

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

	<u>December</u>		Δ
	<u>Unaudited</u>		
	<u>2011</u>	<u>2010</u>	
<b>Operating Revenues</b>			
Container Terminals	\$ 11,241	\$ 10,695	\$ 546
Turning Basin Terminals	2,687	2,836	(149)
Bulk	301	306	(5)
Leases	1,885	1,699	186
Other	899	519	380
Total Operating Revenues	<u>17,013</u>	<u>16,055</u>	<u>958</u>
<b>Operating Expenses</b>			
Container Terminals	6,701	6,587	114
Turning Basin Terminals	1,278	2,299	(1,021)
Bulk	28	25	3
Leases	4,639	1,032	3,607
Other	591	794	(203)
Pension and Other Retirement Benefits	9	167	(158)
Depreciation and Amortization	4,462	6,914	(2,452)
Total Operating Expenses	<u>17,708</u>	<u>17,818</u>	<u>(110)</u>
<b>Operating Income</b>	(695)	(1,763)	1,068
<b>General &amp; Administrative Expenses</b>			
G&A Expenses	3,085	9,273	(6,188)
Pension and Other Retirement Benefits	12	160	(148)
Depreciation	243	357	(114)
Total G&A Expenses	<u>3,340</u>	<u>9,790</u>	<u>(6,450)</u>
<b>Net Operating Income / (Loss)</b>	(4,035)	(11,553)	7,518
<b>Nonoperating Revenues (Expenses)</b>	1,767	(3,339)	5,106
<b>Income before contributions and transfers</b>	(2,268)	(14,892)	12,624
<b>Contributions (to)/from Federal/State Agencies</b>	(30)	276	(306)
<b>Net Income / (Loss)</b>	<u>\$ (2,298)</u>	<u>\$ (14,616)</u>	<u>\$ 12,318</u>
<b>Pro Forma Cash Flow</b>			
Net Income	\$ (2,298)	\$ (14,616)	
Add Depreciation and Amortization	4,705	7,271	
Add OPEB	12	(757)	
<b>Pro Forma Cash Flow</b>	<u>\$ 2,419</u>	<u>\$ (8,102)</u>	

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

	December		2011 vs. 2010	December 2009	2011 vs. 2009
	Unaudited 2011	2010			
<b>Operating Revenues</b>					
Container Terminals	\$ 130,357	\$ 120,361	\$ 9,996	\$ 108,089	\$ 22,268
Turning Basin Terminals	37,727	30,446	7,281	28,141	9,586
Bulk	4,077	3,278	799	3,398	679
Leases	22,770	21,270	1,500	21,332	1,438
Other	9,257	9,154	103	7,239	2,018
Total Operating Revenues	204,188	184,509	19,679	168,199	35,989
<b>Operating Expenses</b>					
Container Terminals	63,467	61,528	1,939	57,741	5,726
Turning Basin Terminals	14,042	15,782	(1,740)	13,240	802
Bulk	367	297	70	310	57
Leases	6,912	3,729	3,183	3,124	3,788
Other	7,191	6,834	357	6,067	1,124
Pension and Other Retirement Benefits	7,606	9,318	(1,712)	3,252	4,354
Depreciation and Amortization	52,378	50,492	1,886	44,805	7,573
Total Operating Expenses	151,963	147,980	3,983	128,539	23,424
<b>Operating Income</b>	52,225	36,529	15,696	39,660	12,565
<b>General &amp; Administrative Expenses</b>					
G&A Expenses	31,324	39,394	(8,070)	47,088	(15,764)
Pension and Other Retirement Benefits	9,719	12,093	(2,374)	16,055	(6,336)
Depreciation	3,010	2,967	43	2,961	49
Total G&A Expenses	44,053	54,454	(10,401)	66,104	(22,051)
<b>Net Operating Income (Loss)</b>	8,172	(17,925)	26,097	(26,444)	34,616
<b>Nonoperating Revenues (Expenses)</b>	4,906	3,277	1,629	8,127	(3,221)
<b>Income before Contributions and Adjustments</b>	13,078	(14,648)	27,726	(18,317)	31,395
<b>Contributions (to)/from Federal/State Agencies</b>	(1,050)	5,743	(6,793)	(12,250)	11,200
<b>Net Income</b>	\$ 12,028	\$ (8,905)	\$ 20,933	\$ (30,567)	\$ 42,595
<b>Pro Forma Cash Flow</b>					
Net Income	\$ 12,028	\$ (8,905)		\$ (30,567)	
Add Depreciation and Amortization	55,388	53,459		47,766	
Add OPEB	7,641	11,250		11,939	
Add back POHAIC non-cash writeoff	1,980	-		-	
Pro Forma Cash Flow	\$ 77,037	\$ 55,804		\$ 29,138	

**Port of Houston Authority**  
**Balance Sheet**  
(\$ in thousands)

	<b>Unaudited December 31, 2011</b>	<b>December 31, 2010</b>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 196,921	\$ 43,896
Short-Term Investments	30,073	90,800
Trade Accounts & Other Receivables	21,536	26,317
Other	4,868	5,164
<b>Total Current Assets</b>	253,398	166,177
<b>Restricted Assets</b>	123,725	147,394
<b>Property</b>		
Land, Facilities & Equipment	1,887,852	1,834,547
CIP	66,710	83,159
Accumulated Depreciation	(591,501)	(543,106)
<b>Property, Net</b>	1,363,061	1,374,600
<b>Long-Term Investments</b>	65,248	100,198
<b>Other Assets</b>		
Deferred Charges	4,045	4,008
Industrial Agreements	3,837	4,186
Other	2,164	5,222
<b>Total Other Assets</b>	10,046	13,416
<b>TOTAL ASSETS</b>	\$ 1,815,478	\$ 1,801,785

**Port of Houston Authority**  
**Balance Sheet**

(\$ in thousands)

	<b>Unaudited</b>	<b>December 31,</b>
	<b>December 31,</b>	<b>2010</b>
	<b>2011</b>	<b>2010</b>
	<u>          </u>	<u>          </u>
<b>Current Liabilities</b>		
Accounts Payable	\$ 14,333	\$ 10,086
Other Current Liabilities	9,097	8,159
<b>Total Current Liabilities</b>	<u>23,430</u>	<u>18,245</u>
 <b>Current Liabilities (Restricted Assets)</b>		
Current Maturities of Long-Term Debt	13,905	12,900
Accrued Interest Payable	9,396	11,288
Contract payables and accrued liabilities	3,932	4,348
<b>Total Restricted Current Liabilities</b>	<u>27,233</u>	<u>28,536</u>
 <b>Long-Term Debt, net of Current Maturities</b>	<u>764,312</u>	<u>779,348</u>
 <b>Other Non-Current Liabilities</b>		
Advances from Developer (Exxon)	1,551	9,361
Accrued Vacation and Sick Leave	5,393	5,337
OPEB Obligation	42,360	42,710
Other	6,072	5,108
<b>Total Other Non-Current Liabilities</b>	<u>55,376</u>	<u>62,516</u>
 <b>TOTAL LIABILITIES</b>	<u>870,351</u>	<u>888,645</u>
 <b>Net Assets</b>		
Invested in Capital Assets, net of debt	584,844	582,352
Restricted for Capital	63,884	79,270
Restricted for Debt Service	44,655	44,248
Restricted for Other	197	4,302
Unrestricted Net Assets	251,547	202,968
<b>Total Net Assets</b>	<u>945,127</u>	<u>913,140</u>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 1,815,478</u></u>	<u><u>\$ 1,801,785</u></u>