

Before the publication of **Statoil's 4Q results 7 February**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Statoil IR. Consensus will be established around the following items:

- Adjusted earnings per reporting segment and tax on adjusted earnings per segment
- Adjusted exploration expense for DPN and DPI
- 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 DPN and DPI)

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 DPN, DPI, 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:

D&P Norway

- Normally NCS production in 4Q (and 1Q) is seasonally above 2Q and 3Q numbers due to 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. No operational disruptions have been reported from Statoil.
- 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). Statoil is not responsible for any NPD data, but you may find the data convenient.
- Statoil announced [acquisition and change of operatorship](#) for Martin Linge. This is pending close and will not impact 4q17 operations.
- Two NCS tax instalments were paid in the quarter equivalent to NOK 9.5 billion each.
- 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.

D&P International:

- Statoil divested the oil sands asset (KKD), the transaction was completed in 1q17. Leismer (KKD) will not impact 4q17 numbers (but helpful to keep in mind if comparing y-o-y).
- Statoil announced that [Statoil and partners were the highest bidder for the northern part of Caracara](#) in Brazil. The signature bonus amounts to USD 364 million (exchange rate at time of auction round) for Statoil. It was announced a number of transactions (in the same release) between the Caracara partners where the aggregate total potential consideration to be received by Statoil in these transactions is around USD 1.55 billion and, following the licensing round, the potential net cash inflow to Statoil is around USD 1.19 billion. These are important strategic steps, but they will not impact the impact the 4q17 P&L. The completion of the transaction with QGEP [was also announced in the quarter](#), together with the payment of the first instalment amounting to around USD 190 million.

- December 18 Statoil [announced an agreement with Petrobras](#) where Statoil will take 25% of the Roncador field. The total consideration comprises an initial payment of USD 2.35 billion, plus additional contingent payments of up to USD 550 million.
- On 14 September Statoil (among others) announced the amended and restated [PSA for ACG](#) in Azerbaijan which will be effective until 2049. The Statoil share of the PSA will be reduced from 8,56% to 7,27% when the new PSA enters into force (not relevant for 4q). Statoil will pay ~USD 349 million.
- We remind you that Petrocedeno (Venezuela) was reclassified from an equity accounted investment to a non-current financial investment (change implemented from 2q17).

MMP

- The preliminary internal gas transfer price for 4Q is published [on our web page](#) (9 January) at 4.90 USD/mmBtu. The conversion applied is 1 mmBtu equalling 26.28 Scm3. NOK/USD is calculated using average currency rates for the quarter.
- We remind you that observed day-ahead spot prices for gas, both Europe and US, do not necessarily reflect realised gas prices for Statoil as Statoil will sell gas also related to other reference prices with longer time horizon.
- Also note that the recent increase in prices will, all else equal, result in an increase in the valuation of the inventory and an increase in receivables due to a lag between invoiced sales and cash receipt. Both leading to an increase in working capital in the downstream segment.
- Given normal volume and trading conditions the adjusted result for MMP has been in the range USD 250-500 million/quarter.

Exploration

- 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 case 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.
- We have had activity in 11 wells in the fourth quarter, 5 on NCS and 6 outside Norway (DPI). 5 wells completed, 3 of them in Norway.
- Results of exploration wells in Norway are always announced by NPD and you will also find information on our web-pages.

Other information:

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2016 [was presented 17 March](#). The reports do contain relevant information in order to understand our business, reporting and numbers.
- Please note that there has been one dividend payment in 4Q17.
- Redemption of notes [of notes were announced during the quarter](#).

Guiding:

- Organic capital expenditures for 2017 (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at around USD 10 billion

- Guidance of a total exploration activity level of around USD 1.3 billion for 2017, excluding signature bonuses.
- The equity production for 2017 is estimated to be around 6% above the 2016 level (rebased 2016 of 1958 mboe/d, adjusted for the KKD/oil sands-transaction).
- For the period 2016 – 2020 organic production growth is expected at around 3% CAGR
- Indicative effects from Production Sharing Agreement (PSA-effect) and US royalties are estimated to be around 150 mboe per day in 2017 based on an oil price of USD 40 per barrel and 165 mboe per day based on an oil price of USD 70 per barrel
- Scheduled maintenance activity is estimated to reduce quarterly production by approximately 25 mboe per day in the fourth quarter of 2017. In total, maintenance is estimated to reduce equity production by around 30 mboe per day for the full fiscal year 2017, which is lower than the 2016 impact
- 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).

The 4Q results will be reported 7 February at 07:00 CET.

For more information please visit our [web-page](#). You may find useful historic information under the heading "[information for analysts](#)".