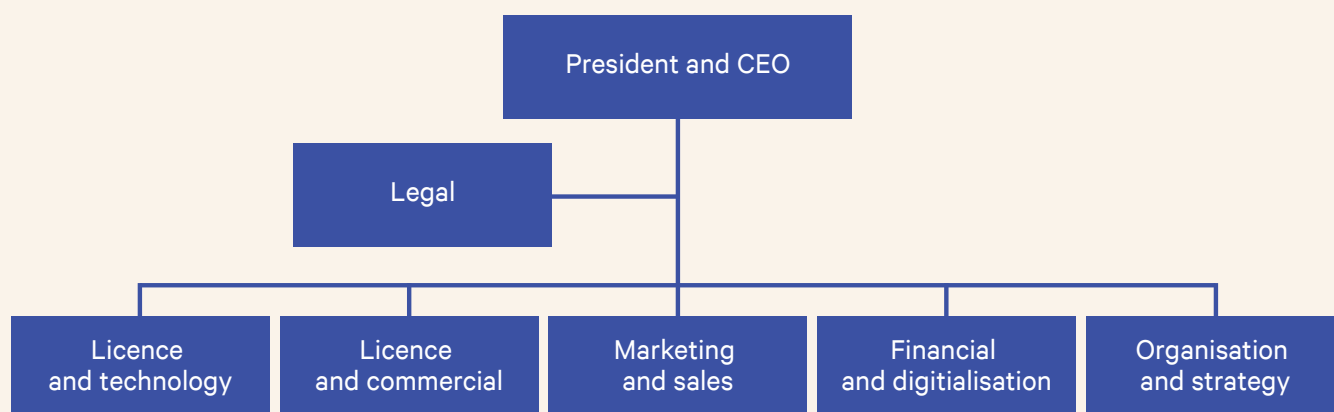


# Petoro AS

Petoro manages the State's Direct Financial Interest (SDFI). The company's principal objective is to generate the highest possible financial value from the SDFI portfolio. At the end of the year, the company had 65 employees.



The Ministry of Petroleum and Energy, in the person of the minister, represents the government as sole owner and serves as the company's general meeting and highest authority. The Board has overall responsibility for administration of the company. Petoro's organisation as of 1 January 2020 is as shown in the figure above.

## Key figures for Petoro AS

	2019	2018	2017
Total appropriation / administration grant (NOK million) *	287	280	274
Full-time equivalents (average number of full-time equivalents employed)	62.9	64.2	64.4
Payroll share of administration grant (per cent) **	37	38	39
Payroll costs per full-time equivalents (NOK million) **	1.71	1.64	1.66
Share of administration grant for studies and cutting-edge expertise (per cent)	20	16	15

\* excluding VAT

\*\* payroll as specified in Note 3

# The State's Direct Financial Interest (SDFI)

The SDFI scheme was established in 1985. Under this arrangement, the state participates as a direct investor in petroleum activities on the Norwegian continental shelf (NCS), so that the state receives revenues and meets expenses associated with SDFI's ownership interests. Petoro acts as licensee for the state's ownership interests in production licences, fields, pipelines and onshore facilities, and manages this portfolio based on sound business principles. At the end of 2019, the portfolio consisted of 200 production licences, 35 producing fields and 16 pipelines and terminals, as well as follow-up of 14 production licences with net profit agreements.

The SDFI portfolio represents about one-third of Norway's overall oil and gas reserves and yielded a cash flow of NOK 96 billion in 2019.

## Key figures for SDFI

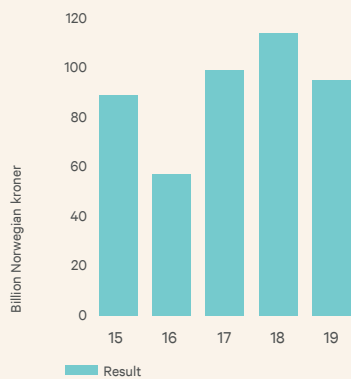
	2019	2018	2017
Net cash flow (in NOK million)	<b>96 184</b>	119 666	87 157
Operating revenue (NOK million) (NGAAP)	<b>153 395</b>	177 431	150 720
Production expenses (million NOK) (NGAAP)	<b>13 690</b>	17 440	14 262
Net profit (in NOK million) (NGAAP)	<b>95 647</b>	114 210	98 919
Investment (in NOK million) (capital accounts)	<b>26 331</b>	22 555	26 564
Production — oil and NGL (1,000 bbl/d)	<b>349</b>	370	398
Production - dry gas (million scm/d)	<b>98</b>	113	113
Production - total (thousand boe/d)	<b>964</b>	1 084	1 110
Remaining reserves (million boe)	<b>5 335</b>	5 544	5 879
Reserve replacement rate (annual percentage)	<b>40</b>	16	78
Reserves added (million boe)	<b>142</b>	62	316
Oil price (USD/bbl)	<b>65</b>	71	54
Oil price (NOK/bbl)	<b>572</b>	573	449
Gas price (NOK/scm)	<b>1.92</b>	2.17	1.72

# Key figures 2019

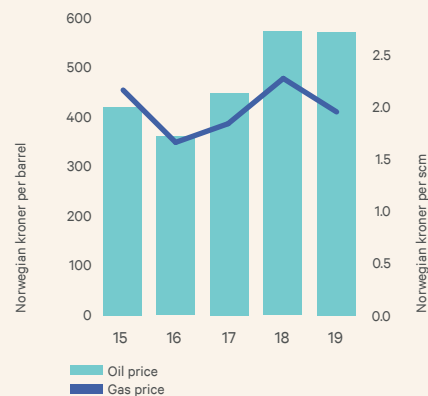
Cash flow



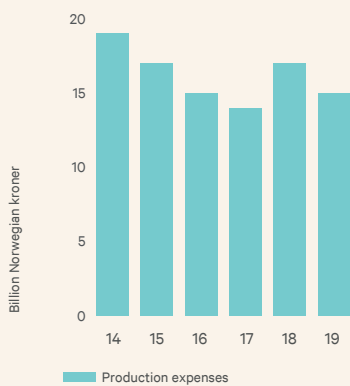
Result



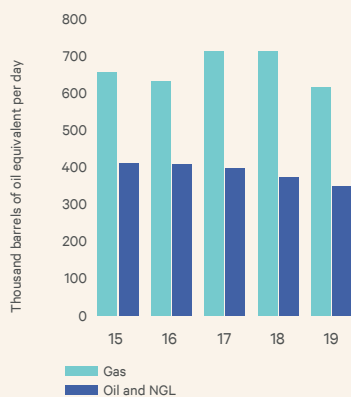
Oil and gas prices



Production expenses



Production



Investments (cash)

