

Reconciliation of EBITDA Excluding LCM Adjustments to EBITDA

In Millions of Dollars	Three Months Ended					Three Months Ended			Nine Months Ended		Nine Months Ended			Last Twelve Months
	March 31,	June 30,	September 30,	December 31,	2015	March 31,	June 30,	September 30,	September 30,	September 30,	2015	September 30,	September 30,	September 30,
	2015	2015	2015	2015		2016	2016	2016	2016	2015	2015	2016	2016	
<b>EBITDA Excluding LCM Adjustments:</b>														
Olefins & Polyolefins - Americas	\$ 1,074	\$ 993	\$ 920	\$ 834	\$ 3,821	\$ 878	\$ 754	\$ 682	\$ 2,314	\$ 2,987	\$ 3,821	\$ (2,987)	\$ 2,314	\$ 3,148
Olefins & Polyolefins - EAI	357	492	555	451	1,855	549	536	584	1,669	1,404	1,855	(1,404)	1,669	2,120
Intermediates & Derivatives	381	483	506	286	1,656	354	369	304	1,027	1,370	1,656	(1,370)	1,027	1,313
Refining	154	154	143	68	519	14	(13)	(10)	(9)	451	519	(451)	(9)	59
Technology	76	57	45	65	243	83	73	45	201	178	243	(178)	201	266
Other	2	(2)	13	(26)	(13)	(3)	(4)	1	(6)	13	(13)	(13)	(6)	(32)
Total	2,044	2,177	2,182	1,678	8,081	1,875	1,715	1,606	5,196	6,403	8,081	(6,403)	5,196	6,874
<b>Less:</b>														
<b>LCM Adjustments:</b>														
Olefins & Polyolefins - Americas	43	(21)	79	59	160	-	-	-	-	101	160	(101)	-	59
Olefins & Polyolefins - EAI	-	-	6	24	30	40	(40)	-	-	6	30	(6)	-	24
Intermediates & Derivatives	44	17	46	74	181	28	(28)	-	-	107	181	(107)	-	74
Refining	5	(5)	50	127	177	-	-	-	-	50	177	(50)	-	127
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	92	(9)	181	284	548	68	(68)	-	-	264	548	(264)	-	284
<b>EBITDA:</b>														
Olefins & Polyolefins - Americas	1,031	1,014	841	775	3,661	878	754	682	2,314	2,886	3,661	(2,886)	2,314	3,089
Olefins & Polyolefins - EAI	357	492	549	427	1,825	509	576	584	1,669	1,398	1,825	(1,398)	1,669	2,096
Intermediates & Derivatives	337	466	460	212	1,475	326	397	304	1,027	1,263	1,475	(1,263)	1,027	1,239
Refining	149	159	93	(59)	342	14	(13)	(10)	(9)	401	342	(401)	(9)	(68)
Technology	76	57	45	65	243	83	73	45	201	178	243	(178)	201	266
Other	2	(2)	13	(26)	(13)	(3)	(4)	1	(6)	13	(13)	(13)	(6)	(32)
Total	\$ 1,952	\$ 2,186	\$ 2,001	\$ 1,394	\$ 7,533	\$ 1,807	\$ 1,783	\$ 1,606	\$ 5,196	\$ 6,139	\$ 7,533	\$ (6,139)	\$ 5,196	\$ 6,590

**Reconciliation of Net Income To EBITDA**

In Millions of Dollars	Three Months Ended					Three Months Ended			Nine Months Ended			Nine Months Ended			Last Twelve Months
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015	2015	March 31, 2016	June 30, 2016	September 30, 2016	September 30, 2016	September 30, 2015	2015	September 30, 2015	September 30, 2016	September 30, 2016	
Net Income	\$ 1,164	\$ 1,329	\$ 1,186	\$ 795	\$ 4,474	\$ 1,030	\$ 1,091	\$ 953	\$ 3,074	\$ 3,679	\$ 4,474	\$ (3,679)	\$ 3,074	\$ 3,869	
(Income) Loss from Discontinued Operations	3	(3)	3	2	5	-	1	2	3	3	5	(3)	3	5	
LCM Adjustments, After Tax	58	(6)	114	185	351	47	(47)	-	-	166	351	(166)	-	185	
Income from Continuing Operations Excluding LCM Adjustments	1,225	1,320	1,303	982	4,830	1,077	1,045	955	3,077	3,848	4,830	(3,848)	3,077	4,059	
Less:															
LCM Adjustments, After Tax	(58)	6	(114)	(185)	(351)	(47)	47	-	-	(166)	(351)	166	-	(185)	
Income from Continuing Operations	1,167	1,326	1,189	797	4,479	1,030	1,092	955	3,077	3,682	4,479	(3,682)	3,077	3,874	
Provision for Income Taxes	440	541	487	262	1,730	432	346	326	1,104	1,468	1,730	(1,468)	1,104	1,366	
Depreciation and Amortization	287	247	248	265	1,047	268	266	257	791	782	1,047	(782)	791	1,056	
Interest expense, net	58	72	77	70	277	77	79	68	224	207	277	(207)	224	294	
LCM Adjustments, Pre Tax	92	(9)	181	284	548	68	(68)	-	-	264	548	(264)	-	284	
EBITDA Excluding LCM Adjustments	2,044	2,177	2,182	1,678	8,081	1,875	1,715	1,606	5,196	6,403	8,081	(6,403)	5,196	6,874	
LCM Adjustments, Pre Tax	(92)	9	(181)	(284)	(548)	(68)	68	-	-	(264)	(548)	264	-	(284)	
EBITDA	<u>\$ 1,952</u>	<u>\$ 2,186</u>	<u>\$ 2,001</u>	<u>\$ 1,394</u>	<u>\$ 7,533</u>	<u>\$ 1,807</u>	<u>\$ 1,783</u>	<u>\$ 1,606</u>	<u>\$ 5,196</u>	<u>\$ 6,139</u>	<u>\$ 7,533</u>	<u>\$ (6,139)</u>	<u>\$ 5,196</u>	<u>\$ 6,590</u>	

**Reconciliation of Diluted EPS from Continuing Operations Excluding LCM Adjustments to Diluted EPS**

	Three Months Ended				2015	Three Months Ended			Nine Months Ended		Last Twelve Months
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015		March 31, 2016	June 30, 2016	September 30, 2016	September 30, 2016	September 30, 2015	September 30, 2016
Diluted Earnings Per Share from Continuing Operations Excluding LCM Adjustments	\$ 2.54	\$ 2.79	\$ 2.80	\$ 2.20	\$ 10.35	\$ 2.48	\$ 2.45	\$ 2.31	\$ 7.24	\$ 8.13	\$ 9.43
Less:											
LCM Adjustments	0.12	(0.02)	0.25	0.42	0.75	0.11	(0.11)	-	-	0.35	0.43
Diluted Earnings Per Share	<u>\$ 2.42</u>	<u>\$ 2.81</u>	<u>\$ 2.55</u>	<u>\$ 1.78</u>	<u>\$ 9.60</u>	<u>\$ 2.37</u>	<u>\$ 2.56</u>	<u>\$ 2.31</u>	<u>\$ 7.24</u>	<u>\$ 7.78</u>	<u>\$ 9.00</u>

Reconciliation of Operating Income Excluding LCM Adjustments to Operating Income

In Millions of Dollars	Three Months Ended					Three Months Ended			Nine Months Ended			Nine Months Ended		Last Twelve Months
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015	2015	March 31, 2016	June 30, 2016	September 30, 2016	September 30, 2016	September 30, 2015	2015	September 30, 2015	September 30, 2016	September 30, 2016
Operating Income Excluding LCM	\$ 1,667	\$ 1,836	\$ 1,831	\$ 1,336	\$ 6,670	\$ 1,428	\$ 1,335	\$ 1,249	\$ 4,012	\$ 5,334	\$ 6,670	\$ (5,334)	\$ 4,012	\$ 5,348
Less:														
LCM Inventory Valuation Adjustment	92	(9)	181	284	548	68	(68)	-	-	264	548	(264)	-	284
Operating Income	<u>\$ 1,575</u>	<u>\$ 1,845</u>	<u>\$ 1,650</u>	<u>\$ 1,052</u>	<u>\$ 6,122</u>	<u>\$ 1,360</u>	<u>\$ 1,403</u>	<u>\$ 1,249</u>	<u>\$ 4,012</u>	<u>\$ 5,070</u>	<u>\$ 6,122</u>	<u>\$ (5,070)</u>	<u>\$ 4,012</u>	<u>\$ 5,064</u>

**Components of Cash and Liquid Investments**

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<b><u>In Millions of Dollars</u></b>	<b><u>September 30, 2015</u></b>	<b><u>June 30, 2016</u></b>	<b><u>September 30, 2016</u></b>
Cash and Cash Equivalents	\$ 1,474	\$ 1,060	\$ 740
Short-Term Investments	1,602	1,023	1,090
Repurchase Agreements	448	462	296
Cash and Liquid Investments	<u>\$ 3,524</u>	<u>\$ 2,545</u>	<u>\$ 2,126</u>

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**Reconciliation of Free Cash Flow to Net Cash Provided by Operating Activities**

<b>In Millions of Dollars</b>	<b>For the Years Ended December 31,</b>			<b>Three Months Ended</b>			<b>Three Months Ended</b>			<b>For the Year</b>	<b>Nine Months Ended</b>		<b>Last Twelve</b>
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>March 31,</b>	<b>June 30,</b>	<b>September 30,</b>	<b>March 31,</b>	<b>June 30,</b>	<b>September 30,</b>	<b>Ended</b>	<b>September 30,</b>	<b>September 30,</b>	<b>Months</b>
				<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>December 31,</b>	<b>2015</b>	<b>2016</b>	<b>September 30,</b>
Free Cash Flow	\$ 3,274	\$ 4,549	\$ 4,402	\$ 773	\$ 698	\$ 746	\$ 1,162	\$ 1,168	\$ 1,395	\$ 4,402	\$ (3,725)	\$ 2,217	\$ 2,894
Add:													
Capital Expenditures	1,561	1,499	1,440	527	563	586	306	278	373	1,440	(957)	1,676	2,159
Net Cash Provided by Operating Activities	<u>\$ 4,835</u>	<u>\$ 6,048</u>	<u>\$ 5,842</u>	<u>\$ 1,300</u>	<u>\$ 1,261</u>	<u>\$ 1,332</u>	<u>\$ 1,468</u>	<u>\$ 1,446</u>	<u>\$ 1,768</u>	<u>\$ 5,842</u>	<u>\$ (4,682)</u>	<u>\$ 3,893</u>	<u>\$ 5,053</u>

## Calculation of Free Cash Flow Yield

<b>In Millions of Dollars (except share data)</b>	<b>For the Years Ended December 31,</b>			<b>Nine Months Ended</b>	<b>Estimated <sup>(a)</sup></b>
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>September 30, 2016</b>	<b>2016</b>
Net Cash Provided by Operating Activities	\$ 4,835	\$ 6,048	\$ 5,842	\$ 3,893	\$ 5,191
Less:					
Capital Expenditures	1,561	1,499	1,440	1,676	2,235
Free Cash Flow	\$ 3,274	\$ 4,549	\$ 4,402	\$ 2,217	\$ 2,956
Divided by:					
Market Capital:					
Common stock outstanding	548,824,138	486,969,402	440,150,069	409,165,559	
Closing Share Price, end of period	\$ 80.28	\$ 79.39	\$ 86.90	\$ 80.66	
Market Capital	\$ 44,060	\$ 38,661	\$ 38,249	\$ 33,003	\$ 33,003
Free Cash Flow Yield	<u>7.4%</u>	<u>11.8%</u>	<u>11.5%</u>		<u>9.0%</u>

(a) Estimated Free Cash Flow for 2016 is annualized based on the nine months ended September 30, 2016 and using market capital as of September 30, 2016.

Schedule of Spending for Dividends and Share Repurchases

In Millions of Dollars	For the Years Ended December 31,			Three Months Ended						For the Year Ended	Nine Months Ended		Last Twelve Months
	2013	2014	2015	March 31, 2016	June 30, 2016	September 30, 2016	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015	September 30, 2015	September 30, 2016	September 30, 2016
	Interim Dividends	\$ 1,127	\$ 1,403	\$ 1,410	\$ 336	\$ 362	\$ 351	\$ 334	\$ 368	\$ 361	\$ 1,410	\$ (1,063)	\$ 1,049
Repurchases of Ordinary Shares	1,949	5,788	4,656	986	\$ 696	\$ 819	1,359	\$ 778	\$ 1,299	4,656	(3,436)	2,501	3,721
Total	<u>\$ 3,076</u>	<u>\$ 7,191</u>	<u>\$ 6,066</u>	<u>\$ 1,322</u>	<u>\$ 1,058</u>	<u>\$ 1,170</u>	<u>\$ 1,693</u>	<u>\$ 1,146</u>	<u>\$ 1,660</u>	<u>\$ 6,066</u>	<u>\$ (4,499)</u>	<u>\$ 3,550</u>	<u>\$ 5,117</u>