

Industries Qatar Q.S.C.
UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

30 September 2011

Industries Qatar Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the nine months ended 30 September 2011

	<i>Nine months ended 30 September 2011 (Unaudited) QR'000</i>	<i>2010 (Unaudited) (Restated) QR'000</i>
Revenue	12,537,791	8,670,782
Cost of sales	<u>(5,737,289)</u>	<u>(4,415,100)</u>
GROSS PROFIT	6,800,502	4,255,682
Share of results from associates	55,060	115,917
Other income	249,658	252,702
Selling expenses	(159,269)	(123,113)
General and administrative expenses	(452,184)	(335,214)
Finance costs	(120,702)	(105,430)
Other costs	(113,966)	-
Impairment of available-for-sale investments	<u>(9,615)</u>	<u>-</u>
PROFIT FOR THE PERIOD	<u>6,249,483</u>	<u>4,060,544</u>
Profit for the period attributable to:		
Equity holders of the parent	6,244,888	4,058,433
Non-controlling interest	<u>4,595</u>	<u>2,111</u>
	<u>6,249,483</u>	<u>4,060,544</u>
BASIC AND DILUTED EARNINGS PER SHARE (Expressed as QR per share)	<u>11.35</u>	<u>7.38</u>

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine months ended 30 September 2011

	<i>Nine months ended 30 September</i>	
	2011	2010
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>(Restated)</i>
	<i>QR'000</i>	<i>QR'000</i>
Profit for the period	<u>6,249,483</u>	<u>4,060,544</u>
Other comprehensive (loss) income:		
Net (loss) gain on available-for-sale financial investments	(44,989)	102,658
Net unrealised loss on cash flow hedges	<u>(191,597)</u>	<u>(384,200)</u>
Other comprehensive loss for the period	<u>(236,586)</u>	<u>(281,542)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>6,012,897</u>	<u>3,779,002</u>
Total comprehensive income for the period attributable to:		
Equity holders of the parent	6,008,302	3,776,891
Non-controlling interest	<u>4,595</u>	<u>2,111</u>
	<u>6,012,897</u>	<u>3,779,002</u>

Industries Qatar Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2011

	<i>30 September 2011 (Unaudited) QR'000</i>	<i>31 December 2010 (Audited) (Restated) QR'000</i>
ASSETS		
Non-current assets		
Property, plant and equipment	9,549,477	8,874,082
Projects under development	11,513,966	10,669,078
Investment properties	136,190	200,162
Intangible assets	172,871	128,157
Investment in associates	1,761,603	1,406,115
Available-for-sale investments	448,296	461,519
Catalysts	113,035	127,039
Other non-current assets	-	2,120
	<u>23,695,438</u>	<u>21,868,272</u>
Current assets		
Inventories	1,886,530	1,833,279
Accounts receivable and prepayments	2,470,540	1,983,759
Due from related parties	670,352	753,613
Held-for-trading investments	190,999	178,532
Cash and short-term deposits	6,438,979	5,290,412
	<u>11,657,400</u>	<u>10,039,595</u>
TOTAL ASSETS	<u><u>35,352,838</u></u>	<u><u>31,907,867</u></u>

Continued...

Industries Qatar Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 30 September 2011

	<i>30 September 2011 (Unaudited) QR'000</i>	<i>31 December 2010 (Audited) (Restated) QR'000</i>
EQUITY AND LIABILITIES		
Equity		
Share capital	5,500,000	5,500,000
Legal reserve	243,543	203,320
Cumulative changes in fair value	270,162	315,152
Hedging reserve	(657,108)	(465,511)
Retained earnings	19,277,536	13,072,871
Proposed dividends	-	3,025,000
	<hr/>	<hr/>
Equity attributable to the parent	24,634,132	21,650,832
Non-controlling interest	405,966	13,621
	<hr/>	<hr/>
Total equity	25,040,098	21,664,453
Non-current liabilities		
Interest-bearing loans and borrowings	5,783,910	6,117,610
Employees' end of service benefits	210,109	201,159
Other financial liabilities	596,081	422,694
	<hr/>	<hr/>
	6,590,100	6,741,463
Current liabilities		
Accounts payable and accruals	1,341,169	1,287,606
Due to related parties	992,859	763,196
Other financial liabilities	31,384	26,666
Interest-bearing loans and borrowings	1,357,228	1,424,483
	<hr/>	<hr/>
	3,722,640	3,501,951
	<hr/>	<hr/>
Total liabilities	10,312,740	10,243,414
	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES	35,352,838	31,907,867
	<hr/>	<hr/>

.....
 Dr. Mohamed Bin Saleh Al-Sada
 Minister of Energy and Industry
 Chairman and Managing Director

.....
 Hamad Rashid Al-Mohannadi
 Vice Chairman

Industries Qatar Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2011

	<i>Nine months ended 30 September</i>	
	<i>2011</i>	<i>2010</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>QR'000</i>	<i>(Restated)</i>
	<i>QR'000</i>	<i>QR'000</i>
OPERATING ACTIVITIES		
Profit for the period	6,249,483	4,060,544
Adjustments for:		
Depreciation and amortisation	505,517	427,813
Provision for employees' end of service benefits	41,180	19,438
Loss (gain) on disposals of investments held-for-trading	639	(23,360)
Share of results from associates	(55,060)	(115,917)
Loss on disposal of property, plant and equipment	31,812	9,413
Finance costs	120,702	102,430
Impairment of available-for-sale investments	9,615	-
Interest income	(54,904)	(123,319)
	<u>6,848,984</u>	<u>4,357,042</u>
Working capital changes:		
Inventories	(53,251)	(632,518)
Accounts receivable and prepayments and due from related parties	(403,519)	(400,883)
Accounts payable and accruals and due to related parties	283,226	8,553
	<u>6,675,440</u>	<u>3,332,194</u>
Cash from operations	6,675,440	3,332,194
Finance costs paid	(120,702)	(102,430)
Employees' end of service benefits paid	(32,229)	(5,257)
	<u>6,522,509</u>	<u>3,224,507</u>
Net cash from operating activities	<u>6,522,509</u>	<u>3,224,507</u>
INVESTING ACTIVITIES		
Proceeds from disposals of property, plant and equipment	215	1,183
Purchase of property, plant and equipment	(1,289,194)	(1,268,995)
Purchases of catalysts and intangible assets	(48,715)	(21,530)
Net movement in projects under development	(844,889)	(1,639,911)
Net movement in available-for-sale investments	(39,029)	-
Net movement in other assets	2,120	1,128
Dividends received from associates	5,000	5,000
Net movements in held for trading investments	(13,106)	-
Net movement in deposits maturing after 90 days	(1,915,000)	660,000
Net movement in investment properties	142,800	-
Interest received	54,904	123,319
Additional investments in associate	(305,841)	(176,369)
	<u>(4,250,735)</u>	<u>(2,316,175)</u>
Net cash used in investing activities	<u>(4,250,735)</u>	<u>(2,316,175)</u>
FINANCING ACTIVITIES		
Net movement in interest-bearing loans and borrowings	(400,954)	1,173,465
Proceeds from additional capital contribution	390,000	-
Dividends paid	(3,025,000)	(2,750,000)
Dividend paid to minority shareholders	(2,250)	(1,575)
	<u>(3,038,204)</u>	<u>(1,578,110)</u>
Net cash used in financing activities	<u>(3,038,204)</u>	<u>(1,578,110)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(766,430)	(669,778)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	5,290,412	4,996,786
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	4,523,982	4,327,008

Industries Qatar Q.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2011

	Attributable to the equity holders of the parent						Total QR'000	Non- controlling interest QR'000	Total QR'000
	Share capital QR'000	Legal reserve QR'000	Cumulative changes in fair value QR'000	Hedging reserve QR'000	Retained earnings QR'000	Proposed dividends QR'000			
Balance at 1 January 2011 as previously reported (Audited)	5,500,000	202,392	315,152	(465,511)	13,171,237	3,025,000	21,748,270	13,621	21,761,891
Correction of prior period errors	-	-	-	-	(97,438)	-	(97,438)	-	(97,438)
Reclassifications	-	928	-	-	(928)	-	-	-	-
Balance at 1 January 2011 (Restated)	<u>5,500,000</u>	<u>203,320</u>	<u>315,152</u>	<u>(465,511)</u>	<u>13,072,871</u>	<u>3,025,000</u>	<u>21,650,832</u>	<u>13,621</u>	<u>21,664,453</u>
Profit for the period	-	-	-	-	6,244,888	-	6,244,888	4,595	6,249,483
Other comprehensive loss for the period	-	-	(44,989)	(191,597)	-	-	(236,586)	-	(236,586)
Total comprehensive income for the period	-	-	(44,989)	(191,597)	6,244,888	-	6,008,302	4,595	6,012,897
Transfer to legal reserve	-	40,223	-	-	(40,223)	-	-	-	-
Capital contribution	-	-	-	-	-	-	-	390,000	390,000
Dividends paid	-	-	-	-	-	(3,025,000)	(3,025,000)	(2,250)	(3,027,250)
Balance at 30 September 2011 (Unaudited)	<u>5,500,000</u>	<u>243,543</u>	<u>270,162</u>	<u>(657,108)</u>	<u>19,277,536</u>	<u>-</u>	<u>24,634,134</u>	<u>405,966</u>	<u>25,040,100</u>
Balance at 1 January 2010	<u>5,500,000</u>	<u>174,254</u>	<u>142,262</u>	<u>(293,619)</u>	<u>10,782,842</u>	<u>2,750,000</u>	<u>19,055,739</u>	<u>12,835</u>	<u>19,068,574</u>
Profit for the period	-	-	-	-	4,058,433	-	4,058,433	2,111	4,060,544
Other comprehensive Income (loss) for the period	-	-	102,658	(384,200)	-	-	(281,542)	-	(281,542)
Total comprehensive income for the period	-	-	102,658	(384,200)	4,058,433	-	3,776,891	2,111	3,779,002
Dividends paid	-	-	-	-	-	(2,750,000)	(2,750,000)	(1,575)	(2,751,575)
Balance at 30 September 2010 (Unaudited)	<u>5,500,000</u>	<u>174,254</u>	<u>244,920</u>	<u>(677,819)</u>	<u>14,841,275</u>	<u>-</u>	<u>20,082,630</u>	<u>13,371</u>	<u>20,096,001</u>

