

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

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED
SEPTEMBER 30, 2008

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

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2008

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

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
AS OF SEPTEMBER 30, 2008
(Amounts expressed in thousands of Qatari Riyals)

	<u>September 30,</u> <u>2008</u> <u>(Unaudited)</u>	<u>December 31,</u> <u>2007</u> <u>(Audited)</u>
<u>ASSETS</u>		
Current Assets:		
Cash and bank balances	1,874,383	2,474,944
Trade and other receivables	136,175	96,091
Due from related parties	2,517	53
Inventory	8	10
Total Current Assets	<u>2,013,083</u>	<u>2,571,098</u>
Non-Current Assets:		
Loan to joint venture companies	2,243,063	1,547,241
Investment in joint venture companies	2,290,961	2,457,184
Available-for-sale investments	131,558	130,045
Construction in progress	17,654,645	9,381,699
Property and equipment	3,022	1,336
Total Non-Current Assets	<u>22,323,249</u>	<u>13,517,505</u>
Total Assets	<u>24,336,332</u>	<u>16,088,603</u>
<u>LIABILITIES AND EQUITY</u>		
Current Liabilities:		
Accounts payable and accruals	207,157	191,133
Due to related parties	76	32
Total Current Liabilities	<u>207,233</u>	<u>191,165</u>
Non-Current Liabilities:		
Borrowings	18,262,263	10,077,421
Fair value of interest rate swaps	1,656,119	1,021,993
Provision for end of service benefits	2,701	1,642
Total Non-Current Liabilities	<u>19,921,083</u>	<u>11,101,056</u>
Capital and Reserves:		
Share capital	5,537,472	5,536,666
Legal reserve	33,532	33,554
Fair value reserve	85,090	83,577
Hedging reserve	(1,831,106)	(1,082,411)
Translation reserve	20,173	20,173
Retained earnings	358,656	201,167
Equity Attributable to Equity Holders of the Parent	<u>4,203,817</u>	<u>4,792,726</u>
Minority interest	4,199	3,656
Total Equity	<u>4,208,016</u>	<u>4,796,382</u>
Total Liabilities and Equity	<u>24,336,332</u>	<u>16,088,603</u>

These interim condensed consolidated financial statements were approved on October 19, 2008 by:



MUHAMMAD GHANNAM
MANAGING DIRECTOR

KILAT) Q.S.C.

NT OF INCOME
BER 30, 2008

<u>Nine Months</u> <u>Period Ended</u> <u>Sept. 30, 2008</u> <u>(Unaudited)</u>	<u>Nine Months</u> <u>Period Ended</u> <u>Sept. 30, 2007</u> <u>(Unaudited)</u>
22,547	14,757
60,546	68,810
15,623	7,294
40	-
85,112	19,088
7,262	4,136
<u>191,130</u>	<u>114,085</u>
(32,700)	(25,132)
(398)	(161)
-	32
<u>(33,098)</u>	<u>(25,261)</u>
<u>158,032</u>	<u>88,824</u>
157,489	88,319
543	505
<u>158,032</u>	<u>88,824</u>
<u>0.284</u>	<u>0.169</u>

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

DOHA – QATAR

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2008

(Amounts expressed in thousands of Qatari Riyals)

	Share Capital	Legal Reserve	Fair Value Reserve	Hedging Reserve	Translation Reserve	Retained Earnings	Attributable to Equity Holders of Parent	Minority Interest	Total
Balance as on January 01, 2007 (Audited)	2,770,131	23,012	26,200	(476,973)	17,283	85,238	2,444,891	2,733	2,447,624
Capital contribution	2,766,381	--	--	--	--	--	2,766,381	--	2,766,381
Expenses incurred on second cash call against capital	--	(2,339)	--	--	--	--	(2,339)	--	(2,339)
Changes in fair value of investments	--	--	37,911	--	--	--	37,911	--	37,911
Impairment on available -for -sale investment	--	--	(32)	--	--	--	(32)	--	(32)
Increase in fair value of cash flow hedging derivatives	--	--	--	55,170	--	--	55,170	--	55,170
Group share of joint ventures' changes in fair value of cash flow hedging derivatives	--	--	--	120,340	--	--	120,340	--	120,340
Net profit for the period	--	--	--	--	--	88,319	88,319	505	88,824
Balance at September 30, 2007 (Unaudited)	5,536,512	20,673	64,079	(301,463)	17,283	173,557	5,510,641	3,238	5,513,879
Balance as on January 01, 2008 (Audited)	5,536,666	33,554	83,577	(1,082,411)	20,173	201,167	4,792,726	3,656	4,796,382
Capital contribution	806	--	--	--	--	--	806	--	806
Expenses incurred on second cash call against capital	--	(22)	--	--	--	--	(22)	--	(22)
Changes in fair value of investments	--	--	1,513	--	--	--	1,513	--	1,513
Movements in fair value of cash flow hedging derivatives	--	--	--	(634,127)	--	--	(634,127)	--	(634,127)
Group share of joint ventures' changes in fair value of cash flow hedging derivatives	--	--	--	(114,568)	--	--	(114,568)	--	(114,568)
Net profit for the period	--	--	--	--	--	157,489	157,489	543	158,032
Balance at September 30, 2008 (Unaudited)	5,537,472	33,532	85,090	(1,831,106)	20,173	358,656	4,203,817	4,199	4,208,016

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2008
(Amounts expressed in thousands of Qatari Riyals)

	<u>Nine Months</u> <u>Period Ended</u> <u>September 30,</u> <u>2008</u> <u>(Unaudited)</u>	<u>Nine Months</u> <u>Period Ended</u> <u>September 30,</u> <u>2007</u> <u>(Unaudited)</u>
Cash Flows from Operating Activities:		
Net profit for the period	158,032	88,824
Adjustments for:		
Depreciation	398	161
Dividend income	(40)	--
Profit from Islamic banks	(60,546)	(68,810)
Interest and other income	(22,885)	(11,430)
Share of income from joint ventures	(85,112)	(19,088)
Provision for end of service benefits	1,059	706
Impairment on available-for-sale investments	-	(32)
	<u>(9,094)</u>	<u>(9,669)</u>
Working Capital Changes:		
Trade and other receivables	(35,585)	(13,759)
Accounts payable and accruals	(43,390)	15,423
Due from related parties	(2,464)	18,937
Due to related parties	44	103
Inventory	2	(4)
Cash (used in) / from Operating Activities	(90,487)	11,031
Interest paid	(458,371)	(125,635)
Net Cash Used in Operating Activities	<u>(548,858)</u>	<u>(114,604)</u>
Cash Flows from Investing Activities:		
Loans to joint venture companies	(657,403)	(977,497)
Refund / (Investments) in joint venture companies	68,315	(47,908)
Dividend received from joint venture companies	24,539	19,733
Acquisition of property and equipment	(2,084)	(343)
Investment income received	84,465	126,185
Time deposits maturing after ninety days	(258,585)	383,800
Construction in progress	(7,747,565)	(3,298,197)
Net Cash Used in Investing Activities	<u>(8,488,318)</u>	<u>(3,794,227)</u>
Cash Flows from Financing Activities:		
Proceeds from issue of shares	806	2,766,381
Payments for bonds issue costs	-	(9,687)
Repayment of borrowings	-	(1,820,764)
Proceeds from borrowings	8,184,842	1,407,482
Expenses incurred on second cash call against capital	(22)	(2,339)
Net Cash from Financing Activities	<u>8,185,626</u>	<u>2,341,073</u>
Net Decrease in Cash and Cash Equivalents	<u>(851,550)</u>	<u>(1,567,758)</u>
Cash and Cash Equivalents at Beginning of Period	<u>1,759,386</u>	<u>3,187,151</u>
Cash and Cash Equivalents at End of Period	<u>907,836</u>	<u>1,619,393</u>