

Occidental Petroleum Corporation
Reconciliation to Generally Accepted Accounting Principles (GAAP)
(\$ Millions)

| | 3 Months Ended December | | 12 Months Ended December | |
|---|----------------------------|---------------------|-----------------------------|-----------------------|
| | <u>2016</u> | <u>2015</u> | <u>2016</u> | <u>2015</u> |
| CONDENSED STATEMENTS OF CASH FLOWS | | | | |
| Net loss | \$ (272) | \$ (5,178) | \$ (574) | \$ (7,829) |
| Depreciation, depletion and amortization of assets | 1,050 | 1,276 | 4,268 | 4,544 |
| Deferred income tax provision | (355) | (955) | (517) | (1,372) |
| Asset impairments and other non-cash charges | 575 | 5,801 | 192 | 9,441 |
| Operating cash flow before working capital | <u>998</u> | <u>944</u> | <u>3,369</u> | <u>4,784</u> |
| Working capital changes | 71 | 58 | (389) | (880) |
| Other, net | (148) | (151) | (461) | (650) |
| Operating cash flow from continuing operations | <u>921</u> | <u>851</u> | <u>2,519</u> | <u>3,254</u> |
| Capital expenditures - reported | (872) | (1,080) | (2,717) | (5,272) |
| Cracker JV investment contributions | (19) | (90) | (160) | (340) |
| Capital expenditures, net | <u>(891)</u> | <u>(1,170)</u> | <u>(2,877)</u> | <u>(5,612)</u> |
| Payment for purchases of assets and businesses | (1,962) | (57) | (2,044) | (109) |
| Sales of assets and equity investments, net | (21) | 668 | 302 | 819 |
| Changes in capital accrual | 93 | 60 | (114) | (592) |
| Other investing activities | 15 | 194 | (9) | 71 |
| Investing cash flow from continuing operations | <u>(2,766)</u> | <u>(305)</u> | <u>(4,742)</u> | <u>(5,423)</u> |
| Cash dividends | (585) | (574) | (2,309) | (2,264) |
| Purchase of treasury stock | - | (8) | (22) | (594) |
| Proceeds from long-term debt | 1,485 | 1 | 4,203 | 1,479 |
| Payment of long-term debt | - | - | (2,710) | - |
| Other financing activities | 4 | 3 | 36 | 37 |
| Financing cash flow from continuing operations | <u>904</u> | <u>(578)</u> | <u>(802)</u> | <u>(1,342)</u> |
| Cash flow from discontinued operations | <u>(6)</u> | <u>114</u> | <u>864</u> | <u>97</u> |
| Decrease in cash | (947) | 82 | (2,161) | (3,414) |
| Cash, cash equivalents and restricted cash beginning of the period | 3,180 | 4,312 | 4,394 | 7,808 |
| Cash, cash equivalents and restricted cash end of the period | <u>2,233</u> | <u>4,394</u> | <u>2,233</u> | <u>4,394</u> |

Occidental Petroleum Consolidated Statement of Cash Flows

| | | | | |
|--|------------------------|------------------------|------------------------|------------------------|
| Cash flow from operating activities | | | | |
| -continuing operations | 921 | 851 | 2,519 | 3,254 |
| -discontinued operations | (6) | 114 | 864 | 97 |
| Cash flow from investing activities | | | | |
| -continuing operations | (2,766) | (305) | (4,742) | (5,423) |
| Cash flow from financing activities | | | | |
| -continuing operations | 904 | (6) | 391 | 1,484 |
| Change in cash | (947) | 654 | (968) | (588) |
| Cash and cash equivalents - beginning of period | 3,180 | 2,547 | 3,201 | 3,789 |
| Cash and cash equivalents - end of period | <u>\$ 2,233</u> | <u>\$ 3,201</u> | <u>\$ 2,233</u> | <u>\$ 3,201</u> |

Occidental Petroleum Corporation
Debt to Capital Ratio
Reconciliation to Generally Accepted Accounting Principles (GAAP)

| | December 31 <u>2016</u> | December 31 <u>2015</u> |
|--|----------------------------|----------------------------|
| DEBT TO CAPITAL RATIO (%) | 31% | 25% |
| <u>(\$ Millions)</u> | | |
| Long-term debt, including current maturities | <u>9,819</u> | <u>8,305</u> |
| GAAP stockholders' equity | 21,497 | 24,350 |
| Long-term debt, including current maturities | <u>9,819</u> | <u>8,305</u> |
| Total capital employed | <u>31,316</u> | <u>32,655</u> |