Gulf International Services Q.S.C.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2013

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2013

	Notes	***31 March 2013 QR '000 (Unaudited)***	*31 March 2012 QR '000 (Restated)*
Revenue		**552,624**	251,572
Direct costs		**(444,891)**	(199,963)
GROSS PROFIT		**107,733**	51,609
Finance income		**5,673**	5,440
Net gains on financial assets at fair value through profit or loss		**1,527**	2,646
Other income		**7,823**	4,327
Share of results of a joint venture	3	**40,764**	36,740
Finance cost		**(4,483)**	(1,127)
Impairment loss of available-for-sale investments		**-**	(238)
General and administrative expenses		**(23,255)**	(7,366)
PROFIT FOR THE PERIOD		**135,782**	92,031
Other comprehensive income			
Net movement in fair value of available-for-sale investments		**1,724**	239
Other comprehensive income for the period		**1,724**	239
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**137,506**	92,270
Earnings per share			
Basic and diluted earnings per share (Qatari Riyals)	8	**0.91**	0.62

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2013

	Notes	***31 March 2013 (Unaudited) QR '000***	*31 December 2012 (Restated) QR '000*
ASSETS			
Non-current assets			
Property, plant and equipment	4	**963,879**	940,312
Intangible assets		**303,559**	303,559
Investment properties		**1,125**	1,125
Investment in an associate		**2,097**	2,097
Interest in a joint venture	3	**1,173,534**	1,107,289
Held-to-maturity investments		**85,434**	85,413
Available-for-sale investments		**82,250**	52,393
		2,611,878	2,492,188
Current assets			
Inventories		**70,476**	62,183
Due from related parties		**520,928**	354,534
Accounts receivable and prepayments		**738,849**	723,476
Insurance receivables		**242,006**	460,036
Financial assets at fair value through profit or loss		**433,949**	409,624
Cash and bank balances	5	**557,090**	756,505
		2,563,298	2,766,358
TOTAL ASSETS		**5,175,176**	5,258,546
EQUITY AND LIABILITIES			
Equity			
Share capital	6	**1,486,727**	1,486,727
Legal reserve		**161,807**	161,807
General reserve		**74,516**	74,516
Foreign currency translation reserve		**(161)**	(161)
Fair value reserve		**6,487**	4,763
Retained earnings		**821,878**	909,105
Total equity		**2,551,254**	2,636,757
Non-current liabilities			
Loans and borrowings		**597,909**	667,995
Employees' end of service benefits		**31,698**	30,139
		629,607	698,134
Current liabilities			
Due to related parties		**102,766**	90,002
Accounts payable, insurance payables and accruals		**1,734,435**	1,720,904
Loans and borrowings		**157,114**	112,749
		1,994,315	1,923,655
Total liabilities		**2,623,922**	2,621,789
TOTAL EQUITY AND LIABILITIES		**5,175,176**	5,258,546

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Dr. Mohamed Saleh Al-Sada
Minister of Energy and Industry
Chairman and Managing Director

Saeed Mubarak Al-Muhanadi
Vice-Chairman

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2013

	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 1 January 2013	1,486,727	161,807	74,516	(161)	4,763	909,105	2,636,757
Profit for the period	-	-	-		-	135,782	135,782
Other comprehensive income	-	-	-		1,724	-	1,724
Total comprehensive income	-	-	-	-	1,724	135,782	137,506
Dividends paid (Note 7)	-	-	-		-	(223,009)	(223,009)
Balance at 31 March 2013	**1,486,727**	**161,807**	**74,516**	**(161)**	**6,487**	**821,878**	**2,551,254**
Balance at 1 January 2012	1,351,570	133,402	74,516	(154)	142	795,749	2,355,225
Profit for the period	-	-	-		-	92,031	92,031
Other comprehensive income	-	-	-		239	-	239
Total comprehensive income	-	-	-		239	92,031	92,270
Dividends paid (Note 7)	-	-	-		-	(175,704)	(175,704)
Bonus Share Distributed (Note 6)	135,157					(135,157)	-
Balance at 31 March 2012	1,486,727	133,402	74,516	(154)	381	576,919	2,271,791

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2013

	Notes	***31 March 2013 QR '000 (Unaudited)***	*31 March 2012 QR '000 (Unaudited)*
OPERATING ACTIVITIES			
Profit for the year		**135,782**	92,031
Adjustments for:			
Depreciation	4	**22,571**	16,090
Provision for employees' end of service benefits		**2,852**	2,642
Gain on sale of securities		**(839)**	-
Finance expenses		**4,483**	1,127
Unrealised gain on financial assets through profit and loss		**(2,475)**	-
Share of result of the joint venture	3	**(40,764)**	(36,740)
Loss/(profit) on disposal of property, plant and equipment		**(662)**	-
Finance income		**(5,673)**	(5,440)
Net operating profit before working capital changes		**115,275**	69,710
Inventories		**(9,046)**	(3,264)
Accounts receivable and prepayments		**36,105**	(26,825)
Accounts payable, insurance payables and accruals		**28,134**	36,258
		170,468	75,879
Cash from operations			
Employees' end of service benefits paid		**(1,292)**	(820)
Net cash from operating activities		**169,176**	75,059
INVESTING ACTIVITIES			
Interest income		**5,673**	5,440
Proceeds from financial assets at fair value through profit or loss		**51,782**	19,121
Proceeds from disposal of property, plant and equipment		**668**	-
Acquisition of financial assets at fair value through profit or loss		**(73,739)**	(40,964)
Movement in available-for-sale investments		**(28,136)**	(403)
Dividend from the joint venture	3	**101,920**	50,960
Time deposits with maturities in excess of three months		**138,769**	93,108
Investment in the joint venture	3	**(127,400)**	-
Acquisition of property, plant and equipment	4	**(46,145)**	(3,386)
Net cash from investing activities		**23,392**	123,876
FINANCING ACTIVITIES			
Repayment of loans and borrowings		**(25,722)**	(11,342)
Dividends paid	7	**(223,009)**	(175,704)
Finance costs paid		**(4,482)**	(1,127)
Net cash used in financing activities		**(253,213)**	(188,173)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		**(60,645)**	10,762
Cash and cash equivalents at 1 January		**363,750**	**308,303**
CASH AND CASH EQUIVALENTS AT 31 MARCH	5	**303,105**	319,065

1 CORPORATE INFORMATION

Gulf International Services Q.S.C. (the "Company" or together with its subsidiaries and a joint venture referred to as the "Group") is a Company incorporated in the State of Qatar under commercial registration number 38200 as a Qatari Shareholding Company on 12 February 2008. The principal activity of the Company is to operate as a holding company. The registered office of the Company is in Doha, State of Qatar.

The Company was incorporated by Qatar Petroleum ("QP") as a sole shareholder with an initial capital of QR 5 million on 12 February 2008 which is the date of incorporation of the Company.

Until 24 February 2008, the equity interests in the portfolio companies (Gulf Helicopters Q.S.C. ("GHC"), Gulf Drilling International Q.S.C. ("GDI") and Al Koot Insurance and Reinsurance Company S.A.Q. ("Al Koot")) were held directly by QP and Japan Drilling Company ("JDC") (In case of GDI – 30.01% is owned by JDC) and these equity interests were transferred to the Company on 24 February 2008.

However, the management concluded that the effective date of transfer of interest from QP to the Company was 12 February 2008, being the date on which control as well as joint control, over these portfolio companies, was transferred by QP to the Company and hence from this date, the results of operations of these portfolio companies are consolidated with the results of operations of the Company.

On 26 May 2008, QP listed 70% of the Company's issued share capital in the Qatar Exchange. An extraordinary general assembly held on 4 November 2012 approved the amendments to the Articles of Association in which it increased the ownership limit of General Retirement and Social Insurance Authority (GRSIA). Subsequently, as per the instructions of the Supreme Council of Economic Affairs, QP divested 20% of its stake in GIS to the GRSIA.

On 31 May 2012, the Group acquired 100% shares of Amwaj Catering Services Limited Q.S.C. (the "Acquiree"), a limited liability company incorporated in the State of Qatar. The Acquiree is engaged in catering activities inside and outside the State of Qatar. The Group has obtained control over the Subsidiary in accordance with the Sale and Purchase Agreement effective from 1 June 2012.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for investment properties, derivative financial instruments, available-for-sale and held-for-trading financial assets that have been measured at fair value. The consolidated financial statements are presented in Qatari Riyals and all values are rounded to the nearest thousand (QR'000) except when otherwise indicated.

2.2 Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and applicable requirements of Qatar Commercial Companies' Law No. 5 of 2002.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of Gulf International Services Q.S.C. and its subsidiaries as at 31 March 2013.

The subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date such control ceases.

Jointly controlled entity is consolidated using the equity method from the date of acquisition, being the date in which the Group obtains joint control, and continue to be so consolidated until the date that such joint control ceases.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

The financial statements of the subsidiary and jointly controlled entities are prepared for the same reporting period as the parent company, using consistent accounting policies.

Name of subsidiaries	*Country of incorporation*	*Principal activities*	*Group effective shareholding % 31 March 2013*	*Group effective shareholding % 31 December 2012*
Al Koot Insurance and Reinsurance Company S.A.Q.	Qatar	Insurance and reinsurance services	100	100
Gulf Helicopters Company Q.S.C.	Qatar	Helicopter transport services	100	100
Amwaj Catering Services Q.S.C.	Qatar	Catering services	100	100
Name of joint venture				
Gulf Drilling International Limited Q.S.C.	Qatar	Drilling services	70	70

2.4 Change in accounting policy and disclosure

Effective 1 January 2013 the Group adopted IFRS 11 for consolidation of its financial statements. IFRS 11 requires a joint venturer to recognise its interest in a joint venture as an investment and should account for that investment using the equity method. The company has determined that with the adoption of IFRS 11, its interests in GDI will meet the criteria for a joint venture. Accordingly, from 1 January 2013, on adoption of IFRS 11, GIS will account for its interests in the above companies using the equity method.

The equity method of accounting requires GIS to present the carrying amount of its investments in joint ventures as a single line item in the statement of financial position, and its share of the joint ventures' net income as a single line item in the statement of comprehensive income. This change in accounting policy will not affect previously reported net income and shareholders' equity, but will affect most other line items in the statement of financial position, statement of comprehensive income and statement of cash flows including revenue, gross profit, total assets and total liabilities.

2.5 Significant accounting policies

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts and rebates. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Interest income

Income is recognised as interest accrues (using the effective interest method).

Dividend income

Dividend income is recognised, when the right to receive the dividend is established.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.5 Significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost excluding the cost of day-to-day servicing, less accumulated depreciation and any impairment in value. Land is not depreciated.

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets as follows:

Buildings	10 – 20 years
Aircrafts	7 – 10 years
Rigs	10 – 15 years
Plant and machinery	2 – 7 years
Other property and equipment:	
Ground and radio equipment and tools	4 – 6 years
Motor Vehicles	4 – 5 years
Furniture, fixtures and office equipment	3 – 7 years
Computers	3 years

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written-off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated statement of income as the expense is incurred.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount being the higher of their fair value less costs to sell and their value in use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of income in the year the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

Investments in associate

The Group's investments in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence.

Under the equity method, the investment in the associate is carried in the consolidated statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. The consolidated statement of income reflects the share of the results of operations of the associate. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associate.. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the consolidated statement of income.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.5 Significant accounting policies (continued)

Interests in joint venture
The Group has interests in a joint venture which is jointly controlled entity, whereby the venturer has a contractual arrangement that establishes joint control over the economic activities of the entities. The arrangement requires unanimous agreement for financial and reporting decisions among the venture. Following the enactment of IFRS 11 the Group accounts for its interest in the joint venture using the equity method.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its joint venture. The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in the consolidated statement of income.

Financial assets
Initial recognition and measurement
Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition.

Financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way purchases) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

The Group's financial assets include cash and short-term deposits, trade and other receivables, quoted and unquoted financial instruments, and derivative financial instruments.

Subsequent measurement
The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss includes financial assets held-for-trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes held for trading investments and derivative financial instruments entered into by the Group that do not meet the hedge accounting criteria as defined by IAS 39. Financial assets at fair value through profit and loss are carried in the consolidated statement of financial position at fair value with gains or losses recognised in the consolidated statement of income.

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of other categories. After initial measurement, available-for-sale financial assets are measured at fair value with unrealised gains or losses as other comprehensive income in cumulative changes in fair value reserve until the investment is derecognised, at which time the cumulative gain or loss recorded in equity is recognised in the consolidated statement of income, or determined to be impaired, at which time the cumulative loss recorded in equity is recognised in the consolidated statement of income. Due to the nature of cash flows arising from Group's certain unquoted investments, the fair value of these investments cannot be reliably measured. Consequently, these investments are carried at cost less provision for any impairment losses.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.5 Significant accounting policies (continued)

Impairment of financial assets
The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Available-for-sale financial investments
For available-for-sale financial investments, 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. '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. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the consolidated statement of income – is removed from other comprehensive income and recognised in the consolidated statement of income. Impairment losses on equity investments are not reversed through the consolidated statement of income; increases in their fair value after impairment are recognised directly in other comprehensive income.

Inventories
Inventories, including work in progress, other than maintenance parts and supplies, are stated at the lower of cost and net realisable value; cost is determined on a weighted average cost basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Maintenance parts and supplies are stated at cost, less provisions for obsolescence.

Net realisable value is based on estimated selling price less any further costs expected to be incurred on completion and disposal.

Accounts receivable
Accounts receivable are stated at original invoice amount less a provision for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred. Goods supplied but not invoiced are treated as accrued income at the price expected to be received.

Cash and cash equivalents
For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash at bank and on hand, and short-term deposits with an original maturity of three months or less, net of funds restricted for use and outstanding bank overdrafts, if any.

Interest bearing loans and borrowings
Interest bearing loan is recognised initially at fair value of the amounts borrowed, less directly attributable transaction costs. Subsequent to initial recognition, the loan is measured at amortised cost using the effective interest method. Instalments due within one year at amortised cost are shown as a current liability. The costs of raising finance applicable to amounts already drawn-down are amortised over the period of the loan using the effective yield method.

Gains or losses are recognised in the consolidated statement of income when the liabilities are derecognised as well as through amortisation process.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.5 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Accounts payable and accruals
Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Operating leases
Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the consolidated statement of income on a straight-line basis over the lease term.

Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3 INTEREST IN A JOINT VENTURE

The movement in interest in GDI during the year/period is as follows:

	QR '000
Investment balance as of 01 January 2012 (Restated)	897,203
Investment during the year	127,400
Net profit for the year	146,386
Dividend received during the year	(63,700)
Investment balance as of 1st January 2013	**1,107,289**
Investment during the period	**127,400**
Profit for the period	**40,764**
Dividend received during the period	**(101,920)**
Investment balance as of 31 March 2013	**1,173,534**

The summarised financial information in respect of the Group's share of GDI are as follows:

	31 March 2013 QR '000	*31 December 2012 QR '000*
Cash	**43,630**	66,681
Other current assets	**245,105**	226,053
Non-current assets	**2,296,456**	1,860,213
Total Assets	**2,585,191**	2,152,947
Debts falling due within 1 year	**140,733**	142,370
Other current liabilities	**128,504**	109,964
Debts falling due after 1 year	**1,136,452**	787,659
Other non-current liabilities	**12,095**	11,161
Total liabilities	**1,417,784**	1,051,154
Share of net assets	**1,167,407**	1,101,793

Share of the following items for the 3 months ended	***31 March 2013 QR '000***	*31 March 2012 QR '000*
Revenue	**173,104**	149,914
Depreciation	**(34,454)**	(32,784)
Finance charge	**(1,665)**	(1,692)
Share of profit for the period	**40,764**	36,740

4 PROPERTY, PLANT AND EQUIPMENT

	31 March 2013 QR'000	*31 December 2012 QR'000 (Restated)*
Opening net book value	**940,312**	947,363
Additions	**46,145**	56,342
Disposals	**(7)**	(46)
Depreciation	**(22,571)**	(63,347)
Closing net book value	**963,879**	940,312

5 CASH AND CASH EQUIVALENTS

	31 March 2013 QR'000	*31 December 2012 QR'000 (Restated)*
Bank balances and cash	**557,090**	756,505

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise:

	31 March 2013 QR'000	*31 December 2012 QR'000 (Restated)*
Bank balances and cash	**557,090**	756,505
Less: Fixed deposits maturing after 90 days	**(253,985)**	(392,754)
	303,105	363,751

6 SHARE CAPITAL

	31 March 2013 QR'000	*31 December 2012 QR'000*
Authorised, issued and paid-up: 148,672,695 shares of QR 10 each (31 December 2012 : 148,672,695 shares of QR 10 each)	**1,486,727**	1,486,727

	31 March 2013 No of shares	*31 December 2012 No of shares*
Balance at the beginning of the period	**148,672,695**	135,156,995
Bonus share issue	**-**	13,515,700
Balance at the end of the period	**148,672,695**	148,672,695

7 DIVIDENDS PAID

During the year, a cash dividend of QR 1.50 per share amounting to QR 223 million relating to 2012 was approved by the shareholders at the Annual General Meeting held on 18 March 2013 (2012: QR 1.30 per share amounting to QR 175.7 million).

8 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit for the period by the weighted average number of shares outstanding during the period.

The following reflects the income and share data used in the computation of basic and diluted earnings per share:

	31 March 2013	*31 March 2012*
Net profit for the period (QR'000)	**135,782**	92,031
Weighted average number of shares outstanding during the period	**148,672,695**	148,672,695
Basis and diluted earnings per share (expressed in QR per share)	**0.91**	0.62

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

	Three months ended 31 March	
	2013	*2012*
	Number of shares	*Number of shares*
Qualifying shares at the beginning of the period	**148,672,695**	135,156,995
Effect of bonus shares issued	**-**	13,515,700
Weighted average number of shares outstanding	**148,672,695**	148,672,695

9 SEGMENTAL REPORTING

The Group has four reportable segments, as described below. The segments offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the segments, the Board of Directors reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- Insurance; provider of a range of insurance and reinsurance services to QP and its subsidiaries and other companies.
- Aviation; provider of helicopter transportation services in Qatar. Also operating as a provider of helicopter transportation services in Middle East and North Africa (MENA region).
- Catering; Catering and manpower services to the QP Group and its affiliates.
- Drilling; drilling and drilling – related services to the QP Group and its international co-ventures

9 SEGMENTAL REPORTING (continued)

Operating segments

The following table present revenue and profit information regarding the Group's operating segments for the period ended 31 March 2013 and 31 March 2012 respectively:

	Insurance QR'000	*Aviation QR'000*	*Catering QR'000*	*Total QR'000*
Period ended 31 March 2013				
Segment revenue	161,914	149,237	241,473	552,624
Segment results	28,948	53,993	18,673	101,614
Share of result of the joint venture (Drilling -Note 3)				40,764
GIS stand alone income				769
GIS stand alone expense				(7,365)
Profit for the period				135,782

	Insurance QR'000	*Aviation QR'000*	*Catering QR'000*	*Total QR'000*
Period ended 31 March 2012				
Segment revenue	132,782	118,790	-	251,572
Segment results	12,809	43,717	-	56,526
Share of result of the joint venture (Drilling -Note 3)				36,740
GIS stand alone income				547
GIS stand alone expense				(1,782)
Profit for the period				92,031

10 COMPARATIVES

Following the enactment of IFRS 11 the Group accounted for its interest in the joint venture using the equity method and accordingly restated the comparative periods. This restatement did not have any impact on the previously reported income and equity of the Group.