Invitation to consensus Q4 2019:

Before the publication of the **Equinor 4Q results on 6 February 2020**. Consensus will be established around the following items:

- Adjusted earnings per reporting segment and tax on adjusted earnings per segment
- Adjusted exploration expense for EPN and EPI
- Equity production (split between liquids and gas, NCS and from international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN and EPI)

We invite you to provide tax on adjusted earnings per reporting segment, so that total tax on adjusted earnings will just be a formula adding the individual tax amounts from EPN, EPI, MMP and Other. We also remind you that the result for Financials is not included in the adjusted numbers and we will therefore ask you **NOT** to consider this in the input above.

For your convenience, we hereby remind you of some factors relevant for our 4Q results as well as other information that might be useful. Some of these items are preliminary and could change as we get more information before the release of results:

E&P Norway:

- Typically, NCS production in Q4 (like Q1) is seasonally above Q2 and Q3 numbers due to more gas production in the heating months and regular maintenance during the summer months. There has been no indication that this seasonal trend has been altered this year.
- The Norwegian Petroleum Directorate publishes monthly production figures, normally issued 10-15 days into a month, giving preliminary figures for the previous month and more detailed information for earlier months. Data from NPD per field can be found here (download possible; for English language click top corner on the right). Equinor is not responsible for any NPD data, but you may find the data convenient. Historically, monthly production data for NCS has correlated well with Equinor production.
- Production started at the Johan Sverdrup field 5 October. Production from the eight pre-drilled wells gradually increased to a level well above 300 000 boepd.
- Operational challenges at Snorre impacted production negatively in the quarter.
- The NGL-share of liquids production is expected to be lower than in recent quarters (primarily due to Johan Sverdrup volume).
- We remind you that the observed day-ahead spot prices for gas do not necessarily reflect realised gas prices for Equinor as Equinor will also sell gas related to other reference prices with longer time horizons. Equinor has moved towards more spot-based gas sales. However as this is a gradual transition the portfolio will continue to have some sales with longer dated indices for the remainder of 2019.
- We remind you that the assets on NCS Norway have NOK as functional currency, i.e. the accounts are recorded in NOK. Currency movements will hence impact depreciation (assets to be depreciated are recorded in NOK) as this is translated into USD as the reporting currency.
- We expect depreciation in underlying currency per barrel in 2019, on average, to be below the level in 2018, but expect stable level from Q3 to Q4.
- Be aware that Equinor has reached an agreement with COSL (after a dispute related to use and termination of COSL Innovator) and this will impact the IFRS 4q EPN result negatively (one-off item to hit the opex-line) by a net amount of USD 50-60 million (pre-tax). We expect that this item also will impact the adjusted result with the same amount.

E&P International:

- Scheduled turnaround activity for the group (EPN and EPI) is estimated to reduce quarterly production by approximately 30 mboe per day. The majority will impact EPI.
- Production will be negatively impacted by the divestment of Eagle Ford. Eagle Ford produced 50 mboepd in 3q (22 mboepd liquids and 22 mboepd gas). The Eagle Ford transaction was closed 6 December, effective date 1 October.
- Production will be positively impacted by the acquisition of 22.45% in the Caesar Tonga field. The transaction was closed 19 August, effective date 1 January 2019.
- Production will also be positively impacted by the ramp-up at Mariner.
- DD&A will be impacted by higher depreciation, in particular related to Mariner.
- Two cargos were lifted from Agbami in the quarter.

MMP:

- Given normal volume and trading conditions the adjusted result for MMP has been in the range USD 250-500 million/quarter, traditionally higher end during winter and lower end during summer.
- The Mongstad refinery had a turnaround in 4Q impacting refinery throughput and products trading earnings.
- Average Brent for the quarter was 63.3 USD/bbl, +2.1% compared to last quarter (62.0 USD/bbl). Our realised liquids price has in the quarter been affected by improvements in NGL prices. A lower share of NGL in the liquids mix, as well as the divestment of Eagle Ford, will also impact in the direction of less differential to Brent.
- We remind you that the observed day-ahead spot prices for gas do not necessarily reflect realised gas prices for Equinor as Equinor will also sell gas related to other reference prices with longer time horizons. In the future, Equinor is moving towards more spot based gas sales. However as this is a gradual transition the portfolio will continue to have sales with longer dated indices for the remainder of 2019 and into first quarter 2020.
- The preliminary internal gas transfer price for Q4 was published on our web page on 8 January at 3.88 USD/MMBTU (also see our web page for historical prices).

Exploration:

- Equinor had activity in 19 wells in 4Q19, 8 on NCS and 11 outside Norway (DPI). 9 wells were completed, 6 in Norway and 3 in DPI.
- Results of exploration wells in Norway are always announced by NPD and you will also find information on our web-pages regarding discoveries.
- We estimate that over time, roughly 3/4 of exploration expenditure is expensed. The results for each individual quarter will however depend upon the outcome of the wells finalised as well as our share of the cost. In addition, expensed exploration depends upon results from wells from previous quarter(s). Well costs are activated (capitalised) as they are being drilled. In the event of a negative result, the entire cost will be expensed in the quarter when the well is completed. Note that our capex guiding includes an estimate for capitalised exploration.
- In addition, there are other costs like seismic acquisition, early phase development etc. that will hit the exploration expense cost line.

Effective tax rate:

- Indicative tax range for EPN: 72-74%

- Indicative tax range for EPI: 30-45%
- Indicative tax range MMP: 40-60%

Cash flow movements:

Cash Flow is not part of Equinor consensus. For your convenience we will nevertheless remind you of some movements (not a comprehensive list):

- Two tax instalments NCS: USD 2.8bn (NOK 24bn)
- CO2 taxes in Norway of about USD 100 million to be paid
- Dividend payment of USD 865 million (0.26 cent per share)
- Bond issue of USD 1 bn and bond redemption of USD 750 million
- First tranche of share buyback program impacts cash flow with about USD 350 million in 4q.
- Acquisitions and divestments impacts cash flow positively at about USD 615 million (Arkona, Eagle Ford and Scatec the main items).
- Pension payment from Equinor Asa to the Equinor pension fund will impact cash flow negatively, approximately USD 125 million.
- Refund of 2018 taxes will impact cash flow positively, approximately USD 60 million.

Next quarter (conditional):

- One tax instalment NCS: USD 1.4bn (NOK 12bn)
- Dividend payment of USD 865 million (0.26 cent per share)
- First tranche of buyback programme will be concluded by 25 February 2020 (Total USD 500 million); about USD 50 million impact in 1q.

Changes to Accounting Policies:

No changes are expected to the accounting principles, nor the presentation of the results.

Other information:

- Follow this link for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2018 was published 15 March. The reports do contain relevant information in order to understand our business, reporting and numbers and can be found here: Annual reports.
- For more information please visit our web-page. You may find useful historic information under the heading "Information for analysts"

Guiding:

- Production for 2019 is estimated to be around the 2018 level
- Organic capital expenditures for 2019 (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at USD 10-11 billion
- Guidance of a total exploration activity level of around USD 1.7 billion for 2019, excluding signature bonuses.
- For the period 2019 – 2025, production growth is expected to come from new projects resulting in around 3% CAGR.
- Scheduled turnaround activity is estimated to reduce quarterly production by approximately 30 mboe per day in the fourth quarter of 2019. In total, maintenance is estimated to reduce equity production by around 40 mboe per day for the full year of 2019.
- The guiding of the financial result, excluding FX and derivatives, is around minus USD 150-200 million (assuming an approximately normal result for the financial investments). As

stated above, “Financials” is not part of consensus and not part of the «adjusted numbers» Equinor presents

The 4Q results will be reported 6 February at 07:00 CET.
Note that the Equinor Capital Markets Update will take place the same day. 4q and CMU messages will be included in the same release. CMU-presentations will include 4q-numbers in the CFO-part (identical to last year) and will be made available in the morning.

Note that we have a “quiet period” last two weeks before release with no/minimum interaction with analysts and investors.

We will make the aggregated, average consensus numbers available through our web-page.