

Capital markets update

LONDON, FEBRUARY 7, 2018



Forward-looking statements

This presentation contains certain forward-looking statements that involve risks and uncertainties. In some cases, we use words such as "ambition", "continue", "could", "estimate", "expect", "believe", "focus", "likely", "may", "outlook", "plan", "strategy", "will", "guidance" and similar expressions to identify forward-looking statements. All statements other than statements of historical fact, including, among others, statements regarding plans and expectations with respect to market outlook and future economic projections and assumptions; Statoil's focus on capital discipline; expected annual organic production through 2017; projections and future impact of efficiency programmes including expected efficiency improvements, including expectations regarding costs savings from the improvement programme; capital expenditure and exploration guidance for 2017; production guidance; Statoil's value over volume strategy; organic capital expenditure for 2017; Statoil's intention to mature its portfolio; exploration and development activities, plans and expectations, including estimates regarding exploration activity levels; projected unit of production cost; equity production and expectations for equity production growth; planned maintenance and the effects thereof; impact of PSA effects; risks related to Statoil's production guidance; accounting decisions and policy judgments, ability to put exploration wells into profitable production, and the impact thereof; expected dividend payments, the scrip dividend programme and the timing thereof; estimated provisions and liabilities; and the projected impact or timing of administrative or governmental rules, standards, decisions or laws, including with respect to and future impact of legal proceedings are forward-looking statements. You should not place undue reliance on these forward-looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons

These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including levels of industry product supply, demand and pricing; price and availability of alternative fuels; currency exchange rate and interest rate fluctuations; the political and economic policies of Norway and other oil-producing countries; EU developments; general economic conditions; political and social stability and economic growth in relevant areas of the world; global political events and actions, including war, political hostilities and terrorism; economic sanctions, security breaches; changes or uncertainty in or non-compliance with laws and governmental regulations; the timing of bringing new fields or wells on stream;

an inability to exploit growth or investment opportunities; material differences from reserves estimates; unsuccessful drilling; an inability to find and develop reserves; ineffectiveness of crisis management systems; adverse changes in tax regimes; the development and use of new technology; geological or technical difficulties; operational problems; operator error; inadequate insurance coverage; the lack of necessary transportation infrastructure when a field is in a remote location and other transportation problems; the actions of competitors; the actions of field partners; the actions of governments (including the Norwegian state as majority shareholder); counterparty defaults; natural disasters and adverse weather conditions, climate change, and other changes to business conditions; an inability to attract and retain personnel; relevant governmental approvals; industrial actions by workers and other factors discussed elsewhere in this report. Additional information, including information on factors that may affect Statoil's business, is contained in Statoil's Annual Report on Form 20-F for the year ended December 31, 2016, filed with the U.S. Securities and Exchange Commission (and section 2.10 Risk review – Risk factors thereof). Statoil's 2016 Annual Report and Form 20-F is available at Statoil's website www.statoil.com.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, we undertake no obligation to update any of these statements after the date of this report, whether to make them either conform to actual results or changes in our expectations or otherwise.

Prices used in the presentation material are given in real 2017 value, unless otherwise stated. We also confirm that we have obtained approval from IHS Markit, Barclays, IPA, Rushmore and Wood Mackenzie to publish data referred to on slides in this presentation.



Delivering high value

Eldar Sætre

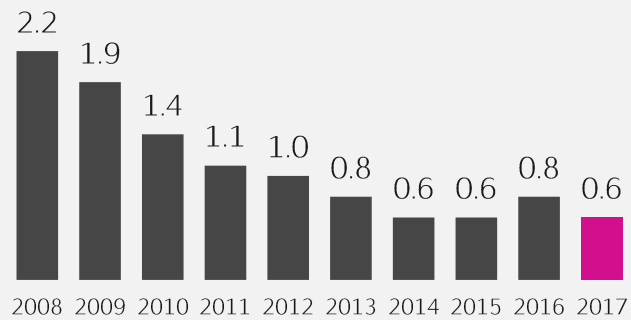
President and Chief Executive Officer



Delivering on our strategy

Always safe

Serious incident frequency¹



1. Serious incidents per million work-hours.

High value

Break-even next generation portfolio²

21 USD/bbl

Free cash flow positive below

50 USD/bbl

2017 efficiency improvements

1.3 bn USD

2. Statoil- and partner-operated projects, sanctioned since 2015 or planned for sanction, with start-up by end of 2022. Volume weighted.

Low carbon

CO₂ emissions reduction per boe³

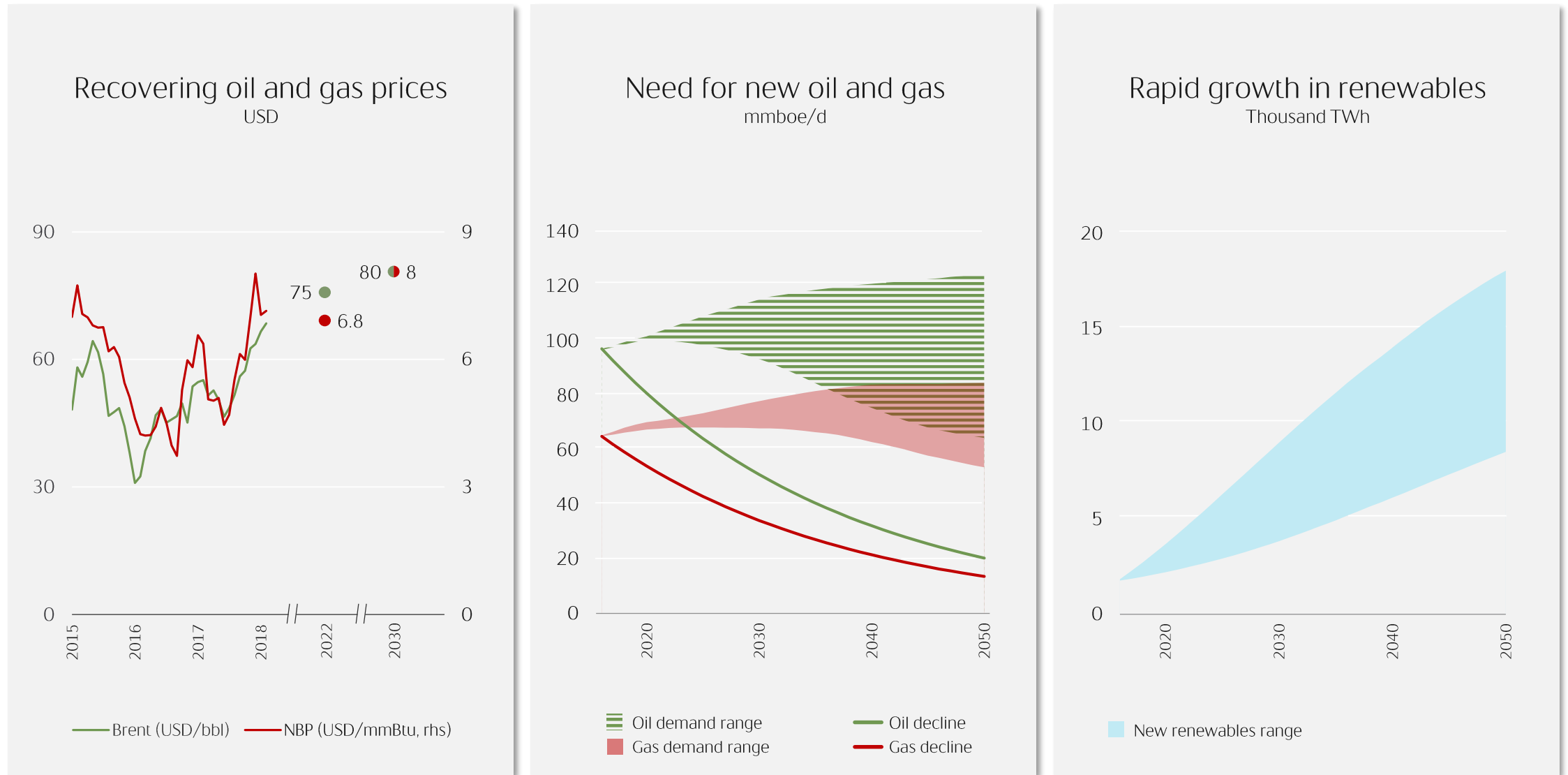
Above 10%

Operated offshore wind

750 mw

3. Statoil operated portfolio - compared to 2016.

Recovering markets - need for significant new energy supplies



Source: Platts, ICIS Heren, NYMEX. Historical prices are monthly averages. Planning assumptions are 2016 real. Demand scenarios are from Statoil Energy Perspectives 2017. 4.5% decline rate oil and gas.

Strong financial position – increasing dividend

Strong cash generation and value creation



Committed to capital distribution

4Q dividend 0.23 USD per share³

- 4.5% cash dividend increase
- Reflects earnings growth from sustainable improvements

Scrip program ended as planned

Scope for share buy-backs emerging

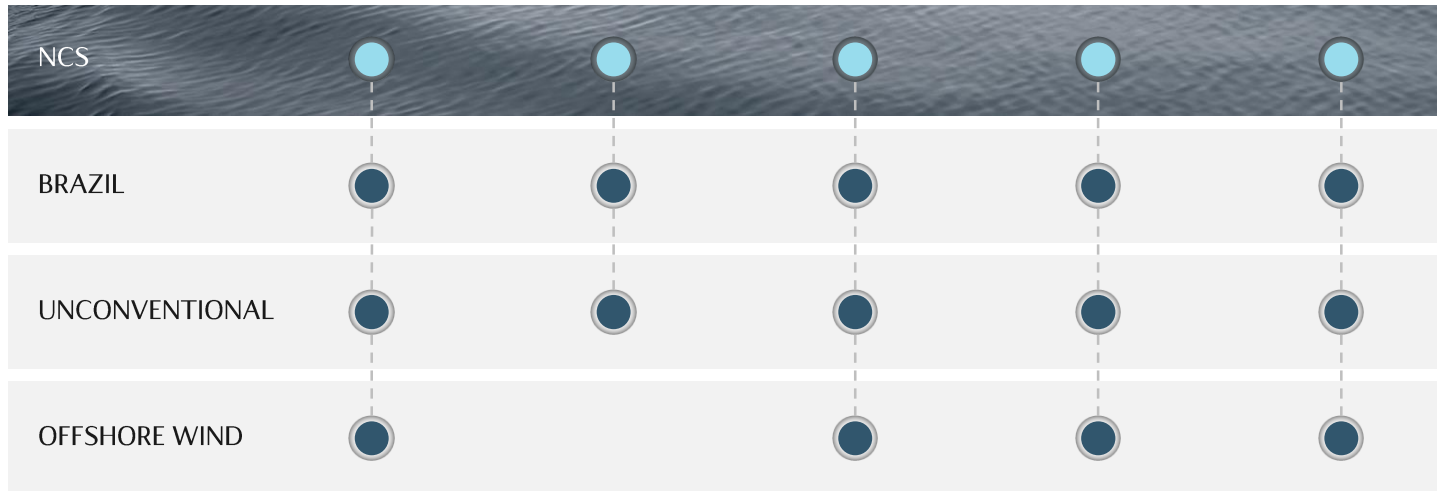
- Dependent on macro outlook and portfolio developments
- Near term priority to strengthen balance sheet

1. Organic free cash flow, excluding considerations from announced transactions.
2. Assuming 70 USD/bbl, organic free cash flow, including announced transactions.

3. Subject to approval at the Annual General Meeting (AGM).

Creating value from competence and technology

Value drivers



Norwegian continental shelf

125 kboe/d
Improved production¹

50%
Recovery², aiming towards 60%

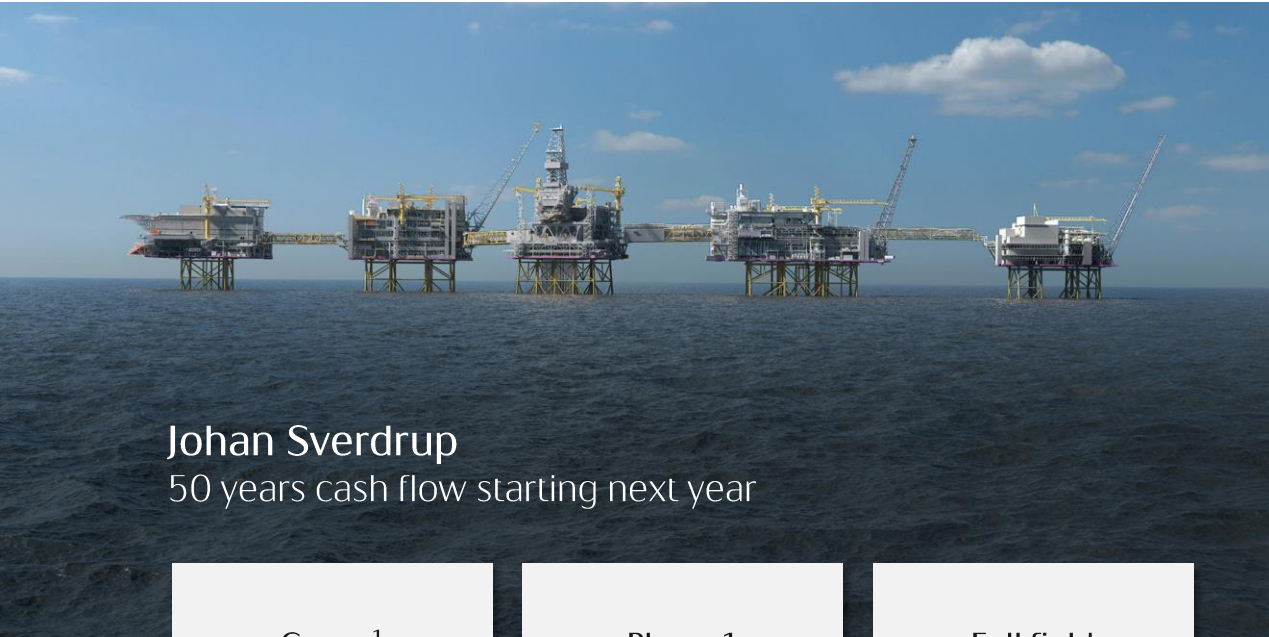
3 bn USD
Net present value increase³

Above 40 bcm
Gas produced, record high - at low cost⁴

10%
Savings from first automated drilling⁵ and first unmanned platform⁶

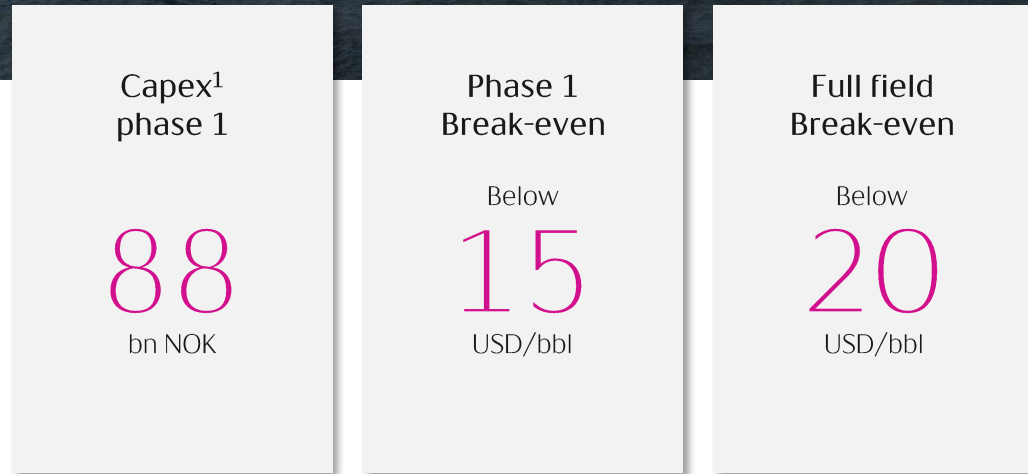
1. Efficiency improvement 2013 to 2017.
 2. Expected ultimate recovery year-end 2017, average.
 3. Non-sanctioned or non-government approved projects (with identified business case) 2018 compared to 2016, assuming 70 USD/bbl.
 4. Statoil share
 5. Barents Sea exploration campaign.
 6. Oseberg Vestflanken, unmanned concept versus conventional, at concept selection

A world class project portfolio

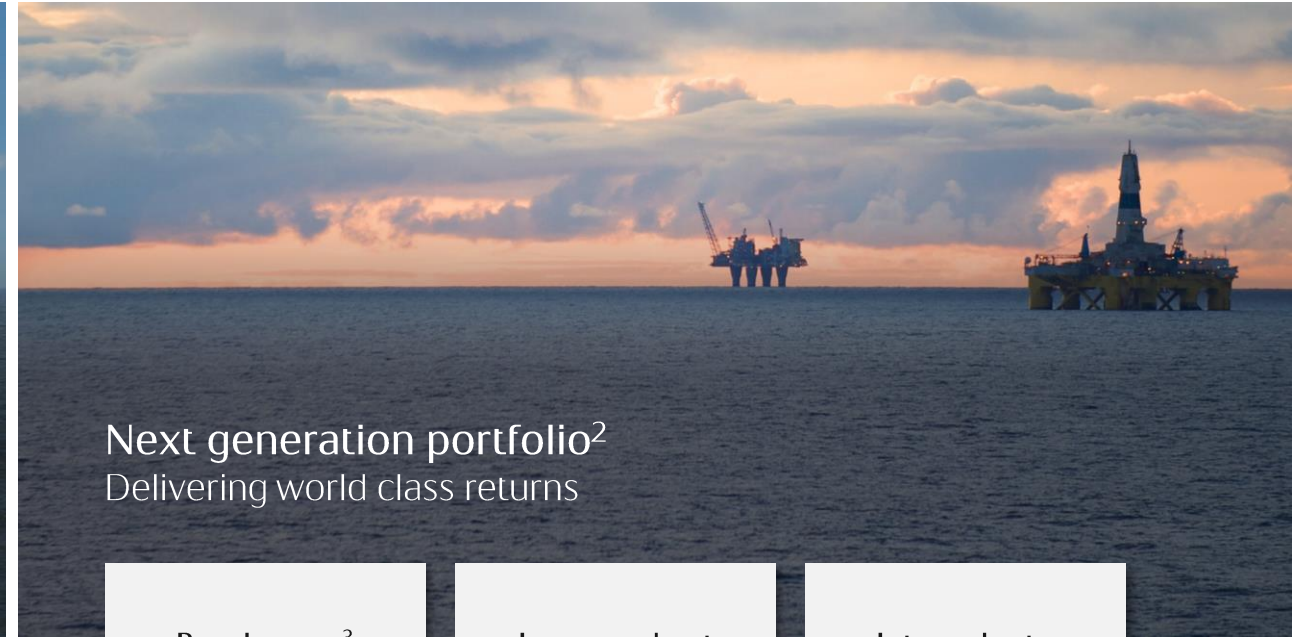


Johan Sverdrup

50 years cash flow starting next year



1. Numbers in 100%, nominal, fixed currency and excluding IOR.



Next generation portfolio²

Delivering world class returns



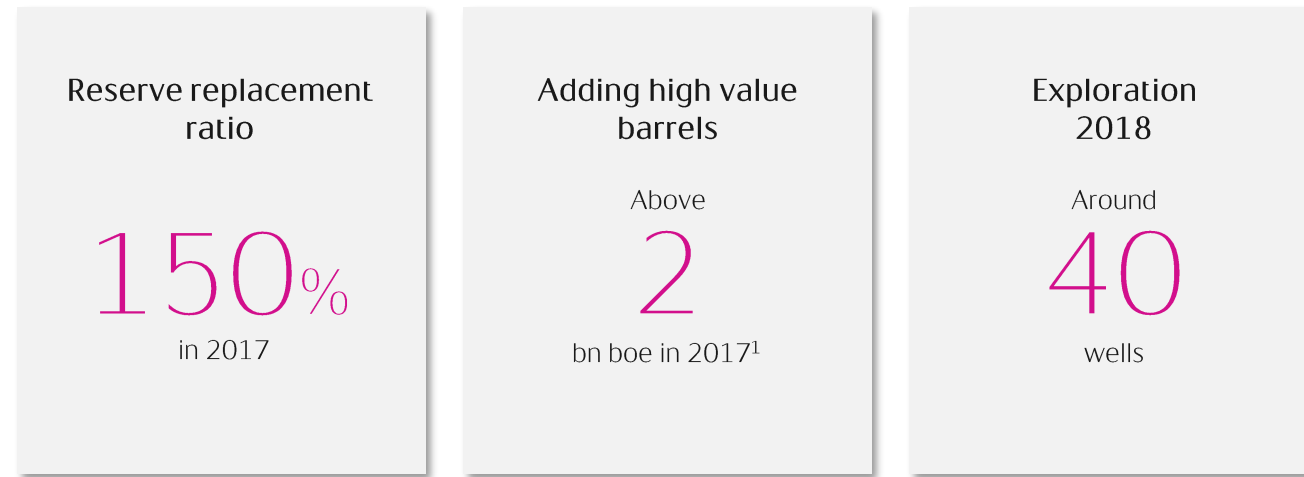
2. Statoil- and partner-operated projects, sanctioned since 2015 or planned for sanction, with start-up by end of 2022.

3. Volume weighted.

4. Increase in value from 2017 to 2018.

5. Assuming 70 USD/bbl.

Renewing and strengthening our resources



Transactions²: Carcará, Martin Linge, Roncador

14 commercial discoveries: Kayak, Cape Vulture, Verbier

License extensions: ACG, In Amenas

New growth opportunities: Argentina, Turkey

1. Including all Carcará transactions, Argentina and Turkey.

2. Subject to closing.

3. Non-sanctioned or non-government approved projects (with identified business case) 2018 compared to 2016, assuming 70 USD/bbl. Excludes unconventional.

Non-sanctioned projects with large potential³



Carcará



Troll phase 3



Bay du Nord

Increasing resources from 3 to

Around **6** bn barrels

Increased net present value

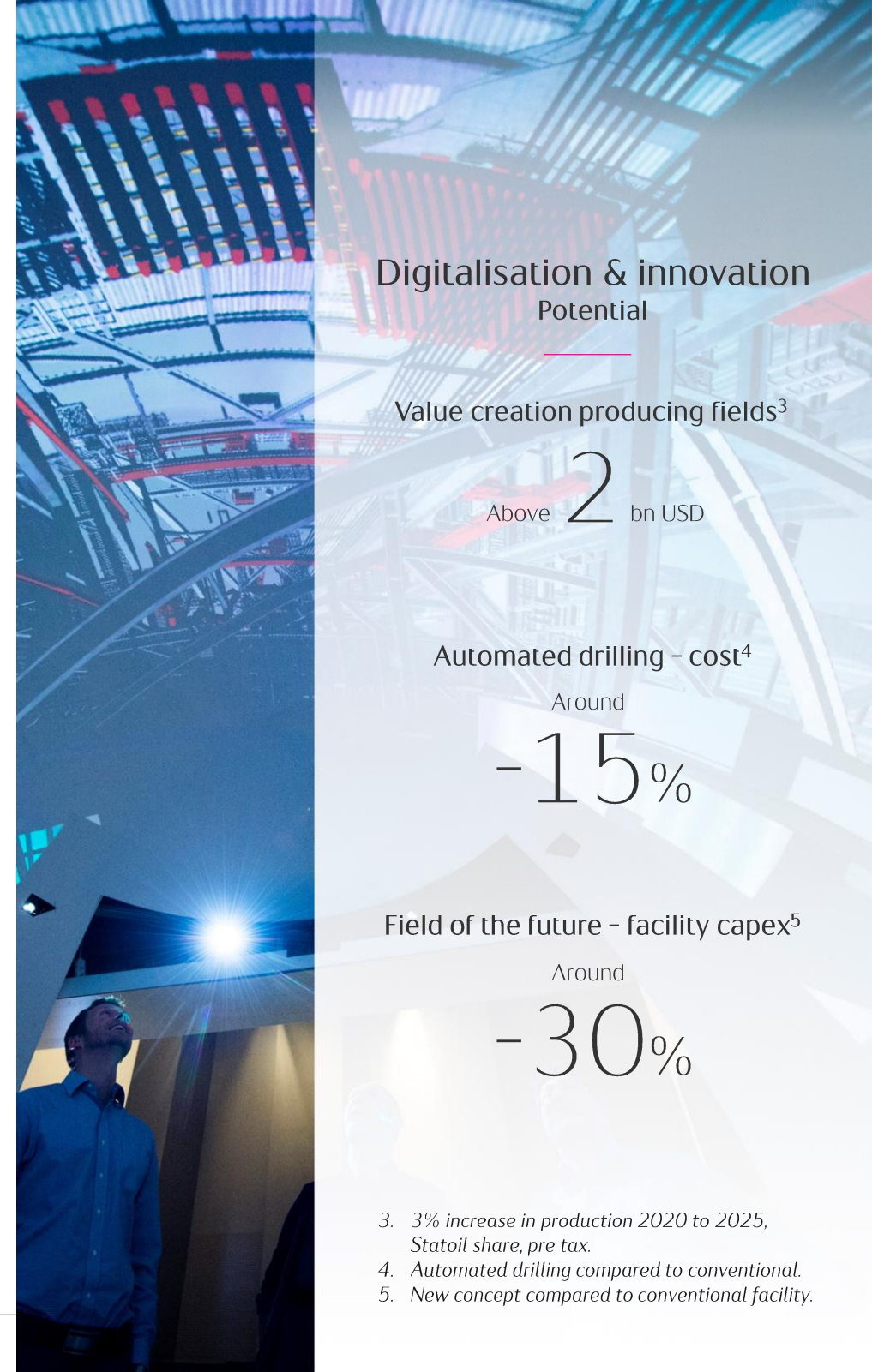
Around **10** bn USD

Continuing the transformation



- Maintaining cost and financial discipline
- Locking in effects
- Continuous improvement

1. USD/boe Statoil share, real, assuming fixed currency.
2. Assuming 70 USD/bbl.



Digitalisation & innovation Potential

Value creation producing fields³

Above 2 bn USD

Automated drilling - cost⁴

Around -15%

Field of the future - facility capex⁵

Around -30%

3. 3% increase in production 2020 to 2025, Statoil share, pre tax.

4. Automated drilling compared to conventional.

5. New concept compared to conventional facility.

Positioned for a low carbon future



Competitive advantage

- Industry leader on carbon intensity
- Stress-testing and transparent reporting
- Resilient in a low-carbon future

Low carbon oil & gas portfolio

- Ambitious CO₂ emission reduction targets
- Exploring for competitive barrels
- Natural gas to replace coal

Industrial position in new energy

- Competitive returns - 9-11%¹
- 15-20% of capex by 2030²
- Maturing CCS³ project in Norway

1. Indicative new energy solutions, based on existing projects.

2. Indicative, based on potential future corporate portfolio.

3. Carbon capture and storage.

Delivering high value

Growing cash flow, returns and dividend

- Cash flow around 12 bn USD 2018-2020¹
- RoACE around 12% in 2020¹
- Dividend growth 4.5%²

Investing in world class projects

- Next generation portfolio³ - break-even of 21 USD/bbl
- Johan Sverdrup Ph. 1 - break-even below 15 USD/bbl
- Maintaining strict financial discipline

Leveraging strengths to create value

- Operational excellence
- World class recovery
- Leading project delivery
- Premium market access
- Digital leader

¹ Assuming 70 USD/bbl.

² Subject to approval at the Annual General Meeting (AGM).

³ Statoil- and partner-operated projects, sanctioned since 2015 or planned for sanction, with start-up by end of 2022. Volume weighted.

