

Abu Dhabi Aviation

Review report and condensed consolidated
interim financial statements

30 June 2016

Principal business address:
P. O. Box 2723
Abu Dhabi
United Arab Emirates

Abu Dhabi Aviation

Condensed consolidated interim financial statements

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Independent auditors' report on review of condensed consolidated interim financial statements

The Shareholders
Abu Dhabi Aviation
Abu Dhabi
United Arab Emirates

Introduction

We have reviewed the accompanying 30 June 2016 condensed consolidated interim financial statements of Abu Dhabi Aviation (the "Company") and its subsidiaries (together referred to as the "Group"), which comprises:

- the condensed consolidated interim statement of financial position as at 30 June 2016;
- the condensed consolidated interim statement of profit or loss for the three-month and six-month periods ended 30 June 2016;
- the condensed consolidated interim statement of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2016;
- the condensed consolidated interim statement of changes in equity for the six-month period ended 30 June 2016;
- the condensed consolidated interim statement of cash flows for the six-month period ended 30 June 2016;
- notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial statements 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 condensed consolidated interim financial statements as at 30 June 2016 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

KPMG Lower Gulf Limited
Munther Dajani
Registration No. 268
Abu Dhabi
United Arab Emirates

17 JUL 2016

Abu Dhabi Aviation

Condensed consolidated interim statement of financial position

as at

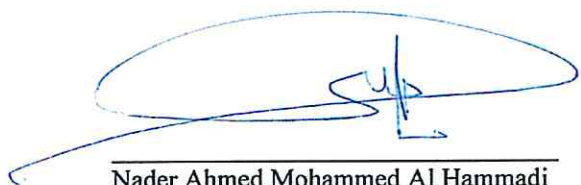
		30 June 2016 (unaudited) AED'000	31 December 2015 (audited) AED'000
Assets			
Non-current assets			
Property and equipment	4	2,886,007	2,865,793
Investment properties	5	168,420	181,940
Investments	6	-	15,893
Investments in joint ventures	7	40,817	39,967
Total non-current assets		<u>3,095,244</u>	<u>3,103,593</u>
Current assets			
Inventories		411,185	393,491
Trade receivables	8	499,401	594,702
Prepayments and other current assets		203,304	144,019
Cash and cash equivalents	9	362,777	357,019
Assets held for sale	10	77,634	77,634
Total current assets		<u>1,554,301</u>	<u>1,566,865</u>
Total assets		<u>4,649,545</u>	<u>4,670,458</u>
Equity			
Share capital	11	444,787	444,787
Share premium		112,320	112,320
Reserves		1,508,395	1,521,531
Retained earnings		392,650	329,807
Equity attributable to owners of the Company		<u>2,458,152</u>	<u>2,408,445</u>
Non-controlling interest		208,964	206,802
Total equity		<u>2,667,116</u>	<u>2,615,247</u>
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits		134,626	136,595
Non-current portion of term loans	12	937,725	807,418
Non-current portion of finance lease liabilities		116,848	117,332
Deferred income		469,738	495,543
Amount due to a related party		8,549	11,582
Total non-current liabilities		<u>1,667,486</u>	<u>1,568,470</u>

...Continued

Abu Dhabi Aviation

Condensed consolidated interim statement of financial position (*continued*)
as at

		30 June 2016 (unaudited) AED'000	31 December 2015 (audited) AED'000
	<i>Note</i>		
Current liabilities			
Trade and other payables		75,157	90,425
Accrued expenses and other current liabilities		151,546	198,094
Current portion of term loans	12	45,289	197,261
Current portion of finance lease liabilities		999	961
Bank overdraft	9	41,952	-
Total current liabilities		314,943	486,741
Total liabilities		1,982,429	2,055,211
Total equity and liabilities		4,649,545	4,670,458



Nader Ahmed Mohammed Al Hammadi
Chairman



Mohamed Ibrahim Al-Mazrouei
General Manager



Ashraf Fahmy
Chief Financial Officer

The notes set out on pages 9 to 16 form an integral part of these condensed consolidated interim financial statements.

The independent auditors' report on review of these condensed consolidated interim financial statements is set out on page 1.

Abu Dhabi Aviation

Condensed consolidated interim statement of profit or loss (unaudited) for the period ended

	Three months ended 30 June		Six months ended 30 June		
	Notes	2016 AED'000	2015 AED'000	2016 AED'000	2015 AED'000
Revenue		467,944	518,033	907,693	959,110
Direct operating costs		(343,043)	(393,923)	(690,231)	(732,578)
Gross profit		124,901	124,110	217,462	226,532
General and administrative expenses		(54,094)	(65,676)	(95,228)	(112,120)
Income from investment property		1,351	1,666	2,852	3,164
Property rental expense		(688)	(612)	(1,305)	(1,188)
Loss / gain on disposal of property and equipment		(197)	1,002	(720)	382
Gain on disposal of assets held for sale		-	-	-	1,100
Amortisation of deferred income		12,902	12,903	25,805	25,806
Share of profit of a joint venture		181	36	774	442
Finance income		21	729	334	1,768
Finance costs		(6,350)	(7,467)	(12,704)	(14,128)
Other income		1,147	703	3,779	4,908
Profit for the period		79,174	67,394	141,049	136,666
Profit for the period attributable to:					
Owners of the Company		74,687	64,120	138,887	128,947
Non-controlling interests		4,487	3,274	2,162	7,719
		79,174	67,394	141,049	136,666
Basic and diluted earnings per share (AED) 13		0.17	0.14	0.31	0.29

The notes set out on pages 9 to 16 form an integral part of these condensed consolidated interim financial statements.

The independent auditors' report on review of these condensed consolidated interim financial statements is set out on page 1.

Abu Dhabi Aviation

Condensed consolidated interim statement of profit or loss and other
comprehensive income (unaudited)
for the period ended

	Three months ended 30 June		Six months ended 30 June		
	Note	2016 AED'000	2015 AED'000	2016 AED'000	2015 AED'000
Profit for the period		79,174	67,394	141,049	136,666
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Loss on sale of investments at fair value through other comprehensive income		-	-	(46)	-
Items that are or may be reclassified subsequently to profit or loss					
Exchange difference arising on the translation of investment property	5	(9,360)	7,904	(13,520)	1,729
Other comprehensive income for the period		(9,360)	7,904	(13,566)	1,729
Total comprehensive income for the period		69,814	75,298	127,483	138,395
Total comprehensive income attributable to:					
Owners of the Company		65,327	72,024	125,321	130,676
Non-controlling interests		4,487	3,274	2,162	7,719
		69,814	75,298	127,483	138,395

The notes set out on pages 9 to 16 form an integral part of these condensed consolidated interim financial statements.

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Condensed consolidated interim statement of changes in equity for the period ended

	Share capital AED'000	Share premium AED'000	Reserves AED'000	Retained earnings AED'000	Equity attributable to owners of the Company AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2015 (audited)	444,787	112,320	1,434,163	207,835	2,199,105	213,597	2,412,702
Profit for the period	-	-	-	128,947	128,947	7,719	136,666
Other comprehensive income for the period	-	-	1,729	-	1,729	-	1,729
Total comprehensive income	-	-	1,729	128,947	130,676	7,719	138,395
Dividends (note 14)	-	-	-	(53,374)	(53,374)	-	(53,374)
Acquisition of shares of a non-controlling shareholder	-	-	1,207	(9,545)	(8,338)	(17,036)	(25,374)
Balance at 30 June 2015 (unaudited)	444,787	112,320	1,437,099	273,863	2,268,069	204,280	2,472,349
Balance at 1 January 2016 (audited)	444,787	112,320	1,521,531	329,807	2,408,445	206,802	2,615,247
Profit for the period	-	-	-	138,887	138,887	2,162	141,049
Other comprehensive income for the period	-	-	(13,566)	-	(13,566)	-	(13,566)
Total comprehensive income	-	-	(13,566)	138,887	125,321	2,162	127,483
Dividends (note 14)	-	-	-	(75,614)	(75,614)	-	(75,614)
Transfer of reserve to retained earnings	-	-	430	(430)	-	-	-
Balance at 30 June 2016 (unaudited)	444,787	112,320	1,508,395	392,650	2,458,152	208,964	2,667,116

The notes set out on pages 9 to 16 form an integral part of these condensed consolidated interim financial statements.

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Condensed consolidated interim statement of cash flows (unaudited) for the period ended

	Note	Six months ended 30 June	
		2016 AED'000	2015 AED'000
Cash flows from operating activities			
Profit for the period		141,049	136,666
<i>Adjustments for:</i>			
- Depreciation		84,031	100,082
- Impairment losses on trade receivables		2,636	-
- Impairment for obsolete and slow moving inventories		(1,125)	12,000
- Recovery of impaired trade receivables		-	(723)
- Provision for employees' end of service benefits		11,412	10,743
- Amortisation of deferred income		(25,805)	(25,806)
- Loss / (gain) on sale of investment		46	(1,282)
- Loss / (gain) on disposal of property and equipment		720	(382)
- Gain on disposal of assets held for sale		-	(1,100)
- Share of profit of a joint venture		(774)	(442)
- Finance costs		12,704	14,128
- Finance income		(334)	(1,768)
		<u>224,560</u>	<u>242,116</u>
Changes in:			
- Inventories		(16,569)	(26,581)
- Trade receivables		92,665	(374,142)
- Prepayments and other current assets		(59,285)	93,643
- Trade and other payables		(15,268)	(20,123)
- Accrued expenses and other current liabilities		(46,548)	41,803
		<u>179,555</u>	<u>(43,284)</u>
Cash generated from operating activities		179,555	(43,284)
Employees' end of service benefits paid		(13,381)	(3,414)
		<u>166,174</u>	<u>(46,698)</u>
Net cash from / (used in) operating activities		166,174	(46,698)

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Abu Dhabi Aviation

Consolidated statement of cash flows (unaudited) *(continued)* for the period ended

	Note	Six months ended 30 June	
		2016 AED'000	2015 AED'000
Cash flows from investing activities			
Acquisition of property and equipment		(104,968)	(98,168)
Payments for investment in a joint venture		(76)	-
Purchase of NCI's share		-	(14,836)
Proceeds from disposal of property and equipment		3	15,168
Proceeds from disposal of assets held for sale		-	19,328
Proceeds from disposal of investments		15,847	58,139
Finance income received		334	1,768
Decrease in margin deposits		-	986
Net cash used in investing activities		(88,860)	(17,615)
Cash flows from financing activities			
Proceeds from term loans		47,891	-
Repayment of term loans		(69,556)	(26,204)
Decrease in due to a related party		(3,033)	(13,918)
Payments for finance lease liabilities		(446)	(406)
Dividends paid		(75,614)	(53,374)
Finance cost paid		(12,750)	(14,128)
Net cash used in financing activities		(113,508)	(108,030)
Net decrease in cash and cash equivalents		(36,194)	(172,343)
Cash and cash equivalents at 1 January		356,033	176,774
Cash and cash equivalents at 30 June	9	319,839	4,431

The notes set out on pages 9 to 16 form an integral part of these consolidated financial statements.

The independent auditors' report on review of these condensed consolidated interim financial statements is set out on page 1.

Abu Dhabi Aviation

Notes to the condensed consolidated interim financial statements for the period ended 30 June 2016

1 Legal status and principal activities

Abu Dhabi Aviation (the “Company”) is a national shareholding company incorporated in Abu Dhabi, United Arab Emirates by the Decrees and Laws No. 3, No. 10, No. 8, No. 9 and No. 11 of the years 1982, 1985, 1999, 2003 and 2004, respectively. The Company’s shares are listed on the Abu Dhabi Securities Exchange.

The Company and its subsidiaries (together referred to as the “Group”) have been established to own and operate helicopters and fixed wing aircraft both within and outside the United Arab Emirates and to undertake charter, commercial, air cargo and other related services. The Company has its registered office at P.O. Box 2723, Abu Dhabi, United Arab Emirates.

2 Basis of preparation

(a) *Statement of compliance*

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2015 (‘last annual financial statements’). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last financial statements.

UAE Federal Law No. (2) of 2015 being the Commercial Companies Law (“UAE Companies Law of 2015”) was issued on 1 April 2015 to come into force on 1 July 2015 repealing the old UAE Federal Law No. 8 of 1984 (as amended). Companies are mandated to comply with the UAE Companies Law of 2015 by 30 June 2017.

(b) *Basis of measurement*

These condensed consolidated interim financial statements have been prepared on the historical cost basis, except for investments and investment properties, which are carried at fair value.

(c) *Functional and presentation currency*

These condensed consolidated interim financial statements are presented in United Arab Emirates Dirhams (“AED”), which is the Company’s functional and presentational currency. All values are rounded to the nearest AED thousands, except when otherwise indicated.

(d) *Use of estimates and judgments*

The preparation of condensed consolidated interim financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in these condensed consolidated interim financial statements are described in note 4 of the consolidated financial statements of the Group as at and for the year ended 31 December 2015.

Abu Dhabi Aviation

Notes to the condensed consolidated interim financial statements for the period ended 30 June 2016

3 Significant accounting policies

The accounting policies applied by the Group in the presentation of these condensed consolidated interim financial statements are consistent with those applied by the Group in its audited financial statements as at and for the year ended 31 December 2015, except for the adoption of new standards and interpretations effective as of 1 January 2016.

The adoption of the new and amended standards and interpretations did not have any material impact on the financial position or performance of the Group during the period.

The condensed consolidated interim financial statements incorporate the financial position and performance of the Company and its subsidiaries as disclosed below.

Name of subsidiary	Ownership interest		Country of incorporation	Principal activity
	30 June 2016	31 December 2015		
Maximus Air L.L.C.*	100%	100%	UAE	Air cargo
Royal Jet L.L.C.	50%	50%	UAE	Commercial air and transportation services
Herbal Hill Gardens Limited	100%	100%	Gibraltar	Investment property ownership
ADA Real Estate Management and General Maintenance L.L.C.	100%	100%	UAE	Real estate and facilities
Maximus Airlines L.L.C.*	100%	100%	Ukraine	Air cargo services

* Effective 1 January 2015, the Group acquired additional 5% ownership interest in Maximus Air L.L.C. and Maximus Airlines L.L.C. increasing its ownership from 95% to 100%.

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2016, and have not been applied in preparing these condensed consolidated interim financial statements except for early adoption of IFRS 9 by the Group in 2009. Adoption of these new standards, amendments to standards and interpretations, except IFRS 15 'Revenue from Contracts with Customers', may not have any material impact on the consolidated financial statements of the Group in the period of initial application.

4 Property and equipment

During the period ended 30 June 2016, the Group incurred AED 105 million (31 Dec 2015: AED 402.6 million) on the acquisition of property and equipment. Depreciation of property and equipment during this period amounted to AED 84 million (30 June 2015: AED 100.1 million).

During the period ended 30 June 2016, the Group disposed of certain assets with a carrying amount of AED 723 thousand for total proceeds of AED 3 thousand.

Property and equipment is primarily operated from the Group's base in the U.A.E.

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Notes to the condensed consolidated interim financial statements for the period ended 30 June 2016

5 Investment properties

Investment properties represent investment in a property of Royal Jet L.L.C. located in Khalifa City, Abu Dhabi and a property of the Company located in London, United Kingdom. Property in London is registered in the name of Herbal Hill Gardens Limited, a company incorporated in Gibraltar for the purpose of owning the investment property and wholly owned by the Group.

	30 June 2016 (unaudited) AED'000	31 Dec 2015 (audited) AED'000
Balance at 1 January	181,940	178,590
Increase in fair value - Khalifa City	-	2,700
Increase in fair value - London	-	7,072
Net foreign currency exchange difference	(13,520)	(6,422)
	<u>168,420</u>	<u>181,940</u>

The fair value of the investment properties was arrived at on the basis of a valuation carried out on 31 December 2015, by independent valuers not connected with the Group. The valuers are members of a professional valuers' association, with appropriate qualifications and recent experience in the valuation of properties at the relevant locations. Management believes that there is no significant change in fair value of investment properties as at 30 June 2016.

The fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. As at 30 June 2016, all of the Group's investment properties were grouped in Level 2 of fair value hierarchy (31 December 2015: Level 2).

6 Investments

	30 June 2016 (unaudited) AED'000	31 Dec 2015 (audited) AED'000
Financial assets at fair value through other comprehensive income	-	15,893

As at 31 December 2015, all of the Group's investments were grouped in level 1 of fair value hierarchy (quoted prices in active markets for identical assets or liabilities).

Balance at 1 January	15,893	72,888
Purchase of investments	-	18,241
Disposal of investments	(15,847)	(75,089)
Decrease in fair value	-	(147)
Loss on sale of investments	(46)	-
	<u>-</u>	<u>15,893</u>

The Group's investments in securities represented UAE listed securities.

Managed funds	-	15,893
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Abu Dhabi Aviation

Notes to the condensed consolidated interim financial statements for the period ended 30 June 2016

7 Investment in a joint venture

The Group has a 70% equity shareholding with equal voting power in AgustaWestland Aviation Services L.L.C., a joint venture established in the Emirate of Abu Dhabi, UAE as a limited liability company. AgustaWestland Aviation Services L.L.C. is engaged to undertake repairs, overhaul, customisation, modification and upgrading of helicopters; and sale of helicopter spare parts and accessories. The Group's share of the results, assets and liabilities as at 30 June 2016 have been accounted for using the equity method.

During the period the Group has set up a joint venture, ADA Millennium Consulting L.L.C., in the Emirate of Abu Dhabi, UAE as a limited liability company. ADA Millennium Consulting L.L.C. provides advisory and implementation consultancy services to aviation, manufacturing, hospitality, Oil and gas and private equity sectors.

8 Trade receivables

	30 June 2016 (unaudited) AED'000	31 Dec 2015 (audited) AED'000
Trade receivables (net of provisions)	465,769	579,194
Due from related parties	33,632	15,508
	<u>499,401</u>	<u>594,702</u>

9 Cash and cash equivalents

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

	30 June 2016 (unaudited) AED'000	31 Dec 2015 (audited) AED'000
Short-term deposits	195,842	71,905
Bank current accounts	165,745	283,432
Cash in hand	1,190	1,682
	<u>362,777</u>	<u>357,019</u>
Cash and cash equivalents in the condensed consolidated interim statement of financial position	362,777	357,019
Less: margin deposit	(986)	(986)
Less: bank overdrafts used for cash management purposes	(41,952)	-
	<u>319,839</u>	<u>356,033</u>
Cash and cash equivalents in the condensed consolidated interim statement of cash flows	319,839	356,033

Cash and cash equivalents include an amount of AED 10.2 million (31 December 2015: AED 9.1 million) held in foreign banks abroad and the remaining balance is held within the UAE.

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Notes to the condensed consolidated interim financial statements for the period ended 30 June 2016

10 Assets held for sale

As at 31 December 2015, the Group was in the process of finalizing the sale of a commercial aircraft with a net carrying value of AED 89 million. An impairment of AED 11.4 million was recognised on the reclassification of the aircraft and the remaining net realisable value of AED 77.6 million was presented as assets held for sale as at 31 December 2015. There has been no change in asset held for sale during the period ended 30 June 2016.

11 Share capital

	30 June 2016 (unaudited) AED'000	31 Dec 2015 (audited) AED'000
Issued and fully paid:		
444,787,000 shares of AED 1 each	444,787	444,787

12 Term loans

Borrowings and repayments made against facilities of the Group are in accordance with the terms disclosed in the consolidated financial statements for the year ended 31 December 2015 except for AED 1.3 billion term loan facility, the repayment of which the Group has agreed with the bank to defer for a period of two years. This had been agreed with the bank in principal as of 30 June 2016 and is in the process of being formalised. Accordingly it has been classified as a non-current liability.

13 Basic and diluted earnings per share

Earnings per share amounts are calculated by dividing the profit for the period attributable to shareholders of the Company by the weighted average number of shares outstanding during the period.

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

	Three months ended 30 June		Six months ended 30 June	
	2016 (unaudited) AED'000	2015 (unaudited) AED'000	2016 (unaudited) AED'000	2015 (unaudited) AED'000
Profit attributable to owners of the Company	74,687	64,120	138,887	128,947
Weighted average number of shares in issue	444,787	444,787	444,787	444,787
Earnings per share (AED)	0.17	0.14	0.31	0.29

The Group does not have potentially dilutive shares and accordingly, diluted earnings per share is equal to basic earnings per share.

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Notes to the condensed consolidated interim financial statements for the period ended 30 June 2016

14 Dividends

Cash dividends of AED 0.17 per ordinary share (17% of par value) amounting to AED 75.6 million was approved by the shareholders at the annual general meeting held on 8 March 2016.

15 Contingent liabilities

As at 30 June 2016, the Group had outstanding contingent liabilities in respect of letters of guarantee amounting to AED 142.6 million (31 December 2015: AED 140 million).

16 Commitments

Capital commitments

As at 30 June 2016, the Group had estimated commitments for the acquisition of property and equipment of AED 138.4 million (31 December 2015: AED 108.4 million).

Operating commitments

The Group is committed to pay annual maintenance fees of AED 750,000 over the lease term of the related residential complex which falls due as follows.

	30 June 2016 (unaudited) AED'000	31 Dec 2015 (audited) AED'000
Due in less than one year	750	750
Later than one but not later than five years	3,000	3,000
Later than five years	14,625	15,000
	<u>18,375</u>	<u>18,750</u>

17 Segment information

Information regarding the Group's operating segments is set out below in accordance with IFRS 8 *Operating Segments*. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

For operating purposes, the Group is organised into four major business segments:

- (i) Helicopter and fixed wing operations, which provides charter flights and third party maintenance;
- (ii) Commercial aircraft operations, which provides commercial air transportation and aircraft management;
- (iii) Air cargo, which provides air cargo services to local and international customers using its fleet of aircrafts and chartered aircraft; and
- (iv) Investments, which involves the management of the Group's investment portfolio.

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Notes to the condensed consolidated interim financial statements for the period ended 30 June 2016

17 Segment information (continued)

These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at rates determined by management taking into consideration the cost of funds.

Information regarding these segments is presented below:

	Helicopter and fixed wing operations AED'000	Commercial aircraft operations AED'000	Air cargo AED'000	Investments AED'000	Eliminations AED'000	Group AED'000
30 June 2016 (unaudited)						
Revenue	<u>404,753</u>	<u>186,503</u>	<u>317,265</u>	<u>-</u>	<u>(828)</u>	<u>907,693</u>
Profit for the period	<u>60,449</u>	<u>4,324</u>	<u>74,729</u>	<u>1,547</u>	<u>-</u>	<u>141,049</u>
30 June 2015 (unaudited)						
Revenue	<u>422,564</u>	<u>236,838</u>	<u>300,041</u>	<u>-</u>	<u>(333)</u>	<u>959,110</u>
Profit for the period	<u>63,087</u>	<u>15,439</u>	<u>56,164</u>	<u>1,976</u>	<u>-</u>	<u>136,666</u>

The segment assets and liabilities were as follows:

30 June 2016 (unaudited)						
Assets	<u>2,913,436</u>	<u>1,549,208</u>	<u>580,749</u>	<u>168,420</u>	<u>(562,268)</u>	<u>4,649,545</u>
Liabilities	<u>767,392</u>	<u>1,173,226</u>	<u>59,777</u>	<u>-</u>	<u>(17,966)</u>	<u>1,982,429</u>
31 December 2015 (audited)						
Assets	<u>2,999,395</u>	<u>1,524,995</u>	<u>510,106</u>	<u>197,833</u>	<u>(561,871)</u>	<u>4,670,458</u>
Liabilities	<u>839,734</u>	<u>1,153,337</u>	<u>79,046</u>	<u>-</u>	<u>(16,906)</u>	<u>2,055,211</u>

The Group operates primarily from its base in the United Arab Emirates and accordingly no further geographical analysis of revenues, profit, fair value gains, assets and liabilities is given.

Abu Dhabi Aviation

Notes to the condensed consolidated interim financial statements for the period ended 30 June 2016

18 Related parties

The Group, in the ordinary course of business, enters into transactions, at agreed terms and conditions, with related parties. Related parties comprise of the Group's shareholders, directors, senior management and businesses controlled by them and their families or over which they exercise significant management influence as well as key management personnel.

Significant transactions with related parties during the period were as follows:

	Three months ended 30 June		Six months ended 30 June	
	2016 (unaudited) AED'000	2015 (unaudited) AED'000	2016 (unaudited) AED'000	2015 (unaudited) AED'000
Revenue	<u>54,215</u>	<u>24,548</u>	<u>103,911</u>	<u>59,760</u>
Finance cost on finance lease of aircraft	<u>51</u>	<u>60</u>	<u>132</u>	<u>184</u>
Key Management Compensation				
Salaries and other short term employee benefits	<u>3,622</u>	<u>2,067</u>	<u>7,359</u>	<u>6,285</u>
Directors' fees	<u>1,615</u>	<u>1,700</u>	<u>4,486</u>	<u>3,634</u>
Provisions for employees' end of service benefits	<u>184</u>	<u>181</u>	<u>542</u>	<u>358</u>

19 Comparative figures

Certain comparative amounts have been reclassified to conform to the current period's presentation.

20 Approval of condensed consolidated interim financial statements

The condensed consolidated interim financial statements were approved by management and authorised for issue by the Board of Directors on 17 July 2016.