

Petrofac International Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2016

10 INVESTMENTS IN JOINT VENTURES

	2016 US\$'000	2015 US\$'000
Spie Capag – Petrofac International Limited	2,083	2,083
China Petroleum Petrofac Engineering Services Cooperatif U.A.	579	1,078
Takatuf Petrofac Oman LLC	253	253
	<u>2,915</u>	<u>3,414</u>

The Group has a 50% interest in Spie Capag – Petrofac International Limited (2015: 50%), 49% interest in China Petroleum Petrofac Engineering Services Cooperatif U.A (2015: 49%) and 40% in Takatuf Petrofac Oman LLC (2015: 40%). The Group's interest in the joint ventures is accounted for using equity method in the consolidated financial statements.

Summarised financial information of the joint ventures, based on their IFRS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

	2016 US\$'000	2015 US\$'000
Revenue	-	102
Cost of sales	-	(1,682)
Gross profit	-	(1,580)
Selling, general and administration expenses	(1,018)	(1,171)
Income tax expense	-	(12)
Net loss	(1,018)	(2,763)
Group's share of loss for the year	(499)	(1,206)
Current assets	7,736	8,569
Non-current assets	8,655	5,531
Total assets	16,391	14,100
Current liabilities	10,411	7,113
Total liabilities	10,411	7,113
Net assets	5,980	6,987
Group's share of net assets	2,915	3,414

The joint ventures had no contingent liabilities or capital commitments as at 31 December 2016 and 2015. The joint ventures cannot distribute their profits until they obtain consent from the venturers.