

## NEWS RELEASE

May 14, 2013

### ConocoPhillips Highlights Progress on Plans for Production and Margin Growth at Annual Meeting of Stockholders

HOUSTON – ConocoPhillips (NYSE: COP) is making significant progress on delivering its plans for growth in volumes and margins, the company said today at its Annual Meeting of Stockholders. The company reaffirmed its goal to consistently deliver strong, predictable returns to shareholders.

“We believe we represent a new class of E&P investment – one that will strive to achieve the organic growth of an independent with the yield of a major,” said Chairman and Chief Executive Officer Ryan Lance. “We have the diverse asset base, technical capability, world-class workforce and financial strength to deliver on our unique value proposition.”

The company highlighted several achievements from the past year, including progress on portfolio high-grading through closed and announced dispositions, exploration success that included two significant discoveries in the deepwater Gulf of Mexico, and peer-leading total shareholder returns.

“The ConocoPhillips asset base reflects our legacy as a major company in terms of its size and breadth, yet offers the compelling organic growth more common to independent companies,” said Lance. “It also reflects important diversification between a resource-rich North American portfolio, a lower-risk diversified worldwide portfolio and an emerging conventional and unconventional global exploration prospect inventory.”

The company also outlined five ongoing strategic priorities to drive its long-term performance:

- **Maintain a relentless focus on safety and execution**, while renewing focus on organic growth, applying technology and delivering functional excellence. Keys to successful execution include flawless environmental performance, proactive stakeholder engagement and integrated sustainable development;
- **Offer a compelling dividend**, which provides investors a predictable annual return while enforcing capital discipline within the company. ConocoPhillips targets consistent growth in its dividend;
- **Deliver 3 to 5 percent compound annual production growth**, as well as growth in reserves, through drilling programs in legacy assets and sanctioned major projects globally. The company is also actively pursuing conventional and unconventional opportunities that can sustain growth well into the future;
- **Generate 3 to 5 percent compound annual margin growth**, over the next five years at flat prices by divesting lower-margin assets and shifting the company’s production mix to higher-value products; and
- **Focus on improving financial returns**, through capital discipline, high-grading the asset portfolio, minimizing investment in North American natural gas and optimizing processes and practices.

Over the next five years, ConocoPhillips plans to execute a disciplined capital program of approximately \$16 billion per year, supporting the company’s organic reserve replacement target of more than 100 percent. The company expects to generate 3 to 5 percent compound annual production growth and margin growth from major development programs and projects already under way in unconventional plays in the U.S. Lower 48, Canadian oil sands, United Kingdom and Norwegian North Sea, Malaysia and Australia.

“We have the talent and technical capabilities to operate globally in any resource trend,” added Lance. “Our strong balance sheet provides the financial flexibility to withstand business cycles and to invest in the development of our 43 billion barrel resource base. We will see a significant inflection point at the end of 2013, as we core up and rebalance the portfolio through asset dispositions and deliver on our growth plans from our worldwide development programs and startups at several high-margin international major projects. This will

position ConocoPhillips for ongoing success. Our transformation into an independent E&P company is just beginning and we have an exciting future ahead.”

Final voting results will be reported on Form 8-K, which will be filed with the Securities and Exchange Commission. These results and other information, including presentation materials and a recorded webcast of the meeting, will also be available at [www.conocophillips.com/annualmeeting](http://www.conocophillips.com/annualmeeting).

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## **About ConocoPhillips**

ConocoPhillips is the world's largest independent E&P company based on production and proved reserves. Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 30 countries, \$57 billion in annualized revenue, \$118 billion of total assets, and approximately 17,100 employees as of March 31, 2013. Production from continuing operations averaged 1,555 MBOED for the three months ended March 31, 2013, and proved reserves were 8.6 billion BOE as of Dec. 31, 2012. For more information, go to [www.conocophillips.com](http://www.conocophillips.com).

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## **CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995**

*This news release contains forward-looking statements. Forward-looking statements relate to future events and anticipated results of operations, business strategies, and other aspects of our operations or operating results. In many cases you can identify forward-looking statements by terminology such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" and other similar words. However, the absence of these words does not mean that the statements are not forward-looking. Where, in any forward-looking statement, the company expresses an expectation or belief as to future results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, there can be no assurance that such expectation or belief will result or be achieved. The actual results of operations can and will be affected by a variety of risks and other matters including, but not limited to, changes in commodity prices; changes in expected levels of oil and gas reserves or production; operating hazards, drilling risks, unsuccessful exploratory activities; difficulties in developing new products and manufacturing processes; unexpected cost increases; international monetary conditions; potential liability for remedial actions under existing or future environmental regulations; potential liability resulting from pending or future litigation; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; and general domestic and international economic and political conditions; as well as changes in tax, environmental and other laws applicable to our business. Other factors that could cause actual results to differ materially from those described in the forward-looking statements include other economic, business, competitive and/or regulatory factors affecting our business generally as set forth in our filings with the Securities and Exchange Commission. Unless legally required, ConocoPhillips undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.*

*Definition of resources: ConocoPhillips uses the term "resources" in this news release. The company estimates its total resources based on a system developed by the Society of Petroleum Engineers that classifies recoverable hydrocarbons into six categories based on their status at the time of reporting. Three (proved, probable and possible reserves) are deemed commercial and three others are deemed noncommercial or contingent. The company's resource estimate encompasses volumes associated with all six categories. 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 news release 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 disclosure in our Form 10-K and other reports and filings with the SEC.*