

Wintershall calls for unified action by Europe to ensure its supply security

- **Norway plays key role in future energy supply**
- **CEO Mario Mehren: "Europe must act in concert!"**
- **Growth in Norway: Wintershall DEA would be among the top five gas and oil producers on the Norwegian Continental Shelf after proposed merger**

Stavanger. Europe is well advised to invest in collaborating with reliable and proven supply countries to secure the future energy supply. This is what Mario Mehren, CEO of Wintershall, underlined today at Norway's largest energy conference and exhibition, Offshore Northern Seas (ONS) in Stavanger. "Europe needs to be aware of its strengths and must tackle the new political and economic challenges in concert. Only through closely collaborating with our neighbors can we guarantee supply security today and in the future," Mehren explained at the Wintershall press conference at the ONS.

Norway and Russia in particular, as the EU's long-standing reliable energy partners, have a key role to play. "Both countries are and will remain the decisive energy partners of the European Union," Mehren added.

Considerable development potential in Norway

Wintershall is therefore banking on growth in Norway and plans to invest a total of around €2 billion in exploring and developing its fields on the Norwegian Continental Shelf from 2017 to 2020. More than a

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third of Wintershall's global exploration budget will be used in Norway. "Our project pipeline is well filled! Wintershall already holds over 50 licenses in Norway today. We believe in the potential of the Norwegian Shelf. Here we also see one of our core production areas in the long term," explained Martin Bachmann, the Wintershall Executive Board member responsible for exploration and production in Europe and the Middle East, at the press conference.

This strategy distinguishes Wintershall from many major competitors in Norway: "Wintershall has consistently invested further in Norway," said Bachmann. "And what's more, we want to grow in Norway. For 2019 alone, we're planning four new exploration wells. The execution phase for the Nova project already started in early summer and plans for a possible development of our Balderbrå prospect are also progressing. We expect a further increase in our production volume with the start of Aasta Hansteen before the end of the year."

Nova: Wintershall continues to expand its subsea expertise

"When developing our projects, we rely on innovative technical solutions and smart project management," explained Hugo Dijkgraaf, Managing Director of Wintershall Norge. "This enables us to remain profitable even with volatile prices." Wintershall plans to develop the Nova field, whose Plan for Development and Operation was submitted in May this year, using two subsea templates. These underwater production systems will be connected by pipelines to the existing infrastructure belonging to the neighboring Gjøa platform. "Using existing infrastructure instead of building new installations not only saves time and costs but also protects the environment. This approach is technologically, environmentally and economically exemplary," said Dijkgraaf. Wintershall and its partners expect to invest a total volume of around €1.1 billion in the development of Nova. The recoverable reserves from the field are estimated to be around 80 million barrels of oil equivalent.

Wintershall DEA: One of the largest producers in Norway

Once the proposed merger of Wintershall and DEA, a subsidiary of LetterOne is completed, the new Wintershall DEA company would be among the top five oil and gas producers in Norway. "Wintershall and DEA have been firmly established on the Norwegian Shelf for years. Norway would become an even more important growth region for Wintershall DEA and – after Russia – by far the largest production location. With more than 100 licenses and shares in 20 producing fields, we could increase our joint production in Norway to over 200,000 barrels of oil equivalent per day in the near future," said Mario Mehren at the press conference in Stavanger: "Within a decade we have grown from a small project office into one of the most important E&P players in Norway."

Norway's energy policy makers have also contributed to this success story. The gas and oil industry is the main cornerstone of the Norwegian welfare system. More than 200,000 people work in the industry, accounting for over 40% of exports. "I'm convinced that the Norwegian Continental Shelf has a future – but that shouldn't be taken for granted. Investments must continue," Mehren said.

"Europe has to play its trump cards"

The stable and reliable energy partnerships with Norway and Russia will become even more important for Europe in the future. "Take for example gas. Demand in the EU is rising, but domestic production is declining – which in short means that the import demand is increasing. In 2030, for example, the EU will have to import around 400 billion cubic meters of natural gas," Mehren explained. "In order to meet this increasing import demand, we need reliable partners, especially in pipeline distance. Nord Stream 2, for example, will provide an additional capacity of 55 billion cubic meters of natural gas when it is completed. This is natural gas that Europe needs," the Wintershall CEO underlined. Natural gas is also making a significant contribution to Germany's and Europe's energy transition and to reducing CO₂

emissions. Without natural gas as the most climate-friendly fossil fuel, the EU could not achieve its climate goals. "Europe has the advantage of being able to use its geographical proximity and direct connection to the large energy reserves in Norway and Russia in pipeline distance," Mehren said. "Our well-established and reliable partnerships in particular with these two countries are essential for achieving the climate targets. Europe has to play its trump cards."

Wintershall Norge AS is one of the largest oil and gas producers in Norway with a daily production of around 100,000 barrels of oil equivalent. The company owns about 50 licenses on the Norwegian Continental Shelf, more than half of them as the operator. In 2017, the Maria field became the first development on the Continental Shelf that Wintershall brought into production as the operator. The next planned project is Nova (formerly Skarfjell). The company is also the operator of the producing fields Brage and Vega. Wintershall Norge AS employs around 500 staff and belongs to Wintershall Holding GmbH.

Wintershall Holding GmbH, based in Kassel, Germany, is a wholly owned subsidiary of BASF in Ludwigshafen. The company has been active in the extraction of natural resources for 120 years, and in the exploration and production of crude oil and natural gas for over 85 years. Wintershall deliberately focuses on selected core regions where the company has built up a high level of regional and technological expertise. These are Europe, Russia, North Africa, South America, and increasingly the Middle East region. The company wants to expand its business further with exploration and production, selected partnerships, innovation and technological competence. Wintershall employs about 2,000 staff worldwide from 50 nations and is now Germany's largest, internationally active crude oil and natural gas producer.

Wintershall. Shaping the future

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