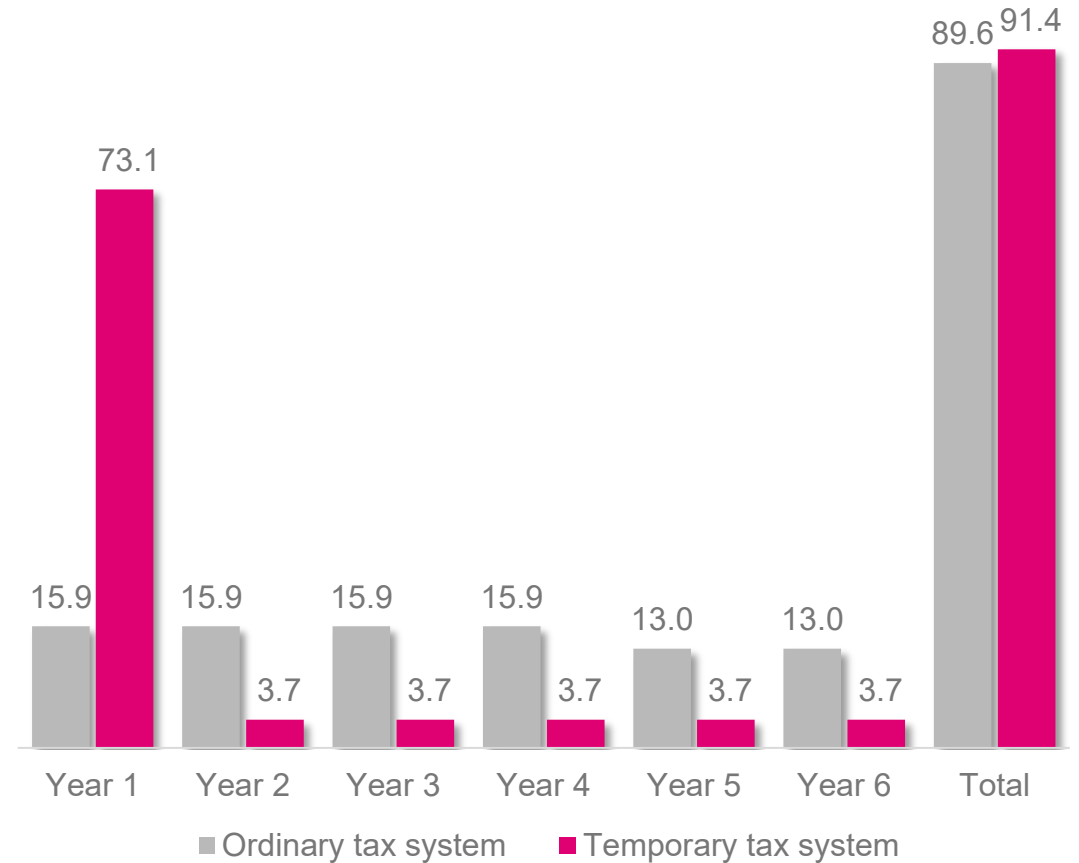


Uniquely positioned for further organic growth

Resource base provides unmatched opportunity set
Aker BP's net reserves and resources per end-2019



Tax changes reduce break-evens and capital commitments
Tax deductions for investments on the NCS, percent



Working towards concept selection for NOAKA

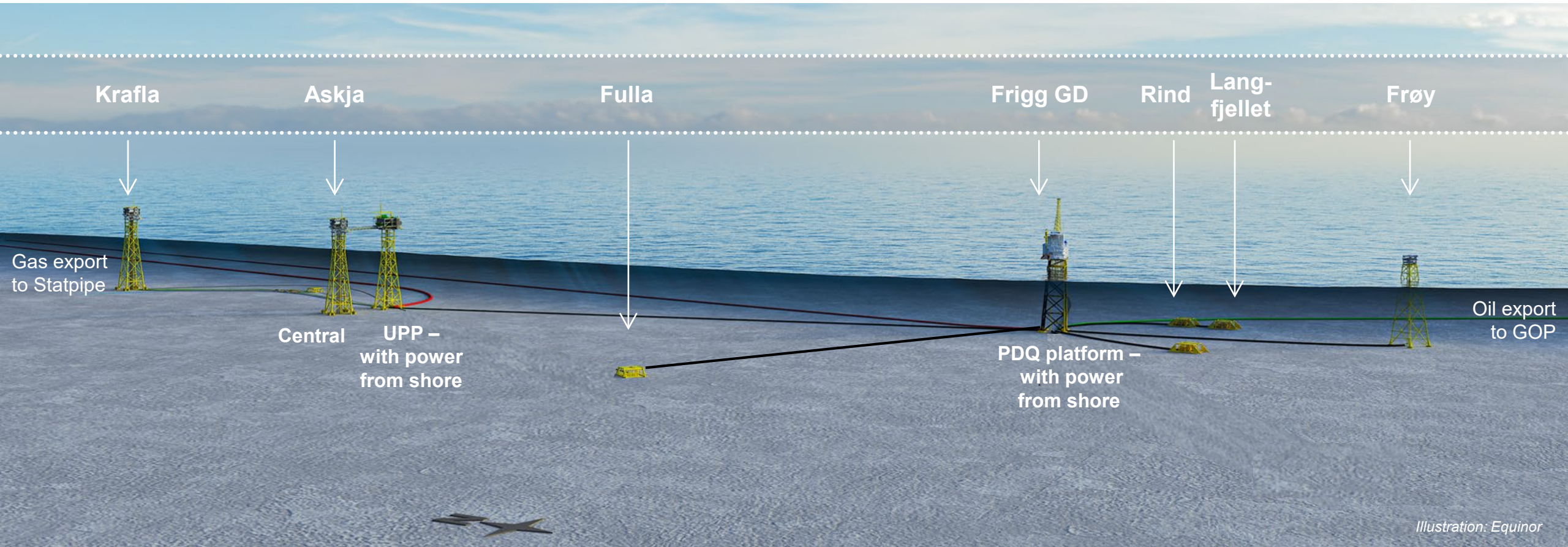


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Significant part of our resource base ready for FID by 2022

Potential to double production at low break-evens

Project ¹⁾	Area	FID ²⁾	First oil
Valhall infill drilling	Valhall area	2020	2021
Frosk	Alvheim area	2021	2023
Kobra East/Gekko	Alvheim area	2021	2024
Trell & Trine	Alvheim area	2022	2025
Hanz	Ivar Aasen area	2022	2024
Shrek	Skarv area	2022	2025
Ørn	Skarv area	2022	2026
Alve North	Skarv area	2022	2025
Valhall NCP	Valhall area	2022	2025
NOAKA	NOAKA	2022	2027
Garantiana	Other	2022	2025

> 500 mmboe

net resources

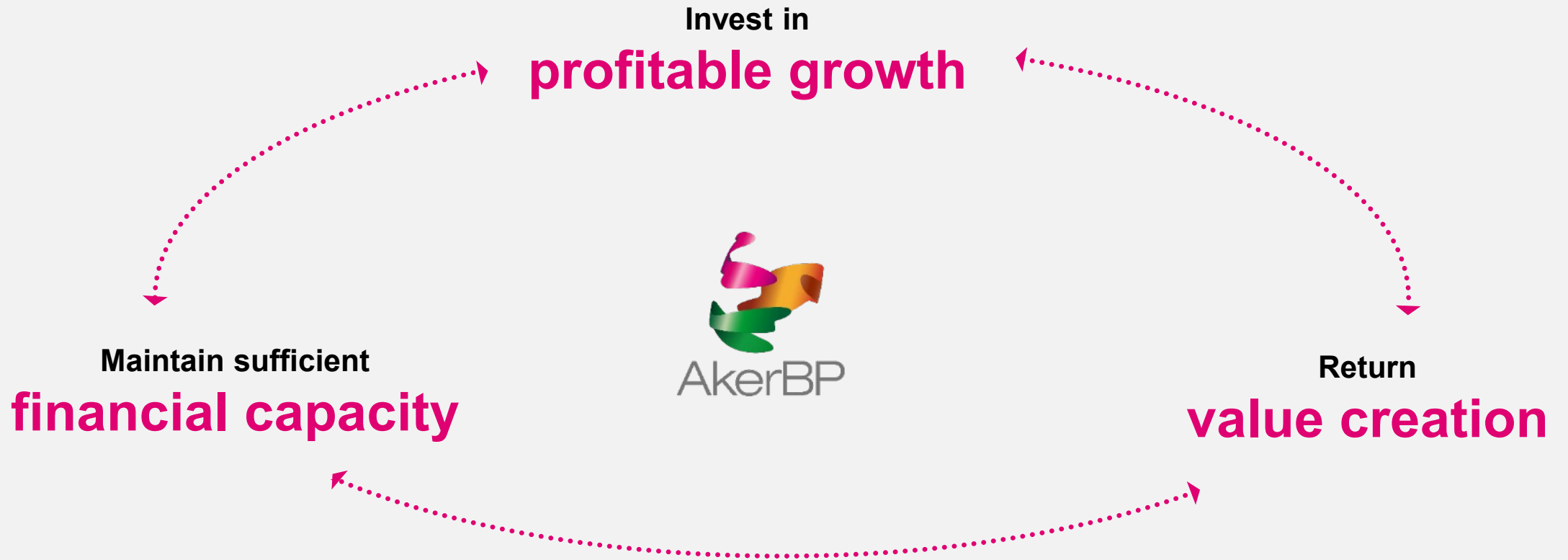
< \$30/bbl

break-even

x2

potential to double production

Allocating capital to maximise value creation



Financial review

Q3-2020 | FINANCIAL REVIEW

Oil and gas sales

Volume (mboepd)

Production

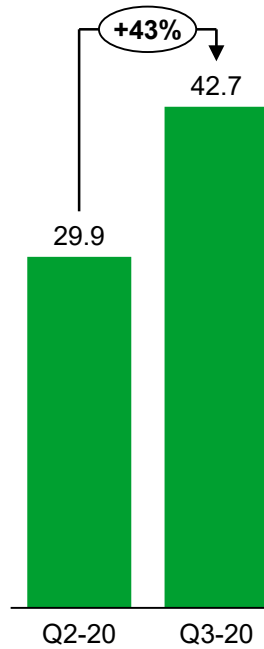


Sales

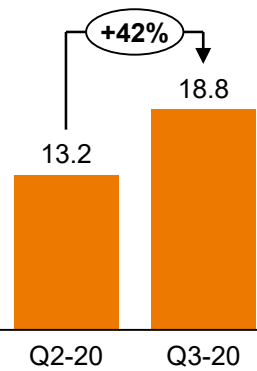


Realised prices (USD/boe)

Liquids

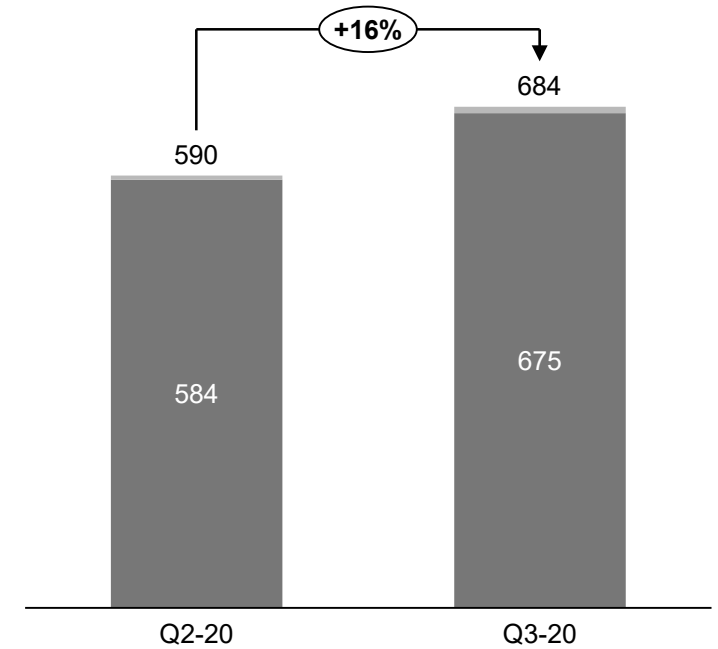


Natural gas



Total income (USDm)

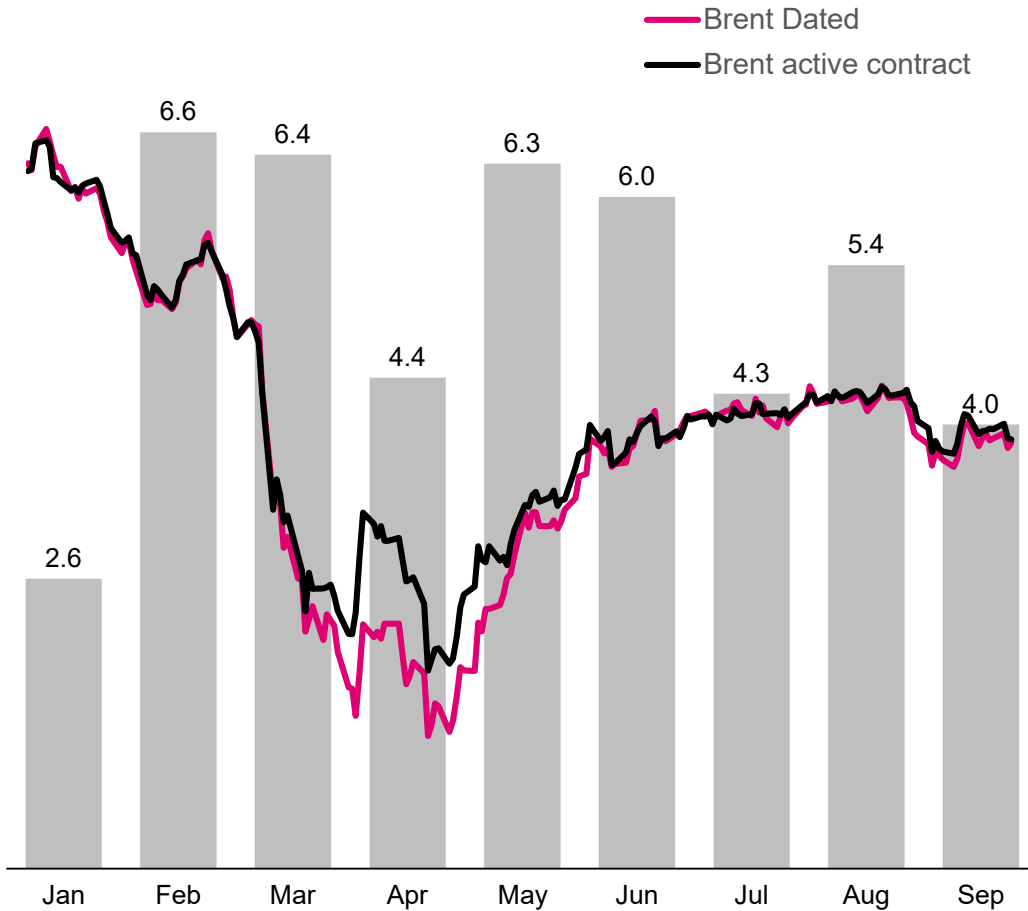
- Other operating income
- Petroleum revenues



Lifted volumes and realised prices

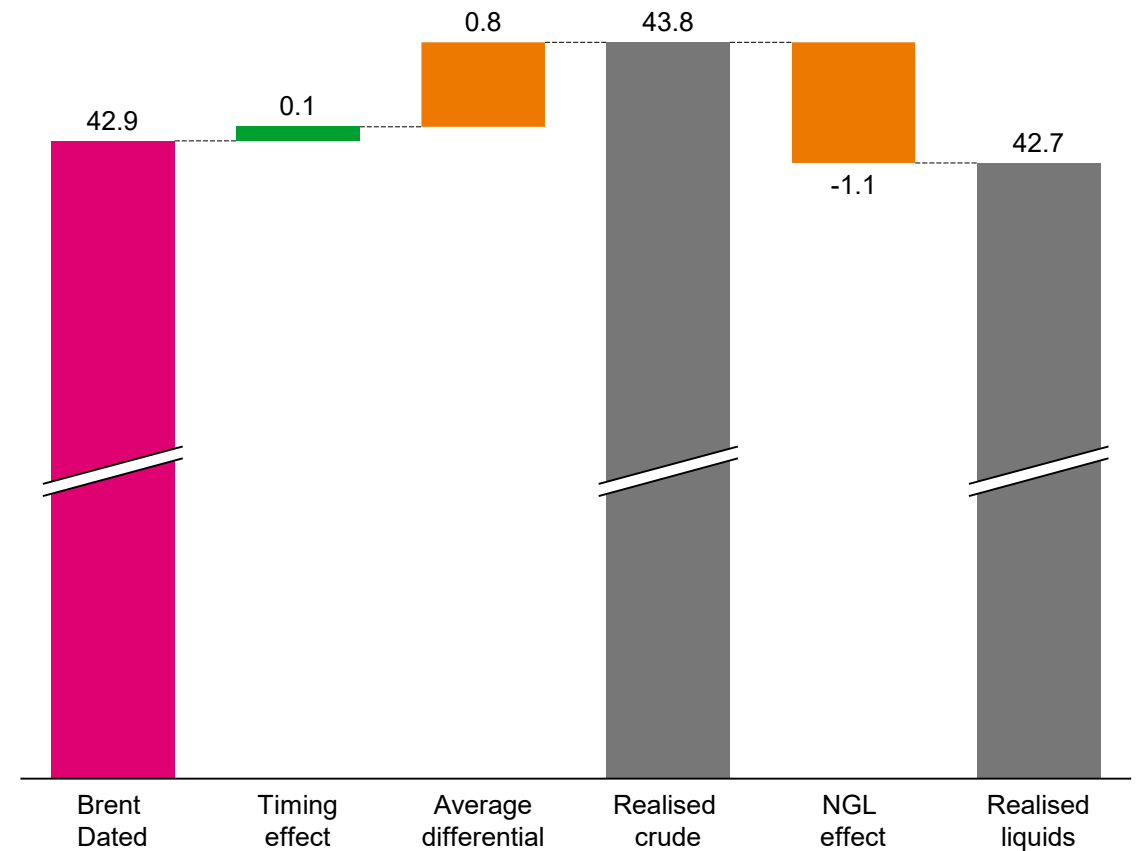
Crude oil liftings 2020-9M¹⁾

mmbbl



Breakdown of realised liquids prices in Q3

USD/bbl



Income statement

USD million	Q3 2020	Q2 2020	Q3 2019
Total income	684	590	723
Production costs	134	196	167
Other operating expenses	7	15	6
EBITDAX	543	379	550
Exploration expenses	32	50	70
EBITDA	511	329	480
Depreciation	269	286	206
Impairments	-	(136)	78
Operating profit (EBIT)	242	178	196
Net financial items	(51)	(27)	(53)
Profit/loss before taxes	191	151	143
Tax (+) / Tax income (-)	111	(19)	186
Net profit/loss	80	170	(43)
EPS (USD)	0.22	0.47	(0.12)

Statement of financial position

USD million

Assets	30.09.20	30.06.20	31.12.19
Goodwill	1,647	1,647	1,713
Other intangible assets	2,051	2,054	2,537
Property, plant and equipment	7,219	7,175	7,023
Right-of-use asset	126	137	194
Receivables and other assets	562	546	652
Calculated tax receivables	71	187	-
Cash and cash equivalents	819	142	107
Total Assets	12,495	11,889	12,227

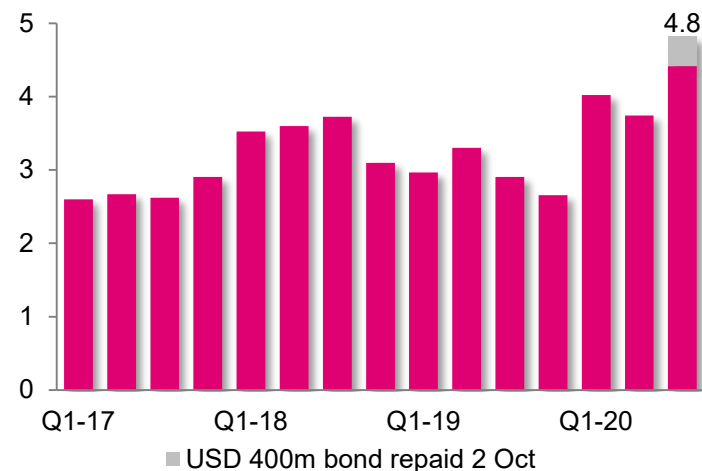
Equity and liabilities	30.09.20	30.06.20	31.12.19
Equity	1,929	1,912	2,368
Other provisions for liabilities incl. P&A (long)	2,650	2,655	2,645
Deferred tax	2,563	2,471	2,235
Bonds and bank debt	4,373	3,712	3,287
Lease debt	217	236	313
Other current liabilities incl. P&A	764	901	1,017
Tax payable	-	-	361
Total Equity and liabilities	12,495	11,889	12,227



Value creation ambition supported by strong financial position

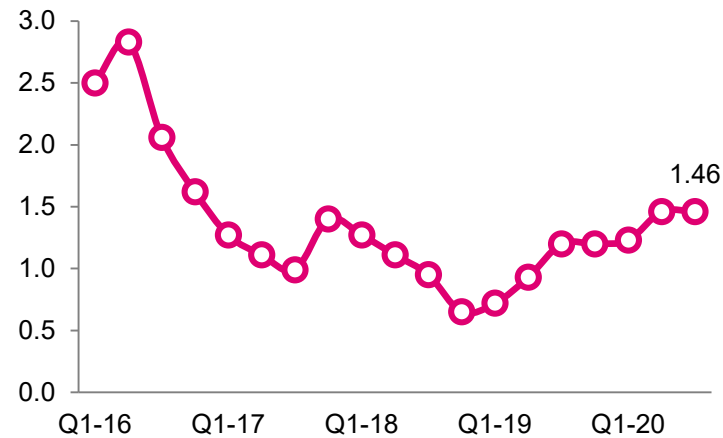
Committed long-term liquidity buffer

Available liquidity, USD billion¹⁾



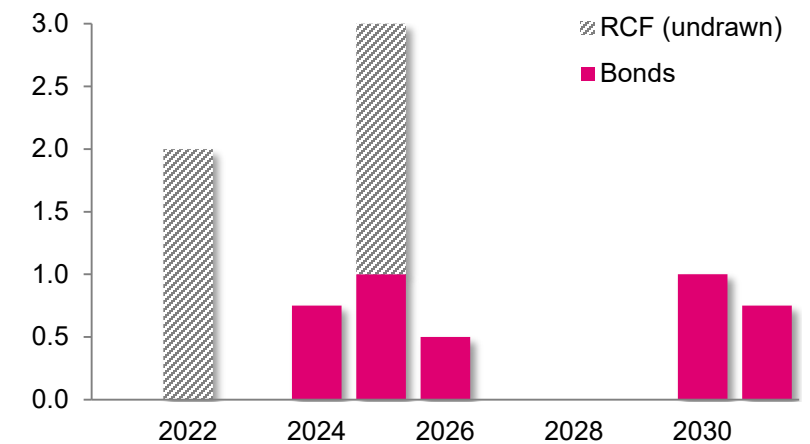
Conservative leverage

Leverage ratio²⁾



Extended debt maturity profile

USD billion (as of 29 Oct 2020)



1) Available liquidity: Undrawn bank facilities and Cash and cash equivalents.

2) Leverage ratio: Net interest-bearing debt divided by EBITDAX last 12 months, excluding effects of IFRS16 Leasing

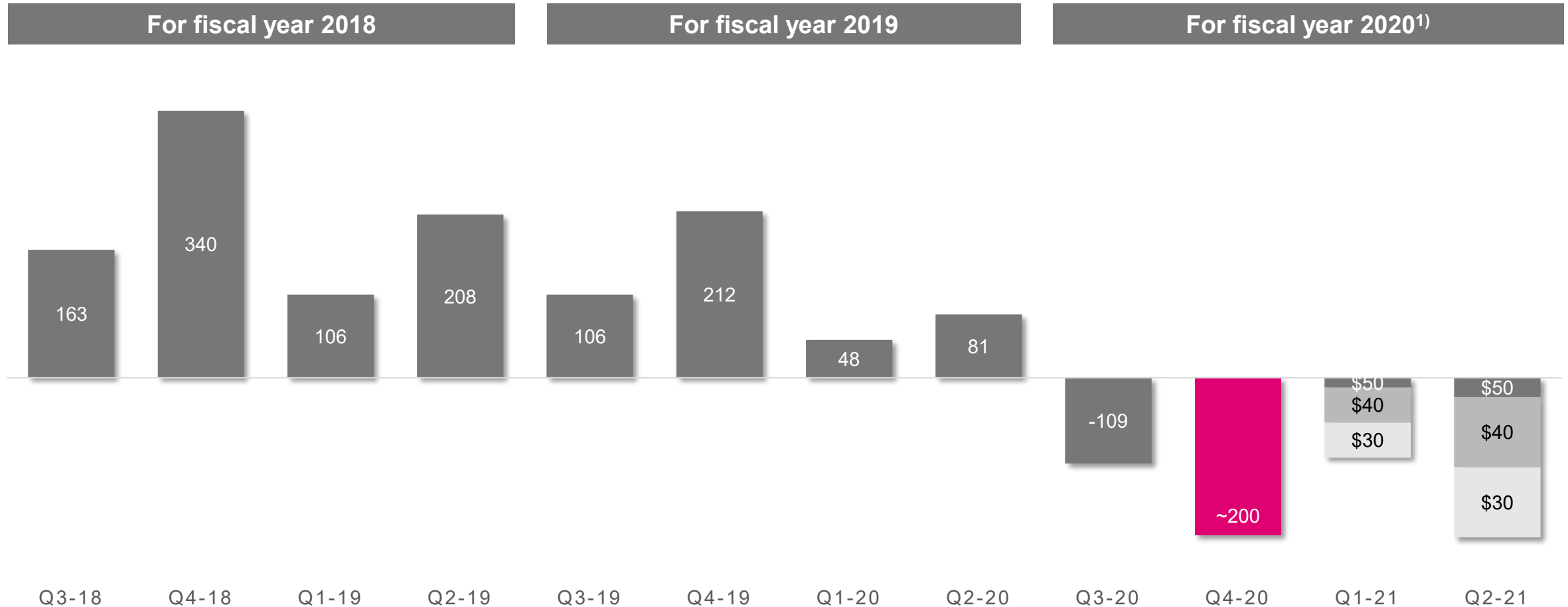
Cash flow

USD million



Expecting tax refund for fiscal year 2020

Tax payments and refunds per quarter (USD million)

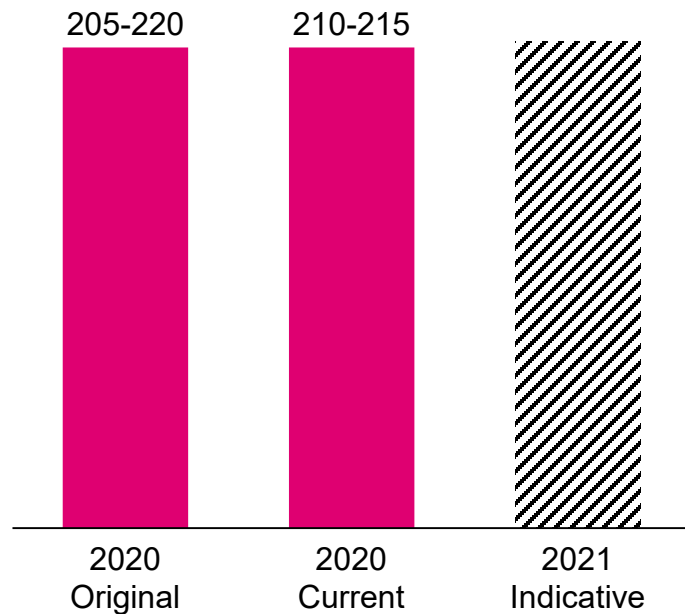


1) Estimated tax refunds in Q1-21 and Q2-21 are related to fiscal year 2020, assuming different average Brent oil prices for Q4-20 and USDNOK 9.4. The tax refund in Q4-20 is fixed in NOK and may deviate slightly from the indication depending on the USDNOK on the payment dates. The actual amounts for H1-21 will be adjusted after year-end to reflect actual 2020 results. Potential settlements of uncertain tax cases are excluded.

Guidance summary

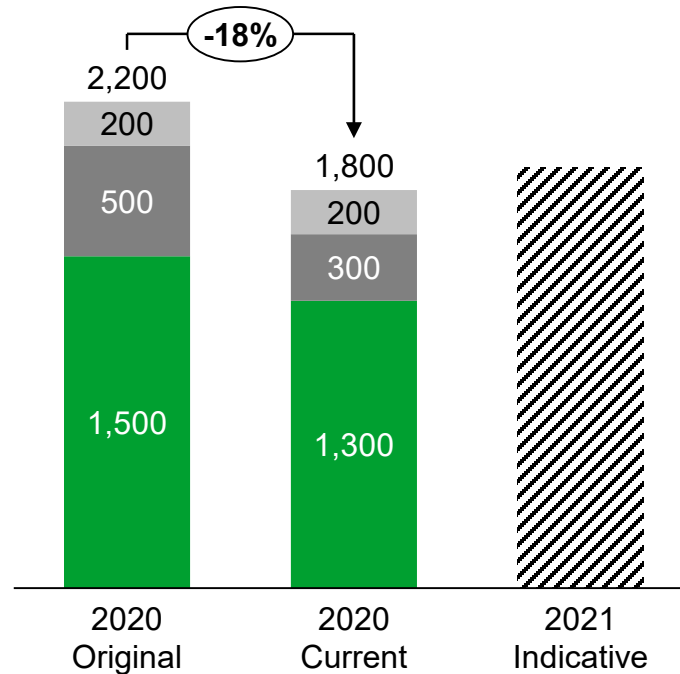
Production

mboepd



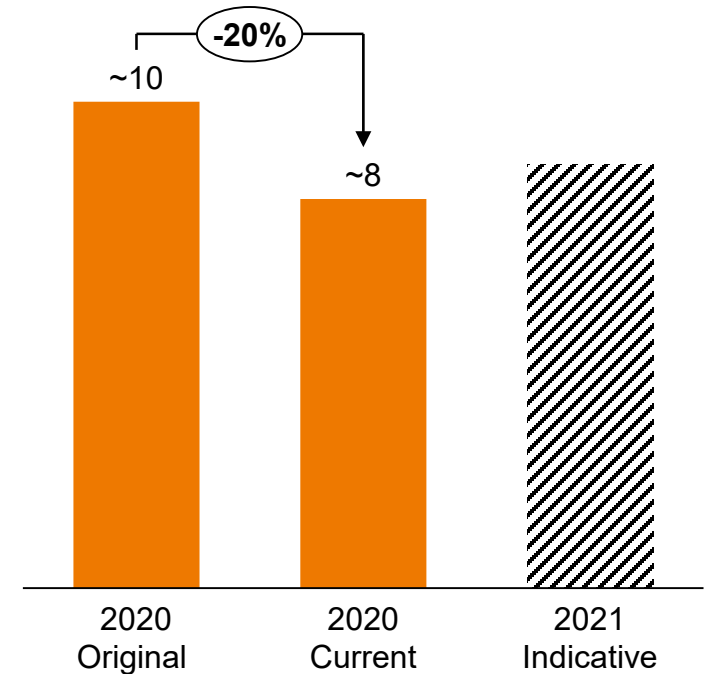
Capital spend

USD billion



Production cost

USD/boe



Abex Exploration Capex

Priorities

Execute

- Drive operational excellence
- Flawless project execution

Improve

- Implement new operating model
- Reduce emissions from own operations

Grow

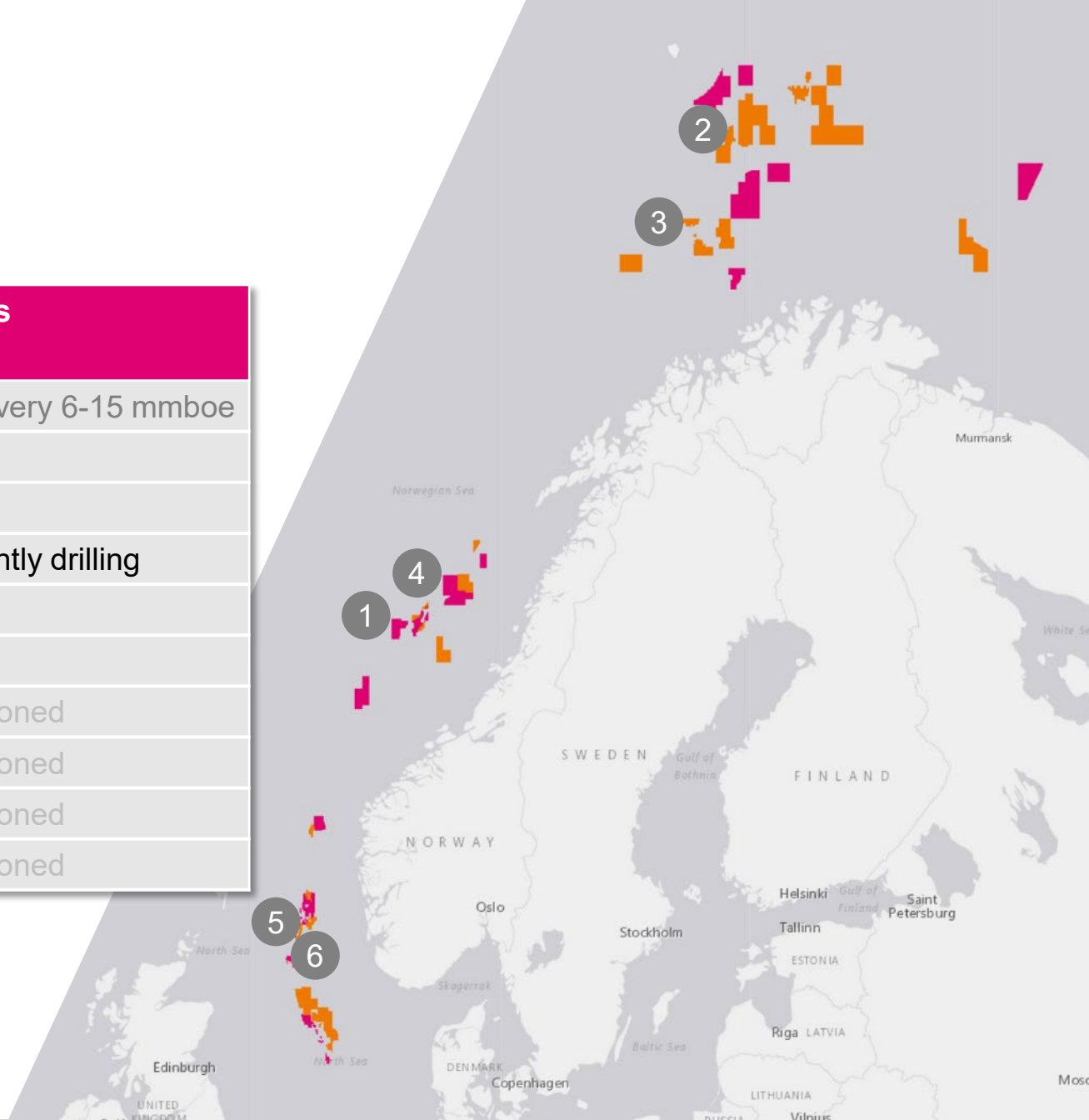
- Progress NOAKA according to plan
- Mature project portfolio for FID by 2022



Appendix

2020 exploration programme

License	Prospect		Operator	Aker BP share	Pre-drill mmboe	Status
PL1008	Nidhogg	1	Aker BP	60 %	37 - 96	Discovery 6-15 mmboe
PL719	Sandia	2	Spirit	20 %	23 - 527	Dry
PL533	Bask	3	Lundin	35 %	14 - 585	
PL127C	Alve NE	4	Aker BP	88 %	8 - 25	Currently drilling
PL780	Sørvesten	5	Spirit	40 %	15 - 35	Dry
PL981	Mercx Ty	6	Lundin	40 %	22 - 92	
PL858	Stangnestind		Aker BP	40 %	13 - 108	Postponed
PL722	Shenzhou		Equinor	20 %	191 - 505	Postponed
PL554	Garantiana W		Equinor	30 %	7 - 28	Postponed
PL442	Liatårnet app.		Aker BP	90 %		Postponed



Guidance summary

	2020 guidance	2020-9M actual	Comments
Production	210-215 mboepd	206.5 mboepd	Net production excl. over/underlift
Capex	USD ~1.3 billion	USD 1.01 billion	Excl. capitalised interest Incl. share of lease payments
Exploration spend	USD ~300 million	USD 166 million	Incl. share of lease payments
Abandonment spend	USD ~200 million	USD 73 million	Incl. share of lease payments
Production cost per boe	USD ~8	USD 8.4	Per boe produced
Dividends	USD 425 million	USD 354 million	



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