

Statement of Financial Position

Year ended 31 December 2009

	Notes	2009 QAR '000	2008 QAR '000
ASSETS			
Cash and balances with Qatar Central Bank	4	1,571,234	685,523
Due from banks and other financial institutions	5	6,704,589	6,696,818
Loans, advances and financing activities to customers	6	12,977,408	13,177,044
Financial investments	7	1,368,993	1,573,823
Property, furniture and equipment	8	155,778	137,949
Other assets	9	157,445	140,069
Total Assets		22,935,447	22,411,226
LIABILITIES AND EQUITY			
Liabilities			
Due to banks and other financial institutions	10	6,874,087	8,134,132
Customer deposits	11	12,466,782	11,388,407
Other liabilities	12	222,428	219,208
Total Liabilities Excluding Unrestricted Investment Accounts		19,563,297	19,741,747
Unrestricted investment accounts	13	600,011	76,184
Total liabilities including unrestricted investment accounts		20,163,308	19,817,931
Equity			
Share capital	14	1,000,000	1,000,000
Legal reserve	14	1,125,884	1,125,884
Risk reserve	14	190,498	176,555
Cumulative changes in fair value	14	(4,789)	(111,389)
Proposed dividends	14	320,000	270,000
Retained earnings		140,546	132,245
Total equity		2,772,139	2,593,295
Total liabilities and equity		22,935,447	22,411,226

The financial statements for the year ended 31 December 2009 were authorized for issue in accordance with a resolution of the Board of Directors on 19 January 2010.



H.E. Sheikh Hamad Bin Jassim Bin Jabor Al Thani
Chairman



George Nasra
Managing Director

The accompanying notes 1 to 28 form an integral part of these financial statements.

Statement of Income

Year ended 31 December 2009

	Notes	2009 QAR '000	2008 QAR '000
Interest income	15	1,018,724	761,865
Interest expense	16	(534,699)	(387,122)
Net interest income		484,025	374,743
Income from Islamic financing and investment activities	17	45,093	1,465
Less: Unrestricted investment accounts holders' share of profit		(6,678)	(1,038)
Net income from Islamic financing and investment activities		38,415	427
Fee and commission income		134,285	105,810
Fee and commission expense		(27,793)	(17,286)
Net fee and commission income	18	106,492	88,524
Dividend Income		21,834	3,655
Net gain from foreign exchange	19	38,760	71,800
Net (loss) / gain on sale of investments		(24,518)	38,487
NET OPERATING INCOME		665,008	577,636
General and administrative expenses	20	(236,616)	(174,534)
Depreciation	8	(24,557)	(10,468)
Net allowance for impairment on loans, advances and financing to customers		(36,365)	(15,938)
Impairment loss on financial investments		(25,226)	(71,618)
PROFIT FOR THE YEAR		342,244	305,078
Earnings per share			
Basic and diluted – (QAR)	21	3.42	6.32

Statement of Comprehensive Income

Year ended 31 December 2009

	Notes	2009 QAR '000	2008 QAR '000
PROFIT FOR THE YEAR		342,244	305,078
Other comprehensive income			
Net movement in fair value of available for sale investments	14 (e)	106,600	(138,068)
Other comprehensive income (expense) for the year		106,600	(138,068)
Total comprehensive income for the year		448,844	167,010

The accompanying notes 1 to 28 form an integral part of these financial statements.

Statement of Cash Flows

Year ended 31 December 2009

	Notes	2009 QAR '000	2008 QAR '000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		342,244	305,078
Adjustments for:			
Allowance for impairment on loans and advances and financing to customers		55,334	22,070
Recoveries of allowance for impairment on loans and advances and financing to customers		(18,969)	(6,132)
Depreciation	8	24,557	10,468
Amortisation of premium on financial investments		4,005	4,749
(Gain)/loss on sale of property, furniture & equipment		515	(34)
Provision for employees' end of service benefits	12a	3,540	4,784
Net loss/(gain) on sale of financial investments		24,518	(38,487)
Impairment loss on financial investments		25,226	71,618
Cash flows from operations before changes in operating assets and liabilities		460,970	374,114
Net decrease (increase) in operating assets			
Cash reserve with Qatar Central Bank		(122,622)	(313,413)
Due from banks and other financial institutions		466,380	(413,600)
Loans, advances and financing activities to customers (net)		163,271	(6,676,221)
Other assets		(17,376)	(63,426)
Net increase (decrease) in operating liabilities			
Due to banks and other financial institutions		(1,260,045)	6,362,876
Customer deposits		1,078,375	4,436,298
Other liabilities		1,836	95,351
Unrestricted investment accounts		523,827	76,184
Cash generated from operations		1,294,616	3,878,163
Employees' end of service benefits paid	12a	(2,156)	(484)
Net cash from operating activities		1,292,460	3,877,679
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of financial investments		(584,181)	(1,006,987)
Proceeds from sale/redemption of financial investments		841,862	249,379
Proceeds from disposal of property, furniture & equipment		224	297
Purchase of property, furniture & equipment	8	(43,125)	(54,908)
Net cash from / (used) in investing activities		214,780	(812,219)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of new shares	14a & 14b	-	678,570
Dividends paid during the year	14f	(270,000)	(180,000)
Net cash (used) / from financing activities		(270,000)	498,570
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at 1 January		6,396,520	2,832,490
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	26	7,633,760	6,396,520
Operational cash flow from interest and dividend			
Interest paid		557,806	351,186
Interest received		1,013,467	730,538
Dividend received		21,834	4,018

The accompanying notes 1 to 28 form an integral part of these financial statements.

Statement of Changes In Equity

Year ended 31 December 2009

	Notes	Share capital QAR '000	Legal reserve QAR '000	Risk reserve QAR '000	Cumulative changes in fair value QAR '000	Proposed dividends QAR '000	Retained earnings QAR '000	Total QAR '000
Balance at 1 January 2009		1,000,000	1,125,884	176,555	(111,389)	270,000	132,245	2,593,295
Total comprehensive income for the year		-	-	-	106,600	-	342,244	448,844
Transfer to risk reserve during the year	14d	-	-	13,943	-	-	(13,943)	-
Dividends paid during the year	14f	-	-	-	-	(270,000)	-	(270,000)
Proposed dividends	14f	-	-	-	-	320,000	(320,000)	-
Balance at 31 December 2009		1,000,000	1,125,884	190,498	(4,789)	320,000	140,546	2,772,139
Balance at 1 January 2008		321,430	1,125,884	94,337	26,679	180,000	179,385	1,927,715
Total comprehensive income for the year		-	-	-	(138,068)	-	305,078	167,010
Transfer to risk reserve during the year	14d	-	-	82,218	-	-	(82,218)	-
Shares issued and fully paid	14a	678,570	-	-	-	-	-	678,570
Dividends paid during the year	14f	-	-	-	-	(180,000)	-	(180,000)
Proposed dividends	14f	-	-	-	-	270,000	(270,000)	-
Balance at 31 December 2008		1,000,000	1,125,884	176,555	(111,389)	270,000	132,245	2,593,295

The accompanying notes 1 to 28 form an integral part of these financial statements.