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First quarter results 2020 will be negatively influenced by global pandemic

24 April 2020 – Kvaerner has in the first quarter taken several precautionary steps to safeguard employees, suppliers and local societies against the risks of the Covid-19 virus development. Kvaerner has demobilised the majority of hired-in personnel working on ongoing projects, office staff is working from home offices and several virus precautions influence daily work at the yards. Still, operations are continuing, and ongoing projects are moving forward at reduced capacity.

Until the uncertainty related to availability and extra costs for projects resources is concluded, margin recognition is temporarily reduced for some projects. The first quarter results will also be negatively impacted by extra costs related to precautions against the virus risk, and provisions for further associated costs.

It is estimated that these elements combined will influence the EBITDA for the Field Development segment with around negative NOK 190 million for the first quarter 2020. The effect is that out of first quarter revenues of about NOK 2 190 million, it is estimated that the EBITDA result for the Field Development segment will be around negative NOK 130 million.

Further details will be presented at 27 April 2020 as part of Kvaerner's announcement of the first quarter 2020 financial results.

ENDS

For further information, please contact:

Media inquiries:

Torbjørn Andersen, Vice President, IR & Communications, Kvaerner, Tel: +47 928 85 542, email: torbjorn.andersen@kvaerner.com

Investor Relations:

Idar Eikrem, EVP & CFO, Kvaerner, +Mob: +47 950 28 363, email: ir@kvaerner.com

About Kvaerner:

Kvaerner is a project execution specialist and a trusted advisor for our customers. We provide engineering, procurement and construction (EPC) services and deliver advanced offshore platforms, onshore plants, floating production units (i.e. FPSOs) and renewable energy solutions.

We have offices in seven countries and approximately 2 800 employees. Health, Safety, Security and Environment (HSSE) has the highest priority in our work, and we aim to deliver technology and solutions in a safe and sustainable way. Our passion, experience and expertise realise values for costumers and societies. Kvaerner ASA, through its subsidiaries and affiliates ("Kvaerner"), is an international contractor and preferred partner for operators and contractors within oil and gas, renewable energy and in the field of engineering and fabrication.

In 2019, Kvaerner's Field Development segment had consolidated annual revenues of NOK 9.4 billion and the company reported an order backlog at 31 December 2019 of NOK 8.2 billion. Kvaerner is publicly listed with the ticker "KVAER" at the Oslo Stock Exchange. For further information, please visit www.kvaerner.com (<http://www.kvaerner.com>).

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