



## Third quarter 2019 results

**Aker BP delivered strong operational performance and exploration success during the third quarter. The company's field developments progressed as planned, paving the way for a significant increase in production in the coming months. Johan Sverdrup was brought on stream early October, and Valhall Flank West remains on track for first oil later this year. The company paid a dividend of USD 187.5 million (USD 0.52 per share) in the quarter.**

Aker BP reported total income of USD 723 (785) million and operating profit of USD 196 (354) million for the third quarter 2019. Net loss was USD 43 million, compared to a net profit of USD 62 million in the previous quarter.

The company's net production in the third quarter was 146.1 (127.3) thousand barrels of oil equivalents per day ("mboepd"). Net sold volume was 143.3 (140.7) mboepd. The production volumes were below plan mainly due to delays in the stimulation program at Valhall following the planned maintenance shutdown in June. Average realized liquids price was USD 62.0 (69.3) per barrel, while the realized price for natural gas averaged USD 0.16 (0.16) per standard cubic metre ("scm").

Production costs for the oil and gas sold in the quarter amounted to USD 167 (198) million. Production cost per produced unit in the quarter amounted to USD 13.2 (15.4) per boe, negatively impacted by the costs of approximately USD 14 million related to an incident with the Mid Water Arch (MWA) at Alvheim. Any related insurance recoveries will be recognized in future periods.

Exploration expenses amounted to USD 70 (60) million. Total cash spend on exploration was USD 144 (119) million. The company completed six exploration wells in the quarter, of which the Liatåmet and Ørn wells were classified as discoveries. The Shrek well was completed and classified as a discovery after the end of the quarter.

Depreciation amounted to USD 206 (168) million, equivalent to USD 15.3 (14.5) per produced boe. Impairments amounted to USD 78 (0) million related to technical goodwill on Ula/Tambar, mainly triggered by decreased near-term oil and gas prices and updated cost and production profiles.

Profit before taxes amounted to USD 143 (268) million. Tax expense was USD 186 (206) million, representing an effective tax rate of 130 (77) percent. The tax rate was negatively impacted by impairment of technical goodwill with no tax impact, and an increase in deferred tax primarily driven by currency movements. Overall, the company reported a net loss of USD 43 million for the quarter.

Investments in fixed assets amounted to USD 435 (414) million in the third quarter. All field development projects, including Johan Sverdrup, Valhall Flank West and Ærfugl progressed according to plan. Abandonment expenditures in the quarter were USD 35 (40) million.

Net interest-bearing debt was USD 3.3 (2.9) billion at the end of the quarter, including USD 0.3 billion in lease debt. Total available liquidity at the end of the quarter was USD 2.9 (3.3) billion.

In August, the company paid a quarterly dividend of USD 0.5207 (NOK 4.44) per share. The Board has resolved to pay a quarterly dividend of USD 187.5 million (USD 0.5207 per share) in November 2019, implying total annual dividends of USD 750 million.

### **Presentation, webcast and conference call details:**

The full report and presentation are attached and can also be found on [www.akerbp.com](http://www.akerbp.com).

[AkerBP-2019Q3-Report.pdf](#)

[AkerBP-2019Q3-Presentation.pdf](#)

A live webcast will be available on our website from 08:30 (CEST).

To access the conference call, please contact the conference call operator at the telephone numbers listed below. Please call in 5 minutes prior to the scheduled start time and provide the confirmation code 22 166 52 or ask for the Aker BP Third Quarter 2019 Presentation.

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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 Fomebu, Norway, and is listed on the Oslo Stock Exchange under the ticker 'AKERBP'. More about Aker BP at [www.akerbp.com](http://www.akerbp.com).*

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

