



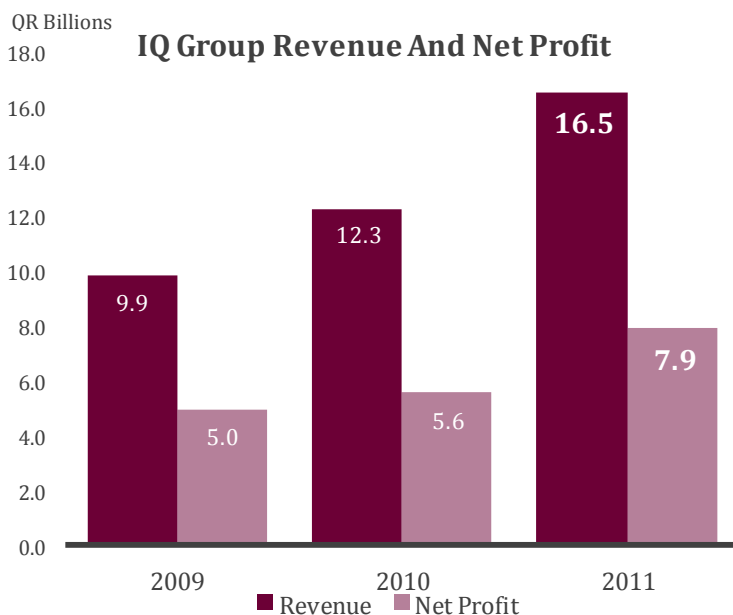
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PRESS RELEASE

RECORD RESULTS AS REVENUE AND PROFITS SURGE

Dividend of QR 7.50 per share recommended

DOHA, QATAR - Industries Qatar ("IQ" or "the group"; QE: IQCD), one of the region's industrial giants with interests in the production, distribution and sale of a wide range of petrochemical, fertiliser and steel products, announced its financial results for the year ended December 31, 2011 with revenue of QR 16.5 billion and net profit of QR 7.9 billion.



In comments issued to the Qatar Exchange after the group's first Board of Directors meeting for 2012, H.E. Dr. Mohammed Bin Saleh Al-Sada, Minister of Energy and Industry, Chairman and Managing Director of Industries Qatar, stated "The last financial year will be remembered as the year IQ surpassed previous financial records and achieved revenue of QR 16.5 billion and net profits of QR 7.9 billion.

“The group registered very strong operating rates over the year throughout our production facilities and, along with strong demand from key Asian markets, was able to therefore fully benefit from resurgent product prices.

“These are IQ’s best financial results since its IPO in 2003 and I would like to thank the management and staff of our group companies for their sterling efforts in helping the group achieve these tremendous full year results”, added H.E. Dr. Al-Sada. The strong year-on-year financial results can be primarily attributed to buoyant key product prices, high utilisation rates¹ and resilient EBITDA¹ margins across all segments, particularly in the petrochemical and fertiliser businesses.

IQ Investment Pipeline: New Petrochemical Complex, Qatar Steel International

Continuing, H.E. Dr. Al-Sada remarked, “I am also pleased to announce that earlier today we confirmed that one of our joint venture companies, QAPCO, will jointly manage the construction and running of a new, mega-petrochemical facility in Ras Laffan with Qatar Petroleum, the State-owned oil and gas company.

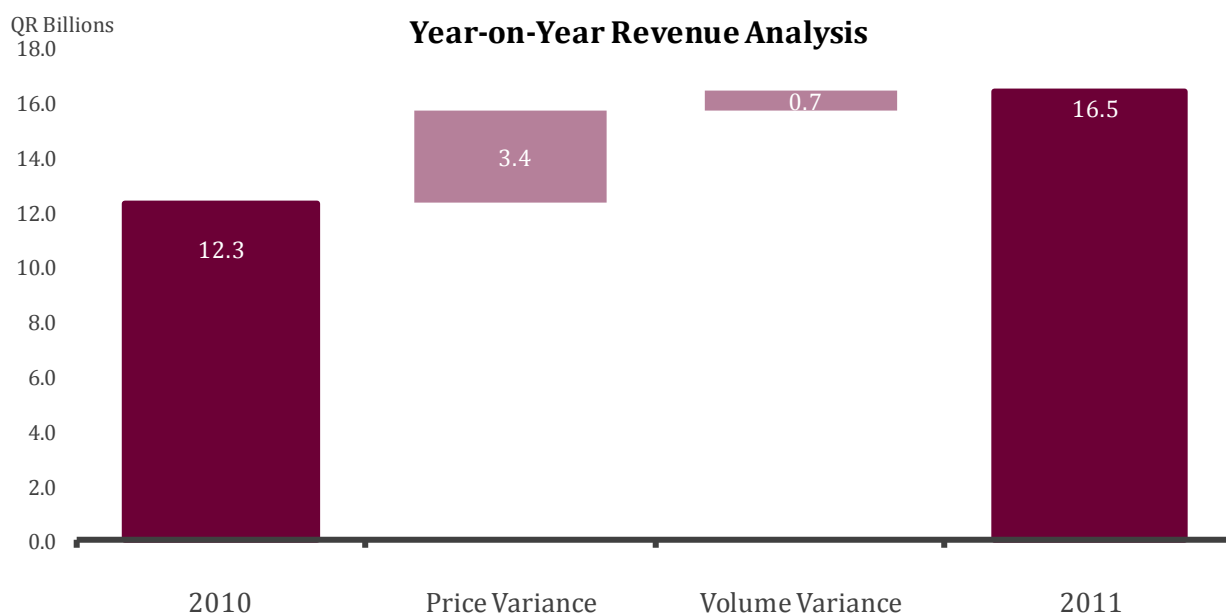
“QAPCO will have a 20% equity stake in this new enterprise that is estimated to cost over QR 20 billion and start production in 2018. The size and scale of this new complex dwarfs the group’s previous petrochemical investments, and is expected to significantly boost ethylene (1.4 million MT/PA) and LLDPE (430,000 MT/PA) production, and add HDPE (850,000 MT/PA) and polypropylene (760,000 MT/PA) to the group’s product slate.” This petrochemical facility marks the beginning of the next phase of IQ’s growth. The group’s other new major investment, a 24.5% equity stake in an Algerian-based joint venture called ‘Qatar Steel International’, is another plank in the coming 5 years’ growth strategy. The group intends to invest QR 1.5 billion over the coming 5 years in the 4.8 million MT/PA integrated steel complex, and start production after 2016. The investment is to be 70% debt-funded, and tenders are being issued for completing the feasibility and market study.”

Revenue

Elaborating on the group’s revenue performance, Mr. Abdulrahman Ahmad Al-Shaibi, Chief Coordinator, Industries Qatar, said, “The group recorded revenue of QR 16.5 billion for the year ended December 31, 2011, representing a year-on-year increase of 34%. This increase can be primarily attributed to resilient prices across all key products as price inflation benefited the group by QR 3.4 billion.”

¹ See page 13 for definitions of utilisation and EBITDA.

The year-on-year result was also aided by the addition of LLDPE and melamine volumes following the plants' commercial start-ups in the second quarter of 2010 and the first quarter of 2011 respectively, and improved petrochemical volumes following the planned and unplanned disruption experienced in the early part of 2010.



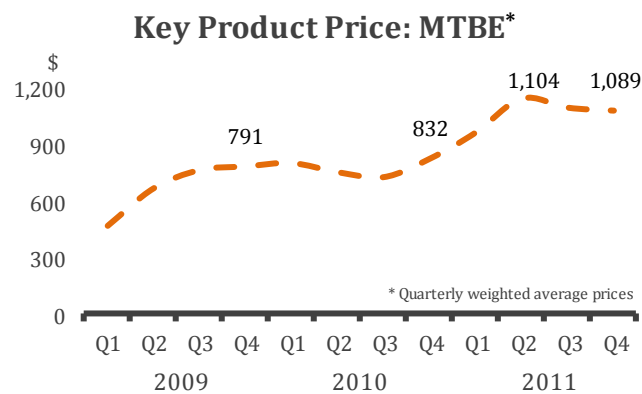
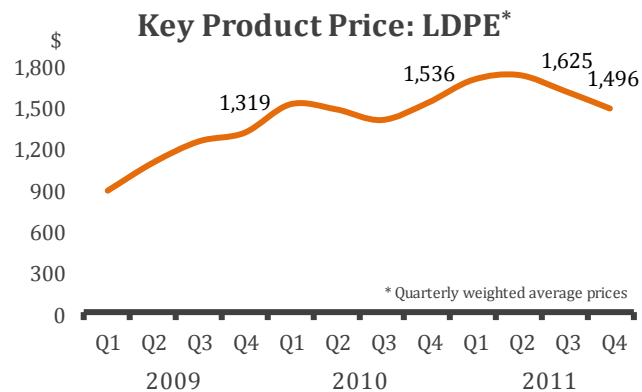
Fourth quarter revenue dipped on the previous quarter, however, on reduced steel revenue, while prices and volumes in the petrochemical and fertiliser segments were broadly flat. Utilisation rates across the group continued their gradual downward progression from the post-recession record in the second quarter, to close the fourth quarter down 7 percentage points at 101%.

Segmental Overview

“The petrochemical segment was the largest contributor to group revenue in 2011, and the group’s key growth driver. The segment contributed almost 40% to the group result in closing the year with total revenue of QR 6.5 billion. The segment also recorded the largest year-on-year increase within the group, adding over QR 1.8 billion. Circa 55% of that increase came from rising product prices, while QR 0.7 billion was attributable to increased sales volumes in 2011,” said Mr. Al-Shaibi.

Petrochemical revenue for the year was QR 6.5 billion (2010: QR 4.7 billion); the positive year-on-year variance of QR 1.8 billion, or 38.6%, was primarily due to low production volumes recorded last year due to extended methanol and MTBE plant shut-downs, the addition this year of Qatofin’s LLDPE products and an average 12.9% price increase across all products.

Elaborating on the positive volume variance in the petrochemical segment, Mr. Al-Shaibi commented, “The plant failures that caused the methanol and MTBE shut-downs in the first half of 2010 were largely resolved towards the end of that year and, by the close of 2011, utilisation rates for these two products returned to historical norms of over 100%. LLDPE production rates were also extremely good, averaging over 100%, as initial start-up problems that necessitated a gradual ramp-up were rectified. No significant disruption was noted during 2011, so overall utilisation rates in the segment averaged 104% for the year. This excellent performance should be viewed in the context of rising oil and natural gas prices that forced other producers to curtail production.”

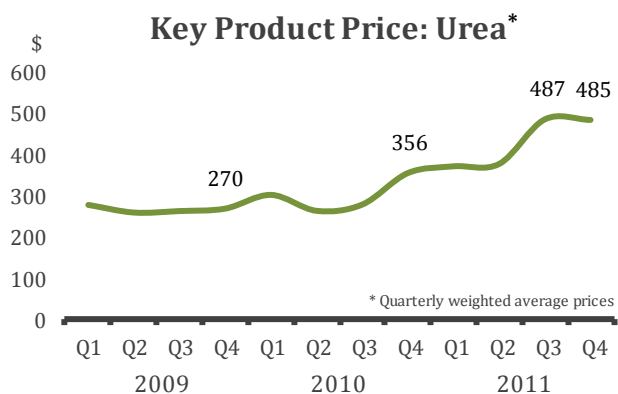


Demand for the group’s petrochemical products is typically geographically dispersed, but concentrated in the Asian region. As such, petrochemical sales during 2011 were made to over 100 different countries, with circa 60% of total volumes sold delivered to South East Asia, the Far East and the Pacific rim. Notable exceptions are ethylene, where the majority of sales are historically made to the group’s Qatar-based joint venture, Qatar Vinyl Company, for captive consumption, and the fuel additive, MTBE, where significant volumes are sold within the MENA region.

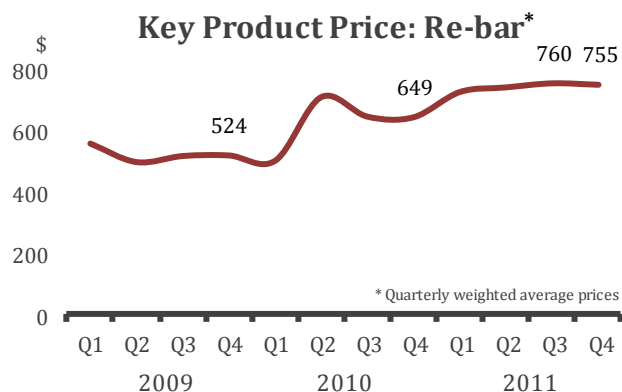
Quarter-on-quarter, petrochemical revenue marginally improved by QR 5.8 million, or 0.3%, as drops in all key product prices were completely offset by ethylene, LDPE and LLDPE volume increases. Negligible plant shut-downs were noted in the quarter, thereby facilitating the utilisation spike to a high of 110%, up 6 percentage points on the previous quarter.

The fertiliser segment closed the year with revenue of QR 4.3 billion, up QR 1.4 billion, or 47.3%, on the same period last year. Almost all of this annual increase can be attributed to an ammonia and urea price rally that began in the last quarter of 2010 and has now resulted in the products’ prices rising by over 70%. Ammonia and urea production volumes and utilisation rates were consistent with 2010 levels, as the plants continued to operate at full capacity and were affected by a similar number of shut-down days as last year.

With respect to the fertiliser segment, Mr. Al-Shaibi mentioned, “Despite the delayed operational launch of Qafco 5, fertiliser revenue nevertheless significantly improved on 2010. The segment accounted for just over 25% of group revenue in closing the year at QR 4.3 billion, over 47% higher than the previous year. Paradoxically, international fertiliser prices were probably supported by this delayed launch, as ammonia and urea prices rose by 40% and 41% respectively. The group’s performance was further aided by the commercial start-up in the first quarter of 2011 of the world’s second largest melamine plant and the group’s latest addition.”



The new 60,000 metric ton per annum plant added melamine to the group’s nitrogen-based product portfolio of anhydrous ammonia, aqueous ammonia, prilled, granular and bagged urea, and urea formaldehyde. Start-up proceeded without any major hitches and the plant swiftly ramped-up to full production levels. Utilisation for the plant’s first full quarters of production averaged 100%.



Other than reduced urea sales to North America and sub-Saharan Africa, no notable changes in demand were noted during the year as fertiliser purchasing continued to be dominated by South-East Asia, the Far East and the Indian sub-continent.

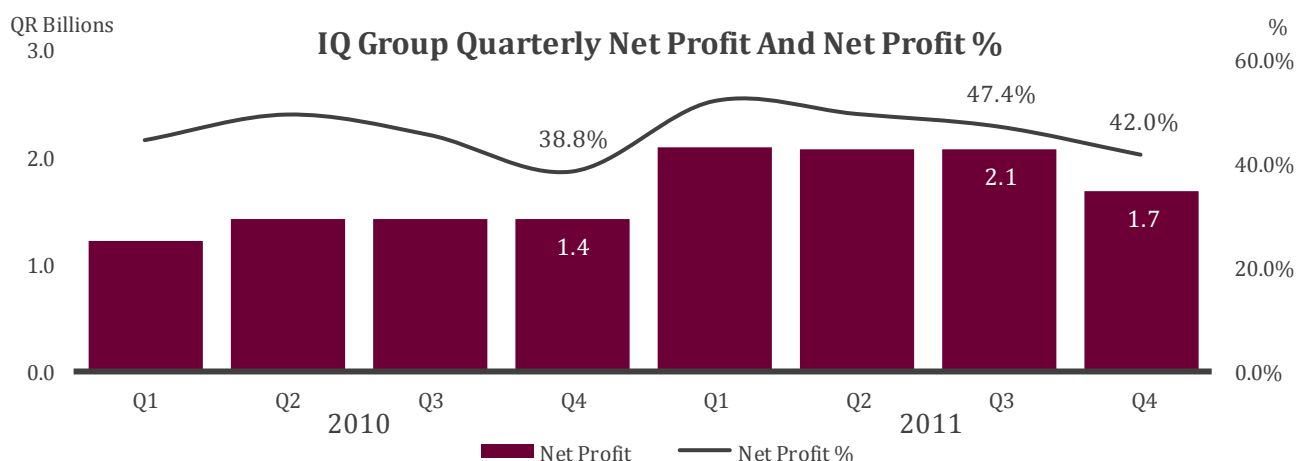
Fourth quarter revenue was slightly down on the previous quarter, by a mere QR 5.1 million, or 0.5%, as flat urea prices and volumes were coupled with moderately weaker ammonia volumes and slightly stronger ammonia prices. As expected, fourth quarter ammonia and urea utilisation rates hovered above the 110% mark. Year-end ammonia and urea inventory levels grew by circa 90% and 60% respectively on the previous quarter due to sale timing differences.

With respect to the steel segment, Mr. Al-Shaibi remarked, “Over QR 1 billion of additional steel sales were registered in 2011, as the segment recorded total sales of QR 5.8 billion and became the group’s second largest revenue contributor at around 35%. The year-on-year increase was principally due to resurgent DRI / HBI and re-bar prices, as the Mesaieed facilities are largely capacity constrained.”

Full year steel revenue for the year was QR 5.8 billion, an increase on 2010 of QR 1.0 billion, or 21.9%. Key product prices grew during this period by 18.0%, giving the segment a QR 1.1 billion price variance. Key product production levels also grew during the year, but by a modest 4.5 percentage points, to 100% utilisation. Re-bar demand in the domestic market remained strong; the group responded by switching sales from the export market, thereby increasing local re-bar sales volumes by 8.3%. Fourth quarter revenue was down on the previous quarter by QR 355.3 million as DRI / HBI sales volumes returned to normal from the third quarter high.

Profits And Margins

Commenting on the record net profit, Mr. Al-Shaibi continued, “In addition to the record revenue, the group also registered in 2011 its highest net profit since inception. Full year net profit of QR 7.9 billion was significantly ahead of the previous high recorded in 2008 of QR 7.3 billion. Profit margins during the year were also extremely strong, averaging almost 48%. All segments contributed to this exceptional result, with the petrochemical and fertiliser segments both returning full year margins of around 60%. In the steel business, the group continued to enjoy above industry average profit margins, closing the year at a very creditable 29%. These strong financial results bode very well for the future prosperity of Industries Qatar.”



Net profit for the year was QR 7.9 billion, an improvement of 44.8% against last year, while the fourth quarter profit of QR 1.7 billion was down 18.7% on the preceding quarter. Full year EBITDA was QR 8.8 billion, an increase of QR 2.5 billion, or 39.7%, on the same period last year, and fourth quarter EBITDA was QR 1.9 billion, a decrease of 18.3% on the third quarter.

The year-on-year positive variance followed from the significant revenue improvement on 2010, with EBITDA %'s holding or improving on 2010 levels. These strong margin levels were registered despite increases in natural gas feedstock and iron ore costs, heightened salaries and wages costs, lower income from associates and other income, and the impact of a number of exceptional items.

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Natural gas feedstock unit costs increased by a weighted average of 12.6% across the group (2010 revised: \$1.83 per mmBTU, 2011: \$2.04 per mmBTU), on account of production volume, index and product price-linked cost escalators built into the group's feedstock contracts, and not due to changes in contract base prices. This annual increase compares favourably with the 28.4% increase in product prices experienced by the group. However, the increase was nevertheless almost 7% higher than budgeted, due principally to the absence of the expected cost dampening effect of the addition of Qafco 5 natural gas volumes on the group's weighted average cost. Unlike natural gas, iron ore costs inflated in line with international forces to just over 17%, and in line with an 18% year-on-year increase in re-bar prices.

The group's salaries and wages bill increased on the prior year by circa QR 100 million as a result of project-related headcount increases, general salary inflation and the enactment towards the end of the year of State-mandated increase in salaries for Qatari nationals. Income from associates decreased from 2010 levels as the group's share of results in the Bahraini-based steel investment, Gulf United Steel Company, was affected by asset impairment write-downs, decreasing year-on-year by QR 110.7 million. There was an adverse net movement on gains on foreign exchange (v 2010: -QR 29.3 million) and Held-For-Trading shares (v 2010: -QR 48.9 million) that were the main contributors to the year-on-year decrease in other income, while the 2011 exceptional items that reduced profits consisted of the cost of fulfilling Qafco's take-or-pay natural gas obligations related to the delayed Qafco 5 project (QR 161.4 million) and write-off of certain project under development costs (QR 85.2 million).

EBITDA in the fourth quarter was down on the previous quarter by QR 425.2 million, as the general salary increase mandated for national employees, the write-off of certain project under development costs (2011, Q4: QR 85.2 million) and a significant portion of the reduced earnings from the group's Bahraini-based steel associate (2011, Q4: QR 47.6 million), all occurred during the last quarter of the year, as well as the final portion of the take-or-pay obligation (2011, Q4: QR 57.7 million).

On the subject of Qatarisation, Mr. Al-Shaibi stated, "The group takes employment and development of Qatari staff very seriously. Progress was made during the year towards further Qatarisation as more than 50 full-time staff and developpees were added to the payroll. However, more work is required in order to achieve the State's Qatarisation targets, as the group's average Qatarisation ratio by the end of 2011 was only 16%."

Balance Sheet, Cash Flows And Other Financial Measures

Turning away from the group's human capital and back towards the group's financial performance, Mr. Al-Shaibi reiterated, "Since 2003, the group has invested heavily in extending and de-bottlenecking existing facilities, as well as building new, complimentary plants. The IQ group is now nearing the end of this period of rapid, mostly organic, expansion with capital expenditure falling steadily since peaking in 2009. This reduced expenditure, coupled with improving profits, boosted year-end cash levels to their highest since 2008, at QR 7.0 billion."

Total assets as at December 31, 2011 were QR 36.8 billion, an increase on last year of QR 4.9 billion, or 15.3%, with the group's commitment to sustained and significant capital expenditure resulting in non-current assets accounting for QR 2.5 billion of the increase. Total capital expenditure for 2011 was QR 2.9 billion, a *reduction* of QR 1.3 billion from 2010, under-scoring the tailoring-off of the group's current investment program. Closing cash and short-term deposits increased by QR 1.7 billion on account of significantly improved operating cash flows (2010: QR 5.0 billion, 2011: QR 8.0 billion), and despite the 2010 dividend payment, capital expenditure and loan repayments. Total loans marginally decreased to QR 6.9 billion while working capital slightly increased.

In summary, the group's remaining key financial and market measures changed as follows:

- The business' ability to generate cash markedly improved as the cash realisation ratio² increased to over 100% (2010: 91.1%, 2011: 101.4%).
- Free cash flows² recovered from the 2010 low to return to being strongly positive due to the group's increased profitability, improved cash generative ability *and* the reduced capital expenditure noted during 2011 (2010: QR 0.8 billion, 2011: QR 5.2 billion).
- Net debt² changed favourably (2010: QR 2.3 billion, 2011: QR -0.1 billion), in line with the reduced indebtedness and stronger cash generation / reduced capital expenditure burden.
- Gearing significantly dropped from the historical 30% to 35% range (2010: 34.7%, 2011: 26.2%).
- The group's relatively low debt / strong earnings position was emphasised by the low debt to EBITDA ratio (2010: 1.2x, 2011: 0.8x), high EBIT interest cover² (2010: 38.4x, 2011: 53.3x) and high RCF² to debt position (2010: 43.3%, 2011: 85.1%).
- Asset utilisation measures all significantly improved on 2010, indicating the improved returns being generated from capital employed² (2010: 19.8%, 2011: 25.3%), equity² (2010: 25.2%, 2011: 31.2%) and assets² (2010: 31.0%, 2011: 37.4%).
- The share price marginally depreciated by 2.7% over the year (2010: 19.8%).

² See page 13 for definitions of cash realisation ratio, free cash flows, net debt, interest cover, RCF, ROCE, ROE and ROA.

Credit Rating

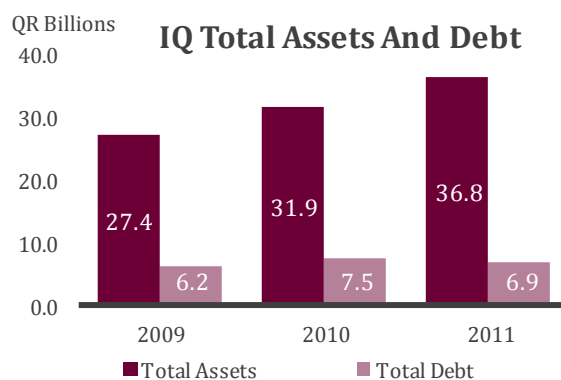
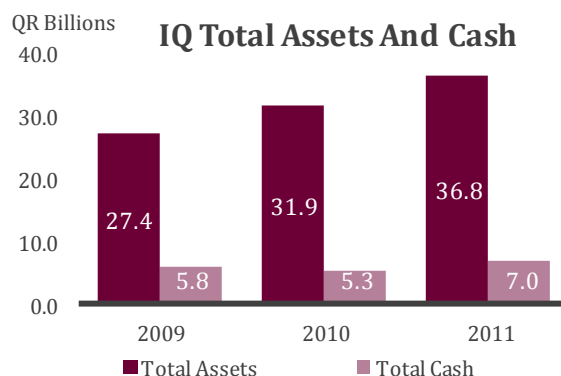
In recognition of the group’s strong competitive advantages and strong debt protection metrics, the company recently received an AA- rating from Standard & Poor’s to add to the Aa3 rating received from Moody’s in 2011.

“We are delighted with this outcome and the recognition by two of the world’s largest credit rating agencies of the pivotal role of Industries Qatar and the group’s unparalleled financial strength,” stated Mr. Al-Shaibi. “In awarding an AA- rating (Standard & Poor’s) and an Aa3 rating (Moody’s), both agencies have placed Industries Qatar one notch beneath the State of Qatar’s sovereign rating, and in a very select group of international industrial conglomerates.”

The S&P rating was predicated on the group’s excellent cost positioning, largely due to competitively priced gas feedstocks, product and end-market diversification, positive debt metrics and a very important public policy role. Both ratings were assigned a “stable outlook”, reflecting the expectation that key assumptions, including the group’s importance, debt levels and cost position, would not be materially compromised.

Social Unrest

Commenting on the ongoing unrest in the MENA region, Mr. Al-Shaibi said, “In the early part of 2011 we informed the market that the social unrest then being experienced in Bahrain, Egypt, Libya, Tunisia and Yemen had a very limited impact on the operations of the group companies. This statement was based on the fact that in the petrochemical segment, volumes originally destined for affected customers in the Middle East and North Africa were diverted to alternative buyers in the Far East and Latin America, and the warehouse in Egypt was only required to briefly suspend operations. In the steel segment, shipments of DR pellets from our steel pelletisation associate in Bahrain were not impacted, the operations of the Bahrain-based stainless steel associate continued to run as expected and construction at the group’s remaining steel investment in Bahrain, Gulf United Steel Company, proceeded in line with the EPC contract.



“With the close of the financial year, we can now report to the market that the impact was indeed limited to the above, and that the social unrest did not have a material financial impact on the results of Industries Qatar,” concluded Mr. Al-Shaibi.

Fereej Real Estate Company Winding Up And Company Dissolution

Commenting on the dissolution of the group’s real estate subsidiary, Mr. Al-Shaibi stated, “The operations of the group’s real estate and facilities management subsidiary, Fereej Real Estate Company, were wound up and the company’s investment properties sold during the third quarter of 2011. The company was officially dissolved on 15 December, 2011, with the financial impact of the assets sale, operating losses and company dissolution totaling QR 8.8 million. Shareholders should be aware that the dissolution of the company allows management to focus more keenly on the group’s core petrochemical, fertiliser and steel businesses.”

Major CAPEX Projects Update

On the subject of the group’s major CAPEX projects, Mr. Al-Shaibi said: “We are pleased that the official inauguration and commercial launch of the Qafco 5 ammonia and urea plant was held on December 21, 2011, and the plant commenced commercial operations during the first quarter of 2012. The plant’s start-up was delayed from the original target date due to technical difficulties experienced during the original start-up. Expectations remain that the plant will rapidly ramp-up to full utilisation by the end of the first quarter of 2012. As reiterated before, these start-up related difficulties have no bearing on the Qafco 6 launch, which is still slated for the third quarter of 2012.”

Mr. Al-Shaibi also confirmed that the group’s other major CAPEX project, the LDPE-3 petrochemical plant, is still on track to start commercial production in the second quarter of 2012 and that the total project cost and target ramp-up rate remain as previously communicated.

Business Plans (2012 to 2016)

“The group’s 5-year business plan for the period from 2012 to 2016 was approved today by the Board of Directors,” continued Mr. Al-Shaibi. “The recently announced QR 20 billion new mega petrochemical facility in Ras Laffan that one of our joint venture companies, QAPCO, has a 20% equity stake in has not been included in the business plan as details regarding the funding strategy and capital expenditure phasing are still under consideration. Without doubt, this project will become one of the main growth drivers for Industries Qatar after its launch towards the end of the decade. The group will issue a revised business plan when the full impact of the project on the group’s cash flows and funding position are known.

“The key headline numbers for the current business plan are as follows: by 2016, revenue is expected to reach QR 24 billion, net profit to exceed QR 11 billion and net assets to surpass QR 67 billion. With the exception of fertiliser products, prices are expected to remain robust throughout the coming planning cycle, and EBITDA margins are expected to remain broadly consistent with current levels. Accumulated CAPEX over this period will be QR 5.0 billion as the group embarks on a number of medium-sized upgrade and renovation projects. The only new, significant investments included are a QR 0.1 billion CO₂ recovery project that will boost methanol production in 2014 by 91,000 MT/PA, and the QR 1.5 billion Algerian-based steel project, ‘Qatar Steel International’.”

The incremental full year revenue and profit from Qafco 5, Qafco 6 and LDPE-3 is estimated at QR 3.1 billion and QR 2.0 billion respectively; and, these projects will be instrumental in the group achieving its 2012 budget of revenue of QR 18.3 billion and net profit of QR 8.3 billion.

Dividend Distribution

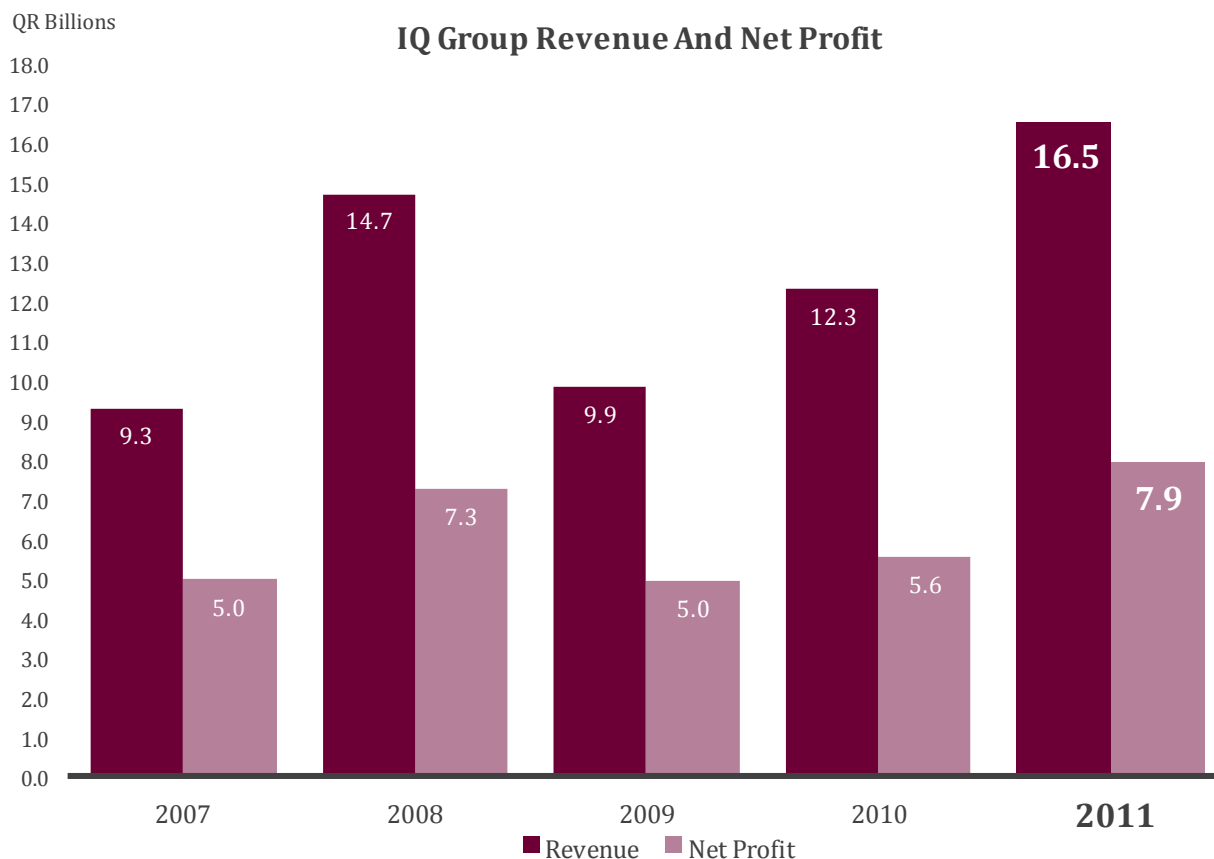
With respect to the dividend proposed by the group, H.E. Dr. Al-Sada stated, “Shareholders should be aware that the group’s progressive and generous dividend payout policy that has seen payout ratios averaging over 50%% from 2003 to 2010 has always been tempered by the needs to invest in the future *and* service outstanding debt. And, although the group has announced very few major, new investment initiatives since 2009, shareholders should be in no doubt that several projects are in the pipeline and at various stages of consideration and study.

“Furthermore, despite the fact that debt levels in the group are moderate, and falling, prudence must still be exercised in paying dividends to ensure the group maintains sufficient levels of liquidity.

“The Board of Directors is pleased to recommend a total annual dividend distribution for the year ended December 31, 2011 of QR 4.1 billion, equivalent to a payout of QR 7.50 per share and representing 75% of the nominal value. Based on the group’s February 13, 2012 average closing price on the Qatar Exchange, this generates a dividend yield of 5.6%.”

Conclusion

Concluding, Mr. Al-Shaibi said, “The group eagerly awaits 2012 with the knowledge that the previous years’ focus on investing significant sums in new and revamped facilities is reaping rewards. An additional 2.0 million metric ton per annum of urea capacity will be launched during the year, along with 240,000 metric tons of LDPE capacity.



In closing remarks, H.E. Dr. Al-Sada stated, "I would like to express my gratitude to H.H. Sheikh Hamad Bin Khalifa Al-Thani, the Emir of the State of Qatar, for his vision and leadership, the Board of Directors for its wise counsel, and to the senior management of the group companies for their hard work, commitment and dedication."

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For more information about this press release, email iq@qp.com.qa or visit www.iq.com.qa

DISCLAIMER

The companies in which Industries Qatar QSC directly and indirectly owns investments are separate entities. In this press release, "IQ" and "the group" are sometimes used for convenience in reference to Industries Qatar QSC.

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of Industries Qatar QSC. All statements other than statements of historical fact are deemed to be forward-looking statements, being statements of future expectations that are based on current expectations and assumptions, and involve known and unknown risks and uncertainties that could cause actual results, operations and business performance or events impacting the group to differ materially from those expressed or as may be inferred from these statements.

There are a number of factors that could affect the realisation of these forward-looking statements such as: (a) price fluctuations in crude oil and natural gas, (b) changes in demand or market conditions for the group's products, (c) loss of market share and industry competition, (d) environmental risks and natural disasters, (e) changes in legislative, fiscal and regulatory conditions, (f) changes in economic and financial market conditions and (g) political risks. As such, results could differ substantially from those stated, or as may be inferred from the forward-looking statements contained herein. All forward-looking statements contained in this presentation are made as of the date of this presentation, as marked on the Cover page.

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GENERAL NOTES

Industries Qatar's accounting year follows the calendar year. No adjustment has been made for leap years. Where applicable, all values refer to Industries Qatar's share. Values expressed in QR billions and percentages have been rounded to 1 decimal point. All other values have been rounded to the nearest whole number. Values expressed in US \$'s have been translated at the rate of US \$1 = QR3.64.

DEFINITIONS

Adjusted Free Cash Flow: Cash Flow From Operations - Total CAPEX - Dividends • **CAGR:** 5-Year *Compound Annual Growth Rate* (from 2010 actuals)
• **Cash Realisation Ratio:** Cash Flow From Operations / Net Profit x 100 • **Debt to Equity:** (Current Debt + Long-Term Debt) / Equity x 100 •
Dividend Yield: Total Cash Dividend / Closing Market Capitalisation x 100 • **DRI:** *Direct Reduced Iron* • **EBITDA:** *Earnings Before Interest, Tax, Depreciation and Amortisation* calculated as (Net Profit + Interest Expense + Depreciation + Amortisation - QR1.2bn government grant received in 2009) • **EPS:** *Earnings per Share* (Net Profit / Number of Ordinary Shares outstanding at the year end) • **Free Cash Flow:** Cash Flow From Operations - Total CAPEX • **HBI:** *Hot Briquetted Iron* • **Interest Cover:** (Earnings before Interest Expense + Tax) / Interest Expense • **LDPE:** *Low Density Poly Ethylene* • **LLDPE:** *Linear Low Density Poly Ethylene* • **mmBTU:** *Million British Thermal Units* • **MT / PA:** *Metric Tons Per Annum* • **MTBE:** *Methyl Tertiary Butyl Ether* • **Net Debt:** Current Debt + Long-Term Debt - Cash & Cash Equivalents • **Payout Ratio:** Total Cash Dividend / Net Profit x 100 • **P/E:** *Price to Earnings* (Closing market capitalisation / Net Profit) • **RCF:** Funds From Operations - Dividends • **ROA:** *Return On Assets* [EBITDA / (Total Assets - CWIP - PUD) x 100] • **ROCE:** *Return On Capital Employed* [Net Profit before Interest & Tax / (Total Assets - Current Liabilities) x 100] • **ROE:** *Return On Equity* (Net Profit / Shareholders' Equity x 100) • **Utilisation:** Production Volume / Rated Capacity x 100 [For new facilities, measure includes first full operational quarter only]

ABOUT IQ

Industries Qatar QSC was incorporated as a Qatari joint stock company on April 19, 2003. The business operations of the company comprise the direct holding of shares in the following subsidiary and joint venture companies: (i) Qatar Steel Company QSC ("QS"), a wholly-owned subsidiary, engaged in the manufacture and sale of steel billets and reinforcing bars; (ii) Qatar Petrochemical Company Limited QSC ("QAPCO"), a joint venture owned 80% by IQ, engaged in the production and sale of ethylene, low-density polyethylene ("LDPE"), linear low-density polyethylene ("LLDPE") and sulphur; (iii) Qatar Fertiliser Company SAQ ("QAFCO"), a joint venture owned 75% by IQ, engaged in the manufacture and sale of ammonia and urea; (iv) Qatar Fuel Additives Company Limited QSC ("QAFAC"), a joint venture owned 50% by IQ, is engaged in the production and export of methanol and methyl-tertiary-butyl-ether ("MTBE"); and (v) Fereej Real Estate Company, a joint venture owned 34% by IQ.

The operations of the subsidiary and joint ventures remain independently managed by their respective management teams.