

QNB Net Profit Surpassed QR4.2 billion, up by 15% from 2008



QNB Group Key Performance Indicators

	2009	2008	Growth
Net Profit	QR4.2 billion	QR3.7 billion	15.0% ↑
Total Assets	QR179.3 billion	QR152.0 billion	18.0% ↑
Loans and Advances and Financing Activities	QR108.8 billion	QR100.1 billion	8.7% ↑
Customer Deposits and Unrestricted Investment Accounts	QR125.9 billion	QR104.3 billion	20.7% ↑
Total Equity	QR19.8 billion	QR16.6 billion	18.9% ↑
Earnings per Share	QR14.0	QR12.3	13.8% ↑

Total Assets increased by 18.0% to reach QR179.3 billion

H.E. Yousef Hussain Kamal, the Chairman of the Board of Directors of QNB, announced that the Board in its meeting on Tuesday 12 January 2010 approved the Bank's financial statements for the year ended 2009. H.E. the Chairman added that QNB was able to deliver outstanding financial results for 2009 whereby Net Profit exceeded QR4.2 billion, representing an increase of 15% over 2008, despite the economic and financial crisis that faced many countries around the world.

H.E. the Chairman added that QNB was able to achieve its strategic objectives for 2009, reaffirming its leading position domestically and internationally.

H.E. the Chairman added that Total Assets increased by 18% to reach QR179.3 billion, while customer deposits and unrestricted investment accounts increased by 20.7% to reach QR125.9 billion.

Loans and advances and financing activities grew by 8.7% to reach QR108.8 billion; despite this increase, QNB was able to maintain the non-performing loans ratio at 0.7% of gross loans, clearly demonstrating the Bank's success in maintaining the high quality of its loan portfolio through an effective risk management approach.

H.E. stated that the financial results for 2009 are subject to the approval of Qatar Central Bank.

Net operating income increased to QR5.7 billion, up by 11.1% from 2008. The Bank was able to achieve strong growth in most sources of Other Income with net interest income and income from financing activities increasing by 31.4% to reach QR3.7 billion.

QNB was also able to control general and administrative expenses which reflected positively of the efficiency ratio (cost to income ratio) which decreased to 19.6%, from 20.5% in 2008.

Total shareholders' equity at year-end 2009 reached QR19.8 billion, up by 18.9% from the prior year. The increase in net profit resulted in an increase in earnings per share to QR14.0, from QR12.3 in 2008.

QNB Al Islami also succeeded in achieving excellent results during 2009, with net profit reaching QR420.3 million, up by 26.9% from 2008. Financing activities reached QR14.5 billion, up by 113.5% from 2008. Total assets reached QR22.0 billion, up by 64.5% from 2008, while unrestricted investment accounts reached QR18.8 billion, up by 81.5% from the prior year.

H.E. the Chairman added that based on the financial results for 2009 and consistent with QNB's aim of maximizing return to shareholders, the Board of Directors is recommending to the General Assembly the distribution of a cash dividend of 40% of the nominal share value (QR4.0 per share) and a bonus share of 30% of the share capital after obtaining the approval of Qatar Central Bank.

QNB Group Chief Executive Officer, Mr. Ali Shareef Al-Emadi stated: "The outstanding financial results for 2009 clearly reflect the Bank's success in achieving a strong growth across all activities, while at the same time effectively managing risks. These results also reflect the execution of QNB's strategic plans while continuing to provide customers with a high quality service and innovative products that caters to their expectations".

In recognition of QNB's leading position and its ability to deliver strong financial results, its strong capital base and the high quality of its assets, the Bank's high credit rating was affirmed from all leading credit agencies. This represents an outstanding achievement given that rating agencies have in the past year been reviewing and downgrading banks' rating around the globe. In December 2009, Moody's affirmed QNB's



rating at Aa3 long-term, P1 short-term, with Stable Outlook. In September 2009, Fitch Ratings affirmed QNB's long-term rating at A+ with a Stable Outlook. Meanwhile, in February 2009, Standard & Poor's affirmed the Bank's long-term credit rating of A+, short-term rating of A1, with a Stable Outlook. These ratings are a reflection of the Bank's strong financial position and its ability to cope effectively with the difficult market conditions witnessed since last year.

2009 witnessed the achievements of major initiatives and the entry into new markets as per the Bank's international expansion plans, whereby QNB expanded its presence in the Middle East and North Africa Region through the opening in November 2009 of QNB - Syria in which it has a 49% stake. November also witnessed the opening of QNB - Switzerland which will provide a range of dedicated private banking products and services.

Amongst new products introduced during 2009 is QNB Note 1, a capital protected note that is linked to selected stocks listed on Qatar Exchange. This has enhanced QNB's position as one of the largest fund manager in the region with assets under management exceeding QR10.2 billion. A prime example of the Bank's strong capabilities in investments is the selection of QNB's Al Watani Funds I & II and the Beit Al Mali Fund, as the best performing funds in Qatar managed by local and regional institutions.

QNB Capital played an instrumental role in the sovereign bond issues that took place in April 2009 which totaled \$3.0 billion and the \$7.0 billion issue

that took place in November 2009, for which QNB Capital was appointed as Joint Lead Manager. Also, given QNB's long and established experience in managing Initial Public Offering (IPO), QNB Capital was appointed as Joint Lead Manager and Financial Advisor for Vodafone Qatar's IPO.

In another major transaction, QNB was appointed as the General Financial Adviser and Mandated Lead Arranger to Qatar Telecom \$1.5 billion credit facility, which as one of the largest credit facilities and the first Forward Start Facility executed in the GCC.

In 2009, the Bank also launched a series of service enhancements to suit customers' needs. This included the expansion of its domestic branch network by three branches, one of which is for QNB Al Islami for a total of 55 branches and offices including three mobile branches and 11 Islamic branches and offices. This network, being the largest distribution network in Qatar, is complemented by over 160 ATMs strategically located across the country.

Effective July 2009, QNB announced numerous reductions to the fees and tariffs applicable to retail banking services. The Bank waived the minimum balance requirements for all customers holding Current, Savings, Savings Plus & Call Accounts. Platinum, Gold and Silver credit card holders also benefit from reductions of up to 50% of their annual fees, as well as the fees applicable for supplementary or replacement cards.

In order to deliver an enhanced level of service to customers, QNB launched the second wave

of its campaign for QNB First, the Bank's priority banking service. QNB First customers benefit from a wide range of dedicated products and services which are also offered at QNB's branches in London and Paris.

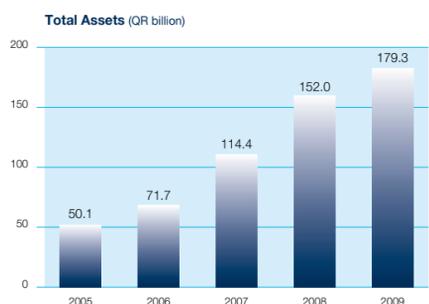
During 2009, QNB was selected as Best Bank in Qatar from leading financial publications including The Banker, Euromoney and Global Finance. These awards are a clear reflection of Bank's leading position in the Qatari banking sector and its ability to record strong financial results.

QNB was a main sponsor of the 7th Doha Natural Gas Conference and Exhibition, reflecting the Bank's commitment for the country's industrial development including the vital natural gas industry. The Bank also participated in the Qatar Career Fair 2009, one of the most important entry-level recruiting platforms in the country, aiming to offer unique opportunities to young Qataris and help them pursue bright futures in the financial sector with the QNB Group.

As part of its continuing efforts to participate and contribute effectively in supporting the community, QNB also launched an initiative to provide employment opportunities in various areas of the Bank's operations for people with special needs. The Bank also continues to be a major patron of sporting events in Qatar including sponsorship of Qatar Sports Club and Al Seeliya Sports Club. The Bank also regularly supports traditional sports such as camel racing, as well as other sporting events throughout the year.

QNB Al Islami Key Performance Indicators

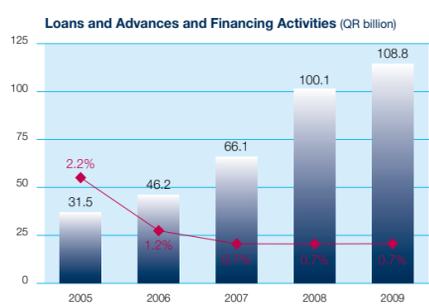
	2009	2008	Growth
Net Profit	QR420.3 million	QR331.3 million	26.9% ↑
Total Assets	QR22.0 billion	QR13.4 billion	64.5% ↑
Financing Activities	QR14.5 billion	QR6.8 billion	113.5% ↑
Customer Deposits and Unrestricted Investment Accounts	QR18.8 billion	QR10.4 billion	81.5% ↑



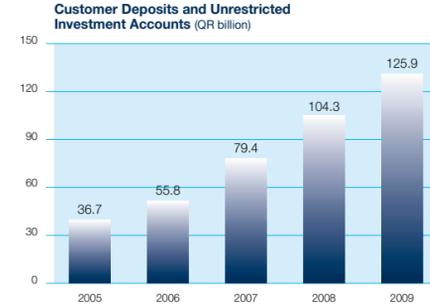
Total Assets increased to QR179.3 billion up by 18.0% from last year



Net profit increased to QR4.2 billion up by 15.0% from last year



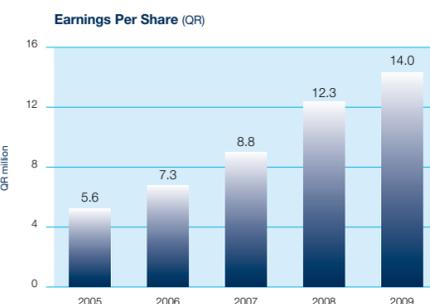
Loans & advances and financing activities increased to QR108.8 billion up by 8.7% from last year
NPL ratio to total loans at 0.7%



Customer deposits and unrestricted investment Accounts increased to QR125.9 billion up by 20.7% from last year



Net profit increased by 26.9% to QR420.3 million
Financing activities increased by 113.5% to QR14.5 billion
Total assets increased by 64.5% to QR22.0 billion



Earnings per share increased to QR14.0 from QR12.3 for 2008