

**QATAR GAS TRANSPORT COMPANY LIMITED
(NAKILAT) Q.S.C.
DOHA - QATAR**

**UNAUDITED INTERIM CONDENSED
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED
MARCH 31, 2010**

**QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2010**

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QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2010

(Amounts expressed in thousands of Qatari Riyals)

	March 31, 2010 (Unaudited)	December 31, 2009 (Audited)
<u>ASSETS</u>		
Current Assets:		
Cash and bank balances	2,227,004	1,778,939
Trade and other receivables	142,170	101,642
Due from joint venture companies	2,005	1,704
Total Current Assets	2,371,179	1,882,285
Non-Current Assets:		
Loan to joint venture companies	1,118,330	1,108,006
Investment in joint venture companies	2,072,235	2,076,984
Available-for-sale investments	108,336	107,108
Construction in progress	1,905,593	3,624,184
Property and equipment	24,231,929	22,204,496
Deferred financing costs	243,686	245,531
Total Non-Current Assets	29,680,109	29,366,309
Total Assets	32,051,288	31,248,594
<u>LIABILITIES AND EQUITY</u>		
Current Liabilities:		
Borrowings	530,970	458,140
Accounts payable and accruals	516,140	186,989
Due to related parties	8,044	607
Total Current Liabilities	1,055,154	645,736
Non-Current Liabilities:		
Borrowings	24,804,029	24,556,405
Fair value of interest rate swaps	2,451,830	2,130,977
Provision for end of service benefits	6,964	6,195
Total Non-Current Liabilities	27,262,823	26,693,577
Capital and Reserves:		
Share capital	5,537,826	5,537,812
Legal reserve	105,280	105,280
Fair value reserve	61,868	60,640
Translation reserve	28,626	28,626
Proposed cash dividend	277,013	277,013
Retained earnings	668,160	504,796
Total equity before hedge reserve and non-controlling interests	6,678,773	6,514,167
Hedging reserve	(2,949,947)	(2,609,248)
Non-controlling interests	4,485	4,362
Total Liabilities and Equity	32,051,288	31,248,594

These interim condensed consolidated financial statements were approved on April 14, 2010 by:


Faisal Mohammed Al-Suwaidi
Vice-Chairman


Muhammad Ghannam
Managing Director

**QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR**

**CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2010
(Amounts expressed in thousands of Qatari Riyals)**

	Three Month Period Ended March 31, 2010 (Unaudited)	Three Month Period Ended March 31, 2009 (Unaudited)
<u>Income:</u>		
Revenue from wholly owned vessels	616,462	154,730
Share of operating profits from joint ventures	59,622	41,805
Income from marine and agency services	7,670	7,726
Profit from Islamic banks	12,063	20,404
Interest and dividend income	7,355	6,280
Other income	4,039	1,484
Total Income	707,211	232,429
<u>Expenses:</u>		
Operating costs of wholly owned vessels	(79,405)	(16,403)
General and administrative	(18,493)	(11,376)
Depreciation of property and equipment	(124,237)	(33,638)
Amortization of deferred financing costs	(1,845)	(1,845)
Finance charges	(298,114)	(79,964)
Total Expenses	(522,094)	(143,226)
Profit for the period from operations	185,117	89,203
Loss on derivative instruments from joint ventures	(21,630)	(34,874)
Total profit for the period	163,487	54,329
Total profit for the period attributable to:		
Owners of the Company	163,364	54,108
Non-controlling interests	123	221
Total	163,487	54,329
Basic and diluted earnings per share (expressed in QR. per share)	0.29	0.10

**QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2010
(Amounts expressed in thousands of Qatari Riyals)**

	Three Month Period Ended March 31, 2010 (Unaudited)	Three Month Period Ended March 31, 2009 (Unaudited)
Total profit for the period	163,487	54,329
<u>Other comprehensive income / (loss)</u>		
Available-for-sale investments	1,228	(22,078)
Cash flow hedging reserves	(320,854)	838,584
Group share of joint ventures' changes in fair value of cash flow hedging derivatives	(19,845)	56,280
Total comprehensive income / (loss) for the period	<u>(175,984)</u>	<u>927,115</u>
Total comprehensive income /(loss) for the period attributable to:		
Owners of the Company	(176,107)	926,894
Non-controlling interests	123	221
Total	<u>(175,984)</u>	<u>927,115</u>

QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2010
(Amounts expressed in thousands of Qatari Riyals)

	Share Capital	Legal Reserve	Fair Value Reserve	Translation Reserve	Proposed Cash Dividend	Retained Earnings	Total Equity Before Hedge Reserve & Non- Controlling Interest	Hedging Reserve	Non- Controlling Interests
Balance as of January 01, 2009 (Audited)	5,537,655	46,438	50,040	24,042	-	251,930	5,910,105	(5,915,253)	4,464
Capital contribution	32	-	-	-	-	-	32	-	-
Comprehensive income / (loss) for the period									
-Changes in fair value of investments	-	-	(22,078)	-	-	-	(22,078)	-	-
-Increase in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	838,584	-
-Group share of joint ventures' changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	56,280	-
-Total profit for the period	-	-	-	-	-	54,108	54,108	-	221
Balance as of March 31, 2009 (Unaudited)	5,537,687	46,438	27,962	24,042	-	306,038	5,942,167	(5,020,389)	4,685
Balance as of January 01, 2010 (Audited)	5,537,812	105,280	60,640	28,626	277,013	504,796	6,514,167	(2,609,248)	4,362
Capital contribution	14	-	-	-	-	-	14	-	-
Comprehensive income / (loss) for the period									
-Changes in fair value of investments	-	-	1,228	-	-	-	1,228	-	-
-Decrease in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	(320,854)	-
-Group share of joint ventures' changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	(19,845)	-
-Total profit for the period	-	-	-	-	-	163,364	163,364	-	123
Balance as of March 31, 2010 (Unaudited)	5,537,826	105,280	61,868	28,626	277,013	668,160	6,678,773	(2,949,947)	4,485

**QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2010
(Amounts expressed in thousands of Qatari Riyals)**

	Three Month Period Ended March 31, 2010 (Unaudited)	Three Month Period Ended March 31, 2009 (Unaudited)
Cash Flows from Operating Activities:		
Total profit for the period	163,487	54,329
Adjustments for:		
Depreciation of property and equipment	124,237	33,639
Amortization of deferred financing costs	1,845	1,845
Finance charges	298,114	79,964
Share of operating profits from joint ventures	(37,992)	(6,931)
Profit from Islamic banks	(12,063)	(20,404)
Interest, dividend and other income	(11,394)	(7,764)
Provision for doubtful debts	-	58
	<u>526,234</u>	<u>134,736</u>
Working Capital Changes:		
Trade and other receivables	(47,631)	(26,213)
Accounts payable and accruals	(4,753)	(20,735)
Due from joint venture companies	(301)	806
Due to related parties	<u>7,437</u>	<u>1,717</u>
Cash generated from Operating Activities	480,986	90,311
Finance charges paid	<u>(7,464)</u>	<u>(186,598)</u>
Net Cash From / (Used in) Operating Activities	<u>473,522</u>	<u>(96,287)</u>
Cash Flows from Investing Activities:		
Loans to joint venture companies	(11,952)	(101,657)
(Investment in) / Refund of investment in joint venture companies	(510)	642
Dividend received from joint venture companies	25,033	22,728
Acquisition of property and equipment	(140)	(972)
Investment income received	30,865	31,217
Time deposits maturing after ninety days	-	9,098
Construction in progress	(388,792)	(2,208,523)
Deferred financing costs	-	1,845
Net Cash Used in Investing Activities	<u>(345,496)</u>	<u>(2,245,622)</u>
Cash Flows from Financing Activities:		
Proceeds on second cash call against capital	14	32
Proceeds from borrowings	338,662	2,164,101
Repayment of borrowings	<u>(18,208)</u>	<u>-</u>
Net Cash From Financing Activities	<u>320,468</u>	<u>2,164,133</u>
Net Increase / (Decrease) in Cash and Cash Equivalents	448,494	(177,776)
Cash and Cash Equivalents at Beginning of the Period	<u>1,752,991</u>	<u>1,953,215</u>
Cash and Cash Equivalents at End of the Period	<u>2,201,485</u>	<u>1,775,439</u>