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International credit rating agencies S&P and Moody's affirmed Industries Qatar's credit ratings

- *S&P affirmed IQ's credit rating at 'A+' with a stable outlook.*
- *Moody's affirmed IQ's long term rating at A1 with a stable outlook.*

Doha, Qatar; 17 August 2020: Industries Qatar ("IQ" or "the Group"; QE Ticker: IQCD), one of the region's industrial giants with holdings in petrochemicals, fertilizers and steel producers, today announced that international credit rating agencies Standard & Poor's Financial Services (S&P) and Moody's Investors Service have both recently affirmed IQ's credit ratings. S&P affirmed IQ's credit rating at 'A+' with a stable outlook. Moody's affirmed IQ's long term rating at A1 with a stable outlook.

The affirmation of the credit rating by both the rating agencies was based on their annual review of IQ's current and future financial and operational performance. Consideration was given to several factors in assigning and maintaining their current ratings and outlook, including, IQ's liquidity profile; robust cash flow generation ability; strong competitive market position; greater integration with the Parent entity (Qatar Petroleum).

S&P explained in an open statement that "IQ's prudent financial policy and strong cash flow generation support very strong credit metrics".

Moody's stated that "IQ entered the low oil prices period with low leverage and capital spending requirements, allowing for more financial flexibility".

These affirmations are a testament to IQ's enhanced asset quality foundation and robust liquidity position based on sound operating and financial management policies. Where IQ's competitive strengths will provide a leverage in the current challenging times, with an ability to generate positive cash flows in such distressed market conditions, and an efficient cost structures and robust working capital management, would safeguard the Group against any unexpected adversities.

-Ends-

About Industries Qatar (IQ)

Industries Qatar Q.P.S.C. was incorporated as a Qatari joint stock company on April 19, 2003. The business operations of the company comprise the direct holding of shares in the following subsidiary and joint venture companies: (i) Qatar Steel Company Q.P.S.C. ("QS"), a wholly-owned subsidiary, engaged in the manufacture and sale of steel billets and reinforcing bars; (ii) Qatar Petrochemical Company Limited QSC ("QAPCO"), a joint venture owned 80% by IQ, engaged in the production of ethylene, low-density polyethylene ("LDPE"), linear low-density polyethylene ("LLDPE") and sulphur; (iii) Qatar Fertiliser Company SAQ ("QAFCO"), a joint venture owned 75% by IQ, engaged in the manufacture of ammonia and urea; and (iv) Qatar Fuel Additives Company Limited QSC ("QAFAC"), a joint venture owned 50% by IQ, engaged in the production of methanol and methyl-tertiary-butyl-ether ("MTBE").

The operations of the subsidiary and joint ventures remain independently managed by their respective management teams.

For more information about the earnings announcement, email iq@qp.com.qa or visit www.iq.com.qa