

Before the publication of the **Equinor 2Q results on 26 July 2023**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor IR. Consensus will be established around the following items:

- Adjusted earnings per reporting segment and tax on adjusted earnings per segment
- Adjusted exploration expense for EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

We remind you that the result for Financials is not included in the adjusted numbers and we will therefore ask you **NOT** to consider this in the input above.

For your convenience, we hereby remind you of some factors relevant for our 2Q results as well as other information that might be useful:

#### **E&P Norway:**

- Estimated realized liquids price for E&P Norway segment in 2Q is estimated in the range 72.7-74.7 USD/bbl.
- The preliminary internal gas transfer price for 2Q is published on our [webpage](#).
- The Norwegian Petroleum Directorate publishes [monthly production figures](#), normally issued 10-15 days into a month, giving preliminary figures for the previous month and more detailed information for earlier months.
- Five turnarounds in 2Q23, with higher expected production loss than in 2Q22. The impact is largest for gas production and total NCS gas production is expected to be lower in 2Q23 than in 2Q22.
- During 2Q23 we saw an effect of unplanned production losses of around 70 kboe/d, in addition to the effect of planned turnaround activities. The main factors are shut ins at Hammerfest LNG (Melkøya) impacting Snøhvit, now back in production, and Nyhamna, impacting Ormen Lange and Aasta Hansteen. We refer to Shell as the operator for more information regarding Nyhamna.
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value in periods with higher demand.
- We remind you that the assets on the NCS have NOK as functional currency.
- Equinor had activity on NCS on 11 wells in 2Q23, out of these 7 wells were completed.

#### **E&P International:**

- Estimated realized liquid price in the range of 66.3 - 68.3 USD/bbl for 2Q23.
- Gas/liquids share lower than previous quarter due to Corrib divestment concluded on 31 March.
- Equity production is marginally lower than 1Q23 mostly due to the above-mentioned divestment. Turnarounds impacted production at fields in UK, Angola and Brazil.
- Gas prices expected to be lower than previous quarter following reduced market prices.

- Exploration activity in 4 wells in Argentina during 2Q23: Bajo del Toro Norte 64 to 67.
- Following the investment decision on BMC-33 in Brazil, previous expense of two exploration wells will be reversed. This will positively impact adjusted earnings for 2Q23 with USD 277 million.
- The Suncor acquisition closed on 30.06.2023. There will not be any effects on earnings in 2Q23 related to this transaction, only balance sheet items reported.
- Depreciations are mainly at the same level as 1Q23.

#### **E&P USA:**

- Estimated realized liquids price in the range of 61.5 – 63.5 USD/bbl.
- Production is expected to be slightly up compared to 1Q23.
- Gas Price is down significantly in 2Q23 vs 1Q23.
- Higher depreciation due to the increase in production in offshore assets with higher DDA rates.
- Exploration expense is below amount in 1Q23.

#### **MMP:**

- Average Brent for the quarter was 78.4 USD/bbl, a decrease of 3,5% compared to 1Q23.
- Hammerfest LNG (Melkøya/Snøhvit) has been shut down from 4 May until 14 June. Reference is made to information published by Gassco.
- The quarterly guiding range for MMP's adjusted earnings is 400-800 million USD.

#### **REN:**

- The power generation from renewables in 2Q23 is expected to be in line with the historical seasonal production pattern.
- Most of the offshore wind power production is sold to fixed support prices.
- With reference to previous quarters, earnings from REN are expected to be negative due to growth mode of our REN business and project development activities which continue to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented net as "gains/losses from equity accounted investments".
- California offshore wind lease auction (winning bid Dec 2022) closed during the quarter.

#### **Effective tax:**

Indicative tax rates:

- Indicative tax range for EPN: 75-78%. The tax rate for EPN is still influenced by the effect of uplift deduction, but the effect is lower than in prior periods. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range. We remind you that the tax rate for 1Q23 was 77.7%.

- Indicative tax range for EPI: 30-45%. The tax rate is dependent on earnings composition between higher taxed countries and lower taxed countries including effects of uplift and investment allowances. We remind you that the tax rate for 1Q23 was 46.3%.
- Indicative tax range EPUSA: 22-30%. We remind you that the tax rate for 1Q23 was 23.4%
- Indicative tax range MMP: 40-60%. MMP's tax rate depends on the adjusted earnings composition, i.e earnings from NCS versus lower taxed regimes. We remind you that the tax rate for 1Q23 was 33.2%.

### **Cash flow movements:**

Cash Flow is not part of Equinor consensus. For your convenience we will nevertheless remind you of some movements (not a comprehensive list):

- NCS petroleum tax, the two last tax installments for the financial year 2022, USD 10 billion (NOK 53.6 billion \* 2)
- Other taxes, USD 441million
- Dividend payment of USD 2.9 billion (0.90 per share); Bond redemption of USD 300 million
- Share buy-back program – USD 440 million (2<sup>nd</sup> tranche 2023 of USD 550 million)
- State Share buy- back: USD 3,5 billion (2<sup>nd</sup>- 4<sup>th</sup> tranche 2022 and 1<sup>st</sup> tranche 2023 – NOK 39 billion)
- M&A activity with a cash outflow of USD 1,3 billion (including acquisition of Suncor UK Ltd)

Next quarter (conditional)

- NCS petroleum tax: one installment for the financial year 2023.
- Share buy-back program – USD 110 million (2<sup>nd</sup> tranche 2023 of USD 550 million)
- Share buy-back program – 3<sup>rd</sup> tranche 2023– to be decided
- Dividend payment – USD 2,7 billion (0.90 per share)

### **Other information:**

For more information please visit our [web-page](#). You may find useful historic information under the heading “[Information for analysts](#)”.

The 2022 annual report can be found here: [Annual reports - Equinor](#)

For guiding and additional information we refer to the presentation and transcript for 1Q23: [Our quarterly results - Equinor](#)

**The 2Q results will be reported 26 July at 07:00 CET.**