

**QATAR FUEL COMPANY
(WOQOD) Q.S.C.**

**CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION**

**AS AT AND FOR THE THREE MONTH PERIOD ENDED
31 MARCH 2016**

Qatar Fuel Company (WOQOD) Q.S.C.

Condensed consolidated interim financial information
As at and for the three month period ended 31 March 2016

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Independent auditors' report on review of condensed consolidated interim financial information to the Board of Directors of Qatar Fuel Company (WOQOD) Q.S.C.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Qatar Fuel Company (WOQOD) Q.S.C. (the "Company") as at 31 March 2016, the condensed consolidated statements of profit or loss, condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three month period then ended, and notes to the consolidated interim financial information.

The Board of Directors is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial information 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 31 March 2016 is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting".

Emphasis of matter

Without qualifying our conclusion, we draw attention to uncertainty of the new sales price formula for jet fuel supplied to the local airlines, stated in the resolution dated 14 December 2015 issue from the office of the prime minister.

Other Matters

The condensed consolidated interim financial statements of the company as at 31 March 2015 were reviewed and the consolidated financial statements as at 31 December 2015 were audited by another auditor whose reports dated 20 April 2015 and 15 February 2016, respectively expressed unmodified conclusion / opinion on these financial statements.

26 April 2016
Doha
State of Qatar

Yacoub Hobeika
KPMG
Qatar Auditors' Registry Number 289

QATAR FUEL COMPANY (WOQOD) Q.S.C.

Condensed consolidated statement of financial position At 31 March 2016

In Qatari Riyals

	Note	31 March 2016 (Reviewed)	31 December 2015 (Audited) (Restated)	1 January 2015 (Audited) (Restated)
ASSETS				
Non-current assets				
Property, plant and equipment	5	1,702,793,185	1,657,631,886	1,566,672,022
Available for sale financial assets	6	1,796,272,124	1,647,258,919	1,406,239,626
Investment Property		802,507,610	802,507,610	-
Goodwill	7	132,935,132	132,935,132	132,935,132
Total non-current assets		4,434,508,051	4,240,333,547	3,105,846,780
Current assets				
Inventories	8	327,735,374	370,788,026	412,630,652
Due from related parties	13 (b)	408,162,757	360,702,302	211,626,415
Trade receivables	9	1,657,274,684	1,808,714,609	2,515,303,879
Prepayments and other receivables		299,920,116	440,771,106	284,958,006
Cash and banks	10	2,785,678,049	2,400,286,929	3,937,702,865
Total current assets		5,478,770,980	5,381,262,972	7,362,221,817
TOTAL ASSETS		9,913,279,031	9,621,596,519	10,468,068,597
EQUITY AND LIABILITIES				
EQUITY				
Share capital	11	912,161,250	844,593,750	844,593,750
Legal reserve		428,250,269	428,250,269	422,296,875
General reserve		30,078,234	30,078,234	30,078,234
Fair value reserve		123,107,988	138,561,858	267,400,889
Retained earnings		4,979,409,802	5,496,850,527	5,168,387,385
Equity attributable to equity holders of the parent		6,473,007,543	6,938,334,638	6,732,757,133
Non – controlling interests		194,429,413	271,288,186	255,458,524
TOTAL EQUITY		6,667,436,956	7,209,622,824	6,988,215,657
LIABILITIES				
Non-current liabilities				
Employees' end of service benefits		95,222,306	90,604,661	76,294,853
Total non-current liabilities		95,222,306	90,604,661	76,294,853
Current liabilities				
Trade and other payables		2,182,031,629	1,480,806,372	2,058,573,215
Due to related parties	13 (c)	968,588,140	840,562,662	1,344,984,872
Total current liabilities		3,150,619,769	2,321,369,034	3,403,558,087
TOTAL LIABILITIES		3,245,842,075	2,411,973,695	3,479,852,940
TOTAL EQUITY AND LIABILITIES		9,913,279,031	9,621,596,519	10,468,068,597

These condensed consolidated interim financial statements were approved by the Board of Directors and signed on its behalf by the following on 26 April 2016:

Soud Bin Abdulrahman Al-Thani
Chairman

**Ibrahim Jaham Abdel-Aziz-
Al- Kuwari**
Chief Executive Officer

Mr. Jaber Al Hadfa
Chief Financial Officer

The notes on pages 7 to 14 form an integral part of these condensed consolidated interim financial statements.

QATAR FUEL COMPANY (WOQOD) Q.S.C.

Condensed consolidated statement of profit or loss For the three month period ended 31 March 2016

In Qatari Riyals

		For the three month period ended 31 March	
		2016	2015
	<i>Note</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Revenues	14	3,079,544,775	3,006,228,341
Direct cost		<u>(2,629,262,692)</u>	<u>(2,634,353,236)</u>
Gross profit		450,282,083	371,875,105
General and administrative expenses		(324,837,449)	(272,279,203)
Other income		<u>140,390,243</u>	<u>153,580,171</u>
Net profit for the period		<u>265,834,877</u>	<u>253,176,073</u>
Attributable to:			
Owners of the company		242,693,650	237,290,938
Non-controlling interest		<u>23,141,227</u>	<u>15,885,135</u>
Net profit for the period		<u>265,834,877</u>	<u>253,176,073</u>
Basic earnings per share	15	<u>2.66</u>	<u>2.60</u>

The notes on pages 7 to 14 form an integral part of these condensed consolidated interim financial statements.

QATAR FUEL COMPANY (WOQOD) Q.S.C.

Condensed consolidated statement of profit or loss and other comprehensive income For the three month period ended 31 March 2016

In Qatari Riyals

	For the three month period ended 31 March	
	2016	2015
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Net profit for the period	265,834,877	253,176,073
Other comprehensive income		
Net change in fair value of available for sale financial assets	(15,453,870)	(115,545,611)
Other comprehensive loss for the period	(15,453,870)	(115,545,611)
Total comprehensive income for the period	250,381,007	137,630,462
Attributable to:		
Owners of the company	227,239,780	127,429,724
Non-controlling interest	23,141,227	10,200,738
	250,381,007	137,630,462

The notes on pages 7 to 14 form an integral part of these condensed consolidated interim financial statements.

QATAR FUEL COMPANY (WOQOD) Q.S.C.

**Condensed consolidated statement of changes in equity
For the three month period ended 31 March 2016**

In Qatari Riyals

	Attributable to the owners of the company						Non-controlling interests	Total Equity
	Share capital	Legal reserve	General reserve	Fair value reserve	Retained earnings	Total		
Balance at 1 January 2016 (Audited)	844,593,750	428,250,269	30,078,234	1,669,059	5,630,043,950	6,934,635,262	274,987,562	7,209,622,824
Effect of restatement (Note 18)	-	-	-	136,892,799	(133,193,423)	3,699,376	(3,699,376)	-
Balance at 1 January 2016 (Restated)	844,593,750	428,250,269	30,078,234	138,561,858	5,496,850,527	6,938,334,638	271,288,186	7,209,622,824
Total comprehensive income for the period:								
Net profit for the period	-	-	-	-	242,693,650	242,693,650	23,141,227	265,834,877
Other comprehensive loss for the period	-	-	-	(15,453,870)	-	(15,453,870)	-	(15,453,870)
Total comprehensive income for the period	-	-	-	(15,453,870)	242,693,650	227,239,780	23,141,227	250,381,007
Bonus shares issued	67,567,500	-	-	-	(67,567,500)	-	-	-
Cash dividends paid for 2014 (Note 12)	-	-	-	-	(692,566,875)	(692,566,875)	-	(692,566,875)
Dividends paid to non-controlling interest by a subsidiary company	-	-	-	-	-	-	(100,000,000)	(100,000,000)
Balance at 31 March 2016 (Reviewed)	912,161,250	428,250,269	30,078,234	123,107,988	4,979,409,802	6,473,007,543	194,429,413	6,667,436,956
Balance at 1 January 2015 (Restated)	844,593,750	422,296,875	30,078,234	267,400,889	5,199,525,118	6,763,894,866	255,458,524	7,019,353,390
Total comprehensive income for the period:								
Net profit for the period	-	-	-	-	237,290,938	237,290,938	15,885,135	253,176,073
Other comprehensive income for the period	-	-	-	(109,861,214)	-	(109,861,214)	(5,684,397)	(115,545,611)
Total comprehensive income for the period	-	-	-	(109,861,214)	237,290,938	127,429,724	10,200,738	137,630,462
Cash dividends paid for 2014 (Note 12)	-	-	-	-	(760,134,375)	(760,134,375)	-	(760,134,375)
Dividends paid to non-controlling interest by a subsidiary company	-	-	-	-	-	-	(72,000,000)	(72,000,000)
Balance at 31 March 2015 (Reviewed)	844,593,750	422,296,875	30,078,234	157,539,675	4,676,681,681	6,131,190,215	193,659,262	6,324,849,477

The notes on pages 6 to 14 form an integral part of these condensed consolidated interim financial statements.

QATAR FUEL COMPANY (WOQOD) Q.S.C.

**Condensed consolidated statement of cash flows
For the three month period ended 31 March 2016**

In Qatari Riyals

	Note	For the three month period ended 31 March	
		2016	2015
		(Reviewed)	(Reviewed)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the period		265,834,877	253,176,073
<i>Adjustments for:</i>			
Depreciation	5	47,674,467	46,678,629
Impairment of property, plant and equipment	5	11,160,882	-
Impairment for slow moving inventories		35,021,876	-
Provision for employees' for end of service benefits		5,669,706	6,484,800
Gain on sale of property, plant and equipment		-	(13,184,447)
Gain on sale of available for sale financial assets		(6,562,702)	(7,752,341)
Gain from dividends		(54,635,209)	(72,397,170)
Interest income		(6,796,863)	(6,946,900)
		<u>297,367,034</u>	<u>206,058,644</u>
<i>Changes in:</i>			
-inventories		8,030,776	25,538,340
-trade receivable and prepayments		292,290,915	817,103,989
-due from related parties		(47,460,455)	(209,821,911)
-due to related parties		128,025,478	(652,139,143)
-trade and other payables		701,225,257	281,045,584
Cash generated from operating activities		1,379,479,005	467,785,503
Employees' end of service benefits paid		(1,052,061)	(3,672,960)
Interest received		6,796,863	6,946,900
Net cash from operating activities		1,385,223,807	471,059,443
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	49,945,000
Proceeds from sale of available for sale investments		50,426,639	78,597,727
Purchase of property, plant and equipment	5	(103,996,648)	(69,613,231)
Gain from dividends paid		54,635,209	72,397,170
Purchase of available –for-sale investments		(208,331,012)	(483,268,841)
Net cash used in investing activities		(207,265,812)	(351,942,175)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(692,566,875)	(760,134,375)
Dividends paid to non-controlling interest		(100,000,000)	(72,000,000)
Net cash used in financing activities		(792,566,875)	(832,134,375)
Net increase /(decrease) in cash and cash equivalents		385,391,120	(713,017,107)
Cash and cash equivalents at 1 January		2,400,286,929	3,937,702,865
Cash and cash equivalents at 31 March	10	2,785,678,049	3,224,685,758

The notes on pages 6 to 14 form an integral part of these condensed consolidated interim financial statements.

QATAR FUEL COMPANY (WOQOD) Q.S.C.

Condensed consolidated statement of cash flows For the three month period ended 31 March 2016

1 STATUS AND ACTIVITIES

Qatar Fuel Q.S.C (WOQOD) (the “Company” or the “Parent”) is a Qatari Public Shareholding Company formed in accordance with the Emiri Decree No 5 of 2002 on 10 February 2002 under the commercial registration No. 24872.

The principal activities of the Parent along with its subsidiaries (“the Group”) are the sale, marketing and distribution of oil, gas and refined petroleum products, which are refined by and transferred from Qatar Petroleum, vehicle inspection services, marine bunkering, transportation activities of oil and gas between the ports and real estate services. The Group operates in the State of Qatar through its lines of business. The Group also established WOQOD International which is a Single Owner Company established to undertake foreign investments for the parent company. WOQOD Kingdom is a subsidiary of WOQOD International and has undertaken to establish petrol stations and commercial spaces in the Kingdom of Saudi Arabia.

Also the condensed consolidated interim financial statements include the financial information of the controlled subsidiaries listed below:

	Percentage of holding	
	2016	2015
Qatar Fuel Jet Company W.L.L.	60%	60%
WOQOD Vehicle Inspection Company (“FAHES”) S.P.C.	100%	100%
WOQOD Marine Services Company S.P.C.	100%	100%
WOQOD International Company S.P.C.	100%	100%
WOQOD Kingdom Company S.P.C.	100%	100%
Ard Al Khaleej Real Estate S.P.C.	100%	100%

The interim condensed consolidated financial statements of the Qatar Fuel Q.S.C (WOQOD) (the “Company” or the “Parent”) and its subsidiaries (collectively, the Group) for the three months ended 31 March 2016 were authorised for issue in accordance with a resolution of the Board of Directors on 26 April 2016.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IFRS”) IAS 34 “Interim Financial Reporting”. The condensed consolidated interim financial statements are prepared in Qatar Riyals, which is the Company’s presentation functional currency.

These condensed consolidated interim financial statements 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 Company’s financial position and performance since the last annual financial statements as at and for the year ended 31 December 2015. In addition, the results for the three months period ended 31 March 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016.

b) Use of Judgments and estimates

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

The significant judgements made by Management in applying the Company’s accounting policies and key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 31 December 2015.

3 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of measurement

These condensed consolidated interim financial statements have been prepared under the historical cost basis except for available-for-sale financial assets and investment properties which have been measured at fair value.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Significant accounting policies

The accounting policies applied in this condensed consolidated interim financial statements are the same as those applied in the Group's financial statements as at and for the year ended 31 December 2015, except for the adoption of the following amendments to standards with initial application of 1st January 2016.

- Amendments to IAS 1 on Disclosure Initiative
- Amendments to IAS 16 and IAS 38 on clarification of acceptable methods of depreciation and amortization
- Amendments to IAS 27 on equity method in Separate Financial Statements
- Amendments to IFRS 11 on accounting for acquisitions of interests in Joint Ventures
- Amendments to IFRS 10, IFRS 12 and IAS 28 on investment entities applying the consolidation exception
- IFRS 14 "Regulatory Deferral Accounts"
- Annual improvements to IFRSs 2012-2014 cycle

4 OPERATING SEGMENTS

The Group mainly operates in the areas of sale and distribution of refined petroleum products and technical inspection of vehicles. More than 95% of the Group's revenue is generated through sale and distribution of refined petroleum products.

The Company's geographical segment is inside Qatar only. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Managing Director to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Chief Executive Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Group's headquarters) and head office expenses.

<i>Three months ended 31 March 2016 (Reviewed)</i>	<i>Refined petroleum products</i>	<i>Technical inspection of vehicles</i>	<i>Adjustment and eliminations</i>	<i>Consolidated</i>
Revenue				
External revenue	3,058,892,036	20,652,739	-	3,079,544,775
Inter-segment revenue	896,656,780	-	(896,656,780)	-
Total revenue	3,955,548,816	20,652,739	(896,656,780)	3,079,544,775
Reportable segment profit	405,490,161	9,352,677	(149,007,961)	265,834,877
<i>Three months ended 31 March 2015 (Reviewed)</i>				
Revenue				
External revenue	2,991,816,620	14,411,721	-	3,006,228,341
Inter-segment revenue	1,226,038,607	-	(1,226,038,607)	-
Total revenue	4,217,855,227	14,411,721	(1,226,038,607)	3,006,228,341
Reportable segment profit	344,504,186	3,934,234	(95,262,347)	253,176,073

QATAR FUEL COMPANY (WOQOD) Q.S.C.

**Notes to the condensed consolidated interim financial statements
For the three month period ended 31 March 2016**

In Qatari Riyals

4 OPERATING SEGMENTS (CONTINUED)

Reconciliation of profit

	For three months ended 31 March	
	2016	2015
Segment Profit	415,834,877	259,324,544
Inter-company dividend	(150,000,000)	(6,148,471)
	<u>265,834,877</u>	<u>253,176,073</u>

Assets and Liabilities of operating segments

<i>Three months ended 31 March 2016 (Reviewed)</i>	<i>Refined petroleum products</i>	<i>Technical inspection of vehicles</i>	<i>Adjustment and eliminations</i>	<i>Consolidated 2016</i>
Segment assets	<u>11,630,840,683</u>	<u>181,971,171</u>	<u>(1,899,532,823)</u>	<u>9,913,279,031</u>
Segment Liabilities	<u>4,886,249,458</u>	<u>25,427,441</u>	<u>(1,665,834,823)</u>	<u>3,245,842,076</u>
<i>Year ended 31 December 2015 (Reviewed)</i>	<i>Refined petroleum products</i>	<i>Technical inspection of vehicles</i>	<i>Adjustment and eliminations</i>	<i>Consolidated 2015</i>
Segment assets	<u>11,253,288,512</u>	<u>172,209,625</u>	<u>(1,803,901,618)</u>	<u>9,621,596,519</u>
Segment Liabilities	<u>3,956,166,703</u>	<u>25,018,584</u>	<u>(1,569,211,592)</u>	<u>2,411,973,695</u>

5 PROPERTY, PLANT AND EQUIPMENT

	31 March 2016 (Reviewed)	31 December 2015 (Audited) (restated)
Cost:		
Balance at 1 January	2,729,366,648	2,460,439,768
Additions	103,996,648	306,286,786
Disposals	-	(36,717,906)
Write off	-	(642,000)
Impairment	(11,160,882)	-
Balance as at the end of period / year	<u>2,822,202,414</u>	<u>2,729,366,648</u>
Depreciation:		
Balance at January	1,071,734,762	893,767,746
Depreciation charges for the period / year	47,674,467	178,419,973
Related to write off	-	(452,957)
Balance as at the end of period / year	<u>1,119,409,229</u>	<u>1,071,734,762</u>
Net carrying amount	<u>1,702,793,185</u>	<u>1,657,631,886</u>

QATAR FUEL COMPANY (WOQOD) Q.S.C.

Notes to the condensed consolidated interim financial statements For the three month period ended 31 March 2016

In Qatari Riyals

5 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(ii) The Group has received Government grants in the form of transferring non-monetary assets (Six plots of land located in the state of Qatar), during the years 2005 and 2006 for no consideration, for the purpose of constructing and operating petrol stations on these plots; for which the title deeds have been transferred from the Ministry of Municipality and Urban Planning to the Group, however the Group elected to account for these plots of lands for which the title deeds have been transferred to the Group at nominal value of QR 1.

Also as of 31 March 2016, the Group received a number of 56 plots of lands located in the State of Qatar from the Ministry of Municipality and Urban Planning, for the same purpose referred above for which title deeds have not been transferred yet from the Ministry of Municipality and Urban Planning.

6 AVAILABLE FOR SALE FINANCIAL ASSETS

	31 March 2016 (Reviewed)	31 December 2015 (Audited) (restated)
Qatar Gas Transport Company Q.S.C.	438,237,910	414,651,503
Vodafone Qatar Company Q.S.C.	7,270,063	12,713,792
Industries Qatar Q.S.C.	167,609,736	155,236,941
Qatar Electricity and Water Company Q.S.C.	219,746,362	253,555,204
Ooredoo Q.S.C. (Formerly Known as Qatar Telecom (QTEL))	72,136,938	52,944,073
Qatar International Islamic Bank Q.S.C.	195,310,762	162,116,160
Qatar National Bank S.A.Q.	27,011,930	28,056,804
Doha Bank Q.S.C.	42,364,307	51,113,457
Commercial Bank of Qatar Q.S.C.	85,457,258	94,290,580
Mesaieed Petrochemical Holding Company Q.S.C.	4,175,554	866,250
Barwa Real State Q.S.C.	65,970,259	4,405,896
Qatar Islamic Insurance Q.S.C.	4,379	4,410
Al Khaleej Takaful Group Q.S.C.	27,755,650	31,059,927
Mazaiya Qatar Real Estate Development Q.S.C.	92,759,247	81,249,656
Qatar National Navigation & Transport Q.S.C.	43,910,200	16,854,900
Mannai Corporation Q.S.C.	18,919,730	16,195,854
ZAD Holding Q.S.C.	27,187,044	23,204,298
Qatar Industrial Manufacturing Company Q.S.C.	7,503,290	-
Investment in Sukuk	252,941,505	248,739,214
	<u>1,796,272,124</u>	<u>1,647,258,919</u>

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial Instruments by valuation technique.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair values are not based on observable market data.

As at 31 March 2016 and 31 December 2015, the Group held the following classes of financial instruments measured at fair value:

Financial assets

	31 March 2016 (Reviewed)	Level 1	Level 2	Level 3
Available-for-sale financial assets	<u>1,796,272,124</u>	<u>1,796,272,124</u>	<u>-</u>	<u>-</u>
	31 December 2015 (Audited)(Restated)	Level 1	Level 2	Level 3
Available-for-sale financial assets	<u>1,647,258,919</u>	<u>1,647,258,919</u>	<u>-</u>	<u>-</u>

During the period/year ended 31 March 2016 and 31 December 2015, 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.

7 IMPAIRMENT**Goodwill**

Goodwill is tested for impairment annually (as at 31 December) and when circumstances indicate the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2015.

At 31 March 2016, the management has reviewed the assumptions that have been used for the Qatar Jet Fuel Company and FAHES, which are the cash-generating units to which the goodwill was allocated as at 31 December 2016 as shown below:

Q-Jet cash-generating unit

The Group used the cash generating unit's value in use to determine the recoverable amount which exceeded the carrying amount. The projected cash flows were updated to reflect the increased demand for jet fuel products. All other assumptions remained consistent with those disclosed in the most recent annual audited consolidated financial statements for the year ended 31 December 2015. As a result of the updated analysis, management did not identify impairment for this cash-generating unit to which goodwill of QR 57,700,022 is allocated.

FAHES cash-generating unit

The management has determined that the assumptions remained consistent with those disclosed and used in the most recent annual audited consolidated financial statements for the year ended 31 December 2015. As a result of the updated analysis, management did not identify impairment for this cash-generating unit to which goodwill of QR 75,235,110 is allocated.

Sensitivity to changes in assumptions

With regard to the assessment of value in use of the cash generating units, the management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

Available-for-sale financial assets

For 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. The details of the fair value hierarchy are disclosed in Note 6.

8 INVENTORIES

	31 March 2016 (Reviewed)	31 December 2015 (Audited)
Jet fuel oil	43,001,172	66,698,641
Heavy fuel oil	59,887,104	59,887,104
Light gas fuel oil	48,856,955	58,489,388
Materials and spare parts	145,189,297	127,581,229
Refined fuel oil - premium grade	21,831,866	17,171,796
Refined fuel oil - super grade	17,770,462	12,186,145
Retail stores inventory	22,614,097	21,169,133
Other inventory items	4,295,604	8,293,897
	363,446,557	371,477,333
Less: impairment for slow moving inventories	(35,711,183)	(689,307)
	327,735,374	370,788,026

QATAR FUEL COMPANY (WOQOD) Q.S.C.

Notes to the condensed consolidated interim financial statements For the three month period ended 31 March 2016

In Qatari Riyals

9 TRADE RECEIVABLES

	<i>31 March 2016 (Reviewed)</i>	<i>31 December 2015 (Audited)</i>
Trade receivables	1,659,110,533	1,810,550,458
Less: provision for bad and doubtful debts	<u>(1,835,849)</u>	<u>(1,835,849)</u>
	<u>1,657,274,684</u>	<u>1,808,714,609</u>

All of the receivables which are not impaired are either secured against bank guarantees or are due from government agencies.

10 CASH AND BANKS

	<i>31 March 2016 (Reviewed)</i>	<i>31 December 2015 (Audited)</i>
Cash	995,127	1,017,419
Current and call accounts	1,423,682,922	603,454,109
Fixed deposits	<u>1,361,000,000</u>	<u>1,795,815,401</u>
Cash and cash equivalents	<u>2,785,678,049</u>	<u>2,400,286,929</u>

11 SHARE CAPITAL

	<i>31 March 2016 (Reviewed)</i>	<i>31 December 2015 (Audited)</i>
Authorized 100,000,000 ordinary shares of QR 10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued ordinary shares 84,459,375 (2015: 84,459,375 shares) of QR 10 each	844,593,750	844,593,750
Bonus share 6,756,750 of QR 10 each	<u>67,567,500</u>	<u>-</u>
	<u>912,161,250</u>	<u>844,593,750</u>

12 DIVIDENDS

The shareholders of the company approved at the Annual General Assembly meeting held on 6 March 2016 a cash dividend of QR 8.2 per share to shareholders with a total amounting to QR 692,566,875 for the year ended 31 December 2015 in addition to the 8% bonus shares for each 100 shares held in the Company. (2014: the shareholders approved a cash dividend of QR 9 per share with a total amounting to QR 760,134,375).

13 RELATED PARTY DISCLOSURE

These represent transactions with related parties, i.e. shareholders, directors and senior management of the Company and the companies of which they have a significant influence on it. Pricing policies and terms of these transactions are approved by the Company's management.

a) Transactions made with related parties

Transactions with related parties included in the interim condensed consolidated statement of income are as follows:

	<i>31 March 2016 (Reviewed)</i>	<i>31 March 2015 (Audited)</i>
Qatar Petroleum / Purchases	<u>2,420,473,566</u>	<u>1,599,300,042</u>
Qatar Petroleum / Sales	<u>39,495,780</u>	<u>181,984,487</u>

QATAR FUEL COMPANY (WOQOD) Q.S.C.

Notes to the condensed consolidated interim financial statements For the three month period ended 31 March 2016

In Qatari Riyals

13 RELATED PARTY DISCLOSURE

b) Due from related parties

	31 March 2016 (Reviewed)	31 December 2015 (Audited)
Ras Gas	30,838,096	15,115,068
Qatar Liquidated Gas Company Ltd	8,874,039	7,870,704
Gulf Helicopters Q.S.C.	3,069,395	3,602,490
Gulf Drilling International Q.S.C.	4,624,846	2,105,511
Qatar Aluminums	809,991	793,190
Qatar Steel Company Q.S.C.	574,713	621,116
Qatar Petrochemical Company Q.S.C.	1,233,879	931,182
Qatar Fuel Additives Company Q.S.C.	1,676,842	1,428,504
Qatar Chemical Company Limited	808,797	1,349,236
Amwaj Catering Services	1,976,246	10,924,586
Qatar Fertilizer Company	282,100	-
Qatar Holding	53,412	53,412
Oryx GTL	850,578	2,234,530
Qatex Limited	1,235,905	1,264,500
Al-Shaheen Well Services Co.	35,661	154,915
Seef Limited	40,559	38,348
Gasal Company Q.S.C.	25,220	83,404
Qatar Petroleum	351,152,478	312,131,606
	408,162,757	360,702,302

c) Due to related parties

	31 March 2016 (Reviewed)	31 December 2015 (Audited)
Qatar Petroleum	968,588,140	840,536,542
Qatar Fertiliser Company ("QAFCO") Q.S.C.C.	-	26,120
	968,588,140	840,562,662

d) Compensation to key management personnel

	Three months ended 31 March	
	2016 (Reviewed)	2015 (Reviewed)
Salaries and other short term benefits and post-employment benefits	9,808,781	2,619,289

14 REVENUES

	Three months ended 31 March	
	2016 (Reviewed)	2015 (Reviewed)
Sales of refined petroleum products	2,367,267,665	2,522,944,712
Sales of petrol stations	555,083,630	394,701,677
Transportation and storage revenues	132,598,002	69,505,660
Revenues from inspection services	20,652,739	14,178,840
Sales of lubricants and supplies	3,942,739	4,897,452
	3,079,544,775	3,006,228,341

15 BASIC EARNING PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period attributable to the owners of the Company by the weighted average number of ordinary outstanding shares during the period as follows:

	Three month period ended 31 March	
	2016 <i>(Reviewed)</i>	2015 <i>(Reviewed)</i>
Profit for the period attributable to the owners of the Company	242,693,650	237,290,938
Weighted average number of shares outstanding during the period	91,216,125	91,216,125
Basic earnings per share	2.66	2.60

Basic earnings per share for the period ended 31 March 2015 before retroactive restatement for the bonus shares issued amounted to QR 2.81 per share.

16 CONTINGENT LIABILITIES

	31 March 2016 <i>(Reviewed)</i>	31 December 2015 <i>(Audited)</i>
Bank Guarantee	297,755	125,255
Letters of credit	3,430,129	1,200,397

17 CAPITAL COMMITMENTS

	31 March 2016 <i>(Reviewed)</i>	31 December 2015 <i>(Audited)</i>
Construction of petrol stations	345,408,994	386,885,485

18 RESTATEMENT OF PRIOR YEAR BALANCES

Available-for-sale financial assets represent investments in shares of listed entities on the Qatar Exchange. The restatement is the result of significant declined in the market value of shares, which satisfied the conditions for impairment losses to be recognized in profit or loss account as at 31 December 2015, in accordance with IAS 39 "Financial Instruments: Recognition and Measurement". The Company reconised this decline in fair value reserve account rather than charging it to profit or loss account in the previous year. As a result, the financial statements of the previous year has been restated to reflect the impact of impairment loss in the available for sale financial assets in the following accounts.

Statement of financial position	<i>As previously reported</i>	<i>Adjustment</i>	<i>Restated balance as at 31 December 2015</i>
Fair value reserve	1,669,059	136,892,799	138,561,858
Retained earnings	5,630,043,950	(133,193,423)	5,496,850,527
Non - controlling interest	274,987,562	(3,699,376)	271,288,186

19 COMPARATIVE Figures

Comparative figures for the previous period / year has been reclassified, where necessary, in order to conform to the current period's presentation. However, such reclassifications did not have any effect on the net profit or equity of the comparative period / year except the impact from the adjustment for correction of prior year adjustment disclosed.