

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) October 21, 2003

OCCIDENTAL PETROLEUM CORPORATION  
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	1-9210 (Commission File Number)	95-4035997 (I.R.S. Employer Identification No.)
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10889 Wilshire Boulevard Los Angeles, California (Address of principal executive offices)	90024 (ZIP code)
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Registrant's telephone number, including area code:  
(310) 208-8800

Item 9. Regulation FD Disclosure and Item 12. Results of Operations and  
Financial Condition

On October 21, 2003, Occidental Petroleum Corporation released information regarding its results of operations for the fiscal period ended September 30, 2003. This Form 8-K is being furnished to report information pursuant to Item 9, Regulation FD Disclosure and Item 12, Results of Operations and Financial Condition. The full text of the press release is attached to this report as Exhibit 99.1. The full text of the speech given by Stephen I. Chazen is attached to this report as Exhibit 99.2. Investor Relations Supplemental Schedules are attached to this report as Exhibit 99.3.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

OCCIDENTAL PETROLEUM CORPORATION  
(Registrant)

DATE: October 21, 2003

S. P. Dominick, Jr.

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S. P. Dominick, Jr., Vice President and Controller  
(Chief Accounting and Duly Authorized Officer)

EXHIBIT INDEX

- 99.1 Press release dated October 21, 2003
- 99.2 Full text of speech given by Stephen I. Chazen
- 99.3 Investor Relations Supplemental Schedules

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[OXY LOGO] NEWS RELEASE OCCIDENTAL PETROLEUM CORPORATION

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10889 Wilshire Boulevard, Los Angeles, California 90024 (310) 208-8800

For Immediate Release: October 21, 2003

OCCIDENTAL PETROLEUM ANNOUNCES THIRD QUARTER 2003 RESULTS

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LOS ANGELES -- Occidental Petroleum Corporation (NYSE:OXY) announced net income for the third quarter 2003 of \$446 million (\$1.16 per share), compared with \$402 million (\$1.07 per share) for the third quarter 2002.

In announcing the results, Dr. Ray R. Irani, chairman and chief executive officer, said, "Core earnings of \$446 million, or \$1.16 per share, were 43 percent higher than the \$312 million, or \$0.83 per share, the company earned in the third quarter of 2002. Higher oil and gas prices and a nine percent increase in production contributed to a 35 percent increase in oil and gas earnings over last year's third quarter.

Core earnings of \$1.25 billion, or \$3.27 per share, for the first nine months of 2003 were 85 percent higher than the \$676 million, or \$1.80 per share, the company earned in the comparable period last year."

OIL AND GAS

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Oil and gas segment earnings were \$660 million for the third quarter 2003, compared with \$490 million for the third quarter 2002. The improvement in the third quarter 2003 earnings reflected higher worldwide crude oil and natural gas prices and increased crude oil sales volumes; partially offset by higher exploration expenses and operating costs. The increased crude oil production results largely from higher Ecuador production, reflecting the completion of the Oleoducto de Crudos Pesados Ltd. oil export pipeline, and Horn Mountain production, which came on line in the fourth quarter 2002.

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CHEMICALS

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Chemical core earnings were \$61 million for the third quarter 2003, compared with \$50 million for the third quarter 2002. The third quarter 2002 core earnings excluded a \$164 million net of tax gain from the sale of the investment in Equistar. The third quarter 2003 results reflected higher sales prices in chlor-alkali, which were more than offset by higher energy and raw material costs. The third quarter 2002 core earnings included a \$37 million pre-tax charge for the impairment of various operating assets.

NINE MONTHS RESULTS

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For the first nine months of 2003, net income was \$1.15 billion (\$2.99 per share), compared with \$667 million (\$1.77 per share) for the first nine months of 2002.

Core earnings for the first nine months of 2003 were \$1.25 billion (\$3.27 per share), compared with \$676 million (\$1.80 per share) for 2002. The debt to total capitalization ratio was 38 percent compared with 43 percent at the end of last year. See the attached schedules for a reconciliation of net income to core earnings for the third quarter and nine months.

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Contacts: Lawrence P. Meriage (media)

310-443-6562

Kenneth J. Huffman (investors)

212-603-8183

For further analysis of Occidental's quarterly performance, please visit the website: [www.oxy.com](http://www.oxy.com)

Statements in this presentation that contain words such as "will" or "expect", or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations, and supply/demand consideration, for oil, gas and chemicals; higher-than-expected costs; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. Occidental disclaims any obligation to update any forward-looking statements.

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SUMMARY OF SEGMENT NET SALES AND EARNINGS  
(\$ millions, except per-share amounts)

	Third Quarter		Nine Months	
	2003	2002	2003	2002
=====	=====	=====	=====	=====
SEGMENT NET SALES				
Oil and gas	\$ 1,480	\$ 1,224	\$ 4,473	\$ 3,347
Chemical	793	739	2,368	2,006
Other	46	--	115	--
-----	-----	-----	-----	-----
Net sales	\$ 2,319	\$ 1,963	\$ 6,956	\$ 5,353
=====	=====	=====	=====	=====
SEGMENT EARNINGS				
Oil and gas	\$ 660	\$ 490	\$ 2,024	\$ 1,217
Chemical	61	214	139	217
-----	-----	-----	-----	-----
	721	704	2,163	1,434
UNALLOCATED CORPORATE ITEMS				
Interest expense, net (a)				
Debt, net	(59)	(73)	(236)	(195)
Trust preferred distributions & other	(12)	(12)	(34)	(35)
Income taxes (b)	(160)	(105)	(505)	(250)
Other (c)	(44)	(38)	(175)	(114)
-----	-----	-----	-----	-----
INCOME FROM CONTINUING OPERATIONS	446	476	1,213	840
Discontinued operations, net	--	(74)	--	(78)
Cumulative effect of changes in accounting principles, net (d)	--	--	(68)	(95)
-----	-----	-----	-----	-----
NET INCOME	\$ 446	\$ 402	\$ 1,145	\$ 667
=====	=====	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE				
Income from continuing operations	\$ 1.16	\$ 1.26	\$ 3.17	\$ 2.23
Discontinued operations, net	--	(0.19)	--	(0.21)
Cumulative effect of changes in accounting principles, net	--	--	(0.18)	(0.25)
-----	-----	-----	-----	-----
	\$ 1.16	\$ 1.07	\$ 2.99	\$ 1.77
=====	=====	=====	=====	=====
DILUTED EARNINGS PER COMMON SHARE				
Income from continuing operations	\$ 1.14	\$ 1.25	\$ 3.14	\$ 2.22
Discontinued operations, net	--	(0.19)	--	(0.21)
Cumulative effect of changes in accounting principles, net	--	--	(0.18)	(0.25)
-----	-----	-----	-----	-----
	\$ 1.14	\$ 1.06	\$ 2.96	\$ 1.76
=====	=====	=====	=====	=====
AVERAGE BASIC COMMON SHARES OUTSTANDING	385.5	376.8	382.6	375.7
=====	=====	=====	=====	=====

See footnotes on following page.

- (a) The nine-months 2003 includes a \$61 million interest charge to repay a \$450-million 6.4-percent senior-notes issue that had ten years of remaining life, but was subject to remarketing on April 1, 2003. The nine months 2002 includes \$22 million of interest income on notes receivable from Altura partners. The partnership exercised an option in May 2002 to redeem the sellers' remaining partnership interests in exchange for the outstanding balance on the notes.
- (b) Excludes U.S. federal income tax charges and credits allocated to the segments and foreign taxes. Oil and gas segment earnings include a credit of \$1 million in the third quarter of 2003 and a charge of \$3 million in the third quarter of 2002. Chemical segment earnings include a \$395 million credit in the third quarter of 2002, almost entirely related to the sale of the Equistar investment.

Oil and gas segment earnings for the nine-months 2003 and 2002 include charges of \$6 million and \$2 million, respectively. Chemical segment earnings include credits of \$403 million for the nine months 2002.

- (c) The nine-months 2002 includes \$20 million of preferred distributions to the Occidental Permian partners. This is essentially offset by the interest income discussed in (a) above. The partnership exercised an option in May 2002 to redeem the sellers' remaining partnership interests in exchange for the outstanding balance on the notes. The nine-months 2003 also includes \$42 million equity losses from investments in unconsolidated subsidiaries, compared with \$3 million losses for the same period in 2002.
- (d) Effective January 1, 2003, Occidental implemented SFAS No. 143 - "Accounting For Asset Retirement Obligations." Adoption of this new accounting standard resulted in a cumulative after-tax reduction in net income of \$50 million. Also effective January 1, 2003, Occidental implemented the rescission of EITF 98-10, which precludes mark-to-market accounting for all energy-trading contracts that are not derivatives and fair value accounting for inventories purchased from third parties. Adoption of this accounting change resulted in a cumulative after-tax reduction in net income of \$18 million. Effective January 1, 2002, Occidental implemented SFAS No. 142 - "Goodwill and Other Intangible Assets." Adoption of this new accounting standard resulted in a cumulative after-tax reduction in net income of \$95 million.

SUMMARY OF OPERATING STATISTICS

	Third Quarter		Nine Months	
	2003	2002	2003	2002
NET OIL, GAS AND LIQUIDS PRODUCTION PER DAY				
United States				
Crude oil and liquids (MBBL)				
California	80	84	79	87
Permian	151	143	150	141
Horn Mountain	24	--	19	--
Hugoton	4	3	4	3
Total	259	230	252	231
Natural Gas (MMCF)				
California	248	283	254	293
Hugoton	136	149	141	152
Permian	134	132	128	129
Horn Mountain	16	--	12	--
Total	534	564	535	574
Latin America				
Crude oil (MBBL)				
Colombia	31	38	35	39
Ecuador	27	13	20	13
Total	58	51	55	52
Middle East and Other Eastern Hemisphere				
Crude oil (MBBL)				
Oman	13	9	12	14
Pakistan	10	12	10	10
Qatar	44	44	47	43
Yemen	34	29	36	36
Total	101	94	105	103
Natural Gas (MMCF)				
Pakistan	71	74	74	58
BARRELS OF OIL EQUIVALENT (MBOE)				
Subtotal consolidated subsidiaries	519	481	514	491
Other Interests				
Colombia-minority interest	(4)	(5)	(4)	(5)
Russia-Occidental net interest	30	26	30	27
Yemen-Occidental net interest	1	--	1	--
Total worldwide production	546	502	541	513
CAPITAL EXPENDITURES (millions)				
	\$ 360	\$ 283	\$ 1,151	\$ 840
DEPRECIATION, DEPLETION AND AMORTIZATION OF ASSETS (millions)				
	\$ 295	\$ 245	\$ 866	\$ 759

## SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS

Occidental's results of operations often include the effects of significant transactions and events affecting earnings that vary widely and unpredictably in nature, timing, and amount. Therefore, management uses a measure called "core earnings", which excludes those items. This non-GAAP measure is not meant to disassociate those items from management's performance, but rather is meant to provide useful information to investors interested in comparing Occidental's earnings performance between periods. Reported earnings are considered representative of management's performance over the long term. Core earnings is not considered to be an alternative to operating income in accordance with generally accepted accounting principles. The following table sets forth the core earnings and significant items affecting earnings for each operating segment and corporate:

(\$ millions)	Third Quarter			
	2003	EPS	2002	EPS
TOTAL REPORTED EARNINGS	\$ 446	\$ 1.16	\$ 402	\$ 1.07
OIL AND GAS				
Segment Earnings	\$ 660		\$ 490	
No significant items affecting earnings	--		--	
Segment Core Earnings	660		490	
CHEMICALS				
Segment Earnings	61		214	
Less:				
Sale of Equistar investment*	--		164	
Segment Core Earnings	61		50	
CORPORATE				
Results	(275)		(302)	
Less:				
Discontinued operations, net*	--		(74)	
TOTAL CORE EARNINGS	\$ 446	\$ 1.16	\$ 312	\$ 0.83

\*These amounts are shown after tax.



## SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (CONTINUED)

(\$ millions)	Nine Months			
	2003	EPS	2002	EPS
TOTAL REPORTED EARNINGS	\$ 1,145	\$ 2.99	\$ 667	\$ 1.77
OIL AND GAS				
Segment Earnings	\$ 2,024		\$ 1,217	
No significant items affecting earnings	--		--	
Segment Core Earnings	2,024		1,217	
CHEMICALS				
Segment Earnings	139		217	
Less:				
Sale of Equistar investment*	--		164	
Segment Core Earnings	139		53	
CORPORATE				
Results	(1,018)		(767)	
Less:				
Debt repayment charge	(61)		--	
Tax effect of pre-tax adjustment	21		--	
Discontinued operations, net*	--		(78)	
Changes in accounting principles, net*	(68)		(95)	
TOTAL CORE EARNINGS	\$ 1,253	\$ 3.27	\$ 676	\$ 1.80

\*These amounts are shown after tax.

ITEMS AFFECTING COMPARABILITY OF CORE EARNINGS BETWEEN PERIODS

(\$ millions)	Third Quarter		Nine Months	
	2003	2002	2003	2002
PRE-TAX INCOME / (EXPENSE)				
OIL AND GAS				
Gain on sale of GOM assets (a)	\$ --	\$ 7	\$ 14	\$ 7
Exploration asset write-offs	--	--	--	(33)
CHEMICALS				
Asset idling and impairments	--	(37)	(9)	(37)
Equistar equity results	--	7	--	(33)
Reorganizations/severance	--	--	(15)	(14)
CORPORATE				
Environmental remediation	--	(8)	(13)	(8)
Equity earnings	(6)	(3)	(42)	(3)

(a) Net of tax.

## OCCIDENTAL PETROLEUM CORPORATION

STEPHEN CHAZEN  
 CHIEF FINANCIAL OFFICER AND  
 EXECUTIVE VICE PRESIDENT - CORPORATE DEVELOPMENT

- CONFERENCE CALL -  
 THIRD QUARTER 2003 EARNINGS ANNOUNCEMENT

OCTOBER 21, 2003  
 Los Angeles, California

Good morning, and thank you for joining us.

If you would like a copy of the press release announcing our third quarter earnings, along with the Investor Relations Supplemental Schedules, you can find them on our website [www.oxy.com](http://www.oxy.com) or through the SEC's EDGAR system.

Reported and core earnings for the third quarter were \$446 million, or \$1.16 per share, compared with last year's third quarter reported earnings of \$402 million, or \$1.07 per share, and core earnings of \$312 million, or \$0.83 per share. The improvement was driven mainly by higher energy prices and increased oil production.

- o The price of WTI for the quarter averaged \$30.20 per barrel compared to \$28.27 per barrel in last year's third quarter.
- o Worldwide oil and gas production for the quarter was 546,000 barrels of oil equivalent - an increase of 9 percent compared with the 502,000 barrels we produced in last year's third quarter. This is the third consecutive quarter this year we have set new production records.

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- o For the first nine months, production was up by 5 percent compared to last year - from 513,000 to 541,000 BOE per day.
- o WTI averaged \$30.98 per barrel for the first nine months compared with \$25.39 for the comparable period last year, for an increase of 22 percent.

Core earnings for the first nine months of \$1.25 billion, or \$3.27 per share, were 85 percent higher than the \$676 million, or \$1.80 per share, we earned for the comparable period last year.

On a segment basis, oil and gas third quarter earnings were \$660 million - 35 percent higher than the \$490 million in earnings during the same period a year ago. As I noted earlier, the increase was due primarily to higher prices and increased production.

Chemical segment earnings were \$61 million compared to third quarter 2002 earnings of \$214 million, which included an after-tax gain of \$164 million for the sale of our Equistar interest. Core chemical business earnings of \$61 million for the quarter exceed last year's third quarter core earnings of \$50 million by 22 percent.

This year's third quarter core chemical earnings represent an \$18 million improvement compared to the second quarter. While lower product prices, which were slightly offset by better volumes, resulted in a net decline of \$21 million in the third quarter compared to the second quarter, this decline was more than offset by \$25 million in improvements resulting from lower energy and feedstock costs and internal cost reductions.

Cash flow from operations for the quarter was approximately \$750 million and \$2.2 billion for the first nine months.

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Turning to the balance sheet at the end of the quarter, we increased shareholder equity to \$7.5 billion, or \$441 million higher than at the end of the second quarter. During the first nine months of the year, shareholder equity increased by a total of \$1.2 billion, an improvement of 19 percent above the year-end 2002 level.

Our debt-to-total capitalization was down to 38 percent at the end of the quarter, compared to 40 percent at the end of the second quarter and 43 percent at the end of last year. At the end of the quarter, we had \$529 million in cash on the balance sheet. We expect to call \$454 million in 8.16 percent Trust Preferred Securities in December to be redeemed in January.

During the quarter, Moody's upgraded our credit rating to Baal. This follows upgrades by S&P and Fitch to BBB+ during the second quarter.

Capital spending for the quarter was \$360 million and \$1.15 billion for the first nine months, including \$180 million for the chemical plant lease buyout in the second quarter and \$44 million for the buyout of chemical railcar leases in the first quarter. Excluding the lease buyouts, we expect total capital spending for the year to be approximately \$1.4 billion - with oil and gas accounting for about 90 percent of the expenditures.

As we look ahead in the current quarter:

- o We expect oil and gas production to increase modestly in the fourth quarter due primarily to the startup of the new oil pipeline in Ecuador known by its Spanish acronym OCP. The pipeline began operations on September 1 and we will be increasing production during the fourth quarter from the new Eden-Yuturi field as well as from other recent discoveries in Block 15.
- o Production also can be impacted from quarter to quarter due to price-driven adjustments in the volumes under our production-

sharing contracts in Oman, Qatar, Yemen and our THUMS operation in Long Beach. In addition, our Colombia production is always difficult to forecast.

- o We expect exploration expense for the quarter to be about \$35 million.
- o The fourth and first quarters are typically the weakest quarters for the chemical business due to seasonal factors. We therefore expect fourth quarter chemical earnings to be in the \$45 to \$55 million range.
- o We expect fourth quarter interest expense to be approximately \$66 million. That includes what we expect will be the final quarterly payment on our Trust Preferred Securities.
- o A \$1.00 per barrel change in oil prices impacts oil and gas quarterly earnings by about \$30 million. As I noted earlier, the WTI price in the third quarter was \$30.20 per barrel. A swing of 10-cents per million BTUs in gas prices has a \$5 million impact on quarterly segment earnings. The NYMEX gas price for the third quarter was \$5.59 per thousand cubic feet.
- o Our overall effective tax rate, both foreign and U.S., is about 43%. Our reported oil and gas earnings are after foreign taxes. We expect our U.S. tax rate in the 4th quarter, which applies to the net, to be the same 30 percent as it was in the first nine months.
- o We currently own approximately 39 million shares of Lyondell Chemical Company, which we account for on an equity basis. We have no way of forecasting Lyondell's results.

Now we're ready to take your questions.

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Statements in this presentation that contain words such as "will" or "expect", or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations, and supply/demand consideration, for oil, gas and chemicals; higher-than-expected costs; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. Occidental disclaims any obligation to update any forward-looking statements. The United States Securities and Exchange Commission (SEC) permits oil and natural gas companies, in their filings with the SEC, to disclose only proved reserves demonstrated by actual production or conclusive formation tests to be economically producible under existing economic and operating conditions. We use certain terms in this presentation, such as probable, possible and recoverable reserves, that the SEC's guidelines strictly prohibit us from using in filings with the SEC. U.S. investors are urged to consider carefully the disclosure in our form 10-K, available through the following toll-free telephone number, 1-888-OXYPETE (1-888-699-7383) or on the Internet at <http://www.oxy.com>. You also can obtain a copy from the SEC by calling 1-800-SEC-0330.  
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## Investor Relations Supplemental Schedules

[OXY LOGO]

OCCIDENTAL PETROLEUM  
2003 Third Quarter  
Net Income (Loss)  
(\$ millions)

	REPORTED INCOME	SIGNIFICANT ITEMS AFFECTING INCOME	CORE EARNINGS
	-----	-----	-----
Oil & Gas	\$ 660		\$ 660
Chemical	61		61
Corporate Interest			
Debt, net	(59)		(59)
Trust pfd distributions & other	(12)		(12)
Other	(44)		(44)
Taxes	(160)		(160)
	-----	-----	-----
NET INCOME	\$ 446	\$ --	\$ 446
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE	\$ 1.16		\$ 1.16
	=====		=====

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## Investor Relations Supplemental Schedules

[OXY LOGO]

OCCIDENTAL PETROLEUM  
2002 Third Quarter  
Net Income (Loss)  
(\$ millions)

	REPORTED INCOME	SIGNIFICANT ITEMS AFFECTING INCOME	CORE EARNINGS
	-----	-----	-----
Oil & Gas	\$ 490		\$ 490
Chemical	214	(164) Sale of Equistar investment	50
Corporate Interest			
Debt, net	(73)		(73)
Trust pfd distributions & other	(12)		(12)
Other	(38)		(38)
Taxes	(105)		(105)
	-----	-----	-----
Income from continuing operations	476	(164)	312
Discontinued operations, net	(74)	74 Discontinued operations	--
	-----	-----	-----
NET INCOME	\$ 402	\$ (90)	\$ 312
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE			
Income from continuing operations	\$ 1.26		\$ 0.83
Discontinued operations, net	(0.19)		--
	-----		-----
	\$ 1.07		\$ 0.83
	=====		=====

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[OXY LOGO]

OCCIDENTAL PETROLEUM  
2003 First Nine Months  
Net Income (Loss)  
(\$ millions)

	REPORTED INCOME	SIGNIFICANT ITEMS AFFECTING INCOME	CORE EARNINGS
	-----	-----	-----
Oil & Gas	\$ 2,024		\$ 2,024
Chemical	139		139
Corporate Interest			
Debt, net	(236)	61 Debt remarket fee	(175)
Trust pfd distributions & other	(34)		(34)
Other	(175)		(175)
Taxes	(505)	(21) Tax effect of adjustments	(526)
	-----	-----	-----
Income from continuing operations	1,213	40	1,253
Cumulative effect of accounting changes	(68)	68 Cumulative effect of acct changes	--
	-----	-----	-----
NET INCOME	\$ 1,145	\$ 108	\$ 1,253
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE			
Income from continuing operations	\$ 3.17		\$ 3.27
Cumulative effect of accounting changes	(0.18)		--
	-----		-----
	\$ 2.99		\$ 3.27
	=====		=====



[OXY LOGO]

OCCIDENTAL PETROLEUM  
2002 First Nine Months  
Net Income (Loss)  
(\$ millions)

	REPORTED INCOME	SIGNIFICANT ITEMS AFFECTING INCOME	CORE EARNINGS
	-----	-----	-----
Oil & Gas	\$ 1,217		\$ 1,217
Chemical	217	(164) Sale of Equistar investment	53
Corporate Interest			
Debt, net	(217)		(217)
Trust pfd distributions & other	(33)		(33)
Other	(94)		(94)
Taxes	(250)		(250)
	-----	-----	-----
Income from continuing operations	840	(164)	676
Discontinued operations, net	(78)	78 Discontinued operations	--
Cumulative effect of accounting changes	(95)	95 Cumulative effect of acct changes	
	-----	-----	-----
NET INCOME	\$ 667	\$ 9	\$ 676
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE			
Income from continuing operations	\$ 2.23		\$ 1.80
Discontinued operations, net	(0.21)		--
Cumulative effect of accounting changes	(0.25)		--
	-----		-----
	\$ 1.77		\$ 1.80
	=====		=====

[OXY LOGO]

OCCIDENTAL PETROLEUM  
ITEMS AFFECTING COMPARABILITY OF CORE EARNINGS BETWEEN PERIODS

PRE-TAX INCOME / (EXPENSE)	THIRD QUARTER		NINE MONTHS	
	2003	2002	2003	2002
OIL & GAS				
Exploration asset write-offs	--	--	--	(33)
Gain on sale of GOM assets(1)	--	7	14	7
CHEMICALS				
Reorganizations / severance	--	--	(15)	(14)
Equistar equity earnings	--	7	--	(33)
Asset idling and impairments	--	(37)	(9)	(37)
CORPORATE				
Equity earnings	(6)	(3)	(42)	(3)
Environmental remediation	--	(8)	(13)	(8)

1 Amount shown after-tax

[OXY LOGO]

OCCIDENTAL PETROLEUM  
2003 THIRD QUARTER NET INCOME (LOSS)  
REPORTED INCOME COMPARISON

	THIRD QUARTER 2003	SECOND QUARTER 2003	B / (W)
	-----	-----	-----
OIL & GAS	\$ 660	\$ 637	\$ 23
CHEMICAL	61	43	18
CORPORATE			
INTEREST			
DEBT, NET	(59)	(53)	(6)
TRUST PFD DISTRIBUTIONS & OTHER	(12)	(11)	(1)
OTHER	(44)	(75)	31
TAXES	(160)	(167)	7
	-----	-----	-----
NET INCOME	\$ 446	\$ 374	\$ 72
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE	\$ 1.16	\$ 0.98	\$ 0.18
	=====	=====	=====
EFFECTIVE TAX RATE	26%	32%	6%
	=====	=====	=====

OCCIDENTAL PETROLEUM  
2003 THIRD QUARTER NET INCOME (LOSS)  
CORE EARNINGS COMPARISON

	THIRD QUARTER 2003	SECOND QUARTER 2003	B / (W)
	-----	-----	-----
OIL & GAS	\$ 660	\$ 637	\$ 23
CHEMICAL	61	43	18
CORPORATE			
INTEREST			
DEBT, NET	(59)	(53)	(6)
TRUST PFD DISTRIBUTIONS & OTHER	(12)	(11)	(1)
OTHER	(44)	(75)	31
TAXES	(160)	(167)	7
	-----	-----	-----
NET INCOME	\$ 446	\$ 374	\$ 72
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE	\$ 1.16	\$ 0.98	\$ 0.18
	=====	=====	=====
EFFECTIVE TAX RATE	26%	32%	6%
	=====	=====	=====

[OXY LOGO]

OCCIDENTAL PETROLEUM  
OIL & GAS  
CORE EARNINGS VARIANCE ANALYSIS  
(\$ MILLIONS)

2003 3rd Quarter	\$	660
2003 2nd Quarter		637
		-----
	\$	23
		=====
Price Variance	\$	37
Volume Variance		13
Exploration Expense Variance		(8)
All Other		(19)
		-----
TOTAL VARIANCE	\$	23
		=====

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OCCIDENTAL PETROLEUM  
CHEMICAL  
CORE EARNINGS VARIANCE ANALYSIS  
(\$ MILLIONS)

2003 3rd Quarter	\$	61
2003 2nd Quarter		43
		-----
	\$	18
		=====
Sales Price	\$	(26)
Sales Volume/Mix		5
Operations/Manufacturing		25 *
All Other		14
		-----
TOTAL VARIANCE	\$	18
		=====

\* Lower energy and feedstock costs, \$17.

[OXY LOGO]

OCCIDENTAL PETROLEUM  
2003 THIRD QUARTER NET INCOME (LOSS)  
REPORTED INCOME COMPARISON

	THIRD QUARTER 2003	THIRD QUARTER 2002	B / (W)
	-----	-----	-----
OIL & GAS	\$ 660	\$ 490	\$ 170
CHEMICAL	61	214	(153)
CORPORATE			
INTEREST			
DEBT, NET	(59)	(73)	14
TRUST PFD DISTRIBUTIONS & OTHER	(12)	(12)	--
OTHER	(44)	(38)	(6)
TAXES	(160)	(105)	(55)
	-----	-----	-----
INCOME FROM CONTINUING OPERATIONS	446	476	(30)
DISCONTINUED OPERATIONS, NET	--	(74)	74
	-----	-----	-----
NET INCOME	\$ 446	\$ 402	\$ 44
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE	\$ 1.16	\$ 1.07	\$ 0.09
	=====	=====	=====
EFFECTIVE TAX RATE	26%	-152%	-178%
	=====	=====	=====

OCCIDENTAL PETROLEUM  
2003 THIRD QUARTER NET INCOME (LOSS)  
CORE EARNINGS COMPARISON

	THIRD QUARTER 2003	THIRD QUARTER 2002	B / (W)
	-----	-----	-----
OIL & GAS	\$ 660	\$ 490	\$ 170
CHEMICAL	61	50	11
CORPORATE			
INTEREST			
DEBT, NET	(59)	(73)	14
TRUST PFD DISTRIBUTIONS & OTHER	(12)	(12)	--
OTHER	(44)	(38)	(6)
TAXES	(160)	(105)	(55)
	-----	-----	-----
NET INCOME	\$ 446	\$ 312	\$ 134
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE	\$ 1.16	\$ 0.83	\$ 0.33
	=====	=====	=====
EFFECTIVE TAX RATE	26%	24%	-2%
	=====	=====	=====

[OXY LOGO]

OCCIDENTAL PETROLEUM  
 OIL & GAS  
 CORE EARNINGS VARIANCE ANALYSIS  
 (\$ MILLIONS)

2003 3rd Quarter	\$	660
2002 3rd Quarter		490
		-----
	\$	170
		=====
Price Variance	\$	173
Volume Variance		65
Exploration Expense Variance		(8)
All Others		(60)
		-----
TOTAL VARIANCE	\$	170
		=====

=====

OCCIDENTAL PETROLEUM  
 CHEMICAL  
 CORE EARNINGS VARIANCE ANALYSIS  
 (\$ MILLIONS)

2003 3rd Quarter	\$	61
2002 3rd Quarter		50
		-----
	\$	11
		=====
Sales Price	\$	45
Sales Volume/Mix		3
Operations/Manufacturing		(48) *
All Other		11
		-----
TOTAL VARIANCE	\$	11
		=====

\* Higher energy and feedstock costs.

[OXY LOGO]

OCCIDENTAL PETROLEUM  
SUMMARY OF OPERATING STATISTICS

-----

	THIRD QUARTER		NINE MONTHS	
	2003	2002	2003	2002
-----				
NET PRODUCTION PER DAY:				
UNITED STATES				
CRUDE OIL AND LIQUIDS (MBL)				
California	80	84	79	87
Permian	151	143	150	141
Horn Mountain	24	--	19	--
Hugoton	4	3	4	3
TOTAL	-----	-----	-----	-----
	259	230	252	231
NATURAL GAS (MMCF)				
California	248	283	254	293
Hugoton	136	149	141	152
Permian	134	132	128	129
Horn Mountain	16	--	12	--
TOTAL	-----	-----	-----	-----
	534	564	535	574
LATIN AMERICA				
CRUDE OIL (MBL)				
Colombia	31	38	35	39
Ecuador	27	13	20	13
TOTAL	-----	-----	-----	-----
	58	51	55	52
MIDDLE EAST AND OTHER				
EASTERN HEMISPHERE				
CRUDE OIL (MBL)				
Oman	13	9	12	14
Pakistan	10	12	10	10
Qatar	44	44	47	43
Yemen	34	29	36	36
TOTAL	-----	-----	-----	-----
	101	94	105	103
NATURAL GAS (MMCF)				
Pakistan	71	74	74	58
BARRELS OF OIL EQUIVALENT (MBOE)				
-----				
CONSOLIDATED SUBSIDIARIES	519	481	514	491
OTHER INTERESTS				
COLOMBIA - MINORITY INTEREST	(4)	(5)	(4)	(5)
RUSSIA - OCCIDENTAL NET INTEREST	30	26	30	27
YEMEN - OCCIDENTAL NET INTEREST	1	--	1	--
TOTAL	-----	-----	-----	-----
TOTAL WORLDWIDE PRODUCTION (MBOE)	546	502	541	513
	=====	=====	=====	=====

[OXY LOGO]

## SUMMARY OF OPERATING STATISTICS

	THIRD QUARTER		NINE MONTHS	
	2003	2002	2003	2002
OIL & GAS:				
-----				
PRICES				
UNITED STATES				
Crude Oil (\$/BBL)	28.24	25.75	28.83	22.81
Natural gas (\$/MCF)	5.00	2.94	4.93	2.74
LATIN AMERICA				
Crude oil (\$/BBL)	25.84	25.36	27.29	22.23
MIDDLE EAST AND OTHER				
EASTERN HEMISPHERE				
Crude oil (\$/BBL)	26.98	26.36	27.47	23.45
Natural Gas (\$/MCF)	2.13	1.95	1.98	2.14

	THIRD QUARTER		NINE MONTHS	
	2003	2002	2003	2002
Exploration Expense				
Domestic	\$ 25	\$ 18	\$ 70	\$ 72
Latin America	2	3	8	17
Middle East and Other	10	8	16	26
Eastern Hemisphere				
TOTAL	\$ 37	\$ 29	\$ 94	\$ 115
	=====	=====	=====	=====



[OXY LOGO]

OCCIDENTAL PETROLEUM  
CHEMICALS  
Volume (M Tons)

MAJOR PRODUCTS	THIRD QUARTER		NINE MONTHS	
	2003	2002	2003	2002
Chlorine	681	685	2,031	2,121
Caustic	697	716	2,053	2,033
Ethylene Dichloride	135	94	374	386
PVC Resins	1,009	1,022	2,944	3,215

CHEMICALS  
Prices (Index)

MAJOR PRODUCTS	THIRD QUARTER		NINE MONTHS	
	2003	2002	2003	2002
Chlorine	1.76	1.37	1.73	0.83
Caustic	0.85	0.61	0.85	0.72
Ethylene Dichloride	1.13	1.30	1.18	1.02
PVC Resins	0.88	0.88	0.91	0.70

1987 through 1990 average price = 1.00

[OXY LOGO]

CHLORINE

OXYCHEM COMMENTARY

- o Seasonal demand was hindered by milder and wetter weather. This negatively impacted the bleach, water treatment and titanium dioxide market segments.
- o Pricing declined slightly in the 3rd quarter due to a slowdown in seasonal demand, increased global competition experienced by our customers, and a decline in industry operating rates.
- o Chlorine industry operating rates declined approximately 2% to 90% in the 3rd quarter versus 2nd quarter 2003.

INFLUENCING FACTORS:

Industry operating rates are not expected to improve in the 4th quarter.

CAUSTIC

OXYCHEM COMMENTARY

- o Demand for caustic soda declined marginally in the 3rd quarter due to reduced volume into the pulp and paper and refining markets. Caustic soda demand is expected to ease further throughout the 4th quarter due to seasonality.
- o The price increase of \$50 per ton announced for July 1st was unsuccessful. Strong competitive activity and the influence of significant increases in imported caustic brought pricing under pressure and adversely impacted the implementation of the price increase.

INFLUENCING FACTORS:

The supply/demand balance for caustic soda remains fragile. Industry capacity rationalization and improvement in the U.S. manufacturing sector would provide support for future price improvement. However, elevated chlorine operating rates and increased imports could negatively impact future caustic price increases during periods of weak demand.

EDC

OXYCHEM COMMENTARY

- o EDC values remained flat in the 3rd quarter in spite of improved VCM and PVC demand in the Far East.

[OXY LOGO]

- o Unplanned and extended VCM outages in the US and Asia have weakened the EDC supply/demand balance. This is expected to continue throughout the 4th quarter.

INFLUENCING FACTORS:

- -----

PVC production in China via the calcium carbide process has negatively impacted EDC demand and diluted some of the anticipated growth in 2003.

PVC/VCM

- -----

OXYCHEM COMMENTARY

- -----

- o Reduced 2nd quarter customer inventories and favorable weather led to an improvement in 3rd quarter PVC sales demand. Inventories are at moderate levels going into the 4th quarter.
- o VCM outages in the U.S. and Asia allowed for price increases at the end of the 3rd quarter and will support price stability in the 4th quarter.
- o Capacities still exclude the former Borden Geismar and Addis facilities, which remain idle. There is little indication that either plant will restart in 2004.
- o July PVC pricing was down \$.01/lb with August holding steady. The September increase of \$.02/lb has been supported in the marketplace.
- o Demand and pricing for PVC exports improved slightly in the 3rd quarter due mostly to outages in Asia. 3rd quarter pricing ended at \$650/MT.
- o The VCM market is tight with Pemex and Dow currently in an outage and PHH Lake Charles resuming production following their outage. OxyVinyls should benefit with increased 4th quarter sales.

INFLUENCING FACTORS:

- -----

Increased demand in both the domestic and export markets led to improved 3rd quarter margins. 4th quarter margins will be dependant on continued demand and raw material balances.

[OXY LOGO]

## SUMMARY OF OPERATING STATISTICS

CAPITAL EXPENDITURES (\$MM)	THIRD QUARTER		NINE MONTHS	
	2003	2002	2003	2002
Oil & Gas				
California	\$ 58	\$ 57	\$ 155	\$ 178
Permian	72	50	187	153
Other - U.S.	11	20	37	64
Latin America	30	26	67	77
Middle East and Other Eastern Hemisphere	157	92	390	270
Chemicals	27	21	300 <sup>1</sup>	56
Corporate	5	17	15	42
<b>TOTAL</b>	<b>\$ 360</b>	<b>\$ 283</b>	<b>\$ 1,151</b>	<b>\$ 840</b>

<sup>1</sup> Includes \$180 for buyout of VCM plant lease and \$44 for buyout of railcar leases

DEPRECIATION, DEPLETION & AMORTIZATION OF ASSETS (\$MM)	THIRD QUARTER		NINE MONTHS	
	2003	2002	2003	2002
Oil & Gas				
Domestic	\$ 158	\$ 138	\$ 481	\$ 434
Latin America	15	9	42	27
Middle East and Other Eastern Hemisphere	61	52	183	153
Chemicals	57	44	149	139
Corporate	4	2	11	6
<b>TOTAL</b>	<b>\$ 295</b>	<b>\$ 245</b>	<b>\$ 866</b>	<b>\$ 759</b>

[OXY LOGO]

OCCIDENTAL PETROLEUM  
CORPORATE  
(\$ millions)

	30-SEP-03 -----	31-DEC-02 -----
CAPITALIZATION		
Oxy Long-Term Debt (including current maturities)	\$ 4,079	\$ 4,203
Trust Preferred Securities	454	455
Subsidiary Preferred Stock	75	75
Others	25 -----	26 -----
TOTAL DEBT	\$ 4,633 =====	\$ 4,759 =====
EQUITY		
	\$ 7,495 =====	\$ 6,318 =====
Total Debt To Total Capitalization	38% =====	43% =====

[OXY LOGO]

Statements in this presentation that contain words such as "will" or "expect", or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations, and supply/demand considerations, for oil, gas and chemicals; higher-than-expected costs; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. Occidental disclaims any obligation to update any forward-looking statements.