



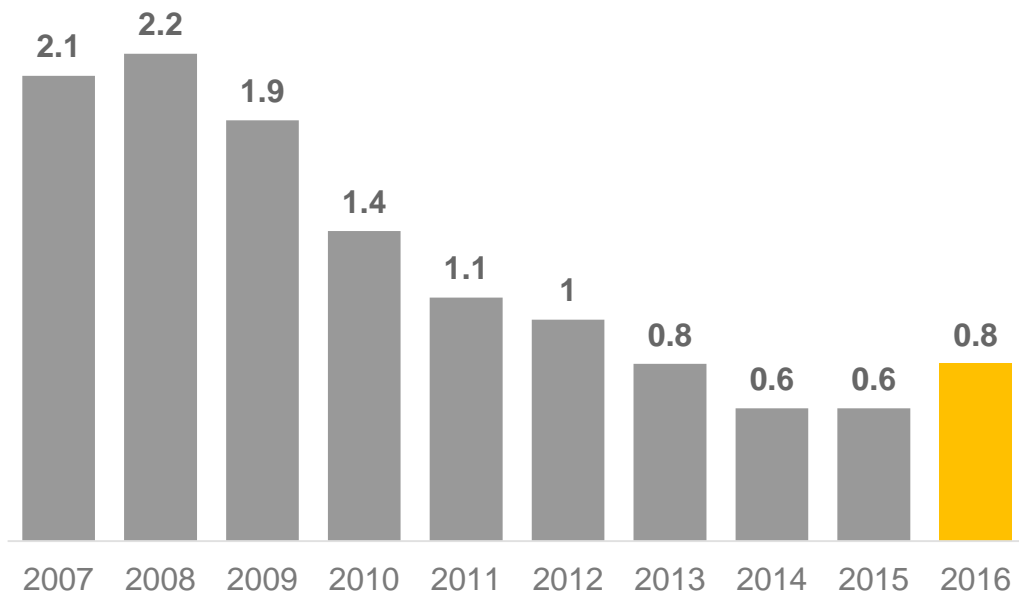
# Statoil host presentation 2017 IOGP Geomatics Industry Day

Jan Helgesen, VP Geophysical Operations

# Reinforcing safety measures

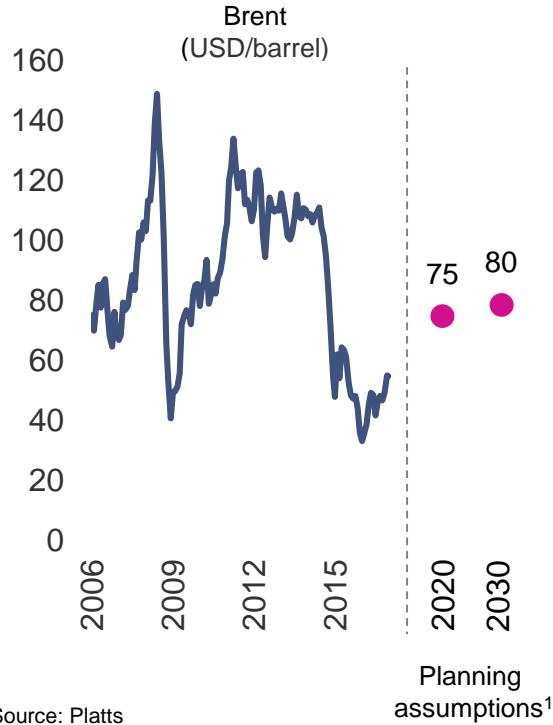
## Serious incident frequency

Serious incidents per million work-hours

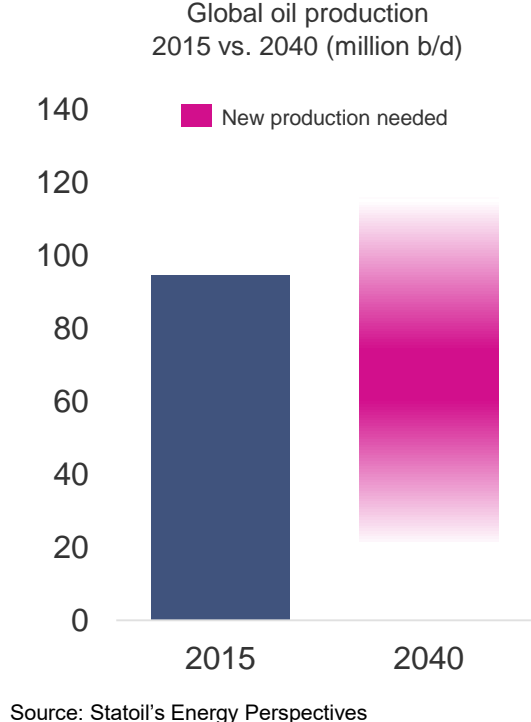


# Opportunities in the energy transition

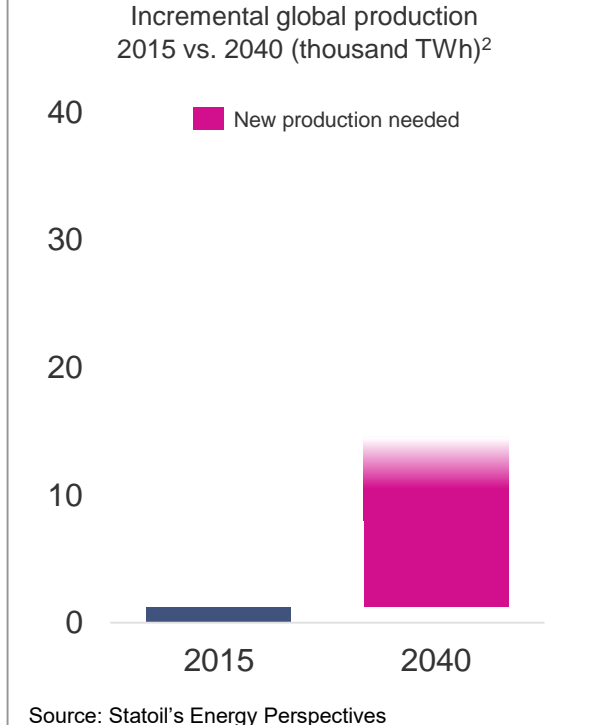
## Markets remain cyclical



## Major investments required



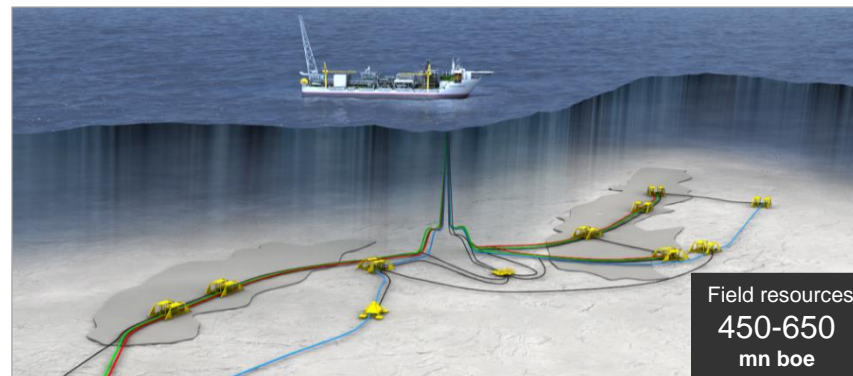
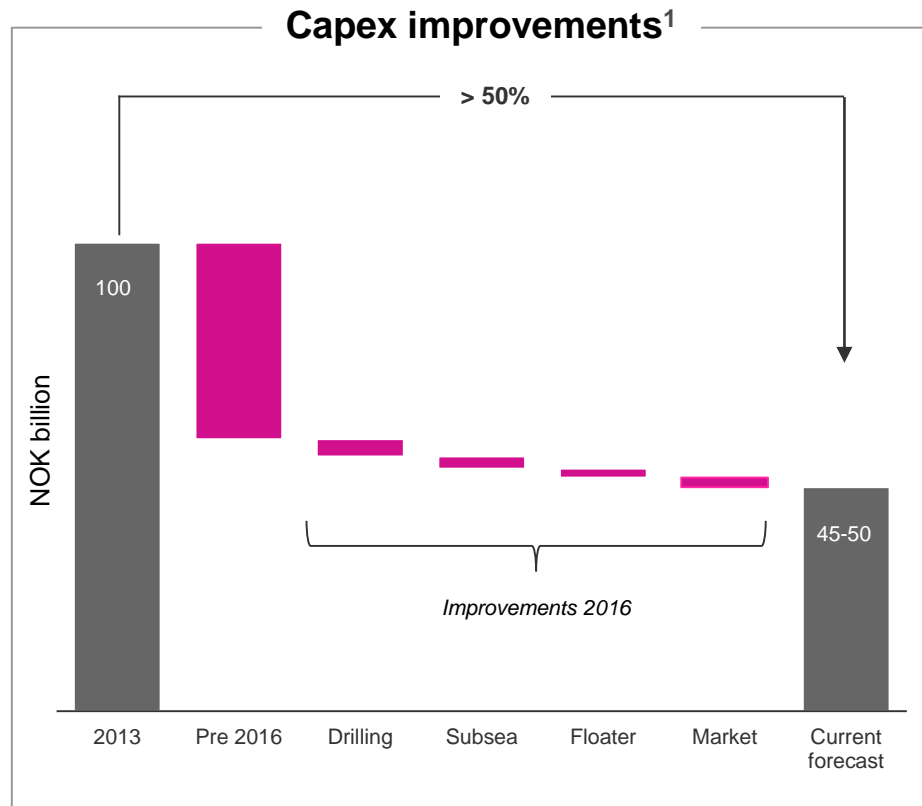
## Growth in new renewables



<sup>1</sup> Long-term economic planning assumptions. 2016 USD, real prices.

<sup>2</sup> Scale calibrated for million b/d equivalent.

# Johan Castberg – continuously optimising concept



## Improvements break-even price

2013 **above**

80

USD/bbl

CMU 2016 **below**

45

USD/bbl

Current **below**

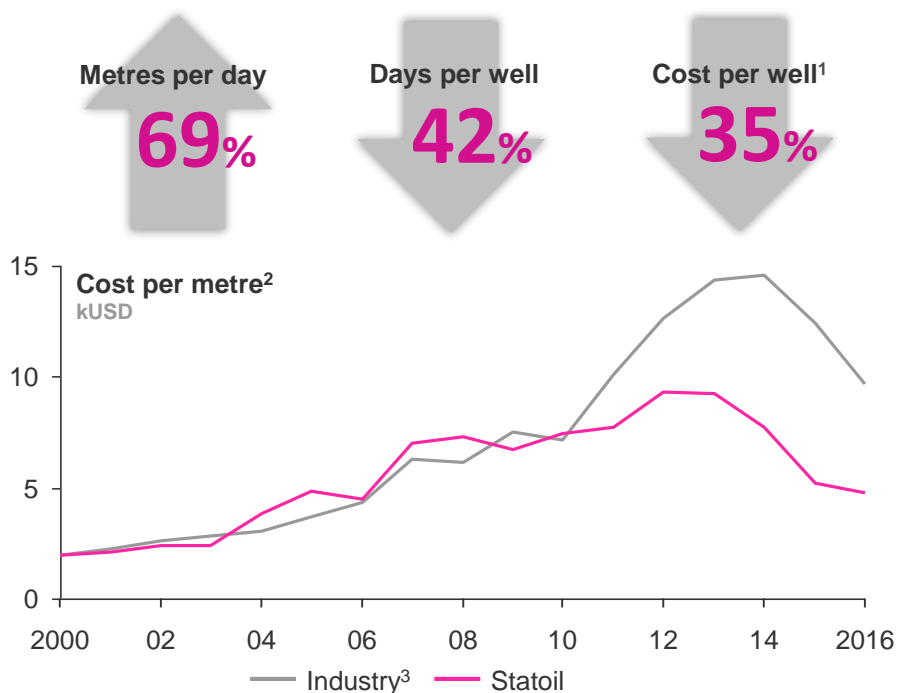
35

USD/bbl

<sup>1</sup> Numbers in NOK billion 100% real term 2016.

# Strong drilling efficiency improvements

## Efficient production wells at lower cost



## Driving efficiency culture



- Safety first
- Simplification & standardisation
- The “perfect well” approach

## Delivering more wells and reducing cost

2015: **117** wells delivered | USD **3.5** bn

2016: **119** wells delivered | USD **2.6** bn

1 Adjusted for currency effects.

2 IHS Rushmore. [www.RushmoreReviews.com](http://www.RushmoreReviews.com). (All rights reserved, 13.01.2017). Global well delivery benchmarking data. Offshore development wells, dry hole well cost per meter drilled.

3 All wells in following areas: Brazil, Canada, Denmark, Netherlands, Norway, UK and US GoM Deep water.

# Capturing value from cyclicality



**Awarding contracts**  
in low-price environment

USD **30** bn

awarded 2015-2016<sup>1</sup>

## Portfolio high grading

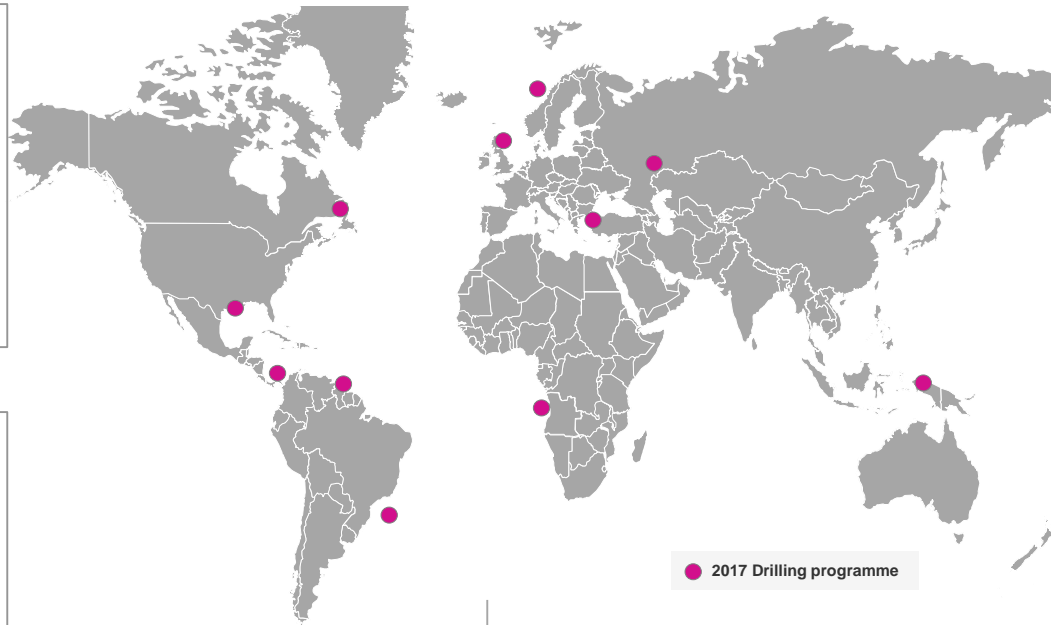
2012-2014:  
Divestments<sup>2</sup>

USD **13** bn

2015-2016:  
Key acquisitions

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

## Seizing exploration opportunities



● 2017 Drilling programme

**25,000 km<sup>2</sup>**

acreage added in 2016

**~30 wells | USD 1.5 bn**

2017 activity level

<sup>1</sup> Based on expected spend (100%) over contract lifetime for both new and renegotiated contracts.

<sup>2</sup> Gross divestments.



# Developing a distinct and competitive portfolio



## 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



High value,  
low carbon

## 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

