

**Qatar Navigation Q.P.S.C.**  
**CONDENSED CONSOLIDATED**  
**INTERIM FINANCIAL STATEMENTS**

**30 JUNE 2017**

**Qatar Navigation Q.P.S.C.**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**As at and for the six-month period ended 30 June 2017**

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### **Independent auditor's report on review of condensed consolidated interim financial statements**

To the Board of Directors of Qatar Navigation Q.P.S.C.  
Doha, State of Qatar

#### **Introduction**

We have reviewed the accompanying condensed consolidated statement of financial position of Qatar Navigation Q.P.S.C. (the "Company") as at 30 June 2017, the condensed consolidated statements of income, comprehensive income, cash flows and changes in equity for the six-month period then ended, and notes to the interim financial statements (the "condensed consolidated interim financial statements"). The Board of Directors of the Company is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

#### **Scope of review**

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at 30 June 2017 are not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

1 August 2017  
Doha  
State of Qatar



Yacoub Hobeika  
Qatar Auditors Registration No. 289  
KPMG  
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Qatar Navigation Q.P.S.C.  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
For the six-month period ended 30 June 2017

		<i>For the six-month period ended 30 June</i>	
		<i>2017</i>	<i>2016</i>
		<i>(Reviewed)</i>	
	<i>Notes</i>	<i>QR'000</i>	<i>QR'000</i>
Operating revenues	5	1,145,800	1,386,827
Salaries, wages and other benefits		(262,364)	(324,799)
Operating supplies and expenses		(456,119)	(438,033)
Rent expenses		(6,775)	(7,660)
Depreciation and amortization		(175,413)	(161,944)
Other operating expenses		(74,723)	(76,715)
<b>OPERATING PROFIT</b>		<b>170,406</b>	<b>377,676</b>
Finance costs		(100,420)	(85,501)
Finance income		83,952	82,453
(Loss) gain on disposal of property, vessels and equipment		(532)	1,731
Share of results of associates		128,810	157,742
Share of results of joint arrangements		44,088	17,164
Net (loss) gain on foreign exchange		(2,159)	2,504
Impairment of available-for-sale financial assets		(20,950)	-
Impairment of vessels and contract work-in-progress	8	(48,296)	-
Miscellaneous income	6	20,255	1,802
<b>PROFIT FOR THE PERIOD</b>		<b>275,154</b>	<b>555,571</b>
<i>Attributable to:</i>			
Equity holders of the parent		267,294	552,692
Non-controlling interest		7,860	2,879
		<b>275,154</b>	<b>555,571</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE</b> (attributable to equity holders of the parent ) (expressed in QR per share)	19	<b>2.35</b>	<b>4.86</b>

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



Qatar Navigation Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2017

		<i>For the six-month period ended 30</i>	
		<i>June</i>	
		<i>2017</i>	<i>2016</i>
		<i>(Reviewed)</i>	
<i>Note</i>		<i>QR'000</i>	<i>QR'000</i>
	Profit for the period	<u>275,154</u>	<u>555,571</u>
	<b>Other comprehensive income</b>		
	<i>Items that may be reclassified subsequently to profit or loss</i>		
	Net movement in hedging reserve	7 <u>26,357</u>	(266,291)
	Net loss on available-for-sale financial assets	7 <u>(502,707)</u>	<u>(163,871)</u>
	Other comprehensive loss for the period	<u>(476,350)</u>	<u>(430,162)</u>
	<b>Total comprehensive (loss) income for the period</b>	<u><u>(201,196)</u></u>	<u><u>125,409</u></u>
	<i>Attributable to:</i>		
	Equity holders of the Parent	<u>(208,570)</u>	122,686
	Non-controlling interest	<u>7,374</u>	<u>2,723</u>
		<u><u>(201,196)</u></u>	<u><u>125,409</u></u>

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.

**Qatar Navigation Q.P.S.C.**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 June 2017

		<i>30 June 2017 (Reviewed) QR'000</i>	<i>31 December 2016 (Audited) QR'000</i>
	<i>Notes</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, vessels and equipment	8	4,396,036	4,861,611
Investment properties	9	1,228,522	1,140,646
Intangible assets		574,471	594,548
Investments in joint ventures		372,174	299,350
Investments in associates		4,795,513	4,814,755
Available-for-sale financial assets		3,552,756	4,065,641
Loans granted to LNG companies		199,692	214,747
Other assets		27,560	32,461
		<u>15,146,724</u>	<u>16,023,759</u>
<b>Current assets</b>			
Inventories		125,965	125,579
Trade and other receivables		1,041,270	742,102
Financial assets at fair value through profit or loss		531,392	484,556
Investments in term deposits		3,632,963	3,578,722
Cash and bank balances		661,676	1,102,860
		<u>5,993,266</u>	<u>6,033,819</u>
<b>TOTAL ASSETS</b>		<u><u>21,139,990</u></u>	<u><u>22,057,578</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Attributable to equity holders of the Parent</b>			
Share capital		1,145,252	1,145,252
Treasury shares		(73,516)	(73,516)
Legal reserve		4,693,986	4,693,986
General reserve		623,542	623,542
Fair value reserve		3,562,440	4,064,661
Hedging reserve		(96,363)	(122,720)
Retained earnings		3,725,072	3,855,436
<b>Equity attributable to equity holders of the Parent</b>		<u>13,580,413</u>	<u>14,186,641</u>
Non-controlling interest		62,696	55,322
<b>Total equity</b>		<u>13,643,109</u>	<u>14,241,963</u>

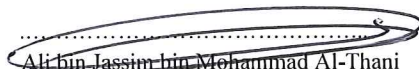
*The condensed consolidated statement of financial position continues on the next page.*

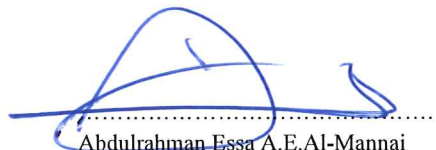
The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.

**Qatar Navigation Q.P.S.C.**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at 30 June 2017

		<b>30 June 2017 (Reviewed) QR'000</b>	<b>31 December 2016 (Audited) QR'000</b>
<b>EQUITY AND LIABILITIES (CONTINUED)</b>	<i>Note</i>		
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	13	<b>3,350,083</b>	2,789,820
Advance from a customer		<b>127,512</b>	152,634
Provision for employees' end of service benefits		<b>101,527</b>	99,840
		<b><u>3,579,122</u></b>	<b><u>3,042,294</u></b>
<b>Current liabilities</b>			
Trade and other payables		<b>1,018,466</b>	948,120
Loans and borrowings	13	<b>2,899,293</b>	3,825,201
		<b><u>3,917,759</u></b>	<b><u>4,773,321</u></b>
<b>Total liabilities</b>		<b><u>7,496,881</u></b>	<b><u>7,815,615</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>21,139,990</u></b>	<b><u>22,057,578</u></b>

The Group's condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 1 August 2017 and signed on its behalf by the following:

  
Ali bin Jassim bin Mohammad Al-Thani  
Chairman

  
Abdulrahman Essa A.E. Al-Mannai  
President and Chief Executive Officer

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements

Qatar Navigation Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2017

	<i>For the six-month period ended 30 June</i>	
	<i>2017</i>	<i>2016</i>
	<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period	275,154	555,571
Adjustment for:		
Depreciation of property, vessels and equipment	142,107	141,996
Depreciation of investment properties	12,946	12,383
Amortisation of intangible assets	20,360	7,565
Loss (gain) on disposal of property, vessels and equipment	532	(1,731)
Share of results of associates	(128,810)	(157,742)
Share of results of joint arrangements	(44,088)	(17,164)
Provision for employees' end of service benefits	6,152	13,914
Dividend income	(135,255)	(129,838)
Net fair value (gain) loss on financial assets at fair value through profit or loss	(71,274)	18,513
Impairment of available-for-sale financial assets	20,950	-
Impairment of vessels and capital work in progress	48,296	-
(Profit) loss on disposal of investment securities	(4,548)	550
Finance costs	100,420	85,501
Finance income	(83,952)	(82,453)
Operating profit before working capital changes:	158,990	447,065
<i>Changes in:</i>		
Inventories	(386)	34,483
Trade and other receivables	(17,591)	(36,939)
Trade and other payables	58,844	40,534
Cash flows from operating activities	199,857	485,143
Finance costs paid	(100,420)	(85,501)
Employees' end of service benefits paid	(4,465)	(6,177)
Net cash from operating activities	94,972	393,465
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, vessels and equipment	(21,547)	(242,195)
Dividend income	135,255	129,838
Finance income	83,952	82,453
Proceeds from disposal of property, vessels and equipment	19,395	2,467
Purchases of investment properties	(100,822)	(119,908)
Addition to intangible assets	(167)	-
Net movement in loans granted to LNG companies	15,055	89
Purchase of investment securities	(148,051)	(40,239)
Proceeds from disposal of available-for-sale financial assets	7,301	-
Proceeds from disposal of financial assets at fair value through profit or loss	24,905	9,743
Investment in joint venture	(4,900)	-
Net movement in investments in term deposits	(54,241)	459,927
Dividends received from associates	171,012	212,008
Net cash flows from investing activities	127,147	494,183

*The condensed consolidated statement of cashflows continues on the next page.*

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the six-month period ended 30 June 2017

		<i>For the six-month period ended 30 June</i>	
		<i>2017</i>	<i>2016</i>
		<i>(Reviewed)</i>	
	<i>Note</i>	<i>QR'000</i>	<i>QR'000</i>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid to Company's shareholders	12	(397,658)	(568,080)
Dividends paid to non controlling interests		-	(9,000)
Net movement in loans and borrowings		<u>(365,645)</u>	<u>(369,555)</u>
Net cash flows used in financing activities		<u>(763,303)</u>	<u>(946,635)</u>
Net decrease in cash and cash equivalents		(541,184)	(58,987)
Cash and cash equivalents at beginning of period		<u>1,102,860</u>	<u>852,736</u>
Cash and cash equivalents at end of period	11	<u><u>561,676</u></u>	<u><u>793,749</u></u>

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



## Qatar Navigation Q.P.S.C.

	Attributable to the equity holders of the Parent							Non-controlling interest	Total
	Share capital QR'000	Treasury shares QR'000	Legal reserve QR'000	General reserve QR'000	Fair value reserve QR'000	Hedging reserve QR'000	Retained earnings QR'000	QR'000	QR'000
At 1 January 2017 (Audited)	1,145,252	(73,516)	4,693,986	623,542	4,064,661	(122,720)	3,855,436	55,322	14,241,963
Total comprehensive income:									
Profit for the period	-	-	-	-	-	-	267,294	7,860	275,154
Other comprehensive (loss) income	-	-	-	-	(502,221)	26,357	-	(486)	(476,350)
Total comprehensive (loss) income	-	-	-	-	(502,221)	26,357	267,294	7,374	(201,196)
Transactions with owners of the Group:									
Dividends paid (Note 12)	-	-	-	-	-	-	(397,658)	-	(397,658)
At 30 June 2017 (Reviewed)	1,145,252	(73,516)	4,693,986	623,542	3,562,440	(96,363)	3,725,072	62,696	13,643,109
	Attributable to the equity holders of the Parent							Non-controlling interest	Total
	Share capital QR'000	Treasury shares QR'000	Legal Reserve QR'000	General reserve QR'000	Fair value reserve QR'000	Hedging reserve QR'000	Retained earnings QR'000	QR'000	QR'000
At 1 January 2016 (Audited)	1,145,252	(73,516)	4,693,986	623,542	3,859,321	(299,335)	3,729,844	72,191	13,751,285
Total comprehensive income:									
Profit for the period	-	-	-	-	-	-	552,692	2,879	555,571
Other comprehensive (loss)	-	-	-	-	(163,715)	(266,291)	-	(156)	(430,162)
Total comprehensive (loss) income	-	-	-	-	(163,715)	(266,291)	552,692	2,723	125,409
Transactions with owners of the Group:									
Dividends paid (Note 12)	-	-	-	-	-	-	(568,080)	(9,000)	(577,080)
At 30 June 2016 (Reviewed)	1,145,252	(73,516)	4,693,986	623,542	3,695,606	(565,626)	3,714,456	65,914	13,299,614

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



# Qatar Navigation Q.P.S.C.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2017

### 1. REPORTING ENTITY

Qatar Navigation Q.P.S.C. (the “Company”) or (the “Parent”) was incorporated on 5 July 1957 as a Qatari Public Shareholding Company, with the Commercial Registration number 1 issued by the Ministry of Economy and Commerce. The registered office of the Company is located in East Industrial Street, Zone 56, Doha, State of Qatar. The shares of the Company are publicly traded at the Qatar Exchange since 26 May 1997.

These condensed consolidated interim financial statements comprise the Company and its subsidiaries (collectively referred as the “Group”).

The principal activities of the Group, which remain unchanged from the previous period, include the provision of marine transport, acting as agent to foreign shipping lines, offshore services, sale of heavy vehicles, ship repair, fabrication and installation of offshore structures, land transport, chartering of vessels, real estate, investments in listed and unlisted securities, trading of aggregates, building materials and the operation of a travel agency.

The Group had the following active subsidiaries as at the current and the comparative reporting dates:

<i>Name of the subsidiary</i>	<i>Country of incorporation</i>	<i>Principal activities</i>	<i>Group effective shareholding</i>	
			<i>30 June 2017</i>	<i>31 December 2016</i>
Qatar Shipping Company W.L.L.	Qatar	Chartering of vessels and maritime services	100%	100%
Halul Offshore Services W.L.L.	Qatar	Chartering of vessels offshore services	100%	100%
Qatar Quarries and Building Materials Company Q.P.S.C. (i)	Qatar	Trading in building materials	50%	50%
Gulf Shipping Investment Company W.L.L.	Qatar	Cargo handling	100%	100%
Qatar Shipping Company (India) Private Limited (ii)	India	Own, Hire, Purchase, Sale, Operate and manage all types of ships	100%	100%
Ocean Marine Services W.L.L.	Qatar	Cargo handling, offshore support services	100%	100%
Halul United Business Services L.L.C.	Saudi	Offshore services	100%	100%
Milaha Trading Company W.L.L.	Qatar	Trading in industrial materials	100%	100%
Navigation Travel & Tourism W.L.L.	Qatar	Travel agency	100%	100%
Navigation Trading Agencies W.L.L.	Qatar	Trading in heavy equipment	100%	100%

# Qatar Navigation Q.P.S.C.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2017

### 1 REPORTING ENTITY (CONTINUED)

The Group had the following active subsidiaries as at the current and the comparative reporting dates:  
(continued):

<i>Name of the subsidiary</i>	<i>Country of incorporation</i>	<i>Principal activities</i>	<i>Group effective shareholding</i>	
			<i>30 June 2017</i>	<i>31 December 2016</i>
Navigation Marine Service Center W.L.L.	Qatar	Marine services	100%	100%
Milaha Capital W.L.L.	Qatar	Investments	100%	100%
Milaha Real Estate Services W.L.L.	Qatar	Real estate maintenance	100%	100%
Milaha Integrated Maritime and Logistics W.L.L.	Qatar	Maritime and logistic services	100%	100%
Milaha Ras Laffan Verwaltungs GMBH (ii)	Germany	Managing the business activities of KG companies	100%	100%
Milaha Qatar Verwaltungs GMBH (ii)	Germany	Managing the business activities of KG companies	100%	100%
Milaha Real Estate Investment W.L.L.	Qatar	Real estate services	100%	100%
Milaha for Petroleum and Chemical Product W.L.L. (ii)	Qatar	Shipping services	100%	100%
Milaha Ras Laffan Gmbh & Co. KG (KG1) (ii)	Germany	LNG transportation	100%	100%
Milaha Qatar Gmbh & Co. KG (KG2) (ii)	Germany	LNG transportation	100%	100%
Qatar Shipping Company (France) (ii)	France	Investments	100%	100%
Milaha Offshore Holding Co. PTE LTD (ii)	Singapore	Offshore support services	100%	100%
Milaha Explorer PTE LTD (ii)	Singapore	Offshore support services	100%	100%
Milaha Offshore Services Co PTE LTD (ii)	Singapore	Offshore support services	100%	100%

# Qatar Navigation Q.P.S.C.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2017

### 1 REPORTING ENTITY (CONTINUED)

The Company's shareholding in the above subsidiaries are the same as the Group effective shareholding except for the following material subsidiaries:

<i>Name of subsidiary</i>	<i>Company's ownership percentage</i>	
	<i>30 June 2017</i>	<i>31 December 2016</i>
Halul Offshore Services Company W.L.L.	50%	50%
Qatar Quarries and Building Materials Company Q.P.S.C.	25%	25%
Milaha Trading Company W.L.L.	99.5%	99.5%
Milaha Capital W.L.L.	99.5%	99.5%
Milaha Integrated Maritime and Logistics W.L.L.	99.5%	99.5%

The Group also had the following inactive subsidiaries as at the current and the comparative reporting dates:

<i>Name of subsidiary</i>	<i>Company's ownership percentage</i>	
	<i>30 June 2017</i>	<i>31 December 2016</i>
Milaha Technical & Logistics Services W.L.L.	100%	100%
Milaha Offshore Support Services Company L.L.C.	99.5%	99.5%
Milaha for Petroleum and Chemical Product W.L.L.	99.5%	99.5%
Milaha Warehousing W.L.L.	100%	100%
Milaha Capital Real Estate Complex W.L.L.	100%	100%
Milaha for Ships and Boats W.L.L.	100%	100%
Milaha Ship Management & Operation Company W.L.L.	100%	100%
Halul Ship Management & Operation W.L.L.	100%	100%

All subsidiaries are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the Parent do not differ from the proportion of the ordinary shares held.

The Group has the following investments in joint ventures:

	<i>Country of incorporation</i>	<i>Group effective ownership</i>	
		<i>30 June 2017</i>	<i>31 December 2016</i>
Qatar Engineering and Technology Company W.L.L. (ii)	Qatar	51%	51%
Qatar Ship Management Company W.L.L.	Qatar	51%	51%
Gulf LPG Transport Company W.L.L.	Qatar	50%	50%
Aliago W.L.L. (ii)	Qatar	50%	50%
QTerminals W.L.L. (ii) (iii)	Qatar	49%	49%



# Qatar Navigation Q.P.S.C.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2017

### 1 REPORTING ENTITY (CONTINUED)

The Group has the following investments in associates:

	Country of incorporation	Ownership %		Profit Sharing %	
		30 June 2017	31 December 2016	30 June 2017	31 December 2016
Cargotec Qatar W.L.L. (ii)	Qatar	51.0%	51.0%	40.0%	40.0%
Iraq-Qatar Transport and Shipping Services Com. L.T.D.	Iraq	51.0%	51.0%	51.0%	51.0%
United Arab Shipping Agency Company W.L.L. (ii)	Qatar	40.0%	40.0%	40.0%	40.0%
Qatar Gas Transport Company Limited (NAKILAT) (Q.P.S.C.)	Qatar	30.3%	30.3%	30.3%	30.3%
Camartina Shipping INC. (ii)	Liberia	29.4%	29.4%	29.4%	29.4%
Peninsula LNG Transport No. 1 Ltd. (ii)	Liberia	29.4%	29.4%	29.4%	29.4%
Peninsula LNG Transport No. 2 Ltd. (ii)	Liberia	29.4%	29.4%	29.4%	29.4%
Peninsula LNG Transport No. 3 Ltd. (ii)	Liberia	29.4%	29.4%	29.4%	29.4%
Qatar LNG Transport Ltd. (ii)	Liberia	20.0%	20.0%	20.0%	20.0%
Man Diesel & Turbo Qatar Navigation W.L.L. (ii)	Qatar	51.0%	51.0%	35.0%	35.0%

- (i) The Group controls Qatar Quarries Building Materials Company Q.P.S.C. through its power to control that company's Board of Directors.
- (ii) The condensed consolidated interim financial statements have been prepared based on the management accounts of these entities as of the reporting date.
- (iii) *QTerminals W.L.L.*

QTerminals W.L.L. was legally incorporated on 10 May 2017 with the Commercial Registration number 98511. The shareholding structure of QTerminals is 51% owned by Qatar Ports Management Company ("Mwani Qatar") and 49% owned by Milaha. The purpose of the company is to operate ports, including the new Hamad Port based on an agreement signed between Milaha and Mwani Qatar during December 2016.

The Group also had the following registered branch in Dubai as at the current and the comparative reporting dates:

Name of branch	Principal activity
Qatar Navigation (Dubai Branch)	Marine services

The results and the assets and liabilities of the above branch have been combined in the condensed consolidated interim financial statements of the Group.

### 2 BASIS OF ACCOUNTING

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting", and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2016 ("latest annual financial statements"). They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The condensed consolidated interim financial statements of the Company were authorised for issue by the Board of Directors on 1 August 2017.

### **3. USE OF JUDGMENTS AND ESTIMATES**

In preparing these condensed consolidated interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the latest annual financial statements as at and for the year ended 31 December 2016.

#### **Measurement of fair values**

When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted market price (unadjusted) in active markets for an identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair values is included in Note 17 "Financial Instruments".

### **4. SIGNIFICANT ACCOUNTING POLICIES**

Except as described below, the accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the last annual financial statements.

#### **Changes in accounting policies**

During the current period, the below amended International Financial Reporting Standards ("IFRS" or "standards") became effective for the first time for financial periods beginning on 1 January 2017:

- Amendments to IAS 7 "Disclosure Initiative"
- Amendments to IAS 12 on recognition of deferred tax assets for unrealised losses
- Amendments to IFRS 12 as part of the "Annual improvements to IFRSs 2014-2016 cycle-various standards".

The adoption of the above amendments to standards had no significant impact on the condensed consolidated interim financial statements.

**Qatar Navigation Q.P.S.C.**

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**5. OPERATING REVENUES**

The Group revenues consist of activities under the following operating segments:

	<i>Six-month period ended 30 June</i>	
	<i>2017</i>	<i>2016</i>
	<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Milaha Capital	264,624	248,827
Milaha Maritime and Logistics	331,833	448,782
Milaha Offshore	239,128	292,101
Milaha Trading	116,752	159,618
Milaha Gas and Petrochem	193,463	237,499
	<u>1,145,800</u>	<u>1,386,827</u>

**6. MISCELLANEOUS INCOME**

This represents compensation for the early termination of four vessels based on the contractual terms. The compensation was related to the Gas and Petrochemical segment.

**7. COMPONENTS OF OTHER COMPREHENSIVE INCOME**

	<i>Six-month period ended 30 June</i>	
	<i>2017</i>	<i>2016</i>
	<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>
<b>Movements of other comprehensive income</b>		
<b>Cash flow hedges</b>		
Movement during the period	(3,720)	(40,610)
Group share of gain (loss) in associates	30,077	(225,681)
<b>Total effect on other comprehensive income resulting from cashflow hedges</b>	<u>26,357</u>	<u>(266,291)</u>
<b>Available-for-sale financial assets</b>		
Loss arising during the period on revaluation	(495,269)	(162,493)
Group share of loss in associates	(7,438)	(1,378)
<b>Total effect on other comprehensive income resulting from available-for-sale financial assets</b>	<u>(502,707)</u>	<u>(163,871)</u>

**8. PROPERTY, VESSELS AND EQUIPMENT**

	<i>30 June</i>	<i>31 December</i>
	<i>2017</i>	<i>2016</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Opening balance	4,861,611	5,038,783
Additions	21,547	285,451
Disposals and write off	(19,927)	(14,980)
Transfer to trade and other receivables (i)	(276,676)	-
Other transfers and reclassifications	(116)	796
Impairment of vessels and capital work-in-progress	(48,296)	(160,662)
Depreciation charge for the period/ year	<u>(142,107)</u>	<u>(287,777)</u>
Closing balance	<u>4,396,036</u>	<u>4,861,611</u>



**8. PROPERTY, VESSELS AND EQUIPMENT (CONTINUED)**

- (i) During the period, contract work-in-progress amounting to QR 277 million in relation to the construction of new vessels was reclassified from "Property, vessels and equipment" to "Trade and other receivables". This was as a result of an arbitration agreement reached between the Group and the shipbuilder for a cash settlement. The amount of the cash settlement was equivalent to costs less accumulated impairment for the related vessels. The amounts receivable outstanding after partial settlement from the shipbuilder as at 30 June 2017 was QR 160Mn (Note 10).

**9. INVESTMENT PROPERTIES**

	<i>30 June 2017 (Reviewed) QR'000</i>	<i>31 December 2016 (Audited) QR'000</i>
Opening balance	1,140,646	877,986
Additions	100,822	288,068
Depreciation charge for the period/ year	<u>(12,946)</u>	<u>(25,408)</u>
Closing balance	<u>1,228,522</u>	<u>1,140,646</u>

**10. TRADE AND OTHER RECEIVABLES**

Trade and other receivables include an amount of QR 160 Mn related to the outstanding receivable from the shipbuilder relating to the settlement of the arbitration (Note 8).

**11. CASH AND CASH EQUIVALENTS**

For the purpose of the condensed consolidated statement of cash flows, cash and cash equivalents comprise of the following items:

	<i>30 June 2017 (Reviewed) QR'000</i>	<i>30 June 2016 (Reviewed) QR'000</i>
Cash in hand	5,489	7,404
Bank balance – term deposits (i)	281,779	367,889
Bank balance – current accounts	<u>374,408</u>	<u>418,456</u>
	661,676	793,749
Bank overdraft (Note 13)	<u>(100,000)</u>	<u>-</u>
Cash and cash equivalents in the condensed consolidated statement of cash flows	<u>561,676</u>	<u>793,749</u>

- (i) Deposits with an original maturity of less than 90 days are made for varying periods depending on the immediate cash requirements of the Group at commercial market rates.

**12. DIVIDENDS****Dividend proposed and paid for the year 2016**

The Board of Directors proposed a 35% cash dividend of QR 3.5 per share totaling QR 398 million for the year 2016 which was approved by the equity holders at the Annual General Assembly held on 15 March 2017.

**Dividend declared and paid:**

	<i>2017 QR'000</i>	<i>2016 QR'000</i>
Final dividend	<u>397,658</u>	<u>568,080</u>

**13. LOANS AND BORROWINGS**

The following transactions occurred during the period ended 30 June 2017 relating to loans and borrowings:

*Parent Company:*

- During the month of May, the Company fully settled a dollar denominated short term facility of 80 million which carried an interest of 0.5% + LIBOR.
- The dollar denominated loan which was obtained for the construction of Qatar Navigation Tower has been fully settled during the month of February 2017.
- During the period, the Company entered into a new dollar denominated Islamic facility of 300 million. The company has utilized USD 40 million out of the total facility. This facility has a profit rate of 1.6% + 3 months LIBOR. This facility is repayable as a bullet payment after 18 months from the drawdown date.
- During the period, the company was granted a credit facility of QR 100 million in the form of a bank overdraft which carries an interest of 4% per annum.

**14. COMMITMENTS**

	<i>30 June 2017 (Reviewed) QR'000</i>	<i>31 December 2016 (Audited) QR'000</i>
<b>Capital commitment:</b>		
Estimated expenditure on property, vessels and equipment approved but not contracted for as of the reporting date	<u>410,416</u>	<u>687,798</u>
<b>Operating lease commitments:</b>		
	<i>30 June 2017 (Reviewed) QR'000</i>	<i>31 December 2016 (Audited) QR'000</i>
Within one year	11,866	11,763
After one year but not more than five years	<u>9,954</u>	<u>11,889</u>
Total operating lease expenditure contracted for at the reporting date	<u>21,820</u>	<u>23,652</u>

**15. CONTINGENT LIABILITIES**

At 30 June 2017 and 31 December 2016, the Group had letters of guarantees and letters of credit from which it anticipates that no material liabilities will arise as follows:

	<i>30 June 2017 (Reviewed) QR'000</i>	<i>31 December 2016 (Audited) QR'000</i>
Letters of guarantees	823,788	752,580
Letters of credits	<u>33,037</u>	<u>29,633</u>
	<u>856,825</u>	<u>782,213</u>

## 16. HEDGING ACTIVITIES AND DERIVATIVE FINANCIAL INSTRUMENTS

### Cash flow hedges:

*Milaha Ras Laffan GmbH & Co. KG ("KG 1") and Milaha Qatar GmbH & Co. KG ("KG 2"):*

KG 1 and KG 2 has interest rate swap agreements in place with a notional amount of USD 124,206,675 (QR 452,110,841) and USD 126,693,550 (QR 461,164,522), respectively, whereby it receives a variable rate of USD 3 months LIBOR and pays a fixed rate interest of 2.685% on the notional amount. The swap is being used to hedge the exposure to interest rate fluctuations on its loans. The loan facility and the interest rate swap have the same critical terms. This cash flow hedge is assessed to be highly effective. The fair value of the interest rate swaps are calculated by reference to the market valuation of the swap agreements.

KG1 and KG2 has recognised the negative fair value movement of the interest rate swaps amounting to USD 511,884 (QR 1,863,258) and USD 522,133 (QR 1,900,564) respectively [(31 December 2016: USD 1,901,210 (QR 6,920,404) and USD 1,939,277 (QR 7,058,968))] as part of trade and other payables.

## 17. FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets, financial liabilities and derivative financial instruments.

Financial assets consist of bank balances and cash, available-for-sale financial assets, financial assets at fair value through profit or loss, loans granted to LNG companies and certain other receivables. Financial liabilities consist of loans and borrowings and certain other payables. Derivative financial instruments consist of interest rate swaps.

### *Available-for-sale financial assets*

The Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. The determination of what is 'significant' or 'prolonged' requires judgement. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. See below for fair value disclosures.

### **Carrying amounts and fair values**

A comparison by class of the carrying value and fair value of the Group's financial instruments that are carried in the condensed consolidated financial statements of financial position are set out below:



## 17. FINANCIAL INSTRUMENTS (CONTINUED)

	<i>Carrying amount</i>		<i>Fair value</i>	
	<i>30 June</i>	<i>31 December</i>	<i>30 June</i>	<i>31 December</i>
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
<b>Financial assets (liabilities) at fair value through profit or loss</b>				
Financial assets at fair value through profit or loss	<u>531,392</u>	<u>484,556</u>	<u>531,392</u>	<u>484,556</u>
<b>Financial assets (liabilities) at fair value through other comprehensive income</b>				
Available-for-sale financial assets	3,552,756	4,065,641	3,552,756	4,065,641
Interest rate swaps (cash flow hedge)	<u>(33,983)</u>	<u>(30,264)</u>	<u>(33,983)</u>	<u>(30,264)</u>
	<u>3,518,773</u>	<u>4,035,377</u>	<u>3,518,773</u>	<u>4,035,377</u>

**Measurement of fair values**

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Cash and cash equivalents, trade and other receivables, trade and other payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Fair value of available-for-sale financial assets and financial assets at fair value through profit or loss is derived from quoted market prices in active markets.
- Fair value of unquoted available-for-sale financial assets is estimated using appropriate valuation techniques.
- Loans granted to LNG companies are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. As the reporting period, the carrying amounts of such receivables are not materially different from their calculated fair values.
- The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives are valued based on market valuation provided by the respective financial institution.

**17. FINANCIAL INSTRUMENTS (CONTINUED)**

The Group held the following financial instruments measured at fair value at the reporting period:

	<i>30 June 2017</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
<b>Assets measured at fair value</b>				
Financial assets at fair value through profit or loss	531,392	531,392	-	-
Available-for-sale financial assets:				
Quoted investments	3,186,461	3,186,461	-	-
Unquoted investments	704	-	-	704
Investment in bonds	21,886	-	-	21,886
<b>Liability measured at fair value</b>				
Interest rate swaps	33,983	-	33,983	-
	<i>31 December 2016</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
<b>Assets measured at fair value</b>				
Financial assets at fair value through profit or loss	484,556	484,556	-	-
Available-for-sale financial assets:				
Quoted shares	3,695,236	3,695,236	-	-
Unquoted shares	1,034	-	-	1,034
Investment in bonds	21,837	-	-	21,837
<b>Liabilities measured at fair value</b>				
Interest rate swaps	30,264	-	30,264	-

During the six months period ended 30 June 2017, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The Group does not hold credit enhancement or collateral to mitigate credit risk. The carrying amount of financial assets therefore represents the potential credit risk.

The tables above illustrate the classification of the Group's financial instruments based on the fair value hierarchy as required for complete sets of financial statements. This classification provides a reasonable basis to illustrate the nature and extent of risks associated with those financial instruments.

**Fair value hierarchy**

All financial instruments are carried at fair value and are categorised in three levels, defined as follows:

- Level 1 – Quoted market prices
- Level 2 – Valuation techniques (market observable)
- Level 3 – Valuation techniques (non-market observable)

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**18. RELATED PARTY DISCLOSURES**

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2017 and 2016, as well as balances with related parties as at 30 June 2017 and 31 December 2016:

**Related party transactions**

	<i>Six-month period ended 30 June</i>			
	<i>2017</i>		<i>2016</i>	
	<i>Sales</i>	<i>Purchases</i>	<i>Sales</i>	<i>Purchases</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Associates	<u>988</u>	<u>26</u>	<u>228</u>	<u>2</u>

**Related party balances**

Balances with related parties included in the condensed consolidated statement of financial position are as follows:

	<i>30 June 2017</i>		<i>31 December 2016</i>	
	<i>Trade</i>	<i>Trade</i>	<i>Trade</i>	<i>Trade</i>
	<i>receivables</i>	<i>payables</i>	<i>receivables</i>	<i>payables</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Associates	764	-	93	17
Directors	1,111	56	897	68
Other related parties	-	-	-	57
	<u>1,875</u>	<u>56</u>	<u>990</u>	<u>142</u>

**Compensation of directors and other key management personnel**

The remuneration of directors and other members of key management provided for / paid during the period was as follows:

	<i>Six-month period ended 30 June</i>	
	<i>2017</i>	<i>2016</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR'000</i>	<i>QR'000</i>
Salaries and allowances	6,771	7,238
Provision for employees' end of service benefits	408	687
Board of directors remuneration – cash	<u>6,975</u>	<u>6,975</u>
	<u>14,154</u>	<u>14,900</u>



**19. BASIC AND DILUTED EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the Parent by the weighted average number of shares outstanding during the period.

There were no potentially dilutive shares outstanding at any time during the period and, therefore, the diluted earnings per share is equal to the basic earnings per share.

	<i>Six months ended 30 June</i>	
	<i>2017</i>	<i>2016</i>
	<i>(Reviewed)</i>	
Net profit for the year attributable to equity holders of the Parent (QR'000 )	<u>267,294</u>	<u>552,692</u>
Weighted average number of shares (000's)	<u>113,616</u>	<u>113,616</u>
<b>Basic and diluted earnings per share (QR)</b>	<u><b>2.35</b></u>	<u><b>4.86</b></u>

The weighted average numbers of shares have been calculated as follows:

	<i>Six months ended 30 June</i>	
	<i>2017</i>	<i>2016</i>
	<i>(Reviewed)</i>	
Total number of shares outstanding (000's)	114,525	114,525
Adjustment for weighted average shares with respect to treasury shares purchased during year 2013 (000's) (i)	<u>(909)</u>	<u>(909)</u>
Weighted average numbers of shares during the period (000's)	<u><b>113,616</b></u>	<u>113,616</u>

- (i) This represents an investment of 908,725 shares in the Company by one of its subsidiaries, during the year ended 31 December 2013.

## 20. SEGMENT INFORMATION

The Group is organised into six pillars as set out below, which constitute five reportable segments (strategic divisions):

- Milaha Capital - provides corporate finance advisory services to the Parent and its subsidiaries, manages its proprietary portfolio of financial and real estate investments and holds an investment in Qatar Quarries and Building Material Company Q.P.S.C.
- Milaha Maritime & Logistics - delivers a comprehensive range of services to major importers, exporters and shipping companies in the region, including oil & gas majors. The activities include logistics services, container feeder shipping, NVOCC operations, bulk shipping, shipping agencies, port management and operations, shipyard and steel fabrication.
- Milaha Offshore - provides comprehensive offshore support services to the oil and gas industry across the region. It currently operates a fleet of offshore service vessels, which include safety standby vessels, anchor handling tugs, crew boats, workboats and dynamic positioning (DP) vessels. It provides a complete range of diving services, including saturation diving.
- Milaha Trading – engaged in trading of trucks, heavy equipment, machinery and lubrication brands in Qatar. It markets its products and provides critical after sales service. It also owns and operates an IATA-approved travel agency, one of the oldest in the State of Qatar.
- Milaha Gas and Petrochem – owns, manages and operates a fleet of LPG and LNG carriers and provides ocean transportation services to international energy and industrial companies. It further owns and manages a fleet of product tankers and crude carrier. It also operates a number of product tankers in partnership with international trading and shipping companies.

Adjustments with respect to Milaha Corporate represent costs captured, which are subsequently allocated to various business pillars by way of a laid down methodology. Milaha Corporate provides necessary services to all the pillars to run their respective business. These services are costs of management, corporate development and communications, internal audit, legal affairs, shared services, information technology, procurement, human resources and administration and finance. These costs are subsequently allocated.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated annual financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

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**20. SEGMENT INFORMATION (CONTINUED)**

*Six-month period ended 30 June 2017 (Reviewed)*

	<i>Milaha Capital QR'000</i>	<i>Milaha Maritime and Logistics QR'000</i>	<i>Milaha Offshore QR'000</i>	<i>Milaha Trading QR'000</i>	<i>Milaha Gas and Petrochem QR'000</i>	<i>Adjustments relating to Milaha Corporate QR'000</i>	<i>Total segments QR'000</i>	<i>Adjustments and eliminations QR'000</i>	<i>Consolidated QR'000</i>
Operating revenues	276,316	390,878	239,131	161,623	193,960	-	1,261,908	(116,108)	1,145,800
Salaries, wages and other benefits	(3,901)	(62,191)	(78,659)	(7,941)	(49,592)	(60,080)	(262,364)	-	(262,364)
Operating supplies and expenses	(104,559)	(239,689)	(48,524)	(135,926)	(28,263)	(2,978)	(559,939)	103,820	(456,119)
Rent expenses	(1,819)	(4,411)	(4,519)	(1,122)	(366)	(6,498)	(18,735)	11,960	(6,775)
Depreciation and amortisation	(18,075)	(30,630)	(57,129)	(463)	(67,229)	(1,887)	(175,413)	-	(175,413)
Other operating expenses	(5,518)	(14,020)	(24,186)	(2,146)	(18,632)	(10,549)	(75,051)	328	(74,723)
Allocations relating to fleet and technical services	-	(19,637)	-	-	19,637	-	-	-	-
Allocations relating to Milaha Corporate	(7,228)	(36,457)	(15,947)	(7,808)	(14,567)	82,007	-	-	-
<b>OPERATING PROFIT</b>	<b>135,216</b>	<b>(16,157)</b>	<b>10,167</b>	<b>6,217</b>	<b>34,948</b>	<b>15</b>	<b>170,406</b>	<b>-</b>	<b>170,406</b>
Finance costs	(53,328)	(5,733)	(17,880)	-	(25,549)	-	(102,490)	2,070	(100,420)
Finance income	73,656	1	2,483	1,521	8,361	-	86,022	(2,070)	83,952
(Loss) gain on disposal of property, vessels and equipment	-	(3,473)	2,947	(6)	-	-	(532)	-	(532)
Share of results of associates	(201)	1,146	-	-	127,865	-	128,810	-	128,810
Share of results of joint arrangements	-	57,017	-	-	(12,929)	-	44,088	-	44,088
Net (loss) gain on foreign exchange	(436)	(173)	(273)	32	(1,294)	(15)	(2,159)	-	(2,159)
Impairment of available-for-sale financial assets	(20,950)	-	-	-	-	-	(20,950)	-	(20,950)
Impairment of vessels and contract work-in-progress	-	(3,053)	(45,243)	-	-	-	(48,296)	-	(48,296)
Miscellaneous income	96	1	-	-	20,158	-	20,255	-	20,255
<b>PROFIT FOR THE PERIOD</b>	<b>134,053</b>	<b>29,576</b>	<b>(47,799)</b>	<b>7,764</b>	<b>151,560</b>	<b>-</b>	<b>275,154</b>	<b>-</b>	<b>275,154</b>

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**20. SEGMENT INFORMATION (CONTINUED)**

*Six-month period ended 30 June 2016 (Reviewed)*

	<b>Milaha Capital QR'000</b>	<b>Milaha Maritime and Logistics QR'000</b>	<b>Milaha Offshore QR'000</b>	<b>Milaha Trading QR'000</b>	<b>Milaha Gas and Petrochem QR'000</b>	<b>Adjustments relating to Milaha Corporate QR'000</b>	<b>Total segments QR'000</b>	<b>Adjustments and eliminations QR'000</b>	<b>Consolidated QR'000</b>
Operating revenues	258,621	511,671	292,101	185,500	237,499	-	1,485,392	(98,565)	1,386,827
Salaries, wages and other benefits	(3,483)	(105,547)	(92,711)	(9,962)	(52,417)	(60,940)	(325,060)	261	(324,799)
Operating supplies and expenses	(53,600)	(222,388)	(59,925)	(157,355)	(29,273)	(4,536)	(527,077)	89,044	(438,033)
Rent expenses	(2,110)	(3,904)	(2,868)	(1,097)	(1,884)	(5,322)	(17,185)	9,525	(7,660)
Depreciation and amortisation	(17,988)	(21,212)	(56,833)	(460)	(63,692)	(2,171)	(162,356)	412	(161,944)
Other operating expenses	(4,538)	(15,528)	(26,873)	(1,538)	(20,513)	(7,050)	(76,040)	(675)	(76,715)
Allocations relating to fleet and technical services	-	(27,816)	-	-	27,816	-	-	-	-
Allocations relating to Milaha Corporate	(7,460)	(35,807)	(15,715)	(7,804)	(13,223)	80,009	-	-	-
<b>OPERATING PROFIT</b>	169,442	79,469	37,176	7,284	84,313	(10)	377,674	2	377,676
Finance costs	(38,943)	(4,563)	(11,732)	-	(30,263)	-	(85,501)	-	(85,501)
Finance income	66,003	1	421	2,009	14,021	-	82,455	(2)	82,453
Gain on disposal of property, vessels and equipment	-	15	1,716	-	-	-	1,731	-	1,731
Share of results of associates	498	722	-	-	156,522	-	157,742	-	157,742
Share of results of joint arrangements	-	-	-	-	17,164	-	17,164	-	17,164
Net (loss) gain on foreign exchange	(263)	(313)	(235)	(179)	3,484	10	2,504	-	2,504
Miscellaneous (expense) income	(56)	1	-	-	1,857	-	1,802	-	1,802
<b>PROFIT FOR THE PERIOD</b>	196,681	75,332	27,346	9,114	247,098	-	555,571	-	555,571

*Note : Inter-segment revenues are eliminated on consolidation.*



**21. COMPARATIVE FIGURES**

The comparative figures for the previous period have been reclassified, where necessary, in order to conform to the current year's presentation. Such reclassifications do not affect the previously reported net profits, net assets or equity.