



Abu Dhabi, 11 November 2015

Abu Dhabi National Energy Company PJSC (TAQA) 9M 2015 results presentation



9M 2015 Summary

- Low commodity price environment
 - Average realized prices for our UK and North American businesses down 47% and 54%, respectively, over the same period
- Strong liquidity
 - Refinanced \$3.1 billion revolving credit facilities
 - Cash and cash equivalents of AED 3.5 billion as at 30 September 2015
 - Available liquidity stood at AED 12.2 billion at the end of the period
- Cost Savings
 - Aggressive cost reduction program
 - Transformation Program cost saving at AED 1.1 billion for 9M 2015; exceeding FY 2015 target
 - Reduction in capex reached AED 1.9 billion in 9M 2015, 43% lower y-o-y
- Operational performance
 - Record Power & Water production; strong cash flow
 - O&G production of 144.9 mboe/d
 - Completed major projects in the Netherlands, Ghana and India
- Financial performance
 - Revenues and EBITDA down 29% and 35%, respectively, from 9M 2014
 - Net Income AED 581 million loss, compared with AED 620 million profit in 9M 2014

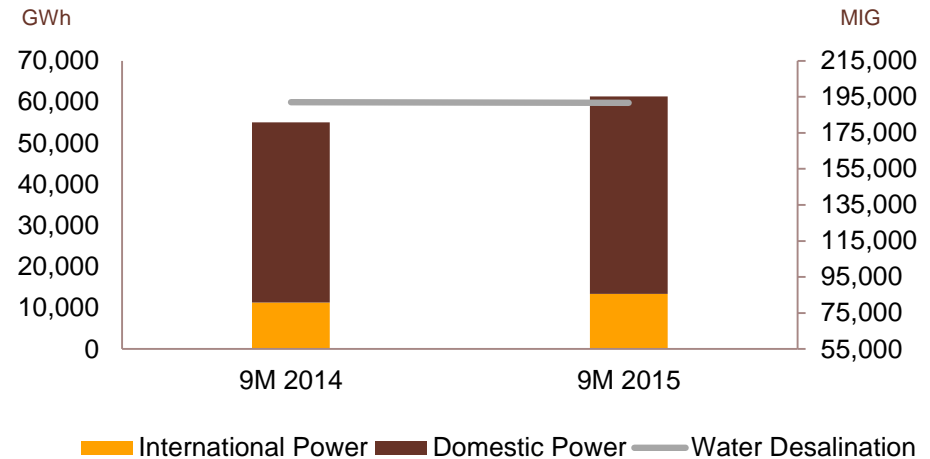
Operational performance review



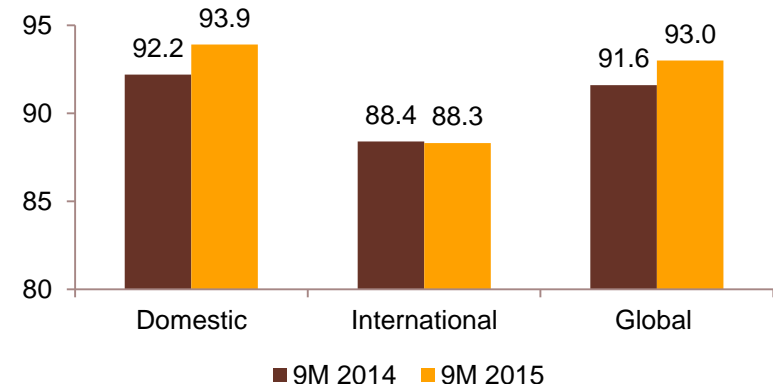
Power & Water: high availability, record production

- Power production up 10% to 61,418 GWh, with a particularly strong Q3 performance
- Water desalination volumes remain flat at 191,674 MIG
- Technical availability increased globally to 93%
 - UAE’s F1, S2 and Taweelah B plants exceeding 96%
 - Morocco’s Jorf Lasfar 5&6 at nearly 96%

Power and Water production



Technical availability (%)



Oil & Gas: Strong production, greater efficiency

- 9M Production at 144.9 mboe/d
 - Decline limited to 9% despite 43% reduction in capex
- Netherlands
 - Total production up 20%
 - Gas Storage Bergermeer operational
- North America
 - Production lower as a result of natural decline, reduced capex and third-party pipeline restrictions
- UK North Sea
 - Drop in overall production mainly due to phased shut-downs and capex reduction

Average production (mboe/d)	9M 2014	9M 2015
Netherlands	7.8	9.4
N. America	89.6	80.0
UK	61.1	55.5
Total	158.5	144.9



Major projects update



Gas Storage Bergermeer, the Netherlands

- Full commercial operations started
- 4.1 BCM storage capacity



Takoradi 2, Ghana

- 110 MW capacity expansion commissioned in Oct. 2015
- Provides 15% of Ghana's total capacity



Sorang Hydro, India

- Construction of 100 MW hydro power plant
- Commissioned in Nov. 2015



Fujairah 1, UAE

- 30 MIGD RO desalination facility expansion
- Commissioning in Q4 2015



Cladhan, UK North Sea

- 10,000 boe/d on-stream by Q4 2015



Atrush, Kurdistan Region of Iraq

- Expected production 30,000 boe/d gross
- First oil mid-2016

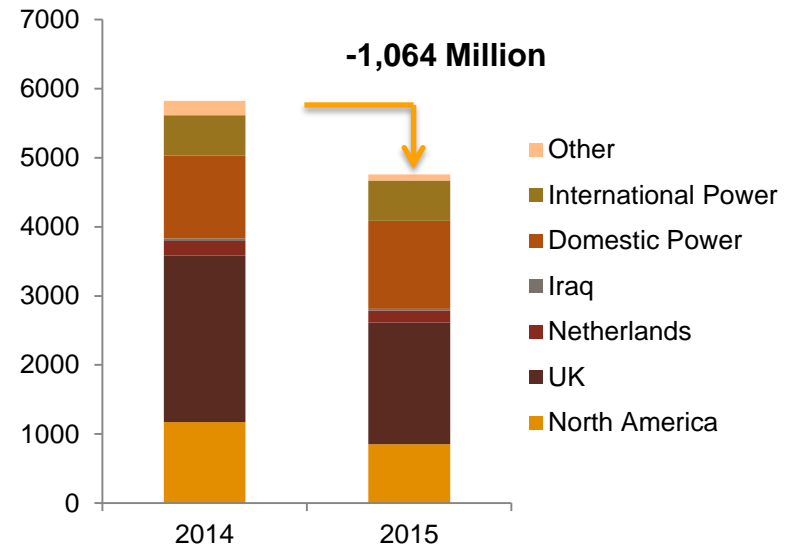
Completed

Ongoing

Cost Transformation Program: ahead of expectations

- AED 1.1 billion saved in 9M 2015, 22% lower than 2014
 - Opex savings AED 784 million
 - G&A savings AED 280 million
- Lower operating cost including maintenance, subsea and well work
- Implemented lean corporate operating model
- Significant staff reductions since July '14
 - 25% oil & gas headcount reduction
 - 39% HQ staff reduction

Cost Transformation savings by Region (million AED)

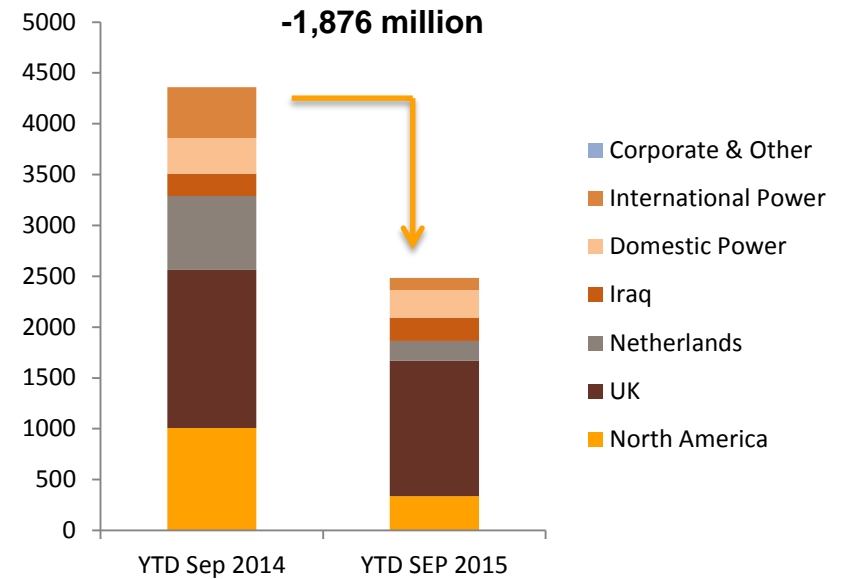


Costs included are operating costs and net G&A

Capital expenditure: significant reduction

- Target: 40% annual reduction – AED 2.5 billion
- Achieved: 43% reduction in 9M – AED 1.9 billion
- Major capex reduction across the business:
 - Winding down major projects
 - Cutting discretionary investment
 - Aggressively unwinding commitments

**9M Capex per Business Unit
(AED million)**

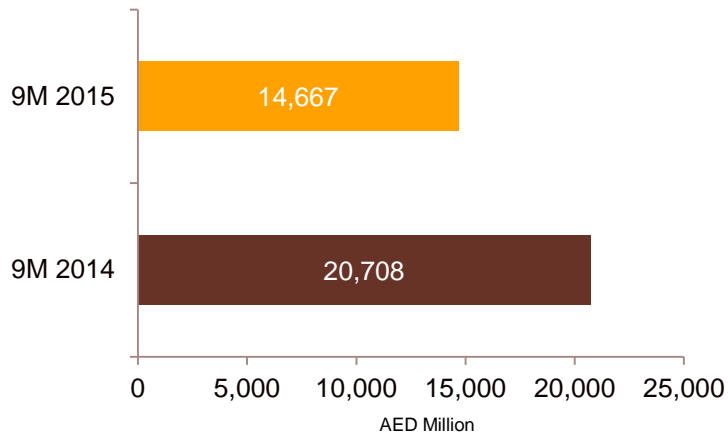


Financial performance

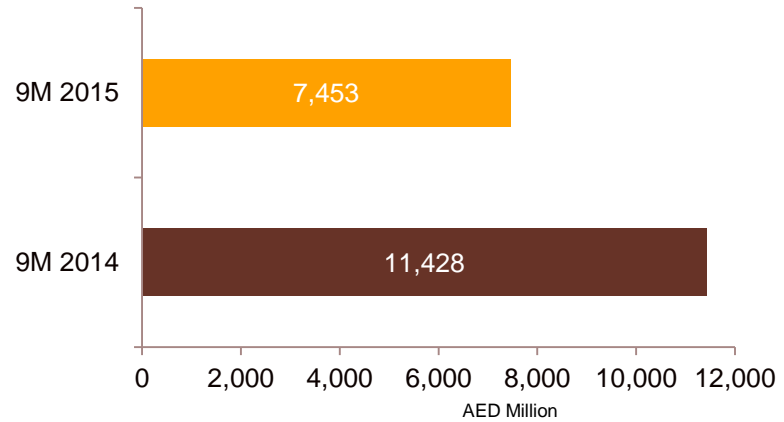


Financial performance

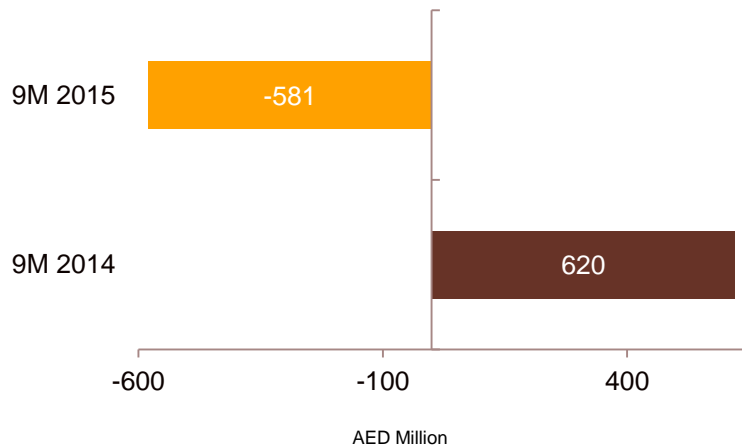
Total sales revenue



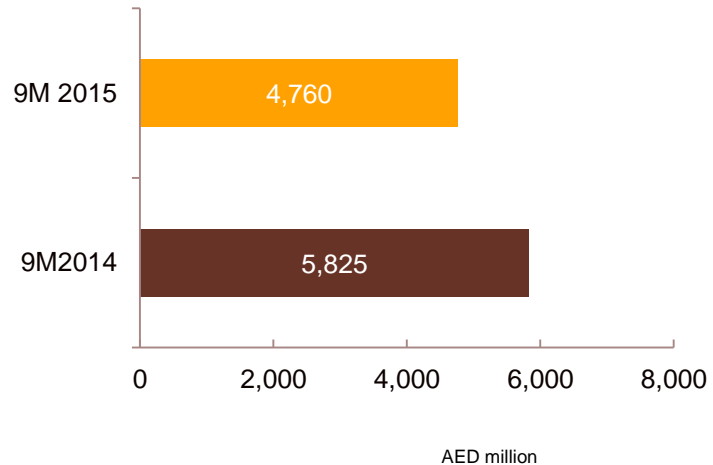
EBITDA



Net Income



Opex and G&A costs



Liquidity and key ratios

Refinancing US\$3.1 billion of existing revolving credit facilities maturing in December 2015 and December 2017

- Benefiting from favourable credit market conditions
- Offering oversubscribed
- Five year facility, carries an opening margin of 50 basis points over LIBOR - an improvement over the existing terms

AED 12.2 billion of available liquidity

- AED 3.5 billion of cash and cash equivalent
- AED 8.7 billion of unutilised bank lines

Moody's and Standard & Poor's reaffirmed rating at A3 and A respectively

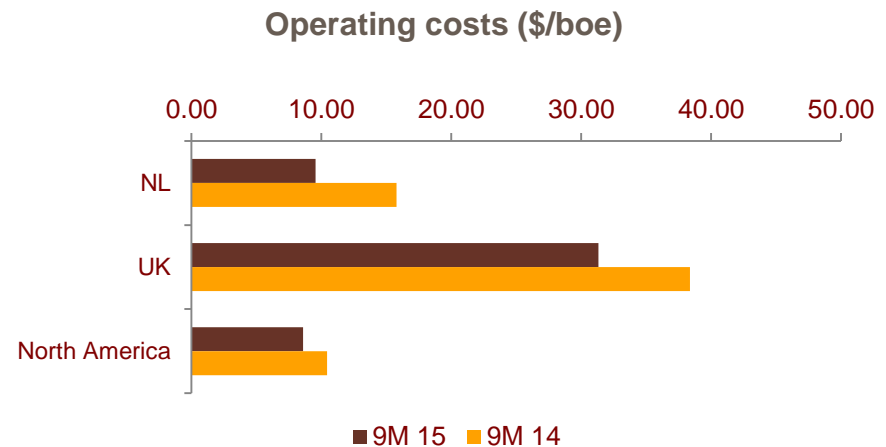
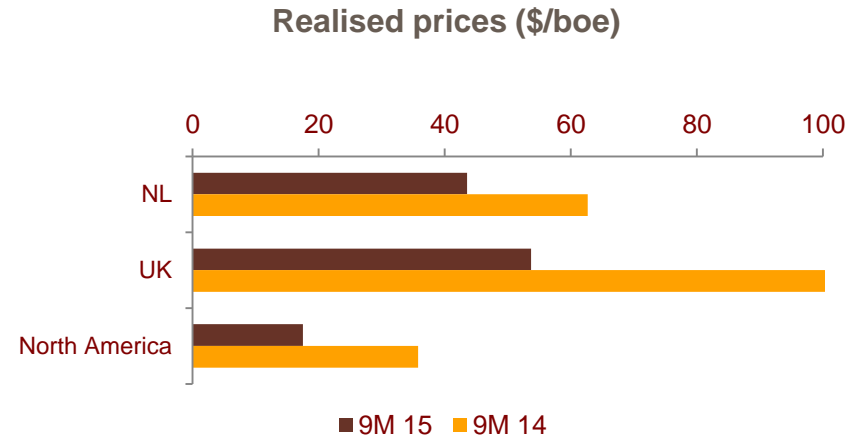
	AED million	9M 2014	9M 2015
Cash and cash equivalent		3.0	3.5
Undrawn credit facilities		12.0	8.7
Key ratios			
Net Debt/ Net Capital		81%	84%
EBITDA/Interest		3.5x	2.5x
Net Debt/EBITDA*		5.0x	7.19x

* LTM value of EBITDA was used to calculate the ratio

Realized price and operating costs

- Significant drop in realized prices
 - 31% in the Netherlands
 - 47% in the UK
 - 51% in North America

- Focus remains on per barrel operating cost reduction
 - 40% reduction in the Netherlands
 - 18% reduction in the UK
 - 18% reduction in North America



Concluding remarks



Appendix



Operational Data – Power & Water KPIs

		Nine months ended September 30	
		2015	2014
<u>UAE domestic plants</u>			
Power generation	(GWh)	47,882	43,741
Water desalination	(MIG)	191,674	192,020
Technical availability	(%)	93.9%	92.2%
<u>International plants</u>			
Power generation	(GWh)	13,537	11,295
Technical availability	(%)	88.3%	87.0%

Operational Data – Oil & Gas Production

Average Production		Nine months ended September 30	
		2015	2014
<u>North America</u>			
Crude oil	(mbbls/day)	15.30	17.54
Natural gas liquids	(mbbls/day)	10.11	11.85
Natural gas	(mmcf/day)	327.64	361.37
Average	(mboe/day)	80.01	89.63
<u>United Kingdom</u>			
Crude oil	(mbbls/day)	49.86	53.46
Natural gas liquids	(mbbls/day)	0.96	0.81
Natural gas	(mmcf/day)	27.85	40.71
Average	(mboe/day)	55.46	61.06
<u>The Netherlands</u>			
Crude oil	(mbbls/day)	2.48	1.86
Natural gas	(mmcf/day)	41.72	35.88
Average	(mboe/day)	9.43	7.84
<u>Total Production</u>			
Crude Oil	(mbbls/day)	67.64	72.87
Natural Gas Liquids	(mbbls/day)	11.07	12.66
Natural Gas	(mmcf/day)	397.20	438.05
Average	(mboe/day)	144.91	158.53

Operational Data – Oil & Gas Pricing

Average Realised Prices		Nine months ended September 30	
		2015	2014
<u>TAQA NORTH</u>			
Crude oil	(US\$/bbl)	39.11	82.53
Natural gas liquids	(US\$/bbl)	23.248941	59.94
Natural gas	(US\$/mcf)	2.26	4.57
Average	(US\$/boe)	19.66	42.49
<u>TAQA Bratani</u>			
Crude oil	(US\$/bbl)	55.28	108.29
Natural gas liquids	(US\$/bbl)	31.80	78.54
Natural gas	(US\$/mcf)	6.96	8.53
Average	(US\$/boe)	53.68	101.60
<u>TAQA Energy</u>			
Crude oil	(US\$/bbl)	54.14	104.16
Natural gas	(US\$/mcf)	7.14	8.71
Average	(US\$/boe)	46.04	64.51

Operational Data – Oil & Gas Netbacks

Operating Netbacks	Nine months ended September 30	
	2015	2014
<u>North America</u>		
Gross price	19.66	42.49
Royalties	2.14	6.71
Net sales price	17.52	35.78
Operating costs	8.59	10.44
Operating netback	8.94	25.33
<u>United Kingdom</u>		
Gross price	53.68	101.60
Net sales	53.68	101.60
Operating costs	31.33	38.38
Operating netback	22.35	63.23
<u>The Netherlands</u>		
Gross price	43.55	64.51
Royalties	0.03	1.84
Net sales price	43.52	62.67
Operating costs	9.54	15.77
Operating netback	33.97	46.89

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