

**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, 2014**

**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, 2014**

<u>Contents</u>	<u>Page</u>
Condensed Consolidated Statement of Financial Position	1
Condensed Consolidated Statement of Income	2
Condensed Consolidated Statement of Comprehensive Income	3
Condensed Consolidated Statement of Changes in Equity	4
Condensed Consolidated Statement of Cash Flows	5

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2014
(Amounts expressed in thousands of Qatari Riyals)

	March 31, 2014 (Unaudited)	December 31, 2013 (Audited)
<u>ASSETS</u>		
Non-Current Assets:		
Property and equipment	24,698,311	24,855,318
Capital work in progress	2,732	-
Investment in joint venture companies	2,715,008	2,641,403
Loans to joint venture companies	409,329	804,651
Available-for-sale investments	193,044	175,865
Total Non-Current Assets	28,018,424	28,477,237
Current Assets:		
Inventories	25,961	25,730
Trade and other receivables	269,692	237,947
Due from joint venture companies	14,357	20,993
Cash and bank balances	2,358,196	1,930,976
Total Current Assets	2,668,206	2,215,646
Total Assets	30,686,630	30,692,883
<u>EQUITY AND LIABILITIES</u>		
EQUITY:		
Share capital	5,538,465	5,538,458
Legal reserve	404,457	404,457
Fair value reserve	146,576	129,397
Translation reserve	28,626	28,626
Proposed cash dividend	-	609,429
Retained earnings	1,279,169	1,072,687
Equity before hedging reserve and non-controlling interests	7,397,293	7,783,054
Hedging reserve	(3,821,186)	(3,443,428)
Equity after hedging reserve and before non-controlling interests	3,576,107	4,339,626
Non-controlling interests	7,096	6,842
Non-Current Liabilities:		
Borrowings	22,411,633	22,273,733
Fair value of interest rate swaps	3,203,192	2,824,135
Provision for employees' end of service benefits	19,543	18,144
Other liabilities	48,992	39,088
Total Non-Current Liabilities	25,683,360	25,155,100
Current Liabilities:		
Borrowings	728,640	843,964
Accounts payable and accruals	691,174	342,526
Due to joint venture companies	253	4,825
Total Current Liabilities	1,420,067	1,191,315
Total Equity and Liabilities	30,686,630	30,692,883

These interim condensed consolidated financial statements were approved on April 24, 2014 by:


HE Dr. Mohammed Bin Saleh Al-Sada
Chairman


Abdullah Fadhalah Al-Sulaiti
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, 2014
(Amounts expressed in thousands of Qatari Riyals)**

	Three Month Period Ended March 31, 2014 (Unaudited)	Three Month Period Ended March 31, 2013 (Unaudited)
<u>Income:</u>		
Revenue from wholly owned vessels	744,481	746,130
Share of profits from joint ventures	81,106	76,251
Income from marine and agency services	13,844	10,823
Interest income on loans to joint ventures	3,339	5,686
Interest, dividend and profit from Islamic banks	14,097	11,084
Vessels sub-chartering and other income	3,297	5,979
Total Income	860,164	855,953
<u>Expenses:</u>		
Operating costs	(160,612)	(160,511)
General and administrative	(30,029)	(27,765)
Depreciation of property and equipment	(158,616)	(147,423)
Finance charges	(315,433)	(331,276)
Total Expenses	(664,690)	(666,975)
Profit for the period from operations	195,474	188,978
Gain/(Loss) on derivative instruments from a joint venture	11,262	(11,803)
Profit for the period	206,736	177,175
Profit for the period attributable to:		
Owners of the Company	206,482	176,998
Non-controlling interests	254	177
Total	206,736	177,175
 Basic and diluted earnings per share (expressed in QR per share)	 0.37	 0.32

**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, 2014
(Amounts expressed in thousands of Qatari Riyals)**

	Three Month Period Ended March 31, 2014 (Unaudited)	Three Month Period Ended March 31, 2013 (Unaudited)
Profit for the period	206,736	177,175
<u>Other comprehensive income</u>		
Changes in fair value of available-for-sale investments	17,179	19,326
Changes in fair value of cash flow hedging derivatives	(379,057)	254,298
Group's share of joint ventures' changes in fair value of cash flow hedging derivatives	1,299	42,606
Total comprehensive income for the period	<u>(153,843)</u>	<u>493,405</u>
Total comprehensive income for the period attributable to:		
Owners of the Company	(154,097)	493,228
Non-controlling interests	254	177
Total	<u>(153,843)</u>	<u>493,405</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, 2014
(Amounts expressed in thousands of Qatari Riyals)

	Share Capital	Legal Reserve	Fair Value Reserve	Translation Reserve	Proposed Cash Dividend	Retained Earnings	Equity Before Hedging Reserve & Non-Controlling Interests	Hedging Reserve	Non-Controlling Interests
Balance as of January 01, 2013 (Audited)	5,538,456	331,554	98,568	28,626	554,026	1,044,219	7,595,449	(5,836,454)	5,836
Profit for the period	-	-	-	-	-	176,998	176,998	-	177
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
-Changes in fair value of available-for-sale investments	-	-	19,326	-	-	-	19,326	-	-
-Changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	254,298	-
-Group's share of joint ventures' changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	42,606	-
Total comprehensive income for the period	-	-	19,326	-	-	176,998	196,324	296,904	177
Dividend declared for 2012	-	-	-	-	(554,026)	-	(554,026)	-	-
Balance as of March 31, 2013(Unaudited)	5,538,456	331,554	117,894	28,626	-	1,221,217	7,237,747	(5,539,550)	6,013
Balance as of January 01, 2014 (Audited)	5,538,458	404,457	129,397	28,626	609,429	1,072,687	7,783,054	(3,443,428)	6,842
Profit for the period	-	-	-	-	-	206,482	206,482	-	254
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
-Changes in fair value of available-for-sale investments	-	-	17,179	-	-	-	17,179	-	-
-Changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	(379,057)	-
-Group's share of joint ventures' changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	1,299	-
Total comprehensive income for the period	-	-	17,179	-	-	206,482	223,661	(377,758)	254
Dividend declared for 2013	-	-	-	-	(609,429)	-	(609,429)	-	-
Capital contribution	7	-	-	-	-	-	7	-	-
Balance as of March 31, 2014(Unaudited)	5,538,465	404,457	146,576	28,626	-	1,279,169	7,397,293	(3,821,186)	7,096

**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, 2014
(Amounts expressed in thousands of Qatari Riyals)**

	Three Month Period Ended March 31, 2014 (Unaudited)	Three Month Period Ended March 31, 2013 (Unaudited)
Cash Flows from Operating Activities:		
Profit for the period	206,736	177,175
Adjustments for:		
Depreciation of property and equipment	158,616	147,423
Finance charges	315,433	331,276
Share of profits from joint ventures	(81,106)	(76,251)
(Gain) / loss on derivatives instruments from a joint venture	(11,262)	11,803
Interest income on loans to joint ventures	(3,339)	(5,686)
Interest, dividend and profit from Islamic banks	(14,097)	(11,084)
Other income	(2,750)	(814)
Provision for doubtful receivables	-	288
Provision for employees' end of service benefits	1,704	1,685
	<u>569,935</u>	<u>575,815</u>
Working Capital Changes:		
Inventories	(231)	(333)
Trade and other receivables	(31,548)	71,059
Accounts payable and accruals	(37,037)	(11,849)
Other liabilities	9,904	(574)
Due from joint venture companies	5,917	(2,828)
Due to joint venture companies	(4,572)	(876)
Cash generated from operations	<u>512,368</u>	<u>630,414</u>
Finance charges paid	(13,417)	(17,025)
Employees' end of service benefits paid	(305)	-
Net Cash From Operating Activities	<u>498,646</u>	<u>613,389</u>
Cash Flows from Investing Activities:		
Loans to joint venture companies-net	394,831	308,976
Capital work in progress	(2,732)	-
Dividend income received from joint ventures	20,554	17,617
Acquisition of property and equipments	(1,609)	(1,399)
Investment income received	20,708	11,129
Net Cash From Investing Activities	<u>431,752</u>	<u>336,323</u>
Cash Flows from Financing Activities:		
Proceeds from issue of share capital	7	-
Dividend paid to shareholders	(511,870)	(4,099)
Unpaid dividend transferred to separate bank account	(102,032)	(554,026)
Costs incurred for new financing	(13,723)	-
Proceeds from borrowings	1,295,499	-
Repayment of borrowings	(1,268,457)	(57,662)
Net Cash Used in Financing Activities	<u>(600,576)</u>	<u>(615,787)</u>
Net Increase in Cash and Cash Equivalents	<u>329,822</u>	<u>333,925</u>
Cash and Cash Equivalents at Beginning of the Period	<u>1,837,658</u>	<u>2,009,036</u>
Cash and Cash Equivalents at End of the Period	<u>2,167,480</u>	<u>2,342,961</u>