



DET NORSKE

Acquisition of Marathon Norge Press & Analyst conference

CEO Karl Johnny Hersvik
June 2, 2014

Creation of a strong Norwegian E&P company

Combined net production of 84 mboepd¹ and estimated 2P reserves of ~200 mmboe²

Strategic fit

- Complementary production profiles
- Diversified asset base across the full E&P life cycle
- Organizational synergies achieved without layoffs

Risk reduction

- Provides the foundation for long-term financing
- Transaction brings strong current cash flow

Growth platform

- Strong platform for future growth
- Strong operational team on Alvheim can be leveraged onto Ivar Aasen
- Increased size broadens set of opportunities and ability to manage portfolio

Det norske acquires Marathon Oil Norge AS

Transaction summary

Consideration

- Marathon Oil Norge AS acquired for a cash consideration of USD 2.1 billion
 - Effective date January 1, 2014
 - 136 mmboe¹ of proven and probable reserves, 24 mmboe in contingent resources² and approximately 80 mmboe of upside² in discoveries
 - Approximately 80 mboepd³ of production (2013)
 - Further upside identified

Financing

- Secured a fully committed and underwritten acquisition loan facility for the full consideration
- Advanced discussions ongoing to finalise a long-term (RBL) facility of USD 2,750 million
- Rights issue of NOK equivalent of USD 500 million
 - Aker has pre-committed to subscribe its share (49.99%), remaining 50.01% is fully underwritten by a consortium of banks

Timetable to closing

- Closing of the transaction is expected in fourth quarter 2014
- Subject to regulatory approval in Norway and EU

Complementary production and cash flow profiles

Strategic rationale

- Alvheim fields' high near term production and cash flows reduce funding need significantly
- Strengthens operational and financial capabilities ahead of development projects
- Reduces the risk associated with timing and cost of development projects as the combined company will be in a tax-paying position

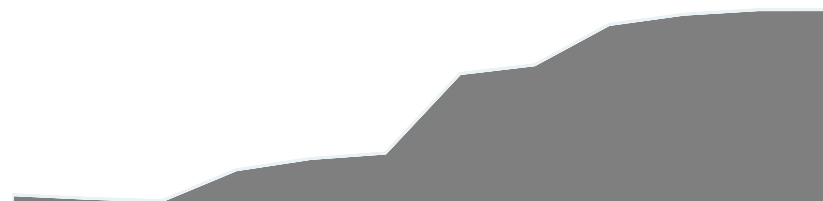
Illustrative production outlook

Marathon Norge

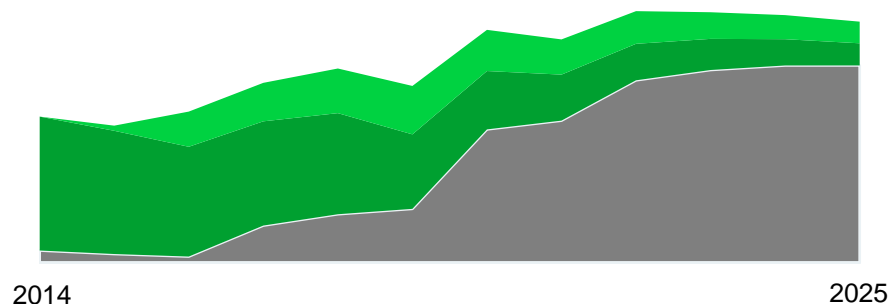
- Base case
- Upsides



Det norske



Combined

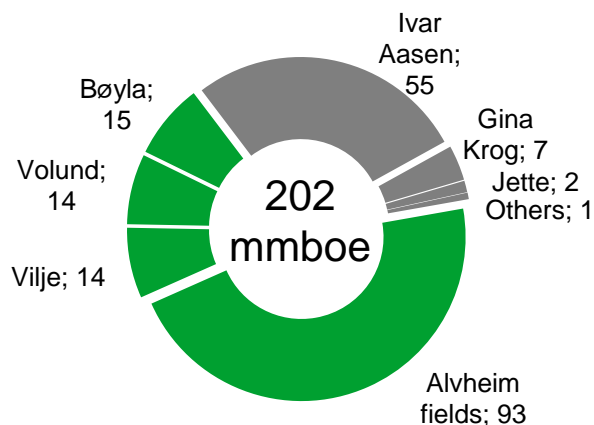


Diversified asset base on the NCS

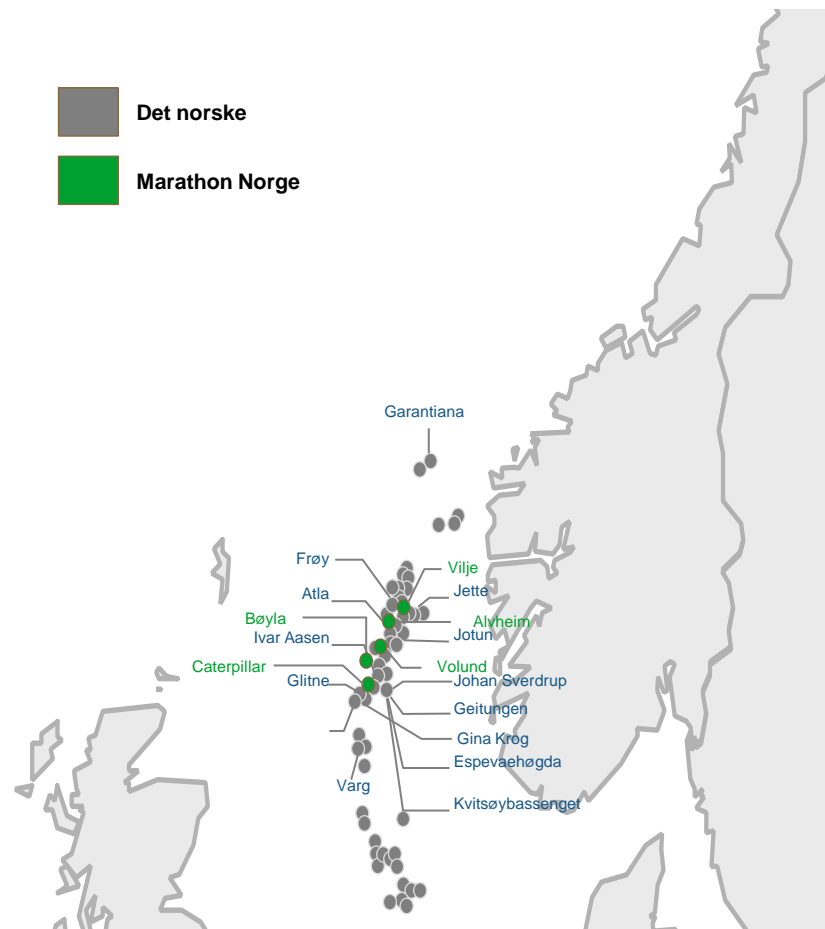
Diversification of reserves (mmboe)

- Over 200 mmboe¹ in combined reserves with approximately 60% in production
- Portfolio balanced across all stages of the E&P lifecycle
 - Significant production
 - Large scale development projects
 - Exploration upsides

Proven and probable reserves end 2013 (mmboe)¹



Map of combined North Sea portfolio

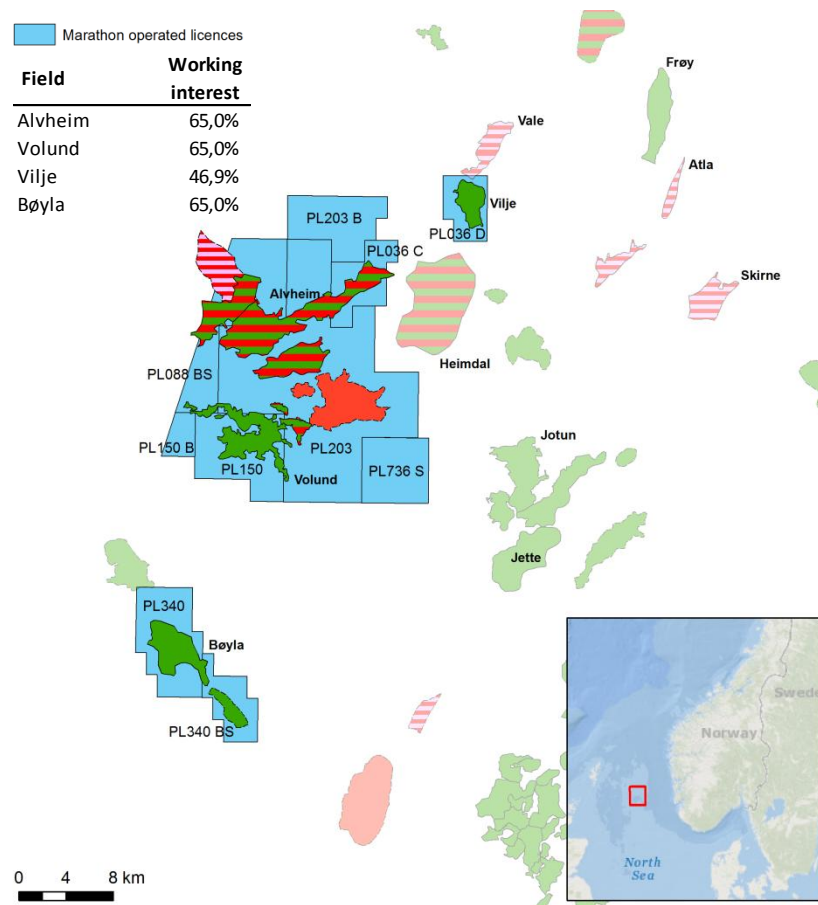


Acquiring a high quality North Sea portfolio

Key Alvheim area facts

- Alvheim is a “world-class” mid-life operated FPSO producing > 100 mboepd¹ (gross) with ongoing development activity and significant upside potential
- Located about 220 km north-west of Stavanger in 120 m water depth
- High quality operations, 98 percent (avg.) FPSO uptime
- Increasing 2P reserves over time
- Low cost of operations
- 2014 working interest production from the Alvheim fields estimated ~60 mboepd (90% oil) net to Det norske

Greater Alvheim fields



A strong team

- Creates a robust and modern E&P company, that will build on the combined capabilities of the two teams
- Marathon's organization brings significant operational experience from the Alvheim fields, adding to Det norske's exploration and development capabilities



Financing

Financing structure

- A fully committed and underwritten acquisition loan facility has been secured
 - In advanced discussions to finalise a long-term reserve-based lending (RBL) facility – main terms and conditions agreed
 - Equity rights issue to be carried out prior to closing
 - Aker ASA has pre-committed to subscribe their pro-rata share (49.99%)
 - The remainder is fully underwritten by consortium of banks (remaining 50.01%)
 - An extraordinary general meeting will be called this week
- Long-term financing plan secured

Indicative financing schedule

	Cash consideration	Acquisition loan facility	Rights issue	RBL
Now		\$ 2.2bn		
		\$ (2.2)bn		\$ 2.75bn
			\$ 500m	
Closing	\$ (2.1)bn			

Tax synergies reduce risk & funding need

Det norske prior to transaction

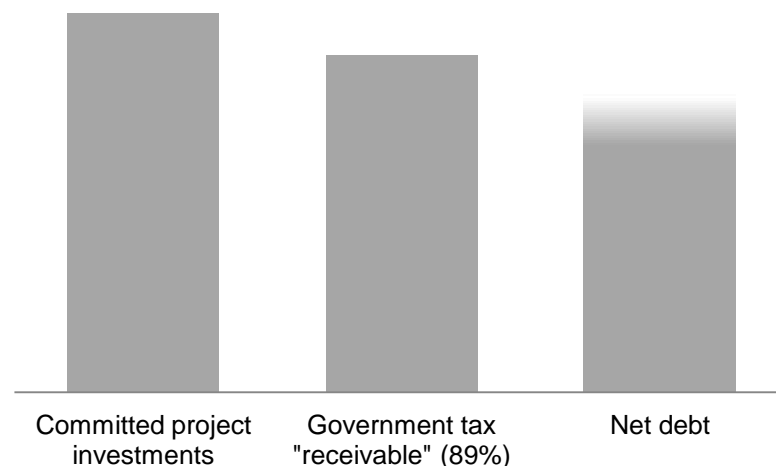
- Det norske is not in a tax paying position and hence needs to fund all investments on a pre-tax basis
- Det norske would have built up significant tax losses through large investments on Ivar Aasen and Johan Sverdrup

Det norske after transaction

- Combined company will be in a tax paying position, similar to the large players on the NCS
- Reduced funding requirements as tax depreciation can be offset against fields in production

Net project investments vs tax refund & net debt

For illustration purposes

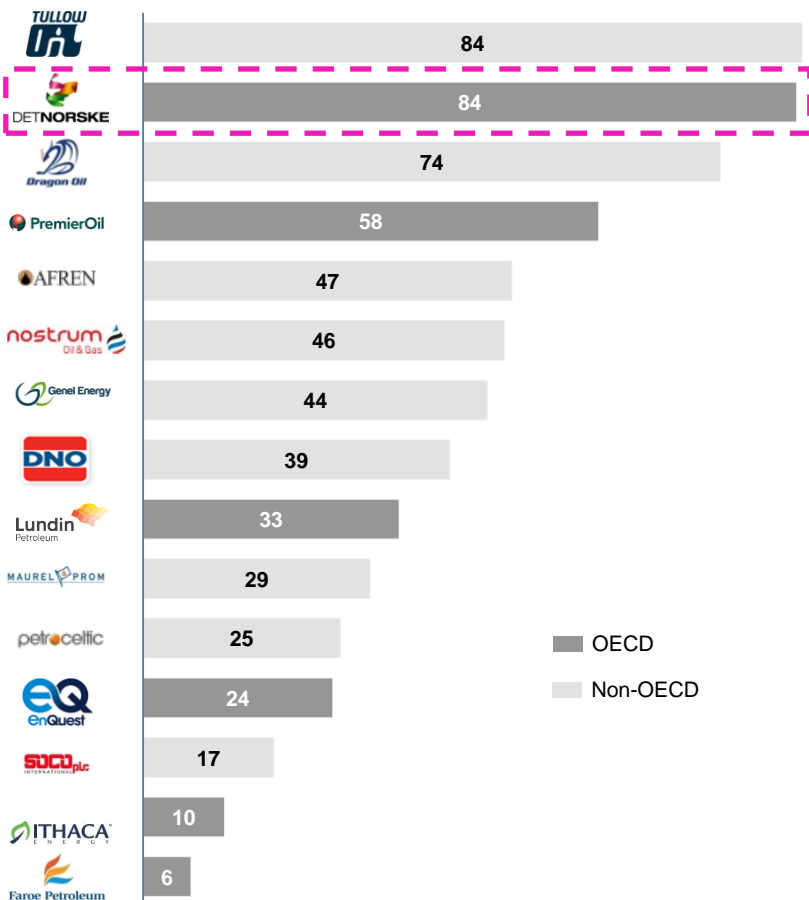


→ Effectively, Det norske is un-levered on an after-tax basis

Comparisons of size and platform

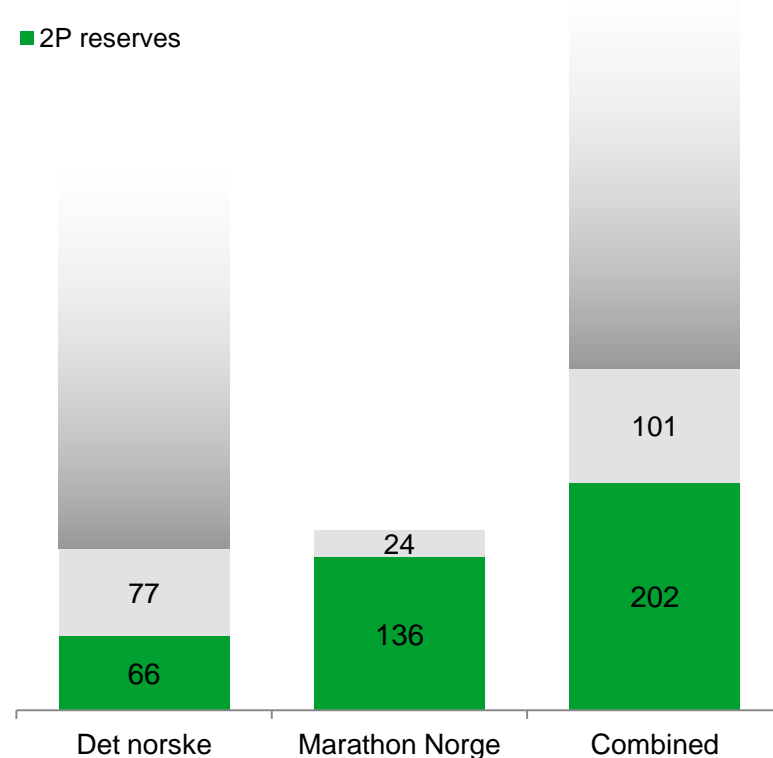
Listed European E&P independents

2013 working interest production (mboe/d)



Reserves & contingent resources end 2013 (mmboe)

- 2C contingent resources - Sverdrup
- 2C contingent resources (ex. Sverdrup)
- 2P reserves



DET NORSKE

Note: Selected companies ranked by reported WI production; OECD vs. non OECD indicates bias of company's asset base
Source: Company information

¹ Based on Y/E 2013 Annual statement of reserves for Det norske and NPD volumes for the Marathon Norge fields. Contingent resources estimated by Det norske

Organic growth platform

- Increased organisational capabilities across the E&P value chain
- Synergies to be achieved without redundancies expected
 - Continue to build on the skills in combined company
- High potential for organic growth in the combined portfolio



Bøvla 2015

Discovered: 2009
On-stream: 2015



Ivar Aasen 2016

Discovered: 2008
On-stream: 2016



Johan Sverdrup 2019

Discovered: 2011
On-stream: 2019

Future opportunities
APA '14 & License Round '15
Gohta
Trell
Krafla/Askja
Garantiana
Frøy/ Øst Frigg Gamma Delta
Viper-Kobra
Gekko
Greather Alvheim infill
Caterpillar
Volund West

Creation of a strong Norwegian E&P company

- Unique opportunity to acquire significant production on the NCS available at the right time for Det norske
- Near term production and cash flow complements existing asset base
- Risk associated with timing and cost for development projects is reduced due to tax system
- Significantly increases operational and financial strength
- Scale creates diversification to support future growth



Appendix

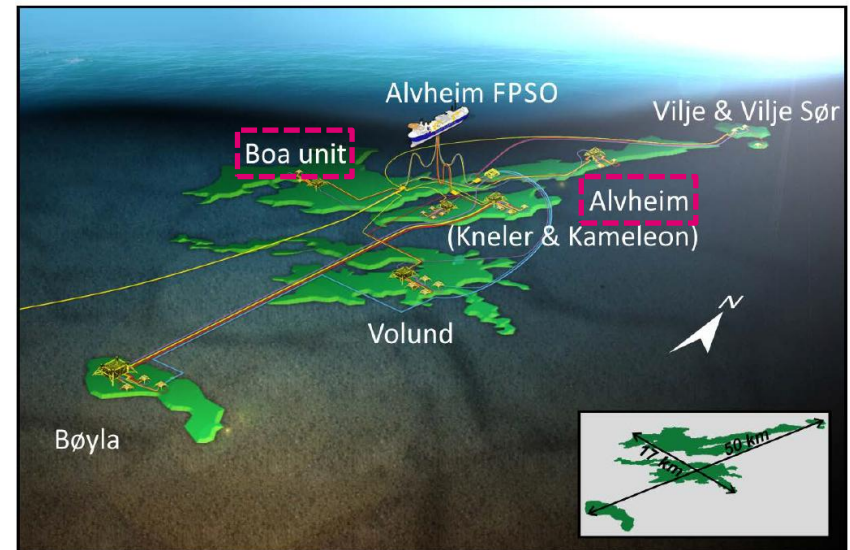


Alvheim fields

Operated, 65% (Boa 57.62%) working interest

- Consists of the Kameleon, Boa, Kneler and Kameleon East accumulations
- ~80% liquids / ~20% gas
- Alvheim blend sells at 3-6 USD/bbl premium to Brent blend
- Three new infill wells planned for 2014 – 15
- Production forecast to last until 2031, blow-down of gas cap planned for 2026

Area map



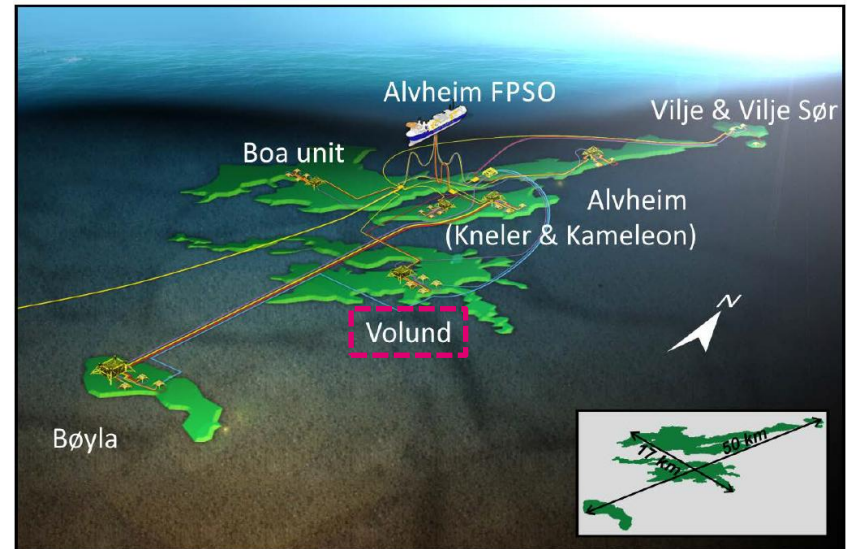
License:	PL203, PL088BS, PL036C
Discovery year:	1998
Reservoir:	Paleocene, Heimdal fm.
End 2013 2P reserves (net):	93 mmb ¹ (net)
Production start:	2008
Wells:	15 subsea producers tied to Alvheim FPSO

Volund field

Operated, 65% working interest

- Subsea tie-back to the Alvheim FPSO, 8 km to the north
- Additional infill locations identified
- Production forecast to last to 2025

Area map



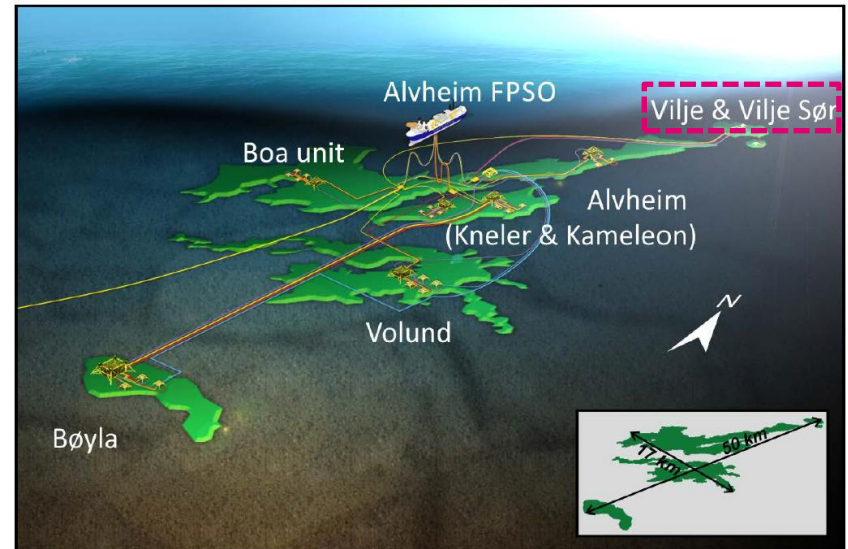
License:	PL150
Discovery year:	1994
Reservoir:	Paleocene, Hermod fm.
End 2013 2P reserves (net):	14 mmmboe ¹ (net)
Production start:	2009
Wells:	4 subsea producers, 1 water injector tied to Alvheim FPSO

Vilje field

Operated, 46.9% working interest

- Subsea tie-back to the Alvheim FPSO, 19 km to the south-west
- Production forecast to last to 2030

Area map



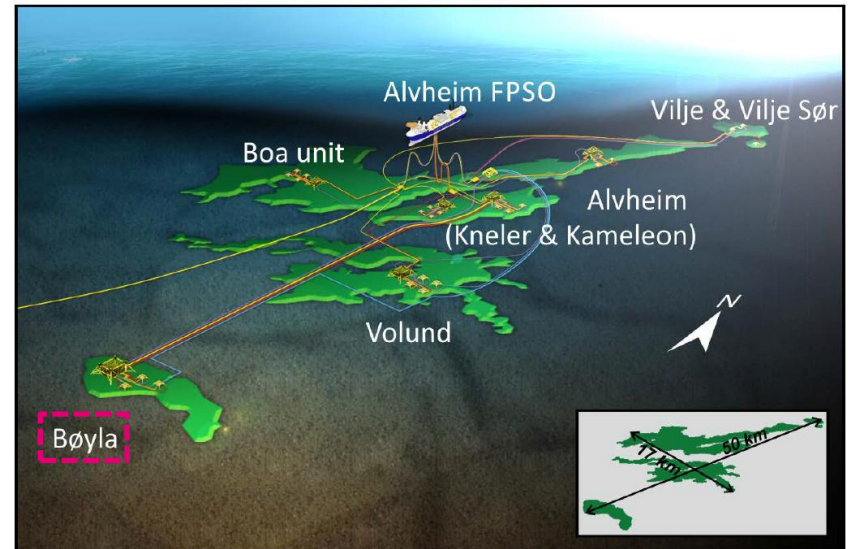
License:	PL036D
Discovery year:	2003
Reservoir:	Plaeocene, Heimdal fm.
End 2013 2P reserves (net):	14 mmmboe ¹ (net)
Production start:	2008
Wells:	3 subsea producers tied to Alvheim FPSO

Bøyla field

Operated, 65% working interest

- Subsea tie-back to the Alvheim FPSO, 26 km to the north
- PDO approved in 2012 with first oil expected for Q1 2015
- Drilling of production wells ongoing
- Gross plateau production expected at ~20 mboepd and production is forecast to last until 2030

Area map



License:	PL340
Discovery year:	2009
Reservoir:	Paleocene, Hermod fm.
End 2013 2P reserves:	15 mmboe ¹ (net)
Production start:	2015
Wells:	2 subsea producers, 1 water injector tied to Alvheim FPSO



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