

البنك الأهلي
ahlibank



Overview

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Qatar - Demographics

Geography

Qatar covers an area of 11,437 sq km on the low-lying Qatar Peninsula, part of the larger Arabian Peninsula. Located midway along the western coast of the Arabian Gulf, the country's only land border is shared with Saudi Arabia to the south. Much of the country consists of dry, barren plains covered with sand, with the west and north of the peninsula characterised mostly by limestone outcrops. Qurayn Abu Al Bawl is the state's highest point, reaching 103 metres above sea level. Qatar's coastline is 550-km long and bounds the country to the west, north and east. Qatar's coastal area contains mainly salt flats. On the south-eastern coast lies an inland sea, surrounded by sand dunes, known locally as the "moving dunes", which attract locals and tourists alike on weekend excursions. Temperatures in summer can reach as high as 50°C. Average annual rainfall is limited and amounts to around only 75 mm.

Population

According to the most recent population census published by the Qatar Statistics Authority (QSA), Qatar's total population as of 31 August, 2014 numbered nearly 2.1m. Nearly 75% of the country's population is male – a disparity largely due to the number of imported male labourers. Foreign workers account for an estimated 94.2% of the total population. A large number of the day labourers come from the Indian subcontinent, the Philippines and other Arab countries, while most of the mid- to upper-level white-collar expatriates come from Western Europe, North America and Australia. Of the country's population, 47% are situated in Doha, the capital and financial centre of the country. Other prominent towns include Al Rayyan, Al Wakrah, Umm Salal, Al Khor, Dukhan, Al Shamal, Ras Laffan and Mesaieed.



Qatar National Vision 2030

Ahli Bank QSC is committed to work with His Highness the Emir of Qatar Sheikh Tamim bin Hamad Al Thani, his Ministers, and the people of Qatar, to bring about the Qatar National Vision 2030.



In 2008 the General Secretariat for Development and Planning, under the guidance of **His Highness Sheikh Hamad bin Khalifa Al Thani**, the Father Emir, produced the Qatar National Vision 2030.

“The National Vision defines broad future trends and reflects the aspirations, objectives and culture of the Qatari people.”

“The National Vision aims at transforming Qatar into an advanced country by 2030, capable of sustaining its own development and providing for a high standard of living for all of its people for generations to come”

To remain true to its values, Qatar must balance five major challenges:

- Modernisation and preservation of traditions
- The needs of this generation and the needs of future generations
- Managed growth and uncontrolled expansion
- The size and the quality of the expatriate labour force and the selected path of development
- Economic growth, social development and environmental management

About Ahli Bank QSC

Ever since Ahli Bank QSC was founded in 1983, more than 30 years ago, we have stayed true to our traditional values – qualities that define who we are today.

Ahli Bank QSC's vision is to be at the heart of the community and our goal is to give our customers banking services that are warm and personal as well as highly professional and efficient.

While it is important that we hold true to our traditional values, we also embrace change in its many forms. By adapting to change we have rapidly grown our client base and taken our business forward. We offer a broad range of products and services spanning corporate banking, retail banking, private banking, wealth management, treasury and investments, and brokerage services.

Ahli Bank QSC's Corporate Social Responsibility (CSR) strategy is to be at the heart of the community.

We focus on supporting causes that matter to the communities throughout Qatar. Enriching the lives of Qatar's residents is of utmost importance to our staff and management. Through wide-ranging CSR activities, we demonstrate our dedication to people's welfare at home and abroad.

Ahli Bank QSC will continue to play a positive role in society. Our backing of diverse social, educational, cultural, health, and sporting activities in Qatar is ongoing and fundamental to our corporate values.

Our Brand

We updated our brand in 2014 to symbolise the changes taking place at our bank.

Our new ownership structure and our partnership with Qatar Foundation mean that we are now a Qatari-owned bank with a 30-year history and a fresh approach to banking.

Our vision

Our vision is simple and captures our ultimate goal to be at the heart of the community.

Our mission

We seek to achieve our mission by:

- Providing the right products for people in our community
- Being straight forward, approachable, and responsive
- Being actively involved with our community

Our brand values

- Inspired
- Considered
- Engaged



Key Milestones

- **1983** - Incorporated as part of CITI Group
- **1987** - CITI Group exited its investment in ABQ
- **2004** - 40% stake acquired by AUB – Bahrain through issue of new shares with a ten year Management Agreement
- **2008** - QIA announced 20% equity infusion in Qatar's listed banks based on Dec 2008 share capital
- **2011** - Launched Ahli Brokerage Co as a fully owned subsidiary - A Licensed Brokerage House in Qatar Exchange
- **2012** - 20% Rights issue to Qatari Shareholders raising capital of QR 448 million
- **2013** - AUB sold its stake of 29.4% to Qatar Foundation for Education, Science and Community Development (QF)
- **2013** - New Strategic Plan approved by the Board
- **2013** - New Organisation Structure in place to focus on business banking and strengthen corporate governance
- **2013** - CI upgraded ABQ credit rating to A from A-
- **2014** - Fitch upgraded ABQ credit rating to A from A-
- **2014** - Launched new brand identity, with an essence being "at the heart of the community"
- **2014** - Market capitalisation H1 2014 QR 8.3 billion (US\$ 2.3 billion)

Major Shareholder & Percentages - June 2014

Name	Number of Shares (QAR)	Nominal Value Holding	Percentage
Qatari firms & individuals and Others	87,452,303	874,523,030	52.94
Qatar Foundation for Education, Science and Community Development	48,592,700	485,927,000	29.41
Qatar Holding Company (Subsidiary of Qatar Investment Authority)	29,152,500	291,525,000	17.65
Total	165,197,503	1,651,975,030	100.00

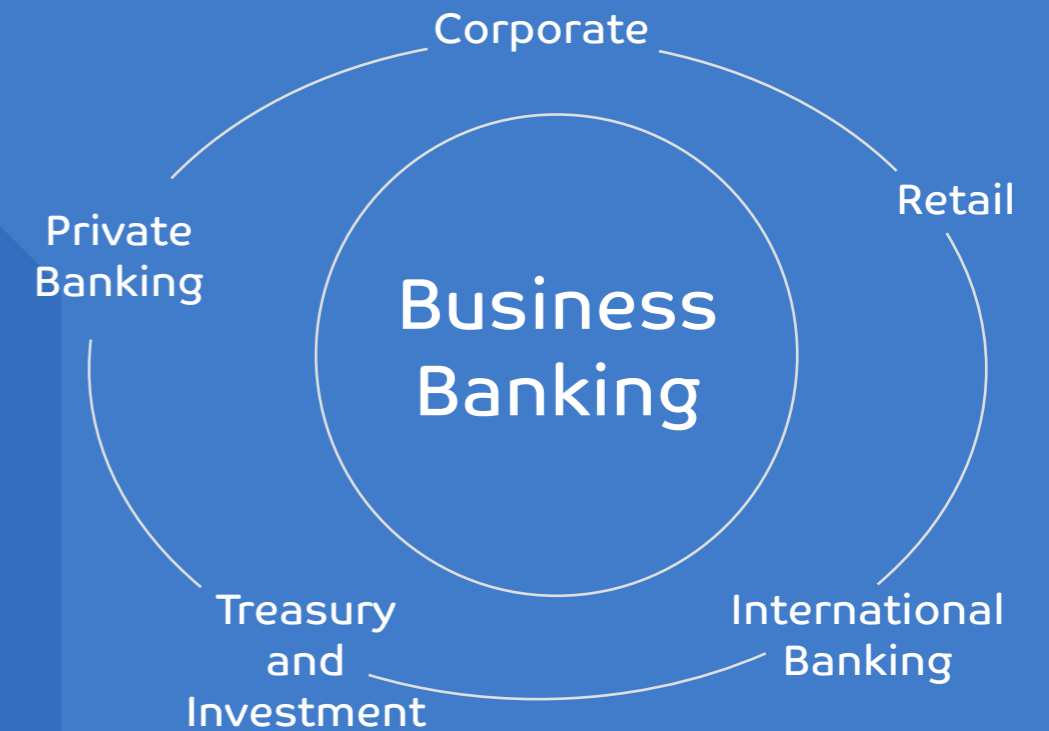
Ratings Summary

Agency (Outlook)	Foreign Currency Long Term IDR	Foreign Currency Short Term IDR	Viability Rating/ Financial Strength	Support Rating	Support Rating Floor
Fitch (Stable)	A	F1	BBB-	1	A
Capital Intelligence	A	A2	A-	1	

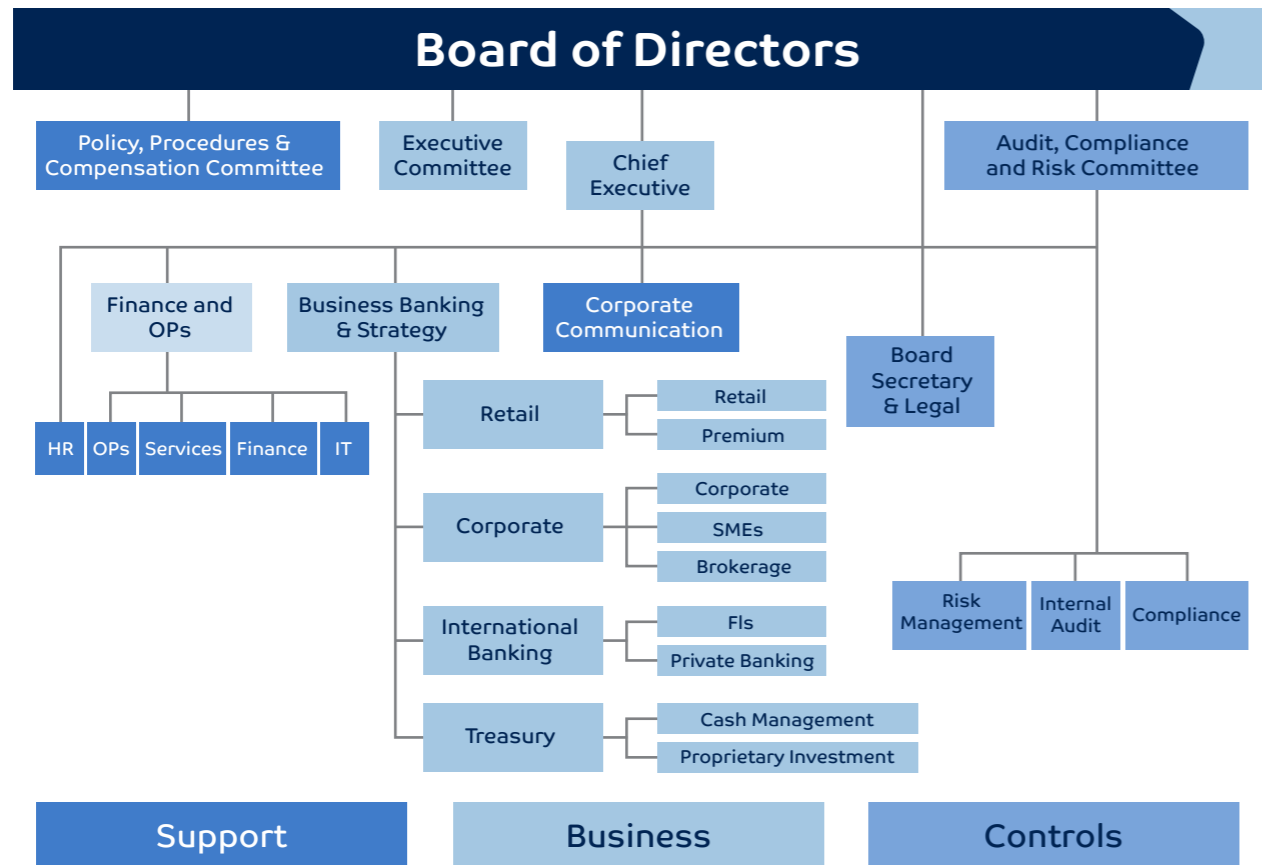
Fitch Ratings has upgraded Ahli Bank QSC's ratings due to satisfactory liquidity, sound capitalisation and asset quality. In addition, the bank's fairly conservative risk appetite was cited by Fitch as an important rating catalyst.

Capital Intelligence has raised Ahli Bank QSC's ratings due to solid capital adequacy, very sound asset quality with low non-performing loan (NPL) ratio, strong gross income generation and return on average assets (ROAA) and comfortable liquidity position supported by strong customer deposit growth.

Ahli Bank QSC Business Model



Organisation Chart



Ahli Bank QSC Key Performance Indicators

	H1 2014 QR '000	Dec 2013 QR '000	Dec 2012 QR '000	Dec 2011 QR '000	Dec 2010 QR '000
Net Profit	302,714	525,685	127,747	121,496	113,271
Total Assets	28,478,442	26,177,170	5,660,989	4,924,016	4,935,637
Total Loans	19,404,520	17,312,451	3,850,000	3,391,209	3,115,070
Total Liabilities	24,592,327	22,613,849	4,715,659	4,233,619	4,368,530
Shareholder's Equity	3,886,115	3,563,321	945,604	690,397	567,107
Return on Average Assets	2.3%	2.3%	2.5%	2.6%	2.3%
Return on Average Equity	16.4%	15.9%	16.4%	19.2%	21.0%
Cost to Income Ratio	30.9%	32.3%	31.0%	28.7%	26.9%
Financial Leverage	6.3	6.3	5.0	6.1	7.7
Risk Asset Ratio	18.3% (Basel 3)	19.2%	20.8%	22.1%	14.9%
Earning per Share (QR)	1.83	4.1	3.9	3.7	3.7

KPI Trend

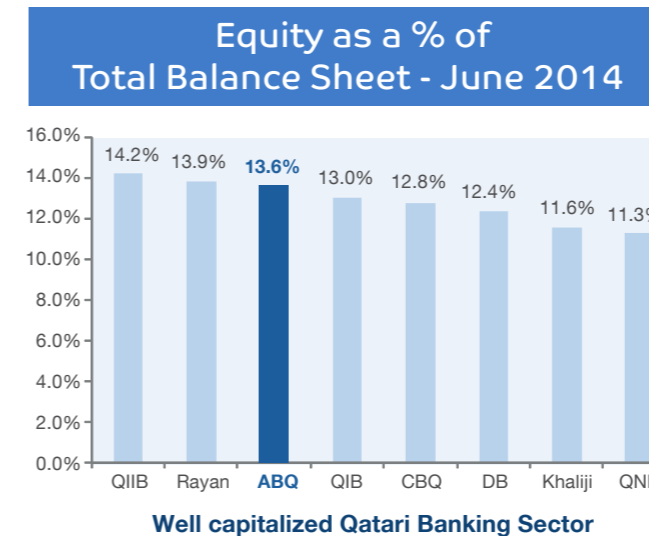
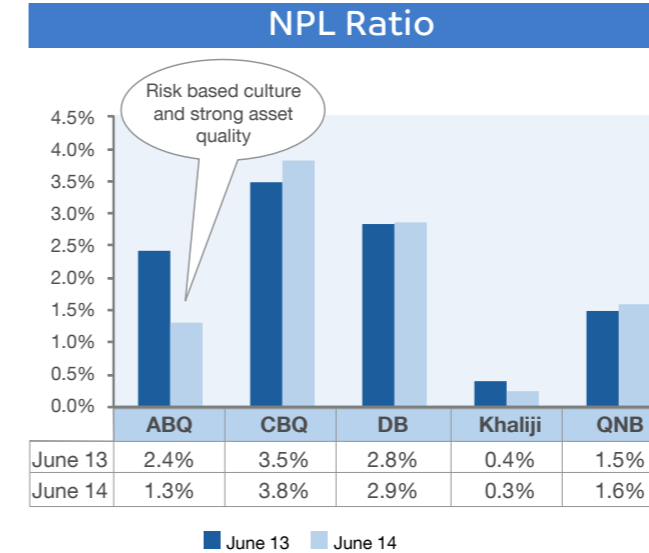
Return on Equity %			
	2012	2013	H1 2014
QNB	18.7	19.5	18.6
Rayan	16.5	17.7	17.8
DB	17.8	14.6	16.6
ABQ	16.4	15.9	16.4
QIIB	13.7	15.0	15.8
CBQ	13.8	11.0	14.6
QIB	10.9	11.4	12.6
Khaliji	9.3	10.1	9.4

Return on Assets %			
	2012	2013	H1 2014
Rayan	2.6	2.7	2.6
QIIB	2.6	2.4	2.3
DB	2.4	2.2	2.3
ABQ	2.5	2.3	2.3
QNB	2.5	2.3	2.1
CBQ	2.7	1.7	1.8
QIB	1.9	1.8	1.8
Khaliji	1.7	1.6	1.2

Cost to Income %			
	2012	2013	H1 2014
Rayan	19.0	18.8	20.8
QIIB	20.3	22.5	21.9
QNB	16.8	20.8	22.4
ABQ	31.0	32.3	30.9
QIB	36.6	33.7	32.8
DB	34.5	36.1	33.9
CBQ	34.5	41.9	41.5
Khaliji	38.5	40.6	44.4

Net Profit Growth %			
	2012	2013	H1 2014
QIB	-9.1	7.6	15.1
ABQ	5.2	13.0	11.8
Rayan	6.8	13.2	10.1
QIIB	4.0	10.5	10.0
QNB	11.1	13.7	7.0
DB	5.1	0.6	5.2
CBQ	6.8	-20.2	0.0
Khaliji	5.2	7.6	-10.9

Peer Comparison



H1 2014 Financial Highlights

- Net profit H1 2014 grew by 11.8% to QR 302.7 million over H1 2013 net profit of QR 270.7 million
- Net Operating income grew by 14.4% to QR 462 million in H1 2014 over the corresponding period of 2013. The key drivers were high quality core banking income generated through a focused strategy on acquiring Qatar assets
- Net Interest Income and Non-Interest Income increased by 10.9% and 28.5% respectively over H1 2013
- Cost to Income Ratio stood at 30.9%, reflecting continuous investments in the franchise to meet future business growth
- Total Assets stood at QR 28,478 million, witnessing a growth of 15.2% over QR 24,712 million as at June 2013
- Loans and Advances grew by a healthy 22.4% to QR 19,405 million, compared with QR 15,852 million as at June 2013
- Non-performing loans ratio (NPL) stood at 1.30% as of June 2014, compared to 2.41% in June 2013, reflecting sound asset quality of the bank and its risk based culture
- Customer Deposits increased by 18.4% to QR 20,749 million, over QR 17,517 million recorded at June 2013
- ROAE was at 16.4%, places the bank above the industry average. ROAA recorded at 2.3%, with emphasis on earnings over size

Corporate Governance

- KYC is embedded in our corporate culture and business activities
- We adopt the latest technology to support our stringent AML processes
- We employ highly qualified compliance staff to undertake these procedures
- Ahli Bank QSC has mandatory annual training for the entire workforce
- We are in compliance with all regulations relating to the Qatar Central Bank and Qatar Financial Market Authority requirements

Senior Management Contact Details

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