Fourth quarter 2019 results and Capital Markets Update

Fourth quarter 2019 marked the end of a year of strong progress and value creation for Aker BP. For the first time, the company's quarterly total income exceeded one billion dollars, driven by record high production following the successful start-up of the Johan Sverdrup field, combined with continued strong performance from other fields. 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 1,003 (723) million for the fourth quarter 2019. Production cost per boe produced in the quarter amounted to USD 9.1 (13.2). For the full year, production costs were USD 12.4 (12.1) per boe, in line with previous guidance. Exploration expenses amounted to USD 85 (70) million in the quarter. For the full year, exploration spend totalled USD 501 (359) million, below the latest guidance of USD 550 million.

Profit before taxes amounted to USD 424 (143) million. Tax expense was USD 312 (186) million. Overall, the company reported a net profit of USD 112 million for the quarter.

All major field development projects progressed according to plan, and first oil from both Johan Sverdrup and Valhall Flank West was achieved during the quarter. Total capex for 2019 was USD 1,667 (1,202) million, in line with the latest guidance of USD 1.6-1.7 billion.
The Board has resolved to pay a quarterly dividend of USD 212.5 million, equivalent to USD 0.5901 per share, in February 2020.

Capital Markets Update

Aker BP today presents its update to the capital markets. The strategy remains firm and the company is in an excellent position to deliver strong growth with low costs and strong environmental performance.

2020 guidance summary

- In 2020, Aker BP estimates a production of 205-220 thousand barrels of oil equivalents per day.
- Aker BP is investing in profitable growth, and the company estimates capital expenditure in 2020 at a level of USD 1.5 bn.
- For 2020, Aker BP is planning to participate in ten exploration and appraisal wells, and expect exploration spend of around USD 500 million.
- Abandonment spend for 2020 is estimated at USD 200 million.
- Production costs per unit are estimated to be reduced by approximately 20 percent from 2019, down to an average of around USD 10 per barrel of oil equivalents.
- Dividends are proposed at USD 850 million for 2020.

Low emissions producer

Aker BP continues to be an oil and gas producer with low carbon dioxide emissions intensity; less than half the global average, and below the average for the Norwegian Continental Shelf.

Today, Aker BP announced that its emissions intensity will be further reduced to a targeted level of less than five kilograms of carbon dioxide emitted per barrel oil equivalent as from 2020.

Progressing towards a joint development of the NOAKA area

The North of Alvheim and Krafla-Askja ("NOAKA") area consists of the discoveries Frigg Gamma Delta, Langfjellet, Frøy, Fulla, Frigg, Rind and Krafla-Askja. Gross resources in the area are estimated to be more than 500 mmboe, with further upside potential from exploration and appraisal.

Aker BP is in a good and constructive dialogue with its partners to progress a joint technical solution for developing all the resources in the NOAKA area. The NOAKA development represents significant value creation to the Norwegian society and to the license holders.

Conference call details for the Fourth Quarter 2019 Presentation

The full Q4 2019 report and presentation can be found on the company's website www.akerbp.com

A conference call will be hosted at 08:00 (CET). 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

6600761 or ask for the Aker BP Fourth Quarter 2019 Presentation.

Phone numbers:
Norway: +47 21 00 26 10
United Kingdom: +44 (0) 330336 9125
Confirmation code: 6600761

A webcast will be available at the company's website from 08:00 (CET).

Webcast details for the Capital Markets Update

The Capital Markets Update will be hosted at Hotel Continental, Oslo, Norway at 10:00 (CET). A live webcast of the presentations will be available on the company's website www.akerbp.com

The presentation material will be published approximately 08:45 (CET).

[Aker BP Q4 2019 Report.pdf]

[Aker BP Q4 2019 Presentation.pdf]

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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.