



Tullow Oil plc - 2019 Half Year Results

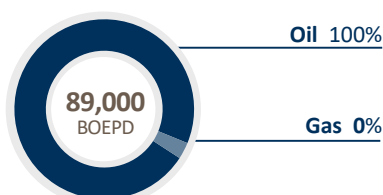
# FACT BOOK

Wednesday 24 July 2019

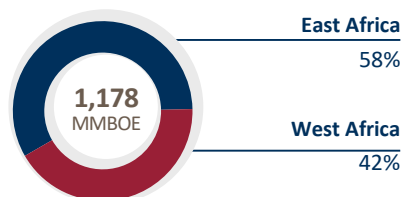
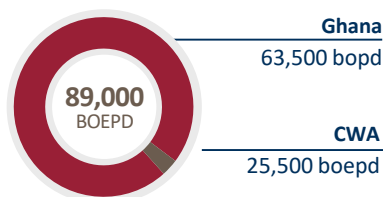
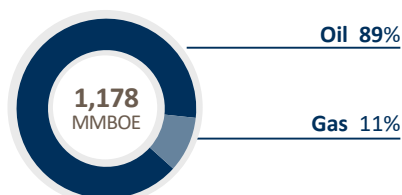
# BUSINESS DELIVERY TEAMS



## PRODUCTION & RESERVES AND RESOURCES

Group working interest production<sup>1</sup>

Group reserves and resources



<sup>1</sup> Total includes Jubilee Business Interruption insurance equivalent of 2,700 bopd for 1H 2019

# SUMMARY OF 2019 HALF YEAR RESULTS

	1H 2019	1H 2018
Sales revenue (\$m)	872	905
Gross profit (\$m)	527	521
Operating profit/(loss) (\$m)	388	300
Profit/(loss) before tax (\$m)	268	150
Profit/(loss) after tax (\$m)	103	55
Basic earnings/(loss) per share (cents)	7.4	3.9
Free cash flow	181	390
Net debt (\$m) <sup>1</sup>	2,948	3,082
Gearing (times) <sup>2</sup>	1.8	2.0
Oil working interest production (bopd) <sup>3</sup>	86,000	88,200
Gas working interest production (boepd)	300	2,800
Sales volume (boepd)	75,200	74,700
Underlying cash operating costs per boe (\$/bbl) <sup>4</sup>	9.0	10.9
Realised post hedge oil price per bbl (\$)	64.3	67.5
Exploration costs written off (\$m)	81	9
Impairment of property, plant and equipment (\$m)	12	8
Corporate Bonds (\$m)	1,750	1,750
Committed Bank Facilities (\$m)	2,450	2,482
Facility headroom plus free cash (\$m)	990	1,225

1. Net debt is cash and cash equivalents less total external borrowings.

2. Gearing is net debt divided by adjusted EBITDAX.

3. Total excludes Jubilee Business Interruption insurance equivalent of 2,700 bopd in 1H 2019 and 11,900 bopd in 1H 2018.

4. Cash operating costs are cost of sales excluding depletion, depreciation, amortisation, impairment loss and under/over lift movements.

# WORKING INTEREST PRODUCTION <sup>1</sup>

<b>Oil production</b>	<b>1H 2019 Actual (bopd)</b>	<b>FY 2019 Forecast (bopd)</b>
Ghana		
<i>Jubilee</i>	<i>31,400</i>	<i>34,000</i>
<i>TEN</i>	<i>29,000</i>	<i>30,000</i>
<b>Total Ghana</b>	<b>60,400</b>	<b>64,000</b>
Equatorial Guinea		
<i>Ceiba</i>	<i>2,100</i>	<i>2,000</i>
<i>Okume</i>	<i>3,600</i>	<i>4,000</i>
<b>Total Equatorial Guinea</b>	<b>5,700</b>	<b>6,000</b>
Gabon		
<i>Tchatamba</i>	<i>4,000</i>	<i>4,000</i>
<i>Limande</i>	<i>1,000</i>	<i>1,000</i>
<i>Etame Complex</i>	<i>1,000</i>	<i>1,000</i>
<i>Other Gabon</i>	<i>11,100</i>	<i>11,000</i>
<b>Total Gabon</b>	<b>17,100</b>	<b>17,000</b>
Côte d'Ivoire (Espoir)	2,800	2,500
<b>OIL PRODUCTION SUB-TOTAL</b>	<b>86,000</b>	<b>89,500</b>
Jubilee business interruption equivalent	2,700	1,300
<b>WEST AFRICA SUB-TOTAL (inc. Jubilee insurance bbls equivalent)</b>	<b>88,700</b>	<b>90,800</b>
<b>Gas production</b>	<b>(boepd)</b>	<b>(boepd)</b>
TEN gas	300	1,000
<b>GROUP OIL AND GAS TOTAL</b>	<b>86,300</b>	<b>90,500</b>
<b>GROUP OIL AND GAS TOTAL (inc. Jubilee insurance bbls equivalent)</b>	<b>89,000</b>	<b>91,800</b>

1. Includes condensate

# CAPITAL EXPENDITURE (CAPEX)

## 1H 2019 CAPEX – ACTUALS (\$M)

Business Delivery Teams	Exploration & Appraisal	Development	1H Total
West Africa (inc. Europe)	1	172	173
East Africa	-	56	56
New Ventures	35	-	34
<b>TOTAL</b>	36	228	264
Uganda <sup>1</sup>	-	16	16
<b>TOTAL (excl. Uganda)</b>	36	212	248

## FY 2019 CAPEX – FORECAST (\$M)

Business Delivery Teams	Exploration & Appraisal	Development	2018 Total
West Africa	5	350	355
East Africa	-	135	135
New Ventures	140	-	140
<b>TOTAL</b>	145	485	630
Uganda <sup>1</sup>	-	60	60
<b>TOTAL (excl. Uganda)</b>	145	425	570

<sup>1</sup> Uganda capex expected to be offset after completion of farm-down

# COSTS, DEPRECIATION AND TAX

## OPERATING DATA

OPERATING COSTS <sup>1</sup>	1H 2019 \$/boe	2019 Forecast \$/boe
Equatorial Guinea	14.9	15
Côte d'Ivoire	15.2	17
Gabon <sup>2</sup>	17.8	20
Ghana <sup>3</sup>	7.7	9

### DEPRECIATION <sup>1</sup>

Equatorial Guinea	7.3	7
Côte d'Ivoire	16.0	17
Gabon	9.5	13
Ghana <sup>3</sup>	23.7	25

## OTHER INFORMATION

TAX AND NUMBER OF SHARES	2019
Weighted tax rate	49%
Number of shares (million)	1,403

1. Data on a working interest basis.
2. Includes royalties.
3. Underlying operating costs per barrel presented is calculated including insurance equivalent production barrels.

# LIQUIDITY AND HEDGING

## LIQUIDITY POSITION

\$m	30 June 2019
<b>Cash and cash equivalents</b>	<b>362</b>
<b>Debt drawings</b>	
RBL Facility (\$2,450m) <sup>1</sup>	1,560
Senior Notes (\$1,450m) <sup>2</sup>	1,450
Convertible Bond (\$300m)	300
<b>Total debt</b>	<b>3,310</b>
<b>Net debt</b>	<b>2,948</b>
<b>Facility headroom plus free cash</b>	<b>990</b>

<sup>1</sup> Reserves Based Lending facility; amortization starting October 2020 and final maturity November 2024

<sup>2</sup> \$650m high yield bonds due 2022 and \$800m high yield bonds due 2025

## BREAKDOWN OF 2H 2019 HEDGE POSITION

Hedge structure	Bopd	Bought put (floor)	Sold call	Bought call
Collars	21,500 <sup>1</sup>	\$57.27	\$82.13	–
Three-way collars (call spread)	25,500 <sup>1</sup>	\$53.99	\$72.33	\$78.59
Straight puts	4,000	\$69.24	–	–
<b>Total / weighted average</b>	<b>51,000</b>	<b>\$56.56</b>	<b>–</b>	<b>–</b>

<sup>1</sup> In 1H 2019, there were 11 trades. In 2H 2019, the number of bopd hedged decreases when compared to whole year

## HEDGING PROGRAMME – THREE YEAR OUTLOOK

HEDGE POSITION (as of 30 June 2019)	2H 2019	2020	2021
<b>Oil hedges</b>			
Volume – bopd	53,500	36,997	11,500
Average Floor price protected (\$/bbl)	\$56.72	\$58.28	\$54.57



# 1H 2019 RESERVES AND RESOURCES SUMMARY

	WEST AFRICA		EAST AFRICA		NEW VENTURES		TOTAL		
	Oil mmbbl	Gas bcf	Oil mmbbl	Gas bcf	Oil mmbbl	Gas Bcf	Oil mmbbl	Gas bcf	Petroleum mmboe
<b>COMMERCIAL RESERVES</b>									
1 January 2019	236.2	259.9	-	-	-	-	236.2	259.9	279.5
Revisions	3.1	(19.9)	-	-	-	-	3.1	(19.9)	(0.1)
Disposals	-	-	-	-	-	-	-	-	-
Transfers from contingent resources	-	-	-	-	-	-	-	-	-
Production	(15.4)	(1.4)	-	-	-	-	(15.4)	(1.4)	(15.6)
30 June 2019	223.9	238.6	-	-	-	-	223.9	238.6	263.8

<b>CONTINGENT RESOURCES</b>									
1 January 2019	137.3	436.0	656.7	42.7	-	-	794.0	478.7	873.6
Revisions	18.2	58.4	12.4	-	-	-	30.6	58.4	40.3
Disposals	-	-	-	-	-	-	-	-	-
Transfers to commercial reserves	-	-	-	-	-	-	-	-	-
30 June 2019	155.5	494.4	669.1	42.7	-	-	824.6	537.1	913.9

## TOTAL

30 June 2019	379.4	733.0	669.1	42.7	-	-	1,048.5	775.7	1,177.7
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## Proven and Probable Reserves and Resources on a working interest basis

1. Proven and Probable Reserves and Resources are reported on a working interest basis
2. Proven and Probable Commercial Reserves are as audited and reported by an independent engineer. Reserves estimates for each field are reviewed by the independent engineer based on significant new data or a material change with a review of each field undertaken at least every two years, with the exception of minor assets contributing less than 5% of the Group's reserves.
3. The West Africa revisions to the oil reserves relate mainly to Jubilee (+2.9 MMbbl) and revisions to the gas reserves relate to Jubilee and TEN (-19 Bcf).
4. The West Africa revisions to contingent resources (+28 MMboe) relate mainly to Jubilee and TEN. The East Africa revisions to contingent resources (+12 MMboe) relate to Kenya.

The Group provides for depletion and amortisation of tangible fixed assets on a net entitlements basis, which reflects the terms of the Production Sharing Contracts related to each field. Total net entitlement reserves were 256.0 mmboe at 30 June 2019 (31 December 2018: 264.9 mmboe).

Contingent Resources relate to resources in respect of which development plans are in the course of preparation or further evaluation is under way with a view to future development.



# NET DAILY ENTITLEMENT AS % PRODUCTION

## WEST AFRICA PRODUCTION

	Contract Type	2019 (\$65/bbl)
<b>CÔTE D'IVOIRE</b>		
Espoir	PSC	97
<b>EQUATORIAL GUINEA</b>		
Ceiba	PSC	82
Okume Complex	PSC	77
<b>GABON</b>		
Echira	Corp Tax	100
Etame	PSC	0
Limande	Corp Tax	100
Niungo	Corp Tax	100
Oba	Corp Tax	100
Ezanga	PSC	83
Tchatamba	Corp Tax	100
Turnix	Corp Tax	100
Middle Oba	Corp Tax	100
Igongo	Corp Tax	100
<b>GHANA</b>		
Jubilee & TEN	PA	95

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