

Consolidated Statements of Income

In millions, except per-share amounts

Occidental Petroleum Corporation
and Subsidiaries

For the years ended December 31,	<u>2011</u>	<u>2010</u>	<u>2009</u>
REVENUES AND OTHER INCOME			
Net sales	\$ 23,939	\$ 19,045	\$ 14,814
Interest, dividends and other income	165	111	118
Gains on disposition of assets, net	15	1	10
	<u>24,119</u>	<u>19,157</u>	<u>14,942</u>
COSTS AND OTHER DEDUCTIONS			
Cost of sales (excludes depreciation, depletion and amortization of \$3,584 in 2011, \$3,145 in 2010 and \$2,643 in 2009)	7,385	6,112	5,105
Selling, general and administrative and other operating expenses	1,523	1,396	1,300
Depreciation, depletion and amortization	3,591	3,153	2,687
Taxes other than on income	605	484	425
Exploration expense	258	262	254
Charges for impairments	—	275	—
Interest and debt expense, net	298	116	133
	<u>13,660</u>	<u>11,798</u>	<u>9,904</u>
INCOME BEFORE INCOME TAXES AND OTHER ITEMS	10,459	7,359	5,038
Provision for domestic and foreign income taxes	4,201	2,995	2,063
Income from equity investments	(382)	(277)	(227)
INCOME FROM CONTINUING OPERATIONS	6,640	4,641	3,202
Discontinued operations, net	131	(39)	(236)
NET INCOME	6,771	4,602	2,966
Less: Net income attributable to noncontrolling interest	—	(72)	(51)
NET INCOME ATTRIBUTABLE TO COMMON STOCK	\$ 6,771	\$ 4,530	\$ 2,915
BASIC EARNINGS PER COMMON SHARE (attributable to common stock)			
Income from continuing operations	\$ 8.16	\$ 5.62	\$ 3.88
Discontinued operations, net	0.16	(0.05)	(0.29)
BASIC EARNINGS PER COMMON SHARE	\$ 8.32	\$ 5.57	\$ 3.59
DILUTED EARNINGS PER COMMON SHARE (attributable to common stock)			
Income from continuing operations	\$ 8.16	\$ 5.61	\$ 3.87
Discontinued operations, net	0.16	(0.05)	(0.29)
DILUTED EARNINGS PER COMMON SHARE	\$ 8.32	\$ 5.56	\$ 3.58
DIVIDENDS PER COMMON SHARE	\$ 1.84	\$ 1.47	\$ 1.31

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