



ConocoPhillips announces second-quarter 2025 results and quarterly dividend

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- Reported second-quarter 2025 earnings per share of \$1.56 and adjusted earnings per share of \$1.42.
- Generated cash provided by operating activities of \$3.5 billion and cash from operations (CFO) of \$4.7 billion.
- Declared third-quarter ordinary dividend of \$0.78 per share.
- Completed the asset integration of Marathon Oil and remain on track for more than \$1 billion of synergies on a run-rate basis by year-end 2025 and over \$1 billion of one-time benefits.
- Announced incremental cost reductions and margin enhancements of more than \$1 billion anticipated on a run-rate basis by year-end 2026.
- Signed an agreement to sell Anadarko Basin assets for \$1.3 billion, expected to close at the beginning of the fourth quarter, exceeding \$2 billion disposition target ahead of schedule.
- Increased disposition target to \$5 billion by year-end 2026.

HOUSTON--(BUSINESS WIRE)--Aug. 7, 2025-- ConocoPhillips (NYSE: COP) today reported second-quarter 2025 earnings of \$2.0 billion, or \$1.56 per share, compared with second-quarter 2024 earnings of \$2.3 billion, or \$1.98 per share. Excluding special items, second-quarter 2025 adjusted earnings were \$1.8 billion, or \$1.42 per share, compared with second-quarter 2024 adjusted earnings of \$2.3 billion, or \$1.98 per share. Special items for the quarter primarily relate to a gain on asset sales.

"In the second quarter, we delivered strong results financially, operationally and strategically. We completed the integration of Marathon Oil and remain on track to deliver greater than \$1 billion in synergies and more than \$1 billion of one-time benefits," said Ryan Lance, chairman and chief executive officer. "And we aren't stopping there. We are leveraging our scale and technologies to drive a further \$1 billion-plus in company-wide cost reductions and margin enhancements by the end of 2026. These efforts strengthen our free cash flow generation, enabling us to continue delivering strong returns on and of capital."

Second-quarter highlights and recent announcements

- Delivered total company and Lower 48 production of 2,391 thousand barrels of oil equivalent per day (MBOED) and 1,508 MBOED, respectively.
- Signed an agreement to divest Anadarko Basin assets for \$1.3 billion, subject to customary closing adjustments and expected to close at the beginning of the fourth quarter.
- Achieved optimized level of steady-state activity in the Lower 48 following the asset integration of Marathon Oil.
- Advanced global LNG strategy by signing a regasification agreement at the Dunkerque terminal in France and a sales agreement in Asia, both expected to begin in 2028.
- Successfully completed planned turnarounds in Norway and Qatar.
- Distributed \$2.2 billion to shareholders, including \$1.2 billion through share repurchases and \$1.0 billion through the ordinary dividend.
- Ended the quarter with cash and short-term investments of \$5.7 billion and long-term investments of \$1.1 billion.

Quarterly dividend

ConocoPhillips declared a third-quarter ordinary dividend of \$0.78 per share payable Sept. 2, 2025, to stockholders of record at the close of business on Aug. 18, 2025.

Second-quarter review

Production for the second quarter of 2025 was 2,391 MBOED, an increase of 446 MBOED from the same period a year ago. After adjusting for closed acquisitions and dispositions, second-quarter 2025 production increased 72 MBOED or 3% from the same period a year ago.

Lower 48 delivered production of 1,508 MBOED, including 845 MBOED from the Permian, 408 MBOED from the Eagle Ford and 205 MBOED from the Bakken.

Earnings and adjusted earnings decreased from the second quarter of 2024. The quarter benefited from higher production volumes, which were more than offset by lower prices, increased depreciation, depletion and amortization costs, and increased operating costs. The company's total average realized price was \$45.77 per BOE, 19% lower than the \$56.56 per BOE realized in the second quarter of 2024.

For the quarter, cash provided by operating activities was \$3.5 billion. Excluding a \$1.2 billion change in operating working capital primarily related to timing of tax payments, ConocoPhillips generated CFO of \$4.7 billion. In addition, ConocoPhillips received \$0.7 billion of disposition proceeds from the sale of Ursa and associated assets. The company funded \$3.3 billion of capital expenditures and investments, repurchased \$1.2 billion of shares, paid \$1.0 billion in ordinary dividends and retired debt of \$0.2 billion at maturity.

Six-month review

ConocoPhillips' six-month 2025 earnings were \$4.8 billion, or \$3.79 per share, compared with six-month 2024 earnings of \$4.9 billion, or \$4.14 per share. Six-month 2025 adjusted earnings were \$4.5 billion, or \$3.52 per share, compared with six-month 2024 adjusted earnings of \$4.7 billion, or \$4.02 per share.

Production for the first six months of 2025 was 2,391 MBOED, an increase of 468 MBOED from the same period a year ago. After adjusting for closed acquisitions

and dispositions, production increased 96 MBOED or 4% from the same period a year ago.

The company's total realized price during this period was \$49.54 per BOE, 12% lower than the \$56.58 per BOE realized in the first six months of 2024.

In the first six months of 2025, cash provided by operating activities was \$9.6 billion. Excluding a \$0.6 billion change in operating working capital, ConocoPhillips generated CFO of \$10.2 billion and received disposition proceeds of \$1.3 billion. The company funded \$6.7 billion of capital expenditures and investments, repurchased \$2.7 billion of shares, paid \$2.0 billion in ordinary dividends and retired debt of \$0.7 billion at maturity.

Outlook

Third-quarter 2025 production is expected to be 2.33 to 2.37 million barrels of oil equivalent per day (MMBOED). Full-year production is expected to be 2.35 to 2.37 MMBOED. The midpoint of full-year production guidance remains unchanged, even after adjusting for announced and closed dispositions.

The full-year effective tax rate is now expected to be in the mid-to-high 30% range, with a full-year deferred tax benefit of approximately \$0.5 billion.

ConocoPhillips will host a conference call today at 12:00 p.m. Eastern time to discuss this announcement. To listen to the call and view related presentation materials and supplemental information, go to www.conocophillips.com/investor. A recording and transcript of the call will be posted afterward.

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About ConocoPhillips

As a leading global exploration and production company, ConocoPhillips is uniquely equipped to deliver reliable, responsibly produced oil and gas. Our deep, durable and diverse portfolio is built to meet growing global energy demands. Together with our high-performing operations and continuously advancing technology, we are well positioned to deliver strong, consistent financial results, now and for decades to come. Visit us at www.conocophillips.com.

CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This news release contains forward-looking statements as defined under the federal securities laws. Forward-looking statements relate to future events, including, without limitation, statements regarding our future financial position, business strategy, budgets, projected revenues, costs and plans, objectives of management for future operations, the anticipated benefits of our acquisition of Marathon Oil Corporation (Marathon Oil), the anticipated impact of our acquisition of Marathon Oil on the combined company's business and future financial and operating results and the expected amount and timing of synergies from our acquisition of Marathon Oil and other aspects of our operations or operating results. Words and phrases such as "ambition," "anticipate," "believe," "budget," "continue," "could," "effort," "estimate," "expect," "forecast," "goal," "guidance," "intend," "may," "objective," "outlook," "plan," "potential," "predict," "projection," "seek," "should," "target," "will," "would," and other similar words can be used to identify forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking. Where, in any forward-looking statement, the company expresses an expectation or belief as to future results, such expectation or belief is expressed in good faith and believed to be reasonable at the time such forward-looking statement is made. However, these statements are not guarantees of future performance and involve certain risks, uncertainties and other factors beyond our control. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in the forward-looking statements. Factors that could cause actual results or events to differ materially from what is presented include, but are not limited to, the following: effects of volatile commodity prices, including prolonged periods of low commodity prices, which may adversely impact our operating results and our ability to execute on our strategy and could result in recognition of impairment charges on our long-lived assets, leaseholds and nonconsolidated equity investments; global and regional changes in the demand, supply, prices, differentials or other market conditions affecting oil and gas, including changes as a result of any ongoing military conflict and the global response to such conflict, security threats on facilities and infrastructure, global health crises, the imposition or lifting of crude oil production quotas or other actions that might be imposed by OPEC and other producing countries or the resulting company or third-party actions in response to such changes; the potential for insufficient liquidity or other factors, such as those described herein, that could impact our ability to repurchase shares and declare and pay dividends, whether fixed or variable; potential failures or delays in achieving expected reserve or production levels from existing and future oil and gas developments, including due to operating hazards, drilling risks and the inherent uncertainties in predicting reserves and reservoir performance; reductions in our reserve replacement rates, whether as a result of significant declines in commodity prices or otherwise; unsuccessful exploratory drilling activities or the inability to obtain access to exploratory acreage; failure to progress or complete announced and future development plans related to constructing, modifying or operating E&P and LNG facilities, or unexpected changes in costs, inflationary pressures or technical equipment related to such plans; significant operational or investment changes imposed by legislative and regulatory initiatives and international agreements addressing environmental concerns, including initiatives addressing the impact of global climate change, such as limiting or reducing GHG emissions, regulations concerning hydraulic fracturing, methane emissions, flaring or water disposal and prohibitions on commodity exports; broader societal attention to and efforts to address climate change may cause substantial investment in and increased adoption of competing or alternative energy sources; risks, uncertainties and high costs that may prevent us from successfully executing on our Climate Risk Strategy; lack of or inadequacy of, or disruptions in reliable transportation for our crude oil, bitumen, natural gas, LNG and NGLs; inability to timely obtain or maintain permits, including those necessary for construction, drilling and/or development, or inability to make capital expenditures required to maintain compliance with any necessary permits or applicable laws or regulations; potential disruption or interruption of our operations and any resulting consequences due to accidents, extraordinary weather events, supply chain disruptions, civil unrest, political events, war, terrorism, cybersecurity threats or information technology failures, constraints or disruptions; liability for remedial actions, including removal and reclamation obligations, under existing or future environmental regulations and litigation; liability resulting from pending or future litigation or our failure to comply with applicable laws and regulations; general domestic and international economic, political and diplomatic developments, including deterioration of international trade relationships, the imposition of trade restrictions or tariffs relating to commodities and material or products (such as aluminum and steel) used in the operation of our business, expropriation of assets, changes in governmental policies relating to commodity pricing, including the imposition of price caps, sanctions or other adverse regulations or taxation policies; competition and consolidation in the oil and gas E&P industry, including competition for sources of supply, services, personnel and equipment; any limitations on our access to capital or increase in our cost of capital or insurance, including as a result of illiquidity, changes or uncertainty in domestic or international financial markets, foreign currency exchange rate fluctuations or investment sentiment; challenges or delays to our execution of, or successful implementation of the acquisition of Marathon Oil or any future asset dispositions or acquisitions we elect to pursue; potential disruption of our operations, including the diversion of management time and attention; our inability to realize anticipated cost savings or capital expenditure reductions; difficulties integrating acquired businesses and technologies; or other unanticipated changes; our inability to deploy the net proceeds from any asset dispositions that are pending or that we elect to undertake in the future in the manner and timeframe we anticipate, if at all; the operation, financing and management of risks of our joint ventures; the ability of our customers and other contractual counterparties to satisfy their obligations to us, including our ability to collect payments when due from the government of Venezuela or PDVSA; uncertainty as to the long-term value of our common stock; and other economic, business, competitive and/or regulatory factors affecting our business generally as set forth in our filings with the Securities and Exchange Commission. Unless legally required, ConocoPhillips expressly disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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.

Use of Non-GAAP Financial Information – To supplement the presentation of the company's financial results prepared in accordance with U.S. generally accepted accounting principles (GAAP), this news release and the accompanying supplemental financial information contain certain financial measures that are not prepared in accordance with GAAP, including adjusted earnings (calculated on a consolidated and on a segment-level basis), adjusted earnings per share (EPS), free cash flow (FCF) and cash from operations (CFO).

The company believes that the non-GAAP measure adjusted earnings (both on an aggregate and a per-share basis) is useful to investors to help facilitate comparisons of the company's operating performance associated with the company's core business operations across periods on a consistent basis and with the performance and cost structures of peer companies by excluding items that do not directly relate to the company's core business operations. Adjusted earnings is defined as earnings removing the impact of special items. Adjusted EPS is a measure of the company's diluted net earnings per share excluding special items. The company further believes that the non-GAAP measure CFO is useful to investors to help understand changes in cash provided by operating activities excluding the timing effects associated with operating working capital changes across periods on a consistent basis and with the performance of peer companies. The company believes that the above-mentioned non-GAAP measures, when viewed in combination with the company's results prepared in accordance with GAAP, provides a more complete understanding of the factors and trends affecting the company's business and performance. The company's Board of Directors and management also use these non-GAAP measures to analyze the company's operating performance across periods when overseeing and managing the company's business.

Each of the non-GAAP measures included in this news release and the accompanying supplemental financial information has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of the company's results calculated in accordance with GAAP. In addition, because not all companies use identical calculations, the company's presentation of non-GAAP measures in this news release and the accompanying supplemental financial information may not be comparable to similarly titled measures disclosed by other companies, including companies in our industry. The company may also change the calculation of any of the non-GAAP measures included in this news release and the accompanying supplemental financial information from time to time in light of its then existing operations to include other adjustments that may impact its operations.

Reconciliations of each non-GAAP measure presented in this news release to the most directly comparable financial measure calculated in accordance with GAAP are included in the release.

Other Terms – This news release also contains the term *pro forma* underlying production. *Pro forma* underlying production reflects the impact of closed acquisitions and closed dispositions as of June 30, 2025. The impact of closed acquisitions and dispositions assumes a closing date of January 1, 2024. The company believes that underlying production is useful to investors to compare production reflecting the impact of closed acquisitions and dispositions on a consistent go-forward basis across periods and with peer companies. Return of capital is defined as the total of the ordinary dividend and share repurchases. References in the release to earnings refer to net income.

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Table 1: Reconciliation of earnings to adjusted earnings

\$ millions, except as indicated

	2Q25		2Q24		2025 YTD		2024 YTD							
	Pre-tax	Income	Per	Income	Per	Income	Per	Income	Per					
	tax	After-tax	share of	tax	share of	tax	share of	tax	share of					
		common	common		common		common		common					
		stock	stock		stock		stock		stock					
		(dollars)	(dollars)		(dollars)		(dollars)		(dollars)					
Earnings		\$ 1,971	1.56		2,329	1.98		4,820	3.79		4,880	4.14		
Adjustments:														
(Gain) loss on asset sales	(274)	64	(210)	(0.17)	—	—	(338)	23	(315)	(0.25)	(86)	20	(66)	(0.06)
Tax adjustments	—	—	—	—	—	—	—	—	—	—	(76)	(76)	(0.06)	
Transaction, integration and restructuring expenses	58	(12)	46	0.04	—	—	111	(24)	87	0.07	—	—	—	—
(Gain) loss in interest rate hedge ¹	(18)	4	(14)	(0.01)	—	—	(33)	7	(26)	(0.02)	—	—	—	—
Pending claims and settlements	—	—	—	—	—	—	(123)	29	(94)	(0.07)	—	—	—	—

Adjusted earnings / (loss)	\$ 1,793	1.42	2,329	1.98	4,472	3.52	4,738	4.02
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¹Interest rate hedging (gain) loss from PALNG Phase 1 Investment.

The income tax effects of the special items are primarily calculated based on the statutory rate of the jurisdiction in which the discrete item resides.

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Table 2: Reconciliation of net cash provided by operating activities to cash from operations

\$ millions, except as indicated

	2Q25	2025 YTD
Net Cash Provided by Operating Activities	\$ 3,485	9,600
Adjustments:		
Net operating working capital changes	(1,236)	(588)
Cash from operations	\$ 4,721	10,188

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Table 3: Reconciliation of reported production to pro forma underlying production

MBOED, except as indicated

	2Q25	2Q24	2025 YTD	2024 YTD
Total reported ConocoPhillips production	2,391	1,945	2,391	1,923
Closed Dispositions ¹	(4)	(27)	(14)	(28)
Closed Acquisitions ²	—	397	—	386
Total pro forma underlying production	2,387	2,315	2,377	2,281

¹Includes production related to various Lower 48 noncore dispositions but excludes dispositions not yet closed as of 6/30/2025 (Anadarko Basin).

²Includes production related to the acquisition of Marathon Oil and additional working interest in Alaska, both closed in 4Q24.

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