

Qatar Navigation Q.S.C.
CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

30 JUNE 2016

Qatar Navigation Q.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2016

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Independent auditors' report on review of condensed consolidated interim financial statements

To the Board of Directors of Qatar Navigation Q.S.C.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Qatar Navigation Q.S.C. (the "Company") as at 30 June 2016, the condensed consolidated income statement, comprehensive income, cash flows and changes in equity for the six-month period then ended, and notes to the interim financial statements (the "condensed consolidated interim financial statements"). The Board of Directors of the Company is responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at 30 June 2016 is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

Other matter

The Company's audited consolidated financial statements as at and for the year ended 31 December 2015 and the Company's reviewed condensed consolidated interim financial statements as at and for the six-month period ended 30 June 2015 were audited and reviewed respectively by another auditor, whose audit report dated 23 February 2016 and review report dated 27 July 2015 respectively expressed an unqualified audit opinion and unqualified review conclusion thereon respectively.

3 August 2016
Doha
State of Qatar


Yacoub Hobeika
KPMG
Qatar Auditors Registration No. 289

Qatar Navigation Q.S.C.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six-month period ended 30 June 2016

| | Notes | For the six-month period ended 30 June | |
|--|-------|--|----------------|
| | | 2016 | 2015 |
| | | <i>(Reviewed)</i> | |
| | | QR'000 | QR'000 |
| Operating revenues | 5 | 1,386,827 | 1,507,032 |
| Salaries, wages and other benefits | | (324,799) | (341,708) |
| Operating supplies and expenses | | (444,462) | (466,574) |
| Rent expenses | | (7,660) | (8,159) |
| Depreciation and amortization | | (161,944) | (144,328) |
| Impairment of a vessel | | - | (37,892) |
| Other operating expenses | | (76,715) | (66,410) |
| OPERATING PROFIT | | 371,247 | 441,961 |
| Finance costs | | (85,501) | (35,802) |
| Finance income | | 82,453 | 47,821 |
| Gain on disposal of property, vessels and equipment | | 1,731 | 2,172 |
| Share of results of associates | | 157,742 | 162,374 |
| Share of results of joint ventures | | 23,593 | 19,988 |
| Net gain on foreign exchange | | 2,504 | 1,348 |
| Miscellaneous income | | 1,802 | 12,336 |
| PROFIT FOR THE PERIOD | | 555,571 | 652,198 |
| <i>Attributable to:</i> | | | |
| Equity holders of the parent | | 552,692 | 650,887 |
| Non-controlling interest | | 2,879 | 1,311 |
| | | 555,571 | 652,198 |
| BASIC AND DILUTED EARNINGS PER SHARE | | | |
| <i>(attributable to equity holders of the parent)</i> | 17 | | |
| <i>(expressed in QR per share)</i> | | 4.86 | 5.73 |

The attached notes 1 to 18 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2016

| | <i>For the six-month period ended 30</i> | |
|--|--|----------------|
| | <i>June</i> | |
| | <i>2016</i> | <i>2015</i> |
| | <i>(Reviewed)</i> | |
| <i>Note</i> | <i>QR'000</i> | <i>QR'000</i> |
| Profit for the period | <u>555,571</u> | <u>652,198</u> |
| Other comprehensive income | | |
| <i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i> | | |
| Net movement in hedging reserve | 6 (266,291) | 89,601 |
| Net loss on available-for-sale investments financial assets | 6 (163,871) | (8,800) |
| Other comprehensive (loss) income for the period | <u>(430,162)</u> | <u>80,801</u> |
| Total comprehensive income for the period | <u>125,409</u> | <u>732,999</u> |
| <i>Attributable to:</i> | | |
| Equity holders of the parent | 122,683 | 732,106 |
| Non-controlling interests | <u>2,726</u> | <u>893</u> |
| | <u>125,409</u> | <u>732,999</u> |

The attached notes 1 to 18 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

| | <i>Notes</i> | 30 June 2016 (Reviewed) QR'000 | 31 December 2015 (Audited) QR'000 |
|--|--------------|---|--|
| ASSETS | | | |
| Non-current assets | | | |
| Property, vessels and equipment | 7 | 5,138,245 | 5,038,783 |
| Investment property | 8 | 985,514 | 877,986 |
| Intangible assets | | 186,209 | 193,776 |
| Investments in joint ventures | | 271,889 | 248,296 |
| Investments in associates | | 4,284,085 | 4,568,719 |
| Available-for-sale financial assets | | 3,702,916 | 3,829,437 |
| Loans to LNG and LPG companies | | 235,424 | 235,513 |
| Other assets | | 45,534 | 54,364 |
| | | <u>14,849,816</u> | <u>15,046,874</u> |
| Current assets | | | |
| Inventories | | 177,436 | 211,919 |
| Accounts receivable and prepayments | | 827,655 | 788,315 |
| Financial assets at fair value through profit or loss | | 477,909 | 499,139 |
| Bank balances and cash | | 5,066,964 | 5,585,878 |
| | | <u>6,549,964</u> | <u>7,085,251</u> |
| TOTAL ASSETS | | <u>21,399,780</u> | <u>22,132,125</u> |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | | 1,145,252 | 1,145,252 |
| Treasury shares | | (73,516) | (73,516) |
| Legal reserve | | 4,693,986 | 4,693,986 |
| General reserve | | 623,542 | 623,542 |
| Fair value reserve | | 3,695,606 | 3,859,321 |
| Hedging reserve | | (565,626) | (299,335) |
| Retained earnings | | 3,714,456 | 3,729,844 |
| | | <u>13,233,700</u> | <u>13,679,094</u> |
| Equity attributable to equity holders of the parent | | <u>13,233,700</u> | <u>13,679,094</u> |
| Non-controlling interest | | 65,914 | 72,191 |
| | | <u>13,299,614</u> | <u>13,751,285</u> |
| Total equity | | <u>13,299,614</u> | <u>13,751,285</u> |

The condensed consolidated statement of financial position continues on the next page.

The attached notes 1 to 18 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(CONTINUED)

As at 30 June 2016

| | <i>Note</i> | <i>30 June 2016 (Reviewed) QR'000</i> | <i>31 December 2015 (Audited) QR'000</i> |
|--|-------------|---|--|
| Non-current liabilities | | | |
| Interest bearing loans and borrowings | 11 | 4,189,307 | 2,692,735 |
| Advance from a customer | | 156,088 | 160,652 |
| Provision for employees' end of service benefits | | <u>97,517</u> | <u>89,780</u> |
| | | <u>4,442,912</u> | <u>2,943,167</u> |
| Current liabilities | | | |
| Accounts payable and accruals | | 638,519 | 552,811 |
| Interest bearing loans and borrowings | 11 | <u>3,018,735</u> | <u>4,884,862</u> |
| | | <u>3,657,254</u> | <u>5,437,673</u> |
| Total liabilities | | <u>8,100,166</u> | <u>8,380,840</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>21,399,780</u> | <u>22,132,125</u> |


 AN bin Lussim bin Mohammad Al-Thani
 Chairman


 Abdulrahman Essa A E Al-Mannai
 President and Chief Executive officer

The attached notes 1 to 18 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2016

| | <i>For the six-month period ended 30</i> | |
|---|--|---------------|
| | <i>June</i> | |
| | <i>2016</i> | <i>2015</i> |
| | <i>(Reviewed)</i> | |
| | <i>QR'000</i> | <i>QR'000</i> |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit for the period | 555,571 | 652,198 |
| Adjustment for: | | |
| Depreciation and amortisation | 161,944 | 144,328 |
| Finance costs | 85,501 | 35,802 |
| Gain on disposal of property, vessels and equipment | (1,731) | (2,172) |
| Share of results of associates | (157,742) | (162,374) |
| Share of results of joint ventures | (23,593) | (19,988) |
| Provision for employees' end of service benefits | 13,914 | 6,132 |
| Finance income | (82,453) | (47,821) |
| Dividend income | (129,838) | (172,714) |
| Net fair value loss (gain) on financial assets at fair value through profit or loss | 18,513 | (5,180) |
| Allowance for impairment of a vessel | - | 37,892 |
| Loss (Profit) on disposal of investments | 550 | (4,412) |
| Operating profit before working capital changes: | 440,636 | 461,691 |
| <i>Changes in:</i> | | |
| Inventories | 34,483 | 44,539 |
| Accounts receivables and prepayments | (30,510) | (198,014) |
| Accounts payables and accruals | 40,534 | 104,370 |
| Cash flows from operating activities | 485,143 | 412,586 |
| Finance costs paid | (85,501) | (35,802) |
| Employees' end of service benefits paid | (6,177) | (5,253) |
| Net cash flows generated from operating activities | 393,465 | 371,531 |
| CASHFLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, vessels and equipment | (242,195) | (308,194) |
| Dividend income | 129,838 | 172,714 |
| Finance income | 82,453 | 47,821 |
| Proceeds from disposal of property, vessels and equipment | 2,467 | 37,918 |
| Purchases of investment properties | (119,908) | (61,676) |
| Net movement in loans to LNG and LPG companies | 89 | 56,701 |
| Purchase of investment securities | (40,239) | (756) |
| Proceeds from disposal of available-for-sale financial assets | - | 1,449 |
| Proceeds from disposal of financial assets at fair value through profit or loss | 9,743 | 59,354 |
| Dividends received from associates | 212,008 | 203,103 |
| Net cash flows from investing activities | 34,256 | 208,434 |

The condensed consolidated statement of cashflows continues on the next page.

The attached notes 1 to 18 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the six-month period ended 30 June 2016

| | | <i>For the six-month period ended 30</i> | |
|---|---|--|-------------------------|
| | | <i>June</i> | |
| | | <u>2016</u> | <u>2015</u> |
| | | <i>(Reviewed)</i> | |
| <i>Note</i> | | <i>QR'000</i> | <i>QR'000</i> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| | Dividends paid | (568,080) | (624,891) |
| 10 | Dividends paid to non controlling interests | (9,000) | - |
| | Net movement in interest bearing loans and borrowings | (369,555) | 1,809,888 |
| | Net movement in term deposits maturing after 90 days | <u>459,927</u> | <u>(1,357,490)</u> |
| | Net cash flows used in financing activities | <u>(486,708)</u> | <u>(172,493)</u> |
| | Net (decrease) increase in cash and cash equivalents | (58,987) | 407,472 |
| | Cash and cash equivalents at beginning of period | <u>852,736</u> | <u>748,756</u> |
| | Cash and cash equivalents at end of period | <u>793,749</u> | <u>1,156,228</u> |
| 9 | | | |

The attached notes 1 to 18 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2016

| | Attributable to the equity holders of the Parent | | | | | | | Non-controlling interest QR '000 | Total QR '000 | |
|---|--|----------------------------|--------------------------|----------------------------|-------------------------------|----------------------------|------------------------------|-------------------------------------|-------------------|-------------------|
| | Share capital QR '000 | Treasury shares QR '000 | Legal reserve QR '000 | General reserve QR '000 | Fair value reserve QR '000 | Hedging reserve QR '000 | Retained earnings QR '000 | | | |
| Balance at 1 January 2016 (Audited) | 1,145,252 | (73,516) | 4,693,986 | 623,542 | 3,859,321 | (299,335) | 3,729,844 | 72,191 | 13,679,094 | 13,751,285 |
| <i>Total comprehensive income:</i> | | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 552,692 | 2,879 | 552,692 | 555,571 |
| Other comprehensive loss | - | - | - | - | (163,715) | (266,291) | - | (156) | (430,006) | (430,162) |
| Total comprehensive (loss) income | - | - | - | - | (163,715) | (266,291) | 552,692 | 2,723 | 122,686 | 125,409 |
| Dividends paid (Note 10) | - | - | - | - | - | - | (568,080) | (9,000) | (568,080) | (577,080) |
| Balance at 30 June 2016 (Reviewed) | 1,145,252 | (73,516) | 4,693,986 | 623,542 | 3,695,606 | (565,626) | 3,714,456 | 65,914 | 13,233,700 | 13,299,614 |
| | Attributable to the equity holders of the Parent | | | | | | | Non-controlling interest QR '000 | Total QR '000 | |
| | Share capital QR '000 | Treasury shares QR '000 | Legal Reserve QR '000 | General reserve QR '000 | Fair value reserve QR '000 | Hedging reserve QR '000 | Retained earnings QR '000 | | | |
| Balance at 1 January 2015 (Audited) | 1,145,252 | (73,516) | 4,693,986 | 623,542 | 4,230,860 | (423,169) | 3,287,565 | 57,975 | 13,484,520 | 13,542,495 |
| <i>Total comprehensive income:</i> | | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 650,887 | 1,311 | 650,887 | 652,198 |
| Other comprehensive (loss) income | - | - | - | - | (8,382) | 89,601 | - | (418) | 81,219 | 80,801 |
| Total comprehensive (loss) income | - | - | - | - | (8,382) | 89,601 | 650,887 | 893 | 732,106 | 732,999 |
| Dividends paid (Note 10) | - | - | - | - | - | - | (624,891) | - | (624,891) | (624,891) |
| Balance at 30 June 2015 (Reviewed) | 1,145,252 | (73,516) | 4,693,986 | 623,542 | 4,222,478 | (333,568) | 3,313,561 | 58,868 | 13,591,735 | 13,650,603 |

The attached notes 1 to 18 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2016

1. REPORTING ENTITY

Qatar Navigation Q.S.C. (the "Company") or (the "Parent") was incorporated on 5 July 1957 as a Qatari Shareholding Company, with the Commercial Registration number 1 issued by the Ministry of Economy and Commerce. The registered office of the Company is located in Doha, State of Qatar. The shares of the Company are publicly traded at the Qatar Exchange since 26 May 1997.

The Company's condensed consolidated interim financial statements comprise the Company and its subsidiaries (collectively referred as the "Group").

The principal activities of the Group, which remain unchanged from the previous period, include the provision of marine transport, acting as agent to foreign shipping lines, offshore services, sale of heavy vehicles, ship repair, fabrication and installation of offshore structures, land transport, chartering of vessels, real estate, investments in listed and unlisted securities, trading of aggregates, building materials and the operation of a travel agency.

The subsidiaries of the Company are the following:

| <i>Name of the subsidiary</i> | <i>Country of Incorporation</i> | <i>Principal activities</i> | <i>Group effective shareholding</i> | |
|--|---------------------------------|--|-------------------------------------|-------------------------|
| | | | <i>30 June 2016</i> | <i>31 December 2015</i> |
| Qatar Shipping Company S.P.C. | Qatar | Chartering of vessels and maritime services | 100% | 100% |
| Halul Offshore Services W.L.L. | Qatar | Chartering of vessels offshore services | 100% | 100% |
| Qatar Quarries and Building Materials Company Q.P.S.C. * | Qatar | Trading in building materials | 50% | 50% |
| Gulf Shipping Investment Company W.L.L. * | Qatar | Cargo handling | 100% | 100% |
| Qatar Shipping Company (India) Private Limited * | India | Own, Hire, Purchase, Sale, Operate and manage all types of ships | 100% | 100% |
| Ocean Marine Services W.L.L. * | Qatar | Cargo handling, offshore support services | 100% | 100% |
| Halul United Business Services L.L.C. | Saudi | Offshore services | 100% | 100% |
| Milaha Trading Company W.L.L. | Qatar | Trading in industrial materials | 100% | 100% |
| Navigation Travel & Tourism S.P.C. | Qatar | Travel agency | 100% | 100% |
| Navigation Trading Agencies S.P.C. | Qatar | Trading in heavy equipment | 100% | 100% |

List continues on next page

Qatar Navigation Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2016

1. REPORTING ENTITY (CONTINUED)

| <i>Name of the subsidiary</i> | <i>Country of Incorporation</i> | <i>Principal activities</i> | <i>Group effective shareholding</i> | |
|--|---------------------------------|--|-------------------------------------|-------------------------|
| | | | <i>30 June 2016</i> | <i>31 December 2015</i> |
| Navigation Marine Service Center S.P.C. | Qatar | Marine services | 100% | 100% |
| Milaha Capital W.L.L. | Qatar | Investments | 100% | 100% |
| Milaha Real Estate services S.P.C. | Qatar | Real estate maintenance | 100% | 100% |
| Milaha Maritime and Logistics Integrated W.L.L. | Qatar | Maritime and logistic services | 100% | 100% |
| Milaha Ras Laffan (QS) Verwaltungs GMBH * | Germany | Managing the business activities of KG companies | 100% | 100% |
| Milaha Qatar Verwaltungs GMBH * | Germany | Managing the business activities of KG companies | 100% | 100% |
| Milaha Real Estate Investment S.P.C. | Qatar | Real estate services | 100% | 100% |
| Milaha for Petroleum and Chemical Product W.L.L. | Qatar | Shipping services | 100% | 100% |
| Milaha Ras Laffan Gmbh & Co. KG (KG1) * | Germany | LNG Transport | 100% | 100% |
| Milaha Qatar Gmbh & Co. KG (KG2) * | Germany | LNG Transport | 100% | 100% |
| Milaha Technical and Logistics Services S.P.C. | Qatar | Logistics | 100% | 100% |
| Qatar Shipping Company (France)* | France | Investments | 100% | 100% |
| Milaha Offshore Holding Co. PTE LTD* | Singapore | Offshore support services | 100% | - |
| Milaha Explorer PTE LTD* | Singapore | Offshore support services | 100% | - |
| Milaha Offshore Services Co PTE LTD* | Singapore | Offshore support services | 100% | - |

The Group has the following investments in Joint Ventures:

| | <i>Country of incorporation</i> | <i>Group effective ownership</i> | |
|---|---------------------------------|----------------------------------|-------------------------|
| | | <i>30 June 2016</i> | <i>31 December 2015</i> |
| Qatar Engineering and Technology Company W.L.L. * | Qatar | 51% | 51% |
| Qatar Ship Management Company W.L.L. * | Qatar | 51% | 51% |
| Gulf LPG Transport Company W.L.L. | Qatar | 50% | 50% |
| Aliago W.L.L. | Qatar | 50% | 50% |

Qatar Navigation Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2016

1. REPORTING ENTITY (CONTINUED)

The Group has the following investments in associates:

| | Country of incorporation | Ownership % | | Profit Sharing % | |
|--|--------------------------|--------------|---------------|------------------|---------------|
| | | 31 | | 31 | |
| | | 30 June 2016 | December 2015 | 30 June 2016 | December 2015 |
| Cargotec Qatar W.L.L.* | Qatar | 51.0% | 51.0% | 40.0% | 40.0% |
| Iraq-Qatar Transport and Shipping Services Com. L.T.D. | Iraq | 51.0% | 51.0% | 51.0% | 51.0% |
| United Arab Shipping Agency Company W.L.L. * | Qatar | 40.0% | 40.0% | 40.0% | 40.0% |
| Qatar Gas Transport Company Limited (NAKILAT) (Q.S.C.) | Qatar | 30.3% | 30.3% | 30.3% | 30.3% |
| Camartina Shipping INC. * | Liberia | 29.4% | 29.4% | 29.4% | 29.4% |
| Peninsula LNG Transport No. 1 Ltd. * | Liberia | 29.4% | 29.4% | 29.4% | 29.4% |
| Peninsula LNG Transport No. 2 Ltd. * | Liberia | 29.4% | 29.4% | 29.4% | 29.4% |
| Peninsula LNG Transport No. 3 Ltd. * | Liberia | 29.4% | 29.4% | 29.4% | 29.4% |
| Qatar LNG Transport Ltd. * | Liberia | 20.0% | 20.0% | 20.0% | 20.0% |
| Man Diesel & Turbo Qatar Navigation W.L.L. * | Qatar | 51.0% | 51.0% | 35.0% | 35.0% |

* The financial performance and positions of these companies are based on management accounts.

The Company has the following registered branch in Dubai as at the current and the comparative reporting dates:

| Name of branch | Principal activity |
|---------------------------------|--------------------|
| Qatar Navigation (Dubai Branch) | Marine services |

The results and the assets and liabilities of the above branch have been combined in the condensed consolidated interim financial statements of the Group.

2. BASIS OF ACCOUNTING

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting", and should be read in conjunction with the Company's last annual consolidated financial statements as at and for the year ended 31 December 2015. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The condensed consolidated interim financial statements of the Company were authorised for issue on 3 August 2016.

3. USE OF JUDGMENTS AND ESTIMATES

In preparing the condensed consolidated interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2015.

Measurement of fair values

When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted market price (unadjusted) in active markets for an identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair values is included in Note 15 - Financial instruments.

4. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied in this condensed consolidated interim financial statements are the same as those applied in the Company's consolidated financial statements as at and for the year ended 31 December 2015.

Changes in accounting policies

During the current period, the Group adopted the below amendments and improvements to the International Financial Reporting Standards that are effective for annual periods beginning on 1 January 2016:

- *Amendments to IAS 1 on Disclosure Initiative*
- *Amendments to IAS 16 and IAS 38 on clarification of acceptable methods of depreciation and amortization*
- *Amendments to IAS 16 and IAS 41 on Agriculture: Bearer plants*
- *Amendments to IAS 27 on equity method in Separate Financial Statements*
- *Amendments to IFRS 11 on accounting for acquisitions of interests in Joint Ventures*
- *Amendments to IFRS 10, IFRS 12 and IAS 28 on investment entities applying the consolidation exception*
- *IFRS 14 "Regulatory Deferral Accounts"*
- *Annual improvements to IFRSs 2012-2014 cycle*

The adoption of the above amendments and improvements had no significant impact on the condensed consolidated interim financial statements.

5. OPERATING REVENUES

The Group revenues consist of activities under the following operating segments:

| | <i>Six-month period ended 30</i> | |
|-------------------------------|----------------------------------|------------------|
| | <i>June</i> | |
| | <i>2016</i> | <i>2015</i> |
| | <i>(Reviewed)</i> | |
| | <i>QR'000</i> | <i>QR'000</i> |
| Milaha Capital | 248,827 | 334,296 |
| Milaha Maritime and Logistics | 448,782 | 477,596 |
| Milaha Offshore | 292,101 | 330,686 |
| Milaha Trading | 159,618 | 212,449 |
| Milaha Gas and Petrochem | 237,499 | 152,005 |
| | <u>1,386,827</u> | <u>1,507,032</u> |

6. COMPONENTS OF OTHER COMPREHENSIVE INCOME

| | <i>Six-month period ended 30</i> | |
|--|----------------------------------|----------------|
| | <i>June</i> | |
| | <i>2016</i> | <i>2015</i> |
| | <i>(Reviewed)</i> | |
| | <i>QR'000</i> | <i>QR'000</i> |
| Movements of other comprehensive income | | |
| Cash flow hedges | | |
| Movement during the period | (40,610) | 166 |
| Group share of (losses) gains in associates | (225,681) | 89,435 |
| Total effect on other comprehensive income resulting from cashflow hedges | <u>(266,291)</u> | <u>89,601</u> |
| Available-for-sale financial assets | | |
| Loss arising during the period on revaluation | (162,493) | (1,403) |
| Group share of losses in associates | (1,378) | (7,397) |
| Total effect on other comprehensive income resulting from available-for-sale financial assets | <u>(163,871)</u> | <u>(8,800)</u> |

7. PROPERTY, VESSELS AND EQUIPMENT

| | <i>30 June</i> | <i>31 December</i> |
|--|-------------------|--------------------|
| | <i>2016</i> | <i>2015</i> |
| | <i>(Reviewed)</i> | <i>(Audited)</i> |
| | <i>QR'000</i> | <i>QR'000</i> |
| Net book value, beginning balance | 5,038,783 | 3,972,522 |
| Additions | 242,195 | 440,287 |
| Acquisition of subsidiaries | - | 1,031,621 |
| Disposals and write off | (736) | (36,279) |
| Transfers and reclassifications | - | (975) |
| Impairment of vessels and shipping equipment | - | (96,649) |
| Depreciation charge for the period/ year | (141,997) | (271,744) |
| Net book value, ending balance | <u>5,138,245</u> | <u>5,038,783</u> |

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8. INVESTMENT PROPERTIES

| | <i>30 June 2016 (Reviewed) QR'000</i> | <i>31 December 2015 (Audited) QR'000</i> |
|--|---|--|
| Net book value, beginning balance | 877,986 | 791,062 |
| Additions | 119,908 | 111,569 |
| Depreciation charge for the period/ year | <u>(12,380)</u> | <u>(24,645)</u> |
| Net book value, ending balance | <u>985,514</u> | <u>877,986</u> |

9. BANK BALANCES AND CASH

For the purpose of the condensed consolidated statement of cash flows, cash and cash equivalents comprise of the following items:

| | <i>30 June 2016 (Reviewed) QR'000</i> | <i>30 June 2015 (Reviewed) QR'000</i> |
|--|---|---|
| Bank balances and cash | 5,066,964 | 5,054,507 |
| Less: Term deposits maturing after 90 days (i) | (4,273,215) | (3,737,938) |
| Less: Bank overdrafts | - | (160,341) |
| | <u>793,749</u> | <u>1,156,228</u> |

Note (i), Term deposits maturing after 90 days is mainly funded using interest bearing loans and borrowings.

10. DIVIDENDS

During the current period, following the approval at the Annual General Assembly held on 16 March 2016, the Company paid a cash dividend of QR 5 per share totalling QR 568 million (2015: QR 5.5 per share, totalling QR 625 million) relating to the year 2015.

11. INTEREST BEARING LOANS AND BORROWINGS

The following transactions occurred during the period ended 30 June 2016 relating to interest bearing loans and borrowings:

Parent Company:

- An original dollar denominated facility of QR 145,600,000 was increased to QR 343,518,000 during the six month ended 30 June 2016. This was utilized to an extent of QR 291,200,000 with a tenor of six months and was drawn down during February 2016. This facility carries interest at 0.5% + LIBOR subject to a minimum of 1.15%.

Subsidiary Company:

- During the month of June, the company prepaid a portion of the dollar denominated Islamic facility in advance, which represents the encumbrances of the asset that was intended to be disposed subsequent to the reporting date. The total amount of repayment in addition to the loan instalment amounts to USD 2,538,856. The outstanding Islamic facility as at 30 June 2016 amounts to QR 223,139,940.

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12. COMMITMENTS

| | <i>30 June 2016 (Reviewed) QR'000</i> | <i>31 December 2015 (Audited) QR'000</i> |
|---|---|--|
| Capital commitment: | | |
| Estimated expenditure on property, vessels and equipment approved but not contracted for as of the reporting date | <u>878,137</u> | <u>1,670,050</u> |
| Operating lease commitments: | | |
| | <i>30 June 2016 (Reviewed) QR'000</i> | <i>31 December 2015 (Audited) QR'000</i> |
| Within one year | 7,746 | 7,911 |
| After one year but not more than five years | <u>11,313</u> | <u>10,210</u> |
| Total operating lease expenditure contracted for at the reporting date | <u><u>19,059</u></u> | <u><u>18,121</u></u> |

13. CONTINGENT LIABILITIES

At 30 June 2016 and 31 December 2015, the Group had letters of guarantees and letters of credit from which it anticipates that no material liabilities will arise as follows:

| | <i>30 June 2016 (Reviewed) QR'000</i> | <i>31 December 2015 (Audited) QR'000</i> |
|-----------------------|---|--|
| Letters of guarantees | 724,634 | 754,270 |
| Letters of credits | <u>62,938</u> | <u>472,267</u> |
| | <u><u>787,572</u></u> | <u><u>1,226,537</u></u> |

Arbitration cases at the reporting date

As at the reporting date, the Group had issued a notice of rescission to one of the shipbuilders for the failure to deliver 5 vessels in accordance with the contractual terms of the related agreement. In response, the shipbuilder issued a notice of arbitration to the Group. The carrying amounts of those vessels subject to the above arbitration almost equates, the amounts that is being recovered by liquidating the advance payment guarantees received from the shipbuilder at the commencement of the ship construction agreement amounting to QR 389,746,000. The Group believes as the proceedings for arbitration is at its inception, it is pre-mature to forecast the outcome of the arbitration as at reporting date.

14. HEDGING ACTIVITIES AND DERIVATIVE FINANCIAL INSTRUMENTS

Cash flow hedges:

Halul Offshore Services W.L.L.:

At 30th June 2016, Halul Offshore Services W.L.L. had an interest rate swap agreement in place with a notional amount of USD 23,438,976.38 (QR 85,317,874.00), whereby it receives a variable rate of USD 3 months LIBOR and pays a fixed rate of interest of 1.30% on the notional amount. The swap is being used to hedge the exposure to interest rate fluctuations on its loans. The loan facility and the interest rate swap have the same critical terms. This cash flow hedge is assessed to be highly effective. The fair value of the interest rate swaps are calculated by reference to the market valuation of the swap agreements.

The Group has recognised the negative fair value of the interest rate swaps amounting to QR 326,240 as at 30 June 2016 (31 December 2015: 449,261) as part of accounts payable and accruals.

Milaha Ras Laffan GmbH & Co. KG ("KG 1") and Milaha Qatar GmbH & Co. KG ("KG 2"):

KG 1 and KG 2 has interest rate swap agreements in place with a notional amount of USD 131,048,820 (QR 477,017,705) and USD 133,672,688 (QR 486,568,584), respectively, whereby it receives a variable rate of USD 3 months LIBOR and pays a fixed rate interest of 2.685% on the notional amount. The swap is being used to hedge the exposure to interest rate fluctuations on its loans. The loan facility and the interest rate swap have the same critical terms. This cash flow hedge is assessed to be highly effective. The fair value of the interest rate swaps are calculated by reference to the market valuation of the swap agreements.

KG1 and KG2 has recognised the negative fair value movement of the interest rate swaps amounting to USD 11,550,807 (QR 42,045,000) and USD 11,782,077 (QR 42,887,000) respectively (31 December 2015: USD 6,011,197 (QR 21,881,000) and USD 6,131,554 (QR 22,318,000)) as part of accounts payable and accruals.

15. FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets, financial liabilities and derivative financial instruments.

Financial assets consist of bank balances and cash, available-for-sale investments, financial assets at fair value through profit or loss, loans to LNG and LPG companies and certain other receivables. Financial liabilities interest bearing loans and borrowings and certain other payables. Derivative financial instruments consist of interest rate swaps.

Available-for-sale financial assets

The Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. The determination of what is 'significant' or 'prolonged' requires judgement. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. See below for fair value disclosures.

Carrying amounts and fair values

A comparison by class of the carrying value and fair value of the Group's financial instruments that are carried in the consolidated financial statements of financial position are set out below:

15. FINANCIAL INSTRUMENTS (CONTINUED)

| | <i>Carrying amount</i> | | <i>Fair value</i> | |
|--|---|--|---|--|
| | <i>30 June 2016 (Reviewed) QR'000</i> | <i>31 December 2015 (Audited) QR'000</i> | <i>30 June 2016 (Reviewed) QR'000</i> | <i>31 December 2015 (Audited) QR'000</i> |
| Financial assets (liabilities) at fair value through profit or loss | | | | |
| Financial investments at fair value through profit or loss | <u>477,909</u> | <u>499,139</u> | <u>477,909</u> | <u>499,139</u> |
| Financial assets (liabilities) at fair value through other comprehensive income | | | | |
| Available-for-sale financial assets | 3,702,916 | 3,829,437 | 3,702,916 | 3,829,437 |
| Interest rate swaps (cash flow hedge) | <u>(85,258)</u> | <u>(44,648)</u> | <u>(85,258)</u> | <u>(44,648)</u> |
| | <u>3,617,658</u> | <u>3,784,789</u> | <u>3,617,658</u> | <u>3,784,789</u> |

The Fair value of financial assets and liabilities other than those disclosed above approximates their carrying amounts at reporting date.

Measurement of fair values

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Cash and cash equivalents, trade accounts receivables, trade accounts payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Fair value of available-for-sale financial assets and financial assets at fair value through profit or loss is derived from quoted market prices in active markets.
- Fair value of unquoted available-for-sale financial assets is estimated using appropriate valuation techniques.
- Loans to LNG and LPG companies are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. As the reporting period, the carrying amounts of such receivables are not materially different from their calculated fair values.
- The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives are valued based on market valuation provided by the respective financial institution.

15. FINANCIAL INSTRUMENTS (CONTINUED)

The Group held the following financial instruments measured at fair value at the reporting period:

| | <i>30 June</i> <i>2016</i> | <i>Level 1</i> | <i>Level 2</i> | <i>Level 3</i> |
|--|-----------------------------------|----------------|----------------|----------------|
| Assets measured at fair value | | | | |
| Financial investments at fair value through profit or loss | 477,909 | 477,909 | - | - |
| Available-for-sale financial assets: | | | | |
| Quoted investments | 3,332,125 | 3,332,125 | - | - |
| Unquoted investments | 1,080 | - | 1,080 | - |
| Investment in bonds | 22,202 | - | 22,202 | - |
| Liability measured at fair value | | | | |
| Interest rate swaps | 85,258 | - | 85,258 | - |
| | <i>31 December</i> <i>2015</i> | <i>Level 1</i> | <i>Level 2</i> | <i>Level 3</i> |
| Assets measured at fair value | | | | |
| Financial investments at fair value through profit or loss | 499,139 | 499,139 | - | - |
| Available-for-sale financial assets: | | | | |
| Quoted investments | 3,458,088 | 3,458,088 | - | - |
| Unquoted investments | 1,713 | - | 1,713 | - |
| Investment in bonds | 22,159 | - | 22,159 | - |
| Liability measured at fair value | | | | |
| Interest rate swaps | 44,648 | - | 44,648 | - |

During the six months period ended 30 June 2016, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The Group does not hold credit enhancement or collateral to mitigate credit risk. The carrying amount of financial assets therefore represents the potential credit risk.

The tables above illustrate the classification of the Group's financial instruments based on the fair value hierarchy as required for complete sets of financial statements. This classification provides a reasonable basis to illustrate the nature and extent of risks associated with those financial instruments.

Fair value hierarchy

All financial instruments are carried at fair value and are categorised in three levels, defined as follows:

- Level 1 – Quoted market prices
- Level 2 – Valuation techniques (market observable)
- Level 3 - Valuation techniques (non-market observable)

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

16. RELATED PARTY DISCLOSURES

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2016 and 30 June 2015, as well as balances with related parties as at 30 June 2016 and 31 December 2015:

Related party transactions

| | <i>Six-month period ended 30 June</i> | | | |
|---------------|---------------------------------------|------------------|-------------------|------------------|
| | <i>2016</i> | | <i>2015</i> | |
| | <i>Sales</i> | <i>Purchases</i> | <i>Sales</i> | <i>Purchases</i> |
| | <i>(Reviewed)</i> | | <i>(Reviewed)</i> | |
| <i>QR'000</i> | <i>QR'000</i> | <i>QR'000</i> | <i>QR'000</i> | |
| Associates | <u>228</u> | <u>2</u> | <u>342</u> | <u>6</u> |

Related party balances

Balances with related parties included in the condensed consolidated statement of financial position are as follows:

| | <i>30 June 2016</i> | | <i>31 December 2015</i> | |
|---------------|---------------------|-----------------|-------------------------|-----------------|
| | <i>Trade</i> | <i>Trade</i> | <i>Trade</i> | <i>Trade</i> |
| | <i>receivables</i> | <i>payables</i> | <i>receivables</i> | <i>payables</i> |
| | <i>(Reviewed)</i> | | <i>(Audited)</i> | |
| <i>QR'000</i> | <i>QR'000</i> | <i>QR'000</i> | <i>QR'000</i> | |
| Associates | <u>73</u> | <u>-</u> | <u>326</u> | <u>-</u> |

Compensation of directors and other key management personnel

The remuneration of directors and other members of key management provided for /paid during the period was as follows:

| | <i>Six-month period ended 30</i> | |
|--|----------------------------------|---------------|
| | <i>June</i> | |
| | <i>2016</i> | <i>2015</i> |
| | <i>(Reviewed)</i> | |
| | <i>QR'000</i> | <i>QR'000</i> |
| Salaries and allowances | <u>4,516</u> | <u>7,498</u> |
| Employees' end of service benefits | <u>335</u> | <u>427</u> |
| Board of directors remuneration – cash | <u>6,975</u> | <u>6,975</u> |
| | <u>11,826</u> | <u>14,900</u> |

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17. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the parent by the weighted average number of shares outstanding during the period.

There were no potentially dilutive shares outstanding at any time during the period and, therefore, the diluted earnings per share is equal to the basic earnings per share.

| | <i>Six months ended 30 June</i> | |
|---|---------------------------------|-------------------|
| | <i>2016</i> | <i>2015</i> |
| | <i>(Reviewed)</i> | |
| | <u> </u> | <u> </u> |
| Net profit for the year attributable to equity holders of the parent (QR'000) | 552,692 | 650,887 |
| Weighted average number of shares (000's) | 113,616 | 113,616 |
| Basic and diluted earnings per share (QR) | 4.86 | 5.73 |

The weighted average numbers of shares have been calculated as follows:

| | <i>Six months ended 30 June</i> | |
|--|---------------------------------|-------------------|
| | <i>2016</i> | <i>2015</i> |
| | <i>(Reviewed)</i> | |
| | <u> </u> | <u> </u> |
| Total number of shares outstanding (000's) | 114,525 | 114,525 |
| Adjustment for weighted average shares with respect to treasury shares purchased during the year 2013 (000's) (Note) | (909) | (909) |
| Weighted average numbers of shares during the period (000's) | 113,616 | 113,616 |

Note:

This represents the investment of 908,725 shares in the Company by one of its subsidiaries, during the year ended 31 December 2013.

18. SEGMENT INFORMATION

The Group is organised into six pillars as follows, which constitute five reportable segments (strategic divisions):

- Milaha Capital - provides corporate finance advisory services to Parent and its subsidiaries, in addition to managing its proprietary portfolio of financial and real estate investments and holding the investment of Qatar Quarries and Building Material Company W.L.L.
- Milaha Maritime & Logistics - delivers a comprehensive range of services to major importers, exporters and shipping companies in the region, including oil & gas majors. The activities include logistics services, container feeder shipping, NVOCC operations, bulk shipping, shipping agencies, port management and operations, shipyard and steel fabrication.
- Milaha Offshore - provides comprehensive offshore support services to the oil and gas industry across the region. The Company currently operates a fleet of offshore service vessels, which include safety standby vessels, anchor handling tugs, crew boats, workboats, jack-ups and dynamic positioning (DP) vessels. It provides a complete range of diving services including saturation diving.
- Milaha Trading – engaged in trading trucks, heavy equipment, machinery and lubrication brands in Qatar. The segment markets its products and provides critical after sales service. Milaha Trading also owns and operates an IATA-approved travel agency, one of the oldest in the State of Qatar.
- Milaha Gas and Petrochem – owns, manages and operates a fleet of LPG and LNG carriers and provides ocean transportation services to international energy and industrial companies. It further owns and manages a young fleet of product tankers and crude carrier. The segment also operates a number of product tankers in partnership with international trading and shipping companies.

Adjustments with respect to Milaha corporate represent costs captured and interest income earned, which are subsequently allocated to various business pillars by way of a laid down methodology. Milaha Corporate provides necessary services to all the pillars to run their respective business. These services are costs of management, corporate development and communications, internal audit, legal affairs, shared services, information technology, procurement, human resources and administration and finance. These costs and income are subsequently allocated.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

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18. SEGMENT INFORMATION (CONTINUED)

Six-month period ended 30 June 2016 (Reviewed)

| | Milaha Capital QR'000 | Milaha Maritime and Logistics QR'000 | Milaha Offshore QR'000 | Milaha Trading QR'000 | Milaha Gas and Petrochem QR'000 | Adjustments relating to Milaha Corporate QR'000 | Total segments QR'000 | Adjustments and eliminations QR'000 | Consolidated QR'000 |
|---|-----------------------------|---|------------------------------|-----------------------------|--|--|-----------------------------|--|------------------------|
| Operating revenues | 258,621 | 511,671 | 292,101 | 185,500 | 237,499 | - | 1,485,392 | (98,565) | 1,386,827 |
| Salaries, wages and other benefits | (3,483) | (105,547) | (93,185) | (9,962) | (52,417) | (60,466) | (325,060) | 261 | (324,799) |
| Operating supplies and expenses | (53,600) | (222,388) | (59,935) | (157,355) | (35,702) | (4,526) | (533,506) | 89,044 | (444,462) |
| Rent expenses | (2,110) | (3,904) | (3,253) | (1,097) | (1,884) | (4,937) | (17,185) | 9,525 | (7,660) |
| Depreciation and amortisation | (17,650) | (21,212) | (56,737) | (460) | (63,766) | (2,119) | (161,944) | - | (161,944) |
| Other operating expenses | (4,538) | (14,555) | (26,925) | (1,538) | (20,925) | (7,971) | (76,452) | (263) | (76,715) |
| Allocations relating to fleet and technical services | - | (27,816) | - | - | 27,816 | - | - | - | - |
| Allocations relating to Milaha Corporate | (7,460) | (35,807) | (15,715) | (7,804) | (13,223) | 80,009 | - | - | - |
| OPERATING PROFIT | 169,780 | 80,442 | 36,351 | 7,284 | 77,398 | (10) | 371,245 | 2 | 371,247 |
| Finance costs | (38,943) | (4,563) | (11,732) | - | (30,263) | - | (85,501) | - | (85,501) |
| Finance income | 66,003 | 1 | 421 | 2,009 | 14,021 | - | 82,455 | (2) | 82,453 |
| Gain on disposal of property, vessels and equipment | - | 15 | 1,716 | - | - | - | 1,731 | - | 1,731 |
| Share of results of associates | 498 | 722 | - | - | 156,522 | - | 157,742 | - | 157,742 |
| Share of results of joint ventures | - | - | - | - | 23,593 | - | 23,593 | - | 23,593 |
| Net (loss) gain on foreign exchange | (263) | (313) | (235) | (179) | 3,484 | 10 | 2,504 | - | 2,504 |
| Miscellaneous income | (56) | 1 | - | - | 1,857 | - | 1,802 | - | 1,802 |
| PROFIT FOR THE PERIOD | 197,019 | 76,305 | 26,521 | 9,114 | 246,612 | - | 555,571 | - | 555,571 |

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18. SEGMENT INFORMATION (CONTINUED)

Six-month period ended 30 June 2015 (Reviewed)

| | Milaha Capital QR'000 | Milaha Maritime and Logistics QR'000 | Milaha Offshore QR'000 | Milaha Trading QR'000 | Milaha Gas and Petrochem QR'000 | Adjustments relating to Milaha Corporate QR'000 | Total segments QR'000 | Adjustments and eliminations QR'000 | Consolidated QR'000 |
|---|-----------------------------|---|------------------------------|-----------------------------|--|--|-----------------------------|--|------------------------|
| Operating revenues | 342,618 | 548,493 | 330,686 | 244,061 | 152,005 | - | 1,617,863 | (110,831) | 1,507,032 |
| Salaries, wages and other benefits | (5,420) | (99,950) | (120,641) | (9,698) | (42,451) | (63,861) | (342,021) | 313 | (341,708) |
| Operating supplies and expenses | (75,033) | (208,447) | (58,863) | (204,680) | (18,745) | (2,608) | (568,376) | 101,802 | (466,574) |
| Rent expenses | (2,197) | (4,852) | (2,869) | (1,118) | (2,008) | (3,750) | (16,794) | 8,635 | (8,159) |
| Depreciation and amortisation | (17,707) | (27,961) | (56,734) | (459) | (39,602) | (1,865) | (144,328) | - | (144,328) |
| Impairment of a vessel | - | (37,892) | - | - | - | - | (37,892) | - | (37,892) |
| Other operating expenses | (5,651) | (12,383) | (22,324) | (1,496) | (18,606) | (6,031) | (66,491) | 81 | (66,410) |
| Allocations relating to fleet and technical services | - | (31,745) | - | - | 31,745 | - | - | - | - |
| Allocations relating to Milaha Corporate | (8,562) | (33,482) | (14,940) | (8,431) | (12,450) | 77,865 | - | - | - |
| OPERATING PROFIT | 228,048 | 91,781 | 54,315 | 18,179 | 49,888 | (250) | 441,961 | - | 441,961 |
| Finance costs | (21,377) | (4,087) | (6,119) | - | (4,219) | - | (35,802) | - | (35,802) |
| Finance income | 35,262 | 1 | 42 | 1,127 | 11,528 | (139) | 47,821 | - | 47,821 |
| (Loss) Gain on disposal of property, vessels and equipment | (4) | (1,956) | 4,129 | - | - | 3 | 2,172 | - | 2,172 |
| Share of results of associates | 302 | 949 | - | - | 161,123 | - | 162,374 | - | 162,374 |
| Share of results of joint ventures | - | - | - | - | 19,988 | - | 19,988 | - | 19,988 |
| Net (loss) gain on foreign exchange | (220) | 163 | 393 | 91 | 536 | 385 | 1,348 | - | 1,348 |
| Miscellaneous income | 124 | (1) | - | - | 12,212 | 1 | 12,336 | - | 12,336 |
| PROFIT FOR THE PERIOD | 242,135 | 86,850 | 52,760 | 19,397 | 251,056 | - | 652,198 | - | 652,198 |

Note : Inter-segment revenues are eliminated on consolidation.