IQ DECLARES PROFIT OF QR 4.7 BILLION FOR THE NINE MONTHS TO SEPTEMBER 30, 2014

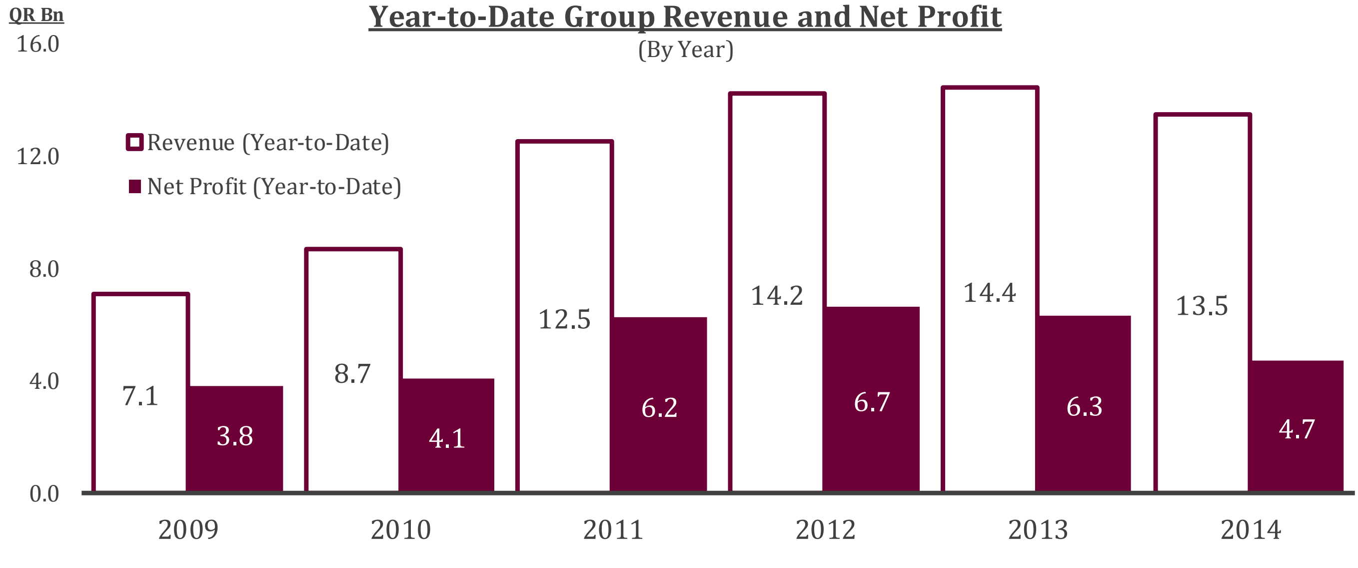
Earnings up 50% on second quarter

Third quarter net profit of QR 1.9 billion • quarterly earnings up 50% versus last quarter, and over 6% compared to the same quarter of 2013 • most segments registered significant quarter-on-quarter growth • Qafac's CDR plant launched two months ahead of schedule, methanol capacity boosted by 12% • enhanced liquidity position with cash levels across all group companies of circa QR 8 billion

DOHA, QATAR - Industries Qatar ("IQ" or "the group"; QE: IQCD), one of the region's industrial giants with interests in the production of a wide range of petrochemical, fertiliser and steel products, announced its financial results for the nine months ended September 30, 2014 with net profit of QR 4.7 billion.

The group recorded commendable results across all segments, with a consolidated net profit of QR 4.7 billion. The current year was expected to be challenging for the group following the outstanding results of 2013 and the major planned maintenance of the first half of this year. However, results noticeably improved in the third quarter with the return to normal operations across most of the group: consolidated net profit improved by a significant 50.1% versus second quarter earnings, with the petrochemical and fertiliser segments registering quarter-on-quarter growth of 73.3% and 86.7% respectively. Earnings were also up against the third quarter of 2013 with a creditable 6.3% positive variance further emphasising the strength of the current quarter's results.

The group would like to welcome the new members to the Board of Directors - H.E. Sheikh Ahmed bin Jassim Al-Thani (Vice Chairman), Minister of Economy and Commerce, H.E. Ali Shareef Al-Emadi, Minister of Finance, and H.E. Dr. Ibrahim Al-Ibrahim. The group would also like to thank the outgoing members for their dedication and commitment, and congratulate the new Managing Director, Mr. Saad Sherida Al-Kaabi, on his appointment. It is firmly believed that the current Board and senior management will build on the successes of their predecessors for the benefit of IQ's shareholders.



Financial Results

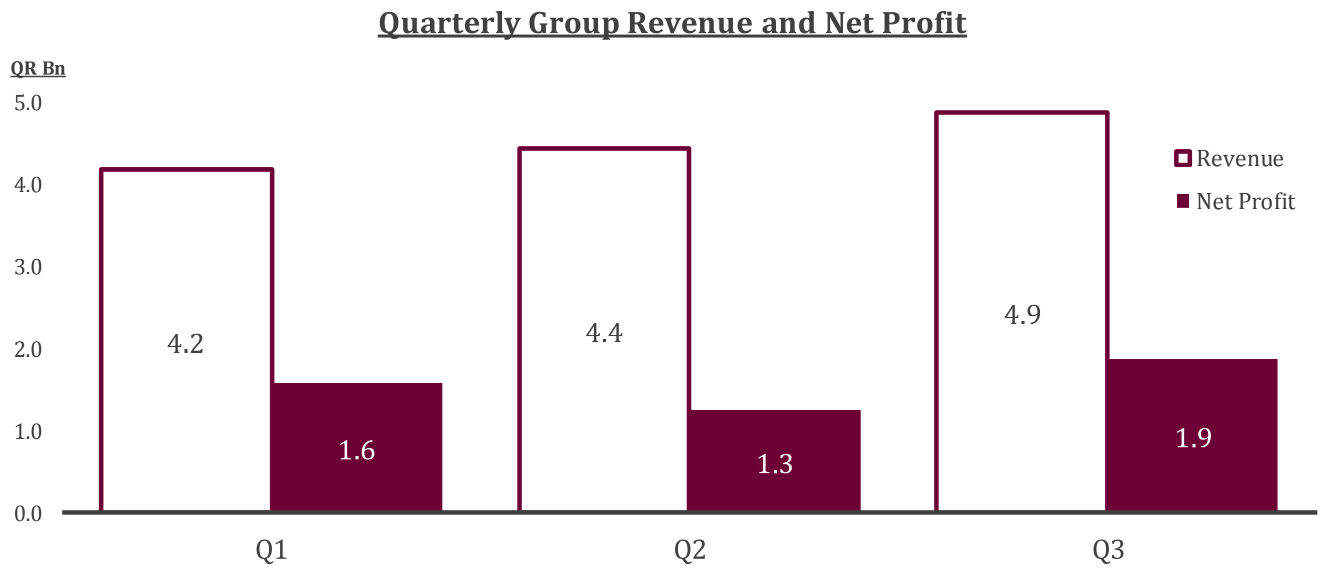
Group earnings in 2014 were supported by the launch and subsequent ramp-up of Qatar Steel's EF-5 facility in the first quarter, and Qafac's CDR plant in the third quarter, as well as by strong key petrochemical product prices. However, the group faced significant challenges from extended, planned shut-downs noted across all plants during the first half of the year, weak urea prices, and heightened operating costs. It is important to emphasise that the planned maintenance and challenging market conditions experienced were largely expected and accounted for in the group's 2014 budget, and are normal features of the industries the group operates within; furthermore, overall results year-to-date were ahead of the group's 2014 budget.

The group's liquidity position remained strong during the year with cash held across all group companies after distributing the previous year's record QR 6.7 billion dividend, of approximately QR 8 billion.

Revenue

Reported revenue for the nine month period ended September 30, 2014 was QR 4.7 billion, an increase of QR 0.2 billion, or 5.4%, over the same period of 2013; however, on a like-for-like basis, management reporting revenue - assuming proportionate consolidation - was QR 13.5 billion, a decrease of QR 0.9 billion, or 6.5%, versus the same period of 2013.

Reported revenue for the third quarter was QR 1.5 billion, a decrease of QR 0.3 billion, or 15.8%, compared to the second quarter. Assuming proportionate consolidation, management reporting revenue was QR 4.9 billion, an increase of QR 0.4 billion, or 9.9%, against the previous quarter.



Petrochemical Segment[1]

Petrochemical revenue for the first nine months of 2014 was QR 5.0 billion, a moderate year-on-year decrease of QR 0.2 billion, or 4.2%. Strong key petrochemical product prices, particularly LDPE, LLDPE and methanol, largely compensated for the impact of the extensive, planned shut-downs experienced across all plants within the segment during the first six months of 2014.

Petrochemical revenue for the third quarter of 2014 was QR 2.0 billion, an increase of QR 0.6 billion, or 37.8%, on the previous quarter. This quarter-on-quarter increase can be entirely attributed to improved sales volumes in the current quarter following the planned maintenance of the previous quarter. This return to normalcy is underscored by the quarterly segmental utilisation rate of 107% versus 76% in the second quarter, and by the minimal downtime recorded in the current quarter.

Fertiliser Segment

The fertiliser segment closed the nine months ended September 30, 2014 with revenue of QR 3.9 billion, a decline of QR 1.0 billion, or 19.9%, versus the same period of 2013. The year-on-year decline in fertiliser revenue noted follows significant volume reductions mainly due to planned mandatory, warranty shut-downs and, to a lesser extent, unplanned disruption across several fertiliser trains, and weak weighted average urea prices.

Revenue in the third quarter was QR 1.3 billion, significantly up on the last quarter by QR 0.2 billion, or 14.6%. On a quarter-by-quarter basis, fertiliser segmental results were aided by a notable recovery in global urea prices, and the resumption of normal operations following the previous quarter's extensive downtime. Segmental production utilisation in the third quarter was 102%, up 14 percentage points over the last quarter.

Steel Segment

Revenue in the steel segment totaled QR 4.7 billion for the first nine months of 2014, a moderate increase of QR 0.2 billion, or 5.4%, against the same period of 2013. The benefit to the group's steel business of the launch and initial ramp-up of the new EF-5 facility in the first quarter of 2014, and the consequent boost in billet production volume, was partially offset by moderate re-bar price deflation, reduced operating days due to planned and unplanned disruption, and strong prior year comparatives.

Revenue in the third quarter was QR 1.5 billion, a decrease of QR 0.3 billion, or 15.8%, versus the second quarter. The quarter-on-quarter reduction in steel revenue was expected following a significant one-off DRI / HBI sale in the prior quarter, and flat weighted average key product prices.

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[1] Petrochemical segmental revenue computed using proportionate consolidation, as per IAS 31, and therefore consists of the group's proportionate share of Qapco revenue, and Qapco's proportionate share of revenue from its joint ventures, namely Qatofin, Qatar Vinyl Company and Qatar Plastic Products Company.

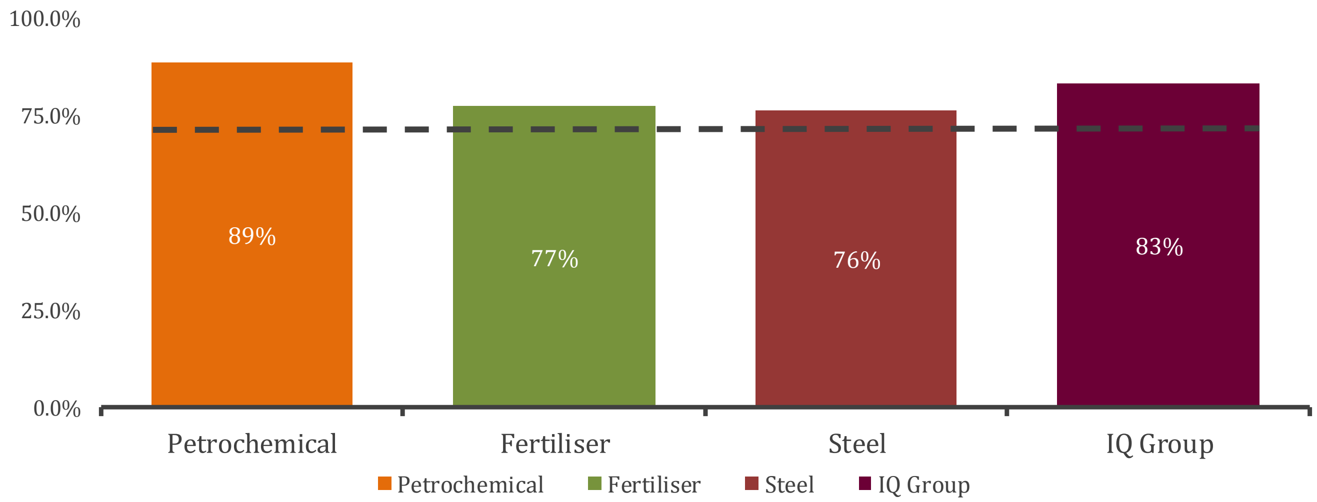
Production levels moderately improved on a marginally lower number of days lost due to downtime, with the quarterly segmental utilisation rate improving by 3 percentage points to 110%.

Profits and Margins

Consolidated EBITDA for the nine months ended September 30, 2014 was QR 4.9 billion, a decrease of QR 1.6 billion, or 24.8%, on the same period of 2013. Year-to-date, the group's EBITDA was QR 4.9 billion, with the business being impacted by reduced sales volumes following extensive planned preventive maintenance and warranty shut-downs during the first half of the year, weak urea prices and heightened operating costs in the petrochemical and steel segments. Net profit for the first nine months of 2014 was QR 4.7 billion, a decrease of QR 1.6 billion, or 25.5%, against the corresponding period of 2013, with the year-on-year movement attributable to the same reasons as the EBITDA variance.

Consolidated EBITDA for the third quarter was QR 1.9 billion, an increase of QR 0.6 billion, or 49.1%, on the second quarter of 2014. The improved quarterly earnings were principally volume-driven, with the group's production utilisation rates registering a 13 percentage point increase to 106% on the back of reduced operational disruption and the return to normalcy across most segments and plants. The positive quarterly variance was also aided by improved urea prices. Net profit for the third quarter was QR 1.9 billion, an increase of QR 0.6 billion, or 50.1%, versus the prior quarter, with the quarter-on-quarter movement attributable to the same reasons as the EBITDA variance.

Year-To-Date Performance v Budget



Major CAPEX / Investments Update

CDR Plant Launch

Construction has been completed at the QR 145.5 million CO_2 recovery plant of the group's fuel additive joint venture, Qafac. This plant is the largest of its kind for methanol production in the world, and is designed to capture over 500 MT per day of carbon dioxide and utilise it in the production of methanol.

The plant is expected to not only reduce Qafac's greenhouse gas emissions, but simultaneously boost the group's production of methanol by circa 46,000 MT PA. It is also noteworthy that the plant was commissioned two months ahead of schedule. Management and staff of Qafac should be congratulated on this tremendous achievement, and the group looks forward to the facility positively contributing to the group's future earnings.

SOLB Steel Company

Qatar Steel's Saudi Arabian-based 31.03% associate, SOLB Steel Company, commenced commercial operations of a 1.0 million MT PA steel melt shop and a 0.5 million MT PA rolling mill in January 2013. The steel melt shop and the rolling mill are operating at full capacity. Construction of a second rolling has now been completed, and the facility was successfully commissioned during the quarter. Qatar Steel's total investment contribution was QR 225.0 million for both phases.

Algerian Qatari Solb Company

Qatar Steel holds a 50% stake in a special purpose vehicle, Qatar Steel International Company QPSC, which in turn has a 49% share in Algerian Qatari Solb Company, a joint venture formed with entities controlled by the government of Algeria to develop a 2.0 million MT PA integrated steel mill in Algeria.

The first phase of the project envisages a direct reduction plant, steel melt shop and rolling mill being built at an estimated equity contribution from Qatar Steel of around QR 0.6 billion, and a project completion date of Q1, 2018. Construction is expected to commence in the first half of 2015.

Al Sejeel Petrochemical Complex

The group confirms that the Al Sejeel Petrochemical Complex project has been put on hold, and that a new downstream petrochemical project that is expected to yield better economic returns is instead under study. Further details will be provided in due course.

Conclusion

The group looks forward to improved results for the entire second half of 2014 with all segments continuing to generate improved production utilisation rates, and strong results from the two recently launched plants.

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For more information about this press release, email iq@qp.com.qa or visit www.iq.com.qa

DISCLAIMER

The companies in which Industries Qatar QSC directly and indirectly owns investments are separate entities. In this press release, "IQ" and "the group" are sometimes used for convenience in reference to Industries Qatar QSC.

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of Industries Qatar QSC. All statements other than statements of historical fact are deemed to be forward-looking statements, being statements of future expectations that are based on current expectations and assumptions, and involve known and unknown risks and uncertainties that could cause actual results, operations and business performance or events impacting the group to differ materially from those expressed or as may be inferred from these statements.

There are a number of factors that could affect the realisation of these forward-looking statements such as: (a) price fluctuations in crude oil and natural gas, (b) changes in demand or market conditions for the group's products, (c) loss of market share and industry competition, (d) environmental risks and natural disasters, (e) changes in legislative, fiscal and regulatory conditions, (f) changes in economic and financial market conditions and (g) political risks. As such, results could differ substantially from those stated, or as may be inferred from the forward-looking statements contained herein. All forward-looking statements contained in this report are made as of the date of this presentation.

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GENERAL NOTES

Industries Qatar's accounting year follows the calendar year. No adjustment has been made for leap years. Where applicable, all values refer to Industries Qatar's share. Values expressed in QR billions and percentages have been rounded to 1 decimal point. All other values have been rounded to the nearest whole number. Values expressed in US $'s have been translated at the rate of US $1 = QR3.64.

DEFINITIONS

Adjusted Free Cash Flow: Cash Flow From Operations - Total CAPEX - Dividends • **CAGR:** 5-Year Compound Annual Growth Rate (from 2013 actuals) • **Cash Realisation Ratio:** Cash Flow From Operations / Net Profit x 100 • **Debt to Equity:** (Current Debt + Long-Term Debt) / Equity x 100 • **Dividend Yield:** Total Cash Dividend / Closing Market Capitalisation x 100 • **DRI:** Direct Reduced Iron • **EBITDA:** Earnings Before Interest, Tax, Depreciation and Amortisation calculated as (Net Profit + Interest Expense + Depreciation + Amortisation - QR1.2bn government grant received in 2009) • **EPS:** Earnings per Share (Net Profit / Number of Ordinary Shares outstanding at the year end) • **Free Cash Flow:** Cash Flow From Operations - Total CAPEX • **HBI:** Hot Briquetted Iron • **LDPE:** Low Density Poly Ethylene • **LLDPE:** Linear Low Density Poly Ethylene • **mmBTU:** Million British Thermal Units • **MT PA:** Metric Tons Per Annum • **MTBE:** Methyl Tertiary Butyl Ether • **Payout Ratio:** Total Cash Dividend / Net Profit x 100 • **P/E:** Price to Earnings (Closing market capitalisation / Net Profit) • **Utilisation:** Production Volume / Rated Capacity x 100 [For new facilities, measure includes first full operational quarter only]

ABOUT IQ

Industries Qatar QSC 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 QSC ("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, is 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.

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