

Consolidated Balance Sheets

| | As of December 31, | |
|---|--------------------|------------------|
| | 2005 | 2004 |
| | (\$ in millions) | |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 289 | \$ 467 |
| Short-term investments | 968 | 202 |
| Accounts receivable, net | 931 | 767 |
| Materials and supplies | 132 | 104 |
| Deferred income taxes | 167 | 187 |
| Other current assets | 163 | 240 |
| Total current assets | 2,650 | 1,967 |
| Investments | 1,590 | 1,499 |
| Properties less accumulated depreciation | 20,705 | 20,526 |
| Other assets | 916 | 758 |
| TOTAL ASSETS | \$ 25,861 | \$ 24,750 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 1,163 | \$ 1,090 |
| Income and other taxes | 231 | 210 |
| Other current liabilities | 213 | 239 |
| Current maturities of long-term debt | 314 | 662 |
| Total current liabilities | 1,921 | 2,201 |
| Long-term debt | 6,616 | 6,863 |
| Other liabilities | 1,415 | 1,146 |
| Deferred income taxes | 6,620 | 6,550 |
| TOTAL LIABILITIES | 16,572 | 16,760 |
| Stockholders' equity: | | |
| Common stock \$1.00 per share par value, 1,350,000,000 shares authorized; issued 430,718,913 and 421,346,107 shares, respectively | 431 | 421 |
| Additional paid-in capital | 992 | 728 |
| Unearned restricted stock | (17) | (8) |
| Accumulated other comprehensive loss | (77) | (24) |
| Retained income | 7,980 | 6,893 |
| Less treasury stock at cost, 20,833,125 and 20,907,125 shares, respectively | (20) | (20) |
| TOTAL STOCKHOLDERS' EQUITY | 9,289 | 7,990 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 25,861 | \$ 24,750 |

See Form 10-K report beginning on Page K1 for full financial statements and footnotes.