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Highlights

Production
- Q1-17 production of 145.3 mboepd, +15% from Q4-16

Finance
- Q1-17 EBITDA USD 487 million, EPS USD 0.20
- Q1-17 Free cash flow* of USD 168 million (USD 0.50 per share)
- Quarterly dividend of USD 62.5 million (DPS of USD 0.185) to be disbursed in May

Operations
- Ivar Aasen ramp up ahead of expectations
- Redevelopment of Tambar sanctioned
- Concept selection (DG2) passed on Snadd, Valhall Flank West and Storklakken – on track to submit PDO before year-end
- Oil discovery at the Filicudi prospect in the Barents Sea

*Net cash flow from operating activities less net cash flow from investing activities
Financials

Q1 2017
# FINANCIALS

## Statement of income

<table>
<thead>
<tr>
<th>Income statement (USD mill)</th>
<th>Q1 2017</th>
<th>Q1 2016</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total operating income</td>
<td>646</td>
<td>205</td>
<td>1,364</td>
</tr>
<tr>
<td>Production costs</td>
<td>121</td>
<td>34</td>
<td>227</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>8</td>
<td>5</td>
<td>22</td>
</tr>
<tr>
<td><strong>EBITDAX</strong></td>
<td>517</td>
<td>165</td>
<td>1,115</td>
</tr>
<tr>
<td>Exploration expenses</td>
<td>30</td>
<td>36</td>
<td>147</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>487</td>
<td>129</td>
<td>968</td>
</tr>
<tr>
<td>Depreciation</td>
<td>184</td>
<td>114</td>
<td>509</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>30</td>
<td>38</td>
<td>71</td>
</tr>
<tr>
<td><strong>Operating profit/loss (EBIT)</strong></td>
<td>273</td>
<td>(23)</td>
<td>387</td>
</tr>
<tr>
<td>Net financial items</td>
<td>(47)</td>
<td>8</td>
<td>(97)</td>
</tr>
<tr>
<td><strong>Profit/loss before taxes</strong></td>
<td>227</td>
<td>(16)</td>
<td>290</td>
</tr>
<tr>
<td>Tax (+) / Tax income (-)</td>
<td>158</td>
<td>(48)</td>
<td>255</td>
</tr>
<tr>
<td><strong>Net profit/loss</strong></td>
<td>69</td>
<td>32</td>
<td>35</td>
</tr>
<tr>
<td>EPS (USD)</td>
<td>0.20</td>
<td>0.16</td>
<td>0.15</td>
</tr>
</tbody>
</table>
## Statement of financial position

<table>
<thead>
<tr>
<th>Assets (USD mill)</th>
<th>31.03.17</th>
<th>31.03.16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goodwill</td>
<td>1,818</td>
<td>739</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>1,664</td>
<td>924</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>4,600</td>
<td>3,090</td>
</tr>
<tr>
<td>Receivables and other assets</td>
<td>678</td>
<td>263</td>
</tr>
<tr>
<td>Calculated tax receivables (short)</td>
<td>395</td>
<td>215</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>183</td>
<td>155</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>9,337</strong></td>
<td><strong>5,387</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equity and liabilities (USD mill)</th>
<th>31.03.17</th>
<th>31.03.16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>2,455</td>
<td>371</td>
</tr>
<tr>
<td>Other provisions for liabilities incl. P&amp;A (long)</td>
<td>2,325</td>
<td>461</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>1,164</td>
<td>1,384</td>
</tr>
<tr>
<td>Bonds</td>
<td>513</td>
<td>518</td>
</tr>
<tr>
<td>Bank debt</td>
<td>2,000</td>
<td>2,221</td>
</tr>
<tr>
<td>Other current liabilities incl. P&amp;A (short)</td>
<td>760</td>
<td>431</td>
</tr>
<tr>
<td>Tax payable</td>
<td>120</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>9,337</strong></td>
<td><strong>5,387</strong></td>
</tr>
</tbody>
</table>
**First quarter 2017**
- Free cash flow of USD 168 million
- Dividend of USD 62.5 million (USD 0.185 per share) paid out in February
- Net interest-bearing debt (book value) of USD 2.33 bn
- Cash and undrawn debt facilities of USD 2.6 bn

**Financing**
- Leverage ratio decreased to 1.3x per March 31, 2017
- USD 62.5 million (USD 0.185 per share) to be paid out on or about May 19, 2017
- Assessing Aker BP's capital structure going forward

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* Before dividend, but including FX effect on cash held
# FINANCE

## 2017 Guidance

No changes made from guidance provided at CMD in January 2017

<table>
<thead>
<tr>
<th>Item</th>
<th>Guidance Aker BP ASA FY 2017</th>
<th>Actual per Q1 2017</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPEX</td>
<td>USD 900 – 950 million</td>
<td>USD 214 million</td>
<td>-</td>
</tr>
<tr>
<td>EXPEX</td>
<td>USD 280 – 300 million</td>
<td>USD 59 million</td>
<td>-</td>
</tr>
<tr>
<td>Production</td>
<td>128 – 135 mboepd</td>
<td>145.3 mboepd</td>
<td>Expecting Viper-Kobra decline throughout 2017, maintenance at Valhall and Skarv in Q3-2017</td>
</tr>
<tr>
<td>Production cost</td>
<td>USD ~11 per boe</td>
<td>USD 9.2 per boe</td>
<td>Production volume guidance unchanged, maintenance in Q3-2018</td>
</tr>
<tr>
<td>Decommissioning cost</td>
<td>USD 100 – 110 million</td>
<td>USD 8 million</td>
<td>Maersk Invincible rig to commence P&amp;A activity at Valhall in May 2017</td>
</tr>
</tbody>
</table>

*Note: Guidance based on USD/NOK 8.5*
Operations

Q1 2017
PRODUCTION

Oil and gas production

- Q1 2017 production of 145.3 mboepd (+15% from Q4-16)
  - Strong production from Viper-Kobra
  - Ramp-up of Ivar Aasen ahead of expectations

- Realized oil price of 54 USD/bbl, gas price of 0.21 USD/scm

- Strong execution focus has ensured high uptime and high production across assets

*Including FY 2016 production from BP Norge AS
**GREATER ALVHEIM AREA (65.0%*)**

**Further developing the Alvheim area**

- **Stable and high production in Q1-2017 from Alvheim area**
  - Operational efficiency of 97%
  - Production cost of 4.3 USD/boe in Q1-2017

- **Transocean Arctic commenced drilling in the Alvheim area in December 2016**
  - Currently drilling infill wells at Volund; one single-lateral completed and one tri-lateral well ongoing
  - Drill one exploration well in Volund West area
  - Two Boa infill wells planned in the second half of 2017
  - Further maturing opportunities for the area

- **Continued work on subsurface maturation to maximize recovery with lowest number of wells**

- **Storklakken concept selection (DG2) internally approved in March, targeting PDO (DG3) towards the end of 2017**
  - Tie-back to Alvheim FPSO via Vilje
  - First oil planned for 2020
  - Sale of 35% (retaining 65%) to PGNiG in March

* Except Vilje (46.9%)
IVAR AASEN (34.8%)

**Strong performance during first quarter of operation**

**Key events**

- High uptime and strong production performance during first quarter of operation
  - 91% uptime (96% ex. 3rd party losses)

- Production in accordance with agreed delivery commitment on Edvard Grieg

- Commissioning of remaining systems, water injection and export compressor ongoing

- Residual project scope handed over to operations for execution by maintenance & modification contractor

- Drilling of 2017 drilling scope commenced in March with Maersk Interceptor

- New drilling record: 1,742m within a 24 hour time period
JOHAN SVERDRUP (11.6%)

Johan Sverdrup project progressing according to plan

Key events

- **Project progressing according to plan:**
  - Most major contracts have been awarded
  - Platform construction ongoing on 22 engineering and construction sites globally
  - Completed pre-drilling of eight oil producers and four pilot wells
  - Pre-drilling of water injection wells are ongoing

- **Costs continue to come down**
  - Phase 1 CAPEX estimated at NOK 97 billion (nom.) with break-even oil price below 20 USD/boe
  - Full field CAPEX estimated at NOK 137 – 152 billion (nom.) with break-even oil price below 25 USD/boe

- **Concept selection for Phase 2 was approved in March, the project aims to deliver PDO in second half of 2018**
Realising upsides

Key events

- **IP Platform drilling program commenced in Q1-17**
  - 7 wells campaign of which three are planned in 2017

- **Valhall Flank West project concept selection approved**
  - Planned as unmanned wellhead platform with 12 well slots, tied back to Valhall field center
  - PDO planned for late 2017, first oil expected in 2020

- **Valhall Flank North water injection accelerated towards a planned concept selection in Q2-17**

- **Maturing further growth opportunities in the area, including**
  - Valhall Flank West upsides
  - Valhall Flank North
  - Valhall Flank South
  - Hod West and Saddle wells
  - Hod East and Water Flood
  - Lower Hod formation
ULA (80.0%) / TAMBAR (55.0%) HUB

Tambar re-development approved

- Increased production from Ula/Tambar in Q1-17 due to increased WAG-effects and one additional well available at Tambar

- Development targeting 27 mmboe (gross) through drilling of two additional infill wells and gas lift
  - Extends the production life from 2018 to at least 2028
  - Expected to lift production by 4 – 6 mboepd (gross) for several years

- Project break-even below 20 USD/boe
  - CAPEX of NOK 1.7 billion (gross)
  - Modifications on Tambar and Ula platforms
  - First oil expected in first half 2018

- Drilling to commence with Maersk Interceptor in Q4-2017
  - Testing OWC in the northern part of the field
  - Increased understanding of the Tambar reservoir
SKARV AREA (23.8%)

Maturing Snadd towards PDO

Key events

- **Stable operations and production throughout quarter**
  - 98% operational efficiency in Q1-2017

- **Test production from Snadd A1H well continues**

- **Partnership decision to conduct seismic survey during summer 2017**

- **Snadd project progressing as planned**
  - Development comprising of six subsea wells tied back to Skarv FPSO, including topsides modifications
  - Phase 1 passed concept selection (DG2) in March
  - PDO planned in Q4-17
  - First gas scheduled for 2020
## Exploration activities 2017

- **Discovery at Filicudi, Tonjer dry, Gohta (NE) ongoing**

- **Investing in additional seismic**
  - Entered into framework agreement for 4D seismic on existing operated assets with Western Geco
  - Acquisition of 12,000 km² 3D seismic data from PGS
  - Acquisition of 7,000 km² 3D seismic data from TGS

### License | Prospect name | Operator | Aker BP share | Pre-drill mmboe* | Time
--- | --- | --- | --- | --- | ---
PL150B | Volund West | Aker BP | 65% | 5 - 22 | Q2
PL677 | Hyrokkinn | Aker BP | 60% | 6 – 55 | Q3
PL442 | Nordfjellet/Delta | Aker BP | 90% | 10 – 39 | Q3
PL492 | Gohta (NE) | Lundin | 60% | Appraisal | Q1
PL533 | Filicudi | Lundin | 35% | 24 – 146 | Q1
JS Unit | Tonjer | Statoil | 11.6% | 26 – 114 | Q1
PL048G | Central 3 | Statoil | 3.3% | 8 – 21 | Q3

* Gross unrisked
EXPLORATION

Discovery at the Filicudi (35%) prospect

- **Gross resource estimated of 35 – 100 mmboe (gross)**
  - Encountered 129 meters of high quality sandstone reservoir in Jurassic and Triassic targets
  - Coring, logging, oil and gas sampled from wireline tools

- **Multiple additional prospects identified in PL533 with total gross unrisked prospective resources of up to 700 mmboe**

- **Considering drilling up to two additional prospects in PL533 during 2017**
  - **Hufsa**: Gross unrisked prospective resources of 285 mmboe
  - **Hurri**: Gross unrisked prospective resources of 218 mmboe
IMPROVEMENT

Reorganizing value-chain by alliances

- Entered into long-term framework agreements with key suppliers for development of fixed facilities offshore
  - Duration of six years, with options to extend four more years

- Valhall license has approved use of alliance model for Valhall Flank West development

- Fully aligned with Aker BP’s strategy to increase flow efficiency to reduce costs, cut bureaucracy and increase quality

- Ambition to reduced engineering hours per ton platform by 50% and a 25% reduction in execution time
  - 50% reduction in engineering hours implies reduction of about 190 man-years for a 5,000 MT topside
OUTLOOK

Summary and outlook

- **Operations**
  - Continue drilling in the Alvheim area
  - Ramp-up of production at Ivar Aasen
  - IP drilling at Valhall
  - Commence P&A operations at Valhall
  - Collect 4D seismic for four areas
  - Maturation of Snadd, Valhall Flank West and Storklakken towards PDO before year-end

- **Finance**
  - Proposed dividend of USD 62.5 million (USD 0.185 per share) to be paid out in May
  - Assessment of capital structure in Aker BP going forward

- **Business development**
  - The company to pursue further growth opportunities going forward both to enhance production and increase dividend capacity, while maintaining the highest HSE standards