ConocoPhillips announces third-quarter 2025 results; increases quarterly ordinary dividend by 8% and announces preliminary 2026 guidance

06.11.2025 | Business Wire

- Reported third-quarter 2025 earnings per share of $1.38 and adjusted earnings per share of $1.61.
- Generated cash provided by operating activities of $5.9 billion and cash from operations (CFO) of $5.4 billion.
- Raised ordinary dividend by 8% to $0.84 per share.
- Raised full-year 2025 production guidance to 2.375 MMBOED and further reduced operating cost guidance to $10.6 billion.
- Announced preliminary 2026 guidance, including $12 billion of capital expenditures, $10.2 billion of adjusted operating costs and 0 to 2% underlying production growth.

ConocoPhillips (NYSE: COP) today reported third-quarter 2025 earnings of $1.7 billion, or $1.38 per share, compared with third-quarter 2024 earnings of $2.1 billion, or $1.76 per share. Excluding special items, third-quarter 2025 adjusted earnings were $2.0 billion, or $1.61 per share, compared with third-quarter 2024 adjusted earnings of $2.1 billion, or $1.78 per share. Special items for the quarter primarily relate to restructuring costs.

"ConocoPhillips again demonstrated strong operational and financial performance in the third quarter, resulting in higher production and reduced operating cost guidance for 2025. We increased our base dividend by 8%, consistent with our goal to provide top quartile dividend growth in the S&P 500," said Ryan Lance, chairman and chief executive officer. "Looking to 2026, we expect lower capital and operating costs with flat to modest production growth. Willow total project capital is updated to $8.5 to $9 billion, with total LNG project capital reduced to $3.4 billion. Powered by our deep, durable and diverse portfolio, we remain on track to deliver an expected $7 billion in incremental free cash flow by 2029, including $1 billion each year from 2026 through 2028."

Third-quarter highlights and recent announcements

- Delivered total company and Lower 48 production of 2,399 thousand barrels of oil equivalent per day (MBOED) and 1,528 MBOED, respectively.
- Exceeded $3 billion in dispositions in 2025 and on track to meet $5 billion disposition target by year-end 2026.
- Advanced commercial LNG strategy by signing 20-year sales and purchase agreements at PALNG Phase 2 and Rio Grande LNG Train 5, expected to commence in 2030 and 2031, respectively.
- Distributed over $2.2 billion to shareholders, including $1.3 billion through share repurchases and $1.0 billion through the ordinary dividend.
- Ended the quarter with cash and short-term investments of $6.6 billion and long-term investments of $1.1 billion.

Quarterly dividend

ConocoPhillips raised the fourth-quarter ordinary dividend by 8% to $0.84 per share, payable Dec. 1, 2025, to stockholders of record at the close of business on Nov. 17, 2025.

Major projects update

At the Willow project in Alaska, the company updated project capital guidance to $8.5 to $9.0 billion, primarily due to general inflation and localized North Slope and marine cost escalation. With Willow nearing 50% completion and the key milestones achieved to date, the company has narrowed expected first oil to early 2029.

ConocoPhillips continues to progress its three equity LNG projects: North Field East (NFE) and North Field South (NFS) in Qatar and PALNG on the U.S. Gulf Coast. The company has reduced its total LNG project capital guidance to $3.4 billion after securing a $0.6 billion credit against Port Arthur capital spending. Taking into account this credit, the company is approximately 80% complete with total LNG project capital. All three projects remain on schedule with first LNG from NFE expected in 2026.

Asset dispositions update

ConocoPhillips has executed dispositions of over $3.0 billion in 2025 and is on track to meet its $5 billion disposition target by year-end 2026. On October 1, 2025, the company closed the disposition of Anadarko Basin assets for $1.3 billion. Additionally, in the fourth quarter of 2025, the sale of certain noncore assets closed or are expected to close for approximately $0.5 billion, subject to customary closing adjustments.

Third-quarter review

Production for the third quarter of 2025 was 2,399 MBOED, an increase of 482 MBOED from the same period a year ago. Adjusting for closed acquisitions and dispositions, third-quarter 2025 production increased 83 MBOED or 4% from the same period a year ago.

Lower 48 delivered production of 1,528 MBOED, including 686 MBOED from the Delaware Basin, 196 MBOED from the Midland Basin, 403 MBOED from the Eagle Ford and 200 MBOED from the Bakken.

Earnings and adjusted earnings decreased from the third quarter of 2024 as the impact of lower prices were partially offset by the benefits of the Marathon Oil acquisition and higher underlying production volumes. The company's total average realized price was $46.44 per BOE, 14% lower than the $54.18 per BOE realized in the third quarter of 2024.

For the quarter, cash provided by operating activities was $5.9 billion. Excluding a $0.5 billion change in operating working capital, ConocoPhillips generated CFO of $5.4 billion. In addition, ConocoPhillips received $0.3 billion of disposition proceeds from the sale of noncore assets. The company funded $2.9 billion of capital expenditures and investments, repurchased $1.3 billion of shares and paid $1.0 billion in ordinary dividends.

Nine-month review

ConocoPhillips' nine-month 2025 earnings were $6.5 billion, or $5.18 per share, compared with nine-month 2024 earnings of $6.9 billion, or $5.91 per share. Nine-month 2025 adjusted earnings were $6.5 billion, or $5.12 per share, compared with nine-month 2024 adjusted earnings of $6.8 billion, or $5.80 per share.

Production for the first nine months of 2025 was 2,393 MBOED, an increase of 472 MBOED from the same period a year ago. After adjusting for closed acquisitions and dispositions, production increased 92 MBOED or 4% from the same period a year ago.

The company's total realized price during this period was $48.49 per BOE, 13% lower than the $55.77 per BOE realized in the first nine months of 2024.

In the first nine months of 2025, cash provided by operating activities was $15.5 billion. Excluding a $0.1 billion change in operating working capital, ConocoPhillips generated CFO of $15.6 billion and received disposition proceeds of $1.6 billion. The company funded $9.5 billion of capital expenditures and investments, repurchased $4.0 billion of shares, paid $3.0 billion in ordinary dividends and retired debt of $0.7 billion at maturity.

Outlook

Fourth-quarter 2025 production is expected to be 2.30 to 2.34 million barrels of oil equivalent per day (MMBOED). Full-year production guidance has been raised to 2.375 MMBOED, compared to prior guidance of 2.35 to 2.37 MMBOED.

Full-year adjusted operating cost guidance is lowered to $10.6 billion versus prior guidance of $10.7 to $10.9 billion.

The company provided preliminary guidance for 2026. Capital expenditures are expected to be approximately $12 billion, down $0.5 billion from the midpoint of 2025 guidance. Adjusted operating costs are expected to be $10.2 billion, down $0.4 billion from 2025 guidance. The company also expects 0 to 2% underlying production growth.

ConocoPhillips will host a conference call today at 12:00 p.m. Eastern time to discuss this announcement. To listen to the call and view related presentation materials and supplemental information, go to www.conocophillips.com/investor. A recording and transcript of the call will be posted afterward.

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About ConocoPhillips

As a leading global exploration and production company, ConocoPhillips is uniquely equipped to deliver reliable, responsibly produced oil and gas. Our deep, durable and diverse portfolio is built to meet growing global energy demands. Together with our high-performing operations and continuously advancing technology, we are well positioned to deliver strong, consistent financial results, now and for decades to come. Visit us at www.conocophillips.com.

CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This news release contains forward-looking statements as defined under the federal securities laws. Forward-looking statements relate to future events, including, without limitation, statements regarding our future financial position, business strategy, budgets, projected revenues, costs and plans, objectives of management for future operations, the anticipated benefits of our acquisition of Marathon Oil Corp. (Marathon Oil), the anticipated impact of our acquisition of Marathon Oil on the combined company's business and future financial and operating results and the expected amount and timing of synergies from our acquisition of Marathon Oil and other aspects of our operations or operating results. Words and phrases such as "ambition," "anticipate," "believe," "budget," "continue," "could," "effort," "estimate," "expect," "forecast," "goal," "guidance," "intend," "may," "objective," "outlook," "plan," "potential," "predict," "projection," "seek," "should," "target," "will," "would," and other similar words can be used to identify forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking. Where, in any forward-looking statement, the company expresses an expectation or belief as to future results, such expectation or belief is expressed in good faith and believed to be reasonable at the time such forward-looking statement is made. However, these statements are not guarantees of future performance and involve certain risks, uncertainties and other factors beyond our control. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in the forward-looking statements. Factors that could cause actual results or events to differ materially from what is presented include, but are not limited to, the following: effects of volatile commodity prices, including prolonged periods of low commodity prices, which may adversely impact our operating results and our ability to execute on our strategy and could result in recognition of impairment charges on our long-lived assets, leaseholds and nonconsolidated equity investments; global and regional changes in the demand, supply, prices, differentials or other market conditions affecting oil and gas, including changes as a result of any ongoing military conflict and the global response to such conflict, security threats on facilities and infrastructure, global health crises, the imposition or lifting of crude oil production quotas or other actions that might be imposed by OPEC and other producing countries or the resulting company or third-party actions in response to such changes; the potential for insufficient liquidity or other factors, such as those described herein, that could impact our ability to repurchase shares and declare and pay dividends, whether fixed or variable; potential failures or delays in achieving expected reserve or production levels from existing and future oil and gas developments, including due to operating hazards, drilling risks and the inherent uncertainties in predicting reserves and reservoir performance; reductions in our reserve replacement rates, whether as a result of significant declines in commodity prices or otherwise; unsuccessful exploratory drilling activities or the inability to obtain access to exploratory acreage; failure to progress or complete announced and future development plans related to constructing, modifying or operating E&P and LNG facilities, or unexpected changes in costs, inflationary pressures or technical equipment related to such plans; significant operational or investment changes imposed by legislative and regulatory initiatives and international agreements addressing environmental concerns, including initiatives addressing the impact of global climate change, such as limiting or reducing GHG emissions, regulations concerning hydraulic fracturing, methane emissions, flaring or water disposal and prohibitions on commodity exports; broader societal attention to and efforts to address climate change may cause substantial investment in and increased adoption of competing or alternative energy sources; risks, uncertainties and high costs that may prevent us from successfully executing on our Climate Risk Strategy; lack or inadequacy of, or disruptions in reliable transportation for our crude oil, bitumen, natural gas, LNG and NGLs; inability to timely obtain or maintain permits, including those necessary for construction, drilling and/or development, or inability to make capital expenditures required to maintain compliance with any necessary permits or applicable laws or regulations; potential disruption or interruption of our operations and any resulting consequences due to accidents, extraordinary weather events, supply chain disruptions, civil unrest, political events, war, terrorism, cybersecurity threats or information technology failures, constraints or disruptions; liability for remedial actions, including removal and reclamation obligations, under existing or future environmental regulations and litigation; liability resulting from pending or future litigation or our failure to comply with applicable laws and regulations; general domestic and international economic, political and diplomatic developments, including deterioration of international trade relationships, the imposition of trade restrictions or tariffs relating to commodities and material or products (such as aluminum and steel) used in the operation of our business, expropriation of assets, changes in governmental policies relating to commodity pricing, including the imposition of price caps, sanctions or other adverse regulations or taxation policies; competition and consolidation in the oil and gas E&P industry, including competition for sources of supply, services, personnel and equipment; any limitations on our access to capital or increase in our cost of capital or insurance, including as a result of illiquidity, changes or uncertainty in domestic or international financial markets, foreign currency exchange rate fluctuations or investment sentiment; challenges or delays to our execution of, or successful implementation of the acquisition of Marathon Oil or any future asset dispositions or acquisitions we elect to pursue; potential disruption of our operations, including the diversion of management time and attention; our inability to realize anticipated cost savings or capital expenditure reductions; difficulties integrating acquired businesses and technologies; or other unanticipated changes; our inability to deploy the net proceeds from any asset dispositions that are pending or that we elect to undertake in the future in the manner and timeframe we anticipate, if at all; the operation, financing and management of risks of our joint ventures; the ability of our customers and other contractual counterparties to satisfy their obligations to us, including our ability to collect payments when due from the government of Venezuela or PDVSA; uncertainty as to the long-term value of our common stock; and other economic, business, competitive and/or regulatory factors affecting our business generally as set forth in our filings with the Securities and Exchange Commission. Unless legally required, ConocoPhillips expressly disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Cautionary Note to U.S. Investors - The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. We may use the term "resource" in this news release that the SEC's guidelines prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the oil and gas disclosures in our Form 10-K and other reports and filings with the SEC. Copies are available from the SEC and from the ConocoPhillips website.

Use of Non-GAAP Financial Information - To supplement the presentation of the company's financial results prepared in accordance with U.S. generally accepted accounting principles (GAAP), this news release and the accompanying supplemental financial information contain certain financial measures that are not prepared in accordance with GAAP, including adjusted earnings (calculated on a consolidated and on a segment-level basis), adjusted earnings per share (EPS), free cash flow (FCF) and cash from operations (CFO).

The company believes that the non-GAAP measure adjusted earnings (both on an aggregate and a per-share basis) is useful to investors to help facilitate comparisons of the company's operating performance associated with the company's core business operations across periods on a consistent basis and with the performance and cost structures of peer companies by excluding items that do not directly relate to the company's core business operations. Adjusted earnings is defined as earnings removing the impact of special items. Adjusted EPS is a measure of the company's diluted net earnings per share excluding special items. The company further believes that the non-GAAP measure CFO is useful to investors to help understand changes in cash provided by operating activities excluding the timing effects associated with operating working capital changes across periods on a consistent basis and with the performance of peer companies. The company believes that the above-mentioned non-GAAP measures, when viewed in combination with the company's results prepared in accordance with GAAP, provides a more complete understanding of the factors and trends affecting the company's business and performance. The company's Board of Directors and management also use these non-GAAP measures to analyze the company's operating performance across periods when overseeing and managing the company's business.

Each of the non-GAAP measures included in this news release and the accompanying supplemental financial information has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of the company's results calculated in accordance with GAAP. In addition, because not all companies use identical calculations, the company's presentation of non-GAAP measures in this news release and the accompanying supplemental financial information may not be comparable to similarly titled measures disclosed by other companies, including companies in our industry. The company may also change the calculation of any of the non-GAAP measures included in this news release and the accompanying supplemental financial information from time to time in light of its then existing operations to include other adjustments that may impact its operations.

Reconciliations of each non-GAAP measure presented in this news release to the most directly comparable financial measure calculated in accordance with GAAP are included in the release.

Other Terms - This news release also contains the term pro forma underlying production. Pro forma underlying production reflects the impact of closed acquisitions and closed dispositions as of September 30, 2025. The impact of closed acquisitions and dispositions assumes a closing date of January 1, 2024. The company believes that underlying production is useful to investors to compare production reflecting the impact of closed acquisitions and dispositions on a consistent go-forward basis across periods and with peer companies. Return of capital is defined as the total of the ordinary dividend and share repurchases. References in the release to project capital exclude capitalized interest and references to earnings refer to net income.

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Table 1: Reconciliation of earnings to adjusted earnings

$ millions, except as indicated

	3Q25				3Q24
	Pre-tax	Income tax	After-tax	Per share of common stock (dollars)	Pre-ta
Earnings			$ 1,726	1.38	
Adjustments:					
(Gain) loss on asset sales	-	-	-	-	-
Tax adjustments	-	-	-	-	-
Transaction, integration and restructuring expenses	277	(65)	212	0.18	28
(Gain) loss in interest rate hedge[1]	6	(2)	4	-	-
Pending claims and settlements	-	-	-	-	-
Other corporate charges	82	(17)	65	0.05	-
Adjusted earnings / (loss)			$ 2,007	1.61	

[1]Interest rate hedging (gain) loss from PALNG Phase 1 Investment.

The income tax effects of the special items are primarily calculated based on the statutory rate of the jurisdiction in whi

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Table 2: Reconciliation of net cash provided by operating activities to cash from operations

$ millions, except as indicated

	3Q25	2025 YTD
Net Cash Provided by Operating Activities	$ 5,878	15,478
Adjustments:		
Net operating working capital changes	512	(76)
Cash from operations	$ 5,366	15,554

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Table 3: Reconciliation of reported production to pro forma underlying production

MBOED, except as indicated

	3Q24	3Q25	2024 YTD	2025 YTD	2026 FY Guidance
Total reported ConocoPhillips production	1,917	2,399	1,921	2,393	
Closed Dispositions[1]	(27)	-	(28)	(9)	
Closed Acquisitions[2]	426	-	399	-	
Total pro forma underlying production	2,316	2,399	2,292	2,384	2,330 - 2,370

[1]Includes production related to various Lower 48 noncore dispositions but excludes dispositions not yet closed as of 9/30/2025 (Anadarko Basin).

[2]Includes production related to the acquisition of Marathon Oil and additional working interest in Alaska, both closed in 4Q24.

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Table 4: Reconciliation of production and operating expenses to adjusted operating costs

$ millions, except as indicated

	2025 YTD	2025 FY Guidance ($B)	2026 FY Guidance ($B)
Production and operating expenses	7,710	10.2	~9.6
Selling, general and administrative (G&A) expenses	712	0.9	~0.6
Operating Costs	8,422	11.1	~10.2
Adjustments to exclude special items:			
Transaction, integration and restructuring expenses	(386)	(0.5)	-
Other corporate charges	(82)	-	-
Operating costs special items			

(468

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Adjusted operating costs	7,954	10.6	~10.2

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