Capital markets update

LONDON, FEBRUARY 7, 2018

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 capital discipline; expected annual organic production through 2017; projections and future impact of efficiency programmes including expected efficiency improvements, including expectations regarding costs savings from the improvement programme; capital expenditure and exploration guidance for 2017; production guidance; Statoil's value over volume strategy; 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 and expectations for equity production growth; planned maintenance and the effects thereof; impact of PSA effects; risks related to Statoil's production guidance; accounting decisions and policy judgments, ability to put exploration wells into profitable production, and the impact thereof; expected dividend payments, the scrip dividend programme and the timing thereof; estimated provisions and liabilities; and the projected impact or timing of administrative or governmental rules, standards, decisions or laws, including with respect to and future impact of legal proceedings are forward-looking statements. You should not place undue reliance on these forward-looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons

These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including levels of industry product supply, demand and pricing; price and availability of alternative fuels; currency exchange rate and interest rate fluctuations; the political and economic policies of Norway and other oil-producing countries; EU developments; general economic conditions; political and social stability and economic growth in relevant areas of the world; global political events and actions, including war, political hostilities and terrorism; economic sanctions, security breaches; changes or uncertainty in or non-compliance with laws and governmental regulations; the timing of bringing new fields or wells on stream; an inability to exploit growth or investment opportunities; material differences from reserves estimates; unsuccessful drilling; an inability to find and develop reserves; ineffectiveness of crisis management systems; adverse changes in tax regimes; the development and use of new technology; geological or technical difficulties; operational problems; operator error; inadequate insurance coverage; the lack of necessary transportation infrastructure when a field is in a remote location and other transportation problems; the actions of competitors; the actions of field partners; the actions of governments (including the Norwegian state as majority shareholder); counterparty defaults; natural disasters and adverse weather conditions, climate change, and other changes to business conditions; an inability to attract and retain personnel; relevant governmental approvals; 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, 2016, filed with the U.S. Securities and Exchange Commission (and section 2.10 Risk review – Risk factors thereof). Statoil's 2016 Annual Report and Form 20-F is available at Statoil's website 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 these forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, we undertake no obligation to update any of these statements after the date of this report, whether to make them either conform to actual results or changes in our expectations or otherwise.

Prices used in the presentation material are given in real 2017 value, unless otherwise stated. We also confirm that we have obtained approval from IHS Markit, Barclays, IPA, Rushmore and Wood Mackenzie to publish data referred to on slides in this presentation.

Delivering high value

Hans Jakob Hegge
Chief Financial Officer

Statoil

2017 | Strong financial results and deliveries

Results	Adj. earnings	NOI	Free Cash Flow	RRR
	12.6 bn USD	13.8 bn USD	3.1 bn USD	150%

	We promised	We delivered
Organic capex	11 bn USD	9.4 bn USD
Free cash flow positive	50 USD/bbl	Below 50 USD/bbl
Production growth	4-5%	Above 6%
Exploration expenditure	1.5 bn USD	1.3 bn USD
Continuous improvement	1 bn USD	1.3 bn USD[1]

1. *Total 4.5 bn USD since 2013*

4Q 2017 | Solid adjusted earnings from all segments

	Group[1]		E&P Norway		E&P International		MMP	
	• Record high production volumes at higher prices		• Solid operational performance • Lower depreciation per boe		• Increasing production • Continued cost improvements		• Higher sale of piped gas • Strong regularity and refinery margins	
Million USD	Pre tax	After tax	Pre tax	After tax	Pre tax	After tax	Pre tax	After tax
4Q' 17	3,956	1,306	3,004	819	438	199	533	292
4Q' 16	1,664	(40)	1,972	552	(681)	(708)	514	275

1. *Includes segments; E&P Norway, E&P International, MMP and Other.*

2017 | Valuable growth

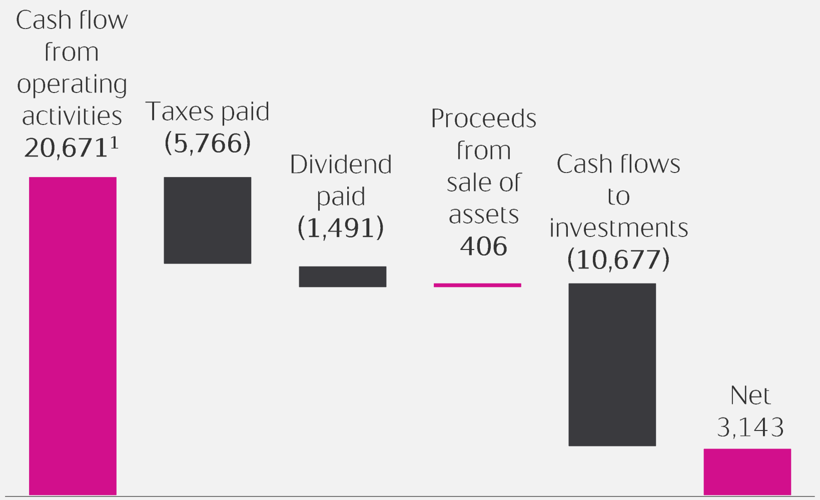
Strong production growth

Above 6% equity growth (kboe/d)

- Record high quarterly and full year production
  - Increased flexible gas production
  - Increased production US onshore
  - Start-up and ramp-up new fields

Strong cash-flow generation

Free cash-flow positive below 50 USD/bbl



- Continued strict capital discipline
- Positive organic cash-flow 4Q 2017
- Net debt 29% - impacted by
  - Increase in working capital
  - Value-enhancing transactions

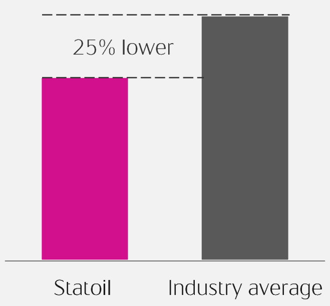
1. *Income before tax (13.420) + non-cash adjustments (7.251).*

Improving from a strong position

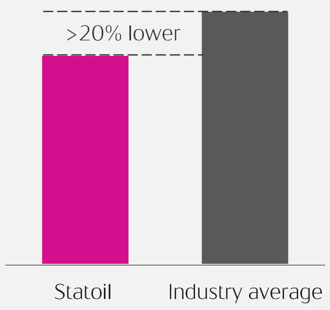
Operational

Unit production cost[1,7]

Average global well cost[2]

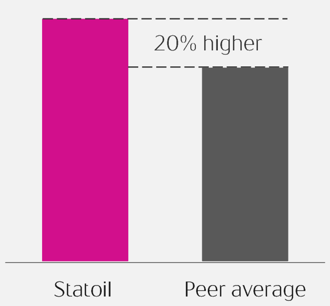


Facility cost[3]

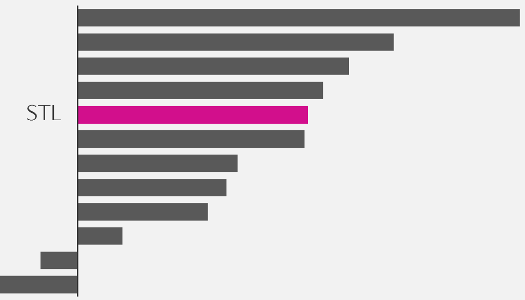


Financial

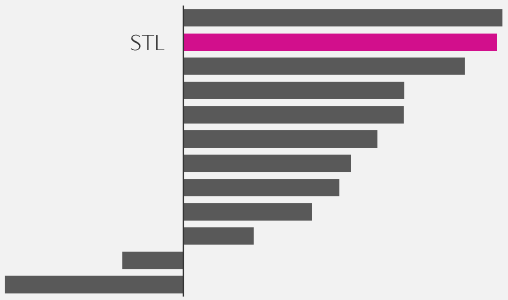
IRR Projects under development[4,7]



Corporate RoACE[5,7]



Upstream RoACE[6,7]



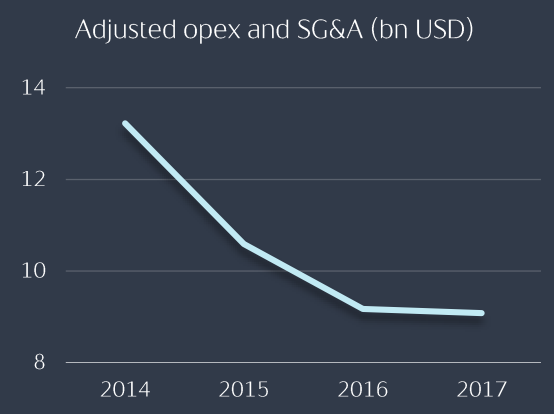
1. *Source: IHS Markit: USD/boe, 3-year weighted average.*
2. *Source: IHS Rushmore. www.RushmoreReviews.com. All rights reserved. extracted 12.01.2018. Average annual well cost [MUSD] for global offshore development wells drilled in the first three quarters of 2017, excluding Thailand.*
3. *Source IPA: Facilities Cost index for projects with DG3 in 16 & 17, UIBC 2017.*
4. *Source: Wood Mackenzie UDT, IRR capex weighted average, Jan 2018.*
5. *Source: Barclays: - RoACE Rolling 12-month at end of 3Q17.*
6. *Source: Barclays: Upstream RoACE Rolling 12-month at end of 3Q17.*
7. *Peers include: Anadarko, Eni, BP, Shell, ConocoPhillips, Repsol, Chevron, Total, ExxonMobil, OMV, Marathon*

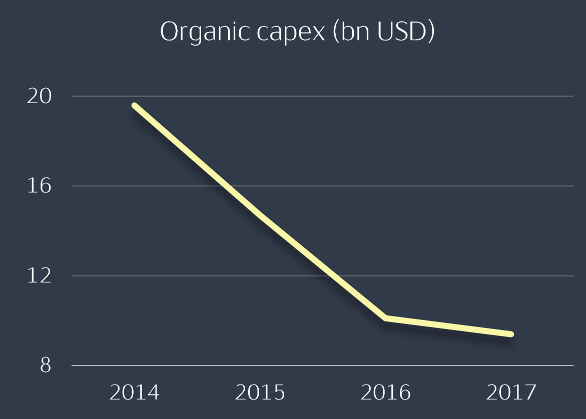
Delivering high value

Sustaining cost reductions	Delivering high value growth	Generating strong cash flow	Yielding competitive returns
Unit production cost[1] 2020	Cash flow growth[3] 2017-20	Accumulated free cash flow[5] 2018-20	Increased dividend[6]
2017 level	Above 6%	12 bn USD	4.5%
Capex average[2] 2018-20	Production growth[4] 2017-20	Net debt ratio in 2020[5]	RoACE in 2020[7]
Around 11 bn USD	3-4%	Below 15%	Around 12%

1. *USD/boe Statoil share, real, assuming fixed currency.*
2. *Indicative organic capex, at 8.25 USD/NOK.*
3. *Compound annual growth rate (CAGR), CFFO, assuming 70 USD/bbl 2017 to 2020.*
4. *CAGR.*
5. *Assuming 70 USD/bbl, organic free cash flow, including announced transactions.*
6. *Subject to approval at the Annual General Meeting (AGM).*
7. *Assuming 70 USD/bbl.*

Sustaining the transformed cost level





Unit production cost[1]

Sustain

2017

level in 2020

Cost per well

Around

-10%

2016 to 2018

Capex level[2]

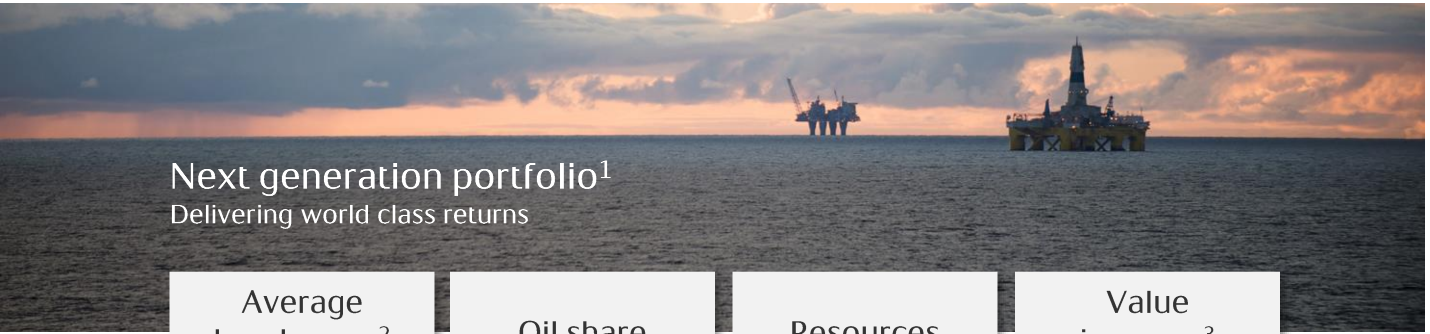
Around

11

bn USD in 2018

1. *USD/boe Statoil share, real, assuming fixed currency.*
2. *Organic capex at 8.25 USD/NOK.*

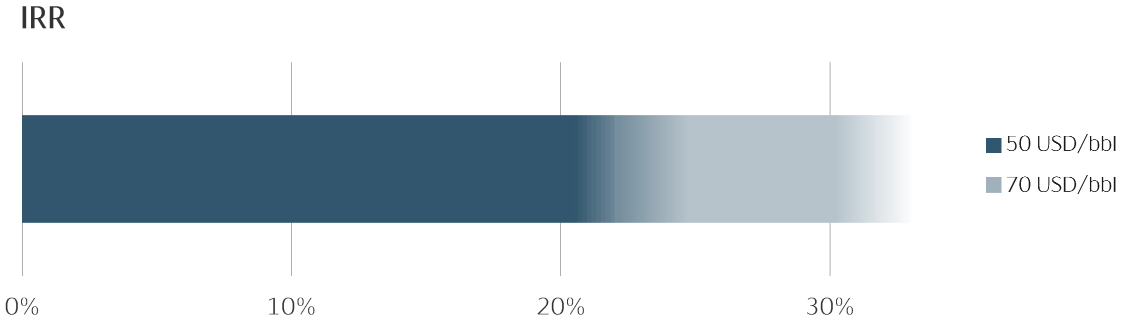
Leading project delivery – world class portfolio



Next generation portfolio[1]

Delivering world class returns

Average break-even[2]	Oil share	Resources	Value increase[3]
21 USD/bbl	65%	Around 3.2 bn boe	Above 1.5 bn USD

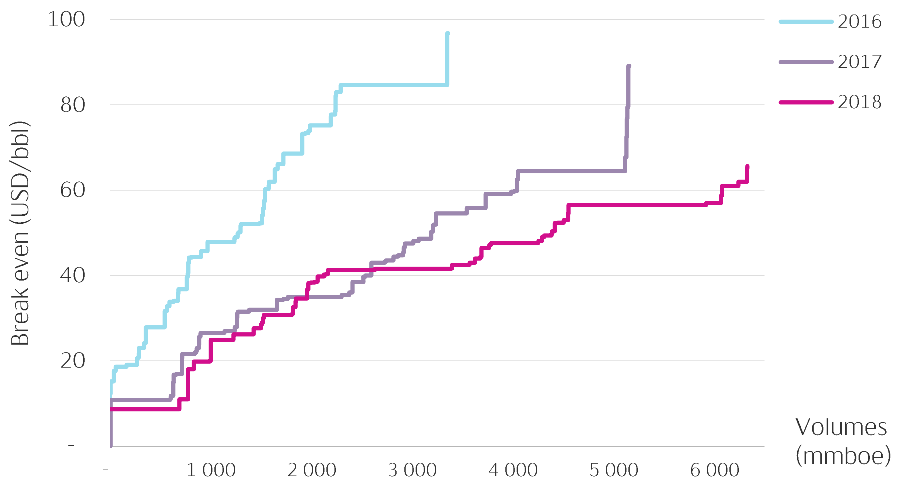


1. *Statoil- and partner-operated projects, sanctioned since 2015 or planned for sanction, with start-up by end of 2022.*
2. *Volume weighted.*
3. *Development from 2017 to 2018.*

Non-sanctioned projects[4]

Break-even prices and volumes continue to improve

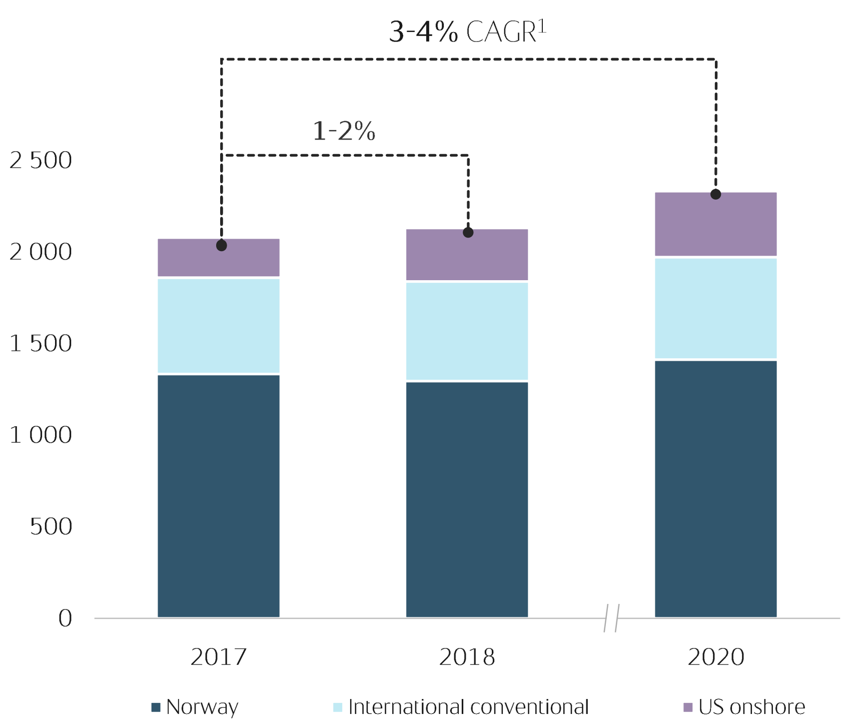
Improving break-even	Increasing resources, 3 to	Value increase
Around 33%	Around 6 bn boe	Around 10 bn USD



4. *Non-sanctioned or non-government approved projects (with identified business case) 2018 compared to 2016, assuming 70 USD/bbl. Excludes unconventional.*

High value production growth

Statoil equity production
kboe/d



Major start-ups planned for 2018-2022[2]

	2018	2019	2020	2021	2022
E&P Norway	Aasta Hansteen Oseberg Vestflanken 2	Johan Sverdrup Martin Linge Trestakk Utgard	Njord Bauge Snøhvit Askeladd	Troll Phase 3 Snorre Expansion	Johan Castberg Johan Sverdrup Future Krafla Grand
E&P Intl	Mariner Stampede TVEX Big Foot Caesar Tonga 2	Utgard UK	Peregrino Phase 2	Vito	North Komsomolskoye
	~170	~300	~90	~150	~300

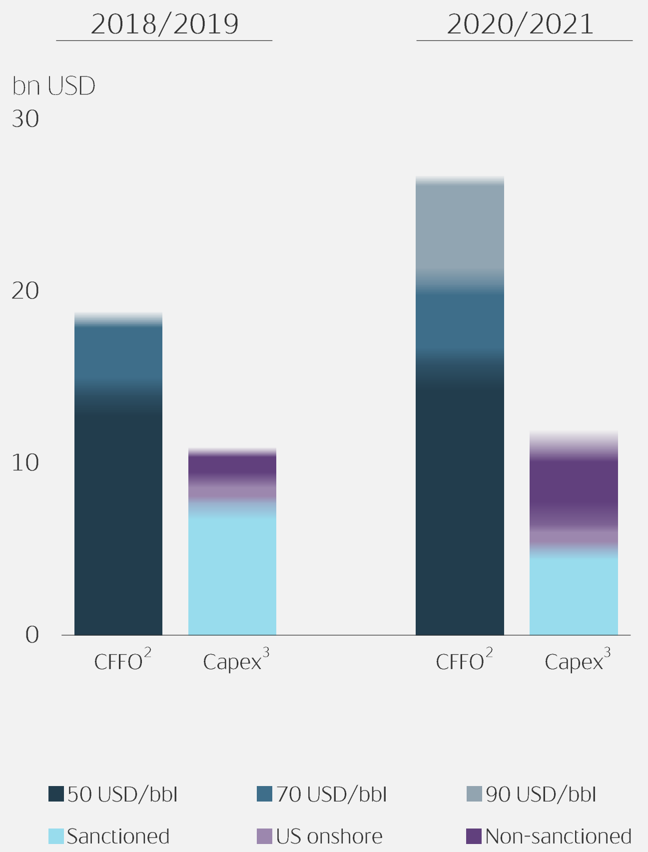
1. *Compound annual growth rate.*

2. *Major projects (list not exhaustive), indicative plateau production, Statoil equity, kboe/d, not applicable for sum of production per year.*

Strong cash flow generation – flexibility maintained

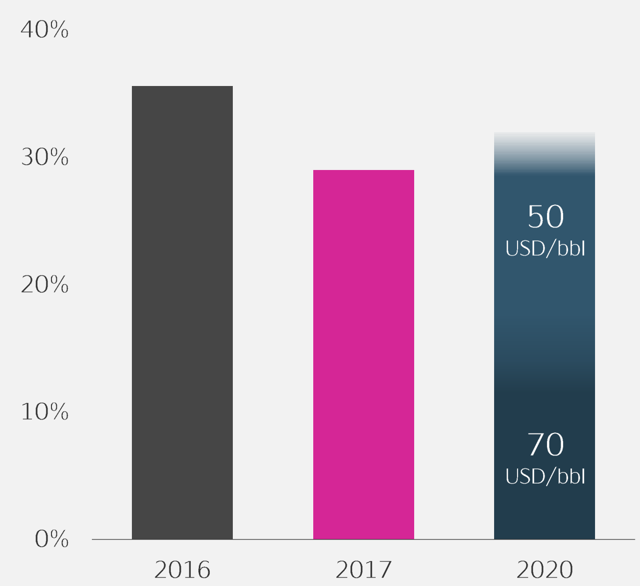
Growing cash flow[1]

Free cash flow positive below 50 USD/bbl



Materially improving net debt ratio[4]

Below 15% at 70 USD/bbl



Firm financial framework

Strong financial position

- A-category rating on stand-alone basis
- Net debt to capital employed ambition at 15-30%

4Q dividend 0.23 USD per share[5]

- 4.5% cash dividend increase
- Reflects earnings growth from sustainable improvements

Scrip program ended as planned

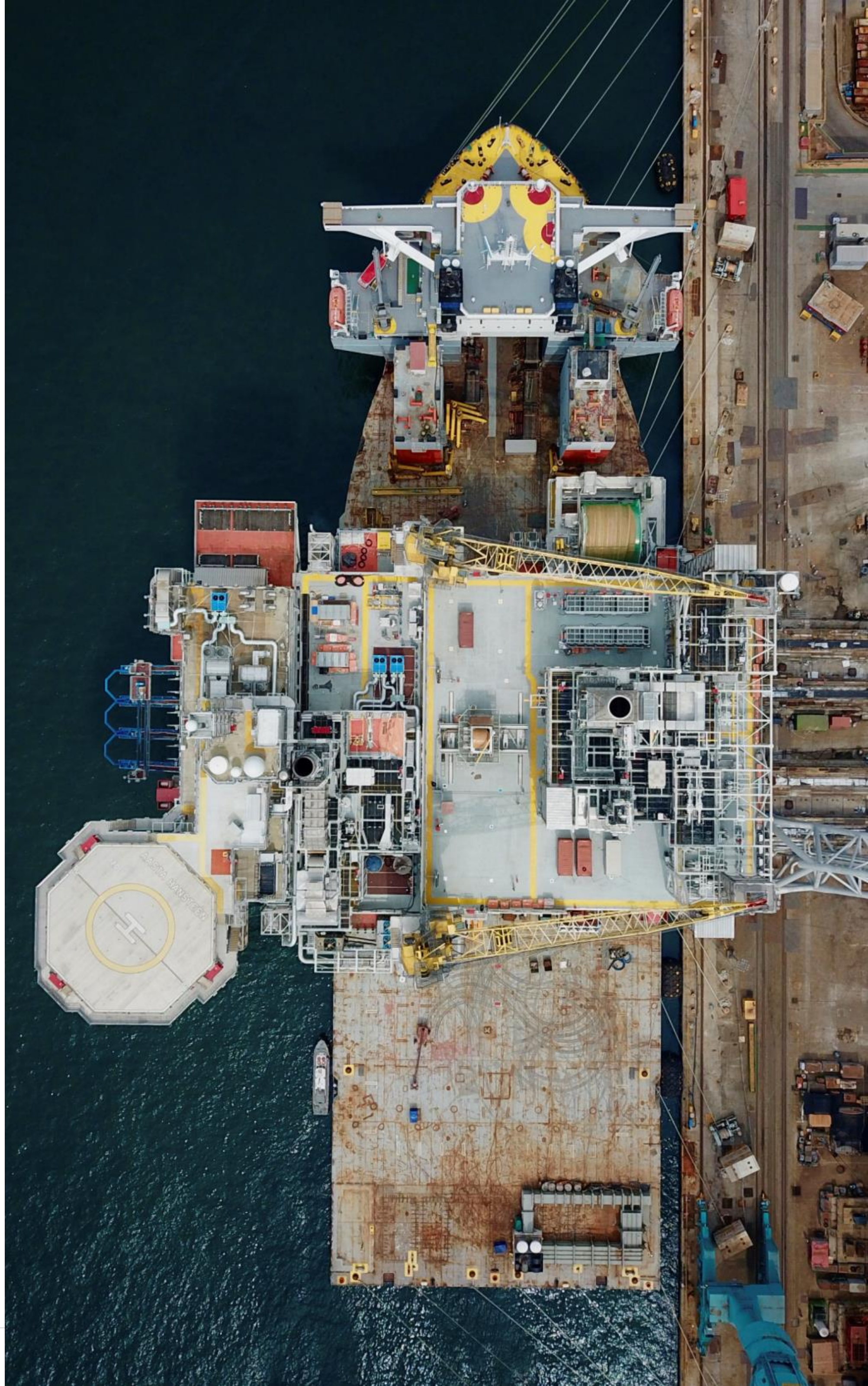
Scope for share buy-backs emerging

- Dependent on macro outlook and portfolio developments
- Near term priority to strengthen balance sheet

1. *Scenario assumptions in real prices (Brent Blend USD per barrel / NBP USD per million Btu): 50/5.5, 70/6.5 and 90/8.5*
2. *Excluding dividend and changes in working capital.*
3. *Excluding considerations.*
4. *Including announced transactions.*
5. *Subject to approval at the Annual General Meeting (AGM).*

2018 | Guidance & outlook

	PERIOD	OUTLOOK
Organic capex	2018	Around 11 bn USD[1]
Exploration	2018	Around 1.5 bn USD
Production	2017 - 2018 2017 - 2020	1-2% 3-4% CAGR



1. *Based on USD/NOK exchange rate of 8.25.*

Delivering high value

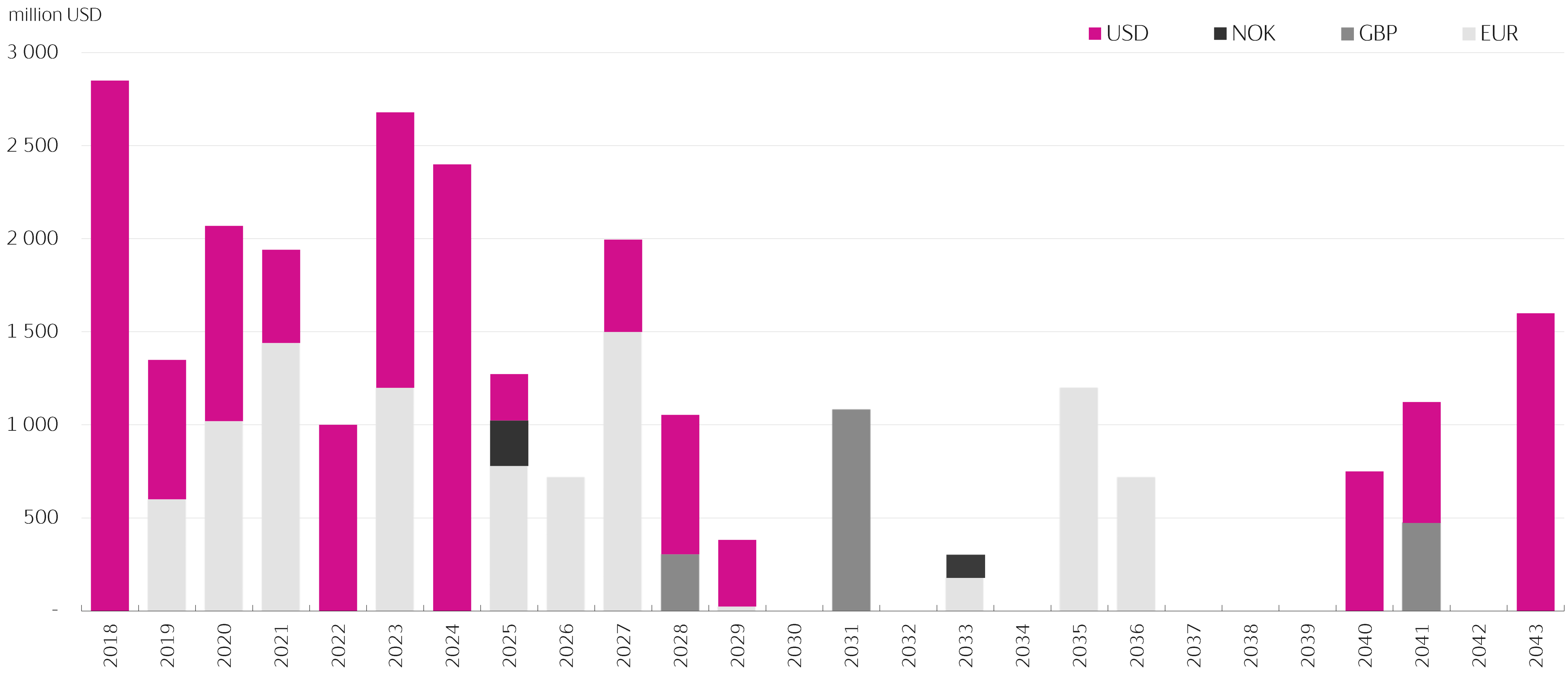
Growing cash flow, returns and dividend	• Cash flow around 12 bn USD 2018-2020[1] • RoACE around 12% in 2020[1] • Dividend growth 4.5%[2]
Investing in world class projects	• Next generation portfolio[3] - break-even of 21 USD/bbl • Johan Sverdrup Ph. 1 – break-even below 15 USD/bbl • Maintaining strict financial discipline
Leveraging strengths to create value	• Operational excellence • World class recovery • Leading project delivery • Premium market access • Digital leader

1 *Assuming 70 USD/bbl.*
2 *Subject to approval at the Annual General Meeting (AGM).*
3 *Statoil- and partner-operated projects, sanctioned since 2015 or planned for sanction, with start-up by end of 2022. Volume weighted.*

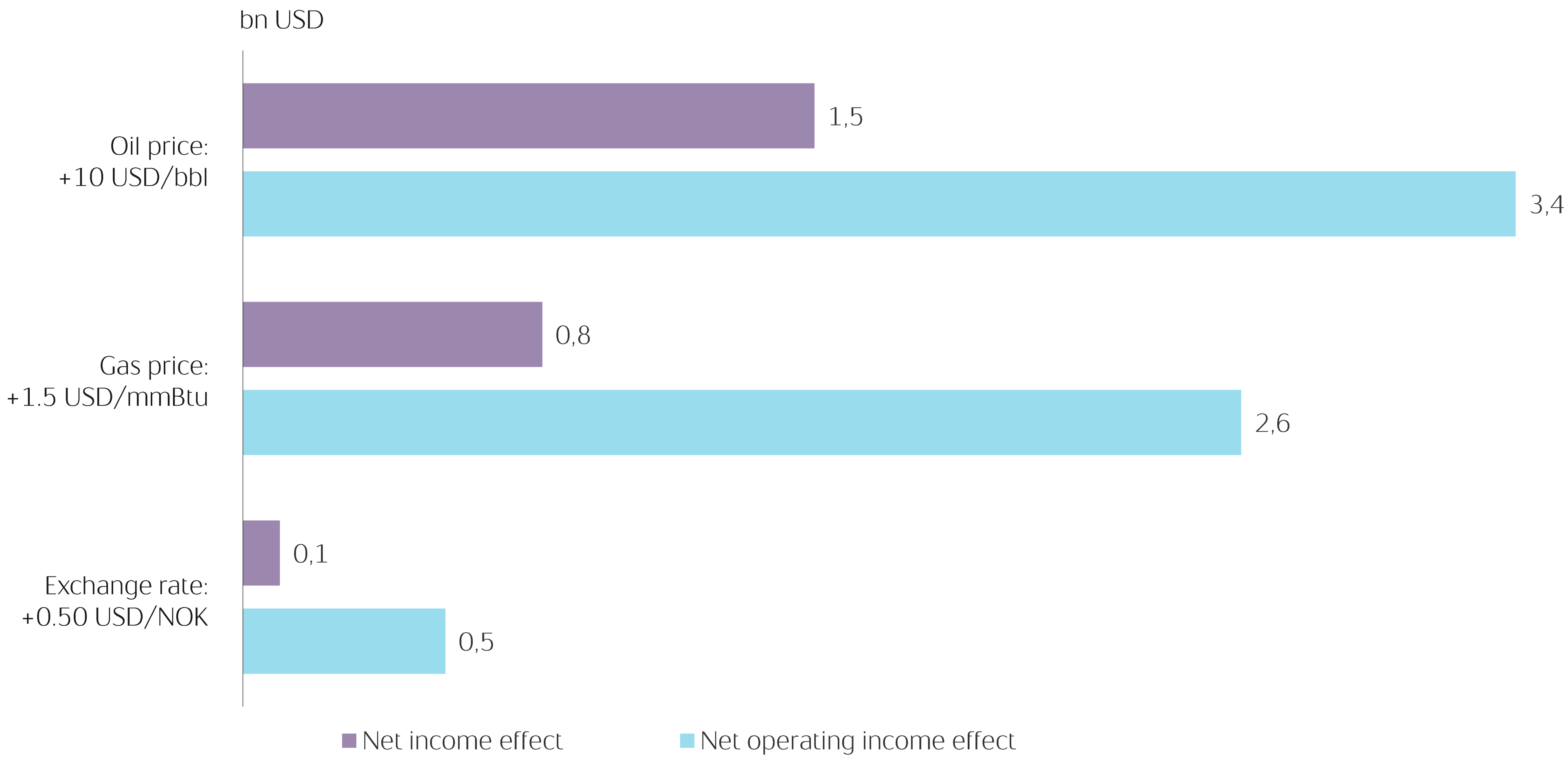
Supplementary information

Long term debt maturity profile

Redemption profile 31.12.2017



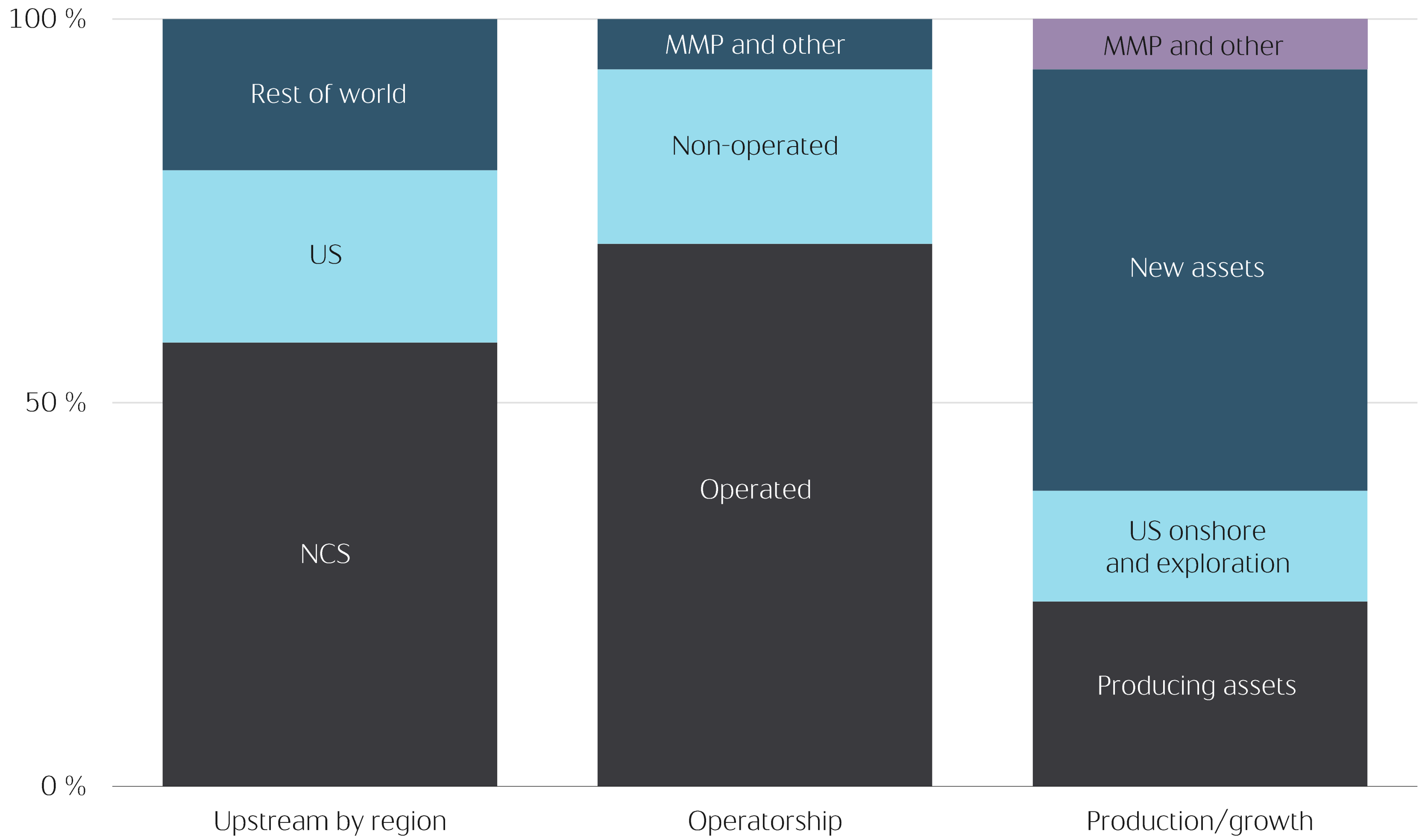
Sensitivities[1]– indicative effects on 2018 results



1. *Based on USD/NOK exchange rate of 8.25.*

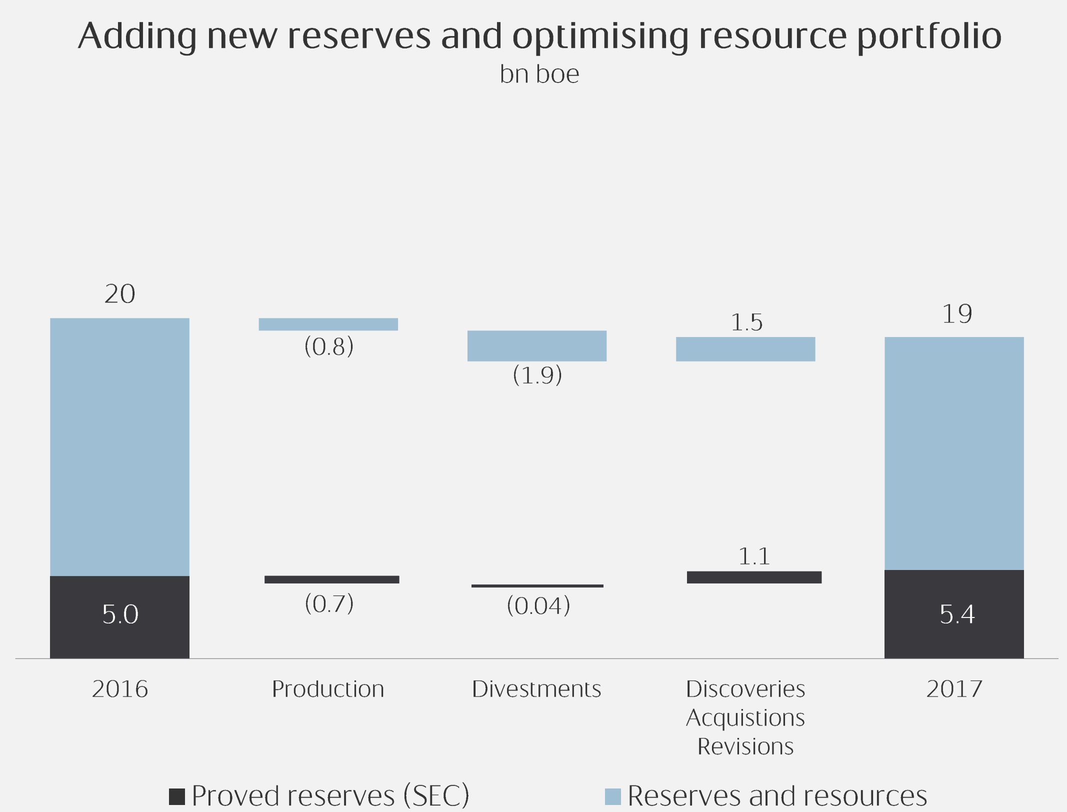
Investing for profitable growth

Investment profile 2018-19



- ~60% on the NCS
- ~70% in operated assets
- ~55% in new assets
- ~90% in upstream

2017 | Reserve replacement ratio of 150%



Reserve replacement ratio
- 150% total
- 148% organic
- 109% organic three-year average

Reserves
- 50/50 split oil and gas
- Around 70% at NCS

Resources
- Over 50% outside Norway
- 78% within OECD

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