

DowDuPont Inc.
Consolidated Statements of Income

(In millions, except per share amounts) For the years ended Dec 31,	2018	2017	2016
Net sales	\$ 85,977	\$ 62,484	\$ 48,158
Cost of sales	65,333	49,791	37,668
Research and development expenses	3,060	2,141	1,593
Selling, general and administrative expenses	6,709	4,064	2,953
Amortization of intangibles	1,903	1,013	544
Restructuring, goodwill impairment and asset related charges - net	1,105	3,280	595
Integration and separation costs	2,463	1,101	349
Asbestos-related charge	—	—	1,113
Equity in earnings of nonconsolidated affiliates	1,001	764	442
Sundry income (expense) - net	592	417	1,486
Interest expense and amortization of debt discount	1,504	1,082	858
Income from continuing operations before income taxes	5,493	1,193	4,413
Provision (Credit) for income taxes on continuing operations	1,489	(476)	9
Income from continuing operations, net of tax	4,004	1,669	4,404
Loss from discontinued operations, net of tax	(5)	(77)	—
Net income	3,999	1,592	4,404
Net income attributable to noncontrolling interests	155	132	86
Net income attributable to DowDuPont Inc.	3,844	1,460	4,318
Preferred stock dividends	—	—	340
Net income available for DowDuPont Inc. common stockholders	\$ 3,844	\$ 1,460	\$ 3,978

Per common share data:			
Earnings per common share from continuing operations - basic	\$ 1.66	\$ 0.97	\$ 3.57
Loss per common share from discontinued operations - basic	—	(0.05)	—
Earnings per common share - basic	\$ 1.66	\$ 0.92	\$ 3.57
Earnings per common share from continuing operations - diluted	\$ 1.65	\$ 0.95	\$ 3.52
Loss per common share from discontinued operations - diluted	—	(0.04)	—
Earnings per common share - diluted	\$ 1.65	\$ 0.91	\$ 3.52

Weighted-average common shares outstanding - basic	2,301.0	1,579.8	1,108.1
Weighted-average common shares outstanding - diluted	2,315.5	1,598.1	1,123.2

See Notes to the Consolidated Financial Statements.

DowDuPont Inc.
Consolidated Statements of Comprehensive Income

(In millions) For the years ended Dec 31,	2018	2017	2016
Net income	\$ 3,999	\$ 1,592	\$ 4,404
Other comprehensive income (loss), net of tax			
Unrealized losses on investments	(67)	(46)	(4)
Cumulative translation adjustments	(1,743)	446	(644)
Pension and other postretirement benefit plans	(626)	466	(620)
Derivative instruments	51	(16)	113
Total other comprehensive income (loss)	(2,385)	850	(1,155)
Comprehensive income	1,614	2,442	3,249
Comprehensive income attributable to noncontrolling interests, net of tax	118	174	83
Comprehensive income attributable to DowDuPont Inc.	\$ 1,496	\$ 2,268	\$ 3,166

See Notes to the Consolidated Financial Statements.

DowDuPont Inc.
Consolidated Balance Sheets

(In millions, except share amounts) At Dec 31,	2018	2017
Assets		
Current Assets		
Cash and cash equivalents (variable interest entities restricted - 2018: \$82; 2017: \$107)	\$ 13,482	\$ 13,438
Marketable securities	134	956
Accounts and notes receivable:		
Trade (net of allowance for doubtful receivables - 2018: \$191; 2017: \$127)	12,376	11,314
Other	4,963	5,579
Inventories	16,621	16,992
Other current assets	2,027	1,614
Total current assets	49,603	49,893
Investments		
Investment in nonconsolidated affiliates	5,204	5,336
Other investments (investments carried at fair value - 2018: \$1,699; 2017: \$1,512)	2,701	2,564
Noncurrent receivables	477	680
Total investments	8,382	8,580
Property		
Property	75,343	73,304
Less accumulated depreciation	39,495	37,057
Net property (variable interest entities restricted - 2018: \$734; 2017: \$907)	35,848	36,247
Other Assets		
Goodwill	59,032	59,527
Other intangible assets (net of accumulated amortization - 2018: \$7,414; 2017: \$5,550)	30,965	33,274
Deferred income tax assets	1,724	1,869
Deferred charges and other assets	2,476	2,774
Total other assets	94,197	97,444
Total Assets	\$ 188,030	\$ 192,164
Liabilities and Equity		
Current Liabilities		
Notes payable	\$ 2,165	\$ 1,948
Long-term debt due within one year	637	2,067
Accounts payable:		
Trade	9,457	9,134
Other	3,656	3,727
Income taxes payable	857	843
Accrued and other current liabilities	7,943	8,409
Total current liabilities	24,715	26,128
Long-Term Debt (variable interest entities nonrecourse - 2018: \$75; 2017: \$249)	37,662	30,056
Other Noncurrent Liabilities		
Deferred income tax liabilities	5,435	6,266
Pension and other postretirement benefits - noncurrent	15,909	18,581
Asbestos-related liabilities - noncurrent	1,142	1,237
Other noncurrent obligations	6,988	7,969
Total other noncurrent liabilities	29,474	34,053
Stockholders' Equity		
Common stock (authorized 5,000,000,000 shares of \$0.01 par value each; issued 2018: 2,352,430,301 shares; 2017: 2,341,455,518 shares)	24	23
Additional paid-in capital	81,960	81,257
Retained earnings	30,536	29,211
Accumulated other comprehensive loss	(12,394)	(8,972)
Unearned ESOP shares	(134)	(189)
Treasury stock at cost (2018: 83,452,554 shares; 2017: 14,123,049 shares)	(5,421)	(1,000)
DowDuPont's stockholders' equity	94,571	100,330
Noncontrolling interests	1,608	1,597
Total equity	96,179	101,927
Total Liabilities and Equity	\$ 188,030	\$ 192,164

See Notes to the Consolidated Financial Statements.

DowDuPont Inc.
Consolidated Statements of Cash Flows

(In millions) For the years ended Dec 31,	2018	2017	2016
Operating Activities			
Net income	\$ 3,999	\$ 1,592	\$ 4,404
Adjustments to reconcile net income to net cash provided by (used for) operating activities:			
Depreciation and amortization	5,918	3,969	2,862
Credit for deferred income tax	(434)	(2,083)	(1,259)
Earnings of nonconsolidated affiliates less than dividends received	83	128	243
Net periodic pension benefit cost	58	1,026	389
Pension contributions	(2,964)	(1,744)	(629)
Net gain on sales of assets, businesses and investments	(93)	(1,172)	(214)
Net (gain) loss on step acquisition of nonconsolidated affiliate	47	—	(2,445)
Restructuring, goodwill impairment and asset related charges - net	1,105	3,280	595
Amortization of Merger-related inventory step-up	1,628	1,573	—
Asbestos-related charge	—	—	1,113
Other net loss	673	470	361
Changes in assets and liabilities, net of effects of acquired and divested companies:			
Accounts and notes receivable	(1,611)	(9,782)	(8,833)
Inventories	(1,490)	(2,218)	610
Accounts payable	201	2,631	569
Other assets and liabilities, net	(2,389)	1,565	(723)
Cash provided by (used for) operating activities	4,731	(765)	(2,957)
Investing Activities			
Capital expenditures	(3,837)	(3,570)	(3,804)
Investment in gas field developments	(114)	(121)	(113)
Purchases of previously leased assets	(26)	(187)	—
Proceeds from sales of property and businesses, net of cash divested	202	2,959	284
Acquisitions of property and businesses, net of cash acquired	(20)	50	(187)
Cash acquired in Merger transaction	—	4,005	—
Cash acquired in step acquisition of nonconsolidated affiliate	—	—	1,070
Investments in and loans to nonconsolidated affiliates	(26)	(754)	(1,020)
Distributions and loan repayments from nonconsolidated affiliates	55	106	109
Proceeds from sales of ownership interests in nonconsolidated affiliates	4	64	22
Purchases of investments	(2,787)	(1,690)	(577)
Proceeds from sales and maturities of investments	3,402	4,101	733
Proceeds from interests in trade accounts receivable conduits	657	9,462	8,551
Other investing activities, net	28	(100)	24
Cash provided by (used for) investing activities	(2,462)	14,325	5,092
Financing Activities			
Changes in short-term notes payable	223	(2,248)	(33)
Proceeds from issuance of long-term debt	15,455	499	32
Payments on long-term debt	(9,009)	(663)	(588)
Purchases of treasury stock	(4,421)	(1,000)	(916)
Proceeds from issuance of company stock	197	66	—
Proceeds from sales of common stock	—	453	398
Transaction financing, debt issuance and other costs	(555)	—	—
Employee taxes paid for share-based payment arrangements	(128)	(99)	(65)
Distributions to noncontrolling interests	(195)	(136)	(176)
Purchases of noncontrolling interests	—	—	(202)
Dividends paid to stockholders	(3,491)	(3,394)	(2,462)
Other financing activities, net	6	(32)	(2)
Cash used for financing activities	(1,918)	(6,554)	(4,014)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(344)	297	(77)
Cash reclassified as held for sale	—	88	—
Summary			
Increase (Decrease) in cash, cash equivalents and restricted cash	7	7,391	(1,956)
Cash, cash equivalents and restricted cash at beginning of year	14,015	6,624	8,580
Cash, cash equivalents and restricted cash at end of year	\$ 14,022	\$ 14,015	\$ 6,624
Less: Restricted cash and cash equivalents, included in "Other current assets"	540	577	17
Cash and cash equivalents at end of year	\$ 13,482	\$ 13,438	\$ 6,607
Supplemental cash flow information			
Cash paid during the year for:			
Interest, net of amounts capitalized	\$ 2,116	\$ 1,254	\$ 1,192
Income taxes	\$ 2,199	\$ 1,368	\$ 1,592

See Notes to the Consolidated Financial Statements.