

**QATAR GAS TRANSPORT COMPANY LIMITED
(NAKILAT) Q.S.C.
DOHA - QATAR**

**UNAUDITED INTERIM CONDENSED
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED
MARCH 31, 2011**

**QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011**

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**QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2011
(Amounts expressed in thousands of Qatari Riyals)**

	March 31, 2011 (Unaudited)	December 31, 2010 (Audited)
<u>ASSETS</u>		
Non-Current Assets:		
Property and equipment	26,195,214	26,338,076
Construction in progress	226	-
Investment in joint venture companies	2,099,806	2,037,987
Loans to joint venture companies	1,124,728	1,121,414
Available-for-sale investments	130,170	129,973
Total Non-Current Assets	29,550,144	29,627,450
Current Assets:		
Trade and other receivables	258,640	254,421
Due from joint venture companies	21,191	21,663
Cash and bank balances	2,782,378	2,126,107
Total Current Assets	3,062,209	2,402,191
Total Assets	32,612,353	32,029,641
<u>EQUITY AND LIABILITIES</u>		
EQUITY:		
Share capital	5,538,003	5,538,003
Legal reserve	171,747	171,747
Fair value reserve	83,702	83,505
Translation reserve	28,626	28,626
Proposed cash dividend	415,520	415,520
Retained earnings	859,731	671,239
Total equity before hedge reserve and non-controlling interests	7,097,329	6,908,640
Hedging reserve	(3,417,061)	(3,484,908)
Non-controlling interests	4,804	4,763
Non-Current Liabilities:		
Borrowings	24,633,980	24,666,403
Fair value of interest rate swaps	2,784,816	2,827,970
Provision for employees' end of service benefits	9,712	8,739
Total Non-Current Liabilities	27,428,508	27,503,112
Current Liabilities:		
Borrowings	940,163	885,540
Accounts payable and accruals	558,610	212,494
Total Current Liabilities	1,498,773	1,098,034
Total Equity and Liabilities	32,612,353	32,029,641

These interim condensed consolidated financial statements were approved on **April 18, 2011** by:

Hamad Rashid Al Mohammadi
Chairman

Muhammad Ghannam
Managing Director

**QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR**

**CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011
(Amounts expressed in thousands of Qatari Riyals)**

	Three Month Period Ended March 31, 2011 (Unaudited)	Three Month Period Ended March 31, 2010 (Unaudited)
<u>Income:</u>		
Revenue from wholly owned vessels	723,950	616,462
Share of operating profits from joint ventures	58,426	59,622
Income from marine and agency services	7,951	7,670
Profit from Islamic banks	4,527	12,063
Interest and dividend income	10,980	7,355
Other income	6,827	4,039
Total Income	812,661	707,211
<u>Expenses:</u>		
Operating costs of wholly owned vessels	(114,655)	(79,405)
General and administrative	(20,578)	(18,493)
Depreciation of property and equipment	(145,897)	(126,082)
Finance charges	(345,710)	(298,114)
Total Expenses	(626,840)	(522,094)
Profit for the period from operations	185,821	185,117
Gain/(Loss) on derivative instruments from joint ventures	2,712	(21,630)
Total profit for the period	188,533	163,487
Total profit for the period attributable to:		
Owners of the Company	188,492	163,364
Non-controlling interests	41	123
Total	188,533	163,487
Basic and diluted earnings per share (expressed in QR per share)	0.34	0.29

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011
(Amounts expressed in thousands of Qatari Riyals)**

	Three Month Period Ended March 31, 2011 (Unaudited)	Three Month Period Ended March 31, 2010 (Unaudited)
Total profit for the period	188,533	163,487
<u>Other comprehensive income</u>		
Changes in fair value of available-for-sale investments	197	1,228
Changes in fair value of cash flow hedging derivatives	24,693	(320,854)
Group's share of joint ventures' changes in fair value of cash flow hedging derivatives	43,154	(19,845)
Total comprehensive income for the period	<u>256,577</u>	<u>(175,984)</u>
Total comprehensive income for the period attributable to:		
Owners of the Company	256,536	(176,107)
Non-controlling interests	41	123
Total	<u>256,577</u>	<u>(175,984)</u>

**QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011
(Amounts expressed in thousands of Qatari Riyals)**

	Share Capital	Legal Reserve	Fair Value Reserve	Translation Reserve	Proposed Cash Dividend	Retained Earnings	Total Equity Before Hedge Reserve & Non- Controlling Interests	Hedging Reserve	Non- Controlling Interests
Balance as of January 01, 2010 (Audited)	5,537,812	105,280	60,640	28,626	277,013	504,796	6,514,167	(2,609,248)	4,362
Total profit for the period	-	-	-	-	-	163,364	163,364	-	123
<u>Other comprehensive income for the period</u>									
-Changes in fair value of available-for-sale investments	-	-	1,228	-	-	-	1,228	-	-
-Changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	(320,854)	-
-Group's share of joint ventures' changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	(19,845)	-
Capital contribution	14	-	-	-	-	-	14	-	-
Balance as of March 31, 2010 (Unaudited)	5,537,826	105,280	61,868	28,626	277,013	668,160	6,678,773	(2,949,947)	4,485
Balance as of January 01, 2011 (Audited)	5,538,003	171,747	83,505	28,626	415,520	671,239	6,908,640	(3,484,908)	4,763
Total profit for the period	-	-	-	-	-	188,492	188,492	-	41
<u>Other comprehensive income for the period</u>									
-Changes in fair value of available-for-sale investments	-	-	197	-	-	-	197	-	-
-Changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	24,693	-
-Group's share of joint ventures' changes in fair value of cash flow hedging derivatives	-	-	-	-	-	-	-	43,154	-
Capital contribution	-	-	-	-	-	-	-	-	-
Balance as of March 31, 2011(Unaudited)	5,538,003	171,747	83,702	28,626	415,520	859,731	7,097,329	(3,417,061)	4,804

**QATAR GAS TRANSPORT COMPANY LIMITED (NAKILAT) Q.S.C.
DOHA – QATAR**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011
(Amounts expressed in thousands of Qatari Riyals)**

	Three Month Period Ended March 31, 2011 (Unaudited)	Three Month Period Ended March 31, 2010 (Unaudited)
Cash Flows from Operating Activities:		
Total profit for the period	188,533	163,487
Adjustments for:		
Depreciation of property and equipment	145,897	126,082
Finance charges	345,710	298,114
Share of operating profits from joint ventures	(58,426)	(59,622)
(Gain) / Loss on derivatives instruments from joint venture	(2,712)	21,630
Profit from Islamic banks	(4,527)	(12,063)
Interest, dividend and other income	(17,807)	(11,394)
Provision for doubtful receivables	225	-
Loss on disposal of property and equipments	1	-
	<u>596,894</u>	<u>526,234</u>
Working Capital Changes:		
Trade and other receivables	(7,868)	(47,631)
Accounts payable and accruals	21,094	(4,753)
Due from joint venture companies	472	(301)
Due to related parties	-	7,437
	<u>610,592</u>	<u>480,986</u>
Cash generated from Operating Activities	610,592	480,986
Finance charges paid	(16,041)	(7,464)
Net Cash From Operating Activities	<u>594,551</u>	<u>473,522</u>
Cash Flows from Investing Activities:		
Loans to joint venture companies	4,935	(11,952)
Investment in joint venture companies	-	(510)
Dividend income received from joint venture	20,554	25,033
Acquisition of property and equipments	(46)	(140)
Sale proceeds from disposal of property and equipments	25	-
Investment income received	25,927	30,865
Construction in progress	(226)	(388,792)
	<u>51,169</u>	<u>(345,496)</u>
Net Cash From / (Used in) Investing Activities	<u>51,169</u>	<u>(345,496)</u>
Cash Flows from Financing Activities:		
Proceeds from issue of shares against capital	-	14
Dividend paid to shareholders	(445)	-
Unpaid dividend transferred to separate bank account	(10,477)	-
Proceeds from borrowings	113,238	338,662
Repayment of borrowings	(91,038)	(18,208)
Net Cash From Financing Activities	<u>11,278</u>	<u>320,468</u>
Net Increase in Cash and Cash Equivalents	<u>656,998</u>	<u>448,494</u>
Cash and Cash Equivalents at Beginning of the Period	<u>2,090,299</u>	<u>1,752,991</u>
Cash and Cash Equivalents at End of the Period	<u>2,747,297</u>	<u>2,201,485</u>