Statoil Capital Markets Update 2017 & 4Q Results 2016

FORWARD-LOOKING STATEMENTS

This presentation contains certain forward-looking statements that involve risks and uncertainties. In some cases, we use words such as "ambition", "continue", "could", "estimate", "expect", “believe”, "focus", "likely", "may", "outlook", "plan", "strategy", "will", "guidance" and similar expressions to identify forward-looking statements. All statements other than statements of historical fact, including, among others, statements regarding plans and expectations with respect to market outlook and future economic projections and assumptions; Statoil’s focus on c apital discipline; expected annual organic production through 2017; projections and future impact related to efficiency programmes, including expectations regarding costs savings from the improvement programme; capital expenditure and exploration guidance for 2017; production guidance; Statoil’s value over volume strategy; Statoil’s plans with regard to its completed acquisition of 66% operated interest in the BM-S-8 offshore license in the Santos basin; organic capital expenditure for 2017; Statoil’s intention to mature its portfolio; exploration and development activities, plans and expectations, including estimates regarding exploration activity levels; projected unit of production cost; equity production; planned maintenance and the effects thereof; impact of PSA effects; risks related to Statoil’s production guidance; accounting decisions and policy judgments and the impact thereof; expected dividend payments, the scrip dividend programme and the timing thereof; estimated provisions and liabilities; the projected impact or timing of administrative or governmental rules, standards, decisions, standards or laws, including with respect to the deviation notice issued by the Norwegian tax authorities and future impact of legal proceedings are forward-looking statements. You should not place undue reliance on these forward- looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons.

These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including levels of industry product supply, demand and pricing; price and availability of alternative fuels; currency exchange rate and interest rate fluctuations; the political and economic policies of Norway and other oil-producing countries; EU developments; general economic conditions; political and social stability and economic growth in relevant areas of the world; global political events and actions, including war, political hostilities and terrorism; economic sanctions, security breaches; changes or uncertainty in or non-compliance with laws and governmental regulations; the timing of bringing new fields on stream; an inability to exploit growth or investment opportunities; material differences from reserves estimates; unsuccessful drilling; an inability to find and develop reserves; ineffectiveness of crisis management systems; adverse changes in tax regimes; the development and use of new technology; geological or technical difficulties; operational problems; operator error; inadequate insurance coverage; the lack of necessary transportation infrastructure when a field is in a remote location and other transportation problems; the actions of competitors; the actions of field partners; the actions of governments (including the Norwegian state as majority shareholder); counterparty defaults; natural disasters and adverse weather conditions, climate change, and other changes to business conditions; an inability to attract and retain personnel; relevant governmental approvals; industrial actions by workers and other factors discussed elsewhere in this report. Additional information, including information on factors that may affect Statoil's business, is contained in Statoil's Annual Report on Form 20-F for the year ended December 31, 2015, filed with the U.S. Securities and Exchange Commission (and in particular, Section 5.1 thereof (Risk factors)) which can be found on Statoil's website at www.statoil.com.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of this report, either to make them conform to actual results or changes in our expectations.

Statoil

Capitalising on high value opportunities

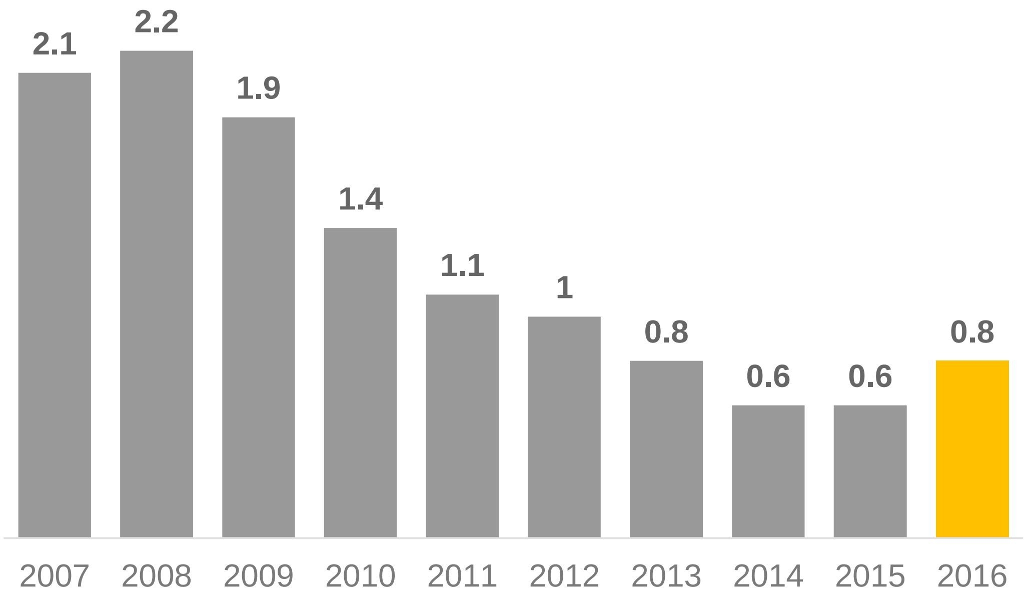
London, 7 February 2017

Eldar Sætre – President and Chief Executive Officer

Illustration: Johan Sverdrup

Reinforcing safety measures

Serious incident frequency
Serious incidents per million work-hours



Delivering on our promises

Faster and deeper cost reductions

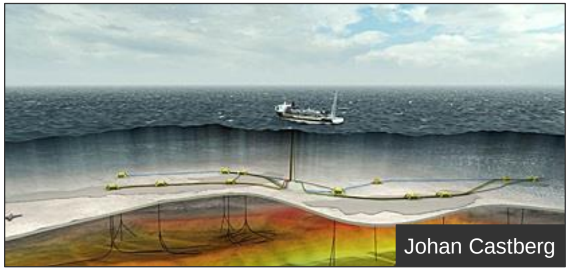
Yearly efficiencies

USD 3.2 bn

OPEX, SG&A[1]

- 30%

Preparing to invest in next generation portfolio[2]



Break-even improved to

USD 27/bbl

CAPEX[3] reduced to

~USD 10 bn

Capturing the upturn in oil and gas prices

New projects sanctioned

5

Project resources[4] increased

1 bn boe

1 Reduction measured in USD since 2013.
2 Statoil- and partner-operated projects, sanctioned since 2015 or planned for sanction, with start-up by 2022. Volume weighted.
3 Organic capex 2016.
4 Resources next generation portfolio year end 2016 compared to year end 2015.

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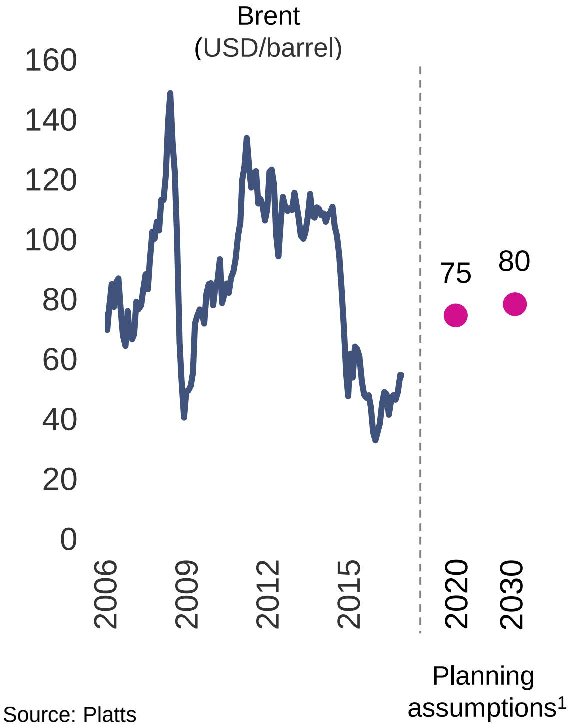
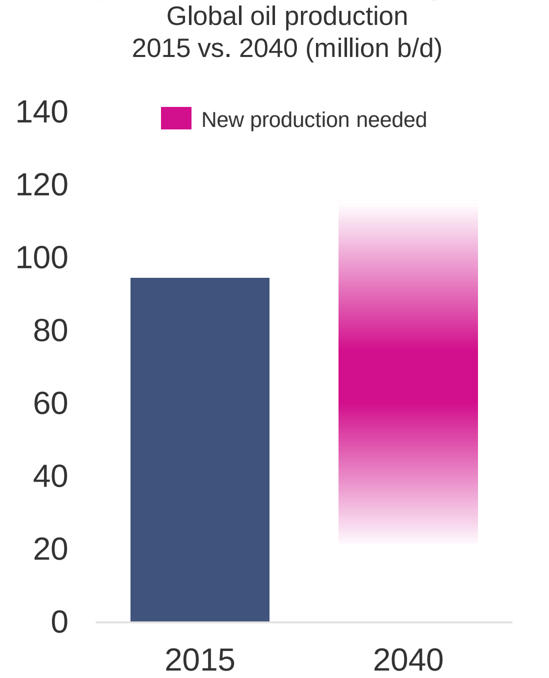
Opportunities in the energy transition

Markets remain cyclical



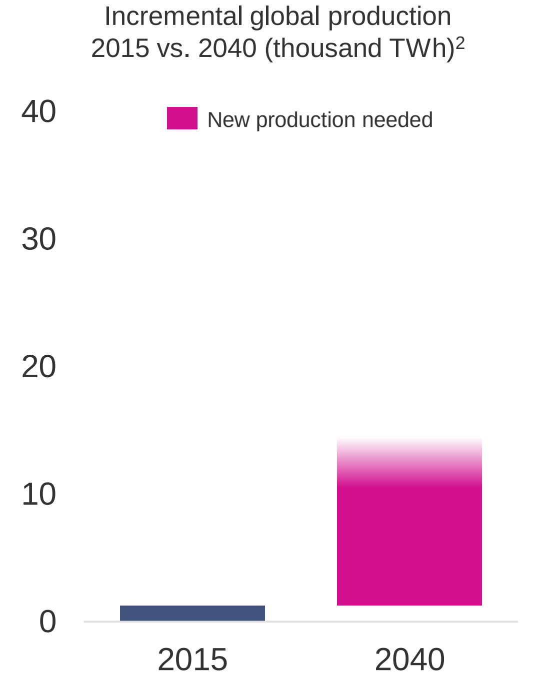
Source: Platts

Major investments required



Source: Statoil's Energy Perspectives

Growth in new renewables



Source: Statoil's Energy Perspectives

1 Long-term economic planning assumptions. 2016 USD, real prices.
2 Scale calibrated for million b/d equivalent.

Sharpened strategy for enhanced value creation

Cash generation

- Low cost
- Low break-evens
- Long-life assets

Capex flexibility

- Operated positions
- Flexible onshore assets
- Cycle time efficiency

Value from cyclicality

- Portfolio management
- Supply chain efficiency
- Financial capacity

Low carbon advantage

- New energy business
- Carbon efficiency
- O&G portfolio shape

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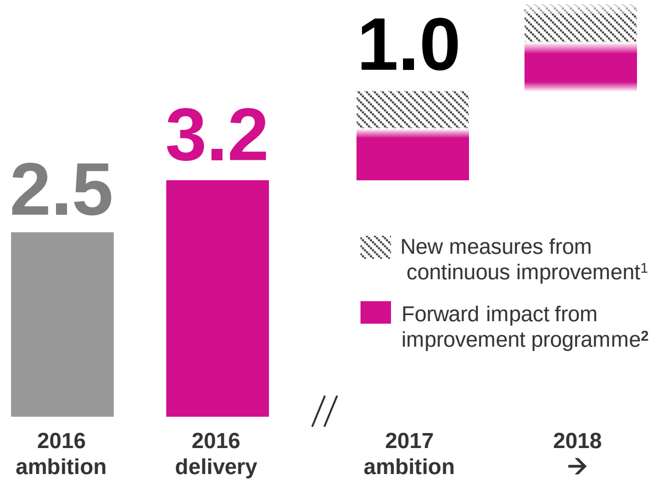
Delivering above target – raising the bar

From programme to continuous improvement

USD billion



Forward impact from improvement programme

- Johan Sverdrup
- Johan Castberg
- Peregrino II

Continuous improvement

- LEAN operations
- Simplification, standardisation and industrialisation
- Technology, innovation and digitalisation

1 Annual continuous improvement from 2017.
2 Realisation of estimated facility effects compared to 2013 baseline.

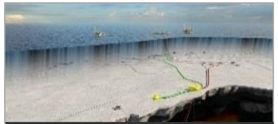
Investing in next generation portfolio

Planned start-up by 2022[1]


Johan Sverdrup


Johan Castberg


Peregrino II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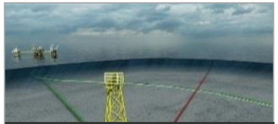
Oseberg vestflanken

Average break-even ~

27

USD/bbl

Average IRR[2] ~

25

%

Recoverable resources

3.2

bn boe

2023 →


Carcará, Pão


Bay du Nord

Wisting

Continuing improvements

1 Statoil- and partner-operated projects, sanctioned since 2015 or planned for sanction, with start-up by 2022. Volume weighted.
2 Internal rate of return at project sanction assuming USD 70/bbl.

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Capturing value from cyclicality

Awarding contracts
in low-price environment

USD **30** bn

awarded 2015-2016[1]

Portfolio high grading

2012-2014:
Divestments[2]

USD **13** bn

2015-2016:
Key acquisitions

- Pão, Carcará (Brazil)
- Eagle Ford (US)
- Wisting, Lundin stake (NCS)
- Utgard (UK)

Seizing exploration opportunities

25,000 km²
acreage added in 2016

~30 wells | USD 1.5 bn
2017 activity level

1 Based on expected spend (100%) over contract lifetime for both new and renegotiated contracts.
2 Gross divestments.

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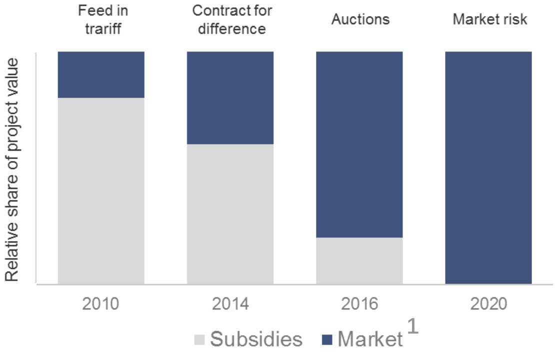
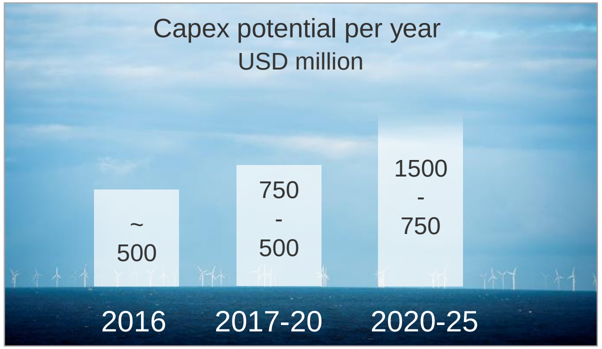
Building a profitable new energy business





Industrial approach

- Leverage core competence
- Scale & technology reduce costs
- Access to long-term projects

Value driven

- From subsidies to markets
- 9-11% return range (real)
- Cash flow resilience

Growth opportunities

- 15-20% of capex in 2030[2]
- Offshore wind and other options
- Low-carbon solutions

1 Indicative for offshore wind projects
2 Indicative, based on potential future corporate portfolio.

Developing a distinct and competitive portfolio


Johan Sverdrup

Norwegian continental shelf

Build on unique position

- Highly cost competitive
- Attractive project pipeline
- Exploration potential

International oil & gas

Deepen core areas

- Enhance Brazil portfolio
- Flexible US position
- New growth options


US onshore

High value, low carbon


Kårstø

Midstream and marketing

Access premium markets

- Flow assurance
- Asset backed trading
- Capital light

New energy solutions

Industrial approach

- Offshore wind focus
- Low-carbon solutions
- Ventures, R&D


Offshore wind

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Capitalising on high value opportunities

Next generation portfolio	• Transformed costs, USD 27/bbl break-even • Cash flow growth • Capturing the cycle
Financial capacity	• 2017 capex: ~ USD 11 bn[1] • FCF positive @ USD 50/bbl in 2017 • Maintaining dividend, USD 0.2201[2]
Sharpened strategy	• High value, low carbon • Continuous improvement • Commitment to financial discipline

1 Based on USD/NOK exchange rate of 8.5
2 Subject to approval at the Annual General Meeting (AGM).