

Port of Houston Authority
Income Statement
Current Month Actual vs. Prior Year
(\$ in thousands)

	December		Δ	%
	Unaudited	Audited		
	2015	2014		
Operating Revenues				
Container Terminals	\$ 17,616	\$ 15,215	\$ 2,401	16
Turning Basin Terminals	4,036	5,891	(1,855)	(31)
Bulk	401	481	(80)	(17)
Leases	534	536	(2)	-
Other	941	794	147	19
Total Operating Revenues	23,528	22,917	611	3
Operating Expenses				
Container Terminals	8,739	21,772	(13,033)	(60)
Turning Basin Terminals	1,546	2,250	(704)	(31)
Bulk	31	20	11	55
Leases	36	95	(59)	(62)
Other	2,105	2,225	(120)	(5)
Pension and Other Retirement Benefits	469	(1,164)	1,633	(140)
Depreciation and Amortization	5,018	4,842	176	4
Total Operating Expenses	17,944	30,040	(12,096)	(40)
Operating Income / (Loss)	5,584	(7,123)	12,707	178
General & Administrative Expenses				
G&A Expenses	4,160	3,048	1,112	36
Pension and Other Retirement Benefits	367	(930)	1,297	(139)
Depreciation	339	225	114	51
Total G&A Expenses	4,866	2,343	2,523	108
Net Operating Income / (Loss)	718	(9,466)	10,184	108
Nonoperating Revenues (Expenses)	(3,066)	70	(3,136)	(4,480)
Income / (Loss) before Contributions	(2,348)	(9,396)	7,048	(75)
Contributions (to)/from Federal/State Agencies	(178)	(1,237)	1,059	(86)
Net Income / (Loss)	\$ (2,526)	\$ (10,633)	\$ 8,107	(76)
Pro forma Cash Flow				
Net Income	\$ (2,526)	\$ (10,633)	\$ 8,107	(76)
Add Depreciation and Amortization	5,357	5,067	290	6
Adjust for non-cash items	3,307	14,983	(11,676)	(78)
Pro forma Cash Flow	\$ 6,138	\$ 9,417	\$ (3,279)	(35)

These unaudited financial statements are prepared by the Port of Houston Authority ("Authority") and made available on its website (www.portofhouston.com). Please note that the balance sheet includes all outstanding tax bonds issued by the Authority as liabilities, however, the income statement does not reflect any tax revenues or debt service payments related to the Authority's tax bonds.

Port of Houston Authority
Income Statement
Year to Date Actual vs. Prior Year
(\$ in thousands)

	December		Δ	%	December 2013	2015 vs 2013	%
	Unaudited 2015	Audited 2014					
Operating Revenues							
Container Terminals	\$ 201,791	\$ 170,740	\$ 31,051	18	\$ 153,420	\$ 48,371	32
Turning Basin Terminals	62,451	66,116	(3,665)	(6)	55,914	6,537	12
Bulk	5,503	6,090	(587)	(10)	4,646	857	18
Leases	6,952	6,585	367	6	3,695	3,257	88
Other	15,098	12,211	2,887	24	13,871	1,227	9
Total Operating Revenues	291,795	261,742	30,053	11	231,546	60,249	26
Operating Expenses							
Container Terminals	82,650	85,907	(3,257)	(4)	67,982	14,668	22
Turning Basin Terminals	18,664	17,825	839	5	15,095	3,569	24
Bulk	303	269	34	13	313	(10)	(3)
Leases	304	190	114	60	167	137	82
Other	16,328	16,253	75	-	14,916	1,412	9
Pension and Other Retirement Benefits	5,382	4,554	828	18	6,846	(1,464)	(21)
Depreciation and Amortization	57,002	54,232	2,770	5	53,218	3,784	7
Total Operating Expenses	180,633	179,230	1,403	1	158,537	22,096	14
Operating Income	111,162	82,512	28,650	35	73,009	38,153	52
General & Administrative Expenses							
G&A Expenses	38,783	35,567	3,216	9	35,972	2,811	8
Pension and Other Retirement Benefits	4,227	3,584	643	18	5,640	(1,413)	(25)
Depreciation	2,967	2,686	281	10	2,567	400	16
Total G&A Expenses	45,977	41,837	4,140	10	44,179	1,798	4
Net Operating Income	65,185	40,675	24,510	60	28,830	36,355	126
Nonoperating Revenues (Expenses)	1,630	6,543	(4,913)	(75)	3,755	(2,125)	(57)
Income before Contributions	66,815	47,218	19,597	42	32,585	34,230	105
Contributions (to)/from Federal/State Agencies	(2,132)	906	(3,038)	(335)	11,897	(14,029)	(118)
Net Income	\$ 64,683	\$ 48,124	\$ 16,559	34	\$ 44,482	\$ 20,201	45
Pro forma Cash Flow							
Net Income	\$ 64,683	\$ 48,124	\$ 16,559	34	\$ 44,482	\$ 20,201	45
Add Depreciation and Amortization	59,969	56,918	3,051	5	55,785	4,184	8
Adjust for non-cash items	1,853	12,917	(11,064)	(86)	3,467	(1,614)	(47)
Pro forma Cash Flow	\$ 126,505	\$ 117,959	\$ 8,546	7	\$ 103,734	\$ 22,771	22

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited December 31, 2015	Audited December 31, 2014
Current Assets		
Cash & Cash Equivalents	\$ 59,892	\$ 37,350
Short-Term Investments	225,710	140,915
Trade Accounts & Other Receivables	30,126	26,749
Other	2,739	3,651
Total Current Assets	<u>318,467</u>	<u>208,665</u>
Restricted Assets	<u>57,427</u>	<u>56,897</u>
Property		
Land, Facilities & Equipment	2,186,705	2,067,758
CIP	85,044	122,356
Accumulated Depreciation	(766,729)	(709,930)
Property, Net	<u>1,505,020</u>	<u>1,480,184</u>
Long-Term Investments	<u>136,548</u>	<u>206,983</u>
Other Assets		
Industrial Agreements	2,442	2,791
Other	5,310	1,824
Total Other Assets	<u>7,752</u>	<u>4,615</u>
Deferred Outflows of Resources		
Deferred loss on bond refunding	<u>6,187</u>	<u>6,847</u>
Total Assets and deferred outflows of resources	<u>\$ 2,031,401</u>	<u>\$ 1,964,191</u>

Port of Houston Authority
Balance Sheet

(\$ in thousands)

	Unaudited December 31, 2015	Audited December 31, 2014
Current Liabilities		
Accounts Payable	\$ 10,829	\$ 12,572
Other Current Liabilities	22,286	18,065
Total Current Liabilities	33,115	30,637
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	15,938	15,950
Accrued Interest Payable	9,025	9,049
Total Restricted Current Liabilities	24,963	24,999
Long-Term Debt, net of Current Maturities	701,358	720,795
Other Non-Current Liabilities		
Accrued Vacation and Sick Leave	5,624	4,937
OPEB Obligation	24,588	27,588
Other	25,479	23,749
Total Other Non-Current Liabilities	55,691	56,274
TOTAL LIABILITIES	815,127	832,705
Deferred Inflows of Resources		
Deferred gain on bond refunding	422	314
Net position		
Invested in Capital Assets, net of debt	793,489	749,755
Restricted for Debt Service	43,738	43,290
Unrestricted Net Assets	378,625	338,127
Total Net Position	1,215,852	1,131,172
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,031,401	\$ 1,964,191