



Second quarter and first half 2021 result

Aker BP delivered strong operational performance in the second quarter. Production and cost were in line with plan and cash flow was record high. The positive trends for safety and emissions continued.

- *The strong operational performance by the Aker BP team, with low cost and low emissions, is an excellent foundation for the development of our large hopper of organic growth opportunities. Two weeks ago we delivered yet another PDO and we continue to mature our other projects towards important milestones in the coming years, with the aim of creating high value for all stakeholders, says CEO Karl Johnny Hersvik.*

All field development projects are progressing as planned. Production from Gråsel in the Skarv area started in June and Ærfugl phase 2 is on schedule for production start in fourth quarter 2021. Jacket installations have been successfully executed offshore for both the Hod project and Johan Sverdrup phase 2.

In addition, the company has recently submitted a plan for development and operations for Kobra East & Gekko in the Alvheim area. A final investment decision for the Frosk development is scheduled during the third quarter. As originally planned, Aker BP is ready for the decision on the development concept for the NOAKA area in the third quarter.

Second quarter 2021 summary

Aker BP reported total income of USD 1,124 (1,133) million and operating profit of USD 614 (591) million for the second quarter 2021. Net profit was USD 154 (127) million. The company paid a dividend of USD 112.5 million (USD 0.3124 per share) in the quarter. All field development projects are progressing as planned.

The company's net production in the second quarter was 198.6 (222.2) thousand barrels of oil equivalents per day (mboepd). The reduction was driven by planned maintenance and project activities at the company's producing assets. Net sold volume was 195.1 (223.2) mboepd. The average realised liquids price increased to USD 66.9 (60.1) per barrel, while the average realised price for natural gas increased to USD 45.1 (38.5) per barrel of oil equivalents (boe).

Production costs for the oil and gas sold in the quarter reduced to USD 158 (176) million. Due to lower production volumes, the average production cost per produced unit increased to USD 9.0 (8.6) per boe. Exploration expenses amounted to USD 102 (71) million. Total cash spend on exploration was USD 143 (86) million, reflecting higher exploration drilling and field evaluation activity. Depreciation was USD 240 (258) million, equivalent to USD 13.3 (12.9) per boe. Net financial expenses were USD 62 (90) million.

This resulted in operating profit of USD 614 (591) million and profit before taxes of USD 552 (501) million. Tax expenses amounted to USD 399 (374) million, and net profit ended at USD 154 (127) million for the quarter.

Capital expenditure for the development of fixed assets amounted to USD 391 (217) million in the second quarter. All field development projects progressed according to plan. Abandonment expenditures were USD 63 (98) million for the quarter.

At the end of the second quarter 2021, Aker BP had total available liquidity of USD 4.4 (4.4) billion. Net interest-bearing debt was USD 2.8 (3.3) billion, including 0.2 (0.2) billion in lease debt. In May, the company issued EUR 750 million Senior Notes with a coupon of 1.125% due

in 2029. During the quarter, the company also redeemed its USD 750 million Senior Notes 4.75% (2019/2024) and extended its senior unsecured Revolving Credit Facility.

In May, the company disbursed dividends of USD 112.5 million, equivalent to USD 0.3124 per share. The Board has resolved to pay a quarterly dividend in July 2021 of USD 112.5 million, equivalent to USD 0.3124 per share. The ambition is to pay total dividends of USD 450 million in 2021.

Aker BP continues to apply appropriate measures to minimise the risk to people and operations from the COVID-19 pandemic. The company has established a normalisation plan with three steps towards a state where extraordinary measures are no longer required. In mid-June, the first step of the offshore normalisation plan was implemented. If the situation allows, additional steps on the normalisation plan will be taken in early autumn.

Webcast and conference call details

The second quarter report and presentation are attached to this announcement, and can also be found on www.akerbp.com/en. The company will host a conference call today at 08:30 CEST, available as a webcast on the company's website.

To participate in the conference call, please contact the conference call operator at the telephone numbers listed below. Please join the event 5-10 minutes prior to scheduled start time and provide the confirmation code or ask for Aker BP's quarterly presentation.

Phone number Norway:	+47 2350 2007
Phone number UK:	+44 (0) 330 336 9125
Confirmation code:	8107226

Attachments

[Aker BP 2021-Q2 Report.pdf](#)
[Aker BP 2021-Q2 Presentation.pdf](#)

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About Aker BP:

Aker BP is an independent 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 'AKRBP'. More about Aker BP at www.akerbp.com.

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act.

This stock exchange release was published by Kjetil Bakken, VP Investor Relations, Aker BP ASA, on 15 July 2021 at 07:00 CEST.