NCS and future value creation

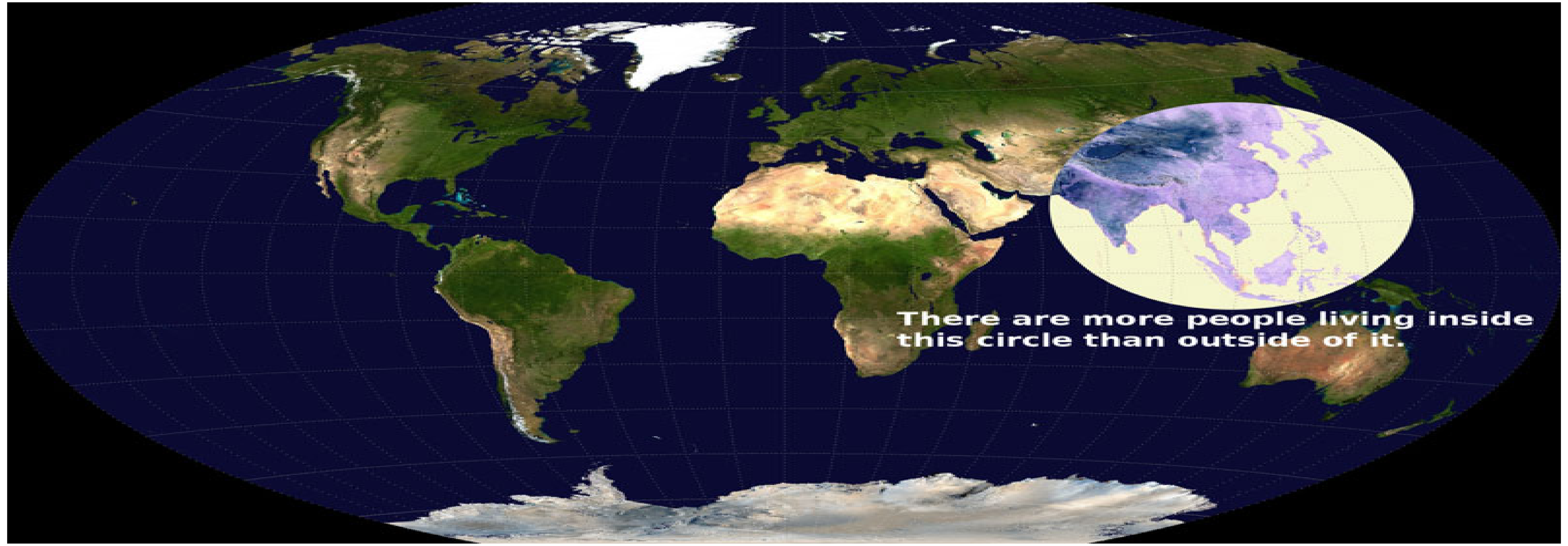
Arne Sigve Nylund, Executive vice president, Development and Production Norway

Statoil

Global trends affecting NCS

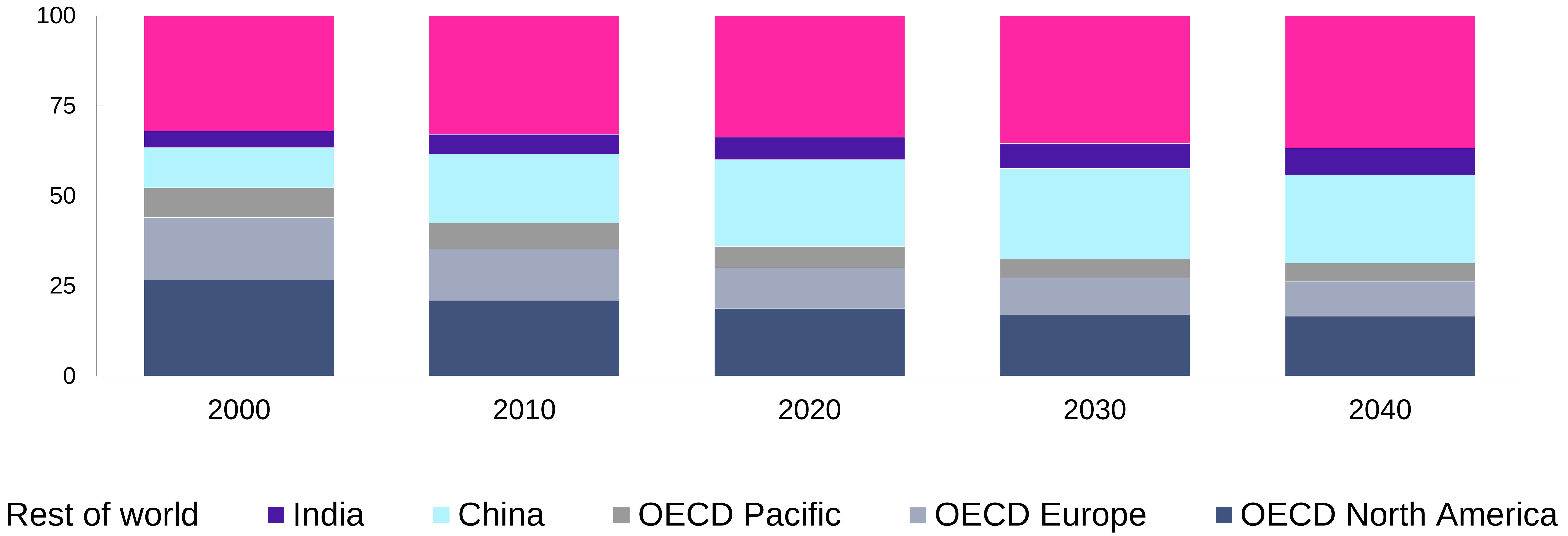
Economic gravity moves to the east – energy demand follows

The global centre is in South China



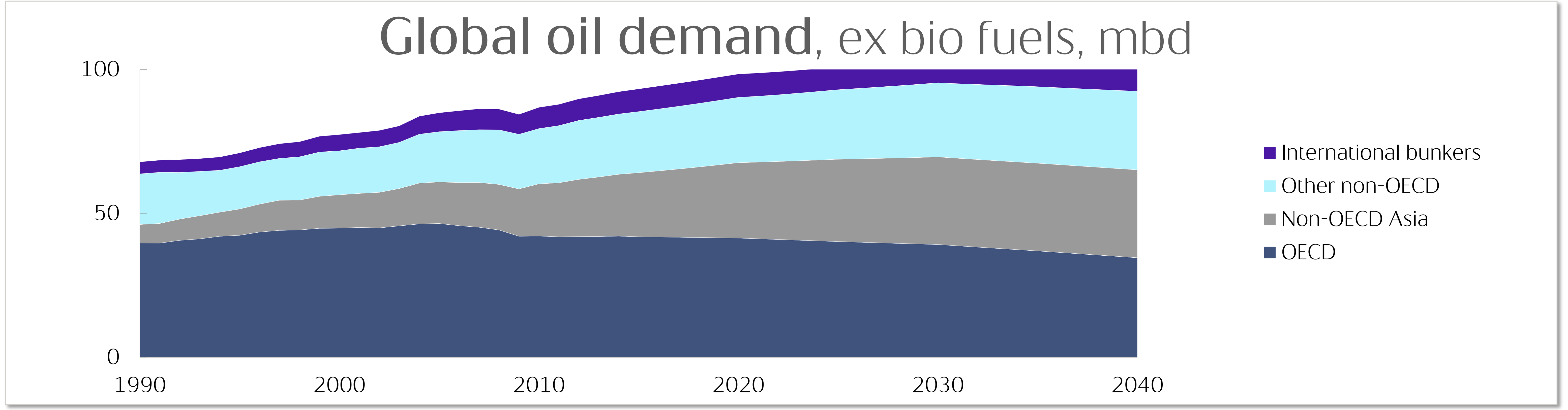
Shifting energy demand

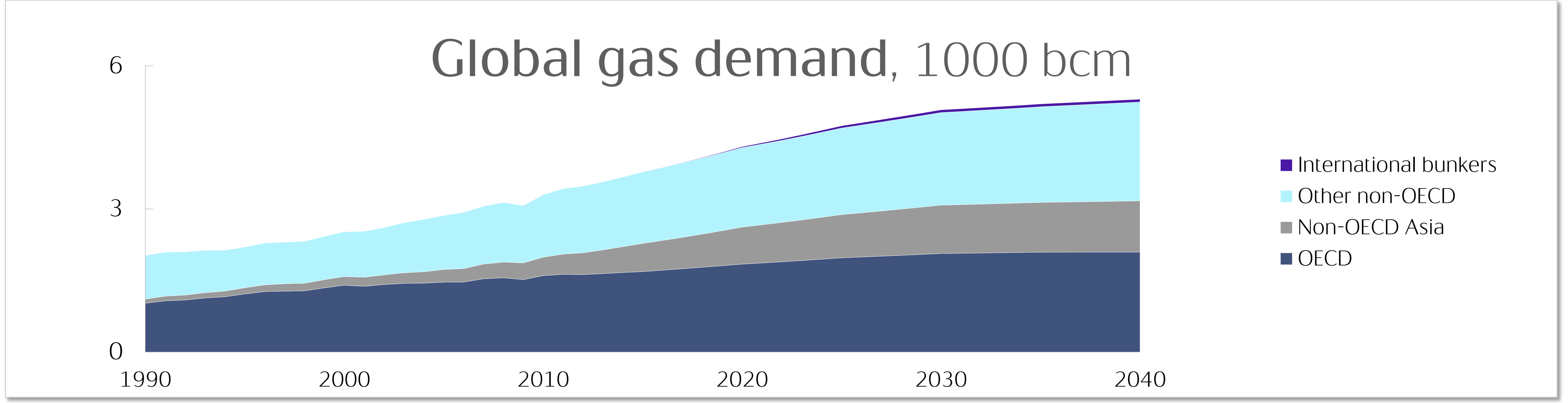
Share in global energy demand, %



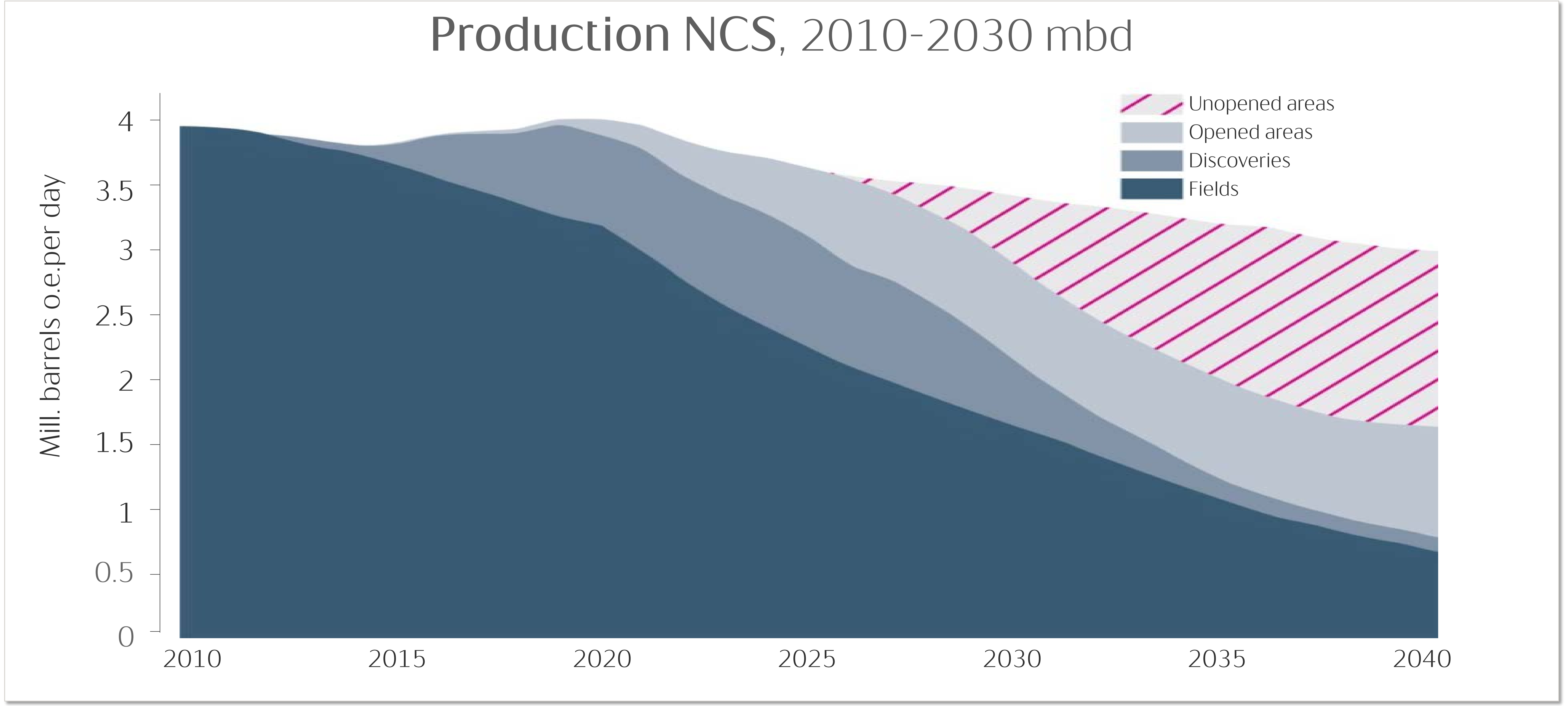
Source: Twistedsifter.com (map), IEA, Statoil

Significant demand for oil and gas





Source: IEA, Statoil



Source: IPetroleumsmeldingen (2011), modified by Statoil

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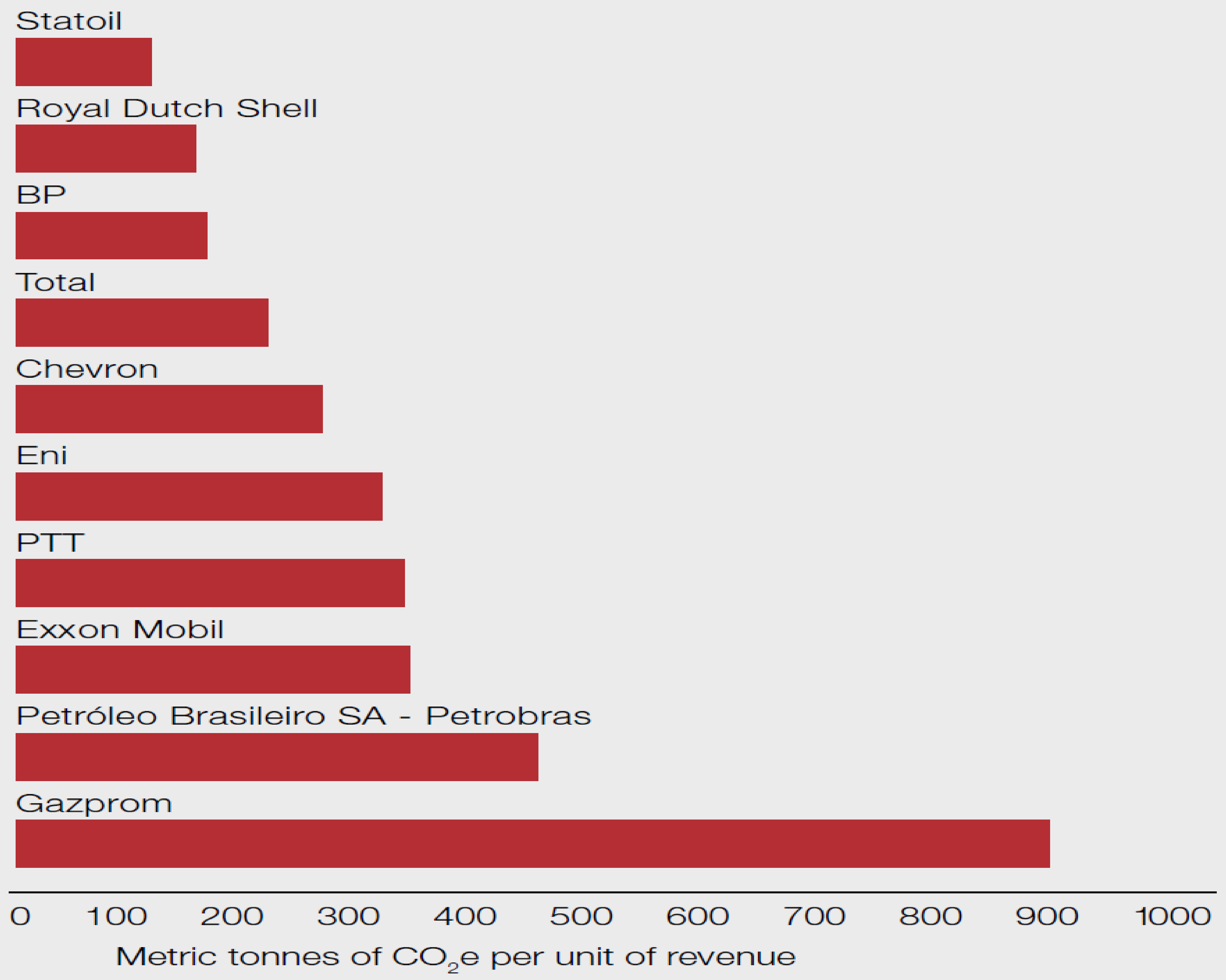
Statoil and NCS part of climate solution

- Transition from coal to gas
- International cost on CO2
- Large demand for new oil- and gas fields in IEA's 2-degress scenario

Figure EN3. Metric tons CO_2 per unit of revenue (US$) of the 10 largest companies by revenue in the energy sector (scope 1 & 2 emissions)



Statoil's shipping activity

Exploiting the global market

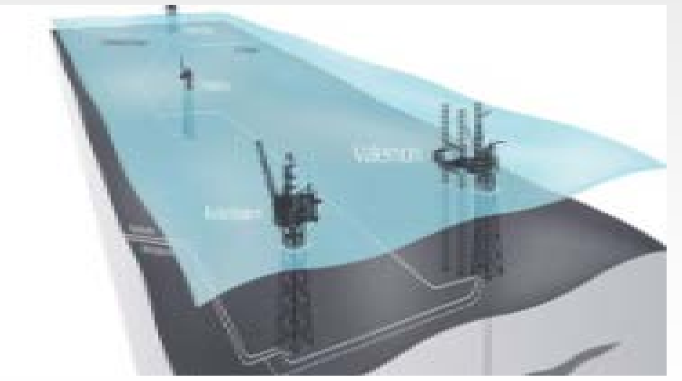
Seaborne transportation for Statoil 92 voyages (Feb 1,2010)

Statoil

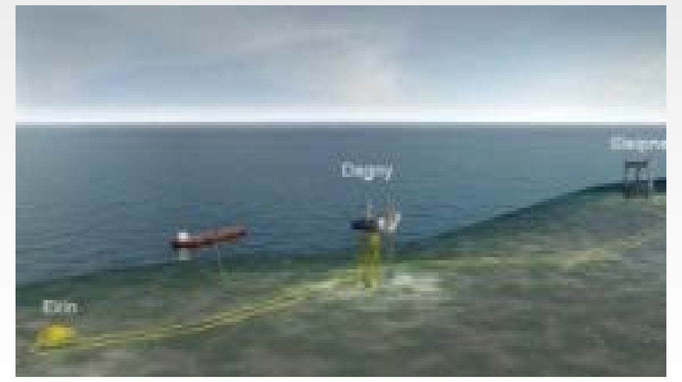
Project portfolio for the future

New major developments

VALEMON
Short term production contribution



GINA KROG
Supporting the Sleipner area strategy



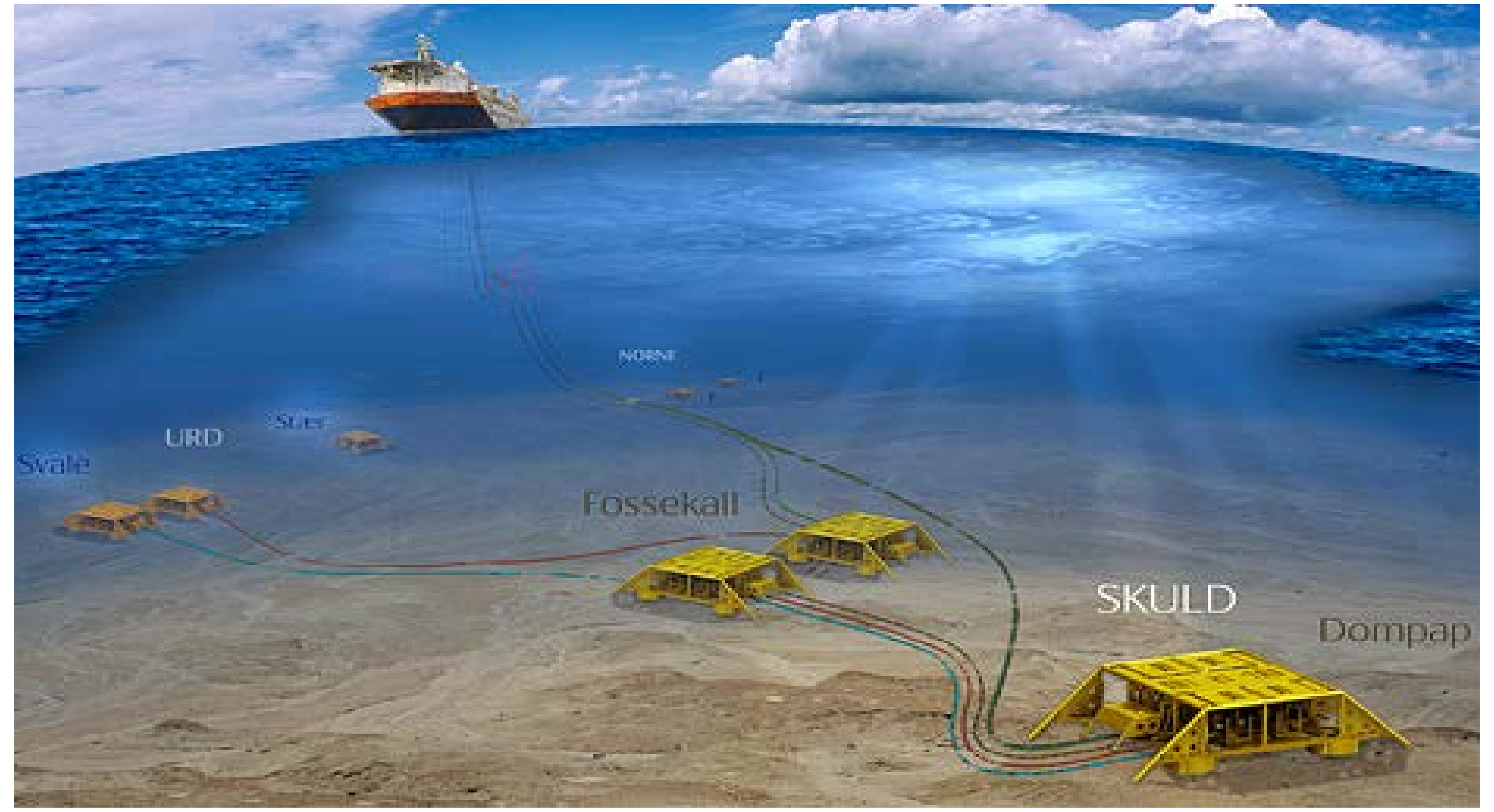
AASTA HANSTEEN
Pioneer in deep water area

JOHAN SVERDRUP
World class discovery

JOHAN CASTBERG
Door opener to a new core area

Increased recovery

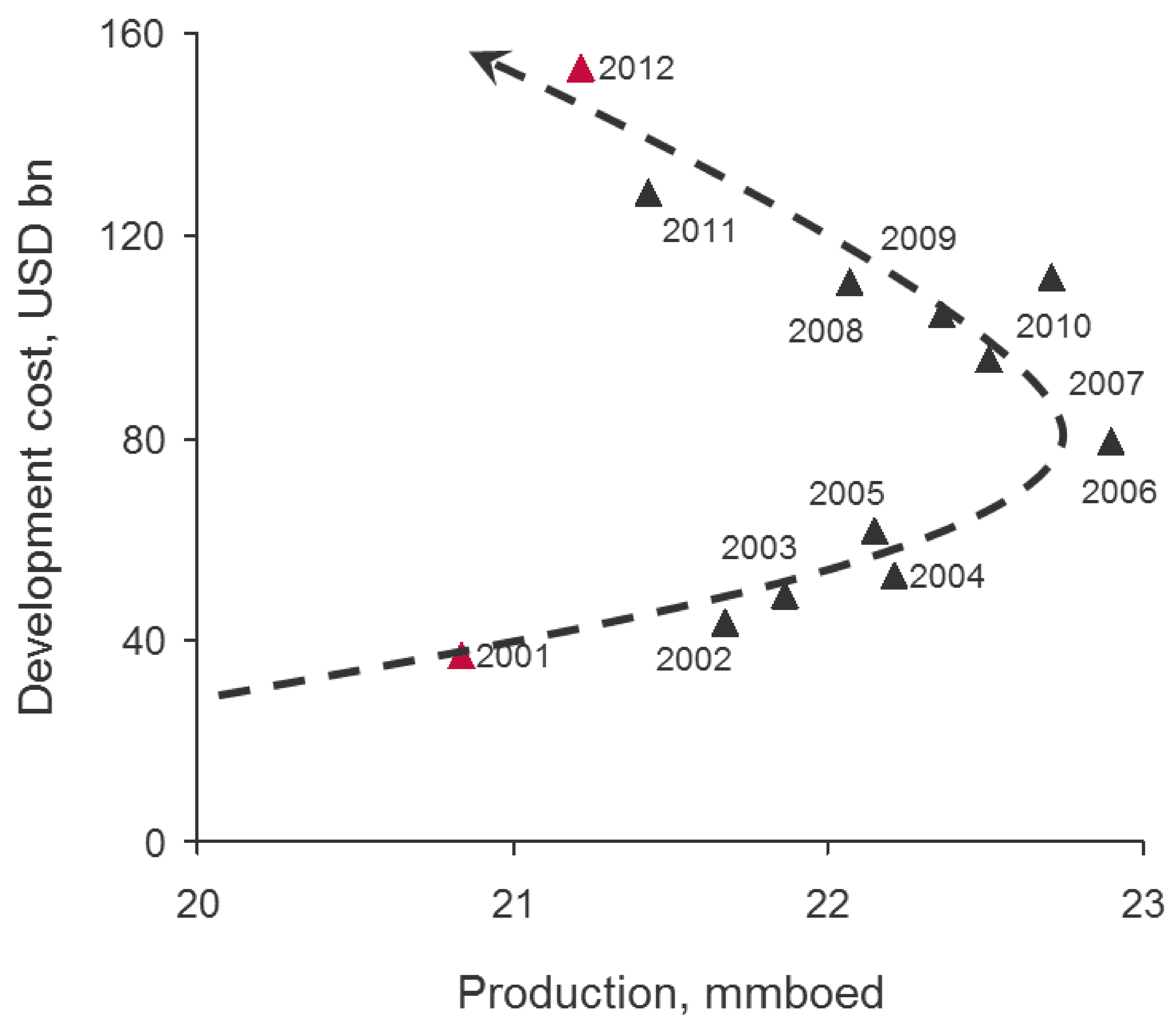
Fast-track

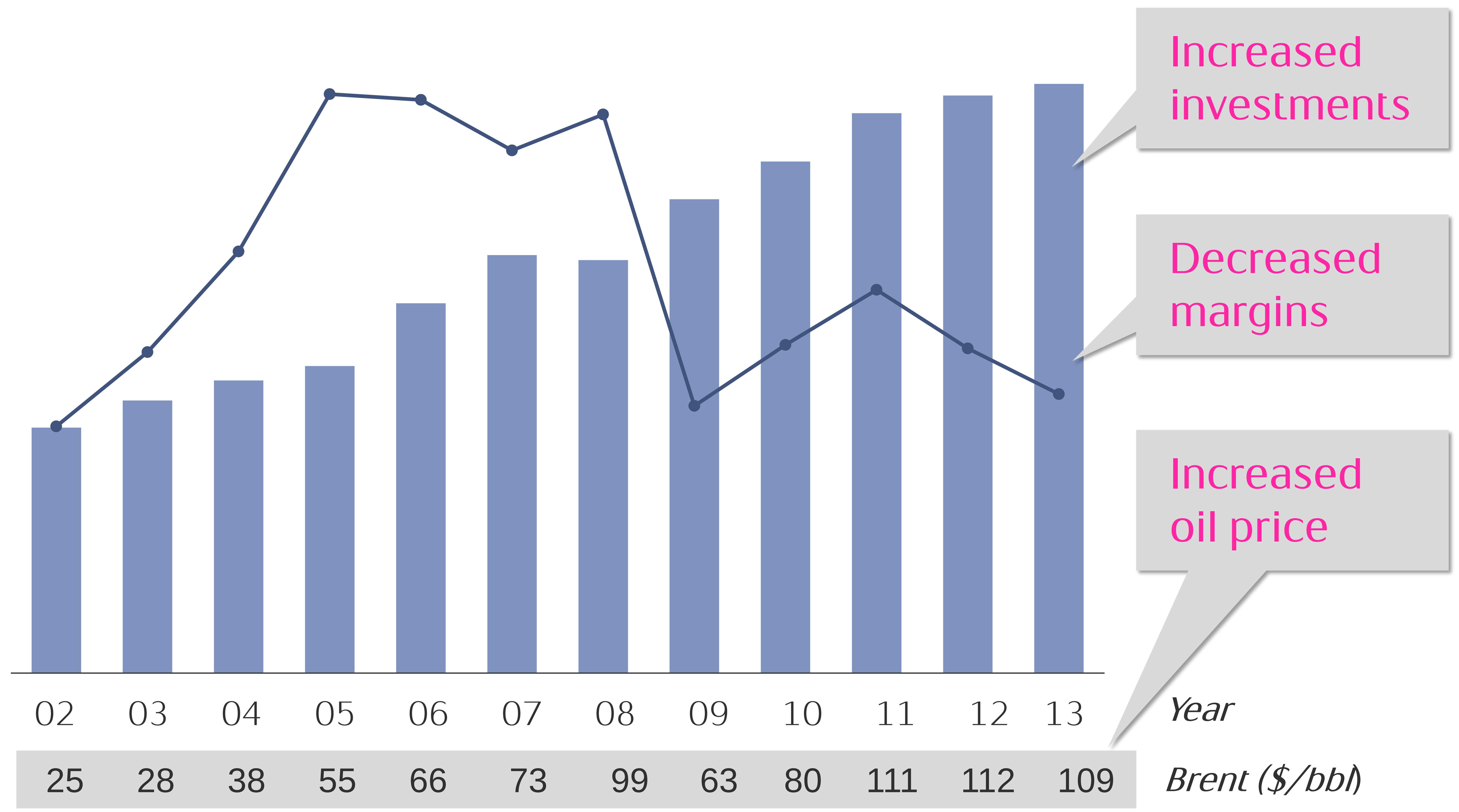


Extended lifetime

Cost increase threatens activity level

Peer group





Investments and ROACE for Peer group

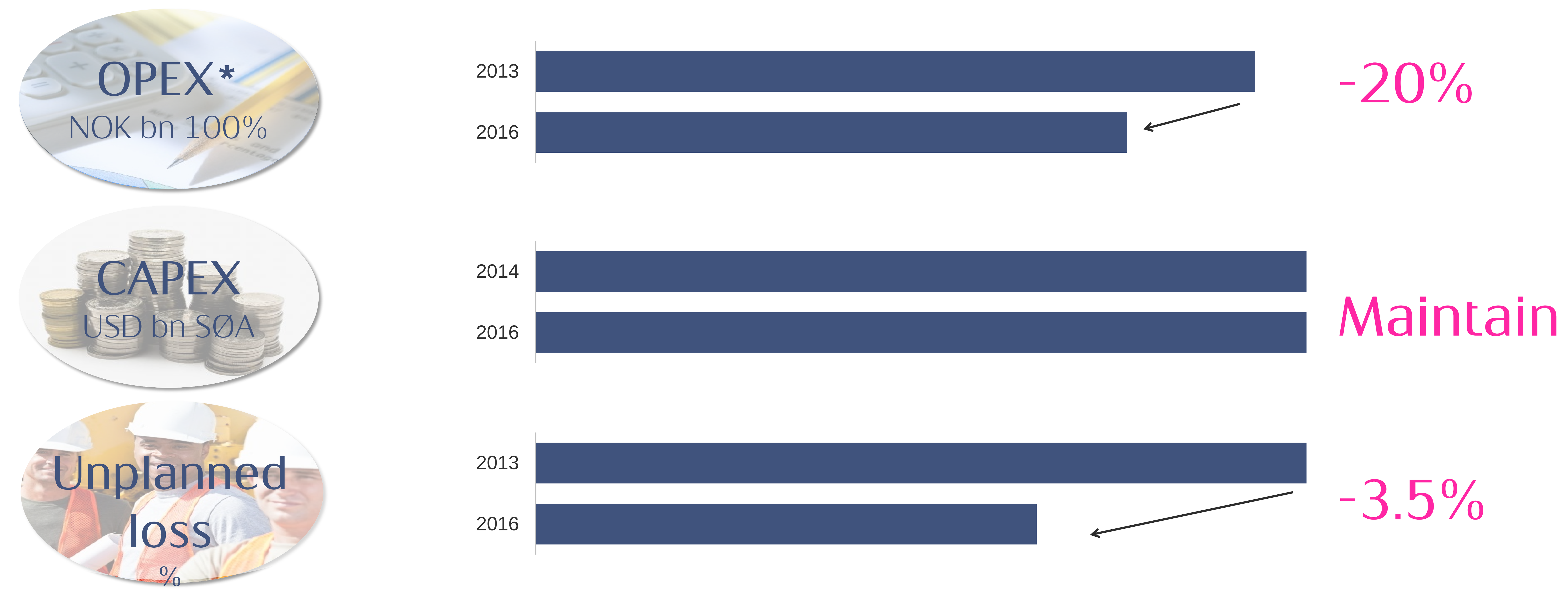
Statoil's response to the cost challenge

High value growth

Increase efficiency

Prioritise capital distribution

DPNs improvement agenda 2016



If things get any better….

Illustration: Roar Hagen