

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): July 27, 2005

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.)
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600 North Dairy Ashford
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 (see General Instruction A.2. below):

- 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))

Item 2.02 Results of Operations and Financial Condition

On July 27, 2005, ConocoPhillips issued a press release announcing the company's financial and operating results for the quarter ended June 30, 2005. 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 Exhibits 99.2 and 99.3 hereto and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

- 99.1 -- Press release issued by ConocoPhillips on July 27, 2005.
- 99.2 -- Financial and operational tables.
- 99.3 -- Supplemental financial information.

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/ Rand C. Berney

Rand C. Berney
Vice President and Controller

July 27, 2005

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press release issued by ConocoPhillips on July 27, 2005.
99.2	Financial and operational tables.
99.3	Supplemental financial information.

ConocoPhillips Reports Second Quarter Net Income of \$3.1 Billion

HOUSTON--(BUSINESS WIRE)--July 27, 2005--ConocoPhillips (NYSE:COP)

Earnings at a glance

	Second Quarter		Six Months	
	2005	2004	2005	2004
Income from continuing operations	\$3,131 million	2,013 million	\$6,054 million	3,616 million
Income from discontinued operations	\$ 7	62	\$ (4)	75
Net income	\$3,138	2,075	\$6,050	3,691
Diluted income per share				
Income from continuing operations(a)	\$2.21	1.44	\$4.26	2.60
Net income(a)	\$2.21	1.48	\$4.26	2.65
Revenues	\$42.6 billion	31.9 billion	\$81.5 billion	62.1 billion

(a) Per-share amounts in all periods reflect the impact of a 2-for-1 stock split on June 1, 2005.

ConocoPhillips (NYSE:COP) today reported second-quarter net income of \$3,138 million, or \$2.21 per share, compared with \$2,075 million, or \$1.48 per share, for the same quarter in 2004. Total revenues were \$42.6 billion, versus \$31.9 billion a year ago.

Income from continuing operations for the second quarter was \$3,131 million, or \$2.21 per share, compared with \$2,013 million, or \$1.44 per share, for the same period a year ago.

"We had a strong quarter," said Jim Mulva, chairman and chief executive officer. "Upstream, we ran as expected. The total company produced 1.76 million BOE per day, including 1.54 million BOE per day from our Exploration and Production segment and an estimated 0.22 million BOE per day from our LUKOIL Investment segment. At the same time, we completed planned and unplanned maintenance in our E&P business and finalized the formation of the Naryanmarneftegaz joint venture to develop resources in the Timan-Pechora region of Russia.

"Downstream benefited from a strong market environment in refining, partially offset by narrowing light-heavy differentials. Worldwide crude oil capacity utilization was at 97 percent, as expected, with our U.S. refining system running near stated capacity. In addition, worldwide marketing margins improved over the previous quarter.

"Our financial position continues to improve, and our return on capital employed remains strong and competitive. We ended the quarter with a debt-to-capital ratio of 22 percent. During the quarter, we generated \$2.8 billion in cash from operations, invested \$3.1 billion in capital projects and investments, paid \$432 million in dividends and repurchased \$382 million of ConocoPhillips common stock. In addition, the previously announced 24 percent dividend increase and 2-for-1 stock split occurred during the second quarter."

For the first six months of 2005, net income was \$6,050 million, or \$4.26 per share, versus \$3,691 million, or \$2.65 per share, for 2004. Income from continuing operations was \$6,054 million, or \$4.26 per share, compared with \$3,616 million, or \$2.60 per share, for the same period a year ago. Total revenues were \$81.5 billion, versus \$62.1 billion a year ago.

The results for ConocoPhillips' business segments follow.

Exploration & Production (E&P)

Second-quarter financial results: E&P income from continuing operations was \$1,929 million, up from \$1,787 million in the first quarter of 2005 and up from \$1,354 million in the second quarter of 2004. The increase from the first quarter was primarily the result of higher realized prices, partially offset by lower volumes and lower gains on asset sales. In addition, second-quarter results benefited from lower exploration expenses. Improved results from the second quarter of 2004 were due primarily to higher realized crude oil and natural gas prices, partially offset by benefits last year from Canadian tax law changes, higher production taxes in a higher price environment and reduced foreign exchange gains.

As expected, ConocoPhillips' E&P daily production, including Canadian Syncrude and excluding the LUKOIL Investment segment, averaged 1.54 million barrels of oil equivalent (BOE) per day, down from 1.60 million BOE per day for the first quarter and down slightly from 1.56 million BOE per day in the second quarter of 2004. Compared with the previous quarter, the company experienced greater output during the second quarter of 2005 from the Lower 48, Canada and Venezuela. These increases were more than offset by approximately 45,000 BOE per day of planned downtime, primarily in the Timor Sea, Alaska and Norway, as well as approximately 25,000 BOE per day of

unscheduled downtime in Norway, Alaska and the United Kingdom. The decrease from the second quarter of 2004 was due primarily to lower production in the North Sea and Alaska partially offset by increased production in Venezuela, the Timor Sea and the Lower 48.

During the quarter, ConocoPhillips completed the acquisition of a 30 percent interest in the Naryanmarneftegaz joint venture to develop resources in the Timan-Pechora region of Russia. The amount incurred to complete the transaction was approximately \$512 million.

Six months financial results: E&P income from continuing operations for the first six months of 2005 was \$3,716 million, up from \$2,611 million in 2004, primarily due to higher realized crude oil and natural gas prices, partially offset by higher depreciation, depletion and amortization, higher production taxes and last year's benefits from tax law changes.

Midstream

Second-quarter financial results: Midstream income from continuing operations was \$68 million, down from \$385 million in the first quarter of 2005 and up from \$42 million in the second quarter of 2004. The decrease from the previous quarter was primarily the result of the first-quarter net benefit to ConocoPhillips associated with a restructuring of its ownership in Duke Energy Field Services, LLC (DEFS), including DEFS' sale of its interest in TEPPCO. The increase over the second quarter of 2004 was due primarily to higher natural gas liquids prices in both DEFS and the company's consolidated operations.

Six months financial results: Midstream income from continuing operations for the first six months of 2005 increased to \$453 million, from \$97 million in 2004. The increase was due primarily to higher equity earnings from DEFS, which included the first-quarter benefit to ConocoPhillips associated with the restructuring of its ownership in DEFS. In addition, natural gas liquids prices in both DEFS and the company's consolidated operations were higher in the first six months of 2005, compared with the first six months of 2004.

Refining and Marketing (R&M)

Second-quarter financial results: R&M income from continuing operations was \$1,110 million, up from \$700 million in the previous quarter and \$818 million in the second quarter of 2004. The increase in second-quarter 2005 R&M earnings over the previous quarter was primarily the result of higher U.S. refining market cracks driven by higher gasoline and distillate demand, as well as increased throughput. Although light-heavy crude differentials remain strong, they decreased from high first-quarter levels. Worldwide marketing margins and sales volumes also improved over the previous quarter. The improved results from the second quarter of 2004 were due primarily to increased worldwide refining margins and volumes, and increased U.S. marketing margins, partially offset by higher turnaround and utility costs.

Domestically, second-quarter 2005 realized refining margins improved 11 percent over the first quarter, while the refineries ran at 98 percent of crude oil capacity. Successful completion of first-quarter turnaround activity benefited second-quarter throughputs while unplanned downtime remained flat quarter-over-quarter. Turnaround costs were 39 percent lower in the second quarter, compared with the previous quarter. Marketing margins and volumes also increased from the previous quarter primarily due to a return to positive margins on the West Coast during the early part of the second quarter.

Internationally, second-quarter 2005 marketing margins and sales volumes improved over the previous quarter. While northwest Europe refining market cracks were higher, the turnaround activity at the Humber refinery during the second quarter did not allow the company to fully benefit from the favorable market. As a result, international crude oil capacity utilization was down 6 percent to 94 percent.

Overall, R&M's refinery crude oil capacity utilization rate averaged 97 percent, compared with 92 percent in the previous quarter and 93 percent in the second quarter of 2004. Before-tax turnaround costs were \$106 million, versus \$108 million in the first quarter of 2005.

Six months financial results: R&M income from continuing operations for the first six months of 2005 increased to \$1,810 million, compared with \$1,282 million in the first half of 2004. The increased earnings were driven by higher worldwide refining margins, partially offset by higher turnaround activity and utility costs.

LUKOIL Investment

Second-quarter financial results: Income from continuing operations in the second quarter of 2005 was \$148 million, up from \$110 million in the prior quarter. This represents ConocoPhillips' estimate of the company's 11.9 percent weighted average equity share of LUKOIL's income for the second quarter based on market indicators and historical production trends for LUKOIL. The increase from the prior quarter was attributable to higher realized price estimates and an increased equity ownership position. At the end of the second quarter of 2005, the company's equity ownership in LUKOIL was 12.6 percent.

ConocoPhillips' share of estimated BOE production was 223,000 per day and its share of estimated daily refining crude oil throughput was 102,000 barrels per day.

Chemicals

Second-quarter financial results: The Chemicals segment, which

includes the company's 50 percent interest in Chevron Phillips Chemical Company LLC (CPChem), reported income from continuing operations of \$63 million, compared with \$133 million in the first quarter of 2005 and \$46 million in the second quarter of 2004. The decrease from the first quarter was largely due to lower margins from olefins and polyolefins, as well as lower margins and volumes from aromatics and styrenics. In addition, second-quarter results were impacted by higher utility costs due to higher natural gas prices. The increase from the second quarter of 2004 reflects higher margins from olefins and polyolefins, partially offset by lower margins and volumes from aromatics and styrenics, as well as higher utility costs.

Six months financial results: During the first six months of 2005, the Chemicals segment had income from continuing operations of \$196 million, compared with \$85 million for the same period a year ago. The improvement was due primarily to higher margins in olefins and polyolefins.

Emerging Businesses

The Emerging Businesses segment incurred a loss from continuing operations of \$8 million in the second quarter of 2005, compared with losses of \$8 million in the first quarter of 2005 and \$29 million in the second quarter of 2004. Improved international and domestic power operations and the timing of certain expenses contributed to the reduced operating losses compared with the second quarter of 2004.

Corporate and Other

Second-quarter after-tax Corporate expenses from continuing operations were \$179 million, compared with \$184 million in the previous quarter and \$218 million in the second quarter of 2004. The improvement from the first quarter was driven primarily by lower net interest charges and lower benefit-related charges, partially offset by reduced foreign exchange gains. The decrease in second-quarter net interest charges was due primarily to lower average debt levels and an early debt retirement premium paid during the first quarter. The improvement from the second quarter of 2004 was primarily the result of reduced net interest expense, partially offset by foreign exchange losses.

Total debt at the end of the second quarter was \$14.0 billion, unchanged from the previous quarter and \$1.0 billion below year-end 2004. At the end of the second quarter, the company's debt-to-capital ratio was 22 percent, down from 23 percent at the end of the first quarter.

The company's tax provision for the second quarter of 2005 was \$2.3 billion, resulting in an effective tax rate of 42 percent. This is compared with 41 percent in the previous quarter and 42 percent in the second quarter of 2004.

Discontinued Operations

Second-quarter financial results: Second-quarter 2005 earnings from discontinued operations were \$7 million, compared with an \$11 million loss in the first quarter and income of \$62 million in the second quarter of 2004. The improvement from the first quarter is related primarily to higher margins and the impacts of asset sales. The decrease from the second quarter of 2004 is related primarily to the impacts of asset sales.

Six months financial results: During the first six months of 2005, discontinued operations had a loss of \$4 million, compared with income of \$75 million for the same period a year ago. The decrease is attributable primarily to the impacts of asset sales.

Outlook

Mr. Mulva concluded:

"Our operating performance, combined with above-average crude oil and natural gas prices and strong refining margins, contributed to strong earnings and cash flows.

"The company continues to grow its asset base through disciplined capital spending. Compared with our peers, we are redeploying a higher proportion of our cash flows into projects. These investments are made possible due to our portfolio of attractive investment opportunities. Some of these projects are in emerging areas that have high reserve potential and the possibility to provide long-term value accretion for our shareholders. One such example is the completion of our E&P joint venture with LUKOIL in the Timan-Pechora region late in the second quarter.

"We expect stronger oil and gas production in the second half of 2005, with full-year production to be approximately 3 percent higher than that of 2004, excluding the impacts of LUKOIL.

"As announced earlier this month, we increased our ownership in DEFS from 30.3 percent to 50 percent. This increase in our strategic interest emphasizes our commitment, along with Duke Energy, to make DEFS the industry's top performing U.S. midstream gas company.

"With respect to downstream, we expect a strong margin environment and continued high utilization rates in the near term. Our focus is on continuous improvement and execution of our five-year, \$2 billion clean fuels program. In addition, the five-year, \$3 billion incremental refining investment program that we announced in the first quarter will result in expanded capacity, stronger processing flexibility and higher clean product yields throughout our domestic and international refining network."

ConocoPhillips is an integrated petroleum company with interests around the world. Headquartered in Houston, the company had approximately 36,100 employees, \$97 billion of assets, and \$163

billion of annualized revenues as of June 30, 2005. For more information, go to www.conocophillips.com.

ConocoPhillips' quarterly conference call is scheduled for 10:00 a.m. Central today. To listen to the conference call and to view related presentation materials, go to www.conocophillips.com and click on the "Second-Quarter Earnings" link.

For financial and operational tables, go to www.conocophillips.com/news/nr/earnings/highlights/2q05earnings.html

For detailed supplemental information, go to www.conocophillips.com/news/nr/earnings/detail/2q05summary.xls

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

This update contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements, such as "we expect stronger oil and gas production in the second half of 2005, with full year production to be approximately 3 percent higher than that of 2004, excluding the impacts of LUKOIL"; "with respect to downstream, we expect a strong margin environment and continued high utilization rates in the near term"; "our focus is on continuous improvement and execution of our five-year, \$2 billion clean fuels program"; and "the five-year, \$3 billion incremental refining investment program that we announced in the first quarter will result in expanded capacity, stronger processing flexibility and higher clean product yields throughout our domestic and international refining network" involve certain risks, uncertainties and assumptions that are difficult to predict. Further, certain forward-looking statements are based on assumptions as to future events that may not prove to be accurate. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Economic, business, competitive and regulatory factors that may affect ConocoPhillips' business are generally as set forth in ConocoPhillips' filings with the Securities and Exchange Commission (SEC). ConocoPhillips is under no obligation (and expressly disclaims any such obligation) to update or alter its 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 reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. Production is distinguished from oil and gas production because SEC regulations define Syncrude as mining-related and not part of conventional oil and natural gas reserves. We use certain terms in this release, such as "including Canadian Syncrude" that the SEC's guidelines strictly prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the disclosure in the company's periodic filings with the SEC, available from the company at 600 North Dairy Ashford Road, Houston, Texas 77079. This information can also be obtained from the SEC by calling 1-800-SEC-0330.

CONTACT: ConocoPhillips, Houston
Laura Hopkins, 281-293-6030 (media)
or
Gary Russell, 212-207-1996 (investors)

ConocoPhillips
Houston, Texas 77079

Preliminary
FINANCIAL HIGHLIGHTS

	Millions of Dollars			
	Three Months Ended June 30		Six Months Ended June 30	
	2005	2004	2005	2004
Revenues				
Sales and other operating revenues*	\$ 41,808	31,528	79,439	61,341
Equity in earnings of affiliates	701	322	1,754	591
Other income	105	36	339	171
	-----	-----	-----	-----
	42,614	31,886	81,532	62,103
	-----	-----	-----	-----
Costs and expenses				
Purchased crude oil, natural gas and products	28,523	20,363	54,095	40,098
Production and operating expenses	2,147	1,840	4,099	3,505
Selling, general and administrative expenses	539	516	1,078	984
Exploration expenses	121	163	292	306
Depreciation, depletion and amortization	985	912	2,026	1,830
Property impairments	9	20	31	51
Taxes other than income taxes*	4,664	4,428	9,152	8,542
Accretion on discounted liabilities	41	41	89	77
Interest and debt expense	127	159	265	304
Foreign currency transaction losses (gains)	21	(33)	18	(49)
Minority interests	5	7	15	21
	-----	-----	-----	-----
	37,182	28,416	71,160	55,669
	-----	-----	-----	-----
Income from continuing operations before income taxes	5,432	3,470	10,372	6,434
Provision for income taxes	2,301	1,457	4,318	2,818
	-----	-----	-----	-----
Income from continuing operations	3,131	2,013	6,054	3,616
Income (loss) from discontinued operations	7	62	(4)	75
	-----	-----	-----	-----
Net income	\$ 3,138	2,075	6,050	3,691
	=====	=====	=====	=====
Income per share of common stock (dollars)**				
Basic				
Continuing operations	\$ 2.24	1.46	4.33	2.63
Discontinued operations	0.01	0.04	--	0.05
Net income	\$ 2.25	1.50	4.33	2.68
Diluted				
Continuing operations	\$ 2.21	1.44	4.26	2.60
Discontinued operations	--	0.04	--	0.05
Net income	\$ 2.21	1.48	4.26	2.65
Average common shares outstanding (in thousands)**				
Basic	1,396,724	1,379,380	1,397,305	1,375,788
Diluted	1,419,288	1,398,022	1,420,022	1,393,528

*Includes excise, value added and other similar taxes on petroleum products sales:

\$ 4,338 4,172 8,493 7,994

** Per-share amounts and average number of common shares outstanding in all periods

reflect a two-for-one stock split effected as a 100 percent stock dividend on June 1, 2005.

ConocoPhillips
Houston, Texas 77079

Preliminary
SELECTED FINANCIAL DATA

	Millions of Dollars			
	Three Months Ended June 30		Six Months Ended June 30	
	2005	2004	2005	2004
INCOME (LOSS) FROM CONTINUING OPERATIONS				
E&P				
United States	\$ 966	671	1,858	1,306
International	963	683	1,858	1,305
	-----	-----	-----	-----
Total E&P	1,929	1,354	3,716	2,611
	-----	-----	-----	-----
Midstream	68	42	453	97

R&M	-----	-----	-----	-----
United States	936	734	1,506	1,137
International	174	84	304	145
	-----	-----	-----	-----
Total R&M	1,110	818	1,810	1,282
	-----	-----	-----	-----
LUKOIL Investment	148	--	258	--
Chemicals	63	46	196	85
Emerging Businesses	(8)	(29)	(16)	(51)
Corporate and other	(179)	(218)	(363)	(408)
	-----	-----	-----	-----
Consolidated	\$ 3,131	2,013	6,054	3,616
	=====	=====	=====	=====
INCOME (LOSS) FROM DISCONTINUED OPERATIONS				
Corporate and other	7	62	(4)	75
SUMMARY OF NET INCOME (LOSS)				
E&P				
United States	\$ 966	671	1,858	1,306
International	963	683	1,858	1,305
	-----	-----	-----	-----
Total E&P	1,929	1,354	3,716	2,611
	-----	-----	-----	-----
Midstream	68	42	453	97
	-----	-----	-----	-----
R&M				
United States	936	734	1,506	1,137
International	174	84	304	145
	-----	-----	-----	-----
Total R&M	1,110	818	1,810	1,282
	-----	-----	-----	-----
LUKOIL Investment	148	--	258	--
Chemicals	63	46	196	85
Emerging Businesses	(8)	(29)	(16)	(51)
Corporate and other	(172)	(156)	(367)	(333)
	-----	-----	-----	-----
Net income	\$ 3,138	2,075	6,050	3,691
	=====	=====	=====	=====

ConocoPhillips
Houston, Texas 77079

Preliminary
SELECTED FINANCIAL DATA

	Three Months Ended June 30		Six Months Ended June 30	
	----- 2005	2004 -----	----- 2005	2004 -----
INCOME (LOSS) FROM CONTINUING OPERATIONS				
Effective tax rate %	42.4 %	42.0	41.6	43.8
Millions of Dollars				
FOREIGN CURRENCY GAINS (LOSSES)				
AFTER-TAX				
E&P	\$ (8)	14	4	19
Midstream	7	--	7	--
R&M	(18)	5	(36)	6
LUKOIL Investment	--	--	--	--
Chemicals	--	--	--	--
Emerging Businesses	--	1	--	1
Corporate and other	(11)	--	(4)	6
	-----	-----	-----	-----
	\$ (30)	20	(29)	32
	=====	=====	=====	=====
CASH FLOWS FROM OPERATING ACTIVITIES				
Income from continuing operations	\$ 3,131	2,013	6,054	3,616
Depreciation, depletion and amortization	985	912	2,026	1,830
Property impairments	9	20	31	51
Dry hole costs and leasehold impairment	47	105	156	192
Accretion on discounted liabilities	41	41	89	77
Deferred income taxes	369	310	492	670
Undistributed equity earnings	(414)	(97)	(1,219)	(278)
Net (gain) loss on asset dispositions	(65)	(6)	(242)	(88)
Other	(113)	65	(191)	135
Working capital changes	(1,224)	(1,101)	(336)	(1,878)
	-----	-----	-----	-----
Net cash provided by continuing operations	2,766	2,262	6,860	4,327
Net cash provided by discontinued operations	2	14	(3)	22
	-----	-----	-----	-----
Net cash provided by operating activities	\$ 2,768	2,276	6,857	4,349
	=====	=====	=====	=====
CAPITAL EXPENDITURES AND INVESTMENTS				
E&P				
United States	\$ 576	308	898	614
International	1,761	931	2,645	1,835
	-----	-----	-----	-----
	2,337	1,239	3,543	2,449
Midstream	--	2	1	5
R&M	360	278	635	493
LUKOIL Investment	384	--	708	--
Chemicals	--	--	--	--
Emerging Businesses	7	27	3	55
Corporate and other*	37	38	57	63
	-----	-----	-----	-----
	\$ 3,125	1,584	4,947	3,065
	=====	=====	=====	=====

*Excludes discontinued operations

OTHER	At June 30, 2005	At December 31, 2004
Total debt	\$ 14,013	15,002
Common stockholders' equity	\$ 47,300	42,723

ConocoPhillips
Houston, Texas 77079

Preliminary
OPERATING HIGHLIGHTS

BY SEGMENT

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2005	2004	2005	2004
	-----		-----	
	Thousands of		Barrels Daily	
E&P				
Crude oil produced				
United States				
Alaska	297	307	303	314
Lower 48	63	52	62	52
	---	---	---	---
	360	359	365	366
Norway	195	212	201	213
United Kingdom	60	64	60	66
Canada	23	25	23	26
China	25	28	24	30
Indonesia	16	14	19	15
Vietnam	26	31	26	31
Timor Sea	21	15	29	10
Other	54	61	54	61
	---	---	---	---
Total consolidated	780	809	801	818
Equity affiliates	123	104	122	109
	---	---	---	---
Total Worldwide	903	913	923	927
	===	===	===	===
Syncrude	21	20	18	22
	===	===	===	===
Natural gas liquids produced				
United States				
Alaska*	16	23	20	25
Lower 48	31	26	29	25
	---	---	---	---
	47	49	49	50
Norway	9	8	9	8
Canada	10	10	10	10
Timor Sea	9	4	13	2
Other	5	8	6	8
	---	---	---	---
Total Worldwide	80	79	87	78
	===	===	===	===
*Includes reinjected volumes sold lease-to-lease	1	15	7	15
	Millions of Cubic Feet Daily			
Natural gas produced*				
United States				
Alaska	148	147	166	166
Lower 48	1,195	1,226	1,182	1,229
	-----	-----	-----	-----
	1,343	1,373	1,348	1,395
Norway	268	303	283	312
United Kingdom	741	821	782	850
Canada	422	437	420	432
Timor Sea	35	32	35	36
Indonesia	287	237	280	243
Vietnam	14	15	16	16
Other	81	81	78	73
	-----	-----	-----	-----
Total consolidated	3,191	3,299	3,242	3,357
Equity affiliates	7	4	7	6
	-----	-----	-----	-----
Total Worldwide	3,198	3,303	3,249	3,363
	=====	=====	=====	=====
*Represents quantities available for sale Excludes gas equivalent of NGL shown above				
Liquefied natural gas sales	96	82	114	100
LUKOIL Investment				
Production (MBOE/D)*	223	--	213	--
Refinery crude oil throughput (MB/D)*	102	--	97	--
*Represents our estimated net share of LUKOIL				

Preliminary
OPERATING HIGHLIGHTS

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2005	2004	2005	2004
E&P				
Per Unit				
Average sales prices				
Crude oil (per barrel)				
United States				
Alaska	\$ 49.22	36.53	46.55	34.68
Lower 48	43.58	34.39	42.45	33.11
Total U.S.	48.21	36.22	45.86	34.45
International	49.41	34.58	47.68	33.02
Total consolidated	48.88	35.32	46.85	33.68
Equity affiliates	36.11	25.48	33.59	22.17
Total Worldwide	46.93	34.17	45.04	32.27
Natural gas-lease (per MCF)				
United States				
Alaska	2.49	2.31	2.72	2.43
Lower 48	6.20	5.49	5.93	5.25
Total U.S.	6.07	5.35	5.83	5.11
International	5.16	3.81	5.10	3.96
Total consolidated	5.53	4.43	5.38	4.42
Equity affiliates	0.32	0.31	0.30	3.14
Total Worldwide	5.52	4.43	5.38	4.42

Midstream				
Thousands of Barrels Daily				
Natural gas liquids extracted				
Consolidated				
United States	21	24	22	38
International	44	33	48	40
Equity affiliates				
United States*	112	112	111	111
International	6	5	6	6
	-----	-----	-----	---
	183	174	187	195
	=====	=====	=====	===

*Represents 30.3 percent interest in Duke Energy Field Services LLC (DEFS).

U.S. product prices				
Per Barrel				
Weighted average NGL**				
Consolidated	\$ 32.49	26.42	32.22	26.05
DEFS	31.33	25.61	30.97	25.21

**Prices are based on index prices from the Mont Belvieu and Conway market hubs that are weighted by natural-gas-liquids component and location mix.

ConocoPhillips
Houston, Texas 77079

	Three Months Ended June 30		Six Months Ended June 30	
	2005	2004	2005	2004
----- Thousands of Barrels Daily -----				
R&M				
United States				
Crude oil capacity	2,182	2,168	2,178	2,168
Crude oil runs	2,133	2,119	2,046	2,112
Refinery production	2,349	2,300	2,247	2,273
International*				
Crude oil capacity	428	447	428	447
Crude oil runs	402	309	415	359
Refinery production	410	318	427	364
U.S. Petroleum products outside sales				
Automotive Gasoline	1,426	1,328	1,364	1,321
Distillates	680	538	662	554
Aviation fuels	214	191	206	185
Other products	566	573	514	545
	-----	-----	-----	-----
	2,886	2,630	2,746	2,605
International	477	440	486	472
	-----	-----	-----	-----
	3,363	3,070	3,232	3,077
	=====	=====	=====	=====
			Per Gallon	
U.S. Average sales prices**				
Automotive gasoline-wholesale	\$ 1.67	1.40	1.56	1.28
Automotive gasoline-retail	1.85	1.61	1.70	1.47
Distillates-wholesale	1.66	1.17	1.57	1.09

*Includes ConocoPhillips' share of equity affiliates except LUKOIL.

**Excludes excise taxes.

[LOGO CONOCOPHILLIPS]

SUMMARY OF NET INCOME (LOSS) BY SEGMENT

Millions of Dollars

	2004					2005				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Income (Loss) from Continuing Operations Before Accounting Changes										
U.S. E&P	635	671	701	935	2,942	892	966			1,858
International E&P	622	683	719	736	2,760	895	963			1,858
Total E&P	1,257	1,354	1,420	1,671	5,702	1,787	1,929			3,716
Midstream	55	42	38	100	235	385	68			453
U.S. R&M	403	734	505	484	2,126	570	936			1,506
International R&M	61	84	203	269	617	130	174			304
Total R&M	464	818	708	753	2,743	700	1,110			1,810
LUKOIL Investment	-	-	-	74	74	110	148			258
Chemicals	39	46	81	83	249	133	63			196
Emerging Businesses	(22)	(29)	(27)	(24)	(102)	(8)	(8)			(16)
Corporate and Other	(190)	(218)	(209)	(177)	(794)	(184)	(179)			(363)
Consolidated	1,603	2,013	2,011	2,480	8,107	2,923	3,131			6,054
Cumulative Effect of Accounting Changes										
U.S. E&P	-	-	-	-	-	-	-			-
International E&P	-	-	-	-	-	-	-			-
Total E&P	-	-	-	-	-	-	-			-
Midstream	-	-	-	-	-	-	-			-
U.S. R&M	-	-	-	-	-	-	-			-
International R&M	-	-	-	-	-	-	-			-
Total R&M	-	-	-	-	-	-	-			-
LUKOIL Investment	-	-	-	-	-	-	-			-
Chemicals	-	-	-	-	-	-	-			-
Emerging Businesses	-	-	-	-	-	-	-			-
Corporate and Other	-	-	-	-	-	-	-			-
Consolidated	-	-	-	-	-	-	-			-
Income (Loss) from Discontinued Operations										
Corporate and Other	13	62	(5)	(48)	22	(11)	7			(4)
Net Income (Loss)										
U.S. E&P	635	671	701	935	2,942	892	966			1,858
International E&P	622	683	719	736	2,760	895	963			1,858
Total E&P	1,257	1,354	1,420	1,671	5,702	1,787	1,929			3,716
Midstream	55	42	38	100	235	385	68			453
U.S. R&M	403	734	505	484	2,126	570	936			1,506
International R&M	61	84	203	269	617	130	174			304
Total R&M	464	818	708	753	2,743	700	1,110			1,810

LUKOIL Investment	-	-	-	74	74	110	148	258
Chemicals	39	46	81	83	249	133	63	196
Emerging Businesses	(22)	(29)	(27)	(24)	(102)	(8)	(8)	(16)
Corporate and Other	(177)	(156)	(214)	(225)	(772)	(195)	(172)	(367)

Consolidated	1,616	2,075	2,006	2,432	8,129	2,912	3,138	6,050
=====								

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INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES

Millions of Dollars

	2004					2005				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD

Income from Continuing Operations Before Income Taxes										
U.S. E&P	987	1,049	1,057	1,433	4,526	1,388	1,504			2,892
International E&P	1,410	1,360	1,654	1,684	6,108	2,020	2,152			4,172
Total E&P	2,397	2,409	2,711	3,117	10,634	3,408	3,656			7,064

Midstream	86	66	62	158	372	449	107			556

U.S. R&M	636	1,149	803	772	3,360	901	1,485			2,386
International R&M	79	111	268	356	814	160	203			363
Total R&M	715	1,260	1,071	1,128	4,174	1,061	1,688			2,749

LUKOIL Investment	-	-	-	74	74	115	153			268
Chemicals	49	56	99	109	313	187	84			271
Emerging Businesses	(34)	(42)	(44)	(34)	(154)	(13)	(13)			(26)
Corporate and Other	(249)	(279)	(239)	(277)	(1,044)	(267)	(243)			(510)

Consolidated	2,964	3,470	3,660	4,275	14,369	4,940	5,432			10,372
=====										

Income from Continuing Operations Effective Tax Rates										
U.S. E&P	35.7%	36.0%	33.7%	34.8%	35.0%	35.7%	35.8%			35.8%
International E&P	55.9%	49.8%	56.5%	56.3%	54.8%	55.7%	55.3%			55.5%
Total E&P	47.6%	43.8%	47.6%	46.4%	46.4%	47.6%	47.2%			47.4%

Midstream	36.0%	36.4%	38.7%	36.7%	36.8%	14.3%	36.4%			18.5%

U.S. R&M	36.6%	36.1%	37.1%	37.3%	36.7%	36.7%	37.0%			36.9%
International R&M	22.8%	24.3%	24.3%	24.4%	24.2%	18.8%	14.3%			16.3%
Total R&M	35.1%	35.1%	33.9%	33.2%	34.3%	34.0%	34.2%			34.2%

LUKOIL Investment	n/a	n/a	n/a	0.0%	0.0%	4.3%	3.3%			3.7%
Chemicals	20.4%	17.9%	18.2%	23.9%	20.4%	28.9%	25.0%			27.7%
Emerging Businesses	35.3%	31.0%	38.6%	29.4%	33.8%	38.5%	38.5%			38.5%
Corporate and Other	23.7%	21.9%	12.6%	36.1%	23.9%	31.1%	26.3%			28.8%

Consolidated	45.9%	42.0%	45.1%	42.0%	43.6%	40.8%	42.4%			41.6%

CERTAIN ITEMS INCLUDED IN INCOME FROM CONTINUING OPERATIONS (AFTER-TAX)

	Millions of Dollars											
	2004					2005						
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD		
U.S. E&P												
Gain (loss) on asset sales	-	-	-	-	-	90	-	-	-	-	90	
Property impairments	(3)	-	-	(9)	(12)	-	-	-	-	-	-	
Tax credit utilization	-	-	22	28	50	-	-	-	-	-	-	
Insurance premium adjustment	-	-	-	(17)	(17)	-	(5)	-	-	-	(5)	
Pending claims and settlements	-	-	-	-	-	-	15	-	-	-	15	
Total	(3)	-	22	2	21	90	10	-	-	-	100	
International E&P												
Gain (loss) on asset sales	56	(13)	-	-	43	-	15	-	-	-	15	
Property impairments	-	-	(1)	(29)	(30)	-	-	-	-	-	-	
Insurance premium adjustment	-	-	-	(17)	(17)	-	(10)	-	-	-	(10)	
Canada tax law change	-	31	-	41	72	-	-	-	-	-	-	
Pending claims and settlements	-	-	-	-	-	-	-	-	-	-	-	
Total	56	18	(1)	(5)	68	-	5	-	-	-	5	
Total E&P	53	18	21	(3)	89	90	15	-	-	-	105	
Midstream												
Property impairments	(12)	(10)	-	-	(22)	(6)	(7)	-	-	-	(13)	
DEFS' sale of TEPPCO general partnership	-	-	-	-	-	306	-	-	-	-	306	
Total	(12)	(10)	-	-	(22)	300	(7)	-	-	-	293	
U.S. R&M												
Gain (loss) on asset sales	-	-	-	-	-	31	-	-	-	-	31	
Property impairments	(5)	-	(6)	(28)	(39)	-	-	-	-	-	-	
Insurance premium adjustment	-	-	-	(6)	(6)	-	(7)	-	-	-	(7)	
Pending claims and settlements	-	-	(34)	-	(34)	-	-	-	-	-	-	
Total	(5)	-	(40)	(34)	(79)	31	(7)	-	-	-	24	
International R&M												
Gain (loss) on asset sales	-	-	-	-	-	-	25	-	-	-	25	
Property impairments	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	25	-	-	-	25	
Total R&M	(5)	-	(40)	(34)	(79)	31	18	-	-	-	49	
LUKOIL Investment												
Total	-	-	-	-	-	-	-	-	-	-	-	
Chemicals												
Total	-	-	-	-	-	-	-	-	-	-	-	
Emerging Businesses												
Total	-	-	-	-	-	-	-	-	-	-	-	
Corporate and Other												
Property impairments	-	-	-	-	-	-	-	-	-	-	-	
Merger-related expenses	(14)	-	-	-	(14)	-	-	-	-	-	-	
Premium on early debt retirement	-	-	(43)	-	(43)	(8)	-	-	-	-	(8)	
Other	-	-	-	-	-	-	-	-	-	-	-	
Total	(14)	-	(43)	-	(57)	(8)	-	-	-	-	(8)	

Total Company	22	8	(62)	(37)	(69)	413	26	439
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CASH FLOW INFORMATION

Millions of Dollars

	2004					2005				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Cash Flows from Operating Activities										
Income from continuing operations	1,603	2,013	2,011	2,480	8,107	2,923	3,131			6,054
DD&A and property impairments	949	932	950	1,131	3,962	1,063	994			2,057
Dry hole costs and leasehold impairments	87	105	150	75	417	109	47			156
Accretion on discounted liabilities	36	41	49	45	171	48	41			89
Deferred income taxes	360	310	328	27	1,025	123	369			492
Undistributed equity earnings	(181)	(97)	(263)	(236)	(777)	(805)	(414)			(1,219)
Net (gain) loss on asset dispositions	(82)	(6)	6	(34)	(116)	(177)	(65)			(242)
Other	70	65	(30)	(295)	(190)	(78)	(113)			(191)
Net working capital changes	(777)	(1,101)	1,267	10	(601)	888	(1,224)			(336)
Discontinued operations	8	14	(55)	(6)	(39)	(5)	2			(3)
Net Cash Provided by Operating Activities	2,073	2,276	4,413	3,197	11,959	4,089	2,768			6,857
Cash Flows from Investing Activities										
Capital expenditures and investments:										
E&P	(1,210)	(1,239)	(1,248)	(1,552)	(5,249)	(1,206)	(2,337)			(3,543)
Midstream	(3)	(2)	(1)	(1)	(7)	(1)	-			(1)
R&M	(215)	(278)	(277)	(574)	(1,344)	(275)	(360)			(635)
LUKOIL Investment	-	-	-	(2,649)	(2,649)	(324)	(384)			(708)
Chemicals	-	-	-	-	-	-	-			-
Emerging Businesses	(28)	(27)	(19)	(1)	(75)	4	(7)			(3)
Corporate and Other	(25)	(38)	(49)	(60)	(172)	(20)	(37)			(57)
Total capital expend. & investments	(1,481)	(1,584)	(1,594)	(4,837)	(9,496)	(1,822)	(3,125)			(4,947)
Acquisitions - adoption & application of FIN 46	-	-	11	-	11	-	-			-
Proceeds from asset dispositions	449	905	73	164	1,591	87	221			308
Long-term advances to/collections from affiliates and other investments	(44)	9	30	112	107	25	4			29
Discontinued operations	(1)	(1)	-	1	(1)	-	-			-
Net Cash Used for Investing Activities	(1,077)	(671)	(1,480)	(4,560)	(7,788)	(1,710)	(2,900)			(4,610)
Cash Flows from Financing Activities										
Net issuance (repayment) of debt	(722)	(1,361)	(221)	(471)	(2,775)	(986)	(13)			(999)
Issuance of stock	112	95	62	161	430	155	108			263
Repurchase of stock	-	-	-	-	-	(194)	(382)			(576)
Dividends	(294)	(296)	(296)	(346)	(1,232)	(348)	(432)			(780)
Other	89	94	(66)	61	178	64	33			97
Net Cash Provided by (Used for) Financing Activities	(815)	(1,468)	(521)	(595)	(3,399)	(1,309)	(686)			(1,995)
Effect of Exchange Rate Changes	(12)	8	47	82	125	(36)	(62)			(98)
Net Change in Cash and Cash Equivalents	169	145	2,459	(1,876)	897	1,034	(880)			154
Cash and cash equivalents at beginning of period	490	659	804	3,263	490	1,387	2,421			1,387
Cash and Cash Equivalents at End of Period	659	804	3,263	1,387	1,387	2,421	1,541			1,541

	TOTAL E&P									
	2004					2005				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
E&P Net Income (\$ Millions)	1,257	1,354	1,420	1,671	5,702	1,787	1,929			3,716
Production										
Total, Including Equity Affiliates and Canadian Syncrude (MBOE/D)	1,611	1,563	1,484	1,596	1,563	1,600	1,537			1,570
E&P segment plus LUKOIL Investment Segment:	1,611	1,563	1,484	1,755	1,603	1,801	1,760			1,783
Crude Oil and Condensate (MB/D)										
Consolidated	828	809	733	821	797	822	780			801
Equity affiliates	113	104	111	103	108	120	123			122
Total	941	913	844	924	905	942	903			923
Sales of crude oil produced (MB/D)	927	888	875	903	898	940	932			936
Natural Gas Liquids (MB/D)	76	79	87	92	84	94	80			87
Natural Gas (MMCF/D)										
Consolidated	3,415	3,299	3,179	3,356	3,312	3,295	3,191			3,242
Equity affiliates	9	4	4	4	5	5	7			7
Total	3,424	3,303	3,183	3,360	3,317	3,300	3,198			3,249
Canadian Syncrude (MB/D)	23	20	22	20	21	14	21			18
Industry Prices (Platt's)										
Crude Oil (\$/bbl)										
WTI spot	35.23	38.31	43.86	48.29	41.42	49.70	53.03			51.37
Brent dated	31.95	35.36	41.54	44.00	38.21	47.50	51.59			49.55
Natural Gas--Henry Hub 1st of month (\$/MCF)										
	5.69	6.00	5.75	7.07	6.13	6.27	6.74			6.51
Average Realized Prices										
Crude Oil and Condensate (\$/bbl)										
Consolidated	32.08	35.32	40.41	42.79	37.65	44.89	48.88			46.85
Equity affiliates	19.27	25.48	26.19	26.55	24.18	30.38	36.11			33.59
Total	30.44	34.17	38.78	40.96	36.06	43.15	46.93			45.04
Natural Gas Liquids (\$/bbl)	25.43	26.71	30.73	35.37	30.02	33.44	35.10			34.26
Natural Gas (\$/mcf)										
Consolidated	4.41	4.43	4.48	5.13	4.62	5.24	5.53			5.38
Equity affiliates	3.91	0.31	0.31	0.25	2.19	0.25	0.32			0.30
Total	4.41	4.43	4.48	5.13	4.61	5.24	5.52			5.38
Exploration Charges (\$ Millions)										
Dry Holes	67	42	82	51	242	88	30			118
Lease Impairments	20	63	68	24	175	20	18			38
Total Non-Cash Charges	87	105	150	75	417	108	48			156
Other (G&G and Lease Rentals)	56	58	55	117	286	63	73			136
Total Exploration Charges	143	163	205	192	703	171	121			292
Depreciation, Depletion and Amortization (DD&A) (\$ Millions)	704	720	711	783	2,918	819	755			1,574

U.S. E&P

	2004					2005				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
U.S. E&P Net Income (\$ Millions)	635	671	701	935	2,942	892	966			1,858
Alaska (\$ Millions)	403	397	451	581	1,832	532	572			1,104
Lower 48 (\$ Millions)	232	274	250	354	1,110	360	394			754
Production										
Total U.S. (MBOE/D)	659	637	579	642	629	648	631			639
Crude Oil and Condensate (MB/D)										
Alaska	320	307	253	313	298	309	297			303
Lower 48	53	52	50	50	51	62	63			62
Total	373	359	303	363	349	371	360			365
Sales of crude oil produced (MB/D)	373	354	312	356	349	386	352			369
Natural Gas Liquids (MB/D)*										
Alaska	26	23	19	24	23	24	16			20
Lower 48	24	26	26	26	26	27	31			29
Total	50	49	45	50	49	51	47			49
*Includes reinjection volumes sold lease-to-lease:	16	15	10	14	14	13	1			7
Natural Gas (MMCF/D)										
Alaska	185	147	164	163	165	185	148			166
Lower 48	1,233	1,226	1,220	1,214	1,223	1,169	1,195			1,182
Total	1,418	1,373	1,384	1,377	1,388	1,354	1,343			1,348
Average Realized Prices										
Crude Oil and Condensate (\$/bbl)										
Alaska										
North Slope	28.00	31.69	35.66	39.53	33.61	38.93	43.92			41.30
West Coast	32.93	36.53	40.48	44.37	38.47	44.15	49.22			46.55
Lower 48	31.86	34.39	39.56	42.30	36.95	41.29	43.58			42.45
Total U.S.	32.78	36.22	40.33	44.08	38.25	43.69	48.21			45.86
Natural Gas Liquids (\$/bbl)										
Alaska	32.93	36.38	40.52	43.78	38.64	44.33	49.20			47.24
Lower 48	24.19	25.82	29.40	32.80	28.14	30.96	31.22			31.10
Total U.S.	26.80	28.38	32.22	36.21	31.05	34.68	37.26			36.11
Natural Gas (\$/mcf)										
Alaska	2.54	2.31	2.22	2.23	2.35	2.96	2.49			2.72
Lower 48	5.00	5.49	5.29	6.04	5.46	5.66	6.20			5.93
Total U.S.	4.88	5.35	5.19	5.92	5.33	5.57	6.07			5.83

Volume (MMCF/D)	118	82	115	107	105	132	96	114
Sales price per MCF	4.51	4.80	5.06	5.25	4.90	5.27	5.24	5.26
U.S. Exploration Charges (\$ Millions)								
Dry Holes	32	32	(5)	-	59	74	8	82
Lease Impairments	11	11	10	10	42	10	9	19
Total Non-Cash Charges	43	43	5	10	101	84	17	101
Other (G&G and Lease Rentals)	15	19	15	37	86	12	17	29
Total U.S. Exploration Charges	58	62	20	47	187	96	34	130
Alaska Only	17	43	7	14	81	85	13	98
DD&A (\$ Millions)								
Alaska	119	125	122	144	510	133	134	267
Lower 48	146	145	157	150	598	219	172	391
Total U.S.	265	270	279	294	1,108	352	306	658

Consolidated								
Norway	4.37	3.99	4.12	4.45	4.24	5.03	5.30	5.16
United Kingdom	4.04	3.47	3.79	4.76	4.03	5.54	5.01	5.29
Canada	4.88	5.01	4.64	5.43	5.00	5.33	6.14	5.74
Timor Sea	0.43	0.45	0.46	0.49	0.46	0.52	0.52	0.52
Indonesia	4.38	4.28	5.02	4.74	4.61	5.08	5.96	5.53
Vietnam	1.10	0.99	1.01	1.05	1.04	1.04	1.04	1.04
Other	0.66	0.59	0.62	0.97	0.69	0.70	0.59	0.64
Equity affiliates	3.91	0.31	0.31	0.25	2.19	0.25	0.32	0.30
Total	4.11	3.81	3.98	4.63	4.14	5.03	5.15	5.09

International Exploration Charges (\$ Millions)								
Dry Holes	35	10	87	51	183	14	22	36
Lease Impairments	9	52	58	14	133	10	9	19

Total Non-Cash Charges	44	62	145	65	316	24	31	55
Other (G&G and Lease Rentals)	41	39	40	80	200	51	56	107

Total International Exploration Charges	85	101	185	145	516	75	87	162
=====								
DD&A (\$ Millions)	439	450	432	489	1,810	467	449	916

R&M

	2004					2005				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
R&M Net Income (\$ Millions)	464	818	708	753	2,743	700	1,110			1,810
United States (\$ Millions)	403	734	505	484	2,126	570	936			1,506
International (\$ Millions)	61	84	203	269	617	130	174			304
Market Indicators										
U.S. East Coast Crack Spread (\$/bbl)	6.87	9.14	7.00	5.73	7.19	6.40	8.80			7.60
U.S. Gulf Coast Crack Spread (\$/bbl)	6.36	9.17	6.33	4.09	6.49	6.37	9.63			8.00
U.S. Group Central Crack Spread (\$/bbl)	6.91	11.65	8.09	5.52	8.04	7.92	11.51			9.72
U.S. West Coast Crack Spread (\$/bbl)	16.10	24.13	17.92	17.25	18.85	19.61	22.20			20.90
U.S. Weighted 3:2:1 Crack Spread (\$/bbl)	8.39	12.60	9.10	7.24	9.33	9.24	12.35			10.80
NW Europe Crack Spread (\$/bbl)	7.78	10.43	11.76	15.24	11.30	11.14	15.09			13.12
Singapore 3:2:1 Crack Spread (\$/bbl)	10.33	9.48	13.11	17.22	12.54	13.23	13.95			13.59
U.S. Wholesale Gasoline Mktg Mrgn (\$/bbl)	0.69	1.83	1.50	1.97	1.50	0.16	2.20			1.18
Realized Margins										
Refining Margin (\$/bbl)										
U.S.	7.12	9.88	8.84	8.38	8.56	10.11	11.23			10.70
International*	4.51	6.57	8.36	10.03	7.56	8.26	8.79			8.52
Marketing Margin (\$/bbl)										
U.S.	1.08	1.49	1.15	1.85	1.39	0.46	2.01			1.23
International	6.50	8.20	7.69	8.13	7.66	5.61	8.56			7.14
* 2004 and first-quarter 2005 amounts restated to include equity affiliates.										
DD&A (\$ Millions)	186	172	202	212	772	194	197			391
Turnaround Expense (\$ Millions)	59	78	57	73	267	108	106			214
Eastern U.S.										
Crude Oil Charge Input (MB/D)	413	375	368	346	375	403	414			408
Total Charge Input (MB/D)	440	421	415	407	421	449	454			452
Crude Oil Capacity Utilization (%)	96%	87%	87%	82%	88%	95%	98%			97%
Clean Product Yield (%)	87%	84%	87%	90%	87%	92%	88%			90%
U.S. Gulf Coast										
Crude Oil Charge Input (MB/D)	699	709	617	689	678	659	715			688
Total Charge Input (MB/D)	774	789	717	779	765	733	835			783
Crude Oil Capacity Utilization (%)	97%	99%	88%	98%	96%	92%	100%			96%
Clean Product Yield (%)	79%	75%	78%	82%	78%	73%	79%			76%
Central U.S.										
Crude Oil Charge Input (MB/D)	601	638	634	583	614	538	594			566
Total Charge Input (MB/D)	636	673	669	614	648	577	625			601
Crude Oil Capacity Utilization (%)	96%	102%	99%	91%	97%	84%	93%			89%
Clean Product Yield (%)	83%	83%	85%	84%	84%	86%	84%			85%
Western U.S.										
Crude Oil Charge Input (MB/D)	392	397	392	387	392	357	410			384
Total Charge Input (MB/D)	409	419	409	409	412	382	431			407
Crude Oil Capacity Utilization (%)	100%	101%	99%	98%	99%	90%	101%			96%
Clean Product Yield (%)	81%	81%	82%	83%	82%	80%	82%			81%
TOTAL UNITED STATES										
Crude Oil Charge Input (MB/D)	2,105	2,119	2,011	2,005	2,059	1,957	2,133			2,046
Total Charge Input (MB/D)	2,259	2,302	2,210	2,209	2,246	2,141	2,345			2,243
Crude Oil Capacity Utilization (%)	97%	98%	93%	93%	95%	90%	98%			94%
Clean Product Yield (%)	82%	80%	82%	84%	82%	82%	83%			82%
Refined Products Production (MB/D)										
Gasoline	1,059	1,043	1,060	1,072	1,059	968	1,071			1,019
Distillates	604	591	574	619	597	599	655			627
Aviation Fuel	167	177	164	158	167	166	174			170
Other	415	489	400	383	422	414	449			431
Total	2,245	2,300	2,198	2,232	2,245	2,147	2,349			2,247
Petroleum Products Sales (MB/D)										
Gasoline	1,315	1,328	1,366	1,415	1,356	1,302	1,426			1,364

Distillates	570	538	544	562	553	642	680	662
Aviation Fuel	178	191	200	195	191	198	214	206
Other	517	573	553	613	564	461	566	514

Total	2,580	2,630	2,663	2,785	2,664	2,603	2,886	2,746
=====								

R&M (continued)

	2004					2005				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
International - Consolidated - United Kingdom and Ireland										
Crude Oil Charge Input (MB/D)	289	197	291	298	269	294	259			277
Total Charge Input (MB/D)	299	216	300	308	280	307	266			286
Crude Oil Capacity Utilization (%)	94%	64%	100%	102%	90%	101%	89%			95%
Clean Product Yield (%)	84%	81%	83%	81%	82%	79%	76%			78%

International - Equity Affiliates - Net Share*										
Crude Oil Charge Input (MB/D)	120	112	134	140	127	134	143			138
Total Charge Input (MB/D)	121	113	138	145	130	137	147			142
Crude Oil Capacity Utilization (%)	87%	81%	99%	103%	92%	98%	105%			102%
Clean Product Yield (%)	82%	83%	81%	81%	82%	83%	82%			82%

TOTAL INTERNATIONAL										
Crude Oil Charge Input (MB/D)	409	309	425	438	396	428	402			415
Total Charge Input (MB/D)	420	329	438	453	410	444	413			428
Crude Oil Capacity Utilization (%)	92%	69%	99%	102%	91%	100%	94%			97%
Clean Product Yield (%)	84%	82%	82%	81%	82%	80%	78%			79%

Refined Products Production (MB/D)										
Gasoline	124	109	138	144	129	141	115			128
Distillates	181	136	190	190	174	186	178			182
Aviation Fuel	24	16	22	25	22	21	21			21
Other	81	57	89	94	80	95	96			96

Total	410	318	439	453	405	443	410			427
=====										
Petroleum Products Sales (MB/D)										
Gasoline	185	180	173	180	180	185	176			181
Distillates	228	184	207	222	210	221	212			217
Aviation Fuel	6	9	10	8	8	7	10			8
Other	82	67	82	83	79	82	79			80

Total	501	440	472	493	477	495	477			486
=====										
Worldwide - Including Net Share of Equity Affiliates										
Crude Oil Charge Input (MB/D)	2,514	2,428	2,436	2,443	2,455	2,385	2,535			2,461
Total Charge Input (MB/D)	2,679	2,631	2,648	2,662	2,656	2,585	2,758			2,671
Crude Oil Capacity Utilization (%)	96%	93%	94%	94%	94%	92%	97%			94%
Clean Product Yield (%)	82%	80%	82%	84%	82%	82%	82%			82%

Refined Products Production (MB/D)										
Gasoline	1,183	1,152	1,198	1,216	1,188	1,109	1,186			1,147
Distillates	785	727	764	809	771	785	833			809
Aviation Fuel	191	193	186	183	189	187	195			191
Other	496	546	489	477	502	509	545			527

Total	2,655	2,618	2,637	2,685	2,650	2,590	2,759			2,674
=====										
Petroleum Products Sales (MB/D)										
Gasoline	1,500	1,508	1,539	1,595	1,536	1,487	1,602			1,545
Distillates	798	722	751	784	763	863	892			879
Aviation Fuel	184	200	210	203	199	205	224			214
Other	599	640	635	696	643	543	645			594

Total	3,081	3,070	3,135	3,278	3,141	3,098	3,363			3,232
=====										

* Represents 18.75 percent interest in a refinery complex at Karlsruhe, Germany; 16.33 percent interest in two refineries in Kralupy and Litvinov, Czech Republic; and 47 percent interest in a refinery at Melaka, Malaysia.

LUKOIL INVESTMENT

2004

2005

1st Qtr 2nd Qtr 3rd Qtr 4th Qtr YTD 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr YTD

LUKOIL Investment

Net Income (\$ Millions)	-	-	-	74	74	110	148			258
=====										
Upstream										
Production*										
Net crude oil production (MB/D)	-	-	-	150	38	190	215			203
Net natural gas production (MMCF/D)	-	-	-	51	13	67	50			58
BOE Total (MBOE/D)	-	-	-	159	40	201	223			213

* Represents our estimated net share of LUKOIL's production.

Industry Prices

Crude Oil (\$/bbl)										
Urals crude (CIF Mediterranean)	-	-	-	38.82	38.82	43.21	48.49			45.87

Downstream

Refinery Throughput*										
Crude Processed (MB/D)	-	-	-	77	19	92	102			97

* Represents our estimated net share of LUKOIL's crude processed.

MIDSTREAM

2004

2005

1st Qtr 2nd Qtr 3rd Qtr 4th Qtr YTD 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr YTD

Midstream Net Income (\$ Millions)	55	42	38	100	235	385	68			453
=====										
U.S. Equity Affiliate (\$ Millions)*	33	33	26	51	143	359	51			410

Natural Gas Liquids Extracted (MB/D)										
Consolidated										
United States	54	24	28	23	32	23	21			22
International	47	33	49	49	45	53	44			48
Equity Affiliates										
United States*	109	112	111	113	111	110	112			111
International	6	5	6	7	6	6	6			6

Total	216	174	194	192	194	192	183			187
=====										

* Represents 30.3 percent interest in Duke Energy Field Services, LLC (DEFS).

Natural Gas Liquids Fractionated (MB/D)

United States*	158	144	145	140	147	149	131			140
International	63	43	62	62	58	64	55			59

Total	221	187	207	202	205	213	186			199
=====										

* Excludes DEFS.

Product Prices

Weighted Average NGL (\$/bbl)*										
Consolidated	25.68	26.42	31.03	34.40	29.38	31.95	32.49			32.22
DEFS	24.81	25.61	30.27	33.69	28.60	30.61	31.33			30.97

* Prices are based on index prices from the Mont Belvieu and Conway market hubs that are weighted by natural gas liquids component and location mix.

DD&A (\$ Millions)	13	9	11	10	43	9	8			17

CHEMICALS

	2004					2005				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Chemicals										
Net Income (Loss) (\$ Millions)	39	46	81	83	249	133	63			196
Industry Margins (Cents/Lb)*										
Ethylene industry cash margin	9.38	10.70	8.27	12.22	10.14	18.11	12.76			15.44
HDPE industry contract sales margin	9.43	9.21	9.23	11.68	9.89	12.09	12.01			12.05
Styrene industry contract sales margin	13.06	13.33	13.73	13.40	13.38	13.91	13.63			13.77

* Prices, economics and views expressed by CMAI are strictly the opinion of CMAI and Purvin & Gertz and are based on information collected within the public sector and on assessments by CMAI and Purvin & Gertz staff utilizing reasonable care consistent with normal industry practice. CMAI and Purvin & Gertz make no guarantee or warranty and assume no liability as to their use.

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EMERGING BUSINESSES

	2004					2005				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Emerging Businesses										
Net Income (Loss) (\$ Millions)	(22)	(29)	(27)	(24)	(102)	(8)	(8)			(16)
Detail of Net Income (Loss) (\$ Millions)										
Technology Solutions	(4)	(4)	(3)	(7)	(18)	(2)	(4)			(6)
Gas-to-Liquids	(9)	(7)	(9)	(8)	(33)	(7)	(7)			(14)
Power	(4)	(16)	(8)	(3)	(31)	2	9			11
Other	(5)	(2)	(7)	(6)	(20)	(1)	(6)			(7)
Total	(22)	(29)	(27)	(24)	(102)	(8)	(8)			(16)

CORPORATE AND OTHER

	2004					2005				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Corporate and Other										
Net Income (Loss) (\$ Millions)	(177)	(156)	(214)	(225)	(772)	(195)	(172)			(367)
Detail of Net Income (Loss) (\$ Millions)										
Net interest expense	(113)	(143)	(149)	(109)	(514)	(101)	(84)			(185)
Corporate overhead	(48)	(52)	(51)	(61)	(212)	(58)	(46)			(104)
Discontinued operations	13	62	(5)	(48)	22	(11)	7			(4)
Merger-related costs	(14)	-	-	-	(14)	-	-			-
Accounting change	-	-	-	-	-	-	-			-
Other	(15)	(23)	(9)	(7)	(54)	(25)	(49)			(74)
Total	(177)	(156)	(214)	(225)	(772)	(195)	(172)			(367)
Before-Tax Net Interest Expense (\$ Millions)										
Interest expense	(260)	(263)	(222)	(231)	(976)	(226)	(219)			(445)
Capitalized interest	115	104	121	90	430	88	91			179
Interest revenue	16	12	8	11	47	25	24			49
Receivables monetization related	(1)	(1)	3	1	2	(1)	-			(1)
Premium on early debt retirement	-	-	(58)	-	(58)	(9)	-			(9)
	(130)	(148)	(148)	(129)	(555)	(123)	(104)			(227)

Debt									
Total Debt (\$ Millions)	17,109	15,619	15,486	15,002	15,002	14,012	14,013		14,013
Debt-to-Capital Ratio	32%	29%	28%	26%	26%	23%	22%		22%
