

HALLIBURTON COMPANY  
Reconciliation of Effective Tax Rate to Adjusted Effective Tax Rate  
(Millions of dollars)  
(Unaudited)

	Three Months Ended December 31, 2016
As reported loss from continuing operations before income taxes (a)	\$ (175)
Adjustments during the period:	
Impairments and other charges	169
Class action lawsuit settlement	54
Total adjustments, before taxes	223
Adjusted income from continuing operations before income taxes (b)	\$ 48
As reported income tax benefit (a)	\$ 22
Tax effect of total adjustments	(39)
Adjusted provision for income taxes (b)	\$ (17)
As reported effective tax rate (a)	13%
Adjusted effective tax rate (b)	34%

- (a) As reported effective tax rate is calculated as: "As reported income tax benefit" divided by "As reported loss from continuing operations before income taxes."
- (b) Management believes that the effective tax rate adjusted for the Impairments and other charges and the class action lawsuit settlement for the three months ended December 31, 2016 is useful to investors, especially when comparing this rate with previous and subsequent periods, primarily because management views the excluded items to be outside of the company's normal operating results. Management analyzes effective tax rate without the impact of these items as an indicator of normal tax results. Adjusted effective tax rate is calculated as: "Adjusted provision for income taxes" divided by "Adjusted income from continuing operations before income taxes."