

Consolidated Statements of Cash Flows

In millions

Occidental Petroleum Corporation
and Subsidiaries

For the years ended December 31,

	2011	2010	2009
CASH FLOW FROM OPERATING ACTIVITIES			
Net income	\$ 6,771	\$ 4,602	\$ 2,966
Adjustments to reconcile net income to net cash provided by operating activities:			
Discontinued operations, net	(131)	39	236
Depreciation, depletion and amortization of assets	3,591	3,153	2,687
Deferred income tax provision	1,436	406	659
Other noncash charges to income	205	507	336
Gains on disposition of assets, net	(15)	(1)	(10)
Undistributed earnings from equity investments	(33)	(60)	(88)
Dry hole and impairment expense	160	139	200
Changes in operating assets and liabilities:			
(Increase) decrease in receivables	(338)	(850)	(573)
(Increase) decrease in inventories	(50)	(42)	(119)
Decrease (increase) in prepaid expenses and other assets	73	131	(9)
Increase (decrease) in accounts payable and accrued liabilities	829	1,295	(316)
(Decrease) increase in current domestic and foreign income taxes	(174)	186	1
Other operating, net	(18)	(149)	(114)
Operating cash flow from continuing operations	12,306	9,356	5,856
Operating cash flow from discontinued operations, net of taxes	(25)	210	90
Net cash provided by operating activities	12,281	9,566	5,946
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditures	(7,518)	(3,940)	(3,245)
Payments for purchases of assets and businesses	(4,909)	(4,924)	(1,782)
Sales of assets, net	50	20	51
Other, net	(96)	(36)	(154)
Investing cash flow from continuing operations	(12,473)	(8,880)	(5,130)
Investing cash flow from discontinued operations	2,570	(415)	(336)
Net cash used by investing activities	(9,903)	(9,295)	(5,466)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from long-term debt	2,111	2,584	740
Payments of long-term debt	(1,523)	(311)	(692)
Proceeds from issuance of common stock	50	10	18
Purchases of treasury stock	(274)	(67)	(40)
Distributions to noncontrolling interest	(121)	—	(16)
Cash dividends paid	(1,436)	(1,159)	(1,063)
Other, net	18	26	27
Financing cash flow from continuing operations	(1,175)	1,083	(1,026)
Financing cash flow from discontinued operations	—	—	(7)
Net cash provided (used) by financing activities	(1,175)	1,083	(1,033)
Increase (decrease) in cash and cash equivalents	1,203	1,354	(553)
Cash and cash equivalents — beginning of year	2,578	1,224	1,777
Cash and cash equivalents — end of year	\$ 3,781	\$ 2,578	\$ 1,224

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