



Statoil

2<sup>nd</sup> Quarter 2015

Torgrim Reitan, CFO

# Second quarter 2015

- Encouraging results in current market environment
- Efficiency improvements coming through
- Solid operational performance
- Strong cash flow and reduced net debt ratio
- Lowering 2015 capex guidance
- Changing to USD presentation and dividend currency
- 2Q dividend of 0.2201 USD / 1.80 NOK per share

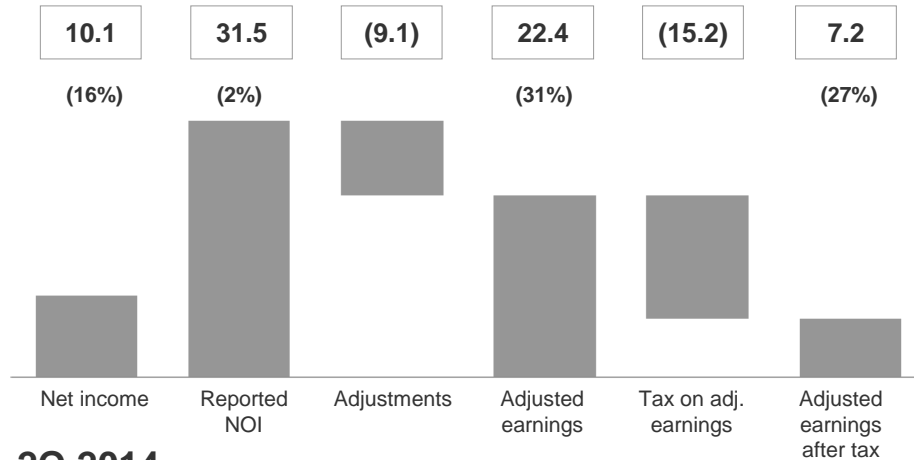


# Financial results

- Solid operational performance
  - Tangible cost improvements
  - Continued high regularity
- Strong results from MPR
  - Driven by refinery margins and good trading performance
- Net income positively impacted by divestments

## 2Q 2015

NOK bn



## 2Q 2014

NOK bn



# Adjusted earnings by segment

## Statoil group <sup>1)</sup>

Strong momentum on improvement agenda



*Simplified organisation announced*

## D&P Norway

Production growth and cost improvements



*Gullfaks: Plan for Shetland/Lista*

## D&P International

Positive underlying cost development



*Jack/St.Malo: Ramping up production*

## MPR

Continued strong deliveries



*Increased refinery margins*

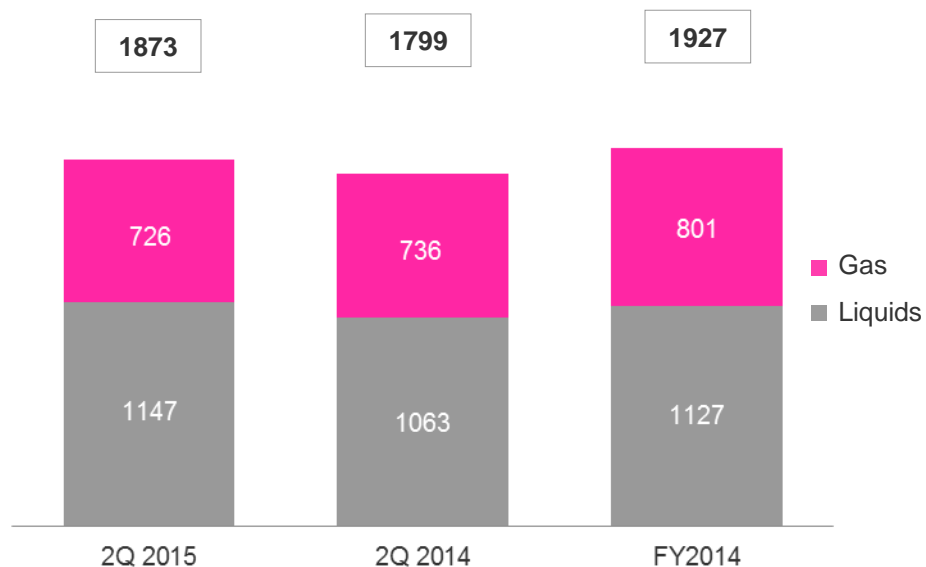
NOK bn	Statoil group <sup>1)</sup>		D&P Norway		D&P International		MPR	
	Pre tax	After tax	Pre tax	After tax	Pre tax	After tax	Pre tax	After tax
2Q'15	22.4	7.2	17.9	5.5	(0.1)	(1.4)	5.3	3.7
2Q'14	32.3	9.9	24.1	6.7	6.3	2.9	2.4	0.7

# Strong production performance

- Continued high production regularity
- Ramping up new liquid fields
  - Gudrun, Valemon, CLOV, Jack/St.Malo
- 7% underlying growth<sup>1)</sup>
  - 9% on NCS

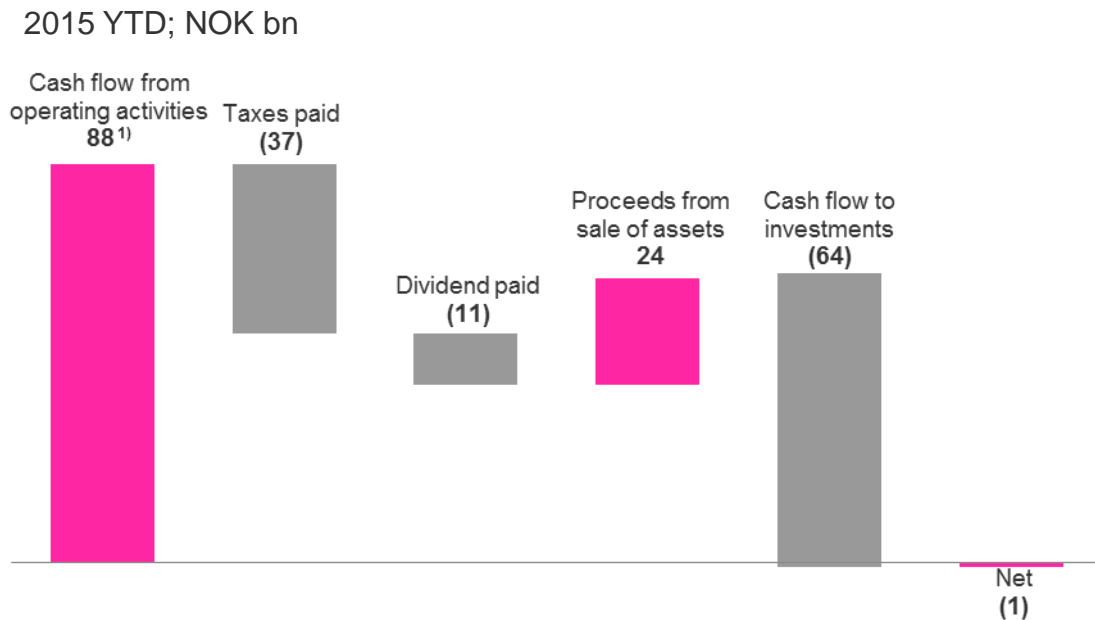
## Equity production

mboe/d



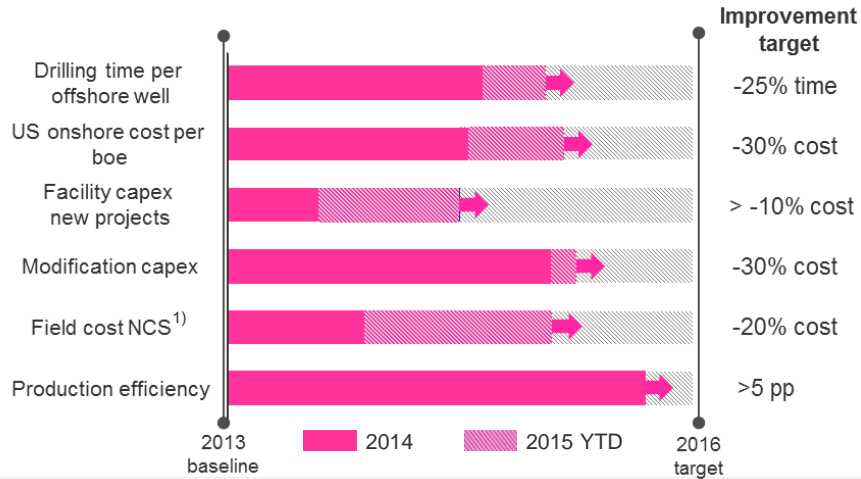
# Cash flow 2015

- Strong cash generation
- High earnings after tax from MPR
- Proceeds from divestments
- Adjusted net debt to capital employed of 22%



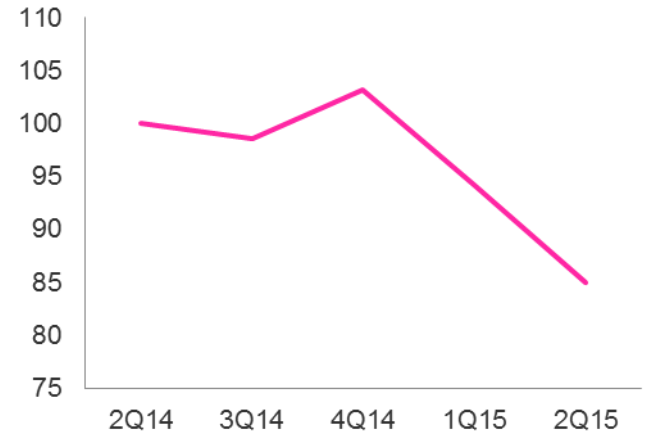
# Efficiency improvements coming through

## Operational efficiency improvements to date 2015



## Adjusted upstream opex and SG&A<sup>2)</sup>

Rebased; 2Q14 = 100



1) Field cost NCS = Installation subsea and topside operation and maintenance, logistics, catering, administration, HSE and reservoir management.

2) Costs in each upstream segment are equally weighted in underlying main currency: USD for D&P International and NOK for D&P Norway.

# Outlook 2015

<b>Capex</b>	USD ~17.5 bn <sup>1)</sup>
<b>Production</b>	~2% annual organic growth
<b>Maintenance</b>	45 mboe per day 45 mboe per day in 3Q
<b>Exploration</b>	USD ~3.2 bn <sup>1)</sup>





Thank you



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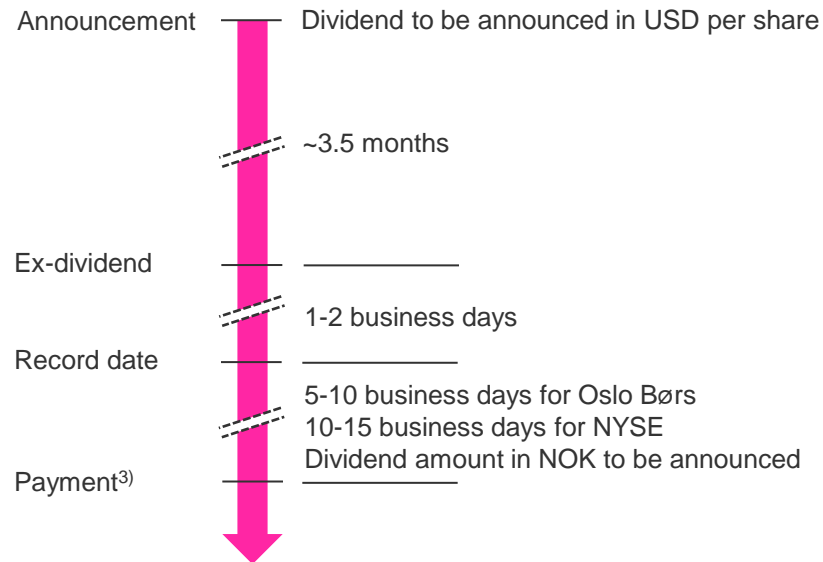
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# Dividend declaration and currency conversion

## Second quarter 2015



## From third quarter 2015<sup>2)</sup>



1) Basis for currency conversion is Norges Bank's official exchange rate 27.7 of 8.1769 NOK per USD

2) Timing shown is indicative only, exact dates will be published on [www.statoil.com](http://www.statoil.com) for each quarter

3) Conversion from USD to NOK for ordinary shares will be based on average of Norges Bank's official exchange rate for the three business days prior to Record date, Record date itself and the three business days after Record date (i.e. seven days combined)

# 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", "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 future financial position, results of operations and cash flows; changes in the fair value of derivatives; future financial ratios and information; future financial or operational portfolio or performance; future market position and conditions; business strategy; growth strategy; future impact of accounting policy judgments; sales, trading and market strategies; research and development initiatives and strategy; projections and our future impact related to efficiency programs, market outlook and future economic projections and assumptions; competitive position; projected regularity and performance levels; expectations related to our recent transactions and projects, completion and results of acquisitions, disposals and other contractual arrangements; reserve information; future margins; projected returns; future levels, timing or development of capacity, reserves or resources; future decline of mature fields; planned maintenance (and the effects thereof); oil and gas production forecasts and reporting; domestic and international growth, expectations and development of production, projects, pipelines or resources; estimates related to production and development levels and dates; operational expectations, estimates, schedules and costs; exploration and development activities, plans and expectations; projections and expectations for upstream and downstream activities; oil, gas, alternative fuel and energy prices; oil, gas, alternative fuel and energy supply and demand; natural gas contract prices; timing of gas off-take; technological innovation, implementation, position and expectations; projected operational costs or savings; projected unit of production cost; our ability to create or improve value; future sources of financing; exploration and project development expenditure; effectiveness of our internal policies and plans; our ability to manage our risk exposure; our liquidity levels and management; estimated or future liabilities, obligations or expenses and how such liabilities, obligations and expenses are structured; expected impact of currency and interest rate fluctuations; expectations related to contractual or financial counterparties; capital expenditure estimates and expectations; projected outcome, objectives of management for future operations; impact of PSA effects; projected impact or timing of administrative or governmental rules, standards, decisions, standards or laws (including taxation laws); estimated costs of removal and abandonment; estimated lease payments, gas transport commitments 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 directives; general economic conditions; political and social stability and economic growth in relevant areas of the world; the sovereign debt situation in Europe; global political events and actions, including war, terrorism and sanctions; security breaches; situation in Ukraine; 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, 2014, filed with the U.S. Securities and Exchange Commission, which can be found on Statoil's website at [www.statoil.com](http://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.