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**Cash Flow Trends and Their Fundamental Drivers: A Continuing Look  
Comprehensive Industry Review (Qtr 4, 2008)**

**Energy Industry (1010)  
EXECUTIVE SUMMARY**

This research report is one of a series that looks at the cash flow performance of Corporate America. Our primary focus is on free cash margin, or free cash flow measured as a percent of revenue. The current study provides our comprehensive review for the Energy Industry (GICS: 1010) through Q4, 2008.

For the twelve months ended December 2008, free cash margin improved slightly to .54% from the .06% recorded for the twelve months ended December 2007. That .06% level was the lowest point reached for the entire review period of March 2000 to December 2008, a period during which free cash margin for the industry had at times reached levels above 3%. During the recessionary cycle of 2000 - 2002 when the free cash margin for the energy industry bottomed at 0.41% for the twelve months ending March 2002. Operating cash margin was the driver of the increase in free cash margin as operating cash margin increased from 25.82% in the December 2007 period to 29.98% in December 2008. Capital expenditures as a percentage of revenue experienced no appreciable change during the reporting period. Contributing to the improvement in operating cash margin was a significant decline in the cash cycle. The operating cushion worsened during that period.

Data for this research were provided by Cash Flow Analytics, LLC., [www.cashflowanalytics.com](http://www.cashflowanalytics.com).  
Charles Mulford is a principal in Cash Flow Analytics, LLC. May, 2009

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**Georgia Tech Financial Analysis Lab**

The Georgia Tech Financial Analysis Lab conducts research on issues of financial reporting and analysis. Unbiased information is vital to effective investment decision-making. Accordingly, we think that independent research organizations, such as our own, have an important role to play in providing information to market participants.

Because our Lab is housed within a university, all of our research reports have an educational quality, as they are designed to impart knowledge and understanding to those who read them. Our focus is on issues that we believe will be of interest to a large segment of stock market participants. Depending on the issue, we may focus our attention on individual companies, groups of companies, or on large segments of the market at large.

A recurring theme in our work is the identification of reporting practices that give investors a misleading signal, whether positive or negative, of corporate earning power. We define earning power as the ability to generate a sustainable stream of earnings that is backed by cash flow. Accordingly, our research may look into reporting practices that affect either earnings or cash flow, or both. At times, our research may look at stock prices generally, though from a fundamental and not technical point of view.

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Cash Flow Trends and Their Fundamental Drivers: A Continuing Look. Comprehensive Industry Review (Qtr 4 2008). (c) 2009 by the College of Management, Georgia Institute of Technology, Atlanta, GA 30332-0520.

## Energy Industry (1010)

<b>Sub-industries included:</b>	<b>Page</b>
<b>Energy Equipment and Services (101010)</b>	<b>15</b>
<b>Oil, Gas &amp; Consumable Fuels (101020)</b>	<b>16</b>

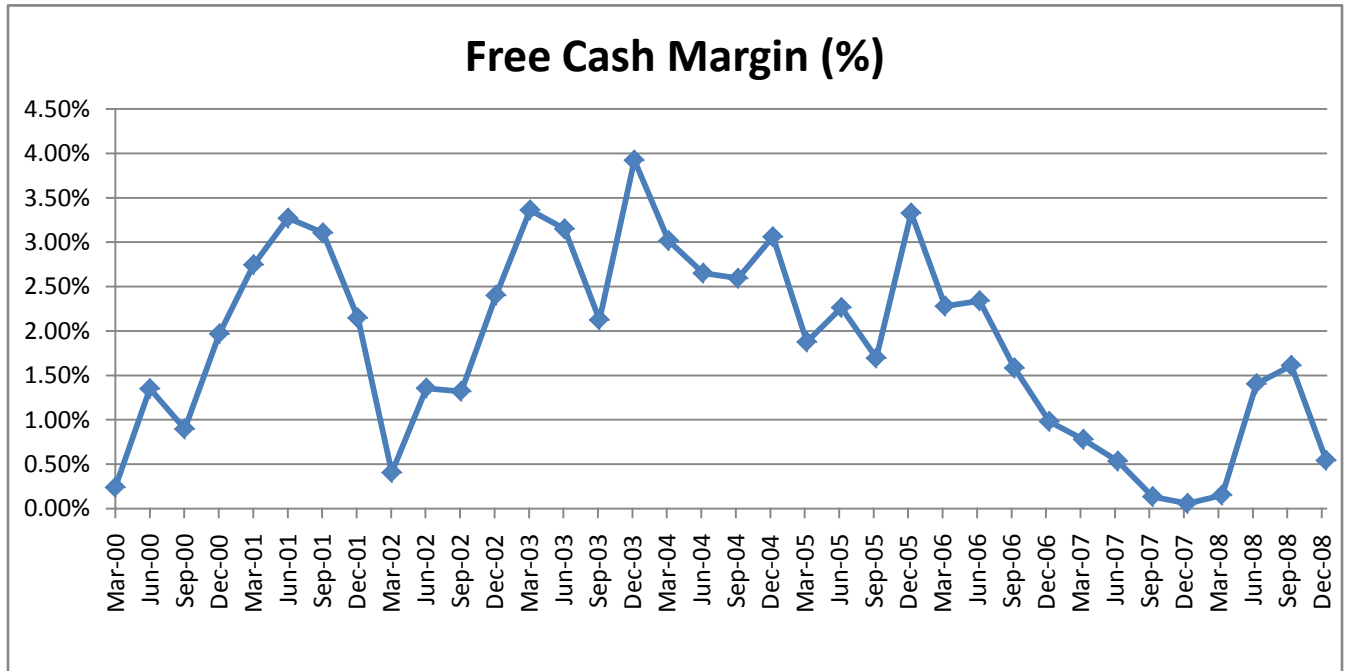
### Observations

For the twelve months ended December 2008, free cash margin improved slightly to .54% from the .06% recorded for the twelve months ended December 2007. That .06% level was the lowest point reached for the entire review period of March 2000 to December 2008, a period during which free cash margin for the industry had at times reached levels above 3%. During the recessionary cycle of 2000 - 2002 when the free cash margin for the energy industry bottomed at 0.41% for the twelve months ending March 2002. Operating cash margin was the driver of the increase in free cash margin as operating cash margin increased from 25.82% in the December 2007 period to 29.98% in December 2008. Capital expenditures as a percentage of revenue experienced no appreciable change during the reporting period. Contributing to the improvement in operating cash margin was a significant decline in the cash cycle, to a median of 16.95 days in December 2008 from 29.07 days in December 2007. The operating cushion worsened during that period.

Breaking the energy industry into its two sub-industries reveals a modest decline in free cash margin, to 2.28% for the twelve months ended December 2008 from 2.99% for the twelve months ended December 2007 for the Energy Equipment and Services sub-industry (GICS: 101010). In the Oil, Gas and Consumable Fuels sub-industry (GICS: 101020) there was a sizable decrease in free cash margin from 2.07% for the twelve months ending in December 2007 to 0.07% for the 12 months ending in December 2008 – a 97% reduction. The cash flow performance in both of the sub-industries appears to reflect the effects of changes in the price of oil, which saw a dramatic decline in the December reporting period. Please refer to Exhibit 17: Price of Oil.

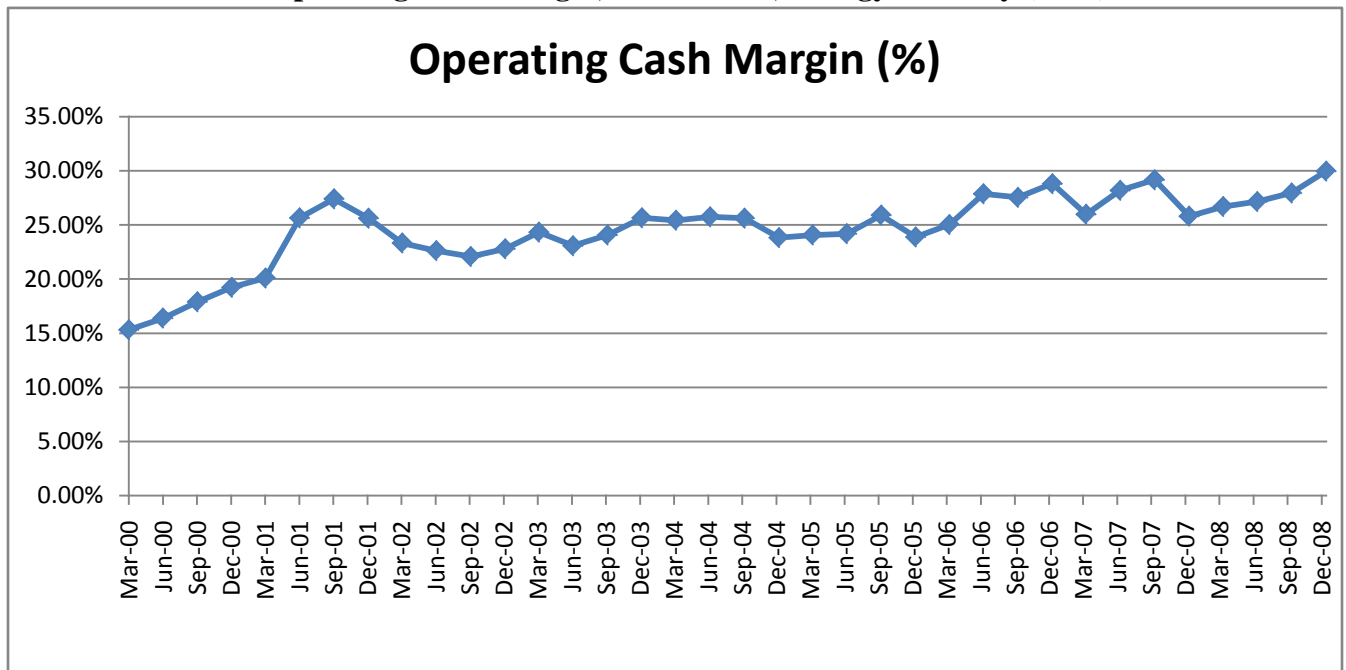
### Cash Flow Margins

**Exhibit 1: Median Free Cash Margin, 2000 – 2008, Energy Industry (1010)**



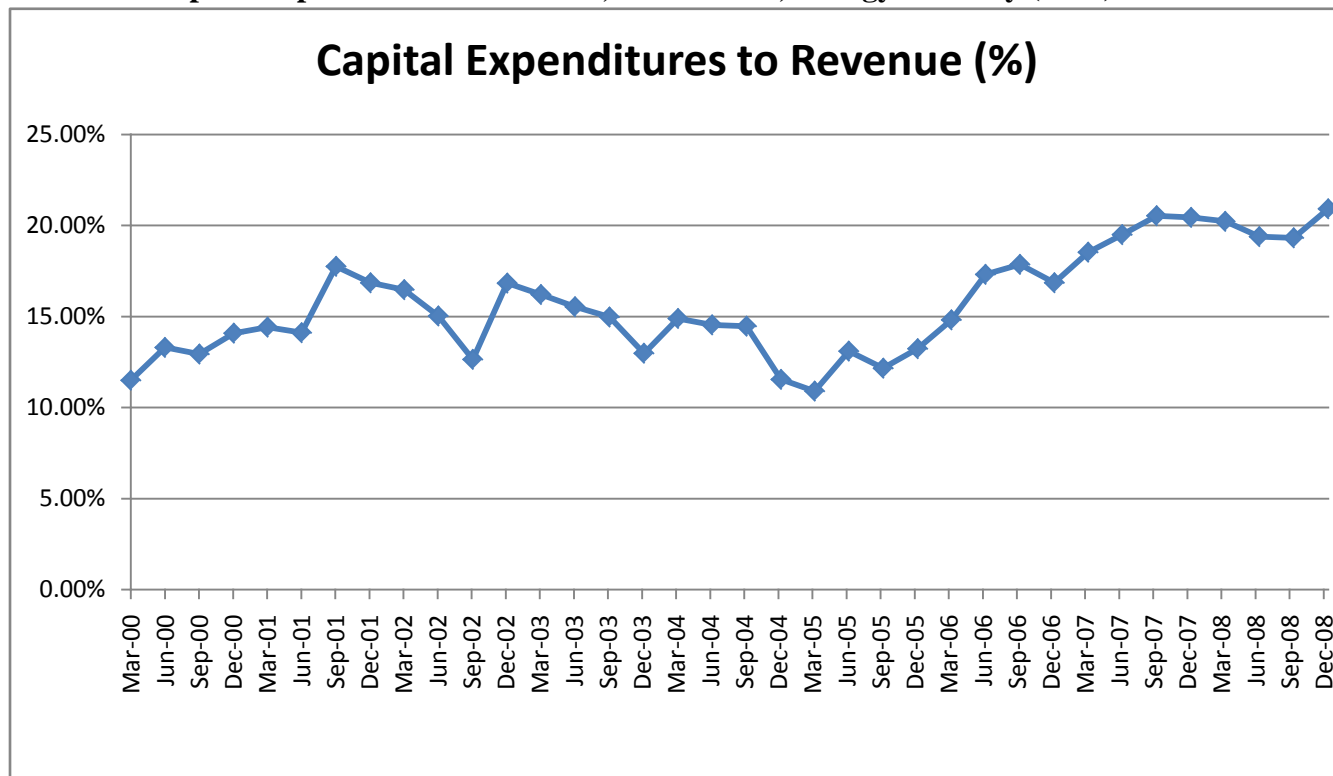
Refer to Table 1 for data supporting the graph.

**Exhibit 2: Median Operating Cash Margin, 2000 – 2008, Energy Industry (1010)**



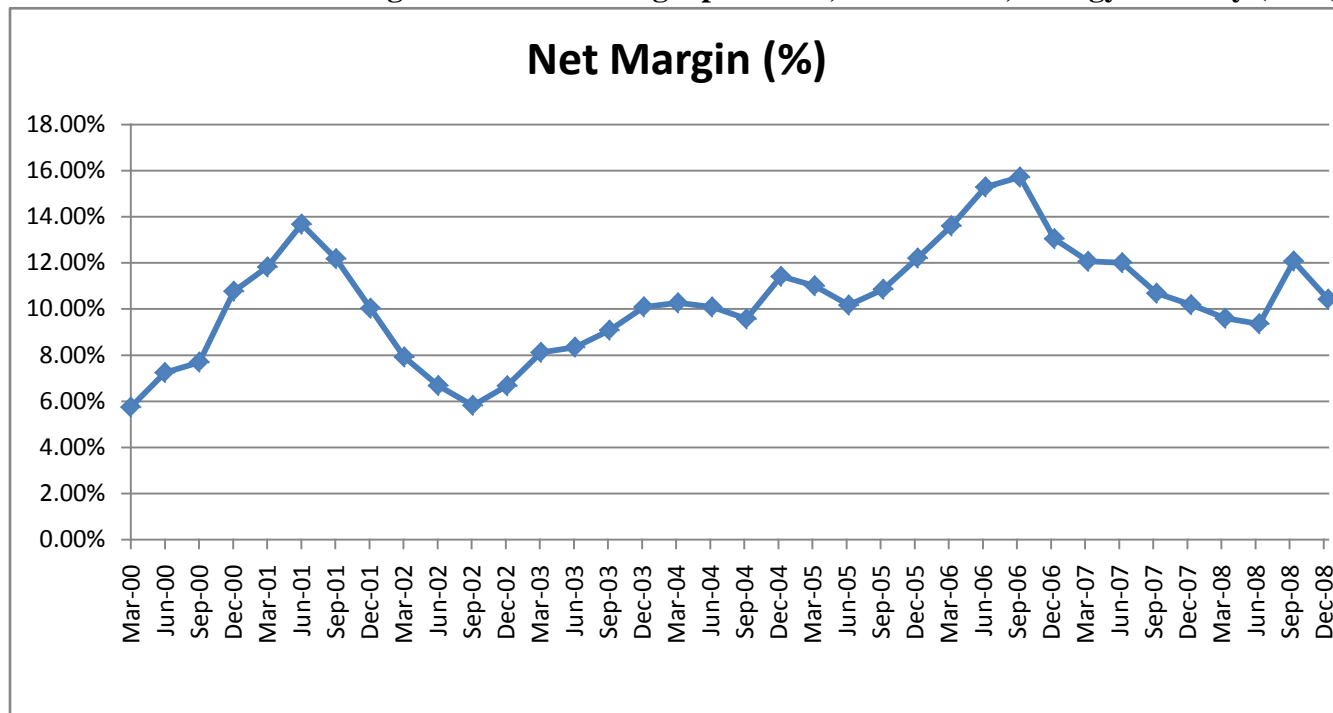
Refer to Table 1 for data supporting the graph.

**Exhibit 3: Capital Expenditures to Revenue, 2000 – 2008, Energy Industry (1010)**



Refer to Table 1 for data supporting the graph.

**Exhibit 4: Median Net Margin from Continuing Operations, 2000 – 2008, Energy Industry (1010)**



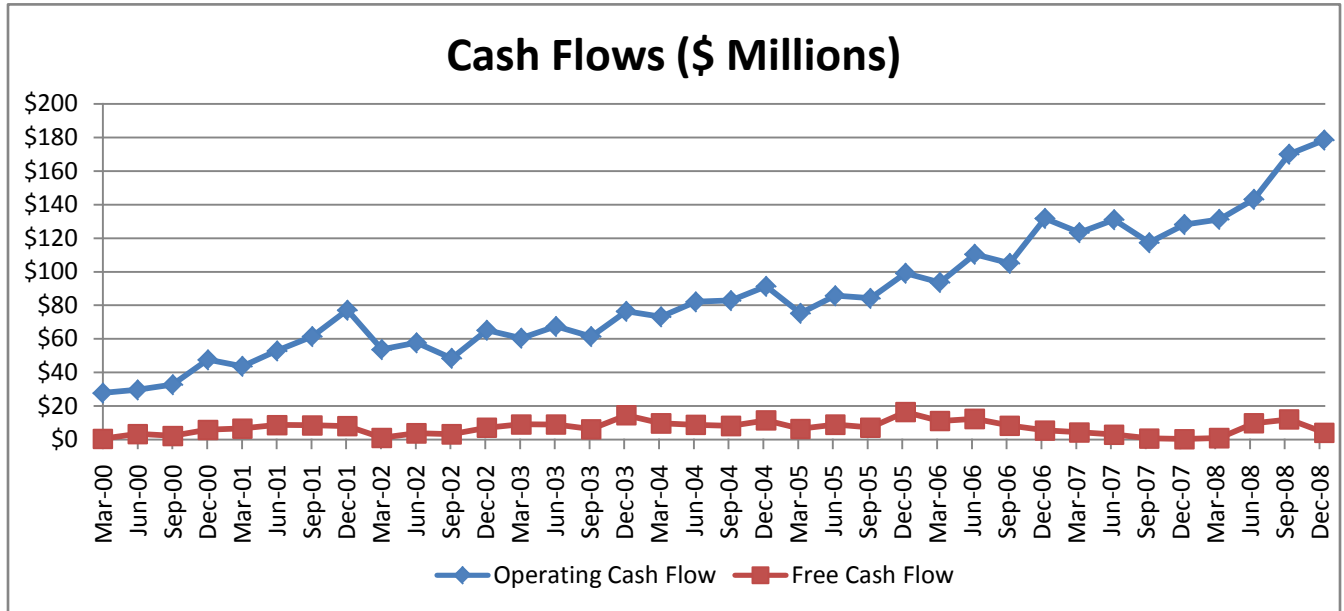
Refer to Table 1 for data supporting the graph.

**Table 1: Median Margins, 2000 – 2008, Energy Industry (1010)**

Date	Operating Cash Margin (%)	Free Cash Margin (%)	Net Margin (%)	Capital Expenditures / Revenue (%)
Mar-00	15.31%	0.24%	5.75%	11.51%
Jun-00	16.39%	1.35%	7.25%	13.31%
Sep-00	17.90%	0.90%	7.70%	12.95%
Dec-00	19.23%	1.97%	10.77%	14.10%
Mar-01	20.09%	2.75%	11.83%	14.43%
Jun-01	25.66%	3.27%	13.68%	14.12%
Sep-01	27.42%	3.11%	12.18%	17.77%
Dec-01	25.63%	2.15%	10.03%	16.87%
Mar-02	23.34%	0.41%	7.92%	16.49%
Jun-02	22.63%	1.36%	6.68%	15.04%
Sep-02	22.08%	1.32%	5.82%	12.66%
Dec-02	22.80%	2.40%	6.67%	16.85%
Mar-03	24.34%	3.37%	8.12%	16.22%
Jun-03	23.08%	3.15%	8.35%	15.55%
Sep-03	24.08%	2.13%	9.08%	14.98%
Dec-03	25.66%	3.93%	10.10%	12.99%
Mar-04	25.44%	3.02%	10.27%	14.90%
Jun-04	25.75%	2.65%	10.09%	14.55%
Sep-04	25.63%	2.60%	9.57%	14.48%
Dec-04	23.83%	3.06%	11.42%	11.56%
Mar-05	24.08%	1.88%	11.01%	10.91%
Jun-05	24.19%	2.27%	10.17%	13.11%
Sep-05	25.92%	1.70%	10.86%	12.17%
Dec-05	23.89%	3.33%	12.21%	13.24%
Mar-06	25.04%	2.28%	13.61%	14.83%
Jun-06	27.89%	2.34%	15.30%	17.33%
Sep-06	27.55%	1.59%	15.72%	17.88%
Dec-06	28.82%	0.98%	13.05%	16.87%
Mar-07	25.99%	0.78%	12.07%	18.55%
Jun-07	28.20%	0.54%	12.01%	19.51%
Sep-07	29.18%	0.14%	10.69%	20.55%
Dec-07	25.82%	0.06%	10.19%	20.46%
Mar-08	26.71%	0.15%	9.60%	20.24%
Jun-08	27.17%	1.41%	9.36%	19.40%
Sep-08	27.96%	1.61%	12.08%	19.34%
Dec-08	29.98%	0.54%	10.43%	20.93%

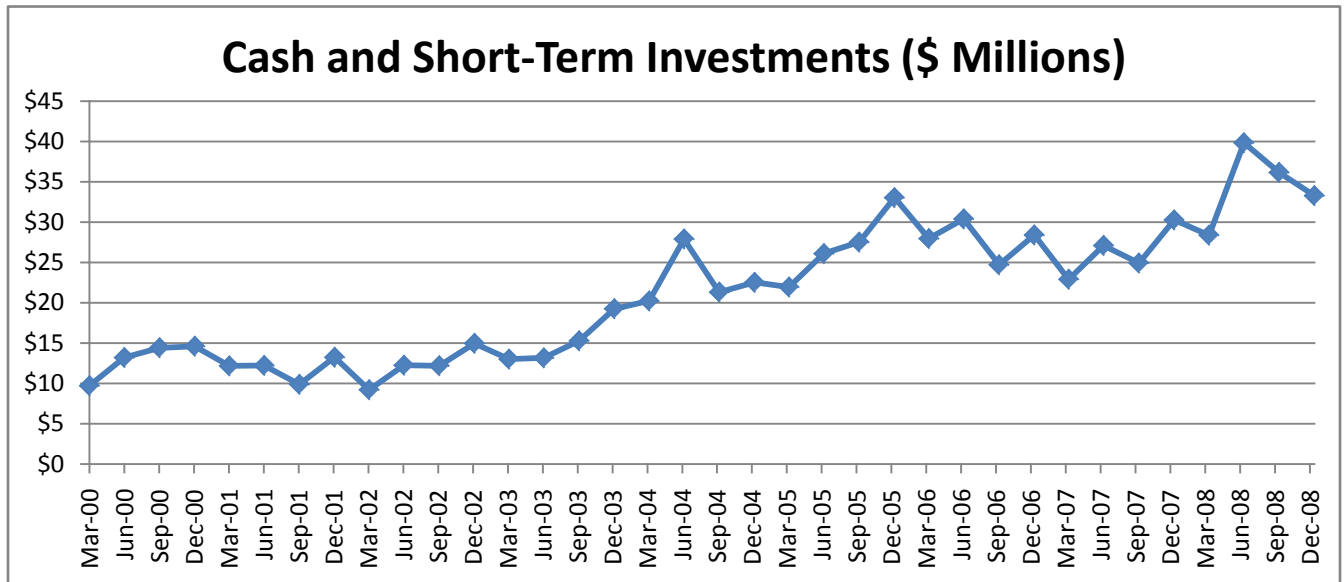
**Cash Flow Measures**

**Exhibit 5: Median Free Cash Flow and Median Operating Cash Flow, 2000 – 2008, Energy Industry (1010)**



Refer to Table 2 for data supporting the graph.

**Exhibit 6: Cash and Short-term Investments, 2000 – 2008, Energy Industry (1010)**



Refer to Table 2 for data supporting the graph.

**Table 2: Cash Flow Measures, 2000 – 2008, Energy Industry (1010)**

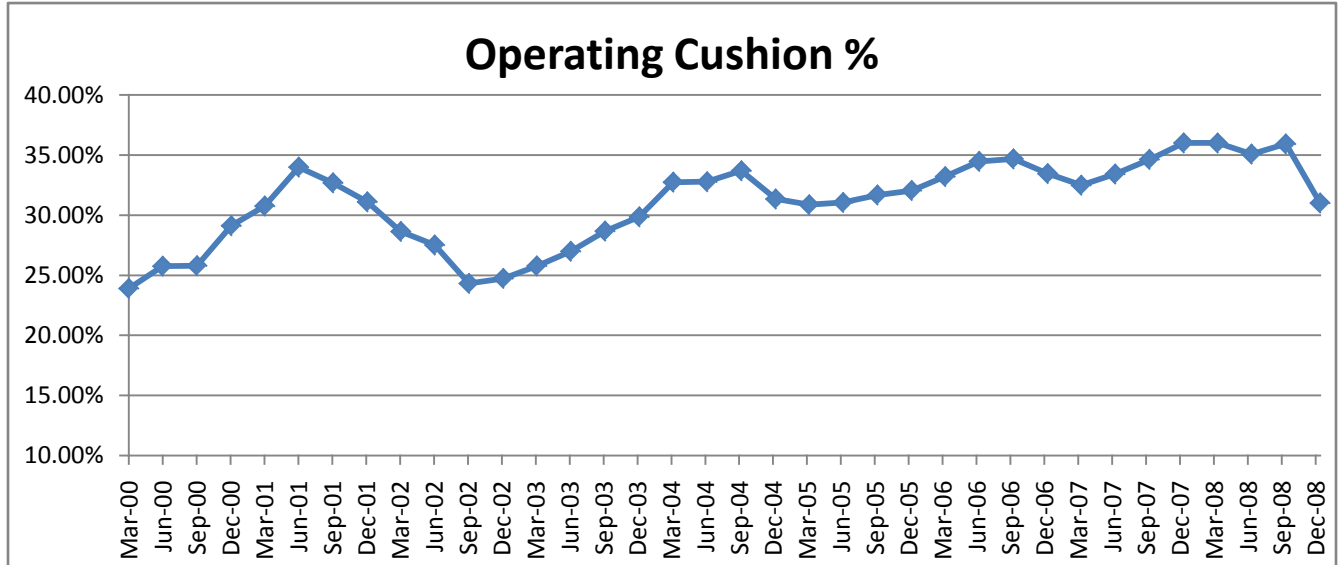
Date	Operating Cash Flow	% Change	Free Cash Flow	% Change	Cash and Short-Term Investments	% Change
Mar-00	27,814,000		513,595		9,700,000	
Jun-00	29,681,000	6.71%	3,401,578	562.31%	13,197,000	36.05%
Sep-00	32,791,500	10.48%	2,212,744	-34.95%	14,411,500	9.20%
Dec-00	47,591,000	45.13%	5,885,277	165.97%	14,596,000	1.28%
Mar-01	43,729,000	-8.11%	6,668,682	13.31%	12,159,000	-16.70%
Jun-01	52,895,000	20.96%	8,758,924	31.34%	12,211,000	0.43%
Sep-01	61,454,000	16.18%	8,564,818	-2.22%	9,871,000	-19.16%
Dec-01	77,132,000	25.51%	8,092,532	-5.51%	13,231,000	34.04%
Mar-02	53,694,000	-30.39%	1,121,065	-86.15%	9,200,000	-30.47%
Jun-02	57,718,000	7.49%	3,866,314	244.88%	12,241,000	33.05%
Sep-02	48,498,000	-15.97%	3,261,797	-15.64%	12,182,000	-0.48%
Dec-02	65,201,000	34.44%	7,146,683	119.10%	14,954,000	22.75%
Mar-03	60,481,500	-7.24%	9,142,419	27.93%	13,000,500	-13.06%
Jun-03	67,456,000	11.53%	9,090,935	-0.56%	13,151,000	1.16%
Sep-03	61,452,000	-8.90%	6,302,514	-30.67%	15,271,000	16.12%
Dec-03	76,461,000	24.42%	14,651,008	132.46%	19,253,000	26.08%
Mar-04	73,200,000	-4.26%	9,785,726	-33.21%	20,209,000	4.97%
Jun-04	82,109,000	12.17%	8,854,441	-9.52%	27,896,500	38.04%
Sep-04	82,857,000	0.91%	8,262,999	-6.68%	21,305,000	-23.63%
Dec-04	91,331,000	10.23%	11,532,961	39.57%	22,519,000	5.70%
Mar-05	75,279,500	-17.58%	6,467,644	-43.92%	21,940,500	-2.57%
Jun-05	85,752,500	13.91%	9,003,758	39.21%	26,085,500	18.89%
Sep-05	84,165,000	-1.85%	7,196,705	-20.07%	27,512,000	5.47%
Dec-05	99,146,000	17.80%	16,504,329	129.33%	33,027,000	20.05%
Mar-06	93,654,500	-5.54%	11,160,406	-32.38%	27,950,500	-15.37%
Jun-06	110,451,000	17.93%	12,404,707	11.15%	30,389,000	8.72%
Sep-06	105,028,000	-4.91%	8,346,935	-32.71%	24,699,000	-18.72%
Dec-06	131,790,000	25.48%	5,538,320	-33.65%	28,396,000	14.97%
Mar-07	123,310,000	-6.43%	4,299,796	-22.36%	22,906,000	-19.33%
Jun-07	131,038,500	6.27%	2,952,256	-31.34%	27,095,000	18.29%
Sep-07	117,329,000	-10.46%	762,730	-74.16%	24,915,500	-8.04%
Dec-07	128,165,000	9.24%	352,971	-53.72%	30,261,000	21.45%
Mar-08	131,215,500	2.38%	983,088	178.52%	28,377,000	-6.23%
Jun-08	143,162,500	9.10%	9,820,494	898.94%	39,826,500	40.35%
Sep-08	170,007,000	18.75%	12,087,190	23.08%	36,156,000	-9.22%
Dec-08	178,426,000	4.95%	4,182,598	-65.40%	33,273,500	-7.97%



**Cash Flow Drivers**

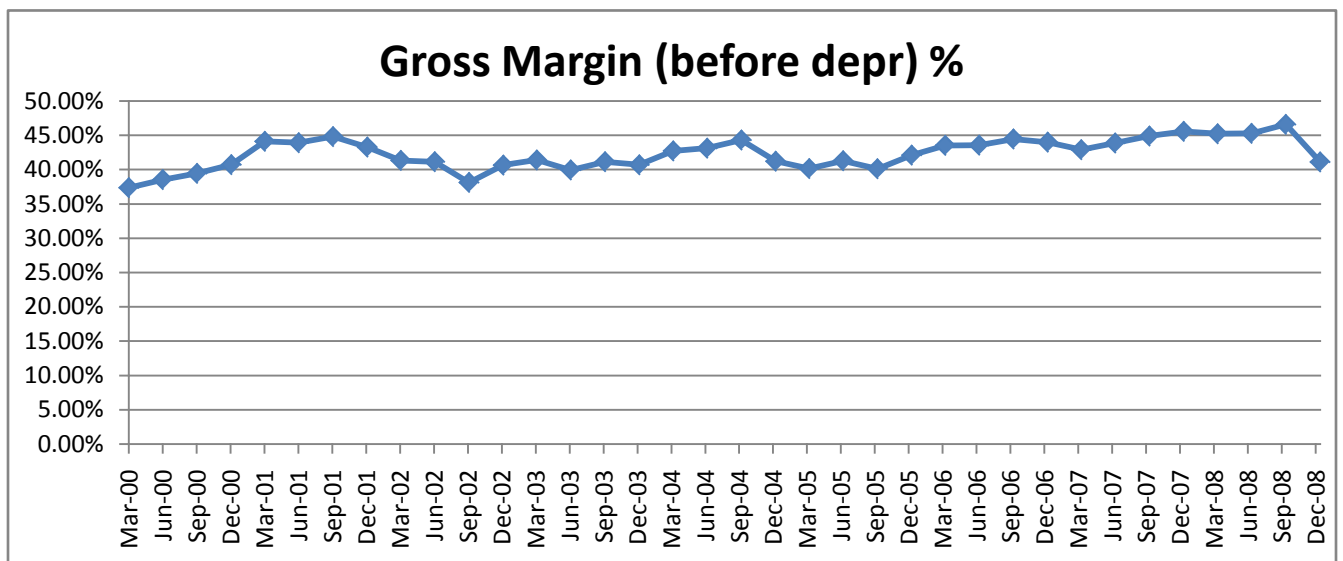
**Profitability**

**Exhibit 7: Median Operating Cushion, 2000 – 2008, Energy Industry (1010)**



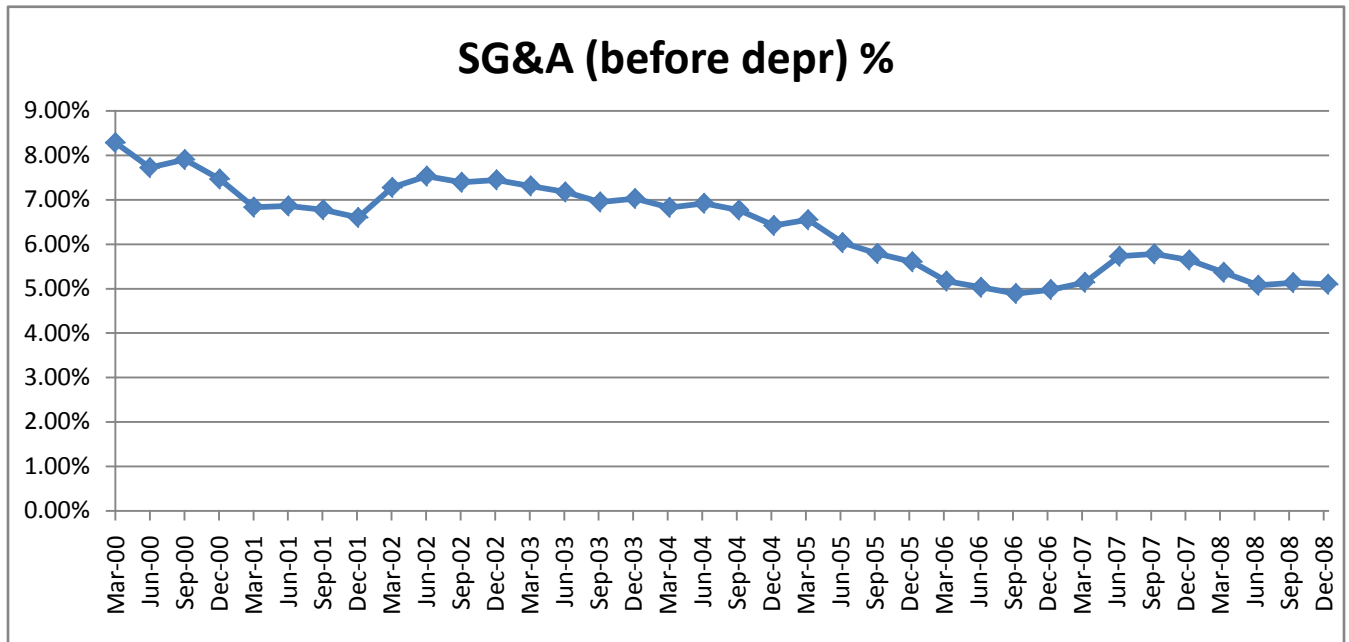
Refer to Table 3 for data supporting the graph.

**Exhibit 8: Median Gross Margin % (before depreciation), 2000 – 2008, Energy Industry (1010)**



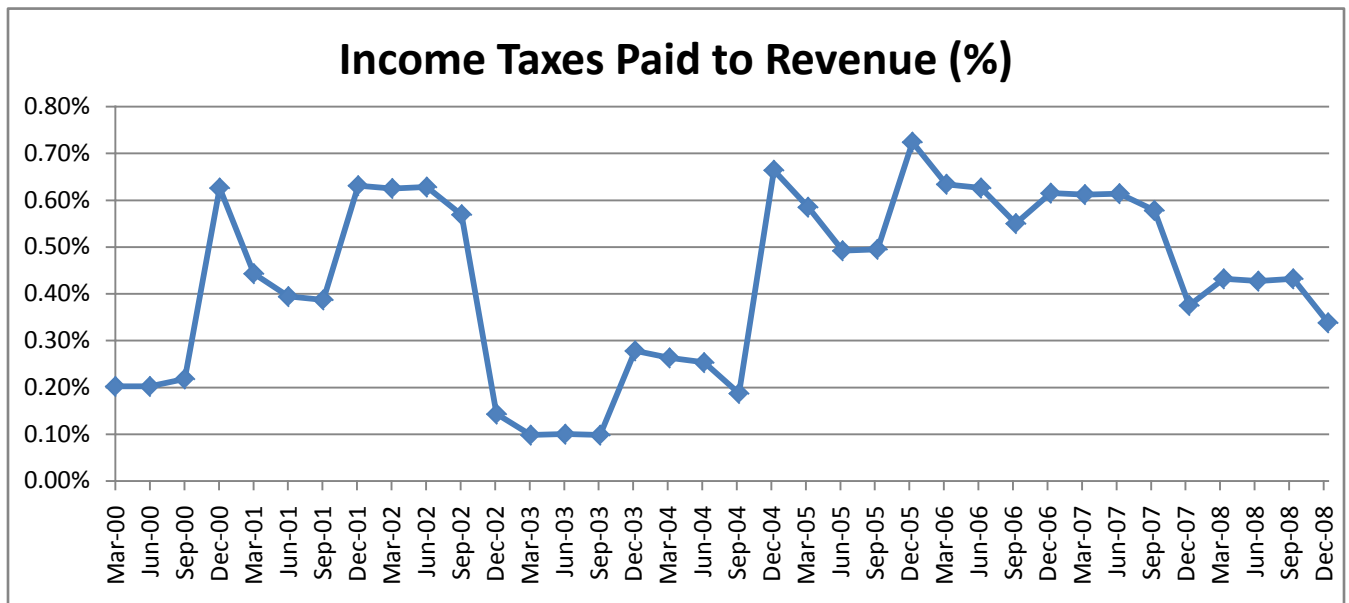
Refer to Table 3 for data supporting the graph.

**Exhibit 9: Median Selling, General and Administrative Expense % (before depreciation), 2000 – 2008, Energy Industry (1010)**



Refer to Table 3 for data supporting the graph.

**Exhibit 10: Median Income Taxes Paid % (before depreciation), 2000 – 2008, Energy Industry (1010)**



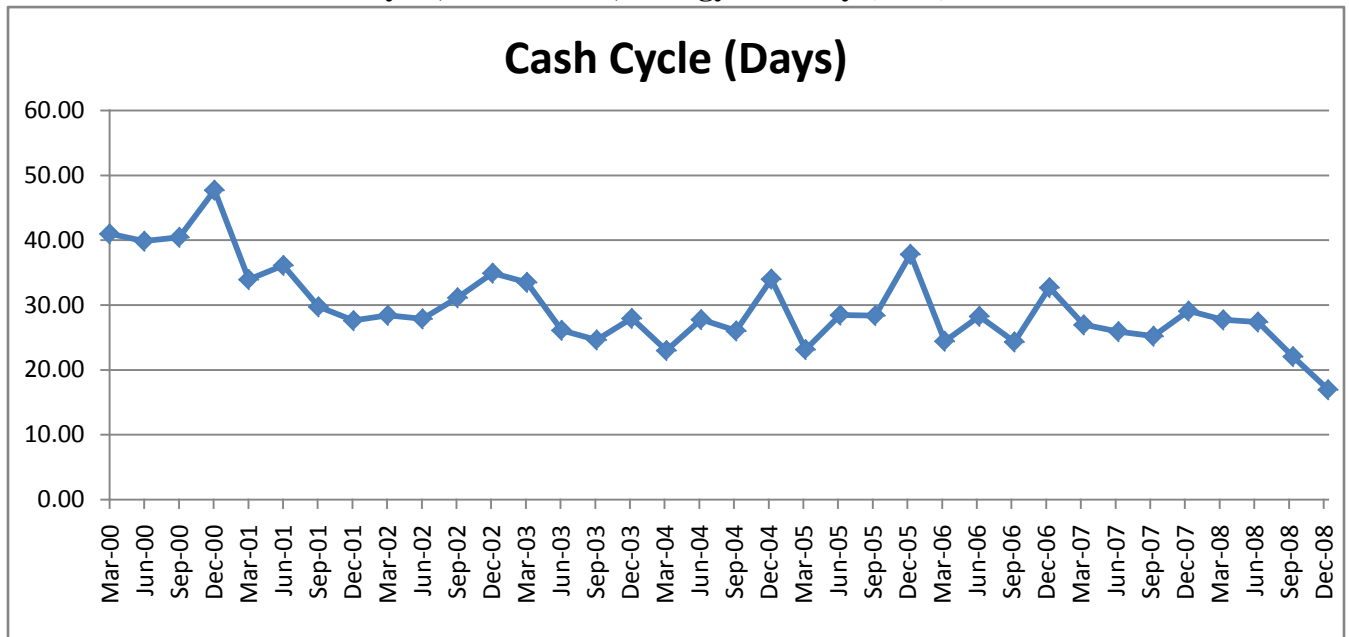
Refer to Table 3 for data supporting the graph.

**Table 3: Profitability, 2000 – 2008, Energy Industry (1010)**

Date	Operating Cushion %	Gross Margin (before depr) %	SG&A (before depr.) %	Revenue	% Change	Income Taxes Paid to Revenue
Mar-00	23.89%	37.38%	8.29%	213,110,000		0.20%
Jun-00	25.75%	38.56%	7.73%	251,596,000	18.06%	0.20%
Sep-00	25.79%	39.46%	7.91%	246,408,000	-2.06%	0.22%
Dec-00	29.11%	40.74%	7.47%	298,745,000	21.24%	0.63%
Mar-01	30.76%	44.14%	6.84%	242,674,000	-18.77%	0.44%
Jun-01	34.00%	43.94%	6.86%	267,611,500	10.28%	0.39%
Sep-01	32.69%	44.83%	6.78%	275,662,000	3.01%	0.39%
Dec-01	31.10%	43.30%	6.60%	376,572,000	36.61%	0.63%
Mar-02	28.64%	41.35%	7.28%	275,446,000	-26.85%	0.63%
Jun-02	27.51%	41.17%	7.54%	284,706,500	3.36%	0.63%
Sep-02	24.31%	38.14%	7.40%	246,732,000	-13.34%	0.57%
Dec-02	24.73%	40.67%	7.45%	297,283,000	20.49%	0.14%
Mar-03	25.77%	41.41%	7.31%	271,691,500	-8.61%	0.10%
Jun-03	26.99%	39.96%	7.18%	288,418,000	6.16%	0.10%
Sep-03	28.67%	41.16%	6.95%	296,310,000	2.74%	0.10%
Dec-03	29.86%	40.71%	7.03%	373,179,000	25.94%	0.28%
Mar-04	32.74%	42.74%	6.83%	324,138,000	-13.14%	0.26%
Jun-04	32.78%	43.14%	6.92%	333,752,000	2.97%	0.25%
Sep-04	33.69%	44.33%	6.77%	318,420,000	-4.59%	0.19%
Dec-04	31.34%	41.23%	6.42%	376,525,000	18.25%	0.66%
Mar-05	30.86%	40.16%	6.55%	344,390,000	-8.53%	0.59%
Jun-05	31.05%	41.31%	6.04%	397,341,500	15.38%	0.49%
Sep-05	31.68%	40.14%	5.79%	424,084,000	6.73%	0.50%
Dec-05	32.05%	42.13%	5.61%	495,625,500	16.87%	0.72%
Mar-06	33.21%	43.55%	5.17%	489,062,500	-1.32%	0.63%
Jun-06	34.47%	43.58%	5.03%	529,663,000	8.30%	0.63%
Sep-06	34.68%	44.48%	4.89%	526,620,500	-0.57%	0.55%
Dec-06	33.46%	44.02%	4.98%	563,410,000	6.99%	0.62%
Mar-07	32.49%	42.92%	5.14%	550,550,000	-2.28%	0.61%
Jun-07	33.42%	43.89%	5.73%	550,794,000	0.04%	0.61%
Sep-07	34.64%	44.91%	5.78%	560,831,000	1.82%	0.58%
Dec-07	36.01%	45.59%	5.65%	598,255,500	6.67%	0.38%
Mar-08	36.00%	45.24%	5.37%	642,541,000	7.40%	0.43%
Jun-08	35.08%	45.30%	5.08%	697,974,000	8.63%	0.43%
Sep-08	35.93%	46.61%	5.14%	748,896,500	7.30%	0.43%
Dec-08	31.01%	41.13%	5.10%	768,860,000	2.67%	0.34%

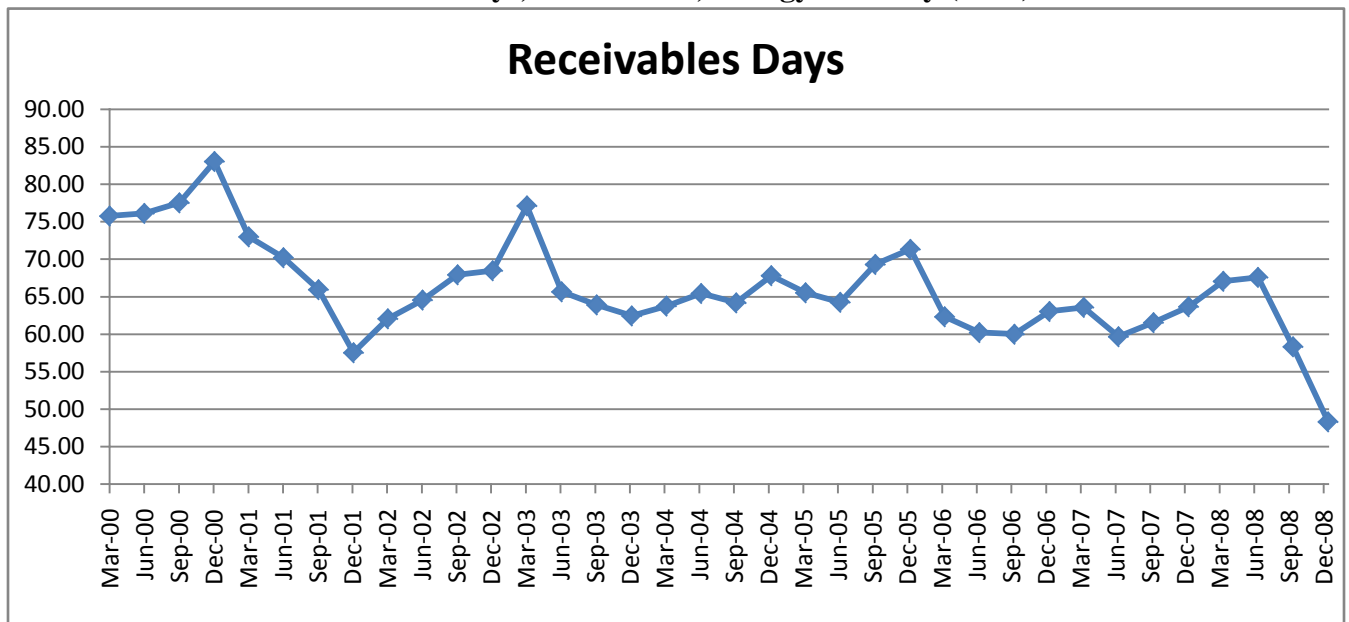
**Efficiency**

**Exhibit 11: Median Cash Cycle, 2000 – 2008, Energy Industry (1010)**



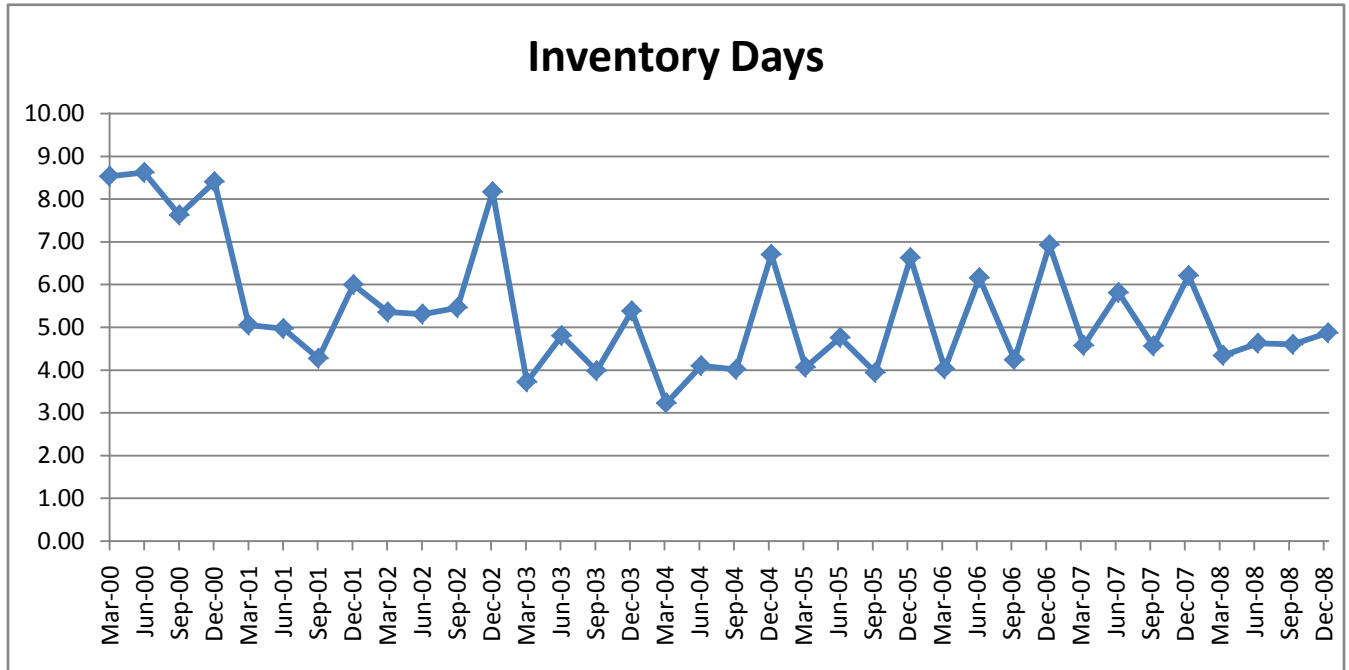
Refer to Table 4 for data supporting the graph.

**Exhibit 12: Median Receivables Days, 2000 – 2008, Energy Industry (1010)**



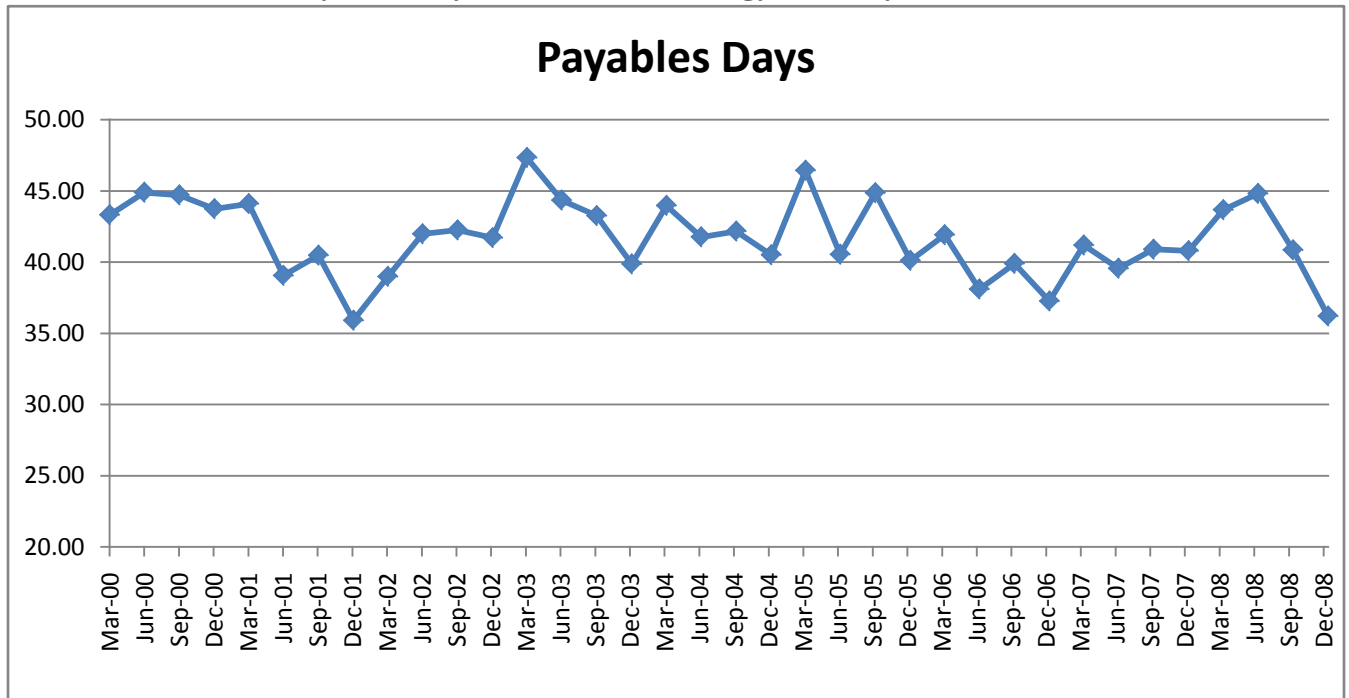
Refer to Table 4 for data supporting the graph.

**Exhibit 13: Median Inventory Days, 2000 – 2008, Energy Industry (1010)**



Refer to Table 4 for data supporting the graph.

**Exhibit 14: Median Payables Days, 2000 – 2008, Energy Industry (1010)**



Refer to Table 4 for data supporting the graph.

**Table 4: Efficiency, 2000 – 2008, Energy Industry (1010)**

Date	Cash Cycle (Days)	Receivables Days	Inventory Days	Payables Days
Mar-00	40.97	75.75	8.54	43.32
Jun-00	39.83	76.10	8.62	44.89
Sep-00	40.43	77.51	7.63	44.71
Dec-00	47.70	83.02	8.41	43.74
Mar-01	33.93	72.97	5.05	44.10
Jun-01	36.10	70.19	4.97	39.06
Sep-01	29.72	65.93	4.28	40.48
Dec-01	27.60	57.51	6.00	35.91
Mar-02	28.41	62.04	5.36	38.99
Jun-02	27.87	64.54	5.31	41.98
Sep-02	31.12	67.91	5.46	42.25
Dec-02	34.92	68.45	8.17	41.71
Mar-03	33.49	77.10	3.72	47.33
Jun-03	26.11	65.64	4.81	44.34
Sep-03	24.62	63.89	3.98	43.25
Dec-03	27.94	62.42	5.38	39.87
Mar-04	22.99	63.73	3.23	43.97
Jun-04	27.76	65.42	4.10	41.76
Sep-04	26.01	64.16	4.01	42.17
Dec-04	33.99	67.79	6.71	40.51
Mar-05	23.14	65.51	4.07	46.43
Jun-05	28.46	64.24	4.76	40.54
Sep-05	28.37	69.29	3.94	44.86
Dec-05	37.82	71.30	6.63	40.11
Mar-06	24.43	62.31	4.03	41.91
Jun-06	28.26	60.20	6.16	38.10
Sep-06	24.32	59.98	4.24	39.90
Dec-06	32.69	63.02	6.93	37.26
Mar-07	26.95	63.56	4.58	41.19
Jun-07	25.90	59.65	5.81	39.56
Sep-07	25.20	61.53	4.57	40.89
Dec-07	29.07	63.65	6.21	40.79
Mar-08	27.72	67.04	4.34	43.67
Jun-08	27.39	67.56	4.63	44.81
Sep-08	22.06	58.31	4.60	40.85
Dec-08	16.95	48.29	4.87	36.21

## Energy Equipment &amp; Services Sub-industry (101010)

Exhibit 15: Free Cash Margin, 2000–2008, Energy Equipment &amp; Services (101010)

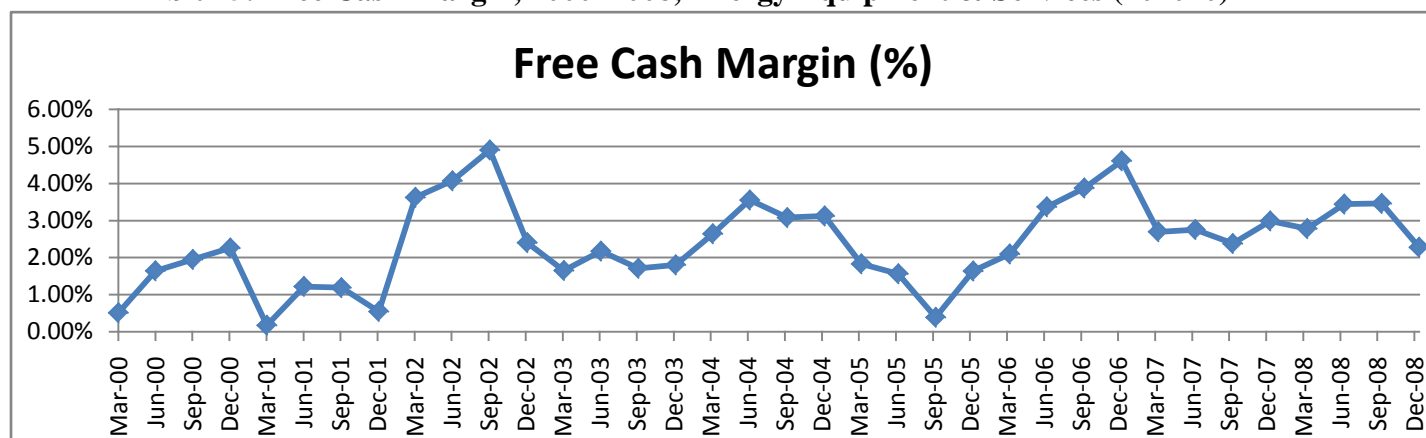


Table 5: 2000 – 2008, Energy Equipment &amp; Services Sub-industry (101010)

Date	Free Cash Margin (%)	Operating Cash Margin (%)	Capital Expenditure / Revenue	Net Margin (%)	Operating Cushion (%)	Income Taxes Paid to Revenue (%)	Cash Cycle (Days)
Mar-00	0.51%	8.77%	7.31%	2.98%	16.84%	0.96%	84.86
Jun-00	1.64%	7.77%	8.59%	3.85%	17.21%	0.96%	77.47
Sep-00	1.95%	8.63%	9.47%	3.70%	18.92%	0.96%	80.52
Dec-00	2.26%	10.09%	10.34%	6.21%	20.93%	1.32%	76.37
Mar-01	0.17%	9.79%	8.85%	6.50%	23.08%	1.30%	77.24
Jun-01	1.22%	9.59%	10.53%	7.51%	23.35%	1.19%	80.63
Sep-01	1.19%	13.50%	11.64%	8.02%	23.31%	1.19%	75.78
Dec-01	0.55%	13.90%	9.27%	7.65%	22.43%	1.84%	70.12
Mar-02	3.63%	13.64%	10.37%	7.77%	20.76%	1.97%	70.92
Jun-02	4.07%	16.45%	10.15%	6.78%	19.80%	1.88%	67.57
Sep-02	4.91%	15.99%	9.19%	5.29%	18.71%	1.90%	65.55
Dec-02	2.40%	13.06%	8.08%	4.07%	18.12%	1.25%	69.49
Mar-03	1.65%	12.98%	9.80%	3.84%	17.56%	1.35%	73.86
Jun-03	2.18%	10.98%	9.28%	3.38%	19.35%	1.29%	75.70
Sep-03	1.71%	11.86%	9.65%	3.50%	19.43%	1.25%	71.34
Dec-03	1.80%	12.52%	9.69%	3.71%	18.42%	1.07%	72.01
Mar-04	2.64%	14.30%	10.07%	4.33%	19.77%	1.07%	70.28
Jun-04	3.56%	15.47%	9.46%	5.02%	19.75%	1.03%	70.95
Sep-04	3.08%	15.01%	9.22%	5.23%	20.13%	1.03%	67.38
Dec-04	3.12%	14.97%	9.27%	5.63%	21.02%	1.33%	69.17
Mar-05	1.83%	14.18%	9.11%	7.52%	22.48%	1.30%	73.46
Jun-05	1.56%	13.97%	9.71%	8.47%	22.29%	1.30%	70.33
Sep-05	0.39%	15.90%	10.49%	8.14%	23.51%	1.35%	68.20
Dec-05	1.64%	15.83%	10.55%	9.37%	23.15%	2.08%	72.75
Mar-06	2.10%	16.87%	12.64%	12.34%	25.37%	2.10%	76.78
Jun-06	3.37%	18.90%	14.14%	12.27%	26.98%	2.09%	68.66
Sep-06	3.88%	19.52%	14.87%	14.04%	29.12%	2.06%	66.68
Dec-06	4.61%	19.94%	13.68%	13.26%	28.98%	3.31%	65.50
Mar-07	2.70%	19.03%	14.17%	13.19%	29.87%	3.26%	66.46
Jun-07	2.76%	18.50%	14.42%	13.37%	30.24%	3.24%	60.78
Sep-07	2.38%	17.47%	14.62%	13.95%	28.52%	3.37%	66.41
Dec-07	2.99%	18.23%	14.05%	12.62%	27.42%	4.27%	66.54
Mar-08	2.78%	15.63%	13.76%	12.05%	25.98%	4.20%	64.32
Jun-08	3.45%	15.68%	13.29%	11.70%	25.11%	4.20%	60.62
Sep-08	3.46%	15.67%	14.31%	11.14%	25.41%	4.27%	64.97
Dec-08	2.28%	16.44%	14.26%	10.06%	25.52%	3.06%	70.49

Cash Flow Trends and Their Fundamental Drivers: A Continuing Look. Comprehensive Industry Review (Qtr 4 2008). (c) 2009 by the College of Management, Georgia Institute of Technology, Atlanta, GA 30332-0520.

## Oil, Gas &amp; Consumable Fuels Sub-industry (101020)

## Exhibit 16: Median Free Cash Margin, 2000 – 2008, Oil, Gas &amp; Consumable Fuels (101020)

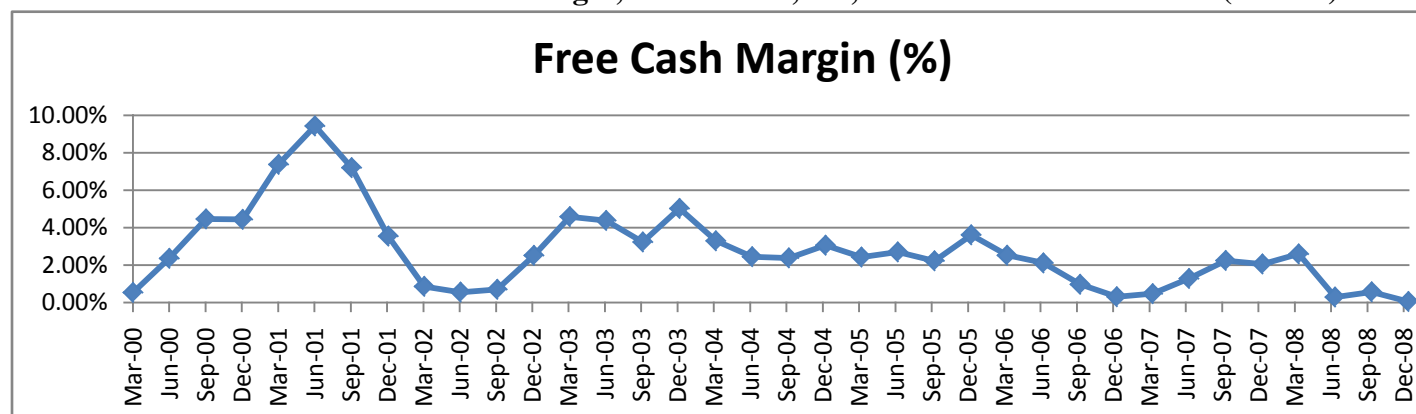
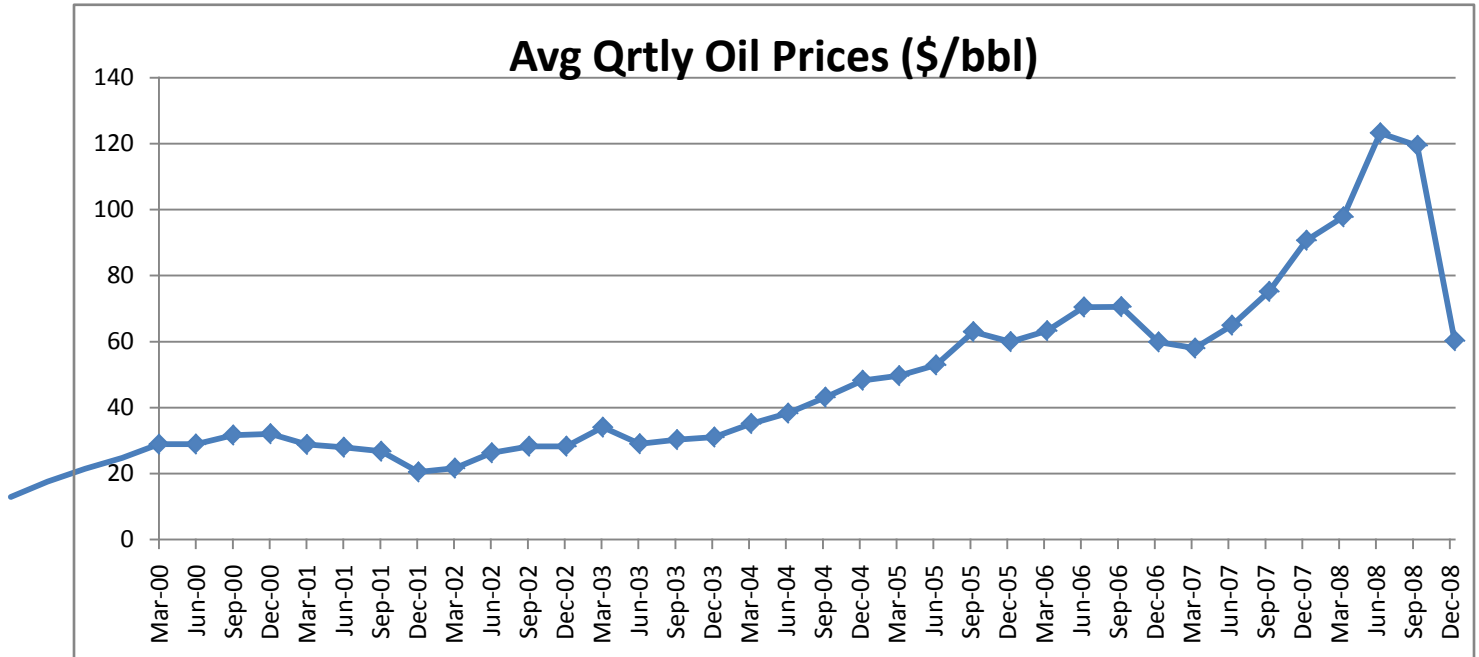


Table 6: 2000 – 2008, Oil, Gas &amp; Consumable Fuels Sub-industry (101020)

Date	Free Cash Margin (%)	Operating Cash Margin (%)	Capital Expenditure / Revenue	Net Margin (%)	Operating Cushion %	Income Taxes Paid to Revenue (%)	Cash Cycle (Days)
Mar-00	0.55%	26.51%	14.77%	8.89%	41.36%	0.00%	3.25
Jun-00	2.37%	26.74%	18.86%	11.75%	39.24%	0.00%	15.01
Sep-00	4.47%	31.33%	21.50%	12.66%	42.67%	0.00%	14.47
Dec-00	4.44%	37.31%	20.53%	14.45%	44.44%	0.14%	19.94
Mar-01	7.38%	40.67%	20.28%	18.81%	48.51%	0.02%	13.80
Jun-01	9.43%	46.38%	18.98%	18.84%	50.88%	0.02%	11.20
Sep-01	7.20%	42.68%	25.41%	16.44%	49.89%	0.04%	0.96
Dec-01	3.55%	39.77%	19.36%	11.84%	40.31%	0.21%	1.59
Mar-02	0.87%	31.52%	21.54%	8.57%	37.12%	0.21%	1.81
Jun-02	0.57%	35.86%	22.05%	6.60%	38.02%	0.20%	6.90
Sep-02	0.71%	36.19%	18.12%	5.88%	36.95%	0.16%	7.03
Dec-02	2.53%	33.52%	22.42%	8.26%	40.24%	0.00%	10.02
Mar-03	4.59%	37.74%	20.13%	13.10%	40.69%	0.00%	7.07
Jun-03	4.39%	36.36%	22.88%	14.21%	42.12%	0.00%	1.67
Sep-03	3.24%	41.19%	20.90%	15.14%	42.27%	0.00%	(3.27)
Dec-03	5.03%	40.71%	19.10%	15.04%	47.21%	0.07%	(2.76)
Mar-04	3.30%	42.67%	26.63%	15.36%	47.30%	0.06%	1.23
Jun-04	2.46%	41.86%	21.69%	15.75%	45.15%	0.06%	2.14
Sep-04	2.39%	43.69%	20.64%	14.92%	45.73%	0.05%	(6.27)
Dec-04	3.07%	38.87%	17.02%	15.72%	47.37%	0.21%	8.72
Mar-05	2.43%	39.43%	15.17%	13.94%	43.59%	0.19%	(5.17)
Jun-05	2.71%	40.09%	15.29%	12.19%	44.13%	0.19%	(5.97)
Sep-05	2.24%	42.34%	14.91%	14.43%	41.26%	0.17%	(1.15)
Dec-05	3.62%	40.46%	15.60%	16.58%	42.05%	0.25%	11.56
Mar-06	2.53%	41.76%	17.36%	15.19%	41.15%	0.24%	(7.70)
Jun-06	2.12%	40.82%	19.72%	17.18%	41.93%	0.24%	(4.49)
Sep-06	0.98%	41.67%	19.07%	16.89%	43.36%	0.24%	(5.95)
Dec-06	0.32%	39.55%	18.59%	12.97%	42.09%	0.09%	8.09
Mar-07	0.48%	38.64%	21.15%	10.86%	43.27%	0.09%	0.08
Jun-07	1.29%	36.94%	22.13%	10.19%	42.29%	0.09%	1.10
Sep-07	2.25%	37.91%	22.06%	8.68%	46.54%	0.08%	(5.30)
Dec-07	2.07%	36.19%	23.91%	8.48%	45.67%	0.02%	8.57
Mar-08	2.60%	37.71%	24.46%	8.52%	50.19%	0.03%	7.28
Jun-08	0.30%	37.47%	22.18%	7.93%	48.84%	0.04%	3.39
Sep-08	0.58%	43.18%	22.73%	14.00%	52.48%	0.03%	(0.48)
Dec-08	0.07%	41.05%	25.48%	10.69%	40.88%	0.11%	(7.41)



**Exhibit 17: Historical Average Quarterly Price of Oil, 2000 – 2008**



**Table 7: 2000 – 2008, Historical Average Quarterly Oil Prices**

Qtr Ending	Avg Price (\$/bbl)	Qtr Ending	Avg Price (\$/bbl)
Mar-00	\$ 28.86	Sep-04	\$ 43.11
Jun-00	\$ 28.90	Dec-04	\$ 48.25
Sep-00	\$ 31.63	Mar-05	\$ 49.64
Dec-00	\$ 32.04	Jun-05	\$ 52.90
Mar-01	\$ 28.78	Sep-05	\$ 62.99
Jun-01	\$ 27.94	Dec-05	\$ 59.96
Sep-01	\$ 26.72	Mar-06	\$ 63.27
Dec-01	\$ 20.45	Jun-06	\$ 70.45
Mar-02	\$ 21.61	Sep-06	\$ 70.56
Jun-02	\$ 26.25	Dec-06	\$ 59.87
Sep-02	\$ 28.24	Mar-07	\$ 57.99
Dec-02	\$ 28.26	Jun-07	\$ 64.95
Mar-03	\$ 34.02	Sep-07	\$ 75.18
Jun-03	\$ 29.00	Dec-07	\$ 90.69
Sep-03	\$ 30.25	Mar-08	\$ 97.79
Dec-03	\$ 31.03	Jun-08	\$ 123.26
Mar-04	\$ 35.12	Sep-08	\$ 119.45
Jun-04	\$ 38.28	Dec-08	\$ 60.24