

# CHAIRMAN'S STATEMENT



2015 was a pivotal year for APICORP.

Over the course of twelve months, we looked both backwards, to celebrate the achievements of our proud 40-year history, and forwards, to formulate short, medium and long-term strategies to enable us to meet the challenges of tomorrow.

In 2015, while mindful of our mandate to facilitate the development of all Arab energy industries, we recognised the need to evolve as an organisation, in order to serve those industries better than ever before.

Our five-year business plan, approved in 2014, was designed specifically to enable us to modify both our existing business practices and our organisational culture - to bring us quickly into line with the norms of international best practice.

In 2015, we worked tirelessly to implement every aspect of our business plan, laying foundations that will give us the stability and flexibility we will require as an organisation to achieve another 40 years of operational excellence, and to deliver tangible benefits to all stakeholders.

As a result, we are better positioned than we have ever been to create value by harnessing our capabilities and properly leveraging our unique strengths.

In 2015, we conducted a top-to-bottom review of our organisation, improving governance structures, enhancing our commercial focus, creating strategic partnerships with internationally renowned financial institutions and cultivating a collective culture of shared purpose and drive.

Against a backdrop of global economic uncertainty, we again delivered profitability,

exceeding our financial targets and maintaining the high quality of our assets. We also maintained our Aa3 credit rating for long-term debt and Prime-1 rating for short-term debt from international ratings agency Moody's.

We achieved a net profit of \$107m, up \$2m on 2014. Earnings per share increased to \$108 from \$105 a year previously. Total shareholder equity increased from \$1.86bn to \$1.91bn over the same period.

At the end of 2015, our total assets were worth \$5.65bn, compared to \$5.88bn in 2014.

Our performance in 2015 was testament to all APICORP employees, who worked ceaselessly to put their expertise to use for the benefit of Arab energy industries.

Today, multilateral development bank APICORP is an organisation with which the world's biggest and best corporate entities, banks and governments want to work. Our reputation, based on 40 years of prudence and sound investment, is stellar.

Over the coming years, we will continue to play an ever more crucial role in the Arab energy industries – a sector of the global economy whose wellbeing is vital to the growth of all world economies.

We will continue to provide opportunities for high level knowledge sharing – such as the inaugural APICORP 2015 Energy Forum – and we will continue to provide financial and advisory support to Arab hydrocarbon projects wherever we are asked to do so.

Over the following pages, you will have the opportunity to read about our achievements in 2015, including the issuance of our first sukuk, our equity investments, our corporate finance activities and our initiatives to bring the very best out of every member of our staff.

As a result of our achievements in 2015, the APICORP General Assembly increased the company's subscribed share capital to \$2bn and declared a dividend payable to shareholders totalling \$40m.

These are exciting times for APICORP.

Thank you to everyone who made 2015 such a successful year.



**Dr Aabed al Saadoun**

