

**Occidental Petroleum Corporation**  
**Free Cash Flow**  
**Reconciliation to Generally Accepted Accounting Principles (GAAP)**  
**(\$ Millions)**

Nine Months  
2011

Consolidated Statement of Cash Flows	
Cash flow from operating activities	8,638
Cash flow from investing activities	(6,488)
Cash flow from financing activities	(689)
Change in cash	<u>1,461</u>

**Free Cash Flow**

Cash flow from operating activities	8,638
Capital spending	(4,969)
Free cash flow from continuing operations before dividends	<u>3,669</u>

**Occidental Petroleum Corporation**  
**Return on Capital Employed (ROCE)**  
**Reconciliation to Generally Accepted Accounting Principles (GAAP)**

	<b>2010</b>	<b>9 Months 2011</b>	<b>Annualized 2011</b>
<b>RETURN ON EQUITY (%)</b>	14.7	14.9	19.9
<b>RETURN ON CAPITAL EMPLOYED (%)</b>	13.2	13.3	17.7
GAAP measure - net income attributable to common stock	4,530	5,137	
Interest expense	93	259	
Tax effect of interest expense	(33)	(91)	
Earnings before tax-effected interest expense	<u>4,590</u>	<u>5,305</u>	
GAAP stockholders' equity	32,484	36,479	
Debt	5,111	5,870	
Total capital employed	37,595	42,349	
<b>ROCE</b>	<b>13.2</b>	<b>13.3</b>	17.7
ROE	14.7	14.9	19.9