

AKER COMPANIES INVESTOR DAY 2016

DET NORSKE OLJESELSKAP ASA

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Investment case

■ Well positioned in a volatile oil price environment

- Strong production base: ~60 mboepd* with production cost below 7 USD/boe*
- Purely operating on the NCS: Low political risk and attractive fiscal regime
- Robust and diversified capital structure: USD 1.2 billion in cash and undrawn credit
- Prudent and disciplined financial management

■ Solid operational and development performance

- Alvheim area: Well-run assets with multiple growth opportunities
- Ivar Aasen: Continued derisking of project – on track for first oil in Q4 2016
- Johan Sverdrup: Progressing according to plan with lowered cost estimates

■ Strong platform for future growth

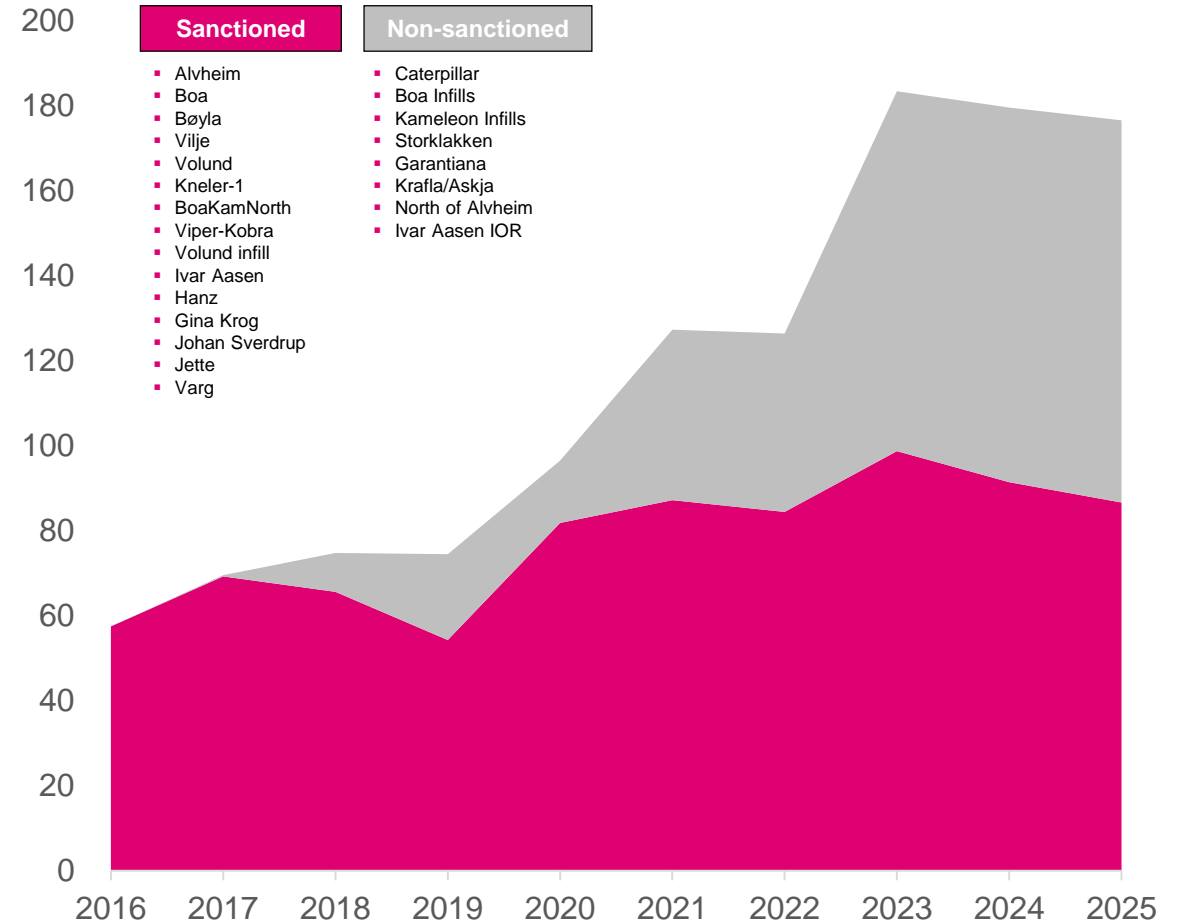
- Visible organic growth from sanctioned projects and discovered resource hopper
- Year-end 2015 reserves of 498 mmboe and contingent resources of 326 mmboe
- Significant dividend capacity post 2020
- Demonstrated ability to acquire NCS assets at attractive prices



Visible organic growth from existing portfolio

- **Strong asset base for further growth**
 - High quality development projects with low break-even
- **Identified potential within the portfolio to lift oil & gas production to 180,000* boepd after 2020 in improved market conditions**
- **Further organic upside from exploration acreage**
- **Sanctioned projects have potential to deliver after-tax operating cash flow of USD 5 billion** to Det norske in the period 2020 to 2025 at current forward price**

Indicative production profile (mboepd) – net



Three building blocks for future success

Execute

- Alvheim production, projects and drilling
- Ivar Aasen project and drilling
- Efficient integration of acquisitions

Improve

- Deliver on improvement agenda
- Strengthen improvement capabilities
- Develop new improvement initiatives

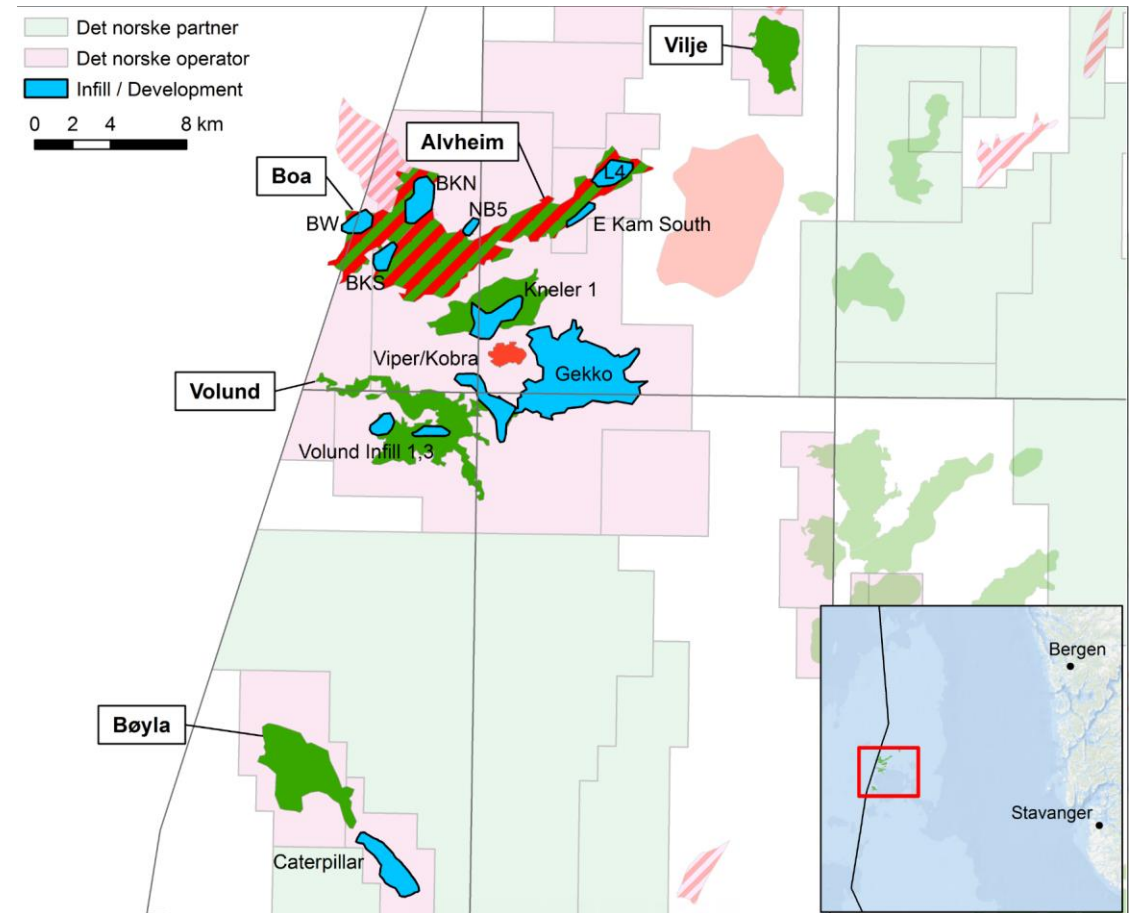
Grow

- Be opportunistic and exploit market opportunities
- Achieve selective growth that is value and credit accretive
- Secure new exploration acreage

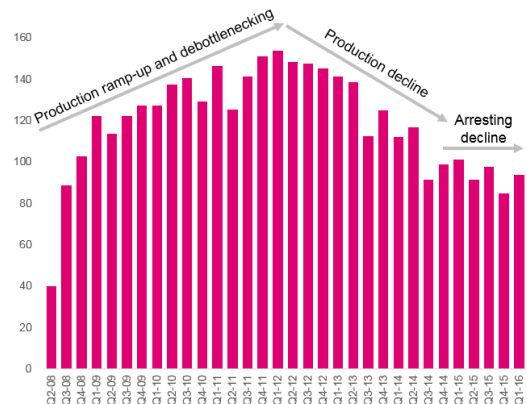
Alvheim: High margin production with low operating cost

- Excellent uptime and reliability on Alvheim FPSO**
 - 99.3 percent production efficiency in Q1-2016
- Further developing the area**
 - 10-12 named projects in pipeline
 - New rig contract brings break-even oil price below 30 USD/bbl
- Three new wells to be hooked up to the FPSO in 2016**
 - BoaKamNorth well commenced production in May
 - Viper/Kobra first oil in late 2016

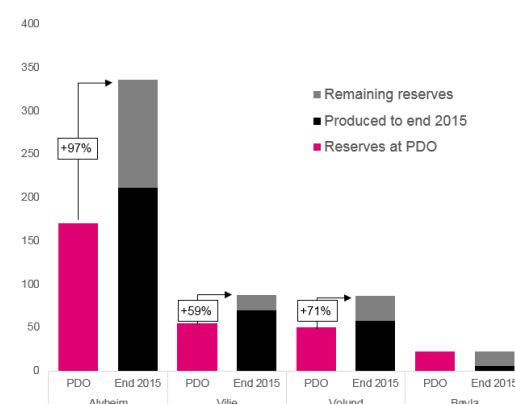
Map greater Alvheim area



Alvheim FPSO historical production (mboepd gross)



Reserves vs. PDO (P50 gross), mmmboe



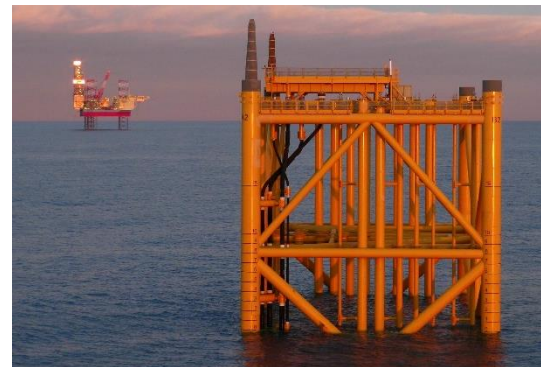
EXECUTE

Ivar Aasen: 15 million working hours without serious injuries

- Project on time and budget
- Topside loaded on to the heavy transport vessel “Xiang Rui Kou” with sail-away from Singapore 6 June
- Lifting operations scheduled for early July with “Saipem 7000” heavy lift vessel
- Drilling program ahead of schedule, and sufficient well capacity to meet production target
- Det norske and Aibel working as one integrated team with common KPIs and incentives to minimize offshore work hours
- Proactive planning and coordination of all offshore hook-up and commissioning activities to secure first oil in December 2016



Topside load-out, Singapore May 2016



Sverdrup: Tremendous value generation in the coming years

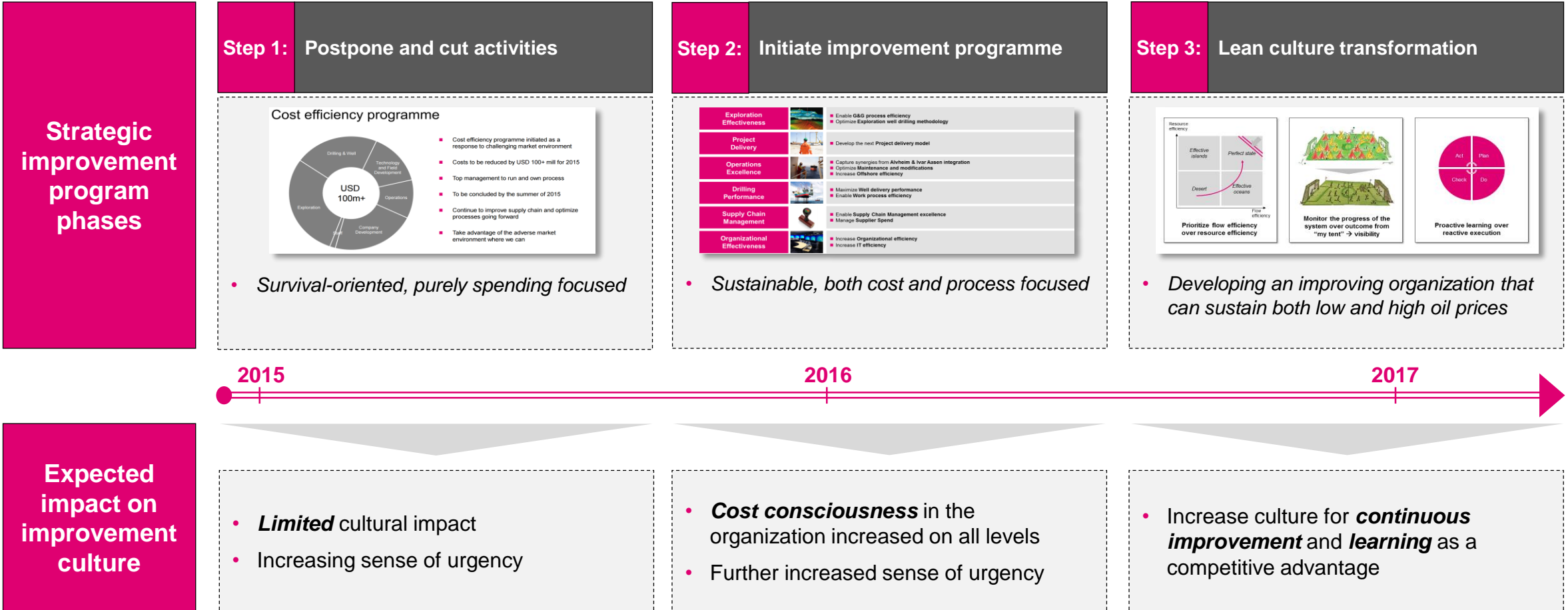
- **Det norske's partner agenda to support the operator:**
 - Monitor progress on engineering, construction and drilling
 - Support efforts to take advantage of current market conditions and reduce expenditures
 - Evaluate volume upside potential and efforts to increase recovery factor
- **Project progressing according to plan:**
 - Most major contracts have been awarded
 - Platform construction ongoing
 - Pre-drilling with Deepsea Atlantic commenced in March
- **Partners have decided on debottlenecking measures with aim to increase phase 1 production capacity above 380 mboepd**
- **CAPEX (Phase 1) at CCE2: NOK 108.5 billion (nominal in project FX), down from NOK 123 billion in PDO**
- **Project break-even price <30 USD/bbl**



Deepsea Atlantic



Goal to become the benchmark independent E&P company



IMPROVE

Achieving world class drilling performance

■ Excellent drilling and completion performance at Ivar Aasen

■ Consistent top quartile performance

- The drilling team at Ivar Aasen have at average drilled 216 m/day compared to an average performance at 104 m/day in the period 2010-2016
- Good planning enables efficient use of Maersk Interceptor's offline capacity
- Efficient well design
- Still improvement potential

■ Drilling and completion at the Alvheim-fields are also showing improved performance

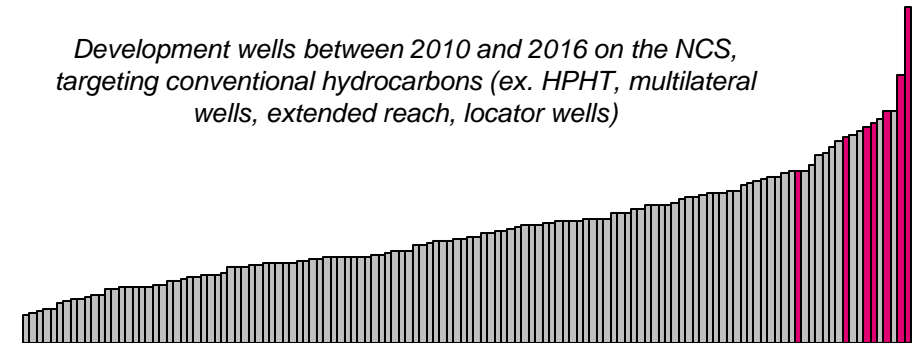
- Several complex multilateral wells drilled in area
- Drilling of pilot-wells have discovered additional resources

Meters/dry hole day (ex. Core & log) by well *

Maersk Interceptor
(pink color)
Delivered 2014



Development wells between 2010 and 2016 on the NCS, targeting conventional hydrocarbons (ex. HPHT, multilateral wells, extended reach, locator wells)

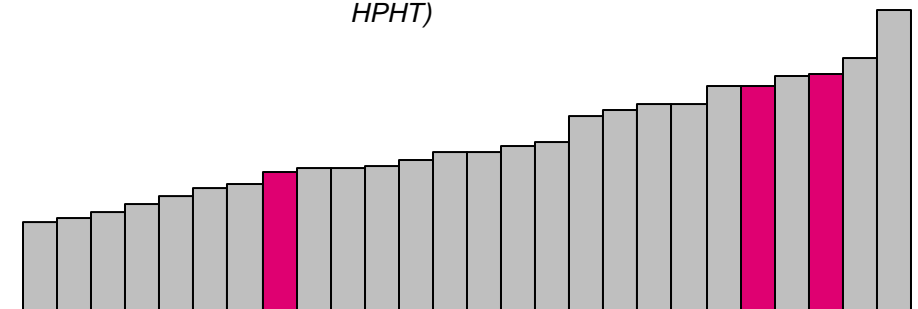


Meters/dry hole day (ex. Core & log) by well *

Transocean Winner**
(pink color)
Delivered 1983



Multilateral development wells between 2007 and 2016 on the NCS, targeting conventional hydrocarbons (ex. HPHT)



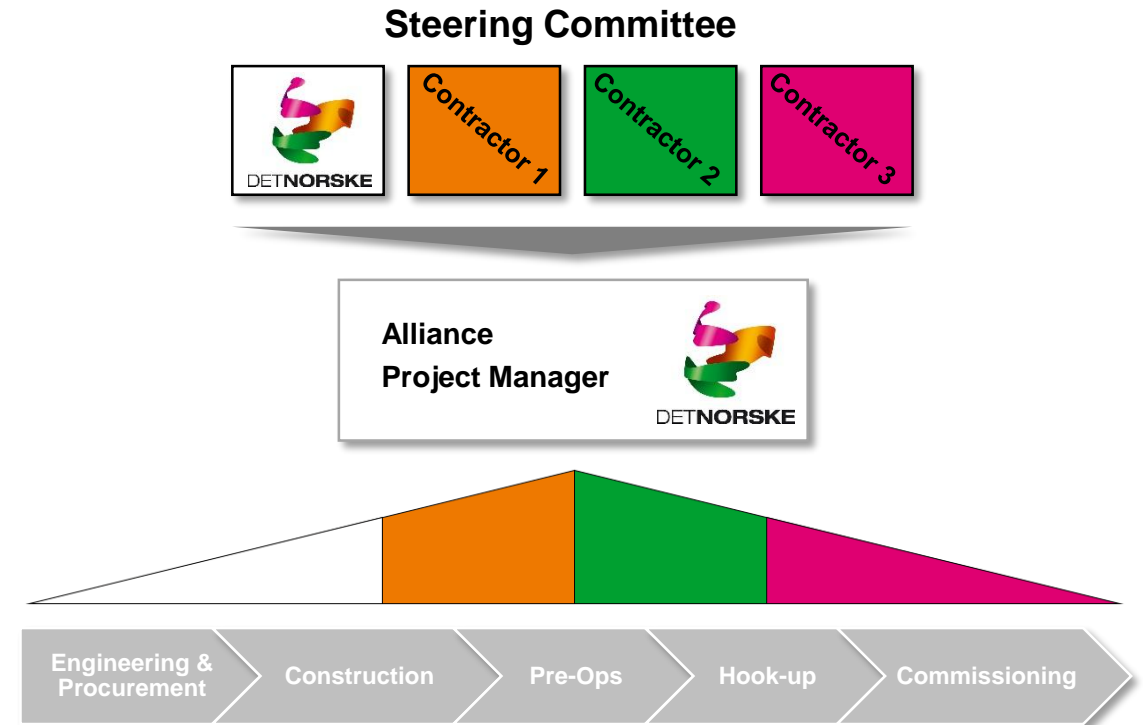
IMPROVE

Ambition to be an industry reference for project excellence

Building alliances with contractors

- **Project execution model where Det norske and service companies work together with common KPIs and incentives**
 - Stand-alone contracts between Det norske and the different companies in the alliance
 - Alliance agreement is a cooperation agreement to work together in a prescribed manner
- **The alliance team organized to deliver total scope**
 - Best qualified person for the job
 - One integrated team
 - All positions accountable for delivery on quality, schedule and cost
- **Sharing of risk, both upside and downside**
 - Alliance partners establish a most likely cost for a scope of work and losses/gains from this will be shared among the parties

Typical alliance organization – One team



Targeting reduction of engineering hours per ton produced platform by 50% and cut total execution time by 25%

IMPROVE

PUSH: Joint effort to succeed with digital project execution

■ Collaboration between Det norske and Aker Solutions

- The PUSH project will build upon Det norske's new project delivery model

■ Digitalization of the project delivery model to facilitate seamless work and data flow

- Generate better options, develop and implement field developer tool
- Reuse adaptive building blocks, develop and implement search and reuse tools
- Optimize data flow around 3D model, develop architecture and tools

■ Aim to further reduce engineering hours and total execution time



AkerSolutions



DETNORSKE

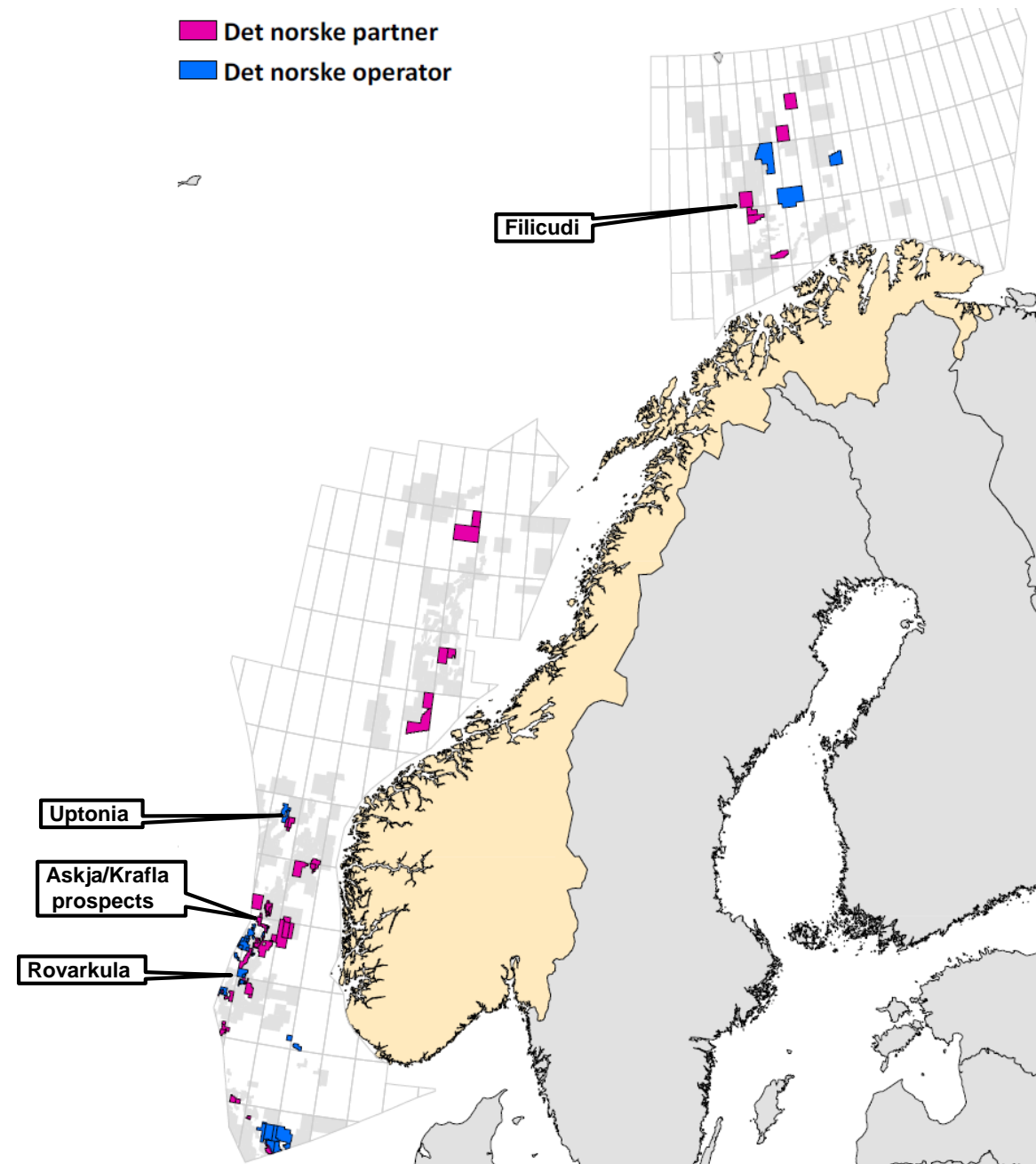
Vision: “Aker Solutions and Det norske to be recognized as a reference for digital project execution”

GROW

Stepping up exploration activity

- **Ambition to be a leading explorer on the NCS by 2020**
- **Targeting 150 mmboe net to Det norske in 2016-2020**
 - Ensure long-term reserve replacement and value creation
 - Establish new core areas
- **2016 focus near existing discoveries**
 - ILX prospect near Ivar Aasen
 - Confirm volumes in Krafla/Askja area
 - Test prospective trend in Loppa South

License	Prospect	Operator	DETNOR Share	Pre-drill mmboe*	Rig	Time
PL554B&C	Uptonia	Total	30%	11 - 38	Leiv Eriksson	Q1
	Madam Felle			20 - 49		
PL272/035	Askja SE	Statoil	50%	24 - 79	Songa Delta	Q2
	Beerenberg			13 - 46		
	Slemmestad			29 - 86		
PL626	Rovarkula	DETNOR	50%	8 - 79	Maersk Interceptor	Q3
PL533	Filicudi	Lundin	20%	24 - 146	Leiv Eriksson	Q3

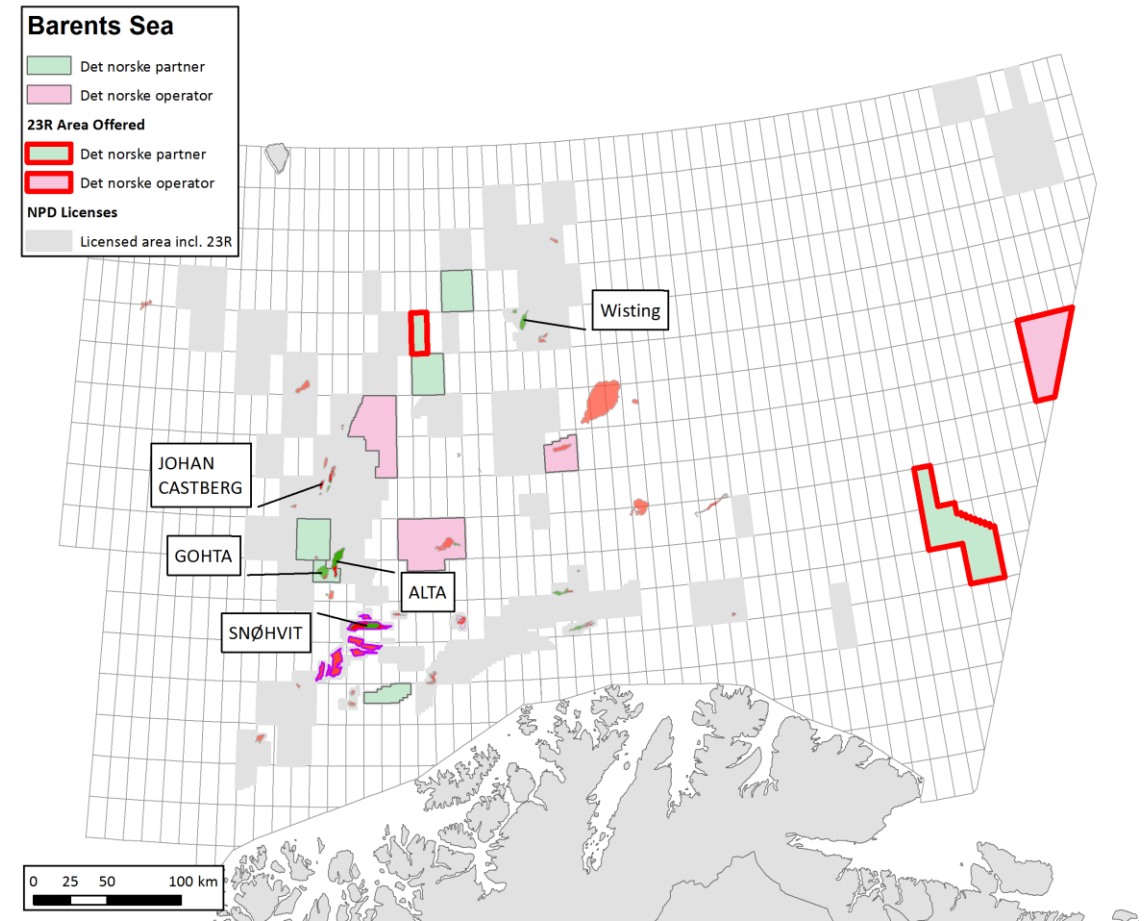


Awarded three new licenses in 23rd licensing round

- **Det norske was awarded all three licences it applied for in the 23rd round, incl. operatorship in Barents SE**
 - Operator in in PL858 (Area B) on Fedinsky flank
 - Partner in PL857 (Area C)
 - Partner in PL852 (Munken – Loppa North)

- **Offers several opportunities for growth and future value creation for Det norske**

- **Work obligation of drilling one firm exploration well for two of the licenses**



GROW

Value creation through countercyclical M&A

■ **Demonstrated ability to acquire NCS assets at attractive prices**

- Four acquisitions have added about 200 mmboe to Det norske's resource hopper at ~30 cents per boe (post-tax)

■ **Added flexibility to project inventory, but without added CAPEX commitments**

■ **Any acquisitions to be value accretive**



Acquisition of Norwegian subsidiary for USD 75 million*

13 licenses, incl:

- Krafla/Askja (25%)
- Garantiana (20%)
- Frigg Gamma Delta (40%)



Acquisition of Norwegian subsidiary for USD 120 million**

10 licenses, incl:

- Frøy (50%)
- Vette (50%)



Acquisition* of license portfolio in Norway, incl. NOK 45 million

7 licenses, incl:

- Gohta (20%)



Acquisition*** of license portfolio in Norway

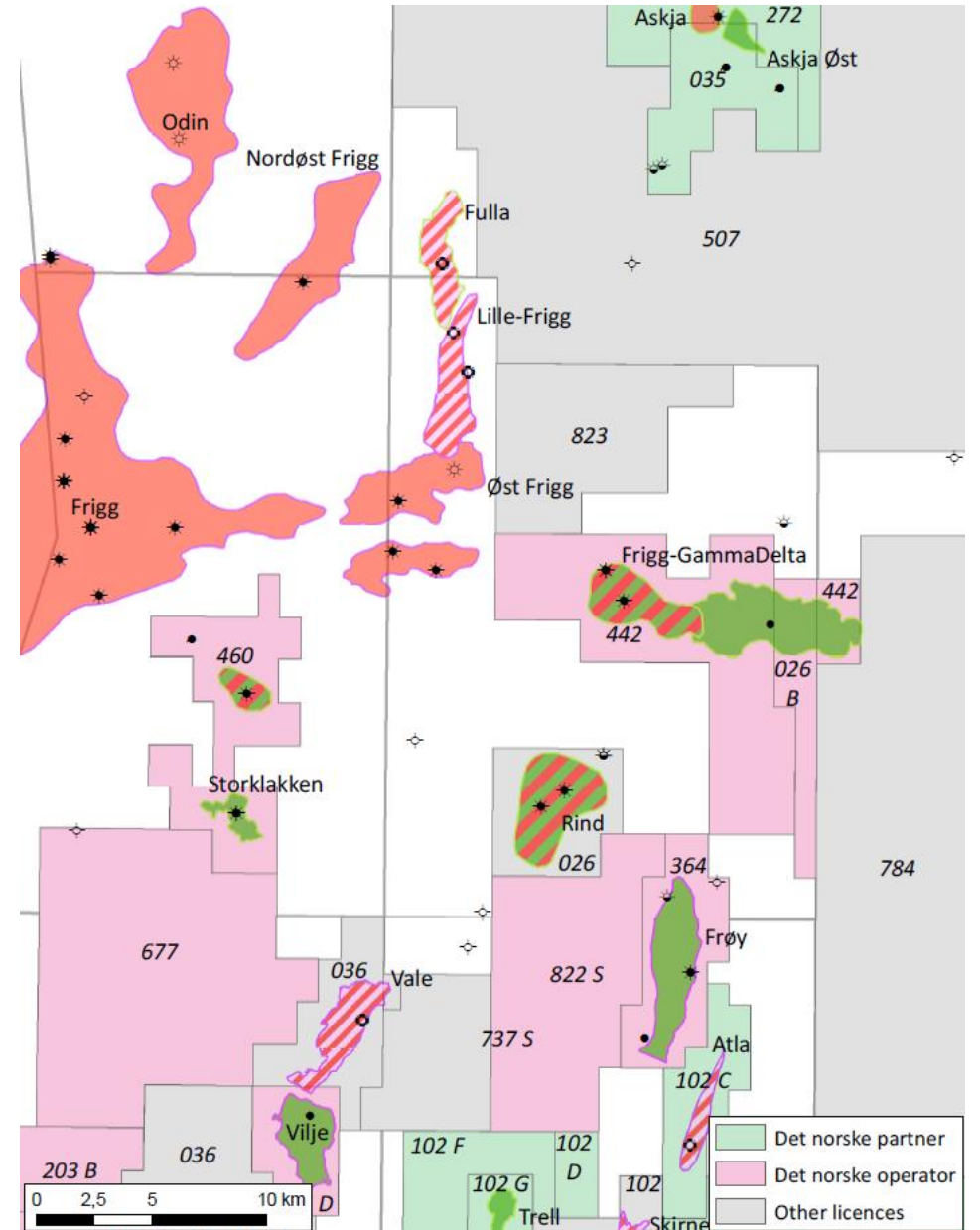
3 licenses, incl:

- Frigg Gamma Delta (30%)
- Rind (30%)

GROW

Building a potential new core area

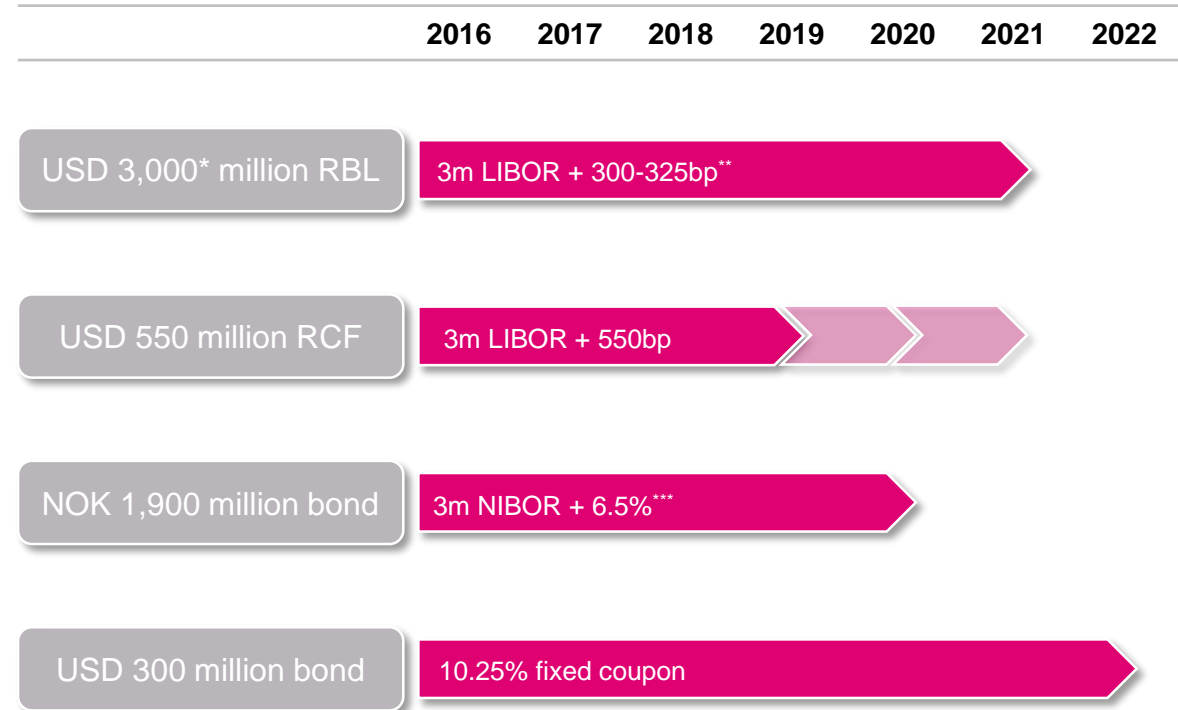
- North of Alvheim* area holds gross mean contingent resources of 160-170 mmboe
- Further volume upside from exploration prospects in the area
- Acquisition of licenses from Centrica Resources Norge AS* enables Det norske to take a leading role to bring project forward
- Early-phase project established to assess possible area development concepts



FUNDING

Strong liquidity position and long-term debt maturities

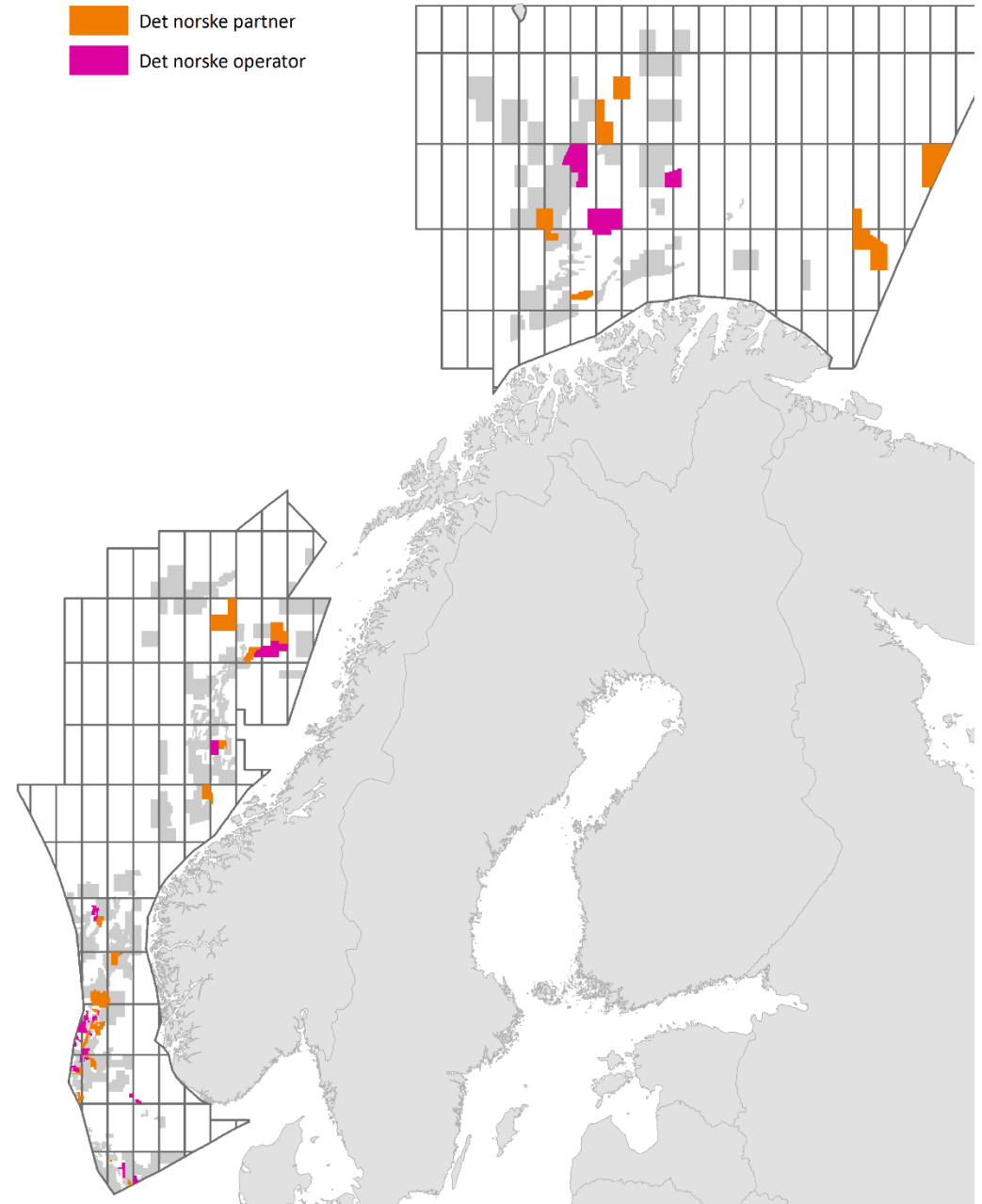
- **Cost efficient, long-term diversified capital structure with no debt maturities until after expected first oil at Johan Sverdrup**
- **Debt facilities in place sufficient to fund current work program until first oil at Johan Sverdrup**
- **Strong support from 18-bank consortium**
- **Robust RBL with limited sensitivity to oil price**
 - Borrowing base of USD 2.8 billion until June 2016 and USD 2.9 billion until year-end 2016
 - Johan Sverdrup included on a fixed USD/boe-multiple
 - Tax balances and CAPEX add-back make up a large portion of facility
- **Covenant levels eased through 2019 during Q2-2016**



OUTLOOK

Summary and outlook

- Well positioned in a volatile oil price environment
- Improvement agenda to be an enabler to ensure competitive edge in an uncertain macro environment
- Funding in place to carry out work program
- Strong platform for further growth
- Significant dividend capacity post 2020





DETNORSKE

www.detnor.no