

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

Three Months Ended
March 31, 2017

As reported loss from continuing operations before income taxes (a)	\$	(57)
Adjustments during the period:		
Costs related to the early extinguishment of debt		104
Total adjustments, before taxes		104
Adjusted income from continuing operations before income taxes (b)	\$	47
As reported income tax benefit (a)	\$	25
Tax effect of total adjustments		(38)
Adjusted provision for income taxes (b)	\$	(13)
As reported effective tax rate (a)		44%
Adjusted effective tax rate (b)		27%

- (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 costs related to the early extinguishment of debt for the three months ended March 31, 2017 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."

HALLIBURTON COMPANY
Reconciliation of Reported Cash Flow from Operating Activities to
Adjusted Cash Flow from Operating Activities
(Millions of dollars)
(Unaudited)

	Three Months Ended March 31, 2017	
Reported cash flows from operating activities	\$	5
Payment related to the Macondo well incident		335
Adjusted cash flows from operating activities (a)	\$	340

- (a) Management believes that cash flow from operating activities, excluding the payment related to the Macondo well incident, is useful to investors to assess and understand liquidity, especially when comparing results with previous and subsequent periods. Management views cash flow as a key measure of financial performance and liquidity in the company's business.