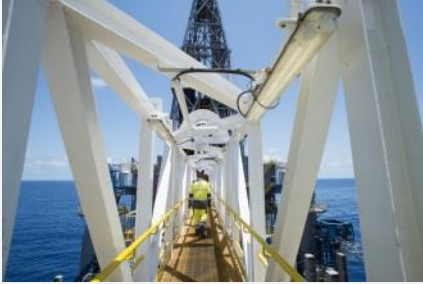


IR Reception
Stavanger · 26 August 2014

Predictable and competitive project execution



Tanzania deep water:
Assessing concepts



Gudrun: *Delivered,
on time, below cost*



Åsgard subsea
compression: *On track*



Johan Sverdrup:
Competitive solutions



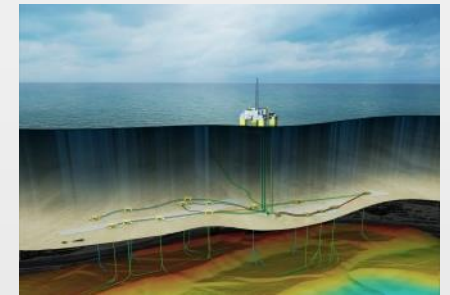
Troll 3&4: *High value
new barrels*



Valemon: *In place*



Gina Krog, Mariner and
Aasta Hansteen:
Fabrication started



Johan Castberg:
Optimising the project

Making progress on cost and capital efficiency

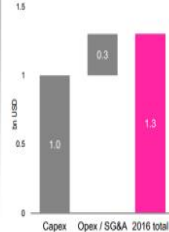
CMU February 2014

Increase efficiency Reducing cost and improving efficiency

Strong starting point with low relative Unit Production Cost¹⁾



Launching improvement initiatives with expected annual savings of USD 1.3 bn from 2016



Delivering capex improvements

- Reduce modification capex by 20%
- Potential for 10% lower facility cost from leaner concepts
- Reduce rig commitments
- Potential to cut well construction time by 25%

Reducing opex & SG&A

- Maintain upstream cost level despite production growth
- Further reduce downstream cost
- Increase organisational efficiency

13 ¹⁾ Peer group: Anadarko, BHP, Chevron, ConocoPhillips, E.ON, ExxonMobil, Hess, Ineos, Royal Dutch, Total. Company internal figures sourced from IHS Herold Financial Databases. The benchmark is based on average UPC for the years 2010-2012.



Expected annual savings of USD 1.3 billion from 2016

Statoil technical efficiency programme [STEP]

Specific high-impact projects

1. End-to-end well delivery
2. Strengthen early phase
3. Standardisation and industrialisation
4. Operations, maintenance and modification excellence
5. Supplier management and efficiency
6. Simplification and resource prioritisation

On track for 2014

- More efficient offshore **well deliveries**
- Adjusted the **offshore rig portfolio**
- Strong **production efficiency**
- NCS **modification** and **field cost** trending downwards
- Increased **resource efficiency**

QA

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