

Talisman Energy Inc.  
Product Netbacks (1)  
( unaudited )

(US\$ - production net of royalties)		Three months ended December 31		Twelve months ended December 31	
		2009	2008	2009	2008
<b>North America</b>	Oil and liquids (US\$/bbl)				
	Sales price	<b>60.82</b>	42.93	<b>48.13</b>	81.96
	Hedging gain	-	-	-	0.01
	Transportation	<b>0.62</b>	0.38	<b>0.65</b>	0.49
	Operating costs	<b>15.50</b>	10.92	<b>12.71</b>	13.10
		<b>44.70</b>	31.63	<b>34.77</b>	68.38
	Natural gas (US\$/mcf)				
	Sales price	<b>4.60</b>	5.96	<b>4.12</b>	8.23
	Transportation	<b>0.19</b>	0.20	<b>0.17</b>	0.22
	Operating costs	<b>1.42</b>	1.32	<b>1.43</b>	1.55
	<b>2.99</b>	4.44	<b>2.52</b>	6.46	
<b>UK</b>	Oil and liquids (US\$/bbl)				
	Sales price	<b>74.59</b>	48.04	<b>59.86</b>	94.17
	Hedging gain (loss)	-	0.01	-	(0.82)
	Transportation	<b>1.51</b>	1.12	<b>1.07</b>	1.11
	Operating costs	<b>28.50</b>	21.82	<b>24.08</b>	27.81
		<b>44.58</b>	25.11	<b>34.71</b>	64.43
	Natural gas (US\$/mcf)				
	Sales price	<b>4.17</b>	8.73	<b>4.14</b>	9.14
	Transportation	<b>0.82</b>	0.56	<b>0.96</b>	0.77
	Operating costs	<b>3.35</b>	7.55	<b>3.05</b>	7.91
<b>Scandinavia</b>	Oil and liquids (US\$/bbl)				
	Sales price	<b>73.48</b>	48.78	<b>61.06</b>	95.13
	Transportation	<b>2.16</b>	1.72	<b>2.06</b>	2.29
	Operating costs	<b>17.79</b>	20.47	<b>18.69</b>	22.13
		<b>53.53</b>	26.59	<b>40.31</b>	70.71
	Natural gas (US\$/mcf)				
	Sales price	<b>4.73</b>	6.98	<b>5.13</b>	6.70
	Transportation	<b>0.99</b>	0.26	<b>1.02</b>	0.90
	Operating costs	<b>0.72</b>	-	<b>0.81</b>	-
		<b>3.02</b>	6.72	<b>3.30</b>	5.80
<b>Southeast Asia</b>	Oil and liquids (US\$/bbl)				
	Sales price	<b>79.78</b>	30.46	<b>62.32</b>	94.64
	Transportation	<b>0.49</b>	1.17	<b>0.53</b>	0.73
	Operating costs	<b>19.24</b>	22.16	<b>16.54</b>	23.40
		<b>60.05</b>	7.13	<b>45.25</b>	70.51
	Natural gas (US\$/mcf)				
	Sales price	<b>6.81</b>	5.41	<b>5.60</b>	9.49
	Transportation	<b>0.54</b>	0.08	<b>0.42</b>	0.52
	Operating costs	<b>0.62</b>	0.60	<b>0.58</b>	0.61
		<b>5.65</b>	4.73	<b>4.60</b>	8.36
<b>Other</b>	Oil (US\$/bbl)				
	Sales price	<b>95.24</b>	44.24	<b>64.83</b>	98.73
	Transportation	<b>3.28</b>	2.37	<b>2.19</b>	1.92
	Operating costs	<b>13.13</b>	10.76	<b>10.02</b>	10.11
	<b>78.83</b>	31.11	<b>52.62</b>	86.70	
<b>Total Company</b>	Oil and liquids (US\$/bbl)				
	Sales price	<b>74.97</b>	44.16	<b>58.99</b>	92.61
	Hedging gain (loss)	-	0.01	-	(0.41)
	Transportation	<b>1.46</b>	1.17	<b>1.17</b>	1.22
	Operating costs	<b>22.72</b>	19.16	<b>19.61</b>	22.78
		<b>50.79</b>	23.84	<b>38.21</b>	68.20
	Natural gas (US\$/mcf)				
	Sales price	<b>5.31</b>	5.92	<b>4.63</b>	8.57
	Transportation	<b>0.37</b>	0.19	<b>0.30</b>	0.32
	Operating costs	<b>1.17</b>	1.11	<b>1.17</b>	1.27
	<b>3.77</b>	4.62	<b>3.16</b>	6.98	

(1) Per US reporting practice, netbacks calculated using US\$ and production after deduction of royalty volumes.

Talisman Energy Inc.  
Product Netbacks  
(unaudited)

(C\$ - production before royalties)		Three months ended December 31				Twelve months ended December 31			
		2009	2008	2009	2008	2009	2008	2009	2008
		Oil and liquids (\$/bbl)		Natural Gas (\$/mcf)		Oil and liquids (\$/bbl)		Natural gas (\$/mcf)	
<b>North America</b>	Sales price	<b>64.24</b>	51.78	<b>4.86</b>	7.23	<b>54.96</b>	85.52	<b>4.70</b>	8.66
	Hedging gain	-	-	-	-	-	0.01	-	-
	Royalties	<b>15.37</b>	8.59	<b>0.34</b>	1.05	<b>11.29</b>	16.80	<b>0.46</b>	1.46
	Transportation	<b>0.50</b>	0.38	<b>0.19</b>	0.21	<b>0.59</b>	0.42	<b>0.18</b>	0.20
	Operating costs	<b>12.45</b>	10.82	<b>1.40</b>	1.36	<b>11.53</b>	11.17	<b>1.47</b>	1.37
		<b>35.92</b>	31.99	<b>2.93</b>	4.61	<b>31.55</b>	57.14	<b>2.59</b>	5.63
<b>UK</b>	Sales price	<b>78.78</b>	58.10	<b>4.41</b>	10.62	<b>68.36</b>	98.35	<b>4.73</b>	9.78
	Hedging gain (loss)	-	0.01	-	-	-	(0.82)	-	-
	Royalties	<b>0.27</b>	0.22	-	0.01	<b>0.17</b>	0.37	-	0.01
	Transportation	<b>1.59</b>	1.35	<b>0.87</b>	0.68	<b>1.22</b>	1.18	<b>1.09</b>	0.82
	Operating costs	<b>30.00</b>	26.35	-	0.76	<b>27.43</b>	29.31	<b>0.15</b>	0.50
		<b>46.92</b>	30.19	<b>3.54</b>	9.17	<b>39.54</b>	66.67	<b>3.49</b>	8.45
<b>Scandinavia</b>	Sales price	<b>77.61</b>	59.08	<b>4.99</b>	8.44	<b>69.73</b>	99.23	<b>5.86</b>	7.16
	Royalties	-	-	-	-	-	0.21	-	-
	Transportation	<b>2.28</b>	2.08	<b>1.04</b>	0.28	<b>2.36</b>	2.41	<b>1.17</b>	0.93
	Operating costs	<b>18.79</b>	24.82	<b>0.76</b>	-	<b>21.34</b>	23.53	<b>0.93</b>	-
		<b>56.54</b>	32.18	<b>3.19</b>	8.16	<b>46.03</b>	73.08	<b>3.76</b>	6.23
<b>Southeast Asia</b>	Sales price	<b>84.26</b>	36.64	<b>7.19</b>	6.53	<b>71.17</b>	97.63	<b>6.40</b>	9.94
	Royalties	<b>32.00</b>	16.35	<b>2.17</b>	2.71	<b>26.33</b>	51.24	<b>1.87</b>	3.31
	Transportation	<b>0.32</b>	0.71	<b>0.40</b>	0.05	<b>0.38</b>	0.38	<b>0.34</b>	0.35
	Operating costs	<b>12.60</b>	13.47	<b>0.46</b>	0.45	<b>11.90</b>	11.89	<b>0.47</b>	0.43
		<b>39.34</b>	6.11	<b>4.16</b>	3.32	<b>32.56</b>	34.12	<b>3.72</b>	5.85
<b>Other</b>	Sales price	<b>100.59</b>	53.50	-	-	<b>74.03</b>	102.51	-	-
	Royalties	<b>59.07</b>	35.45	-	-	<b>32.28</b>	46.41	-	-
	Transportation	<b>1.43</b>	1.30	-	-	<b>1.41</b>	1.12	-	-
	Operating costs	<b>5.73</b>	5.90	-	-	<b>6.45</b>	5.87	-	-
		<b>34.36</b>	10.85	-	-	<b>33.89</b>	49.11	-	-
<b>Total Company</b>	Sales price	<b>79.18</b>	53.36	<b>5.61</b>	7.17	<b>67.36</b>	96.43	<b>5.29</b>	9.01
	Hedging gain (loss)	-	0.01	-	-	-	(0.34)	-	-
	Royalties	<b>13.22</b>	7.31	<b>0.89</b>	1.46	<b>9.48</b>	15.78	<b>0.87</b>	1.89
	Transportation	<b>1.29</b>	1.19	<b>0.33</b>	0.18	<b>1.15</b>	1.09	<b>0.29</b>	0.27
	Operating costs	<b>19.99</b>	19.47	<b>1.04</b>	1.07	<b>19.24</b>	20.21	<b>1.11</b>	1.07
		<b>44.68</b>	25.40	<b>3.35</b>	4.46	<b>37.49</b>	59.01	<b>3.02</b>	5.78

Unit operating costs include pipeline operations for the UK

Talisman Energy Inc.  
Production net of royalties (1)  
(unaudited)

	Three months ended December 31		Twelve months ended December 31	
	<b>2009</b>	2008	<b>2009</b>	2008
Oils and liquids (mmbbls/d)				
North America	<b>22</b>	34	<b>27</b>	32
UK	<b>78</b>	96	<b>85</b>	93
Scandinavia	<b>38</b>	34	<b>34</b>	33
Southeast Asia	<b>26</b>	20	<b>26</b>	17
Other	<b>6</b>	7	<b>9</b>	11
<b>Total oil and liquids</b>	<b>171</b>	191	<b>181</b>	187
Natural gas (mmcf/d)				
North America	<b>732</b>	708	<b>725</b>	712
UK	<b>13</b>	41	<b>19</b>	38
Scandinavia	<b>100</b>	19	<b>58</b>	19
Southeast Asia	<b>294</b>	198	<b>286</b>	223
<b>Total natural gas</b>	<b>1,139</b>	966	<b>1,088</b>	992
<b>Total mboe/d</b>	<b>361</b>	352	<b>362</b>	352

(1) Information provided per US reporting practice of calculating production after deduction of royalty volumes.

For the three months ended December 31

	North America		UK		Scandinavia		Other		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
<b>Revenue</b>										
Gross sales	20	80	-	35	-	-	2	52	22	167
Royalties	3	8	-	-	-	-	-	12	3	20
<b>Revenue, net of royalties</b>	<b>17</b>	<b>72</b>	<b>-</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>40</b>	<b>19</b>	<b>147</b>
<b>Expenses</b>										
Operating, marketing and general	9	15	-	12	-	-	-	3	9	30
Interest	-	-	-	-	-	(1)	-	-	-	(1)
Dry hole	-	5	-	-	-	-	-	-	-	5
Depreciation, depletion and amortization	1	20	-	-	-	2	-	8	1	30
<b>Income (loss) from discontinued operations before income taxes</b>	<b>7</b>	<b>32</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>(1)</b>	<b>2</b>	<b>29</b>	<b>9</b>	<b>83</b>
Taxes	2	8	-	11	-	(2)	1	12	3	29
Net gain (loss) on disposition, net of tax	78	-	-	(6)	6	(8)	(11)	-	73	(14)
<b>Net income (loss) from discontinued operations</b>	<b>83</b>	<b>24</b>	<b>-</b>	<b>6</b>	<b>6</b>	<b>(7)</b>	<b>(10)</b>	<b>17</b>	<b>79</b>	<b>40</b>

For the year ended December 31

	North America		UK		Scandinavia		Other		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
<b>Revenue</b>										
Gross sales	178	542	-	134	-	46	48	231	226	953
Royalties	29	97	-	-	-	3	1	31	30	131
<b>Revenue, net of royalties</b>	<b>149</b>	<b>445</b>	<b>-</b>	<b>134</b>	<b>-</b>	<b>43</b>	<b>47</b>	<b>200</b>	<b>196</b>	<b>822</b>
<b>Expenses</b>										
Operating, marketing and general	49	70	-	81	-	5	7	15	56	171
Interest	-	-	-	-	-	(2)	-	-	-	(2)
Dry hole	1	9	-	-	-	-	1	2	2	11
Depreciation, depletion and amortization	40	88	-	6	-	20	6	38	46	152
<b>operations before income taxes</b>	<b>59</b>	<b>278</b>	<b>-</b>	<b>47</b>	<b>-</b>	<b>20</b>	<b>33</b>	<b>145</b>	<b>92</b>	<b>490</b>
Taxes	15	71	-	15	(1)	-	14	76	28	162
Net gain (loss) on disposition, net of tax	511	119	482	4	(2)	(54)	90	-	1,081	69
<b>operations</b>	<b>555</b>	<b>326</b>	<b>482</b>	<b>36</b>	<b>(1)</b>	<b>(34)</b>	<b>109</b>	<b>69</b>	<b>1,145</b>	<b>397</b>

## Total Discontinued Operations Production

	Q4 09	Q4 08 <sup>1</sup>	YTD 09	YTD 08 <sup>1</sup>
North America	4	15	10	18
UK	-	5	-	4
Scandinavia	-	-	-	1
Other	1	5	2	6
Total mboe/d from discontinued operations	5	25	12	29

## Discontinued Operations Production by Product

	Q4 09	Q4 08 <sup>1</sup>	YTD 09	YTD 08 <sup>1</sup>
Oil and liquids (mbbls/d)				
North America	3	12	7	12
UK	-	1	-	1
Scandinavia	-	-	-	1
Other	1	5	2	6
Total oil and liquids from discontinued operations	4	18	9	20
Natural gas (mmcf/d)				
North America	8	14	15	34
UK	-	23	-	20
Total natural gas from discontinued operations	8	37	15	54

1. Prior periods restated

Note: the first two columns are Q4 for each year, while the last 2 columns are the FY segmented numbers.



Segmented Information  
Twelve months ended December 31

	North America (1)				UK UK				South America				Southeast Asia (2)				Other (3)				Total Total							
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008				
<i>(millions of Canadian dollars)</i>																												
<b>Revenue</b>																												
Gross sales	501	492	1,912	1,637	582	705	2,138	3,458	308	199	986	1,192	620	391	1,995	2,479	168	133	448	509	2,180	2,120	7,528	11,275				
Hedging	-	0	-	0	-	0	0	(28)	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	(26)				
Royalties	63	107	246	631	2	2	5	13	-	0	-	0	209	177	675	1,066	107	86	229	291	381	372	1,155	2,001				
Net sales	439	585	1,665	3,006	580	704	2,133	3,417	308	199	986	1,192	411	214	1,320	1,413	60	47	219	218	1,799	1,748	6,373	9,246				
Other	24	16	93	54	3	8	19	25	0	1	3	3	0	0	0	0	(1)	0	0	0	26	25	115	112				
<b>Total revenue</b>	<b>462</b>	<b>601</b>	<b>1,758</b>	<b>3,089</b>	<b>583</b>	<b>711</b>	<b>2,202</b>	<b>3,441</b>	<b>309</b>	<b>200</b>	<b>989</b>	<b>1,195</b>	<b>411</b>	<b>214</b>	<b>1,320</b>	<b>1,413</b>	<b>60</b>	<b>47</b>	<b>219</b>	<b>218</b>	<b>1,825</b>	<b>1,773</b>	<b>6,488</b>	<b>9,338</b>				
<b>Segmented expenses</b>																												
Operating	124	130	539	534	223	261	878	941	70	77	285	276	70	53	255	195	12	4	40	20	498	524	1,997	1,967				
Transportation	15	17	59	68	13	13	46	48	18	7	54	35	17	4	56	48	2	2	8	8	64	44	222	207				
DD&A	262	271	1,062	1,052	164	672	781	1,145	140	155	406	416	97	80	382	254	14	8	43	24	677	1,186	2,674	2,890				
Dry hole	14	101	179	269	0	34	30	92	9	47	70	90	165	13	255	13	18	26	49	26	207	220	583	492				
Exploration	19	43	84	155	5	31	18	54	5	8	22	50	31	46	75	84	39	30	102	87	100	158	301	429				
Other	5	(1)	(39)	(65)	66	18	71	24	(19)	11	(5)	15	6	25	9	26	(3)	8	7	5	63	61	62	(14)				
<b>Total segmented expenses</b>	<b>439</b>	<b>560</b>	<b>1,904</b>	<b>1,992</b>	<b>479</b>	<b>1,039</b>	<b>1,825</b>	<b>2,304</b>	<b>232</b>	<b>104</b>	<b>831</b>	<b>882</b>	<b>235</b>	<b>221</b>	<b>1,031</b>	<b>624</b>	<b>81</b>	<b>78</b>	<b>249</b>	<b>169</b>	<b>1,608</b>	<b>2,193</b>	<b>5,839</b>	<b>5,922</b>				
<b>Segmented income before taxes</b>	<b>23</b>	<b>41</b>	<b>(145)</b>	<b>1,097</b>	<b>113</b>	<b>(318)</b>	<b>377</b>	<b>1,137</b>	<b>76</b>	<b>(104)</b>	<b>158</b>	<b>313</b>	<b>26</b>	<b>(7)</b>	<b>289</b>	<b>790</b>	<b>(21)</b>	<b>(31)</b>	<b>(29)</b>	<b>49</b>	<b>217</b>	<b>(419)</b>	<b>649</b>	<b>3,356</b>				
<b>Non-segmented expenses:</b>																												
General and administrative																												
Interest																												
Stock-based compensation																												
Currency translation																												
(Gain)/loss on held-for-trading financial instruments																												
<b>Total non-segmented expenses</b>																												
<b>Income (loss) from continuing operations before taxes</b>																												
<b>Capital expenditure</b>																												
Exploration	751	473	1,313	1,427	18	85	149	188	17	43	157	165	54	99	233	318	62	74	217	149	901	773	2,068	2,349				
Development	169	379	492	847	105	82	531	545	144	160	528	660	80	129	444	459	22	7	46	8	519	757	2,040	2,519				
Midstream	(2)	6	26	41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2)	6	26	41				
<b>Exploration and development</b>	<b>917</b>	<b>859</b>	<b>1,830</b>	<b>2,315</b>	<b>124</b>	<b>166</b>	<b>679</b>	<b>733</b>	<b>161</b>	<b>203</b>	<b>684</b>	<b>825</b>	<b>134</b>	<b>228</b>	<b>677</b>	<b>777</b>	<b>83</b>	<b>80</b>	<b>263</b>	<b>157</b>	<b>1,419</b>	<b>1,536</b>	<b>4,134</b>	<b>4,808</b>				
Property acquisitions																												
Proceeds on dispositions																												
<b>Other non-segmented</b>																												
<b>Net capital expenditures (1)</b>																												
Property, plant and equipment					4,549				4,738				2,640				2,984				823				814			
Goodwill					289				306				628				602				110				129			
Other					1,281				832				1,075				153				427				304			
Discontinued operations					-				896				-				93				-				-			
<b>Segmented assets:</b>																												
Non-segmented assets																												
<b>Total assets (5)</b>																												

(1) North America	2009	2008	2009	2008
Canada	429	556	1,637	2,863
US	33	45	121	227
<b>Total revenue</b>	<b>462</b>	<b>601</b>	<b>1,758</b>	<b>3,089</b>
Canada	-	-	7,476	7,459
US	-	-	1,162	801
<b>Property, plant and equipment (5)</b>	<b>-</b>	<b>-</b>	<b>8,638</b>	<b>8,261</b>

(2) Southeast Asia	2009	2008	2009	2008
Indonesia	203	126	693	863
Malaysia	134	43	400	424
Vietnam	23	35	101	33
Australia	52	10	126	93
<b>Total revenue</b>	<b>411</b>	<b>214</b>	<b>1,320</b>	<b>1,413</b>
Indonesia	1,244	990	1,244	990
Malaysia	1,171	1,277	1,171	1,277
Vietnam	241	470	241	470
Australia	209	247	209	247
<b>Property, plant and equipment (5)</b>	<b>2,864</b>	<b>2,984</b>	<b>2,864</b>	<b>2,984</b>
(3) Other				
Algeria	61	48	221	219
Other	(1)	(1)	(2)	(1)
<b>Total revenue</b>	<b>60</b>	<b>47</b>	<b>219</b>	<b>218</b>
Algeria	193	221	193	221
Other	629	593	629	593
<b>Property, plant and equipment (5)</b>	<b>823</b>	<b>814</b>	<b>823</b>	<b>814</b>