

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2016

30 SUBSIDIARIES AND JOINT ARRANGEMENTS (continued)

<i>Name of joint arrangement</i>	<i>Principal activities</i>	<i>Country of incorporation</i>	<i>Proportion of nominal value of issued shares controlled by the Company</i>	
			2016	2015
<i>Joint Ventures</i>				
Spie Capag – Petrofac International Ltd	Construction, operation and management of a training centre	Jersey	*50%	*50%
China Petroleum Petrofac Engineering Services Cooperatief UA	Consultancy for Petroleum and chemical engineering	Netherlands	49%	49%
Takatuf Petrofac Oman LLC	Construction, operation and management of a training centre	Oman	40%	40%
<i>Joint Operations</i>				
PetroAlfa Services Integrados de Energia SAPI d CV	Services to oil and gas industry	Mexico	*50%	*50%
Petro SPM Integrated Services S.A. de C.V	Production enhancement for Pánuco	Mexico	50% ^{#2}	50% ^{#2}
Bechtel Petrofac JV	Engineering, procurement and construction management of a project in UAE	Unincorporated	35% ^{#3}	35% ^{#3}
Petrofac/Daelim JV	EPC for a project in Oman	Unincorporated	50% ^{#3}	50% ^{#3}
Petrofac/Bonatti JV	EPC for a project in Algeria	Unincorporated	70% ^{#3}	70% ^{#3}
NGL-4 JV	EPC for a project in UAE	Unincorporated	45% ^{#3}	45% ^{#3}
Petrofac/Samsung/CB&I CFP	EPC for a project in Kuwait	Unincorporated	47% ^{#3}	47% ^{#3}

Please note that only active companies are shown in the above tables. All dormant companies have been omitted.

* Directly held by Petrofac International Ltd.

** Company consolidated as subsidiary on the basis of control.

^{#1} Joint arrangement classified as joint operation on the basis of contractual arrangement, whereby the activities of the arrangement are primarily designed for the provision of output to the venturers, this indicates that the venturers have rights to substantially all the economic benefits of the assets of the arrangement.

^{#2} Joint arrangement classified as joint operation on the basis of contractual arrangement between the joint venturers to be jointly and severally liable for performance under Panuco ISC.

^{#3} The unincorporated arrangement between the venturers is a joint arrangement, as contractually, all the decisions about the relevant activities require unanimous consent by the venturers and all unincorporated joint arrangements are included in the Group's results as joint operations.

The Company's interest in joint ventures is disclosed in note 10.

31 COMPARATIVES

An amount of US\$ 827,563 thousand earlier included under due to related parties in the consolidated statement of financial position has been re-classified to loans from related parties to conform with the presentation in the current year.

The above reclassification does not have any effect on the 2014 and 2015 consolidated financial statements and accordingly consolidated income statement for the year 2014 has not been presented.