

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

| | 6 Months Ended | |
|---|----------------------------|----------------------------|
| | June 30, | |
| | <u>2016</u> | <u>2015</u> |
| CONDENSED STATEMENTS OF CASH FLOWS | | |
| Net loss | \$ (61) | \$ (42) |
| Depreciation, depletion and amortization of assets | 2,172 | 2,145 |
| Deferred income tax provision | 76 | 139 |
| Asset impairments and other non-cash charges | (430) | 396 |
| Operating cash flow before working capital | <u>1,757</u> | <u>2,638</u> |
| Working capital changes | (511) | (954) |
| Other, net | (304) | (307) |
| Operating cash flow from continuing operations | <u>942</u> | <u>1,377</u> |
| Capital expenditures | (1,247) | (3,065) |
| Cracker JV investment contributions | (97) | (158) |
| Capital expenditures, net | <u>(1,344)</u> | <u>(3,223)</u> |
| Payment for purchases of assets and businesses | (34) | (43) |
| Sales of assets and equity investments, net | 260 | 58 |
| Changes in capital accrual | (209) | (585) |
| Other investing activities | (7) | (96) |
| Investing cash flow from continuing operations | <u>(1,334)</u> | <u>(3,889)</u> |
| Cash dividends | (1,149) | (1,113) |
| Purchase of treasury stock | (15) | (536) |
| Proceeds from long-term debt | 2,718 | 1,478 |
| Payment of long-term debt | (2,710) | - |
| Other financing activities | 29 | 24 |
| Financing cash flow from continuing operations | <u>(1,127)</u> | <u>(147)</u> |
| Cash flow from discontinued operations | <u>876</u> | <u>(11)</u> |
| Decrease in cash | (643) | (2,670) |
| Cash, cash equivalents and restricted cash beginning of the period | <u>4,394</u> | <u>7,808</u> |
| Cash, cash equivalents and restricted cash end of the period | <u><u>3,751</u></u> | <u><u>5,138</u></u> |

Occidental Petroleum Consolidated Statement of Cash Flows

| | | |
|--|-------------------------------|-------------------------------|
| Cash flow from operating activities | | |
| -continuing operations | 942 | 1,377 |
| -discontinued operations | 876 | (11) |
| Cash flow from investing activities | | |
| -continuing operations | (1,334) | (3,889) |
| Cash flow from financing activities | | |
| -continuing operations | <u>66</u> | <u>1,490</u> |
| Change in cash | 550 | (1,033) |
| Cash and cash equivalents - beginning of period | <u>3,201</u> | <u>3,789</u> |
| Cash and cash equivalents - end of period | <u><u>\$ 3,751</u></u> | <u><u>\$ 2,756</u></u> |

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

| | June 30 <u>2016</u> | December 31 <u>2015</u> |
|--|------------------------|----------------------------|
| DEBT TO CAPITAL RATIO (%) | 27% | 25% |
| <u>(\$ Millions)</u> | | |
| Long-term debt, including current maturities | <u>8,331</u> | <u>8,305</u> |
| GAAP stockholders' equity | 23,101 | 24,350 |
| Long-term debt, including current maturities | <u>8,331</u> | <u>8,305</u> |
| Total capital employed | <u>31,432</u> | <u>32,655</u> |