



الخليج الدولية للخدمات ش.م.ق
Gulf International Services QSC

CONTACT DETAILS:

Company	Gulf International Services QSC ("GIS")
Telephone Number	(974) 4013-2088
Fax Number	(974) 4013-9750

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PRESS RELEASE

Qatar Petroleum awards GDI drilling service contracts for the mega project of North Field Expansion

Doha, Qatar • 1 May 2019 – Gulf International Services ("GIS" or "the group"; QE: GISS), one of the largest service groups in Qatar, with interests in a broad cross-section of industries, ranging from insurance, re-insurance, fund management, onshore and offshore drilling, accommodation barge, helicopter transportation, and catering services, announced today that Gulf Drilling International, a wholly owned subsidiary of GIS, has been awarded contracts by Qatar Petroleum to provide six premium jack up rigs for the North Field Expansion Project. Qatargas is entrusted with executing this mega-project on behalf of Qatar Petroleum.

GDI plans to finalize an agreement with Seadrill to provide these jacks up rigs under the term of their existing Strategic Cooperation Agreement. The first two rigs contracted for a firm duration of three years are scheduled to commence operations in Q1 2020, the third rig contracted for a firm duration of two years is scheduled to commence operations in Q2 2020 and the last two rigs contracted for a firm duration of three years will commence operations in Q3 2020.

Additionally, a jack-up drilling rig currently contracted with Qatargas that has available options is scheduled to be slotted into the NFE drilling program around Q2 2020 as the sixth rig from GDI.

Commenting on this, Mr. William Ceppi, GDI's Chief Executive Officer, said: "GDI is proud to have been awarded this work by Qatar Petroleum for the North Field Expansion project. We thank Qatar Petroleum and look forward to continuing our safe and efficient operations."

The award comes in line with GIS' strategy to capture new business opportunities that would potentially help increase revenues and ultimately maximize shareholder value.

The drilling program is a major component of the North Field Expansion project designed to increase Qatar's LNG production capacity from 77 MTPA to 110 MTPA. The forecasted drilling

scope is for 80 new wells, which will be drilled and completed from eight wellhead platform locations.

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

DISCLAIMER

The companies in which Gulf International Services Q.P.S.C. directly and indirectly owns investments are separate entities. In this press release, "GIS" and "the group" are sometimes used for convenience in reference to Gulf International Services Q.P.S.C.

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of Gulf International Services Q.P.S.C. 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 services, (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 press release are made as of the date of this press release, as marked on the Cover page.

Gulf International Services Q.P.S.C., its Directors, officers, advisors, contractors and agents shall not be liable in any way for any costs, losses or other detrimental effects resulting or arising from the use of or reliance by any party on any forward-looking statement and / or other material contained herein. Gulf International Services Q.P.S.C., its subsidiaries, joint venture and associated company are further in no way obliged to update or publish revisions to any forward-looking statement or any other material contained herein which may or may not be known to have changed or to be inaccurate as a result of new information, future events or any reason whatsoever. Gulf International Services Q.P.S.C. does not guarantee the accuracy of the historical statements contained herein.

GENERAL NOTES

Gulf International Services Q.P.S.C.'s accounting year follows the calendar year. No adjustment has been made for leap years. Where applicable, all values refer to Gulf International Services Q.P.S.C.'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

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:** Cash Dividend / Market Capitalisation x 100 • **EBITDA:** *Earnings Before Interest, Tax, Depreciation and Amortisation* calculated as [Net Profit + Interest Expense + Depreciation + Amortisation] • **Energy (Insurance):** Refers to the Energy, Plant and Construction, Marine, Fire and Other lines of business • **EPS:** *Earnings per Share* [Net Profit / Number of Ordinary Shares outstanding at the year end] • **Free Cash Flow:** Cash Flow From Operations - Total CAPEX • **IBNR:** *Incurring But Not Reported* (Refers to claims incurred but not yet reported at the statement of financial position date) • **Interest Cover:** (Earnings before Interest Expense + Tax) / Interest Expense • **Net Debt:** Current Debt + Long-Term Debt - Cash & Bank Balances • **Payout Ratio:** Total Cash Dividend / Net Profit x 100 • **P/E:** *Price to Earnings* multiple [Closing market capitalisation / Net Profit] • **ROA:** *Return On Assets* [EBITDA / Total Assets 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 (Rigs):** Number of days under contract / (Number of days available - Days under maintenance) x 100

ABOUT GIS

Gulf International Services Q.P.S.C. was incorporated as a Qatari joint stock company on February 12, 2008 by Resolution Number 42 of 2008 of the State of Qatar's Ministry of Economy and Commerce, pursuant to its Memorandum and Articles of Association and Law Number 5 of 2002 concerning Commercial Companies. The authorised share capital is QR 2 billion with the issued share capital consisting of 185.8 million ordinary shares and 1 special share.

Through the group companies, Gulf International Services Q.P.S.C. operates in four distinct segments - insurance and reinsurance, drilling, helicopter transportation and catering services.

Qatar Petroleum provides all of the head office functions for Gulf International Services Q.P.S.C. through a comprehensive service directive. The operations of the subsidiaries remain independently managed by their respective Boards of Directors and senior management teams.