

Before the publication of the **Equinor 2Q results on 24 July 2024**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor IR. Consensus will be established around the following items:

- Adjusted operating income and tax on adjusted operating income – both per all segments
- Adjusted exploration expense for EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)

We 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.

Note that we also ask for the following:

- Adjusted EPS
- CFFO after tax (excl. WC)
- Organic capex

For your convenience, we hereby remind you of some factors relevant for our 2Q results as well as other information that might be useful:

**E&P Norway:**

- Estimated realised liquids price for E&P Norway is in the range of 79-81USD/bbl.
- The preliminary internal gas transfer price for 2Q is published on our [webpage](#).
- Five turnarounds were completed in 2Q24. About the same impact for liquids and gas.
- Unplanned production losses on Visund in the weeks ramping up after turnaround, and temporary stop in export from Aasta Hansteen and Ormen Lange due to gas leakage at Sleipner.
- Assets on the NCS have NOK as functional currency.
- Equinor had exploration activity in 9 wells on NCS in 2Q24; of these, 6 wells were completed.

**E&P International:**

- Estimated realised liquids price in the range of 73-75 USD/bbl.
- Lower equity production compared to 1Q24 due to operational issues and higher turnaround activity.
- Exploration activity in 5 wells where 3 were completed. Argerich well offshore Argentina was dry and will be expensed in 2Q24, two wells onshore Argentina are under evaluation.

**E&P USA:**

- Estimated realised liquids price in the range of 68-70 USD/bbl.
- Realised gas prices lower than prior quarter, but consistent with the prior year.
- Completion of the swap with EQT in May 2024.
- Lower production versus 1Q24 driven by downtime from field in US GOM, and lower APB activity.
- EPI US expects a higher cost level in 2Q24, mainly due to higher depreciation expenses driven by increased abandonment cost estimates from a late life field.

**MMP:**

- Average Brent for the quarter was 84.9 USD/bbl, a price increase of 2 % compared to 1Q24.
- In 2Q24 Crude, products and liquid margins decreased compared to previous quarter, and in addition negatively impacted by lower refinery throughput.
- The quarterly guiding range for MMP's adjusted operating income is 400-800 million USD, in 2Q 2024 we expect adjusted operating income around the low end of the guided range.

**REN:**

- Power generation is expected to be in line with the historical seasonal production pattern. Contribution from new assets impacted by slow ramp-up of Dogger Bank.
- Most of the offshore wind power production is sold to fixed support prices.
- Operating income from REN are expected to be negative on par with previous quarters due to growth mode of our REN business and project development activities, which continue to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented as net "gains/losses from equity accounted investments".

**Effective tax:**

Indicative tax rates:

- Indicative tax range for EPN: 75-78%. The tax rate for EPN is still influenced by the effect of uplift deduction, but the effect is lower than in prior periods. In periods with high oil and gas prices and high operating income, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range. The tax rate for 1Q24 was 77.0%.
- Indicative tax range for EPI: 35-50%. The tax rate is dependent on operating income composition between higher taxed countries and lower taxed countries including effects of uplift and investment allowances. The tax rate for 1Q24 was 15.0%.
- Indicative tax range EPUSA: 22-30%. The tax rate for 1Q24 was 24.9%.
- Indicative tax range MMP: 40-60%. MMP's tax rate depends on the operating income composition, i.e., operating income from NCS versus lower taxed regimes. The tax rate for 1Q24 was 43.7%.

**Cash flow movements:**

Of relevance for cash flow (not a comprehensive list):

- NCS petroleum tax; 2 instalments, in total around USD 7 billion; one of NOK 38 billion and one of NOK 37 billion.
- Other corporate taxes paid of around USD 0.4 billion.
- Share buy-back program (2024): Remaining part of 1<sup>st</sup> tranche in addition to majority of 2<sup>nd</sup> tranche completed in 2Q, in total around USD 0.4 billion cash effect in 2Q24.
- Dividend payment of USD 2 billion (0.70 per share). This is 4Q23 dividend approved by AGM and paid in 2Q24.
- M&A activity (net) cash outflow of around USD 0.6 billion.

#### Next quarter (conditional)

- Share buy-back - Liability to State of NOK 42.8 billion (around USD 4 billion) paid early July.
- Share buy-back 2024, 2<sup>nd</sup> tranche around USD 140 million (USD 528 total market share of 2<sup>nd</sup> tranche).
- Share buy-back programme 2024, 3<sup>rd</sup> tranche tbd.
- Dividend payment of USD 1.9 billion (1Q24 dividend).
- NCS petroleum tax 1 payment.

#### Other information:

Share buy-back liability to the Norwegian state\* of USD 4 billion (NOK 42.8 billion) approved by AGM in May 2024 and included in Finance debt in 2Q24-report This will impact Net Debt Ratio for 2Q24.

*\*The state share of the second, third and fourth tranche of the 2023 share buy-back programme and the first tranche of the 2024 programme.*

For more information, please visit our [webpage](#). The 2023 annual report can be found here: [Annual report 2023 - Equinor](#).

For guiding and additional information, we refer to the presentation and transcript for 1Q24: [Our quarterly results - Equinor](#).

**The 2Q results will be reported Thursday, 24 July at 07:00 CET.**

Before the publication of the **Equinor 1Q results on 25 April 2024**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)

Note that we this time introduce two lines describing cash flow:

- Cash flow from operations (before tax, excluding changes in working capital)
- Cash flow to investment (Including inorganic investments and increase/decrease in other interest bearing items)

We will no longer ask for liquids prices.

We 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:

**E&P Norway:**

- Estimated realised liquids price for E&P Norway is in the range of 78,8 – 80,8 USD/bbl.
- The preliminary internal gas transfer price for 1Q is published on our [webpage](#).
- The Norwegian Offshore 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.
- Divestment in Statfjord completed 29 December. New equity shares took effect from 1 January 2024.
- Assets on the NCS have NOK as functional currency.
- Equinor had exploration activity on NCS on 7 wells in 1Q24; of these, 6 wells were completed.

**E&P International:**

- Estimated realised liquids price in the range of 73-75 USD/bbl.
- Somewhat lower equity production compared to 4Q23, mainly due to turnarounds.
- Exploration activity in 4 wells.

**E&P USA:**

- Estimated realised liquids price in the range of 65-67 USD/bbl.
- Realised Gas prices consistent with 4Q23.

- Lower Production versus 4Q23 due to the downtime from field in US GOM in January and curtailment and lower activity in APB.
- Lower depreciation due to lower production in offshore assets and offshore reserve updates at year end 2023.

#### **MMP:**

- Average Brent was 83,2 USD/bbl, a price decrease of 1% compared to 4Q23.
- The preliminary internal gas transfer price for 1Q was published on our web page 5 April (also see our web page for historical prices).
- The quarterly guiding range for MMP's adjusted earnings is USD 400-800 million.

#### **REN:**

- Power generation is expected to be in line with the historical seasonal production pattern.
- Most of the offshore wind power production is sold to fixed support prices.
- Earnings from REN are expected to be negative on par with previous quarters due to growth mode of our REN business and project development activities, which continue to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented as net "gains/losses from equity accounted investments".

#### **Effective tax:**

Indicative tax rates:

- Indicative tax range for EPN: 75-78%. The tax rate for EPN is still influenced by the effect of uplift deduction, but the effect is lower than in prior periods. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range. The tax rate for 4Q23 was 79.3%.
- Indicative tax range for EPI: 35-50%. The tax rate is dependent on earnings composition between higher taxed countries and lower taxed countries including effects of uplift and investment allowances. The tax rate for 4Q23 was 63.0%.
- Indicative tax range EPUSA: 22-30%. The tax rate for 4Q23 was 53.7%.
- Indicative tax range MMP: 40-60%. MMP's tax rate depends on the adjusted earnings composition, i.e., earnings from NCS versus lower taxed regimes. The tax rate for 4Q23 was 66.2%.

#### **Cash flow movements:**

Of relevance for cash flow (not a comprehensive list):

- NCS petroleum tax: 1 installment of USD 3.5 billion (NOK 37 billion)
- Bond redemption: USD 1.9 billion
- Share buy-back program (2023) 4th tranche, USD 162 million (USD 550 million total market share of 4th tranche)
- Share buy-back program (2024) 1st tranche, USD 370,4 million (USD 396 million total market share of 1st tranche)

- Dividend payment of USD 2.7 billion (0.90 per share)

#### Next quarter (conditional)

- NCS petroleum tax; 2 installments: one of NOK 38 billion and one of NOK 37 billion
- Share buy-back program (2024) 1st tranche, USD 25,6 million (USD 396 million total market share of 1st tranche)
- Share buy-back program (2024) 2nd tranche, tbd
- Dividend payment of USD 2 billion (0.70 per share)
- Incoming insurance refund: 100 million USD

#### Other information:

For more information please visit our [web-page](#). You may find useful historic information under the heading [Information for analysts](#). The 2023 annual report can be found here: [Annual report 2023 - Equinor](#)

For guiding and additional information, we refer to the presentation and transcript for 4Q23: [Our quarterly results - Equinor](#)

#### Changes to Non-GAAP financial measures

From 1Q 2024, Equinor will no longer adjust for over/underlift to arrive at 'Adjusted earnings' and 'Adjusted earnings after tax'. Further, these measures will be renamed to 'Adjusted operating income' and 'Adjusted operating income after tax'.

In addition, Equinor will introduce two new measures on Equinor Group level; 'Adjusted net income' and 'Adjusted earnings per share' calculated on the basis of 'Adjusted net income'. 'Adjusted net income' will include adjusted net financial items after tax.

Further information, including definitions, reconciliations and restated/comparative historical measures, will be provided in the Q1 2024 report.

#### Changes to the Statement of Cash flows (classification)

From 1Q 2024, cash flows related to variation margin collaterals on commodity derivatives will be reclassified to 'Cash flows provided by operating activities' (line-item '(Increase)/decrease in other items related to operating activities') from 'Cash flows provided by/(used in) financing activities' (line-item 'Net current finance debt and other financing activities'). These cash flows form part of Equinor's principal revenue-making activities and stems from contracts included in Equinor's determination of Net operating income. Historical figures will not be restated due to materiality.

#### Changes to the Balance Sheet (presentation)

To provide a more precise presentation of what is generally perceived as working capital, and ensure better alignment with the line-item '(Increase)/decrease in working capital' in the Statement of cash flows, the following changes will be made from 1Q 2024 (including historical figures):

1. The line-item 'Trade and other receivables' will be disaggregated and presented on two lines; 'Trade and other receivables' and 'Prepayments and financial receivables'.
2. The line-item 'Trade, other payables and provisions' will be disaggregated and presented on two lines 'Trade and other payables' and 'Provisions and other liabilities'.

Other changes to the quarterly report format

Based on external feedback, we have updated the format of the Group and Segment quarterly review tables by separating the non-GAAP financial measures from the figures reported in accordance with IFRS® Accounting Standards. We hope this improves the reader friendliness of the tables.

In addition, to provide a more easily accessible overview, a "Key figures page" will be added at the beginning of the report.

**The 1Q results will be reported Thursday, 25 April at 07:00 CET.**

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, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment.

We 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:

#### **E&P Norway:**

- Estimated realised liquids price for E&P Norway is in the range of 78.9-80.9 USD/bbl
- The preliminary internal gas transfer price for 4Q will be published on our [webpage](#).
- The Norwegian Offshore 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.
- Breidablikk is currently ramping up production after startup 20 October (four months ahead of schedule).
- Divestment in Statfjord completed 29 December. New equity shares to take effect from 1 January 2024 and will hence not impact 4Q.
- 4Q production negatively impacted by around 10 mboe per day from turnarounds extending into 4Q23.
- Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value in periods with higher demand.
- Assets on the NCS have NOK as functional currency.
- Equinor had exploration activity on NCS on 8 wells in 4Q23; of these, 6 wells were completed.

#### **E&P International:**

- Estimated realised liquids price in the range of 68-70 USD/bbl.
- Stable equity production
- Stable gas/liquids mix.
- Exploration activity in 5 wells in 4Q23.
- R&D costs will increase EPI cost by about USD 30 million (historical cost transferred from "Other" to EPI).

#### **E&P USA:**

- Estimated realised liquids price in the range of 65-67 USD/bbl.



- Realised Gas prices above 3Q, but lower than historical normal for the season (absolute terms).
- Stable production
- Higher depreciation due to the increase in production in offshore assets with higher DDA rates.
- Exploration expenses significantly higher due to write off from well expenditures for three offshore wells.
- Increase in Opex/SGA due to one off-items that are not adjusted for.
- Combined impact of exploration write-offs and one-offs is around 200 MUSD

#### **MMP:**

- Average Brent was 84 USD/bbl, a price decrease of 3 % compared to 3Q23.
- The preliminary internal gas transfer price for 4Q is published on our web page January 10 (also see our web page for historical prices).
- The quarterly guiding range for MMP's adjusted earnings is USD 400-800 million.
- The fourth quarter refining and liquids margins are reduced from 3Q.
- Adjusted earnings are expected around the low end of the guided range.

#### **REN:**

- Power generation is expected to be in line with the historical seasonal production pattern.
- Most of the offshore wind power production is sold to fixed support prices.
- Empire Wind 2 offshore wind project announced reset and will impact the results slightly negatively.
- Earnings from REN are expected to be negative on par with previous quarters due to growth mode of our REN business and project development activities, which continue to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented as net "gains/losses from equity accounted investments".
- The acquisition of Rio Energy was closed on 3 November and is consolidated as a 100% subsidiary from closing date.

#### **Effective tax:**

##### **Indicative tax rates:**

- Indicative tax range for EPN: 75-78%. The tax rate for EPN is still influenced by the effect of uplift deduction, but the effect is lower than in prior periods. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range. The tax rate for 3Q23 was 77.9%.
- Indicative tax range for EPI: 30-45%. The tax rate is dependent on earnings composition between higher taxed countries and lower taxed countries including effects of uplift and investment allowances. The tax rate for 3Q23 was 20.1%.
- Indicative tax range EPUSA: 22-30%. The tax rate for 3Q23 was 23.8%
- Indicative tax range MMP: 40-60%. MMP's tax rate depends on the adjusted earnings composition, i.e., earnings from NCS versus lower taxed regimes. Earnings this quarter is mostly from activities with high tax rate. The tax rate for 3Q23 was 38.0%.

#### **Cash flow movements:**

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

- NCS petroleum tax: two installments of NOK 37.5 billion each (total NOK 75 billion) for the 2023 financial year and an additional tax payment of ~USD 1 billion (NOK 10 billion) driven by increased commodity prices.
- CO2 offshore tax payment of USD 111 million for first half of 2023 (NOK 2.98 billion – Equinor share 40%)
- Share buy-back programme (2023) 3rd tranche, USD 130 million (USD 550 million total market share of 3rd tranche)
- Share buy-back programme (2023) 4th tranche, USD 388 million (USD 550 million total market share of 4th tranche)
- Payment to Equinor Pension – 150 million USD (NOK 1,55 billion)
- M&A activities: (net) outgoing cashflow effect for Q4/2023: 250 million USD
- Bond redemption: 100 million USD
- Settlement of CO2 quotas for 2023: 630 million EUR
- Dividend payment of USD 2.7 billion (0.90 per share)

Next quarter (conditional)

- NCS petroleum tax: 1 installment of NOK 40.8 billion (preliminary calculation).
- Share buy-back programme (2023) 4th tranche, USD 162 million (USD 550 million total market share of 4th tranche).
- Bond redemption: 1,9 billion USD.
- Incoming insurance refund (Bahamas): 100 million USD.
- Dividend payment of USD 2.7 billion (0.90 per share).

#### **Other information:**

##### Updated table format

Based on external feedback we have updated the format of all tables by moving the line item labels/text to the far left. The first column to the right of the text will contain current quarter numbers. This is in line with the table format in the first quarter report. We hope this improves the reader friendliness of the tables.

For more information please visit our [web-page](#). You may find useful historic information under the heading [Information for analysts](#). The 2022 annual report can be found here: [Annual reports - Equinor](#)

For guiding and additional information, we refer to the presentation and transcript for 3Q23: [Our quarterly results - Equinor](#)

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

Before the publication of the **Equinor 3Q results on 27 October 2023**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

We 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 3Q results as well as other information that might be useful:

#### **E&P Norway:**

- Estimated realized liquids price for E&P Norway is in the range of 83.1 – 85.1 USD/bbl
- The preliminary internal gas transfer price for 3Q is 8.83USD/mmbtu as published on our [webpage](#).
- 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.
- Five turnarounds in 3Q23 (Troll A, Troll B, Troll C, Kvitebjørn and Valemon).
- For 3Q23, the effect of unplanned production losses was around 60 kboe/d, in addition to the effect of planned turnaround activities. This is mainly driven by a prolonged turnaround on Troll A and the shut-in of Nyhamna (mid-June - mid-July), which affected production from Ormen Lange and Aasta Hansteen also in 3Q.
- Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value in periods with higher demand.
- Assets on the NCS have NOK as functional currency.
- Equinor had exploration activity on NCS on 9 wells in 3Q23; of these, 5 wells were completed.

#### **E&P International:**

- Estimated realized liquids price in the range of 75.9 - 77.9 USD/bbl.
- Equity production is higher than 2Q23 due to the inclusion of the Buzzard field from July and higher production from Roncador and Mariner following operational issues and turnaround activities in 2Q23.
- Exploration activity on 5 wells in 3Q23: 4 wells in Bajo del Toro Norte in Argentina and one well at the Bacalhau field in Brazil.

- Gas/liquids share lower than 2Q23 due to the above-mentioned increased production from fields with mainly oil production (Buzzard, Mariner and Roncador)
- Increased depreciations following increased production.

#### **E&P USA:**

- Estimated realized liquids price in the range of 67- 69 USD/bbl
- Production is expected to be slightly lower compared to 2Q23 due to lower onshore production.
- Realized gas price has decreased in 3Q23 vs 2Q23 due to a wider differential to Henry Hub following mild weather in the Northeast US.
- Higher depreciation due to the increase in production in offshore assets with higher DDA rates.

#### **MMP:**

- Average Brent was 86.6 USD/bbl, a price increase of 10.7 % compared to 2Q23. The preliminary internal gas transfer price for 3Q is 8.83USD/mmbtu as published on our web page on 5 October (also see [here](#) for historical prices).
- During third quarter, liquids trading was supported by high margins, while gas marketing and trading experienced lower volatility and geographical spreads. Refinery margins were strong.
- The quarterly guiding range for MMP's adjusted earnings is USD 400-800 million.

#### **REN:**

- Power generation is expected to be in line with the historical seasonal production pattern.
- Most of the offshore wind power production is sold to fixed support prices.
- With reference to previous quarters, earnings from REN are expected to be negative due to growth mode of our REN business and project development activities, which continue to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented as net "gains/losses from equity accounted investments".

#### **Effective tax:**

##### Indicative tax rates:

- Indicative tax range for EPN: 75-78%. The tax rate for EPN is still influenced by the effect of uplift deduction, but the effect is lower than in prior periods. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range. The tax rate for 2Q23 was 77.2%.
- Indicative tax range for EPI: 30-45%. The tax rate is dependent on earnings composition between higher taxed countries and lower taxed countries including effects of uplift and investment allowances. The tax rate for 2Q23 was 44.2%.
- Indicative tax range EPUSA: 22-30%. The tax rate for 2Q23 was 23.2%
- Indicative tax range MMP: 40-60%. MMP's tax rate depends on the adjusted earnings composition, i.e., earnings from NCS versus lower taxed regimes. The tax rate for 2Q23 was 49.3%.

### Cash flow movements:

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

- NCS petroleum tax, one installment of ~USD 3.7 billion (NOK 37.5 billion), the first instalment of the 2023 financial year.
- Dividend payment of USD 2.7 billion (0.90 per share)
- Share buy-back program: USD 110 million (2nd tranche 2023 of USD 550 million market share) and USD 420 million (3rd tranche 2023 of USD 550 million market share)
- M&A activity with a cash outflow of USD 130 million

### Next quarter (conditional)

- NCS petroleum tax of two installments of NOK 37.5 billion each (total NOK 75 billion) for the 2023 financial year
- Note, an additional tax payment of ~USD 1 billion (NOK 10 billion) was paid on 2 October driven by increased commodity prices, hence this will impact 4Q23 cashflow. This payment is based on 2023 financial year and comes in addition to the six ordinary tax instalments (of NOK 37.5 billion).
- CO2 offshore tax payment of USD 111 million (NOK 2.98 billion – Equinor share 40%)
- Share buy-back programme (2023) 3rd tranche, USD 130 million (USD 550 million total market share of 3rd tranche)
- Share buy-back programme (2023) 4th tranche to be determined.
- Dividend payment of USD 2.7 billion (0.90 per share)

### Other information:

For more information please visit our [web-page](#). You may find useful historic information under the heading [Information for analysts](#). The 2022 annual report can be found here: [Annual reports - Equinor](#)

For guiding and additional information, we refer to the presentation and transcript for 2Q23: [Our quarterly results - Equinor](#)

### The 3Q results will be reported Friday, 27 October at 07:00 CET.

Please send the excel sheet with your consensus contribution to Lars Valdresbråten ([lava@equinor.com](mailto:lava@equinor.com)) and Amberley Doskey ([amlev@equinor.com](mailto:amlev@equinor.com)) by EOB Friday 13 October.

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](#) on Friday 20 October and notify by e-mail once they are out.

Thank you very much for your contribution.

Before the publication of the **Equinor 2Q results on 26 July 2023**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

We 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 2Q results as well as other information that might be useful:

#### **E&P Norway:**

- Estimated realized liquids price for E&P Norway segment in 2Q is estimated in the range 72.7-74.7 USD/bbl.
- The preliminary internal gas transfer price for 2Q is published on our [webpage](#).
- 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.
- Five turnarounds in 2Q23, with higher expected production loss than in 2Q22. The impact is largest for gas production and total NCS gas production is expected to be lower in 2Q23 than in 2Q22.
- During 2Q23 we saw an effect of unplanned production losses of around 70 kboe/d, in addition to the effect of planned turnaround activities. The main factors are shut ins at Hammerfest LNG (Melkøya) impacting Snøhvit, now back in production, and Nyhamna, impacting Ormen Lange and Aasta Hansteen. We refer to Shell as the operator for more information regarding Nyhamna.
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value in periods with higher demand.
- We remind you that the assets on the NCS have NOK as functional currency.
- Equinor had activity on NCS on 11 wells in 2Q23, out of these 7 wells were completed.

#### **E&P International:**

- Estimated realized liquid price in the range of 66.3 - 68.3 USD/bbl for 2Q23.
- Gas/liquids share lower than previous quarter due to Corrib divestment concluded on 31 March.
- Equity production is marginally lower than 1Q23 mostly due to the above-mentioned divestment. Turnarounds impacted production at fields in UK, Angola and Brazil.
- Gas prices expected to be lower than previous quarter following reduced market prices.

- Exploration activity in 4 wells in Argentina during 2Q23: Bajo del Toro Norte 64 to 67.
- Following the investment decision on BMC-33 in Brazil, previous expense of two exploration wells will be reversed. This will positively impact adjusted earnings for 2Q23 with USD 277 million.
- The Suncor acquisition closed on 30.06.2023. There will not be any effects on earnings in 2Q23 related to this transaction, only balance sheet items reported.
- Depreciations are mainly at the same level as 1Q23.

#### **E&P USA:**

- Estimated realized liquids price in the range of 61.5 – 63.5 USD/bbl.
- Production is expected to be slightly up compared to 1Q23.
- Gas Price is down significantly in 2Q23 vs 1Q23.
- Higher depreciation due to the increase in production in offshore assets with higher DDA rates.
- Exploration expense is below amount in 1Q23.

#### **MMP:**

- Average Brent for the quarter was 78.4 USD/bbl, a decrease of 3,5% compared to 1Q23.
- Hammerfest LNG (Melkøya/Snøhvit) has been shut down from 4 May until 14 June. Reference is made to information published by Gassco.
- The quarterly guiding range for MMP's adjusted earnings is 400-800 million USD.

#### **REN:**

- The power generation from renewables in 2Q23 is expected to be in line with the historical seasonal production pattern.
- Most of the offshore wind power production is sold to fixed support prices.
- With reference to previous quarters, earnings from REN are expected to be negative due to growth mode of our REN business and project development activities which continue to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented net as "gains/losses from equity accounted investments".
- California offshore wind lease auction (winning bid Dec 2022) closed during the quarter.

#### **Effective tax:**

##### **Indicative tax rates:**

- Indicative tax range for EPN: 75-78%. The tax rate for EPN is still influenced by the effect of uplift deduction, but the effect is lower than in prior periods. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range. We remind you that the tax rate for 1Q23 was 77.7%.

- Indicative tax range for EPI: 30-45%. The tax rate is dependent on earnings composition between higher taxed countries and lower taxed countries including effects of uplift and investment allowances. We remind you that the tax rate for 1Q23 was 46.3%.
- Indicative tax range EPUSA: 22-30%. We remind you that the tax rate for 1Q23 was 23.4%
- Indicative tax range MMP: 40-60%. MMP's tax rate depends on the adjusted earnings composition, i.e earnings from NCS versus lower taxed regimes. We remind you that the tax rate for 1Q23 was 33.2%.

#### **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):

- NCS petroleum tax, the two last tax installments for the financial year 2022, USD 10 billion (NOK 53.6 billion \* 2)
- Other taxes, USD 441million
- Dividend payment of USD 2.9 billion (0.90 per share); Bond redemption of USD 300 million
- Share buy-back program – USD 440 million (2<sup>nd</sup> tranche 2023 of USD 550 million)
- State Share buy- back: USD 3,5 billion (2<sup>nd</sup> – 4<sup>th</sup> tranche 2022 and 1<sup>st</sup> tranche 2023 – NOK 39 billion)
- M&A activity with a cash outflow of USD 1,3 billion (including acquisition of Suncor UK Ltd)

Next quarter (conditional)

- NCS petroleum tax: one installment for the financial year 2023.
- Share buy-back program – USD 110 million (2<sup>nd</sup> tranche 2023 of USD 550 million)
- Share buy-back program – 3<sup>rd</sup> tranche 2023– to be decided
- Dividend payment – USD 2,7 billion (0.90 per share)

#### **Other information:**

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

The 2022 annual report can be found here: [Annual reports - Equinor](#)

For guiding and additional information we refer to the presentation and transcript for 1Q23: [Our quarterly results - Equinor](#)

**The 2Q results will be reported 26 July at 07:00 CET.**



Before the publication of the **Equinor 1Q results on 4 May 2023**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

We 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 1Q results as well as other information that might be useful:

#### **E&P Norway:**

- Estimated realised liquids price for E&P Norway segment in 1Q is estimated in the range USD 76.5-78.5 USD/bbl.
- The preliminary internal gas transfer price for 1Q is published on our [webpage](#).
- 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.
- No turnarounds in 1Q 2023.
- Regularity negatively impacted by operational issues (including Johan Sverdrup).
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value in periods with higher demand. Total NCS gas production is expected to be close to the level seen in 1Q 2022.
- We remind you that the assets on the NCS have NOK as functional currency. Currency movements will hence reduce depreciation (assets to be depreciated are recorded in NOK) as this is translated into USD as the reporting currency. Also note that reserve additions normally reduce DDA in 1Q.
- Equinor had activity on NCS on 10 wells in 1Q 2023, out of these 8 wells were completed.

#### **E&P International:**

- Estimated realized liquid price in the range of 67.4-69.4 USD/bbl for 1Q23
- Gas/liquids share at the same level as previous quarter
- Equity production is marginally lower than 4Q 2022 due to turnaround effects mainly from Peregrino and Angola.
- No ongoing or completed exploration wells in 1Q23
- Closing of the Corrib deal 31.03 (gain or loss will be adjusted).

- Depreciations are expected to increase from last quarter. The main driver for the increase is the reversal of an impairment of a producing field in 4Q 2022

#### **E&P USA:**

- Estimated realised liquids price in the range of 60.7-62.7USD/bbl. Gas Price is down significantly in 1Q 2023 vs 4Q 2022
- Equity production is higher due to Caesar Tonga online vs turnaround in the prior quarter.
- Higher liquids share compared to prior quarter due to Caesar Tonga back online.
- Expensing the Abilene well during 1Q 2023 (approx. 30 MUSD)
- Opex is higher due to the additional production for Caesar Tonga resulting in additional production handling fees as well as planned well interventions on various offshore fields.
- Lower depreciation from YE reserves update for Offshore and Onshore assets.
- There is a corporate minimum tax on earnings. This will only impact cash flow as we are allowed to use the paid minimum tax as a credit against future corporate income tax (hence no P&L impact).

#### **MMP:**

- Average Brent for the quarter was 81.3 USD/bbl, a decrease of 8% compared to last quarter.
- The preliminary internal gas transfer price for 1Q is published on our webpage (also see our web page for historical prices).
- Note that the following changes for adjusted earnings will be implemented from 1Q 2023:
  - As part of Equinor's normal business, commodity derivative contracts are entered into for mitigation of price risk exposures on future sales and purchase contracts. These commodity derivatives are marked to market at each reporting date, while sales and purchases are recognised when the transaction occurs. With effect from 1Q 2023 the changes in mark to market value of derivatives used to manage price exposure related to future sales and purchase volumes will be excluded from adjusted earnings and deferred to the time of the physical delivery.
  - Please be aware that mark to market effects on derivatives related to geographical optimization of piped gas flows are regarded part of MMP's regular trading business and will continue to be part of MMP's adjusted earnings.
  - A change in valuation of inventories will also be implemented.
  - Further information, including updated definition of Equinor's adjusted earnings, explanation of the changes above, related reconciliations and restated 2022 numbers, will be provided in the 1Q 2023 report.
- The quarterly guiding range for MMP's adjusted earnings is 400-800 million USD. For 1Q 2023 the MMP result is expected above guided range.
- The subdivision of MMP results will change from 1Q23. This has no impact on overall MMP result.

#### **REN:**

- The power generation from renewables in 1Q 2022 is expected to be in line with the historical seasonal production pattern.

- High power prices are not expected to impact the reported results significantly.
- With reference to previous quarters, earnings from REN might be expected to be negative in the range USD 25-75 million due to growth mode of our REN business and project development activities which continue to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented net as "gains/losses from equity accounted investments".
- BeGreen transaction closed in January 2023. California lease auction expected to close in 2Q23.

### **Effective tax:**

Indicative tax rates:

- Indicative tax range for EPN: 75-78%. The tax rate for EPN is still influenced by the effect of uplift deduction, but the effect is lower than in prior periods. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range (close to 78%). We remind you that the tax rate for 4Q22 was 77.4%.
- Indicative tax range for EPI: 30-45%. The tax rate is dependent on earnings composition between higher taxed countries and lower taxed countries including effects of uplift and investment allowances. We remind you that the tax rate for 4Q22 was 45.6%.
- Indicative tax range EPUSA: 22-30%
- Indicative tax range MMP: 40-60%. MMP's tax rate depends on the adjusted earnings composition, i.e. earnings from NCS versus lower taxed regimes.

### **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):

- NCS petroleum taxes, of USD 5.4 billion (NOK 53.6 billion), the fourth instalment for the financial year 2022, were paid in February
- Dividend payment, USD 2.9 billion (0.90 per share); USD 0.20 per share in base dividend and USD 0.70 per share in extraordinary dividend (dividend for 3Q 2022)
- Bond redemption of USD 2.1 billion
- Share buy-back program, USD 461 million, 4<sup>th</sup> tranche of the 2022 program and 1<sup>st</sup> tranche of the 2023 programme
- M&A activity with a net positive cash flow of USD 1.5 million

We also remind you that for the cashflow, there is normally a 30 days payment delay on the sales we make.

Next quarter (conditional):

- NCS petroleum tax, the two last tax installments for the financial year 2022, estimated to USD 10.3 bn (NOK 53.6 billion \* 2)
- Other taxes, USD 383 million
- Dividend payment of USD 2.9 billion (0.90 per share); USD 0.30 per share in base dividend and USD 0.60 per share in extraordinary dividend (dividend for 4Q 2022), subject to AGM approval
- Bond redemption of USD 300 million
- Share buy-back program - TBD
- M&A activity resulting in net cash outflow, estimated to USD 850 million

**Other information:**

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

The 2022 annual report has recently been published. The report as well additional information, can be found here: [Annual reports - Equinor](#)

An improved method for measuring liquids volumes from MMP will be implemented and will impact volume sold. Further information, including restated numbers for 2022 will be provided in the 1Q 2023 report.

**Guiding:**

- Organic capital expenditures (i.e. excluding acquisitions, recognised lease assets (RoU assets) and other investments with significant different cash flow pattern) are estimated at USD 10-11 billion for 2023 and an annual average of around USD 13 billion for 2024-2026.
- Production for 2023 is estimated to be around 3% above the 2022 level.
- Scheduled turnaround activity is estimated to reduce equity production by around 45 mboe per day for the full year of 2023.

Before the publication of the **Equinor 4Q results on 8 February 2023**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

We 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:

**E&P Norway:**

- Estimated realised liquids price for E&P Norway segment in 4Q is estimated in the range USD 83.1 – 85.1 USD/bbl.
- The preliminary internal gas transfer price for 4Q (at USD 27.22/MMBTU) is published on our [WEB page](#).
- 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.
- One turnaround in 4Q 2022. There were no turnarounds in 4Q 2021.
- Gina Krog: continuation of gas export instead of re-injection.
- Start-up of Johan Sverdrup phase 2 December 15th
- Production of Njord was resumed December 27th
- We remind you that in 4Q 2022 Martin Linge production volumes will reflect the new ownership share of 51%. In addition, the Ekofisk area (Ekofisk and Tor II) is divested and no longer part of the results.
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value. Total NCS gas production is expected to be lower compared to 4Q 2021.
- We remind you that the assets on the NCS 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.
- Equinor had activity on NCS on 6 wells in 4Q 2022, out of these 2 wells were completed. Results of exploration wells in Norway are always announced by NPD and you will also find information on our web pages regarding discoveries.

**E&P International:**

- Estimated realised liquids price in the range of 77.4-79.4 USD/bbl.
- Start-up of Peregrino phase 2 in October impacts production positively
- Increased in gas/liquids share compared to previous quarter due to higher production from In Salah.
- Corrib is still held for sale

- Exploration activity in 2 wells in 4Q 2022 as in 3Q, but in addition exploration expenses (approx. 100 MUSD) for previously capitalized wells

#### **E&P USA:**

- Estimated realised liquids price in the range of 68.6-70.6 USD/bbl.
- Equity production is down compared to last quarter mainly due to turnaround at Caesar Tonga
- Lower liquids share compared to last quarter
- Note that we realize local prices for gas sold, which normally is at a discount to Henry Hub. Lower realized gas prices for 4Q vs 3Q.

#### **MMP:**

- Average Brent for the quarter was 88.7 USD/bbl, a decrease of 12% compared to last quarter.
- The preliminary internal gas transfer price for 4Q is published on our web-page (also see our web page for historical prices).
- Equinor uses derivatives to trade and change price exposure in all trading segments. As previously explained, derivatives are valued mark to market in our accounts every quarter, while corresponding sales are valued at delivery. Driven by decrease in forward gas prices, the net impact of derivatives in 4Q 22 applied to price risk manage bilateral gas contracts, future LNG sales and geographical optimization of piped gas flows is expected in the range of negative 2,1 – 2,5 Bn USD. Please be advised that these are partly a reversal of previously reported positive timing effects and partly timing effects which will be followed by later gains when volumes are delivered. The majority of this is taxed under the Norwegian petroleum tax system at 78%.
- The normal guidance range of adjusted earnings of 250-500 MUSD assumes fairly typical operating and market conditions. Excluding the impact of the derivative effects described above, high price volatility and spreads within the European gas and power markets, high refining margins and spark spreads will take the MMP result significantly above the guided range.

#### **REN:**

- The power generation from renewables in 4Q 2022 is expected to be in line with the historical seasonal production pattern.
- High power prices are not expected to impact the reported results significantly.
- With reference to previous quarters, earnings from REN might be expected to be negative due to growth mode of our REN business and project development activities which continue to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented net as "gains/losses from equity accounted investments".
- Acquisition of Danish solar developer BeGreen will be closed in 2023, no impact in 2022 accounts.

#### **Effective tax:**

Equinor will in the quarter recognize previously unrecognized deferred tax assets related to remaining historical losses on Equinor operations in the US of around USD 2.5 billion. The recognition of the deferred tax asset will result in a reduced IFRS tax expense for the quarter (will not impact adjusted earnings or the adjusted tax rate) and mainly impact the E&P USA reporting segment.

#### Indicative tax rates:

- Indicative tax range for EPN: 75-78%. In June, the NCS tax regime was amended to a cashflow tax regime. This means that uplift has been abolished on 2022 investments (still uplift on investments eligible for the temporary tax regime). The tax rate for EPN is still influenced by the effect of uplift deduction, but the effect is lower than in prior periods. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range (close to 78%). We remind you that the tax rate for 3Q22 was 77.6%.
- Indicative tax range for EPI: 30-45%. The tax rate is dependent on earnings composition between higher taxed countries and lower taxed countries including effect of uplift and investment allowances. We remind you that the tax rate for 3Q22 was 31.9%.
- Indicative tax range EPUSA: 0% for 4Q22
- Indicative tax range MMP: 40-60%. MMP's tax rate depends on the adjusted earnings composition, i.e. earnings from NCS versus lower taxed regimes. The losses on derivatives within NCS is taxed at 78%. Due to this the indicative tax rate is not applicable this quarter. We remind you that the tax rate for 3Q22 was 64.0%.

#### 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):

- NCS petroleum taxes, of USD 13.6 billion (NOK 70 billion x 2), the second and third instalment for the financial year 2022, were paid in October and December.
- Dividend payment, USD 2.2 billion (0.70 per share); USD 0.20 per share in base dividend and USD 0.50 per share in extraordinary dividend (dividend for 2Q 2022)
- Share buy-back program, USD 576 million, 3<sup>rd</sup> and 4<sup>th</sup> tranche of the 2022 program.
- Bond redemption of USD 250 million

We also remind you that for the cashflow, there is normally a 30 days payment delay on the sales we make.

#### Next quarter (conditional):

- One tax installment based on financial year 2022 (exact amount to be calculated).
- Share buy-back program
  - USD 130 million (estimated), which is the remaining part of market share of the 4<sup>th</sup> tranche of the 2022 program
- Dividend payment, USD 2.9 billion (0.90 per share) USD 0.20 per share in base dividend and USD 0.70 per share in extraordinary dividend (dividend for 3Q 2022)
- Bond redemption of USD 2.1 billion
- M&A activity resulting in net cash outflow of USD 385 million

#### Other information:

- We note that we expect reversal of impairments for assets in EPI (Mariner) and EPUS. This will not impact the adjusted numbers.

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

**Guiding:**

- Organic capital expenditures (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at around USD 8.5 billion for 2022, at an annual average of around USD 10 billion for 2022-2023 and at an annual average of around USD 12 billion for 2024-2025.
- Scheduled turnaround activity is estimated to reduce equity production by around 40 mboe per day for the full year of 2022.
- Production for 2022 is estimated to be around 1% above 2021 level (rebased for portfolio measures).

**The 4Q results will be reported 8 February at 07:00 CET.**

Note that Equinor will present a Capital Markets Update same day. The CMU material will be made available at the same time as 4Q-results.

We will make the aggregated, average consensus numbers available through the Equinor web page a week prior to the result day.



Before the publication of the **Equinor 3Q results on 28 October 2022**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

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, EPUSA, MMP, REN 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 3Q 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:**

- Estimated realised liquids price for E&P Norway segment in 3Q is estimated in the range USD 95,5 – 97,5 USD/bbl.
- The preliminary internal gas transfer price for 3Q is published on our [web page](#) (also see our web page for historical prices)
- 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](#).
- Six turnarounds in 3Q 2022). Total production loss due to turnarounds is expected to be higher in 3Q22 than in 3Q21 due to larger turnaround scope (*Oseberg, Johan Sverdrup*).
- Gina Krog: continuation of gas export instead of re-injection.
- Good and stable production from Snøhvit in 3Q 2022.
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value – no significant holdback due to price optimization in 3Q 2022. Troll had higher gas production compared to 3Q 2021, though max production level was lower during Kollsnes and Troll maintenance period. Total NCS gas production is expected to increase compared to 3Q 2021.
- We remind you that the assets on the NCS 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.
- Equinor had exploration activity on NCS on 5 wells in 3Q 2022, out of these 4 wells were completed. Results of exploration wells in Norway are always announced by NPD and you will also find information on our web pages regarding discoveries.

**E&P International:**

- Estimated realised liquids price in the range of 94.6-96.6 USD/bbl.
- Peregrino was back in production in July and adds to equity production.

- Decreased in gas/liquids share compared to previous quarter due to Peregrino back in production in July 2022 and lower gas production from Africa.
- Equinor has started to book regular over-underlift on Agbami from 01.08.2022. Therefore, number of lifted cargos on Agbami do not have an impact on the quarterly financials the same way as before.
- Corrib is still classified as “held for sale”.
- Exploration activity in 2 wells in 3Q 2022.

#### **E&P USA:**

- Estimated realised liquids price of 75-79 USD/bbl.
- Note that we realize local prices for gas sold, which normally price is at a discount to Henry Hub.
- Equity production expected to be consistent with last quarter
- Lower liquids share compared to last quarter

#### **MMP:**

- Average Brent for the quarter was 100.9 USD/bbl, a decrease of 11% compared to last quarter.
- The preliminary internal gas transfer price for 3Q is published on our web-page (also see our web page for historical prices).
- The normal guidance range of adjusted earnings of 250-500 MUSD assumes fairly typical operating and market conditions. Market prices in 3Q 22 means that MMP continues to have losses on methanol production from natural gas at Tjeldbergodden and an oil linked gas contract. The result is positively impacted by Hammerfest LNG back on stream. In 3Q 22 price volatility and spreads within the European gas and power markets have been historically high and MMP expects results well above the high end of the guided range.
- Equinor uses derivatives to trade and change price exposure in all trading segments. As previously explained, derivatives are valued mark to market in our accounts every quarter, while corresponding sales are valued at delivery. In 3Q 22 the net impact of derivatives applied to price risk manage our bilateral gas contracts, geographical optimization of piped gas flows and LNG sales is expected in the range of positive 200-500 MUSD. The derivative effect comes on top of the expectation described in the previous section.

#### **REN:**

- The power generation from renewables third quarter 2022 is expected to be in line with the historical seasonal production pattern.
- Limited exposure to price volatility, high power prices are not expected to impact the reported results significantly.
- With reference to previous quarters, earnings from REN might be expected to be negative due to growth mode of our REN business and project development activities which continue to be expensed.
- Most of our activity is equity accounted where Equinor’s share of P&L is presented net as “gains/losses from equity accounted investments”.

- Equinor has acquired 100% of the shares in the US based battery storage developer East Point Energy LLC, the transaction is closed and has been accounted for in the quarter. No significant impact on Adjusted earnings or balance sheet.

#### **Effective tax:**

- Indicative tax range for EPN: 75-78%. In June, the NCS tax regime was amended to a cashflow tax regime. This means that uplift has been abolished on 2022 investments (still uplift on investments eligible for the temporary tax regime). The tax rate for EPN is still influenced by the effect of uplift deduction, but the effect is lower than in prior periods. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range (close to 78%). We remind you that the tax rate for 2Q22 was 77.6%.
- Indicative tax range for EPI: 30-45%. The tax rate is depended on earnings composition between higher taxed countries and lower taxed countries including effect of uplift and investment allowances. We remind you that the tax rate for 2Q22 was 36.5%.
- Indicative tax range EPUSA: 0% (short term)
- Indicative tax range MMP: 40-60%. The tax rate is dependent on the earnings composition of adjusted earnings from NCS and lower taxed adjusted earnings outside NCS. Gains on derivatives taxed in the Norwegian offshore tax system will impact the effective tax rate.
- In periods with relatively high share of adjusted earnings from NCS the tax rate may be above the indicative range and in periods with relatively low share of adjusted earnings from NCS, the tax rate may be below the indicative range. We remind you that the tax rate for 2Q22 was 80.2%.

#### **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):

- NCS petroleum taxes, of NOK 70 billion, the first instalment for the financial year 2022, was paid in august.
- Note that an additional/extraordinary tax payment of NOK 105 billion was paid late September, hence impacting 3Q cash flow. This payment is based on the financial year 2022, but comes in addition to the six ordinary installments (of NOK 70 billion).
- Dividend payment, USD 1.3 billion (0.40 per share) - USD 0.20 per share in base dividend and USD 0.20 per share in extraordinary dividend (dividend for 1Q 2022)
- Share buy-back program, USD 620 million, 2<sup>nd</sup> and 3<sup>rd</sup> tranche of the 2022 program. In addition, the Norwegian state share of the share buy-back program, USD 1.4 bn (NOK 13.5) was paid in July.
- M&A activity resulting in net cash outflow of about USD 54 million
- Settlement of legal case, resulting in cash inflow of USD 170 million

We also remind you that for the cashflow, there is normally a 30 days payment delay on the sales we make.

Next quarter (conditional):

- NCS petroleum taxes, estimated to a total of USD 13,8 billion in two installments (NOK 70 billion x 2) for the financial year 2022
- Share buy-back program
  - USD 85 million (estimated), 3<sup>rd</sup> tranche of 2022 program
- Dividend payment, USD 2.2 billion (0.70 per share) USD 0.20 per share in base dividend and USD 0.50 per share in extraordinary dividend (dividend for 2Q 2022)
- Bond redemption of USD 250 million

#### **Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2021 contain relevant information in order to understand our business, reporting and numbers and can be downloaded from this page: [Annual Reports - equinor.com](#)
- For more information please visit our [web-page](#). You may find useful historic information under the heading “[Information for analysts](#)”

#### **Guiding:**

- Organic capital expenditures (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at an annual average of around USD 10 billion for 2022-2023 and at an annual average of around USD 12 billion for 2024-2025.
- Scheduled turnaround activity is estimated to reduce equity production by around 40 mboe per day for the full year of 2022.
- Production for 2022 is estimated to be around 2% above 2021 level (rebased for portfolio measures).

**The 3Q results will be reported 28 October at 07:00 CET.**

We will make the aggregated, average consensus numbers available through [our web-page](#) a week prior to the result day.

Before the publication of the **Equinor 2Q results on 27 July 2022**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

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, EPUSA, MMP, REN 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 2Q 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:**

- Estimated realised liquids price for E&P Norway segment in 2Q was approximately USD 109.1-111.3 USD/bbl
- The preliminary internal gas transfer price for 2Q is published on our [web page](#) (also see our web page for historical prices)
- 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](#).
- Seven turnarounds in 2Q 2022 (same number as in 2Q 2021). Four on Equinor-operated fields and three on partner-operated fields. Turnaround on Johan Sverdrup started 20 June. Total turnaround losses in 2Q higher than expected last quarter.
- Gina Krog: continuation of gas export instead of re-injection.
- Hammerfest LNG (Melkøya/Snøhvit) resumed production June 1st, 2022. Good production from Snøhvit after start-up.
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value. Oseberg has had some holdback in 2Q 2022 due to price optimization. Troll had higher gas production compared to 2Q 2021. Total NCS gas production expected to increase compared to 2Q 2021.
- We remind you that the assets on the NCS 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. Impact of currency also on OPEX, as a significant share of the OPEX base has NOK exposure. The currency effect contributes to a decrease when compared to 2Q 2021.
- Compared to 2Q 2021, underlying OPEX in 2Q impacted by ramp up of new fields and increased maintenance and energy costs.
- We expect an increased level for depreciation in underlying currency per barrel in 2022 compared to 2021, this in line with previous communication.

- Equinor had activity on NCS on 10 wells in 2Q 2022, out of these 8 wells were completed.

#### **E&P International:**

- Estimated realised liquids price in the range of 108.8-111 USD/bbl.
- Production is expected lower than last quarter due to Russia exit and turnarounds
- Expecting similar level gas/liquids share as last quarter
- The Peregrino field in Brazil remains shut down due to the riser rupture.
- Note that one cargo was lifted from Agbami in Q2 (in June).
- Depreciation expected on the same level as last quarter.
- Corrib is classified as “held for sale”.
- Activity in 1 well in 2Q22

#### **E&P USA:**

- Estimated realised liquids price in the range of 94.1-96 USD/bbl.
- Note that we realize local prices for gas sold, which normally price is at a discount to Henry Hub.
- Production expected to be consistent with last quarter
- Expecting similar level gas/liquids share as last quarter
- DDA expected to be higher than last quarter.
- Activity in 1 exploration well in 2Q22. Expect expensing of previously capitalized exploration activity as well as termination fee with a combined impact of about USD 140 mill.

#### **MMP:**

- Average Brent for the quarter was 113.8 USD/bbl, price increase of 12% compared to last quarter.
- Maintenance at Mongstad refinery from 23 April – 22 June, throughput reduced by approximately 60% in 2Q.
- Maintenance at Tjeldbergodden Methanol plant since 7 May, no production for remaining part of 2Q.
- Equinor uses derivatives to trade and change price exposure in all trading segments. As previously explained, derivatives are valued mark to market in our accounts every quarter, while corresponding sales are valued at delivery. In 2Q 22 the net impact of derivatives applied to price risk manage our bilateral gas contracts, geographical optimization of piped gas flows and LNG sales is expected in the range of positive 400-550 MUSD in 2Q 2022.
- The normal guidance range of adjusted earnings of 250-500 MUSD assumes fairly typical operating and market conditions. Market prices in 2Q 22 means that MMP continues to have losses on methanol production from natural gas at Tjeldbergodden and an oil linked gas contract, while there is a gain on a small volume of deferred gas sales delivered this summer.
- In 2Q price volatility and spreads within the European gas and power markets have been higher than normal, which means that MMP expects results above the normal guidance range.

#### **REN:**

- The power generation from renewables second quarter 2022 is expected to be in line with the historical seasonal production pattern.

- Limited exposure to price volatility, high power prices are not expected to impact the reported results significantly.
- No transactions (acquisitions or divestments) closed in the quarter.
- With reference to previous quarters, earnings from REN might be expected to be negative due to growth mode of our REN business and project development activities which continue to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented net as "gains/losses from equity accounted investments".

#### **Effective tax:**

- Indicative tax range for EPN: 70-77%. In June, the NCS tax regime was amended to a cashflow tax regime. This means that uplift has been abolished on 2022 investments (still uplift on investments eligible for the temporary tax regime). The tax rate for EPN is still influenced by the effect of uplift deduction, but the effect is lower than in prior periods. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range (close to 78%). We remind you that the tax rate for 1Q22 was 77.5%.
- Indicative tax range for EPI: 30-45%. The tax rate is depended on earnings composition between higher taxed countries and lower taxed countries including effect of uplift and investment allowances. We remind you that the tax rate for 1Q22 was 21.7%.
- Indicative tax range EPUSA: 0% (short term)
- Indicative tax range MMP: 40-60%. The tax rate is dependent on the earnings composition of adjusted earnings from NCS and lower taxed adjusted earnings outside NCS. Gains on derivatives taxed in the Norwegian offshore tax system will impact the effective tax rate.
- In periods with relatively high share of adjusted earnings from NCS the tax rate may be above the indicative range and in periods with relatively low share of adjusted earnings from NCS, the tax rate may be below the indicative range. We remind you that the tax rate for 1Q22 was a negative rate of 26.1%.

#### **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):

- NCS petroleum taxes, USD 8.0 billion (NOK 73.2 billion), two last instalments for the financial year 2021
- Dividend payment, USD 1.3 billion (0.40 per share) - USD 0.20 per share in base dividend and USD 0.20 per share in extraordinary dividend (dividend for 4Q 2021)
- Share buy-back program, USD 338 million, 2<sup>nd</sup> tranche of 2022 program
- M&A activity resulting in net cash of about USD 190 million

We also remind you that for the cashflow, there is normally a 30 days payment delay on the sales we make.

#### **Next quarter (conditional):**

- NCS petroleum taxes, estimated to USD 7.1 billion (NOK 70.3 billion) first installment for the financial year 2022
- Share buy-back program

- USD 102 million (estimated), 2<sup>nd</sup> tranche of 2022 program
- USD 1.4 billion / NOK 13.5 billion (estimated) Norwegian State's share
- Dividend payment, USD 1.3 billion (0.40 per share) USD 0.20 per share in base dividend and USD 0.20 per share in extraordinary dividend (dividend for 1Q 2022)
- Settlement of legal case: We expect to receive USD 160 million.
- M&A activity resulting in net cash in of about USD 800 million.

\*At the CMU in February 2022, Equinor stated that the share buy-back program for 2022 would be up to USD 5 billion (incl State share). The remaining tranches for this year will be subject to BoD and AGM approvals. The share buy-back programmed 3rd tranche for 2022 is yet to be determined

## Other information:

### Updates to the quarterly report

Equinor has re-designed the structure and content of the quarterly report with the purpose to ensure that relevant information is provided to the market in an efficient and compliant way. For your convenience, an illustrative example of the updated report will be distributed in due time before publication.

High level overview of changes:

- 1) Press release
  - a. Table with key metrics updated and moved to the page 2
  - b. Introduces three recurring topics: strategic developments, operational performance and financial results (incl capital distribution). Bullet points on the topics on page 2 together with CEO quote, elaboration follows on page 3.
- 2) MD&A/Management commentary section
  - a. Removed one table in both Group review section and BA/segment sections and combined important key metrics in one table. At the same time the narrative is more focused on key items.
- 3) Supplementary disclosures table moved forward (follows Group review) and renamed Supplementary operational disclosures
- 4) Financial statements and notes disclosures:
  - a. A leaner set of financial statements by removing columns and notes disclosures not required by law or accounting standards.

Please note that none of the non-GAAP financial measures included previous quarter have been changed or removed from the report. These are still included in the Supplementary section following Condensed interim financial statement and notes.

More detailed overview of changes:

Section	Change	Rationale
Press release	Updated financial and operational information in a table	To include key results and highlighted operational data in easy-to-read format



Press release	Bullet points key items for the company separated by topic	Highlight key messages for the quarter
Press release	More strategic and operational information communicated	Communicate more relevant information which may not be obvious from the numbers but is still relevant
MD&A - Group Review	Updated financial and operational information in a table	To include key results and highlighted operational data in easy-to-read format
MD&A - Group Review	Narrative discussion to include more context and reader friendly information. Not focused on separate line items	Communicate more contextual information to the results
Supplementary operational information	Moved operational data and health, safety and the environment information from the supplementary disclosures section	Highlight key operational data earlier in the report. No changes to data provided, only changed location
MD&A - Business Areas/segments	Updated financial and operational information in a table	To include key results and highlighted operational data in easy-to-read format
MD&A - Business Areas/segments	Narrative discussion to include more context linking to operational activity	Communicate more contextual information to the results
IFRS Statements & Notes	Removed column for full year prior year results (i.e. full year 2021) in P&L, OCI and Cash flow statement	Less relevant to the comparative results for this report
IFRS Statements & Notes	Removed column for balance sheet at prior quarter end and prior year equivalent quarter end	Voluntary disclosure, can be removed, not much interest from the market noted
IFRS Statements & Notes	Note 2 aggregated line items (total other revenues)	Voluntary disclosure, can be removed, not much interest from the market noted
IFRS Statements & Notes	Note 6 Property, plant and equipment and intangible assets removed	Level of information not required with exception of certain items to be included in note 2 and 3
Supplementary disclosures	All disclosures of non-GAAP financial measures provided in previous quarter are included. Operational data moved to earlier in the report	To be consistent with prior disclosures, all are included.

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2021 contain relevant information in order to understand our business, reporting and numbers and can be downloaded from this page: [Annual Reports - equinor.com](#)
- For more information please visit our [web-page](#). You may find useful historic information under the heading "[Information for analysts](#)"

#### Guiding:

- Organic capital expenditures (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at an annual average of around USD 10 billion for 2022-2023 and at an annual average of around USD 12 billion for 2024-2025.
- Scheduled turnaround activity is estimated to reduce equity production by around 45 mboe per day for the full year of 2022.

- Production for 2022 is estimated to be around 2% above 2021 level (rebased for portfolio measures).

**The 2Q results will be reported 27 July at 07:00 CET.**

We will make the aggregated, average consensus numbers available through [our web-page](#) a week prior to the result day.

Before the publication of the **Equinor 1Q results on 4 May 2022**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

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, EPUSA, MMP, REN 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 1Q 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:**

- Estimated realised liquids price for E&P Norway segment in 1Q was approximately USD 100/bbl
- The preliminary internal gas transfer price for 1Q is published on our [web page](#) (also see our web page for historical prices)
- 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](#). 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.
- Turnaround on Statfjord B in 1Q 2022. No turnarounds in 1Q 2021.
- Gina Krog: gas export instead of re-injection from early October.
- Production at Johan Sverdrup in 1Q 2022 was impacted by planned installation activities related to Johan Sverdrup phase 2 (~10 kboe/d impact on Q1)
- No production from Snøhvit in 1Q due to the fire at Melkøya in 2020 and this will impact EPN cost and revenues.
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value. Troll had higher gas production compared to 1Q 2021. Total NCS gas production expected to increase compared to 1Q 2021.
- We remind you that the assets on the NCS 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. Impact of currency also on OPEX, as a significant share of the OPEX base has NOK exposure. The currency effect contributes to a decrease when compared to 1Q 2021.
- OPEX in 1Q is positively impacted by credit Gassled removal obligation of about 115 MUSD (due to changes to discount rate, no cash effect).
- We expect an increased level for depreciation in underlying currency per barrel in 2022 compared to 2021, this in line with previous communication.

- Equinor had activity on NCS on 7 wells in 1Q 2022, out of these 4 wells were completed.
- 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 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.

#### **E&P International:**

- Estimated realised liquids price in the range of 97 to 99 USD/bbl.
- Production is expected slightly lower than last quarter.
- Expecting similar level gas/liquids share as last quarter
- The Peregrino field in Brazil remains shut down due to the riser rupture.
- Note that one cargo was lifted from Agbami in Q1 (in March).
- Depreciation expected to be lower than last quarter.
- Corrib is classified as “held for sale”.
- Equinor has announced its intention to exit assets (joint ventures) in Russia; [press release](#)
- Activity in 7 exploration wells in 1Q22

#### **E&P USA:**

- Estimated realised liquids price in the range of 83 to 85 USD/bbl.
- Note that we realize local prices for gas sold, which normally price is at a discount to Henry Hub.
- Production expected to be slightly lower than last quarter (both offshore and onshore).
- Expecting similar level gas/liquids share as last quarter
- DDA expected to be lower than last quarter.
- Activity in 1 exploration well in 1Q22.

#### **MMP:**

- Average Brent for the quarter was 101.3 USD/bbl, a price increase of 27% compared to last quarter.
- The preliminary internal gas transfer price for 1Q is published on our web page (USD 29.77 MMBTU, also see our web page for historical prices)
- Hammerfest LNG (Melkøya/Snøhvit) has been shut down since 28 September 2020, planned startup date is 17 May 2022.
- Equinor uses derivatives to trade and change price exposure in all trading segments. Derivatives are valued mark to market in our accounts every quarter. The high volatility and price increase in European gas markets in 1Q have resulted in larger than expected mark to market results for our European gas and LNG business. As previously explained, increasing prices give a positive value from the derivatives applied to price risk manage our bilateral gas contracts. This effect is offset by negative value from delivery of gas under the bilateral contracts during the quarter and negative mark to market results from derivatives applied to lock in value on future LNG deliveries and geographical optimization of our piped gas flows. The net impact of these components is expected to be in the range of negative 400-500 MUSD in 1Q 2022.

- The normal guidance range of adjusted earnings of 250-500 MUSD assumes fairly typical operating and market conditions. Volatility has been higher than normal in 1Q22. Market prices in 1Q 22 means that MMP is taking mark to market losses on a small volume of deferred gas sales, losses on methanol production from natural gas at Tjeldbergodden and loss on an oil linked contract.

#### **REN:**

- The power generation from renewables first quarter 2022 is expected to be in line with the historical seasonal production pattern.
- Limited exposure to price volatility, high power prices are not expected to impact the reported results significantly.
- With reference to previous quarters, earnings from REN might be expected to be negative due to growth mode of our REN business and project activities which continue to be expensed.
- Divestment of 10% share in Dogger Bank C was closed in the quarter with cash flow effect, gain will be adjusted out in Adjusted earnings.
- Most of our activity is equity accounted where Equinor's share of P&L is presented net as "gains/losses from equity accounted investments".

#### **Effective tax:**

- Indicative tax range for EPN: 70-77%. The tax rate for EPN is influenced by the effect of uplift deduction. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range. We remind you that the tax rate for 4Q21 was 76.4%.
- Indicative tax range for EPI: 30-45%. The tax rate is depended on earnings composition between higher taxed countries and lower taxed countries including effect of uplift and investment allowances. We remind you that the tax rate for 4Q21 was 26.2%.
- Indicative tax range EPUSA: 0% (short term)
- Indicative tax range MMP: 40-60%. The tax rate is dependent on the earnings composition of adjusted earnings from NCS and lower taxed adjusted earnings outside NCS. Reversal of gains on derivatives taxed in the Norwegian offshore tax system will impact the effective tax rate. In periods with relatively high share of adjusted earnings from NCS the tax rate may be above the indicative range and in periods with relatively low share of adjusted earnings from NCS, the tax rate may be below the indicative range. We remind you that the tax rate for 4Q21 was 90.5%.

#### **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):

- 1Q 2022 Share buy-back programme (2021) 2nd tranche, ca. USD 100 million
- Proceeds from sales (including Dogger C and Kalundborg) about USD 480 million.
- Dividend payment, USD 586 million (0.18 per share)
- Share buy-back program (2022) 1st tranche, USD 330 million (market execution only)
- NCS petroleum taxes, USD 4.1 billion (NOK 36.6 billion)
- Bacalhau contingency payment (cash outflow), USD 525 million

We also remind you that for the cashflow, there is normally a 30 days payment delay on the sales we make.

Next quarter (conditional):

- NCS petroleum taxes, USD 8.4 billion (NOK 73.2 billion, two installments)
- CO2 tax, USD 91 million (NOK 2 billion – Equinor share 40% -> NOK 800 million)
- Dividend payment, USD 1.3 billion (0.40 per share)
- Share buy-back program (2022) 2nd tranche, TBD\*

\*At the CMU in February 2022, Equinor stated that the share buy-back program for 2022 would be up to USD 5 billion (incl State share). The remaining tranches for this year will be subject to BoD and AGM approvals.

**Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2021 contain relevant information in order to understand our business, reporting and numbers and can be downloaded from this page: [Annual Reports - equinor.com](#)
- For more information please visit our [web-page](#). You may find useful historic information under the heading "[Information for analysts](#)"

**Guiding:**

- Organic capital expenditures (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at an annual average of around USD 10 billion for 2022-2023 and at an annual average of around USD 12 billion for 2024-2025.
- Scheduled turnaround activity is estimated to reduce equity production by around 40 mboe per day for the full year of 2022.
- Production for 2022 is estimated to be around 2% above 2021 level (2021 production rebased for portfolio measures).

**The 1Q results will be reported 4 May at 07:00 CET.**

We will make the aggregated, average consensus numbers available through [our web-page](#) a week prior to the result day.

Before the publication of the **Equinor 4Q results on 9 February 2022**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

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, EPUSA, MMP, REN 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:**

- Estimated realised liquids price for E&P Norway segment in 4Q in the range of 76.6 to 78.6 USD/bbl .
- No production from Snøhvit in 4Q due to the fire at Melkøya in 2020 and this will impact EPN cost and revenues. Other income related to insurance claim for business interruption expected (around 150 MUSD) (includes ~60% self-insured)
- Gina Krog: gas export instead of re-injection from early October.
- No turnarounds in 4Q 2021 compared to 5 turnarounds in 4Q 2020.
- Production ramp up from Martin Linge continued during 4Q.
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes to capture higher value. Oseberg and Troll had higher gas production compared to 4Q 2020. Total NCS gas production expected to increase compared to 4Q 2020.
- Among unplanned losses we highlight Johan Sverdrup (power supply) and Troll C (gas coolers), both in November, impacting production ~15 kboe/d in Q4
- We remind you that the assets on the NCS 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. Impact of FX also on OPEX, as a significant share of the OPEX base has NOK exposure. The NOK has strengthened from lows earlier this year, with the effect of increasing cost levels reported in USD. The currency effect contributes to an increase when compared to 4Q 2020.
- OPEX in Q4 is impacted by Gassled removal obligation of about 100 MUSD (due to changes to discount rate, no cash effect).
- We expect an increased level for depreciation in underlying currency per barrel in 2021 compared to 2020, this in line with previous communication.

- 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](#). 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.
- Equinor had activity on NCS on seven wells in 4Q 2021, of which four were completed. 4Q exploration expense includes ~25 MUSD credit for previously expensed wells.
- 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.

#### **E&P International:**

- Estimated realised liquids price for E&P International segment in 4Q in the range of range of 75.4 to 77.4 USD/bbl.
- Production impacted mainly by higher gas offtake at In Salah (Algeria), which will also increase Gas/liquids ratio compared to last quarter.
- The Peregrino field in Brazil remains shut down due to the riser rupture.
- Note that two cargos were lifted from Agbami in Q4.
- DDA expected to be higher than last quarter, driven primarily by negative reserve adjustments and increased production
- Activity in 7 exploration wells in 4Q21

#### **E&P USA:**

- Estimated realised liquids price for the E&P USA segment in 4Q in the range of range of 65.8 to 67.8 USD/bbl.
- Production expected to be higher than last quarter, driven primarily by GOM asset resuming production after experiencing significant downtime due to Hurricane IDA. This partly offset by lower expected production from US onshore.
- Expected to decrease gas/liquids share compared to last quarter due to production resuming for the GOM assets combined with lower expected gas production from US onshore
- Note that we get local prices for gas sold, which normally price at a discount to Henry Hub.
- Activity in 1 well in 4Q21 and no wells completed.

#### **MMP:**

- Average Brent for the quarter was 79.7 USD/bbl, a price increase of 8,5% compared to last quarter.



- The preliminary internal gas transfer price for 4Q was published on our [web page](#) January 10, 2022 (also see our web page for historical prices)
- Hammerfest LNG (Melkøya/Snøhvit) has been shut down since 28 September 2020, planned startup date is 31 March 2022.
- Equinor's gas sales are mostly spot based, but a share of our long term piped gas contracts are based on longer-dated indices. Equinor uses derivatives to change the price exposure of these volumes to spot and front month pricing.
- Derivatives are valued mark to market in our accounts every quarter, and in 3Q 21 MMP reported significant gains on derivatives generated by the increased gas prices during the quarter. As communicated in 3Q, the mark to market gains is followed by losses in 4Q when volumes are delivered under the long-term gas contracts because the prices in these contracts have been well below market prices this quarter. Changes in forward market prices also gives an additional loss on derivatives for future gas volumes. MMP's 4Q21 result will therefore be impacted by a loss of approximately 1400-1500 MUSD related to physical gas deliveries in 4Q and gas derivatives for future gas volumes under long term contracts
- Be reminded that the normal guidance range of adjusted earnings of \$250-500m assumes fairly typical operating and market conditions. The range does not take into account the impact mentioned in the previous bullet.
- The underlying gas prices are reflected in EPN via the transfer price. The decision to take derivative positions has been beneficial for Equinor as a group, reflected in EPN results, but creates volatility for MMP.

#### **REN:**

- The power generation from renewables fourth quarter 2021 is expected to be in line with the historical seasonal production pattern.
- Limited exposed to floating prices, high power prices are not expected to impact the reported results significantly.
- With reference to previous quarters, earnings from REN might be expected to be negative due to growth mode of our REN business and project activities which continues to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented net as "gains/losses from equity accounted investments".

#### **Effective tax:**

- Indicative tax range for EPN: 70-77%. The tax rate for EPN is influenced by the effect of uplift deduction. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range. We remind you that the tax rate for 3Q21 was 74.8%.
- Indicative tax range for EPI: 30-45%. The tax rate is depended on earnings composition between higher taxed countries and lower taxed countries. We remind you that the tax rate for 3Q21 was 32.0%.

- Indicative tax range EPUSA: 0% (short term)  
Indicative tax range MMP: 40-60%. The tax rate is dependent on the earnings composition of adjusted earnings from NCS and lower taxed adjusted earnings outside NCS. Reversal of gains on derivatives taxed in the Norwegian offshore tax system will impact the effective tax rate. In periods with relatively high share of adjusted earnings from NCS the tax rate may be above the indicative range and in periods with relatively low share of adjusted earnings from NCS, the tax rate may be below the indicative range. We remind you that the tax rate for 3Q21 was 80.4%.

### **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):

- NCS petroleum taxes of about USD 6.5 bn (NOK 55.5 bn).
- Dividend payment for 2Q 2021 of USD 0.6 billion (0.18 cents per share)
- Second tranche of share buyback programme of USD 1.0 billion of which around USD 230 million was in the market this quarter.
- NCS CO2 tax of about USD 100 million.
- Bond redemption of about USD 1.25 bn.
- Dogger C SPV repayment of shareholders loans, USD 190 million (GBP 139.5 million)
- We also remind you that for the cashflow, there is normally a 30 days payment delay on the sales we make.

Next quarter (conditional):

- NCS Petroleum tax of about USD 3.6 bn Tax 1Q 2022 is estimated. Precise number will be known end January 2022.
- Dividend payment for 3Q 2021 of USD 0.6 billion (0.18 cents per share).
- Share buyback programme 2<sup>nd</sup> tranche, USD 0.1 billion.
- Sale of Equinor Refining Denmark A/S, USD 390 million (including working capital movements)
- Contingency payment of around USD 525 million (Brazil).

### **Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2020 contain relevant information in order to understand our business, reporting and numbers and can be found here:  
<https://www.equinor.com/en/investors/annual-reports.html#downloads>
- For more information please visit our [web-page](#). You may find useful historic information under the heading "[Information for analysts](#)"

**Guiding:**

- Organic capital expenditures (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at around USD 8 billion for 2021, at an annual average of USD 9-10 billion for 2021-2022, and around USD 12 billion annual average for 2023-2024
- Scheduled turnaround activity is estimated to reduce equity production by around 45 mboe per day for the full year of 2021
- Production for 2021 is estimated to be around 2% above 2020 level (2020 production rebased for portfolio measures).
- 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 and full year results will be reported 9 February at 07:00 CET.**

**Note that Equinor will present a Capital Market Update same day, presentations will be available in the morning.**

We will make the aggregated, average consensus numbers available through [our web-page](#) a week prior to the result day.

|

Before the publication of the **Equinor 3Q results on 27 October 2021**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

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, EPUSA, MMP, REN 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 3Q 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:**

- Estimated realised liquids price for E&P Norway segment in 3Q in the range of 68.6 to 70.6 USD/bbl .
- No production from Snøhvit in 3Q due to the fire at Melkøya in 2020 and this will impact EPN cost and revenues.
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes out in time to capture higher value. Oseberg had higher gas production compared to 3Q 2020. Total NCS gas production expected to increase compared to 3Q 2020
- Impact on production from turnarounds in 3Q estimated at ~30 kboe/d.
- Production ramp up from Martin Linge during 3Q.
- We remind you that the assets on the NCS 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. Impact of FX also on OPEX, as a significant share of the OPEX base has NOK exposure. The NOK has strengthened from lows earlier this year, with the effect of increasing cost levels reported in USD. The currency effect contributes to an increase when compared to 3Q 2020.
- OPEX in Q3 is impacted by an updated estimate for decommissioning of pipelines – representing an increase of about 220 MUSD (no cash effect).
- We expect an increased level for depreciation in underlying currency per barrel in 2021 compared to 2020, this in line with previous communication.
- 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](#). 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.
- Equinor had activity on NCS on six wells in 3Q 2021, out of this three wells were completed. 3Q exploration expense includes ~60 MUSD expensed wells from previous periods

- 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.

#### **E&P International:**

- Estimated realised liquids price for E&P International segment in 3Q in the range of 68.5 to 70.5 USD/bbl.
- Production impacted by planned turnaround. Gas/liquids ratio lower than previous quarters due to turnaround at gas fields.
- The Peregrino field in Brazil is still shut down due to the riser rupture.
- Note that one cargo was lifted from Agbami in Q3.
- Activity in nine wells in 3Q21 with two wells completed.

#### **E&P USA:**

- Estimated realised liquids price for the E&P USA segment in 3Q in the range of 59.5 to 61.5 USD/bbl.
- Production impacted around 25 kboe/d by hurricane Ida. There was also planned turnaround this quarter.
- Note that we get local prices for gas sold and this has a discount to Henry Hub.
- Bakken divestment was closed 26 April this year and will no longer impact results.

#### **MMP:**

- Average Brent for the quarter was 73,47 USD/bbl, a price increase of 6,6% compared to last quarter.
- The preliminary internal gas transfer price for 3Q has been published on our [web page](#) (also see our web page for historical prices)
- European spot gas prices have more than doubled during 3Q. Equinor's gas sales are mostly spot based, but a share of our long term piped gas contracts are based on longer-dated indices. Equinor has used derivatives to change the price exposure of these volumes to spot and front month pricing.
- Derivatives are valued mark to market in our accounts every quarter and there will be a significant gain on MMPs 3Q results due to the impact of derivatives from increasing gas prices. In relation to these derivatives, investors should be advised that
  - The mark to market gains on derivatives in MMP in 3q will be followed by losses when volumes are delivered under the long-term gas contracts as prices in these contracts are well below current market prices. With current forward prices, MMP is therefore expecting to report significant losses in 4q21 and 1q22.
  - The underlying market gas prices are reflected in EPN via the transfer price. The decision to take derivative positions has been beneficial for Equinor as a group, reflected in EPN results, but creates volatility for MMP.
- Volumes previously sold forward for summer 21 is now delivered. This has a negative effect on 3Q adjusted earnings results and 3Q invoiced gas price Europe. This effect on the 3Q result is muted compared to the impact of the derivatives as described above.

- Hammerfest LNG (Melkøya/Snøhvit) has been shut down since 28 September 2020, planned startup date is 31 March 2022.
- Investors are reminded that the normal guidance range of adjusted earnings of \$250-500m assumes fairly typical operating and market conditions. The unprecedented strengthening of gas prices since 2Q announcement has resulted in very large mark to market moves on our gas derivative positions. This will imply a significant strengthening of the 3Q result relative to previous communication and MMP adjusted earnings well above the normal guided range.

#### **REN:**

- The power generation from renewables third quarter 2021 is expected to be in line with the historical seasonal production pattern.
- Limited exposed to floating prices, high power prices are not expected to impact the reported results significantly.
- With reference to previous quarters, earnings from REN might be expected to be negative due to growth mode of our REN business and project activities which continues to be expensed.
- Most of our activity is equity accounted where Equinor's share of P&L is presented net as "gains/losses from equity accounted investments".

#### **Effective tax:**

- Indicative tax range for EPN: 50-75%. The tax rate for EPN is influenced by the effect of uplift deduction. In periods with high oil and gas prices and high adjusted earnings, the effect of uplift is lower, and the tax rate is expected to be in the upper end of the indicative range. We remind you that the tax rate for 2Q21 was 72%.
- Indicative tax range for EPI: 30-45%. The tax rate is depended on earnings composition between higher taxed countries and lower taxed countries. We remind you that the tax rate for 2Q21 was below the indicative range (26.5%).
- Indicative tax range EPUSA: 0% (short term)
- Indicative tax range MMP: 40-60%. The tax rate is dependent on the earnings composition of adjusted earnings from NCS and lower taxed adjusted earnings outside NCS. The gains on the above mentioned derivatives are taxed in the Norwegian offshore tax system. In periods with relative high adjusted earnings from NCS the tax rate may be above the indicative range. We remind you that the tax rate for 2Q21 was 87.8%.

#### **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):

- NCS petroleum taxes of about USD 1.4 bn (NOK 11.75 bn).
- Dividend payment for 1Q 2021 of USD 489 million (0.15 cents per share)
- First tranche of share buyback programme of USD 300m of which USD 100m was in the market this quarter.
- Contingency payment of about USD 50 million.
- We also remind you that for the cashflow, there is normally a 30 days payment delay on the sales we make.

Next quarter (conditional):

- NCS Petroleum taxes in line with previous announcements of about USD 2.8 bn in two tranches. You may assume that Equinor will make an additional NCS tax payment as higher commodity prices justify a recalculation of expected taxes for 2021
- NCS CO2 tax of about USD 100 million.
- Dividend payment for 2Q 2021 of USD 586 million (0.18 cents per share).
- Bond redemption of about USD 1.25 bn.
- Expect to announce second tranche of share buyback programme.
- Positive contributions from loan repayments and dividends of about USD 250 million.
- Contingency payment of around USD 525 million (Brazil).

**Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2020 contain relevant information in order to understand our business, reporting and numbers and can be found here:  
<https://www.equinor.com/en/investors/annual-reports.html#downloads>
- For more information please visit our [web-page](#). You may find useful historic information under the heading "[Information for analysts](#)"

**Guiding:**

- Organic capital expenditures (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at an annual average of USD 9-10 billion for 2021-2022, and around USD 12 billion annual average for 2023-2024
- Scheduled turnaround activity is estimated to reduce equity production by around 50 mboe per day for the full year of 2021
- Production for 2021 is estimated to be around 2% above 2020 level (2020 production rebased for portfolio measures).
- 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 3Q results will be reported 27 October at 07:00 CET.**

We will make the aggregated, average consensus numbers available through our web-page a week prior to the result day.

Before the publication of the **Equinor 2Q results on 28 July 2021**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

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, EPUSA, MMP, Renewables 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 2Q 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:**

- Estimated realised liquids price for E&P Norway segment in 2Q in the range of 63.3 to 65.3 USD/bbl.
- No production from Snøhvit in 2Q due to the fire at Melkøya in 2020. Expect 120 MUSD booked as other income from insurance in 2Q due to this incident. Note that about 2/3 is self-insured and there will hence be a charge of about USD 80 million to "Other".
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes out in time to capture higher value – impact of this is low in 2Q 2021 (Troll and Oseberg high gas production levels during 2Q)
- Impact on production from turnarounds in 2Q estimated at 100 kboe/d.
- We remind you that the assets on the NCS 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. Impact of FX also on OPEX, as a significant share of the OPEX base has NOK exposure. The NOK has strengthened from lows earlier this year, with the effect of increasing cost levels reported in USD. The currency effect is significant when compared to 2Q 2020.
- We expect an increased level for depreciation in underlying currency per barrel in 2021 compared to 2020.
- 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](#). 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.
- Six wells expensed earlier years were reactivated this quarter, approx. ~95 MUSD.
- Equinor had activity on NCS on 6 wells in 2Q 2021, out of this 4 wells were completed. 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.

#### **E&P International:**

- Estimated realised liquids price for E&P International segment in 2Q in the range of 64.5 to 66 USD/bbl.
- Production impacted by planned turnaround.
- The Peregrino field in Brazil is still shut down due to the riser rupture. Cost of repairs will impact 2Q results
- Depreciation per boe is expected to increase relative to 1Q, partly due to changes in ARO calculations.
- Opex is expected to increase relative to 1Q, partly due to royalties and special taxes included as opex.
- Note that one cargo was lifted from Agbami in Q2.
- Activity in 10 wells in 2Q21 with 1 well completed.

#### **E&P USA:**

- Estimated realised liquids price for the E&P USA segment in 2Q in the range of 56.5 to 58.5 USD/bbl.
- Note that we get local prices for gas sold and this has a discount to Henry Hub.
- Bakken divestment was closed 26 April.

#### **MMP:**

- Average Brent for the quarter was 68.9 USD/bbl, price increase of 13% compared to last quarter.
- Our refineries are exposed to continued low refinery margins.
- The preliminary internal gas transfer price for 2Q has been published on our [web page](#) (also see our web page for historical prices)
- Equinor's gas sales are mostly spot based. During 2020, we took an opportunity to hedge some volumes into the higher prices available summer 2021 and 2022. With continued strengthening in gas prices, these sales are reported as mark to market derivatives losses. In 2Q this effect is partly offset by derivative gains on hedges that will be reversed in later quarters when the underlying sales is realized. Note that higher gas price is a net positive for Equinor, with underlying prices reflected in EPN via the transfer price.
- Hammerfest LNG (Melkøya/Snøhvit) has been shut down since 28 September 2020, revised startup date is 31 March 2022.
- Investors are reminded that the normal guidance range of adjusted earnings of \$250-500m assumes fairly typical operating conditions and refinery margins. With continued weak refining margins, Hammerfest LNG shutdown and losses on derivatives for gas forward sales, results in 2Q should be expected to be lower than the guided range but slightly better than 1Q21.

#### **Renewables/REN**

- The power generation from renewables second quarter 2021 is expected to be in line with the historical seasonal production pattern.

- We remind you that assets in operation are all equity accounted and Equinor's share of P&L is posted as income. The main rule is that cash dividends paid by the JV or associate are not booked to PL but credited to BS Investments. An exceptional case is Dudgeon Holding Ltd. where the dividends are booked to the income statement according to current accounting policy and will impact 2Q Adjusted earnings by about USD 24 million.
- With reference to previous quarters, earnings from REN might be expected to be negative in quarters where no divestment is included. This includes quarters when dividend from Dudgeon has been included. The main reason for this is the equity accounting method mentioned above, and the growth mode of our REN activities which continues to be charged as opex for REN.
- No material divestments in the quarter.
- Equinor acquired 100% of the shares in Polish onshore renewables developer Wento in the quarter. This is included in the 2Q numbers (full consolidation) but has immaterial impact on Adjusted earnings. The acquisition will impact reported capex addition for the quarter.

#### **Effective tax rate:**

- Under the new tax regime in Norway, the range going forward can be expected to be lower in the near term, and more volatile (due to the higher effect of the uplift of 24% in one year). Indicative tax range for EPN: 50-75%
- Indicative tax range for EPI: 30-45%
- Indicative tax range EPUSA: 0% (short term)
- 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):

- NCS petroleum taxes of USD 150 million (NOK 1.33bn)
- NCS CO2 tax of about USD 100 million
- Net divestment of assets, contingency payments and redetermination (mostly Bakken, Wento and Agbami), USD 200-250m net payments.
- Dividend payment for 4Q 2020 of USD 390 million (0.12 cents per share)
- Loan to Dogger Bank, outflow of USD 125 million.

Next quarter (conditional):

- NCS Petroleum taxes of USD 1.4 bn.
- Dividend payment for 1Q 2021 of USD 490 million (0.15 cents per share)
- Expect to announce first tranche of share buyback programme of USD 300m of which USD 100m will be in the market
- Contingency payment of around USD 600 million (Brazil).

#### **Changes to Accounting Policies:**

No changes to accounting policies in 2Q.

#### **Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.

- The annual report and 20-F for 2020 contain relevant information in order to understand our business, reporting and numbers and can be found here:  
<https://www.equinor.com/en/investors/annual-reports.html#downloads>
- For more information please visit our [web-page](#). You may find useful historic information under the heading "[Information for analysts](#)"

**Guiding:**

- Organic capital expenditures (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at an annual average of USD 9-10 billion for 2021-2022, and around USD 12 billion annual average for 2023-2024
- Scheduled turnaround activity is estimated to reduce equity production by around 50 mboe per day for the full year of 2021
- Production for 2021 is estimated to be around 2% above 2020 level (2020 production rebased for portfolio measures).
- 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 2Q results will be reported 28 July at 07:00 CET.**



## Invitation for Equinor consensus

Before the publication of the **Equinor 1Q results on 29 April 2021**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

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, EPUSA, MMP, Renewables 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 1Q 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:

- Estimated realised liquids price for E&P Norway segment in Q1 in the range of 56 to 58/bbl.
- No production from Snøhvit in the Q1 due to the fire at Melkøya. Expect around 100 MUSD booked as other income from insurance due to this incident in Q1.
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes out in time to capture higher value – impact of this is low in 1Q 2020 (Troll and Oseberg high gas production levels during Q1)
- No planned turnarounds in Q1
- We remind you that the assets on the NCS 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. Impact of FX also on OPEX, as a significant share of the OPEX base has NOK exposure. The NOK has strengthened from lows earlier this year, with the effect of increasing cost levels reported in USD
- We expect an increased level for depreciation in underlying currency per barrel in 2021 compared to 2020
- 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. 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,

### E&P International:

- Estimated realised liquids price for E&P International segment in 4Q in the range of 56.5 to 58.5 USD/bbl.
- Equity production level in 1Q compared to previous quarter reflects some production from KrasGeoNac (Russia), gas offtake at In Salah (Algeria) and some production at Murzuq (Libya), partially offset by natural decline. Expect gas/liquids ratio to increase.
- The Peregrino field in Brazil is still shut down due to the riser rupture. Cost of repairs will impact 1Q results
- Note that one cargo was lifted from Agbami in Q1.

### E&P USA:

- Estimated realised liquids price for the E&P USA segment in 1Q in the range of 49.4 to 51.4 USD/bbl
- There was higher gas production Appalachian Basin compared to last quarter. Expect gas/liquids ratio for EP USA to increase.
- Bakken is "held for sale", production and income will be included in the 1Q numbers.
- Expect a decrease in DDA (depreciation). Assets "held for sale" are not depreciated.
- Expect quarter specific opex items to add close to USD 100 million to the cost line. Nearly half of this is expensed exploration, capitalized earlier periods.

### MMP:

- Average Brent for the quarter was 61.0 USD/bbl, an increase of 38% compared to last quarter.
- Our refineries are exposed to continued low refinery margins.
- The preliminary internal gas transfer price for 1Q has been published on our [web page](#) (also see our web page for historical prices)
- Equinor is selling mostly spot based gas sales. During 2020, we took an opportunity to hedge some volumes into the higher prices available summer 2021 and 2022. Recent strengthening in gas prices means that these sales are now reported as mark to market derivatives losses, impacting adjusted NOI. Note that higher gas price is a net positive for Equinor, with underlying prices reflected in EPN via the transfer price.
- Hammerfest LNG (Melkøya/Snøhvit) has been shut down since 28 September 2020
- The Tjeldbergodden methanol plant resumed production 20 February 2021.
- Investors are reminded that normal guidance range of \$250-500m assumes fairly typical operating conditions and refinery margins. With weak refining margins, shutdowns as noted and losses on derivatives for gas forward sales, results should be expected to be below normal range

### Renewables/REN (NES)

- This is the first time Equinor presents REN (formerly NES) as a reporting segment and hence this is the first time Equinor asks for consensus here.
- MD&A First quarter 2021 will review underlying production results and material divestments in the quarter, Net operating income reconciliation to adjusted earnings
- Segment note will present reclassified NES numbers in a column separate from (reclassified) Other segment. The IFRS NOI and adjusted earning segment information for the 4 quarters of 2020 is separately presented [on our web page](#).

- The power generation from renewables first quarter 2021 is expected to be in line with the historical seasonal production pattern.
- Equinor introduces new principle for adjusted earnings with regards to gains / losses for NES to be applied with effect for the 1Q 2021 interim financial statements with comparable figures (where material) to be restated. Management considers presentation of the segment operations result including the presentation of the gain from divestments being reflective of the performance of the segment at this point of time. The gain on divestment for 1q is expected in the range of around USD 1.3 billion.

#### **Exploration:**

- Equinor had activity in 16 wells in 1Q20, 7 on NCS and 9 outside Norway. 5 wells were completed, all on NCS.
- Results of exploration wells in Norway are always announced by NPD and you will also find information on our web pages regarding discoveries.
- 2 wells capitalized in earlier years being expensed this quarter on US (approx. 40 MUSD)
- 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.

#### **Effective tax rate:**

- Under the new tax regime in Norway, the range going forward can be expected to be lower in the near term, and more volatile (due to the higher effect of the uplift of 24% in one year). Indicative tax range for EPN: 50-75%
- Indicative tax range for EPI: 30-45%
- Indicative tax range EPUSA: 0% (short term)
- 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):

- NCS petroleum taxes of USD 75 million (NOK 0.67bn)
- Dividend payment of 290 million (0.11 cents per share)
- Bond redemption of USD 1.4bn
- USD 1.1 bn was received as payment for assets divested (Empire, Dogger, Bakken).

Next quarter (conditional):

- NCS petroleum taxes of USD 150 million (NOK 1.33bn)
- NCS CO2 tax of about USD 100 million
- Net divestment of assets and contingency payments (mostly Bakken and Bacalhau), USD 100-150m to be received.
- Dividend payment for 4Q 2020 of USD 390 million (0.12 cents per share)
- Loan to Dogger Bank, outflow of USD 125 million.

#### **Changes to Accounting Policies:**

Equinor will present Renewables as a reporting segment and, as stated above, the gains from sale of assets will be included in the adjusted number for this segment. This only impacts the “adjusted” numbers and has no relevance for IFRS.

**Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2020 contain relevant information in order to understand our business, reporting and numbers and can be found here:  
<https://www.equinor.com/en/investors/annual-reports.html#downloads>
- For more information please visit our [web-page](#). You may find useful historic information under the heading “[Information for analysts](#)”

**Guiding:**

- Organic capital expenditures (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at an annual average of USD 9-10 billion for 2021-2022
- Equinor estimates a total exploration activity level of around USD 0.9 billion for 2021, excluding signature bonuses, accruals and field development costs
- For the period 2020–2026, production growth is expected to come from new projects resulting in around 3% CAGR (Compound Annual Growth Rate) based on current forecast
- Scheduled turnaround activity is estimated to reduce equity production by around 50 mboe per day for the full year of 2021
- Production for 2021 is estimated to be around 2% above 2020 level (2070 mboed).
- 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 1Q results will be reported 29 April at 07:00 CET.**

Please send the excel sheet with your consensus contribution **by eob 19 April**.

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](#) and notify by e-mail once they are out.

Thank you very much for your contribution.

Kind regards,

Equinor IR

## Invitation to consensus 4Q 2020

Before the publication of the **Equinor 4Q results on 10 February 2021**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS, US and international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI, EPUSA), see below for estimated prices per segment

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, EPUSA, 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:

- Estimated realised liquids price for E&P Norway segment in 4Q in the range of 41 to 43USD/bbl
- No production from Snøhvit in the 4Q due to the fire at Melkøya
- Marginal impact of production curtailment in Q4 2020
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes out in time to capture higher value – impact of this is low in 4Q 2020 (Troll and Oseberg high gas production levels during Q4)
- Five planned turnarounds in 4Q; Snorre A, Troll B, Gullfaks A, Gullfaks B and Visund. The expected impact of the turnarounds is ~65 kboe/d in Q4, which is higher than Q4 previous years.
- We remind you that the assets on the NCS 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. Impact of FX also on OPEX, as a significant share of the OPEX base has NOK exposure. The NOK has strengthened from lows earlier this year, with the effect of increasing cost levels reported in USD
- We expect a stable level for depreciation in underlying currency per barrel in 2020 compared to 2019
- 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](#). 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.



**E&P International:**

- Estimated realised liquids price for E&P International segment in 4Q in the range of 41 to 43 USD/bbl
- Higher equity production level in 4Q compared to previous quarter mainly due higher gas nomination, and higher production on Mariner due to new wells, partially offset by natural decline. The proportion of gas was higher than previous quarter and normally the gas has a lower NOI contribution than oil.
- Higher equity production level in 4Q compared to previous quarter mainly due higher gas nomination, and higher production on Mariner due to new wells, partially offset by natural decline. The proportion of gas was higher than previous quarter and normally the gas has a lower NOI contribution than oil.
- Note that one cargo was lifted from Agbami in Q4, lifted in December
- The Peregrino field in Brazil is still shut down due to the riser rupture and repairs are expected to be finalized in 1Q 2021, when the production at Peregrino main will resume. Estimated cost of repairs are around 60mn USD (Equinor share) and the majority of this will be classified as OPEX, impacting 4Q 2020 and 1Q 2021 results
- DDA expected to be somewhat higher than last quarter, and operating expenses will include impact of higher maintenance activities.
- Additional one-off exploration charges are expected to be \$250m to \$275m in 4Q,

**E&P USA:**

- Estimated realised liquids price for the E&P USA segment in 4Q in the range of 33 to 35 USD/bbl
- Lower equity production level in 4Q compared to 3Q 2020, impacted by hurricanes and planned turnarounds, partially offset by increase in US onshore (APB). As presented earlier this year, Equinor has reduced activity onshore US, impacting production in the fourth quarter
- Gas/liquid ratio: Slight increase gas/liquids share compared to 3Q 2020 due to increased production from APB and lower production from Bakken/GoM

**MMP:**

- Average Brent for the quarter was 44.2 USD/bbl, price increase of 2.8% compared to last quarter.
- Our refineries are continuing to be exposed to weaker refinery margins.
- Equinor is selling mostly spot based gas sales. The preliminary internal gas transfer price for 4Q has been published on our [web page](#) (also see our web page for historical prices)
- Hammerfest LNG (Melkøya/Snøhvit) has been shut down since 28 September 2020.
- Tjeldbergodden methanol plant has been shut down since 2 December 2020
- Investors should expect adjusted result to be at the low end of normal guidance range of \$250-500m per quarter, due to the weak refining margins, shutdowns of Hammerfest LNG and Tjeldbergodden methanol plants, and more moderate trading results than seen in some previous quarters.

**Exploration:**

- Equinor had activity in 20 wells in 4Q20, 7 on NCS and 13 outside Norway. 8 wells were completed, 4 on NCS and 4 outside Norway.
- 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:**

- Under the new tax regime in Norway, the range going forward can be expected to be lower in the near term, and more volatile (due to the higher effect of the uplift of 24% in one year). Indicative tax range for EPN: 50-75%
- Indicative tax range for EPI: 30-45%
- Indicative tax range EPUSA: 0% (short term)
- 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):

- CO2 tax of USD 80 million
- NCS petroleum taxes of USD 380 million (NOK 3.4bn)
- Dividend payment of 290 million (0.09 cents per share)
- Bond redemption of USD 750 million
- Payment to Rosneft of around USD 550 million in relation to 49% interest in KrasGeoNac(KGN)
- We received USD 500 million as deposit relating to the announced \$1.1bn payment relating to the establishment of joint venture in US Offshore Wind
- Dogger Bank A and B repayment of shareholder loan following project financing of USD 243 million (GBP 182.5 million).

#### **Next quarter (conditional):**

- Remaining payment relating to the establishment of joint venture in US offshore wind
- Dividend payment for 3Q 2020 of USD 360 million (0.11 cents per share)
- Dogger Bank farm-down to ENI USD 271 million (GBP 202.5 million)
- Bond redemption of USD 1.4 billion

#### **Changes to Accounting Policies:**

No changes to accounting policies in 4Q

**Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2019 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:**

- Organic capital expenditures for 2020 (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at around USD 8.5 billion
- Guidance of a total exploration activity level of around USD 1.1 billion for 2020, excluding signature bonuses and early phase development.
- For the period 2019 – 2026, production growth is expected to come from new projects resulting in around 3% CAGR.
- Scheduled turnaround activity is estimated to impact equity production by around 30 mboe per day for the full year of 2020.
- 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 10 February at 07:00 CET.**

Please send the excel sheet with your consensus contribution to Lars Valdresbråten ([lava@equinor.com](mailto:lava@equinor.com)) and Ida Marie Fjellheim ([idfj@equinor.com](mailto:idfj@equinor.com)) **by eob 27 January.**

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 and notify by e-mail once they are out.

Thank you very much for your contribution.

Kind regards,

Before the publication of the **Equinor 3Q results on 29 October 2020**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 EPN, EPI and EPUSA
- Equity production (split between liquids and gas, NCS and from US and other international fields)
- Impact from PSA and US royalty barrels (to reach your estimated entitlement production)
- Liquids price in the quarter (separate lines for EPN, EPI and EPUSA), see below for estimated prices per segment

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, EPUSA 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 3Q 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:**

- Estimated realised liquids price for E&P Norway segment in 3Q in the range of 38.5 to 40.5 USD/bbl
- Production this quarter impacted by cuts ordered by Norwegian government. Fields in scope have received production permits for June, Q3 and Q4, with the largest impact on Johan Sverdrup and Åsgard. Total impact in Q3 from curtailment in itself is not significant due to using the curtailment limitation for maintenance and turnaround activity that otherwise would have required shut down. In addition some gas production has been deferred to periods with higher expected prices within the production curtailment.
- We remind you that the assets on the NCS 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. Impact of FX also on OPEX, as a significant share of the OPEX base has NOK exposure
- We expect a slight reduction in depreciation in underlying currency per barrel in 2020 compared to 2019
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes out in time to capture higher value
- Four planned turnarounds in 3Q; Snorre A, Troll B, Gullfaks B and Ivar Aasen. The expected impact of the turnarounds is ~10 kboe/d in Q3, which is lower than Q3 previous years. Some operational challenges impacted production negatively in the quarter
- 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](#). 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.

#### **E&P International:**

- Estimated realised liquids price for E&P International segment in 3Q in the range of 38.5 to 40.5 USD/bbl

- Lower equity production level in 3Q comparing to previous quarter, planned turnarounds
- Note that we lifted one cargo from Agbami in Q3, lifted in September
- Lifted volumes at Roncador is lower than previous quarter due to lifting schedule
- The Peregrino field in Brazil is still shut down due to the riser rupture and repairs are expected to take at least until the end of 2020. Estimated cost of repairs are around 60mn USD (Equinor share) and the majority of this will be classified as OPEX, impacting 3Q and 4Q results
- DDA expected to be approximately on the same level as last quarter

#### **E&P USA:**

- Estimated realised liquids price for E&P USA segment in 3Q in the range of 32.3 to 34.3 USD/bbl
- Lower equity production level in 3Q compared to 2Q 2020, mainly due to Impacts of hurricanes, planned turnarounds partially offset by increase in US onshore (APB). As presented earlier this year, Equinor has reduced activity onshore US, impacting production in the third quarter
- Gas/liquid ratio: Increase gas/liquids share compared to 2Q 2020 due to increased production from APB

#### **MMP:**

- Our refineries have been exposed to weaker refinery margins. The Cracker unit at the Mongstad refinery has been shut down for maintenance in July and August, reducing throughput and negatively impacting earnings.
- Average Brent for the quarter was 43.0 USD/bbl, price increase of 47% compared to last quarter.
- Equinor is selling mostly spot based gas sales. The preliminary internal gas transfer price for 3Q has been published on our [web page](#) (also see our web page for historical prices)
- Maintenance at Hammerfest LNG (Melkøya/Snøhvit) in September gave reduced number of LNG cargoes in the quarter
- Given normal volume and trading conditions the adjusted result for MMP has been in the range USD 250-500 million/quarter. For liquids, price curve has been in significant less contango compared to 2Q

#### **Exploration:**

- Equinor had activity in 28 wells in 3Q20, 11 on NCS and 17 outside Norway (DPI). 11 wells were completed, 8 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:**

- Under the new tax regime in Norway, the range going forward can be expected to be lower in the near term, and more volatile (due to the higher effect of the uplift of 24% in one year). The updated guiding given in 2Q is still valid: 50-75%
- Indicative tax range for EPI: 30-45%
- Indicative tax range EPUSA: 0% (short term)
- 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):

- Norwegian state's share of share buyback programme USD 1 billion
- NCS petroleum taxes received NOK 1.5bn
- Dividend payment of USD 290 million (0.09 cents per share)
- Bond redemption of USD 300 million, and EUR 850 million

Next quarter (conditional):

- CO2 tax of USD 80million
- NCS petroleum taxes – will be assessed depending on expected profitability including changes in commodity prices
- Dividend payment of USD 290 million (0.09 cents per share)
- Bond redemption of USD 750 million

#### **Changes to Accounting Policies:**

No changes to accounting policies in 3Q

#### **Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2019 was published 20 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:**

- Organic capital expenditures for 2020 (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at around USD 8.5 billion
- Guidance of a total exploration activity level of around USD 1.1 billion for 2020, excluding signature bonuses and early phase development.
- For the period 2019 – 2026, production growth is expected to come from new projects resulting in around 3% CAGR.
- Scheduled turnaround activity is estimated to equity production by around 30 mboe per day for the full year of 2020.
- 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 3Q results will be reported 29 October at 07:00 CET.**

Please send the excel sheet with your consensus contribution to Lars Valdresbråten ([lava@equinor.com](mailto:lava@equinor.com)) and Ida Marie Fjellheim ([idfj@equinor.com](mailto:idfj@equinor.com)) **by eob 16 October**.

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 and notify by e-mail once they are out.



## Invitation to consensus Q2 2020:

Before the publication of the **Equinor 2Q results on 24 July 2020**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 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 2Q 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:

- Production cut by Norwegian government implemented from June 1. Fields in scope have received new production permits for June, for Q3 and for Q4. Estimated cut for fields in scope in June is ~40-45 kboe/d Equinor share, with the largest impact on Johan Sverdrup.
- Estimated 2Q realised liquids price for DPN in the range of 22 to 24 USD/bbl.
- We remind you that the assets on the NCS 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. Impact of FX also on OPEX, as a significant share of the OPEX base has NOK exposure
- We expect a slight reduction in depreciation in underlying currency per barrel in 2020 compared to 2019
- We remind you that Equinor has the option to use flexibility in gas production and move gas volumes out in time to capture higher value. We also mention that the seasonal trend first half 2020 will be less pronounced as we will postpone some turnaround in 2Q as a consequence of Covid19.
- Only one turnaround performed in Q2 at Snøhvit/ Hammerfest LNG.
- 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.
- New preliminary tax rules for NCS approved by parliament in June. Will contribute to increased profitability and robustness of future NCS projects and wells, improved liquidity and a more stable NCS activity level. Some specifics on the new temporary tax regime can be found below (under "Changes to accounting policies")

**E&P International:**

- Estimated 2Q realised liquids price for EPI in the range of 22 to 24 USD/bbl. The differential to Brent Blend widened in 2Q compared to previous quarter due to lower demand for certain crudes as a result of a challenging market situation.
- Lower equity production level in 2Q compared to previous quarter, mainly due to lower nomination on In Salah, decrease in production from US onshore, and OPEC curtailment and natural decline on several assets
- Expect a decrease in depreciations compared with last quarter mainly driven by lower entitlement production combined with slightly lower average DD&A, primary caused by impairments booked last quarter. We remind you that depreciation at Mariner (UK) remains high.
- Note that two cargos lifted from Agbami in Q2, one lifted in April and one in June, compared to one cargo in 1Q.
- Production at Peregrino field was shut down (on 7<sup>th</sup> April) after a rupture of a riser at the Peregrino A platform during a leak test with water. The rupture was caused by corrosion, which also affects the other risers on the field. The repair and replacement of risers are expected to take at least until the end of 2020.
- Equinor halted operated Bakken drilling and completions in 1Q20 and stopped drilling in operated Appalachian in 2Q. In Bakken, 15% of the marginal wells were shut in and another 10% allowed to run to failure.

**MMP:**

- Average Brent for the quarter was 29.2 USD/bbl, price drop of 42% compared to last quarter.
- Equinor is selling mostly spot based gas sales. The preliminary internal gas transfer price for 2Q has been published on our [web page](#) and was 0.91 USD/MMBTU (also see our web page for historical prices)
- Our refineries are exposed to the negative development in refinery margins
- Maintenance at Hammerfest LNG (Melkøya/Snøhvit) in May/June, led to reduced number of LNG cargoes in the quarter
- In 2Q adjusted earnings will include a one-off positive impact of around USD 150 million reflecting a settlement for a third-party claim related to price review
- Given normal volume and trading conditions the adjusted result for MMP has been in the range USD 250-500 million/quarter. We want to remind you that MMP's activity in general is counter cyclical to our upstream activity and will benefit from a contango market and volatile market conditions

**Exploration:**

- Equinor had activity in 26 wells in 2Q20, 7 on NCS and 19 outside Norway (DPI). 10 wells were completed, 3 in Norway and 7 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:**

- Under the new tax regime in Norway, the guiding on effective tax rate for DPN of 72-74% is no longer valid. The range going forward can be expected to be lower, and more volatile (due to the higher effect of the uplift of 24% in one year). As the new regime is backdated to 1. January 2020, there will be an effect of around USD 115mn reducing the tax expense for 2Q, relating to 1Q results.
- 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 NCS tax installments totaling USD 1.74 bn
- Dividend payment of about USD 900 million (0.27 cents per share)
- CO2 tax of about USD 80 million (Equinor share)
- M&A net proceeds of around 270 million (Lundin share sale main contributor)

Next quarter (conditional):

- Norwegian state's share of share buyback programme USD 1 billion
- Dividend payment of USD 290 million (0.09 cents per share)
- Bond redemption of USD 300 million, and EUR 850 million
- M&A net payment of around 40 million

#### **Changes to Accounting Policies and presentation of results:**

We will provide additional information for our US business in the 2Q reporting.

#### **Temporary changes to the Norwegian taxation system:**

As a measure to maintain activity in the oil and gas related industry, the Norwegian Government on 19 June 2020 enacted temporary targeted changes to Norway's petroleum tax system for investments incurred in 2020 and 2021 and for new projects with final investment decisions submitted by end of 2022. The changes are effective from 1 January 2020. The 78% tax is (and always has been) split into two elements, currently 22% corporate tax and 56% Special Petroleum Tax. The decision in the Parliament means:

- No change to the treatment under the 22% corporate tax. Depreciation over 6 years.
- Two improvements under the 56% Special Petroleum tax for investments in 2020 and 2021:
  - 100% of the capex can be depreciated IN THE YEAR of spending, i.e get 100% relief at 56%
  - In addition, immediate relief of the "uplift", 24% of the capex allowed in year 1 (compared to what was 5.2% each year for 4 years i.e 20.8% overall)
- ALL upstream capex in Norway in 2020/2021 can be depreciated in this form – not just that on new or specified projects.

Example: If we spend 100, we get total tax value of 73.1 in year 1:

- Relief at 22% on 16.7 (one sixth) – as before
- Relief at 56% on 100 - instead of one sixth of it
- Relief at 56% on 24 – instead of 5.2
- Over six years, tax value is similar to the permanent regime (91.7 vs. 91.4 in temporary regime) before discounting

Note there is no change to the timing of cash taxes (6-month lag). Payable tax impact (in the accounts) will take effect as of 1 Jan 2020 and the corresponding cash tax impact will start in 2H 2020.

Additional rules of the temporary regime:

- All projects sanctioned by 2022 and approved by end 2023 will be able to take advantage of the temporary rules until production. Similar treatment as the tax rules for 2020/2021
- Tax value of losses will be refunded as negative instalment tax for the year incurred in 2020-2021

#### Other information:

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2019 was published 20 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:

- Organic capital expenditures for 2020 (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at around USD 8.5 billion
- Guidance of a total exploration activity level of around USD 1 billion for 2020, excluding signature bonuses and early phase development.
- For the period 2019 – 2026, production growth is expected to come from new projects resulting in around 3% CAGR.
- Scheduled turnaround activity is estimated to equity production by around 25 mboe per day for the full year of 2020.
- 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 2Q results will be reported 24 July at 07:00 CET.**

Please send the excel sheet with your consensus contribution to Lars Valdresbråten ([lava@equinor.com](mailto:lava@equinor.com)) and Ida Marie Fjellheim ([idfj@equinor.com](mailto:idfj@equinor.com)) **by eob 14 July**.

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 and notify by e-mail once they are out.

## Invitation to consensus Q1 2020:

Please note that Equinor will report 1Q results **7 May**, ref [announcement 6 April](#). This represented a change in the financial calendar (date was previously 30 May). Before the publication of the **Equinor 1Q results on 7 May 2020**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 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 1Q 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:

- Johan Sverdrup ramp-up continuing. Production at end Q1 at 430 000 boe/d (100%), ref [announcement 30 March](#).
- Operational challenges at Snorre previous quarters have improved during Q1 2019, but Snorre is still not producing at full capacity
- Oil prices were falling during the quarter and this will impact the EPN realized prices negatively as the company had a disproportionally high share of cargos lifted in March.
- Equinor is selling gas mostly related to spot prices. However the portfolio will have sales with longer dated indices in 1Q.
- 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 2020, on average, to be stable compared to 2019.
- Typically, NCS production in Q1 (like Q4) is seasonally above Q2 and Q3 numbers due to more gas production in the heating months and regular maintenance during the summer months. We remind you that Equinor has the option to use flexibility in gas production and move gas volumes out in time and this may impact the trend to some degree. We also mention that the seasonal trend first half 2020 will be less pronounced as we will postpone some turnaround in 2Q as a consequence of covid19.
- 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.

**E&P International:**

- Production was lower in 1q versus 4q. The main reason was the divestment of Eagleford (closed 6 December 2019), but there were also some reduction at other fields (both US onshore and elsewhere).
- Note that only one cargo was lifted from Agbami (Nigeria). The cargo was lifted in February, size about 970 000 boe. We do not adjust for over/underlift at Agbami so the underlift situation will impact adjusted earnings negatively.
- We have lifted several cargos late in the quarter (Brazil and others).
- A royalty has been implemented for Agbami and this will reduce entitlement production by 3-4000 boepd.
- One well with a relative high cost will be expensed.
- We remind you that reserve evaluations at the end of the year often implies a reduction in depreciation per barrel for 1q. At the same time we remind you that depreciation at Mariner (UK) is high.
- We do not expect falling commodity prices to cause much change to the impact from the PSA impact this quarter.

**MMP:**

- The Mongstad refinery had a turnaround in 4Q and 1Q impacting refinery throughput and products trading earnings. Mongstad was back at full operation mid-February.
- Average dated Brent for the quarter was 50.3 USD/bbl, minus 20.5% compared to last quarter (63.3 USD/bbl). Prices were falling towards the end of the quarter.
- The preliminary internal gas transfer price for Q4 was published on our [web page](#) on 3 April at 2.61 USD/MMBTU (also see our web page for historical prices).
- 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. This has been a quarter with increasing price volatility, posing challenges to refineries and product trading. Refining margins have been weak.

**Exploration:**

- Equinor had activity in 22 wells in 1Q20, 6 on NCS and 16 outside Norway (DPI). 5 wells were completed, 4 in Norway and 1 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):

- One tax instalment NCS: USD 0.87bn (NOK 7.6 bn)
- Dividend payment of USD 865 million (0.26 cent per share)
- First tranche of buyback programme was concluded in 1q; USD 58 million impact on cash flow.
- M&A net payment of USD 185 million.

Next quarter (conditional):

- Two NCS tax installments totaling USD 1.74 bn
- Dividend payment of about USD 900 million (0.27 cents per share, subject to approval at AGM)
- CO2 tax of about USD 80 (Equinor share).
- M&A net payment of about USD 65 million.

### 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 2019 was published 20 March. The reports do contain relevant information in order to understand our business, reporting and numbers and can be found here: [Annual reports](#).
- Note the action plan [presented 25 March](#), including an updated capex guiding and announcement of plan to reduce opex by around USD 700 million compared to original estimates.
- For more information please visit our [web-page](#). You may find useful historic information under the heading "[Information for analysts](#)"

### Guiding:

- Organic capital expenditures for 2020 (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at around USD 8.5 billion
- Guidance of a total exploration activity level of around USD 1 billion for 2020, excluding signature bonuses and early phase development.
- For the period 2019 – 2026, 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 20 mboe per day in the first quarter of 2020. In total, maintenance is estimated to reduce equity production by around 45 mboe per day for the full year of 2020.
- 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 1Q results will be reported 7 May at 07:00 CET.**

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 and notify by e-mail once they are out.

## 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.

### Invitation to consensus Q3 2019:

Before the publication of the **Equinor 3Q results on 24 October**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 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 3Q 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 Q3 (like Q2) is seasonally below Q1 and Q4 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.
- Scheduled turnaround activity for the group (EPN and EPI) is estimated to reduce quarterly production by approximately 50 mboe per day. NB Troll A turnaround is not included in this number as it is counted as flex gas.
- Aasta Hansteen has reached plateau earlier this year. We see stable gas share compared to 3Q 2018, lower gas share compared to 2Q 2019.
- Some operational challenges impacted production negatively in the quarter (Snorre B), Snorre B back in production at low rates.
- For liquids we have observed wider price differentials to Brent Blend than normal.
- The NGL-share of liquids production is expected to be in the upper end of a normal range (about 18-24%).
- 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 some increase from Q2 to Q3.
- EPN Opex for Q3 will also in Q3 include pre-operations cost for several new fields (cost with no volumes)

#### **E&P International:**

- Scheduled turnaround activity for the group (EPN and EPI) is estimated to reduce quarterly production by approximately 50 mboe per day
- Production impacted by turnaround activity, unplanned losses and decline on mature fields, partly offset by new fields Mariner and Utgard coming onstream during the quarter. However, the start-up of these fields were in the latter part of the quarter.
- DD&A impacted by higher depreciation relating to Mariner
- We remind you that there is flexibility in our US gas production and production can thus react to market signals. Market prices in 3Q were lower YoY and QoQ
- Two cargos were lifted from Agbami in the quarter

#### **MMP:**

- The Mongstad refinery had a turnaround in 3Q impacting refinery earnings in the quarter
- As observed in 2Q, realised liquids price has in the quarter been negatively affected by NGL prices and weaker differentials for our crude qualities compared to Brent.
- Average Brent for the quarter was 62 USD/bbl, -9,9% compared to last quarter (68.8 USD/bbl).
- The Troll field had a turnaround in 3Q impacting gas volumes for the quarter. In addition, we remind you that Troll is a flexible field and Equinor will optimize deliveries to take advantage of market developments
- 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 sales with longer dated indices for the remainder of 2019.
- We remind you that US gas trading contribution to MMP is typically zero or negative in Q2/Q3 due to local prices versus sale prices in relevant markets during summer months. For Q3 the sale prices have continued to be low relative to the production area and the spread has not covered the fixed transportation cost.
- The preliminary internal gas transfer price for Q3 was published on our [web page](#) on 2 October (also see our web page for historical prices).
- 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

#### **Exploration:**

Equinor had activity in 21 wells in 3Q19, 10 on NCS and 11 outside Norway (DPI). 11 wells were completed, 7 in Norway and 4 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):

- Caesar Tonga acquisition ~800mn
- Lundin transaction, sale of shares: USD 1.5bn (SEK 14.5bn)
- Lundin transaction, Sverdrup payment: USD 930mn
- One payment of cash tax NCS: USD 1.4bn (NOK 12bn)
- Dividend paid: USD 865mn (0.26 cent per share)
- Bond redemption: EUR 500mn
- Share buyback programme (as of 26<sup>th</sup> Sept): USD 91mn (NOK 819mn)

**Next quarter (conditional):**

- 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 redemption of USD 750 million
- First tranche of buyback programme will be concluded by 25 February 2020 (Total USD 500 million)

**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](#).

**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 50 mboe per day in the third 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 Q3 results will be reported 24 October at 07:00 CET.**

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

Publication of the **Equinor 2Q results** on **25 July 2019**.

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 2Q 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 Q2 (like Q3) is seasonally below Q1 and Q4 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.
- Scheduled turnaround activity (**E&P Norway and E&P International**) is estimated to reduce quarterly production by approximately 60 mboe per day, mostly impacting liquids production.
- Aasta Hansteen has reached plateau earlier this year. This, in addition to turnaround and production permits, will imply a higher gas share of the production mix compared to 2Q18.
- Some operational challenges impacted production negatively in the quarter (Snorre B, Åsgard, Oseberg).
- For liquids we have observed wider price differentials to Brent Blend than normal.
- The NGL-share of liquids production is expected to be in the upper end of a normal range (about 18-24%).

- 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 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.

#### **E&P International:**

- Scheduled turnaround activity (**E&P Norway and E&P International**) is estimated to reduce quarterly production by approximately 60 mboe per day, mostly impacting liquids production.
- We remind you that there is flexibility in our US gas production and production can thus react to market signals (weaker gas prices).

#### **MMP**

- The preliminary internal gas transfer price for Q2 will be published on our [web page](#) early July (also see our web page for historical prices).
- The Mongstad refinery is exposed to the negative development in refinery margins. This primarily due to weaker gasoline market this quarter as well as changes in feedstock prices due to IMO effects.
- Gas storage inventory is under IFRS valued at the lowest of cost and current market and the expected realized value of the winter price can therefore not be used for the accounting result. With declining prompt market and quite stable prices for the winter a significant negative timing effect due to the accounting methodology should therefore be expected for Q2 2019.
- We remind you that US gas trading contribution to MMP normally is zero or negative in Q2/Q3 due to local prices versus sale prices in relevant markets during summer months. For Q2 the sale prices have been particularly low relative to the production area and the spread has not covered the fixed transportation cost.
- 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

#### **Exploration**

- Equinor had activity in 22 wells in 2Q19, 9 on NCS and 13 outside Norway (DPI). 10 wells were completed, 5 in Norway and 5 in DPI. 3 of the wells, 1 on NCS and 2 in DPI, was expensed in 1Q.

- 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.
- Equinor was awarded 5 licenses, 4 as operator, in the 31<sup>st</sup> Offshore licensing round in UK, and 7, 5 as operator, in the 1<sup>st</sup> Offshore Licensing round in Argentina.

### **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 (Norway) each of about NOK 10.5 billion
- CO2 taxes in Norway of about USD 100 million was paid
- Dividend payment of USD 865 million for 4Q18 was paid in 2Q19
- Various asset transactions/payments is expected to result in net payments of about USD 240 million

Next quarter (conditional):

- One tax instalment (Norway)
- CO2 taxes in Norway of about USD 100 million to be paid
- Dividend payment of USD 865 million
- Various asset transactions/payments is expected to result in net payments of about USD 870 million (mostly Caesar Tonga)
- Bond redemption of USD 500 million

### **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](#).

#### **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 around USD 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 60 mboe per day in the second 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 Q2 results will be reported 25 July at 07:00 CET.**

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

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Publication of the **Equinor 1Q results on 3 May**.

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 Q1 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 Q1 (like Q4) 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.
- Some (minor) operational challenges impacted production negatively in the quarter. Media has reported minor issues at Snorre and Åsgard. Aasta Hansteen was ramping up in the first part of the quarter and reached plateau production during the quarter and is performing as expected.
- The NGL-share of liquids production is expected to be in the upper end of a normal range (about 18-24%).
- Note that in 4Q18, Equinor realised liquid prices were negatively impacted by the way we sell cargos (0-0-5) last quarter as price were declining through the quarter. During 1Q19, prices have been increasing and there will be an opposite impact this quarter, but not to the same degree as seen in 4Q18.
- 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.

#### **E&P International:**

- Production in Brazil this quarter is impacted by planned turnarounds.
- Note that the Brent-WTI (and other US onshore) differential has improved somewhat compared to last quarter, though remain higher than historic averages.
- The transaction to acquire Chevron's 40% operated interest in the Rosebank project west of Shetland on the UKCS was closed this quarter

#### **MMP**

- The preliminary internal gas transfer price for Q1 was USD 5.57 mmbtu (see our [web page](#) for historical prices). The conversion applied is 1 mmBtu equalling 26.28 Scm<sup>3</sup>. NOK/USD is calculated using average currency rates for the quarter.
- 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
- The acquisition of Danske Commodities was closed in Q1 with effective date 1 February 2019.
- 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.
- 1Q19 adjusted earnings will include a one-off negative impact of around \$80-100m reflecting a third party claim relating to prior period pricing.

#### **Exploration**

- We have had activity in 23 wells in 1Q19, 9 on NCS and 14 outside Norway (DPI). 10 wells were completed, 7 in Norway and 3 in DPI. Two wells in DPI, plus two subsequent wells, will be expensed as part of the 1q-results. Three of the nine wells in Norway were discoveries.
- Results of exploration wells in Norway are always announced by NPD and you will also find information on our web-pages.
- 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.

- Equinor was awarded 3 blocks in the US GoM lease sale 252.

### **Effective tax rate**

- Effective tax rates in INT and MMP are expected to be closer to the upper end of the indicative range provided for effective tax rate due to earnings composition (indicative range was 30-45% for INT and 40-60% for MMP)
- Tax rate for DPN expected in the range 72-74%.

### **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):

- One tax instalments of around NOK 10.5 billion was paid in Norway
- Full dividend was paid in February, around USD 770 million
- Previously announced acquisitions of assets and leases resulted in payments of about USD 750 million

Next quarter (conditional):

- Two tax instalment each of about NOK 10.5 billion
- CO2 taxes in Norway of about USD 100 million to be paid
- Dividend payment, pending AGM approval, of USD 865 million for 4Q18 will be paid in 2Q19
- Various asset transactions/payments is expected to result in net payments of about USD 200 million

### **Changes to Accounting Policies**

#### **1. Implementation of IFRS 16 Leases.**

Equinor implemented the accounting standard IFRS 16 Leases as of 1 January 2019 that increased the consolidated balance sheet by including lease liabilities of approximately USD 4.2 billion and a corresponding right of use asset on the asset side. In the Consolidated statements of income, operating costs will be replaced by depreciation and interest expenses. For leases allocated to activities which are capitalized, the cost will continue to be expensed as before, through depreciation of the asset involved or through the subsequent expensing of capitalized exploration. IFRS 16 will also lead to changes in the classification of lease-related payments in the statement of cash flows, where the portion of lease payments representing down payments of lease liabilities will be classified as cash flows used in financing activities.

Equinor does not plan changes to how management will monitor and follow up lease contracts used in its business operations. All lease contracts will therefore be presented within Equinor's "Other"-segment, and the E&P segments as well as the MMP segment will continue to be presented without reflecting IFRS 16 lease accounting. In these segments,



the costs of operating leases will be presented as operating costs rather than depreciation and interests. A corresponding credit will be recognised in the “Other”-segment to offset the lease costs recognised in the E&P and MMP segments.

The standard implies a significant change in lessees’ accounting for leases currently defined as operating leases under IAS 17. Equinor is for the most part a lessee in applying lease accounting, and the new leases to be recognised relates to leases of rigs, vessels, storage facilities and office buildings. Reference is made to note 23 Implementation of IFRS 16 to the 2018 Annual Consolidated Financial Statements for further description of the expected impact of the new standard, including impact on balance sheet, income statement, cash flow statement and segment presentation.

Some additional key figures will be presented excluding IFRS16 impact for the sake of comparison.

For the quarter, the implementation of IFRS16 is expected to have a positive impact on adjusted earnings within a range of USD 15-30 million.

2. Change on accounting policy for recognition of revenue from the production of oil and gas properties in which Equinor shares an interest with other companies (transition to the Sales Method) – No impact on Adjusted earnings.

Equinor will as of 1 January 2019 transition back to the Sales Method for recognizing revenue from the production of oil and gas properties in which Equinor shares an interest with other companies. The change will not impact adjusted earnings were the effect on income for the period is adjusted, to show estimated revenues and associated costs based upon the production for the period (not sales) which management believes reflects operational performance.

#### **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](#).
- There was [one dividend payment](#) in 1Q19. This had a payment of USD 0.23 cents/share.

#### **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 around USD 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 maintenance activity is estimated to reduce quarterly production by approximately 15 mboe per day in the first 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 Q1 results will be reported 03 May at 07:00 CET.**

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

Before the publication of the **Equinor Q4 results on 6 February** Equinor is gathering consensus. 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 Q4 results as well as other information that might be useful:

#### **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.
- 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.
- Production from Åsta Hansteen started [16 December](#). The gas (and condensate) field will produce about 144 b.o.e/day at plateau, of which Equinor has 51%. It will normally take some time from a field is brought on stream before it reaches plateau production.
- A collision between two vessels close to the Sture terminal in Norway led to a shutdown of installations at [Sture and Kollsnes](#) for about a day. This implied that producing installations in the Oseberg and Troll area also had to shut down.

#### **E&P International:**

- Note that the Brent-WTI differential has increased over the quarter. The same goes for differentials for liquids from Bakken, North Dakota.
- The sale of the ownership in Alba on the UKCS to Verus Petroleum [was closed this quarter](#).

## MMP

- The preliminary internal gas transfer price for Q4 was USD 6.40.mmbtu (see our [web page](#) for historical prices). The conversion applied is 1 mmBtu equalling 26.28 Scm<sup>3</sup>. NOK/USD is calculated using average currency rates for the quarter.
- 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. These contracts will have a negative mark to market effect impacting reported cash flow within this quarter.
- The basket of reference prices is typically comprised of day, month, season and year ahead contracts. That is, some deliveries in the period are linked to year ahead prices from one year ago, while the year ahead prices currently observed should be reflected one year out.
- The acquisition of Danske Commodities was not finalized in 2018 and thereby did not impact Q4.
- 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.

## 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 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.
- We have had activity in 21 wells in 4Q18, 14 on NCS and 7 outside Norway (DPI). 9 wells were completed, all 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.

## 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 of around NOK 14 billion each were paid in Norway
- CO<sub>2</sub> taxes of around NOK 2 billion was paid in Norway
- Full dividend was paid in November, around USD 770 million
- Divestments of NCS-assets (King Lear, Tommeliten) were closed this quarter and Equinor received about USD 480 million
- Bond redemption of USD 750 million

- Refinancing of the Dudgeon wind park, as announced by the owners 12 December, resulted in an inflow of about USD 500 million to Equinor in the quarter.
- About USD 55 million was paid by Equinor ASA to “Equinor pensjon”, impacting the cash flow for ASA.
- Acquisition of shares in Scatec Solar, payment of about USD 70 million

Next quarter (conditional):

- Consideration of around USD 450 million is expected to be paid for the acquisition of Danske Commodities (pending regulatory approval)
- One tax instalment of about NOK 14 billion
- Full dividend payment of USD 770 million for 3Q18 will be paid in 1Q19
- Various asset transactions/payments is expected to result in net payment of about USD 155 million
- Massachusetts wind lease, payment of USD 135 million

### Changes to Accounting Policies

None that we are aware of as of now.

### Other information:

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- The annual report and 20-F for 2017 was published 23 March. The reports do contain relevant information in order to understand our business, reporting and numbers and can be found here: [Annual reports](#).
- Information from the annual general meeting can be [found here](#). Note that the AGM decided to change the name of the company from “Statoil” to “Equinor” and this has taken effect. Equinor asks you to reflect this (new name, logo, tickers) when you are referring to our company.
- There was [one dividend payment](#) in 4Q18. This had a payment of USD 0.23 cents/share.
- Be aware that results for 4Q18 will be released together with information the Equinor Capital Markets Update (6 February). Presentation (and webcast) of results and the CMU will be seen as one event.

### Guiding:

- Scheduled maintenance activity is estimated to reduce quarterly production by approximately 10 mboe/d in 4Q18. In total, maintenance is estimated to reduce equity production by around 35 mboe/d for the full fiscal year 2018.
- Organic capital expenditures for 2018 (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 1.5 billion for 2018, excluding signature bonuses.
- The equity production for 2018 is estimated to be 1-2% above the 2017 level (rebased 2017 of 2,073 mboe/d, adjusted for the KKD/oil sands-transaction and Petrocedeno reclassification).
- For the period 2017 – 2020 organic production growth is expected at 3-4% CAGR
- 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 Q4 results will be reported 06 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](#)”

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

We will make the aggregated, average consensus numbers available through [our web-page](#).

Before the publication of **Equinor's Q3 results on 25 October**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 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 Q3 results as well as other information that might be useful:

#### **E&P Norway**

- Typically, NCS production in Q3 (like Q2) is seasonally below Q1 and Q4 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.
- 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.

#### **E&P International:**

- In line with previous guidance, increased planned maintenance was observed in Q3
- A somewhat lower PSA effect relative to Q2 is expected this quarter
- Payments were made relating to Brazil signature bonuses – see Cash Flow Movements section below
- The [BM-S-8 transaction](#) to acquire Barra Energia's 10% interest remains under subject to regulatory approval, consequently no payments have been made

#### **MMP**

- The preliminary internal gas transfer price for Q3 was USD 5.48.mmbtu (see our [web page](#) for historical prices). 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 the recent increase in 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. These contracts will have a negative mark to market effect impacting reported cash flow within this quarter.
- The basket of reference prices is typically comprised of day, month, season and year ahead contracts. That is, some deliveries in the period are linked to year ahead prices from one year ago, while the year ahead prices currently observed should be reflected one year out.
- A weaker development in the NGL market compared to Brent influence the achieved liquids price for the quarter.
- We remind you that the acquisition of Danske Commodities is not finalized and as such transaction payment does not impact Q3.
- 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.

## 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 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.
- We have had activity in 13 wells in 3Q18, 7 on NCS and 6 outside Norway (DPI). 5 wells were 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.

## 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):

- One tax instalments of around NOK 14 billion was paid in Norway
- Full dividend was paid in August, USD 750 million
- New bond issuance of USD 1 billion (3.625%) due 2028
- Divestments of various mid-stream assets in UK led to a USD 140 million cash inflow
- Brazil 4th and 15th round signature bonuses totalling around USD 450 million were paid
- Acquisition of acreage in the US Austin Chalk resulted in a cash outflow of around USD 75 million

Next quarter (conditional):

- Two tax instalments of about NOK 14 billion each
- CO2 taxes of around NOK 2 billion will be paid in Norway
- Full dividend payment of USD 750 million for 2Q18 will be paid in 4Q18
- Bond redemption of USD 750 million



- Consideration of around USD 450 million is expected to be paid for the acquisition of Danske Commodities (pending regulatory approval)
- Refinancing of the Dudgeon windfarm is expected to result in approximately USD 450 million cash inflow

### Changes to Accounting Policies

None that we are aware of as of now.

### Other information:

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- All presentations from our CMU 7 February [can be found here](#). It is also possible to replay the webcast.
- The annual report and 20-F for 2017 was published 23 March. The reports do contain relevant information in order to understand our business, reporting and numbers and can be found here: [Annual reports](#).
- Information from the annual general meeting can be [found here](#). Note that the AGM decided to change the name of the company from “Statoil” to “Equinor” and this has taken effect. Equinor asks you to reflect this (new name, logo, tickers) when you are referring to our company.
- There was [one dividend payment](#) in 3Q18. This had a payment of USD 0.23 cents/share and no scrip.

### Guiding:

- Scheduled maintenance activity is estimated to reduce quarterly production by approximately 80 mboe/d in 3Q18. In total, maintenance is estimated to reduce equity production by around 35 mboe/d for the full fiscal year 2018.
- Organic capital expenditures for 2018 (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at around USD 11 billion
- Guidance of a total exploration activity level of around USD 1.5 billion for 2018, excluding signature bonuses.
- The equity production for 2018 is estimated to be 1-2% above the 2017 level (rebased 2017 of 2,073 mboe/d, adjusted for the KKD/oil sands-transaction and Petrocedeno reclassification).
- For the period 2017 – 2020 organic production growth is expected at 3-4% CAGR
- 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 Q3 results will be reported 25 October at 07:00 CET.

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

Please respond to **Lars and Marc before Monday 15 October**. Note that we have a “quiet period” last two weeks before reporting with no/minimum interaction with analysts and investors.

We will make the aggregated, average consensus numbers available through [our web-page](#) and notify by e-mail once they are out.

Before the publication of **Equinor 2q results 26 July**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet and resend to Equinor 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 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 2Q results as well as other information that might be useful:

### **E&P Norway**

- Normally NCS production in 2Q (and 3Q) is seasonally below 1Q and 4Q 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 regular maintenance also impacts the liquids production mix (higher share of NGL)
- 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. The NPD-data released 19 June indicated liquids production well below the NPD-forecast. This prompted several questions to Equinor IR asking if Equinor can confirm the same trend for the company. Equinor does not confirm this as we a) don't guide on monthly numbers, b) has not issued any announcement related to issues for particular fields in that period and c) monthly variations must anyhow be expected. However, we note that given the Equinor presence in most NCS fields it is normally a good correlation between NPD-figures and Equinor figures.
- One particular field on NCS jumped to a high depreciation basis in 1q18 (not repeating the reasoning here). This field is expected to see (similar) high depreciation per boe in 2q and 3q18.
- Equinor lost a court case (Oslo Tingrett, 15. May, documents in Norwegian) related to the termination of a COSL rig that had been working for the Troll field. There had been no provisions for this in the past in the Equinor accounts, and it is yet to determine whether provisions will be made for 2q18. You should note that Equinor has 30.6% of the Troll ownership and the amount will also have implications for taxes (can be deducted). Finally, there can still be an appeal and the ruling will in any case not have a cash impact on 2q18.
- Two NCS tax instalments were paid in the quarter, each of about NOK 8 bn.
- We remind you that the assets on NCS (Norway Continental Shelf) have NOK as functional currency, i.e. the accounts are recorded in NOK. Currency movements will also impact depreciation (assets to be depreciated are recorded in NOK) as this is translated into USD as the reporting currency

## E&P International:

- The [Roncador transaction](#) closed 14 June. This implies 16 days of accounting impact (production, cost, revenue, DDA).
- The acquisition of 40% of [North Platte in GOM](#) closed 11 April. Equinor cost was USD 226 million. This transaction has no impact on 2q18 earnings or cash flow.
- Equinor announced [the sale of certain UK assets \(including Alba\)](#) 30 April, effective date 1 January 2018. The transaction has not yet closed.
- Equinor completed [realignment of interest in the block BM-S-8](#) area in Brazil, June 6.
- Equinor was [awarded blocks in Brazil](#) 29 March. The signature bonus for these blocks totalled USD 1115 million and Equinor's share is USD 292 million. Payments have not been made.
- Equinor participates in consortiums who [won bids in the 4th production sharing round in Brazil \(7 June\)](#). The signature bonuses will not be paid in 2q18.

## MMP

- The preliminary internal gas transfer price for 2Q will be published [on our web page](#) early July. 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 the recent increase in observed day-ahead spot prices for gas do not necessarily reflect realised gas prices for Equinor as Equinor will sell gas also related to other reference prices with longer time horizon. These contracts will also have a negative mark to market effect impacting reported cash flow within this quarter.
- Working capital affected by increase in inventory mainly due to prices but also partially from increased volumes at the end of the quarter.
- 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 lower end during summer

## 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 8 wells in 2Q18, 3 on NCS and 5 outside Norway (EPI). 3 wells were completed, 2 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.

## 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):

- As mentioned above, two instalments of about NOK 8 billion were paid in taxes in Norway.
- In addition, CO2 taxes of about NOK 2 billion was paid in Norway this quarter.
- Full dividend was paid in May, USD 730 million
- Bond redemption paid in May of USD 1.25 bn.
- Adjusted cash consideration of USD 2 billion paid to Petrobras following the closing of the Roncador deal.
- Following the closing of the deal(s) related to BM-S-8 in Brazil, Equinor received USD 955 million in cash in 2q18.

Next quarter(s) (conditional):

- Full dividend payment of USD 730 million for 1q18 will be paid in 3q18.
- Brazil 4<sup>th</sup> round signature bonuses expected to be paid end 3q18. Sum in USD will be in excess of USD 200 million.
- Brazil 15<sup>th</sup> round signature bonuses expected to be paid in 3q18. The sum will be in excess of USD 250 million.
- Divestments of various mid-stream assets in UK is expected to add about USD 140 million to cash in 3q18.

We also make you aware of a correction that will impact numbers for 2q18:

A classification error within cash flows provided by operating activities for Q1 2018 has been identified. The classification error lead to “Cash flows provided by operating activities before taxes paid and working capital items” being overstated by USD 114 million, and a similar understatement of “(Increase)decrease in working capital, leaving total cash flows provided by operating activities unchanged. The error had the consequence that Free Cash Flow was similarly overstated. Due to the nature of size of the classification error it will be corrected in the Q2 2018 reporting resulting in a corresponding understatement of Free Cash Flow with a similar amount.

### **Changes to Accounting Policies**

None that we are aware of as of now.

Please refer to notes to the 1q report (or the consensus invitation 1q18) for changes implemented by the start of 2018.

### **Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- All presentations from our CMU 7 February [can be found here](#). It is also possible to replay the webcast.
- The annual report and 20-F for 2017 was published 23 March The reports do contain relevant information in order to understand our business, reporting and numbers and can be found here: [Annual reports](#).
- Information from the annual general meeting can be [found here](#). Note that the AGM decided to change the name of the company from “Statoil” to “Equinor” and this has taken effect. Equinor asks you to reflect this this (new name, logo, tickers) when you are referring to our company.
- There was [one dividend payment](#) in 2Q18. This had a payment of USD 0.23 cents/share and no scrip.

- Equinor published its macro report, [Energy Perspectives 2018](#), June 7. This is not relevant for the quarterly numbers, but is recommended reading for the longer term perspectives.

#### **Guiding:**

- Organic capital expenditures for 2018 (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at around USD 11 billion
- Guidance of a total exploration activity level of around USD 1.5 billion for 2017, excluding signature bonuses.
- The equity production for 2018 is estimated to be 1-2% above the 2017 level (rebased 2017 of 2073 mboe/d, adjusted for the KKD/oil sands-transaction and Petrocedeno reclassification).
- For the period 2017 – 2020 organic production growth is expected at 3-4% CAGR
- Scheduled maintenance activity is estimated to reduce quarterly production by approximately 50 mboe per day in the first quarter of 2018. In total, maintenance is estimated to reduce equity production by around 30 mboe per day for the full fiscal year 2018.
- 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 2q results will be reported 26 July at 07:00 CET.**

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

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

We will make the aggregated, average consensus numbers available through [our web-page](#) and notify by e-mail once they are out.

Before the publication of **Statoil's 1Q results 25 April**, 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 1Q results as well as other information that might be useful:

#### **D&P Norway**

- Normally NCS production in 1Q (and 4Q) 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.
- 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 closing of [the Martin Linge transaction](#) 19 March. This implied a payment, including pro et contra, in 1Q18 of USD 1.56 bn.
- One NCS tax instalment was paid in the quarter.
- 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:**

- Partial payments of USD 345 million for the previously announced acquisition of the Carcara discovery in Brazil were made in 1Q18.
- December 18 2017 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. Note that this was not closed during 1Q18 and will hence not impact the results in the quarter.
- A payment of about USD 44 was made in the quarter as a consequence of the previously announced changes to the [PSA for ACG](#) in Azerbaijan. This was the annual payment for 2018.
- Statoil was [awarded blocks in Brazil](#) 29 March. The signature bonus for these blocks totalled USD 1115 million and Statoil's share is USD 292 million. Payments have not been made.

#### **MMP**

- The preliminary internal gas transfer price for 1Q is published [on our web page](#) at 5.48 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.
- As a market observation we note that refinery margins in general have been below 4q17-levels.
- 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 12 wells in 1Q18, 5 on NCS and 7 outside Norway (DPI). 7 wells were completed, 4 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.

## Changes to Accounting Policies

We make you aware of some changes to the accounting policies affecting 1Q18 reporting.

- IFRS 9 Financial Instruments was implemented by Statoil with effective date 1 January 2018. The standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The impact of the IFRS 9 implementation on Statoil's equity is immaterial. See the annual report and Form 20-F for 2017 Note 2 Significant accounting policies on page 139 for more information about the impact of the implementation of IFRS 9
- IFRS 15 Revenue from Contracts with Customers was implemented by Statoil with effective date 1 January 2018. The standard replaces existing revenue recognition guidance, including IAS 18 Revenue. IFRS 15 will principally impact the Marketing, Midstream & Processing segment (MMP), which accounts for the majority of Statoil's sales to customers, and which is responsible for the marketing and sale of the Norwegian State's direct financial interest's (SDFI's) petroleum volumes. To a lesser extent, the segments Exploration & Production International (E&P International) and Exploration & Production Norway (E&P Norway) are however also affected. The impact on Statoil's equity of the implementation of IFRS 15 is immaterial. See the annual report and Form 20-F for 2017 Note 2 Significant accounting policies on page 139-140 for more information about the impact of the implementation of IFRS 15.
- With effect from 1 January 2018, Statoil changed its policy for recognition of revenue from the production of oil and gas properties in which Statoil shares an interest with other



companies. Previously Statoil recognised revenue on the basis of volumes lifted and sold to customers during the period (the sales method). Under the new method, Statoil recognises revenues according to Statoil's ownership in producing fields, where the accounting for the imbalances is presented as other revenue. This voluntary change in policy has been made because it better reflects Statoil's operational performance, and also increases comparability with the financial reporting of Statoil's peers. The change in policy affects the timing of revenue recognition from oil and gas production; however, the implementation impact is immaterial.

- With effect from 1 January 2018, Statoil has changed its presentation of certain elements related to derivatives, non-cash currency effects and working capital items in the statement of cash flows. This to better reflect the cash impact of the different items within operating, investing and financing activities. The changes impacts classification of cash flow items within cash flows provided by operating activities and reclassification of cash flow elements relating to foreign exchange derivatives from operating activities to investing and financing activities.

#### Changes to classification of foreign currency derivatives

Statoil apply foreign currency derivatives to hedge currency exposure related financial investments and long-term debt in foreign currencies. Cash receipts and payments related to these derivatives has previously been classified as an operating cash flow together with cash flows from other derivative positions. To better align the cash receipt and payments from foreign currency derivatives with the cash flows related to the underlying hedged items, the cash receipts and payments from these derivatives have been reclassified from an operating cash flow to an investing or financing cash flow depending on the nature of the hedged item.

#### Changes to classification of non-cash currency effects

Non-cash currency exchange gains and losses and currency translation effects previously presented as part of the individual line items within Cash flows provided by operating activities will be reclassified into the line item gain/loss on foreign currency transactions and balances. This to better distinguish changes in items relating to operating activities, i.e. decrease/increase in working capital, from the balance sheet impact of non-cash currency effects.

#### Changes to classification related to working capital items

Certain items that previously has been presented as part of change in working capital has been reclassified to other items related to operating activities if the nature of the item is non-cash provisions

#### Other information:

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- All presentations from our CMU 7 February [can be found here](#). It is also possible to replay the webcast.
- The annual report and 20-F for 2017 was published 23 March The reports do contain relevant information in order to understand our business, reporting and numbers and can be found here: [Annual reports](#).
- Please note that there has been one dividend payment in 1Q18. This payment was the last to include the scrip option.

#### Guiding:



- Organic capital expenditures for 2018 (i.e. excluding acquisitions, capital leases and other investments with significant different cashflow pattern) are estimated at around USD 11 billion
- Guidance of a total exploration activity level of around USD 1.5 billion for 2017, excluding signature bonuses.
- The equity production for 2018 is estimated to be 1-2% above the 2017 level (rebased 2017 of 2073 mboe/d, adjusted for the KKD/oil sands-transaction and Petrocedeno reclassification).
- For the period 2017 – 2020 organic production growth is expected at 3-4% CAGR
- Scheduled maintenance activity is estimated to reduce quarterly production by approximately 10 mboe per day in the first quarter of 2018. In total, maintenance is estimated to reduce equity production by around 30 mboe per day for the full fiscal year 2018.
- 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 «adjusted numbers» Statoil presents.

**The 1Q results will be reported 25 April at 07:00 CET.**

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

Please respond **before Monday 16 April**. Note that we have a “quiet period” last two weeks before reporting with no/minimum interaction with analysts and investors.

We will make the aggregated, average consensus numbers available through [our web-page](#) and notify by e-mail once they are out.

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](#)".

Before the publication of **Statoil's 3Q results 26 October**, 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 remind you that we will report in USD and ask for consensus contributions in USD million. 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 3Q results as well as other information that might be useful:

#### **D&P Norway**

- Normally NCS production in 3Q (and 2Q) is seasonally below 1Q and 4Q 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). Statoil is not responsible for any NPD data, but you may find the data convenient. In 2q there has also been turnaround impacting the production. Most of the turnaround took place in June and field specific details will not be visible in NPD data before the Statoil 2q-release.
- 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.
- Gina Krog [started production 30 June](#).
- Statoil updated status for [Johan Sverdrup](#) September 4. No P&L impact for 3q.

#### **D&P International:**

- Statoil divested the oil sands asset (KKD), the transaction was completed in 1q17. Leismer (KKD) will not impact 3q17 numbers (but helpful to keep in mind if comparing y-o-y).
- Statoil announced an additional acquisition [in BS-S-8](#). The total consideration is USD 379 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 3q). Statoil will pay ~USD 349 million.

#### **MMP**

- The preliminary internal gas transfer price for 3Q is published [on our web page](#) (3 October) at 4.17 USD/mmBtu. The conversion applied is 1 mmBtu equalling 26.28 Scm3. NOK/USD is calculated using average currency rates for the quarter.
- Given normal volume and trading conditions the adjusted result for MMP has been in the range USD 250-500 million/quarter, typically lower in the summer due to seasonal variations on price and volume (both Europe and US).

#### **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 16 wells in the third quarter, 8 on NCS and 8 outside Norway (DPI). 11 wells completed, 6 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.
- Outside of Norway, Statoil did announce the results of the dry wells [off-shore Canada](#).

#### **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 3Q17.
- The result of 1q17 [dividend issue](#) and [this](#) was announced September 21.

#### **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 11 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 5% 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 50 mboe per day in the third 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 3Q results will be reported 26 October at 07:00 CET.**

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

Please respond to **Lars and Anca before Monday 16 October**. Note that we have a “quiet period” last two weeks before reporting with minimum interaction with analysts and investors.

We will make the aggregated, average consensus numbers available through our web-page and notify by e-mail once they are out (about one week ahead of the quarterly release).

Before the publication of **Statoil's 2Q results 27 July**, 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 remind you that we will report in USD and ask for consensus contributions in USD million. 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 2Q results as well as other information that might be useful:

#### **D&P Norway**

- Normally NCS production in 2Q (and 3Q) is seasonally below 1Q and 4Q 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). Statoil is not responsible for any NPD data, but you may find the data convenient. In 2q there has also been turnaround impacting the production. Most of the turnaround took place in June and field specific details will not be visible in NPD data before the Statoil 2q-release.
- 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:**

- No operational disruptions have been reported from Statoil. As planned, less than half of the guided turnaround for Statoil this quarter took place outside Norway.
- Statoil divested the oil sands asset (KKD), the transaction was completed in 1q17. Leismer (KKD) will not impact 2q17 numbers.
- Bakken will see some increase in production compared to last quarter due to seasonal (weather) impact in the last quarters.
- The DPI result will be impacted by the reversal of accruals as a dispute has been resolved this quarter. The total impact on reported net income (IFRS) will be positive, somewhat below USD 1 bn, for Statoil. The impact on the adjusted result is expected to be around USD 600 mill. Both numbers post tax. No impact on the cash flow for this quarter is expected as a result of this.

#### **MMP**

- The preliminary internal gas transfer price for 2Q will be published [on our web page](#) on, or around, 4 July. Note that we are using USD/mmbtu in our reporting. You will find some historical data calculated in USD/mmbtu on the website. The conversion we apply is 1 mmBtu equalling 26.28 Scm3. NOK/USD is calculated using average currency rates for the quarter.



- Given normal volume and trading conditions the adjusted result for MMP has been in the range USD 250-500 million/quarter, typically lower in the summer due to seasonal variations on price and volume (both Europe and US).
- Turn-around at Hammerfest LNG (Melkøya/Snøhvit) in May and June, lead to reduced LNG cargoes in the 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 eight wells in the second quarter, 3 on NCS and 5 international. Four wells completed, one of them in Norway.

### 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 have been two dividend payments in 2Q17 (no payments took place in 1Q17).
  - The result of 3q16 [dividend issue](#) was announced April 5. and [April 7](#).
  - And the result of the [dividend issue](#) for 4q16 was announced June 21 and [22. June](#).
- A summary, as well as minutes, of the Statoil AGM [was released 11 May](#).

### 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 11 billion
- Guidance of a total exploration activity level of around USD 1.5 billion for 2017, excluding signature bonuses.
- The equity production for 2017 is estimated to be around 4-5% 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 75 mboe per day in the second 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 2Q results will be reported 27 July at 07:00 CET.**

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



We will make the aggregated, average consensus numbers available through our web-page (about one week ahead of the quarterly release).

Before the publication of **Statoil's 1Q results 4May**, 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 remind you that we will report in USD and ask for consensus contributions in USD million. 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 1Q results as well as other information that might be useful. All items have been discussed/made public before, see for instance [transcript for CMU 2017 and 4q2016](#) for reference:

#### **D&P Norway**

- Normally NCS production in 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. Turnaround does normally not impact production during winter months.
- 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). Statoil is not responsible for any NPD data, but you may find the data convenient.
- 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.
- The acquisition of 25% in Byrding, increasing the Statoil stake to 75%, was [completed 3 January](#). Byrding will start producing in 3Q17.

#### **D&P International:**

- Turnaround impact of about 10 000 boe/day was guided at the release of 4Q16 results.
- As in 4Q, production volumes may be affected by the winter operating conditions onshore USA (Bakken).
- Statoil closed the divestment of the oil sands divestment to Athabasca Oil Corporation (ATH) [31 January](#). This impacts cash received this quarter. Do also note that Statoil received 100 million shares in ATH and this will be treated as “a long term investment” and will be part of the balance for Statoil from, and including, 1O17. The effective date of the transaction was 1 January 2017.

## **MMP**

- The preliminary internal gas transfer price for 1Q has been published [on our web page](#). Note that we are using USD/mmbtu in our reporting. You will find some historical data calculated in USD/mmbtu on the website. The conversion we apply is 1 mmBtu equalling 26.28 Scm<sup>3</sup>. NOK/USD is calculated using average currency rates for the quarter.
- 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.
- Statoil acquired [leases in GOM in March](#). Lease acquisition is not part of the organic capex guidance.

## **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.

## **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 11 billion
- Guidance of a total exploration activity level of around USD 1.5 billion for 2017, excluding signature bonuses.
- The equity production for 2017 is estimated to be around 4-5% 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 10 mboe per day in the first 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 investment result for the financial investments).

**The 1Q results will be reported 4 May at 07:00 CET.**

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

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. 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 remind you that we will report in USD and ask for consensus contributions in USD million.

For your convenience, we hereby remind you of some factors relevant for our 4Q results as well as other information that might be useful. All items have been discussed/made public before, see for instance [transcript for 4Q15/CMU](#) or [transcript for 3Q16](#) for reference:

#### **D&P Norway**

- Normally NCS production in 4Q 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). Statoil is not responsible for any NPD data, but you may find the data convenient.
- 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.
- Statoil submitted development plans for one tie-in project: [Trestakk](#).
- Statoil has acquired Wintershall Norge's 25% interest in the [Byrding](#) project, increasing its interest from 45% to 70% in 3Q. The effective date of the transaction was 1 January 2017, with closing subject to customary conditions, including authority approval.

#### **D&P International:**

- [Statoil completes acquisition and takes over operatorship of Brazilian offshore license BM-S-8](#). On the completion of the transaction, Statoil has paid Petrobras USD 1.25 billion, half of the total consideration.
- Statoil announced the [divestment of its 100% owned KKD oil sands projects in the Canadian province of Alberta](#). The effective date of the transaction is 1 January 2017 with closing subject to the satisfaction of certain conditions precedent, including regulatory approvals. As explained in the release, impairments will be taken in 4Q.

#### **MMP**

- The preliminary internal gas transfer price for 4Q has been published [on our web-pages](#) (the "Internal Gas Price" button). Note that we are now using USD/mmbtu in our reporting in order to correspond with the change in reporting currency. You will find some historical data calculated in USD/mmbtu on the website. The conversion we apply is 1 mmbtu equalling 26.28 Scm<sup>3</sup>. NOK/USD is calculated using average currency rates for the quarter.
- Mongstad has been shut down between mid-November to late December. The plant has been back in full operations since late December.

## Exploration

- We estimate that over time, roughly 2/3 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.
- In addition there are other costs like seismic acquisition, early phase development etc. that will hit the exploration expense cost line.
- We had activity in five wells in the fourth quarter, with two completed wells. All wells were in Norway.

## Other information:

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- Selected historical data in USD . Note the link to an excel sheet on the page.
- The annual report and 20-F for 2015 was presented 18 March. This, as well as other useful annual reporting, can be found on our [web-page](#) download centre.

## Guiding:

- Production growth 2014-2017; ~1% annual growth from a rebased 2014 number of 1.868 million boe (“rebased” is 2014 production adjusted 59 kbd for Wintershall and OMV transactions).
- Production growth 2017-2019; 2-4% organic annual production growth.
- Annual production impact from PSA and US royalties for 2016 are expected around 135 mboe per day at Brent price of \$40/bbl and 165 mboe per day at \$70/bbl.
- Scheduled maintenance is planned to have a negative impact on equity production of approximately 115 mboe per day in 3Q16.
- In total, maintenance is estimated to have a negative impact on equity production of around 60 mboe per day for the full year 2016, of which the majority is liquids.
- Organic capex 2016: around USD 11 bn.
- Total exploration expenditure level is expected at around USD 1.5 billion, excluding signature bonuses.
- The guiding of the financial result, excluding FX and derivatives, is minus around USD 150-200 million (assuming an approximately normal investment 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 [analytical information](#) on the web under Key financials. [Historic production data](#) is available in excel format.

Before the publication of **Statoil's 3Q results 27 October**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet. 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 remind you that we will report in USD and ask for consensus contributions in USD million.

### Reporting format

- As we recently changed to USD reporting, please note that you will find quarterly results in USD for 2014 and 2015 [to the right on this web-page](#)
- We have previously disclosed rolling four-quarter production cost per boe in the 2Q and 4Q reports. After 2Q16, we will not provide this metric in the quarterly reports, only in the 20-F.
  - To explain the cost trends we have increasingly focused on total opex and SG&A, which also covers the cost elements that are not classified as production costs. Currency volatility and our exposure to both NOK and USD have also made one single unit cost level in a common currency less informative wrt underlying performance.
- Statoil generally assesses minor changes and improvements to the format in the financial statements every quarter. Beyond the change regarding disclosure of production unit cost as described above, we are not aware of any changes to the format this quarter, though we cannot rule out the likelihood that some changes may be decided as part of the process. It should in any case not impact numbers or the main tables in the report.

For your convenience, we hereby remind you of some factors relevant for our 3Q results as well as other information that might be useful. All items have been discussed/made public before, see for instance [transcript for 4Q15/CMU](#) or [transcript for 2Q16](#) for reference:

### D&P Norway

- Normally NCS production in 3Q (and 2Q) is seasonally below 1Q and 4Q 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. Statoil has guided turnaround level of 115 mboe for 3Q and this applies predominantly for Norway majority of the turnaround is linked to fields with gas production.
- We remind you that OPEX is more linked to absolute level on the field than volume produced. Also note that turnaround activities normally add to OPEX.
- No operational disruptions have been reported from Statoil. Goliat (in the Barents Sea) suspended production for about four weeks this quarter (ref info in the public domain).
- 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). Statoil is not responsible for any NPD data, but you may find the data convenient.

- 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.
- Statoil submitted development plans for two tie-ins; [Utgard](#) and [Byrding](#).
- Statoil updated the [Johan Sverdrup](#) plan in 3Q.

#### **D&P International:**

- The revised participation interest for Agbami (Nigeria) is yet to be implemented by the unit. Statoil will report 3Q production corresponding to the participation interest of 20.21%, but make provisions so that adjusted earnings will reflect participation interest of 15.04%
- [Statoil announced divestment of assets in Marcellus](#) in 2Q and [in 3Q](#). The transactions closed in 3Q.

#### **MMP**

- The preliminary internal gas transfer price for 3Q will be published [on our web-pages](#) around 4 October. Note that we are now using USD/mmbtu in our reporting in order to correspond with the change in reporting currency. You will find some historical data calculated in USD/mmbtu on the website. The conversion we apply is 1 mmBtu equalling 26.28 Scm3. NOK/USD is calculated using average currency rates for the quarter.

#### **Exploration**

- We estimate that over time, roughly 2/3 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.
- In addition there are other costs like seismic acquisition, early phase development etc. that will hit the exploration expense cost line.
- We had activity in seven wells in the third quarter, six completed wells. Four of the completed wells were in Norway.

#### **Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- Selected historical data in USD . Note the link to an excel sheet on the page.
- The annual report and 20-F for 2015 was presented 18 March. This, as well as other useful annual reporting, can be found on our [web-page](#) download centre.
- Statoil issued a [prospectus](#) preparing for the dividend issue for 1Q16 dividend under the scrip programme. Although intended for eligible shareholders, the document contains information that could be of general interest. The results of the scrip programme are described [here](#), it is worth noting that total number of shares in the company is as of end 3Q16 approximately 3,227 mill shares (note this number includes ca 10 million treasury shares so 3,217 mill is outstanding).
- Statoil announced 3 May [an increase in ownership in Lundin Petroleum](#) in exchange for the entire 15% working interest in Edvard Grieg and interests in associated pipelines. Reporting of our proportionate share of Lundin's net earnings and production will consequently be relevant from 3Q16
-

**Guiding:**

- Production growth 2014-2017; ~1% annual growth from a rebased 2014 number of 1.868 million boe ("rebased" is 2014 production adjusted 59 kbd for Wintershall and OMV transactions).
- Production growth 2017-2019; 2-4% organic annual production growth.
- Annual production impact from PSA and US royalties for 2016 are expected around 135 mboe per day at Brent price of \$40/bbl and 165 mboe per day at \$70/bbl.
- Scheduled maintenance is planned to have a negative impact on equity production of approximately 115 mboe per day in 3Q16.
- In total, maintenance is estimated to have a negative impact on equity production of around 60 mboe per day for the full year 2016, of which the majority is liquids.
- Organic capex 2016: around USD 12 bn.
- Total exploration expenditure level is expected at around USD 1.8 billion, excluding signature bonuses.
- The guiding of the financial result, excluding FX and derivatives, is minus around USD 150-200 million (assuming an approximately normal investment result for the financial investments).

**The 3Q results will be reported 27 October at 07:00 CET.**

For more information please visit our [web-page](#). You may find [analytical information](#) on the web under Key financials. [Historic production data](#) is available in excel format.



## Invitation for consensus input 2Q16

Before the publication of **Statoil's 2Q results 27 July**, we invite you to provide your input to the analyst consensus estimates by filling in the attached spreadsheet. 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)

Like we did for last quarter, 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 remind you that we will report in USD and ask for consensus contributions in USD million.

### Reporting format

- As we have recently changed to USD reporting, please note that you will find quarterly results in USD for 2014 and 2015 [to the right on this web-page](#)
- We have previously disclosed rolling four-quarter production cost per boe in the 2Q and 4Q reports. From and including 2Q16, we will not provide this metric in the quarterly reports, only in the 20-F.
  - To explain the cost trends we have increasingly focused on total opex and SG&A, which also covers the cost elements that are not classified as production costs. Currency volatility and our exposure to both NOK and USD have also made one single unit cost level in a common currency less informative wrt underlying performance.
- Statoil generally assesses minor changes and improvements to the format in the financial statements every quarter. Beyond the change regarding disclosure of production unit cost as described above, we are not aware of any changes to the format this quarter, though we cannot rule out the likelihood that some changes may be decided as part of the process. It should in any case not impact numbers or the main tables in the report.

**For your convenience, we hereby remind you of some factors relevant for our 2Q results as well as other information that might be useful. All items have been discussed/made public before, see for instance [transcript for 4Q15/CMU](#) or [transcript for 1Q16 conference](#) for reference:**

### D&P Norway

- Normally NCS production in 2Q (and 3Q) is seasonally below 1Q and 4Q 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). Statoil is not responsible for any NPD data, but you may find the data convenient.

- 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.
- Statoil cancelled [a rig contract this quarter](#).

#### **D&P International:**

- As was the case for 1Q16, the revised participation interest for Agbami (Nigeria) is yet to be implemented by the unit. Statoil will report 1Q production corresponding to the participation interest of 20.21%, but make provisions so that adjusted earnings will reflect participation interest of 15.04%
- [Statoil announced divestment of assets in Marcellus](#) in 2Q. The transaction was as of end of 2Q yet to be closed. Production and earnings for the relevant acreage will be reported until closing of transaction and the divestment will therefore have no P&L impact for 2Q. The transaction is expected to close in July.

#### **MMP**

- The preliminary internal gas transfer price for 2Q will be published [on our web-pages](#) around 7 July. Note that we are now using USD/mmbtu in our reporting in order to correspond with the change in reporting currency. You will find some historical data calculated in USD/mmbtu on the website. The conversion we apply is 1 mmBtu equalling 26.28 Scm<sup>3</sup>. NOK/USD is calculated using average currency rates for the quarter.

#### **Exploration**

- We estimate that over time, roughly 2/3 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.
- In addition there are other costs like seismic acquisition, early phase development etc. that will hit the exploration expense cost line.
- We had activity in 11 wells in the second quarter, eight completed wells. Five of the completed wells were in Norway.
- Statoil also [issued a release](#) with information regarding results from the drilling campaign offshore Canada.

#### **Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- Selected [historical data in USD](#) was published this quarter. Note the link to an excel sheet on the page.
- The annual report and 20-F for 2015 was presented 18 March. This, as well as other useful annual reporting, can be found on our [web-page](#) download centre.
- Statoil issued a [prospectus](#) preparing for the dividend issue for 4Q15 dividend under the scrip programme. Although intended for eligible shareholders, the document contains information that could be of general interest. The results of the scrip programme are described [here](#) and [here](#); it is

worth noting that total number of shares in the company is as of end 2Q16 approximately 3,207 mill shares.

- Statoil announced 3 May [an increase in ownership in Lundin Petroleum](#) in exchange for the entire 15% working interest in Edvard Grieg and interests in associated pipelines. The transaction was [closed yesterday](#). This means that the 15% interest in Edvard Grieg has contributed to earnings throughout 2Q16. Reporting of our proportionate share of Lundin's net earnings and production will consequently be relevant from 3Q16, so we suggest we come back to the details on how this will be reported ahead of the 3Q reporting season. For 2Q reporting, the key moving parts are:
  - Statoil will from closing of the transaction treat the stake in Lundin Petroleum as an equity accounted investment. Hence, while the 11.93% in Lundin we held as of end 1Q was treated as a non-current financial investment in the balance sheet, you will find the 20.1% stake on the line for equity accounted investments in the 2Q financial statements.
  - A minor gain is expected to be recorded in 2Q related to the divested assets.
  - Regarding cash-flow effects, the only impact in 2Q is the payment of approximately USD 64 million cash flow to investments for the cash part of the transaction (originally announced at USD 68 mill but ended up at USD 64 mill at closing (ref release yesterday) due to depreciation of SEK to USD from announcement to closing). The assets sold (Edvard Grieg + pipelines) were sold in exchange of shares, hence there will be no cash-flow impact from the swap part of the transaction.
  - Finally, a more technical detail is that the USD 89 mill reported as part of Other comprehensive income in 1Q (increase in fair value from time of acquisition to end of 1Q) will be derecognised in 2Q and reported as financial income (together with the change in fair value from end 1Q to end 2Q).

#### **Guiding:**

- Production growth 2014-2017; ~1% annual growth from a rebased 2014 number of 1.868 million boe ("rebased" is 2014 production adjusted 59 kbd for Wintershall and OMV transactions).
- Production growth 2014-2017; 2-4% organic annual production growth.
- Annual production impact from PSA and US royalties for 2016 are expected around 135 mboe per day at Brent price of \$40/bbl and 165 mboe per day at \$70/bbl.
- Scheduled maintenance is planned to have a negative impact on equity production of approximately 55 mboe per day in 2Q16.
- In total, maintenance is estimated to have a negative impact on equity production of around 60 mboe per day for the full year 2016, of which the majority is liquids.
- Organic capex 2016: around USD 13 bn.
- Total exploration expenditure level is expected at around USD 2.0 billion, excluding signature bonuses.
- The guiding of the financial result, excluding FX and derivatives, is minus around USD 150-200 million (assuming an approximately normal investment result for the financial investments).

**The 2Q results will be reported 27 July at 07:00 CEST.**

For more information please visit our [web-page](#). You may find [analytical information](#) on the web under Key financials. [Historic production data](#) is available in excel format.

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

## Invitation for consensus input 1Q16

Before the publication of **Statoil's 1Q results 27 April**, we invite you to provide your input to the analyst consensus forecast by filling in the attached spreadsheet. 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
- Adjusted earnings after tax
- 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 have included tax for the reporting segments as part of the consensus process. The input can be in USD or, if you prefer, a percentage number (tax rate). We remind you that we will report in USD and do hence ask for consensus contributions in USD million.

### Reporting format

- This is the first quarter where we will report the results in USD. You will find historical results, for the eight quarters in 2014 and 2015 [to the right on this web-page](#) ("Selected historical data in USD – updated 16 Mar", some browsers have issues with our excel-sheets and you may have to push "cancel" twice in order to open the file - if issues persist you may get in touch with Statoil IR).
- Statoil generally considers minor changes and improvements to the format in the financial statements every quarter, this is yet to be concluded for 1q16. It should in any case not impact numbers or the main tables in the report (it may impact the discussion under "segments").

**For your convenience, we hereby remind you of some factors relevant for our 1Q results as well as other information that might be useful. All items have been discussed/made public before, see for instance [transcript for 4q15/CMU](#) for reference:**

### D&P Norway

- Normally NCS production in 1Q (and 4Q) 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, good regularity may be assumed.
- 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). Statoil is not responsible for any NPD data, but you may find the data convenient.
- We remind you that the assets in Norway are related to NOK in the balance sheet. Currency movements will hence impact depreciation (and other items to some degree) as this is translated into USD as the reporting currency.

- [Statoil divested 15 percentage points in Gudrun](#), the deal was closed at the end of 2015. Current ownership share for Statoil at Gudrun is 36%.

#### **D&P International:**

- As was the case for 4Q15, the revised participation interest for Agbami (Nigeria) is yet to be implemented by the unit. Statoil will report 1Q production corresponding to the participation interest of 20.21%, but make provisions so that adjusted earnings will reflect participation interest of 15.04%
- Statoil [increases ownership in Eagleford](#) from 50% to 63%, effective from 1. January 2015. [The deal closed](#) 30 December 2015.
- [Corrib started production](#) at the very end of 2015.
- Production from In Salah Southern Fields [started this quarter](#). This has only a marginal impact on production capacity this quarter and keep in mind that overall production is also impacted by regularity and market off-take. In-Salah [experienced an emergency situation](#) experienced an emergency situation 18 March when the Krechba site was attacked. This had a short term impact on production, but the situation was quickly normalised and will have a very minor impact on overall numbers for the quarter.

#### **MMP**

- The preliminary internal gas transfer price for 1Q is published [on our web-pages](#) at USD 4.00/mmbtu. Note that we are now using USD/mmbtu in our reporting in order to correspond with the change in reporting currency. You will find some historical data calculated in USD/mmbtu on the website. FYI we note that 1 mmbtu equals about 26.28 Scm<sup>3</sup> and NOK/USD is calculated using average currency rates for the quarter.

#### **Exploration**

- We estimate that over time, roughly 2/3 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 cost is activated (capitalized) 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.
- In addition there are other costs like seismic acquisition, early phase development etc. that will hit the exploration expense cost line.
- We had activity in 11 wells in the first quarter, seven completed wells. Three of the completed wells were in Norway.

#### **Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- Selected [historical data in USD](#) was published this quarter. Note the link to an excel sheet on the page (some browsers have issues with our excel-links, in most cases it helps to push “cancel” a couple of times if you get the asked about “username”).
- The annual report and 20-F for 2015 was presented 18 March. This, as well as other useful annual reporting, can be found on our [web-page](#) download centre.
- We remind you that Statoil has taken impairments over the last quarters. These assets will have to be tested regularly and may yield volatility for our balance sheet.

**Guiding:**

- Production growth 2014-2017; ~1% annual growth from a rebased 2014 number of 1.868 million boe ("rebased" is 2014 production adjusted 59 kbd for Wintershall and OMV transactions).
- Production growth 2014-2017; 2-4% organic annual production growth.
- Annual production impact from PSA and US royalties for 2016 are expected around 135 mboe/d at Brent price of \$40/bbl and 165 mboe/d at \$70/bbl.
- Scheduled maintenance is planned to have a negative impact on equity production of approximately 25 mboe per day (mostly liquids) in 1Q16.
- In total, maintenance is estimated to have a negative impact on equity production of around 60 mboe per day for the full year 2015, of which the majority is liquids.
- Organic capex 2016: around USD 13 bn.
- Total exploration expenditure level is expected at around USD 2 billion, excluding signature bonuses.
- The guiding of the financial result, excluding FX and derivatives, is minus around USD 150-200 million (assuming an approximately normal investment result for the financial investments [stocks and bonds]).

**The 1Q results will be available at 07:00 CET 27 April.**

For more information please visit our [web-page](#). You may find [analytical information](#) on the web under Key financials. [Historic production data](#) is available in excel format.

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

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

- Adjusted earnings per reporting segment (details below)
- Adjusted exploration expense for DPN and DPI
- Adjusted earnings after tax
- 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)

### Reporting format

- We remind you that you may find the tables under “Supplementary disclosures” in our Financial statement useful. Note that the table “Capital spending” is no longer included from 3Q15. This because all these numbers are available under segment reporting in the same document.
- We do not expect any changes to the format for the quarterly results. Some minor changes to the YE 2015 format may be expected (Segment note, contingent liabilities, provisions note).

**For your convenience, we hereby remind you of some factors relevant for our 4Q results as well as other information that might be useful. All items have been discussed/made public before, see for instance [3-q transcript](#) for reference:**

### D&P Norway

- Normally NCS production in 4Q 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). Statoil is not responsible for any NPD data, but you may find the data convenient.
- The redetermination for [Ormen Lange](#) was concluded in 2013 and we remind you that Statoil will receive 12,68% of dry gas production from 1 July 2015. The make-up period for condensate is now finalised and Statoil has received condensate in accordance with our ownership at 25,35% since 1 August 2015.
- Statoil cancelled [a contract](#) for a rig operating on NCS this quarter. Although not concluded, it is expected that the cost related to cancellation will be a part of the adjusted result.
- Statoil announced [deals with Repsol](#). The ownership at Gudrun will be reduced by 15%-points, effective from 1. January 2015. [The deal closed](#) 30 December. Production and earnings will be based upon the old working interest until the date of closing.

### D&P International:

- Statoil announced (6/11) the outcome of [redeterminaion at Agbami](#), Nigeria. The outcome will impact the Statoil share of the output from the field and implies an compensation from Statoil of about NOK 1.6 bn in addition to the accrual of NOK 7.5 bn made previously. Eventual settlement of

any imbalance amount will be made over time through cash-calls issued by the unit operator. The revised participation interest is yet to be implemented by the unit, hence Statoil will report 4Q production corresponding to the current participation interest of 20.21%, but make provisions so that adjusted earnings will reflect participation interest of 15.04%

- Statoil [increases ownership in Eagleford](#) from 50% to 63%, effective from 1. January 2015. [The deal closed](#) 30 December. Production and earnings is based upon the old working interest until the date of closing.
- Statoil cancelled the contract for [Discoverer Americas](#). The cost will impact 4q-numbers, but cancellation cost is not part of adjusted numbers.
- [Corrib started production](#) at the very end of the quarter.

#### **MMP**

- The preliminary internal gas transfer price for 4Q will be published [on our web-pages](#) in week 2.
- At the 1Q earnings releases Statoil did say that *"around NOK 3 bn is a normal quarter"*. We observe that refining margins have been relatively strong in 3Q and contango has persisted. These items are in general positive for the 4Q MMP result.
- The divestment of [TAP](#) for Euro 208 million was announced this quarter. This will not impact the adjusted numbers. The deal [closed 17 December](#).

#### **Exploration**

- We estimate that over time, roughly 2/3 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 cost is activated (capitalized) 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.
- In addition there are other costs like seismic acquisition, early phase development etc. that will hit the exploration expense cost line.
- We had activity in 9 exploration wells in the fourth quarter, 6 completed wells. 3 of the completed wells were in Norway.

#### **Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- Selected [historical data in USD](#) was published this quarter. Note the link to an excel sheet on the page (some browsers have issues with our excel-links, in most cases it helps to push "cancel" a couple of times if you get the asked about "username"). The 4q-numbers will be presented in NOK 4 February, USD figures will be provided later.
- Our 20-F for 2014, as well as other useful annual reporting, can be found on our [web-page](#) download centre.
- Foreign exchange effects on taxes are scheduled to be posted on the IR [website](#) about a week prior to our release.
- We remind you that Statoil has taken impairments over the last quarters. These assets will have to be tested regularly and may yield volatility in our balance sheet.

#### **Guiding:**



- Production growth 2014-2016; ~2% annual growth from a rebased 2014 number of 1.868 million boe (“rebased” is 2014 production adjusted 59 kbd for Wintershall and OMV transactions).
- More than 3% organic production growth in 2015.
- Annual production impact from PSA and US royalties for 2015 are expected around 160 mboe/d at Brent price of \$60/bbl and 190 mboe/d at \$100/bbl.
- Scheduled maintenance is planned to have a negative impact on 4q- equity production of approximately 15 mboe per day in 3Q15.
- In total, maintenance is estimated to have a negative impact on equity production of around 40 mboe per day for the full year 2015, of which the majority is liquids.
- Organic capex 2015: around USD 16,5 bn.
- Total exploration expenditure level is expected at around USD 3 billion, excluding signature bonuses.
- The guiding of the financial result, excluding FX and derivatives, is minus NOK 0.5-1 bn.

**The 4Q results will be available at 07:00 CET 4 February.**

Do note that Statoil will host the Capital Markets Update the same day. The 4q-results will form part of the material presented and the CFO will run through the key numbers in his presentation.

For more information please visit our [web-page](#). You may find [analytical information](#) on the web under Key financials. [Historic production data](#) is available in excel format.

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

Before the publication of **Statoil's 3Q results 28 October**, we invite you to provide your input to the analyst consensus forecast by filling in the attached spreadsheet. Consensus will be established around the following items:

- Adjusted earnings per reporting segment (details below)
- Adjusted exploration expense for DPN and DPI
- Adjusted earnings after tax
- 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)

### Reporting format

- We remind you that you may find the tables under “Supplementary disclosures” in our Financial statement useful. Note that the table “Capital spending” will no longer be included from 3Q15. This because all these numbers are available under segment reporting in the same document.

**For your convenience, we hereby remind you of some factors relevant for our 3Q results as well as other information that might be useful. All items have been discussed/made public before, see for instance [2Q transcript](#) for reference:**

### D&P Norway

- NCS production in 3Q is seasonally below 4Q and 1Q numbers due to lower gas production 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. Do note that (seasonal) lower gas production normally implies higher DD&A/barrel, but the magnitude of impact is dependent upon the production mix (Troll gas most important as this field has low depreciation per unit).
- 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). Statoil is not responsible for any NPD data, but you may find the data convenient.
- The redetermination for [Ormen Lange](#) was concluded in 2013 and we remind you that Statoil will receive 12,68% of dry gas production from 1 July 2015. The make up period for condensate is now finalised and Statoil has received condensate in accordance with our ownership at 25,35% since 1 August 2015.
- One fast-track, [Smørrbukk South extension](#), started production this quarter. Production will be reported as part of Åsgard.
- Åsgard subsea gas compression [started production](#) this quarter. This is a technological milestone and a large project for Statoil which will add 306 million barrels to Åsgard. The impact on 3Q will be limited due to start-up towards the end of the quarter. New start-ups will normally have high depreciation per unit.

### D&P International:

- Remember that Shah Deniz was divested by Statoil and is no longer part of our producing assets.

- [Kizomba Satelittes phase 2 started production in May](#). Total daily production from block 15 in Angola is expected to increase to 350 00 boe of which Statoil has 13.33%.

#### **MMP**

- This is the first quarter where this segment will report under its current name (“Marketing, Midstream & Processing” formerly “Marketing, Processing and Renewable Energy”). Results from former “Renewable energy” is included under “Other” and is hence not a part of the reporting for MMP. The earnings contribution from this part of the business have had very minor impact on former MPR and there is no reason to treat MMP different from the way MPR was treated when estimating the results.
- The preliminary internal gas transfer price for 3Q is 1,56 NOK/SM3 ([on our web-pages](#)). This is an early calculation and we do not exclude changes to the final number.
- At the 1Q earnings releases Statoil did say that *“around NOK 3 bn is a normal quarter”*. We observe that refining margins have been relatively strong in 3Q and contango has persisted. These items are in general positive for the 3Q MMP result.

#### **Exploration**

- We estimate that over time, roughly 2/3 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 cost is activated (capitalized) 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.
- In addition there are other costs like seismic acquisition, early phase development etc. that will hit the exploration expense cost line.
- We had activity in 18 exploration wells in the third quarter, 11 completed wells. Six of the completed wells were in Norway.

#### **Other information:**

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- Our 20-F for 2014, as well as other useful annual reporting, can be found on our [web-page](#) download centre.
- Foreign exchange effects on taxes are scheduled to be posted on the IR [website](#) about a week prior to our release.
- We remind you that Statoil has taken impairments over the last quarters. These assets will have to be tested regularly and may yield volatility in our balance sheet.

#### **Guiding:**

- Production growth 2014-2016; ~2% annual growth from a rebased 2014 number of 1.868 million boe (“rebased” is 2014 production adjusted 59 kbd for Wintershall and OMV transactions).
- Annual production impact from PSA and US royalties for 2015 are expected around 160 mboe/d at Brent price of \$60/bbl and 190 mboe/d at \$100/bbl.
- Scheduled maintenance is planned to have a negative impact on quarterly equity production of approximately 45 mboe per day in 3Q15.
- In total, maintenance is estimated to have a negative impact on equity production of around 45 mboe per day for the full year 2015, of which the majority is liquids.
- Organic capex 2015: around USD 17,5 bn.

- Total exploration expenditure level is expected at around USD 3.2 billion, excluding signature bonuses.
- Paid taxes, Norway: In the second half of this year, tax payments will be based on 2015 earnings and thus be lower than in the first half of the year. Guiding on P&L tax was not repeated last quarter.
- The guiding of the adjusted (i.e. excluding FX and derivatives) financial result is minus NOK 0.5-1 bn.

**The 3Q results will be available at 07:00 CET 28 October.** We plan to follow the same schedule and format as last quarter. This implies a telephone conference with the CFO where questions can be asked. IR is available throughout the day.

For more information please visit our [web-page](#). You may find [analytical information](#) on the web under Key financials. [Historic production data](#) is available in excel format.

Please respond to me, **Lars Valdresbråten**, before **19 October**, (with a copy to **Gudmund Hartveit**). We do note that we have a “quiet period” ahead of the release and we can in any case not comment on material issues impacting the actual numbers if this is not publicly known.

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

Before the publication of **Statoil's 2Q results 28July**, we invite you to provide your input to the analyst consensus forecast by filling in the attached spreadsheet. Consensus will be established around the following items:

- Adjusted earnings per reporting segment (details below)
- Adjusted exploration expense for DPN and DPI
- Adjusted earnings after tax
- 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

### Reporting format

- No major changes expected this quarter.

**For your convenience, we hereby remind you of some factors relevant for our 2Q results as well as other information that might be useful. All items have been discussed/made public before, see for instance [1Q-transcript](#) for reference:**

### D&P Norway

- NCS production in 2Q is seasonally below 4Q and 1Q numbers due to lower gas production and regular, planned 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. Do note that (seasonal) lower gas production, ramping up new fields plus fields in maintenance normally implies higher DD&A/barrel.
- 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](#). Statoil is not responsible for any NPD data, but you may find the data convenient.
- Statoil cancelled [a rig operating on the NCS](#). 13 months remained of the contract and this may lead to charges impacting the 2Q numbers.

### D&P International:

- 13 October 2014 Statoil announced [divestment of the 15.5% remaining share in Shah Deniz](#) for USD 2.25 bn. The deal [closed 30 April 2015](#). Production from Shah Deniz is counted until 30 April and impacts revenue and cost lines in P&L until this date. Effective date for the transaction was 1 January 2014 and a pro and contra was made at closing date. No production, revenues or cost for Statoil at Shah Deniz from 1 May 2015.
- Statoil announced, 5 May, that [Kizomba Satelittes phase 2 was in production](#). Total daily production from block 15 in Angola is expected to increase to 350 00 boe of which Statoil has 13.33%.

### MPR

- The internal gas transfer price will be published [on our web-pages](#) early in week 28 This is an estimate and there may be changes in final reporting, but not likely of a major magnitude.
- At the 1Q earnings releases Statoil did say that *"around NOK 3 bn is a normal quarter"*. We observe that refining margins have been relatively strong in 2Q and contango has persisted. These items are in general positive for the 2Q MPR result.

### Exploration

- We estimate that over time, roughly 2/3 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 cost is activated (capitalized) 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.
- In addition there are other costs like seismic acquisition, early phase development etc. that will hit the exploration expense cost line.
- We had activity in 18 exploration wells in the second quarter, 13 completed wells. Ten of the completed wells were in Norway.

#### Other information:

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- Our 20-F for 2014, as well as other useful annual reporting, can be found on our [web-page](#) download centre.
- The AGM was held 19 May, more [information can be found here](#).
- Foreign exchange effects on taxes are scheduled to be posted on the IR [website](#) about a week prior to our release.
- Statoil sold [the head office in Stavanger](#) for more than NOK 2.5 bn. This was announced 6 June. The transaction closed, and money was received, in 2Q. This will not be included in the adjusted numbers for 2Q.
- We remind you that Statoil has taken impairments over the last quarters. These assets will have to be tested regularly and may yield volatility in our balance sheet. Furthermore, the impairments may reduce the depreciation charge going forward. The impact for DPI is bigger than for the other segments. Nevertheless, do note that the majority of the impairments were made for assets where Statoil currently has no production and this reduces the overall impact on DD&A for 2Q15.
- Unrelated to the quarterly release, we will still recommend the Statoil macro report, [Energy Perspectives](#).

#### Guiding:

- Production growth 2014-2016; ~2% annual growth from a rebased 2014 number of 1.868 million boe (“rebased” is 2014 production adjusted 59 kbd for Wintershall and OMV transactions).
- Annual production impact from PSA and US royalties for 2015 are expected around 160 mboe/d at Brent price of \$60/bbl and 190 mboe/d at \$100/bbl.
- Scheduled maintenance is planned to have a negative impact on quarterly equity production of approximately 95 mboe per day in 2Q15.
- In total, maintenance is estimated to have a negative impact on equity production of around 45 mboe per day for the full year 2015, of which the majority is liquids.
- Organic capex 2015: around USD 18 bn.
- Total exploration expenditure level is expected at around USD 3.2 billion, excluding signature bonuses.
- Tax: Around 70% on a corporate level. DPN from 72% to 74%, DPI 50-55%, MPR 50-60% (but volatile). But do note that lower oil prices tend to increase the tax rate for Statoil and volatility, especially for DPI, is expected.
- The guiding of the adjusted (i.e. excluding FX and derivatives) financial result is minus NOK 0.5-1 bn.

**The 2Q results will be available at 07:00 CET 28 July.** We plan to follow the same schedule and format as last quarter. This implies a telephone conference with the CFO where questions can be asked. IR is available throughout the day.

For more information please visit our [web-page](#). You may find [analytical information](#) on the web under Key financials. [Historic production data](#) is available in excel format.

Please respond to me, **Lars Valdresbråten**, before **15 July**, (with a copy to **Gudmund Hartveit**). We do note that we have a “quiet period” ahead of the release and we can in any case not comment on material issues impacting the actual numbers if this is not publicly known.

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

Before the publication of **Statoil's 1Q results 30 April**, we invite you to provide your input to the analyst consensus forecast by filling in the attached spreadsheet. Consensus will be established around the following items:

- Adjusted earnings per reporting segment (details below)
- Adjusted exploration expense for DPN and DPI
- Adjusted earnings after tax
- 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

### Reporting format

- No major changes expected this quarter.

**For your convenience, we hereby remind you of some factors relevant for our 1Q results as well as other information that might be useful. All items have been discussed/made public before, see for instance [4q-transcript](#) for reference:**

### D&P Norway

- NCS production in 1Q is seasonally well above 2q and 3q numbers due to higher gas production and low planned maintenance. There has been no indication that this seasonal trend has been altered this year.
- Only minor operational worth mentioning; Gudrun was closed for about a month from 18 February.
- 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](#). Statoil is not responsible for any NPD data, but you may find the data convenient.
- Valemon [started production](#) 3 January. The gas (and condensate) field is ramping up and limited production is expected for 1q.
- The fast-track Oseberg Delta 2 [started production 21 February](#). Production will be added to the Oseberg volume.
- Statoil announced that the [deal with Wintershall](#) was closed 1 December 2014. Statoil will after this date have no production from Gjøa and Vega.
- [The Johan Sverdup field was sanctioned and PDO submitted](#) 13 February. A number of contracts have been awarded in 1q15.

### D&P International:

- 13 October Statoil announced [divestment of the 15.5% remaining share in Shah Deniz](#). The deal will close in 2015 and has no impact on 1q numbers.
- [Jack and St Malo in US GoM started production](#) 2 December and was ramping up in 1q15. New fields will normally have higher DD&A per barrel than average fields.
- Statoil [did farm down in Southern Marcellus 23 December 2014](#). The deal [closed 2 February 2015](#). Effective date for the deal was 1 July 2014.

### MPR

- The internal gas transfer price is NOK 1.74/SCM, also published [on our web-pages](#). This is an estimate and there may be changes in final reporting, but not likely of a major magnitude.
- We also remind you that the income occurring from the difference between local US gas hub prices and gas prices in consumer markets (Toronto and Manhattan) is for MPR as the marketer



of the gas, not DPI. Historically this difference has most impact in 1q as the winter cold adds demand.

### Exploration

- We estimate that over time, roughly 2/3 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 cost is activated (capitalized) 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.
- In addition there are other costs like seismic acquisition, early phase development etc. that will hit the exploration expense cost line.
- We had activity in 17 exploration wells in the first quarter, completed 10 wells. Three of the completed wells were in Norway.
- Discoveries were announced in [Yeti \(GOM\)](#) and [Mdalsini-1 \(Tanzania\)](#) outside of Norway.

### Other information:

- Follow [this link](#) for reports, web-cast, presentations, and transcripts from previous quarters.
- Our 20-F for 2014, as well as other useful annual reporting, can be found on our [web-page](#) download centre.
- Foreign exchange effects on taxes are scheduled to be posted on the IR [website](#) about a week prior to our release.
- Oil prices in 1q15 have been lower than in 4q14. We will have to perform impairment testing for assets and there must be no surprise if there are impairments related to the oil price reduction (this is also mentioned in the 4q14 report).

### Guiding:

- Production growth 2014-2016; ~2% annual growth from a rebased 2014 number of 1.868 million boe ("rebased" is 2014 production adjusted 59 kbd for Wintershall and OMV transactions).
- Annual production impact from PSA and US royalties for 2015 are expected around 160 mboe/d at Brent price of \$60/bbl and 190 mboe/d at \$100/bbl.
- Scheduled maintenance is planned to have a negative impact on quarterly equity production of approximately 10 mboe per day in 1q15, affecting liquids production outside Norway.
- In total, maintenance is estimated to have a negative impact on equity production of around 45 mboe per day for the full year 2015, of which the majority is liquids.
- Organic capex 2015: around USD 18 bn.
- Total exploration expenditure level is expected at around USD 3.2 billion, excluding signature bonuses.
- Tax: Around 70% on a corporate level. DPN from 72% to 74%, DPI 50-55%, MPR 50-60% (but volatile). But do note that lower oil prices tend to increase the tax rate for Statoil and volatility, especially for DPI, is expected.
- The guiding of the adjusted (i.e. excluding FX and derivatives) financial result is minus NOK 0.5-1 bn.

**The 1Q results will be available at 07:00 CET 30 April.**

For more information, including information on new discoveries, please visit our [web-page](#). You may find [analytical information](#) on the web under Key financials. [Historic production data](#) is available in excel format.

Please respond to me, Lars Valdresbråten, **before 20 April**, (with a copy to **Gudmund Hartveit**). We do note that we have a “quiet period” ahead of the release and we can in any case not comment on material issues impacting the actual numbers if this is not publicly known.

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