

5.0 FINANCIAL ANALYSIS OF APC

5.1 Income Statement and Profitability Analysis

Table 1

Summary of APC's Consolidated Income Statements (\$ in millions)

Source: APC Form 10-K and 10-Q Filings with the SEC

Description	2009	2010	2011		2013	6-mos Ending 6/30/14
			2011	2012		
Sales Volume (MMBOE)	220	235	248	268	285	151
Growth %		6.8%	5.5%	8.1%	6.3%	
Revenues:						
Business Segment Revenues	\$ 8,210	\$ 10,842	\$ 13,882	\$ 13,307	\$ 14,867	\$ 8,723
Gains on divestitures, net	133	142	85	104	(286)	1,560
Other	657	-	-	-	-	-
	9,000	10,984	13,967	13,411	14,581	10,283
Segment Revenue Growth		32.1%	28.0%	(4.1%)	11.7%	

Costs and Expenses:

Depreciation, depletion and amortization	3,532	3,714	3,830	3,964	3,927	2,172
Other taxes	746	1,068	1,492	1,224	1,077	675
Impairments	115	216	1,774	389	794	120
Algeria exceptional profits tax settlement	-	-	-	(1,797)	33	-
Other Expense (Income)	-	-	-	-	-	-
Deepwater Horizon costs	-	15	3,930	18	15	93
Total Expenses	8,623	9,215	15,837	9,684	11,248	6,099
Operating Income	377	1,769	(1,870)	3,727	3,333	4,184
Operating Cash Flow	\$ 3,891	\$ 5,557	\$ 3,649	\$ 7,976	\$ 8,340	\$ 4,916
Operating Cash Flow % of Revenue	43.2%	50.6%	26.1%	59.5%	57.2%	47.9%
Net Income (loss)	\$ (103)	\$ 821	\$ (2,568)	\$ 2,445	\$ 941	\$ (2,360)
Net Income (loss) % of Revenue	(1.1%)	7.5%	(18.4%)	18.2%	6.5%	(23.0%)