



human energy®

Fourth quarter 2016 earnings conference call and webcast

John Watson

Chairman and Chief Executive Officer

Pat Yarrington

Vice President and Chief Financial Officer

Frank Mount

General Manager, Investor Relations

January 27, 2017

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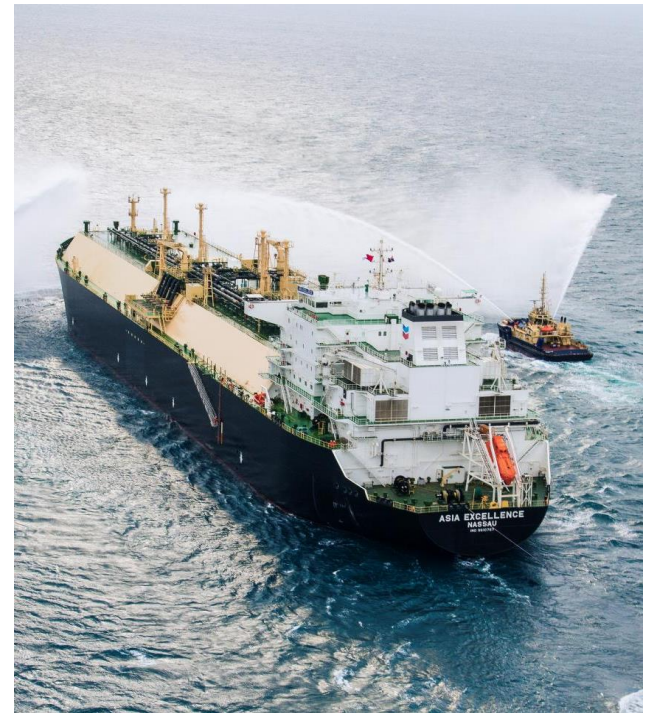
2016 key messages

**#1 Priority unchanged
Maintain and grow dividend**

Delivering on our commitments

- Finishing projects under construction
- Reducing capital spend
- Lowering operating expenses
- Completing asset sales
- Operating safely and reliably

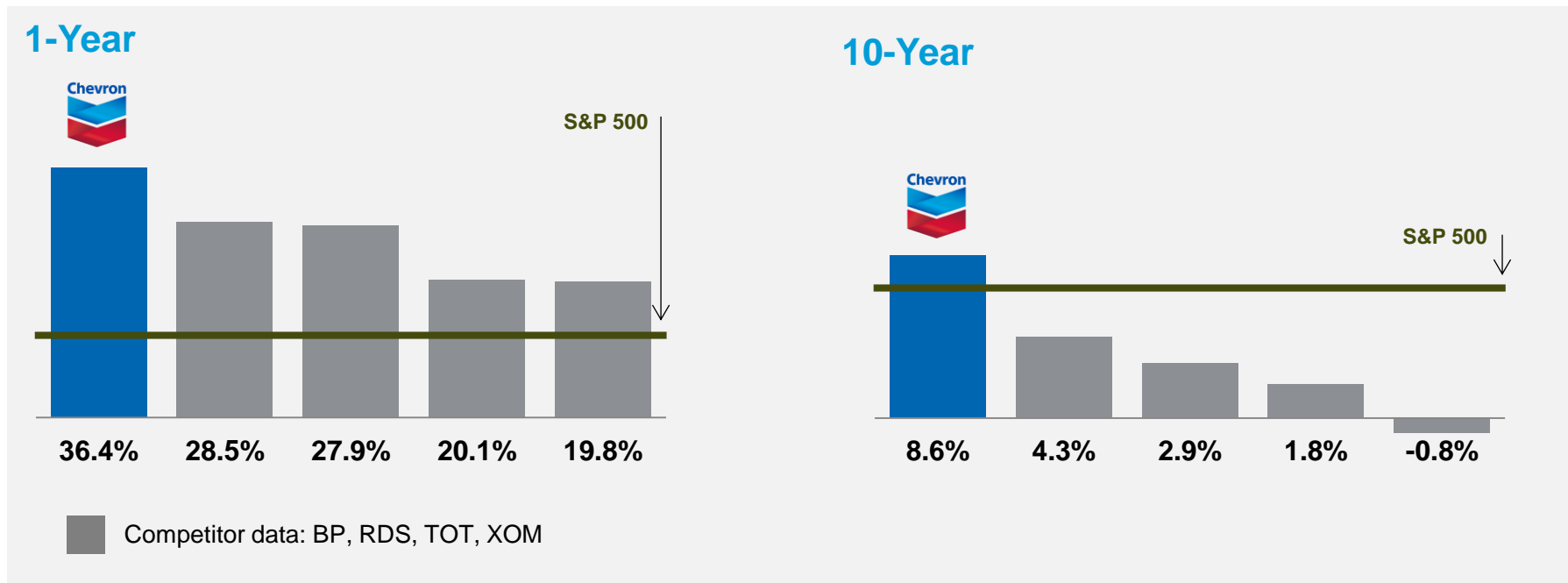
Improving free cash flow and returns



Total shareholder return

CVX leads peer group in TSR for 1, 3, 5, 7, 10 and 20 year periods

Total Stockholder Return as of 12/31/16



Note: For TSR comparison purposes, ADR / ADS prices and dividends are used for non U.S. based companies. Dividends include both cash and scrip share distributions.



Financial highlights

	4Q16	2016
Earnings	\$0.4 billion	\$(0.5) billion
Earnings per diluted share	\$0.22	\$(0.27)
Earnings / EPS excluding special items and FX*	\$0.4 billion / \$0.21	\$1.8 billion / \$0.94
Cash flow from operations	\$3.9 billion	\$12.8 billion
ROCE		(0.2)%
Year-end debt ratio		24%
Dividends paid	\$2.0 billion	\$8.0 billion

*Reconciliation of special items and FX can be found in the appendix.

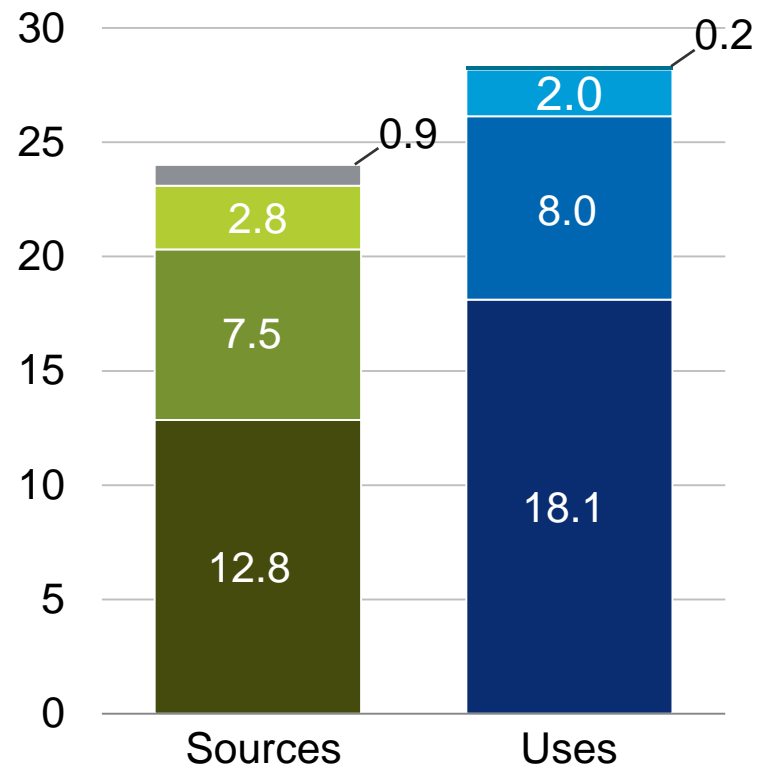
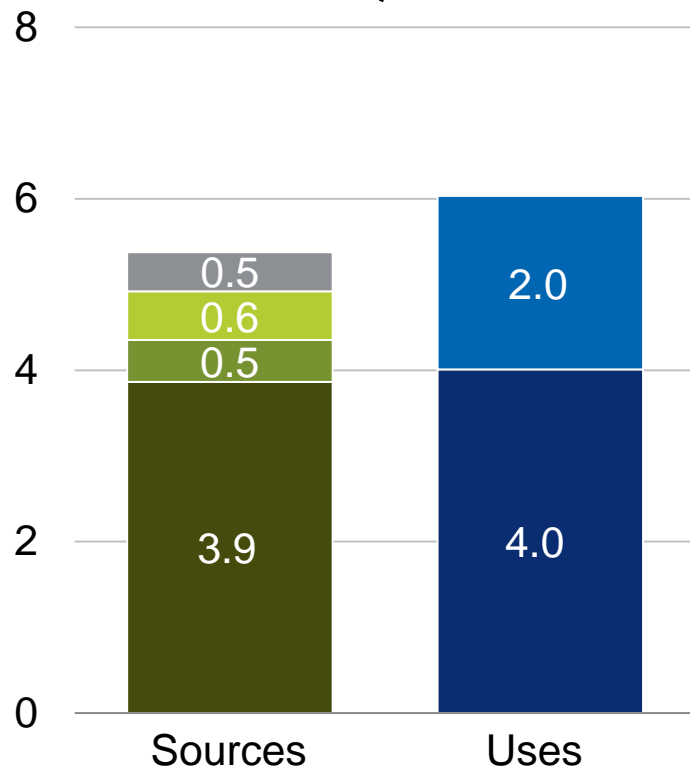


Sources and uses of cash⁽¹⁾

\$ billions

4Q16

2016



Sources of cash:

■ Cash flow from operations⁽²⁾
■ Net debt issuance

■ Asset sales
 ■ Other

Uses of cash:

■ Capital expenditures⁽²⁾
■ Dividends

■ TCO Financing
 ■ Other affiliate loans

⁽¹⁾ Includes cash and cash equivalents and marketable securities.

⁽²⁾ Per U.S. GAAP, expensed exploration expenditures and assets acquired from capital leases are part of "cash flow from operations" in our SEC reports.

These two items are included in our "capital and exploratory expenditure" table in Attachment 2 to our earnings release.

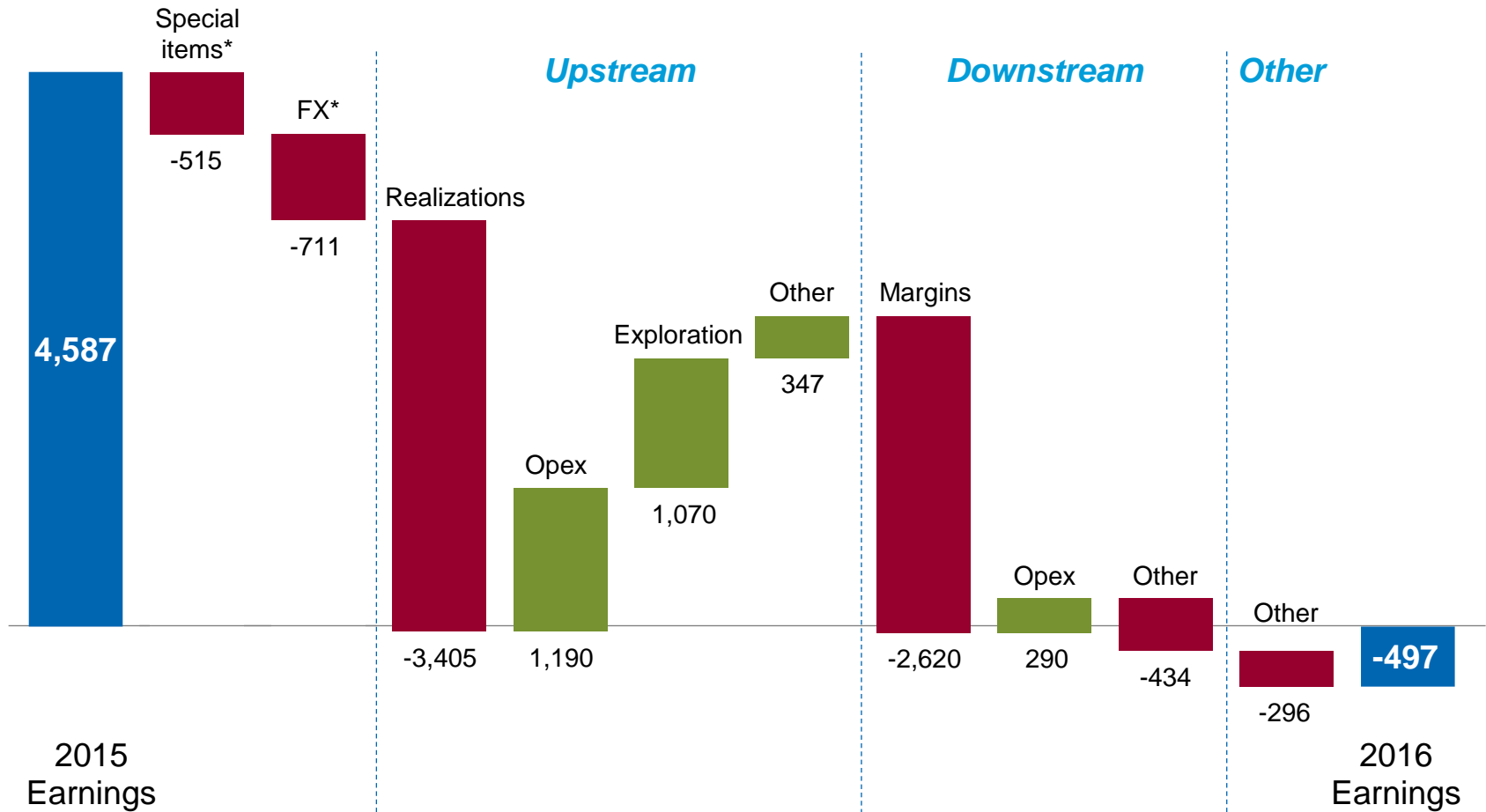
Note: Values from prior quarters may not sum to 2016 values due to rounding.



Chevron earnings

2016 vs. 2015

\$ millions



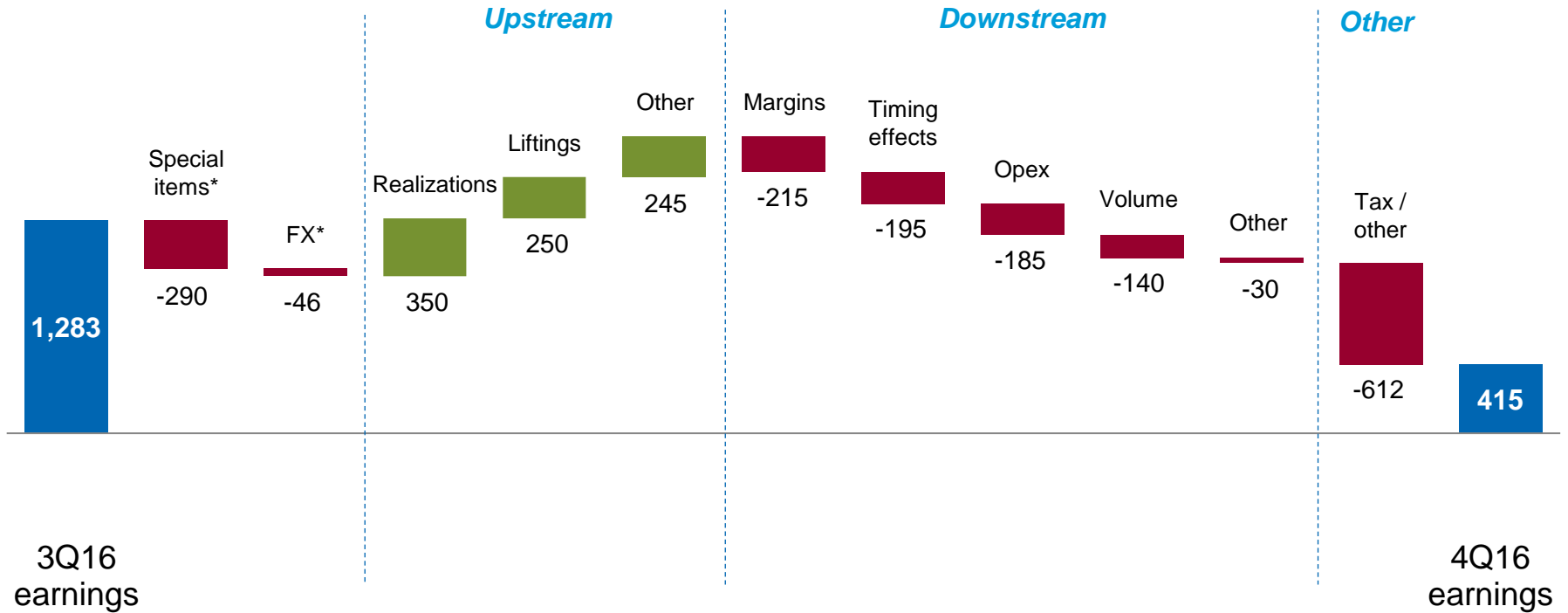
* Reconciliation of special items and FX can be found in the appendix.



Chevron earnings

4Q16 vs. 3Q16

\$ millions

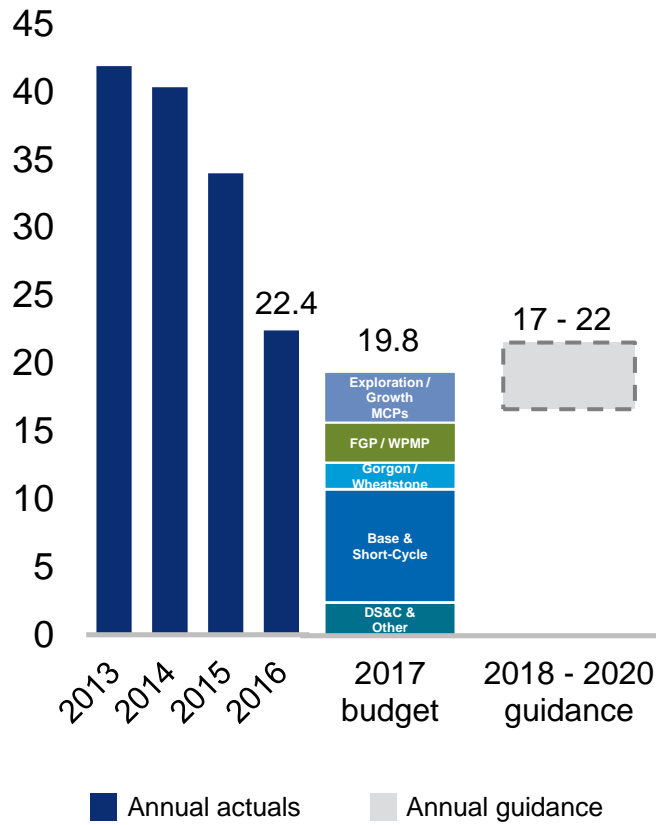


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Spend reductions

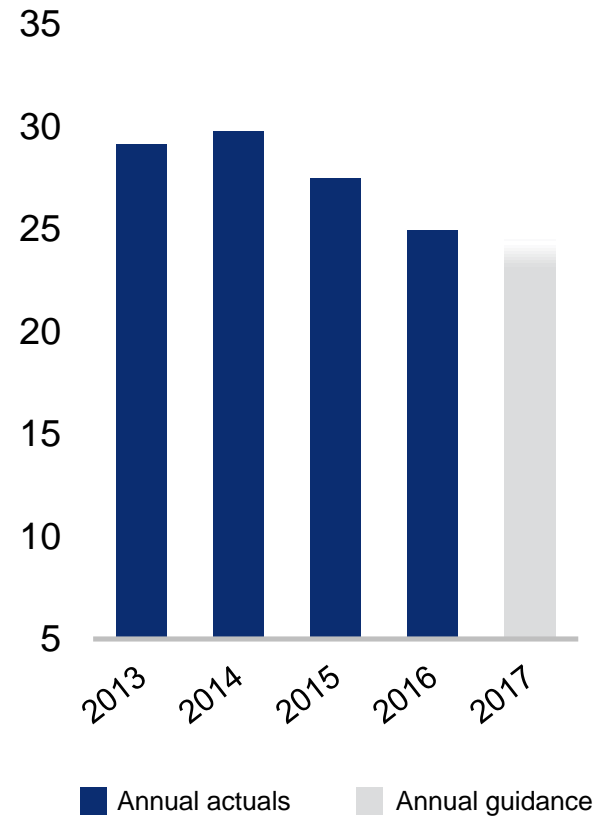
Total capital & exploratory
\$ billions



Investment priorities

- Safe, reliable operations
- Complete projects in-flight
- Short-cycle, high return investments
- Pace unsanctioned projects

OPEX and SG&A
\$ billions



Total C&E includes affiliate spend.

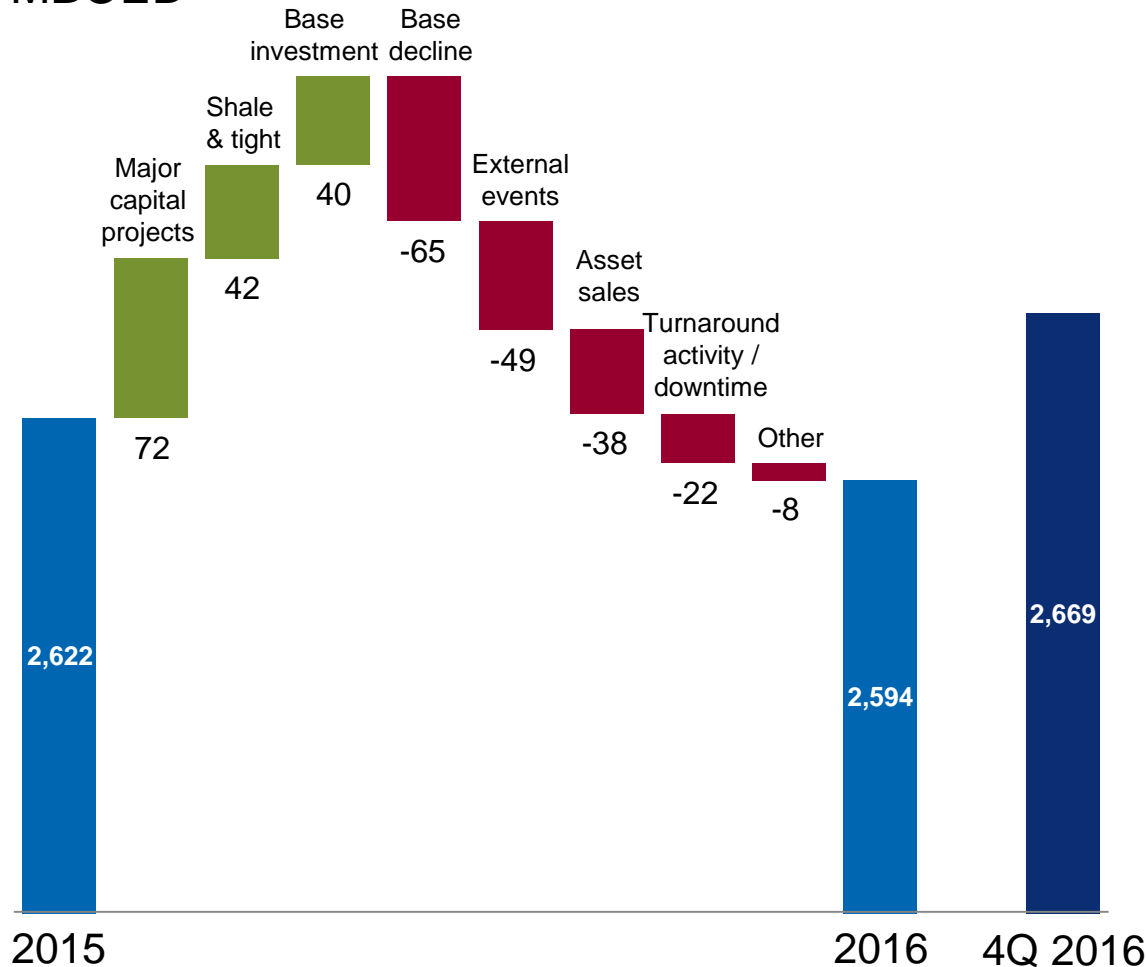


OPEX and SG&A = operating, selling, general and administrative expenses as reported on income statement (excludes affiliate spend)

Worldwide net oil & gas production

2016 vs. 2015

MBOED



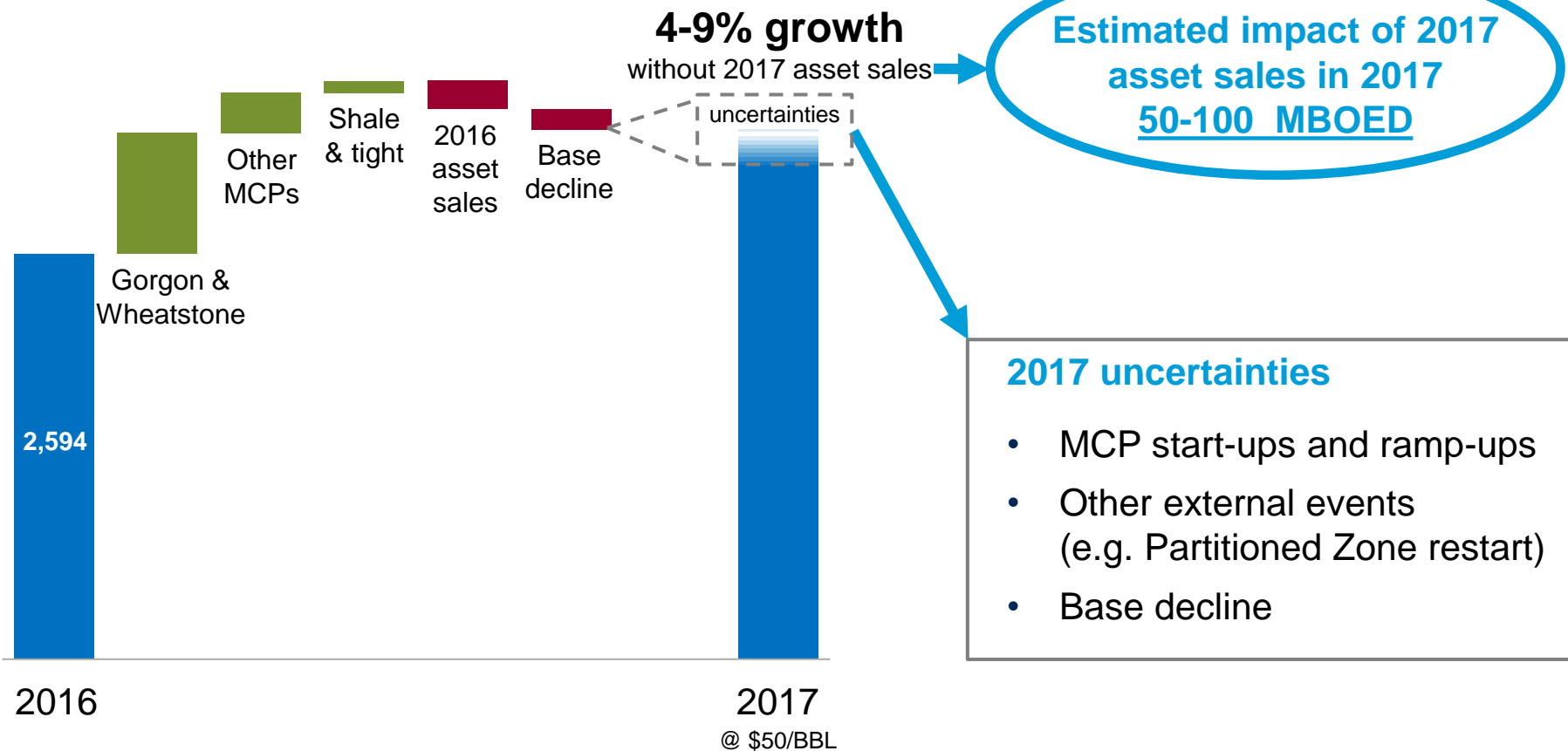
- Gorgon, Jack / St. Malo, Angola LNG and Chuandongbei ramp-up
- Permian, Marcellus and Duvernay growth
- Decline rates better than guidance
- PZ shut-in and Nigeria unrest
- GOM Shelf sales
- Higher planned turnarounds

**Fourth-quarter 2016
strong exit momentum**



2017 production outlook

Net production* MBOED



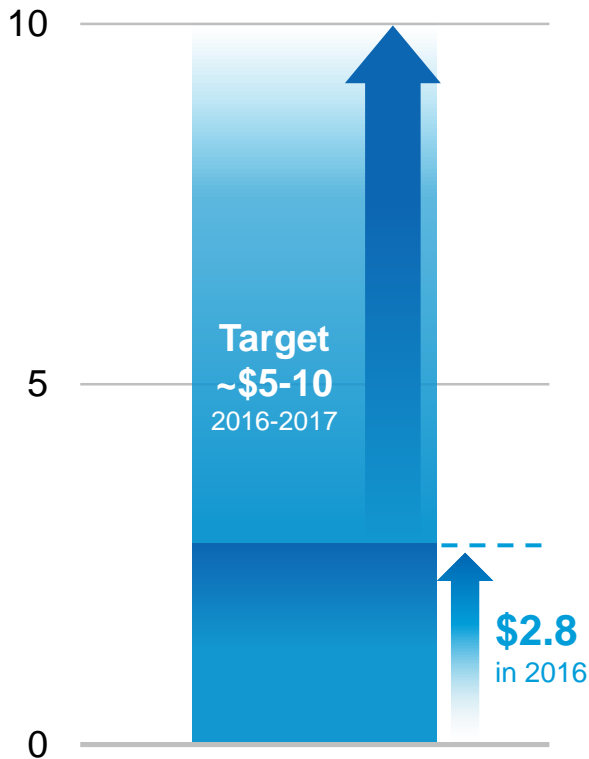
* Production outlook excludes estimated impact of 2017 divestments



Asset sales and Upstream cash margin

Proceeds

\$ billions (before tax)



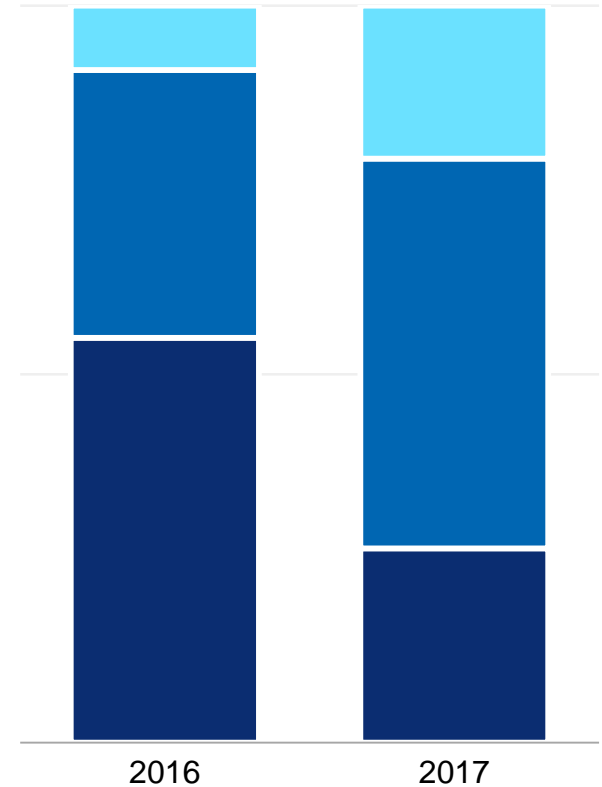
Divestment criteria

- Strategic fit
- Unable to compete for capital
- Receive fair value

Growing
cash margin/BOE

Cash margin growth*

Percentage of total net production
MMBOED



- <\$15 per BOE
- \$15 - \$25 per BOE
- >\$25 per BOE



Reserves

Reserve
replacement
ratio

95%

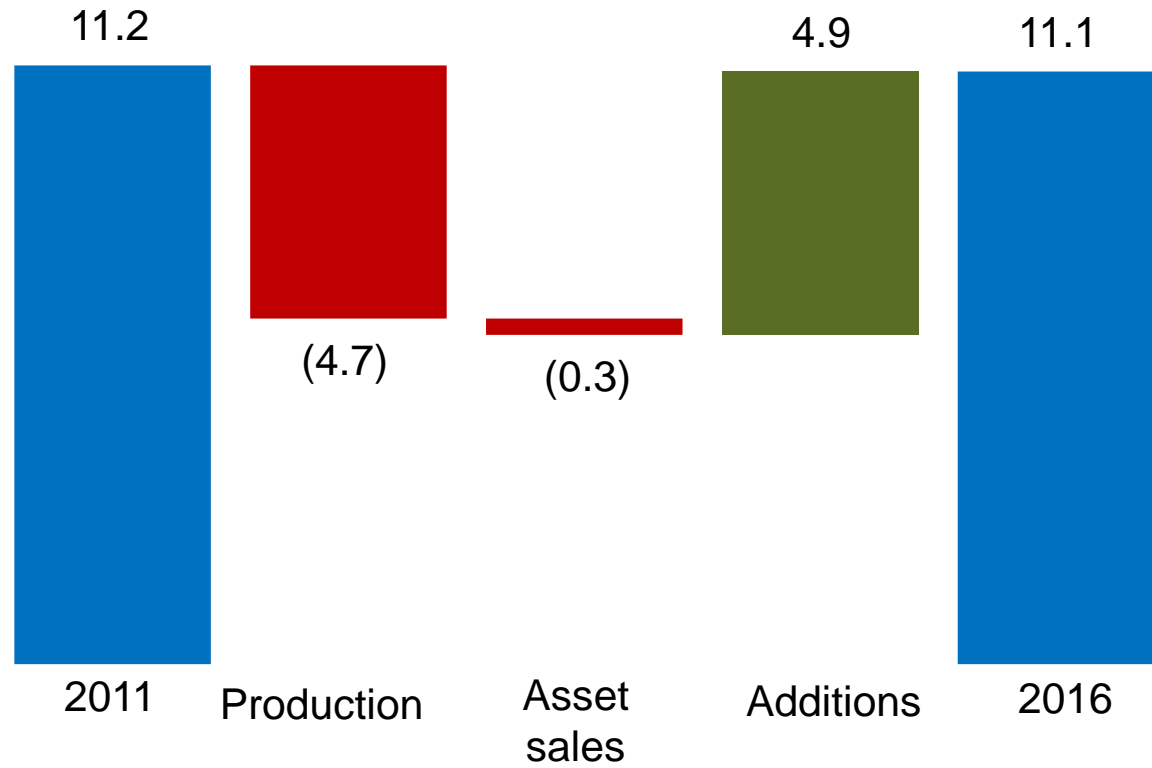
1 year
(108% excluding
asset sales)

98%

5 year
(104% excluding
asset sales)

5 year reserves replacement ratio

Billions of barrels of oil-equivalent



Notes: Numbers do not add up due to rounding and all 2016 reserves numbers are subject to final reviews



Gorgon / Wheatstone

Gorgon

- 39 cargos shipped to date
- Trains 1 + 2 rate stable at >200 MBOED*
- Domestic gas supply ~130 MMCFD
- Train 3 first LNG expected 2Q17



Wheatstone

- All modules installed
- Train 1 first LNG expected mid-2017
- Train 2 first LNG expected 6-8 months after Train 1



*100% gross project

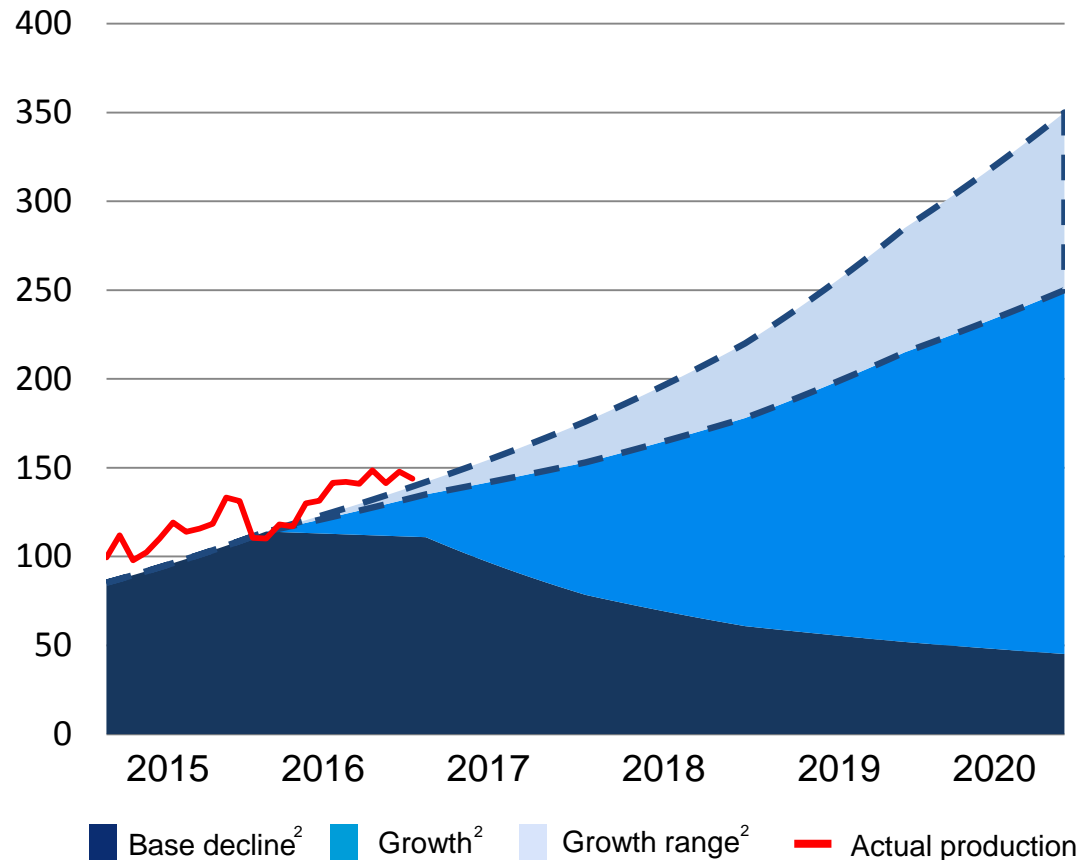
Permian unconventional growth

Results continue ahead of expectations

Accelerating growth

Capital efficient development for returns

Net production¹ – Midland & Delaware MBOED

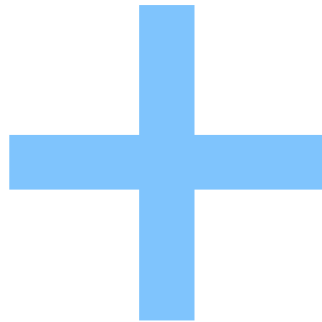


¹ Reflects shale and tight production for Permian Basin only

² Data as of Chevron's 2016 Security Analyst Meeting (March 2016)



questions



answers



Appendix: reconciliation of non-GAAP measures

Reported earnings to earnings excluding special items and FX

	FY 2015	1Q16	2Q16	3Q16	4Q16	FY 2016
Reported earnings (\$MM)						
Upstream	(1,961)	(1,459)	(2,462)	454	930	(2,537)
Downstream	7,601	735	1,278	1,065	357	3,435
All Other	(1,053)	(1)	(286)	(236)	(872)	(1,395)
Total reported earnings	4,587	(725)	(1,470)	1,283	415	(497)
Diluted weighted avg. shares outstanding ('000)	1,874,971	1,869,775	1,871,995	1,883,342	1,890,044	1,872,789
Reported earnings per share	\$2.45	\$(0.39)	\$(0.78)	\$0.68	\$0.22	\$(0.27)
Special items (\$MM)						
UPSTREAM						
Asset dispositions	310	--	(70)	--	--	(70)
Impairments and other *	(3,830)	(85)	(2,830)	290	--	(2,625)
Subtotal	(3,520)	(85)	(2,900)	290	--	(2,695)
DOWNSTREAM						
Asset dispositions	1,710	--	490	--	--	490
Impairments and other *	--	(110)	--	--	--	(110)
Subtotal	1,710	(110)	490	--	--	380
ALL OTHER						
Other*	10	--	--	--	--	--
Subtotal	10	--	--	--	--	--
Total special items	(1,800)	(195)	(2,410)	290	--	(2,315)
Foreign exchange (\$MM)						
Upstream	725	(298)	329	85	6	122
Downstream	47	(48)	(26)	(4)	53	(25)
All other	(3)	27	(24)	(9)	(33)	(39)
Total FX	769	(319)	279	72	26	58
Earnings excluding special items and FX (\$MM)						
Upstream	834	(1,076)	109	79	924	36
Downstream	5,844	893	814	1,069	304	3,080
All Other	(1,060)	(28)	(262)	(227)	(839)	(1,356)
Total earnings excluding special items and FX (\$MM)	5,618	(211)	661	921	389	1,760
Earnings per share excluding special items and FX	\$3.00	\$(0.11)	\$0.35	\$0.49	\$0.21	\$0.94

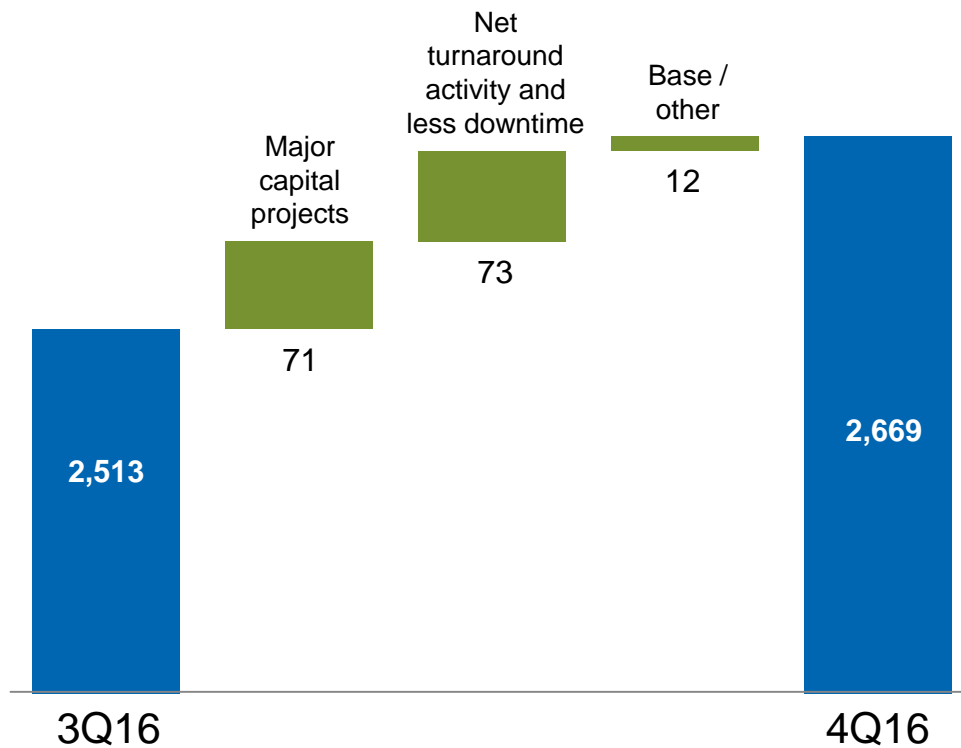
*Includes asset impairments & revaluations, certain non-recurring tax adjustments & environmental remediation provisions, severance accruals and any other special items.



Appendix

Worldwide net oil & gas production 4Q16 vs. 3Q16

MBOED



- Gorgon, Angola LNG, Alder, and Bangka ramp-up
- Net 3Q Tengiz and 4Q Agbami completed planned turnarounds

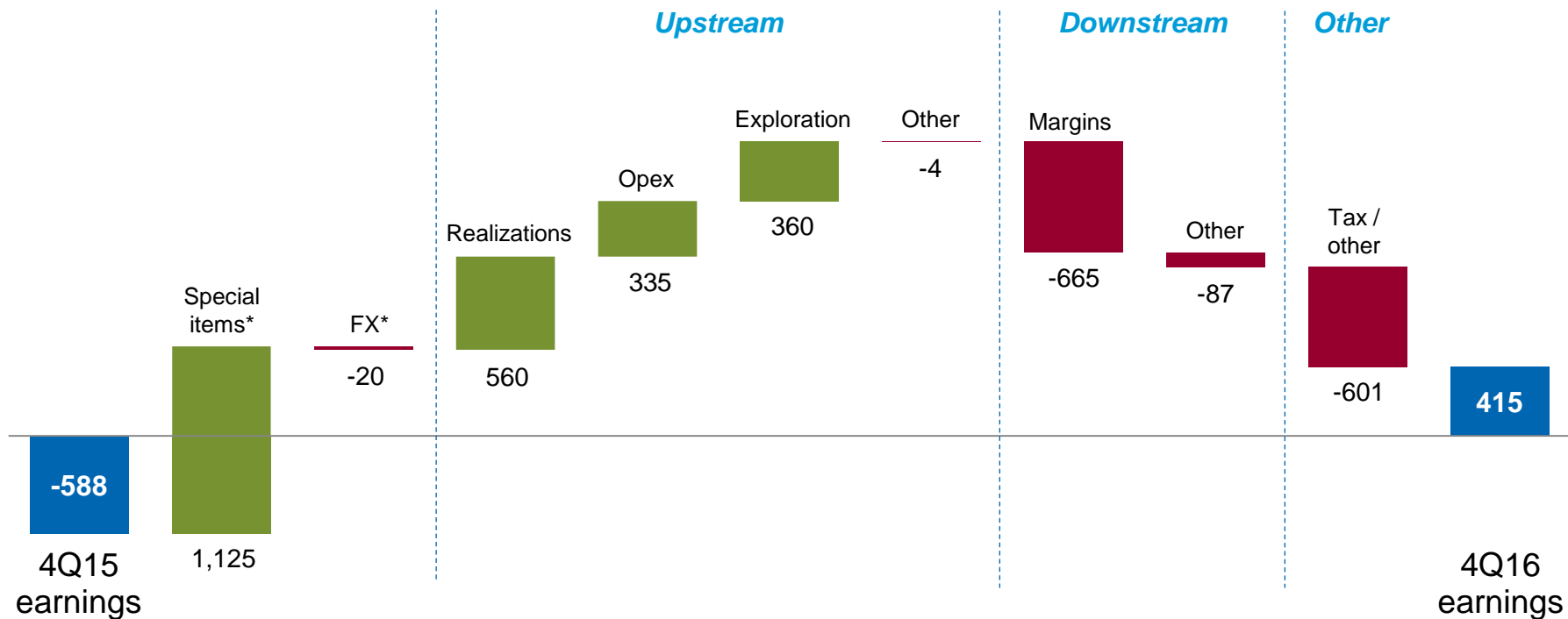


Appendix

Chevron earnings

4Q16 vs. 4Q15

\$ millions



* Reconciliation of special items and FX can be found in the appendix.

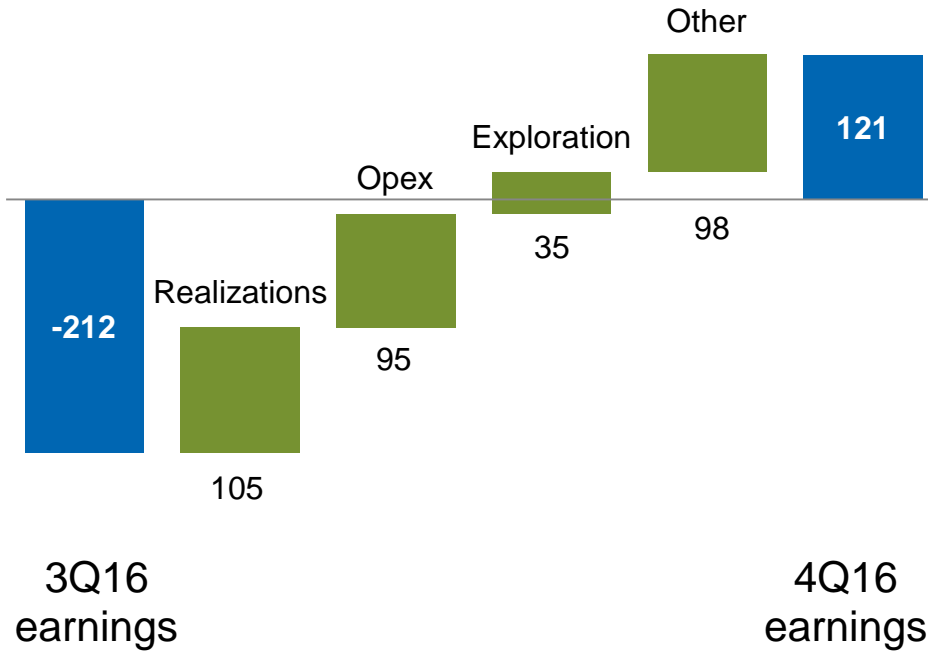


Appendix

U.S. upstream earnings: 4Q16 vs. 3Q16

\$ millions

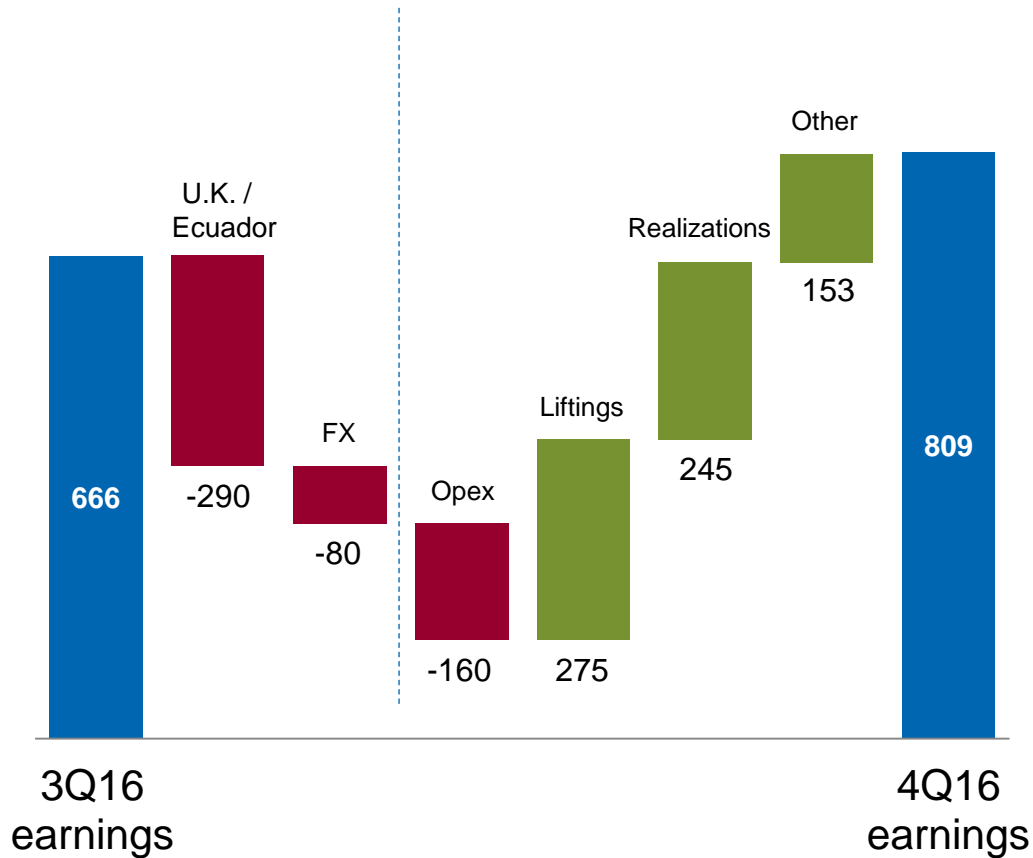
- ~\$4/bbl increase in WTI



Appendix

International upstream earnings: 4Q16 vs. 3Q16

\$ millions



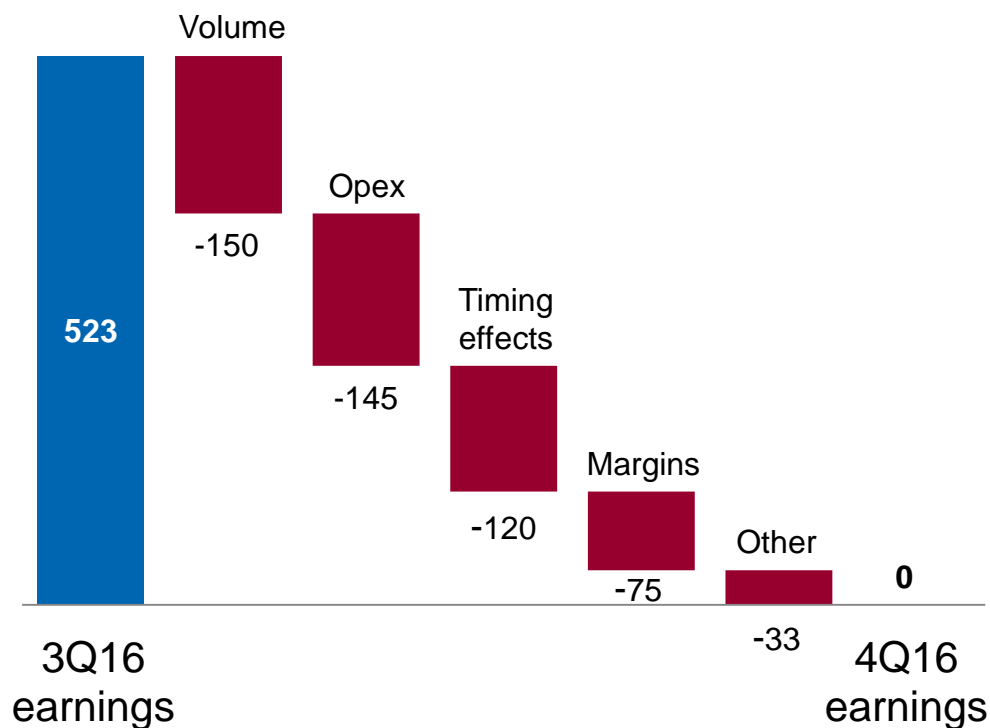
- Absence of U.K. tax rate change and Ecuador arbitration award
- Increased TCO volumes
- ~\$3/bbl increase in Brent



Appendix

U.S. downstream earnings: 4Q16 vs. 3Q16

\$ millions



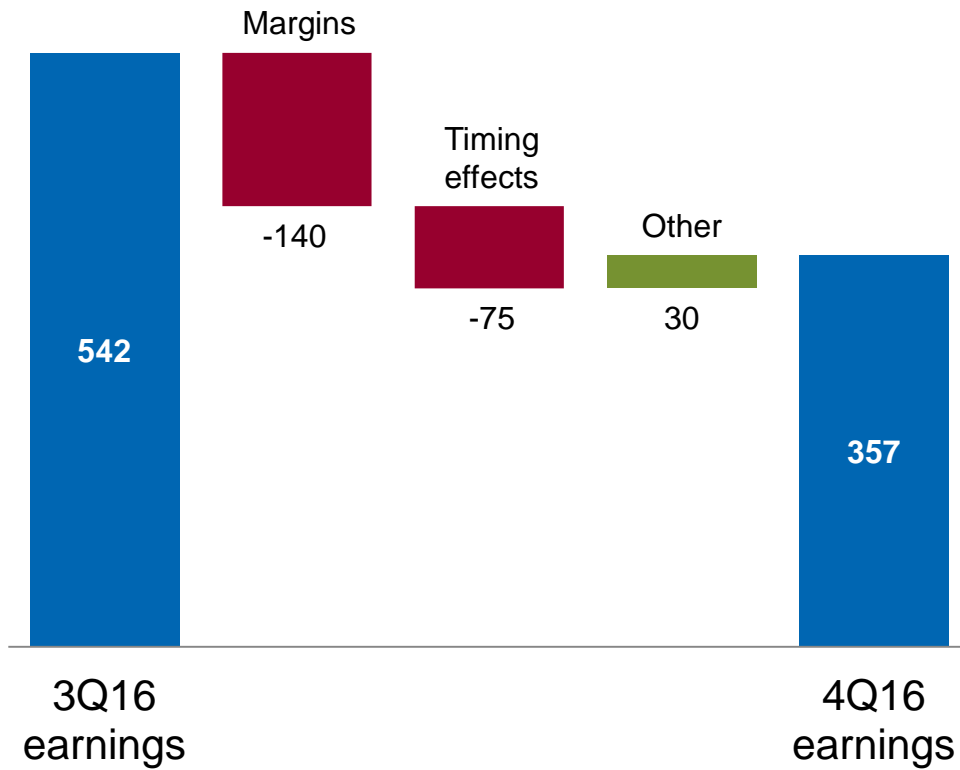
- Lower volumes and higher operating expenses from completed 4Q Richmond planned turnaround
- Swing in inventory timing effects



Appendix

International downstream earnings: 4Q16 vs. 3Q16

\$ millions



- Lower Asia margins
- Swing in inventory timing effects

