

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

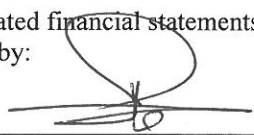
**UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED
MARCH 31, 2018**

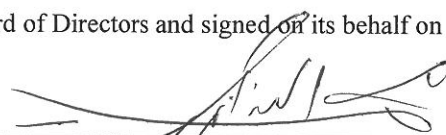
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GULF INTERNATIONAL SERVICES Q.P.S.C.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	March 31, 2018	December 31, 2017
	QR '000	QR '000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	7,163,752	7,219,761
Goodwill	303,559	303,559
Intangible assets	834	1,112
Held-to-maturity financial assets	3,583	3,583
Financial investments	304,738	387,370
Total non-current assets	7,776,466	7,915,385
Current assets		
Inventories	200,846	202,116
Due from related parties	426,640	462,841
Accounts receivable, prepayments and other debit balances	543,120	507,028
Insurance contract receivables	205,439	188,360
Financial assets at fair value through profit or loss	303,992	201,029
Short-term investments	-	20,263
Cash and bank balances	881,912	931,454
Total current assets	2,561,949	2,513,091
Total assets	10,338,415	10,428,476
EQUITY AND LIABILITIES		
Equity		
Share capital	1,858,409	1,858,409
Legal reserve	359,410	359,410
General reserve	74,516	74,516
Foreign currency translation reserve	36	36
Fair value reserve	(1,022)	(3,692)
Retained earnings	1,394,280	1,389,884
Total equity	3,685,629	3,678,563
LIABILITIES		
Non-current liabilities		
Employees' end of service benefits	78,403	76,757
Provision for decommissioning costs	25,954	25,954
Loans and borrowings	4,188,590	4,247,662
Total non-current liabilities	4,292,947	4,350,373
Current liabilities		
Accounts payable, insurance payables and accruals	1,321,815	1,355,182
Provision for decommissioning costs	42,897	42,897
Dividends payable	93,195	95,346
Due to related parties	9,539	8,312
Loans and borrowings	892,393	897,803
Total current liabilities	2,359,839	2,399,540
Total liabilities	6,652,786	6,749,913
Total equity and liabilities	10,338,415	10,428,476

These consolidated financial statements were approved by the Board of Directors and signed on its behalf on 24 April, 2018 by:


Khalid Bin Khalifa Al-Thani
Chairman


Suleiman Haidar Al-Haider
Vice-Chairman

GULF INTERNATIONAL SERVICES Q.P.S.C.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
For the period ended 31 March 2018

	Three-month period ended	
	31 March	
	2018	2017
	QR '000	QR '000
	(Unaudited)	(Unaudited)
Revenue	627,749	607,765
Direct costs	(533,398)	(520,002)
Gross profit	94,351	87,763
Finance income	5,944	8,540
Net gains/(losses) on financial assets at fair value through profit or loss	(106)	3,678
Other income (expenses), net	17,756	14,194
Finance cost	(49,715)	(37,456)
General and administrative expenses	(58,768)	(61,637)
Profit for the period	9,462	15,082
Other comprehensive income/(loss)		
Items that may be reclassified subsequently to profit or loss:		
Financial investments:		
Net fair value loss during the period	(2,395)	(1,025)
Net foreign exchange difference on translation of foreign operations	-	303
Other comprehensive loss for the period	(2,395)	(722)
Total comprehensive income for the period	7,066	14,360
Earnings per share		
Basic and diluted earnings per share (Qatari Riyal)	0.05	0.08

GULF INTERNATIONAL SERVICES Q.P.S.C.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 31 March 2018

**Three-month period ended
31 March**

	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, 2017 (Audited)	1,858,409	352,294	74,516	1,325	12,239	1,499,985	3,798,768
Profit for the period	-	-	-	-	-	15,082	15,082
Movement during the period	-	-	-	303	(1,025)	-	(722)
Dividends declared	-	-	-	-	-	(185,841)	(185,841)
Balance at March 31, 2017 (Unaudited)	1,858,409	352,294	74,516	1,628	11,214	1,329,226	3,627,287
Balance at January 1, 2018 (Audited)	1,858,409	359,410	74,516	36	(3,692)	1,389,884	3,678,563
Transfer to retained earnings	-	-	-	-	5,066	(5,066)	-
Profit for the period	-	-	-	-	-	9,462	9,462
Movement during the period	-	-	-	-	(2,396)	-	(2,396)
Balance at March 31, 2018 (Unaudited)	1,858,409	359,410	74,516	36	(1,022)	1,394,280	3,685,629

GULF INTERNATIONAL SERVICES Q.P.S.C.
CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended 31 March 2018

	Three-month period ended 31 March	
	2018	2017
	QR '000	QR '000
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Profit for the year	9,462	15,082
<i>Adjustments for:</i>		
Depreciation and amortization	118,368	137,374
(Gain)/loss on disposal/write off of property, plant and equipment	(31)	-
Finance cost	49,715	37,456
Finance income	(5,944)	(8,540)
Provision for employees' end of service benefits	4,483	4,318
Net gain on disposal of financial assets	(3,213)	(3,019)
Net gain on sale of Financial investments	(1,855)	(3,678)
Amortization of intangible assets	-	(24)
Change in foreign currency translation reserve	-	303
	170,985	179,271
Working capital changes:		
Inventories	1,271	7,662
Accounts receivable prepayments	(16,970)	25,421
Accounts payable, due to related parties, insurance payables and accruals	(32,141)	(23)
Cash generated from operating activities	123,145	212,331
Employees' end of service benefits paid	(2,839)	(2,703)
Net cash generated from operating activities	120,306	209,628

GULF INTERNATIONAL SERVICES Q.P.S.C.
CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended 31 March 2018

	March 31, 2018	March 31, 2017
	QR '000 (Unaudited)	QR '000 (Unaudited)
INVESTING ACTIVITIES		
Finance income	5,944	8,540
Acquisition of property, plant and equipment	(62,073)	(77,529)
Acquisition of Financial investments	(20,762)	(57,760)
Time deposits with original maturities in excess of three months	69,574	96,650
Time deposits maturing beyond 180 days	20,263	-
Proceeds from disposal of financial investments	3,107	143,465
Proceeds from disposal of property, plant and equipment	31	-
Net cash used in investing activities	16,083	113,363
FINANCING ACTIVITIES		
Proceeds from loans and borrowings	134,680	-
Repayment of loans and borrowings	(199,160)	(179,296)
Cash at banks – restricted for dividends	2,150	(14,216)
Dividends paid	(2,150)	(171,625)
Finance costs paid	(49,715)	(37,456)
Net cash (used in)/generated from financing activities	(114,195)	(402,593)
(Decrease)/increase in cash and cash equivalents	22,195	(79,599)
Cash and cash equivalents at the beginning of the period	498,431	697,534
*CASH AND CASH EQUIVALENTS AT 31 MARCH	520,626	617,945

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