

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): January 26, 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 January 26, 2005, ConocoPhillips issued a press release announcing the company's financial and operating results for the quarter ended December 31, 2004. 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 January 26, 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

January 26, 2005

EXHIBIT INDEX

Exhibit No. -----	Description -----
99.1	Press release issued by ConocoPhillips on January 26, 2005.
99.2	Financial and operational tables.
99.3	Supplemental financial information.

ConocoPhillips Reports Fourth-Quarter Net Income of \$2.4 Billion;
Full-Year 2004 Net Income Totals \$8.1 Billion

HOUSTON--(BUSINESS WIRE)--Jan. 26, 2005--ConocoPhillips (NYSE:COP)

Earnings at a glance

	Fourth Quarter		Twelve Months	
	2004	2003	2004	2003
Income from continuing operations	\$2,480 million	\$985 million	\$8,107 million	\$4,593 million
Income (loss) from discontinued operations	\$ (48)	\$ 36	\$ 22	\$ 237
Cumulative effect of changes in accounting principles	\$ -	\$ -	\$ -	\$ (95)
Net income	\$2,432	\$1,021	\$8,129	\$4,735
Diluted income per share				
Income from continuing operations	\$ 3.51	\$ 1.43	\$11.57	\$ 6.70
Net income	\$ 3.44	\$ 1.48	\$11.60	\$ 6.91
Revenues	\$ 40.1 billion	\$ 26.0 billion	\$136.9 billion	\$105.1 billion

ConocoPhillips (NYSE:COP) today reported fourth-quarter net income of \$2,432 million, compared with \$1,021 million for the same quarter in 2003. Net income per share for the fourth quarter was \$3.44, versus \$1.48 for the same period a year ago. Total revenues were \$40.1 billion, versus \$26.0 billion a year ago. Income from continuing operations for the fourth quarter was \$2,480 million, compared with \$985 million for the same period a year ago. Income from continuing operations per share for the fourth quarter of 2004 was \$3.51, compared with \$1.43 for the fourth quarter of 2003. The quarter's net income included \$74 million, or \$0.10 per share, from the company's equity investment in LUKOIL.

"Operationally, we performed very well during the fourth quarter," said Jim Mulva, chairman and chief executive officer. "Overall, our upstream operations ran well, enabling us to benefit from the strong commodity price environment. The total company produced 1.75 million barrels of oil equivalent per day, including 1.60 million BOE per day from our Exploration and Production segment and an estimated 150,000 barrels of oil per day from our LUKOIL equity investment. Downstream, our domestic operations benefited from improved heavy-light crude oil differentials, and our international refineries ran well, with strong capacity utilization rates. Worldwide, our refineries ran at 94 percent of capacity, excluding the impact of LUKOIL.

"Our financial position continues to steadily improve, and our return on capital employed remains strong and competitive. We ended the year with a debt-to-capital ratio of 26 percent. For the full year, we generated \$12.0 billion in cash from operations, spent \$9.5 billion on capital projects and investments, including the purchase of approximately 10 percent of LUKOIL, and paid \$1.2 billion in dividends."

For the twelve months of 2004, net income was \$8,129 million, a 72 percent improvement when compared with \$4,735 million for 2003. Net income per share was \$11.60 for the full year 2004, versus \$6.91 for 2003. Income from continuing operations was \$8,107 million, a 77 percent increase over \$4,593 million for the same period a year ago. Income from continuing operations per share for the twelve months of 2004 was \$11.57, compared with \$6.70 for the same period in 2003. Total revenues were \$136.9 billion, versus \$105.1 billion a year ago.

As of the end of 2004, ConocoPhillips owned about 10 percent of LUKOIL. ConocoPhillips' equity share of LUKOIL's operational and financial information has been estimated and reported in the LUKOIL Investment segment. In addition to the company's proportionate share of LUKOIL's earnings, this segment also reflects the amortization of the estimated basis difference between ConocoPhillips' equity interest in the net assets of LUKOIL and the historical cost of the company's investment in LUKOIL. As expected, during the Jan. 24, 2005, extraordinary general meeting of LUKOIL shareholders, all charter amendments reflected in the shareholder agreement were passed and ConocoPhillips' nominee was elected to LUKOIL's board of directors.

The results of ConocoPhillips' business segments follow. Results from the company's equity investment in LUKOIL are reported separately in the LUKOIL Investment segment.

Exploration & Production (E&P)

Fourth-quarter financial results: E&P income from continuing operations in the fourth quarter was \$1,671 million, up from \$1,420 million in the third quarter of 2004 and up from \$991 million in the fourth quarter of 2003. The increase from the third quarter was primarily the result of higher crude oil and natural gas prices, as well as higher production, partially offset by certain impairments.

Improved results from the fourth quarter of 2003 were primarily due to higher crude oil and natural gas prices, partially offset by the reduced impact of international tax benefits.

ConocoPhillips' E&P daily production for the quarter averaged 1.60 million barrels of oil equivalent (BOE) per day, including Canadian Syncrude. This excludes the estimated 150,000 barrels per day (BPD) of oil reported in the LUKOIL Investment segment below. When compared with the third quarter, increased E&P output was primarily the result of the completion of third-quarter scheduled maintenance in Alaska and the North Sea, partially offset by the adverse impact of approximately 15,000 BOE per day due to the change in the Venezuelan governmental royalty rate. When compared with the fourth quarter of 2003, adjusted for the disposition of Petrovera, production for the fourth quarter of 2004 was flat, as increased production from Bayu-Undan, Vietnam and Hamaca offset other asset sales and natural decline.

Twelve months financial results: E&P income from continuing operations for the twelve months of 2004 was \$5,702 million, up from \$4,160 million in 2003, primarily due to higher realized worldwide crude oil and natural gas prices, partially offset by lower volumes largely associated with asset sales. As expected, production, including Canadian Syncrude, for the full year averaged 1.56 million BOE per day, which is slightly higher than that of the previous year when adjusted for dispositions.

Midstream

Fourth-quarter financial results: Midstream income from continuing operations was \$100 million, up from \$38 million in the third quarter of 2004 and up from \$43 million in the fourth quarter of 2003. Contributing to the increase over the prior quarter were higher natural gas liquids prices for both Duke Energy Field Services, LLC (DEFS) and the company's consolidated operations, and reduced asset impairments in DEFS. The increase over the fourth quarter of 2003 was primarily the result of higher natural gas liquids prices in both DEFS' and the company's consolidated operations.

Twelve months financial results: Midstream operating results increased to \$235 million, from \$130 million in 2003. The increase was primarily the result of higher natural gas liquids prices in both DEFS and the company's consolidated operations, partially offset by increased impairment charges in DEFS.

Refining and Marketing (R&M)

Fourth-quarter financial results: R&M income from continuing operations was \$753 million, up from \$708 million in the previous quarter and up from \$202 million in the fourth quarter of 2003. The increase in fourth-quarter R&M earnings, compared with the third quarter of 2004, was due to improved realized international refining margins. Improved results over the fourth quarter of 2003 were primarily due to higher worldwide refining margins.

During the fourth quarter, the company's domestic refinery crude oil capacity utilization rate was 93 percent. Although realized refining margins were lower than those of the third quarter, they were not as low as would have been expected from market-indicator crack spreads due to the impact of wider heavy-light crude oil differentials and improved product yields. In addition, U.S. marketing results were lower due to inventory impacts, partially offset by improved margins.

Internationally, a 3 percent increase in the company's refinery crude oil capacity utilization rate and improved refining optimization contributed to improved refining margins. International marketing margins also were improved over the previous quarter.

Overall, R&M's fourth-quarter refinery crude oil capacity utilization rate averaged 94 percent, the same as last quarter. R&M's total refining throughput for the quarter was 2.7 million BPD, which excludes the estimated 77,000 BPD shown in the LUKOIL Investment segment below. Fourth-quarter turnaround costs were \$73 million before-tax, compared with \$57 million in the third quarter of 2004.

Twelve months financial results: R&M income from continuing operations for the twelve months of 2004 increased to \$2,743 million, compared with \$1,397 million in the same period a year ago. The increase was primarily the result of higher worldwide refining margins, and was partially offset by lower U.S. marketing margins and increased turnaround, energy, impairment and contingency costs. Full-year turnaround costs, before-tax, were \$267 million.

LUKOIL Investment

Fourth-quarter financial results: Income from continuing operations in the fourth quarter was \$74 million. This represents ConocoPhillips' estimate of the company's weighted average equity share of LUKOIL's income for the fourth quarter based on market indicators and historical production trends of LUKOIL. This segment also includes the amortization of the estimated basis difference between ConocoPhillips' equity interest in the net assets of LUKOIL and the historical cost of the company's investment in LUKOIL.

ConocoPhillips' share of estimated crude oil production was 150,000 BPD. The company's share of estimated daily refining crude oil throughput was 77,000 BPD.

Chemicals

Fourth-quarter financial results: The Chemicals segment, which includes the company's 50 percent interest in Chevron Phillips Chemical Company LLC, reported income from continuing operations of

\$83 million, compared with \$81 million in the third quarter of 2004 and \$11 million in the fourth quarter of 2003. The increase from the third quarter was largely due to higher margins, particularly in the olefins and polyolefins business line, partially offset by higher utility costs. The increase over the fourth quarter of 2003 reflects improved margins and volumes in olefins and polyolefins, as well as improved margins in the aromatics and styrenics business line.

Twelve months financial results: During the twelve months of 2004, the Chemicals segment had income from continuing operations of \$249 million, compared with \$7 million for the same period a year ago. Contributing to the increase were higher margins and volumes in both the olefins and polyolefins, and aromatics and styrenics business lines.

Emerging Businesses

Fourth-quarter financial results: The Emerging Businesses segment had a loss from continuing operations of \$24 million in the fourth quarter of 2004, compared with losses of \$27 million in the third quarter of 2004 and \$24 million in the fourth quarter of 2003.

Corporate and Other

Fourth-quarter financial results: After-tax Corporate expenses from continuing operations were \$177 million, compared with \$209 million in the previous quarter and \$238 million in the fourth quarter of 2003. The decrease from the third quarter was primarily driven by a reduction in net interest charges largely associated with the early debt retirement premium paid during the third quarter. Contributing to the decrease from the fourth quarter of 2003 were lower net interest expense and reduced merger-related costs, partially offset by reduced foreign currency gains.

Total debt at the end of the fourth quarter was \$15.0 billion, compared with \$15.5 billion at the end of the previous quarter and \$2.8 billion below year-end 2003. At the end of the fourth quarter, the company's debt-to-capital ratio was 26 percent, down from 28 percent at the end of the third quarter.

The company's fourth-quarter effective tax rate of 42 percent was lower than that of the third quarter, primarily due to a lower proportion of income from international upstream operations located in higher tax-rate jurisdictions.

Discontinued Operations

Fourth-quarter financial results: Fourth-quarter losses from discontinued operations were \$48 million, compared with a loss of \$5 million in the third quarter of 2004 and income of \$36 million in the fourth quarter of 2003. The losses in the fourth quarter were primarily related to asset sales.

Twelve months financial results: During the twelve months of 2004, income from discontinued operations was \$22 million, compared with \$237 million for the same period a year ago. The decrease is primarily attributable to the impacts of asset sales.

Outlook

Mr. Mulva concluded:

"We had another good quarter, which contributed to a strong year in terms of operating performance and market conditions, enabling us to achieve strong financial results. We are delivering on our commitments, and remain focused on continuous improvement in all of our operations.

"We expect 2005 production, including Canadian Syncrude, to increase to approximately 1.62 million BOE per day, excluding the impacts of LUKOIL. Production increases are anticipated through the continued ramp-up of Magnolia, Hamaca, Bayu-Undan and Belanak. Further increases also are expected as expansion projects in the United Kingdom and Alaska are completed during the year.

"Downstream, we remain committed to cost and capital discipline, executing projects well, and leveraging our refining technologies and position. Looking forward, we anticipate maintaining a high capacity utilization rate, while successfully executing our extensive 2005 clean-fuels program and increased turnaround activity, all of which will help ensure that we maximize the availability of high-quality clean fuels to the market.

"Our 2005 cash capital budget is approximately \$6.9 billion. These expenditures will be directed toward our existing portfolio and the development of additional legacy assets, which is expected to bolster future growth. This cash capital budget excludes capitalized interest and minority interests, and certain expenditures associated with the LUKOIL strategic alliance. We anticipate additional capital expenditures of approximately \$500 million related to the closing of our Timan-Pechora joint venture with LUKOIL, as well as discretionary investment to increase the company's equity ownership in LUKOIL."

ConocoPhillips is an integrated petroleum company with interests around the world. Headquartered in Houston, the company had approximately 35,800 employees, \$93 billion of assets, and \$136.9 billion of revenues as of Dec. 31, 2004. For more information, go to www.conocophillips.com.

ConocoPhillips' quarterly conference call is scheduled for 10 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

"Fourth-Quarter Earnings" link.

For financial and operational tables, go to
www.conocophillips.com/news/nr/earnings/highlights/4q04earnings.html.

For detailed supplemental information, go to
www.conocophillips.com/news/nr/earnings/detail/4q04summary.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 "(w)e expect 2005 production, including Canadian Syncrude, to increase to approximately 1.62 million BOE per day, excluding the impacts of LUKOIL"; "(p)roduction increases are anticipated through the continued ramp-up of Magnolia, Hamaca, Bayu-Undan and Belanak"; "(f)urther increases also are expected as expansion projects in the United Kingdom and Alaska are completed during the year"; "(w)e anticipate maintaining a high capacity utilization rate, while successfully executing our extensive 2005 clean-fuels program and increased turnaround activity"; and "(w)e anticipate additional capital expenditures of approximately \$500 million related to the closing of our Timan-Pechora joint venture with LUKOIL, as well as discretionary investment to increase the company's equity ownership in LUKOIL" 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, Houston, Texas 77079 or on the company's Web site at www.conocophillips.com. This information can also be obtained from the SEC by calling 1-800-SEC-0330 or on the SEC's Web site at www.sec.gov.

CONTACT: ConocoPhillips, Houston
Kristi DesJarlais, 281-293-4595 (media)
Clayton Reasor, 212-207-1996 (investors)

ConocoPhillips
Houston, Texas 77079

Preliminary
FINANCIAL HIGHLIGHTS

	Millions of Dollars			
	Three Months Ended		Twelve Months Ended	
	December 31 2004	2003**	December 31 2004	2003**
Revenues				
Sales and other operating revenues*	\$39,385	25,845	135,076	104,246
Equity in earnings of affiliates	555	151	1,535	542
Other income (loss)	132	(34)	305	309
	-----	-----	-----	-----
	40,072	25,962	136,916	105,097
Costs and expenses				
Purchased crude oil and products	26,984	16,591	90,182	67,475
Production and operating expenses	2,060	1,929	7,372	7,144
Selling, general and administrative expenses	615	568	2,128	2,179
Exploration expenses	192	211	703	601
Depreciation, depletion and amortization	1,030	911	3,798	3,485
Property impairments	101	60	164	252
Taxes other than income taxes*	4,609	3,826	17,487	14,679
Accretion on discounted liabilities	45	38	171	145
Interest and debt expense	141	197	546	844
Foreign currency transaction (gains) losses	17	(50)	(36)	(36)
Minority interests	3	4	32	20
	-----	-----	-----	-----
	35,797	24,285	122,547	96,788
Income from continuing operations before income taxes and subsidiary equity transactions				
	4,275	1,677	14,369	8,309
Gain on subsidiary equity transactions	-	-	-	28
	-----	-----	-----	-----
Income from continuing operations before income taxes	4,275	1,677	14,369	8,337
Provision for income taxes	1,795	692	6,262	3,744
	-----	-----	-----	-----
Income from continuing operations	2,480	985	8,107	4,593
Income (loss) from discontinued operations	(48)	36	22	237
	-----	-----	-----	-----
Income before cumulative effect of changes in accounting principles	2,432	1,021	8,129	4,830
Cumulative effect of changes in accounting principles	-	-	-	(95)
	-----	-----	-----	-----
Net income	\$2,432	1,021	8,129	4,735
	=====	=====	=====	=====
Income (loss) per share of common stock				
Basic				
Continuing operations	\$3.57	1.45	11.74	6.75
Discontinued operations	(0.07)	0.05	0.03	0.35
Before cumulative effect of changes in accounting principles	3.50	1.50	11.77	7.10
Cumulative effect of changes in accounting principles	-	-	-	(0.14)
Net income	\$3.50	1.50	11.77	6.96
Diluted				
Continuing operations	\$3.51	1.43	11.57	6.70
Discontinued operations	(0.07)	0.05	0.03	0.35
Before cumulative effect of changes in accounting principles	3.44	1.48	11.60	7.05
Cumulative effect of changes in accounting principles	-	-	-	(0.14)
Net income	\$3.44	1.48	11.60	6.91
Average common shares outstanding (in thousands)				
Basic	695,458	681,681	690,784	680,490
Diluted	706,334	688,516	700,650	685,433
*Includes excise taxes on petroleum products sales:				
	\$4,284	3,590	16,357	13,705

**Reclassified to conform to current year presentation.

Preliminary
SELECTED FINANCIAL DATA

	Millions of Dollars			
	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2004	2003	2004	2003
INCOME/(LOSS) FROM CONTINUING OPERATIONS				
E&P				
United States	\$935	491	2,942	2,232
International	736	500	2,760	1,928
Total E&P	1,671	991	5,702	4,160
Midstream	100	43	235	130
R&M				
United States	484	176	2,126	1,115
International	269	26	617	282
Total R&M	753	202	2,743	1,397
LUKOIL Investment	74	-	74	-
Chemicals	83	11	249	7
Emerging Businesses	(24)	(24)	(102)	(99)
Corporate and other	(177)	(238)	(794)	(1,002)
Consolidated	\$2,480	985	8,107	4,593
CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES				
E&P				
United States	\$-	-	-	142
International	-	-	-	-
Total E&P	-	-	-	142
Midstream	-	-	-	-
R&M				
United States	-	-	-	(125)
International	-	-	-	-
Total R&M	-	-	-	(125)
LUKOIL Investment	-	-	-	-
Chemicals	-	-	-	-
Emerging Businesses	-	-	-	-
Corporate and other	-	-	-	(112)
Consolidated	\$-	-	-	(95)
INCOME/(LOSS) FROM DISCONTINUED OPERATIONS				
Corporate and other	(48)	36	22	237
SUMMARY OF NET INCOME/(LOSS)				
E&P				
United States	\$935	491	2,942	2,374
International	736	500	2,760	1,928
Total E&P	1,671	991	5,702	4,302
Midstream	100	43	235	130
R&M				
United States	484	176	2,126	990
International	269	26	617	282
Total R&M	753	202	2,743	1,272
LUKOIL Investment	74	-	74	-
Chemicals	83	11	249	7
Emerging Businesses	(24)	(24)	(102)	(99)
Corporate and other	(225)	(202)	(772)	(877)
Net income	\$2,432	1,021	8,129	4,735

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Houston, Texas 77079

Preliminary
OPERATING HIGHLIGHTS

BY SEGMENT

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2004	2003	2004	2003
	Thousands of Barrels Daily			
E&P				
Crude oil produced				
United States				
Alaska	313	318	298	325
Lower 48	50	50	51	54
	-----	-----	-----	-----
	363	368	349	379
Norway	211	205	207	213
United Kingdom	66	72	64	77
Canada	24	28	25	30
China	17	28	25	26
Indonesia	18	10	15	16
Vietnam	33	22	33	16
Timor Sea	34	3	21	3
Other	55	70	58	72
	-----	-----	-----	-----
Total consolidated	821	806	797	832
Equity affiliates	103	116	108	102
	-----	-----	-----	-----
Total Worldwide	924	922	905	934
	=====	=====	=====	=====
Syncrude	20	18	21	19
	=====	=====	=====	=====
Natural gas liquids produced				
United States				
Alaska*	24	24	23	23
Lower 48	26	27	26	25
	-----	-----	-----	-----
	50	51	49	48
Norway	9	8	8	7
Canada	11	10	10	10
Other	22	3	17	4
	-----	-----	-----	-----
Total Worldwide	92	72	84	69
	=====	=====	=====	=====
*Includes reinjected volumes sold lease-to-lease.	14	16	14	15
	Millions of Cubic Feet Daily			
Natural gas produced*				
United States				
Alaska	163	205	165	184
Lower 48	1,214	1,264	1,223	1,295
	-----	-----	-----	-----
	1,377	1,469	1,388	1,479
Norway	306	307	301	275
United Kingdom	852	954	818	940
Canada	442	431	433	435
Timor Sea	35	56	35	60
Indonesia	266	275	250	255
Vietnam	19	12	16	3
Other	59	77	71	63
	-----	-----	-----	-----
Total consolidated	3,356	3,581	3,312	3,510
Equity affiliates	4	12	5	12
	-----	-----	-----	-----
Total Worldwide	3,360	3,593	3,317	3,522
	=====	=====	=====	=====
*Represents quantities available for sale. Excludes gas equivalent of NGL shown above.				
Liquefied natural gas sales	107	140	105	121
LUKOIL Investment				
Production (MB/D)*	150	-	38	-
Refinery Crude Oil Throughput*	77	-	19	-

*Represents our estimated net share of LUKOIL

ConocoPhillips
Houston, Texas 77079

Preliminary
OPERATING HIGHLIGHTS

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2004	2003	2004	2003
E&P				
			Per Unit	
Average sales prices				
Crude oil (per barrel)				
United States				
Alaska	\$44.37	28.51	38.47	28.87
Lower 48	42.30	28.02	36.95	28.76
Total U.S.	44.08	28.45	38.25	28.85
International	41.75	28.42	37.18	28.27
Total consolidated	42.79	28.43	37.65	28.54
Equity affiliates	26.55	18.14	24.18	19.01
Total Worldwide	40.96	27.27	36.06	27.52
Natural gas-lease (per MCF)				
United States				
Alaska	2.23	1.88	2.35	1.76
Lower 48	6.04	4.32	5.46	4.81
Total U.S.	5.92	4.18	5.33	4.67
International	4.63	3.87	4.14	3.69
Total consolidated	5.13	3.99	4.62	4.08
Equity affiliates	0.25	3.96	2.19	4.44
Total Worldwide	5.13	3.99	4.61	4.08

Midstream

	Thousands of Barrels Daily			
Natural gas liquids extracted				
Consolidated				
United States	23	54	32	52
International	49	50	45	45
Equity affiliates				
United States*	113	110	111	111
International	7	6	6	7
	-----	-----	-----	-----
	192	220	194	215
	=====	=====	=====	=====

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

	Per Barrel			
U.S. product prices				
Weighted average NGL**				
Consolidated	\$34.40	23.14	29.38	22.67
DEFS	33.69	22.76	28.60	22.12

**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

Preliminary
OPERATING HIGHLIGHTS

	Three Months Ended December 31		Twelve Months Ended December 31	
	2004	2003	2004	2003
	Thousands of Barrels Daily			
R&M				
United States				
Crude oil capacity	2,160	2,168	2,164	2,168
Crude oil runs	2,005	2,074	2,059	2,074
Refinery production	2,232	2,270	2,245	2,301
International*				
Crude oil capacity	428	442	437	442
Crude oil runs	438	397	396	414
Refinery production	453	395	405	412
U.S. Petroleum products outside sales				
Gasoline	1,415	1,365	1,356	1,369
Distillates	562	530	553	575
Aviation fuels	195	193	191	180
Other products	613	474	564	492
	-----	-----	-----	-----
	2,785	2,562	2,664	2,616
International	493	403	477	430
	-----	-----	-----	-----
	3,278	2,965	3,141	3,046
	=====	=====	=====	=====
	Per Gallon			
U.S. Average sales prices**				
Automotive gasoline-wholesale	\$1.40	1.00	1.33	1.05
Automotive gasoline-retail	1.62	1.25	1.52	1.35
Distillates-wholesale	1.41	0.92	1.24	0.92

*Includes ConocoPhillips' share of equity affiliates.

**Excludes excise taxes.

SUMMARY OF NET INCOME (LOSS) BY SEGMENT

Millions of Dollars

	2003					2004				
	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	678	517	546	491	2,232	635	671	701	935	2,942
International E&P	447	560	421	500	1,928	622	683	719	736	2,760
Total E&P	1,125	1,077	967	991	4,160	1,257	1,354	1,420	1,671	5,702
Midstream	31	25	31	43	130	55	42	38	100	235
U.S. R&M	275	248	416	176	1,115	403	734	505	484	2,126
International R&M	114	73	69	26	282	61	84	203	269	617
Total R&M	389	321	485	202	1,397	464	818	708	753	2,743
Lukoil Investment	-	-	-	-	-	-	-	-	74	74
Chemicals	(23)	12	7	11	7	39	46	81	83	249
Emerging Businesses	(34)	(23)	(18)	(24)	(99)	(22)	(29)	(27)	(24)	(102)
Corporate and Other	(225)	(316)	(223)	(238)	(1,002)	(190)	(218)	(209)	(177)	(794)
Consolidated	1,263	1,096	1,249	985	4,593	1,603	2,013	2,011	2,480	8,107
Cumulative Effect of Accounting Changes										
U.S. E&P	142	-	-	-	142	-	-	-	-	-
International E&P	-	-	-	-	-	-	-	-	-	-
Total E&P	142	-	-	-	142	-	-	-	-	-
Midstream	-	-	-	-	-	-	-	-	-	-
U.S. R&M	(125)	-	-	-	(125)	-	-	-	-	-
International R&M	-	-	-	-	-	-	-	-	-	-
Total R&M	(125)	-	-	-	(125)	-	-	-	-	-
Lukoil Investment	-	-	-	-	-	-	-	-	-	-
Chemicals	-	-	-	-	-	-	-	-	-	-
Emerging Businesses	-	-	-	-	-	-	-	-	-	-
Corporate and Other	(112)	-	-	-	(112)	-	-	-	-	-
Consolidated	(95)	-	-	-	(95)	-	-	-	-	-
Income (Loss) from Discontinued Operations										
Corporate and Other	53	91	57	36	237	13	62	(5)	(48)	22
Net Income (Loss)										
U.S. E&P	820	517	546	491	2,374	635	671	701	935	2,942
International E&P	447	560	421	500	1,928	622	683	719	736	2,760
Total E&P	1,267	1,077	967	991	4,302	1,257	1,354	1,420	1,671	5,702
Midstream	31	25	31	43	130	55	42	38	100	235

U.S. R&M	150	248	416	176	990	403	734	505	484	2,126
International R&M	114	73	69	26	282	61	84	203	269	617
Total R&M	264	321	485	202	1,272	464	818	708	753	2,743
Lukoil Investment	-	-	-	-	-	-	-	-	74	74
Chemicals	(23)	12	7	11	7	39	46	81	83	249
Emerging Businesses	(34)	(23)	(18)	(24)	(99)	(22)	(29)	(27)	(24)	(102)
Corporate and Other	(284)	(225)	(166)	(202)	(877)	(177)	(156)	(214)	(225)	(772)
Consolidated	1,221	1,187	1,306	1,021	4,735	1,616	2,075	2,006	2,432	8,129

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INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES

Millions of Dollars

	2003					2004				
	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	1,050	803	853	757	3,463	987	1,049	1,057	1,433	4,526
International E&P	1,260	967	1,029	941	4,197	1,410	1,360	1,654	1,684	6,108
Total E&P	2,310	1,770	1,882	1,698	7,660	2,397	2,409	2,711	3,117	10,634
Midstream	51	42	50	70	213	86	66	62	158	372
U.S. R&M	453	396	639	279	1,767	636	1,149	803	772	3,360
International R&M	150	94	86	16	346	79	111	268	356	814
Total R&M	603	490	725	295	2,113	715	1,260	1,071	1,128	4,174
Lukoil Investment	-	-	-	-	-	-	-	-	74	74
Chemicals	(44)	15	10	14	(5)	49	56	99	109	313
Emerging Businesses	(51)	(34)	(29)	(36)	(150)	(34)	(42)	(44)	(34)	(154)
Corporate and Other	(300)	(502)	(328)	(364)	(1,494)	(249)	(279)	(239)	(277)	(1,044)
Consolidated	2,569	1,781	2,310	1,677	8,337	2,964	3,470	3,660	4,275	14,369

Income from Continuing Operations
Effective Tax Rates

U.S. E&P	35.4%	35.6%	36.0%	35.1%	35.5%	35.7%	36.0%	33.7%	34.8%	35.0%
International E&P	64.5%	42.1%	59.1%	46.9%	54.1%	55.9%	49.8%	56.5%	56.3%	54.8%
Total E&P	51.3%	39.2%	48.6%	41.6%	45.7%	47.6%	43.8%	47.6%	46.4%	46.4%
Midstream	39.2%	40.5%	38.0%	38.6%	39.0%	36.0%	36.4%	38.7%	36.7%	36.8%
U.S. R&M	39.3%	37.4%	34.9%	36.9%	36.9%	36.6%	36.1%	37.1%	37.3%	36.7%
International R&M	24.0%	22.3%	19.8%	-62.5%	18.5%	22.8%	24.3%	24.3%	24.4%	24.2%
Total R&M	35.5%	34.5%	33.1%	31.5%	33.9%	35.1%	35.1%	33.9%	33.2%	34.3%
Lukoil Investment	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.0%	0.0%

Chemicals	47.7%	20.0%	30.0%	21.4%	240.0%	20.4%	17.9%	18.2%	23.9%	20.4%
Emerging Businesses	33.3%	32.4%	37.9%	33.3%	34.0%	35.3%	31.0%	38.6%	29.4%	33.8%
Corporate and Other	25.0%	37.1%	32.0%	34.6%	32.9%	23.7%	21.9%	12.6%	36.1%	23.9%

Consolidated	50.8%	38.5%	45.9%	41.3%	44.9%	45.9%	42.0%	45.1%	42.0%	43.6%
=====										

Total	(3)	(127)	(41)	(74)	(245)	(14)	-	(43)	-	(57)
Total Company	(15)	(39)	47	(4)	(11)	22	8	(62)	(37)	(69)

* Net of \$21 million of property impairments.

CASH FLOW INFORMATION

Millions of Dollars

	2003					2004				
	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	1,263	1,096	1,249	985	4,593	1,603	2,013	2,011	2,480	8,107
DD&A and property impairments	887	1,003	876	971	3,737	949	932	950	1,131	3,962
Dry hole costs and leasehold impairments	40	54	75	131	300	87	105	150	75	417
Accretion on discounted liabilities	33	35	39	38	145	36	41	49	45	171
Deferred income taxes	243	10	80	68	401	360	310	328	90	1,088
Undistributed equity earnings	18	(66)	(143)	132	(59)	(181)	(97)	(263)	(236)	(777)
Net (gain) loss on asset dispositions	(56)	(28)	(142)	15	(211)	(82)	(6)	6	(34)	(116)
Other	56	(94)	(88)	(202)	(328)	70	65	(30)	(295)	(190)
Net working capital changes	636	16	51	(114)	589	(777)	(1,101)	1,267	(69)	(680)
Discontinued operations	-	120	61	8	189	8	14	(55)	10	(23)
Net Cash Provided by Operating Activities	3,120	2,146	2,058	2,032	9,356	2,073	2,276	4,413	3,197	11,959
Cash Flows from Investing Activities										
Capital expenditures and investments:										
E&P	(1,012)	(1,167)	(1,109)	(1,220)	(4,508)	(1,210)	(1,239)	(1,248)	(1,552)	(5,249)
Midstream	(2)	(2)	(2)	(4)	(10)	(3)	(2)	(1)	(1)	(7)
R&M	(203)	(245)	(302)	(429)	(1,179)	(215)	(278)	(277)	(574)	(1,344)
Lukoil Investment	-	-	-	-	-	-	-	-	(2,649)	(2,649)
Chemicals	-	-	-	-	-	-	-	-	-	-
Emerging Businesses	(66)	(98)	(60)	(60)	(284)	(28)	(27)	(19)	(1)	(75)
Corporate and Other	(25)	(45)	(47)	(71)	(188)	(25)	(38)	(49)	(60)	(172)
Total capital expend. & investments	(1,308)	(1,557)	(1,520)	(1,784)	(6,169)	(1,481)	(1,584)	(1,594)	(4,837)	(9,496)
Acquisitions - adoption & application of FIN 46	225	-	-	-	225	-	-	11	-	11
Proceeds from asset dispositions	125	466	913	1,155	2,659	449	905	73	164	1,591
Long-term advances to/collections from affiliates and other investments	(28)	(8)	38	21	23	(44)	9	30	112	107
Discontinued operations	(26)	(5)	(28)	(177)	(236)	(1)	(1)	-	1	(1)
Net Cash Used for Investing Activities	(1,012)	(1,104)	(597)	(785)	(3,498)	(1,077)	(671)	(1,480)	(4,560)	(7,788)
Cash Flows from Financing Activities										
Net issuance (repayment) of debt	(1,569)	(709)	(1,514)	(1,019)	(4,811)	(722)	(1,361)	(221)	(471)	(2,775)
Issuance of stock	19	14	20	55	108	112	95	62	161	430
Dividends	(271)	(272)	(272)	(292)	(1,107)	(294)	(296)	(296)	(346)	(1,232)
Other	(8)	19	64	36	111	89	94	(66)	61	178
Net Cash Provided by (Used for) Financing Activities	(1,829)	(948)	(1,702)	(1,220)	(5,699)	(815)	(1,468)	(521)	(595)	(3,399)
Effect of Exchange Rate Changes	57	13	(26)	(20)	24	(12)	8	47	82	125
Net Change in Cash and Cash Equivalents	336	107	(267)	7	183	169	145	2,459	(1,876)	897
Cash and cash equivalents at beginning of period	307	643	750	483	307	490	659	804	3,263	490
Cash and Cash Equivalents at End of Period	643	750	483	490	490	659	804	3,263	1,387	1,387

TOTAL E&P

	2003					2004				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
E&P Net Income (\$ Millions)	1,267	1,077	967	991	4,302	1,257	1,354	1,420	1,671	5,702
Production										
Total, Including Equity Affiliates and Canadian Syncrude (MBOE/D)	1,626	1,641	1,561	1,611	1,609	1,611	1,563	1,484	1,596	1,563
E&P segment plus Lukoil Investment segment:	1,626	1,641	1,561	1,611	1,609	1,611	1,563	1,484	1,746	1,601
Crude Oil and Condensate (MB/D)										
Consolidated	880	850	793	806	832	828	809	733	821	797
Equity affiliates	55	117	120	116	102	113	104	111	103	108
Total	935	967	913	922	934	941	913	844	924	905
Sales of crude oil produced (MB/D)	913	996	914	921	936	927	888	875	903	898
Natural Gas Liquids (MB/D)										
	71	72	62	72	69	76	79	87	92	84
Natural Gas (MMCF/D)										
Consolidated	3,605	3,485	3,373	3,581	3,510	3,415	3,299	3,179	3,356	3,312
Equity affiliates	12	11	11	12	12	9	4	4	4	5
Total	3,617	3,496	3,384	3,593	3,522	3,424	3,303	3,183	3,360	3,317
Canadian Syncrude (MB/D)										
	17	19	22	18	19	23	20	22	20	21
Industry Prices (Platt's)										
Crude Oil (\$/bbl)										
WTI spot	34.06	29.02	30.18	31.17	31.11	35.23	38.31	43.86	48.29	41.42
Brent dated	31.51	26.03	28.41	29.42	28.84	31.95	35.36	41.54	44.00	38.21
Natural Gas--Henry Hub 1st of month (\$/mcf)	6.58	5.40	4.97	4.60	5.39	5.69	6.00	5.75	7.07	6.13
Average Realized Prices										
Crude Oil and Condensate (\$/bbl)										
Consolidated	31.27	26.33	28.15	28.43	28.54	32.08	35.32	40.41	42.79	37.65
Equity affiliates*	20.69	17.36	20.63	18.14	19.01	19.27	25.48	26.19	26.55	24.18
Total*	30.69	25.25	27.12	27.27	27.52	30.44	34.17	38.78	40.96	36.06
* Certain amounts in 2003 and first three quarters of 2004 restated to conform to current period presentation.										
Natural Gas Liquids (\$/bbl)	24.65	19.73	20.10	23.36	21.95	25.43	26.71	30.73	35.37	30.02
Natural Gas (\$/mcf)										
Consolidated	4.50	3.99	3.84	3.99	4.08	4.41	4.43	4.48	5.13	4.62
Equity affiliates	4.82	4.89	4.12	3.96	4.44	3.91	0.31	0.31	0.25	2.19
Total	4.50	3.99	3.84	3.99	4.08	4.41	4.43	4.48	5.13	4.61
Exploration Charges (\$ Millions)										
Dry Holes	20	30	39	78	167	67	42	82	51	242
Lease Impairments	20	24	36	53	133	20	63	68	24	175
Total Non-Cash Charges	40	54	75	131	300	87	105	150	75	417
Other (G&G and Lease Rentals)	76	88	57	80	301	56	58	55	117	286
Total Exploration Charges	116	142	132	211	601	143	163	205	192	703
Depreciation, Depletion and Amortization (\$ Millions)										
	662	652	653	695	2,662	704	720	711	783	2,918

U.S. E&P

	2003					2004				
	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)	820	517	546	491	2,374	635	671	701	935	2,942
Alaska (\$ Millions)	508	302	302	333	1,445	403	397	451	581	1,832
Lower 48 (\$ Millions)	312	215	244	158	929	232	274	250	354	1,110
Production Total U.S. (MBOE/D)	700	683	651	664	674	659	637	579	642	629
Crude Oil and Condensate (MB/D)										
Alaska	337	331	314	318	325	320	307	253	313	298
Lower 48	60	57	51	50	54	53	52	50	50	51
Total	397	388	365	368	379	373	359	303	363	349
Sales of crude oil produced (MB/D)	391	389	369	372	380	373	354	312	356	349
Natural Gas Liquids (MB/D)*										
Alaska	26	23	19	24	23	26	23	19	24	23
Lower 48	22	26	25	27	25	24	26	26	26	26
Total	48	49	44	51	48	50	49	45	50	49
*Includes reinjection volumes sold lease-to-lease:	15	14	13	16	15	16	15	10	14	14
Natural Gas (MMCF/D)										
Alaska	189	162	180	205	184	185	147	164	163	165
Lower 48	1,338	1,311	1,271	1,264	1,295	1,233	1,226	1,220	1,214	1,223
Total	1,527	1,473	1,451	1,469	1,479	1,418	1,373	1,384	1,377	1,388
Average Realized Prices Crude Oil and Condensate (\$/bbl)										
Alaska										
North Slope	25.95	21.70	22.82	23.17	23.41	28.00	31.69	35.66	39.53	33.61
West Coast	31.47	27.19	28.31	28.51	28.87	32.93	36.53	40.48	44.37	38.47
Lower 48	31.48	27.34	27.94	28.02	28.76	31.86	34.39	39.56	42.30	36.95
Total U.S.	31.47	27.21	28.26	28.45	28.85	32.78	36.22	40.33	44.08	38.25
Natural Gas Liquids (\$/bbl)										
Alaska	31.32	27.24	28.42	28.82	29.04	32.93	36.38	40.52	43.78	38.64
Lower 48	22.13	17.77	19.71	20.81	20.02	24.19	25.82	29.40	32.80	28.14
Total U.S.	24.96	20.25	21.31	22.85	22.30	26.80	28.38	32.22	36.21	31.05
Natural Gas (\$/mcf)										
Alaska	1.97	1.88	1.33	1.88	1.76	2.54	2.31	2.22	2.23	2.35
Lower 48	5.53	4.77	4.61	4.32	4.81	5.00	5.49	5.29	6.04	5.46
Total U.S.	5.40	4.63	4.45	4.18	4.67	4.88	5.35	5.19	5.92	5.33
Kenai, Alaska LNG Sales										
Volume (MMCF/D)	130	91	121	140	121	118	82	115	107	105
Sales price per MCF	4.38	4.56	4.46	4.44	4.45	4.51	4.80	5.06	5.25	4.90
U.S. Exploration Charges (\$ Millions)										
Dry Holes	16	3	9	48	76	32	32	(5)	-	59
Lease Impairments	13	12	10	12	47	11	11	10	10	42
Total Non-Cash Charges	29	15	19	60	123	43	43	5	10	101
Other (G&G and Lease Rentals)	28	22	23	8	81	15	19	15	37	86

Total U.S. Exploration Charges	57	37	42	68	204	58	62	20	47	187
Alaska Only	25	10	11	9	55	17	43	7	14	81
Depreciation, Depletion and Amortization (\$ Millions)										
Alaska	124	135	130	127	516	119	125	122	144	510
Lower 48	151	150	156	134	591	146	145	157	150	598
Total U.S.	275	285	286	261	1,107	265	270	279	294	1,108

INTERNATIONAL E&P

	2003					2004				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
International E&P										
Net Income (\$ Millions)	447	560	421	500	1,928	622	683	719	736	2,760
Production										
Total, Including Equity Affiliates and Canadian Syncrude (MBOE/D)	926	958	910	947	935	952	926	905	954	934
Crude Oil and Condensate (MB/D)										
Consolidated										
Norway	226	214	207	205	213	215	212	189	211	207
United Kingdom	87	82	67	72	77	67	64	59	66	64
Canada	33	31	29	28	30	27	25	24	24	25
China	23	27	25	28	26	32	28	25	17	25
Indonesia	21	17	16	10	16	15	14	14	18	15
Vietnam	16	15	11	22	16	31	31	35	33	33
Timor Sea	3	3	3	3	3	5	15	29	34	21
Other	74	73	70	70	72	63	61	55	55	58
Equity affiliates	55	117	120	116	102	113	104	111	103	108
Total	538	579	548	554	555	568	554	541	561	556
Sales of crude oil produced (MB/D)	522	607	545	549	556	554	534	563	547	549
Natural Gas Liquids (MB/D)										
Norway	8	7	7	8	7	9	8	8	9	8
Canada	11	11	9	10	10	10	10	10	11	10
Other	4	5	2	3	4	7	12	24	22	17
Total	23	23	18	21	21	26	30	42	42	35
Natural Gas (MMCF/D)										
Consolidated										
Norway	305	273	216	307	275	319	303	274	306	301
United Kingdom	1,002	952	853	954	940	879	821	720	852	818
Canada	436	424	448	431	435	428	437	425	442	433
Timor Sea	61	61	61	56	60	40	32	35	35	35
Indonesia	224	246	275	275	255	248	237	248	266	250
Vietnam	-	-	-	12	3	17	15	15	19	16
Other	50	56	69	77	63	66	81	78	59	71
Equity affiliates	12	11	11	12	12	9	4	4	4	5
Total	2,090	2,023	1,933	2,124	2,043	2,006	1,930	1,799	1,983	1,929
Canadian Syncrude (MB/D)	17	19	22	18	19	23	20	22	20	21
Average Realized Prices										
Crude Oil and Condensate (\$/bbl)										
Consolidated										
Norway	32.72	26.28	29.08	29.08	29.24	32.13	34.72	40.70	41.82	37.55
United Kingdom	30.11	24.34	28.32	28.29	27.70	31.27	34.19	39.57	44.79	37.00
Canada	28.40	23.61	24.15	23.71	25.06	28.95	30.58	36.16	38.44	32.92
China	28.87	26.51	26.38	28.56	27.55	29.91	33.02	37.99	32.87	33.31
Indonesia	29.35	24.54	26.32	26.52	26.88	32.21	36.20	42.71	45.43	39.21
Vietnam	30.26	27.54	27.12	30.88	29.21	31.76	36.42	41.36	42.94	38.31
Timor Sea	32.43	27.38	28.25	29.75	29.37	35.49	37.32	46.65	45.95	43.91
Other	30.16	25.44	27.42	27.94	27.68	30.89	34.87	39.54	39.28	36.05
Equity affiliates*	20.69	17.36	20.63	18.14	19.01	19.27	25.48	26.19	26.55	24.18
Total*	30.11	23.99	26.35	26.47	26.61	28.86	32.81	37.92	38.93	34.67

* 2003 and first three quarters of 2004 restated to conform to current period presentation.

Natural Gas Liquids (\$/bbl)										
Norway	21.85	18.13	18.50	22.96	20.27	24.34	24.22	27.79	37.64	28.92
Canada	26.11	20.78	23.55	25.27	23.93	26.38	28.58	31.15	36.61	30.77
Other	23.40	16.73	14.18	25.13	16.48	18.43	21.24	29.50	32.17	27.79
Total	24.22	18.96	18.23	24.35	21.39	23.53	24.69	29.53	34.59	28.96

Natural Gas (\$/mcf)										
Consolidated										
Norway	3.66	3.86	4.21	4.09	3.94	4.37	3.99	4.12	4.45	4.24
United Kingdom	3.52	3.33	2.98	4.13	3.50	4.04	3.47	3.79	4.76	4.03
Canada	5.42	4.34	4.17	4.02	4.48	4.88	5.01	4.64	5.43	5.00
Timor Sea	0.43	0.42	0.45	0.42	0.43	0.43	0.45	0.46	0.49	0.46

Indonesia	4.66	4.16	4.35	4.21	4.33	4.38	4.28	5.02	4.74	4.61
Vietnam	-	-	-	1.04	1.04	1.10	0.99	1.01	1.05	1.04
Other	0.54	0.54	0.54	0.68	0.58	0.66	0.59	0.62	0.97	0.69
Equity affiliates	4.82	4.89	4.12	3.96	4.44	3.91	0.31	0.31	0.25	2.19
Total	3.90	3.56	3.42	3.87	3.69	4.11	3.81	3.98	4.63	4.14

International Exploration Charges (\$ Millions)

Dry Holes	4	27	30	30	91	35	10	87	51	183
Lease Impairments	7	12	26	41	86	9	52	58	14	133
Total Non-Cash Charges	11	39	56	71	177	44	62	145	65	316
Other (G&G and Lease Rentals)	48	66	34	72	220	41	39	40	80	200

Total International Exploration Charges

59	105	90	143	397	85	101	185	145	516
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Depreciation, Depletion and Amortization (\$ Millions)

387	367	367	434	1,555	439	450	432	489	1,810
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R&M

	2003					2004				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
R&M Net Income (\$ Millions)	264	321	485	202	1,272	464	818	708	753	2,743
United States (\$ Millions)	150	248	416	176	990	403	734	505	484	2,126
International (\$ Millions)	114	73	69	26	282	61	84	203	269	617
Market Indicators										
U.S. East Coast Crack Spread (\$/bbl)	6.16	3.46	6.37	4.98	5.24	6.87	9.14	7.00	5.73	7.19
U.S. Gulf Coast Crack Spread (\$/bbl)	5.64	3.65	5.38	3.72	4.60	6.36	9.17	6.33	4.09	6.49
U.S. Group Central Crack Spread (\$/bbl)	6.12	6.96	8.32	5.34	6.69	6.91	11.65	8.09	5.52	8.04
U.S. West Coast Crack Spread (\$/bbl)	12.79	11.39	14.00	11.44	12.41	16.10	24.13	17.92	17.25	18.85
U.S. Weighted 3:2:1 Crack Spread (\$/bbl)	6.99	5.86	7.84	5.67	6.59	8.39	12.60	9.10	7.24	9.33
NW Europe Crack Spread (\$/bbl)	5.68	3.17	3.11	3.20	3.79	2.56	5.13	3.90	3.90	3.87
Singapore 3:2:1 Crack Spread (\$/bbl)	8.16	4.65	5.64	7.12	6.39	10.33	9.48	13.11	17.22	12.54
U.S. Wholesale Gasoline Mktg Mrgn (\$/bbl)	1.53	2.36	2.15	1.45	1.87	0.69	1.83	1.50	1.97	1.50
Realized Margins										
Refining Margin (\$/bbl)										
U.S.	6.46	5.34	6.39	5.56	5.93	7.12	9.88	8.84	8.38	8.56
International	6.00	3.67	4.38	3.61	4.44	5.51	7.24	9.01	10.78	8.40
Marketing Margin (\$/bbl)										
U.S.	1.86	2.62	2.17	1.75	2.10	1.08	1.49	1.15	1.85	1.24
International	7.09	9.06	7.82	6.41	7.59	6.50	8.20	7.69	8.13	7.66
Depreciation, Depletion and Amortization (\$ Millions)										
	167	174	174	174	689	186	172	202	212	772
Turnaround Expense (\$ Millions)										
	60	38	19	63	180	59	78	57	73	267
Eastern U.S.										
Crude Oil Charge Input (MB/D)	415	435	428	421	425	413	375	368	346	375
Total Charge Input (MB/D)	466	488	468	442	466	440	421	415	407	421
Crude Oil Capacity Utilization (%)	97%	101%	100%	98%	99%	96%	87%	87%	82%	88%
Clean Product Yield (%)	88%	84%	86%	88%	86%	87%	84%	87%	90%	87%
U.S. Gulf Coast										
Crude Oil Charge Input (MB/D)	668	702	708	680	690	699	709	617	689	678
Total Charge Input (MB/D)	771	797	803	782	788	774	789	717	779	765
Crude Oil Capacity Utilization (%)	93%	98%	99%	95%	96%	97%	99%	88%	98%	96%
Clean Product Yield (%)	82%	78%	80%	78%	79%	79%	75%	78%	82%	78%
Central U.S.										
Crude Oil Charge Input (MB/D)	573	632	556	584	586	601	638	634	583	614
Total Charge Input (MB/D)	601	654	584	614	613	636	673	669	614	648
Crude Oil Capacity Utilization (%)	91%	101%	88%	93%	93%	96%	102%	99%	91%	97%
Clean Product Yield (%)	84%	82%	81%	86%	83%	83%	83%	85%	84%	84%
Western U.S.										
Crude Oil Charge Input (MB/D)	352	359	391	389	373	392	397	392	387	392
Total Charge Input (MB/D)	365	374	408	410	390	409	419	409	409	412
Crude Oil Capacity Utilization (%)	90%	91%	100%	99%	95%	100%	101%	99%	98%	99%
Clean Product Yield (%)	82%	81%	83%	83%	82%	81%	81%	82%	83%	82%
TOTAL UNITED STATES										
Crude Oil Charge Input (MB/D)	2,008	2,128	2,083	2,074	2,074	2,105	2,119	2,011	2,005	2,059
Total Charge Input (MB/D)	2,203	2,313	2,263	2,248	2,257	2,259	2,302	2,210	2,209	2,246
Crude Oil Capacity Utilization (%)	93%	98%	96%	96%	96%	97%	98%	93%	93%	95%
Clean Product Yield (%)	84%	81%	82%	83%	82%	82%	80%	82%	84%	82%
Refined Products Production (MB/D)										
Gasoline	1,060	1,077	1,070	1,061	1,067	1,059	1,043	1,060	1,072	1,059
Distillates	590	615	591	591	597	604	591	574	619	597
Aviation Fuel	190	173	200	195	189	167	177	164	158	167
Other	414	492	461	423	448	415	489	400	383	422
Total	2,254	2,357	2,322	2,270	2,301	2,245	2,300	2,198	2,232	2,245

Petroleum Products Sales (MB/D)

Gasoline	1,331	1,381	1,398	1,365	1,369	1,315	1,328	1,366	1,415	1,356
Distillates	600	590	580	530	575	570	538	544	562	553
Aviation Fuel	164	164	197	193	180	178	191	200	195	191
Other	509	493	497	474	492	517	573	553	613	564

Total	2,604	2,628	2,672	2,562	2,616	2,580	2,630	2,663	2,785	2,664
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R&M (continued)

	2003					2004				
	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)	299	280	288	269	283	289	197	291	298	269
Total Charge Input (MB/D)	301	286	296	280	291	299	216	300	308	280
Crude Oil Capacity Utilization (%)	98%	92%	94%	88%	93%	94%	64%	100%	102%	90%
Clean Product Yield (%)	84%	83%	84%	84%	84%	84%	81%	83%	81%	82%
International - Equity Affiliates - Net Share*										
Crude Oil Charge Input (MB/D)	134	132	129	128	131	120	112	134	140	127
Total Charge Input (MB/D)	137	135	134	131	134	121	113	138	145	130
Crude Oil Capacity Utilization (%)	98%	97%	95%	94%	96%	87%	81%	99%	103%	92%
Clean Product Yield (%)	82%	83%	81%	82%	82%	82%	83%	81%	81%	82%
TOTAL INTERNATIONAL										
Crude Oil Charge Input (MB/D)	433	412	417	397	414	409	309	425	438	396
Total Charge Input (MB/D)	438	421	430	411	425	420	329	438	453	410
Crude Oil Capacity Utilization (%)	98%	93%	94%	90%	94%	92%	69%	99%	102%	91%
Clean Product Yield (%)	83%	83%	83%	84%	83%	84%	82%	82%	81%	82%
Refined Products Production (MB/D)										
Gasoline	142	132	139	125	134	124	109	138	144	129
Distillates	183	177	185	154	175	181	136	190	190	174
Aviation Fuel	24	15	19	21	20	24	16	22	25	22
Other	87	83	70	95	83	81	57	89	94	80
Total	436	407	413	395	412	410	318	439	453	405
Petroleum Products Sales (MB/D)										
Gasoline	202	190	181	171	186	185	180	173	180	180
Distillates	181	199	192	172	186	228	184	207	222	210
Aviation Fuel	5	7	14	7	8	6	9	10	8	8
Other	40	52	54	53	50	82	67	82	83	79
Total	428	448	441	403	430	501	440	472	493	477
Worldwide - Including Net Share of Equity Affiliates										
Crude Oil Charge Input (MB/D)	2,441	2,540	2,500	2,471	2,488	2,514	2,428	2,436	2,443	2,455
Total Charge Input (MB/D)	2,641	2,734	2,693	2,659	2,682	2,679	2,631	2,648	2,662	2,656
Crude Oil Capacity Utilization (%)	94%	97%	96%	95%	95%	96%	93%	94%	94%	94%
Clean Product Yield (%)	84%	81%	82%	83%	83%	82%	80%	82%	84%	82%
Refined Products Production (MB/D)										
Gasoline	1,202	1,209	1,209	1,186	1,201	1,183	1,152	1,198	1,216	1,188
Distillates	773	792	776	745	772	785	727	764	809	771
Aviation Fuel	214	188	219	216	209	191	193	186	183	189
Other	501	575	531	518	531	496	546	489	477	502
Total	2,690	2,764	2,735	2,665	2,713	2,655	2,618	2,637	2,685	2,650
Petroleum Products Sales (MB/D)										
Gasoline	1,533	1,571	1,579	1,536	1,555	1,500	1,508	1,539	1,595	1,536
Distillates	781	789	772	702	761	798	722	751	784	763
Aviation Fuel	169	171	211	200	188	184	200	210	203	199
Other	549	545	551	527	542	599	640	635	696	643
Total	3,032	3,076	3,113	2,965	3,046	3,081	3,070	3,135	3,278	3,141

* 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

	2003					2004				
	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
Upstream Production*										
Total (MB/D)	-	-	-	-	-	-	-	-	150	38

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

Industry Prices	
Crude Oil (\$/bbl)	
Urals crude (CIF Medium)	- - - - - - - - 38.82 38.82

Downstream	
Refinery Throughput*	
Crude Processed (MB/D)	- - - - - - - - 77 19

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

MIDSTREAM

	2003					2004				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Midstream Net Income (\$ Millions)	31	25	31	43	130	55	42	38	100	235
U.S. Equity Affiliate (\$ Millions)*	13	23	18	18	72	33	33	26	51	143
Natural Gas Liquids Extracted (MB/D)										
Consolidated										
United States	51	53	50	54	52	54	24	28	23	32
International	47	35	47	50	45	47	33	49	49	45
Equity Affiliates										
United States*	114	110	111	110	111	109	112	111	113	111
International	7	7	7	6	7	6	5	6	7	6
Total	219	205	215	220	215	216	174	194	192	194

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

Natural Gas Liquids Fractionated (MB/D)	
United States*	168 158 172 168 167 158 144 145 140 147
International	59 49 60 62 57 63 43 62 62 58
Total	227 207 232 230 224 221 187 207 202 205

* Excludes DEFS.

Product Prices	
Weighted Average NGL (\$/bbl)*	
Consolidated	25.59 20.99 20.94 23.14 22.67 25.68 26.42 31.03 34.40 29.38
DEFS	24.53 20.53 20.67 22.76 22.12 24.81 25.61 30.27 33.69 28.60

* 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.

Depreciation, Depletion and Amortization (\$ Millions)	14 14 13 13 54 13 9 11 10 43
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CHEMICALS

	2003						2004					
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	
Chemicals												
Net Income (Loss) (\$ Millions)	(23)	12	7	11	7		39	46	81	83	249	
Industry Margins (Cents/Lb)*												
Ethylene industry cash margin	5.31	12.50	8.00	6.44	8.06		9.38	10.70	8.27	12.22	10.14	
HDPE industry contract sales margin	5.28	6.59	7.83	10.16	7.46		9.43	9.21	9.23	11.68	9.89	
Styrene industry contract sales margin	10.47	12.57	13.32	13.21	12.39		13.06	13.33	13.73	13.40	13.38	

* 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.

EMERGING BUSINESSES

	2003					2004				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Emerging Businesses										
Net Income (Loss) (\$ Millions)	(34)	(23)	(18)	(24)	(99)	(22)	(29)	(27)	(24)	(102)
Detail of Net Income (Loss) (\$ Millions)										
Technology Solutions	(5)	(6)	(5)	(4)	(20)	(4)	(4)	(3)	(7)	(18)
Gas-to-Liquids	(20)	(13)	(7)	(10)	(50)	(9)	(7)	(9)	(8)	(33)
Power	1	(1)	(3)	(2)	(5)	(4)	(16)	(8)	(3)	(31)
Other	(10)	(3)	(3)	(8)	(24)	(5)	(2)	(7)	(6)	(20)
Total	(34)	(23)	(18)	(24)	(99)	(22)	(29)	(27)	(24)	(102)

CORPORATE AND OTHER

	2003					2004				
	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)	(284)	(225)	(166)	(202)	(877)	(177)	(156)	(214)	(225)	(772)
Detail of Net Income (Loss) (\$ Millions)										
Net interest expense*	(190)	(145)	(134)	(163)	(632)	(113)	(143)	(149)	(109)	(514)
Corporate overhead*	(30)	(43)	(33)	(67)	(173)	(48)	(52)	(51)	(61)	(212)
Discontinued operations	53	91	57	36	237	13	62	(5)	(48)	22
Merger-related costs	(27)	(115)	(41)	(40)	(223)	(14)	-	-	-	(14)
Accounting change	(112)	-	-	-	(112)	-	-	-	-	-
Other*	22	(13)	(15)	32	26	(15)	(23)	(9)	(7)	(54)
Total	(284)	(225)	(166)	(202)	(877)	(177)	(156)	(214)	(225)	(772)

* Certain amounts reclassified between these line items in 1st, 2nd, and 3rd quarters of 2004 to conform to 4th quarter 2004 presentation.

Before-Tax Net Interest Expense (\$ Millions)										
Interest expense	(319)	(286)	(290)	(273)	(1,168)	(260)	(263)	(222)	(231)	(976)
Capitalized interest	73	78	98	77	326	115	104	121	90	430
Interest revenue	15	17	13	11	56	16	12	8	11	47
Receivables monetization related	(6)	(6)	(10)	(8)	(30)	(1)	(1)	3	1	2
Premium on early debt retirement	(12)	(11)	-	(45)	(68)	-	-	(58)	-	(58)
Total	(249)	(208)	(189)	(238)	(884)	(130)	(148)	(148)	(129)	(555)

Debt										
Total Debt (\$ Millions)	21,007	20,254	18,739	17,780	17,780	17,109	15,619	15,486	15,002	15,002
Debt-to-Capital Ratio	40%	38%	36%	34%	34%	32%	29%	28%	26%	26%