

# December 10, 2014 Upstream Investor Update

- ◉ “[I]t has historically taken up to 2 years for prices to undergo a recovery following periods of steep price declines.” (page 7)
- ◉ “[P]rice volatility is inherent in our industry...” (page 8)
- ◉ “[C]urrent environment introduces some near-term uncertainty. Over time we see this as potentially healthy for the industry overall. It can drive greater efficiency right across the value chain and is one of the mechanisms that underpin long-range returns in our sector, albeit with some leads and lags along the way.” (page 9)
- ◉ “Lower prices should benefit our Downstream business and provide some natural offsets.” (page 10)
- ◉ “We enter this period with a very strong balance sheet. Gearing is historically low at around 15% and cash balances are strong. This ensures we have the time and flexibility to make the right decisions for the group.” (page 10)
- ◉ “Gulf of Mexico production continues to recover...” (page 14)
- ◉ “We currently have more opportunities than our capital frame enables us to progress, and more than are required to sustain growth in the longer-term.” (page 20)
- ◉ “Looking forward, we have a number of high-return new well delivery and wellwork opportunities in regions such as the Gulf of Mexico, Azerbaijan, the North Sea, Alaska and Trinidad.” (page 24)