

# BUSINESS

Seabed key to rebuilding healthy fish stocks P25

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## Double Dutch what boss wants to hear

**Business:** Increased gas production boosts Parkmead

BY KEITH FINDLAY

Parkmead Group boss Tom Cross said yesterday an increase in gas production from Dutch assets amid a severe industry downturn was “an outstanding achievement” by the Aberdeen firm.

Speaking as the independent oil and gas company announced broadly unchanged losses for the six months to December 31, 2016, compared with a year earlier, Mr Cross said it was a period of “significant progress”.

First half pre-tax losses came in at £4.51million, against losses of £4.6million in the same six months of 2014, on revenue down by 61% at £2.7million.

But Parkmead highlighted gross profits of £700,000 for the latest period, compared with losses of £4.1million previously.

It also pointed to a “strong” total asset base worth £84million, no debt and a cash bal-



Parkmead has increased its stake in several oil fields

ance of £26.7million at the end of last year.

The company doubled stakes in the Polecat and Marten oil fields, together estimated to hold more than 90million barrels, in the UK Central North Sea to 100%.

It also increased its stakes in the Perth and Dolphin oil fields in the Moray Firth to 60.05%.

Perth and Dolphin are at the core of Parkmead’s Greater Perth Area (GPA) oil hub development, which has expected recoverable reserves and contingent resources of about 104million barrels.

Polecat and Marten are deemed potentially “highly valuable” because, given their closeness to Perth, they could be jointly developed as part of the GPA project.

Mr Cross,

both chief executive and the biggest shareholder at Parkmead, said increased gas production from the group’s low-cost Netherlands portfolio drove the company into the black at the gross profit level.

He added: “This is an outstanding achievement for Parkmead at a time when global oil prices have remained low.

“Parkmead’s gas production acts as a natural hedge in this low oil price environment.”

Brendan Long, analyst at financial services company WH Ireland, said: “On balance, the company delivered a solid set of operational results which we believe stands in stark contrast to many North Sea companies who have reported significant losses over calendar year 2016.”

### SHARE FAIR

## Repairs focus at offshore event

Opportunities in offshore repair and maintenance services will be the focus of an oil and gas industry event in Aberdeen next week.

Oil and Gas UK (OGUK)’s Share Fair Spotlight will give supply chain businesses the chance to meet representatives of a number of major companies to learn about their forthcoming North Sea projects.

The event is being held at the industry body’s offices, in Market Street, on Tuesday.

OGUK business excellence director Stephen Marcos Jones said: “We are delighted to have the participation of representatives from major

### “On hand to help suppliers gain deeper insights”

purchasing companies including Chrysaor, Nexen Petroleum UK Limited and Stork, who will be on hand to help suppliers gain deeper insights into the expertise, services and goods they require for forthcoming offshore projects.

“Maintenance and repair are key themes in the industry-wide drive to improve production efficiency, with companies focusing on new ways to increase the reliability and safety of installations on the UK Continental Shelf to ensure they are fit for purpose and can operate on demand to the required performance standard.”

Tuesday’s event follows the success of a series of sell-out Share Fair Spotlights introduced last year.



POSITIVE: Parkmead’s Tom Cross said increased gas production from Dutch assets in a severe industry downturn was ‘outstanding’

## Aggreko chief’s pay up as profits fall

### WAGES

BY KEITH FINDLAY

Temporary power firm Aggreko has given its chief executive a near 30% increase in his total pay package despite a 12% plunge in prof-

its at the Scottish firm. The 2016 remuneration for boss Chris Weston was boosted by share awards, lifting the overall total to £1.9million.

In 2015, in his first year at the helm of the company, his pay package was worth

£1.48million. Earlier this month, Glasgow-based Aggreko said pre-tax profits for 2016 totalled £221million – down from £252million the year before – on revenue that was lower by 3% at about £1.5billion.

Shares fell nearly 13%, wiping about £300million off the firm’s market value, after the group also said it expected worse this year.

But the company maintained its full year dividend at 27.12p, which it said re-

flected confidence in its strength and prospects.

FTSE 250 Index-listed Aggreko delivers power at major events such as Glastonbury music festival, US presidential inaugurations, football World Cups and the Olympic Games.



Chris Weston: £1.9million