Cautionary Statement

Cautionary Note to U.S. Investors – The United States Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. We may use certain terms in this presentation, such as “resource”, “gross resource”, “recoverable resource”, “net risked $P_{MEAN}$ resource”, “recoverable oil”, “resource base”, “EUR or estimated ultimate recovery” and similar terms that the SEC’s rules strictly prohibit us from including in filings with the SEC.

This presentation contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These statements, which express management’s current views concerning future events or results, are subject to inherent risks and uncertainties. Factors that could cause one or more of the events forecasted in this presentation not to occur include, but are not limited to, a deterioration in the business or prospects of Murphy, adverse developments in Murphy’s markets, or adverse developments in the U.S. or global capital markets, credit markets or economies generally. Factors that could cause actual results to differ materially from those expressed or implied in our forward-looking statements include, but are not limited to, the volatility and level of crude oil and natural gas prices, the level and success rate of our exploration programs, our ability to maintain production rates and replace reserves, political and regulatory instability, and uncontrollable natural hazards. For further discussion of risk factors, see Murphy’s 2014 Annual Report on Form 10-K on file with the U.S. Securities and Exchange Commission. Murphy undertakes no duty to publicly update or revise any forward-looking statements.
## Financial Overview

<table>
<thead>
<tr>
<th></th>
<th>$MM</th>
<th>2Q 2014</th>
<th>2Q 2015</th>
<th>1H 2014</th>
<th>1H 2015</th>
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<tbody>
<tr>
<td><strong>Consolidated</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income (Loss)</td>
<td></td>
<td>129.4</td>
<td>(73.8)</td>
<td>284.7</td>
<td>(88.3)</td>
</tr>
<tr>
<td>$/Diluted Share</td>
<td></td>
<td>0.72</td>
<td>(0.42)</td>
<td>1.57</td>
<td>(0.50)</td>
</tr>
<tr>
<td><strong>Continuing Operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Income (Loss)</td>
<td></td>
<td>142.7</td>
<td>(89.0)</td>
<td>312.0</td>
<td>(85.5)</td>
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<tr>
<td>$/Diluted Share</td>
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<td>0.79</td>
<td>(0.51)</td>
<td>1.72</td>
<td>(0.48)</td>
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<tr>
<td><strong>Adjusted Earnings</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Adjusted Earnings (Loss)</td>
<td></td>
<td>161.7</td>
<td>(83.1)</td>
<td>336.5</td>
<td>(281.6)</td>
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<tr>
<td>$/Diluted Share</td>
<td></td>
<td>0.90</td>
<td>(0.48)</td>
<td>1.86</td>
<td>(1.60)</td>
</tr>
</tbody>
</table>

### Adjusted Earnings 2Q 15 - Continued Ops
- Alberta Tax Rate Increase
- Restructuring Charges
- Adjustment of Gain on Malaysia Sale
- M-T-M Gain on EFS Hedge
- FX Gain

### Balance Sheet Advantages (Jun 30/15)
- 20% Net Debt-to-Cap
- $1.3 BN Cash & Invested Cash
- $823 MM Drawn on $2.0 BN Revolver

### Organizational Efficiency - G&A Reductions
- 7% Reduction Total Headcount
Realized Prices – Brent / WTI Spread Returning

<table>
<thead>
<tr>
<th>Benchmark $/BBL</th>
<th>2Q 2014</th>
<th>1Q 2015</th>
<th>2Q 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent</td>
<td>109.63</td>
<td>53.97</td>
<td>61.92</td>
</tr>
<tr>
<td>WTI</td>
<td>102.99</td>
<td>48.63</td>
<td>57.94</td>
</tr>
</tbody>
</table>

Realized Prices $/BBL

- **Brent**
  - Block K (b): 91.61, 55.08, 59.81
  - SK Oil (b): 88.18, 49.31, 57.91
  - East Coast Canada: 109.42, 52.62, 60.35

- **LLS**
  - Eagle Ford Shale (c): 95.88, 43.75, 55.66
  - GOM (c): 101.88, 46.17, 59.14

- **WTI**
  - Syncrude: 102.77, 44.80, 60.88
  - Seal: 61.34, 19.57, 33.85

- **Oil-Indexed**
  - SK Gas (b) $/MCF: 5.32, 4.50, 3.82

---

(a) Other Includes NA & Kikeh Gas
(b) Malaysia Price Net of Supplemental Payment per PSC
(c) US Oil Price Does Not Include NGL’s
2Q 2015 – Operational Highlights

Financial Position
- Maintained Regular Dividend
- $250.0 MM Share Repurchase
- Balance Sheet Flexibility

Portfolio Progress
- Completed Sale of Remaining U.K. Downstream
- Timely Malaysia Sell-Down an Effective Hedge
- Levers Remain

Project Execution
- Permai Gas Discovery Block H FLNG (>200 BCF)
- Medusa Expansion Achieves First Oil
- Kodiak Development Well Milestone
- Belum Gas & Permas Oil Offshore Sarawak, Malaysia
- 35 New Wells in Eagle Ford Shale

Oil-Weighted Production
- 2Q Production 201,952 BOEPD
- Full Year Guidance Range Increased: 200,000 to 208,000 BOEPD
Working to Reduce LOE
- 30% Reduction 2013 – 2015E

Oil Weighted Cash Flow Metrics
- Oil-Weighted Advantage in Price Collapse

Operating Metrics

**Lease Operating Expense*** $/BOE**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2Q 14</th>
<th>1Q 15</th>
<th>2Q 15</th>
<th>2013</th>
<th>2014</th>
<th>2015E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>11.95</td>
<td>9.68</td>
<td>10.90</td>
<td>14.61</td>
<td>11.04</td>
<td>10.22</td>
</tr>
</tbody>
</table>

*Excludes both Syncrude and Severance & Ad Valorem Taxes

**EBITDA/BOE $/BOE**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q 15*</th>
<th>2Q 15</th>
<th>2014** MUR</th>
<th>2014 Peers</th>
<th>1Q 15 Peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>19.63</td>
<td>17.52</td>
<td>39.70</td>
<td>31.23</td>
<td>(13.61)</td>
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</tbody>
</table>

Peer Group: APA, APC, COP, DVN, EOG, HES, MRO, NBL, OXY, PXD
Source: Evaluate Energy Data – Calculated on Production BOE basis. Includes Gains and Impairments

**EBITDAX/BOE $/BOE**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q 15*</th>
<th>2Q 15</th>
<th>2014** MUR</th>
<th>2014 Peers</th>
<th>1Q 15 Peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>26.08</td>
<td>21.05</td>
<td>45.93</td>
<td>34.23</td>
<td>(10.46)</td>
</tr>
</tbody>
</table>

*Includes $6.82/BOE Malaysia Sell-Down
**Includes $1.76/BOE Malaysia Sell-Down

Peer Group: APA, APC, COP, DVN, EOG, HES, MRO, NBL, OXY, PXD
Source: Evaluate Energy Data – Calculated on Production BOE basis. Includes Gains and Impairments
Drilling & Completions Cost Reductions

Deepwater Drilling
- Next Generation Drilling Rigs
- Dual BOPs to Minimize Regulatory Impact
- Improved Pore Pressure Modeling

Eagle Ford Shale
- Vendor & Supplier Cost Reductions
- Efficiency Gains

Drilling Performance
- First Well Ocean Black Rhino
- Est. $25 MM Gross Below Budget

Depth

Days

2014 Well Cost
Current Cost Reduction
Efficiency Gains
Current Well Cost
Further Cost Reduction
2015 Est YE Well Cost

EFS Cost to Drill & Complete*

*Normalized well cost

$MM

$6.26
$4.95
$4.65

21% REDUCTION
Current

25% REDUCTION
Year End

$MM

0 10 20 30 40 50 60 70 80 90 100 110

Days

$2,000 $4,000 $6,000 $8,000 $10,000 $12,000 $14,000 $16,000 $18,000 $20,000 $22,000

0 2,000 4,000 6,000 8,000 10,000 12,000 14,000 16,000 18,000 20,000}

0 10 20 30 40 50 60 70 80 90 100 110 120

Depth

Days

0 10 20 30 40 50 60 70 80 90 100 110

Drilling Performance
First Well
Ocean Black Rhino

Est. $25 MM Gross Below Budget

AFE Days

Actual Days

$25 MM Gross

$6.26

$4.95

$4.65

21% REDUCTION
Current

25% REDUCTION
Year End

2014 Well Cost
Current Cost Reduction
Efficiency Gains
Current Well Cost
Further Cost Reduction
2015 Est YE Well Cost

*Normalized well cost

EFS Cost to Drill & Complete*

$MM

0 10 20 30 40 50 60 70 80 90 100 110

Days

2014 Well Cost
Current Cost Reduction
Efficiency Gains
Current Well Cost
Further Cost Reduction
2015 Est YE Well Cost

*Normalized well cost

Eagle Ford Shale
- Vendor & Supplier Cost Reductions
- Efficiency Gains
Quarterly Production Guidance

2Q 15 Production Exceeds Guidance

NA Onshore
- EFS – New Well Performance
- Seal – Multi-lateral Performance & Uptime

Global Offshore
- Medusa Expansion Ahead of Plan
- SK Gas Higher Nominations

3Q 15 Production Guidance

NA Onshore
- Flat Quarter to Quarter

Global Offshore
- GOM Medusa Expansion Online
- Risked Kikeh & SK Gas
- Kakap-Gumusut Planned Shut-in
  - Completed Ahead of Schedule
**2014 vs. 2015 Mid-Year Outlook**

### Significant Capex Reductions

**NA Onshore**
- 45% EFS Reduction
- 56% Canada Onshore Reduction

**Global Offshore**
- 52% Reduction in Malaysia
- 48% Increase GOM (Dalmatian S., Thunder Bird)

**Exploration**
- 26% Lower; Drilling Flat

### 2% Production Growth Y-O-Y

**NA Onshore**
- EFS & Montney New Well Performance

**Global Offshore**
- Terra Nova & GOM Maintenance
Canada – Onshore Upside

**Montney**
- 9 Wells Standing
  - Completing 5 Wells
- New Completions Increasing EURs
  - 8-11 BCF Upside
- Future Growth
  - 1000+ Potential Locations
- Hedges
  - 2015: 65 MMCFD @ $C 4.13/MCF (AECO)
  - 2016: 59 MMCFD @ $C 3.19/MCF (AECO)

**Seal**
- North: Primary Production
  - Multi-lateral Pilot 6 Month Average 750 BOPD
  - Development: 30+ Multi-laterals
- Central: Horizontal Cyclic Steam
  - Regulatory Application Submitted 1Q 2015
  - Approved FEED 2Q 2015
  - Project Sanction in 1H 2016
  - 1st Oil 2019: 12,500 BOPD (136 MMBOE)
NA Onshore - Eagle Ford Shale

Running Room
- 640 Operated Wells Drilled to Date
- ~2,000 Potential Locations
- 750 MMBOE Net Recoverable Resource
- $2,055 per Acre: Early Entrant
- Price Advantaged Near GOM
  - 45° API Gravity; Oil-Weighted 77% Oil

45% Development Capex Reduction 4% Production Growth

Total Wells
- 2015 Reduce to 4 Rigs
- Wells Front Loaded

Oper. Rigs
- 1Q 15: 47
- 2Q 15: 36
- 3Q 15E: 36
- 4Q 15E: 25
EFS Karnes Area – Higher Rate Wells & Austin Chalk

New Completions
- Super Slick Completions (1,650 lbs/CLAT*)
- Higher Concentration of Sand Near Wellbore for Higher Rate
- Testing Higher Sand Concentration in Karnes (2,690 lbs/ft)

Austin Chalk Appraisal
- Stacked Pay Potential Over EFS
- 3 Well Appraisal Program; Drilling 1st Well
- 70 Potential Locations
- Focus on Higher Porosity & Microfracture Potential
- 80-Acre Spacing With Downspacing Potential
- Evaluating Other Areas

*CLAT – Completed Lateral Foot

Cannon: 4 wells POP 5/2015
Max 24 hr IP 1,500 BOEPD

Drees: 8 wells POP 5/2015
Max 24 hr IP 1,250 BOEPD

Latka Unit A1H:
Est POP ~7/16

Wilson Unit A1H:
Est POP ~4/16

JOG Unit A1H*:
Est POP ~10/15
*Rig currently on pad

CUM OIL (MBO)

DAYS
# EFS – Valuable Production Mix

**2014 EFS Production Mix**

- Oil
- NGL
- Gas

**Source:** 2014 Data from Annual Reports and websites

Peers: APC, BHP, CHK; COP; DVN; EOG; MRO; PVA; ROSE

**Avg Cum. Oil by Well @ 24 Months MBO**

- MUR

**All Data from IHS Current to 04/2015, Operators > 50 Wells; excl. DeWitt County, GOR <3,300**

Operators: CBT, CRK, CRZO, ECA, EOG, HUNT, MRO, PVA, XCO
Global Offshore - Malaysia

Sarawak
- Belum Gas
  - 5 Gas Wells
  - Low Nitrogen Gas
  - First Gas July
- Permas Oil
  - 8 of 9 Wells Drilled to Plan
  - 20% Under Budget

Kakap-Gumusut
- Planned Outage Jun – Aug
  - Tie-in Gas Handling & Gas Injection Systems
  - Completed Ahead of Schedule

Exploration
- Permai Block H – Gas Discovery
  - >200 BCF Supports FLNG
- SK 314A
  - Low Risk Near Infrastructure
  - 2 Wells Planned for 3Q 15
- SK 2C - Deepwater
  - Near Existing Discovery & Infrastructure
  - 1 Well Planned for 3Q 15
Global Offshore – Gulf of Mexico

**Kodiak – 29% W.I. (Non-Op.)**
- Tieback to Devil’s Tower
- First Well Drilled & Completed to Plan
- First Oil 1Q 16
- Break-Even Flat Price: $40/bbl

**Dalmatian South – 70% W.I. (Operator)**
- Expanding Dalmatian Infrastructure
- Drill 3Q 15
- First Oil 1Q 16
- Break-Even Flat Price: $50/bbl

**Thunder Bird – 75% W.I. (Operator)**
- Tieback to Thunder Hawk
- Sidetrack Existing Discovery 3Q 15
- First Oil 3Q 16
- Break-Even Flat Price: $40/bbl

**Solomon – 20% W.I. (Non-Op.)**
- Wilcox Target (1st Murphy Wilcox well)
- Drilling Ongoing
- TD Expected 4Q 15
## 2015 Drilling Program

<table>
<thead>
<tr>
<th>Area</th>
<th>Block</th>
<th>2015</th>
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<tbody>
<tr>
<td><strong>GULF OF MEXICO</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Solomon 312 MMBOE Drilling</td>
<td>Dalmatian South #2 10 MMBOE</td>
</tr>
<tr>
<td><strong>MALAYSIA</strong></td>
<td>SK-314A</td>
<td>Merapuh 5 13 MMBOE</td>
</tr>
<tr>
<td></td>
<td>SK 2C</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Block H</td>
<td>Permai &gt;200 BCF Gas Discovery</td>
</tr>
<tr>
<td><strong>BRUNEI</strong></td>
<td>CA-2</td>
<td></td>
</tr>
</tbody>
</table>

* Total resources from Paus Complex

Prior well in Block Or Adjacent Block

Well Name

Gross Pre-Drill Estimate
Budget Flexibility with Commitments Expiring

**Rig Commitments**
- 2 Rigs in GOM
  - Black Rhino – Dalmatian South
  - Discoverer Deep Seas – Thunder Bird

**Exploration**
- Well Commitments Through 2016
- Tighter Regional Concentration
- Program Flexibility

**Rig Commitment Expiry**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
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</thead>
<tbody>
<tr>
<td>Black Rhino</td>
<td>Feb</td>
</tr>
<tr>
<td>Discoverer Deep Seas</td>
<td>Nov</td>
</tr>
</tbody>
</table>

**Exploration Well Commitments**

- **# of Wells**
  - 2015: 6
  - 2016: 12
  - 2017: 0

- **Net Well Cost $MM**
  - 2015: 60
  - 2016: 140
  - 2017: 0
## Guidance - 3Q 2015

<table>
<thead>
<tr>
<th></th>
<th>Guidance 3Q 2015</th>
<th>3Q 2015 Liquids (BOPD)</th>
<th>3Q 2015 Gas (MCFD)</th>
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</thead>
<tbody>
<tr>
<td>3Q Production:</td>
<td></td>
<td>132,000</td>
<td>408,000</td>
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<tr>
<td>US - Eagle Ford Shale</td>
<td></td>
<td>53,000</td>
<td>39,000</td>
</tr>
<tr>
<td>Gulf of Mexico</td>
<td></td>
<td>18,500</td>
<td>48,000</td>
</tr>
<tr>
<td>Canada - Heavy</td>
<td></td>
<td>4,500</td>
<td>2,000</td>
</tr>
<tr>
<td>Montney</td>
<td></td>
<td></td>
<td>185,000</td>
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<tr>
<td>Offshore</td>
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<td>6,500</td>
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<tr>
<td>Syncrude</td>
<td></td>
<td>13,500</td>
<td></td>
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<tr>
<td>Malaysia – Block K</td>
<td></td>
<td>20,500</td>
<td>20,000</td>
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<tr>
<td>Sarawak</td>
<td></td>
<td>15,500</td>
<td>114,000</td>
</tr>
</tbody>
</table>

- **3Q Production Volume (BOEPD)**: 200,000
- **3Q Sales Volume (BOEPD)**: 197,000*
- **3Q Exploration Expense ($MM)**: 144**
- **Full Year 2015 Production (BOEPD)**: 200,000 – 208,000
- **3Q Expected Realized Prices ($/BBL)**:
  - Malaysia – Block K: 54.72
  - Sarawak Oil: 52.29
  - Sarawak Gas: 3.83

* Under lift primarily in Malaysia
**Includes $100 MM Dry Hole Exposure
Shareholder Returns

Dividend Growth
- 12% CAGR Last 10 Years
- Current Dividend $1.40/share Annualized
- ~4.0% Yield at Current Share Price

Share Repurchase Program
- $1.375 BN Completed Since 2012
- 24 MM Shares or 12.4% of Shares

$5.0 Billion
RETURNED TO SHAREHOLDERS SINCE 2010

Dividend Yield %
Average = 2.8%
Source: Bloomberg. Peer Group: APA, APC, COP, DVN, EOG, HES, MRO, NBL, OXY

Cumulative Offerings Since IPO $MM
Murphy has not had any secondary share offerings since its IPO in 1956

5-Year Cumulative Impairments $MM 2010 – 2014
Peer Group: APA, APC, COP, DVN, EOG, HES, MRO, NBL, OXY, PXD
Takeaways

1. Increasing Production Guidance
2. Advantaged Cash Flow Metrics
3. Conservative Balance Sheet
4. Efficiency Gains in Offshore & Onshore
5. Focused Cost Reduction
6. Shareholder Focus Continues
APPENDIX
Non-GAAP Financial Measure Definitions & Reconciliations

The following list of Non-GAAP financial measure definitions and related reconciliations is intended to satisfy the requirements of Regulation G of the Securities Exchange Act of 1934, as amended. This information is historical in nature. Murphy undertakes no obligation to publicly update or revise any Non-GAAP financial measure definitions and related reconciliations.
Non-GAAP Reconciliation

ADJUSTED EARNINGS
Murphy defines Adjusted Earnings as net income adjusted to exclude discontinued operations and certain other items that affect comparability between periods.

Adjusted Earnings is used by management to evaluate the Company’s operational performance and trends between periods and relative to its industry competitors.

Adjusted Earnings, as reported by Murphy, may not be comparable to similarly titled measures used by other companies and it should be considered in conjunction with net income, cash flow from operations and other performance measures prepared in accordance with generally accepted accounting principles (GAAP). Adjusted Earnings has certain limitations regarding financial assessments because it excludes certain items that affect net income. Adjusted Earnings should not be considered in isolation or as a substitute for an analysis of Murphy's GAAP results as reported.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income (loss)</td>
<td>(88.3)</td>
<td>284.7</td>
</tr>
<tr>
<td>Discontinued operations loss</td>
<td>2.8</td>
<td>27.3</td>
</tr>
<tr>
<td>Gain on sale of 10% interest in Malaysia</td>
<td>(218.8)</td>
<td>-</td>
</tr>
<tr>
<td>Mark-to-market loss on crude oil derivate contracts</td>
<td>(4.8)</td>
<td>23.7</td>
</tr>
<tr>
<td>Foreign exchange gains</td>
<td>(35.1)</td>
<td>4.1</td>
</tr>
<tr>
<td>Environmental provisions</td>
<td>35.8</td>
<td>-</td>
</tr>
<tr>
<td>Increase in Alberta corporate tax rate</td>
<td>23.8</td>
<td>-</td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>7.5</td>
<td>-</td>
</tr>
<tr>
<td>Oil Insurance Limited dividends</td>
<td>(4.5)</td>
<td>(3.3)</td>
</tr>
<tr>
<td>Adjusted Earnings (loss)</td>
<td>(281.6)</td>
<td>336.5</td>
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</tbody>
</table>
Non-GAAP Reconciliation

**EBITDA**

Murphy defines EBITDA as income from continuing operations before income taxes, depreciation, depletion and amortization (DD&A), and net interest expense.

Management believes that EBITDA provides useful information for assessing Murphy's financial condition and results of operations and it is a widely accepted financial indicator of the ability of a company to incur and service debt, fund capital expenditure programs, and pay dividends and make other distributions to stockholders. EBITDA for the Company’s E&P business is computed similarly to the consolidated method presented below. E&P EBITDA per barrel is computed by taking EBITDA divided by total barrels of oil equivalents produced during the respective periods.

EBITDA, as reported by Murphy, may not be comparable to similarly titled measures used by other companies and it should be considered in conjunction with net income, cash flow from operations and other performance measures prepared in accordance with generally accepted accounting principles (GAAP). EBITDA has certain limitations regarding financial assessments because it excludes certain items that affect net income and net cash provided by operating activities. EBITDA should not be considered in isolation or as a substitute for an analysis of Murphy's GAAP results as reported.

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Income from continuing operations</td>
<td>(85.5)</td>
<td>312.0</td>
</tr>
<tr>
<td>Income tax expense (benefit)</td>
<td>(142.3)</td>
<td>326.8</td>
</tr>
<tr>
<td>Interest expense, net of interest capitalized</td>
<td>56.7</td>
<td>52.7</td>
</tr>
<tr>
<td>DD&amp;A expense</td>
<td>884.4</td>
<td>855.2</td>
</tr>
<tr>
<td><strong>Consolidated EBITDA (Non-GAAP)</strong></td>
<td><strong>713.3</strong>*</td>
<td><strong>1,546.7</strong></td>
</tr>
</tbody>
</table>

*Includes effect of gain on sale of 10% interest in Malaysia in 2015
Non-GAAP Reconciliation

EBITDAX
Murphy defines EBITDAX as income from continuing operations before income taxes, exploration expenses, depreciation, depletion and amortization (DD&A), and net interest expense.

Management believes that EBITDAX provides useful information for assessing Murphy's financial condition and results of operations and it is a widely accepted financial indicator of the ability of a company to incur and service debt, fund capital expenditure programs, and pay dividends and make other distributions to stockholders. EBITDAX for the Company’s E&P business is computed similarly to the consolidated method presented below. E&P EBITDAX per barrel is computed by taking EBITDAX divided by total barrels of oil equivalents produced during the respective periods.

EBITDAX, as reported by Murphy, may not be comparable to similarly titled measures used by other companies and it should be considered in conjunction with net income, cash flow from operations and other performance measures prepared in accordance with generally accepted accounting principles (GAAP). EBITDAX has certain limitations regarding financial assessments because it excludes certain items that affect net income and net cash provided by operating activities. EBITDAX should not be considered in isolation or as a substitute for an analysis of Murphy's GAAP results as reported.

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<tr>
<td>Income tax expense (benefit)</td>
<td>(142.3)</td>
<td>326.8</td>
</tr>
<tr>
<td>Interest expense, net of interest capitalized</td>
<td>56.7</td>
<td>52.7</td>
</tr>
<tr>
<td>DD&amp;A expense</td>
<td>884.4</td>
<td>855.2</td>
</tr>
<tr>
<td>Exploration expense</td>
<td>193.7</td>
<td>273.3</td>
</tr>
<tr>
<td><strong>Consolidated EBITDAX (Non-GAAP)</strong></td>
<td><strong>907.0</strong>*</td>
<td><strong>1,820.0</strong></td>
</tr>
</tbody>
</table>

* Includes effect of gain on sale of 10% interest in Malaysia in 2015