

MARATHON OIL CORP
Form 8-K
April 26, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): April 24, 2013

Marathon Oil Corporation

(Exact name of registrant as specified in its charter)

Delaware	1-5153	25-0996816
_____ (State or other jurisdiction of incorporation)	_____ (Commission File Number)	_____ (I.R.S. Employer Identification No.)

5555 San Felipe Street, Houston, Texas	77056
_____ (Address of principal executive offices)	_____ (Zip Code)

Registrant's telephone number, including area code: (713) 629-6600

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.07 Submission of Matters to a Vote of Security Holders.

The annual meeting of stockholders was held on April 24, 2013. In connection with the meeting, proxies were solicited pursuant to the Securities Exchange Act of 1934. The following are the voting results on proposals considered and voted upon at the meeting, all of which were described in Marathon Oil's 2013 Proxy Statement.

1. Each of our directors was elected for a term expiring in 2014. Votes regarding the persons elected to serve as directors were as follows:

NOMINEE	VOTES FOR	VOTES AGAINST	VOTES ABSTAINED	BROKER NON-VOTES
Gregory H. Boyce	532,824,842	6,497,775	1,268,288	74,278,591
Pierre Brondeau	523,264,031	16,033,282	1,293,592	74,278,591
Clarence P. Cazalot, Jr.	519,547,658	18,239,066	2,804,181	74,278,591
Linda Z. Cook	533,525,358	5,827,347	1,238,200	74,278,591
Shirley Ann Jackson	456,257,388	83,063,699	1,269,818	74,278,591
Philip Lader	526,157,732	13,160,852	1,272,321	74,278,591
Michael E. J. Phelps	533,833,705	5,106,580	1,650,620	74,278,591
Dennis H. Reilley	528,176,953	11,140,430	1,273,522	74,278,591

2. PricewaterhouseCoopers LLP was ratified as our independent registered public accounting firm for 2013. The voting results were as follows:

VOTES FOR	VOTES AGAINST	VOTES ABSTAINED
603,122,842	10,397,761	1,348,893

3. The Board proposal seeking a non-binding advisory vote to approve the compensation of our named executive officers was approved. The voting results were as follows:

VOTES FOR	VOTES AGAINST	VOTES ABSTAINED	BROKER NON-VOTES
514,915,388	23,400,497	2,275,020	74,278,591

4. The stockholder proposal seeking a report regarding the Company's lobbying activities, policies and procedures was not approved. The voting results were as follows:

VOTES FOR	VOTES AGAINST	VOTES ABSTAINED	BROKER NON-VOTES
197,613,025	270,814,432	72,163,448	74,278,591

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 26, 2013

MARATHON OIL CORPORATION

By: /s/ Michael K. Stewart
Michael K. Stewart
Vice President, Finance and Accounting, Controller and Treasurer

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EARNINGS PER SHARE OF COMMON STOCK:

ASSUMING DILUTION

\$	5.13
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\$	4.62
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	11.0
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%

\$	14.37
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\$	13.06
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	10.0
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%

BASIC

\$	5.19
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\$

4.68

10.9

%

\$

14.53

\$

13.25

9.7

%

WEIGHTED-AVERAGE NUMBER OF COMMON SHARES OUTSTANDING (M s):

ASSUMING DILUTION

1,136.4

1,188.7

1,155.4

1,213.8

BASIC

1,124.7

1,172.2

1,142.5

1,197.0

NM Not Meaningful

INTERNATIONAL BUSINESS MACHINES CORPORATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Dollars in Millions)	At December 31, 2012	At December 31, 2011
ASSETS:		
Current Assets:		
Cash and cash equivalents	\$ 10,412	\$ 11,922
Marketable securities	717	
Notes and accounts receivable - trade (net of allowances of \$255 in 2012 and \$256 in 2011)	10,667	11,179
Short-term financing receivables (net of allowances of \$288 in 2012 and \$311 in 2011)	18,038	16,901
Other accounts receivable (net of allowances of \$17 in 2012 and \$11 in 2011)	1,873	1,481
Inventories, at lower of average cost or market:		
Finished goods	475	589
Work in process and raw materials	1,812	2,007
Total inventories	2,287	2,595
Deferred taxes	1,415	1,601
Prepaid expenses and other current assets	4,024	5,249
Total Current Assets	49,433	50,928
Property, plant and equipment	40,501	40,124
Less: Accumulated depreciation	26,505	26,241
Property, plant and equipment - net	13,996	13,883
Long-term financing receivables (net of allowances of \$66 in 2012 and \$38 in 2011)	12,812	10,776
Prepaid pension assets	945	2,843
Deferred taxes	3,973	3,503
Goodwill	29,247	26,213
Intangible assets - net	3,787	3,392
Investments and sundry assets	5,021	4,895
Total Assets	\$ 119,213	\$ 116,433
LIABILITIES:		
Current Liabilities:		
Taxes	\$ 4,948	\$ 3,313
Short-term debt	9,181	8,463
Accounts payable	7,952	8,517
Compensation and benefits	4,745	5,099
Deferred income	11,952	12,197
Other accrued expenses and liabilities	4,847	4,535
Total Current Liabilities	43,625	42,123
Long-term debt	24,088	22,857
Retirement and nonpension postretirement benefit obligations	20,418	18,374

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Deferred income	4,491	3,847
Other liabilities	7,607	8,996
Total Liabilities	100,229	96,197
EQUITY:		
IBM Stockholders' Equity:		
Common stock	50,110	48,129
Retained earnings	117,641	104,857
Treasury stock at cost	(123,131)	(110,963)
Accumulated other comprehensive income/(loss)	(25,759)	(21,885)
Total IBM stockholders' equity	18,860	20,138
Noncontrolling interests	124	97
Total Equity	18,984	20,236
Total Liabilities and Equity	\$ 119,213	\$ 116,433

INTERNATIONAL BUSINESS MACHINES CORPORATION

CASH FLOW ANALYSIS

(Dollars in Millions)	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2012	2011	2012	2011
Net Cash from Operating Activities per GAAP:	\$ 6,346	\$ 7,097	\$ 19,586	\$ 19,846
Less: the change in Global Financing (GF) Receivables	(4,151)	(2,927)	(2,906)	(817)
Net Cash from Operating Activities (Excluding GF Receivables)	10,497	10,024	22,492	20,663
Capital Expenditures, Net	(981)	(1,059)	(4,307)	(4,059)
Free Cash Flow (Excluding GF Receivables)	9,515	8,965	18,185	16,604
Acquisitions	(1,455)	(1,588)	(3,722)	(1,811)
Divestitures	13	10	599	14
Dividends	(957)	(880)	(3,773)	(3,473)
Share Repurchase	(3,006)	(3,581)	(11,995)	(15,046)
Non-GF Debt	(1,571)	599	713	1,692
Other (includes GF Receivables, and GF Debt)	(3,664)	(2,906)	(802)	2,291
Change in Cash, Cash Equivalents and Short-term Marketable Securities	\$ (1,125)	\$ 619	\$ (794)	\$ 271

INTERNATIONAL BUSINESS MACHINES CORPORATION

SEGMENT DATA

FOURTH-QUARTER 2012

(Dollars in Millions)	External	Revenue Internal	Total	Pre-tax Income/ (Loss)	Pre-tax Margin
SEGMENTS					
Global Technology Services	\$ 10,284	\$ 297	\$ 10,581	\$ 2,027	19.2%
Y-T-Y change	-1.6%	-0.6%	-1.6%	5.0%	
Global Business Services	4,720	181	4,901	841	17.2%
Y-T-Y change	-3.2%	-5.9%	-3.3%	0.1%	
Software	7,915	815	8,730	4,017	46.0%
Y-T-Y change	3.5%	-4.2%	2.7%	8.3%	
Systems and Technology	5,763	186	5,949	974	16.4%
Y-T-Y change	-0.7%	0.0%	-0.7%	23.2%	
Global Financing	535	568	1,103	518	46.9%
Y-T-Y change	-2.3%	-0.1%	-1.2%	0.7%	
TOTAL REPORTABLE SEGMENTS	\$ 29,217	\$ 2,048	\$ 31,265	\$ 8,377	26.8%
Y-T-Y change	-0.4%	-2.4%	-0.5%	7.6%	
Eliminations / Other	87	(2,048)	(1,961)	(546)	
TOTAL IBM CONSOLIDATED	\$ 29,304	\$ 0	\$ 29,304	\$ 7,831	26.7%
Y-T-Y change	-0.6%		-0.6%	7.7%	

FOURTH-QUARTER 2011

(Dollars in Millions)	External	Revenue Internal	Total	Pre-tax Income/ (Loss)	Pre-tax Margin
SEGMENTS					
Global Technology Services	\$ 10,452	\$ 299	\$ 10,751	\$ 1,930	18.0%
Global Business Services	4,877	193	5,069	841	16.6%
Software	7,648	851	8,499	3,710	43.7%
Systems and Technology	5,803	186	5,989	790	13.2%
Global Financing	548	569	1,116	514	46.1%
TOTAL REPORTABLE SEGMENTS	\$ 29,328	\$ 2,098	\$ 31,425	\$ 7,786	24.8%
Eliminations / Other	159	(2,098)	(1,939)	(512)	
TOTAL IBM CONSOLIDATED	\$ 29,486	\$ 0	\$ 29,486	\$ 7,274	24.7%

INTERNATIONAL BUSINESS MACHINES CORPORATION

SEGMENT DATA

TWELVE-MONTHS 2012

(Dollars in Millions)	External	Revenue Internal	Total	Pre-tax Income/ (Loss)	Pre-tax Margin
SEGMENTS					
Global Technology Services	\$ 40,236	\$ 1,166	\$ 41,402	\$ 6,961	16.8%
Y-T-Y change	-1.6%	-6.2%	-1.7%	10.8%	
Global Business Services	18,566	719	19,286	2,983	15.5%
Y-T-Y change	-3.7%	-9.7%	-4.0%	-0.8%	
Software	25,448	3,274	28,722	10,810	37.6%
Y-T-Y change	2.0%	-0.1%	1.8%	8.4%	
Systems and Technology	17,667	676	18,343	1,227	6.7%
Y-T-Y change	-6.9%	-19.3%	-7.5%	-24.9%	
Global Financing	2,013	2,060	4,073	2,034	49.9%
Y-T-Y change	-4.2%	-1.6%	-2.9%	1.1%	
TOTAL REPORTABLE SEGMENTS	\$ 103,930	\$ 7,896	\$ 111,826	\$ 24,015	21.5%
Y-T-Y change	-2.1%	-4.3%	-2.3%	4.8%	
Eliminations / Other	577	(7,896)	(7,319)	(2,113)	
TOTAL IBM CONSOLIDATED	\$ 104,507	\$ 0	\$ 104,507	\$ 21,902	21.0%
Y-T-Y change	-2.3%		-2.3%	4.3%	

TWELVE-MONTHS 2011

(Dollars in Millions)	External	Revenue Internal	Total	Pre-tax Income/ (Loss)	Pre-tax Margin
SEGMENTS					
Global Technology Services	\$ 40,879	\$ 1,242	\$ 42,121	\$ 6,284	14.9%
Global Business Services	19,284	797	20,081	3,006	15.0%
Software	24,944	3,276	28,219	9,970	35.3%
Systems and Technology	18,985	838	19,823	1,633	8.2%
Global Financing	2,102	2,092	4,195	2,011	47.9%
TOTAL REPORTABLE SEGMENTS	\$ 106,194	\$ 8,246	\$ 114,440	\$ 22,904	20.0%
Eliminations / Other	722	(8,246)	(7,524)	(1,901)	
TOTAL IBM CONSOLIDATED	\$ 106,916	\$ 0	\$ 106,916	\$ 21,003	19.6%

INTERNATIONAL BUSINESS MACHINES CORPORATION

U.S. GAAP TO OPERATING RESULTS RECONCILIATION

(Dollars in millions except per share amounts)

	FOURTH-QUARTER 2012			
	GAAP	Acquisition- Related Adjustments*	Retirement- Related Adjustments**	Operating (Non-GAAP)
Gross Profit	\$ 15,167	\$ 100	\$ 60	\$ 15,327
Gross Profit Margin	51.8%	0.3Pts	0.2Pts	52.3%
S,G&A	5,921	(91)	(29)	5,801
R,D&E	1,580	0	6	1,586
Other (Income) & Expense	(47)	(7)	0	(54)
Total Expense & Other (Income)	7,336	(98)	(23)	7,215
Pre-Tax Income	7,831	198	83	8,112
Pre-Tax Income Margin	26.7%	0.7Pts	0.3Pts	27.7%
Provision for Income Taxes***	1,998	(45)	30	1,983
Effective Tax Rate	25.5%	-1.2Pts	0.1Pts	24.4%
Net Income	5,833	243	53	6,129
Net Income Margin	19.9%	0.8Pts	0.2Pts	20.9%
Diluted Earnings Per Share	\$ 5.13	\$ 0.21	\$ 0.05	\$ 5.39

	FOURTH-QUARTER 2011			
	GAAP	Acquisition- Related Adjustments*	Retirement- Related Adjustments**	Operating (Non-GAAP)
Gross Profit	\$ 14,722	\$ 81	\$ (10)	\$ 14,793
Gross Profit Margin	49.9%	0.3Pts	-0.0Pts	50.2%
S,G&A	6,076	(82)	2	5,996
R,D&E	1,555	0	23	1,578
Other (Income) & Expense	(44)	(2)	0	(46)
Total Expense & Other (Income)	7,448	(85)	25	7,388
Pre-Tax Income	7,274	166	(35)	7,405
Pre-Tax Income Margin	24.7%	0.6Pts	-0.1Pts	25.1%

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Provision for Income Taxes***	1,784	47	(24)	1,808
Effective Tax Rate	24.5%	0.1Pts	-0.2Pts	24.4%
Net Income	5,490	119	(12)	5,597
Net Income Margin	18.6%	0.4Pts	-0.0Pts	19.0%
Diluted Earnings Per Share	\$ 4.62	\$ 0.10	\$ (0.01)	\$ 4.71

* Includes amortization of acquired intangible assets and other acquisition-related charges.

** Includes retirement-related items driven by changes to plan assets and liabilities primarily related to market performance.

*** Tax impact on operating (non-GAAP) pre-tax income is calculated under the same accounting principles applied to the GAAP pre-tax income which employs an annual effective tax rate method to the results.

INTERNATIONAL BUSINESS MACHINES CORPORATION

U.S. GAAP TO OPERATING RESULTS RECONCILIATION

(Dollars in millions except per share amounts)

		TWELVE-MONTHS 2012			
	GAAP	Acquisition- Related Adjustments*	Retirement- Related Adjustments**	Operating (Non-GAAP)	
Gross Profit	\$ 50,298	\$ 376	\$ 264	\$ 50,938	
Gross Profit Margin	48.1%	0.4Pts	0.3Pts		48.7%
S,G&A	23,553	(349)	(294)		22,910
R,D&E	6,302	0	20		6,322
Other (Income) & Expense	(843)	(13)	0		(857)
Total Expense & Other (Income)	28,396	(363)	(274)		27,760
Pre-Tax Income	21,902	739	538		23,179
Pre-Tax Income Margin	21.0%	0.7Pts	0.5Pts		22.2%
Provision for Income Taxes***	5,298	98	156		5,552
Effective Tax Rate	24.2%	-0.4Pts	0.1Pts		24.0%
Net Income	16,604	641	381		17,627
Net Income Margin	15.9%	0.6Pts	0.4Pts		16.9%
Diluted Earnings Per Share	\$ 14.37	\$ 0.55	\$ 0.33	\$ 15.25	

		TWELVE-MONTHS 2011			
	GAAP	Acquisition- Related Adjustments*	Retirement- Related Adjustments**	Operating (Non-GAAP)	
Gross Profit	\$ 50,138	\$ 341	\$ 2	\$ 50,481	
Gross Profit Margin	46.9%	0.3Pts	0.0Pts		47.2%
S,G&A	23,594	(309)	(13)		23,272
R,D&E	6,258	0	88		6,345
Other (Income) & Expense	(20)	(25)	0		(45)
Total Expense & Other (Income)	29,135	(334)	74		28,875
Pre-Tax Income	21,003	675	(72)		21,605
Pre-Tax Income Margin	19.6%	0.6Pts	-0.1Pts		20.2%

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Provision for Income Taxes***	5,148	179	(40)	5,287
Effective Tax Rate	24.5%	0.1Pts	-0.1Pts	24.5%
Net Income	15,855	495	(32)	16,318
Net Income Margin	14.8%	0.5Pts	-0.0Pts	15.3%
Diluted Earnings Per Share	\$ 13.06	\$ 0.41	\$ (0.03)	\$ 13.44

* Includes amortization of acquired intangible assets and other acquisition-related charges.

** Includes retirement-related items driven by changes to plan assets and liabilities primarily related to market performance.

*** Tax impact on operating (non-GAAP) pre-tax income is calculated under the same accounting principles applied to the GAAP pre-tax income which employs an annual effective tax rate method to the results.

Contact: IBM
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ATTACHMENT II

