

## ANADARKO ANNOUNCES 2018 FOURTH-QUARTER AND FULL-YEAR RESULTS

### Reaffirms 2019 Capital Program And Expectations

**HOUSTON**, Feb. 5, 2019 /PRNewswire/ -- Anadarko Petroleum Corporation (NYSE: APC) today announced 2018 fourth-quarter results, reporting net income attributable to common stockholders of \$102 million, or \$0.21 per share (diluted). These results include certain items typically excluded by the investment community in published estimates. In total, these items decreased net income by \$82 million, or \$0.17 per share (diluted), on an after-tax basis.<sup>(1)</sup> Net cash pro by operating activities in the fourth quarter of 2018 was \$1.6 billion.

For the year ended Dec. 31, 2018, Anadarko reported net income attributable to common stockholders of \$615 million, or \$1.20 per share (diluted). Full-year 2018 net cash provided by operating activities totaled \$5.9 billion.

### 2018 HIGHLIGHTS

- Reached \$3.75 billion of total share repurchases, representing 12 percent of shares outstanding
- Retired more than \$600 million of debt during the year
- Increased the per-share dividend from 5 cents to 30 cents
- Announced Western Gas simplification transaction and \$4 billion midstream asset sale
- Significantly expanded **Delaware** Basin oil, natural gas, and water infrastructure
- Positioned Mozambique LNG for expected sanctioning decision in the first half of 2019



"In 2018, we delivered on our commitment to increase the return of cash to investors through repurchasing stock, retiring debt and increasing our dividend," said Anadarko Chairman and CEO Al Walker. "As we look to 2019 and beyond, we remain focused on enhancing our capital efficiency by further improving our per barrel margins and lowering our free cash flow breakeven oil price to continue meeting our cash-return objectives. We believe our portfolio and people give us industry-leading ability to accomplish this while maintaining the financial flexibility to invest in our future as we anticipate progressing toward a final investment decision (FID) in the Mozambique LNG project in the first half of the year."

### SALES VOLUME AND PROVED RESERVES

Anadarko's full-year sales volume of oil, natural gas and natural gas liquids (NGLs) totaled 243 million barrels of oil equivalent (BOE), or an average of 666,000 BOE per day. Fourth-quarter 2018 sales volume of oil, natural gas and NGLs averaged approximately 701,000 BOE per day.

In 2018, Anadarko organically added 284 million BOE of proved reserves before the effects of price revisions. Anadarko's costs incurred were \$4.6 billion. The company's oil and natural gas exploration and development costs were \$4.5 billion.<sup>(2)</sup> The company estimates its proved reserves at year-end 2018 totaled 1.47 billion BOE, with 78 percent of its reserves categorized as proved developed. At year-end 2018, Anadarko's proved reserves were comprised of 63 percent liquids and 37 percent natural gas.

### OPERATING HIGHLIGHTS

In **West Texas**, Anadarko's **Delaware** Basin oil sales volume averaged 75,000 barrels per day, with total volume averaging 127,000 BOE per day, in the fourth quarter of 2018. Much of the company's focus in 2018 in the **Delaware** Basin centered on expanding its extensive network of infrastructure to facilitate the company's transition to pad development. During the year, Anadarko successfully started up the Reeves and Loving Regional Oil Treating Facilities, which added 120,000 barrels per day of oil-processing capacity, and in the fourth quarter, Western Gas started up its first train at the **Mentone** gas-processing plant. These activities support Anadarko's Silvertip-A campaign, which is the company's first multi-well and multi-pad development with optimized infrastructure. In 2019, Anadarko expects to average approximately 10 operated rigs and five completion crews with plans to bring more than 150 operated wells to sales.

Anadarko's DJ Basin assets in **Colorado** averaged approximately 272,000 BOE per day during the fourth quarter of 2018, which included 102,000 barrels of oil per day. In 2019, the company expects to average four operated rigs and three completion crews while bringing more than 250 operated wells to sales.

In August 2018, Anadarko announced new details about its high-potential position in **Wyoming's Powder River** Basin. The company's core position includes approximately 300,000 gross acres with significant stacked-oil potential. Anadarko's 2019 activity in the Powder River Basin will focus on appraisal activity targeting the Turner formation, as the company expects to average one operated rig and completion crew and deliver more than 10 operated appraisal wells to sales.

Anadarko's **Gulf of Mexico** sales volume averaged 142,000 BOE per day in the fourth quarter of 2018, which included 120,000 barrels of oil per day. The company's leading infrastructure position continues to provide highly economic tieback opportunities, including new wells and developments at its 100-percent-owned Constitution, Horn Mountain, Holstein and Marlin platforms. This year, Anadarko plans to operate up to two drillships and two platform rigs and bring approximately 10 wells to sales in the areas near its Constellation, Holstein, Horn Mountain, K2, Lucius, and North Hadrian producing assets.

Anadarko's international sales volume averaged 102,000 barrels per day during the fourth quarter of 2018. The company also continued to make significant progress with its Mozambique LNG project, announcing Sale and Purchase Agreements (SPAs) with Tokyo Gas Co., Ltd; Centrica LNG Company Ltd., a subsidiary of Centrica plc; Shell International Trading Middle East Ltd; and CNOOC Gas and Power Singapore Trading & Marketing Pte. Ltd. These SPAs, coupled with the project's progress toward securing financing, and preparation of the onshore location for development, continue to position Anadarko to take FID during the first half of this year.

## OPERATIONS REPORT

For additional details on Anadarko's fourth-quarter 2018 operations and exploration program, please refer to the comprehensive Operations Report available at [www.anadarko.com](http://www.anadarko.com).

## FINANCIAL HIGHLIGHTS

The company ended 2018 with \$1.3 billion of cash. Since September 2017, Anadarko has announced equity-buyback and debt-reduction programs totaling \$7 billion. The company repurchased \$250 million of its common stock and retired \$500 million of debt during the fourth quarter of 2018, bringing total share repurchases to \$3.75 billion and total debt retirement to more than \$600 million under these programs. During 2018, the company also increased its per-share dividend from 5 cents to 30 cents.

"We have returned tremendous value to our shareholders totaling more than \$4.5 billion through share repurchases, dividend increases and debt reductions, and we expect to complete the remaining \$1.25 billion of authorized share repurchases and \$1.4 billion of debt reduction by mid-2020," said Walker. "While we expect market volatility to continue for some time, we are maintaining our previously announced capital expectations, which enable us to operate within anticipated discretionary cash flow at \$50 oil and remain committed to our durable strategy of maximizing capital efficiency and enhancing returns on a multi-year basis."

## 2019 CAPITAL EXPECTATIONS AND SALES-VOLUME GUIDANCE

Anadarko's 2019 guidance remains the same as announced in November 2018. The company expects full-year capital investments in the range of \$4.3 to \$4.7 billion.<sup>(3)</sup>

### 2019 Capital Expectations<sup>(3)</sup>

By Area	Billions	By Type	
U.S. Onshore*	\$ 3.15	Resource Plays*	70 %
Deepwater Gulf of Mexico	0.50	Conventional Oil**	16 %
Algeria and Ghana	0.20	Exploration and LNG	10 %
Exploration	0.25	Corporate	4 %
LNG	0.20		

\* Delaware, DJ, and Powder River basins, and other. Also includes approximately \$80 million of midstream investment prior to the Western Gas Partners, LP (WES) midstream transaction, which is expected to close in the first quarter 2019

\*\* Deepwater Gulf of Mexico, Algeria, and Ghana operations

Note: All amounts are approximates.

### Sales-Volume Expectations<sup>(4)</sup>

	<u>2018 Actuals</u>	<u>2019 Expectations</u>
Total (MMBOE)	243	260 - 270
Oil (MBOPD)	383	410 - 435

## CONFERENCE CALL TOMORROW AT 8 A.M. CST, 9 A.M. EST

Anadarko will host an investor conference call on Wednesday, Feb. 6, 2019, at 8 a.m. Central Standard Time (9 a.m. Eastern Standard Time) to discuss fourth quarter and full-year 2018 results as well as plans and expectations for 2019. The dial-in number is 877.883.0383 in the U.S. or 412.902.6506 internationally. Confirmation number is 7656732. For complete instructions on how to participate in the conference call, or to listen to the [live audio webcast](#), please visit [www.anadarko.com](http://www.anadarko.com). A replay of the call will be available on the website for approximately 30 days following the conference call.

## FINANCIAL DATA

Twelve pages of summary financial data follow, including costs incurred, proved reserves, current hedge positions, a reconciliation of "divestiture-adjusted" or "same-store" sales, and updated financial and production guidance.

- (1) See the accompanying table for details of certain items affecting comparability.
- (2) See the accompanying table for a reconciliation of GAAP to non-GAAP financial measures and a statement indicating why management believes the non-GAAP financial measures provide useful information for investors.
- (3) Does not include capital investments made by Western Gas Partners, LP (NYSE: WES).
- (4) Amounts are divestiture adjusted.

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Anadarko Petroleum Corporation's mission is to deliver a competitive and sustainable rate of return to shareholders by exploring for, acquiring and developing natural gas resources vital to the world's health and welfare. As of year-end 2018, the company had 1.47 billion barrels-equivalent of proved reserves, making of the world's largest independent exploration and production companies. For more information about Anadarko and APC Flash Feed updates, please visit [www.anadarko.com](http://www.anadarko.com).

*This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Anadarko believes that its expectations are based on reasonable assumptions. No assurance, however, can be given that such expectations will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed*

news release, including Anadarko's ability to finalize year-end reserves; to successfully execute upon its capital program; to efficiently identify and deploy cap resources; to meet financial and operating guidance; to improve margins and enhance returns; to timely complete and commercially operate the projects and prospects identified in this news release; to consummate the transaction described in this news release and realize the expected benefits; to successfully complete share-repurchase and debt-reduction programs; and to successfully plan, secure additional government and partner approvals, enter into long-term sales contracts, take FID and the timing thereof, finance, build, and operate the necessary infrastructure and LNG park in **Mozambique**. See "Risk Factors" in the company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other public filings and press releases. Anadarko undertakes no obligation to publicly up revise any forward-looking statements.

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### Anadarko Petroleum Corporation Reconciliation of GAAP to Non-GAAP Financial Measures

Below are reconciliations of certain GAAP to non-GAAP financial measures, each as required under Regulation G of the Securities Exchange Act of 1934. The GAAP information should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. The non-financial information presented may be determined or calculated differently by other companies and may not be comparable to similarly titled measures.

Management uses adjusted net income (loss) to evaluate operating and financial performance and believes the measure is useful to investors because it eliminates impact of certain noncash and/or other items that management does not consider to be indicative of the Company's performance from period to period. Management also believes this non-GAAP measure is useful to investors to evaluate and compare the Company's operating and financial performance across periods, as well as facilitating comparisons to others in the Company's industry.

<i>millions except per-share amounts</i>	<b>Quarter Ended December 31, 2018</b>		
	<b>Before Tax</b>	<b>After Tax</b>	<b>Per Share (diluted)</b>
<b>Net income (loss) attributable to common stockholders (GAAP)</b>		<b>\$ 102</b>	<b>\$ 0.21</b>
Adjustments for certain items affecting comparability			
Total gains (losses) on derivatives, net, less net cash from settlement of commodity derivatives*	\$ 480	370	0.75
Gains (losses) on divestitures, net	(11)	(8)	(0.02)
Lower-of-cost-or-market inventory adjustments	(21)	(17)	(0.04)
Impairments - Producing properties (after noncontrolling interest)	(431)	(331)	(0.67)
Contingency adjustments	(15)	(12)	(0.03)
Reorganization-related charges	(40)	(31)	(0.06)
Impact of tax reform legislation		(100)	(0.20)
Change in uncertain tax positions		47	0.10
Certain items affecting comparability	\$ (38)	(82)	(0.17)
<b>Adjusted net income (loss) (Non-GAAP)</b>		<b>\$ 184</b>	<b>\$ 0.38</b>

\* Includes \$629 million related to commodity derivatives, \$(148) million related to interest-rate derivatives and \$(1) million related to gathering, processing, marketing sales.

<i>millions except per-share amounts</i>	<b>Quarter Ended December 31, 2017</b>		
	<b>Before Tax</b>	<b>After Tax</b>	<b>Per Share (diluted)</b>
<b>Net income (loss) attributable to common stockholders (GAAP)</b>		<b>\$ 976</b>	<b>\$ 1.80</b>
Adjustments for certain items affecting comparability			
Total gains (losses) on derivatives, net, less net cash from settlement of commodity derivatives*	\$ (168)	(105)	(0.20)
Gains (losses) on divestitures, net	(141)	(83)	(0.15)
Impairments			
Producing properties	(25)	(16)	(0.03)
Exploration assets	(24)	(15)	(0.03)
Early termination of rig	(39)	(25)	(0.05)
Change in uncertain tax positions		(56)	(0.10)
Impact of tax reform legislation		1,170	2.18
Certain items affecting comparability	\$ (397)	870	1.62
<b>Adjusted net income (loss) (Non-GAAP)</b>		<b>\$ 106</b>	<b>\$ 0.18</b>

\* Includes \$(171) million related to commodity derivatives, \$(1) million related to interest-rate derivatives, and \$4 million related to gathering, processing, marketing sales.

### Anadarko Petroleum Corporation Reconciliation of GAAP to Non-GAAP Measures

Management believes that the presentation of Adjusted EBITDAX (Margin) provides information useful in assessing the Company's operating and financial performance across periods.

<i>millions</i>	<b>Years Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
<b>Net income (loss) attributable to common stockholders (GAAP)</b>	<b>\$ 615</b>	<b>\$ (456)</b>
Interest expense	<b>947</b>	932
Income tax expense (benefit)	<b>733</b>	(1,477)
Depreciation, depletion, and amortization	<b>4,254</b>	4,279
Exploration expense <sup>(1)</sup>	<b>459</b>	2,535
(Gains) losses on divestitures, net	<b>(20)</b>	(674)
Impairments	<b>800</b>	408
Total (gains) losses on derivatives, net, less net cash from settlement of commodity derivatives	<b>(407)</b>	156
Restructuring charges	<b>53</b>	21
(Gains) losses on early extinguishment of debt	<b>(2)</b>	2
<b>Consolidated Adjusted EBITDAX (Margin) (Non-GAAP)</b>	<b>\$ 7,432</b>	<b>\$ 5,726</b>
Total barrels of oil equivalent (MMBOE)	<b>243</b>	245
<b>Consolidated Adjusted EBITDAX (Margin) per BOE</b>	<b>\$ 30.58</b>	<b>\$ 23.37</b>

(1) Includes restructuring charges of \$20 million for the year ended December 31, 2018.

Management believes oil and natural gas exploration and development costs is a more accurate reflection of the expenditures incurred during the current year excluding certain obligations to be paid in future periods.

<i>millions</i>	<b>Year Ended December 31, 2018</b>
<b>Costs incurred (GAAP)*</b>	<b>\$ 4,569</b>
Asset retirement obligation liabilities incurred	<b>(357)</b>
Cash expenditures for asset retirement obligations	<b>263</b>
<b>Oil and natural gas exploration and development costs (Non-GAAP)</b>	<b>\$ 4,475</b>

\* Includes \$202 million of unproved property acquisitions.

#### Anadarko Petroleum Corporation Reconciliation of GAAP to Non-GAAP Measures

Management uses net debt to determine the Company's outstanding debt obligations that would not be readily satisfied by its cash and cash equivalents on hand. Management believes that using net debt in the capitalization ratio is useful to investors in determining the Company's leverage since the Company could choose to use its cash and cash equivalents to retire debt. In addition, management believes that presenting Anadarko's net debt excluding WGP is useful because WGP is a separate public company with its own capital structure.

<i>millions</i>	<b>December 31, 2018</b>		
	<b>Anadarko Consolidated</b>	<b>WGP* Consolidated</b>	<b>Anadarko excluding WGP</b>
<b>Total debt (GAAP)</b>	<b>\$ 16,417</b>	<b>\$ 4,815</b>	<b>\$ 11,602</b>
Less cash and cash equivalents	<b>1,295</b>	<b>92</b>	<b>1,203</b>
<b>Net debt (Non-GAAP)</b>	<b>\$ 15,122</b>	<b>\$ 4,723</b>	<b>\$ 10,399</b>

  

<i>millions</i>	<b>Anadarko Consolidated</b>	<b>Anadarko excluding WGP</b>
Net debt	<b>\$ 15,122</b>	<b>\$ 10,399</b>
Total equity	<b>10,943</b>	<b>8,496</b>
<b>Adjusted capitalization</b>	<b>\$ 26,065</b>	<b>\$ 18,895</b>

  

<b>Net debt to adjusted capitalization ratio</b>	<b>58 %</b>	<b>55 %</b>
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\* Western Gas Equity Partners, LP (WGP) is a publicly traded consolidated subsidiary of Anadarko, and Western Gas Partners, LP (WES) is a consolidated subsidiary of WGP.

#### Anadarko Petroleum Corporation Cash Flow Information (Unaudited)

<i>millions</i>	<b>Three Months Ended December 31,</b>		<b>Year Ended December 31,</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>Cash Flows from Operating Activities</b>				
Net income (loss)	<b>\$ 134</b>	<b>\$ 1,039</b>	<b>\$ 752</b>	<b>\$ (2)</b>

Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities

Depreciation, depletion, and amortization	1,131	1,044	4,254	4,279
Deferred income taxes	(2)	(1,143)	139	(2,111)
Dry hole expense and impairments of unproved properties	34	77	246	2,111
Impairments	481	25	800	408
(Gains) losses on divestitures, net	11	141	(20)	(6)
(Gains) losses on early extinguishment of debt	(4)	—	(2)	—
Total (gains) losses on derivatives, net	(368)	164	138	—
Operating portion of net cash received (paid) in settlement of derivative instruments	(112)	4	(545)	—
Other	72	78	294	—
Changes in assets and liabilities	250	(39)	(127)	(3)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ 1,627</b>	<b>\$ 1,390</b>	<b>\$ 5,929</b>	<b>\$ 4,000</b>
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>\$ (1,323)</b>	<b>\$ (1,002)</b>	<b>\$ (5,982)</b>	<b>\$ (1,000)</b>
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>\$ (871)</b>	<b>\$ (1,086)</b>	<b>\$ (3,177)</b>	<b>\$ (1,600)</b>

#### Capital Expenditures

Exploration and Production and other*	\$ 897	\$ 1,008	\$ 4,264	\$ 3,800
WES Midstream	258	294	1,178	900
Other Midstream**	85	202	743	400
<b>Total</b>	<b>\$ 1,240</b>	<b>\$ 1,504</b>	<b>\$ 6,185</b>	<b>\$ 5,100</b>

\* The year-ended December 31, 2018 includes \$181 million, of which \$176 million was unbudgeted, related to Powder River Basin acquisitions.

\*\* Excludes WES.

### Anadarko Petroleum Corporation (Unaudited)

Summary Financial Information <i>millions except per-share amounts</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2018	2017	2018	2017
<b>Consolidated Statements of Income</b>				
<b>Revenues and Other</b>				
Oil sales	\$ 2,242	\$ 1,900	\$ 9,206	\$ 6,552
Natural-gas sales	323	258	1,005	1,348
Natural-gas liquids sales	279	301	1,271	1,069
Gathering, processing, and marketing sales	425	583	1,588	2,000
Gains (losses) on divestitures and other, net	80	(113)	312	939
<b>Total</b>	<b>3,349</b>	<b>2,929</b>	<b>13,382</b>	<b>11,908</b>
<b>Costs and Expenses</b>				
Oil and gas operating	308	250	1,153	988
Oil and gas transportation	245	216	878	914
Exploration	79	169	459	2,535
Gathering, processing, and marketing	302	451	1,047	1,552
General and administrative	270	226	1,084	994
Depreciation, depletion, and amortization	1,131	1,044	4,254	4,279
Production, property, and other taxes	189	133	826	582
Impairments	481	25	800	408
Other operating expense	74	64	262	221
<b>Total</b>	<b>3,079</b>	<b>2,578</b>	<b>10,763</b>	<b>12,473</b>
<b>Operating Income (Loss)</b>	<b>270</b>	<b>351</b>	<b>2,619</b>	<b>(565)</b>
<b>Other (Income) Expense</b>				
Interest expense	244	252	947	932
(Gains) losses on early extinguishment of debt	(4)	—	(2)	2
(Gains) losses on derivatives, net	(373)	168	130	135
Other (income) expense, net	43	3	59	54
<b>Total</b>	<b>(90)</b>	<b>423</b>	<b>1,134</b>	<b>1,123</b>
<b>Income (Loss) Before Income Taxes</b>	<b>360</b>	<b>(72)</b>	<b>1,485</b>	<b>(1,688)</b>
Income tax expense (benefit)	226	(1,111)	733	(1,477)
<b>Net Income (Loss)</b>	<b>134</b>	<b>1,039</b>	<b>752</b>	<b>(211)</b>
Net income (loss) attributable to noncontrolling interests	32	63	137	245
<b>Net Income (Loss) Attributable to Common Stockholders</b>	<b>\$ 102</b>	<b>\$ 976</b>	<b>\$ 615</b>	<b>\$ (456)</b>
<b>Per Common Share</b>				
Net income (loss) attributable to common stockholders—basic	\$ 0.21	\$ 1.80	\$ 1.20	\$ (0.85)
Net income (loss) attributable to common stockholders—diluted	\$ 0.21	\$ 1.80	\$ 1.20	\$ (0.85)
<b>Average Number of Common Shares Outstanding—Basic</b>	<b>493</b>	<b>537</b>	<b>504</b>	<b>548</b>
<b>Average Number of Common Shares Outstanding—Diluted</b>	<b>494</b>	<b>537</b>	<b>504</b>	<b>548</b>
<b>Exploration Expense</b>				
Dry hole expense	\$ 32	\$ 25	\$ 87	\$ 1,433

Impairments of unproved properties	1	52	159	788
Geological and geophysical, exploration overhead, and other expense	46	92	213	314
Total	\$ 79	\$ 169	\$ 459	\$ 2,535

**Anadarko Petroleum Corporation**  
(Unaudited)

<i>millions</i>	December 31, 2018	December 31, 2017
<b>Condensed Balance Sheets</b>		
Cash and cash equivalents	\$ 1,295	\$ 4,553
Accounts receivable, net of allowance	2,026	1,829
Other current assets	474	380
Net properties and equipment	28,615	27,451
Other assets	2,336	2,211
Goodwill and other intangible assets	5,630	5,662
<b>Total Assets</b>	<b>\$ 40,376</b>	<b>\$ 42,086</b>
Short-term debt - Anadarko*	919	142
Short-term debt - WGP/WES	28	—
Other current liabilities	3,711	3,764
Long-term debt - Anadarko*	10,683	12,054
Long-term debt - WGP/WES	4,787	3,493
Deferred income taxes	2,437	2,234
Asset retirement obligations	2,847	2,500
Other long-term liabilities	4,021	4,109
Common stock	57	57
Paid-in capital	12,393	12,000
Retained earnings	1,245	1,109
Treasury stock	(4,864)	(2,132)
Accumulated other comprehensive income (loss)	(335)	(338)
<b>Total stockholders' equity</b>	<b>8,496</b>	<b>10,696</b>
Noncontrolling interests	2,447	3,094
<b>Total Equity</b>	<b>10,943</b>	<b>13,790</b>
<b>Total Liabilities and Equity</b>	<b>\$ 40,376</b>	<b>\$ 42,086</b>
<b>Capitalization</b>		
Total debt	\$ 16,417	\$ 15,689
Total equity	10,943	13,790
Total	\$ 27,360	\$ 29,479
<b>Capitalization Ratios</b>		
Total debt	60 %	53 %
Total equity	40 %	47 %

\* Excludes WES and WGP

**Anadarko Petroleum Corporation**  
(Unaudited)

**Sales Volume and Prices**

	Average Daily Sales Volume			Sales Volume			Average Sales Price		
	Oil MBbls/d	Natural Gas MMcf/d	NGLs MBbls/d	Oil MMBbls	Natural Gas Bcf	NGLs MMBbls	Oil Per Bbl	Natural Gas Per Mcf	NGLs Per
<b>Quarter Ended</b>									
<b>December 31, 2018</b>									
United States	309	1,118	104	30	103	8	\$ 58.60	\$ 3.14	\$ 2.71
Algeria	62	—	4	5	—	1	64.41	—	4.00
Other International	36	—	—	3	—	—	62.79	0.66	—
<b>Total</b>	<b>407</b>	<b>1,118</b>	<b>108</b>	<b>38</b>	<b>103</b>	<b>9</b>	<b>\$ 59.86</b>	<b>\$ 3.14</b>	<b>\$ 2.85</b>
<b>Quarter Ended</b>									
<b>December 31, 2017</b>									
United States	287	1,064	90	26	98	7	\$ 54.97	\$ 2.63	\$ 3.00
Algeria	54	—	3	4	—	1	61.35	—	4.00
Other International	26	—	—	3	—	—	60.75	—	—
<b>Total</b>	<b>367</b>	<b>1,064</b>	<b>93</b>	<b>33</b>	<b>98</b>	<b>8</b>	<b>\$ 56.32</b>	<b>\$ 2.63</b>	<b>\$ 3.00</b>
<b>Year Ended</b>									
<b>December 31, 2018</b>									
United States	294	1,069	98	108	390	35	\$ 64.01	\$ 2.57	\$ 3.00

<b>Algeria</b>	<b>59</b>	<b>—</b>	<b>5</b>	<b>21</b>	<b>—</b>	<b>2</b>	<b>70.80</b>	<b>—</b>	<b>4</b>
<b>Other International</b>	<b>32</b>	<b>—</b>	<b>—</b>	<b>12</b>	<b>—</b>	<b>—</b>	<b>69.63</b>	<b>0.66</b>	<b>—</b>
<b>Total</b>	<b>385</b>	<b>1,069</b>	<b>103</b>	<b>141</b>	<b>390</b>	<b>37</b>	<b>\$ 65.51</b>	<b>\$ 2.57</b>	<b>\$ 3</b>

Year Ended									
December 31, 2017									
United States	266	1,309	95	97	478	34	\$ 49.62	\$ 2.82	\$ 29
Algeria	61	—	4	22	—	2	53.74	—	3
Other International	28	—	—	10	—	—	53.84	—	—
<b>Total</b>	<b>355</b>	<b>1,309</b>	<b>99</b>	<b>129</b>	<b>478</b>	<b>36</b>	<b>\$ 50.66</b>	<b>\$ 2.82</b>	<b>\$ 29</b>

	<u>Average Daily Sales Volume</u>	<u>Sales Volume</u>
	<u>MBOE/d</u>	<u>MMBOE</u>
<b>Quarter Ended</b>		
<b>December 31, 2018</b>	<b>701</b>	<b>64</b>
Quarter Ended		
December 31, 2017	637	58
<b>Year Ended</b>		
<b>December 31, 2018</b>	<b>666</b>	<b>243</b>
Year Ended		
December 31, 2017	672	245

### Sales Revenue and Commodity Derivatives

	<u>Sales</u>			<u>Net Cash Received (Paid) from Settlement of Commodity</u>		
<i>millions</i>	<u>Oil</u>	<u>Natural Gas</u>	<u>NGLs</u>	<u>Oil</u>	<u>Natural Gas</u>	<u>NGLs</u>
<b>Quarter Ended December 31, 2018</b>						
<b>United States</b>	<b>\$ 1,666</b>	<b>\$ 323</b>	<b>\$ 262</b>	<b>\$ (82)</b>	<b>\$ (26)</b>	<b>\$ —</b>
<b>Algeria</b>	<b>366</b>	<b>—</b>	<b>17</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Other International</b>	<b>210</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>\$ 2,242</b>	<b>\$ 323</b>	<b>\$ 279</b>	<b>\$ (82)</b>	<b>\$ (26)</b>	<b>\$ —</b>
Quarter Ended December 31, 2017						
United States	\$ 1,450	\$ 258	\$ 290	\$ (1)	\$ 5	\$ —
Algeria	305	—	11	—	—	—
Other International	145	—	—	—	—	—
<b>Total</b>	<b>\$ 1,900</b>	<b>\$ 258</b>	<b>\$ 301</b>	<b>\$ (1)</b>	<b>\$ 5</b>	<b>\$ —</b>
<b>Year Ended December 31, 2018</b>						
<b>United States</b>	<b>\$ 6,873</b>	<b>\$ 1,005</b>	<b>\$ 1,193</b>	<b>\$ (527)</b>	<b>\$ (18)</b>	<b>\$ —</b>
<b>Algeria</b>	<b>1,518</b>	<b>—</b>	<b>78</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Other International</b>	<b>815</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>\$ 9,206</b>	<b>\$ 1,005</b>	<b>\$ 1,271</b>	<b>\$ (527)</b>	<b>\$ (18)</b>	<b>\$ —</b>
Year Ended December 31, 2017						
United States	\$ 4,818	\$ 1,348	\$ 1,010	\$ 26	\$ 4	\$ (3)
Algeria	1,190	—	59	—	—	—
Other International	544	—	—	—	—	—
<b>Total</b>	<b>\$ 6,552</b>	<b>\$ 1,348</b>	<b>\$ 1,069</b>	<b>\$ 26</b>	<b>\$ 4</b>	<b>\$ (3)</b>

### Anadarko Petroleum Corporation Estimated Year-End Proved Reserves 2018 - 2016

<i>MMBOE</i>	<b>2018</b>	2017	2016
<b>Proved Reserves</b>			
Beginning of year	<b>1,439</b>	1,722	2,057
Reserves additions and revisions			
Discoveries and extensions	<b>164</b>	114	40
Infill-drilling additions	<b>181</b>	71	69
Drilling-related reserves additions and revisions	<b>345</b>	185	109
Other non-price-related revisions	<b>(61)</b>	59	191
Net organic reserves additions	<b>284</b>	244	300
Acquisition of proved reserves in place	<b>—</b>	3	97
Price-related revisions	<b>29</b>	92	(147)
Total reserves additions and revisions	<b>313</b>	339	250
Sales in place	<b>(37)</b>	(379)	(294)

Production	(242)	(243)	(291)
End of year	1,473	1,439	1,722
<b>Proved Developed Reserves</b>			
Beginning of year	1,127	1,325	1,632
End of year	1,148	1,127	1,325

**Anadarko Petroleum Corporation**  
**Financial and Operating External Guidance**  
As of February 5, 2019

	1st-Qtr Guidance (see Note)			Full-Year Guidance (see Note)		
	Units			Units		
<b>Total Sales Volume (MMBOE)</b>	60	—	64	260	—	270
<b>Total Sales Volume (MBOE/d)</b>	667	—	711	712	—	740
<b>Oil (MBbl/d)</b>	384	—	411	410	—	435
United States	305	—	325	324	—	341
Algeria	53	—	57	56	—	60
Ghana	26	—	29	30	—	34
<b>Natural Gas (MMcf/d)</b>						
United States	1,100	—	1,175	1,100	—	1,200
<b>Natural Gas Liquids (MBbl/d)</b>						
United States	96	—	104	103	—	111
Algeria	4	—	5	4	—	5
	\$ / Unit			\$ / Unit		
<b>Price Differentials vs NYMEX (w/o hedges)</b>						
<b>Oil (\$/Bbl)</b>	(0.60)	—	3.50	(0.70)	—	3.30
United States	(2.00)	—	2.00	(2.00)	—	2.00
Algeria	5.00	—	9.00	4.00	—	8.00
Ghana	5.00	—	9.00	4.00	—	8.00
<b>Natural Gas (\$/Mcf)</b>						
United States	(0.60)	—	(0.35)	(0.70)	—	(0.45)

**Anadarko Petroleum Corporation**  
**Financial and Operating External Guidance**  
As of February 5, 2019

**Note: Guidance excludes items affecting comparability.**

	1st-Qtr Guidance (see Note)			Full-Year Guidance (see Note)		
	\$ MM			\$ MM		
<b>Other Revenues</b>						
Marketing and Gathering Margin	145	—	185	700	—	80
Minerals and Other	70	—	90	270	—	31
	\$ / BOE			\$ / BOE		
<b>Costs and Expenses</b>						
Oil & Gas Direct Operating	5.00	—	5.50	4.40	—	4.8
Oil & Gas Transportation and Other	3.50	—	3.70	3.60	—	3.8
Depreciation, Depletion, and Amortization	16.75	—	17.50	17.25	—	18.0
Production Taxes (% of Product Revenue)	6.5 %	—	7.5 %	6.5 %	—	7
	\$ MM			\$ MM		



General and Administrative	275	—	300	1,100	—	1,200
Other Operating Expense	15	—	35	35	—	5
Exploration Expense						
Non-Cash	—	—	20	120	—	17
Cash	55	—	65	190	—	21
Interest Expense (net)	255	—	265	1,050	—	1,090
Other (Income) Expense	(10)	—	10	(20)	—	2
<b>Taxes</b>						
Algeria (100% Current)	60 %	—	70 %	60 %	—	—
Rest of Company (175% Current/(75)% Deferred for Q1 and 275% Current/(175)% Deferred for Total Year)	20 %	—	30 %	10 %	—	—
Noncontrolling Interest	70	—	90	380	—	42

<b>Avg. Shares Outstanding (MM)</b>						
Basic	490	—	495	490	—	495
Diluted	490	—	495	490	—	495

<b>Capital Investment (Excluding Western Gas Partners, LP)</b>	<b>\$ MM</b>			<b>\$ MM</b>		
APC Capital Expenditures	1,100	—	1,300	4,300	—	4,700

**Anadarko Petroleum Corporation  
Commodity Hedge Positions  
As of February 5, 2019**

	Volume (MBbls/d)	Weighted Average Price per barrel		
		Floor Sold	Floor Purchased	Ceiling Sold
<b>Oil</b>				
<b>Three-Way Collars</b>				
2019				
WTI	57	\$ 45.00	\$ 55.00	\$ 70.22
Brent	30	\$ 50.00	\$ 60.00	\$ 78.22
	87			

**Interest-Rate Derivatives  
As of February 5, 2019**

Instrument	Notional Amt.	Reference Period	Mandatory Termination Date	Rate Paid	Rate Received
<b>Anadarko</b>					
Swap	\$550 Million	September 2016 - 2046	September 2020	6.418%	3M LIBOR
Swap	\$250 Million	September 2016 - 2046	September 2022	6.809%	3M LIBOR
Swap	\$100 Million	September 2017 - 2047	September 2020	6.891%	3M LIBOR
Swap	\$250 Million	September 2017 - 2047	September 2021	6.570%	3M LIBOR
Swap	\$450 Million	September 2017 - 2047	September 2023	6.445%	3M LIBOR
<b>WES</b>					
Swap	\$250 Million	December 2019 - 2024	December 2019	2.730%	3M LIBOR
Swap	\$250 Million	December 2019 - 2029	December 2019	2.856%	3M LIBOR
Swap	\$250 Million	December 2019 - 2049	December 2019	2.905%	3M LIBOR

**Anadarko Petroleum Corporation  
Reconciliation of Same-Store Sales**

	Quarter Ended December 31, 2018				Quarter Ended December 31, 2017			
	Oil MBbls/d	Natural Gas MMcf/d	NGLs MBbls/d	Total MBOE/d	Oil MBbls/d	Natural Gas MMcf/d	NGLs MBbls/d	Total MBOE/d
U.S. Onshore	189	1,038	95	457	156	934	79	390
Gulf of Mexico	120	80	9	142	119	73	9	140
International	98	—	4	102	80	—	3	83
Same-Store Sales	407	1,118	108	701	355	1,007	91	613

Divestitures*	—	—	—	—	12	57	2	24
Total	<b>407</b>	<b>1,118</b>	<b>108</b>	<b>701</b>	367	1,064	93	637

	Year Ended December 31, 2018				Year Ended December 31, 2017			
	Oil MBbls/d	Natural Gas MMcf/d	NGLs MBbls/d	Total MBOE/d	Oil MBbls/d	Natural Gas MMcf/d	NGLs MBbls/d	Total MBOE/d
U.S. Onshore	<b>172</b>	<b>990</b>	<b>89</b>	<b>426</b>	128	966	79	368
Gulf of Mexico	<b>120</b>	<b>77</b>	<b>9</b>	<b>142</b>	120	102	10	147
International	<b>91</b>	—	<b>5</b>	<b>96</b>	89	—	4	93
Same-Store Sales	<b>383</b>	<b>1,067</b>	<b>103</b>	<b>664</b>	337	1,068	93	608
Divestitures*	<b>2</b>	<b>2</b>	—	<b>2</b>	18	241	6	64
Total	<b>385</b>	<b>1,069</b>	<b>103</b>	<b>666</b>	355	1,309	99	672

\* Includes Ram Powell, Alaska, Eagleford, Marcellus, Eaglebine, Utah CBM, and Moxa.

SOURCE Anadarko Petroleum Corporation

Additional assets available online: [DOCUMENTS \(1\)](#)

<http://investors.anadarko.com/2019-02-05-Anadarko-Announces-2018-Fourth-Quarter-And-Full-Year-Results>