



Panama Canal Authority

**Interim Financial Statements – Unaudited
September 30, 2012
IV Quarter**



Panama Canal Authority
Statement of Financial Position
September 30, 2012
(In thousands of balboas – at par with US\$)

	2012 (unaudited)	2011 (audited)
Assets:		
Non-current assets:		
Properties, plant and equipment, net	5,021,628	3,884,891
Accounts receivable	598,628	614,275
Total non-current assets	<u>5,620,256</u>	<u>4,499,166</u>
Current assets:		
Inventories, net	73,001	68,623
Trade and other receivables	42,991	46,796
Other financial assets	423,443	738,254
Accrued interest receivable and other assets	15,526	25,373
Cash and bank deposits	2,259,770	2,285,946
Total current assets	<u>2,814,731</u>	<u>3,164,992</u>
Total assets	<u><u>8,434,987</u></u>	<u><u>7,664,158</u></u>
Equity and liabilities:		
Equity:		
Contributed capital	1,904,473	1,904,473
Contributions for investment programs	3,769,045	3,167,137
Reserves	621,503	613,947
Other equity accounts - cash flow hedge	(227,770)	(197,242)
Unappropriated retained earnings	648,991	674,292
Total equity	<u>6,716,242</u>	<u>6,162,607</u>
Non-current liabilities:		
Borrowings	1,000,000	900,000
Trade and other payables	32,456	29,818
Other financial liabilities	227,770	202,773
Total non-current liabilities	<u>1,260,226</u>	<u>1,132,591</u>
Current liabilities:		
Trade and other payables	303,069	231,943
Provision for marine accident claims	20,235	18,492
Accrued salaries and vacation payable	113,954	102,213
Other financial liabilities	12,076	12,941
Other liabilities	9,185	3,371
Total current liabilities	<u>458,519</u>	<u>368,960</u>
Total equity and liabilities	<u><u>8,434,987</u></u>	<u><u>7,664,158</u></u>



Panama Canal Authority
Income statement
For the twelve months ended September 30, 2012
(In thousands of balboas – at par with US\$)

	2012 (unaudited)		2011 (audited)	
	<u>IV Quarter</u>	<u>Twelve Months</u>	<u>IV Quarter</u>	<u>Twelve Months</u>
Revenues:				
Toll revenues	471,386	1,852,379	424,874	1,729,910
Other Canal transit services	97,511	395,498	91,484	400,722
	<u>568,897</u>	<u>2,247,877</u>	<u>516,358</u>	<u>2,130,632</u>
Other revenues:				
Electric power sales	26,275	97,092	46,720	125,325
Potable water sales	6,497	26,486	6,668	25,520
Interest income	6,017	22,787	5,745	22,213
Miscellaneous	3,117	16,639	4,083	14,783
Total other revenues	<u>41,906</u>	<u>163,004</u>	<u>63,216</u>	<u>187,841</u>
Total revenues	<u>610,803</u>	<u>2,410,881</u>	<u>579,574</u>	<u>2,318,473</u>
Expenses:				
Salaries and wages	126,873	453,643	123,477	425,913
Employee benefits	14,514	60,204	14,609	58,418
Materials and supplies	14,013	51,590	15,909	53,301
Fuel	29,554	101,289	40,437	106,541
Transportation and allowances	738	2,600	629	2,182
Contracted services and fees	25,201	60,768	19,423	47,544
Insurance	2,802	10,176	2,903	9,971
Provision for marine accidents	1,922	3,626	(6,064)	(764)
Provision for obsolete inventory	(153)	144	1,340	1,637
Depreciation	21,938	86,525	22,923	79,991
Other expenses	4,861	13,165	3,290	11,698
	<u>242,263</u>	<u>843,730</u>	<u>238,876</u>	<u>796,432</u>
Capitalized labor and materials	<u>(24,864)</u>	<u>(74,652)</u>	<u>(23,163)</u>	<u>(76,286)</u>
Total expenses	<u>217,399</u>	<u>769,078</u>	<u>215,713</u>	<u>720,146</u>
Income before fees	393,404	1,641,803	363,861	1,598,327
Fees per net ton	(96,261)	(381,130)	(86,519)	(366,987)
Panamanian Treasury (Tesoro Nacional) – public service fees	<u>(563)</u>	<u>(2,218)</u>	<u>(466)</u>	<u>(1,906)</u>
Net income	<u>296,580</u>	<u>1,258,455</u>	<u>276,876</u>	<u>1,229,434</u>

	2012 (unaudited)	2011 (audited)
Cash flows from operating activities:		
Net income	1,258,455	1,229,434
Depreciation	83,584	78,031
Loss on disposal of fixed asset	519	1,167
Provision for obsolete inventory	144	1,637
Provision for marine accidents	3,626	(764)
Changes in working capital:		
Decrease (increase) in trade and other receivables	3,805	(13,320)
Increase in inventories	(4,522)	(9,218)
Decrease (increase) in accrued interest receivable and other assets	9,847	(2,756)
Increase in trade and other payables	73,764	40,417
Payments of marine accident claims	(1,883)	(13,437)
Increase (decrease) in accrued salaries and vacation payable	11,741	(5,705)
(Decrease) increase in other current financial liabilities	(865)	9,885
Increase (decrease) in other liabilities	5,814	(1,757)
Net cash provided by operating activities	<u>1,444,029</u>	<u>1,313,614</u>
Cash flows from investing activities:		
Net increase of properties, plant and equipment	(1,220,840)	(890,237)
Decrease (increase) in other financial assets	309,280	(172,107)
Decrease (increase) in non-current assets, accounts receivables	15,646	(213,794)
Decrease (increase) in time deposits, over 90 days	352,685	(83,369)
Net cash used in investing activities	<u>(543,229)</u>	<u>(1,359,507)</u>
Cash flows from financing activities:		
Increase in long-term borrowings	100,000	600,000
Transfer to Panamanian Treasury	(674,292)	(470,603)
Net cash (used in) provided by financing activities	<u>(574,292)</u>	<u>129,397</u>
Net increase in cash and cash equivalents	326,508	83,504
Cash and cash equivalents at the beginning of the year	276,449	192,945
Cash and cash equivalents at the end of the year	<u>602,957</u>	<u>276,449</u>
Investing activities that did not represent cash outflows:		
Fixed assets - capitalized depreciation	<u>(2,941)</u>	<u>(1,960)</u>
Interests:		
Received	48,809	51,849
Paid	52,444	28,808

Francisco J. Miguez P.
Executive Vicepresident
Administration and Finance
Chief Financial Officer