

Petrofac International Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2016

12 ASSETS HELD FOR SALE (continued)

	2016 US\$'000	2015 US\$'000
<i>Liabilities associated with assets held for sale</i>		
Provision for decommissioning (note 24)	21,581	-
Trade and other payables (note 26)	13,459	-
	<u>35,040</u>	<u>-</u>

No gain or loss was recognised on the reclassification of these assets and liabilities as held for sale.

13 MATERIAL PARTY-OWNED SUBSIDIARY

Petrofac Emirates LLC is the only material partly-owned subsidiary in the Group and the proportion of the nominal value of issued shares controlled by the Group is disclosed in note 30.

Movement of non-controlling interest in Petrofac Emirates LLC

	2016 US\$'000	2015 US\$'000
At January	4,729	13,127
Profit for the year	12,941	4,321
Net unrealised losses on derivative financial instruments	8,570	(7,594)
Dividend paid	(1,080)	(5,125)
	<u>25,160</u>	<u>4,729</u>

The balance of non-controlling interests relate to other partly-owned subsidiaries that are not material to the Group.

Financial information of Petrofac Emirates LLC that has material non-controlling interests is provided below:

Summarised income statement

	2016 US\$'000	2015 US\$'000
Revenues	1,193,965	1,320,232
Cost of sales	(1,084,595)	(1,242,473)
Gross profit	<u>109,370</u>	<u>77,759</u>
Share of loss of associates	(10,550)	(7,586)
Other income	470	-
Selling, general and administration expenses	(5,544)	(13,513)
Finance income	(6,083)	965
Management fees	(35,899)	(40,343)
	<u>51,764</u>	<u>17,282</u>
Attributable to non-controlling interest	<u>12,941</u>	<u>4,321</u>
Unrealised losses on derivatives		
Unrealised losses on derivatives at 1 January	(82,416)	(52,043)
Other comprehensive income (loss) during the year	34,270	(30,373)
Unrealised losses on derivatives at 31 December	<u>(48,146)</u>	<u>(82,416)</u>