

H1 2017 Financial Summary Conference Call

August 22, 2017

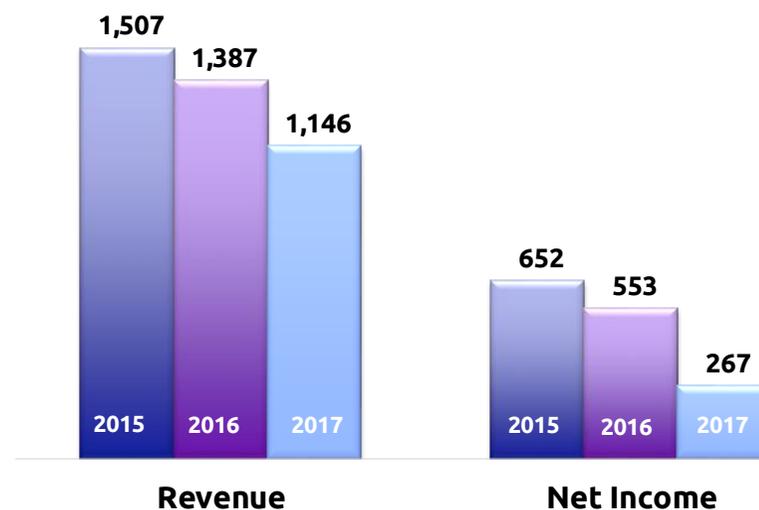
Doha, Qatar

Interim Consolidated Income Statement – H1

(All amounts in QR Millions)

	2015	2016	2017
Operating Revenue	1,507	1,387	1,146
Salaries, Wages and Other Benefits	(342)	(325)	(262)
Operating Supplies and Expenses	(467)	(438)	(456)
Rent Expenses	(8)	(8)	(7)
Depreciation and Amortisation	(144)	(162)	(175)
Other Operating Expenses	(66)	(77)	(75)
Operating Expenses	(1,027)	(1,009)	(975)
Operating Profit	480	378	170
Finance Costs	(36)	(86)	(100)
Finance Income	48	82	84
Net Gain on Disposal of Property, Vessels & Equipment	2	2	(1)
Share of Results of Associates	162	158	129
Share of Results of Joint Arrangements	20	17	44
Impairment of Available-for-Sale Investments	-	-	(21)
Net Gain on Foreign Exchange	1	3	(2)
Impairment of Contract Work in Progress	(38)	-	(48)
Miscellaneous Income	12	2	20
Non-Operating Profit	172	178	105
Profit for the Period	652	556	275
Non-controlling interest	(0)	(3)	(8)
Net Profit Attributable To Equity Holders Of The Parent	652	553	267

- Revenue Down (17)%
- Operating Profit Down (55)%
- Net Profit Down (52)%



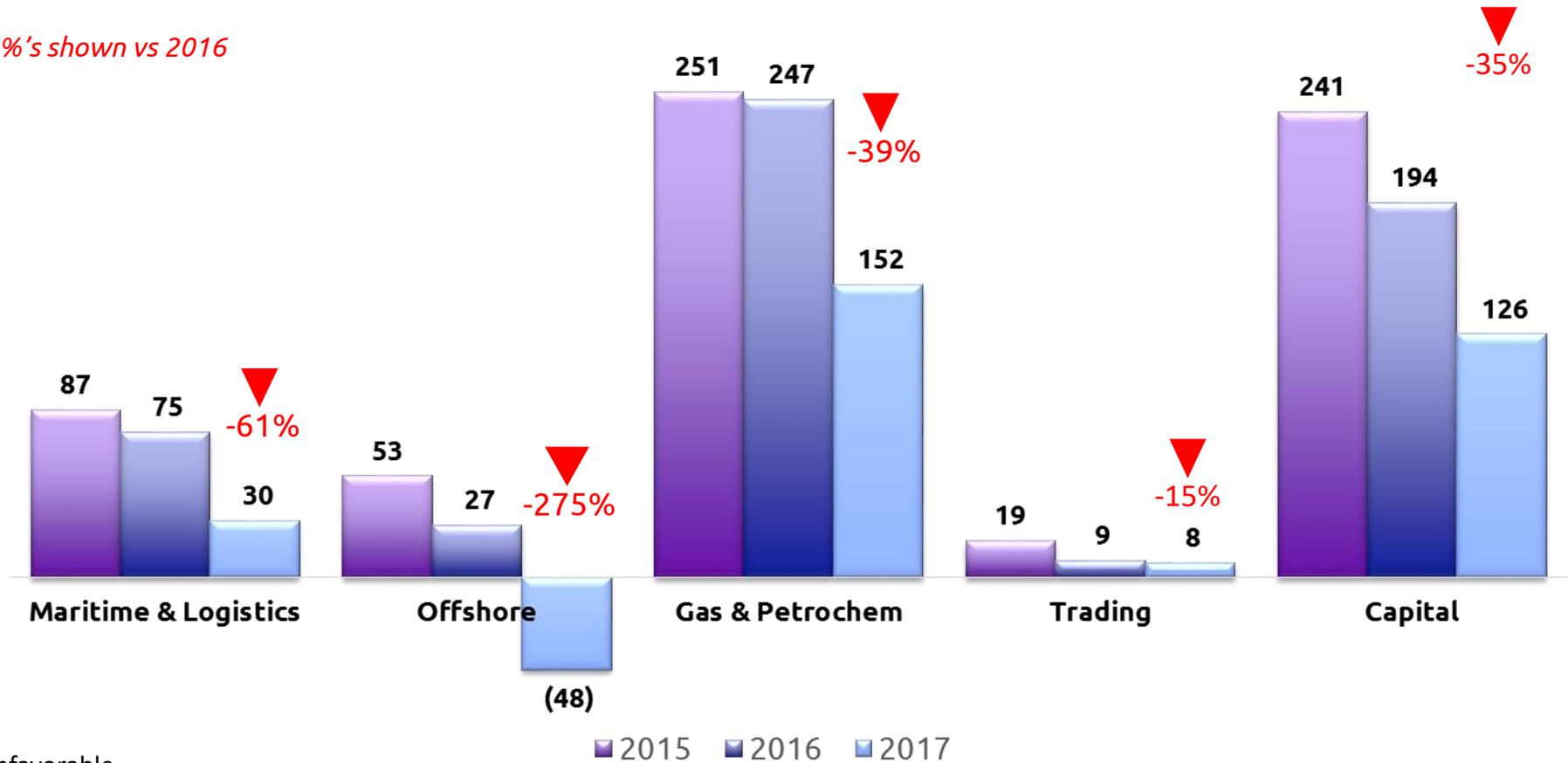
Activities by Segment

Maritime & Logistics	Offshore	Gas & Petrochem	Trading	Capital
<ul style="list-style-type: none"> • Port Services • Container Shipping • Warehousing & Logistics • Bulk Shipping • Shipyard • Shipping Line Agencies 	<ul style="list-style-type: none"> • Vessel Charter & Operations • Diving & Subsea Services • Construction and Maintenance Services • Well Services 	<ul style="list-style-type: none"> • LNG Transport • LPG Transport • Crude , Chemicals & CPP Transport • Wholly Owned Product/Gas Carriers • Harbor Marine Operations 	<ul style="list-style-type: none"> • Heavy Equipment and Truck Agency • Bunker Distribution • Marine Engine and Lubricants Agency • Travel & Tourism Agency 	<ul style="list-style-type: none"> • Real Estate Development and Management • Strategic and Financial Investments

Net Profit, by Segment – H1

(All amounts in QR Millions)

%s shown vs 2016



▼ Unfavorable

▲ Favorable

■ 2015 ■ 2016 ■ 2017

Statement of Income, by Segment – H1 2017

(All amounts in QR Millions)

	Maritime & Logistics	Offshore	Gas & Petrochem	Trading	Capital	Corporate	Eliminations/ Adjustments	Consolidated
Operating Revenue	391	239	194	162	276	-	(116)	1,146
Salaries, Wages & Benefits	(62)	(79)	(50)	(8)	(4)	(60)	-	(262)
Operating Supplies & Expenses	(240)	(49)	(28)	(136)	(105)	(3)	104	(456)
Rent	(4)	(5)	(0)	(1)	(2)	(6)	12	(7)
Depreciation & Amortization	(31)	(57)	(67)	(0)	(18)	(2)	-	(175)
Other Operating Expenses	(14)	(24)	(19)	(2)	(6)	(11)	0	(75)
Fleet & Technical Expense Allocation	(20)	-	20	-	-	-	-	-
Expense Allocation from Milaha Corporate	(36)	(16)	(15)	(8)	(7)	82	-	0
Operating Profit	(16)	10	35	6	135	0	(0)	170
Finance Costs	(6)	(18)	(26)	-	(53)	-	2	(100)
Finance Income	0	2	8	2	74	-	(2)	84
Net Gain on Disposal of Property, Vessels & Equipment	(3)	3	-	(0)	-	-	-	(1)
Share of Results of Associates	1	-	128	-	(0)	-	-	129
Share of Results of Joint Arrangements	57	-	(12.9)	-	-	-	-	44
Impairment of Available-for-Sale Investments	-	-	-	-	(21)	-	-	(21)
Net Gain on Foreign Exchange	(0)	(0)	(1)	0	(0)	(0)	-	(2)
Impairment of Vessels and Contract Work in Progress	(3)	(45)	-	-	-	-	-	(48)
Miscellaneous Income	0	-	20	-	0	-	-	20
All Other Non-Operating Expenses	-	-	-	-	-	-	-	-
Profit for the Period	30	(48)	152	8	134	0	(0)	275
Non-controlling interest	-	-	-	-	(8)	-	-	(8)
Net Profit Attributable To Equity Holders Of The Parent	30	(48)	152	8	126	0	(0)	267

Statement of Income, by Segment – H1 2016

(All amounts in QR Millions)

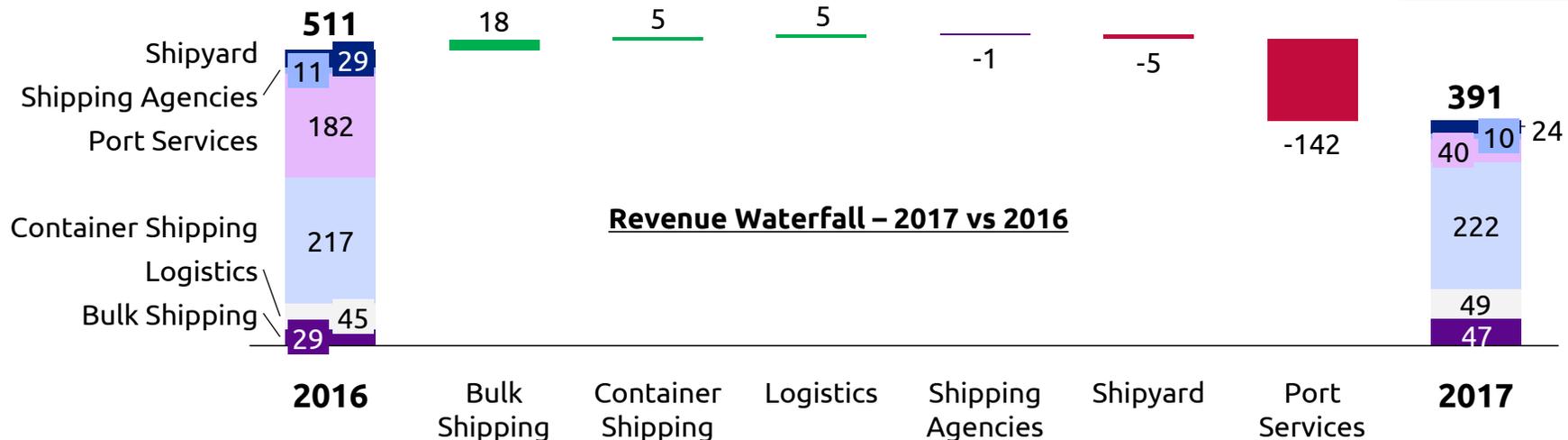
	Maritime & Logistics	Offshore	Gas & Petrochem	Trading	Capital	Corporate	Eliminations/ Adjustments	Consolidated
Operating Revenue	512	292	237	185	259	-	(99)	1,387
Salaries, Wages & Benefits	(106)	(93)	(52)	(10)	(3)	(61)	0	(325)
Operating Supplies & Expenses	(222)	(60)	(29)	(157)	(54)	(5)	89	(438)
Rent	(4)	(3)	(2)	(1)	(2)	(5)	10	(8)
Depreciation & Amortization	(21)	(57)	(64)	(0)	(18)	(2)	0	(162)
Other Operating Expenses	(16)	(27)	(21)	(2)	(5)	(7)	(1)	(77)
Fleet & Technical Expense Allocation	(28)	-	28	-	-	-	-	-
Expense Allocation from Milaha Corporate	(36)	(16)	(13)	(8)	(7)	80	-	0
Operating Profit	79	37	84	7	169	(0)	0	378
Finance Costs	(5)	(12)	(30)	-	(39)	-	-	(86)
Finance Income	0	0	14	2	66	-	(0)	82
Net Gain on Disposal of Property, Vessels & Equipment	0	2	-	-	-	-	-	2
Share of Results of Associates	1	-	157	-	0	-	-	158
Share of Results of Joint Arrangements	-	-	17	-	-	-	-	17
Impairment of Available-for-Sale Investments	-	-	-	-	-	-	-	-
Net Gain on Foreign Exchange	(0)	(0)	3	(0)	(0)	0	-	3
Impairment of Vessels and Contract Work in Progress	-	-	-	-	-	-	-	-
Miscellaneous Income	0	-	2	-	(0)	-	-	2
All Other Non-Operating Expenses	-	-	-	-	-	-	-	-
Profit for the Period	75	27	247	9	197	0	(0)	556
Non-controlling interest	-	-	-	-	(3)	-	-	(3)
Net Profit Attributable To Equity Holders Of The Parent	75	27	247	9	194	0	(0)	553

Segment Performance – H1

(All amounts in QR Millions)

24% Decline in Revenue and 61% Decline in Net Profit

- **Large Revenue drop due to change in P&L reporting for Port unit**
 - QTerminals joint arrangement share of results shown on 1 line
 - Concession Rights amortization increased Depr & Amort line
- **Container Shipping increased volumes by 4%, but at lower rates**
 - Overall slight increase in revenue, but additional volume increased OpEx
- **Bulk Shipping chartering activities doing much better with increased aggregate cargoes and market share**



	2015	2016	2017
Operating Revenue	548	512	391
Salaries, Wages and Other Benefits	(100)	(106)	(62)
Operating Supplies and Expenses	(208)	(222)	(240)
Rent Expenses	(5)	(4)	(4)
Depreciation and Amortisation	(28)	(21)	(31)
Other Operating Expenses	(12)	(16)	(14)
Fleet & Technical Expense Allocation	(32)	(28)	(20)
Expense Allocation from Milaha Corporate	(33)	(36)	(36)
Operating Expenses	(419)	(432)	(407)
Operating Profit	130	79	(16)
Non-Operating Income/(Expense)	(43)	(4)	46
Profit for the Period	87	75	30

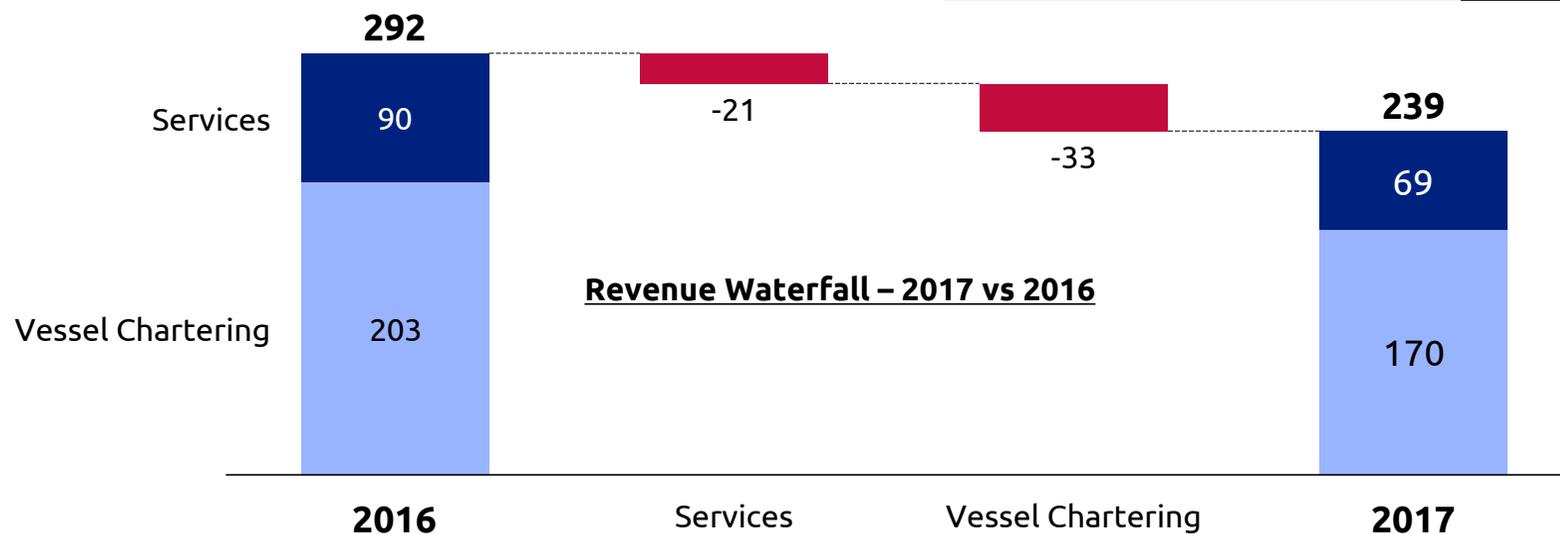
Segment Performance – H1

(All amounts in QR Millions)

18% Decline in Revenue and 275% Decline in Net Profit

- **Diving and Construction & Maintenance Services revenue declined due to rate & utilization pressures**
- **Vessel Chartering continued to be impacted by lower rates, lower utilization, and impairments**
 - Q1 2017 QR (22)M impairment related to vessels under construction
 - Q2 2017 QR (24)M impairment related to Liftboat (Singapore)

	2015	2016	2017
Operating Revenue	331	292	239
Salaries, Wages and Other Benefits	(121)	(93)	(79)
Operating Supplies and Expenses	(59)	(60)	(49)
Rent Expenses	(3)	(3)	(5)
Depreciation and Amortisation	(57)	(57)	(57)
Other Operating Expenses	(22)	(27)	(24)
Expense Allocation from Milaha Corporate	(15)	(16)	(16)
Operating Expenses	(276)	(255)	(229)
Operating Profit	54	37	10
Non-Operating Income/(Expense)	(2)	(10)	(58)
Profit for the Period	53	27	(48)

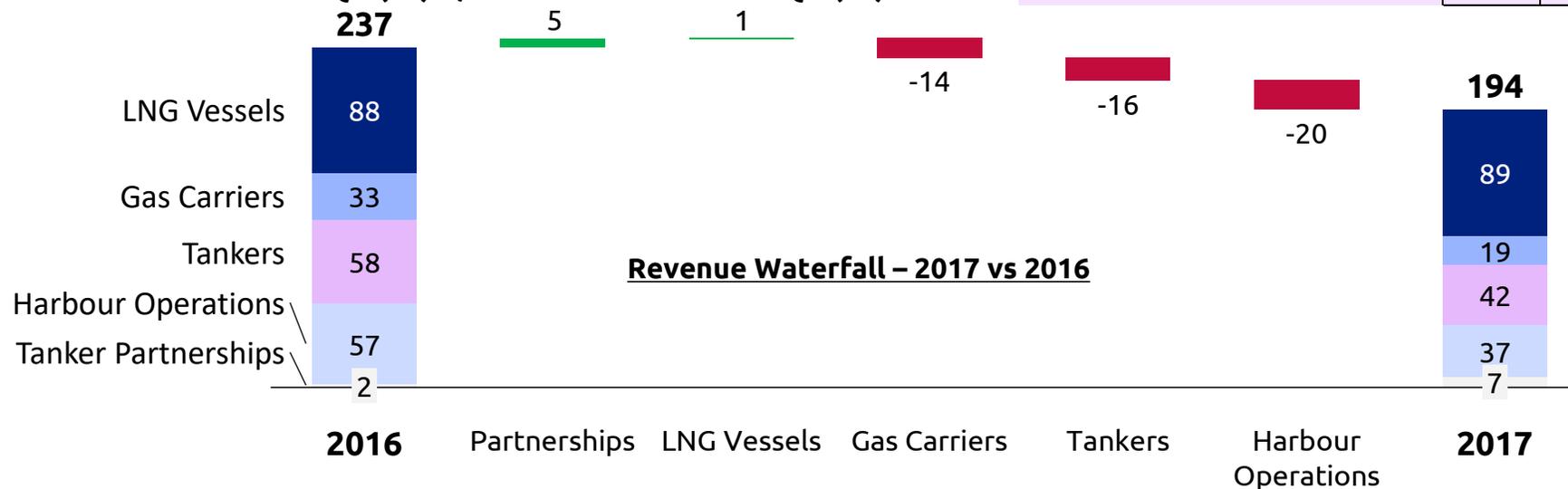


Segment Performance – H1

(All amounts in QR Millions)

18% Decline in Revenue and 39% Decline in Net Profit

- **1 Gas Carrier working spot jobs, and still looking for long term employment**
- **Harbor Operations impacted by lower utilization of older vessels, and lower re-negotiated terms/scope on 20 year contract with QP**
 - 4 boats cancelled, triggering QR 19M in Penalty Income booked as Non-Operating Income, and lower pricing on remaining 15.
- **5 Tankers operating in Spot market and exposed to lower rates**
- **Nakilat results down QR (29)M; Gulf LPG results down QR (13)M**



	2015	2016	2017
Operating Revenue	152	237	194
Salaries, Wages and Other Benefits	(42)	(52)	(50)
Operating Supplies and Expenses	(19)	(29)	(28)
Rent Expenses	(2)	(2)	(0)
Depreciation and Amortisation	(40)	(64)	(67)
Other Operating Expenses	(19)	(21)	(19)
Fleet & Technical Expense Allocation	32	28	20
Expense Allocation from Milaha Corporate	(12)	(13)	(15)
Operating Expenses	(102)	(153)	(159)
Operating Profit	50	84	35
Non-Operating Income/(Expense)	201	163	117
Profit for the Period	251	247	152

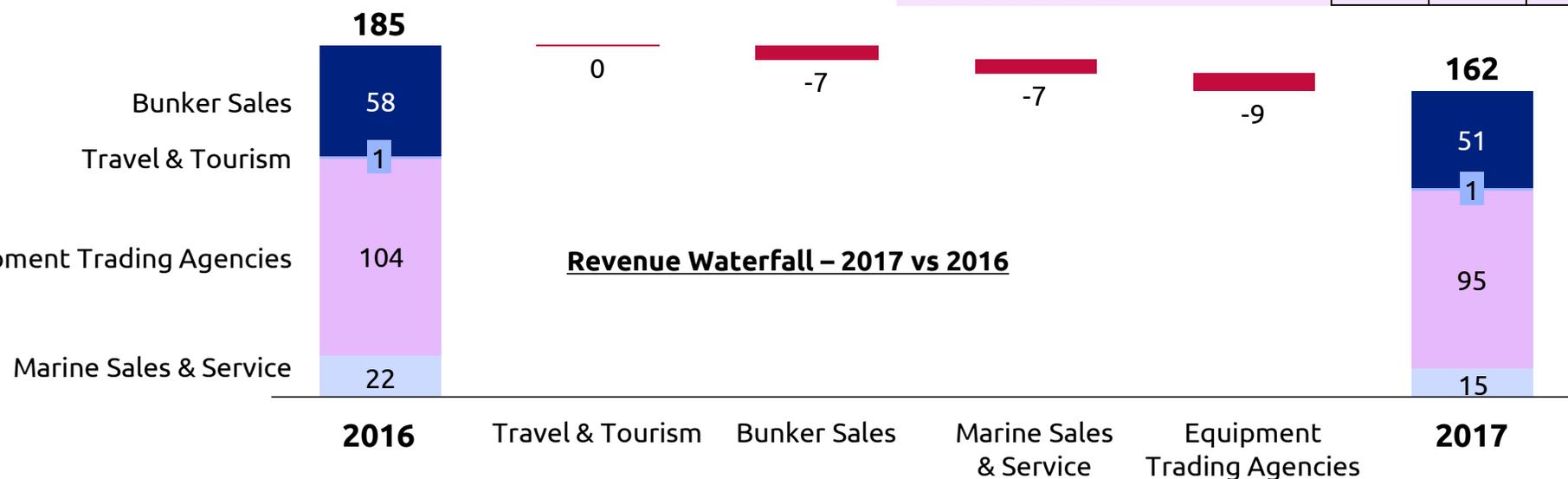
Segment Performance – H1

(All amounts in QR Millions)

13% Decline in Revenue and 15% Decline in Net Profit

- Large drop in sales of heavy equipment tied to infrastructure spending; related Cost of Goods Sold decreased expenses

	2015	2016	2017
Operating Revenue	244	185	162
Salaries, Wages and Other Benefits	(10)	(10)	(8)
Operating Supplies and Expenses	(205)	(157)	(136)
Rent Expenses	(1)	(1)	(1)
Depreciation and Amortisation	(0)	(0)	(0)
Other Operating Expenses	(1)	(2)	(2)
Expense Allocation from Milaha Corporate	(8)	(8)	(8)
Operating Expenses	(226)	(178)	(155)
Operating Profit	18	7	6
Non-Operating Income/(Expense)	1	2	2
Profit for the Period	19	9	8



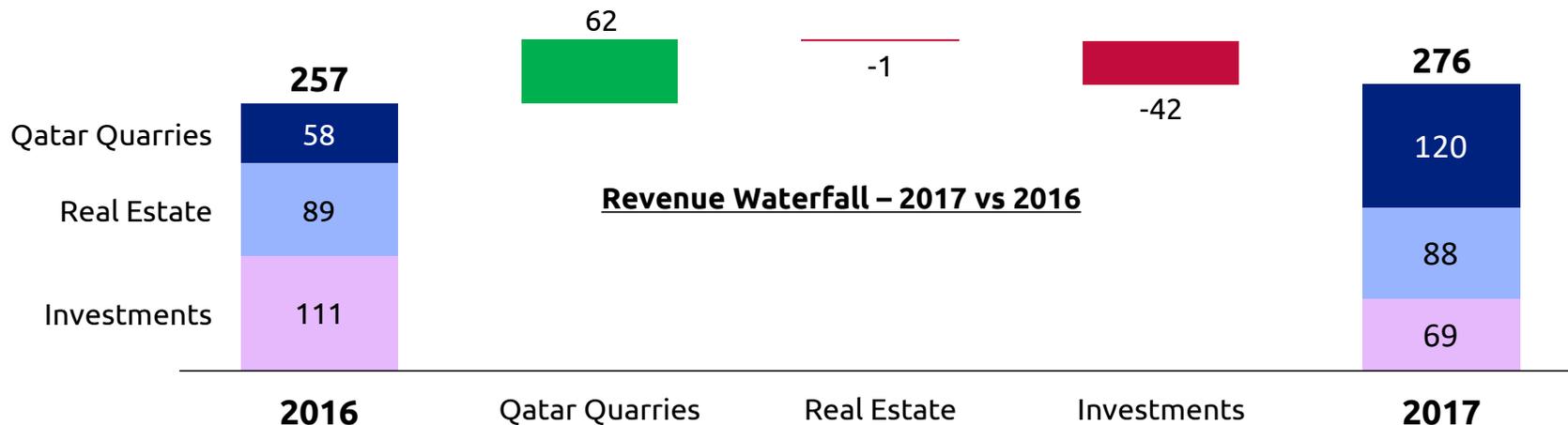
Segment Performance – H1

(All amounts in QR Millions)

7% Increase in Revenue and 35% Decline in Net Profit

- Increase in sales from Qatar Quarries associate; related Cost of Goods Sold increased expenses
- Real Estate Income largely flat with 2016
- Held for Trading investment portfolio income down QR (52)M; Dividend Income up QR 5M; Profit from Available for Sale Investments QR 5M
 - QR (21)M impairment in Available for Sale Investments booked as Non-Operating Expense

	2015	2016	2017
Operating Revenue	343	259	276
Salaries, Wages and Other Benefits	(5)	(3)	(4)
Operating Supplies and Expenses	(75)	(54)	(105)
Rent Expenses	(2)	(2)	(2)
Depreciation and Amortisation	(18)	(18)	(18)
Other Operating Expenses	(6)	(5)	(6)
Expense Allocation from Milaha Corporate	(9)	(7)	(7)
Operating Expenses	(115)	(89)	(141)
Operating Profit	228	169	135
Non-Operating Income/(Expense)	14	27	(1)
Profit for the Period	242	197	134
Non-controlling interest	(1)	(3)	(8)
Net Profit Attributable To Equity Holders Of The Parent	241	194	126



Outlook



Macro:

- Expect more TEU volumes through Hamad Port, due to land border closure
- Expect additional India routes PLUS Oman port callings (replacing Jebel Ali), to help stabilize Container Feeder unit margins
- Al Thumama warehouses due to open Q3/Q4 2017; anticipate gradual buildup of utilization

Outlook



Macro: Global offshore marine market remains depressed. Focus remains on maximizing utilization and improving efficiency.

Outlook



- VLGCs: charter rates remain depressed; 1 vessel came off long term charter end of 2016 and 1 in May 2017, with both re-chartered at lower rates; 2 come off charter 2018
- Jointly & Fully owned LNG carriers: limited fluctuation versus 2016 due to long term fixed nature of contracts
- Fully-owned product tankers + 1 crude carrier: all trading in spot market, and rates remain depressed
- Fully-owned gas / ammonia carriers: one vessel is on time charter ending mid 2018; we are working to put other vessel on new time charter. Rates are depressed
- Harbor marine vessels: renegotiated scope and rates of contract, with 4 boats cancelled, and reduced rates on remaining boats.

Outlook



- Expect a spotty and/or subdued rest-of-year

Outlook



- Listed portfolio performance strongly correlated to Qatar Exchange performance and volatility
- Expect a slight uptick in Real Estate unit in H2 2017 as Al Thumama warehouses go-live