



2011 Annual Meeting of Stockholders

May 11, 2011



Cautionary Statement

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The following presentation includes forward-looking statements. These statements relate to future events, such as anticipated revenues, earnings, business strategies, competitive position or other aspects of our operations or operating results. Actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict such as oil and gas prices; refining and marketing margins; operational hazards and drilling risks; potential failure to achieve, and potential delays in achieving expected reserves or production levels from existing and future oil and gas development projects; unsuccessful exploratory activities; unexpected cost increases or technical difficulties in constructing, maintaining or modifying company facilities; international monetary conditions and exchange controls; potential liability for remedial actions under existing or future environmental regulations or 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; general domestic and international economic and political conditions, as well as changes in tax, environmental and other laws applicable to ConocoPhillips' business and other economic, business, competitive and/or regulatory factors affecting ConocoPhillips' business generally as set forth in ConocoPhillips' filings with the Securities and Exchange Commission (SEC).

Use of non-GAAP financial information - This presentation includes non-GAAP financial measures, which are included to help facilitate comparison of company operating performance across periods and with peer companies. A reconciliation of these non-GAAP measures to the nearest corresponding GAAP measure is included in the appendix.

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 use the term "resource" in this presentation 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.



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Jim Mulva
Chairman & Chief Executive Officer



- **Increase ROCE / CROCE**
- **Constrain capital to highest return projects**
- **Sell assets and reduce debt**
- **10 BBOE resources to reserves in 10 years**
- **Grow production per share**
- **Reduce refining capacity**
- **Increase shareholder distributions**

Creating shareholder value

2010 Accomplishments

- ROCE increased from 7% to 10%
- Delivered constrained capital program
- Executed ~\$7 B in asset sales
- Sold ~\$9 B in LUKOIL shares
- Debt reduced by ~\$5 B
- On track to deliver per share growth
- E&P organic reserve replacement 138%
- Share repurchases ~\$4 B
- Increased dividend 10%
 - Additional 20% dividend increase in early 2011

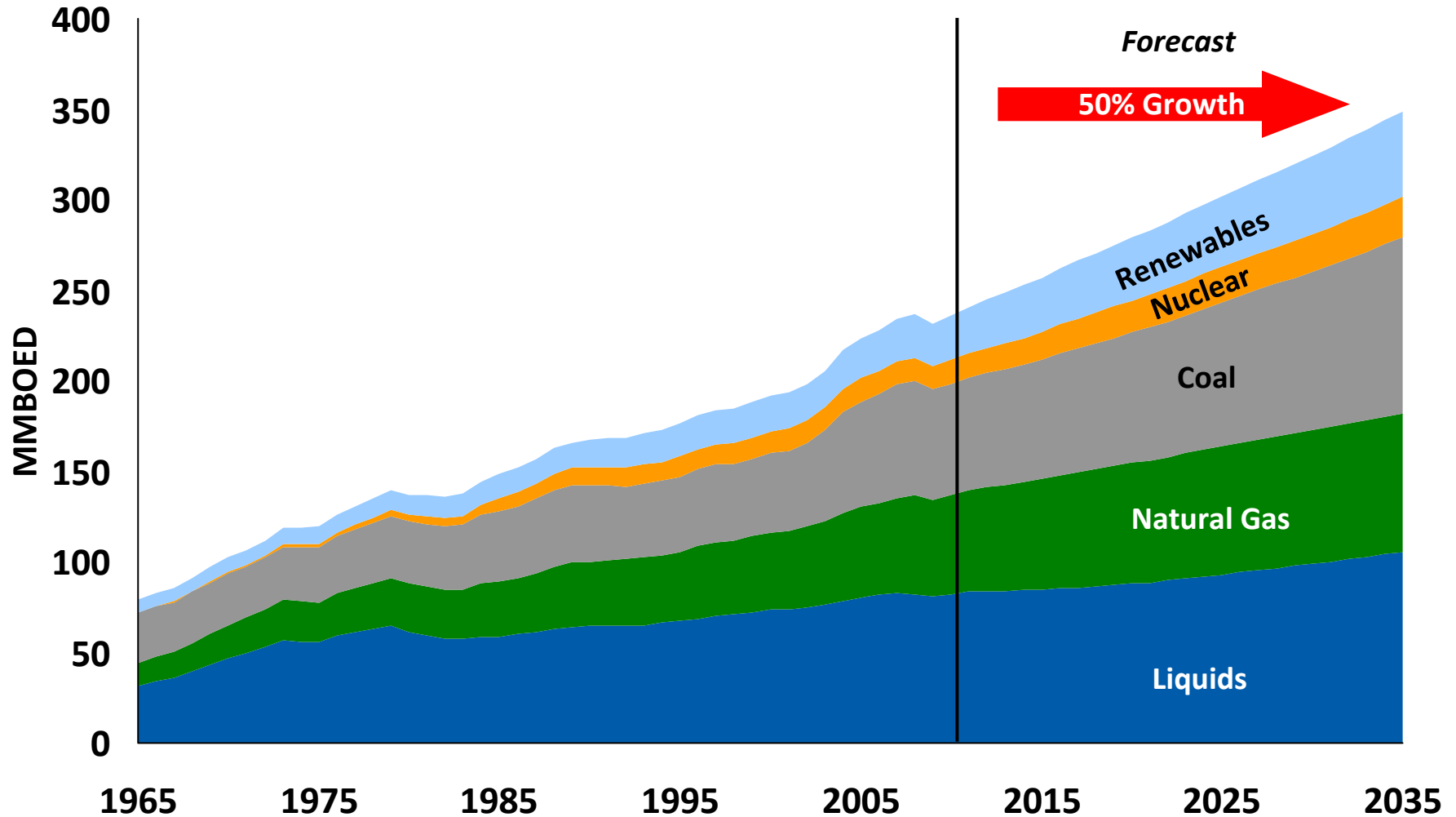


Executing strategic plan

- Oil demand increasing; supply challenged
- Improved international natural gas markets; near-term surplus in North America
- Increased refining margins
- Continued resource access challenges
- Difficult political environment
 - Government deficits around the world
 - Energy industry targeted for tax increases
 - Regulatory burden increasing
 - Environmental groups actively opposing hydrocarbon development



Global Energy Demand



Fossil fuels projected to meet 80% of energy demand in 2035

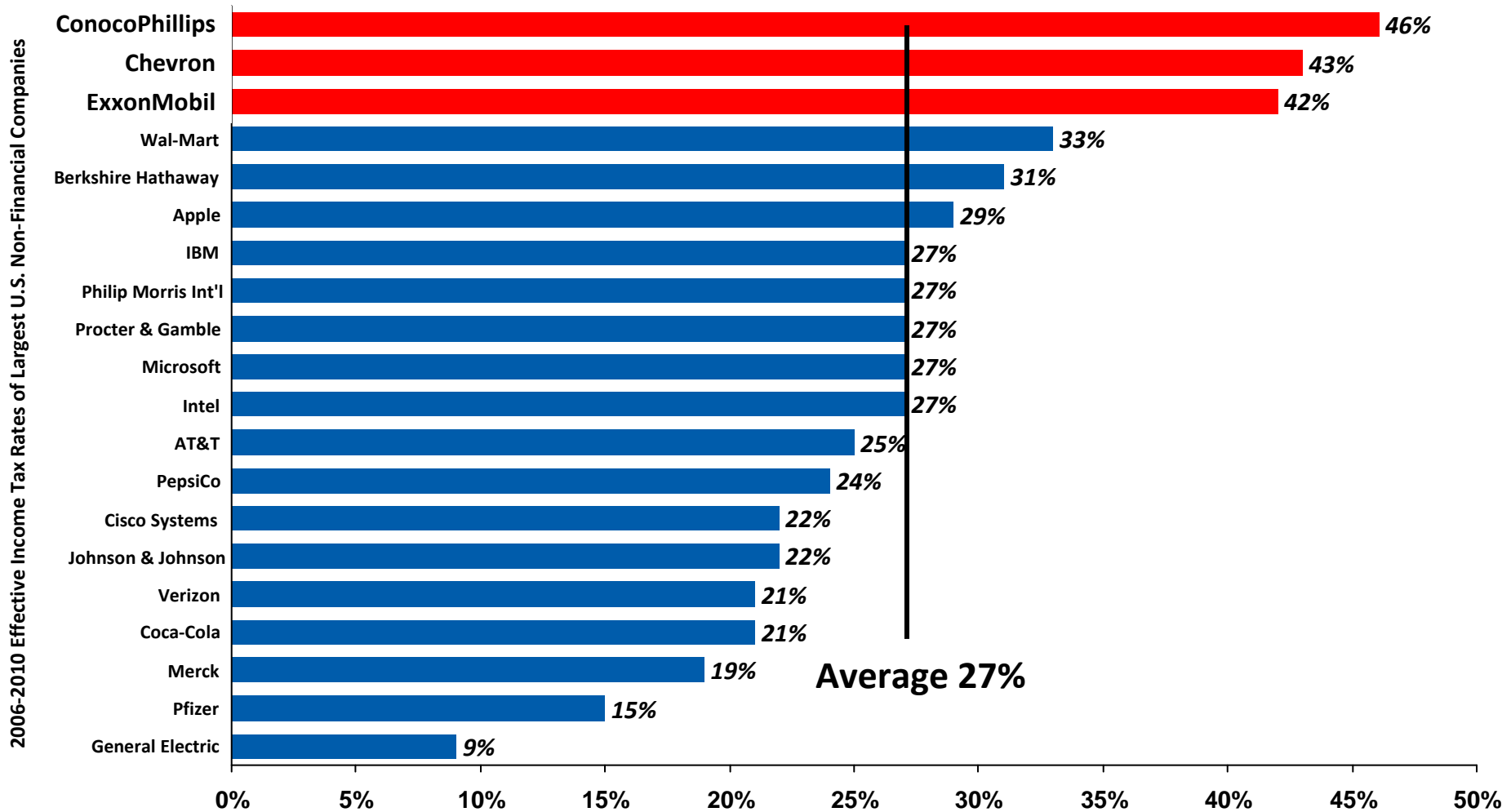
Summary of Consensus Forecasts

| | |
|----------------------------------|---|
| Crude Oil WTI | Short-Term: \$90 - 105/BBL Long-Term: \$80 - 110/BBL |
| Natural Gas Henry Hub | Short-Term: \$4 - 5/MMbtu Long-Term: \$5 - 6/MMbtu |
| Crack Spread USGC LLS | Short-Term: \$4.50 - 6.50/BBL Long-Term: \$5.50 - 7.50/BBL |

- **Oil prices to remain strong from increasing demand and higher reserve replacement cost**
- **North American natural gas prices will remain weak due to rapid growth in shale gas production**
- **Improving U.S. refining margins, with strong diesel market helping offset challenging gasoline economics**

ConocoPhillips outlook is similar to consensus views

Effective Tax Rates 2006-2010



Energy companies are heavily taxed

Source: Bloomberg, calculated as average financial tax divided by average pre-tax income, Top 20 of Fortune 500 companies by market cap, excludes financial institutions

Fiscal year end dates differ by company

2008 COP earnings adjusted for write-down of goodwill and LUKOIL investment (\$32.9B), effective tax rate including these items was 66% for the five-year period

Double tax U.S. energy companies on foreign earnings

- U.S. companies less competitive in foreign markets
- Loss of U.S. jobs
- Loss of control of foreign oil and gas reserves

Repeal incentive for creating U.S. manufacturing jobs

- Loss of U.S. jobs
- Inconsistent treatment of U.S. taxpayers
- Loss of U.S. production

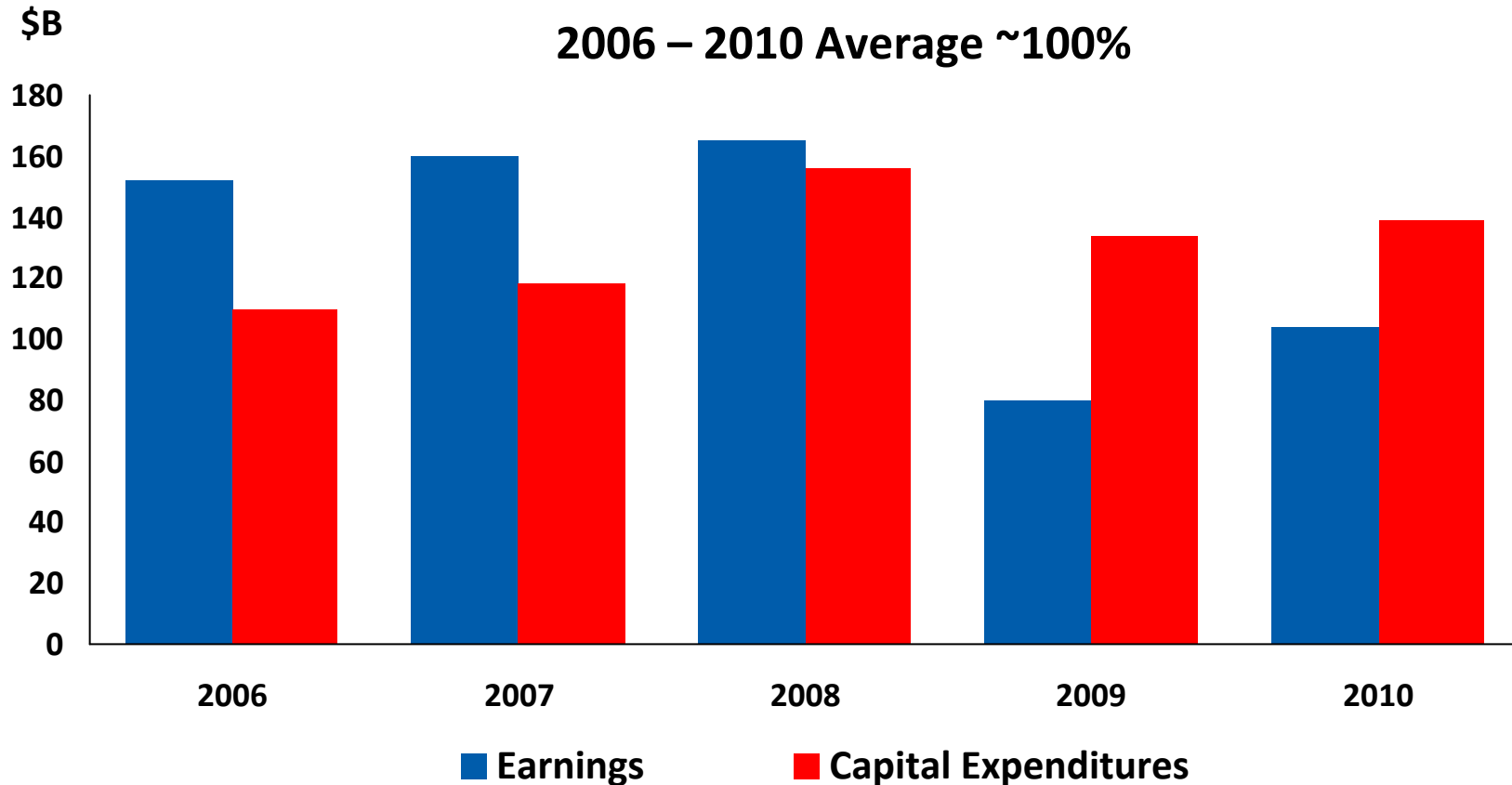
Eliminate intangible development cost deduction

- U.S. production less competitive with foreign sources
- Loss of U.S. jobs
- Inconsistent with treatment of similar costs in other industries

Tax proposals would reduce U.S. energy supplies and jobs and increase energy costs

Top 10 Oil & Gas Companies by Market Cap

2006 – 2010 Average ~100%

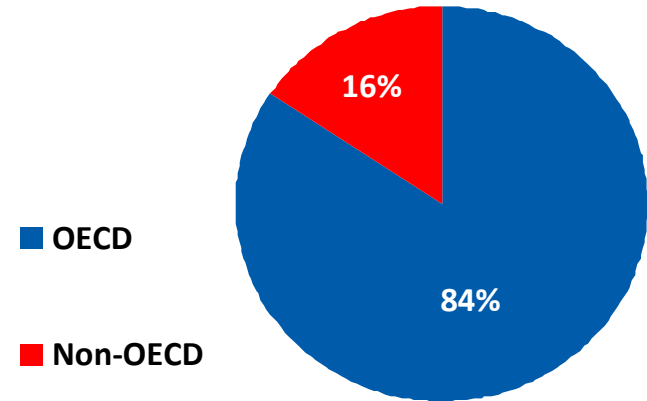


Today's profits ensure future energy supplies

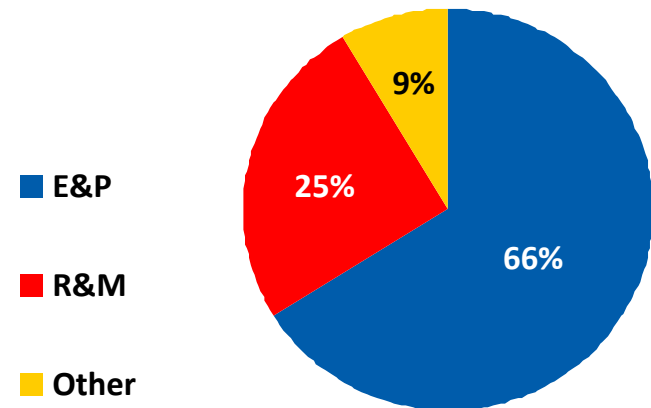
Uniquely Positioned to Create Value

- Strong OECD-based cash flow
- Continued non-core asset sales
- Pipeline of growth projects
- Disciplined capital investment
- Improving margins and returns
- Shareholder focus

Cash from Operations



\$92 B Capital Employed



Differentiated approach to creating value



- Improve returns on capital employed
- Expand margins per BOE
- Organically replace reserves at competitive F&D
- Enhance exploration portfolio
- Reduce downstream exposure
- Increase production per share
- Increase shareholder distributions

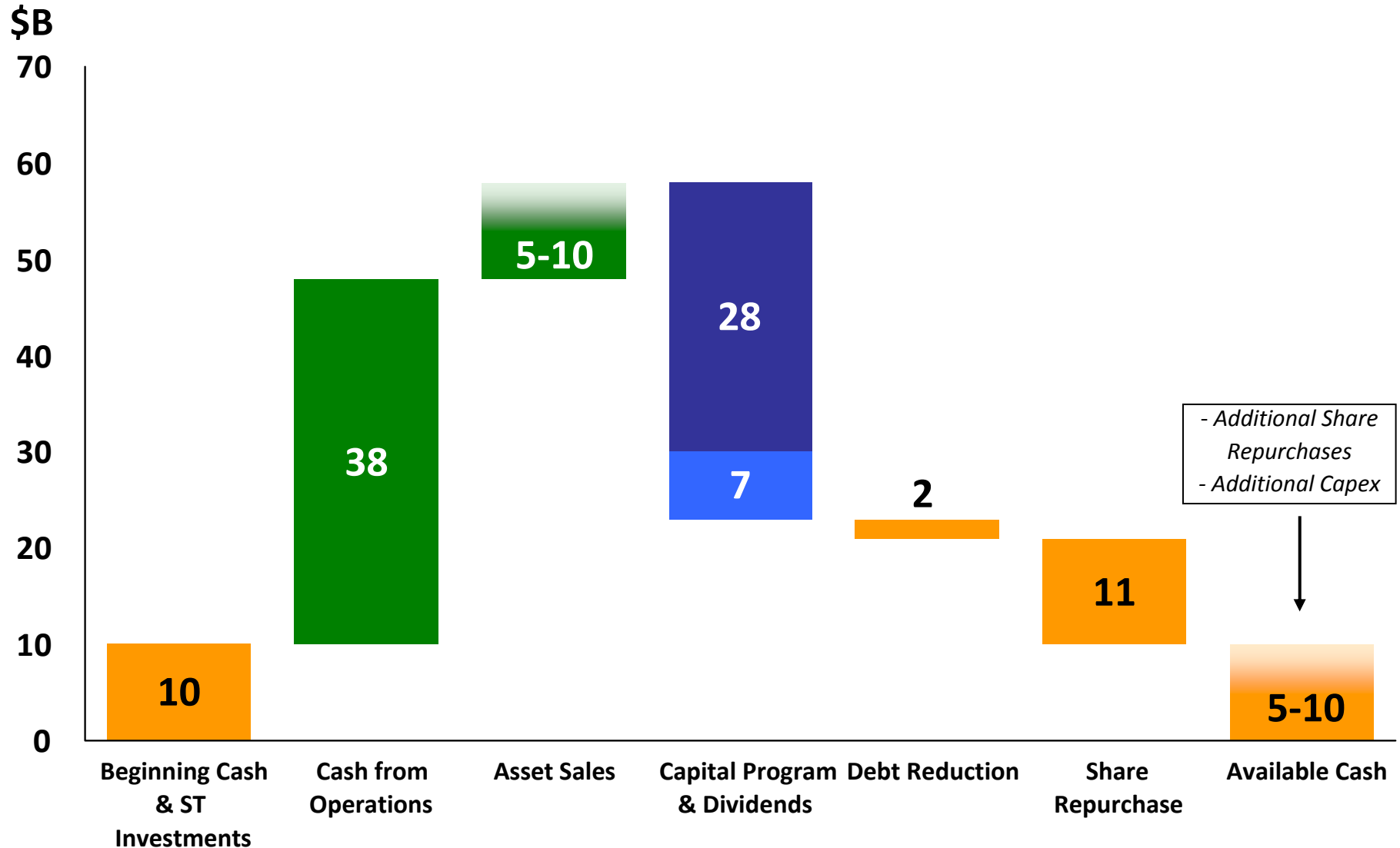
Restructuring portfolio to enhance margins and returns

- Disciplined \$28 B capital program
- Additional \$5-10 B in asset sales
- \$10+ B in share repurchases
- 100%+ reserve replacement
- Reduce refining capacity



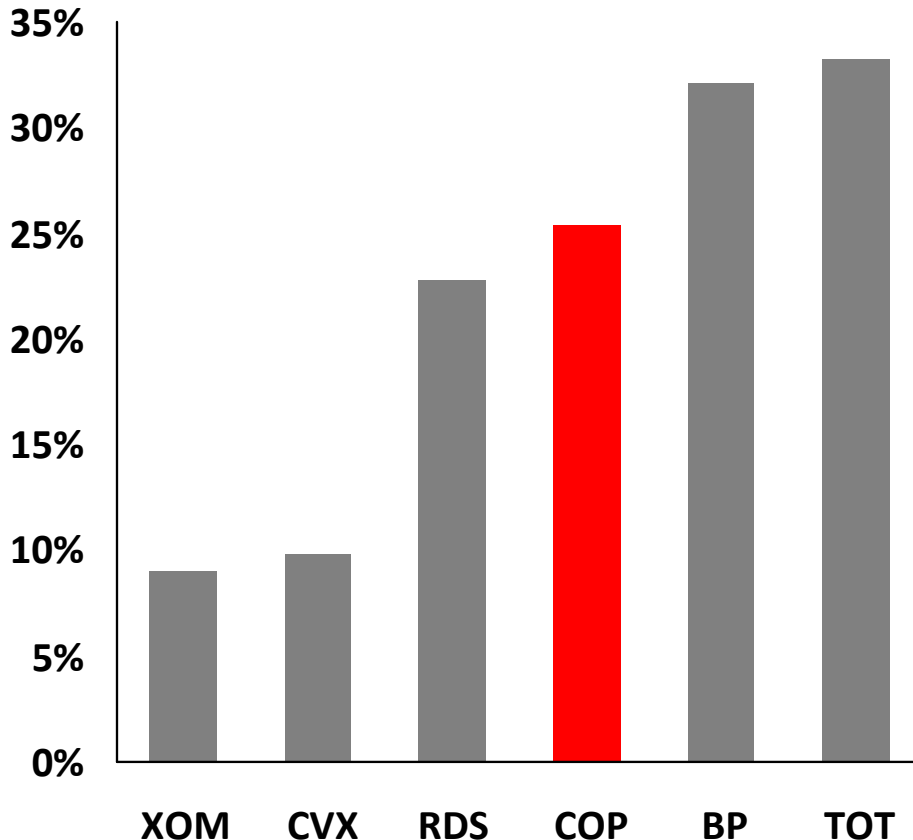
Continued ROCE and CROCE improvement

2011 / 2012 Cash Sources and Uses



First Call estimates used for Cash from Operations.

Debt-to-Capital Ratio

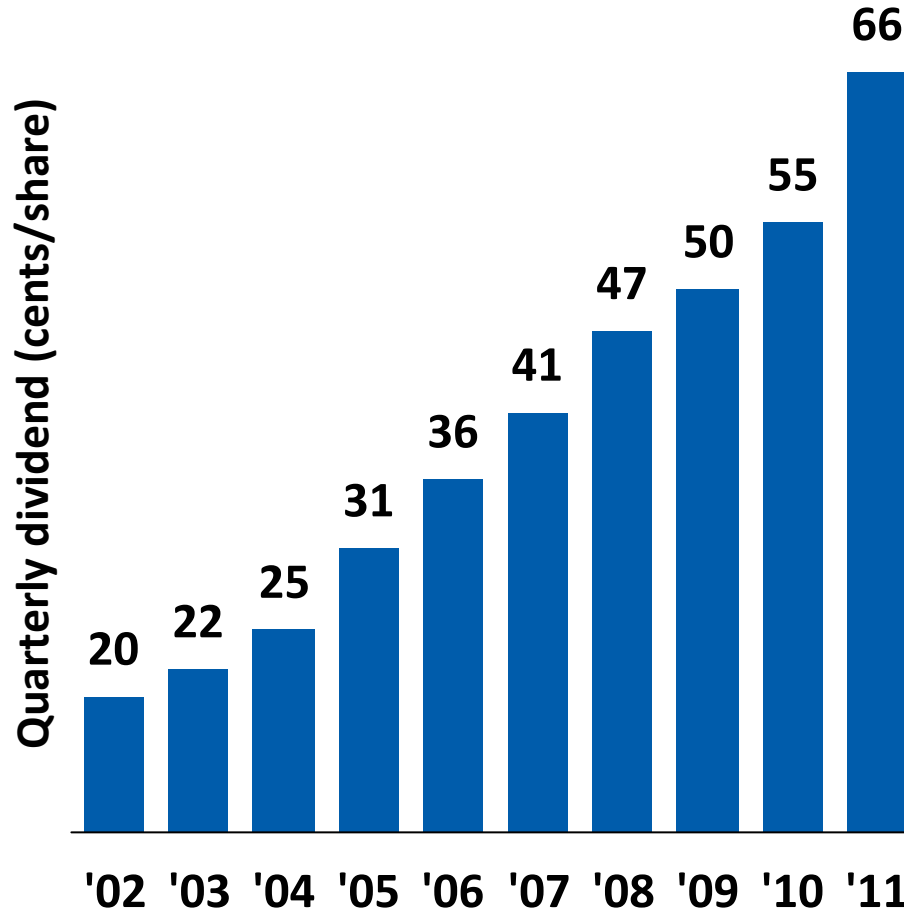


- 20 - 25% debt-to-capital target
- ~90% fixed-rate debt
- Well-structured debt maturity profile
- Strong liquidity position

No need for substantial debt reduction

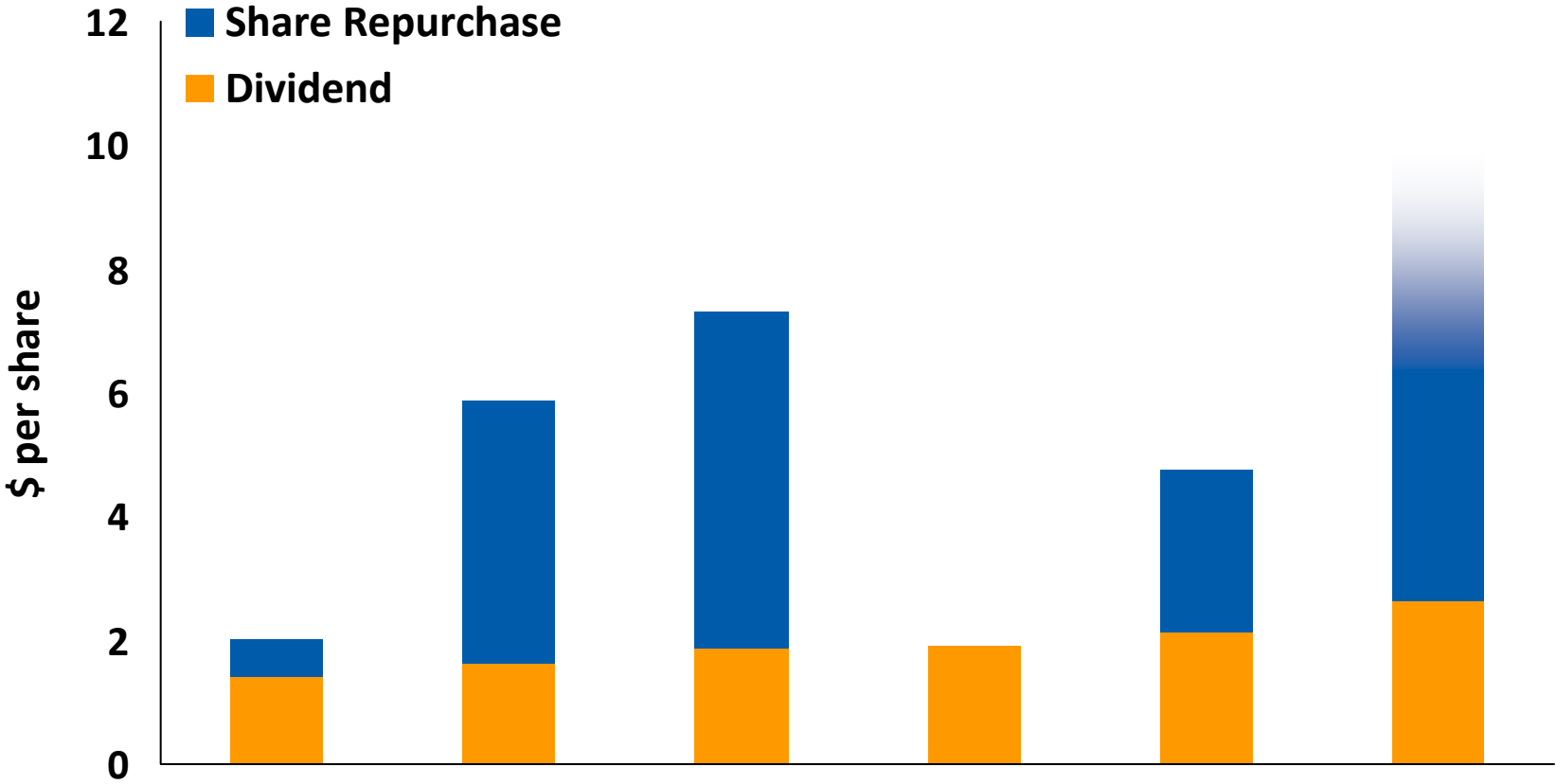
Annual Dividend Increases

COP Quarterly Dividend Growth



- 14% CAGR
- Nine consecutive annual increases
- Current yield = 3.6%
- ~20% of operating cash flow
- Annual increases expected

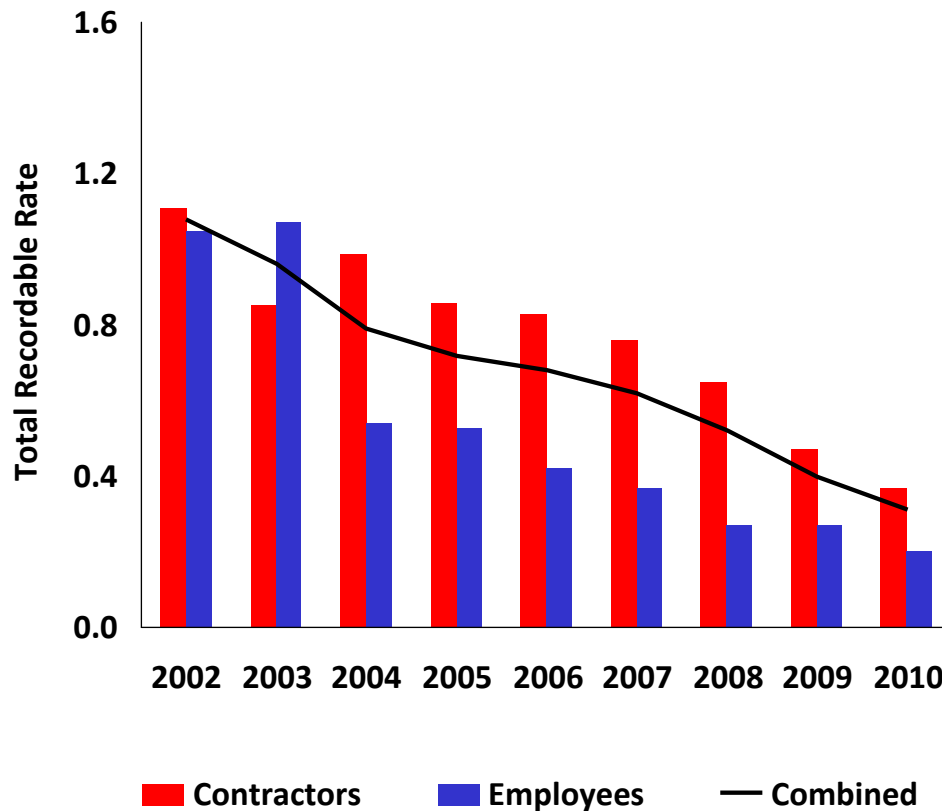
Shareholder Distributions



| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011E |
|------------------|---------|---------|---------|---------|---------|----------|
| Dividend/Share | \$1.44 | \$1.64 | \$1.88 | \$1.91 | \$2.15 | \$2.64 |
| Dividend | \$2.3 B | \$2.7 B | \$2.9 B | \$2.8 B | \$3.2 B | \$3.6 B |
| Share Repurchase | \$0.9 B | \$7.0 B | \$8.2 B | 0 | \$3.9 B | \$5-10 B |

Recordable Incident Rates

Incidents per 200,000 hours worked



- Improvements in both employee and contractor workforce
- Improved performance across all business segments

Our goal is zero injuries, illnesses and incidents

- High operating standards
- Respecting the environment where we operate
- Controlling the impact of our businesses
- Informing the public



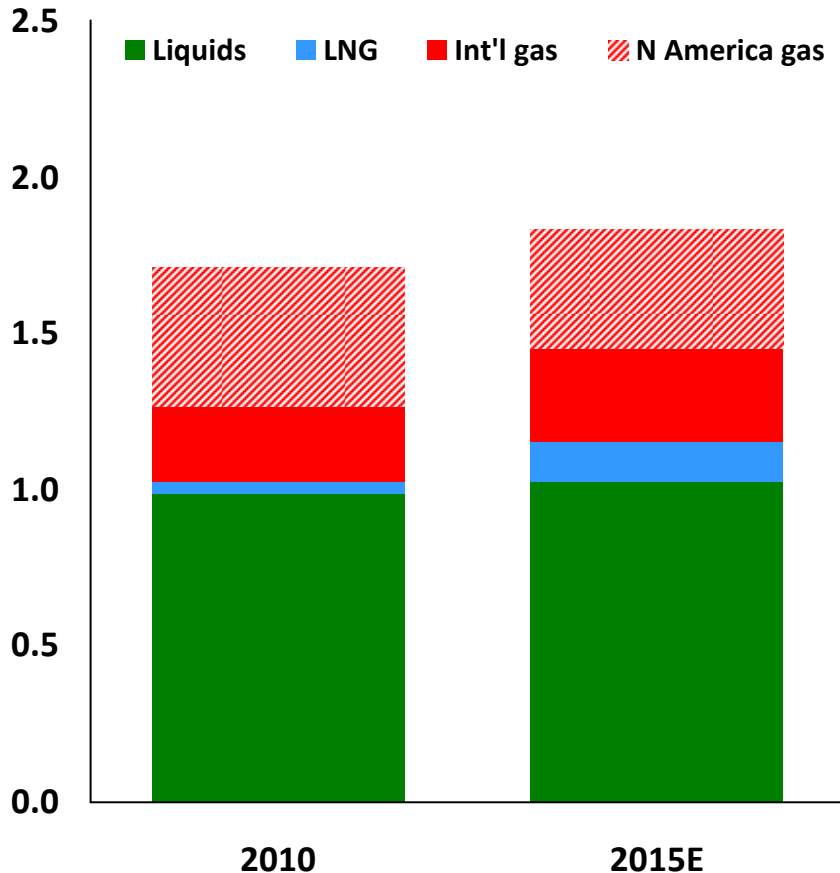
Upstream Strategic Objectives

- Safety and operational excellence
- 100%+ organic reserve replacement
- 2 - 3% long-term production growth
- Convert 10 BBOE resources to reserves over 10 years
- Competitive F&D cost
- High-impact exploration
- Consistently high-grade portfolio
- Improve returns



Focused on capital efficiency and value creation

Production by Product - MMBOED



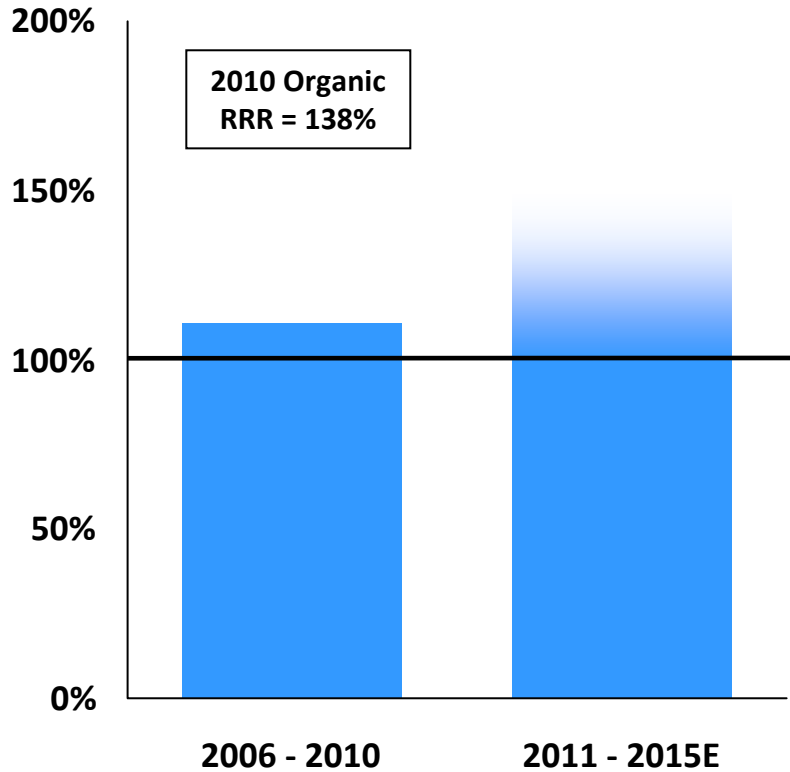
Sources of Growth

- **Asia Pacific**
 - APLNG, Malaysia, Indonesia
- **North Sea**
 - Jasmine, Clair, Ekofisk, Eldfisk
- **Caspian**
 - Kashagan
- **L48 liquids**
 - Eagle Ford, Bakken, Barnett, Permian
- **Canada SAGD**
 - FCCL, Surmont

Delivering long-term production growth

Proved Reserves Replacement

Reserves Replacement

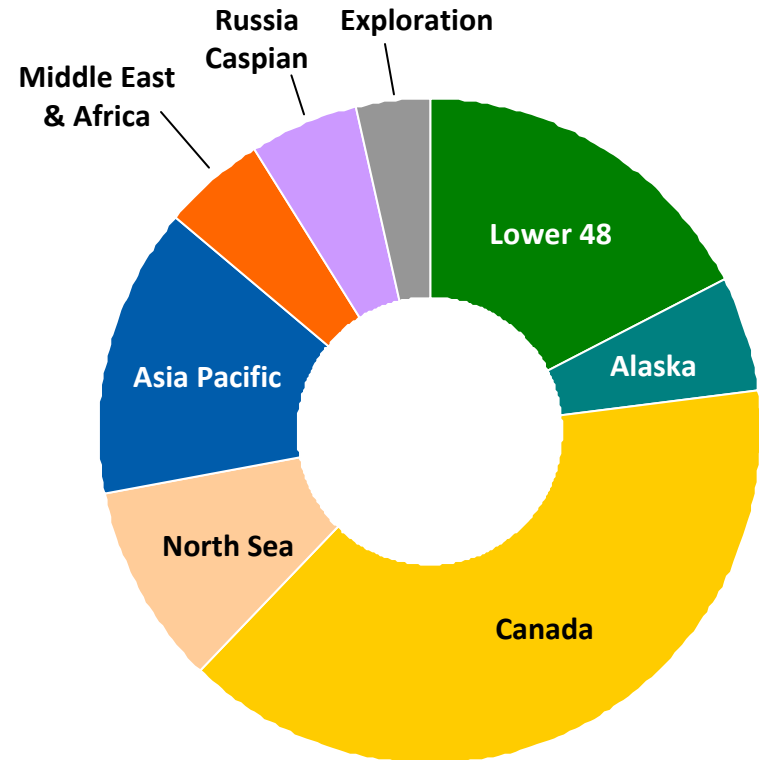


F&D (\$/BOE)

17

~16 - 18

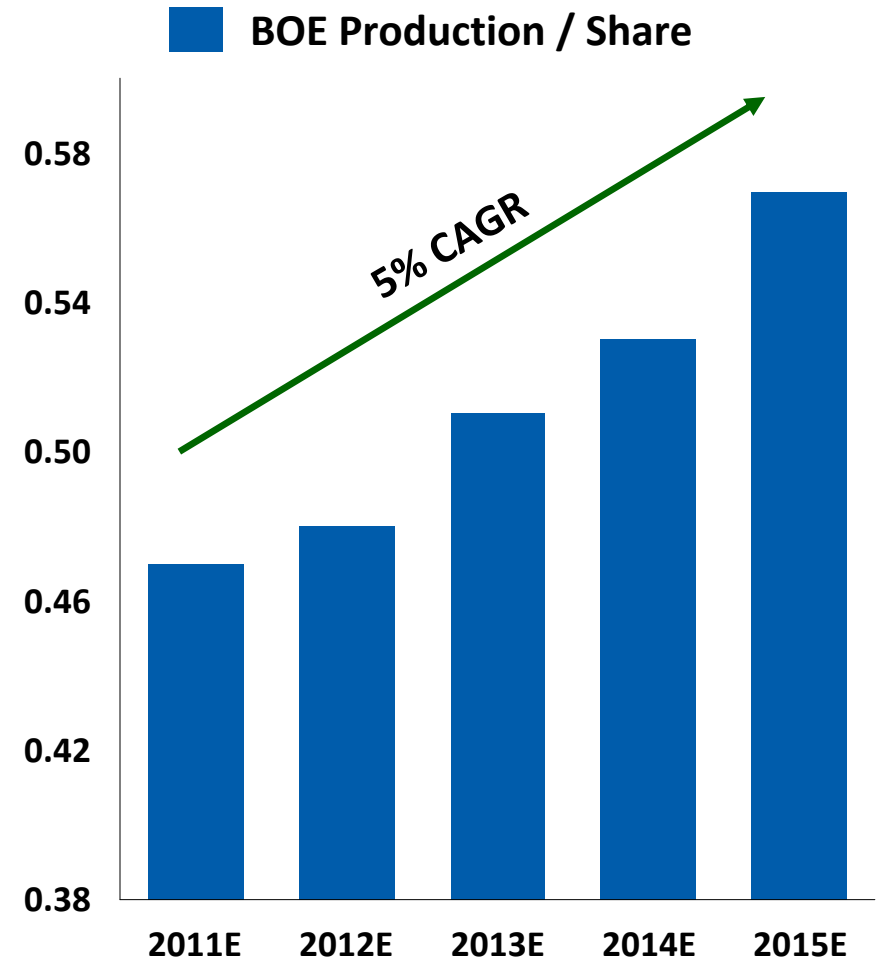
2011 - 2015 Reserve Additions



Reserves replacement >100% at competitive F&D costs

Excludes impact of future dispositions.

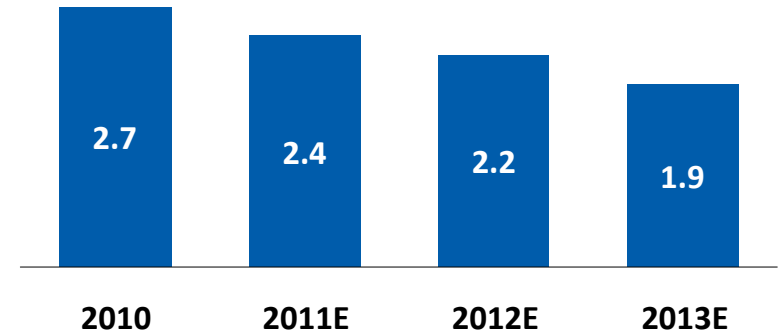
- Near-term production decrease offset by share repurchase program
- Absolute production growth expected long term



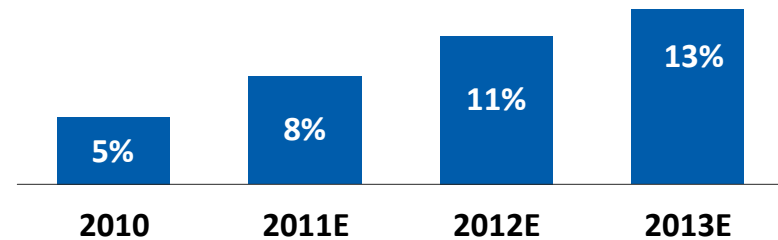
Downstream Strategic Objectives

- Drive operational excellence
- Improve ROCE
- Reduce refining capacity
- Maximize upstream integration value
- Improve utilization
- Increase clean product yield

Global Refining Capacity - MMBD

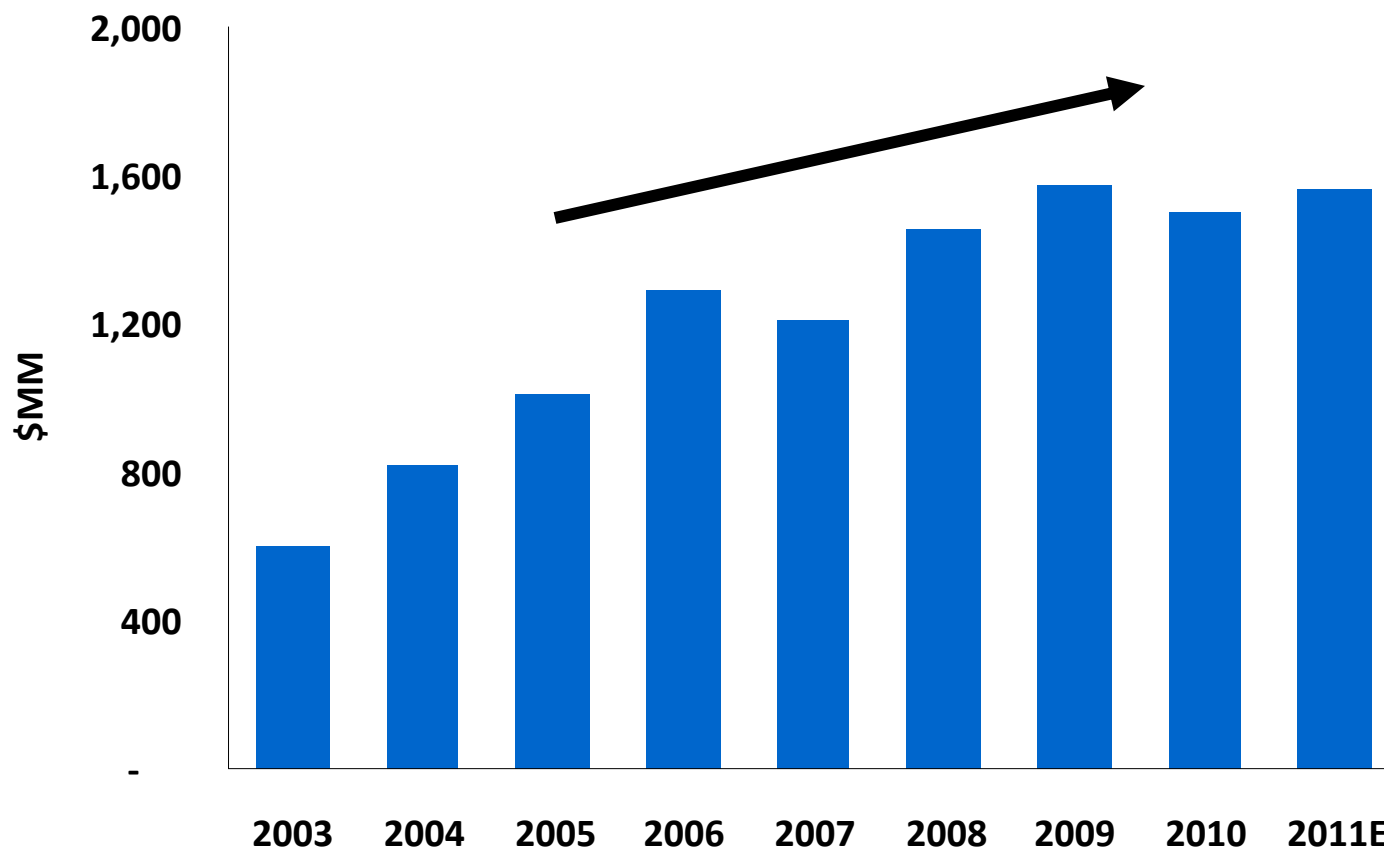


Downstream ROCE



Creating value through improved ROCE and strong free cash flow

Total U.S. Refining Maintenance and Safety Spending



Average growth in spend is 13% per year

Strong OECD-based cash flow

Continued asset sales

Pipeline of growth projects

Disciplined capital investment

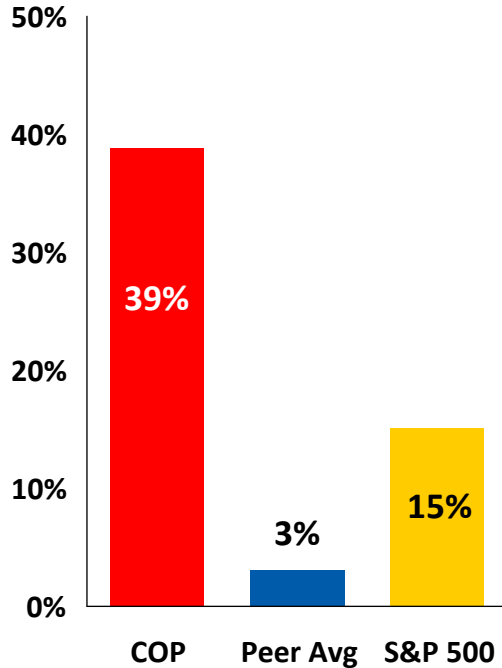
Strengthening asset portfolio

- **100%+ reserves replacement**
- **Production/share growth**
- **Improved returns**
- **EPS/CFPS growth**
- **Increased distributions**

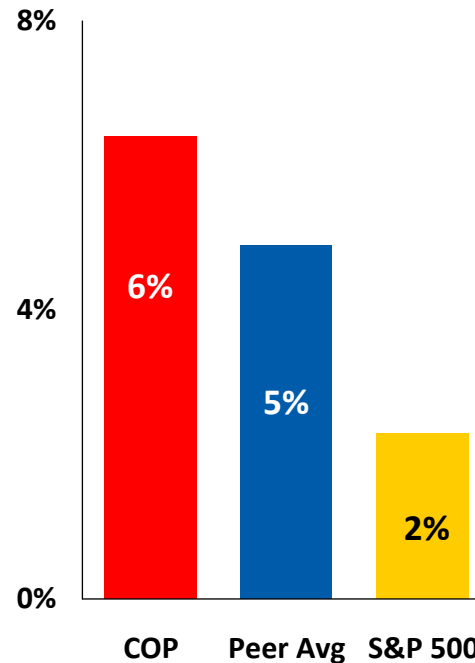
Unique approach and results

Total Shareholder Return

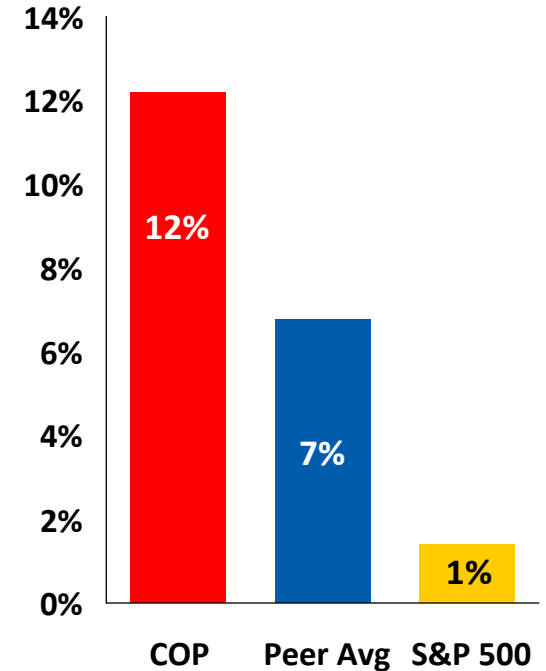
1 – Year
(1/1/2010-12/31/2010)



5 – Year
(1/1/2006-12/31/2010)



10 – Year
(1/1/2001-12/31/2010)

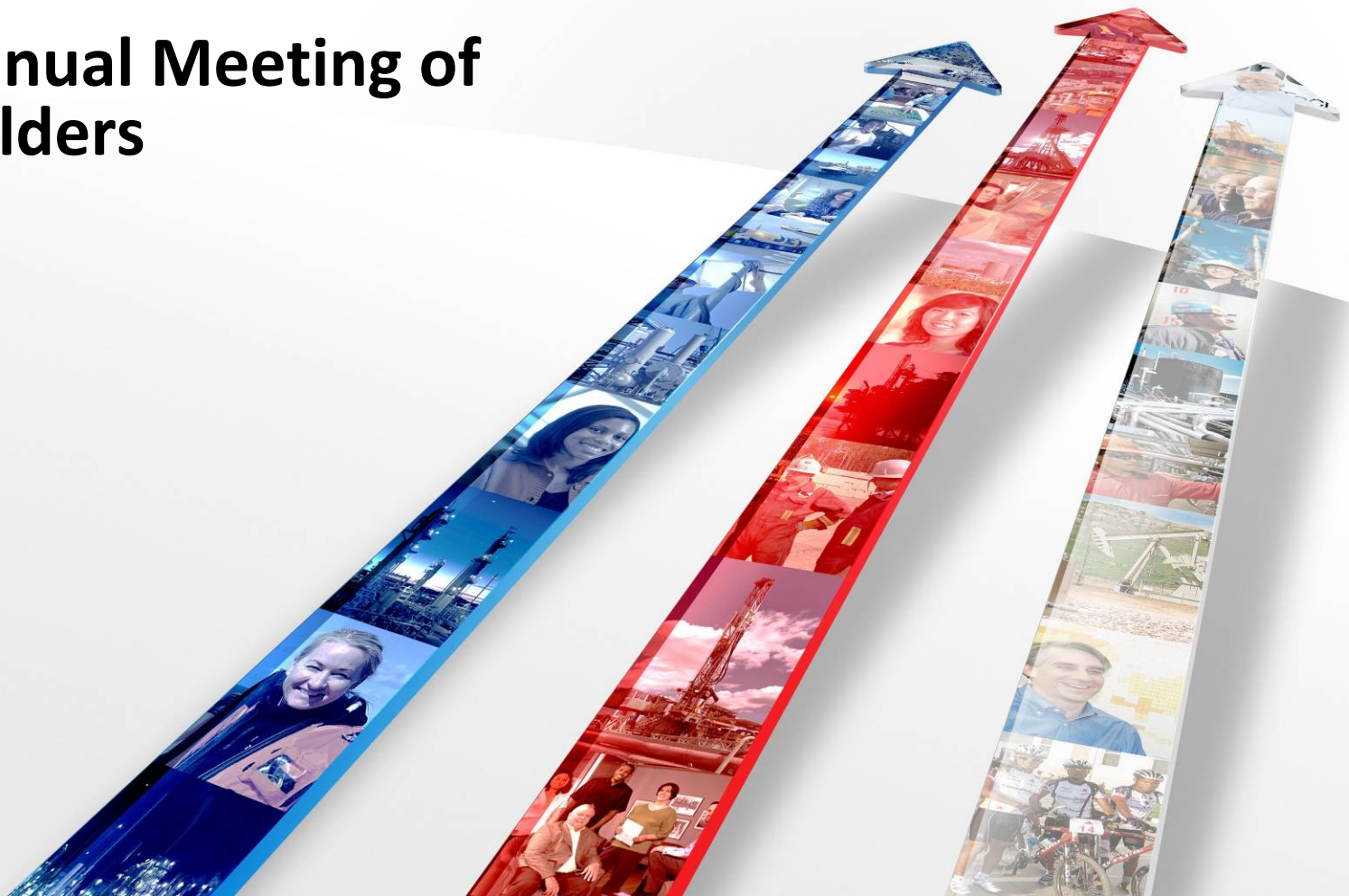


COP TSR consistently above peer average and S&P 500



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Appendix



COP Non-GAAP Reconciliations

COP - ROCE

| | <u>2009</u> | <u>2010</u> |
|--|-------------|-------------|
| Numerator (\$MM) | | |
| Net income | 4,492 | 11,417 |
| After-tax interest expense | 838 | 772 |
| GAAP ROCE earnings | 5,330 | 12,189 |
| Non-core earnings impacts | 616 | (2,533) |
| Adjusted earnings | 5,946 | 9,656 |
| Adjustment to exclude LUKOIL | (1,219) | (1,252) |
| Adjusted earnings excluding LUKOIL | 4,727 | 8,403 |
| Denominator (\$MM) | | |
| GAAP average capital employed ¹ | 87,493 | 91,983 |
| Adjustment to exclude LUKOIL | (5,897) | (3,671) |
| Average capital employed excl LUKOIL | 81,596 | 88,312 |
| Annualized ROCE | 7% | 10% |
| Annualized ROCE excluding LUKOIL | 6% | 10% |
| Annualized GAAP ROCE | 6% | 13% |

R&M - ROCE

| | <u>2010</u> |
|--|-------------|
| Numerator (\$MM) | |
| Net income | 192 |
| After-tax interest expense | 0 |
| GAAP ROCE earnings | 192 |
| Non-core earnings impacts | 1,024 |
| Adjusted earnings | 1,216 |
| Denominator (\$MM) | |
| GAAP average capital employed ¹ | 22,439 |
| Annualized ROCE | 5% |
| Annualized GAAP ROCE | 1% |

¹ Total equity plus total debt.