

**GULF INTERNATIONAL SERVICES Q.S.C.
DOHA - QATAR**

**UNAUDITED INTERIM CONDENSED
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED
SEPTEMBER 30, 2017**

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GULF INTERNATIONAL SERVICES Q.S.C.


INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at September 30, 2017

	September 30, 2017	December 31, 2016
	QR '000 (Unaudited)	QR '000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	7,198,400	7,338,859
Goodwill	303,559	303,559
Intangible assets	1,390	2,224
Held-to-maturity financial assets	3,587	85,468
Investment in associates	417	-
Available-for-sale financial assets	352,521	321,930
Total non-current assets	7,859,874	8,052,040
Current assets		
Inventories	196,519	218,614
Due from related parties	456,962	309,533
Accounts receivable and prepayments	548,442	720,377
Insurance receivables	188,563	266,999
Financial assets at fair value through profit or loss	199,921	214,149
Bank balances and cash	1,130,514	1,335,724
Total current assets	2,720,921	3,065,396
TOTAL ASSETS	10,580,796	11,117,436
EQUITY AND LIABILITIES		
Equity		
Share capital	1,858,409	1,858,409
Legal reserve	352,294	352,294
General reserve	74,516	74,516
Foreign currency translation reserve	3,458	1,325
Fair value reserve	(1,678)	12,239
Retained earnings	1,336,341	1,499,985
Total equity	3,623,340	3,798,768
Liabilities		
Non-current liabilities		
Employees' end of service benefits	75,531	70,794
Provision for decommissioning costs	92,088	92,088
Loans and borrowings	4,374,300	4,629,862
Total non-current liabilities	4,541,919	4,792,744
Current liabilities		
Accounts payable, insurance payables and accruals	1,374,671	1,483,030
Dividends payable	99,112	100,210
Due to related parties	11,194	2,712
Loans and borrowings	930,561	939,972
Total current liabilities	2,415,537	2,525,924
Total liabilities	6,957,456	7,318,668
TOTAL EQUITY AND LIABILITIES	10,580,796	11,117,436

These interim condensed consolidated financial statements were approved by the Board of Directors and signed on its behalf on October 26th, 2017 by:


Khalid Bin Khalifa Al-Thani
Chairman


for / Suleiman Haidar Al-Haider
Vice-Chairman


Ebrahim Ahmad Al-Mannai
Managing Director

GULF INTERNATIONAL SERVICES Q.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
For the nine month period ended September 30, 2017

	September 30, 2017 QR '000 (Unaudited)	September 30, 2016 QR '000 (Unaudited)
Revenue	1,875,971	2,314,822
Direct costs	(1,584,152)	(1,908,067)
GROSS PROFIT	291,819	406,755
Finance cost	(124,607)	(88,871)
Net gain on financial assets at fair value through profit or loss	3,111	4,642
General and administrative expenses	(176,269)	(169,057)
Other income	28,822	25,901
Finance income	10,326	9,691
Impairment of assets	(11,004)	-
NET PROFIT FOR THE PERIOD	22,198	189,061
Other comprehensive income (loss)		
Net fair value loss on available-for-sale financial assets	(13,916)	(1,860)
Net foreign exchange difference on translation of foreign operations	2,133	397
Other comprehensive income / (loss) for the period	(11,783)	(1,463)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	10,415	187,598
Earnings per share		
Basic and diluted earnings per share (QR)	0.12	1.02

GULF INTERNATIONAL SERVICES Q.S.C.

**INTERIM CONDENSED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY**

For the nine month period ended September 30, 2017

	Share capital QR'000	Legal reserve QR'000	General reserve QR'000	Foreign currency translation reserve QR'000	Fair value reserve QR'000	Retained earnings QR'000	Total QR'000
Balance at January 1, 2016	1,858,409	340,893	74,516	871	21,200	1,631,940	3,927,829
Profit for the period	-	-	-	-	-	189,063	189,063
Total comprehensive income for the period	-	-	-	397	(1,860)	-	(1,463)
Dividends declared	-	-	-	-	-	(185,841)	(185,841)
Balance at September 30, 2016 (Unaudited)	1,858,409	340,893	74,516	1,268	19,340	1,635,162	3,929,588
Balance at January 1, 2017	1,858,409	352,294	74,516	1,325	12,239	1,499,985	3,798,768
Profit for the period	-	-	-	-	-	22,198	22,198
Total comprehensive income for the period	-	-	-	2,133	(13,917)	-	(11,784)
Dividends declared	-	-	-	-	-	(185,841)	(185,841)
Balance at September 30, 2017 (Unaudited)	1,858,409	352,294	74,516	3,458	(1,678)	1,336,341	3,623,341

GULF INTERNATIONAL SERVICES Q.S.C.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the nine month period ended September 30, 2017

	September 30, 2017 QR '000 (Unaudited)	September 30, 2016 QR '000 (Unaudited)
OPERATING ACTIVITIES		
Profit for the period	22,198	189,062
Adjustments for:		
Depreciation and amortization	416,029	422,850
Provision for employees' end of service benefits	12,550	14,051
Amortization of intangible assets	834	834
Gain / (loss) on sale of securities	(3,547)	(3,674)
Finance cost	124,607	88,871
Unrealized gain (loss) on financial assets through profit or loss	(3,112)	(4,642)
Change in foreign currency translation reserve	2,133	397
Finance income	(10,326)	(18,636)
Loss/(profit) on disposal of property, plant and equipment	(3,999)	611
Operating profit before working capital changes:	557,367	689,726
Inventories	22,095	2,281
Accounts and insurance receivables, prepayments and due from related parties	102,942	406,185
Accounts and insurance payables, accruals and due to related parties	(99,878)	(338,367)
Cash from operations activities	582,526	759,823
Employees' end of service benefits paid	(7,814)	(19,653)
Net cash generated from operating activities	574,712	740,170
INVESTING ACTIVITIES		
Finance income	10,326	18,636
Net movement in financial assets	70,458	(16,648)
Proceeds from disposal of property, plant and equipment	(7,208)	4,580
Time deposits with maturities in excess of three months	99,100	(110,939)
Investment in associate	(417)	-
Acquisition of property, plant and equipment	(276,562)	(594,590)
Net cash generated from / (used in) investing activities	(104,303)	(698,961)
FINANCING ACTIVITIES		
Proceeds from loans and borrowings	502,415	1,838,200
Repayment of loans and borrowings	(767,389)	(1,163,904)
Dividends paid	(186,940)	(186,066)
Net movement in dividend accounts	1,099	113
Finance cost paid	(124,607)	(88,871)
Net cash (used in) / generated from financing activities	(575,422)	399,472
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(105,013)	440,681
Cash and cash equivalents at 1 January 2017	697,544	394,479
CASH AND CASH EQUIVALENTS AT 30 September 2017*	592,531	835,160

*Cash and cash equivalents excludes deposits maturing after 90 days and the unclaimed dividend amounts.