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NEWS RELEASE

March 18, 2020

ConocoPhillips Responds to Recent Oil Market Downturn

HOUSTON – ConocoPhillips (NYSE: COP) announced today that it is taking several actions in response to the recent oil market downturn.

“Our industry is clearly experiencing an unprecedented event brought about by simultaneous supply and demand shocks,” said Ryan Lance, chairman and chief executive officer. “The actions we are now taking reflect an acknowledgement of current events as well as uncertainty around the timing and path of a recovery.”

Lance continued, “We believe we have a significant advantage compared to most of the industry through our strong balance sheet, diverse and low-decline portfolio, and low capital intensity. We ended 2019 with over \$14 billion of liquidity, including cash, cash equivalents, short-term investments and availability under our revolving credit facility. We continue to monitor market conditions and consider various scenarios to inform any future actions. We have a significant level of flexibility between our capital, operating costs, and share repurchase program, but we are choosing to exercise only a portion of it at this time. We believe that the highest-value longer-term response is price-path dependent.”

The actions the company announced include:

- 2020 operating plan capital expenditures will be reduced by \$0.7 billion, representing about a 10 percent decrease from the previously announced guidance. The reduction will be sourced by slowing operated development activity in the Lower 48, expected decreases in non-operated activity in the Lower 48, and deferred drilling in Alaska. These reductions are expected to impact 2020 full-year production guidance by approximately 20 thousand barrels of oil equivalent per day (MBOED).
- The 2020 planned share repurchase program will be reduced to a quarterly run rate of \$250 million beginning in the second quarter, from the previous run rate of \$750 million.
- On a combined basis, the capital and share repurchase actions represent a reduction in 2020 cash uses of \$2.2 billion, with limited impact to the company’s productive capacity.
- The company continues to review its capital and operating plans and will provide a full 2020 guidance update in conjunction with first-quarter earnings on April 30.

“Today’s circumstances require action and we believe we’re taking the right steps at the right time,” Lance continued. “Current conditions represent a significant challenge for our industry overall, but we remain focused on creating long-term value, especially through cycles.”

The company will host a webcast today, March 18, at 10:00 a.m. Eastern time to discuss these actions. To listen to the webcast, visit ConocoPhillips’ Investor Relations site, www.conocophillips.com/investor and click on the “Register” link in the Investor Presentations section. You should register at least 15 minutes prior to the start of the webcast. The event will be archived and available for replay the same day, with a transcript available later.

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About ConocoPhillips

Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 17 countries, \$71 billion of total assets, and approximately 10,400 employees as of Dec. 31, 2019. Production excluding Libya averaged 1,305 MBOED for 2019, and proved reserves were 5.3 BBOE as of Dec. 31, 2019. For more information, go to www.conocophillips.com.

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Use of Non-GAAP Financial Information – This news release 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 news release 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 may 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 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.