

Reconciliation of EBITDA Excluding LCM Adjustments to EBITDA

In Million of Dollars	Three Months Ended				2014	Three Months Ended	Three Months Ended		Last Twelve Months	
	March 31,	June 30,	September 30,	December 31,		March 31	March 31,	March 31	March 31	
	2014	2014	2014	2014		2015	2014	2015	2015	
EBITDA Excluding LCM Adjustments:										
Olefins & Polyolefins - Americas	\$ 736	\$ 978	\$ 1,202	\$ 1,274	\$ 4,190	\$ 1,074	\$ 4,190	\$ (736)	\$ 1,074	\$ 4,528
Olefins & Polyolefins - EAI	356	319	343	392	1,410	357	1,410	(356)	357	1,411
Intermediates & Derivatives	375	430	383	364	1,552	381	1,552	(375)	381	1,558
Refining	129	137	110	33	409	154	409	(129)	154	434
Technology	76	71	41	44	232	76	232	(76)	76	232
Other	(4)	6	1	14	17	2	17	4	2	23
Total	1,668	1,941	2,080	2,121	7,810	2,044	7,810	(1,668)	2,044	8,186
Less:										
LCM Adjustments:										
Olefins & Polyolefins - Americas	-	-	45	234	279	43	279	-	43	322
Olefins & Polyolefins - EAI	-	-	-	44	44	-	44	-	-	44
Intermediates & Derivatives	-	-	-	93	93	44	93	-	44	137
Refining	-	-	-	344	344	5	344	-	5	349
Technology	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total	-	-	45	715	760	92	760	-	92	852
EBITDA:										
Olefins & Polyolefins - Americas	736	978	1,157	1,040	3,911	1,031	3,911	(736)	1,031	4,206
Olefins & Polyolefins - EAI	356	319	343	348	1,366	357	1,366	(356)	357	1,367
Intermediates & Derivatives	375	430	383	271	1,459	337	1,459	(375)	337	1,421
Refining	129	137	110	(311)	65	149	65	(129)	149	85
Technology	76	71	41	44	232	76	232	(76)	76	232
Other	(4)	6	1	14	17	2	17	4	2	23
Total	\$ 1,668	\$ 1,941	\$ 2,035	\$ 1,406	\$ 7,050	\$ 1,952	\$ 7,050	\$ (1,668)	\$ 1,952	\$ 7,334

Reconciliation of Operating Income Excluding LCM Adjustments to Operating Income

<u>In Million of Dollars</u>	<u>2014</u>	<u>Three Months Ended</u>		<u>Last Twelve</u>
		<u>March 31,</u>	<u>March 31</u>	<u>Months</u>
		<u>2014</u>	<u>2015</u>	<u>March 31</u>
				<u>2015</u>
Operating Income Excluding LCM	\$ 6,496	\$ (1,340)	\$ 1,667	\$ 6,823
Less:				
LCM Inventory Valuation Adjustment	760	-	92	852
Operating Income	<u>\$ 5,736</u>	<u>\$ (1,340)</u>	<u>\$ 1,575</u>	<u>\$ 5,971</u>

Reconciliation of Net Income To EBITDA

In Million of Dollars	Three Months Ended				2014	Three Months Ended	Three Months Ended		Last Twelve Months	
	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014		March 31 2015	2014	March 31, 2014	March 31 2015	March 31 2015
Net Income Attributable to the Company Shareholders	\$ 945	\$ 1,178	\$ 1,258	\$ 793	\$ 4,174	\$ 1,166	\$ 4,174	\$ (945)	\$ 1,166	\$ 4,395
Net Loss Attributable to Non-Controlling Interests	(1)	(2)	(1)	(2)	(6)	(2)	(6)	1	(2)	(7)
(Income) Loss from Discontinued Operations	(1)	(3)	3	5	4	3	4	1	3	8
LCM Adjustments, After Tax	-	-	28	455	483	58	483	-	58	541
Income from Continuing Operations Excluding LCM Adjustments	943	1,173	1,288	1,251	4,655	1,225	4,655	(943)	1,225	4,937
Less:										
LCM Adjustments, After Tax	-	-	(28)	(455)	(483)	(58)	(483)	-	(58)	(541)
Income from Continuing Operations	943	1,173	1,260	796	4,172	1,167	4,172	(943)	1,167	4,396
Provision for Income Taxes	383	425	434	298	1,540	440	1,540	(383)	440	1,597
Depreciation and Amortization	256	254	262	247	1,019	287	1,019	(256)	287	1,050
Interest expense, net	86	89	79	65	319	58	319	(86)	58	291
Add:										
LCM Adjustments, Pre Tax	-	-	45	715	760	92	760	-	92	852
EBITDA Excluding LCM Adjustments	1,668	1,941	2,080	2,121	7,810	2,044	7,810	(1,668)	2,044	8,186
Less:										
LCM Adjustments, Pre Tax	-	-	45	715	760	92	760	-	92	852
EBITDA	\$ 1,668	\$ 1,941	\$ 2,035	\$ 1,406	\$ 7,050	\$ 1,952	\$ 7,050	\$ (1,668)	\$ 1,952	\$ 7,334

Reconciliation of Diluted EPS Excluding LCM Adjustments to Diluted EPS

	Three Months Ended				2014	Three Months Ended
	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014		March 31 2015
Diluted Earnings Per Share Excluding LCM Adjustments	\$ 1.72	\$ 2.22	\$ 2.51	\$ 2.48	\$ 8.92	\$ 2.54
Less:						
LCM Adjustments	-	-	0.05	0.91	0.92	0.12
Diluted Earnings Per Share	\$ 1.72	\$ 2.22	\$ 2.46	\$ 1.57	\$ 8.00	\$ 2.42

Components of Cash and Short-Term Securities

<u>In Million of Dollars</u>	<u>March 31, 2014</u>	<u>December 31, 2015</u>	<u>March 31 2015</u>
Cash and Cash Equivalents	\$ 2,702	\$ 1,031	\$ 1,616
Short-Term Investments	1,402	1,593	1,478
Repurchase Agreements ⁽¹⁾	275	350	488
Cash and Short-Term Securities	<u>\$ 4,379</u>	<u>\$ 2,974</u>	<u>\$ 3,582</u>

(1) These tri-party repurchase agreements mature within the next twelve months are classified as short-term loans receivable, which are included in Prepaids and Other Current Assets in our Consolidated Balance Sheet.

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

In Million of Dollars	For the Years Ended December 31,			For the Year	Three Months Ended		Last Twelve
	2012	2013	2014	Ended	March 31,	March 31	Months
	December 31,	March 31,	March 31	December 31,	2014	2015	March 31
	2014	2014	2015	2014	2014	2015	2015
Free Cash Flow	\$ 3,727	\$ 3,274	\$ 4,549	\$ 4,549	\$ (458)	\$ 1,162	\$ 5,253
Add:							
Capital Expenditures	1,060	1,561	1,499	1,499	(343)	306	1,462
Net Cash Provided by Operating Activities	<u>\$ 4,787</u>	<u>\$ 4,835</u>	<u>\$ 6,048</u>	<u>\$ 6,048</u>	<u>\$ (801)</u>	<u>\$ 1,468</u>	<u>\$ 6,715</u>

Reconciliation of Ratio of Total Debt to Last Twelve Months (LTM) EBITDA

<u>In Million of Dollars</u>	Three Months Ended				Last Twelve Months
	June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015	
Current Maturities of Long-Term Debt					\$ 4
Short-Term Debt					514
Long-Term Debt					7,749
Total Debt as of March 31, 2015					<u>8,267</u>
Divided by:					
EBITDA	\$ 1,941	\$ 2,035	\$ 1,406	\$ 1,952	\$ 7,334
Ratio of Total Debt to LTM EBITDA					<u>1.1 x</u>
Lower of Cost or Market (LCM) Inventory Valuation Adjustment	-	45	715	92	852
EBITDA excluding LCM	\$ 1,941	\$ 2,080	\$ 2,121	\$ 2,044	\$ 8,186
Ratio of Total Debt to LTM EBITDA excluding LCM					<u>1.0x</u>

Reconciliation of Ratio of Total Debt to Book Capital

<u>In Million of Dollars</u>	<u>December 31, 2014</u>
Current Maturities of Long-Term Debt	\$ 4
Short-Term Debt	514
Long-Term Debt	<u>7,749</u>
Total Debt	<u>8,267</u>
Divided by Total Book Capital:	
Total Debt	8,267
Total Equity	<u>7,506</u>
Total Book Capital	<u>\$ 15,773</u>
Ratio of Total Debt to Book Capital	<u><u>52%</u></u>

Schedule of Spending for Dividends and Share Repurchases

<u>In Million of Dollars</u>	<u>For the Years Ended December 31,</u>			<u>For the Year</u>	<u>Three Months Ended</u>		<u>Last Twelve</u>
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Ended</u>	<u>March 31,</u>	<u>March 31</u>	<u>Months</u>
				<u>December 31,</u>	<u>2014</u>	<u>2015</u>	<u>March 31</u>
				<u>2014</u>			<u>2015</u>
Interim Dividends	\$ 833	\$ 1,127	\$ 1,403	\$ 1,403	\$ (327)	\$ 334	\$ 1,410
Special Dividends	1,582	-	-	-	-	-	-
Total Dividends	2,415	1,127	1,403	1,403	(327)	334	1,410
Repurchases of Ordinary Shares	-	1,949	5,788	5,788	(1,201)	1,359	5,946
Total	\$ 2,415	\$ 3,076	\$ 7,191	\$ 7,191	\$ (1,528)	\$ 1,693	\$ 7,356