

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): **October 25, 2018**

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.)

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:

- 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))

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 October 25, 2018, ConocoPhillips issued a press release announcing the company's financial and operating results for the quarter ended September 30, 2018. 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 October 25, 2018.
99.2	— 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/ Glenda M. Schwarz

Glenda M. Schwarz
Vice President and Controller

October 25, 2018

ConocoPhillips Reports Third-Quarter 2018 Results; Disciplined, Returns-Focused Plan On Track

HOUSTON--(BUSINESS WIRE)--October 25, 2018--ConocoPhillips (NYSE: COP) today reported third-quarter 2018 earnings of \$1.9 billion, or \$1.59 per share, compared with third-quarter 2017 earnings of \$0.4 billion, or \$0.34 per share. Excluding special items, third-quarter 2018 adjusted earnings were \$1.6 billion, or \$1.36 per share, compared with third-quarter 2017 adjusted earnings of \$0.2 billion, or \$0.16 per share. Special items for the current quarter were primarily for amounts recognized from the PDVSA arbitration settlement, partially offset by unrealized losses on Cenovus Energy equity.

Third-Quarter Highlights and Recent Announcements

- Cash provided by operating activities was \$3.4 billion. Excluding working capital, cash from operations of \$3.5 billion exceeded capital expenditures, dividends and share repurchases by \$0.6 billion.
- Third-quarter production excluding Libya of 1,224 MBOED; year-over-year underlying production excluding the impact of closed dispositions grew 6 percent overall and 28 percent on a production per debt-adjusted share basis.
- Year-over-year production from the Lower 48 Big 3 unconventional grew by 48 percent.
- During the quarter, achieved first production from Bohai Phase 3 and from the final phase of drilling at Bayu-Undan. GMT-1 achieved first production in October.
- Ended the quarter with cash, cash equivalents and restricted cash totaling \$3.9 billion and short-term investments of \$0.9 billion, equating to \$4.8 billion of ending cash and short-term investments.
- Repurchased \$0.9 billion of common shares outstanding, bringing year-to-date repurchases to \$2.1 billion.
- Reached a settlement agreement with PDVSA to fully recover an arbitration award of approximately \$2 billion; recognized cash and commodities totaling \$345 million in the quarter, with the remainder of the approximately \$500 million in initial payments due in the fourth quarter.
- Announced Barnett and Greater Sunrise dispositions for \$580 million before customary adjustments.
- Received credit rating upgrades from Fitch and Moody's.
- Announced quarterly dividend increase of 7 percent to 30.5 cents per share.

“We’re delivering another year of strong performance by successfully executing our disciplined, returns-focused plan,” said Ryan Lance, chairman and chief executive officer. “We’ve accomplished many strategic, financial and operational milestones this year, ahead of our original schedule. Our strategy is designed to generate superior returns through cycles by maintaining discipline, focusing on free cash flow and allocating this cash according to clear, shareholder-friendly priorities. This is what the market can expect from us again in 2019.”

Third-Quarter Review

Production excluding Libya for the third quarter of 2018 was 1,224 thousand barrels of oil equivalent per day (MBOED), an increase of 22 MBOED compared with the same period a year ago. The third-quarter volume impact from closed dispositions was approximately 50 MBOED in 2017. Excluding this impact, underlying production increased 6 percent. The increase was primarily due to growth from the Big 3 unconventional, development programs in Europe and Alaska, and ramp-up of major projects in Asia Pacific. These more than offset normal field decline. Production from Libya was 37 MBOED.

In the Lower 48, production from the company's high-margin Big 3 unconventional grew to 313 MBOED, reflecting a 48 percent increase year-over-year. Production from the Big 3 unconventional in the third quarter of 2017 was impacted by 15 MBOED from Hurricane Harvey. Excluding this impact, growth was 38 percent year-over-year. Production from the Big 3 unconventional is expected to grow more than 35 percent for the full year.

During the quarter, the company achieved first production at Bohai Phase 3 and from the final phase of drilling at Bayu-Undan. In Alaska, first production was achieved from GMT-1 in October. The company also sanctioned GMT-2, which leverages existing infrastructure to lower its cost of supply and minimize the environmental footprint. Significant turnarounds were safely and successfully completed in the Western North Slope and Prudhoe Bay in Alaska, as well as in China and Malaysia. In Europe, production was impacted by an unplanned outage at a third-party plant that processes gas from the East Irish Sea in the United Kingdom. Production from the East Irish Sea is expected to resume in the fourth quarter.

Earnings increased versus the third quarter of 2017 primarily as a result of higher realized prices across all commodities, amounts recognized from the PDVSA arbitration settlement, and higher sales volumes. Sales volumes for the quarter exceeded production, resulting in a favorable impact to earnings of approximately \$80 million. Adjusted earnings were improved compared with third-quarter 2017 primarily due to higher realized prices and sales volumes. The company's total realized price was \$57.71 per barrel of oil equivalent (BOE), a 46 percent improvement compared with \$39.49 per BOE in the third quarter of 2017, reflecting stronger market prices and a more liquids-weighted portfolio.

For the quarter, cash provided by operating activities was \$3.41 billion. Excluding a (\$0.05) billion change in working capital, ConocoPhillips generated \$3.46 billion in cash from operations. This exceeded \$1.6 billion in capital expenditures and investments, \$0.93 billion of repurchased shares and \$0.33 billion of dividends by \$0.6 billion.

Nine-Month Review

ConocoPhillips' nine-month 2018 earnings were \$4.4 billion, or \$3.72 per share, compared with a nine-month 2017 loss of \$2.4 billion, or (\$1.98) per share. Nine-month 2018 adjusted earnings were \$4.0 billion, or \$3.41 per share, compared with nine-month 2017 adjusted earnings of \$0.2 billion, or \$0.16 per share.

Production excluding Libya for the first nine months of 2018 was 1,221 MBOED, compared with 1,403 MBOED for the same period in 2017. The nine-month volume impact from closed dispositions was approximately 240 MBOED in 2017. Excluding the impact from closed dispositions, underlying production increased 5 percent. The increase was primarily due to growth from the Big 3 unconventional, development programs in Europe and Alaska, and ramp-up of major projects in Asia Pacific. These more than offset normal field decline.

The company's total realized price during this period was \$54.20 per BOE, compared with \$37.10 per BOE in the first nine months of 2017. This reflected stronger market prices and a more liquids-weighted portfolio.

For the nine months ended Sept. 30, 2018, cash provided by operating activities was \$9.15 billion. Excluding a \$0.04 billion change in working capital, ConocoPhillips generated \$9.11 billion in cash from operations. This exceeded \$5.1 billion in capital expenditures and investments, \$2.1 billion of repurchased shares and \$1.0 billion of dividends by \$0.9 billion. In addition, the company paid \$5.0 billion to reduce debt and sold \$1.0 billion of short-term investments. The \$5.1 billion in capital expenditures and investments included \$0.4 billion for the Alaska Western North Slope bolt-on acquisition and \$0.1 billion to acquire additional acreage in the Montney in Canada.

Outlook

Fourth-quarter 2018 production is expected to be 1,275 to 1,315 MBOED, reflecting the completion of seasonal turnarounds, growth from several conventional project startups and ongoing development in the unconventional. This guidance includes impacts expected from the previously announced Barnett disposition and excludes Libya.

The company adjusted its 2018 capital guidance to \$6.1 billion versus the prior guidance of \$6 billion, reflecting higher partner-operated spend. This guidance excludes the previously announced \$0.4 billion bolt-on acquisition in the Alaska Western North Slope and \$0.1 billion to acquire additional acreage in the Montney in Canada. Full-year guidance for depreciation, depletion and amortization expense was updated to \$6.0 billion from \$5.9 billion. The company's other guidance items are unchanged.

ConocoPhillips will host a conference call today at 12:00 p.m. EDT to discuss this announcement. To listen to the call, as well as view related presentation materials and supplemental information, go to www.conocophillips.com/investor.

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About ConocoPhillips

ConocoPhillips is the world's largest independent E&P company based on production and proved reserves. Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 17 countries, \$71 billion of total assets, and approximately 11,100 employees as of Sept. 30, 2018. Production excluding Libya averaged 1,221 MBOED for the nine months ended Sept. 30, 2018, and proved reserves were 5.0 billion BOE as of Dec. 31, 2017. 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. Forward-looking statements relate to future events and anticipated results of operations, business strategies, and other aspects of our operations or operating results. In many cases you can identify forward-looking statements by terminology such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "on track," "target" and other similar words. 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 have a reasonable basis. However, there can be no assurance that such expectation or belief will result or be achieved. The actual results of operations can and will be affected by a variety of risks and other matters including, but not limited to changes in commodity prices; changes in expected levels of oil and gas reserves or production; operating hazards, drilling risks, unsuccessful exploratory activities; difficulties in developing new products and manufacturing processes; unexpected cost increases or technical difficulties in constructing, maintaining, or modifying company facilities; international monetary conditions and exchange rate fluctuations; changes in international trade relationships, including the imposition of trade restrictions or tariffs relating to crude oil, bitumen, natural gas, LNG, natural gas liquids and any materials or products (such as aluminum and steel) used in the operation of our business; our ability to collect payments when due under our settlement agreement with PDVSA; our ability to liquidate the common stock issued to us by Cenovus Energy Inc. at prices we deem acceptable, or at all; our ability to complete the sale of our announced dispositions or acquisitions on the timeline currently anticipated, if at all; the possibility that regulatory approvals for our announced 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 our announced dispositions, acquisitions, or our remaining business; business disruptions during or following our announced dispositions or acquisitions, including the diversion of management time and attention; the ability to deploy net proceeds from our announced dispositions in the manner and timeframe we currently anticipate, if at all; potential liability for remedial actions under existing or future environmental regulations; potential liability resulting from pending or future litigation; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; and general domestic and international economic and political conditions; as well as changes in tax, environmental and other laws applicable to our business. Other factors that could cause actual results to differ materially from those described in the forward-looking statements include other economic, business, competitive and/or regulatory factors affecting our business generally as set forth in our filings with the Securities and Exchange Commission (SEC). Unless legally required, ConocoPhillips undertakes no obligation to update publicly 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.*

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 and controllable costs associated with the company's core business operations across periods on a consistent basis and with the performance and cost structures of peer companies in a manner that, when viewed in combination with the company's results prepared in accordance with GAAP, provide a more complete understanding of the factors and trends affecting the company's business and performance. The company further believes that the non-GAAP measure cash from operations is useful to investors to help understand changes in cash provided by operating activities excluding the impact of working capital changes across periods on a consistent basis and with the performance of peer companies in a manner that, 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.

The release also contains the non-GAAP term free cash flow. Free cash flow is cash provided by operating activities excluding operating working capital in excess of capital expenditures and investments. The company believes that free cash flow is useful to investors as it provides measures to compare cash provided by operating activities excluding operating working capital after deduction of capital expenditures and investments across periods on a consistent basis.

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 – The release also contains the terms underlying production and production per debt-adjusted share. Underlying production excludes Libya and closed dispositions. Production per debt-adjusted share is calculated on an underlying production basis using ending period debt divided by ending share price plus ending shares outstanding. The company believes that underlying production is useful to investors to compare production excluding Libya and the full impact of closed dispositions on a consistent go-forward basis with peer companies. The company believes that production per debt-adjusted share is useful to investors as it provides a consistent view of production on a total equity basis by converting debt to equity and allows for comparisons across peer companies.

References in the release to earnings refer to net income/(loss) attributable to ConocoPhillips.

ConocoPhillips
Table 1: Reconciliation of earnings to adjusted earnings

\$ Millions, Except as Indicated

	3Q18				3Q17				2018 YTD				2017 YTD			
	Pre-tax	Income	After-tax	Per share	Pre-tax	Income	After-tax	Per share	Pre-tax	Income	After-tax	Per	Pre-tax	Income	After-tax	Per
	tax			of	tax			of	tax			share	tax			of
				common				common				of				common
				stock				stock				common				stock
				(dollars)				(dollars)				(dollars)				(dollars)
Earnings			\$ 1,861	1.59			420	0.34			4,389	3.72			(2,434)	(1.98)
Adjustments:																
Premiums on early debt retirement	-	-	-	-	51	(11)	40	0.03	208	(13)	195	0.17	285	(60)	225	0.18
Unrealized (gain) loss on CVE equity	76	(16)	60	0.05	-	-	-	-	(195)	28	(167)	(0.14)	-	-	-	-
Pending claims and settlements	(286)	7	(279)	(0.24)	9	(21)	(12)	(0.01)	(421)	72	(349)	(0.30)	7	(90)	(83)	(0.07)
Impairments	43	(10)	33	0.03	2	(1)	1	0.00	-	9	9	0.01	6,511	(1,481)	5,030	4.09
Pension settlement expense	14	(3)	11	0.01	20	(6)	14	0.01	161	(29)	132	0.11	116	(34)	82	0.07
Restructuring	37	(8)	29	0.02	3	(1)	2	0.00	37	(8)	29	0.02	44	(15)	29	0.02
Net (gain) loss on asset sales	(101)	25	(76)	(0.06)	(231)	78	(153)	(0.12)	(151)	39	(112)	(0.09)	(2,086)	(441)	(2,527)	(2.05)
Recognition of deferred licensing revenue	(44)	-	(44)	(0.04)	-	-	-	-	(104)	-	(104)	(0.09)	-	-	-	-
Deferred tax adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	(37)	(37)	(0.03)
Nova Scotia deepwater exploration exit	-	-	-	-	-	(114)	(114)	(0.09)	-	-	-	-	-	(114)	(114)	(0.09)
Rig termination	-	-	-	-	-	-	-	-	-	-	-	-	43	(15)	28	0.02
Adjusted earnings / (loss)			\$ 1,595	1.36			198	0.16			4,022	3.41			199	0.16

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.

CONTACT:

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Third-Quarter 2018 Detailed Supplemental Information

2017

2018

\$ Millions, Except as Indicated

CONSOLIDATED INCOME STATEMENT

Revenues and Other Income

	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Sales and other operating revenues	7,518	6,781	6,688	8,119	29,106	8,798	8,504	9,449		26,751
Equity in earnings of affiliates	200	178	196	198	772	208	265	294		767
Gain on dispositions	22	1,876	246	33	2,177	7	55	113		175
Other income (loss)	31	47	65	386	529	(52)	416	309		673
Total Revenues and Other Income	7,771	8,882	7,195	8,736	32,584	8,961	9,240	10,165		28,366

Costs and Expenses

Purchased commodities	3,192	2,922	2,926	3,435	12,475	3,714	3,064	3,530		10,308
Production and operating expenses*	1,291	1,325	1,222	1,324	5,162	1,171	1,313	1,367		3,851
Selling, general and administrative expenses*	97	95	110	125	427	99	118	119		336
Exploration expenses*	550	97	73	214	934	95	69	103		267
Depreciation, depletion and amortization	1,979	1,625	1,608	1,633	6,845	1,412	1,438	1,494		4,344
Impairments	175	6,294	6	126	6,601	12	(35)	44		21
Taxes other than income taxes	231	198	175	205	809	183	273	312		768
Accretion on discounted liabilities	95	92	89	86	362	88	89	89		266
Interest and debt expense	315	306	251	226	1,098	184	177	186		547
Foreign currency transaction (gains) losses	10	13	5	7	35	30	(28)	5		7
Other expenses*	68	276	77	30	451	197	143	10		350
Total Costs and Expenses	8,003	13,243	6,542	7,411	35,199	7,185	6,621	7,259		21,065

Income (loss) before income taxes

Income (loss) before income taxes	(232)	(4,361)	653	1,325	(2,615)	1,776	2,619	2,906		7,301
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Income tax provision (benefit)	(831)	(935)	217	(273)	(1,822)	876	965	1,033		2,874
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Net Income (Loss)	599	(3,426)	436	1,598	(793)	900	1,654	1,873		4,427
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Less: net income attributable to noncontrolling interests	(13)	(14)	(16)	(19)	(62)	(12)	(14)	(12)		(38)
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Net Income (Loss) Attributable to ConocoPhillips	586	(3,440)	420	1,579	(855)	888	1,640	1,861		4,389
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Net Income (Loss) Attributable to ConocoPhillips

Per Share of Common Stock (dollars)										
Basic	0.47	(2.78)	0.35	1.32	(0.70)	0.75	1.40	1.60		3.74
Diluted	0.47	(2.78)	0.34	1.32	(0.70)	0.75	1.39	1.59		3.72

Average Common Shares Outstanding (in thousands)**

Basic	1,243,280	1,236,831	1,212,454	1,192,243	1,221,038	1,179,792	1,172,378	1,163,033		1,171,673
Diluted	1,248,722	1,236,831	1,215,341	1,198,276	1,221,038	1,186,454	1,181,167	1,172,694		1,180,774

*2017 has been restated to align with current period financial statements.

**Ending Common Shares Outstanding is 1,151,242 as of Sep. 30, 2018, compared with 1,162,095 as of Jun. 30, 2018.

INCOME (LOSS) BEFORE INCOME TAXES

Alaska	6	215	159	396	776	654	531	535		1,720
Lower 48	(562)	(4,013)	(148)	(102)	(4,825)	398	523	660		1,581
Canada	(87)	1,846	243	(55)	1,947	(105)	47	49		(9)
Europe and North Africa	533	276	303	607	1,719	771	862	811		2,444
Asia Pacific and Middle East	392	(2,052)	452	524	(684)	653	629	815		2,097
Other International	(68)	(11)	(15)	282	188	(10)	(2)	334		322
Corporate and Other	(446)	(622)	(341)	(327)	(1,736)	(585)	29	(298)		(854)
Consolidated	(232)	(4,361)	653	1,325	(2,615)	1,776	2,619	2,906		7,301

EFFECTIVE INCOME TAX RATES

Alaska*	295.2%	7.4%	35.3%	-195.8%	-88.7%	19.9%	21.4%	20.1%		20.4%
Lower 48	35.5%	36.8%	34.8%	710.1%	50.9%	22.6%	21.7%	22.2%		22.1%
Canada	1193.9%	25.2%	-14.8%	21.9%	-31.7%	38.4%	29.7%	31.2%		118.4%
Europe and North Africa	67.8%	55.5%	72.0%	71.2%	67.8%	68.3%	66.3%	70.3%		68.3%
Asia Pacific and Middle East	36.6%	-5.2%	8.9%	11.9%	-51.4%	27.6%	23.5%	27.8%		26.5%
Other International	29.6%	14.2%	-27.3%	13.7%	11.3%	-336.7%	-102.3%	5.4%		16.9%
Corporate and Other	22.0%	31.8%	4.2%	-217.2%	-23.0%	7.5%	5.3%	17.3%		11.0%
Consolidated	359.0%	21.4%	33.2%	-20.5%	69.7%	49.3%	36.8%	35.5%		39.4%

*Alaska including taxes other than income taxes.

	111.9%	32.2%	56.6%	-142.9%	-32.5%	22.4%	36.1%	37.1%		31.8%
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\$ Millions	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
EARNINGS BY SEGMENT										
Alaska	(11)	199	103	1,175	1,466	524	418	427		1,369
Lower 48	(362)	(2,536)	(97)	624	(2,371)	308	410	513		1,231
Canada	948	1,379	280	(43)	2,564	(65)	33	34		2
Europe and North Africa	171	123	85	174	553	245	290	241		776
Asia Pacific and Middle East	236	(2,172)	396	442	(1,098)	461	466	577		1,504
Other International	(48)	(9)	(20)	244	167	(44)	(5)	316		267
Corporate and Other	(348)	(424)	(327)	(1,037)	(2,136)	(541)	28	(247)		(760)
Consolidated	586	(3,440)	420	1,579	(855)	888	1,640	1,861		4,389

SPECIAL ITEMS

Alaska	(110)	32	-	892	814	79	-	-		79
Lower 48	(33)	(2,464)	(40)	610	(1,927)	(8)	-	(37)		(45)
Canada	977	1,366	304	(5)	2,642	-	36	32		68
Europe and North Africa	-	41	-	12	53	-	32	-		32
Asia Pacific and Middle East	-	(2,384)	83	74	(2,227)	-	-	-		-
Other International	(28)	-	-	275	247	(34)	-	325		291
Corporate and Other	(43)	(209)	(125)	(819)	(1,196)	(285)	281	(54)		(58)
Consolidated	763	(3,618)	222	1,039	(1,594)	(248)	349	266		367

Detailed reconciliation of these items is provided on page 3.

ADJUSTED EARNINGS

Alaska	99	167	103	283	652	445	418	427		1,290
Lower 48	(329)	(72)	(57)	14	(444)	316	410	550		1,276
Canada	(29)	13	(24)	(38)	(78)	(65)	(3)	2		(66)
Europe and North Africa	171	82	85	162	500	245	258	241		744
Asia Pacific and Middle East	236	212	313	368	1,129	461	466	577		1,504
Other International	(20)	(9)	(20)	(31)	(80)	(10)	(5)	(9)		(24)
Corporate and Other	(305)	(215)	(202)	(218)	(940)	(256)	(253)	(193)		(702)
Consolidated	(177)	178	198	540	739	1,136	1,291	1,595		4,022

ADJUSTED EFFECTIVE INCOME TAX RATES

Alaska	44.9%	22.3%	35.3%	28.8%	31.5%	19.5%	21.4%	20.1%		20.3%
Lower 48	35.5%	37.9%	39.2%	28.3%	36.6%	22.5%	21.7%	22.3%		22.2%
Canada	50.9%	-83.2%	34.7%	31.0%	46.0%	38.4%	-1.5%	61.1%		36.6%
Europe and North Africa	67.8%	70.4%	72.0%	71.7%	70.3%	68.3%	68.1%	70.3%		68.9%
Asia Pacific and Middle East	36.6%	31.9%	27.2%	26.0%	29.9%	27.6%	23.5%	27.8%		26.5%
Other International	20.4%	14.2%	-27.3%	16.9%	9.9%	0.7%	-102.3%	17.2%		-1.9%
Corporate and Other	21.1%	39.2%	22.7%	30.4%	28.5%	13.8%	5.8%	11.3%		10.4%
Consolidated	232.5%	45.2%	57.7%	49.5%	61.6%	41.8%	41.2%	39.2%		40.6%

\$ Millions	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
DETAILED SPECIAL ITEMS										
Alaska										
Impairments	(174)	-	-	-	(174)	-	-	-	-	-
Pending claims and settlements	-	-	-	-	-	101	-	-	-	101
Subtotal before income taxes	(174)	-	-	-	(174)	101	-	-	-	101
Income tax provision (benefit) ¹	(64)	(32)	-	(892)	(988)	22	-	-	-	22
Total	(110)	32	-	892	814	79	-	-	-	79
Lower 48										
Restructuring	-	(15)	(3)	1	(17)	-	-	(20)	-	(20)
Impairments	(51)	(3,882)	(2)	(122)	(4,057)	(10)	-	(43)	-	(53)
Gain (loss) on asset sales	-	-	(50)	-	(50)	-	-	56	-	56
Pending claims and settlements	-	-	-	-	-	-	-	(41)	-	(41)
Subtotal before income taxes	(51)	(3,897)	(55)	(121)	(4,124)	(10)	-	(48)	-	(58)
Income tax provision (benefit) ¹	(18)	(1,433)	(15)	(731)	(2,197)	(2)	-	(11)	-	(13)
Total	(33)	(2,464)	(40)	610	(1,927)	(8)	-	(37)	-	(45)
Canada										
Gain (loss) on asset sales	-	1,855	281	-	2,136	-	50	45	-	95
Impairments	-	(18)	-	-	(18)	-	-	-	-	-
Restructuring	(27)	1	-	-	(26)	-	-	-	-	-
Subtotal before income taxes	(27)	1,838	281	-	2,092	-	50	45	-	95
Income tax provision (benefit) ²	(1,004)	472	(23)	5	(550)	-	14	13	-	27
Total	977	1,366	304	(5)	2,642	-	36	32	-	68
Europe and North Africa										
Impairments	-	-	-	33	33	-	53	-	-	53
Subtotal before income taxes	-	-	-	33	33	-	53	-	-	53
Income tax provision (benefit) ³	-	(41)	-	21	(20)	-	21	-	-	21
Total	-	41	-	12	53	-	32	-	-	32
Asia Pacific and Middle East										
Impairments	-	(2,384)	-	-	(2,384)	-	-	-	-	-
Subtotal before income taxes	-	(2,384)	-	-	(2,384)	-	-	-	-	-
Income tax provision (benefit) ⁴	-	-	(83)	(74)	(157)	-	-	-	-	-
Total	-	(2,384)	83	74	(2,227)	-	-	-	-	-
Other International										
Pending claims and settlements	-	-	-	320	320	-	-	345	-	345
Rig termination	(43)	-	-	-	(43)	-	-	-	-	-
Subtotal before income taxes	(43)	-	-	320	277	-	-	345	-	345
Income tax provision (benefit) ⁵	(15)	-	-	45	30	34	-	20	-	54
Total	(28)	-	-	275	247	(34)	-	325	-	291
Corporate and Other										
Pension settlement expense	(60)	(36)	(20)	(14)	(130)	-	(147)	(14)	-	(161)
Pending claims and settlements	-	2	(9)	17	10	34	-	(18)	-	16
Premiums on early debt retirement	-	(234)	(51)	(17)	(302)	(206)	(2)	-	-	(208)
Unrealized gain (loss) on CVE equity	-	-	-	-	-	(116)	387	(76)	-	195
Recognition of deferred licensing revenue ⁶	-	-	-	-	-	-	60	44	-	104
Restructuring	-	-	-	-	-	-	-	(17)	-	(17)
Subtotal before income taxes	(60)	(268)	(80)	(14)	(422)	(288)	298	(81)	-	(71)
Income tax provision (benefit) ⁴	(17)	(59)	45	805	774	(3)	17	(27)	-	(13)
Total	(43)	(209)	(125)	(819)	(1,196)	(285)	281	(54)	-	(58)
Total Company	763	(3,618)	222	1,039	(1,594)	(248)	349	266	-	367

¹Includes deferred tax adjustment in 2Q 2017 in Lower 48 and Alaska; pending claims and settlements in 2Q 2017 in Alaska; and 4Q 2017 U.S. Tax Reform.

²Includes tax adjustment related to Canadian disposition in 1Q 2017; tax benefit related to our prior decision to exit Nova Scotia deepwater exploration in 3Q 2017; and 4Q 2017 U.S. Tax Reform.

³Includes pending claims and settlements in 2Q 2017; 4Q 2017 deferred tax adjustment in U.K.; and 4Q 2017 U.S. Tax Reform.

⁴Includes pending claims and settlements in 3Q 2017 and 4Q 2017 U.S. Tax Reform.

⁵Includes 4Q 2017 U.S. Tax Reform and 1Q 2018 Nigeria tax settlement.

⁶Pursuant to adoption of ASC Topic 606 in 2018.

	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
\$ Millions										
CASH FLOW INFORMATION										
Cash Flows from Operating Activities										
Net income (loss)	599	(3,426)	436	1,598	(793)	900	1,654	1,873		4,427
Depreciation, depletion and amortization	1,979	1,625	1,608	1,633	6,845	1,412	1,438	1,494		4,344
Impairments	175	6,294	6	126	6,601	12	(35)	44		21
Dry hole costs and leasehold impairments	406	22	7	131	566	20	16	28		64
Accretion on discounted liabilities	95	92	89	86	362	88	89	89		266
Deferred taxes	(1,314)	(1,234)	(222)	(911)	(3,681)	65	197	136		398
Undistributed equity earnings	(43)	(78)	(72)	(39)	(232)	(34)	128	(105)		(11)
Gain on dispositions	(22)	(1,876)	(246)	(33)	(2,177)	(7)	(55)	(113)		(175)
Other	(47)	222	(542)	(62)	(429)	29	(267)	15		(223)
Net working capital changes	(38)	110	(9)	(48)	15	(86)	177	(51)		40
Net Cash Provided by Operating Activities	1,790	1,751	1,055	2,481	7,077	2,399	3,342	3,410		9,151
Cash Flows from Investing Activities										
Capital expenditures and investments	(966)	(1,020)	(1,088)	(1,517)	(4,591)	(1,535)	(1,999)	(1,599)		(5,133)
Working capital changes associated with investing activities	(26)	(87)	95	150	132	28	(120)	35		(57)
Proceeds from asset dispositions	35	10,707	2,998	120	13,860	169	139	86		394
Net sales (purchases) of short-term investments	(203)	(2,450)	70	793	(1,790)	1,593	(336)	(261)		996
Long-term collections from (advances to) related parties and other investments	186	47	(67)	(15)	151	(333)	367	101		135
Net Cash Provided by (Used in) Investing Activities	(974)	7,197	2,008	(469)	7,762	(78)	(1,949)	(1,638)		(3,665)
Cash Flows from Financing Activities										
Repayment of debt	(839)	(3,240)	(2,515)	(1,282)	(7,876)	(2,888)	(2,064)	(18)		(4,970)
Issuance of company common stock	(46)	(17)	(2)	2	(63)	(18)	60	79		121
Repurchase of company common stock	(112)	(963)	(970)	(955)	(3,000)	(500)	(646)	(927)		(2,073)
Dividends paid	(331)	(331)	(324)	(319)	(1,305)	(338)	(337)	(334)		(1,009)
Other	(16)	(48)	(16)	(32)	(112)	(32)	(16)	(63)		(111)
Net Cash Provided by (Used in) Financing Activities	(1,344)	(4,599)	(3,827)	(2,586)	(12,356)	(3,776)	(3,003)	(1,263)		(8,042)
Effect of Exchange Rate Changes	27	76	141	(12)	232	125	(139)	(26)		(40)
Net Change in Cash, Cash Equivalents and Restricted Cash	(501)	4,425	(623)	(586)	2,715	(1,330)	(1,749)	483		(2,596)
Cash, cash equivalents and restricted cash at beginning of period*	3,610	3,109	7,534	6,911	3,610	6,536	5,206	3,457		6,536
Cash, Cash Equivalents and Restricted Cash at End of Period	3,109	7,534	6,911	6,325	6,325	5,206	3,457	3,940		3,940

*2018 Cash, cash equivalents and restricted cash at beginning of period has been restated to include \$211MM of restricted cash.

CAPITAL EXPENDITURES AND INVESTMENTS

Alaska	228	229	179	179	815	263	581	190		1,034
Lower 48	343	383	508	902	2,136	751	889	835		2,475
Canada	62	85	33	22	202	173	45	100		318
Europe and North Africa	200	212	245	215	872	216	246	216		678
Asia Pacific and Middle East	109	93	114	166	482	99	194	200		493
Other International	5	5	7	4	21	1	2	3		6
Corporate and Other	19	13	2	29	63	32	42	55		129
Total Capital Expenditures and Investments	966	1,020	1,088	1,517	4,591	1,535	1,999	1,599		5,133

	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
TOTAL SEGMENTS										
Production										
Total (MBOED)	1,593	1,437	1,226	1,256	1,377	1,269	1,249	1,261		1,261
Crude Oil (MBD)										
Consolidated operations	588	576	568	608	585	621	610	622		618
Equity affiliates	13	14	14	14	14	15	14	13		14
Total	601	590	582	622	599	636	624	635		632
Over (under) lifting of crude oil (MBD)	36	28	11	13	22	15	9	28		17
NGL (MBD)										
Consolidated operations	127	119	87	84	104	88	95	98		94
Equity affiliates	7	8	8	5	7	8	8	8		8
Total	134	127	95	89	111	96	103	106		102
Bitumen (MBD)										
Consolidated operations	52	52	63	67	59	66	63	65		65
Equity affiliates	171	85	-	-	63	-	-	-		-
Total	223	137	63	67	122	66	63	65		65
Natural Gas (MMCFD)										
Consolidated operations	2,874	2,484	1,878	1,833	2,263	1,775	1,700	1,707		1,727
Equity affiliates	935	1,015	1,040	1,035	1,007	1,053	1,054	1,025		1,044
Total	3,809	3,499	2,918	2,868	3,270	2,828	2,754	2,732		2,771
Industry Prices										
Crude Oil (\$/BBL)										
WTI	51.83	48.24	48.16	55.35	50.90	62.88	67.99	69.71		66.86
WCS	37.25	37.12	38.22	43.08	38.92	38.60	48.72	47.47		44.93
Brent dated	53.78	49.83	52.09	61.39	54.27	66.76	74.35	75.27		72.13
JCC (\$/BBL)	47.21	54.95	53.16	49.87	51.30	58.62	66.66	71.51		65.60
Natural Gas (\$/MMBTU)										
Henry Hub first of month	3.32	3.19	2.99	2.93	3.11	3.01	2.80	2.91		2.90
Average Realized Prices										
Crude Oil (\$/BBL)										
Consolidated operations	50.86	48.11	49.31	58.95	51.89	65.47	70.42	72.97		69.67
Equity affiliates	55.58	50.55	52.29	60.52	54.76	66.50	76.11	76.62		73.00
Total	50.97	48.16	49.39	58.99	51.96	65.49	70.55	73.05		69.74
NGL (\$/BBL)										
Consolidated operations	23.81	19.97	22.50	32.08	24.21	26.68	28.57	33.80		29.87
Equity affiliates	43.20	34.49	35.94	44.06	38.74	43.99	43.60	49.71		45.74
Total	24.87	20.99	23.82	32.79	25.22	28.37	29.94	35.14		31.31
Bitumen (\$/BBL)										
Consolidated operations	15.63	19.28	24.19	25.20	21.43	14.06	32.38	34.15		26.46
Equity affiliates	23.63	24.19	-	-	23.83	-	-	-		-
Total	21.56	22.42	24.19	25.20	22.66	14.06	32.38	34.15		26.46
Natural Gas (\$/MCF)										
Consolidated operations	3.78	3.64	3.88	4.80	3.97	5.18	4.85	5.48		5.18
Equity affiliates	4.00	4.29	4.51	4.25	4.27	5.04	5.72	6.35		5.70
Total	3.84	3.83	4.11	4.59	4.07	5.13	5.18	5.81		5.37
Exploration Expenses (\$ Millions)										
Dry holes	343	14	(3)	76	430	15	1	12		28
Leasehold impairment	63	8	10	55	136	5	15	16		36
Total noncash expenses	406	22	7	131	566	20	16	28		64
Other (G&A, G&G and lease rentals)*	144	75	66	83	368	75	53	75		203
Total exploration expenses*	550	97	73	214	934	95	69	103		267
U.S. exploration expenses*	427	43	38	152	660	66	49	59		174
International exploration expenses*	123	54	35	62	274	29	20	44		93
<i>*2017 has been restated to align with current period financial statements.</i>										
DD&A (\$ Millions)										
Alaska	234	216	188	208	846	185	182	161		528
Lower 48	819	666	612	627	2,724	498	553	603		1,654
Canada	196	70	84	89	439	91	85	89		265
Europe and North Africa	346	318	317	286	1,267	285	275	281		841
Asia Pacific and Middle East	350	321	374	390	1,435	327	317	334		978
Other International	-	-	-	-	-	-	-	-		-
Corporate and Other	34	34	33	33	134	26	26	26		78
Total DD&A	1,979	1,625	1,608	1,633	6,845	1,412	1,438	1,494		4,344

	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
PRODUCTION										
Crude Oil (MBD)										
Alaska	175	169	154	173	167	174	170	152		165
Lower 48	176	179	175	191	180	197	218	240		218
Canada	6	3	1	2	3	2	1	1		1
Norway	103	99	95	90	97	89	82	89		87
United Kingdom	28	26	23	24	25	29	23	23		25
Libya	9	11	23	34	20	40	34	33		35
Europe and North Africa	140	136	141	148	142	158	139	145		147
Australia/Timor-Leste	7	6	6	6	6	4	3	3		4
China	41	38	37	35	38	37	29	34		34
Indonesia	2	2	2	2	2	2	2	2		2
Malaysia	41	43	52	51	47	47	48	45		47
Equity affiliates	13	14	14	14	14	15	14	13		14
AP/ME	104	103	111	108	107	105	96	97		101
Total	601	590	582	622	599	636	624	635		632
NGL (MBD)										
Alaska	15	14	11	15	14	16	14	12		14
Lower 48	75	79	64	58	69	60	70	73		68
Canada	23	13	1	-	9	-	-	2		1
Norway	4	4	4	4	4	4	4	4		4
United Kingdom	5	5	3	3	4	4	4	4		4
Europe and North Africa	9	9	7	7	8	8	8	8		8
Australia/Timor-Leste	5	4	4	4	4	4	3	3		3
Equity affiliates	7	8	8	5	7	8	8	8		8
AP/ME	12	12	12	9	11	12	11	11		11
Total	134	127	95	89	111	96	103	106		102
Bitumen (MBD)										
Consolidated operations	52	52	63	67	59	66	63	65		65
Equity affiliates	171	85	-	-	63	-	-	-		-
Total	223	137	63	67	122	66	63	65		65
Natural Gas (MMCFD)										
Alaska	7	7	5	7	7	7	6	5		6
Lower 48	1,116	1,142	765	576	898	568	593	608		589
Canada	488	247	10	12	187	13	14	12		13
Norway	213	188	193	206	200	208	172	189		190
United Kingdom	328	284	209	284	276	309	309	238		285
Libya	3	4	6	20	8	31	26	25		27
Europe and North Africa	544	476	408	510	484	548	507	452		502
Australia/Timor-Leste	284	260	241	286	267	295	241	289		275
Indonesia	327	276	323	305	308	307	305	316		310
Malaysia	108	76	126	137	112	37	34	25		32
Equity affiliates	935	1,015	1,040	1,035	1,007	1,053	1,054	1,025		1,044
AP/ME	1,654	1,627	1,730	1,763	1,694	1,692	1,634	1,655		1,661
Total	3,809	3,499	2,918	2,868	3,270	2,828	2,754	2,732		2,771
Total (MBOED)										
Alaska	191	184	166	189	182	191	185	165		180
Lower 48	437	448	366	345	399	352	387	414		384
Consolidated operations	162	109	67	71	102	70	67	70		69
Equity affiliates	171	85	-	-	63	-	-	-		-
Canada	333	194	67	71	165	70	67	70		69
Norway	143	134	131	128	134	128	114	125		123
United Kingdom	88	78	61	75	75	85	78	67		77
Libya	9	12	24	37	21	45	38	37		40
Europe and North Africa	240	224	216	240	230	258	230	229		240
Australia/Timor-Leste	59	53	50	58	55	57	46	54		53
China	41	38	37	35	38	37	29	34		34
Indonesia	57	48	56	52	53	53	53	54		53
Malaysia	59	56	73	74	66	53	54	49		52
Equity affiliates	176	192	195	192	189	198	198	192		196
AP/ME	392	387	411	411	401	398	380	383		388
Total	1,593	1,437	1,226	1,256	1,377	1,269	1,249	1,261		1,261

	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
AVERAGE REALIZED PRICES										
Crude Oil (\$/BBL)										
Consolidated operations										
Alaska	52.09	49.95	50.53	60.68	53.33	68.31	72.49	76.47		72.44
Lower 48	45.89	43.38	45.29	54.27	47.36	61.99	65.79	67.73		65.38
Canada	43.82	43.35	-	-	43.69	-	-	-		-
Norway	54.14	51.19	51.94	62.28	54.61	65.84	73.13	77.74		72.10
United Kingdom	50.09	51.72	46.88	57.63	51.85	64.27	70.97	76.51		70.08
Libya	52.98	48.77	51.00	60.82	55.11	65.90	72.86	73.42		70.51
Europe and North Africa	53.34	50.98	51.05	61.04	54.21	65.57	72.65	76.54		71.38
Australia/Timor-Leste	53.85	49.43	50.35	63.35	54.10	70.71	72.25	71.12		71.38
China	50.31	46.00	49.09	58.07	50.91	62.49	69.51	70.71		67.31
Indonesia	42.45	37.44	38.89	75.00	47.09	58.60	49.93	55.16		54.50
Malaysia	58.13	52.64	54.66	64.54	57.59	70.42	78.42	79.32		75.86
AP/ME	53.74	49.28	52.06	62.09	54.38	67.07	74.88	74.78		71.98
Total consolidated operations	50.86	48.11	49.31	58.95	51.89	65.47	70.42	72.97		69.67
Equity affiliates	55.58	50.55	52.29	60.52	54.76	66.50	76.11	76.62		73.00
Total	50.97	48.16	49.39	58.99	51.96	65.49	70.55	73.05		69.74
NGL (\$/BBL)										
Consolidated operations										
Lower 48	22.07	18.99	20.72	28.41	22.20	24.57	26.71	32.17		28.06
Canada	21.32	20.96	-	-	21.51	-	-	-		-
Norway	31.77	24.24	28.86	40.56	34.14	32.58	41.12	35.57		36.90
United Kingdom	30.32	25.32	33.07	43.60	33.98	33.43	39.77	40.43		38.41
Europe and North Africa	31.21	24.88	31.16	41.74	34.07	32.98	40.35	38.80		37.75
Australia/Timor-Leste	42.96	34.54	35.74	49.26	41.37	44.36	44.23	52.30		48.15
AP/ME	42.96	34.54	35.74	49.26	41.37	44.36	44.23	52.30		48.15
Total consolidated operations	23.81	19.97	22.50	32.08	24.21	26.68	28.57	33.80		29.87
Equity affiliates	43.20	34.49	35.94	44.06	38.74	43.99	43.60	49.71		45.74
Total	24.87	20.99	23.82	32.79	25.22	28.37	29.94	35.14		31.31
Bitumen (\$/BBL)										
Consolidated operations*	15.63	19.28	24.19	25.20	21.43	14.06	32.38	34.15		26.46
Equity affiliates	23.63	24.19	-	-	23.83	-	-	-		-
Total	21.56	22.42	24.19	25.20	22.66	14.06	32.38	34.15		26.46
Natural Gas (\$/MCF)										
Consolidated operations										
Alaska	3.53	1.43	4.55	2.59	2.72	2.51	2.51	2.52		2.51
Lower 48	2.83	2.72	2.63	2.68	2.73	2.76	2.34	2.80		2.63
Canada	1.95	2.00	-	-	1.93	-	-	-		-
Norway	5.52	4.87	5.00	6.59	5.54	7.32	7.19	8.23		7.63
United Kingdom	6.07	4.99	5.20	6.89	5.84	7.58	7.31	7.37		7.42
Libya	-	-	0.09	3.68	3.53	5.62	5.52	4.11		5.12
Europe and North Africa	5.86	4.95	5.09	6.65	5.70	7.38	7.19	7.62		7.40
Australia/Timor-Leste**	0.57	0.77	0.64	0.61	0.65	0.62	0.69	1.14		0.82
Indonesia	6.52	6.34	5.81	6.38	6.26	6.61	6.96	7.09		6.89
Malaysia	2.82	3.07	3.30	3.16	3.10	2.78	3.06	3.11		2.97
AP/ME	4.96	5.05	4.63	5.27	4.98	5.57	5.50	6.53		5.88
Total consolidated operations	3.78	3.64	3.88	4.80	3.97	5.18	4.85	5.48		5.18
Equity affiliates	4.00	4.29	4.51	4.25	4.27	5.04	5.72	6.35		5.70
Total	3.84	3.83	4.11	4.59	4.07	5.13	5.18	5.81		5.37

*2018 average realized prices do not reflect additional value realized through pipeline capacity optimization between Canada and the U.S. Gulf Coast.

**Excludes transfers to Darwin LNG plant.

CORPORATE AND OTHER	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Corporate and Other Earnings (Loss) (\$ Millions)	(348)	(424)	(327)	(1,037)	(2,136)	(541)	28	(247)		(760)
Detail of Earnings (Loss) (\$ Millions)										
Net interest expense	(253)	(174)	(176)	(136)	(739)	(160)	(174)	(174)		(508)
Corporate G&A expenses*	(51)	(39)	(42)	(61)	(193)	(50)	(53)	(36)		(139)
Technology**	9	-	20	(9)	20	(10)	63	64		117
Other*	(53)	(211)	(129)	(831)	(1,224)	(321)	192	(101)		(230)
Total	(348)	(424)	(327)	(1,037)	(2,136)	(541)	28	(247)		(760)
<i>*2017 has been restated to align with current period financial statements.</i>										
<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	(340)	(336)	(282)	(259)	(1,217)	(221)	(222)	(236)		(679)
Capitalized interest	25	30	31	33	119	37	45	50		132
Interest revenue	11	17	29	43	100	22	15	18		55
Total	(304)	(289)	(222)	(183)	(998)	(162)	(162)	(168)		(492)
Debt										
Total debt (\$ Millions)	26,435	23,468	21,004	19,703	19,703	17,046	14,974	14,997		14,997
Debt-to-capital ratio (%)	43%	43%	41%	39%	39%	36%	32%	32%		32%
Equity (\$ Millions)	35,601	30,499	30,712	30,801	30,801	30,718	31,222	32,079		32,079

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