



Panama Canal Authority

**Interim Financial Statements – Unaudited
September 30, 2009**



Panama Canal Authority

Balance sheet September 30, 2009

(In thousands of balboas – at par with US\$)

	September 30, 2009 (unaudited)	September 30, 2008 (audited)
Assets		
Non-current assets:		
Properties, plant and equipment, net	B/. 2,679,067	B/. 2,438,710
Current assets:		
Cash, cash equivalents, and bank deposits	2,507,390	1,653,148
Investments in securities (held to maturity)	-	470,426
Hedge instrument	57,457	-
Accounts receivable	33,614	35,192
Inventories, net	49,653	39,861
Accrued interest receivable and other assets	7,604	22,379
Total current assets	2,655,718	2,221,006
Total assets	B/. 5,334,785	B/. 4,659,716
Equity and liabilities		
Equity:		
Contributed capital	B/. 1,904,968	B/. 1,904,968
Retained earnings:		
Appropriated	2,732,554	2,159,761
Unappropriated	434,120	343,852
Adjustment for hedge instrument valuation	6,478	-
Total equity	5,078,120	4,408,581
Current liabilities:		
Accounts payable	125,903	119,358
Provision for marine accident claims	32,368	27,474
Accrued salaries and vacation pay	90,755	90,535
Other liabilities	7,639	13,768
Total current liabilities	256,665	251,135
Total equity and liabilities	B/. 5,334,785	B/. 4,659,716



Panama Canal Authority

Income statement For the year ended September 30, 2009 (In thousands of balboas – at par with US\$)

	2009 (unaudited)		2008 (audited)	
	IV Quarter	Twelve months	IV Quarter	Twelve months
Revenues:				
Toll revenues	B/. 361,768	B/. 1,438,175	B/. 348,009	B/. 1,317,475
Vessel-transit-related services	77,030	379,224	112,993	428,103
	<u>438,798</u>	<u>1,817,399</u>	<u>461,002</u>	<u>1,745,578</u>
Other revenues:				
Electric power sales	21,071	79,463	34,691	142,895
Potable water sales	5,327	20,247	4,379	19,709
Interest income	4,885	32,789	15,565	70,875
Miscellaneous	4,367	12,138	20,384	27,988
Total other revenues	<u>35,650</u>	<u>144,637</u>	<u>75,019</u>	<u>261,467</u>
Total revenues	474,448	1,962,036	536,021	2,007,045
Expenses:				
Salaries and wages	97,127	359,185	95,751	354,959
Employee benefits	12,271	49,661	12,049	49,402
Materials and supplies	17,202	51,596	14,219	41,407
Fuel	16,036	61,001	27,283	100,287
Transportation and allowances	425	1,333	410	1,366
Contracted services and fees	16,828	40,889	20,366	41,030
Insurance	4,410	11,141	2,467	10,020
Provision for marine accidents	5,401	7,410	(4,655)	642
Provision for obsolete inventory	140	590	170	772
Other expenses	6,542	14,238	3,422	8,998
	<u>176,382</u>	<u>597,044</u>	<u>171,482</u>	<u>608,883</u>
Capitalized labor and materials	<u>(20,148)</u>	<u>(61,635)</u>	<u>(19,939)</u>	<u>(55,711)</u>
Total expenses	<u>156,234</u>	<u>535,409</u>	<u>151,543</u>	<u>553,172</u>
Income before fees and depreciation	318,214	1,426,627	384,478	1,453,873
Fees per net ton	(82,480)	(344,320)	(86,509)	(355,034)
Panamanian Treasury (Tesoro Nacional) – public service fees	(480)	(1,964)	(445)	(1,874)
Depreciation	<u>(19,738)</u>	<u>(73,430)</u>	<u>(19,177)</u>	<u>(68,503)</u>
Net Income	<u>B/. 215,516</u>	<u>B/. 1,006,913</u>	<u>B/. 278,347</u>	<u>B/. 1,028,462</u>



Panama Canal Authority
Cash flows statement
For the year ended September 30, 2009
(In thousands of balboas – at par with US\$)

	2009	2008
	(unaudited)	(audited)
Cash flows from operating activities:		
Net income	B/. 1,006,913	B/. 1,028,462
Adjustments for:		
Depreciation	71,990	66,180
Loss on disposal of fixed asset	2,292	1,114
Provision for obsolete inventory	590	772
Provision for marine accidents	7,410	642
Severance	-	(10,000)
Changes in operating assets and liabilities:		
Accounts receivable	1,578	1,920
Inventories	(10,382)	(5,265)
Accrued interest receivable and other assets	14,775	3,772
Current liabilities	<u>(1,880)</u>	<u>47,157</u>
Net cash provided by operating activities	<u>1,093,286</u>	<u>1,134,754</u>
Cash flows from investing activities:		
Net increase of fixed asset	(314,639)	(266,311)
Net decrease (increase) in investments	470,426	(135,264)
Net increase in time deposits, over 90 days	(892,675)	(238,586)
Hedge instrument	<u>(50,979)</u>	<u>-</u>
Net cash used in investing activities	<u>(787,867)</u>	<u>(640,161)</u>
Cash flows from financing activities:		
Transfer to Panamanian Treasury	<u>(343,852)</u>	<u>(486,414)</u>
Net (decrease) increase in cash and cash equivalents	(38,433)	8,179
Cash and cash equivalents at beginning of the year	<u>250,658</u>	<u>242,479</u>
Cash and equivalents at end of the year	<u>B/. 212,225</u>	<u>B/. 250,658</u>
Investing activities that did not represent cash outflows		
Fixed assets – capitalized depreciation	<u>B/. (1,440)</u>	<u>B/. (2,323)</u>

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