



human energy®

first quarter 2016 earnings conference call and webcast

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Key messages

- Maintain and grow dividend is the priority
- Improve free cash flow by:
 - Reducing capital and operating spend
 - Growing volume and margin
- Use strong balance sheet to complete projects under construction
- Positioned to improve returns and selectively grow in lower price environment



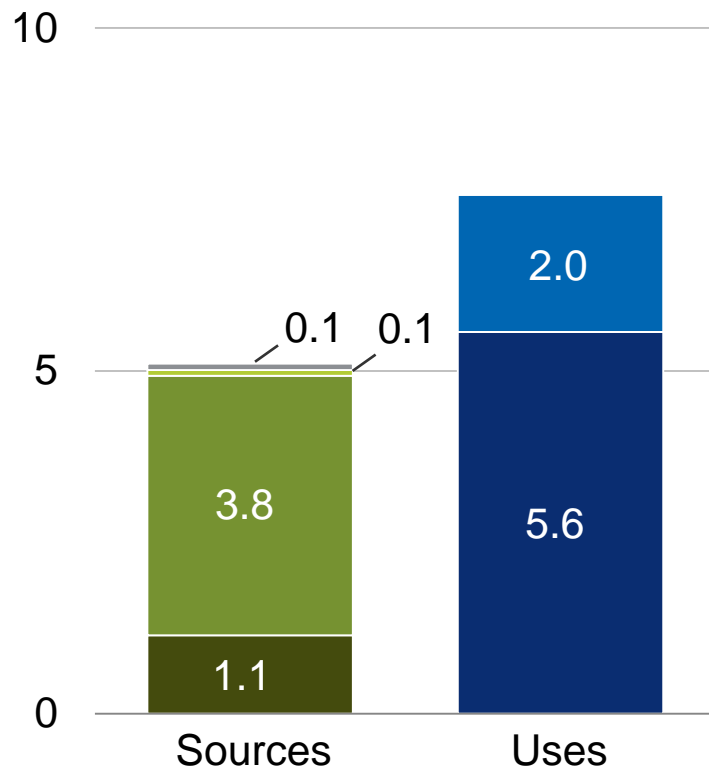
1Q16 financial highlights

Reported earnings	\$(0.7) billion
Reported earnings per diluted share	\$(0.39)
Earnings / EPS excluding special items and FX	\$(0.2) billion / \$(0.11)
Cash from operations	\$1.1 billion
Debt ratio (as of 3/31/2016)	22%
Dividends paid	\$2.0 billion

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

1Q16 sources and uses of cash⁽¹⁾

\$ billions



Cash from operations

- Upstream in line with oil price sensitivity and downstream continues cash contribution
- Non-ratable use of cash
 - Working capital
 - Pension contributions
 - Affiliate dividend distributions

Capital expenditures trending lower

Sources of Cash:

■ Cash flow from operations⁽²⁾

■ Net debt issuance

■ Asset sales

■ Other

Uses of Cash:

■ Capital expenditures⁽²⁾

■ Dividends

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

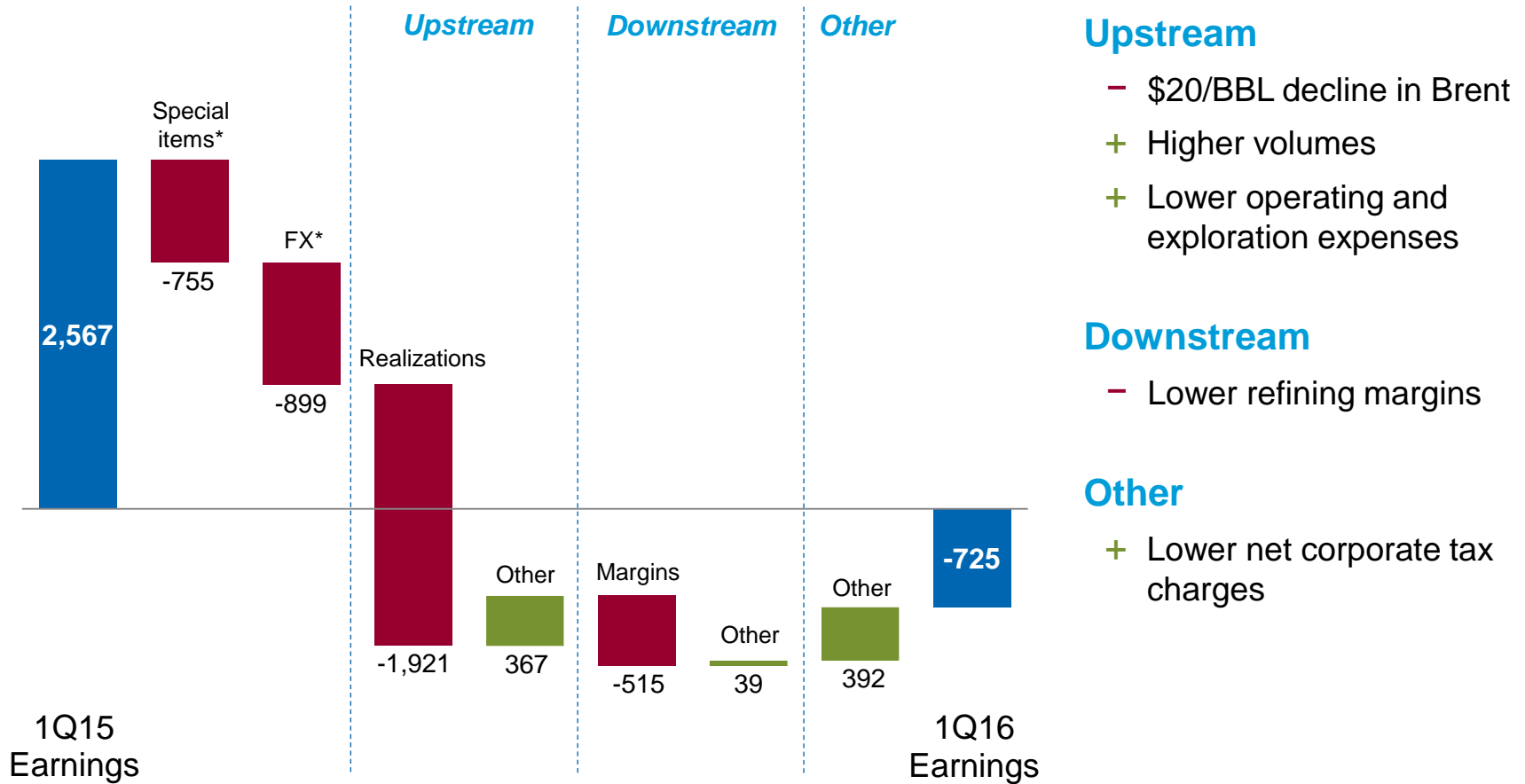
⁽²⁾ Per U.S. GAAP, expensed exploration expenditures and assets acquired from capital leases are part of “cash flow from operations” in our SEC reports. These two items are included in our “capital and exploratory expenditure” table in Attachment 2 to our earnings release.



Chevron earnings

1Q16 vs. 1Q15

\$ millions



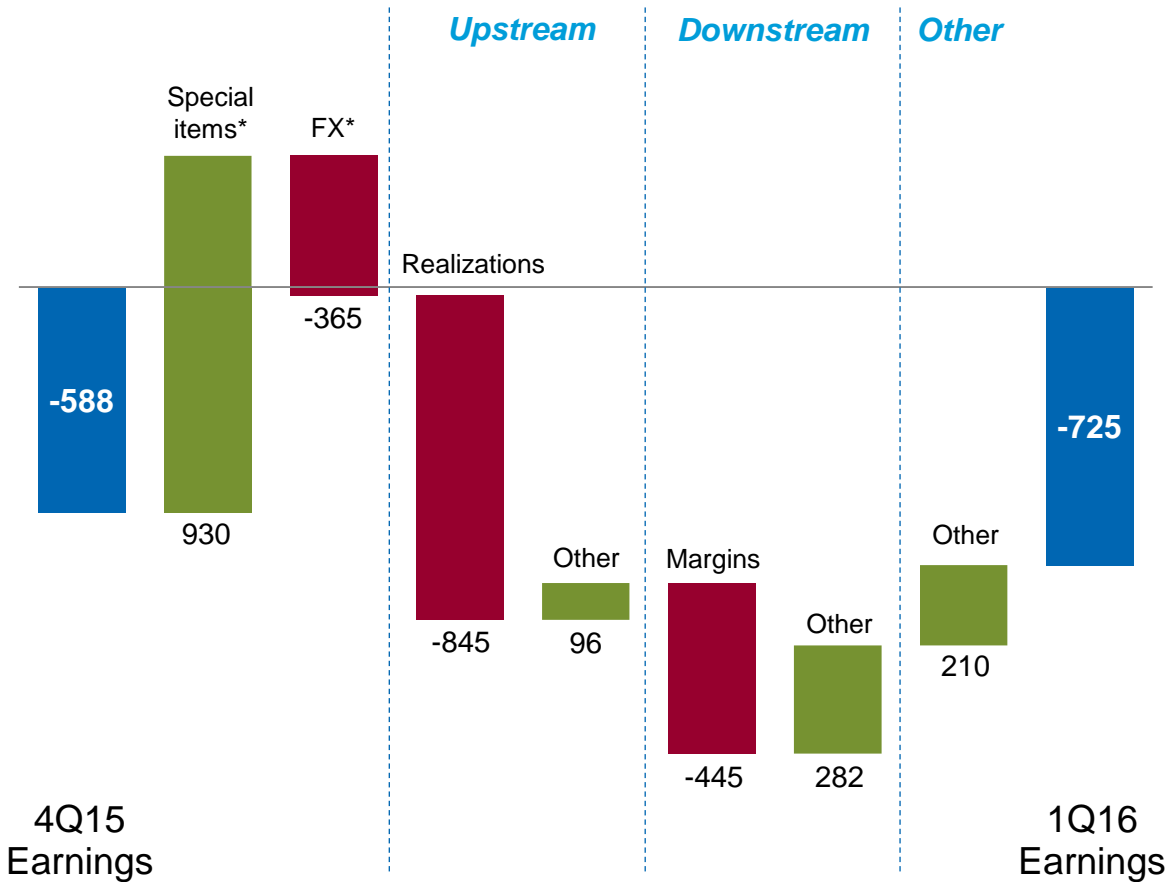
*Special items and FX details can be found in the appendix.



Chevron earnings

1Q16 vs. 4Q15

\$ millions



Upstream

- \$9/BBL decline in Brent

Downstream

- Lower refining margins
- + Lower operating expenses
- + Trading results
- + Timing effects

Other

- + Lower corporate charges

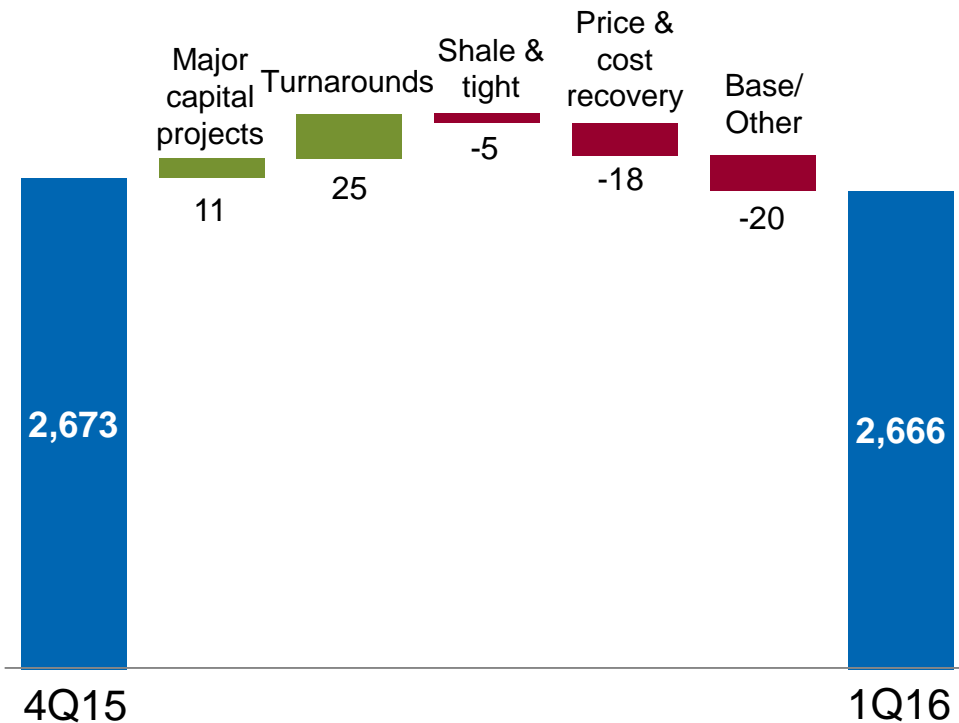
*Special items and FX details can be found in the appendix.



Worldwide net oil & gas production

1Q16 vs. 4Q15

MBOED



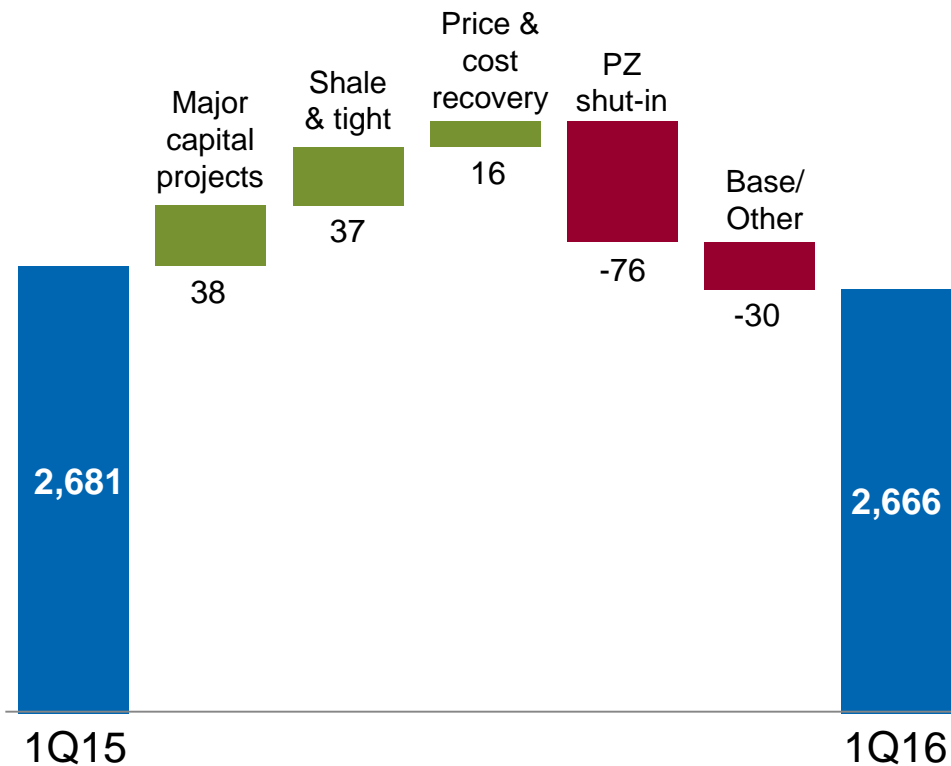
- Gorgon, Chuandongbei, Moho Nord and Lianzi start-ups / ramp-ups
- Lower downtime mainly at Tengiz
- Base decline within guidance



Worldwide net oil & gas production

1Q16 vs. 1Q15

MBOED

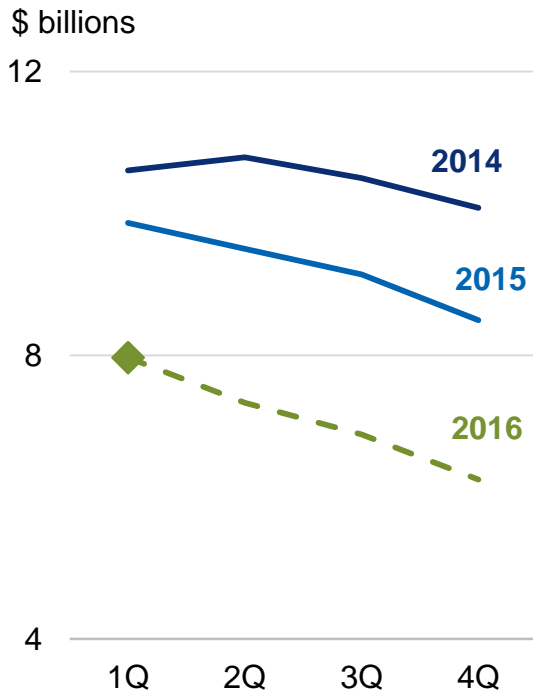


- Jack / St. Malo, Lianzi, Bibiyana expansion and Moho Nord ramp-ups
- Gorgon and Chuandongbei start-ups
- Growth across all shale and tight basins
- PZ shut-in



Spend momentum

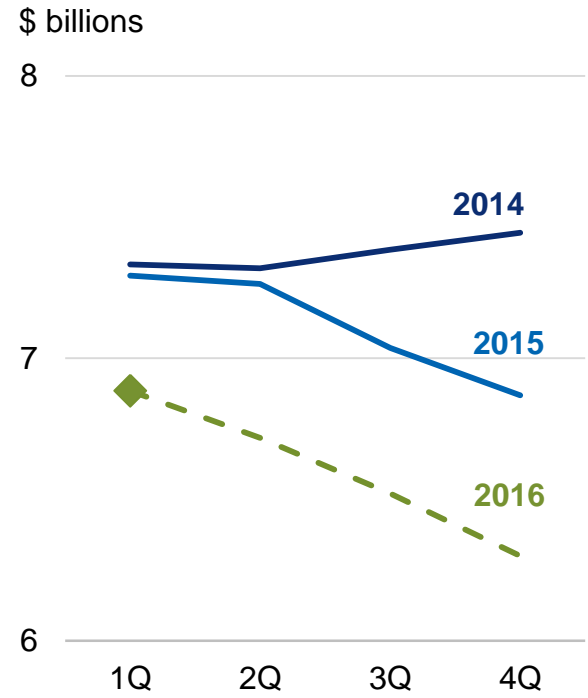
Total capital & exploratory spend
Rolling four-quarter average



Responsive to market conditions
*C&E lower by -19%**
*Opex decline by -6%**

Momentum continues as full run-rate of actions realized

OPEX / SG&A
Rolling four-quarter average



◆ 1Q 2016 Actuals - - - Estimate



*Compares 1Q 2016 to 1Q 2015 results on a four-quarter rolling average basis

Cost and procurement activities

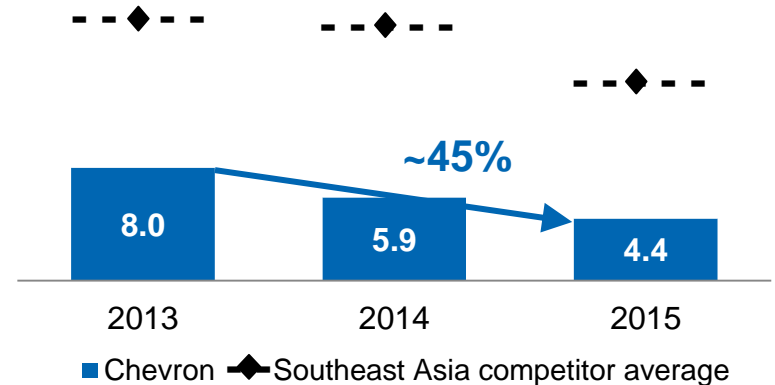
Sustainable actions

- Organizational activities
 - ~4,000 through 1Q 2016
 - On target to reach ~8,000
- Efficiency gains
 - Logistics
 - Drilling
- Strategic Supplier Engagement

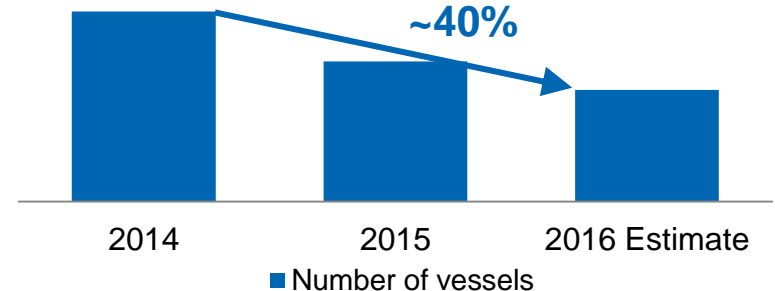
Examples of efficiency gains

Thailand drilling efficiency

Average days per 10,000 feet drilled – Rushmore Benchmarking



Africa logistics efficiency



Gorgon

- First production and cargo in March
- Reached rate ~90 MBOED
- Repairs nearing completion
- Expect to restart production in May
- Train 1 ramp-up and Trains 2 & 3 start-up timing per prior guidance



Wheatstone

- All 9 wells completed
- Structural, piping and cabling work progressing at plant site
- Reaffirm first LNG outlook mid-2017
- 12 of 24 Train 2 process modules delivered to site



Other 2016 start-ups

Alder

- First production expected 2H 2016



Mafumeira Sul

- All four platforms installed
- Hook-up & commissioning ongoing
- First production expected 2H 2016



Angola LNG

- Expect to ship cargo in May



Chuandongbei

- Trains 1 and 2 online
- Expect Train 3 start-up in 2Q 2016



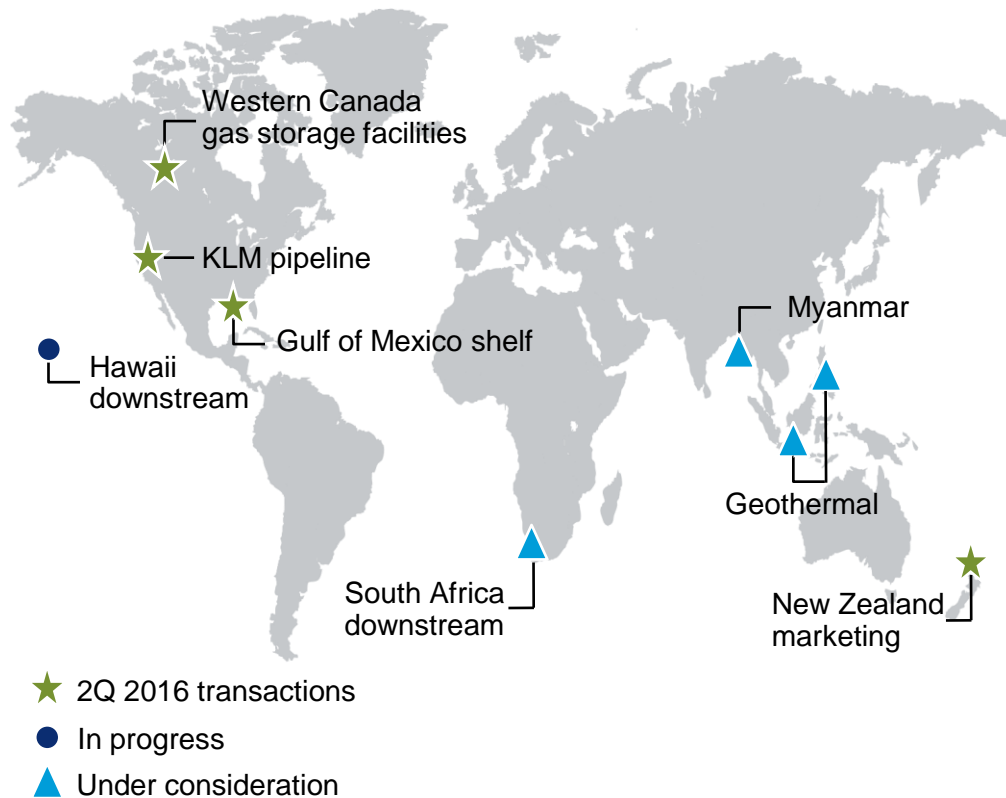
Bangka

- First production expected 2H 2016



Asset sales update

In public domain asset sales



2016 – 2017 target
~\$5 -10 billion

Divestment criteria

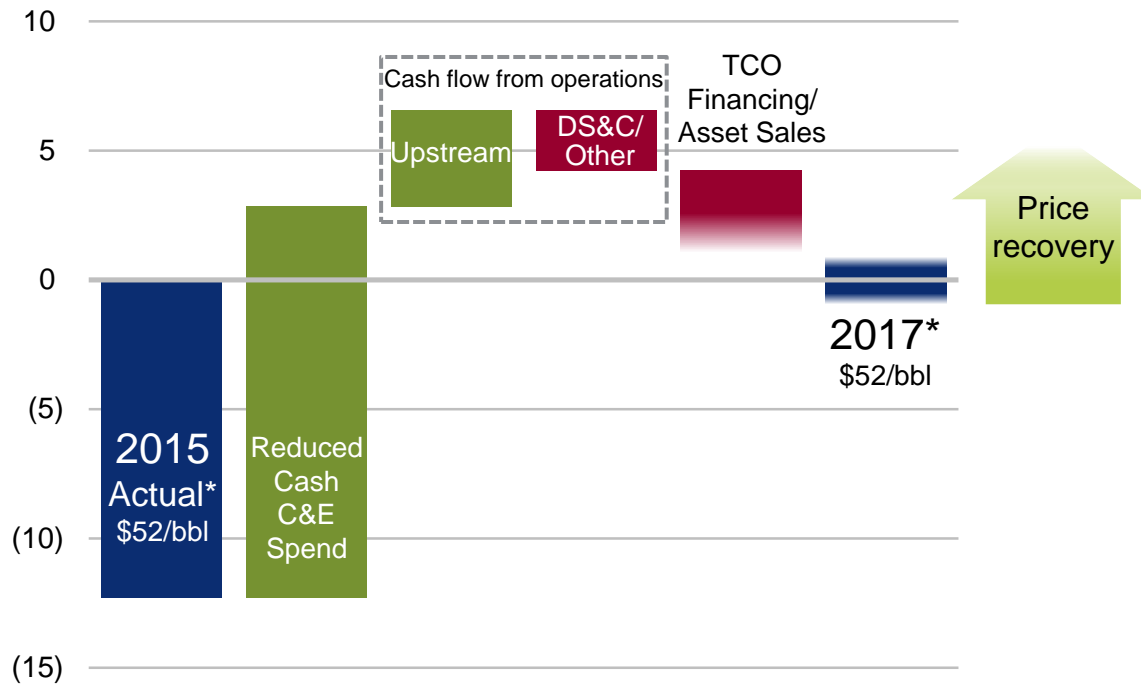
- Receive fair value
- Non-strategic fit
- Unable to compete for capital



Improving free cash flow

Cash flow after dividends* (including asset sales)

\$ billions



Reduced spend

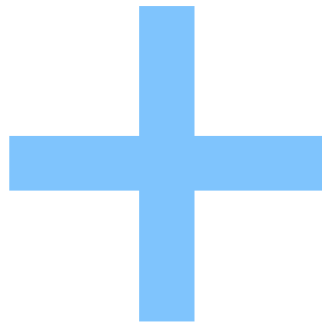
Further flexibility depending on market

Volume and margin growth

*Cash flow after dividends = estimated cash flow from operations plus asset sales, less cash C&E, less dividends. 2015 includes asset sales proceeds of \$5.7B. 2017 at \$52/bbl Brent is for illustration purposes only and not indicative of Chevron's forecast



Questions



Answers



Appendix: reconciliation of non-GAAP measures

Reported earnings to earnings excluding special items and FX

	1Q15	2Q15	3Q15	4Q15	1Q16
Reported Earnings (\$MM)	2,567	571	2,037	(588)	(725)
Diluted Weighted Avg. Shares Outstanding ('000)	1,876,498	1,876,705	1,872,420	1,874,313	1,869,775
Reported Earnings per Share	\$1.37	\$0.30	\$1.09	\$(0.31)	\$(0.39)
Special Items (\$MM)					
UPSTREAM					
Asset Dispositions	310	--	--	--	--
Other*	250	(2,710)	(245)	(1,125)	(85)
Subtotal	560	(2,710)	(245)	(1,125)	(85)
DOWNSTREAM					
Asset Dispositions	--	1,710	--	--	--
Other*	--	--	--	--	(110)
Subtotal	--	1,710	--	--	(110)
ALL OTHER					
Other*	--	10	--	--	--
Subtotal	--	10	--	--	--
Total Special Items	560	(990)	(245)	(1,125)	(195)
Foreign Exchange (\$MM)					
Upstream	522	(146)	258	91	(298)
Downstream	54	(103)	141	(45)	(48)
All Other	4	(2)	(5)	--	27
Total FX	580	(251)	394	46	(319)
Earnings excluding Special Items and FX (\$MM)	1,427	1,812	1,888	491	(211)
Earnings per Share excluding Special Items and FX	\$0.76	\$0.97	\$1.01	\$0.26	\$(0.11)

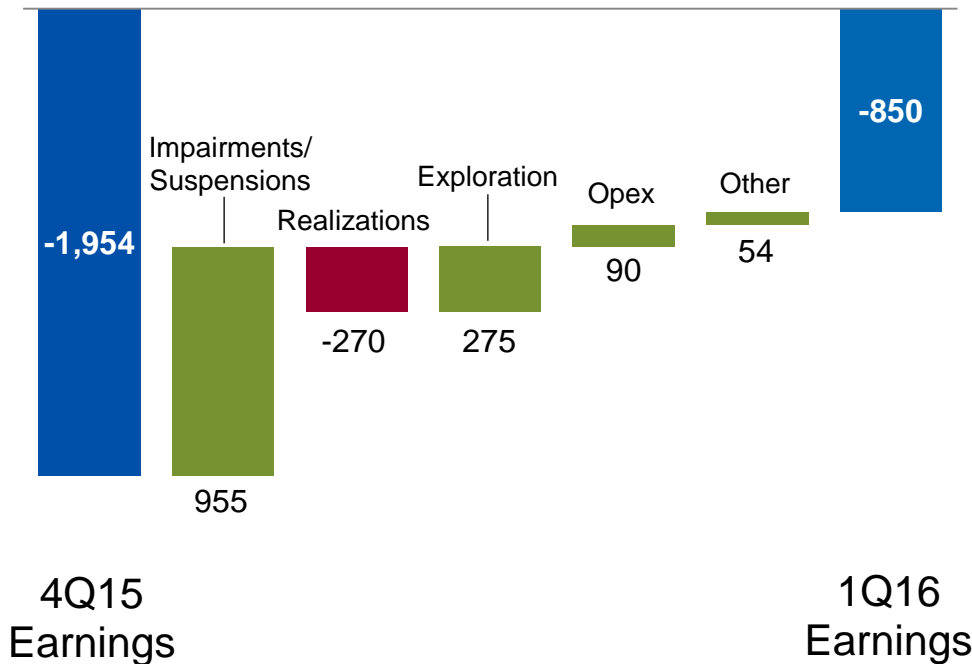
*Includes asset impairments & revaluations, certain non-recurring tax adjustments & environmental remediation provisions, severance accruals and any other special items.



Appendix

U.S. upstream earnings: 1Q16 vs. 4Q15

\$ millions



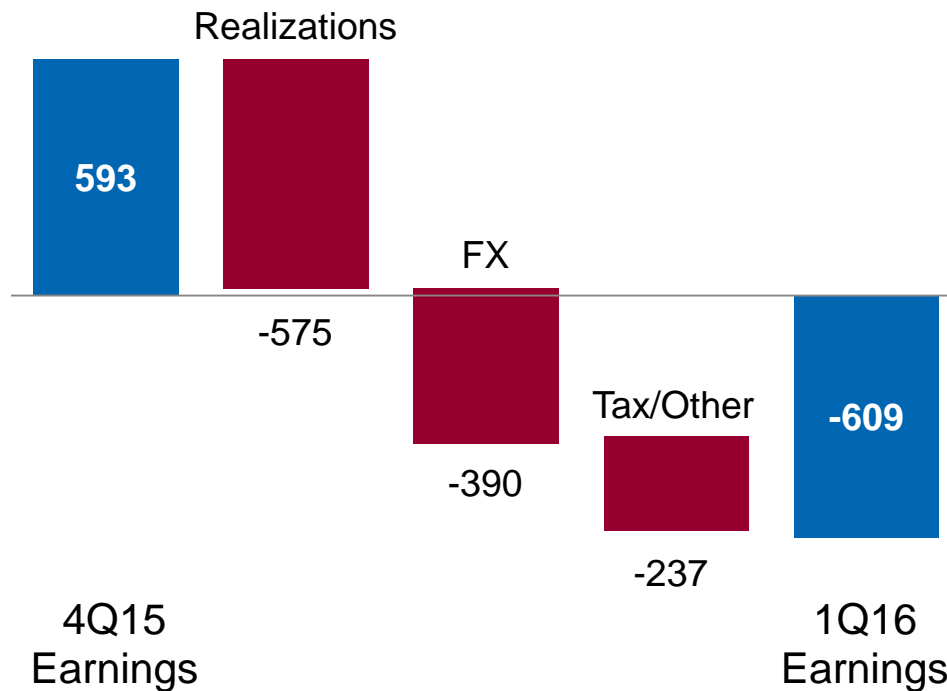
- Absence of 4Q15 impairments and project suspensions
- \$9/BBL decline in WTI
- Lower exploration expenses, mainly in Gulf of Mexico



Appendix

International upstream earnings: 1Q16 vs. 4Q15

\$ millions



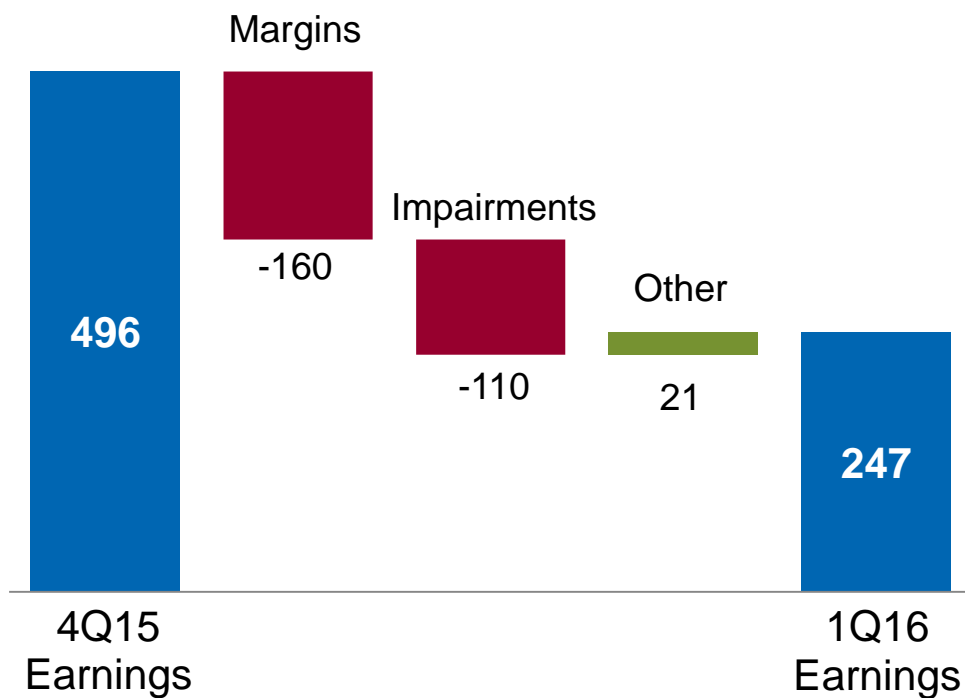
- \$9/BBL decline in Brent
- Unfavorable FX swing in Canada, Venezuela, Europe and Australia



Appendix

U.S. downstream earnings: 1Q16 vs. 4Q15

\$ millions



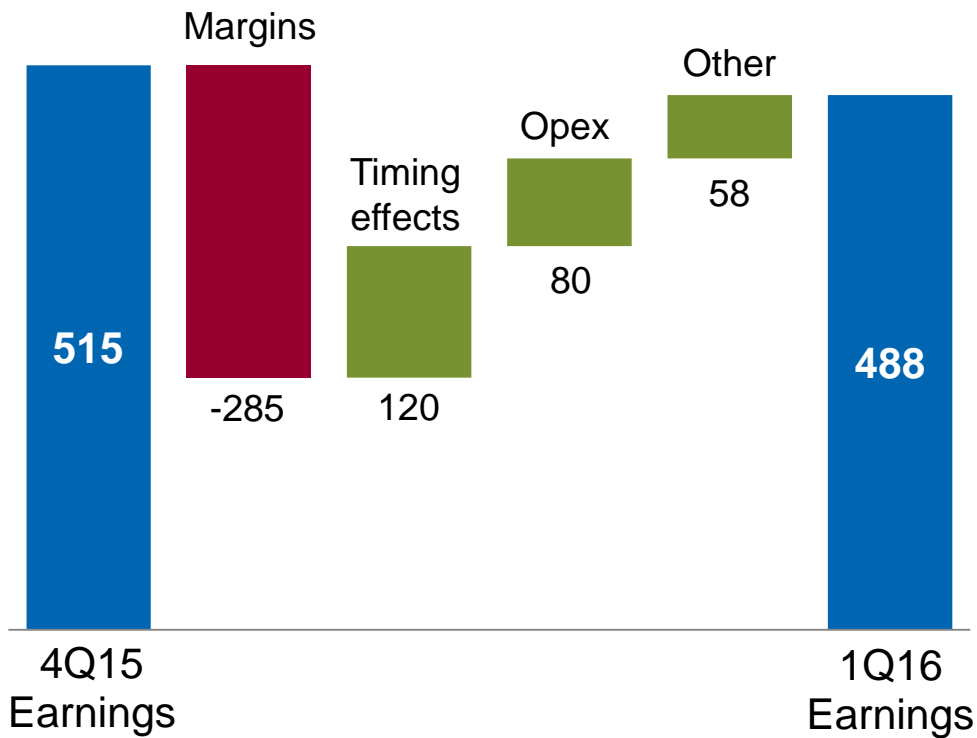
- Lower refining margins
- Impairment on asset held for sale in Hawaii



Appendix

International downstream earnings: 1Q16 vs. 4Q15

\$ millions



- Weaker Asian refining margins
- Absence of unfavorable 4Q15 timing effects
- Lower operating expenses

