

Murphy Oil Announces Quarterly Earnings

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EL DORADO, Ark., Apr 24, 2002 (BUSINESS WIRE) -- Murphy Oil Corporation (NYSE:MUR):

MURPHY OIL CORPORATION CONSOLIDATED FINANCIAL DATA SUMMARY (Unaudited)		
FIRST QUARTER	2002	2001
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Revenues	\$829,903,000	\$1,189,385,000
Net income	\$2,534,000	\$97,836,000
Net income per Common share		
Basic	\$.06	\$2.17
Diluted	\$.06	\$2.16
Average shares outstanding		
Basic	45,508,953	45,056,307
Diluted	45,903,046	45,314,981

Murphy Oil Corporation (NYSE:MUR) announced today that net income in the first quarter of 2002 was \$2.5 million, \$.06 per diluted share, compared to net income of \$97.8 million, \$2.16 per diluted share, in the first quarter a year ago. Cash flow from operating activities, excluding changes in noncash working capital items, totaled \$98.9 million for the current quarter, \$2.15 per share, compared to \$203.6 million, \$4.49 per share, in the same quarter last year.

Significantly lower oil and North American natural gas sales prices were the primary reasons for reduced earnings from the Company's exploration and production operations, which generated a \$20.7 million profit in the current quarter compared to \$80.6 million in the first quarter of 2001. The Company's average natural gas sales price in North America declined by 65% and averaged \$2.28 per thousand cubic feet in the first quarter of 2002 compared to \$6.56 in the 2001 quarter. The Company's crude oil and condensate prices averaged \$19.76 per barrel in the current quarter, a decrease of 13% from the 2001 period. Murphy's first quarter 2002 oil production and natural gas sales volumes were both quarterly records. Crude oil and gas liquids production averaged 74,292 barrels per day in the first three months of 2002, an increase of 8% from the same period of 2001. Higher oil production was due to start up of the Terra Nova field offshore eastern Canada. The Company's natural gas sales averaged 309 million cubic feet per day in 2002, up 24% from the 2001 period as higher gas production at the Company's Ladyfern field in western Canada more than offset lower production in the Gulf of Mexico. A \$4 million increase in exploration expense in the 2002 quarter was attributable to more dry hole expense.

The Company's refining and marketing operations lost \$13.7 million in the just completed quarter due to weak refining margins in both the United States and United Kingdom. Earnings from these and former Canadian pipeline operations totaled \$19.6 million in the 2001 quarter. U.S. results in the current quarter included an after-tax gain of \$3.5 million from sale of the Company's 22% interest in Butte Pipe Line. Crude oil processed by the Company's U.S. refineries averaged 112,468 barrels per day in the current quarter compared to 146,592 barrels per day in the first quarter of 2001. U.S. petroleum product sales totaled 157,504 barrels per day in the first quarter of 2002, down from 164,556 in the 2001 quarter. The 2002 crude processing and sales volumes were adversely affected by downtime for repairs at both U.S. refineries. Crude oil refined and petroleum products sold in the U.K. were higher in the 2002 quarter as comparable volumes in the prior year's first quarter were reduced by downtime for maintenance at the Milford Haven refinery.

Corporate functions reflected a loss of \$4.5 million in the current quarter compared to a loss of \$2.4 million in the first quarter of 2001.

Claiborne P. Deming, President and Chief Executive Officer, commented, "Oil and natural gas sales prices and downstream margins are showing improvement early in the second quarter. Currently, we expect earnings for the second quarter of 2002 to be between \$.25 and \$.75 per share, based on expected average production of 122,000 barrels of oil equivalent a day.

Exploration expense for the quarter could range from \$28 to \$50 million as we expense the remaining costs of the first well and drill our second well on Block K, offshore Malaysia, and we redrill the deepwater Annapolis well, offshore Nova Scotia. In other areas, we continue significant development projects at our Medusa and Front Runner deepwater Gulf of Mexico discoveries and

the West Patricia discovery in Block SK 309, offshore Malaysia. In addition, the expansion of our Meraux refinery is proceeding well."

The public is invited to access the Company's conference call to discuss first quarter 2002 results on Thursday, April 25, at 12:00 p.m. CDT either via the Internet through the Investor Relations section of Murphy's website at <http://www.murphyoilcorp.com> or via the telephone by dialing 800/240-6709. The telephone reservation number for the call is 461787.

The forward-looking statements reflected in this release are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. No assurance can be given that the results discussed herein will be attained and certain important factors that may cause actual results to differ materially are contained in Murphy's January 15, 1997 Form 8-K report on file with the U.S. Securities and Exchange Commission.

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