

Condensed Consolidated Interim Financial Information for the Three Months Ending 31 March 2009



Independent Auditor's Report on Review of Condensed Consolidated Interim Financial Information to the Board of Directors of Qatar National Bank S.A.Q.

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Qatar National Bank S.A.Q. (the "Bank") and its subsidiaries (together referred to as the "Group") as at 31 March 2009 and the related condensed consolidated interim statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended and the related explanatory notes ("condensed consolidated interim financial information"). Management is responsible for the preparation and fair presentation of the condensed consolidated interim financial information in accordance with International Financial Reporting Standards (IAS 34) Interim Financial Reporting and the applicable provisions of Qatar Central Bank regulations. Our responsibility is to express a conclusion on the condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standard on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting" and the applicable provisions of Qatar Central Bank regulations.

Gopal Balasubramaniam
KPMG
Qatar Auditors Registry Number 251

8 April 2009
Doha - State of Qatar

Condensed Consolidated Interim Statement of Financial Position

| | 31 March 2009 (Reviewed) QR000 | 31 March 2008 (Reviewed) QR000 | 31 December 2008 (Audited) QR000 |
|---|---|---|---|
| ASSETS | | | |
| Cash and Deposits with Central Banks | 9,131,972 | 14,371,919 | 6,269,596 |
| Due from Banks and Other Financial Institutions | 25,701,971 | 18,155,363 | 27,044,455 |
| Loans and Advances and Financing Activities | 81,596,352 | 77,390,974 | 100,053,490 |
| Investment Securities | 17,183,974 | 13,696,578 | 11,814,912 |
| Investment in Associates and Joint Venture | 4,610,621 | 2,818,131 | 4,596,644 |
| Property and Equipment | 618,095 | 750,244 | 618,237 |
| Assets Classified as Held for Sale | 569,486 | - | - |
| Other Assets | 1,205,848 | 2,822,144 | 1,576,284 |
| Total Assets | 140,618,319 | 130,005,353 | 151,973,618 |
| LIABILITIES and EQUITY | | | |
| LIABILITIES | | | |
| Due to Banks and Other Financial Institutions | 20,363,850 | 24,682,580 | 19,721,259 |
| Repurchase Agreements | 1,457,086 | 2,438,442 | 2,267,416 |
| Customer Deposits | 80,888,394 | 72,743,375 | 94,973,407 |
| Other Borrowings | 6,720,258 | 6,715,931 | 6,719,147 |
| Liabilities Classified as Held for Sale | 1,228,335 | - | - |
| Other Liabilities | 2,323,913 | 2,887,941 | 2,369,934 |
| | 112,981,836 | 109,468,269 | 126,051,163 |
| Unrestricted Investment Accounts | 11,009,937 | 6,760,494 | 9,279,230 |
| Total Liabilities and Unrestricted Investment Accounts | 123,991,773 | 116,228,763 | 135,330,393 |
| EQUITY | | | |
| Issued Capital | 3,011,208 | 2,189,970 | 2,408,966 |
| Statutory Reserve | 7,650,698 | 4,420,493 | 6,829,459 |
| Other Reserves | 1,755,451 | 1,755,702 | 1,789,787 |
| Risk Reserve | 1,410,000 | 783,072 | 1,410,000 |
| Fair Value Reserve | 539,603 | 2,256,512 | (274,167) |
| Proposed Dividend | - | - | 1,806,724 |
| Proposed Bonus Shares | - | - | 602,242 |
| Proposed Transfer to Statutory Reserve | - | - | 821,239 |
| Retained Earnings | 2,259,586 | 2,370,841 | 1,248,975 |
| Total Equity | 16,626,546 | 13,776,590 | 16,643,225 |
| Total Liabilities and Equity | 140,618,319 | 130,005,353 | 151,973,618 |

Yousef Hussain Kamal
Chairman

Ali Shareef Al-Emadi
Group Chief Executive Officer

Condensed Consolidated Interim Statement of Income

| | Three Months to 31 March 2009 (Reviewed) QR000 | Three Months to 31 March 2008 (Reviewed) QR000 |
|---|--|--|
| Continuing Operations | | |
| Interest Income | 1,465,426 | 1,416,248 |
| Interest Expense | (719,231) | (903,315) |
| Net Interest Income | 746,195 | 512,933 |
| Fees and Commission Income | 250,651 | 266,349 |
| Fees and Commission Expense | (13,688) | (11,565) |
| Net Fees and Commission Income | 236,963 | 254,784 |
| Dividend Income | 104,680 | 103,141 |
| Net Gains from Dealing in Foreign Currencies | 81,398 | 80,398 |
| Net Gains from Investment Securities | 15,063 | 132,772 |
| Share in Profit of Associates | 29,385 | 46,072 |
| Income from Islamic Financing and Investing Activities | 191,095 | 119,647 |
| Other Operating Income | 16,119 | 18,530 |
| Net Operating Income | 1,420,898 | 1,268,277 |
| General and Administrative Expenses | (235,204) | (260,299) |
| Depreciation | (24,470) | (17,414) |
| Provisions for Credit Losses of Loans and Advances | (3,377) | (29,073) |
| Net Impairment (Losses) / Gains of Investment Securities | (24,803) | 17,641 |
| Other Provisions | (10,345) | (144) |
| Unrestricted Investment Account Holders' Share of Profit | (103,871) | (55,517) |
| Net Profit Before Taxes | 1,018,828 | 923,471 |
| Taxes | (6,594) | (6,193) |
| Net Profit for the Period from Continuing Operations | 1,012,234 | 917,278 |
| Losses from Assets Held for Sale, Net of Tax | (1,623) | - |
| Net Profit for the Period | 1,010,611 | 917,278 |
| Earnings Per Share (QR) | 3.4 | 3.4 |

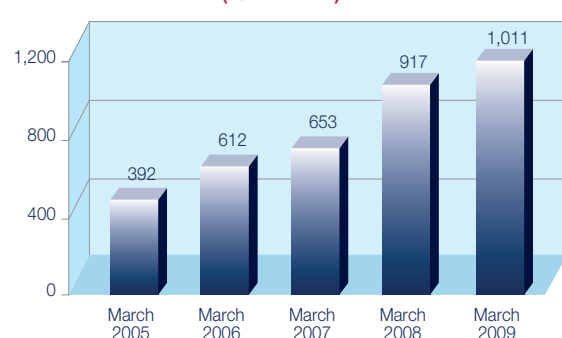
QNB Group Key Performance Indicators

- Net Profit up by 10.2% to QR1,011 million
- Total Assets up by QR10.6 billion (8.2%) since March 2008 to QR140.6 billion
- Total Loans and advances and financing activities up by QR4.2 billion (5.4%) since March 2008 to QR81.6 billion
- Total Customer Deposits and unrestricted investment accounts up by QR12.4 billion (15.6%) since March 2008 to QR91.9 billion
- Total Operating income up by 8.6% to QR1,317 million
- Total Shareholders' Equity up by 20.7% since March 2008 to QR16.6 billion
- Net Profit for QNB Al Islami up by 21.1% to QR93.2 million

Condensed Consolidated Interim Statement of Comprehensive Income

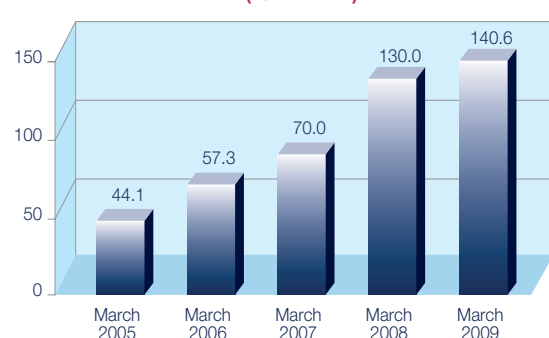
| | Three Months to 31 March 2009 (Reviewed) QR000 | Three Months to 31 March 2008 (Reviewed) QR000 |
|--|--|--|
| Net Profit for the Period | 1,010,611 | 917,278 |
| Other Comprehensive Income | | |
| Foreign Currency Translation Differences for Foreign Operations | (5,121) | 1,046 |
| Share of Other Comprehensive Income of Associates | (29,215) | 3,040 |
| Net Gain / (Loss) on Revaluation of Cash Flow Hedges | 28,806 | (46,799) |
| Net Gain / (Loss) on Revaluation of Available for Sale Investment Securities | 784,964 | (43,347) |
| Total Other Comprehensive Income | 779,434 | (86,060) |
| Total Comprehensive Income | 1,790,045 | 831,218 |

Net Profit (QR million)



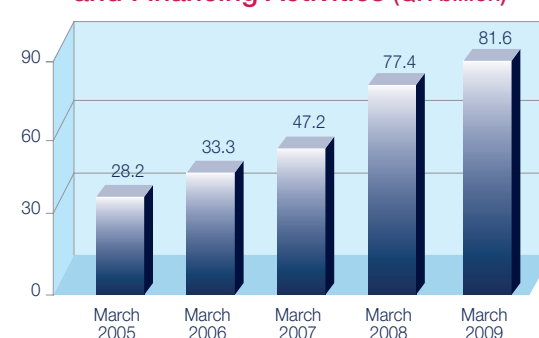
Net profit increased by 10.2% to QR1,011 million

Total Assets (QR billion)



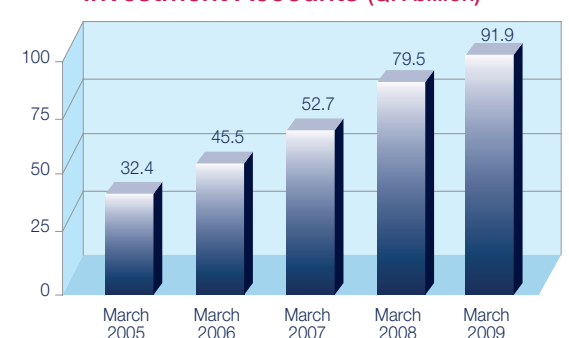
Total assets increased by 8.2% to QR140.6 billion

Loans and Advances and Financing Activities (QR billion)



Loans and advances and financing activities increased by 5.4% to QR81.6 billion

Customer Deposits and Unrestricted Investment Accounts (QR billion)



Customer deposits and unrestricted investment accounts increased by 15.6% to QR91.9 billion