

Fourth Quarter 2014 Earnings Conference Call and Webcast



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January 30, 2015

Cautionary Statement



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Certain terms, such as “unrisked resources,” “unrisked resource base,” “recoverable resources,” and “oil in place,” among others, may be used in this presentation to describe certain aspects of the company’s portfolio and oil and gas properties beyond the proved reserves. For definitions of, and further information regarding, these and other terms, see the “Glossary of Energy and Financial Terms” on pages 58 and 59 of the company’s 2013 Supplement to the Annual Report and available at Chevron.com. As used in this report, the term “project” may describe new upstream development activity, including phases in a multiphase development, maintenance activities, certain existing assets, new investments in downstream and chemicals capacity, investment in emerging and sustainable energy activities, and certain other activities. All of these terms are used for convenience only and are not intended as a precise description of the term “project” as it relates to any specific government law or regulation.

2014 Accomplishments



- Record Safety and Environmental Performance
- Strong Financial Results
- Good Progress on Asset Sale Program
- Downstream
 - Reliability Investments at El Segundo, Salt Lake and Thailand Refineries
 - Project Start-ups
 - ✓ Pascagoula Base Oil Plant
 - Progressed Major Capital Projects
 - ✓ USGC Petrochemicals Project
- Upstream
 - Key Start-ups
 - ✓ Jack St. Malo / Tubular Bells
 - ✓ Bibiyana Expansion
 - Progressed Major Capital Projects and Shale/Tight Development
 - ✓ Gorgon, Wheatstone
 - ✓ Permian, Vaca Muerta, Duvernay
 - Resource Capture / Exploration Success
 - ✓ 1.4 billion BOE in resource additions
 - ✓ 66% success rate (35 discoveries), including Guadalupe and Anchor in the Gulf of Mexico
 - ✓ Reserve Replacement Ratio: 89%

Financial Highlights



	4Q14	2014
Earnings	\$3.5 Billion	\$19.2 Billion
Earnings per Diluted Share	\$1.85	\$10.14
ROCE		10.9%
Year-End Debt Ratio		15.2%
Dividends Paid		\$7.93 Billion
Share Repurchases	\$1.25 Billion	\$5 Billion

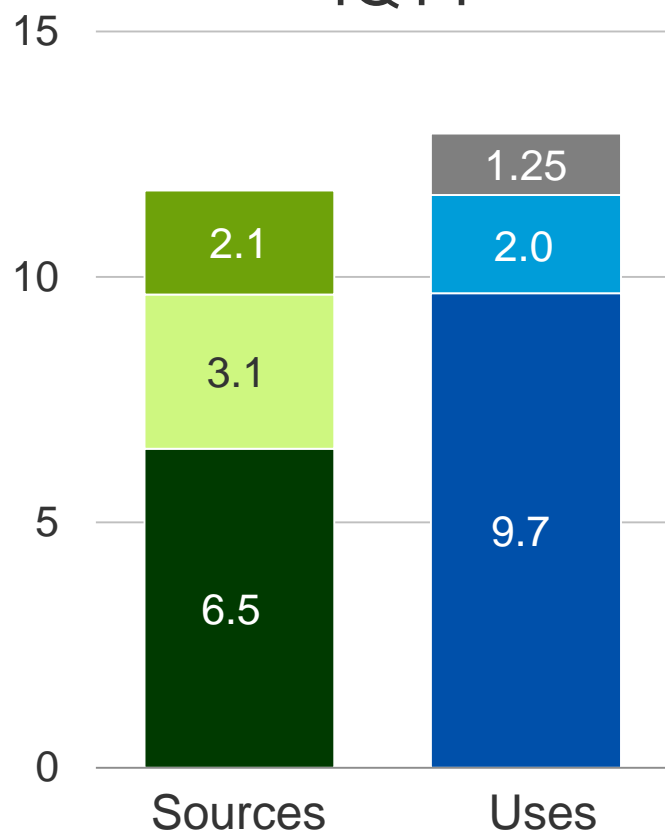
Note: Reconciliation of earnings (excluding special items) can be found in the appendix.

Sources and Uses of Cash

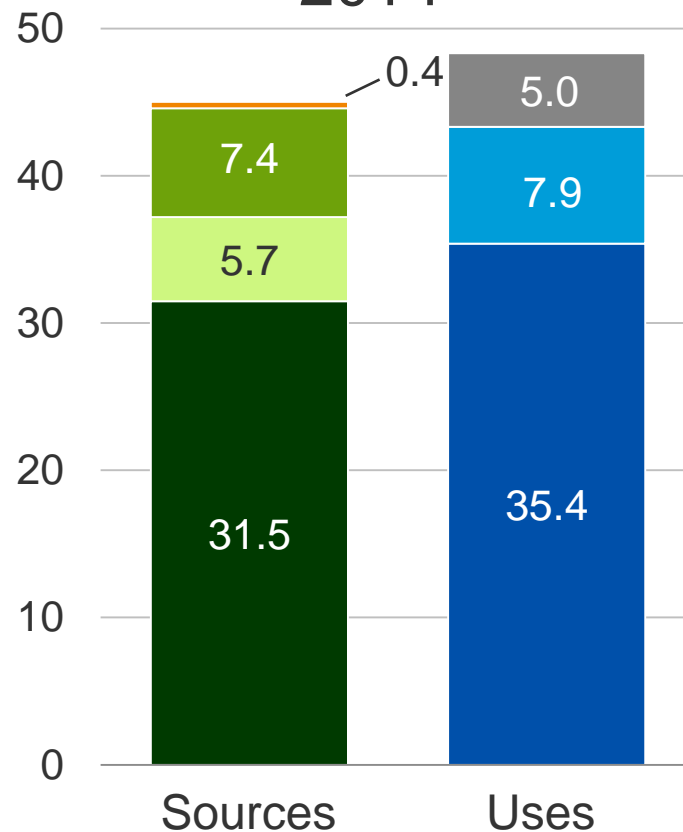


\$ Billions

4Q14



2014



Sources of Cash:



Cash flow from operations*



Asset sales

Uses of Cash:



Capital expenditures*



Dividends



Net debt issuance



Other



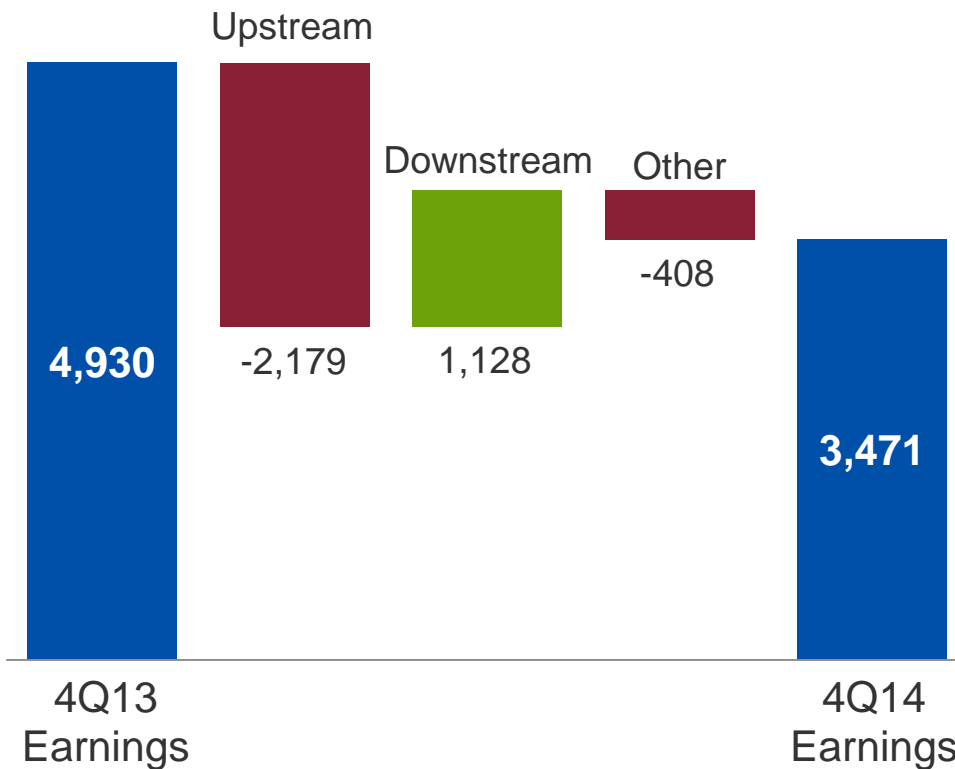
Share repurchases

* Per U.S. GAAP, expensed exploration expenditures and assets acquired from capital leases are part of "cash flow from operations" in our SEC reports. In our earnings release, these two items are included in our "capital and exploratory expenditure" table in Attachment 2.
Free cash flow = cash flow from operations less capital expenditures plus asset sales.

Chevron Earnings 4Q14 vs. 4Q13



\$ Millions



Upstream

- Sharp decline in crude oil prices
- Higher impairments, DD&A
- + Gains on asset sales
- + Lower exploration expenses

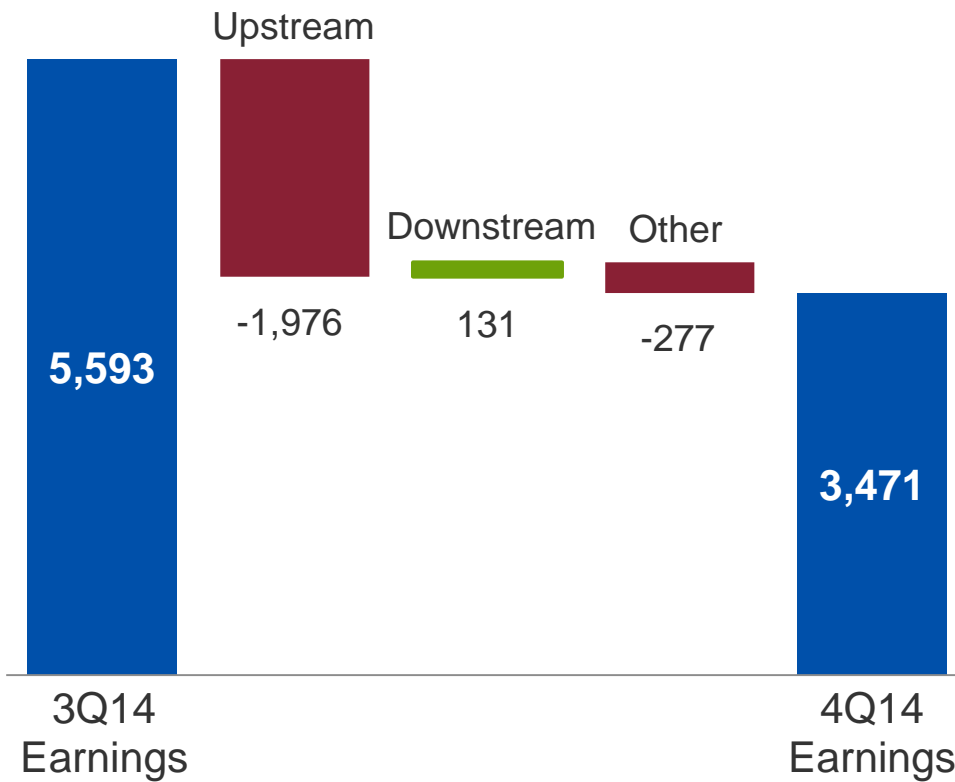
Downstream

- + Stronger international R&M
- + Gains on asset sales
- + Timing effects

Chevron Earnings 4Q14 vs. 3Q14



\$ Millions



Upstream

- Sharp decline in crude oil prices
- + Gains on asset sales

Downstream

- + Timing effects & asset sales
- Higher operating costs

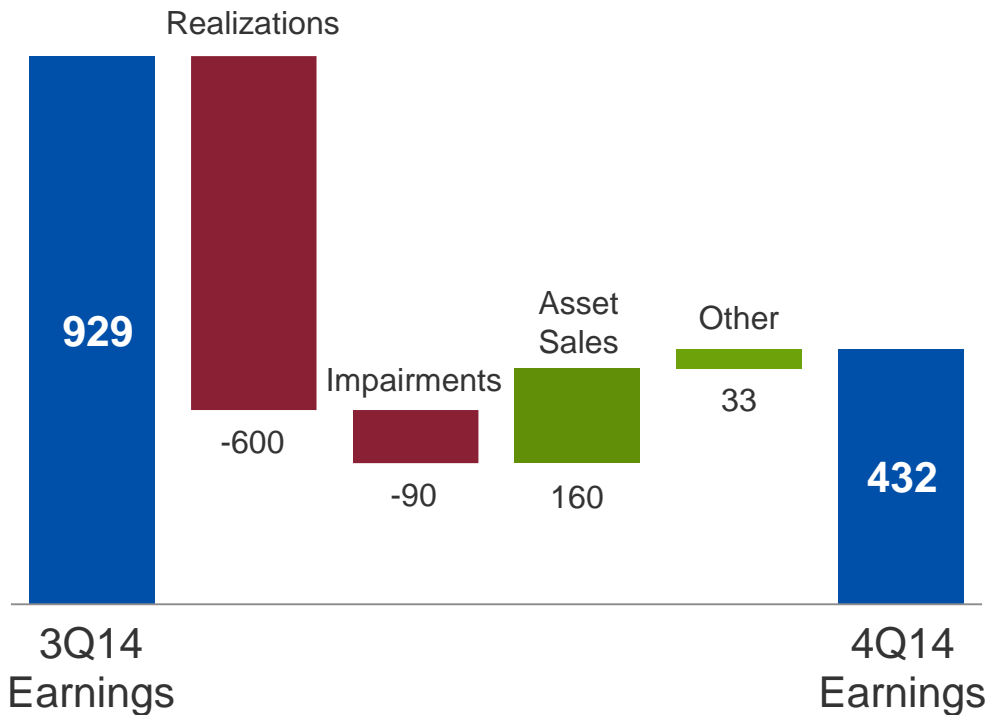
Other

- Higher corporate charges

U.S. Upstream Earnings 4Q14 vs. 3Q14



\$ Millions

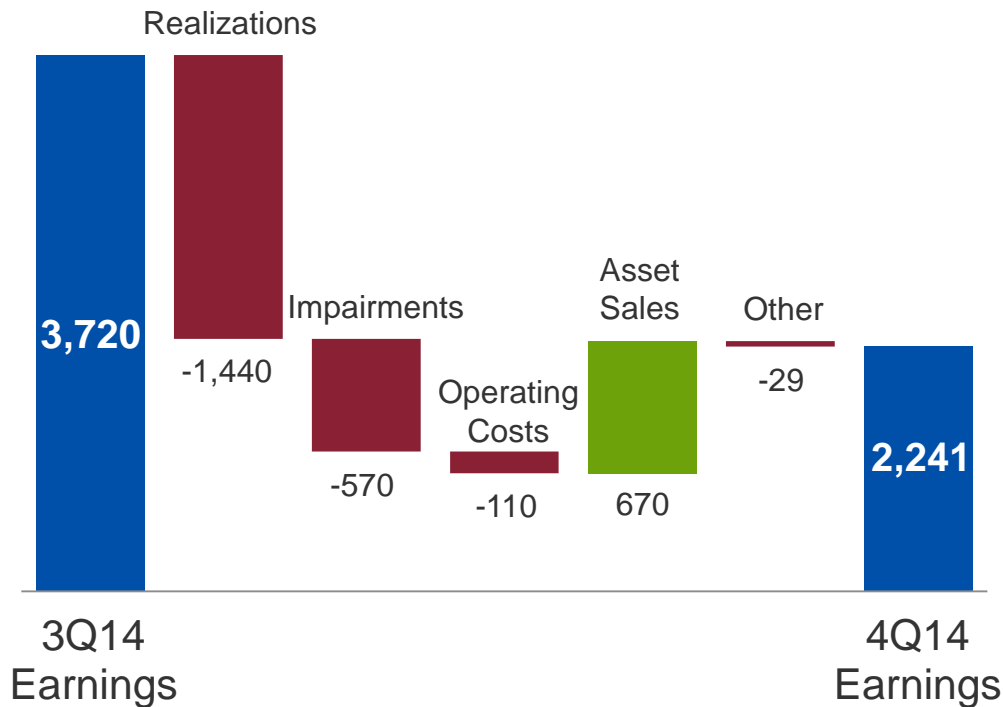


- U.S. liquids price indicators declined ~25%
- Impairments of several smaller assets
- Gains on midstream asset sales

International Upstream Earnings 4Q14 vs. 3Q14



\$ Millions



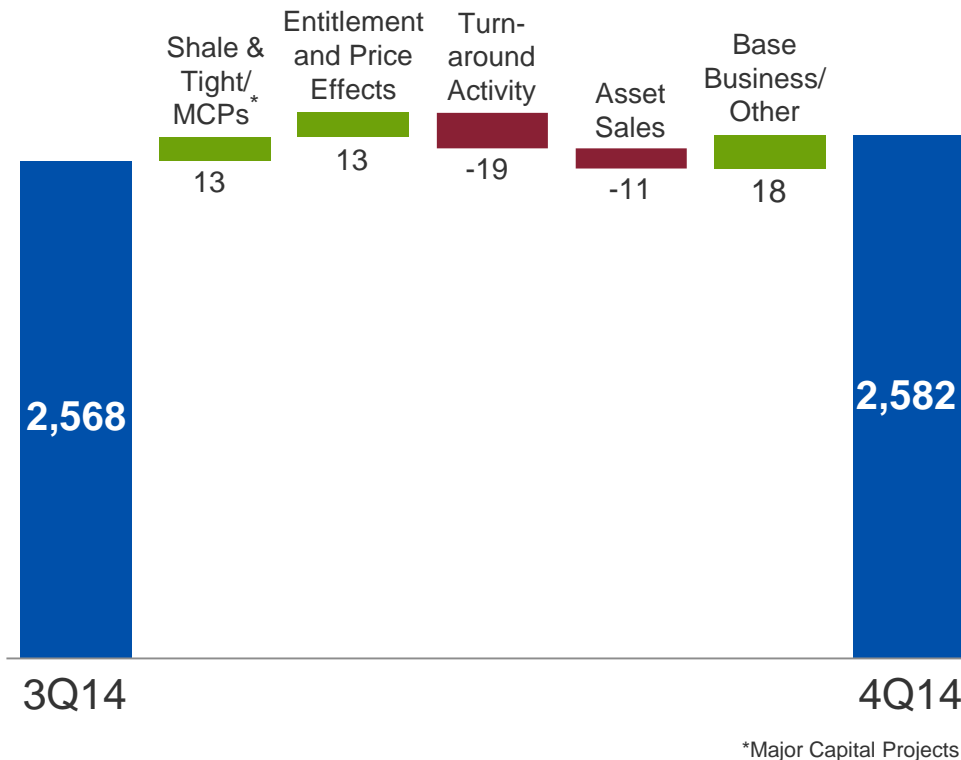
- Brent price decline > \$25/BBL
- Asset impairments triggered by price drop
- Higher operating costs
- Duvernay farm-down and sale of business in Netherlands

Worldwide Net Oil & Gas Production

4Q14 vs. 3Q14



MBOED

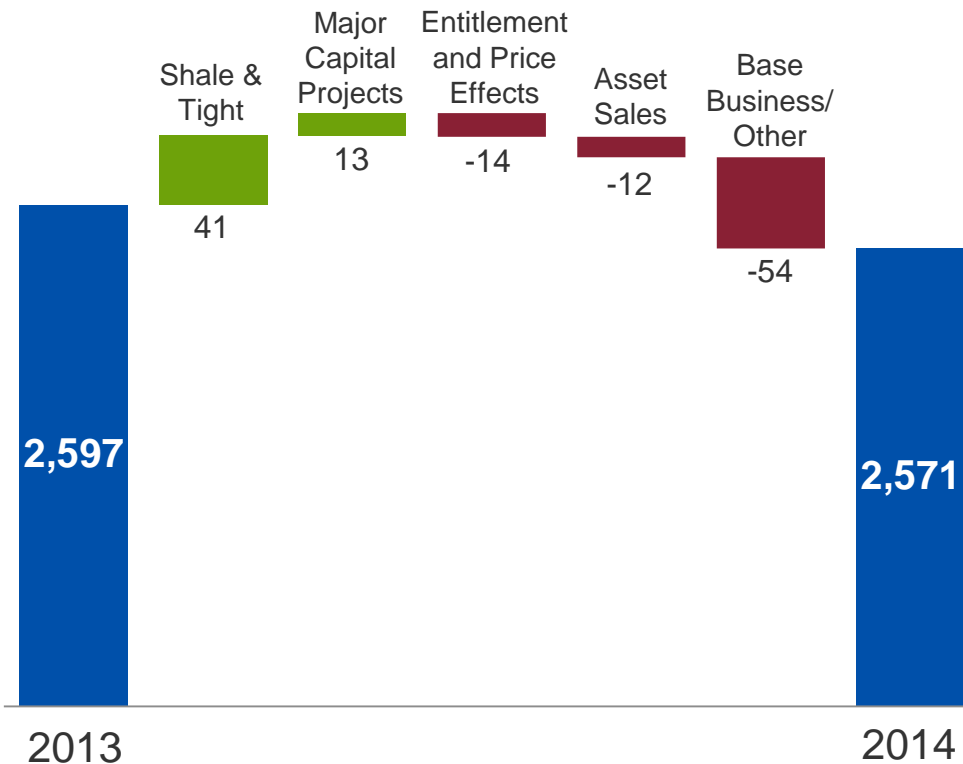


- Bangladesh expansion and Tubular Bells start-up
- Jack / St. Malo ramp-up ahead of plan
- Mixed entitlement effects
- Asset sales in Netherlands, Texas, Norway
- Record Tengiz production

Worldwide Net Oil & Gas Production 2014 vs. 2013



MBOED

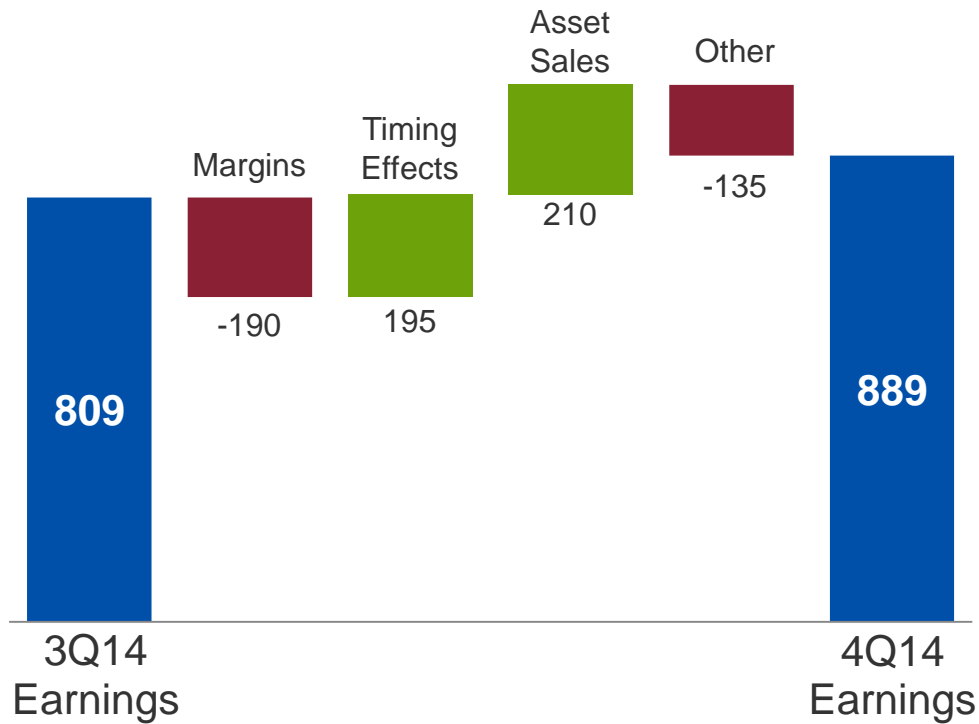


- Significant shale and tight growth
- Project start-ups and ramp-ups in Bangladesh and Brazil
- Positive price effects offset by negative entitlement
- Asset sales (primarily Chad)
- Base decline rate <3%

U.S. Downstream Earnings 4Q14 vs. 3Q14



\$ Millions



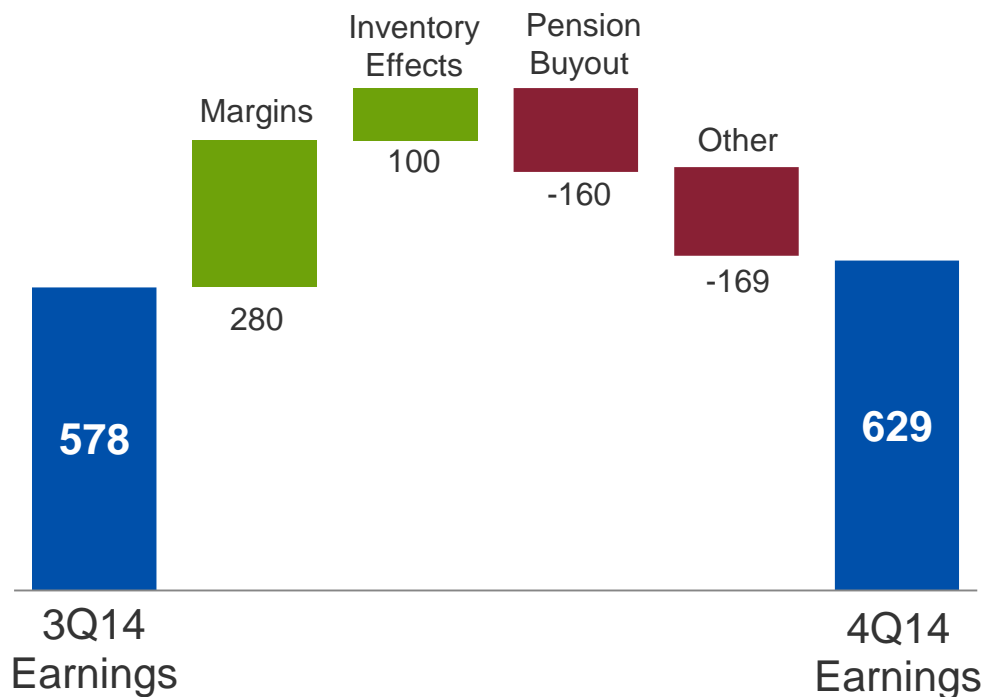
- Weaker refining margins
- Favorable inventory effects
- Gains on midstream asset sales

International Downstream Earnings

4Q14 vs. 3Q14



\$ Millions

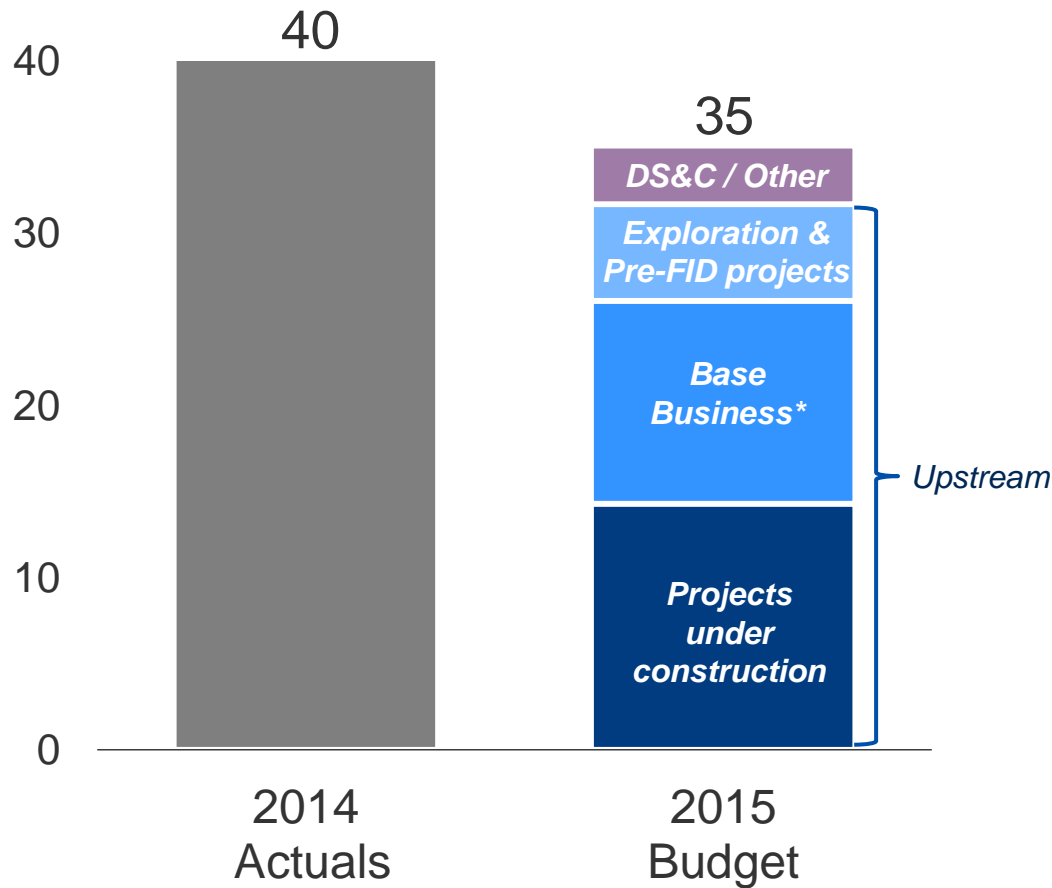


- Lower crude supply costs
- Favorable year-end LIFO
- Pension buyout
- Higher operating costs, unfavorable FX

2015 Capital & Exploratory Program



Total C&E
\$ Billions



- \$5 billion (13%) decline from 2014 levels
- Funds major projects under construction
- Tests Base Business and Shale investments at current prices
- Paces spend and timing for unsanctioned projects
- High-grades exploration

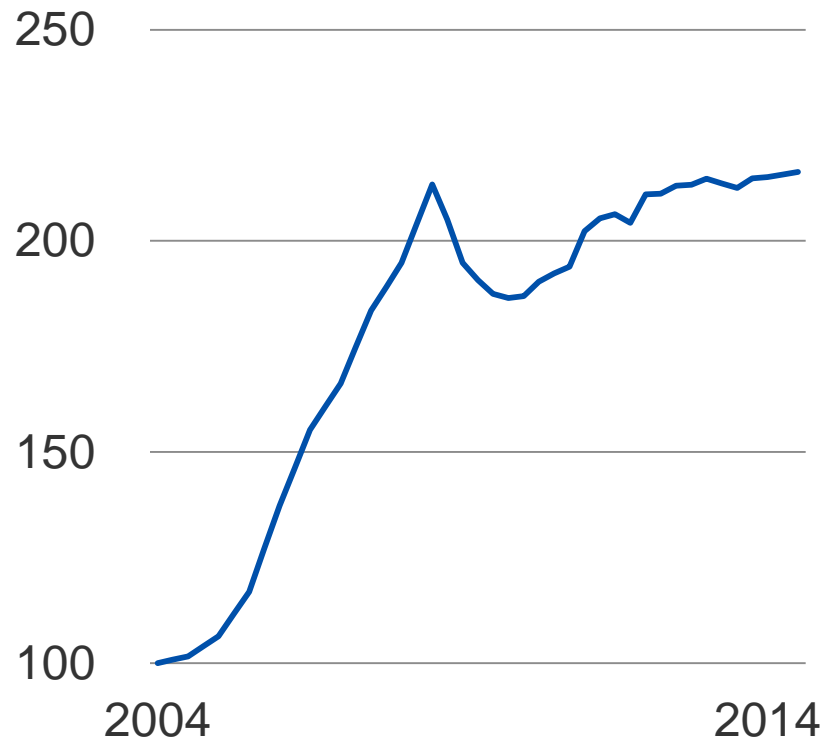
* Includes Shale & Tight

Cost Management Actions



Upstream Capital Cost Index

Basis: 2004 = 100



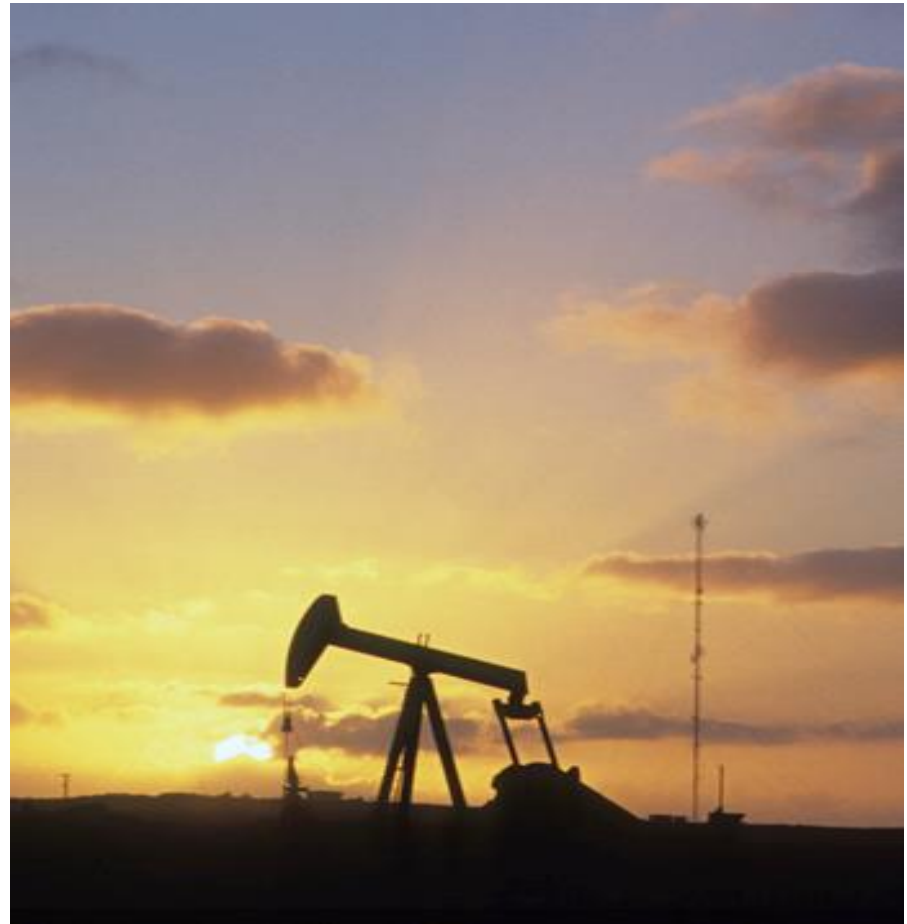
- Have competitive cost structure
- Proactive in cost management efforts
- External engagements with supply chain
- Internal cost reviews

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2015 Production Guidance



- Flat to 3% growth
 - Range influenced by prices, spend and asset sales
- Ramp-ups
 - Jack / St. Malo
 - Tubular Bells
 - Shale / Tight resources
- Start-ups
 - Gorgon
 - Angola LNG
 - Big Foot



Questions



Answers



Appendix

Reconciliation of Earnings (Excluding Special Items)

	4Q13	1Q14	2Q14	3Q14	4Q14	2014
Reported Earnings (\$MM)	4,930	4,512	5,665	5,593	3,471	19,241
UPSTREAM						
Foreign Exchange	300	(53)	(147)	344	453	597
Asset Dispositions	--	--	610	170	1,000	1,780
Special Items*	--	(150)	--	(140)	(660)	(950)
Subtotal	300	(203)	463	374	793	1,427
DOWNSTREAM						
Foreign Exchange	(96)	(28)	(84)	21	(21)	(112)
Asset Dispositions	--	100	140	250	470	960
Special Items*	--	--	--	--	(160)	(160)
Subtotal	(96)	72	56	271	289	688
ALL OTHER						
Foreign Exchange	(2)	2	(1)	1	--	2
Special Items*	--	(265)	--	--	(80)	(345)
Subtotal	(2)	(263)	(1)	1	(80)	(343)
Total Special Items (\$MM)	202	(394)	518	646	1,002	1,772
Diluted Weighted Avg. Shares Outstanding ('000)	1,919,324	1,909,424	1,902,321	1,896,492	1,883,650	1,897,897
Reported Earnings per Share	\$2.57	\$2.36	\$2.98	\$2.95	\$1.85	\$10.14
Earnings Per Share (excluding special items)**	\$2.46	\$2.57	\$2.71	\$2.61	\$1.31	\$9.20

*Includes asset impairments & revaluations, tax adjustments, environmental remediation provisions and any other special items.

**Reported Earnings per Share less adjustments for items noted above.