

**QATAR FUEL (WOQOD) Q.S.C.**  
**DOHA - QATAR**

**INTERIM CONDENSED CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH**  
**PERIOD ENDED JUNE 30, 2006**  
**TOGETHER WITH REVIEW REPORT**

**QATAR FUEL (WOOOD) Q.S.C.**  
**DOHA - QATAR**  
**JUNE 30, 2006**

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QR. 10315

**REVIEW REPORT**

**The Shareholders**  
**Qatar Fuel (WOQOD) Q.S.C.**  
**Doha - Qatar**

We have reviewed the accompanying interim consolidated balance sheet of **Qatar Fuel (WOQOD) Q.S.C. (the "Company")** as of June 30, 2006 and the related interim consolidated statements of income, changes in equity and cash flows for the six month period then ended. These interim condensed consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our review. The financial statements of the subsidiary, which when consolidated represent 24% of the assets, 39% of the liabilities and 12% of the results of operations of the Company, have been reviewed by another auditors. The review report was furnished to us and our report, in so far as it relates to the amounts included for the subsidiary is based on the report of the other auditor.

We conducted our review in accordance with **International Standard on Review Engagements 2400**. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim condensed consolidated financial statements are free of material misstatement. A review is limited primarily to inquiries of Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review and the review of the other auditor nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not presented fairly, in accordance with **International Accounting Standard 34 - "Interim Financial Reporting"**.

For **Deloitte & Touche**

**Doha - Qatar**  
**August 8, 2006**

**Muhammad Bahemia**  
**License No. 103**

**QATAR FUEL (WOQOD) Q.S.C.**  
**DOHA - QATAR**

**INTERIM CONSOLIDATED BALANCE SHEET**  
**JUNE 30, 2006**

<b><u>ASSETS</u></b>	<b><u>Note</u></b>	<b><u>June 30,</u></b> <b><u>2006</u></b> <b><u>(Reviewed)</u></b> <b><u>QR.</u></b>	<b><u>June 30,</u></b> <b><u>2005</u></b> <b><u>(Reviewed)</u></b> <b><u>QR.</u></b>	<b><u>December 31,</u></b> <b><u>2005</u></b> <b><u>(Audited)</u></b> <b><u>QR.</u></b>
<b>Current Assets:</b>				
Bank balances and cash		512,862,511	284,813,817	488,839,684
Accounts receivable and prepayments		643,998,173	392,511,914	539,650,350
Inventories		35,429,775	28,696,599	34,733,651
Due from related parties		4,015,291	5,759,084	2,483,487
		-----	-----	-----
<b>Total Current Assets</b>		<b>1,196,305,750</b>	<b>711,781,414</b>	<b>1,065,707,172</b>
		-----	-----	-----
<b>Non-Current Assets:</b>				
Goodwill		57,700,022	57,700,022	57,700,022
Available-for-sale investments	3	126,000,000	28,280,000	276,578,400
Property, plant and equipment	4	328,612,779	137,907,396	251,513,828
		-----	-----	-----
<b>Total Non-Current Assets</b>		<b>512,312,801</b>	<b>223,887,418</b>	<b>585,792,250</b>
		-----	-----	-----
<b>Total Assets</b>		<b>1,708,618,551</b>	<b>935,668,832</b>	<b>1,651,499,422</b>
		=====	=====	=====

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS

**QATAR FUEL (WOQOD) Q.S.C.**  
**DOHA - QATAR**

**INTERIM CONSOLIDATED BALANCE SHEET**  
**JUNE 30, 2006**

<b><u>LIABILITIES AND EQUITY</u></b>	<b><u>Note</u></b>	<b><u>June 30,</u></b> <b><u>2006</u></b> <b><u>(Reviewed)</u></b> <b><u>QR.</u></b>	<b><u>June 30,</u></b> <b><u>2005</u></b> <b><u>(Reviewed)</u></b> <b><u>QR.</u></b>	<b><u>December 31,</u></b> <b><u>2005</u></b> <b><u>(Audited)</u></b> <b><u>QR.</u></b>
<b>Current Liabilities:</b>				
Accounts payable and accruals		17,356,015	20,144,286	25,494,125
Due to Qatar Petroleum		790,624,099	383,074,097	660,465,312
Loan from Qatar Petroleum	5	12,000,000	6,000,000	12,000,000
		-----	-----	-----
<b>Total Current Liabilities</b>		<b>819,980,114</b>	<b>409,218,383</b>	<b>697,959,437</b>
		-----	-----	-----
<b>Non-Current Liabilities:</b>				
Provision for end of service benefits		6,476,110	5,217,317	5,243,518
Loan from Qatar Petroleum	5	11,399,445	29,399,445	17,399,445
Deferred income		56,800,000	--	56,800,000
		-----	-----	-----
<b>Total Non-Current Liabilities</b>		<b>74,675,555</b>	<b>34,616,762</b>	<b>79,442,963</b>
		-----	-----	-----
<b>Equity:</b>				
Share capital		300,000,000	300,000,000	300,000,000
Legal reserve		86,893,922	56,008,551	68,578,099
Fair value reserve		97,720,000	--	248,298,400
Retained earnings		301,341,210	113,372,878	136,498,806
Proposed dividends		--	--	90,000,000
		-----	-----	-----
<b>Equity Attributable to Equity Holders of the Parent</b>		<b>785,955,132</b>	<b>469,381,429</b>	<b>843,375,305</b>
<b>Minority Interest</b>		<b>28,007,750</b>	<b>22,452,258</b>	<b>30,721,717</b>
		-----	-----	-----
<b>Total Equity</b>		<b>813,962,882</b>	<b>491,833,687</b>	<b>874,097,022</b>
		-----	-----	-----
<b>Total Liabilities and Equity</b>		<b>1,708,618,551</b>	<b>935,668,832</b>	<b>1,651,499,422</b>
		=====	=====	=====

These financial statements were approved and authorized for issue on August 8, 2006.

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS

**QATAR FUEL (WOQOD) Q.S.C.**  
**DOHA - QATAR**

**INTERIM CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2006**

	<u>Note</u>	<u>Six Month Period Ended</u>	
		<u>June 30,</u> <u>2006</u> <u>QR.</u>	<u>June 30,</u> <u>2005</u> <u>QR.</u>
Revenue	6	1,599,353,651	1,014,150,409
Cost of sales		(1,386,430,883)	(870,992,034)
		<b>212,922,768</b>	<b>143,158,375</b>
<b>Gross Profit</b>			
Depreciation of property, plant and equipment		(8,805,610)	(6,930,782)
General and administrative expenses		(23,940,557)	(35,172,670)
Finance charges		--	(129,588)
Other income		11,967,659	3,571,523
		<b>192,144,260</b>	<b>104,496,858</b>
<b>Net Profit for the Period</b>		<b>192,144,260</b>	<b>104,496,858</b>
<b>Attributable to:</b>			
Equity holders of the parent		183,158,227	97,783,044
Minority interest		8,986,033	6,713,814
		<b>192,144,260</b>	<b>104,496,858</b>
		<b>192,144,260</b>	<b>104,496,858</b>
Earnings for the purpose of earnings per share calculation		183,158,227	97,783,044
		<b>183,158,227</b>	<b>97,783,044</b>
Number of shares		30,000,000	30,000,000
		<b>30,000,000</b>	<b>30,000,000</b>
Earnings per share for the period		QR. 6.11	QR. 3.26
		<b>QR. 6.11</b>	<b>QR. 3.26</b>

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**QATAR FUEL (WOQOD) Q.S.C.**  
**DOHA - QATAR**

**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2006**

	<b><u>Six Month Period Ended</u></b>	
	<b><u>June 30,</u></b>	<b><u>June 30,</u></b>
	<b><u>2006</u></b>	<b><u>2005</u></b>
	<b><u>(Reviewed)</u></b>	<b><u>(Reviewed)</u></b>
	<b><u>QR.</u></b>	<b><u>QR.</u></b>
<b><u>Cash Flows From Operating Activities:</u></b>		
Net profit for the period before minority interest	192,144,260	104,496,858
Adjustments for:		
Depreciation	8,805,610	6,930,782
Finance cost	--	129,588
Interest income	(9,159,691)	(3,137,343)
Provision for end of service benefits	1,249,064	1,187,168
	-----	-----
	193,039,243	109,607,053
Increase in accounts receivable and prepayments	(104,347,823)	(91,909,086)
(Increase) Decrease in inventories	(696,124)	269,692
Increase in due from related parties	(1,531,804)	(3,497,527)
(Decrease) Increase in accounts payable and accruals	(8,138,111)	6,682,403
Increase in due to Qatar Petroleum	130,158,787	66,205,556
	-----	-----
<b>Cash From Operations</b>	<b>208,484,168</b>	<b>87,358,091</b>
Payments towards end of service benefits	(16,472)	(200,074)
	-----	-----
<b>Net Cash From Operating Activities</b>	<b>208,467,696</b>	<b>87,158,017</b>
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THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**QATAR FUEL (WOQOD) Q.S.C.**  
**DOHA - QATAR**

**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2006**

	<b><u>Six Month Period Ended</u></b>	
	<b><u>June 30,</u></b>	<b><u>June 30,</u></b>
	<b><u>2006</u></b>	<b><u>2005</u></b>
	<b><u>(Reviewed)</u></b>	<b><u>(Reviewed)</u></b>
	<b>QR.</b>	<b>QR.</b>
<b><u>Cash Flows From Investing Activities:</u></b>		
Purchase of property, plant and equipment, net	(85,904,560)	(11,216,458)
Interest income	9,159,691	3,137,343
	-----	-----
<b>Net Cash Used in Investing Activities</b>	<b>(76,744,869)</b>	<b>(8,079,115)</b>
	-----	-----
<b><u>Cash Flows From Financing Activities:</u></b>		
Share premium	--	43,455
Dividends paid	(90,000,000)	(75,000,000)
Payment of term loan	(6,000,000)	(9,916,023)
Finance charges paid	--	(129,588)
Payment to minority interest holders	(11,700,000)	(7,800,000)
	-----	-----
<b>Net Cash Used in Financing Activities</b>	<b>(107,700,000)</b>	<b>(92,802,156)</b>
	-----	-----
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>24,022,827</b>	<b>(13,723,254)</b>
Cash and cash equivalents - beginning of the period	488,839,684	298,537,071
	-----	-----
<b>Cash and Cash Equivalents - End of the Period</b>	<b>512,862,511</b>	<b>284,813,817</b>
	=====	=====

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



**QATAR FUEL (WOQOD) Q.S.C.**  
**DOHA - QATAR**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2006**

**1. Activities:**

Qatar Fuel (WOQOD) Q.S.C, (the "Company") is registered in Qatar with the Ministry of Economy and Commerce under Commercial Registration No 24872. The Company was formed in accordance with Emiri Decree No. 5 of the year 2002 issued on February 10, 2002.

The principal activities of the Company and its subsidiary, collectively referred to as "the Group", are sales and distribution of refined petroleum products manufactured by Qatar Petroleum. The Group operates only in the State of Qatar.

**2. Significant Accounting Policies:**

These interim condensed consolidated financial statements are prepared in accordance with IAS 34 "Interim Financial Reporting" and the historical cost convention. The accounting policies used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the audited consolidated financial statements for the year ended December 31, 2005.

**3. Available- for- Sale Investment:**

	<b>June 30, 2006 (Reviewed)</b>	<b>December 31, 2005 (Audited)</b>
	----- <b>QR.</b>	----- <b>QR.</b>
Value at January, 1	276,578,400	28,280,000
(Decrease) Increase in fair value	(150,578,400)	248,298,400
	----- <b>126,000,000</b>	----- <b>276,578,400</b>
	=====	=====

**4. Property, Plant and Equipment:**

	<b>June 30, 2006 (Reviewed)</b>	<b>June 30, 2005 (Reviewed)</b>	<b>December 31, 2005 (Audited)</b>
	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>
Opening net book value	251,513,828	133,621,720	133,621,720
Additions	85,904,560	11,272,679	132,306,111
Disposals	--	(56,221)	(54,909)
Depreciation	(8,805,609)	(6,930,782)	(14,359,094)
	-----	-----	-----
Net	328,612,779	137,907,396	251,513,828
	=====	=====	=====

**5. Loan From Qatar Petroleum:**

	<b><u>June 30,</u> <u>2006</u> <b>(Reviewed)</b> QR.</b>	<b><u>June 30,</u> <u>2005</u> <b>(Reviewed)</b> QR.</b>	<b><u>December 31,</u> <u>2005</u> <b>(Audited)</b> QR.</b>
Term loan	23,399,445	35,399,445	29,399,445
Current portion	12,000,000	6,000,000	12,000,000
Non-current portion	11,399,445	29,399,445	17,399,445

The loan is repayable in equal semi-annual installments starting from August 30. The above balance is interest free.

**6. Revenue:**

	<b><u>Six Month Period Ended</u></b>	
	<b><u>June 30,</u> <u>2006</u> <b>(Reviewed)</b> QR.</b>	<b><u>June 30,</u> <u>2005</u> <b>(Reviewed)</b> QR.</b>
Sale of aviation fuel	661,736,083	388,502,727
Sale of refined products	910,626,212	608,532,716
Transportation and other revenue	26,991,356	17,114,966
<b>Total</b>	<b>1,599,353,651</b>	<b>1,014,150,409</b>

**7. Related Party Transactions:**

	<b><u>Six Month Period Ended</u></b>	
	<b><u>June 30,</u> <u>2006</u> <b>(Reviewed)</b> QR.</b>	<b><u>June 30,</u> <u>2005</u> <b>(Reviewed)</b> QR.</b>
Sales	553,255,638	36,330,295
Purchases from Qatar Petroleum	1,372,248,269	865,303,693
General and administrative Expenses	1,233,839	1,863,614



**QATAR FUEL (WOOOD) Q.S.C. AND SUBSIDIARY COMPANY**  
**DOHA - QATAR**

**INTERIM CONSOLIDATED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2006**

	<u>Equity Attributable to Equity Holders of the Parent</u>						<u>Minority Interest</u>	<u>Total</u>
	<u>Share Capital</u>	<u>Legal Reserve</u>	<u>Fair Value Reserve</u>	<u>Retained Earnings</u>	<u>Proposed Dividends</u>	<u>Sub-Total</u>		
	<u>QR.</u>	<u>QR.</u>	<u>QR.</u>	<u>QR.</u>	<u>QR.</u>	<u>QR.</u>		
<b>Balance at January 1, 2005</b>	<b>300,000,000</b>	<b>46,230,247</b>	--	<b>25,368,138</b>	<b>75,000,000</b>	<b>446,598,385</b>	<b>23,538,444</b>	<b>470,136,829</b>
Net profit for the period	--	--	--	97,783,044	--	97,783,044	6,713,814	104,496,858
Transfer to legal reserve	--	9,778,304	--	(9,778,304)	--	--	--	--
Dividends paid	--	--	--	--	(75,000,000)	(75,000,000)	(7,800,000)	(82,800,000)
<b>Balance at June 30, 2005 (Reviewed)</b>	<b>300,000,000</b>	<b>56,008,551</b>	--	<b>113,372,878</b>	--	<b>469,381,429</b>	<b>22,452,258</b>	<b>491,833,687</b>
<b>Balance at January 1, 2006</b>	<b>300,000,000</b>	<b>68,578,099</b>	<b>248,298,400</b>	<b>136,498,806</b>	<b>90,000,000</b>	<b>843,375,305</b>	<b>30,721,717</b>	<b>874,097,022</b>
Net profit for the period	--	--	--	183,158,227	--	183,158,227	8,986,033	192,144,260
Transfer to legal reserve	--	18,315,823	--	(18,315,823)	--	--	--	--
Dividends paid	--	--	--	--	(90,000,000)	(90,000,000)	(11,700,000)	(101,700,000)
Movement in fair value	--	--	(150,578,400)	--	--	(150,578,400)	--	(150,578,400)
<b>Balance at June 30, 2006 - (Reviewed)</b>	<b>300,000,000</b>	<b>86,893,922</b>	<b>97,720,000</b>	<b>301,341,210</b>	--	<b>785,955,132</b>	<b>28,007,750</b>	<b>813,962,882</b>

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS