Penn West Exploration – PWT

Company Metrics **Price Target: $17.25**

Stock Price	$8.14	Market Capitalization	$4,486m
Dividend Yield	6.2%	Enterprise Value	$7,490m
Shares Outstanding	489.8m	Net Debt	$3,004m
2P NAV/Share	$10.77	Price/2P NAV	0.83x
EBITDA (LTM)	$1,295m	Est. EBITDA 2014	$1,142
EV/EBITDA (LTM)	5.78x	Est. EV/EBITDA 2014	6.25x
EPS (LTM)	-$0.33	Est. EPS 2014	N/A
P/E (LTM)	-$0.26	Est. P/E	N/A

Intro – Hook, Line, and Restructure

Becoming a "Stock Market Genius" is no simple feat; luckily we can follow the advice of proven successful investors to improve our investment choices. Joel Greenblatt outlines three points for one potential investment opportunity:

1. Tremendous value can be uncovered through corporate restructurings.
2. Look for situations that have limited downside, an attractive business to restructure around, and well-incentivized management team.
3. Make sure the magnitude of the restructuring is significant relative to the size of the total company.

Penn West Exploration ("Penn West" or "PWT") offers an investment opportunity that checks all these boxes. The company currently trades at a 0.74x 2P NAV (Proven & Probable Reserves). This is a significant discount vs. peers that trade at 1.6x 2P NAV. The corporate restructuring announced on Nov. 6th 2013 will allow for the true value of the underlying assets to be realized. With "Canada's Greatest Oilman" Rick George masterminding the plan; the question changes from "if" value will be unlocked, to "when" will value be unlocked.

Company Background – How the Trouble Started

Penn West is a Canadian Oil & Gas exploration and production company based in Calgary, Alberta. It is one of the largest conventional oil and gas players in Canada with nearly 6 million acres of exploration lands in Western Canada and 676 million barrels of reserves. In May 2005, the company converted into an income trust and operated under the trade name as Penn West Energy Trust. Penn West acquired several other income trusts after the reorganizations. With a market capitalization in January 2008 of approximately US $9.5bn, it was the largest oil and gas energy trust in North America. In January 2011, Penn West Petroleum Ltd. converted back from an income trust into an exploration and production company. Penn West now operates under the trade name as Penn West Exploration.

The company problems started due to poor cash management. Paying out a rich dividend that was set during the royalty trust era with peak energy prices became burdensome for the company as realized energy prices normalized. This dividend was continually financed through debt as the company could not support both the dividend and development capex with cash flow. Previous management went as far as divesting assets to continue financing the dividend. In June of 2012, Penn West announced its intention to divest of $1.0 to $1.5bn of non-core assets. The divestiture closed with total gross proceeds of approximately $1.3bn being used to repay outstanding indebtedness on the company's credit facility.

With management sole focus on sustaining dividend payments, further faults began to immerge as earnings started to decline from operational inefficiencies. Having made numerous acquisitions as a royalty trust but not successfully integrated all the assets had caused Penn West to become one of the most expensive conventional oil and gas producers. With 5 key plays and 2 Joint Ventures, Penn West had a patchwork of assets and no cash to integrate or develop the assets successfully.

The company fired four top executives in November 2012, including Chief Operating Officer Hilary Foulkes, Thane Jensen, Senior Vice-President Operations and Engineering; James Burns, Vice-President Corporate Planning; and Wendy Henkelman, Vice-President Treasury. This was soon followed by Chief Executive Officer and President Murray Nunns "retiring" in July 2013.

Insiders – The New Faces of Change

Novo Investment Group was the entity behind the recent pressure and catalyst for changes in management. Two men, Rick George and Jay Thornton, are behind this recently launched company and they are making Penn West the first target investment. Both men have worked together before and have long track records in Canada's Oil and Gas sector.

Rick George, named "Canada's Greatest Oilman", retired from being CEO of Suncor in 2012. Starting the role in 1991, George is responsible for turning the small unprofitable oil sand developer into Canada's largest oil and gas producer. When asked about retirement, George replied "I retired from Suncor. I didn't retire from life." George could have taken on one of many opportunities but has chosen Penn West as his first project since leaving Suncor. Thornton worked at Suncor as the Executive Vice-President of Energy, Supply, and Development. His role included the development of many significant initiatives including the successful 10-year growth strategy.

These men alongside Allan Markin (former Canadian Natural Resources Chairman), have made significant investments into Penn West of over $40m. Investments from the insiders occurred between Fall 2012 and Fall 2013 with an average price between $10-11 per share. Rick George was appointed Chairman of Penn West in May 2013 and Jay Thornton was appointed to the board in June 2013. Once these two men were on the board a Strategic Review Process was put into place, Thornton was Chairman of the special committee. David Reports was appointed as CEO in July 2013, coming from Marathon Oil Corp. were he was Chief Operating Officer.

Results of the Strategic Review – Enter the "Long-Term Plan"

The market reacted to the release of the Strategic Review results negatively, resulting in the stock falling 26.8% forcing it to 10 year lows. This reaction is explained further below, but first the details of the plan. The plan addresses three key concerns and creates a new focused company.

The first initiative of the plan is to restructure the balance sheet through the disposition of $1.5-2.0bn in non-core assets. The asset sales will see Penn West concentrate from 5 plays and 2 JV's to only 3 key plays (Cardium, Slave Point and Viking). The proceeds will go toward paying down debt to bring the company's balance sheet/leverage in line with industry peers (D/CF of 1.0x to 1.5x).

The second initiative is to refocus the use of cash. Penn West is to reduce head count by 30% and cut dividend payout by 50%. These measures will reduce operating overhead and minimize the hemorrhaging of cash from the business. Capital expenditure will also drop from $1.85bn-$1.75bn in 2011-2012 respectively, to <$900m-$900m in 2013-2014. A total of $4.7bn in development capex is allocated in the Long-Term Plan; this is targeted at the development of the three key plays. Asset development is also staged in a way that early cash flows will be reinvested into new development programs. This will result in the booking of significant contingent reserves not currently classified as 2P.

The third initiative is to improve operating costs to a "Best in Basin" status. This results from the more concentrated asset base on higher IRR basins. The shift to three key plays will also see the mix of light oil/liquids increase to over 80% by the end of the plan. This strategic change minimizes problems associated with the large differentials in the natural gas market and will increase light oil production that can be marketed at Edmonton Par Crude Prices. This initiative is not nearly as important as the previous two in unlocking immediate value but will result in the long-term success of the business after the Long-Term Plan period.

Combining the initiatives to look at the overall picture, paints a completely different Penn West. The current Penn West is a kindergarten finger painting. The company has numerous assets spread across the map, has an overleveraged balance sheet, and is not able to continue to fund itself due to inefficient operations. Post-restructuring Penn West will be refined Van Gogh. The company will become focused on key assets that produce the highest returns, it will have a balanced financial structure providing it long-term stability, and it will have a <100% cash flow sustainability ratio allowing it to survive for years to come.

Liquidate – Let the Oil Flow

Over the last two years Penn West has had a shareholder turnover that is double the average of its peers. This has resulted in "hot money" entering into the stock during the strategic review process. Much of the investment during this time was based on the idea that Penn West would put itself up for sale. When the announcement came that the company would attempt a restructuring these investors quickly left for the doors.

Currently Penn West is out of favor even for many long-term investors that have made investments since 2008 and lost money. The sell-side does not believe in the plan even though signs are already showing improvement and the plan is exceeding expectations.

For many Penn West is a “wait and see” story as they do not credit new management. Unfortunately by the time the restructuring is complete and the verdict is in, the stock will likely already reflect that new reality.

The insiders purchased significant interest in the company and have aligned their agenda to success of the turnaround. The purchases were made before the announcement of the strategic review results. So why would management choose to restructure rather than liquidate? This question I have not seen anyone else ask, but I believe is not difficult to answer and recent asset sales support the idea. To sell Penn West as a whole would mean the acquirer would be purchasing all of the same problems and would have to effectively implement a restructure themselves. In such a case only a significant discount would get such a deal done, and would not maximize shareholder value. By spinning of individual assets, the market is much larger and a higher multiple can be achieved. On December 20th 2013 a $486m asset sale occurred at 1.1x 2P NAV, supporting the higher multiple thesis. By spinning off $1.5-2.0bn in assets at a 1.1x 2P multiple, the company would realize $600m or $1.47/share of value.

Valuation – 74 Cents on the 2P Barrel

Restructure or no restructure, Penn West is cheap. The company currently trades at a valuation that implies it will destroy 25% of the value of its 2P Reserves and 100% of its contingent reserves. The company will do this while it is being guided by “Canada’s Greatest Oilman” Rick George and the rest of the new management team. The fact that asset sales thus far have occurred at 1.1x 2P is also irrelevant to the market. This could be all true, or the market could be significantly undervaluing the assets that underlie Penn West.

Valuing Penn West’s 2P reserves on a NPV8-AT basis they are worth $8,278m (NPV8-AT: Is the after tax net present value of reserves discounted at 8%, including royalties, finding & development fees, etc.). Removing the company’s debt of $3,004m from the equation, results in a NAV of $5,274m or $10.77/share. Applying a variety of multiples to the NAV shows the spectrum of returns and the margin of safety the stock is currently trading at.

The current share price is trading 24% below 2P NAV providing a fair margin of safety to any purchases below $10.77. Looking at the actions of insiders, building positions between $10-11, would appear to be based on the same rational of being able to purchase each barrel 2P reserves at a nice discount to NAV.

Some may believe that new management will not have the ability to achieve the restructuring. In such a case a sale multiple of 1.1x 2P NAV would appear more than conservative. The first asset sale Penn West made achieved this multiple, while being weighted heavier toward gas assets. Recent light oil asset sales/acquisitions have all occurred at multiples with a premium to this due to the oil/gas mix. As asset sales contain a greater light oil mixture multiples will likely expand. On a 1.1x 2P NAV a price of $11.85 is achieved.

A successful turnaround will likely not be realized for 2-3years but in such a case the return potential makes the effort worth the time. Bringing Penn West to an industry average multiple of 1.6x, results in a $17.25 share price. This would outcome while long-term in nature, still achieves a 30% annualized return.

Further returns are possible for the long-term investor as contingent reserves begin to be booked. The historical focus on dividends and not development has resulted in a significant portion of contingent reserves not being booked. This is especially true in the Cardium play that has only 19% of reserves booked as 2P with 657mboe potential alone. When compared to Penn West’s current 2P reserves of 676mboe, the potential for bookings of new 2P reserves becomes significant. A successful turnaround and restructure could result in both multiple rerating to an industry multiple, but also NAV growth through the booking of contingent reserves.

Conclusion – Crossing of the List

The restructuring of Penn West is a major shift for the company with a targeted $1.5-2bn in assets sales to restructure the balance sheet and refocus the business. Limited downside is exposed due to the reserves that the company has underlining the business. The three key plays provide the company an attractive base to restructure around and management/insiders have substantial skin in the game. These characteristics result in a restructuring that will unlock tremendous value for shareholders.

Balance Sheet											
Balance Sheet as of:	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Currency	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***
ASSETS											
Cash And Equivalents	-	-	-	-	-	-	-	-	-	-	-
Total Cash & ST Investments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Accounts Receivable	141.6	160.5	214.4	31.0	54.0	123.0	93.0	70.0	130.0	138.0	351.0
Other Receivables	26.3	-	-	237.7	223.0	263.0	278.0	316.0	356.0	226.0	-
Total Receivables	**167.8**	**160.5**	**214.4**	**268.7**	**277.0**	**386.0**	**371.0**	**386.0**	**486.0**	**364.0**	**351.0**
Inventory	-	-	-	32.6	22.0	24.0	31.0	-	-	-	-
Prepaid Exp.	-	-	-	23.4	24.0	82.0	70.0	66.0	63.0	58.0	-
Deferred Tax Assets, Curr.	8.1	25.3	-	-	45.0	-	37.0	-	-	-	-
Other Current Assets	16.5	19.8	37.5	54.0	-	448.0	-	44.0	316.0	284.0	234.0
Total Current Assets	**192.5**	**205.6**	**251.9**	**378.7**	**368.0**	**940.0**	**509.0**	**496.0**	**865.0**	**706.0**	**585.0**
Gross Property, Plant & Equipment	4,315.5	5,254.5	5,724.4	9,683.2	10,925.0	17,520.0	17,929.0	18,682.0	20,653.0	20,407.0	20,996.0
Accumulated Depreciation	(1,198.4)	(1,592.7)	(2,009.2)	(2,644.2)	(3,512.0)	(5,068.0)	(6,582.0)	(7,336.0)	(8,342.0)	(8,906.0)	(9,667.0)
Net Property, Plant & Equipment	**3,117.2**	**3,661.8**	**3,715.2**	**7,039.0**	**7,413.0**	**12,452.0**	**11,347.0**	**11,346.0**	**12,311.0**	**11,501.0**	**11,329.0**
Goodwill	-	-	-	652.0	652.0	2,020.0	2,020.0	2,020.0	2,020.0	2,020.0	2,020.0
Other Long-Term Assets	-	-	-	-	-	-	-	681.0	388.0	264.0	247.0
Total Assets	**3,309.7**	**3,867.4**	**3,967.1**	**8,069.7**	**8,433.0**	**15,412.0**	**13,876.0**	**14,543.0**	**15,584.0**	**14,491.0**	**14,181.0**
LIABILITIES											
Accounts Payable	248.2	306.6	304.1	105.7	99.0	261.0	149.0	168.0	296.0	225.0	561.0
Accrued Exp.	22.1	82.2	11.8	163.4	121.0	161.0	200.0	410.0	343.0	268.0	13.0
Curr. Port. of LT Debt	-	-	-	-	-	7.0	-	255.0	-	5.0	62.0
Unearned Revenue, Current	-	-	11.9	-	-	-	-	-	-	-	-
Def. Tax Liability, Curr.	-	-	-	-	-	132.0	-	-	-	-	-
Other Current Liabilities	87.4	6.7	50.6	195.6	369.0	340.0	359.0	458.0	710.0	409.0	103.0
Total Current Liabilities	**357.7**	**395.5**	**378.4**	**464.7**	**589.0**	**901.0**	**708.0**	**1,291.0**	**1,349.0**	**907.0**	**739.0**
Long-Term Debt	442.4	503.1	542.0	1,285.0	1,943.0	4,143.0	3,492.0	2,496.0	3,219.0	2,685.0	2,942.0
Def. Tax Liability, Non-Curr.	676.7	858.2	682.1	792.6	918.0	1,368.0	1,169.0	1,452.0	1,287.0	1,350.0	1,317.0
Other Non-Current Liabilities	178.6	201.6	192.4	339.1	413.0	620.0	589.0	744.0	662.0	675.0	647.0
Total Liabilities	**1,655.4**	**1,958.4**	**1,794.9**	**2,881.4**	**3,863.0**	**7,032.0**	**5,958.0**	**5,983.0**	**6,517.0**	**5,617.0**	**5,645.0**
Common Stock	505.6	515.3	561.0	3,712.4	3,877.0	7,976.0	8,451.0	9,170.0	8,840.0	8,985.0	9,103.0
Additional Paid In Capital	-	-	5.5	16.4	35.0	75.0	123.0	-	-	-	-
Retained Earnings	1,148.7	1,393.7	1,605.7	1,459.5	658.0	329.0	(656.0)	(610.0)	132.0	(208.0)	(647.0)
Treasury Stock	-	-	-	-	-	-	-	-	-	-	-
Comprehensive Inc. and Other	-	-	-	-	-	-	-	-	95.0	97.0	80.0
Total Common Equity	**1,654.3**	**1,909.0**	**2,172.2**	**5,188.3**	**4,570.0**	**8,380.0**	**7,918.0**	**8,560.0**	**9,067.0**	**8,874.0**	**8,536.0**
Total Equity	**1,654.3**	**1,909.0**	**2,172.2**	**5,188.3**	**4,570.0**	**8,380.0**	**7,918.0**	**8,560.0**	**9,067.0**	**8,874.0**	**8,536.0**
Total Liabilities And Equity	**3,309.7**	**3,867.4**	**3,967.1**	**8,069.7**	**8,433.0**	**15,412.0**	**13,876.0**	**14,543.0**	**15,584.0**	**14,491.0**	**14,181.0**

Income Statement											
For the Fiscal Period Ending	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Currency	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***
Revenue	1,129.1	1,225.2	1,564.0	1,645.7	2,008.0	4,049.0	2,364.0	2,509.0	3,006.0	2,640.0	2,476.0
Other Revenue	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	**1,129.1**	**1,225.2**	**1,564.0**	**1,645.7**	**2,008.0**	**4,049.0**	**2,364.0**	**2,509.0**	**3,006.0**	**2,640.0**	**2,476.0**
Cost Of Goods Sold	271.9	326.0	350.1	453.6	542.0	899.0	1,013.0	977.0	1,065.0	1,048.0	921.0
Gross Profit	**857.1**	**899.2**	**1,213.9**	**1,192.1**	**1,466.0**	**3,150.0**	**1,351.0**	**1,532.0**	**1,941.0**	**1,592.0**	**1,555.0**
Selling General & Admin Exp.	12.5	16.1	23.1	44.5	65.0	158.0	168.0	145.0	142.0	172.0	172.0
Stock-Based Compensation	48.0	84.1	77.2	-	-	-	-	159.0	84.0	(10.0)	18.0
R & D Exp.	-	-	-	-	-	-	-	-	-	-	-
Depreciation & Amort.	303.7	413.1	437.6	654.7	897.0	1,594.0	1,556.0	1,089.0	1,168.0	1,248.0	1,133.0
Impair. of Oil, Gas & Mineral Prop.	-	-	-	-	-	-	-	1.0	7.0	294.0	292.0
Other Operating Expense/(Income)	-	-	3.4	(115.8)	197.0	(365.0)	249.0	39.0	73.0	(134.0)	119.0
Other Operating Exp., Total	**364.2**	**513.3**	**541.3**	**583.4**	**1,159.0**	**1,387.0**	**1,973.0**	**1,433.0**	**1,474.0**	**1,570.0**	**1,734.0**
Operating Income	**493.0**	**385.9**	**672.6**	**608.7**	**307.0**	**1,763.0**	**(622.0)**	**99.0**	**467.0**	**22.0**	**(179.0)**
Interest Expense	(11.9)	(17.0)	(23.2)	(49.3)	(93.0)	(204.0)	(140.0)	(174.0)	(190.0)	(199.0)	(191.0)
Interest and Invest. Income	-	-	-	-	-	-	-	-	-	-	-
Net Interest Exp.	**(11.9)**	**(17.0)**	**(23.2)**	**(49.3)**	**(93.0)**	**(204.0)**	**(140.0)**	**(174.0)**	**(190.0)**	**(199.0)**	**(191.0)**
Currency Exchange Gains (Loss)	82.9	40.4	(4.5)	-	36.0	(203.0)	261.0	82.0	(40.0)	43.0	(62.0)
Other Non-Operating Inc. (Exp.)	-	-	-	-	-	-	(21.0)	-	-	-	-
EBT Excl. Unusual Items	**564.0**	**409.3**	**644.9**	**559.4**	**250.0**	**1,356.0**	**(522.0)**	**7.0**	**237.0**	**(134.0)**	**(432.0)**
Restructuring Charges	-	-	-	-	-	-	-	-	-	(13.0)	(51.0)
Impairment of Goodwill	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) On Sale Of Assets	-	-	-	-	-	-	-	1,082.0	172.0	384.0	284.0
Asset Writedown	-	-	-	-	-	-	-	(80.0)	2.0	-	-
Other Unusual Items	-	-	-	-	-	-	-	-	-	-	-
EBT Incl. Unusual Items	**564.0**	**409.3**	**644.9**	**559.4**	**250.0**	**1,356.0**	**(522.0)**	**1,009.0**	**411.0**	**237.0**	**(199.0)**
Income Tax Expense	117.4	137.5	67.7	(106.2)	75.0	135.0	(378.0)	(101.0)	(227.0)	63.0	(36.0)
Earnings from Cont. Ops.	**446.6**	**271.8**	**577.2**	**665.6**	**175.0**	**1,221.0**	**(144.0)**	**1,110.0**	**638.0**	**174.0**	**(163.0)**
Earnings of Discontinued Ops.	-	-	-	-	-	-	-	-	-	-	-
Extraord. Item & Account. Change	-	-	-	-	-	-	-	-	-	-	-
Net Income to Company	**446.6**	**271.8**	**577.2**	**665.6**	**175.0**	**1,221.0**	**(144.0)**	**1,110.0**	**638.0**	**174.0**	**(163.0)**
Minority Int. in Earnings	-	-	-	-	-	-	-	-	-	-	-
Net Income	**446.6**	**271.8**	**577.2**	**665.6**	**175.0**	**1,221.0**	**(144.0)**	**1,110.0**	**638.0**	**174.0**	**(163.0)**
Pref. Dividends and Other Adj.	-	-	-	-	-	-	-	-	-	-	-
NI to Common Incl Extra Items	**446.6**	**271.8**	**577.2**	**665.6**	**175.0**	**1,221.0**	**(144.0)**	**1,110.0**	**638.0**	**174.0**	**(163.0)**
NI to Common Excl. Extra Items	**446.6**	**271.8**	**577.2**	**665.6**	**175.0**	**1,221.0**	**(144.0)**	**1,110.0**	**638.0**	**174.0**	**(163.0)**
Per Share Items											
Basic EPS	8.3	1.68	3.55	3.32	0.73	3.25	(0.35)	2.51	1.37	0.37	(0.34)
Basic EPS Excl. Extra Items	8.3	1.68	3.55	3.32	0.73	3.25	(0.35)	2.51	1.37	0.37	(0.34)
Weighted Avg. Basic Shares Out.	53.8	161.5	162.6	200.8	239.4	375.6	412.9	441.8	467.2	475.6	483.2

Cash Flow											
For the Fiscal Period Ending	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Currency	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***	***CAD***
Net Income	**446.6**	**271.8**	**577.2**	**665.6**	**175.0**	**1,221.0**	**(144.0)**	**1,110.0**	**638.0**	**174.0**	**(163.0)**
Depreciation & Amort.	291.9	394.3	416.5	635.0	868.0	1,556.0	1,514.0	1,089.0	1,168.0	1,248.0	1,133.0
Amort. of Goodwill and Intangibles	11.8	18.8	21.1	19.7	29.0	38.0	42.0	44.0	45.0	54.0	55.0
Impair. of Oil, Gas & Mineral Prop.	(14.3)	-	-	-	-	-	-	1.0	7.0	294.0	292.0
Depreciation & Amort., Total	**289.3**	**413.1**	**437.6**	**654.7**	**897.0**	**1,594.0**	**1,556.0**	**1,134.0**	**1,220.0**	**1,596.0**	**1,480.0**
(Gain) Loss From Sale Of Assets	-	-	-	-	-	-	-	(1,082.0)	(172.0)	(384.0)	(284.0)
(Gain) Loss On Sale Of Invest.	-	-	-	-	-	-	-	-	-	-	(7.0)
Asset Writedown & Restructuring Costs	-	-	-	-	-	-	-	80.0	(2.0)	-	-
Stock-Based Compensation	48.0	68.5	77.2	11.3	21.0	45.0	52.0	151.0	75.0	(18.0)	1.0
Other Operating Activities	0.9	39.7	(157.4)	(181.7)	187.0	(408.0)	(36.0)	(261.0)	(303.0)	(212.0)	24.0
Change in Other Net Operating Assets	(114.6)	23.7	(1.8)	(43.6)	(38.0)	(196.0)	(27.0)	85.0	(49.0)	37.0	100.0
Cash from Ops.	**670.2**	**816.8**	**932.8**	**1,106.3**	**1,242.0**	**2,256.0**	**1,401.0**	**1,217.0**	**1,407.0**	**1,193.0**	**1,151.0**
Capital Expenditure	(730.6)	(865.6)	(456.7)	(590.5)	(1,273.0)	(1,112.0)	(720.0)	(1,739.0)	(1,846.0)	(1,752.0)	(956.0)
Sale of Property, Plant, and Equipment	101.2	-	-	12.6	133.0	67.0	401.0	1,148.0	266.0	1,615.0	1,316.0
Cash Acquisitions	-	-	-	(25.0)	-	(29.0)	-	(85.0)	(166.0)	-	-
Divestitures	-	-	-	-	-	-	-	-	-	-	-
Invest. in Marketable & Equity Securt.	-	-	-	-	-	-	-	-	-	-	-
Net (Inc.) Dec. in Loans Originated/Sold	-	-	-	-	-	-	-	-	-	-	-
Other Investing Activities	58.2	50.0	(63.2)	11.7	15.0	25.0	(79.0)	155.0	113.0	(168.0)	(97.0)
Cash from Investing	**(571.2)**	**(815.6)**	**(519.9)**	**(591.2)**	**(1,125.0)**	**(1,049.0)**	**(398.0)**	**(521.0)**	**(1,633.0)**	**(305.0)**	**263.0**
Short Term Debt Issued	-	-	-	-	-	-	-	-	-	-	-
Long-Term Debt Issued	-	72.6	-	132.6	696.0	1,708.0	238.0	460.0	687.0	-	-
Total Debt Issued	**-**	**72.6**	**-**	**132.6**	**696.0**	**1,708.0**	**238.0**	**460.0**	**687.0**	**-**	**(519.0)**
Short Term Debt Repaid	-	-	-	-	-	-	-	-	-	-	-
Long-Term Debt Repaid	(73.2)	-	(51.4)	-	-	(1,661.0)	(722.0)	(1,122.0)	(294.0)	(496.0)	-
Total Debt Repaid	**(73.2)**	**-**	**(51.4)**	**-**	**-**	**(1,661.0)**	**(722.0)**	**(1,122.0)**	**(294.0)**	**(496.0)**	**(496.0)**
Issuance of Common Stock	26.7	5.2	23.7	22.5	32.0	64.0	280.0	585.0	161.0	3.0	8.0
Repurchase of Common Stock	(52.8)	-	-	-	-	-	-	-	-	-	-
Common Dividends Paid	-	(26.9)	(288.4)	(685.7)	(845.0)	(1,313.0)	(799.0)	(591.0)	(328.0)	(395.0)	(407.0)
Total Dividends Paid	**-**	**(26.9)**	**(288.4)**	**(685.7)**	**(845.0)**	**(1,313.0)**	**(799.0)**	**(591.0)**	**(328.0)**	**(395.0)**	**(407.0)**
Special Dividend Paid	-	(80.7)	-	-	-	-	-	-	-	-	-
Other Financing Activities	0.2	28.6	(96.8)	15.5	-	(5.0)	-	(28.0)	-	-	-
Cash from Financing	**(99.0)**	**(1.2)**	**(412.9)**	**(515.1)**	**(117.0)**	**(1,207.0)**	**(1,003.0)**	**(696.0)**	**226.0**	**(888.0)**	**c**