

1974-2014

YEARS OF EXCELLENCE

ANNUAL REPORT 2014



قطر للبترول
Qatar Petroleum

*In the Name of Allah,
the Most Gracious, the Most Merciful*

His Highness

Sheikh Tamim Bin Hamad Al-Thani

The Emir of the State of Qatar



His Highness
Sheikh Hamad Bin Khalifa Al-Thani
The Father Emir



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MESSAGE FROM THE CHAIRMAN



For the past 40 years, Qatar Petroleum has been at the forefront of the development of the State of Qatar and the prosperity of its people.

Under the wise leadership of His Highness Sheikh Tamim bin Hamad Al-Thani, the Emir of the State of Qatar, QP has continued its achievements and contributions to Qatar's sustainable socio-economic development.

The guidance of His Highness the Emir has been instrumental in laying the groundwork for a better future by unleashing the full potential of Qatar's true wealth of human resources, and pioneering national institutions like Qatar Petroleum.

2014 witnessed the continued successful performances of Qatar Petroleum and its sister companies and joint ventures across the entire spectrum of its operations and businesses, including a number of operational and safety milestones, which are detailed in this report.

QP's success in 2014 has been mostly evident in its ability to meet the various challenges facing it, and to weather turbulent times surrounding it. This has been clearly demonstrated by its swift response to the recent decline in global energy markets, and its adaptability and versatility in transitioning into a better position to manage Qatar's natural wealth.

Under a new Board of Directors, Qatar Petroleum has embarked on an ambitious optimization program that will enable it to enter its fifth decade with great determination and better yield.

The appointment of a new board was followed by a diligent and dedicated re-organization effort to bring about a new organizational structure, which will herald a new dawn for a bright future.

There is no doubt that the transformation and rejuvenation of QP will help it in meeting the challenges posed by the volatile energy markets as a first priority. However, it will also give this leading national corporation the critical momentum it needs to become a "world class oil and gas corporation".

I thank the President and CEO, and all QP executives, managers, and employees for their much appreciated efforts, dedication, and outstanding performance that have helped achieve these successes and build these landmarks.

We look forward to a successful year ahead on the road to a better future for the State of Qatar.

Dr. Mohammed bin Saleh Al-Sada
Minister of Energy and Industry
Chairman, Qatar Petroleum

MESSAGE FROM THE PRESIDENT & CEO



Qatar Petroleum is entering its 5th decade with full determination and a great sense of purpose. We are looking at the future while drawing strength from all the elements that have made this great corporation what it is today.

2014 represents a new phase in the life of QP after more than two decades of unprecedented growth in Qatar's oil and gas sector. It is the new phase of entrenchment, efficiency, optimization, synergy and rationalization in all aspects of QP activities.

2014 was a good year for Qatar Petroleum. It was the year that QP celebrated its 40th anniversary, and began the journey to realize its new vision **"To be a world class oil & gas corporation, with its roots in Qatar, and a strong international presence"**.

It was also the year in which turbulent markets took center stage as oil prices went down and impacted all energy producers, including the State of Qatar.

Mindful of the global changes and the prospects for the markets around us, we have entered a new era in our history by embarking on an ambitious program of optimization and cost saving. Our objective is to realize a better yield from our resources and, eventually, higher monetization levels.

During the last quarter of the year, all QP business units were actively engaged in improving efficiency of all our operations, systems, and processes – be they human resources, services, support, or machinery. We have developed a new approach to how we view our resources, and how we manage the cost of our operations. We also began to consider all means to better leverage our technical, commercial and financial capabilities, and to manage our assets and projects more effectively and efficiently.

2014 witnessed a number of structural milestones, including the reconstitution of the Board of Directors, which followed my appointment as Managing Director (later changed to President & CEO). For this, I owe a debt of gratitude to His Highness Sheikh Tamim bin Hamad Al Thani, the Emir of the State of Qatar, for the confidence His Highness has bestowed upon me.

The direct support and personal supervision of His Highness the Emir has always been the single most important motivation for all of us at QP. His Highness Sheikh Tamim made it a point to manifest this support by formally laying the foundation stone for the Laffan

Refinery 2 (LR2) at a special ceremony held at the Qatar National Convention Centre on the 1st of April.

Work continued in earnest to re-evaluate the potential of QP-operated fields through comprehensive reservoirs studies involving the latest modelling techniques, seismic surveys, and data processing. As part of this effort, QP announced plans to invest over 40 billion Qatari riyals for the re-development of the Bul-Hanine offshore oil field. In addition, studies are ongoing for the redevelopment work already underway in fields like Dukhan and Maydan Mahzam. We are also reviewing further development plans for Al-Shaheen and ISND fields

Amongst the HSE milestones of 2014 was the RasGas unprecedented safety record of 130 million man-hours without lost time injury (LTI) at Ras Laffan, and 20 million man hours without a single Lost Time Incident recorded by the Qatargas Jetty Boil-off Gas Recovery (JBOG) Project.

On the international arena, Qatar Petroleum International signed an agreement to acquire 40% of Centrica plc's natural gas business in Canada. It also signed a memorandum of cooperation with Shell, following QPI's one billion dollar purchase of a 23% stake in Shell's major oil production asset in offshore Brazil.

2014 also witnessed the first Qatargas cargo of LNG to the Hainan LNG terminal of China National Oil Corporation on aboard the Q-Max class LNG vessel Rasheeda, which was used to commission China's new LNG terminal.

On the gas development front, Qatargas announced the successful start-up of the Plateau Maintenance Project, which ensures that the production capacity of Qatargas 1 is maintained at 10 million tonnes per annum of LNG for many years to come.

As we look to 2015 and beyond, we have great confidence that a well-focused, and a highly motivated and lean Qatar Petroleum will take many further steps in utilizing our national hydrocarbon wealth, and implementing Qatar's National Vision as launched and guided by His Highness Sheikh Tamim Bin Hamad Al-Thani, The Emir of the State of Qatar.

Saad Sherida Al-Kaabi
President and CEO

BOARD OF DIRECTORS



Chairman
H.E. Dr. Mohammed bin Saleh Al-Sada
Minister of Energy and Industry



Vice Chairman
H.E. Sheikh Ahmed bin Jassim Al Thani
Minister of Economy and Commerce



Member
H.E. Ali Shareef Al-Emadi
Minister of Finance



Member
H.E. Dr. Ibrahim Al-Ibrahim



Member
Saad Sherida Al-Kaabi
President & CEO, Qatar Petroleum



Member
Hamad Rashid Al-Mohannadi
CEO, RasGas Company Limited



Member
Nasser Khalil Al-Jaidah
CEO, Qatar Petroleum International

CORPORATE PROFILE AND INVESTMENT SHAREHOLDING



QATAR PETROLEUM (QP) IS A STATE-OWNED PUBLIC CORPORATION ESTABLISHED BY EMIRI DECREE NO. 10 OF 1974. IT IS RESPONSIBLE FOR ALL PHASES OF THE OIL AND GAS INDUSTRY IN THE STATE OF QATAR.

THE PRINCIPAL ACTIVITIES OF QP, ITS SUBSIDIARIES AND JOINT VENTURES ARE THE EXPLORATION, PRODUCTION, LOCAL AND INTERNATIONAL SALE OF CRUDE OIL, NATURAL GAS AND GAS LIQUIDS, LIQUEFIED NATURAL GAS (LNG), REFINED PRODUCTS, SYNTHETIC FUELS, PETROCHEMICALS, FUEL ADDITIVES, FERTILISERS, STEEL AND ALUMINUM.

THE OPERATIONS AND ACTIVITIES OF QP AND ITS AFFILIATES ARE CONDUCTED AT VARIOUS ONSHORE LOCATIONS, INCLUDING DOHA, DUKHAN AND THE MESAIEED AND RAS LAFFAN INDUSTRIAL CITIES, AS WELL AS OFFSHORE AREAS, INCLUDING HALUL ISLAND, OFFSHORE PRODUCTION STATIONS, DRILLING PLATFORMS AND THE NORTH FIELD.

Name/Group	Equity Holders/ Group	Country of Incorporation	Principal Activities	Equity Holding Percentage	Effective Holding Percentage
A. Subsidiaries					
1. Industries Qatar Q.S.C.	QP	Qatar	Holding company	51.00%	51.00%
2. Qatar Petroleum Qatar Gas (3) Ltd.	QP	Qatar	Own, operate and maintain LNG regasification terminals	100.00%	100.00%
3. Qatar Intermediate Industries Company Ltd. (AlWaseeta)	QP	Qatar	Investment in intermediate industries projects	100.00%	100.00%
4. Qatar Petroleum International Ltd. Q.S.C.	QP	Qatar	Investment in international projects across the energy value chain	100.00%	100.00%
5. Al Shaheen Holding Q.S.C.	QP	Qatar	Holding company	100.00%	100.00%
6. QP Qatar Gas (4) Ltd.	QP	Qatar	Own, operate and maintain LNG regasification terminals	100.00%	100.00%
7. Gulf International Services Q.S.C.	QP	Qatar	Holding company	10.00%	10.00%
8. QP Ras Gas (3) Ltd.	QP	Qatar	Own, operate and maintain LNG regasification terminals	100.00%	100.00%
9. Mesaieed Petrochemical Holding Company Q.S.C.	QP	Qatar	Own and investment in petrochemical projects	74.27%	74.27%
10. QP Oil & Gas Limited	QP	Qatar	Investment in industrial projects	100.00%	100.00%
B. Joint Ventures					
1. Qatar Liquefied Gas Company Ltd Q.S.C.	QP	Qatar	Production, marketing and transportation of LNG	65.00%	65.00%
2. Ras Laffan Liquefied Natural Gas Company Ltd.	QP	Qatar	Production, liquefaction, shipping and marketing of LNG	63.00%	63.00%
3. Ras Laffan Liquefied Natural Gas Company Ltd. (II)	QP	Qatar	Production, liquefaction, shipping and marketing of LNG	67.05%	67.05%
4. RasGas Company Limited	QP	Qatar	Operating company	70.00%	70.00%
5. Qatex Ltd.	QP	Qatar	Aviation fuel storage and transportation services	51.00%	51.00%
6. Oryx GTL Ltd.	QP	Qatar	Management operation and maintenance of gas-to-liquids complex	51.00%	51.00%
7. Qatar Liquefied Gas Company Ltd. (2) Q.S.C.	QP	Qatar	Production, marketing and transportation of LNG	67.50%	67.50%
8. Qatar Gas Operating Company Ltd.	QP	Qatar	Operating company	70.00%	70.00%
9. Astad Engineering Consulting and Project Management QSC	QP	Qatar	Engineering consultancy and project management services	50.00%	50.00%
10. Laffan Refinery Company Ltd.	QP	Qatar	Production & marketing of refined products	51.00%	51.00%

Name/Group	Equity Holders/ Group	Country of Incorporation	Principal Activities	Equity Holding Percentage	Effective Holding Percentage
11. Qatar Aluminium Company Ltd.	QP	Qatar	Production and sale of aluminium products	50.00%	50.00%
12. Barzan Gas Company Ltd.	QP	Qatar	Production, marketing and transportation of petroleum products.	93.00%	93.00%
13. Qatar Vinyl Company Ltd.	QP	Qatar	Production and sale of petrochemical products	12.90%	66.90%
14. Qatar Chemical Company Ltd.	QP	Qatar	Production and sale of petrochemical products	2.00%	38.39%
15. Qatar Chemical Company Ltd. II	QP	Qatar	Production and sale of petrochemical products	2.00%	38.39%
16. Qatofin Company Limited Q.S.C.	QP	Qatar	Production and sale of petrochemical products	1.00%	25.97%
17. Ras Laffan Olefins Company Ltd. Q.S.C.	QP	Qatar	Operate and maintain ethylene cracker plant	1.00%	33.05%
18. Laffan Refinery Company Ltd. 2	QP	Qatar	Operation of refinery facilities and production and marketing of refined products	84.00%	84.00%

C. Joint Operation

1. Qatargas Upstream Joint Venture (Unincorporated)	QP	Qatar	Production and marketing of condensate	65.00%	65.00%
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D. Associates

1. Arab Shipbuilding and Repair Yard Company	QP	Bahrain	Operate dry docks, floating docks and carry out shipbuilding other related services	18.80%	18.80%
2. Arab Maritime Petroleum Transport Company	QP	Kuwait	Operates and charters a fleet of crude and petro product tankers	14.80%	14.80%
3. Arab Petroleum Investment Corporation	QP	Saudi Arabia	Participation in financing petroleum projects and industries	10.00%	10.00%
4. Arab Petroleum Services Company	QP	Libya	Provision of petroleum services	10.00%	10.00%
5. Arab Petroleum Pipelines Company (Sumed) S.A.E.	QP	Egypt	Operate pipelines to transfer petroleum	5.00%	5.00%
6. Ras Laffan Power Company Ltd. Q.S.C.	QP	Qatar	Operate and maintain an electricity and water desalination plant	10.00%	10.00%
7. Qatar Fuel Q.S.C. (Woqod)	QP	Qatar	Sale, marketing and distribution of Liquefied Propane Gas, gas and refined petroleum products	20.00%	20.00%
8. Mesaieed Power Company Ltd. Q.S.C.	QP	Qatar	Supply of power	20.00%	20.00%
9. Ras Girtas Power Company Q.S.C.	QP	Qatar	Production and supply of electricity and production of desalinated water	15.00%	15.00%

Name/Group	Equity Holders/ Group	Country of Incorporation	Principal Activities	Equity Holding Percentage	Effective Holding Percentage
E. Subsidiaries of QP Subsidiaries					
1. Qatar Steel Company Ltd.	IQ	Qatar	Manufacturing and marketing of reinforcing bars	100.00%	51.00%
2. Al Shaheen Energy Services Ltd.	AlShaheen	UK	Holding company	100.00%	100.00%
3. Al Shaheen Energy Services L.L.C.	AlShaheen	USA	Holding company	100.00%	100.00%
4. Al Shaheen Distribution Ltd. Q.S.C.	AlShaheen	Qatar	Sale and marketing of products	100.00%	100.00%
5. Al Koot Insurance and Reinsurance Company SAQ	GIS	Qatar	Insurance services	100.00%	10.00%
6. Gulf Helicopters Company Q.S.C.	GIS	Qatar	Helicopter services	100.00%	10.00%
7. Amwaj Catering Services Company Ltd.	GIS	Qatar	All types of catering services and related services	100.00%	10.00%
8. Gulf Drilling International Ltd.	GIS	Qatar	Drilling	100.00%	10.00%
9. Al Seef Limited Q.S.C	Alwaseeta	Qatar	Production and sale of petrochemical products	80.00%	80.00%
10. Qatar Petroleum Gas Trading (QG II) Ltd.	QPI	Qatar	Holding company	100.00%	100.00%
11. Qatar Petroleum LNG Services (QG II) Ltd.	QPI	Qatar	Holding company	100.00%	100.00%
12. Qatar Terminal Company Ltd.	QPI	Qatar	Holding company	100.00%	100.00%
13. QPI Mauritania Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
14. QPI Vietnam Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
15. QPI Egypt Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
16. QPI China Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
17. QPI China (North) Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
18. QPI China (South) Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
19. QPI China North East Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
20. QPI Global Ventures Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
21. QPI Upstream Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
22. QPI Management International Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%

Name/Group	Equity Holders/ Group	Country of Incorporation	Principal Activities	Equity Holding Percentage	Effective Holding Percentage
23. QPI Libya Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
24. QPI Congo Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
25. QPI India Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
26. QPI Philippines Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
27. QPI Gabon Ltd.	QPI	Cayman Islands	Special purpose entity for potential investments	100.00%	100.00%
28. QPI Holdings B.V.	QPI	Netherlands	Special purpose entity for potential investments	100.00%	100.00%
29. Qatar Petroleum International Upstream OPC	QPI	Qatar	Special purpose entity for potential investments	100.00%	100.00%
30. Qatar Petroleum International Gas & Power OPC	QPI	Qatar	Special purpose entity for potential investments	100.00%	100.00%
31. Qatar Petroleum International Trading	QPI	Qatar	Special purpose entity for potential investments	100.00%	100.00%

F. Subsidiaries of QP Subsidiaries' Subsidiaries

1. Qatar Melamine Company (S.A.Q)	IQ	Qatar	Production and sale of melamine	60.00%	62.95%
2. Gulf Formaldehyde Company (Q.S.C.C.)	IQ	Qatar	Production and sale of urea formaldehyde concentrate	70.00%	26.78%
3. Qatar Steel Company FZE Dubai	IQ	UAE	Production and sale of high quality steel wire rod products	100.00%	51.00%
4. Qatar Steel Industrial Investment Company S.P.C.	IQ	Qatar	Steel	100.00%	51.00%
5. Qatar Steel Rebar Fabrication Facility S.P.C.	IQ	Qatar	Production and sale of processed rebars	100.00%	51.00%
6. Qatar Chemical Company Distribution Company Ltd. Q.S.C.	QP/MPHC	Qatar	Marketing and sale of petrochemical products	100.00%	37.88%
7. Qatar Chemical Company II Distribution Company Ltd. Q.S.C.	QP/MPHC	Qatar	Marketing and sale of petrochemical products	100.00%	37.88%
8. QTL U.S. Holding Corporation, Inc	QPI	USA	Holding company	100.00%	100.00%
9. QTL Hungary Financing KFT	QPI	Hungary	Holding company	100.00%	100.00%
10. Americas Liaison Office LLC	QPI	USA	Holding company	100.00%	100.00%
11. QTL Italy Branch	QPI	Italy	Holding company	100.00%	100.00%
12. QTL U.S. Terminal LLC	QPI	USA	Terminal	100.00%	100.00%

Name/Group	Equity Holders/ Group	Country of Incorporation	Principal Activities	Equity Holding Percentage	Effective Holding Percentage
13. QTL U.S. Service Corporation LLC	QPI	USA	Services	100.00%	100.00%
14. QPI Upstream B.V.	QPI	Netherlands	Special purpose entity for potential investments	100.00%	100.00%
15. QPI Downstream B.V.	QPI	Netherlands	Special purpose entity for potential investments	100.00%	100.00%
16. QPI Gas & Power B.V.	QPI	Netherlands	Special purpose entity for potential investments	100.00%	100.00%
17. QPI Tamba B.V.	QPI	Netherlands	Special purpose entity for potential investments	100.00%	100.00%
18. QPI Brazil B.V.	QPI	Netherlands	Special purpose entity for potential investments	100.00%	100.00%
19. QPI BC-10 B.V.	QPI	Netherlands	Special purpose entity for potential investments	100.00%	100.00%
20. QPI Energy Canada Ltd.	QPI	Canada	Special purpose entity for potential investments	100.00%	100.00%
21. QPI BC-10 Petroleo Ltd.	QPI	Brazil	Special purpose entity for potential investments	100.00%	100.00%
22. Gulf Helicopters Company LLC, Oman	GIS	Oman	Helicopter services	70.00%	7.00%
23. Redstar Havac111k Hizmetleri A.S.	GIS	Turkey	Helicopter services	49.00%	4.90%
24. AlMaha Aviation Company	GIS	Libya	Helicopter services	92.00%	9.20%

G. Joint Ventures of QP Subsidiaries

1. Qatar Petrochemical Company Q.S.C.	IQ	Qatar	Petrochemicals	80.00%	40.80%
2. Qatar Fertiliser Company Q.S.C.C.	IQ	Qatar	Fertilisers	75.00%	38.25%
3. Qatar Fuel Additives Company Ltd.	IQ	Qatar	Petrochemicals	50.00%	25.50%
4. Al Shaheen Weatherford Q.S.C.	Al Shaheen	Qatar	Provision of energy related services for drilling and completion of oil and gas wells	50.00%	50.00%
5. Al Shaheen GE Services Company	Al Shaheen	Qatar	Repair of GE gas turbines, compressors and other related auxiliary services	50.00%	50.00%
6. Gasal Q.S.C.	AlWaseeta	Qatar	Manufacture and supply of industries gases	30.50%	30.50%
7. Qatar Chemical Company Ltd. Q.S.C.	MPHC	Qatar	Production and sale of petrochemical products	49.00%	38.39%
8. Qatar Chemical Company Ltd. (II)	MPHC	Qatar	Production and sale of petrochemical products	49.00%	38.39%
9. Qatar Vinyl Company Ltd.	MPHC	Qatar	Production and sale of petrochemical products	55.20%	66.90%

Name/Group	Equity Holders/ Group	Country of Incorporation	Principal Activities	Equity Holding Percentage	Effective Holding Percentage
10. Qatar Liquefied Gas Company Ltd. (3)	QP(QG3)	Qatar	Production, marketing and transportation of LNG	68.50%	68.50%
11. Qatar Liquefied Gas Company Ltd. (4)	QP(QG4)	Qatar	Production, marketing and transportation of LNG	70.00%	70.00%
12. QPI & Shell Petrochemicals (Singapore) Pte. Ltd.	QPI	Singapore	Investment in petrochemical plants	49.00%	49.00%
13. Nebras Power QSC	QPI	Qatar	Develop new power and water related opportunities	20.00%	20.00%
14. Ras Laffan Liquefied Natural Gas Company Ltd. (3)	QP(RL3)	Qatar	Production, liquefaction, shipping and marketing of LNG	70.00%	70.00%

H. Associates of QP Subsidiaries

1. Qatar Metals Coating Company W.L.L.	IQ	Qatar	Production and sale of epoxy resin coated bars	50.00%	25.50%
2. SOLB Steel Company	IQ	Saudi Arabia	Manufacture and sale of steel products	31.03%	15.83%
3. AKG Holding Ltd	QP(RL3)	Bahamas	Production and sale of gas	12.50%	8.75%
4. Total Exploration and Production Congo	QPI	Congo	Investment in upstream exploration and production	15.00%	15.00%
5. CQ Energy Canada Partnership	QPI	Canada	Investment in upstream exploration and production	40.00%	40.00%
6. Qatar Melamine Company (S.A.Q)	Alwaseeta	Qatar	Production and sale of melamine	40.00%	62.95%
7. Tamba B.V.	QPI	Netherlands	Operates and manages FPSO leases and subsea leases	23.00%	23.00%

I. Joint Ventures of QP's Subsidiaries' Subsidiaries

1. PII North America LLC	Al Shaheen	USA	Holding company	50.00%	50.00%
2. PII Group Ltd	Al Shaheen	UK	Holding company	50.00%	50.00%
3. Qatar Steel International Company Q.P.S.C	IQ	Qatar	Holding company	50.00%	25.50%
4. Algerian Qatar Steel Company	IQ	Algeria	Production and sale of steel bars and wire rods	49.00%	24.99%
5. South Hook Gas Company Ltd.	QPI	UK	Investment in gas marketing company	70.00%	70.00%
6. South Hook LNG Terminal Company Ltd.	QPI	UK	LNG receiving and regasification	67.50%	67.50%
7. South Hook CHP Ltd.	QPI	UK	Investment in combined heat and power plant	67.50%	67.50%
8. Adriatic LNG Terminal Ltd.	QPI	Italy	LNG receiving and regasification	22.05%	22.05%

Name/Group	Equity Holders/ Group	Country of Incorporation	Principal Activities	Equity Holding Percentage	Effective Holding Percentage
9. Long Son Petrochemical Company Ltd.	QPI	Vietnam	Investment in petrochemical plant	25.00%	25.00%
10. Arab Refining Company	QPI	Egypt	Investment in refinery projects	36.68%	36.68%
11. Egyptian Refining Company	QPI	Egypt	Refining and manufacturing raw oil and its derivatives	76.20%	27.95%
12. Golden Pass LNG Terminal LLC	QPI	USA	LNG receiving and regasification	70.00%	70.00%
13. Golden Pass Pipeline LLC	QPI	USA	Gas dispatching	70.00%	70.00%
14. Golden Pass Products LLC	QPI	USA	Investment in LNG liquefaction and export company	70.00%	70.00%
15. Golden Pass LNG Marine Services	QPI	USA	Marine services	100.00%	70.00%
16. Heron II Viotia Thermoelectric Station SA	QPI	Greece	Operation of 432 MW gas-fired power plant	25.00%	25.00%
17. United Helicharters Private Ltd.	GIS	India	Helicopter services	36.00%	3.60%

J. Joint Operations of QP's Subsidiaries' Subsidiaries & Joint Ventures

1. Total E&P Mauritania	QPI	Mauritania	Exploration of offshore blocks	20.00%	20.00%
2. Ras Laffan Olefins Company Ltd.	IQ/MPHC	Qatar	Operate and maintain ethylene cracker plant	99.00%	33.05%
3. BC-10 PSC	QPI	Brazil	Upstream exploration and production assets of Block BC-10	23.00%	23.00%

K. Joint Ventures of QP's Subsidiaries' Joint Ventures

1. Qatofin Company Ltd. Q.S.C.	IQ	Qatar	Production and sale of petrochemical products	63.63%	25.97%
2. Qatar Vinyl Company Ltd	IQ	Qatar	Production and sale of petrochemical products	31.90%	66.90%
3. Petrochemical Corporation of Singapore (Pte) Ltd.	QPI	Singapore	Petrochemicals	50.00%	24.50%
4. The Polyolefin Company (Singapore) Pte Ltd.	QPI	Singapore	Petrochemicals	30.00%	14.70%
5. Tetra Chemicals (Singapore) PTE Ltd.	QPI	Singapore	Petrochemicals	60.00%	14.70%

L. Associates of QP's Subsidiaries' Joint Ventures

1. Qatar Plastic Products Company WLL	IQ	Qatar	Production & sale of plastic bags, sheets and other plastic products	33.33%	13.59%
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2014 HIGHLIGHTS

JANUARY

20 January

H.E. Sheikh Abdullah bin Nasser bin Khalifa Al-Thani, the Prime Minister and the Minister of Interior, inaugurated the 7th International Petroleum Technology Conference (IPTC) at the Qatar National Convention Center.



21 January

Gulf Helicopters signed a contract to purchase 15 AW189 helicopters from AgustaWestland.



27 January

QP and UOP LLC, a Honeywell company, signed a joint research and development agreement to develop new ways to cost-effectively treat natural gas for the production of liquefied natural gas (LNG).



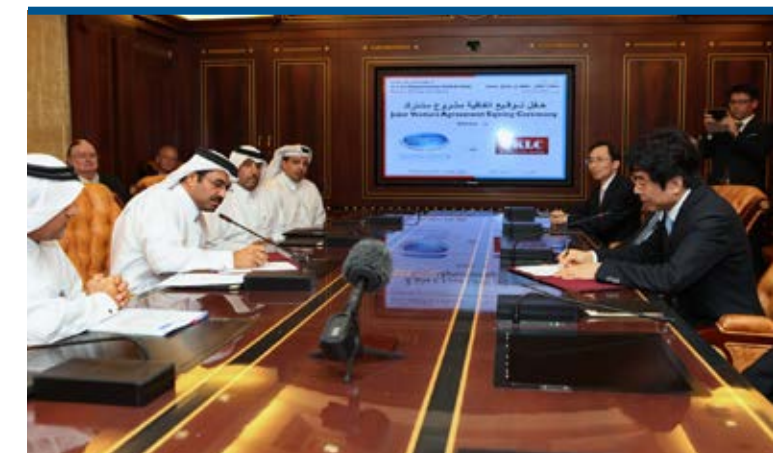
FEBRUARY

4 February

A long-term LNG Sales and Purchase Agreement (SPA) was signed between Qatargas 3 and Tohoku Electric Power Company, Inc. for a period of 15 years starting from 2016.

4 February

Qatar Intermediate Industries Co. Ltd. (Alwaseeta) signed a joint venture agreement with the Qatar Korea LED Consortium (QKLC) for the establishment of a manufacturing facility for light emitting diode (LED) lighting systems in Qatar.



25 February

Qatargas' Jetty Boil-off Gas Recovery (JBOG) Project at Ras Laffan Industrial City achieved a milestone of 20 million man-hours without a single Lost Time Incident (LTI).

26 February

Mesaieed Petrochemical Holding Company (MPHC) was listed at Qatar Stock Exchange following its Initial Public Offering.

MARCH

3 March

Qatar Chemical and Petrochemical Marketing and Distribution Company (Muntajat) announced the opening of five international marketing offices in Jordan, Australia, South Africa, Malaysia and Turkey.

4 March

Qatar Petroleum organized a Human Resources Conference, which attracted the participation of over 250 HR professionals from the country's energy and industry sector.



24 March

QP along with some of its joint ventures and subsidiaries, namely Qatargas, RasGas, Nakilat and QAFAC, had a strong presence at the Gastech 2014 Conference and Exhibition, which was held in Seoul, South Korea.



31 March

Gulf International Services Q.S.C. (GIS) signed a Share Purchase Agreement with Japan Drilling Co. Ltd. to acquire all of its 30% shareholding in Gulf Drilling International Ltd. Q.S.C. (GDI) starting from 1 May 2014.

APRIL

1 April

His Highness Sheikh Tamim bin Hamad Al Thani, the Emir of the State of Qatar, laid the foundation stone for the Laffan Refinery 2 (LR2) at a special ceremony held at the Qatar National Convention Centre.



23 April

QP held the 8th Environment Fair, which showcased its environmental programs and initiatives along with 31 participating companies and organizations.

MAY

5 May

The annual ceremony for the Qatar Oil & Gas Industry HSE Excellence Awards was held.



8 May

Qatar Petroleum International (QPI) signed an agreement to acquire 40% of Centrica plc's natural gas business in Canada, thereby strengthening the strategic relationship between QPI and Centrica in North America.

9 May

QP announced plans to invest over QR 40 billion in the re-development of the existing Bul Hanine offshore oil field, which is located about 120 kilometers to the east of the Qatari coastline.



28 May

RasGas signed a medium-term flexible contract with E.ON for the supply of LNG from Qatar to the Isle of Grain in the UK, an agreement that has the potential to supply up to around 2 billion cubic meters over its term.

JUNE

4 June

QP's Purchasing & Contracts Department organized the QP Suppliers and Contractors Forum, which attracted the participation of more than 800 representatives from over 470 local and international companies.

16 June

QP along with a number of its joint ventures and subsidiaries participated in the 21st World Petroleum Congress (WPC), which was held in Moscow, Russia.



19 June

The 2013 Report on Sustainability in the Qatar Energy and Industry Sector was launched, and 12 companies were honored for excellence in sustainability reporting and performance in 2013.



JULY

4 July

Under the theme 'Leading the Way', QP held a special celebration to mark the 40th anniversary of Emiri Decree No. 10 issued on July 4, 1974, establishing Qatar General Petroleum Corporation "Qatar Petroleum" which has since become a symbol of growth, development, and prosperity in the State of Qatar.



8 July

QPI and Shell signed a memorandum of cooperation, following QPI's US\$1 billion purchase of a 23% stake in Shell's major oil production asset in offshore Brazil, BC-10 or Parque das Conchas, in April 2014.

AUGUST

7 August

Qatargas delivered the first LNG cargo to the Hainan LNG terminal of China National Offshore Oil Corporation (CNOOC). The cargo, which arrived aboard the Q-Max class LNG vessel 'Rasheeda', was also used to commission China's new LNG terminal.

SEPTEMBER

8 September

QP signed four new contracts and four contract extensions with Gulf Drilling International for the provision of onshore and offshore rigs, with each contract having a term of five years.



14 September

Emiri decree number 66 for the year 2014 was issued reconstituting Qatar Petroleum's Board of Directors, and appointing Mr. Saad Sherida Al-Kaabi as Managing Director (renamed in November

2014 as President & CEO), and the new Board of Directors held its first meeting.

22 September

The SPE Middle East Health, Safety, Environment and Sustainable Development Conference and Exhibition (MEHSE) was held. The event was supported by QP as the host organization.

OCTOBER

11 October

Muntajat announced the opening of ten new marketing offices in Casablanca - Morocco, Colombo - Sri Lanka, Dubai - UAE, Mumbai - India, Guangzhou and Shanghai - China, Bangkok - Thailand, Manila - Philippines, Jakarta - Indonesia, and Karachi - Pakistan.

14 October

Qatargas announced the successful start-up of the Plateau Maintenance Project (PMP), which will ensure that the production capacity of Qatargas 1 is maintained at 10 million tons per annum (mt/a) of LNG for many years to come.

27 October

A framework agreement was signed for research cooperation between QP and Qatar University (QU), which will focus on establishing bilateral research programs in the areas of materials & corrosion, gas processing, and the environment.



NOVEMBER

9 November

Qatargas announced the safe start-up of the Jetty Boil-off Gas Recovery (JBOG) Project, a landmark US\$1-billion environmental project that is designed to eliminate flaring at the LNG terminal in Ras Laffan Industrial City.

DECEMBER

10 December

QP together with several of its joint ventures and subsidiaries actively participated in the 8th International Petroleum Technology Conference (IPTC), which was held in Kuala Lumpur, Malaysia.



15 December

Mr. Al-Kaabi awarded 140 Qatari nationals who successfully completed their academic studies and training programs under QP's scholarship program.



HUMAN CAPITAL



The Human Capital Directorate is vested with the challenging and important responsibility of catering to QP's human capital requirements in an ever-changing competitive environment. It provides quality support services to QP's operations in the areas of Human Resources, Qatarization, Corporate Training, and Organization and Systems. The Directorate's key beneficiaries include QP employees and departments, QP-affiliated companies, and community residents in remote locations.

HUMAN RESOURCES DEPARTMENT

The Human Resources Department's primary responsibility is to manage QP's most valuable asset -- its employees. The department strongly believes that human capital is one of QP's key competitive advantages. Hence, it strives to create a motivating work environment that attracts, develops and retains human capital.

In 2014, around 900 new employees were recruited. An important development in this regard has been the reduction of the average time of recruitment due to many initiatives including arranging medical examination for candidates in their home countries and the utilization of videoconferencing as a key recruitment tool. A number of employees were also either seconded or assigned to other organizations.

The important achievements of the department during the year included the extensive use of an advanced set of data analysis tools and metrics for comprehensive workforce performance measurement and improvement as well as for conducting management special studies for informed decision making. The department also managed to develop a fully integrated Qatarization planning process that brings together aggregate demand and supply analysis to support a rolled-up demand planning process.

During 2014, pronounced emphasis was placed on the support and interaction with other companies in the energy and industry sector. The main focus was on reviewing, interacting and benchmarking policy, compensation and recruitment.

The department continuously strives to improve its services by automating its business processes. The aim is to solve problems, prevent bottlenecks, streamline workflow, and deliver a fast return on investment. The high-value automated processes that were implemented in 2014 include the automation of the Daily Rated Employee – Payroll & Time Sheet and the Annual Family Residency Declaration Application, and the migration of the TMP training program database to SAP.

The Human Resources Department also organized the First QP HR Conference on the 4th and 5th of March 2014. The event was inaugurated by H.E. Dr. Mohammed bin Saleh Al-Sada, Minister of Energy and Industry, along with H.E. Dr. Issa bin Saad Al-Nuaimi, Minister of Administrative Development. It was attended by up to 300 delegates, including the CEOs, HR managers and professionals from Qatar's energy and industry sector. The conference highlighted the key issues, identified the challenges and explored the possible solutions and ways forward related to the management of human capital in the sector.

LEARNING AND DEVELOPMENT DEPARTMENT

The Learning and Development Department champions the Qatarization targets of the energy and industry sector by ensuring the highest standards of quality in all its initiatives and by focusing on competence, performance and engagement as key benchmarks.

In 2014, 791 students attended university courses in engineering, petroleum engineering, geology, sciences, and a wide range of other specialized fields. On the other hand, a total of 146 university graduates successfully migrated from their academic studies to professional careers at various locations within QP. Throughout the year, the Learning and Development Department closely monitored the academic performance of the students in order to ensure that they had all the support required to successfully complete their degrees and eventually join the QP workforce.



The department has continued to review and improve its vocational training programs in line with the industry's requirements. The overall duration of the Technician Preparation Program (TPP) has been reduced without affecting the quality of training. Out of a total of 628 vocational trainees, 344 are taking up the Technician Preparation Program (TPP), 175 are enrolled in the Tailor Made Program (TMP), 61 are in the Clerical Preparation Program (CPP), and 48 are enrolled in the Firemen Preparation Program (FPP). All these programs are geared towards meeting the Qatarization needs of QP's technical departments.

During 2014, the intake for TPP reached 156 trainees, compared to only 98 trainees in 2012; the increase was a result of the awareness campaign that was organized targeting students at Qatar's secondary schools.

QP employees are constantly given the opportunity to enhance their competency levels through various professional training programs conducted in-house, within Qatar, and overseas. In 2014, a total of 11,004 training needs were met through 119 different courses. Apart from this, 496 QP employees also completed 344 different e-learning courses during the year.

In line with the QP strategy to partner with academic institutions in Qatar and to utilize the best available educational resources within the country to meet the company's training needs, a leadership program was organized for Qatari employees in partnership with the Qatar Leadership Centre (QLC). This was consistent with the designed executive competencies framework

which aims to boost the capability building efforts of QP leaders. The department also organized various training programs in partnership with Qatar Shell, ExxonMobil, Qatar University, Qatar Foundation, the College of the North Atlantic-Qatar (CNA-Q) and Qatar Finance and Business Academy.

The Learning and Development Department continues to manage the development of Qatari nationals according to the guidelines laid down by the QP Qatari Development Strategy. Accordingly, 487 employees are being developed to assume senior staff positions (SS) and 127 for employee level positions (ELS). During the year, 65 employee-level and 85 senior-staff developpees were confirmed to their target positions across QP.

Three development agreements were also signed with various organizations that were willing to cooperate with QP's Qatari career developmental objectives by providing on-the-job training to Qatari nationals recruited by QP. These bring to 19 the total number of development agreements entered into by the department.

With a view towards identifying areas of improvement, a benchmarking exercise in learning and development best practices was undertaken in association with six joint venture companies regarding the use of assessment centers and psychometric tools for the identification of career interests, development needs and potentials of candidates and employees.

ORGANIZATION AND SYSTEMS DEPARTMENT

The Organization and Systems Department handles the management of organizational development and design including structural changes, assessment of establishment and manpower contracts, development of a business process management framework, development of inter-departmental procedures, development of terms of reference for corporate committees, development and maintenance of directorate and department mandates, development of job descriptions, and the establishment of enterprise frameworks for organizational excellence and change management.

In 2014, the department was actively involved in a wide range of external and internal projects. The external projects included the development of a project structure for the Bul-Hanine and Dukhan redevelopment projects as well as participating in the review of Qatar Museums Authority. Among the internal projects, on the other hand, were the ongoing review and submission of the revision of the Regulations for Purchases, Works and Auctions, the completion of a feasibility study under the supervision of the Integrated System Access, Time-Keeping and Attendance Solution (ISATAS) Committee, the roll-out of the Business Continuity Management (BCM) Project to all corporate areas and its handover to the Strategic Planning, Budgeting and Performance Management Department and the completion of a Business Process Management (BPM) pilot study.

The Organization and Systems Department also undertook a number of organizational reviews, including the creation of the Industrial Cities Directorate following the merger of Ras Laffan and Mesaieed Industrial Cities, the organizational transformation and development of the Downstream Development Directorate, along with many routine organizational reviews of other departments.

As part of its scope of responsibilities, the department also reviewed manpower contracts, mandates, the 'Terms of Reference' documents of committees, and inter-departmental procedures.

STRATEGIC QATARIZATION UNIT

During 2014, the energy and industry sector's Strategic Qatarization Unit provided oversight to the sector's Qatarization plan in line with Qatar National Vision 2030 and the National Development Strategy 2011-2016. The plan, which covers a total of 41 companies, migrated for the first time to a single-cycle review of activities and Qatari human capital demands.

The unit conducted a series of meetings with the sector's partners in the education community as well as with individual companies in the energy and industry sector to review their Qatarization plans. The reviews covered human resource issues, training strategies, Qatarization websites, and corporate social responsibility initiatives in relation to Qatarization.

The Strategic Qatarization Steering Committee also held two meetings with the administration and human resources managers of each participating company, during which issues were discussed and addressed according to the sector's Qatarization strategy.

H.E. Dr. Mohammed Bin Saleh Al-Sada, Minister of Energy and Industry and Chairman of QP, chaired the 14th Annual Qatarization Review Meeting, which was held in May 2014, to share the findings of the sector's strategic Qatarization plan. The meeting was attended by the chief executives and the senior administration and human resources managers of all participating companies, the senior executives of education and government partners, and other invited guests. As part of the meeting, an internationally renowned leadership expert, one of the foremost thinkers on new leadership models, gave a stimulating address to the audience on engaging employees. The meeting concluded with the 6th Annual Qatarization Awards ceremony, which honored nine companies and one education partner for their valuable contribution to Qatarization efforts in 2013.



HSE & BUSINESS SERVICES



CORPORATE HSE DEPARTMENT

One of the QP's strategic objectives is to "achieve world-class health, safety and environmental protection standards." The Corporate Health, Safety and Environment (HSE) Department is responsible for directing the development and implementation of this strategic objective through the development of corporate HSE governance frameworks, their relevant implementation mechanisms and implementation assurance.

The Corporate HSE Department's mission is to develop and guide the implementation of corporate governance frameworks for HSE, quality and sustainable development (SD), and to provide assurance to the President & CEO as well as QP's Board of Directors that all HSE risks related to the corporation's activities are controlled and managed in line with State and corporate requirements.

Corporate HSE Initiatives to Achieve QP's Vision

QP's corporate vision "to be a world-class oil & gas corporation, with its roots in Qatar, and a strong international presence" is in itself a strong statement on the need for the highest levels of safe operations and the lowest impact levels on health and the environment. This corporate HSE approach is strongly

focused on safety with the goal of no harm and no disruptions in operations, on respect for people, and on ensuring the safety of people, their communities and the environment. The implementation of effective governance, standards and controls across QP help to ensure sustainable performance in health, safety and the environment.

The following concepts, along with the corresponding corporate HSE initiatives, are currently being implemented:

1. Governance

Adoption of a new approach by changing the HSE management to corporate HSE governance that addresses major accident hazard risks, and integrates a safety management system and corporate HSE management system through established governance frameworks.

2. Risk Based Management

- Corporate HSE has issued corporate procedures addressing HSE risk assessment and HSE objectives, targets and programs.
- The issued corporate procedures incorporate the Enterprise Risk Management (ERM) elements, as with other best industry practices.



3. Compliance Assurance

- One of the main tasks of the department was addressed through the issuance of a corporate procedure on HSE legal & other requirements.
- To better serve QP's needs and requirements, the Corporate HSE Department made available on the QP Intranet all the relevant information on national, corporate and other legal and regulatory requirements.

4. Transparency

- In order to provide validated and transparent data and information, QP's internal reporting process addressing HSE compliance is done on a quarterly basis.
- Reports are also provided to the national regulatory bodies, government institutions and other relevant entities, in accordance with the requirements of the pertinent authority.

5. Corporate Social Responsibility

As part of its strong commitment to corporate social responsibility, QP believes that its social engagement is fundamental to its approach to sustainability. It helps to find better solutions, build people's trust and is the basis for operating responsibly.

QP has supported many activities in Qatar, including those related to education and health. For the HSE field in particular, the corporation has been involved in the following:

- The corporation organized the annual QP Environment Fair, which attracted the participation of 31 companies. Held under the theme "Use of Water in the Oil and Gas Industry," the event aimed at promoting the rationalization of water consumption in the oil and gas sector.

- To promote continued improvement as well as the sharing of best practices in the field of HSE, QP honored 10 winners of the Qatar Oil and Gas Industry HSE Excellence Awards. The awards program will be enhanced further in the coming years to continually encourage high levels of HSE performance.

2014 Highlights in Corporate HSE

Alignment of HSE Planning with QP Strategic Planning

During the QP Planning Forum 2014, the Corporate HSE Department presented its business plans and the measures that will be implemented to address the challenges faced by the corporation in the HSE field. The department, in collaboration with the Strategic Planning & Policy Directorate, managed to align the existing system of HSE objectives, targets and programs with the strategic and business planning process.

Road Safety Campaign

Under the guidance of H.E. Dr. Mohammed bin Saleh Al-Sada, Minister of Energy and Industry, the Corporate HSE Department in partnership with the Industrial Cities Directorate launched QP's Road Safety Awareness Campaign, which aimed to contribute in reducing the number of road accidents in the country. The campaign mainly targeted QP employees and it involved the use of educational materials in the form of a road safety presentation, videos, posters, road safety alerts and vehicle maintenance tips. Real-life stories shared by QP staff and a road safety forum on QP's corporate portal "QPNet" also made it possible for QP employees to communicate their concerns and share their experiences.

Launching of the Greenhouse Gas Emissions Accounting Tool (SANGEA 4.0)

SANGEA™ is a software program that provides a user-friendly reporting tool to the oil and gas industry and encourages consistent reporting of greenhouse gas (GHG) emissions. It assists the industry in recording and benchmarking consistent and comparable data, as well as in analyzing its environmental footprint. QP acquired a number of licenses for use by various operational units and for the Corporate HSE Department to validate the reports generated by the various operational units. The use of SANGEA has enabled the compilation of QP's GHG emission inventory for the years 2013 and 2014.

Halul NORM Waste Transportation

The Corporate HSE Department successfully managed the transportation of Naturally Occurring Radioactive Materials (NORMs) from Halul Island to the Dukhan HSE Yard in full compliance with State (Ministry of Environment) and corporate requirements. This was managed through sea transportation from Halul to the Ras Laffan Jetty and then through land transportation from Ras Laffan to Dukhan. The NORM waste was dispatched to the dedicated Dukhan NORM storage yard safely, securely and without any risk to human beings and the environment.

Certification of QP's Security Management System to ISO 28000

Harvesting the fruit of more than three years of QP efforts to develop, implement, monitor and improve its Security Management System with the Industrial Security Directorate, QP was presented with the ISO 28000 Standard Certificate in 2014. Besides being the first in Qatar to earn this certificate, QP is now among the few oil and gas companies worldwide to be certified to this standard. The ISO 28000 Certification complements the already awarded management

system certifications in QP, where the ISO 9001 is company-wide for over a decade now, while ISO14001 and OHSAS18001 certification is at the operational level and planned to be made company-wide.

Way Forward

Governance Role of Corporate HSE

In line with its governance role, the Corporate HSE Department will focus on the following key steps:

- Promote a world-class HSE culture to make safety leadership and values drive the improvement of HSE performance across QP;
- Establish the HSE Governance Frameworks along with the technical and management system documentation;
- Enhance the frameworks to manage major accident hazards and minimize HSE risks among all employees and contractors across QP;
- Maintain, monitor the corporate-wide HSE risk registers, and report annually to senior management on effective HSE risk mitigation activities across QP via robust frameworks, procedures and guidelines;
- Conclude the rollout of the corporate HSE procedures to upgrade the departmental level ISO14001 and OHSAS18001 certifications to QP level certificates;
- Establish a strong coordination partnership with operational areas addressing HSE in order to further minimize HSE risks and enhance performance;
- Strengthen the department's integrated audit function by providing the required technical expertise and granting due authority;
- Undertake planned interventions, if needed, and targeted inspections with focus on major hazard risks, addressing the underlying causes and promoting dialogue with the operations team of QP facilities;



- Continually introduce best international practices; and
- Support the challenge of Asset Integrity Management for aging facilities and apply inherent safe design principles for new projects.

Development of QP's Sustainability Report

- Enhance QP's sustainability strategy, policy and programs over the next five years to further address all material sustainability risks;
- Develop the QP Sustainability Report for the year 2014 as per industry best practices, showing alignment with the Qatar National Vision 2030 and the National Development Strategy 2011 -2016;
- Showcase QP's carbon management program and how it addresses climate change risks especially in areas of production, materials, water, land and air;
- Drive further the implementation of a sustainability agenda within all areas of QP; and
- Develop a QP-specific portal for sustainability data management.

Stakeholder Engagement for Performance Improvement

- Continually map QP stakeholders and effectively engage all from the HSE and sustainability perspective. Promote effective engagement among the workforce, third parties and communities where QP operates;
- Enhance capacity building and the sharing of best practices across all QP operational areas by learning from the QP group; and
- Recognize excellence in HSE and sustainability performance within the corporation.

HEALTHCARE DEPARTMENT

The Healthcare Department continues to successfully handle its day-to-day challenges and offers high-quality primary health, occupational health, public health and urgent care services to around 100,000 beneficiaries in onshore and offshore industrial locations as well as the QP communities based in Doha, Ras Laffan, Dukhan and Mesaieed.

The department also plays an active role in the academic development of students from the College of Pharmacy at Qatar University, nursing students from the University of Calgary in Qatar, and resident doctors from the Arab Board of Health Specializations.

With a view towards further ensuring quality of care, the Medical Information Management System (MIMS) underwent a major upgrade in 2013-14, resulting in enhanced clinical information systems and cost recovery for chargeable medical episodes.

The Healthcare Department's accreditation initiatives are progressing according to schedule and it is currently well on track to meet the requirements of the accreditation standards and compliance tests. The purpose of accreditation is to ensure the provision of the safest and highest standards of care for the QP community and other clients by improving patient care expectations and care outcomes. Quality and risk management plays a pivotal role through an assurance framework, which was recently developed and implemented in order to achieve optimum patient safety at the Healthcare Department. Its vision is to strive for excellence in healthcare within Qatar's oil and gas industry by maintaining a national healthcare leadership profile.

Conforming to the regulations of the World Health Organization (WHO), and in order to protect QP clients, comprehensive health checks have been implemented at all points of entry into QP's offshore sites.

During the recent ebola and MERS-CoV pandemics, the Healthcare Department established two screening desks at the port clinics in Ras Laffan and Mesaieed in order to ensure business continuity at offshore operations and to prevent the spread of the virus/disease across the State of Qatar. The department continued to support other QP departments by providing an ambulance service as well as trained paramedics at community events and during shutdowns.

Several health promotion events and awareness sessions were also held in Ras Laffan, Mesaieed and Dukhan to promote health and wellness among QP employees, families and residents as part of the company's health reach-out program.

GENERAL SERVICES DEPARTMENT

The General Services Department is responsible for the flawless delivery of general services to all QP locations in Doha. Presently, it is managing around 14 facilities spread across different locations in the capital. The department's scope of services includes housing and facilities (office) services and maintenance, transportation services, recreation services, HSE, commercial security and retention of non-technical records.

With a view towards relocating most of the directorates to a single location, the World Trade Center (WTC) Tower and The Gate Tower were leased, and fit-out works were undertaken immediately.

The 50-story WTC has approximately 69,170 m² of built-up space, while The Gate Tower has approximately 23,729 m² of built-up space spread over 16 floors.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

ICT continues to play a strategic and vital role in QP's operations by providing timely information, communication services and scalable technologies that offer maximum flexibility in meeting user requirements, with fit-for-purpose solutions that utilize cutting-edge technology.

The ICT Department's ongoing efforts to align with QP's strategic goals and improve operational excellence have been positively reflected in the high customer satisfaction it has received from users.

ICT Department's Achievements

GOVERNANCE PLANNING (ITG)

Establish the ICT Risk Management Framework

To better understand and control the risks related to ICT, ITG has implemented a Framework for ICT Risk Management (FIRM). FIRM provides a formalized risk management process that facilitates identification, assessment, treatment of risks, and measurement of and reporting on the effectiveness of risk management.

The key objectives of FIRM are to:

- Align risk management and performance management;
- Establish a risk awareness culture; and
- Ensure regular and open communication about risks within the ICT Department.

ICT Program Management Office (PMO)

Achievements

The ICT PMO has been keen on providing portfolio and project governance by ensuring that the ICT portfolio includes the strategic initiatives of QP directorates. The team has been able to achieve the following goals:

- Releasing the ICT project governance policy; and
- Annual submission of new project requests from all relevant departments/directorates for ICT enablement as well as from ICT during a specified window.



INFORMATION SYSTEMS (ITI) Event Management System (EMS)

EMS is an integrated web-based system, designed and developed to assist the President and CEO's Office in managing correspondence documents and contacts as well as in scheduling appointments and business trips. It consists of a number of interrelated modules that cover the business process of the President and CEO's Office.

Hazardous Waste Management System

This e-Service enables joint ventures and QP end users to raise online requests for processing agreements that are required to treat hazardous wastes within the facilities of the industrial cities. It is available on the e-IC e-Services portal. All the end users who have registered their companies on the e-IC e-Services Portal and have a valid user ID and password can avail of this service. The portal has more than 250 companies and 750 registered users from various companies.

Once a request for a hazardous waste treatment agreement is submitted, an email notification is sent to the requestor and the industrial cities' focal point. The request routes through the concerned sections within the industrial cities for appropriate action. Upon approval, an agreement document is automatically generated by the system. The end user can view the status of the requests and agreements online, thereby reducing a large number of follow-up calls, emails, wastage of papers, etc. Business users within the industrial cities are also provided with several online

reports for monitoring and tracking the approvals, agreements, requests, etc.

Portal and Content Management

The Project Document Management System (PDMS) is one of the critical systems in QP as it facilitates the review of project documentation and drawings. The Portal and Content Management team has completed the implementation of a new release with several new features including a new high availability architecture, a contractor portal to upload documents thereby avoiding manual delivery of documents, a secondary review of workflow, and the utilization of Enterprise Content Management (ECM) as a central back-end repository. The team has also implemented a new release of ECM Foundation with a new user interface and performance enhancements, in addition to other new features such as the ability to use multiple security policies in order to enhance the sharing of documents between departments and the introduction of a document-tagging concept in order to enhance documents search.

Seven additional departmental Intranet websites have been developed, thereby making the QPNet corporate portal the ultimate single-point access to information for all QP employees and stakeholders. A total of 25 online surveys, measuring the satisfaction level of users, were conducted and the results were published on the QPNet portal.

More departments are now actively engaging with the video streaming service, thereby improving the impact of their business communications, increasing

information availability and enhancing convenience. During 2014, a total of 7,245 employees used the video streaming service to watch 74 videos comprising corporate communications as well as informational and training modules. The videos garnered a total number of 34,905 views, at an average of 49 views per day and 3 hours and 32 minutes of viewership per day.

e-Services and Facilities System

The e-Services & Facilities application enables users to place all facilities service maintenance requests for offices, buildings and facilities under QP's Gas Operations.

For ease of use, service requests are grouped as follows:

- Office Furniture, Office Equipment Requests: e-Furniture and Equipment
- Pest Control, Commissary, Special Cleaning, Additional Manpower, Repair/Maintenance Works and New Office/Refurbishment/Upgrading: e-Facilities (Services & Maintenance)

This web-based system allows the staff of the Industrial Cities Directorate and other QP employees to raise and track all facilities maintenance and service requests electronically through the QPNet corporate portal. The system also allows the help desks to receive notifications and then to process and forward them to appropriate decision-makers.

Miscellaneous Work Request (MWR)

MWR is an automated system developed for offshore engineering staff. The main objective of the system is to improve the management of requests, and it enables staff to create/track online requests for the preparation of 'offshore engineering miscellaneous work package', which is urgently required for implementation due to safety, operability or production loss reasons. The system replaces paper-based approvals and enables online tracking/document storage, thereby improving the efficiency of the business process.

Meals Payment System (e-MPS)

e-MPS is an integrated web-based system that was designed and developed to record meals consumed by company staff in mess halls. This system allows company staff to use their company ID cards to avail of meals in canteens. It replaces the current manual practice of issuing paper coupons for meals. The charges for the meals consumed in a calendar month are deducted from the staff's salary for the following month. The system also has a provision for department guest cards to provide meals to guests who are on official business, and it also has the option to place a meal order via telephone or via myQPNet.

Implementation of OpenSpirit

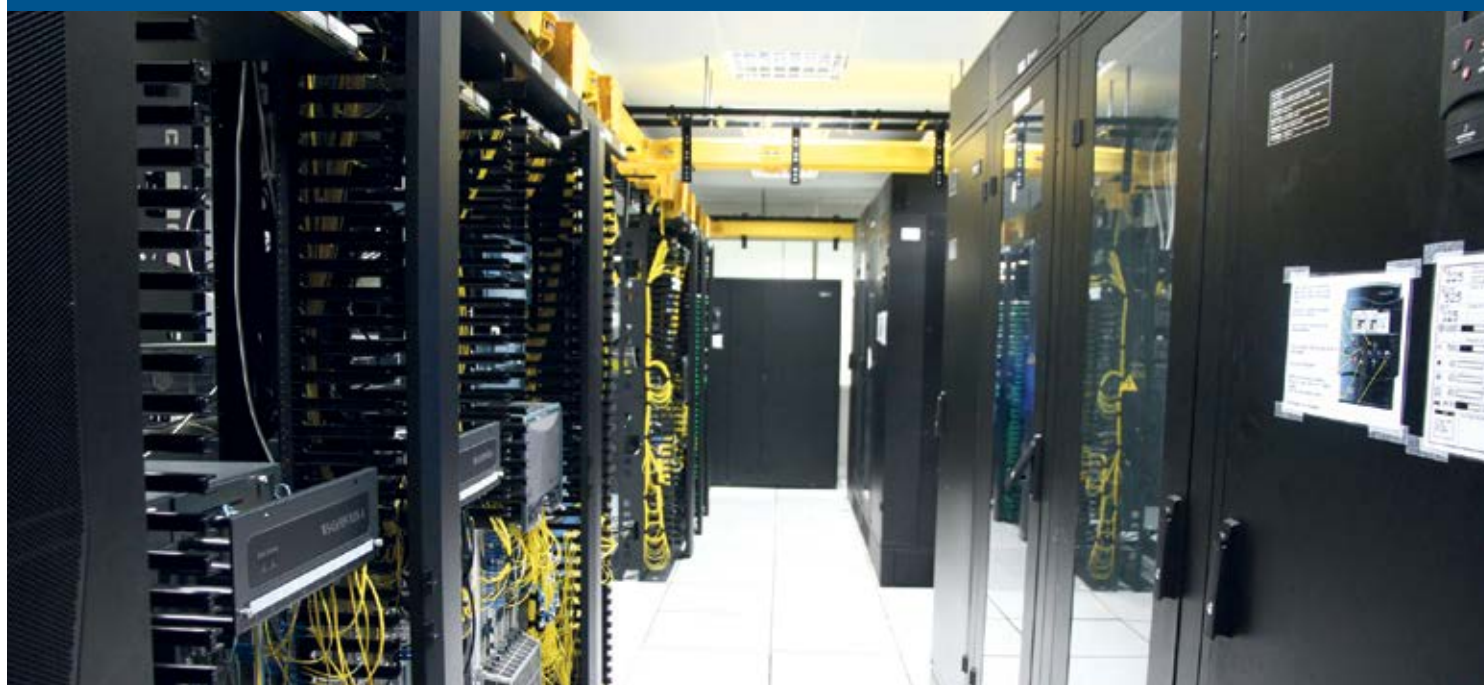
The OpenSpirit software facilitates direct data transfer between Oil & Gas Ventures' (OGV) applications such as Petrel and Landmark OpenWorks. This automated transfer of data reduces data transfer time, ensures uniqueness of data and reduces disk space utilization. The software also enables the QP oil and gas data to be interpreted and analyzed using a diverse suite of applications, with data being stored in various databases and files in the back-end.

Rationalization of Landmark Application Licenses

The rationalization of the Halliburton Landmark OGV software resulted in a huge cost saving and facilitated the optimization of software utilization. The OpenIT License Monitoring Software was utilized for analyzing the usage of OGV applications.

GIS Services Go 'Platform Independent'

Geographic information system (GIS) services went 'device and platform independent' in 2014. The introduction of the latest ArcGIS Server technology made it easier and simpler, and it also ensured trouble-free integration with other systems like SAP, Bentley, ECM, etc. It enabled QP's Enterprise GIS system to take advantage of its capabilities to leverage existing infrastructure, thereby effectively reaping a higher return on investment (ROI) for ICT. The upgrade has benefitted over 80 separate departments/sections in QP and has resulted in the steady growth of applications that are integrating with



QP's Enterprise GIS system., These include the Well Integrity Management System, Locating New Wells, Pipeline Integrity Management System, Pipeline Maintenance Management System, Electronic Permit to Work, Land Lease Management applications in MIC and RLC, Environmental Monitoring System, etc.

SAP COMPETENCY CENTER (ITS) e-Banking SAP Bank Communication Management

During 2014, ICT implemented the SAP Bank Communication Management solution as part of the e-Banking services initiated by the Finance Directorate. This enables the approval of vendor payments by authorized signatories, with an automated, simple and secure transmission of payment instructions to multiple banking partners via the SWIFT platform. It also includes a feature to track the status of daily reconciliation of bank statements.

This implementation has resulted in the following benefits:

- End-to-end automation of payment approval and transfer of payment instructions to banks, supported by a reliable audit trail;
- Flexibility to enhance banking relationships with other banks at a very low cost, instead of setting up separate links with other banks; and
- Visibility of the available funds, thereby facilitating efficient utilization.

QP SAP Competency Center wins the SAP Customer CCoE - 2014 Silver Award

The QP SAP Competency Center was the proud winner of the 2014 SAP Customer CCoE Silver Award. The center has also been recertified for the second time as a Customer Center of Expertise (CCoE).

Since 2012, the QP ICT SAP Competency Center has been recognized as a CCoE by SAP-AG, having

passed the required certification audit. This status has been extended for another two years until January 2017, following a recent recertification audit. The results of the recertification audit show that QP is benchmarked within the best 25% of CCoEs around the world as well as within the oil and gas industry.

Every year SAP honors the best CCoEs in the world by recognizing it as a 'Best-Run-Business' with the 'SAP Customer CoE of the year' award. QP was awarded the Silver Award for 2014 in the 'Information Management' category, thus becoming the first Middle East SAP Competency Center to have won this award.

The benefits for QP ICT SAP Competency Center include gaining internal and external recognition for ICT's achievements as well as professionally helping QP business to follow SAP best practices. The QP SAP Competency Center team is very proud to have competed against other CCoEs around the world.

QP Enterprise Mobile Apps

The Enterprise Mobile Apps Project is an ICT Department initiative to enable the use of SAP Workflows and Enterprise Portal applications on mobile devices. During 2014, Phase 1 of this project went live with a secure and scalable mobile applications platform, which provided the foundation for building and managing mobile apps at QP. The project included the successful development and deployment of ten mobile apps for SAP, Enterprise Portal and Domino applications on iOS devices. These apps were rolled out to QP directors, managers and assistant managers, who quickly adopted them and provided highly encouraging feedback. The next phase of this project will focus on core business processes suitable for mobile devices.



Direct Orders

The Direct Order Business Process has been decentralized from the Contracts & Purchasing Department and has been implemented in all sponsoring departments. This shift in the business process has enabled sponsoring departments to process higher valued service orders and minor work contracts. This has streamlined the procurement timeline and reflected the excellent cooperation and joint efforts of ICT, the Finance Directorate, the Contracts & Purchasing Department and the Legal Department.

Budget Automation

During 2014, this solution automated the initiation and approval process of budget-related requests initiated by departments within Dukhan Operations and the Projects, Engineering & Procurement Services Directorate for their projects.

The following are some of the business benefits of this automation:

- Dispense with the paper-based approval process for budget sheet;
- Faster approvals and transmission of documents;
- Eliminate the risk of document loss; and
- Online tracking of workflow status (budget item approval process).

SAP Support Services & SAP ChaRM

In 2014, the SAP Competency Center went live with the SAP Support Services tool, thereby enabling potential and existing SAP users to request for SAP related services. SAP users can also report incidents using this tool. In addition, the SAP Change Request Management (ChaRM) tool was implemented to better manage and control SAP changes in a SAP system, thereby ensuring system integrity.

INFRASTRUCTURE (ITN)

Mass Notification System

Following the HSE Department's request for a paging system in QP offices in Mesaieed Central Office Building (COB), the ICT Department embarked on leveraging the existing IP telephony infrastructure to also serve as a Mass Notification System. The InformaCast Advanced Notification System can send text and audio messages to Cisco IP Phones or IP speakers in COB Towers. The recipients of the notification are grouped as per the floors and buildings in the COB complex, thus enabling the system operator to send ad-hoc or pre-defined messages to user phone groups as required. The success of this solution has benefitted QP by saving the cost involved in investing in a parallel cabling infrastructure for the paging system, and is a valid proof that the solution can be extended to other IP telephony areas in QP.

CLIENT SUPPORT (ITC)

- To keep pace with the latest technologies and market trends. ITC undertook and successfully completed a major company-wide upgrade of end user's computing environment, standardizing on Windows 7 Enterprise and Microsoft Office 2013 Professional, along with a simultaneous replacement of over 3,600 desktops and notebooks.
- During 2014, ITC responded to and resolved in excess of 130,000 incidents and requests while maintaining an overall user satisfaction rate of 98%.
- ITC successfully implemented a major upgrade to its Service Desk System (version 10) and extended the solution to external entities, such as SEEF Ltd., on a chargeback basis.

PROJECTS, ENGINEERING AND PROCUREMENT SERVICES



The Projects, Engineering and Procurement Services Directorate plays a significant role in implementing and managing major capital oil and gas and infrastructure projects on behalf of the State of Qatar, thereby contributing to the realization of Qatar National Vision 2030. The directorate endeavors to deliver innovative and value-added projects to its stakeholders by strictly adhering to and complying with an integrated Quality, Health, Safety and Environment (QHSE) management system, in line with the International Organization for Standardization (ISO) and Occupational Health and Safety Management System certifications – ISO 9001, ISO 14001 and OHSAS 18001.

Over the years, the directorate has experienced a progressive change in the value, types, complexity and numbers of capital projects it manages. This has transformed itself into a versatile learning organization, focusing on the professional development of Qatari nationals and the implementation of continual improvement programs to realize its vision of engineering excellence.

Some of the key strategic projects that were managed and implemented by the directorate in 2014 are as follows:

Oil and Gas-Related Mega Infrastructure Projects

Sulfur Recovery Upgrade (SRU) Project at Mesaieed

- Upgrading the existing SRU by installing a new Acid Gas Enrichment Unit (AGEU) and Tail Gas Treatment Unit (TGTU);
- Upgrading the utilities plant to achieve 99.5% of sulfur recovery.

Acid Gas Recovery Project (AGRP) at Dukhan

- Building two 14.5-km, 30-inch pipelines and an Acid Gas Compression Unit with associated utilities as part of the offsite facilities at the Arab-D plant in Dukhan.

Ras Laffan Port Expansion Project

- Expanding the existing Ras Laffan Port to handle 77 million tons per annum of LNG and other liquid products. Phase 1 of the project scope had been completed.



Ras Laffan Common Cooling Water Project Phase II

- Constructing a centralized Common Cooling Water System for key consumers in Ras Laffan Industrial City. Categories 1 and 2 were commissioned during Phase II.

Onshore Projects

- Gas Distribution System – Upgrading the SCADA control and metering system at Ras Laffan and Mesaieed Industrial Cities;
- Jet-A1 16" Pipeline from QP Refinery to Block Station Valve 3 (BSV-3);
- New Transmission and Distribution Operation Centre and Control Room in Mesaieed;
- NGL – Three AGRU 1 and 2 Amine Regenerators and Associated Equipment Revamp in Mesaieed;
- New NGL Support Campus in Mesaieed (EPIC Phase);
- Multipurpose Administration Complex in Ras Laffan;
- Automation Upgrade in Fahahil (FM, FN, FS, FSP and NFIS), Dukhan;
- Hamad International Airport (HIA) Jet-A1 Supply Project (FEED Phase).

Offshore Projects

- National Security Shield (NSS) – Establishing a system for better observation, detection, decision-making and intervention by installing eight new Sensor Tower Platforms (STPs) and Forward Mounted Base Platforms (FMBs) in order to enhance the security of all vital offshore assets.

Halul Island

- Integrated chiller, freezer, laundry, dining and accommodation facilities;
- Centralized industrial area;
- New telecom building, security building and ring road extension;
- Power supply through 2x3 core, 132kV, submarine sub-sea power cables rated for 100 MW, 100 km each, to Halul Island from Ras Laffan;
- 33/11kv power distribution substation conversion;
- Integrated oily water and sludge handling project.

Significant Achievements/Initiatives in 2014

- Expansion of the new security gate on Khalifa Street and the West Side roads in Ras Laffan;
- Completion of the wet utilities distribution, power and telecom networks in the West End area extension of Ras Laffan Industrial City;
- Commissioning and handover of smokeless flare at Dukhan.

Future QP Plans and Investments in the Petroleum and Infrastructure Sector

- Strategic Storage Tanks for the State of Qatar (2015-2030) – Establishing storage facilities for petroleum products in the State of Qatar in two phases in order to meet the demand that arises during disruptions in the normal supply of petroleum products.
- Gas Supply to a New Power Station, Al-Wakrah (Facility D) – Phase-1 is presently in the pre-EPIC stage and is expected to be completed by the third quarter of 2017; Phase-2 is presently in the feasibility study stage.
- CNG Utilization in the Domestic Transportation Sector of Qatar – Establishment of pipelines and CNG/L-CNG stations; expected to be completed by the first quarter of 2018.

- Carbon Dioxide (CO₂) Water Alternating Gas (WAG) Injection Pilot Project at Jaleha, Dukhan – One of the Enhanced Oil Recovery (EOR) schemes being implemented for the Dukhan oil field; a CO₂ pipeline from RLIC to Jaleha and a Pilot Production Facility (PPF) at Jaleha, which will come on-stream by the third quarter of 2019.
- Qatar Petroleum (QP) District – This will house a world-scale business hub and central headquarters for QP in West Bay, Doha; will comprise of eight towers for offices, one tower for the Center of Health and Wellness and corporate training and a five-star business hotel; will also include a data center, staff cafeteria, auditorium and various common functional facilities, including a nursery exclusively for QP staff, in the ground and podium areas; project is now nearing base-built completion.
- Re-development of Bul Hanine (BH) Fields and Development of New Onshore Gas Processing Facilities at Mesaieed – Currently in pre-FEED stage; expected to be completed in December 2022.
- New Wellhead Jacket in North Field Alpha (NFA) Field – To sustain current gas production.
- Replacement of defective umbilical cables in Maydan Mahzam (MM) Field to sustain current oil production.



CRUDE OIL AND NATURAL GAS



ONSHORE FIELDS (DUKHAN)

Main Activities of Dukhan Operations

Located around 80 kilometers to the west of Doha, Dukhan is a large oil and gas field extending over an area of approximately 80 kilometers by 8 kilometers. The Dukhan field consists of three sectors from north to south – Khatiyah, Fahahil and Jaleha/Diyab.

The oil and gas produced from the field are separated in four main degassing stations – Khatiyah North, Khatiyah Main, Fahahil Main and Jaleha – all of which are continuously manned. The unmanned satellite stations are Fahahil North and Fahahil South. Khatiyah South is now a manned station. The Diyab manifold at the southern end of the field has no process facilities and its total oil production is sent to Jaleha station for processing. Stabilized crude oil is then transported by pipeline to Mesaieed Port, which is about 100 kilometers east of Dukhan.

The actual annual production of the Dukhan field is based on reservoir management requirements. Other production facilities on the field include plants for associated gas, non-associated gas, raw natural gas liquids (NGL) production from associated gas, Arab D gas cap, and a recycling plant to produce NGL and condensate. In addition to these, facilities for the injection of North Field gas into the Khuff Reservoir and injection of water into the main oil reservoirs

of Arab C and Arab D and Uwainat for pressure maintenance are also operated on a continuous basis in Dukhan.

The Dukhan field has around 327 oil producing wells, 205 water injection wells and 61 gas producer and injector wells. According to the latest well status, Dukhan has a total of 593 wells, including production, injection, observation, closed-in and top holes well. On the other hand, a total of 156 wells have been abandoned.

In order to meet the production forecast and at the same time deal with the increased water cut-in, the produced crude separator operating pressure was lowered and a gas lift facility was installed to artificially lift the wells in Dukhan in 2003. A lift-gas distribution network system for 228 wells has been completed so far. All the candidate wells are expected to be worked-over and fitted with gas lift mandrills and gas lift valves in conjunction with the above surface facilities.

Business Continuity Management (BCM) and Enterprise Risk Management (ERM) studies have been completed on the Dukhan field. The focus of BCM was on safeguarding the achievements of Dukhan Operations' business objectives as highlighted in the following:



- Ensure safe, efficient, and reliable operations of the Dukhan field to meet the oil and gas production and export targets in line with the Operations Directorate's objectives; and
- Manage and maintain the Dukhan Township and provide firefighting services even outside the concession area.

Dukhan Operations has its storage and export facilities at Mesaieed Terminal. The Terminal and Export Department receives, stores, schedules and exports crude oil and naphtha.

The production support activities comprise facilities for receiving and distributing power, potable water distribution, a power station, workshop facilities and a communication network on the Dukhan field.

In addition to the above production/process facilities, various housing and recreational facilities are available in Dukhan, with clubs, catering and security services also provided to Dukhan residents.

Marketing and Development Plans

The main products earmarked for export from the Dukhan field are crude oil, condensate, NGL and stripped associated gas (SAG).

The following projects are currently under construction or in progress:

- An acid gas recovery plant
- Drilling of new wells
- Abandonment of unsafe wells

Major civil infrastructure development projects continue to be implemented in Dukhan. Some of these projects include the relocation of industrial facilities outside of Dukhan, a hazardous waste storage facility, an extension building for the Dukhan Operations Management Building, the Dukhan Community

College, Phases IX and X of the housing projects, landscaping and beautification projects as well as other civic and recreational projects.

Major Customers

The following products from Dukhan are distributed to various internal and external customers:

- Crude oil, which is exported through Mesaieed's Terminal Operations Department, is supplied to the QP Refinery in Mesaieed.
- Condensates are sent to the QP Refinery in Mesaieed.
- Arab D NGL is supplied to NGL-4 in Mesaieed.
- Raw NGL from the Fahahil Stripping Plant (FSP) is sent to NGL and NGL 2 in Mesaieed.
- SAG is supplied to the Dukhan Desalination Plant, Qatar National Cement Company (QNCC), QAPCO and QAFCCO via QP's Gas Distribution System.

Future Expansion Plans

- A major project for the construction of an acid gas removal plant, which will supply sweet gas to Dukhan customers, is currently under construction and will be commissioned in 2015. The project has been awarded to Petrofac, Sharjah, UAE. Detailed engineering and procurements have been completed, and construction is now in progress.
- Installation of SCADA system for real-time monitoring of Dukhan well data;
- Installation of new crude oil tanks to replace the old tanks at different degassing stations;
- Installation of a new raw NGL pipeline between FSP and Mesaieed;
- Replacement of old test separators with new ones at all degassing stations;
- Installation of 20" bidirectional wet gas line between Khatiyah Main and Khatiyah South;
- Replacement of 12" raw NGL line between FSP and Mesaieed;

- Installation of a common train at the Fahahil North Gas Lift Compressor Station;
- Phase VII of the Powered Water Injection will increase the capacity of PS-1, PS-3 and PS-6 to 120,000 barrels per day (b/d), 120,000 b/d and 150,000 b/d, respectively
- The implementation of Phase II of the Dukhan Physical Development Plan (DPDP) comprises Phase IX and Phase X of the Dukhan Housing Project, as well as the construction of the civic building and supporting infrastructure, utilities and services within the Dukhan Township. The plan also includes the construction of infrastructure, utilities and services projects in the QP concession area.
- QP has awarded the Dukhan Field Integrated Study (DFIS) to ExxonMobil to review the various options available for enhancing the production of the remaining in-place oil. The study is looking at the following options: carbon dioxide injection, pattern flooding or water alternating gas (WAG) injection. The final enhanced oil recovery (EOR) model will be selected after a pilot scale trial of each option.

Historical Background of Dukhan Field Development

The development of the Dukhan field took place in various stages. The first well was drilled in 1939-1940, confirming the presence of commercial quantities of oil in the area, but further work was suspended due to World War II. The development of the Khatiyah sector was subsequently started in 1947, and oil was exported for the first time ever from Mesaieed Port on 31 December 1949.

The development of the other two sectors – Fahahil and Jaleha/Diyab in Dukhan – was undertaken in various stages, starting with Fahahil in 1954 and then Jaleha in 1955. The Dukhan Power Station was commissioned in 1958, and the Khuff non-associated

gas reservoir was discovered in 1959 at an average depth of 10,000 feet. In 1974, the Fahahil Stripping Plant was also commissioned to recover raw NGL from associated gas. In 1976, the first development well in the Khuff reservoir was drilled and eight Khuff wellhead treatment plants were commissioned in stages from 1978 to 1982.

To maintain reservoir pressure at both Arab C and Arab D reservoirs, powered water injection was implemented in stages starting from 1989, and the last phase was completed in 1998. Powered water injection at the Uwainat reservoir commenced in 2009.

The pressurization of the Khuff reservoir with the surplus North Field gas was initiated in 1992 with the commissioning of a compressor station in the Fahahil area.

The Arab D Gas Cap Recycling Plant, which processes 800 mmscf/d of Arab D Cap Gas and recovers 38,000 b/d of stabilized condensate and 750 b/d of NGL, was commissioned in 1998. The residue gas is re-injected back into the same reservoir. A major project to upgrade the Arab D plant facilities to recover C2+ raw NGL (about 5,600 t/d of NGL) and supply it to the NGL-4 project in Mesaieed was completed in 2003.

A major project for a gas lift system to artificially raise the oil for enhancing production and increasing ultimate recovery from the field was commissioned in 2003.

Major Achievements till 2014

1. Drilling of the first well in Dukhan	1939/1940
2. First shipment of crude oil from Dukhan	1949
3. Discovery of non-associated gas in the Khuff reservoir	1959/1960
4. Commencement of power water injection in Dukhan reservoirs for pressure maintenance	1989

5. Commissioning of the Arab D Gas Recycling plant to recover condensate and NGL from Arab D Reservoir Gas Cap	1998
6. Commissioning of NGL4/DKADU to recover 5600 t/d of NGL from Arab D Gas Cap	2003
7. Commissioning of the gas lift project	2003
8. Attainment of ISO 9001:2000 quality certification for the entire Dukhan Operations	2004
9. Central Office Building for Dukhan Operations completed	2005
10. Well Integrity Department established to ensure the safe operation of oil and gas wells	2009
11. Completion of a new sewage treatment plant	2009
12. Completion of the Dukhan Umm Bab – Salwa Road	2010
13. Mesaieed tank farm upgraded, with the rehabilitation of tanks, construction of new tanks, increase in storage capacity and change in tank farm philosophy; multi-product berth in the final stage of completion	2011
14. Significant reduction in gas flaring achieved	2011
15. Two new fire stations constructed and commissioned at Fahahil and Umm Bab	2011
16. Completion of the Cuban Hospital in Dukhan	2011
17. Completion of additional offices, warehouses and laboratories	2011
18. Commissioning of fiscal meter and meter prover for crude oil, NGL and condensates	2012
19. Attained Integrated Management Systems Certification for the entire Dukhan Operations	2013

20. Installation of compressed water re-injection facilities in all degassing stations	2012-2013
21. Installation of new control room and automation upgrade in all degassing stations	2014
22. Produced water re-injection plant	2014
23. Sweet fuel gas project	2014

Dukhan Field Development

The Dukhan field is an elongated anticline that plunges from north to south. The structure is fairly simple with minor crestal faulting.

It has been divided into four sectors from north to south - Khatiyah, Fahahil, Jaleha and Diyaab. There are four developed reservoirs and five undeveloped reservoirs. The developed oil reservoirs are the upper Jurassic Arab C, upper Jurassic Arab D and the middle Jurassic Uwainat. The only developed gas reservoir is the Permian Khuff. The other minor reservoirs are much smaller in size, are of poorer reservoir quality, and have not yet been developed.

2014 Major Activities

- **Dukhan 3D Seismic:** Following the successful completion of the full-field Dukhan 3D seismic acquisition program in 2011, data processing was finalized in 2013, thereby facilitating the start-up of interpretational studies. Seismic structural mapping of the main reservoirs (Arab C/D and Uwainat) and Cretaceous overburden was completed in 2014. Structural mapping in the Khuff is nearing completion and is expected to be completed in the second quarter of 2015. Additional integrated, thematic studies will focus on predicting performance in fault/fracture zones, and assess the need for further reprocessing in order to maximize value from the seismic.
- **Geological Models:** High-resolution 3D geological models for Arab C, Arab D and Uwainat are being kept evergreen with each new well drilled. Seismically mapped surfaces and faults have been integrated. Finalized static models were delivered during the end of 2014 and were used for simulation model initialization. The key results

of the Dukhan Field Integrated Study (DFIS) and the new seismic have been fully integrated. The use of 3D models allow for optimal well planning, drilling and field development.

- **Redevelopment Programs:** Two new Dukhan redevelopment projects were initiated in early 2014, according to the recommendation of DFIS.

a) **Enhanced Water Flood:** The implementation of the enhanced water flood (additional 258 infill wells) will significantly increase water production. Processing these volumes will require upgrades to the existing production facilities in the Dukhan field. A feasibility and optimization study is being undertaken to ensure that all upgrade to the facilities is carried out based on actual requirements. Two PIN packages were generated for the study. PIN 1 or Phase I of the study will assess the PWI/PWRI facilities, degassing stations and lift gas facilities. The second PIN or Phase II of the study will assess the FSP and gas recycling (RG) facilities. Phase I is expected to be completed by the third quarter of 2015 and Phase II by the first quarter of 2016.

b) **CO₂ Water Alternating Gas (WAG) Pilot:** DFIS has identified an enhanced oil recovery (EOR) scheme utilizing CO₂ WAG injection to further maximize the oil recovery in Dukhan. This scheme will first be tested on a smaller scale through a pilot project in Jaleha in order to confirm reservoir performance before embarking on full field development. CO₂ will be sourced from Ras Laffan Industrial City and will be sent to Dukhan through a pipeline. Fifteen new wells (seven production wells, four WAG injection wells and four observation wells) will be drilled near the Jaleha degassing station. A dedicated pilot facility will be installed to handle the injection and testing of the production fluids. The project is presently in pre-FEED stage and the expected FEED start date is in the second quarter of 2015.

- **Next Generation Models:** Work on the next generation of static and dynamic reservoir models for Arab-C, -D and Uwainat had commenced in early 2013. The models will be used for

reservoir optimization under EWF, CO₂ WAG and Uwainat projects. They will leverage on the DFIS experience, incorporate the results of the seismic and interpretation from 2008 to 2011, incorporate new production data and new well results received since 2012 and aim for an improved dynamic model resolution using the latest IT hardware. Static models with structural update were completed in 2014 and the initialized dynamic models were delivered during the end of 2014. The history-matching phase will commence in early 2015 and the modeling project is expected to be completed, along with the predictions, by the end of 2016.

- **Drilling & Work-Over Activities:** During 2014, a total of 25 wells were drilled and 69 wells were worked-over in order to enhance production and address well integrity issues. Two additional drilling rigs were approved in order to support further development and work-over requirements.
- **Well Integrity Management:** Well integrity examinations continued during 2014 covering a total of 124 wells, which resulted in identifying 32 wells for work-overs. Two dedicated rigs were used to manage the well integrity work-over. The program has been extended until 2015 in order to ensure safe well operations.
- **Gas Lift Management Project:** Approximately 60% of Dukhan's oil production is supported by gas-lifted wells. A full field gas lift review and optimization project that was initiated in 2013 was completed in 2014. This project identified a better optimization approach to the field-wide gas lift and gas distribution. During 2014, the Dukhan gas lift best practice guidelines were implemented and a gas lift valve change-out trial on a deviated well (greater than 45° deviation) was successfully carried out. The trial has significantly contributed to the improvement of the gas lift performance of future gas-lifted wells by deepening injection points.



OFFSHORE FIELDS

Operations - Offshore Fields

QP operates two offshore production stations (PS-2 and PS-3), which are located in the northeast of Qatar's territorial waters. PS-2 is located in the Maydan Mahzam (MM) field, while PS-3 is in the Bul Hanine (BH) field.

Both the PS-2 and PS-3 platforms produce crude oil, associated gas and condensate. Oil with condensate is transported through a pipeline to Halul Island for storage and export. Gas produced from these platforms is primarily used to assist in lifting the oil from the reservoirs. It is also utilized as station and Halul fuel gas and as feedstock for Mesaieed's NGL facilities.

QP's major customers for the purchase of crude oil, gas and condensate include Mitsubishi Corporation, ExxonMobil, Total, Cosmo, Marubeni, Itochu, and others.

Maydan Mahzam (MM) Field

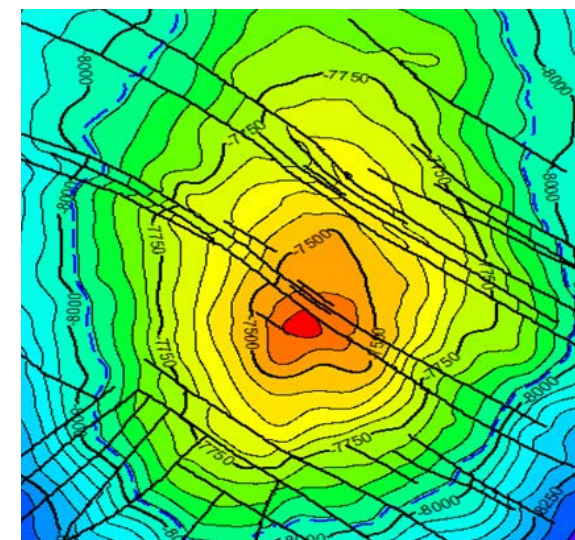
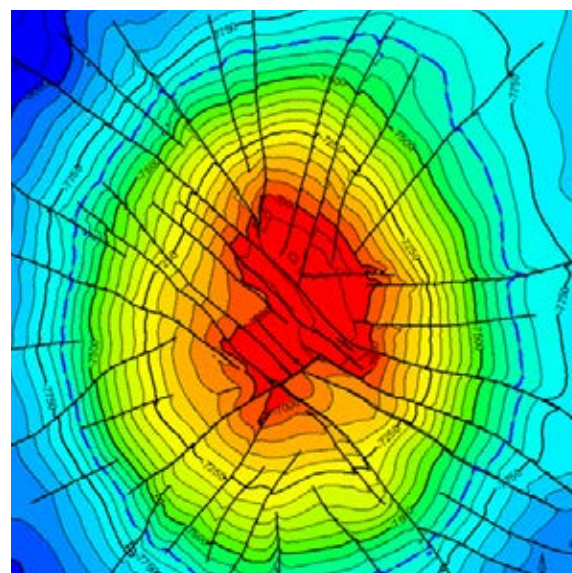
This field, which was discovered through well MM-1 in 1963, commenced production in November 1965. It consists of a series of heterogeneous carbonate reservoirs that can be categorized under two stratigraphic sequences – Mid Jurassic and Late Jurassic. The former category consists of reservoirs that are oil rims, i.e. the oil column is overlain by a gas cap and underlain by an aquifer. This includes Araej Upper A & B, Uwainat, Araej Lower and Izhara reservoirs.

The Late Jurassic comprises the Arab reservoirs (Arab A, B, C and D). The Arab C and Arab D reservoirs are the most prolific in the MM field as they contain under-saturated oils. They are the most developed reservoirs and, hence, accounted for 95% of the field production in 2014. The reservoir pressure is maintained by water dump flooding from the Yamama/Sulaiy aquifers.

During the late 1980s, all the Mid Jurassic reservoirs were developed and put on production. In 2011, most of the Mid Jurassic wells were shut-in for reservoir management in order to preserve reservoir energy, with the exception of two to three wells which were required to supply around 8 million standard cubic feet per day (mmscf/day) of fuel gas to Halul Island for power generation.

The Permian Khuff reservoir, which was discovered in 2012 through MM-93 well, will need further appraisal in the future.

The oil produced from the MM field is exported to the Halul oil terminal through a 14-inch pipeline. The associated gas is exported to PS-1 through a 6-inch pipeline and from PS-1 to Mesaieed through a 24-inch pipeline.



Bul Hanine (BH) Field

This field, which was discovered in 1965 through well BH-1 (Arab D), commenced production in 1972. It consists of a series of heterogeneous carbonate reservoirs that are categorized under two stratigraphic sequences – Mid Jurassic and Late Jurassic. The former category consists of reservoirs that are oil rims, and these include Araej Upper A, B & C, Uwainat and Araej Lower. The latter category comprises of the Arab reservoirs (Arab A, B, C and D).

Arab A and B are small gas reservoirs that are not developed, while Arab C is an important oil rim topped with rich gas. It has been produced and shut-in for reservoir management. To assess the reservoir productivity and well concept, two wells were drilled recently as de-risking. Arab D, meanwhile, is an important under-saturated oil reservoir. It is the most developed oil reservoir in the field and contributes almost 96% of the current field production output. The reservoir pressure is maintained by water dump flooding from the Yamama/Sulaiy aquifers overlying the oil reservoirs.

Among the Mid Jurassic reservoirs, Araej Upper B and Uwainat were developed and put on production in the 1980s. In 2011, Araej Upper B and Uwainat wells were shut-in in order to preserve reservoir energy.

The Permian Khuff reservoir, which was discovered in 1974 through the BH-18 exploration well, was appraised through BH-116 in 2009 and BH-147 in 2010.

The Hamalah reservoir of Triassic formation, which was discovered in 2009 through BH-116, was tested in 2013. This reservoir will be included in the future BH redevelopment activities.

The oil produced from the BH field is exported to the Halul oil terminal through a 20-inch pipeline. The associated gas is exported to PS-1 through a 10-inch pipeline and from PS-1 to Mesaieed through a 24-inch pipeline.

HALUL ISLAND

Halul Island lies at the center of the Arabian Gulf, approximately 96 kilometers northeast of Doha. It occupies an area of 1.5 square kilometers.

The initial infrastructure and other terminal facilities of the island were developed between 1964 and 1966. It is the main storage (total capacity of 5 million barrels) and export terminal (2.5 million barrels per day) for Qatar Marine Crude (QMC) oil, and it is equipped with major oil terminal facilities that meet all international standards. Halul Terminal complies with the International Ship and Port Security Code (ISPS) and follows the recommendations set out by the International Safety Guide for Oil Tankers and Terminals (ISGOTT).



The Qatar Marine Crude (QMC) oil that is exported from Halul is a blend of oil produced from five oil fields. Two of these are QP-operated fields (MM and BH) and the other three are operated by QP joint venture (JV) partners on a production sharing arrangement. Crude oil from the producers is transported to Halul by sub-sea pipelines.

The three JV producers are Occidental Petroleum of Qatar Ltd. (OPQL) operating PS-1 (Idd El-Shargi field – North and South Domes), Total Exploration & Production Qatar (TEPQ) operating the Al-Khaleej field, and Qatar Petroleum Development - Japan (QPD) operating the Al-Karkara and A-Structure fields.

For more than five decades, Halul Island has been playing a key role in the development of the Qatari economy and in meeting the world's energy demand.



Major Projects

- Halul Island has become self sufficient in fresh water after the commissioning of a new water desalination plant with a 2,400 m3 fresh water capacity.
- Installation of CCTV PA/GA and ACS system was completed.
- New CIB 33/11 kV PDS was commissioned
- Power supply through submarine cables from Ras Laffan to Halul is expected to be completed in 2016.

Awards and Events

- The project sponsored by Offshore Operations – titled “Ecological Improvements of the Marine Environment around Halul Island” – was declared as one of the ten winners of the Qatar Oil & Gas Industry HSE Excellence Awards 2013.
- On 28 April 2014, Offshore Operations organized the ‘World Day for Safety and Health at Work’ event in Halul. QP’s JV partners, TEPQ and OPQL, as well as contractors working on QP offshore locations attended the event. The International Labour Organization is promoting this annual event.

Major Activities in 2014

- **Drilling & Work-over Activities:** During 2014, a total of 13 wells were drilled and worked over. No wells were plugged and abandoned. Despite the multiple unplanned shutdowns of PS-2 and PS-3, the annual oil production for 2014 was 0.53% higher than the combined target for both fields. In November 2014, a third offshore jack-up, Dukhan, commenced operations.
- **BH Arab D History Match Upgrade Study:** The BH Arab D subsurface integrated study was conducted in 2005-2006, and in 2010, the static and dynamic models were updated with a better characterization of the DIII reservoir. An upgrade of BH Arab D history match was initiated in 2012 in order to improve the history match of the WC

of some wells, to match the RFT pressures and to update the PVT characterization. This study was completed in early 2014.

- **BH CNOOC 3D Seismic Processing:** This study was initiated in December 2013. Seismic processing and imaging are presently underway, and the velocity model built has been completed. The preliminary PreSDM volume is expected in the second quarter of 2015 and the inversion of Arab D is expected in the middle of the second quarter of 2015.
- **BH Arab D Micro-Porosity Study:** This study, which was initiated in the third quarter of 2013, involved characterizing the micro-porosity content in Arab DIIC and Arab DIII to update the saturation height function. It was completed in the third quarter of 2014.
- **SCAL Study:** A major study was initiated in 2008 to acquire SCAL data from the Mid-Jurassic and Arab reservoirs of MM and BH fields. The project was finalized in the fourth quarter of 2014. Some of the results have been used in the BH redevelopment subsurface studies and in the upgrade of MM Arab and MJ reservoirs.
- **MM Seismic Reprocessing and Arab Inversion:** The MM seismic reprocessing was initiated in the fourth quarter of 2012. The main objective of this project was to re-process the original MM seismic data that was acquired and processed in 1994-1995, with the aim of improving the seismic imaging of the faults/reservoirs as well as the resolution. In addition to that, the seismic inversion of Arab reservoirs was also conducted. The project was completed in the fourth quarter of 2014. Presently the depth volume is being used to build a new generation Mid Jurassic combined static model as well for infill well placement.
- **MM History Match Upgrade Study for Concept Select Phase:** Shell has started to upgrade the QP subsurface simulation models of Khuff, Mid-Jurassic and Arab reservoirs for concept selection.

- **BH Hamlah Study:** The BH Hamlah long-term production test on BH-116A for HR-2 interval has been completed and the test results have been incorporated in the Hamlah dynamic simulation model.
- **BH Redevelopment Studies:** Following concept selection in 2012, a pre-Front End Engineering Design (pre-FEED) study was initiated in order to narrow down the uncertainties of the selected concept prior to considering a FEED study. The pre-FEED was completed in June 2014, and the FEED team was mobilized to launch the project phase. Parallel to this, QP contracted Total in 2014 to perform a number of surveys (offshore/onshore geophysical and geotechnical). The survey campaigns are currently underway.
- **MM Redevelopment Viability Study:** The conceptual study was awarded to Shell during the end of 2013 and the official kick-off meeting was held on 28 January 2014. The review of the QP in-house viability study was carried out during the first quarter of 2014, the conceptual study was launched in mid-2014, and completion is expected by the end of 2015.

Production Technology

- **Intelligent Oil Field Program:** The QP Intelligent Oil Field (IOF) Program was established in 2010 with the support of key stakeholders. The IOF technology includes real-time reservoir management (RTRM), which employs well surveillance instrumentation at the wellhead and downhole linked to reservoir simulation models in order to optimize critical reservoir performance including VRR (voidage replacement ratio), reservoir pressure for maintenance and water/gas sweep efficiency. Work on the Real Time Operation Center (RTOC) process design and development was initiated in 2014, with the business process mapping (BPM) and the initial process rollout for gas lift optimization and water flood management. Work process design and rollout for the two drilling processes will commence in 2015.



EXPLORATION AND PRODUCTION SHARING AGREEMENTS (EPSA) OIL DEVELOPMENT

Exploration/Appraisal Activities

QP seeks to increase the hydrocarbon resources and reserves of Qatar through aggressive exploration and appraisal activity. This is accomplished through

the signing of Exploration and Production Sharing Agreements (EPSA) and Appraisal, Development and Production Sharing Agreements (ADPSA) with major international oil and gas companies.

Exploration Activities in Blocks under EPSA and Open Areas

The following is a summary of exploration and appraisal activities and achievements during 2014:

EPSA Exploration Areas

Block	Operator	Activity
Block - 4	GDF Suez Consortium	The pre-Khuff well (GSQ4-2) has been completed as a gas discovery, but requires appraisal to confirm whether it is commercially viable or not.
Block - 4N	Wintershall Consortium	Both Khuff exploration wells (WQ4N-1 and -2) have been completed leading to the discovery of the newly named Al-Radeef Field. This discovery cannot be commercially developed as a standalone project.
Block - A	JX Nippon	The first well (JXQA-1) has reached its total depth (TD) and is now under evaluation.
Block - BC	CNOOC Consortium	The first well (CQBH-1) has reached TD and the results are now under evaluation.
Block - D	Shell Consortium	First well (QSD-1) was completed as a dry hole. The block's remaining prospectivity is under review.

Bunduq Deep Exploration Well

Bunduq Company Limited operates this Qatar/ Abu Dhabi field. A deep exploration well, designed to evaluate the Khuff and pre-Khuff hydrocarbon potential, is progressing well and drilling is scheduled to be spud in the second quarter of 2016.

Exploration Studies

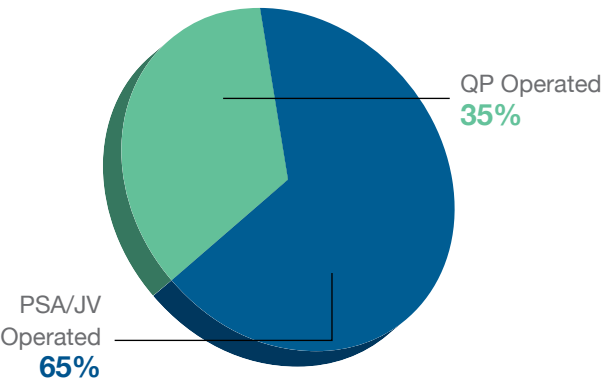
Various studies continue to evaluate the remaining hydrocarbon potential of Mesozoic Blocks 1, 2, 3, 7, 8, 10, 11, 13, 14, and pre-Khuff Block-E.

Activities at PSA/JV Producing Fields

The following offshore fields, which are under seven PSA/JVs, are currently in various stages of development by the following operating companies:

Field	Operator
Al Shaheen	Maersk Oil Qatar
Idd El Shargi North Dome	Occidental Petroleum of Qatar Ltd.
Al-Khaleej	Total E&P Qatar Ltd.
Al Rayyan	Occidental Qatar Energy Company
Idd El Shargi South Dome	Occidental Petroleum of Qatar Ltd.
Al Karkara & A-Structures	Qatar Petroleum Development Company
El Bunduq	Bunduq Company Ltd.

The 2014 crude oil production contribution from the QP Operated and PSA/JV fields is shown below:



Al Shaheen Field (Maersk Oil Qatar)

The EPSA for Al Shaheen Field was signed with Maersk Oil in July 1992 for 25 years. The field has been undergoing a phased development through the implementation of several Field Development Plans (FDP). In November 2012, QP approved the FDP 2012, which comprised of facility debottlenecking and the drilling of 50 wells (26 development infill wells, 15 production appraisal wells, eight standalone appraisal wells and one water disposal well).

2014 Activities:

Drilling operations continued to achieve the objectives of FDP 2012. At the end of 2014, a total of 23 wells were successfully completed (five appraisal, one water disposal, 11 oil producers and six water injectors).

2014 Production:

Around 108 million barrels (mmb) of oil were produced from Al Shaheen in 2014, bringing the total cumulative oil produced from the field to 1,488 MMB at the end of the year. The average production for 2014 was 298 kbop/d.

Idd El Shargi North Dome (Occidental Petroleum of Qatar Ltd.)

Phase V FDP of Idd El Shargi North Dome was approved in June 2013. The scope includes 205 wells, 6 wellhead jackets (WHJ), 8 minimum facilities platforms (MFP), a new main oil line (MOL) pipeline from PS-1 to Halul with infield pipelines, a new Halul tank supported by a new offshore processing platform, which includes separation, compression and power generation equipment and a new accommodation platform. Additionally, pipeline debottlenecking, water source projects, and pilot studies to support produced water re-injection (PWRI) and enhanced oil recovery (EOR) projects are included.

2014 Activities:

By the end of 2014, five MFPs were installed and 40 out of the planned 205 wells were completed. The Arab D EOR Single Well Chemical Tracer Test (SWCT) was carried out in the third quarter of 2014.



2014 Production:

Around 36 million barrels of oil were produced from Idd El Shargi North Dome in 2014, bringing the total oil produced from the field to 919 million barrels at the end of 2014. The average oil production was 95 kbop/d.

Al-Khaleej Field (Total E&P Qatar Ltd.)

The EPSA for Al-Khaleej Field was signed in 1989 with Elf (now Total) for 25 years. When the EPSA expired, a new JV contract was agreed with Total to continue as the operator. The field was being developed in phases to minimize technical and commercial risks.

2014 Activities:

The main operational activities in 2014 included work-overs aimed at optimizing existing production level as well as the drilling of one new well (ALK215) and three lateral wells (ALK013, ALK022 and ALK211).

Geo-science and reservoir studies continued throughout the year. A full field 4D seismic acquisition of the entire field was completed in 2014 and the seismic processing started thereafter. Projects to upgrade the HVAC systems on DP1, DP2 and DP3, the electrical upgrade on DP2, and the HIPS upgrade in Halul have all made good progress in 2014 and will allow completion of all of these activities in 2015/2016.

The construction and fabrication activities of produced water treatment and crude oil desalting plants at Halul Island are currently underway and targeted for completion in the third quarter of 2015. This will enhance the water-handling capacity of ALK up to 50,000 barrels of water per day.

2014 Production:

Around 8.64 million barrels (mmb) of oil were produced from Al-Khaleej field in 2014, bringing the total oil produced from the field to 195.1 mmb of oil at the end of 2014. The average oil production was 23,560 bop/d.

Al Rayyan Field (Occidental Qatar Energy Company)

In October 2007, Occidental Qatar Energy Company (OQEC) acquired Anadarko's interest and became the operator of the Al Rayyan Field.

2014 Activities:

Life of Field (LOF) geo-science and reservoir studies continued throughout 2014. This study will evaluate the possibility of any further oil development opportunity in the field.

2014 Production:

Around 2.8 million barrels of oil were produced from Al Rayyan in 2014, bringing the total oil produced from the field to 81 million barrels at the end of 2014. The average oil production was 7.7 kbop/d.

Idd El Shargi South Dome (Occidental Petroleum of Qatar Ltd.)

The new 12" pipeline to PS-1 was installed and commissioned in March 2011. Abandonment of the old 18" pipeline was underway.

2014 Activities:

A new Phased Full Field Development Plan (PFFDP) was approved in the first quarter of 2011. Based on the good results of an Arab C appraisal well,

the Arab Appraisal and Development Plan (AADP) was formulated and subsequently approved in April 2014. The scope includes one MFP, five appraisal/production wells, one water injection well, and one conversion well to water injection. The drilling results from the AADP will help to define the scope for Phases 3-5.

2014 Production:

Around 2.3 million barrels of oil were produced from ISSD in 2014, bringing the total oil produced from the field to 27 million barrels at the end of 2014. The average oil production was 6.3 kbop/d.

Al Karkara and A-Structures (Qatar Petroleum Development Company)

Further studies are currently underway for the future development of Al Karkara and A-Structures. The additional development potential of A-North Arab D is also being evaluated as part of this ongoing study. The next FFDP is expected to be submitted in the third quarter of 2015 after all the ongoing sub-surface and surface studies are completed.

2014 Production:

Around 2.3 million barrels of oil were produced from Al Karkara in 2014, bringing the total oil produced from the field to 21 million barrels at the end of 2014. The average oil production was 6.2 kbop/d.

NORTH FIELD

Discovered in 1971, the North Field covers an area of around 6,000 square kilometers and is located off the northeast shore of the Qatari peninsula.

The North Field is considered as the largest single non-associated gas reservoir in the world. The development of this vast natural resource is of great strategic significance to Qatar's overall economic development.

North Field Alpha (NFA)

The first commercial exploitation of the North Field commenced in late 1991 with the initial gas production from Phase I (Alpha Project). The gas is supplied to the local market, and the condensate is used for refining or export. A portion of the gas produced from this project is re-injected into the country's strategic contingency reserve in Dukhan.

A new satellite wellhead platform is currently underway and two separate contracts have been awarded. The first one is an EPC contract for a jacket with temporary deck in order to facilitate well drilling activities from 2016 onwards, and the second contract is for topside FEED to optimize the design and prepare the EPC bid package. The new wellhead, WH3, which is located around 2 kilometers away from the existing complex, will support the NFA production plateau for the extended duration.

Average production achieved during 2014 was 723 mmscf/d of gas and 21,283 b/d of stabilized condensate. Total production achieved was 263 billion standard cubic feet (bscf) of gas and 7.77 mmb of stabilized condensate.



Al-Khaleej Gas Project (AKG)

The Al-Khaleej Gas Project, which is operated by RasGas, utilizes the North Field's reserves to supply 2 bscf/d of sales gas to domestic consumers, to export condensate, liquefied petroleum gas (LPG) and sulfur, and to supply ethane to the local petrochemical industry.

On May 2, 2000, the AKG Development and Production Sharing Agreement (DPSA) was signed with ExxonMobil, and on November 2, 2005, Phase-I (AKG-1) commenced commercial gas deliveries. This phase supplies 744 mmscf/d of sales gas to Ras Laffan Power Company Ltd., Oryx GTL, Q-Power, Laffan Refinery, Ras Laffan Olefins Company Ltd. and other industries in Mesaieed.

Phase-II development (AKG-2), which started in the third quarter of 2009, has a nominal design capacity to supply 1,250 mmscf/d of gas to local industries and power generation plants.

During 2014, AKG's average production was 1,948 mmscf/d of sales gas. AKG also produced around 25.3 mmb of condensate and 1.21 million tons of LPG in 2014.

QP has installed three 36-inch lean gas pipelines, each with a design capacity to supply 1 bscf/d of sales gas to Mesaieed and Dukhan gas consumers.

Barzan Gas Project

The Barzan Gas Project, which is located in Ras Laffan Industrial City and will be operated by RasGas Company Limited, is expected to produce and process gas from Qatar's North Field. This gas will then supply sales gas to power stations and industries in Qatar, ethane to the local petrochemical industry,

and associated liquid hydrocarbons to the local and international markets. The project is expected to supply 1.4 bscf/d of gas, with the first gas flow expected during mid-2015.

A Joint Venture Agreement and a Development and Fiscal Agreement were signed between QP (93% shareholding) and ExxonMobil (7% shareholding) on January 6, 2011.



The drilling of the wells has been completed and three offshore wellheads had been installed and handed over to RasGas to prepare for start-up in 2015. The offshore and onshore engineering, procurement and construction (EPC) contracts were awarded in early 2011 to Hyundai Heavy Industries (HHI) and JGC, respectively. Currently both contracts are on the verge of completion. The start-up of Train-1 and Train-2 is targeted for the second quarter and the third quarter of 2015, respectively.

Dolphin Project

The Dolphin Project involved the development of North Field reserves for the production of wellhead gas that is sufficient enough to export 2.0 bscf/d of sales gas to the United Arab Emirates. The project

processes the gas at Ras Laffan, where condensate, ethane, LPG and sulfur are stripped out and sweet lean gas is then delivered to the UAE through a 48" sub-sea pipeline.

The DPSA was signed on December 23, 2001 between QP and the contractor (Dolphin Investment Company with 51% interest, Total of France with 24.5% interest, and Occidental Petroleum of the USA with 24.5% interest). The delivery of export gas from the first stream commenced in the third quarter of 2007; the second stream began in February 2008; and the lean gas export to the UAE is currently in full swing.

In 2014, the average sales gas production was 2,000 mmscf/d, in addition to 1.34 million tons of LPG and 33.44 mmb of total condensate.

DRILLING

During 2014, Drilling Operations was actively involved in drilling and work-over operations in the offshore fields (MM and BH) and the onshore field (Dukhan). All its operations were conducted utilizing the best industry practices in an economical, safe and environmentally friendly manner and in accordance with the ISO-9001, ISO-14001 and OHSAS 18001 guidelines.

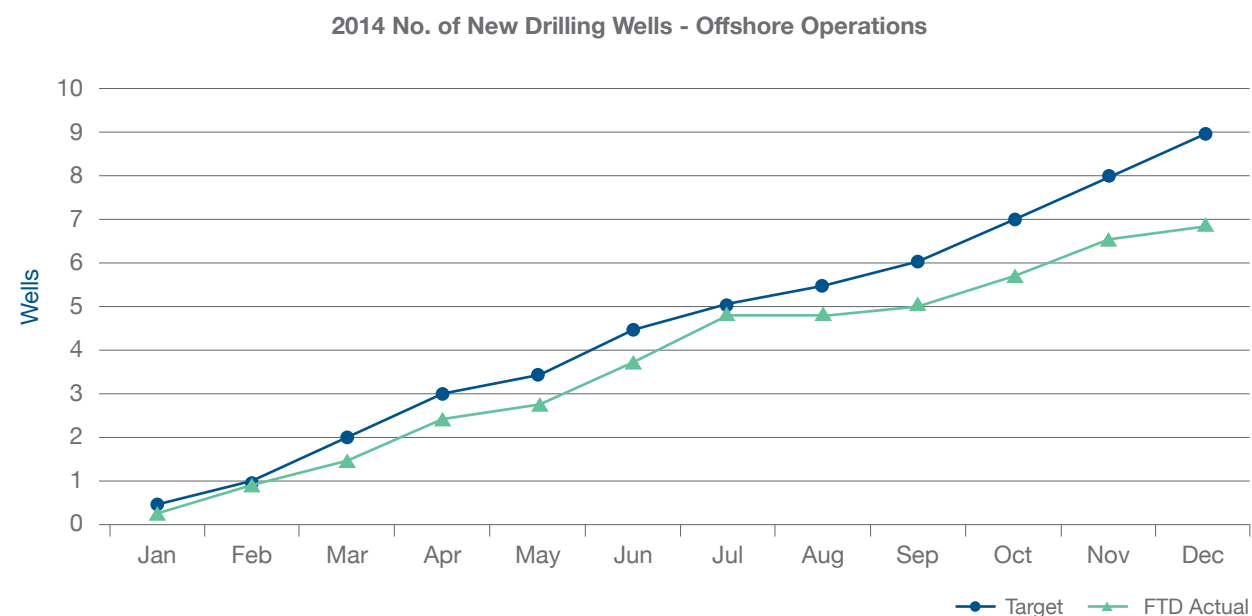
Offshore Fields (MM and BH)

Two offshore drilling rigs were in operation throughout the year, in addition to three rigs in November 2014.

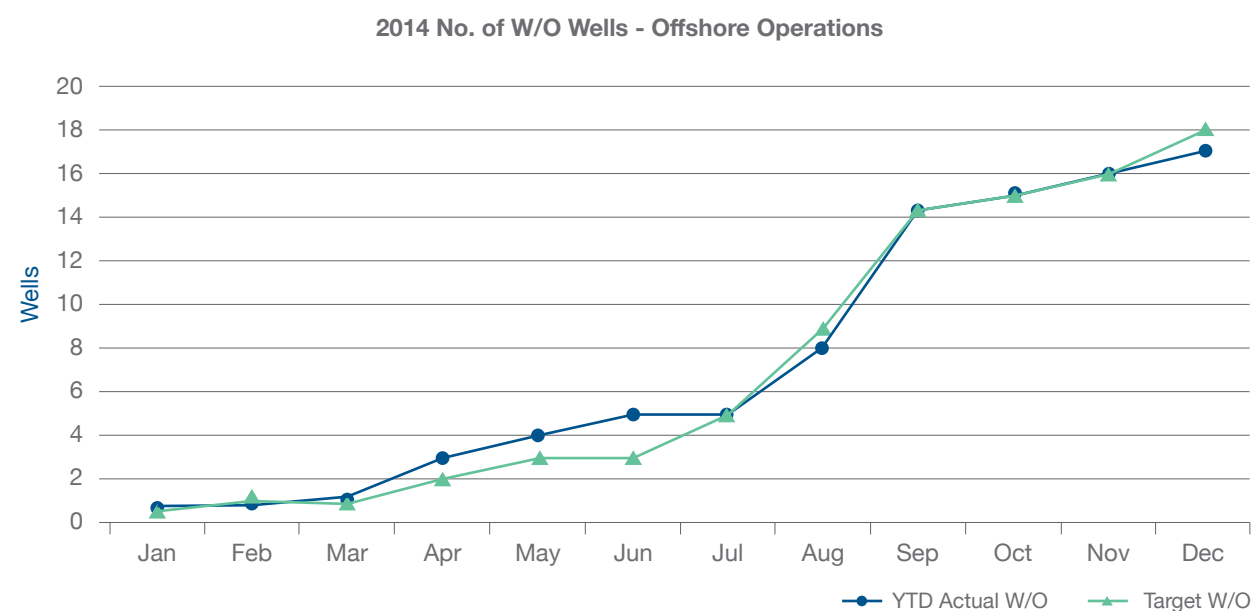
Major Achievements/Highlights

- Successfully drilled six (6) wells in MM and BH Fields (refer to the following chart)





- Successfully drilled 72,519 ft. at a cost of QR 2,916 per foot;
- Significantly maintained 10.5% NPT against the 15% target;
- Successfully worked over/abandoned 17 wells (refer to the below chart); and



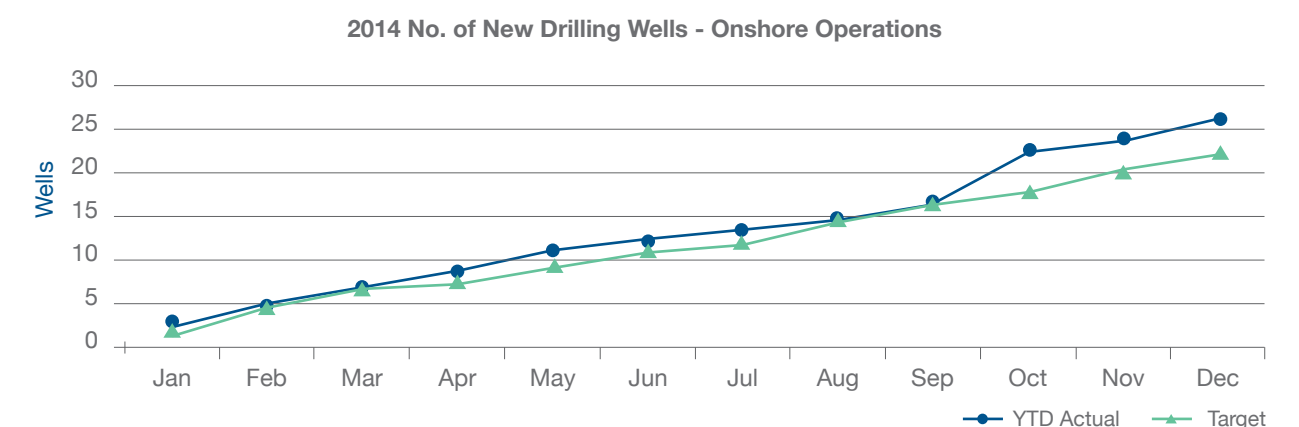
- Successfully carried out 114 bottom hole pressure surveys, 95 SCSSV change-outs, six gas lift valves (GLV) installation, and completed the logging campaign of 16 wells.

Onshore Fields (Dukhan)

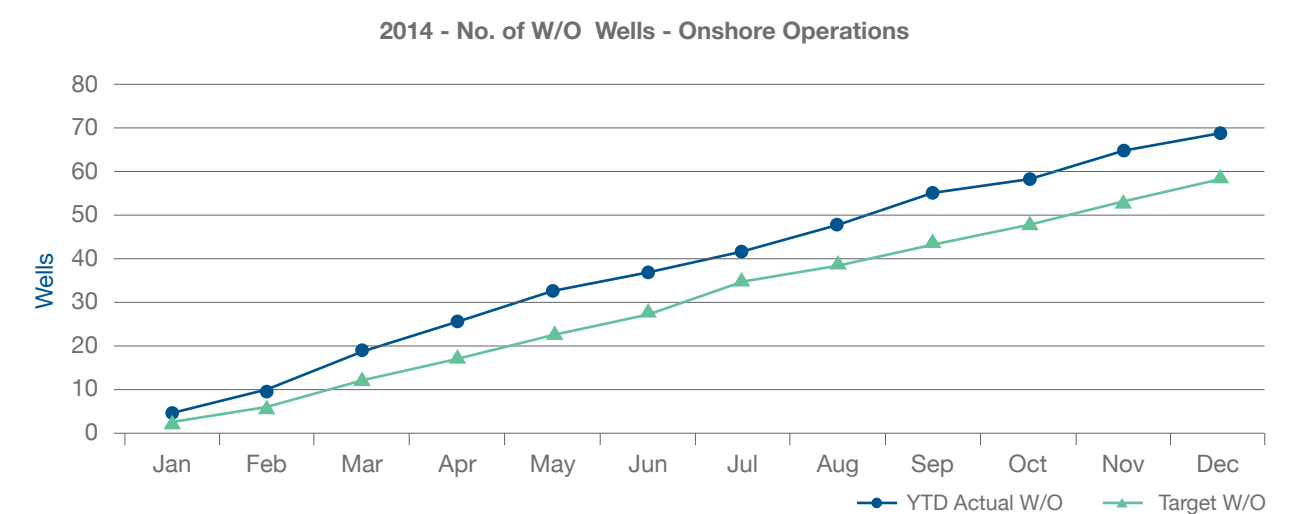
Six land rigs (three drilling and three work-over) were in operation throughout the year.

Major Achievements/Highlights

- Successfully drilled 26 wells including four water replacement wells in Dukhan fields (refer to the below chart)



- Achieved a remarkably low cost of QR 1,093 per foot (QR/ft) compared to the target of QR 1,180 per foot;
- Successfully:
 - Drilled 258,462 ft.;
 - Maintained 5.1% NPT against the 15% target;
 - Worked-over/abandoned 69 wells.



- Carried out 416 bottom hole pressure surveys;
- Completed the wells logging campaign of 87 wells;
- Acidized and production tested 31 wells;
- Carried out production testing of 221 wells with Mobile Test Separator and Multi Phase Flow Meter;
- Establishing Quarterly Reporting System for drilling performance indicators for the higher management;
- Carried out rigless perforations in four wells;
- Carried out 198 plug/unplugging jobs;
- Changed out 117 SCSSV's; and
- Installed 51 gas lift valves.

NGL AND LOCAL GAS



QP GAS OPERATIONS

QP Gas Operations, which operates under the Operations Directorate, is responsible for managing the complete value chain of non-associated gas production, processing, local transmission and distribution of associated gas and natural gas liquids (NGL), and export of liquefied petroleum gas (LPG) and condensates.

Assets under Gas Operations

- North Field Alpha (NFA) – Offshore gas production in Qatar's North Field
- Khuff Facilities – Onshore gas production in Dukhan
- North Field Injection Station (NFIS) – Gas injection facilities at Fahahil in Dukhan
- NGL Complex – Gas processing plants in Mesaieed
- LPG and condensate storage tanks in Mesaieed
- NGL Jetty in Mesaieed – For exporting LPG and condensates
- Transmission and Distribution Pipeline Network – For distributing various hydrocarbon gases and liquids within the State of Qatar

North Field Alpha (NFA)

The first commercial exploration of the North Field commenced in late 1991 with the initial gas production from Phase I (NFA Project). The gas is mainly supplied

to the local market, and the condensate is used for refining or export. A portion of the gas produced from this project is re-injected into the country's strategic contingency reserve in Dukhan.

Average production achieved during 2014 was 835 million standard cubic feet per day (mmscf/d) of gas and 31,129 barrels per day (b/d) of un-stabilized field condensate.

Khuff Facilities

The onshore Khuff reservoirs in Dukhan have 8 wellhead treatment plants with a total production capacity of 600 mmscf/d. Khuff facilities are operated mainly as a backup during gas supply shortages. The non-associated gas produced from here is called Khuff Gas (KG). Average production achieved during 2014 was 154 mmscf/d of Khuff gas.

North Field Injection Station (NFIS)

NFIS facilities at Fahahil consist of 2 compressor trains to boost up the feed gas pressure from 90 to 300 bars. The surplus NF lean gas from the NGL Complex in Mesaieed is routed to NFIS for injection into the Khuff and Arab 'D' reservoirs. Average re-injection during 2014 was 106 mmscf/d into the Arab-D and 17 mmscf/d into the Khuff reservoirs in Dukhan.



NGL Complex (Plants, LPG & Condensate Storage Tank Farm and NGL Jetty)

The NGL Complex in Mesaieed consists of the following major plants and facilities for the processing, treatment, storage and export of gas and NGL:

- NGL-3 gas plant
- Gas sweetening facilities AGR Trains 1 & 2, AGEU, SRU & TGTU
- NGL-3 condensate stabilization plant
- NGL-2 stripping plant
- NGL-1, NGL-2, NGL-4 Trains 1 and 2 fractionation plants
- Tank farm for the storage of LPG and condensates
- NGL jetty for the export of LPG and condensates
- Propane truck loading facilities

Gas Operations' Products

Product	Year 2014 Production	Product Distribution
NF Lean Gas	723 mmscf/d	Supplied as fuel and feedstock to state-owned power plants and industries across Qatar and also routed to Dukhan for injection into the Khuff and Arab 'D' reservoirs
Offshore Stripped Associated Gas (OFFSAG)	67 mmscf/d	Supplied as feedstock to QAPCO's Ethane Recovery Unit (ERU) in Mesaieed
Ethane Rich Gas (ERG)	4,151 mt/d	Supplied as feedstock to the petrochemical complexes of QAPCO and Q-Chem in Mesaieed
Propane	3,214 mt/d	Exported through the NGL Jetty in Mesaieed and supplied to local plants through propane tankers
Butane	2,366 mt/d	Supplied as feedstock to QAFAC's MTBE and Q-Chem petrochemical plants in Mesaieed and also supplied as product to QPR for local LPG supply, with the balance exported through the NGL Jetty in Mesaieed
NGL Condensates	1,295 mt/d	Exported through the NGL Jetty in Mesaieed
North Field Stabilized Condensates (NFC)	21.3 mb/d	Supplied as feedstock to the QP Refinery's NFC Unit in Mesaieed
Liquid Sulfur	86 mt/d	Supplied to QAPCO for treatment and export

Transmission and Distribution Pipeline Network

The Transmission and Distribution Pipeline Network comprises of an interconnected hydrocarbon pipeline network (the Gas Distribution System – GDS) of over 3,100 kilometers of pipelines, associated manifolds and more than 70 distribution stations located throughout the State of Qatar.

GDS receives fuel gas (lean gas - methane, C1) primarily from QP's NGL Complex in Mesaieed and Al-Khaleej Gas plants (AKG 1 & 2) in Ras Laffan. Heavier feedstock gas (ethane, C2) is received from AKG 1 & 2 and Dolphin Energy's plants in Ras Laffan. The Stripped Associated Gas (SAG) streams are received from QP's NGL Complex in Mesaieed and Fahahil Stripping Plant in Dukhan.

GDS caters to the fuel and feedstock requirements of power plants and industries located throughout Qatar. C1 gas is supplied through the GDS network to the power plants of QEWC (RAF A, A1, B, B2), MPCL, RGPC and AUAB as well as industries like QAFCO, QAPCO, Qatar Steel, QAFAC, QVC, Qatalum, Q-Chem, QP Refinery, QNCC, GCC, Woqod and DEL. C2 gas is supplied as a petrochemical feedstock to the QAPCO and RLOC plants.

In 2014, a daily average of 2,062 mmscf/d of lean gas, 148 mmscf/d of SAG, and 156 mmscf/d of ethane gas were distributed by the GDS.

Key Operational Objectives of Gas Operations

- Operate the plants with the highest possible levels of personnel and plant safety while complying with all HSE regulations and guidelines of QP and the Consent-to-Operate (CTO) issued by the Ministry of Environment of the State of Qatar;
- Optimize the processing of various feed streams in a cost-effective manner in order to maximize the State of Qatar's revenues;
- Meet the fuel/feedstock requirements of Qatar's power plants and local industries;
- Meet the export targets set for LPG and NGL condensates;
- Act as the integrated shutdown coordinator for all the hydrocarbon industries operating in Qatar in order to minimize the aggregate downtime and consequent production losses; and
- Act as the coordinator and facilitator of all pipeline road crossings and construction road openings throughout the State of Qatar.
- Achieved all the key performance indicators (KPIs) in safety, especially in incident reporting, risks and safety improvement measures;
- Processed 100% of the available feed at the NGL Complex. Fuel/feedstock supply to various state power plants and industries in Qatar was maintained with 100% reliability.
- The major turnaround of NGL-1 was successfully and timely completed. Planning for next year's major turnaround at NFA, NGL-3, AGR-1/2/, SRU, KG, and NFIS facilities has also been completed. The turnaround cycle has been extended from 4 to 5 years.
- Gas-in was achieved for the SRU upgrade project. Various projects for NGL-3 Extraction Unit Debottlenecking are currently underway.
- Control Systems Upgrade projects are presently underway for various DCS/F&G/ESD systems at the NGL Complex, and GDS and NFA facilities. The GDS SCADA upgrade project is also underway.
- Various projects are underway for NGL Feed Stream Integration and NGL Cooling Water FEED. Gas supplies were commissioned for the Barzan Gas Project's start-up and AUAB power plant. AGRP in Dukhan was commissioned, enabling full sweetening of the KG gas stream. Work on the new WHJ-3 project at NFA was initiated. The project would allow for the long-term maintenance of NFA production plateau.
- Work on the new NGL support campus and the TD Operations & Control Center building is progressing.
- A mobile CNG re-fuelling station was commissioned and is being handed over to Woqod.
- Various projects for demolition/replacement/relocation of old and redundant cross-country pipelines and facilities are underway. This would result in a rationalized pipeline corridor and would release valuable space for further development.
- Various activities for realizing QP's new initiative – utilization of CNG as transportation fuel – are progressing. The existing CNG re-fuelling station is being expanded and the utilization study is at FEED stage.

2014 Highlights of Gas Operations

- All facilities were certified to ISO 14001, OHSAS 18001 and ISO 9001 and are operated in compliance with the Consent-to-Operate conditions of the State of Qatar's Ministry of Environment. A project for Leak Detection and Repair (LDAR) was initiated at the NGL Complex.
- All facilities maintained below target levels of flaring;

REFINING



QP REFINERY

QP Refinery started as a small topping plant in 1958. Over the years, it has grown into a complex refinery organization, successfully making the State of Qatar self-sufficient and export-oriented in refined oil and petroleum products. It has provided added value to the country's natural wealth, improved the refining economics in the state, and provided citizens with the necessary expertise in the areas of management, operations, engineering, maintenance and marketing.

Production Capacity for 2014

The main activity of the refinery is to process crude oil and condensate into various finished products, which are intended to meet both domestic (totally/partially) and export demands. The main finished products are liquefied petroleum gas (LPG), petrochemical naphtha, premium gasoline, super gasoline, jet fuel, diesel, decant oil and fuel oil.

Year 2014 Overview

The processing capacities, planned intakes and actual for 2014, in barrels per stream day (b/sd), were as follows:

Feed	Design	Plan	Actual
Crude	80,000	79,225	80,018
* NFC	27,000	22,437	21,257
**DSC	30,000	18,240	19,893
Total	137,000	119,902	121,169

Notes:

* NFC — North Field Stabilized Condensate (variation in plan and actual is as per feedstock availability)

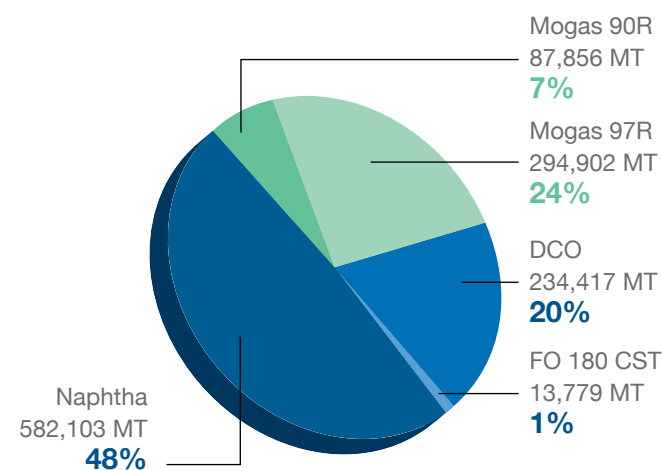
** DSC — Dukhan Stabilized Condensate (variation in plan and actual is as per feedstock availability).



The total refined products exported during the year amounted to 1,213,057 metric tons against the planned export volume of 1,084,000 metric tons.

The refinery imported 85,923 metric tons of light gas oil (LGO) and 1,073,501 metric tons of Jet A-1 to meet the high increase in local demand.

Total Exports - 2014



Marketing of Refinery Products

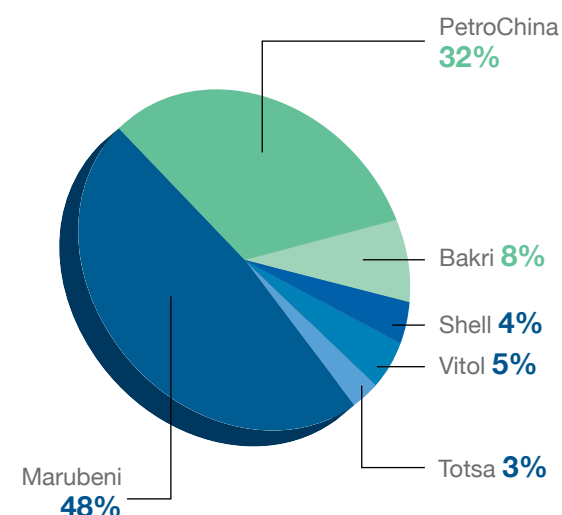
The marketing and other commercial aspects of refinery products sales are being undertaken by Qatar International Petroleum Marketing Company Ltd. (Tasweeq), in close coordination with the Production Planning, Scheduling and Export Division. This division is responsible for working out the annual, quarterly and monthly planning as well as the products' export schedule.

Major Customers and Destinations

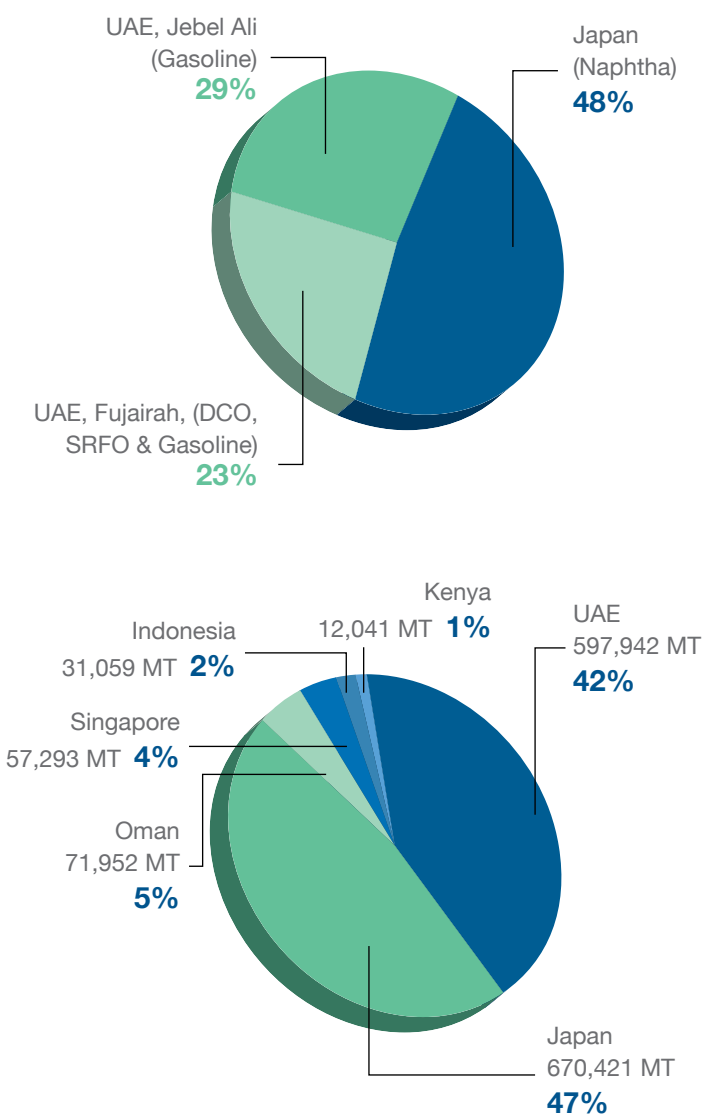
The major international customers of the company's products are Marubeni, PetroChina, Bakri, Vitol, Shell, and Totsa. QP Refinery also supplies refined products locally to WOQOD, SEEF, QAFAC, QAPCO and to QP's NGL Complex in Mesaieed.

During 2014, GCC countries were the major destinations for gasoline, decanted oil (DCO) and straight run fuel oil (SRFO), while naphtha was exported to petrochemical plants in Japan.

Customers (Export) - 2014



Export Destinations - 2014



LAFFAN REFINERY

Laffan Refinery 1 (LR1), Qatar's first condensate refinery, commenced production in September 2009. It was designed to be one of the largest condensate refineries in the world. The refinery, which started with a processing capacity of 146,000 barrels per stream day (b/sd), currently utilizes the field condensate produced from the Qatargas and RasGas facilities. It has a production capacity of 61,000 b/sd of naphtha, 52,000 b/sd of kerojet, 24,000 b/sd of gasoil, and 9,000 b/sd of liquefied petroleum gas (LPG). The shareholders of LR1 are QP (51%), ExxonMobil (10%), Total (10%), Idemitsu (10%), Cosmo (10%), Mitsui (4.5%) and Marubeni (4.5%).

The construction of a second refinery, Laffan Refinery 2 (LR2), began in April 2014, following the laying of the foundation stone by His Highness the Emir Sheikh Tamim bin Hamad Al Thani. Expected to be fully operational by the third quarter of 2016, this facility will be able to process an additional 146,000 b/sd, thereby increasing Laffan Refinery's total processing capacity to 292,000 b/d. The shareholders of LR2 are QP (84%), Total (10%), Idemitsu (2.0%), Cosmo (2.0%), Mitsui (1.0%) and Marubeni (1.0%).



Laffan Refinery helps to capture synergies and opportunities from the development of the North Field, Qatargas, RasGas and other ventures in Ras Laffan Industrial City. It consists of process units including utility systems, distillation units, naphtha and kerosene hydrotreaters, a hydrogen unit and a saturated gas plant producing naphtha, kerojet, gasoil and LPG.

Diesel Hydrotreater Project

Laffan Refinery's Diesel Hydrotreater (DHT) Project came on stream in 2014. The first of its kind in Qatar, DHT produces diesel with less than 10 parts per million of sulfur, which exceeds the 'best in class' Euro 5 specification. This will make a major contribution to the State of Qatar's drive for world-class environmental standards. The facility currently operates at 50% capacity receiving feedstock from LR1, and when LR2 comes on stream, the DHT unit will operate at 100% capacity and process 54,000 barrels per stream day of straight run light gas oil feedstock.



ORYX GTL

Oryx GTL Limited, which has been operating since 2006, is the world's first large scale gas-to-liquids (GTL) plant to use low temperature slurry bed Fischer-Tropsch technology. Located in Ras Laffan Industrial City, the plant has a design capacity of 32,441 barrels per day (b/d). The plant converts natural gas into high-quality GTL products, including GTL diesel and GTL

naphtha. The shareholders of Oryx GTL are QP (51%) and Sasol (49%).

Marketing and Customers

Oryx GTL has so far sold more than 49 million barrels (162 shipments) of low sulfur, low aromatics and high cetane number GTL diesel to the market. GTL diesel, which is marketed by Oryx GTL, is mainly used as a blending component with suitable products in order to meet the European diesel specifications. In addition, Oryx GTL has so far produced up to 1.7 million metric tons (mmt) (63 shipments) of low sulfur, aromatic-free, highly paraffinic GTL naphtha. Marketed by Tasweeq, GTL naphtha is supplied as a feedstock for steam crackers to produce ethylene.

Achievements of 2014

During 2014, Oryx GTL built on its exceptional performance in 2013 and again exceeded most of the business targets it had set for the year in the areas of safety, environmental compliance, employee turnover, production volumes, operating cost and net profit as a result of its strategic focus on stability and unit cost optimization. This was achieved with the concerted effort of a dedicated workforce, comprising of around 700 employees from 36 nationalities.

Oryx GTL maintained its world-class safety performance through its 'Beyond Zero Harm' campaign and ended the year with a Total Recordable Injury Rate (TRIR) of 0.00, and with more than 20 million man-hours worked without Lost Time Injury (LTI). The strategic focus on increasing average production volumes throughout 2014 resulted in the plant exceeding its previous production records; an average daily production of 30,956 b/d was achieved

at an average on-line availability of 95.5%. The plant achieved the lowest annual average flaring volume of 2.01% relative to feedstock on an energy basis. It also achieved 43.7% Qatarization by the end of 2014.

Future Strategic Focus

During 2015, Oryx GTL will continue to focus on optimizing the stability of the plant and increasing the average production volumes, while controlling and reducing the unit cost. The company will continue to study and implement business opportunities that add value to its shareholders and contribute towards the strategic objectives of the State of Qatar as set out in Qatar National Vision 2030.

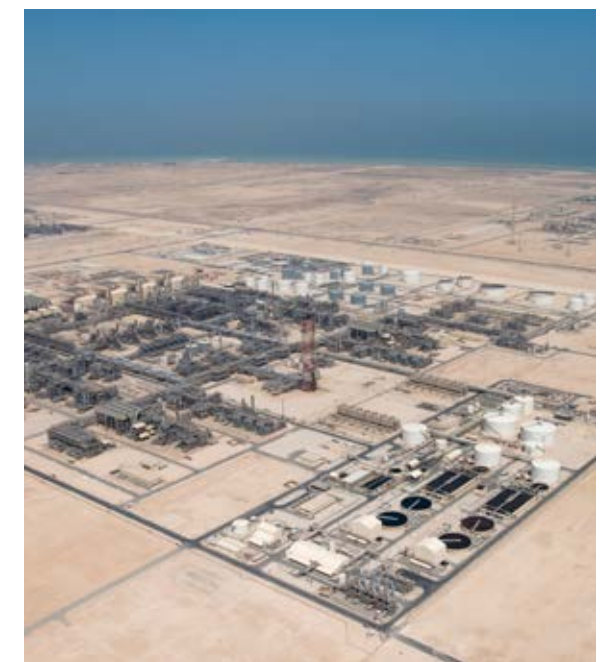
PEARL GTL

In July 2004, a Development & Production Sharing Agreement (DPSA) was signed between QP and Qatar Shell GTL to develop the Pearl GTL project in two phases: Pearl-1 and Pearl-2. This integrated project was designed to develop about 1,600 million standard cubic feet per day (mmscf/d) of North Field gas in order to produce approximately 140,000 b/d of synthetic fuels, including base oils for manufacturing lubricating oils.

The drilling and completion activities for Pearl-1 and Pearl-2 were completed in the third quarter of 2009 and March 2010, respectively. First gas from the offshore Pearl-1 and Pearl-2 was realized on 23 March 2011 and 4 November 2011, respectively.

The Pearl GTL Phase 1 achieved its first wax production on 14 May 2011, while the first GTL gasoil was produced on 29 May 2011. The first commercial shipment of GTL gasoil departed Ras Laffan on 13 June 2011, and the first GTL base oil shipment was subsequently made in October 2011. His Highness Sheikh Hamad Bin Khalifa Al-Thani, the Father Emir, officially inaugurated the Pearl GTL on 22 November 2011. The Pearl GTL Phase 2 achieved its first wax production on 1 December 2011.

In 2014, Pearl GTL produced a total of 20.2 million barrels of condensate and 42.6 million barrels of GTL products.



INDUSTRIAL CITIES



The Industrial Cities Directorate has overall responsibility for Mesaieed and Ras Laffan industrial cities. The directorate is responsible for developing and providing land, infrastructure, facilities and services required by the industries established by QP, with a view towards ensuring that the best economic value is obtained from the State's domestic oil and gas resources.

Vision, Mission and Strategic Objectives

Vision

To be world's leading industrial cities, valued by business partners and community for excellence and socio-economic sustainability

Mission

Enable the effective development and efficient operation of a globally competitive hydrocarbons and energy industry in Qatar

Strategic Objectives

The strategic objectives of the Industrial Cities Directorate are as follows:

- Ensure the protection of people, environment and assets;
- Develop, operate and sustain competitive world-class infrastructure, utilities, logistics and services;
- Attract and facilitate the development of value additions and service industries to support and complement the hydrocarbon, energy and maritime sectors;

- Provide a quality living and work environment and meet community expectations;
- Drive operational excellence, cost effectiveness and customer responsiveness;
- Nurture local talent and enhance skills and capacity of employees; and
- Ensure effective controls and sustainability of the physical development of the industrial cities.

MESAIEED INDUSTRIAL CITY (MIC)

Mesaieed Industrial City (MIC), located approximately 40 kilometers south of Doha, is the hub for the petrochemical, chemical fertiliser, oil refining, metallurgical and primary building material industries in Qatar. MIC also hosts numerous small and medium-sized industries as well as a well-planned, self-contained, sustainable, modern township with a fully serviced infrastructure that provides a high quality of life to its residents.

Facilities and Services

MIC provides industries with land, roads and self-contained residential facilities for their workforce. Other services provided include emergency response coordination, environmental monitoring, firefighting, medical and security.

Mesaieed Port, which is home to the largest container terminal in Qatar, handles the export of hydrocarbons, petrochemicals and aluminum that are produced by the industries in MIC. It also handles the import of primary building materials, such as steel and Gabbro, into Qatar.



Mesaieed Light Industrial Area, which occupies an area of around 9 million square meters, caters to the requirements of the small and medium enterprises (SMEs) that support the primary industries in MIC. The hazardous waste treatment facility, the only facility of its kind in Qatar, serves the waste treatment requirements of all the industries in Qatar.

MIC hosts a number of community and government schools as well as a modern international school with 1,700 students ranging from kindergarten to secondary. A wide range of shopping facilities, including indoor and outdoor malls, are available in the town center. The city also houses a variety of sports and recreational facilities, including a desert golf club, a multipurpose recreation complex and a number of social and recreational clubs, and it is home to a modern, permanent and fully serviced accommodation facility for contract workers residing in Mesaieed.

Major Industries Operating in MIC

A wide range of products, ranging from natural gas, petrochemicals and refined petroleum products to plastic resins, aluminum, steel, etc., is produced in MIC. These products are supplied to the local, regional and international markets.

Following are the major industries operating in MIC:

- QP Gas Operations Complex in Mesaieed – Manages the on-shore processing, distribution and export of products derived from non-associated gas;
- QP Refinery – Processes crude oil and condensate into a variety of finished products like naphtha, gasoline, jet fuel, diesel and fuel oil;
- Qatar Petrochemical Company (QAPCO) – One of the leading producers of ethylene and low-density polyethylene (LDPE) in the Middle East region;

- Qatar Fertiliser Company (QAFCO) – A leading, world-class fertiliser producer and the world's largest single-site producer of ammonia and urea;
- Qatar Chemical Company (Q-Chem) – A world-class integrated petrochemical plant producing high-density and medium-density polyethylene and other products;
- Qatar Steel – A regional leader in the steel industry;
- Qatar Aluminium Company (Qatalum) – A fully-integrated aluminum plant producing high-quality primary aluminum products;
- Qatar Vinyl Company (QVC) – Produces high-quality vinyl products; and
- Qatar Fuel Additives Company (QAFAC) – Produces methanol and methyl tertiary-butyl ether (MTBE).

Major Projects Completed in 2014

- Roads and infrastructure for the community and industrial area
- Upgrading of treated sewage effluent network
- Sealine road (northern section)

Ongoing and Future Development Plans

The following projects are in various stages of implementation:

- Upgrading of the existing hazardous waste treatment center
- New business and recreational complex

RAS LAFFAN INDUSTRIAL CITY (RLIC)

Ras Laffan Industrial City (RLIC), which is located 80 kilometers northeast of Doha, is the base of all the onshore operations that support the development and utilization of Qatar's North Field gas assets. It commenced operations in 1996 by initially providing land, infrastructure and port facilities to Qatargas 1. Since then, RLIC has evolved into a world-class

industrial city, facilitating the needs of the most technologically sophisticated natural gas-based industries.

Facilities and Services

RLIC provides industries with land, roads and common corridors for pipelines and other utility structures. The Ras Laffan Port, which is the largest LNG export facility in the world, facilitates the marine export of all the hydrocarbons and sulfur produced by the industries and the import of general cargo, and supports the offshore production operations in the North Field.

RLIC also provides industries with various utilities, such as desalinated water, potable water, power, telecom, seawater through the common seawater facility, as well as municipal waste treatment and disposal. Other services provided include emergency response coordination, environmental monitoring, firefighting, medical, security and accommodation for designated categories of the workforce.

The Ras Laffan Support Services Area (RSSA), which covers 3 million square meters and is located on the west side of RLIC, has been earmarked for industries that provide support services for the oil, gas and petrochemical industries in Qatar and the region.

RLIC is also home to the Ras Laffan Emergency and Safety College (RLESC). It provides emergency and safety training to the oil, gas and petrochemicals industry as well as to civil defense, aviation and the military in Qatar, the GCC region, and across the Middle East and North Africa.

Major Industries Operating in RLIC

Most of the industrial developments, which were targeted by QP and aimed at utilizing the North Field's current planned production capacity of 25 billion cubic feet of gas per day, are now complete and include the following:

- Qatargas and RasGas – The largest producers of LNG in the world;
- Pearl GTL and Oryx GTL – The largest producers of GTL in the world;
- Al-Khaleej Gas – Produces lean natural gas for the Qatari market;
- Dolphin Energy Limited – Produces lean natural gas for export by pipeline to GCC;
- Laffan Refinery – Produces refined petroleum products;
- Ras Laffan Olefins Company – Produces ethylene for making petrochemical products;
- Ras Laffan Helium – The largest producer of helium in the world;
- Qatar Power Company, Ras Girtas Power Company and Ras Laffan Power Company – Produce electricity for Qatar and for export to the GCC markets;
- Erhama Bin Jaber Al Jalahma Shipyard – Provides shipbuilding, repair and maintenance services;
- Other major industrial developments that are presently underway include:
 - Barzan Gas Project
 - Laffan Refinery 2
 - Qatar Solar Technologies' Polysilicon plant
 - Qatar Helium 2

Ongoing and Future Development Plans

The following projects are in various stages of implementation:

- Multipurpose administration complex – phase 1
- New port control tower
- New berth for the MARPOL reception facilities at southern breakwater
- MARPOL-compliant marine waste treatment facility

DOWNSTREAM DEVELOPMENT



QP's Downstream Development Directorate (DD) has been the driver of petrochemical and downstream sector development in the State of Qatar. Global trends continue to provide investment opportunities for QP and, where these are aligned with QP strategy and when market conditions are favorable, some of these investment opportunities may become reality.

Worldwide, petrochemical usage has increased exponentially during the last few decades and demand continues to grow in line with gross domestic product (GDP). Refining has seen more moderate demand growth and stable demand or decline in some mature markets. At the same time, demand continues to grow fast in areas with large population or GDP growth and Qatar is an example of a rapid growth market.

Recent project examples are the completion of the Diesel Hydrotreater (DHT) Project in Ras Laffan and the Eco Methanol project in Mesaieed. In 2014, the construction for the Laffan Refinery 2 (LR2) Project started, which will add 146 kb/d of condensate processing capacity and produce more jet fuel, naphtha and diesel to supply demand growth in Qatar and the region.

QP's downstream multi-billion dollar business across five industry sectors was successfully built up over a period of more than 40 years. There is an increasing focus on consolidation and getting the most out of the existing assets. Applying industry best practices, the latest developments in catalysts and process technology, and harvesting synergies between joint ventures can continue to deliver significant additional value to the existing asset base. QP's joint venture assets have already demonstrated substantial volume growth beyond the original design and will continue to develop and implement plans to further enhance the value of the assets in their journey towards achieving world-class performance.

In line with Qatar National Vision 2030, the downstream sector has already delivered industry diversification and opportunities for the development of small and medium enterprises in the State of Qatar. In the future, QP's downstream business continues to be an exciting area with many opportunities to deliver growth of value added to Qatar's oil and gas resources and its existing downstream ventures.



QATARGAS OPERATING COMPANY LIMITED (QATARGAS)

Established in 1984, Qatargas is credited as one of the pioneering companies in the liquefied natural gas (LNG) industry in Qatar. Today, Qatargas, with an annual LNG production capacity of 42 million tons per annum (mt/a), has grown to be recognized as the largest LNG-producing company in the world. The company is steadily realizing its vision of becoming the world's premier LNG company.

Qatargas operates all its existing trains and facilities, including the Laffan Refinery, Common Sulfur Facilities, Common Lean LNG (CLLNG), Common Liquefied Petroleum Gas (CLPG) and Common Condensate Storage and Loading (CCSL) projects on behalf of the shareholders of all its assets.

The company's offshore operations are located approximately 80 kilometers northeast of Qatar's mainland. Commissioned in 1996, the North Field Bravo offshore complex is at the heart of the Qatargas' offshore operations. Its onshore operations are located within Ras Laffan Industrial City over an

area of 3.9 square kilometers. The company is home to seven LNG trains, four of which -- known as mega trains -- are the largest in the world, each with a production capacity of 7.8 mt/a.

Qatargas' customers are spread all over the world in the European, Asian, Middle Eastern and North and South American markets.

Current Operations

Qatargas 1 (QG1)

Qatargas 1 was established to produce LNG for export by developing and processing natural gas from Qatar's North Field. Its shareholders are Qatar Petroleum (65%), ExxonMobil (10%), Total (10%), Mitsui (7.5%) and Marubeni (7.5%). The facility consists of LNG trains 1, 2, and 3, with a total production capacity of approximately 10 mt/a of LNG. 22 production wells supply 1,600 million standard cubic feet per day (mscf/d) (45 million cubic meters) of dry natural gas from the field's reservoir, underneath the seabed, to its onshore trains. The first LNG delivery from Qatargas 1 was made in January 1997 to Japan.

Qatargas 2 (QG2)

QG2, the world's first fully integrated value chain LNG venture, includes two world-class LNG mega-trains (Trains 4 and 5), each with a production capacity of 7.8 mt/a of LNG. QG2 also owns a fleet of eight Q-Flex



and six Q-Max ships. The shareholders of Train 4 are QP (70%) and ExxonMobil (30%), while for Train 5, the shareholders are QP (65%), ExxonMobil (18.3%) and Total (16.7%). In addition to LNG, QG2 also produces substantial volumes of liquefied petroleum gas (LPG) and condensate.

QG2 has 30 offshore wells and three platforms in the North Field. The offshore platforms are unmanned and produce 2.9 billion cubic feet per day (bscf/d) of gas. The total production is transported to the shore through two wet-gas pipelines, and LNG is processed using the Air Products' proprietary APX process technology. As part of the expansion project aimed at increasing the capacity of Ras Laffan, QG2 constructed facilities for expanded LNG storage and loading, including five 145,000-cubic-meter tanks and three LNG berths, a 12,000 tons per day (t/d) common sulfur system that serves all Ras Laffan ventures, and an export pipeline and mooring buoy for loading condensate ships around 55 kilometers offshore.

Qatargas 3 (QG3)

The QG3 facility consists of an LNG mega-train (Train 6) with a capacity of 7.8 mt/a. It is a joint venture (JV) involving QP (68.5%), ConocoPhillips (30%) and Mitsui & Co. Ltd. (1.5%). Production from Train 6 commenced in November 2010 and LNG is transported today to markets worldwide by a fleet of 10 ships, each with a transportation capacity of approximately 210,000 to 266,000 cubic meters of LNG.

Three unmanned platforms, 33 wells and two subsea pipelines, all of which are shared with QG4 and are operated remotely from an onshore control room, constitute the upstream platforms and infrastructure

of QG3. QG3 produces 1.4 billion bscf/d of gas and supplies substantial volumes of LNG, condensate and LPG.

Qatargas 4 (QG4)

QG4, a JV between QP (70%) and Royal Dutch Shell (30%), started producing LNG in January 2011. QG4 consists of an LNG mega-train (Train 7), similar to QG2 and QG3, with a production capacity of 7.8 mt/a.

Its upstream platforms and infrastructure include three unmanned platforms (each containing 11 wells) and two subsea pipelines, which are shared with QG3. QG4 produces 1.4 bscf/d of gas, and supplies substantial volumes of LNG, condensate and LPG, as well as high purity grade sulfur.

LNG from QG4 is transported to global markets by a fleet of eight Q-Flex or Q-Max ships, each with a transportation capacity of approximately 210,000 to 266,000 cubic meters.

Both the QG3 and QG4 projects were developed and executed by a Joint Asset Development Team, which was constituted to capture synergies effectively.

Major Achievements in 2014

- His Highness the Emir Sheikh Tamim bin Hamad Al Thani laid the foundation stone for Laffan Refinery 2;
- Laffan Refinery venture celebrated the successful delivery of the Diesel Hydrotreater Project;
- Announced the successful start-up of the Jetty Boil-off Gas Recovery Project;
- Announced the successful start-up of the Plateau Maintenance Project;

- Achieved outstanding safety milestones – 20 million man-hours without a lost time incident;
- Completed 12 years of offshore operations without a lost time incident;
- QG3 signed a new LNG Sale and Purchase Agreement with Tohoku Electric Power;
- Qatargas and Kuwait Petroleum Corporation signed an agreement for the delivery of LNG cargoes in 2014;
- Sold its first cargo of LNG to JOVO, an independent LNG importer from the People's Republic of China;
- Received an award for supporting Qatarization in the energy and industry sector;
- Won first place in the 'Large Size Enterprise' category across the MENA region at the Arabia CSR Awards 2014;
- Became the first Qatari company to be awarded the prestigious British Safety Council Health and Safety and Environmental Award.

Jetty Boil-off Gas Recovery Project

In 2014, Qatargas successfully started up the Jetty Boil-off Gas Recovery (JBOG) Project in Ras Laffan Industrial City. This landmark US\$-1billion environmental project is designed to eliminate flaring at the LNG terminal.

The main shareholders of the JBOG project are QP, ExxonMobil, Total, ConocoPhillips and Shell. Qatargas and RasGas, the two largest LNG producers in the world, operate the facilities.

Around 100 million standard cubic feet per day of natural gas, which used to be burnt and wasted during LNG ship loading, is now being recovered and utilized in the LNG production plants as fuel. Over a

period of 30 years, the JBOG project will save nearly 1 trillion cubic feet of gas for the State of Qatar. The operation of these facilities reduces the greenhouse gas emissions to the atmosphere and helps in maintaining a clean environment for the residents of the State of Qatar.

Plateau Maintenance Project

In 2014, Qatargas successfully started up the Plateau Maintenance Project (PMP). The key objective of the project is to ensure that the production capacity of Qatargas 1 is maintained at 10 million tons per annum (mt/a) of LNG for many years to come. The project involved drilling and recompleting offshore wells, adding new onshore facilities for sulfur handling and modifying existing LNG production trains 1, 2 and 3.

Significant new onshore facilities were added to accommodate the increased volumes of feed gas and hydrogen sulfide (H₂S) from new wells. The additional quantities of H₂S are treated in the new onshore sulfur plant, which was built as part of the project. The new sulfur plant is capable of treating over 1 billion cubic feet per day (bcf/d) of offshore feed gas. Numerous new and upgraded compression and utility units were also added.



RASGAS COMPANY LIMITED (RASGAS)

RasGas Company Limited (RasGas) is a Qatari joint stock company established in 2001 by QP and ExxonMobil RasGas Inc. RasGas acts as the operating company for and on behalf of the following project owners: Ras Laffan Liquefied Natural Gas Company Limited – RL, Ras Laffan Liquefied Natural Gas Company Limited (II) – RL (II), and Ras Laffan Liquefied Natural Gas Company Limited (3) – RL (3). With operations facilities based in Ras Laffan Industrial City, RasGas' principal activities include extracting, processing, liquefying, storing and exporting LNG and its derivatives from Qatar's North Field. RasGas, on behalf of the project owners, exports its total LNG production capacity of approximately 37 mt/a to countries across Asia, Europe and the Americas.

RasGas supplies approximately 2 bscf/d of pipeline sales gas to the domestic market through its Al Khaleej Gas projects, AKG-1 and AKG-2.

The upcoming Barzan Gas Project is expected to expand the production capacity of RasGas. When fully operational in 2015, it is expected to supply approximately 1.4 bscf/d of sales gas to the Qatari market in order to meet the growing demand for energy by power stations and downstream industries.

The Ras Laffan Helium Plant, which was established in 2003 and came on stream in 2005, is also operated by RasGas. The plant extracts, purifies and liquefies helium from the North Field. With a second Ras Laffan Helium Plant commencing production in 2013, the total liquid helium production capacity has now touched 1.96 bscf per year.

RasGas Company Limited is the operating and project development company for and on behalf of the following project owners:

1. Ras Laffan Liquefied Natural Gas Company Limited – RL

RL was established in 1993 to produce LNG and related products from Trains 1 and 2, each with a production capacity of 3.3 mt/a of LNG.

2. Ras Laffan Liquefied Natural Gas Company Limited (II) – RL (II)

RL (II) was established in 2001 to produce LNG and related products from Trains 3, 4 and 5, each with a production capacity of 4.7 mt/a of LNG.

3. Ras Laffan Liquefied Natural Gas Company Limited (3) – RL (3)

RL (3) was established in 2005 to produce LNG and related products from Trains 6 and 7, each with a production capacity of 7.8 mt/a of LNG.

RasGas is also the operating company for two helium plants. The first Ras Laffan Helium Plant, which started production in August 2005, develops resources on behalf of the co-owners: RL, RL (II), and Qatargas 1. It has a production capacity of approximately 9 t/d of

liquid helium. Ras Laffan Helium 2, which started up in 2013 is the world's largest single helium refinery. It has an estimated production capacity of approximately 17 t/d of liquid helium.

Major Achievements in 2014

- RasGas received the ISO:39001:2012 certification for its road safety management system related to fleet management and it also achieved recertification for its Quality Management (ISO 9001:2008), Environmental Management (ISO 14001:2004) and Occupational Health and Safety Management (OHSAS 18001:2007) systems. These confirm and reinforce RasGas' continuous drive for excellence, through a relentless focus on quality, environment and occupational health and safety management systems.
- RasGas' Venture Group achieved an unprecedented record of 130 million man-hours without lost time injury (LTI). The milestone achievement involved a multi-national workforce of more than 30,000 workers from 45 nationalities on a three-square-kilometer, complex project site, and working at a rate of 2 million hours per week.
- RasGas hosted 22 International Gas Union (IGU) delegates from across the globe for a two-day marketing and communication meeting. It was the first time such a meeting was held in Qatar.
- RasGas' chartered Q-Max LNG tanker, Mekaines, successfully berthed at Dahej LNG terminal in Gujarat, India, marking the first arrival of one of the world's largest LNG carriers at Dahej LNG terminal after its expansion to accommodate larger vessels.

- RasGas' Expansion Phase 2 (RGX2) project -- one of the company's largest and most ambitious ventures - received the IPTC Excellence in Project Integration Award at the 8th International Petroleum Technology Conference held in Kuala Lumpur, Malaysia.
- RasGas co-hosted more than 1,350 students at the Qatar National Convention Centre (QNCC) to set a new Guinness World Records title for the 'Largest Reading Lesson', in Arabic. The event coincided with UNESCO's annual World Book Day (WBD).



PETROCHEMICAL COMPANIES



QATAR FERTILISER COMPANY (QAFco)

Founded in 1969, Qatar Fertiliser Company (QAFco) is owned by Industries Qatar (75%) and Yara Nederland B.V. (25%).

Since its inception, QAFco has steered its way successfully by responding adequately to the rising global market demand for fertilisers, by implementing scientific strategic plans, and by integrating the latest technologies that have been steadily developed over the years. With a sizable annual production capacity of 3.8 million metric tons (mmt) of ammonia and 5.6 mmt of urea, QAFco is now the world's largest single-site producer of ammonia and urea, which has enabled the State of Qatar to be a key player in the global fertiliser market and to become the largest exporter of urea in the world.

Qafco's Performance in 2014

Product	Production in Metric Tons	Exports in Metric Tons
Ammonia	3,624,161	544,365
Urea	5,431,915	5,092,343

Marketing

Qatar Chemical and Petrochemical Marketing and Distribution Company (Muntajat) has assumed exclusive responsibility for the marketing, sales and distribution activities of QAFco. This has completed the second phase of a comprehensive marketing consolidation of Qatar's chemical and petrochemical industry.



شركة قطر للميلامين
QATAR MELAMINE CO.

QATAR MELAMINE COMPANY

QAFco has utilized its expertise in fertiliser plant operations to operate and manage a production plant for premium grade melamine. The plant is based on the Eurotechnica HP process and it is being operated by QAFco on behalf of the Qatar Melamine Company. The plant performed extremely well in the year under review, producing a total of 56,156 mt of melamine.

GULF FORMALDEHYDE COMPANY (GFC)

Gulf Formaldehyde Company (GFC) was created in 2003 and began operations in 2004. GFC plants A and B are designed to produce 82 tons per day of urea formaldehyde (UFC-85), a viscous liquid consisting of 60% formaldehyde, 25% urea and 15% water. Up to 80% of the UFC-85 produced is consumed by QAFCO and is used as an anti-caking agent in the production of urea.

In 2014, GFC produced a total of 58,196 mt of UFC-85. Of the total production output, 48,618 MT was used by QAFCO and the rest was exported.



QATAR PETROCHEMICAL COMPANY (QAPCO)

Qatar Petrochemical Company (QAPCO) has grown over the years to be recognized as one of the largest producers of low-density polyethylene (LDPE) in the Middle East. The company produces a wide range of LDPE grades that are suitable for all thermoplastics processing techniques used for various applications. These include food packaging, agricultural films, extrusion and coating lamination films, high-clarity films, injection molding, cables, wires, foam and other products that are widely used all over the world.

LDPE also plays a key role in the development of green building solutions. It is considered the most commonly used type of plastic. Thanks to its innovative applications, it makes our daily lives more practical, safer and greener. QAPCO's food-grade polymers comply with EU and US FDA standards related to food packaging safety.

QAPCO was established in 1974 as a joint multinational venture to utilize the associated and non-associated ethane gases from petroleum production in line with

the industrialization plan of the State of Qatar. The company commenced commercial production in 1981. QAPCO's unwavering commitment to quality and reliability acted as a catalyst, rapidly propelling the company to the global petrochemical scene. QAPCO's shareholders are Industries Qatar (80%) and Total Petrochemicals France (20%).

QAPCO's Plants and Products

Located in Mesaieed Industrial City, QAPCO's manufacturing facilities consist of an ethylene plant producing up to 800 kiloton per annum (ktp/a), a 70 ktp/a sulfur processing plant, and three LDPE plants with a total capacity of over 700 ktp/a, in addition to the self-sufficient utilities plants and other offsite and auxiliary facilities.



QAPCO's LDPE capacity increased to 700 ktp/a in the middle of 2012 after the successful start-up of the third LDPE plant, which added an extra capacity of 300 ktp/a, thereby making QAPCO one of the world's leading LDPE producers.

QAPCO's facilities also include C3/C4 and pygasoline hydrogenation units, which are integrated with Q-Chem's stream. The C3/C4 is supplied to QP for conversion into high-value liquefied petroleum gas (LPG), and the pygasoline is supplied to SEEF Limited for the manufacture of linear alkyl benzene.

QAPCO's plants are located on the seacoast, equipped with jetty facilities and are also well connected to the road transport network.

Projects and Ventures

Growing its business through partnerships and joint ventures is a critical facet of the company's success. In line with its quest to integrate and expand its downstream industrial base and diversify its income resources, QAPCO is involved in a number of joint ventures (JVs), including Qatar Vinyl Company (QVC), Qatofin Company Limited, and Qatar Plastic Products Company (QPPC), which collectively produce a wide range of petrochemical products, thereby making QAPCO a regional petrochemical powerhouse.

The company's investments and ventures are focused on Qatar's petrochemicals and derivative industries to bring in new opportunities and support the development of associated products.

Highlights of 2014

- On the 9th of November 2014, QAPCO celebrated its 40th anniversary by honoring the visionary pioneers and brilliant minds who contributed to the growth and progress of the company during the past four decades.
- Capturing the gas flows that are associated with oil production and were previously flared and channeling those flows as feedstock for chemical production have made it possible to build an immense and highly profitable industry for the entire GCC region. QAPCO is the company that pioneered such an unprecedented development in 1974.
- QAPCO has positioned itself as a company that could lengthen the value chain of Qatar's vast natural oil and gas resources.
- QAPCO reaffirmed its commitment to sustainability and strengthened best practice implementation with its certification to Responsible Care®. Responsible Care® is inspiring leading petrochemical companies to rise above and beyond their prior accomplishments and achieve even higher standards of performance on an operational, social and environmental level, thus generating greater value for their businesses and stakeholders.
- QAPCO and Materia signed a Memorandum of Understanding (MoU) to study the development of next-generation materials produced from Qatar's existing feedstock. Together, they will explore the possibilities of further optimizing the use of Qatar's natural resources. Nobel Prize Laureate Prof. Robert H. Grubbs, who specializes in 'sustainable chemistry', developed Materia's groundbreaking catalyst.



شركة قطر الإضافات البترولية المحدودة
Qatar Fuel Additives Company Limited

QATAR FUEL ADDITIVES COMPANY (QAFAC)

Qatar Fuel Additives Company limited (QAFAC) was established as a Qatari joint stock company to build, own and operate facilities at Mesaieed Industrial City for the production of methanol and methyl tertiary butyl ether (MTBE).

QAFAC produces and supplies methanol and MTBE to the local, regional and international markets. Its methanol plant was initially designed to produce 832,500 tons of methanol annually. After the successful revamping of the methanol plant in 2007, the design capacity has increased to 982,350 tons, of which 750,000 tons are earmarked for export. The balance is used as feedstock for the MTBE plant, which is designed to produce 610,000 tons of MTBE.

From the natural gas supplied by QP, QAFAC produces methanol through steam reforming and methanol synthesis. MTBE is produced by processing butane and methanol. While the required methanol feedstock is produced in house, QP supplies the butane feedstock.

A majority of the methanol produced by QAFAC is exported to the Far East, Europe, India and the GCC region. Locally, the company supplies methanol to Gulf Formaldehyde Company for use as a feedstock for its formaldehyde plant. Meanwhile, the main markets for MTBE are the Far East, Europe, South America and the GCC region. Locally, MTBE is also supplied to the QP Refinery.

QAFAC has a state-of-the-art plant, staffed by a team of experts and professionals with extensive experience in chemical and petrochemical industries. In line with other major chemical companies worldwide, QAFAC has a strong focus on health, safety and environmental performance, and this is a top priority in all of its operations.

QAFAC Objectives

Vision: By 2020, QAFAC will be among the top five producers of methanol, its high value derivatives and butane sub-products.

Mission: To be an international producer of methanol, its high value derivatives, and butane sub-products in a sustainable, safe and environment-friendly manner, contributing to the economic development of Qatar and maximizing shareholder value.

Shareholders

Industries Qatar (IQ)	50%
OPIC Middle East Corporation (OMEC)	20%
International Octane Limited (IOL)	15%
LCY Middle East Corporation (LCYMEC)	15%

QAFAC Products

METHANOL

Methanol is a key chemical intermediate that is becoming increasingly important in the fuels sectors. The QAFAC methanol plant is designed to produce 2,950 metric tons per day of US Federal Grade AA methanol.

Methyl Tertiary-Butyl Ether (MTBE)

The QAFAC MTBE plant produces around 1,830 metric tons per day of MTBE by processing butane and methanol. The on-site methanol plant provides methanol and QP provides the field butane. MTBE from QAFAC is also used by the QP Refinery in Mesaieed as a gasoline blender to help as an octane enhancer and oxygenator to replace the lead in the gasoline being marketed in Qatar.

QAFAC's CDR Plant

QAFAC commissioned a 500 TPD CO₂ recovery (CDR) plant in July 2014. It captures CO₂ gas from the combustion exhaust gases of the reformer stack. Emitted during the methanol production process, total CO₂ gas is separated and recovered from the flue gas using Mitsubishi Heavy Industry's (MHI) proprietary KS-1™ solvent, and it is then used as feedstock for boosting methanol production.

The CDR project has two environmental benefits as mentioned below:

- Reduction of 500 MTPD of CO₂ emissions to the atmosphere and converting it into a clean fuel; and
- Recovering 30 m³/hr of water vapor from flue gas and recycling it to the DM plant, thus reducing fresh water consumption.

Safety and Environment

HSE is always a top priority in QAFAC's operations as well as an integral part in the company's long-term strategy. QAFAC is already an ISO-14001 and OHSAS-18001 certified company. These certifications indicate the strength of the company's HSE management systems, which are up to the recognized international standards of quality.

QAFAC is committed to implementing industry-leading environmental management practices. It has implemented a Leak Detection and Repair (LDAR) program for the entire site (methanol, utilities and MTBE plant) following EPA USA protocols. Recently,

it also completed its flare management program and steam trap management program to ensure that its operations have the least impact on the environment, with a strict control on emissions.

For the second consecutive year, QAFAC received awards for effectively contributing to the Sustainable Development Industry (SDI) Initiative launched by QP, which requires energy industry operators to publish their annual sustainability report. QAFAC's sustainable development programme describes an approach to planning and decision-making that aims at achieving a real and lasting reduction of social and economic disparities, as well as protecting the environment.





QATAR VINYL COMPANY (QVC)

Qatar Vinyl Company (QVC) was established in 1997 as a limited Qatari shareholding company. The company's shareholders are Mesaieed Petrochemical Holding Company (55.2%), Qatar Petrochemical Company (31.9%) and Qatar Petroleum (12.9%). HH Sheikh Hamad Bin Khalifa Al Thani, the Father Emir, inaugurated QVC in 2001.

Production

The QVC plant comprises of four major units – a chlorine unit producing approximately 370,000 mt/a of caustic soda for export and local sales, an ethylene dichloride (EDC) unit producing approximately 180,000 mt/a of EDC for export, a vinyl chloride monomer (VCM) unit producing approximately 355,000 mt/a of VCM, and a power unit with a capacity of 130 MW.

The caustic soda capacity is 30% above the initial nameplate capacity, while the VCM capacity is 60% above the initial nameplate capacity. The extra capacity was achieved by undertaking plant debottlenecking.

In 2012, QVC started to produce and deliver 32% hydrochloric acid (HCl) solution to the local market.

The primary feedstock for the QVC plant is ethylene, which is primarily supplied by the adjoining QAPCO plant, while the remaining requirement is imported as required. QP supplies the fuel gas required by the QVC power plant and for QVC's other energy requirements. QVC's other major feedstock, salt, is imported, primarily from India. The QVC plant is state-of-the-art, using the latest cost-effective and proven technologies, such as bipolar membrane for its chlorine unit.

Marketing

QVC continues to pursue its marketing strategy through Muntajat, which sells most of its products on a long-term contract basis. Close to 85% of the EDC and caustic soda sales are made on a long-term contract basis, while more than 95% of the VCM is sold on a similar arrangement. The main sales destinations are Australia, South Africa, Southeast Asia and India for caustic soda; India and Southeast Asia for EDC; and India and Pakistan for VCM.

Health, Safety and Environment

QVC's operations have reached 6.8 million man-hours since start-up with no lost time injuries and no occupational illness. QVC operates in accordance with the standards defined in the Environmental Protection Law and the Consent to Operate issued by the Ministry of Environment of the State of Qatar.

QVC successfully completed its transition to the latest version of the Responsible Care Management System standard, RC14001:2013, thereby demonstrating its continued affirmation to improving health, safety, security and the environment (HSSE).

Within the region, QVC continues to play an active role in the Gulf Petrochemicals & Chemicals Association's (GPCA) activities, especially in enhancing and promoting 'Responsible Care' efforts.



QATAR CHEMICAL COMPANY LTD. (Q-CHEM)

Qatar Chemical Company Ltd. Q.S.C. (Q-Chem) is a Qatari shareholding company owned by Mesaieed Petrochemical Holding Company Q.S.C. (MPHC, 49%), Chevron Phillips Chemical International Qatar Holdings LLC (49%), which is an indirect wholly owned subsidiary of Chevron Phillips Chemical Company LLC, and QP (2%).

The Q-Chem facility, which began operations in 2003, is a world-class integrated petrochemical plant producing high-density and medium-density polyethylene (HDPE and MDPE) resins, 1-hexene and other products, using state-of-the-art technology licensed from Chevron Phillips Chemical.

Located in Mesaieed Industrial City, the Q-Chem facility has a production capacity of 453,000 metric tons per annum (mt/a) of polyethylene and 47,000 mt/a of 1-hexene. The complex also consists of a sulfur recovery and solidification plant, a water treatment plant, seawater cooling system, dock facilities and administrative buildings.

QATAR CHEMICAL COMPANY II LTD. (Q-CHEM II)

Qatar Chemical Company II Ltd. Q.S.C. (Q-Chem II) is a Qatari shareholding company owned by MPHC (49%), Chevron Phillips Chemical Qatar (49%), and QP (2%). Q-Chem II owns and operates a world-class HDPE and MDPE plant as well as a normal alpha olefins (NAO) plant adjacent to the Q-Chem plant in Mesaieed. Q-Chem II commenced operations in 2010.

The Q-Chem II polyethylene (PE) and NAO plants, which have a production capacity of 350,000 mt/a and 345,000 mt/a, respectively, utilize Chevron Phillips Chemical's proprietary technologies. The NAO plant produces the complete range of alpha olefins, including 1-butene, 1-hexene, 1-octene, decene and higher molecular weight olefins.

Marketing and Distribution

Q-Chem and Q-Chem II are the primary suppliers of HDPE and MDPE resins from the State of Qatar, and these resins are currently marketed under the Marlex® trade name, which is licensed from Chevron Phillips Chemical. Q-Chem and Q-Chem II sell their products to Qatar Chemical and Petrochemical Marketing and Distribution Company (Muntajat) Q.J.S.C., which is responsible under Qatari law for the marketing, selling and distribution in the global market of certain regulated chemical and petrochemical products produced in the State of Qatar. The Q-Chem and Q-Chem II polymer resins are the preferred material for an extensive range of applications throughout the polyethylene conversion industry.

Q-Chem's 1-hexene and Q-Chem II's NAO fractions are marketed under the AlphaPlus® trade name, which is also licensed from Chevron Phillips Chemical and marketed by Muntajat through established and reliable sales and advanced supply chain networks.

Produced since the last quarter of 2010, the AlphaPlus® normal alpha olefins have today become the preferred materials for manufacturing numerous products. As a major petrochemical building block, its use in the development of a new chemical product is virtually unlimited.

The primary mode of shipment for these products is through marine chemical tankers sailing directly from Qatar.



Operational Excellence

Q-Chem and Q-Chem II operate their assets under the principles of Operational Excellence (OE), which is a system to achieve world-class performance in safety, environmental stewardship, quality and reliability. The companies are also committed to similar standards and principles through the Responsible Care® program, with Q-Chem being a founding member of the Gulf Petrochemicals and Chemicals Association. Audits are conducted on a regular basis with a view towards achieving continuous improvement.

Over the years, Q-Chem's and Q-Chem II's application of OE principles have received numerous awards, including QP's Gold Safety Award, as well as Chevron Phillips Chemical's Summer of Safety Award, President's Award, Harmony Award and Safety Performance Award.

In addition, QP recognized the company's Sustainable Development Reporting Initiative in January 2012. Q-Chem was also a winner of the Qatarization Crystal Award 2013 for supporting students' sponsorships.



RAS LAFFAN OLEFINS COMPANY LTD. (RLOC)

Ras Laffan Olefins Company Ltd. Q.S.C. (RLOC) is a Qatari shareholding company owned by Q-Chem II (53.31%), Qatofin Company Limited (45.69%) and QP (1%). RLOC has constructed and owns a world-class 1.3-million mt/a ethylene cracker and an associated pipeline, which are operated by Q-Chem II. RLOC began operations in the first half of 2010.

The ethylene produced by RLOC is transported from its facility in Ras Laffan to the Q-Chem II facility and to Qatofin's derivative units in Mesaieed through a 135-km pipeline.



QATOFIN COMPANY LIMITED

Qatofin Company Limited, which was established in 2005, is a joint venture involving QAPCO (63%), Total Petrochemicals France (36%) and QP (1%). The Qatofin plant, located in Mesaieed Industrial City, is designed to produce 450 kilotons per annum (ktp/a) of linear low-density polyethylene (LLDPE). QAPCO is the operator of the Qatofin LLDPE plant. HH Sheikh Hamad Bin Khalifa Al-Thani, the Father Emir, inaugurated the plant on 24 November 2009. Commercial operations and export of LLDPE commenced in May 2010.

LLDPE is traditionally used for plastic wraps, stretch wraps, toys, covers, lids, pipes, buckets, covering of cables and flexible tubing among other applications. Qatofin's LLDPE, thanks to its innovative applications, touches the lives of millions of end-users around the globe.

RLOC supplies the ethylene feedstock required by the LLDPE unit through a 133-km pipeline.



SEEF

SEEF LIMITED

SEEF Limited is a semi-government petrochemical company located next to the QP Refinery in Mesaieed. This location has been chosen due to its proximity to



the feedstock source and to the various utilities that the plant uses in common with the refinery. SEEF is a joint venture between Qatar Intermediate Industries Company Limited - Alwaseeta (80%) and United Development Company - UDC (20%).

Products

Linear alkyl benzene (LAB), an important ingredient in the manufacturing of environment-friendly detergents, is the main product of SEEF. The plant is designed to produce 100,000 mt/a of LAB, with 3,600 mt/a of heavy alkyl benzene (HAB) also produced as a by-product in addition to aromatic normal paraffin and benzene.

Marketing

The marketing of the company's products has been handed over to Muntajat since 1 April 2013.

Major Highlights of 2014

- Achieved the Qatarization target plan for 2014;
- Achieved 5,000,000 safe man-hours without lost time injury;
- Achieved all operational targets set for 2014, which had a positive impact on the overall growth of the company;
- Transformed most of the finance, administration and IT requests from a manual system to an electronic one, thereby simplifying the operations;
- Demonstrated its commitment to corporate social responsibility by contributing to many charities and education initiatives, both inside and outside Qatar;
- Participated in the 2014 QP Environment Fair, QTS career fair and the annual network at Texas A&M University at Qatar;
- Enrolled a number of employees from different disciplines at the College of the North Atlantic-Qatar (CNA-Q).

OTHER INDUSTRIES AND SUPPORTING SERVICES



QATAR ALUMINIUM (QATALUM)

Qatar Aluminium (Qatalum) is ardently pursuing industrial diversity for the benefit of Qatar and its people by actively creating a future of environmental sustainability and economic opportunities while simultaneously building the foundation for a sustainable, knowledge-based industry.

The Smelter

Qatalum currently produces over 630,000 tons of premium-quality aluminum per annum. The smelter facility includes a carbon plant and a state-of-the-art product cast house, producing value-added premium aluminum such as extrusion ingots, foundry alloys and standard ingots that meet the most stringent quality standards of the company's global client base.

Qatalum houses an inbound berth at the Mesaieed Port with storage facilities required to handle raw material imports like alumina, coke and pitch. The smelter is also equipped with a 1,350-megawatt captive power

plant to supply stable electricity to its twin pot lines, using approximately 200 million standard cubic feet (mscf) of natural gas per day.

Milestones

On 4 December 2009, Qatalum cast its first batch of foundry alloy ingots from re-melt. This was followed by the first foundry alloy customer shipment on 18 December 2009, Qatar's National Day. Two days later, the company commenced production of liquid aluminum metal from its first electrolysis cell. This marked the historic beginning of aluminum production and exports from the State of Qatar, confirming Qatalum's ability to deliver its product within budget and with an excellent environmental and safety standard. Full production capability was reached on 21 September 2011.

Since start-up, Qatalum has already exported over 2.5 million tons to 505 customers in 52 countries. In July 2010, the company was awarded the ISO 9001:2008 certification, and in 2012, it achieved the ISO/TS 16949:2009 certification, the prescribed standard of excellence for the automotive industry supply chain.

Currently over 60 percent of Qatalum's metal is sold to the highly demanding automotive industry. The



high standards set by the cast house in combination with the supply chain's on-time-delivery figures have resulted in rising customer satisfaction levels.

In 2014, Qatalum moved from position 12, which was achieved in 2012, to position 4 in the CRU cash cost curve among global smelters, mainly due to the continued improvement processes undertaken throughout the organization. This improvement in efficiency was further demonstrated by the over 400% increase in dividend paid to the owners in 2014 compared to 2013.

Qatalum Production System

The Qatalum Production System (QPS), which has an impact on the entire organization, including operating units, support functions and management, enables its staff to strive for operational excellence.

HSE is regarded as paramount at Qatalum and, hence, is the yardstick by which all other operations within the smelter are judged. Although Qatalum holds an excellent safety record for both employees and supervised contractors, every effort is being made to set a zero incident benchmark throughout the plant.

The Environment

Qatalum possesses a highly efficient aluminum production technology, which boosts productivity and sets new standards in environmental performance by reducing the company's carbon footprint and facilitating waste management and emission reduction.

Process gases from the reduction process go through dry and wet scrubbing in fume treatment plants to ensure that emissions meet international air quality standards.

Waste is being proactively reused internally and by neighboring industries, making Qatalum one of the

most environmentally advanced primary aluminum smelters in the world. In 2014 agreements were signed with Qatar Steel to process carbon and steel by-products from the smelter. A marketing agreement was also signed with local customers to recycle their aluminum waste.

Ultimately, all by-products from Qatalum will be recycled within the plant or by neighboring industries setting an implemented best practice for industry.



QATAR PETROLEUM INTERNATIONAL LTD. (QPI)

In 2014, as the international investment arm of QP, Qatar Petroleum International (QPI) continued to pursue its strategy of securing a multi-billion dollar portfolio of global investments with leading international companies. QPI is committed to accomplish QP's strategy of expanding its international presence and diversifying Qatar's economy by growing its downstream and petrochemical sectors. Over the last few years, QPI has partnered with leading global players and has formed ten strategic joint ventures across four continents, in countries like the United States, Canada, United Kingdom, Italy, Greece, Singapore, Vietnam, Egypt, the Democratic Republic of the Congo, and Brazil.

During 2014, QPI's partnerships with IOCs and NOCs advanced to the stage where specific opportunities were identified and significant emphasis was placed on upstream, gas and power business prospects. QPI also continued to manage its terminal assets for value creation as well as build other investment opportunities.

QPI Upstream

Following are some of the key highlights of QPI's upstream activities during 2014:

QPI Upstream OPC (Congo)

Capitalizing on the strategic acquisition of a 15% ownership through share subscription in Total E&P Congo (TEPC), QPI continued its efforts to play an active role in maximizing value and ensuring a sustainable growth of TEPC assets in this prolific West African basin. QPI supported TEPC's efforts for optimized CAPEX and OPEX programs as well as TEPC's continuous negotiations with the government to improve the fiscal terms of some of the licenses. These negotiations are expected to yield a positive outcome in 2015.

TEPC's assets include a major development of Moho Nord, which is a key milestone in tapping the country's deep offshore reserves. Drilling commenced in this important project in early October 2014. Sedco Energy's semi-submersible rig is currently drilling the Moho Nord wells. The development lies in water depths ranging from 450 to 1,200 meters. TEPC is the operator with a 53.5% interest, alongside Chevron (31.50%) and the state-owned Société Nationale des Pétroles du Congo (15%). The development comprises a total of 28 subsea wellheads tied back to floating production units (FPUs), with 17 more wells from a new tension leg platform (TLP). First oil from Moho Nord is expected in October 2015.

During 2014, the average daily production (QPI net) from Congo assets reached 14 kboe/d.

QPI Brazil Petroleo Ltd (Brazil)

On 30 April 2014, QPI and Shell successfully closed the acquisition of both the Brazilian upstream assets of the BC-10 Concession and the related Tamba JV that owns the FPSO vessel and facilities to support the BC-10 Concession. QPI, through its wholly owned

subsidiary QPI Brasil Petroleo Itada (QPI BPL), holds a 23% working interest in Shell-operated offshore fields. With the closing of this transaction, the average daily production (QPI net) from BC-10 assets reached 12 kboe/d in 2014. QPI has also managed to obtain the necessary export license to lift, export and market its entitlement from BC-10 production. Thus far, QPI has completed five cargo liftings, amounting to a total of 4.56 million barrels of oil.

Phase 3 development is progressing well. Drilling operations have been completed four months ahead of schedule and first oil is expected in April 2016.

CQ Energy Canada Partnership (Canada)

Following the joint acquisition of Suncor assets by QPI and Centrica in 2013, which was known as 'Project Corona', QPI successfully closed the second deal with Centrica in early October 2014 for what is known as 'Project Aquila'. The newly added Centrica assets have been contributing to the existing Centrica QPI (CQ Energy) partnership, operated by Centrica, resulting in QPI Energy Canada Ltd. (QPI's existing Canadian wholly-owned subsidiary) holding an overall 40% share in all of Centrica's Canadian upstream assets. The Aquila assets are located principally in South and Central Alberta and North East British Columbia, where they overlap with existing CQ Energy assets, hence comprising a natural operational and technical synergy. With the closing of 'Project Aquila', average daily production (QPI net) from CQ assets reached 26 kboe/d in 2014.

QPI Downstream

During 2014, QPI made excellent progress in all its existing strategic investments in the downstream sector. It also expanded its reach to other exciting mainstream ventures.



Egyptian Refining Company (ERC) Project

- Overall project progress is 48.05% actual vs. 58.95% planned;
- Construction progress for the aboveground work including underground services, piling work and foundation is 3.58% actual vs. 22.9% planned;
- Procurement services have been completed.

Long Son Petrochemical (LSP) Project

- Land - LSP is working with the local authorities to finalize the resettlement of the farmers; handover of the land has been delayed to April 2015.
- LSP team is optimizing the scope of work after revising the price proposals for Rev. 2 to request new proposals;
- Finance LSP is working with the lenders and the Vietnamese government to agree on the term sheets.

During 2014, QPI's downstream unit closed two significant large-scale investments.

- The Longson Vietnam Petrochemical JV, part of QPI's expanding Asian portfolio, has made remarkable progress. Polyolefin licensors were awarded, land leasing was advanced, local gas feedstock agreements were signed, and the project progressed favorably towards engineering, procurement and construction (EPC). The Final Investment Decision (FID) is expected to be taken by mid-2015, subject to the QPI board approval.
- The ERC Refinery Project in Egypt made significant progress and engineering design was completed by the end of 2014.
- In spite of strong headwinds in the Asian petrochemical sector, the 2013 financial performance of QPI's share in Singaporean ventures exceeded the budget.
- In China and North and West Africa, QPI embarked on several additional projects. General cooperative and joint venture agreements were signed to study the large-scale production of phosphate

and nitrogen-based fertilisers for these green field projects, subject to further review by the shareholders.

QPI Gas and Power

During 2014 QPI's Gas and Power Group (G&P) focused on managing QP's three LNG regasification plants – South Hook in the UK, Golden Pass in the USA, and Adriatic in Italy, all of which are collectively known as the 'Terminals'. G&P is stewarding these assets towards achieving QPI's strategic goals and realizing optimum returns for QP and the State of Qatar as part of the LNG chain. G&P will continue to achieve this by diligently performing its responsibilities and by safeguarding the country's interests as Qatari shareholders in the 'Terminals' in all business aspects.

Adriatic LNG

- ALNG Management strived to maintain a high level of terminal reliability (99.8%), ensuring an incident-free work place and no harm to the environment.
- Reacting to the Italian gas market, the market dynamics has resulted in exploring other revenue generating opportunities such as new, flexible and temporary storage services to be offered to ALNG customers.
- ALNG accommodated the offloading of 50 cargos during 2014.

Golden Pass

- Sponsors – QPI (70%) and ExxonMobil (30%) – jointly own Golden Pass Products LLC (GPP), a Delaware limited liability company. The project builds on the sponsors' direct and indirect experience as LNG exporters and marketers.
- GPP will develop, construct and own:
 - a feed gas treatment facility,
 - up to 3 liquefaction trains, each with a production capacity of 5.2 million metric tons p.a., and
 - a 200-250 MW power plant for self-generation purposes.

- The total project cost of approximately US\$13.8 billion, including financing costs, are still being discussed by the shareholders.
- Will be located in Jefferson County, TX, adjacent to an existing import terminal owned by Golden Pass LNG Terminal LLC (GPT), an affiliate of GPP, which is currently owned by QPI (70%), ExxonMobil (17.6%) and ConocoPhillips (12.4%). GPP will be integrated into it, initially by entering into a terminal use and facilities sharing agreement (FSA) with GPT giving access to five 155K cu. meter LNG storage tanks, two marine berths capable of offloading various sized LNG carriers, and LNG regasifying facilities of 2 bcf /day.
- The project is a central element in the value proposition of sourcing natural gas domestically, and then exporting it and marketing it globally. GPP should, therefore, be analyzed in that context.

South Hook - Combined Heat & Power (SH-CHP)

- A 450-MW combined heat-power project to be integrated with South Hook LNG Terminal in South Wales (UK);
- A meeting of the SH-CHP board of directors held on 26 November 2014 approved the release of the FID deliverables package to shareholders for an FID expected in January 2015.
- On 12 December 2014, due to changes in the market conditions, the QPI Executive Committee recommended the project to be put on hold and preserve the value created for future reconsideration.



GULF DRILLING INTERNATIONAL LTD. (GDI)

Gulf Drilling International Ltd. (GDI) is a world-class provider of safe, efficient and innovative drilling services. It specializes in providing drilling rig and associated services including accommodation jack-

up and lift boat services to the oil and gas production companies operating in the State of Qatar.

GDI was established as the first onshore and offshore oil and gas drilling company in Qatar in May 2004, as a joint venture between QP (60%), and Japan Drilling Co., Ltd. - JDC (40%). In July 2007, QP raised its ownership in GDI to 70% by acquiring shares from JDC. In February 2008, all QP shares were transferred to Gulf International Services Q.S.C. (GIS). GIS became a public shareholding company in May 2008. In April 2014, GIS acquired all JDC shares in GDI. GIS now owns 100% of GDI shares, making GDI a 100% Qatari company.

GDI has seen rapid growth in the past 10 years, during which its rig fleet has grown to 18 assets, and its workforce increased to over 1,700 employees by the end of 2014. GDI's current fleet consists of 9 offshore jack-up drilling rigs, 6 land rigs, 1 accommodation jack-up, and 1 liftboat. In addition, GDI also has a liftboat on contract through a vessel it is managing on behalf of its owner.

GDI took delivery of its latest offshore jack-up rig 'Dukhan', which started operations in November 2014. In the same year, GDI signed contracts with shipyards in Singapore and Ras Laffan to build a new jack-up offshore drilling rig (Halul) and a liftboat (Al-Safliya), respectively. Both assets already have contracts with clients and are expected to start operations in 2016. GDI has also placed orders to build two new land rigs, which are slated to be in operation by the third and fourth quarter of 2015, respectively.

GDI's market share at the end of 2014 was 100% for onshore rigs and 60% for offshore rigs. Its client base includes QP and other international oil and gas operators conducting well operations in the State of Qatar. As a growth-oriented company, GDI continues to expand its scope and market share and has doubled its number of rigs from 9 to 18 in a span of just four years, as part of its business expansion plan.

GDI is investing in infrastructure, logistics and associated equipment to support its expanding



operations. These include crew accommodations, warehousing and yard facilities, workshop, cranes, water well drilling units, heavy transportation carriers, and site-preparation equipment.

GDI continues to be certified to the following international standards:

- ISO 9001:2008: Quality Management System
- ISO 14001:2004: Environmental Management System
- OHSAS 18001:2007: Occupational Health and Safety Management System

Key Highlights and Achievements of 2014

2014 was another successful year for GDI, with the following milestones and notable achievements attained:

- Best safety record since inception;
- Revenue and net profit were at an all-time high in 2014 – Revenue increased by 51.5% and net profit by 110.6% during 2014 compared to 2013.
- 100% rigs utilization;
- Operations uptime of 99.24%;
- Commissioned two jack-up rigs – Msheireb (conventional) and Dukhan (high spec, new build) – into service;
- Commissioned Rumailah (new-build liftboat) into service;
- Enhanced various infrastructure facilities such as new corporate head office, expansion of DSSA base camp facilities including new crew accommodations, expansion of DSSA warehouse and yard, and added new workshop facilities;
- Celebrated the company's tenth anniversary in May 2014;
- Signed the following contracts and extensions:
 - Multiple contracts with QP for two offshore jack-up rigs (Dukhan and Halul) and two onshore rigs (GDI-7 and GDI-8) along with long-term contract extensions at higher day rates for GDI-1, GDI-2, GDI-3 and GDI-4;

- Construction contract for new-build onshore rigs, GDI-7 and GDI-8;
- LOA from Dolphin Energy for a five-year contract to build a new liftboat, Al Safliya;
- Construction contract with N-KOM shipyard for Al Safliya;
- Construction contract for the rig Halul, a new high spec jack-up drilling rig;
- Eight months extension of the Dolphin Energy contract for the liftboat.

Future Plans

GDI has laid a solid foundation for continued growth, expansion and profitability. The company is steadily progressing on its ambitious growth strategy while maintaining a 100% fleet utilization factor. The fleet expansion will allow GDI to further grow its market share in Qatar while decreasing the average age of its rig fleet.

GDI's efforts to diversify its services and expand into complementary lines of business have also proven to be insightful. GDI is determined to be the leading provider of liftboat and accommodation jack-ups in Qatar. In this regard, GDI is pursuing opportunities in the market and seeking suitable solutions to fill that demand.

GDI has built an impeccable reputation among operators by proving to be a world-class drilling service provider. GDI has the youngest fleet operating in Qatar, including five state-of-the-art high specification jack-up rigs, thereby giving GDI a favorable edge to expand its services, should the opportunity arise.



GULF HELICOPTERS

GULF HELICOPTERS COMPANY

Gulf Helicopters Company (GHC) is 100% owned by Gulf International Services (GIS), a Qatari joint stock company in which QP is the largest shareholder. It offers services such as VVIP transport, offshore support, onshore transport, seismic support, Visual Flight Rules (VFR) and Instrument Flight Rules (IFR), load lifting, photo flights, helicopter emergency medical services and aircraft management.

Incorporated in 1970, GHC has grown tremendously since its acquisition by QP in 1998 and is currently one of the leading helicopter operators in the Middle East region with its operations extending to India, Libya, Yemen, Malaysia, Denmark and Turkey. The company has also operated in the Sultanate of Oman and East Timor on short-term contracts.

GHC strives to maintain a most modern fleet at all times by bringing in the latest technologies available in the market. It is also pursuing other related business opportunities in line with its growth plan. It operates under QCAR Ops 3 and QCAA Part 145 regulations and is approved and fully aligned with the requirements of the European Aviation Safety Agency (EASA) and the Federal Aviation Administration (FAA) of the US. GHC is also an ISO 9001:2008-certified company.

Company History

The following chronological summary outlines the history of the company since its inception:

Timeline	Development
July 1970	Established and incorporated in the UK (Gulf Aviation - 51%, BOAC - 32%, BEA - 15%)
March 1977	Gulf Air - 100%
June 1993	De-registered in the UK (a division of Gulf Air)
June 1998	Taken over by QP - 100%; Purchase of assets/business
December 1998	Issuance of Emiri Decree establishing Gulf Helicopters
January 1999	Incorporated as a Qatari company
February 2008	Taken over by Gulf International Services (GIS) - 100%



The business growth of the company is as follows:

Timeline	Development
1970 to date	Provides helicopter services in Qatar for the offshore operations of all oil and gas companies
1987 to 1999	Operated in Oman
1994 (Sept.)	Operations commenced in India
1998 to 2006	Operated in Iran
2000 to 2006	Operated in Sudan
2007	Operations commenced in Libya
2007	Introduced Helicopters Emergency Medical Services (HEMS) in Qatar for the first time in collaboration with the National Health Authority and Hamad Medical Corporation. Added one AW139 to the fleet
2008	Added three more AW139s to the fleet
2009	Added three more AW139s to the fleet
2010	Added five more AW139s to the fleet
2011	Added one more AW139 to the fleet
2011	Started operating the AW139 full-motion flight simulator, making it the first operator in the world to own and operate such a simulator
2012	Added one more AW139 to the fleet
2013	Added two Bell 206-L3 to the fleet
2013	Added two more AW139 to the fleet
2014	Signed a firm order to purchase 15 AW189, distributed over the period from 2014 to 2017
2014	Formed a new joint venture in Turkey (RedStar Aviation)
2014	Added two more AW139 to the fleet
2014	Added four AW189 to the fleet (out of 15 aircrafts as per the contract signed in 2013)
2014	Introduced helicopter tour for the first time in Qatar in cooperation with Qatar Tourism Authority

Current Fleet

Specifications	AW-139	AW-189	Bell 412 (HP/SP/EP)	Bell 212	Sikorsky S-92	Bell 206L3	Augusta Bell 206
Engine	Twin Engines	Twin Engines	Twin Engines	Twin Engines	Twin Engines	Single Engine	Single Engine
Seating	12-15 Pax	16-18 Pax	13 Pax	13 Pax	19 Pax	6 pax	3 Pax
Range	385 Nm	420 Nm	350 Nm	270 Nm	420 Nm	240 Nm	240 Nm
Endurance	3.3 Hours	3.3 Hours	2.8 Hours	2.6 Hours	3.3 Hours	2.4 Hours	2.4 Hours
Total in Fleet	18	4	17	4	2	2	1



QATAR STEEL COMPANY

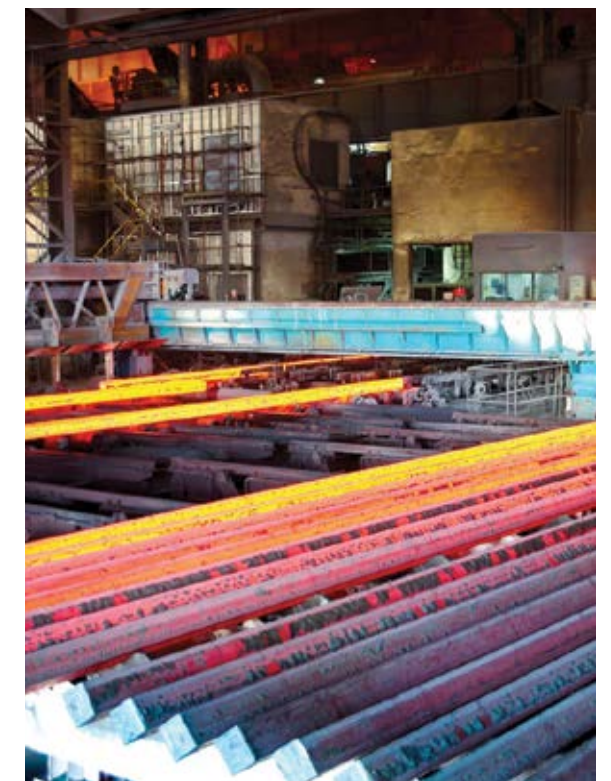
The year 2014 was a challenging one as the steel industry experienced a downturn across the globe since early 2014 coupled with the decline of crude oil prices. With steel prices dropping in the region, it was necessary for Qatar Steel to be proactively price-competitive in both the domestic and export markets. However, Qatar Steel recorded a re-bar production volume of 2.123 million tons with a year-on-year (YOY) increase of 4% over 2013 and a re-bar sales of 2.056 million tons, only marginally lower than the 2013 sales volume of 2.109 million tons.

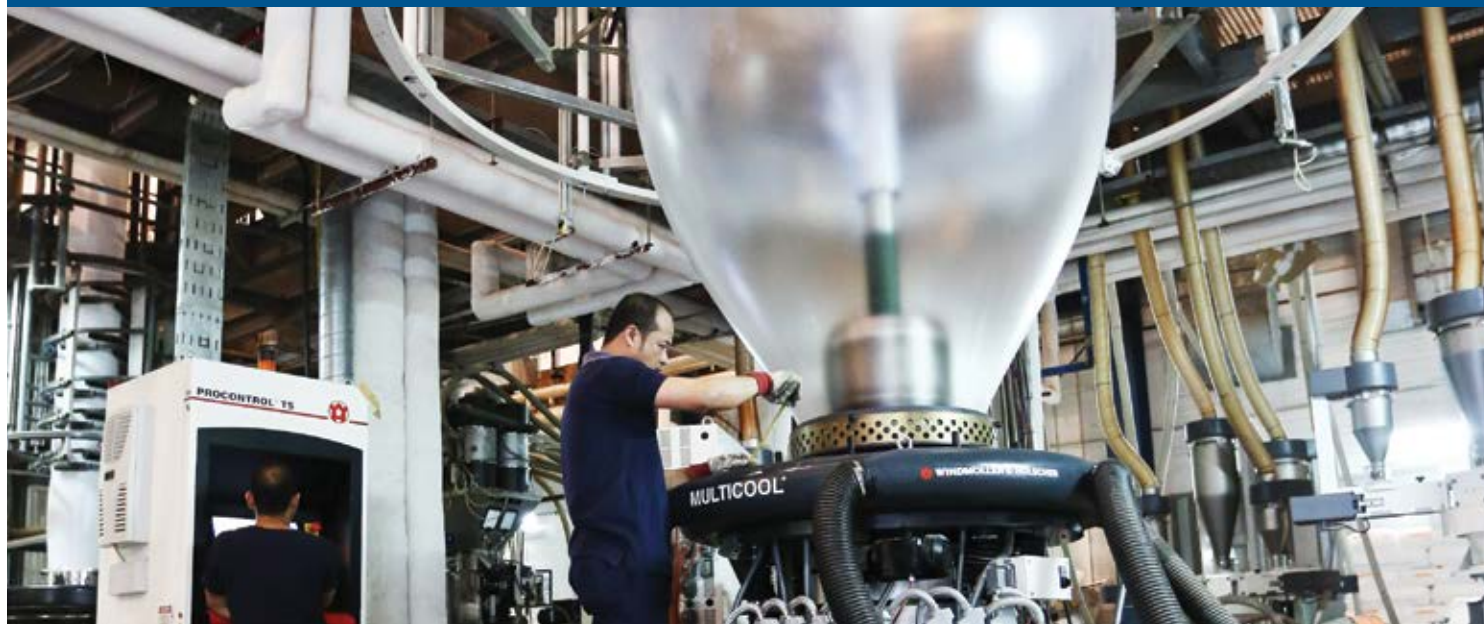
Key Performance Highlights of 2014

- High productivity across all units - DR, SMS and rolling mills;
- Production capabilities of new product applications related to long steel products have been developed;
- Awarded a project to JEIL Machinery Co. Ltd. of South Korea for recycling by-products through briquetted iron; installation work has commenced and is expected to be completed in April 2015;
- Completed the Operational Diagnostics Project with the support of McKinsey and launched several initiatives aimed at improving throughput and cost reduction;
- An Enterprise Risk Management Framework has been successfully developed and is being implemented;
- A Continuous Emission Monitoring System has been installed and commissioned in different locations for meeting the environmental requirements;
- The progress of the expansion projects and ongoing strategic investments is as follows:
 - **EF5** – The EF5 was successfully commissioned in December 2013, with an annual designed capacity of 1.1 million tons. It attained 77%

of its production capacity during the first year of commissioning and achieved the planned production ramp-up ahead of schedule. After stabilizing the EF5 operations, a decision to stop the operations of EF1 and 2 was taken in December 2014, according to the QS Business Plan 2014-2018.

- **Algerian JV Steel Project** - IDOM (a Spanish company) has been appointed as Technical Project Management Consultant and is currently in the process of selecting the EPC contractors. The EPC contracts are expected to be awarded in the second quarter of 2015.
- **Solb Steel** - Qatar Steel has a 31.03% stake in this company. The steel melt shop and the rolling mill of Solb Steel are now operating at full capacity. The construction of a second rolling mill was completed. It started production after successful commissioning in July 2014.





QATAR PLASTIC PRODUCTS COMPANY

Qatar Plastic Products Company (QPPC), which was established on 19 September 1998, commenced commercial production in August 2000. The plant was officially inaugurated on 21 November 2000 by HE Mr. Abdullah Bin Hamad Al Attiyah, who was the Minister of Energy and Industry at that time. QAPCO, Qatar Industrial Manufacturing Company (QIMCO) and Stefano Ferretti (Italian partner) equally own the company.

Around 90% of the company's production is sold to the local market, while the rest is marketed in other GCC countries and in Europe.

The production facility, which is located in Mesaieed Industrial City, about 40 kilometers south of Doha, has the capacity to produce up to 15,000 mt/a of plastic films.

Main Activities

QPPC produces plastic film for industrial packaging using the blow extrusion process. All operations are controlled by a sophisticated computerized system that automatically checks the quality of the film. The products can be produced from different kinds of polymers to satisfy customers' requirements. Printing is done using flexographic printing lines of up to six colors, thus ensuring excellent quality of printing.

QPPC's quality control department meticulously tests all the products. An analysis certificate detailing the composition, dimension and mechanical properties

of the product is provided with every delivery. Safety data sheets and Certificate of Conformity are also supplied upon request.

Certified to the ISO 9001:2008 Quality Management System, QPPC's products are extruded in modern blow film lines.

Products

QPPC produces the following range of products:

- FFS (form, fill and seal) film
- Shrinkable hood
- Shrinkable film
- Construction foil (polythene sheet)
- Polyethylene sleeve
- Greenhouse and agricultural film
- Top open bags
- General purpose film
- Heavy duty trash bags
- WPC (wood-plastic composite)

Environment

The preservation of the natural environment is one of QPPC's highest priorities, and the company genuinely understands the fact that our environment is an irreplaceable asset. QPPC has been operating a plastic waste-recycling unit ever since it started production, in order to handle the waste polyethylene and other plastic films that are being produced as by-products. The recycling unit transforms these production wastes into a usable raw material that is later used to produce trash bags and other products.

QPPC is fully compliant with all applicable international and local environmental regulations.

Key Highlights of 2014

Under the guidance of the QPPC Board of Directors

and the leadership of the QPPC Management, the company recorded significant accomplishments in 2014:

- Produced 12,500 metric tons of plastic film during 2014;
- As part of its diversification plan, QPPC will start producing a wood-plastic composite (WPC) during the fourth quarter of 2015. The product will be made using wood fiber and polyolefin, which QPPC will soon start producing on its premises. This expansion project aims to produce 65,000 m2/year of WPC materials. The most common application of WPC is for decking outdoor areas like swimming pool areas, marinas, public areas, etc.



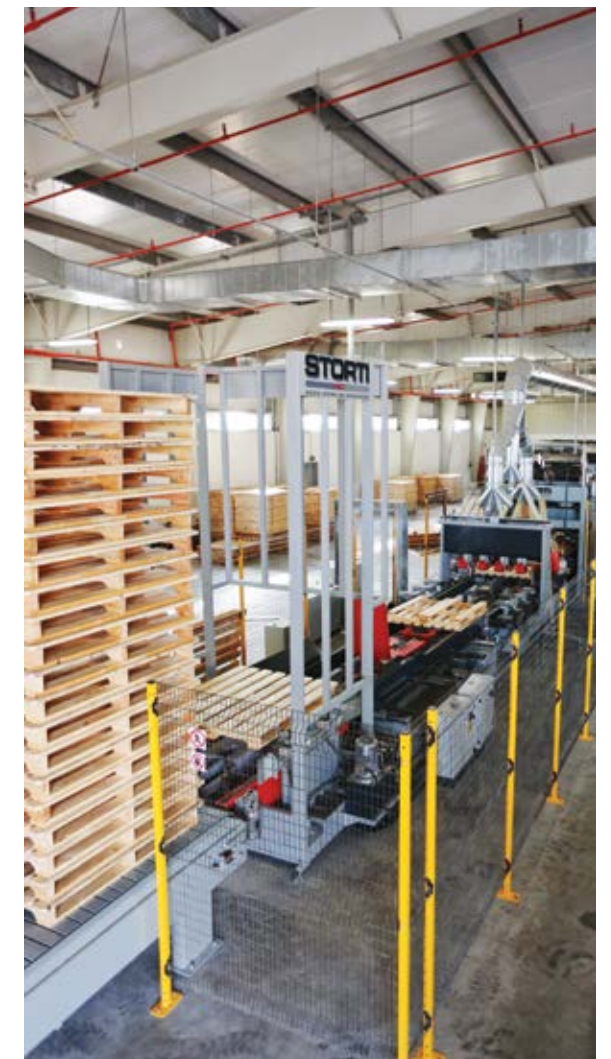
QATAR WOODEN PRODUCTS COMPANY (QWPC)

In line with the shareholders' vision for economic diversification as well as the government's commitment to develop small and medium enterprises (SMEs), the QPPC management, after numerous deliberations and discussions, proposed to establish Qatar Wooden Products Company (QWPC) in Mesaieed. QWPC commenced commercial production on 16th November 2013, following the approval of the QPPC shareholders.

QWPC houses a fully automatic wooden pallet production line as well as a heat treatment facility, and it has an annual production capacity of up to 1.6 million units of wooden pallets. It serves the wooden pallet requirements of QAPCO, Q-Chem I and II, and Qatofin.

Located in Mesaieed Industrial City, QWPC is a private company owned by 3 shareholders, each holding one-third share in the company:

- Qatar Petrochemical Company (QAPCO)
- Qatar Industrial Manufacturing Company (QIMC)
- Stefano Ferretti - An Italian partner





QATAR INTERMEDIATE INDUSTRIES COMPANY LTD. (ALWASEETA)

Qatar Intermediate Industries Company Ltd. (Alwaseeta), formerly known as Qatar Holding or QH, was conceptualized by QP and established by the Supreme Council of Ministers in 2005. The corporate headquarters of this multibillion-dollar international industries company is located in Doha, Qatar.

Alwaseeta has been tasked to identify, invest, build and develop a broad range of intermediate and downstream industrial projects. Its projects will assist in transforming Qatar's business community into manufacturing and industrial clusters, producing a wide range of products destined for the local, regional and global markets.

Joint Ventures

SEEF Limited

A joint venture between Alwaseeta (80%) and United Development Company - UDC (20%), SEEF produces linear alkyl benzene (LAB) for the global markets from its production facilities in Mesaieed Industrial City.

Gasal Q.S.C.

A joint venture of Alwaseeta (30.5%), Air Liquide (40%) and Qatar Industrial Manufacturing Company - QIMC (29.5%), Gasal provides industrial gases such as oxygen, nitrogen, hydrogen and argon to the steel, oil, gas and chemical downstream industries in Qatar, from its production and distribution facilities based in Mesaieed Industrial City and Ras Laffan Industrial City.

Qatar Melamine Company (QMC)

A joint venture between Alwaseeta (40%) and Qatar Fertiliser Company - QAFCO (60%), QMC owns the largest melamine plant in the Middle East at its location in Mesaieed Industrial City.

Major Highlights of 2014

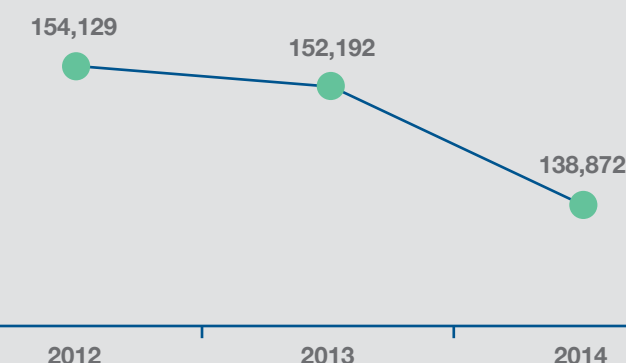
- **Geo-membrane Project** – The Front End Engineering and Design (FEED) has been completed and the project has taken delivery of the main production equipment.
- **LED Project** – The joint venture agreement for the project was signed with the Qatar Korea LED Consortium, following which the conceptual design stage was completed. The detailed design stage is currently being undertaken, and the LED standard for Qatar has been agreed.
- **Waste Management Project** – The engineering and financial plan (pre-FEED) for the Integrated Waste Material and Energy Recovery Facilities was completed during the year.
- **Aluminum Rolling Mill Project** – The Heads of Agreement (HoA) for the project was signed and the Joint Venture Agreement (JVA) was finalized. The pre-FEED of the project was also completed.

Other Highlights

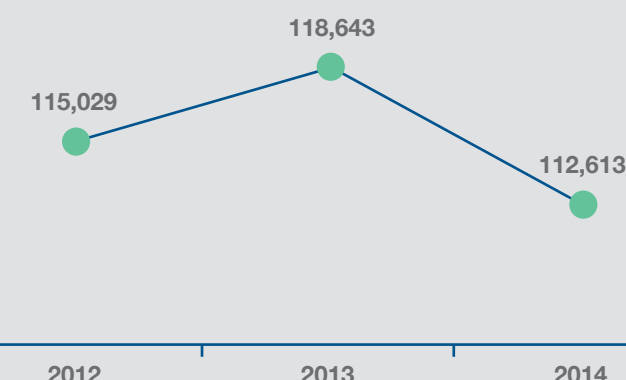
During the year, the boundary wall for the Alwaseeta land in the Small Medium Scale Industrial Area (SMSIA) was completed and a Project Management Office (PMO) consultant was appointed. The HoA draft for the Aluminum Extrusion Project was also finalized.

CONSOLIDATED FINANCIAL INFORMATION

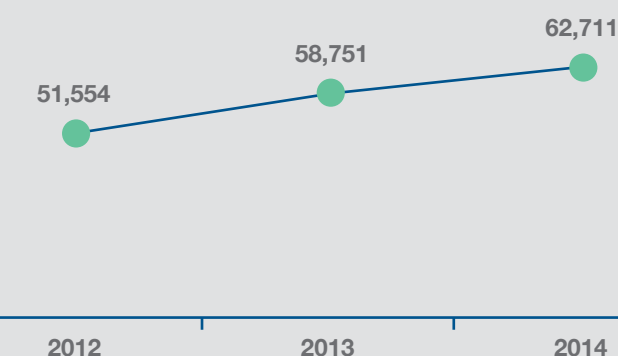
SALES REVENUE - QR MILLIONS



NET INCOME - QR MILLIONS

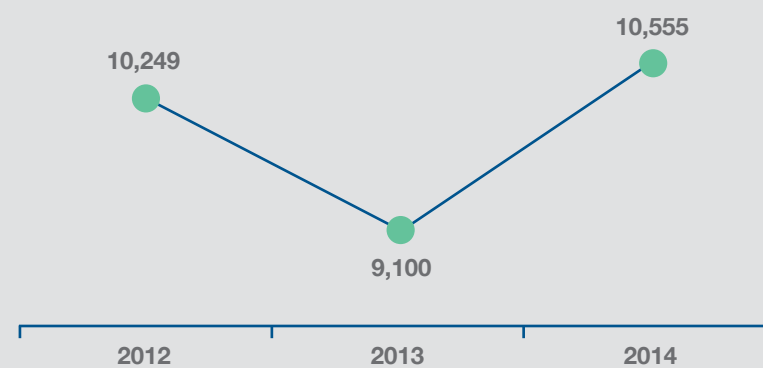


NET CASH FLOW FROM OPERATIONS - QR MILLIONS

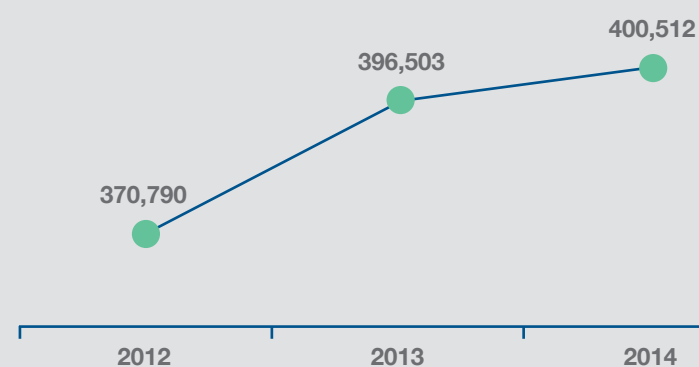


FINANCIAL REPORT

CAPITAL EXPENDITURES - QR MILLIONS



TOTAL ASSETS - QR MILLIONS



QR Millions	December 2014	December 2013	December 2012
Sales Revenue	138,872	152,192	154,129
Net Income	112,613	118,643	115,029
Net Cash Flow from Operations	62,711	58,751	51,554
Capital Expenditures	10,555	9,100	10,249
Total Assets	400,512	396,503	370,790

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO HIS HIGHNESS THE EMIR OF THE STATE OF QATAR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS OF QATAR PETROLEUM

The accompanying summary consolidated financial statements of Qatar Petroleum ("QP" or the "Corporation") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at December 31, 2014 and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of related notes, are derived from the audited consolidated financial statements of Qatar Petroleum for the year ended December 31, 2014. The summary consolidated financial statements have been prepared by management in accordance with the basis of preparation and accounting policies described in Notes 2 and 3 to the consolidated financial statements, the Council of Ministers' Decision No. 6 of 1976 (as amended) and QP Chairman resolution No. 17 of 2013 related to accounting policies (together "QP accounting policies"). We expressed an unmodified audit opinion on those consolidated financial statement in our report dated April 30, 2015.

The summary consolidated financial statements do not contain all the disclosures required by QP accounting policies and applied in the preparation of the audited consolidated financial statements of Qatar Petroleum. Reading the summary consolidated financial statements, therefore, is not a substitute to reading the audited consolidated financial statements of Qatar Petroleum.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of a summary of the audited consolidated financial statements on the basis described in Note 2.

Auditors' responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Qatar Petroleum for the year ended December 31, 2014 are consistent, in all material respects, with those consolidated financial statements, on the basis described in Note 2.

Doha – Qatar
April 30, 2015

For Deloitte & Touche
Qatar Branch

Muhammad Bahemia
Partner
License No. 103

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2014

	December 31, 2014 QR '000s	December 31, 2013 QR '000s
ASSETS		
Non-current assets		
Property, plant and equipment	100,103,913	88,088,243
Intangible assets	1,183,295	173,851
Investment properties	51,250	51,250
Investments in associates	13,463,325	10,789,535
Investments in joint ventures	97,171,399	92,924,896
Available for sale investments	4,834,446	3,991,266
Held to maturity financial assets	129,952	85,448
Other non-current assets	2,694,919	1,369,292
Total non-current assets	219,632,499	197,473,781
Current assets		
Other current assets	211,338	703,559
Amounts due from Ministry of Finance	138,889,037	150,689,088
Inventories	4,080,962	3,673,313
Accounts receivable and prepayments	16,017,036	17,767,072
Financial investments at fair value through profit or loss	249,718	282,349
Cash and cash equivalents	20,185,303	24,667,759
	179,633,394	197,783,140
Asset classified as held for sale	1,245,747	1,245,747
Total current assets	180,879,141	199,028,887
TOTAL ASSETS	400,511,640	396,502,668

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF DECEMBER 31, 2014

	December 31, 2014 QR '000s	December 31, 2013 QR '000s
EQUITY AND LIABILITIES		
Equity		
Capital	100,000,000	100,000,000
General reserve	100,331,021	100,323,633
Legal reserve	411,823	361,500
Other reserve	900,165	1,390,399
Retained earnings	135,256,400	139,299,298
Equity attributable to equity holders of the Parent	336,899,409	341,374,830
Non-controlling interest	24,218,303	19,630,498
Total equity	361,117,712	361,005,328
Non-current liabilities		
Interest bearing loans and bond	6,999,484	5,070,498
Obligations under finance lease	1,421,440	1,688,685
Long term employees' benefits	2,791,348	2,719,207
Deferred income	1,280,867	672,324
Other non-current financial liabilities	1,603,245	930,648
Total non-current liabilities	14,096,384	11,081,362
Current liabilities		
Accounts payable and accruals	22,612,329	22,422,017
Interest bearing loans and bonds	2,119,519	1,351,555
Obligations under finance lease	267,245	240,184
Deferred income	298,451	402,222
Total current liabilities	25,297,544	24,415,978
Total liabilities	39,393,928	35,497,340
TOTAL EQUITY AND LIABILITIES	400,511,640	396,502,668

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31, 2014

	December 31, 2014 QR '000s	December 31, 2013 QR '000s
Revenue		
Sales	138,872,410	152,192,017
Other operating income	29,788,763	28,604,055
	168,661,173	180,796,072
Expenses		
Operating, selling and administrative expenses	(107,389,039)	(107,632,507)
Depreciation and amortization	(4,276,921)	(3,796,014)
	(111,665,960)	(111,428,521)
Net operating profits	56,995,213	69,367,551
Share in profits of joint ventures	97,745,724	99,890,245
Share in profits of associates	443,862	1,072,894
Dividend and interest income	438,162	457,382
Finance charges	(582,298)	(516,054)
Profit before taxes from continuing operations	155,040,663	170,272,018
Taxes	(42,427,717)	(51,636,031)
Profit for the year from continuing operations	112,612,946	118,635,987
Gain from discontinued operations	–	7,256
Profit for the year	112,612,946	118,643,243
Attributable to:		
Equity holders of the parent	107,755,986	114,070,935
Non-controlling interest	4,856,960	4,572,308
	112,612,946	118,643,243

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2014

	December 31, 2014 QR '000s	December 31, 2013 QR '000s
Profit for the year	112,612,946	118,643,243
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit obligation	(59,544)	(12,418)
Items that will be reclassified subsequently to profit or loss		
Net fair value gain on available for sale investments	985,214	938,900
Fair value (loss)/ gain during the year from cash flow hedge - net	(344,355)	830,795
Foreign currency exchange differences on foreign operations	(767,715)	164,755
Total comprehensive income for the year	112,426,546	120,565,275
Attributable to:		
Equity holders of the parent	107,422,523	115,832,649
Non-controlling interest	5,004,023	4,732,626
	112,426,546	120,565,275

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2014

	Capital	General reserve	Legal reserve	Other reserves	Retained Earnings	Total	Non- controlling interest	Total
	QR '000s	QR '000s	QR '000s	QR '000s	QR '000s	QR '000s	QR '000s	QR '000s
Balance at January 01, 2013	100,000,000	100,308,750	329,752	(371,315)	123,200,099	323,467,286	17,551,875	341,019,161
Profit for the year	-	-	-	-	114,070,935	114,070,935	4,572,308	118,643,243
Transfer to general reserve	-	14,883	-	-	(14,883)	-	-	-
Transfer to legal reserve	-	-	31,748	-	(31,748)	-	-	-
Transfer to Social Fund	-	-	-	-	(102,978)	(102,978)	(112,545)	(215,523)
Dividends transferred to Ministry of Finance	-	-	-	-	(97,822,127)	(97,822,127)	-	(97,822,127)
Movement in other reserves	-	-	-	1,761,714	-	1,761,714	160,318	1,922,032
Movement during the year	-	-	-	-	-	-	(2,541,458)	(2,541,458)
Balance at December 31, 2013	100,000,000	100,323,633	361,500	1,390,399	139,299,298	341,374,830	19,630,498	361,005,328
Profit for the year	-	-	-	-	107,755,986	107,755,986	4,856,960	112,612,946
Transfer to general reserve	-	7,388	-	-	(7,388)	-	-	-
Transfer to legal reserve	-	-	37,385	-	(37,385)	-	-	-
Dividends transferred to Ministry of Finance	-	-	-	-	(111,639,748)	(111,639,748)	-	(111,639,748)
Transfer to Social Fund	-	-	-	-	(114,363)	(114,363)	(117,726)	(232,089)
Movement in other reserves	-	-	-	(490,234)	-	(490,234)	147,063	(343,171)
Movement during the year	-	-	-	-	-	-	(298,492)	(285,554)
Balance at December 31, 2014	100,000,000	100,331,021	411,823	900,165	135,256,400	336,899,409	24,218,303	361,117,712

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

	December 31, 2014 QR '000s	December 31, 2013 QR '000s
OPERATING ACTIVITIES		
Profit before taxes	155,040,663	170,279,274
Adjustments:		
Depreciation on property, plant and equipment	4,056,024	3,717,737
Amortization of intangible assets and catalysts	220,897	78,277
Write off of property, plant and equipment	142,388	381,537
Loss on sale of property, plant and equipment	21,266	4,550
Share of profits of the joint ventures	(97,745,724)	(99,890,245)
Share of profits of the associates	(443,862)	(1,072,894)
Provision for employees' end of service benefits	222,934	209,604
Costs on defined benefit plans	84,486	87,749
Gain on disposal of joint ventures	–	(8,092)
Gain on disposal of associates	–	(1,081,341)
Gain on disposal of available-for-sale investments	(24,412)	–
Fair value gains on investment in fair value through profit or loss	(25,609)	(5,210)
Dividend and interest income	(438,163)	(457,382)
Other charges related to Ministry of Finance	68,812,783	68,545,247
Finance cost	582,298	516,054
Bargain purchase on the acquisition of subsidiaries	(272,265)	–
Provision for inventory obsolescence	23,404	2,601
Impairment losses on project pre-incorporation and preliminary costs	796,773	–
Impairment losses on accounts receivable	1,948	10,873
Impairment losses on available-for-sale investment	241	–
Impairment losses on investment in associate	71,250	–
Impairment losses on capital work in progress	106,291	–
Amortization of discount of held to maturity financial assets	(36)	(35)
Hedge ineffectiveness of cash flow hedge	54,623	–
	131,288,198	141,318,304
Working capital changes:		
Accounts receivable and prepayments	1,345,901	(1,589,722)
Amounts due from Ministry of Finance	(68,640,662)	(84,706,741)
Inventories	(335,568)	(591,622)
Other current assets	(304,552)	(337,407)
Other non-current assets	(562,015)	29,641
Deferred income	504,772	(8,968)
Accounts payable and accruals	(148,001)	5,044,715
	63,148,073	59,158,200
Employees' end of service benefits paid	(117,216)	(159,940)
Defined benefits paid	(175,971)	(179,645)
Finance cost paid	(582,298)	(516,054)
Dividend and interest received	438,163	457,382
Taxes paid	–	(9,046)
Net cash from operating activities	62,710,751	58,750,897

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

	December 31, 2014 QR '000s	December 31, 2013 QR '000s
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(10,554,816)	(9,099,894)
Proceeds from disposal of property, plant and equipment	8,404	5,533
Acquisition of intangible assets	(100,466)	–
Additions to investments in associates	(2,111,523)	(6,394,755)
Proceeds from disposal of investments in associates	–	2,214,242
Additions to investments in joint ventures	(2,558,445)	(4,144,895)
Repayment of shareholder advances	595,626	–
Acquisition of held to maturity assets	(44,467)	–
Dividends received	93,624,608	98,627,554
Proceeds from disposal of investment in joint venture	–	490,916
Net movement in available for sale investments	(206,228)	352,263
Acquisition of subsidiaries and joint operations	(3,347,304)	–
Net movement of financial assets at fair value through profit or loss	58,240	153,757
Increase in short-term deposits maturing after ninety days	(78,347)	(6,064,104)
Net cash from investing activities	75,285,282	76,140,617
FINANCING ACTIVITIES		
Cash transfers to Ministry of Finance	(142,408,687)	(144,579,969)
Proceeds from interest bearing loans	1,770,292	1,715,823
Repayment of interest bearing loans	(1,538,564)	(1,286,485)
Movement in non-controlling interest	(298,492)	(2,381,140)
Net movement in obligations under finance lease	(240,184)	(210,809)
Increase in other non-current liabilities	158,799	–
Net cash used in financing activities	(142,556,836)	(146,742,580)
Net decrease in cash and cash equivalents	(4,560,803)	(11,851,066)
Cash and cash equivalents at beginning of year	18,239,145	30,090,211
Cash and cash equivalents at end of year	13,678,342	18,239,145

NOTES TO THE SUMMARY CONSOLIDATED STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2014

1. LEGAL STATUS AND PRINCIPAL ACTIVITIES

Qatar Petroleum ("QP" or the "Corporation"), is a state-owned Public Corporation established in the State of Qatar by Emiri Decree Number 10 of 1974.

The principal activities of QP, its subsidiaries, joint ventures, joint operations and associates are the exploration, production and sale of crude oil, natural gas and gas liquids and refined products, production and sale of petrochemicals, fuel additives, fertilisers, liquefied natural gas ("LNG"), steel, aluminium, chartering of helicopters, investing in industrial and international projects and underwriting insurance and other services. The principal place of business of QP is in the State of Qatar.

Pursuant to Law No. 5 of 2012, which was issued on August 7, 2012, the State of Qatar amended certain provisions of the Decree No. 10 of 1974 and transferred the ownership in QP from the Ministry of Economy of Finance to Supreme Council for Economic Affairs and Investment effective January 1, 2012.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary consolidated financial statements have been prepared on the historical basis except for certain properties and financial instruments that are remeasured at revalued amounts or fair values at the end of each reporting period.

The summary consolidated financial statements are presented in Qatari Riyal (QR) which is the Group's functional and presentation currency. All values are rounded to the nearest thousands, unless otherwise stated. The summary consolidated financial statements have been prepared in accordance with the requirements of Emiri Decree No 10 of 1974 (as amended by Law No. 5 of 2012), concerning the establishment of QP, the Council of Ministers' decision No. 6 of 1976 (as amended) and QP Chairman Resolution No. 17 of 2013 related to accounting policies.

Basis of consolidation

These summary consolidated financial statements have been derived from the consolidated financial statements of Qatar Petroleum for the year ended December 31, 2014. These summary consolidated financial statements do not contain all information and disclosures required by QP accounting policies and applied in the preparation of the 2014 audited consolidated financial statements of Qatar Petroleum and should be read in conjunction with those consolidated financial statements and the notes attached thereto.

The consolidated financial statements include the standalone financial statements of QP and the financial statements of the entities controlled by QP (its "subsidiaries"). The consolidated financial statements incorporate the Group's interest and its share of profits or losses from associates and joint ventures using the equity method of accounting. Jointly controlled operations are accounted for in these consolidated financial statements whereby the Group's share of each of the assets, liabilities, income and expenses of the jointly controlled operations are combined with the similar items on a line by line basis.

The consolidated financial statements have been prepared in accordance with the requirements of Emiri Decree No 10 of 1974 (as amended by Law No. 5 of 2012), concerning the establishment of QP, the Council of Ministers' decision No. 6 of 1976 (as amended) and QP Chairman Resolution No. 17 of 2013 related to accounting policies and the accounting policies set out in Note 3 in the complete set of consolidated financial statements.

QATAR PETROLEUM INVESTMENT PORTFOLIO

