

**Reconciliation of EBITDA Excluding LCM Adjustments to EBITDA**

In Millions of Dollars	Three Months Ended					Three Months Ended		Six Months Ended		Six Months Ended		Last Twelve Months	
	March 31,	June 30,	September 30,	December 31,	2015	March 31,	June 30,	June 30,	June 30,	2015	June 30,	June 30,	June 30,
	2015	2015	2015	2015		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	\$ 1,632	\$ 2,067	\$ 3,821	\$ (2,067)	\$ 1,632	\$ 3,386
Olefins & Polyolefins - EAI	357	492	555	451	1,855	549	536	1,085	849	1,855	(849)	1,085	2,091
Intermediates & Derivatives	381	483	506	286	1,656	354	369	723	864	1,656	(864)	723	1,515
Refining	154	154	143	68	519	14	(13)	1	308	519	(308)	1	212
Technology	76	57	45	65	243	83	73	156	133	243	(133)	156	266
Other	2	(2)	13	(26)	(13)	(3)	(4)	(7)	-	(13)	-	(7)	(20)
Total	2,044	2,177	2,182	1,678	8,081	1,875	1,715	3,590	4,221	8,081	(4,221)	3,590	7,450
<b>Less:</b>													
<b>LCM Adjustments:</b>													
Olefins & Polyolefins - Americas	43	(21)	79	59	160	-	-	-	22	160	(22)	-	138
Olefins & Polyolefins - EAI	-	-	6	24	30	40	(40)	-	-	30	-	-	30
Intermediates & Derivatives	44	17	46	74	181	28	(28)	-	61	181	(61)	-	120
Refining	5	(5)	50	127	177	-	-	-	-	177	-	-	177
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	92	(9)	181	284	548	68	(68)	-	83	548	(83)	-	465
<b>EBITDA:</b>													
Olefins & Polyolefins - Americas	1,031	1,014	841	775	3,661	878	754	1,632	2,045	3,661	(2,045)	1,632	3,248
Olefins & Polyolefins - EAI	357	492	549	427	1,825	509	576	1,085	849	1,825	(849)	1,085	2,061
Intermediates & Derivatives	337	466	460	212	1,475	326	397	723	803	1,475	(803)	723	1,395
Refining	149	159	93	(59)	342	14	(13)	1	308	342	(308)	1	35
Technology	76	57	45	65	243	83	73	156	133	243	(133)	156	266
Other	2	(2)	13	(26)	(13)	(3)	(4)	(7)	-	(13)	-	(7)	(20)
Total	\$ 1,952	\$ 2,186	\$ 2,001	\$ 1,394	\$ 7,533	\$ 1,807	\$ 1,783	\$ 3,590	\$ 4,138	\$ 7,533	\$ (4,138)	\$ 3,590	\$ 6,985

**Reconciliation of Net Income To EBITDA**

<u>In Millions of Dollars</u>	Three Months Ended				2015	Three Months Ended		Six Months Ended			Six Months Ended		Last Twelve Months
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015		March 31, 2016	June 30, 2016	June 30, 2016	June 30, 2015	2015	June 30, 2015	June 30, 2016	June 30, 2016
Net Income	\$ 1,164	\$ 1,329	\$ 1,186	\$ 795	\$ 4,474	\$ 1,030	\$ 1,091	\$ 2,121	\$ 2,493	\$ 4,474	\$ (2,493)	\$ 2,121	\$ 4,102
(Income) Loss from Discontinued Operations	3	(3)	3	2	5	-	1	1	-	5	-	1	6
LCM Adjustments, After Tax	58	(6)	114	185	351	47	(47)	-	52	351	(52)	-	299
Income from Continuing Operations Excluding LCM Adjustments	1,225	1,320	1,303	982	4,830	1,077	1,045	2,122	2,545	4,830	(2,545)	2,122	4,407
Less:													
LCM Adjustments, After Tax	(58)	6	(114)	(185)	(351)	(47)	47	-	(52)	(351)	52	-	(299)
Income from Continuing Operations	1,167	1,326	1,189	797	4,479	1,030	1,092	2,122	2,493	4,479	(2,493)	2,122	4,108
Provision for Income Taxes	440	541	487	262	1,730	432	346	778	981	1,730	(981)	778	1,527
Depreciation and Amortization	287	247	248	265	1,047	268	266	534	534	1,047	(534)	534	1,047
Interest expense, net	58	72	77	70	277	77	79	156	130	277	(130)	156	303
LCM Adjustments, Pre Tax	92	(9)	181	284	548	68	(68)	-	83	548	(83)	-	465
EBITDA Excluding LCM Adjustments	2,044	2,177	2,182	1,678	8,081	1,875	1,715	3,590	4,221	8,081	(4,221)	3,590	7,450
LCM Adjustments, Pre Tax	(92)	9	(181)	(284)	(548)	(68)	68	-	(83)	(548)	83	-	(465)
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>\$ 3,590</u>	<u>\$ 4,138</u>	<u>\$ 7,533</u>	<u>\$ (4,138)</u>	<u>\$ 3,590</u>	<u>\$ 6,985</u>

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

	Three Months Ended				2015	Three Months Ended		Six Months Ended	
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015		March 31, 2016	June 30, 2016	June 30, 2016	June 30, 2015
Diluted Earnings Per Share from Continuing Operations Excluding LCM Adjustments	\$ 2.54	\$ 2.79	\$ 2.80	\$ 2.20	\$ 10.35	\$ 2.48	\$ 2.45	\$ 4.93	\$ 5.33
Less:									
LCM Adjustments	0.12	(0.02)	0.25	0.42	0.75	0.11	(0.11)	-	0.11
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>\$ 4.93</u>	<u>\$ 5.22</u>

**Reconciliation of Operating Income Excluding LCM Adjustments to Operating Income**

<u>In Millions of Dollars</u>	Three Months Ended				2015	Three Months Ended		Six Months Ended		2015	Six Months Ended		Last Twelve Months
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015		March 31, 2016	June 30, 2016	June 30, 2016	June 30, 2015		June 30, 2015	June 30, 2016	June 30, 2016
Operating Income Excluding LCM	\$ 1,667	\$ 1,836	\$ 1,831	\$ 1,336	\$ 6,670	\$ 1,428	\$ 1,335	\$ 2,763	\$ 3,503	\$ 6,670	\$ (3,503)	\$ 2,763	\$ 5,930
Less:													
LCM Inventory Valuation Adjustment	92	(9)	181	284	548	68	(68)	-	83	548	(83)	-	465
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>\$ 2,763</u>	<u>\$ 3,420</u>	<u>\$ 6,122</u>	<u>\$ (3,420)</u>	<u>\$ 2,763</u>	<u>\$ 5,465</u>

## Components of Cash and Liquid Investments

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<u>In Millions of Dollars</u>	<u>June 30, 2015</u>	<u>March 31, 2016</u>	<u>June 30, 2016</u>
Cash and Cash Equivalents	\$ 1,325	\$ 1,318	\$ 1,060
Short-Term Investments	1,989	1,332	1,023
Repurchase Agreements	497	302	462
Cash and Liquid Investments	<u>\$ 3,811</u>	<u>\$ 2,952</u>	<u>\$ 2,545</u>

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

<u>In Millions of Dollars</u>	<u>For the Years Ended December 31,</u>			<u>Three Months Ended</u>		<u>Three Months Ended</u>		<u>For the Year</u>	<u>Six Months Ended</u>		<u>Last Twelve</u>
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>March 31,</u>	<u>June 30,</u>	<u>March 31,</u>	<u>June 30,</u>	<u>Ended</u>	<u>June 30,</u>	<u>June 30,</u>	<u>Months</u>
				<u>2016</u>	<u>2016</u>	<u>2015</u>	<u>2015</u>	<u>December 31,</u>	<u>2015</u>	<u>2016</u>	<u>June 30,</u>
Free Cash Flow	\$ 3,274	\$ 4,549	\$ 4,402	\$ 773	\$ 698	\$ 1,162	\$ 1,168	\$ 4,402	\$ (2,330)	\$ 1,471	\$ 3,543
Add:											
Capital Expenditures	1,561	1,499	1,440	527	563	306	278	1,440	(584)	1,090	1,946
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>\$ 1,468</u>	<u>\$ 1,446</u>	<u>\$ 5,842</u>	<u>\$ (2,914)</u>	<u>\$ 2,561</u>	<u>\$ 5,489</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>Six Months</b>	<b>Estimated <sup>(a)</sup></b>
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>Ended June 30, 2016</b>	<b>2016</b>
Net Cash Provided by Operating Activities	\$ 4,835	\$ 6,048	\$ 5,842	\$ 2,561	\$ 5,122
Less:					
Capital Expenditures	1,561	1,499	1,440	1,090	2,180
Free Cash Flow	\$ 3,274	\$ 4,549	\$ 4,402	\$ 1,471	\$ 2,942
Divided by:					
Market Capital:					
Common stock outstanding	548,824,138	486,969,402	440,150,069	419,381,566	
Closing Share Price, end of period	\$ 80.28	\$ 79.39	\$ 86.90	\$ 74.42	
Market Capital	\$ 44,060	\$ 38,661	\$ 38,249	\$ 31,210	\$ 31,210
Free Cash Flow Yield	<u>7.4%</u>	<u>11.8%</u>	<u>11.5%</u>		<u>9.4%</u>

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

**Schedule of Spending for Dividends and Share Repurchases**

	For the Years Ended December 31,			Three Months Ended				For the Year Ended	Six Months Ended		Last Twelve Months
	2013	2014	2015	March 31, 2016	June 30, 2016	March 31, 2015	June 30, 2015	December 31, 2015	June 30, 2015	June 30, 2016	June 30, 2016
<b><u>In Millions of Dollars</u></b>											
Interim Dividends	\$ 1,127	\$ 1,403	\$ 1,410	\$ 336	\$ 362	\$ 334	\$ 368	\$ 1,410	\$ (702)	\$ 698	\$ 1,406
Repurchases of Ordinary Shares	1,949	5,788	4,656	986	\$ 696	1,359	\$ 778	4,656	(2,137)	1,682	4,201
Total	<u>\$ 3,076</u>	<u>\$ 7,191</u>	<u>\$ 6,066</u>	<u>\$ 1,322</u>	<u>\$ 1,058</u>	<u>\$ 1,693</u>	<u>\$ 1,146</u>	<u>\$ 6,066</u>	<u>\$ (2,839)</u>	<u>\$ 2,380</u>	<u>\$ 5,607</u>