

**Qatar Fuel Q.S.C. (WOQOD)**  
**INTERIM CONDENSED CONSOLIDATED**  
**FINANCIAL STATEMENTS**

**30 JUNE 2013**

## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF QATAR FUEL Q.S.C (WOQOD)**

### **Introduction**

We have reviewed the accompanying interim consolidated statement of financial position of Qatar Fuel Q.S.C (WOQOD) (the “Company”) and its subsidiaries (together referred to as the “Group”) as at 30 June 2013, and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended and the related explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 – *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” A review of interim financial information 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. Consequently, it 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Ziad Nader  
Of Ernst & Young  
Auditor’s Registration No: 258

Date: 28 July 2013  
Doha

# Qatar Fuel Q.S.C (Woqod)

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2013

	<i>Notes</i>	<b>30 June 2013 QR (Reviewed)</b>	<b>31 December 2012 QR (Audited)</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	<b>1,504,908,216</b>	1,467,010,587
Available-for-sale financial assets	7	<b>725,333,186</b>	506,739,261
Goodwill		<b>132,935,132</b>	132,935,132
<b>Total non-current assets</b>		<b>2,363,176,534</b>	2,106,684,980
<b>Current assets</b>			
Inventories	8	<b>297,262,905</b>	249,859,920
Trade and other receivables	9	<b>2,439,969,085</b>	1,589,823,729
Prepayments		<b>122,270,177</b>	148,466,649
Cash and short-term deposits		<b>3,259,554,853</b>	3,959,662,556
<b>Total current assets</b>		<b>6,119,057,020</b>	5,947,812,854
<b>Total assets</b>		<b>8,482,233,554</b>	8,054,497,834
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	10	<b>649,687,500</b>	519,750,000
Legal reserve		<b>384,774,951</b>	384,774,951
General reserve		<b>30,078,234</b>	30,078,234
Fair value reserve		<b>122,648,603</b>	33,325,769
Retained earnings		<b>4,441,410,535</b>	4,534,285,311
<b>Equity attributable to equity holders of the parent</b>		<b>5,628,599,823</b>	5,502,214,265
Non-controlling interest		<b>216,159,585</b>	303,820,045
<b>Total equity</b>		<b>5,844,759,408</b>	5,806,034,310
<b>Non-current liability</b>			
Employees' end of service benefits		<b>60,850,940</b>	55,134,716
<b>Current liability</b>			
Trade and other payables		<b>2,576,623,206</b>	2,193,328,808
<b>Total liabilities</b>		<b>2,637,474,146</b>	2,248,463,524
<b>Total equity and liabilities</b>		<b>8,482,233,554</b>	8,054,497,834

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H.E Abdulla Bin Hamad Al Attiyah  
Chairman and President of the  
Administrative Control and Transparency  
Authority

.....  
Mr. Mohamed Turki Al-Sobai  
Vice Chairman and Managing Director

.....  
Mr. Khalil Hassan Makki  
Finance Manager

Qatar Fuel Q.S.C (Woqod)

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the six month period ended 30 June 2013

	Notes	<i>Six months ended 30 June</i>	
		<i>2013</i>	<i>2012</i>
		<i>QR</i>	<i>QR</i>
		<i>(Reviewed)</i>	<i>(Reviewed)</i>
Revenue	13	<b>6,042,801,862</b>	5,601,402,838
Direct costs		<b>(5,185,818,507)</b>	(4,715,950,476)
<b>GROSS PROFIT</b>		<b>856,983,355</b>	885,452,362
General and administration expenses		<b>(368,490,597)</b>	(325,058,237)
Other income		<b>86,897,476</b>	69,310,766
<b>OPERATING PROFIT FOR THE PERIOD</b>		<b>575,390,234</b>	629,704,891
Interest income		<b>18,298,882</b>	17,806,683
<b>PROFIT FOR THE PERIOD</b>		<b>593,689,116</b>	647,511,574
<b>Profit for the period attributable to:</b>			
Equity holders of the parent		<b>552,833,253</b>	561,049,934
Non-controlling interest		<b>40,855,863</b>	86,461,640
		<b>593,689,116</b>	647,511,574
<b>Basic and diluted earnings per share</b>	14	<b>8.50</b>	8.63

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements

Qatar Fuel Q.S.C (Woqod)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six month period ended 30 June 2013

	<i>Six months ended 30 June</i>	
	<i>2013</i>	<i>2012</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
<b>Profit for the period</b>	<b>593,689,116</b>	647,511,574
<b>Other comprehensive income</b>		
Net movement in fair value of available-for-sale investments	<b>90,806,511</b>	(35,861,231)
<b>Other comprehensive income (loss) for the period</b>	<b>90,806,511</b>	(35,861,231)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>684,495,627</b>	611,650,343
<b>Attributable to:</b>		
Equity holders of the parent company	<b>642,156,087</b>	525,848,807
Non-controlling interest	<b>42,339,540</b>	85,801,536
	<b>684,495,627</b>	611,650,343

## Qatar Fuel Q.S.C (Woqod)

### INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six month period ended 30 June 2013

	<i>Attributable to the equity holders of the Parent</i>					<i>Total QR</i>	<i>Non- controlling interest QR</i>	<i>Total QR</i>
	<i>Share capital QR</i>	<i>Legal reserve QR</i>	<i>General reserve QR</i>	<i>Fair value reserve QR</i>	<i>Retained earnings QR</i>			
Balance at 1 January 2013 (Audited)	519,750,000	384,774,951	30,078,234	33,325,769	4,534,285,311	5,502,214,265	303,820,045	5,806,034,310
<i>Comprehensive income for the period:</i>								
Net profit for the period	-	-	-	-	552,833,253	552,833,253	40,855,863	593,689,116
Other comprehensive income	-	-	-	89,322,834	-	89,322,834	1,483,677	90,806,511
Total comprehensive income for the period	-	-	-	89,322,834	552,833,253	642,156,087	42,339,540	684,495,627
Issue of bonus shares (Note 10)	129,937,500	-	-	-	(129,937,500)	-	-	-
Cash dividends paid for 2012 (Note 11)	-	-	-	-	(515,770,529)	(515,770,529)	-	(515,770,529)
Dividends paid to non-controlling interest by a subsidiary company	-	-	-	-	-	-	(130,000,000)	(130,000,000)
<b>Balance at 30 June 2013 (Reviewed)</b>	<b>649,687,500</b>	<b>384,774,951</b>	<b>30,078,234</b>	<b>122,648,603</b>	<b>4,441,410,535</b>	<b>5,628,599,823</b>	<b>216,159,585</b>	<b>5,844,759,408</b>
	<i>Attributable to the equity holders of the Parent</i>							
Balance at 1 January 2012 (Audited)	415,800,000	382,831,792	30,078,234	49,755,297	3,934,474,269	4,812,939,592	282,533,354	5,095,472,946
<i>Comprehensive income for the period:</i>								
Net profit for the period	-	-	-	-	561,049,934	561,049,934	86,461,640	647,511,574
Other comprehensive (loss) income	-	-	-	(35,201,127)	-	(35,201,127)	(660,104)	(35,861,231)
Total comprehensive income for the period	-	-	-	(35,201,127)	561,049,934	525,848,807	85,801,536	611,650,343
Issue of bonus shares (Note 10)	103,950,000	-	-	-	(103,950,000)	-	-	-
Cash dividends paid for 2011 (Note 11)	-	-	-	-	(415,800,000)	(415,800,000)	-	(415,800,000)
Dividends paid to non-controlling interest by a subsidiary company	-	-	-	-	-	-	(120,000,000)	(120,000,000)
Balance at 30 June 2012 (Reviewed)	<b>519,750,000</b>	<b>382,831,792</b>	<b>30,078,234</b>	<b>14,554,170</b>	<b>3,975,774,203</b>	<b>4,922,988,399</b>	<b>248,334,890</b>	<b>5,171,323,289</b>

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements

Qatar Fuel Q.S.C (Woqod)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six month period ended 30 June 2013

	<i>Six months ended 30 June</i>	
	<i>2013</i>	<i>2012</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
<b>OPERATING ACTIVITIES</b>		
Profit for the period	593,689,116	647,511,574
Adjustments for:		
Depreciation of property, plant and equipment	68,084,885	59,214,441
Gain on disposal of property, plant and equipment	(1,592,944)	-
Provision for employees' end of service benefits	7,207,156	7,021,832
Interest income	(18,298,882)	(37,598,198)
	<b>649,089,331</b>	676,149,649
Working capital changes:		
Inventories	(47,402,985)	(15,276,183)
Accounts receivable and prepayments	(829,338,841)	(43,701,573)
Amounts due from related parties	1,612,632	(15,386,301)
Amounts due to a related party	394,679,608	664,133,419
Trade and other payables	(11,385,210)	(55,598,004)
	<b>157,254,535</b>	1,210,321,007
Cash from operations	(1,490,932)	(1,173,326)
Employees' end of service benefits paid	22,076,207	37,598,198
	<b>177,839,810</b>	1,246,745,879
<b>Net cash flows from operating activities</b>	<b>177,839,810</b>	1,246,745,879
<b>INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(106,121,063)	(156,885,133)
Proceeds from sale of property, plant and equipment	1,731,493	-
Purchase of available-for-sale investments	(127,787,414)	(129,473,878)
	<b>(232,176,984)</b>	(286,359,011)
<b>Net cash flows used in investing activities</b>	<b>(232,176,984)</b>	(286,359,011)
<b>FINANCING ACTIVITIES</b>		
Dividend paid to non-controlling interest by a subsidiary company	(130,000,000)	(120,000,000)
Dividends paid	(515,770,529)	(415,800,000)
	<b>(645,770,529)</b>	(535,800,000)
<b>Net cash flows used in financing activities</b>	<b>(645,770,529)</b>	(535,800,000)
<b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS FOR THE PERIOD</b>	<b>(700,107,703)</b>	424,586,868
Cash and cash equivalents at the beginning of the period	3,959,662,556	2,749,324,581
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>3,259,554,853</b>	3,173,911,449

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements

# Qatar Fuel Q.S.C (Woqod)

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

### 1 CORPORATE INFORMATION 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 limited liability company established to undertake foreign investments for the parent company. WOQOD Kingdom is a subsidiary of WOQOD International and has recently undertaken a project to establish petrol stations and commercial spaces in the Kingdom of Saudi Arabia.

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 six months ended 30 June 2013 were authorised for issue in accordance with a resolution of the Board of Directors on 28 July 2013.

### 2 BASIS OF PREPARATION AND CONSOLIDATION

#### 2.1 Basis of preparation

These interim condensed consolidated financial statements for the six months ended 30 June 2013 have been prepared in accordance with IAS 34 “Interim Financial Reporting”. The interim condensed consolidated financial statements are prepared in Qatar Riyals, which is the Company’s presentational and functional currency.

These interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2012. In addition, results for the six month period ended 30 June 2013 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2013.

#### 2.2 Basis of consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Company and its following subsidiaries as at 30 June 2013.

<i>Name of the company</i>	<i>Country of incorporation</i>	<i>Shareholding interest</i>
Qatar Jet Fuel Company Q.S.C.	State of Qatar	60%
WOQOD Vehicle Inspection Company (“FAHES”) S.O.C	State of Qatar	100%
WOQOD Marine Services Company S.O.C	State of Qatar	100%
WOQOD International Company S.O.C	State of Qatar	100%
WOQOD Kingdom Company S.O.C	Kingdom of Saudi Arabia	100%
Ard Al Khaleej Real Estate S.O.C	State of Qatar	100%

### 3 NEW STANDARDS AND INTERPRETATIONS

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2012, except for the adoption of new standards and interpretations effective as of 1 January 2013.

During the period, the Group has adopted the following standards effective for the annual period beginning on or after 1 January 2013.



**3 NEW STANDARDS AND INTERPRETATIONS (continued)**

**IAS 1 Presentation of Items of Other Comprehensive Income – Amendments to IAS 1**

The amendments to IAS 1 introduce a grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or recycled) to profit or loss at a future point in time (e.g., net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) now have to be presented separately from items that will never be reclassified (e.g., actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affected presentation only and had no impact on the Group's financial position or performance.

**IAS 34 Interim financial reporting and segment information for total assets and liabilities (Amendment)**

The amendment clarifies the requirements in IAS 34 relating to segment information for total assets and liabilities for each reportable segment to enhance consistency with the requirements in IFRS 8 Operating Segments. Total assets and liabilities for a reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker and there has been no material change in the total amount disclosed in the entity's previous annual consolidated financial statements for that reportable segment. The Group provides these disclosures in Note 4.

**IFRS 7 Financial Instruments: Disclosures Offsetting Financial Assets and Financial Liabilities Amendments to IFRS 7**

The amendment requires an entity to disclose information about rights to set-off financial instruments and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether the financial instruments are set off in accordance with IAS 32. As the Group is not setting off financial instruments in accordance with IAS 32 and does not have relevant offsetting arrangements, the amendment does not have an impact on the Group.

**IFRS 10 Consolidated Financial Statements and IAS 27 Separate Financial Statements**

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. IFRS 10 replaces the parts of previously existing IAS 27 Consolidated and Separate Financial Statements that dealt with consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities. IFRS 10 changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. To meet the definition of control in IFRS 10, all three criteria must be met, including: (a) an investor has power over an investee; (b) the investor has exposure, or rights, to variable returns from its involvement with the investee; and (c) the investor has the ability to use its power over the investee to affect the amount of the investor's returns. IFRS 10 had no impact on the consolidation of investments held by the Group.

**IFRS 13 Fair Value Measurement**

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The application of IFRS 13 has not materially impacted the fair value measurements carried out by the Group.

IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 Financial Instruments: Disclosures. Some of these disclosures are specifically required for financial instruments by IAS 34.16A(j), thereby affecting the interim condensed consolidated financial statements period. The Group provides these disclosures in Note 7.

In addition to the above-mentioned amendments and new standards, IFRS 1 First-time Adoption of International Financial Reporting Standards was amended with effect for reporting periods starting on or after 1 January 2013. The Group is not a first-time adopter of IFRS, therefore, this amendment is not relevant to the Group.

**3 NEW STANDARDS AND INTERPRETATIONS (continued)**

The following amendments to standards became effective in 2013, but did not have any impact on the accounting policies, financial position or performance of the Group.

<i>Standards</i>	<i>Contents</i>
IFRS 7	Financial Instruments: Disclosures Offsetting Financial Assets and Financial Liabilities Amendments to IFRS 7
IFRS 11	Joint Arrangements and IAS 28 Investment in Associates and Joint Ventures
IFRS 12	Disclosure of Interests in Other Entities
IAS 1	Clarification of the requirement for comparative information (Amendment)
IAS 19	Employee Benefits (Revised 2011) (IAS 19R)
IAS 32	Tax effects of distributions to holders of equity instruments (Amendment)

The Group is currently considering the implications of the new IFRS which are effective for future accounting periods and has not early adopted any of the new standards as listed below:

<i>Standards</i>	<i>Contents</i>	<i>Effective date</i>
IFRS 9	Financial instruments	1 January 2015
IAS 32	Amendment to IAS 32, 'Financial instruments: Presentation', on asset and liability offsetting	1 January 2014

**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 Managing Director 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>Six months ended 30 June 2013 (Reviewed)</i>	<i>Refined petroleum products QR</i>	<i>Technical inspection of vehicles QR</i>	<i>Adjustment and eliminations QR</i>	<i>Consolidated 2013 QR</i>
<b>Revenue</b>				
External revenue	6,016,098,447	26,703,415	-	<b>6,042,801,862</b>
Inter-segment revenue	<u>2,985,621,047</u>	<u>-</u>	<u>(2,985,621,047)</u>	<u>-</u>
<b>Total revenue</b>	<u>9,001,719,494</u>	<u>26,703,415</u>	<u>(2,985,621,047)</u>	<u><b>6,042,801,862</b></u>
Reportable segment profit	<u>776,872,991</u>	<u>11,816,125</u>	<u>(195,000,000)</u>	<u><b>593,689,116</b></u>

**Qatar Fuel Q.S.C (Woqod)**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

At 30 June 2013

**4 OPERATING SEGMENTS (continued)**

<i>Six months ended 30 June 2012 (Reviewed)</i>	<i>Refined petroleum products QR</i>	<i>Technical inspection of vehicles QR</i>	<i>Adjustment and eliminations QR</i>	<i>Consolidated 2012 QR</i>
Revenue				
External revenue	5,576,455,918	24,946,920	-	5,601,402,838
Inter-segment revenue	<u>2,713,399,642</u>	<u>-</u>	<u>(2,713,399,642)</u>	<u>-</u>
Total revenue	<u>8,289,855,560</u>	<u>24,946,920</u>	<u>(2,713,399,642)</u>	<u>5,601,402,838</u>
Reportable segment profit	<u>816,910,616</u>	<u>10,600,958</u>	<u>(180,000,000)</u>	<u>647,511,574</u>

Inter-segment revenues of QR 2,985,621,047 (2012: QR 2,713,399,642) are eliminated on consolidation.

**Reconciliation of profit**

	<i>For six months ended 30 June</i>	
	<i>2013</i>	<i>2012</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Segment profit	<b>788,689,116</b>	827,511,574
Inter-company dividend	<u><b>(195,000,000)</b></u>	<u>(180,000,000)</u>
Balance as at the end of the period / year	<u><b>593,689,116</b></u>	<u>647,511,574</u>

**Reportable segment assets and liabilities**

<i>30 June 2013 (Reviewed)</i>	<i>Refined petroleum products QR</i>	<i>Technical inspection of vehicles QR</i>	<i>Adjustment and eliminations QR</i>	<i>Consolidated 2013 QR</i>
Reportable segment assets	<u>9,591,984,559</u>	<u>146,569,752</u>	<u>(1,344,795,957)</u>	<u><b>8,393,758,354</b></u>
Reportable segment liabilities	<u>3,653,788,948</u>	<u>8,494,399</u>	<u>(1,111,097,957)</u>	<u><b>2,551,185,390</b></u>

<i>31 December 2012 (Audited)</i>	<i>Refined petroleum products QR</i>	<i>Technical inspection of vehicles QR</i>	<i>Adjustment and eliminations QR</i>	<i>Consolidated 2012 QR</i>
Reportable segment assets	<u>9,225,506,481</u>	<u>135,325,369</u>	<u>(1,394,909,049)</u>	<u>7,965,922,801</u>
Reportable segment liabilities	<u>3,314,649,886</u>	<u>9,066,138</u>	<u>(1,161,211,049)</u>	<u>2,162,504,975</u>

**4 OPERATING SEGMENTS (continued)****Reconciliation of assets**

	<i>30 June 2013 (Unaudited) QR'000</i>	<i>31 December 2012 (Audited) QR'000</i>
<b>Assets</b>		
Total assets for reportable segments	<b>8,393,758,354</b>	7,965,922,801
Other unallocated amounts	<b>88,475,200</b>	88,575,034
Consolidated total assets	<b>8,482,233,554</b>	8,054,497,835

**Reconciliation of liabilities**

	<i>30 June 2013 (Unaudited) QR'000</i>	<i>31 December 2012 (Audited) QR'000</i>
<b>Liabilities</b>		
Total liabilities for reportable segments	<b>2,551,185,390</b>	2,162,504,975
Other unallocated amounts	<b>86,288,756</b>	85,958,549
Consolidated total liabilities	<b>2,637,474,146</b>	2,248,463,524

**5 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 2012.

The management as at 30 June 2013 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 2012 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 2012. 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 2012. 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.

**5 IMPAIRMENT (continued)****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 7.

**6 PROPERTY, PLANT AND EQUIPMENT**

	<i>30 June 2013 QR (Reviewed)</i>	<i>31 December 2012 QR (Audited)</i>
Cost:		
At 1 January	<b>2,034,988,416</b>	2,087,753,767
Additions	<b>106,121,063</b>	235,465,681
Disposals	<b>(2,920,194)</b>	(288,231,032)
Balance as at the end of the period / year	<b><u>2,138,189,285</u></b>	<u>2,034,988,416</u>
Depreciation:		
At 1 January	<b>567,977,829</b>	442,288,793
Depreciation charges for the period/year	<b>68,084,885</b>	124,171,186
Disposals	<b>(2,781,645)</b>	-
Impairment loss	<b>-</b>	1,517,850
Balance as at the end of the period / year	<b><u>633,281,069</u></b>	<u>567,977,829</u>
<b>Net carrying amounts</b>	<b><u>1,504,908,216</u></b>	<u>1,467,010,587</u>

*Notes:*

- (i) Depreciation charges amounting to QR 68,084,885 (30 June 2012: QR 124,171,186) have been included within the general administrative expense in the interim consolidated statement of income.
- (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 during 2012, the Group received additional twenty 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.

**Qatar Fuel Q.S.C (Woqod)**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

At 30 June 2013

**7 AVAILABLE-FOR-SALE FINANCIAL ASSETS**

	<i>30 June 2013 QR (Reviewed)</i>	<i>31 December 2012 QR (Audited)</i>
Balance as at 1 January	<b>506,739,261</b>	374,000,778
Additions during the period/year	<b>127,787,414</b>	149,757,639
Changes in fair value for the period/year	<b>90,806,511</b>	(17,019,156)
Balance as at the end of the period / year	<b><u>725,333,186</u></b>	<u>506,739,261</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 30 June 2013 and 31 December 2012, the Group held the following classes of financial instruments measured at fair value:

**Financial assets**

	<i>30 June 2013 (Reviewed) QR</i>	<i>Level 1 QR</i>	<i>Level 2 QR</i>	<i>Level 3 QR</i>
Available-for-sale financial assets	<b><u>725,333,186</u></b>	<b><u>725,333,186</u></b>	<u>-</u>	<u>-</u>
	<b><u>725,333,186</u></b>	<b><u>725,333,186</u></b>	<u>-</u>	<u>-</u>
	<i>31 December 2012 (Audited) QR'000</i>	<i>Level 1 QR'000</i>	<i>Level 2 QR'000</i>	<i>Level 3 QR'000</i>
Available-for-sale financial assets	<u>506,739,261</u>	<u>506,739,261</u>	<u>-</u>	<u>-</u>
	<b><u>506,739,261</u></b>	<b><u>506,739,261</u></b>	<u>-</u>	<u>-</u>

During the period/year ended 30 June 2013 and 31 December 2012, 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.

## Qatar Fuel Q.S.C (Woqod)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

#### 8 INVENTORIES

	<i>30 June 2013 QR (Reviewed)</i>	<i>31 December 2012 QR (Audited)</i>
Jet fuel oil	88,804,699	60,626,302
Heavy fuel oil	66,988,242	59,887,104
Light gas fuel oil	39,354,346	39,464,517
Materials and spare parts	41,850,739	41,837,465
Refined fuel oil - premium grade	18,581,816	16,052,042
Refined fuel oil - super grade	11,604,307	11,957,550
Retail stores inventory	19,593,540	18,214,757
Other inventory items	10,485,216	1,820,183
	<u>297,262,905</u>	<u>249,859,920</u>

#### 9 TRADE AND OTHER RECEIVABLES

	<i>30 June 2013 QR (Reviewed)</i>	<i>31 December 2012 QR (Audited)</i>
Trade and other receivables	2,372,764,067	1,521,704,546
Notes receivable	6,712,363	5,590,418
Due from related parties (Note 12)	61,477,158	63,089,790
	<u>2,440,953,588</u>	<u>1,590,384,754</u>
Less:		
Provision for bad and doubtful debts	(984,503)	(561,025)
	<u>2,439,969,085</u>	<u>1,589,823,729</u>

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

#### 10 SHARE CAPITAL

	<i>30 June 2013 QR (Reviewed)</i>	<i>31 December 2012 QR (Audited)</i>
<i>Authorized</i>		
100,000,000 ordinary shares of QR 10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
<i>Issued</i>		
64,968,750 ordinary shares (2012: 51,975,000 shares) of QR 10 each	<u>649,687,500</u>	<u>519,750,000</u>

All shares are of equal class and voting rights. During the current period, the Parent has issued bonus shares equivalent to 25% (2012: 20%) of the paid up share capital as at 31 December 2012 amounting to QR 129,937,500 equivalent to 12,993,750 shares (2012: QR 103,950,000 equivalent to 10,395,000 shares) which was approved by the Annual General Assembly held on 13 March 2013.

# Qatar Fuel Q.S.C (Woqod)

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2013

### 11 DIVIDENDS

The shareholders of the company approved at the Annual General Assembly meeting held on 13 March 2013 a cash dividend of QR 10 per share to shareholders owning more than 100 shares total amounting to QR 515,770,529 (2012: the shareholders approved a cash dividend of QR 10 per share total amounting to QR 415,800,000) in addition to the 25% bonus shares (2012: 20%) as disclosed in Note 10.

### 12 RELATED PARTY DISCLOSURES

Related parties represent major shareholders, directors and key management personnel of the Group, and companies of which they are principal owners. Pricing policies and terms of these transactions are approved by the Group's management.

#### Transactions made with related parties

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

	<i>30 June 2013 QR (Reviewed)</i>	<i>30 June 2012 QR (Reviewed)</i>
Qatar Petroleum / Purchases	<u>4,858,559,586</u>	<u>4,268,120,827</u>
Qatar Petroleum / Sales	<u>209,456,595</u>	<u>39,979,752</u>

#### Due to a related party

	<i>30 June 2013 QR (Reviewed)</i>	<i>31 December 2012 QR (Audited)</i>
Qatar Petroleum	<u>2,310,367,974</u>	<u>1,915,688,366</u>

#### Due from related parties

	<i>30 June 2013 QR (Reviewed)</i>	<i>31 December 2012 QR (Audited)</i>
Ras Gas	23,440,574	33,066,416
Qatar Liquefied Gas Company Ltd. ("Qatar Gas")	13,506,657	14,925,802
Gulf Helicopters Q.S.C.	9,497,633	3,727,766
Gulf Drilling International ("GDI") Q.S.C.	5,312,358	5,701,592
QATEX LIMITED	2,180,445	2,056,152
Qatar Aluminium ("Qatalum")	623,236	721,249
Qatar Steel Company ("QASCO") Q.S.C.	708,954	685,394
Qatar Petrochemical Company ("QAPCO") Q.S.C.	515,184	426,109
Qatar Fuel Additives Company ("QAFAC") Q.P.S.C	2,385,804	420,005
Qatar Chemical Company Ltd. ("Q-Chem")	1,147,192	387,176
Oryx GTL	249,602	284,877
Amwaj Catering Services	1,471,681	278,735
Qatar Fertiliser Company ("QAFCO") Q.P.S.C	136,887	254,363
Seef Ltd.	62,765	50,200
Al Shaheen Well Services Co.	178,653	32,404
Gasal Q.S.C.	59,533	18,140
Qatar Holding Co.	-	53,410
	<u>61,477,158</u>	<u>63,089,790</u>



**12 RELATED PARTY DISCLOSURES (CONTINUED)****Compensation to key management personnel**

	<i>Six months ended 30 June</i>	
	<i>2013</i>	<i>2012</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Salaries and other short term benefits	<b>3,496,405</b>	3,329,910
Post-employment benefits	<b>200,531</b>	190,982
	<b>3,696,936</b>	3,520,892

**13 REVENUE**

	<i>Six months ended 30 June</i>	
	<i>2013</i>	<i>2012</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Sales of refined petroleum products	<b>5,436,723,139</b>	5,150,714,392
Sales of petrol stations	<b>457,698,359</b>	329,242,713
Transportation and storage revenues	<b>112,015,329</b>	93,245,453
Revenues from inspection services	<b>26,703,415</b>	24,946,920
Sales of lubricants and supplies	<b>9,661,620</b>	3,253,360
	<b>6,042,801,862</b>	5,601,402,838

**14 BASIC AND DILUTED EARNINGS PER SHARE**

Basic earnings per share amounts are calculated by dividing the profit for the period attributable to equity holders of the Parent by the weighted average number of ordinary shares outstanding during the period. The basic and diluted earnings per share are the same as the Company has not issued any instruments which would have an impact on the earnings per share when exercised.

	<i>30 June</i>	<i>30 June</i>
	<i>2013</i>	<i>2012</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Profit for the period attributable to equity holders of the parent (QR)	<b>552,833,253</b>	561,049,934
Weighted average number of ordinary shares outstanding during the period	<b>64,968,750</b>	64,968,750
Basic and diluted earnings per share	<b>8.50</b>	8.63

During 2012, the Company issued bonus shares for the year 2011. During 2013, the Company issued further bonus shares for the year 2012. Accordingly, the previously reported earnings per share as at 30 June 2012 have been restated for the effects of this transaction.

**14 BASIC AND DILUTED EARNINGS PER SHARE (CONTINUED)**

The weighted average number of shares has been calculated as follows:

	<i>30 June 2013 QR (Reviewed)</i>	<i>30 June 2012 QR (Reviewed)</i>
Qualifying shares at beginning of the period	<b>51,975,000</b>	41,580,000
Effect of bonus shares issued for 2012	-	10,395,000
Effect of bonus shares issued for 2013	<b>12,993,750</b>	12,993,750
	<u><b>64,968,750</b></u>	<u>64,968,750</u>
Weighted average number of shares outstanding	<u><b>64,968,750</b></u>	<u>64,968,750</u>

**15 CONTINGENT LIABILITIES**

	<i>30 June 2013 QR (Reviewed)</i>	<i>31 December 2012 QR (Audited)</i>
Bank guarantees	<u><b>11,341,744</b></u>	<u>14,167,154</u>
Letters of credit	<u><b>10,775,458</b></u>	<u>141,781</u>

**16 CAPITAL COMMITMENTS**

	<i>30 June 2013 QR (Reviewed)</i>	<i>31 December 2012 QR (Audited)</i>
Construction of petrol stations	<u><b>171,250,000</b></u>	<u>10,498,000</u>

**17 COMPARATIVE INFORMATION**

Comparative financial information for the previous period/year has been reclassified, where necessary, in order to conform to the current period's presentation. Such reclassifications do not effect the previously reported net profit or shareholders' equity.