

COMMUNICATIONS COMMITTEE NEWS / TIDBITS

Chevron Announces Quarterly Dividend

July 26, 2017 – The Board of Directors of Chevron Corporation (NYSE: CVX) today declared a quarterly dividend of one dollar and eight cents (\$1.08) per share, payable September 11, 2017, to all holders of common stock as shown on the transfer records of the Corporation at the close of business August 18, 2017.

Chevron Reports Second Quarter Net Income of \$1.5 Billion

July 28, 2017 – Chevron Corporation (NYSE: CVX) today reported earnings of \$1.5 billion (\$0.77 per share – diluted) for second quarter 2017, compared with a loss of \$1.5 billion (\$0.78 per share – diluted) in the second quarter of 2016. Included in the quarter were impairments and other non-cash charges totaling \$430 million, partially offset by gains on asset sales of \$160 million. Foreign currency effects increased earnings in the 2017 second quarter by \$3 million, compared with an increase of \$279 million a year earlier. Sales and other operating revenues in second quarter 2017 were \$33 billion, compared to \$28 billion in the year-ago period.

Earnings Summary

<u>June 30</u> <u>Millions of dollars</u>	<u>Three months ended June 30</u>		<u>Six months ended</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Earnings by business segment				
Upstream	\$853	\$(2,462)	\$2,370	\$(3,921)
Downstream	1195	1,278	2,121	2,013
All Other	(598)	(286)	(359)	(287)
Total ⁽¹⁾⁽²⁾	\$1,450	\$(1,470)	\$4,132	\$ (2,195)

⁽¹⁾ Includes foreign currency effects \$3 \$279 \$(238) \$(40)

⁽²⁾ Net income (loss) attributable to Chevron Corporation

“Second quarter results improved substantially from a year ago and year-to-date net cash flow is positive,” said Chairman and CEO John Watson. “We’re delivering higher production with lower capital and operating expenditures.”

“Oil and gas production was up 10 percent in the second quarter from a year ago,” Watson added. “Our Gorgon LNG Project in Australia closed the quarter running above nameplate capacity and we had record production from our shale and tight resource in the Permian Basin. First production from the Wheatstone LNG Project is expected next month.”

“Operating expenses were down 10 percent and capital spending was down 25 percent in the first six months of the year versus 2016,” Watson commented.

CASH FLOW FROM OPERATIONS

Cash flow from operations in the first six months of 2017 was \$8.9 billion, compared with \$3.7 billion in the corresponding 2016 period. Excluding working capital effects, cash flow from operations in 2017 was \$10.1 billion, compared with \$5.8 billion in the corresponding 2016 period.

CAPITAL AND EXPLORATORY EXPENDITURES

Capital and exploratory expenditures in the first six months of 2017 were \$8.9 billion, compared with \$12.0 billion in the corresponding 2016 period. The amounts included \$2.1 billion in 2017 and \$1.7 billion in 2016 for the company’s share of expenditures by affiliates, which did not require cash outlays by the company. Expenditures for upstream represented 89 percent of the companywide total in second quarter 2017.

Chevron Corp. Statement on Dutch Appeals Court Decision on Arbitral Awards

July 20, 2017 – The Appeals Court of The Hague ruled in favor of Chevron Corp. on July 18, upholding a 2016 trial court decision that rejected an attempt by the Republic of Ecuador to nullify, or set aside, several arbitral awards rendered against Ecuador by an international arbitration tribunal that is hearing the company’s claims related to the fraudulent lawsuit against Chevron.

The tribunal, convened under the authority of the U.S.-Ecuador Bilateral Investment Treaty (BIT) and administered by the Permanent Court of Arbitration in the Netherlands, issued a number of awards and orders in favor of Chevron since 2009. The Republic of Ecuador argued before a Dutch trial court that the tribunal lacked jurisdiction to hear Chevron’s claims and that its awards violated public policy, and therefore the awards ought to be “set aside.” In January 2016, the Court found that “none of the grounds for setting aside the arbitral awards put forward by Ecuador hit their mark,” ultimately stating that “the claims will be denied.” In support of its findings, the court issued an opinion affirming the tribunal’s assessment of its own jurisdiction under the text of the BIT, and observed that the tribunal had a valid basis to issue interim relief in the company’s favor. The July 18 decision by the appeals court upholds that decision.

In response to the appeals court decision, Chevron issued the following statement:

“This decision rightly affirms that the tribunal has jurisdiction to adjudicate these matters and ensures that Ecuador will be held accountable for violations of its international commitments. We look forward to the tribunal’s final award on the merits, which should

hold Ecuador responsible for its deliberate breach of its obligations under the settlement and release, to which it agreed after Texaco completed its share of environmental remediation, and for the multiple frauds committed against Chevron throughout the Lago Agrio case.”