

Public Information Statement

## **Abu Dhabi Government reaffirms sovereign support for its state-owned enterprises**

The government of Abu Dhabi has noted the recent action taken by Moody's Investors Service to downgrade the ratings of several Abu Dhabi's government-related issuers. The government disagrees with the reasoning involved in a number of Moody's decisions, especially those concerning TDIC, Mubadala, and IPIC.

The three companies TDIC, Mubadala, and IPIC are 100% government-owned and they each play a crucial role in the government's strategy for diversifying the economy. They are irreplaceable.

There has been absolutely no change in any aspect of government support for those three companies. The government continues to support Taqa. Taqa is majority-owned by the government and provides almost all of Abu Dhabi's water and electricity supply. It plays an important role in the Emirate's energy policy.

The government controls the activities of these companies through the Board of Director's appointed by the government, each of which includes key members of Abu Dhabi's Executive Council - the cabinet. Therefore, it is impossible to differentiate between the government and any of these three entities in terms of credit risk. Not only does the government back these entities, as Moody's correctly pointed out, fully and unconditionally, it has a strong fiscal position and reserves that give it all the capacity needed to meet its commitments to these companies from its own resources.

**Statement authorized by:**

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