

## Big Oil Tops \$150 Billion in Profits in 2011



With annual financial reports being released this time of year, the oil and gas industry is looking to continue its decade long trend of being one of the most profitable in the United States. As of February 27, 2012, the top six oil and gas companies have released their 2011 fourth quarter results—and with no surprise, profits continue to boom. The top six oil and gas companies raked in nearly \$150 billion in profits last year—an increase of 69% from 2010. Despite another jaw dropping year, Big Oil continues to enjoy billions of dollars in taxpayer-backed subsidies.

Below is a brief description of the 2011 4<sup>th</sup> quarter/annual results for these companies. Table 1 lays out this information as well.

- **Exxon Mobil** hauled in more than \$9.4 Billion in the fourth quarter, driving their annual profits to \$41 billion—an increase of 35% from 2010.<sup>1</sup> This takes Exxon’s 5-year profits to over \$176 billion.
- **Shell** made over \$6.5 billion in the fourth quarter, pushing their annual profits to almost \$29 billion—an increase of 54% from 2010.<sup>2</sup>
- **Chevron** raked in more than \$5.1 billion in the fourth quarter, taking their 2011 annual profits to nearly \$27 billion—an increase of 41% from 2010.<sup>3</sup>
- **BP** made over \$7.6 billion in the fourth quarter, taking their 2011 annual profits to nearly \$24 billion. Due to the Deepwater Horizon oil disaster, BP suffered a net annual loss of \$4 billion in 2010.<sup>4</sup>
- **Total S.A.** pulled in over \$3.7 billion in the fourth quarter, taking their 2011 annual profits to nearly \$16 billion—an increase of 17% from 2010.<sup>5</sup>
- **ConocoPhillips** made nearly \$3.4 billion in the fourth quarter, taking their 2011 annual profits to over \$12 billion—an increase of 9% from 2010.<sup>6</sup>

**Table 1: 2011 Oil and Gas Industry Profits (billions)**

Company	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	2011 Total
ExxonMobil	10.7	10.7	10.3	9.4	41.1
Shell	6.9	8.0	7.2	6.5	28.6
Chevron	6.2	7.7	7.8	5.1	26.8
BP	5.5	5.3	5.3	7.6	23.9
Total S.A.	4.2	4.0	4.0	3.7	15.9
ConocoPhillips	3.0	3.4	2.6	3.4	12.4
<b>Total Profits</b>					<b>\$148.7 Billion</b>

In the last decade, the top six oil and gas companies have now hauled in more than **\$1 trillion** in profits. With oil prices eclipsing \$100/barrel on multiple occasions, Big Oil raked in added billions in profits in 2011. Let's not forget what occurred in 2008 when oil prices spiked: Exxon posted the largest annual corporate profit in U.S. history (\$45.2B), Chevron became the second most profitable company in the U.S., and the six companies above pulled in nearly \$130 billion. With oil prices expected to hover above \$100/barrel in 2012,<sup>7</sup> continued record breaking profits by Big Oil can be expected.

**Table 2: Big Oil Total Profits Over Past Decade (billions)**

<b>Company</b>	<b>Total Profits (2002-2011)</b>
ExxonMobil	310.6
Shell	203.9
Chevron	151.8
BP	146.9
Total S.A.	123.5
ConocoPhillips	65.2
<b>Total Profits</b>	<b>\$ 1 Trillion</b>

While Big Oil continues to shatter financial records, generous taxpayer-backed subsidies are still being handed out to this profitable industry. Taxpayers for Common Sense has outlined more than a dozen of these subsidies in our [Green Scissors 2011](#) report. Moreover, in the President's recent [State of the Union Address](#), Obama called (once again) for the elimination of billions of dollars in oil and gas subsidies handed out each year to Big Oil, saying "We've subsidized oil companies for a century. That's long enough."<sup>8</sup> The President's [FY 2013 Budget Request](#) proposes to slash no less than eight oil and gas subsidies that would save the American taxpayer more than \$38.6 billion over the next ten years.<sup>9</sup>

Even the Big Oil itself has called foul. Former CEO of Shell Oil reiterated the President's views telling [National Journal](#), "In the face of sustained high oil prices it was not an issue—for large companies—of needing the subsidies to entice us into looking for and producing more oil."<sup>10</sup>

With yearly deficits and a now \$15 trillion in debt, Congress must act now to eliminate expensive and unnecessary subsidies to Big Oil and protect the American taxpayer.

For more information, please visit [www.taxpayer.net](http://www.taxpayer.net)

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<sup>1</sup> Exxon Mobile's 2011 4<sup>th</sup> Quarter Financial Statement. January 31, 2012.

[http://www.exxonmobil.com/Corporate/Files/news\\_release\\_earnings\\_4q11.pdf](http://www.exxonmobil.com/Corporate/Files/news_release_earnings_4q11.pdf)

<sup>2</sup> Royal Dutch Shell's 2011 4<sup>th</sup> Quarter Financial Statement. February 2, 2012. [http://www-static.shell.com/static/investor/downloads/financial\\_information/quarterly\\_results/2011/q4/q4\\_2011\\_qra.pdf](http://www-static.shell.com/static/investor/downloads/financial_information/quarterly_results/2011/q4/q4_2011_qra.pdf)

<sup>3</sup> Chevron's 2011 4<sup>th</sup> Quarter Financial Statement. January 27, 2012. <http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9MTI0Mjg1fENoaWxkSUQ9LTF8VHlwZT0z&t=1>

<sup>4</sup> BP's 2011 4<sup>th</sup> Quarter Financial Statement. February 7, 2012.

[http://www.bp.com/liveassets/bp\\_internet/globalbp/STAGING/global\\_assets/downloads/B/bp\\_fourth\\_quarter\\_2011\\_results.pdf](http://www.bp.com/liveassets/bp_internet/globalbp/STAGING/global_assets/downloads/B/bp_fourth_quarter_2011_results.pdf)

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<sup>5</sup> Total S.A.'s 2011 4<sup>th</sup> Quarter Financial Statement. February 10, 2012.

[http://www.total.com/MEDIAS/MEDIAS\\_INFOS/5104/EN/Total-2011-en-results-outlook-120210-pr.pdf](http://www.total.com/MEDIAS/MEDIAS_INFOS/5104/EN/Total-2011-en-results-outlook-120210-pr.pdf)

<sup>6</sup> ConocoPhillips' 2011 4<sup>th</sup> Quarter Financial Statement. January 25, 2012.

[http://www.conocophillips.com/EN/investor/financial\\_reports/earnings\\_reports/Documents/4Q11\\_Supplemental.pdf](http://www.conocophillips.com/EN/investor/financial_reports/earnings_reports/Documents/4Q11_Supplemental.pdf)

<sup>7</sup> U.S. Energy Information Agency, "Short-term Energy Outlook." February 7, 2012. <http://205.254.135.24/forecasts/steo/>

<sup>8</sup> The White House, "Remarks by the President in State of the Union Address." Office of Press Secretary. January 24, 2012.

<http://www.whitehouse.gov/the-press-office/2012/01/24/remarks-president-state-union-address>

<sup>9</sup> Office of Management and Budget, "Fiscal Year 2013 Budget of the U.S. Government." February 13, 2012.

[http://www.taxpayer.net/user\\_uploads/file/FederalBudget/2013/Presidential%20Budget%20Request/The%20Budget/President\\_FY2013\\_Budget.pdf](http://www.taxpayer.net/user_uploads/file/FederalBudget/2013/Presidential%20Budget%20Request/The%20Budget/President_FY2013_Budget.pdf)

<sup>10</sup> Amy Harder, "Ex-Shell CEO Says Big Oil Can Live Without Subsidies." February 11, 2011.

<http://www.nationaljournal.com/daily/ex-shell-ceo-says-big-oil-can-live-without-subsidies-20110211?print=true>