

US West Coast Investor Update – June 2015

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Forward-looking statements

This presentation contains certain forward-looking statements that involve risks and uncertainties. In some cases, we use words such as "ambition", "continue", "could", "estimate", "expect", "focus", "likely", "may", "outlook", "plan", "strategy", "will", "guidance" and similar expressions to identify forward-looking statements. All statements other than statements of historical fact, including, among others, statements regarding future financial position, results of operations and cash flows; changes in the fair value of derivatives; future financial ratios and information; future financial or operational portfolio or performance; future market position and conditions; business strategy; growth strategy; future impact of accounting policy judgments; sales, trading and market strategies; research and development initiatives and strategy; projections and future impact related to efficiency programs, market outlook and future economic projections and assumptions; competitive position; projected regularity and performance levels; expectations related to our recent transactions and projects, completion and results of acquisitions, disposals and other contractual arrangements; reserve information; future margins; projected returns; future levels, timing or development of capacity, reserves or resources; future decline of mature fields; planned maintenance (and the effects thereof); oil and gas production forecasts and reporting; domestic and international growth, expectations and development of production, projects, pipelines or resources; estimates related to production and development levels and dates; operational expectations, estimates, schedules and costs; exploration and development activities, plans and expectations; projections and expectations for upstream and downstream activities; oil, gas, alternative fuel and energy prices; oil, gas, alternative fuel and energy supply and demand; natural gas contract prices; timing of gas off-take; technological innovation, implementation, position and expectations; projected operational costs or savings; projected unit of production cost; our ability to create or improve value; future sources of financing; exploration and project development expenditure; effectiveness of our internal policies and plans; our ability to manage our risk exposure; our liquidity levels and management; estimated or future liabilities, obligations or expenses and how such liabilities, obligations and expenses are structured; expected impact of currency and interest rate fluctuations; expectations related to contractual or financial counterparties; capital expenditure estimates and expectations; projected outcome, objectives of management for future operations; impact of PSA effects; projected impact or timing of administrative or governmental rules, standards, decisions, standards or laws (including taxation laws); estimated costs of removal and abandonment; estimated lease payments, gas transport commitments and future impact of legal proceedings are forward-looking statements. You should not place undue reliance on these forward-looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons.

These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including levels of industry product supply, demand and pricing; price and availability of alternative fuels; currency exchange rate and interest rate fluctuations; the political and economic policies of Norway and other oil-producing countries; EU directives; general economic conditions; political and social stability and economic growth in relevant areas of the world; the sovereign debt situation in Europe; global political events and actions, including war, terrorism and sanctions; security breaches; situation in Ukraine; changes or uncertainty in or non-compliance with laws and governmental regulations; the timing of bringing new fields on stream; an inability to exploit growth or investment opportunities; material differences from reserves estimates; unsuccessful drilling; an inability to find and develop reserves; ineffectiveness of crisis management systems; adverse changes in tax regimes; the development and use of new technology; geological or technical difficulties; operational problems; operator error; inadequate insurance coverage; the lack of necessary transportation infrastructure when a field is in a remote location and other transportation problems; the actions of competitors; the actions of field partners; the actions of governments (including the Norwegian state as majority shareholder); counterparty defaults; natural disasters and adverse weather conditions, climate change, and other changes to business conditions; an inability to attract and retain personnel; relevant governmental approvals; industrial actions by workers and other factors discussed elsewhere in this report. Additional information, including information on factors that may affect Statoil's business, is contained in Statoil's Annual Report on Form 20-F for the year ended December 31, 2014, filed with the U.S. Securities and Exchange Commission, which can be found on Statoil's website at www.statoil.com.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of this report, either to make them conform to actual results or changes in our expectations.

Investor Update - Agenda

- Strategy and Outlook
- Financial Performance
- Funding & Debt Strategy
- Statoil in North America
- Appendices

Firm priorities, stepping up commitments

High **value** growth

- ~2% organic production growth 2014-16
- Reducing organic capex level to USD 18 bn in 2015
- FCF to cover dividend in 2016@100, 2017@80 and 2018@60
- Robust financials: Maintaining 15-30% net debt to capital employed

Increase **efficiency**

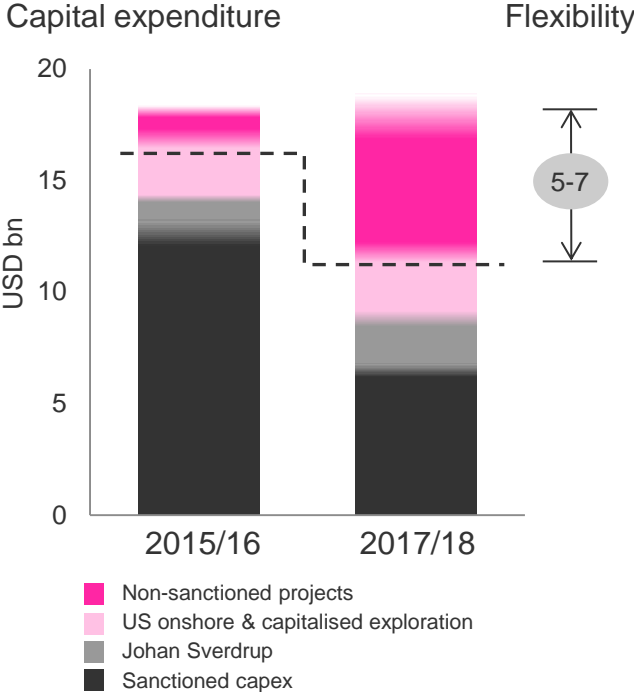
- USD 5 bn in cash improvements
- Increasing efficiency programme target by 30%
- Cash flow neutrality reduced by USD ~30 per barrel

Prioritise capital **distribution**

- Firm dividend policy
- 1Q 2015 dividend of NOK 1.80/share

Prepared to use material flexibility

Material flexibility in portfolio



Flexibility from onshore and non-sanctioned projects ¹⁾

- | | |
|--|---|
| US onshore
Snorre 2040
Johan Castberg
Bressay
Krafla
Trestakk
Vito | Bay du Nord
Tanzania LNG
Pão de Açúcar
King Lear
Asterix
Peon
Lavrans |
|--|---|

Opportunity to enhance value

- Prioritising high value projects
- Lower costs
- Simpler concepts

Growth to 2020 based on projects under execution ¹⁾

Start-up year

2015	2016	2017	2018	2019
Valemon	Ivar Aasen	Aasta Hansteen	Stampede	Johan Sverdrup
Goliat	Julia	Gina Krog		Peregrino phase II
Edvard Grieg	Heidelberg	Mariner		
Corrib		Gullfaks Rimfaksdalen		
Big Foot		Hebron		
		Hibernia SW		

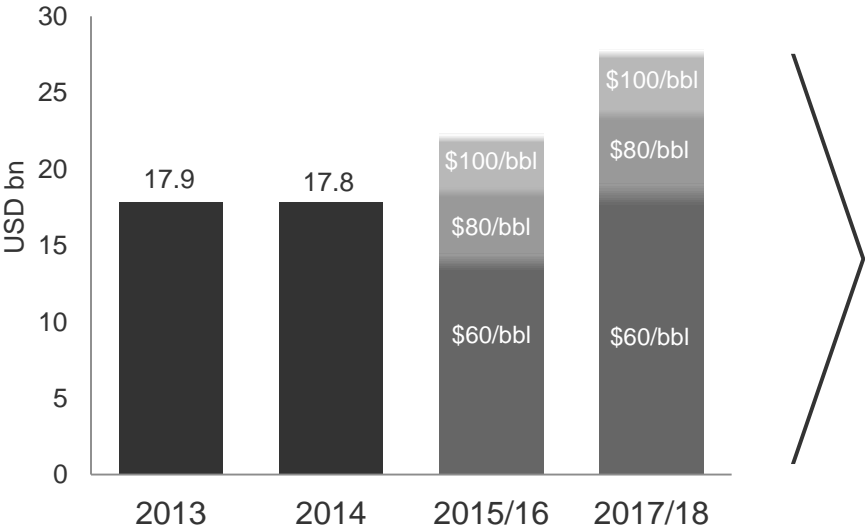
Statoil-operated projects
Partner-operated projects

¹⁾ Project lists not exhaustive

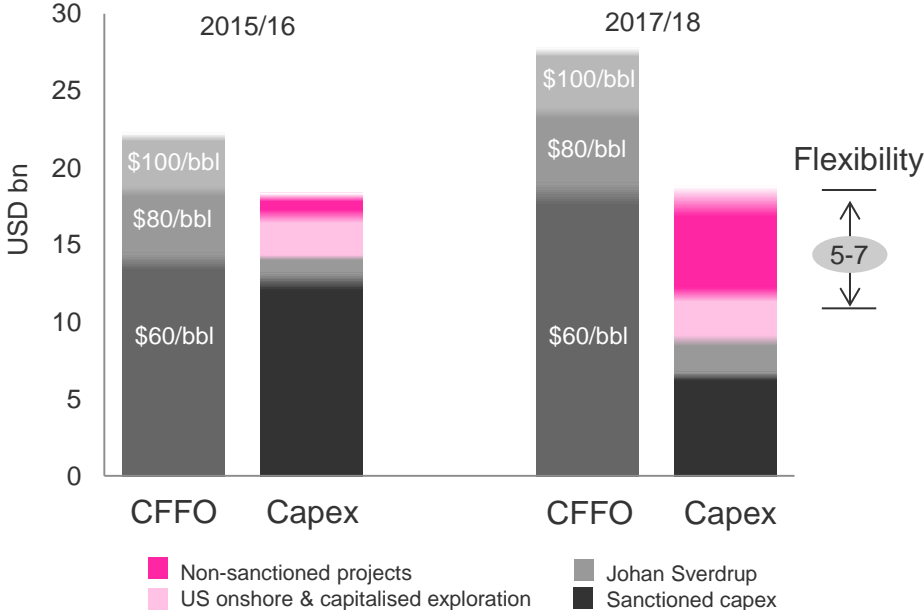


Steering through volatility with strong cash flow

Strong cash flow from operations (CFFO)



Well positioned across scenarios



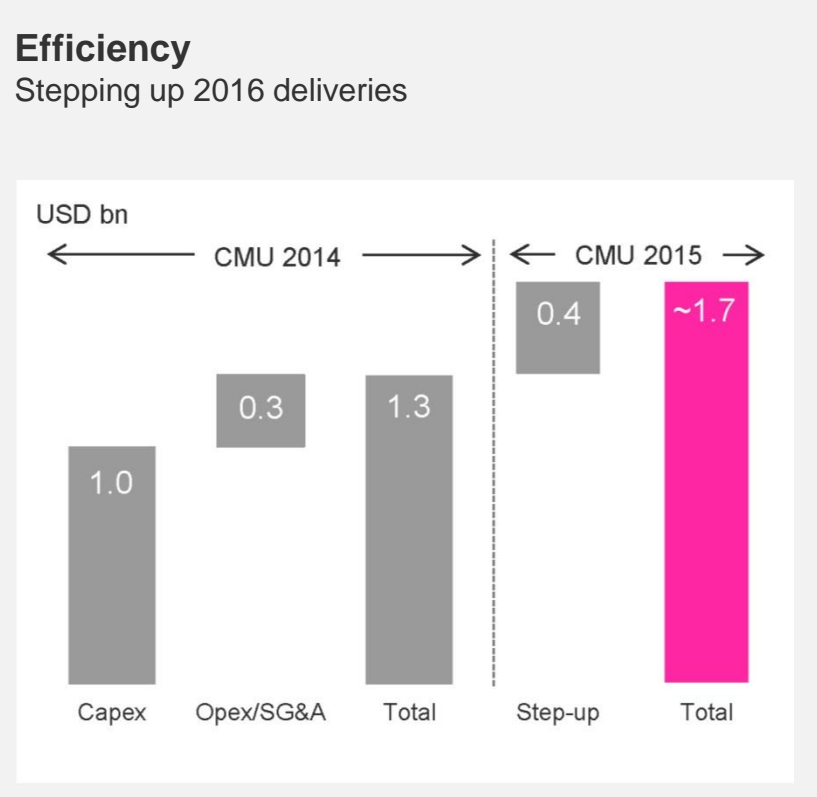
Average Brent price
 2013: \$109/bbl
 2014: \$99/bbl

Legend:
 ■ Non-sanctioned projects
 ■ US onshore & capitalised exploration
 ■ Johan Sverdrup
 ■ Sanctioned capex

Note: The various scenarios for CFFO also imply different operational assumptions. The \$100/bbl scenario assumes lower utilization of capex flexibility while the \$60/bbl case assumes larger utilization of capex flexibility.

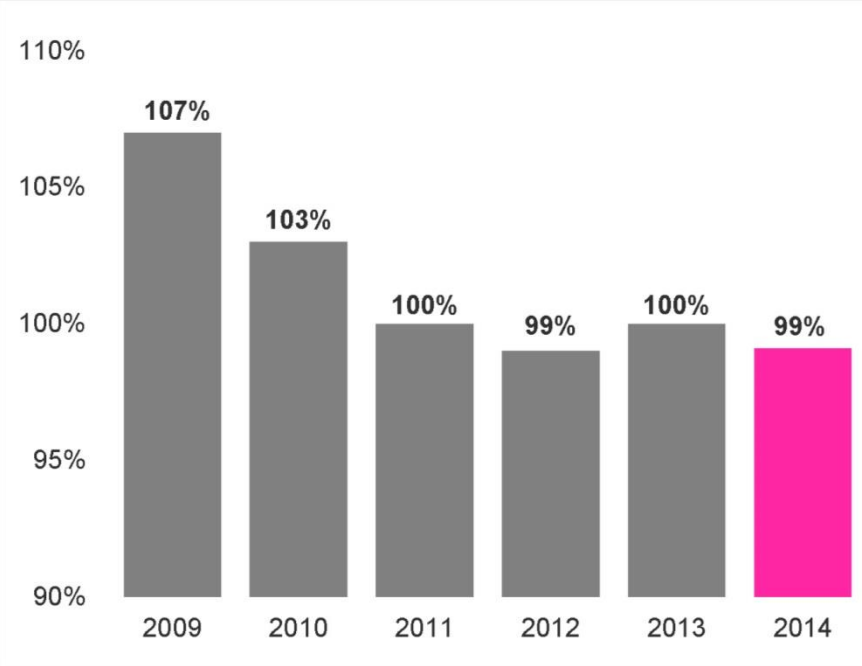


USD 5 bn in cash improvements



Predictable and competitive project execution

Delivering projects on cost ¹⁾...



...on time and with solid safety results



Gudrun

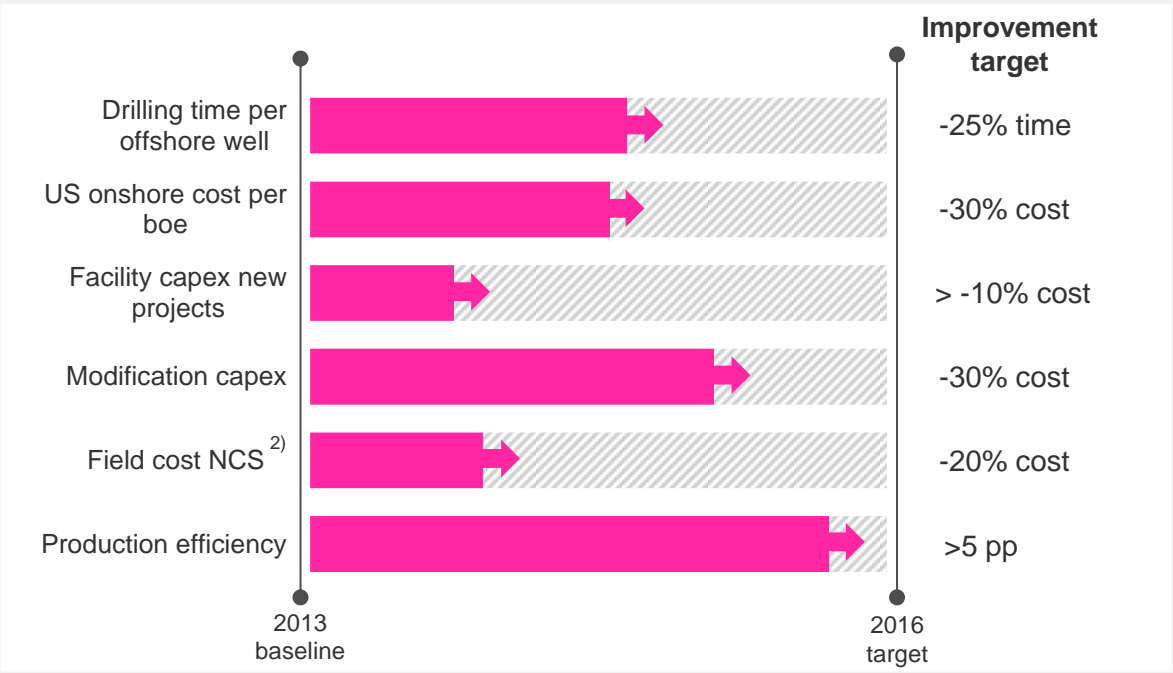


Valemon

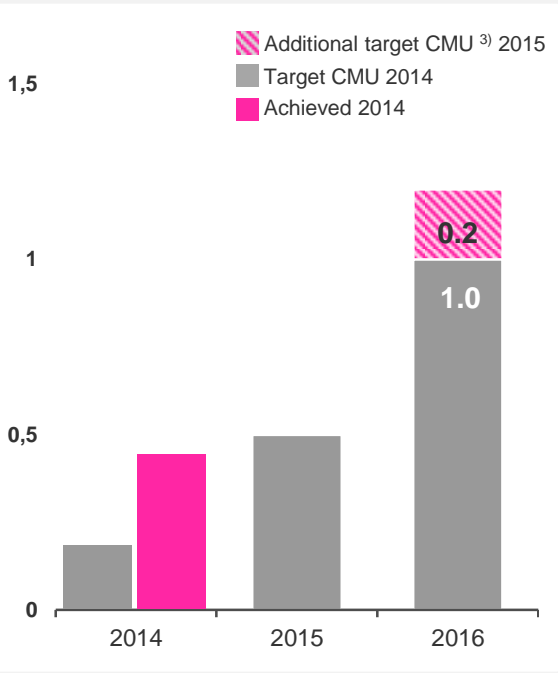
1) Total cost at completion compared to sanction estimate – facility and drilling cost

Efficiency improvements on track – target up 30%

Realised USD 0.6 bn in efficiency improvements in 2014



Capex efficiency savings¹⁾

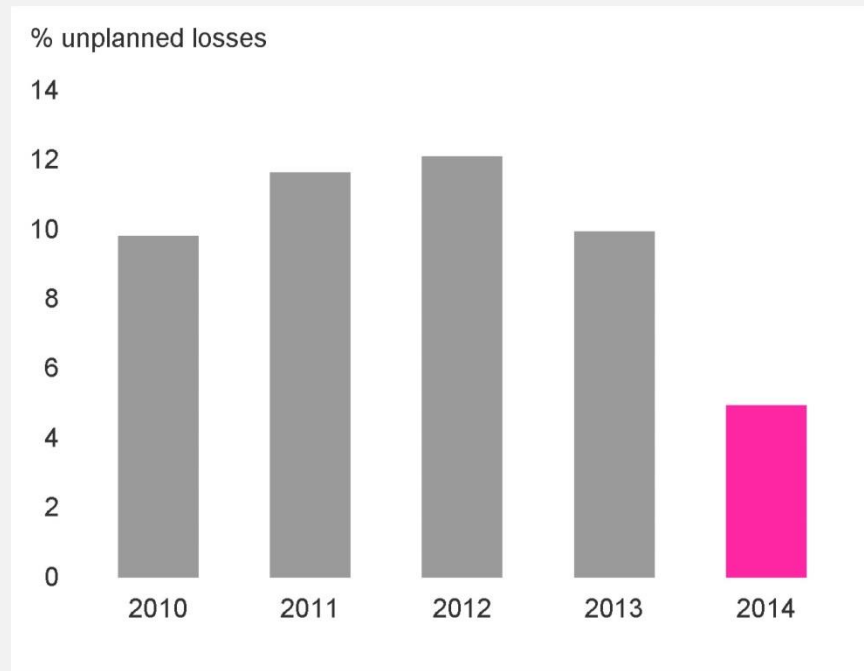


1) All number references in USD bn
 2) Norwegian continental shelf field cost = installation subsea and topside operation and maintenance, logistics, catering, administration, HSE and reservoir management.
 3) Capital market update



Substantial production efficiency (PE) improvements

Less unplanned losses at operated portfolio



Sustained PE improvements

- More robust installations with less unplanned losses
- Strong execution of turnarounds
- Improved utilisation of technology to reduce downtime
- Improved production management

Enhancing value

	Period	Outlook	Key messages
Capex	2015	USD ~18 bn ¹⁾	<ul style="list-style-type: none"> ▪ USD ~2 bn reduction ▪ Prepared to use flexibility
Production	2014-16	~2% annual organic growth	<ul style="list-style-type: none"> ▪ Improved regularity
Cash improvements	2016	USD 5 bn (total)	<ul style="list-style-type: none"> ▪ Reducing cash flow neutrality by USD 30 per barrel
ROACE	2015-16	Maintaining returns at 2013 level adjusted for price and currency	<ul style="list-style-type: none"> ▪ Improving cost and capital efficiency
Exploration	2015	USD ~3.2 bn ¹⁾	<ul style="list-style-type: none"> ▪ Investing for the future



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First quarter 2015

- Solid adjusted earnings and cash flow in a low price environment
- IFRS results significantly impacted by impairments
 - Cautious price outlook reflecting market uncertainty
- Strong operational performance and positive underlying cost trends
- 1Q dividend of 1.80 NOK/share

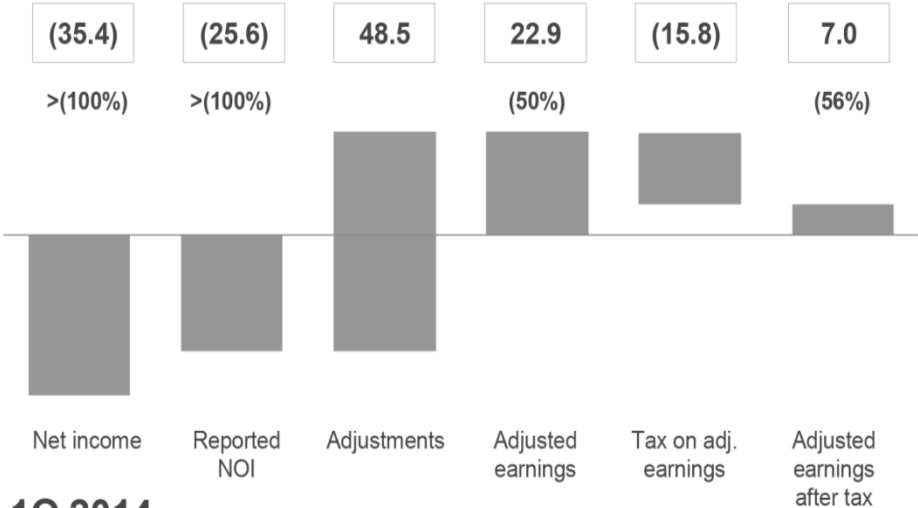


Financial results

- Adjusted results materially impacted by lower prices
 - Solid operational performance across the company
- IFRS results negatively impacted by quarter-specific items
 - Impairments as a result of more cautious price outlook

1Q 2015

NOK bn



1Q 2014

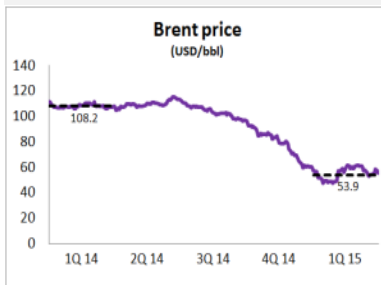
NOK bn



Adjusted earnings by segment

Statoil group ¹⁾

Adjusted earnings impacted by lower prices



Brent down 50% versus 1Q 2014

D&P Norway

Sustained solid operational performance



Valemon on stream

D&P International

Positive underlying cost development



Yeti: Oil discovery in Gulf of Mexico

MPR

Strong contributions from marketing and trading

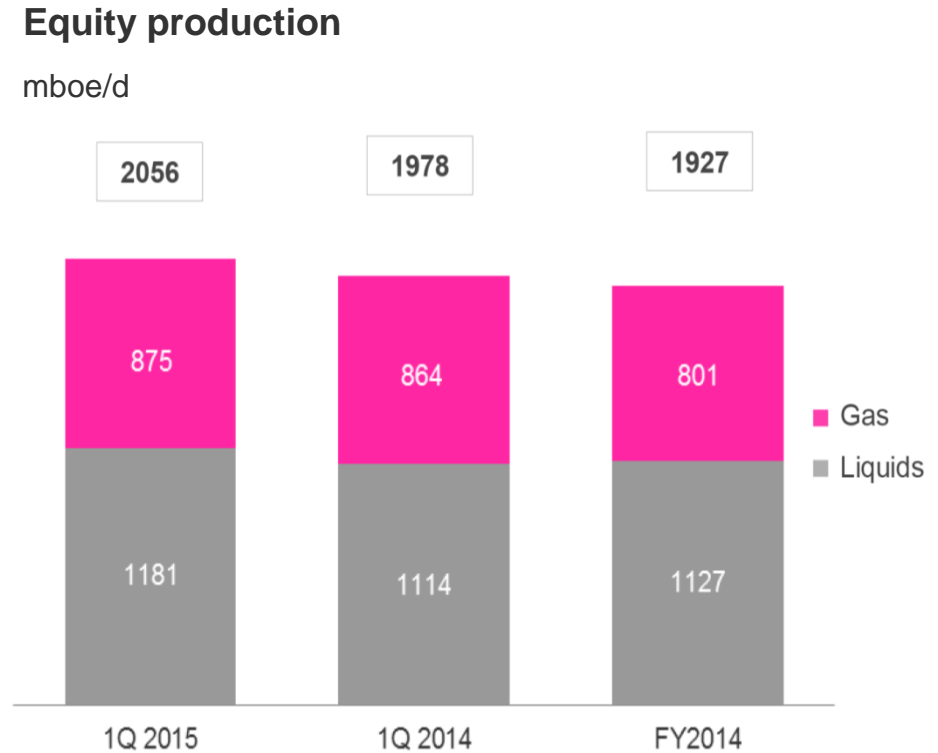


Improved refinery margins

NOK bn	Pre tax	After tax	Pre tax	After tax	Pre tax	After tax	Pre tax	After tax
1Q'15	22.9	7.0	19.0	5.7	(2.2)	(3.0)	6.9	4.9
1Q'14	46.0	15.8	34.2	9.0	6.9	3.9	5.9	3.5

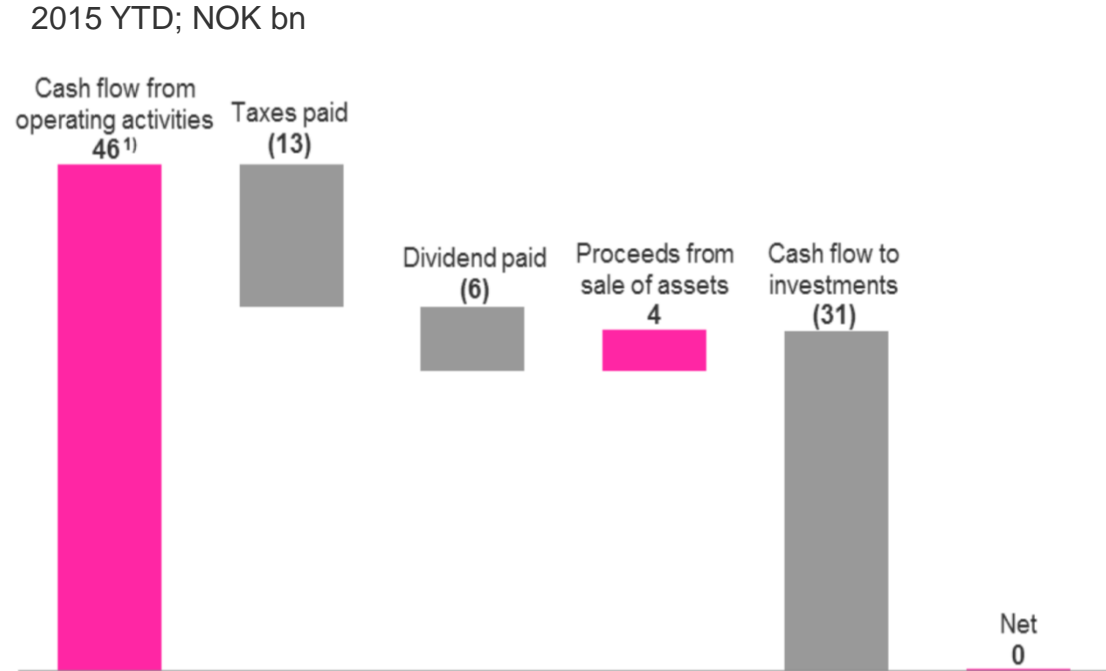
Strong production performance

- Continued high production regularity
- Starting and ramping up new fields
- 6% underlying growth¹⁾



Cash flow 2015

- Strong cash generation in a low price environment
- One NCS tax instalment paid in 1Q
- Adjusted net debt to capital employed of 24%

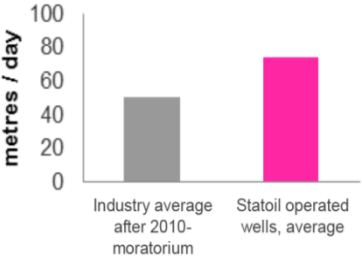


Solid exploration performance continues

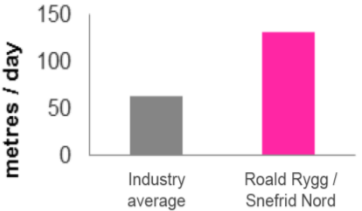
2015 discoveries

- **Norway:** Roald Rygg and Snefrid Nord gas discoveries strengthen Aasta Hansteen area
- **US GoM:** Yeti oil discovery
- **Tanzania:** Mdalasini-1, Statoil's eighth gas discovery offshore Tanzania

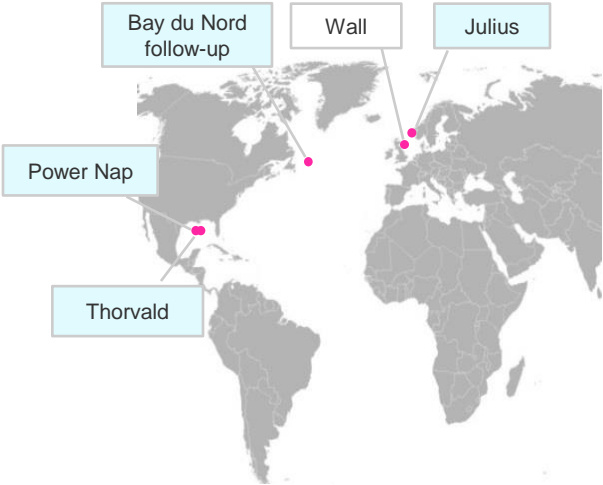
Efficient drilling



Deepwater NCS

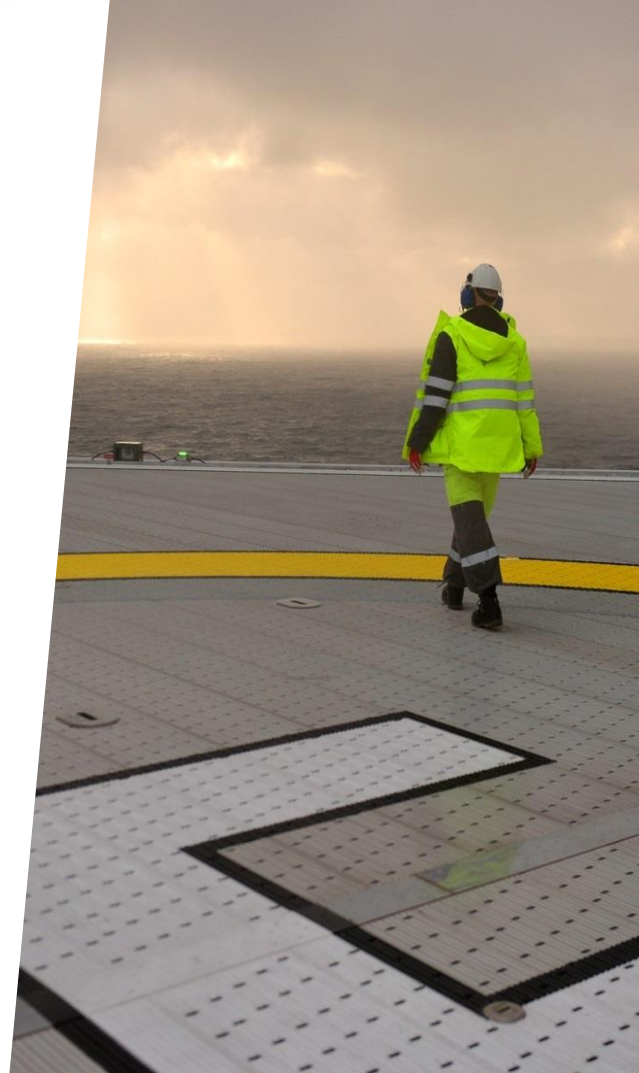


Wells to watch



Outlook 2015

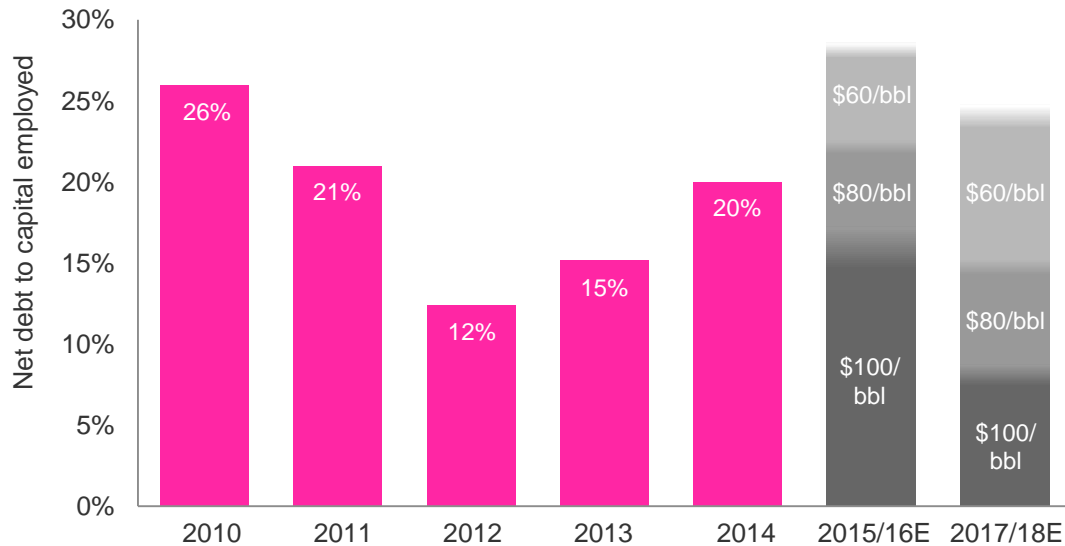
Capex	USD ~18 bn ¹⁾
Production	~2% annual organic growth
Maintenance	45 mboe per day 95 mboe per day in 2Q
Exploration	USD ~3.2 bn ¹⁾



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Robust financial framework



- Strong balance sheet to be maintained
 - A-category rating on stand-alone basis
 - Net debt to capital employed at 15-30%
- Long term financing
 - Average ~9 years to maturity
- Firm dividend policy
 - 1Q 2015 dividend of NOK 1.80 per share
- Share buy back remains part of toolbox

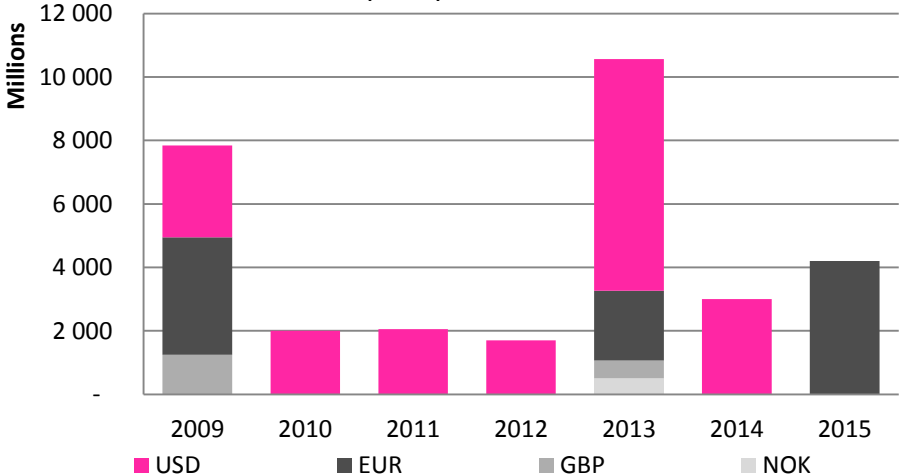
Issue activity and strategy

Key Elements:

- Bond issues at corporate level
- Long term funding raised when a need is identified or when market conditions are favorable
- Access to a diversified investor group
 - geographic and investor type
- Bonds can be issued in a variety of local currencies: (USD, EUR, GBP, CAD, CHF, NOK and JPY)

Historic Issue Activity per Currency (Equivalent in USD)

Updated per . 29.04.2015



Market Tools

US CP
EMTN
US Shelf

Bond issues since 2009

Proceeds
USD ~31bn

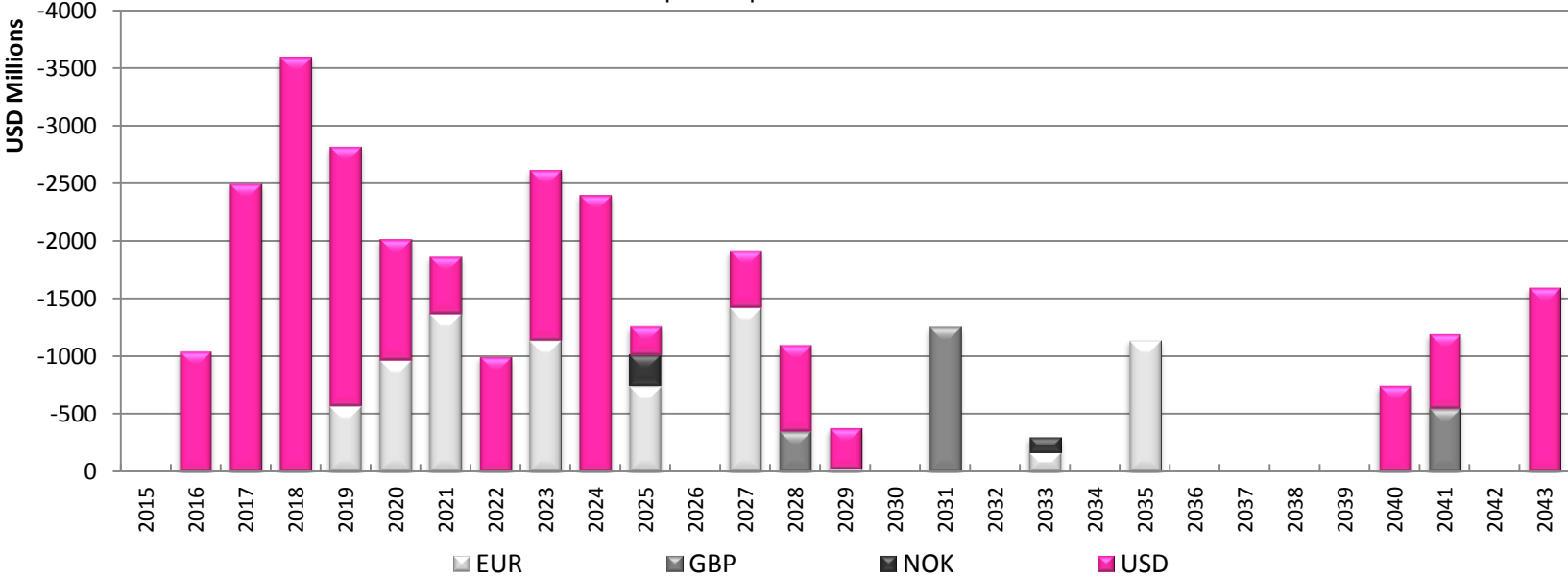
Portfolio mgt. Since 2010

Proceeds
> USD 23bn

Maturity profile – limited refinancing risk

Maturity Profile: Split per Currency

Updated per 29.04.2015



- Total long term bond debt USD ~ 31bn
- Average Years to Maturity ~9Y

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Competitively positioned in key petroleum plays

Statoil's portfolio

1. East Coast Canada

2. Deepwater Gulf of Mexico

3. US Onshore

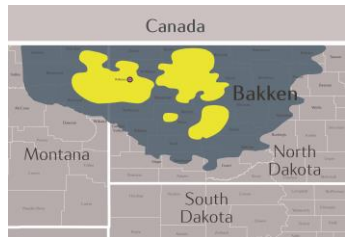
4. Canadian oil sands

5. New exploration opportunities

6. Midstream value adding positions

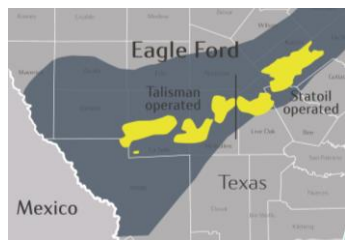


Premium portfolio in core plays



Bakken

- ~ 260 000 net acres
- Production 62 mboepd
- ~ 90% liquids



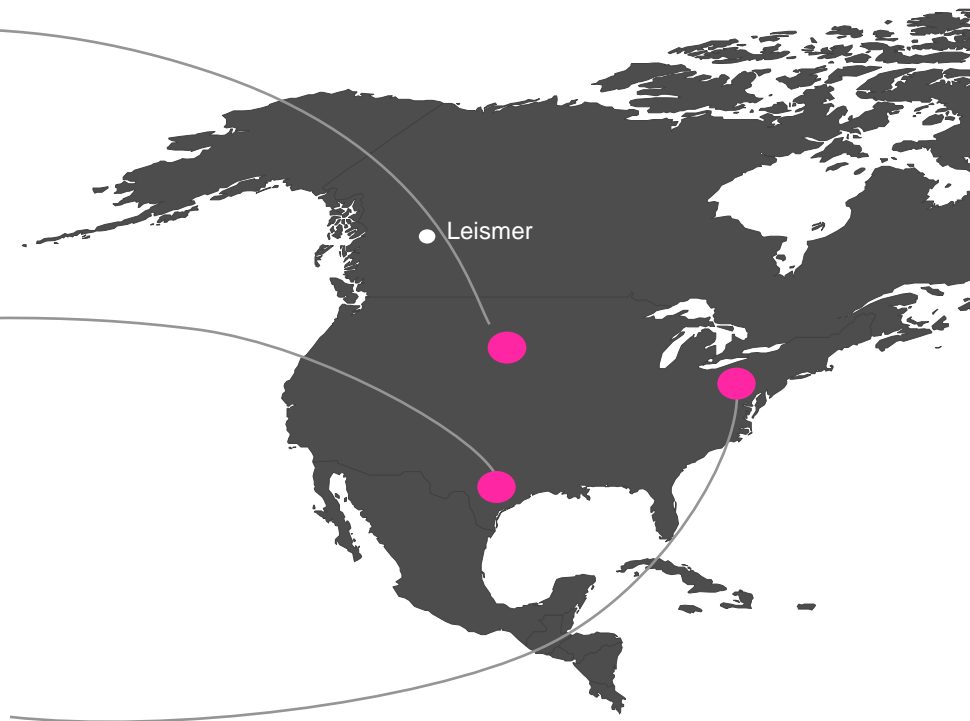
Eagle Ford

- ~ 60 000 net acres
- Production 37 mboepd
- ~ 60% liquids, 40% gas



Marcellus

- ~ 450 000 net acres
- Production 102 mboepd
- ~ 90% gas



*All numbers 1Q 2015

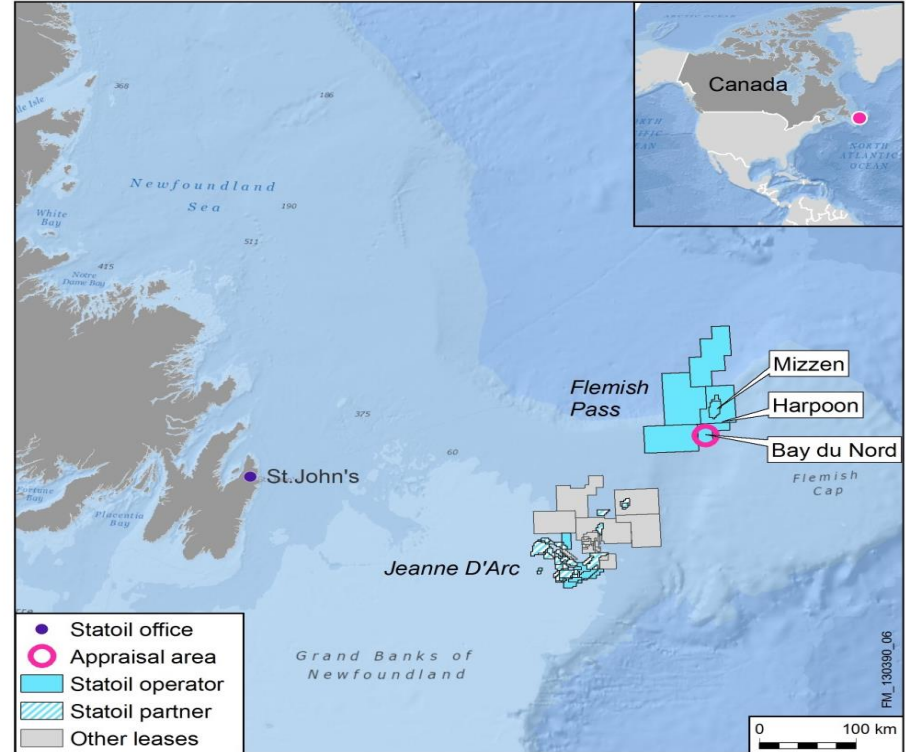
Following up on a world class discovery

Offshore Newfoundland outlook in 2015

- Back to back drilling and testing for 18 months, started early November 2014
- Current focus is Bay du Nord appraisal and near field exploration activities



Drilling rig West Hercules



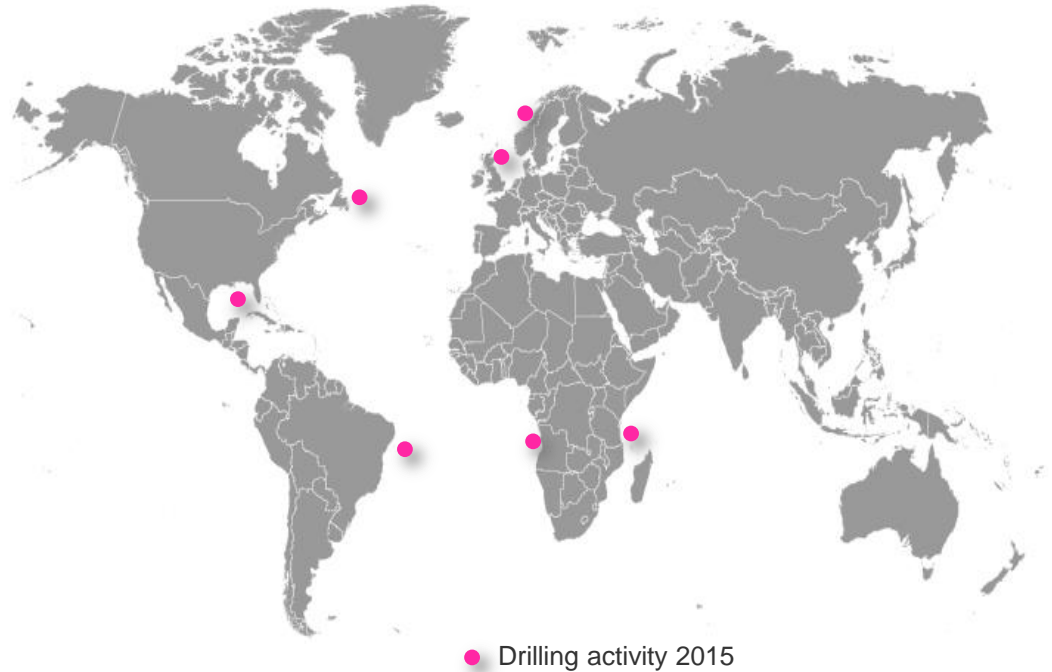
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Committed to exploration

Focused exploration efforts

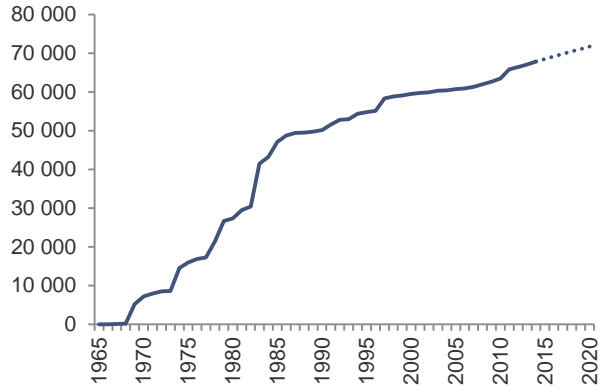
- \$3.2 bn. in exploration spend in 2015
- Focus on high value barrels in the Atlantic
- Pursue play opening opportunities and deepening positions in prolific basins



Focus on value creation and portfolio replenishment

NCS delivers stable new volumes

Creaming curve NCS



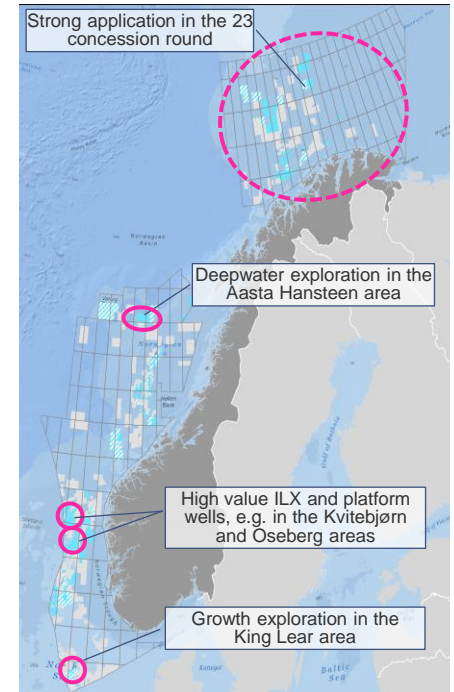
— Mmboe cumulative

..... Prognosis

and remains backbone of Statoil exploration

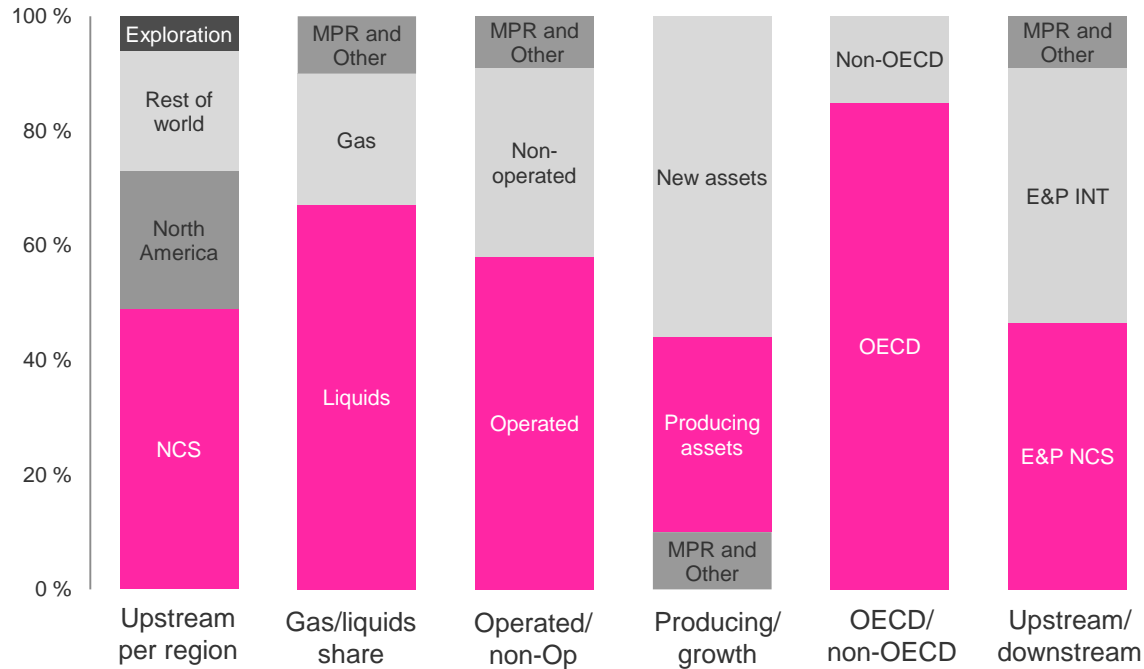
- Drilling operations planned in 2015, over two-thirds of those Statoil operated
- Emphasise high value exploration in the mature areas of the NCS to prove additional time critical resources around production hubs
- Replenish the NCS prospect portfolio based on large amount of new state of the art regional seismic data and intensified regional work

Focus areas



Investing for profitable growth

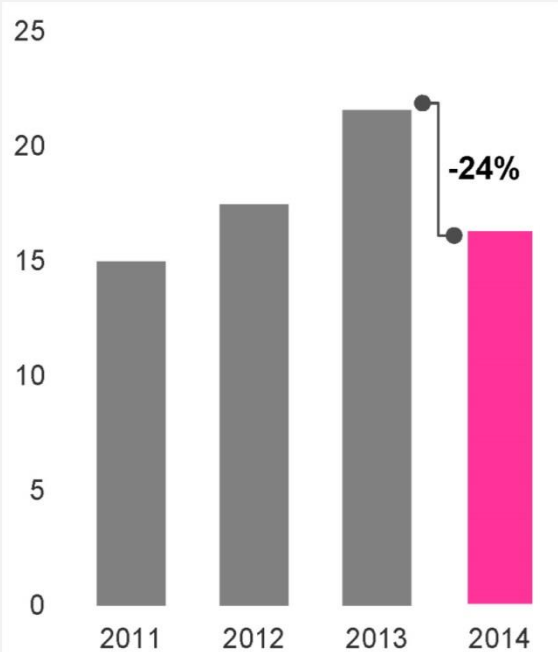
Investment profile 2015-16



- 65% in liquids
- 55% in new assets
- 60% in operated assets
- 90% upstream related

Significantly reduced modification cost

Modification ¹⁾ cost down 24%



...as a result of

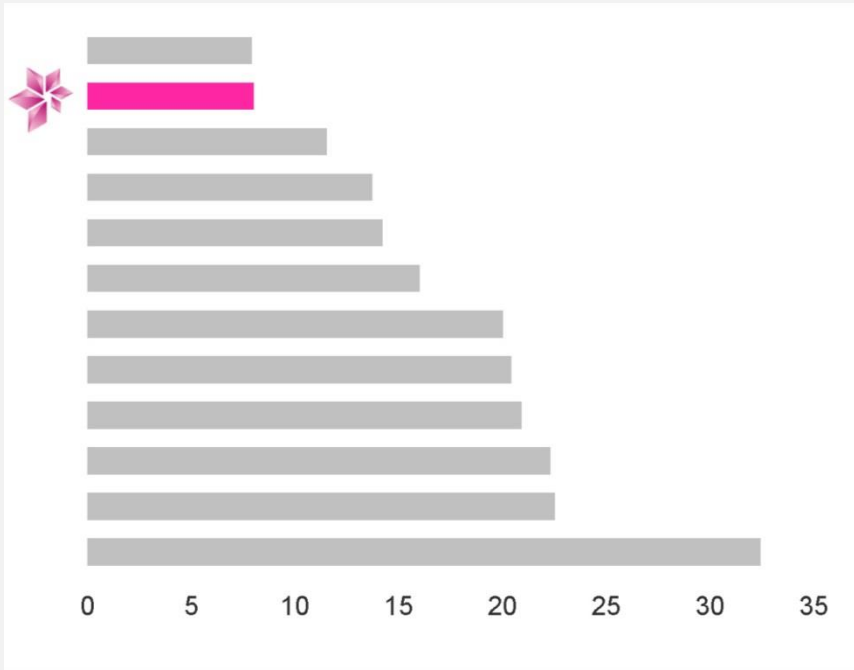
- Stricter prioritisation
- Leaner scope
- Increased productivity

...whilst maintaining technical condition

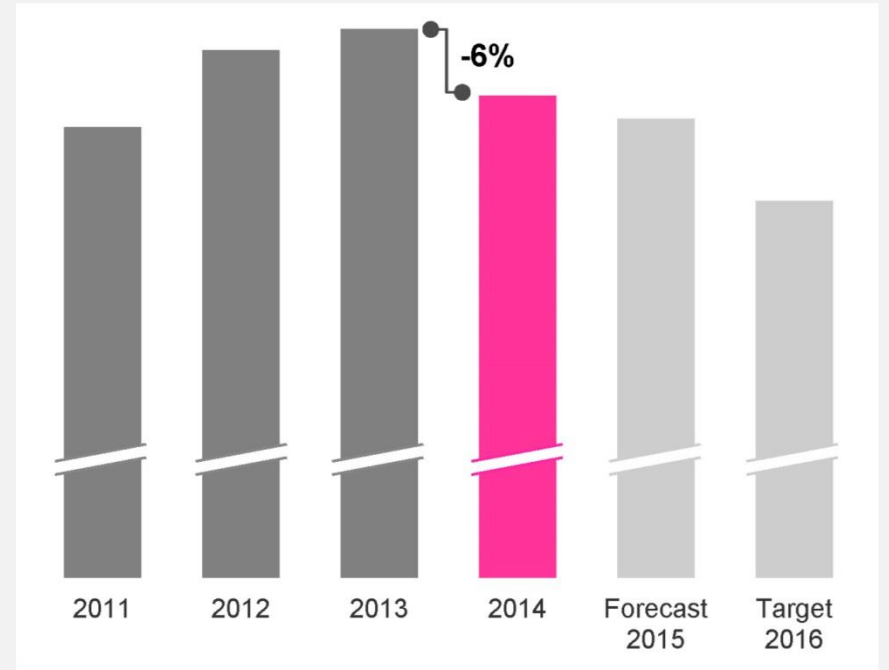


Trend shift for NCS field cost ¹⁾

Low unit production cost ²⁾



NCS field cost improvements



Thank you

