

The Dow Chemical Company ("Dow" or the "Company")
Reconciliation of non-GAAP financial measures

Some Dow communications or presentations to investors contain certain financial measures that are not defined under accounting principles generally accepted in the United States of America ("GAAP"). Non-GAAP financial measures are clearly identified as such in all presentations in which they are included.

These non-GAAP financial measures exclude the impact of changes in accounting principles, certain gains and losses on the sale of assets, restructuring charges and certain other items. Dow believes that the non-GAAP financial measures presented with these adjustments best reflect the ongoing performance of the Company during the periods presented and are more useful to investors for comparative analyses. These measures should not be viewed as an alternative to GAAP financial measures. Furthermore, these non-GAAP financial measures may not be consistent with similar measures provided or used by other companies.

For a reconciliation between the bases for these non-GAAP financial measures and the most directly comparable GAAP financial measures, please see the following tables.

The Dow Chemical Company
Non-GAAP Adjustments to Earnings Per Share

Amounts in dollars per share	2007	2008	2009 ²	2010 ³	2011	2012 ³	2013 ³	2014	2015	1Q16	2Q16	3Q16	4Q16	2016 ³	1Q17	2Q17
Earnings per common share - diluted (GAAP)	\$ 2.99	\$ 0.62	\$ 0.32	\$ 1.72	\$ 2.05	\$ 0.70	\$ 3.68	\$ 2.87	\$ 6.15	\$ 0.15	\$ 2.61	\$ 0.63	\$ (0.03)	\$ 3.52	\$ 0.72	\$ 1.07
<i>Adjustments for certain items</i>																
One-time increase in cost of sales related to fair valuation of Rohm and Haas inventories	-	-	(0.13)	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of Hurricanes Gustav and Ike	-	(0.12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain from K-Dow arbitration	-	-	-	-	-	-	1.37	-	-	-	-	-	-	-	-	-
K- Dow related expenses	-	(0.05)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill impairment losses	-	(0.25)	(0.01)	-	-	(0.19)	-	-	-	-	-	-	-	-	-	-
Asset impairments and related costs	-	-	-	(0.06)	(0.05)	-	(0.11)	(0.04)	(0.11)	-	-	-	-	-	-	-
Restructuring plan implementation costs	-	-	-	-	-	(0.01)	(0.03)	-	-	-	-	-	-	-	-	-
Restructuring (charges) credits	(0.46)	(0.68)	(0.45)	(0.02)	-	(0.82)	0.02	-	(0.24)	-	(0.27)	-	-	(0.27)	-	0.01
Purchased in-process research and development charges	(0.05)	(0.05)	(0.01)	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition- related integration expenses	-	(0.05)	(0.16)	(0.08)	(0.02)	-	-	-	-	-	-	-	-	-	-	-
Nova patent infringement award	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.07
Environmental charges	-	-	-	-	-	-	-	-	-	-	-	-	(0.17)	(0.17)	-	-
Charge for termination of terminal use agreement	-	-	-	-	-	-	-	-	-	-	-	-	(0.06)	(0.06)	-	-
Asbestos-related credit (charge)	-	0.04	-	0.03	-	-	-	(0.04)	-	-	-	-	(0.58)	(0.58)	-	-
Implant liability adjustment	-	-	-	-	-	-	-	-	-	-	-	-	0.01	0.01	-	-
Charges related to AgroFresh	-	-	-	-	-	-	-	-	-	-	-	-	(0.08)	(0.08)	-	-
Dow Corning related matters	-	-	(0.03)	-	-	(0.07)	-	-	-	-	-	-	-	-	-	-
Charge for Sadara related development and other costs	-	-	-	-	-	(0.06)	-	-	-	-	-	-	-	-	-	-
Joint venture actions	-	-	-	-	-	-	-	(0.08)	(0.02)	-	-	-	-	-	-	-
Impact of Argentine peso devaluation	-	-	-	-	-	-	-	-	(0.09)	-	-	-	-	-	-	-
Gain on collection of impaired note receivable	-	-	(0.06)	-	0.07	-	-	-	-	-	-	-	-	-	-	-
Bayer CropScience arbitration matter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.24)	(0.01)
Gain (Loss) on divestiture of Styron	-	-	-	(0.04)	-	-	-	-	-	-	-	-	-	-	-	-
Urethane Matters legal settlements	-	-	-	-	-	-	-	-	-	(0.70)	-	-	-	(0.70)	-	-
Gain (Loss) on sale of a contract manufacturing business	-	-	-	-	0.04	0.01	-	-	-	-	-	-	-	-	-	-
Gain on 2015 divestitures	-	-	-	-	-	-	-	-	0.71	-	-	-	-	-	-	-
Univation step acquisition	-	-	-	-	-	-	-	-	0.30	-	-	-	-	-	-	-
Gain on sale of MEGlobal	-	-	-	-	-	-	-	-	0.52	-	-	-	-	-	-	-
Gain on split-off of chlorine value chain	-	-	-	-	-	-	-	-	1.96	-	0.01	-	-	0.01	-	-
Costs associated with transactions and productivity actions	-	-	-	-	-	-	-	(0.03)	(0.13)	(0.04)	(0.08)	(0.11)	(0.11)	(0.34)	(0.08)	(0.08)
Obligation related to past divestiture	-	-	-	(0.03)	-	-	-	-	-	-	-	(0.04)	-	(0.04)	-	-
Warranty accrual adjustment of exited business	-	-	-	-	(0.03)	-	-	(0.05)	-	-	-	-	-	-	-	-
Gain on sale of TRN	-	-	0.29	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of OPTIMAL	-	-	0.18	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of Dow Corning ownership restructure	-	-	-	-	-	-	-	-	-	-	2.20	(0.13)	-	2.07	-	-
Labor-related litigation matter	-	-	-	(0.03)	-	-	-	-	-	-	-	-	-	-	-	-
Loss on early extinguishment of debt	-	-	(0.03)	(0.02)	(0.27)	(0.06)	(0.17)	-	-	-	-	-	-	-	-	-
Gain on sale of Dow Polypropylene Licensing and Catalysts business	-	-	-	-	-	-	0.29	-	-	-	-	-	-	-	-	-
Gain on sale of 7.5 percent ownership interest in Freeport LNG Development	-	-	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-
Gain on sale of ownership interest in Dow Kokam LLC	-	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-
German tax law change	(0.38)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in EQUATE legal ownership structure	0.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax valuation allowance	-	-	-	-	(0.23)	-	-	-	-	-	-	-	-	-	-	-
Uncertain tax position adjustments	-	-	-	-	-	-	(0.23)	-	-	-	(0.05)	-	0.04	(0.01)	-	-
Dilutive effect of assumed preferred stock conversion into shares of common stock	-	-	-	-	-	-	(0.01)	-	(0.22)	-	(0.15)	-	(0.07)	(0.04)	-	-
Operating earnings per share (non-GAAP)¹	\$ 3.76	\$ 1.78	\$ 0.73	\$ 1.97	\$ 2.54	\$ 1.90	\$ 2.48	\$ 3.11	\$ 3.47	\$ 0.89	\$ 0.95	\$ 0.91	\$ 0.99	\$ 3.72	\$ 1.04	\$ 1.08
Discontinued operations attributable to common stockholders	\$ 0.02	\$ 0.03	\$ 0.10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating earnings per share excluding discontinued operations (non-GAAP)	\$ 3.74	\$ 1.75	\$ 0.63	\$ 1.97	\$ 2.54	\$ 1.90	\$ 2.48	\$ 3.11	\$ 3.47	\$ 0.89	\$ 0.95	\$ 0.91	\$ 0.99	\$ 3.72	\$ 1.04	\$ 1.08

1 This measure of income excludes certain items that Dow does not consider part of ongoing operations for the periods presented.

2 Due to an increase in share count and a loss in 2Q09, the full-year results do not equal the sum of the quarters.

3 Due to an increase in share count, the full-year results do not equal the sum of the quarters.

The Dow Chemical Company
Selected Non-GAAP Calculation of Operating EBITDA

<i>In millions</i>	2011	2012	2013	2014	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17
Net Income Attributable to The Dow Chemical Company (GAAP)	\$ 2,742	\$ 1,182	\$ 4,787	\$ 3,772	\$ 7,685	\$ 254	\$ 3,208	\$ 804	\$ 52	\$ 4,318	\$ 888	\$ 1,321
Cumulative effect of change in accounting principle	-	-	-	-	-	-	-	-	-	-	-	-
Income before cumulative effect of changes in accounting principles	2,742	1,182	4,787	3,772	7,685	254	3,208	804	52	4,318	888	1,321
Net income attributable to noncontrolling interests	42	(82)	29	67	98	21	19	14	32	86	27	38
Income from discontinued operations, net of income taxes	-	-	-	-	-	-	-	-	-	-	-	-
Provision (Credit) for income taxes	817	565	1,988	1,426	2,147	(110)	130	271	(282)	9	213	455
Income from Continuing Operations Before Income Taxes (GAAP)	\$ 3,601	\$ 1,665	\$ 6,804	\$ 5,265	\$ 9,930	\$ 165	\$ 3,357	\$ 1,089	\$ (198)	\$ 4,413	\$ 1,128	\$ 1,814
+ Depreciation and Amortization (GAAP)	2,883	2,698	2,681	2,747	2,521	607	680	780	795	2,862	778	739
- Interest income	40	41	41	51	71	20	18	26	43	107	25	22
+ Interest expense and Amortization of debt discount	1,341	1,269	1,101	983	946	201	208	220	229	858	219	226
Earnings before interest, income taxes, depreciation and amortization (EBITDA) (GAAP)	\$ 7,785	\$ 5,591	\$ 10,545	\$ 8,944	\$ 13,326	\$ 953	\$ 4,227	\$ 2,063	\$ 783	\$ 8,026	\$ 2,100	\$ 2,757
Adjustments for certain items, before tax												
Gain from K-Dow arbitration	-	-	2,161	-	-	-	-	-	-	-	-	-
Goodwill impairment losses	-	(220)	-	-	-	-	-	-	-	-	-	-
Asset impairments and related costs	(77)	-	(194)	(73)	(144)	-	-	-	-	-	-	-
Restructuring plan implementation costs	-	(22)	(44)	-	-	-	-	-	-	-	-	-
Restructuring (charges) credit	-	(1,343)	22	-	(415)	-	(454)	-	-	(454)	-	12
Acquisition - related integration expenses	(31)	-	-	-	-	-	-	-	-	-	-	-
Asbestos-related credit (charge)	-	-	-	(78)	-	-	-	-	(1,113)	(1,113)	-	-
Environmental charges	-	-	-	-	-	-	-	-	(295)	(295)	-	-
Charge for termination of terminal use agreement	-	-	-	-	-	-	-	-	(117)	(117)	-	-
Implant liability adjustment	-	-	-	-	-	-	-	-	27	27	-	-
Charges related to AgroFresh	-	-	-	-	-	-	-	-	(163)	(163)	-	-
Dow Corning ownership restructure	-	(89)	-	-	-	-	-	(212)	-	(212)	-	-
Charge for Sadara related development and other costs	-	(73)	-	-	-	-	-	-	-	-	-	-
Impact of Argentine peso devaluation	-	-	-	-	(98)	-	-	-	-	-	-	-
Urethanes Matters legal settlements	-	-	-	-	-	(1,235)	-	-	-	(1,235)	-	-
Obligation related to prior period divestiture	-	-	-	-	-	-	-	(33)	-	-	-	-
Joint venture actions	-	-	-	(93)	(36)	-	-	-	-	-	-	-
Gain on collection of impaired note receivable	86	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on sale of a contract manufacturing business	(42)	8	-	-	-	-	-	-	-	-	-	-
Gain on 2015 divestitures	-	-	-	-	1,320	-	-	-	-	-	-	-
Univention step acquisition	-	-	-	-	349	-	-	-	-	-	-	-
Gain on MEGlobal Sale	-	-	-	-	723	-	-	-	-	-	-	-
Gain on split-off of chlorine value chain	-	-	-	-	2,233	-	6	-	-	6	-	7
Costs associated with transactions and productivity actions	-	-	-	(49)	(194)	(65)	(107)	(163)	(176)	(511)	(135)	(158)
Bayer CropScience arbitration matter	-	-	-	-	-	-	-	-	-	-	(469)	-
Nova patent infringement award	-	-	-	-	-	-	-	-	-	-	-	137
Warranty accrual adjustment of exited business	(60)	-	-	(100)	-	-	-	-	-	-	-	-
Gain related to Dow Corning ownership restructure	-	-	-	-	-	-	2,318	-	-	2,318	-	-
Loss on early extinguishment of debt	(482)	(123)	(326)	-	(8)	-	-	-	-	-	-	-
Gain on sale of Dow Polypropylene Licensing and Catalysts business	-	-	451	-	-	-	-	-	-	-	-	-
Gain on sale of 7.5 percent ownership interest in Freeport LNG Development, LP	-	-	87	-	-	-	-	-	-	-	-	-
Gain on sale of ownership interest in Dow Kokam LLC	-	-	26	-	-	-	-	-	-	-	-	-
Operating EBITDA (non-GAAP)¹	\$ 8,391	\$ 7,453	\$ 8,362	\$ 9,337	\$ 9,596	\$ 2,253	\$ 2,464	\$ 2,471	\$ 2,620	\$ 9,808	\$ 2,704	\$ 2,759
Net sales (GAAP)	\$ 59,985	\$ 56,786	\$ 57,080	\$ 58,167	\$ 48,778	\$ 10,703	\$ 11,952	\$ 12,483	\$ 13,020	\$ 48,158	\$ 13,230	\$ 13,834
Operating EBITDA Margin² (non-GAAP)	14.0%	13.1%	14.6%	16.1%	19.7%	21.1%	20.6%	19.8%	20.1%	20.4%	20.4%	19.9%

1 Operating EBITDA is defined as EBITDA (which Dow defines as earnings (i.e., "Net Income") before interest, income taxes, depreciation and amortization) excluding the impact of certain items.

2 Operating EBITDA margin is Operating EBITDA as a percentage of net sales.

The Dow Chemical Company
Selected Non-GAAP Calculation of Operating EBITDA 2001-2010

<i>In millions</i>	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Net Income Attributable to The Dow Chemical Company (GAAP)	\$ (385)	\$ (338)	\$ 1,730	\$ 2,797	\$ 4,515	\$ 3,724	\$ 2,887	\$ 579	\$ 648	\$ 2,310
Cumulative effect of change in accounting principle	32	67	(9)	-	(20)	-	-	-	-	-
Income before cumulative effect of changes in accounting principles	(417)	(405)	1,739	2,797	4,535	3,724	2,887	579	648	2,310
Net income attributable to noncontrolling interests	32	63	94	122	82	93	98	75	28	11
Income from discontinued operations, net of income taxes	-	(11)	(17)	(17)	(23)	(21)	(23)	(28)	(110)	-
Provision (Credit) for income taxes	(228)	(287)	(92)	867	1,769	1,142	1,230	651	(97)	481
Income from Continuing Operations Before Income Taxes (GAAP)	\$ (613)	\$ (640)	\$ 1,724	\$ 3,769	\$ 6,363	\$ 4,938	\$ 4,192	\$ 1,277	\$ 469	\$ 2,802
+ Depreciation and Amortization (GAAP)	1,815	1,825	1,903	2,088	2,079	2,074	2,190	2,236	2,827	2,962
- Interest income	85	66	92	86	138	185	130	86	39	37
+ Interest expense and Amortization of debt discount	733	774	828	747	702	616	584	648	1,571	1,473
Earnings before interest, income taxes, depreciation and amortization (EBITDA) (GAAP)	\$ 1,850	\$ 1,893	\$ 4,363	\$ 6,518	\$ 9,006	\$ 7,443	\$ 6,836	\$ 4,075	\$ 4,828	\$ 7,200
Adjustments for certain items, before tax										
UCC-related expenses and restructuring	(1,487)	(225)	-	-	-	-	-	-	-	-
Union Carbide asbestos-related charge	-	(828)	-	-	-	-	-	-	-	-
DuPont Dow Elastomers restructuring	-	(8)	-	-	-	-	-	-	-	-
Gain on sale of Oasis Pipe Line	-	63	-	-	-	-	-	-	-	-
One-time increase in cost of sales related to fair valuation of Rohm and Haas inventories	-	-	-	-	-	-	-	-	(209)	-
Impact of Hurricanes Gustav and Ike	-	-	-	-	-	-	-	(181)	-	-
K-Dow related expenses	-	-	-	-	-	-	-	(69)	-	-
Goodwill impairment losses	-	-	-	-	-	-	-	(239)	(7)	-
Asset impairments and related costs	(11)	-	-	-	-	-	-	-	-	(91)
Restructuring plan implementation costs	-	-	-	-	-	-	-	-	-	-
Restructuring (charges) credit	(11)	-	-	(543)	(114)	(591)	(578)	(839)	(689)	(26)
Purchased in-process research and development (charges) credit	(69)	-	-	-	-	-	(57)	(44)	(7)	-
Gain/(losses) on disposition of assets	266	-	-	-	-	-	-	-	-	-
Acquisition - related integration expenses	-	-	-	-	-	-	-	(49)	(226)	(143)
Asbestos-related credit (charge)	-	-	-	-	-	177	-	54	-	54
Dow Corning ownership restructure	-	-	-	-	-	-	-	-	(29)	-
Gain on collection of impaired note receivable	-	-	-	-	-	-	-	-	(65)	-
Loss contingency related to European Commission fine	-	-	-	-	-	(85)	-	-	-	-
Gain (Loss) on divestiture of Styron	-	-	-	-	-	-	-	-	-	27
Gain on asset divestitures related to formation of nonconsolidated affiliates	-	-	-	563	-	-	-	-	-	-
Obligation related to past divestiture	-	-	-	-	-	-	-	-	-	(47)
Gain on sale of EQUATE shares	-	-	-	-	70	-	-	-	-	-
Gain on sale of TRN	-	-	-	-	-	-	-	-	457	-
Gain on sale of OPTIMAL	-	-	-	-	-	-	-	-	339	-
Labor-related litigation matter	-	-	-	-	-	-	-	-	-	(50)
Loss on early extinguishment of debt	-	-	-	-	(31)	-	-	-	(56)	(46)
Gain on sale of interest in UOP LLC	-	-	-	-	637	-	-	-	-	-
Gain on sale of DERAKANE epoxy vinyl ester resin business	-	-	-	90	-	-	-	-	-	-
Cash donation for Aid to Education and community development	-	-	-	-	(100)	-	-	-	-	-
Operating EBITDA (non-GAAP)¹	\$ 3,162	\$ 2,891	\$ 4,363	\$ 6,408	\$ 8,544	\$ 7,942	\$ 7,471	\$ 5,442	\$ 5,320	\$ 7,522
Net sales (GAAP)	\$ 27,988	\$ 27,545	\$ 32,536	\$ 40,161	\$ 46,307	\$ 49,124	\$ 53,375	\$ 57,361	\$ 44,875	\$ 53,674
Operating EBITDA Margin² (non-GAAP)	11.3%	10.5%	13.4%	16.0%	18.5%	16.2%	14.0%	9.5%	11.9%	14.0%

1 Operating EBITDA is defined as EBITDA (which Dow defines as earnings (i.e., "Net Income") before interest, income taxes, depreciation and amortization) excluding the impact of certain items.

2 Operating EBITDA margin is Operating EBITDA as a percentage of net sales.

The Dow Chemical Company
Selected Non-GAAP Calculation of Segment Operating EBITDA
Agricultural Sciences Segment

<i>In millions</i>	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15	2Q15	3Q15	4Q15	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17
Earnings before interest, income taxes, depreciation and amortization (EBITDA) (GAAP)	\$ 923	\$ 894	\$ 506	\$ 249	\$ (15)	\$ 222	\$ 962	\$ 409	\$ 255	\$ 582	\$ 186	\$ 1,432	\$ 403	\$ 228	\$ 101	\$ 74	\$ 806	\$ (118)	\$ 326
Adjustments for certain items, before tax																			
Bayer CropScience arbitration matter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(469)	-
Gain on AgroFresh divestiture	-	-	-	-	-	-	-	-	-	621	(3)	618	-	-	-	-	-	-	-
Charges related to AgroFresh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(163)	(163)	-	-
Environmental charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2)	(2)	-	-
Joint ventures actions	-	-	-	-	-	-	-	-	-	-	(29)	(29)	-	-	-	-	-	-	-
Restructuring Charges	-	-	-	-	-	-	-	-	(14)	-	(2)	(16)	-	(4)	(1)	-	(5)	-	-
Operating EBITDA (non-GAAP) (1)	\$ 923	\$ 894	\$ 506	\$ 249	\$ (15)	\$ 222	\$ 962	\$ 409	\$ 269	\$ (39)	\$ 220	\$ 859	\$ 403	\$ 232	\$ 102	\$ 239	\$ 976	\$ 351	\$ 326
Net sales (GAAP)	\$ 6,382	\$ 7,137	\$ 2,119	\$ 1,907	\$ 1,408	\$ 1,856	\$ 7,290	\$ 1,864	\$ 1,747	\$ 1,167	\$ 1,603	\$ 6,381	\$ 1,646	\$ 1,577	\$ 1,235	\$ 1,716	\$ 6,174	\$ 1,568	\$ 1,629
Operating EBITDA Margin (non-GAAP) (2)	14.5%	12.5%	23.9%	13.1%	-1.1%	12.0%	13.2%	21.9%	15.4%	-3.3%	13.7%	13.5%	24.5%	14.7%	8.3%	13.9%	15.8%	22.4%	20.0%

1 Operating EBITDA is defined as EBITDA (which Dow defines as earnings (i.e., "Net Income") before interest, income taxes, depreciation and amortization) excluding the impact of certain items.

2 Operating EBITDA margin is Operating EBITDA as a percentage of net sales.

The Dow Chemical Company
Selected Non-GAAP Calculation of Segment Operating EBITDA
Consumer Solutions Segment

<i>In millions</i>	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15	2Q15	3Q15	4Q15	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17
Earnings before interest, income taxes, depreciation and amortization (EBITDA) (GAAP)	\$ 773	\$ 933	\$ 259	\$ 263	\$ 283	\$ 325	\$ 1,130	\$ 286	\$ 169	\$ 289	\$ 304	\$ 1,048	\$ 310	\$ 1,575	\$ 375	\$ 568	\$ 2,828	\$ 500	\$ 541
<i>Adjustments for certain items, before tax</i>																			
Asset impairments and related costs	-	-	-	-	-	(73)	(73)	-	-	-	-	-	-	-	-	-	-	-	-
Inventory step-up related to Dow Corning ownership restructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(117)	-	(117)	-	-
Gain related to Dow Corning ownership restructure	-	-	-	-	-	-	-	-	-	-	-	-	-	1,263	-	-	1,263	-	-
Implant liability adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27	27	-	-
Restructuring charges	(136)	-	-	-	-	-	-	-	(67)	-	-	(67)	-	(29)	-	-	(29)	-	-
Joint venture actions	(8)	-	-	-	-	155	155	-	-	-	8	8	-	-	-	-	-	-	-
Operating EBITDA (non-GAAP) (1)	\$ 917	\$ 933	\$ 259	\$ 263	\$ 283	\$ 243	\$ 1,048	\$ 286	\$ 236	\$ 289	\$ 296	\$ 1,107	\$ 310	\$ 341	\$ 492	\$ 541	\$ 1,684	\$ 500	\$ 541
Net sales (GAAP)	\$ 4,518	\$ 4,562	\$ 1,137	\$ 1,195	\$ 1,183	\$ 1,124	\$ 4,639	\$ 1,123	\$ 1,096	\$ 1,108	\$ 1,052	\$ 4,379	\$ 1,054	\$ 1,265	\$ 1,575	\$ 1,561	\$ 5,455	\$ 1,599	\$ 1,676
Operating EBITDA Margin (non-GAAP) (2)	20.3%	20.5%	22.8%	22.0%	23.9%	21.6%	22.6%	25.5%	21.5%	26.1%	28.1%	25.3%	29.4%	27.0%	31.2%	34.7%	30.9%	31.3%	32.3%

1 Operating EBITDA is defined as EBITDA (which Dow defines as earnings (i.e., "Net Income") before interest, income taxes, depreciation and amortization) excluding the impact of certain items.

2 Operating EBITDA margin is Operating EBITDA as a percentage of net sales.

The Dow Chemical Company
Selected Non-GAAP Calculation of Segment Operating EBITDA
Infrastructure Solutions Segment

<i>In millions</i>	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15	2Q15	3Q15	4Q15	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17
Earnings before interest, income taxes, depreciation and amortization (EBITDA) (GAAP)	\$ 963	\$ 941	\$ 268	\$ 310	\$ 343	\$ (104)	\$ 817	\$ 295	\$ 240	\$ 325	\$ 161	\$ 1,021	\$ 293	\$ 1,390	\$ 285	\$ 350	\$ 2,318	\$ 511	\$ 559
<i>Adjustments for certain items, before tax</i>																			
Asset impairments and related costs	-	(95)	-	-	-	-	-	-	-	-	(87)	(87)	-	-	-	-	-	-	-
Restructuring (charges) credits	(61)	1	-	-	-	-	-	-	(27)	-	1	(26)	-	(97)	1	-	(96)	-	3
Inventory step-up related to Dow Corning ownership restructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(95)	-	(95)	-	-
Gain related to Dow Corning ownership restructure	-	-	-	-	-	-	-	-	-	-	-	-	-	1,055	-	-	1,055	-	-
Joint venture actions	(81)	-	-	-	-	(248)	(248)	-	-	-	12	12	-	-	-	-	-	-	-
Warranty accrual adjustment of exited business	-	-	-	-	-	(100)	(100)	-	-	-	-	-	-	-	-	-	-	-	-
Operating EBITDA (non-GAAP) (1)	\$ 1,105	\$ 1,035	\$ 268	\$ 310	\$ 343	\$ 244	\$ 1,165	\$ 295	\$ 267	\$ 325	\$ 235	\$ 1,122	\$ 293	\$ 432	\$ 379	\$ 350	\$ 1,454	\$ 511	\$ 556
Net sales (GAAP)	\$ 8,071	\$ 8,339	\$ 2,035	\$ 2,268	\$ 2,167	\$ 1,959	\$ 8,429	\$ 1,828	\$ 1,961	\$ 1,900	\$ 1,705	\$ 7,394	\$ 1,594	\$ 2,085	\$ 2,534	\$ 2,408	\$ 8,621	\$ 2,525	\$ 2,789
Operating EBITDA Margin (non-GAAP) (2)	13.7%	12.4%	13.2%	13.7%	15.8%	12.5%	13.8%	16.1%	13.6%	17.1%	13.8%	15.2%	18.4%	20.7%	15.0%	14.5%	16.9%	20.2%	19.9%

1 Operating EBITDA is defined as EBITDA (which Dow defines as earnings (i.e., "Net Income") before interest, income taxes, depreciation and amortization) excluding the impact of certain items.

2 Operating EBITDA margin is Operating EBITDA as a percentage of net sales.

The Dow Chemical Company
Selected Non-GAAP Calculation of Segment Operating EBITDA
Performance Materials & Chemicals Segment

<i>In millions</i>	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15	2Q15	3Q15	4Q15	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17
Earnings before interest, income taxes, depreciation and amortization (EBITDA) (GAAP)	\$ 1,603	\$ 1,913	\$ 514	\$ 447	\$ 596	\$ 636	\$ 2,193	\$ 1,223	\$ 572	\$ 540	\$ 3,144	\$ 5,479	\$ (900)	\$ 301	\$ 322	\$ 411	\$ 134	\$ 435	\$ 347
Adjustments for certain items, before tax																			
Asset impairments and related costs	-	(70)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill impairment loss	(220)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring (charges) credits	(299)	15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1)	(1)	-	-
Gain (Loss) on a sale of contract manufacturing business	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Urethanes Matters legal settlements	-	-	-	-	-	-	-	-	-	-	-	-	(1,235)	-	-	-	(1,235)	-	-
Gain on split-off of chlorine value chain	-	-	-	-	-	-	-	-	-	-	1,984	1,984	-	6	-	-	6	-	-
Gain on sale of MEGlobal	-	-	-	-	-	-	-	-	-	-	723	723	-	-	-	-	-	-	-
Gain on divestitures of the ANGUS Chemical and Sodium Borohydride businesses	-	-	-	-	-	-	-	688	-	-	14	702	-	-	-	-	-	-	-
Operating EBITDA (non-GAAP) (1)	\$ 2,114	\$ 1,968	\$ 514	\$ 447	\$ 596	\$ 636	\$ 2,193	\$ 535	\$ 572	\$ 540	\$ 423	\$ 2,070	\$ 335	\$ 295	\$ 322	\$ 412	\$ 1,364	\$ 435	\$ 347
Net sales (GAAP)	\$ 14,981	\$ 14,824	\$ 3,550	\$ 3,761	\$ 3,891	\$ 3,912	\$ 15,114	\$ 3,209	\$ 3,241	\$ 3,142	\$ 2,381	\$ 11,973	\$ 2,181	\$ 2,264	\$ 2,367	\$ 2,413	\$ 9,225	\$ 2,442	\$ 2,566
Operating EBITDA Margin (non-GAAP) (2)	14.1%	13.3%	14.5%	11.9%	15.3%	16.3%	14.5%	16.7%	17.6%	17.2%	17.8%	17.3%	15.4%	13.0%	13.6%	17.1%	14.8%	17.8%	13.5%

1 Operating EBITDA is defined as EBITDA (which Dow defines as earnings (i.e., "Net Income") before interest, income taxes, depreciation and amortization) excluding the impact of certain items.

2 Operating EBITDA margin is Operating EBITDA as a percentage of net sales.

The Dow Chemical Company
Selected Non-GAAP Calculation of Segment Operating EBITDA
Performance Plastics Segment

<i>In millions</i>	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15	2Q15	3Q15	4Q15	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17
Earnings before interest, income taxes, depreciation and amortization (EBITDA) (GAAP)	\$ 2,924	\$ 4,503	\$ 966	\$ 1,017	\$ 1,245	\$ 1,194	\$ 4,422	\$ 985	\$ 1,503	\$ 1,349	\$ 1,562	\$ 5,399	\$ 991	\$ 1,237	\$ 1,251	\$ 1,024	\$ 4,503	\$ 984	\$ 1,199
Adjustments for certain items, before tax																			
Restructuring (charges) credits	(33)	6	-	-	-	-	-	-	(12)	-	-	(12)	-	(10)	-	-	(10)	-	-
Environmental charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2)	(2)	-	-
Charge for termination of terminal use agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(117)	(117)	-	-
Univention step acquisition	-	-	-	-	-	-	-	-	349	-	-	349	-	-	-	-	-	-	-
Gain on split-off of chlorine value chain	-	-	-	-	-	-	-	-	-	-	317	317	-	-	-	-	-	-	-
Asset impairments and related costs	-	-	-	-	-	-	-	-	-	-	(57)	(57)	-	-	-	-	-	-	-
Nova patent infringement award	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	137
Gain on sale of Dow Polypropylene Licensing and Catalysts business	-	451	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of 7.5 percent ownership interest in Freeport LNG Development, LP	-	87	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating EBITDA (non-GAAP) (1)	\$ 2,957	\$ 3,959	\$ 966	\$ 1,017	\$ 1,245	\$ 1,194	\$ 4,422	\$ 985	\$ 1,166	\$ 1,349	\$ 1,302	\$ 4,802	\$ 991	\$ 1,247	\$ 1,251	\$ 1,143	\$ 4,632	\$ 984	\$ 1,062
Net sales (GAAP)	\$ 22,588	\$ 21,910	\$ 5,522	\$ 5,713	\$ 5,686	\$ 5,465	\$ 22,386	\$ 4,269	\$ 4,806	\$ 4,665	\$ 4,617	\$ 18,357	\$ 4,165	\$ 4,694	\$ 4,702	\$ 4,843	\$ 18,404	\$ 5,025	\$ 5,079
Operating EBITDA Margin (non-GAAP) (2)	13.1%	18.1%	17.5%	17.8%	21.9%	21.8%	19.8%	23.1%	24.3%	28.9%	28.2%	26.2%	23.8%	26.6%	26.6%	23.6%	25.2%	19.6%	20.9%

1 Operating EBITDA is defined as EBITDA (which Dow defines as earnings (i.e., "Net Income") before interest, income taxes, depreciation and amortization) excluding the impact of certain items.

2 Operating EBITDA margin is Operating EBITDA as a percentage of net sales.

The Dow Chemical Company
Selected Non-GAAP Calculation of Segment Operating EBITDA
Corporate Segment

<i>In millions</i>	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15	2Q15	3Q15	4Q15	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17
Earnings before interest, income taxes, depreciation and amortization (EBITDA) (GAAP)	\$ (1,595)	\$ 1,361	\$ (117)	\$ (62)	\$ (181)	\$ (220)	\$ (580)	\$ (135)	\$ (362)	\$ (162)	\$ (394)	\$ (1,053)	\$ (144)	\$ (504)	\$ (271)	\$ (1,644)	\$ (2,563)	\$ (212)	\$ (215)
Adjustments for certain items, before tax																			
Asset impairments and related costs	-	(29)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring plan implementation costs	(22)	(44)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring (charges) credits	(814)	-	-	-	-	-	-	-	(255)	-	(39)	(294)	-	(314)	-	-	(314)	-	9
Environmental charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(290)	(290)	-	-
Asbestos-related credit (charge)	-	-	-	-	-	(78)	(78)	-	-	-	-	-	-	-	-	(1,113)	(1,113)	-	-
Gain from K-Dow settlement	-	2,161	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Costs associated with transactions and productivity actions	-	-	-	(18)	(12)	(19)	(49)	(26)	(49)	(51)	(68)	(194)	(65)	(107)	(163)	(168)	(503)	(135)	(158)
Obligation related to a prior period divestiture	-	-	-	-	-	-	-	-	-	-	-	(98)	-	-	(33)	(8)	(41)	-	-
Impact of Argentine peso devaluation	-	-	-	-	-	-	-	-	-	-	(98)	(98)	-	-	-	-	-	-	-
Gain on split-off of chlorine value chain	-	-	-	-	-	-	-	-	-	-	(68)	(68)	-	-	-	-	-	-	7
Joint Venture Actions	-	-	-	-	-	-	-	-	-	-	(27)	(27)	-	-	-	-	-	-	-
Sadara development and other costs	(73)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of ownership interest in Dow Kokam	-	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on early extinguishment of debt	(123)	(326)	-	-	-	-	-	-	-	-	(8)	(8)	-	-	-	-	-	-	-
Operating EBITDA (non-GAAP) (1)	\$ (563)	\$ (427)	\$ (117)	\$ (44)	\$ (169)	\$ (123)	\$ (453)	\$ (109)	\$ (58)	\$ (111)	\$ (86)	\$ (364)	\$ (79)	\$ (83)	\$ (75)	\$ (65)	\$ (302)	\$ (77)	\$ (73)

1 Operating EBITDA is defined as EBITDA (which Dow defines as earnings (i.e., "Net Income") before interest, income taxes, depreciation and amortization) excluding the impact of certain items.

The Dow Chemical Company
Non-GAAP Adjustments to Net Income

<i>In millions</i>	2007	2008	2009	2010	2011	2012	2013	2014	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17
Net Income Available for The Dow Chemical Company Common Stockholders (GAAP)	\$ 2,887	\$ 579	\$ 336	\$ 1,970	\$ 2,402	\$ 842	\$ 4,447	\$ 3,432	\$ 7,345	\$ 169	\$ 3,123	\$ 719	\$ (33)	\$ 3,978	\$ 888	\$ 1,321
Adjustments for certain items, after tax																
One-time increase in cost of sales related to fair valuation of Rohm and Haas inventories	-	-	(132)	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of Hurricanes Gustav and Ike	-	(115)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
K-Dow related expenses	-	(44)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain from K-Dow arbitration	-	-	-	-	-	-	1,647	-	-	-	-	-	-	-	-	-
Goodwill impairment losses	-	(230)	(7)	-	-	(220)	-	-	-	-	-	-	-	-	-	-
Asset impairments and related costs	-	-	-	(72)	(51)	-	(132)	(47)	(123)	-	-	-	-	(205)	-	-
Environmental charges	-	-	-	-	-	-	-	-	-	-	-	-	(205)	(205)	-	-
Charge for termination of terminal use agreement	-	-	-	-	-	-	-	-	-	-	-	-	(74)	(74)	-	-
Implant liability adjustment	-	-	-	-	-	-	-	-	-	-	-	-	17	17	-	-
Charges related to AgroFresh	-	-	-	-	-	-	-	-	-	-	-	-	(103)	(103)	-	-
Restructuring plan implementation costs	-	-	-	-	-	(14)	(32)	-	-	-	-	-	-	-	-	-
Restructuring (charges) credits	(436)	(628)	(466)	(14)	-	(951)	21	-	(274)	-	(308)	-	-	(308)	-	8
Purchased in-process R&D charges	(50)	(44)	(5)	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition-related integration expenses	-	(43)	(170)	(93)	(20)	-	-	-	-	-	-	-	-	-	-	-
Asbestos-related credit (charge)	-	34	-	34	-	-	-	(49)	-	-	-	-	(701)	(701)	-	-
Joint Venture Actions	-	-	-	-	-	-	-	-	(26)	-	-	-	-	-	-	-
Dow Corning ownership restructure	-	-	(27)	-	-	(82)	-	-	-	-	-	-	-	-	-	-
Dow Corning implant liability adjustment	-	-	-	-	-	-	-	378	-	-	-	-	-	-	-	-
Charge related to Dow Corning's Clarksville, TN site	-	-	-	-	-	-	-	(465)	-	-	-	-	-	-	-	-
Charge for Sadara related development and other costs	-	-	-	-	-	(70)	-	-	-	-	-	-	-	-	-	-
Gain on collection of impaired note receivable	-	-	(65)	-	86	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on divestiture of Styron	-	-	-	(56)	-	-	-	-	-	-	-	-	-	-	-	-
Obligation related to past divestiture	-	-	-	(30)	-	-	-	-	-	-	-	(40)	-	(40)	-	-
Gain (Loss) on sale of a contract manufacturing business	-	-	-	-	44	8	-	-	-	-	-	-	-	-	-	-
Gain on 2015 business divestitures	-	-	-	-	-	-	-	-	823	-	-	-	-	-	-	-
Univation step acquisition	-	-	-	-	-	-	-	-	351	-	-	-	-	-	-	-
Gain on split-off of chlorine value chain	-	-	-	-	-	-	-	-	2,215	6	-	-	-	6	-	5
Gain on sale of MEGlobal	-	-	-	-	-	-	-	-	589	-	-	-	-	-	-	-
Costs associated with transactions and productivity actions	-	-	-	-	-	-	-	(31)	(153)	(46)	(87)	(129)	(132)	(394)	(91)	(105)
Warranty accrual adjustment of exited business	-	-	-	-	(38)	-	-	(63)	-	-	-	-	-	-	-	-
Impact of Argentine peso devaluation	-	-	-	-	-	-	-	-	(106)	-	-	-	-	-	-	-
Urethanes Matters legal settlements	-	-	-	-	-	-	-	-	-	(778)	-	-	-	(778)	-	-
Gain on sale of EQUATE shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of TRN	-	-	321	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of OPTIMAL	-	-	198	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain related to Dow Corning ownership restructure	-	-	-	-	-	-	-	-	-	-	2,494	(144)	-	2,350	-	-
Labor-related litigation matter	-	-	-	(33)	-	-	-	-	-	-	-	-	-	-	-	-
Loss on early extinguishment of debt	-	-	(36)	(29)	(314)	(78)	(205)	-	(5)	-	-	-	-	-	-	-
German tax law change	(362)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in EQUATE legal ownership structure	113	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of interest in UOP LLC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of DERAKANE epoxy vinyl ester resin business	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of Dow Polypropylene Licensing and Catalysts business	-	-	-	-	-	-	356	-	-	-	-	-	-	-	-	-
Gain on sale of 7.5 percent ownership interest in Freeport LNG Development, LP	-	-	-	-	-	-	69	-	-	-	-	-	-	-	-	-
Gain on sale of ownership interest in Dow Kokam LLC	-	-	-	-	-	-	18	-	-	-	-	-	-	-	-	-
Tax Valuation allowance	-	-	-	-	(264)	-	-	-	-	-	-	-	-	-	-	-
Uncertain tax position adjustments	-	-	-	-	-	-	(276)	-	-	-	(57)	-	44	(13)	-	-
Nova patent infringement award	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	90
Bayer CropScience arbitration matter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(295)	(10)
Operating Net Income Available for The Dow Chemical Company Common Stockholders (non-GAAP)	\$ 3,622	\$ 1,649	\$ 725	\$ 2,263	\$ 2,959	\$ 2,249	\$ 2,981	\$ 3,709	\$ 4,054	\$ 993	\$ 1,075	\$ 1,032	\$ 1,121	\$ 4,221	\$ 1,274	\$ 1,333

The Dow Chemical Company
Non-GAAP Free Cash Flow

<i>In millions</i>	2007	2008	2009	2010	2011	2012	2013	2014	2015	1Q16 ²	2Q16 ²	3Q16	4Q16	2016	1Q17 ²	2Q17 ²
Cash Flow from Operations (GAAP)	\$ 4,484	\$ 4,711	\$ 2,075	\$ 4,102	\$ 3,879	\$ 4,075	\$ 7,823	\$ 6,502	\$ 7,516	\$ 139	\$ 2,228	\$ 1,352	\$ 1,881	\$ 5,600	\$ 476	\$ 1,339
Capital Expenditures	2,075	2,276	1,410	2,130	2,687	2,614	2,302	3,572	3,703	820	997	1,060	927	3,804	754	795
Free Cash Flow (non-GAAP)	\$ 2,409	\$ 2,435	\$ 665	\$ 1,972	\$ 1,192	\$ 1,461	\$ 5,521	\$ 2,930	\$ 3,813	\$ (681)	\$ 1,231	\$ 292	\$ 954	\$ 1,796	\$ (278)	\$ 544
Cash Flow from Operations (GAAP)	\$ 4,484	\$ 4,711	\$ 2,075	\$ 4,102	\$ 3,879	\$ 4,075	\$ 7,823	\$ 6,502	\$ 7,516	\$ 139	\$ 2,228	\$ 1,352	\$ 1,881	\$ 5,600	\$ 476	\$ 1,339
K-Dow Award ¹	-	-	-	-	-	-	1,731	-	-	-	-	-	-	-	-	-
Cost Associated with transactions and Productivity Actions ¹	-	-	-	-	-	-	-	-	(153)	(46)	(87)	(129)	(132)	(394)	(91)	(105)
Bayer Settlement ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(305)
Urethanes Settlements ¹	-	-	-	-	-	-	-	-	-	-	(252)	(526)	-	(778)	-	-
Operating Cash Flow (non-GAAP)	\$ 4,484	\$ 4,711	\$ 2,075	\$ 4,102	\$ 3,879	\$ 4,075	\$ 6,092	\$ 6,502	\$ 7,669	\$ 185	\$ 2,567	\$ 2,007	\$ 2,013	\$ 6,772	\$ 567	\$ 1,749
Capital Expenditures	2,075	2,276	1,410	2,130	2,687	2,614	2,302	3,572	3,703	820	997	1,060	927	3,804	754	795
Operating Free Cash Flow (non-GAAP)	\$ 2,409	\$ 2,435	\$ 665	\$ 1,972	\$ 1,192	\$ 1,461	\$ 3,790	\$ 2,930	\$ 3,966	\$ (635)	\$ 1,570	\$ 947	\$ 1,086	\$ 2,968	\$ (187)	\$ 954

¹ Reflects the after-tax cash impact of these items to Operating Cash Flow (non-GAAP)

² Presented in accordance with newly implemented Accounting Standards Update 2016-09.

The Dow Chemical Company
Dividend Payout Ratio

<i>In millions</i>	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17
Dividends Declared Per Common Share TTM*	\$ 1.00	\$ 1.07	\$ 1.14	\$ 1.21	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.33	\$ 1.38	\$ 1.43	\$ 1.53	\$ 1.58	\$ 1.63	\$ 1.68	\$ 1.72	\$ 1.76	\$ 1.80	\$ 1.84	\$ 1.84	\$ 1.84	\$ 1.84
Operating Earnings Per Share TTM* (non-GAAP)¹	\$ 2.33	\$ 2.03	\$ 1.83	\$ 0.97	\$ 1.05	\$ 1.14	\$ 1.22	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.90	\$ 3.10	\$ 3.15	\$ 3.32	\$ 3.42	\$ 3.50	\$ 3.55	\$ 3.59	\$ 3.68	\$ 3.74	\$ 3.89	\$ 4.02
Dividend Payout Ratio TTM*	42.9%	52.7%	62.3%	124.7%	121.9%	112.3%	104.9%	51.6%	51.6%	51.5%	49.3%	49.4%	50.2%	49.1%	49.1%	49.1%	49.6%	50.1%	50.0%	49.2%	47.3%	45.8%

*Trailing twelve months

¹ This measure of income excludes certain items that Dow does not consider part of ongoing operations for the periods presented.

The Dow Chemical Company
Calculation of Net Debt to Capital

<i>Dollar amounts in millions</i>	YE07	YE08	YE09	YE10	YE11	YE12	YE13	YE14	YE15	1Q16	2Q16	3Q16	YE16	1Q17	2Q17
Notes payable	\$ 1,548	\$ 2,360	\$ 2,139	\$ 1,467	\$ 541	\$ 396	\$ 443	\$ 551	\$ 454	\$ 491	\$ 235	\$ 236	\$ 272	\$ 383	\$ 480
Long-Term Debt	7,581	8,042	19,152	20,605	18,310	19,919	16,820	18,838	16,215	16,229	20,852	20,423	20,456	20,471	20,072
Long-term debt due within one year	586	1,454	1,082	1,755	2,749	672	697	394	541	256	259	633	635	616	955
Total Debt	\$ 9,715	\$ 11,856	\$ 22,373	\$ 23,827	\$ 21,600	\$ 20,987	\$ 17,960	\$ 19,783	\$ 17,210	\$ 16,976	\$ 21,346	\$ 21,292	\$ 21,363	\$ 21,470	\$ 21,507
Total debt	\$ 9,715	\$ 11,856	\$ 22,373	\$ 23,827	\$ 21,600	\$ 20,987	\$ 17,960	\$ 19,783	\$ 17,210	\$ 16,976	\$ 21,346	\$ 21,292	\$ 21,363	\$ 21,470	\$ 21,507
Less: Cash and cash equivalents	1,736	2,800	2,846	7,039	5,444	4,318	5,940	5,654	8,577	6,610	7,309	7,032	6,607	5,848	6,218
Less: Marketable securities and interest bearing deposits	1	-	-	-	2	-	-	-	-	-	-	-	-	-	-
Net Debt	\$ 7,978	\$ 9,056	\$ 19,527	\$ 16,788	\$ 16,154	\$ 16,669	\$ 12,020	\$ 14,129	\$ 8,633	\$ 10,366	\$ 14,037	\$ 14,260	\$ 14,756	\$ 15,622	\$ 15,289
Total debt	\$ 9,715	\$ 11,856	\$ 22,373	\$ 23,827	\$ 21,600	\$ 20,987	\$ 17,960	\$ 19,783	\$ 17,210	\$ 16,976	\$ 21,346	\$ 21,292	\$ 21,363	\$ 21,470	\$ 21,507
Redeemable Noncontrolling Interest	-	-	-	-	147	147	156	202	-	-	-	-	-	-	-
Noncontrolling interests	414	69	569	803	1,010	990	1,026	931	809	835	1,298	1,314	1,242	1,274	1,168
Preferred Securities of Subsidiaries	1,000	500	-	-	-	-	-	-	-	-	-	-	-	-	-
The Dow Chemical Company's stockholders' equity	19,389	13,511	20,555	21,839	22,281	20,877	26,898	22,423	25,374	25,599	28,936	29,035	25,987	27,060	28,421
Total Capital	\$ 30,518	\$ 25,936	\$ 43,497	\$ 46,469	\$ 45,038	\$ 43,001	\$ 46,040	\$ 43,339	\$ 43,393	\$ 43,410	\$ 51,580	\$ 51,641	\$ 48,592	\$ 49,804	\$ 51,096
Net debt	\$ 7,978	\$ 9,056	\$ 19,527	\$ 16,788	\$ 16,154	\$ 16,669	\$ 12,020	\$ 14,129	\$ 8,633	\$ 10,366	\$ 14,037	\$ 14,260	\$ 14,756	\$ 15,622	\$ 15,289
Redeemable Noncontrolling Interest	-	-	-	-	147	147	156	202	-	-	-	-	-	-	-
Noncontrolling interests	414	69	569	803	1,010	990	1,026	931	809	835	1,298	1,314	1,242	1,274	1,168
Preferred Securities of Subsidiaries	1,000	500	-	-	-	-	-	-	-	-	-	-	-	-	-
The Dow Chemical Company's stockholders' equity	19,389	13,511	20,555	21,839	22,281	20,877	26,898	22,423	25,374	25,599	28,936	29,035	25,987	27,060	28,421
Net Capital	\$ 28,781	\$ 23,136	\$ 40,651	\$ 39,430	\$ 39,592	\$ 38,683	\$ 40,100	\$ 37,685	\$ 34,816	\$ 36,800	\$ 44,271	\$ 44,609	\$ 41,985	\$ 43,956	\$ 44,878
Total Operating EBITDA for Last Four Quarters	\$ 7,471	\$ 5,442	\$ 5,320	\$ 7,522	\$ 8,391	\$ 7,453	\$ 8,362	\$ 9,337	\$ 9,596	\$ 9,448	\$ 9,460	\$ 9,578	\$ 9,808	\$ 10,259	\$ 10,554
Debt to Capital Ratio	31.8%	45.7%	51.4%	51.3%	48.0%	48.8%	39.0%	45.6%	39.7%	39.1%	41.4%	41.2%	44.0%	43.1%	42.1%
Net Debt to Net Capital Ratio	27.7%	39.1%	48.0%	42.6%	40.8%	43.1%	30.0%	37.5%	24.8%	28.2%	31.7%	32.0%	35.1%	35.5%	34.1%
Net Debt to Operating EBITDA*	1.1	1.7	3.7	2.2	1.9	2.2	1.4	1.5	0.9	1.1	1.5	1.5	1.5	1.5	1.4

*Trailing four QTR's Operating EBITDA

The Dow Chemical Company
Non-GAAP Return on Equity Calculation

<i>In millions</i>	2009	2010	2011	2012	2013	2014	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17
Operating Net Income Available for The Dow Chemical Company Common Stockholders (non-GAAP) ¹	\$ 725	\$ 2,263	\$ 2,959	\$ 2,249	\$ 2,981	\$ 3,709	\$ 4,054	\$ 993	\$ 1,075	\$ 1,032	\$ 1,121	\$ 4,221	\$ 1,274	\$ 1,333
The Dow Chemical Company's stockholders' equity (GAAP)	\$ 20,555	\$ 21,839	\$ 22,281	\$ 20,877	\$ 26,898	\$ 22,423	\$ 25,374	\$ 25,599	\$ 28,936	\$ 29,035	\$ 25,987	\$ 25,987	\$ 27,060	\$ 28,421
Preferred stock	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	-	-	-	-
Stockholders' equity attributable to common stockholders	\$ 16,555	\$ 17,839	\$ 18,281	\$ 16,877	\$ 22,898	\$ 18,423	\$ 21,374	\$ 21,599	\$ 24,936	\$ 25,035	\$ 25,987	\$ 25,987	\$ 27,060	\$ 28,421
Operating Return on Equity*	4.4%	12.7%	16.2%	13.3%	13.0%	20.1%	19.0%	18.9%	16.4%	16.6%	16.2%	16.2%	16.6%	16.7%

*Trailing four QTR's Adjusted Net Income Available for The Dow Chemical Company Common Stockholders (non-GAAP)

¹ This measure of return excludes from income/loss certain items which Dow does not consider part of ongoing operations.

The Dow Chemical Company
Non-GAAP Return on Capital Calculation

<i>Dollar amounts in millions</i>	2007	2008	2009	2010	2011	2012	2013	2014	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17
Operating Net Income Available for The Dow Chemical Company Common Stockholders (non-GAAP)	\$ 3,622	\$ 1,649	\$ 725	\$ 2,263	\$ 2,959	\$ 2,249	\$ 2,981	\$ 3,709	\$ 4,054	\$ 993	\$ 1,075	\$ 1,032	\$ 1,121	\$ 4,221	\$ 1,274	\$ 1,333
Preferred stock dividends	-	-	312	340	340	340	340	340	340	85	85	85	85	340	-	-
Net income attributable to noncontrolling interests	98	75	28	11	42	(82)	29	67	98	21	19	14	32	86	27	38
Gross interest expense	669	745	1,632	1,545	1,431	1,353	1,179	1,108	1,164	261	272	280	289	1,102	285	299
Tax on gross interest expense	(155)	(267)	(240)	(363)	(327)	(434)	(324)	(306)	(318)	(69)	(70)	(71)	(72)	(282)	(71)	(73)
Operating Net Operating Profit After Tax (non-GAAP)	\$ 4,234	\$ 2,202	\$ 2,457	\$ 3,796	\$ 4,445	\$ 3,426	\$ 4,205	\$ 4,918	\$ 5,338	\$ 1,291	\$ 1,381	\$ 1,340	\$ 1,455	\$ 5,467	\$ 1,515	\$ 1,597
Total debt (GAAP)	9,715	11,856	22,373	23,827	21,600	20,987	17,960	19,783	17,210	16,976	21,346	21,292	21,363	21,363	21,470	21,507
The Dow Chemical Company's stockholders' equity (GAAP)	19,389	13,511	20,555	21,839	22,281	20,877	26,898	22,423	25,374	25,599	28,936	29,035	25,987	25,987	27,060	28,421
Total debt plus The Dow Chemical Company's stockholders' equity (non-GAAP)	\$ 29,104	\$ 25,367	\$ 42,928	\$ 45,666	\$ 43,881	\$ 41,864	\$ 44,858	\$ 42,206	\$ 42,584	\$ 42,575	\$ 50,282	\$ 50,327	\$ 47,350	\$ 47,350	\$ 48,530	\$ 49,928
Redeemable Noncontrolling interest	-	-	-	-	147	147	156	202	-	-	-	-	-	-	-	-
Noncontrolling interests	414	69	569	803	1,010	990	1,026	931	809	835	1,298	1,314	1,242	1,242	1,274	1,168
Preferred Securities of Subsidiaries	1,000	500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital (non-GAAP)	\$ 30,518	\$ 25,936	\$ 43,497	\$ 46,469	\$ 45,038	\$ 43,001	\$ 46,040	\$ 43,339	\$ 43,393	\$ 43,410	\$ 51,580	\$ 51,641	\$ 48,592	\$ 48,592	\$ 49,804	\$ 51,096
Average Total Capital (non-GAAP)	\$ 29,247	\$ 28,227	\$ 38,143	\$ 43,906	\$ 45,196	\$ 44,815	\$ 43,427	\$ 45,712	\$ 43,946	\$ 43,991	\$ 44,927	\$ 46,664	\$ 48,156	\$ 48,156	\$ 49,605	\$ 50,344
Trailing Twelve Months Operating Return on Capital (non-GAAP)	14.5%	7.8%	6.4%	8.6%	9.8%	7.6%	9.7%	10.8%	12.1%	12.1%	11.9%	11.5%	11.4%	11.4%	11.5%	11.7%

This measure of return excludes from income certain items which Dow does not consider part of ongoing operations, and also excludes after-tax costs related to financing, such as interest expense and preferred stock dividends.

The Dow Chemical Company
Non-GAAP Return on Assets

<i>In millions</i>	2013	2014	2015	2016
Income Before Income Taxes	\$ 6,804	\$ 5,265	\$ 9,930	\$ 4,413
Interest expense and amortization of debt discount	1,101	983	946	858
Interest income	(41)	(51)	(71)	107
Pretax impact of certain items	(2,183)	393	(3,730)	1,782
Tax (at Operations Tax Rate)	(1,562)	(1,707)	(1,931)	(1,737)
Adjusted Net Income Excluding Interest (non-GAAP)	\$ 4,119	\$ 4,883	\$ 5,144	\$ 5,424
Operating EBITDA by Segment	2013	2014	2015	2016
Agricultural Sciences	\$ 894	\$ 962	\$ 859	\$ 976
Consumer Solutions	933	1,048	1,107	1,684
Infrastructure Solutions	1,035	1,165	1,122	1,454
Performance Materials & Chemicals	1,968	2,193	2,070	1,364
Performance Plastics	3,959	4,422	4,802	4,632
Corporate	(427)	(453)	(364)	(302)
Operating EBITDA (non-GAAP)	\$ 8,362	\$ 9,337	\$ 9,596	\$ 9,808
DA by Segment	2013	2014	2015	2016
Agricultural Sciences	\$ 189	\$ 208	\$ 195	\$ 186
Consumer Solutions	414	396	354	479
Infrastructure Solutions	528	510	495	776
Performance Materials & Chemicals	743	780	637	530
Performance Plastics	707	759	746	770
Corporate	100	94	94	121
DA	\$ 2,681	\$ 2,747	\$ 2,521	\$ 2,862
Operating EBIT by Segment	2013	2014	2015	2016
Agricultural Sciences	\$ 705	\$ 754	\$ 664	\$ 790
Consumer Solutions	519	652	753	1,205
Infrastructure Solutions	507	655	627	678
Performance Materials & Chemicals	1,225	1,413	1,433	834
Performance Plastics	3,252	3,663	4,056	3,862
Corporate	(527)	(547)	(458)	(423)
Operating EBIT (non-GAAP)	\$ 5,681	\$ 6,590	\$ 7,075	\$ 6,946
Tax by Segment (1)	2013	2014	2015	2016
Agricultural Sciences	\$ 194	\$ 195	\$ 181	\$ 198
Consumer Solutions	143	169	206	301
Infrastructure Solutions	139	170	171	170
Performance Materials & Chemicals	337	366	391	209
Performance Plastics	894	949	1,107	966
Corporate	(145)	(142)	(125)	(106)
Tax (1)	\$ 1,562	\$ 1,707	\$ 1,931	\$ 1,737
(1) Operations Tax Rate	27.5%	25.9%	27.3%	25.0%

The Dow Chemical Company

Non-GAAP Return on Assets

<i>In millions</i>	2013	2014	2015	2016
Operating Net Income Excluding Interest ⁽²⁾, by Segment				
Agricultural Sciences	\$ 511	\$ 559	\$ 483	\$ 593
Consumer Solutions	376	483	547	904
Infrastructure Solutions	368	485	456	509
Performance Materials & Chemicals	888	1,047	1,042	626
Performance Plastics	2,358	2,714	2,949	2,897
Corporate	(382)	(405)	(333)	(317)
Operating Net Income Excluding Interest ⁽²⁾ (non-GAAP)	\$ 4,119	\$ 4,883	\$ 5,144	\$ 5,210

(2) Income Before Income Taxes plus interest expense less interest income less pretax impact of certain items less tax applied at effective tax rate

	2013	2014	2015	2016
Total Assets				
Agricultural Sciences	\$ 7,059	\$ 7,292	\$ 6,333	\$ 7,015
Consumer Solutions	10,171	9,629	9,234	13,946
Infrastructure Solutions	12,844	12,245	12,186	17,644
Performance Materials & Chemicals	12,085	12,166	7,694	9,747
Performance Plastics	13,788	13,459	14,310	17,832
Corporate	13,554	13,848	18,181	13,327
Total Assets	\$ 69,501	\$ 68,639	\$ 67,938	\$ 79,511

	2013	2014	2015	2016
Average Total Assets				
Agricultural Sciences	\$ 6,714	\$ 7,176	\$ 6,813	\$ 6,674
Consumer Solutions	10,384	9,900	9,432	11,590
Infrastructure Solutions	12,974	12,545	12,216	14,915
Performance Materials & Chemicals	12,625	12,126	9,930	8,721
Performance Plastics	13,674	13,624	13,885	16,071
Corporate	13,183	13,701	16,083	15,754
Average Total Assets	\$ 69,553	\$ 69,070	\$ 68,359	\$ 73,725

	2013	2014	2015	2016
Operating Return on Assets ⁽³⁾				
Agricultural Sciences	8%	8%	7%	9%
Consumer Solutions	4%	5%	6%	8%
Infrastructure Solutions	3%	4%	4%	3%
Performance Materials & Chemicals	7%	9%	10%	7%
Performance Plastics	17%	20%	21%	18%
Corporate	-3%	-3%	-2%	-2%
Operating Return on Assets ⁽³⁾	6%	7%	8%	7%

(3) Adjusted Net Income Excluding Interest divided by Average Total Assets