Aker BP third quarter results 2017

Aker BP ASA ("the company" or "Aker BP") reported total income of USD 596 (248) million in the third quarter of 2017. Production in the period was 131.9 (59.8) thousand barrels of oil equivalent per day ("mboepd"), realising an average oil price of USD 55 (47) per barrel, while gas revenues were recognized at market value of USD 0.20 (0.15) per standard cubic metre (scm). Production cost per barrel of oil equivalents ("boe") was USD 11.1 (5.8).

EBITDA amounted to USD 395 (179) million in the quarter and EBIT was USD 219 (56) million. Net profit for the quarter was USD 112 (63) million, translating into an EPS of USD 0.33 (0.31). Net interest-bearing debt amounted to USD 1,941 (2,380) million per 30 September 2017.

"Aker BP continued to deliver a solid performance in the third quarter with stable, safe and efficient operations. An important strategic milestone was reached in October, when we announced the agreement to acquire Hess Norge AS. The transaction will strengthen Aker BP's production and resource base, and we will increase shareholder dividends following the transaction." CEO Karl Johnny Hersvik says.

Production and drilling
Two new wells commenced production at the Volund field during the quarter, resulting in a reallocation of production capacity from the Alvheim field. The Transocean Arctic drilling rig is currently drilling infill wells at Boa.

Production from the Skarv and Valhall areas was impacted by planned maintenance in the third quarter. Drilling from the Valhall injection platform continued and P&A activity commenced with the Maersk Invincible drilling rig.

Production at Ivar Aasen has remained stable in the third quarter. The Johan Sverdrup project is progressing according to plan with the first steel jacket installed on the field during the quarter. The partners in the Johan Sverdrup development reported further project improvements, including a NOK 5 billion reduction in Phase 1 investment costs.

Drilling of the Delta appraisal well in the NOAKA area was completed in the quarter and the Hyrokkin and Nordfjellet exploration wells in the North Sea were completed in the quarter, both dry.

Financing and dividend
Following a successful placement of a new USD 400 million bond in June, the company in the third quarter redeemed its USD 300 million subordinated bond and cancelled its USD 550 million revolving credit facility.

In August, the company paid a quarterly dividend of USD 0.185 per share.

Events after the end of the period
After the end of the third quarter, Aker BP entered into an agreement to acquire Hess Norge AS ("Hess Norge") for a cash consideration of USD 2.0 billion. The transaction includes Hess Norge's interests in the Valhall and Hod field, and a tax loss carry forward with a nominal after tax value of USD 1.5 billion.

(Figures in brackets apply to the corresponding period in the previous year, and is for 2016 not directly comparable as they represent Aker BP prior to the merger with BP Norge AS.)

For further details, and the full report, please see www.akerbp.com, or www.newsweb.no

A live webcast is available at our web-page www.akerbp.com/en from 8:30 CET.

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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.