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14 February 2016

The Board of Directors
Dana Gas PJSC
P O Box 2011
Sharjah
United Arab Emirates

Preliminary results for the year ended 31 December 2015

Dear Sirs

We have pleasure in returning the preliminary results of Dana Gas PJSC for the year ended 31 December 2015 in the English and Arabic languages. As requested these are stamped by us for identification purposes.

Yours faithfully

Thodla Hari Gopal
Partner
Registration No. 689



Preliminary Unaudited Results of Public Joint Stock Company

First - General Information:

Name of the Company	:	Dana Gas PJSC
Establishment date	:	20 th November 2005
Paid up capital	:	AED 6.969 billion
Subscribed capital	:	AED 6.969 billion
Authorized capital	:	AED 6.969 billion
Chairman of the Board	:	Mr. Hamid Dhiya Jafar
Chief Executive Officer	:	Dr. Patrick Allman-Ward
Name of the external auditor	:	Ernst & Young
Company's mailing address	:	P.O. Box 2011, Sharjah
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Second - Preliminary Unaudited Results for the Year ended 31 December 2015

	All figures in Million			
	2015 US\$	2014 US\$	2015 AED	2014 AED
Total Assets	3,912	3,612	14,338	13,237
Shareholders' Equity	2,871	2,710	10,522	9,932
Gross Revenues	417	683	1,529	2,504
Gross Profit	126	303	463	1,110
Net Profit for the year after tax	144	125	528	457
Total Comprehensive Income for the Year	159	99	583	363
Basic Earnings per share (cents/fils)	2.1	1.8	7.7	6.6
Diluted Earnings per share (cents/fils)	1.9	1.7	7.2	6.4

Summary of the Company's Performance for Year ended 31 December 2015:

1. Total assets at 31 December 2015 were \$ 3.9 billion (AED 14.3 billion) compared to \$ 3.6 billion (AED 13.2 billion).
2. Gross Revenues for the year were lower by 39% compared to 2014. This decline was mainly due to sharp decline in hydrocarbon prices in 2015 as compared to 2014 coupled with lower production in Egypt. Realised prices declined almost 50% in 2015 and averaged \$ 50/bbl for condensate and \$ 37/boe for LPG compared to \$ 97/bbl and \$ 64/boe respectively in 2014.
3. Net Profit for the year increased by 15% to \$ 144 million (AED 528 million) as compared to \$ 125 million (AED 457 million) in 2014. Profitability was significantly impacted during the year due to sharp decline in hydrocarbon prices as mentioned above. However, in Q4 2015, profitability was boosted by a gain on settlement of RWE arbitration and sale of a 5% interest in Pearl Petroleum Company Limited (PPCL).



Summary of the Company's Performance for Year ended 31 December 2015 (continued):

4. Cash and bank balance at year-end stood at \$ 470 million (AED 1.7 billion) up from \$ 184 million (AED 674 million) at end of 2014. The key contributor to this increase was the cash received from RWE in November in consideration of the agreed settlement of the arbitration and a sale of 5% interest in PPCL. This offset a declining cash position caused by continued deficient payments from Kurdistan in combination with ongoing overhead costs and investment requirements in Egypt and the UAE.
5. The Company ended the year with an average production of 63,900 barrels of oil equivalent per day (boepd), a decrease of 7% compared to last year's production of 68,900 boepd. Production in Egypt was lower by 15% at 12.4 millions of barrel of oil equivalent (MMboe) compared to 14.6 MMboe in 2014, whereas production in Kurdistan increased by 3% to 10.7 MMboe as compared to 10.4 MMboe in 2014. Decline in production in Egypt followed a steady and predictable downward curve associated with normal field decline which was partially reversed when Balsam field production and well completions were brought on-stream in Q4 2015.
6. In Egypt, the Company collected \$ 125 million (AED 458 million), and hence realized 111% of its year's revenue. During the year the Company received cash of \$ 109 million (AED 400 million) (2014: \$ 163 million / AED 597 million) and EGAS/EGPC offset the Block-1 and Block-3 signature bonus of \$ 13 million (AED 47 million) and payables to government owned contractors of \$ 3 million (AED 11 million) against the amounts due to the Group. At the year end the trade receivable balance stood at \$ 221 million (AED 810 million) compared to \$ 233 million (AED 854 million) at end of 2014, an overall reduction of \$ 12 million (AED 44 million).
7. In the Kurdistan Region of Iraq, Dana Gas share of collections for the year 2015 stood at \$ 43 million (AED 158 million) compared to \$ 34 million (AED 125 million) in 2014. Upon expiry of the direct local sales contract, KRG commenced direct lifting of LPG and Condensate from 20 September and 7 October 2015, respectively from the Khor Mor plant through a nominated local contractor. At year end, Dana Gas 35% share of trade receivable balance stood at \$ 727 million (AED 2,665 million) – (Dana Gas 40% share in 2014: \$ 746 million / AED 2,734 million).

Dr. Patrick Allman-Ward
Chief Executive Officer

