



CONSOLIDATED INCOME STATEMENT

Millions of Dollars

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Revenues and Other Income										
Sales and other operating revenues*	41,320	47,370	46,062	52,685	187,437	54,883	71,411			126,294
Equity in earnings of affiliates	929	1,506	1,314	1,338	5,087	1,359	1,812			3,171
Other income	618	521	557	275	1,971	310	130			440
	<u>42,867</u>	<u>49,397</u>	<u>47,933</u>	<u>54,298</u>	<u>194,495</u>	<u>56,552</u>	<u>73,353</u>			<u>129,905</u>
Costs and Expenses										
Purchased crude oil, natural gas and products	26,715	30,820	30,862	35,032	123,429	37,820	51,214			89,034
Production and operating expenses	2,492	2,557	2,620	3,014	10,683	2,691	3,111			5,802
Selling, general and administrative expenses	527	604	569	606	2,306	526	629			1,155
Exploration expenses	262	259	218	268	1,007	309	288			597
Depreciation, depletion and amortization	2,024	2,016	2,052	2,206	8,298	2,209	2,178			4,387
Impairments-expropriated assets	-	4,588	-	-	4,588	-	-			-
Impairments	(1)	98	188	157	442	6	19			25
Taxes other than income taxes*	4,374	4,697	4,583	5,336	18,990	5,155	5,796			10,951
Accretion on discounted liabilities	79	81	81	100	341	104	96			200
Interest and debt expense	307	319	391	236	1,253	207	210			417
Foreign currency transaction (gains) losses	1	(179)	(20)	(3)	(201)	(43)	-			(43)
Minority interests	21	19	25	22	87	19	17			36
	<u>36,801</u>	<u>45,879</u>	<u>41,569</u>	<u>46,974</u>	<u>171,223</u>	<u>49,003</u>	<u>63,558</u>			<u>112,561</u>
Income before income taxes	6,066	3,518	6,364	7,324	23,272	7,549	9,795			17,344
Provision for income taxes	2,520	3,217	2,691	2,953	11,381	3,410	4,356			7,766
Net Income	<u>3,546</u>	<u>301</u>	<u>3,673</u>	<u>4,371</u>	<u>11,891</u>	<u>4,139</u>	<u>5,439</u>			<u>9,578</u>
<i>* Includes excise taxes on petroleum products sales:</i>	3,841	4,069	3,954	4,073	15,937	3,857	4,091			7,948
Net income per share of common stock (dollars)										
Basic	2.15	0.18	2.26	2.75	7.32	2.65	3.54			6.18
Diluted	2.12	0.18	2.23	2.71	7.22	2.62	3.50			6.11
Average common shares outstanding (in thousands)										
Basic	1,647,352	1,635,848	1,622,456	1,590,957	1,623,994	1,562,198	1,534,975			1,548,587
Diluted	1,668,847	1,657,999	1,644,267	1,612,179	1,645,919	1,582,025	1,555,447			1,568,867

SUMMARY OF INCOME (LOSS) BY SEGMENT

Millions of Dollars

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Net Income (Loss)										
U.S. E&P	916	1,055	1,225	1,052	4,248	1,349	1,852			3,201
International E&P	1,413	(3,459)	857	1,556	367	1,538	2,147			3,685
Total E&P	<u>2,329</u>	<u>(2,404)</u>	<u>2,082</u>	<u>2,608</u>	<u>4,615</u>	<u>2,887</u>	<u>3,999</u>			<u>6,886</u>
Midstream	<u>85</u>	<u>102</u>	<u>104</u>	<u>162</u>	<u>453</u>	<u>137</u>	<u>162</u>			<u>299</u>
U.S. R&M	896	1,879	873	967	4,615	435	587			1,022
International R&M	240	479	434	155	1,308	85	77			162
Total R&M	<u>1,136</u>	<u>2,358</u>	<u>1,307</u>	<u>1,122</u>	<u>5,923</u>	<u>520</u>	<u>664</u>			<u>1,184</u>
LUKOIL Investment	256	526	387	649	1,818	710	774			1,484
Chemicals	82	68	110	99	359	52	18			70
Emerging Businesses	(1)	(12)	3	2	(8)	12	8			20
Corporate and Other	(341)	(337)	(320)	(271)	(1,269)	(179)	(186)			(365)
Consolidated	<u>3,546</u>	<u>301</u>	<u>3,673</u>	<u>4,371</u>	<u>11,891</u>	<u>4,139</u>	<u>5,439</u>			<u>9,578</u>



SUMMARY OF INCOME (LOSS) BY SEGMENT (continued)

Millions of Dollars

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Income Before Income Taxes										
U.S. E&P	1,425	1,627	1,867	1,560	6,479	2,094	2,848			4,942
International E&P	2,894	(1,976)	2,357	3,464	6,739	3,822	5,211			9,033
Total E&P	4,319	(349)	4,224	5,024	13,218	5,916	8,059			13,975
Midstream	132	156	157	245	690	206	243			449
U.S. R&M	1,400	2,891	1,369	1,526	7,186	717	938			1,655
International R&M	218	633	403	167	1,421	101	32			133
Total R&M	1,618	3,524	1,772	1,693	8,607	818	970			1,788
LUKOIL Investment	262	542	396	663	1,863	729	795			1,524
Chemicals	107	80	140	20	347	54	-			54
Emerging Businesses	(3)	(20)	(17)	(2)	(42)	15	17			32
Corporate and Other	(369)	(415)	(308)	(319)	(1,411)	(189)	(289)			(478)
Consolidated	6,066	3,518	6,364	7,324	23,272	7,549	9,795			17,344
Effective Tax Rates										
U.S. E&P	35.7%	35.2%	34.4%	32.6%	34.4%	35.6%	35.0%			35.2%
International E&P	51.2%	-	63.6%	55.1%	94.6%	59.8%	58.8%			59.2%
Total E&P	46.1%	-588.8%	50.7%	48.1%	65.1%	51.2%	50.4%			50.7%
Midstream	35.6%	34.6%	33.8%	33.9%	34.3%	33.5%	33.3%			33.4%
U.S. R&M	36.0%	35.0%	36.2%	36.6%	35.8%	39.3%	37.4%			38.2%
International R&M	-10.1%	24.3%	-7.7%	7.2%	8.0%	15.8%	-140.6%			-21.8%
Total R&M	29.8%	33.1%	26.2%	33.7%	31.2%	36.4%	31.5%			33.8%
LUKOIL Investment	2.3%	3.0%	2.3%	2.1%	2.4%	2.6%	2.6%			2.6%
Chemicals	23.4%	15.0%	21.4%	-	-3.5%	3.7%	-			-29.6%
Emerging Businesses	66.7%	40.0%	-	-	81.0%	20.0%	52.9%			37.5%
Corporate and Other	7.6%	18.8%	-3.9%	15.0%	10.1%	5.3%	35.6%			23.6%
Consolidated	41.5%	91.4%	42.3%	40.3%	48.9%	45.2%	44.4%			44.8%

CERTAIN ITEMS INCLUDED IN NET INCOME (AFTER-TAX)

Millions of Dollars

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
U.S. E&P										
Gain on asset sales	36	11	-	25	72	4	12	-	-	16
FERC Rulings	-	-	94	-	94	-	-	-	-	-
Impairments	-	-	-	(45)	(45)	-	-	-	-	-
Business interruption insurance claims recovery	-	-	-	13	13	-	-	-	-	-
Total	36	11	94	(7)	134	4	12	-	-	16
International E&P										
Gain (loss) on asset sales	407	(82)	164	147	636	8	-	-	-	8
International tax law changes	38	-	-	171	209	-	-	-	-	-
Impairment - expropriated assets	-	(4,512)	-	-	(4,512)	-	-	-	-	-
Impairments	(88)	(33)	(32)	(75)	(228)	-	-	-	-	-
Pending claims and settlements	-	-	-	28	28	-	-	-	-	-
Total	357	(4,627)	132	271	(3,867)	8	-	-	-	8
Total E&P	393	(4,616)	226	264	(3,733)	12	12	-	-	24
Midstream										
Total	-	-	-	-	-	-	-	-	-	-
U.S. R&M										
Gain on asset sales	-	-	2	14	16	116	8	-	-	124
Impairments	(13)	-	3	(2)	(12)	(3)	(10)	-	-	(13)
Business interruption insurance claims recovery	-	-	-	10	10	-	-	-	-	-
Total	(13)	-	5	22	14	113	(2)	-	-	111
International R&M										
Gain on asset sales	-	163	158	2	323	-	1	-	-	1
Impairments	148	(5)	(30)	11	124	-	-	-	-	-
Germany tax rate change	-	-	141	-	141	-	-	-	-	-
Total	148	158	269	13	588	-	1	-	-	1
Total R&M	135	158	275	35	603	113	(1)	-	-	112
LUKOIL Investment										
Total	-	-	-	-	-	-	-	-	-	-
Chemicals										
Asset retirements recorded by CPChem	-	(21)	-	-	(21)	-	-	-	-	-
Tax benefit on capital loss	-	-	-	65	65	-	-	-	-	-
Total	-	(21)	-	65	44	-	-	-	-	-
Emerging Businesses										
Total	-	-	-	-	-	-	-	-	-	-
Corporate and Other										
Acquisition-related expenses	(13)	(16)	(11)	(4)	(44)	-	-	-	-	-
FERC Rulings	-	-	(14)	-	(14)	-	-	-	-	-
Premium on early debt retirement	(14)	-	-	-	(14)	-	-	-	-	-
Pending claims and settlements	-	-	-	-	-	35	-	-	-	35
Canada tax law change	-	-	-	15	15	-	-	-	-	-
Total	(27)	(16)	(25)	11	(57)	35	-	-	-	35
Total Company	501	(4,495)	475	375	(3,143)	160	11	-	-	171

CASH FLOW INFORMATION

Millions of Dollars

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Cash Flows from Operating Activities										
Net income	3,546	301	3,673	4,371	11,891	4,139	5,439			9,578
Depreciation, depletion and amortization	2,024	2,016	2,052	2,206	8,298	2,209	2,178			4,387
Impairment - expropriated assets	-	4,588	-	-	4,588	-	-			-
Impairments	(1)	98	188	157	442	6	19			25
Dry hole costs and leasehold impairments	148	133	74	108	463	154	127			281
Accretion on discounted liabilities	79	81	81	100	341	104	96			200
Deferred income taxes	77	103	(125)	(212)	(157)	(17)	28			11
Undistributed equity earnings	(557)	(678)	(237)	(351)	(1,823)	(987)	(1,001)			(1,988)
Net gain on asset dispositions	(499)	(428)	(389)	(32)	(1,348)	(181)	(32)			(213)
Other	(94)	182	(60)	77	105	(164)	83			(81)
Net working capital changes	2,150	(1,630)	734	496	1,750	1,324	(1,503)			(179)
Net Cash Provided by Operating Activities	6,873	4,766	5,991	6,920	24,550	6,587	5,434			12,021
Cash Flows from Investing Activities										
Capital expenditures & investments	(2,847)	(2,500)	(2,560)	(3,884)	(11,791)	(3,322)	(3,398)			(6,720)
Proceeds from asset dispositions	1,343	872	842	515	3,572	370	71			441
Long-term advances to/collections from affiliates and other investments	(144)	(97)	(118)	16	(343)	(60)	(83)			(143)
Net Cash Used for Investing Activities	(1,648)	(1,725)	(1,836)	(3,353)	(8,562)	(3,012)	(3,410)			(6,422)
Cash Flows from Financing Activities										
Net issuance (repayment) of debt	(3,491)	(865)	(961)	(202)	(5,519)	(202)	426			224
Issuance of stock	40	141	70	34	285	7	178			185
Repurchase of stock	(1,000)	(1,000)	(2,501)	(2,500)	(7,001)	(2,496)	(2,512)			(5,008)
Dividends	(674)	(668)	(667)	(652)	(2,661)	(730)	(719)			(1,449)
Other	(49)	(104)	(136)	(155)	(444)	(196)	(44)			(240)
Net Cash Used for Financing Activities	(5,174)	(2,496)	(4,195)	(3,475)	(15,340)	(3,617)	(2,671)			(6,288)
Effect of Exchange Rate Changes	(8)	6	8	(15)	(9)	9	11			20
Net Change in Cash and Cash Equivalents	43	551	(32)	77	639	(33)	(636)			(669)
Cash and cash equivalents at beginning of period	817	860	1,411	1,379	817	1,456	1,423			1,456
Cash and Cash Equivalents at End of Period	860	1,411	1,379	1,456	1,456	1,423	787			787

Millions of Dollars

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Capital Program										
E&P										
Capital expenditures and investments	2,570	2,148	2,177	3,040	9,935	2,818	2,806			5,624
Loans and advances	157	111	122	238	628	67	85			152
Joint venture acquisition obligation--principal	-	140	142	143	425	145	148			293
E&P total	2,727	2,399	2,441	3,421	10,988	3,030	3,039			6,069
Midstream*	-	2	-	3	5	-	-			-
R&M										
Capital expenditures and investments	205	271	276	634	1,386	363	510			873
Loans and advances	17	37	-	-	54	-	2			2
R&M total	222	308	276	634	1,440	363	512			875
LUKOIL Investment*	-	-	-	-	-	-	-			-
Chemicals*	-	-	-	-	-	-	-			-
Emerging Businesses*	31	34	62	130	257	61	51			112
Corporate and Other*	41	45	45	77	208	80	31			111
Total Capital Program	3,021	2,788	2,824	4,265	12,898	3,534	3,633			7,167

* Capital expenditures and investments only.

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
E&P Net Income (Loss) (\$ Millions)	2,329	(2,404)	2,082	2,608	4,615	2,887	3,999			6,886
Production										
Total, Including Equity Affiliates and Canadian Syncrude (MBOE/D)	2,020	1,910	1,759	1,835	1,880	1,794	1,750			1,772
<i>E&P segment plus LUKOIL Investment segment:</i>	2,465	2,383	2,191	2,261	2,324	2,253	2,198			2,226
Crude Oil and Condensate (MB/D)										
Consolidated	840	760	730	752	770	758	731			744
Equity affiliates	120	128	44	43	84	45	41			43
Total	960	888	774	795	854	803	772			787
Sales of crude oil produced (MB/D)	949	876	803	792	854	773	803			788
Natural Gas Liquids (MB/D)										
Consolidated	150	145	139	187	155	154	156			155
Natural Gas (MMCF/D)										
Consolidated	5,313	5,124	4,916	4,981	5,082	4,900	4,818			4,859
Equity affiliates	9	9	-	-	5	-	-			-
Total	5,322	5,133	4,916	4,981	5,087	4,900	4,818			4,859
Canadian Syncrude (MB/D)	23	21	27	23	23	20	19			20
Industry Prices (Platts)										
Crude Oil (\$/bbl)										
WTI spot	57.99	64.89	75.48	90.66	72.25	97.94	123.98			110.96
Brent dated	57.76	68.76	74.87	88.69	72.52	96.90	121.38			109.14
Natural Gas (\$/mmbtu)										
Henry Hub -- First of Month	6.77	7.55	6.16	6.97	6.86	8.03	10.94			9.49
Average Realized Prices										
Crude Oil and Condensate (\$/bbl)										
Consolidated	55.17	64.55	73.01	86.28	69.47	94.71	119.24			107.27
Equity affiliates	40.02	47.74	44.60	52.45	45.31	62.78	93.20			76.86
Total	53.38	61.97	71.34	84.53	67.11	92.88	118.01			105.68
Natural Gas Liquids (\$/bbl)										
Consolidated	38.56	44.80	48.09	54.82	47.13	60.14	68.42			64.40
Natural Gas (\$/mcf)										
Consolidated	6.36	6.45	5.56	6.66	6.26	8.03	9.87			8.94
Equity affiliates	0.29	0.30	-	-	0.30	-	-			-
Total	6.35	6.44	5.56	6.66	6.26	8.03	9.87			8.94
Exploration Charges (\$ Millions)										
Dry Holes	62	74	23	50	209	94	68			162
Lease Impairments	86	59	51	58	254	60	59			119
Total Non-Cash Charges	148	133	74	108	463	154	127			281
Other (G&G and Lease Rentals)	114	126	144	160	544	155	161			316
Total Exploration Charges	262	259	218	268	1,007	309	288			597
Depreciation, Depletion and Amortization (DD&A) (\$ Millions)										
	1,802	1,790	1,828	1,971	7,391	1,946	1,940			3,886
Foreign Currency Gains (Losses) After-Tax (\$ Millions)										
	17	152	13	34	216	(10)	2			(8)

	2007					2008				
	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)	916	1,055	1,225	1,052	4,248	1,349	1,852			3,201
Alaska (\$ Millions)	507	535	765	448	2,255	603	700			1,303
Lower 48 (\$ Millions)	409	520	460	604	1,993	746	1,152			1,898
Production										
Total U.S. (MBOE/D)	855	848	821	847	843	783	787			786
Crude Oil and Condensate (MB/D)										
Alaska	276	267	241	257	261	254	244			249
Lower 48	104	105	103	98	102	97	95			96
Total	380	372	344	355	363	351	339			345
Sales of crude oil produced (MB/D)	372	370	380	340	365	344	353			348
Natural Gas Liquids (MB/D)*										
Alaska	22	18	15	19	19	19	17			18
Lower 48**	68	71	73	106	79	69	76			73
Total	90	89	88	125	98	88	93			91
*Includes reinjection volumes sold lease-to-lease:	16	15	11	13	14	13	11			12
Natural Gas (MMCF/D)										
Alaska	122	100	116	102	110	100	98			99
Lower 48	2,190	2,219	2,219	2,101	2,182	1,963	2,034			1,998
Total	2,312	2,319	2,335	2,203	2,292	2,063	2,132			2,097
Average Realized Prices										
Crude Oil and Condensate (\$/bbl)										
Alaska										
North Slope	48.83	56.31	66.54	81.17	62.91	89.07	112.23			100.93
West Coast	55.50	63.26	73.57	87.88	69.75	95.47	118.88			107.45
Lower 48	49.32	58.50	67.77	78.98	63.49	90.35	118.06			104.02
Total U.S.	53.78	61.91	72.00	85.31	68.00	94.02	118.66			106.51
Natural Gas Liquids (\$/bbl)										
Alaska	55.27	63.52	73.40	88.12	71.85	94.27	117.24			105.45
Lower 48***	36.46	43.29	46.37	48.88	44.43	55.33	62.27			58.97
Total U.S.	37.86	44.17	47.73	51.23	46.00	58.33	65.96			62.31
Natural Gas (\$/mcf)										
Alaska	4.19	4.04	2.15	4.12	3.68	4.31	3.81			4.10
Lower 48	6.21	6.51	5.38	5.88	5.99	7.67	9.74			8.72
Total U.S.	6.19	6.49	5.36	5.86	5.98	7.63	9.69			8.67
Kenai, Alaska LNG Sales										
Volume (MMCF/D)	104	72	88	78	85	63	72			67
Sales price per MCF	5.83	5.86	6.01	7.28	6.21	6.72	7.15			6.95
U.S. Exploration Charges (\$ Millions)										
Dry Holes	13	36	19	14	82	25	20			45
Lease Impairments	43	43	43	40	169	42	40			82
Total Non-Cash Charges	56	79	62	54	251	67	60			127
Other (G&G and Lease Rentals)	26	40	57	50	173	39	50			89
Total U.S. Exploration Charges	82	119	119	104	424	106	110			216
Alaska Only	17	32	31	26	106	11	25			36
DD&A (\$ Millions)										
Alaska	168	167	165	167	667	149	163			312
Lower 48	618	661	667	642	2,588	616	613			1,229
Total U.S.	786	828	832	809	3,255	765	776			1,541

**Fourth quarter of 2007 includes 22 MBD related to out-of-period adjustments for the first three quarters in 2007. The amounts attributable to Q1, Q2, and Q3 2007 were 5, 8, and 9 MBD, respectively. Fourth-quarter 2007 NGL production in L48 was 84 MBD excluding the adjustments.

***Fourth quarter of 2007 includes \$6.36/bbl related to out-of-period adjustments for the first three quarters in 2007. The amounts attributable to Q1, Q2, and Q3 2007 were \$1.64/bbl, \$2.23/bbl, and \$2.49/bbl, respectively. Fourth-quarter 2007 NGL realized price in L48 was \$55.24/bbl excluding the adjustments.



INTERNATIONAL E&P

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
International E&P										
Net Income (Loss) (\$ Millions)	1,413	(3,459)	857	1,556	367	1,538	2,147			3,685
Production										
Total, Including Equity Affiliates and Canadian Syncrude (MBOE/D)	1,165	1,062	938	988	1,037	1,011	963			986
Crude Oil and Condensate (MB/D)										
Consolidated										
Norway	179	145	166	158	162	153	145			150
United Kingdom	55	48	37	50	48	48	49			48
Canada	21	19	17	21	19	23	24			23
China	38	32	29	25	31	33	32			32
Indonesia	13	13	11	11	12	16	15			15
Vietnam	23	22	22	22	22	20	18			19
Timor Sea	24	26	21	19	22	23	21			22
Libya	45	47	48	47	47	47	48			48
Other	62	36	35	44	44	44	40			42
Equity affiliates										
Canada	23	28	29	27	27	29	25			27
Russia	15	15	15	16	15	16	16			16
Venezuela	82	85	-	-	42	-	-			-
Total	580	516	430	440	491	452	433			442
Sales of crude oil produced (MB/D)	577	506	423	452	489	429	450			440
Natural Gas Liquids (MB/D)										
Norway	8	5	7	12	8	13	11			12
United Kingdom	6	6	4	8	6	10	8			9
Canada	31	28	26	25	27	26	25			26
Timor Sea	12	14	11	12	12	15	14			14
Other	3	3	3	5	4	2	5			3
Total	60	56	51	62	57	66	63			64
Natural Gas (MMCF/D)										
Consolidated										
Norway	247	202	226	270	236	273	205			239
United Kingdom	785	668	519	723	673	695	623			659
Canada	1,152	1,133	1,069	1,073	1,106	1,101	1,055			1,078
China	11	12	13	8	11	10	9			10
Timor Sea	243	250	194	207	223	246	231			239
Indonesia	331	329	349	310	330	314	360			337
Vietnam	15	12	19	14	15	16	16			16
Libya	5	9	9	9	8	9	9			9
Other	212	190	183	164	188	173	178			175
Equity affiliates										
Canada	-	-	-	-	-	-	-			-
Russia	-	-	-	-	-	-	-			-
Venezuela	9	9	-	-	5	-	-			-
Total	3,010	2,814	2,581	2,778	2,795	2,837	2,686			2,762
Canadian Syncrude (MB/D)	23	21	27	23	23	20	19			20
Darwin, Australia LNG Sales (MMCF/D)	388	449	347	348	383	417	396			407

INTERNATIONAL E&P (continued)

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Average Realized Prices										
Crude Oil and Condensate (\$/bbl)										
Consolidated										
Norway	57.36	67.50	75.54	88.75	72.04	97.27	122.34			109.98
United Kingdom	55.52	66.99	72.98	86.26	71.01	93.96	118.79			108.44
Canada	48.70	58.42	67.75	73.08	61.77	84.49	108.43			96.58
China	54.93	66.39	71.79	85.51	67.69	93.69	120.63			107.21
Indonesia	54.66	65.46	72.46	89.26	69.99	92.48	109.83			101.06
Vietnam	57.88	67.03	75.14	89.64	72.54	98.31	126.11			111.30
Timor Sea	59.15	73.51	71.20	83.95	71.50	93.85	114.20			102.47
Libya	56.19	67.39	73.88	88.11	72.02	95.21	120.86			109.72
Other	55.73	67.71	74.48	87.54	69.76	97.56	119.35			108.94
Equity affiliates										
Canada	32.46	32.46	38.48	46.90	37.94	57.95	96.78			76.77
Russia	37.92	50.25	55.84	63.05	52.29	70.41	86.00			77.03
Venezuela	42.54	51.54	-	-	47.46	-	-			-
Total	53.12	62.02	70.75	83.94	66.44	91.96	117.49			105.02
Natural Gas Liquids (\$/bbl)										
Norway	38.82	45.72	46.77	56.25	48.36	54.48	59.19			56.80
United Kingdom	34.93	39.34	36.91	52.79	41.78	55.88	66.90			62.07
Canada	41.15	46.82	51.77	66.27	50.85	68.84	83.57			76.06
Timor Sea	44.13	49.43	48.71	72.60	52.63	69.79	74.03			71.75
Other	8.32	29.42	34.00	42.30	31.17	13.83	43.22			32.88
Total	39.38	45.64	48.63	61.56	48.80	62.20	71.40			66.86
Natural Gas (\$/mcf)										
Consolidated										
Norway	7.00	7.10	7.51	9.08	7.74	10.27	11.75			10.92
United Kingdom	8.14	7.23	6.69	9.19	7.92	9.20	10.48			9.81
Canada	6.38	6.60	5.13	6.20	6.09	7.81	10.19			8.97
China	2.64	2.74	2.78	3.37	2.85	3.60	3.69			3.64
Timor Sea	0.76	0.68	0.66	0.74	0.71	0.79	0.90			0.85
Indonesia	6.04	6.99	7.78	8.51	7.31	10.33	12.14			11.29
Vietnam	1.10	1.09	1.12	1.13	1.11	1.14	1.12			1.13
Libya	0.07	0.09	0.09	0.09	0.09	0.09	0.09			0.09
Other	2.71	2.53	2.41	3.43	2.75	3.79	3.99			3.89
Equity affiliates										
Canada	-	-	-	-	-	-	-			-
Russia	-	-	-	-	-	-	-			-
Venezuela	0.29	0.30	-	-	0.30	-	-			-
Total	6.47	6.40	5.75	7.31	6.50	8.32	10.02			9.15
International Exploration Charges (\$ Millions)										
Dry Holes	49	38	4	36	127	69	48			117
Lease Impairments	43	16	8	18	85	18	19			37
Total Non-Cash Charges	92	54	12	54	212	87	67			154
Other (G&G and Lease Rentals)	88	86	87	110	371	116	111			227
Total International Exploration Charges	180	140	99	164	583	203	178			381
DD&A (\$ Millions)	1,016	962	996	1,162	4,136	1,181	1,164			2,345

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
R&M Net Income (\$ Millions)	1,136	2,358	1,307	1,122	5,923	520	664			1,184
United States (\$ Millions)	896	1,879	873	967	4,615	435	587			1,022
International (\$ Millions)	240	479	434	155	1,308	85	77			162
Market Indicators										
U.S. East Coast Crack Spread (\$/bbl)	11.81	22.57	11.73	8.47	13.64	7.79	10.93			9.36
U.S. Gulf Coast Crack Spread (\$/bbl)	10.06	24.28	11.74	6.55	13.16	7.90	12.11			10.00
U.S. Group Central Crack Spread (\$/bbl)	14.84	31.26	20.92	9.37	19.10	10.26	13.47			11.87
U.S. West Coast Crack Spread (\$/bbl)	28.68	34.32	16.22	16.58	23.95	15.37	21.91			18.64
U.S. Weighted 3:2:1 Crack Spread (\$/bbl)	15.30	27.56	14.74	9.65	16.81	9.94	14.19			12.07
NW Europe Crack Spread (\$/bbl)	12.06	15.56	13.37	15.55	14.14	16.09	25.78			20.94
Singapore 3:1:2 Crack Spread (\$/bbl)	14.06	17.94	14.80	17.13	15.98	19.90	29.35			24.63
U.S. Wholesale Gasoline Mktg Mrgn (\$/bbl)	1.15	2.09	0.65	(0.43)	0.87	1.07	0.37			0.72
Realized Margins										
Refining Margin (\$/bbl)										
U.S.	11.87	19.59	10.86	11.56	13.41	8.00	10.29			9.18
International	5.06	9.68	6.05	6.72	6.92	6.42	6.70			6.56
Marketing Margin (\$/bbl)*										
U.S.	1.31	2.36	2.20	1.43	1.83	1.18	1.23			1.20
International	7.08	7.68	9.49	7.69	7.92	7.74	9.05			8.41
DD&A (\$ Millions)	191	196	194	203	784	208	206			414
Foreign Currency Gains (Losses) After-Tax (\$ Millions)	-	(2)	-	(11)	(13)	38	(13)			25
Turnaround Expense (\$ Millions)	75	58	27	80	240	90	170			260
Eastern U.S.										
Crude Oil Charge Input (MB/D)	411	404	383	412	402	340	405			373
Total Charge Input (MB/D)	460	447	414	453	443	400	441			421
Crude Oil Capacity Utilization (%)	97%	96%	91%	97%	95%	80%	96%			88%
Clean Product Yield (%)	89%	86%	86%	90%	88%	89%	87%			88%
U.S. Gulf Coast										
Crude Oil Charge Input (MB/D)	744	709	736	712	726	659	720			689
Total Charge Input (MB/D)	823	790	829	794	810	732	810			771
Crude Oil Capacity Utilization (%)	102%	97%	100%	97%	99%	90%	98%			94%
Clean Product Yield (%)	81%	81%	80%	82%	81%	81%	76%			79%
Western U.S.										
Crude Oil Charge Input (MB/D)	333	388	415	395	383	405	343			374
Total Charge Input (MB/D)	375	420	445	433	418	425	396			410
Crude Oil Capacity Utilization (%)	81%	94%	100%	95%	92%	97%	82%			90%
Clean Product Yield (%)	79%	79%	80%	80%	80%	80%	78%			79%
Central U.S. - Consolidated										
Crude Oil Charge Input (MB/D)	185	170	166	175	174	177	182			179
Total Charge Input (MB/D)	188	175	170	179	178	179	184			181
Crude Oil Capacity Utilization (%)	99%	91%	89%	94%	93%	95%	97%			96%
Clean Product Yield (%)	88%	93%	88%	92%	90%	88%	89%			88%
Central U.S. - Equity Affiliates - Net Share**										
Crude Oil Charge Input (MB/D)	265	225	280	267	259	225	241			233
Total Charge Input (MB/D)	288	250	301	288	282	241	258			250
Crude Oil Capacity Utilization (%)	96%	81%	101%	96%	94%	91%	97%			94%
Clean Product Yield (%)	82%	85%	83%	84%	84%	84%	84%			84%
TOTAL UNITED STATES										
Crude Oil Charge Input (MB/D)	1,938	1,896	1,980	1,961	1,944	1,806	1,891			1,848
Total Charge Input (MB/D)	2,134	2,082	2,159	2,147	2,131	1,977	2,089			2,033
Crude Oil Capacity Utilization (%)	95%	93%	97%	96%	96%	90%	94%			92%
Clean Product Yield (%)	83%	83%	82%	84%	83%	83%	81%			82%
Refined Products Production (MB/D)										
Gasoline	962	957	959	978	964	892	876			884
Distillates	762	736	779	795	768	719	775			747
Other	428	394	439	392	414	380	444			412
Total	2,152	2,087	2,177	2,165	2,146	1,991	2,095			2,043
Petroleum Products Sales (MB/D)										
Gasoline	1,258	1,300	1,212	1,207	1,244	1,070	1,127			1,098
Distillates	862	827	869	929	872	869	912			890
Other	480	503	439	309	432	384	404			394
Total	2,600	2,630	2,520	2,445	2,548	2,323	2,443			2,382

* Represents marketing sales price less product costs for all distribution channels other than commercial product supply.

** Represents a 50 percent interest in the Wood River refinery. Represents an 85 percent interest in the Borger refinery in 2007. Our ownership interest in the Borger refinery was reduced to 65 percent effective January 1, 2008. These refineries were contributed to a business venture with EnCana, effective January 1, 2007.

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
International - Consolidated*										
Crude Oil Charge Input (MB/D)	503	505	434	493	484	455	466			460
Total Charge Input (MB/D)	532	528	455	517	508	463	479			471
Crude Oil Capacity Utilization (%)	91%	92%	79%	89%	88%	82%	84%			83%
Clean Product Yield (%)	68%	67%	71%	65%	68%	65%	69%			67%
International - Equity Affiliates - Net Share**										
Crude Oil Charge Input (MB/D)	120	145	140	124	132	123	123			123
Total Charge Input (MB/D)	121	146	142	125	134	124	124			124
Crude Oil Capacity Utilization (%)	83%	101%	104%	106%	98%	104%	104%			104%
Clean Product Yield (%)	77%	79%	81%	84%	80%	86%	83%			85%
TOTAL INTERNATIONAL										
Crude Oil Charge Input (MB/D)	623	650	574	617	616	578	589			583
Total Charge Input (MB/D)	653	674	597	642	642	587	603			595
Crude Oil Capacity Utilization (%)	90%	93%	84%	92%	90%	86%	88%			87%
Clean Product Yield (%)	70%	69%	74%	69%	70%	70%	72%			71%
Refined Products Production (MB/D)										
Gasoline	160	159	160	160	160	129	155			142
Distillates	289	302	273	277	285	274	274			274
Other	195	203	160	196	188	171	163			167
Total	644	664	593	633	633	574	592			583
Petroleum Products Sales (MB/D)										
Gasoline	176	186	161	173	174	139	190			165
Distillates	381	379	328	366	363	321	324			323
Other	156	174	140	171	160	156	169			162
Total	713	739	629	710	697	616	683			650
Worldwide - Including Net Share of Equity Affiliates										
Crude Oil Charge Input (MB/D)	2,561	2,546	2,554	2,578	2,560	2,384	2,480			2,431
Total Charge Input (MB/D)	2,787	2,756	2,756	2,789	2,773	2,564	2,692			2,628
Crude Oil Capacity Utilization (%)	94%	93%	94%	95%	94%	89%	93%			91%
Clean Product Yield (%)	80%	80%	80%	81%	80%	80%	79%			80%
Refined Products Production (MB/D)										
Gasoline	1,122	1,116	1,119	1,138	1,124	1,021	1,031			1,026
Distillates	1,051	1,038	1,052	1,072	1,053	993	1,049			1,021
Other	623	597	599	588	602	551	607			579
Total	2,796	2,751	2,770	2,798	2,779	2,565	2,687			2,626
Petroleum Products Sales (MB/D)										
Gasoline	1,434	1,486	1,373	1,380	1,418	1,209	1,317			1,263
Distillates	1,243	1,206	1,197	1,295	1,235	1,190	1,236			1,213
Other	636	677	579	480	592	540	573			556
Total	3,313	3,369	3,149	3,155	3,245	2,939	3,126			3,032

* Represents our Humber refinery in the United Kingdom, the Whitegate refinery in Ireland, and our Wilhelmshaven refinery in Germany.

** Represents 18.75 percent interest in a refinery complex in Karlsruhe, Germany, and 47 percent interest in a refinery in Melaka, Malaysia. Through August 31, 2007,

represents a 16.33 percent interest in two refineries in Kralupy and Litvinov, Czech Republic. We sold our interest in the two Czech refineries effective September 1, 2007.



LUKOIL INVESTMENT

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
LUKOIL Investment										
Net Income (\$ Millions)	256	526	387	649	1,818	710	774			1,484
Upstream										
Production*										
Net crude oil production (MB/D)	393	427	390	395	401	392	387			390
Net natural gas production (MMCF/D)	309	278	249	188	256	404	363			383
BOE Total (MBOE/D)	445	473	432	426	444	459	448			454
<i>* Represents our estimated net share of LUKOIL's production.</i>										
Industry Prices										
Crude Oil (\$/bbl)										
Urals crude (CIF Mediterranean)	53.96	65.30	72.21	85.90	69.49	93.01	117.34			105.27
Downstream										
Refinery Throughput*										
Crude Processed (MB/D)	219	184	226	227	214	222	215			218
<i>* Represents our estimated net share of LUKOIL's crude processed.</i>										

MIDSTREAM

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Midstream Net Income (\$ Millions)	85	102	104	162	453	137	162			299
U.S. Equity Affiliate (\$ Millions)*	50	76	90	120	336	118	137			255
Natural Gas Liquids Extracted (MB/D)										
Consolidated										
United States	15	23	26	24	22	-	-			-
International	-	-	-	-	-	-	-			-
Equity Affiliates										
United States*	174	181	182	189	181	190	188			189
International	8	7	8	8	8	8	8			8
Total	197	211	216	221	211	198	196			197
<i>* Represents 50 percent interest in DCP Midstream.</i>										
Natural Gas Liquids Fractionated (MB/D)										
United States*	161	163	155	160	160	141	149			145
International	13	13	13	13	13	13	13			13
Total	174	176	168	173	173	154	162			158
<i>* Excludes DCP Midstream.</i>										
Product Prices										
Weighted Average NGL (\$/bbl)*										
Consolidated	37.73	45.19	48.62	60.19	47.93	60.09	68.21			64.15
DCP Midstream	36.55	44.30	47.73	58.60	46.80	56.48	62.53			59.51
<i>* 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.</i>										
DD&A (\$ Millions)	4	3	4	3	14	2	1			3



CHEMICALS

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Chemicals										
Net Income (Loss) (\$ Millions)	82	68	110	99	359	52	18			70
Industry Margins (Cents/Lb)*										
Ethylene industry cash margin	11.1	10.8	11.5	9.7	10.8	10.6	10.2			10.4
HDPE industry contract sales margin	13.5	14.6	14.8	13.6	14.1	14.9	15.0			15.0
Styrene industry contract sales margin	11.1	11.6	11.5	10.7	11.2	11.6	11.3			11.5

* 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

	2007					2008				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Emerging Businesses										
Net Income (Loss) (\$ Millions)	(1)	(12)	3	2	(8)	12	8			20
Detail of Net Income (Loss) (\$ Millions)										
Power	13	(1)	21	20	53	27	26			53
Other	(14)	(11)	(18)	(18)	(61)	(15)	(18)			(33)
Total	(1)	(12)	3	2	(8)	12	8			20

CORPORATE AND OTHER

	2007					2008				
	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)	(341)	(337)	(320)	(271)	(1,269)	(179)	(186)			(365)
Detail of Net Income (Loss) (\$ Millions)										
Net interest expense	(244)	(224)	(195)	(157)	(820)	(108)	(119)			(227)
Corporate overhead	(23)	(54)	(49)	(50)	(176)	(44)	(68)			(112)
Acquisition-related expenses	(13)	(16)	(11)	(4)	(44)	-	-			-
Other	(61)	(43)	(65)	(60)	(229)	(27)	1			(26)
Total	(341)	(337)	(320)	(271)	(1,269)	(179)	(186)			(365)
Before-Tax Net Interest Expense (\$ Millions)										
Interest expense	(395)	(411)	(485)	(340)	(1,631)	(319)	(324)			(643)
Capitalized interest	135	139	141	150	565	157	157			314
Interest revenue	31	24	153	38	246	72	14			86
Premium on early debt retirement	(17)	-	-	-	(17)	(14)	-			(14)
	(246)	(248)	(191)	(152)	(837)	(104)	(153)			(257)
Foreign Currency Gains (Losses) After-Tax (\$ Millions)	(14)	(16)	(35)	(55)	(120)	(3)	41			38
Debt										
Total Debt (\$ Millions)	23,668	22,812	21,876	21,687	21,687	21,492	21,924			21,924
Debt-to-Capital Ratio	22%	21%	20%	19%	19%	19%	19%			19%
Common Stockholders' Equity (\$ Millions)	84,782	84,928	86,933	88,983	88,983	89,575	92,398			92,398