

CHAIRMAN'S REPORT

for the year ended 31 December 2014

I am pleased to report that the financial performance of The National Gas Company of Trinidad and Tobago Limited (NGC) for 2014 shows Sales Turnover of TT\$23.5 billion and After Tax Profit of TT\$4.5 billion.

NGC's core business activities of the purchase, transmission, distribution and sale of natural gas to industrial and commercial customers; the processing and marketing of natural gas liquids; as well as oil and gas exploration; and dividend income received from its key strategic investments in Liquefied Natural Gas (LNG) and the Natural Gas Liquids (NGL) business remained stable. NGC continued its infrastructure development works to expand its land pipeline network.

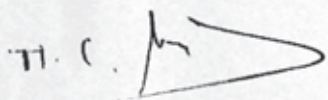
On 27 February 2014, management transferred the 39% interest in PPGPL from T&T Holdings LLC to Trinidad and Tobago NGL Limited. In August 2015, NGC divested part of the shareholding on to the Trinidad & Tobago Stock Exchange. This will give the national public a chance to invest and own a part of the nation's natural gas resource assets.

NGC continues to accelerate the local use of Compressed Natural Gas (CNG) as a premier alternative fuel. The Company plans to convert 17,500 vehicles to use CNG and to construct twenty-two (22) stand-alone CNG stations across Trinidad & Tobago.

With regard to its crude oil investment, NGC continues to monitor this stake given that globally, crude oil prices fell sharply in the fourth quarter of 2014. As a result, NGC has recognized impairment losses of TT\$1.5 billion in 2014.

Through its Corporate Social Investment (CSI) Programmes, NGC also continues to contribute to the economic, social and environmental sustainability of the citizens of Trinidad and Tobago.

I am further pleased to advise that during 2014, NGC maintained its international reputation by having its credit rating re-confirmed by international and regional rating agencies viz: Standard & Poor's: A-, Caricris: AAA, and Moody's: Baa1. In May 2015, NGC was downgraded by Moody's to a credit rating of Baa2.



R.C. Chadeesingh
Chairman

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of The National Gas Company of Trinidad and Tobago Limited, the accompanying summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December, 2014, the summary statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of The National Gas Company of Trinidad and Tobago Limited for the year ended 31 December, 2014. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 8 June, 2015. Those consolidated financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards applied in the preparation of the audited consolidated financial statements of The National Gas Company of Trinidad and Tobago Limited. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of The National Gas Company of Trinidad and Tobago Limited.

Management's Responsibility for the Summary Consolidated Financial Statements

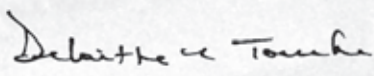
Management is responsible for the preparation of a summary of the audited consolidated financial statements on the basis described in Note 1 (see page 3).

Auditor's Responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of The National Gas Company of Trinidad and Tobago Limited for the year ended 31 December, 2014 are consistent, in all material respects, with those consolidated financial statements, on the basis described in Note 1 (see page 3).



Deloitte & Touche
Port of Spain
Trinidad
8 June, 2015

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in Trinidad and Tobago dollars)

	2014 \$'000	2013 \$'000
Assets		
Non-Current Assets	27,986,871	28,632,180
Current Assets	16,347,599	16,495,861
Total Assets	44,334,470	45,128,041
Equity and Liabilities		
Stated Capital	1,855,266	1,855,266
Reserves	438,192	438,192
Other Reserves	2,766,744	3,075,536
Retained Earnings	23,720,064	23,365,380
Equity attributable to:		
- Equity holders of the Parent	28,780,266	28,734,374
- Minority Interests	1,037,999	1,063,166
Total Equity	29,818,265	29,797,540
Non-Current Liabilities	9,395,183	9,459,878
Current Liabilities	5,121,022	5,870,623
Total Equity and Liabilities	44,334,470	45,128,041

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Expressed in Trinidad and Tobago dollars)

	2014 \$'000	2013 \$'000
Sales	23,513,318	22,373,183
Gross profit	8,406,786	7,526,374
Other operating income	393,327	347,250
Interest and other investment income	947,273	1,114,687
Fair value gain on step up acquisition	-	1,263,086
Other income on asset acquisition	-	1,247,835
Administrative, maintenance & general expenses	(1,143,603)	(1,500,662)
Finance costs	(357,812)	(211,273)
Other expenses	(664,770)	(74,168)
Profit before tax	7,581,201	9,713,129
Income tax expense	(3,102,389)	(3,199,228)
Profit for the year after taxation	4,478,812	6,513,901
Other comprehensive income, net of taxes:		
Items that will not be reclassified subsequently to profit or loss		
Re-measurement of net defined benefit liability	(148,840)	(184,957)
Income tax relating to net defined benefit liability	62,877	77,044
Foreign currency translation	(291,564)	222,247
	(377,527)	114,334
Items that may be reclassified subsequently to profit or loss		
Net gain/(loss) on available-for-sale financial assets	12,002	422,742
Total other comprehensive income for the year, net of tax	(365,525)	537,076
Total comprehensive income for the year	4,113,287	7,050,977
Attributable to:		
- Equity holders of the Parent	3,845,347	6,789,971
- Minority interests	267,940	261,006
	4,113,287	7,050,977

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Expressed in Trinidad and Tobago dollars)

	Attributable to Equity Holders of the Parent					Minority	Total
	Stated capital \$'000	Reserve fund \$'000	Other reserves \$'000	Retained earnings \$'000	Total \$'000	interests \$'000	equity \$'000
Year ended 31 December 2013							
Balance at 1 January 2013	1,855,266	438,192	2,478,834	20,722,111	25,494,403	448,725	25,943,128
Non-controlling interest on acquisition of PPGPL	-	-	-	-	-	604,846	604,846
Profit for the year after taxation	-	-	-	6,261,656	6,261,656	252,245	6,513,901
Other comprehensive income for the year, net of tax	-	-	636,228	(107,913)	528,315	8,761	537,076
Transfer of depreciation for offshore plant and equipment and pipelines	-	-	(39,526)	39,526	-	-	-
Dividends	-	-	-	(3,550,000)	(3,550,000)	(251,411)	(3,801,411)
Balance as at 31 December 2013	1,855,266	438,192	3,075,536	23,365,380	28,734,374	1,063,166	29,797,540
Year ended 31 December 2014							
Balance at 1 January 2014	1,855,266	438,192	3,075,536	23,365,380	28,734,374	1,063,166	29,797,540
Issue of ordinary shares by subsidiary	-	-	-	-	-	24,574	24,574
Profit for the year after taxation	-	-	-	4,200,569	4,200,569	278,243	4,478,812
Other comprehensive income for the year, net of tax	-	-	(269,257)	(85,965)	(355,222)	(10,303)	(365,525)
Transfer of depreciation for offshore plant and equipment and pipelines	-	-	(39,535)	39,535	-	-	-
Dividends	-	-	-	(3,799,455)	(3,799,455)	(317,681)	(4,117,136)
Balance as at 31 December 2014	1,855,266	438,192	2,766,744	23,720,064	28,780,266	1,037,999	29,818,265

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

(Expressed in Trinidad and Tobago dollars)

	2014 \$'000	2013 \$'000
Cash flows from operating activities		
Profit before tax	7,581,201	9,713,129
Adjustment for non-cash items	751,259	(2,489,285)
Operating profit before working capital changes	8,332,460	7,223,844
Changes in working capital	19,951	654,827
Cash generated from operations	8,352,411	7,878,671
Net taxation, interest and pension contributions paid	(3,149,562)	(2,854,059)
Net cash generated from operating activities	5,202,849	5,024,612
Net cash used in investing activities	(282,637)	(4,936,297)
Net cash used in financing activities	(4,289,993)	(4,809,718)
Net increase/(decrease) in cash and cash equivalents	630,219	(4,721,403)
Net foreign exchange differences	(192,074)	(31,225)
Cash and cash equivalents beginning of year	7,590,825	12,343,453
Cash and cash equivalents end of year	8,028,970	7,590,825

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

(Expressed in Trinidad and Tobago dollars)

1. Basis of preparation

The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of profit or loss and other comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. These summary consolidated financial statements are derived from the audited consolidated financial statements of The National Gas Company of Trinidad and Tobago Limited and its subsidiaries for the year ended 31 December 2014 prepared in accordance with International Financial Reporting Standards. Copies of the audited consolidated financial statements of The National Gas Company of Trinidad and Tobago Limited and its subsidiaries for the year ended 31 December 2014 can be requested from The National Gas Company of Trinidad and Tobago Limited, Orinoco Drive, Point Lisas Industrial Estate, Couva.

THE NATIONAL GAS COMPANY OF TRINIDAD AND TOBAGO LIMITED SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014