2Q17 Earnings Conference Call
July 27, 2017
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Use of non-GAAP financial information – This presentation may include non-GAAP financial measures, which help facilitate comparison of company operating performance across periods and with peer companies. Any non-GAAP measures included herein will be accompanied by a reconciliation to the nearest corresponding GAAP measure either within the presentation or on our website at www.conocophillips.com/nongaap.

Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. We use the term "resource" in this presentation that the SEC’s guidelines prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the oil and gas disclosures in our Form 10-K and other reports and filings with the SEC. Copies are available from the SEC and from the ConocoPhillips website.
Don Wallette, Jr.
EVP, Finance, Commercial and CFO
2Q17 Summary

**Strategic**

*Transformative reset achieved*

- Closed Canada transaction; expect >$16B of asset sales in 2017
- Paid down $3B debt; expect <$20B by YE 2017
- Repurchased $1B of shares; on track for $3B share buybacks by YE 2017

**Financial**

*Profitable and cash flow neutral*

\[ \text{at <$50/bbl Brent} \]

- $178MM adjusted earnings; $0.14 adjusted EPS
- $1.6B CFO\(^2\); $10.3B ending cash\(^3\)
- CFO exceeded capital and dividend for fourth consecutive quarter

**Operational**

*On track to deliver or exceed 2017 operational targets*

- Production of 1,425 MBOED; 3% year-over-year underlying growth\(^4\)
- Increasing underlying full-year production guidance by 25 MBOED
- Lowering full-year capital guidance to $4.8B

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\(^1\) Cash flow neutral is defined as when cash provided by operating activities (CFO) covers capital expenditures and dividends.

\(^2\) CFO, excluding operating working capital change of $6.12B, is $1.64B and cash provided by operating activities is $1.75B.

\(^3\) Ending cash includes cash and cash equivalents of $7.33B and short-term investments of $2.75B.

\(^4\) Production excludes Libya and growth is adjusted for closed and signed dispositions. Adjusted operating costs, adjusted earnings and adjusted EPS are non-GAAP measures. A non-GAAP reconciliation is available on our website.
2Q17 Performance – Adjusted Earnings

Highlights

- Year-over-year adjusted earnings benefited from a 30% improvement in realizations, lower depreciation expense, and lower exploration expense.

- Sequential adjusted earnings benefited from lower depreciation expense and improved exploration expense, partly offset by lower volumes resulting from divestitures and turnarounds.

2Q17 Adjusted Earnings ($MM)

<table>
<thead>
<tr>
<th></th>
<th>Lower 48</th>
<th>Canada</th>
<th>Alaska</th>
<th>Europe &amp; North Africa</th>
<th>Asia Pacific &amp; Middle East</th>
<th>Other International</th>
<th>Corporate &amp; Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EPS ($)</td>
<td>($72)</td>
<td>$13</td>
<td>$167</td>
<td>$82</td>
<td>$212</td>
<td>($9)</td>
<td>($215)</td>
<td>$178</td>
</tr>
<tr>
<td>Average Realized Price ($/BOE)</td>
<td>$27.79</td>
<td>$36.18</td>
<td>$36.08</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Adjusted earnings/loss refer to adjusted earnings/loss. Adjusted earnings/loss and adjusted EPS/loss are non-GAAP measures. A non-GAAP reconciliation is available on our website.
2Q17 Performance – Company Cash Flow

2Q17 Marker Prices
- Brent $49.83/BBL
- WTI $48.24/BBL
- Henry Hub $3.19/MMBTU

Beginning Cash & Short-Term Investments
CFO Excluding Working Capital
Total Working Capital
Disposition Proceeds
Debt
Capital Expenditures & Investments
Dividends
Repurchase of Company Common Stock
Other
2Q17 Ending Cash & Short-Term Investments

Footnotes:
1. Beginning cash and short-term investments include cash and cash equivalents of $3.18 and short-term investments of $0.38. Ending cash and short-term investments include cash and cash equivalents of $7.53B and short-term investments of $2.79B.
2. Total working capital includes $0.18 and $(0.18) of working capital changes associated with operating activities and investing activities, respectively.
AI Hirshberg
EVP, Production, Drilling and Projects
2Q17 Operational Highlights – 1 of 2

- Exceeded top end of 2Q17 production guidance

- All 2Q scheduled turnarounds completed successfully

- Lower 48 unconventional production resumes growth, with 226 MBOED in 2Q17 vs. 221 MBOED in 1Q17

- 12 operated rigs in key plays
  - 5 Eagle Ford, 4 Bakken, 3 Permian

- Successful GMT 1 construction program in Alaska; 1H NEWS on track for first oil by year end
2Q17 Operational Highlights – 2 of 2

- APLNG two-train lenders’ test operational phase complete; 60 LNG cargoes loaded in 1H17

- Successful Barossa-6 appraisal well in Australia
  - Tested at choked rate of 55 MMCFD

- Additional wells brought on line at Malikai in Malaysia

- Aasta Hansteen spar substructure arrived in Norway
2017 Outlook

$4.8B
2017 CAPITAL GUIDANCE

$5.7B
2017 ADJUSTED OPERATING COST GUIDANCE

1,170 – 1,210
MBOED
3Q17 PRODUCTION GUIDANCE

1,340 – 1,370
MBOED
FY17 PRODUCTION GUIDANCE

- Lowering 2017 capital to $4.8B
- Increasing underlying full-year 2017 production guidance
- Lowering depreciation expense guidance
- Other drivers on track with prior pro-forma guidance
- Expect year-end debt of <$20B and share repurchases of $3B
- Analyst & Investor Meeting is Nov. 8, 2017 in New York

Adjusted operating cost is a non-GAAP measure. A non-GAAP reconciliation is available on our website. Production excludes Libya. 2017 guidance assumes San Juan, Barnett and Panhandle transactions close when expected.
Q&A
### Updated Full-Year 2017 Guidance

<table>
<thead>
<tr>
<th></th>
<th>Pre-Transactions</th>
<th>Expected Disposition Impacts¹</th>
<th>Performance Improvements</th>
<th>2017 Updated Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Full-Year 2017 Production</strong></td>
<td>1,540-1,570 MBOED</td>
<td>(225) MBOED</td>
<td>25 MBOED</td>
<td>1,340-1,370 MBOED</td>
</tr>
<tr>
<td><strong>3Q17 Production</strong></td>
<td>--</td>
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<td>--</td>
<td>1,170-1,210 MBOED</td>
</tr>
<tr>
<td><strong>Adjusted Operating Costs</strong></td>
<td>$6.0B</td>
<td>($0.3B)</td>
<td>--</td>
<td>$5.7B</td>
</tr>
<tr>
<td><strong>Capital Expenditures</strong></td>
<td>$5.0B</td>
<td>--</td>
<td>($0.2B)</td>
<td>$4.8B</td>
</tr>
<tr>
<td><strong>DD&amp;A</strong></td>
<td>$8.0B</td>
<td>($0.7B)</td>
<td>($0.3B)</td>
<td>$7.0B</td>
</tr>
<tr>
<td><strong>Adjusted Corporate Segment Net Loss</strong></td>
<td>$1.2B</td>
<td>($0.2B)</td>
<td>--</td>
<td>$1.0B</td>
</tr>
<tr>
<td><strong>Adjusted Exploration Dry Hole and Leasehold Impairment Expense</strong></td>
<td>$0.45B</td>
<td>--</td>
<td>--</td>
<td>$0.45B</td>
</tr>
</tbody>
</table>

¹ Includes expected disposition impacts from the Canada, San Juan, Barnett and Panhandle transactions. Canada transaction closed on May 17, 2017; San Juan, Barnett and Panhandle closing estimated in 3Q17. Adjusted operating cost, adjusted corporate segment net loss, and adjusted exploration dry hole and leasehold impairment expense are non-GAAP measures. A non-GAAP reconciliation is available on our website. Guidance excludes special items. Production guidance excludes U/L and is based on $50/bbl Brent. 2017 updated guidance assumes San Juan, Barnett and Panhandle transactions close when expected.
Production Adjusted for Dispositions

2Q16 | FY16 | FY17E Midpoint
---|---|---
1,117 | 1,137 | 1,170
1,147 | 1,137 | 1,170
399 | 403 | 185
30 | 27 | 185

3% underlying production growth

8% production per share growth

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1 2017 Dispositions include closed and signed dispositions as of July 27, 2017. Closed dispositions include the Canada transaction. Signed dispositions include San Juan, Barnett and Panhandle in Lower 48.
2 2016 Dispositions reflect asset sales in APAC, Canada, Alaska and Lower 48.
3 Production per share growth is a non-GAAP measure defined as underlying production, excluding Libya and closed and signed dispositions, divided by ending common shares outstanding. Year-end 2016 common shares outstanding were 1,257 million shares. Q4 2017 ending common shares outstanding were 1,217 million shares. 2H 2017 assumes a further $1.9 billion of share repurchases, which represent 44.3 million shares using the closing price of $42.65 per share on 7/21/17 and assuming no other changes in common shares outstanding.

All numbers exclude Libya, which produced 12 MBOED in 2Q17, 0 MBOED in 2Q16, and 2 MBOED for full year 2016.
1H17 Performance – Company Cash Flow

$B

1H17 Marker Prices
- Brent $51.81/BBL
- WTI $50.04/BBL
- Henry Hub $3.25/MMBTU

2017 Beginning Cash & Short-Term Investments
- CFO Excluding Operating Working Capital
- Total Working Capital
- Disposition Proceeds
- Debt
- Capital Expenditures & Investments
- Dividends
- Repurchase of Company Common Stock
- Other
- 2Q17 Ending Cash & Short-Term Investments

Footnotes:
1. Beginning cash and short-term investments include cash and cash equivalents of $3.68 and short-term investments of $0.18. Ending cash and short-term investments include cash and cash equivalents of $7.53B and short-term investments of $2.78B.
2. Total working capital includes $0.18 and ($0.19) of working capital changes associated with operating activities and investing activities, respectively.
2017 Annualized Net Income Sensitivities

$45-$65/BBL Brent

Full-Year Pre-Transactions

- Crude
  - Brent/ANS: $100-120MM for $1/BBL change
  - WTI: $30-40MM for $1/BBL change
  - WCS¹: $35-45MM for $1/BBL change

- North American NGL
  - Representative blend: $5-10MM for $1/BBL change

- Natural Gas
  - Henry Hub: $65-75MM for $0.25/MCF change
  - International gas: $10-15MM for $0.25/MCF change

Full-Year Post-Transactions Pro Forma

- Crude
  - Brent/ANS: $100-120MM for $1/BBL change
  - WTI: $30-40MM for $1/BBL change
  - WCS¹: $5-10MM for $1/BBL change
    - Does not incorporate contingent payment of CA$6MM quarterly for every CA$1 WCS price above CA$52/BBL

- North American NGL
  - Representative blend: $5-10MM for $1/BBL change

- Natural Gas
  - Henry Hub: $20-30MM for $0.25/MCF change
  - International gas: $10-15MM for $0.25/MCF change

¹ WCS price used for the sensitivity represents a volumetric weighted average of Shorcan and Net Energy Indices.
Pro forma figures are shown as if the transactions were completed on Jan. 1, 2017. Canada transaction closed May 2017; San Juan, Barnett and Panhandle closings expected in 3Q17.
The published sensitivities above reflect annual estimates and may not apply to quarterly results due to lift timing/product sales differences, significant turnaround or other unforeseen portfolio shifts in production. Additionally, the above sensitivities apply to a range of commodity price fluctuations as of July 27, 2017, but may not apply to significant and unexpected increases or decreases.
## 2017 Annualized Cash Flow Sensitivities

### Full-Year Pre-Transactions

**CFO from Consolidated Operations (\$45-\$65/BBL Brent)**
- Crude
  - Brent/ANS: ~\$105-115MM for \$1/BBL change
  - WTI: ~\$50-60MM for \$1/BBL change
  - WCS: ~\$10-15MM for \$1/BBL change
- Lower 48 NGL
- **Representative Blend**: ~\$10-15MM for \$1/BBL change
- Natural Gas
  - Henry Hub: ~\$95-105MM for \$0.25/MCF change
  - Int’l Gas: ~\$20-25MM for \$0.25/MCF change

**CFO from Equity Affiliates\(^1\) (\$50-\$65/BBL Brent)**
- Expect distributions from equity affiliates at >\$50/BBL
- \$1/BBL movement in Brent: ~\$55-65MM

### Full-Year Pro Forma Post-Transactions

**CFO from Consolidated Operations (\$45-\$65/BBL Brent)**
- Crude:
  - Brent/ANS: ~\$105-115MM for \$1/BBL change
  - WTI: ~\$50-60MM for \$1/BBL change
  - WCS: ~\$10-15MM for \$1/BBL change
- Lower 48 NGL
- **Representative Blend**: ~\$10-15MM for \$1/BBL change
- Natural Gas
  - Henry Hub: ~\$35-45MM for \$0.25/MCF change
  - Int’l Gas: ~\$20-25MM for \$0.25/MCF change

**CFO from Equity Affiliates\(^1\) (\$50-\$65/BBL Brent)**
- Expect distributions from equity affiliates at >\$50/BBL
- \$1/BBL movement in Brent: ~\$25-35MM

**Net Cash Flow from Contingent Payment**
- CA\$6MM quarterly for every CA\$1 WCS price above CA\$52/BBL

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\(^1\) Representative of cash provided by operating activities (CFO) within Equity Affiliates may not all be distributed. Assumes WCS moves proportionally to Brent. Contracted LNG within equity affiliates is subject to a 3-month pricing lag. Pro forma figures shown as if the transactions were completed on Jan. 1, 2017. Canada transactions closed May 2017; San Juan, Barnett and Fargnold closings expected in 3Q17. The published sensitivities above reflect annual estimates and may not apply to quarterly results due to timing/product sales differences, significant turnaround activity or other unforeseen portfolio shifts in production. Additionally, the above sensitivities apply to a range of commodity price fluctuations as of July 27, 2017, but may not apply to significant and unexpected increases or decreases.