

Nexen Inc.

Segmented net income for the three months ended March 31, 2010

Unaudited
(Cdn\$ millions)

	Conventional			Oil Sands		Corporate and Other	Total
	United Kingdom	North America	Other Countries ¹	In Situ	Syncrude		
Net Sales	755	161	197	91	134	9	1,347
Marketing and Other Income	5	–	5	–	1	80	91
	<u>760</u>	<u>161</u>	<u>202</u>	<u>91</u>	<u>135</u>	<u>89</u>	<u>1,438</u>
Less: Expenses							
Operating	77	38	42	95	62	9	323
Depreciation, Depletion, Amortization and Impairment	164	98	37	15	14	15	343
Transportation and Other	3	5	3	51	7	124	193
General and Administrative	13	19	9	4	–	64	109
Exploration	24	23	46 ²	–	–	–	93
Finance	4	4	–	1	1	79	89
Income (Loss) from Continuing Operations before Income Taxes	475	(26)	65	(75)	51	(202)	288
Less: Provision for (Recovery of) Income Taxes	238	(7)	(1)	(19)	13	(47)	177
Income (Loss) from Continuing Operations	237	(19)	66	(56)	38	(155)	111
Add: Net Income from Discontinued Operations	–	21	–	–	–	9	30
Net Income (Loss)	237	2	66	(56)	38	(146)	141

¹ Includes results of conventional crude oil and natural gas operations in Yemen and Colombia.

² Includes exploration activities primarily in Yemen, Nigeria, Norway and Colombia.

Segmented net income for the three months ended June 30, 2010

Unaudited
(Cdn\$ millions)

	Conventional			Oil Sands		Corporate and Other	Total
	United Kingdom	North America	Other Countries ¹	In Situ	Syncrude		
Net Sales	735	133	171	102	152	12	1,305
Marketing and Other Income	4	1	3	–	1	87	96
	<u>739</u>	<u>134</u>	<u>174</u>	<u>102</u>	<u>153</u>	<u>99</u>	<u>1,401</u>
Less: Expenses							
Operating	77	44	38	85	70	7	321
Depreciation, Depletion, Amortization and Impairment	189	92	25	25	13	14	358
Transportation and Other	1	5	3	32	4	96	141
General and Administrative	–	11	(1)	–	–	30	40
Exploration	7	18	24 ²	1	–	–	50
Finance	4	4	–	–	1	88	97
Net Gain from Dispositions	–	–	–	(80) ³	–	–	(80)
Income (Loss) from Continuing Operations before Income Taxes	461	(40)	85	39	65	(136)	474
Less: Provision for (Recovery of) Income Taxes	230	(10)	22	10	16	(32)	236
Income (Loss) from Continuing Operations	231	(30)	63	29	49	(104)	238
Add: Net Income (Loss) from Discontinued Operations	–	15	–	–	–	(8)	7
Net Income (Loss)	231	(15)	63	29	49	(112)	245

¹ Includes results of conventional crude oil and natural gas operations in Yemen and Colombia.

² Includes exploration activities primarily in Yemen, Nigeria, Norway and Colombia.

³ Gain on disposition of non-core lands in the Athabasca region.

Nexen Inc.
Segmented net income for the three months ended September 30, 2010

 Unaudited
 (Cdn\$ millions)

	Conventional			Oil Sands		Corporate and Other	Total
	United Kingdom	North America	Other Countries ¹	In Situ	Syncrude		
Net Sales	753	129	192	110	130	8	1,322
Marketing and Other Income	5	–	4	–	2	105	116
	758	129	196	110	132	113	1,438
Less: Expenses							
Operating	84	42	39	93	68	8	334
Depreciation, Depletion, Amortization and Impairment	197	152	32	28	12	14	435
Transportation and Other	1	5	3	51	5	65	130
General and Administrative	3	22	5	6	1	78	115
Exploration	11	25	20 ²	–	–	–	56
Finance	4	4	1	1	1	76	87
Net Loss from Dispositions	–	–	–	–	–	259 ³	259
Income (Loss) from Continuing Operations before Income Taxes	458	(121)	96	(69)	45	(387)	22
Less: Provision for (Recovery of) Income Taxes	229	(38)	24	(17)	11	(133)	76
Income (Loss) from Continuing Operations	229	(83)	72	(52)	34	(254)	(54)
Add: Net Income from Discontinued Operations	–	599	–	–	–	36	635
Net Income (Loss)	229	516	72	(52)	34	(218)	581

¹ Includes results of conventional crude oil and natural gas operations in Yemen and Colombia.

² Includes exploration activities primarily in Yemen, Nigeria, Norway and Colombia.

³ Loss on disposition of North America natural gas marketing operations.

Segmented net income for the three months ended December 31, 2010

 Unaudited
 (Cdn\$ millions)

	Conventional			Oil Sands		Corporate and Other	Total
	United Kingdom	North America	Other Countries ¹	In Situ	Syncrude		
Net Sales	872	146	190	140	164	10	1,522
Marketing and Other Income	3	2	4	–	1	10	20
	875	148	194	140	165	20	1,542
Less: Expenses							
Operating	99	42	44	100	65	8	358
Depreciation, Depletion, Amortization and Impairment	233	177	26	26	14	16	492
Transportation and Other	(3)	7	18	47	5	28	102
General and Administrative	6	38	15	4	–	101	164
Exploration	25	90	14 ²	–	–	–	129
Finance	5	5	–	1	1	78	90
Net Gain from Dispositions	(17)	–	–	–	–	(121) ³	(138)
Income (Loss) from Continuing Operations before Income Taxes	527	(211)	77	(38)	80	(90)	345
Less: Provision for (Recovery of) Income Taxes	263	(64)	19	(10)	20	(44)	184
Income (Loss) from Continuing Operations	264	(147)	58	(28)	60	(46)	161
Add: Net Loss from Discontinued Operations	–	–	–	–	–	(1)	(1)
Net Income (Loss)	264	(147)	58	(28)	60	(47)	160

¹ Includes results of conventional crude oil and natural gas operations in Yemen and Colombia.

² Includes exploration activities primarily in Yemen, Nigeria, Norway and Colombia.

³ Gain on disposition of crude oil marketing assets in Montana and North Dakota.