



DET NORSKE

Trondheim, 10 June 2016

Det norske oljeselskap and BP Norge merge to create a leading independent E&P company on the NCS

(Trondheim, 10 June 2016) Det norske oljeselskap ASA (Det norske) has entered into an agreement with BP p.l.c. (BP) to merge with BP Norge AS (BP Norge) through a share purchase transaction, to create the leading independent offshore E&P company. The transaction will significantly strengthen the combined company's operations, cost efficiency and growth potential, enabling the company to initiate dividend payment. The company will be named Aker BP ASA (Aker BP) and will be headquartered at Fornebuporten, Norway, with Aker ASA (Aker) and BP as main industrial shareholders.

"We are proud to announce this merger to create Aker BP, the leading independent offshore E&P company. Aker BP will leverage on Det norske's efficient operations, BP's International Oil Company capabilities and Aker's 175 years of industrial experience. Together, we are establishing a strong platform for creating value for our shareholders through our unique industrial capabilities, a world-class asset base and financial robustness. We look forward to taking advantage of the attractive growth potential on the Norwegian Continental Shelf through this industrial partnership with BP and to deliver on Aker BP's dividend story," says Øyvind Eriksen, Chairman of the Board of Directors in Det norske.

Aker BP will be jointly owned by Aker ASA (40%), BP (30%) and other Det norske shareholders (30%). As part of the transaction, Det norske will issue 135.1 million shares based on NOK 80 per share to BP as compensation for all shares in BP Norge, including assets, a tax loss carry forward of USD 267 million (nominal after-tax value) and a net cash position of USD 178 million.

In parallel, Aker will acquire 33.8 million shares from BP at the same share price to achieve the agreed-upon ownership structure.

"We have been in close dialogue with Folketrygfondet, Det norske's second-largest shareholder, which supports the transaction. From our start as an exploration company, we have developed the company into a fully-fledged E&P. With BP, we are taking another leap forward with the creation of Aker BP," says Eriksen.

The transaction will strengthen Det norske's balance sheet and is credit accretive through a 35% reduction in net interest-bearing debt per barrel of oil equivalent of reserves. Aker BP aims to introduce a quarterly dividend policy. The first dividend payment is planned for the fourth quarter of 2016, conditional upon the approval of creditors.

"BP and Aker have matured a close collaboration through decades, and we are pleased to take advantage of the industrial expertise of both companies to create a large independent E&P company. The Norwegian Continental Shelf represents significant opportunities going forward and we are looking forward to working together with Aker to unlock the long term value of the company through growth and efficient operations. This innovative deal demonstrates how we can adapt our business model with strong and talented partners to remain competitive and grow where we see long-term benefit for our shareholders," says Bob Dudley, Group Chief Executive of BP.

Aker BP will hold a portfolio of 97 licenses on the Norwegian Continental Shelf, of which 46 are operated. The combined company will hold an estimated 723 million barrels of oil equivalent P50 reserves, with a 2015 joint production of approximately 122,000 barrels of oil equivalent per day. Det norske and BP had at the end of 2015 a combined workforce of approximately 1,400 employees.

"Aker BP will have a balanced portfolio of operated assets and a high quality inventory of non-sanctioned discoveries. The company has potential to reach a production above 250,000 barrels of oil equivalent per day in 2023," says Karl Johnny Hersvik, Chief Executive Officer of Det norske.

Aker BP has the ambition to leverage on a lean and nimble business model and will gain access to state-of-the-art technological know-how and capabilities, through the industrial collaboration with BP.

"We will implement simple processes across the combined entity, and build a fit-for-purpose organisational structure, with corresponding capacity and competence from both organisations. We expect to realise significant cost cuts and synergies, which will be implemented in close cooperation with employees and suppliers," says Hersvik.

Øyvind Eriksen will remain Chairman of the Board of Directors and Karl Johnny Hersvik Chief Executive Officer of the combined company.

A presentation of the transaction is enclosed.

The transaction is subject to approval by the relevant Norwegian and European Union authorities. An extraordinary general meeting of Det norske will be scheduled to approve the transaction.

BAHR and Arctic Securities has acted as advisors to Det norske on the transaction.

Facts about BP Norge:

Proved plus probable reserves (end 2015)	225 mmboe
2015 net average production	62,100 boe/day
Number of licenses	13
Number of employees (end 2015)	870

2015 total revenues	NOK 7.9 billion
2015 total assets	NOK 23.5 billion
2015 free cash flow	NOK 2.5 billion

Facts about Det norske:

Proved plus probable reserves (end 2015)	498 mmboe
2015 net average production	60,000 boe/day
Number of licenses (end 2015)	84
Number of employees (end 2015)	530
2015 total revenues	USD 1.2 billion
2015 total assets	USD 5.2 billion
2015 free cash flow	USD -0.5 billion

Investor and analyst call

Det norske, BP and Aker will host an investor and analyst call at 08:00 CET 10 June 2016.

Participant Access - Dial in 5-10 minutes prior to the start time using the number / Confirmation Code below.

Confirmation Code: 3804762

Local - Oslo, Norway: +472350 0486

National free phone - Norway: 800 56053

National free phone - United States of America: 1877 280 2296

Local - New York, United States of America: +1646 254 3388

National free phone – United Kingdom: 0800 279 5736

Local - London, United Kingdom: +44(0)20 3427 1919

National free phone – United Kingdom: 0800 279 4977

Press conference

Det norske, BP and Aker will host a press conference at 10:00 CET 10 June 2016:

Venue: Fornebuporten building B, Oksenøyveien 10, Lysaker

Language: English

Webcast: A live webcast is available from 10:00 CET at www.detnor.no/en.

Contacts:

Investor contact: Jonas Gamre, VP Investor Relations, tel.: +47 971 18 292

Media contact: Rolf Jarle Brøske, SVP Communications, tel.: +47 911 12 475

About Det norske:

Det norske is a fully-fledged E&P company with exploration, development and production activities on the Norwegian Continental Shelf. Det norske is the operator of the producing Alvheim field and for the Ivar Aasen field development. In addition, the company is partner in the Johan Sverdrup field. Det norske has an active exploration programme on the Norwegian shelf and an ambitious strategy for growth. Det norske is listed on Oslo Børs with ticker 'DETNOR'. More about Det norske at www.detnor.no/en/

About BP:

Headquartered in London, BP is one of the world's largest integrated oil and gas companies with operations in more than 70 countries. BP Norge has been active on the Norwegian continental shelf since 1965 and operates five producing fields comprised of 13 platforms and one floating, production, storage and offloading vessel. The five fields are the Skarv field in the Norwegian Sea and Valhall, Hod, Ula and Tambar in the North Sea. Headquartered in Stavanger, BP Norway had approximately 870 employees at the end of 2015. More about BP at www.bpcom.no.

This information is subject to disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.