

AKER BP ASA

NIRF medlemsmøte

May 2017



Disclaimer

Debt

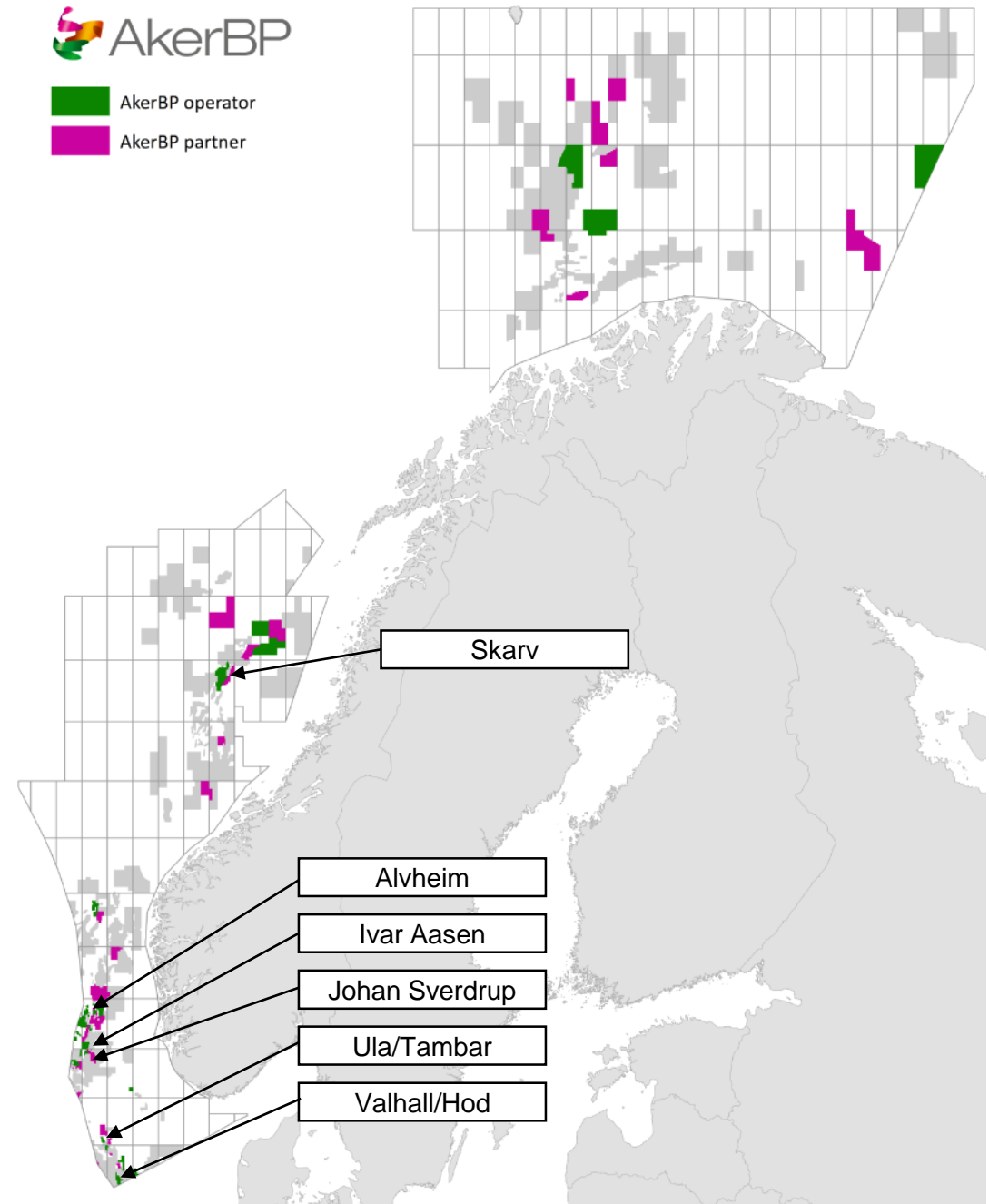
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Company snapshot

- **Company built through a combination of organic and inorganic growth**
 - Marathon Oil Norway acquisition (2014)
 - Merger with BP Norge AS (2016)
- **Enterprise value NOK ~70 bn**
 - Net interest-bearing debt NOK ~20 bn
- **End 2016 P50 reserves of 711 mmboe and contingent resources of 600 mmboe**
- **Production of 145 mboepd (Q1-2017)**
 - Potential to reach 270 mboepd in 2023 from existing discoveries (12% CAGR from 2016)

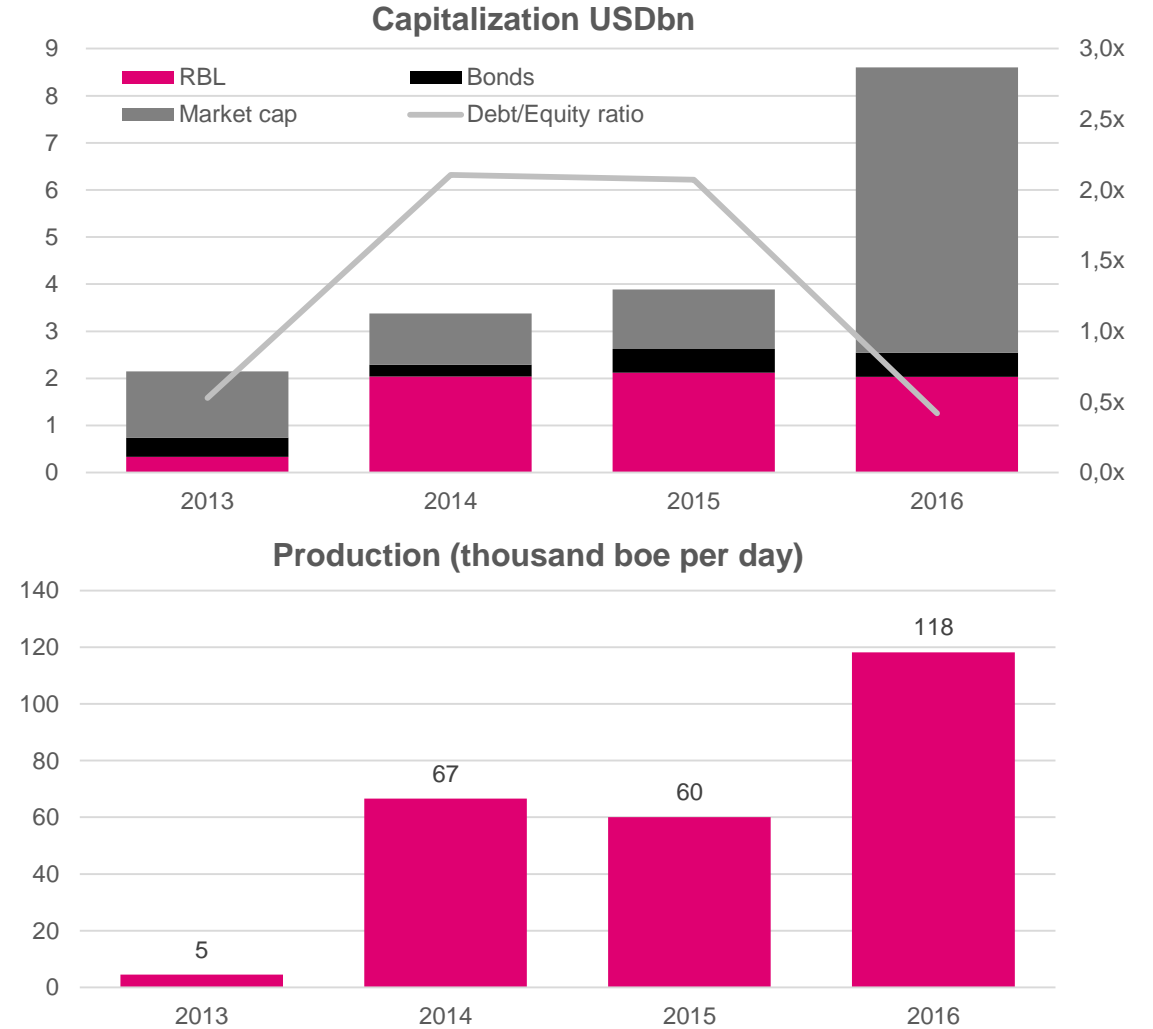


- AkerBP operator
- AkerBP partner

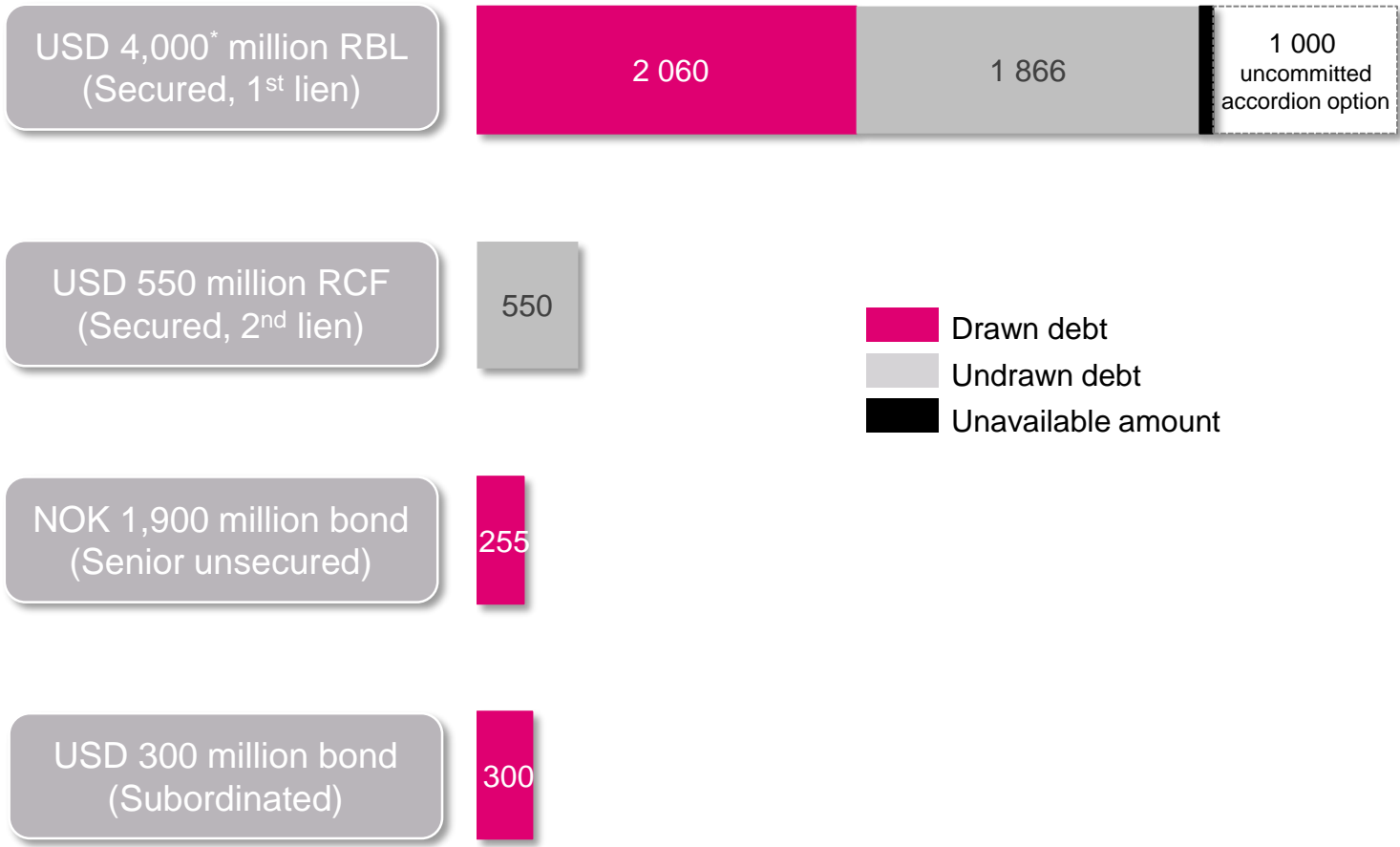


Evolution of capital structure

- **Company policy has been to retain a sufficient liquidity buffer to ensure capital flexibility**
- **Diversification of capital structure**
- **Available liquidity of USD 2.6 billion (end Q1-2017)**
- **Significantly strengthened credit metrics last two years**
 - NIBD / 2P reserves decreased from 10 to 3 USD/boe
 - NIBD / Market capitalisation decreased from 1.8x to 0.4x
- **Frequent investor meetings with equity and debt investors**
 - Keep all stakeholders on top of the story
 - Necessary if capital markets are to be utilized to raise new funds



Robust balance sheet and diversified capital structure



Key features

- 7 years from 2014
- 20 banks
- NPV based, semi-annual redetermination
- LIBOR + 3.25% (110 bps on unused amount)

- 4+1+1 years (at banks' discretion) from 2015
- 14 banks
- LIBOR + 5.5% (200 bps on unused amount)

- Matures July 2020 at 107 percent of par
- 3m NIBOR + 6.5%
- Maintenance covenants (aligned with banks)

- Matures May 2022
- All-in coupon: 10.25%
- No covenants
- Not part of net debt calculations for covenant purposes

* Total borrowing base availability of USD 3.9 billion

Debt investors: Issues impacting investor communication

- **Growth story can be a double-edged sword**
 - Moderate CAPEX spending
 - Risky M&A
- **Focus on downside protection**
 - Understanding recovery in worst case scenario
 - Petroleum tax regime protects downside
 - Hedging
 - Strong support from principal equity owners
- **Debt investors like diversification, equity investors do not**
 - Diversified cash flow base
 - Diversified development project risk





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