



ARCTIC SECURITIES



Presentation and analysis of Statoil International

April 2015

Agenda

- **History and strategic roadmap**
- Statoil asset portfolio - overview and trends
- Evaluation of key international projects
- Reserve replacement
- Reporting structure
- Appendix I - Statoil peer group and valuation tables
- Appendix II - Additional information

The history of Statoil

1965

Hydro enters oil industry

Norsk Hydro is awarded licenses by the Norwegian State to explore for petroleum on the NCS

1972

Statoil founded

Statoil is founded by the Norwegian Storting (parliament). Wholly owned by the Norwegian State, the company's role was to be the government's commercial instrument in the development of the oil and gas industry in Norway

1980s

Troll development

Becomes major player in the European gas market through large sales contracts for the development and operation of gas transport systems and terminals related to the Troll field, discovered in 1979

1990 - 1998

Alliance with BP

Statoil and British Petroleum (BP) forms a strategic alliance to explore, develop and produce petroleum internationally. Undertakings include deals for Angola Block 15 & 17 and Azeri-Chirag in Azerbaijan

1992

Enters Angola deep-water

Statoil signs Production Sharing Agreement's (PSA) for interest in Block 8, 15 and 17. Following several significant discoveries, it is estimated in 1998 that Angola will provide equity production of 200 kboepd net to Statoil from 2005

2001

Statoil is listed

In June Statoil is listed on the Oslo and New York Stock exchanges. The Norwegian state will maintain a majority stake in the company

1969

Ekofisk discovery

Hydro participates in the discovery of the Ekofisk field in 1969. The field remains one of the most important fields on the NCS, with production planned to continue to at least 2050

1975

Mongstad refinery opens

Hydro enters mid-stream and downstream segments as oil refining operations at Mongstad commence

1980s

Downstream growth

Statoil is heavily involved in manufacturing and marketing in Scandinavia. Acquired Esso's service stations, refineries and petrochemical facilities in Denmark and Sweden

1991

Enters Azerbaijan

Statoil and BP signs LOI to participate in development of the Azeri-field in the Caspian Sea. Statoil holds 8.56% interest in the fields in the area which produced more than 650kboepd oil in 2013 and still is estimated to contain more than 3bn boe recoverable

1997

Venezuela Heavy Oil

Statoil signs agreement with the Venezuela state oil company (PDVSA) to take a 15% interest in the Sincor Heavy Oil project - Statoil's first onshore commitment

The history of Statoil - focus period for presentation

2005

Acquires US GoM assets

Statoil in April acquires the whole of Encana's deepwater portfolio in the GoM for USD 2.2bn, while Hydro in April acquires GoM focused Spinnaker exploration for USD 2.45bn

2007

Shtokman award

In October, Statoil and French Total signs an agreement with Gazprom to develop the first phase of the Barents Sea Shtokman gas field. However, in 2012 Statoil gives up its 24% stake due to an uncertain gas market, high (and uncertain) development costs and prioritization of other projects

2007

Canada Oil Sands

In April 2007 Statoil acquires 100% of the shares in North American Oil Sands Corporation for USD 2.0bn. In November 2011, Statoil sells 40% of the operations to PTT E&P of Thailand for a consideration of USD 2.28bn

2010-2012

West-Qurna II Iraq

Statoil and Russian Lukoil (in January 2010) announce they have signed an agreement to develop the 13bn boe West Qurna II field in Iraq. However, Statoil's 18.75% interest is transferred to Lukoil in May 2012 for an undisclosed amount

2012

Sells downstream and midstream NCS assets

In February Statoil sells its 24.1% in Gassled pipeline for USD 3.0bn.
In May Statoil sells its 54% interest in downstream arm 'Statoil Fuel & Retail' for USD 1.4bn

2012

Tanzania gas discoveries

In February 2012 the 'High impact' Zafarani discovery offshore Tanzania is made. Over the next 2 years more than 20Tcf (or 3.6bn boe) are unlocked within Block 2

2005 - 2008

Peregrino transactions

In 2005 Hydro acquires Encana's 50% share in the development for USD 350m, and further acquires Anadarko's 50% interest in November 2008. In May 2010, Statoil divests 40% interest to Chinese Sinochem for a consideration of USD 3.1bn

2007

Statoil and Hydro merge

The merger between Statoil ASA and Hydro's oil and gas business is completed in October 2007

2008 - 2011

Enters US shale- plays

In a series of major acquisitions, Statoil enters the three largest US shale plays; Marcellus (2008), Eagle Ford (2010) and Bakken (2011)

2011

Revitalization of the NCS

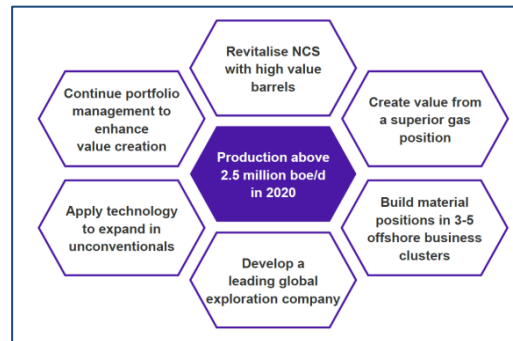
Transformational North Sea Avaldsnes (Johan Sverdrup) discovery in September 2010 and Barents Sea Skrugard (Johan Castberg) in April 2011

2011-2014

Divests legacy NCS assets

In three separate deals with Centrica, OMV and Wintershall worth a total of USD 5.8bn, Statoil farms-down or divests interest in fields such as Kvitebjørn, Brage, Gudrun and Gullfaks

Statoil strategic roadmap



- Gullfaks (1986), Oseberg (1988), Snorre (1992), Troll (1996) comes on-stream
- Limited NCS discoveries post 1986

1986 - 1996: Last major NCS projects on-stream

1990- 2006: Expands internationally

- Strategic alliance with BP 1990 - 1998.
- JV's in Angola and Azerbaijan
- Statoil enters GoM in 2004, Hydro in 2005

- Merger with Hydro in 2007
- «Value capture and growth» - realize merger synergies, grow production above 2.2Mboepd in 2012
- Strategic alliance with Chesapeake from 2008

2007- 2011: Statoil/Hydro merger, unconventionals

2011 - 2013: Divests non-core assets

- Aiming to be the «Technology focused upstream company»
- Long-term production goal above 2.5Mboepd
- Divesting midstream, downstream

- Capital markets update 2014: «Balancing returns and growth»
- Capital expenditure to be reduced by USD 5 bn 2014-2016

2014: Focus on Free Cash Flow

Value capture and growth

- Grow equity production to 2.2 mill boepd by 2012
- Capture NOK 6 bn in annual merger synergies
- Deliver competitive shareholder return
- Mature long-term growth opportunities

Increasing our value creation

- Delivering growth
- Strengthening efficiency and reducing capex estimate
- Improving free cash flow

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- **Statoil asset portfolio - overview and trends**
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Statoil global asset portfolio overview*

US Onshore (2008):

- Key assets: Eagle Ford, Bakken, Marcellus
- Asset portfolio valued to ~USD 10.2bn

Canada oil sands (2007), offshore (1990s):

- Key producing assets: Kai Kos Dehseh, Hibernia, Terra Nova
- Key development assets: Bay du Nord, Hebron
- Canada oil sands valued to ~USD 1.2 bn, offshore USD ~5.3bn

Norway (1960s):

- Key producing assets: Troll, Gullfaks, Tyrihans, Ormen Lange, Snøhvit, Åsgard, Oseberg, Skarv
- Key development assets: Johan Sverdrup, Gudrun, Johan Castberg, Aasta Hansteen, Goliat, Gina Krog ++
- Asset portfolio valued to ~USD 59.2bn

US Gulf of Mexico (2004)

- Key producing assets: Tahiti, Caesar Tonga
- Key Development assets: Big Foot, Jack/St Malo, Stampede
- Asset portfolio valued to ~USD 15.1bn

Algeria (2003) & Libya (1995)

- Key producing assets: In Amenas, In Salah, Mabruk
- Asset portfolio valued to ~USD 3.0bn

Azerbaijan (1991):

- Key producing assets: Azeri-Chirag-Guneshli
- Asset portfolio valued to ~USD 2.6bn

Venezuela (1997)

- Key producing assets: Petro Cenedo
- Asset portfolio valued to ~USD 0.8bn

Tanzania (2007) & Mozambique (2006)

- Key development assets: Zafarani, Lavani 1&2, Tangawizi, Piri
- Asset portfolio valued to ~USD 4.4bn

Brazil (2005)

- Key producing assets: Peregrino
- Key development assets: Pao de Acuar, Gavea, Indra
- Asset portfolio valued to ~USD 7.0bn

Nigeria (1992):

- Key producing assets: Agbami-Ekoli
- Asset portfolio valued to ~USD 1.4bn

Angola (1992):

- Key producing assets: Girassol, Dalia, Kizomba, CLOV, Pazflor, PSVM
- Asset portfolio valued to ~USD 9.0bn

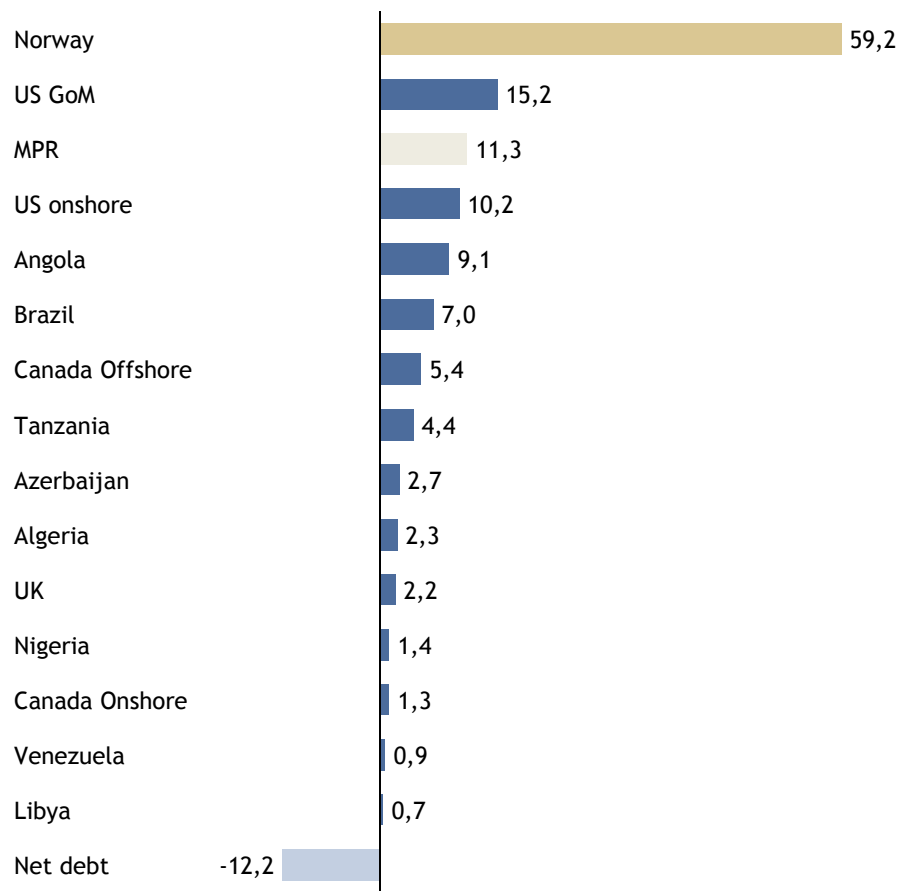
Source: Arctic Securities, Rystad Energy, Statoil

*year of entry in parantheses

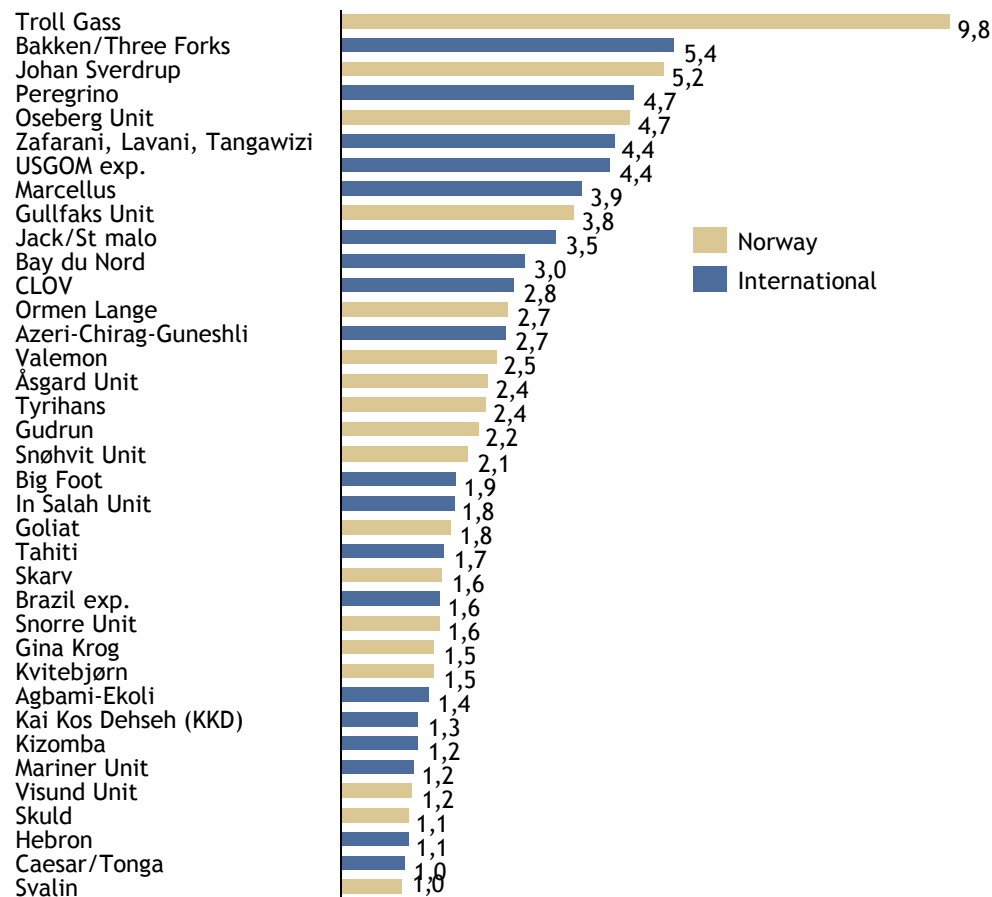
*Please refer to Appendix II for key assumptions in the base case valuation

Statoil valuation - NCS portfolio worth roughly 50%

Statoil valuation overview, USDbn



Statoil valuation key upstream assets, USDbn

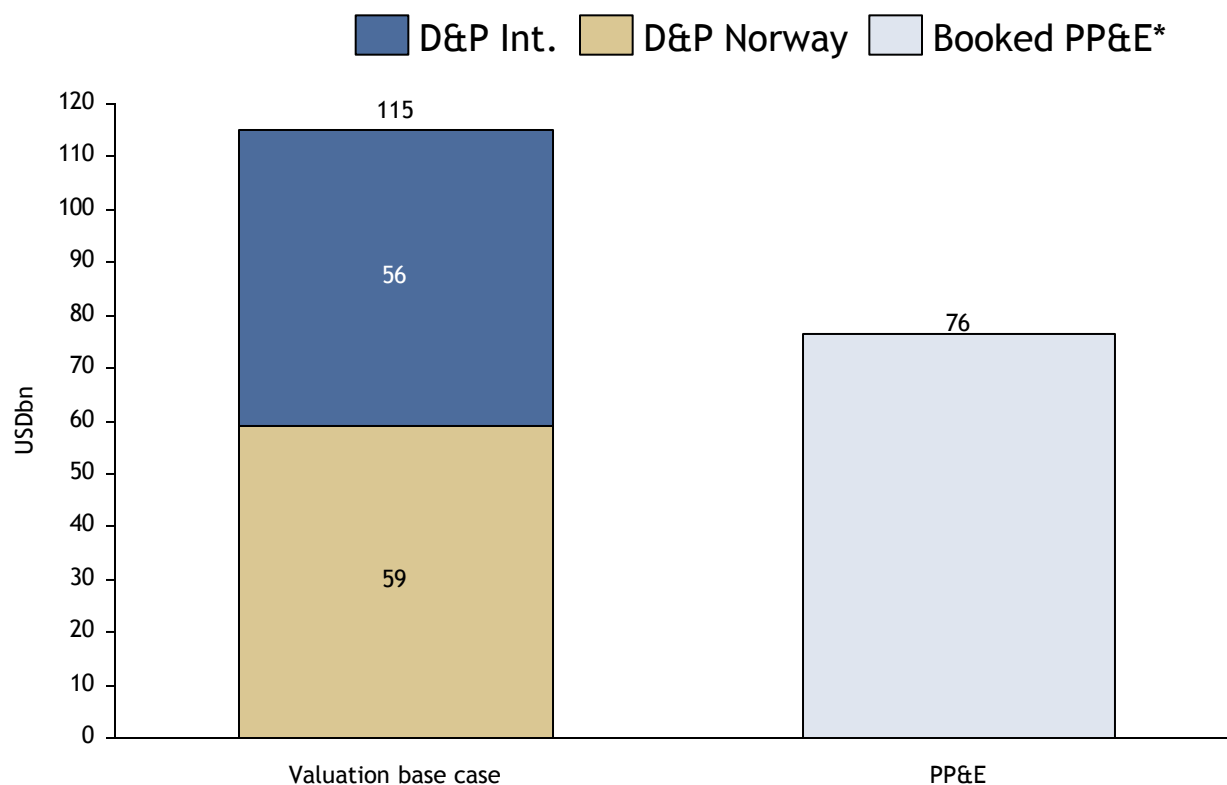


Source: Arctic Securities estimates based on Rystad data , Factset (net debt end Q4/14e)

Key assumptions: Please refer to slide 20

Valuation of Statoil assets vs booked PP&E

Valuation of Statoil D&P Int. and D&P Norway vs booked PP&E



Comment

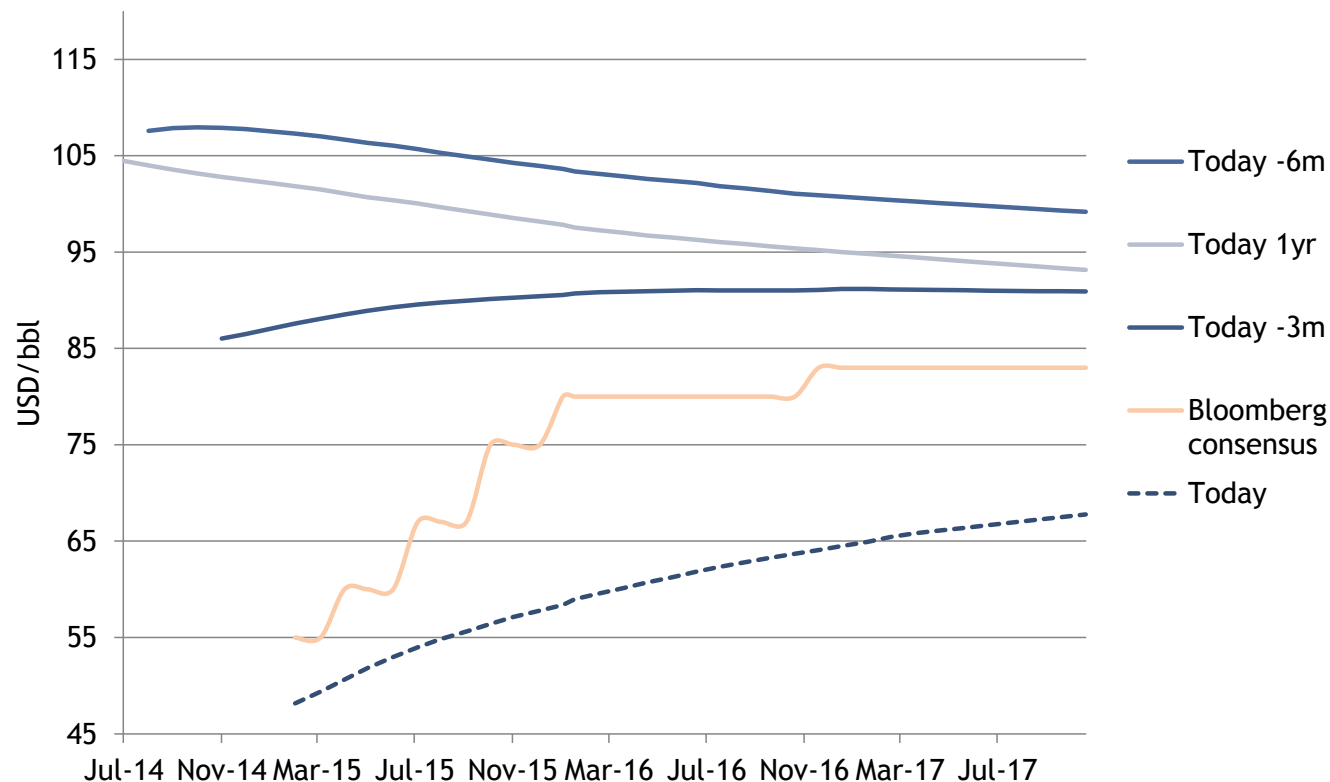
- The book value of Statoil assets are based on historical capital costs or/and historical acquisition costs less historical depreciation
- Please note that impairment test are made on single cash generation units. Thus impairments may be incurred on some assets, despite the book value of other assets is lower than the intrinsic value of these assets

Source: Arctic Securities, Statoil

*Booked PP&E as of year end 2014 translated to USD applying a USDNOK rate of 8.0. Includes i) production plants and oil and gas assets ii) assets under development iii) acquisition costs oil and gas prospects iv) capitalized exploration expenses

Huge changes in spot and future oil prices over the last six months

Brent crude forward curve today vs 3m, 6m, 1yr ago and consensus*

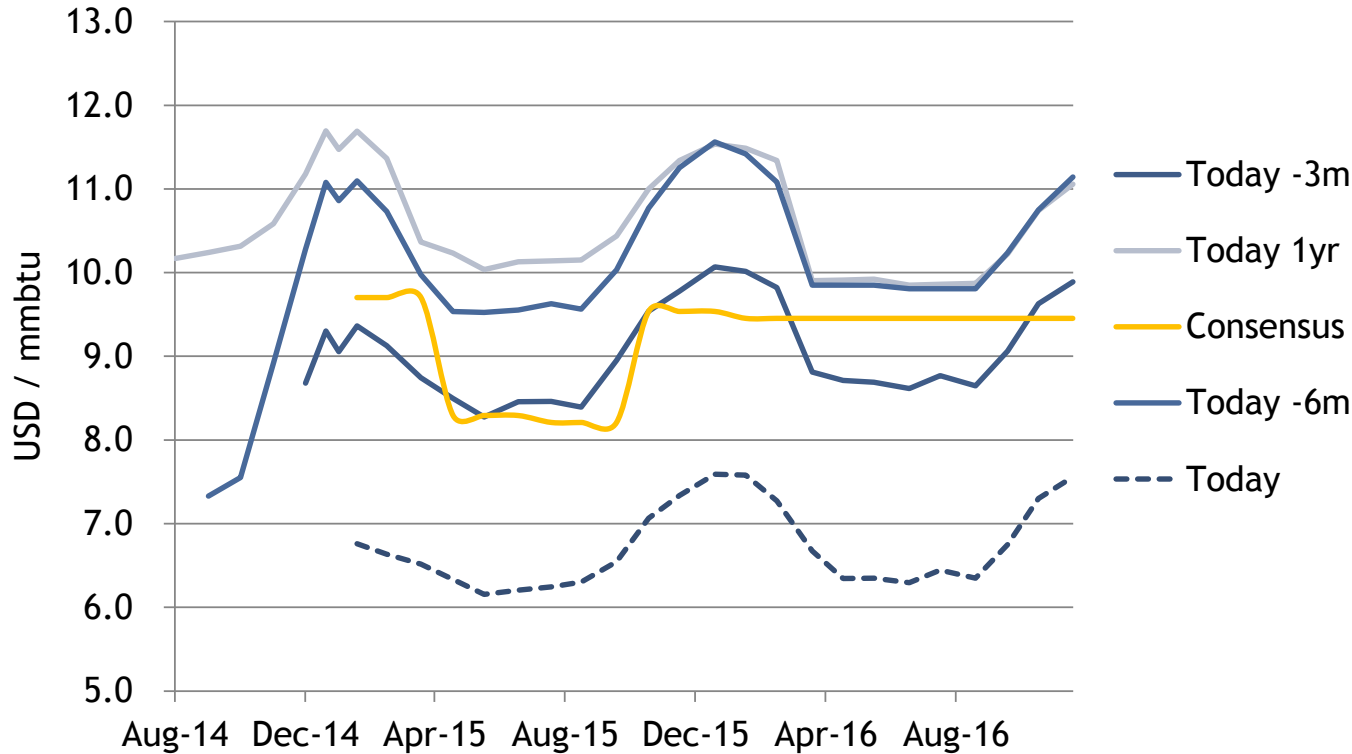


Comment

- Spot Brent crude oil quoted below USD 50/bbl in January 2015, compared to USD 85/bbl in November 2014 and USD 108/bbl in August 2014
- The December 2017 Brent crude oil contract is now quoted at USD 67/bbl vs USD 99/bbl six months ago and USD 94/bbl 1 year ago

While the NBP gas forward curve is down by ~30% over the last six months

NBP forward curve today vs 3m, 6m, 1yr ago and consensus*

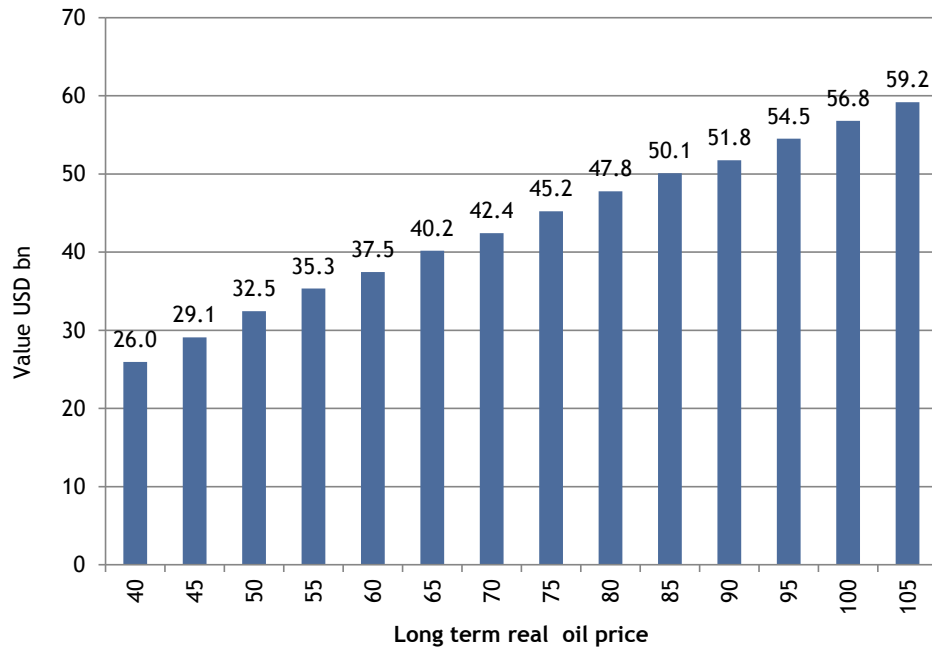


Comment

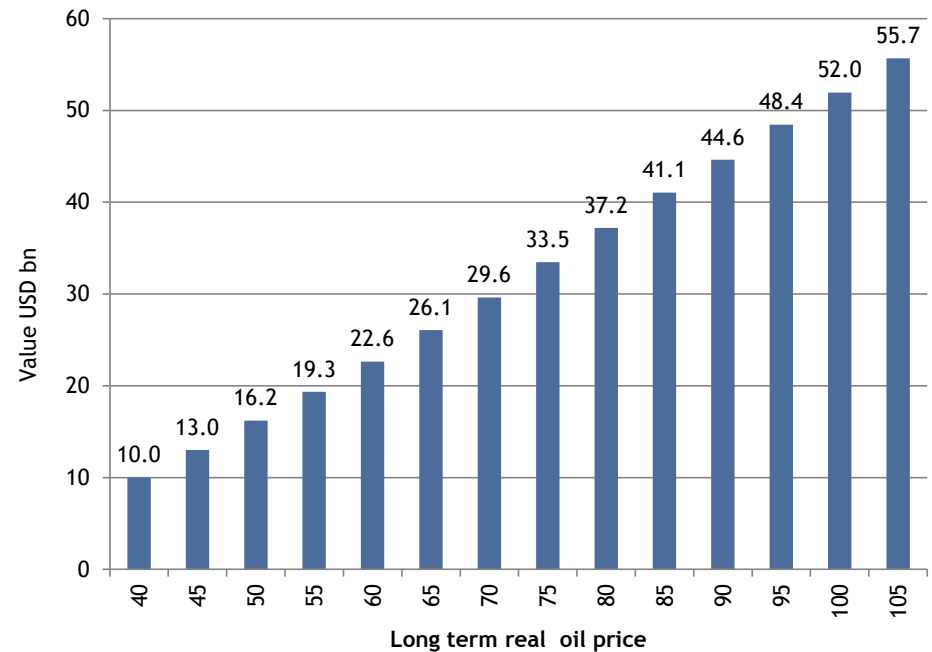
- The spot NBP gas price is currently quoted around USD 7/mmbtu vs a forward price of USD 11/mmbtu six months ago
- Forward gas contracts for 2016 delivery is also down around 30% in USD terms over the last six months

Valuation sensitivity - price scenarios

D&P Norway



D&P International

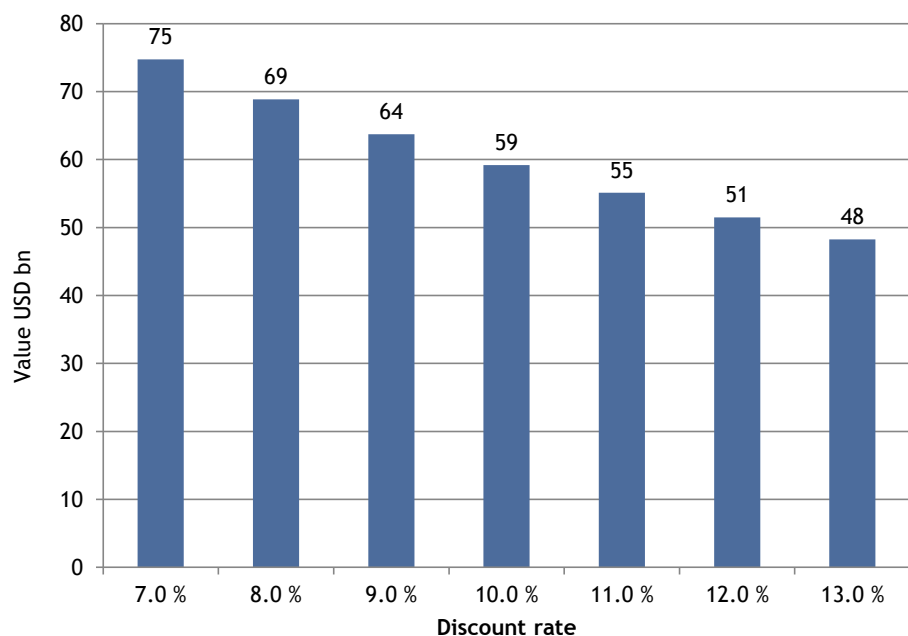


Source: Arctic Securities

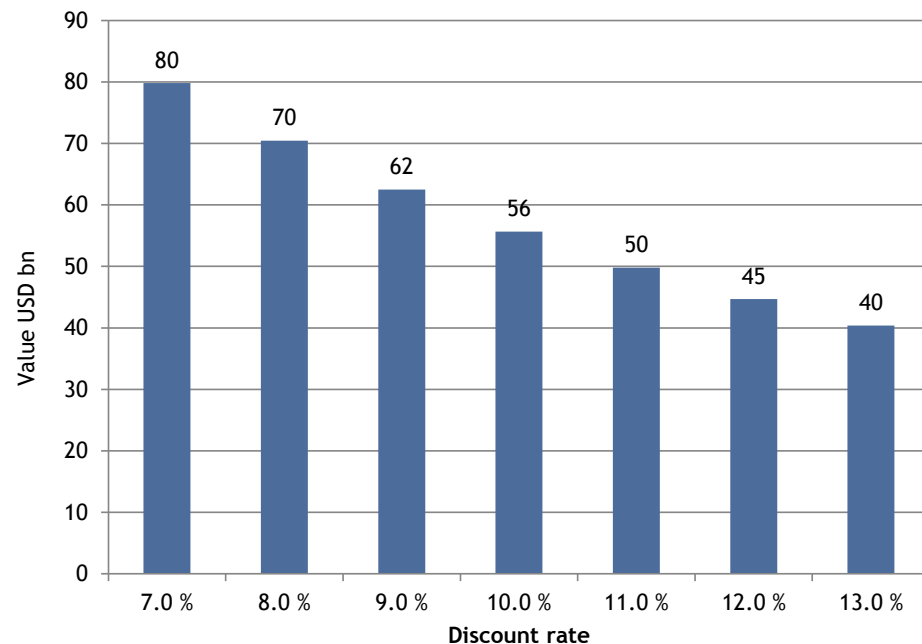
*Please note that we assume 60% correlation between oil and gas prices. We furthermore assume a 50% correlation between changes in the oil price and the cost level (capex& opex)
Our base case opex and capex estimates are based on oil and gas prices as on page 20. Assets with negative NPV are assumed to have a value of zero

Valuation sensitivity - discount rate applied

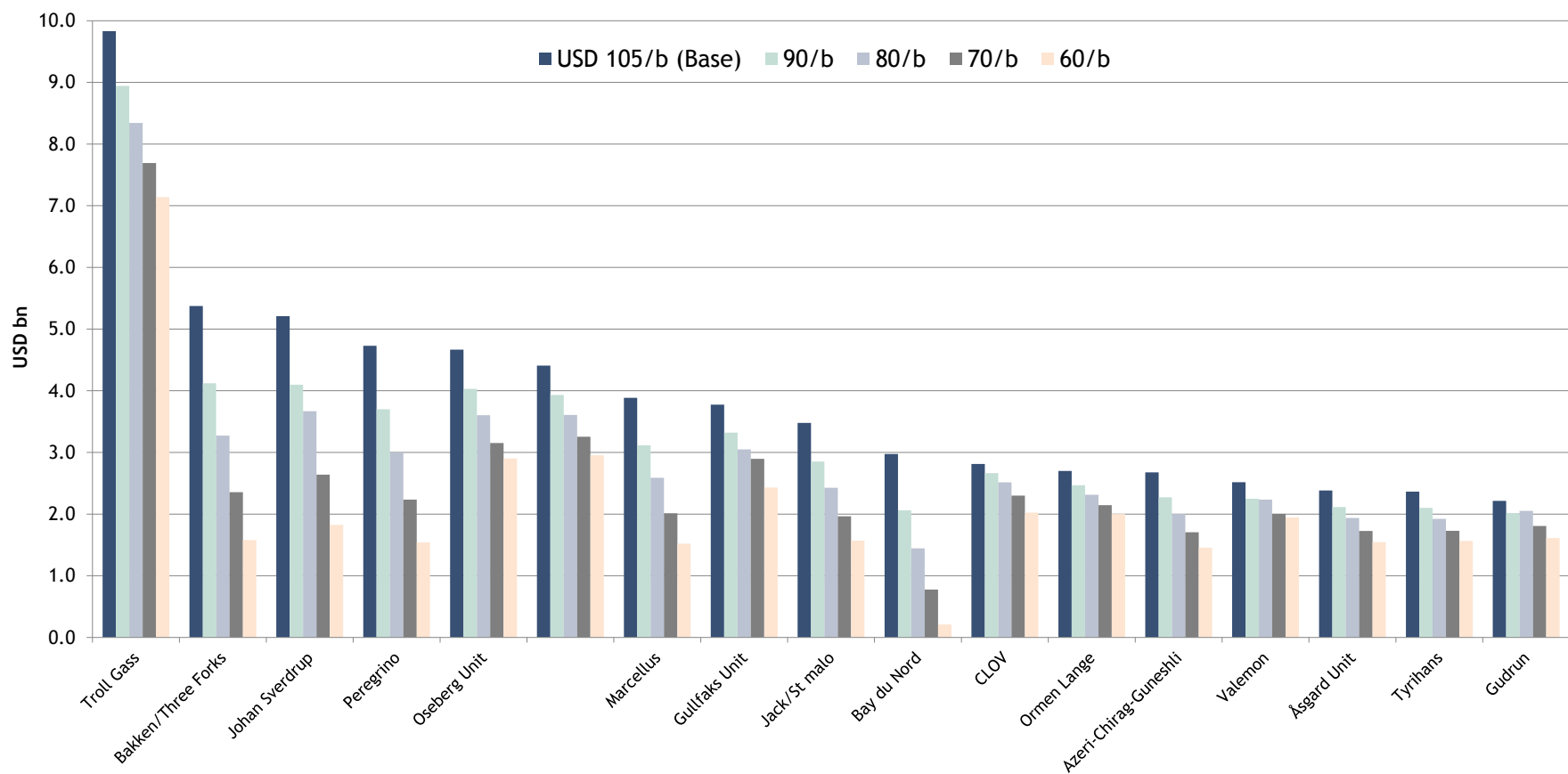
Valuation sensitivity D&P Norway (USDbn)



Valuation sensitivity D&P International (USDbn)



Valuation sensitivity - price scenarios*

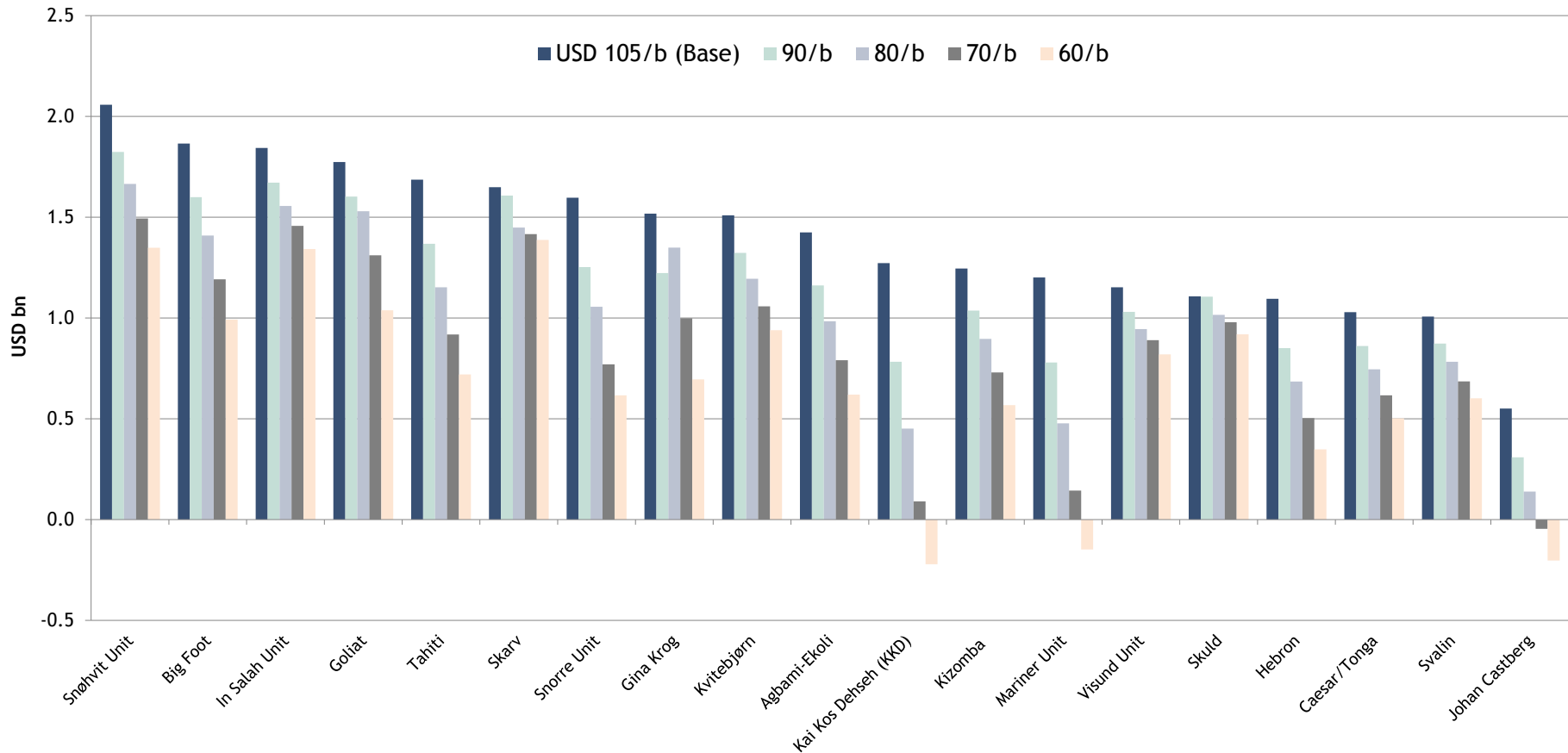


Source: Arctic Securities

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Valuation sensitivity - price scenarios*

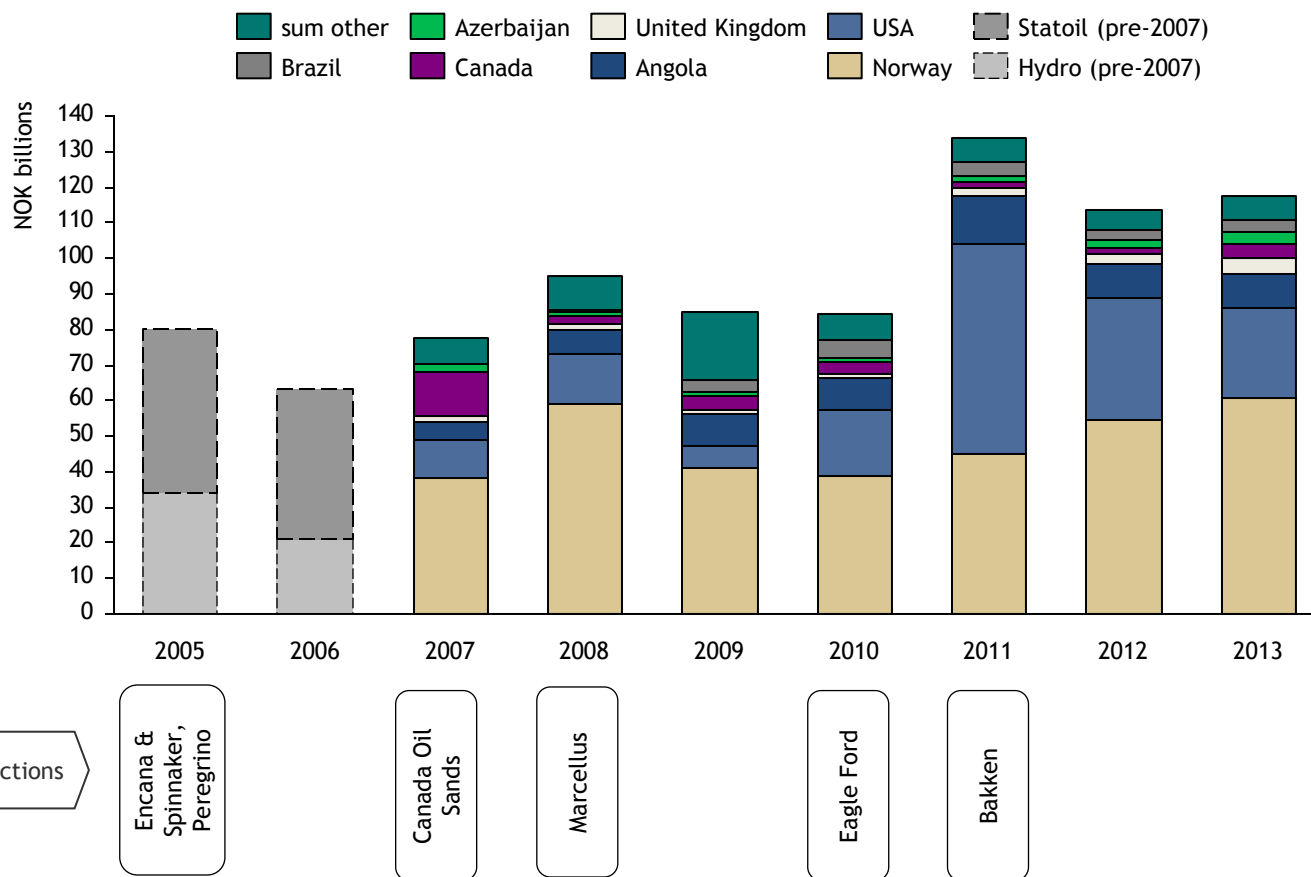


Source: Arctic Securities

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Statoil reported figures - investments by country*

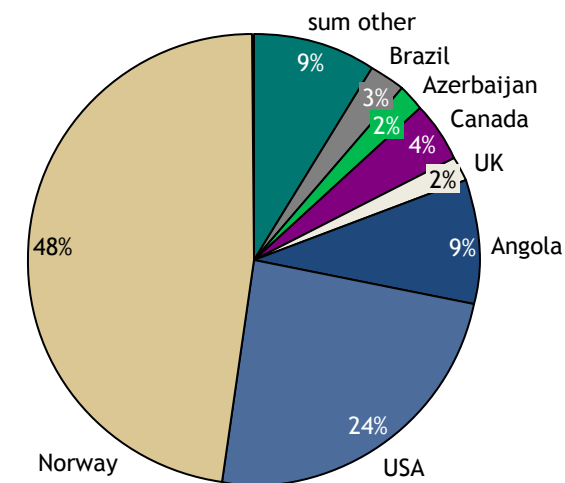
Statoil investments by country - NOK Billions



Comment

- Reported investments Norway 2007 - 2013 NOK 337bn
- Reported investments in the US 2007 - 2013 NOK 168bn

Share investments 2007 - 2013 (%)



Source: Arctic Securites, Statoil, Hydro

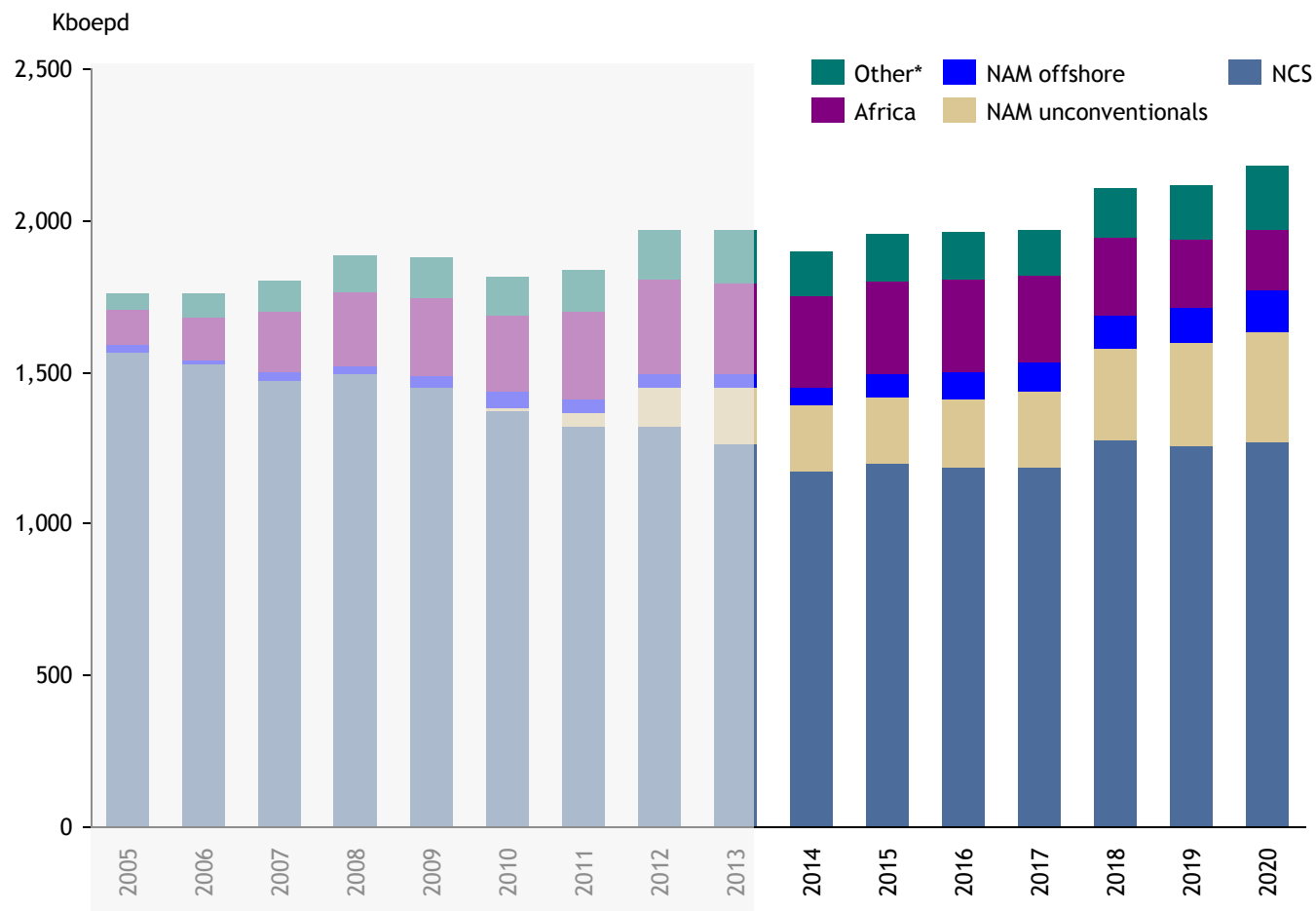
*Investments include non-cash effects of entering into capital lease agreements and exclude sale of assets

Statoil trends in production - international share increasing

Comment

- Statoil equity production expected to increase from 1,940 kboepd in 2013 to ~2,179 boepd in 2020
- NCS share of production expected to fall from 64% in 2013 to 58% in 2020
- North America production share expected to increase from 11% in 2013 to 23% in 2020
- Africa production share expected to fall from 16% in 2013 to 9% in 2020

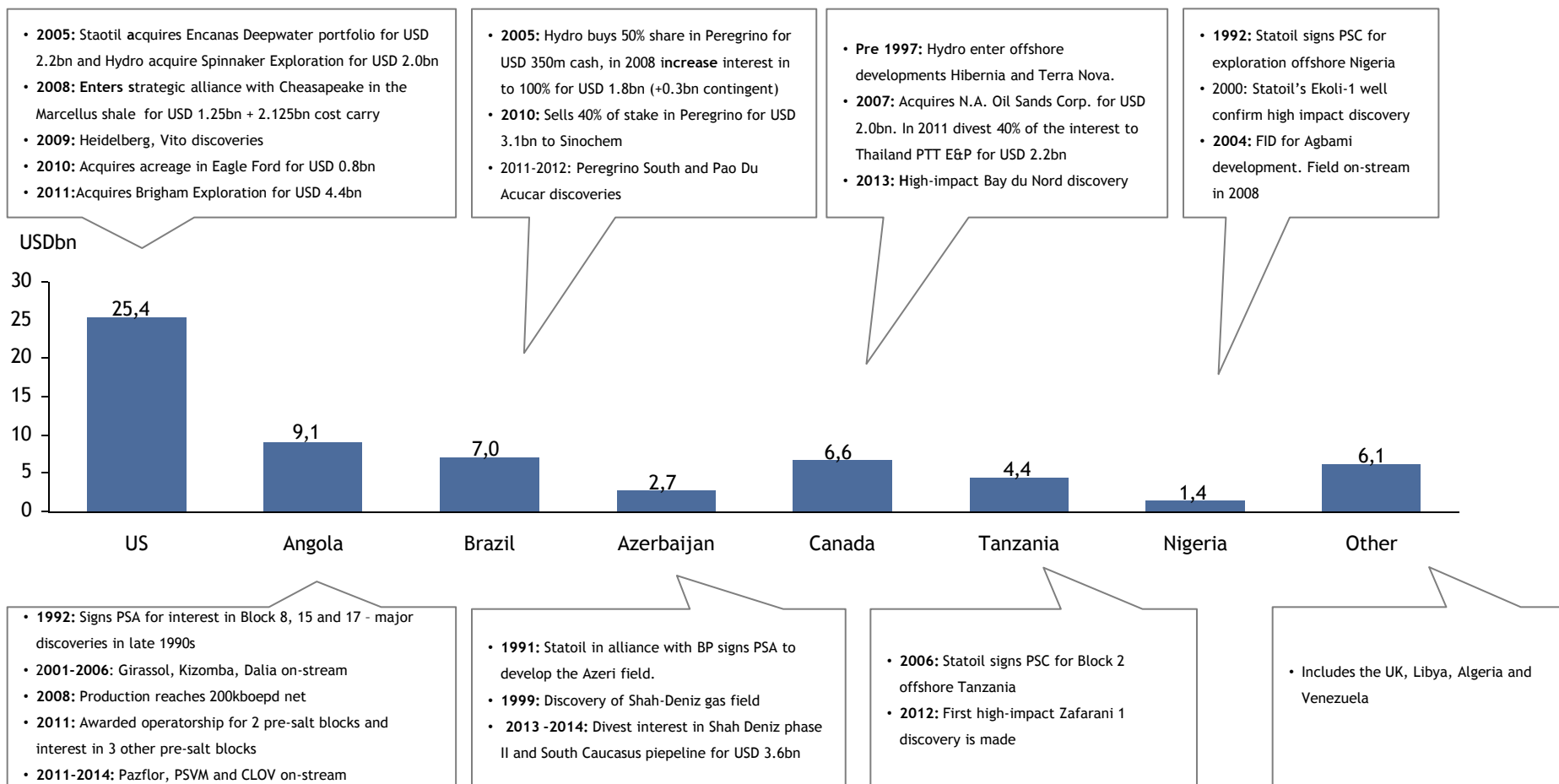
Regional overview production Oil and Gas 2005 - 2025e, kboepd



Source: Rystad Energy, Arctic Securities,
*Azerbaijan, UK, Brazil, Venezuela

Value overview Statoil E&P International

Valuation overview per country and highlights



Source: Company news releases

Please refer to page 20 for key assumptions valuation

Agenda

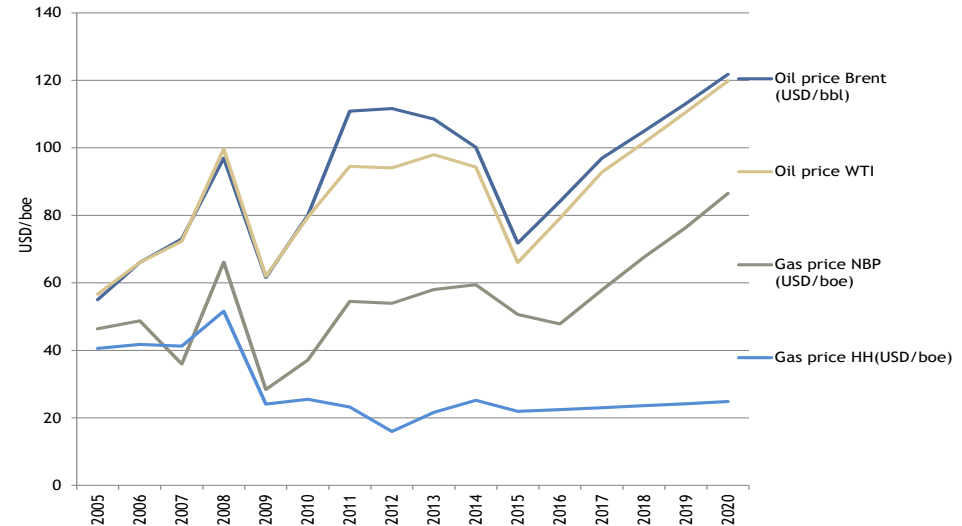
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Valuation methodology and key assumptions utilized for the assessment of the traffic lights in Statoil international projects

Valuation methodology and key assumptions

- We value Statoil's assets utilizing Rystad Energy's forecasts and historic estimates for capital expenditures, operating expenses and oil & gas production
- We apply a base case discount rate of 10% on all assets. Although risk may vary between countries (ie. due to different political or geological risk), we deem it appropriate to apply a single discount rate, as it is common industry practice when valuing a whole portfolio of assets. For example both Wood Mackenzie and Rystad Energy oil databases applies a base case discount rate of 10% on all assets. We have in our analysis and assessment completed sensitivities to different level of discount rates for the overall portfolio.
- Our profitability assessment of Statoil portfolio is based on an IRR (internal rate of return) calculation. We estimate a historic free cash flow where we adjust for Statoil's historic ownership share, accounting for the initial investment and potential partial divestments. Assets are assumed sold today at Arctic valuation

Oil and gas price assumption



- We utilize the same oil & gas price assumption as Rystad's base case in the December 2014 version of the Ucube. The Brent base case reflects a sustained floor at USD 70/bbl in 2015, then a gradual increase to USD 105/bbl in real terms by 2020. The base case reflects Rystad's view of near term supply-demand fundamentals and long-term breakeven economics. The Henry Hub nat. gas forward price assumptions in the base case are based on 12-month forward prices and 2.5% annual inflation thereafter.

Evaluation-methodology

Evaluation-methodology

- For each of Statoil's key international projects in the period 2005 - 2015, we evaluate the level of profitability, the level of operational success and overall success of the project. The level of overall success of the project depends on the level of operational success and the level of profitability.
- A «green evaluation» indicates that Statoil have obtained a abnormally high return on the investment (>10% IRR). It is furthermore required that the IRR calculation is robust when taking into account potential changes in future oil and gas prices. We therefore perform a sensitivity analyses where we model the oil and gas forward curve with a 15% discount. On the operational level, a «green evaluation» requires that operational results (production levels, first oil, EOR) are on-par, or above expectations communicated at the start of the project
- A «yellow evaluation» indicates that Statoil have obtained average or lower than average return on investment ($0\% < \text{IRR} < 10\%$). Projects which are very sensitive to changes in oil and gas prices (ie Marcellus) may have an IRR below 0% utilizing the current forward curve, but is assigned a «yellow evaluation» due to comparable transactions which clearly supports a higher valuation (ie transactions implying a higher forward curve on the long-term). On the operational level, a «yellow evaluation» implies that operational results (production levels, first oil, EOR) have been somewhat lower than initial expectations
- A «red evaluation» indicates that Statoil have obtained a negative return on the investment. Furthermore , it is requires that the project has a low level of profitability even if future oil and gas prices increase by 15% compared to the base case. On the operational level, a «red evaluation» implies that operational results (production levels, first oil, EOR) have been significantly below initial expectations

Evaluation of key international projects*

Summary evaluation on project level

Project	Timing	Rationale / Strategic fit	Financial commitment	Outlook / comment	Operational success	Profitability	Overall evaluation
US GoM - Offshore	2005 -	<ul style="list-style-type: none"> Low reserve replacement on the NCS Large resource potential Leverage the company's North Sea experience and subsea technology Fiscal regime viewed as attractive 	<ul style="list-style-type: none"> Spinnaker & Encana corporate/ asset deals in 2005 worth USD 4.7bn Invested more than USD 8bn since then 	<ul style="list-style-type: none"> High class development portfolio If Statoil is able to leverage EOR-competence from NCS and Brazil may post good returns High impact exploration 			
Brazil - Peregrino Heavy Oil	2005 -	<ul style="list-style-type: none"> Scarcity of easy-access non-OPEC oil resources and low reserve replacement on the NCS Leverage heavy oil experience from Grane Considerable proven oil resources and exploration potential 	<ul style="list-style-type: none"> Acquired 50% stake for USD 0.35bn in 2005, increased to 100% in 2008 for USD 1.8bn Divested 40% interest for USD 3.1bn in 2010 Invested more than USD 3.5bn net since 2005. 	<ul style="list-style-type: none"> New developments (Pao de Acuar) probably low priority in project pipeline Interesting exploration portfolio 			
Canada Oil Sands	2007 -	<ul style="list-style-type: none"> Increase reserve base due to scarcity of conventional non-OPEC oil resources and low reserve replacement on the NCS Exposure and thereby diversification into major new oil play Viewed as feasible due to record high oil prices 	<ul style="list-style-type: none"> Acquired NAOSC for USD 2.0bn in 2007 Divested 40% for USD 2.3bn in 2010 Net capex of >USD 1.5 bn since 2007 	<ul style="list-style-type: none"> High oil price break-even Environmentally challenging NOK 8.1bn write-down in Q3/14 			
Marcellus - shale gas	2008 -	<ul style="list-style-type: none"> Strategic alliance with Chesapeake, a leading gas player in the US Developing the gas value chain, adding significant resources Growing position within unconventional gas 	<ul style="list-style-type: none"> Acquired key acreage for USD 3.75bn in 2008, ad-ons for USD 0.25bn in 2010 and USD 0.6bn in 2012. Net capex of -USD 5.0bn - 6.0bn since 2011 	<ul style="list-style-type: none"> Large economic profit unlikely due to abundant US shale gas resources, however prime acreage may deliver acceptable returns at current gas price levels Made NOK 4.1bn impairment on onshore US assets in Q2/14 			
Eagle Ford - shale gas / NGL	2010 -	<ul style="list-style-type: none"> Complementing the position in Marcellus, supplying a different range of hydrocarbons (also NGLs) to different markets 	<ul style="list-style-type: none"> USD 0.8bn initial investment in 2010. Net capex of -USD 2.0bn - 2.5bn since then 	<ul style="list-style-type: none"> Higher break-even gas price compared to Marcellus acreage Need improvement in US NGL market to lift profitability 			

= Abnormally high return on investment / operational results above expectations

= Average or lower than average return on investment / operational results somewhat below expectations

= Negative return on investment / disappointing operational results

Source: Arctic Securities, Company data

*Please refer to Appendix II for evaluation methodology

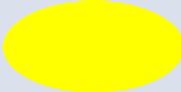

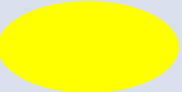
Evaluation of key international projects cont'

Summary evaluation on project level								
Project	Timing	Rationale / Strategic fit	Financial commitment	Outlook / comment	Operational success*	Profitability*	Overall evaluation	
Eagle Ford - shale gas / NGL	2010 -	<ul style="list-style-type: none"> Complementing the position in Marcellus, supplying a different range of hydrocarbons (also NGLs) to different markets 	<ul style="list-style-type: none"> USD 0.8bn initial investment in 2010. Net capex of -USD 2.0bn - 2.5bn since then 	<ul style="list-style-type: none"> Higher break-even gas price compared to Marcellus acreage. Need improvement in US NGL market to lift profitability 				
Bakken - tight oil	2011 -	<ul style="list-style-type: none"> Exposure towards unconventional tight/shale-oil Developed industrial capabilities through Marcellus and Eagle Ford ownership Strategic fit as Statoil and Brigham both emphasize technological innovation 	<ul style="list-style-type: none"> USD 4.7bn initial investment in 2011. Net capex of -USD 3bn - 4bn since 2011 	<ul style="list-style-type: none"> Quality of acreage outside 'sweet-spots' important - time will show Oil price sensitive Recent asset deal (Kodiak in July 2014) supportive for valuation 				
Shtokman Barents Sea gas-field	2007 - 2012	<ul style="list-style-type: none"> Maintaining long-term position as major European natural gas supplier Leveraging technology, industrial experience and expertise from large offshore developments 	<ul style="list-style-type: none"> Project did not get FID Made NOK 2.0bn (USD 0.33bn) impairment in Q1/13 	<ul style="list-style-type: none"> High gas-price break-even and difficult to predict long-term trends in the natural gas market Likely sound decision to exit in 2012 Possible participation at a later stage 				
West Qurna - II Iraq	2009 - 2012	<ul style="list-style-type: none"> Huge resource -Iraq viewed as the last great 'prize' in the oil industry Gross plateau rate estimated to 1.8Mboe with a USD 1.15 remuneration fee 	<ul style="list-style-type: none"> Net costs likely between USD 0.3bn - 0.5bn before exit in 2012. Confidential commercial terms 	<ul style="list-style-type: none"> Low remuneration fee of only USD 1.15/bbl implies relatively low returns Difficult operational environment and politically unstable Likely sound decision to exit in 2012 				
Shah-Deniz phase-II divestment	2013 - 2014	<ul style="list-style-type: none"> Divestment reflected prioritization of future investments, as well as capturing value from a significant gas position 	<ul style="list-style-type: none"> Reduced interest in Shah-Deniz phase II and South Caucasus Pipeline to 15.5% (25.5%) for USD 1.4bn in 2013, and sold the remaining 15.5% interest in 2014 for USD 2.2bn 	<ul style="list-style-type: none"> Statoil recorded a NOK 3.6bn (USD 0.6bn) gain related to the 2013 partial divestment in Q2/14 	n/a	n/a	n/a	
Cove Point US LNG Import Terminal	2002 -	<ul style="list-style-type: none"> Limited US gas supply additions widely expected, prices supported by increasing prices for substitutes and energy scarcity Market to sell gas from Snøhvit LNG development 	<ul style="list-style-type: none"> In 2002 Statoil paid USD 210m for 1/3 of the capacity at Cove Point LNG Terminal 	<ul style="list-style-type: none"> In Q1/13 Statoil made a NOK 4.9bn (USD 0.8bn) provision related to the contract 'No one' predicted the US shale-gas revolution 				
South Pars Iran	2002 - 2008	<ul style="list-style-type: none"> Expand internationally in the Middle East 	<ul style="list-style-type: none"> Initial sign-on bonus not disclosed USD 300m development commitment over next four years 	<ul style="list-style-type: none"> Wrote down book-value of asset by USD 0.33bn before tax and USD 0.24bn after tax in 2006 				

Source: Arctic Securities, Company data

*Please refer to Appendix II for evaluation methodology

US Gulf of Mexico - development projects behind schedule, but high-class projects in pipeline and good exploration acreage

Summary evaluation and outlook comment	Operational success*	Profitability**	Overall evaluation
<ul style="list-style-type: none"> • Mixed development-project success. Only 35kboepd production in Q1/14 compared to originally estimated production potential of 100kboepd in 2012 from Encana assets only • High-class assets in project pipeline • If Statoil is able to leverage on NCS EOR- competence may post good returns • High potential exploration portfolio. However disappointing results in 2014 with dry wells at the “Martin” and “Perseus” prospects. Two more high impact wells in 2014 			

Historic highlights

Timing	Headline	Description
2001 - 2005	Background	<ul style="list-style-type: none"> • Scarcity of easy-access non-OPEC oil resources and low reserve replacement on the NCS • Huge potential - the US Mineral Management Services (MMS) in 2004 estimated 56bn boe yet to find resources • Opportunity to leverage the company’s North Sea experience and subsea technology • Fiscal regime viewed as attractive. Stable political environment • In September 2001 Hydro entered into a JV with Conoco for 25% interest in 55 leases (exploration) for USD 130m • In 2004, Statoil farmed-in to its first GoM projects, operated by Exxon and Chevron
2005	Acquires Encana’s deepwater portfolio for USD 2.2bn	<ul style="list-style-type: none"> • Total resources north of 0.5bn boe. Potential to deliver 30 kboepd production in 2010 and 100 kboepd after 2012 • Interest in 239 gross leases, including core development projects Tahiti, Fox, Jack / St Malo and Tonga

US Gulf of Mexico - Core Area since 2005 - cont'

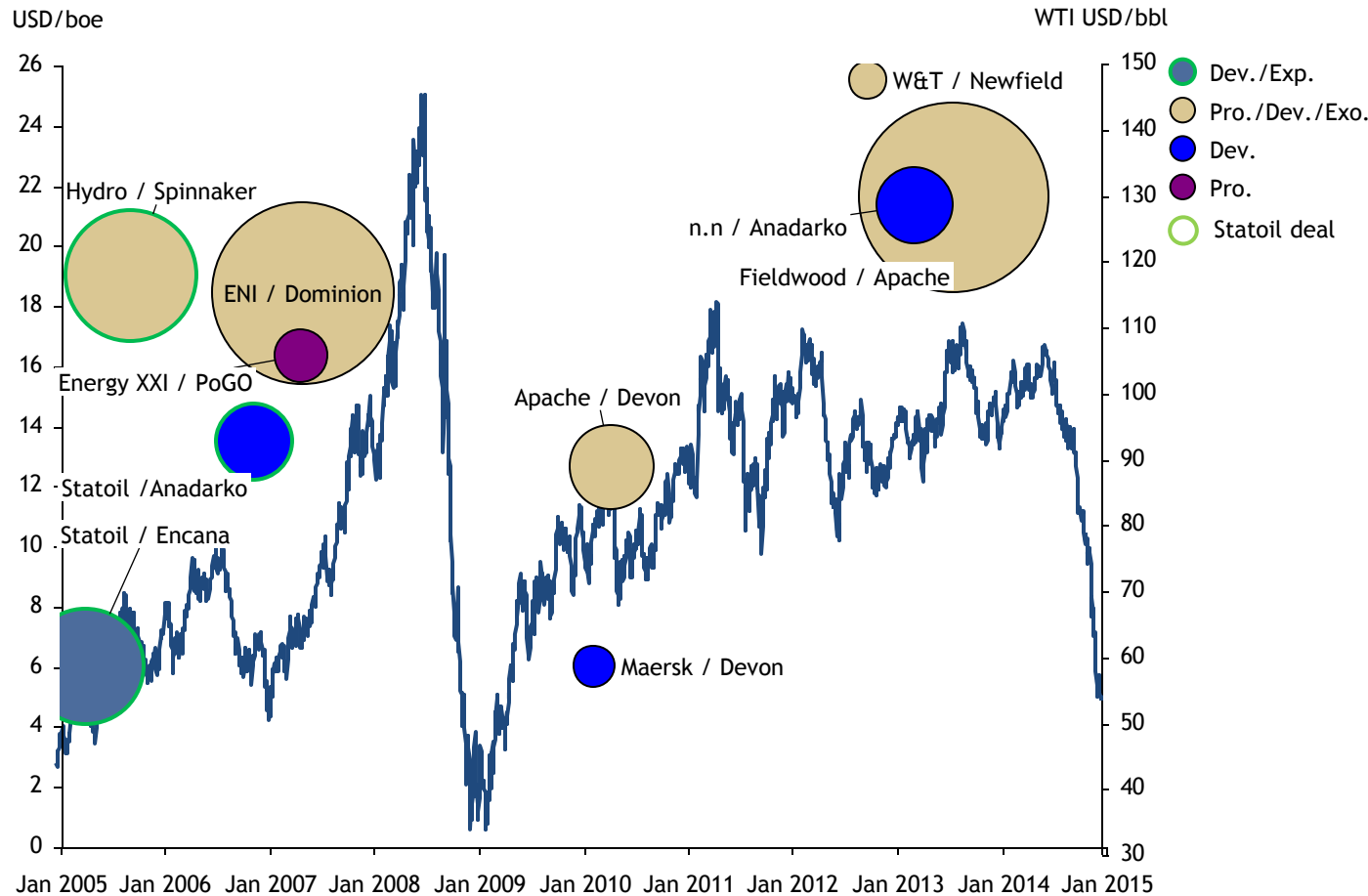
Development projects behind schedule, but major potential related to enhanced oil recovery and exploration

Historic highlights cont'		
Timing	Headline	Description
2005	Hydro acquires Spinnaker exploration for USD2.45bn	<ul style="list-style-type: none"> Production of 23kboepd, several discoveries including interest in Front Runner, Thunder Hawk and Spiderman Spinnaker had an historic 60% success rate on 176 wells drilled in the GoM
2005 - 2013	Increase acreage position through lease auctions for a total USD 1.0bn	<ul style="list-style-type: none"> From 2005 to 2013 wins auction for 208 leases for a total bonus consideration of ~USD 1.0bn
2006	Farm into Big Foot, Caesar and Knoty-head for USD 1.6bn	<ul style="list-style-type: none"> In two separate deals with Plains E&P and Anadarko, Statoil earns interest in Big Foot (27.5%), Caesar (17.5%), and Knotty Head (25%) for a total consideration USD 1.6bn
2007 - 2010	Several high-impact discoveries	<ul style="list-style-type: none"> Several significant discoveries in the GoM, including Julia (2007), Heidelberg (2009), Vito (2009), West Tonga (2007)
2009	Acquires 40% interest in 50 leases from BHP Billiton	<ul style="list-style-type: none"> Acquires 40% stake in 50 leases from BHP Billiton in the frontier DeSoto Canyon area of the US Gulf of Mexico, from the OCS Central Lease Sale 208. Acquisition price not disclosed
2010	Macondo oil spill	<ul style="list-style-type: none"> A blow-out at the BP operated Macondo prospect claims 11 lives A month after the disaster a 6m drilling moratorium was issued on all deepwater offshore drilling. The ban was lifted in October 2011, but by February 2011 no one had received a permit to drill
2012	Divest interest in Lorien, Front Runner and Thunder Hawk	<ul style="list-style-type: none"> Statoil divests its interest in the producing assets for an undisclosed sum
2014	Uncommercial well at key prospect	<ul style="list-style-type: none"> Statoil reports in September that the "high profile" Martin prospect was uncommercial.

US Gulf of Mexico selected asset and corporate transactions - large differences in price paid per boe

USD/boe reserves, type of asset and deal size*

Comment



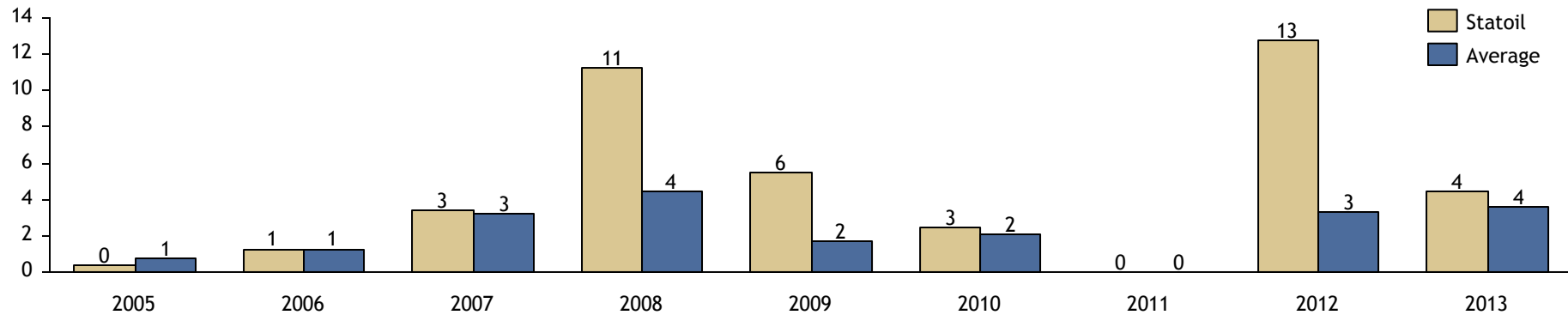
- In the period from 2005 transaction prices per boe recoverable have varied from ~6/boe (typically only development) to USD ~25/boe (typically large share production)
- Anadarko sold its 12.75% share of Heidelberg development project (Statoil 2009 discovery) to an undisclosed buyer for a price of USD 21.3/boe in 2013, highlighting the sound economics of prime US GoM development projects

Source: Arctic Securities, company news releases
Size of bubble indicate transaction size

US GoM lease rounds - Statoil average winning bid well above the average winning bid since 2008 due to few and large bids

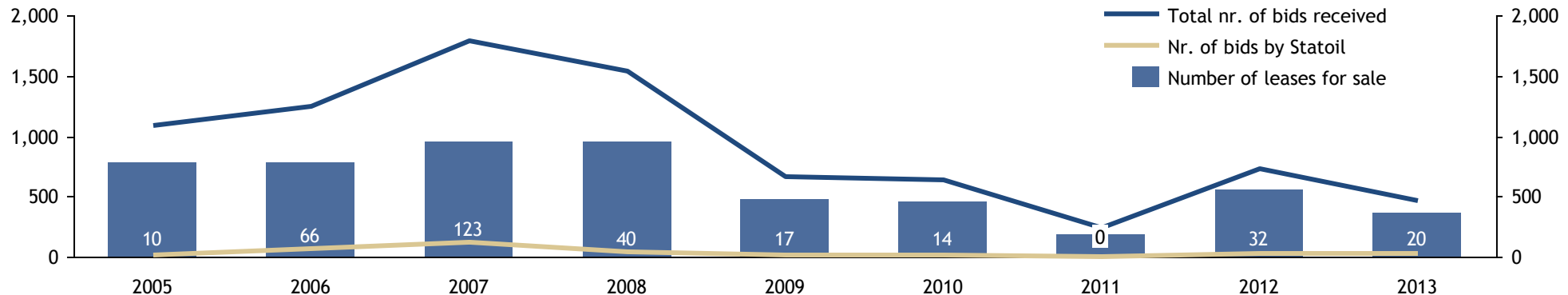
Average value bid won, USDm

USDm per lease won



Number of blocks bid on and total number of bids received

Number of leases / bids



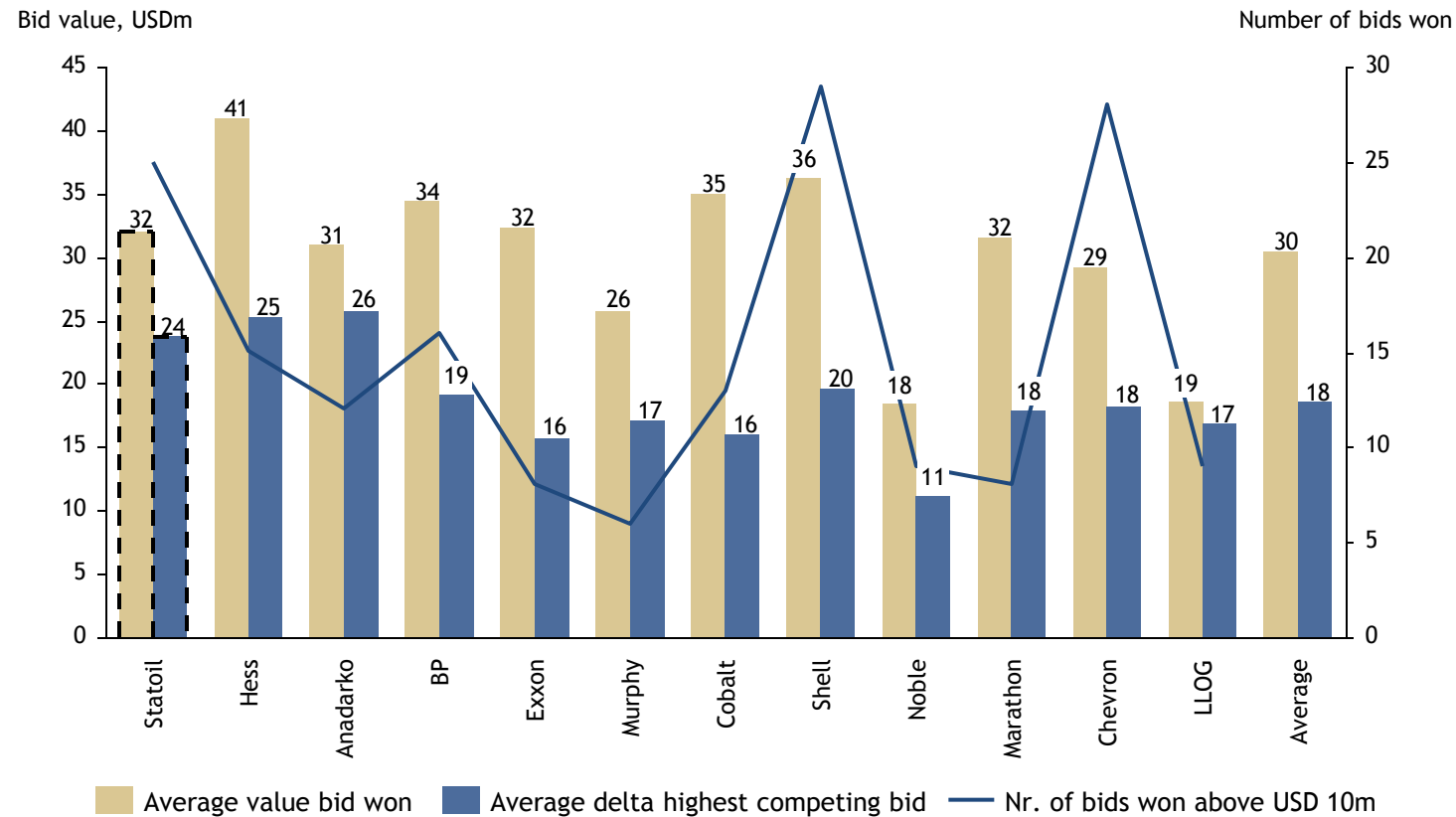
Source: Arctic Securities, Bureau of Ocean Energy Management

Bids above USD 10m in US GoM lease rounds - large difference between winning bid and second highest bid both for Statoil and peers

Comment

- In the US Gulf of Mexico lease rounds, leases are awarded based on a «sealed first-price auction»
- From 2007 - 2013 Statoil won 25 bids above USD 10m. The average price for these 25 bids was USD 32m. The average highest competing bid was USD 8m
- The average bid won above USD 10m (for all companies) amounted to USD 30m. The highest competing bids averaged USD 12, which implies an average delta between winning bid and second highest bid of USD 18m. For Statoil the average difference was USD 24m

Average value bid won vs highest competing bid and number of bids 2007-2013






Source: Arctic Securities, Bureau of Ocean Energy Management (Data from US lease rounds Central and Western GoM 2006 - 2013)

*However low average winning bid for Noble vs average

Brazil - success despite challenging operational environment

Successful development of Peregrino oil field and corporate transactions

Summary evaluation and outlook comment	Operational success	Profitability	Overall evaluation*
<ul style="list-style-type: none"> • Very successful due to i) high recovery rates ii) successful corporate transactions iii) add-on discovery Peregrino South • New developments (Pao de Acucar) probably low priority in project pipeline • Interesting exploration portfolio - expects to drill 10 wells in the period 2016 - 2018 			

Historic highlights

Timing	Headline	Description
2001 - 2005	Background	<ul style="list-style-type: none"> • Scarcity of easy-access non-OPEC oil resources and low reserve replacement on the NCS • Brazil opened for foreign companies in 1997, considerable proven oil resources and exploration potential
2005	Acquire 50% interest in the Chinook (Peregrino) discovery from Encana for USD 0.35bn	<ul style="list-style-type: none"> • Establishes new core region for Hydro on the medium/long - term • Believed it could achieve significantly higher recovery rates (>20%) compared to normal (10-15%) for similar types of heavy oil fields

Brazil - success despite challenging operational environment

Successful development of Peregrino oil field and corporate transactions

Historic highlights cont'		
Timing	Headline	Description
2006	Petrobras pre-salt Tupi discovery opens new UDW-play	<ul style="list-style-type: none"> The Tupi discovery (now named Lula field) was made in October 2006. Estimated to contain 7.5bn boe recoverable it was the largest oil discovery in the western hemisphere in 30 years. Major new play-opener boosting international interest for Brazil Ultra Deepwater
2008	Increase interest to 100% by acquiring Anadarko's 50% share	<ul style="list-style-type: none"> Buys Anadarko's 50% interest for USD 1.8bn + USD 0.3bn contingent
2010	Divest 40% interest to Sinochem for USD 3.1bn cash	<ul style="list-style-type: none"> Statoil book's a NOK 8.8bn gain related to the divestment
2011	Pergino on-stream	<ul style="list-style-type: none"> Production is gradually ramped up to name-plate capacity around 100kboepd gross. In H2/13 the field produced ~90kboepd gross
2011	Anadarko receives USD 0.4bn earn-out	<ul style="list-style-type: none"> The earn-out mainly relates to increase in crude prices since transaction in 2008
2016 - 2018	Large exploration commitment	<ul style="list-style-type: none"> Statoil obtains 6 new licenses in the latest lease round and expects to drill 10 wells in the period 2016 - 2018

Angola - the 'workhorse' in Statoil's international portfolio*

Established production base, reduced development activity and increased focus on exploration going forward

Historic highlights		
Timing	Headline	Description
Pre -1990	Background	<ul style="list-style-type: none"> Last giant NCS-oil discovery made in the 1970s Strategy to establish production base internationally as NCS resources are gradually depleted
1990 - 1992	Enters Angola deepwater in alliance with BP	<ul style="list-style-type: none"> In 1992 Statoil and BP signs Production Sharing Agreement's (PSA) for interest in Block 8, 15 and 17. Following several significant discoveries (Kizomba, Girassol, Dalia) it is estimated in 1998 that Angola will provide equity production of 200 kboepd net to Statoil from 2005
2001 - 2006	Girassol, Kizomba and Dalia on-stream	<ul style="list-style-type: none"> Within Block 17, the 280 kboepd capacity Girassol FPSO is brought on-stream in December 2001. Five years later, production from the 260 kboepd capacity Dalia FPSO commence. In Block 15, production from Xicomba commence in 2003, while Kizomba A, B and C are brought on-stream in 2004, 2005 and 2008, respectively
2008	Production reaches 200 kboepd	<ul style="list-style-type: none"> Statoil net production in Angola in Q4/2007 was 114kboepd, rising to 218 kboepd in Q4/2008 and stabilizing around 200kboepd after that
2011-2014	The Pazflor, PSVM and CLOV FPSO's are brought on-stream	<ul style="list-style-type: none"> In August 2011, the Pazflor FPSO starts production, followed by the BP operated PSVM FPSO in December 2012. The 160 kboepd capacity CLOV FPSO was brought on-stream in June 2014
2011	Statoil wins bid for interest in five pre-salt blocks	<ul style="list-style-type: none"> In December 2011, Statoil attains 55% interest and operatorship for Block 38 and 39, and 20% interest in Block 22, 25 and 40. The consideration price is not disclosed
2012	Maersk makes first pre-salt discovery offshore Angola	<ul style="list-style-type: none"> The Azul-1 well, the first to penetrate pre-salt objectives offshore Angola, strikes oil. The pre-salt prospectives offshore Angola are believed to be analogous to the Brazil-pre salt discoveries
2014	Makes several portfolio adjustments	<ul style="list-style-type: none"> In H1/14 Statoil farm downs to 40% (55%) interest in exploration Block 39 to Genel for USD 0.2bn, divest its 5% interest in Block 15/06 for USD 0.2bn, and further reduce interest to 37.5% (40%) in Block 39 and to 45% (55%) in Block 38 for an undisclosed sum
2014 -	Increased exploration commitment, reduced development activity	<ul style="list-style-type: none"> Will participate in 8 wells from 2014, two as operator. However there may be deviations to this plan as Statoil wrote down value of exploration asset in conjunction with the Q3/14 report due to dry well at the Dilolo-1 prospect

Source: Company news releases, Arctic Securities, EIA

*Please note that we have not «ranked» the operational and financial success of the investments in Angola as a material part of the operations commenced in the 1990s. We do not have reliable data dating back to that time. It is however our impression that Statoil's operations in Angola have been highly profitable due a number of large discoveries, successful development projects and strong historical production figures

Azerbaijan - established production base in the Caspian Sea - reduced exposure after divestment of Shah-Deniz in 2013 & 2014

Important region since the mid-90s, but reduced exposure following farm-down of Shah-Deniz in 2013 and 2014

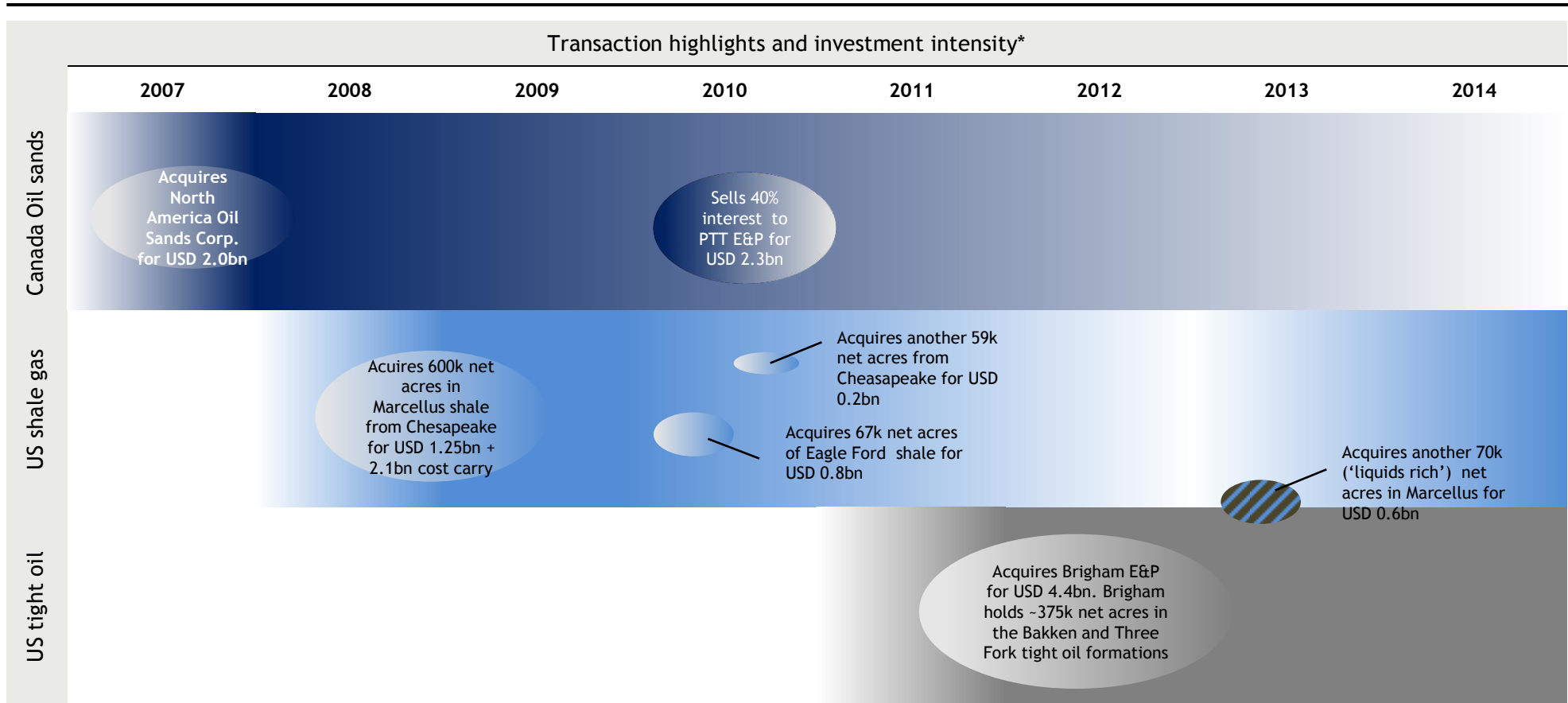
Historic highlights		
Timing	Headline	Description
Pre -1990	Background	<ul style="list-style-type: none"> Last giant NCS-oil discovery made in the 1970s Strategy to establish production base internationally as NCS resources are gradually depleted
1991	Signs agreement to develop the Azeri field	<ul style="list-style-type: none"> Statoil and BP signs LOI to participate in development of the Azeri-field in the Caspian Sea. Statoil holds 8.56% interest in the fields in the area which produced more than 650kboepd oil in 2013 and still is estimated to contain more than 3bn boe recoverable
1997	First-oil from Chirag-1 platform	<ul style="list-style-type: none"> The production was further enhanced in the period 2005 - 2008 as four new fixed production platforms were installed. Since 2007, production from the field has been around 60kboepd net to Statoil
1999	Shah-Deniz gas field discovery	<ul style="list-style-type: none"> After signing a PSA along with 6 other companies in 1996, the Shah-Deniz gas field is discovered in 1999
2006	Shah-Deniz on-stream	<ul style="list-style-type: none"> The field comes on stream in 2006, ramping up production to plateau above 40 kboepd net from 2008
2013	Shah-Deniz Phase-II FID, Statoil reduce ownership	<ul style="list-style-type: none"> In connection with the FID for the Shah-Deniz phase-II and South Caucasus Pipeline project, Statoil reduce its interest to 15.5% (25.5%) for USD 1.4bn. Gross capex for the project was estimated to USD 28bn, thereby reducing Statoil's net capex commitment by -USD 2.8bn. Statoil recorded a NOK 3.6bn (USD 0.6bn) gain related to the divestment in Q2/14.
2014	Sells remaining stake in Shah-Deniz and SCPP	<ul style="list-style-type: none"> In September Petronas acquires Statoil remaining 15.5% interest in Shah-Deniz and the South Caucasus pipeline for USD 2.2bn.

Source: Company news releases, Arctic Securities, EIA

*Please note that we have not «ranked» the operational and financial success of the investments in Azerbaijan as a material part of the operations commenced in the 1990s. We do not have reliable data dating back to that time.

US unconventional - focus area from 2007

Statoil transaction highlights and investment intensity in North American unconventional oil plays*,**


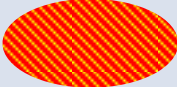



Source: Arctic Securities, Company news releases

** Arctic illustration of Statoil's investment commitment (acquisitions and organic growth efforts) in different NAM oil plays. Dark colour indicate high investment intensity.

**Size of bubble indicates transaction size

Canada Oil Sands - deferred production and high development costs, but very successful partial divestment in 2010

Summary evaluation and outlook comment	Operational success	Profitability	Overall evaluation*
<ul style="list-style-type: none"> • Statoil expected 100kboepd production by 2015 when it acquired the asset in 2007, however no new expansions have been initiated since start-up of Leismer demo in 2011 • High oil price break-even - unattractive economics. NOK 8.1bn impairment in Q3/14 • Environmentally challenging • Very successful partial divestment in 2010 to PTT E&P of Thailand ‘saved the day’ 			

Historic highlights

Timing	Headline	Description
2005 -2007	Background	<ul style="list-style-type: none"> • Historically high oil prices, scarcity of conventional non-OPEC oil resources and low reserve replacement on the NCS • Strategy to increase reserve base internationally • Exposure and thereby diversification in major new oil play
2007	Acquires North American Oil Sands Corporation for USD 2.0bn	<ul style="list-style-type: none"> • The acquired company held leases covering ~257,200 acres (1,110 km²) in the region of Alberta, estimated to hold ~2.2bn boe resources at the time • Leismer demonstration project estimated capacity of 10kboepd, expected to start production in late 2009/early 2010. Production around 100 kboepd expected in the middle of this decade

Source: Company news releases, Arctic Securities

*Please refer to appendix II for evaluation methodology

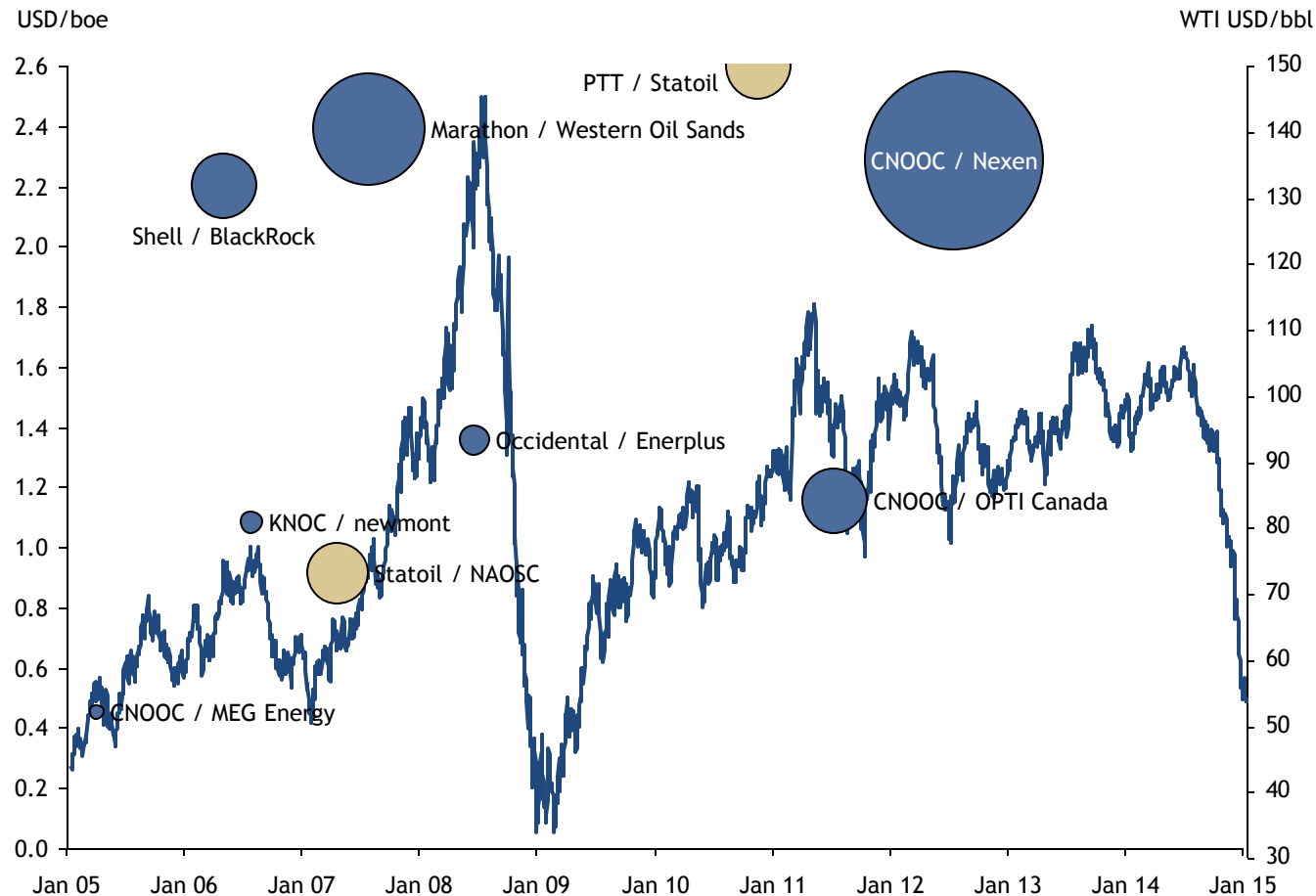
Canada Oil Sands - deferred production and high development costs, but very successful partial divestment in 2010

Historic highlights		
Timing	Headline	Description
2010	Divests 40% interest to PTTEP of Thailand for USD 2.3bn	<ul style="list-style-type: none"> • Statoil in Q1/11 booked a pre-tax capital gain of NOK 5.6bn (USD 0.97bn) related to the divestment
2011	Leismer demonstration facility on-stream	<ul style="list-style-type: none"> • Statoil commence production from the 18.8 kboepd demonstration project, Leismer. Capacity expansions on Corner (40kboepd) and further expansion of Leismer (to 40 kboepd) have been granted government approval
2014	Asset swap with PTTEP	<ul style="list-style-type: none"> • Statoil retains operatorship and 100% interest in Leismer and Corner development projects for USD 200m, while PTT gains 100% interest in Thornbury, Hangingstone and South Leimer Area
2014	Oil sands project economics trumped by US tight oil plays - reduced short and medium term growth outlook	<ul style="list-style-type: none"> • New expansions not initiated since start-up of Leismer demonstration in 2011. Gross production between 10 kboepd - 16 kboepd in period • In October 2014 the Kai Kos Dehseh oil sand project was written down by a NOK 8.1bn impairment. The impairment losses were triggered by Statoil's decision to postpone the development decision for the Corner field development, which is part of the Kai Kos Dehseh project, in combination with a general weakening of the market outlook for oil sands projects, including the impact of market factors such as increased cost level and market access for Alberta oil

Canada Oil Sands comparable transactions - excellent price achieved in partial divestment to PTT E&P in 2010

Canada Oil Sands transactions - USD/ boe reserves and deal size*

Comment



- Average transaction price per boe in major Canada oil sands transactions 2005 - 2014 USD 1.6/boe.
- Statoil in April 2007 acquired NAOSC at ~USD 0.9/boe, while it sold 40% interest to PTT E&P for USD 2.6/boe in November 2010
- No major deals since July 2012. Several sale-processes have been initiated, including Shell, Black Pearl and Cenovus, without achieving any result.

Source: Arctic Securities, company news releases. Size of bubble indicate transaction size.

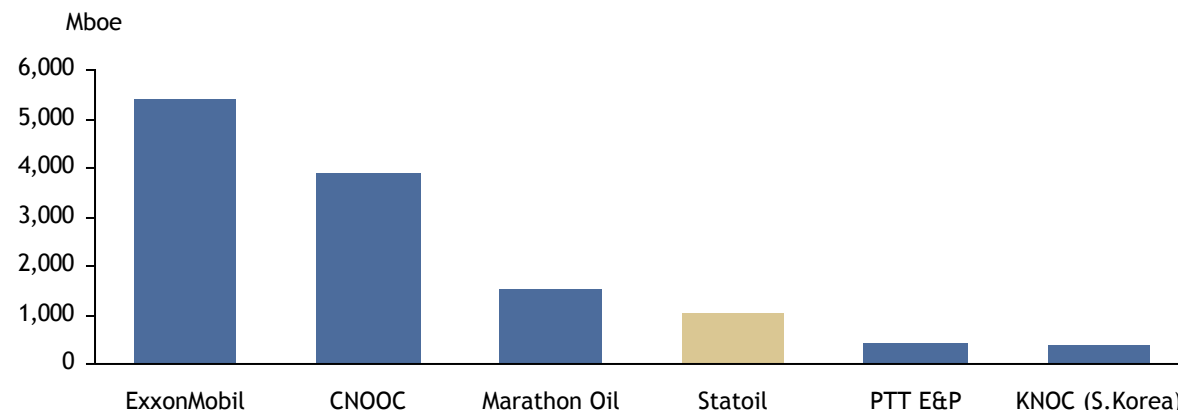
* Overview does not include USD 3.9bn KNOC/Harvest - deal from October 2009 done at USD 19.8/ boe recoverable. KNOC furthermore tried to sell the lossmaking business in 2013 without any result

Statoil's Canada Oil Sands acreage - not feasible with further expansions in current oil price environment

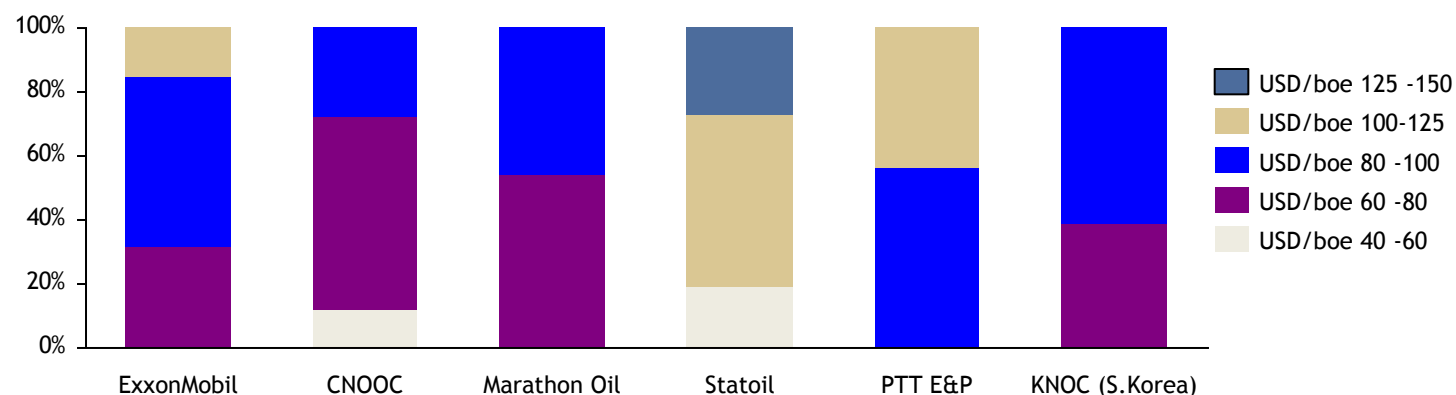
Comment

- Statoil estimated recoverable reserves ~1.0bn boe.
- PTTEP remaining reserves after asset swap in January 2014 ~0.4bn boe
- Average Statoil break-even oil price ~108/bbl. However 18% of resources (0.2bn boe) estimated to have break-even price below 60/bbl
- PTTEP average break-even oil price ~100/bbl

Reserves Mboe



Resource break-even oil price split



Source: Arctic Securities, Rystad Energy

Marcellus and Eagle Ford transactions - reduced profitability due to challenging market environment, excellent operational results

	Summary evaluation and outlook comment	Operational success	Profitability	Overall evaluation*
Marcellus: 2008 -	<ul style="list-style-type: none"> • Large economic profit unlikely due to abundant US shale gas resources, however prime acreage may deliver acceptable returns at current gas price levels • Statoil's benefit's related to the <i>strategic alliance</i> with Chesapeake not easily measured (as in comparison Statoil's strategic alliance with BP in the 90s) • According to Forbes*, the top 50 operators in the US made USD 26bn of impairment charges on shale assets in 2012, highlighting the challenging economics • Comparable transaction analysis show Statoil / Chesapeake deal not an outlier 			
Eagle Ford: 2010 -	<ul style="list-style-type: none"> • Complementing the position in Marcellus, supplying a different range of hydrocarbons (also NGLs) to different markets • Need improvement in US NGL market to lift profitability (high discount to crude) • Comparable transaction analysis show Statoil Eagle Ford deal not an outlier 			

Source: Company news releases, Arctic Securities, Rystad Energy

<http://www.forbes.com/sites/christopherhelman/2013/06/13/why-americas-shale-oil-boom-could-end-sooner-than-you-think/2/>

**Please refer to appendix II for evaluation methodology

US shale gas - Marcellus and Eagle Ford transactions - cont'

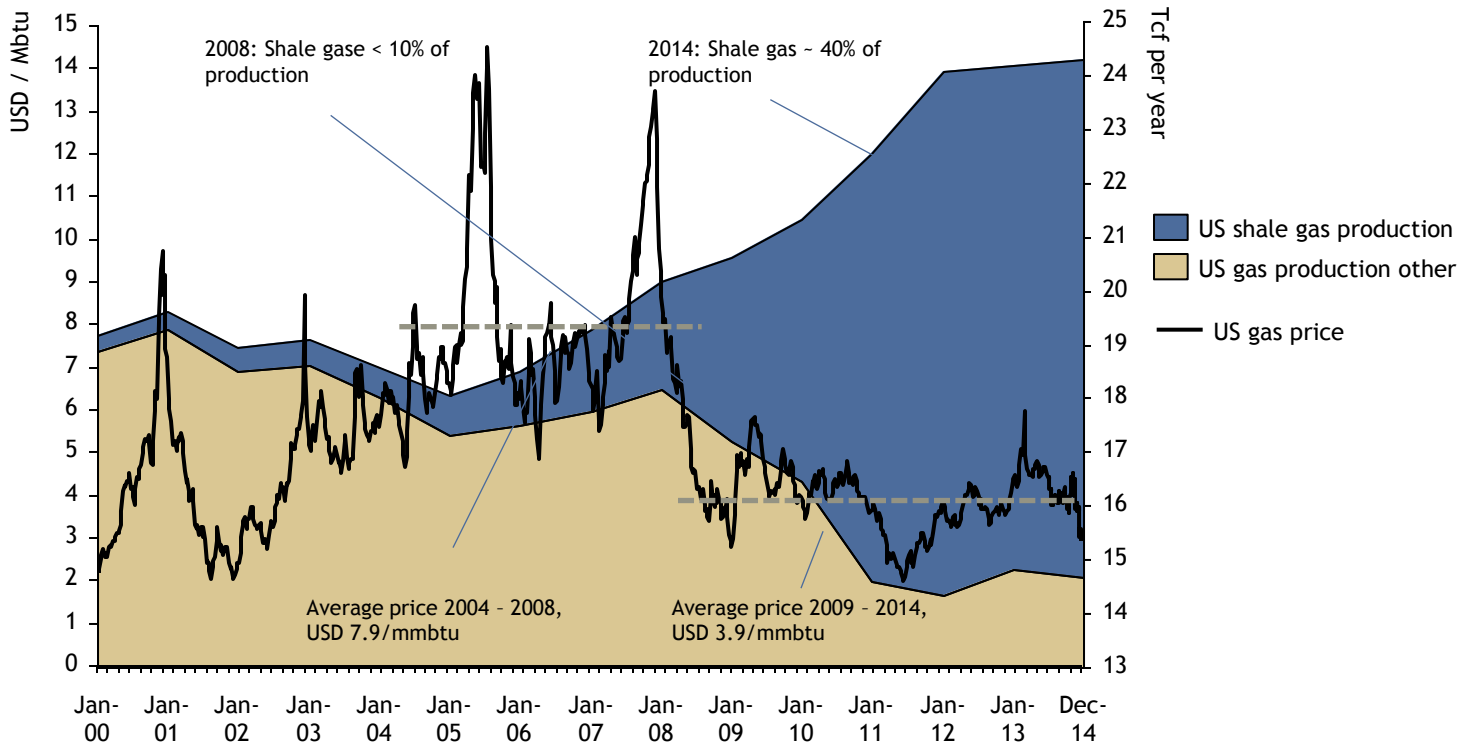
Historic highlights		
Timing	Headline	Description
2002 -2008	Background	<ul style="list-style-type: none"> • US gas prices supported by increasing prices for substitutes and energy scarcity • Limited US gas supply additions widely expected • In 2002 Statoil acquires capacity at Cove Point LNG import terminal in relation with Snøhvit development • In 2006 - 2007 huge technological progress is made within horizontal drilling and fracturing techniques
2008, November	Strategic alliance with Chesapeake in Marcellus shale	<ul style="list-style-type: none"> • Acquires 32.5% of Chesapeake Marcellus shale acreage (0.6m net acres) for USD 1.25bn + USD 2.125bn cost-carry • Recoverable net resources were estimated to 2.5bn - 3.0bn boe. Equity production was expected to at least 50kboepd in 2012 and at least 200 kboepd after 2020 • Expected net drilling capex commitment over the next 20 years estimated to USD 15bn - 19bn* • Expected net cash flow from 2013 at current forward prices
2010, October	Acquires 67k net acres in the Eagle Ford formation for USD 0.84bn	<ul style="list-style-type: none"> • Recoverable reserves estimated to 0.55bn boe • Break-even gas price USD 4.5/boe, however liquid rich window of Eagle Ford shale formation
2008 - 2014	US natural gas prices falls by more than 50% on average	<ul style="list-style-type: none"> • Due to rapid supply growth from US shale deposits, the average US natural gas price in the period 2009 - 2013 are more than 50% lower than in the period 2004 - 2008 • According to Forbes*, the top 50 operators in the US made USD 26bn of impairment charges on shale assets in 2012
2014	US Natural gas price partially recover	<ul style="list-style-type: none"> • In H1/14 partial natural gas price recovery following diversion of capex towards liquids rich plays and energy substitution to gas • Future profitability very dependent of quality of acreage and operational efficiency due to abundant supply • In December 2014 Statoil reduce its interest in Marcellus to 23% from 29% for a consideration of USD 394m

Source: Company news releases, Arctic Securities

* <http://www.forbes.com/sites/christopherhelman/2013/06/13/why-americas-shale-oil-boom-could-end-sooner-than-you-think/2/>

The US shale-gas revolution - gas prices falls by ~50% in period 2009-2014 vs 2004-2008

US conventional & shale gas production vs natural gas price 2000 - 2014



Comment

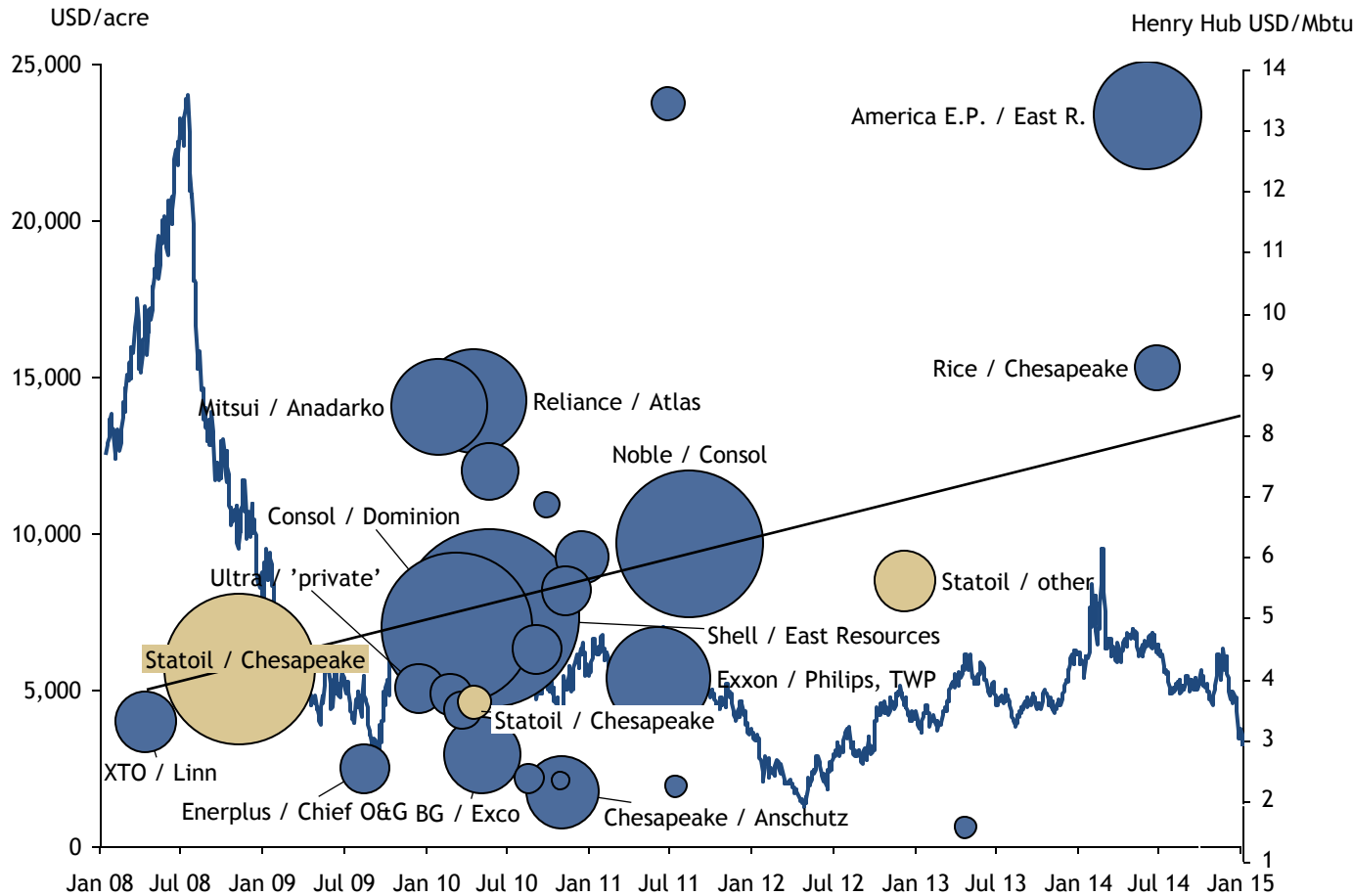
- When Statoil acquired its core Marcellus acreage in November 2008, the Henry Hub gas spot price was USD 6.7/Mbtu. One month later it was USD 5.6/Mbtu, one year later it was 4.5/Mbtu and two years later it was 3.9/Mbtu
- In 2008 shale-gas production 9.8% of total US gas production
- In 2014 shale gas production 39.6% of total US gas production
- According to Forbes*, the top 50 operators in the US made USD 26bn of impairment charges on shale assets in 2012

Source: Arctic Securities, EIA

* <http://www.forbes.com/sites/christopherhelman/2013/06/13/why-americas-shale-oil-boom-could-end-sooner-than-you-think/2/>

Statoil's acquisition price per acre ~in-line with comparable transactions...

Marcellus shale transactions - USD/acre and deal size*



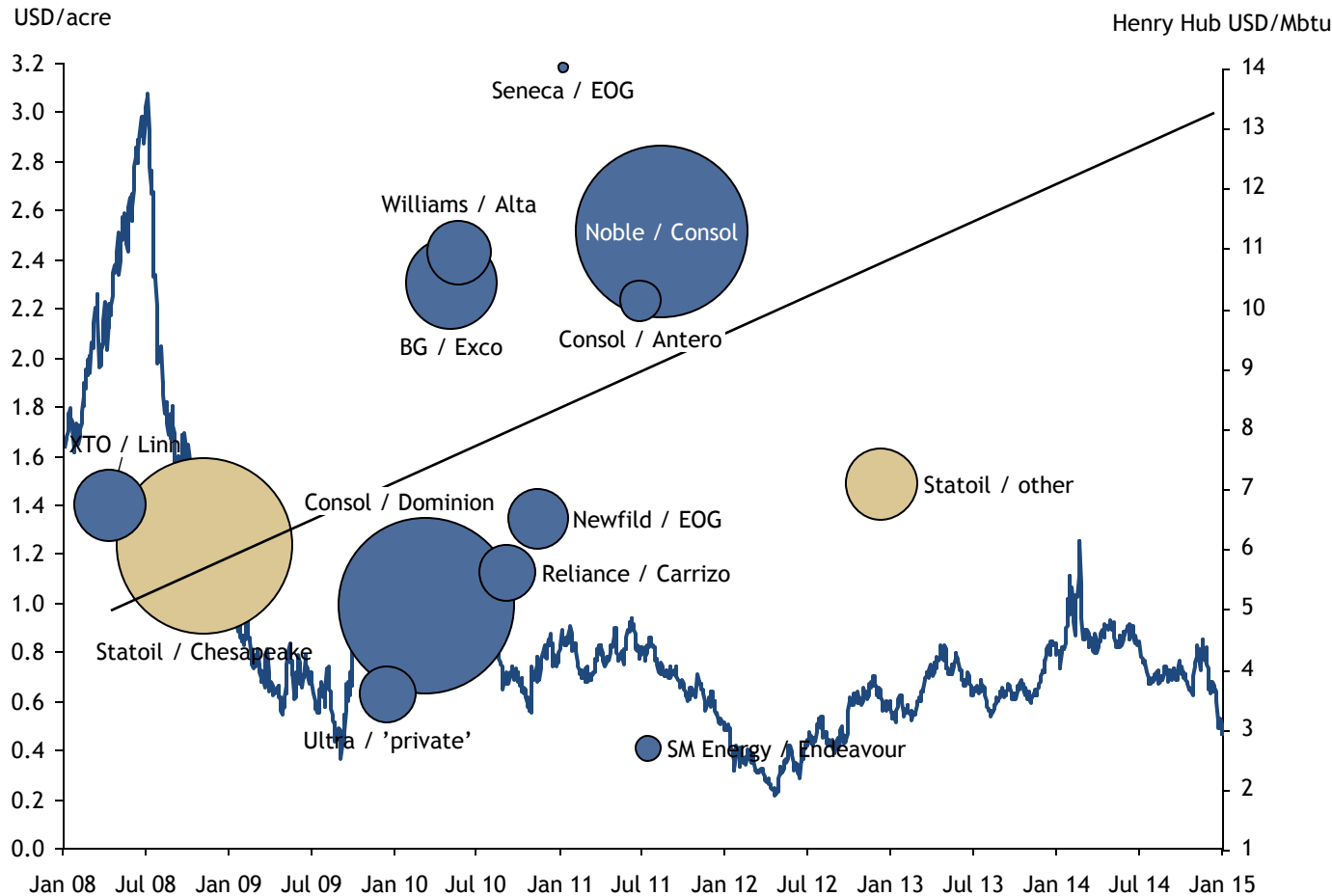
Comment

- Median transaction price per acre in major (> USD 0.1bn) Marcellus-transactions between 2008 - 2014 USD 5,625/acre
- Statoil acquired acreage at USD 5,800/ acre (2008), USD 4,288/acre (2010) and USD 8,249/acre (2014)
- From 2008 - 2010 focus on dry-gas plays, 2011 more attention on liquid rich acreage
- Statoil' acreage acquired in 2008 and 2010 primarily gas, while in 2012 acquired acreage within liquid-rich parts of the play

Source: Arctic Securities, company news releases
 Size of bubble indicate transaction size

...and seems to be on par with similar transactions also based on per boe valuation

Marcellus shale transactions - USD/ boe and deal size*



Statoil - Marcellus deals

- Median transaction price USD 1.4/boe
- Statoil / Chesapeake 2008 was estimated at USD 1.2/boe, while the 2012 transaction was estimated at USD 1.5/boe
- Please note that as in other shale-plays the quality of acreage (and liquids-share) varies significantly

Source: Arctic Securities, company news releases

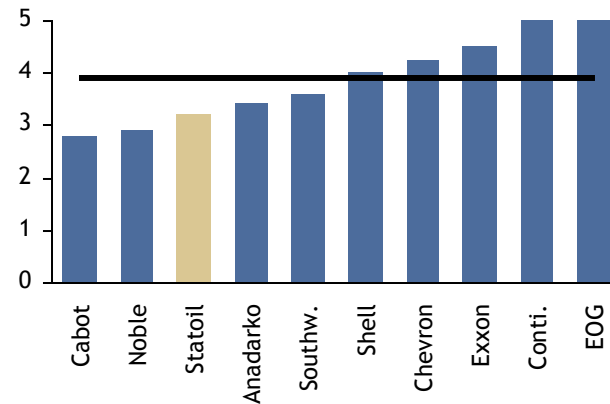
*boe recoverable is company's estimate of proven (1P) + probable reserves (2P) + contingent resources (2C)

Statoil's Marcellus acreage better than peers

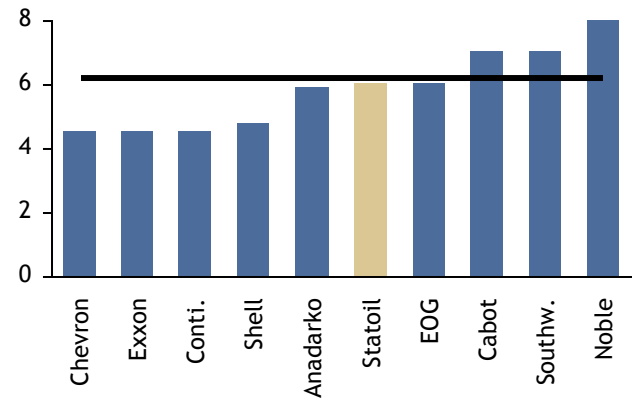
Comment

- Statoil average wellhead break-even USD 3.2/Mbtu versus peer group average 3.9/Mbtu
- Statoil average capex per well USD 6.0m versus peer group average USD 5.8m per well
- Statoil average 30-day Initial Production (IP) 5.4 Mcf/d vs peer group average 5.5 Mcf/d
- Statoil average recoverable per well 5.3 bcf versus peer group average 6.2 bcf

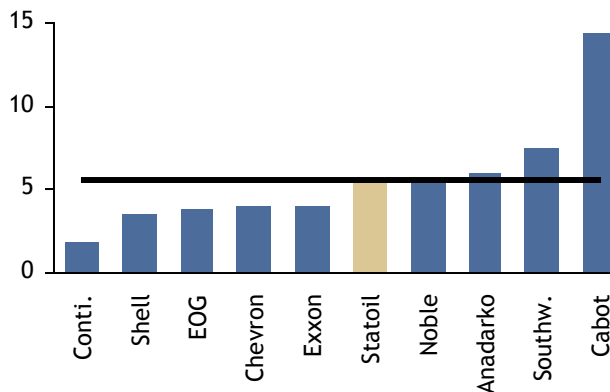
Average well break-even, USD/Mbtu



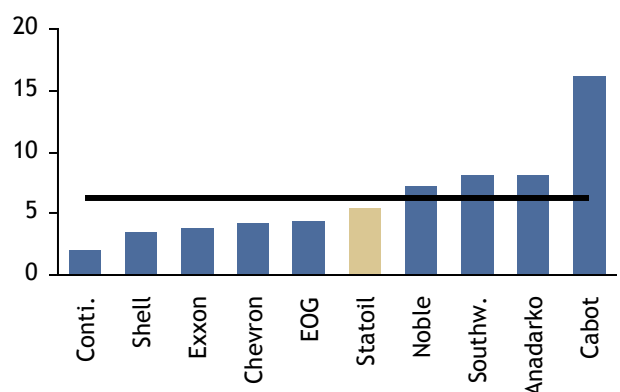
Average capex per well, USDm



Average 30-day IP, Mcf/d



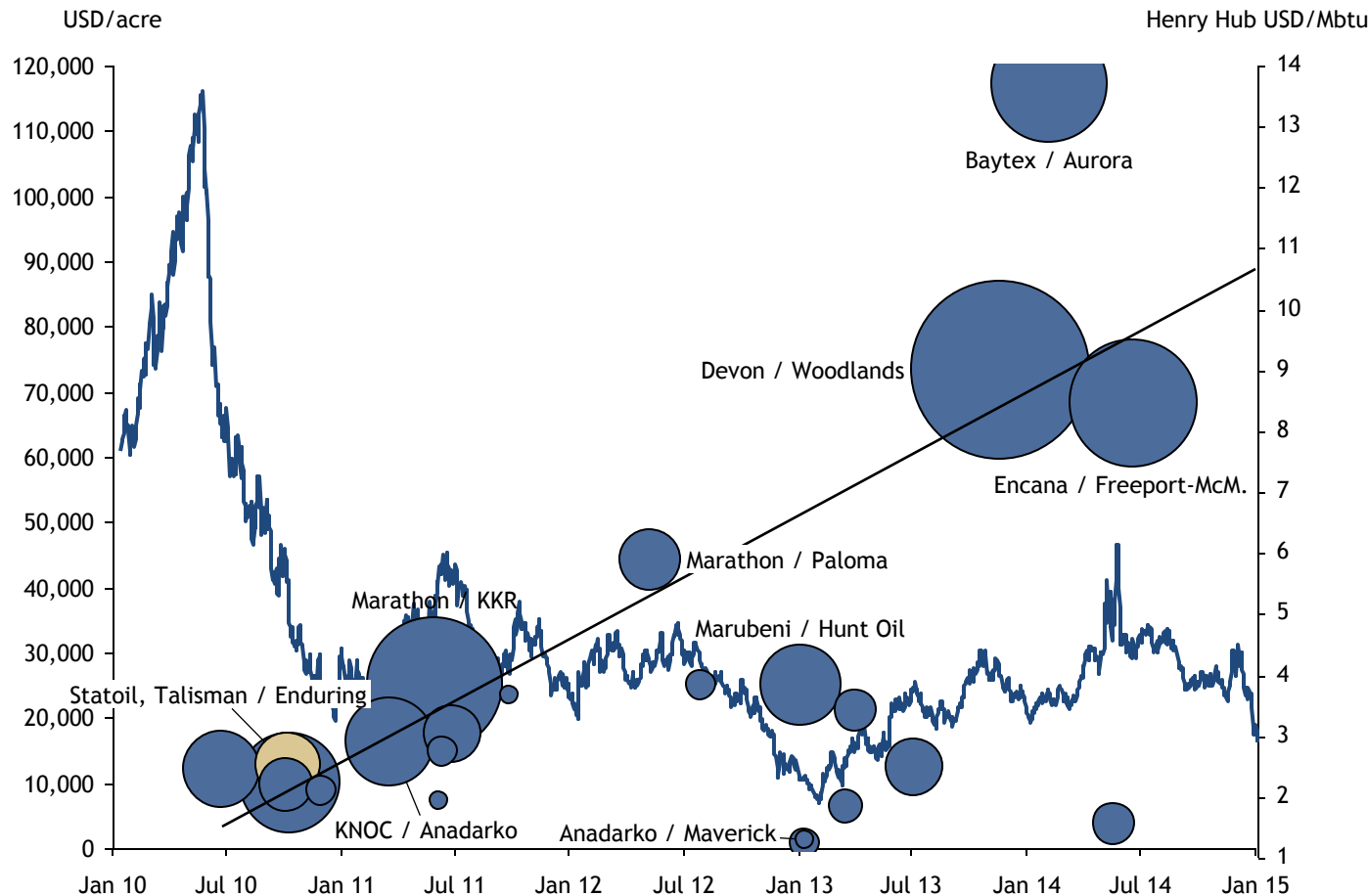
Average recoverable per well, Bcf



Source: Arctic Securities, Rystad Energy

Eagle-Ford comparable transactions- Statoil's acquisition price per acre lower than comparables...

Eagle Ford shale transactions - USD/acre and deal size*



Statoil Eagle Ford deal

- Eagle Ford has a higher share of Natural Gas Liquids (NGL's) compared to Marcellus primarily dry gas
- Median transaction price USD 14.610/acre
- Statoil entered Eagle Ford in October 2010 in a USD 0.8bn transaction with Talisman at USD 12,582/acre
- Transaction prices trending higher since 2010

Source: Arctic Securities, company news releases

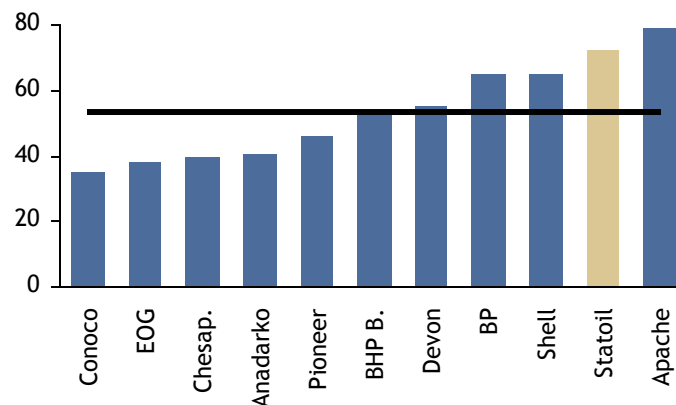
*Size of bubble indicate transaction size

...but quality of Eagle Ford acreage not as good as peers

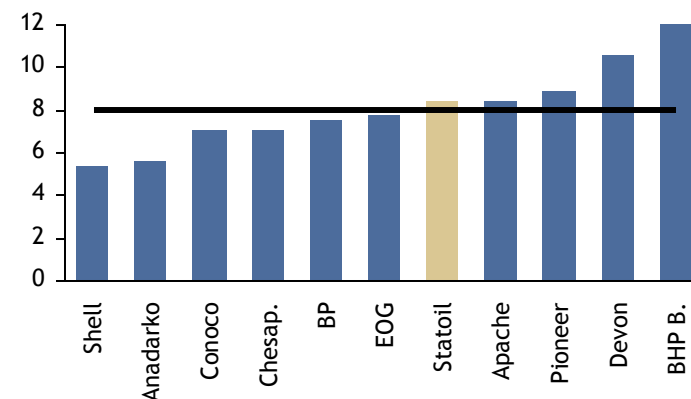
Comment

- Statoil average wellhead break-even USD 72/boe versus peer group average 53.4/boe
- Statoil average capex per well USD 8.3m versus peer group average USD 8m per well
- Statoil average 30-day initial Production (IP) 3.6 Mcf/d vs peer group average 6.0 Mcf/d
- Statoil average recoverable per well 2.7 bcf versus peer group average 3.8 bcf

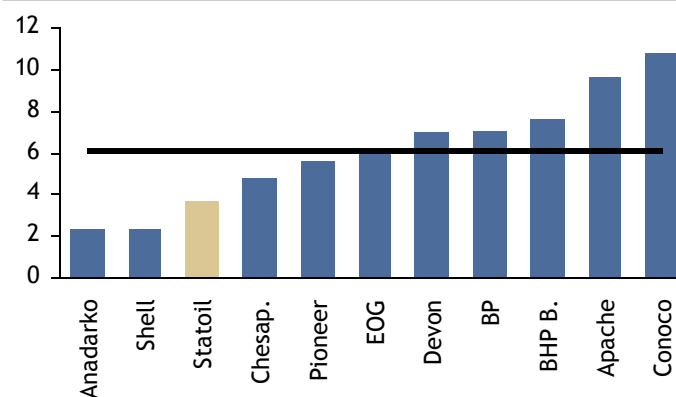
Average well break-even, USD/boe



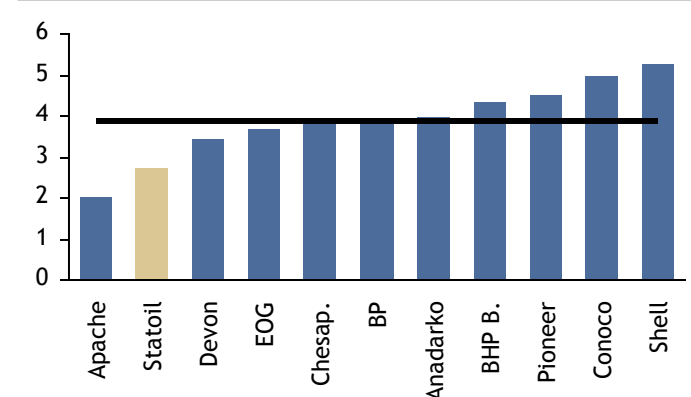
Average capex per well, USDm



Average 30-day IP, Mcf/d

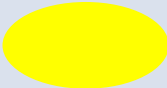




Average recoverable per well, Bcf



Source: Arctic Securities, Rystad Energy

Statoil's investment in Bakken shale- capital intensive tight-oil venture, but high value potential highlighted by comparable transactions

Summary evaluation and outlook comment	Operational success	Profitability	Overall evaluation*
<ul style="list-style-type: none"> • Statoil's acreage in the Bakken formation is a long-term asset. The level of profitability is oil price sensitive and is dependent on the quality of acreage outside the «sweet-spots» • Statoil has lately been reducing rig-count (from peak 20 rigs to 6 rigs) and is focusing on pad-drilling (increased efficiency drilling, lowering capex) • Recent asset deal (Kodiak in July 2014) supportive for Bakken prospectivity and valuation • Comparable transaction analysis show Statoil/Brigham-deal not an outlier 			

Historic highlights		
Timing	Headline	Description
2008 -2011	Background	<ul style="list-style-type: none"> • The application of horizontal drilling and fracturing proves to work equally well for liquids trapped in unconventional rock formations as for gas • Total production at the Bakken formation increased from ~100 kboepd in January 2008 to ~360 kboepd in June 2011 • Analysts' estimates for future growth from tight oil plays converging
2011	Acquires Brigham Exploration Company for USD 4.4bn on equity basis	<ul style="list-style-type: none"> • Acquires Brigham Exploration company in a deal valued to USD 4.7bn on EV-basis (USD 4.4bn equity) • Statoil gains ~375k net acres in the Bakken formation and ~40k net acres in Texas and Oklahoma • Recoverable boe estimated 0.3bn - 0.5bn, potential to ramp-up production to 60 - 100 kboepd over a five-year period • The acquisition was expected to add an estimated USD 0.75bn in capex per year. Statoil expected the project to be self-financed between 2013 and 2014

Source: Company news releases, Arctic Securities

*Please refer to appendix II for evaluation methodology

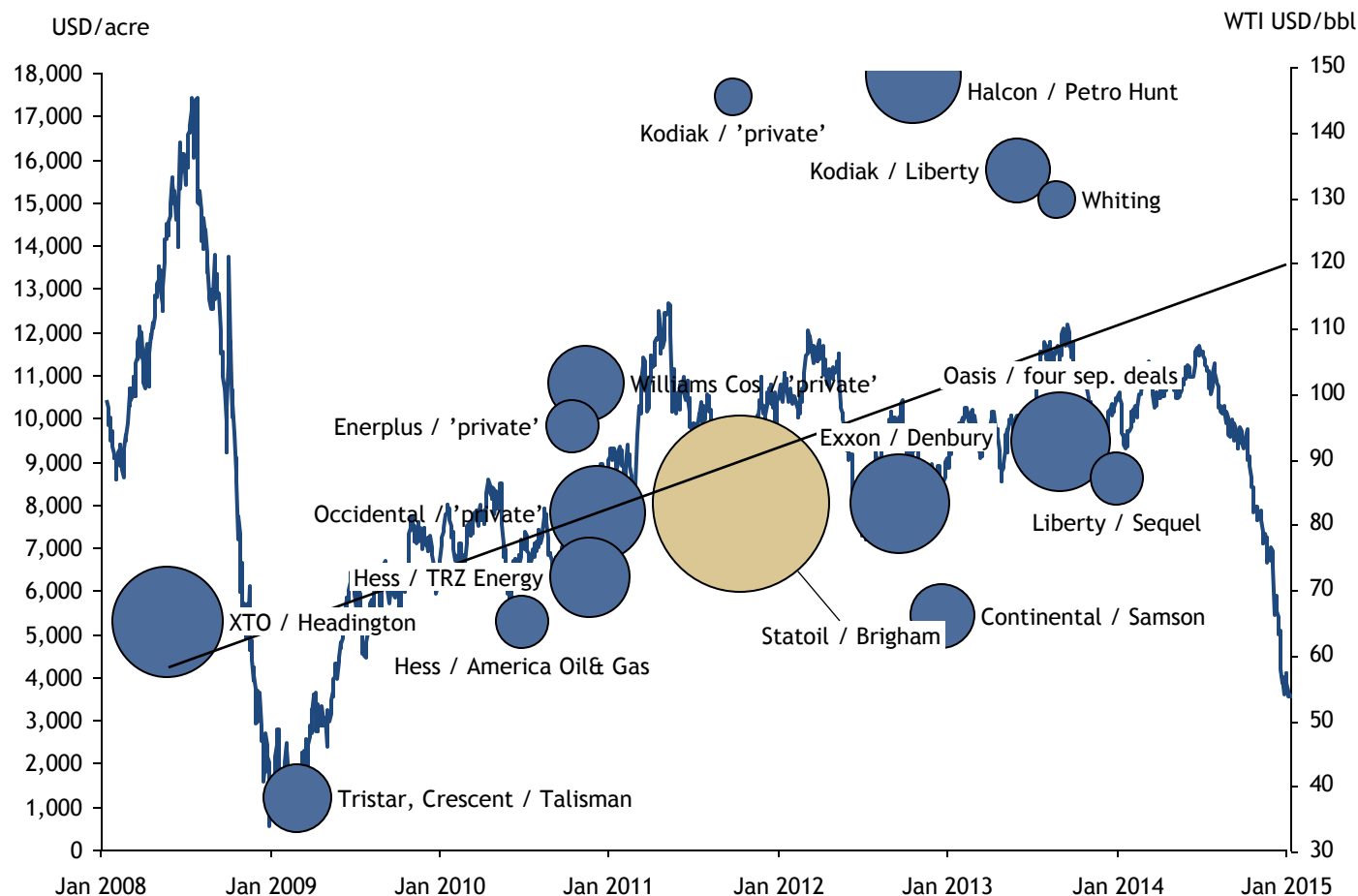
US tight-oil and the acquisition of Brigham E&P cont'

Historic highlights cont'

Timing	Headline	Description
2012	Accelerates development	<ul style="list-style-type: none"> Statoil increase rig-count at Bakken to peak at 20 rigs versus 10 at the time of the transaction
2012 -2013	Temporarily high price spread between Bakken crude and WTI	<ul style="list-style-type: none"> Due to constrained pipeline capacity and increasing supply from light tight oil plays onshore US, price differentials between Bakken crude and WTI widens. The price spread narrows somewhat in 2013 and 2014 as mid-stream infrastructure is gradually improved
2013 -2014	Increased focus on pad-drilling and operational efficiency - reduced rig count	<ul style="list-style-type: none"> Statoil is reporting that it is reducing the rig count in Bakken. In February 2014 the company ran 6 rigs, compared to peak 20 rigs in 2012
2014	Whiting acquires Kodiak for USD 6bn in first major deal since 2013	<ul style="list-style-type: none"> Whiting Petroleum acquires Kodiak Oil& Gas for USD 6.0bn (EV-basis) in the first major deal in Bakken since 2013. The transaction price implied Whiting paid USD ~34.7k/acre. Rystad valuation of Kodiak Oil & Gas assets was USD 4.3bn, which compares to Rystad valuation of Statoil's Bakken acreage USD 8.5bn

Statoil/Brigham transaction price per acre equal to the median transaction price in the Bakken formation

Bakken shale transactions - USD/acre and deal size*



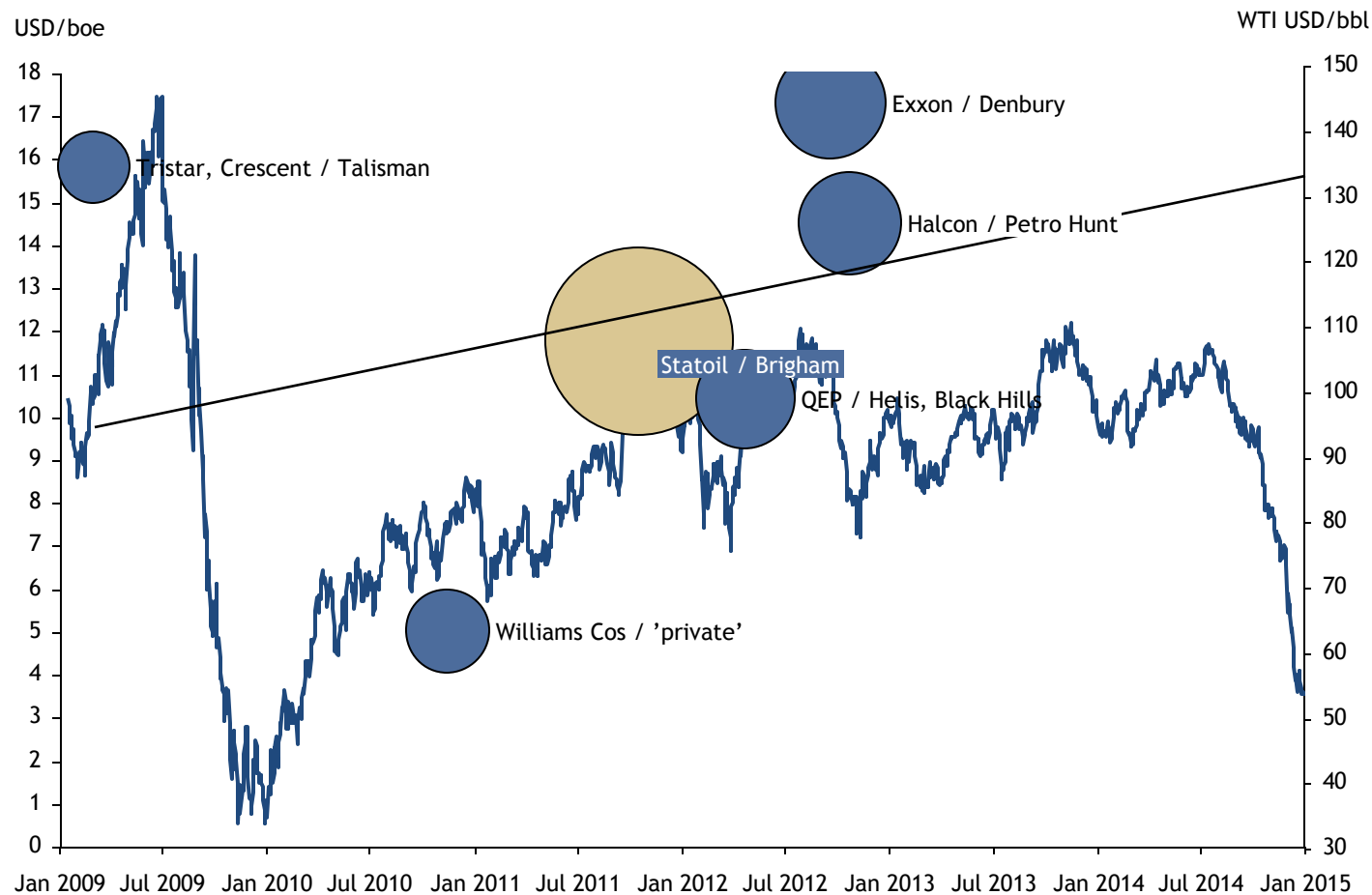
Source: Arctic Securities, company news releases
Size of bubble indicate transaction size

Statoil - Brigham deal

- Median transaction price in Bakken USD 8000 per acre from 2007 - 2014, same as in Statoil's acquisition of Brigham in 2011
- Positive trend in transaction price per acre supported by higher oil price, reduced operational risk
- Note that the price per acre varies significantly due to varying acreage quality and level of development/production
- Last major deal in July 2014 as Whiting acquired Kodiak for USD 6.0bn, implying high USD 34.7k per acre. (not included in chart)

Statoil's acquisition of Brigham screens slightly better than similar transactions in Bakken based on reserves

Bakken shale transactions - USD/ boe reserves and deal size*



Statoil - Brigham deal

- Median transaction price in Bakken USD 13/boe. Statoil's acquisition of Brigham at USD ~12/boe.
- Two latest transactions where estimated recoverable reserves have been disclosed (Exxon/Denbury, Halcon/Petro Hunt in H2/12) done at USD 17/boe and USD 15/boe respectively.
- Note that field economics in different parts of the Bakken shale play vary significantly, and that the reserve estimate has a high degree of risk.

Source: Arctic Securities, company news releases

*size of bubble indicate transaction size

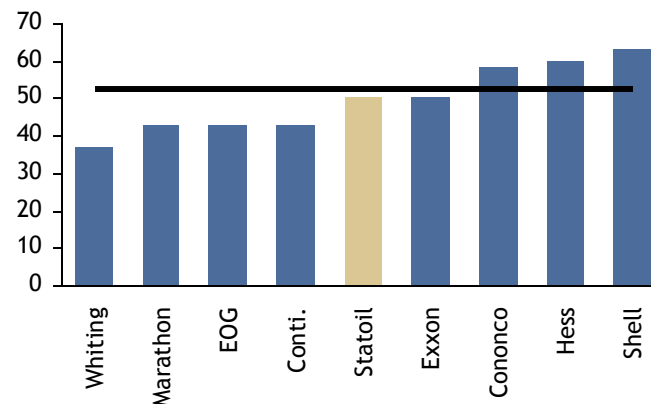
*boe recoverable is company's estimate of proven (1P) + probable reserves (2P) + contingent resources (2C)

Statoil's Bakken acreage prospectivity in-line with peer group average

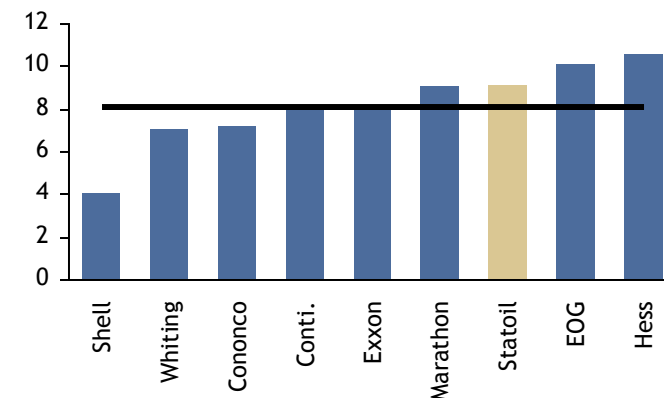
Comment

- Statoil average wellhead break-even ~USD 50/boe versus peer group average ~52.3/boe
- Statoil average capex per well USD 9.1m versus peer group average USD 8.1m per well
- Statoil average 30-day Initial Production (IP) 3.8 Mcf/d vs peer group average 3.8 Mcf/d
- Statoil average recoverable per well 3.8 bcf versus peer group average 3.1 bcf

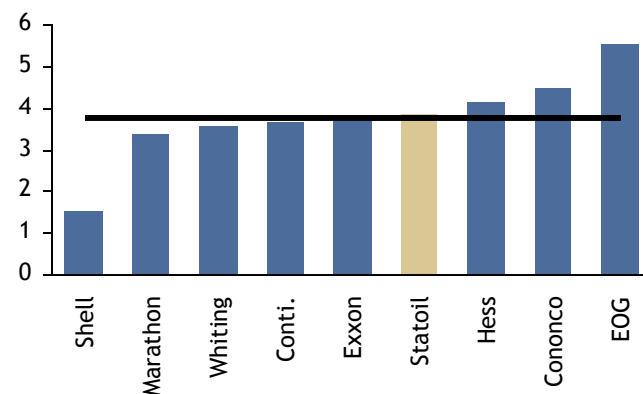
Average well break-even, USD/boe



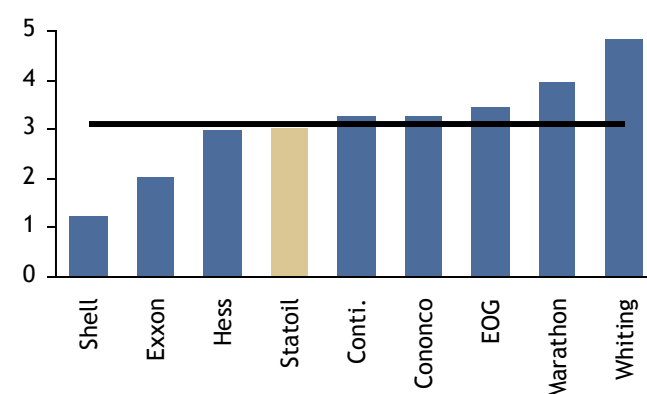
Average capex per well, USDm



Average 30-day IP, Mcf/d



Average recoverable per well, Mboe



Source: Arctic Securities, Rystad Energy

Agenda

- History and strategic roadmap
- Statoil asset portfolio - overview and trends
- Evaluation of key international projects
- **Reserve replacement**
- Reporting structure
- Appendix I - Statoil peer group and valuation tables
- Appendix II - Additional information

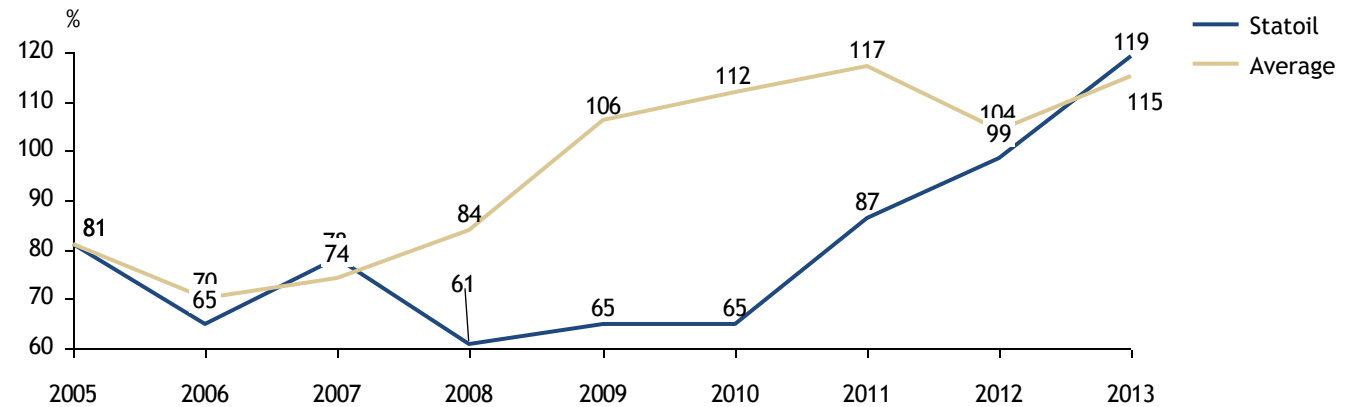
Statoil's reserve replacement ratio has improved steadily since 2011, but was lower than the peer group average in the period 2005 -2012

Comment

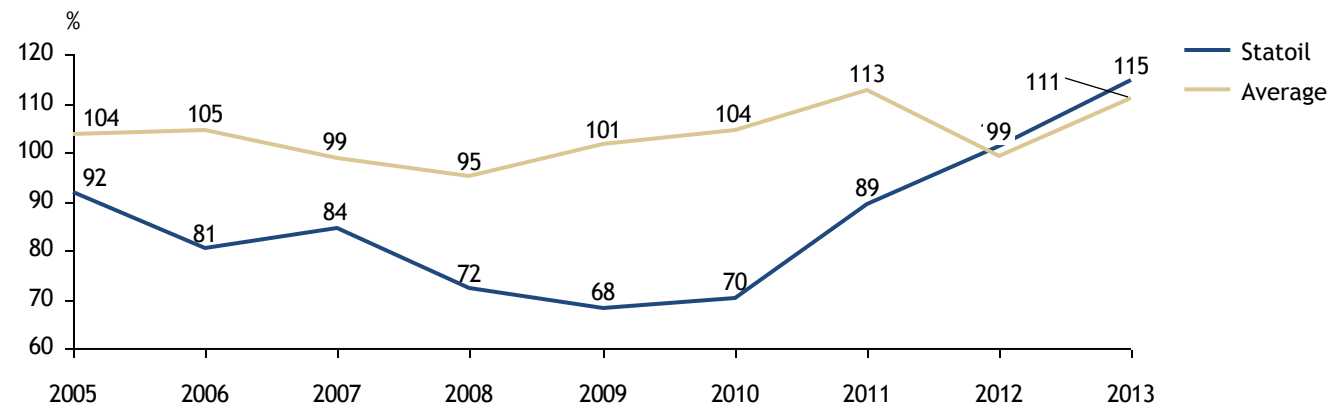
- SEC reserve replacement ratio (RRR) defined as:

$$\frac{((\text{extensions} + \text{new discoveries} + \text{revisions} + \text{improved recovery}) / \text{production})}{\text{production}}$$
- Statoil average organic RRR (reserve replacement ratio) in the period 2003 - 2013 of 86% below peer group* average of 98%
- Statoil average organic RRR 2011-2013 of 119% above peer group average of 115%
- Please note that only fields that are sanctioned are included as proved (SEC) reserves (thus Johan Sverdrup, Tanzania gas discoveries etc. is not reflected in the overview)

Organic reserve replacement ratio 2005 - 2013 (three -year average %)*



Reserve replacement ratio (incl. M&A) 2005 - 2013 (three-year average %)**



Source: Arctic Securities, Company reports

*peer group : Shell, BP, Chevron, Total , ENI, Conoco, Statoil

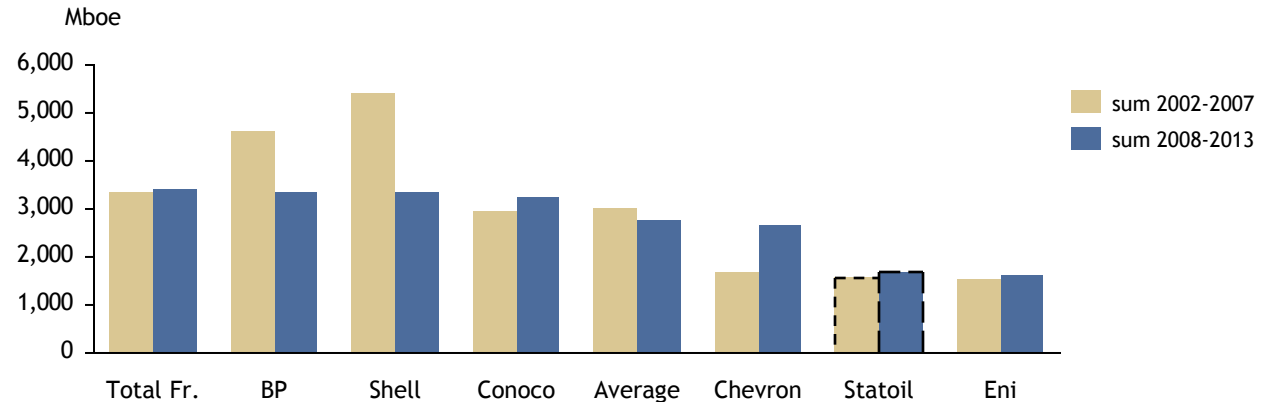
**peer group: Exxon, Shell, BP, Chevron, Total , ENI, Conoco, Statoil

Changes in proved (SEC) reserves decomposed into ‘Discoveries & Extensions’ and ‘Revisions and improved recovery’

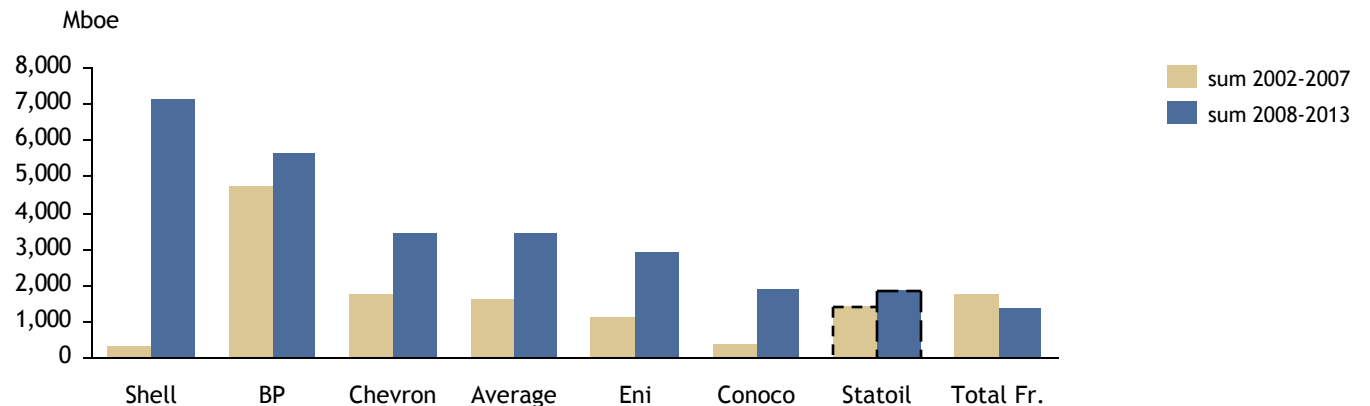
Comment

- Statoil proved reserve additions 2002-2013 due to discoveries and extensions 3.2bn boe vs peer average 5.7bn boe
- Statoil proved reserve additions 2002-2013 due to revision and improved recovery 3.2bn boe vs average 4.6bn boe
- Please note that only fields that are sanctioned are included as SEC reserves (thus Johan Sverdrup, Johan Castberg, Tanzania gas discoveries etcetra are currently not included)

Proved reserves additions - discoveries and extensions - 2002 - 2007 vs 2008 - 2013



Proved reserves additions - revisions and improved recovery - 2002 - 2007 vs 2008 - 2013

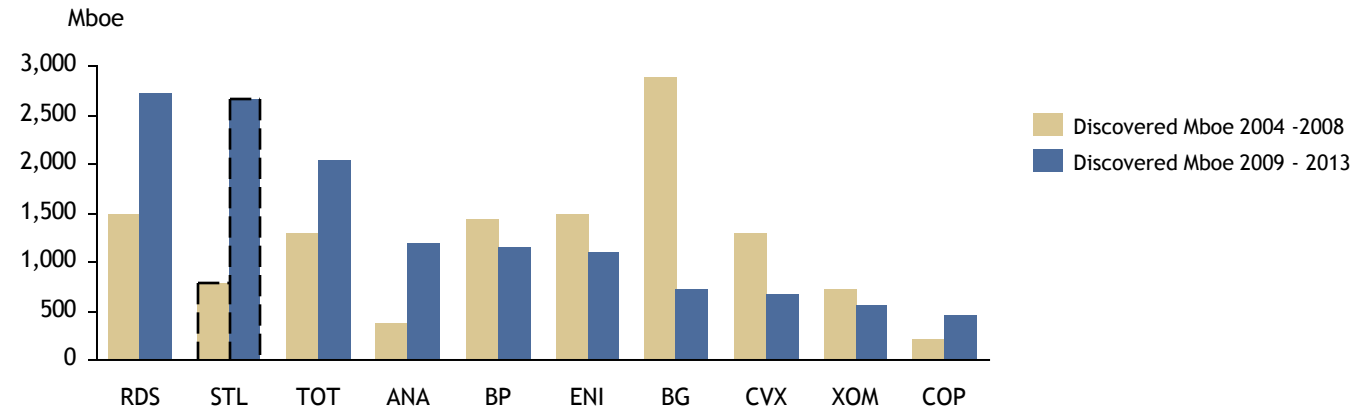


Statoil's reserve additions 2004 - 2013 much higher according to Rystad's estimates as new discoveries (Johan Sverdrup, Johan Castberg, Block II, Bay du Nord...) are included

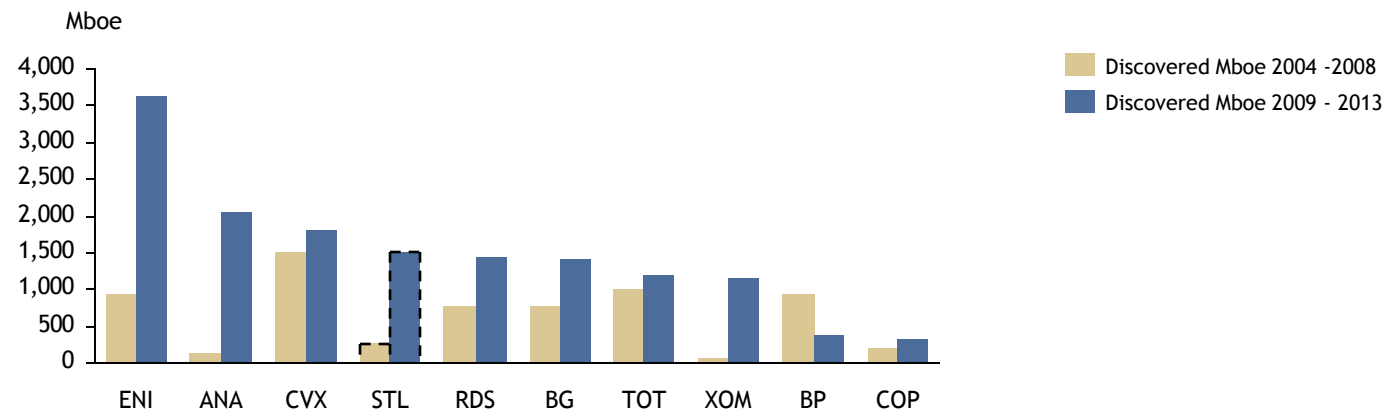
Comment

- Statoil discovered ~3.4bn boe liquids between 2004 - 2013 vs peer group median ~2.6bn boe
- Statoil discovered ~1.8bn boe gas between 2004 - 2013 vs peer group median ~2.2bn boe
- Please note that SEC proven reserves are considered to be quite conservative (but low risk), whereas Rystad's resource estimate is less conservative (likely more realistic, but higher degree of risk)

Conventional liquid discoveries 2004 - 2008 vs 2009 - 2013



Conventional gas discoveries 2004 - 2008 vs 2009 - 2013



Source: Arctic Securities, Rystad.

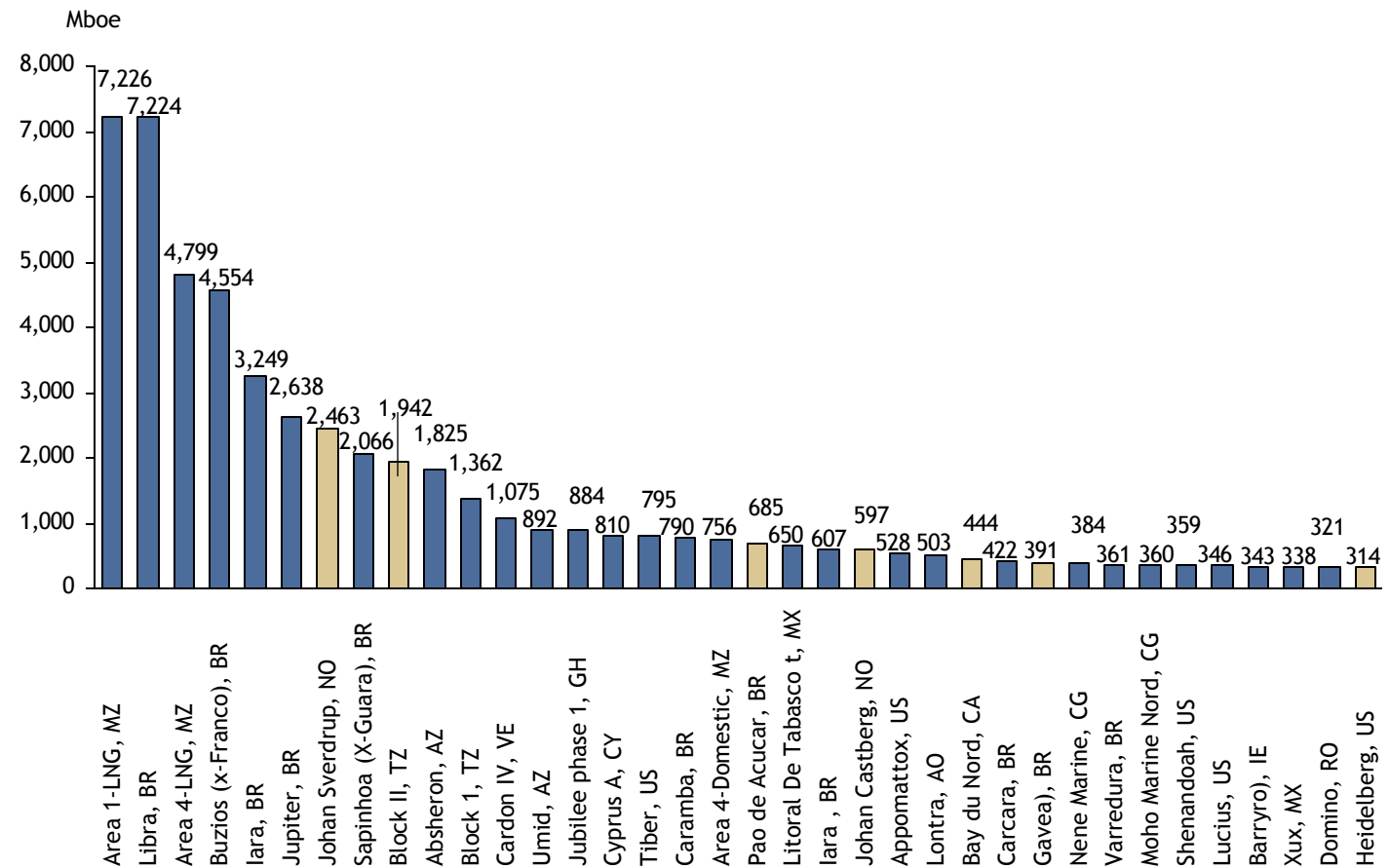
**Note that discovered volumes per year are sorted by discovery year of assets based on current ownership in licenses. Thus, there may be some differences arising due to divestments, farm-downs etc.

Statoil participated in 7 out of the 36 largest offshore discoveries in period 2007 - 2013

Comment

- In the period 2007 - 2013 36 offshore discoveries above 300Mboe recoverable were made
- Statoil held significant interest in 7 of these discoveries, namely Johan Sverdrup, Tanzania Block II, Pao de Acucar, Johan Castberg, Bay du Nord, Gavea and Heidelberg

Offshore discoveries above 300 Mboe 2007 - 2013*

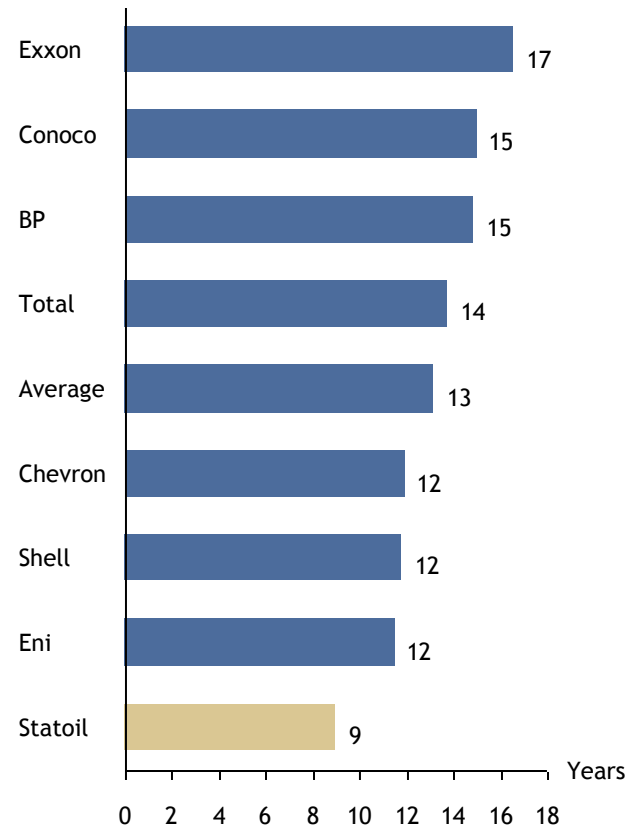


Statoil peer group - estimated reserve life*

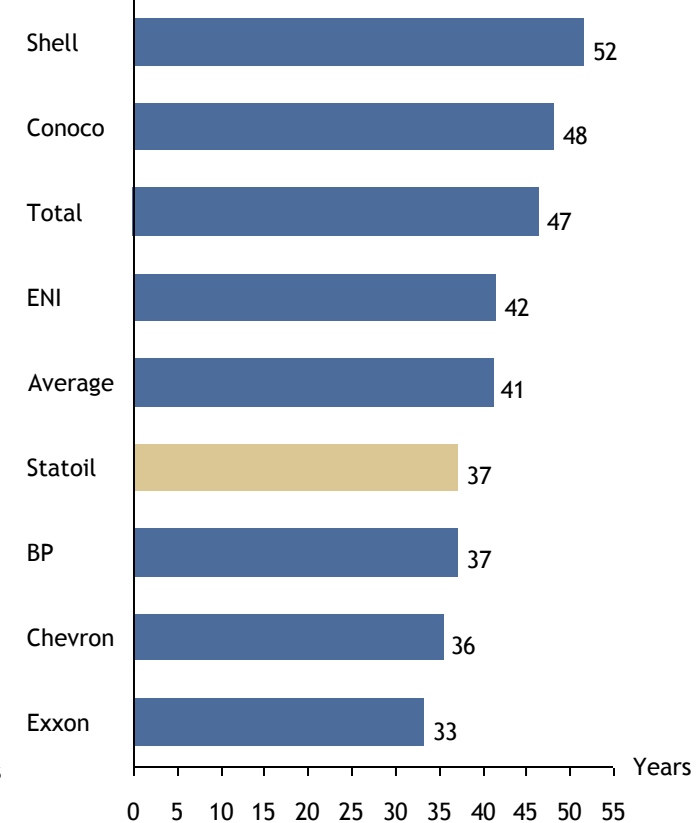
Comment

- Statoil's reserve life based on proven reserves (SEC-reserves) of 9 years below peer group average of 13 years
- Statoil's reserve life based on Rystad estimate of remaining recoverable reserves 37 years versus peer group average 41 years
- Please note that SEC proven reserves are considered to be quite conservative (but low risk), whereas Rystad's resource estimates are less conservative (likely more realistic, but higher degree of risk)

Reserve life - proven (SEC) reserves



Reserve life - Rystad best estimate**



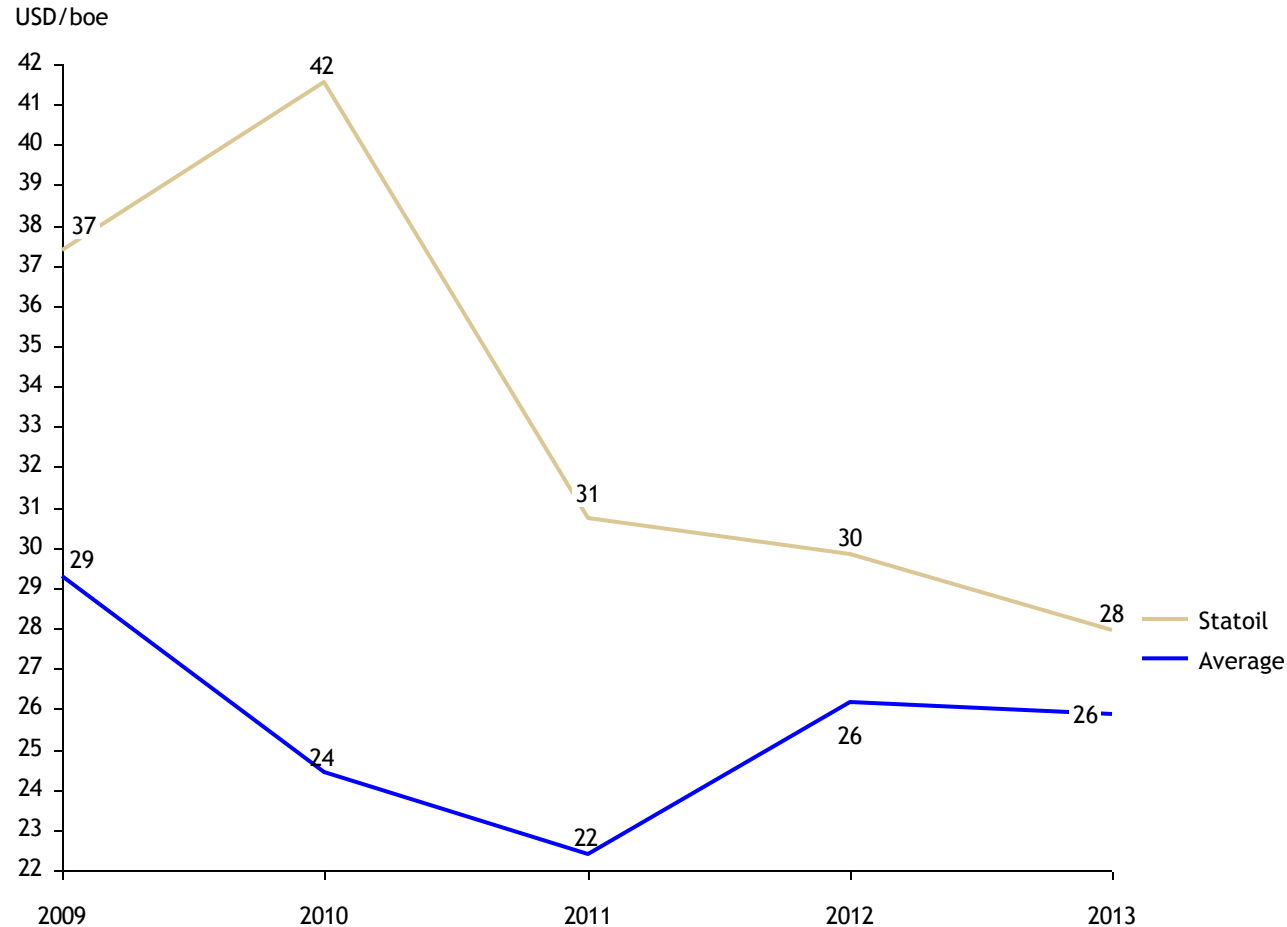
Source: Arctic Securities, company reports, Rystad Energy

*Reserve life: reserves 31.12.2013 / production 2013

**best estimate of expected remaining recoverable volumes / 2013 production

Statoil vs peers: Finding and development cost per boe

Three-year average finding and development costs - USD per boe*



Comment

- Statoil finding and development cost per boe 2011-2013 USD 27.9/boe vs peer group USD 25.9/boe
- F&D cost defined as: (Organic upstream capex + exploration costs)/ (Proved reserves additions due to i) improved recovery, ii) revisions iii) discoveries and extensions)
- Please note that only fields that are sanctioned are included in proved reserve additions (thus Johan Sverdrup, Johan Castberg, Tanzania gas discoveries etc not reflected)

Agenda

- History and strategic roadmap
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- **Reporting structure**
- Appendix I - Statoil peer group and valuation tables
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Summary evaluation - Statoil reporting structure

General Observations

- The detail-level and amount of information disclosed in Statoil's operational and financial reports are similar to that of peers. However, major oil companies financial reporting structure has historically, and is generally, not very detailed. For example, only Shell discloses segmented regional upstream results and investments each quarter. All peers present 'Sustainability reports' on the highest level.*
- Management has an incentive to promote extensive CSR-efforts and reporting. This is due to the risk management faces in the event of potential offenses committed by the firm. On the other hand, management has an incentive to avoid detailed financial reporting, as potentially unsuccessful projects and new ventures could come in the spot-light.
- Investments within the oil industry often have a very long time-horizon. More detailed financial reporting, for example IRR or capex-spend on project-basis, could give an incentive to prioritize projects with shorter time-horizon and faster pay-back** (not economically feasible decision-making). On the other hand, more detailed reporting may promote higher focus on capex, costs and profitability on each single project.

Finanstilsynet's March 2013 review

- The Financial Supervisory Authority of Norway in March 2014 completed a periodic review of the consolidated financial statements of Statoil.
- Finanstilsynet identified three issues in Statoil's reporting not to be in accordance with IFRS***. Statoil decided to adapt Finanstilsynets interpretation in two of the three issues. Statoil has assessed the impact of the two issues on its previously published financial statements in accordance with IAS 8, and has concluded that the issues in sum are not material for the historical periods in question. The third issue related to the timing of provision for a contract for import capacity for LNG to the US, which will be appealed to the Ministry of Finance.
- Finanstilsynet also recommended that Statoil presents its business area Development & Production North America as a separate segment in its future financial reporting. Statoil concluded to continue its current practice, where all international upstream activity is aggregated into one segment. Statoil did not give any comments why it concluded not to follow Finanstilsynets recommendation on this matter.

*peers: Statoil, Shell, Exxon, BP, ENI, Total.

**Projects with short time-horizon typically boasts higher IRR (tie-backs etc), while big projects typically have higher expected NPV and expected synergy effects

***please see: http://www.statoil.com/en/NewsAndMedia/News/2014/Pages/11Mar_review_financial_reporting.aspx

Statoil and peers - financial and operational reporting

Type of report	Primary interest groups	How important? (1=low, 5=high)	Statoil			Peers			Norwegian globally focused companies		
			Statoil	Exxon	Total	Shell	BP	ENI	Telenor	Hydro	Yara
Annual report and tax reporting fulfilling minimum legal requirements	Host governments, Investment community, local community, employees, prospective employees, competitors, professional associations, labour unions, government regulatory agencies	5	✓	✓	✓	✓	✓	✓	✓	✓	✓
Quarterly presentation of consolidated Balance Sheet, Income Statement, Cash Flow and Adjusted Earnings	Investment community, shareholders, debt-holders, Norwegian community, competitors	4	✓	✓	✓	✓	✓	✓	✓	✓	✓
Segment reporting per major business area	Investment community, shareholders, debt-holders	4	✓	✓	✓	✓	✓	✓	✓	✓	✓
Segment reporting on smaller business areas (country, unconventional / conventional split, projects etc)	Investment community, Management (downside risk), suppliers	3	✗	✗	✗	✓*	✗	✗	✓	✗	✗
Production per field on quarterly basis	Investment community, shareholders, debt-holders	3	✓	✗	✗	✗	✗	✗	n/a	n/a	n/a
Realized prices for regional areas presented quarterly	Investment community, suppliers, customers	3	✓	✗	✗	✓	✓	✗	n/a	n/a	n/a
Production and/or financial guiding	Investment community, shareholders, debt-holders, suppliers	4	✓	✓	✓	✓	✓	✓	✓	✓	✓

Source: Company data, Arctic Securities

*Shell upstream reporting split in six regional areas. Reports earnings (on adjusted and unadjusted basis) and capex per region each quarter.

Statoil and peers - sustainability initiatives and reporting

Sustainability initiatives and reporting	Primary interest groups	How important? (1=low, 5=high)	Statoil		Peers				Norwegian globally focused companies		
			Statoil	Exxon	Total	Shell	BP	ENI	Telenor	Hydro	Yara
Presenting sustainability/corporate citizenship report(s) regulary?	Local and global community, environmental associations, Management / Board investment community, host governments, prospective employees	4	✓	✓	✓	✓	✓	✓	✓	✓	✓
'Global Reporting Initiative' (GRI) Index level*	Environmental associations, Management/Board, Local and global community, Investment community	3	Top-tier	Top-tier	Top-tier	Top-tier	Top-tier	Top-tier	Core	Core	Core
Sustainability report in line with the IPIECA (Global oil and gas industry association for environmental and social issues) guidelines	Environmental associations, Management/Board, Local and global community, Investment community	3	✓	✓	✓	✓	✓	✓	n/a	n/a	n/a
Following Extractive Industries Transparency Initiative (EITI) codes	Local and global community, Management/Board, Investment community	3	✓	✓	✓	✓	✓	✓	n/a	n/a	n/a
Member of UN Global Compact	Local and global community, Management/Board, investment community	4	✓	x*	✓	✓	✓	✓	✓	✓	✓

*Global Reporting Initiative's (GRI) is guidelines for voluntary reporting of sustainable development. The guidelines include financial, environmental and social dimensions relating to the company's activities, products and service. All big oil's presented reporting on A+ level (Top-tier), TEL, YAR, NHY on B-level (Core)

***However, 'XOM standard' has incorporated the same values as in the UN Global Compact. No employee has authority to waive or violate the standard.

Statoil provides somewhat less project specific information compared to Hydro's Oil & Gas division pre-2007

Fields under development			Approved for development	Production scheduled to commence	Total estimated investment ¹⁾ (in NOK billion)	Investment incurred to date ¹⁾ (in NOK billion)	Hydro's equity share
Field	Type of field	Operator					
Norway							
Vega/Vega Sør	Gas/condensate	Hydro	2006	2010	6.5	0.1	40%/25%
Ormen Lange ²⁾	Gas/condensate	Hydro	2004	2007	54.5	26.2	18.07%
Vilje	Oil	Hydro	2005	2007	2.58	1.59	29%
Alve	Gas	Statoil	2007	2008	2.5	0.1	10%
Tynhans	Oil/gas	Statoil	2006	2009	14.5	1.8	12%
Volve	Oil	Statoil	2005	2007	2.3	0.8	10%
International							
Rosa	Oil	Total	2004	2007	16.1	10.5	10%
Gimboa	Oil	Sonangol	2006	2008	2.7	0.3	20%
Eastern Gulf ³⁾	Gas	Dominion/Anadarko/ Hydro	2004	2007	3.2	2.1	18.33-50%
Thunder Hawk	Oil	Murphy	2006	2009	4.5	0.3	25%

Project	Operator	Statoil's share at 31 december 2013	Production start	Statoil equity capacity (mboe per day)
Aasta Hansteen	Statoil	75.00	2017	100
Gudrun	Statoil	51.00	2014	65
Valemon	Statoil	53.78	2014	50
Gina Krog	Statoil	58.46	2017	50
Ivar Aasen	Det Norske	50.00	2016	40
Goliat	Eni	35.00	2014	30
Edvard Grieg	Lundin	15.00	2015	14

Sanctioned projects coming on stream 2014-2015 *	Statoil's share at 31 December 2013	Operator	Time of sanctioning	Production start
Angola: Block 17, CLOV	23.33%	Total	2010	2014
USA: Jack	25.00%	Chevron	2010	2014
USA: St. Malo	21.50%	Chevron	2010	2014
USA: Big Foot	27.50%	Chevron	2010	2015
Canada: Hibernia South Extension	10.50%	Exxon Mobil	2011	2014
Algeria: In Salah Southern Fields	31.85%	Sonatrach/BP/Statoil	2010	2015
Algeria: In Amenas Compression project	45.90%	Sonatrach/BP/Statoil	2010	2015

Hydro 2006 Annual Report

Statoil 2013 Annual Report

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Statoil peer group valuation table

Company	Currency	Ticker	Last price (lcl currency)	# shares (m)	Mcap USDm	Net Debt (USDm)		Total Return				P/E		FCF yield		Dividend Yield	
						End-14	End-15	1M	3M	6M	1Y	2014E	2015E	2014E	2015E	2014E	2015E
STATOIL ASA	NOK	STL	152.8	3189	59 866	12 100	16 935	6 %	18 %	-4 %	-1 %	11.5x	24.0x	1.0 %	-4.5 %	5.0 %	4.7 %
ROYAL DUTCH SHELL PLC-B SHS	GBp	RDS	2 036.5	2440	187 231	26 985	31 281	-5 %	-5 %	-10 %	-9 %	8.3x	14.7x	6.4 %	2.0 %	6.3 %	6.3 %
BP PLC	GBp	BP	470.0	18255	125 452	24 522	26 087	4 %	18 %	10 %	1 %	10.9x	20.2x	5.1 %	2.3 %	5.7 %	5.8 %
ENI SPA	EUR	ENI	17.0	3634	65 343	19 875	18 133	2 %	24 %	-1 %	-2 %	15.7x	30.8x	3.8 %	2.3 %	6.5 %	5.2 %
PETROBRAS - PETROLEO BRAS-PR	BRL	PETR	11.6	5602	48 878	93 546	108 725	30 %	23 %	-45 %	-27 %	7.4x	7.5x	-25.4 %	-23.1 %	7.6 %	7.8 %
TOTAL SA	EUR	FP	48.3	2385	122 083	28 159	31 514	4 %	18 %	7 %	4 %	9.6x	15.7x	-0.8 %	-1.6 %	5.8 %	5.4 %
BG GROUP PLC	GBp	BG	1 171.0	3415	58 469	13 782	10 509	26 %	40 %	10 %	5 %	15.8x	41.2x	-5.3 %	-3.2 %	1.8 %	1.7 %
CHEVRON CORP	USD	CVX	107.0	1880	201 117	14 816	25 897	3 %	0 %	-5 %	-7 %	11.1x	28.5x	-1.3 %	-3.5 %	3.9 %	4.1 %
CONOCOPHILLIPS	USD	COP	67.0	1231	82 508	16 958	23 186	8 %	4 %	-5 %	-3 %	12.6x	90.8x	0.6 %	-1.6 %	4.2 %	4.4 %
EXXON MOBIL CORP	USD	XOM	84.7	4195	355 081	20 827	32 994	-1 %	-7 %	-6 %	n.a.	11.6x	22.1x	4.1 %	1.0 %	3.2 %	3.4 %
OMV AG	EUR	OMV	27.7	327	9 606	5 949	5 913	6 %	27 %	n.a.	n.a.	9.2x	16.7x	-5.3 %	-0.1 %	4.4 %	4.0 %
ANADARKO PETROLEUM CORP	USD	APC	88.9	515	45 826	10 997	13 996	10 %	13 %	-1 %	-10 %	19.4x	n.a.	-1.5 %	-2.8 %	1.1 %	1.2 %
Average Integrateds						24 043	28 764	8 %	14 %	-5 %	-5 %	11.9x	28.4x	-1.5 %	-2.7 %	4.6 %	4.5 %
Median Integrateds						18 417	24 541	5 %	18 %	-4 %	-2 %	11.3x	22.1x	-0.1 %	-1.6 %	4.7 %	4.5 %

Source: Bloomberg, Arctic Securities
Updated 10.04.2015

Statoil vs peer group - Return on Capital Employed (ROCE)

Comment

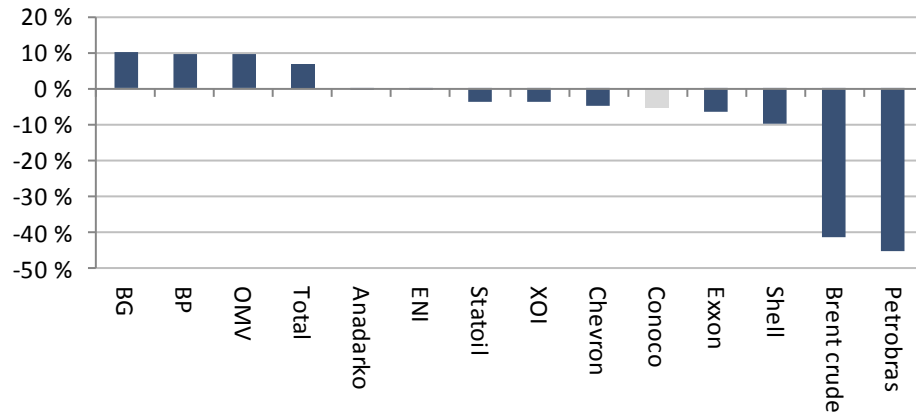
- Statoil average ROCE 2006 - 2013 17% vs peer group average 18%

Return on average capital employed (%)

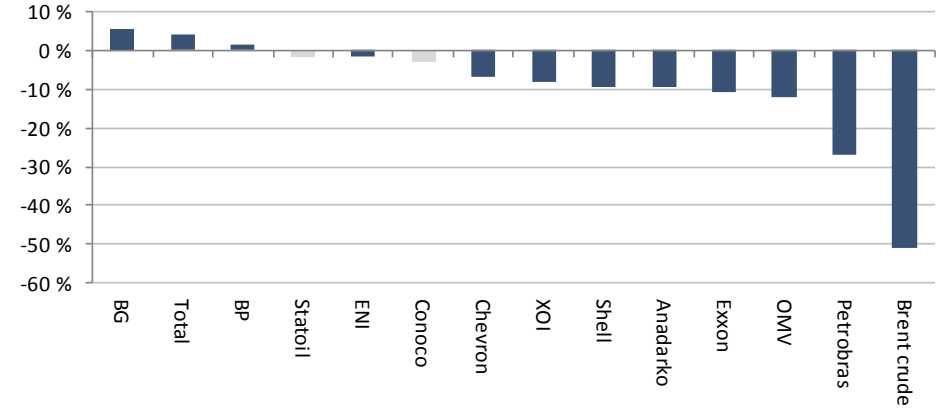


Integrations performance

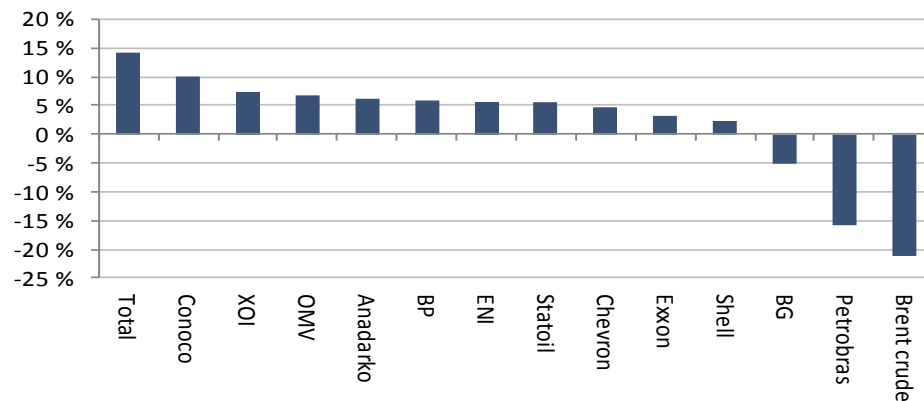
6 Months performance



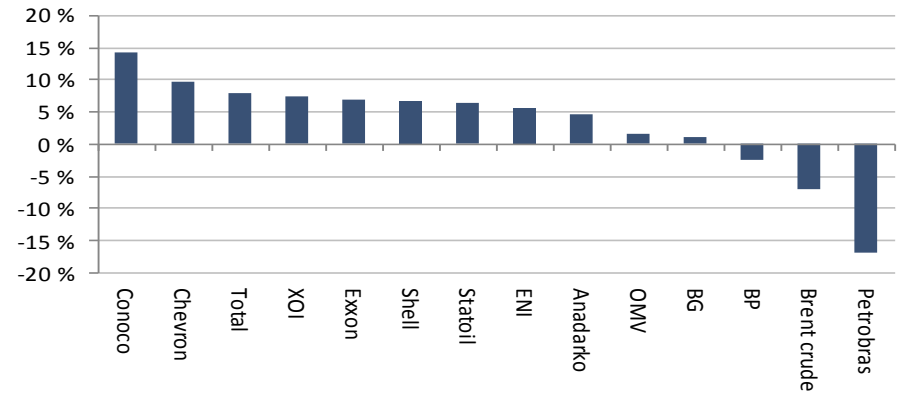
1 Year Performance



3 Year Performance



5 Year Performance

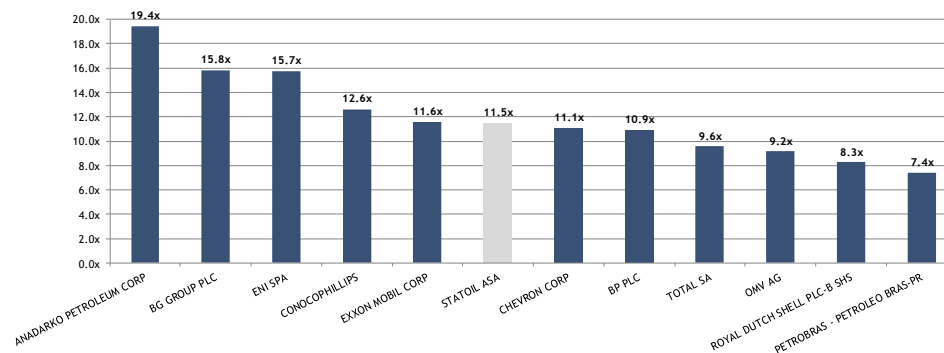


Integrations P/E 2014 & 2015 consensus estimates

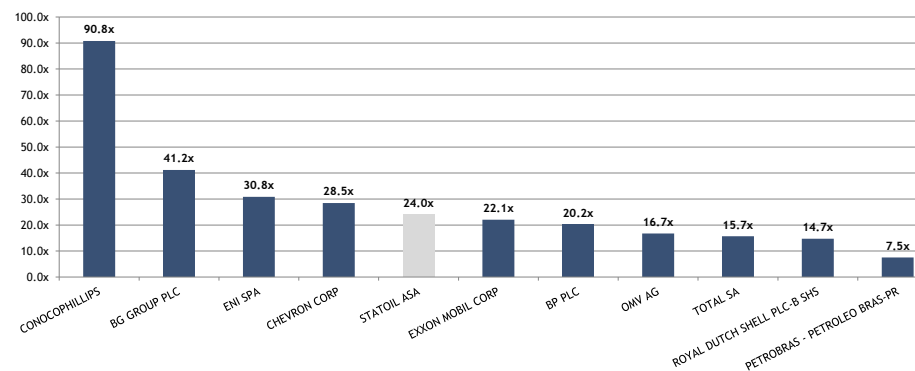
Comment

- Statoil is trading at 11.5x 2014 consensus earnings vs median 11.3x
- Statoil is trading at 24.0x 2015 consensus earnings vs median 23.0x

Bloomberg consensus P/E 2014e



Bloomberg consensus P/E 2015e

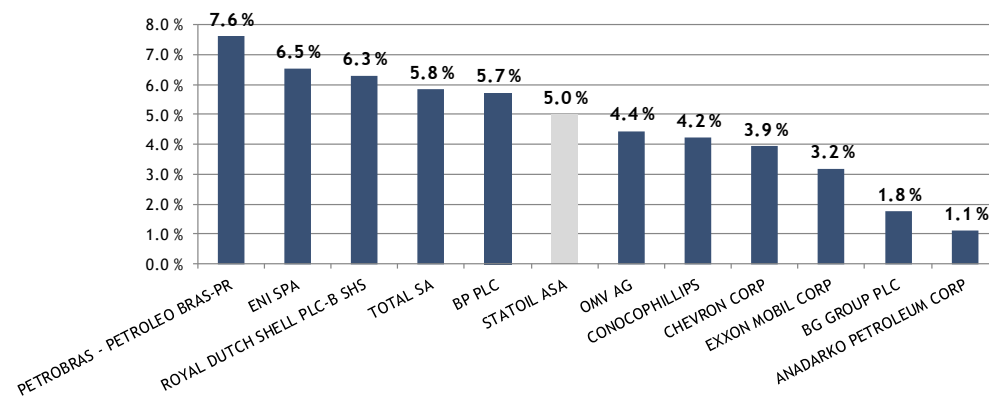


Integrations P/E 2014 & 2015 consensus estimates

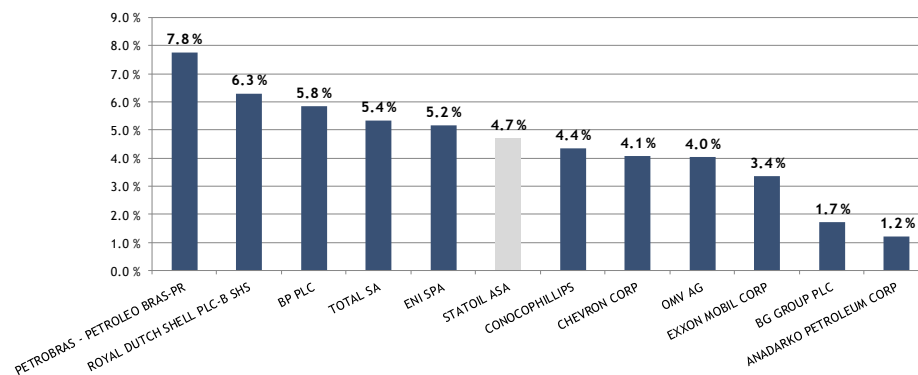
Comment

- Statoil current share price implies a consensus dividend yield for 2014 of 5.0%
- Statoil current share price implies a consensus dividend yield for 2015 of 4.7%

Bloomberg consensus dividend yield 2014e

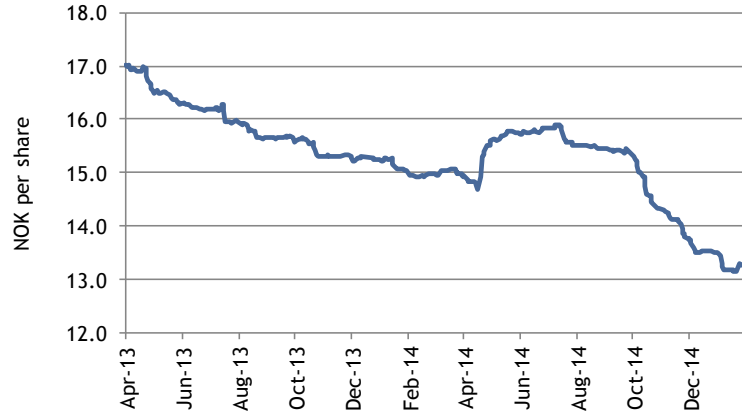


Bloomberg consensus dividend yield 2015e

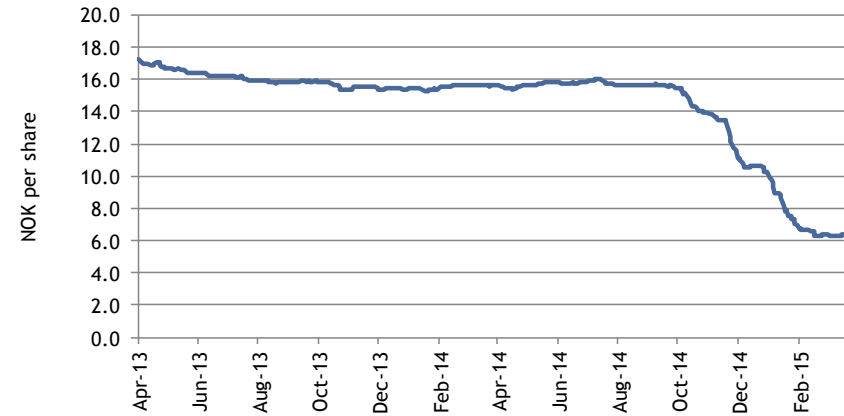


Statoil consensus EPS estimate changes

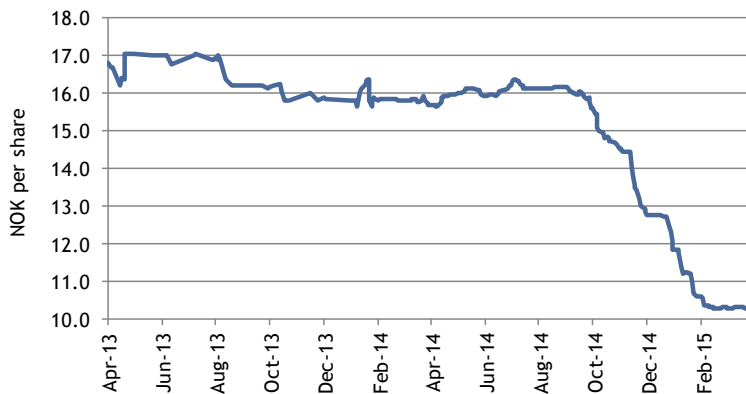
Consensus EPS 2014 estimate changes



Consensus EPS 2015 estimate changes



Consensus EPS 2016 estimate changes



Consensus EPS 2017 estimate changes

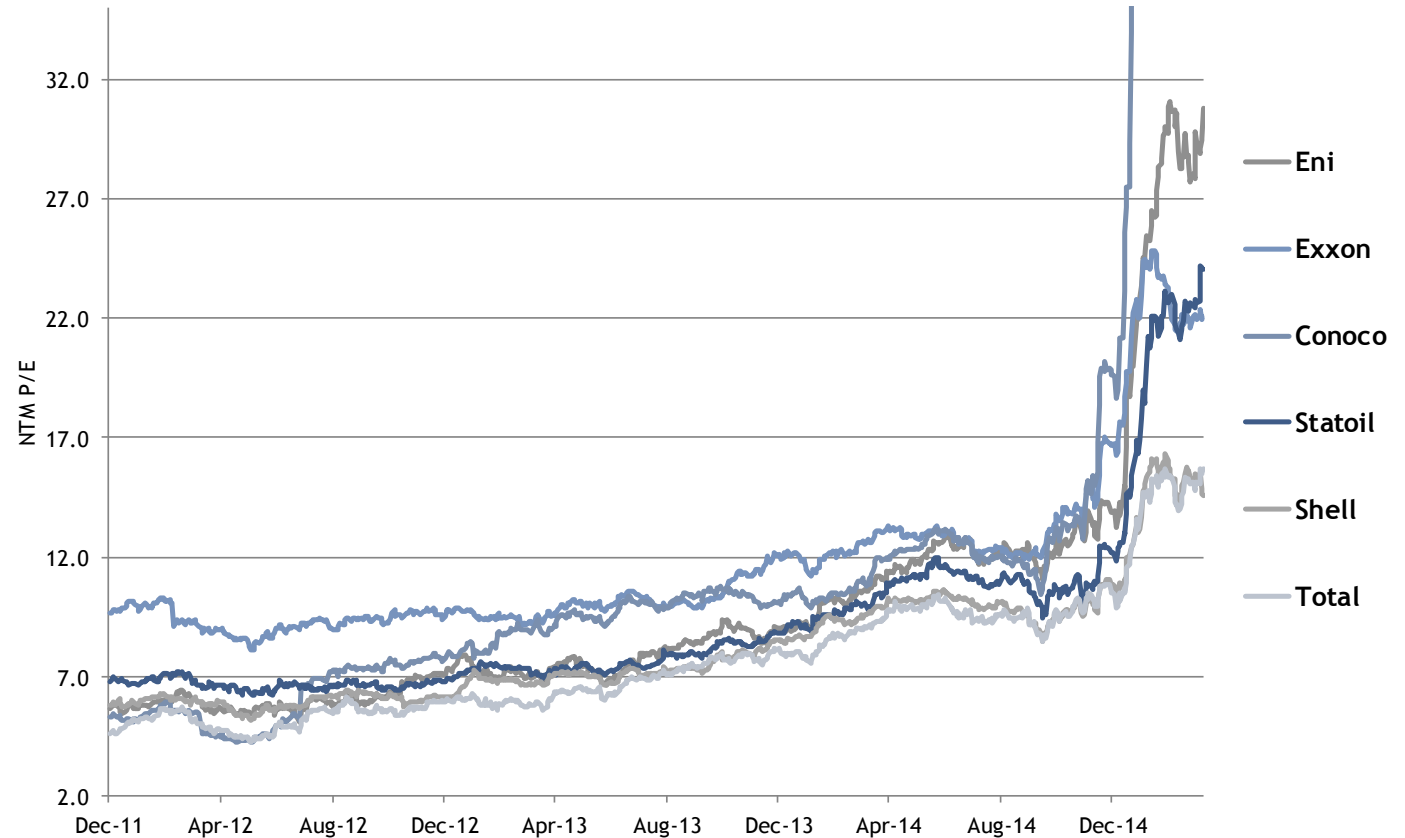


Statoil & peers historical consensus Next Twelve Months (NTM) P/E

Comment

- Statoil NTM P/E at 24.0x April 10th
- NTM P/E has spiked due to lower near-term earnings due to the oil price tumble

Statoil & peers historic consensus NTM P/E

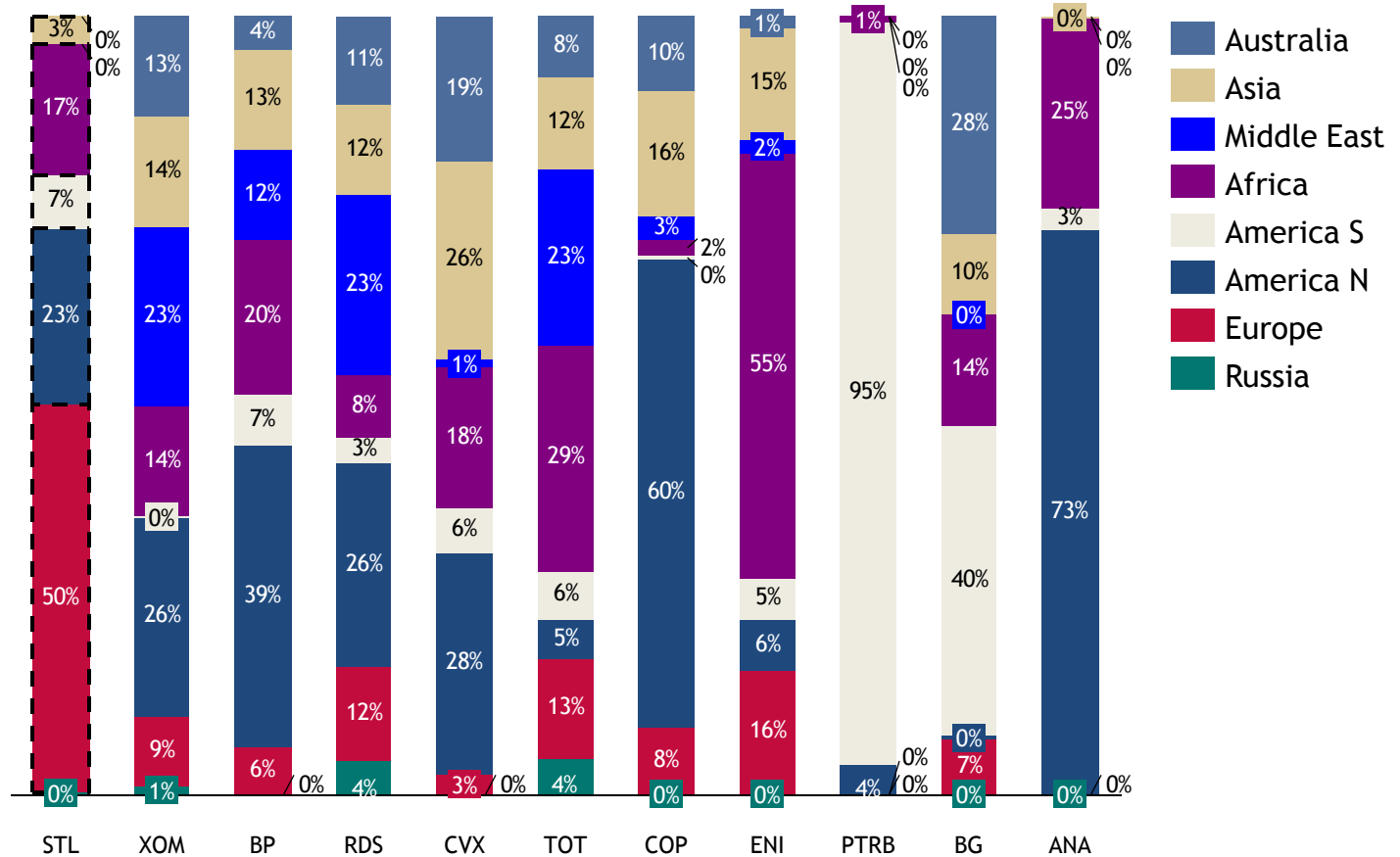


Statoil peer group - regional upstream NAV composition

Comment

- Statoil upstream NAV weighed towards Europe (North Sea)
- Other main exposures (NAM, Africa) not significantly different from peers
- Limited Middle East, Australia and other Asia exposure compared to peers

Regional upstream NAV composition

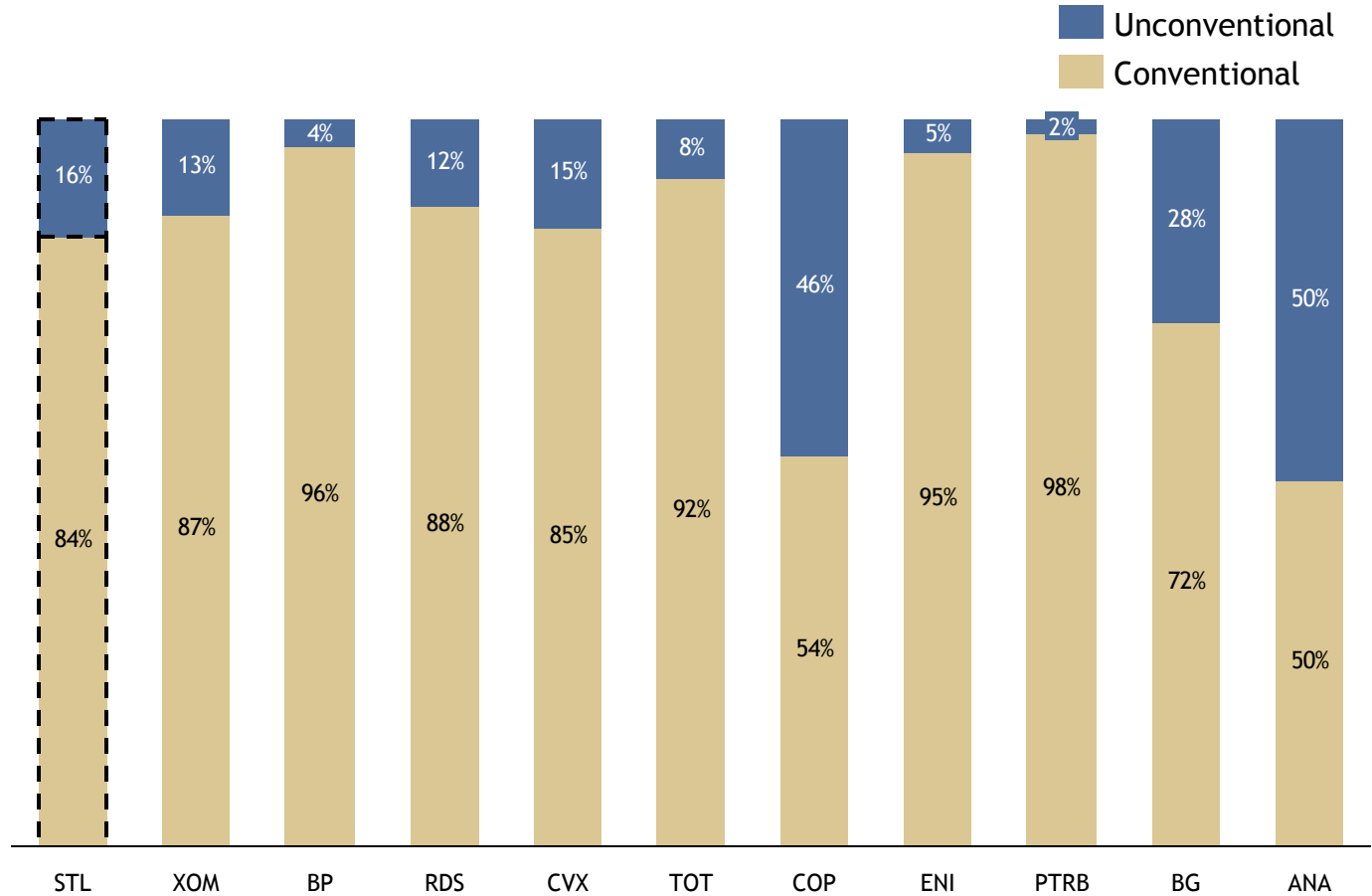


Statoil peer group - conventional vs unconventional NAV

Comment

- Statoil upstream NAV related to unconventional assets estimated to 16% vs peer-group median 15%

NAV composition - unconventional vs conventional

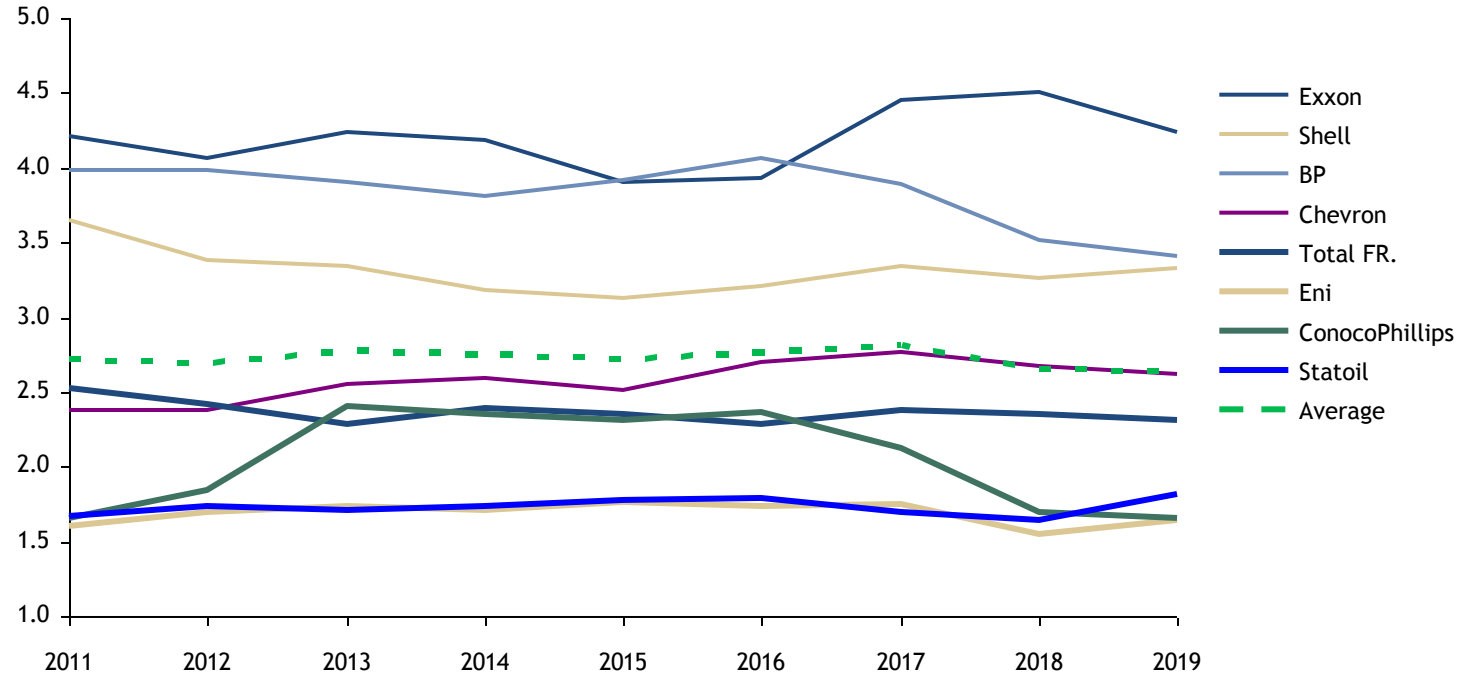


Statoil peer group - entitlement production

Comment

- Statoil 2013 entitlement production 1.76 Mboepd vs peers 2.63Mboepd
- Statoil production growth 2005 - 2013 of 8.8% vs peer group average -3.0% (not annualized growth)

Statoil vs peers entitlement production

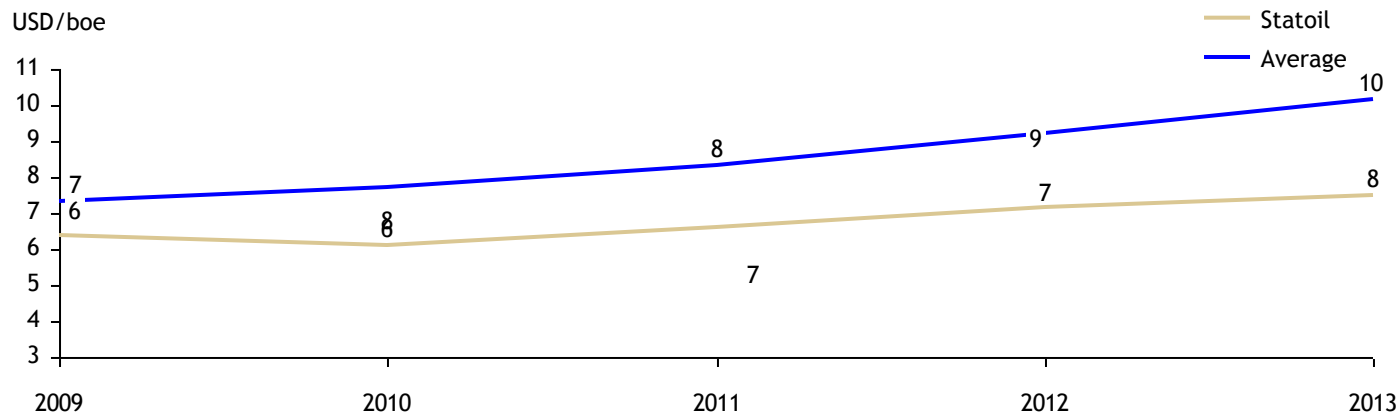


Statoil vs peers: Production costs per boe, F&D costs per boe

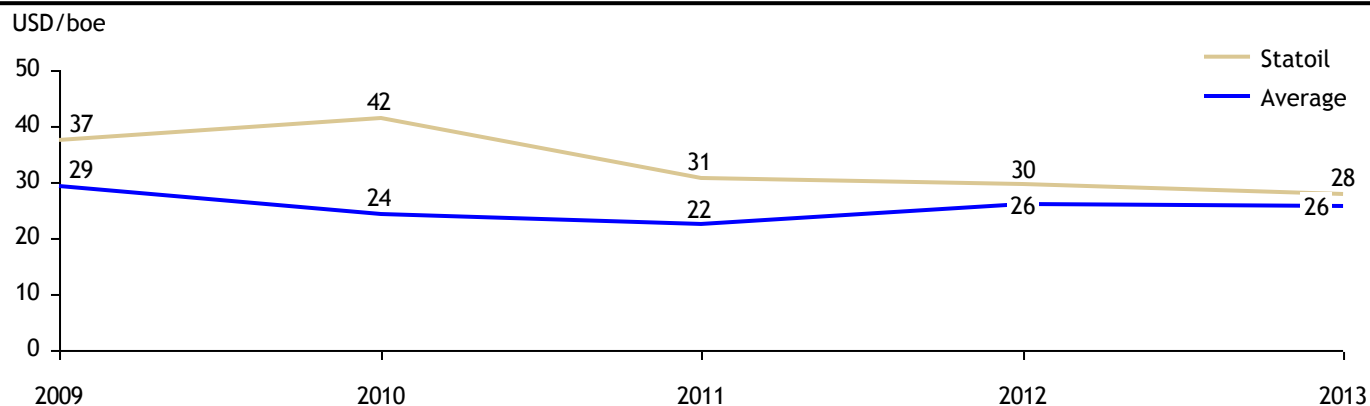
Comment

- Statoil average production cost per boe 2011-2013 USD 7.5/boe vs peer group USD 10.1/boe
- Statoil finding and development cost per boe 2011-2013 USD 27.9/boe vs peer group USD 25.9/boe

Three-year average production costs - USD per boe



Three-year average finding and development costs - USD per boe*



Source: Arctic Securities, Company reports

Peer group: Shell, BP, Chevron, Total, Eni, Conoco, Statoil

* F&D costs : (Organic upstream capex + exploration costs)/ (Proved reserves additions due improved recovery, revisions, discoveries and extensions)

Agenda

- History and strategic roadmap
- Statoil asset portfolio - overview and trends
- Evaluation of key international projects
- Reserve replacement
- Reporting structure
- Appendix I - Statoil peer group and valuation tables
- **Appendix II - Additional information**

Glossary

Terms

- **Wellhead breakeven oil price** - The oil price used to obtain a NPV of zero
- **Wellhead break gas price** - The gas price used to obtain a NPV of zero
- **Free cash flow** - Revenues less opex, capex and government take
- **Reserves** - Hydrocarbons which are anticipated to be recovered from known accumulations from a given date forward
- **Prospective resources** - Those quantities of petroleum that are estimated, on a given date, to be potentially recoverable from undiscovered accumulations
- **Exploration well** - A well in an unproven area or prospect, may also be known as a "wildcat well"
- **Appraisal well** - A well drilled to determine the physical extent, reserves and likely production rate of a field

Terms

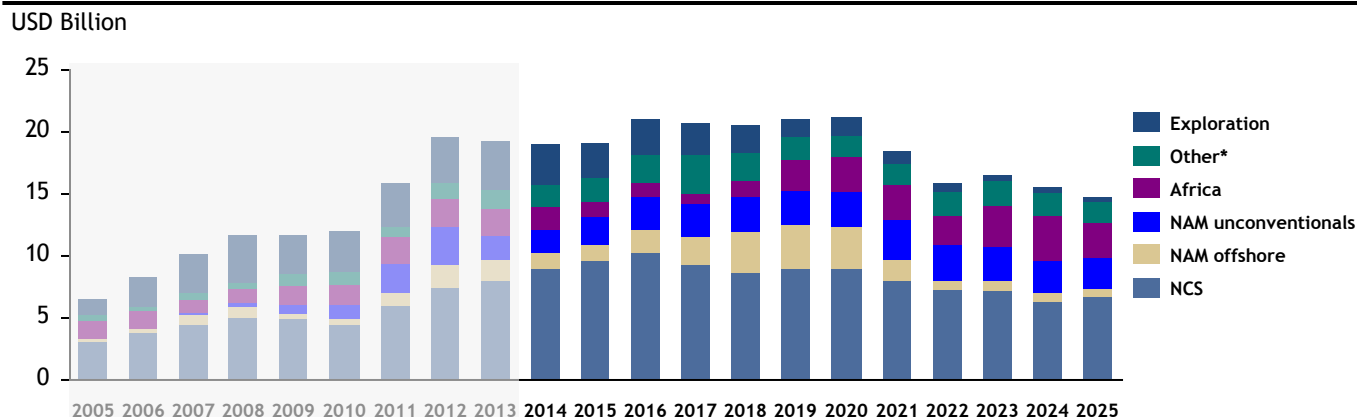
- **Barrel/bbl** - Volume unit corresponding to 159 litres. A barrel of oil corresponds to about 0.137 metric tons.
- **BOE** - Barrel of Oil Equivalent. It is used as a standard unit measure for oil and natural gas
- **Condensates** - Light hydrocarbons produced along with gas that condenses to a liquid state at surface temperature and pressure
- **Proved reserves** - Those reserves which on the available evidence are virtually certain to be technically and economically producible (i.e. having a better than 90% chance of being produced)
- **Boepd** - Barrels of oil equivalent per day

Statoil organic capex investments - continued high NCS commitment - increased unconventional focus

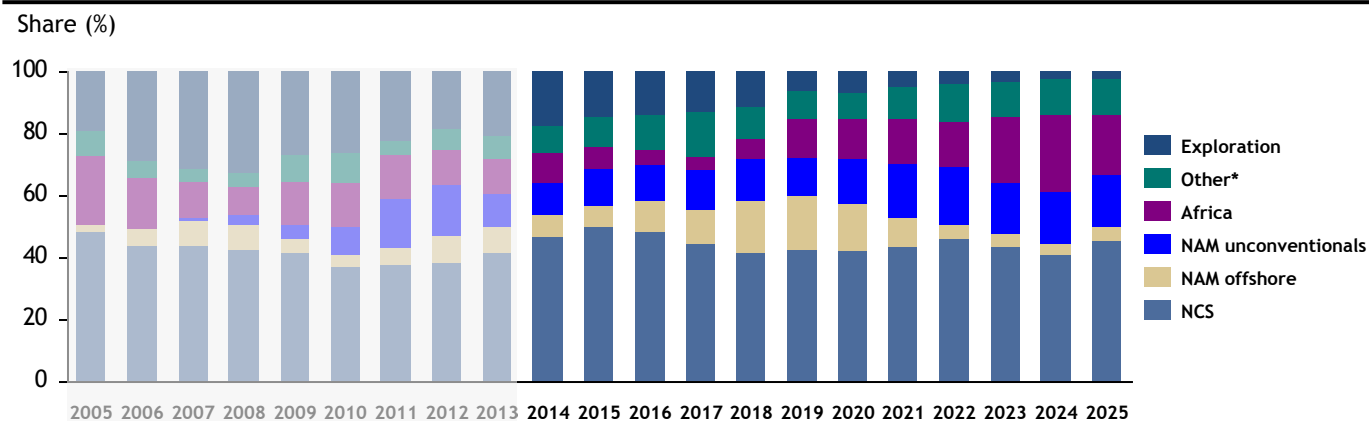
Comment

- Statoil's annual organic projected between USD 19bn - USD 21bn between 2014e - 2020e
- Norway's share of organic capex estimated between 40% - 50% of total also next ten years (2015e - 2025e)
- US unconventional share of total organic capex projected between 10% -20% in period 2010 - 2025

Statoil organic capex overview 2005 - 2025e, USDbn nominal terms



Statoil organic capex regional composition 2005 - 2025e, % of total

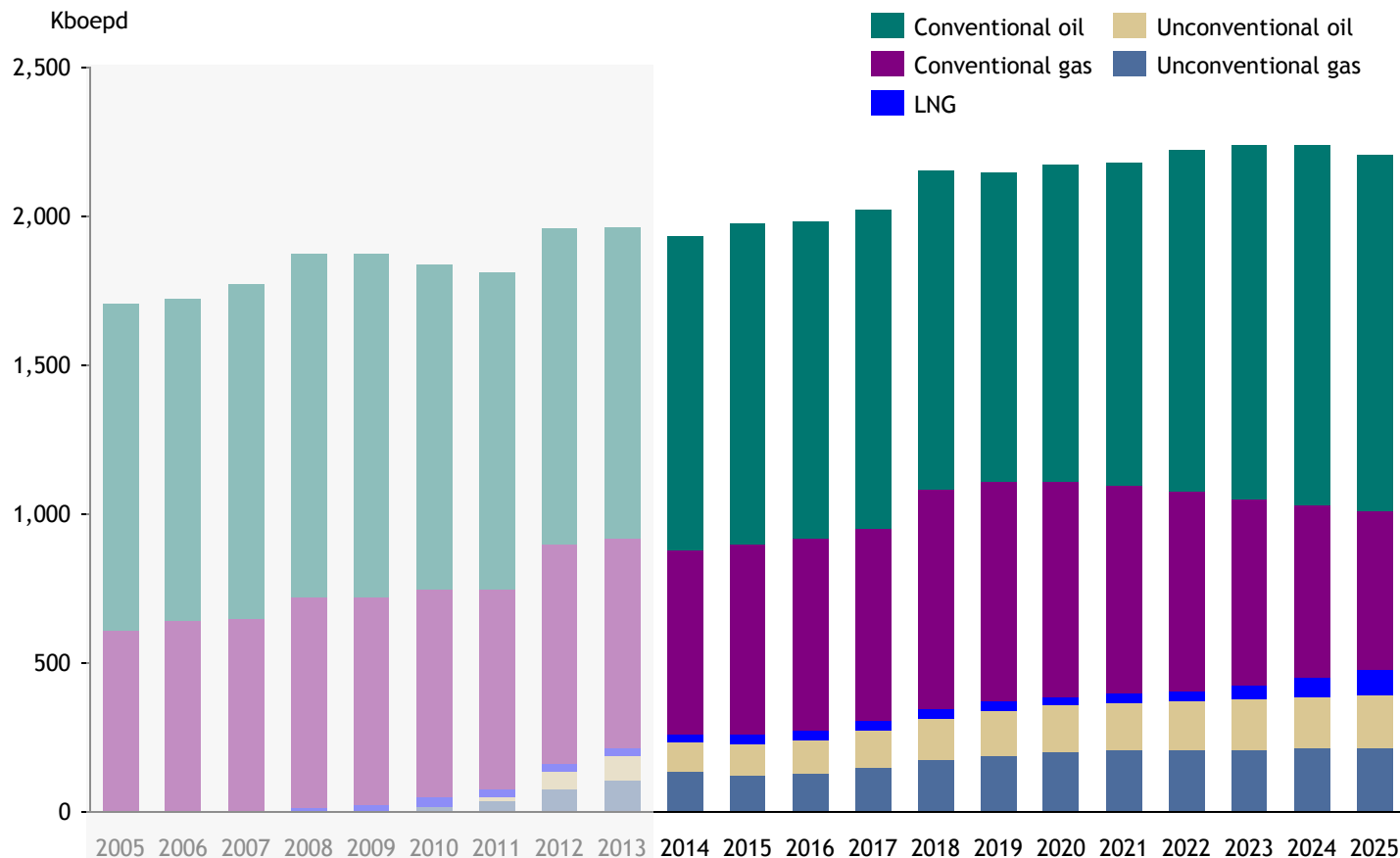


Source: Rystad Energy, Arctic Securities. Overview does not include acquisitions and disposals, capex that cannot be linked directly to assets

**Azerbaijan, UK, Brazil, Venezuela

Statoil trends in production - more unconventional

Production type overview 2005 - 2025e

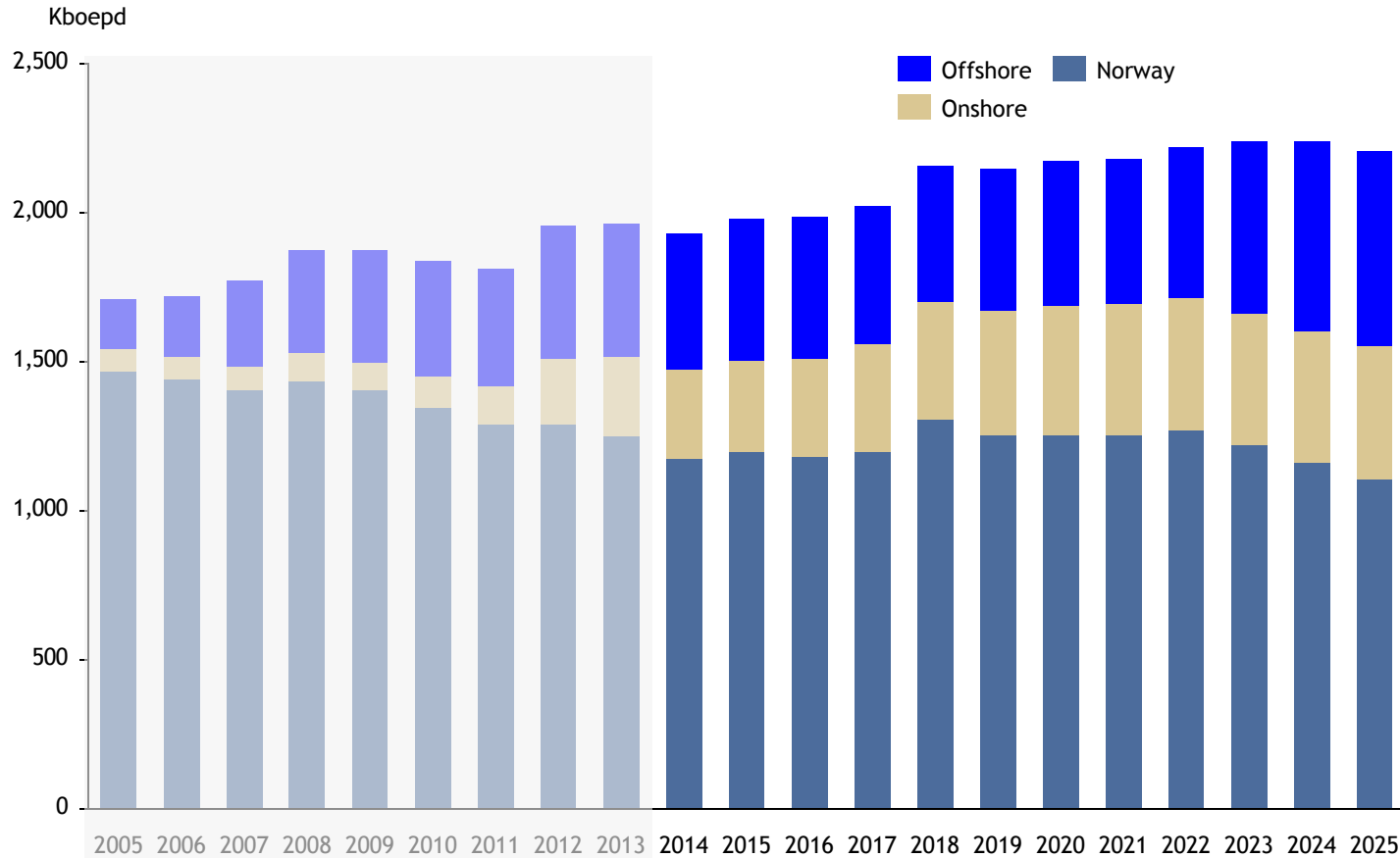


Comment

- Statoil had immaterial unconventional share 2005 - 2011
- Statoil unconventional share increasing from 2% in 2011 to 11% in 2015 and 16% in 2020
- LNG share increasing from 1-2% in 2009 - 2022 to more than 4% after 2022
- Conventional gas share decreasing from 36% in 2013 to 33% in 2020 and 24% in 2025

Statoil trends in production - higher onshore share

Production overview Norway, International Onshore and Offshore 2005 - 2025e

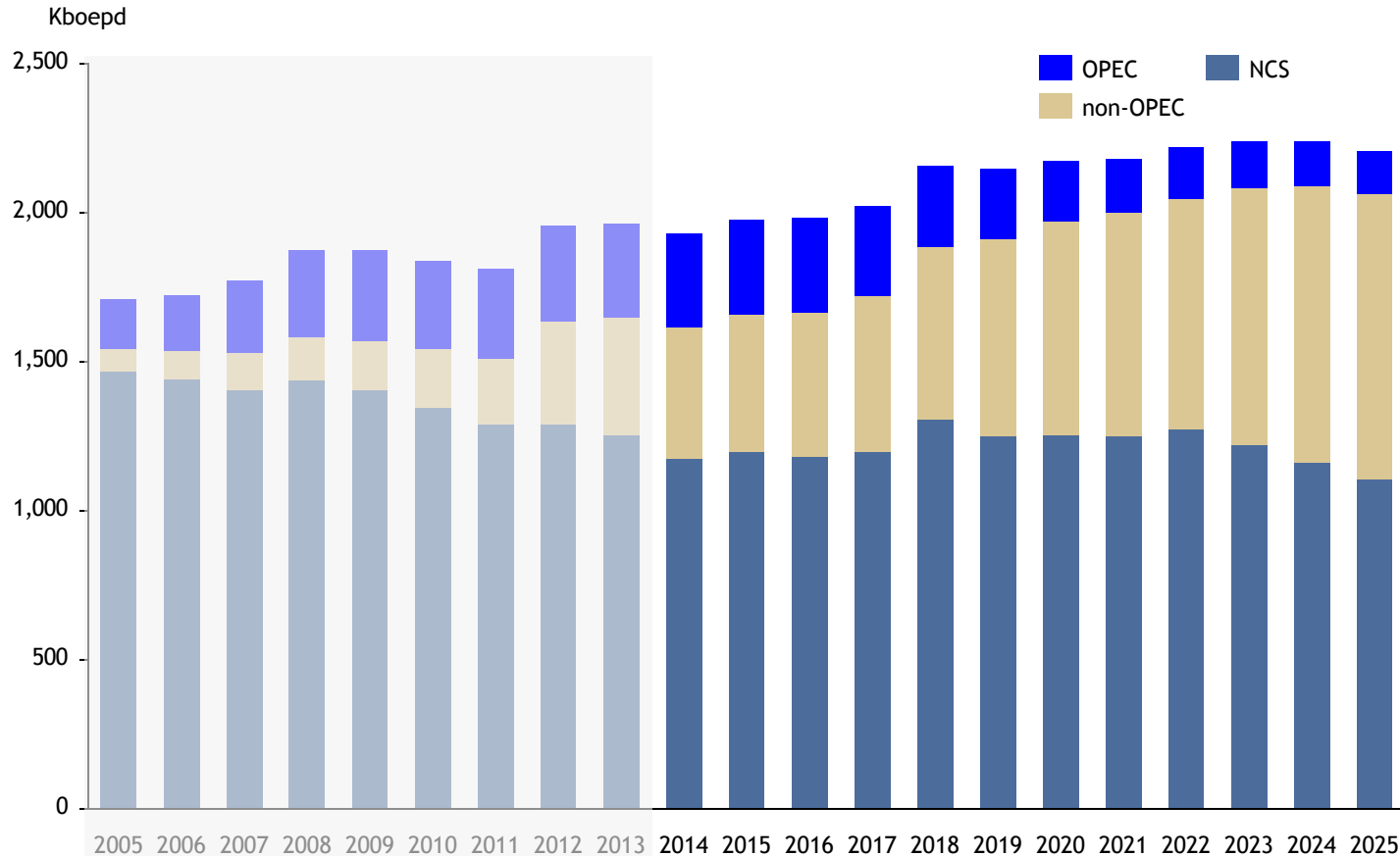


Comment

- Statoil onshore share 4%-6% in period 2005 - 2010, increasing to 15% in 2014 and 20% in 2020
- Statoil NCS share decreasing from 86% in 2005 to 61% in 2014, to 56% in 2020 to below 50% in 2025.

Statoil trends in production - decreasing OPEC exposure

Production overview NCS, non-OPEC and OPEC 2005 - 2025e

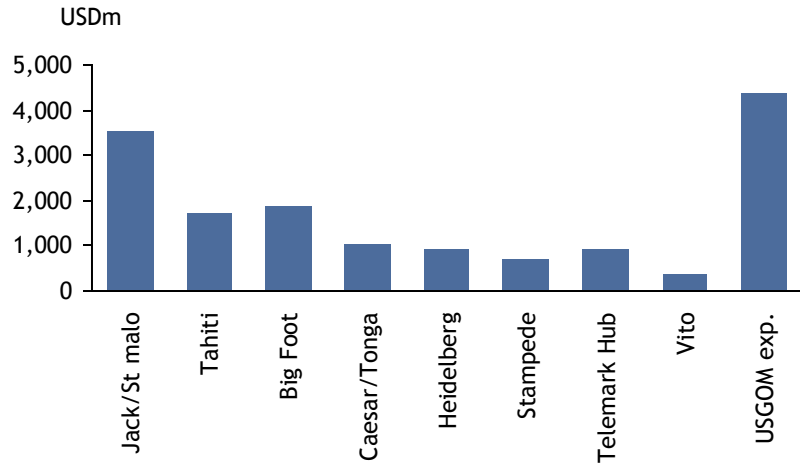


Comment

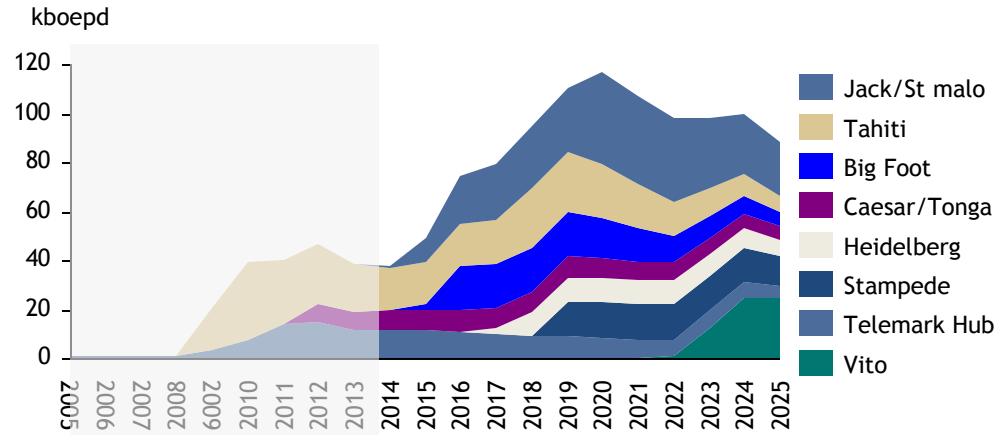
- Statoil production from OPEC decreasing from 17% in 2012 to 9% in 2020 to 7% in 2025

US Gulf of Mexico portfolio overview

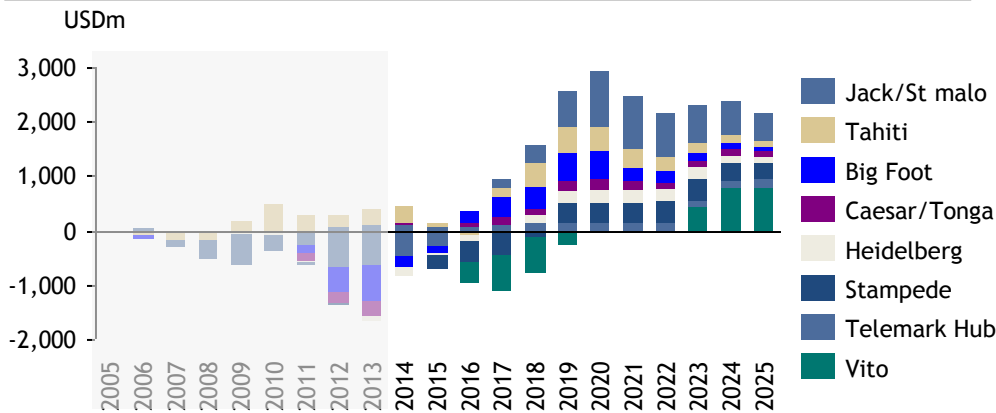
Valuation overview - key assets



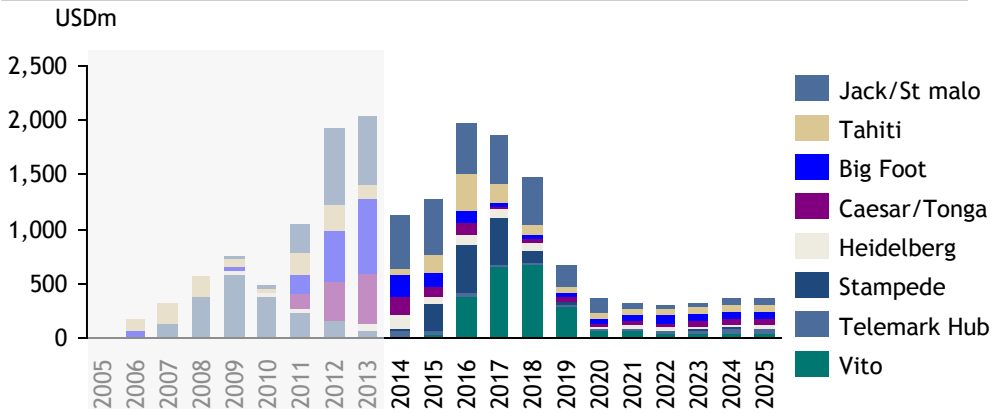
Trends in production



Trends in Free Cash Flow*



Historic and forecast capex estimates**



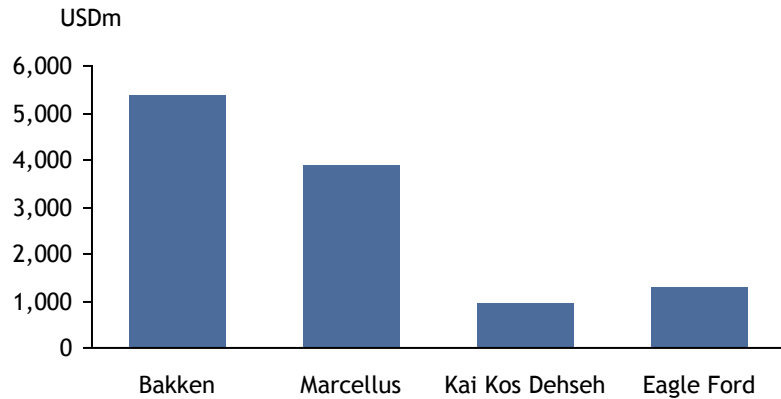
Source: Arctic Securities, Rystad Energy

*FCF does not include acquisitions and disposals, R&D costs and overhead costs that cannot be linked directly to assets.

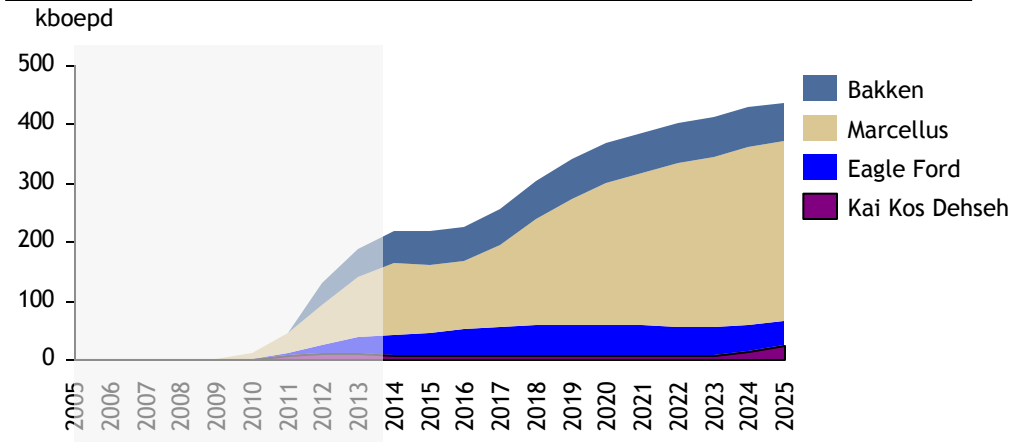
**excluding exploration

US and Canada onshore portfolio overview

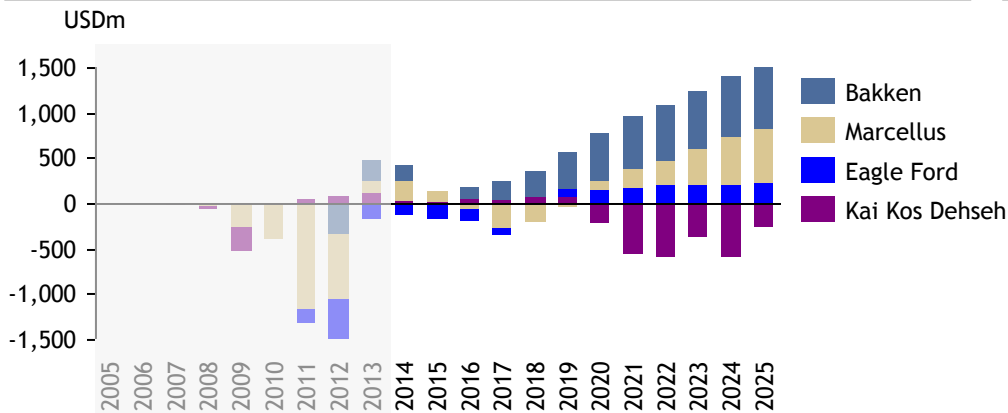
Valuation overview - key assets



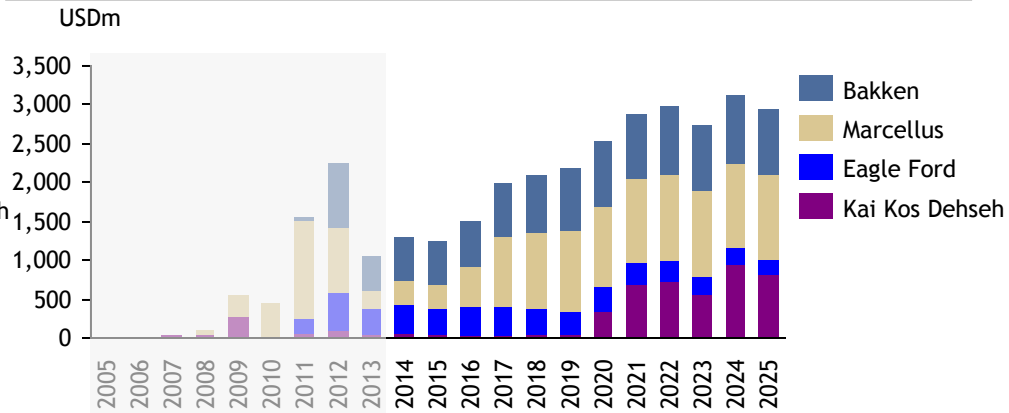
Trends in production



Trends in Free Cash Flow*



Historic and forecast capex estimates**



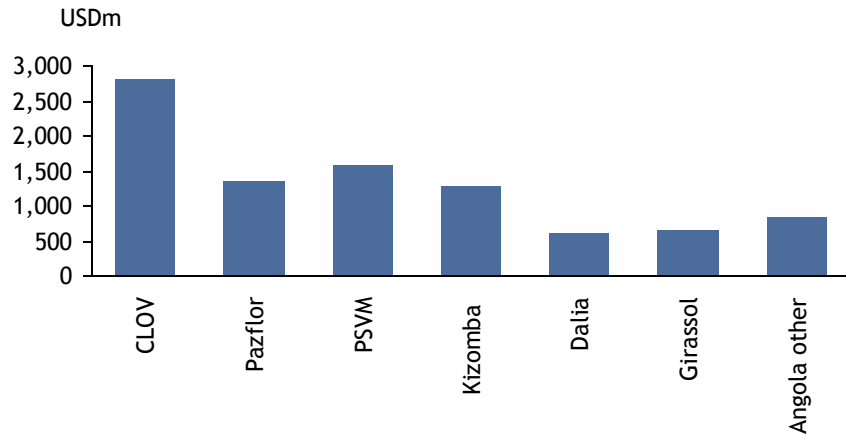
Source: Arctic Securities, Rystad Energy

*FCF does not include acquisitions and disposals, R&D costs and overhead costs that cannot be linked directly to assets.

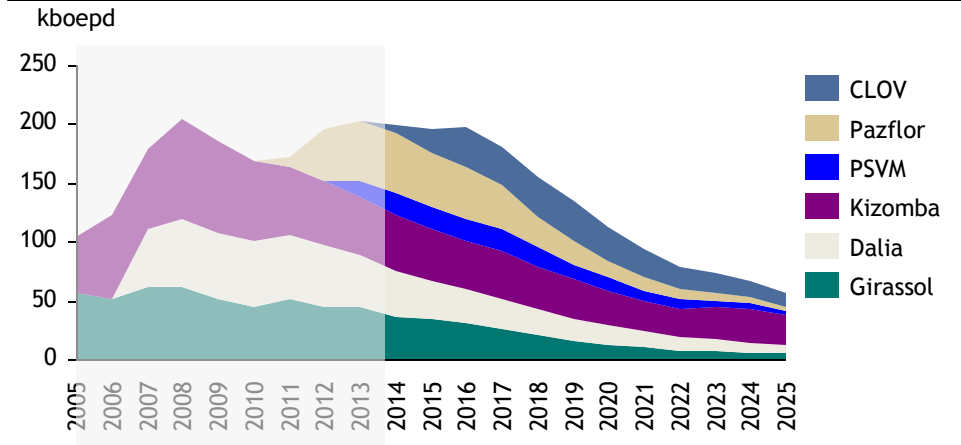
**excluding exploration

Angola portfolio overview

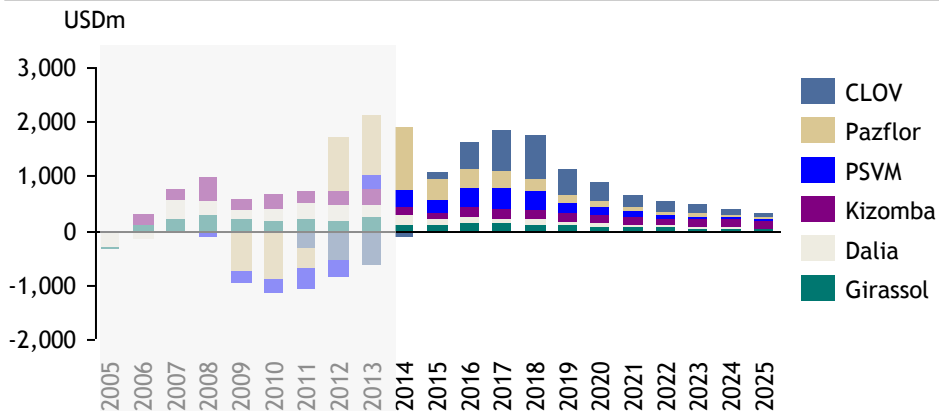
Valuation overview - key assets



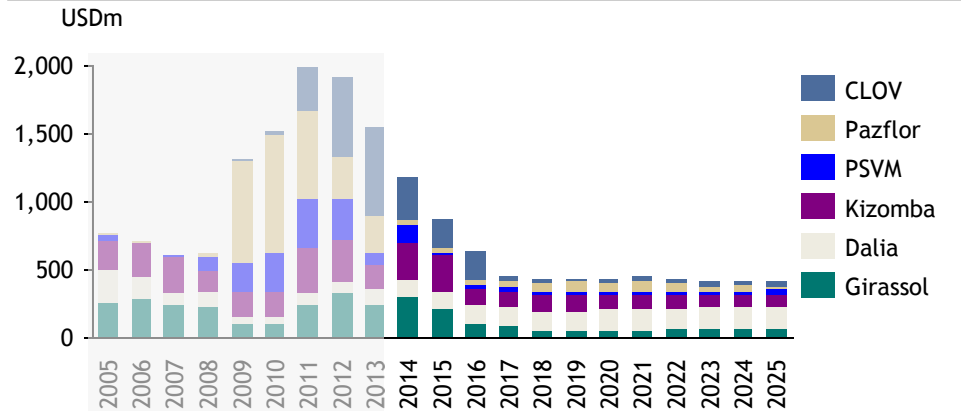
Trends in production



Trends in Free Cash Flow*



Historic and forecast capex estimates**



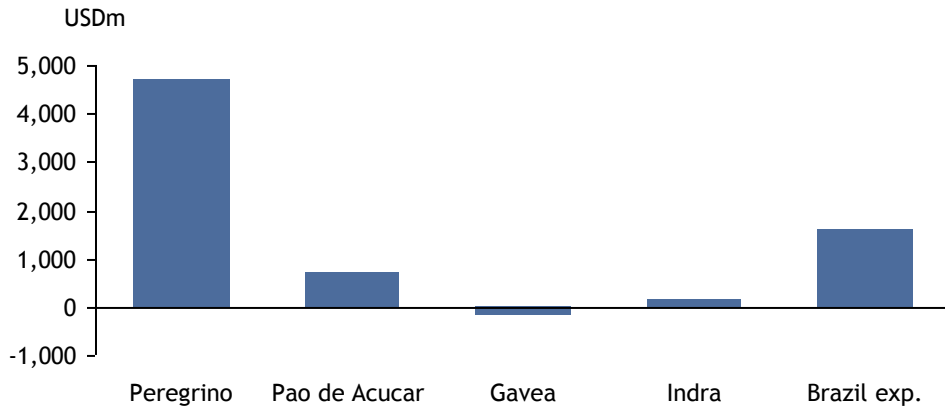
Source: Arctic Securities, Rystad Energy

*FCF does not include acquisitions and disposals, R&D costs and overhead costs that cannot be linked directly to assets.

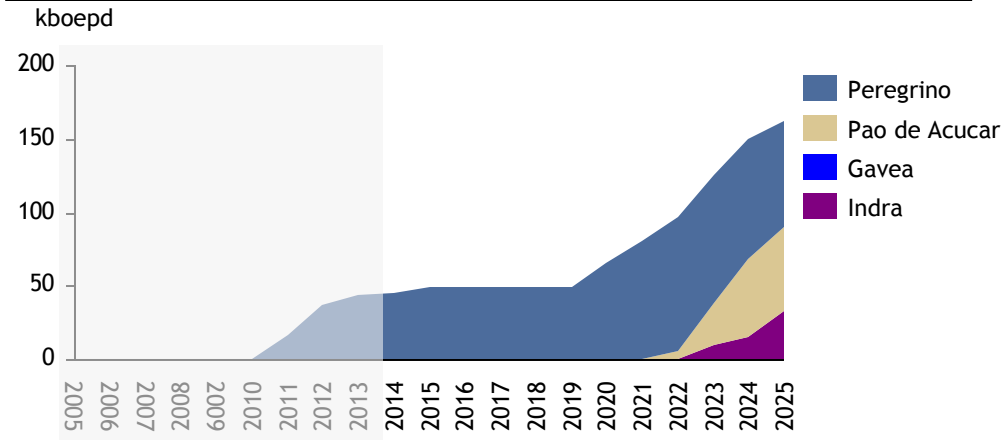
**excluding exploration

Brazil portfolio overview

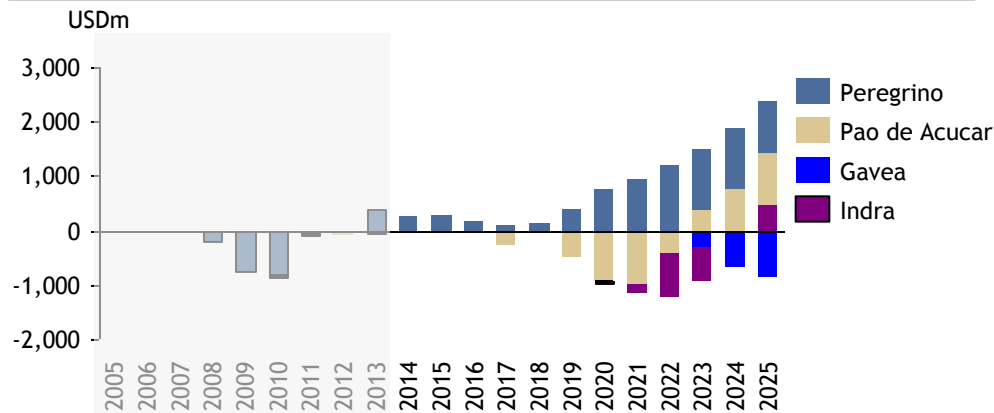
Valuation overview - key assets



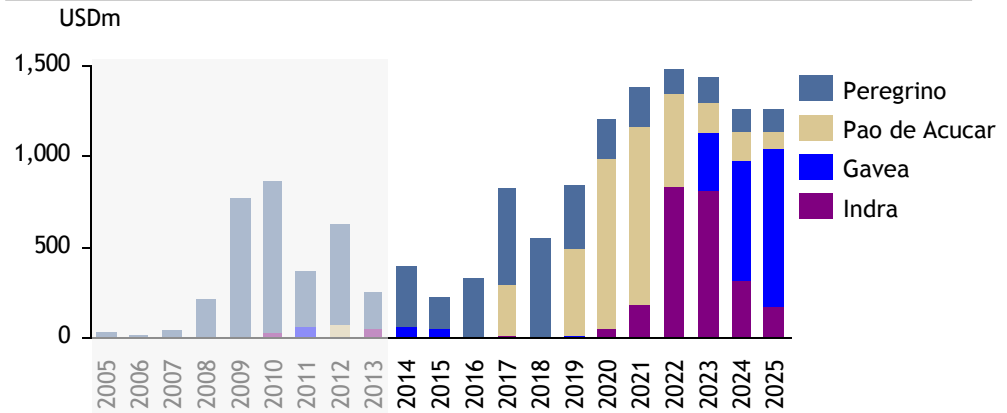
Trends in production



Trends in Free Cash Flow*



Historic and forecast capex estimates**



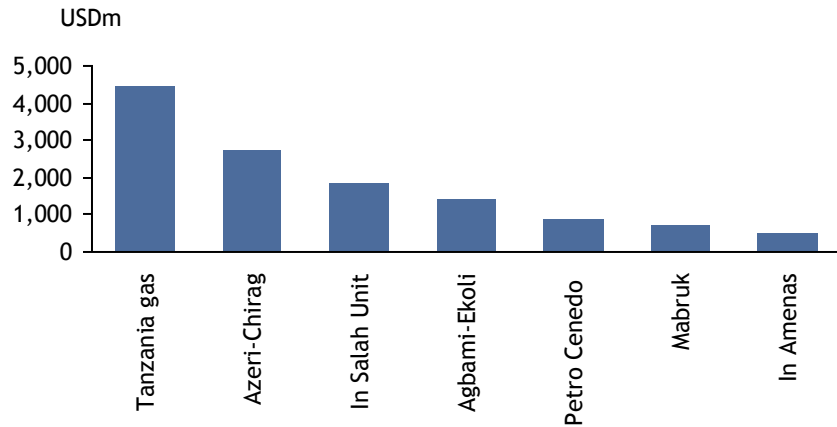
Source: Arctic Securities, Rystad Energy

*FCF does not include acquisitions and disposals, R&D costs and overhead costs that cannot be linked directly to assets.

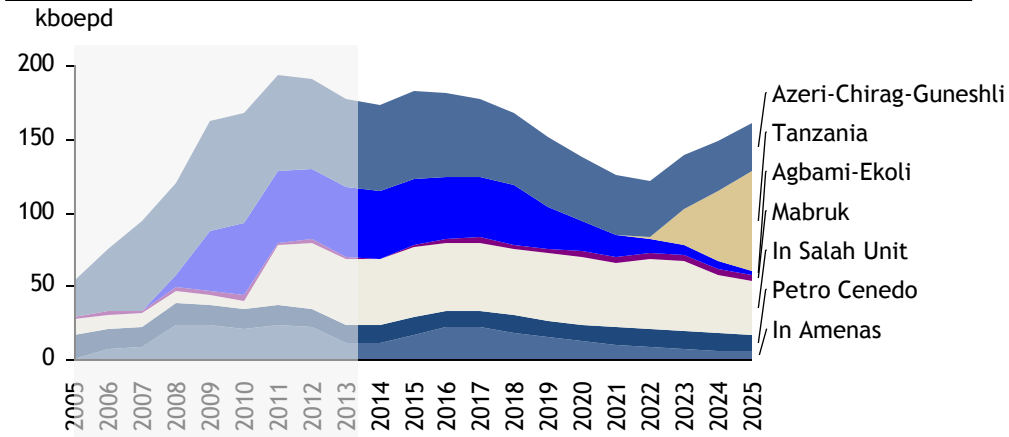
**excluding exploration

Portfolio overview other international

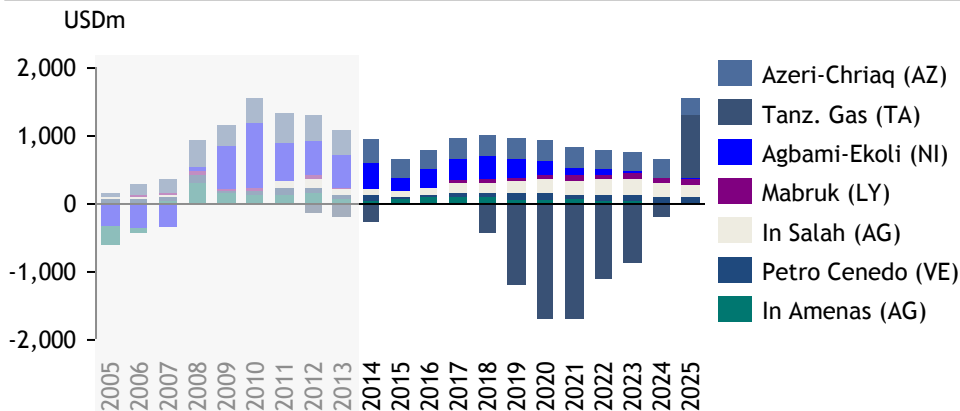
Valuation overview - key assets



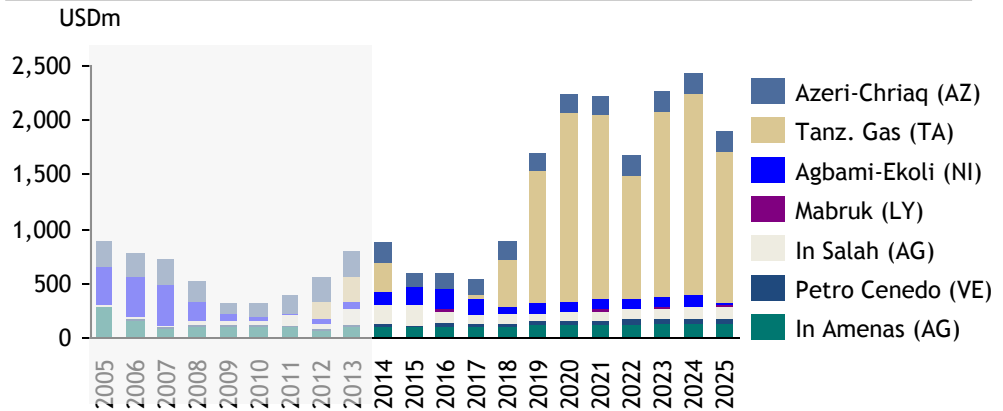
Trends in production



Trends in Free Cash Flow*



Historic and forecast capex estimates**



Source: Arctic Securities, Rystad Energy

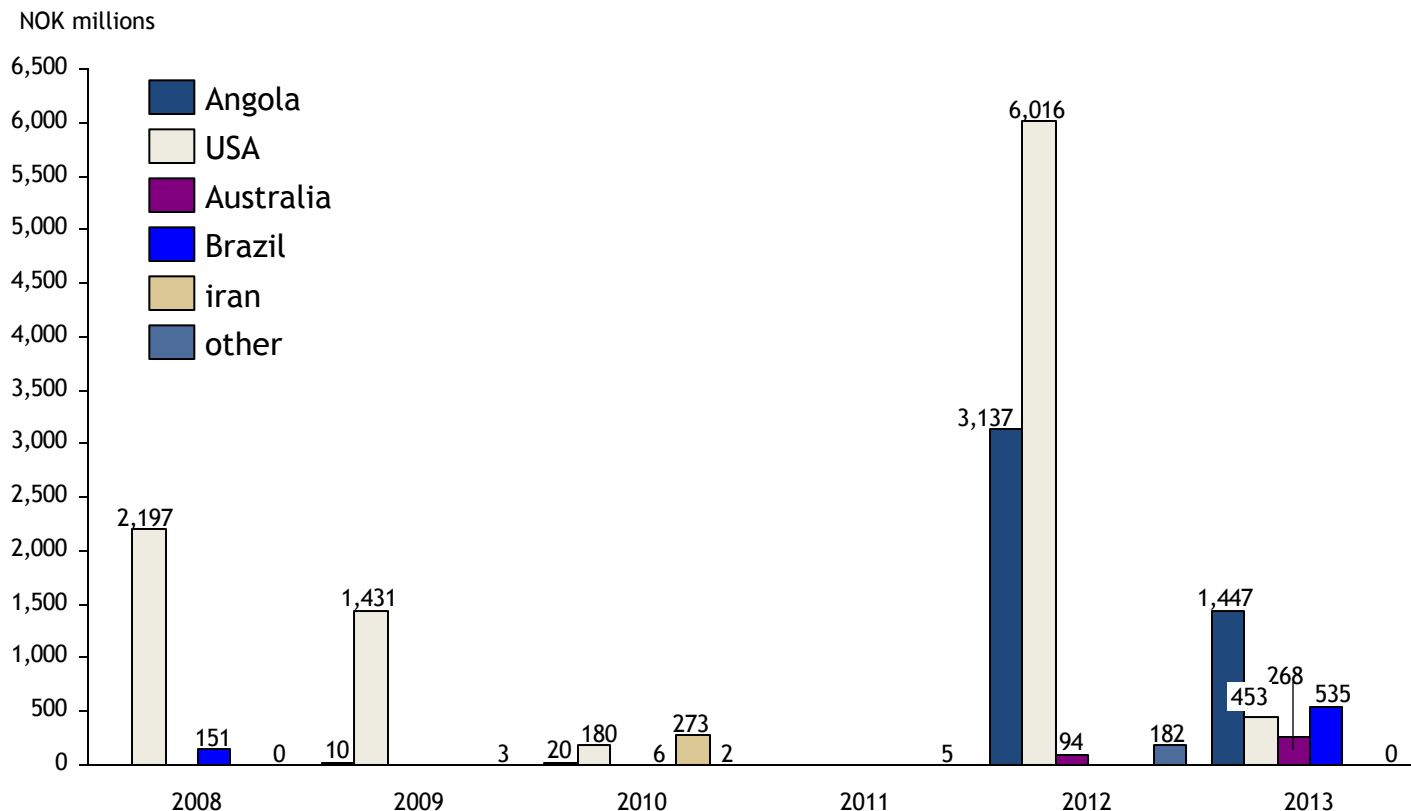
*FCF does not include acquisitions and disposals, R&D costs and overhead costs that cannot be linked directly to assets.

**excluding exploration

***other include Azerbaijan, Algeria, Tanzania, Venezuela, Libya

Statoil reported figures - signature bonuses paid per country*

Statoil investments by country - NOK millions



Comment

- Signature bonuses paid in the US 2008-2013 NOK 10.3bn
- Signature bonuses paid in Angola 2008-2013 NOK 4.6bn
- Signature bonuses paid in Brazil 2008-2013 NOK 0.6bn

Source: Arctic Securites, Statoil

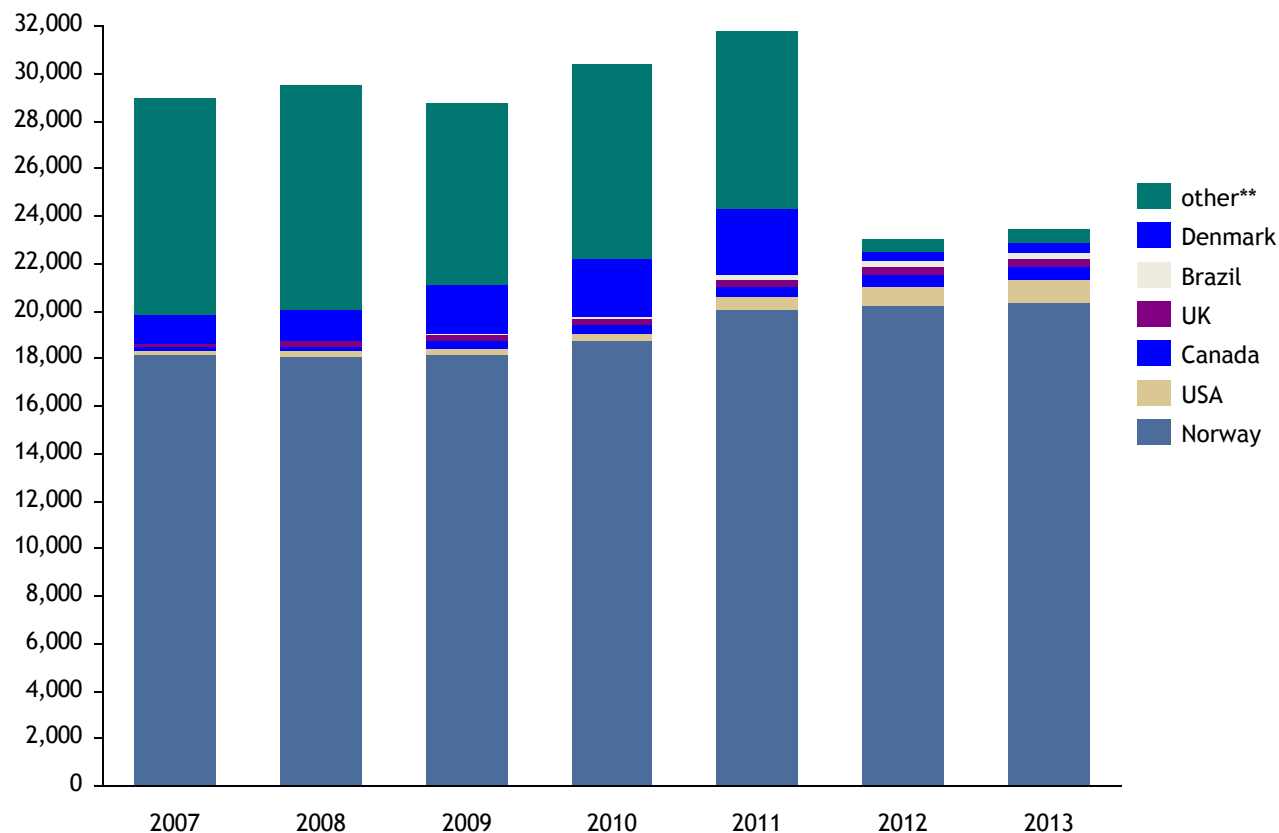
*A one-off payment made to the government of the host country once awarded a licence..

Statoil reported figures - number of employees

Statoil investments by country - NOK millions

Comment

Number of employees



- Number of employees in Norway 20,336 at end 2013 vs 18,102 at the end of 2007
- Number of employees in the US 970 at the end of 2013 vs 192 at the end of 2007
- Number of employees in Brazil 272 at the of 2013 vs 23 at the end of 2007

Source: Arctic Securites, Statoil

- Number of employees per location at the end of the year, based on where the employing company is registered. Expatriated staff are registered in home country and since there is a net expatriation from Norway, actual staff working in some countries can be higher than stated, and lower for Norway. Table only includes permanent employees.
- ** please note Statoil F&R divested in 2011



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