

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

**UNAUDITED INTERIM CONDENSED
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED
SEPTEMBER 30, 2014**

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

**UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2014**

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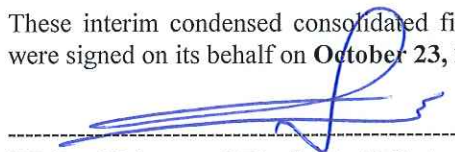
QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2014

(Amounts expressed in thousands of Qatari Riyals)

	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
ASSETS		
Non-Current Assets:		
Property and equipment	24,473,318	24,855,318
Investment in joint venture companies	2,954,714	2,641,403
Loans to joint venture companies	414,217	804,651
Available-for-sale investments	194,658	175,865
Total Non-Current Assets	28,036,907	28,477,237
Current Assets:		
Inventories	26,308	25,730
Trade and other receivables	287,908	237,947
Due from joint venture companies	27,013	20,993
Cash and bank balances	2,993,258	1,930,976
Total Current Assets	3,334,487	2,215,646
Total Assets	31,371,394	30,692,883
EQUITY AND LIABILITIES		
Equity:		
Share capital	5,538,465	5,538,458
Legal reserve	404,457	404,457
Fair value reserve	148,190	129,397
Translation reserve	28,626	28,626
Proposed cash dividend	-	609,429
Retained earnings	1,764,725	1,072,687
Equity before hedging reserve and non-controlling interests	7,884,463	7,783,054
Hedging reserve	(4,002,785)	(3,443,428)
Equity after hedging reserve and before non-controlling interests	3,881,678	4,339,626
Non-controlling interests	7,821	6,842
Non-Current Liabilities:		
Borrowings	22,565,813	22,273,733
Fair value of interest rate swaps	3,416,001	2,824,135
Provision for employees' end of service benefits	21,207	18,144
Other liabilities	78,689	39,088
Total Non-Current Liabilities	26,081,710	25,155,100
Current Liabilities:		
Borrowings	740,566	843,964
Accounts payable and accruals	658,866	342,526
Due to joint venture companies	753	4,825
Total Current Liabilities	1,400,185	1,191,315
Total Equity and Liabilities	31,371,394	30,692,883

These interim condensed consolidated financial statements were approved by the Board of Directors and were signed on its behalf on **October 23, 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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2014
(Amounts expressed in thousands of Qatari Riyals)

	Nine Month Period Ended September 30, 2014 (Unaudited)	Nine Month Period Ended September 30, 2013 (Unaudited)
<u>Income:</u>		
Revenue from wholly owned vessels	2,266,304	2,252,358
Share of profits from joint ventures	317,845	228,973
Income from marine and agency services	42,785	33,119
Interest income on loans to joint ventures	10,153	15,087
Interest, dividend and profit from Islamic banks	21,070	15,374
Vessels sub-chartering and other income	11,151	17,873
Total Income	2,669,308	2,562,784
<u>Expenses:</u>		
Operating costs	(497,725)	(482,251)
General and administrative	(81,952)	(74,086)
Depreciation of property and equipment	(488,356)	(449,840)
Finance charges	(936,713)	(984,141)
Total Expenses	(2,004,746)	(1,990,318)
Profit for the period from operations	664,562	572,466
Gain /(Loss) on derivative instruments from a joint venture	28,455	(19,315)
Profit for the period	693,017	553,151
Profit for the period attributable to:		
Owners of the Company	692,038	552,493
Non-controlling interests	979	658
Total	693,017	553,151
 Basic and diluted earnings per share (expressed in QR per share)	 1.25	 1.00

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2014
(Amounts expressed in thousands of Qatari Riyals)

	Nine Month Period Ended September 30, 2014 (Unaudited)	Nine Month Period Ended September 30, 2013 (Unaudited)
Profit for the period	693,017	553,151
<u>Other comprehensive income</u>		
<i>Items that may be reclassified subsequently to statement of income</i>		
Changes in fair value of available-for-sale investments	18,793	14,882
Changes in fair value of cash flow hedging derivatives	(591,865)	1,414,862
Group's share of joint ventures' changes in fair value of cash flow hedging derivatives	32,508	304,822
Total comprehensive income for the period	<u>152,453</u>	<u>2,287,717</u>
Total comprehensive income for the period attributable to:		
Owners of the Company	151,474	2,287,059
Non-controlling interests	979	658
Total	<u>152,453</u>	<u>2,287,717</u>

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

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 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	-	-	-	-	-	552,493	552,493	-	658
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
-Changes in fair value of available-for-sale investments	-	-	14,882	-	-	-	14,882	-	-
-Changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	1,414,862	-
-Group's share of joint ventures' changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	304,822	-
Total comprehensive income for the period	-	-	14,882	-	-	552,493	567,375	1,719,684	658
Dividend declared for 2012	2	-	-	-	(554,026)	-	(554,026)	-	-
Capital contribution	-	-	-	-	-	-	2	-	-
Balance as of September 30, 2013 (Unaudited)	5,538,458	331,554	113,450	28,626	-	1,596,712	7,608,800	(4,116,770)	6,494
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	-	-	-	-	-	692,038	692,038	-	979
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
-Changes in fair value of available-for-sale investments	-	-	18,793	-	-	-	18,793	-	-
-Changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	(591,865)	-
-Group's share of joint ventures' changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	32,508	-
Total comprehensive income for the period	-	-	18,793	-	-	692,038	710,831	(559,357)	979
Dividend declared for 2013	-	-	-	-	(609,429)	-	(609,429)	-	-
Capital contribution	7	-	-	-	-	-	7	-	-
Balance as of September 30, 2014 (Unaudited)	5,538,465	404,457	148,190	28,626	-	1,764,725	7,884,463	(4,002,785)	7,821

QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2014
(Amounts expressed in thousands of Qatari Riyals)

	Nine Month Period Ended September 30, 2014 (Unaudited)	Nine Month Period Ended September 30, 2013 (Unaudited)
Cash Flows from Operating Activities:		
Profit for the period	693,017	553,151
Adjustments for:		
Depreciation of property and equipment	488,356	449,840
Finance charges	936,713	984,141
Share of profits from joint ventures	(317,845)	(228,973)
(Gain) / loss on derivative instruments from a joint venture	(28,455)	19,315
Interest income on loans to joint ventures	(10,153)	(15,087)
Interest, dividend and profit from Islamic banks	(21,070)	(15,374)
Other income	(9,492)	(4,825)
Provision for doubtful receivables	-	100
Provision for employees' end of service benefits	4,224	3,802
	<u>1,735,295</u>	<u>1,746,090</u>
Working Capital Changes:		
Inventories	(578)	(3,289)
Trade and other receivables	(49,074)	(63,464)
Accounts payable and accruals	22,627	117,145
Other liabilities	39,601	50,576
Due from joint venture companies	(1,676)	(7,525)
Due to joint venture companies	(4,072)	3,140
Cash generated from operations	1,742,123	1,842,673
Finance charges paid	(628,099)	(671,546)
Employees' end of service benefits paid	(1,161)	(871)
Net Cash From Operating Activities	<u>1,112,863</u>	<u>1,170,256</u>
Cash Flows from Investing Activities:		
Loans to joint venture companies-net	389,334	296,192
Investment in a joint venture company	-	(153,073)
Dividend income received from joint ventures	66,598	160,709
Acquisition of property and equipment	(106,356)	(102,134)
Investment income received	35,484	28,669
Net Cash From Investing Activities	<u>385,060</u>	<u>230,363</u>
Cash Flows from Financing Activities:		
Proceeds from issue of share capital	7	2
Dividend paid to shareholders	(598,130)	(529,690)
Unpaid dividend transferred to separate bank account	(25,408)	(39,604)
Transaction costs of refinancing	(14,021)	(29,168)
Proceeds from borrowings	1,820,765	3,339,540
Repayment of borrowings	(1,629,885)	(3,780,860)
Net Cash Used in Financing Activities	<u>(446,672)</u>	<u>(1,039,780)</u>
Net Increase in Cash and Cash Equivalents	1,051,251	360,839
Cash and Cash Equivalents at Beginning of the Period	1,837,658	2,009,036
Cash and Cash Equivalents at End of the Period	<u>2,888,909</u>	<u>2,369,875</u>

QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2014

(Amounts expressed in thousands of Qatari Riyals)

- (1) The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2013.
- (2) Certain comparative numbers have been reclassified to conform to the presentation adopted in the current period. However such reclassifications did not have any effect on the consolidated profit and consolidated equity for the comparative period.