

Qatar Navigation Q.S.C.

**UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

31 MARCH 2013

Qatar Navigation Q.S.C.

INTERIM CONSOLIDATED INCOME STATEMENT

For the three months ended 31 March 2013

		<i>For the three months ended 31 March</i>	
		<u>2013</u>	<u>2012</u>
		<i>(Unaudited)</i>	
		<u>QR'000</u>	<u>QR'000</u> <i>(Restated)</i>
	<i>Note</i>		
Operating revenues	2	691,605	631,614
Salaries, wages and other benefits	2	(153,726)	(128,783)
Operating supplies and expenses	2	(145,535)	(161,642)
Rent expenses	2	(15,186)	(14,280)
Depreciation and amortisation	2	(58,706)	(63,052)
Other operating expenses	2	(35,674)	(31,441)
OPERATING PROFIT		282,778	232,416
Finance costs	2	(8,487)	(6,852)
Finance income	2	13,433	11,545
Gain on disposal of property, vessels and equipment	2	4,544	10
Share of results of associates	2	51,429	46,789
Miscellaneous income	2	318	3,211
Impairment of available-for-sale investments	2	(206)	(4,073)
PROFIT FOR THE PERIOD		343,809	283,046
<i>Attributable to:</i>			
Shareholders of the parent		344,585	283,748
Non-controlling interest		(776)	(702)
		343,809	283,046
BASIC AND DILUTED EARNINGS PER SHARE			
<i>(attributable to shareholders of the parent)</i>			
<i>expressed in QR per share)</i>		3.01	2.47

The attached notes 1 to 2 form part of these consolidated financial statements

Qatar Navigation Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2013

		31 March 2013 (Unaudited) QR'000	31 December 2012 (Audited) QR'000 (Restated)	1 January 2012 (Audited) QR'000 (Restated)
ASSETS				
Non-current assets				
Property, vessels and equipment	2	3,075,875	3,093,906	2,852,112
Investment properties	2	673,755	647,382	684,220
Intangible assets	2	38,757	42,941	71,020
Investment in joint ventures	2	128,854	135,123	130,784
Investment in associates	2	3,894,684	3,752,395	3,617,194
Available-for-sale investments	2	2,843,710	2,782,940	3,282,885
Loans to LNG and LPG companies	2	535,332	844,798	861,198
Notes receivable	2	3,236	1,914	1,821
		11,194,203	11,301,399	11,501,234
Current assets				
Inventories	2	198,281	162,092	114,851
Accounts receivable and prepayments	2	985,437	576,165	586,538
Financial investments at fair value through profit or loss	2	539,481	489,290	202,457
Bank balances and cash	2	2,426,229	1,551,713	900,322
		4,149,428	2,779,260	1,804,168
TOTAL ASSETS		15,343,631	14,080,659	13,305,402
EQUITY AND LIABILITIES				
Attributable to equity holders of the parent				
Share capital	2	1,145,252	1,145,252	1,145,252
Legal reserve	2	4,693,986	4,693,986	4,693,986
General reserve	2	623,542	623,542	623,542
Fair value reserve	2	2,901,727	2,859,694	3,143,749
Hedging reserve	2	(846,154)	(935,224)	(963,281)
Retained earnings	2	2,251,219	1,906,636	1,521,573
Proposed dividends	2	-	429,469	400,838
Equity attributable to equity holders of the parent		10,769,572	10,723,355	10,565,659
Non-controlling interest	2	56,701	57,468	56,222
Total equity		10,826,273	10,780,823	10,621,881

Continued

The attached notes 1 to 2 form part of these consolidated financial statements

Qatar Navigation Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

At 31 March 2013

		31 March 2013 <i>(Unaudited)</i> QR'000	31 December 2012 <i>(Audited)</i> QR'000 <i>(Restated)</i>	1 January 2012 <i>(Audited)</i> QR'000 <i>(Restated)</i>
	<i>Note</i>			
Non-current liabilities				
Interest bearing loans and borrowings	2	2,494,385	1,770,398	513,722
Advance from a customer	2	187,523	187,497	187,497
Employees' end of service benefits	2	71,030	69,943	66,018
Obligation under finance leases	2	127	300	3,451
		<u>2,753,065</u>	<u>2,028,138</u>	<u>770,688</u>
Current liabilities				
Accounts payable and accruals	2	1,003,977	468,259	452,243
Interest bearing loans and borrowings	2	758,346	800,322	1,446,311
Obligation under finance leases	2	1,970	3,080	6,257
Bank overdrafts	2	-	37	8,022
		<u>1,764,293</u>	<u>1,271,698</u>	<u>1,912,833</u>
Total liabilities		<u>4,517,358</u>	<u>3,299,836</u>	<u>2,683,521</u>
TOTAL EQUITY AND LIABILITIES		<u>15,343,631</u>	<u>14,080,659</u>	<u>13,305,402</u>

.....
H.E. Sheikh Ali bin Jassim bin Mohammed Al-Thani
Chairman and Managing Director

.....
Mr. Khalifa bin Ali Al-Hetmi
Chief Executive Officer

The attached notes 1 to 2 form part of these consolidated financial statements

INTERIM CONSOLIDATED INCOME STATEMENT

At 31 March 2013

1 BASIS OF PREPARATION

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2012.

The consolidated financial statements include the financial statements of the Company and that of its subsidiaries as defined in the annual financial statements for the year ended 31 December 2012 and is referred to as the “Group”.

The interim condensed consolidated financial statements have been published as per the instructions of the Qatar Exchange and have not been reviewed by the external auditors.

2 COMPARATIVE INFORMATION

IFRS 11 Joint Arrangements

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. This standard becomes effective for annual periods beginning on or after 1 January 2013, and is to be applied retrospectively for joint arrangements held at the date of initial application.

These retrospective adjustments affected the following previously reported figures:

- (i) Consolidated statement of income

	<i>Three months ended 31 March 2012</i>		
	<i>As previously reported QR'000</i>	<i>Net impact QR'000</i>	<i>As restated QR'000</i>
Operating revenues	639,610	(7,996)	631,614
Salaries, wages and other benefits	(132,637)	3,854	(128,783)
Operating supplies and expenses	(173,698)	12,056	(161,642)
Rent expenses	(14,280)	-	(14,280)
Depreciation and amortisation	(67,712)	4,660	(63,052)
Other operating expenses	(23,752)	(7,689)	(31,441)
OPERATING PROFIT	227,531	4,885	232,416
Finance costs	(9,209)	2,357	(6,852)
Finance income	11,547	(2)	11,545
Gain on disposal of property, vessels and equipment	10	-	10
Share of results of associates	54,029	(7,240)	46,789
Miscellaneous income	3,211	-	3,211
Impairment of available-for-sale investments	(4,073)	-	(4,073)
PROFIT FOR THE YEAR	283,046	-	283,046

INTERIM CONSOLIDATED INCOME STATEMENT

At 31 March 2013

2 COMPARATIVE INFORMATION (continued)

(ii) Consolidated statement of financial position

	<i>At 31 December 2012</i>			<i>At 1 January 2012</i>		
	<i>As previously reported QR'000</i>	<i>Net impact QR'000</i>	<i>As restated QR'000</i>	<i>As previously reported QR'000</i>	<i>Net impact QR'000</i>	<i>As restated QR'000</i>
ASSETS						
Non-current assets						
Property, vessels and equipment	3,688,566	(594,660)	3,093,906	3,465,514	(613,402)	2,852,112
Investment properties	647,382	-	647,382	684,220	-	684,220
Intangible assets	42,941	-	42,941	71,020	-	71,020
Investment in joint ventures	-	135,123	135,123	-	130,784	130,784
Investment in associates	3,752,395	-	3,752,395	3,617,194	-	3,617,194
Available-for-sale investments	2,782,940	-	2,782,940	3,282,885	-	3,282,885
Loans to LNG and LPG companies	358,356	486,442	844,798	338,340	522,858	861,198
Notes receivable	1,914	-	1,914	1,821	-	1,821
	<u>11,274,494</u>	<u>26,905</u>	<u>11,301,399</u>	<u>11,460,994</u>	<u>40,240</u>	<u>11,501,234</u>
Current assets						
Inventories	162,092	-	162,092	114,851	-	114,851
Accounts receivable and prepayments	597,872	(21,707)	576,165	611,251	(24,713)	586,538
Financial investments at fair value through profit or loss	489,290	-	489,290	202,457	-	202,457
Bank balances and cash	1,558,009	(6,296)	1,551,713	923,348	(23,026)	900,322
	<u>2,807,263</u>	<u>(28,003)</u>	<u>2,779,260</u>	<u>1,851,907</u>	<u>(47,739)</u>	<u>1,804,168</u>
TOTAL ASSETS	<u>14,081,757</u>	<u>(1,098)</u>	<u>14,080,659</u>	<u>13,312,901</u>	<u>(7,499)</u>	<u>13,305,402</u>
EQUITY AND LIABILITIES						
Attributable to equity holders of the parent						
Share capital	1,145,252	-	1,145,252	1,145,252	-	1,145,252
Legal reserve	4,693,986	-	4,693,986	4,693,986	-	4,693,986
General reserve	623,542	-	623,542	623,542	-	623,542
Fair value reserve	2,859,694	-	2,859,694	3,143,749	-	3,143,749
Hedging reserve	(935,224)	-	(935,224)	(963,281)	-	(963,281)
Retained earnings	1,906,636	-	1,906,636	1,521,573	-	1,521,573
Proposed dividends	429,469	-	429,469	400,838	-	400,838
	<u>10,723,355</u>	<u>-</u>	<u>10,723,355</u>	<u>10,565,659</u>	<u>-</u>	<u>10,565,659</u>
Equity attributable to equity holders of the parent	<u>10,723,355</u>	<u>-</u>	<u>10,723,355</u>	<u>10,565,659</u>	<u>-</u>	<u>10,565,659</u>
Non-controlling interest	57,468	-	57,468	56,222	-	56,222
	<u>10,780,823</u>	<u>-</u>	<u>10,780,823</u>	<u>10,621,881</u>	<u>-</u>	<u>10,621,881</u>
Total equity	<u>10,780,823</u>	<u>-</u>	<u>10,780,823</u>	<u>10,621,881</u>	<u>-</u>	<u>10,621,881</u>

2 COMPARATIVE INFORMATION (continued)

(ii) Consolidated statement of financial position (continued)

	<i>At 31 December 2012</i>			<i>At 1 January 2012</i>		
	<i>As previously reported QR'000</i>	<i>Net impact QR'000</i>	<i>As restated QR'000</i>	<i>As previously reported QR'000</i>	<i>Net impact QR'000</i>	<i>As restated QR'000</i>
Non-current liabilities						
Interest bearing loans and borrowings	1,770,398	-	1,770,398	513,722	-	513,722
Advance from a customer	187,497	-	187,497	187,497	-	187,497
Employees' end of service benefits	69,943	-	69,943	66,018	-	66,018
Obligation under finance leases	300	-	300	3,451	-	3,451
	<u>2,028,138</u>	<u>-</u>	<u>2,028,138</u>	<u>770,688</u>	<u>-</u>	<u>770,688</u>
Current liabilities						
Accounts payable and accruals	469,357	(1,098)	468,259	459,742	(7,499)	452,243
Interest bearing loans and borrowings	800,322	-	800,322	1,446,311	-	1,446,311
Obligation under finance leases	3,080	-	3,080	6,257	-	6,257
Bank overdrafts	37	-	37	8,022	-	8,022
	<u>1,272,796</u>	<u>(1,098)</u>	<u>1,271,698</u>	<u>1,920,332</u>	<u>(7,499)</u>	<u>1,912,833</u>
Total liabilities	<u>3,300,934</u>	<u>(1,098)</u>	<u>3,299,836</u>	<u>2,691,020</u>	<u>(7,499)</u>	<u>2,683,521</u>
TOTAL EQUITY AND LIABILITIES	<u>14,081,757</u>	<u>(1,098)</u>	<u>14,080,659</u>	<u>13,312,901</u>	<u>(7,499)</u>	<u>13,305,402</u>