

**QATAR INDUSTRIAL MANUFACTURING
COMPANY Q.S.C**

INTERIM CONSOLIDATED FINANCIAL INFORMATION

31 March 2012

Qatar Industrial Manufacturing Company Q.S.C.
Interim Consolidated Financial information
As at and for the three months period ended 31 March 2012

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QATAR INDUSTRIAL MANUFACTURING COMPANY Q.S.C

In Qatari Riyals

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 March 2012

	31 March 2012 <i>(Unaudited)</i> <i>(Not reviewed)</i>	31 December 2011 <i>(Audited)</i>	31 March 2011 <i>(Unaudited)</i> <i>(Not reviewed)</i>
ASSETS			
Non-current assets			
Property, plant and equipment	368,214,345	364,553,198	373,676,712
Investment properties	45,887,839	45,887,839	45,887,839
Due from related parties	75,617,477	78,432,632	75,566,903
Available-for-sale financial assets	194,326,933	204,537,512	214,098,875
Investment in associates	500,048,618	470,632,782	418,779,927
Total non-current assets	1,184,095,212	1,164,043,963	1,128,010,256
Current assets			
Assets of a disposal group classified as held for sale	-	-	52,113,743
Inventories	27,765,253	27,582,822	30,951,540
Trade and other receivables	96,758,825	78,540,996	53,274,957
Due from related parties	14,533,683	12,982,199	4,824,538
Cash and cash equivalents	103,143,196	153,195,805	156,527,329
Total current assets	242,200,957	272,301,822	297,692,107
TOTAL ASSETS	1,426,296,169	1,436,345,785	1,425,702,363
LIABILITIES AND EQUITY			
LIABILITIES			
Non-current liabilities			
Employees' end of service benefits	10,373,154	9,321,945	5,196,681
Notes payable	5,808,053	7,300,973	19,984,266
Borrowings – noncurrent portion	30,383,166	31,093,569	45,897,789
Total non-current liabilities	46,564,373	47,716,487	71,078,736
Current liabilities			
Liabilities associated with a disposal group classified as held for sale	-	-	786,330
Trade and other payables	157,165,768	67,115,260	142,250,581
Due to related parties	-	27,894,616	479,412
Borrowings – current portion	9,922,843	10,726,925	3,184,812
Bank overdraft	4,169,908	1,109,315	231,531
Total current liabilities	171,258,519	106,846,116	146,932,666
TOTAL LIABILITIES	217,822,892	154,562,603	218,011,402
EQUITY			
Share capital	396,000,000	396,000,000	396,000,000
Legal reserve	250,000,000	250,000,000	185,132,590
General reserve	43,970,860	43,970,860	43,970,860
Revaluation reserve	182,499,480	182,499,480	182,499,480
Fair value reserve	89,069,229	97,829,648	129,515,361
Retained earnings	215,967,704	282,708,537	197,784,375
Equity attributable to Equity Holders of the Parent	1,177,507,273	1,253,008,525	1,134,902,666
Non – controlling interests	30,966,004	28,774,657	72,788,295
Total equity	1,208,473,277	1,281,783,182	1,207,690,961
TOTAL LIABILITIES AND EQUITY	1,426,296,169	1,436,345,785	1,425,702,363



18 APR 2012

She ikh Abdulrahman Bin Moh'd Bin Jabor Al-Thani
Chairman



Mr. Abdulrahman Al Ansari
Chief Executive Officer

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months period ended 31 March 2012

	Note	Three months period ended 31 March	
		2012 (Unaudited) (Not reviewed)	2011 (Unaudited) (Not reviewed)
Sales		93,136,765	95,624,951
Costs of sales		(73,694,049)	(66,427,555)
Gross profit		19,442,716	29,197,396
Share of results of associates		30,726,173	30,697,008
Income from investments		12,285,043	6,878,235
Other income		2,265,969	1,745,094
Expenses:			
General and administrative expenses		(9,884,162)	(13,806,639)
Interest expense		(585,224)	-
Impairment of available-for-sale investments		-	-
Net profit from continuing operation		54,250,515	54,711,094
Discontinued operations :			
Profit from discontinued operations		-	22,529
NET PROFIT FOR THE PERIOD		54,250,515	54,733,623
Attributable to:			
Equity holders of the Parent		52,059,168	51,325,909
Non-controlling interests		2,191,347	3,407,714
		54,250,515	54,733,623
Other comprehensive income			
Net change in fair value of available-for-sale financial assets		(8,760,419)	28,740,476
Other comprehensive income for the period		(8,760,419)	28,740,476
Total comprehensive income for the period		45,490,096	83,474,099
Attributable to:			
Equity holders of the Parent		43,298,749	80,066,385
Non-controlling interests		2,191,347	3,407,714
		45,490,096	83,474,099
Basic and diluted earnings per share	8	1.31	1.29

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2012

1 STATUS AND ACTIVITIES

Qatar Industrial Manufacturing Company (Q.S.C), (the “Company”) was incorporated on February 11, 1990 by an Amiri Decree No 54 of 1990 under Commercial Registration number 12991. The Company is engaged in industrial manufacturing and various types of industrial investments inside and outside the State of Qatar. The interim financial information include the financial information of the Company and those related to its subsidiaries listed below: (together referred to as the “Group”).

	Percentage of holding	
	2012	2011
Qatar Acids Company	100%	100%
Qatar Sand Treatment Plant	100%	100%
National Paper Industries	100%	100%
Qatar Paving Stones	100%	100%
Klj Organic – Qatar(Q.S.C)	51%	51%
Qatar Metal Coating Company W.L.L.	50%	50%
Qatar Nitrogen Company (Q.S.C) – (liquidated)	-	50%

2 RELATED PARTY TRANSACTIONS

These represent transactions with related parties, i.e. shareholders, directors and senior management of the Group, companies of which they are principal owners and associated companies. Pricing policies and terms of these transactions are approved by the Group’s management.

(a) Balances due from a related party – long term:

	31 March 2012 (Unaudited) (Not reviewed)
Gasal Q.S.C. – loan receivable	<u>75,617,477</u>

(b) Balances due from related parties – short term:

	31 March 2012 (Unaudited) (Not reviewed)
Gasal Q.S.C. – loan receivable	9,729,562
Qatar Plastic Products Company “Associate”	4,700,000
Others	104,121
	<u>14,533,683</u>

3 INVESTMENT IN ASSOCIATES

	Ownership	31 March 2012 (Unaudited) (Not reviewed)
Aminatit Qatar Pipes Company W.L.L.	40%	20,441,735
Qatar Saudi Gypsum Industries Company W.L.L	33%	25,250,718
Qatar Clay Bricks Company W.L.L.	46.35%	28,565,482
Qatar Plastic Products Company W.L.L.	33%	18,593,346
Qatar Jet Fuel Company W.L.L.	40%	305,305,371
Qatar Aluminum Extrusion Company	40%	18,132,139
Gasal Company Q.S.C.	29.5%	72,104,683
National Food Company (Q.S.C.)	20%	11,655,145
		<u>500,048,619</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2012

4 ASSETS OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 15 February 2009 the Board of Directors of Qatar Nitrogen Company, a former subsidiary, approved the liquidation of the subsidiary. On 14 March 2011 the Company received the final liquidation report from the liquidator and on 18 April 2011 the Company received an amount of QR 5,550,872 as a final settlement from the liquidation. During the year ended 2011, the Group has recognized a loss from the liquidation amounting to QR 7,194,848.

5 CASH AND CASH EQUIVALENTS

	31 March 2012 (Unaudited) (Not reviewed)
Cash	69,440
Current accounts	39,505,844
Call accounts	40,601,778
Term deposits	22,966,134
	103,143,196

6 NOTES PAYABLE

This is the discounted amount of long term notes payable that were used to finance the acquisition of the investment property in 2007. The discount rate used was 6.5% and the notes payable due within one year have been reflected in trade and other payables.

7 SHARE CAPITAL

At the extraordinary general meeting held on 4 March 2012, the shareholders approved the Board of Directors proposal for cash dividends of 30%.

8 BASIC AND DILUTED EARNING PER SHARE

Earnings per share is calculated by dividing the net profit for the period attributable to the shareholders of the Company by the weighted average number of ordinary shares in issue during the period as follows:

	Three months period ended 31 March	
	2012	2011
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>(Not reviewed)</i>	<i>(Not reviewed)</i>
Profit for the period attributable to equity holders of the Company	52,059,168	51,325,909
Weighted average number of shares outstanding during the period	39,600,000	39,600,000
Basic and diluted earnings per share	1.31	1.29