

# Aker Solutions, Schlumberger and Subsea 7 Create Joint Venture – FAQs

September 14, 2022

## What are the estimated key financials expected for the joint venture?

- The initial ownership of the joint venture is 60/40% between Schlumberger and Aker Solutions, respectively. And Aker Solutions has previously guided a revenue-level of NOK 13 billion for 2022 from its subsea business, with an EBITDA-margin of about 15%
- Aker Solutions has in addition communicated a targeted revenue growth of about 10% on average annually towards 2025, for the company overall
- Net synergies for the joint venture are expected to be more than USD 100 million per year starting year three after closing
- The joint venture is expected to generate good cash flows and will have an attractive dividend policy

## How much leasing liabilities (IFRS 16) will remain in Aker Solutions?

- Aker Solutions expect overall leasing liabilities to reduce to about NOK 3.7 billion post-closing
- This mainly includes leasing of office buildings, incl. Aker Solutions' head office, and Aker Solutions will receive sub-lease income from the JV from some locations (where the JV will become a tenant)
- Leasing of subsea manufacturing sites and subsea service bases will in general be transferred to the joint venture

## What level of overhead cost level could be expected at Aker Solutions post-closing?

- Aker Solutions will come back to more guidance related to expected annual overhead costs level
- Revenue in future Aker Solutions is expected to grow by 10% on average annually from 2022 to 2025, driven in particular by the increased project sanctioning on the Norwegian Continental Shelf

## How will the joint venture be reported?

- The joint venture will be consolidated by Schlumberger
- Aker Solutions will in accordance with IFRS report its 20% ownership of the joint venture as equity accounted investee. This means that 20% of the net profit will be included in EBITDA and net income at Aker Solutions
- Dividend received from the joint venture will be recognized as part of Aker Solutions' cash flow statement, under cash flow from investing activities

## Will Aker Solutions' Tranby Technology Centre transfer to the joint venture?

- No, Tranby Technology Centre will remain with Aker Solutions
- The joint venture will rent office- and site space from Aker Solutions at this location. This means Aker Solutions will receive sub-lease income at this location from the joint venture
- As a reminder, Aker Solutions has previously ceased the production of subsea trees at Tranby

**Will Aker Solutions' Egersund yard transfer to the joint venture?**

- No, Egersund will remain with Aker Solutions
- As a reminder, Egersund is an important fabrication facility for the company's EMM- and Renewables & Field Development segments
- It is also one of the primary fabrication sites for Aker Solutions' subsea business, where it fabricates subsea manifolds, templates and structures, and serves as the main fabrication site for the Jansz subsea gas compression project. The joint venture will therefore subcontract fabrication work to Aker Solutions at this yard

**What will Aker Solutions dividend policy be?**

- Aker Solutions will continue its current dividend policy of distributing 30-50% of annual net profit to shareholders

**For additional information, please find Schlumberger FAQs related to the transaction published here:**

<https://investorcenter.slb.com/news-releases/news-release-details/schlumberger-aker-solutions-and-subsea-7-create-joint-venture>

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*Disclaimer: forward-looking information and statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from historical experience and present expectations or projections.*

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