



Figure 3: Delphi Income Statement

Delphi Annual Income Statement (Dollar and Shares in Millions (a))

	2014				2015E				2012	2013	2014	2015E	2016E	2017E	Mid-term
	MarA	JunA	SepA	DecA	MarA	JunE	SepE	DecE							
Total Revenue	\$4,276.0	\$4,461.0	\$4,144.0	\$4,182.0	\$3,797.0	\$3,909.6	\$3,714.8	\$3,871.7	\$16,519	\$16,463	\$17,023	\$16,283	\$16,947	\$18,500	
Cost of Sales	(\$3,508.0)	(\$3,611.0)	(\$3,388.0)	(\$3,343.0)	(\$3,056.0)	(\$3,091.0)	(\$2,942.4)	(\$3,033.9)	(\$12,841)	(\$13,555)	(\$13,950)	(\$12,123)	(\$13,468)		
Gross Profit	\$768.0	\$840.0	\$756.0	\$809.0	\$741.0	\$818.5	\$772.4	\$837.8	\$2,678	\$2,908	\$3,173	\$3,170	\$3,479		
Incremental Gross Margin	32.9%	28.9%	57.5%	-160.0%	5.6%	4.0%	-3.8%	-10.3%	-4.4%	24.4%	47.3%	0.2%	18.7%		
Gross Margin	18.0%	18.9%	18.2%	19.5%	19.5%	20.9%	20.8%	21.6%	17.3%	17.7%	18.6%	20.7%	20.5%		
SG&A	(\$259.0)	(\$268.0)	(\$263.0)	(\$264.0)	(\$245.0)	(\$281.5)	(\$274.9)	(\$278.8)	(\$923)	(\$961)	(\$1,054)	(\$1,000)	(\$1,140)		
Amortization	(\$26.0)	(\$25.0)	(\$25.0)	(\$25.0)	(\$24.0)	(\$22.0)	(\$22.0)	(\$22.0)	(\$84)	(\$104)	(\$101)	(\$90)	(\$88)		
Restructuring	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0	\$0	\$0	\$0	\$0		
Operating Income	\$483.0	\$547.0	\$468.0	\$520.0	\$472.0	\$515.0	\$475.5	\$537.1	\$1,671	\$1,844	\$2,018	\$2,000	\$2,251	\$2,581	
Incremental Operating Margin	20.8%	16.1%	31.5%	-160.0%	2.3%	5.9%	-1.7%	-6.1%	0.8%	18.3%	31.2%	1.1%	15.2%	21.2%	
Operating Margin	11.3%	12.3%	11.3%	12.5%	12.4%	13.2%	12.8%	13.9%	10.8%	11.2%	11.9%	13.1%	13.3%	14.0%	
Interest Expense	(\$35.0)	(\$33.0)	(\$33.0)	(\$34.0)	(\$32.0)	(\$30.6)	(\$28.9)	(\$28.9)	(\$136.0)	(\$143.0)	(\$135.0)	(\$120.5)	(\$120.4)	(\$125.0)	
Other income, net	\$18.0	\$3.0	\$5.0	\$7.0	(\$2.0)	\$5.0	\$5.0	\$5.0	\$18.0	\$21.0	\$33.0	\$13.0	\$20.0	\$20.0	
Re-org items, net	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Pre-tax Income	\$466.0	\$517.0	\$440.0	\$493.0	\$438.0	\$489.5	\$451.5	\$513.1	\$1,553.0	\$1,721.5	\$1,916.0	\$1,882.1	\$2,150.8	\$2,475.8	
Provision for Taxes	(\$85.0)	(\$71.0)	(\$75.0)	(\$75.0)	(\$70.0)	(\$83.2)	(\$76.8)	(\$87.2)	(\$257.0)	(\$296.0)	(\$306.0)	(\$317.2)	(\$387.1)	(\$458.0)	
Tax Rate	18.2%	13.7%	17.0%	15.2%	16.0%	17.0%	17.0%	17.0%	16.5%	17.2%	16.0%	16.8%	18.0%	18.5%	
Equity Income, net of tax	\$8.0	\$10.0	\$2.0	(\$3.0)	\$5.0	\$5.8	\$5.8	\$5.8	\$27.0	\$34.4	\$17.0	\$22.3	\$24.0	\$26.0	
Minority Interests	(\$21.0)	(\$24.0)	(\$20.0)	(\$24.0)	(\$20.0)	(\$18.8)	(\$19.8)	(\$16.5)	(\$83.0)	(\$89.0)	(\$89.0)	(\$75.0)	(\$86.0)	(\$100.0)	
Net Income from Cont. Ops	\$368.0	\$432.0	\$347.0	\$391.0	\$353.0	\$393.3	\$360.8	\$415.1	\$1,240.0	\$1,370.9	\$1,538.0	\$1,522.2	\$1,701.7	\$1,943.7	
Net Margin	8.6%	9.7%	8.4%	9.4%	9.3%	10.1%	9.7%	10.7%	8.0%	8.3%	9.0%	10.0%	10.0%		
Income from Disc. Ops	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Reported Net Income	\$368.0	\$432.0	\$347.0	\$391.0	\$353.0	\$393.3	\$360.8	\$415.1	\$1,240.0	\$1,370.9	\$1,538.0	\$1,522.2	\$1,701.7	\$1,943.7	
Reported EPS (Basic)	\$1.21	\$1.43	\$1.16	\$1.33	\$1.21	\$1.37	\$1.27	\$1.49	\$3.84	\$4.41	\$5.13	\$5.34	\$6.32	\$7.37	
Reported EPS (Diluted)	\$1.20	\$1.42	\$1.16	\$1.32	\$1.21	\$1.36	\$1.27	\$1.49	\$3.84	\$4.40	\$5.09	\$5.32	\$6.30	\$7.35	
EPS from Continuing Operations	\$1.20	\$1.42	\$1.16	\$1.32	\$1.21	\$1.36	\$1.27	\$1.49	\$3.84	\$4.40	\$5.09	\$5.32	\$6.30	\$7.35	
Dividend per Share	\$0.25	\$0.25	\$0.25	\$0.25	\$0.30	\$0.30	\$0.30	\$0.30	\$0.0	\$0.68	\$1.00	\$1.20	\$1.44	\$1.73	
Basic Shares (MM)	304.9	302.2	299.1	294.1	290.9	288.0	283.5	278.5	323.3	310.9	299.8	285.2	269.8	263.6	
Diluted Shares (MM)	306.9	302.7	300.1	296.9	291.8	288.9	284.4	279.4	323.3	311.8	301.9	286.1	270.3	264.5	
Year-to-Year Pct. Change															
Revenue	6.3%	5.0%	3.2%	-0.7%	-11.2%	-12.2%	-10.4%	-6.8%	-3.3%	6.1%	3.4%	-10.2%	10.8%	9.2%	
Organic Revenue Growth	5.4%	3.5%	3.1%	2.8%	5.3%	5.4%	6.6%	8.2%	0.6%	1.2%	3.7%	6.3%	11.4%		
EBIT Growth									-0.2%	10.3%	9.5%	-0.9%	12.6%	14.6%	
EBITDA Growth	11.8%	7.4%	9.2%	9.0%	-4.5%	-6.4%	-1.3%	1.4%	-0.4%	11.3%	9.3%	-2.7%	12.0%		
EPS Growth	12.6%	14.6%	18.9%	17.8%	0.9%	-4.3%	9.7%	12.8%	38.1%	14.6%	15.9%	4.4%	18.4%	16.7%	
Expense Analysis															
Cost of Sales	82.0%	81.1%	81.8%	80.5%	80.5%	79.1%	79.2%	78.4%	82.7%	82.3%	81.4%	79.3%	79.5%		
SG&A	6.1%	6.0%	6.3%	6.3%	7.1%	7.2%	7.4%	7.2%	5.9%	5.84%	6.19%	7.06%	6.72%		
EBITDA	628	693	618	666	600	649	610	675	2,142	2,384	2,605	2,534	2,839	3,238	
EBITDA Margin	14.7%	15.6%	14.9%	16.0%	15.8%	16.6%	16.4%	17.4%	13.8%	14.5%	15.3%	16.6%	16.8%	17.5%	

Source: Delphi, Deutsche Bank