



AKERBP: Fourth quarter results 2016

Aker BP ASA ("the company" or "Aker BP") reported total income of USD 656 (255) million in the fourth quarter of 2016. Production in the period was 126.5 (54.0) thousand barrels of oil equivalent per day ("mboepd"), realising an average oil price of USD 52 (45) per barrel and a gas price of USD 0.19 (0.22) per standard cubic metre (scm).

"Aker BP continued to deliver a solid performance in the fourth quarter with stable, safe and efficient operations. The Ivar Aasen production start-up 24 December – on schedule and within the overall budget framework – was a major milestone for the company as operator. The company paid its first dividend in December and aims to sustain a minimum dividend level of USD 250 million per year going forward", CEO Karl Johnny Hersvik says.

Petroleum revenues were USD 542 (218) million, while other income was USD 114 (36) million. EBITDA amounted to USD 485 (208) million in the quarter and EBIT was USD 281 (-95) million. Net loss for the quarter was USD 67 (156) million, translating into an EPS of USD -0.20 (-0.77) after a tax charge of USD 277 (5) million. Net interest-bearing debt amounted to USD 2,425 (2,532) million per December 31, 2016.

Aker BP merger

After the merger, the integration between Det norske oljeselskap ASA ("Det norske") and BP Norge AS was completed during the quarter, marking "day one" for the new organisation. All licences and activity of BP Norge AS has been transferred to Aker BP.

Operations and drilling

The Valhall area passed 1 billion boe produced late 2016 and preparations are ongoing to resume drilling on the field from the injection platform in early 2017. Production from the Skarv area was high and stable in the quarter. Ula production was impacted by shut-ins and well conversion.

Production from the Alvheim area has been stable and high in the fourth quarter, positively impacted by the start-up of Viper-Kobra in November. The Transocean Arctic drilling rig commenced infill drilling at Volund in December.

Development projects

A major milestone was achieved with the production start-up of Ivar Aasen in December – on schedule and within the overall budget framework. The Johan Sverdrup project is progressing according to plan and the pre-drilling campaign was completed during the quarter. The development plan for the Oda development was submitted to the authorities in November.

Exploration

Drilling on the Langfjellet prospect in PL442 in the North Sea was completed during the fourth quarter. Preliminary volume estimates for the discovery are in the range of 24 to 74 million barrels of oil equivalent.

As previously announced at Aker BP's Capital Markets Day in January 2017, total net resource additions from exploration was 83 mmboe in 2016, stemming from the Langfjellet discovery and the drilling campaign at Askja/Krafla.

On 17 January 2017, Aker BP was offered ownership in 21 new licenses, including 13 operatorship in the 2016 Awards in Pre-defined Areas.

Dividend

In December, the company paid its first dividend of USD 0.185 per share. The next dividend payment, also of USD 0.185 per share is scheduled to be paid out on or about February 17, 2017.

The ambition is to sustain a dividend of minimum USD 250 million per year in the medium term and to increase the dividend level once Johan Sverdrup is in production.

Please find the Q4 2016 report and presentation attached. A live webcast is available from 8:30 CET at www.akerbp.com.

(Figures in brackets apply to the corresponding period in the previous year, and is for 2015 not directly comparable as they represent Aker BP prior to the merger with BP Norge AS.)

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About Aker BP:

Aker BP is a fully-fledged E&P company with exploration, development and production activities on the Norwegian Continental Shelf. Aker BP is the operator of Alvheim, Ivar Aasen, Skarv, Valhall, Hod, Ula and Tambar. The company is also a partner in the Johan Sverdrup field. Aker BP is headquartered at Fornebu, Norway, and is listed on the Oslo Stock Exchange under the ticker 'AKERBP'. More about Aker BP at www.akerbp.com.