

**Abu Dhabi National Energy Company PJSC
("TAQA")**

MANAGEMENT DISCUSSION & ANALYSIS
AND INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

30 SEPTEMBER 2011 (UNAUDITED)

**Abu Dhabi National Energy Company PJSC
("TAQA")**

MANAGEMENT DISCUSSION & ANALYSIS

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**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

30 SEPTEMBER 2011 (UNAUDITED)

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF ABU DHABI NATIONAL ENERGY COMPANY PJSC (“TAQA”)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Abu Dhabi National Energy Company PJSC (“TAQA”) and its subsidiaries (the “Group”) as at 30 September 2011, comprising of the interim consolidated statement of financial position as at 30 September 2011 and the related interim consolidated statements of income and comprehensive income for the three month period and nine month period then ended, and interim consolidated statement of changes in equity and cash flows for the nine month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Signed by:
Bassam E Hage
Partner
Ernst & Young
Registration No. 258

14 November 2011
Abu Dhabi

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONSOLIDATED INCOME STATEMENT

Period ended 30 September 2011 (Unaudited)

	<i>Three month period ended</i>		<i>Nine month period ended</i>	
	<i>30 September</i>		<i>30 September</i>	
<i>Notes</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>AED million</i>	<i>AED million</i>	<i>AED million</i>	<i>AED million</i>
Revenues				
Revenue from oil and gas	2,742	1,635	8,056	5,762
Revenue from electricity and water	1,927	1,595	5,400	4,668
Supplemental fuel revenue	1,158	1,527	4,157	3,785
Gas storage revenue	9	13	187	200
Net liquidated damages received	50	311	115	311
Other operating revenue	<u>282</u>	<u>120</u>	<u>828</u>	<u>392</u>
	<u>6,168</u>	<u>5,201</u>	<u>18,743</u>	<u>15,118</u>
Cost of sales				
Operating expenses	(2,368)	(2,225)	(7,823)	(6,916)
Depreciation, depletion, and amortisation	(1,363)	(1,102)	(3,937)	(3,271)
	<u>(3,731)</u>	<u>(3,327)</u>	<u>(11,760)</u>	<u>(10,187)</u>
GROSS PROFIT	2,437	1,874	6,983	4,931
Administrative and other expenses	(203)	(182)	(584)	(548)
Finance costs	(1,133)	(984)	(3,300)	(2,909)
Changes in fair value of derivatives	108	(79)	173	130
Net foreign exchange gains (losses)	123	(136)	53	21
Share of results of associates	105	69	249	188
Share of results of joint ventures	26	37	85	145
Gain from sale of joint venture	10	-	28	-
Gain from sale of land assets	6	-	80	-
Interest income	9	74	38	115
Other income	<u>22</u>	<u>6</u>	<u>46</u>	<u>21</u>
PROFIT BEFORE TAX	1,513	679	3,851	2,094
Income tax expense	3	<u>(702)</u>	<u>(2,017)</u>	<u>(759)</u>
PROFIT FOR THE PERIOD	<u>811</u>	<u>537</u>	<u>1,834</u>	<u>1,335</u>
Attributable to:				
Equity holders of the parent	537	218	1,124	676
Non-controlling interests	<u>274</u>	<u>319</u>	<u>710</u>	<u>659</u>
PROFIT FOR THE PERIOD	<u>811</u>	<u>537</u>	<u>1,834</u>	<u>1,335</u>
Basic earnings per share attributable to equity holders of the parent (AED)	4	<u>0.09</u>	<u>0.19</u>	<u>0.11</u>

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 September 2011 (Unaudited)

	<i>Three month period ended</i>		<i>Nine month period ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>AED million</i>	<i>AED million</i>	<i>AED million</i>	<i>AED million</i>
Profit for the period	<u>811</u>	<u>537</u>	<u>1,834</u>	<u>1,335</u>
Other comprehensive loss				
Changes in fair values of derivative instruments in cash flow hedges	(2,658)	(1,085)	(2,995)	(2,289)
Share of other comprehensive income of associates	(35)	(91)	(22)	(92)
Board of Directors' remuneration	-	-	(4)	(4)
Exchange differences arising on translation of overseas operations	(2,348)	861	(1,363)	458
Changes in fair value of available for sale investments	<u>(128)</u>	<u>-</u>	<u>(17)</u>	<u>-</u>
Other comprehensive loss for the period	<u>(5,169)</u>	<u>(315)</u>	<u>(4,401)</u>	<u>(1,927)</u>
Total comprehensive (loss) income for the period	<u>(4,358)</u>	<u>222</u>	<u>(2,567)</u>	<u>(592)</u>
Attributable to:				
Equity holders of the parent	(3,397)	146	(1,874)	(454)
Non-controlling interests	<u>(961)</u>	<u>76</u>	<u>(693)</u>	<u>(138)</u>
	<u>(4,358)</u>	<u>222</u>	<u>(2,567)</u>	<u>(592)</u>

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2011 (Unaudited)

	<i>Notes</i>	<i>30 September 2011 AED million</i>	<i>(Audited) 31 December 2010 AED million</i>
ASSETS			
Non-current assets			
Property, plant and equipment	6	78,169	78,651
Operating financial assets		4,548	4,879
Available for sale investments	7	1,027	947
Intangible assets	8	13,704	13,945
Investment in associates		334	314
Investment in joint ventures		782	814
Advance and loan to an associate		398	398
Other assets		<u>546</u>	<u>590</u>
		99,508	100,538
Current assets			
Inventories		2,914	2,115
Operating financial assets		1,237	449
Advance and loan to associates		811	921
Accounts receivable and prepayments		5,490	5,332
Cash and short-term deposits		<u>4,064</u>	<u>5,581</u>
Assets classified as held for sale	10	<u>14,516</u>	<u>14,398</u>
		<u>176</u>	<u>1,123</u>
		14,692	15,521
TOTAL ASSETS		<u>114,200</u>	<u>116,059</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued capital		6,225	6,225
Treasury shares		(293)	(293)
Equity contributed capital		341	341
Other reserves		3,881	3,881
Retained earnings		2,292	1,172
Proposed dividends	16	-	607
Foreign currency translation reserve		(1,150)	213
Cumulative changes in fair value of available for sale investments		163	180
Cumulative changes in fair value of derivatives		<u>(4,436)</u>	<u>(2,822)</u>
		7,023	9,504
Non-controlling interests		1,474	2,091
Loans from non-controlling interest shareholders in subsidiaries		1,258	891
Loan from Abu Dhabi Water and Electricity Authority (ADWEA)		<u>2,665</u>	<u>2,752</u>
Total equity		<u>12,420</u>	<u>15,238</u>
Non-current liabilities			
Investment in associate		11	203
Interest bearing loans and borrowings	11	70,200	72,855
Islamic loans	11	1,701	1,788
Deferred tax		4,509	4,657
Asset retirement obligations		7,320	6,557
Advances and loan from related parties		342	337
Loan from non-controlling interest shareholders in subsidiaries		94	119
Other liabilities		<u>7,401</u>	<u>5,132</u>
		91,578	91,648
Current liabilities			
Accounts payable, accruals and other liabilities		6,782	6,271
Interest bearing loans and borrowings	11	1,493	2,058
Islamic loans	11	123	118
Loans from non-controlling interest shareholders in subsidiaries		20	46
Amounts due to ADWEA and other related parties		614	461
Income tax payable		1,117	127
Bank overdrafts		<u>53</u>	<u>92</u>
		10,202	9,173
Total liabilities		<u>101,780</u>	<u>100,821</u>
TOTAL EQUITY AND LIABILITIES		<u>114,200</u>	<u>116,059</u>

DIRECTOR

DIRECTOR

CHIEF EXECUTIVE OFFICER

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY Nine month period ended 30 September 2011 (Unaudited)

Attributed to Equity Holders of the Parent

	Share capital AED million	Treasury shares AED million	Equity contributed capital AED million	Other reserves AED million	Retained earnings AED million	Proposed dividends AED million	Translation reserve AED million	Cumulative changes in fair value of available for-sale investments AED million	Cumulative changes in fair value of derivatives AED million	Total AED million	Non-controlling interests AED million	Loan from non-controlling interest shareholders in subsidiaries AED million	Loans from ADWEA AED million	Total equity AED million
Balance at 1 January 2010	6,225	(293)	25	3,677	1,222	607	(958)	(13)	(1,190)	9,302	2,154	689	265	12,410
Adjustment relating to acquisition of an associate and subsidiary	—	—	—	—	(226)	—	—	—	(578)	(804)	(408)	—	—	(1,212)
Profit for the period	6,225	(293)	25	3,677	996	607	(958)	(13)	(1,768)	8,498	1,746	689	265	11,198
Other comprehensive (loss) income for the period	—	—	—	—	676	—	—	—	—	676	659	—	—	1,335
	—	—	—	—	(4)	—	458	4	(1,588)	(1,130)	(797)	—	—	(1,927)
Total comprehensive income (loss) for the period	—	—	—	—	672	—	458	4	(1,588)	(454)	(138)	—	—	(592)
Dividends paid	—	—	—	—	—	(607)	—	—	—	(607)	—	—	—	(607)
Dividends paid to non-controlling interest shareholders in subsidiaries	—	—	—	—	—	—	—	—	—	—	(254)	—	—	(254)
Loans received from Abu Dhabi Water and Electricity Authority (ADWEA)	—	—	—	—	—	—	—	—	—	—	—	—	1,545	1,545
Loans received from non-controlling interest shareholders	—	—	—	—	—	—	—	—	—	—	—	414	—	414
Repayment of loans	—	—	—	—	—	—	—	—	—	—	—	(130)	(92)	(222)
Balance at 30 September 2010 (unaudited)	6,225	(293)	25	3,677	1,668	—	(500)	(9)	(3,356)	7,437	1,354	973	1,718	11,482
Balance at 1 January 2011	6,225	(293)	341	3,881	1,172	607	213	180	(2,822)	9,504	2,091	891	2,752	15,238
Profit for the period	—	—	—	—	1,124	—	—	—	—	1,124	710	—	—	1,834
Other comprehensive loss for the period	—	—	—	—	(4)	—	(1,363)	(17)	(1,614)	(2,998)	(1,403)	—	—	(4,401)
Total comprehensive income (loss) for the period	—	—	—	—	1,120	—	(1,363)	(17)	(1,614)	(1,874)	(693)	—	—	(2,567)
Dividends paid	—	—	—	—	—	(607)	—	—	—	(607)	—	—	—	(607)
Dividends paid to non-controlling interest shareholders in subsidiaries	—	—	—	—	—	—	—	—	—	—	(356)	—	—	(356)
Share capital injection by non-controlling interest shareholders in a subsidiary	—	—	—	—	—	—	—	—	—	—	432	—	—	432
Loans received from non-controlling interest shareholders in a subsidiary	—	—	—	—	—	—	—	—	—	—	—	432	—	432
Repayment of loans	—	—	—	—	—	—	—	—	—	—	—	(65)	(87)	(152)
Balance at 30 September 2011 (unaudited)	6,225	(293)	341	3,881	2,292	—	(1,150)	163	(4,436)	7,023	1,474	1,258	2,665	12,420

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

Abu Dhabi National Energy Company PJSC (“TAQA”)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Nine-Month Period Ended 30 September 2011 (Unaudited)

Notes	<i>Nine month period ended 30 September 2011 AED million</i>	<i>Nine month period ended 30 September 2010 AED million</i>
OPERATING ACTIVITIES		
	3,851	2,094
Profit before tax		
Adjustments for:		
Depreciation, depletion, and amortisation	3,937	3,271
Employee benefit obligations, net	(2)	-
Loss (gain) on exchange – loans and borrowings and operating financial assets	4	(1)
Exploration and evaluation costs derecognised during the period	122	95
Gain on sale of land assets	(80)	-
Gain on sale of joint venture	(28)	-
Interest expense and notional interest	2,993	2,675
Accretion expense	307	234
Share of results of associates	(249)	(188)
Share of results of joint venture	(85)	(145)
Unrealised gains on fair valuation of derivatives	(173)	(130)
Interest income	(38)	(115)
Working capital changes:		
Inventories	(670)	(82)
Account receivables and prepayments	(170)	(583)
Amounts due to ADWEA and other related parties	153	12
Accounts payable, accruals, and other liabilities	(366)	(692)
Income tax paid	(1,209)	(495)
Interest paid	(2,835)	(2,400)
Board of Directors' remuneration paid	(4)	(4)
Asset retirement obligations payment	(75)	(89)
Movement in operating financial assets	<u>253</u>	<u>203</u>
Net cash from operating activities	<u>5,636</u>	<u>3,660</u>
INVESTING ACTIVITIES		
Proceeds from sale of interest in joint venture	10	-
Proceeds from the sale of assets	6	-
Purchase of property, plant, and equipment	(4,458)	(1,527)
Purchase of subsidiary, net of cash acquired	40	(984)
Purchase of available for-sale investments	(97)	(48)
Purchase of operating financial assets	(744)	-
Dividend received from associates and joint ventures	137	134
Loan repayment by an associate	110	-
Loan to joint venture	-	(370)
Advances to a related party	-	(1,395)
Purchase of intangible assets	(118)	(225)
Interest received	38	115
Other assets	<u>-</u>	<u>354</u>
Net cash used in investing activities	<u>(3,762)</u>	<u>(3,946)</u>
FINANCING ACTIVITIES		
Interest-bearing loans and borrowings received	4,653	3,628
Repayment of Islamic loans	(83)	(82)
Repayment of interest-bearing loans and borrowings	(6,760)	(2,353)
Dividend paid to equity holders of the parent	(607)	(607)
Dividend paid to non-controlling interest shareholders	(356)	(233)
Loans received from ADWEA	-	1,041
Loans received from non-controlling interest shareholders	-	414
Repayment of loan from non-controlling interest shareholders	(116)	(175)
Repayment of loan from ADWEA	<u>(87)</u>	<u>(92)</u>
Net cash (used in) from financing activities	<u>(3,356)</u>	<u>1,541</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,482)	1,255
Net foreign exchange difference	4	62
Cash and cash equivalents at the beginning of the period	<u>5,489</u>	<u>4,282</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	9	5,599

The attached notes 1 to 18 form part of these interim condensed consolidated financial statements.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2011 (Unaudited)

1 CORPORATE INFORMATION

Abu Dhabi National Energy Company PJSC (“TAQA” or “the Company”) was established on 21 June 2005 pursuant to the provisions of Emiri Decree number 16/2005 as a public joint stock company with Abu Dhabi Water and Electricity Authority (“ADWEA”) as its founding shareholder and 100% owner. During the period from 23 July 2005 to 1 August 2005, 24.9% of TAQA’s shares were offered to the public on the Abu Dhabi Securities Exchange through an Initial Public Offering (“IPO”) and 24.1% were offered through a private offering with the remaining 51% interest holding in the Company retained by ADWEA and, accordingly, the Company is a subsidiary of ADWEA. During the third quarter of 2008, TAQA issued mandatory convertible bonds which were converted into ordinary shares. The current shareholding of ADWEA is 51.0%, Farmers’ Fund is 21.1%, public ownership and other governmental entities is 27.9%. The Company continues to be a subsidiary of ADWEA which was established pursuant to the provisions of Law 2 of 1998, concerning the regulation of the Water and Electricity Sector.

The principal activity of TAQA is to own and invest in companies engaged in power generation, water desalination and development, production and storage of oil and gas, in addition to other investments as considered appropriate to meet its objectives. TAQA’s registered head office is P O Box 55224, Abu Dhabi, United Arab Emirates.

The interim condensed consolidated financial statements of TAQA and its subsidiaries (“the Group”) were authorised for issuance by the Board of Directors on 14 November 2011.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the nine months ended 30 September 2011 have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*.

The interim condensed consolidated financial statements have been presented in United Arab Emirates Dirhams (“AED”), which is the functional currency of the Company. All values are rounded to the nearest million (AED million) except otherwise indicated.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2010. In addition, results for the nine month ended 30 September 2011 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2011.

2.2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2010, except for the adoption of the following new standards and interpretations as of 1 January 2011, as noted below:

- IAS 32 Financial Instruments: Presentation- Classification of Rights Issues (Amendment)
- IFRIC 14 Prepayments of a Minimum Funding Requirement (Amendment)
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments
- Improvements to IFRS (issued 2010)
 - IFRS 1 First Time Adoption of International Financial Reporting Standards
 - IFRS 3 Business Combinations
 - IFRS 7 Financial Instruments Disclosures
 - IAS 1 Presentation of Financial Statements
 - IAS 27 Consolidation and Separate Financial Statements
 - IAS 34 Interim Financial Reporting
 - IFRIC 13 Customer Loyalty Programmes

The adoption of the above standards and interpretations did not have a material effect on the financial position or performance of the Group.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2011 (Unaudited)

3 INCOME TAX

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	<i>2011</i> <i>AED million</i>	<i>2010</i> <i>AED million</i>	<i>2011</i> <i>AED million</i>	<i>2010</i> <i>AED million</i>
<i>Current income tax:</i>				
Current income tax charge	(670)	(187)	(1,915)	(418)
<i>Deferred income tax:</i>				
Relating to origination and reversal of temporary differences	<u>(32)</u>	<u>45</u>	<u>(102)</u>	<u>(341)</u>
Income tax expense	<u>(702)</u>	<u>(142)</u>	<u>(2,017)</u>	<u>(759)</u>

4 BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the profit attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of dilutive instruments.

The following reflects the income and share data used in the earnings per share computations:

	<i>Three months ended</i> <i>30 September</i>		<i>Nine months ended</i> <i>30 September</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
Profit for the period attributable to equity holders of the parent (<i>AED million</i>)	<u>537</u>	<u>218</u>	<u>1,124</u>	<u>676</u>
Weighted average number of ordinary shares issued (million)	<u>6,066</u>	<u>6,066</u>	<u>6,066</u>	<u>6,066</u>
Basic earnings per share (AED)	<u>0.09</u>	<u>0.04</u>	<u>0.19</u>	<u>0.11</u>

No figure for diluted earnings per share has been presented as the Company has not issued any instruments which would have an impact on earnings per share when exercised. The weighted average number of shares takes into account the treasury shares as at period end.

5 OPERATING SEGMENTAL INFORMATION

For management reporting purposes the Group is organised into business units based on their geography, products and services, and has five reportable operating segments as follows:

Power and Water Segment- U.A.E

This segment is engaged in generation of electricity and production of desalinated water for supply in UAE.

Power Segment – Others

This segment is primarily engaged in generation of electricity in Morocco, India, Ghana, Saudi Arabia and North America.

5 OPERATING SEGMENTAL INFORMATION continued

Oil and Gas Segment-North America

This segment comprises of the TAQA NORTH business unit and is engaged in Upstream and Midstream oil and gas activities in Canada and the United States.

Oil and Gas Segment-United Kingdom

This segment comprises of the TAQA Bratani business unit and is engaged primarily in Upstream oil and gas activities in the United Kingdom.

Oil and Gas Segment-Netherlands

This segment comprises of the TAQA Energy business unit and is engaged primarily in Upstream and Midstream oil and gas activities in the Netherlands.

No operating segments have been aggregated to form the above reportable segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Effective 2010, the power and water segment was further analysed into two segments: UAE and others, as management started monitoring the operating results of the UAE power and water separately from others. Segment performance is evaluated based on operating profit or loss. Group financing (including finance costs except for the subsidiaries involved in power and water generation with project financing arrangements and interest income) is managed on a group basis and is not allocated to operating segments.

Investment in certain associates with activities other than power and water generation and oil and gas and available for sale investments are managed on a group basis and are therefore not allocated to operating segments.

Loans and borrowings and Islamic loans except for the subsidiaries involved in power and water generation with project financing arrangements and bank overdrafts are managed on a group basis and are therefore not allocated to operating segments.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2011 (Unaudited)

5 OPERATING SEGMENTAL INFORMATION continued

The following table presents revenue and profit information for the Group’s operating segments for the nine months ended 30 September 2011 and 2010 respectively:

	Power & Water Generation UAE AED million	Power Generation - Others AED million	Oil and Gas - North America AED million	Oil and Gas - Netherlands AED million	Oil and Gas - UK AED million	Adjustments eliminations and unallocated AED million	Consolidated AED million
Period ended 30 September 2011:							
Revenue from external customers	6,482	3,250	3,401	1,046	4,564	-	18,743
Operating expenses	(2,453)	(2,599)	(1,278)	(497)	(1,000)	4	(7,823)
Administrative and other expenses	(35)	(75)	(268)	(35)	(65)	(106)	(584)
Share of results of associates	-	7	-	-	-	242	249
Share of results of joint venture	-	-	-	85	-	-	85
Earnings before interest, tax, depreciation and amortisation (EBITDA)	3,994	583	1,855	599	3,499	140	10,670
Depreciation, depletion, and amortisation	(1,072)	(72)	(1,654)	(247)	(863)	(29)	(3,937)
Earnings before interest and tax (EBIT)	2,922	511	201	352	2,636	111	6,733
Finance costs	(1,452)	(144)	(72)	(11)	(173)	(1,448)	(3,300)
Changes in fair value of derivatives	24	80	93	-	-	(24)	173
Net foreign exchange gains	-	55	5	1	21	(29)	53
Gain from sale of joint venture	-	28	-	-	-	-	28
Gain from sale of land assets	-	-	80	-	-	-	80
Interest income	37	1	-	4	2	(6)	38
Other income	1	16	-	-	10	19	46
Income tax (expense) credit	-	(135)	(113)	(85)	(1,831)	147	(2,017)
Profit for the period	1,532	412	194	261	665	(1,230)	1,834
Period ended 30 September 2010:							
Revenue from external customers	5,498	3,328	3,040	556	2,697	(1)	15,118
Operating expenses	(2,184)	(2,605)	(1,098)	(135)	(900)	6	(6,916)
Administrative and other expenses	(20)	(88)	(210)	(21)	(18)	(191)	(548)
Share of results of associates	-	10	-	-	-	178	188
Share of results of joint venture	-	54	-	91	-	-	145
Earnings before interest, tax, depreciation and amortisation (EBITDA)	3,294	699	1,732	491	1,779	(8)	7,987
Depreciation, depletion, and amortisation	(812)	(68)	(1,512)	(189)	(661)	(29)	(3,271)
Earnings before interest and tax (EBIT)	2,482	631	220	302	1,118	(37)	4,716
Finance costs	(1,142)	(136)	(41)	(7)	(165)	(1,418)	(2,909)
Changes in fair value of derivatives	(6)	153	(17)	-	-	-	130
Net foreign exchange gains	5	19	-	-	21	(24)	21
Interest income	38	6	3	4	-	64	115
Other income	1	20	-	-	-	-	21
Income tax (expense) credit	-	(217)	(58)	(21)	(607)	144	(759)
Profit for the period	1,378	476	107	278	367	(1,271)	1,335

The following table presents segment assets of the Group’s operating segments as at 30 September 2011 and 31 December 2010:

	Power and water generation - UAE AED million	Power generation- Others AED million	Oil and gas - North America AED million	Oil and gas - UK AED million	Oil and gas - Netherlands AED million	Adjustments, eliminations and unallocated AED million	Consolidated AED million
At 30 September 2011							
Investment in associates	-	51	-	-	-	283	334
Investment in joint venture	-	-	-	-	782	-	782
Assets classified as held for sale	-	-	176	-	-	-	176
Advance and loan to an associate	-	20	-	-	-	1,189	1,209
Operating financial assets	-	5,785	-	-	-	-	5,785
Other assets	55,141	4,143	31,505	8,648	4,557	1,920	105,914
Segment assets	55,141	9,999	31,681	8,648	5,339	3,392	114,200
At 31 December 2010							
Investment in associates	-	47	-	-	-	267	314
Investment in joint venture	-	-	-	-	814	-	814
Assets classified as held for sale	-	1,123	-	-	-	-	1,123
Advance and loan to an associate	-	20	-	-	-	1,299	1,319
Operating financial assets	-	5,328	-	-	-	-	5,328
Other assets	55,060	3,772	32,991	7,976	4,719	2,643	107,161
Segment assets	55,060	10,290	32,991	7,976	5,533	4,209	116,059

Abu Dhabi National Energy Company PJSC (“TAQA”)

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6 PROPERTY, PLANT AND EQUIPMENT

During the nine month period ended 30 September 2011 the Group acquired assets with a cost of AED 5,515 million (30 September 2010: AED 2,960 million), not including property, plant and equipment acquired through a business combination.

During the period, TAQA NORTH sold land assets located in the United States for AED 179 million resulting in a gain of AED 80 million recognised in the consolidated income statement. The carrying amount of the land assets was AED 82 million and the allocation of goodwill written off was AED 17 million (note 8).

7 AVAILABLE FOR SALE INVESTMENTS

	<i>At 30 September 2011 AED million</i>	<i>At 31 December 2010 AED million</i>
Listed – outside UAE	656	716
Unquoted investments – in UAE (note i)	11	-
Unquoted investment in managed fund – outside UAE	<u>360</u>	<u>231</u>
Total	<u>1,027</u>	<u>947</u>

Movement during the period is as follows:

	<i>Nine months ended 30 September</i>	
	<i>2011 AED million</i>	<i>2010 AED million</i>
At 1 January	947	159
Additions during the period	97	48
Changes in fair value during the period	<u>(17)</u>	<u>(6)</u>
At 30 September	<u>1,027</u>	<u>201</u>

(i) Investment in National Takaful Company (“Watania”)

During the nine month period ended 30 September 2011, the Company invested AED 11 million representing a 6.74% shareholding in Watania, a public shareholding company under incorporation in the emirate of Abu Dhabi. Watania is primarily engaged in the writing of takaful insurance, in accordance with Islamic Shari’a principles in addition to other activities considered appropriate to meet its objectives.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2011 (Unaudited)

8 INTANGIBLE ASSETS

	<i>Exploration and evaluation assets AED million</i>	<i>Tolling agreement AED million</i>	<i>Connection rights AED million</i>	<i>Goodwill AED million</i>	<i>Computer software AED million</i>	<i>Total AED million</i>
Cost:						
At 1 January 2011	1,371	836	1,388	10,359	64	14,018
Additions	118	-	-	-	-	118
Written off	(122)	-	-	(55)	-	(177)
Exchange adjustment	(64)	-	-	(334)	-	(398)
At 30 September 2011	<u>1,303</u>	<u>836</u>	<u>1,388</u>	<u>9,970</u>	<u>64</u>	<u>13,561</u>
Amortisation and impairment						
At 1 January 2011	-	122	191	-	20	333
Amortisation for the period	-	45	28	-	12	85
At 30 September 2011	-	<u>167</u>	<u>219</u>	-	<u>32</u>	<u>418</u>
Net book value before fair value adjustment:						
At 30 September 2011	<u>1,303</u>	<u>669</u>	<u>1,169</u>	<u>9,970</u>	<u>32</u>	<u>13,143</u>
Fair value adjustment (note 15.1(vi))	-	561	-	-	-	561
Net book value after fair value adjustment:						
At 30 September 2011	<u>1,303</u>	<u>1,230</u>	<u>1,169</u>	<u>9,970</u>	<u>32</u>	<u>13,704</u>
At 31 December 2010 (audited)	<u>1,371</u>	<u>974</u>	<u>1,197</u>	<u>10,359</u>	<u>44</u>	<u>13,945</u>

9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the interim consolidated statement of cash flows comprise the following amounts:

	<i>At 30 September 2011 AED million</i>	<i>At 30 September 2010 AED million</i>
Bank balances and cash	4,064	5,691
Bank overdrafts	<u>(53)</u>	<u>(92)</u>
	<u>4,011</u>	<u>5,599</u>

A significant non-cash transaction, which has been excluded from the consolidated statement of cash flows is as follows:

	<i>AED million</i>
Equity bridge loan settled through injection of share capital and shareholder loan in a partially owned subsidiary	<u>864</u>

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2011 (Unaudited)

10 ASSETS CLASSIFIED AS HELD FOR SALE

- (i) During the year ended 31 December 2010, the Group decided to divest its investment in the Marubeni TAQA Caribbean Ltd. (MTC) joint venture. Accordingly the MTC investment and related loan balances with a carrying value of AED 1,123 million as of 31 December 2010 were reclassified as assets held for sale in the annual financial statements in accordance with IFRS 5 (“Non-Current Assets Held For Sale And Discontinued Operations”). On 16 January 2011, TAQA sold its share of assets for a consideration of AED 1,151 million resulting in a gain of AED 28 million recognised in the consolidated income statement.
- (ii) During the period ended 30 September 2011, the Board of Directors approved the sale of certain non-core assets in the Minehead area in Canada. Accordingly, an amount of AED 176 million has been classified as held for sale in the statement of financial position. This amount represents primarily the net carrying amount of property, plant and equipment and allocated goodwill relating to the assets identified for disposal. The consideration for the sale of the assets is expected to be higher than the carrying amount.

11 INTEREST BEARING LOANS AND BORROWINGS AND ISLAMIC LOANS

Receipts:

During the period ended 30 September 2011, the Group’s subsidiaries made further draw downs amounting to AED 2,094 million to finance the construction of the power and water desalination plants. During the quarter ended 30 September 2011, TAQA NORTH borrowed CAD 735 million (AED 2,559 million) under its revolving facility agreement.

Repayments:

The Group made the following repayments during the period:

	<i>Nine months ended</i>	
	<i>30 September</i>	
	<i>2011</i>	<i>2010</i>
	<i>AED million</i>	<i>AED million</i>
Interest bearing loans and borrowings (<i>note i</i>)	<u>7,624</u>	<u>2,353</u>
Islamic loans	<u>83</u>	<u>82</u>

- (i) During the period ended 30 September 2011, the Group repaid the full amount outstanding on the CAD 1.0 billion revolving facility, amounting to AED 3.0 billion. The full amount is available to the Group as undrawn committed borrowings until May 2013.

12 SEASONALITY OF OPERATIONS

Due to higher electricity demand in the summer period in the United Arab Emirates, higher revenues and operating profits are usually expected for the power and water generation domestic subsidiaries in the second and third quarters of the year compared to the first and fourth quarters of the year.

Due to high demand for natural gas in Canada and Europe in the winter period, higher revenues and operating profits are usually expected in the first and fourth quarters of the year compared to the second and third quarters of the year. Revenue from European midstream operations is generated during the first and fourth quarters of the year.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2011 (Unaudited)

13 RELATED PARTY TRANSACTIONS

The following table provides a summary of significant related party transactions included in the interim consolidated statements of income during the period:

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>AED million</i>	<i>AED million</i>	<i>AED million</i>	<i>AED million</i>
<i>Fellow subsidiary (Abu Dhabi Water and Electricity Company):</i>				
Revenue from electricity and water	1,647	1,307	4,529	3,747
Supplemental fuel revenue	330	609	1,814	1,418

Compensation of key management personnel

For subsidiaries key management personnel are provided by operation and maintenance companies under contractual agreements with the controlled subsidiaries.

The remuneration of senior key management personnel of the Group during the nine month period was as follows:

	<i>Nine months ended</i>	
	<i>30 September</i>	
	<i>2011</i>	<i>2010</i>
	<i>AED million</i>	<i>AED million</i>
Short-term benefits	23	18
Post employment benefits	<u>11</u>	<u>2</u>
	<u>34</u>	<u>20</u>

14 COMMITMENTS

(i) Capital expenditure commitments

The authorised capital expenditure contracted for at 30 September 2011 but not provided for amounted to AED 1,313 million (31 December 2010: AED 1,213 million).

(ii) Operating lease commitments

Group as a lessor:

Future capacity payments to be received by the Group under the power and water purchase agreement (“PWPA”) based on projected plant availability as at 30 September 2011 amounts to AED 104.0 billion (31 December 2010: AED 106.3 billion).

Group as a lessee:

Future minimum rentals payable under non-cancellable operating leases as at 30 September 2011 amounts to AED 2.9 billion (31 December 2010: AED 3.2 billion).

(iii) Other commitments

- a) TAQA has entered into an agreement with an infrastructure fund managed by a third party and has committed to invest US \$200 million (AED 735 million) in the fund over a period of five years. As of 30 September 2011, an amount of AED 393 million (US \$107 million) (31 December 2010: AED 299 million (US \$81 million) was invested in the fund and has been treated as an available for sale investment.
- b) During 2009, Office National de l'Electricité (“ONE”), Jorf Lasfar Energy Company (“JLEC”) and TAQA signed a strategic partnership agreement to extend the capacity of JLEC by two new units of an approximate gross capacity of 350 Mw each. As per this agreement, JLEC or an affiliate will build, own, and operate the new units 5 and 6 under a 30-year power purchase agreement with ONE. The EPC contract has been signed which commits the Group to spend approximately AED 3,805 million in the construction of the facilities, out of which AED 781 million has been incurred as at 30 September 2011.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2011 (Unaudited)

14 COMMITMENTS continued

(iii) Other commitments continued

c) As of the reporting date TAQA Energy has entered into contracts under which it is committed to spend AED 1,073 million in the development of the Bergermeer gas storage project in the Netherlands. The commitments are however subject to final permitting and have not therefore been included within the capital commitments value disclosed above.

d) As at the reporting date TAQA North has entered into contractual commitments, mainly pipeline usage commitments under which they are committed to spend AED 691 million prior to 31 December 2015.

(iv) Contingencies

a) As a result of acquisitions made in prior periods, there are contingent liabilities arising from (a) tax assessments or proposed assessments and (b) certain other disputes, all of which are being contested. Pursuant to the Purchase and Sale Agreements between TAQA and the sellers, the sellers have provided TAQA and its subsidiaries with indemnity obligations with respect to such contingent liabilities for the periods prior to date of the respective acquisitions.

b) TAQA GEN X LLC (“LLC”) is the owner by assignment of a Fuel Conversion Services, Capacity and Ancillary Services Purchase Agreement dated as of September 17, 1999 (the “Tolling Agreement”) by and between AES Red Oak, L.L.C. (“AES”) and Williams Energy Marketing & Trading Company, as well as other ancillary rights and agreements. LLC entered into an Energy Management Agreement (“EMA”) and an ISDA Master Agreement (“ISDA”) both dated 28 December 2010 with Morgan Stanley Capital Group Inc. to manage the energy products under the Tolling Agreement and ancillary rights and agreements. At the end of the year, the Group guaranteed the obligations of LLC to Morgan Stanley Capital Group Inc. under the EMA and ISDA agreement. Payments under this guarantee shall not exceed US \$100 million (AED 367 million) over the life of the EMA.

15 FINANCIAL INSTRUMENTS

15.1 Hedging Activities

(i) Interest Rate Swaps- Cash flow hedges

In order to reduce its exposure to interest and profit rate fluctuations on the interest bearing loans and borrowings and Islamic loans the Group’s subsidiaries entered into interest rate swap arrangements with counter-party banks for notional amounts that match the outstanding interest bearing loans and borrowings and Islamic loans. The derivative instruments were designated as cash flow hedges. The following table summarises the outstanding notional amounts and the fair value position of the derivative instruments for each subsidiary as of 30 September 2011 and 31 December 2010:

Subsidiary	Notional amount		Assets		Derivative fair value	
	30 September	31 December	30 September	31 December	Liabilities	Liabilities
	2011	2010	2011	2010	2011	2010
	AED million	AED million	AED million	AED million	AED million	AED million
ECPC	1,360	1,415	-	-	223	204
GTTPC	3,086	3,165	-	43	604	414
SCIPCO	3,470	3,585	-	-	742	611
APC	2,782	2,935	-	-	533	325
TAPCO	6,737	7,041	-	-	1,229	841
ESWPC	4,252	4,375	-	-	986	675
FAPCO	5,906	5,922	-	-	2,088	1,153
RPC	6,090	7,035	-	-	1,717	922
	33,683	35,473	-	43	8,122	5,145

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2011 (Unaudited)

15 FINANCIAL INSTRUMENTS continued

15.1 Hedging Activities continued

(i) Interest Rate Swaps- Cash flow hedges continued

TAQA Corporate

In December 2010, the Group entered into cross currency interest rate swap agreements with a group of banks to hedge the Group’s foreign exchange exposure for a portion of the Euro bond amounting to EUR 197 million. The notional amount outstanding at 30 September 2011 was EUR 197 million (31 December 2010: EUR 197 million).

The derivative instrument had a positive fair value of AED 32 million as of 30 September 2011 which is included within other assets (31 December 2010: positive fair value of AED 26 million).

(ii) Hedge of net investment in foreign operations

Included in loans at 30 September 2011 is a borrowing of Euro 553 million (AED 2,719 million) (31 December 2010: Euro 553 million (AED 2,719 million)) which has been designated as a hedge of the net investment in the Netherlands subsidiary TAQA Energy BV and is being used to hedge the Group’s exposure to foreign exchange risk on this investment. During the period ended 30 September 2011, no loss or gain on the retranslation of this borrowing (30 September 2010: gain of AED 136 million) was transferred to equity to offset any gains or losses on translation of the net investment in this subsidiary.

There is no ineffectiveness in the period ended 30 September 2011 and period ended 30 September 2010.

(iii) Forward Foreign Exchange Contracts

Shuweihat CMS International Power Company PJSC (SCIPCO)

SCIPCO uses forward foreign exchange contracts to hedge its risk associated with foreign currency fluctuations relating to scheduled maintenance cost payments to an overseas supplier. The outstanding forward foreign exchange commitment at 30 September 2011 amounted to AED 392 million (31 December 2010: AED 435 million). The forward foreign exchange contracts qualified as cash flow hedge and accordingly changes in fair value is recorded in the consolidated statement of comprehensive income.

The derivative instrument had a positive fair value of AED 12 million representing the non-current derivative asset which has been disclosed in the statement of financial position under other assets (31 December 2010: AED 13 million).

Fujairah Asia Power Company PJSC (FAPCO)

FAPCO uses forward foreign exchange contracts to hedge its risk associated with foreign currency fluctuations relating to scheduled maintenance cost payments to an overseas supplier. The notional amount outstanding at 30 September 2011 was AED 452 million (31 December 2010: AED 498 million).

The derivative instrument had a positive fair value of AED 108 million, which has been included within other assets (31 December 2010: AED 103 million).

Ruwais Power Company PJSC (RPC)

RPC uses forward foreign exchange contracts to hedge its risk associated with foreign currency fluctuations relating to scheduled maintenance cost payments to an overseas supplier. The notional amount outstanding at 30 September 2011 was AED 519 million (31 December 2010: AED 730 million).

The derivative instrument had a negative fair value of AED 70 million, which has been included within accounts payable, accruals and other liabilities (31 December 2010: AED 84 million).

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2011 (Unaudited)

15 FINANCIAL INSTRUMENTS continued

15.1 Hedging Activities continued

(iv) Forward Sales Transactions – Cash flow hedges

TAQA NORTH

In order to reduce its exposure to commodity prices, the Company's wholly owned subsidiary TAQA NORTH utilizes derivative financial instruments, including zero cost collars, to mitigate the impact of crude oil and natural gas price fluctuations on highly probable forecast (sale) transactions. These commodity derivatives are designated as cash flow hedges; the effective portion of gains and losses being initially recorded in other comprehensive income and deferred in equity before being transferred to the income statement when the hedged transaction affects the income statement or the forecast transaction is no longer highly probable. Effectiveness is assessed only during those periods in which there is a change in intrinsic value of the hedging instrument. Changes in the time value of the options are excluded from the assessment of effectiveness and together with any ineffective portion of gains and losses are recognised directly in the income statement in each reporting period. The notional amount outstanding at 30 September 2011 was bbls 3.9 million of crude oil and GJ 1.8 million natural gas (31 December 2010: 3.4 million bbls of crude oil and GJ 1.8 million of natural gas). The positive fair market value of these instruments, as at 30 September 2011 was CAD 28 million (AED 99 million) (31 December 2010 negative fair market value of : CAD 11 million (AED 39 million)). The net realised and unrealised gain recognised in the income statement relating to such instruments is AED 93 million for the nine months ended 30 September 2011 (30 September 2010: nil).

(v) Interest Rate Swaps – Fair value hedges

In April 2010, the Group entered into interest rate swap agreements with a group of banks to hedge the changes in fair value of US\$ 1 billion Global Medium Term Notes (AED 3.7 billion) attributable to movements in the LIBOR rate component. Under the swap agreement, the group receives a fixed rate of interest of 6.6% and pays a variable rate equal to LIBOR plus margin on a notional amount. The swap has been designated as fair value hedge.

In March 2011, the Group entered into an early settlement agreement with the hedging institution to terminate those interest rate swaps resulting in a total gain of AED 79 million, out of which AED 20 million was recognised in the income statement during the period and the remaining balance deferred in the statement of financial position and amortised to income statement on monthly basis.

(vi) Other

TAQA GEN X LLC, a subsidiary of TAQA utilises derivative instruments, which include futures and forwards as a hedge strategy to manage the exposure of the underlying Tolling Agreement. Forward and future transactions are contracts for delayed delivery of commodity instruments in which the counterpart agrees to make or take delivery at a specified price.

As at 30 September 2011, the net fair value of exchange-traded derivative instruments was AED 139 million shown under accounts payable, accruals and other liabilities (31 December 2010: AED 193 million shown under other accounts receivable and prepayments). The net realised and unrealised losses recognised in the consolidated income statement relating to such instruments are AED 223 million for the period ended 30 September 2011 (30 September 2010: net unrealised gain of AED 47 million).

During the year ended 31 December 2010, the Tolling Agreement recognised as an intangible asset at acquisition was adjusted for the change in fair value for movements in the designated hedge risk in a fair value hedge relationship. The changes in the fair value of the Tolling Agreement for the period ended 30 September 2011 was a gain of AED 301 million (note 8) (30 September 2010: AED 106 million), which was recognised in the consolidated income statement.

Abu Dhabi National Energy Company PJSC (“TAQA”)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2011 (Unaudited)

15 FINANCIAL INSTRUMENTS continued

15.2 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	<i>Total</i> <i>AED million</i>	<i>Level 1</i> <i>AED million</i>	<i>Level 2</i> <i>AED million</i>	<i>Level 3</i> <i>AED million</i>
<i>At 30 September 2011</i>				
Financial assets measured at fair value				
Available-for-sale investments	1,027	656	-	371
Forward foreign exchange contracts	120	-	120	-
Commodity forward contracts	99	-	99	-
Cross currency interest rate swaps	32	-	32	-
Financial liabilities measured at fair value				
Interest rate swaps – hedged	8,122	-	8,122	-
Forward foreign exchange contracts	94	-	94	-
Futures and forward contracts	139	-	139	-
<i>At 31 December 2010</i>				
Financial assets measured at fair value				
Available-for-sale investments	947	716	-	231
Interest rate swaps	118	-	118	-
Forward foreign exchange contracts	116	-	116	-
Cross currency interest rate swaps	26	-	26	-
Futures and forward contracts	193	-	193	-
Financial liabilities measured at fair value				
Interest rate swaps – hedged	5,145	-	5,145	-
Forward foreign exchange contracts	84	-	84	-
Commodity forward contracts	39	-	39	-

16 DIVIDENDS

During the period ended 30 September 2011, dividends of AED 607 million (10 fils per share) were paid (2010: AED 607 million, 10 fils per share).

17 COMPARATIVE INFORMATION

Certain comparative figures were reclassified to conform to the current year presentation. Such reclassifications as discussed below have no effect on the profit or the equity of the Group.

- Investment in Noordgas transport previously shown under investment in associates has now been classified as investment in joint venture in the statement of financial position. The related share of results amounting to AED 91 million for the nine month period ended 30 September 2010 has also been reclassified from share of results of associates to share of results of joint ventures in the consolidated income statement.

18 EVENTS AFTER THE REPORTING DATE

On 17 October 2011, the Company entered into an agreement with Western Zagros Resources Ltd (“Western Zagros”) to purchase, through a private placement, 19.9% of issued and outstanding common shares of Western Zagros. The total value of the transaction is CAD \$46.6 million (AED 176 million). The transaction was completed on 25 October 2011. Western Zagros is an international resources company involved in acquiring properties and exploring for, developing and producing crude oil and gas in Iraq. Western Zagros’ shares is listed on the TSX Venture Exchange of Canada.