Equinor second quarter 2025 results

23.07.2025 | GlobeNewswire

Equinor (OSE:EQNR, NYSE:EQNR) delivered an adjusted operating income* of USD 6.53 billion and USD 1.74 billion after tax* in the second quarter of 2025. Equinor reported a net operating income of USD 5.72 billion and a net income of USD 1.32 billion. Adjusted net income* was USD 1.67 billion, leading to adjusted earnings per share* of USD 0.64.

Solid financial results

- Strong operational performance and production growth
- Higher US onshore gas production capturing higher prices
- Stable cost and capex in line with guidance
- Balance sheet remains robust through lower price environment

Strategic progress

- Delivered key milestones on Johan Castberg, Johan Sverdrup phase 3 and Fram South/Troll
- Announced divestment of the Peregrino field in Brazil for USD 3.5 billion
- Financial close of Baltyk 2 & 3 offshore wind projects in Poland
- Empire Wind 1 project development back in execution. Impairments driven by regulatory changes for future offshore wind projects leading to a loss of future synergies on South Brooklyn Marine Terminal, and increased exposure to tariffs

Capital distribution

- Ordinary cash dividend of USD 0.37 per share, third tranche of share buy-back of up to USD 1.265 billion
- Expected total capital distribution of USD 9 billion in 2025

Anders Opedal, President and CEO of Equinor ASA:

"We are on track to deliver production growth in 2025 in line with our guidance. Strong operational performance and Johan Castberg reaching plateau are key contributors this quarter. In today's volatile markets we stay committed to being a long-term energy provider to Europe."

"Last year, we strengthened our onshore gas portfolio in the US and this has created substantial value this quarter, with a fifty percent increase in gas production at prices almost eighty percent higher than the same time last year."

"We continue to progress our portfolio in renewables, and the Empire Wind 1 project development is back in execution. We have reached financial close for the Baltyk 2 & 3 offshore wind projects in Poland at favourable terms, contributing to strong returns."

Solid production

Equinor delivered a total equity production of 2,096 mboe per day in the second quarter, up 2% from 2,048 mboe in the same quarter last year.

On the Norwegian continental shelf the operational performance was strong. New production from the Johan Castberg field reaching plateau and Halten East contributed. Together, this offset natural decline, impact from the turnaround at Hammerfest LNG and maintenance at the Kollsnes processing plant.

The acquisition of additional interests in US onshore assets in 2024, and higher production from these assets, contributed to a 28% increase in oil and gas production from US in the second quarter, compared to the same period last year.

The production from the international upstream segment, excluding US, is down compared to the same quarter last year, due to exits from Nigeria and Azerbaijan in 2024. Higher production in Brazil, and new wells in Argentina and Angola, contributed positively.

The total power generation from the renewable portfolio was 0.83 TWh. The increase compared to second quarter last year is due to ramp up of power production from Dogger Bank A and new production from the onshore wind farm Lyngsåsa in Sweden which was acquired in first quarter 2025.

In the quarter, Equinor completed 5 offshore exploration wells on the NCS with 2 commercial discoveries.

Strong financial results

Equinor delivered an adjusted operating income* of USD 6.53 billion and USD 1.74 billion after tax* in the second quarter of 2025. The results are affected by lower liquids prices, which were partially offset by higher gas prices and higher production.

The reported net operating income of USD 5.72 billion is down from USD 7.66 billion in the same quarter last year. This is impacted by an impairment of USD 955 million due to regulatory changes causing loss of synergies from future offshore wind projects and increased exposure to tariffs. Of this, USD 763 million is related to Empire Wind 1/South Brooklyn Marine Terminal project and the remainder is related to the Empire Wind 2 lease.

Equinor realised a European gas price of USD 12.0 per mmbtu and realised liquids prices were USD 63.0 per bbl in the second quarter.

Adjusted operating and administrative expenses* are stable from the same quarter last year.

Strong operational performance generated cash flows provided by operating activities, before taxes paid and working capital items, of USD 9.17 billion for the second quarter.

Equinor paid two NCS tax instalments totalling USD 6.85 billion in the quarter. From August, the payments of tax on the NCS will be changed to ten installments annually, and for third quarter Equinor expects to pay two installments of NOK 19.7 billion each.

Cash flow from operations after taxes paid* ended at USD 1.94 billion.

Organic capital expenditure* was USD 3.40 billion for the quarter, and total capital expenditures were USD 3.58 billion.

The net debt to capital employed adjusted ratio* was 15.2% at the end of the second quarter, compared to 6.9% at the end of the first quarter of 2025. The calculation of net debt ratio includes the effect of the Norwegian state's share of the share buy-back, at USD 4.26 billion paid in July.

Strategic progress

Since the end of the last quarter, Equinor progressed projects to facilitate long-term production and value creation on the Norwegian continental shelf. The plan for development and operation on Fram South was submitted and final investment decision was made on Johan Sverdrup phase 3 in the North Sea which are expected to increase the recoverable volumes from the field by 40-50 million boe.

After less than three months in production, the Johan Castberg field in the Barents Sea reached plateau on 17 June. The same month, an oil discovery estimated at approximately 9-15 million barrels was made in the area and can contribute with additional reserves for the field.

Equinor and Centrica signed a long-term gas sales agreement of 55 TWh of natural gas per year for a period of 10 years, demonstrating the importance of long-term gas supplies from the NCS to support the UK's energy security.

Equinor continues to high-grade its international portfolio. In the quarter, the sale of the Peregrino field in Brazil for USD 3.5 billion was announced. Equinor will focus on the start-up of the Bacalhau field expected on stream later in 2025 and progressing the Raia gas project. New exploration acreage in the Santos basin was awarded.

Financial close was announced on the Baltyk 2 and Baltyk 3 offshore wind projects with financing packages totalling EUR 6 billion. The wind projects are located offshore Poland with an expected total capacity of 1.4 GW.

Competitive capital distribution

The board of directors has decided a cash dividend of USD 0.37 per share for the second quarter of 2025, in line with communication at the Capital Markets Update in February.

Expected total capital distribution for 2025 is USD 9 billion, including a share buy-back programme of up to USD 5 billion. The board has decided to initiate a third tranche of the share buy-back programme of up to USD 1.265 billion. The tranche will commence on 24 July and end no later than 27 October 2025.

The second tranche of the share buy-back programme for 2025 was completed on 17 July 2025 with a total value of USD 1.265 billion.

All share buy-back amounts include shares to be redeemed by the Norwegian state.

- - -

**For items marked with an asterisk throughout this report, see Use and reconciliation of non-GAAP financial measures in the Supplementary disclosures.*

- - -

Further information from:

Investor relations
Bård Glad Pedersen, Senior vice president Investor relations,
+47 918 01 791 (mobile)

Press
Sissel Rinde, Vice president Media relations,
+47 412 60 584 (mobile)

This information is subject to the disclosure requirements pursuant to Section 5-12 of the Norwegian Securities Trading Act

Attachments

- Equinor Second quarter 2025 Financial Statements and Review
- CFO presentation - Second quarter 2025 results