

Occidental Petroleum Corporation
Statement of Cash Flows
Reconciliation to Generally Accepted Accounting Principles (GAAP)
(\$ Millions)

	Nine Months Ended September 30,	
	2017	2016
CONDENSED STATEMENTS OF CASH FLOWS		
Net Income	\$ 814	\$ (302)
Depreciation, depletion and amortization of assets	2,926	3,218
Deferred income tax provision	(111)	(162)
Asset impairments and other non-cash charges	(466)	(383)
Operating cash flow before working capital	3,163	2,371
Working capital changes	(310)	(460)
Other, net	722	(313)
Operating cash flow from continuing operations	3,575	1,598
Capital expenditures - reported	(2,439)	(1,845)
Cracker JV investment contributions	(39)	(141)
Capital expenditures, net	(2,478)	(1,986)
Payment for purchases of assets and businesses	(1,060)	(82)
Sales of assets and equity investments, net	1,293	323
Changes in capital accrual	20	(207)
Other investing activities	(36)	(24)
Investing cash flow from continuing operations	(2,261)	(1,976)
Cash dividends	(1,754)	(1,724)
Purchase of treasury stock	(12)	(22)
Proceeds from long-term debt	-	2,718
Payment of long-term debt	-	(2,710)
Other financing activities	25	32
Financing cash flow from continuing operations	(1,741)	(1,706)
Cash flow from discontinued operations	-	870
Decrease in cash	(427)	(1,214)
Cash, cash equivalents and restricted cash beginning of the period	2,233	4,394
Cash, cash equivalents and restricted cash end of the period	1,806	3,180

Occidental Petroleum Consolidated Statement of Cash Flows

Cash flow from operating activities		
-continuing operations	3,575	1,598
-discontinued operations	-	870
Cash flow from investing activities		
-continuing operations	(2,261)	(1,976)
Cash flow from financing activities		
-continuing operations	(1,741)	(513)
Change in cash	(427)	(21)
Cash and cash equivalents - beginning of period	2,233	3,201
Cash and cash equivalents - end of period	\$ 1,806	\$ 3,180

Occidental Petroleum Corporation
Earnings Per Share
Reconciliation to Generally Accepted Accounting Principles (GAAP)
(\$/share)

Reconciliation - Diluted Earnings Per Share	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Reported Diluted Earnings Per Share	\$ 0.25	\$ (0.32)	\$ 1.06	\$ (0.40)
Less: After-Tax Non-Core Adjustments				
Oil & Gas				
Domestic	\$ 0.07	\$ 0.05	\$ 0.50	\$ 0.07
Foreign	\$ -	\$ (0.08)	\$ -	\$ (0.08)
Exploration	\$ -	\$ -	\$ -	\$ -
Chemical	\$ -	\$ -	\$ -	\$ 0.07
Midstream and Marketing	\$ -	\$ (0.13)	\$ 0.08	\$ (0.13)
Corporate				
Interest	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ (0.10)
Taxes	\$ -	\$ -	\$ -	\$ 0.09
Discontinued Operations	\$ -	\$ (0.01)	\$ -	\$ 0.56
Total After-Tax Non-Core Adjustments	\$ 0.07	\$ (0.17)	\$ 0.58	\$ 0.48
Core Diluted Earnings Per Share	\$ 0.18	\$ (0.15)	\$ 0.48	\$ (0.88)
Average Diluted Shares Outstanding (millions)	<u>766.4</u>	<u>764.0</u>	<u>765.7</u>	<u>763.7</u>

The difference between reported average diluted shares outstanding and core average diluted shares outstanding is immaterial and does not impact the calculation of core earnings per share. As such, core earnings per share is calculated as core earning (loss) divided by reported average diluted shares outstanding.

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

	Three months ended	
	<u>3/31/2017</u>	<u>9/30/2017</u>
Annualized Chemical Cash Flow	\$ 1,125	\$ 1,475
Annualized Midstream and Marketing Cash Flow	150	660
	<u>\$ 1,275</u>	<u>\$ 2,135</u>
Quarterly Chemical and Midstream and Marketing Cash Flow from above	\$ 319	\$ 534
Quarterly Oil & Gas and Corporate Cash Flow, Working Capital and Other Adjustments	333	536
Reported Operating Cash Flow from Continuing Operations	<u>\$ 652</u>	<u>\$ 1,070</u>