Press Release

**Aramco announces third quarter 2021 results**

*Q3 net income rises 158% and free cash flow up by 131% YoY as Company capitalizes on market recovery*

- **Net income:** $30.4 billion
- **Cash flow from operating activities:** $36.3 billion
- **Free cash flow**: $28.7 billion
- **Gearing ratio**: 17.2% on September 30, 2021 compared to 23% on December 31, 2020
- **Q2 dividend of $18.8 billion paid in the third quarter; Q3 dividend of $18.8 billion to be paid in the fourth quarter**

**Dhahran, Saudi Arabia, October 31, 2021** – The Saudi Arabian Oil Company ("Aramco" or "the Company") today announced its third quarter financial results, recording a 158% year-on-year (YoY) increase in net income to $30.4 billion and declaring a dividend of $18.8 billion to be paid in the fourth quarter.

The increase in net income was primarily the result of higher crude oil prices and volumes sold and stronger refining and chemicals margins in Q3, which were underpinned by rebounding global energy demand and increased economic activity in key markets.

**Commenting on the results, Aramco President & CEO Amin H. Nasser, said:**

“Our exceptional third quarter performance was a result of increased economic activity in key markets and a rebound in energy demand, as well as our unique low-cost position, our financial discipline and our proven ability to reliably deliver essential energy and chemical products to our customers.

“Some headwinds still exist for the global economy, partly due to supply chain bottlenecks, but we are optimistic that energy demand will remain healthy for the foreseeable future.

“Looking ahead, we are maintaining our strategy to invest for the long term, and we will build on our track record of low-cost and low-carbon intensity performance to advance our recently announced ambition to achieve net-zero Scope 1 and Scope 2 greenhouse gas emissions across our wholly-owned operated assets by 2050.”
**Financial Highlights**

Aramco’s net income was $30.4 billion in the third quarter, compared to $11.8 billion in Q3 2020. This 158% YoY increase in net income principally reflects the impact of higher crude oil prices and volumes sold and stronger refining and chemicals margins.

Free cash flow* was $28.7 billion in the third quarter, compared to $12.4 billion for the same period in 2020, and the company again delivered for its shareholders by declaring a dividend of $18.8 billion for Q3.

ROACE*, calculated on a 12-month rolling basis, was 20.6% for the period ending September 30, 2021, compared to 14.8% for the same period in 2020, principally reflecting an increase in net income.

The Company’s gearing ratio* was 17.2% on September 30, 2021, when compared with 23% on December 31, 2020. The decrease was mainly due to higher cash and cash equivalents, driven by higher operating cash flows resulting from stronger crude oil prices, improved refining and chemicals margins, the consolidation of SABIC’s results and cash proceeds in relation to Aramco’s stabilized crude oil pipelines transaction that completed in the second quarter of 2021.

Aramco continues to invest for the future with capital expenditure of $7.6 billion in the third quarter, representing a 19% increase, compared with the same period in 2020. This increase was primarily due to ongoing crude oil increment and other development projects. Aramco maintains a flexible approach to capital allocation and continues to expect 2021 capital expenditure to be approximately $35 billion.

**Operational Highlights**

Aramco continued its strong track record of reliable supply, achieving 99.7% reliability in the delivery of crude oil and other products in the third quarter of 2021.

The Company also demonstrated its consistent Upstream performance, with total hydrocarbon production of 12.9 million barrels per day of oil equivalent in the third quarter of 2021, including average crude oil production of 9.5 million barrels per day (bpd). Upstream continues to execute its growth plans to promote long-term productivity of Saudi Arabia’s reservoirs and is proceeding with implementing the Government’s directive to increase its crude oil maximum sustainable capacity from 12 million bpd to 13 million bpd.

During the third quarter, the Hawiyah Gas Plant expansion project reached advanced stages of construction. The project is part of the Haradh Gas increment program and is expected to be onstream in 2022.

On August 15, the financial close for the 1.5 GW Sudair Solar PV plant, in which Aramco holds a 30% stake through its wholly-owned subsidiary Saudi Aramco Power Company (SAPCO), was announced. The project, in partnership with ACWA Power and Water & Electricity Holding Co. (Badeel), a company owned by the Public Investment Fund (PIF), will be one of the largest solar plants in the region.
Aramco’s investment marks its first participation in PIF’s renewable energy program, reflecting the company’s efforts to advance sustainable energy solutions. The first phase of the project is expected to begin producing electricity during the second half of 2022.

On September 7, Aramco announced a major expansion of its industrial investment program, Aramco Namaat, with the signing of 22 new Memoranda of Understanding and one joint venture agreement. The program is focused on capacity building in four key sectors: sustainability, technology, industrial and energy services, and advanced materials.

The Namaat program aims to ensure greater reliability of energy supply and effectively localize the industrial supply chain, while targeting new opportunities to achieve carbon footprint reduction and implement circular carbon economy concepts. Namaat complements the Company’s flagship In-Kingdom Total Value Add (iktva) localization program, as well as the government’s Shareek program.

On September 20, the Oil & Gas Climate Initiative (OGCI), of which Aramco is a member, announced its aim to reach net-zero emissions from operations under OGCI members’ control, and also leverage their influence to achieve the same in non-operated assets, within the timeframe set by the Paris Agreement. Following the OGCI announcement, Aramco on October 23 stated its own ambition to achieve net-zero Scope 1 and Scope 2 greenhouse gas emissions across its wholly-owned operated assets by 2050.

On September 24, Aramco’s Abqaiq oil processing facility, the largest oil processing plant in the world, became the Company’s third facility to be added to the World Economic Forum’s Global Lighthouse Network, which recognizes industrial sites that have successfully adopted and scaled up cutting-edge technologies of the Fourth Industrial Revolution.

On September 27, Jazan Integrated Gasification and Power Company (JIGPC), a joint venture consisting of Saudi Aramco Power Company (SAPCO), Air Products, ACWA Power and Air Products Qudra signed agreements for the $12 billion acquisition and financing of the Jazan Integrated Gasification Combined-Cycle (IGCC) power plant, an Air Separation Unit and certain ancillary assets from Aramco located in Jazan Economic City. The joint venture aims to enhance the overall value of the Jazan refinery and the IGCC power plant, aiding in transforming the Jazan Province and positioning it for additional foreign investment and private sector involvement.

*Please refer to www.aramco.com/investors for reconciliation of non-IFRS measures

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Aramco
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