

WATER- EN ENERGIEBEDRIJF ARUBA (W.E.B.) N.V.
Financial statements 2016 prepared under Dutch GAAP

Balance sheet as of 31 december, 2016

(before appropriation of result)

	December 31, 2016	December 31, 2015
(in Aruban florin)		
Non current assets		
Intangible assets	2,845,634	2,172,102
Tangible fixed assets	451,801,779	476,646,031
Current assets		
<i>Inventories</i>		
Materials in stock	8,922,510	8,560,959
Raw materials and consumables	5,351,209	5,061,562
	<u>14,273,719</u>	<u>13,622,521</u>
Trade and other receivables	78,196,031	79,650,295
Cash and cash equivalents	69,848,632	7,684,853
Total assets	<u><u>616,965,795</u></u>	<u><u>579,775,802</u></u>
Shareholder's equity		
Issued and paid-in capital	139,496,675	139,496,675
Retained earnings	170,024,577	128,293,809
Hedging reserve	(36,134,785)	(154,670,358)
Undistributed result for the year	27,596,584	41,730,768
	<u>300,983,051</u>	<u>154,850,894</u>
Provisions		
Provision for employee benefits	7,491,634	7,123,718
Deferred income tax liability	24,944,987	23,852,731
Provision for claims	8,953,656	3,951,828
	<u>41,390,277</u>	<u>34,928,277</u>
Non current liabilities		
Financial liability - derivatives designated as hedges	3,091,310	54,947,077
Loans	157,440,803	132,956,755
Deposit	5,769,051	5,689,913
	<u>166,301,164</u>	<u>193,593,745</u>
Current liabilities		
Financial liability - derivatives designated as hedges	33,043,475	99,723,281
Bank overdrafts	0	8,741,404
Short term portion of loans	19,727,373	25,718,749
Trade payables	38,128,363	41,835,030
Profit tax	6,790,807	69,347
Other liabilities	10,601,285	20,315,075
	<u>108,291,303</u>	<u>196,402,886</u>
Total equity and liabilities	<u><u>616,965,795</u></u>	<u><u>579,775,802</u></u>

Income statement for 2016

	2016	2015
(in Aruban florin)		
Revenue from operations		
Sale of electricity	339,173,543	344,714,822
Sale of water	108,321,217	106,211,062
Other revenues	<u>7,450,533</u>	<u>3,092,083</u>
Total operating revenue	454,945,293	454,017,967
Fuel expenses	185,985,749	197,375,203
Electricity expenses - purchase from Windpark Vader Piet N.V.	24,661,502	29,716,928
Electricity expenses -purchase from others	2,123,494	2,208,653
Water expenses - purchase	14,787,562	11,340,632
Chemicals and gases expenses	7,438,588	7,300,821
Personnel expenses	52,024,785	49,300,270
Depreciation, amortization expenses and impairments	53,865,781	36,906,484
Maintenance expenses	42,872,143	34,694,240
Other operating expenses	<u>20,272,969</u>	<u>19,568,794</u>
Total operating expenses	404,032,573	388,412,025
Operating result	50,912,720	65,605,942
Financial expenses		
Net financing costs	9,420,275	11,041,412
Other financial expenses	<u>4,914,712</u>	<u>707,596</u>
	14,334,987	11,749,008
Result before tax	36,577,733	53,856,934
Income tax expense	8,981,149	12,126,166
Result for the year	<u>27,596,584</u>	<u>41,730,768</u>

Cash flow statement for 2016

	2016	2015
(in Aruban florin)		
Cash flows from operating activities		
Receipts from customers	448,865,189	452,594,007
Other proceeds	925,337	831,090
Paid to Valero Refining Co. Aruba N.V.	(76,832,284)	(143,615,162)
Paid to Fuels Marketing & Supply Aruba N.V.	(9,969,793)	0
Paid in relation to derivatives designed as hedges	(98,466,473)	(73,093,858)
Paid to Windpark Vader Piet N.V.	(28,275,195)	(24,386,934)
Paid to suppliers	(92,724,941)	(72,437,029)
Paid to and for employees	(48,792,275)	(51,651,383)
Cash generated from operations	<u>94,729,565</u>	<u>88,240,731</u>
Interest received	139,120	11,929
Interest paid, agency fee, management fee and commission fee	(13,730,871)	(10,854,259)
Net cash generated from operating activities	<u>81,137,814</u>	<u>77,398,401</u>
Cash flows from investing activities:		
Investments in property, plant and equipment	(19,557,852)	(23,392,683)
Receipts from government bonds	0	270,000
Net cash used in investing activities	<u>(19,557,852)</u>	<u>(23,122,683)</u>
Cash flows from financing activities:		
Proceeds from long-term loans	40,261,813	0
Repayment of long-term loans	(21,769,153)	(25,686,920)
Payment of dividend	(8,000,000)	0
Payment of profit tax	(1,167,439)	(3,546,645)
Net cash used in financing activities	<u>9,325,221</u>	<u>(29,233,565)</u>
Net increase in cash and cash equivalents	<u>70,905,183</u>	<u>25,042,153</u>
The movement in cash and cash equivalents can be broken down as follows:		
At January 1	(1,056,551)	(26,098,704)
Movements during the year	70,905,183	25,042,153
At December 31	<u>69,848,632</u>	<u>(1,056,551)</u>
Breakdown of balance sheet items related to cash:		
Cash and cash equivalents	69,848,632	7,684,853
Bank overdrafts	<u>0</u>	<u>(8,741,404)</u>
Total Cash at December 31	<u>69,848,632</u>	<u>(1,056,551)</u>