Capital markets update

February 06, 2019

London, United Kingdom

Forward-looking statement

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 Equinor's returns, balance sheet and long-term underlying earnings growth; cash flow and returns and the average break-even price; start-up of projects through 2028, including Johan Sverdrup; Equinor's digitalisation and innovation; expected carbon emissions from the current portfolio; building a profitable renewable energy portfolio; market outlook and future economic projections and assumptions; capital expenditure and exploration guidance for 2019 and beyond; production guidance through 2025 and unit production cost through 2020; CAGR for the period 2019 – 2025; organic capital expenditure for 2019; Equinor's intention to mature its portfolio; exploration and development activities, including estimates regarding exploration activity levels; ambition to keep unit of production cost in the top quartile of its peer group; equity production and expectations for 2019; planned maintenance activity and the effects thereof for 2019; expected dividend payments and dividend subscription price; estimated provisions and liabilities, including the COSL Offshore Management AS litigation; implementation of IFRS 16, and the impact thereof; planned and announced acquisitions and divestments, including timing and impact thereof, including the acquisition of lease OCS-A 0520 in Massachusetts, the swap of interests with Faroe Petroleum in the NCS, the acquisition of Danske Commodities, the acquisition of Chevron's interest in the Rosebank project and other pending acquisitions and divestments discussed in this report; 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; labour relations and industrial actions by workers and other factors discussed elsewhere in this report. Additional information, including information on factors that may affect Equinor's business, is contained in Equinor's Annual Report on Form 20-F for the year ended December 31, 2017, filed with the U.S. Securities and Exchange Commission (and section 2.11 Risk review – Risk factors thereof). Equinor's 2017 Annual Report and Form 20-F is available at Equinor's website www.equinor.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 2018 value, unless otherwise stated. We also confirm that we have obtained approval from IHS Markit and Barclays to publish data referred to on slides in this presentation.

Capturing value

Lars Christian Bacher

Chief Financial Officer

2018

Solid adjusted earnings in 4Q'18

Adjusted earnings	Group[1]		E&P Norway		E&P International		MMP	
	• Higher commodity prices • Increased exploration costs		• Solid operational performance • Higher than normal price differential		• Record production • High adjusted earnings after tax		• Strong results from LNG and crude trading • Weak results from refining and products trading	
Million USD	Pre tax	After tax	Pre tax	After tax	Pre tax	After tax	Pre tax	After tax
4Q'18	4,387	1,537	3,232	821	774	491	319	144
4Q'17	3,956	1,307	3,004	819	438	200	533	292

1. Includes E&P Norway, E&P International, MMP and other.

2018

Strong financial results and deliveries

Adjusted earnings

18.0

bn USD

Net operating income

20.1

bn USD

Organic free cash flow

6.3

bn USD

After dividend, excluding considerations from closed transactions and signature bonuses.

Net debt ratio

22.2

Percent

	We said	We delivered
Production growth	1-2 Percent	2.1 Percent[1]
Organic capex	~11 bn USD	9.9 bn USD
RoACE	10 Percent	12 Percent
Exploration expenditure	1.5 bn USD	1.4 bn USD
Organic free cash flow positive[2]	50 USD/bbl	<50 USD/bbl

Credit rating upgrades in 2018 with stable outlook	S&P	Moody's
	AA-	Aa2

1. Growth, rebased for portfolio changes.
2. After dividend.

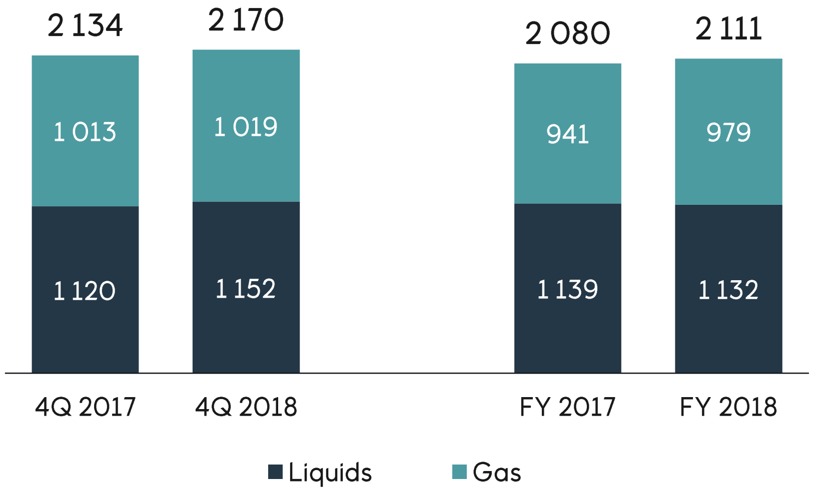
2018

All-time high production

- Production growth as promised
  - New wells coming on stream
  - Start-up of 8 fields
  - Underlying production growth of 2.1%

Equity volume

kboe per day

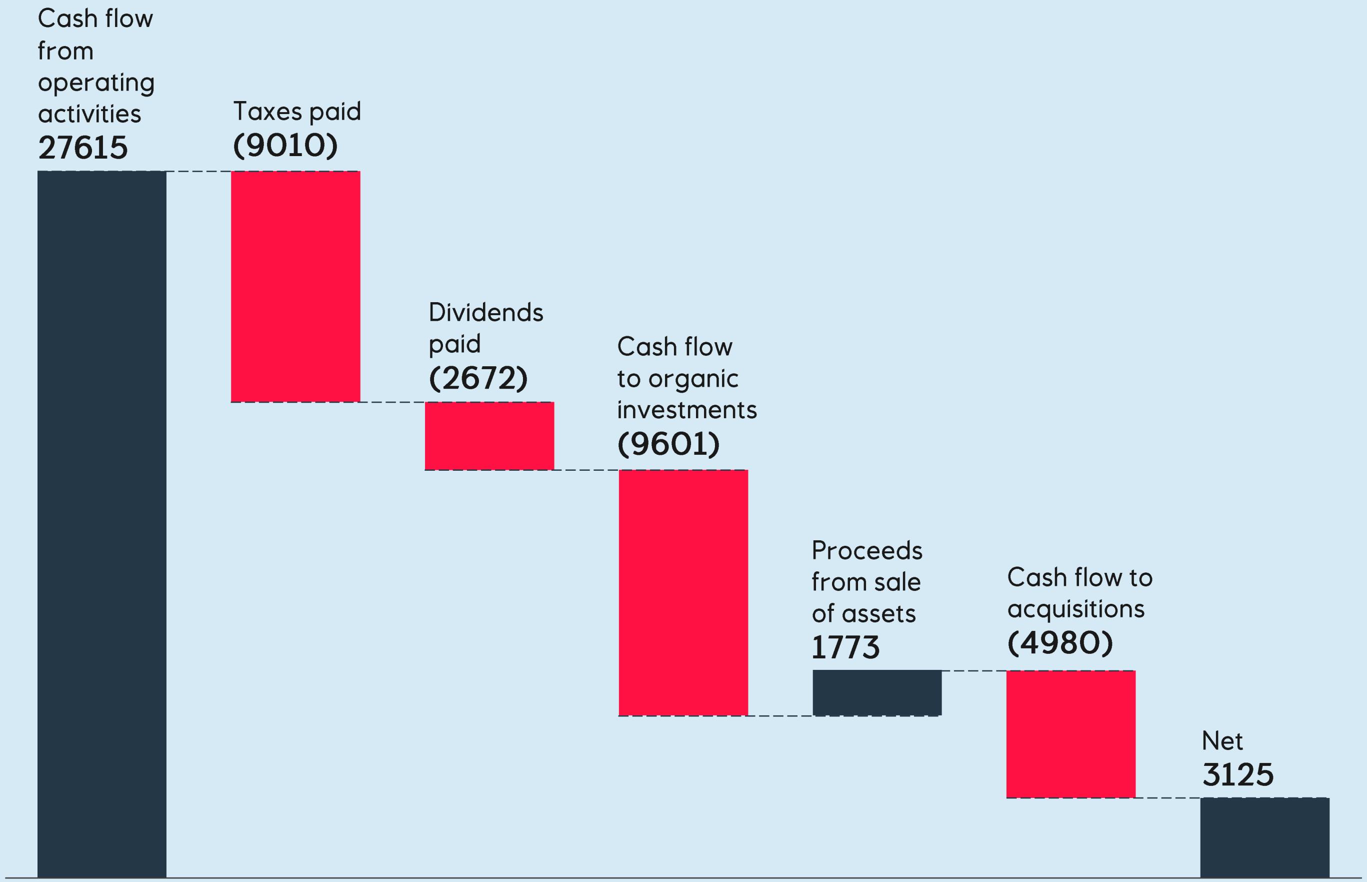


2018

Strong cash generation

- Strong cash flow from operations
- Organic capex USD 9.9 billion
- Value-adding transactions
- Net debt ratio reduced from 29.0% to 22.2%
- Continued strict capital discipline

USD million



Simplification, standardisation and digitalisation

Peer leading unit production cost

Source: IHS Markit: USD/boe, 3-year weighted average.

Unit production cost 2020

~2017

Level

USD per boe Equinor equity, real, assuming fixed currency and CO_2 price.

Field of the future – facility capex reduction

~30

Percent

New concept compared to conventional facility.

Field of the future – opex reduction

~50

Percent

New concept compared to conventional facility.

Value creation from digitalisation

>2

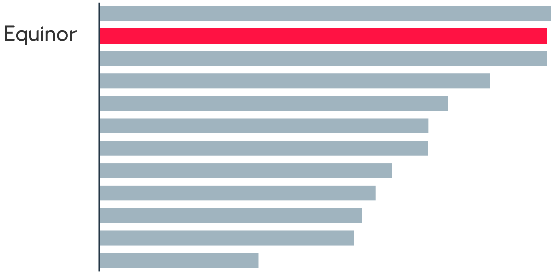
bn USD

3% increase in production from 2020 to 2025, Equinor share, pre tax.

Peers include: Anadarko, Eni, BP, Shell, ConocoPhillips, Repsol, Chevron, Total, ExxonMobil, OMV, Marathon.

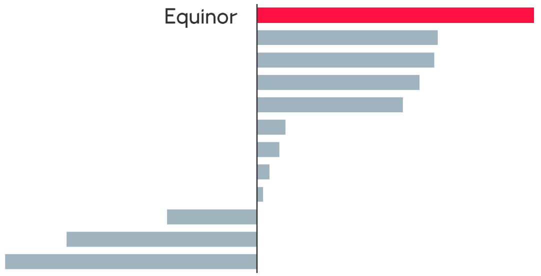
Consistent value creation

First quartile corporate RoACE



Source: Barclays: - RoACE Rolling 12-month at end of 3Q18.

Leading TSR last five years

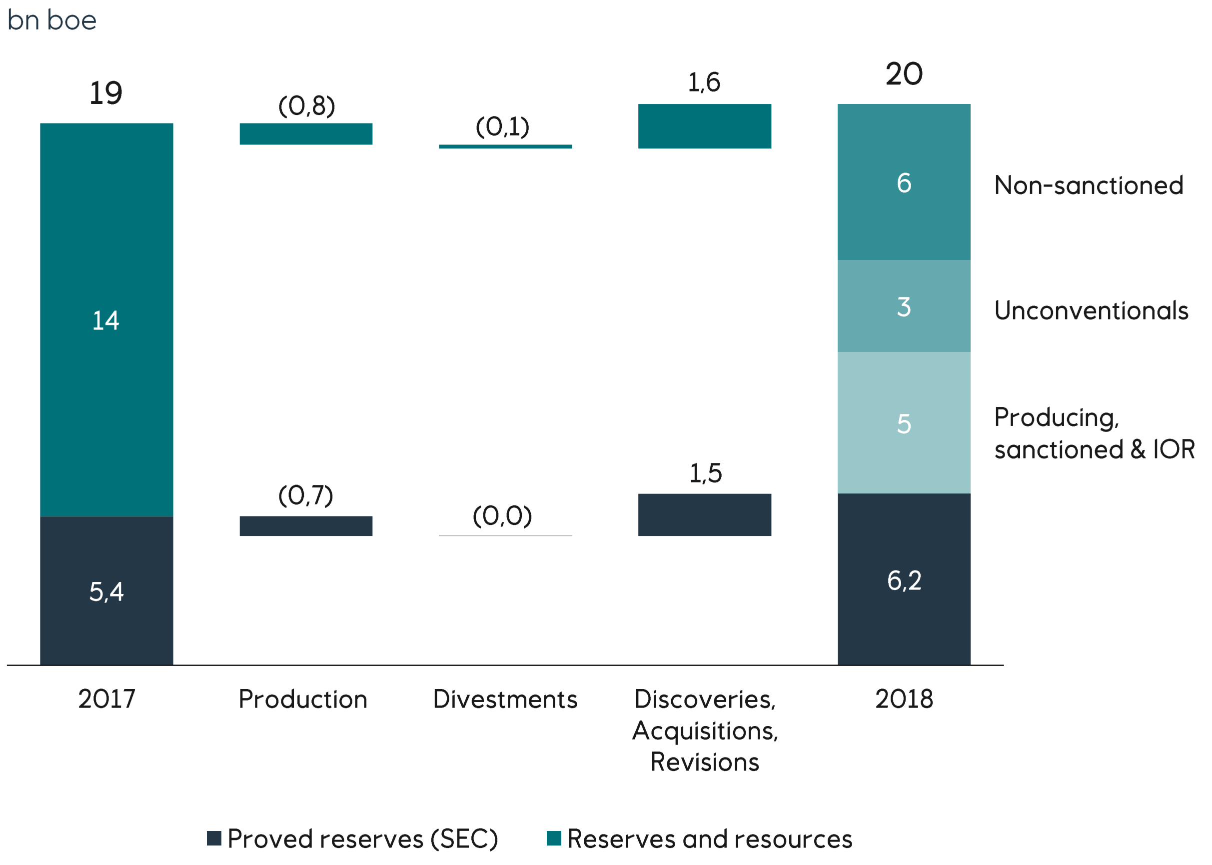


Source: FactSet. As of 31 December 2018. TSR: Total Shareholder Return.
In USD.

Peers include: Anadarko, Eni, BP, Shell, ConocoPhillips, Repsol, Chevron, Total, ExxonMobil, OMV, Marathon.

2018

Continuing to add high value barrels



Reserve replacement ratio (RRR)

213

Percent

Proved reserves (SEC).

RRR Three year average

153

Percent

Proved reserves (SEC).

Increasing R/P

8.7

Years

Proved reserves (SEC) divided by entitlement production.

Adding high value resources in 2018

~1.6

bn boe

Exploration, revisions, and transactions in 2018.

Liquids share of total resources

47

Percent

OECD share of total resources

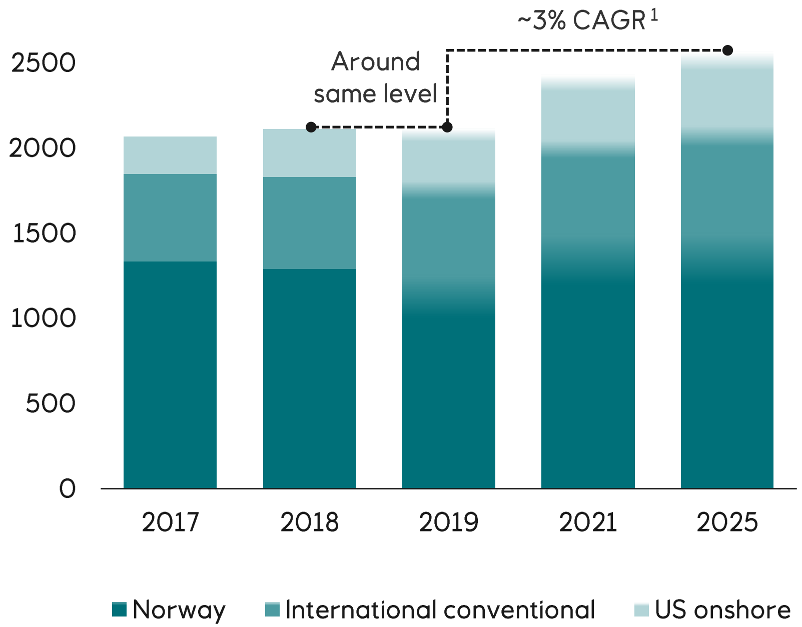
75

Percent

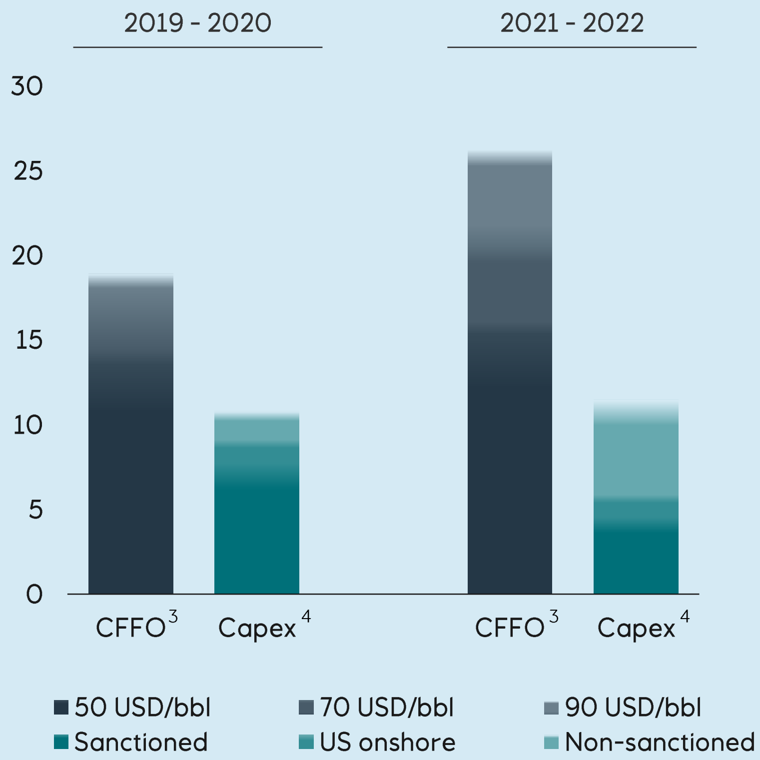
2018-2025

Strong cash flow and production growth

Equity production
kboe per day



Strong cash flow from operations[2]
bn USD



Capex average 2019-21

~11

bn USD

Indicative organic capex, at 8.25 USD/NOK.

Free cash flow

~14

bn USD 2019-21

After dividend, based on USD 70 per bbl. Including considerations for Danske Commodities, Rosebank, NCS swap, Carcara and Roncador.

1. Compound Annual Growth Rate, adjusted for portfolio measures.

2. Scenario assumptions are based on real prices (Brent Blend USD per barrel / NBP USD per million BTU): 50/5.5, 70/6.5 and 90/8.5.
3. Excluding changes in working capital and effect of new accounting standards.
4. Excluding considerations.

2019-2025

Future-fit portfolio[1]

Break-even

~30

USD per bbl

Volume weighted.

Internal rate of return

~30

Percent

Volume weighted, based on USD 70 per bbl.

Lower CO_2 intensity

>30

Percent

Major start-ups compared to existing operations. Operated 100%.

Increased value since CMU 2017

~30

Percent

Based on USD 70 per bbl.

1. Upstream portfolio coming on stream 2019-2025.

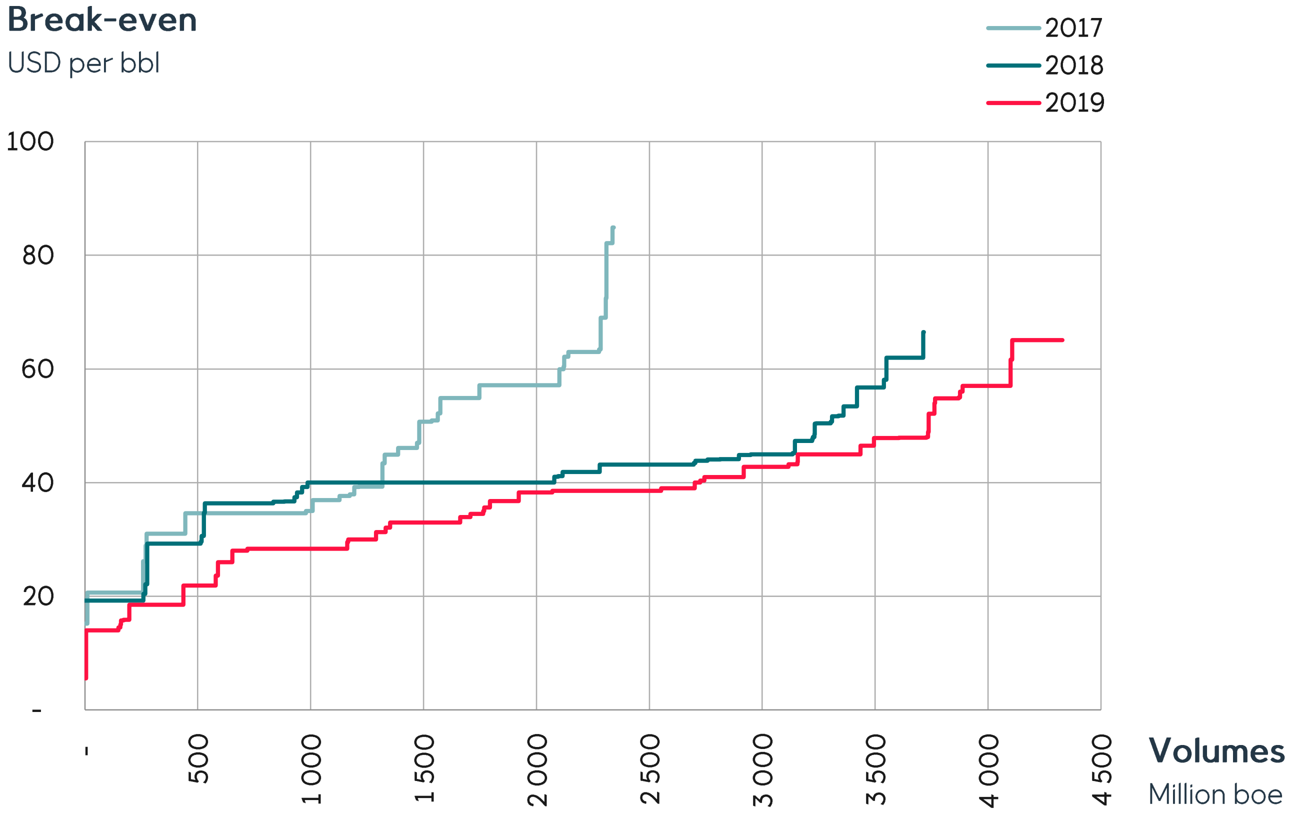
Major start-ups planned for 2019-2025

	Projects in execution				Non-sanctioned
	2019	2020	2021	2022	2022-25
E&P Norway	Johan Sverdrup Trestakk Utgard[2]	Njord Bauge Snøhvit Askeladd Martin Linge Ærfugl Phase 1	Troll Phase 3 Snorre Expansion	Johan Castberg Johan Sverdrup Phase II	Peon Grand Krafla
E&P Intl	Mariner	Peregrino Phase 2	Vito		North Komsomolskoye Bay du Nord Carcarà North Platte
Capacity[3]	~300	~210	~140	~190	
NES	Arkona Guanizul				Dogger Bank Hywind Tampen Empire Wind
Capacity[4]	~250				

2. Including UK share.
3. Major projects (list not exhaustive), indicative plateau production, Equinor equity, kboe per day, not applicable for sum of production per year.
4. Installed capacity, Equinor equity, MW.

2019

Non-sanctioned[1] portfolio continues to improve



Increased value since CMU 2017

>7

bn USD

Based on USD 70 per bbl.

Break-even

<40

USD per bbl

Volume weighted.

Internal rate of return

>25

Percent

Volume weighted, based on USD 70 per bbl.

Resources

~4.3

bn boe

Equinor equity.

1. Non-sanctioned upstream portfolio coming on stream next 10 years for projects with defined business case.

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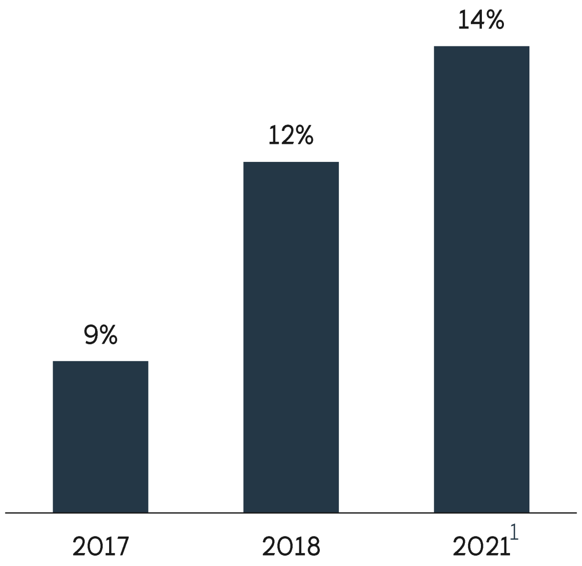
2019-2021

Growing returns, increasing dividend and strengthening balance sheet

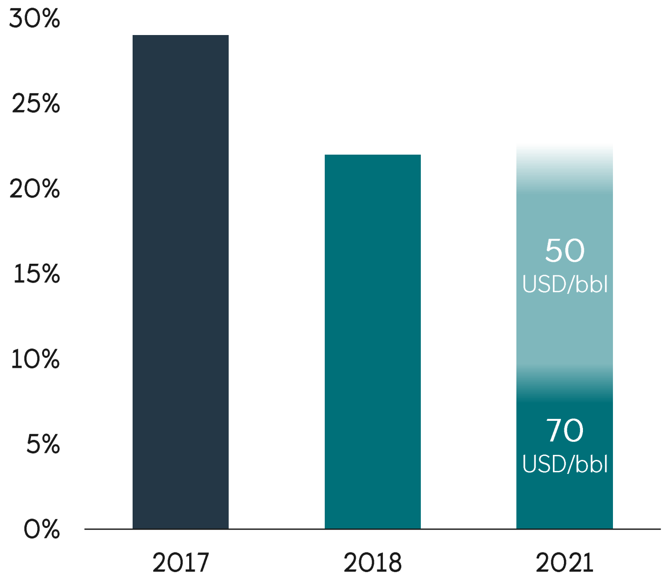
Improving RoACE

World class portfolio enhances returns



Strengthening balance sheet [2,3]

Long term net debt ambition 15-30%



1. Based on USD 70 per bbl, excluding new accounting standards and changes in future tax assets.

2. Including announced transactions.
3. Excluding effect of new accounting standards.

Committed to capital distribution

Step-up in 4Q cash dividend

- Reflects earnings growth from sustainable improvements in recent years

Unchanged dividend policy

- Share buy-backs remain part of the dividend policy

Quarterly cash dividend

26

Cents per share

Subject to approval at the Annual General Meeting (AGM)

Increased cash dividend

13

Percent

Subject to approval at the Annual General Meeting (AGM)

2019

Guidance & outlook

	Outlook 2019
Organic capex	~11 bn USD[1]
Production growth	2018-2019 Around same level 2019-2025 ~3 Percent[2]
Exploration	~1.7 bn USD[1]

1. Based on USD/NOK exchange rate of 8.25.
2. Compound Annual Growth Rate.

Highlights

Growing cash flow and returns

- RoACE >14% in 2021
- Free cash flow USD ~14 bn in 2019-21
- Organic free cash flow positive below USD 50 per bbl in 2019-21

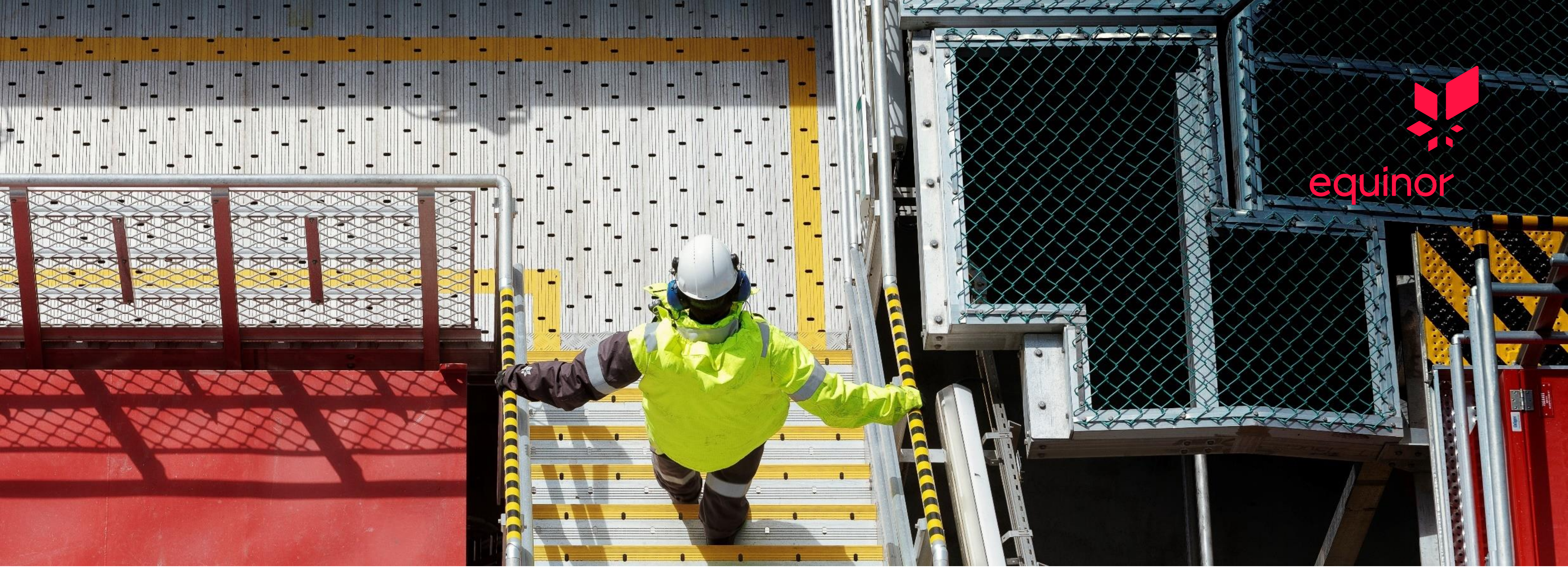
Investing in high value projects

- Break-even of USD ~30 per bbl for projects coming on stream
- Average organic capex USD ~11 bn in 2019-21[1]
- Around 3% annual production growth in 2019-25

Committed to capital distribution

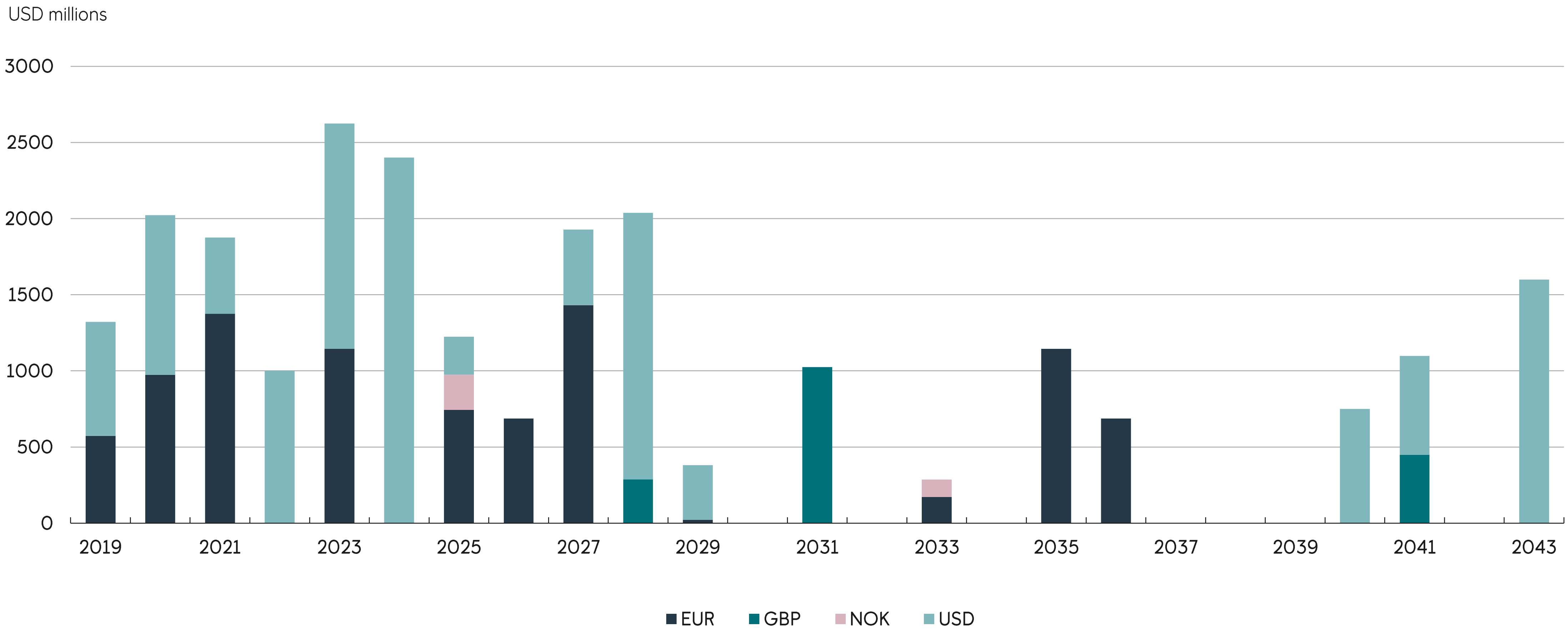
- Dividend growth of 13%
- Quarterly dividend of 26 cents per share[2]

1. Based on USD/NOK 8.25.
2. Subject to AGM approval.



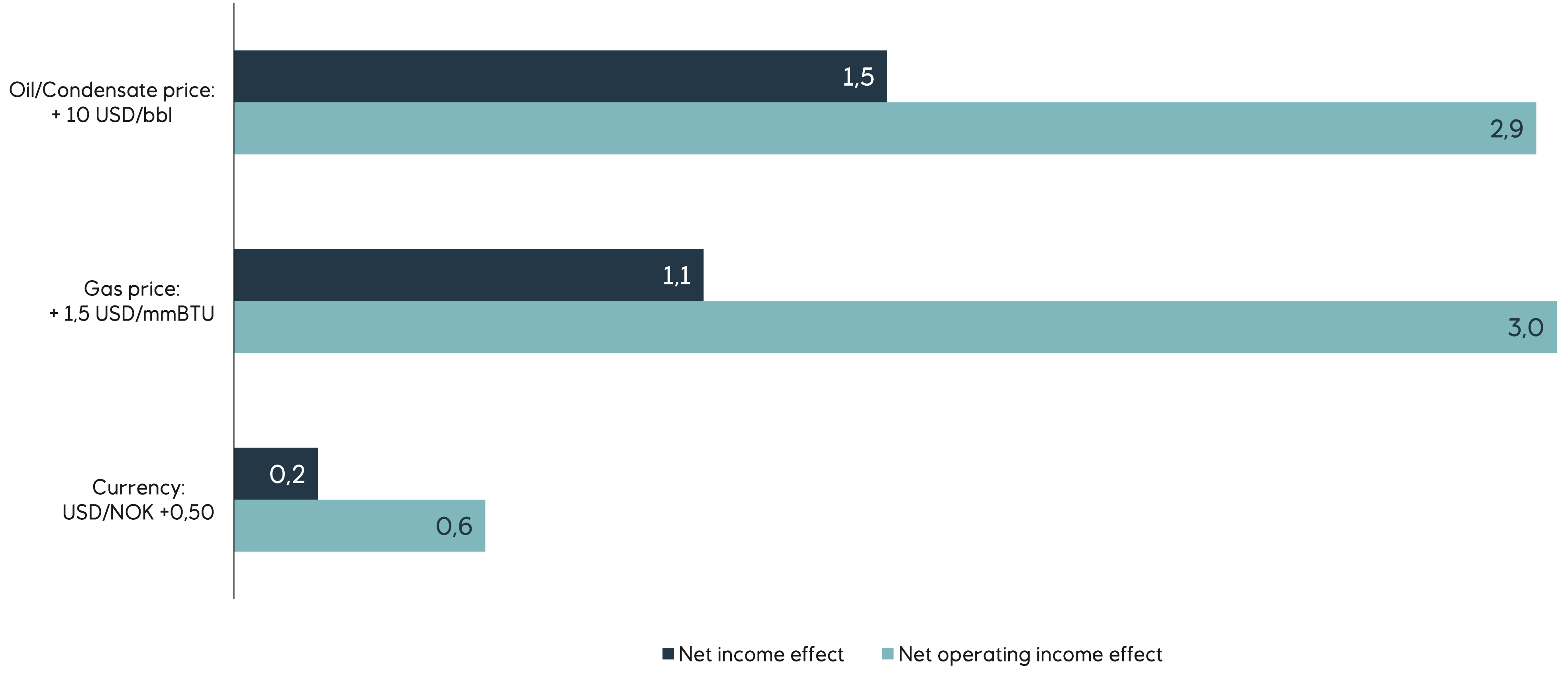
Supplementary information

Long term debt maturity profile



2019

Sensitivities[1] – indicative effects on 2019 results



1. Based on USD/NOK of 8.25.

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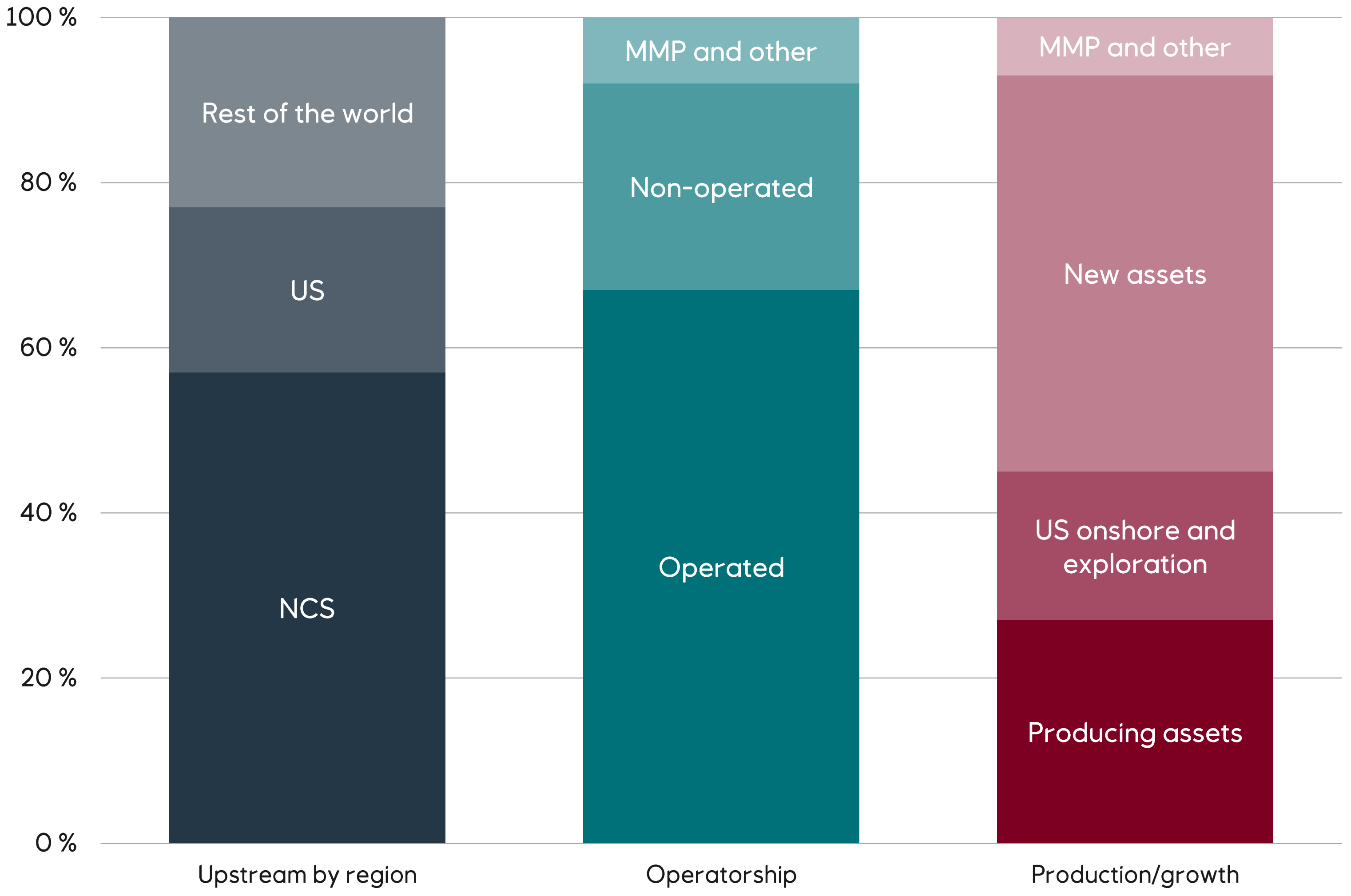
2019-2020

Investing for profitable growth

- ~60% on the NCS
- ~65% in operated assets
- ~50% in new assets
- ~90% in upstream



 Open

IFRS 16 - Impact for Equinor [1]

Impact of implementing IFRS 16 Leases to be reflected in the Other segment

Net debt	Capital employed	Debt ratio[2]	Net income	Operating cash flow	RoACE
~4 bn	~4 bn	~6%			

Balance sheet effects

- All leases, excluding short term leases and non-lease components, to be recognised on the balance sheet from 1.1.2019
- Leases mainly related to drilling rigs, transportation and production vessels, storage facilities and office buildings
- RoACE: Increase in capital employed partly offset by increased adjusted earnings after tax

Income statement effects

- Insignificant net income effect
- Lease cost to be presented as depreciation and interest expense
- Short term leases, non-lease components and variable lease payments continue to be expensed as incurred (not part of the leases to be recognised on the balance sheet)
- Leases used in activities being capitalised remains included in cost of new assets

Cash flow statement effects

- Lease down-payments to be presented as financing cash flows
- Cash flow from operations will increase and cash flow used in investing activities will decrease by lease down-payments.
- Interests expense classification unchanged
- Organic capex unchanged
- Free cash flow will improve, reflecting the classification of lease down-payments as financing cash flows

1. See note 10 IFRS 16 Leases in Equinor´s fourth quarter 2018 interim financial statements for further details on the implementation of IFRS 16 Leases
2. Equinor will report debt ratio in accordance with IFRS and adjusted for IFRS 16 effects for comparability

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