

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 JUNE 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 30 June 2009 and the condensed consolidated interim statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended and the related notes ("condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34 "Interim Financial Reporting" and the applicable provisions of Qatar Central Bank regulations. Our responsibility is to express a conclusion on this 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 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 Standards 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 as at 30 June 2009 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

Doha - State of Qatar

8 July 2009

Condensed Consolidated Interim Statement of Financial Position

| | 30 June 2009 (Reviewed) QR000 | 30 June 2008 (Reviewed) QR000 | 31 December 2008 (Audited) QR000 |
|---|--|--|---|
| ASSETS | | | |
| Cash and Deposits with Central Banks | 9,214,134 | 18,050,036 | 6,269,596 |
| Due from Banks and Other Financial Institutions | 25,193,893 | 29,566,999 | 27,044,455 |
| Loans and Advances and Financing Activities | 82,898,186 | 84,284,995 | 100,053,490 |
| Investment Securities | 23,143,570 | 15,304,302 | 11,814,912 |
| Investment in Associates | 4,370,118 | 2,917,362 | 4,596,644 |
| Property and Equipment | 603,603 | 797,050 | 618,237 |
| Other Assets | 1,691,006 | 1,719,055 | 1,576,284 |
| Total Assets | 147,114,510 | 152,639,799 | 151,973,618 |
| LIABILITIES and EQUITY | | | |
| LIABILITIES | | | |
| Due to Banks and Other Financial Institutions | 14,893,726 | 21,780,105 | 19,721,259 |
| Repurchase Agreements | 1,820,250 | 2,301,313 | 2,267,416 |
| Customer Deposits | 92,950,395 | 86,865,917 | 94,973,407 |
| Other Borrowings | 6,721,369 | 6,717,025 | 6,719,147 |
| Other Liabilities | 3,131,039 | 4,335,554 | 2,369,934 |
| | 119,516,779 | 121,999,914 | 126,051,163 |
| Unrestricted Investment Accounts | 9,872,381 | 11,658,224 | 9,279,230 |
| Total Liabilities and Unrestricted Investment Accounts | 129,389,160 | 133,658,138 | 135,330,393 |
| EQUITY | | | |
| Issued Capital | 3,011,208 | 2,408,966 | 2,408,966 |
| Statutory Reserve | 7,650,698 | 6,829,460 | 6,829,459 |
| Other Reserves | 1,766,418 | 1,763,673 | 1,789,787 |
| Risk Reserve | 1,410,000 | 783,072 | 1,410,000 |
| Fair Value Reserve | 570,617 | 3,885,908 | (274,167) |
| Proposed Dividend | - | - | 1,806,724 |
| Proposed Bonus Shares | - | - | 602,242 |
| Proposed Transfer to Statutory Reserve | - | - | 821,239 |
| Retained Earnings | 3,316,409 | 3,310,582 | 1,248,975 |
| Total Equity | 17,725,350 | 18,981,661 | 16,643,225 |
| Total Liabilities and Equity | 147,114,510 | 152,639,799 | 151,973,618 |

Yousef Hussain Kamal
Chairman

Ali Shareef Al-Emadi
Group Chief Executive Officer

Condensed Consolidated Interim Statement of Income

| | Three months to 30 June 2009 (Reviewed) QR000 | Three months to 30 June 2008 (Reviewed) QR000 | Six Months to 30 June 2009 (Reviewed) QR000 | Six Months to 30 June 2008 (Reviewed) QR000 |
|---|---|---|---|---|
| Continuing Operations | | | | |
| Interest Income | 1,487,123 | 1,422,246 | 2,952,549 | 2,824,226 |
| Interest Expense | (649,175) | (831,841) | (1,368,406) | (1,725,827) |
| Net Interest Income | 837,948 | 590,405 | 1,584,143 | 1,098,399 |
| Fees and Commission Income | 258,909 | 255,396 | 509,560 | 504,536 |
| Fees and Commission Expense | (17,828) | (22,816) | (31,516) | (34,381) |
| Net Fees and Commission Income | 241,081 | 232,580 | 478,044 | 470,155 |
| Dividend Income | 76,953 | 32,102 | 181,633 | 135,243 |
| Net Gains from Dealing in Foreign Currencies | 70,472 | 77,780 | 151,870 | 157,904 |
| Net Gains from Investment Securities | 44,459 | 126,457 | 59,522 | 259,229 |
| Share in Profit of Associates | 48,913 | 52,260 | 78,298 | 98,332 |
| Income from Islamic Financing and Investing Activities | 209,533 | 131,420 | 400,628 | 251,067 |
| Other Operating Income | (6,329) | 3,603 | 9,790 | 22,119 |
| Net Operating Income | 1,523,030 | 1,246,607 | 2,943,928 | 2,492,448 |
| General and Administrative Expenses | (222,544) | (223,002) | (457,748) | (463,057) |
| Depreciation | (25,902) | (19,772) | (50,372) | (36,757) |
| Provisions for Credit Losses on Loans and Advances | (106,952) | (9,682) | (110,329) | (38,755) |
| Net Impairment (Losses) / Gains on Investment Securities | (16,461) | 21,410 | (41,264) | 39,051 |
| Other Provisions | 5,646 | (4,733) | (4,699) | (4,733) |
| Unrestricted Investment Account Holders' Share of Profit | (110,137) | (72,076) | (214,008) | (127,593) |
| Net Profit Before Taxes | 1,046,680 | 938,752 | 2,065,508 | 1,860,604 |
| Taxes | (4,986) | (4,166) | (11,580) | (10,359) |
| Net Profit for the Period from Continuing Operations | 1,041,694 | 934,586 | 2,053,928 | 1,850,245 |
| Net Profit from Discontinued Operations | 15,129 | 5,155 | 13,506 | 6,774 |
| Net Profit for the Period | 1,056,823 | 939,741 | 2,067,434 | 1,857,019 |
| Earnings Per Share (QR) | 3.5 | 3.2 | 6.9 | 6.3 |

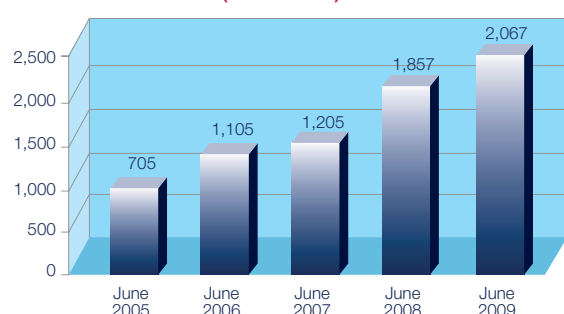
QNB Group Financial Highlights

- Net Profit up by 11.3% to QR2.1 billion
- Total Assets stood at QR147.1 billion as at 30 June 2009
- Total Loans and advances and financing activities stood at QR82.9 billion as at 30 June 2009
- Total Customer Deposits and unrestricted investment accounts stood at QR102.8 billion as at 30 June 2009
- Total Operating income up by 15.4% to QR2.7 billion
- Earnings per Share up 8.5% to QR6.9
- Net Profit for QNB Al Islami up by 22.4% to QR184.8 million

Condensed Consolidated Interim Statement of Comprehensive Income

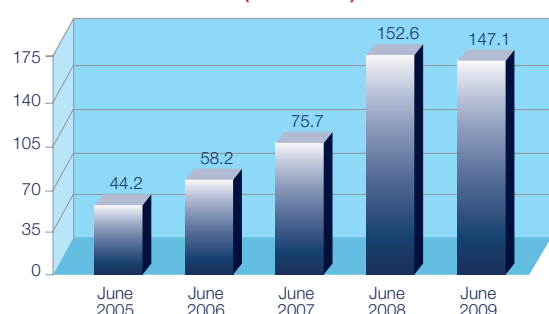
| | Three months to 30 June 2009 (Reviewed) QR000 | Three months to 30 June 2008 (Reviewed) QR000 | Six Months to 30 June 2009 (Reviewed) QR000 | Six Months to 30 June 2008 (Reviewed) QR000 |
|--|---|---|---|---|
| Net Profit for the Period | 1,056,823 | 939,741 | 2,067,434 | 1,857,019 |
| Other Comprehensive Income | | | | |
| Foreign Currency Translation Differences for Foreign Operations | (5,121) | 1,046 | 1,219 | 712 |
| Share of Other Comprehensive Income of Associates | (29,215) | 3,040 | (24,588) | 11,345 |
| Effective Portion of Changes in Fair Value of Cash Flow Hedges | 241,705 | 106,778 | 81,116 | 11,700 |
| Net Gain / (Loss) on Revaluation of Available for Sale Investment Securities | 63,476 | (824,040) | 763,668 | 1,527,550 |
| Total Other Comprehensive Income | 270,845 | (713,176) | 821,415 | 1,551,307 |
| Total Comprehensive Income | 1,327,668 | 226,565 | 2,888,849 | 3,408,326 |

Net Profit (QR million)



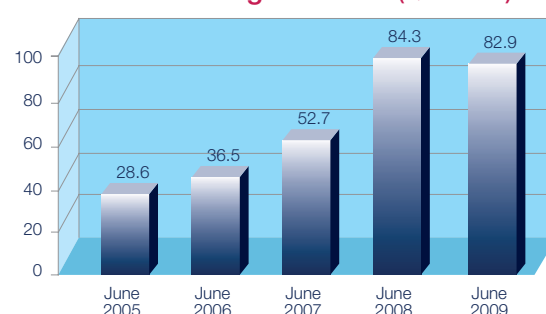
Net profit increased by 11.3% to QR2.1 billion

Total Assets (QR billion)



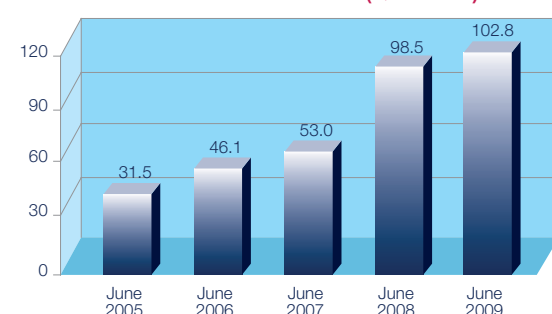
Total assets stood at QR147.1 billion as at 30 June 2009

Loans and Advances and Financing Activities (QR billion)



Loans and advances and financing activities stood at QR82.9 billion as at 30 June 2009

Customer Deposits and Unrestricted Investment Accounts (QR billion)



Customer deposits and unrestricted investment accounts stood at QR102.8 billion as at 30 June 2009