

Credit Suisse 31st Annual Basic Materials Conference

Jim Guilfoyle

EVP Advanced Polymer Solutions and Global Supply Chain

September 12, 2018

Cautionary Statement

The statements in this presentation relating to matters that are not historical facts are forward-looking statements. These forward-looking statements are based upon assumptions of management which are believed to be reasonable at the time made and are subject to significant risks and uncertainties. Actual results could differ materially based on factors including, but not limited to, the business cyclicality of the chemical, polymers and refining industries; the availability, cost and price volatility of raw materials and utilities, particularly the cost of crude oil, natural gas, and associated natural gas liquids; competitive product and pricing pressures; labor conditions; our ability to attract and retain key personnel; operating interruptions (including leaks, explosions, fires, weather-related incidents, mechanical failure, unscheduled downtime, supplier disruptions, labor shortages, strikes, work stoppages or other labor difficulties, transportation interruptions, spills and releases and other environmental risks); the supply/demand balances for our and our joint ventures' products, and the related effects of industry production capacities and operating rates; our ability to achieve expected cost savings and other synergies; our ability to successfully execute projects and growth strategies; any proposed business combination, the expected timetable for completing any proposed transactions and the receipt of any required governmental approvals, future financial and operating results, benefits and synergies of any proposed transactions, future opportunities for the combined company; legal and environmental proceedings; tax rulings, consequences or proceedings; technological developments, and our ability to develop new products and process technologies; potential governmental regulatory actions; political unrest and terrorist acts; risks and uncertainties posed by international operations, including foreign currency fluctuations; and our ability to comply with debt covenants and service our debt. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in the "Risk Factors" section of our Form 10-K for the year ended December 31, 2017, which can be found at www.lyondellbasell.com on the Investor Relations page and on the Securities and Exchange Commission's website at www.sec.gov.

The illustrative results or returns of growth projects are not in any way intended to be, nor should they be taken as, indicators or guarantees of performance. The assumptions on which they are based are not projections and do not necessarily represent the Company's expectations and future performance. You should not rely on illustrated results or returns or these assumptions as being indicative of our future results or returns.

This presentation contains time sensitive information that is accurate only as of the date hereof. Information contained in this presentation is unaudited and is subject to change. We undertake no obligation to update the information presented herein except as required by law.

Reconciliations for our non-GAAP measures can be found in the Appendix to this presentation or on our website at www.lyondellbasell.com/investorrelations.

LyondellBasell

A Strong, Global Company Delivering Outstanding Performance

GLOBAL

\$48 billion enterprise value⁽¹⁾

Manufacturing in **24** countries and our products are sold in more than **100** countries

LEADING⁽²⁾



GROWING

OLEFINS & POLYOLEFINS

Expanded polypropylene compounds capacity in **China, India** and **Europe**

Building the first world-scale **Hyperzone HDPE plant**

Acquired A. Schulman

INTERMEDIATES & DERIVATIVES

Site preparation for the world's largest **PO/TBA plant** on track

(1) Enterprise value means market capitalization plus preferred equity (non-controlling interests), total debt and minority interest less cash and cash equivalents and short term investments as of June 30, 2018.

(2) Source IHS, LYB. 2017 ranking as of Dec. 31, 2017

LyondellBasell 2Q 2018 Last Twelve Months

Delivering Results

\$ 5.8 billion
Net Income

\$ 7.5 billion
EBITDA

9.5%
Free Cash Flow Yield

35%
Total Shareholder Return⁽¹⁾

Advancing Growth

Exclusive Negotiations
with Odebrecht S.A.

Premium Polyolefin Recycling JV with Suez

Construction on track for *Hyperzone* HDPE
1.1 billion lb

Acquisition⁽²⁾ of
A. Schulman

New Compounding Plant
Dalian, China

Building the world's largest
PO/TBA Plant

Capturing Opportunity

Refinery Reliability
Capturing Margin

Monetizing Innovation
by Licensing Technology

Targeted Investment
In Project Management & Execution

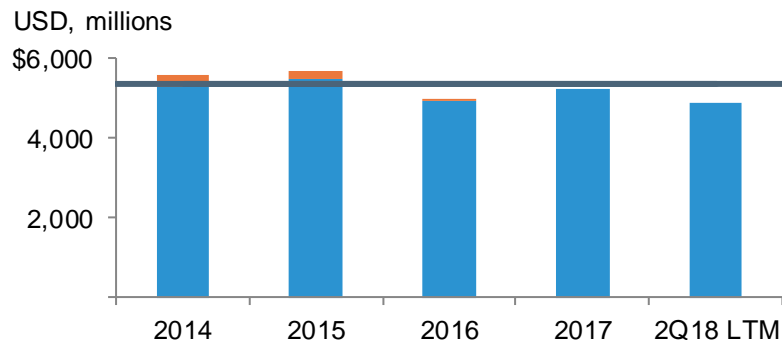
(1) Source: CapitalIQ

(2) A. Schulman was acquired on August 21, 2018

LYB Portfolio Diversity Increases Earnings Resiliency

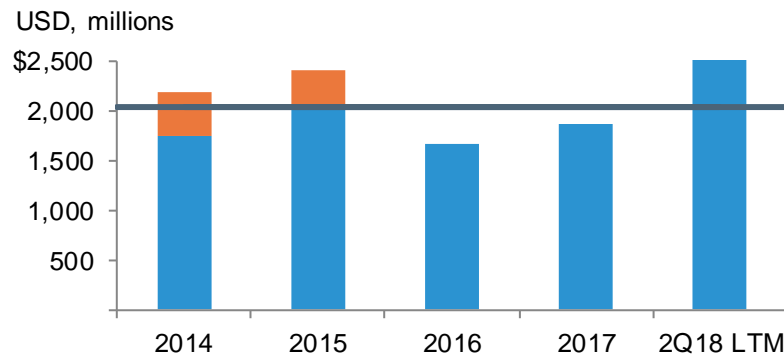
O&P Americas and O&P EAI EBITDA

■ O&P Americas and O&P EAI EBITDA ■ LCM
 — 2014-17 Average EBITDA ex. LCM

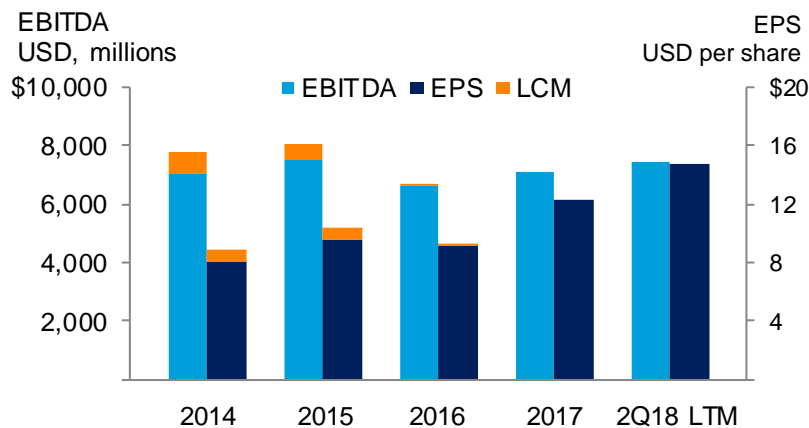


I&D, Refining and Technology EBITDA

■ I&D, Refining and Technology EBITDA ■ LCM
 — 2014-17 Average EBITDA ex. LCM



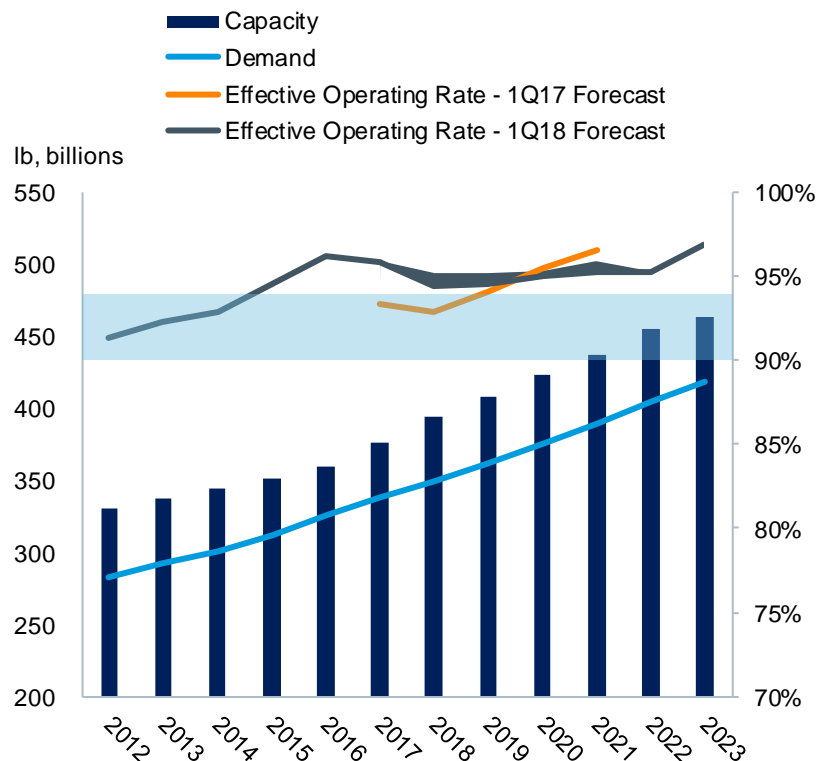
LyondellBasell Profitability



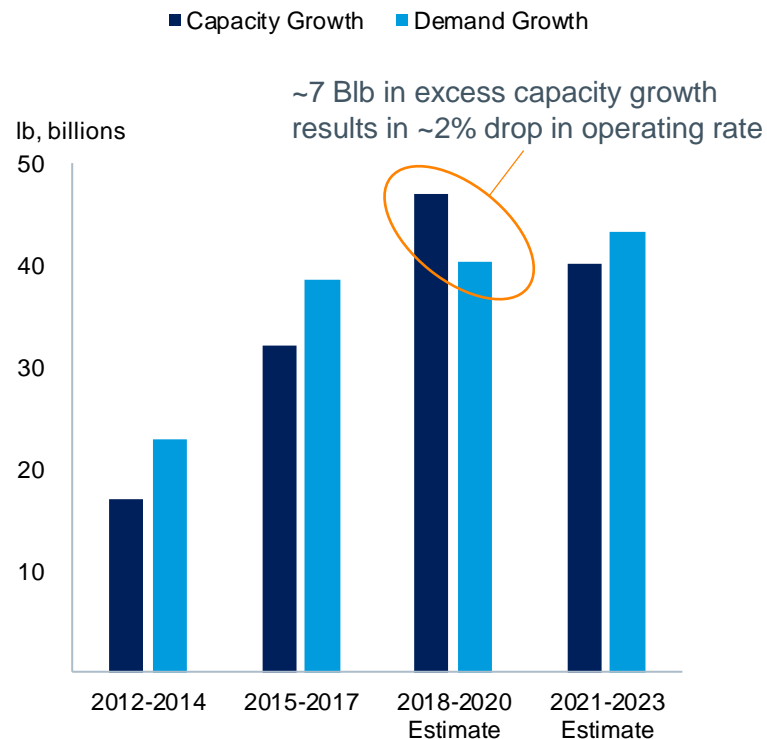
Broad global portfolio improves earnings stability

Industry Capacity Additions Serving Strong Global Demand Growth

Global Ethylene Supply & Demand⁽¹⁾



Global Ethylene Supply & Demand Growth⁽¹⁾



Project delays and constrained supply due to Chinese reforms and Hurricane Harvey support a short and shallow downturn thesis

(1) Source: IHS, Wood Mackenzie, LYB estimates, effective operating rate assuming 6% industry downtime. Based on 2017 updated balances.

Majority of New N. America Industry Capacity Already in the Market

Status & Impact of New Capacity

- Ethylene units are running well
- Not all PE units are operating at full rates
- PE exports are expected to increase

2016-2019: N. America Capacity Startups⁽¹⁾

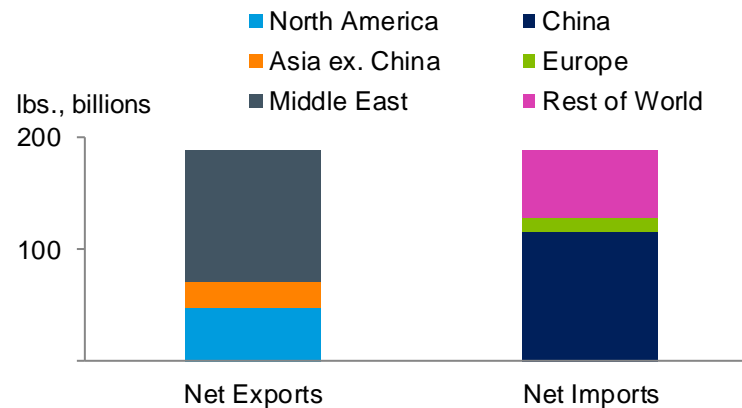
~ 65% of 24 Blbs of Ethylene

~ 65% of 19 Blbs of Polyethylene

2018 YTD: Strong Operations and Markets⁽²⁾

	Ethylene Effective Operating Rate	Polyethylene Domestic Demand Growth
U.S. & Canada	95%	4.6%
Northeast Asia	97%	6.6%
Europe	96%	1.2%

2016-2019: Polyethylene Trade⁽¹⁾

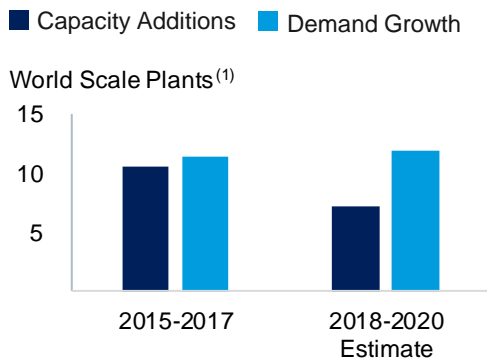


(1) Source: IHS and LYB estimates.

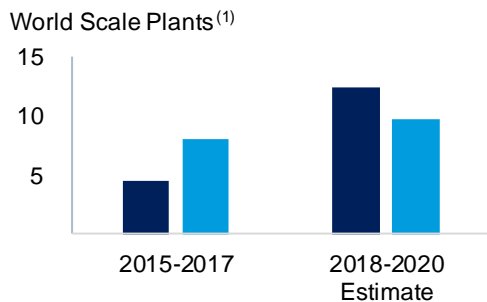
(2) Source: IHS and LYB estimates. Polyethylene domestic demand growth is YTD 2018 compared to YTD 2017. YTD 2018 includes actuals for 1Q18 and IHS forecasts for 2Q18.

LYB's *Hyperzone* PE Technology is Poised to Capture HDPE Demand

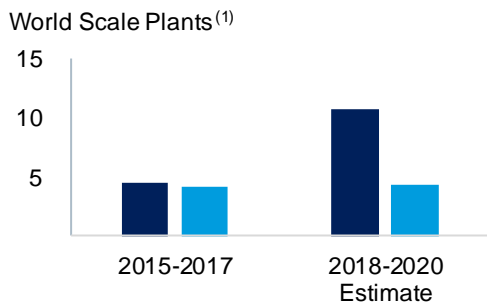
HDPE



LLDPE



LDPE



La Porte *Hyperzone* HDPE

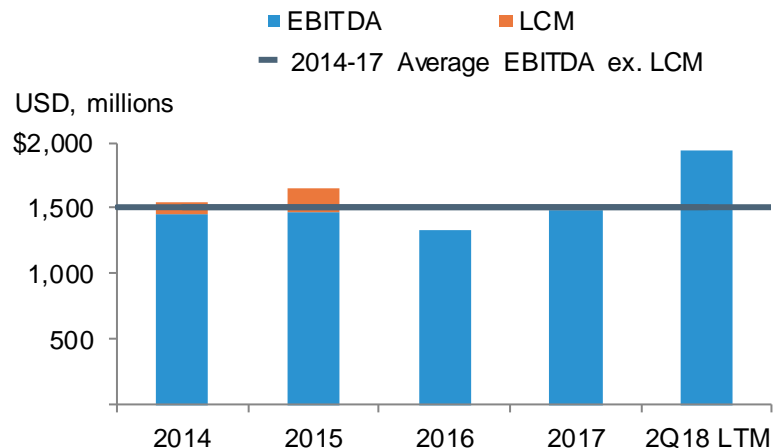
- 1.1 billion pounds per year
- Estimated investment: ~\$725 million
- Startup 2019
- Estimated EBITDA⁽²⁾: \$150 - \$200 MM/year

(1) Source: IHS polyethylene supply-demand data with an operating rate of 90%. World scale plant equivalents are 1.1 billion pounds.

(2) For the purpose of this slide, estimated EBITDA for *Hyperzone* Polyethylene is volume times average 2015-2017 margins.

Intermediates and Derivatives: A Platform for Earnings Stability & Growth

EBITDA (ex. LCM) History



Key Messages

- Stable earnings and consistent cash generation
- Broad product portfolio with feedstock integration
- Leading market positions and differential technologies
- Strong market outlook and platform for growth

2017 Product Capacities and Rankings⁽¹⁾

Product	Capacity	Global Ranking
Propylene Oxide	5.1 Blbs.	#2
Oxyfuels	75 MBPD	#2
Styrene	5.9 Blbs.	#3



(1) Source: IHS. Capacity data represents 100% capacity share. Ranking represents LYB capacity and LYB proportionate share of joint ventures' capacity.

Intermediates and Derivatives

Structural Changes and Reliable Operations Capturing Opportunities

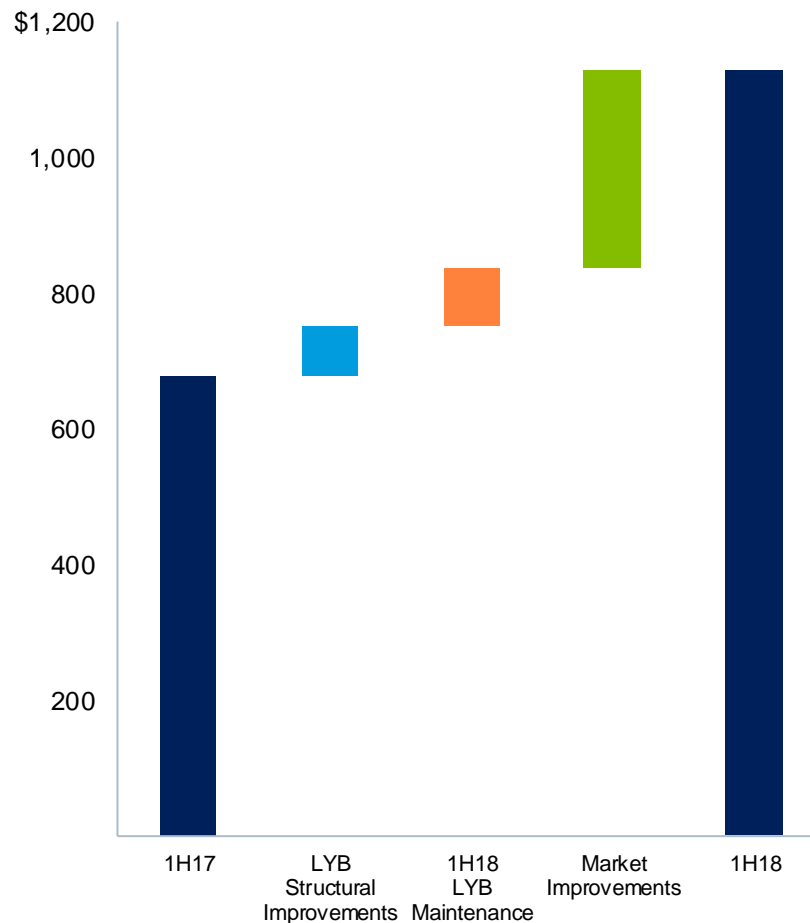
EBITDA increases \$450 MM 1H18 vs. 1H17

- **Structural improvements ~ 15%**
 - Improved contracting strategies
 - Return to typical reliability
- **1H18 LYB maintenance schedule ~ 20%**
 - Less planned downtime
 - Reduced catalyst expense
- **Capturing strong market margins ~ 65%**
 - Styrene margins: + ~60%
 - MTBE margins: + ~20%
 - VAM margins: + ~100%
 - Ethylene glycol margins: + ~50%



EBITDA

USD, millions



Advancing Our Leading PO/TBA Technology and Market Position

- 1.0 billion pounds Propylene Oxide, 2.2 billion pounds TBA
- Est. cost: ~\$2.4 billion
- Groundbreaking – Mid 2018
- Startup 2021
- Estimated EBITDA⁽¹⁾: \$350 - \$450 MM/year

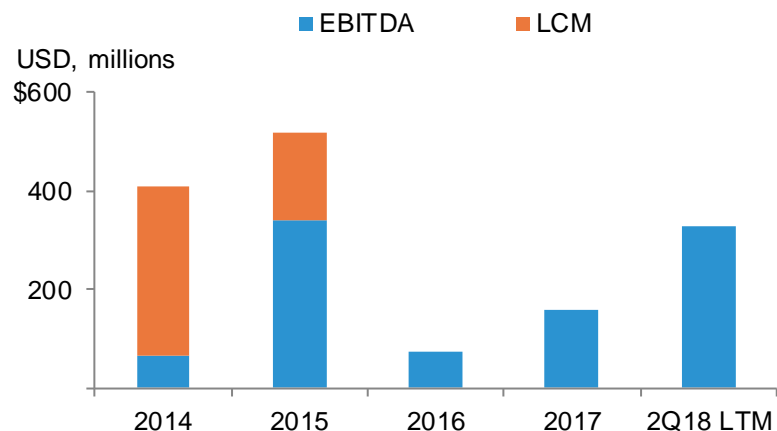


Value-driven growth supported by advantaged feedstocks and technology

(1) For the purpose of this slide, estimated EBITDA for Propylene Oxide/TBA is volume times 2015-2017 average margins.

Improved Refining Reliability Producing Results

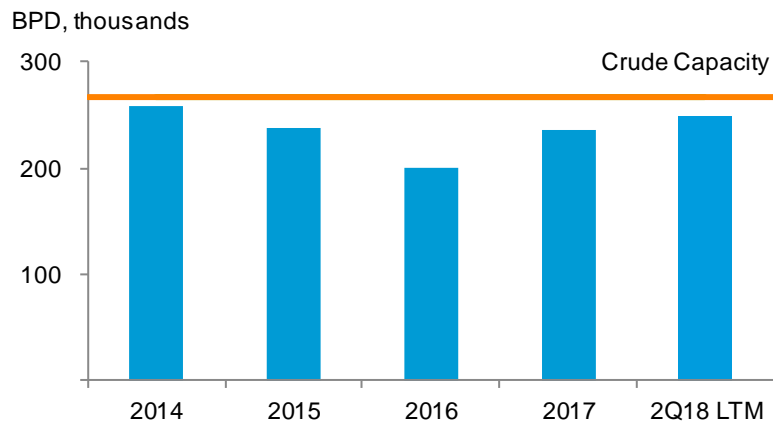
EBITDA



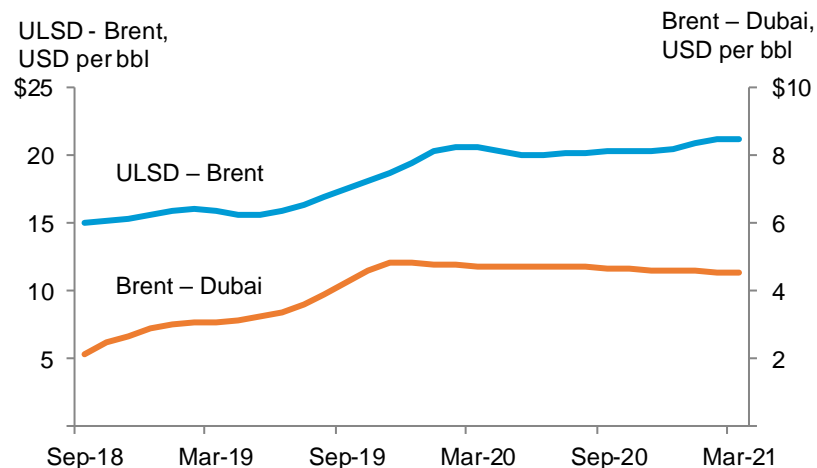
Refinery Outlook

- Improved reliability increased operating rates and throughput since 2017
- Increased profitability driven by strong diesel demand and improved heavy/light crude differentials
- Full capability to meet Tier 3 gasoline sulfur specifications
- Poised to benefit from the January 2020 IMO marine fuel oil sulfur regulations

Refining Throughput



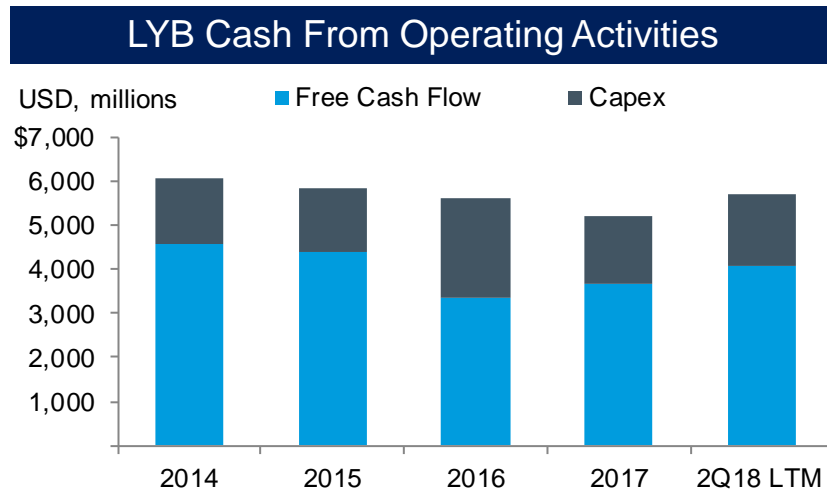
Indicative Forward Curves⁽¹⁾



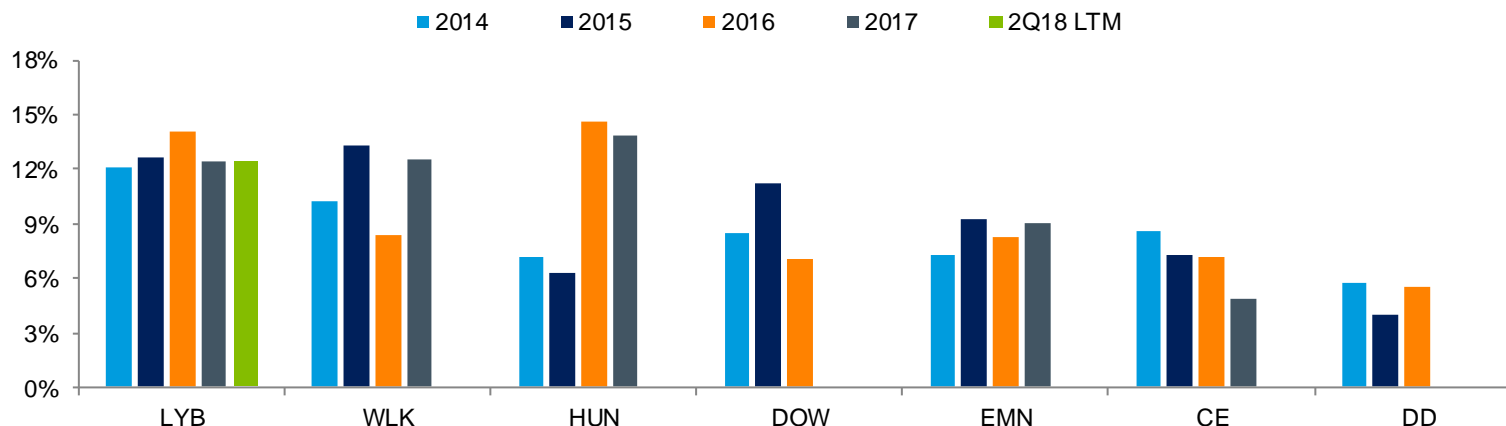
(1) Source: NYMEX as of July 20, 2018

Strong, Consistent Cash Generation

- 2Q18 LTM Capex: \$1.6 billion
- 2Q18 LTM Free Cash Flow⁽¹⁾: \$4.1 billion
- 2Q18 Ending Total Liquidity⁽²⁾: \$7.3 billion

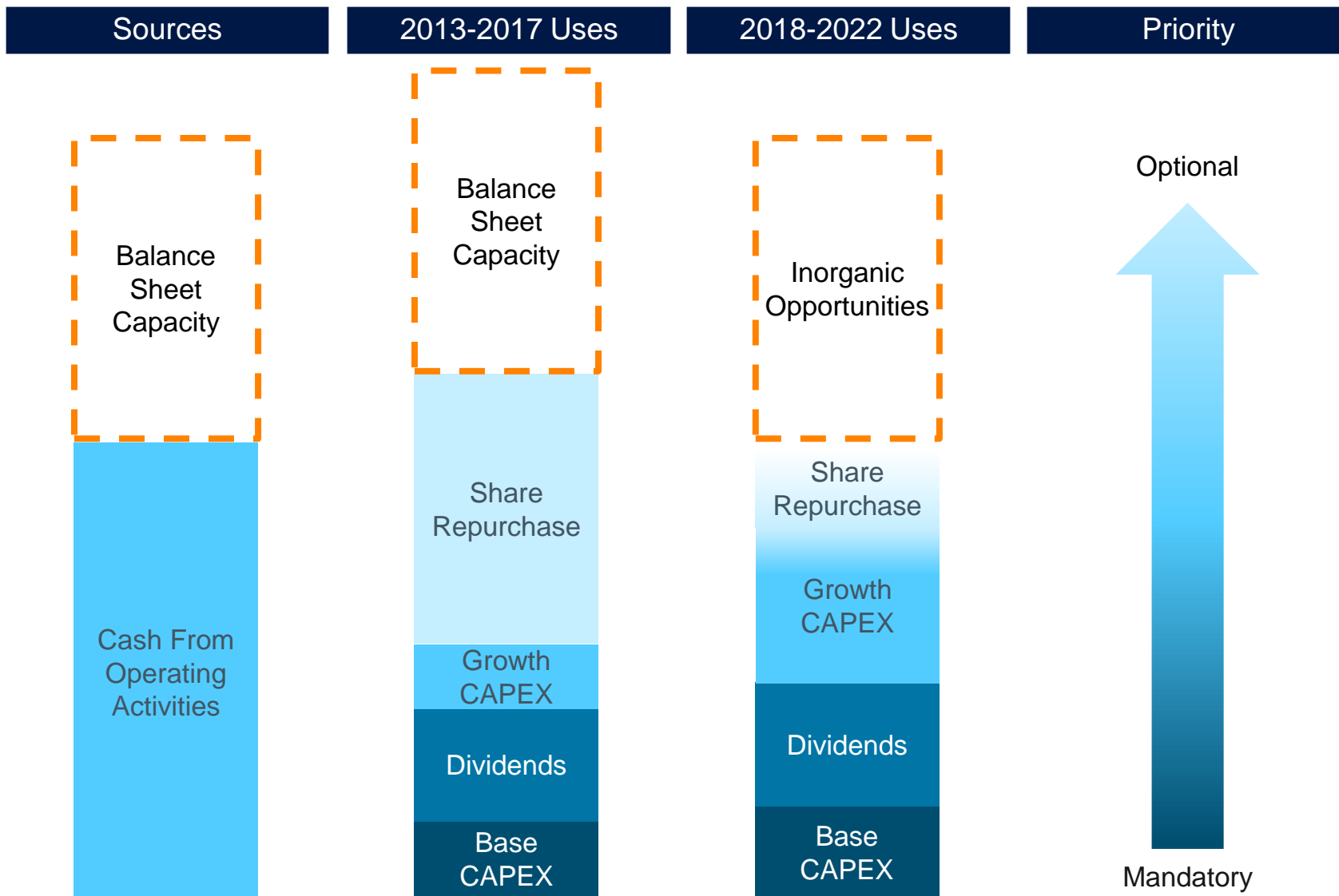


Cash From Operating Activities as a Percent of Average Enterprise Value⁽³⁾



- (1) Free Cash Flow is calculated as cash from operating activities less capital expenditures.
- (2) Total liquidity includes cash and cash equivalents, restricted cash and restricted cash equivalents, short term investments, repurchase agreements, and availability under our Senior Revolving Credit Facility and U.S. Receivables Facility as of June 30, 2018.
- (3) Source: CapIQ, LYB. Cash from operating activities is as of December 31 for each full year and as of June 30, 2018 for the period 2Q18 LTM. Average enterprise value means average market capitalization plus preferred equity, total debt and minority interest less cash and cash equivalents and short term investments. Market capitalization is based upon the average daily closing share price for the respective period. Preferred equity, total debt, minority interest, cash and cash equivalents and short-term investments are as of the last day of the respective period.

Profitability Supports Reinvestment for Value-Driven Growth



Note: Graphic for illustrative purposes only.

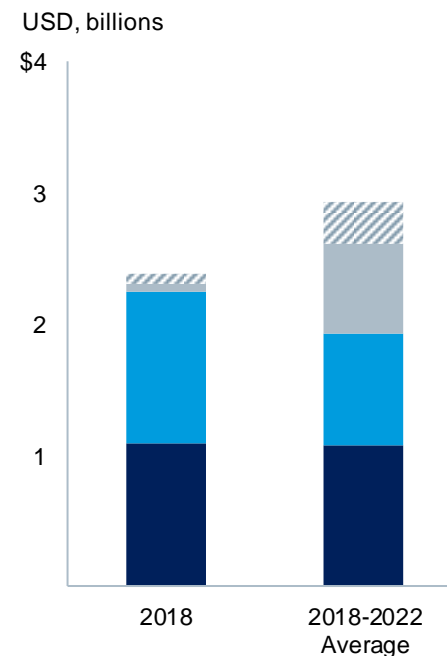
Regular Cadence of Investment in LyondellBasell's Organic Growth

Large Profit Generating Projects

		Scope (MM lbs.)	Projected Start-Up	Estimated EBITDA ⁽¹⁾ (\$MM/year) '15-'17 Avg. Margins
Projects Underway	Hyperzone HDPE	1,100	2019	\$150 - 200
	Propylene Oxide/TBA	1,000/2,200	2021	\$350 - 450
Potential Projects	North America PP	1,100	2022 - 2023	\$150 - 250
	North America PDH	1,600	2022 - 2023	\$250 - 400
	Europe PP	1,100	2023 - 2024	\$150 - 200
	North America PE	1,100	2024 - 2025	\$150 - 250

Estimated Capital Allocation⁽²⁾

- ▨ Other Potential Projects
- Large Potential Projects
- Projects Underway
- Base CAPEX



Value-driven growth with the potential for other high return projects

(1) For the purpose of this slide, estimated EBITDA is volume times 2015-2017 average margins.

(2) Projects Underway include *Hyperzone HDPE*, *PO/TBA* and other small profit generating projects. Large Potential Projects include North America PP, PDH, and PE and Europe PP.

Prior to the A. Schulman Acquisition, LyondellBasell Participated in One of Several Advanced Polymers Markets

POLYMERS

PE PP EP

PE Polyethylene
PP Polypropylene
EP Engineered Polymers

VALUE
ADDITION

COMPOUNDS

SECTORS



Packaging &
Consumer



Electronics &
Appliances



Automotive



Building &
Construction



Agriculture

LyondellBasell's PP Compounding business is a global leader in automotive

Combination Results in Vertically Integrated Solutions & Expanded Offering

POLYMERS

PE PP EP

PE Polyethylene
PP Polypropylene
EP Engineered Polymers

VALUE
ADDITION

COLORS

COMPOUNDS

ENGINEERED
COMPOSITES

MASTERBATCHES

POWDERS

SECTORS



Packaging &
Consumer



Electronics &
Appliances



Automotive



Building &
Construction



Agriculture

Comprehensive customer solutions for broad and attractive markets

Combination Creates Value, Strengthens Earnings Growth and Stability

	LyondellBasell ⁽¹⁾	A. Schulman ⁽²⁾	Combined Businesses ⁽³⁾
LTM Revenue	\$2.1 billion	\$2.5 billion	\$4.6 billion
LTM Adjusted EBITDA	\$241 million	\$205 million	\$446 million
LTM Adjusted EBITDA Margin ⁽⁴⁾	11.3%	8.1%	9.5%
LTM Sales Volume	2.5 billion pounds	2.4 billion pounds	4.9 billion pounds
Global Manufacturing Sites	18	54	72
Number of Employees	1,500	5,100	6,600
Revenue by End Markets			
Revenue by Geographies			

- (1) Represents LyondellBasell's Polypropylene Compounding (PPC) business for the twelve-month period ended December 31, 2017. See the Information Related to Financial Measures slide in the Appendix for information about LTM Adjusted EBITDA and LTM Adjusted EBITDA Margin.
- (2) A. Schulman information obtained from publicly available quarterly release data and management estimate. LTM and Number of Employees refers to the twelve-month period ended November 30, 2017. Global Manufacturing Sites and Revenue by Geography based on the twelve month-period ended August 31, 2017. Revenue by End Markets based on the twelve month-period ended August 31, 2015.
- (3) Combined business calculated as the sum of LyondellBasell PPC business and A. Schulman.
- (4) LTM Adjusted EBITDA Margin calculated as LTM Adjusted EBITDA divided by LTM Revenue.

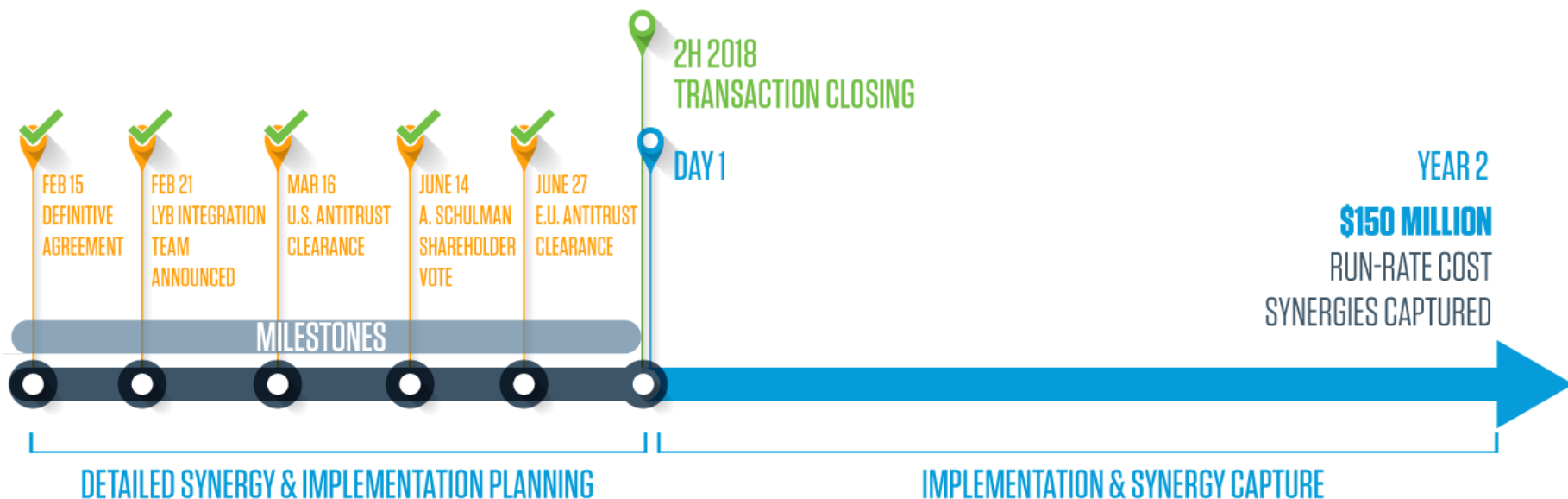
A. Schulman Acquisition: Creating a Platform for Growth

Strategic Rationale

- Vertical integration
- New growth platform for organic and inorganic opportunities
- End-to-end customer solutions
- Diverse and growing markets

Financial Metrics⁽¹⁾

- Purchase price = \$2.25 billion
- 6.3x LTM 1Q18 Adjusted EBITDA, including synergies
- Accretive to earnings within 1 year of closing, including synergies



(1) LTM Adjusted EBITDA as presented by A. Schulman obtained from publicly available quarterly release data. LTM 1Q18 refers to the twelve-month period ended November 30, 2017. Includes estimated run-rate cost synergies of \$150 million.

Advanced Polymers Solutions: A New Segment Focusing on Broad and Attractive Markets

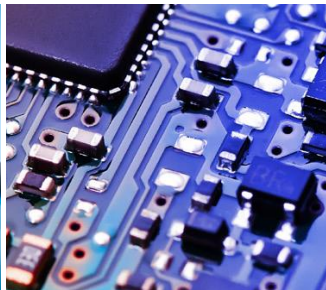
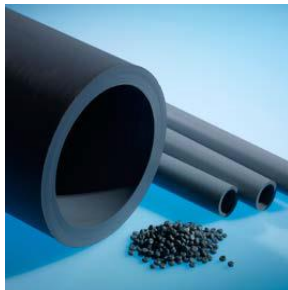
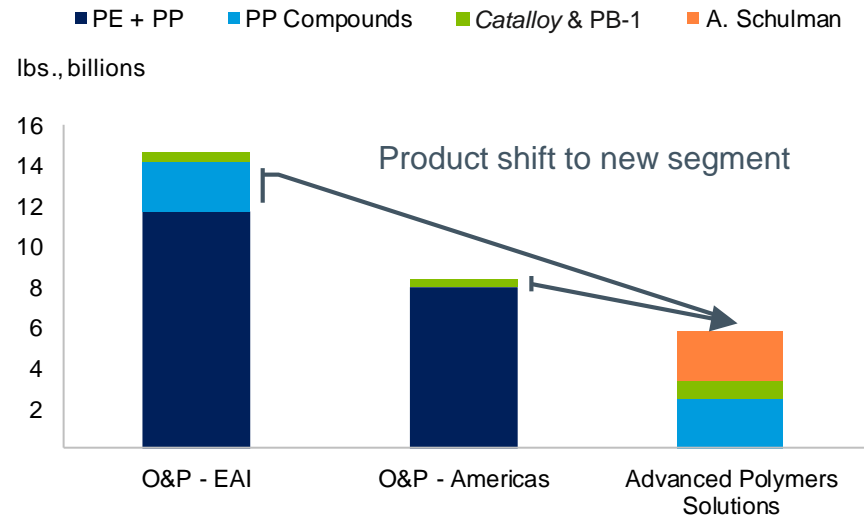
■ A. Schulman ~ 2.4 Blb

- Masterbatch
- Engineered plastics & composites
- Custom colors
- Specialty powders

■ LyondellBasell Polymers ~ 3.4 Blb

- PP Compounds
- *Catalloy*
- PB-1

2017 Sales Volume



Represents LyondellBasell's polyethylene, polypropylene, polypropylene compounds, *Catalloy* and PB-1 sales for the twelve-month period ended December 31, 2017. A. Schulman was acquired on August 21, 2018. A. Schulman information obtained from publicly available quarterly release data and management estimate for the twelve-month period ended November 30, 2017.

Tangible Earnings Growth Over the Next Twelve Months



Acquisition of A. Schulman

Vertical Integration

End-to-End Customer Solutions

Diverse and Growing Market

Hyperzone HDPE

Poised to Capture HDPE Demand

Increased Capture of Ethylene Chain Margin

Serving a Balanced Global Market

I&D Improvement

Sustainable Contract Improvements

Improved Capture of Market Upside

Robust Global Demand

Refinery Reliability

Increased Focus on Operational Excellence

Five Consecutive Quarters of Stable Operation

Improved Margin Capture

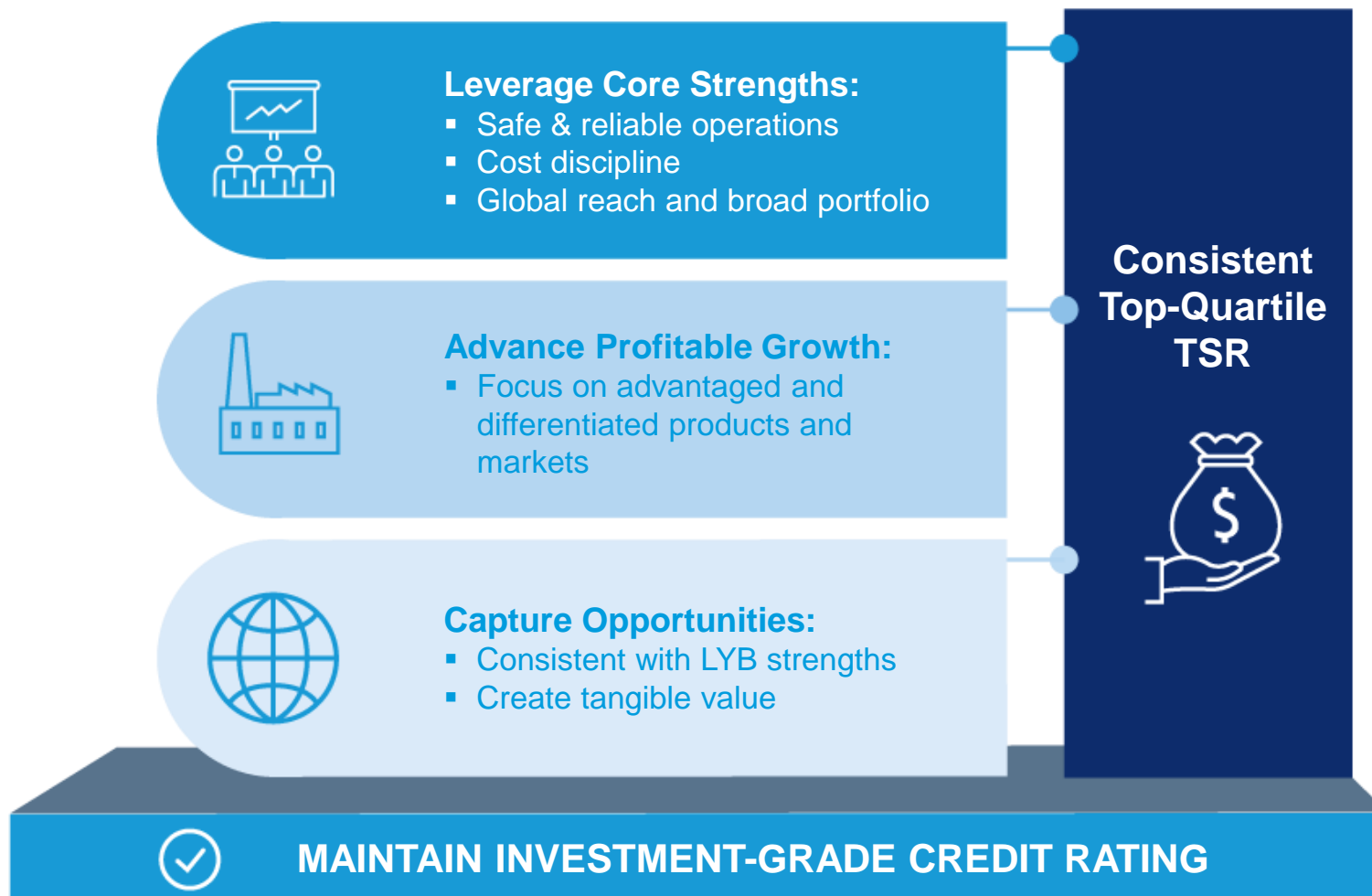
Refining Markets

Well Positioned for IMO Sulfur Regulations

Improved Maya 2-1-1 Spread

Potential for Substantial Profitability

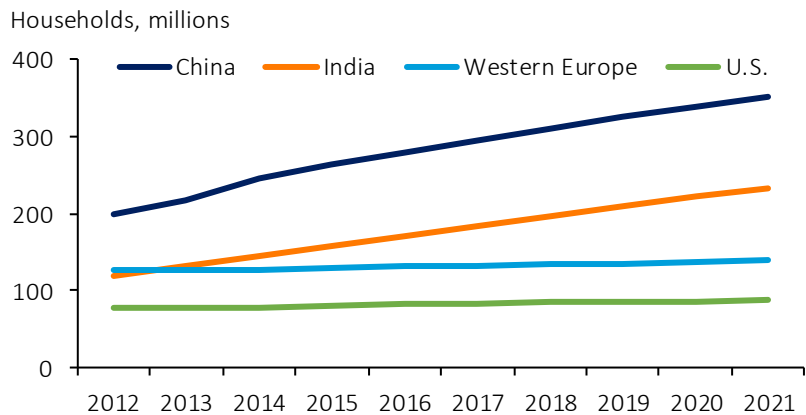
Growth Guided by Strategic Goals



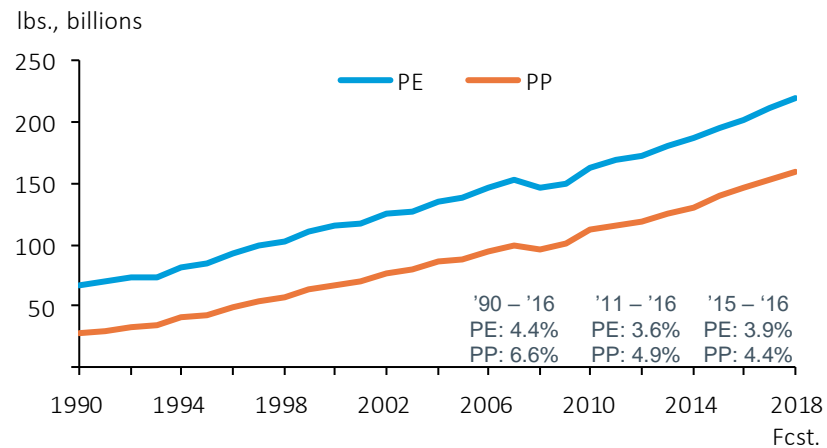
Appendix

Global Macro Trends - Demographics Driving Demand

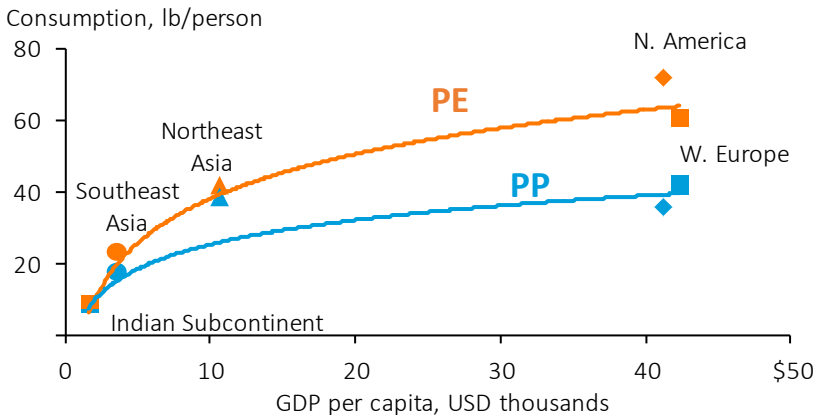
Upper/Middle Class Households



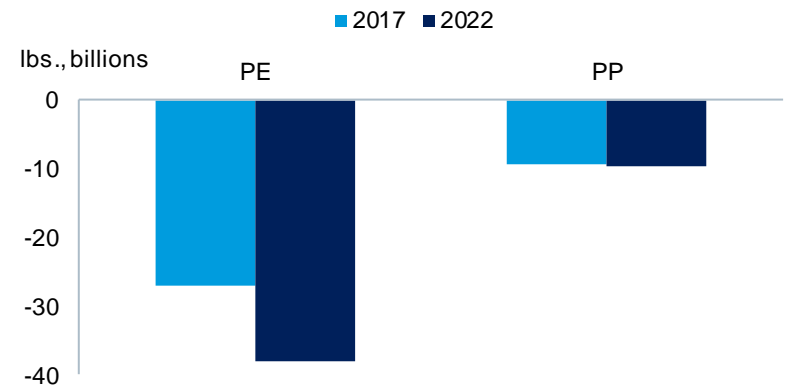
World PE and PP Demand



2016 Polyolefins Consumption



China Polyolefin Trade Deficit⁽¹⁾



(1) Source: IHS. China polyolefin trade deficit is production less domestic demand.

Information Related to Financial Measures

This presentation makes reference to certain “non-GAAP” financial measures as defined in Regulation G of the U.S. Securities Exchange Act of 1934, as amended. The non-GAAP measures we have presented include diluted earnings per share excluding LCM, EBITDA, EBITDA excluding LCM, LTM Adjusted EBITDA and LTM Adjusted EBITDA Margin. LCM stands for “lower of cost or market,” which is an accounting rule consistent with GAAP related to the valuation of inventory. Our inventories are stated at the lower of cost or market. Cost is determined using the last-in, first-out (“LIFO”) inventory valuation methodology, which means that the most recently incurred costs are charged to cost of sales and inventories are valued at the earliest acquisition costs. Market is determined based on an assessment of the current estimated replacement cost and selling price of the inventory. In periods where the market price of our inventory declines substantially, cost values of inventory may be higher than the market value, which results in us writing down the value of inventory to market value in accordance with the LCM rule, consistent with GAAP. This adjustment is related to our use of LIFO accounting and the decline in pricing for many of our raw material and finished goods inventories. We report our financial results in accordance with U.S. generally accepted accounting principles, but believe that certain non-GAAP financial measures, such as EBITDA and earnings and EBITDA excluding LCM, provide useful supplemental information to investors regarding the underlying business trends and performance of the company’s ongoing operations and are useful for period-over-period comparisons of such operations. Non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, the financial measures prepared in accordance with GAAP.

EBITDA, as presented herein, may not be comparable to a similarly titled measure reported by other companies due to differences in the way the measure is calculated. We calculate EBITDA as income from continuing operations plus interest expense (net), provision for (benefit from) income taxes, and depreciation & amortization. EBITDA should not be considered an alternative to profit or operating profit for any period as an indicator of our performance, or as an alternative to operating cash flows as a measure of our liquidity. We have also presented financial information herein exclusive of adjustments for LCM.

Additionally, LTM Adjusted EBITDA and LTM Adjusted EBITDA Margin, as presented herein, may not be comparable to similarly titled measures of A. Schulman or as reported by other companies due to differences in the way the measure is calculated. LTM Adjusted EBITDA, as presented for LyondellBasell Polypropylene Compounding (PPC) business, is calculated based upon a standard inventory costing methodology. For GAAP purposes, we present EBITDA for our Olefins and Polyolefins Europe, Asia, and International segment which includes PPC based upon last-in, first-out (LIFO) inventory costing methodology. To date, we have not allocated a ‘LIFO effect’ to PPC as it is not available. As such, we are unable to provide a quantitative reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure. We calculate PPC Adjusted EBITDA in this presentation as income from continuing operations, with cost of goods sold valued at standard cost, plus interest expense (net), provision for (benefit from) income taxes, and depreciation & amortization. Adjusted EBITDA should not be considered an alternative to profit or operating profit for any period as an indicator of our performance, or as an alternative to operating cash flows as a measure of our liquidity. LTM Adjusted EBITDA Margin is calculated as LTM Adjusted EBITDA divided by LTM Revenue.

While we also believe that free cash flow (FCF) and free cash flow yield (FCF Yield) are measures commonly used by investors, free cash flow and free cash flow yield, as presented herein, may not be comparable to similarly titled measures reported by other companies due to differences in the way the measures are calculated. For purposes of this presentation, free cash flow means net cash provided by operating activities minus capital expenditures and free cash flow yield means the ratio of free cash flow to market capitalization.

Additionally, total liquidity, enterprise value and the ratio of cash from operating activities to average enterprise value are measures that provide an indicator of value to investors. For purposes of this presentation, total liquidity includes cash and cash equivalents, restricted cash and restricted cash equivalents, short term investments, repurchase agreements, and availability under our Senior Revolving Credit Facility and U.S. Receivables Facility. Enterprise value means market capitalization plus preferred equity (non-controlling interests), total debt and minority interest less cash and cash equivalents and short term investments. The ratio of cash from operating activities to average enterprise value means cash from operating activities divided by average enterprise value. Average enterprise value means average market capitalization plus preferred equity (non-controlling interests), total debt and minority interest less cash and cash equivalents and short term investments.

Reconciliations for our non-GAAP measures can be found on our website at www.lyondellbasell.com/investorrelations.

Enterprise Value

Calculation of Enterprise Value

<u>In Millions of Dollars, except share amounts</u>	<u>June 30, 2018</u>
Common Shares Outstanding	390,343,283
Closing Price	\$ 109.85
Market Capitalization	42,879
Current Maturities of Long Term Debt	974
Short-Term Debt	76
Long-Term Debt	7,490
Less:	
Cash and Cash Equivalents	2,384
Short-Term Investments	933
Net Debt	5,223
Non-Controlling Interests	1
Enterprise Value	\$ 48,103
Enterprise Value, in billions	\$ 48

EBITDA Excluding LCM Adjustments to EBITDA

Reconciliation of EBITDA Excluding Lower of Cost or Market Inventory Valuation Adjustments ("LCM Adjustments") to EBITDA

In Millions of Dollars	For the Years Ended			For the Three Months Ended			For the Year Ended	For the Six Months Ended		Last Twelve Months	Average	
	December 31, 2014	December 31, 2015	December 31, 2016	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	December 31, 2017	June 30, 2017	June 30, 2018	June 30, 2018	2014 - 2017
EBITDA excluding LCM:												
Olefins & Polyolefins - Americas	\$ 4,190	\$ 3,821	\$ 2,906	\$ 723	\$ 859	\$ 616	\$ 784	\$ 2,982	\$ (1,582)	\$ 1,480	\$ 2,880	\$ 3,475
Olefins & Polyolefins - EAI	1,410	1,855	2,067	529	699	698	356	2,282	(1,228)	965	2,019	1,904
Intermediates & Derivatives	1,552	1,656	1,333	339	339	402	410	1,490	(678)	1,128	1,940	1,508
Refining	409	519	72	(30)	25	58	104	157	5	167	329	289
Technology	232	243	262	60	48	47	68	223	(108)	169	284	240
Other	17	(13)	(9)	(4)	-	-	4	-	4	14	18	(1)
Continuing	7,810	8,081	6,631	1,617	1,970	1,821	1,726	7,134	(3,587)	3,923	7,470	7,414
LCM												
Olefins & Polyolefins - Americas	279	160	29	-	-	-	-	-	-	-	-	117
Olefins & Polyolefins - EAI	44	30	-	-	-	-	-	-	-	-	-	19
Intermediates & Derivatives	93	181	-	-	-	-	-	-	-	-	-	69
Refining	344	177	-	-	-	-	-	-	-	-	-	130
Technology	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Continuing	760	548	29	-	-	-	-	-	-	-	-	334
EBITDA:												
Olefins & Polyolefins - Americas	3,911	3,661	2,877	723	859	616	784	2,982	(1,582)	1,480	2,880	3,358
Olefins & Polyolefins - EAI	1,366	1,825	2,067	529	699	698	356	2,282	(1,228)	965	2,019	1,885
Intermediates & Derivatives	1,459	1,475	1,333	339	339	402	410	1,490	(678)	1,128	1,940	1,439
Refining	65	342	72	(30)	25	58	104	157	5	167	329	159
Technology	232	243	262	60	48	47	68	223	(108)	169	284	240
Other	17	(13)	(9)	(4)	-	-	4	-	4	14	18	(1)
Continuing	7,050	7,533	6,602	\$ 1,617	\$ 1,970	\$ 1,821	\$ 1,726	\$ 7,134	\$ (3,587)	\$ 3,923	\$ 7,470	7,080

Net Income to EBITDA

Reconciliation of Net Income To EBITDA

In Millions of Dollars	Three Months Ended						For the Year Ended	Six Months Ended		Last Twelve Months	
	December 31, 2014	December 31, 2015	December 31, 2016	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	December 31, 2017	June 30, 2017	June 30, 2018	June 30, 2018
Net Income ^{(a)(c)}	\$ 4,168	\$ 4,474	\$ 3,837	\$ 797	\$ 1,130	\$ 1,056	\$ 1,894	\$ 4,877	\$ (1,927)	\$ 2,885	\$ 5,835
Loss from Discontinued Operations	4	5	10	8	4	2	4	18	(12)	1	7
LCM Adjustments After Tax	483	351	18	-	-	-	-	-	-	-	-
Income from Continuing Operations Excluding LCM Adjustments ^(a)	4,655	4,830	3,865	805	1,134	1,058	1,898	4,895	(1,939)	2,886	5,842
Less:											
LCM Adjustments After Tax	(483)	(351)	(18)	-	-	-	-	-	-	-	-
Income from Continuing Operations ^{(a)(c)}	4,172	4,479	3,847	805	1,134	1,058	1,898	4,895	(1,939)	2,886	5,842
Provision for (benefit from) Income Taxes ^(a)	1,540	1,730	1,386	315	459	380	(556)	598	(774)	282	106
Depreciation and Amortization	1,019	1,047	1,064	296	286	294	298	1,174	(582)	599	1,191
Interest expense, net ^(b)	319	277	305	201	91	89	86	467	(292)	156	331
LCM Adjustments Pre Tax	760	548	29	-	-	-	-	-	-	-	-
EBITDA Excluding LCM Adjustments	7,810	8,081	6,631	1,617	1,970	1,821	1,726	7,134	(3,587)	3,923	7,470
LCM Adjustments, Pre Tax	(760)	(548)	(29)	-	-	-	-	-	-	-	-
EBITDA ^(d)	<u>\$ 7,050</u>	<u>\$ 7,533</u>	<u>\$ 6,602</u>	<u>\$ 1,617</u>	<u>\$ 1,970</u>	<u>\$ 1,821</u>	<u>\$ 1,726</u>	<u>\$ 7,134</u>	<u>\$ (3,587)</u>	<u>\$ 3,923</u>	<u>\$ 7,470</u>

(a) The fourth quarter of 2017 includes an \$819 million non-cash tax benefit related to the lower federal income tax rate resulting from the U.S. Tax Cuts and Jobs Act enacted in December 2017. The second quarter of 2018 includes a \$346 million non-cash benefit from the release of unrecognized tax benefits and associated accrued interest.

(b) Includes pre-tax charges totaling \$113 million in the first quarter of 2017 related to the redemption of \$1000 million aggregate principal amount of our then outstanding 5% Senior Notes due 2019.

(c) The third quarter of 2017 includes an after-tax gain of \$103 million on the sale of our interest in Geosel.

(d) Third quarter 2017 EBITDA includes a pre-tax gain of \$108 million on the sale of our interest in Geosel.

Free Cash Flow Yield

Calculation of Free Cash Flow Yield

<u>In Millions of Dollars (except share data)</u>	<u>Three Months Ended</u>				<u>Last Twelve</u>
	<u>September 30,</u> <u>2017</u>	<u>December 31,</u> <u>2017</u>	<u>March 31,</u> <u>2017</u>	<u>June 30,</u> <u>2018</u>	<u>June 30,</u> <u>2018</u>
Net Cash Provided by Operating Activities	\$ 1,486	\$ 1,482	\$ 1,006	\$ 1,727	\$ 5,701
Less:					
Capital Expenditures	318	401	429	496	1,644
Free Cash Flow	\$ 1,168	\$ 1,081	\$ 577	\$ 1,231	\$ 4,057
Divided by:					
Market Capital:					
Common stock outstanding					390,343,283
Closing Share Price, end of period					\$ 109.85
Market Capital					\$ 42,879
Free Cash Flow Yield					<u>9.5%</u>

Diluted EPS Excluding LCM Adjustments to Diluted EPS

Reconciliation of Diluted EPS Excluding LCM Adjustments to Diluted EPS

	For the Years Ended December 31,				Last Twelve Months June 30,
	2014	2015	2016	2017	2018
	Diluted Earnings Per Share Excluding LCM Adjustments	\$ 8.91	\$ 10.34	\$ 9.18	\$ 12.23
Less:					
LCM Adjustments	0.92	0.75	0.05	-	-
Diluted Earnings Per Share	\$ 7.99	\$ 9.59	\$ 9.13	\$ 12.23	\$ 14.79

Free Cash Flow to Net Cash Provided by Operating Activities

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

<u>In Millions of Dollars</u>	<u>Years Ended December 31,</u>				<u>Year Ended</u>	<u>Six Months Ended</u>		<u>Last Twelve</u>
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>December 31,</u>	<u>June 30,</u>	<u>June 30,</u>	<u>Months</u>
					<u>2017</u>	<u>2017</u>	<u>2018</u>	<u>June 30,</u>
								<u>2018</u>
Free Cash Flow	\$ 4,549	\$ 4,402	\$ 3,363	\$ 3,659	\$ 3,659	\$ (1,410)	\$ 1,808	\$ 4,057
Add:								
Capital Expenditures	1,499	1,440	2,243	1,547	1,547	(828)	925	1,644
Net Cash Provided by Operating Activities	<u>\$ 6,048</u>	<u>\$ 5,842</u>	<u>\$ 5,606</u>	<u>\$ 5,206</u>	<u>\$ 5,206</u>	<u>\$ (2,238)</u>	<u>\$ 2,733</u>	<u>\$ 5,701</u>

Cash and Liquid Investments and Total Liquidity

Components of Cash and Liquid Investments and Total Liquidity

<u>In Millions of Dollars</u>	<u>June 30, 2018</u>
Cash and Cash Equivalents and Restricted Cash	\$ 2,386
Short-Term Investments	933
Repurchase Agreements	<u>554</u>
Cash and Liquid Investments	3,873
Availability under Senior Revolving Credit Facility	2,500
Availability under U.S. Receivables Facility	<u>900</u>
Total Liquidity	<u>\$ 7,273</u>

Cash from Operating Activities as a Percent of Average Enterprise Value

Cash from Operating Activities as a Percent of Average Enterprise Value

<u>In Millions of Dollars, except share amounts</u>	<u>For the Years Ended December 31,</u>				<u>Last Twelve</u>
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Months</u>
					<u>June 30,</u>
					<u>2018</u>
Cash from Operating Activities	\$ 6,048	\$ 5,842	\$ 5,606	\$ 5,206	\$ 5,701
Average Enterprise Value:					
Common Shares Outstanding	486,969,402	440,150,069	404,046,331	394,512,054	390,343,283
Daily Average Closing Price	\$ 93.66	\$ 91.47	\$ 81.00	\$ 92.00	\$ 103.77
Market Capitalization	45,610	40,261	32,728	36,295	40,506
Current Maturities of Long Term Debt	4	4	2	2	974
Short-Term Debt	346	353	594	68	76
Long-Term Debt	6,695	7,671	8,385	8,549	7,490
Less:					
Cash and Cash Equivalents	1,031	924	875	1,523	2,384
Short-Term Investments	1,593	1,064	1,147	1,307	933
Net Debt	4,421	6,040	6,959	5,789	5,223
Non-Controlling Interests	30	24	25	1	1
Enterprise Value	\$ 50,061	\$ 46,325	\$ 39,712	\$ 42,085	\$ 45,730
Cash from Operating Activities as a					
Percent of Enterprise Value	12%	13%	14%	12%	12%