

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

	July		2012 vs.	
	2012	2011	2011	%
<b>Operating Revenues</b>				
Container Terminals	\$ 11,456	\$ 10,231	\$ 1,225	12
Turning Basin Terminals	3,867	3,365	502	15
Bulk	238	331	(93)	(28)
Leases	2,016	1,915	101	5
Other	1,788	649	1,139	176
Total Operating Revenues	<u>19,365</u>	<u>16,491</u>	<u>2,874</u>	<u>17</u>
<b>Operating Expenses</b>				
Container Terminals	5,402	4,582	820	18
Turning Basin Terminals	1,106	1,009	97	10
Bulk	27	23	4	17
Leases	105	138	(33)	(24)
Other	481	709	(228)	(32)
Pension and Other Retirement Benefits	587	765	(178)	(23)
Depreciation and Amortization	4,281	4,286	(5)	(0.1)
Total Operating Expenses	<u>11,989</u>	<u>11,512</u>	<u>477</u>	<u>4</u>
<b>Operating Income</b>	7,376	4,979	2,397	48
<b>General &amp; Administrative Expenses</b>				
G&A Expenses	3,605	2,637	968	37
Pension and Other Retirement Benefits	728	982	(254)	(26)
Depreciation	426	267	159	60
Total G&A Expenses	<u>4,759</u>	<u>3,886</u>	<u>873</u>	<u>22</u>
<b>Net Operating Income / (Loss)</b>	2,617	1,093	1,524	139
<b>Nonoperating Revenues (Expenses)</b>	40	215	(175)	(81)
<b>Income before contributions and transfers</b>	2,657	1,308	1,349	103
<b>Contributions (to)/from Federal/State Agencies</b>	229	(56)	285	509
<b>Net Income / (Loss)</b>	<u>\$ 2,886</u>	<u>\$ 1,252</u>	<u>\$ 1,634</u>	<u>131</u>
<b>Pro Forma Cash Flow</b>				
Net Income	\$ 2,886	\$ 1,252		
Add Depreciation and Amortization	4,707	4,553		
Pro Forma Cash Flow	<u>\$ 7,593</u>	<u>\$ 5,805</u>		

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

	July		2012 vs.			July		2012 vs.		
	2012	2011	2011	%		2010	2010		%	
<b>Operating Revenues</b>										
Container Terminals	\$ 75,537	\$ 75,926	\$ (389)	(1)	\$ 68,912	\$ 6,625		10		
Turning Basin Terminals	26,691	21,375	5,316	25	16,290	10,401		64		
Bulk	1,933	2,001	(68)	(3)	1,765	168		10		
Leases	13,846	13,229	617	5	12,220	1,626		13		
Other	11,527	5,233	6,294	120	5,274	6,253		119		
Total Operating Revenues	<u>129,534</u>	<u>117,764</u>	<u>11,770</u>	<u>10</u>	<u>104,461</u>	<u>25,073</u>		<u>24</u>		
<b>Operating Expenses</b>										
Container Terminals	35,578	35,376	202	1	33,990	1,588		5		
Turning Basin Terminals	7,172	7,979	(807)	(10)	7,802	(630)		(8)		
Bulk	146	237	(91)	(38)	169	(23)		(14)		
Leases	638	930	(292)	(31)	1,076	(438)		(41)		
Other	4,014	4,207	(193)	(5)	3,627	387		11		
Pension and Other Retirement Benefits	4,108	5,353	(1,245)	(23)	5,697	(1,589)		(28)		
Depreciation and Amortization	30,177	30,502	(325)	(1)	26,051	4,126		16		
Total Operating Expenses	<u>81,833</u>	<u>84,584</u>	<u>(2,751)</u>	<u>(3)</u>	<u>78,412</u>	<u>3,421</u>		<u>4</u>		
<b>Operating Income</b>	47,701	33,180	14,521		26,049	21,652		83		
<b>General &amp; Administrative Expenses</b>										
G&A Expenses	23,715	17,825	5,890	33	18,018	5,697		32		
Pension and Other Retirement Benefits	5,093	6,855	(1,762)	(26)	7,697	(2,604)		(34)		
Depreciation	2,393	2,022	371	18	1,817	576		32		
Total G&A Expenses	<u>31,201</u>	<u>26,702</u>	<u>4,499</u>	<u>17</u>	<u>27,532</u>	<u>3,669</u>		<u>13</u>		
<b>Net Operating Income (Loss)</b>	16,500	6,478	10,022	155	(1,483)	17,983		(1,213)		
<b>Nonoperating Revenues (Expenses)</b>	2,567	(91)	2,658	2,921	5,684	(3,117)		(55)		
<b>Income before Contributions and Adjustments</b>	19,067	6,387	12,680	199	4,201	14,866		354		
<b>Contributions (to)/from Federal/State Agencies</b>	3,726	(1,002)	4,728	472	774	2,952		100		
<b>Net Income</b>	<u>\$ 22,793</u>	<u>\$ 5,385</u>	<u>\$ 17,408</u>	<u>323</u>	<u>\$ 4,975</u>	<u>\$ 17,818</u>		<u>358</u>		
<b>Pro Forma Cash Flow</b>										
Net Income	\$ 22,793	\$ 5,385			\$ 4,975					
Add Depreciation and Amortization	32,570	32,524			27,868					
Add back POHAIC non-cash writeoff		1,980								
Pro Forma Cash Flow	<u>\$ 55,363</u>	<u>\$ 39,889</u>			<u>\$ 32,843</u>					

# Port of Houston Authority

## Balance Sheet

(\$ in thousands)

	<u>July 31, 2012</u>	<u>December 31, 2011</u>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 73,699	\$ 200,520
Short-Term Investments	182,722	30,072
Trade Accounts & Other Receivables	22,756	24,051
Other	5,902	4,869
<b>Total Current Assets</b>	<u>285,079</u>	<u>259,512</u>
<b>Restricted Assets</b>	<u>122,333</u>	<u>116,967</u>
<b>Property</b>		
Land, Facilities & Equipment	1,897,387	1,890,988
CIP	84,859	61,592
Accumulated Depreciation	(619,445)	(590,403)
<b>Property, Net</b>	<u>1,362,801</u>	<u>1,362,177</u>
<b>Long-Term Investments</b>	<u>64,725</u>	<u>65,197</u>
<b>Other Assets</b>		
Deferred Charges	3,919	4,045
Industrial Agreements	3,634	3,837
Other	954	1,993
<b>Total Other Assets</b>	<u>8,507</u>	<u>9,875</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,843,445</u></u>	<u><u>\$ 1,813,728</u></u>

**Port of Houston Authority  
Balance Sheet**

(\$ in thousands)

	<u>July 31, 2012</u>	<u>December 31, 2011</u>	<u>Notes</u>
<b>Current Liabilities</b>			
Accounts Payable	\$ 3,015	\$ 13,834	A
Other Current Liabilities	7,991	9,314	
<b>Total Current Liabilities</b>	<u>11,006</u>	<u>23,148</u>	
<b>Current Liabilities (Restricted Assets)</b>			
Current Maturities of Long-Term Debt	13,905	13,905	
Accrued Interest Payable	12,683	9,396	
Contract payables and accrued liabilities	5,082	4,066	
<b>Total Restricted Current Liabilities</b>	<u>31,670</u>	<u>27,367</u>	
<b>Long-Term Debt, net of Current Maturities</b>	<u>763,237</u>	<u>764,312</u>	
<b>Other Non-Current Liabilities</b>			
Advances from Developer (Exxon)	-	1,551	B
Accrued Vacation and Sick Leave	5,185	5,162	
OPEB Obligation	44,553	40,096	
Other	6,671	5,946	
<b>Total Other Non-Current Liabilities</b>	<u>56,409</u>	<u>52,755</u>	
<b>TOTAL LIABILITIES</b>	<u>862,322</u>	<u>867,582</u>	
<b>Net Assets</b>			
Invested in Capital Assets, net of debt	585,659	583,960	
Restricted for Capital	43,225	60,204	
Restricted for Debt Service	49,800	41,455	
Restricted for Other	1,055	196	
Unrestricted Net Assets	301,384	260,331	
<b>Total Net Assets</b>	<u>981,123</u>	<u>946,146</u>	
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,843,445</u>	<u>\$ 1,813,728</u>	

A Accounts Payables declined due to payments made against 12/31/2011 year-end accruals.

B Payoff of Advances was made in May. Channel Development is engaged with Exxon on final issues relating to closing out the Agreement.