

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): **May 4, 2023**

ConocoPhillips

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-32395
(Commission
File Number)

01-0562944
(I.R.S. Employer
Identification No.)

**925 N. Eldridge Parkway
Houston, Texas 77079**
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(281) 293-1000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$.01 Par Value	COP	New York Stock Exchange
7% Debentures due 2029	CUSIP-718507BK1	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 4, 2023 ConocoPhillips issued a press release announcing the company's financial and operating results for the quarter ended March 31, 2023. A copy of the press release is furnished as Exhibit 99.1 hereto and incorporated herein by reference. Additional financial and operating information about the quarter is furnished as Exhibit 99.2 hereto and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	— Press release issued by ConocoPhillips on May 4, 2023.
99.2	— Supplemental financial information.
104	— Cover Page Interactive Data File (formatted as Inline XBRL and filed herewith).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CONOCOPHILLIPS

/s/ Christopher P. Delk

Christopher P. Delk

Vice President, Controller and General Tax Counsel

May 4, 2023

ConocoPhillips Reports First-Quarter 2023 Results; Raises Full-Year Production Guidance Midpoint and Declares Quarterly Dividend and Variable Return of Cash Distribution

HOUSTON--(BUSINESS WIRE)--May 4, 2023--ConocoPhillips (NYSE: COP) today reported first-quarter 2023 earnings and adjusted earnings of \$2.9 billion, or \$2.38 per share, compared with first-quarter 2022 earnings of \$5.8 billion, or \$4.39 per share, and first-quarter 2022 adjusted earnings of \$4.3 billion, or \$3.27 per share.

"Our first quarter results are a clear demonstration of the durable, returns-focused value proposition that we laid out at our recent analyst and investor meeting," said Ryan Lance, chairman and chief executive officer. "We achieved record production, advanced our joint venture at Port Arthur LNG, received a favorable record of decision for the Willow project in Alaska and announced plans to assume upstream operatorship of and further expand our ownership position at APLNG. We also accelerated our 2030 GHG emissions-intensity reduction target, progressing our net-zero operational emissions ambition."

First-Quarter Highlights and Recent Announcements

- Delivered record company and Lower 48 production of 1,792 thousand barrels of oil equivalent per day (MBOED) and 1,036 MBOED, respectively.
- Distributed \$3.2 billion to shareholders through a three-tier return of capital framework, including \$1.7 billion through share repurchases and \$1.5 billion through the ordinary dividend and VROC.
- Generated cash provided by operating activities of \$5.4 billion and cash from operations (CFO) of \$5.7 billion.
- Ended the quarter with cash and short-term investments of \$8.9 billion.
- Acquired 30% equity interest in Port Arthur LNG joint venture upon final investment decision for Phase 1.
- Commenced construction on the Willow project after receiving a positive record of decision from the U.S. Department of the Interior approving a development plan with three core pads.
- Announced plans to assume upstream operatorship of APLNG following the closing of EIG's transaction with Origin Energy and to acquire up to an additional 2.49% shareholding interest, subject to regulatory approvals and customary closing conditions.
- Accelerated the company's GHG emissions-intensity reduction target through 2030 from 40-50% to 50-60%, using a 2016 baseline.

Quarterly Dividend and Variable Return of Cash

ConocoPhillips announced a quarterly ordinary dividend of \$0.51 per share, payable June 1, 2023, to stockholders of record at the close of business on May 16, 2023. In addition, the company announced a VROC of \$0.60 per share, payable July 14, 2023, to stockholders of record at the close of business on June 27, 2023.

First-Quarter Review

Production for the first quarter of 2023 was 1,792 MBOED, an increase of 45 MBOED from the same period a year ago. After adjusting for impacts from closed acquisitions and dispositions, first-quarter 2023 production increased by 65 MBOED or 4% from the same period a year ago. This was primarily driven by new wells online in the Lower 48 and improved well performance across the portfolio, partially offset by normal field decline and downtime.

In the Lower 48, first-quarter production averaged 1,036 MBOED, including 694 MBOED from the Permian, 227 MBOED from the Eagle Ford and 98 MBOED from the Bakken. Operationally, a stabilizer expansion in the Eagle Ford and a planned turnaround at QatarGas 3 were successfully completed.

Earnings decreased from the first quarter of 2022 primarily due to lower realized prices partially offset by commercial performance and timing, as well as the absence of special items referenced in Table 1 of this release. Excluding special items, adjusted earnings decreased compared with the first quarter of 2022 due to lower realized prices partially offset by a benefit from commercial performance and timing. The company's total average realized price was \$60.86 per barrel of oil equivalent (BOE), 21% lower than the \$76.99 per BOE realized in the first quarter of 2022.

For the quarter, cash provided by operating activities was \$5.4 billion. Excluding a \$0.3 billion change in operating working capital, the company generated CFO of \$5.7 billion and received disposition proceeds of \$0.2 billion. The company funded \$2.9 billion of capital expenditures and investments, including \$0.4 billion for its investment in the joint venture responsible for development of Port Arthur LNG and \$0.1 billion in Lower 48 acquisitions. In addition, the company repurchased \$1.7 billion of shares and paid \$1.5 billion in ordinary dividends and VROC.

Outlook

Second-quarter 2023 production is expected to be 1.77 to 1.81 million barrels of oil equivalent per day (MMBOED). The company raised full-year production guidance midpoint by 10 MBOED. Full-year production is now expected to be 1.78 to 1.80 MMBOED, as compared to prior guidance of 1.76 to 1.80 MMBOED.

Full-year guidance for other items is unchanged.

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.

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About ConocoPhillips

ConocoPhillips is one of the world's leading exploration and production companies based on both production and reserves, with a globally diversified asset portfolio. Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 13 countries, \$91 billion of total assets and approximately 9,600 employees at March 31, 2023. Production averaged 1,792 MBOED for the three months ended March 31, 2023, and proved reserves were 6.6 BBOE as of Dec. 31, 2022. For more information, go to 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, plans and anticipated results of operations, business strategies, and other aspects of our operations or operating results. Words and phrases such as "anticipate," "estimate," "believe," "budget," "continue," "could," "intend," "may," "plan," "potential," "predict," "seek," "should," "will," "would," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" 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 changes in commodity prices, including a prolonged decline in these prices relative to historical or future expected levels; global and regional changes in the demand, supply, prices, differentials or other market conditions affecting oil and gas, including changes resulting from any ongoing military conflict, including the conflict between Russia and Ukraine, and the global response to such conflict, security threats on facilities and infrastructure, or from a public health crisis or from the imposition or lifting of crude oil production quotas or other actions that might be imposed by OPEC and other producing countries and the resulting company or third-party actions in response to such changes; insufficient liquidity or other factors, such as those listed herein, that could impact our ability to repurchase shares and declare and pay dividends such that we suspend our share repurchase program and reduce, suspend, or totally eliminate dividend payments in the future, whether variable or fixed; changes in expected levels of oil and gas reserves or production; 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 or unsuccessful exploratory activities; unexpected cost increases, inflationary pressures or technical difficulties in constructing, maintaining or modifying company facilities; legislative and regulatory initiatives addressing global climate change or other environmental concerns; public health crises, including pandemics (such as COVID-19) and epidemics and any impacts or related company or government policies or actions; investment in and development of competing or alternative energy sources; potential failures or delays in delivering on our current or future low-carbon strategy, including our inability to develop new technologies; disruptions or interruptions impacting the transportation for our oil and gas production; international monetary conditions and exchange rate fluctuations; changes in international trade relationships or governmental policies, including the imposition of price caps, or the imposition of trade restrictions or tariffs on any materials or products (such as aluminum and steel) used in the operation of our business, including any sanctions imposed as a result of any ongoing military conflict, including the conflict between Russia and Ukraine; our ability to collect payments when due, including our ability to collect payments from the government of Venezuela or PDVSA; our ability to complete any announced or any future dispositions or acquisitions on time, if at all; the possibility that regulatory approvals for any announced or any future dispositions or acquisitions will not be received on a timely basis, if at all, or that such approvals may require modification to the terms of the transactions or our remaining business; business disruptions following any announced or future dispositions or acquisitions, including the diversion of management time and attention; the ability to deploy net proceeds from our announced or any future dispositions in the manner and timeframe we anticipate, if at all; potential liability for remedial actions under existing or future environmental regulations; potential liability resulting from pending or future litigation, including litigation related directly or indirectly to our transaction with Concho Resources Inc.; the impact of competition and consolidation in the oil and gas industry; limited access to capital or insurance or significantly higher cost of capital or insurance related to illiquidity or uncertainty in the domestic or international financial markets or investor sentiment; general domestic and international economic and political conditions or developments, including as a result of any ongoing military conflict, including the conflict between Russia and Ukraine; changes in fiscal regime or tax, environmental and other laws applicable to our business; and disruptions resulting from accidents, extraordinary weather events, civil unrest, political events, war, terrorism, cybersecurity threats or information technology failures, constraints or disruptions; 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 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. 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 March 31, 2023. The impact of closed acquisitions and dispositions assumes a closing date of January 1, 2022. 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, share repurchases and variable return of cash (VROC).

References in the release to earnings refer to net income.

ConocoPhillips**Table 1: Reconciliation of earnings to adjusted earnings**

\$ Millions, Except as Indicated

	1Q23				1Q22			
	Pre-tax	Income	After-tax	Per	Pre-tax	Income	After-tax	Per share
	tax	tax		share of	tax	tax		of
				common				common
				stock				stock
				(dollars)				(dollars)
Earnings		\$	2,920	2.38		\$	5,759	4.39
Adjustments:								
Net gain on asset sales	-	-	-	-	(763)	154	(609)	(0.47)
Tax adjustments	-	-	-	-	-	(566)	(566)	(0.43)
Gain on CVE shares	-	-	-	-	(251)	-	(251)	(0.19)
Gain on debt extinguishment and exchange fees	-	-	-	-	(127)	65	(62)	(0.05)
Transaction and restructuring expenses	-	-	-	-	14	(4)	10	0.01
Loss on FX derivative	-	-	-	-	10	(2)	8	0.01
Adjusted earnings / (loss)		\$	2,920	2.38		\$	4,289	3.27

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.

ConocoPhillips**Table 2: Reconciliation of reported production to pro forma underlying production**

In MBOED, Except as Indicated

	1Q23	1Q22
Total Reported ConocoPhillips Production	1,792	1,747
Closed Dispositions ¹	(2)	(55)
Closed Acquisitions ²	-	23
Total Pro Forma Underlying Production	1,790	1,715
Estimated Uplift from 2 to 3 stream conversion³	-	10

¹Includes production related to the completed Indonesia disposition and various Lower 48 dispositions.²Includes production related to the acquisitions related to additional 10% shareholding interest in APLNG, additional 4% shareholding interest in Libya and a Lower 48 bolt-on acquisition.³Estimated production impacts from the conversion of Concho two-stream contracted volumes to a three-stream (crude oil, natural gas and natural gas liquids) reporting basis, which are not included in Total Production and Total Underlying Production.**ConocoPhillips****Table 3: Reconciliation of net cash provided by operating activities to cash from operations**

\$ Millions, Except as Indicated

	1Q23
Net Cash Provided by Operating Activities	5,403
Adjustments:	
Net operating working capital changes	(283)
Cash from operations	5,686

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First-Quarter 2023 Detailed Supplemental Information

	2022					2023				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
\$ Millions, Except as Indicated										
CONSOLIDATED INCOME STATEMENT										
Revenues and Other Income										
Sales and other operating revenues	17,762	21,161	21,013	18,558	78,494	14,811				14,811
Equity in earnings of affiliates	426	524	561	570	2,081	499				499
Gain (loss) on dispositions	817	262	(40)	38	1,077	93				93
Other income	286	42	80	96	504	114				114
Total Revenues and Other Income	19,291	21,989	21,614	19,262	82,156	15,517				15,517
Costs and Expenses										
Purchased commodities	6,751	9,234	9,251	8,735	33,971	6,138				6,138
Production and operating expenses	1,581	1,741	1,799	1,885	7,006	1,779				1,779
Selling, general and administrative expenses	187	96	148	192	623	159				159
Exploration expenses	69	143	89	263	564	138				138
Depreciation, depletion and amortization	1,823	1,810	1,872	1,999	7,504	1,942				1,942
Impairments	2	2	2	(18)	(12)	1				1
Taxes other than income taxes	814	1,020	843	687	3,364	576				576
Accretion on discounted liabilities	61	61	60	68	250	68				68
Interest and debt expense	217	211	199	178	805	188				188
Foreign currency transactions (gain) loss	24	(70)	(93)	39	(100)	(44)				(44)
Other expenses	(136)	86	4	(1)	(47)	10				10
Total Costs and Expenses	11,393	14,334	14,174	14,027	53,928	10,955				10,955
Income before income taxes	7,898	7,655	7,440	5,235	28,228	4,562				4,562
Income tax provision	2,139	2,510	2,913	1,986	9,548	1,642				1,642
Net Income	5,759	5,145	4,527	3,249	18,680	2,920				2,920
Net Income Per Share of Common Stock (dollars)										
Basic	4.41	3.98	3.56	2.61	14.62	2.38				2.38
Diluted	4.39	3.96	3.55	2.61	14.57	2.38				2.38
Average Common Shares Outstanding (in thousands)*										
Basic	1,301,930	1,289,791	1,256,893	1,239,277	1,274,028	1,220,228				1,220,228
Diluted	1,307,404	1,295,844	1,269,321	1,243,037	1,278,163	1,223,355				1,223,355
*Ending Common Shares Outstanding is 1,210,059 as of March 31, 2023, compared with 1,223,856 as of December 31, 2022.										
INCOME (LOSS) BEFORE INCOME TAXES										
Alaska	802	983	800	652	3,237	567				567
Lower 48	3,547	4,456	3,542	2,557	14,102	2,378				2,378
Canada	381	418	158	(37)	920	8				8
Europe, Middle East and North Africa	1,774	1,533	2,615	1,767	7,689	1,244				1,244
Asia Pacific	1,310	637	627	643	3,217	582				582
Other International	-	-	2	-	2	1				1
Corporate and Other	84	(372)	(304)	(347)	(939)	(218)				(218)
Consolidated	7,898	7,655	7,440	5,235	28,228	4,562				4,562

EFFECTIVE INCOME TAX RATES

Alaska*	27.1%	30.1%	27.6%	23.1%	27.4%	26.7%	26.7%
Lower 48	21.4%	19.6%	25.1%	22.1%	21.9%	22.1%	22.1%
Canada	23.7%	24.3%	24.9%	67.4%	22.4%	21.9%	21.9%
Europe, Middle East and North Africa	76.8%	74.9%	64.7%	70.3%	70.8%	70.6%	70.6%
Asia Pacific	13.3%	17.7%	16.9%	13.6%	14.9%	10.3%	10.3%
Other International	-137.8%	43.0%	2484.7%	3159.7%	2211.2%	-	-
Corporate and Other	-546.2%	6.2%	21.4%	17.1%	64.9%	-11.3%	-11.3%
Consolidated	27.1%	32.8%	39.1%	37.9%	33.8%	36.0%	36.0%
<i>*Alaska including taxes other than income taxes.</i>	<i>47.8%</i>	<i>52.1%</i>	<i>48.6%</i>	<i>43.0%</i>	<i>48.4%</i>	<i>42.3%</i>	<i>42.3%</i>



	2022					2023				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
\$ Millions										
EARNINGS BY SEGMENT										
Alaska	584	687	580	501	2,352	416				416
Lower 48	2,790	3,581	2,653	1,991	11,015	1,852				1,852
Canada	291	316	119	(12)	714	6				6
Europe, Middle East and North Africa	412	385	922	525	2,244	365				365
Asia Pacific	1,136	525	520	555	2,736	522				522
Other International	-	-	(28)	(23)	(51)	1				1
Corporate and Other	546	(349)	(239)	(288)	(330)	(242)				(242)
Consolidated	5,759	5,145	4,527	3,249	18,680	2,920				2,920
SPECIAL ITEMS										
Alaska	23	-	-	26	49	-				-
Lower 48	16	69	(42)	16	59	-				-
Canada	176	118	(12)	(82)	200	-				-
Europe, Middle East and North Africa	-	(58)	-	-	(58)	-				-
Asia Pacific	534	-	27	-	561	-				-
Other International	-	-	(29)	(20)	(49)	-				-
Corporate and Other	721	(70)	(7)	(66)	578	-				-
Consolidated	1,470	59	(63)	(126)	1,340	-				-
<i>Detailed reconciliation of these items is provided on page 3.</i>										
ADJUSTED EARNINGS										
Alaska	561	687	580	475	2,303	416				416
Lower 48	2,774	3,512	2,695	1,975	10,956	1,852				1,852
Canada	115	198	131	70	514	6				6
Europe, Middle East and North Africa	412	443	922	525	2,302	365				365
Asia Pacific	602	525	493	555	2,175	522				522
Other International	-	-	1	(3)	(2)	1				1
Corporate and Other	(175)	(279)	(232)	(222)	(908)	(242)				(242)
Consolidated	4,289	5,086	4,590	3,375	17,340	2,920				2,920

**ADJUSTED EFFECTIVE INCOME
TAX RATES**

Alaska	30.0%	30.1%	27.6%	27.1%	28.9%	26.7%	26.7%
Lower 48	22.1%	19.6%	25.1%	22.1%	22.1%	22.1%	22.1%
Canada	24.4%	25.1%	24.5%	24.0%	24.6%	21.9%	21.9%
Europe, Middle East and North Africa	76.8%	71.1%	64.7%	70.3%	70.1%	70.6%	70.6%
Asia Pacific	22.4%	17.7%	17.7%	13.6%	18.1%	10.3%	10.3%
Other International	-137.8%	43.0%	16.8%	500.9%	168.2%	-	-
Corporate and Other	38.1%	3.4%	21.9%	14.8%	19.6%	-11.3%	-11.3%
Consolidated	36.8%	32.2%	38.7%	37.8%	36.2%	36.0%	36.0%

\$ Millions	2022					2023				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
DETAILED SPECIAL ITEMS										
Alaska										
Income tax provision (benefit) ¹	(23)	-	-	(26)	(49)	-	-	-	-	-
Total	23	-	-	26	49	-	-	-	-	-
Lower 48										
Transaction and restructuring expenses	(14)	(14)	-	-	(28)	-	-	-	-	-
Gain (loss) on asset sales	-	101	(55)	21	67	-	-	-	-	-
Subtotal before income taxes	(14)	87	(55)	21	39	-	-	-	-	-
Income tax provision (benefit) ²	(30)	18	(13)	5	(20)	-	-	-	-	-
Total	16	69	(42)	16	59	-	-	-	-	-
Canada										
Exploration Expense	-	-	-	(129)	(129)	-	-	-	-	-
Gain (loss) on asset sales	229	153	(15)	-	367	-	-	-	-	-
Subtotal before income taxes	229	153	(15)	(129)	238	-	-	-	-	-
Income tax provision (benefit) ³	53	35	(3)	(47)	38	-	-	-	-	-
Total	176	118	(12)	(82)	200	-	-	-	-	-
Europe, Middle East and North Africa										
Income tax provision (benefit) ⁴	-	58	-	-	58	-	-	-	-	-
Total	-	(58)	-	-	(58)	-	-	-	-	-
Asia Pacific										
Gain (loss) on asset sales	534	-	-	-	534	-	-	-	-	-
Pending claims and settlements	-	-	27	-	27	-	-	-	-	-
Subtotal before income taxes	534	-	27	-	561	-	-	-	-	-
Income tax provision (benefit)	-	-	-	-	-	-	-	-	-	-
Total	534	-	27	-	561	-	-	-	-	-
Other International										
Income tax provision (benefit) ⁵	-	-	29	20	49	-	-	-	-	-
Total	-	-	(29)	(20)	(49)	-	-	-	-	-
Corporate and Other										
Pending claims and settlements	-	-	(7)	(87)	(94)	-	-	-	-	-
Gain (loss) on investment in Cenovus Energy	251	-	-	-	251	-	-	-	-	-
Gain (loss) on AUD FX derivative	(10)	-	-	-	(10)	-	-	-	-	-
Gain (loss) on debt extinguishment and exchange fees	127	(83)	-	-	44	-	-	-	-	-
Subtotal before income taxes	368	(83)	(7)	(87)	191	-	-	-	-	-
Income tax provision (benefit) ⁶	(353)	(13)	-	(21)	(387)	-	-	-	-	-
Total	721	(70)	(7)	(66)	578	-	-	-	-	-
Total Company	1,470	59	(63)	(126)	1,340	-	-	-	-	-

¹Includes a tax adjustment in Q1 2022 related to the closure of an audit; Q4 2022 tax adjustment in Alaska.

²Includes a tax adjustment in Q1 2022 related to the closure of an audit.

³Includes a tax adjustment in Q4 2022 related to pending claims and settlements.

⁴Includes a tax adjustment in Q2 2022 related to Norway tax reform.

⁵Includes a tax adjustment in Q3 2022 and Q4 2022 related to pending claims and settlements.

⁶Includes tax adjustment related to Q1 2022 Indonesia disposition; Q1 2022 tax adjustments including the closure of an audit; Q4 2022 tax adjustment related to pending claims and settlements.



	2022					2023				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
\$ Millions										
CONSOLIDATED BALANCE SHEET										
Assets										
Cash and cash equivalents	6,414	6,909	8,010	6,458	6,458	6,974				6,974
Short-term investments	730	1,272	2,412	2,785	2,785	1,635				1,635
Accounts and notes receivable	7,807	8,081	7,338	7,075	7,075	5,280				5,280
Accounts and notes receivable—related parties	72	72	16	13	13	16				16
Inventories	1,174	1,234	1,226	1,219	1,219	1,258				1,258
Prepaid expenses and other current assets	1,389	1,292	1,451	1,199	1,199	953				953
Total Current Assets	17,586	18,860	20,453	18,749	18,749	16,116				16,116
Investments and long-term receivables	8,309	8,203	8,204	8,225	8,225	8,197				8,197
Net properties, plants and equipment	64,642	64,008	63,673	64,866	64,866	65,090				65,090
Other assets	2,771	2,622	2,507	1,989	1,989	2,038				2,038
Total Assets	93,308	93,693	94,837	93,829	93,829	91,441				91,441
Liabilities										
Accounts payable	4,875	5,845	6,242	6,113	6,113	5,078				5,078
Accounts payable—related parties	22	28	26	50	50	22				22
Short-term debt	1,160	676	664	417	417	1,317				1,317
Accrued income and other taxes	3,162	2,759	3,187	3,193	3,193	2,847				2,847
Employee benefit obligations	446	529	628	728	728	420				420
Other accruals	1,959	2,379	3,250	2,346	2,346	1,869				1,869
Total Current Liabilities	11,624	12,216	13,997	12,847	12,847	11,553				11,553
Long-term debt	17,586	16,295	16,297	16,226	16,226	15,266				15,266
Asset retirement obligations and accrued environmental costs	5,815	5,737	5,729	6,401	6,401	6,324				6,324
Deferred income taxes	6,556	6,694	7,218	7,726	7,726	7,927				7,927
Employee benefit obligations	1,085	1,080	1,087	1,074	1,074	1,007				1,007
Other liabilities and deferred credits	1,424	1,469	1,430	1,552	1,552	1,581				1,581
Total Liabilities	44,090	43,491	45,758	45,826	45,826	43,658				43,658
Equity										
Common stock issued										
Par value	21	21	21	21	21	21				21
Capital in excess of par	60,907	61,045	61,089	61,142	61,142	61,100				61,100
Treasury stock	(52,344)	(54,644)	(57,444)	(60,189)	(60,189)	(61,904)				(61,904)
Accumulated other comprehensive loss	(4,808)	(5,313)	(5,865)	(6,000)	(6,000)	(6,027)				(6,027)
Retained earnings	45,442	49,093	51,278	53,029	53,029	54,593				54,593
Total Equity	49,218	50,202	49,079	48,003	48,003	47,783				47,783
Total Liabilities and Equity	93,308	93,693	94,837	93,829	93,829	91,441				91,441



	2022					2023				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
\$ Millions										
CASH FLOW INFORMATION										
Cash Flows from Operating Activities										
Net income	5,759	5,145	4,527	3,249	18,680	2,920				2,920
Depreciation, depletion and amortization	1,823	1,810	1,872	1,999	7,504	1,942				1,942
Impairments	2	2	2	(18)	(12)	1				1
Dry hole costs and leasehold impairments	7	97	32	204	340	68				68
Accretion on discounted liabilities	61	61	60	68	250	68				68
Deferred taxes	373	495	726	492	2,086	324				324
Undistributed equity earnings	220	371	(22)	373	942	491				491
Gain (loss) on dispositions	(817)	(262)	40	(38)	(1,077)	(93)				(93)
Gain on investment in Cenovus Energy	(251)	-	-	-	(251)	-				-
Other	(152)	115	(1)	124	86	(35)				(35)
Net working capital changes	(1,957)	80	1,504	139	(234)	(283)				(283)
Net Cash Provided by Operating Activities	5,068	7,914	8,740	6,592	28,314	5,403				5,403
Cash Flows from Investing Activities										
Capital expenditures and investments	(3,161)	(1,968)	(2,497)	(2,533)	(10,159)	(2,897)				(2,897)
Working capital changes associated with investing activities	363	133	46	(22)	520	208				208
Acquisition of businesses, net of cash acquired	37	-	-	(97)	(60)	-				-
Proceeds from asset dispositions	2,332	619	403	117	3,471	188				188
Net (purchases) sales of investments	(263)	(841)	(1,131)	(394)	(2,629)	1,065				1,065
Collection of advances/loans—related parties	55	-	59	-	114	-				-
Other	26	(34)	15	(5)	2	(12)				(12)
Net Cash Used in Investing Activities	(611)	(2,091)	(3,105)	(2,934)	(8,741)	(1,448)				(1,448)
Cash Flows from Financing Activities										
Net repayment of debt	(1,067)	(1,865)	(45)	(393)	(3,370)	(43)				(43)
Issuance of company common stock	271	79	(5)	17	362	(97)				(97)
Repurchase of company common stock	(1,425)	(2,300)	(2,799)	(2,746)	(9,270)	(1,700)				(1,700)
Dividends paid	(864)	(988)	(1,484)	(2,390)	(5,726)	(1,488)				(1,488)
Other	(52)	(4)	3	4	(49)	2				2
Net Cash Used in Financing Activities	(3,137)	(5,078)	(4,330)	(5,508)	(18,053)	(3,326)				(3,326)
Effect of Exchange Rate Changes	21	(258)	(215)	228	(224)	(104)				(104)
Net Change in Cash, Cash Equivalents and Restricted Cash	1,341	487	1,090	(1,622)	1,296	525				525
Cash, cash equivalents and restricted cash at beginning of period	5,398	6,739	7,226	8,316	5,398	6,694				6,694
Cash, Cash Equivalents and Restricted Cash at End of Period	6,739	7,226	8,316	6,694	6,694	7,219				7,219
CAPITAL EXPENDITURES AND INVESTMENTS										
Alaska	253	218	269	351	1,091	406				406
Lower 48	1,062	1,285	1,773	1,510	5,630	1,704				1,704
Canada	122	125	135	148	530	136				136
Europe, Middle East and North Africa	172	192	167	467	998	209				209
Asia Pacific	1,538	126	127	89	1,880	63				63
Other International	-	-	-	-	-	-				-
Corporate and Other	14	22	26	(32)	30	379				379
Total Capital Expenditures and Investments	3,161	1,968	2,497	2,533	10,159	2,897				2,897



	2022					2023				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
TOTAL SEGMENTS										
Production										
Total (MBOED)	1,747	1,692	1,754	1,758	1,738	1,792				1,792
Crude Oil (MBD)										
Consolidated operations	903	857	882	899	885	926				926
Equity affiliates	12	14	13	13	13	11				11
Total	915	871	895	912	898	937				937
Over (under) lifting of crude oil (MBD)	28	27	4	9	17	(4)				(4)
NGL (MBD)										
Consolidated operations	216	236	263	261	244	264				264
Equity affiliates	7	8	8	8	8	7				7
Total	223	244	271	269	252	271				271
Bitumen (MBD)										
Consolidated operations	67	59	69	69	66	69				69
Total	67	59	69	69	66	69				69
Natural Gas (MMCFD)										
Consolidated operations	2,126	1,872	1,899	1,862	1,939	1,922				1,922
Equity affiliates	1,127	1,235	1,214	1,184	1,191	1,166				1,166
Total	3,253	3,107	3,113	3,046	3,130	3,088				3,088
Industry Prices										
Crude Oil (\$/BBL)										
WTI	94.29	108.41	91.56	82.64	94.23	76.13				76.13
WCS	79.76	95.71	71.88	56.72	76.02	51.31				51.31
Brent dated	101.40	113.78	100.85	88.71	101.19	81.27				81.27
JCC (\$/BBL)	80.43	86.09	110.97	113.23	97.68	100.49				100.49
Natural Gas (\$/MMBTU)										
Henry Hub first of month	4.96	7.17	8.20	6.26	6.65	3.44				3.44
Average Realized Prices										
Total (\$/BBL)	76.99	88.57	83.07	71.05	79.82	60.86				60.86
Crude Oil (\$/BBL)										
Consolidated operations	94.79	111.49	97.60	85.61	97.23	77.60				77.60
Equity affiliates	97.20	111.97	94.58	83.64	97.31	80.97				80.97
Total	94.82	111.50	97.56	85.58	97.23	77.65				77.65
NGL (\$/BBL)										
Consolidated operations	40.95	42.20	34.83	26.46	35.67	24.97				24.97
Equity affiliates	67.04	72.44	55.51	50.61	61.22	57.71				57.71
Total	41.80	43.26	35.47	27.21	36.50	25.84				25.84
Bitumen (\$/BBL)										
Consolidated operations	65.86	75.42	49.77	34.47	55.56	29.49				29.49
Total	65.86	75.42	49.77	34.47	55.56	29.49				29.49
Natural Gas (\$/MCF)										
Consolidated operations	8.81	10.19	14.14	9.26	10.56	5.65				5.65
Equity affiliates	8.86	10.08	11.37	12.19	10.67	9.95				9.95
Total	8.83	10.15	13.04	10.44	10.60	7.30				7.30
Exploration Expenses (\$ Millions)										
Dry holes	1	87	25	138	251	49				49
Leasehold impairment	6	10	7	66	89	19				19
Total noncash expenses	7	97	32	204	340	68				68
Other (G&A, G&G and lease rentals)	62	46	57	59	224	70				70
Total exploration expenses	69	143	89	263	564	138				138

U.S. exploration expenses	54	40	42	86	222	108	108
International exploration expenses	15	103	47	177	342	30	30
DD&A (\$ Millions)							
Alaska	226	234	232	247	939	260	260
Lower 48	1,168	1,192	1,198	1,307	4,865	1,319	1,319
Canada	102	98	96	106	402	91	91
Europe, Middle East and North Africa	192	157	196	191	736	153	153
Asia Pacific	124	118	140	136	518	113	113
Other International	-	-	-	-	-	-	-
Corporate and Other	11	11	10	12	44	6	6
Total DD&A	1,823	1,810	1,872	1,999	7,504	1,942	1,942

	2022					2023				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
PRODUCTION										
Crude Oil (MBD)										
Consolidated operations										
Alaska	182	177	171	179	177	179				179
Lower 48	538	528	537	534	534	561				561
Canada	6	5	4	8	6	6				6
Norway	76	56	77	74	71	70				70
Libya	37	34	30	44	36	47				47
Europe, Middle East and North Africa	113	90	107	118	107	117				117
China	30	29	31	31	30	34				34
Indonesia	1				-					
Malaysia	33	28	32	29	31	29				29
Asia Pacific	64	57	63	60	61	63				63
Total consolidated operations	903	857	882	899	885	926				926
Equity affiliates	12	14	13	13	13	11				11
Total	915	871	895	912	898	937				937
NGL (MBD)										
Consolidated operations										
Alaska	18	16	15	17	17	18				18
Lower 48	191	214	241	236	221	239				239
Canada	3	3	3	4	3	3				3
Norway	4	3	4	4	3	4				4
Europe, Middle East and North Africa	4	3	4	4	3	4				4
Total consolidated operations	216	236	263	261	244	264				264
Equity affiliates	7	8	8	8	8	7				7
Total	223	244	271	269	252	271				271
Bitumen (MBD)										
Canada										
	67	59	69	69	66	69				69
Total	67	59	69	69	66	69				69
Natural Gas (MMCFD)										
Consolidated operations										
Alaska	35	34	29	39	34	42				42
Lower 48	1,426	1,411	1,410	1,362	1,402	1,418				1,418
Canada	63	66	49	64	61	64				64
Norway	308	284	312	317	306	313				313
Libya	23	22	19	26	22	29				29
Europe, Middle East and North Africa	331	306	331	343	328	342				342
Indonesia	194				48					
Malaysia	77	55	80	54	66	56				56
Asia Pacific	271	55	80	54	114	56				56
Total consolidated operations	2,126	1,872	1,899	1,862	1,939	1,922				1,922
Equity affiliates	1,127	1,235	1,214	1,184	1,191	1,166				1,166
Total	3,253	3,107	3,113	3,046	3,130	3,088				3,088
Total (MBOED)										
Consolidated operations										
Alaska	206	199	191	203	200	204				204
Lower 48	967	977	1,013	997	989	1,036				1,036
Canada	86	78	84	92	85	89				89
Norway	131	106	133	131	125	126				126
Libya	41	38	33	48	40	52				52
Europe, Middle East and North Africa	172	144	166	179	165	178				178
China	30	29	31	31	30	34				34
Indonesia	33				8					
Malaysia	46	37	45	38	42	38				38
Asia Pacific	109	66	76	69	80	72				72
Total consolidated operations	1,540	1,464	1,530	1,540	1,519	1,579				1,579
Equity affiliates	207	228	224	218	219	213				213
Total	1,747	1,692	1,754	1,758	1,738	1,792				1,792



	2022					2023				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
AVERAGE REALIZED PRICES										
Crude Oil (\$/BBL)										
Consolidated operations										
Alaska	95.54	114.77	103.90	91.34	101.72	82.22				82.22
Lower 48	93.55	109.14	93.19	82.28	94.46	74.36				74.36
Canada	82.13	94.79	71.11	73.62	79.94	65.07				65.07
Norway	92.18	116.93	104.10	89.96	99.88	85.34				85.34
Libya	99.92	113.03	98.55	87.39	97.85	80.41				80.41
Europe, Middle East and North Africa	94.68	115.61	102.70	88.86	99.20	83.52				83.52
China	105.75	115.00	101.95	88.21	101.87	76.93				76.93
Indonesia	77.09				77.09					
Malaysia	104.88	119.26	115.94	98.90	109.42	89.99				89.99
Asia Pacific	104.84	117.14	108.99	93.29	105.52	83.50				83.50
Total consolidated operations	94.79	111.49	97.60	85.61	97.23	77.60				77.60
Equity affiliates	97.20	111.97	94.58	83.64	97.31	80.97				80.97
Total	94.82	111.50	97.56	85.58	97.23	77.65				77.65
NGL (\$/BBL)										
Consolidated operations										
Lower 48	40.42	42.00	34.59	26.21	35.36	24.58				24.58
Canada	41.83	44.93	29.62	34.08	37.70	29.02				29.02
Norway	58.67	68.00	51.67	40.72	54.52	47.91				47.91
Europe, Middle East and North Africa	58.67	68.00	51.67	40.72	54.52	47.91				47.91
Total consolidated operations	40.95	42.20	34.83	26.46	35.67	24.97				24.97
Equity affiliates	67.04	72.44	55.51	50.61	61.22	57.71				57.71
Total	41.80	43.26	35.47	27.21	36.50	25.84				25.84
Bitumen (\$/BBL)										
Canada*	65.86	75.42	49.77	34.47	55.56	29.49				29.49
Total	65.86	75.42	49.77	34.47	55.56	29.49				29.49
Natural Gas (\$/MCF)										
Consolidated operations										
Alaska	3.92	3.34	4.38	3.24	3.64	4.58				4.58
Lower 48	4.63	6.85	7.36	4.82	5.92	2.92				2.92
Canada	3.25	4.47	2.40	4.04	3.62	4.64				4.64
Norway	30.93	30.06	50.57	29.74	35.33	18.04				18.04
Libya	5.13	5.61	7.46	8.00	6.59	7.67				7.67
Europe, Middle East and North Africa	29.18	28.32	48.10	28.13	33.39	17.18				17.18
Indonesia	8.26				8.26					
Malaysia	3.85	4.17	4.18	4.24	4.09	4.30				4.30
Asia Pacific	7.01	4.17	4.18	4.24	5.84	4.30				4.30
Total consolidated operations	8.81	10.19	14.14	9.26	10.56	5.65				5.65
Equity affiliates	8.86	10.08	11.37	12.19	10.67	9.95				9.95
Total	8.83	10.15	13.04	10.44	10.60	7.30				7.30

*Average realized prices exclude additional value realized from third-party purchases and sales for optimization of our pipeline capacity between Canada and the U.S. Gulf Coast.



	2022					2023				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
CORPORATE AND OTHER										
Corporate and Other Earnings (Loss) (\$ Millions)	546	(349)	(239)	(288)	(330)	(242)				(242)
Detail of Earnings (Loss) (\$ Millions)										
Net interest expense	(218)	(164)	(125)	(93)	(600)	(90)				(90)
Corporate G&A expenses	(79)	(16)	(62)	(87)	(244)	(90)				(90)
Technology*	58	(9)	(8)	(9)	32	6				6
Other	785	(160)	(44)	(99)	482	(68)				(68)
Total	546	(349)	(239)	(288)	(330)	(242)				(242)
<i>*Includes investment in new technologies or businesses outside of our normal scope of operations and licensing revenues.</i>										
Before-Tax Net Interest Expense (\$ Millions)										
Interest expense	(227)	(224)	(215)	(197)	(863)	(214)				(214)
Capitalized interest	10	13	16	19	58	26				26
Interest revenue	6	29	60	90	185	95				95
Total	(211)	(182)	(139)	(88)	(620)	(93)				(93)
Debt										
Total debt (\$ Millions)	18,746	16,971	16,961	16,643	16,643	16,583				16,583
Debt-to-capital ratio (%)	28%	25%	26%	26%	26%	26%				26%
Equity (\$ Millions)	49,218	50,202	49,079	48,003	48,003	47,783				47,783

REFERENCE

Commonly Used Abbreviations

Earnings	Net Income (Loss) Attributable to ConocoPhillips
DD&A	Depreciation, Depletion and Amortization
G&G	Geological and Geophysical
G&A	General and Administrative
JCC	Japan Crude Cocktail
LNG	Liquefied Natural Gas
NGL	Natural Gas Liquids
WCS	Western Canada Select
WTI	West Texas Intermediate

Units of Measure

BBL	Barrels
MMBBL	Millions of Barrels
MBD	Thousands of Barrels per Day
MBOED	Thousands of Barrels of Oil Equivalent per Day
MCF	Thousands of Cubic Feet
MMBTU	Millions of British Thermal Units
MMCFD	Millions of Cubic Feet per Day