Building on Strengths

2009 SUMMARY ANNUAL REPORT

Certain disclosures in this Summary Annual Report may be considered "forward-looking" statements. These are made pursuant to "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The "Cautionary Statement" in Management's Discussion and Analysis in Appendix A of ConocoPhillips' 2010 Proxy Statement should be read in conjunction with such statements.

"ConocoPhillips," "the company," "we," "us" and "our" are used interchangeably in this report to refer to the businesses of ConocoPhillips and its consolidated subsidiaries.

Definition of resources: ConocoPhillips uses the term "resources" in this document. The company estimates its total resources based on a system developed by the Society of Petroleum Engineers that classifies recoverable hydrocarbons into six categories based on their status at the time of reporting. Three (proved, probable and possible reserves) are deemed commercial, and three others are deemed noncommercial or contingent. The company's resource estimate encompasses volumes associated with all six categories.

Building on Strengths

ConocoPhillips is a major international, integrated energy company, with global scale and scope throughout the oil and natural gas value chain. We achieved this leadership position through a decade of building access to hydrocarbon reserves by pursuing organic growth and strategic transactions, all during a time of exceptional volatility in the energy market.

While there is still uncertainty over how the global economy will recover from the current recession, we are optimistic about the future. Although a broad and deep upturn in the energy market will take time, the world will need ever-increasing supplies of energy in the future, and opportunities to profitably develop affordable energy are limited.

ConocoPhillips is positioned to responsibly deliver energy to the world in this operating environment. Thus, we have sharpened our focus to build on our core strengths:

- **Assets** that include captured resources of 50 billion barrels of oil equivalent,
- **Capabilities** that span the industry's technological spectrum, and a
- **Disciplined Approach** to cost, capital and financial management, with focus on enhancing returns.

With these foundational strengths, we believe ConocoPhillips is well prepared to seize the opportunities ahead.

ConocoPhillips

Letter to Shareholders

John A. Carrig
President and Chief Operating Officer

James J. Mulva
Chairman and Chief Executive Officer

ConocoPhillips had strong operating performance in 2009, and continued building on the strengths represented in our assets, capabilities and disciplined approach to cost, capital and financial management.

Among 2009 performance highlights, earnings totaled $4.9 billion, we reduced controllable costs by 13 percent, and earned a 7 percent return on capital employed. Shareholders received a 6 percent increase in the quarterly dividend rate. We have increased the dividend every year since our inception in 2002 with the merger of Conoco and Phillips. Production volumes in our Exploration and Production segment increased 4 percent, a substantial achievement for a company our size. We replaced 141 percent of production with proved reserve additions and made three potentially significant exploratory discoveries. We had the best safety performance in our history and improved our environmental stewardship.

These accomplishments occurred during one of the most challenging years in recent history for our industry. We faced weak energy demand, commodity price volatility, a global

"We continued investing in technology, managing costs, improving operational efficiencies, and exercising disciplined capital and financial management."

economic recession and financial turbulence, regulatory uncertainty in the United States, and significant impediments to global resource access.

We addressed these challenges by following our consistent, long-term strategies. We continued investing capital to develop our estimated resource base of 50 billion barrels of oil equivalent – which represents a key competitive advantage. We continued investing in technology, managing costs, improving operational efficiencies, and exercising disciplined capital and financial management. Also, we continued increasing our exposure to high-potential exploratory prospects and acreage, and pursuing international business development opportunities that can potentially yield attractive returns, as opposed to service fees.

In consideration of the economic recession's financial and price-volatility impacts, late in 2009 we announced plans to divest approximately $10 billion in non-core assets, decrease annual capital spending and reduce debt. As a result, during the years ahead we expect ConocoPhillips to achieve:

- **Higher capital efficiency**, through a focused $11 billion capital program in 2010 that will fund only the best of the many opportunities in our portfolio, while deferring others without foregoing the opportunity to invest in them later. We expect to fund our investments from operating cash flow, and to capture greater value through ongoing efforts to further manage industry service and supply costs.

- **Stronger financial performance**, including higher returns on capital employed, a gradual reduction of our debt-to-capital ratio from today's 31 percent to a target of 20 percent, and enhancement of balance sheet strength and flexibility.

- **Portfolio optimization**, through expected divestments of non-core assets that will create a more efficient asset base that can be effectively developed through our intended smaller capital program. We have identified a number of assets for possible sale and opened discussions with potential purchasers.

- **Reserve replacement in future years**, as we take action on the long-term development opportunities offered by our large resource base and build on the initial successes achieved by our refocused exploration program.

- **Greater focus on upstream**, which could ultimately comprise 80 to 85 percent of our portfolio, compared with approximately two-thirds today. Accordingly, during 2010 we plan to devote 85 to 90 percent of our capital to upstream, with the remainder allocated for downstream and corporate purposes. Our downstream sector will continue its focus on achieving operational excellence and efficient maintenance of its assets.

- **Active exploration**, characterized by participation in high-potential wildcat wells and the building of meaningful acreage positions in promising areas.

- **Disciplined cost management**, through well-developed internal efficiency efforts and procurement initiatives with providers of goods and services.

- **Emphasis on shareholder returns**, exemplified through improved financial performance, clearly delineated strategies and competitive shareholder distributions.

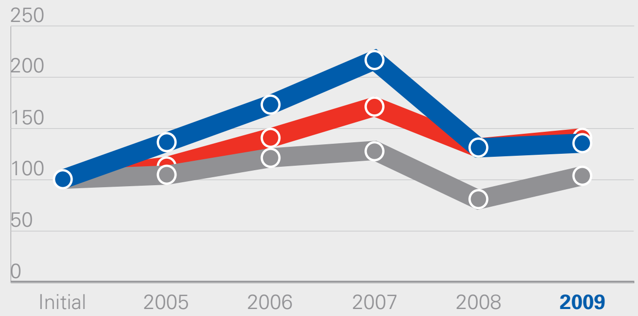
Quarterly Dividend Rate*

(Cents per Share)

* Fourth Quarter

Five-Year Cumulative Total Stockholder Returns

(Dollars; Comparison Assumes $100 Was Invested on Dec. 31, 2004)



* BP, Chevron, ExxonMobil, Royal Dutch Shell, Total

If market conditions improve or sale proceeds exceed expectations, we expect to consider a balanced approach that could include limited expansion of our capital program, additional debt reduction and share repurchases. These measures would not change our expectation of continued annual dividend increases.

> "During 2009, we took steps to continue ensuring our ability to attract, retain and develop outstanding personnel and provide them challenging opportunities with positive work environments."

We sincerely appreciate the successes achieved by our 30,000 employees worldwide despite the difficult economic environment. During 2009, we took steps to continue ensuring our ability to attract, retain and develop outstanding personnel and provide them with challenging opportunities and positive work environments.

Additionally, ConocoPhillips fulfilled our corporate citizenship commitments through such steps as publishing the third edition of our Sustainable Development Report, making meaningful charitable contributions, primarily in the communities where our employees live and work, and encouraging the personal generosity and community involvement of employees and their families.

Looking beyond the current economic situation, we expect future world energy demand to increase, driven by population growth and rising prosperity in developing nations. Indeed, energy is fundamental to human progress and quality of life. For these reasons, we believe that the long-term outlook remains favorable for our industry.

ConocoPhillips has persevered through the deepest economic recession since World War II by consistently applying our strategic principles, while making timely adaptations to the market. Through the strengths conveyed by our assets, capabilities and disciplined approach, we look forward to the coming years with determination and confidence.

James J. Mulva
Chairman and Chief Executive Officer

John A. Carrig
President and Chief Operating Officer

Financial Highlights

	Millions of Dollars Except as Indicated		
	2009	2008	% Change
Financial			
Total revenues and other income	**$ 152,840**	246,182	(38)%
Earnings (loss)*	**$ 4,858**	(16,998)	—
Earnings (loss) per share of common stock – diluted	**$ 3.24**	(11.16)	—
Net cash provided by operating activities	**$ 12,479**	22,658	(45)
Capital expenditures and investments	**$ 10,861**	19,099	(43)
Total assets	**$ 152,588**	142,865	7
Total debt	**$ 28,653**	27,455	4
Total equity	**$ 63,057**	56,265	12
Percent of total debt to capital	**31%**	33	(6)
Common stockholders' equity	**$ 62,467**	55,165	13
Common stockholders' equity per share (book value)	**$ 42.03**	37.27	13
Cash dividends per common share	**$ 1.91**	1.88	2
Closing stock price per common share	**$ 51.07**	51.80	(1)
Common shares outstanding at year end (in thousands)	**1,486,256**	1,480,179	0
Average common shares outstanding (in thousands)			
Basic	**1,487,650**	1,523,432	(2)
Diluted	**1,497,608**	1,523,432	(2)
Employees at year end (in thousands)	**30.0**	33.8	(11)

*Net income (loss) attributable to ConocoPhillips.

	2009	2008	% Change
Operating			
E&P			
U.S. crude oil and natural gas liquids production (MBD)	**418**	426	(2)%
Worldwide crude oil and natural gas liquids production (MBD)	**968**	923	5
U.S. natural gas production (MMCFD)	**2,021**	2,091	(3)
Worldwide natural gas production (MMCFD)	**4,877**	4,847	1
Worldwide bitumen production (MBD)	**50**	36	39
Worldwide synthetic oil production (MBD)	**23**	22	5
LUKOIL Investment net production (MBOED)	**434**	445	(2)
Worldwide production, including LUKOIL Investment (MBOED)	**2,288**	2,234	2
Midstream natural gas liquids extracted (MBD)	**187**	188	(1)
Refinery crude oil throughput (MBD)	**2,226**	2,416	(8)
Refinery crude oil utilization rate (%)	**84%**	90	(7)
U.S. gasoline sales (MBD)	**1,130**	1,128	0
U.S. distillates sales (MBD)	**858**	893	(4)
Worldwide petroleum product sales (MBD)	**2,974**	3,040	(2)
LUKOIL Investment refinery crude oil throughput (MBD)	**245**	229	7

Use of Non-GAAP Financial Information – This Summary Annual Report includes the terms "adjusted earnings" and "adjusted earnings per share." These are Non-GAAP financial measures and are included to help facilitate comparisons of company operating performance across periods. A reconciliation of adjusted earnings to earnings determined in accordance with U.S. generally accepted accounting principles (GAAP) is shown on page 36.

Building on Strengths

- Assets
- Capabilities
- Disciplined Approach

In China, production from company-operated Bohai Bay facilities increased as progress continued toward final completion of Phase II development. Volume increases from development projects such as this contributed significantly to E&P's production growth during 2009.

Assets

Optimizing Our Large Resource Portfolio

ConocoPhillips has built a large, diversified resource portfolio that offers years of ongoing development potential. It thus provides us the capability to pursue long-term resource development on an organic basis, without the need for substantial acquisitions. The portfolio's size and diversity also offers opportunities to generate near-term cash through asset sales. The portfolio's attributes include:

- **50 Billion Barrels of Discovered Resources** – Our portfolio includes not only proved reserves of 10 billion barrels of oil equivalent (BBOE), but also 40 BBOE of probable, possible and contingent resources, the majority located in or near existing producing fields.

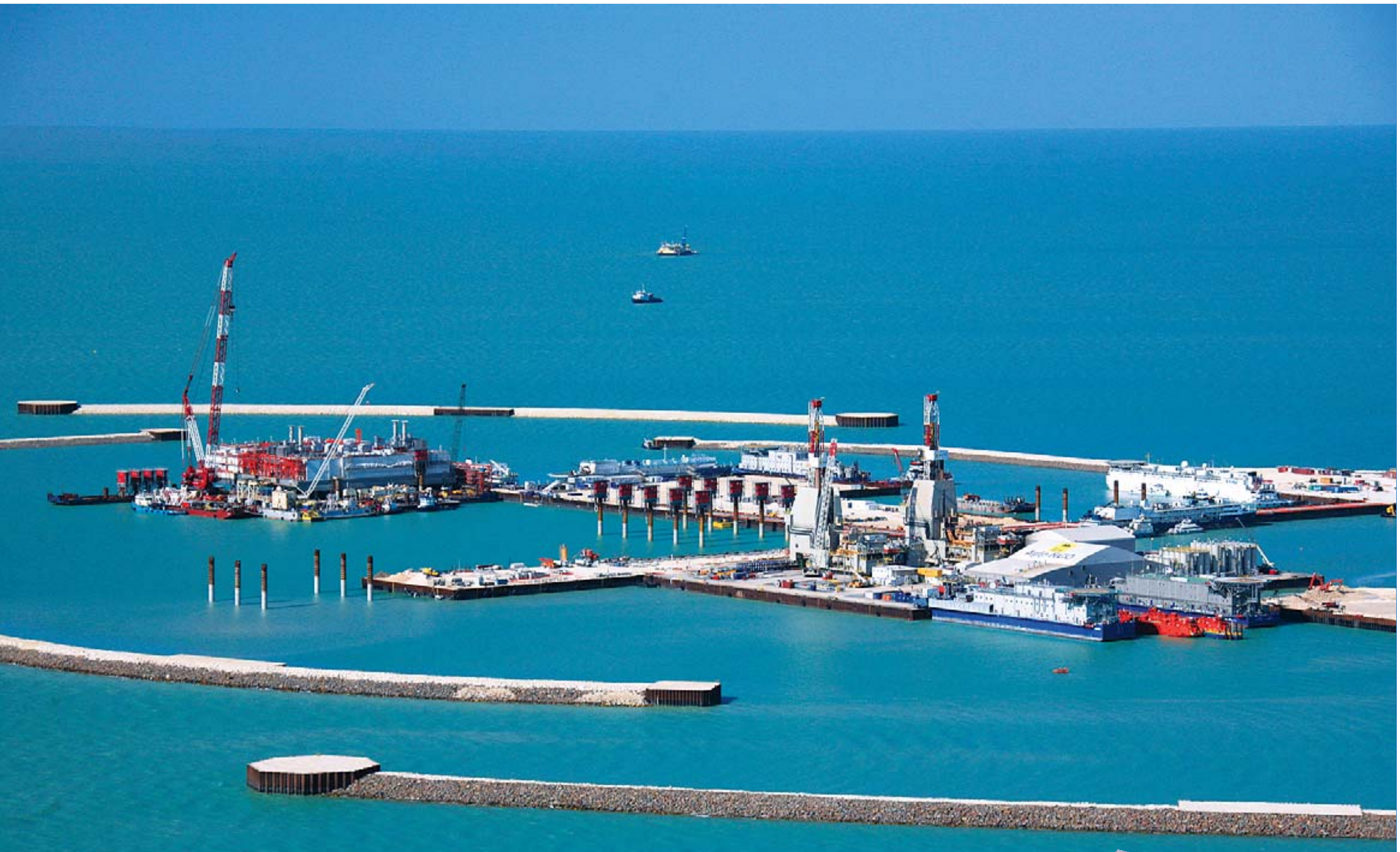
- **Diversification, Balance and Stability** – The company's resource base is broad, stable and regionally diverse, including both conventional oil and unconventional heavy oil, and conventional natural gas, as well as gas from tight sands, coalbeds and shale rock. Approximately 70 percent of our resources are located in politically stable countries that belong to the Organization for Economic Cooperation and Development (OECD).

- **Ability to Prioritize Investments** – Dozens of major development projects and drilling programs are under way or planned, and all compete for investment capital on the basis of their ability to earn attractive financial returns. Thus, our project portfolio enables us to prioritize investments. We are currently selecting only the best for funding, while deferring others until more favorable market conditions return.

- **Core and Legacy Assets** – Core oil-producing assets are located on Alaska's North Slope, in the U.S. Lower 48 states, in Canada's Athabasca oil sands and in the North Sea. We are one of North America's largest oil and natural gas producers, and rank among the top five producers in the North Sea. Additionally, we hold legacy oil and natural gas assets in more than a half-dozen major North American producing basins in which our substantial land positions, producing infrastructure and high geologic, geophysical and engineering expertise pose significant competitive advantages. The substantial resources in these basins support multiyear repeatable drilling programs that enable continuous improvement in efficiency and economic performance.

- **Exposure to International Growth** – ConocoPhillips holds substantial interests in key international areas that offer high exploratory potential and access to markets that are experiencing strong energy demand growth. Among these are natural gas and coalbed methane resources in Australia that support both existing and proposed major liquefied natural gas (LNG) businesses; a major offshore natural gas production and LNG liquefaction and export facility in Qatar; large offshore oil development programs in China, Vietnam and Kazakhstan; offshore gas in Indonesia; and onshore oil production in the Russian Arctic, Algeria and Libya.

- **Rationalization Opportunities** – The size of our resource base gives us the option of divesting non-core properties to rationalize the portfolio. We plan to sell approximately $10 billion in assets during 2010 and 2011, primarily producing properties and infrastructure, with sales of refining assets possible in the future. Potential divestment candidates will include assets that are operated by others, have low ConocoPhillips ownership or high capital intensity, lack sufficient integration with our businesses, or pose political, fiscal or other risks.



In the Caspian Sea, ConocoPhillips is a partner in development of Kazakhstan's giant Kashagan oil field, with two project phases under way and potential for future development of satellite fields.

- **Renewal Potential Through Exploration** – We believe that our exploration program can help facilitate plans to achieve long-term growth through organic means. In recent years, we have redirected our exploration program to gain increased exposure to high-impact prospects that have potential for major reserves additions and follow-up development. These efforts leverage our technical strengths and differential expertise in key geographic areas. Among major focus areas are the Browse Basin offshore Australia, the Lower Tertiary drilling trend in the Gulf of Mexico deepwater area, the Chukchi Sea off Alaska, unconventional resource trends in the United States and Canada, the Caspian Sea, and offshore Indonesia.

Capabilities

Leveraging Core Expertise, Technology and Talent

Benefiting from more than a century of operations in virtually every geologic and geographic environment, ConocoPhillips has developed essential core skills that are continually reinforced with infusions of new technology and talent. Our capabilities include:

- **Resource Development** – ConocoPhillips is experienced in finding and producing oil and natural gas in their many forms in every type of hydrocarbon reservoir. These include the conventional resources that provide the majority of world energy, and the unconventional resources believed to contain much of the world's remaining potential. We are among the leading oil producers in the U.S. Lower 48 states, in Alaska and in Canada's increasingly important oil sands region. In natural gas, we helped pioneer the horizontal drilling and hydraulic fracturing processes that are driving North America's production renaissance. We pioneered large-scale production of coalbed methane, are now engaged in shale gas production and are researching gas hydrates. Our expertise spans the breadth of industry technology from onshore to ultra-deep offshore development, from Arctic to desert environments and from massive structural to subtle stratigraphic reservoirs.

- **Operational Excellence** – ConocoPhillips operates safely and reliably, meets strict environmental standards, develops and applies advanced technology, and continually improves efficiency. We achieve high levels of operational efficiency for our upstream facilities, as well as our refineries, excluding weather and market impacts.

- **Health, Safety and Environmental Stewardship** – We are committed to protecting the well-being of our employees and communities. Over the past decade, we have consistently lowered rates of injuries to employees and contractors, while reducing hydrocarbon spills and atmospheric emissions. To drive further improvement, we are pursuing the U.S. Occupational and Health Administration's Voluntary Protection Program (VPP) safety certification for our U.S. facilities and implementing worldwide measures to improve process safety, minimize our environmental footprint and produce cleaner products.

- **Major Project Management** – ConocoPhillips has 150 major projects in development, planning or consideration. Consequently, we have high expertise in the unique skills required – among them facilities and construction management, procurement, contracting, risk assessment, and cost estimation. As a result, we have shortened project cycle times and improved our cost efficiency, compared with peers and other industries.

- **Research and Development** – Ongoing research is primarily targeted at developing better ways to find and produce oil and natural gas. Our efforts include advanced seismic technology, computerized reservoir analyses, and drilling and completion technologies. Heavy oil is a particular area of focus as we seek to improve its recovery economics, reduce the environmental impact of development and optimize the complex refining processes it requires. We remain highly interested in producing alternative energy and biofuels when they become economically viable, and we continue to conduct joint research with academic and governmental institutions. We are also researching carbon capture and storage as a potential solution to climate concerns, and exploring new methods to reduce our water use and further lower emissions.

ConocoPhillips is committed to attracting, retaining and developing a strong global work force that possesses the 21st-century skills needed to ensure success. We employ 30,000 people worldwide, and surveys indicate high levels of employee satisfaction with their work environment.

- **A Deep and Talented Work Force** – The dedication and capabilities of employees are essential to our success. Our broadly experienced leadership team has been seasoned through rotational assignments throughout our businesses. We also benefit from the long-term loyalty of our experienced employees, who represent a key source of expertise and guidance. ConocoPhillips continually recruits promising experienced personnel and newcomers, and we are working to enhance our diversity and ensure that we have the full range of 21st-century skills. We are committed to developing our people through career-long training and assignments that maximize advancement and performance potential; retaining our personnel by valuing their contributions and providing challenging and rewarding jobs; recruiting the best worldwide talent to support our global operations; and gaining access to external sources of best practices, innovative thinking and talent.

Disciplined Approach

Enhancing Financial Returns and Capital Efficiency

The global economic recession that began in late 2008 has dramatically impacted the energy market, creating both opportunities and challenges. Consequently, even as we continue implementing the consistent long-term strategies that contributed so significantly to ConocoPhillips' growth, we are constraining investment spending, enhancing our capital efficiencies and improving our financial returns. With robust captured opportunities on hand, we are not pursuing new areas that can not compete favorably against those already in the portfolio. Instead, we will develop our existing assets by utilizing the key tenets of our management approach, which include:

- **Exercising Financial Discipline** – ConocoPhillips' primary strategic goals are raising our return on capital employed and improving capital efficiency by executing a highly disciplined approach that strictly prioritizes investments according to their potential to yield favorable returns. Although we have reduced our capital program, we expect capital investment levels to remain high enough to fund key growth initiatives and preserve the option value of our asset base. Further, we expect to fund our capital program from operating cash flow, in effect living within our means. Keys to achieving these goals will be continuing our recent success in tightly managing controllable costs, while also reducing the finding and developing costs of new resources. Additionally, we are determined to improve our balance sheet strength by reducing debt to achieve our targeted 20 percent debt-to-capital ratio. We expect the resulting enhanced financial flexibility to enable a continuation of relatively consistent levels of capital investment throughout the commodity price cycles.

- **Building Long-Term Relationships** – In an energy market characterized by rising competition from national oil companies, our international peers and even national governments, ConocoPhillips has earned a reputation as a partner of choice. We recognize that resource-rich countries have multiple options available when they award resource access, and that a key factor beyond operating expertise and financial capability is a cooperative and "can-do" attitude. We are a preferred partner in numerous major projects, in both operated and nonoperated capacities. We have a history of decades-long, favorable working relationships with host nations, and in achieving mutual benefit through knowledge exchange. In fact, we believe that our close relationships with host nations and national oil companies could serve as models of engagement within our industry.

- **Leveraging Integration Through the Energy Value Chain** – When ConocoPhillips began its decade-long transformation into a major international company, we viewed broader integration as an opportunity at a time when access to new energy resources was becoming increasingly restricted. We supplemented our upstream business with assets in refining, marketing and chemicals. These offer financial and operational scale, as well as opportunities to build key relationships. They also represent a buffer against commodity price volatility, improve market access for our production and offer alternative avenues of opportunity. Although we plan to gradually increase the predominance of our upstream portfolio, we will continue leveraging the benefits of our integration.

One of ConocoPhillips' social investment programs is the Light and Love School in China, where contributions are geared to school facilities and basic living improvements, and employee volunteerism is abundant.

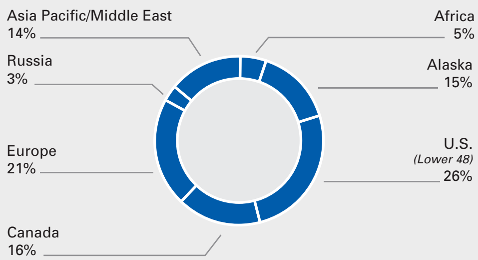
- **Meeting Sustainable Development Commitments** – ConocoPhillips has nine long-standing commitments to stakeholders. These are to ensure our long-term business viability through prudent financial and operational management, invest in our employees to enable their development, uphold the highest ethical standards, be transparent and accountable in our business interactions, minimize the environmental impact of our operations, increase the availability of ever-cleaner energy, positively impact our communities, improve our energy and material efficiency, and operate safely. We have achieved ongoing progress in meeting all these commitments.

Operational Review

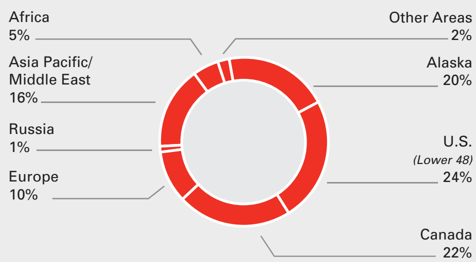
Phase II expansion of the Surmont oil sands project in Canada, in which ConocoPhillips holds a 50 percent ownership, will begin during 2010. The project is expected to increase net production fivefold by 2017 to 50,000 BPD. The company holds a substantial resource position in the oil sands, which are rapidly becoming a major North American oil supply source.

Exploration and Production

2009 E&P Production



2009 E&P Reserves



Exploration and Production Financial and Operating Results

	2009	2008
Earnings (loss) (MM)	**$ 3,604**	(13,479)
Adjusted earnings (MM)	**$ 4,131**	12,072
Proved reserves* (BBOE)	**10.3**	10.0
E&P worldwide production (MBOED)	**1,854**	1,789
E&P crude oil and NGL production (MBD)	**968**	923
E&P natural gas production (MMCFD)	**4,877**	4,847
E&P realized crude oil and NGL price ($/BBL)	**$ 55.63**	88.91
E&P realized natural gas price ($/MCF)	**$ 4.26**	8.27

* Includes LUKOIL

Highlighting 2009 achievements for ConocoPhillips' Exploration and Production (E&P) business were increased production, progress on major development projects, and a heightened emphasis on improving returns and reducing costs.

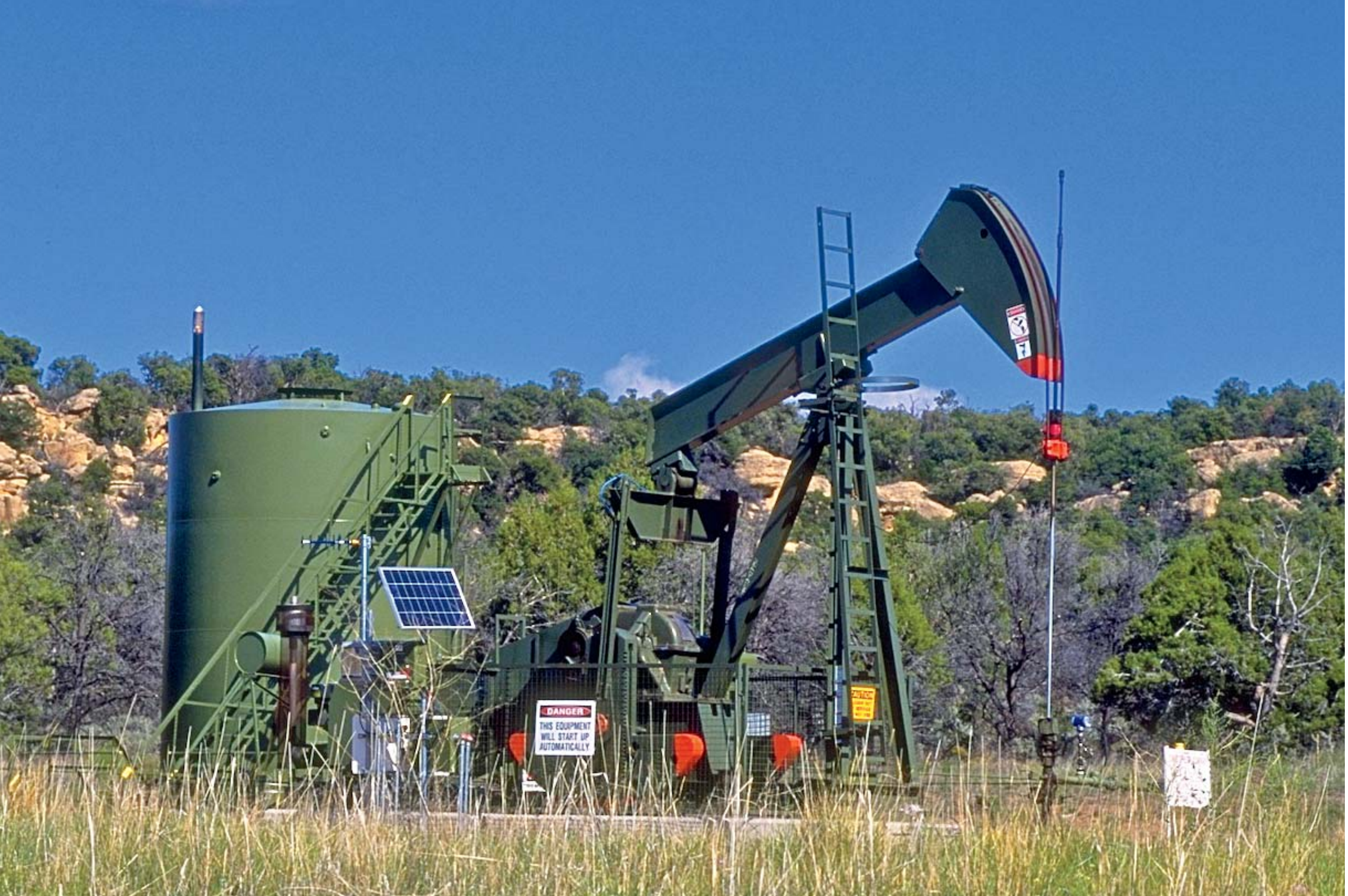
"E&P's assets provide tremendous opportunity for ConocoPhillips, and our approach is to leverage our technical and project management capabilities to maximize both near- and long-term value creation," said Ryan Lance, ConocoPhillips senior vice president, Exploration and Production – International. "We achieved a number of significant accomplishments during 2009 despite the difficult industry economic environment."

An exceptional asset portfolio has made ConocoPhillips one of North America's largest oil and natural gas producers. Pictured is an employee at one of the company's more than 80 natural gas processing plants in western Canada.

Among these achievements, a combination of new project startups in 2009 and rising volumes from projects that initiated production in 2008 drove an increase in E&P's production to 1.85 million barrels of oil equivalent per day (MMBOED) during 2009, up 4 percent from 1.79 MMBOED in 2008.

Capital program funding during 2009 in E&P was $9.7 billion. In 2010, ConocoPhillips also plans to direct $9.7 billion in capital funding to E&P, including $1.4 billion for worldwide exploration.

"We have the portfolio to achieve long-term organic growth from our large resource base, including our pipeline of projects under development and our high-impact exploration program," said Kevin Meyers, senior vice president, Exploration and Production – Americas. "Also, the diversity and depth of our portfolio enables us to prioritize projects and focus on those that can generate the highest and most



ConocoPhillips is the leading producer in the San Juan Basin of New Mexico, which is one of the largest U.S. natural gas producing fields. Production comes from a combination of conventional and unconventional sandstone formations, as well as from methane-bearing coal formations. ConocoPhillips is one of the world's largest producers of coal seam gas.

sustainable returns. So rather than a singular focus on production growth, we will further strengthen our capital performance and cost discipline."

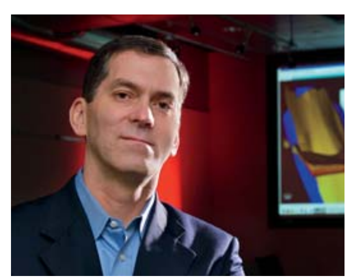
For example, as North American natural gas prices weakened during 2009, E&P redirected capital into programs with high liquid yields and stronger financial returns.

"Additionally, to further improve our portfolio returns, we have an ongoing process of evaluating the performance of individual assets and identifying those that are no longer strategic to our business, enabling us to monetize them and redirect the resulting capital to more strategic purposes," said Meyers. "This remains a key tenet of E&P's strategy."

BUILDING A HIGH-IMPACT EXPLORATION PORTFOLIO

Recent actions have significantly strengthened E&P's exploration program, which focuses on delivering near-term value, as well as long-term growth of the resource base. "In support of these objectives, we have enhanced our focus on capturing high-impact exploration opportunities in some of the most prospective basins worldwide. We seek to enter frontier basins by securing attractive positions that balance risk and cost, while further developing our core assets in North America and elsewhere," said Lawrence Archibald, senior vice president, Exploration and Business Development.

An active and successful year for exploration included the significant company-operated Poseidon discovery in the Browse Basin offshore Western Australia, and the Shenandoah and giant Tiber discoveries in the prolific Gulf of Mexico Lower Tertiary Trend. Other successes occurred around producing assets in North America and the North Sea.



Lawrence E. Archibald

Senior Vice President, Exploration and Business Development

A second phase of drilling is under way at the Bayu-Undan Field in the Timor Sea offshore Australia. The additional wells are intended to increase recovery of natural gas, which is then liquefied by the Darwin LNG facility and exported into the growing Asia Pacific energy market.

Further, E&P acquired interests in 27 promising deepwater exploration blocks in the Gulf of Mexico, Kazakhstan's large N Block in the Caspian Sea, two deepwater blocks offshore Bangladesh, and offshore acreage in eastern Canada and the North Sea.

Additionally, leveraging expertise in unconventional reservoirs, during 2009 E&P obtained acreage in western Canada's Horn River shale gas trend, and signed exploration agreements on a shale gas trend in Poland and a coalbed methane trend in China. In the United States, E&P's extensive position in the Eagle Ford shale gas trend in South Texas delivered encouraging results, with increased drilling planned during 2010. E&P is also active in the prolific Barnett shale gas and Bakken shale oil trends.

During 2010, E&P plans further significant exploration and appraisal activity in the Gulf of Mexico and offshore Western Australia, as well as wildcat wells on Kazakhstan's N Block and offshore Norway, Indonesia, and eastern Canada.

PROGRESSING MAJOR GROWTH PROJECTS

"E&P's disciplined approach to project management is intended to deliver projects on time and within budget, while achieving top-quartile operating and safety performance," said Lance.

In 2009, four major projects achieved startup – Bohai Bay Phase II in China, Foster Creek Phases 1D and 1E in Canada, and North Belut in Indonesia – while volumes increased from six projects that initiated production in 2008. Together, these projects contributed approximately 125,000 net BOED of our production increase, predominately consisting of crude oil, during 2009.

The latest projects demonstrate the broad range of E&P's technical capabilities, as well as the potential of its portfolio. Among them, the company-operated Bohai Bay Phase II Project in China featured the startup of the giant *Peng Bo* floating production, storage and offloading vessel, one of the world's largest at 15 stories tall, with a 2 million-barrel storage capacity. At year end, the Bohai Bay development was producing approximately 45,000 net barrels per day (BD), with annual average production of approximately 70,000 net BD anticipated in 2011.

FCCL Partnership, E&P's 50-percent-owned oil sands business venture in Canada, started up the Foster Creek Phases 1D and 1E projects, and by mid-2009 achieved peak net bitumen production from the Christina Lake Phase 1B development. During the fourth quarter of 2009, ConocoPhillips' share of FCCL production was 52,000 BD.

The North Belut Field in Indonesia began first production in late 2009 from facilities that include a central processing platform, two wellhead platforms and 52 miles of pipelines. A 38-well development drilling campaign is progressing with peak production anticipated in 2010.

Continuing progress on E&P's large inventory of major development projects is a vital component of ConocoPhillips' business strategy.

These include the world-class Qatargas 3 development project, which upon its expected second-half 2010 startup will produce natural gas from the North Field offshore Qatar for conversion into liquefied natural gas (LNG) at a 7.8 million-gross-ton-per-year onshore facility in Ras Laffan Industrial City. Peak net production of approximately 80,000 BOED is expected, with a 25-year production plateau.

The largest development project in terms of resource potential is Australia Pacific LNG (APLNG), a joint venture with Origin Energy that secured a dominant position in Australia's Queensland coalbed methane trend. APLNG is building a world-class asset that will leverage E&P's expertise from building and operating the Darwin and Kenai LNG plants, and developing coalbed methane production in the United States, in order to enhance efficiency and financial returns. More than 500 gross APLNG wells were producing at year end, with much more drilling scheduled in the future.

Ryan M. Lance
Senior Vice President, Exploration and Production – International

Preliminary LNG sales contract discussions are under way and a construction site has been secured at Curtis Island for multiple LNG trains, which will utilize the patented ConocoPhillips Optimized Cascade® technology. Project sanctioning is expected in late 2010.

In Canada, additional projects are planned to further develop FCCL's substantial resource base. Construction of Christina Lake Phase 1C continued during the year and in the fourth quarter of 2009, Christina Lake Phase 1D was sanctioned. Additionally, Foster Creek Phases 1F, 1G and 1H are currently in the planning stages.

ConocoPhillips geoscientists discuss the company's exploration prospect inventory for the Paleogene Play in the deepwater Gulf of Mexico.

In the Norwegian sector of the North Sea, ongoing development of the giant Ekofisk oil field continues, with two additional platform installations planned to expand infill drilling and water flood optimization, thus maximizing production and resource recovery.

Another major Canadian oil sands project, Surmont Phase I, contributed production of 7,000 net BD during 2009. A Phase II project, sanctioned in 2009, is slated to begin initial construction in 2010. Upon completion of Phase II, the company's Surmont production is expected to increase to 50,000 net BD, with plateau production anticipated in 2017.

In Malaysia, the Gumusut deepwater oil discovery is progressing toward expected startup in 2012. This partner-operated development includes a semi-submersible oil production platform in 3,500 feet of water and a 19-well drilling program. Additionally, front-end engineering and design is under way for development of the KBB and Malikai fields, with project sanction targeted for 2010. Together, these three fields are expected to deliver peak net production of 70,000 BOED.

In the Caspian Region, the pace of construction activity increased both onshore and offshore at the Kashagan Phase I development project. A joint operating company oversees the development and plans to bring Phase I to first production in late 2012. Engineering and design work on Phase II was initiated in 2009. Additionally, successful appraisal drilling was carried out at Kalamkas, one of the Kashagan satellite fields.

E&P also has large natural gas resources in Alaska's North Slope and Canada's Mackenzie Delta, and is working with co-venturers and relevant government agencies on evaluating opportunities to bring this gas to market. An open season for Denali – The Alaska Gas Pipeline, in which the company holds a 50 percent interest, has been announced for 2010.

In the U.K. sector of the North Sea, E&P's Jasmine discovery is one of the region's largest in recent years. Development planning is under way with project sanction expected in 2010. Additionally, planning for the Phase II development of the Clair Field is under way. In the Norwegian sector, development of the legacy Ekofisk asset continues, with two additional platforms, Ekofisk South and Eldfisk 2, planned to expand infill drilling and water flood optimization.

Kevin O. Meyers
Senior Vice President, Exploration and Production – Americas

OPTIMIZING EFFICIENCY AND MAXIMIZING PRODUCTION

An exceptional asset portfolio has made ConocoPhillips one of North America's largest oil and gas producers, Alaska's largest oil producer, and Canada's third-largest natural gas producer. E&P is active in many of North America's key basins and largest resource plays. Overseas, E&P's portfolio has long been anchored by major North Sea oil and natural gas producing properties, while in recent years new legacy assets have been developed in the Asia Pacific Region.

"We consistently maximize the value of our assets through rigorous operational excellence," said Meyers. "This encompasses an unrelenting focus on safety, reliability, cost discipline and the application of new technology to maximize value recovery."

For example, in Canada the use of hybrid coiled tubing drilling has optimized natural gas production by delivering highly targeted results, while reducing each well's cost and environmental footprint. This experience is being shared with the APLNG business venture for application in Australian coalbed methane drilling.

In Alaska, one of the most advanced, purpose-built coiled tubing drilling rigs in the world was started up in 2009 to commence a five-year program to improve recovery at the Kuparuk Field using complex multilaterals from existing wells. Additionally, we set a new extended-reach drilling record for the state of Alaska enabling new resources to be accessed from the Alpine Field.

In the Britannia Area – E&P's largest producing asset in the United Kingdom – the Callanish and Brodgar satellite fields recorded their first full year of production. High operating efficiencies were achieved from both by ensuring asset integrity, maximizing the reliability of equipment and systems, and actively monitoring production to optimize the performance of all wells in the fields.

The Ekofisk Field has long been the foundation of E&P's legacy position in Norway. Multiple projects are under way to further improve ultimate hydrocarbon recovery, including installation of permanent seismic cables and sensors into the seabed over the reservoir. This will enable better detection of unswept oil zones and thus make possible their ultimate development.

E&P also maintains a substantial legacy natural gas position in Indonesia, producing 470 net million cubic feet per day (MMCFD) at year-end 2009 and providing stable, long-term supply to markets in Singapore, Malaysia and Indonesia. These assets are delivering improved operating efficiency and uptime, as well as industry-leading safety performance.

In the Timor Sea offshore Australia, E&P embarked on Phase II drilling to improve ultimate recovery from the Bayu-Undan Field. The program is on schedule with three wells completed as of February 2010.

"Overall, through such efficiency measures, new production and improved exploration results, E&P performed strongly in 2009 and looks forward to building on that momentum in 2010 and beyond," said Lance.

In Indonesia and throughout all its operations, ConocoPhillips has achieved continuous improvement in safety performance by focusing on personal awareness, as well as process safety.

For nearly 40 years, ConocoPhillips' Kenai LNG facility in Alaska has operated safely and reliably, utilizing the company's proprietary Optimized Cascade® technology. This technology would be employed by the proposed Australia Pacific LNG project.

Refining and Marketing

Worldwide Crude Oil Capacity Utilization
(Percent)

Refining and Marketing Financial and Operating Results

	2009	2008
Earnings (MM)	$ 37	2,322
Adjusted earnings (MM)	$ 115	2,672
Crude oil capacity utilization	84%	90
Clean product yield	82%	81
Petroleum product sales (MBD)	2,974	3,040

Improved operational and safety performance, cost control, portfolio optimization, and capital management were key achievements for ConocoPhillips' Refining and Marketing (R&M) business during 2009. These results were delivered despite a global recession that weakened demand for petroleum products, depressed margins and impacted financial results.

"I am particularly proud of how our employees maintained their steadfast focus on operational excellence, especially considering the tough market. We ran our facilities well, with minimal unplanned outages. We were successful in reducing our costs; and completed a large turnaround year, along with tackling several major construction projects," said Willie Chiang, senior vice president, Refining, Marketing and Transportation. "Our priorities in 2010 will be to continue to run well and progress toward best-in-class safety performance, further reduce our environmental footprint and leverage operational efficiencies."

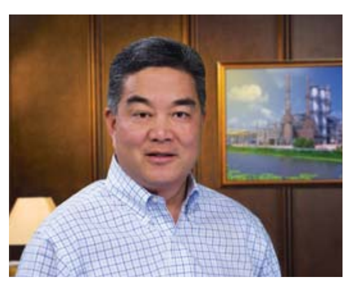
Summarizing current market challenges, Chiang said, "We cannot change the fundamentals behind the soft demand for refined products, but we are determined to focus on the many factors over which we can exercise control, while building on our strengths. The dedication and commitment of our diverse and talented 11,000-plus employees give us great confidence that we will succeed."

CAPITAL DISCIPLINE AND PORTFOLIO MANAGEMENT

Capital discipline and careful management of the portfolio are essential to ensuring long-term viability. R&M will employ a reduced $1.3 billion capital program in 2010. "We will prudently spend capital by making the investments needed to sustain and improve our existing business; run our assets efficiently, safely and in an environmentally responsible manner; and assure full regulatory compliance," said Chiang.

During 2009, R&M maximized its financial flexibility by successfully conserving capital, while investing selectively to increase yields of more-desirable clean fuels. For example, a hydrocracker expansion at the San Francisco Refinery's Rodeo facility improved clean product yield by upgrading low-value fuel oil to increase output of ultra-low-sulfur diesel fuel and gasoline, and enhanced the refinery's energy efficiency.

Additionally, the expansion of the Immingham Combined Heat and Power Plant adjacent to the Humber Refinery was completed. This plant, one of Europe's largest and most technologically advanced facilities of its kind, produces up to 1,180 megawatts of electricity and supplies steam for use in refinery applications. Electricity produced in excess of refinery requirements is sold on the U.K. power grid in a large industrial region where more power is needed.



Willie C.W. Chiang
Senior Vice President, Refining, Marketing and Transportation

Other key projects currently under construction include a heavy oil expansion at the Wood River Refinery in Roxanna, Ill., as well as an expansion at the Melaka Refinery in Malaysia, both joint-venture facilities. Expanding heavy oil processing capacity is the main objective for the project at Wood River. This important upgrade optimizes ConocoPhillips' value chain by providing a refining outlet for Exploration and Production's rising oil production from Canada. Construction also continues on the 20,000-barrels-per-day (BD) expansion of the Melaka Refinery in Malaysia, scheduled for completion in 2010 to increase crude oil processing and treating-unit capacities, as well as product conversion flexibility.

To optimize its portfolio, R&M continues to selectively divest non-core assets, which in 2009 included its interests in the Keystone Pipeline. ConocoPhillips initially participated in this project to ensure the Wood River Refinery's access to secure and growing supplies of Canadian oil as part of the WRB business venture with Cenovus Energy (formerly EnCana). With the pipeline now mechanically completed to the Midwest, this sale enabled R&M to redeploy capital while retaining significant shipping capacity.

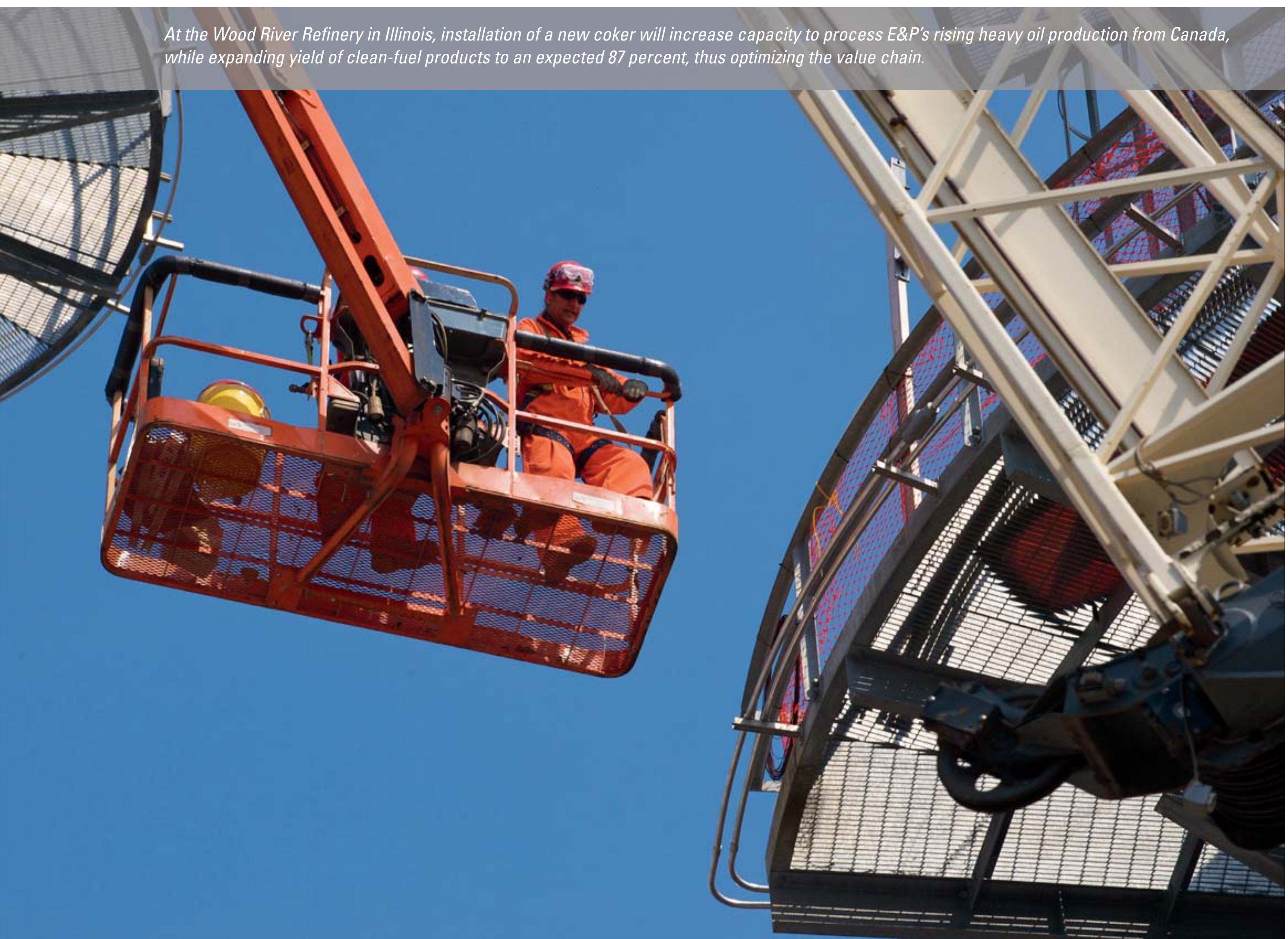
Moving ahead with its strategic exit from the retail fuel business, R&M continued a multiyear program to divest company-owned U.S. marketing assets, while securing long-term supply agreements.

In support of its lubricants marketing business, improved versions were launched of Conoco®, Phillips 66®, 76® and Kendall® branded heavy-duty engine oils containing the exclusive Liquid Titanium® additive designed to reduce wear and prolong engine life.

In response to market conditions, the planned upgrading of the Wilhelmshaven Refinery in Germany has been delayed. Meanwhile, a final investment decision on the proposed 400,000 BD Yanbu export refinery in Saudi Arabia is anticipated in 2010.

"Although we hope demand for refined products will recover soon, we are prepared to persevere through the business cycle," said Chiang. "We are committed to building upon our strong performance in operational excellence, cost control, capital discipline and portfolio management."

At the Wood River Refinery in Illinois, installation of a new coker will increase capacity to process E&P's rising heavy oil production from Canada, while expanding yield of clean-fuel products to an expected 87 percent, thus optimizing the value chain.



LEVERAGING ORGANIZATIONAL STRENGTHS

Reliability is a prerequisite for successful refinery operations, and a vital R&M strength and priority. Ongoing improvements are achieved through systematic implementation of risk-reduction best practices, infrastructure modernization and employee training. These attributes, as well as a low cost structure, ensures competitiveness in all regions where R&M operates. Thus, R&M was able to outpace the industry's U.S. crude oil capacity utilization rate for the eighth consecutive year.

Important progress also came in controlling costs, a key competitive advantage. Compared with 2008, costs declined approximately 15 percent through operational and reliability improvements, lower utility costs and effective negotiation of lower prices for materials, labor, services and other critical resources. Benchmarking studies indicate that R&M outperformed its peers in a number of key operating-cost metrics, with a majority of its refineries ranking among the industry's most cost efficient.

Continually seeking further savings, during 2009 R&M tapped the expertise of the Technology group to implement an innovative selenium-removal process that reduces water-treatment costs at the Los Angeles Refinery.

In the area of value-chain optimization, R&M's large, integrated refining system benefits from the sharing of feedstock supplies and coordinated planning of maintenance schedules across the refining network, thus gaining operational flexibility. Additionally, coordination with the Commercial organization makes possible the continual optimization of refinery rates and product slates based upon market economics and customer requirements.

At the San Francisco Refinery's Rodeo facility, a recent expansion of hydrocracking capacity enables greater production of cleaner forms of gasoline and diesel fuel, and improves the refinery's energy efficiency.

IMPROVING SAFETY AND ENVIRONMENTAL PERFORMANCE

Safety, the foundation of operating performance, is an R&M strength and top priority. R&M achieved its best-ever safety performance during 2009, with the combined employee and contractor incident rate declining approximately 5 percent from the prior year. Contributing factors included contractor safety initiatives; ongoing development of employee involvement programs, including one led by the U.S. Occupational Safety and Health Administration (OSHA); and a focus on safety leadership and personal accountability by the entire organization.

Among key milestones, the Billings Refinery in Montana received the National Petrochemicals and Refining

Association (NPRA) Distinguished Safety Award, the organization's highest such recognition, while the Borger Refinery in Texas earned an Honorable Mention in this competition. Eleven other R&M facilities received NPRA Safety Gold awards for improving their safety performance by more than 25 percent over the past two years – refineries in Belle Chasse and Westlake, La.; Ferndale, Wash.; Los Angeles and San Francisco, Calif.; Linden, N.J.; Ponca City, Okla.; Sweeny, Texas; Trainer, Pa.; and Roxana, Ill.; and the specialty products facility in Bryan, Texas.

Two additional facilities, the Hartford, Ill., and Portland, Wash., lubricants blending plants, earned STAR certification under OSHA's Voluntary Protection Program, raising to seven the major R&M facilities with STAR status.

Among U.S. environmental achievements, the Polar Tankers fleet received the Exceptional Compliance Program Award from the state of Washington Department of Ecology. The award honors companies that voluntarily achieve environmental standards that exceed those required by state regulations. It cited R&M's participation with 96 local, state and federal external stakeholders in hypothetical oil spill exercises in Washington and Alaska.

Additionally, R&M refineries improved their environmental performance through projects to reduce emissions of sulfur dioxide, nitrogen oxide and particulates. An emissions reduction program is on track to meet its goals of lowering combined SOx and NOx emissions more than 50 percent by 2014 from 2006 levels. Related projects completed during 2009 included a wet-gas scrubber at the Alliance Refinery and multiple furnace-improvement projects at other sites.

In response to regulatory requirements for increased production of environmentally friendly renewable and alternative fuels, R&M expanded ethanol-blending capacity at its U.S. fuel terminals. Research continued on corn-fiber applications, with work progressing on a pilot processing plant. R&M is also funding research conducted through universities, technology firms and nongovernmental organizations into strategic renewable- and alternative-fuel solutions.

Distillate desulfurization capability upgrades were recently completed at the company's Humber Refinery in North Lincolnshire, United Kingdom, which has a crude oil processing capacity of 221,000 barrels per day.

SERVING AS A GOOD CORPORATE CITIZEN

R&M remains committed to community engagement, with advisory panels active at nearly all of its refineries worldwide and broad participation in community charitable and civic initiatives, through both corporate contributions and personal volunteerism.

Among significant events during 2009, the San Francisco Refinery received the Contra Costa City Council's medal for outstanding community service. Additionally, the Los Angeles Refinery participated in "Gallon of Gas," an informative National Geographic Channel television documentary program. The Trainer Refinery assisted local estuary preservation and bird rescue efforts, and in an area of Louisiana still recovering from Hurricane Katrina's devastation, the Alliance Refinery contributed to funding construction of a YMCA building and four municipal parks.

"ConocoPhillips recognizes that we are important members of our local communities, and that our direct involvement can make them better places in which to live and work," said Chiang.

The Extended Value Chain

LUKOIL Investment Financial and Operating Results

	2009	2008
Earnings (loss) (MM)	$ 1,663	(5,488)
Adjusted earnings (MM)	$ 1,663	1,922
Net crude oil production (MBD)	387	386
Net natural gas production (MMCFD)	280	356
Net refining crude oil throughput (MBD)	245	229

ConocoPhillips is engaged in several key relationships that facilitate strategic alliances, leverage the company's management and technical expertise, and provide access to resources and opportunities in diverse regions and energy-intensive businesses. These relationships are with:

- *LUKOIL* – ConocoPhillips owns 20 percent equity interest in this integrated international oil and natural gas company that is based in Russia and active in 30 countries worldwide.
- *Chevron Phillips Chemical Company LLC (CPChem)* – This 50/50 joint venture with Chevron Corporation is one of the nation's largest producers of petrochemicals.
- *DCP Midstream (DCP)* – This 50/50 joint venture with Spectra Energy is the largest U.S. producer of natural gas liquids (NGL), one of the largest natural gas gatherers and processors, and a leading wholesale distributor of propane.

Volumes from the Yuzhno Khylchuyu oil field in northern Russia peaked at 150,000 gross barrels per day in mid-2009, after ramping up rapidly since the field's startup in mid-2008.

LUKOIL INVESTMENT

ConocoPhillips' relationship with LUKOIL provides an investment stake in a major international oil company with interests in production, refining and marketing. It also offers exposure to Russia's vast oil and natural gas resources.

During 2009, ConocoPhillips' estimated equity share of LUKOIL production was 434,000 barrels of oil equivalent per day, and of LUKOIL refining crude oil throughput was 245,000 barrels per day.

LUKOIL's current primary business objective is maintaining balance between growth and financial efficiency amid a volatile commodity market. During 2009, the company adopted a strategy of optimizing production levels due to unfavorable market conditions, decreasing capital expenditures and increasing cash flow, with the objective of improving shareholder returns. Additionally, LUKOIL reported that it has achieved a stable rate of reserves additions and high drilling efficiency through its investments in exploration.

LUKOIL initiated production at seven new oil and natural gas fields during 2009, and was successful in a joint bid with Norway's Statoil in a tender offer to develop the major West Qurna-2 oil field in Iraq.

The Naryanmarneftegaz joint venture between ConocoPhillips and LUKOIL, in which ConocoPhillips owns

One of CPChem's Middle Eastern projects is Q-Chem II in Qatar, which includes a high-density polyethylene plant and a normal alpha olefins plant, as well as a separate joint venture for an ethylene cracker.

a 30 percent interest, is developing oil fields in the Timan-Pechora Region of Russia. During 2009, volumes from its Yuzhno Khylchuyu oil field peaked at 150,000 gross barrels per day (BD) by midyear, after ramping up rapidly since the field's startup in mid-2008.

The field was developed with utilization of ConocoPhillips process standards that made possible a number of environmental innovations. These included a reduction in the surface footprint achieved by clustering wells together, construction of pipeline overpasses for animals, application of technologies for permafrost preservation, on-site utilization of associated gas production, decreased emissions achieved by fitting oil storage tanks with special pontoons, utilization of injected sewage water to maintain reservoir pressure, and total automation of process control.

CHEMICALS

CPChem is one of the world's top producers of olefins and polyolefins and a leading supplier of aromatics, alpha olefins, styrenics, specialty chemicals, plastic piping and polymer resins. It employs approximately 4,600 people at 34 global manufacturing facilities in nine countries, with four research and technical centers that employ scientists, researchers and engineers.

During 2009, CPChem capitalized on strong margins in the second and third quarters as a result of its cost stewardship efforts, as well as increased demand from Asian markets. The prevailing disparity in crude oil and natural gas pricing yielded improved margins for many ethylene producers, particularly those with flexible feedstock capabilities or cost-advantaged Middle Eastern joint ventures, such as CPChem. Later in the year, margins decreased somewhat due to lower domestic demand.

Construction was completed on a new Ryton® polyphenylene sulfide (PPS) plant in Borger, Texas, which will double the company's PPS capacity. Ryton® PPS is an engineering thermoplastic used in a variety of applications, including automotives and electronics.

Additionally, construction progressed on two new Middle Eastern projects. At the Saudi Polymers petrochemical plant in Al Jubail, a 35-percent-owned project that includes an olefins unit and downstream polyethylene, polypropylene, 1-hexene and polystyrene units, completion is expected in 2011. Startup of the 49-percent-owned Q-Chem II project in Mesaieed, Qatar, is expected in 2010. It includes a high-density polyethylene and normal alpha olefins plant and a separate joint venture for an ethylene cracker, of which Q-Chem II owns approximately 54 percent of the capacity rights.

THE EXTENDED VALUE CHAIN

In 2009, CPChem's S-Chem facility, for the second time in two years, received the First Place Award for Environmental Performance by the Kingdom of Saudi Arabia Royal Commission. Two of the company's facilities also received CPChem's President's Environmental Award for outstanding environmental stewardship – the joint-venture petrochemical facility in Mesaieed, Qatar, and the Performance Pipe division's plant in Fairfield, Iowa. Additionally, 20 facilities earned the company's Harmony Environmental Award.

MIDSTREAM

DCP Midstream, LLC, a 50/50 joint venture between ConocoPhillips and Spectra Energy, took steps to effectively withstand the economic recession, while gaining further exposure to key U.S. natural gas drilling trends.

"We met our objectives on project execution, operational reliability and cost control despite the difficult market conditions," said Thomas O'Connor, DCP Midstream president, chairman and CEO. "Additionally, our growing presence in areas undergoing rapid shale gas development bodes well for the future."

To manage through the 2009 commodity cycle, DCP utilized a conservative financial strategy that included focus on cost reduction, a flexible capital program, the preservation of liquidity, and commitments to continue cash distributions to its owners and maintain investment-grade credit ratings.

During 2009, DCP and DCP Midstream Partners put into service a new joint-venture gathering pipeline in East Texas to serve the Minden Field's conventional production, as well as the area's rising volumes from the Haynesville shale trend. New facilities were also started up in central Oklahoma to serve the Woodford shale development trend. Both will result in increased gas volumes flowing to company-owned processing plants.

In the Antrim shale trend in northern Michigan, gas gathering and treating assets were acquired. And in southwestern Colorado, work progressed in the Piceance Basin on new pipeline, compression and gas-handling facilities. DCP Midstream also committed to further development in Weld County in northeastern Colorado, site of significant natural gas production.

"We believe that DCP Midstream is well positioned to benefit from a future recovery in energy commodity prices," said O'Connor. "We also believe we can capture volume growth occurring both near our existing infrastructure and in new growth areas."

ConocoPhillips' Midstream segment also includes an equity interest in Phoenix Park Gas Processors Limited in Trinidad, and natural gas liquids fractionation plants in New Mexico, Texas and Kansas.

ConocoPhillips' Midstream earnings for 2009 were $313 million, with the company's net natural gas liquids extraction totaling 187,000 BD, including 179,000 BD from its interest in DCP Midstream. ConocoPhillips' share of DCP Midstream's raw natural gas throughput was approximately 3.05 billion cubic feet per day.

DCP Midstream gathers raw natural gas through 60,000 miles of gathering pipe in major natural gas producing regions. The gas is processed at 59 owned or operated plants and treaters.

Financial Summary

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON CONDENSED FINANCIAL STATEMENTS

The Board of Directors and Stockholders
ConocoPhillips

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of ConocoPhillips at December 31, 2009 and 2008, and the related consolidated statements of operations, changes in equity, and cash flows for each of the three years in the period ended December 31, 2009 (not presented separately herein) and in our report dated February 25, 2010, we expressed an unqualified opinion on those consolidated financial statements. As discussed in Note 2 to the consolidated financial statements, in 2009 ConocoPhillips has changed its reserve estimates and related disclosures as a result of adopting new oil and gas reserve estimation and disclosure requirements. In our opinion, the information set forth in the accompanying condensed consolidated financial statements (presented on pages 32 through 34) is fairly stated in all material respects in relation to the consolidated financial statements from which it has been derived.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of ConocoPhillips' internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 25, 2010 (not presented separately herein) expressed an unqualified opinion thereon.

Ernst & Young LLP

Houston, Texas
February 25, 2010

CONSOLIDATED STATEMENT OF OPERATIONS

ConocoPhillips

Years Ended December 31	Millions of Dollars		
	2009	2008	2007
Revenues and Other Income			
Sales and other operating revenues*	**$ 149,341**	240,842	187,437
Equity in earnings of affiliates	**2,981**	4,250	5,087
Other income	**518**	1,090	1,971
Total Revenues and Other Income	**152,840**	246,182	194,495
Costs and Expenses			
Purchased crude oil, natural gas and products	**102,433**	168,663	123,429
Production and operating expenses	**10,339**	11,818	10,683
Selling, general and administrative expenses	**1,830**	2,229	2,306
Exploration expenses	**1,182**	1,337	1,007
Depreciation, depletion and amortization	**9,295**	9,012	8,298
Impairments			
Goodwill	**—**	25,443	—
LUKOIL investment	**—**	7,410	—
Expropriated assets**	**51**	—	4,588
Other	**484**	1,686	442
Taxes other than income taxes*	**15,529**	20,637	18,990
Accretion on discounted liabilities	**422**	418	341
Interest and debt expense	**1,289**	935	1,253
Foreign currency transaction (gains) losses	**(46)**	117	(201)
Total Costs and Expenses	**142,808**	249,705	171,136
Income (loss) before income taxes	**10,032**	(3,523)	23,359
Provision for income taxes	**5,096**	13,405	11,381
Net income (loss)	**4,936**	(16,928)	11,978
Less: net income attributable to noncontrolling interests	**(78)**	(70)	(87)
Net Income (Loss) Attributable to ConocoPhillips	**$ 4,858**	(16,998)	11,891
Net Income (Loss) Attributable to ConocoPhillips Per Share of Common Stock *(dollars)****			
Basic	**$ 3.26**	(11.16)	7.32
Diluted	**3.24**	(11.16)	7.22
Average Common Shares Outstanding *(in thousands)*			
Basic	**1,487,650**	1,523,432	1,623,994
Diluted	**1,497,608**	1,523,432	1,645,919
**Includes excise taxes on petroleum products sales:*	***$ 13,325***	*15,418*	*15,937*

***Includes allocated goodwill.*

****For the purpose of the earnings per share calculation only, 2009 net income attributable to ConocoPhillips has been reduced by $12 million for the excess of the amount paid for the redemption of a noncontrolling interest over its carrying value, which was charged directly to retained earnings.*

For complete consolidated financial statements, including the company's accounting policies and other financial statement notes, please refer to Appendix A of ConocoPhillips' 2010 Proxy Statement. See also Management's Discussion and Analysis of Financial Condition and Results of Operations and other information in Appendix A of the 2010 Proxy Statement.

CONSOLIDATED BALANCE SHEET

ConocoPhillips

At December 31	Millions of Dollars	
	2009	2008
Assets		
Cash and cash equivalents	**$ 542**	755
Accounts and notes receivable (net of allowance of $76 million in 2009 and $61 million in 2008)	**11,861**	10,892
Accounts and notes receivable—related parties	**1,354**	1,103
Inventories	**4,940**	5,095
Prepaid expenses and other current assets	**2,470**	2,998
Total Current Assets	**21,167**	20,843
Investments and long-term receivables	**36,192**	30,926
Loans and advances—related parties	**2,352**	1,973
Net properties, plants and equipment	**87,708**	83,947
Goodwill	**3,638**	3,778
Intangibles	**823**	846
Other assets	**708**	552
Total Assets	**$152,588**	142,865
Liabilities		
Accounts payable	**$ 14,168**	12,852
Accounts payable—related parties	**1,317**	1,138
Short-term debt	**1,728**	370
Accrued income and other taxes	**3,402**	4,273
Employee benefit obligations	**846**	939
Other accruals	**2,234**	2,208
Total Current Liabilities	**23,695**	21,780
Long-term debt	**26,925**	27,085
Asset retirement obligations and accrued environmental costs	**8,713**	7,163
Joint venture acquisition obligation—related party	**5,009**	5,669
Deferred income taxes	**17,962**	18,167
Employee benefit obligations	**4,130**	4,127
Other liabilities and deferred credits	**3,097**	2,609
Total Liabilities	**89,531**	86,600
Equity		
Common stock (2,500,000,000 shares authorized at $.01 par value)		
Issued (2009—1,733,345,558 shares; 2008—1,729,264,859 shares)		
Par value	**17**	17
Capital in excess of par	**43,681**	43,396
Grantor trusts (at cost: 2009—38,742,261 shares; 2008—40,739,129 shares)	**(667)**	(702)
Treasury stock (at cost: 2009 and 2008—208,346,815 shares)	**(16,211)**	(16,211)
Accumulated other comprehensive income (loss)	**3,065**	(1,875)
Unearned employee compensation	**(76)**	(102)
Retained earnings	**32,658**	30,642
Total Common Stockholders' Equity	**62,467**	55,165
Noncontrolling interests	**590**	1,100
Total Equity	**63,057**	56,265
Total Liabilities and Equity	**$152,588**	142,865

For complete consolidated financial statements, including notes, please refer to Appendix A of ConocoPhillips' 2010 Proxy Statement. See also Management's Discussion and Analysis of Financial Condition and Results of Operations and other information in Appendix A of the 2010 Proxy Statement.

CONSOLIDATED STATEMENT OF CASH FLOWS

ConocoPhillips

Years Ended December 31	Millions of Dollars		
	2009	2008	2007
Cash Flows From Operating Activities			
Net income (loss)	$ **4,936**	(16,928)	11,978
Adjustments to reconcile net income (loss) to net cash provided by operating activities			
Depreciation, depletion and amortization	**9,295**	9,012	8,298
Impairments	**535**	34,539	5,030
Dry hole costs and leasehold impairments	**606**	698	463
Accretion on discounted liabilities	**422**	418	341
Deferred taxes	**(1,109)**	(428)	(33)
Undistributed equity earnings	**(1,704)**	(1,609)	(1,823)
Gain on asset dispositions	**(160)**	(891)	(1,348)
Other	**196**	(1,134)	89
Working capital adjustments			
Decrease (increase) in accounts and notes receivable	**(1,106)**	4,225	(2,492)
Decrease (increase) in inventories	**320**	(1,321)	767
Decrease (increase) in prepaid expenses and other current assets	**282**	(724)	487
Increase (decrease) in accounts payable	**1,612**	(3,874)	2,772
Increase (decrease) in taxes and other accruals	**(1,646)**	675	21
Net Cash Provided by Operating Activities	**12,479**	22,658	24,550
Cash Flows From Investing Activities			
Capital expenditures and investments	**(10,861)**	(19,099)	(11,791)
Proceeds from asset dispositions	**1,270**	1,640	3,572
Long-term advances/loans—related parties	**(525)**	(163)	(682)
Collection of advances/loans—related parties	**93**	34	89
Other	**88**	(28)	250
Net Cash Used in Investing Activities	**(9,935)**	(17,616)	(8,562)
Cash Flows From Financing Activities			
Issuance of debt	**9,087**	7,657	935
Repayment of debt	**(7,858)**	(1,897)	(6,454)
Issuance of company common stock	**13**	198	285
Repurchase of company common stock	**—**	(8,249)	(7,001)
Dividends paid on company common stock	**(2,832)**	(2,854)	(2,661)
Other	**(1,265)**	(619)	(444)
Net Cash Used in Financing Activities	**(2,855)**	(5,764)	(15,340)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	**98**	21	(9)
Net Change in Cash and Cash Equivalents	**(213)**	(701)	639
Cash and cash equivalents at beginning of year	**755**	1,456	817
Cash and Cash Equivalents at End of Year	$ **542**	755	1,456

For complete consolidated financial statements, including notes, please refer to Appendix A of ConocoPhillips' 2010 Proxy Statement. See also Management's Discussion and Analysis of Financial Condition and Results of Operations and other information in Appendix A of the 2010 Proxy Statement.

SELECTED FINANCIAL DATA

	Millions of Dollars Except as Indicated				
	2009	2008	2007	2006	2005
Sales and other operating revenues	**$149,341**	240,842	187,437	183,650	179,442
Income (loss) from continuing operations	**4,936**	(16,928)	11,978	15,626	13,673
Income (loss) from continuing operations attributable to ConocoPhillips	**4,858**	(16,998)	11,891	15,550	13,640
Per common share *(dollars)*					
Basic	**3.26**	(11.16)	7.32	9.80	9.79
Diluted	**3.24**	(11.16)	7.22	9.66	9.63
Net income (loss)	**4,936**	(16,928)	11,978	15,626	13,562
Net income (loss) attributable to ConocoPhillips	**4,858**	(16,998)	11,891	15,550	13,529
Per common share *(dollars)*					
Basic	**3.26**	(11.16)	7.32	9.80	9.71
Diluted	**3.24**	(11.16)	7.22	9.66	9.55
Total assets	**152,588**	142,865	177,757	164,781	106,999
Long-term debt	**26,925**	27,085	20,289	23,091	10,758
Joint venture acquisition obligation—long-term	**5,009**	5,669	6,294	—	—
Cash dividends declared per common share *(dollars)*	**1.91**	1.88	1.64	1.44	1.18
Market quotations for common stock *(dollars)*					
High	**57.44**	95.96	90.84	74.89	71.48
Low	**34.12**	41.27	61.59	54.90	41.40
Year-end close	**51.07**	51.80	88.30	71.95	58.18

RESERVES SUMMARY

	Millions of Barrels of Oil Equivalent (BOE)		
	2009	2008	2007
Net Proved Developed and Undeveloped Reserves			
Alaska	**1,684**	1,617	2,040
Lower 48	**2,012**	2,131	2,308
Total United States	**3,696**	3,748	4,348
Canada	**1,845**	1,329	1,282
Europe	**836**	936	1,073
Russia	**2,055**	1,946	1,894
Asia Pacific/Middle East	**1,352**	1,433	1,347
Africa	**425**	448	463
Other areas	**117**	135	153
Total company	**10,326**	9,975	10,560
Total consolidated operations	**7,020**	6,800	7,613
Total equity affiliates	**3,306**	3,175	2,947
Total company	**10,326**	9,975	10,560
Reserve replacement ratio, 5-year average *(percent)*	**145**	155	176

Natural gas reserves are converted to BOE based on a 6:1 ratio – six thousand cubic feet of natural gas converts to one BOE.

SEGMENT PROFILE

ConocoPhillips

	Sales and Other Operating Revenues			Net Income (Loss) Attributable to ConocoPhillips			Capital Expenditures and Investments		
Millions of Dollars	**2009**	2008	2007	**2009**	2008	2007	**2009**	2008	2007
E&P									
United States	**$ 19,638**	43,344	30,878	**1,503**	4,988	4,248	**3,474**	5,250	3,788
International	**17,459**	26,474	17,276	**2,101**	6,976	367	**5,425**	11,206	6,147
Goodwill	**—**	—	—	**—**	(25,443)	—	**—**	—	—
Total E&P	**37,097**	69,818	48,154	**3,604**	(13,479)	4,615	**8,899**	16,456	9,935
Midstream	**4,892**	6,564	4,861	**313**	541	453	**5**	4	5
R&M									
United States	**73,258**	116,762	95,614	**(192)**	1,540	4,615	**1,299**	1,643	1,146
International	**33,975**	47,468	38,587	**229**	782	1,308	**427**	626	240
Total R&M	**107,233**	164,230	134,201	**37**	2,322	5,923	**1,726**	2,269	1,386
LUKOIL Investment	**—**	—	—	**1,663**	(5,488)	1,818	**—**	—	—
Chemicals	**11**	11	10	**248**	110	359	**—**	—	—
Emerging Businesses	**86**	199	198	**3**	30	(8)	**97**	156	257
Corporate and Other	**22**	20	13	**(1,010)**	(1,034)	(1,269)	**134**	214	208
Total	**$149,341**	240,842	187,437	**4,858**	(16,998)	11,891	**10,861**	19,099	11,791

RECONCILIATION OF EARNINGS (LOSS) TO ADJUSTED EARNINGS (LOSS)

Millions of Dollars, Years Ended	**2009**	2008
Consolidated		
Earnings (loss)	**$4,858**	(16,998)
Less:		
Goodwill impairment	**—**	25,443
LUKOIL investment impairment	**—**	7,410
Impairments – other	**729**	1,292
Net gain on asset sales/ share issuance	**(175)**	(814)
Severance accruals	**(40)**	99
Adjusted earnings	**$5,372**	16,432
Earnings (loss) per share of common stock	**$ 3.24**	(11.16)
Adjusted earnings per share of common stock	**$ 3.58**	10.66*

Based on adjusted diluted shares of 1,540.8 million for year-end 2008.

Millions of Dollars, Years Ended	**2009**	2008
E&P		
Earnings (loss)	**$3,604**	(13,479)
Less:		
Goodwill impairment	**—**	25,443
Impairments – other	**613**	627
Net gain on asset sales	**(55)**	(590)
Severance accruals	**(31)**	71
Adjusted earnings	**$4,131**	12,072
Midstream		
Earnings	**$ 313**	541
Less: Gain on share issuance by equity affiliate	**(88)**	—
Adjusted earnings	**$ 225**	541

Millions of Dollars, Years Ended	**2009**	2008
R&M		
Earnings	**$ 37**	2,322
Less:		
Impairments	**116**	550
Net gain on asset sales	**(32)**	(224)
Severance accruals	**(6)**	24
Adjusted earnings	**$ 115**	2,672
LUKOIL Investment		
Earnings (loss)	**$ 1,663**	(5,488)
Less: Impairment	**—**	7,410
Adjusted earnings	**$ 1,663**	1,922
Emerging Businesses		
Earnings	**$ 3**	30
Less: Impairment	**—**	85
Adjusted earnings	**$ 3**	115
Corporate		
Earnings (loss)	**$(1,010)**	(1,034)
Less:		
Impairments	**—**	30
Severance accruals	**(3)**	4
Adjusted earnings (loss)	**$(1,013)**	(1,000)

E&P

	2009	2008	2007	2006	2005
	Thousands of Barrels Daily (MBD)				
Crude Oil and Natural Gas Liquids Production					
United States	**418**	426	461	446	403
Canada	**40**	44	46	50	33
Europe	**241**	233	224	258	270
Asia Pacific/ Middle East	**132**	107	106	146	142
Africa	**78**	80	78	85	29
Other areas	**4**	9	10	7	—
Total consolidated	**913**	899	925	992	877
Equity affiliates	**55**	24	57	116	121
Total E&P	**968**	923	982	1,108	998
Synthetic Oil Production					
Consolidated—Canada	**23**	22	23	21	19
Bitumen Production					
Consolidated—Canada	**7**	6	—	—	—
Equity affiliates	**43**	30	27	—	—
Total E&P	**50**	36	27	—	—

	2009	2008	2007	2006	2005
Natural Gas Production*	Millions of Cubic Feet Daily (MMCFD)				
United States	**2,021**	2,091	2,292	2,173	1,381
Canada	**1,062**	1,054	1,106	983	425
Europe	**876**	954	961	1,065	1,023
Asia Pacific/ Middle East	**713**	609	579	582	350
Africa	**121**	114	125	142	84
Other areas	**—**	14	19	16	—
Total consolidated	**4,793**	4,836	5,082	4,961	3,263
Equity affiliates	**84**	11	5	9	7
Total E&P	**4,877**	4,847	5,087	4,970	3,270

*Represents quantities available for sale. Excludes gas equivalent of natural gas liquids included above.

	2009	2008	2007	2006	2005
Average Sales Prices	Dollars Per Unit				
Crude oil and natural gas liquids *(per barrel)*					
Total consolidated	**$55.47**	89.35	66.01	59.72	50.48
Equity affiliates	**58.23**	71.15	48.72	46.01	37.79
Total E&P	**55.63**	88.91	64.99	58.22	48.92
Natural gas *(per MCF)*					
Total consolidated	**4.30**	8.28	6.26	6.20	6.32
Equity affiliates	**2.35**	2.04	.30	.30	.26
Total E&P	**4.26**	8.27	6.26	6.19	6.30

Midstream

	2009	2008	2007	2006	2005
	Thousands of Barrels Daily				
Natural Gas Liquids Extracted*	**187**	188	211	209	195

*Includes our share of equity affiliates.

	2009	2008	2007	2006	2005
Average Sales Prices	Dollars Per Barrel				
U.S. natural gas liquids*					
Consolidated	**$33.63**	56.29	47.93	40.22	36.68
Equity affiliates	**29.80**	52.08	46.80	39.45	35.52

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

R&M

	2009	2008	2007	2006	2005
	Thousands of Barrels Daily				
Refinery Operations*					
United States					
Crude oil capacity**	**1,986**	2,008	2,035	2,208	2,180
Crude oil runs	**1,731**	1,849	1,944	2,025	1,996
Refinery production	**1,891**	2,035	2,146	2,213	2,186
International					
Crude oil capacity**	**671**	670	687	651	428
Crude oil runs	**495**	567	616	591	424
Refinery production	**504**	575	633	618	439
Petroleum Products Sales					
United States					
Gasoline	**1,130**	1,128	1,244	1,336	1,374
Distillates	**858**	893	872	850	876
Other products	**367**	374	432	531	519
	2,355	2,395	2,548	2,717	2,769
International	**619**	645	697	759	482
Total company	**2,974**	3,040	3,245	3,476	3,251

*Includes our share of equity affiliates, except LUKOIL, which is included in the LUKOIL Investment segment.
**Weighted-average crude oil capacity for the period.

	2009	2008	2007	2006	2005
U.S. Average Wholesale Prices*	Dollars Per Gallon				
Gasoline	**$1.84**	2.65	2.27	2.04	1.73
Distillates	**1.76**	3.06	2.29	2.11	1.80

*Excludes excise taxes.

LUKOIL Investment*

	2009	2008	2007	2006	2005
	Units Per Day				
Crude oil production *(MBD)*	**387**	386	401	360	235
Natural gas production *(MMCFD)*	**280**	356	256	244	67
Refinery crude processed *(MBD)*	**245**	229	214	179	122

*Represents our net share of our estimate of LUKOIL's production and processing.

Board of Directors

Richard L. Armitage, 64, president of Armitage International LLC since 2005. U.S. Deputy Secretary of State from 2001 to 2005. President of Armitage Associates from 1993 to 2001. Assistant Secretary of Defense for International Security Affairs from 1983 to 1989. Recipient of numerous U.S. and foreign decorations and service awards. Also a director of ManTech International Corporation. Lives in Vienna, Va. *(4)*

Richard H. Auchinleck, 58, president and CEO of Gulf Canada Resources Limited from 1998 to 2001. Chief operating officer of Gulf Canada and CEO for Gulf Indonesia Resources Limited from 1997 to 1998. Also a director of Enbridge Commercial Trust and Telus Corporation. Lives in Calgary, Alberta, Canada. *(2, 4)*

James E. Copeland, Jr., 65, CEO of Deloitte & Touche USA and Deloitte & Touche Tohmatsu from 1999 to 2003. Serves as a director for Time Warner Cable Inc. and Equifax. Lives in Duluth, Ga. *(1, 2)*

Kenneth M. Duberstein, 65, chairman and CEO of the Duberstein Group, a strategic planning and consulting company, since 1989. Served as White House chief of staff and previously as deputy chief of staff to President Ronald Reagan. Also a director of The Boeing Company, The Travelers Companies, Inc. and Mack-Cali Realty Corporation. Lives in Washington, D.C. *(5)*

Ruth R. Harkin, 65, senior vice president, international affairs and government relations for United Technologies Corporation (UTC) and chair of United Technologies International, UTC's international representation arm, from 1997 to 2005. CEO and president of Overseas Private Investment Corporation from 1993 to 1997. Also a member of the Board of Regents of the state of Iowa, and a director of AbitibiBowater Inc. Lives in Alexandria, Va. *(2, 5)*

Harold McGraw III, 61, chairman, president and CEO of The McGraw-Hill Companies since 2000. President and CEO of The McGraw-Hill Companies from 1998 to 2000. Member of The McGraw-Hill Companies' board of directors since 1987. Also a director of United Technologies Corporation. Lives in Darien, Conn. *(3, 4)*

James J. Mulva, 63, Chairman and CEO of ConocoPhillips. Chairman, president and CEO of Phillips from 1999 to 2002. President and chief operating officer from 1994 to 1999. Joined Phillips in 1973; elected to board in 1994. Served as 2006 chairman of the American Petroleum Institute. A director of General Electric and M.D. Anderson Cancer Center, member of The Business Council and The Business Roundtable, and trustee of the Boys and Girls Clubs of America. *(2)*

Robert A. Niblock, 47, chairman and chief executive officer of Lowe's Companies, Inc. since 2005. Served as Lowe's president from 2003 to 2006, and joined the board of directors when named chairman and CEO-elect in 2004. Immediate past chairman and a member of the board of directors of the Retail Industry Leaders Association (RILA), after having served as chairman in 2008 and 2009. Member of the RILA since 2003 and served as vice chairman in 2006 and 2007. Lives in Lewisville, N.C. *(1)*

Harald J. Norvik, 63, strategic advisor of Econ-Pöyry. Chairman of the Board of Telenor ASA. Chairman, President and CEO of Statoil from 1988 to 1999. Also a director of Petroleum Geo-Services ASA. Lives in Nesoddangen, Norway. *(1)*

William K. Reilly, 70, president and CEO of Aqua International Partners, an investment group which finances water improvements in developing countries, since 1997. Also a director of E.I. du Pont de Nemours & Company, and Royal Caribbean Cruises Ltd. Lives in San Francisco, Calif. *(5)*

Bobby S. Shackouls, 59, chairman of Burlington Resources from 1997 to 2006, and president and CEO from 1995 to 2006. President and CEO of Meridian Oil, a wholly owned subsidiary of Burlington Resources, from 1994 to 1995. Executive vice president and chief operating officer of Meridan Oil from 1993 to 1994. Vice chairman of the Texas Heart Institute, board member of the Sam Houston Area Council, and member of the National Board of the Boy Scouts of America and the board of directors of Peter Klewit Sons', Inc. Also a director of The Kroger Company. Lives in Houston, Texas. *(5)*

Victoria J. Tschinkel, 62, director of the Florida Nature Conservancy from 2003 to 2006. Senior environmental consultant to law firm Landers & Parsons, from 1987 to 2002. Former secretary of the Florida Department of Environmental Regulation. Lives in Tallahassee, Fla. *(1)*

Kathryn C. Turner, 62, founder, chairperson and CEO of Standard Technology, Inc., a management and technology solutions firm with a focus in the healthcare sector, since 1985. Also a director of Carpenter Technology Corporation and the National Association of Corporate Directors Capital Area Chapter. Lives in Bethesda, Md. *(3, 4)*

William E. Wade, Jr., 67, former president of ARCO (Atlantic Richfield Company). Executive vice president, worldwide exploration and production, ARCO, from 1993 to 1998. Also served as president of ARCO Oil & Gas Company and president of ARCO Alaska. Served on the boards of ARCO, Burlington Resources, Lyondell Chemical Company and Vastar Resources. Lives in Santa Rosa Beach, Fla. *(2, 3)*

(1) Member of the Audit and Finance Committee
(2) Member of the Executive Committee
(3) Member of the Compensation Committee
(4) Member of the Directors' Affairs Committee
(5) Member of the Public Policy Committee

Company Officers*

James J. Mulva, Chairman and Chief Executive Officer

John A. Carrig, President and Chief Operating Officer

Lawrence E. Archibald, Senior Vice President, Exploration and Business Development

Eugene L. Batchelder, Senior Vice President and Chief Administrative Officer

Rand C. Berney, Senior Vice President, Corporate Shared Services

Stephen R. Brand, Senior Vice President, Technology

Byron M. "Red" Cavaney, Senior Vice President, Government Affairs

Willie C.W. Chiang, Senior Vice President, Refining, Marketing and Transportation

Sigmund L. Cornelius, Senior Vice President, Finance and Chief Financial Officer

Gregory J. Goff, Senior Vice President, Commercial

Janet L. Kelly, Senior Vice President, Legal, General Counsel and Corporate Secretary

Ryan M. Lance, Senior Vice President, Exploration and Production – International

Kevin O. Meyers, Senior Vice President, Exploration and Production – Americas

Luc J. Messier, Senior Vice President, Project Development

Jeffrey W. Sheets, Senior Vice President, Planning and Strategy

Robert A. Herman, Vice President, Health, Safety and Environment

Carin S. Knickel, Vice President, Human Resources

OTHER CORPORATE OFFICERS

Glenda M. Schwarz, Vice President and Controller

Frances M. Vallejo, Vice President and Treasurer

Ben J. Clayton, General Tax Officer

C. Clayton Reasor, Vice President, Corporate Affairs

Keith A. Kliewer, Tax Administration Officer

Michael A. Pregler, Acting General Auditor and Chief Ethics Officer

Operational and Functional Organizations

EXPLORATION AND PRODUCTION

Kevin J. Mitchell, Vice President, Exploration and Production – Strategy, Administration and Technical Services

Matthew J. Fox, President, Canada

Donald G. Hrap, President, Americas

Trond-Erik Johansen, President, Southeast Asia

Joseph P. Marushack, President, Australia

Bobby C. Nolen, President, Abu Dhabi

Georg E. Storaker, President, China

Steinar Vaage, President, Norway

Donald E. Wallette, President, Russia and Caspian Region

Paul C. Warwick, President, United Kingdom and West Africa

REFINING AND MARKETING

Deborah G. Adams, President, Transportation

Rex W. Bennett, President, Strategy, Integration and Specialty Businesses

Andrew E. Viens, President, Global Marketing

Lawrence M. Ziemba, President, Global Refining

COMMERCIAL

William L. Bullock, President, Global Gas and Power

Christopher W. Conway, President, Global Trading

Gregory P. Leveille, President, Global LNG and Asia Pacific Commercial

John W. Wright, President, Global Supply

** As of March 1, 2010*

Stockholder Information

ANNUAL MEETING
ConocoPhillips' annual meeting of stockholders will be held:

Wednesday, May 12, 2010
Omni Houston Hotel Westside
13210 Katy Freeway, Houston, Texas

Notice of the meeting and proxy materials are being sent to all stockholders.

DIRECT STOCK PURCHASE AND DIVIDEND REINVESTMENT PLAN
ConocoPhillips' Investor Services Program is a direct stock purchase and dividend reinvestment plan that offers stockholders a convenient way to buy additional shares and reinvest their common stock dividends. Purchases of company stock through direct cash payment are commission-free. For details contact:

BNY Mellon Shareowner Services
P.O. Box 358035
Pittsburgh, PA 15252-8035
Toll-free number: (800) 356-0066

Registered stockholders can access important investor communications online and sign up to receive future shareholder materials electronically by going to *www.bnymellon.com/shareowner/isd* and following the enrollment instructions.

INFORMATION REQUESTS
For information about dividends and certificates, or to request a change of address, stockholders may contact:

BNY Mellon Shareowner Services
P.O. Box 358015
Pittsburgh, PA 15252-8015
Toll-free number: (800) 356-0066
Outside the U.S.: (201) 680-6578
TDD: (800) 231-5469
Outside the U.S.: (201) 680-6610
www.bnymellon.com/shareowner

Personnel in the following offices also can answer investors' questions about the company:

INSTITUTIONAL INVESTORS:

ConocoPhillips Investor Relations
375 Park Avenue, Suite 3702
New York, NY 10152
(212) 207-1996
investor.relations@conocophillips.com

INDIVIDUAL INVESTORS:

ConocoPhillips Shareholder Relations
600 N. Dairy Ashford, ML3074
Houston, TX 77079
(281) 293-6800
shareholder.relations@conocophillips.com

INTERNET WEB SITE: *WWW.CONOCOPHILLIPS.COM*
The site includes resources of interest to investors, including news releases and presentations to securities analysts; copies of ConocoPhillips' annual reports and proxy statements; reports to the U.S. Securities and Exchange Commission; and data on ConocoPhillips' health, safety and environmental performance. Other Web sites with information on topics in this summary annual report include:

www.lukoil.com
www.cpchem.com
www.dcpmidstream.com
www.drivesavvy.com

SUMMARY ANNUAL REPORT AND FORM 10-K
Copies of the Annual Report on Form 10-K, as filed with the U.S. Securities and Exchange Commission, are available free by making a request on the company's Web site, calling (918) 661-3700 or writing:

ConocoPhillips – 2009 Form 10-K
B-41 Adams Building
411 South Keeler Ave.
Bartlesville, OK 74004

Additional copies of this summary annual report may be obtained by calling (918) 661-3700, or writing:

ConocoPhillips – 2009 Summary Annual Report
B-41 Adams Building
411 South Keeler Ave.
Bartlesville, OK 74004

PRINCIPAL OFFICES

600 N. Dairy Ashford
Houston, TX 77079

1013 Centre Road
Wilmington, DE 19805-1297

STOCK TRANSFER AGENT AND REGISTRAR

BNY Mellon Shareowner Services
480 Washington Blvd.
Jersey City, NJ 07310-1900
www.bnymellon.com/shareowner

COMPLIANCE AND ETHICS
For guidance, or to express concerns or ask questions about compliance and ethics issues, call ConocoPhillips' Ethics Helpline toll-free: (877) 327-2272, available 24 hours a day, seven days a week. The ethics office also may be contacted via e-mail at *ethics@conocophillips.com* or by writing:

Attn: Corporate Ethics Office
ConocoPhillips
600 N. Dairy Ashford, MA2142
Houston, TX 77079

ConocoPhillips

www.conocophillips.com

ConocoPhillips is an international, integrated energy company with interests around the world. Headquartered in Houston, the company had operations in more than 30 countries, approximately 30,000 employees, $153 billion of assets and $149 billion of revenues as of Dec. 31, 2009.