

Summary of Selected Financial Data
(Dollar amounts in millions, except per-share amounts)

	For the twelve months ended December 31,				3 months ended March 31, 2017
	2013	2014	2015	2016	
RESULTS OF OPERATIONS					
Net sales	\$ 20,170	\$ 19,312	\$ 12,480	\$ 10,090	\$ 2,957
Income (loss) from continuing operations (b)	\$ 4,932	\$ (130)	\$ (8,146)	\$ (1,002)	\$ 117
Net income (loss) attributable to common stock	\$ 5,903	\$ 616	\$ (7,829)	\$ (574)	\$ 117
Earnings (loss) per share attributable to common stock					
Basic earnings (loss) per common share from continuing operations (b)	\$ 6.12	\$ (0.18)	\$ (10.64)	\$ (1.31)	\$ 0.15
Basic earnings (loss) per common share (b)	\$ 7.33	\$ 0.79	\$ (10.23)	\$ (0.75)	\$ 0.15
Diluted earnings (loss) per common share (b)	\$ 7.32	\$ 0.79	\$ (10.23)	\$ (0.75)	\$ 0.15
Core results (a)	\$ 4,644	\$ 3,783	\$ 91	\$ (771)	\$ 117
FINANCIAL POSITION					
Total assets	\$ 69,415	\$ 56,237	\$ 43,409	\$ 43,109	\$ 42,465
Long-term debt, net (including current maturities)	\$ 6,911	\$ 6,816	\$ 8,305	\$ 9,819	\$ 9,822
Stockholders' equity	\$ 43,372	\$ 34,959	\$ 24,350	\$ 21,497	\$ 21,079
CASH FLOW FROM CONTINUING OPERATIONS					
Operating:					
Cash flow from continuing operations	\$ 10,229	\$ 8,871	\$ 3,254	\$ 2,519	\$ 652
Investing:					
Capital expenditures	\$ (7,357)	\$ (8,930)	\$ (5,272)	\$ (2,717)	\$ (722)
Cash provided (used) by all other investing activities, net	\$ 1,040	\$ 2,686	\$ (151)	\$ (2,025)	\$ (97)
Financing:					
Cash dividends paid	\$ (1,553)	\$ (2,210)	\$ (2,264)	\$ (2,309)	\$ (584)
Purchases of treasury stock	\$ (943)	\$ (2,500)	\$ (593)	\$ (22)	\$ -
Cash provided (used) by all other financing activities, net	\$ (437)	\$ 2,384	\$ 4,341	\$ 2,722	\$ 12
Dividends per common share	\$ 2.56	\$ 2.88	\$ 2.97	\$ 3.02	\$ 0.76
Weighted average shares outstanding (millions)					
Basic	804.1	781.1	765.6	763.8	764.4
Diluted	804.6	781.1	765.6	763.8	765.2

(a) Occidental's results of operations often include the effects of significant transactions and events affecting earnings that vary widely and unpredictably in nature, timing and amount. These events may recur, even across successive reporting periods. Therefore, management uses a measure called "core results" which excludes those items. This non-GAAP measure is not meant to disassociate those items from management's performance, but rather is meant to provide useful information to investors interested in comparing Occidental's earnings performance between periods. Reported earnings are considered representative of management's performance over the long term. Core results is not considered to be an alternative to operating income in accordance with generally accepted accounting principles.

(b) Represents amounts attributable to common stock after deducting noncontrolling interest amounts.

Consolidated Statement of Operations
(Amounts in millions, except per-share amounts)

	For the twelve months ended December 31,				3 months ended March 31,
	2013	2014	2015	2016	2017
REVENUES					
Net sales					
Oil and gas	\$ 15,008	\$ 13,887	\$ 8,304	\$ 6,377	\$ 1,894
Chemical	4,673	4,817	3,945	3,756	1,068
Midstream and Marketing	1,174	1,373	891	684	211
Eliminations (a)	(685)	(765)	(660)	(727)	(216)
	<u>20,170</u>	<u>19,312</u>	<u>12,480</u>	<u>10,090</u>	<u>2,957</u>
Interest, dividends and other income	107	130	118	106	21
Gain on sale of assets and equity investments, net	1,175	2,505	101	202	-
	<u>21,452</u>	<u>21,947</u>	<u>12,699</u>	<u>10,398</u>	<u>2,978</u>
COSTS AND OTHER DEDUCTIONS					
Cost of sales	6,497	6,803	5,804	5,189	1,426
Depreciation, depletion and amortization	4,203	4,261	4,544	4,268	942
Selling, general and administrative and other operating expenses	1,544	1,503	1,270	1,330	272
Asset impairments and related items	621	7,379	10,239	825	13
Taxes other than on income	564	550	343	277	68
Exploration expense	140	150	36	62	11
Interest and debt expense, net	132	77	147	292	81
	<u>13,701</u>	<u>20,723</u>	<u>22,383</u>	<u>12,243</u>	<u>2,813</u>
INCOME (LOSS) BEFORE INCOME TAXES AND OTHER ITEMS	7,751	1,224	(9,684)	(1,845)	165
Benefit (provision) for domestic and foreign income taxes	(3,214)	(1,685)	1,330	662	(78)
Income from equity investments	395	331	208	181	30
INCOME (LOSS) FROM CONTINUING OPERATIONS	4,932	(130)	(8,146)	(1,002)	117
Discontinued operations, net	971	760	317	428	-
NET INCOME (LOSS)	5,903	630	(7,829)	(574)	117
Less: Net income attributable to noncontrolling interest	-	(14)	-	-	-
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCK	<u>\$ 5,903</u>	<u>\$ 616</u>	<u>\$ (7,829)</u>	<u>\$ (574)</u>	<u>\$ 117</u>
EARNINGS PER SHARE (attributable to common stock)					
BASIC EARNINGS (LOSS) PER COMMON SHARE					
Income (loss) from continuing operations	\$ 6.12	\$ (0.18)	\$ (10.64)	\$ (1.31)	\$ 0.15
Discontinued operations, net	1.21	0.97	0.41	0.56	-
BASIC EARNINGS (LOSS) PER COMMON SHARE	<u>\$ 7.33</u>	<u>\$ 0.79</u>	<u>\$ (10.23)</u>	<u>\$ (0.75)</u>	<u>\$ 0.15</u>
DILUTED EARNINGS (LOSS) PER COMMON SHARE					
Income (loss) from continuing operations	\$ 6.12	\$ (0.18)	\$ (10.64)	\$ (1.31)	\$ 0.15
Discontinued operations, net	1.20	0.97	0.41	0.56	-
DILUTED EARNINGS (LOSS) PER COMMON SHARE	<u>\$ 7.32</u>	<u>\$ 0.79</u>	<u>\$ (10.23)</u>	<u>\$ (0.75)</u>	<u>\$ 0.15</u>
DIVIDENDS PER COMMON SHARE	<u>\$ 2.56</u>	<u>\$ 2.88</u>	<u>\$ 2.97</u>	<u>\$ 3.02</u>	<u>\$ 0.76</u>

(a) Intersegment sales eliminate upon consolidation and are generally made at prices approximating those that the selling entity would be able to obtain in third-party transactions.

Consolidated Balance Sheets
(Amounts in millions)

	31-Dec-13	31-Dec-14	31-Dec-15	31-Dec-16	31-Mar-17
CURRENT ASSETS					
Cash and cash equivalents	\$ 3,393	\$ 3,789	\$ 3,201	\$ 2,233	\$ 1,494
Restricted cash	-	4,019	1,193	-	-
Trade receivables, net	5,674	4,206	2,970	3,989	4,316
Inventories	1,200	1,052	986	866	1,005
Assets held for sale	-	-	141	-	162
Other current assets	1,056	807	911	1,340	1,261
Total current assets	<u>11,323</u>	<u>13,873</u>	<u>9,402</u>	<u>8,428</u>	<u>8,238</u>
INVESTMENTS					
Investments in unconsolidated entities	1,459	1,171	1,267	1,401	1,436
Available for sale investment	-	394	167	-	-
Total investments	<u>1,459</u>	<u>1,565</u>	<u>1,434</u>	<u>1,401</u>	<u>1,436</u>
PROPERTY, PLANT AND EQUIPMENT					
Oil and gas segment	72,367	59,061	55,025	54,673	52,852
Chemical segment	6,446	6,574	6,717	6,930	6,984
Midstream and marketing segment	8,684	8,304	8,899	9,216	9,301
Corporate	1,555	576	417	474	475
	<u>89,052</u>	<u>74,515</u>	<u>71,058</u>	<u>71,293</u>	<u>69,612</u>
Accumulated depreciation, depletion and amortization	<u>(33,231)</u>	<u>(34,785)</u>	<u>(39,419)</u>	<u>(38,956)</u>	<u>(37,607)</u>
	55,821	39,730	31,639	32,337	32,005
LONG-TERM RECEIVABLES AND OTHER ASSETS, NET	812	1,069	934	943	786
TOTAL ASSETS	<u>\$ 69,415</u>	<u>\$ 56,237</u>	<u>\$ 43,409</u>	<u>\$ 43,109</u>	<u>\$ 42,465</u>
CURRENT LIABILITIES					
Current maturities of long-term debt	\$ -	\$ -	\$ 1,450	\$ -	\$ 500
Accounts payable	5,520	5,229	3,069	3,926	4,071
Accrued liabilities	2,556	2,601	2,213	2,436	2,137
Domestic and foreign income taxes	358	414	-	-	18
Liabilities of assets held for sale	-	-	110	-	126
Total current liabilities	<u>8,434</u>	<u>8,244</u>	<u>6,842</u>	<u>6,362</u>	<u>6,852</u>
LONG-TERM DEBT, NET	6,911	6,816	6,855	9,819	9,322
DEFERRED CREDITS AND OTHER LIABILITIES					
Deferred domestic and foreign income taxes	7,197	3,015	1,323	1,132	1,031
Other	3,501	3,203	4,039	4,299	4,181
	<u>10,698</u>	<u>6,218</u>	<u>5,362</u>	<u>5,431</u>	<u>5,212</u>
STOCKHOLDERS' EQUITY					
Common stock, \$.20 per share par value	178	178	178	178	179
Treasury stock	(6,095)	(8,528)	(9,121)	(9,143)	(9,143)
Additional paid-in capital	7,515	7,599	7,640	7,747	7,783
Retained earnings	41,831	36,067	25,960	22,981	22,513
Accumulated other comprehensive loss	(303)	(357)	(307)	(266)	(253)
Total equity attributable to common stock	<u>43,126</u>	<u>34,959</u>	<u>24,350</u>	<u>21,497</u>	<u>21,079</u>
Noncontrolling interest	246	-	-	-	-
Total equity	<u>43,372</u>	<u>34,959</u>	<u>24,350</u>	<u>21,497</u>	<u>21,079</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 69,415</u>	<u>\$ 56,237</u>	<u>\$ 43,409</u>	<u>\$ 43,109</u>	<u>\$ 42,465</u>

Consolidated Statements of Cash Flow
(Amounts in millions)

	For the twelve months ended December 31,				3 months ended March 31, 2017
	2013	2014	2015	2016	
CASH FLOW FROM OPERATING ACTIVITIES					
Net income (loss)	\$ 5,903	\$ 630	\$ (7,829)	\$ (574)	\$ 117
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Discontinued operations, net	(971)	(760)	(317)	(428)	-
Depreciation, depletion and amortization of assets	4,203	4,261	4,544	4,268	942
Deferred income tax provision (benefit)	914	(1,178)	(1,372)	(517)	(108)
Other noncash charges to income	328	238	175	157	85
Asset impairments	621	7,379	9,684	665	13
Gain on sale of assets and equity investments	(1,175)	(2,505)	(101)	(202)	-
Changes in operating assets and liabilities:					
(Increase) decrease in receivables	(747)	1,413	1,431	(1,091)	(325)
(Increase) decrease in inventories	79	(112)	(24)	17	(135)
Decrease in other current assets	58	89	33	65	89
Increase (decrease) in accounts payable and accrued liabilities	265	(530)	(1,989)	603	(38)
Increase (decrease) in current domestic and foreign income taxes	369	(54)	(331)	17	20
Other operating, net	382	-	(650)	(461)	(8)
Operating cash flow from continuing operations	<u>10,229</u>	<u>8,871</u>	<u>3,254</u>	<u>2,519</u>	<u>652</u>
Operating cash flow from discontinued operations, net of taxes	<u>2,549</u>	<u>2,197</u>	<u>97</u>	<u>864</u>	<u>-</u>
Net cash provided by operating activities	<u>12,778</u>	<u>11,068</u>	<u>3,351</u>	<u>3,383</u>	<u>652</u>
CASH FLOW FROM INVESTING ACTIVITIES					
Capital expenditures	(7,357)	(8,930)	(5,272)	(2,717)	(722)
Change in capital accrual	149	542	(592)	(114)	(41)
Payments for purchases of assets and businesses	(606)	(1,687)	(109)	(2,044)	(19)
Sale of assets and equity investments, net	1,619	4,177	819	302	-
Other, net	(122)	(346)	(269)	(169)	(37)
Investing cash flow from continuing operations	<u>(6,317)</u>	<u>(6,244)</u>	<u>(5,423)</u>	<u>(4,742)</u>	<u>(819)</u>
Investing cash flow from discontinued operations	<u>(1,727)</u>	<u>(2,226)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash used by investing activities	<u>(8,044)</u>	<u>(8,470)</u>	<u>(5,423)</u>	<u>(4,742)</u>	<u>(819)</u>
CASH FLOW FROM FINANCING ACTIVITIES					
Change in restricted cash	-	(4,019)	2,826	1,193	-
Special cash distribution from California Resources	-	6,100	-	-	-
Proceeds from long-term debt	-	-	1,478	4,203	-
Payments of long-term debt	(690)	(107)	-	(2,710)	-
Proceeds from issuance of common stock	30	33	37	36	12
Purchases of treasury stock	(943)	(2,500)	(593)	(22)	-
Contributions from noncontrolling interest	214	375	-	-	-
Cash dividends paid	(1,553)	(2,210)	(2,264)	(2,309)	(584)
Other, net	9	2	-	-	-
Financing cash flow from continuing operations	<u>(2,933)</u>	<u>(2,326)</u>	<u>1,484</u>	<u>391</u>	<u>(572)</u>
Financing cash flow from discontinued operations	<u>-</u>	<u>124</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by financing activities	<u>(2,933)</u>	<u>(2,202)</u>	<u>1,484</u>	<u>391</u>	<u>(572)</u>
Increase (decrease) in cash and cash equivalents	<u>1,801</u>	<u>396</u>	<u>(588)</u>	<u>(968)</u>	<u>(739)</u>
Cash and cash equivalents - beginning of year	<u>1,592</u>	<u>3,393</u>	<u>3,789</u>	<u>3,201</u>	<u>2,233</u>
Cash and cash equivalents - end of period	<u>\$ 3,393</u>	<u>\$ 3,789</u>	<u>\$ 3,201</u>	<u>\$ 2,233</u>	<u>\$ 1,494</u>

Oil and Gas Net Proved Developed and Undeveloped Year-End Reserves

	2012	2013	2014	2015	2016
United States					
Oil (MMBBL)	11,069	1,131	1,273	915	960
NGL (MMBBL)	156	204	222	186	219
Gas (BCF)	1,955	2,012	1,714	1,019	1,045
BOE (MMBBL) ¹	1,551	1,670	1,781	1,271	1,353
Latin America					
Oil (MMBBL)	96	88	92	77	71
Gas (BCF)	39	24	27	19	6
BOE (MMBBL) ¹	102	92	96	80	72
Middle East / North Africa					
Oil (MMBBL)	373	394	405	317	326
NGL (MMBBL)	116	134	140	144	201
Gas (BCF)	2,640	2,687	2,386	2,330	2,723
BOE (MMBBL) ¹	929	976	942	849	981
Worldwide					
Oil (MMBBL)	1,538	1,613	1,770	1,309	1,357
NGL (MMBBL)	272	338	362	330	420
Gas (BCF)	4,634	4,723	4,127	3,368	3,774
BOE (MMBBL) ¹	2,582	2,738	2,819	2,200	2,406

¹ Natural gas volumes have been converted to barrels of equivalent (BOE) based on energy content of 6,000 cubic feet (Mcf) of gas to one barrel of oil.

Segment Total Year-End Assets

	2012	2013	2014	2015	2016
Oil and Gas (a)	\$ 44,004	\$ 46,213	\$ 31,072	\$ 23,591	\$ 24,130
Chemical	3,854	3,947	3,917	3,982	4,348
Midstream, marketing and other	12,762	14,374	12,283	10,175	11,059
Corporate (b)	3,555	4,881	8,965	5,661	3,572
Total	<u>\$ 64,175</u>	<u>\$ 69,415</u>	<u>\$ 56,237</u>	<u>\$ 43,409</u>	<u>\$ 43,109</u>

(a) Oil and Gas - 2014 reduction reflects the tax-free spin off of California Resources Corporation in December 2014 and asset impairments and related items.

(b) Corporate included restricted cash of \$1.2 billion and \$4.0 billion at December 31, 2015 and 2014, respectively. 2014 included the investment in CRC stock as well as impairments of Joslyn Oil Sands.

Quarterly Consolidated Condensed Statements of Operations
(Amounts in millions, except per-share amounts)

	2016					2017				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TY	Qtr 1	Qtr 2	Qtr 3	Qtr 4	YTD
REVENUES										
Net sales										
Oil and gas	\$ 1,275	\$ 1,625	\$ 1,660	\$ 1,817	\$ 6,377	\$ 1,894				\$ 1,894
Chemical	890	908	988	970	3,756	1,068				1,068
Midstream and Marketing	133	141	202	208	684	211				211
Eliminations (a)	(175)	(143)	(202)	(207)	(727)	(216)				(216)
	2,123	2,531	2,648	2,788	10,090	2,957	-	-	-	2,957
Interest, dividends and other income	20	27	25	34	106	21				21
Gain on sale of assets and equity investments, net	138	-	60	4	202	-				-
	2,281	2,558	2,733	2,826	10,398	2,978	-	-	-	2,978
COSTS AND OTHER DEDUCTIONS										
Cost of sales	1,281	1,244	1,338	1,326	5,189	1,426				1,426
Depreciation, depletion and amortization	1,102	1,070	1,046	1,050	4,268	942				942
Selling, general and administrative and other operating expenses	272	338	316	404	1,330	272				272
Asset impairments and related items	78	-	221	526	825	13				13
Taxes other than on income	75	74	61	67	277	68				68
Exploration expense	9	27	9	17	62	11				11
Interest and debt expense, net	60	88	68	76	292	81				81
	2,877	2,841	3,059	3,466	12,243	2,813	-	-	-	2,813
INCOME (LOSS) BEFORE INCOME TAXES AND OTHER ITEMS	(596)	(283)	(326)	(640)	(1,845)	165	-	-	-	165
Benefit from (provision for) domestic and foreign income taxes	203	96	30	333	662	(78)				(78)
Income from equity investments	33	51	58	39	181	30				30
INCOME (LOSS) FROM CONTINUING OPERATIONS	(360)	(136)	(238)	(268)	(1,002)	117	-	-	-	117
Discontinued operations, net	438	(3)	(3)	(4)	428	-				-
NET INCOME (LOSS)	\$ 78	\$ (139)	\$ (241)	\$ (272)	\$ (574)	\$ 117	\$ -	\$ -	\$ -	\$ 117
EARNINGS (LOSS) PER SHARE										
BASIC EARNINGS (LOSS) PER COMMON SHARE										
Income (loss) from continuing operations	\$ (0.47)	\$ (0.18)	\$ (0.31)	\$ (0.35)	\$ (1.31)	\$ 0.15				\$ (1.31)
Discontinued operations, net	0.57	-	(0.01)	(0.01)	0.56	-				0.56
BASIC EARNINGS (LOSS) PER COMMON SHARE	\$ 0.10	\$ (0.18)	\$ (0.32)	\$ (0.36)	\$ (0.75)	\$ 0.15	\$ -	\$ -	\$ -	\$ (0.75)
DILUTED EARNINGS (LOSS) PER COMMON SHARE	\$ 0.10	\$ (0.18)	\$ (0.32)	\$ (0.36)	\$ (0.75)	\$ 0.15				\$ (0.75)
DIVIDENDS PER COMMON SHARE	\$ 0.75	\$ 0.75	\$ 0.76	\$ 0.76	\$ 3.02	\$ 0.76				\$ 0.76

(a) Intersegment sales eliminate upon consolidation and are generally made at prices approximating those that the selling entity would be able to obtain in third-party transactions.

2017 Consolidated Condensed Balance Sheets
(Amounts in millions)

	<u>31-Mar-17</u>	<u>30-Jun-17</u>	<u>30-Sep-17</u>	<u>31-Dec-17</u>
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,494			
Trade receivables, net	4,316			
Inventories	1,005			
Assets held for sale	162			
Other current assets	1,261			
Total current assets	<u>8,238</u>	<u>-</u>	<u>-</u>	<u>-</u>
INVESTMENTS	1,436			
PROPERTY, PLANT AND EQUIPMENT				
Property, plant and equipment	69,612			
Accumulated depreciation, depletion and amortization	<u>(37,607)</u>			
	32,005	-	-	-
LONG-TERM RECEIVABLES AND OTHER ASSETS, NET	786			
TOTAL ASSETS	<u>\$ 42,465</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
CURRENT LIABILITIES				
Current maturities of long-term debt	\$ 500			
Accounts payable	4,071			
Accrued liabilities	2,155			
Liabilities of assets held for sale	126			
Total current liabilities	<u>6,852</u>	<u>-</u>	<u>-</u>	<u>-</u>
LONG-TERM DEBT, NET	9,322			
DEFERRED CREDITS AND OTHER LIABILITIES				
Deferred domestic and foreign income taxes	1,031			
Other	4,181			
	<u>5,212</u>	<u>-</u>	<u>-</u>	<u>-</u>
STOCKHOLDERS' EQUITY				
Common stock, \$.20 per share par value	179			
Treasury stock	(9,143)			
Additional paid-in capital	7,783			
Retained earnings	22,513			
Accumulated other comprehensive loss	<u>(253)</u>			
Total equity	<u>21,079</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 42,465</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2016 Consolidated Condensed Balance Sheets
(Amounts in millions)

	<u>31-Mar-16</u>	<u>30-Jun-16</u>	<u>30-Sep-16</u>	<u>31-Dec-16</u>
CURRENT ASSETS				
Cash and cash equivalents	\$ 3,176	\$ 3,751	\$ 3,180	\$ 2,233
Trade receivables, net	2,780	3,113	3,521	3,989
Inventories	997	906	927	866
Other current assets	1,284	1,202	1,083	1,340
Total current assets	<u>8,237</u>	<u>8,972</u>	<u>8,711</u>	<u>8,428</u>
INVESTMENTS IN UNCONSOLIDATED ENTITIES	1,301	1,360	1,420	1,401
PROPERTY, PLANT AND EQUIPMENT				
Property, plant and equipment	71,643	72,250	72,495	71,293
Accumulated depreciation, depletion and amortization	<u>(40,138)</u>	<u>(41,212)</u>	<u>(42,076)</u>	<u>(38,956)</u>
	31,505	31,038	30,419	32,337
LONG-TERM RECEIVABLES AND OTHER ASSETS, NET	975	1,025	1,080	943
TOTAL ASSETS	<u>\$ 42,018</u>	<u>\$ 42,395</u>	<u>\$ 41,630</u>	<u>\$ 43,109</u>
CURRENT LIABILITIES				
Current maturities of long-term debt	\$ 2,000	\$ -	\$ -	\$ -
Accounts payable	2,801	3,126	3,392	3,926
Accrued liabilities	2,025	2,141	2,296	2,436
Total current liabilities	<u>6,826</u>	<u>5,267</u>	<u>5,688</u>	<u>6,362</u>
LONG-TERM DEBT, NET	5,608	8,331	8,333	9,819
DEFERRED CREDITS AND OTHER LIABILITIES				
Deferred domestic and foreign income taxes	1,642	1,646	1,411	1,132
Other	4,153	4,050	3,902	4,299
	<u>5,795</u>	<u>5,696</u>	<u>5,313</u>	<u>5,431</u>
STOCKHOLDERS' EQUITY				
Common stock, \$.20 per share par value	178	178	178	178
Treasury stock	(9,128)	(9,136)	(9,143)	(9,143)
Additional paid-in capital	7,668	7,697	7,719	7,747
Retained earnings	25,375	24,661	23,836	22,981
Accumulated other comprehensive loss	<u>(304)</u>	<u>(299)</u>	<u>(294)</u>	<u>(266)</u>
Total equity	<u>23,789</u>	<u>23,101</u>	<u>22,296</u>	<u>21,497</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 42,018</u>	<u>\$ 42,395</u>	<u>\$ 41,630</u>	<u>\$ 43,109</u>

2017 Consolidated Condensed Cash Flow Statements
(Amounts in millions)

	Qtr 1	Qtr 2	Qtr 3	Qtr 4	YTD
CASH FLOW FROM OPERATING ACTIVITIES					
Net income	\$ 117				\$ 117
Adjustments to reconcile net income to net cash provided by operating activities:					
Discontinued operations, net	-				-
Depreciation, depletion and amortization of assets	942				942
Deferred income tax benefit	(108)				(108)
Other noncash charges to income	85				85
Asset impairments	13				13
Changes in operating assets and liabilities:					
Other operating, net	(389)				(389)
Net cash provided by operating activities	(8)				(8)
	<u>652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>652</u>
CASH FLOW FROM INVESTING ACTIVITIES					
Capital expenditures	(722)				(722)
Change in capital accrual	(41)				(41)
Payment for purchases of assets and businesses	(19)				(19)
Other, net	(37)				(37)
Net cash used by investing activities	<u>(819)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(819)</u>
CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from issuance of common stock	12				12
Cash dividends paid	(584)				(584)
Net cash provided (used) by financing activities	<u>(572)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(572)</u>
Increase (decrease) in cash and cash equivalents	(739)	-	-	-	(739)
Cash and cash equivalents - beginning of period	2,233				2,233
Cash and cash equivalents - end of period	<u>\$ 1,494</u>				<u>\$ 1,494</u>

2016 Consolidated Condensed Cash Flow Statements
(Amounts in millions)

	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TY
CASH FLOW FROM OPERATING ACTIVITIES					
Net income (loss)	\$ 78	\$ (139)	\$ (241)	\$ (272)	\$ (574)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Discontinued operations, net	(438)	3	3	4	(428)
Depreciation, depletion and amortization of assets	1,102	1,070	1,046	1,050	4,268
Deferred income tax provision (benefit)	77	(1)	(238)	(355)	(517)
Other noncash charges to income	63	2	43	49	157
Asset impairments and related items	78	-	61	526	665
Gain on sale of assets, net	(138)	-	(60)	(4)	(202)
Changes in operating assets and liabilities:	(316)	(195)	51	71	(389)
Other operating, net	(367)	63	(9)	(148)	(461)
Operating cash flow from continuing operations	139	803	656	921	2,519
Operating cash flow from discontinued operations, net of taxes	550	326	(6)	(6)	864
Net cash provided by operating activities	689	1,129	650	915	3,383
CASH FLOW FROM INVESTING ACTIVITIES					
Capital expenditures	(646)	(601)	(598)	(872)	(2,717)
Change in capital accrual	(208)	(1)	2	93	(114)
Payment for purchases of assets, net	(24)	(10)	(48)	(1,962)	(2,044)
Sales of assets and equity investments, net	285	(25)	63	(21)	302
Other, net	(44)	(60)	(61)	(4)	(169)
Net cash used by investing activities	(637)	(697)	(642)	(2,766)	(4,742)
CASH FLOW FROM FINANCING ACTIVITIES					
Change in restricted cash	1,193	-	-	-	1,193
Proceeds from long-term debt, net	-	2,718	-	1,485	4,203
Payments of long-term debt, net	(700)	(2,010)	-	-	(2,710)
Proceeds from issuance of common stock	11	18	3	4	36
Purchases of treasury stock	(7)	(8)	(7)	-	(22)
Cash dividends paid	(574)	(575)	(575)	(585)	(2,309)
Net cash provided (used) by financing activities	(77)	143	(579)	904	391
Increase (decrease) in cash and cash equivalents	(25)	575	(571)	(947)	(968)
Cash and cash equivalents - beginning of period	3,201	3,176	3,751	3,180	3,201
Cash and cash equivalents - end of period	\$ 3,176	\$ 3,751	\$ 3,180	\$ 2,233	\$ 2,233

Segment Results - After Tax Allocations
(Amounts in millions, except per share amounts)

Reported Results	2013	2014	2015	2016					2017					
				Qtr 1	Qtr 2	Qtr 3	Qtr 4	TY	Qtr 1	Qtr 2	Qtr 3	Qtr 4	YTD	
Domestic	\$ 1,233	\$ (1,522)	\$ (2,592)	\$ (372)	\$ (233)	\$ (219)	\$ (175)	\$ (999)	\$ (122)					\$ (122)
Foreign	2,506	1,002	(4,445)	5	111	141	118	375	243					243
Exploration	(1)	(95)	(161)	(6)	(23)	(5)	(14)	(48)	(5)					(5)
Oil & Gas	3,738	(615)	(7,198)	(373)	(145)	(83)	(71)	(672)	116	-	-	-	-	116
Chemical	463	263	343	138	57	75	96	366	109					109
Midstream, marketing and other	1,030	1,699	(700)	(56)	(26)	(101)	(17)	(200)	(24)					(24)
Segment Income (Loss)	5,231	1,347	(7,555)	(291)	(114)	(109)	8	(506)	201	-	-	-	-	201
Corporate														
Interest	(124)	(70)	(141)	(57)	(84)	(62)	(72)	(275)	(78)					(78)
Other	(386)	(1,674)	(577)	(140)	(61)	(92)	(412)	(705)	(70)					(70)
Unallocated taxes	211	253	127	128	123	25	208	484	64					64
Discontinued Operations	971	760	317	438	(3)	(3)	(4)	428	-					-
Net Income (Loss)	\$ 5,903	\$ 616	\$ (7,829)	\$ 78	\$ (139)	\$ (241)	\$ (272)	\$ (574)	\$ 117	\$ -	\$ -	\$ -	\$ -	\$ 117
Reported earnings (loss) per share														
Basic	\$ 7.33	\$ 0.79	\$ (10.23)	\$ 0.10	\$ (0.18)	\$ (0.32)	\$ (0.36)	\$ (0.75)	\$ 0.15					
Diluted	\$ 7.32	\$ 0.79	\$ (10.23)	\$ 0.10	\$ (0.18)	\$ (0.32)	\$ (0.36)	\$ (0.75)	\$ 0.15					
Non-Core Adjustments														
Domestic	\$ (387)	\$ (2,712)	\$ (2,207)	\$ 15	\$ -	\$ 38	\$ 16	\$ 69	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Foreign	-	(1,055)	(4,759)	-	-	(61)	(7)	(68)	-	-	-	-	-	-
Exploration	-	-	(146)	-	-	-	-	-	-	-	-	-	-	-
Oil & Gas	(387)	(3,767)	(7,112)	15	-	(23)	9	1	-	-	-	-	-	-
Chemical	85	(94)	(15)	56	-	-	-	56	-	-	-	-	-	-
Midstream, marketing and other	624	1,282	(813)	-	-	(103)	-	(103)	-	-	-	-	-	-
Segment Income (Loss)	322	(2,579)	(7,940)	71	-	(126)	9	(46)	-	-	-	-	-	-
Corporate														
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	(34)	(1,292)	(315)	(78)	-	-	(338)	(416)	-	-	-	-	-	-
Unallocated taxes	-	(56)	18	73	-	-	158	231	-	-	-	-	-	-
Discontinued Operations	971	760	317	438	(3)	(3)	(4)	428	-	-	-	-	-	-
Net Income (Loss)	\$ 1,259	\$ (3,167)	\$ (7,920)	\$ 504	\$ (3)	\$ (129)	\$ (175)	\$ 197	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Core Results														
Domestic	\$ 1,620	\$ 1,190	\$ (385)	\$ (387)	\$ (233)	\$ (257)	\$ (191)	\$ (1,068)	\$ (122)	\$ -	\$ -	\$ -	\$ -	\$ (122)
Foreign	2,506	2,057	314	5	111	202	125	443	243	-	-	-	-	243
Exploration	(1)	(95)	(15)	(6)	(23)	(5)	(14)	(48)	(5)	-	-	-	-	(5)
Oil & Gas	4,125	3,152	(86)	(388)	(145)	(60)	(80)	(673)	116	-	-	-	-	116
Chemical	378	357	358	82	57	75	96	310	109	-	-	-	-	109
Midstream, marketing and other	406	417	113	(56)	(26)	2	(17)	(97)	(24)	-	-	-	-	(24)
Segment Income (Loss)	4,909	3,926	385	(362)	(114)	17	(1)	(460)	201	-	-	-	-	201
Corporate														
Interest	(124)	(70)	(141)	(57)	(84)	(62)	(72)	(275)	(78)	-	-	-	-	(78)
Other	(352)	(382)	(262)	(62)	(61)	(92)	(74)	(289)	(70)	-	-	-	-	(70)
Unallocated taxes	211	309	109	55	123	25	50	253	64	-	-	-	-	64
Net Income (Loss)	\$ 4,644	\$ 3,783	\$ 91	\$ (426)	\$ (136)	\$ (112)	\$ (97)	\$ (771)	\$ 117	\$ -	\$ -	\$ -	\$ -	\$ 117
Core earnings (loss) per share														
Basic	\$ 5.76	\$ 4.83	\$ 0.12	\$ (0.56)	\$ (0.18)	\$ (0.15)	\$ (0.13)	\$ (1.01)	\$ 0.15					
Diluted	\$ 5.76	\$ 4.83	\$ 0.12	\$ (0.56)	\$ (0.18)	\$ (0.15)	\$ (0.13)	\$ (1.01)	\$ 0.15					

**Oil & Gas Net Production Volumes Per Day by Geographical Locations
(REPORTED)**

REPORTED PRODUCTION VOLUMES PER DAY:	2013	2014	2015	2016					2017							
				Qtr 1	Qtr 2	Qtr 3	Qtr 4	TY	Qtr 1	Qtr 2	Qtr 3	Qtr 4	YTD			
United States																
Oil (MBBL)																
Permian Resources	35	43	71	84	79	72	73	77	78							
Permian EOR	111	111	110	108	107	106	109	108	111							
South Texas & Other	30	29	21	5	4	3	2	4	3							
Total	176	183	202	197	190	181	184	189	192	-	-	-	-	-		
NGLs (MBBL)																
Permian Resources	10	12	16	19	20	23	22	21	23							
Permian EOR	29	30	29	28	27	27	26	27	24							
South Texas & Other	18	13	10	7	5	5	5	5	5							
Total	57	55	55	54	52	55	53	53	52	-	-	-	-	-		
Natural Gas (MMCF)																
Permian Resources	117	120	137	152	162	158	165	158	169							
Permian EOR	40	38	37	51	60	62	61	59	59							
South Texas & Other	371	318	250	185	135	129	126	144	124							
Total	528	476	424	388	357	349	352	361	352	-	-	-	-	-		
Latin America																
Oil (MBBL)	29	27	35	38	34	26	33	33	28							
Natural Gas (MMCF)	12	11	10	8	8	8	8	8	8							
Middle East / North Africa																
Oil (MBBL)																
Al Hosn	-	-	7	9	13	14	13	12	11							
Dolphin	6	7	7	7	7	7	7	7	7							
Oman	66	69	82	77	76	78	77	77	73							
Qatar	68	69	66	69	66	65	62	65	61							
Other	39	28	32	20	6	-	-	7	-							
Total	179	173	194	182	168	164	159	168	152	-	-	-	-	-		
NGLs (MBBL)																
Al Hosn	-	-	10	13	22	23	23	20	18							
Dolphin	7	7	8	9	8	8	9	8	8							
Total	7	7	18	22	30	31	32	28	26	-	-	-	-	-		
Natural Gas (MMCF)																
Al Hosn	-	-	109	121	200	222	216	190	167							
Dolphin	142	143	158	166	167	167	165	166	146							
Oman	51	43	44	71	114	142	132	115	131							
Other	241	236	237	230	227	-	-	114	-							
Total	434	422	548	588	708	531	513	585	444	-	-	-	-	-		
Barrels of Oil Equivalent ¹ (MBOE)	609	597	668	657	653	605	607	630	584	-	-	-	-	-		

¹ Natural gas volumes have been converted to barrels of equivalent (BOE) based on energy content of 6,000 cubic feet (Mcf) of gas to one barrel of oil.

**Oil & Gas Net Production Volumes Per Day by Geographical Locations
(ONGOING)**

ONGOING PRODUCTION VOLUMES PER DAY:	2013	2014	2015	2016					2017						
				Qtr 1	Qtr 2	Qtr 3	Qtr 4	TY	Qtr 1	Qtr 2	Qtr 3	Qtr 4	YTD		
United States															
Oil (MBBL)															
Permian Resources	35	43	71	84	79	72	73	77	78						
Permian EOR	111	111	110	108	107	106	109	108	111						
Other Domestic	1	2	2	2	1	1	1	1	1						
Total	147	156	183	194	187	179	183	186	190	-	-	-	-	-	-
NGLs (MBBL)															
Permian Resources	10	12	16	19	20	23	22	21	23						
Permian EOR	29	30	29	28	27	27	26	27	24						
Other Domestic	-	-	-	-	-	-	-	-	-						
Total	39	42	45	47	47	50	48	48	47	-	-	-	-	-	-
Natural Gas (MMCF)															
Permian Resources	117	120	137	152	162	158	165	158	169						
Permian EOR	40	38	37	51	60	62	61	59	59						
Other Domestic	30	27	23	19	17	18	16	18	16						
Total	187	185	197	222	239	238	242	235	244	-	-	-	-	-	-
Latin America															
Oil (MBBL)	29	27	35	38	34	26	33	33	28						
Natural Gas (MMCF)	12	11	10	8	8	8	8	8	8						
Middle East / North Africa															
Oil (MBBL)															
Al Hosn	-	-	7	9	13	14	13	12	11						
Dolphin	6	7	7	7	7	7	7	7	7						
Oman	66	69	82	77	76	78	77	77	73						
Qatar	68	69	66	69	66	65	62	65	61						
Total	140	145	162	162	162	164	159	161	152	-	-	-	-	-	-
NGLs (MBBL)															
Al Hosn	-	-	10	13	22	23	23	20	18						
Dolphin	7	7	8	9	8	8	9	8	8						
Total	7	7	18	22	30	31	32	28	26	-	-	-	-	-	-
Natural Gas (MMCF)															
Al Hosn	-	-	109	121	200	222	216	190	167						
Dolphin	142	143	158	166	167	167	165	166	146						
Oman	51	43	44	71	114	142	132	115	131						
Total	193	186	311	358	481	531	513	471	444	-	-	-	-	-	-
ONGOING OPERATIONS ¹ (MBOE)	427	441	529	561	581	579	583	575	559	-	-	-	-	-	-

¹ Natural gas volumes have been converted to barrels of equivalent (BOE) based on energy content of 6,000 cubic feet (Mcf) of gas to one barrel of oil.

Consolidated Capital Expenditures, DD&A Expense and Exploration Expense
(Amounts in millions)

	2013	2014	2015	2016					2017						
				Qtr 1	Qtr 2	Qtr 3	Qtr 4	YTD	Qtr 1	Qtr 2	Qtr 3	Qtr 4	YTD		
Capital Expenditures															
Oil & Gas															
Permian Resources	\$ 1,100	\$ 1,916	\$ 2,231	\$ 221	\$ 128	\$ 153	\$ 216	\$ 718	\$ 280					\$ 280	
Permian EOR	622	722	424	91	116	116	171	494	119					119	
Midcontinent & Other	901	912	109	2	4	2	4	12	1					1	
Latin America	339	310	150	11	11	13	38	73	29					29	
Middle East / North Africa	2,120	2,149	1,412	183	163	141	150	637	148					148	
Exploration Drilling	327	523	116	8	7	10	19	44	16					16	
Chemical	424	314	254	46	77	58	143	324	63					63	
Midstream, marketing and other	1,360	1,983	535	82	90	93	93	358	65					65	
Corporate	164	101	41	2	5	12	38	57	1					1	
Total	7,357	8,930	5,272	646	601	598	872	2,717	722	-	-	-	-	722	
Non-controlling interest contributions	(212)	(375)	-	-	-	-	-	-	-					-	
Cracker JV contribution	23	165	340	41	56	44	19	160	30					30	
Total	\$ 7,168	\$ 8,720	\$ 5,612	\$ 687	\$ 657	\$ 642	\$ 891	\$ 2,877	\$ 752	\$ -	\$ -	\$ -	\$ -	\$ 752	
Depreciation, Depletion & Amortization of Assets															
Oil & Gas															
United States	\$ 1,890	\$ 2,114	\$ 2,109	\$ 709	\$ 701	\$ 693	\$ 690	\$ 2,793	\$ 593					\$ 593	
Latin America	107	161	196	42	43	33	38	156	27					27	
Middle East / North Africa	1,679	1,426	1,581	175	157	147	147	626	144					144	
Chemical	346	367	371	88	81	85	86	340	86					86	
Midstream, marketing and other	149	160	249	78	78	78	79	313	81					81	
Corporate	32	33	38	10	10	10	10	40	11					11	
Total	\$ 4,203	\$ 4,261	\$ 4,544	\$ 1,102	\$ 1,070	\$ 1,046	\$ 1,050	\$ 4,268	\$ 942	\$ -	\$ -	\$ -	\$ -	\$ 942	
Exploration Expense															
United States	\$ 71	\$ 70	\$ 19	\$ 2	\$ 3	\$ 3	\$ 5	\$ 13	\$ 10					\$ 10	
Latin America	6	4	2	1	1	-	-	2	1					1	
Middle East / North Africa	63	76	15	6	23	6	12	47	-					-	
Total	\$ 140	\$ 150	\$ 36	\$ 9	\$ 27	\$ 9	\$ 17	\$ 62	\$ 11	\$ -	\$ -	\$ -	\$ -	\$ 11	