

# Annual General Meeting of Shareholders 27 April 2016



Abu Dhabi National Energy Company PJSC (TAQA)



# Annual General Meeting Agenda



1. Review and approve Board of Directors' Report
2. Review and approve Auditor's Report
3. Review and approve balance sheet and accounts
4. Absolve the Board of liability
5. Absolve the auditors of liability
6. Appoint 2016 Auditors and determine remuneration
7. Review and approve amendments to Company Articles of Association

# FY 2015 Summary

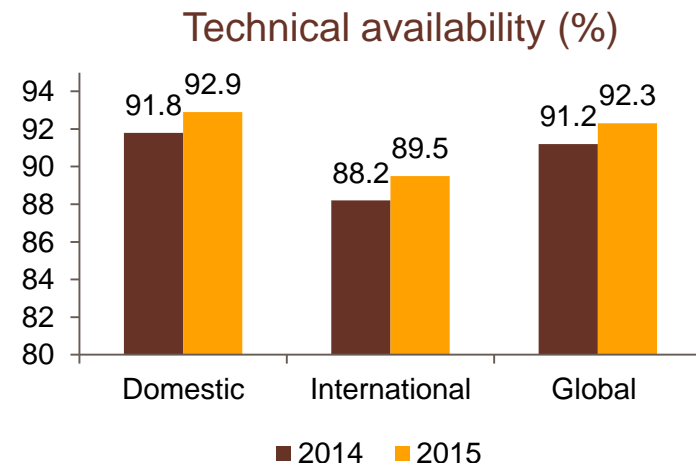
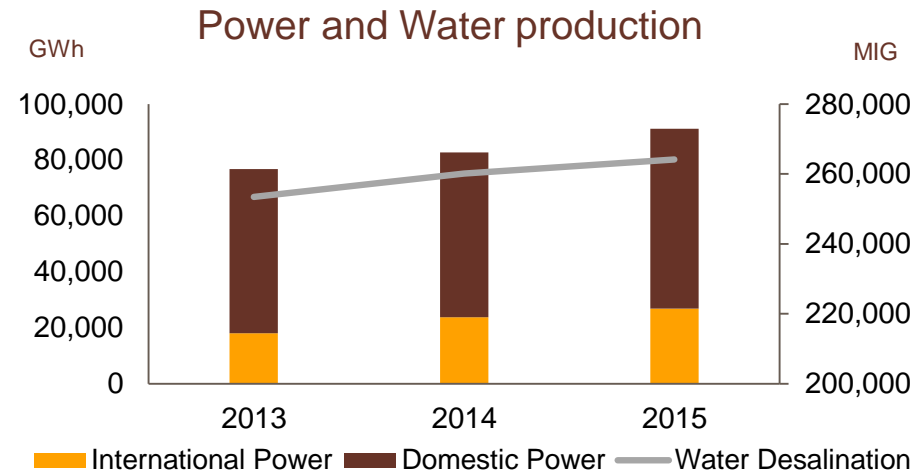


<b>Low commodity prices</b>	<ul style="list-style-type: none"><li>• Realized prices down 46.2% in UK and 52.2% in North America</li></ul>
<b>Strong liquidity</b>	<ul style="list-style-type: none"><li>• Refinanced \$3.1 billion revolving credit facilities at attractive pricing</li><li>• Cash and cash equivalents of AED 3.4 billion</li><li>• Available liquidity of AED 12.6 billion</li></ul>
<b>Cost transformation</b>	<ul style="list-style-type: none"><li>• Total of AED 5.0 billion saved in 2015:<ul style="list-style-type: none"><li>› AED 1.6 billion, 21% cash cost savings from 2014</li><li>› AED 3.3 billion reduction in 2015 capex, down 52% from 2014</li></ul></li></ul>
<b>Operations</b>	<ul style="list-style-type: none"><li>• Record Power &amp; Water production</li><li>• Oil &amp; Gas production of 145,300 boed, only 8.6% decline</li><li>• Completed major projects in Netherlands, Ghana, UAE and UK</li></ul>
<b>Financials</b>	<ul style="list-style-type: none"><li>• Drop in revenues and EBITDA, 29 and 33% respectively</li><li>• Free cash flow drop limited to 11% to AED 5.8 billion</li><li>• AED 681 million post-tax Impairment charge due to low commodity prices</li><li>• AED 1.8 billion net income loss, compared with AED 3.0 billion loss in 2014</li></ul>

# Power & Water: High availability, record production



- Gross power production up 10% to 91,117 GWh, with particularly strong performance in H2- 2015
- Water desalination volumes continued to increase, reaching 264,127 MIG
- Technical availability up globally to 92.3%:
  - UAE's Fujairah 1 and Taweelah B plants above 96%
  - Morocco's Jorf Lasfar expansion above 95%



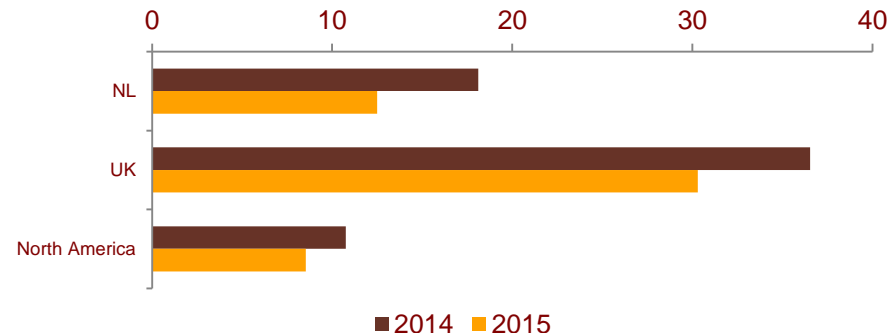
# Oil & Gas: Strong production, greater efficiency



- FY production at 145.3 mboed
- Decline limited to 8.6% compared to 2014 despite 54% reduction in Oil & Gas capex relative to 2014
- Netherlands total production up 14% and Bergermeer gas storage fully operational
- North America production lower as a result of reduced capex, third-party pipeline restrictions, and natural decline
- UK North Sea production down mainly due to phased shut-downs and capex reduction
- Focus remains on reducing per-barrel operating costs. 2015 reductions:
  - Netherlands 31%
  - UK 17%
  - North America 21%

Average production (mboed)	FY 2014	FY 2015
The Netherlands	8.0	9.1
North America	89.5	79.5
UK	61.4	56.6
<b>Total</b>	<b>158.9</b>	<b>145.3</b>

## Operating costs (\$/boe)





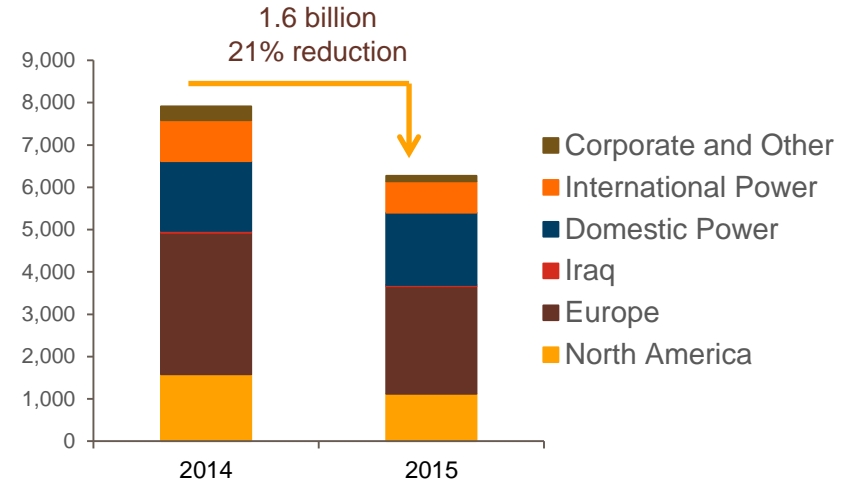
# Transformation: AED 5.0 billion saved in 2015



## Cash Costs

- AED 1.6 billion saved, (21% reduction):
  - Opex savings of AED 1,250 million
  - G&A savings of AED 380 million
- Lower operating costs incl. maintenance, subsea, well works, supply chain
- Lean operating model implemented

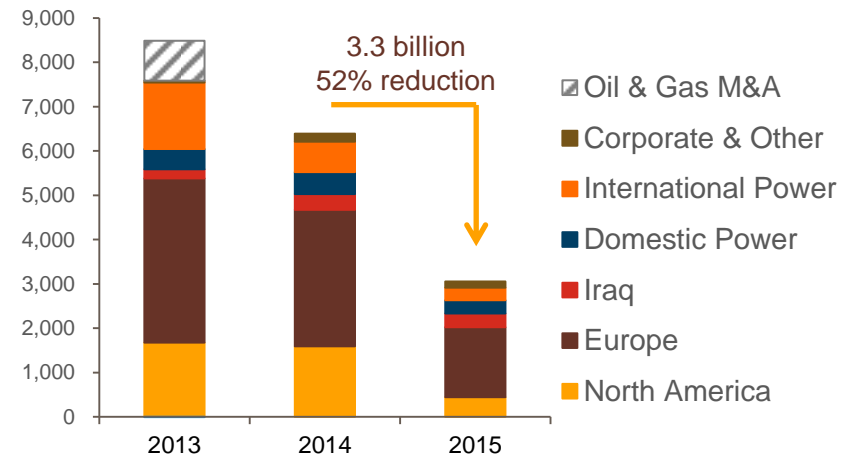
Cost savings (AED million)



## Capex

- AED 3.3 billion capex reduction, 52% reduction:
  - Completion of major projects
  - Cutting discretionary investment
  - Aggressively unwinding commitments
- 2016 capex of AED 1.8 billion, 42% reduction

Full-year capex (AED million)



# Atrush: The next major project

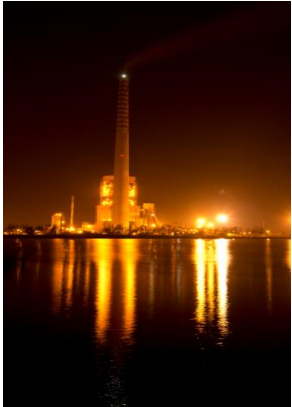


- Phase 1: 30,000 barrel per day production facility > 80% complete
- Production facility commissioning in Q2 2016
- First oil expected mid 2016
- All wells tested at commercial rates
- Costs remained within 2015 funding approval
- Commercial environment improving



*Above: Progress at the 30,000 barrel per day Phase 1 production facility*

# Questions & Answers





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