

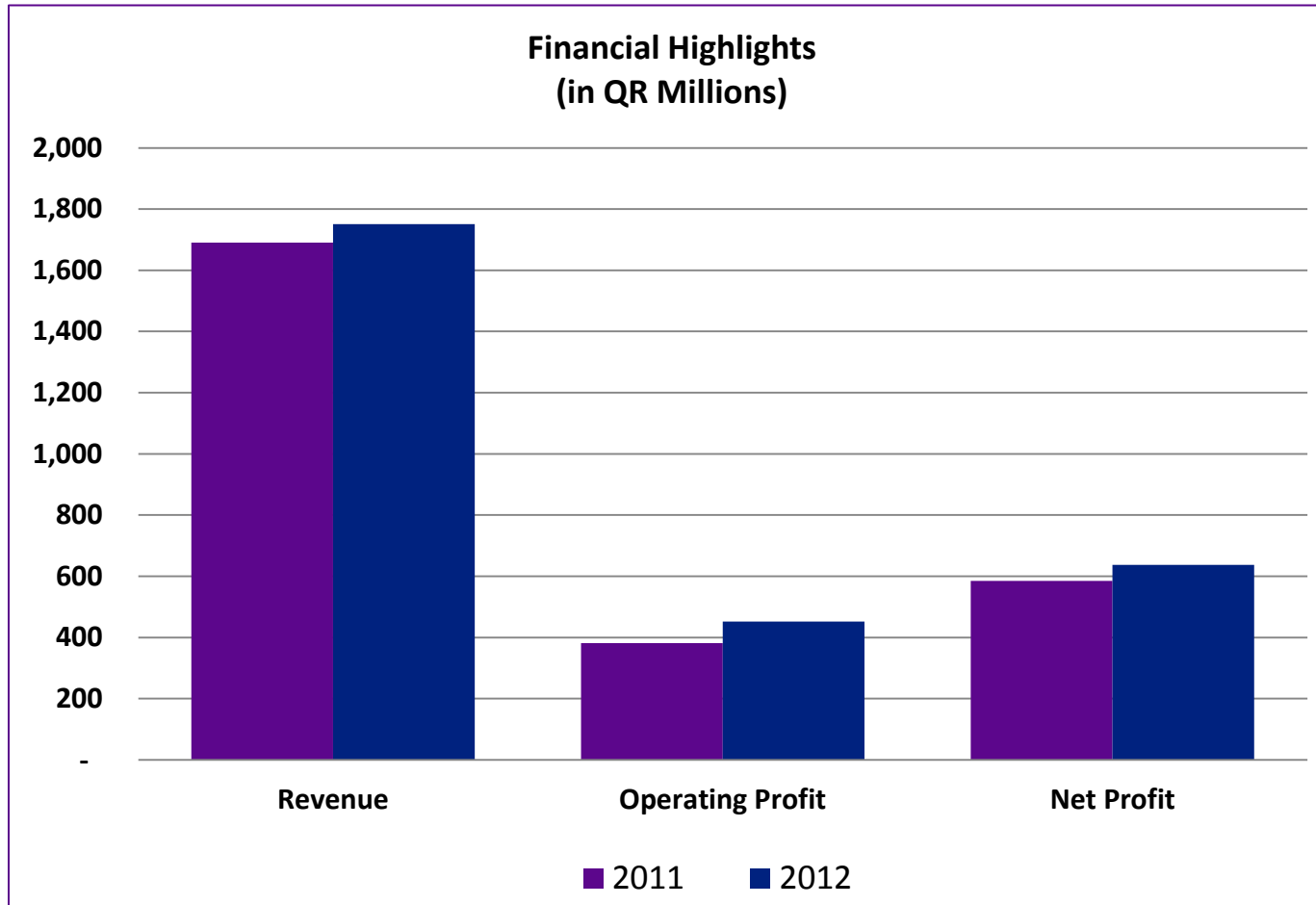
# YTD September 2012 Financials Conference Call

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November 5th, 2012

Doha, Qatar

# YTD Sep 2012 vs. 2011 – Financial Highlights

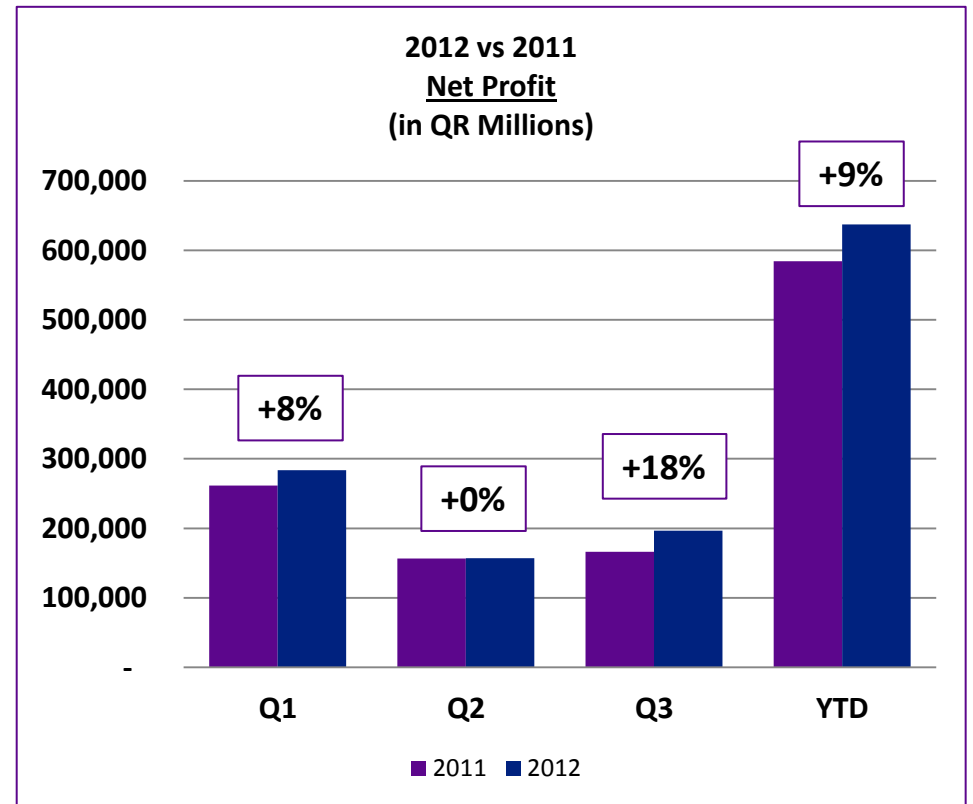
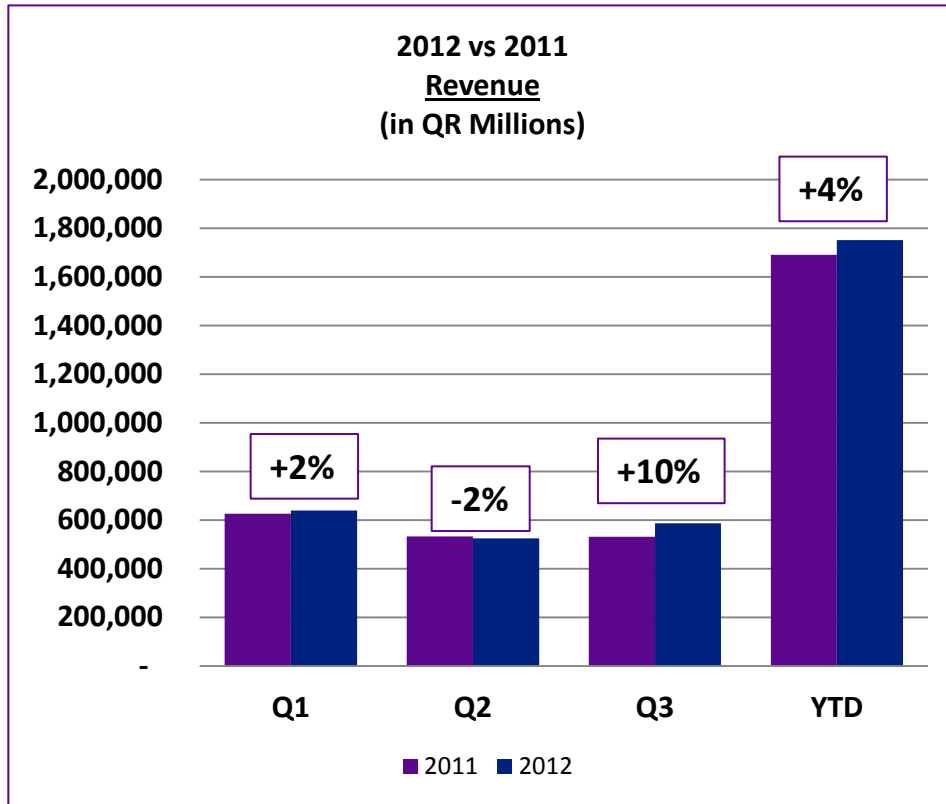


Revenue up **+4%**

Operating Profit up **+19%**

Net Profit up **+9%**

# YTD Sep 2012 vs. 2011 – Financial Highlights



# YTD Sep 2012 vs. 2011 - Comparison

(All amounts in QR 000's, unless otherwise noted)

	2012	2011	Variance
<b>OPERATING REVENUE</b>	<b>1,750,583</b>	<b>1,690,854</b>	<b>59,729</b>
Salaries, Wages & Benefits	(392,225)	(346,920)	(45,305)
Operating Supplies & Expenses	(571,771)	(619,775)	48,004
Rent Expense	(44,657)	(45,079)	422
Depreciation & Amortization	(190,507)	(209,635)	19,128
Other Operating Expenses	(99,445)	(88,275)	(11,170)
<b>OPERATING EXPENSES</b>	<b>(1,298,605)</b>	<b>(1,309,684)</b>	<b>11,079</b>
<b>OPERATING PROFIT</b>	<b>451,978</b>	<b>381,170</b>	<b>70,808</b>
Finance Costs	(36,041)	(29,807)	(6,234)
Finance Income	39,518	33,682	5,836
Profit on disposal of Property, Vessels & Equip	4,583	4,028	555
Share Results of Associates	171,638	187,427	(15,789)
Misc Income	11,599	11,376	223
Impairment of AFS Investments	(4,802)	(619)	(4,183)
<b>NON-OPERATING INCOME/(EXPENSE)</b>	<b>186,495</b>	<b>206,087</b>	<b>(19,592)</b>
<b>NET INCOME</b>	<b>638,473</b>	<b>587,257</b>	<b>51,216</b>
Non-Controlling Interest	(1,038)	(2,900)	1,862
<b>PROFIT FOR THE PERIOD</b>	<b>637,435</b>	<b>584,357</b>	<b>53,078</b>

# Pillar Overview

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- **Milaha Maritime & Logistics**

- Port Services
- Container Shipping
- Logistics
- Bulk Shipping
- Asset Management
- Shipyard
- Shipping Agencies

- **Milaha Offshore**

- Halul Offshore Services

- **Milaha Gas & Petrochem**

- 30% Share of Nakilat
- Qatar Shipping (maritime activities only)

- **Milaha Trading**

- Travel & Tourism
- Equipment Trading Agency
- Marine Equipment Sales & Service
- Bunker Sales
- Service/Repair Center

- **Milaha Capital**

- Equities Portfolio
- Real Estate Investments
- 50% Share of Qatar Quarries

# Consolidated Statement of Income, by Pillar – YTD Sep 2012

(All amounts in QR 000's, unless otherwise noted)

Consolidated Statement of Income, by Pillar  
9 Months Ended, Sep 30, 2012

	Maritime & Logistics	Offshore	Gas & Petrochem	Trading	Capital	Corporate	Eliminations/ Adjustments	Consolidated
<b>Operating Revenue</b>	<b>620,598</b>	<b>408,719</b>	<b>176,126</b>	<b>311,080</b>	<b>469,702</b>	<b>-</b>	<b>(235,642)</b>	<b>1,750,583</b>
Salaries, Wages and Benefits	(145,051)	(127,606)	(52,357)	(8,989)	(12,552)	(46,360)	690	<b>(392,225)</b>
Operating Supplies and Expenses	(227,823)	(103,414)	(53,719)	(279,309)	(125,549)	(2,414)	220,457	<b>(571,771)</b>
Rent Expenses	(4,388)	(5,592)	(873)	(1,050)	(36,383)	(9,336)	12,965	<b>(44,657)</b>
Depreciation and Amortisation	(49,966)	(53,680)	(58,189)	(791)	(25,919)	(1,962)	-	<b>(190,507)</b>
Other Operating Expenses	(57,939)	(20)	(4,528)	(2,702)	(10,793)	(24,994)	1,530	<b>(99,445)</b>
<b>OPERATING PROFIT</b>	<b>135,432</b>	<b>118,407</b>	<b>6,461</b>	<b>18,239</b>	<b>258,505</b>	<b>(85,066)</b>	<b>-</b>	<b>451,977</b>
Finance Costs	(8,414)	(5,278)	(9,684)	(60)	(12,605)	(1)	-	<b>(36,041)</b>
Finance Income	-	1,197	16,802	-	21,519	-	-	<b>39,518</b>
Gain on Disposal of Property, Vessels and Equipment	223	4,366	-	-	(7)	-	-	<b>4,583</b>
Share of Results of Associates	487	-	171,151	-	(0)	-	-	<b>171,638</b>
Miscellaneous Income	2,085	686	1,676	3,913	3,240	-	-	<b>11,599</b>
Impairment of Available-for-Sale /nvestments	-	-	-	-	(4,802)	-	-	<b>(4,802)</b>
Expense Allocation from Milaha Corporate	(52,821)	(9,963)	(8,923)	(6,586)	(6,774)	85,067	-	<b>(0)</b>
<b>PROFIT FOR THE PERIOD</b>	<b>76,992</b>	<b>109,415</b>	<b>177,482</b>	<b>15,507</b>	<b>259,077</b>	<b>-</b>	<b>-</b>	<b>638,472</b>
Non-controlling interest	-	-	-	-	(1,038)	-	-	<b>(1,038)</b>
<b>NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS</b>	<b>76,992</b>	<b>109,415</b>	<b>177,482</b>	<b>15,507</b>	<b>258,038</b>	<b>-</b>	<b>-</b>	<b>637,433</b>

# Consolidated Statement of Income, by Pillar – YTD Sep 2011

(All amounts in QR 000's, unless otherwise noted)

Consolidated Statement of Income, by Pillar  
9 Months Ended, Sep 30, 2011

	Maritime & Logistics	Offshore	Gas & Petrochem	Trading	Capital	Corporate	Eliminations/ Adjustments	Consolidated
<b>Operating Revenue</b>	<b>505,866</b>	<b>418,622</b>	<b>182,504</b>	<b>349,919</b>	<b>353,039</b>	-	<b>(119,097)</b>	<b>1,690,853</b>
Salaries, Wages and Benefits	(129,311)	(119,509)	(47,310)	(8,532)	(10,466)	(32,014)	223	<b>(346,920)</b>
Operating Supplies and Expenses	(178,724)	(82,850)	(46,476)	(320,934)	(92,132)	(1,858)	103,200	<b>(619,774)</b>
Rent Expenses	(4,922)	(5,615)	(1,276)	(1,188)	(36,492)	(10,958)	15,371	<b>(45,079)</b>
Depreciation and Amortisation	(55,421)	(49,901)	(71,486)	(541)	(30,078)	(2,208)	-	<b>(209,635)</b>
Other Operating Expenses	(48,561)	(4)	(6,283)	(2,212)	(9,206)	(22,312)	303	<b>(88,276)</b>
<b>OPERATING PROFIT</b>	<b>88,927</b>	<b>160,744</b>	<b>9,673</b>	<b>16,512</b>	<b>174,665</b>	<b>(69,351)</b>	-	<b>381,169</b>
Finance Costs	(7,155)	(1,759)	(12,617)	(76)	(8,200)	-	-	<b>(29,807)</b>
Finance Income	-	2,187	21,243	-	10,253	-	-	<b>33,682</b>
Gain on Disposal of Property, Vessels and Equipment	-	3,631	-	-	397	-	-	<b>4,028</b>
Share of Results of Associates	(129)	-	187,556	-	(0)	-	-	<b>187,427</b>
Miscellaneous Income	3,642	891	3,213	2,983	646	-	-	<b>11,376</b>
Impairment of Available-for-Sale / Investments	-	-	-	-	(619)	-	-	<b>(619)</b>
Expense Allocation from Milaha Corporate	(41,735)	(8,629)	(7,849)	(5,544)	(5,593)	69,351	-	<b>0</b>
<b>PROFIT FOR THE PERIOD</b>	<b>43,550</b>	<b>157,065</b>	<b>201,218</b>	<b>13,875</b>	<b>171,548</b>	-	-	<b>587,256</b>
Non-controlling interest	-	-	-	-	(2,900)	-	-	<b>(2,900)</b>
<b>NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS</b>	<b>43,550</b>	<b>157,065</b>	<b>201,218</b>	<b>13,875</b>	<b>168,648</b>	-	-	<b>584,356</b>

# Pillar Performance YTD

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## ➤ **23% Revenue Growth and 77% Net Profit Growth vs. YTD Sep 2011**

- Driven by strong revenue growth in Port Services, mainly attributable to additional revenue streams from the Qatar Port Management Co (QPMC) contract to manage Doha Port
- Increase in Container Shipping revenues, driven by increased volume and revenue recovery through fuel surcharges
- Slight year-on-year improvements in the Shipping Agencies and Shipyard units
- Logistics and Bulk Shipping performed considerably worse, however these are relatively smaller units
  - Logistics hurt by market oversupply and low rates for land transport
  - Bulk Shipping revenues lower due to a one-time revenue item last year; continued weakness in the dry bulk market





# Pillar Performance YTD



## ➤ **2% Decline in Revenue and 30% Decline in Net Profit vs. YTD Sep 2011**

- YTD Sep 2011 had non-recurring mobilization revenues for new contracts
- Additional expenses incurred in stabilizing Saudi Arabia operations
- Delays in delivery and deployment of new vessels leading to lower revenues and penalties incurred from charter parties
- Higher than expected off-hire time resulting in lower Q1 revenues
- Unexpected repair costs



## ➤ **3% Decline in Revenues and 12% Decline in Net Profit vs. YTD Sep 2011**

- LPG market rates declined in Q1, but have since rebounded partially
- 2 product tankers completed time charters in mid 2011 at older higher rates, and renewed on the spot market at much lower rates
- Prior period adjustments, related to dry docking, increased non-cash expenditure



# Pillar Performance YTD

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➤ **11% Decline in Revenues and 12% Increase in Net Profit vs. YTD Sep 2011**

- Equipment Sales margins improved vastly, as in YTD Sep 2011 we sold aged inventory at reduced prices; revenue dropped, but net income rose
- Bunker revenues declined significantly year-on-year due to issues, reducing profits



➤ **33% Growth in Revenues and 53% Growth in Net Profit vs. YTD Sep 2011**

- Liquidated one fund managed by third party, realizing significant gains
- Real Estate achieved higher revenues through higher occupancy rates

## Outlook for rest of 2012

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- Macro outlook for the pillar is dependent on the timing and speed of infrastructure development in Qatar and the expansion of the industrial exports base in Mesaieed.
  - Delayed project awards will drive increased volumes but perhaps not till 2013
- Port volumes trending upwards, albeit slowly
- Cautiously optimistic outlook for Shipping Agencies activities, dependent on container volume recovery and increase in bulk imports
- Overall, greater focus on driving increased operational efficiency throughout the pillar

## Outlook for rest of 2012

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- Expected to perform better in H2 2012 and beyond as one-time issues have been resolved
- Macro outlook is improving slightly quarter-to-quarter
- However, competition is increasing in the region



- Supply-demand imbalances still acute and recovery will be relatively slow
- Tanker and product carrier rate trends are not encouraging in the short term
- LPG and Ammonia carrier rates are starting to balance