

NEWS AGENCY OF NIGERIA - OIL & GAS (NIGERIA) · NIGERIA

NNPC posts N7.2trn profit despite revenue decline

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Nigeria's state oil company, NNPC Ltd., recorded a Profit After Tax of N7.2 trillion in 2025, a 33 per cent increase from the N5.4 trillion posted in the prior period, even as the company reported a decline in overall revenue. The results mark a notable improvement in bottom-line performance for an organisation that sits at the centre of Nigeria's upstream, midstream, and downstream oil and gas activity.

The profit surge, achieved against a backdrop of falling revenues, points to significant cost restructuring or favourable currency and pricing dynamics at play within NNPC Ltd.'s operations. Since its conversion from a government corporation to a limited liability company under the Petroleum Industry Act, NNPC Ltd. has been under pressure to demonstrate commercial discipline and financial transparency to both domestic stakeholders and international partners. The 2025 results, if sustained, reinforce its credibility as a counterparty for joint ventures, production-sharing arrangements, and large-scale infrastructure projects.

For the Nigerian energy sector more broadly, a financially stronger NNPC Ltd. carries direct implications for investment appetite and project execution capacity. The company remains the dominant force in sanctioning upstream developments, approving service contracts, and driving the pace of new field activity across the Niger Delta and deepwater acreage. A healthier balance sheet improves its ability to fund its equity stakes in joint ventures and reduce the chronic cash-call arrears that have historically delayed drilling campaigns and stalled development projects with international oil company partners.

The revenue decline noted alongside the profit increase warrants monitoring. Without further detail from the source on the composition of revenues or the specific cost lines that drove margin expansion, it is not possible to assess whether the improvement reflects structural efficiency gains or one-off accounting factors such as foreign exchange revaluation. NNPC Ltd.'s financial disclosures have historically been limited in granularity, and the degree to which these figures meet international reporting standards remains a question that institutional investors and service company credit teams will need to interrogate as they assess counterparty exposure.

For Norwegian oil and gas service companies active or prospecting in Nigeria, the headline profit figure is a positive signal for the operating environment. A solvent, commercially oriented NNPC Ltd. is more likely to honour payment obligations, advance stalled project decisions, and engage constructively in competitive procurement processes. The direction of travel matters more than any single year's result, and 2025's numbers suggest that NNPC Ltd.'s post-PIA commercial transformation is producing measurable financial outcomes.

Why this matters to partners and clients of Saga

The improved profitability of NNPC Ltd. is a positive indicator for the Nigerian contracting environment, but the article does not reference specific tenders, contracts, or project sanctions that would trigger immediate procurement outreach. Norwegian service companies should monitor NNPC Ltd.'s capital expenditure announcements and joint-venture project pipelines closely, as a stronger balance sheet increases the probability of stalled upstream and infrastructure projects moving toward final investment decisions.

PARTNER ANGLES

- **Drilling:** A financially stronger NNPC Ltd. is better positioned to clear legacy cash-call arrears with JV partners, which could unlock deferred well programmes across onshore and offshore licences — monitor for drilling campaign announcements.
- **Subsea/FPSO:** Improved NNPC Ltd. liquidity increases the likelihood that equity-funded deepwater development decisions advance; track sanction timelines on known pre-FID deepwater assets where NNPC holds participating interests.

- **Pipeline:** Midstream infrastructure deficits remain a structural bottleneck in Nigeria; a better-capitalised NNPC Ltd. raises the prospect of gas pipeline and export terminal investments moving from MoU to funded project status.
- **Service:** NNPC Ltd.'s commercial reorientation post-PIA means service contract procurement processes should become more predictable; Norwegian well-services and engineering firms should build direct relationships now ahead of anticipated tendering activity.

[Original source: News Agency of Nigeria - Oil & Gas \(Nigeria\) →](#)

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