

Before the publication of the **Equinor 2Q results on 27 July 2022**, 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 invite you to provide tax on adjusted earnings per reporting segment, so that total tax on adjusted earnings will just be a formula adding the individual tax amounts from EPN, EPI, EPUSA, MMP, REN and Other. We also 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. Some of these items are preliminary and could change as we get more information before the release of results:

E&P Norway:

- Estimated realised liquids price for E&P Norway segment in 2Q was approximately USD 109.1-111.3 USD/bbl
- The preliminary internal gas transfer price for 2Q is published on our [web page](#) (also see our web page for historical prices)
- 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. Data from NPD per field can be found [here](#).
- Seven turnarounds in 2Q 2022 (same number as in 2Q 2021). Four on Equinor-operated fields and three on partner-operated fields. Turnaround on Johan Sverdrup started 20 June. Total turnaround losses in 2Q higher than expected last quarter.
- Gina Krog: continuation of gas export instead of re-injection.
- Hammerfest LNG (Melkøya/Snøhvit) resumed production June 1st, 2022. Good production from Snøhvit after start-up.
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value. Oseberg has had some holdback in 2Q 2022 due to price optimization. Troll had higher gas production compared to 2Q 2021. Total NCS gas production expected to increase compared to 2Q 2021.
- We remind you that the assets on the NCS have NOK as functional currency, i.e. the accounts are recorded in NOK. Currency movements will hence impact depreciation (assets to be depreciated are recorded in NOK) as this is translated into USD as the reporting currency. Impact of currency also on OPEX, as a significant share of the OPEX base has NOK exposure. The currency effect contributes to a decrease when compared to 2Q 2021.
- Compared to 2Q 2021, underlying OPEX in 2Q impacted by ramp up of new fields and increased maintenance and energy costs.
- We expect an increased level for depreciation in underlying currency per barrel in 2022 compared to 2021, this in line with previous communication.

- Equinor had activity on NCS on 10 wells in 2Q 2022, out of these 8 wells were completed.

E&P International:

- Estimated realised liquids price in the range of 108.8-111 USD/bbl.
- Production is expected lower than last quarter due to Russia exit and turnarounds
- Expecting similar level gas/liquids share as last quarter
- The Peregrino field in Brazil remains shut down due to the riser rupture.
- Note that one cargo was lifted from Agbami in Q2 (in June).
- Depreciation expected on the same level as last quarter.
- Corrib is classified as “held for sale”.
- Activity in 1 well in 2Q22

E&P USA:

- Estimated realised liquids price in the range of 94.1-96 USD/bbl.
- Note that we realize local prices for gas sold, which normally price is at a discount to Henry Hub.
- Production expected to be consistent with last quarter
- Expecting similar level gas/liquids share as last quarter
- DDA expected to be higher than last quarter.
- Activity in 1 exploration well in 2Q22. Expect expensing of previously capitalized exploration activity as well as termination fee with a combined impact of about USD 140 mill.

MMP:

- Average Brent for the quarter was 113.8 USD/bbl, price increase of 12% compared to last quarter.
- Maintenance at Mongstad refinery from 23 April – 22 June, throughput reduced by approximately 60% in 2Q.
- Maintenance at Tjeldbergodden Methanol plant since 7 May, no production for remaining part of 2Q.
- Equinor uses derivatives to trade and change price exposure in all trading segments. As previously explained, derivatives are valued mark to market in our accounts every quarter, while corresponding sales are valued at delivery. In 2Q 22 the net impact of derivatives applied to price risk manage our bilateral gas contracts, geographical optimization of piped gas flows and LNG sales is expected in the range of positive 400-550 MUSD in 2Q 2022.
- The normal guidance range of adjusted earnings of 250-500 MUSD assumes fairly typical operating and market conditions. Market prices in 2Q 22 means that MMP continues to have losses on methanol production from natural gas at Tjeldbergodden and an oil linked gas contract, while there is a gain on a small volume of deferred gas sales delivered this summer.
- In 2Q price volatility and spreads within the European gas and power markets have been higher than normal, which means that MMP expects results above the normal guidance range.

REN:

- The power generation from renewables second quarter 2022 is expected to be in line with the historical seasonal production pattern.

- Limited exposure to price volatility, high power prices are not expected to impact the reported results significantly.
- No transactions (acquisitions or divestments) closed in the quarter.
- With reference to previous quarters, earnings from REN might be 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".

Effective tax:

- Indicative tax range for EPN: 70-77%. In June, the NCS tax regime was amended to a cashflow tax regime. This means that uplift has been abolished on 2022 investments (still uplift on investments eligible for the temporary tax regime). 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 (close to 78%). We remind you that the tax rate for 1Q22 was 77.5%.
- Indicative tax range for EPI: 30-45%. The tax rate is depended on earnings composition between higher taxed countries and lower taxed countries including effect of uplift and investment allowances. We remind you that the tax rate for 1Q22 was 21.7%.
- Indicative tax range EPUSA: 0% (short term)
- Indicative tax range MMP: 40-60%. The tax rate is dependent on the earnings composition of adjusted earnings from NCS and lower taxed adjusted earnings outside NCS. Gains on derivatives taxed in the Norwegian offshore tax system will impact the effective tax rate.
- In periods with relatively high share of adjusted earnings from NCS the tax rate may be above the indicative range and in periods with relatively low share of adjusted earnings from NCS, the tax rate may be below the indicative range. We remind you that the tax rate for 1Q22 was a negative rate of 26.1%.

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 taxes, USD 8.0 billion (NOK 73.2 billion), two last instalments for the financial year 2021
- Dividend payment, USD 1.3 billion (0.40 per share) - USD 0.20 per share in base dividend and USD 0.20 per share in extraordinary dividend (dividend for 4Q 2021)
- Share buy-back program, USD 338 million, 2nd tranche of 2022 program
- M&A activity resulting in net cash of about USD 190 million

We also remind you that for the cashflow, there is normally a 30 days payment delay on the sales we make.

Next quarter (conditional):

- NCS petroleum taxes, estimated to USD 7.1 billion (NOK 70.3 billion) first installment for the financial year 2022
- Share buy-back program

- USD 102 million (estimated), 2nd tranche of 2022 program
- USD 1.4 billion / NOK 13.5 billion (estimated) Norwegian State's share
- Dividend payment, USD 1.3 billion (0.40 per share) USD 0.20 per share in base dividend and USD 0.20 per share in extraordinary dividend (dividend for 1Q 2022)
- Settlement of legal case: We expect to receive USD 160 million.
- M&A activity resulting in net cash in of about USD 800 million.

*At the CMU in February 2022, Equinor stated that the share buy-back program for 2022 would be up to USD 5 billion (incl State share). The remaining tranches for this year will be subject to BoD and AGM approvals. The share buy-back programmed 3rd tranche for 2022 is yet to be determined

Other information:

Updates to the quarterly report

Equinor has re-designed the structure and content of the quarterly report with the purpose to ensure that relevant information is provided to the market in an efficient and compliant way. For your convenience, an illustrative example of the updated report will be distributed in due time before publication.

High level overview of changes:

- 1) Press release
 - a. Table with key metrics updated and moved to the page 2
 - b. Introduces three recurring topics: strategic developments, operational performance and financial results (incl capital distribution). Bullet points on the topics on page 2 together with CEO quote, elaboration follows on page 3.
- 2) MD&A/Management commentary section
 - a. Removed one table in both Group review section and BA/segment sections and combined important key metrics in one table. At the same time the narrative is more focused on key items.
- 3) Supplementary disclosures table moved forward (follows Group review) and renamed Supplementary operational disclosures
- 4) Financial statements and notes disclosures:
 - a. A leaner set of financial statements by removing columns and notes disclosures not required by law or accounting standards.

Please note that none of the non-GAAP financial measures included previous quarter have been changed or removed from the report. These are still included in the Supplementary section following Condensed interim financial statement and notes.

More detailed overview of changes:

Section	Change	Rationale
Press release	Updated financial and operational information in a table	To include key results and highlighted operational data in easy-to-read format

Press release	Bullet points key items for the company separated by topic	Highlight key messages for the quarter
Press release	More strategic and operational information communicated	Communicate more relevant information which may not be obvious from the numbers but is still relevant
MD&A - Group Review	Updated financial and operational information in a table	To include key results and highlighted operational data in easy-to-read format
MD&A - Group Review	Narrative discussion to include more context and reader friendly information. Not focused on separate line items	Communicate more contextual information to the results
Supplementary operational information	Moved operational data and health, safety and the environment information from the supplementary disclosures section	Highlight key operational data earlier in the report. No changes to data provided, only changed location
MD&A - Business Areas/segments	Updated financial and operational information in a table	To include key results and highlighted operational data in easy-to-read format
MD&A - Business Areas/segments	Narrative discussion to include more context linking to operational activity	Communicate more contextual information to the results
IFRS Statements & Notes	Removed column for full year prior year results (i.e. full year 2021) in P&L, OCI and Cash flow statement	Less relevant to the comparative results for this report
IFRS Statements & Notes	Removed column for balance sheet at prior quarter end and prior year equivalent quarter end	Voluntary disclosure, can be removed, not much interest from the market noted
IFRS Statements & Notes	Note 2 aggregated line items (total other revenues)	Voluntary disclosure, can be removed, not much interest from the market noted
IFRS Statements & Notes	Note 6 Property, plant and equipment and intangible assets removed	Level of information not required with exception of certain items to be included in note 2 and 3
Supplementary disclosures	All disclosures of non-GAAP financial measures provided in previous quarter are included. Operational data moved to earlier in the report	To be consistent with prior disclosures, all are included.

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2021 contain relevant information in order to understand our business, reporting and numbers and can be downloaded from this page: [Annual Reports - equinor.com](#)
- For more information please visit our [web-page](#). You may find useful historic information under the heading "[Information for analysts](#)"

Guiding:

- Organic capital expenditures (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at an annual average of around USD 10 billion for 2022-2023 and at an annual average of around USD 12 billion for 2024-2025.
- Scheduled turnaround activity is estimated to reduce equity production by around 45 mboe per day for the full year of 2022.

- Production for 2022 is estimated to be around 2% above 2021 level (rebased for portfolio measures).

The 2Q results will be reported 27 July at 07:00 CET.

We will make the aggregated, average consensus numbers available through [our web-page](#) a week prior to the result day.