

First quarter 2019

Aker BP ASA

26 April 2019



Disclaimer

This Document includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. These statements and this Document are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Aker BP ASA's lines of business. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for Aker BP ASA's businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time in the Document. Although Aker BP ASA believes that its expectations and the Document are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in the Document. Aker BP ASA is making no representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the Document, and neither Aker BP ASA nor any of its directors, officers or employees will have any liability to you or any other persons resulting from your use.

First quarter 2019

Execute

Strong operational performance

- High production efficiency
- Excellent project execution

Improve

Rolling out data-driven innovations

- Smart maintenance
- Improved logistics

Grow

Expanding and maturing the resource base

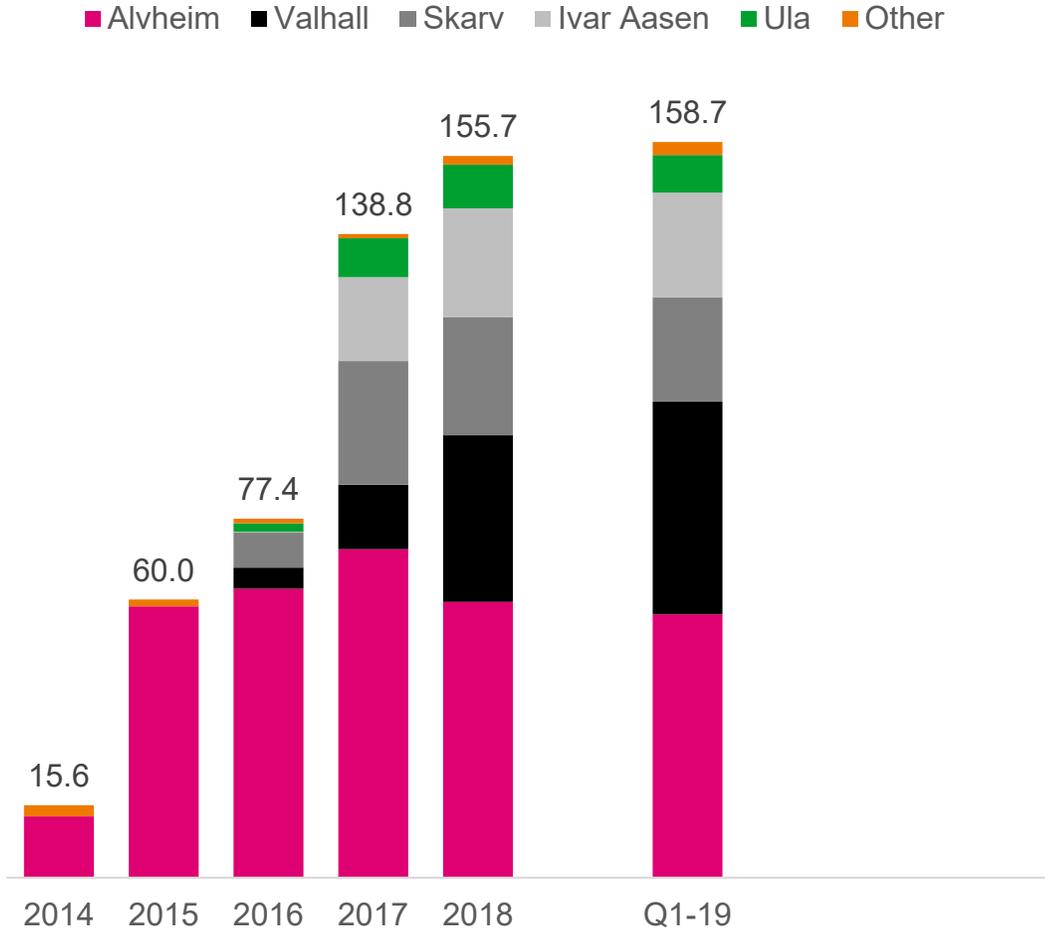
- Continued exploration success
- Accelerating Ærfugl
- New Valhall wells sanctioned

Key figures

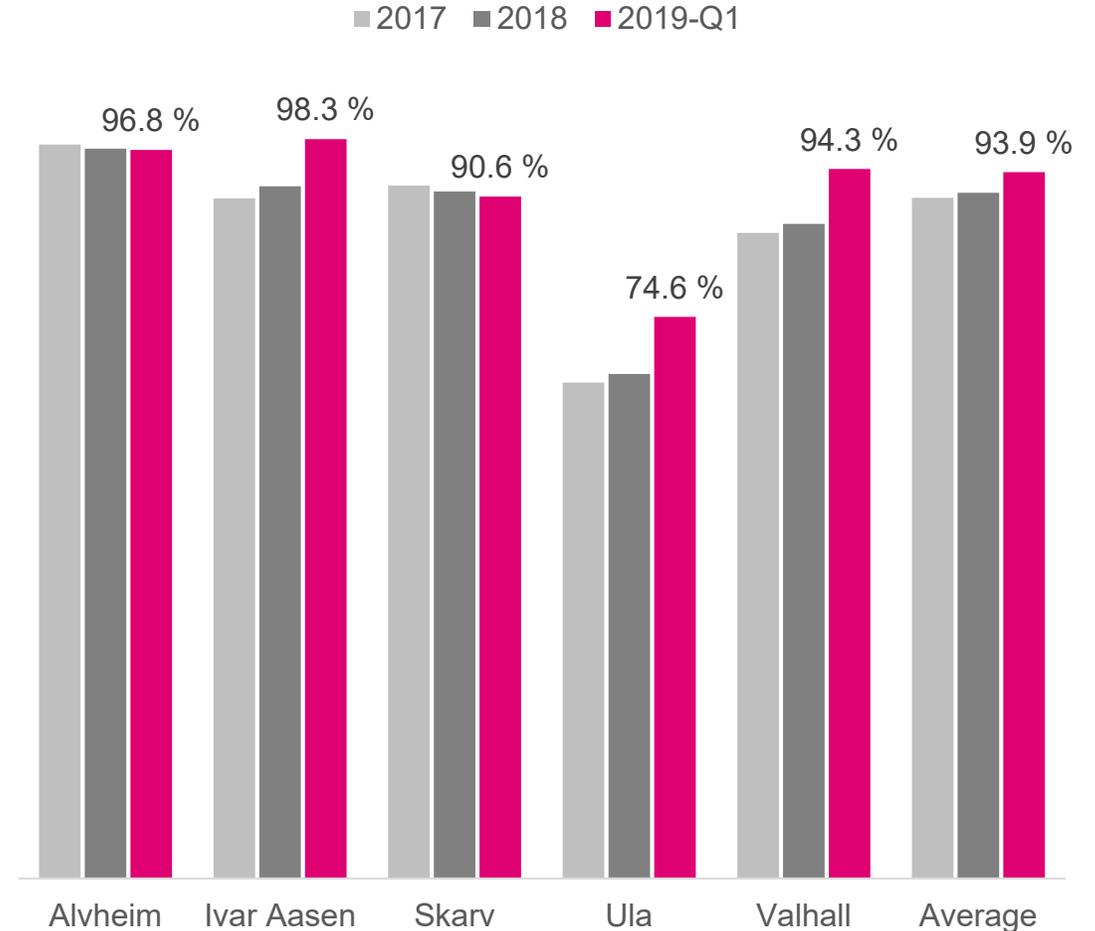
		Q1-19	Q4-18*	Q1-18*
Production	mboepd	158.7	155.7	158.6
Sales	mboepd	162.0	151.5	167.3
Realized liquids price	USD/bbl	63.9	67.8	67.4
Realized gas price	USD/scm	0.24	0.30	0.28
Total income	USDm	836	916	944
EBITDA	USDm	539	658	691
Operating profit	USDm	287	442	505
Net profit	USDm	10	63	169
Effective tax rate	USDm	96%	84%	63%
EPS	USD	0.03	0.17	0.47
DPS	USD	0.52	0.31	0.31

Production on plan – strong production efficiency

Production per hub, mboepd



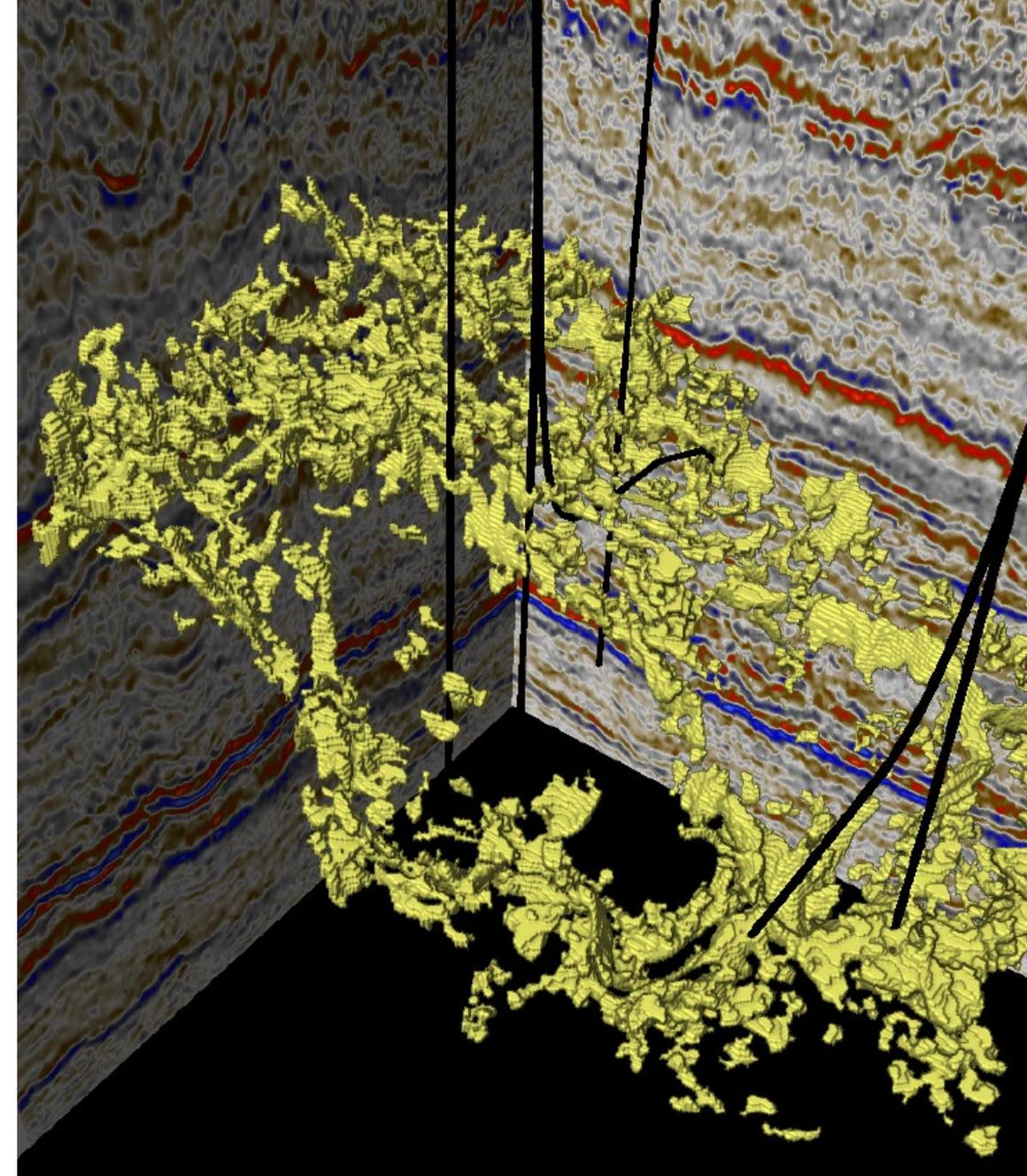
Production efficiency per hub



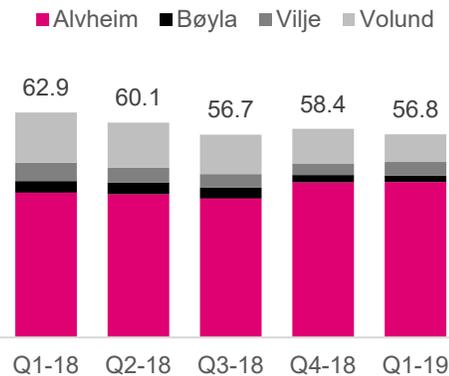
The Alvheim story continues

Exploration success and strong operational performance

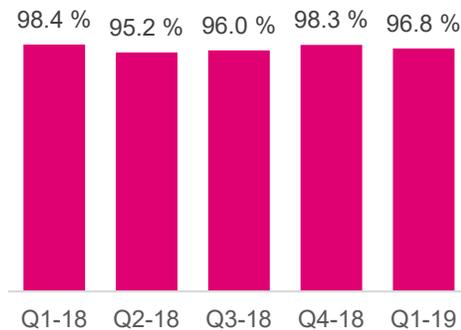
- **Discovery at Froskelår Main**
 - Gross volume 60-130 mmboe
- **Further maturing the opportunity set**
 - Currently drilling Frosk test producer (and Froskelår NE)
 - Completion operation started at Volund sidetrack
 - Rumpetroll exploration well in Q3
 - Skogul development on track – drilling in Q3



Production (mboepd)



Production efficiency

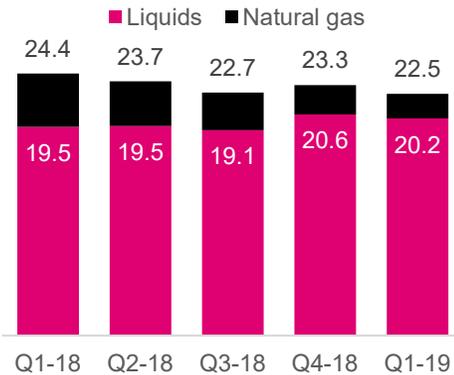


OPERATIONAL REVIEW

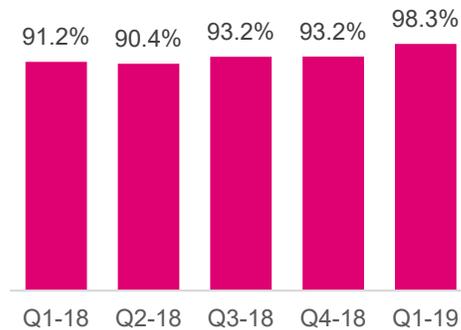
Record uptime at Ivar Aasen

- High production efficiency 98%
- Improved water injection
 - High voidage replacement
 - Higher oil/gas ratio
 - Mitigates risk related to power supply
- Two new production wells to be drilled this year

Production (mboepd)



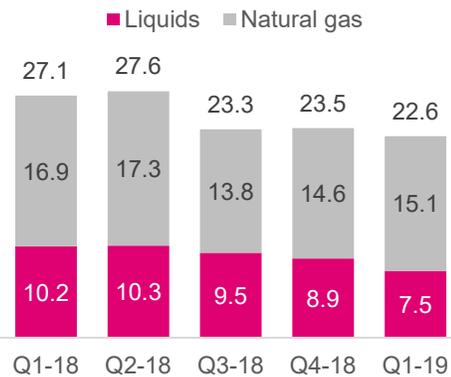
Production efficiency



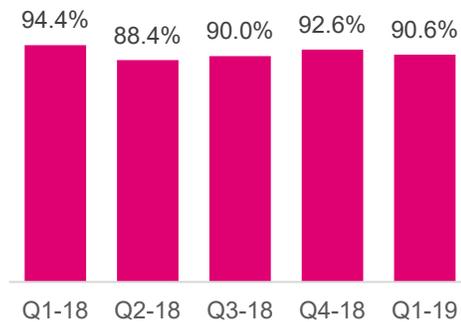
Skarv finds innovative solutions

- **Q1 production 22.6 mboepd**
 - Reduced gas injection due to compressor motor failure
 - Temporarily higher gas and lower oil production
 - Compressor motor replaced late March
- **Xmas tree repairs progressing well**
- **Good start for Ærfugl-related offshore activities**

Production (mboepd)



Production efficiency



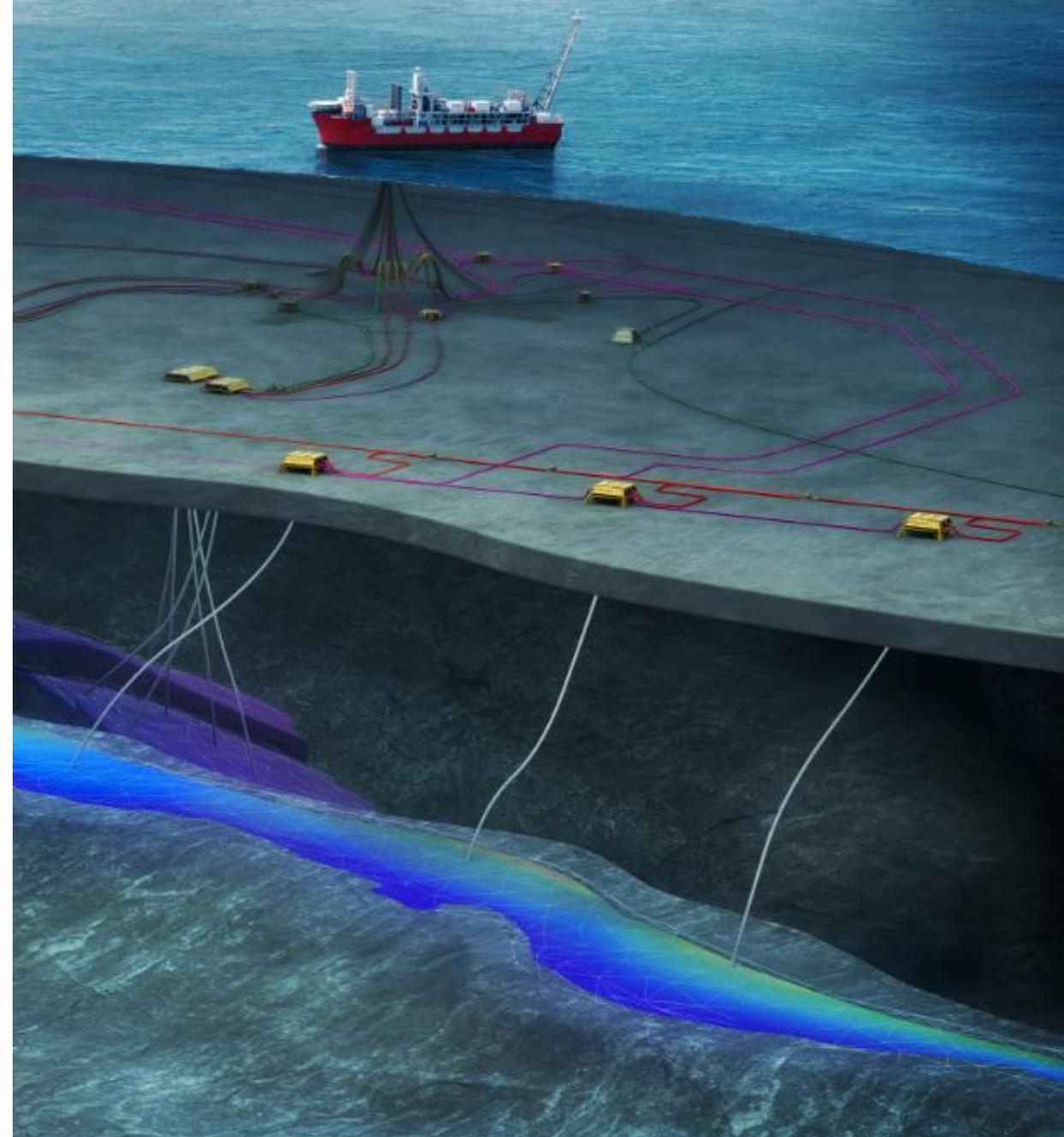
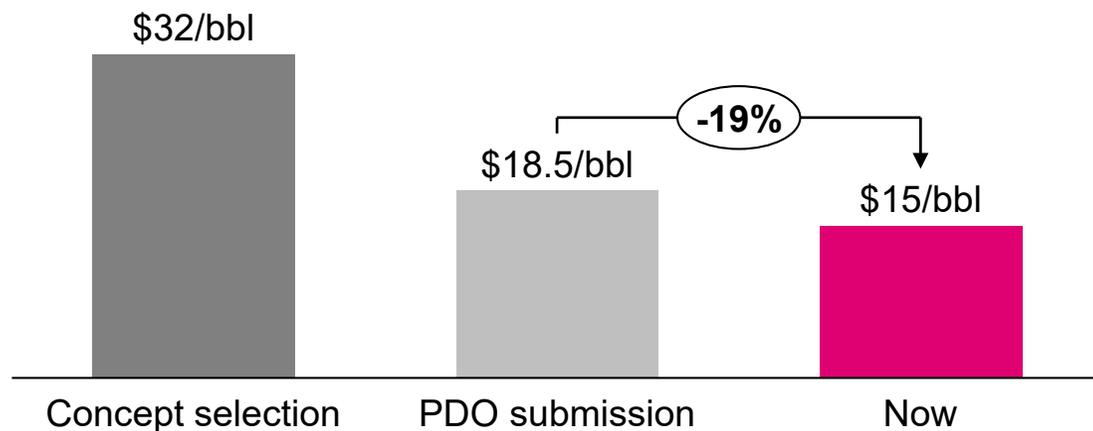
OPERATIONAL REVIEW

Ærfugl gets even better

Further improvement in break-even

- **Phase 1 on track for 2020 production start**
 - Technology qualification and EPC on plan
 - Preparing for subsea campaign in Q3
 - Drilling to commence in Q4
- **Phase 2 accelerated**
 - One of the three wells to be drilled from Idun template
 - Optimized well locations
 - Production start in 2020/21 (previously 2023)

Break-even oil price for Ærfugl



OPERATIONAL REVIEW

Ula preparing for next drilling campaign



OPERATIONAL REVIEW

Valhall in growth mode

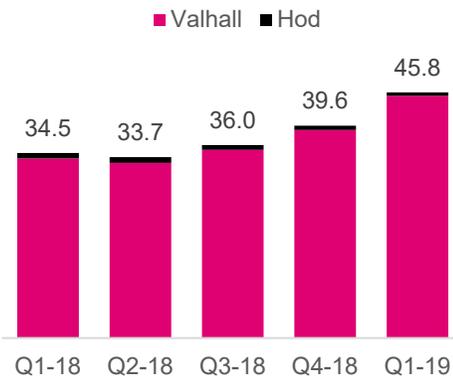
■ Increasing production

- Gradually improving production efficiency
- Contribution from new wells

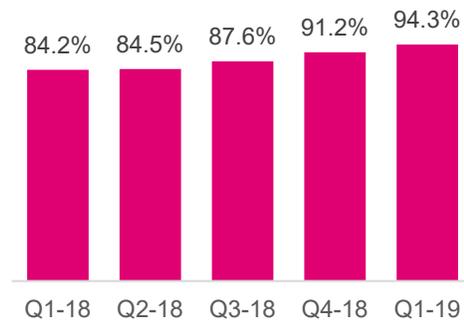
■ Progressing the project portfolio

- Valhall Flank West project on track
- New 7-well campaign planned from WP platform
- Hod E&A well dry – evaluating next steps

Production (mboepd)



Production efficiency



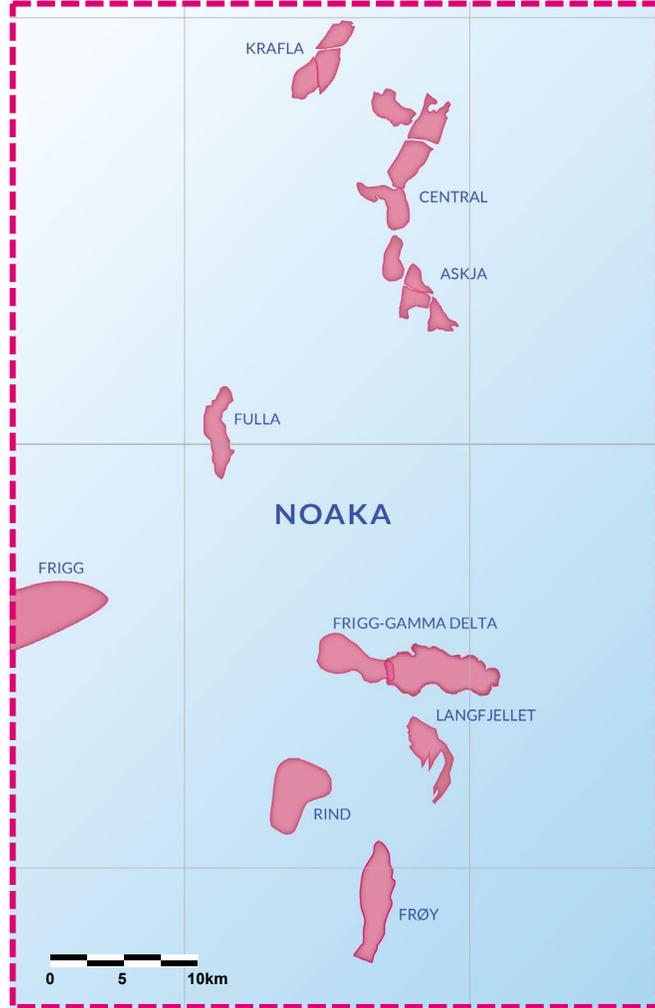
OPERATIONAL REVIEW

Johan Sverdrup on track

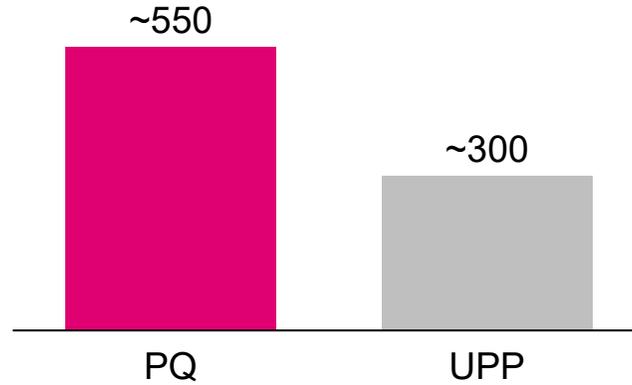


Targeting maximum value creation from NOAKA

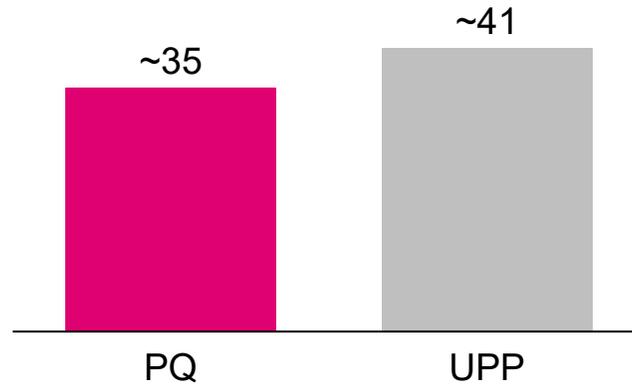
NOAKA PQ



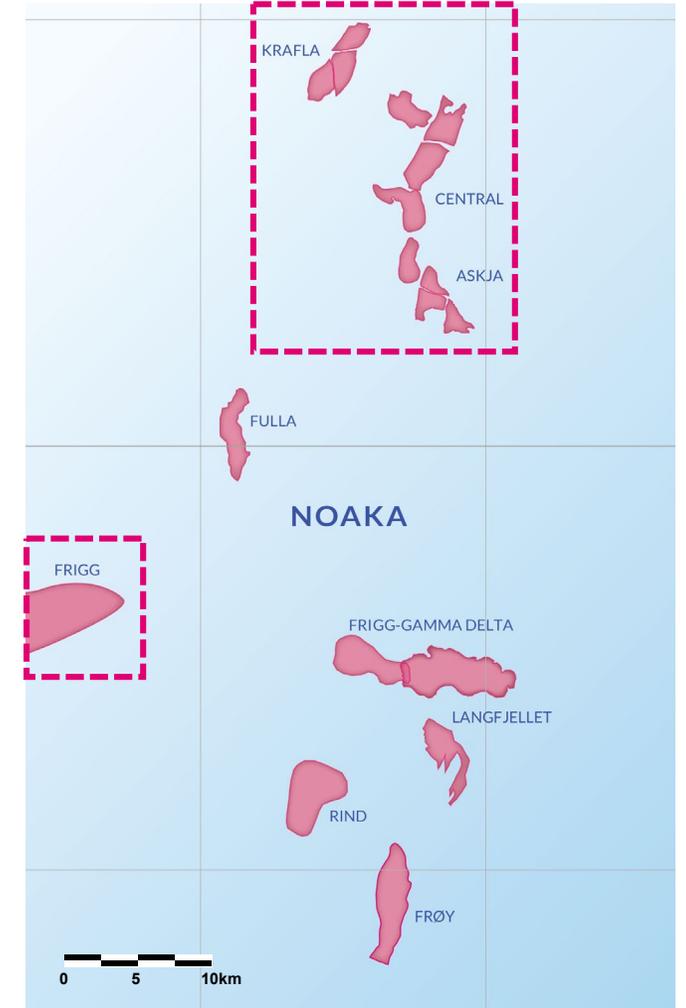
Recoverable resources (mmbobe)



Break-even oil price (USD/bbl)



Krafla UPP



EXPLORATION

2019 exploration program

License	Prospect	Operator	Aker BP share	Est. spud	Pre-drill mmboe	Result
PL869	Froskelår Main	Aker BP	60 %	Q1		Discovery 60-130 mmboe
PL857	Gjøkåsen	Equinor	20 %	Q1		Dry
PL033	Hod Deep West	Aker BP	90 %	Q1		Dry
PL869	Froskelår NE	Aker BP	60 %	Q1	7 - 23	Ongoing
PL916	JK	Aker BP	40 %	Q2	100 - 420	
PL502	Klaff	Equinor	22 %	Q2	50 - 372	
PL942	Ørn	Equinor	30 %	Q2	8 - 40	
PL814	Freke-Garm	Aker BP	40 %	Q2	16 - 81	
PL777	Hornet	Aker BP	40 %	Q3	14 - 137	
PL782S	Busta	ConocoPhillips	20 %	Q3	54 - 199	
PL019C	Kark	Aker BP	60 %	Q3	15 - 48	
PL762	Vågar	Aker BP	20 %	Q3	63 - 130	
PL869	Rumpetroll	Aker BP	60 %	Q3	45 - 148	
TBD	NOAKA area	Aker BP		Q3		
PL838	Shrek	PGNIG	30 %	Q4	10 - 22	

	Completed
	Ongoing
	Planned

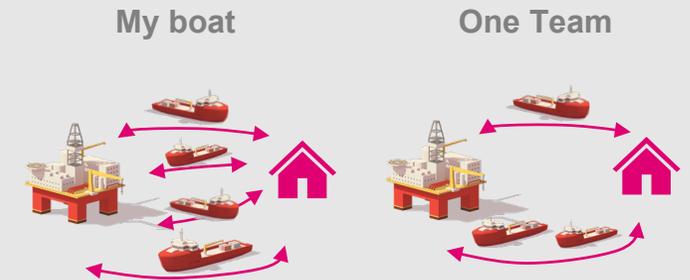
Using data to create more value

Examples

Lean logistics

Optimizing logistics across the NCS

- Challenge: waste in traditional supply vessel planning
- Solution: Data sharing tools (exChain) to drive improvement. Platform Supply Vessel frame agreement signed
- Leaner logistics at Ula and Valhall introduced in Q1. Annual cost improvement: USD 8 million



Smart maintenance

Tambar multi-phase pump

- Challenge: unexpected failures cause downtime
- Solution: Predictive analytics on live data to predict failures and take preventive action to avoid losses
- Estimated value next 5 years: USD 50 million



Financial review

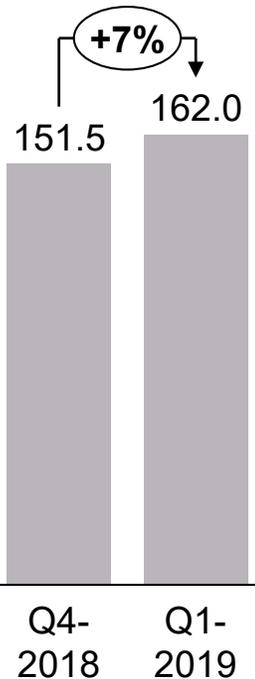
Oil and gas sales – higher volume and lower prices

Volume (mboepd)

Production



Sales

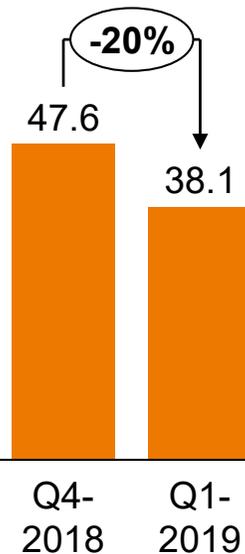


Realised prices (USD/boe)

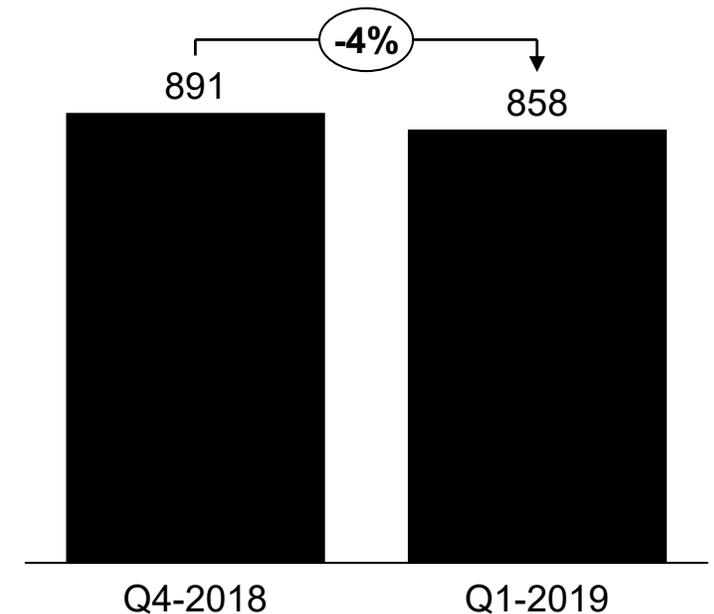
Liquids



Natural gas



Petroleum revenues (USDm)



Income statement

USD million	Q1 2019	Q4 2018*	Q1 2018*
Total operating income	836	916	944
Production costs	200	178	195
Other operating expenses	7	8	4
EBITDAX	629	731	746
Exploration expenses	90	72	55
EBITDA	539	658	691
Depreciation	183	196	185
Impairment losses	69	20	-
Operating profit/loss (EBIT)	287	442	505
Net financial items	(37)	(44)	(47)
Profit/loss before taxes	249	398	458
Tax (+) / Tax income (-)	239	335	290
Net profit/loss	10	63	169
EPS (USD)	0.03	0.17	0.47

Statement of financial position

USD million

Assets	31.03.19	31.12.18*	31.03.18*
Goodwill	1,791	1,860	1,860
Other intangible assets	2,483	2,433	1,992
Property, plant and equipment	5,954	5,746	5,665
Right-of-use asset	225		
Receivables and other assets	534	614	722
Calculated tax receivables	15	11	1,666
Cash and cash equivalents	114	45	38
Total Assets	11,117	10,709	11,943

Equity and liabilities	31.03.19	31.12.18*	31.03.18*
Equity	2,799	2,977	3,105
Other provisions for liabilities incl. P&A (long)	2,505	2,581	2,955
Deferred tax	1,867	1,753	1,338
Bonds and bank debt	2,226	2,018	3,086
Lease debt	369		
Other current liabilities incl. P&A	784	828	905
Tax payable	567	552	554
Total Equity and liabilities	11,117	10,709	11,943

Cash flow – first quarter 2019

USD million



Guidance summary

	2019 guidance ¹⁾	2019 actual YTD	Comments
Production	155-160 mboepd	158.7 mboepd	Net production excl. over/underlift
Capex	USD ~1.6 billion	USD 343 million	Excl. capitalized interest Incl. payments on lease debt
Exploration spend	USD ~500 million	USD 159 million	
Abandonment spend	USD ~150 million	USD 21 million	
Production cost per boe	USD ~12.5	USD 13.4	Per produced boe
Dividends	USD 750 million	USD 187.5 million	

Concluding remarks

Priorities ahead

Execute

- Safe and efficient operations
- Excellent project execution

Improve

- Lead the digital transformation of E&P
- Reorganize value chains with alliances
- Apply new technology to drive value creation

Grow

- High exploration activity
- Maturing resources to reserves





www.akerbp.com



www.akerbp.com