INDUSTRIES QATAR QSC

Press Release

IQ DECLARES FIRST HALF PROFIT OF QR 4.6 BILLION

Earnings up 13% on last year

Release Date: July 29, 2013

Second quarter net profit of QR 2.0 billion • second highest half-yearly profit on record • new facilities operating at capacity • market capitalisation reached 8-year high of QR 105.1 billion • MSCI Qatar Index upgraded to Emerging Market • Qatar Steel affiliate awarded prestigious Holy Mosque Expansion Project contract

DOHA, QATAR - Industries Qatar ("IQ" or "the group"; QE: IQCD), one of the region's industrial giants with interests in the production of a wide range of petrochemical, fertiliser and steel products, announced its financial results for the six months ended June 30, 2013 with net profit of QR 4.6 billion.

In comments issued to the Qatar Exchange after the group's third Board of Directors meeting for 2013, H.E. Dr. Mohammed Bin Saleh Al-Sada, Minister of Energy and Industry, Chairman and Managing Director of Industries Qatar, stated, "IQ has followed up on the record-breaking full year results in 2012 with its second highest half-yearly earnings on record. Net profit for the six months ended June 30, 2013 was QR 4.6 billion, a significant improvement of QR 0.5 billion over the same period of 2012, as the group benefitted from an additional 2.0 million MT of urea and 240,000 MT of LDPE production capacity following the launch during 2012 of QR 12.8 billion of new facilities."

Continuing, H.E. Dr. Al-Sada said, "On behalf of the Board of Directors, I would also like to congratulate the management and staff of our steel subsidiary, for the successful bid by Qatar Steel's recently launched associate, SOLB Steel, for the supply of reinforced bars for the prestigious Holy Mosque Expansion Project in Makkah, Saudi Arabia. The fact that such an important undertaking will be entrusted to a company that has been in operation for less than one year, is an enormous compliment to the management expertise, experience and professionalism of Qatar Steel and its associate, SOLB Steel. It is worth noting that the tender has very exacting technical specifications, requiring the company to produce reinforced bars of a quality and strength not previously manufactured in the region."

Financial Results

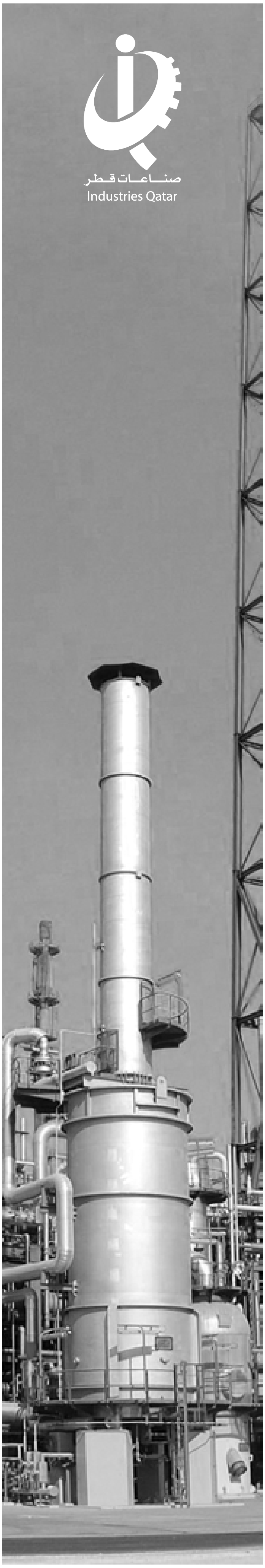
Commenting on the financial results, Mr. Abdulrahman Ahmad Al-Shaibi, Chief Coordinator, Industries Qatar, stated, "The robust year-on-year financial results can be primarily attributed to strong sales volumes following the launch of the group's new facilities in the petrochemical and fertiliser businesses, and resilient petrochemical and steel EBITDA margins."

Revenue

Reported revenue for the six months ended June 30, 2013 was QR 3.1 billion, a decrease of QR 0.2 billion, or 7.1%, on the restated results for the same period of 2012; however, on a like-for-like basis under the previous accounting standard, reported revenue would have been QR 9.9 billion, an increase of QR 0.8 billion, or 8.8%.

Petrochemical Segment

Petrochemical revenue in the first half of the year was QR 2.4 billion, up QR 0.3 billion, or 12.0%, versus the same period of 2012. The segmental performance can be primarily attributed to significantly-improved sales volumes following the commercial launch of the group's third LDPE plant in the third quarter of 2012, and fuel additive comparatives adversely impacted by two planned / unplanned shut-downs in 2012 (2012, H1: 83 days).



Total LDPE sales volume increased by 96,000 MT, or 57.2%, versus the corresponding period of 2012, despite LDPE-3 experiencing a number of minor, unplanned outages during the period (2013, H1: 20 days). Overall LDPE utilisation, nevertheless, remained at a creditable 102% (2012, H1: 113%). MTBE volumes were up 15.0% year-on-year primarily due to the prior year shut-downs, and despite the plant experiencing 20 days of disruption from a number of minor operational incidents in the current quarter. The operational problems were fully resolved during the quarter and no further related downtime is expected. Prior to the latest down-time, the MTBE plant achieved a number of production milestones, including registering a record 453 days of continuous operation without interruption. Utilisation rates in the fuel additives business averaged a noteworthy 94% and 98% year-to-date for methanol and MTBE respectively (2012, H1: 76% and 87% respectively).

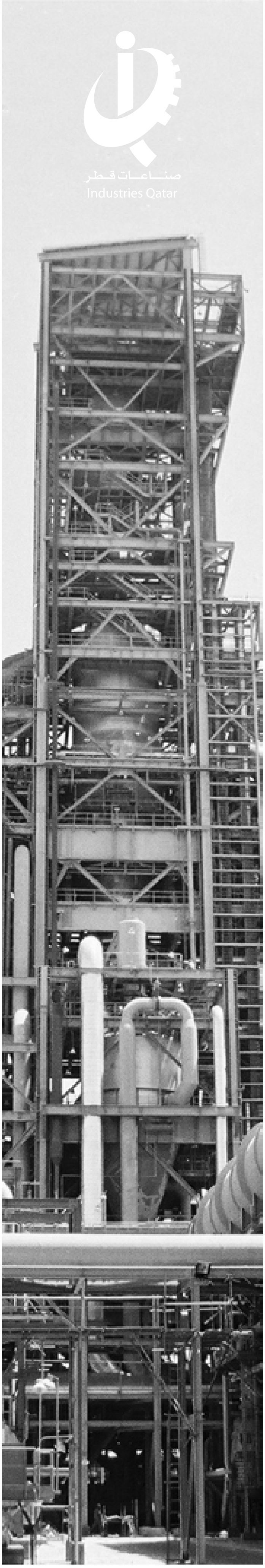
"Petrochemical prices remain generally weak with most key product prices down on the same period of 2012," elaborated Mr. Al-Shaibi. "LDPE is a notable exception: the quarterly weighted average price has held steady year-on-year, as the commodity benefited from short supply from the Middle East and Asia due to maintenance shut-downs and / or reduced production levels on high input costs, coupled with strong demand from core Asian derivative markets. MTBE prices, on the other hand, have experienced a degree of volatility in line with global oil prices. Demand has been strong in key user-markets, and is expected to improve further as the Northern hemisphere summer should trigger improved gasoline consumption.

"It is worth noting that certain line items of the prior year income statement of Qapco have been restated as the company has also been impacted by the enactment of the new accounting standard, IFRS 11 ***Joint Arrangements***. This standard has resulted in the company's share of results from its joint ventures, Qatofin Company Limited QSC ("Qatofin"), Qatar Vinyl Company Limited ("QVC") and Qatar Plastic Products Company WLL ("QPPC"), being consolidated into a single line in the income statement, in a similar manner to IQ."

Petrochemical revenue for the second quarter of 2013 was QR 1.1 billion, down QR 0.1 billion, or 9.0%, on the previous quarter. The negative variance can be attributed to a combination of a softening in LDPE and MTBE prices, and moderately weaker volumes following the unplanned LDPE and MTBE shut-downs (15 days and 20 days respectively). The segment closed the quarter with an overall utilisation rate of 98% (2013, Q1: 104%).

Fertiliser Segment

The fertiliser segment closed the six month period ended June 30, 2013 with revenue of QR 3.5 billion, up QR 0.8 billion, or 29.9%, on the first half of 2012. The segment's positive quarterly performance was due exclusively to incremental urea sales volumes following the commercial launch of Qafco 5 and 6 during the second half of the previous year. Year-on-year, an additional 750,000 MT of urea was sold, representing an annual increase of almost 55%. The majority of this incremental production was distributed to two of the group's largest markets, North America and the Indian sub-continent, underscoring the importance of those regions to the segment's future sales and marketing strategy. In contrast, the segment recorded a notable negative price variance of QR 0.2 billion as weaker urea prices (v 2012, H1: -10.9%) were only partially offset by higher ammonia and melamine weighted average prices.



Second quarter revenue was down on the previous quarter by QR 0.3 billion, or 13.9%, through a combination of reduced production levels, following a number of minor, unplanned outages (Ammonia: 12 days, Urea: 21 days), and weaker urea prices. The segment's quarterly average urea price reversed all of the gains of the first quarter, dipping 9.1% to close at a 2-year low of $373 / MT.

Commenting on the weak nitrogenous fertiliser price outlook, Mr. Al-Shaibi said, "IQ is in a uniquely strong position to weather the current downturn in global fertiliser prices that has seen the group's quarterly weighted average urea price drop by almost 25% since the current commodity cycle high of $487 / MT in the third quarter of 2011. Firstly, and most importantly, urea capacity has increased by an additional 2.0 million MT / PA, meaning that the group can continue to expect strong headline results as improved sales volumes should be able to compensate for all but the most severe and prolonged period of price deflation. So, while lower urea prices weighed down on first half revenue by QR 0.4 billion, improved urea volumes added a significant QR 1.2 billion.

"And secondly, the group should benefit from the improved marketing expertise of the State of Qatar's wholly-owned petrochemical and chemical marketing specialist company, Muntajat, following the transfer of all sales-related activities in the first quarter. It should also be noted that year-to-date realised urea prices are in line with the 2013 budget, and production levels have been maintained within historical norms."

Steel Segment

First half steel revenue was QR 3.1 billion, a decrease of QR 0.2 billion, or 7.1%, on the same period of last year, while second quarter sales totaled QR 1.4 billion - down QR 0.2 billion, or 14.4%, over the first quarter of 2013. The year-on-year and quarter-on-quarter variances were both negatively impacted by lower DRI / HBI sales volumes (circa -110,000 MT and -45,000 MT respectively), as the group's steel subsidiary reserved strategic DRI / HBI stocks for the EF5 green field steel melt shop and in anticipation of next quarter's planned maintenance downtime for the DR-1 plant. Re-bar demand and pricing trends, however, remained broadly consistent with the previous quarter: despite strong domestic demand, prices remained muted as low iron ore prices and high volumes of re-bar imported into the region impacted regional prices. Second quarter volumes were also impacted by a cumulative 52 days of mostly planned maintenance downtime across the subsidiary's various direct reduction, electric furnace / continuous casting and rolling mill units (2013, Q1: 40 days).

Profits and Margins

On the subject of the group's bottom line, Mr. Al-Shaibi remarked, "The group recorded highly creditable half yearly earnings of QR 4.6 billion, an improvement of more than 13% on the same period of 2012, and only QR 25.1 million off the highest ever profit for the first six months of the year. However, in contrast to the record results of the first half of 2008 when net profit was driven by rampant commodity price inflation, the earnings of this reporting period were entirely volume driven, and came against the back-drop of tighter petrochemical and fertiliser operating margins, and several key product prices at near-term lows.

"These resolute results serve to vindicate the previous decisions of the Board of Directors to invest heavily in improving the efficiency of existing facilities and in expanding capacity, and lend support to the future investment plans as outlined in the recently announced group growth strategy - sustained growth throughout the commodity cycle can only be truly assured through judicious yet bold investment in improving capacity.

"It is also worth noting that the transfer during the first half of the relevant sales and marketing activities of Qafac, Qafco and QVC to the State of Qatar's wholly-owned marketing company, Muntajat, had a limited impact on the year-to-date results: savings in direct selling expenses as well as general and administrative costs were offset by increases in marketing fees. However, the group remains confident that the net impact of unifying the marketing efforts of chemical and petrochemical producing entities and creating a national champion is in the best, long-term interests of Industries Qatar, its shareholders and the State."

Consolidated Earnings

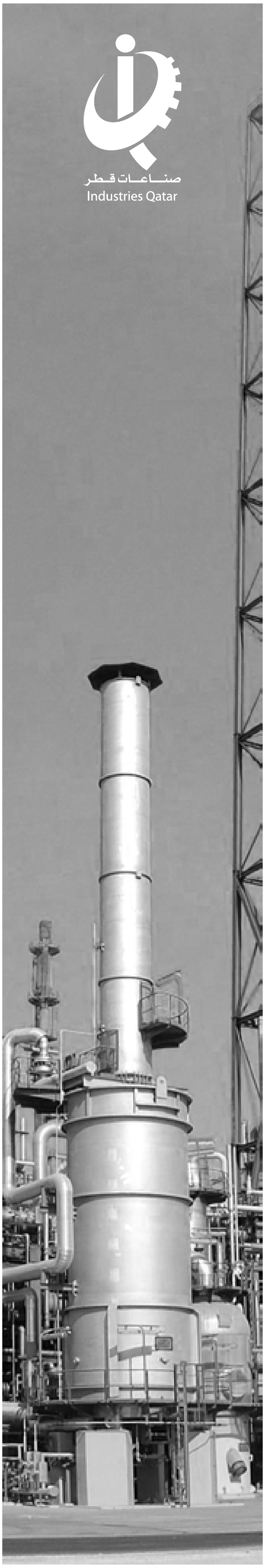
EBITDA for the six months ended June 30, 2013 was QR 4.7 billion, an increase of QR 0.5 billion, or 12.5%, on the same period last year. "Higher sales volumes following the commercial launches of Qafco 5, 6 and LDPE-3, and weak prior year comparatives due to extended fuel additives shut-downs in 2012, were the primary contributors to the QR 1.1 billion year-on-year profit improvement," continued Mr. Al-Shaibi. "The group also benefitted from lower iron ore costs, and improved operating results at several of the group's local and regional investments."

EBITDA was impacted by a number of other factors, most critically the revision to certain feedstock contracts within Qafco. Providing further details, Mr. Al-Shaibi elaborated, "Qatar Petroleum exercised an option under the long-term natural gas supply and purchase agreements for Qafco's trains 1 to 4 to revise the pricing formula for a new two-year term ending December 31, 2014. The full impact of the revision is subject to a number of variables, including realised urea prices and purchased natural gas volumes. The changes were effected from January 1, 2013 and were fully accounted for in the first half results.

"It is important to stress, however, that the cost increase was partially mitigated by gas supplied under the train 5 contract which is broadly unaffected by the changes and has a significantly lower base price," explained Mr. Al-Shaibi.

Quarter-on-quarter, consolidated EBITDA deteriorated by QR 0.5 billion, or 20.3%, largely due to unfavourable price movements in several of the group's key products, moderately weaker volumes following a combination of planned and unplanned shut-downs across all segments, higher fertiliser and steel operating costs, and poor quarterly results from two of the group's overseas steel affiliates and a subsidiary of the group's fertiliser joint venture.

Net profit for the first half of 2013 was QR 4.6 billion, an improvement of QR 0.5 billion, or 13.2%, against the corresponding period of 2012. Significant incremental depreciation and finance charges following the capitalisation of the new fertiliser and petrochemical assets in 2012 accounted for the additional movement in net profit vis-à-vis EBITDA. Versus the previous quarter, net profit changed in line with EBITDA.



Segmental EBITDA Margins

Petrochemical EBITDA margin closed the half at 79.4%: marginally down on the first half of 2012 by 0.1 percentage points, as LDPE-3 operating costs negated the positive impact of increased LDPE and fuel additives production levels, and a 25.6% improvement in profits in Qapco's 63.64% joint venture, Qatofin (v 2012, H1: +QR 89.6 million). Versus the previous quarter, petrochemical margins were flat (2013, Q1: 79.4%).

Year-on-year, fertiliser EBITDA margin deteriorated 3.1 percentage points to 62.4% as significantly higher fertiliser production levels, the final installment of the take-or-pay liability due to Qatar Petroleum paid in the prior year (v 2012, H1: +QR 130.5 million) and the return to profitability of the joint venture's subsidiary, Qatar Melamine Company (v 2012, H1: +QR 66.9 million), largely compensated for the increase in average feedstock unit cost following the revision to the natural gas supply and purchase agreement rates for trains 1 to 4, and incremental supply to train 5. For the six months ended June 30, the weighted average natural gas cost was $3.92 per mmBTU, an increase on the same period of 2012 of $1.55 per mmBTU. Versus the first quarter, margin shrank by 7.8 percentage points on urea price deflation and heightened natural gas costs.

EBITDA profitability in the steel segment rose from 30.7% in the first six months of 2012 to 35.4% in the same period of 2013 despite the lower year-on-year revenue due to the cumulative effect of lower iron ore costs, a superior sales mix and enhanced results from associates (v 2012, H1: +QR 26.7 million). EBITDA margin in the second quarter dipped by 1.1 percentage points to 31.3% on moderately higher iron ore costs and poor quarterly results from two of the group's overseas steel affiliates.

Production Shut-Down Timetable

The latest major planned down-time schedule for the third quarter of 2013, with prior year comparatives, is as follows:

- Ethylene: 0 days (2012, Q3: 5 days);
- LDPE: 5 days (2012, Q3: 16 days);
- LLDPE: 0 days (2012, Q3: 7 days);
- Ammonia: 24 days (2012, Q3: 0 days);
- Urea: 21 days (2012, Q3: 0 days); and
- DR, EF / CC, RM: 30 days (2012, Q3: 122 days).

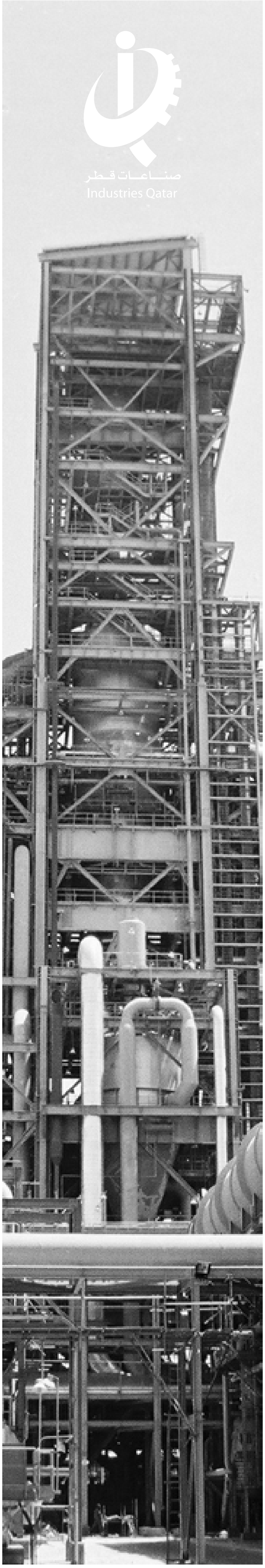
This shut-down schedule is indicative of current plans only, and actual down-time may vary from the latest plan. It should be noted that the ammonia and urea shut-downs previously scheduled for the first quarter of 2013 were postponed until the third quarter.

Major CAPEX / Investments Update

Continuing, Mr. Al-Shaibi provided a brief update on the group's current major CAPEX and investment portfolio:

EF5

In Q2, 2010, the group's steel subsidiary, Qatar Steel, commenced work on its EF5 project consisting of a QR 1.2 billion green field steel melt shop built adjacent to its main facility in Mesaieed Industrial City, Qatar. The facility has a design capacity of 1.1 million MT / PA of billets and an expected commercial launch date of the end of Q3, 2013.



The original intention was for the new steel melt shop's electric furnace to immediately replace two of the company's existing electric furnaces, increasing the company's net saleable billets capacity by 285,000 MT / PA. However, Qatar Steel has subsequently confirmed its intention to continue operating EF1 and EF2 for an additional two years, before decommissioning those outdated facilities in 2015.

SOLB Steel Company (formerly known as "South Steel Company WLL")

Qatar Steel's Saudi Arabian-based 31.03% associate, SOLB Steel Company ("SOLB Steel"), completed commissioning of a 1.0 million MT / PA steel melt shop and a 0.5 million MT / PA rolling mill in late 2012, with construction of a second similar rolling mill in progress and due to be completed by Q3, 2013. Commercial operations commenced in December 2012, and Qatar Steel's total investment contribution was QR 225.0 million for both phases.

CO_2 Recovery Project

The QR 0.1 billion CO_2 recovery project is designed to capture over 500 MT per day of carbon dioxide produced by the group's fuel additives joint venture, Qafac, and utilise it in the production of methanol. The project is expected to not only reduce Qafac's greenhouse gas emissions, but simultaneously boost the group's production of methanol by circa 46,000 MT / PA. When commercially launched in the third quarter of 2014, the facility is expected to be the region's largest of its kind and a source of incremental profits to the group.

Qatar Steel International / Algerian Joint Venture

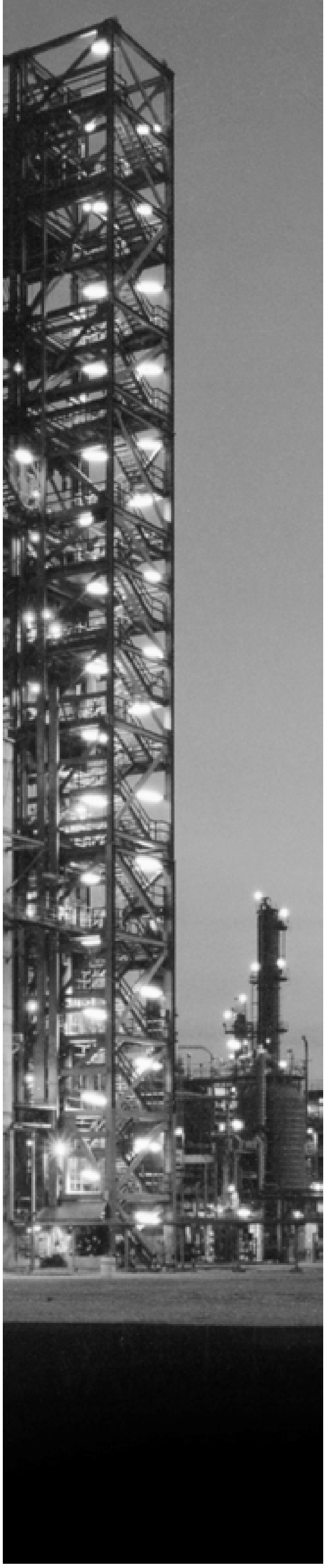
Qatar Steel holds a 50% stake in a special purpose vehicle, Qatar Steel International Company QPSC ("QSIC"), which in turn has a 49% share in a joint venture formed with the government of Algeria and other local parties established to develop a 2.0 million MT / PA integrated steel mill in Algeria.

Elaborating on the latest developments, Mr. Al-Shaibi confirmed, "A shareholders' agreement was signed with the Algerian government on March 24, 2013 following the signing in January of a conditional joint venture agreement. The formation of the joint venture entity is due to be completed before the end of the year.

"The first phase of the project envisages a direct reduction plant, steel melt shop and rolling mill being built at an estimated equity contribution to Qatar Steel of QR 0.5 billion, with a commercial launch date of 2017."

Al Sejeel Petrochemical Complex (formerly referred to as the "QP : Qapco Ras Laffan Petrochemical Complex")

With regards the Ras Laffan petrochemical complex in which IQ has an indirect 16% stake through its petrochemical joint venture, Qapco, and is expected to significantly boost ethylene (224,000 MT / PA) and LLDPE (69,000 MT / PA) production, and add HDPE (136,000 MT / PA) and polypropylene (122,000 MT / PA) to the group's product list, Mr. Al-Shaibi commented, "Following the signing of a heads of agreement with Qatar Petroleum in the early part of 2012, and subsequent appointment of Qapco as project manager and completion of an initial feasibility study, the project is progressing satisfactorily through the front-end engineering design phase with the recent selection and appointment of polyethylene and polypropylene technology providers.



"The project is on track with a tentative commercial launch date of 2018. No changes to the product list, shareholder names or participation are under consideration. The petrochemical complex, which includes a world-scale ethane / butane / naphtha mixed-feed steam cracker, remains an important part of IQ's growth and diversification plans for the latter part of the decade."

Continuing, Mr. Al-Shaibi said, "The total project capital expenditure is now estimated at up to QR 24.4 billion, with IQ's budgeted share currently at QR 3.7 billion. However, this estimate is not likely to be finalised until the award of an EPC contract."

Significant Distribution and Marketing Changes

On November 22, 2012, Decree Law number 11 of 2012 was published in the Official Gazette mandating a new, wholly owned company of the government of the State of Qatar, Qatar Chemical and Petrochemical Marketing and Distribution Company QJSC (trading as "Muntajat"), with the exclusive rights to purchase, market, distribute and sell the State of Qatar's production of chemical and petrochemical regulated products to the global market. Accordingly, Industries Qatar's activities related to the marketing, distribution and selling of all of the group's products, with the exception of the group's steel products, will be progressively migrated to Muntajat. The Decree Law was effective from November 4, 2012 and Muntajat's operations commenced in Q1, 2013.

Commenting further, Mr. Al-Shaibi added, "During the first half, three group companies, Qafac, Qafco and QVC, transferred relevant distribution and marketing operations to Muntajat. The remaining affected group companies, namely Qapco and Qatofin, will commence transferring relevant distribution and marketing operations from July 1, 2013."

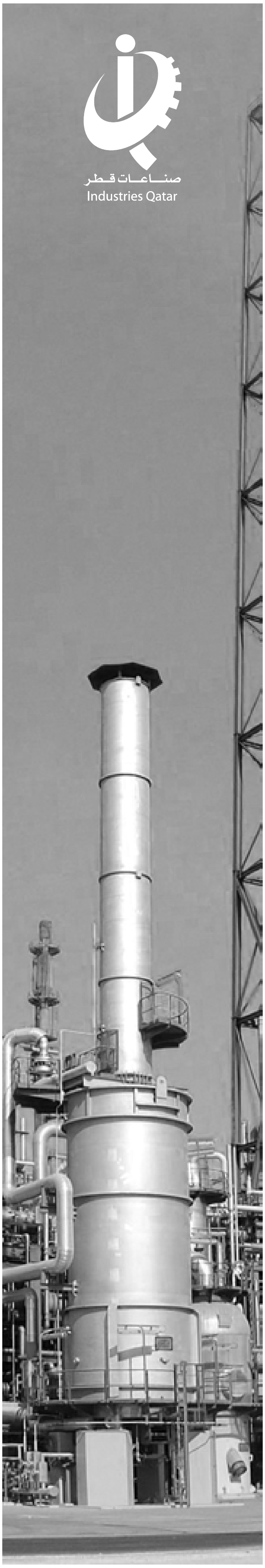
Significant Financial Reporting Changes

In May 2011, the International Accounting Standard Board issued IFRS 11 Joint Arrangements which superseded IAS 31 Interests in Joint Ventures, and is mandatory for annual periods beginning on or after January 1, 2013.

In previous years, the company accounted for its interests in joint ventures using proportionate consolidation, which allowed the company to consolidate its proportionate share of each line of the joint ventures' financial statements in accordance with IAS 31 Interests in Joint Ventures. IFRS 11 requires a joint venturer to recognise its interest in a joint venture as an investment and should account for that investment using the equity method.

The company has determined that with the adoption of IFRS 11 its interests in Qapco, Qafac and Qafco will meet the criteria for a joint venture. Accordingly, from January 1, 2013, on adoption of IFRS 11, Industries Qatar accounted for its interests in the above companies using the equity method.

The equity method of accounting requires Industries Qatar to present the carrying amount of its investments in joint ventures as a single line item in the statement of financial position, and its share of the joint ventures' net income as a single line item in the statement of comprehensive income. This change in accounting policy will not affect previously reported net income and shareholders' equity, but will affect most other line items in the statement of financial position, statement of comprehensive income and statement of cash flows.



With respect to concerns expressed regarding the application of the new method of accounting and its impact on financial disclosure within Industries Qatar, Mr. Al-Shaibi stated, "Firstly, I have to confirm that the change in the method of accounting for our interests in our joint ventures Qapco, Qafac and Qafco is mandatory, and not an issue of management choice: as a company listed on the Qatar Exchange we are required to adhere to International Accounting Standards and, after receiving professional advice, those standards mandate this change. Management of Industries Qatar does not have the leeway to opt-out.

"Secondly, management remains committed to openness and transparency. Our investor relations team has engaged with shareholders and investors to discuss ways in which to maintain, or even enhance, the group's historical commitment to full disclosure. It is not our intention to use this change to roll-back the improvements made over the last few years. As such, in the previous quarter, the Board of Directors approved the release of notes to the interim condensed consolidated financial statements for the period ended March 31, 2013. Those notes included a detailed breakdown of performance by company and, in conjunction with the enhanced quarterly trading statement, provided greater insight into the group's overall performance.

"The group will follow this up by ensuring the release of the interim condensed financial statements of its subsidiary and joint ventures for the period ended June 30, 2013. This will allow greater visibility of the performance and results of our group companies, specifically the joint ventures, instill a degree of consistency in the release of financial statements by our group companies, and fully reverse the reduction in transparency witnessed following the enactment of IFRS 11."

Reclassification of MSCI Qatar Index to Emerging Market

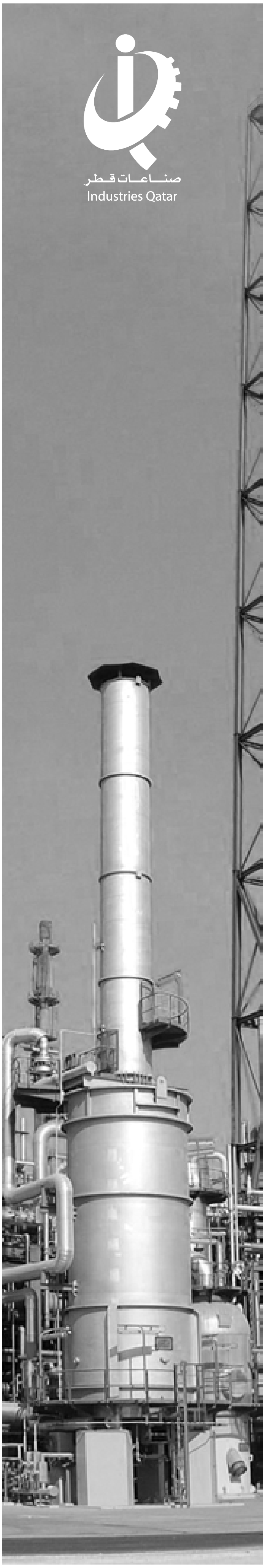
Commenting on the upcoming reclassification of MSCI Qatar Index from frontier market to emerging market announced in MSCI's 2013 Annual Market Classification Review released on June 11, 2013, Mr. Al-Shaibi said, "The reclassification is a welcome development for the State of Qatar in general, and Industries Qatar, in particular. It is recognition of the significant progress made within the State and the Qatar Exchange to improve the investment environment, and is expected to be a harbinger of incremental international investment flows to blue chip companies like Industries Qatar." As of July, 2013, IQ accounted for 18.59% of the MSCI Qatar Index. The reclassification of the MSCI Qatar Index will coincide with MSCI's May 2014 Semi-Annual Index Review.

Conclusion

In conclusion, H.E. Dr. Al-Sada remarked, "Following the achievements of the first six months of the year, the Board of Directors and senior management look forward to the second half of the year with confidence. The commercial launch of Qatar Steel's QR 1.2 billion green field steel melt shop, EF5, with a capacity of 1.1 million MT / PA of billets, is expected to incrementally boost second half volumes, and the migration of sales and marketing activities of Qapco and its joint venture, Qatofin, will complete the transfer of all of the group's regulated chemical and petrochemical products to Muntajat. In addition, progress continues to be made on the group's list of other confirmed projects, as well as pipeline projects and investments."

###

For more information about this press release, email iq@qp.com.qa or visit www.iq.com.qa



DISCLAIMER

The companies in which Industries Qatar QSC directly and indirectly owns are separate entities. In this presentation, "IQ" and "the group" are sometimes used for convenience in reference to Industries Qatar QSC.

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of Industries Qatar QSC. All statements other than statements of historical fact are deemed to be forward-looking statements, being statements of future expectations that are based on current expectations and assumptions, and involve known and unknown risks and uncertainties that could cause actual results, operations and business performance or events impacting the group to differ materially from those expressed or as may be inferred from these statements.

There are a number of factors that could affect the realisation of these forward-looking statements such as: (a) price fluctuations in crude oil and natural gas, (b) changes in demand or market conditions for the group's products, (c) loss of market share and industry competition, (d) environmental risks and natural disasters, (e) changes in legislative, fiscal and regulatory conditions, (f) changes in economic and financial market conditions and (g) political risks. As such, results could differ substantially from those stated, or as may be inferred from the forward-looking statements contained herein. All forward-looking statements contained in this presentation are made as of the date of this presentation, as marked on the Cover page.

Industries Qatar QSC, its Directors, officers, advisors, contractors and agents shall not be liable in any way for any costs, losses or other detrimental effects resulting or arising from the use of or reliance by any party on any forward-looking statement and / or other material contained herein. Industries Qatar QSC, its subsidiary, joint ventures and associated companies are further in no way obliged to update or publish revisions to any forward-looking statement or any other material contained herein which may or may not be known to have changed or to be inaccurate as a result of new information, future events or any reason whatsoever. Industries Qatar QSC does not guarantee the accuracy of the historical statements contained herein.

GENERAL NOTES

IQ's accounting year follows the calendar year. No adjustment has been made for leap years. Where applicable, all values refer to IQ's share. Values expressed in QR billions and percentages have been rounded to 1 decimal point. All other values have been rounded to the nearest whole number. Values expressed in US $'s have been translated at the rate of US $1 = QR3.64.

DEFINITIONS

Adjusted Free Cash Flow: Cash Flow From Operations - Total CAPEX - Dividends • **CAGR**: 5-Year Compound Annual Growth Rate (from 2012 actuals) • **Cash Realisation Ratio:** Cash Flow From Operations / Net Profit x 100 • **Debt to Equity:** (Current Debt + Long-Term Debt) / Equity x 100 • **Dividend Yield:** Total Cash Dividend / Closing Market Capitalisation x 100 • **DRI:** Direct Reduced Iron • **EBITDA:** Earnings Before Interest, Tax, Depreciation and Amortisation calculated as (Net Profit + Interest Expense + Depreciation + Amortisation - QR1.2bn government grant received in 2009) • **EPS:** Earnings per Share (Net Profit / Number of Ordinary Shares outstanding at the year end) • **Free Cash Flow:** Cash Flow From Operations - Total CAPEX • **HBI:** Hot Briquetted Iron • **Interest Cover:** (Earnings before Interest Expense + Tax) / Interest Expense • **LDPE:** Low Density Poly Ethylene • **LLDPE:** Linear Low Density Poly Ethylene • **mmBTU:** Million British Thermal Units • **MT / PA:** Metric Tons Per Annum • **MTBE:** Methyl Tertiary Butyl Ether • **Net Debt:** Current Debt + Long-Term Debt - Cash & Cash Equivalents • **Payout Ratio:** Total Cash Dividend / Net Profit x 100 • **P/E:** Price to Earnings (Closing market capitalisation / Net Profit) • **RCF:** Funds From Operations - Dividends • **ROA:** Return On Assets [EBITDA/ (Total Assets - CWIP - PUD) x 100] • **ROCE:** Return On Capital Employed [Net Profit before Interest & Tax / (Total Assets - Current Liabilities) x 100] • **ROE:** Return On Equity (Net Profit / Shareholders' Equity x 100) • **Utilisation:** Production Volume / Rated Capacity x 100 [For new facilities, measure includes first full operational quarter only]

ABOUT IQ

Industries Qatar QSC ("IQ") was incorporated as a Qatari joint stock company on April 19, 2003. The business operations of the company comprise the direct holding of shares in the following subsidiary and joint venture companies: (i) Qatar Steel Company QSC ("QS"), a wholly-owned subsidiary, engaged in the manufacture and sale of steel billets and reinforcing bars; (ii) Qatar Petrochemical Company Limited QSC ("QAPCO"), a joint venture owned 80% by IQ, engaged in the production of ethylene, low-density polyethylene ("LDPE"), linear low-density polyethylene ("LLDPE") and sulphur; (iii) Qatar Fertiliser Company SAQ ("QAFCO"), a joint venture owned 75% by IQ, engaged in the manufacture of ammonia and urea; (iv) Qatar Fuel Additives Company Limited QSC ("QAFAC"), a joint venture owned 50% by IQ, is engaged in the production of methanol and methyl-tertiary-butyl-ether ("MTBE").

Qatar Petroleum, the largest shareholder, provides all of the head office functions for IQ through a comprehensive service directive. The operations of the subsidiary and joint ventures remain independently managed by their respective Boards of Directors and senior management teams.

CONTACT DETAILS:

Name	Mr. Abdulrahman Ahmad Al-Shaibi
Title	Chief Coordinator
Company	Industries Qatar QSC
Telephone Number	(974) 4013-2080
Fax Number	(974) 4013-9750