

Attachment 1  
List of Debts of Kerr-McGee

(Millions of dollars)	2006	2007	2008	2009	2010	There- After <sup>(2)</sup>	Total <sup>(3)</sup>	Fair Value 12/31/05
Fixed-rate debt -								
Principal amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,575	\$ 2,575	\$ 2,763
Weighted-average interest rate	-%	-%	-%	-%	-%	7.47%	7.47%	
Variable-rate debt <sup>(1)</sup> -								
Principal amount	\$ 309	\$ 152	\$ 2	\$ 2	\$ 2	\$ 190	\$ 657	\$ 657
Weighted-average interest rate	7.30%	7.53%	6.57%	6.57%	6.57%	6.57%	7.13%	

(Millions of dollars)	December 31,	
	2005	2004
<i>Kerr-McGee Corporation -</i>		
Debentures		
5.25% Convertible subordinated debentures due February 15, 2010 (convertible at \$61.08 per share)	\$ -	\$ 600
7% Debentures due November 1, 2011, net of unamortized discount of \$70 and \$77 (14.25% effective rate) <sup>(1)</sup>	180	173
7.125% Debentures due October 15, 2027	150	150
Notes payable		
5.375% Notes due April 15, 2005, including a premium of \$4 in 2004 for fair value hedge adjustment	-	354
8.125% Notes due October 15, 2005, net of a discount of \$1 in 2004 for fair value hedge adjustment	-	108
5.875% Notes due September 15, 2006, net of unamortized discount of \$1 in 2005 (6.23% effective rate)	306	307
6.625% Notes due October 15, 2007, net of discount of \$5 and \$2 for fair value hedge adjustment	145	148
6.875% Notes due September 15, 2011, net of unamortized discount of \$4 and \$1 (6.99% effective rate)	671	674
6.95% Notes due July 1, 2024, net of unamortized discount of \$12 in 2005 and \$5 in 2004 (7.05% effective rate)	638	645
7.875% Notes due September 15, 2031, net of unamortized discount of \$7 and \$2 (7.93% effective rate)	493	498
Commercial paper and other	-	42
<i>Tronox Incorporated -</i>		
9.5% Notes due December 1, 2012	350	-
Variable-rate term loan due in installments through November 28, 2011	200	-
	<u>3,133</u>	<u>3,699</u>
Long-term debt due within one year	<u>(308)</u>	<u>(463)</u>
Total	<u>\$ 2,825</u>	<u>\$ 3,236</u>

## Attachment 2

## Consolidated Statement of Income of Kerr-McGee

<b>Consolidated Statement of Income</b>			
(Millions of dollars, except per-share amounts)	2005	2004	2003
<b>Revenues</b>	<b>\$ 5,927</b>	<b>\$ 4,398</b>	<b>\$ 3,289</b>
<b>Costs and Expenses</b>			
Costs and operating expenses	2,304	1,794	1,416
Selling, general and administrative expenses	455	325	350
Shipping and handling expenses	145	128	96
Depreciation and depletion	952	842	532
Accretion expense	23	19	15
Asset impairments	17	28	14
(Gain) loss on sale of assets	(211)	29	(30)
Exploration, including exploratory dry holes and amortization of undeveloped leases	377	324	327
Taxes other than income taxes	202	144	94
Provision for environmental remediation and restoration, net of reimbursements	38	86	60
Interest and debt expense	253	244	250
Loss on early repayment and modification of debt	42	-	-
<b>Total Costs and Expenses</b>	<b>4,597</b>	<b>3,963</b>	<b>3,124</b>
	1,330	435	165
<b>Other Income (Expense)</b>	<b>104</b>	<b>(34)</b>	<b>(25)</b>
<b>Income from Continuing Operations before Income Taxes</b>	<b>1,434</b>	<b>401</b>	<b>140</b>
<b>Benefit (Provision) for Income Taxes</b>	<b>(487)</b>	<b>(137)</b>	<b>15</b>
<b>Minority Interest, net of taxes</b>	<b>(1)</b>	<b>-</b>	<b>-</b>
<b>Income from Continuing Operations</b>	<b>946</b>	<b>264</b>	<b>155</b>
<b>Income from Discontinued Operations, net of taxes (Note 2)</b>	<b>2,265</b>	<b>140</b>	<b>99</b>
<b>Cumulative Effect of Change in Accounting Principle, net of taxes</b>	<b>-</b>	<b>-</b>	<b>(35)</b>
<b>Net Income</b>	<b>\$ 3,211</b>	<b>\$ 404</b>	<b>\$ 219</b>
<b>Income per Common Share</b>			
Basic -			
Continuing operations	\$ 7.22	\$ 2.09	\$ 1.55
Discontinued operations	17.29	1.11	.98
Cumulative effect of change in accounting principle	-	-	(.35)
<b>Net income</b>	<b>\$ 24.51</b>	<b>\$ 3.20</b>	<b>\$ 2.18</b>
Diluted -			
Continuing operations	\$ 7.07	\$ 2.08	\$ 1.54
Discontinued operations	16.84	1.10	.97
Cumulative effect of change in accounting principle	-	-	(.34)
<b>Net income</b>	<b>\$ 23.91</b>	<b>\$ 3.18</b>	<b>\$ 2.17</b>

The accompanying notes are an integral part of these consolidated financial statements.

## Attachment 3

## Consolidated Balance Sheet of Kerr-McGee

<b>Consolidated Balance Sheet</b>		
(Millions of dollars)	2005	2004
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,053	\$ 76
Accounts receivable	1,069	825
Inventories	352	314
Derivatives and other current assets	194	151
Deferred income taxes	581	327
Assets held for sale (Note 2)	-	194
<b>Total Current Assets</b>	<b>3,249</b>	<b>1,887</b>
Property, Plant and Equipment - Net	9,275	9,073
Deferred Charges, Derivatives and Other Assets	508	484
Intangible Assets	78	91
Assets Held for Sale (Note 2)	5	1,786
Goodwill	1,161	1,197
<b>Total Assets</b>	<b>\$ 14,276</b>	<b>\$ 14,518</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 727	\$ 607
Long-term debt due within one year	308	463
Income taxes payable	473	138
Derivative liabilities	1,508	350
Accrued liabilities	915	755
Liabilities associated with assets held for sale (Note 2)	-	192
<b>Total Current Liabilities</b>	<b>3,931</b>	<b>2,505</b>
<b>Long-Term Debt</b>	<b>2,825</b>	<b>3,236</b>
<b>Noncurrent Liabilities</b>		
Deferred income taxes	1,524	1,727
Asset retirement obligations	345	336
Derivative liabilities	663	208
Other	661	571
Liabilities associated with assets held for sale (Note 2)	-	617
<b>Total Noncurrent Liabilities</b>	<b>3,193</b>	<b>3,459</b>
<b>Contingencies and Commitments (Notes 16 and 17)</b>		
<b>Minority Interest in Tronox (Note 3)</b>	<b>212</b>	<b>-</b>
<b>Stockholders' Equity</b>		
Common stock, par value \$1.00 - 500,000,000 and 300,000,000 shares authorized, 119,668,552 and 152,049,127 shares issued at December 31, 2005 and 2004, respectively	120	152
Capital in excess of par value	3,702	4,205
Preferred stock purchase rights	1	2
Retained earnings	1,704	1,102
Accumulated other comprehensive loss	(1,079)	(79)
Common stock in treasury, at cost - 3,456,918 and 159,856 shares at December 31, 2005 and 2004, respectively	(266)	(8)
Deferred compensation	(67)	(56)
<b>Total Stockholders' Equity</b>	<b>4,115</b>	<b>5,318</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 14,276</b>	<b>\$ 14,518</b>

## Attachment 4

## Consolidated Statement of Cash Flows of Kerr-McGee

<b>Consolidated Statement of Cash Flows</b>			
(Millions of dollars)	2005	2004	2003
<b>Cash Flows from Operating Activities</b>			
Net income	\$ 3,211	\$ 404	\$ 219
Adjustments to reconcile net income to net cash provided by operating activities -			
Depreciation, depletion and amortization	1,177	1,124	814
Deferred income taxes	83	108	156
Unrealized losses on derivatives	200	12	5
Dry hole expense	185	161	181
Noncash stock-based compensation and ESOP expense	54	25	42
Asset impairments	17	36	14
Gain on sale of the North Sea oil and gas business	(2,240)	-	-
(Gain) loss on sale of assets	(327)	20	(40)
Loss on early repayment and modification of debt	42	-	-
Accretion expense	30	30	25
Cumulative effect of change in accounting principle	-	-	35
Provision for environmental remediation and restoration, net of reimbursements	49	92	62
Other noncash items affecting net income	116	147	97
Changes in assets and liabilities: <sup>(1)</sup>			
(Increase) decrease in accounts receivable	(232)	(236)	45
(Increase) decrease in inventories	(66)	83	22
Decrease in deposits, prepaids and other assets	7	48	12
Increase (decrease) in accounts payable, derivatives and accrued liabilities	390	136	(57)
Increase in income taxes payable	418	4	16
Other	(11)	(144)	(130)
<b>Net cash provided by operating activities</b>	<b>3,103</b>	<b>2,050</b>	<b>1,518</b>
<b>Cash Flows from Investing Activities</b>			
Capital expenditures	(1,751)	(1,262)	(981)
Dry hole costs	(169)	(78)	(181)
Acquisitions, net of cash acquired <sup>(2)</sup>	-	43	(110)
Net proceeds from sale of the North Sea oil and gas business	3,305	-	-
Proceeds from sale of assets	704	23	304
Other investing activities	(8)	12	17
<b>Net cash provided by (used in) investing activities</b>	<b>2,081</b>	<b>(1,262)</b>	<b>(951)</b>
<b>Cash Flows from Financing Activities <sup>(2)</sup></b>			
Issuance of common stock upon exercise of stock options	225	55	-
Sale of Tronox stock	225	-	-
Purchases of treasury stock	(250)	-	-
Repurchases of common stock under the tender offer	(3,975)	-	-
Dividends paid	(153)	(205)	(181)
Repayment of debt	(4,751)	(1,278)	(369)
Proceeds from borrowings	4,800	686	31
Debt issuance costs and other	(71)	(8)	(1)
Cash paid for modification of debt	(22)	-	-
Settlement of Westport derivatives	(238)	(101)	-
<b>Net cash used in financing activities</b>	<b>(4,210)</b>	<b>(851)</b>	<b>(520)</b>
Effects of Exchange Rate Changes on Cash and Cash Equivalents	3	(3)	5
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>977</b>	<b>(66)</b>	<b>52</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>76</b>	<b>142</b>	<b>90</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 1,053</b>	<b>\$ 76</b>	<b>\$ 142</b>

<sup>(1)</sup> Excluding effects of acquisitions and dispositions of businesses.

<sup>(2)</sup> See Notes 4 and 8 for information regarding the business combination that occurred in 2004 and the related noncash financing and investing activities.