

Clean Energy For MENA Region's Tomorrow



Dana Gas Investor Presentation

September 2013

Forward Looking Statement

This presentation contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events. The Company, its subsidiaries and its affiliates (the “Companies”) referred to in this presentation cannot guarantee that these assumptions and expectations are accurate or will be realised. The actual results, performance or achievements of the Companies, could thus differ materially from those projected in any such forward-looking statements. The Companies assume no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events, or otherwise.

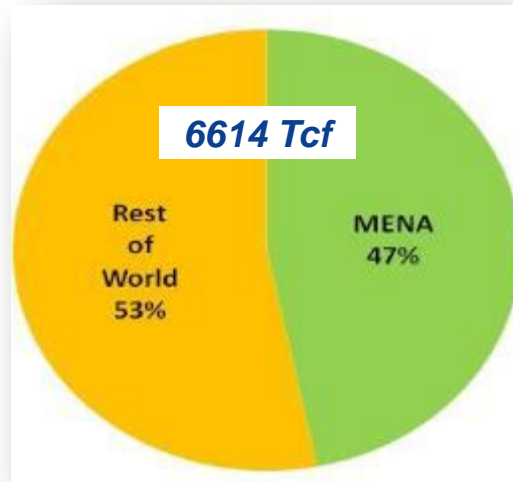
Presentation Outline



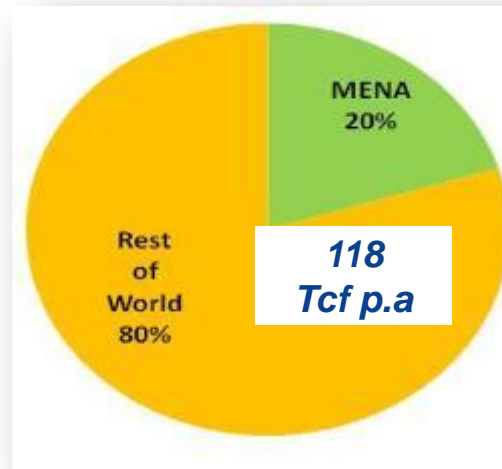
- MENA Region and its relevance
- Dana Gas: Brief Overview
- Recent Performance
- Country Operations
- Valuations
- Summary

Focused on a region that holds the largest share of global conventional oil & gas reserves and production

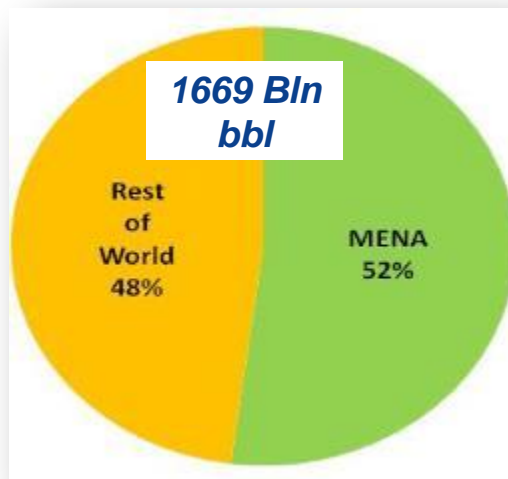
Proved Gas Reserve (2012)



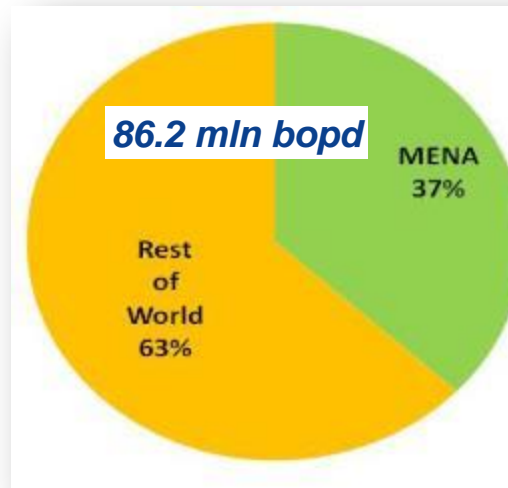
Global Gas Production (2012)



Proved Oil Reserve (2012)



Global Oil Production (2012)



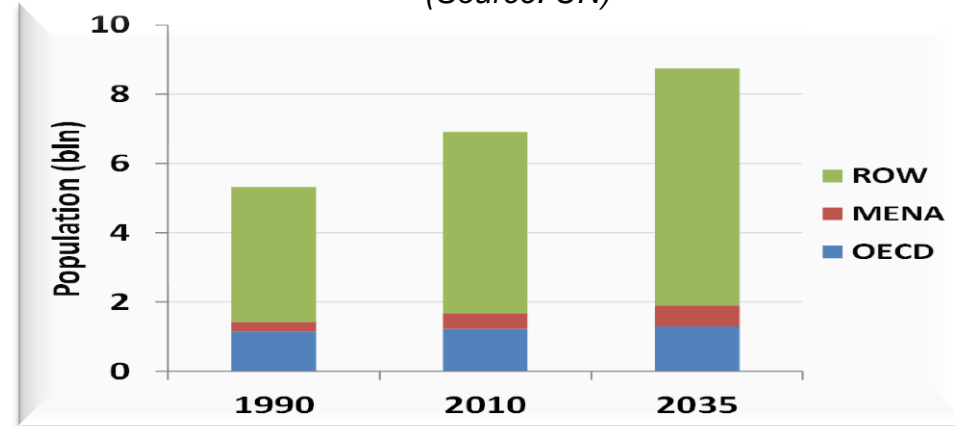
Countries included:

Iran, Iraq, Saudi Arabia,
United Arab Emirates,
Qatar, Kuwait, Oman Syria,
Jordan, Egypt, Libya,
Tunisia & Algeria

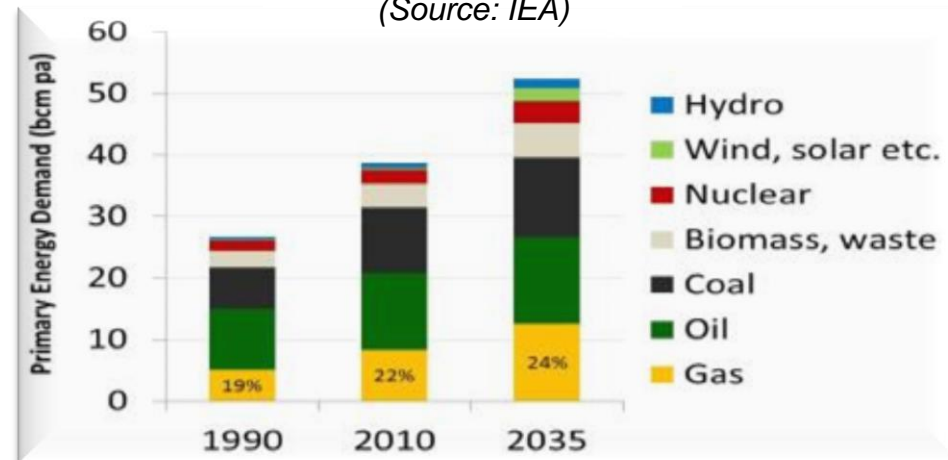
Natural Gas has the potential to become the Fuel of Choice for the growing energy demand in MENA

- Increased demand for denuclearization
- 70% less CO₂ than coal in power generation (old plants)
- Very limited particulate emissions
- Small physical footprint versus coal, nuclear or renewables
- Able to operate near full capacity reliably all the time
- Increasing pan-geographic pipeline connectivity and growing LNG trade addressing cross-border product demand
- Globally, in 2012 c.25 bn boe of discoveries were made, of which, c.70% were natural gas (100 TCF)
- 250+ years of conventional / unconventional (shale gas) reserve life

Global Population Trends
(Source: UN)

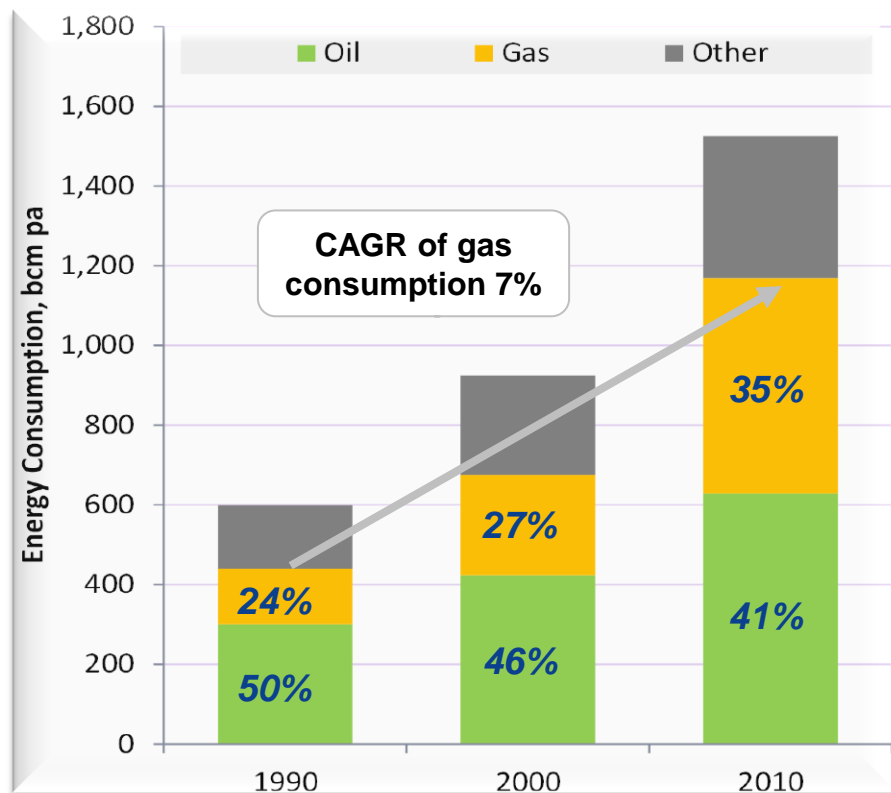


Global Primary Energy Demand
(Source: IEA)

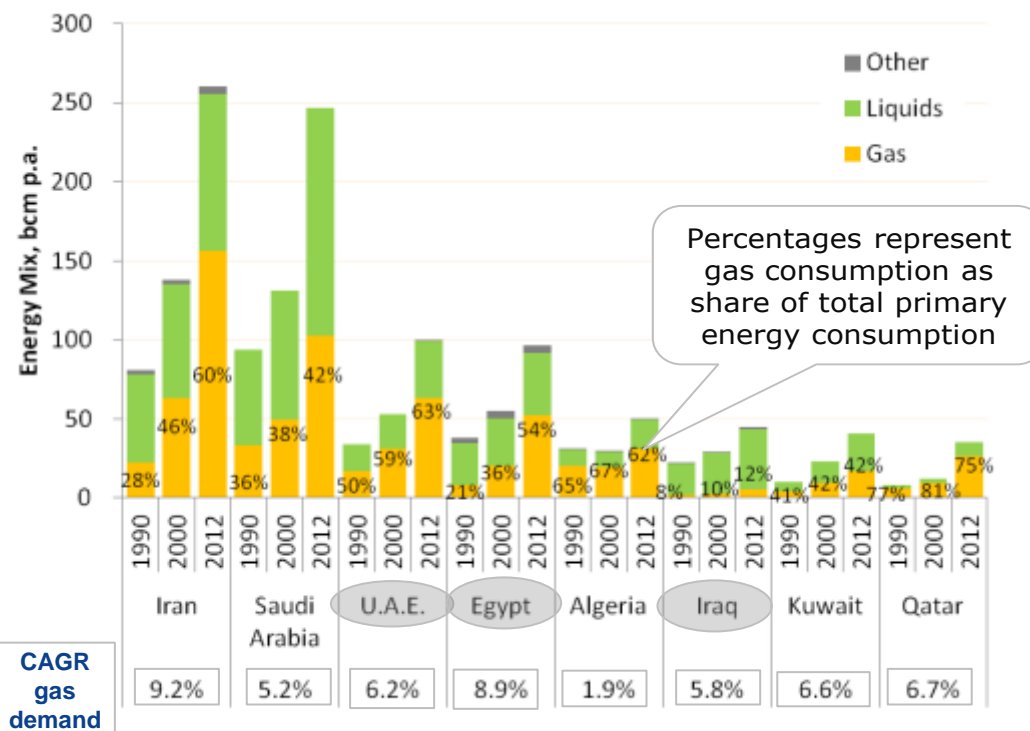


Focused on growing domestic demand in MENA

MENA Primary Energy Demand
(Source: EIA)



MENA Country Primary Energy Mixes³
(Source: BP Statistical Review 2013 & IEA Data)



- Growing primary energy needs boost gas demand
- There is a switch from oil to gas in local economies as they preserve oil for exports

Dana Gas Current operations

Dana Gas: A Brief Overview

Independent E&P company listed on the ADX

- Dana Gas is a MENASA focused gas independent headquartered in the UAE
- Dana Gas is quoted in the UAE stock exchange (Abu Dhabi Securities Exchange). Bloomberg: DANA:UH
- Shares outstanding: 6,602 million
Market capitalisation: approx. \$1.0 billion
Enterprise value: \$1.64 billion
- Net Debt/(Cash)¹: \$595 million
- Current Production: 61.5 kboed (H1 2013)
- 2P Reserves² : 147 mmboe
- Strong Corporate Governance structure and a unique pan-MENA Board of Directors access to business opportunities in the world's largest hydrocarbon region

Dana Gas is operating at the heart of the World's Largest Hydrocarbon region



Board of Directors consisting of luminaries from the MENA region provide unparalleled access to key markets



Dr. Adel Al Sabeeh
Chairman
KUWAIT

Chairman & MD of National Industries Company (NIC)



Dr. Tawfeeq Al Moayed
Deputy Chairman
BAHRAIN

Chairman of T.A. Almoayed & Sons W.L.L. and Chairman of Almoayed Wilhelmsen



Hamid Jafar
UAE

Chairman of Crescent Group of Companies



Sheikh Sultan Bin Ahmed Al Qasimi
UAE

Deputy Chairman of Sharjah Petroleum Council & Chairman of Sharjah Pipeline Co



Ahmed Al Arbeed
KUWAIT

GM of Seven Sisters Company



Saeed Arrata
EGYPT

Chairman of Sea Dragon Energy Company



Ziad Galadari
UAE

Founder & Chairman of Galadari Advocates & Legal Consultants



Majid Jafar
UAE

CEO of Crescent Petroleum, and Vice-Chairman of the Crescent Group of Companies



Rashid Al Jarwan
UAE

Board Director of Emirates General Petroleum Corporation, Oman Insurance Company and DIFC Investments



Abdulaziz Al Jomaih
SAUDI ARABIA

MD of International Investments of Aljomaih Group

Board of Directors consisting of luminaries from the MENA region providing unparalleled access to key markets



Abdullah Al Majdouie
SAUDI ARABIA
Group President and Vice
Chairman of the Almajdouie
Group



Ahmed Al Midfaa
UAE
Chairman of Sharjah
Chamber of Commerce &
Industry, Expo Centre
Sharjah and Ruwad
Establishment in Sharjah



Varouj Nerguizian
UAE
ED & GM of Bank of Sharjah,
Chairman and GM of
Emirates Lebanon Bank SAL



Nasser Al Nowais
UAE
Chairman of Rotana Hotels,
MD of Abu Dhabi Trade
Centre



Salah Al Qahtani
SAUDI ARABIA
Vice Chairman of Abdel Hadi
Abdullah Al-Qahtani & Sons
Group of Companies



Khalid Al Rajhi
SAUDI ARABIA
CEO of Al-Rajhi Partners &
Al- Rajhi Holdings



Rashad Al Zubair
OMAN
Chairman of The Zubair
Corporation

Portfolio with substantial upside



Egypt

Upstream	✓
Midstream	✓
Downstream	

Dana Gas Egypt

100% operator of production, exploration and developments in the Nile Delta and 50% joint operator in Upper Egypt.

Gulf of Suez

LPG extraction plant came onstream early August 2012



UAE

Upstream	✓
Midstream	✓
Downstream	

Sharjah Offshore

100% operator of Zora Field development ongoing



Iraq

Upstream	✓
Midstream	✓
Downstream	

Kurdistan Region

40% interest in Khor Mor field delivering gas at 330MMscfd (gross) to two power stations plus 16,000 bpd condensate with capacity to produce 900 M.ton per day of LPG

LPG prod started Jan 2011

Appraisal & development planning of Chemchemical field



UAE

Upstream	✓
Midstream	✓
Downstream	✓

Gas Project

Project awaits commencement of gas deliveries to process, market and distribute gas and associated products in UAE

A regional focus on the Middle East, North Africa, South Asia (MENASA) region.

Activities across the gas value chain (upstream, midstream and downstream).

Proven track record based on top class exploration, accelerated development and inorganic opportunities

Value Delivery Model



• Drill bits success

- Nile delta exploration success
- Reserve growth

• M&A

- Egypt entry: acquisition of Centurion Energy
- KRI partnership structure in Pearl Petroleum for long term gas monetisation
- Komombo farm out

• Project Delivery

- Timely completion and on budget on key projects
- Production build up in Egypt
- Fast track KRI development
- Nile Delta development (best-in-class discovery-to-gas of 12 months; Allium production commenced in 3 months)
- Managed investments in sync with receivables

• Major financial transactions

- IPO in 2005 attracting \$78 billion
- \$ 1 billion Sukuk issue in 2007
- \$ 850 million Sukuk restructuring in 2013

Top-class Management Team



Patrick Allman-Ward
CEO

Over 30 years in Oil & Gas. Prior to joining Dana Gas, held senior roles at Shell as VP Exploration Asia-Pacific, CEO and Board Director of the South Rub Al Khali Company (JV between Shell, Total & Saudi Aramco). Width of experience spanning the entire upstream value chain from exploration to project management to delivering sustainable returns across multiple geographies in the Far East, Middle East, Europe and Africa



Rashid Al Jarwan
Executive Director

Over 35 years in Oil & Gas, held the position of Acting CEO and GM in Dana Gas. Board of Directors at Emirates General Petroleum Corporation, Oman Insurance Company and DIFC Investments. Also held various executive and technical positions in ADNOC Group of companies for 28 years. Served as a Board Member of the National Petroleum Construction Co., the National Drilling Co. & Sharjah Industrial Development Co.



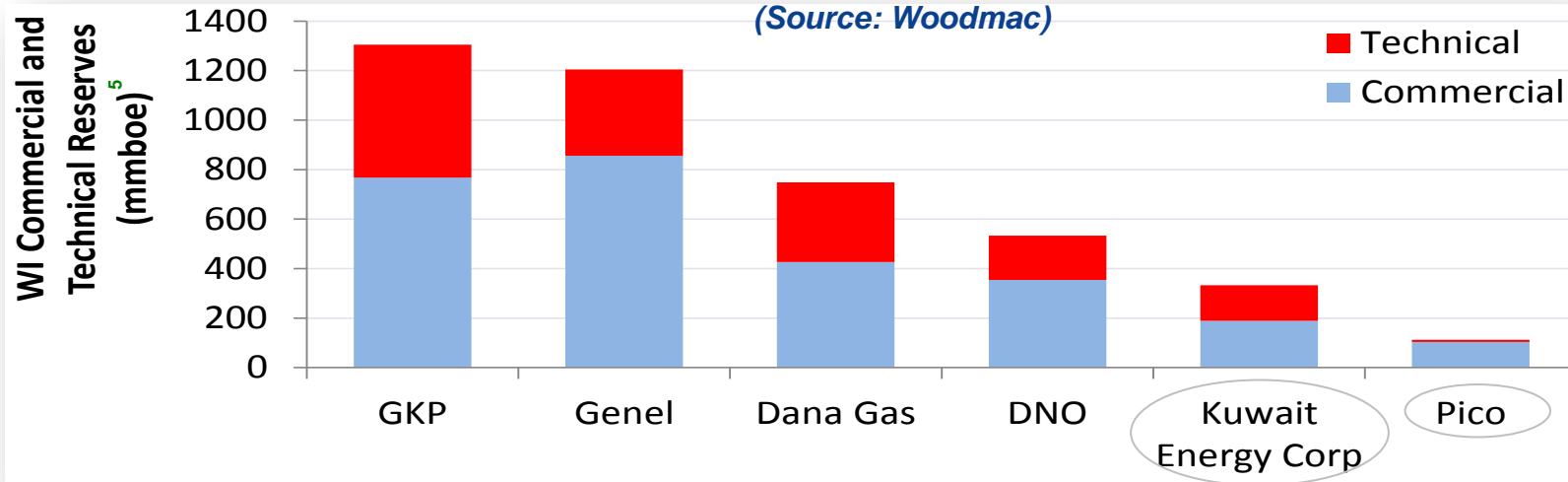
Robinder Singh
IR Director

Over 25 years of international experience in Investor Relations, marketing and corporate communications, product management and business development with Reliance Industries, HSBC and Bank of America. Experienced in multiple billion dollar financial transactions; developing investor support for large scale capital raising programmes and a range of mergers and acquisitions

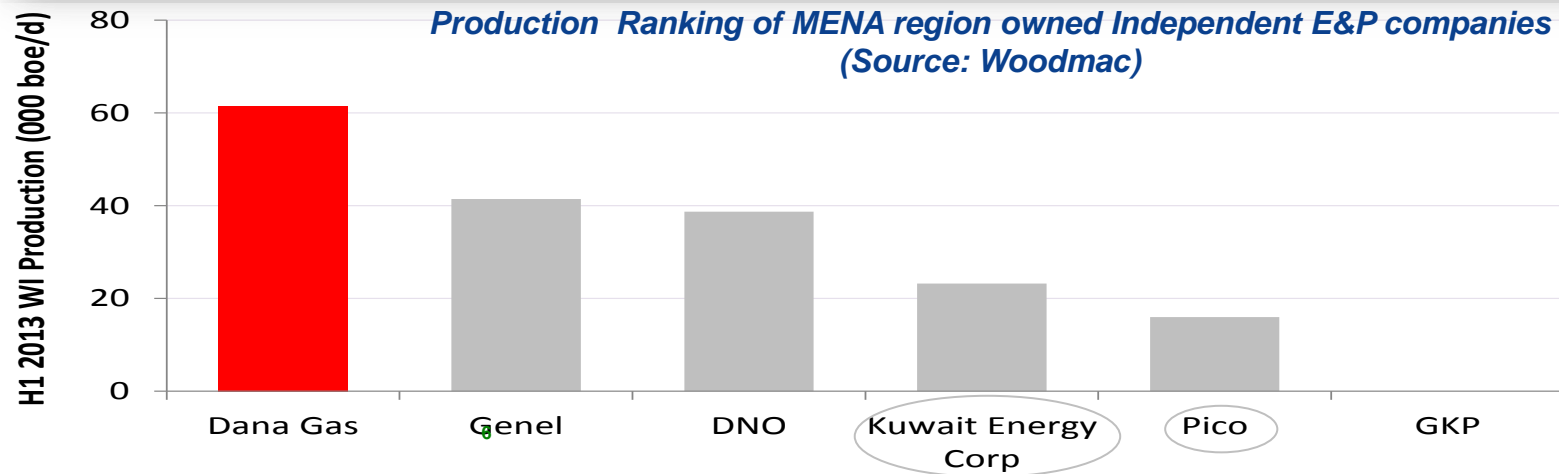
CFO
To be appointed

Largest independent gas producer amongst regionally owned peers

Reserve Ranking of MENA region owned Independent E&P companies
(Source: Woodmac)



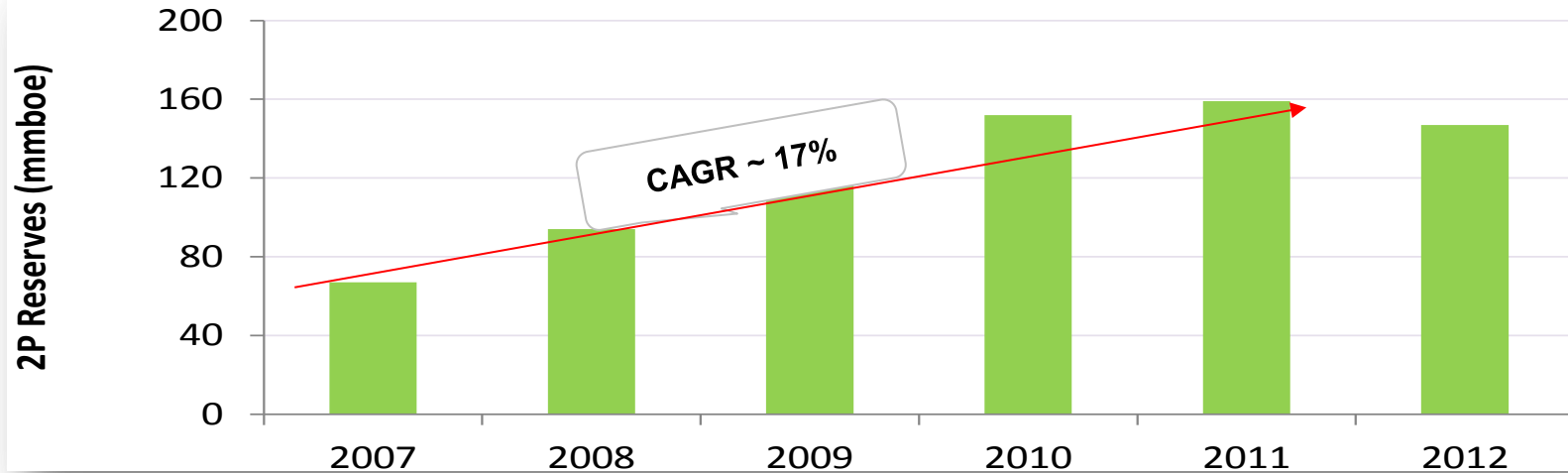
Production Ranking of MENA region owned Independent E&P companies
(Source: Woodmac)



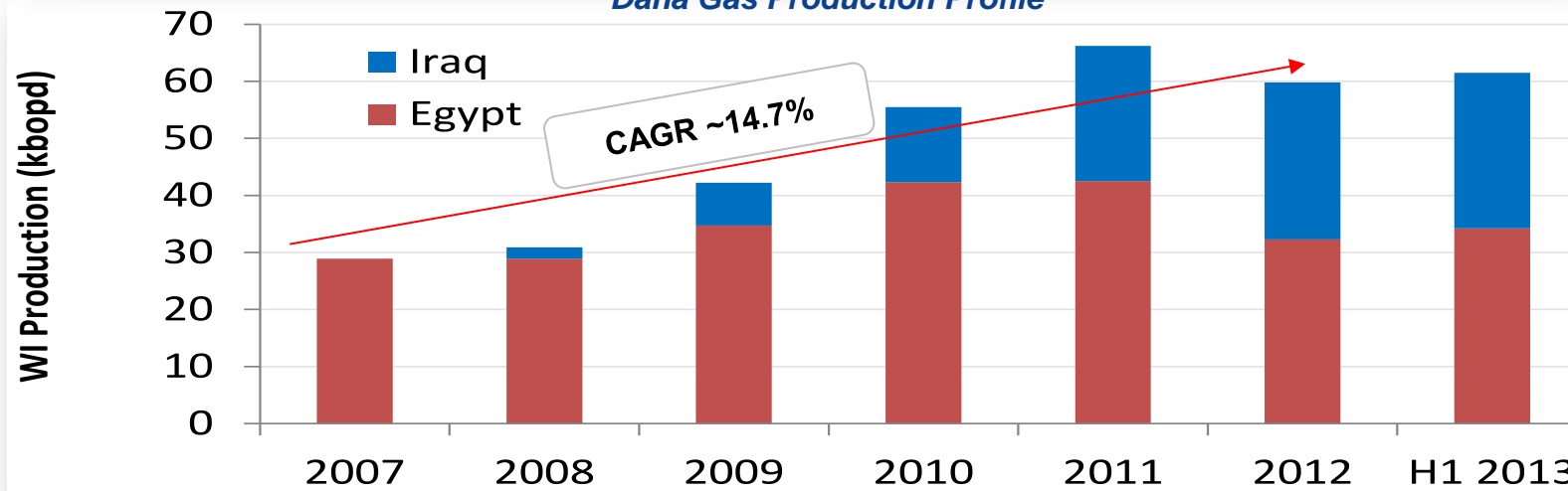
Privately owned

Doubled Reserves and Production in 5 years

Dana Gas Reserve Growth (Egypt + UAE)

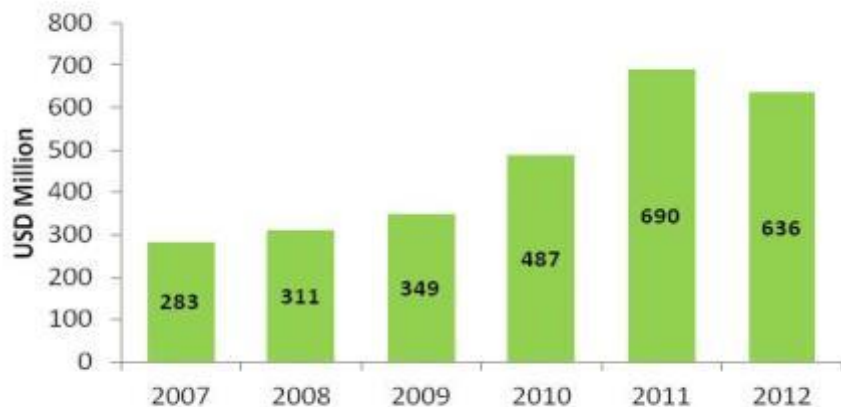


Dana Gas Production Profile

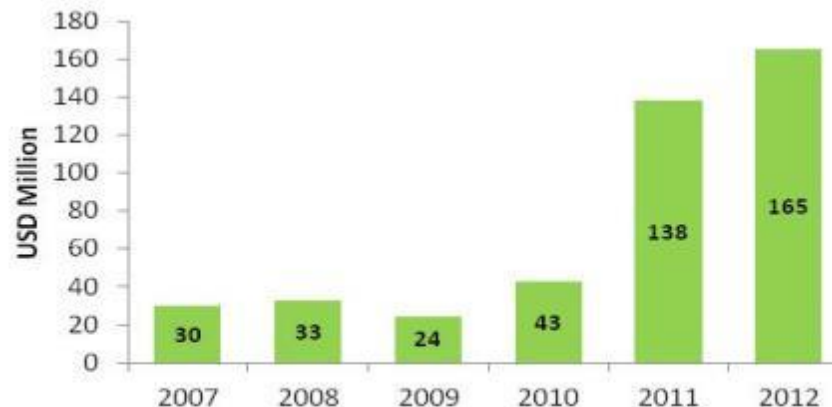


Key Financial Metrics have doubled in 5 years

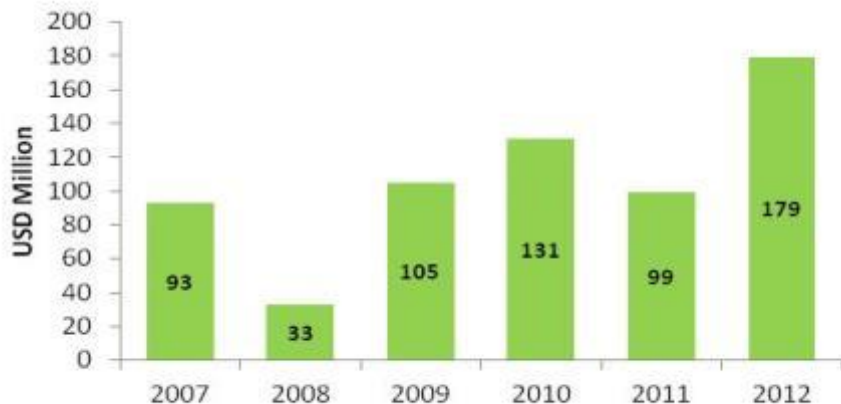
Revenue:



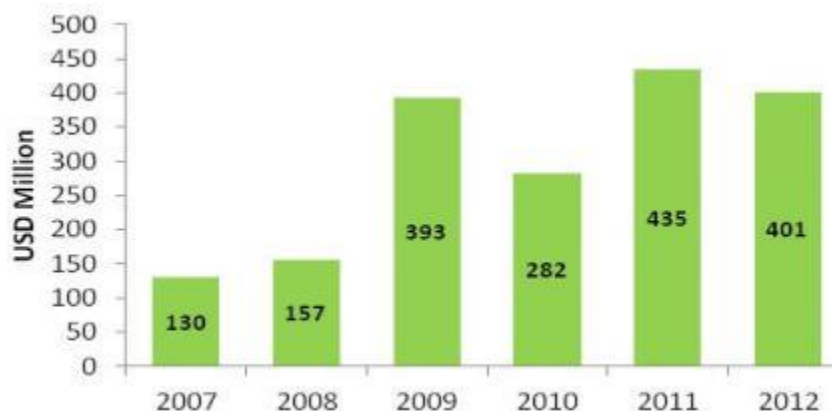
Profit After Tax:



Operations Cash Flow:



EBITDAX:



Dana Gas: Recent Performance Highlights

1H 2013 Performance Highlights

HSSE

- Strong focus continues across the group with improvements across all performance metrics

Production

- Group production up at 61,500 BOEPD, marginally higher on a year-on-year basis
- In Egypt, average total production up 4% to 34,200 BOEPD and in August 2013 achieved highest production (41,500 BOEPD) in last two years
- Production lower by 3% in KRI due to lack of LPG production – capacity since restored

Discovery

- Begonia-1 in Egypt with estimated 3P reserves in the lower Abu Madi pay zone at 15 BCF

Financials

- Profit After Tax of \$ 93 million for 1H 2013, decline of 11% on a year-on-year basis due to lack of LPG production (KRI) and weaker hydrocarbon prices
- \$ 116 million collected in 1H 2013. Collections in Egypt negatively impacted by macro economics during 2Q 2013; collections in KRI in line with expectations
- Stronger balance sheet with cash balance of \$216mm as compared to \$164mm in June 2012

1H 2013 Financial Performance

(In \$ million)	1H – 2013	1H - 2012	Percentage Change
Gross Revenue	296	342	(13)
Net Profit	93	105	(11)
EBITDAX	168	220	(24)
EPS (AED fils)	5.2	5.8	(10)

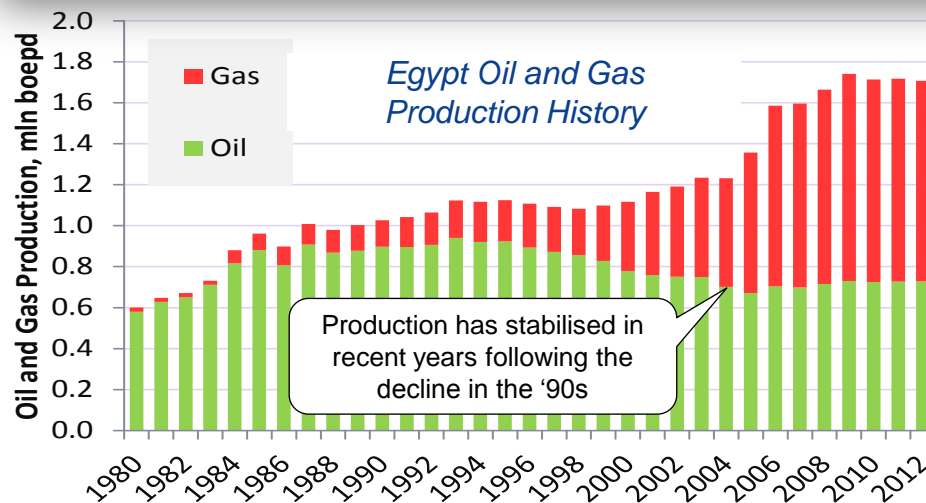
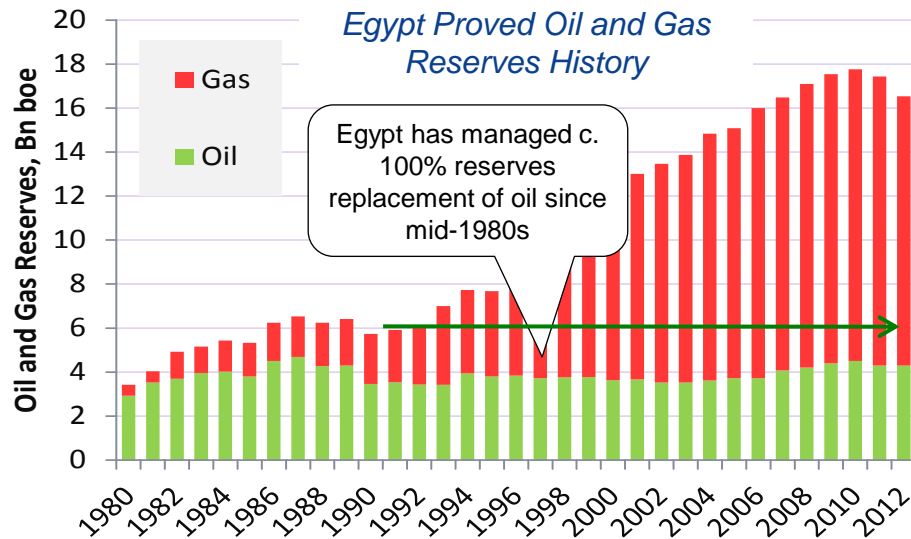
- Decline in revenue mainly due to lower hydrocarbon prices in second quarter of 1H 2013 and lack of LPG production in KRI; partially offset by a higher production in Egypt
- Benchmark prices have since increased and LPG production capacity of 900 MT has been restored in KRI
- Decline in revenue and higher cost of sales impacted net profit, which was lower by 11%
- EBITDAX lower by 24%

Dana Gas: Country Business Highlights

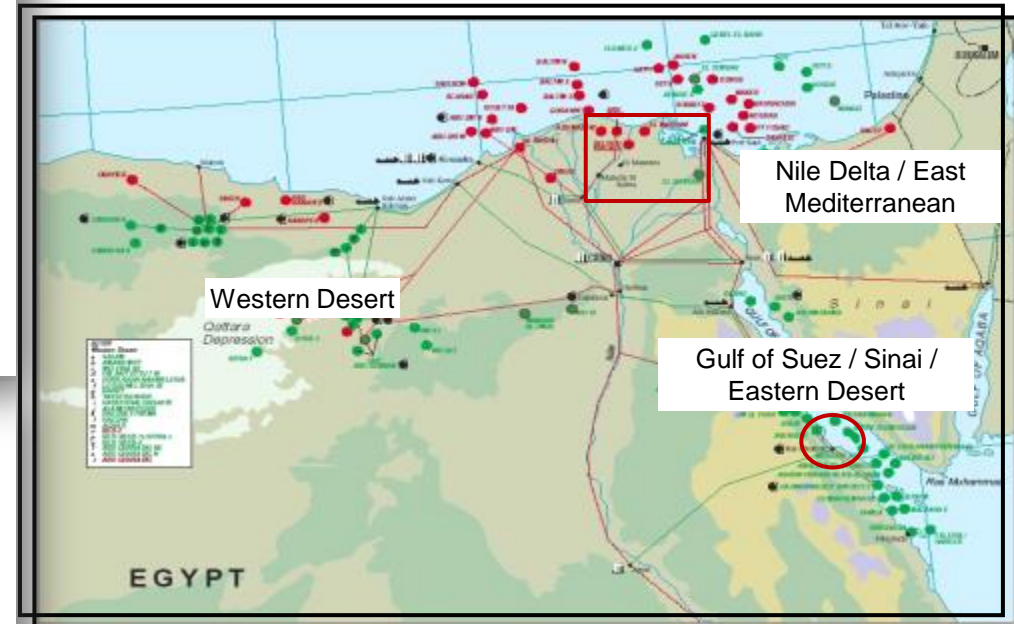
Egypt: Business Environment

- Economic and political situation likely to stabilize with wider relations with the international investment community - over \$ 12 billion in support by Saudi Arabia, UAE and other Gulf Arab states seen as a strong positive for economic development
- Foreign reserves up to \$ 18.8 billion in July 2013, highest monthly rise since 2011
- Phased increase in gas prices with high consumption factories (steel, fertilizers etc.) increased to \$ 4/MMBTU in late 2011 followed by \$ 6/MMBTU in 2013 for cement industry.
- No adverse impact on Dana Gas's operations or costs despite recent political events
 - Record production in 2013 achieved in August 2013 (41,500 BOEPD), highest since 2011
 - Egyptian assets provide continuous investment and growth opportunities
 - Receivables remains an issue and speedy recovery will underpin incremental investment decisions

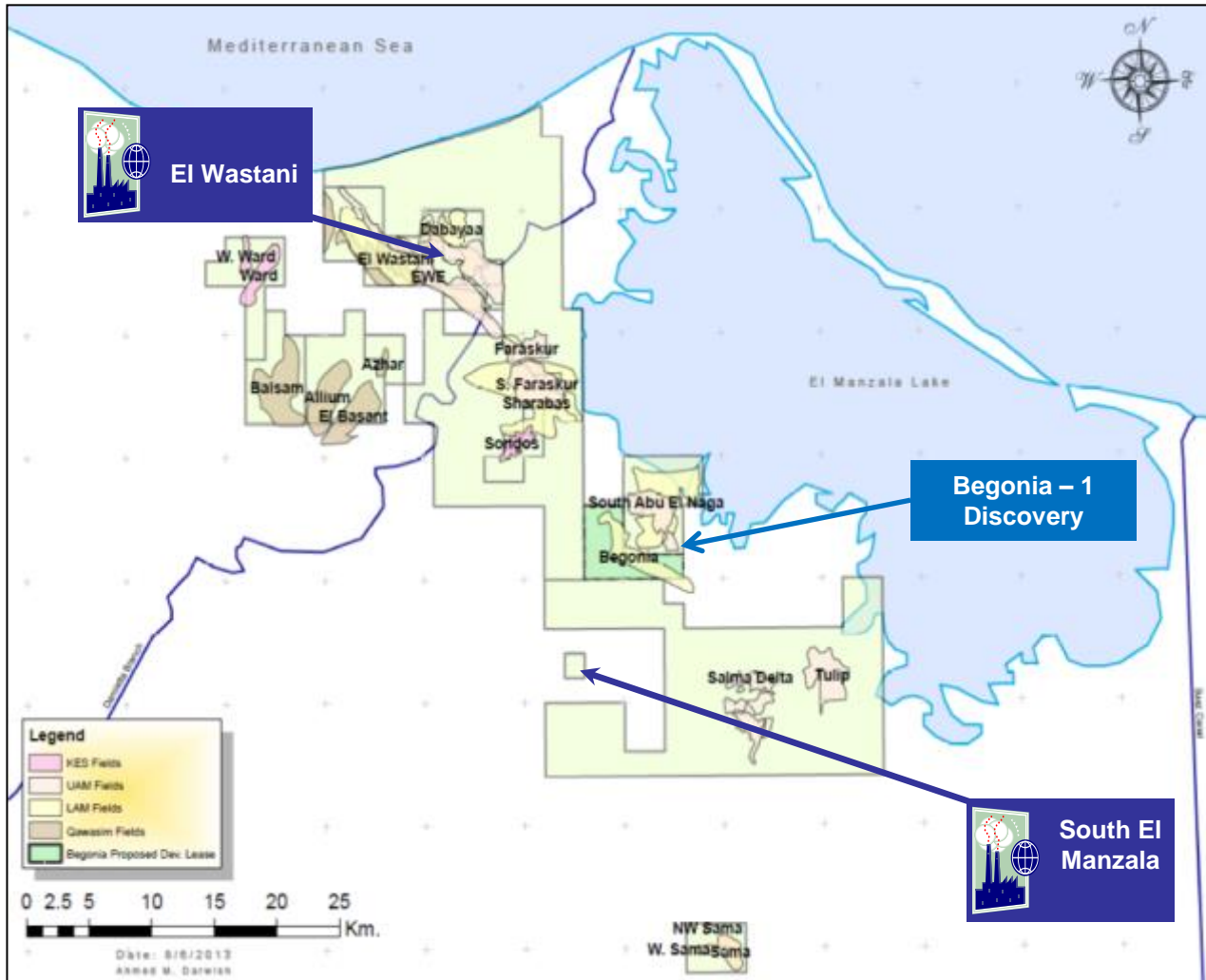
Meaningful position in rich hydrocarbon zones in Egypt



Dana Gas focus area in Egypt



Egypt: Nile Delta Operations



Discoveries:

- Begonia -1 tested 1.6 kboed
- Reserves estimated at 15 bcf

New Development Leases:

- Sama Amendment (West Sama)
- El Basant Amendment (Allium)
- Balsam
- Begonia

New Fields on Stream:

- South Abu El Naga (W. Manzala)

Av. Production Rate (1H2013):

- 33.6 kboepd

Projects in Progress:

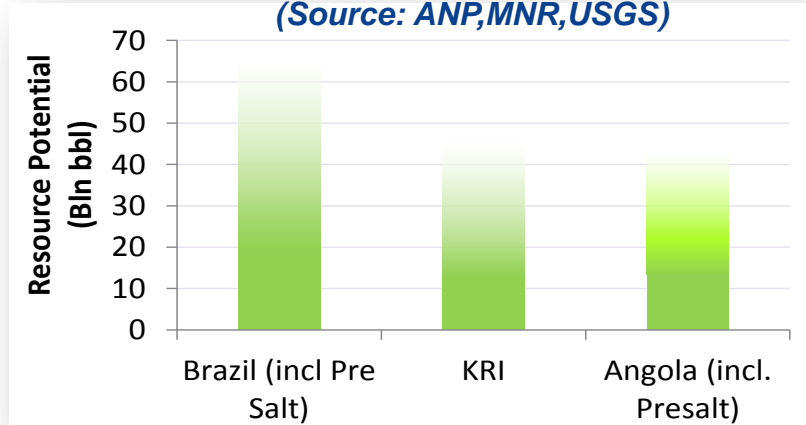
- El Basant Compression Station
- EW Capacity De-bottlenecking
- Salma/Tulip tie-in

Projects completed:

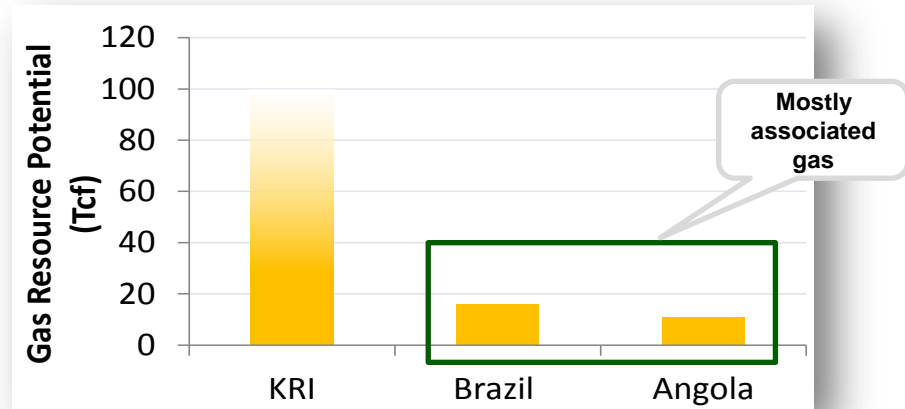
- SAEN field tie-in (2.2 kboed)

Largest gas producer in high-potential Kurdistan Region of Iraq

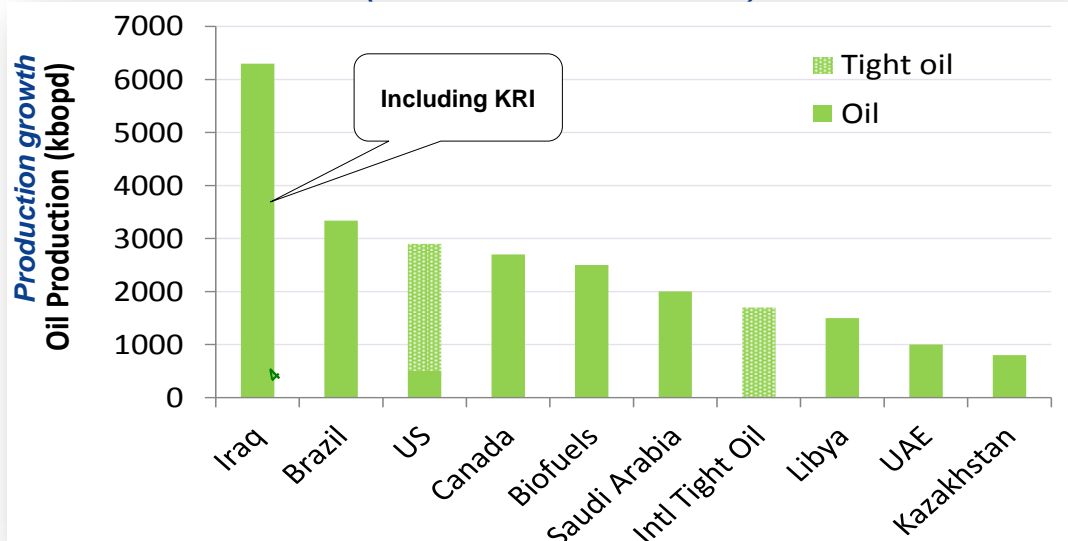
Oil Resource Potential
(Source: ANP, MNR, USGS)



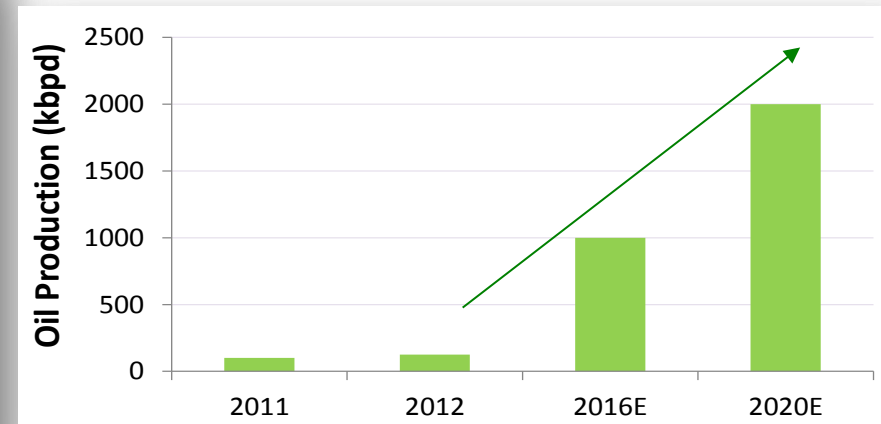
Gas Resource Potential
(source: MNR, ANP, Songas)



Top 10 sources of production growth in 2012-2030
(Source: IEA & Woodmac)



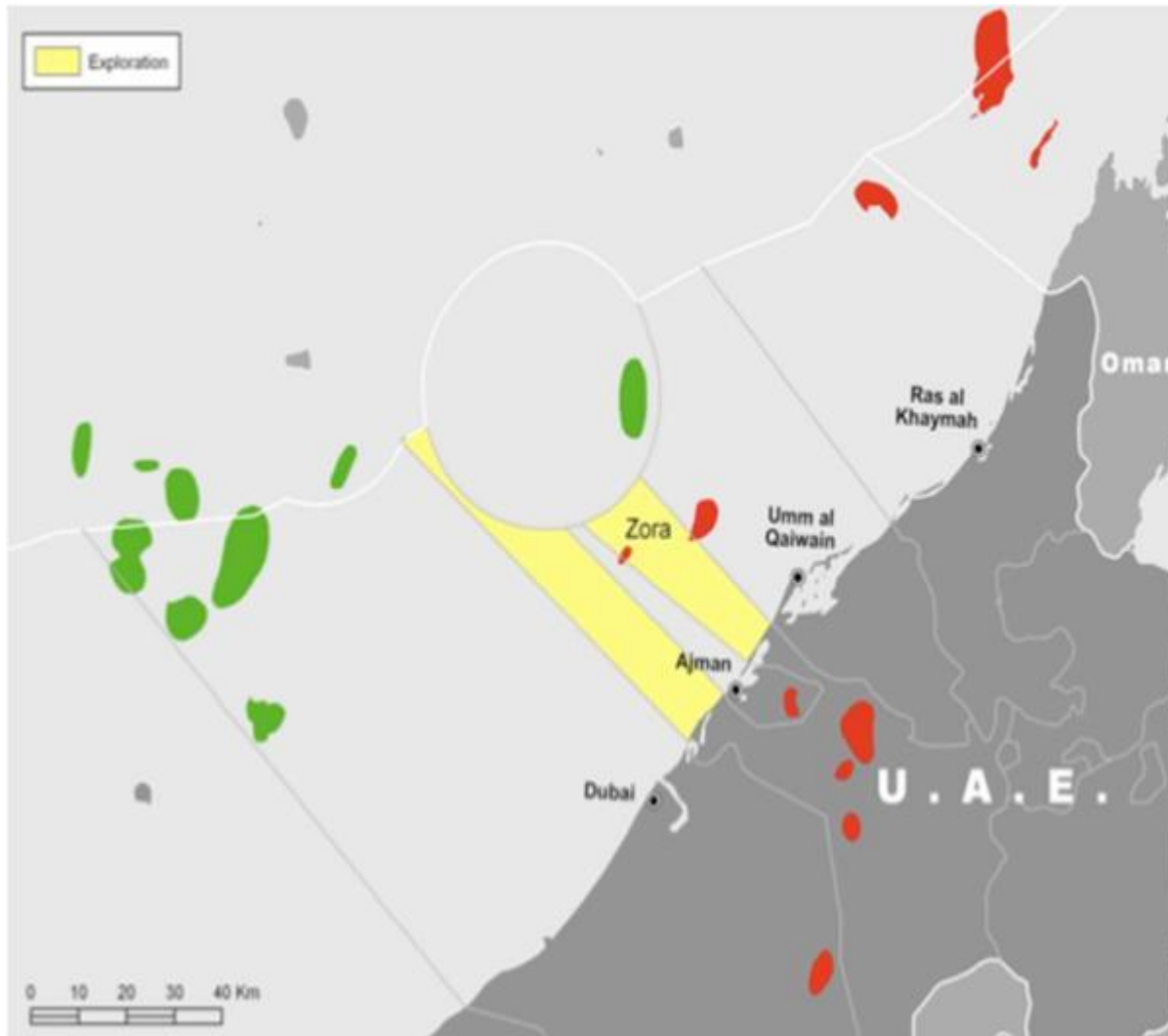
KRI production growth
(source: KRG, MNR)





- Total net production averaged at 27,300 BOEPD during 1H 2013:
 - 130 MMSCFD of natural gas
 - 5730 Bbl/D of condensate
- Enhanced bench strength by placing key positions
- Completed engineering, fabrication, installation and stress testing of the new LPG loading bay resulting in restoration of the facility with capacity of 900 MT on July 17, 2013

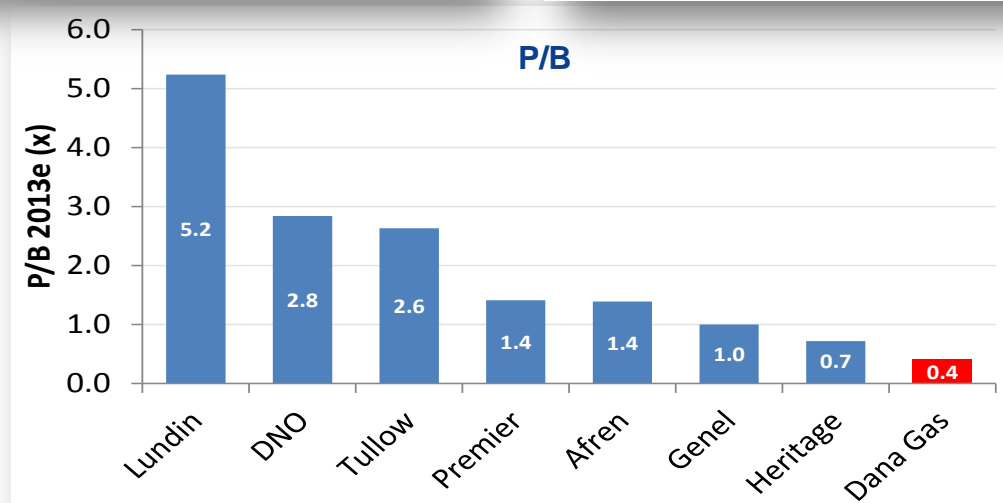
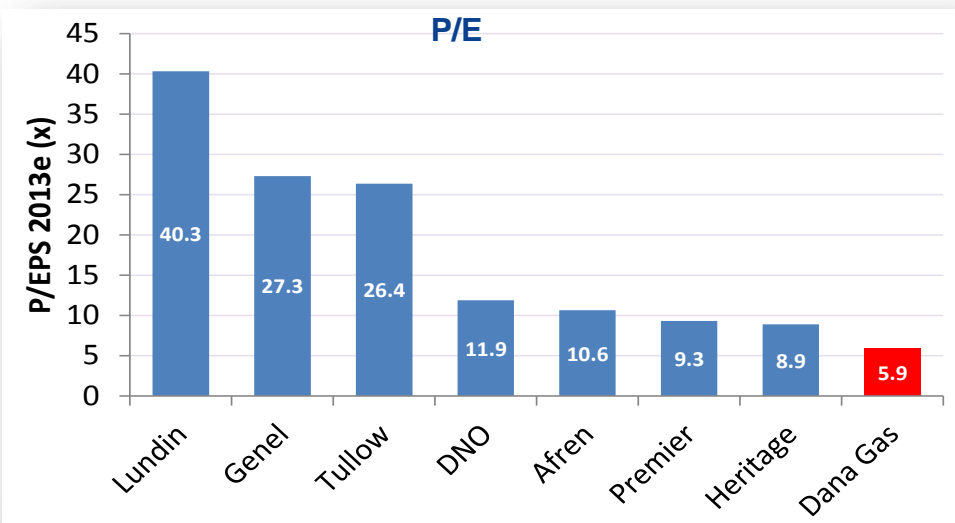
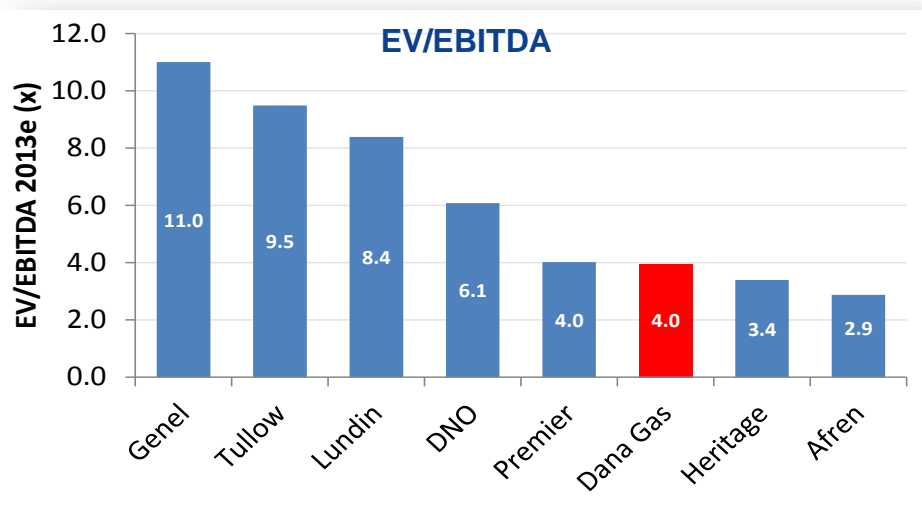
UAE: Zora Project Update



- Project scope includes the following:
 - Offshore platform
 - Offshore & Onshore Pipeline (35 km offshore & 2.5km onshore)
 - Gas Treatment Onshore Plant (to receive 40 MMSCFD of gas and 300 bbl/day associated hydrocarbon condensate)
- Commercial and technical bids evaluated and recommendations made to the bid approval committee
- Terms sheets for project financing signed

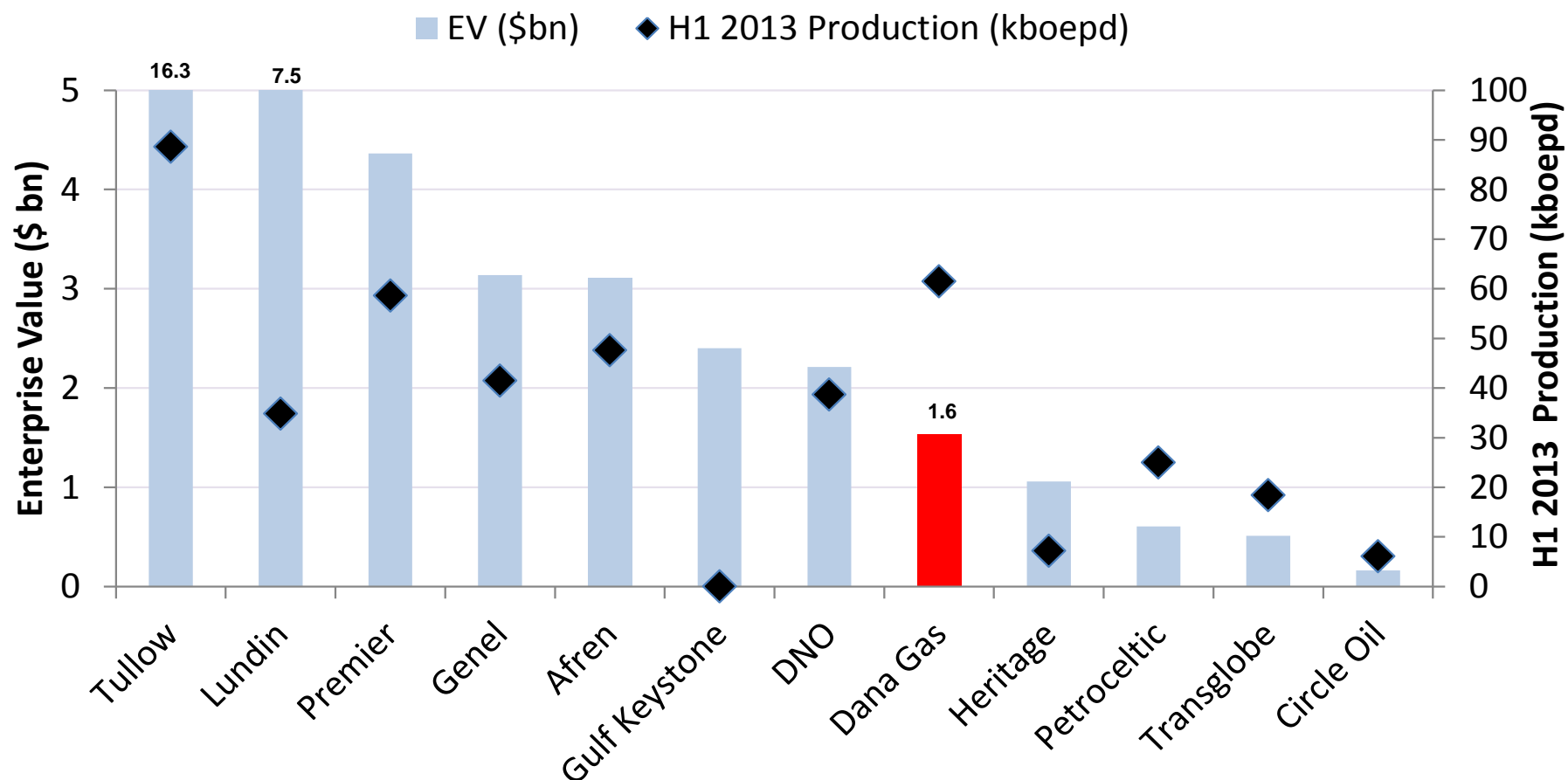
Dana Gas: Relative Valuations

Significantly undervalued relative to peers

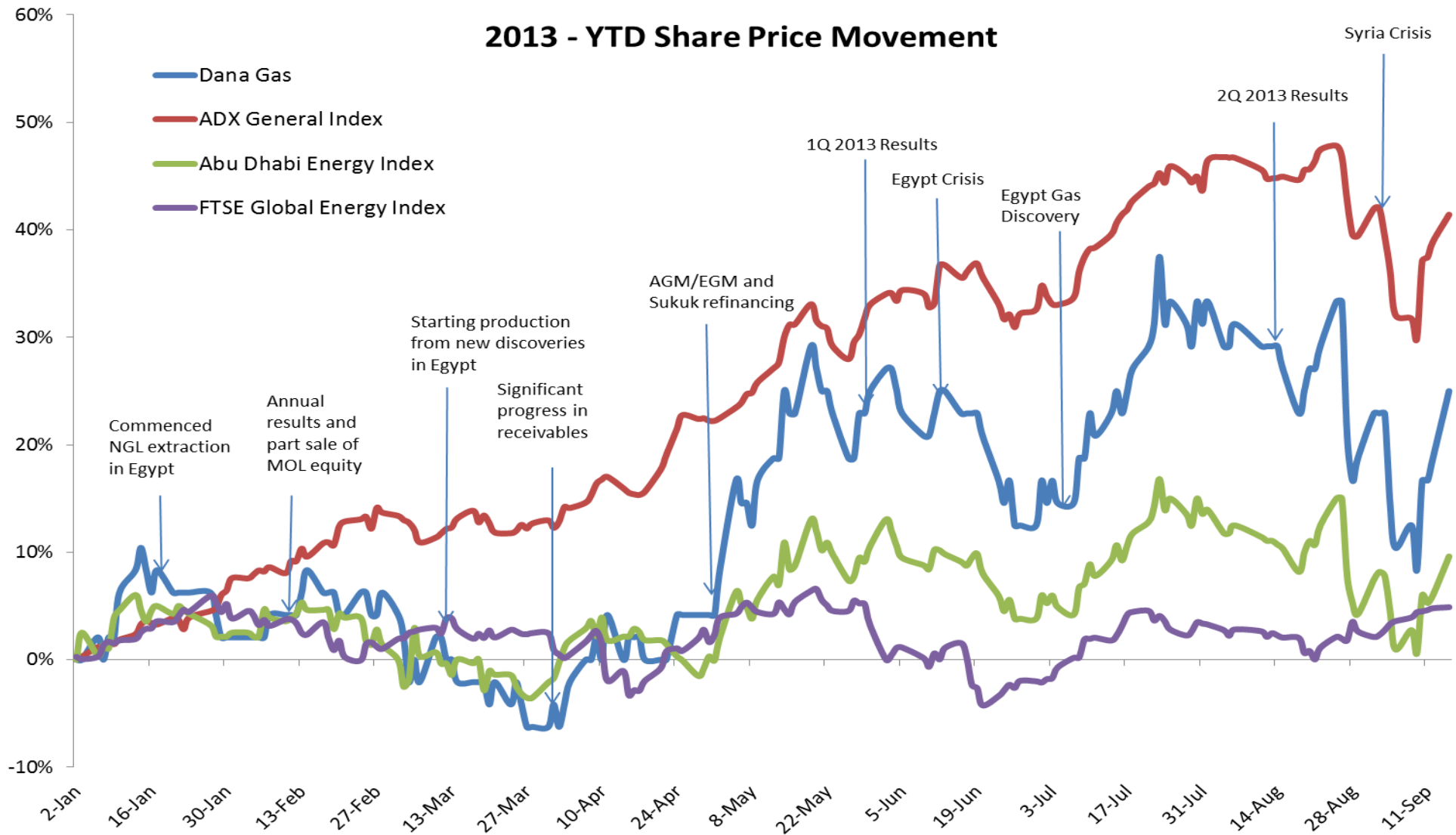


EV and Production valuation relative to peers

Enterprise Value vs. Production



Recent developments positively impacting stock performance



Summary

Summary

- Strong operational track record of organic and inorganic growth across the natural gas value chain
- Unique composition of the Board of Directors provide unparalleled access to the resource-rich MENA region
- Track record of project delivery and HSSE performance across geographies
- Delivering sustained growth across key financial metrics supported by a strong balance sheet
- Taking a cautious approach towards capital investments in sync with cash collections
 - Priority given to adding reserves and replacing production
- Continue to actively identify and evaluate organic growth opportunities in keeping with the Company's growth strategy

Reach Us:

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Back-up Information

HSSE: On Track to Outperform

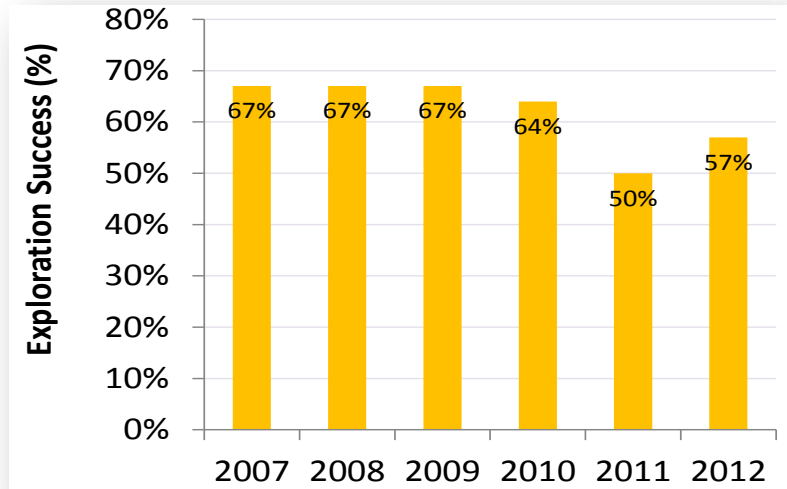
- 2012 - a turning point for Dana Gas with several lessons learnt. We implemented new strategies that resulted in the following:
 - All three operating areas have shown improvements in HSE performance
 - On track to beat all the HSE metrics on our Group scorecard, but do not under estimate what needs to be done to maintain this level of performance
 - External audit (ERM) of the North Egypt JV resulted in multiple lessons which are being addressed throughout 2013, enabling us to lower overall operational risks
 - Working in Kurdistan and Egypt to operate Safety Cases for major operating sites

KPI	12 months rolling to June 2013	1H 2013	1H 2012	2013 target ¹
Fatalities	0	0	5	0
Recordable Injury Frequency ²	0.34	0.13	1.10	0.60 ³
Loss of Primary Containment Incidents	25	9	55	50
Safety observations frequency ²	240	195	159	230

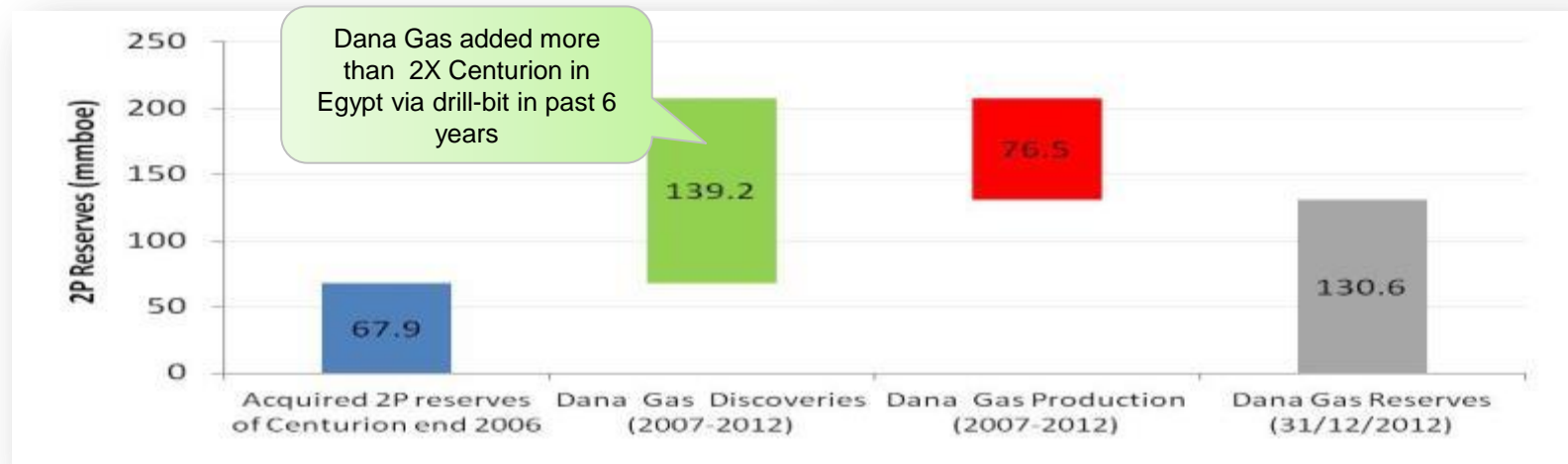
Achieved significant success in Egypt following a successful acquisition

- Dana Gas has added c.140 mmboe of reserves since acquisition in 2007
- Centurion 2P reserves were at c.67.9 mmboe at the time of acquisition
- Dana Gas produced c.76.5 mmboe since 2007 in Egypt
- Dana Gas 2P reserves in Egypt stood at 130.6 mmboe at 31.12.2012

Exploration Success Ratio

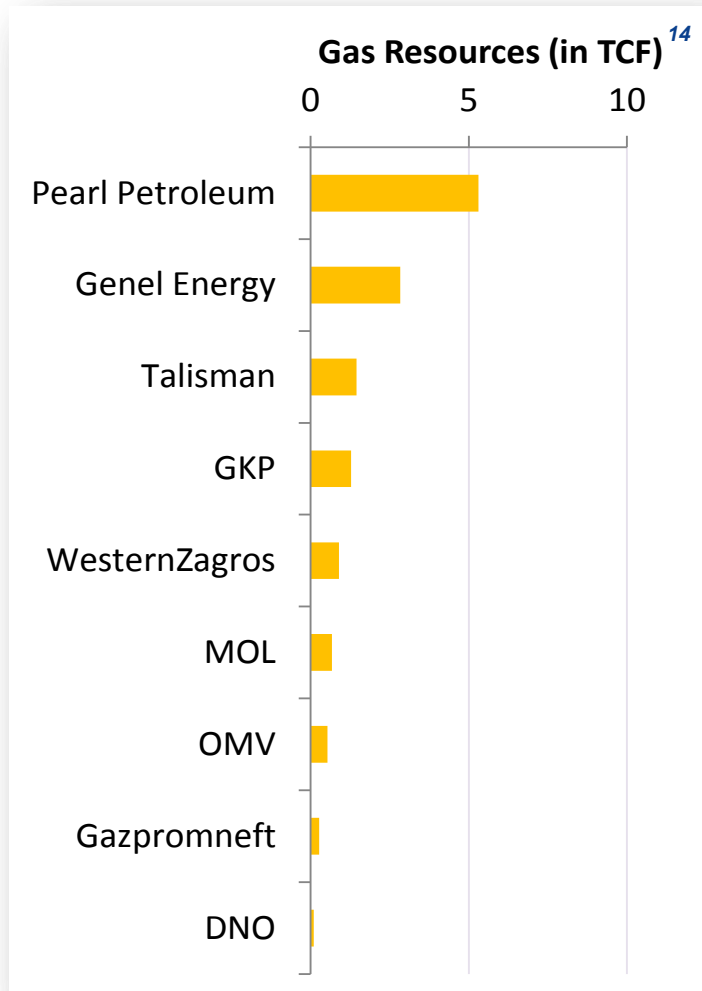


Dana Gas Egypt Reserve Evolution



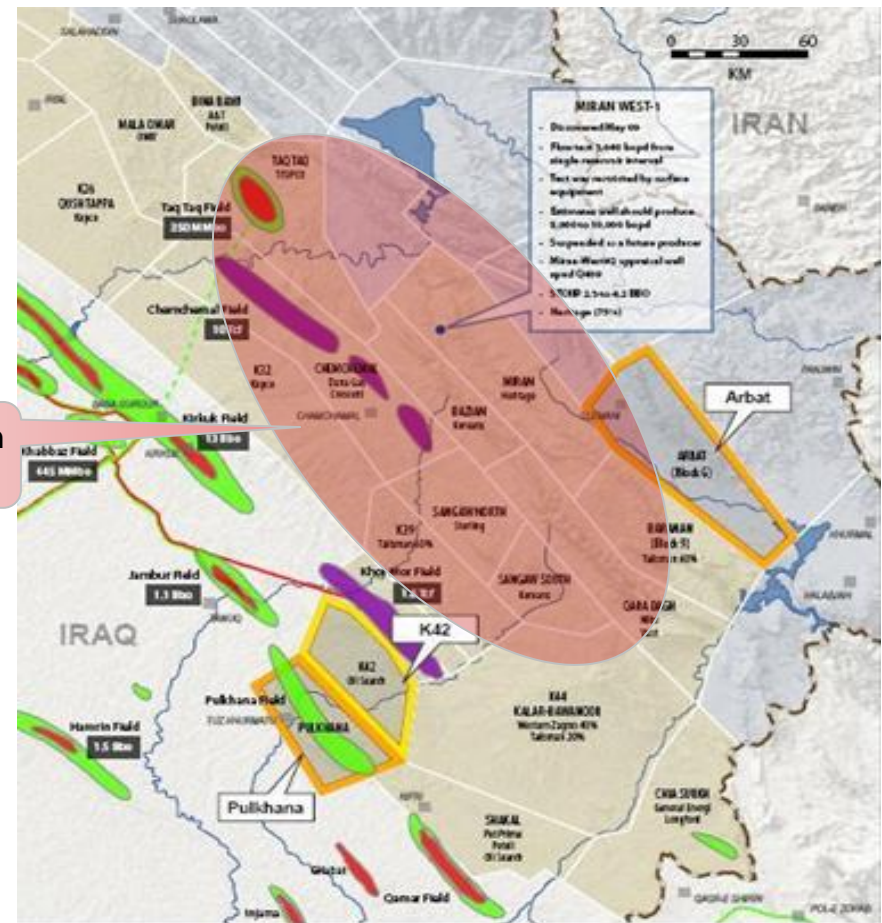
Holder of meaningful resources in the prospective gas prone areas of KRI

*Gas Resource Holders in KRI
(Source: Woodmac, Aug 2013)*



Khor Mor & ChemChemal Gas Fields are located in the gas prone region of KRI

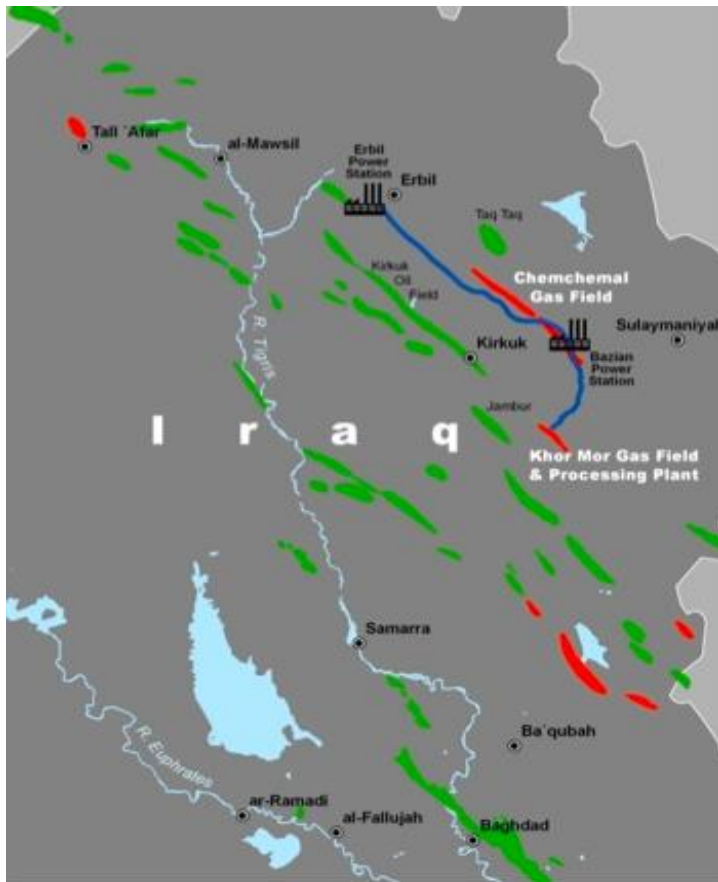
Gas prone region of KRI



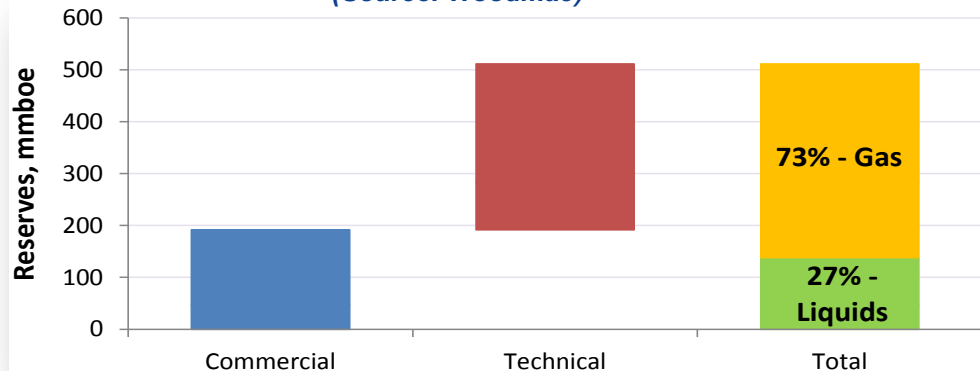
Rich gas producer focussed on domestic gas supply and maximising yield through condensate and liquid extraction

Pearl Petroleum Company Ltd ownership:

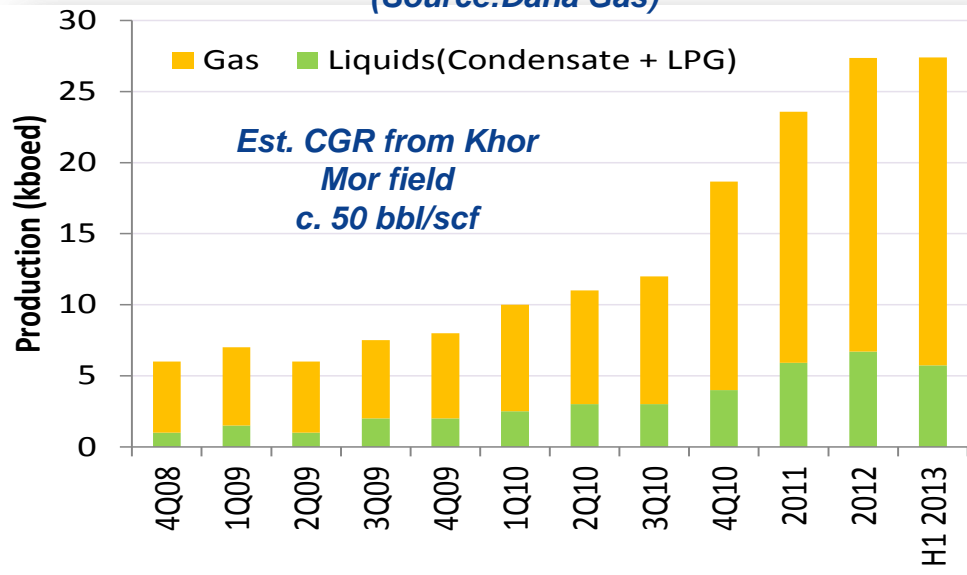
▪ Dana Gas	40%
▪ Crescent Petroleum	40%
▪ OMV	10%
▪ MOL	10%



Dana Gas Resources in KRI (Source: Woodmac)

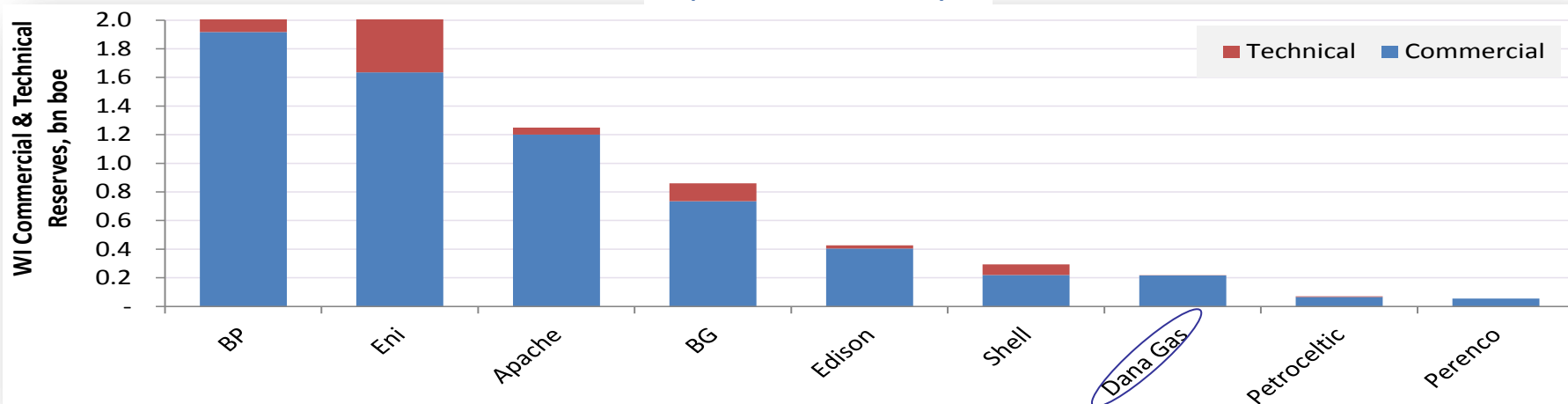


Khor Mor Field Production, Dana Gas net share (Source: Dana Gas)

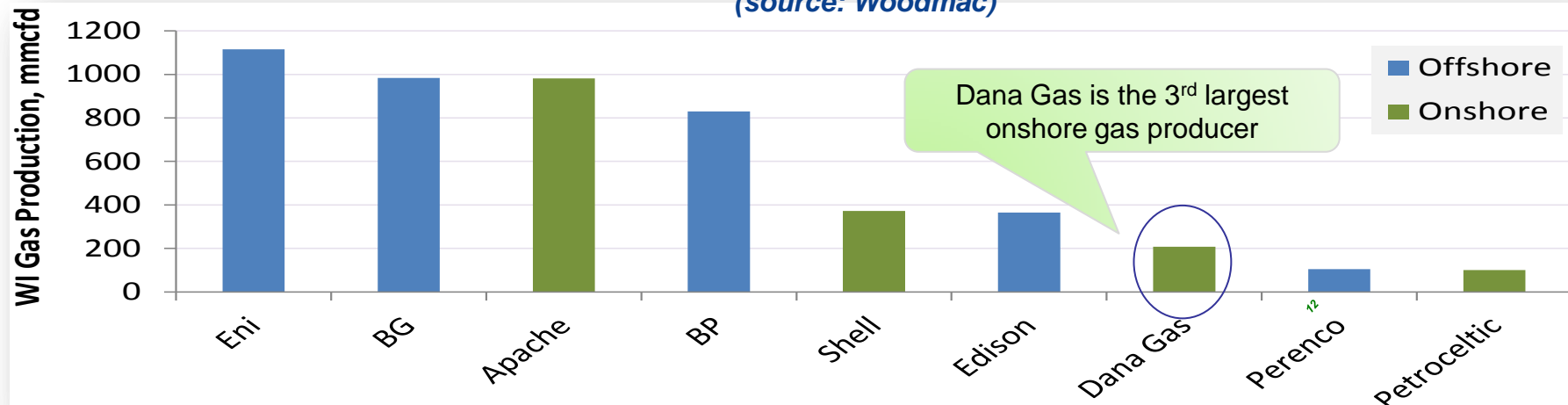


Established itself as a key onshore gas player in Egypt

Reserve holders in Egypt
(source: Woodmac)

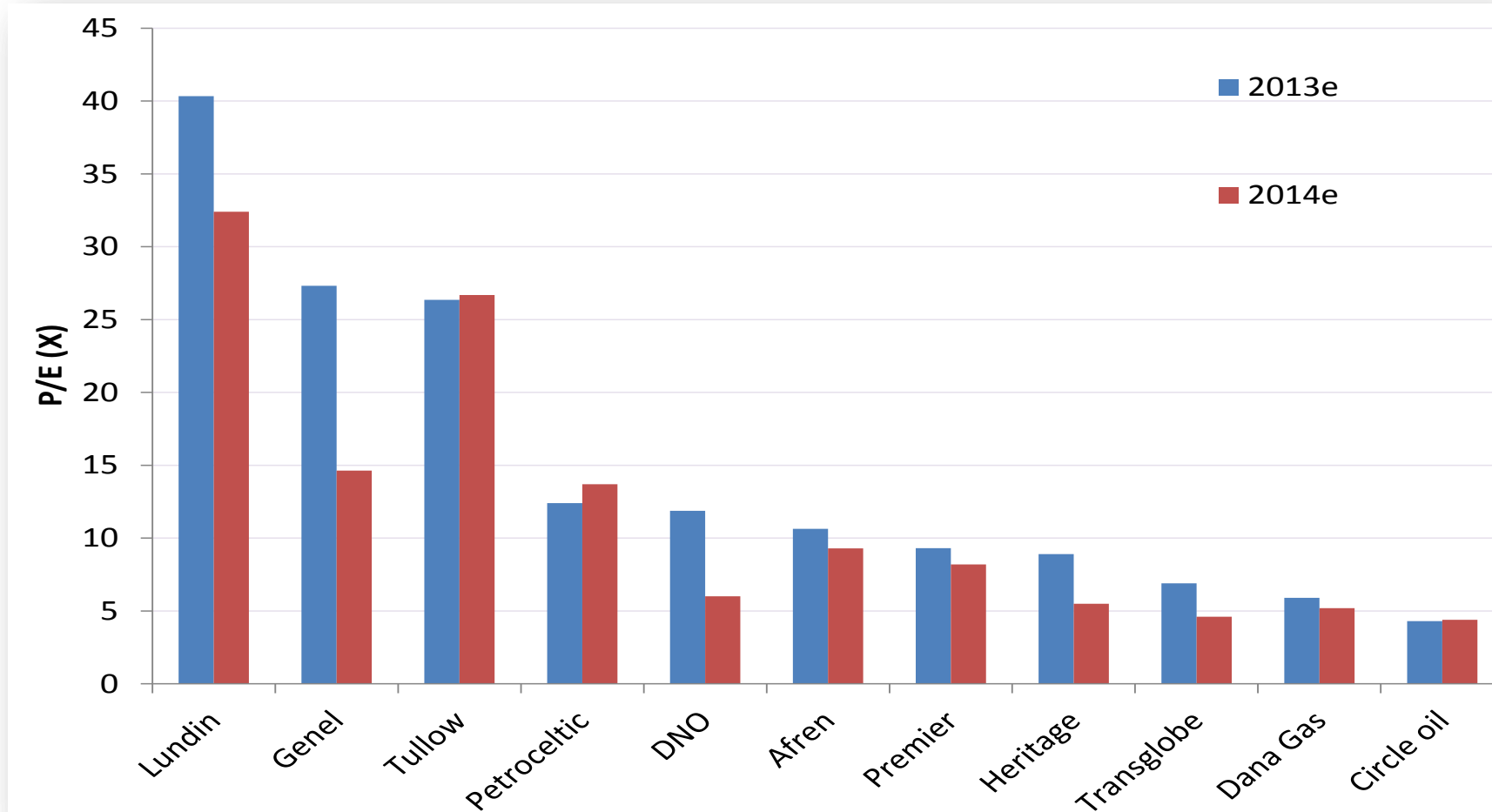


Egypt gas production ranking (2013e)
(source: Woodmac)



Significantly undervalued relative to listed peers in international markets

P/E ranking of Dana Gas Peers
(Source: Bloomberg Consensus 03rd Sep 2013)



The End