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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 8-K/A**  
**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported) February 7, 2008**

**OCCIDENTAL PETROLEUM CORPORATION**

(Exact name of registrant as specified in its charter)

|   |  |  |
|---|--|--|
| <b>Delaware</b><br>(State or other jurisdiction<br>of incorporation)  | <b>1-9210</b><br>(Commission<br>File Number) | <b>95-4035997</b><br>(I.R.S. Employer<br>Identification No.) |
| <b>10889 Wilshire Boulevard</b><br><b>Los Angeles, California</b><br>(Address of principal executive offices) |  | <b>90024</b><br>(ZIP code)                                   |

Registrant's telephone number, including area code:  
**(310) 208-8800**

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Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## **Section 7 – Regulation FD**

### Item 7.01. Regulation FD Disclosure

Attached as Exhibit 99.1 is a presentation made by Stephen I. Chazen, Occidental's President and Chief Financial Officer, in connection with the February 7, 2008, Credit Suisse 2008 Energy Summit.

## **Section 9 – Financial Statements and Exhibits**

### Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 Presentation dated February 7, 2008

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: February 7, 2008

/s/ JIM A. LEONARD

Jim A. Leonard, Vice President and Controller  
(Principal Accounting and Duly Authorized Officer)

**EXHIBIT INDEX**

99.1 Presentation dated February 7, 2008

February 2008



Stephen I. Chazen  
President and  
Chief Financial Officer

**Credit Suisse**  
2008 Energy Summit

Oxy



# Full Year 2007 Results



(\$ in millions, except EPS data)

|                                     | <u>FY2007</u> | <u>FY2006</u> |
|-------------------------------------|---------------|---------------|
| • Reported Net Income               | \$5,400       | \$4,191       |
| • Reported EPS (diluted)            | \$6.44        | \$4.87        |
| • Core Results*                     | \$4,405       | \$4,116       |
| • Core EPS (diluted)                | \$5.25        | \$4.78        |
| • + 10% year-over-year              |               |               |
| • Oil and Gas production (mboe/day) | 570           | 545           |
| • +5% year-over-year                |               |               |
| • Capital Spending                  | \$3,497       | \$2,987       |
| • Cash Flow from Operations         | \$6,800       | \$6,400       |
| • Debt/Capital                      | 7%            | 13%           |
| • ROE                               | 26%           | 24%           |
| • ROCE*                             | 24%           | 21%           |

\* See attached for GAAP reconciliation

# Three Distinct Business Models/Strategies

- **Stable Cash Business**
  - US Oil & Gas
    - Stable production and long-lived reserves
    - Lower risk and good returns
    - High Capital efficiency
    - Generates large amounts of free cash flow to fund growth
- **Growth Business**
  - Middle East/North Africa and Latin American Oil and Gas
    - Strong production growth
    - High returns
- **Other Value Enhancing**
  - Chemicals
  - Midstream Assets
  - Dividend Growth
  - Share Repurchase
  - Cost Reduction Program

# Worldwide Oil & Gas Operations





# Worldwide Production Outlook



Thousand BOE/Day

Assumes \$80 WTI Price



Note: As a result of PSC contracts, a +/- \$5 per barrel change in oil prices impacts production by +/- 4 mb/day

# Reserves Replacement



*Million BOE*

|                       | <u>Organic Growth</u> | <u>Acquisitions</u> | <u>Total</u> | <u>Reserve Replace %</u> | <u>Worldwide Production (million boe)</u> |
|-----------------------|-----------------------|---------------------|--------------|--------------------------|---|
| 2007                  | 182                   | 60                  | 242          | 116                      | 209                                       |
| 2006                  | 187                   | 326                 | 513          | 257                      | 200                                       |
| 2005                  | 231                   | 139                 | 370          | 216                      | 171                                       |
| 2004                  | 201                   | 40                  | 241          | 145                      | 166                                       |
| 2003                  | 229                   | 107                 | 336          | 202                      | 166                                       |
| <b>3-Year Average</b> | <b>200</b>            | <b>175</b>          | <b>375</b>   | <b>194</b>               | <b>193</b>                                |
| <b>5-Year Average</b> | <b>206</b>            | <b>134</b>          | <b>340</b>   | <b>187</b>               | <b>182</b>                                |

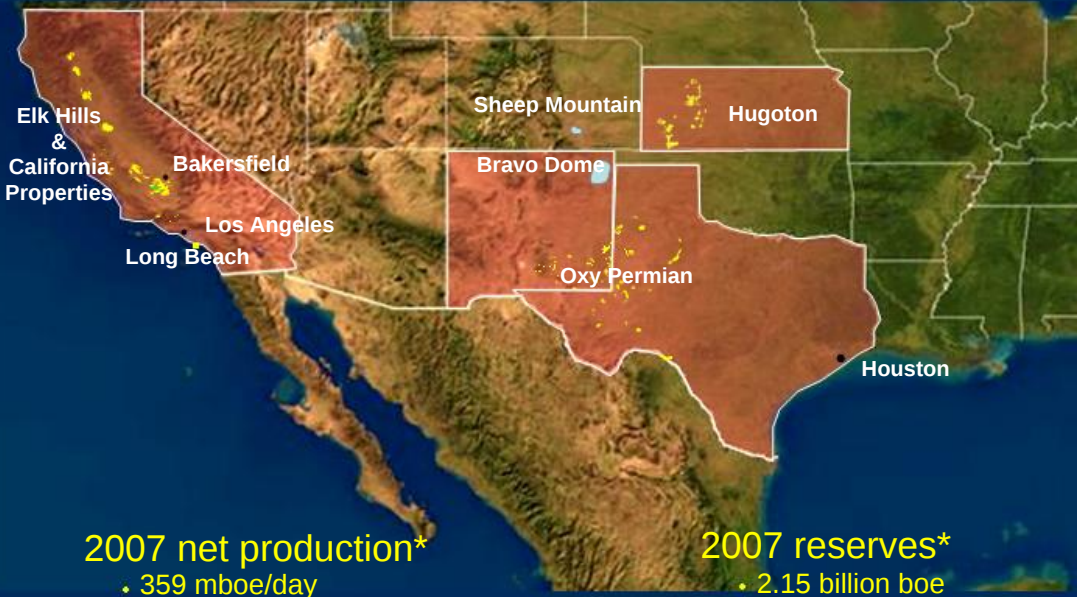
# Oil & Gas Capital Program



*(\$ in millions)*

|                         | <u>2007</u>  | <u>2008E</u> |
|-------------------------|--------------|--------------|
| Growth Capital          | 1,100        | 1,400        |
| Base Capital            | <u>2,100</u> | <u>2,200</u> |
| Total Oil & Gas Capital | 3,200        | 3,600        |

# US Oil & Gas Operations – Stable Cash



**2007 net production\***

- 359 mboe/day
- 63% of worldwide total

**2007 reserves\***

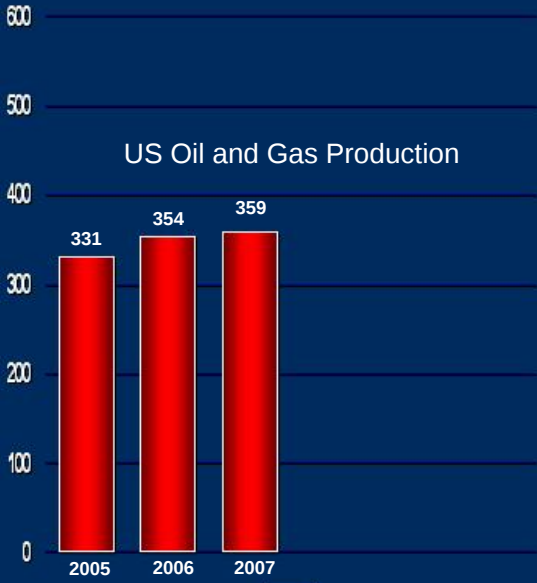
- 2.15 billion boe
- 75% of worldwide total

\* See attached for GAAP reconciliation.

# US Oil & Gas Operations – Stable Cash



Thousand BOE/Day



- Key Operations/Assets:
  - Permian Basin
  - California/Elk Hills Field

## 2007 Financial Data

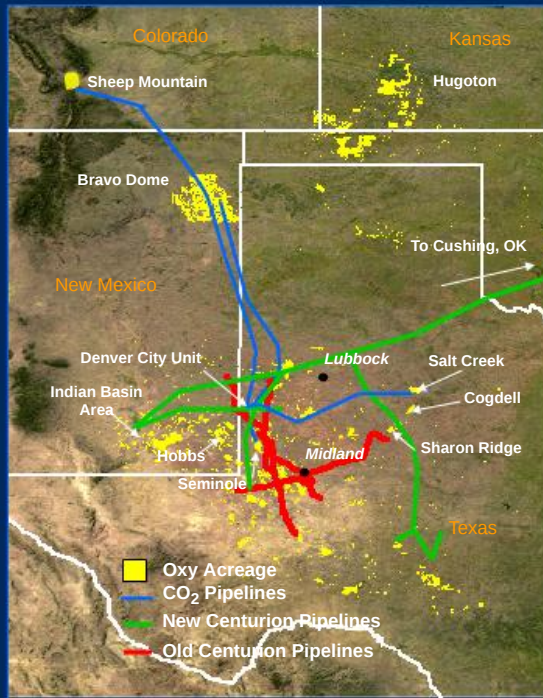
|                  |               |
|------------------|---------------|
| Pre-tax Income   | \$4.1 Billion |
| After-tax Cash** | \$2.5 Billion |
| Capital          | \$1.4 Billion |
| ROANCC           | 20%           |



ROANCC = Return On Average Net Capitalized Costs. \*\*See [www.oxy.com](http://www.oxy.com)

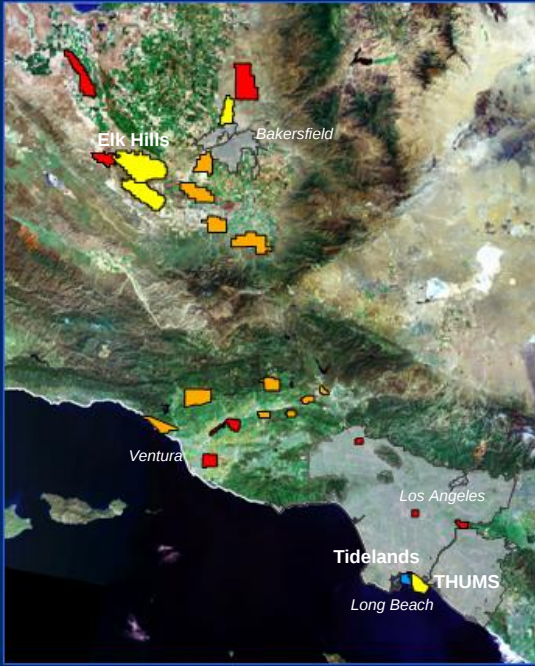
Excludes production from Horn Mountain (GoM) resulting from asset swap with BP which closed in June 2007.

# Permian Basin Operations



- Large resource base
- Low decline rate & long-lived properties
- Significant cash generation
- Production (mboe per day)
  - 2007: 198
- Drilling rate: 300+ wells/yr
- Integrate PXP acquisition
- CO<sub>2</sub> projects on track
- Natural area for consolidation

# California Operations



- California Production
  - 2007: 131 mboe per day
- Elk Hills Production (2007)
  - 88 mboe/day
- Elk Hills Drilling rate: 260+ wells/yr.
  - Shallow oil zone
  - Further shale development
- EOR Opportunities
  - Nitrogen flood
  - CO<sub>2</sub> pilots
- Consolidation Opportunities

## Plains Exploration Transactions



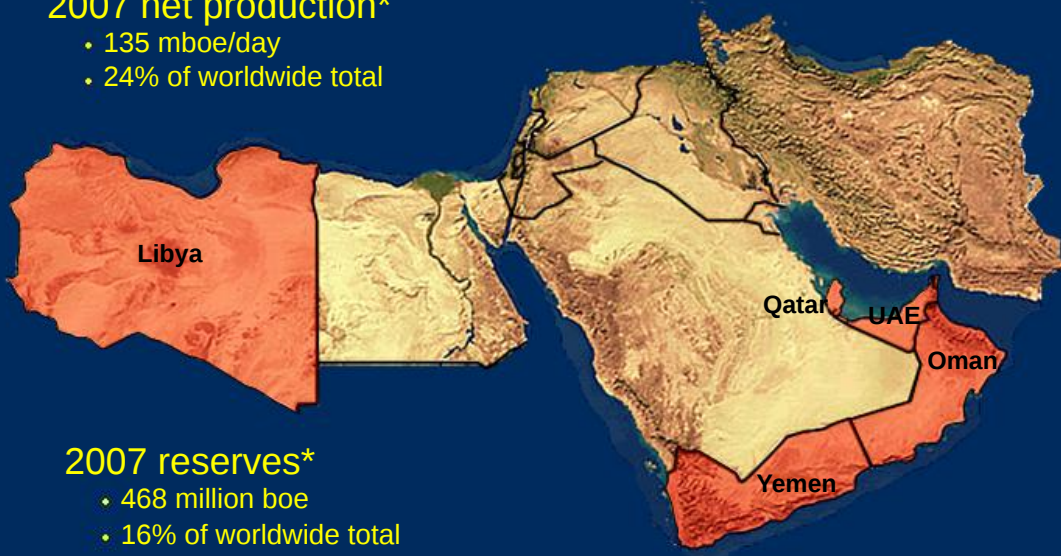
- Properties acquired for \$1.55 Billion
- Occidental will purchase:
  - 50% working interest in PXP's oil & gas properties located in the Permian Basin, West Texas and New Mexico which Oxy will operate.
  - 50% working interest in PXP's Piceance Basin oil & gas assets. PXP will operate and Oxy expects the properties to deliver multi-year production growth.
- 92 million boe of proved reserves and 13,500 boe per day of current production.



# Middle East/North Africa Oil & Gas – Growth

## 2007 net production\*

- 135 mboe/day
- 24% of worldwide total



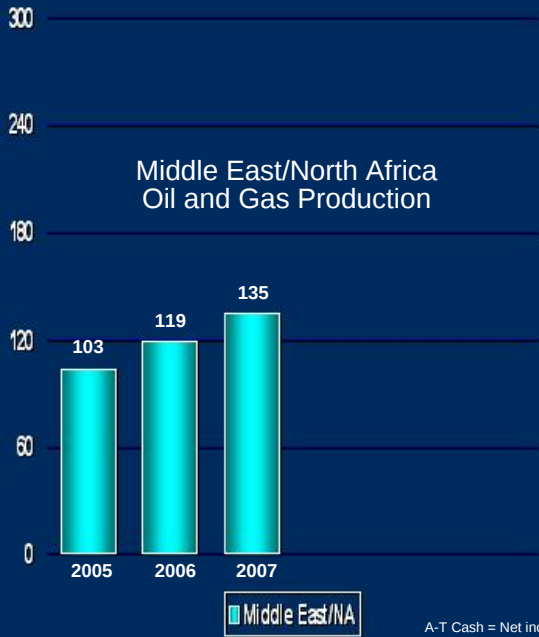
## 2007 reserves\*

- 468 million boe
- 16% of worldwide total

\* See attached for GAAP reconciliation.

# Middle East/North Africa Oil & Gas – Growth

Thousand BOE/Day



- Key Operations/Assets:
  - Dolphin Project
  - Qatar ISND
  - Oman/Mukhaizna
  - Libya

## 2007 Financial Data

|                |               |
|----------------|---------------|
| Pre-tax Income | \$2.9 Billion |
| After-tax Cash | \$0.8 Billion |
| Capital        | \$1.1 Billion |
| ROANCC**       | 26%           |

\*\*ROANCC = Return On Average Net Capitalized Costs.

A-T Cash = Net income from continuing operations minus income owed by Oxy and paid by governmental entities on its behalf plus DD&A minus exploration and development costs incurred.

# UAE / Qatar – Dolphin Project



- Oxy's interest is 24.5%
- Gas delivery to UAE markets began last July
- Project expected to be fully operational this month
- Net Production (mboe/d)
  - 2007 Exit Rate 43
  - 1Q '08E 53
- 1Q '08E inc. \$90 - \$100 mm at \$90 oil price
- Net capital \$1.1 B at 12/31/07
- ROCE similar to Middle East/North Africa region



# Oman – Mukhaizna Project



- Project Status

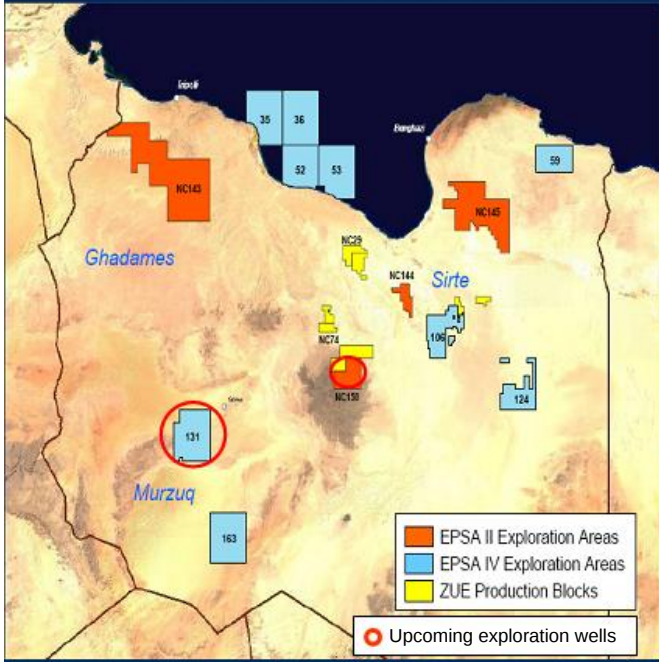
- 173 total new wells drilled in 2006 & 2007
- Implemented a pattern steam flood
- 2007 production exit rate nearly tripled from Sept '05
- Increase gross production to 150,000 barrels/day

- 2008 Work Program

- \$350 – \$375 mm (Net)
- Drill approximately 175 wells
- Steam flood expansion continues



# Libya Exploration & Development



- 30-year agreement for major redevelopment projects signed in November 2007, subject to Libyan government approval.
- Covers approximately 2.5 billion bbls of recoverable oil reserves.
- Planned gross capex of \$5 B over 5 years (Oxy share \$1.9 B)
- Plan to increase gross production from current rate of 100 mb/d to 300 mb/d.
- Oxy group will receive 10 to 12% of gross production after tax.
- Upcoming exploration wells
  - Blocks 131/NC 150
  - Areas of recent discoveries
  - 4 wells planned for 2008

# Latin America Oil & Gas Operations – Growth



## 2007 net production\*

- 76 mboe/day
- 13% of worldwide total



## 2007 reserves\*

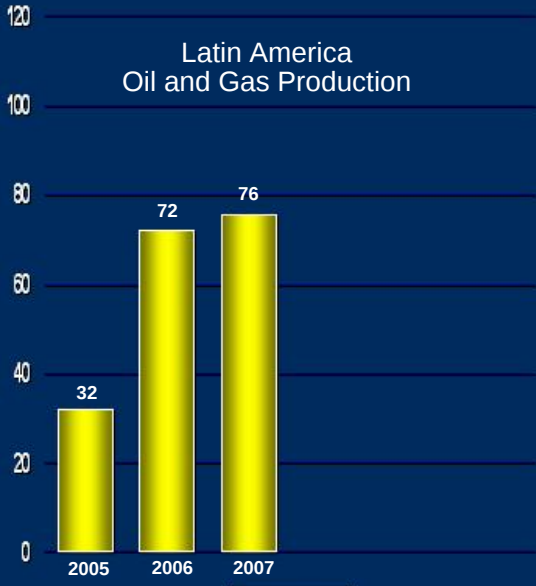
- 244 million boe
- 9% of worldwide total

\* See attached for GAAP reconciliation.

# Latin America Oil & Gas Operations – Growth



Thousand BOE/Day



- Key Operations/Assets:
  - Colombia
  - Argentina

## 2007 Financial Data

|                |               |
|----------------|---------------|
| Pre-tax Income | \$0.7 Billion |
| After-tax Cash | \$0.3 Billion |
| Capital        | \$0.5 Billion |
| ROANCC**       | 14%           |

Latin America

\*\*ROANCC = Return On Average Net Capitalized Costs.

A-T Cash = Net income from continuing operations minus income owed by Oxy and paid by governmental entities on its behalf plus DD&A minus exploration and development costs incurred.



- Politically Stable Country
- Production (mboe per day)  
2007: 37
- Caño Limon
  - Legacy Oil Field
  - Near Field Exploration Success
  - Contract Life Extended to Field Economic Limit
- La Cira-Infantas
  - EOR Project With Large Remaining Reserves
  - Commercial phase of development and production tracking original plans



# Argentina Operations



- Inventory of 700 drilling locations
  - 2008E: 220 to 240 wells
  - 2007: 156 wells
- 2007 production – 36 mboe/day
- Completion of 8 waterflood projects initiated in 2007
  - Additional technology driven opportunities
- Consolidation opportunities
- Increase production to 70 mboed by 2011

## Other Value Enhancing



- Chemicals Operations
- Midstream Assets – Pipelines
- Dividend Growth
- Share Repurchase
- Cost Reduction Program

(\$ Millions)

Period ending 12/31/07

|                  | <u>3-Year<br/>Average</u> | <u>5-Year<br/>Average</u> | <u>2007</u> |
|------------------|---------------------------|---------------------------|-------------|
| Pre-tax Earnings | \$764                     | \$586                     | \$601       |
| Free Cash Flow*  | \$823                     | \$662                     | \$655       |
| Capital Spending | \$225                     | \$190                     | \$251       |

\* See attached for GAAP reconciliation.

# Capital Allocation Philosophy



- New projects must meet expectations for good returns
  - Return Targets\*
    - Domestic – 15+%
    - International – 20+%
- Compare new projects & asset acquisitions with share repurchases
- Make decisions based on creating long-term value for shareholders

\*Assumes Moderate Product Prices

# Business Risk Factors



*Level of Risk Acceptable to Occidental*

| <u>Risk Factor</u> | <u>Low</u> | <u>Middle</u> | <u>High</u> |
|--------------------|------------|---------------|-------------|
| Exploratory        | ü          |               |             |
| Commodity          |            |               | ü           |
| Political          |            | ü             |             |
| Engineering        |            |               | ü           |
| Reinvestment       |            | ü             |             |
| Financial          | ü          |               |             |

# Gross Cash Flow Uses



## Percentage of Total

|                       | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|-----------------------|-------------|-------------|-------------|-------------|-------------|
| Capital               | 45          | 43          | 36          | 41          | 40          |
| Acquisitions          | 19          | 5           | 31          | 26          | 16          |
| Share Repurchase      | —           | —           | —           | 21          | 14          |
| Debt Reduction & Cash | 23          | 42          | 26          | 3           | 21          |
| Dividends             | <u>13</u>   | <u>10</u>   | <u>7</u>    | <u>9</u>    | <u>9</u>    |
|                       | 100         | 100         | 100         | 100         | 100         |

# Creating Shareholder Value – Dividends



*Annual Dividend Payout per share*

Establishing a track record of consistent dividend increases



## Share Repurchase Program



- Spent \$1.13 billion to repurchase 20.6 million shares during 2007 at an average price of \$54.75 a share.
- Repurchased 51.2 mm shares since program inception in February 2006 at an average price of \$50.84 a share.
- 6.3 million shares remained under the current 55 mm share repurchase authorization as of 12/31/07.



# Cost Reduction Program



- Oxy has embarked on a Cost Reduction Program
- The impact of the Program:
  - It will affect operating and G&A costs;
  - Restructuring charge taken in 2007 totaling \$25 mm;
  - Expect a similar amount to be taken in 2008;
  - Improvements made in our procurement function;
  - Combined savings realized from this program are expected to be \$200 mm in 2008 with a longer-term annualized run-rate of \$300 mm.
- The primary focus of this program is on the more mature areas of the company, as opposed to our areas of growth.

## Summary - Corporate Strategy/Philosophy

- Focus on core areas – long-term production growth of 5 - 8% CAGR
  - US - California & Permian Basin
  - Middle East/North Africa
  - Latin America
- Maintain strong balance sheet
  - Maintain “A” credit rating
  - Maintain investment discipline
  - Create value
    - Capture EOR projects with large volumes of oil in place
    - Acquire assets with upside potential
    - Maintain top quartile financial returns
- Maximize free cash flow from chemicals
- Continue to increase the dividend regularly

# Creating Shareholder Value



## Oxy's Shareholder Equity versus Equity Market Value

- Building a History of Generating Shareholder Value

| (\$ in millions) | Change In<br>Equity Market Value  | <u>Market Value per \$ of Equity Retained</u> |
|------------------|-----------------------------------|---|
|                  | Change In<br>Shareholders' Equity |   |
| 1 – Year         | <u>\$22,560</u><br>\$3,571        | 6.3   |
| 3 – Year         | <u>\$40,420</u><br>\$12,226       | 3.3   |
| 5 – Year         | <u>\$52,867</u><br>\$16,505       | 3.2   |
| 10 – Year        | <u>\$53,571</u><br>\$18,537       | 2.9   |

Financial Data for period ending December 31, 2007.



Statements in this presentation that contain words such as "will," "expect" or "estimate," 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: exploration risks such as drilling of unsuccessful wells, global commodity pricing fluctuations and supply/demand considerations for oil, gas and chemicals; higher than expected costs; operational interruptions; political risks; changes in tax rates; unrealized acquisition benefits or higher than expected integration costs; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition or disposition. You should not place undue reliance on these forward-looking statements which speak only as of the date of this presentation. Unless legally required, Occidental does not undertake any obligation to update any forward-looking statements as a result of new information, future events or otherwise.

Additionally, the SEC requires oil and natural gas companies, in their filings, to disclose non-financial statistical information about their consolidated entities separately from such information about their equity holdings and not to show combined totals. 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 recoverable reserves, that the SEC's guidelines strictly prohibit us from using in filings with the SEC. Certain information in this presentation is shown on a combined basis; however, the information is disclosed separately on our web site at [www.oxy.com](http://www.oxy.com). U.S. investors are urged to consider carefully the disclosure in our Form 10-K, available through 1-888-699-7383 or at [www.oxy.com](http://www.oxy.com). You also can obtain a copy from the SEC by calling 1-800-SEC-0330.



**Occidental Petroleum Corporation**  
**Return on Capital Employed (%)**  
(\$ Millions)

**Reconciliation to Generally Accepted Accounting Principles (GAAP)**

|   | <u>2006</u>  | <u>2007</u>  |
|---|--------------|--------------|
| GAAP measure - earnings applicable to common shareholders | 4,191        | 5,400        |
| Interest expense  | 131          | 199          |
| Tax effect of interest expense                            | (46)         | (70)         |
| Earnings before tax-effected interest expense             | <u>4,276</u> | <u>5,529</u> |
| <br>  |              |              |
| GAAP stockholders' equity                                 | 19,252       | 22,823       |
| <br>  |              |              |
| DEBT  |              |              |
| GAAP debt   |              |              |
| Debt, including current maturities                        | 2,790        | 1,788        |
| Non-GAAP debt   |              |              |
| Capital lease obligation                                  | 25           | 25           |
| Subsidiary preferred stock                                | 75           | -            |
| Total debt  | <u>2,890</u> | <u>1,813</u> |
| <br>  |              |              |
| Total capital employed                                    | 22,142       | 24,636       |
| <br>  |              |              |
| <b>Return on Capital Employed (%)</b>                     | 21           | 24           |

**Occidental Petroleum Corporation  
Core Results**

**Reconciliation to Generally Accepted Accounting Principles (GAAP)**

(\$ millions, except per-share amounts)

|  | Twelve<br>Months<br>2007 | Diluted<br>EPS        | Twelve<br>Months<br>2006 | Diluted<br>EPS        |
|--|--------------------------|-----------------------|--------------------------|-----------------------|
| <b>Total Reported Earnings</b>                             | <b>5,400</b>             | <b>\$ 6.44</b>        | <b>4,191</b>             | <b>\$ 4.87</b>        |
| Less significant items excluded from core results:         |                          |                       |                          |                       |
| Gain on sale of Russia investment                          | 412                      |                       | -                        |                       |
| Gain on sale of Lyondell shares                            | 326                      |                       | 90                       |                       |
| Litigation settlements                                     | 112                      |                       | 108                      |                       |
| Gain on sale of oil & gas interests                        | 35                       |                       | -                        |                       |
| Gain on sale of exploration properties, net of impairments | 29                       |                       | -                        |                       |
| Deferred tax reversal - compensation program changes       | -                        |                       | (40)                     |                       |
| Severance accrual  | (25)                     |                       | -                        |                       |
| Plant closure  | (47)                     |                       | -                        |                       |
| Debt purchase expense                                      | (167)                    |                       | (31)                     |                       |
| Tax effect of pre-tax adjustments                          | (2)                      |                       | (41)                     |                       |
| Discontinued operations, net of tax                        | 322                      |                       | (11)                     |                       |
| Total  | <u>995</u>               |                       | <u>75</u>                |                       |
| <b>Total Core Results</b>                                  | <b><u>4,405</u></b>      | <b><u>\$ 5.25</u></b> | <b><u>4,116</u></b>      | <b><u>\$ 4.78</u></b> |

**Worldwide Production**  
**Thousand Barrels of Oil Equivalent per Day**  
**Reconciliation to Generally Accepted Accounting Principles (GAAP)**

|                            | <b>Consolidated Subsidiaries</b> |            |            | <b>Other Interests</b> |            |            | <b>Worldwide</b> |            |            | <u>% of Total</u> |
|----------------------------|----------------------------------|------------|------------|------------------------|------------|------------|------------------|------------|------------|-------------------|
|                            | <u>OIL</u>                       | <u>GAS</u> | <u>BOE</u> | <u>OIL</u>             | <u>GAS</u> | <u>BOE</u> | <u>OIL</u>       | <u>GAS</u> | <u>BOE</u> |                   |
| <b>PRODUCTION</b>          |                                  |            |            |                        |            |            |                  |            |            |                   |
| US                         | 260                              | 593        | 359        | -                      | -          | -          | 260              | 593        | 359        | 63%               |
| Latin America              | 74                               | 40         | 81         | (5)                    | -          | (5)        | 69               | 40         | 76         | 13%               |
| Middle East / North Africa | 119                              | 81         | 133        | 2                      | -          | 2          | 121              | 81         | 135        | 24%               |
| Total                      | <u>453</u>                       | <u>714</u> | <u>573</u> | <u>(3)</u>             | <u>-</u>   | <u>(3)</u> | <u>450</u>       | <u>714</u> | <u>570</u> | <u>100%</u>       |

Natural gas volumes have been converted to equivalent BOE based on energy content of 6,000 cubic feet of gas to one barrel of oil

**Worldwide Reserves**  
**Reconciliation to Generally Accepted Accounting Principles (GAAP)**

|                            | <b>Consolidated Subsidiaries</b> |              |              | <b>Other Interests</b> |            |            | <b>Worldwide</b> |              |              | <u>% of Total</u> |
|----------------------------|----------------------------------|--------------|--------------|------------------------|------------|------------|------------------|--------------|--------------|-------------------|
|                            | <u>OIL</u>                       | <u>GAS</u>   | <u>BOE</u>   | <u>OIL</u>             | <u>GAS</u> | <u>BOE</u> | <u>OIL</u>       | <u>GAS</u>   | <u>BOE</u>   |                   |
| <b>RESERVES</b>            |                                  |              |              |                        |            |            |                  |              |              |                   |
| US                         | 1,707                            | 2,672        | 2,152        | -                      | -          | -          | 1,707            | 2,672        | 2,152        | 75%               |
| Latin America              | 214                              | 208          | 249          | (5)                    | -          | (5)        | 209              | 208          | 244          | 9%                |
| Middle East / North Africa | 305                              | 963          | 465          | 3                      | -          | 3          | 308              | 963          | 468          | 16%               |
| Total                      | <u>2,226</u>                     | <u>3,843</u> | <u>2,866</u> | <u>(2)</u>             | <u>-</u>   | <u>(2)</u> | <u>2,224</u>     | <u>3,843</u> | <u>2,864</u> | <u>100%</u>       |



**Chemicals Free Cash Flow**  
**Reconciliation to Generally Accepted Accounting Principles (GAAP)**  
**(\$ Millions)**

|   | <u>2003</u>    | <u>2004</u> | <u>2005</u>     | <u>2006</u>  | <u>2007</u> |
|---|----------------|-------------|-----------------|--------------|-------------|
| Occidental Petroleum Consolidated Statement of Cash Flows |                |             |                 |              |             |
| Cash flow from operating activities                       | 3,074          | 3,878       | 5,337           | 6,353        | 6,798       |
| Cash flow from investing activities                       | (2,131)        | (2,428)     | (3,161)         | (4,383)      | (3,128)     |
| Cash flow from financing activities                       | (513)          | (821)       | (1,187)         | (2,819)      | (3,045)     |
| Change in cash  | <u>430</u>     | <u>629</u>  | <u>989</u>      | <u>(849)</u> | <u>625</u>  |
| <b>Chemicals Free Cash Flow</b>                           |                |             |                 |              |             |
| Core results (see reconciliation below)                   | 221            | 416         | 784             | 906          | 601         |
| Depreciation & amortization expense                       | 221            | 260         | 268             | 279          | 304         |
| Roundings   | (2)            | (1)         | 1               | 1            | 1           |
| Capital expenditures (excluding acquisitions)             | (120)          | (155)       | (173)           | (251)        | (251)       |
| Free cash flow  | <u>320</u>     | <u>520</u>  | <u>880</u>      | <u>935</u>   | <u>655</u>  |
|   | <u>Core</u>    | <u>Cash</u> | <u>Capital</u>  |              |             |
|   | <u>Results</u> | <u>Flow</u> | <u>Spending</u> |              |             |
| 3-Year Average (2005-2007)                                | 764            | 823         | 225             |              |             |
| 5-Year Average (2003-2007)                                | 586            | 662         | 190             |              |             |
| Segment income  | 221            | 416         | 614             | 906          | 601         |
| Less: significant items affecting earnings                |                |             |                 |              |             |
| Hurricane insurance charges                               | -              | -           | 11              | -            | -           |
| Write-off of plants                                       | -              | -           | 159             | -            | -           |
| Core results  | <u>221</u>     | <u>416</u>  | <u>784</u>      | <u>906</u>   | <u>601</u>  |