

Stepping up efficiency improvements

London, 6 February 2015

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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", "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 future financial position, results of operations and cash flows; changes in the fair value of derivatives; future financial ratios and information; future financial or operational portfolio or performance; future market position and conditions; business strategy; growth strategy; future impact of accounting policy judgments; sales, trading and market strategies; research and development initiatives and strategy; market outlook and future economic projections and assumptions; competitive position; projected regularity and performance levels; expectations related to our recent transactions and projects, completion and results of acquisitions, disposals and other contractual arrangements; reserve information; future margins; projected returns; future levels, timing or development of capacity, reserves or resources; future decline of mature fields; planned maintenance (and the effects thereof); oil and gas production forecasts and reporting; domestic and international growth, expectations and development of production, projects, pipelines or resources; estimates related to production and development levels and dates; operational expectations, estimates, schedules and costs; exploration and development activities, plans and expectations; projections and expectations for upstream and downstream activities; oil, gas, alternative fuel and energy prices; oil, gas, alternative fuel and energy supply and demand; natural gas contract prices; timing of gas off-take; technological innovation, implementation, position and expectations; projected operational costs or savings; projected unit of production cost; our ability to create or improve value; future sources of financing; exploration and project development expenditure; effectiveness of our internal policies and plans; our ability to manage our risk exposure; our liquidity levels and management; estimated or future liabilities, obligations or expenses and how such liabilities, obligations and expenses are structured; expected impact of currency and interest rate fluctuations; expectations related to contractual or financial counterparties; capital expenditure estimates and expectations; projected outcome, objectives of management for future operations; impact of PSA effects; projected impact or timing of administrative or governmental rules, standards, decisions, standards or laws (including taxation laws); estimated costs of removal and abandonment; estimated lease payments, gas transport commitments 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 directives; general economic conditions; political and social stability and economic growth in relevant areas of the world; the sovereign debt situation in Europe; global political events and actions, including war, terrorism and sanctions; security breaches; situation in Ukraine; changes or uncertainty in or non-compliance with laws and governmental regulations; the timing of bringing new fields 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, 2013, filed with the U.S. Securities and Exchange Commission, which can be found on Statoil's website at 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 the forward-looking statements. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of this report, either to make them conform to actual results or changes in our expectations.

Key messages

Continuing to deliver **predictable and competitive** project execution

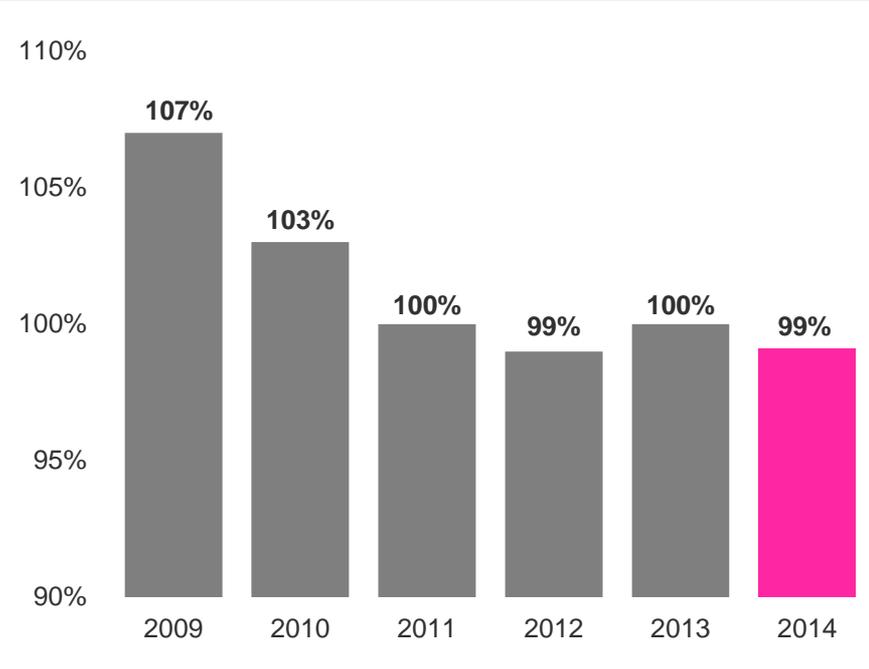
Making **strong progress** on efficiency programme

Stepping up efficiency target by 30%



Predictable and competitive project execution

Delivering projects on cost¹⁾...



...on time and with solid safety results



Gudrun

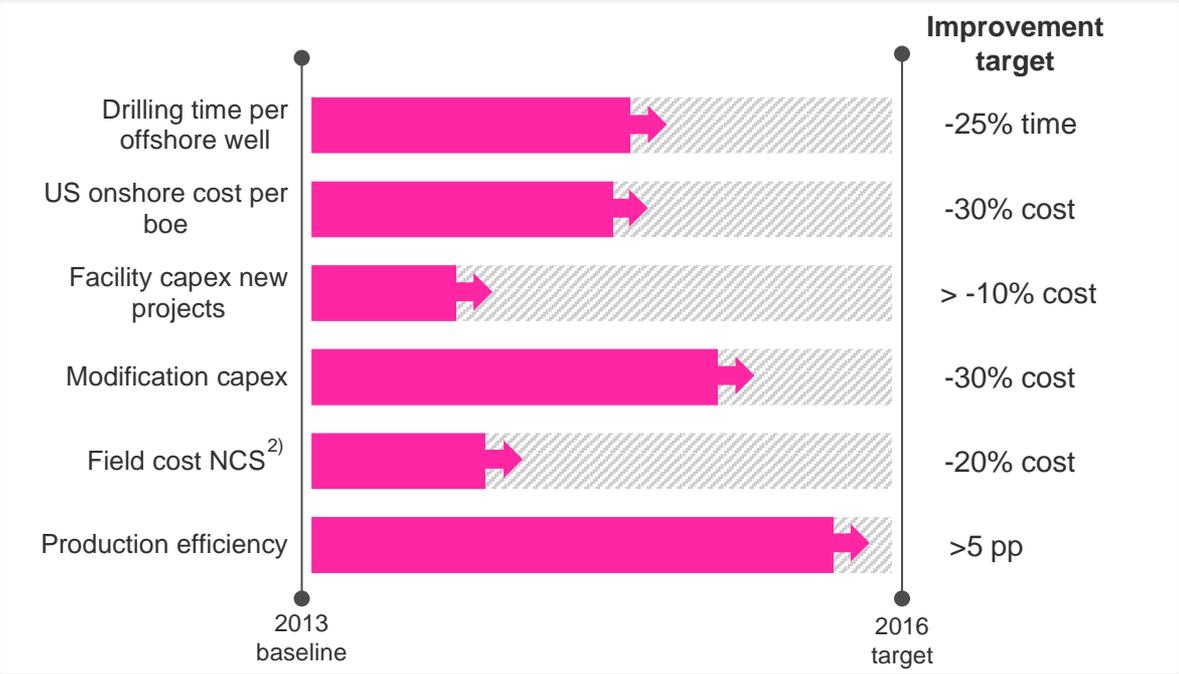


Valemon

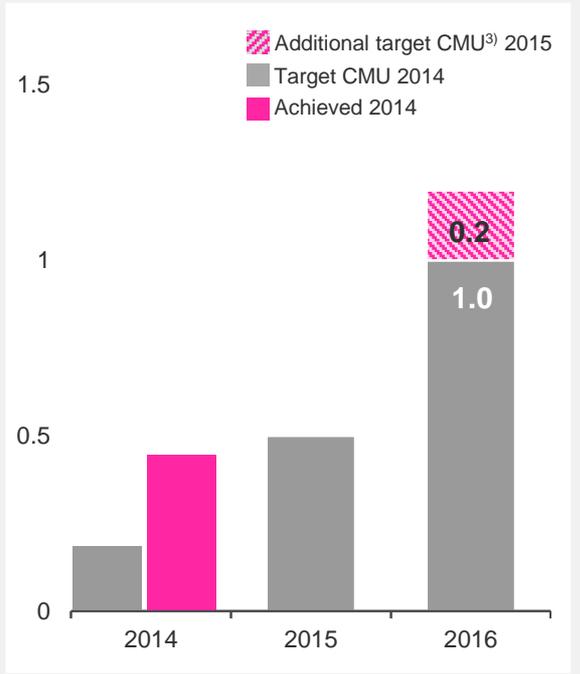
1) Total cost at completion compared to sanction estimate – facility and drilling cost

Efficiency improvements on track – target up 30%

Realised USD 0.6 bn in efficiency improvements in 2014



Capex efficiency savings¹⁾



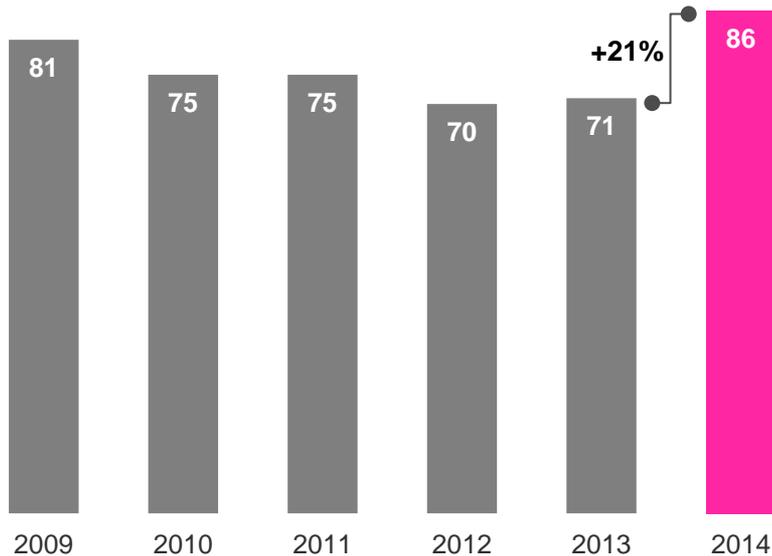
1) All number references in USD bn
 2) Norwegian continental shelf field cost = installation subsea and topside operation and maintenance, logistics, catering, administration, HSE and reservoir management.
 3) Capital market update



Increased drilling efficiency

Improved offshore drilling efficiency

[Drilled meters per day]



Improved well deliveries in 2014

- Leaner well design
- Standardised wells
- Perfect well approach
- Operational efficiency

Reduced time per offshore well¹⁾

16%

Reduced development cost per boe, US onshore

16%

Delivering more than 10% capex reductions¹⁾

Johan Sverdrup



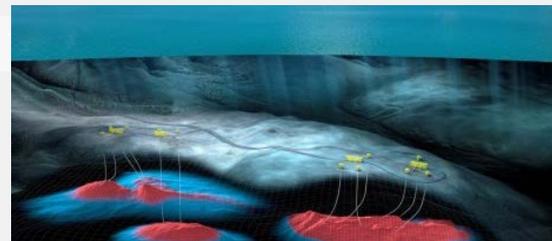
Efficient development solutions and improved drilling. Break-even below USD 40/boe.

Johan Castberg



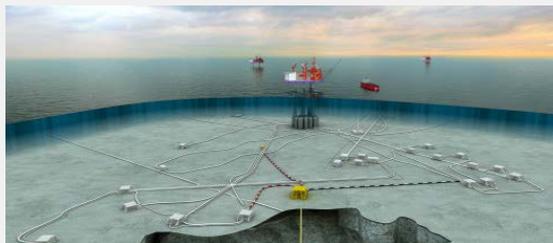
Capex reduced by USD 2.5 bn, ambition to reduce another USD 0.8-1.7 bn.

Tanzania offshore



Concept cost reduced 30% by simplification of subsea infrastructure.

Gullfaks Rimfaksdalen



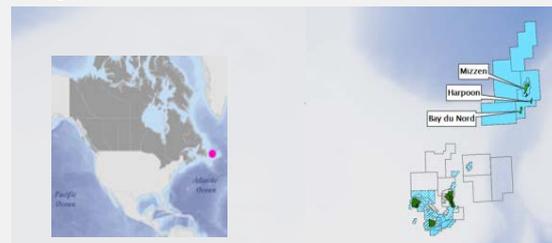
Capex reduced from USD 1.5 to 0.8 bn. Break-even down from USD 50/boe to below 40.

Oseberg Future



Capex reduced through new concept. Break-even down from USD 50/boe to below 40.

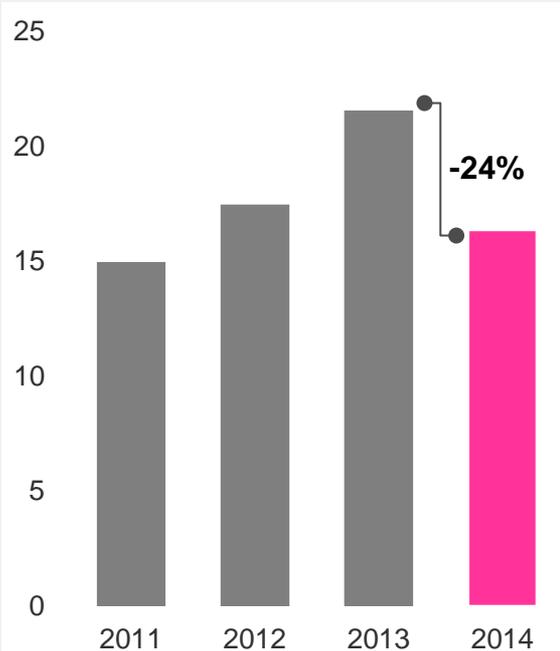
Bay du Nord



“Design-to-cost” in early phase.

Significantly reduced modification cost

Modification¹⁾ cost down 24%



...as a result of

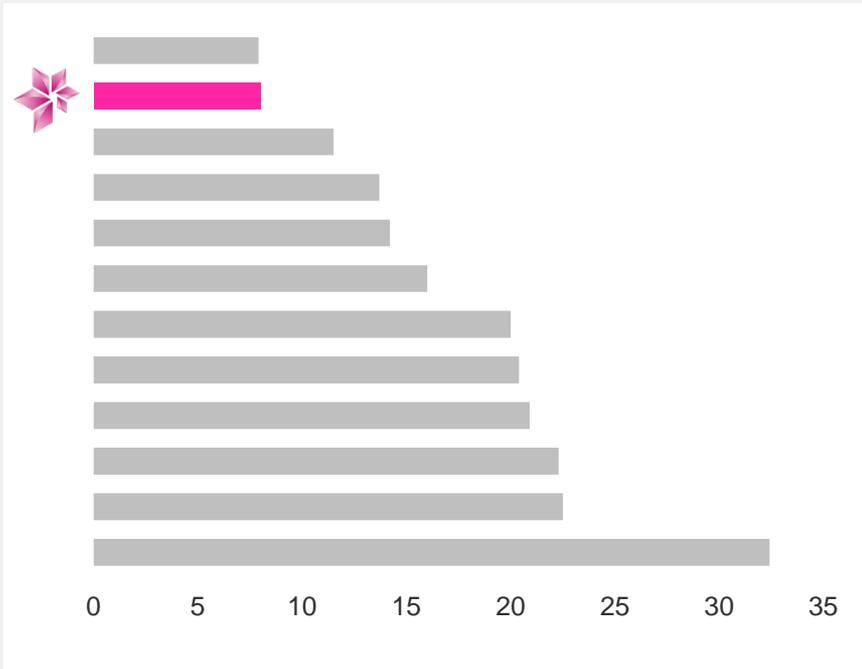
- Stricter prioritisation
- Leaner scope
- Increased productivity

...whilst maintaining technical condition

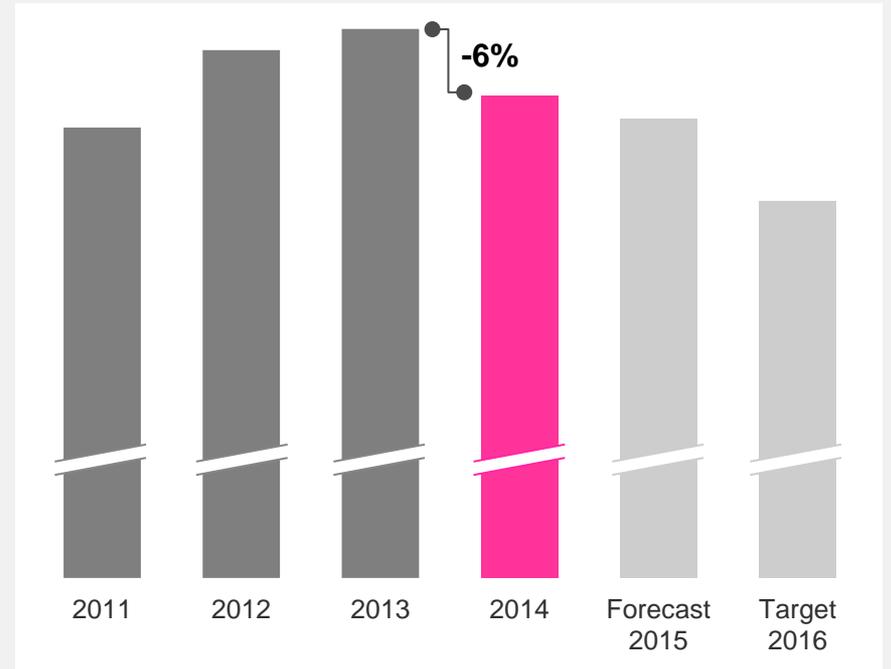


Trend shift for NCS field cost¹⁾

Low unit production cost ²⁾



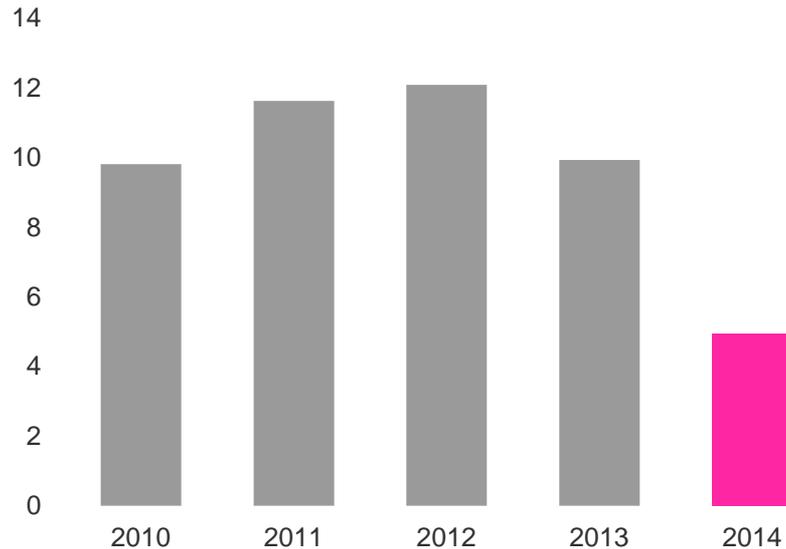
NCS field cost improvements



Substantial production efficiency (PE) improvements

Less unplanned losses at operated portfolio

% unplanned losses



Sustained PE improvements

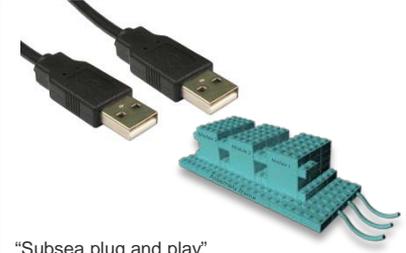
- More robust installations with less unplanned losses
- Strong execution of turnarounds
- Improved utilisation of technology to reduce downtime
- Improved production management

Building blocks for future competitiveness

1 Further **standardisation**

Selected potentials

- Standardised equipment and modules ¹⁾
USD 150-300 million in savings
- Standardised platform concepts
USD 0.8 - 1.0 bn over fields' lifetime
- Vertical X-mas trees ¹⁾
10-20% lower average well cost
- Standard production wells
20-30% savings versus autoeers solution
- "Subsea on slim legs"
20-30% savings versus autoeers solution



"Subsea plug and play"

2 Targeted **technology** development



3 Capitalising on **market opportunities**



4 Operational **excellence**



Key messages

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Thank you

