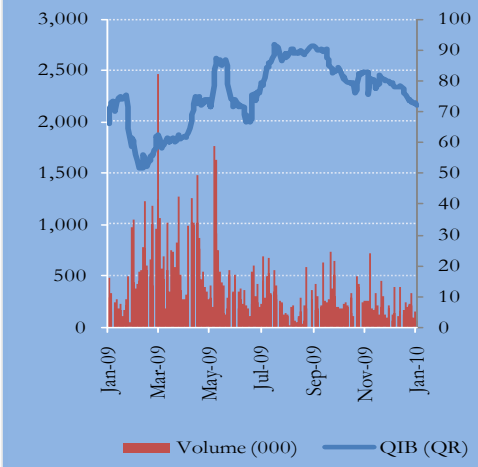
Market Data	
Bloomberg:	QIBK QD
Reuters:	QISB.QA
CMP (27 January 2010):	QR 71.6
O/S (mn):	206.8
Market Cap (QR mn):	14,806.9
Market Cap (US$ mn):	4,064.5
Price/EPS 2010e (x):	8.6
Price/BV 2010e (x):	2.0

Price Performance	1-Yr
High (QR):	91.8
Low (QR):	51.4
Average Volume (000):	383.9

Share Price Performance



*Source: Zanya & **Global** Research*

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Qatar Islamic Bank – 2009 Review

- **Qatar Islamic Bank (QIB)** announced 2009 full-year results. The bank recorded a net income of QR1.3bn (EPS: QR6.44) in 2009, down by 19.5% YoY from 2008 level of QR1.6bn (EPS: QR8.49). On a quarterly basis, net income was QR321mn in 4Q2009, down by 18.0% QoQ from 4Q2008. The board of directors is recommending cash dividends of 60% of paid-up capital (QR6.0 per share).

- Net funding income (excluding income from investments) was QR1.3bn in 2009, up by 40.1% YoY. However, income from investment activities was the major cause for profit decline in 2009, when it dropped by almost QR795mn, while net commission and fees increased by 15.9% YoY to QR259mn in 2009.

- Provisions (including financials & credit) jumped from QR17mn in 2008 to QR130mn (of which loan provisions was QR31mn) in 2009. Provisions in 4Q2009 were only QR7mn, due mainly to net recoveries of almost QR55mn in financing. Meanwhile, provisions related to financials & others were seen higher by QR62mn.

- Total assets grew by 17.1% YoY, recording QR39.3bn in 2009. Net Loans was up by 20% YoY to QR22.7bn. Corporate sector represented 37% of gross loans.

- Meanwhile, deposits (including unrestricted investment account) increased to QR20.4bn, up by 22.7% YoY. Thus, LTD was 111% in 2009, down from 114% a year earlier.

- Investments portfolio has decreased by 26% to QR4.6bn, due to the disposals of some financial assets.

QR (bn)	2009	2008	% Change
Net Income	1.3	1.6	-19.5%
Net Funding Income	1.3	0.9	40.1%
Assets	39.3	33.5	17.1%
Deposits	20.4	16.6	22.7%
Due from financing activities	22.7	18.9	20.1%

Source: Company's Reports

- Non-performing loans were QR295mn in 2009 (2008: QR294mn), or 1.1% of gross loans (2008: 1.4%). Coverage ratio stood at approximately 90% in 2009, as compared to 80% in 2008.

- Capital Adequacy ratio improved to 17.33% in 2009, up from 17.04% in 2008, due to the capital injection by QIA.

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