Capital markets update

LONDON, FEBRUARY 7, 2018

Statoil

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 in our international portfolio

Lars Christian Bacher
EVP Development and Production International

&

Torgrim Reitan
EVP Development and Production USA

Statoil

Leveraging experience internationally

Value drivers

Operational excellence

Reduction opex and SG&A/boe 2013 - 2017

34%

World class recovery

US Onshore EUR[1] improvement 2015 - 2017

35%

Leading project delivery

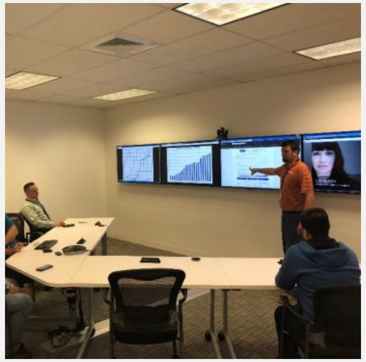
Reduction in break-even[2] 2016 - 2018

40%

Premium market access

Capacity to premium US/CAN gas markets[3]

Above
600
mmBtu/d



Digital leader

Added value from integrated onshore operations centers[4]

Around
500
million USD

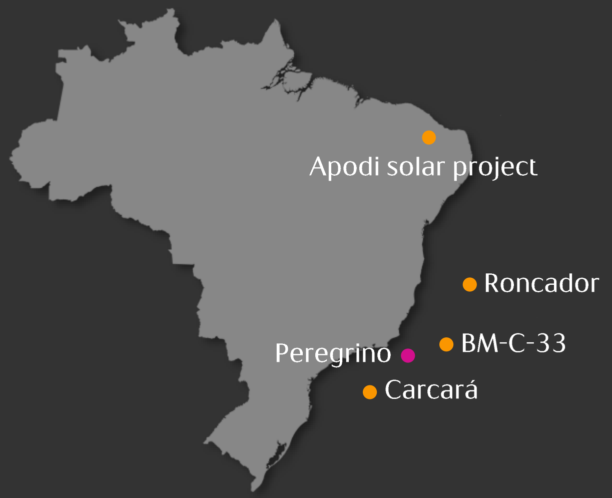
1. *Estimated Ultimate Recovery (EUR).*
2. *Non-sanctioned assuming 70 USD/bbl. Includes projects with identified business case. Excludes unconventional.*
3. *Current capacity to Canadian. New York and Gulf markets.*
4. *NPV increase based on the production and opex effects of the integrated operations rooms.*

Brazil

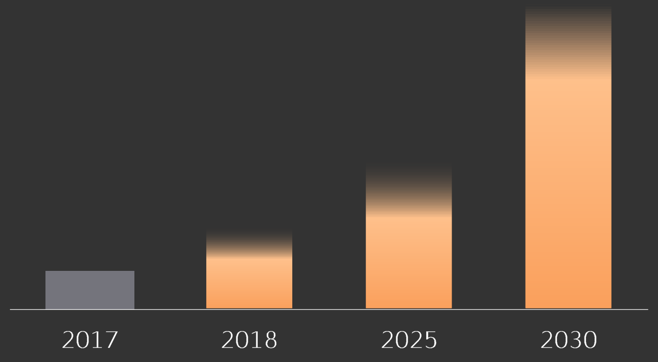
Value creation in a core area

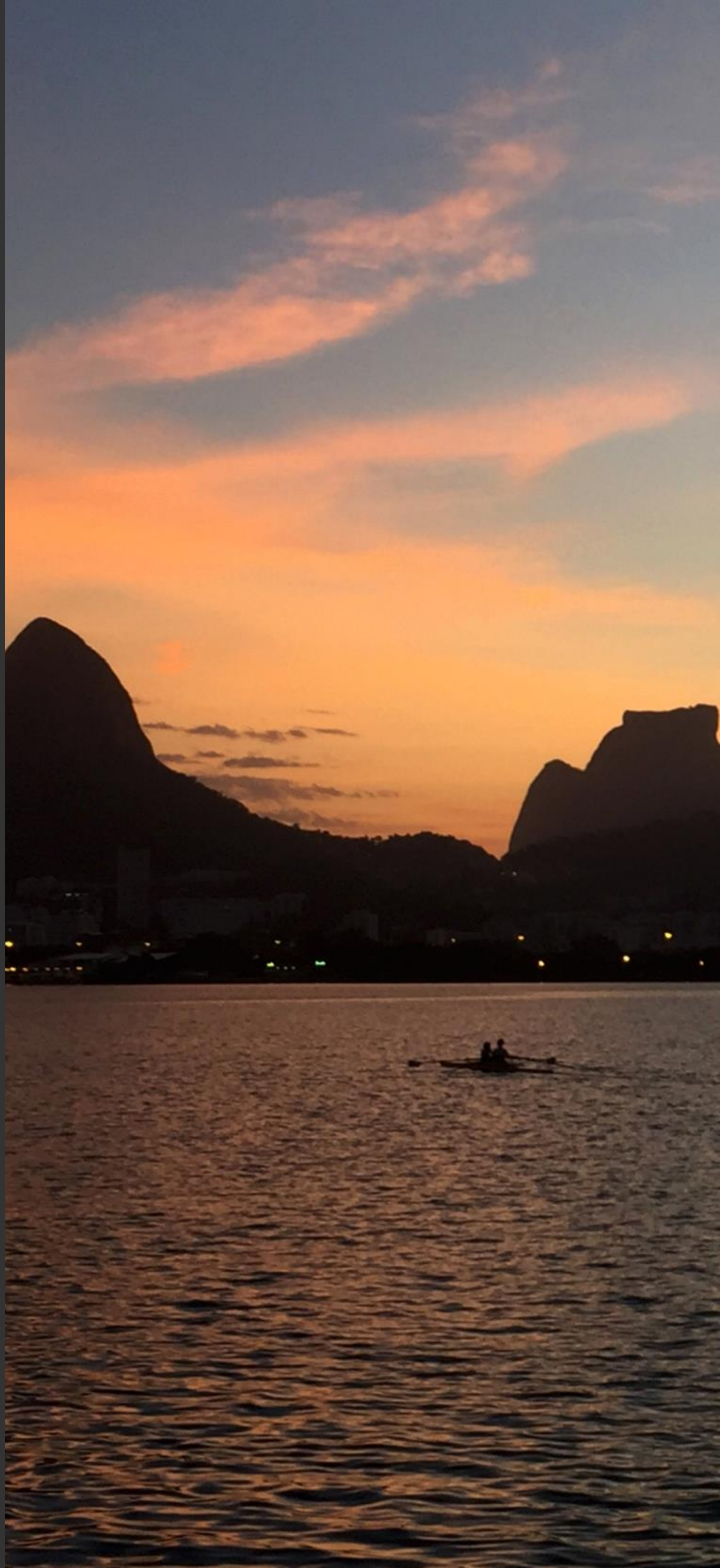
Delivering a high value, low carbon portfolio

- First oil Peregrino phase 2 - 2020
- BM-C-33, opportunity to build a gas value chain
- Carcará, access to a world class pre-salt asset
- Roncador, execution of strategic partnership with Petrobras
- Five firm exploration and appraisal wells with rig options for more in 2018-2020
- Statoil's first solar development project (Apodi)



Leading international operator[1]
with strong equity production growth





1. *Statoil is the operator of Peregrino, BM-C-33, and Carcará.*

Peregrino | Enabling the future through operational excellence

Safe production

Serious incident frequency[1]

Below
0.5

Barrels of oil produced[2]

160
million

Improved profitability

Peregrino phase 1 cost[3] per boe

-22%
2013 - 2017

Peregrino phase 2 break-even

42
USD/bbl

Operational efficiency improvement

Production efficiency

10pp
Increase from 2016

Peregrino safety critical maintenance

54%
Improvement from 2015 - 2017

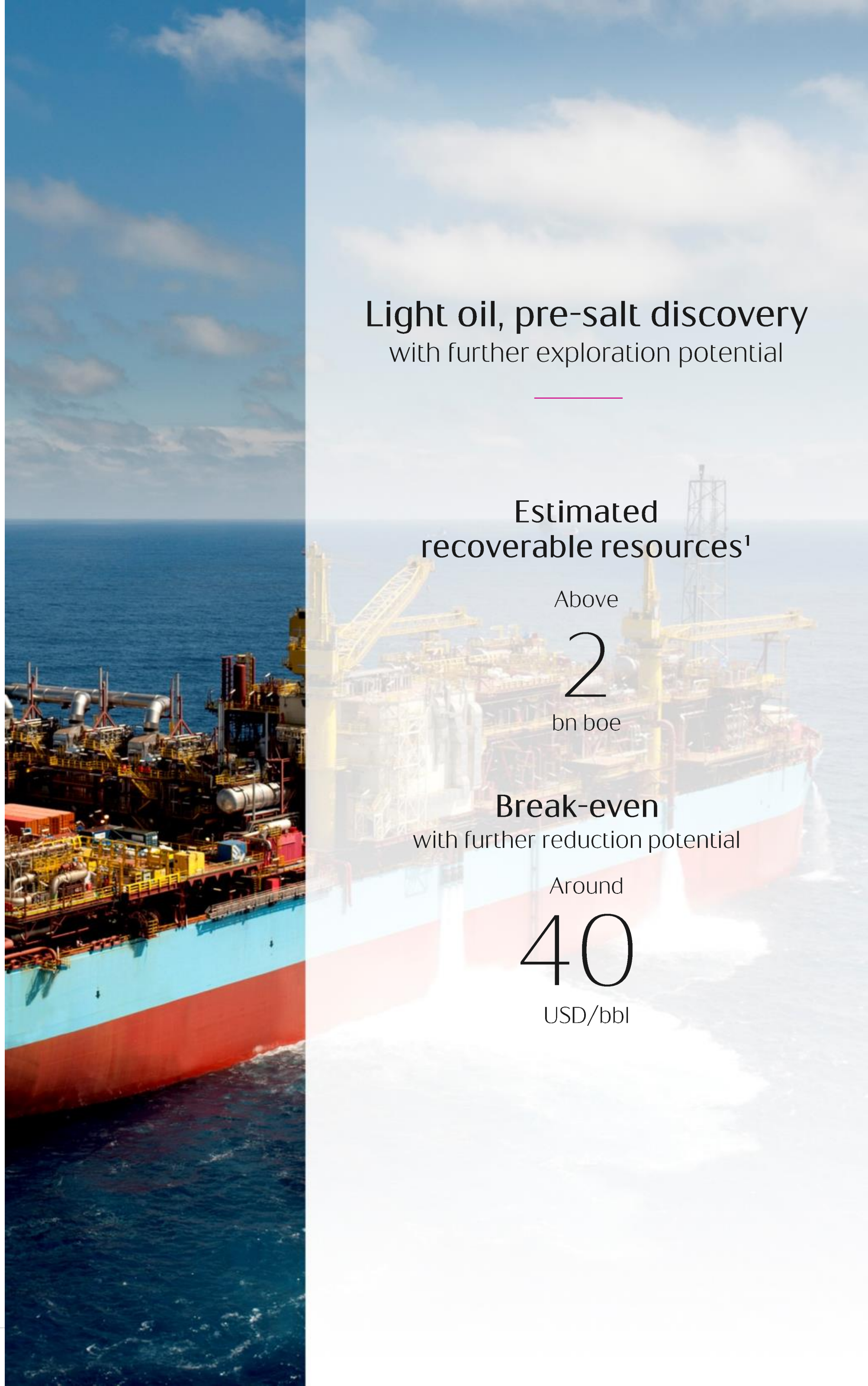
1. *Per million hours worked.*
2. *Since first oil in 2011.*
3. *Opex and capex.*

Carcará | A world class asset

Stepwise acquisitions and farm-down ensuring strong and aligned partnership

- 2016 Acquisition from Petrobras
- 2017 Acquisition from Queiroz Galvão
- 2017 North area award – Pre-Salt Bid Round
- 2017 Farm-down to Exxon and Galp
- 2018 Guanxuma exploration
- 2018 - 2020 Appraisal and exploration
- 2019 - 2020 Unitisation approval
- 2023 - 2024 First oil

Delivering high value and low carbon barrels



Light oil, pre-salt discovery
with further exploration potential

Estimated recoverable resources[1]
Above
2
bn boe

Break-even
with further reduction potential
Around
40
USD/bbl

1. *Volume estimates include Carcará North.*

Roncador | Applying Statoil recovery experience

Large profitable production upside

Barrels of oil in place

10 bn

Expected recovery factor increase

5%

from 2018

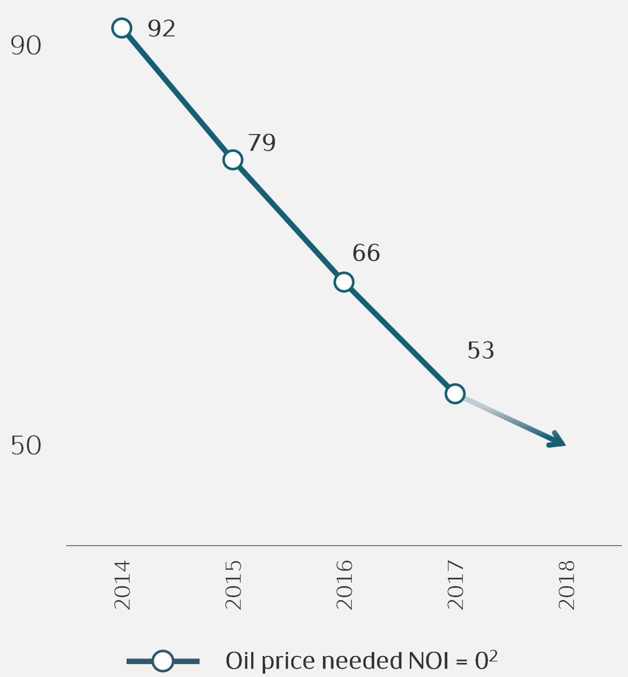
Strategic partnership with Petrobras

- Opportunity for Statoil to leverage IOR experience
- Increase future planned production from 1 bn to 1.5 bn boe and extending life of field by 5-10 years

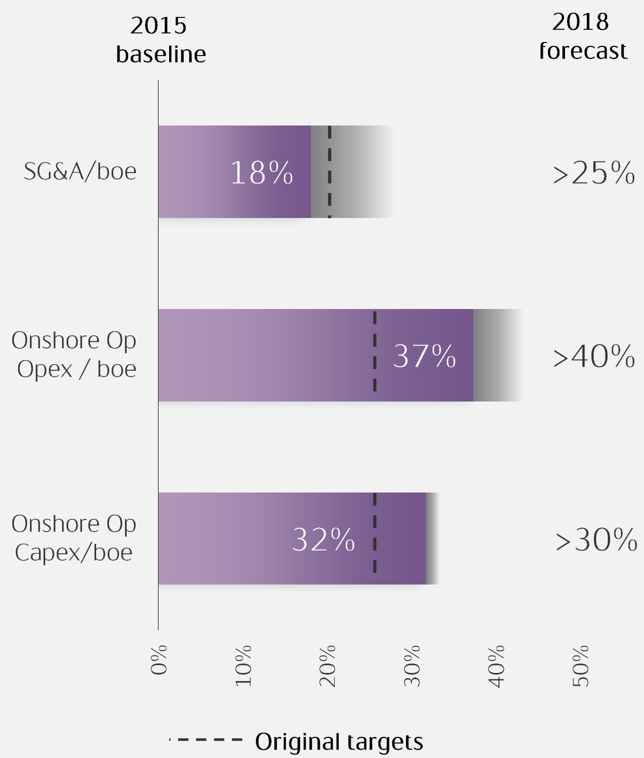
DPUSA
The flexible cash generator at 50 USD WTI

2015-18 Transformation | On Track

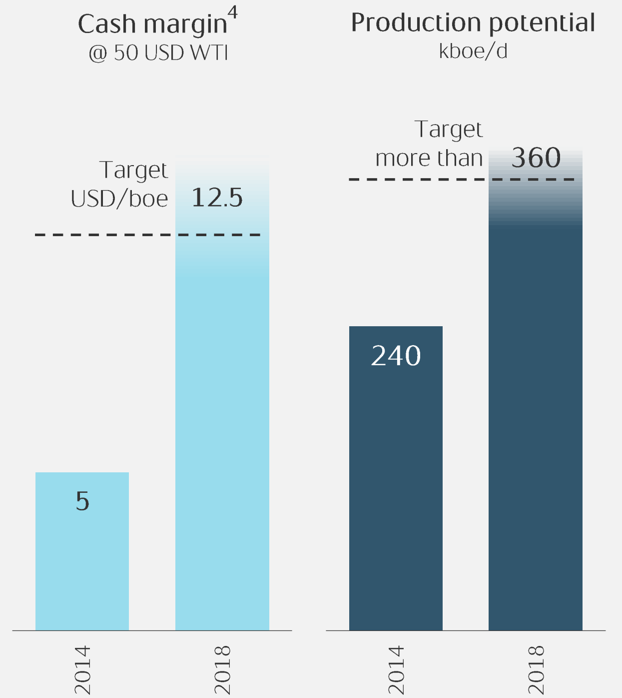
From 90 to 50
Oil price needed NOI = 0[1]



Improve
Improvements beyond targets[3]



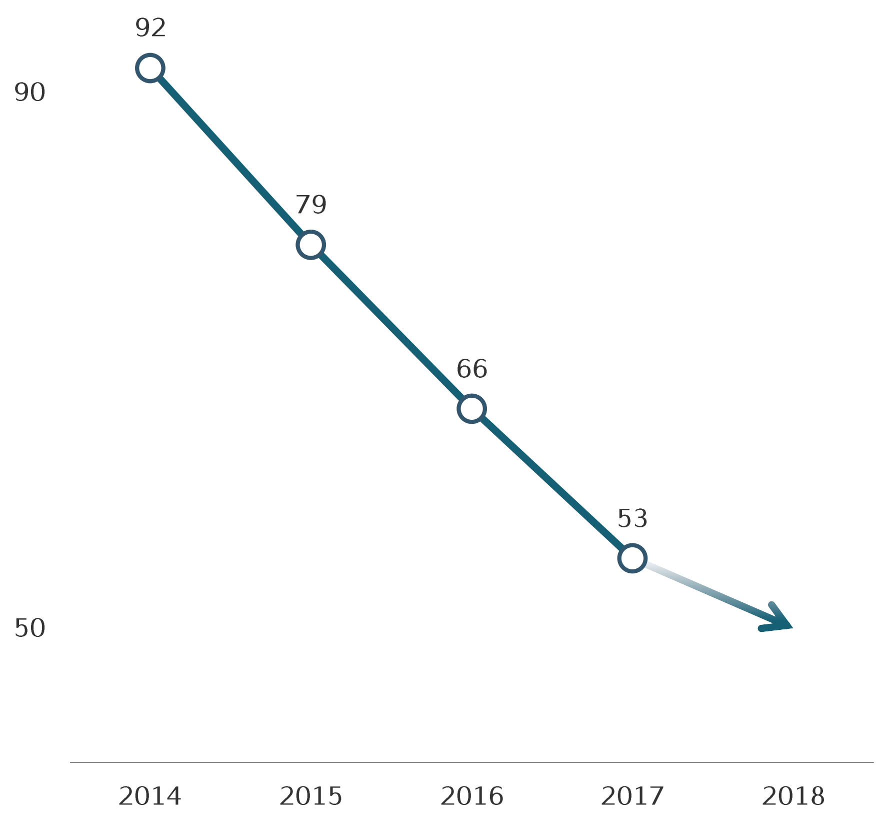
Generate cash
Profitable growth



1. *Adjusted NOI; excluding exploration and downstream. Assumes product and gas prices correlate to changes in the WTI price.*
2. *Impairments since 2014 contribute with approximately 10 USD/bbl.*
3. *2018 target for onshore operated capex USD/boe: 25%; onshore opex USD/boe: 25%; SG&A USD/boe: 20%.*
4. *After tax margin at 50 USD WTI. Assumes product and gas prices correlate with WTI prices.*

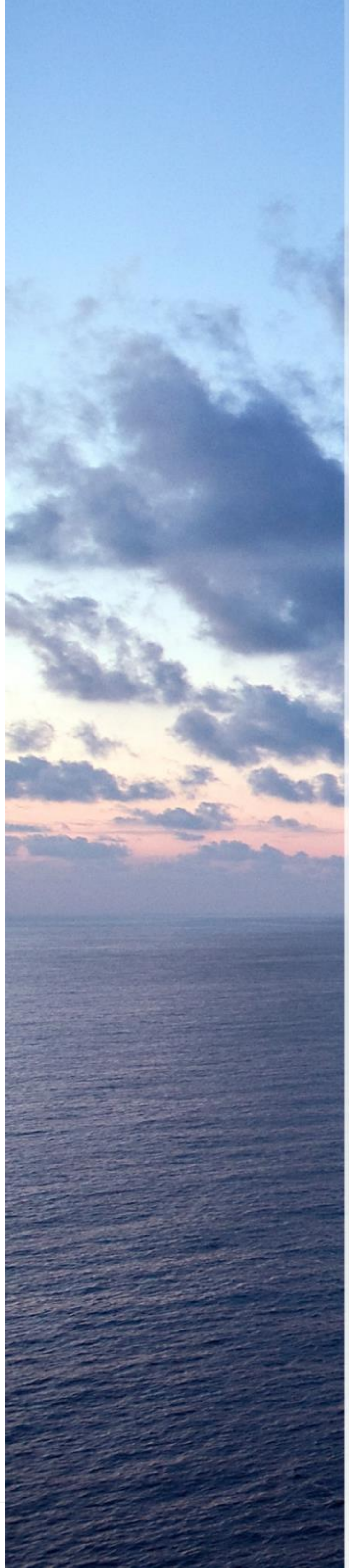
DPUSA

From needing funding to surplus cash



Oil price needed NOI = 0[1]

1. *Adjusted NOI; excluding exploration and downstream. Assumes product and gas prices correlate to changes in the WTI price.*



DPUSA:

- Around 5 bn USD net cash flow from 2018-2020[2]

US Offshore: Below 50 USD[3] NOI BE[4] from 2018

- Seven producing fields, two in development
- 50% production growth from 2018-2020
- Above 45 USD cash margin per boe at 70 USD[3]

US Onshore: Below 50 USD[3] NOI BE[4] from 2018

- Largest contributor to “90 to 50” improvements
- Bakken and APB[5]: 45-50 USD[3] NOI BE (2018)
- Eagle Ford: Below 70 USD[3] NOI BE (2018)

2. *Assuming 70 USD/bbl WTI, accumulated net cash flow after tax and investments 2018-2020.*
3. *WTI oil price.*
4. *BE = Oil price needed NOI = 0.*
5. *Appalachian basin (Marcellus and Utica).*

Using the whole of Statoil to build competitive advantage onshore

Value drivers

Operational excellence

Drilling efficiency

34%

Increase wells per rig[1] 2016 - 2017

- The perfect well
- Predictive analytics to improve production efficiency

World class recovery

Completion technology

35%

US Onshore EUR[2] improvement 2015 - 2017

- Applying global knowledge
- High R&D and technology content

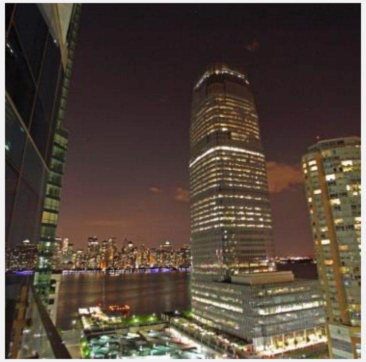
Leading project delivery

Cost reductions

50%

Wells in portfolio below 50 USD WTI break-even

- Standardized facilities design
- Integrated field planning



Premium market access

Midstream & marketing

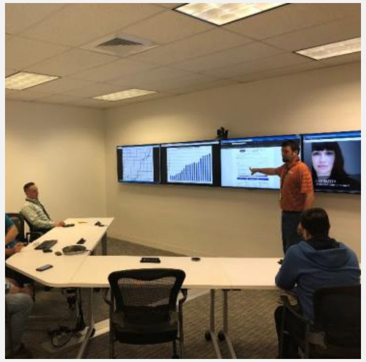
Above

600

mmBtu/d

Capacity to premium US/CAN gas markets[3]

- Appling 30 years of gas value chain experience
- APB gas sold to Toronto and Manhattan



Digital leader

Integrated remote operations

Around

500

million USD

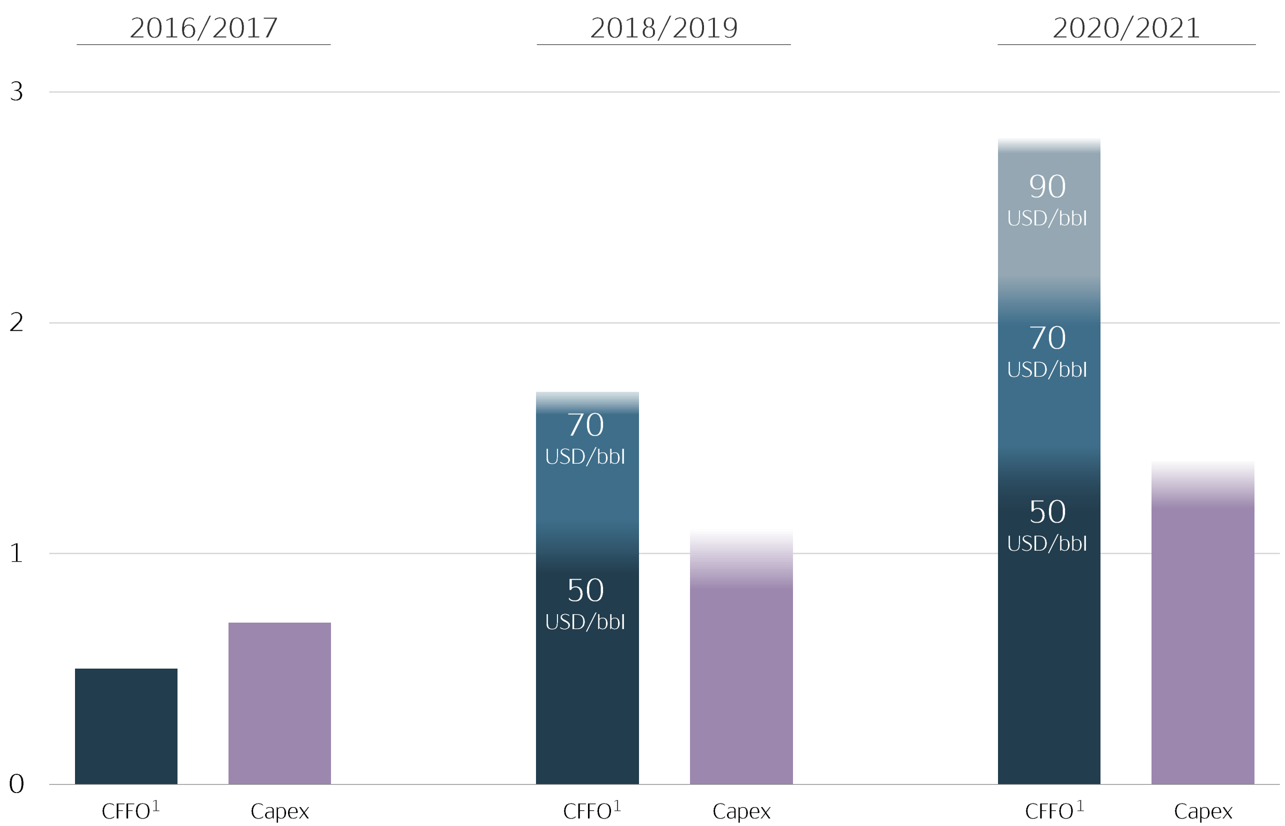
Added value[4]

- Drone based technologies
- Downhole fiber optics

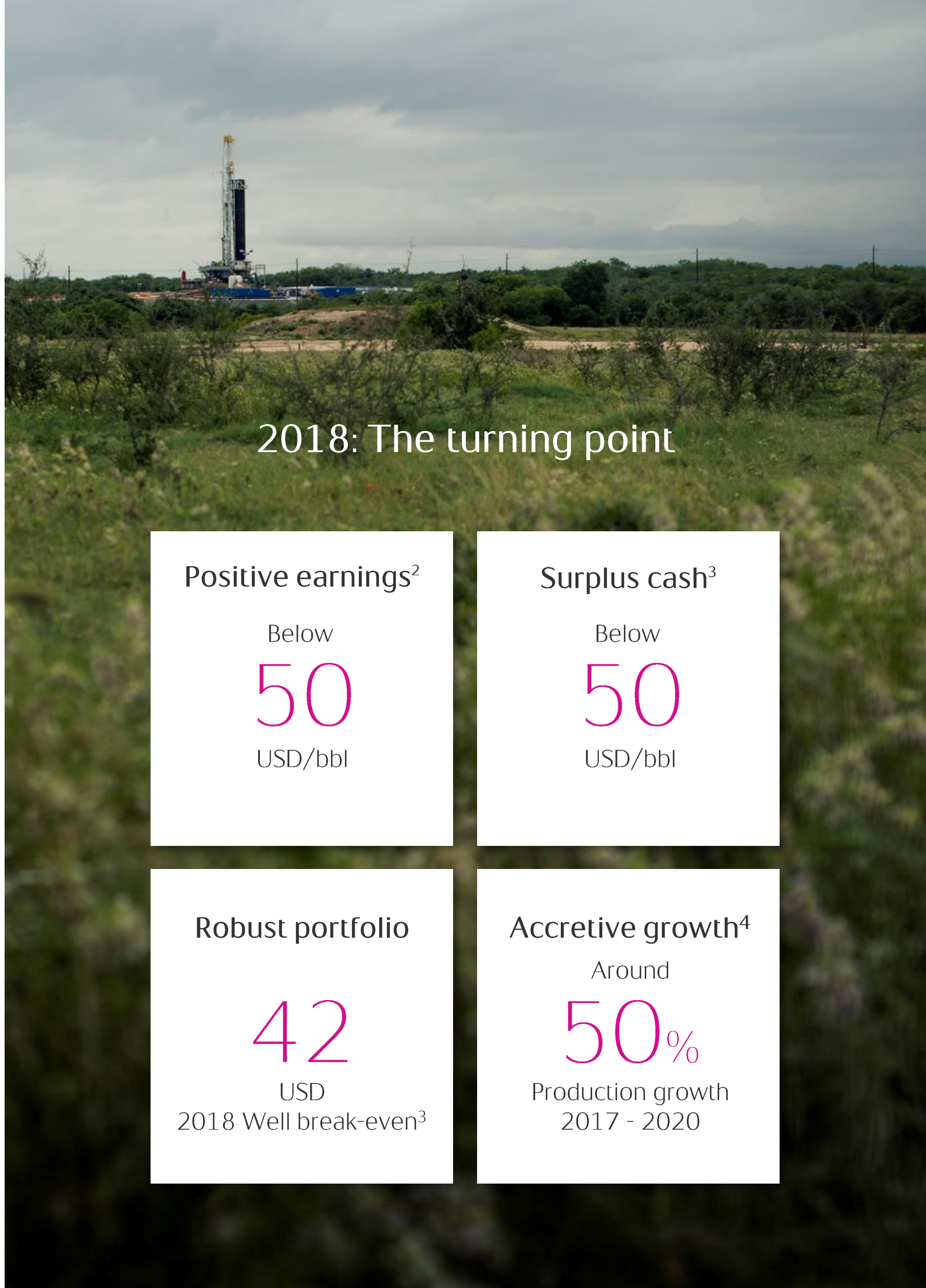
1. *Average number of wells per rig per year improvement.*
2. *Estimate ultimate recovery.*
3. *Current capacity to Canadian, New York and Gulf markets.*
4. *NPV increase based on the production and opex effects of the integrated control rooms.*

US Onshore

Positive earnings, surplus cash, and growing at 50 USD/bbl[1]



1. WTI price



2. *Adjusted NOI; excluding exploration and downstream. Assumes. product and gas prices correlate to changes in the WTI price.*
3. *2018 wells – single well economics model break-even. Excludes SG&A*
4. *Based on current plans.*

DPUSA

US transformation **On track**	• "90-50": 53 USD NOI break-even 2017[1] • 50% production growth 2014-18[2]
Onshore: A **flexible cash generator** at 50 USD[1]	• Positive earnings below 50 USD[1] • Surplus cash below 50 USD[1] • 50% production growth 2017-20[3]

1. *WTI price, adjusted NOI.*
2. *Offshore and onshore.*
3. *Based on current plans.*

Delivering high value in our international portfolio

Improving quality in the portfolio	7 bn USD	Net present value increase[1]
Improving cash margin	Above 30 USD/boe	CFFO after tax (2018 - 2020)[2]
Capturing high value growth	Above 40%	International share of CFFO after tax (2018 - 2020)

1. *Non-sanctioned and non-government approved projects 2018 compared to 2016, assuming 70 USD/bbl.*
2. *Cash margin at 70 USD/bbl.*