



## Aker BP: Second Quarter and First Half Year 2018 Report

Aker BP ASA ("the company" or "Aker BP") reports total income of USD 975 million and operating profit of USD 552 million for the second quarter 2018. Net profit was USD 136 million and earnings per share were USD 0.38. The company paid a dividend of USD 0.3124 (NOK 2.51718) per share in the quarter.

The company's net production in the second quarter was 157.8 (142.7) thousand barrels of oil equivalents per day ("mboepd"). The increase was primarily a result of the acquisition of Hess Norge in December 2017. The company remains on track to reach its full-year production estimate of 155-160 mboepd.

Revenues were positively impacted by increased oil and gas prices. Average realised prices were USD 76 (51) per barrel of oil, and USD 0.28 (0.18) per standard cubic metre ("scm") of natural gas.

Production costs amounted to USD 164 (121) million or USD 11.4 (9.3) per barrel oil equivalents ("boe"). For the first six months, production cost per boe averaged USD 11.8, and remains in line with the company's estimate of USD 12 per boe for the full year.

Exploration expenses amounted to USD 75 (75) million. One exploration well was drilled in the quarter, which resulted in a non-commercial discovery. Exploration expenses were also impacted by two seismic surveys in the Barents Sea. Total exploration spend for 2018 is now estimated to be USD 425 (previously 350) million due to increased activity following the Frosk discovery and recent license awards.

Operating profit (EBIT) was USD 552 (210) million, after depreciation of USD 183 (184) million or USD 12.7 (14.2) per boe. Net financial expenses were USD 22 (84) million, while taxes amounted to USD 395 (67) million. Net profit was USD 136 (60) million for the second quarter.

Investments in fixed assets amounted to USD 302 (271) million, driven by field development projects across the company's portfolio. The Aker BP-operated field developments of Ærfugl, Valhall Flank West and Skogul as well as the Johan Sverdrup development are all progressing according to plan. The company's capex estimate for 2018 remains unchanged at around USD 1.3 billion.

Abandonment expenditures were USD 72 (20) million, driven by the ongoing campaign to plug and abandon old wells on the Valhall field. The abandonment program has progressed ahead of plan, and the rig will in the fourth quarter be re-allocated to production drilling. The total estimated abandonment spend for 2018 has consequently been reduced to USD 250 (previously 350) million.

The company's net interest-bearing debt was USD 3.0 billion at the end of the second quarter. Total available liquidity was USD 3.6 billion.

In May, the company paid a quarterly dividend of USD 112.5 million or USD 0.3124 per share, and the Board of directors has resolved to pay the same dividend in August. The plan is to maintain this level for the remainder of 2018, implying total annual dividends of USD 450 million. The Board's ambition is to increase the annual dividends by USD 100 million per year until 2021.

### Presentation and webcast

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

A live webcast is available at [www.akerbp.com/en](http://www.akerbp.com/en) from 08:30 CEST.

[2018-Q2 report](#)

[2018-Q2 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 Fornebu, 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.*