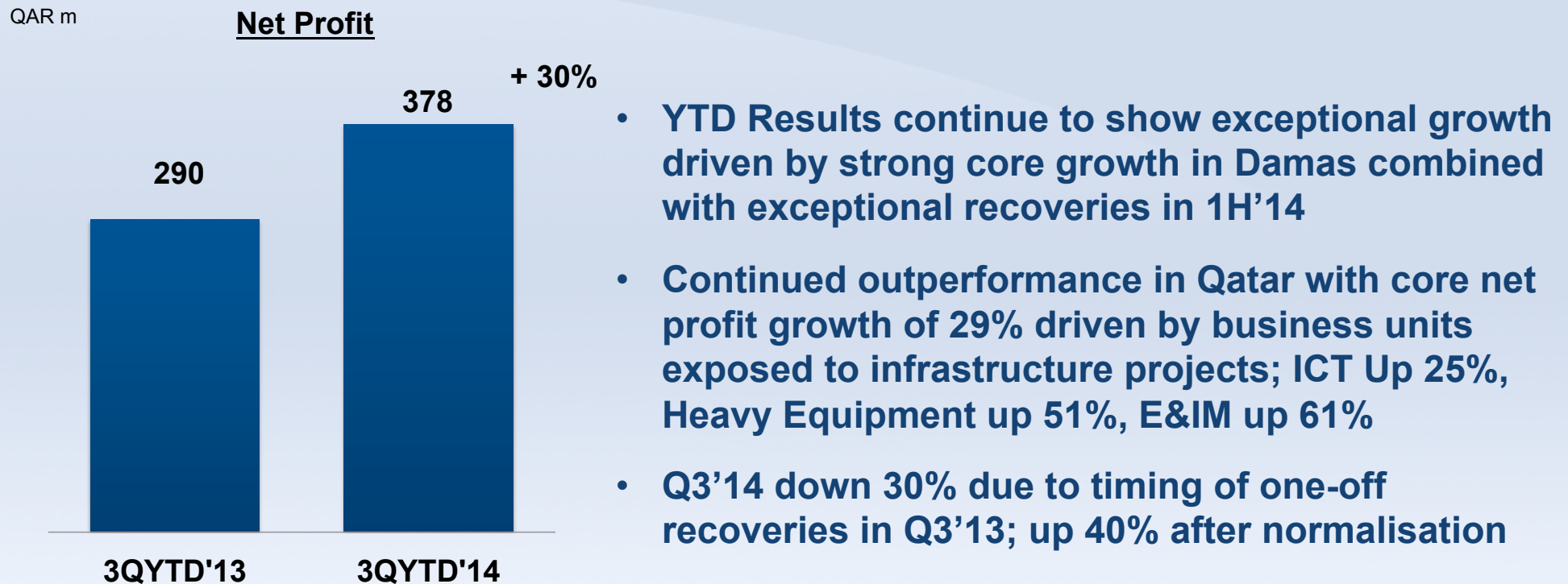


# **Mannai Corporation QSC**

## **Q3'14 Financial Summary**

## Continued Growth in Net Profits up 30% to 378m

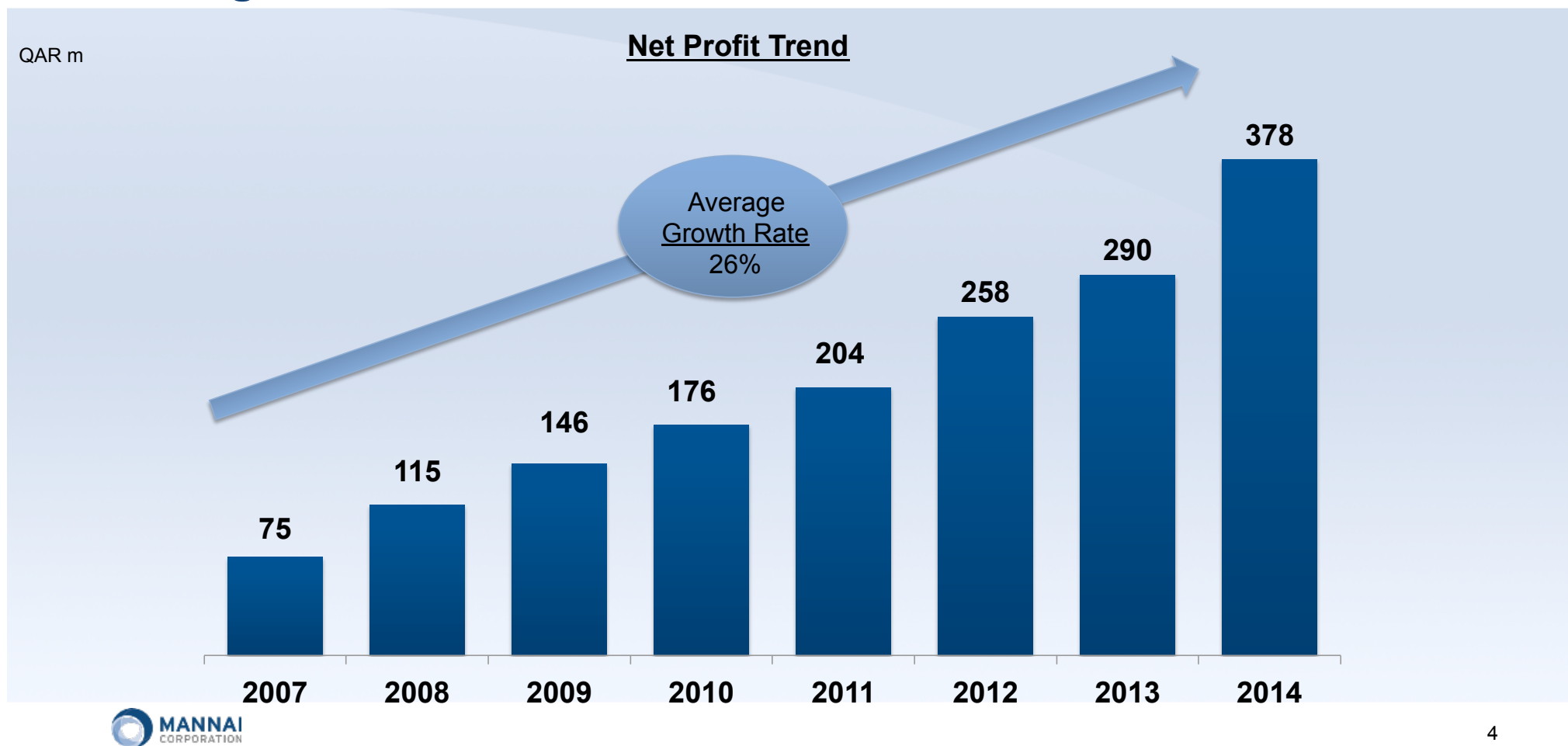


# Financial Highlights

QAR m

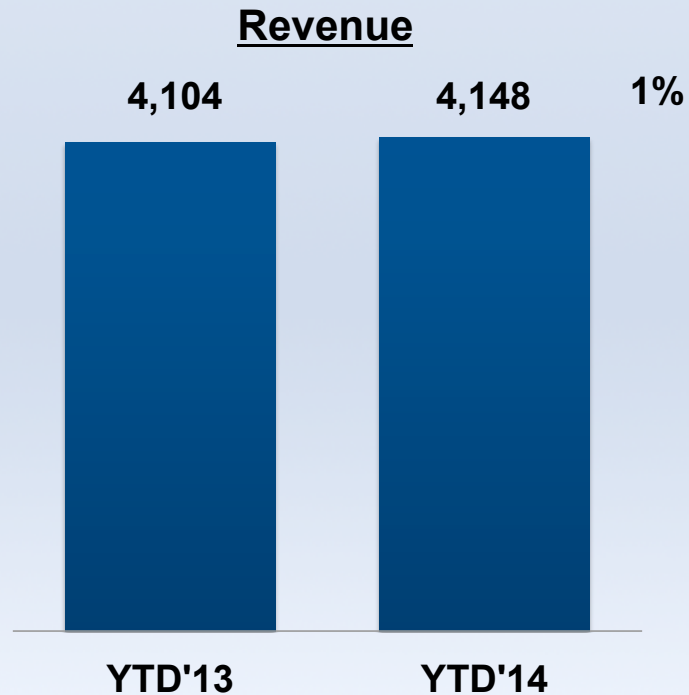
	YTD 2013	YTD 2014		
Net Profit	290m	378m	30%	▲
Revenues	4,104m	4,148m	1%	▲
Gross Profit %	19.5%	19.6%	0.1pts	▲
Net Profit %	7.1%	9.1%	2.0pts	▲
Capital Employed	4,457m	4,821m	8%	▲
Earnings Per Share	6.36	8.28	30%	▲
Return on Equity	17%	25%	8 pts	▲

## Average 3QYTD Net Profit Growth Rate of 26%



## Top-Line Growth Flat as Strong Growth in Qatar Offsets Gold

QAR m

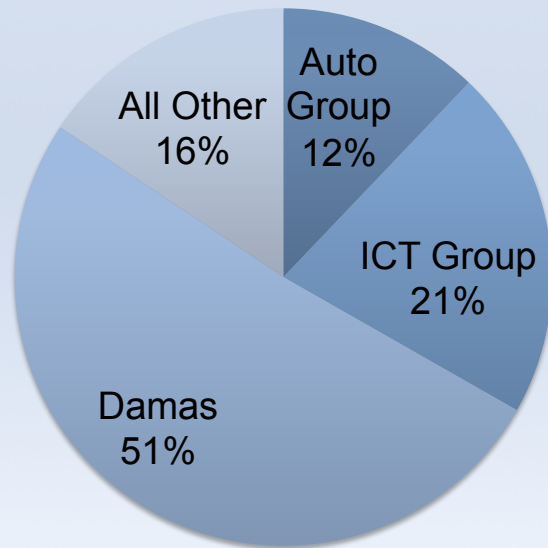


- Revenue impacted by Gold prices and underlying demand, lowering Damas Revenue by 435m. Higher margins resulted in only (27)m loss to gross profit
- Excluding Damas, Revenues up 19%; driven by ICT up 24%, Heavy Equipment up 59%, Geotechnical up 28% to 142m

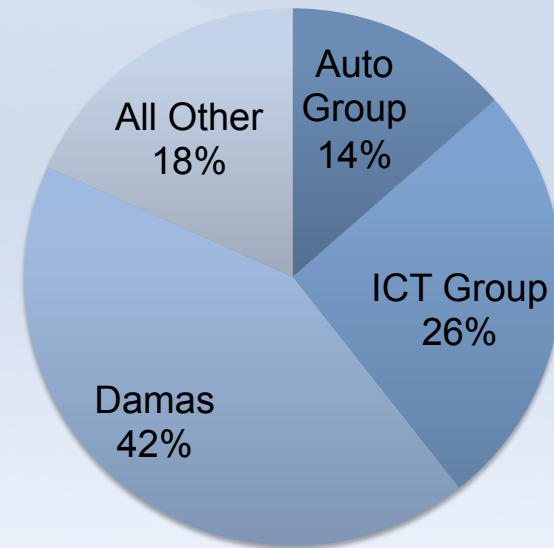
## Damas Revenue Contribution falls to 42% as a result of faster 3Q Growth in Qatar Businesses

### Revenue Mix

YTD'13



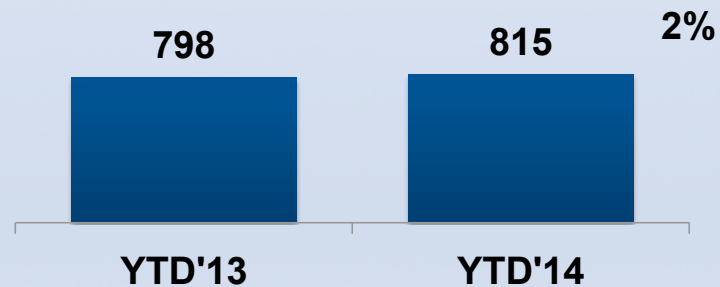
YTD'14



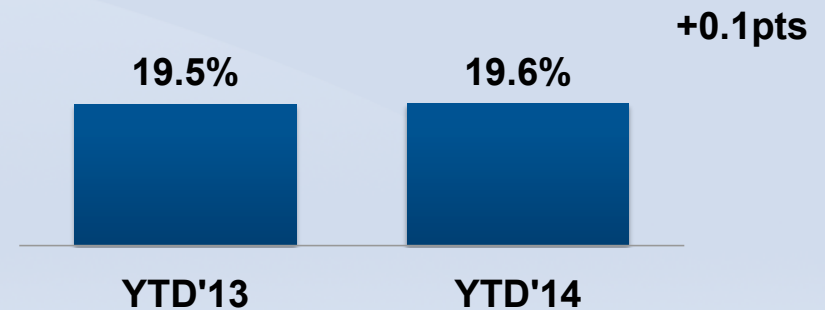
## Gross Margin holding in high growth environment

QAR m

### Gross Profit



### Gross Margin %



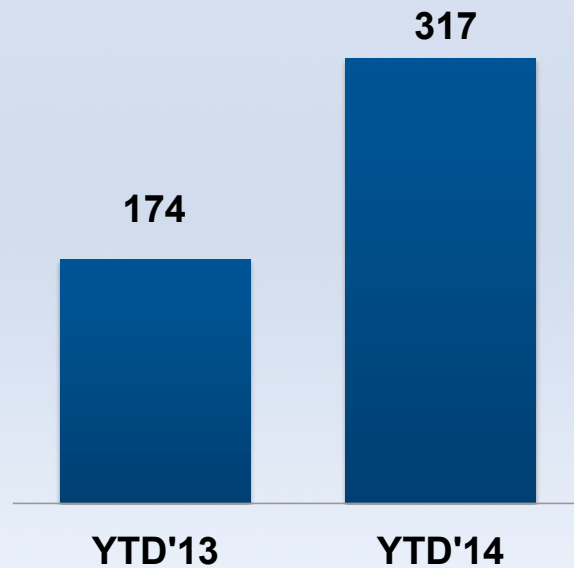
- Gross Profit up 10% after normalising for significant items
- Damas margins improving due to mix shift to Non-Gold sales

	<u>2014%</u>	<u>V pts</u>
Auto Group	19.6%	(0.1) pts
ICT Group	12.8%	0.1 pts
Damas	22.3%	1.3 pts
All Other	23.3%	(0.1) pts

## Other Income driven by recoveries

QAR m

### Other Income



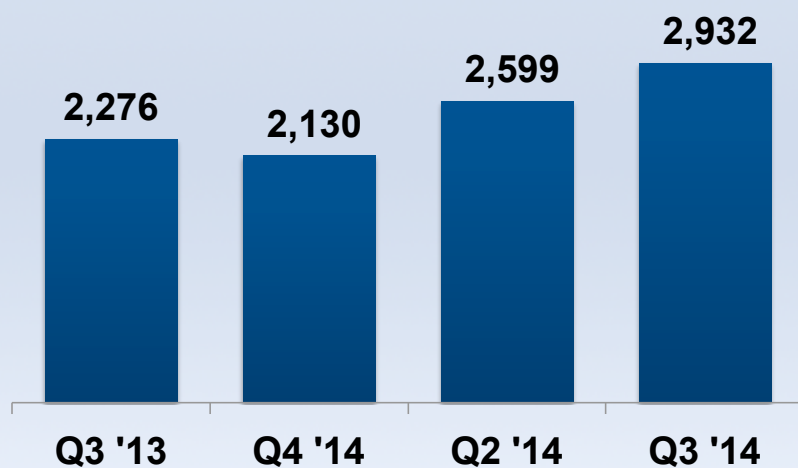
- Other Income driven by recoveries of previously provisioned receivables in Damas
- Gain on sale of land and properties contributed 20m in 1H'14



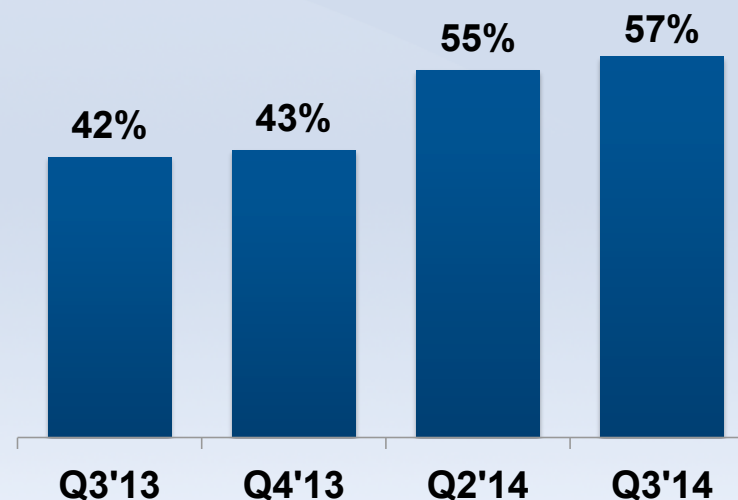
## Increased Debt driven by growth in working capital tied up in Qatar infrastructure projects

QAR m

### Net Debt



### Net Debt to Total Capital



## Normalisation of key lines for significant items

	1H14	1H13	VLY%	Q3'14	Q3'13	VLY%	YTD'14	YTD'13	VLY%
Gross Profit	541.3	550.0	(2%)	273.7	248.4	10%	815.0	798.4	2%
Gold Loss		40.1						40.1	
Inventory Provisions	110.0						110.0		
Norm. Gross Profit	651.3	590.1	10%	273.7	248.4	10%	925.0	838.5	10%
Other Income	308.8	86.3	258%	8.3	87.6	(91%)	317.1	173.9	82%
Gain on Sale of Properties	19.6						19.6		
Damas Recoveries	273.2	69.4			78.0		273.2	147.4	
Norm. Other Income	16.0	16.9	(5%)	8.3	9.6	(13%)	24.3	26.5	(8%)
Share of Profit from Assoc. & JVs	6.3	59.1	(89%)	8.9	25.8	(65%)	15.2	84.9	(82%)
Impairment to Axiom Intangible	28.7						28.7		
Norm. Share of Profit	35.0	59.1	(41%)	8.9	25.8	(65%)	43.9	84.9	(48%)
General & Administrative Expenses	236.9	188.1	26%	92.7	94.5	(2%)	329.6	282.6	17%
Expenses Related to Damas Acquisition	3.4								
Adj. for one-off Provisions	37.0						37.0		
Norm. G&A Expense	196.5	188.1	4%	92.7	94.5	(2%)	292.6	282.6	4%
Minority Interest	0.0	45.7	(100%)	0.0	28.0	(100%)	0.1	73.7	(100%)
Adj. for Significant Items		(10.0)			(26.5)		-	(36.5)	
Norm. Minority Interest	0.0	35.8	(100%)	0.0	1.4	(100%)	0.1	37.2	(100%)
Net profit	315.1	193.9	62%	62.8	96.3	(35%)	377.9	290.2	30%
Adj. for Significant Items	(113.7)	(19.3)			(51.5)		(113.7)	(70.8)	
Norm. Net Profit	201.4	174.6	15%	62.8	44.8	40%	264.2	219.4	20%

- Q3 profits impacted by seasonality; Ramadan and summer vacation impacts retail sales and project execution due to reduced working hours delayed sign-off
- Q3'14 had no significant items, whereas Q3'13 had significant recoveries in Damas which supported the net income
- Core Net Income up 40% for Q3 and 20% YTD after adjusting for significant items

# Mannai Corporation QSC

**Tel: +974-4455 8888 Fax: +974 4455 8880**

**[www.mannai.com](http://www.mannai.com)**

## **CONTACTS**

### **Investor Relations**

**Ewan Cameron  
Chief Financial Officer**

email: **[ewan.cameron@mannai.com.qa](mailto:ewan.cameron@mannai.com.qa)**

**Tel (Direct) : +974-44558844**