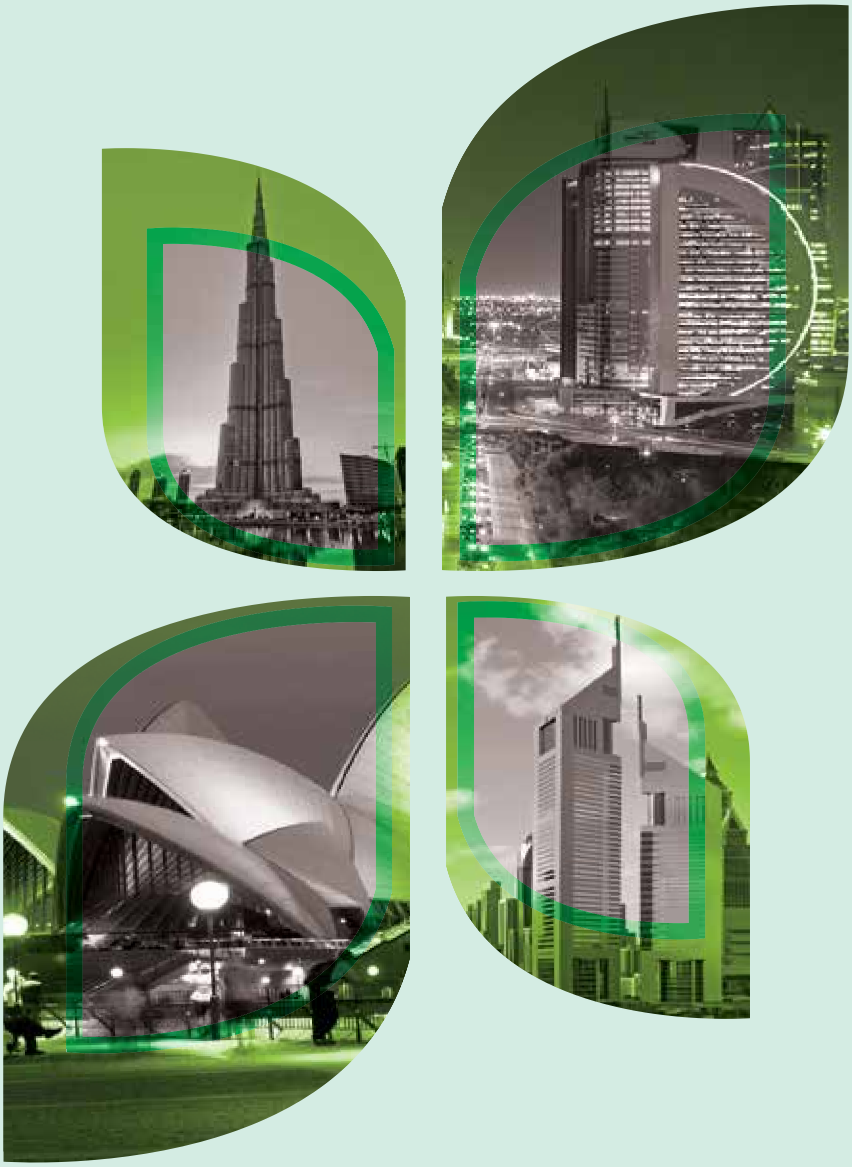
ANNUAL REPORT
2014



بنك الدوحة
DOHA BANK

His Highness
Sheikh Tamim Bin Hamad Bin Khalifa Al-Thani
Emir of the State of Qatar

CONTENTS


MUMBAI

DOHA BANK AWARDS

Due to the strong financial position enjoyed by Doha Bank and its pioneering role in delivering innovative banking products and services, Doha Bank has been recognised by numerous professional bankers and institutions.

The Bank is recognised for its strong financial as well as non-financial indicators. The categories in which Doha Bank scored high points were the development of innovative quality products, the expansion of the Bank's distribution network, and the Bank's commitment to continually improve product and service quality, along with its unique approach to customer service.

In addition to the accolades awarded to the Bank, in recognition of his visionary leadership, Doha Bank Chairman H.E. Sheikh Fahad Bin Mohammad Bin Jabor Al Thani was honored in 2014 with the 'Best Banking Chairman Qatar 2014' award from Global Banking & Finance.

The Bank's recent awards include:

Best Regional Commmercial Bank 2014
Banker Middle East

Best Bank in Qatar 2014
IAIR Awards

Best Commercial Bank in Middle East 2014
Global Banking and Finance Review

Environmental Award 2014
The Arab Organization for Social Responsibility

The Bizz 2014 - Beyond Success Award
World Confederation of Businesses

Bank of the Year 2013 - Qatar
The Banker

Best Retail Bank in Qatar
The Asian Banker

Golden Peacock Global Award for Corporate Social Responsibility 2014
Institute of Directors

2014

Best Bank in Qatar
IAIR Awards

2014

Best Regional Commercial Bank
Banker Middle East

2014

Best Commercial Bank
Middle East - Global Banking
& Finance Review

2014

Best Trade Finance Offering
Banker Middle East

2014

Environmental Award
The Arab Organisation
for Social Responsibility

2014

Best Corporate Account
Banker Middle East

2014

Best SME Card
Banker Middle East

2014

Golden Peacock Global
Award for Sustainability
Institute of Directors

2014

Best Retail Bank in Qatar
The Asian Banker

2014

Golden Peacock Global Award for
Corporate Social Responsibility 2014
Institute of Directors

2014

The Bizz 2014 - Beyond Success Award
World Confederation of Businesses

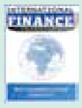
2014

Best Domestic Trade & Finance
in Qatar - Asian Banking
& Finance Awards

2013

Bank of The Year
The Banker

2013



Best Commercial Bank
in Qatar

2013

Golden Peacock Global
Award for Sustainability
Institute of Directors

2013

Best Regional Commercial Bank
In The Middle East

2012

Best Corporate Social
Responsibility Programme
in the Middle East

2012

Best Bank in Qatar

2010

Best Bank in Qatar
EMEA Finance

2011

Best Commercial Bank
in Qatar

2011

Best Bank in Qatar

2010

Best Commercial Bank
in the Middle East

2009

Best Commercial Bank
in the Middle East

2008

Best Bank in Qatar

2007

Best Commercial Bank
in the Middle East

2006

Best Bank
in the Middle East

2005

Best Bank in Qatar

2006 - 2004

Bank of the Year - Qatar
The Banker


15
TOWER HILL
LONDON

FINANCIAL HIGHLIGHTS

Key Financials (QAR Million)	2009	2010	2011	2012	2013	2014	Growth % '14 Vs '13
Total Assets	45,996	47,230	52,744	55,212	66,970	75,518	12.76%
Net Loans & Advances	25,896	26,547	31,028	33,775	41,109	48,559	18.12%
Customer Deposits	27,890	30,822	31,699	34,401	42,522	45,947	8.05%
Total Equity	5,851	6,034	7,081	7,551	11,271	11,293	0.19%
Total Revenues	3,375	3,264	2,945	3,095	3,208	3,517	9.66%
Net Profit	974	1,054	1,241	1,305	1,313	1,359	3.48%

Key Ratios (%)	2009	2010	2011	2012	2013	2014
Return on Average Equity	21.7%	21.4%	22.0%	20.6%	17.9%	16.5%
Return on Average Assets	2.29%	2.26%	2.48%	2.42%	2.18%	1.93%
Total Capital Ratio	14.41%	13.57%	13.22%	13.59%	15.90%	15.03%
Total Equity to Total Assets	12.72%	12.78%	13.43%	13.68%	16.83%	14.95%
Net Loans to Total Assets	56.30%	56.21%	58.83%	61.17%	61.38%	64.30%
Net Loans to Total Deposits	92.85%	86.13%	97.88%	98.18%	96.68%	105.68%

BOARD OF DIRECTORS

Sheikh Fahad Bin Mohammad Bin Jabor Al Thani
Chairman of the Board of Directors

Graduate of the Royal Academy, Sandhurst, UK

Board Member, Al Khaleej Takaful Group

Sheikh Abdul Rahman Bin Mohammad Bin Jabor Al Thani
Managing Director

Chairman of the Board of Directors, Qatar Industrial Manufacturing Co.
Board Member, National Leasing Holding
Chairman of the Board of Directors Qatar Oman Investment Company
"State of Qatar representative"

Mr. Ahmed Abdul Rahman Yousuf Obaidan
Vice Chairman

General Manager, Al Waha Contracting & Trading Est.

Sheikh Abdulla Bin Mohamed Bin Jabor Al Thani
Board Member

Chairman of the Board of Directors Al Khaleej Takaful Group

Sheikh Falah Bin Jassim Bin Jabor Bin Mohammad Al Thani - Representative of Jassim and Falah Trading and Contracting Co.
Board Member

Chairman of the Board of Directors National Leasing Holding

Mr. Ahmed Abdullah Ahmed Al Khal
Board Member

Businessman

Mr. Hamad Mohammed Hamad Abdulla Al Mana
Board Member

Vice Chairman, Al Mana Group
Board Member, Qatar General Insurance & Reinsurance Co.
Board Member, Qatar Navigation Co


DUBAI

CHAIRMAN'S STATEMENT

On behalf of myself and the members of the Board of Directors (BOD), I would like to thank you all on this occasion for attending this meeting. I would also like to extend my sincere thanks to the BOD and the Executive Management for the achievements accomplished during the year 2014 in the midst of fierce competition in the market and the challenges and difficulties faced by capital markets worldwide.

As you are all aware, the challenges faced by capital markets still linger on and the economies of European Union countries are still facing great difficulties other than the political events experienced in the Middle East and the recent substantial decline in oil prices which led to a slowdown of the economies of various countries across the Globe forcing some of those countries to make economical reforms to overcome these challenges.

Despite of all these events and due to the wise leadership of His Highness, Sheikh Tamim Bin Hamad Al-Thani, The Emir of Qatar and the strength and durability of Qatar's economy in addition to Qatar being the hosting nation for the FIFA World Cup in the year 2022, we are still optimistic about the future where we anticipate that Qatar will witness exceptional boom in all economic sectors with subsequent launching of many development projects in the coming years that will reflect positively on the performance of the banking industry in Qatar in general and of Doha Bank in particular.

By the end of year 2014, we achieved extraordinary growth rates in all financial indicators. The total assets rose by 12.8% reaching to QR 75.5 billion, total portfolio of loans and advances rose by 18.1%, total customers' deposits rose by 8.1% and the total shareholders' equity reached to QR 11.3 billion. We also achieved a growth rate of 3.5% in net profit whereas the net profit achieved by the end of the year was QR 1,359 million compared to QR 1,313 million in 2013 in addition to a growth rate of 12.5% in total operational income. These robust results were reflected in strong performance ratios particularly the return on average shareholders' equity and the return on average assets which were 16.5% and 1.93% respectively.

In the same year, we approved bank's three-year strategic plan and incorporated some amendments to bank's business strategy especially with regards to the activities of overseas branches and representative offices across the world. The future plan of the bank includes implementation of an effective Risk Management strategy both at local and international fronts, recruiting Qatari nationals, enhancing the levels of staff performance by recruiting highly experienced and qualified human resources, improving banking services delivery channels, upgrading the level of Corporate Governance in the bank, diversifying its income sources and strengthening the financial position with a view to achieving the highest level of effective operational performance.

In order to achieve bank's strategic goals, strengthening bank's lending capacity, improve its competitive edge and providing a medium to long term funding base in order not to rely on customers' deposits as the only funding source, we have submitted a recommendation to the Ordinary General Assembly of the Shareholders to approve the issuance of debt bonds under the bank's EMTN programme. We have also submitted another recommendation to the Extraordinary General Assembly of the Shareholders to obtain their approval for Doha Bank to issue Tier 1 Capital Instruments amounting to QAR 2 billion either directly or through a Special Purpose Vehicle qualifying as additional Tier 1 Capital as per the terms and requirements of Qatar Central Bank. The issuance of these instruments will enhance Doha Bank's Tier 1 Capital base and strengthen its Capital Adequacy Ratio. Both recommendations will be discussed during this meeting.

It is worth mentioning that the tier 1 capital instruments under approval will be treated as an equity instrument with a fixed return and will qualify as additional Tier 1 Capital after QCB's terms and requirements are being implemented. The Issue shall be conducted through private placements by Qatari institutions and the Maturity of this instrument shall be perpetual and will be classified as equity instruments. The obligations of the Issuer will be direct, unsecured, conditional and subordinated. This means that these instruments would be ranked junior to all other senior debt bonds and senior to the ordinary shares (common equity) of the Issuer. We would also like to specify that this issue is subject to approval of Qatar Central Bank, Ministry of Economy and Trade and any other competent authorities.

We also improved bank's Corporate Governance system whereby we approved the Corporate Governance Policy Manual in addition to the policies and procedures manual on the roles, responsibilities and terms of reference of the Board of Directors, the BOD committees, and the Executive Management committees in addition to code of ethics. This only complements our efforts to enhance the internal controls in the bank, promote the concepts of transparency and disclosure, improve shareholders relations and protect the rights of stakeholders. Our report on Corporate Governance for the year 2014 has been made available to you that reflects Corporate Governance standards followed by the Bank.

Finally, on behalf of the Board of Directors and myself, I would like to extend my sincere thanks and gratitude to H.H. The Emir, Sheikh Tamim Bin Hamad Al-Thani, H.E. The Prime Minister, Sheikh Abdullah Bin Nasser Al-Thani, H.E. The Minister of Finance, Mr. Ali Sharif El-Emadi, H.E. The Minister of Economy & Commerce, Sheikh Ahmed Bin Jassim Bin Mohammad Al-Thani, and H.E. The QCB Governor, Sheikh Abdullah Bin Saoud Al-Thani, H.E. The Deputy QCB Governor, Sheikh Fahad Bin Faisal Al-Thani, and to all officials of Qatar Central Bank, the Ministry of Economy and Commerce, Qatar Financial Markets Authority and Qatar Exchange for their continued cooperation and support.

Many thanks and appreciation to all the shareholders, customers for their confidence in the bank and to the Executive Management and all staff of the bank for their continuous cooperation and efforts which led to achieving impressive results for Doha Bank.

Fahad Bin Mohammad Bin Jabor Al-Thani

Chairman

HONG KONG

EXECUTIVE MANAGEMENT

Dr. R. Seetharaman
Chief Executive Officer

Mr. Abdul Rahman Ali A. Al Mohammed
Head of Human Resources

Mr. David Challinor
Head of Group Finance

Mr. Yousuf Hashim Abdullah
Executive Manager Relationship Management

Mr. Dag Reichel
Head of Wholesale Banking

Mr. Abdullah Asad Al-Asadi
Head of CRM & Private Banking

Mr. Khalid Alnaama
Head of Public Sector

Mr. Suresh Bajpai
Head of Retail Banking

Mr. Hassan Ali Mohammad Kamal
Corporate Branch Manager

Mr. Maher Ahmed Ali Ahmed
Main Branch Manager

Mr. Khalid Latif
Head of Credit Risk Management

Mr. Ganesan Ramakrishnan
Head of International Banking

Mr. Neil Buckley
Head of Technology & Operations

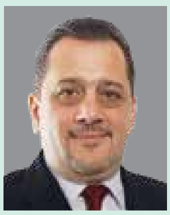
Mr. Ahmed Ali Al-Hanzab
Head of Administration

Mr. Samuel K.V.
Acting Head of Treasury and Investments

THE ADVISORS OF THE BOARD

Mr. Mokhtar Abdel Monem Elhenawy
Legal Advisor & Secretary to the Board of Directors

Mr. Jamal Eddin H. Al Sholy
Head of Compliance



Mr. Samer Fares Dababneh
Head of Internal Audit

INTERNATIONAL BANKING OFFICES

Mr. G. Pattabiraman
Country Manager
India Branch

Mr. Ahmed Yusuf Ahmed Al-Mehza
Chief Country Manager
Kuwait Branch

Mr. Nelson Rajan Quadros
Acting Head of Business
Abu Dhabi Branch

Mr. Nael Zahi Rashed El - Zagha
Acting Head of Branch
Dubai Branch

Mr. Hilton Wood
Chief Representative
Australia
Representative Office

Mr. Kanji Shinomiya
Chief Representative
Japan
Representative Office

Mr. K. S. Kwon
Chief Representative
South Korea
Representative Office

Mr. Peter Lo
Chief Representative
China
Representative Office

Mr. M. Sathyamurthy
Regional Manager - Asia
Singapore
Representative Office

Mr. Ivan Lew Chee Beng
Chief Representative
Hong Kong
Representative Office

Mr. Nezih Akalan
Chief Representative
Turkey
Representative Office

Mr. Maik Gellert
Chief Representative
Germany
Representative Office

Mr. Richard Whiting
Chief Representative
United Kingdom
Representative Office

Mr. S. Krishna Kumar
Chief Representative
Sharjah
Representative Office

Mr. Venkatesh Nagoji
Acting Chief Representative
Canada
Representative Office

MANAGEMENT REPORT

Board Members

GLOBAL ECONOMY

The International Monetary Fund (IMF) forecasts global growth to average 3.3 percent in 2014 and to rise to 3.5 percent in 2015. The weaker growth outlook for 2014 reflects setbacks to economic activity in the advanced economies during the first half of 2014, and a less optimistic outlook for several emerging market economies.

As per IMF, the strongest rebound in growth is expected in the United States (US), whereas the crisis legacy brakes will ease slowly in the European Union (EU) and growth in Japan will remain modest. In the EU, a weak recovery is expected, supported by a reduction in fiscal drag, accommodative monetary policy, with a sharp compression in spreads for stressed economies and record-low long-term interest rates in core countries. Japan's economy shrank an annualized 1.6 percent in the third quarter of 2014, which was a second successive drop. The Bank of Japan embarked on a program of quantitative easing to revive economic growth and aimed to get inflation up to 2 percent. However its actions have not yielded the desired results.

The US Federal Reserve monitors the labor market and inflation to determine the appropriate stance of monetary policy with conditions remaining in place for a stronger pickup in the recovery. IMF has revised US economic growth to 2.2 percent for 2014 and 3.6 percent for 2015. The US Federal Reserve ended its quantitative easing programme by end of October 2014 with the unemployment rate falling down in recent years and expectations of rate hikes prevail in 2015.

The emerging and developing economies continue to account for a lion's share of global growth at 4.4 percent for 2014. China's economic growth had slowed to 7.3 percent in the third quarter. In November 2014, People's Bank of China cut interest rates on account of slowdown in growth and decreases in inflation. The Ukraine crisis impacted Russian economy, which is expected to grow at 0.2 percent in 2014. A stable government has improved the confidence in Indian economy, which is expected to grow by 5.6 percent in 2014 and 6.4 percent in 2015. As concerns of global growth still prevail, the G20 in its November meeting had committed to a 'peer-reviewed growth package', which will achieve a 2.1 percent increase in global growth over the next five years. They've also agreed to a plan to reduce the gap between men and women in the workforce by 25 percent over the next 10 years, which has the potential to bring 100 million women into the global workforce.

The IMF said growth in the Gulf Co-operation Council (GCC) is projected to remain strong at 4.5 percent in 2014 and 2015. In the United Arab Emirates (UAE), key sectors, such as tourism and corporate services performed strongly and a strong rebound in real estate prices has improved the demand for loans. Banks in the UAE have been prime beneficiaries of a revival, as interest rates reached new lows and credit growth rebounded. Lending is anticipated to pick up, as the UAE government boosts spending on infrastructure for Expo 2020. Morgan Stanley Capital International (MSCI) upgraded UAE as well as Qatar's status to 'emerging market' in June 2014. In July 2014, Saudi Arabia's cabinet approved to open the stock market for foreign direct investments, which is expected to happen during the first half of 2015. Subsequently, Saudi Arabia had introduced new regulations that cap retail lending and curb the fees that lenders can charge.

The oil prices which peaked in June 2014 have fallen significantly during the second half of 2014 to 5-year lows. Fall in oil prices offered a boost for major oil

Dr. Seetharaman, CEO Doha Bank Group along with H. E. The Minister of Finance at the The 9th World Exchange Congress 2014.

consumers. However, fear of deflation has increased across the globe. Deflation pressures can delay the US Federal Reserve as well as Bank of England's plan of raising interest rates. Additionally, the Eurozone may face challenge from Greece elections and may consider monetary easing in 2015 to overcome deflation pressures and revive growth. GCC states can sustain a lower oil price for a while on account of state financial holdings and other diversified investments. However the fiscal discipline is the need of the hour in GCC

DOMESTIC TREND

According to the Qatar Economic Outlook 2014-16 published by the Ministry of Development Planning and Statistics, Qatar's economy is forecast to reach 7.7 percent in 2015. Brisk expansion in the non-oil and gas economy is expected in 2014 and 2015. Construction activity is projected to expand by 14.1 percent in 2014 and 14.5 percent in 2015. The driver of growth is the government's heavy investment in economic infrastructure, particularly local roads, expressways, the Doha metro and rail, and drains and sanitation at a pace that is likely to pick up over 2014 and 2015. Qatar's quarterly Gross Domestic Product (GDP) at current prices stood at Qatari Riyal (QAR) 193 billion in the third quarter of 2014, reflecting an increase of 4.1 percent compared with the same period in 2013. The inflation rate in Qatar was at 3 percent in November 2014 and is expected to nudge up to 3.5 percent in 2015 and 3.7 percent in 2016, as per the Qatar Economic Outlook report.

Qatar was ranked 16th in 'the Global Competitiveness Report 2014-15', according to World Economic Forum. The Qatar Exchange (QE) has been upgraded to emerging market status effective June 2014 by MSCI whose market classification framework includes economic development, size and liquidity. Based on the MSCI development, all companies listed on the QE are expected to increase Foreign Ownership Limits in their companies.

Qatar's strong performance and continuing regulatory reforms have been recognized by Standard & Poor (S&P), which has affirmed its sovereign rating as 'AA' - one of the highest in terms of credit ratings. The outlook for Qatar remains very positive; Economic growth aided by infrastructure development plans to be in line with the hosting of the FIFA World Cup in 2022, as well as the convergence towards achieving the Qatar National Vision 2030.

WHOLESALE BANKING GROUP

The Wholesale Banking Group (WBG) is considered the key integrator with products and services from across the bank aiming to be the driving force to the customer's competitiveness. In 2014, WBG focused on the implementation of its strategy and prepared for stronger international growth expansion, enhanced operational efficiency and integrated advisory services – This was achieved through reducing cycle times and increasing perfection in execution. To respond faster to the customers, WBG has increased the effectiveness and frequency of Credit Committee Meetings headed by Doha Bank's Chief Executive Officer (CEO).

As per detailed surveys conducted by a third party on the products and services offered, as well as relationship management, WBG scored one of the highest Net Promoter Score in Qatar. Special attention has been placed on people, building new leaders and high performing teams, fighting mediocrity and establishing growth driven values with unyielding integrity applied. In addition, the bank's branding has been supported by corporate customer events to facilitate knowledge sharing across GCC.

The business unit focused on five key areas of transformation for executing the business strategy.

- Set the ground work for shifting the WBG operating model into value based banking, by applying a 'Risk Adjusted Return On Capital' pricing scheme which moves from transaction pricing to full cost based relationship pricing. Major attention has been on maximizing revenues rather than on assets growth.
- Developed new products and services such as acquisition financing, deal underwriting, factoring, M&A advisory, JV arranging, project financing, aircraft financing and grouped them under the new established business divisions. Restructured structured finance into Corporate Finance, built Equipment and Special Assets Finance and a vertical under Transaction Banking. Implementation of the new business lines is expected to significantly contribute to the asset and revenue growth in the next three years. Specialized banking is expected to play a more dominant role in counterbalancing the margin pressure on standard loans/banking products.
- Focus on geographical coverage by successfully expanding from a local into a regional corporate bank with significant asset growth contribution from GCC (outside Qatar) and India. Capitalize on the Bank's strategically placed international network and WBG-led initiatives connecting

Dr. R. Seetharaman, Doha Bank Group CEO along with key speakers at the 'Industry & Trade Conference' held in Dubai, UAE

Multinational Corporations from all overseas branches and representative offices with Qatar operations.

- Transition cross-selling into a programed process. To establish a culture of 'integrated sales' cross functionally, it is important to build high performing deal teams that are dedicated to establish multiple ties to a relationship for higher customer satisfaction. Perfected and standardized instruments helped WBG in enhancing its sales force effectiveness. The distinctive approach leading to measurable success includes diving deep, sizing the wallet of business opportunities, creating strong value propositions led by the client's key performance indicators and helping the customer to better perform in areas by going beyond the core of financial services.
- Prioritize digitization by delivering integrated cash, trade, factoring, and treasury solutions as well as corporate internet banking to the client in order to create a distinctive impact.

WBG segments the market top-down into (a) Enterprise Clients - Pre-selected customers to whom Doha Bank aims to be the preferred strategic banking partner, (b) Large and (c) Mid-Sized clients, whom Doha Bank serves with tailored solutions on a larger scale with a stronger scope for standardization and faster response time.

For better responding to the specific needs of a fragmented market, WBG has built specialized coverage groups talking the clients' language: Government and Public Sector, Multi-National Companies and Foreign Companies, Construction Sector Clients, Clients with preference on Islamic Financing and Family Offices.

Wholesale Banking Group is divided into six divisions:

1. Corporate and Commercial Banking
2. Corporate Finance
3. Transaction Banking
4. Mortgage Finance and Real Estate Services
5. SME Banking
6. Government Sector Financing

A snapshot of each division is provided below:

Corporate and Commercial Banking offers a broad range of lending products including working capital finance, overdrafts, bill discounting and term loans (funded and non-funded). Non-funded facilities include advance payment guarantees, performance and retention bonds along with Letter of Credits and Letter of Guarantees for cross-border financing. This business unit has consecutively created an increased contribution in earnings and is considered the engine of growth for the bank. The business follows a proven and well-balanced growth strategy, responding to the market challenges with flexibility and an enhanced spread of advisory capabilities and consolidation. The division focused on effective credit monitoring in order to ensure strong asset quality, and, selectively establishing new relationships with prominent local and international companies.

Corporate Finance provides the full range of integrated investment banking products and services for large-cap and mid-cap corporates, governments and government related entities, and financial sponsors. The client offering includes comprehensive financial advisory – including both buy-side and sell-side Merger & Acquisitions and Restructuring– and capital raising services. The division successfully closed a number of transactions as Mandated Lead Arranger both within the GCC and internationally by leveraging on Doha Bank's international footprint. Corporate Finance's highly qualified team adds a new dimension to the business lines available to Doha Bank customers. The division takes a holistic and research driven approach to the raising of capital for clients and has the ability to effectively leverage the

Dr. R. Seetharaman, CEO of Doha Bank along with key speakers at a knowledge sharing session held in Kuwait.

bank's balance sheet. Additionally, the team uses alternative sources of funds and risk distribution models to optimize the outcome for the client.

Transaction Banking incorporates services and financing throughout the trade cycle including letters of credits, guarantees, collections, supply chain finance, commodity and structured trade finance. Under Transaction Banking, the Bank has virtually grouped Cash Management Services, Factoring, Treasury Sales and Trade Finance. We have launched on-line banking and introduced a series of new cash management services to our clients. WBG also launched cash management services in overseas locations through its strategically placed overseas branches.

Mortgage Finance and Real Estate Services responded well to the challenging market environment, protected its portfolio, increased revenues constantly and explored options for providing value added services to its customers. The division focuses on both standard real estate lending and customized solutions through a variety of tailored products. Building long-standing relationships and repetitive transactions is mainly driven by assisting clients in shaping their strategy through advisory capacities, which includes (a) asset analysis, valuation and appraisal, (b) property operations analysis, (c) specifying asset buy-sell strategy. The comprehensive valuation service is designed to meet region specific requirements, drawing its extensive experience and expert knowledge to deliver leading-edge solutions. With co-operations established, WBG is readily available to quickly apply resources to meet customers' objectives. The divisions' strength is its deep industry knowledge together with a strategic business advisor approach, forming a part of clients' decision making team when pursuing their agenda.

The Small-and-Medium Enterprise (SME) banking strategy has been re-accentuated on the back of an in-depth analysis for identifying the vital drivers for growth and value creation. To address the key root challenges and barriers to SMEs, there is a growing need for 'Digitization' and 'Consultant Banking'. Digitization will help transform the interaction with clients, guiding them on how to integrate new technologies and adapting straight through processing. Consultant-Banking is backed by partnerships with world class consultants on liquidity and working capital management, managing operating expenses, establishing a reliable financial reporting and Management Information System (MIS), which all together aims to support the SMEs to successfully compete, develop and expand with profitable growth.

Government Sector Financing Unit addresses the banking needs of major Government and quasi-Government organizations within Qatar through its innovative products and services.

WBG has initiated programs which will improve attention and emphasis on human capital in developing new leaders, retaining key performers and attracting new talents to the bank. Additionally, WBG will develop a digital strategy that enhances customer satisfaction establishing straight-through processing. WBG also intends to make it easier and more enjoyable to its customers to communicate and to process transactions with Doha Bank. Standard business requirements will be executed through e-portals and individual needs will receive a stronger personal attention.

Doha Bank CEO, Dr. R. Seetharaman with key speakers at the SME event, held at Doha, Qatar.

RETAIL BANKING GROUP

Doha Bank's key strengths in Retail Banking Group (RBG) originate from its competitive product offerings. RBG has one of the largest retail footprint in Qatar with 31 branches, 21 pay-offices including e-branches, more than 125 ATMs and 2 mobile banking units.

Maintaining a focused approach on being positioned as one of the leading banks in the GCC region, Doha Bank has operational branches in Qatar, Kuwait and the UAE. With the opening of its India branch in Mumbai, RBG is fully geared to position itself as 'The Bank for Indians in Gulf' and leveraging on its expanding GCC network.

Improving branch architecture and transforming branches to a more sales-centric network was one of the forward measures adopted in 2014. Several branches in Qatar underwent face lifts. RBG is currently finalizing agreements for new branches in popular and upcoming locations in order to capitalize on Qatar's booming real estate industry and mall culture. The Al Kheratiyat, Industrial Area and Bin Omran branches underwent complete refurbishment to better facilitate customer experience in these communities.

Doha Bank's first branch in Musheirib

RBG opened its 2nd Payroll center at Industrial Area to cater to the large segment of blue collared workers residing in this area. In the UAE, Doha Bank opened its first electronic branch in Dubai and designs were approved by local government authorities in Abu Dhabi. One unit of the new City Centre branch, which will house the customer services area, was completed; work is in progress on the second unit. Doha Bank has also expanded its footprint into the newly opened Hamad International Airport by installing 2 ATM's. In order to promote better operational efficiency and functional realignment, inter connected internal units such as Central Processing Unit, Direct Sales Unit & Car Loans Unit were relocated / centralized. 12 branches were opened for extended customer hours, the corporate branch for evening shifts & Lulu E-branch timings were extended to match mall timings. In addition, Doha Bank's ATM network has undergone substantial transformation during the year as well. Majority of the branches were reviewed for refurbishment and facelift in order to enhance Doha Bank's branch outlook / image.

Retail business units have churned a commendable performance in 2014 with some unique 'First in Qatar' initiatives launched during the year. Some of the major initiatives include pre-approved and pre-screened loans to existing salary transfer customers, loans top-up initiative, loan installment postponement for Eid, 'Win Your Loan Back', Loan carnival, online money transfer through credit card, mobile e-remittance for payroll card holders and deposit cards. Towards the end of the year, RBG organized its first ever 'loans roadshow' on a weekend with extended hours at the centrally located City Centre Branch. RBG plans to organize a number of such roadshows throughout 2015 at different branches in the respective catchment areas. These initiatives have re-invigorated the sales channels, helped RBG to post robust growth and maintain its Net Interest Margin in a fiercely competitive market.

Doha Bank's flagship 'Al Dana' product entered its 11th year backed by an attractive prize scheme and innovative marketing. Customers from cross-sections of society won various prizes reposing utmost confidence in Doha Bank. With innovative product positioning and enhancements, RBG has not only posted a consistent and strong financial performance but also reduced the cost of funds, improving the bottom-line of the bank. RBG has registered an impressive growth in 'Current Account Savings Account' (CASA) balances including zero-cost credit balances in Payroll Cards and the employer companies' current accounts.

Doha Bank's flagship Al Dana Savings Scheme continues to encourage people to adopt a culture of saving while rewarding them with life-changing opportunities.

Credit Card business continued to out-perform with impressive growth trajectory across cards issuance, usage, activation and revenue generation. This significant growth has come through various unique and innovative initiatives taken in 2014. Our flagship co-brand 'Doha Bank Lulu Card' has set new milestones by becoming a card of first choice for the residents delivering tremendous customer benefits. Summer Cash Back Campaign rewarded circa 12,000 loyal customers with more than QAR 4 million paid as cash back during the promotion period. Other initiatives include 10 percent savings offer at the recently opened Lulu Hypermarket at Barwa City, e-remittance on Credit Cards, temporary limit enhancement during the holiday season, launch of new platform for 'Dine With Doha Bank' program and implementation of 3D Secure.

Doha Bank e-commerce business made significant strides by offering online ticketing through Q-tickets, becoming the first bank in Qatar to offer Qatar Central Bank's (QCB) Q-Pay service with debit cards. Doha Bank also introduced e-commerce payments through bank accounts and introduced mobile payment gateways. These efforts resulted in registering a 300 percent growth in e-commerce business volumes in 2014. In addition, a number of enhancements were done in E-channels for improved customer service and better overall customer experience. These include Self-Registration for Online Banking service using Debit Card, Self-Reset Forgot Password feature, IBAN implementation across channels and Vodafone online bill payment promotion.

Doha Sooq – Qatar's only e-mall operated by a financial institution brought some of the largest brands in Qatar to the customers, thus enhancing the round-the clock shopping experience and mutually benefitting merchant business partners. A greater emphasis was also placed this year on strengthening merchant relationships to optimize customer product offerings.

Al Riyada, the private banking arm of RBG, underwent The retail event held in November 2014 focused on 'Loyalty program' and the 'Mobile POS' innovation in acquiring business, witnessed attendance of over 200 key merchants. Partners were rewarded for their loyalty and commitment to the acquiring business. The event, was one of the most well attended gatherings of the year, signaling the bank's strength in the field, being the country's third largest acquirer. The business grew from strength to strength with about 3,000 Point-Of-Sale machines now deployed across the country with about 300 merchants in some of the biggest retail chains and malls. The acquiring business volume crossed all targets and recorded an impressive growth of 25 percent in volumes with similar growth in revenues.

With regards to reducing variable costs, RBG continued to utilize social and digital media platforms and developed a complete 360 degree communication platform across all touch points, even adopting social media usage for listening to customer feedback and suggestions. Additionally the CEO of Doha Bank conducts a monthly 'Customer Connect' session to address the voice of customers and strategically align ourselves according to their needs. With a view to reach out to its potential customers, RBG has also revamped the Doha Bank website, using it as an additional and effective channel for generating online leads. Creation of online loan calculators and lead generation forms has become effective tools in digitizing the Bank. With a view to digitize Doha Bank, Retail Banking is proactively interacting with the Information Technology (IT) department to launch new programs in Qatar and other international locations. A number of Digital initiatives are lined up to be launched in early 2015 to enhance customer experience, customer service delivery and online security.

Senior officials from Doha Bank and Q-Tickets after signing the partnership agreement which allows cinemagoers to book their tickets via Doha Bank internet banking.

Given the high per capita income of the local population and the continued influx of expatriates to Qatar, Doha Bank is seeking to consolidate and extend its strength in the retail sector through innovative products, leveraging technology and the expansion of self-service distribution channels. Currently, RBG is working on restructuring its operational procedures to come up with established best practices so as to deliver an unprecedented customer experience in accordance with the Bank's slogan, "there is so much to look forward to".

TREASURY AND INVESTMENTS GROUP

The Treasury and Investments (T&I) Group provides a broad range of financial risk management services and treasury and investment products to its customers. Products include foreign exchange, money market, fixed income, mutual funds, equity brokerage, commodities and notably precious metals. T&I continues to focus on improving all aspects of its client servicing ethos through a dedicated and skilled sales team with diverse knowledge of both local and international markets. It remains T&I's main objective to be customers' trusted partner in providing appropriate risk management solutions as well.

Doha Bank received the 'Best Retail Bank in Qatar' award from the Asian Banker

With regards to the currencies, the US Dollar rallied substantially in 2014 on 'flight to quality' due to persistent weaknesses in Europe and Japan. The Euro fell by about 12.4 percent and Japanese Yen fell by 12.2 percent to $1.2100 and $119.84 respectively against the US dollar till 31st December 2014. The US Dollar index climbed to 90.269 with a rally of 11.34 percent YTD December 2014, which is in line with the positive outlook in the US. In addition, with anticipated rate hikes in H2 2015 coupled with persistent weakness in Europe and Japan, the US dollar is likely to rally further in 2015 and commodity, crude oil and gold are likely to drop further.

T&I's successful regional 'Al - Hayer GCC & MENA Fund' catering to Qatari investors only, reflects Doha Bank's commitment to its customers in providing investment opportunities within the region. T&I have also been instrumental in developing the Bank's Gold Bullion initiatives and in particular providing an innovative range of both retail and corporate gold products. During 2014, with its 'Go for Gold' campaign, Doha Bank continued to offer gold bars and coins to its clients at a very competitive price. The drop in gold prices attracted huge buying interest in gold from retail High Net Worth Investors (HNWI) as well as jewelers.

The Bank's financial investment philosophy remains prudent and cautious. There has been only a minimal increase in equity exposure during the year 2014. In Fixed Income, T&I's efforts and focus has been toward increasing its holdings of local sovereign debt, issued by the State of Qatar including Treasury Bills. Doha Bank continues to participate in the local bond market at all levels. Fixed Income investment activity outside of the GCC remains at a minimal level. Doha Bank will be evolving and aligning its investment activity to accommodate the requirements of Basel III.

INTERNATIONAL BANKING GROUP

International Banking Group (IBG) assimilates Doha Bank's international operations, facilitates substantial cross-border trade and is responsible for the overall relationship management with circa 800 financial institutions worldwide. As part of its operations, IBG arranges loans and participates in syndicated loans to financial institutions across all the strategic international locations. IBG also offers trade advisory services with intent to provide continuous and effective advice to companies engaged in the business of Imports/Exports with cost efficient, appropriate risk-mitigation and trade finance solutions. The Representative Offices in Australia, Japan, Korea, China, Hong Kong, Singapore (South East Asia), Turkey, Germany (Central Europe), United Kingdom, Sharjah (UAE) and Canada cover all relevant trade and infrastructure related transactions with the partner countries of Qatar, Kuwait, India and the UAE.

The establishment of a Dubai Branch in 2007, a Kuwait branch in 2008, an Abu Dhabi branch in 2012 and India Branch in 2014 has strengthened the branch network across the GCC & India. These branches offer the entire range of Wholesale, Retail, Treasury and Trade Finance products and services to domestic customers and also meet the cross border banking needs of Doha Bank customers in these countries.

Doha Bank has commenced operations in India to pave the way for the Bank to support all Non-Resident expatriates in the GCC countries with the best in class solutions especially remittance solutions through all its existing branches. Additionally, the Bank is working on acquiring the Indian operations of HSBC Oman and the deal is expected to be concluded soon, subject to all necessary regulatory approvals.

The overseas expansion of the Bank is in line with the strategic vision of the Board to have a pan-GCC operative presence to cater and serve the growing customer base across GCC. The Representative Offices complement Doha Bank's existing branch network both within and outside Qatar by better understanding the various international markets, thus enabling enhanced customer experience with globalized expertise for GCC companies. The international network aims to facilitate customers to conduct and optimize cross-border trade transactions between Qatar, Kuwait, UAE, India and other overseas countries and also helps to better understand the activities of large international companies in the GCC especially engaged in infrastructure projects.

In line with the vision of the Board of Directors to expand the Bank's overseas operation, the Bank constantly assess the potential opportunities to expand the bank's operations globally in select countries and regions.

DOHA BANK ASSURANCE

Doha Bank Assurance Company LLC (DBAC) was established as a 100 percent owned subsidiary of Doha Bank pursuant to its strategic vision to being the 'one-stop-shop' financial service provider. DBAC incorporates a range of general insurance solutions as an additional offering to the clientele of the Bank. Doha Bank is the first GCC bank to establish a fully-owned

H.E. the Chairman Sh. Fahad Bin Mohammad Bin Jabor Al Thani, H.E. the Managing Director Sh. Abdul Rehman Bin Mohammad Bin Jabor Al Thani, Honorable Board Member Mr. Ahmed Abdulla Al-Khal, Chief Executive Officer Dr. R. Seetharaman of Doha Bank along with the honorable dignitaries at a knowledge sharing session held in India.

insurance subsidiary and commenced operations in December 2007, with authorization from the Qatar Financial Centre Regulatory Authority. Under its license, DBAC is authorized to underwrite all lines of life / non–life general insurance business (including, but not limited to Fire, Engineering, Marine, Liability, Motor, Travel, Medical & Personal Accident) providing financial protection for corporate entities, as well as to individual retail customers.

Crossing a milestone of QAR 100 million in Gross Written Premium consecutively in 2013 & 2014 and with enhanced risk management practices, DBAC bears testimony to the fact that it has established itself as one of the preferred general insurance risk carriers for leading corporates in Qatar. In addition, the company is steadily gaining the confidence of an expanding number of individuals for their personal insurance needs. DBAC has been empanelled by leading enterprises in Qatar such as Qatar Petroleum, the Ministry of Interior, Ooredoo, Ashghal and Q-Rail as an approved insurance vendor.

Qatar's current and projected economic growth, together with the rapid infrastructural development, will reinforce the insurance industry growth, which DBAC is fully prepared to support and capitalize on. Effectively showcasing its business potential, strong capitalization and liquidity, S&P re-affirmed DBAC's rating of 'BBB/Stable' in 2014. Earlier during the year 2014, DBAC successfully renewed its ISO 9001: 2008 certification.

ISLAMIC BANKING

Islamic banking services have been discontinued in 2011 further to QCB directive No. 313/273/2011 dated January 31, 2011 which prohibits conventional banks from entering into any new Islamic banking business. Doha Bank's management has decided to keep the Islamic portfolio until maturity as per the Islamic sharia contract.

RISK MANAGEMENT GROUP

Doha Bank's Risk Management Group (RMG) operates through an independent enterprise-wide risk management framework. RMG consistently and continually monitors risks and processes across the organization to identify, assess, measure, manage and report on potential threats that could impact the achievement of Bank's objectives to optimize its risk management framework. Risk Management policies, models, tools and systems are regularly reviewed to improve the framework and reflect market changes. RMG reports to the CEO, with a dotted line reporting to Audit Compliance and Risk committee, which in turn reports to the Board of Directors of the Bank. The RMG is also independently empowered to escalate issues directly to the Board and Audit, Risk and Compliance Committee.

The Board has laid down the risk appetite of the Bank since the Board and the Executive Management are ultimately responsible for all the risks assumed by the Bank. Type of risks includes identifying, assessing, communicating and monitoring on enterprise-wide basis. The risk appetite framework sets out the qualitative and quantitative thresholds for risk capacity and tolerance. The risk strategy seeks to balance the risk profile against sustainable returns to achieve the business goals of the Bank. Doha Bank has engaged qualified professionals, and has set policies and procedures, limits, thresholds, authority levels, committees, review mechanism, controls and accountabilities to manage risk through a common framework.

Implementation of the Risk Management framework is entrusted to a highly competent team and is controlled and implemented through various senior level management committees chaired by the CEO - mainly in Credit, Operational Risk, Investment and Asset and Liability Committees. In addition, the Board level committees viz. Audit, Risk and Compliance Committee, reviews the observations and findings of internal auditors, external auditors, compliance and the regulators to prevent deviations.

Doha Bank officials and high-ranking local participants at the Opportunities in Qatar & GCC event.

Risk Management Committees:

A number of committees / Task Force have been established to manage various risks in an efficient and objective manner and these include:

- Executive Management committee
- Risk Management committee
- Operational Risk committee
- Retail Credit committee
- Management Credit committee
- Asset and Liability committee (ALCO)
- Capital and Liability Committee and Basel III Task Force
- Recovery Taskforce

It is also important to note the following regulatory changes that came across during 2013-2014, which covered the quantitative impact of various risks in the capital adequacy of the Bank. Major regulatory changes included:

Implementation of ICAAP (Internal Capital adequacy Assessment process) - Basel II Pillar II:

QCB through its Circular 60 / 2013 instructed all the banks in Qatar to initiate implementation of Basel II Pillar II. Accordingly Doha Bank submitted its first Internal Capital Adequacy Assessment Process (ICAAP) report to QCB in April 2014 based on December 2013 financials. The ICAAP encompassed internal assessment of material risks such as Liquidity risk, Interest rate risk, Country risk, Credit concentration risk, Sector concentration risk, Counterparty credit risk, Residual risk, Strategic risk and Reputational risk. The assessment also involved calculation of quantitative impact of these risks on capital adequacy of the bank. Furthermore, ICAAP included capital planning and projections, defining and is responsible for the management of reputational risk in their respective business / functional operations. aligning risk appetite, stress testing & scenario analysis and defining risk universe for the bank. Considering the nature of operations of the Bank and the material risks, a comprehensive assessment of capital was conducted to determine the level of extra capital required to meet risks identified under Pillar 2.

The General Assembly of the Shareholders meeting held on March 2014 at Doha Bank Tower.

Basel III: QCB has outlined detailed instructions for Basel III Capital Adequacy Calculations in accordance with the rules of Basel Committee on Banking Supervision (BCBS). The bank has adopted Basel III framework and accordingly started reporting Capital Adequacy Ratio on a quarterly basis to QCB.

The major risks associated with the banking business have been discussed in detail in the following sections:

Strategic Risk: This risk can arise from adverse business decisions, poor implementation of decisions, absence of clearly defined strategic business direction and goals; failure to have adequate product programs, inadequate preparations for continuity of business should disaster strike, and incorrect assessment of external factors. The Bank has mitigated these risks by implementing a well-defined strategy and growth plans. In addition, the Bank's Disaster Recovery Plan (DRP) has been well-documented and tested with the assistance of a renowned external consultant and detailed manuals have been made available to the employees. The employees are regularly updated on the developments through ongoing training, education and system updates.

Reputation Risk: It is the possibility for negative perception of the Bank's reputation, which could result in significant loss of income or severe implications on market capitalization or customer base. This could be a direct adverse response by stakeholders to the actions or inaction of the Bank or its officials.

This risk could arise from poor customer service delivery, a high incidence of customer complaints, non-adherence to regulations, imposition of penalties and adverse publicity in the media. The Bank has established customer service units and call centers to monitor the services rendered through its delivery points and undertakes timely corrective measures. Additionally, the Bank has a robust Compliance Department, which is responsible for monitoring stringent compliance on all regulatory provisions stipulated by the QCB and other regulatory authorities, wherever applicable. The department also creates awareness of the related regulatory circulars among staff and provides guidance on business decisions that could have regulatory implications.

The Executive Management Committee provides Bank-wide oversight on reputational risk, sets policy and monitors material risks that could have negative reputational consequences. At the business level and across its subsidiaries, overseas branches and representative offices, the relevant Senior Management is responsible for the management of reputational risk in their respective business / functional operations.

Legal Risk: Legal risk is the possibility of loss resulting from the Bank's failure to comply with local laws, breach of ethical standards and contractual obligations with counterparties or customers. The Bank also faces the risk of litigation due to unenforceable contracts with vendors, counterparties or regulators.

The Bank maintains a qualified team of legal advisors, in addition to a couple of International Law firms on the panel, who are responsible for validating all the Bank's agreements. They also review the legal implications of standard / specific documents for all the Bank's products and services that are being offered to customers and counter parties.

Credit Risk: This refers to risk arising from the potential that an obligor is either unwilling to honor his/her obligation or has become unable to meet such obligation, which leads to economic loss to the bank or the possibility of losses associated with diminution in the credit quality of borrowers or counter parties and/or in the value of the collateral held by the Bank as security. Identification, measurement and management of risk are strategic priorities for the Bank and its credit risk is managed by a thorough and well-structured credit assessment process complemented with appropriate collaterals wherever necessary and continuous monitoring of the advances at account and portfolio levels.

Although the overall responsibility for managing the risks at macro level lies with the Board, the responsibility for identifying risk in Bank's credit exposure is entrusted to the Management Credit Committee. The Management Credit Committee shall review and decide on the following:

- The extent to which the Bank should assume credit risk, taking into account the capital base, the Bank's ability to absorb losses, the risk-reward ratio, probability of default etc;
- The credit portfolio, including concentration trends, provisions, quality of portfolio and requirements vis-à-vis credit strategy and risk appetite;
- Portfolio concentration limits against Regulatory and Internal Limits set for counterparties, industry sectors, geographic regions, foreign country or class of countries, and classes of security;
- Business strategies to ensure consistency with the Bank's business/growth plan and other asset/liability management considerations;
- Significant delinquent credits (watch list and under settlement accounts) and follow up actions

taken to safeguard the interests of the Bank;
- Adequacy of loan loss provisioning requirements;
- Establishment of an authorization structure and limits for the approval and renewal of credit facilities;
- Detailed credit policies, procedures and guidelines, proper segregation of duties, well defined authority matrix for credit approval and periodic audit and examinations by internal and external auditors to ensure that a rigorous environment of checks and balances exist within the Bank.

Credit Risk Management (CRM) Structure:
The CRM function is independent of the business functions. Such functions include policy formulation, underwriting and limit setting, exposure and exception monitoring, reporting, custody and monitoring of documentation, input of credit limits, classification of advances, remedial asset management, recovery of delinquent loan and determination of provision requirements.

The key objectives of CRM are to ensure:

- Bank-wide credit risks are identified, assessed, mitigated (wherever possible), monitored and reported on a continuous basis at customer and portfolio level;
- The Bank's exposure is within the risk appetite limits established and approved by the Board of Directors, which covers group and single obligor limits, borrower ratings, portfolio analysis, counter party limits and concentration of the limits to effectively measure and manage its credit risk;
- Review and assessment of credit exposures in accordance with the authorization structure and limits prior to facilities being committed to customers;
- Ensure completion of documentation and security creation as per approval terms before release of credit facilities to the clients.
- Monitoring the concentration of exposure to industry sectors, geographic locations and counter parties;
- Proactive and dynamic monitoring of the accounts as to the quality of the assets and to spot any adverse features/warning signs which can eventually lead to deterioration in the recovery prospects.
- Engage the Business Units at an early stage itself to take corrective steps so that the exposure does not become unmanageable.
- Review of compliance with exposure limits agreed for counter parties, industries and countries, on an ongoing basis, and review of limits in accordance with the risk management strategy and market trends;
- Prior to launching of new products, vetting the business proposals from risk perspective especially in light of delinquent reports.

Also, the Bank has a well-established Remedial Asset Management Unit under the supervision of the Credit Risk Department. The primary responsibility of the unit is to adopt corrective action on delinquent credits so as to recover the bank dues.

Liquidity Risk: Liquidity risk can be defined as the potential inability of the Bank to meet its maturing obligations.

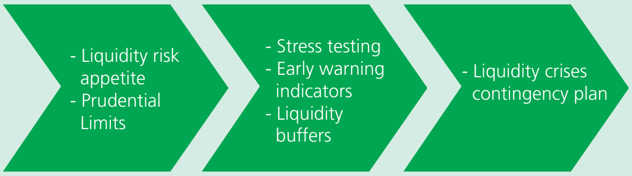
Liquidity risk is inherent in banking operations and liquidity planning and management are necessary to ensure that the Bank meets its obligations at all times. The Treasury division, in conjunction with other departments, manages the liquidity on a daily basis. ALCO, which meets weekly, sets the broad framework for Treasury to operate so that the Bank is always in a position to meet its financial commitments. During crisis, the bank's ability to manage liquidity requirements could be impacted due to increased cost of funds or accessibility to wholesale funding. The market disruption could impact liquidity of investments. Doha bank has a comprehensive Liquidity Management framework for managing the liquidity risk. The framework sets the group's risk appetite for liquidity risk by setting limits and benchmarks.

The Bank's approach to manage the liquidity risk is to ensure that it has adequate funding from diverse sources at all times. Diversification of the Bank's depositor base, reducing dependence on large depositors for reducing concentration risk and maintaining a suitable mix of deposits including low-cost deposits are some of the measures that the Bank is regularly taking to maintain a suitable deposit base. The Bank relies on many quantitative indicators to manage its liquidity risk positions.

The Bank maintains high quality liquid assets, which can be liquidated at short notice to raise cash, if required. The bank's liquidity policy requires the bank to maintain a pool of liquid assets which can be accessed at the time of liquidity crises. The Bank also has in place credit lines with several international banks to make funds available in case of need. The Bank's liquidity position is subjected to diverse stress scenarios in order to evaluate the impact of unlikely but potentiality plausible events on liquidity. Scenarios are based both on historical and hypothetical events. The results obtained from such stress testing provide meaningful input when defining target liquidity risk positions.

In addition, the Bank maintains a Contingency Liquidity plan, which details how liquidity stress events would be managed during a crisis situation. Since nature of any such event cannot be ascertained in advance, the plans are designed to be flexible and hence provide various options that could be used during liquidity crisis situation. The bank has also implemented an Asset-Liability Management system, which provides further guidance towards the Bank's balance sheet management.

The tools under Bank's Liquidity risk framework could be summarized as below:



QCB through its guidelines issued in January 2014 on Liquidity Coverage Ratio (LCR) has asked all the banks to submit Basel III LCR ratio results starting from the month of January 2014. Earlier through various circulars the local banks have been submitting results to QCB for LCR, Net Stable Funding Ratio (NSFR) and Leverage Ratio under Basel III. The results of these ratios are reported in the Asset and Liability Committee on a monthly basis. After an observation period, the QCB has instructed banks to report Leverage Ratio (LR) from October 2014, the ratio has been changed to reflect the Basel committee's proposed recommendations. While final guidelines on NSFR are awaited, it is important to note that Doha Bank is comfortably placed and meets the proposed QCB LCR benchmark.

Market Risk: This is the risk of loss arising from unexpected changes in financial indicators, including interest rates, exchange rates, bonds, equities and commodity prices. Bank has an active Management Information System to keep the Management and Investment Committees informed about the changes in market risk on the investments book. The prominent risks affecting the Bank are currency, interest rate and equity price risk.

Doha Bank Group CEO, Dr. R Seetharaman speaking at the QCB conference.

Currency Risk: The major foreign currency to which the Bank is exposed is the US Dollar. The established parity between the US Dollar and Qatari Riyal substantially reduces this risk unless the parity between the two currencies is revised or removed altogether. To control currency exposures, the Bank has the following measures in place:

- Intraday and overnight limits have been set up for each currency;
- Stop loss limits have been setup for Foreign Exchange proprietary trading;
- Currency exposure is monitored daily;
- Transaction limits have been setup for Foreign Exchange dealers to avoid excess exposure;
- Currency gap analysis is produced at month end – it includes forward purchases and sales;
- A report on total foreign currency assets and liabilities excluding contingent exposure is produced daily;
- Transaction limits have been set up for foreign exchange dealers to avoid excess exposure; the limits are monitored on online real time basis.
- All outstanding Foreign Exchange exposure - including spot, swap and forwards - is revalued daily.

Interest Rate Risk: This risk largely arises due to the probability of changes in interest rates, which may affect the value of financial instruments or future profitability. The Bank is exposed to interest rate risk as a result of mismatches or gaps in the quantum of Assets and Liabilities and Off-Balance Sheet instruments that mature or re-price in a given period. Since most of the Bank's financial assets such as loans and advances contain an option to re-price, majority of the bank's interest rate risk is hedged naturally due to simultaneous re-pricing of deposits and loans.

Further, the Bank manages the interest rate risk by matching the re-pricing of the assets and liabilities through various means and by operating within the set gap limits. Foreign currency loans are linked to the London Interbank Offered Rates (LIBOR – which is among the most common of benchmark interest rate indexes used to make adjustments to adjustable rate mortgage) and are re-priced regularly to reduce the inherent interest rate risks.

The Bank's fixed-income bond portfolio is analyzed daily, to assess the interest rate risk based on its portfolio modified duration Bank keeps its portfolio duration within its risk appetite. The risk department analyzes each investment proposal separately; potential market risks are identified and mitigated before placing the proposal for Investment Committee review and approval. The Bank's hedging policy sets the framework to be followed for hedging the interest rate risk if certain thresholds are triggered.

Stress testing: Bank wide stress tests form an integral part of the risk review process and provide sufficient insight into the financial health and risk profile of the bank. Stress tests also provide early warning signs of potential threats to the Bank's capital. Doha Bank adopts a comprehensive stress testing framework in line with circular 1 / 2013 of QCB. The stress testing policy of the Bank is aligned to risk appetite and works towards regulatory and internal stress test models. The internal models supplement the regulatory models and measure impact of changes in macroeconomic indicators on various parameters including but not limited to:

- Asset quality during crises
- Concentration risk
- Liquidity risk including Liquidity buffers
- nterest rate risk
- Market risk in investments
- Currency risk
- Collateral coverage under falling real estate prices scenario
- Regulatory ratios under crises situations

In particular the bank measures the impact of different stress scenarios on its capital adequacy ratio, net interest margin, profit after tax, return on assets, liquidity asset ratio and additional liquidity requirements.

The stress testing process is regular, detailed and uses both plausible and severe scenarios. The results of these stress tests are shared with ALCO on monthly basis and QCB on semiannual basis. In case the ALCO finds that the impact falls beyond the risk appetite of the bank, appropriate amendments are made to the business plans / strategy.

Operational Risk: Operational Risk is the risk of loss arising from inadequate or failed internal processes, people and systems, or from external events. The Bank has detailed policies and procedures and Operational Risk Management tools that are regularly updated to ensure a robust internal control mechanism for the Bank. The Bank is closely reviewing the various recommendations issued by the Basel Committee on 'Sound Practices for the Management and Supervision of Operational Risk' for implementation. The Bank continues to invest in risk management and mitigation strategies, such as a robust control infrastructure, business continuity management or through risk transfer mechanisms such as insurance and outsourcing.

The Bank has a well-defined operational risk framework and an independent operational risk function. The Head of Operational Risk is a member of the Operational Risk Management Committee and reports to the Head of Risk Management. The Operational Risk Management Committee oversees the implementation of an effective risk management framework that encompasses appropriate systems, practices, policies and procedures to ensure the effectiveness of risk identification, measurement, assessment, reporting and monitoring within the group.

In addition, the Internal Audit department carries out an independent assessment of the actual functioning of the overall Operational Risk Management Framework. Each business segment must implement an operational risk process which is consistent with the requirements of this framework.

The process of Operational Risk Management includes the following steps:

- Effective staff training, documented processes/ procedures with appropriate controls to safeguard assets and records, regular reconciliation of accounts and transactions, process of introducing new products, reviews of outsourcing activities, information system security, segregation of duties, financial management and reporting are some of the measures adopted by Doha Bank to manage the Bank-wide operational risk;
- Reporting of any risk event (losses, near misses and potential losses), which is used to help identify where process and control requirements are needed to reduce the recurrence of risk events. Risk events are analyzed, reported, mitigated, recorded on a central database and reported quarterly to the Board of Directors;
- Introduction of a bottom-up 'Control Risk Self-Assessment' across business and support units including subsidiaries and overseas branches. This approach results in detailed understanding of inherent and residual risks with evaluation of controls across the Bank. Therefore, it enhances the determination of specific operational risk profile for the business units while corrective action points are captured and the changes on the operational risk profile is monitored on an ongoing basis; and
- The Bank's blanket insurance policy adequately covers high severity losses and stress losses. measures adopted by Doha Bank to manage the Bank-wide operational risk;
- Reporting of any risk event (losses, near misses and potential losses), which is used to help identify where process and control requirements are needed to reduce the recurrence of risk events. Risk events are analyzed, reported, mitigated, recorded on a central database and reported quarterly to the Board of Directors;
- Introduction of a bottom-up 'Control Risk Self-Assessment' across business and support units including subsidiaries and overseas branches. This approach results in detailed understanding of inherent and residual risks with evaluation of controls across the Bank. Therefore, it enhances the determination of specific operational risk profile for the business units while corrective action points are

captured and the changes on the operational risk profile is monitored on an ongoing basis; and
- The Bank's blanket insurance policy adequately covers high severity losses and stress losses.

International Rating

Below is the summary of Doha Bank's rating from International Rating agencies:

Standard & Poor's	Moody's	Capital Intelligence	Fitch
Long Term A-	Bank Deposits - LT - A2	Foreign Currency LT - A	Foreign Currency LT – IDR - A+
Short Term A2	Bank Deposits - ST - P-1	Foreign Currency ST - A2	Foreign Currency ST – IDR - F1
Outlook- Stable	Bank Financial Strength D+	Financial Strength - A	Viability Rating - BBB
	Senior Unsecured Debt-A2	Support Rating - 2	Support Rating - 1
	Subordinated debt -Baa2	Outlook - Positive	Outlook – FC – Stable
	Outlook - Stable		

International Rating Agencies maintained the usual strong ratings during the year 2014, recognizing the Bank's strength and performance.

- S&P, reaffirmed Doha Bank's ratings and opined that Doha Bank's ratings reflected its good market position, sound financial performance, good capitalization levels and high systematic importance;
- Moody's, confirmed Doha Bank's existing ratings and mentioned that rating captured the Bank's well-established franchise in Qatar, high earnings-generating capacity, high profitability levels, solid capitalization and liquidity metrics;
- Capital Intelligence reaffirmed their existing rating on the Bank's foreign currency and financial strength ratings at 'A', recognizing Doha Bank's strong domestic franchise and growing international network, improved loss reserve coverage and sound profitability.
- Fitch accorded their Foreign Currency Long-term – Issuer Default Rating (LT - IDR) and Foreign Currency Short-term – Issuer Default Rating (ST – IDR) of 'A+' and 'F1' respectively and their 'Stable' Outlook during their review and recognized bank's ability to generate strong and stable profits, sound liquidity and adequate capitalization.

INFORMATION TECHNOLOGY

The Bank's Information Technology (IT) division has been a major contributor in aligning People, Process and Technology to bring major transformation in the way the Bank works. The division is responsible for developing the Bank's IT strategy and delivery of all related services to employees and customers. To support customer needs better, the Bank has undertaken several transformational initiatives through innovation and latest technology trends in the banking industry.

Doha Bank has been a pioneer in providing its e-remittance product integrated online and real-time with its partner correspondent banking relationship network in key countries. To further enhance the e-remittance proposition to customers, Doha Bank also added a new online payment option whereby the customers can send remittances using their credit cards. Additionally, enhanced e-channels registration by providing self-service registration process to customers, where they can use their ATM Card and PIN to register for Internet Banking services.

Doha Bank has incorporated technology as an innovation driver to provide state-of-the-art products and services to its customers and has leveraged on Information Technology for efficiency and effectiveness of banking services delivery. Since Doha Bank believes in technology being the key driver for enhanced and improved service delivery to the customers, the Bank has been continuously keeping its technology up-to-date in order to ensure best in class technology in place.

In line with this strategy, the Bank has embarked upon Digital Transformation projects to improve customer services and drive them towards self-service. Doha Bank has also added other services to alternate channels namely China Union Pay, Western Union, remittance through Credit Cards, real-time utility bills payment. The Electronic Cheque Clearing system was upgraded to its latest version with key enhancements and integrations, and several new modules like PDC, Onus and automatic recovery of charges. Additionally, Doha Bank has improved the transaction screening and fraud monitoring solutions for compliance, governance and security. As part of the compliance mandate, Doha Bank has also successfully implemented IBAN (International Bank Account Number) for all Doha Bank customers including its international branches in-line with the regulatory guidelines. Doha Bank has successfully completed its security surveillance CCTV project for all local branches as well as the complete ATM network and is currently under review for certification by the relevant authorities.

Doha Bank Group CEO, Dr. R. Seetharaman, receiving the 'Best Regional Commercial Bank in the Middle East 2014' award at the Banker Middle East Industry Awards in Dubai, UAE.

Doha Bank is supported by highly efficient and qualified IT resources for delivery of technology projects and to support its architecture to maximize availability, scalability, reliability, security and manageability. Doha Bank's Information Security Management System (ISMS) ensures the confidentiality, integrity and availability of the information assets of the Bank through the implementation of various controls and processes of global standards. The network and security architecture is built to ensure maximum security covering end point security solutions, application firewalls, intrusion prevention systems and virtual private network with encryption of its internal and external communication networks. Doha Bank has resilience in its network to ensure high-availability and auto-failovers for continuity and uninterrupted delivery of services.

Doha Bank was the first organization in the GCC to have achieved the ISO/IEC 20000 certification for its IT Service Management System in 2007. As part of this journey, IT Processes were recertified regularly by relevant authorities against ISO 20000-1: 2011 standards. It is important to note that Doha Bank has successfully been recertified in December 2013. Doha Bank is also proud to be the only financial institution in the country to be accredited with the same. To further enhance the services to the customers, Doha Bank is implementing IT Infrastructure Library (ITIL) structured solution to manage change processes, Incident Management, Problem Management, Service Catalog, Remote Control, Contract Management and Service Level Agreement Management. In testament to Doha Bank's drive and resolve to support multiple service offerings using e-banking channels, the Bank was honored with 'eBanking 2013 Excellence Award' by Middle East Excellence Award Institute.

As part of its Green initiatives, the Bank continues its drive toward ensuring that all systems and technologies that are implemented have lesser carbon footprint, lesser carbon emission and low energy consumption. In line with this, many initiatives have been taken up internally like printers consolidation, duplex printing to reduce papers usage as well as automatic systems to switch off internal systems to consume less power and energy.

The Bank has provided its customers with different channels in terms of e-banking and m-banking, ATMs, Online Cash Deposit Machines, Cheque Deposit Machines using the latest technology solutions to perform their day to day banking anywhere and anytime with fully secured solutions. This has been the key differentiator and has given the Bank an edge over its competitors. Further to the strong technology foundation that the Bank has laid over the last decade for providing world-class banking solutions, it is now focused towards more effective real-time services to its customers by way of providing new banking services through new channels of distribution and also by enhancing the internal services allowing the Bank to better serve its customers.

Beside the above initiatives, Doha Bank has also finalized its next three years IT Strategy in order to ensure a step change in bringing technology based services for our customer base across our local and international presence. The IT Strategy has a major focus on common customer experience towards digital advantage as well as providing major banking products as self-service based proposition. There are several new initiatives which will be 'first in the region'. It also covers major system enhancements, upgrades and new solution implementation. To this effect, Doha Bank has declared its next three years as 'Years of Digitization' to bring about change and transform the banking dynamics in the country.

Doha Bank received ISO20000 certification for its IT Service Management

HUMAN RESOURCES

Human Resources (HR) unit has always continued to contribute towards the corporate business strategy of the the Human Capital Management in the Bank. Qatari development, resourcing, productivity, efficiency in HR Services and compensation & rewards are areas emphasized within the framework of 'best fit' and 'best practice'.

The success of Doha Bank over the years has been its employees. With a fast-paced work environment that nurtures a high performance culture, Doha Bank believes in creating an environment that employees would look forward to work and lead them towards excellence in every aspect to make them future leaders in the banking industry.

Doha Bank is committed to Qatarisation and grooming future Qatari leaders. The Bank under took various initiatives to strengthen and attract local resources. The Bank's sponsored Scholarship Program is dedicated to Qatari Nationals for pursuing 'on campus' higher studies at various renowned educational institutions in Qatar, GCC and UK. Other initiatives include Management Trainee Program, Banking Training Program, Individual Career Plan (ICP), cross-border training and branch managers' succession planning, which have been successfully executed to develop Qatari employees.

In order to attract talent from the region and strengthen employee branding, the Bank uses recruitment channels such as Doha Bank Career Website where we are receiving an overwhelming response, advertisements,

Doha Bank staff across various departments periodically recognized with awards for their outstanding contribution by the Board and Senior Management of Doha Bank

Internal Referrals, Overseas Recruitment Drives, Social Network / Media. Psychometric Testing skills are implemented for assessment of a good quality and high potential candidate.

As part of the organizational development process, the Bank has reviewed and re-aligned the HR Policies and Procedures in order to strengthen employee stability and attract / retain high quality employees within the Bank. Doha Bank also practices a target based, performance driven evaluation system and has created a culture of achievement and high performance. We strongly believe in retaining talent and high performers.

Training & Career Development is practiced with a view that knowledge, attitude and skills of our employees are the most important assets to realize our ambition.

Doha Bank's staff have shown significant and impressive enthusiasm towards the new technological era of E-learning. With the launch of Doha Bank Academy, HR delivers advanced learning courses to a large number of staff. Doha Bank's in-house Doha Bank Academy Newsletter gives information on various training activities including messages from the senior management, names of achievers, crossword puzzle, photo contest, etc.

The Bank strongly believes that employee engagement is of high importance for our success. Employees should attribute to the organization physically, emotionally and intellectually. The Bank organized several social and staff welfare activities such as Knowledge Sharing sessions, monthly 'Breakfast with CEO' sessions, monthly 'Staff Connect' calls, Business Quiz, Sports Activities, Recognition Awards and Long Service Awards.

Doha Bank staff with Dr. R Seetharaman, Group CEO during Doha Bank Academy's 1st anniversary.

CORPORATE SOCIAL RESPONSIBILITY

Since its early days, Doha Bank has taken great pride in being a dynamic entity with strong values and a customer-centric approach and has sustained them over a period of time. The Bank's functional model with Social, Environmental, and Business goals, contributing towards the welfare of the community has always been a welcomed approach.

Doha Bank is and continues to be one of the pioneers of 'Green Banking' in the State of Qatar. The Bank has sustained its position with utmost care for public welfare and social consciousness. This is one of the main reasons why Doha Bank has successfully won the 'Golden Peacock Global Award for Corporate Social Responsibility'. This award is also in recognition of Doha Bank's society-driven initiatives like educational, health benefits and commitment to social causes, which has seen it introduce innovative products even during tough market conditions resulting from the global financial crisis.

Doha Bank's ECO-Schools Programme (URL: www.eco-schools.com.qa) is dedicated to the environment and encourages schools to proactively participate in the implementation of good environmental practices. The overall objective is to increase eco-consciousness and support children to become environmental advocates at a young age. The programme guides, assists, supports and works with the student action teams within schools on their journey towards sustainability by providing a framework to help embed these principles into the heart of students. It offers flexibility, allows creativity and encourages innovation on how the school plans to transform itself into becoming an eco-friendly institution.

The ECO-Schools Programme is an ideal way to deliver ECO-curricular activities for the next generation, which provides a creative learning environment for children to become resourceful, innovative, artistic, and proactive in saving the environment through various educational methods and approaches whether at school, home or society at large. The academic value gained from hands-on experimental learning will assist establishing valuable information as a simple step to make a big difference. Apart from Qatar, Doha Bank has expanded and started to introduce the ECO-Schools Programme in the UAE; i.e. Dubai, Abu Dhabi as well as in Kuwait.

Part of the Bank's social responsibility is to support ambitious students and the youth in general, which was also applauded by Kuwait's Minister of Commerce. Doha Bank envisions the school children to become young leaders in promoting environmental awareness and the schools continuously endeavoring to become eco-friendly advocates for a better world by empowering them to make a difference for the environment and the society.

Doha Bank now looks forward to a promising future, with better banking experiences for its customers, better returns for its shareholders and an even more progressive and prosperous environment for its employees.

Doha Bank, as one of the main pillars supporting sustainable development in Qatar, was also recognized as one of the proactive supporters on Clean and Green Qatar Programme, School Exhibition for Arabic Schools in coordination with Ministry of Education, Climate Change - School Competition in coordination with Qatar Petroleum DG/HSE, promoting the ECO-Schools Programme to schools in the State of Qatar. Green activities provide a venue for building global awareness, cooperation and participation of international organizations and companies specialized in environment technologies and sustainable energy.

The Board of Directors of Doha Bank has reiterated their continued support for environmental development, which will eventually support the development drive in the country as a whole. Doha Bank also looks forward to increasing its role in preserving the environment and supporting the endeavors of other national organizations aimed at curbing the deterioration of environmental systems and preserving the changing as well as the unchanging resources.

It is customary for Doha Bank to find itself occupying a distinguished position in the programs drawn up for celebrating the Qatari Environment Day as it is at the core of the strategies designed for protecting the health and safety of humans as well as their environmental security. Doha Bank maintains a well-defined Environmental Policy with the principles of 'Reduce, Reuse and Recycle'. Doha Bank has reached out to the larger community through its long standing CSR activities where it is committed to raise awareness on environmental issues and focus on the economic challenges facing the world and the region. Some of the Initiatives to support the State of Qatar's 'Go Green Qatar' are:

- Dedicated Green Bank Website
- ECO-Schools Programme
- Beach Clean-up
- Green Accounts and e-Statements, Environment-friendly and Biodegradable Credit Cards, Paperless Banking
- Green Banking Task Force Committee
- ECO-Schools Committee
- Participation in Earth-related global event
- Annual Marathon - Al Dana Green Run
- Public Awareness Campaigns through ATMs
- Green Forms
- Green System for Auto-shutdown of PCs
- Recycling of Papers
- Use of LED lights, power stabilizers, auto-shutters, etc.

A dedicated Doha Green Bank website (www.dohagreenbank.com) is available on the internet showing the Bank's various initiatives taken, planned activities, projects, products and services. It also includes other environment-related articles and video clips. Planned

Doha Bank continued its environmental leadership by hosting its 10th Al Dana Green Run in November 2014.

activities are lined up such as Tree Planting, Adopt-a-Beach campaign, Recycling and Waste Management programs. Promotional flyers, brochures were designed with a catchy phrase, "GO Green with Doha Bank! It's simply the right thing to do!" to convey its message to the public and gain joint-effort cooperation amongst various sectors of the society for a better world.

Doha Bank has taken various proactive measures in addressing global warming and its ramifications. It is propagating energy saving as a corporate habit. The Bank encourages ideas from staff on energy savings and suitably rewards them. Doha Bank is committed to being a carbon neutral entity. The departments at the Bank were encouraged to practice energy efficiency in their respective premises by switching off the lights, air conditioning system and other office equipment when not in use, conserve water, carpooling, eliminate usage of non-biodegradable materials, encourage recycling and proper waste disposal and buying of fair-traded and environment-friendly goods.

These are small steps that will make a big difference. ECO-consciousness is integrated into Doha Bank's daily operations through knowledge sharing, paperless banking and awareness campaigns on social responsibility to gradually instill the value of 'green culture' within the organization. The Electronic Banking products and services of Doha Bank greatly help reduce paper usage/wastage, reduce carbon footprint and encourage customers to be environmentally-conscious of their activities. Social Responsibility initiatives focuses on seminars, knowledge sharing and awareness; support for cultural events, e-News-

ECO-Schools Programme participants at Doha Bank Tower, Qatar for the Awards Ceremony letters, educational visits, charitable donations and similar activities.

Doha Bank and ILoveQatar.net (ILQ) support each other in engaging with the local communities residing in Qatar. Doha Bank and Qatar Charity (QC) 'Dirhams Program' allows all Doha Bank customers to sign an arrangement to transfer automatically the excess dirhams in their account end of each day to Qatar Charity to carry out humanitarian projects inside and outside Qatar. During 2014, Doha Bank continued its efforts of knowledge sharing by conducting sessions in Qatar, UAE and Turkey. Doha Bank also actively participated in the Annual IMF meeting held in Washington D.C, United States.

Doha Bank participated in the COP19 UN Climate Change Conference hosted by Poland. Doha Bank was also awarded with the 'Environmental Award' from The Arab Organization for Social Responsibility during 2014.

Doha Bank conducted its 10th annual 'Al Dana Green Run' in 2014. People across age groups, nationalities and social background came forward enthusiastically to take part in the 3KM run. Participants included professionals, males and females from different age groups, sports enthusiasts and members of various socio-cultural groups. The 'Al Dana Green Run' is one of the Bank's major campaigns, which is aimed to raise awareness and motivate people to become advocates of environmental issues as they go about their daily lives.

Doha Bank CEO, Dr. R. Seetharaman, together with the Doha Bank team that participated in the annual Dubai Marathon held on 24 January 2014.

Green Banking Awards: The Leading Bank in Every Domain

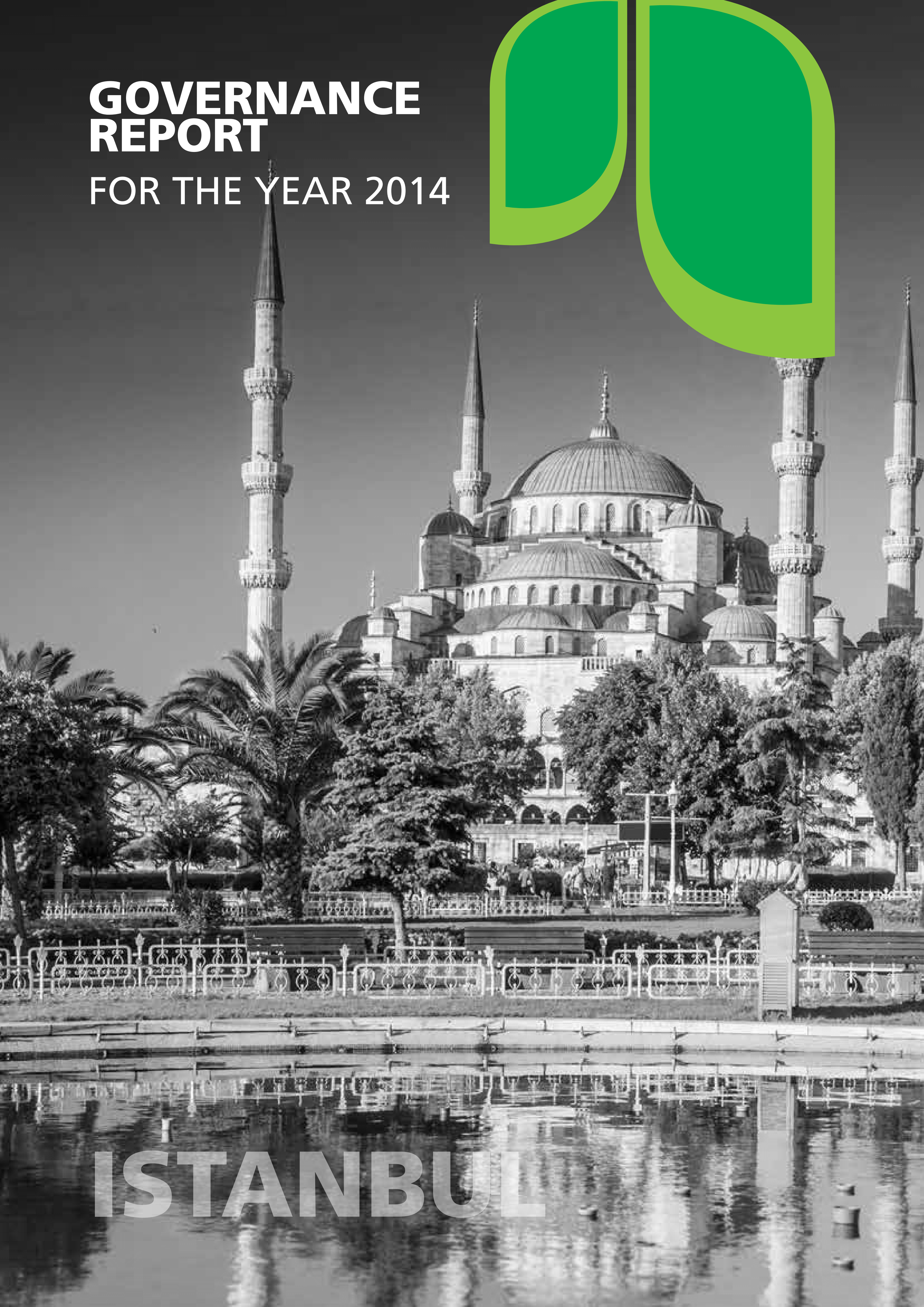
- Environmental Award - The Arab Organization for Social Responsibility - 2014
- Golden Peacock Global Award for Sustainability – Institute of Directors (IOD) – 2014, 2013, 2012, 2011, 2010
- Golden Peacock Global Award for CSR – IOD – 2014, 2013, 2012, 2011

Officials of Doha Bank and Qatar Charity after signing the partnership agreement in support of the 'Ademha' program.

- Certificate of Merit - Ministry of Environment 2013
- Best Corporate Social Responsibility Programme in the Middle East 2013 - EMEA Finance
- Excellence Award for the Best Corporate CSR Programme by a Bank in Qatar 2012 - The Arab Organization for Social Responsibility
- Green Systems Implementation of the Year - Arab Technology Awards 2010 - Arabian Computer News
- Best Environmental Leadership Award 2010 - Qatar Today
- Best Public Awareness Campaign Award 2010 - Qatar Today
- Best Public Awareness Campaign Green Award 2009 - Qatar Today
- Best Green Bank 2008 - Banker Middle East
- Best Internet Banking Service in Middle East 2008 - Banker Middle East

Doha Bank received 'Environmental Award' from the Arab Organization for Social Responsibility in Dubai

GOVERNANCE REPORT
FOR THE YEAR 2014



OVERVIEW

As part of the compliance requirement of the Corporate Governance code for listed companies; issued by Qatar Financial Markets Authority; Doha Bank as a Qatari shareholding company listed on the Qatar Exchange is required to disclose the extent to which it complies with the provisions of the code. Doha Bank believes, applying a proper corporate governance framework and principles is essential to assist the Bank in achieving its goals and achieving best performance, besides improving its internal and external Bank working environment, protecting stakeholders' interests and in distributing roles and responsibilities in an ideal way.

During the year, the Bank was keen on enhancing the corporate governance framework by applying the corporate governance policies and procedures manuals and adopting best practices. This report summarizes Doha Bank's governance processes for 2014 in accordance with QFMA disclosure requirements as illustrated below.

Doha Bank Group CEO, Dr. R. Seetharaman, with officials from 'Enterprise Qatar' (EQ), on signing of the partnership agreement.

BOARD OF DIRECTORS AND BOARD COMMITTEES

Roles and Responsibilities:

The Board of Directors is responsible for the stewardship of the Bank and to provide effective leadership and supervision of Doha Bank's business, whilst growing value in a profitable and sustainable manner.

The roles and responsibilities of the Board are defined in the Board Charter. The Board Charter shall be published to the public through the Doha Bank website and will be available to shareholders before the Shareholder's meeting. The Board's roles and responsibilities are compliant with the requirements of the Code, and cover the following areas:

- Strategy
- Governance
- Compliance
- Risk Management
- Authorities and Delegations
- Internal and External Audit
- Board Committees
- Board Code of Conduct
- Board Composition
- Board Meetings
- Board Membership Requirements.

Each Board Member's duties have been updated and defined in Job Descriptions prepared for this purpose. Moreover, each Board Member is also required to provide sufficient time to perform his duties. Currently, time commitments are not contractually set but are understood by all Directors.

Board Composition

The Board currently consists of seven members:

- Chairman;
- Vice Chairman;
- Managing Director;
- 4 Non-Executive directors including two independent members

Briefs of each Board Member's education and experience profile are depicted below:

Sheikh Fahad Bin Mohammad Bin Jabor Al Thani

- Chairman
- Chairman of the Executive Committee
- Date of Appointment on Board: June 3, 1996
- Education/ Experience: Graduate of the Royal Academy, Sandhurst, UK
- Other Board Memberships: Board Member at Al Khaleej Takaful Group
- Ownership: 1.68% (December 31, 2014)

Mr. Ahmed Abdul Rehman Yousef Obeidan

- Vice Chairman
- Member in the Executive Committee
- Date of Appointment on Board: April 20, 1982
- Education/ Experience: General Manager, Al Waha Contracting & Trading Est.
- Ownership: 1.67% (December 31, 2014)

Sheikh Abdul Rahman Bin Mohammad Bin Jabor Al Thani

- Managing Director
- Chairman of Policies, Development and Remuneration committee and Chairman of Nomination and Governance committee
- Member of Executive Committee
- Date of Appointment on Board: December 21, 1978
- Education/ Experience: Bachelor of Civil Engineering, Missouri University, USA
- Other Board Memberships: Chairman of the Board of Directors, Qatar Industrial Manufacturing Co. Chairman of the Board of Directors (State of Qatar representative): Qatari Oman Investment Company and Board Member: National Leasing Holding.
- Ownership: 1.93% (December 31, 2014)

Sheikh Abdulla Mohamed Jabor Al-Thani

- Non-Executive Board Member
- Chairman of Audit, Compliance and Risk Committee

- Member of Nomination and Governance Committee
- Date of Appointment on Board: April 20, 1982
- Other Board Memberships: Chairman of Al Khaleej Takaful Group
- Ownership: 0.75% (December 31, 2014)

Mr. Ahmed Abdullah Al Khal
- Non-Executive Board Member and Independent
- Date of Appointment on Board: March 3rd 2014.
- Education/ Experience: Businessman
- Ownership: 0.75% (December 31, 2014)

Mr. Hamad Mohammed Hamad Abdullah Al Mana
- Non-Executive Board Member
- Member of Nomination and Governance committee
- Date of Appointment on Board: April 13, 1999
- Other Board Memberships: Vice Chairman: Mohammad Hamad Al Mana Group Companies,
- Board Member: Qatar General Insurance & Re Insurance Co, Board Member: Qatar Navigation Co., Board Member: Arab Qatari Co. for Dairy Products
- Ownership: 1.57% (December 31, 2014)

Sheikh Falah Bin Jassim Bin Jabor Al-Thani representative of Jassim and Falah Trading and Contracting Co.
- Non-Executive Board Member and Independent
- Member of Policies & Procedures, Development and Remuneration Committee and Member of the Executive Committee
- Date of Appointment on Board: 27th Feb 2011
- Education: Bachelor of Finance
- Experience: EX- Minster of Civil Servant Affair Housing : 1996 to 2006
- Other Board Membership : Chairman of Board of Directors; National Leasing Holding
- Ownership: 1% (December 31, 2014)

Independent Board Members
The current composition of the Board does not include independent directors as required by the code except for one. This is due to the fact that Board members have been involved in the stewardship of the Bank over previous terms, and current market and social conditions. Hence, the ownership of this member at the time of nomination to the Board does not exceed the number of shares required for membership of the Board of Directors.

Duties of Non-Executive Board Members
Non-Executive Board Members perform their role "as defined in the Bank's approved Job Description" contributing by considering strategy objectively and providing effective stewardship of the governance framework in safeguarding shareholders' interests.

The Non-Executive Board Members are actively involved in providing input to the Board's activities as stipulated in the Board Charter, and review the Bank's performance periodically and scrutinize the performance of management in achieving agreed goals. Where conflicts of interest arise they should have oversight in ensuring that Bank and Shareholders' interests are maintained.

Fiduciary Responsibilities
Each Board member owes the Bank by employing diligence, loyalty and integrity in support of the Bank's overall vision and in line with the Board Charter and the Bank's Code of Ethics. Board members act on an informed basis in the best interests of the Bank and in fulfillment of their responsibilities to the Bank. Board members therefore require to possess the required knowledge, experience and skills.

Duties of the Chairman of the Board
The role of the Chairman is to lead Doha Bank in achieving its strategic goals and to provide its shareholders with sustainable gains. The Chairman also leads the Board and oversees all aspects of its role and in setting its agenda. He may delegate specific duties to Board Members, Board Committees, Managing Director and CEO as appropriate. Additionally, he discusses with board members recommendations, improvements, strategic initiatives, annual budgets, new investment opportunities available and ensures that the board has performed its assigned duties. He also discusses general bank issues periodically with the members, ensures that there is a mechanism for evaluating board members, and communicates with shareholders. The Chairman also coordinates regularly with the CEO to retain the necessary financial and human resources to achieve the Bank's goal, whilst monitoring performance periodically through the CEO.

Mr. Khalifa Abdulla Al-Kaabi, Acting Head - Doha Bank Recovery Department, hands over the donation to Qatar Red Crescent

Board Meetings
The Board meets based on the invitation of the Chairman or two members of the Board. Each Board meeting has an agenda which is submitted to all members prior to the meeting giving enough time for preparation purposes. As per the Board Charter, the Board meets a minimum of 6 times (once every two months at a minimum). The Board met a total of six times in 2014, last meeting was held on 30th November 2014.

Board Remuneration
The Bank has adopted a policy which regulates the disbursement of remuneration, bonuses and benefits. At the end of each year prior to the General Assembly meeting, the proposed remuneration for board members and the chairman is made available to the share-

holders for discussion and approval. Additionally, other benefits provided to board members are reviewed by the Qatar Central Bank and the External Auditors, and subsequently sent to Qatar Central Bank and thereafter presented to the shareholders for approval.

Senior Management Remuneration
The Bank has adopted a policy which regulates the process for assessing the performance of Senior Management according to strategic goals which are set on a 3 year basis. Based on the performance assessment and the Bank's results the additional benefits and bonuses are set. With regard to salaries, the Bank has adopted a salary scale which is approved by the Board.

Board Secretary
The Board appointed the current Board Secretary in July 2007, holding a Bachelor Degree in Law from Ain Shams University since 1987 and a Diploma in Law, 1988. It is in Doha Bank's view that the Board Secretary meets all the requirements of the Code.

The Board Secretary maintains all Board documentation and manages the overall processes related to Board Meetings. The Board Secretary reports directly to the Chairman, however, all members have access to the secretary's services.

Doha Bank named 'Retail Bank of the Year' at Enterprise Agility Awards

Separation of Positions of Chairman and CEO
The Chairman and CEO duties and responsibilities are separated in the Bank and each position has clearly defined roles and responsibilities under its own Job Description.

Conflict of Interest and Insider Trading
Doha Bank has set in place several controls to prevent conflict of interest situations from occurring. Specifically, the Bank has adopted a related party policy which will be published to shareholders in the near future. Related party transactions are approved by the Board/ Management based on materiality. As per Commercial Companies Law, if a Board Member has a conflict, he does not participate in the Board Meeting or participate in resolutions passed by circulation. It is also worth noting that the Bank has adopted a conflict of interest policy which must be complied with by all employees of the Bank.

Currently, monitoring and controls on insider trading are done by Qatar Exchange directly. A policy on insider trading has been adopted by the Bank.

Disclosure of Related Party Transactions
During the year, the Bank has engaged with companies belonging to members of the Board of Directors. The Bank has dealt with these companies in accordance with the Bank's internal policy for dealing with related parties. These transactions were disclosed at the General Assembly Meeting of the Bank held on March 3rd, 2014 and approved by shareholders during the General Assembly. Any new transactions shall be disclosed in the following General Assembly.

With regard to trading in the Bank's shares, we would like to note that the Bank's policy prevents the Chairman, Board Members and Executive Management from concluding any deals to buy or sell the Bank's shares during the period specified by Qatar Exchange and until announcing financial statements to the public.

Other Board Practices and Duties
Consultancy: The Board may consult at the Bank's expense any independent expert or consultant. It is permitted for the Board Members to obtain professional advice at the cost of the Bank with the approval of the Board.

Access to documentation: As defined in the Board Charter, Board Members shall have full and immediate access to information, documents, and records pertaining to the Bank. The Bank's Executive Management shall provide the Board and its committees with all requested documents and information pertaining to Board decisions.

Nominations: the Bank has established a system for the nomination/appointment of Board Members. As per the Nomination and Governance Committee roles and responsibilities, the committee should consider terms, qualifications and experience required for a nominee to take an active role as a Board Member. Hence, the committee will determine the standards necessary to elect the new Board Member.

Training Programs: Although a training program has not yet been implemented, the Bank has put in place Corporate Governance Policies which include guidelines on Board Trainings for new Board Members. The Bank has enrolled some Board Members in training in relation to Corporate Governance during the year.

Governance: the Board will be kept up to date on governance practices through Management and the Board Nomination and Governance Committee.

Dismissal: Members whom do not attend Board meetings on a regular basis without acceptable excuse can be removed accordance to Doha Bank Articles of Association.

Self-Assessment: Templates and tools have been approved to perform an annual self-assessment which will be implemented in due course.

Remuneration: Doha Bank has adopted a Remuneration Policy for the Board and estimates Executive Management remunerations based on the Bank's overall performance and achievements of goals as stipulated in the Bank's strategy.

Board Resolutions through Circulation: From time to time Board Resolutions may be passed through circulation with the approval of the majority of Board Members in writing; submitted to the Board of Directors for endorsement in the following meeting.

Board Committees: Board Committees are established to assist the Board of Directors in conducting their duties. Each committee has developed Terms of Reference that define the committee's roles and responsibilities in accordance with QFMA regulations and leading governance practices. Board Committee Terms of Reference will be published in the near future.

The Bank has Board committees as follows:

- Audit, Compliance and Risk Committee
- Nomination and Governance Committee
- Policies, Development and Remuneration Committee
- Executive Committee

Doha Bank Managing Director H.E. Sheikh Abdul Rahman Bin Mohammad Bin Jabor Al-Thani and CEO Dr. R. Seetharaman with keynote speakers at the Retail Conference held at St. Regis, Qatar

Audit, Compliance and Risk Committee

Membership: Non-Executive Board Member (Chairman), two Independent Members, one is not a member of the board and not a Bank employee.

Roles and Responsibilities: The Committee is responsible for reviewing the financial statements, the work of external and internal auditors, the internal control environment, the compliance with regulations and laws and the management of risk at the Bank. The Audit Committee may seek independent professional advice for risk management and may hire consultants to assist it in performing its functions, and exercising its powers and responsibilities soundly. The Committee discusses with the external auditors the nature, scope and efficiency of the undertaken audits in accordance with International Audit Standards and International Financial Reporting Standards, and it also ensures the independence and objectivity of the external auditors by collecting information from them on their relationship with the bank, including the non-auditing services.

The Committee also reviews the annual and quarterly financial statements and inspects the Bank's annual report and the notes contained therein, and in the other related control reports. It also reviews the important financial and accounting reports, including the complex cases and the unusual operations and the areas that require a high level of diligence and good judgment.

The Committee considers the effectiveness of the Bank's risk management and internal control over annual, interim and regulatory financial reporting and other regulatory reporting, including information technology security. It also seeks clarifications from the management and the internal and external auditors as to whether the financial and operational controls are adequate and effective. The Committee ensures that the financial statements and the issued reports are in compliance with the accounting standards and practices accepted by QCB and QFMA, and with the listing regulations enforced by QE, as well as the disclosure rules and any other requirements governing the preparation of financial reports.

The Committee meets regularly during the year to discuss the reports of the Internal Audit Department, the Compliance Department and Risk Management in addition to the reports issued by the External Auditors and QCB's inspection reports.

The Committee also reviews the quotations submitted by the external auditors for auditing the Bank's accounts every year and submits recommendations thereof to the Board of Directors to select the most suitable auditor or to renew the term of the current auditor so as to submit a Board recommendation to the General Assembly of Shareholders.

The Bank has approved a whistle-blowing policy to encourage the Bank's employees to detect/ disclose any violations that may adversely affect the Bank. The critical issues are then reported to the Audit, Compliance & Risk Evaluation Committee which in turn ensures taking the necessary actions to rectify the violations.

The Audit Committee has met a total of eight times in 2014, which is above the requirements of quartly meetings as defined by the code.

There has been no conflict between the Committee's recommendations and the Board's resolutions during the year.

Nomination and Governance Committee

Membership: Managing Director (Chairman of Committee) and 2 Non-Executive Board Members (Members)

Roles and Responsibilities: The Committee reviews the nominations for the Board of Directors' membership and monitors the adherence to corporate governance principles at Doha Bank. It also identifies and nominates new members for the Board who have the ability to make sound decisions on behalf of the bank and shareholders. The Committee takes into account the availability of a sufficient number of potential candidates who can perform their duties as Board Members. It also assesses their skills, knowledge and experience as well as their professional, technical, and academic qualifications and their personality. The Committee evaluates the candidates for the membership of the Board based on criteria including integrity, insight, acquired experience and the ability to devote sufficient time to manage the Bank's affairs.

Policies, Development and Remuneration Committee

Membership: Managing Director (Chairman), 2 Independent Board Members

Roles and Responsibilities: The Committee approves the Bank's policies and strategies, and reviews the remuneration framework for the Executive Management and the Board. The Committee is also responsible for drawing up the general policy of bonuses and benefits of the Board of Directors, CEO and Senior Executives based on the achievement of the Bank's long-term strategic goals. The Committee also reviews the pay scale and other employment benefits of the Bank's employees and makes recommendations to the Board of Directors for approval. The allowances and benefits of the Chairman, Board Members and Board Committees are presented to the shareholders at the General Assembly Meeting at the end of each financial year for approval.

Executive Committee

Membership: Chairman (Chairman of Committee), Vice Chairman (Member) and Managing Director (Member) and one executive member.

Roles and Responsibilities: providing assistance to the Board and reviewing/ approving credit facilities within delegated authority; the Executive Committee has met a total of five times during 2014.

Doha Bank has been unable to fulfill the requirement of having a majority of members being independent in Policies, Development and Remuneration Committee, and the Nomination and Governance Committee. Doha Bank will consider changes in the composition of these committees in the future taking social facts into consideration.

INTERNAL CONTROL, COMPLIANCE, RISK MANAGEMENT AND INTERNAL AUDIT

Internal Control

The general objective of the internal controls procedures of Doha Bank is to safeguard assets and capital and to ensure the reliability of Doha Bank's and its subsidiaries' financial recordkeeping. Doha Bank has adopted a process of internal controls that allow Management to detect errors in procedures or financial recordkeeping. Doha Bank's internal control framework includes the establishment of strong finance, risk management, compliance and internal audit departments which support in establishing a strong internal control framework.

The Internal Control Framework is overseen by the Audit, Compliance and Risk Committee. The Internal Audit, Compliance and Risk Departments respectively provide periodic reports to the Audit, Compliance and Risk Committee on:

- The major risks associated with the banking busi ness related to Strategic, Reputation, Compliance, Legal, Credit, Liquidity, Market, and Operational Risks;
- Overall compliance of the Bank with rules and regulations;
- Internal Audit and External Audit recommendations and findings.

The Board of Directors has approved policies related to Internal Audit Department, Compliance Department and Risk Management Department.

Doha Bank CEO Dr. R. Seetharaman receives the 'Man of the Year' award from IAIR Group President Mr. Guido Giommi

Compliance

The main responsibility of the Compliance Department at the Bank is to assist the Board and Bank's Executive Management in managing and controlling the Compliance risks efficiently and to protect the Bank from financial losses "if any" due to failure of compliance. Compliance risks include risk of legal/regulatory sanctions, material financial loss, or loss of reputation. Compliance also assists the Board of Directors and Executive Management in improving the internal controls procedures that will mitigate Compliance, AML and Anti–Terrorist Financing (ATF) risks. Moreover, Compliance acts as a liaison between the Bank and the respective regulators and updates management with new laws and regulations.

Internal Audit

The Bank has an independent Internal Audit Department that reports to the Board of Directors through the Audit, Compliance and Risk Evaluation Committee on a periodic basis. The Internal Audit is carried out by operationally independent, appropriately trained and competent staff. The Internal Audit employees have access to all the Bank's activities, documents and reports that are needed to accomplish their missions. The Internal Audit team does not perform any activities in relation to Bank's daily regular activities and all their bonuses and benefits are directly determined by the Board of Directors.

The Internal Audit Department operates in accordance with an Audit Plan that is approved by the Audit, Compliance and Risk Evaluation Committee. This plan includes a review and evaluation of the internal control systems of the various branches and departments of the Bank.

Risk Management

The Bank has consistently and continually monitored risks and processes across the organization to identify, assess, measure, manage and report on opportunities and threats that could impact the achievement of the Bank's objectives. The Board and the Executive Management are ultimately responsible for all the risks assumed by the Bank. They seek to balance the risk profile against sustainable returns to achieve the business goals of the Bank. The Board has engaged qualified professionals and has set policies and procedures, risk limits, organizational framework, committees, authority levels and accountability. Currently, the process of identifying and assessing risk is performed through periodic risk assessments.

Implementation of the Risk Management Framework is entrusted to a highly competent team and is controlled and implemented through various senior level management committees chaired by the Chief Executive Officer covering Credit, Investment and Asset & Liability Management.

Dr. R. Seetharaman, Doha Bank Group CEO, receiving the QCB 3km run trophy from the hands of H.E. Sheikh Abdullah Saoud Al-Thani, Governor of Qatar Central Bank.

INTERNAL CONTROL ASSESSMENT

The Board receives periodic reports on the internal control framework from Senior Management and control functions such as Internal Audit, Compliance and Risk Management. Such reports are assessed and scrutinized by the Board to ensure that the internal control framework is being implemented according to management prerogatives. The Board views that the current processes adopted for internal control by the Board and Senior Management are robust for Doha Bank's operations.

No major breach of control or internal control failure has taken place which has affected or may affect Bank's financial performance during 2014.

EXTERNAL AUDIT

Annually, the external account auditors are appointed by the General Assembly of Shareholders based on a recommendation submitted by the Board of Directors. The Bank takes into consideration the instructions of the regulatory authorities related to the appointment of external auditors in terms of the number of times for the appointment of any auditor. The Board of Directors also takes QCB's prior approval for the nomination of an external auditor/more than one external auditor for the approval of the General Assembly of Shareholders. After choosing an external auditor by the General Assembly of Shareholders, an engagement letter is signed between the two parties. Under this engagement, the external auditor shall be required to comply with the best professional standards and exert the necessary professional due diligence upon conducting any audit assignment, and to inform the regulatory authorities in the event of the failure of the Bank (the Board) to take appropriate actions towards the material issues that have been raised by them. The external auditor also reviews the balance sheet and profit & loss accounts.

DISCLOSURE AND SHAREHOLDERS RIGHTS

Doha Bank considers its shareholders as key stakeholders. Doha Bank has established a Shareholder Relations function which is responsible for addressing shareholder queries. Currently, the shareholder register details are maintained by the Qatar Exchange, while Doha Bank can provide general information such as financial statements, articles of association and by-laws of the Bank to its shareholders.

Doha Bank strives to provide shareholders with sufficient data to analyze Doha Bank performance and to take decisions on Board Member elections and other matters such as dividends (a dividend policy is adopted). Doha Bank ensures that its assembly meetings and the mechanism for voting adopted is in accordance with commercial companies' law.

Disclosure Duty

Doha Bank adheres to all the disclosure requirements issued by Qatar Financial Markets' Authority, where the Bank discloses all its financial information and any activities carried out by the Bank in a transparent manner to its shareholders and the public through Qatar Exchange and the local newspapers and the Bank's website. The Bank's Board is keen to ensure that all information is accurate, correct and not misleading. The Corporate Governance Report contains details on the composition of the Board of Directors as well as information about the Board Members and the Board Committees.

Doha Bank confirms that all financial statements are prepared in accordance with the International Financial Reporting Standards and the relevant QCB regulations, and that the external auditor of the Bank prepares its reports in accordance with the International Standards on Auditing (ISA) after obtaining all the necessary information, evidences and confirmations and following the appropriate audit procedures. The Bank has provided the shareholders with all the interim and annual financial reports.

Access to Information

Doha Bank has a web site through which all information about the Bank is published, such as the annual and quarterly financial statements and the Board of Directors' Report and the Corporate Governance Report in addition to the Annual Report and any other information relating to the management of the Bank and the Board of Directors and the products, services and branches of the Bank.

Shareholders' Rights and Shareholders' Meetings

The Bank's Articles of Association include provisions that ensure the shareholders' right to attend the General Assembly meetings. The General Assembly shall meet at the invitation of the Board of Directors at least once a year at the time and place determined by the Board of Directors after the approval of the Commercial Affairs Department at the Ministry of Economy and Commerce. The Assembly should be convened within four months as of the end of the financial year of the Bank. The Board may call the General Assembly for convention whenever necessary, but it should call for a meeting if such a request has been submitted for serious reasons by the auditor or by a number of shareholders holding not less than 10% of the capital within fifteen days as of the date of the request. The Extraordinary General Assembly may be convened based upon an invitation from the Board of Directors itself, but the Board should also call for such a meeting if requested to do so by a number of shareholders holding at least 25% of the Bank's share capital.

Equitable Treatment of Shareholders

According to the Bank's Articles of Association, each shareholder shall have the right to vote on the General Assembly's resolutions and shall have a number of votes equal to the number of his shares. Minors and incompetent shareholders shall be represented by their legal proxies at the meeting.

Voting at the General Assembly shall take place by raising hands or as decided by the General Assembly. Voting must be by secret ballot if the decision relates to the election of the Board members, or their dismissal or initiating legal procedures against them; or if the Chairman of the Board of Directors or a number of shareholders comprising at least one tenth of the voters present at the meeting so request.

Proxy for attending the General Assembly is permissible, but it is stipulated that the proxy must be a shareholder and it should be private and confirmed in writing. Moreover, a shareholder may not appoint one of the Board Members to attend the meetings of the General Assembly on his behalf.

Under all circumstances, the number of shares which the proxy possesses in this capacity may not exceed 5% of the Bank's share capital except in the case where the proxy represents Qatar Investment Authority.

Shareholders' Concerning Board Members' Elections

After obtaining the approval of the competent regulatory authorities, the Bank shall announce that nominations are open for the membership of the Board of Directors in the local newspapers, and then the Nomination & Corporate Governance Committee, after the closure of the nomination period, shall study the applications received from shareholders. All information on the nominees may be obtained by shareholders by visiting the Bank before the General Assembly. After obtaining approval from the Qatar Central Bank and the Ministry of Economy and Commerce, these names shall be submitted to the Ordinary General Assembly of Shareholders to elect new Board Members from the nominees. Each share shall have one vote and there is nothing stated in the Bank's Articles of Association providing for the cumulative voting of shareholders.

Shareholders' Rights Concerning Dividend Distribution

The Board of Directors shall propose the distribution of dividends to the General Assembly every year according to the Bank's policy for dividend distribution as approved by the Board of Directors under the governance policy and the Bank's Articles of Association. The Articles of Association of the Bank allow the distribution of dividends to the shareholders after deducting 10% of the net profit of the bank to be appropriated for the legal reserve. The General Assembly may suspend this deduction once the reserve reaches 100% of the paid up capital. But if this reserve becomes less than the mentioned percentage, then the deduction should be resumed until the reserve reaches that percentage. The legal reserve may not be distributed to the shareholders except in the cases permitted by the Qatari Commercial Companies Law and after obtaining the approval of Qatar Central Bank. Upon a proposal from the Board of Directors, the General Assembly may annually decide to deduct a portion of the net profits to the optional reserve account. This reserve may be used as deemed fit by the General Assembly. A portion of the profits as determined by the General Assembly shall be deducted to meet the obligations imposed on the company by virtue of the Labour Law. The remaining profit amount shall then be distributed to the shareholders or shall be brought forward to the next year, based upon a proposal from the Board of Directors and subject to the approval of the General Assembly.

Shareholders' Rights and Major Transactions

Doha Bank is a Qatari shareholding company with a capital of QR 2,583,722,520 divided into 258,372,252 ordinary nominal shares, at a value of QR (10) per share, listed on Qatar Exchange. With the exception of Qatar Holding "The Government of Qatar", which owns 16.68% of the shares, any natural or legal person neither shall possess more than 2% of the bank's shares nor less than 100 shares, with the exception of ownership by way of inheritance. However, Qatar Investment Authority may buy and own up to 20% of the Bank's share capital. The Extraordinary General Assembly may approve the registration of a number of shares, not exceeding 20% of the share capital, in the name of a trusted depositary agent in the event of a capital increase through the issuance of global depositary receipts. The investment funds shall be considered as a single investment group, regardless of their number, if each is managed by one natural or judicial person, or if the founder in each is a natural or judicial person. In these two cases, the investment group shall not own more than 2% of the capital shares. Foreigners, on the other hand, may invest in the shares of the bank up to 25% of the issued capital. Doha Bank hereby confirms that there are no shareholder agreements related to capital structuring and the exercise of shareholder rights, and there is nothing stated in the Bank's Articles of Association on minority rights.

STAKEHOLDER RIGHTS

Doha Bank endeavors to maintain equitable and fair treatment of all its stakeholders. To enhance ethical conduct by the Bank's employees, each employee must abide by Doha Bank's Code of Ethics which stipulates ethical principles that each employee must demonstrate. Any breaches of ethical conduct are investigated and, as appropriate, disciplinary and corrective action is taken. Moreover, Doha Bank has established a whistle-blowing policy, whereby employees can report concerns without fear of retribution. Such concerns are reviewed and, as necessary, investigated and reported to the Audit, Compliance and Risk Committee.

It is also worth noting, that Doha Bank has standardized its processes related to compensation and assessment of employees by adopting a performance appraisal scheme and a staff compensation and benefits structure.

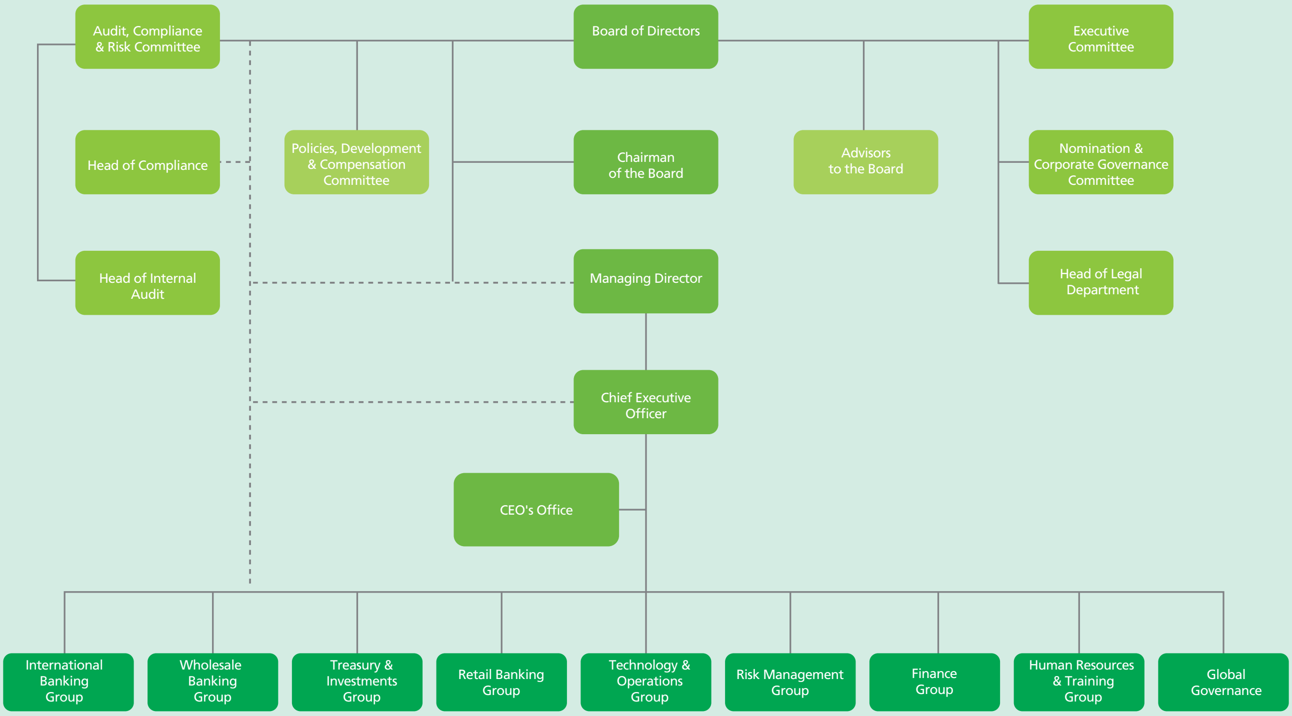
BANK BRANCHES, REPRESENTATIVE OFFICE AND SUBSIDIARIES

Doha Bank has 31 local branches, four overseas branches in Dubai and Abu Dhabi, State of Kuwait and India, and eleven representative offices in Singapore, Istanbul (Turkey), Tokyo (Japan), Shanghai (China), London (UK), Seoul (South Korea), Frankfurt (Germany), Sydney (Australia), Toronto (Canada), Hong Kong and the Emirate of Sharjah (UAE). In addition, the Bank fully owns Doha Bank Assurance Company L.L.C., a company registered under the Qatar Financial Centre and owns Doha Finance Limited registered in the Cayman Islands and primarily used for debt issuance on behalf of the Bank's Shareholders.

Fahad Bin Mohammed Bin Jabor Al Thani
Chairman

TORONTO

DOHA BANK CORPORATE ORGANISATIONAL STRUCTURE

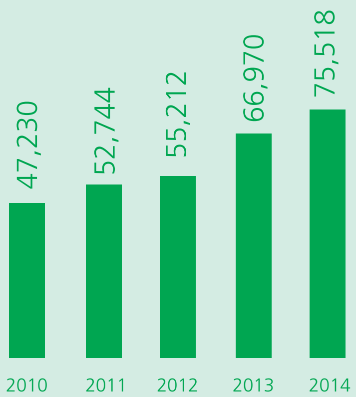


FINANCIAL RESULTS

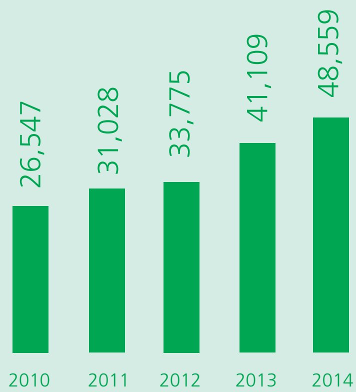
SINGAPORE

FINANCIAL RESULTS

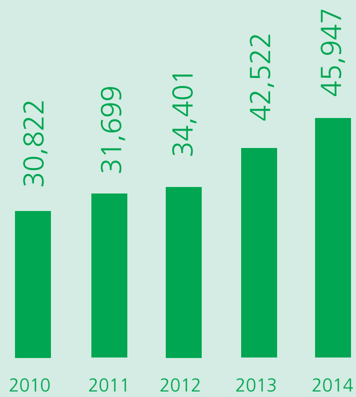
TOTAL ASSETS
(QAR Million)



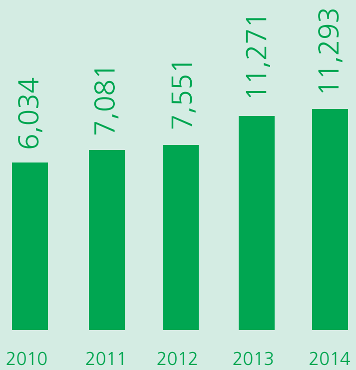
NET LOANS & ADVANCES
(QAR Million)



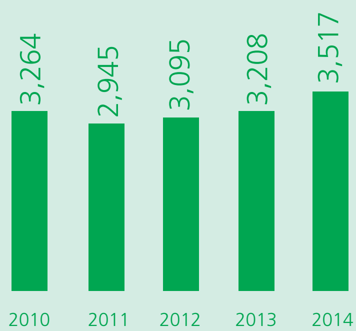
CUSTOMER DEPOSITS
(QAR Million)



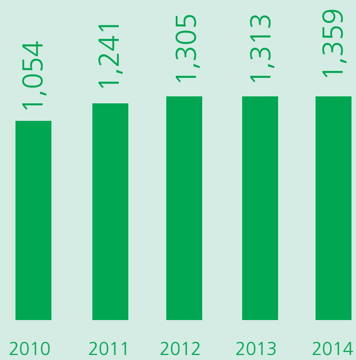
TOTAL EQUITY
(QAR Million)



TOTAL REVENUE
(QAR Million)



NET PROFIT
(QAR Million)



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DOHA BANK Q.S.C.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DOHA BANK Q.S.C.

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Doha Bank Q.S.C. (the 'Bank') and its subsidiaries (the 'Group'), which comprise the consolidated statement of financial position as at 31 December 2014, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and the applicable provisions of Qatar Central Bank regulations, and for such internal control as board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by board of directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the applicable provisions of Qatar Central Bank regulations.

Report on other legal and regulatory matters

We have obtained all the information and explanations which we considered necessary for the purpose of our audit. We further confirm that the financial information included in the Annual Report of the Board of Directors is in agreement with the books and records of the Group and that we are not aware of any contravention by the Bank of its Articles of Association, the applicable provisions of Qatar Central Bank Law No.13 of 2012 and of the Qatar Commercial Companies Law No. 5 of 2002 during the financial year that would materially affect its activities or its financial position.

Firas Qoussous
Ernst & Young
Qatar Auditors' Registry No. 236

Date: 20 January 2015
Doha

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Notes	2014 QAR'000	2013 QAR'000
ASSETS			
Cash and balances with central banks	8	**3,706,541**	3,435,761
Due from banks	9	**12,246,782**	9,180,420
Loans and advances to customers	10	**48,558,521**	41,109,116
Investment securities	11	**9,452,828**	11,703,577
Investment in an associate	12	**9,244**	9,382
Property, furniture and equipment	13	**761,011**	759,471
Other assets	14	**782,635**	772,097
TOTAL ASSETS		**75,517,562**	66,969,824
LIABILITIES			
Due to banks	15	**12,794,735**	7,719,781
Customer deposits	16	**45,946,575**	42,522,489
Debt securities	17	**2,582,478**	2,575,831
Other borrowings	18	**727,681**	455,188
Other liabilities	19	**2,173,340**	2,425,632
TOTAL LIABILITIES		**64,224,809**	55,698,921
EQUITY			
Share capital	20 (a)	**2,583,723**	2,583,723
Legal reserve	20 (b)	**4,313,177**	4,311,133
Risk reserve	20 (c)	**1,140,000**	960,650
Fair value reserves	20 (d)	**(57,574)**	(43,355)
Foreign currency translation reserve	20 (e)	**(10,595)**	(4,647)
Proposed dividend	20 (f)	**1,033,489**	1,162,675
Retained earnings		**290,533**	300,724
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE BANK		**9,292,753**	9,270,903
Instrument eligible as additional capital	20 (g)	**2,000,000**	2,000,000
TOTAL EQUITY		**11,292,753**	11,270,903
TOTAL LIABILITIES AND EQUITY		**75,517,562**	66,969,824

These consolidated financial statements were approved by the Board of Directors on 20 January 2015 and were signed on its behalf by:

Fahad Bin Mohammad Bin Jabor Al Thani	**Abdul Rahman Bin Mohammad Bin Jabor Al Thani**	**Dr. Raghavan Seetharaman**
Chairman	Managing Director	Group Chief Executive Officer

The attached notes 1 to 37 form an integral part of these consolidated financial statements

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 QAR'000	2013 QAR'000
Interest income	21	**2,507,235**	2,394,462
Interest expense	22	**(565,953)**	(572,211)
Net interest income		**1,941,282**	1,822,251
Fee and commission income	23	**522,264**	409,153
Fee and commission expense	24	**(6,222)**	(3,806)
Net fee and commission income		**516,042**	405,347
Gross written premium		**107,081**	107,777
Premium ceded		**(49,169)**	(56,820)
Net claims paid		**(36,361)**	(33,591)
Net income from insurance activities		**21,551**	17,366
Foreign exchange gain	25	**97,145**	88,654
Income from investment securities	26	**221,573**	149,094
Other operating income	27	**62,033**	58,453
		380,751	296,201
Net operating income		**2,859,626**	2,541,165
Staff costs	28	**(523,489)**	(458,213)
Depreciation	13	**(83,575)**	(81,873)
Impairment loss on investment securities	11	**(30,174)**	(10,769)
Net impairment loss on loans and advances to customers	10	**(439,149)**	(318,158)
Other expenses	29	**(413,043)**	(354,536)
		(1,489,430)	(1,223,549)
Share of results of the associate	12	**42**	143
Profit for the year before tax		**1,370,238**	1,317,759
Tax expense	30	**(11,580)**	(5,107)
Profit for the year		**1,358,658**	1,312,652
Earnings per share			
Basic earnings per share (QAR per share)	31	**4.79**	5.29
Diluted earnings per share (QAR per share)	31	**4.79**	5.29

The attached notes 1 to 37 form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 QAR'000	2013 QAR'000
Profit for the year		**1,358,658**	1,312,652
Other comprehensive income:			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Foreign currency translation differences for foreign operations		**(5,948)**	(1,180)
Available-for-sale investment securities:			
Net change in fair value	20	**65,816**	(78,357)
Reclassified during the year to the consolidated income statement	20	**(80,035)**	(91,854)
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods	20	**(20,167)**	(171,391)
Items not to be reclassified to profit or loss in subsequent periods		**-**	-
Other comprehensive loss		**(20,167)**	(171,391)
Total comprehensive income for the year		**1,338,491**	1,141,261

The attached notes 1 to 37 form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Equity attributable to shareholders of the Bank									
	Share capital QAR' 000	**Legal reserve QAR'000**	**Risk reserve QAR'000**	**Fair value reserves QAR'000**	**Foreign currency translation reserve QAR'000**	**Proposed dividend QAR'000**	**Retained earnings QAR'000**	**Total QAR'000**	**Instrument eligible as additional capital QAR'000**	**Total equity QAR'000**
Balance as at 1 January 2013	2,066,978	3,283,600	773,650	126,856	(3,467)	930,140	373,408	7,551,165	-	**7,551,165**
Total comprehensive income for the year:										
Profit for the year	-	-	-	-	-	-	1,312,652	1,312,652	-	**1,312,652**
Other comprehensive income	-	-	-	(170,211)	(1,180)	-	-	(171,391)	-	**(171,391)**
Total comprehensive income for the year	-	-	-	(170,211)	(1,180)	-	1,312,652	1,141,261	-	**1,141,261**
Transfer to legal reserve	-	2,845	-	-	-	-	(2,845)	-	-	**-**
Transfer to risk reserve	-	-	187,000	-	-	-	(187,000)	-	-	**-**
Contribution to social and sports fund	-	-	-	-	-	-	(32,816)	(32,816)	-	**(32,816)**
Issuance of instrument eligible as additional capital (Note 20 g)	-	-	-	-	-	-	-	-	2,000,000	**2,000,000**
Transactions with equity holders, recognised directly in equity:										
Dividends paid (Note 20 f)	-	-	-	-	-	(930,140)	-	(930,140)	-	**(930,140)**
Proposed dividends (Note 20 f)	-	-	-	-	-	1,162,675	(1,162,675)	-	-	**-**
Increase in share capital	516,745	1,024,688	-	-	-	-	-	1,541,433	-	**1,541,433**
Total contributions by and distributions to equity holders	**516,745**	**1,024,688**	**-**	-	-	**232,535**	**(1,162,675)**	**611,293**	**-**	**611,293**
Balance as at 31 December 2013	**2,583,723**	**4,311,133**	**960,650**	**(43,355)**	**(4,647)**	**1,162,675**	**300,724**	**9,270,903**	**2,000,000**	**11,270,903**

	Equity attributable to shareholders of the Bank									
	Share capital QAR' 000	**Legal reserve QAR'000**	**Risk reserve QAR'000**	**Fair value reserves QAR'000**	**Foreign currency translation reserve QAR'000**	**Proposed dividend QAR'000**	**Retained earnings QAR'000**	**Total QAR'000**	**Instrument eligible as additional capital QAR'000**	**Total equity QAR'000**
Balance as at 1 January 2014	2,583,723	4,311,133	960,650	(43,355)	(4,647)	1,162,675	300,724	9,270,903	2,000,000	11,270,903
Total comprehensive income for the year:										
Profit for the year	-	-	-	-	-	-	1,358,658	1,358,658	-	1,358,658
Other comprehensive income	-	-	-	(14,219)	(5,948)	-	-	(20,167)		(20,167)
Total comprehensive income for the year	-	-	-	(14,219)	(5,948)	-	1,358,658	1,338,491	-	1,338,491
Transfer to legal reserve	-	2,044	-	-	-	-	(2,044)	-	-	-
Transfer to risk reserve	-	-	179,350	-	-	-	(179,350)	-	-	-
Interest on Tier 1 Capital notes							(120,000)	(120,000)		(120,000)
Contribution to social and sports fund	-	-	-	-	-	-	(33,966)	(33,966)	-	(33,966)
Transactions with equity holders, recognised directly in equity:										
Dividends paid (Note 20 f)	-	-	-	-	-	(1,162,675)	-	(1,162,675)	-	(1,162,675)
Proposed dividends (Note 20 f)	-	-	-	-	-	1,033,489	(1,033,489)	-	-	-
Total contributions by and distributions to equity holders	**-**	**-**	-	-	-	**(129,186)**	**(1,033,489)**	**(1,162,675)**	**-**	**(1,162,675)**
Balance as at 31 December 2014	**2,583,723**	**4,313,177**	**1,140,000**	**(57,574)**	**(10,595)**	**1,033,489**	**290,533**	**9,292,753**	**2,000,000**	**11,292,753**

The attached notes 1 to 37 form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 QAR'000	2013 QAR'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year before tax		**1,370,238**	1,317,759
Adjustments for:			
Net impairment loss on loans and advances to customers	10	**439,149**	318,158
Impairment loss on investment securities	11	**30,174**	10,769
Depreciation	13	**83,575**	81,873
Amortisation of financing cost		**6,647**	3,863
Net gain on sale of available-for-sale investment securities	26	**(221,573)**	(122,136)
Share of results of the associate	12	**(42)**	(143)
Profit before changes in operating assets and liabilities		**1,708,168**	1,610,143
Change in due from banks		**(1,536,448)**	838,159
Change in loans and advances to customers		**(8,709,320)**	(7,440,592)
Change in other assets		**(10,538)**	(105,801)
Change in due to banks		**5,074,954**	(996,698)
Change in customer deposits		**3,424,086**	8,121,406
Change in other liabilities		**(721,257)**	243,546
Social & sports fund contribution		**(32,816)**	(32,624)
Income tax paid		**(11,580)**	(5,522)
Net cash (used in) from operating activities		**(814,751)**	2,232,017
Cash flows from investing activities			
Acquisition of investment securities		**(8,344,389)**	(8,595,582)
Proceeds from sale of investment securities		**10,772,456**	6,412,994
Acquisition of property and equipment	13	**(85,160)**	(46,704)
Proceeds from the sale of property and equipment		**45**	182
Net cash from(used in) investing activities		**2,342,952**	(2,229,110)
Cash flows from financing activities			
Proceeds from rights issue	20	**-**	1,541,433
Proceeds from Issuance of instrument eligible as additional capital	20	**-**	2,000,000
Proceeds from other borrowings	18	**272,493**	455,188
Dividends paid		**-**	(930,140)
Net cash from financing activities		**272,493**	3,066,481
Net increase in cash and cash equivalents		**1,800,694**	3,069,388
Cash and cash equivalents as at 1 January		**8,298,379**	5,228,991
Cash and cash equivalents at 31 December	33	**10,099,073**	8,298,379
Interest received		**2,586,596**	2,410,718
Interest paid		**554,607**	567,486
Dividends received		**36,224**	26,958

The attached notes 1 to 37 form an integral part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

1. REPORTING ENTITY

Doha Bank Q.S.C. ("Doha Bank" or the "Bank") is an entity domiciled in the State of Qatar and was incorporated on 15 March 1979 as a Joint Stock Company under Emiri Decree No. 51 of 1978. The commercial registration of the Bank is 7115. The address of the Bank's registered office is Doha Bank Tower, Corniche Street, West Bay, P.O. Box 3818, Doha, Qatar.

Doha Bank is engaged in conventional banking activities and operates through its head office in Doha and 31 local branches, four overseas branches in the United Arab Emirates (Dubai & Abu Dhabi), State of Kuwait and India and representative offices in United Kingdom, Singapore, Turkey, China, Japan, South Korea, Germany Australia, Hong Kong, Sharjah (UAE) and Canada. In addition, the Bank owns 100% of the issued share capital of Doha Bank Assurance Company L.L.C., an insurance company registered under Qatar Financial Centre, and Doha Finance Limited, a special purpose vehicle set up for the issuance of debt. The consolidated financial statements for the year ended 31 December 2014 comprise the Bank and its subsidiaries (together referred to as "the Group").

The principal subsidiaries of the Group are as follows:

Company's name	Country of incorporation	Company's capital (QAR'000)	Company's activities	Percentage of ownership 2014	Percentage of ownership 2013
Doha Bank Assurance Company L.L.C	Qatar	100,000	General Insurance	100%	100%
Doha Finance Limited	Cayman Island	182	Debt Issuance	100%	100%

The consolidated financial statements for the year ended 31 December 2014 were authorized for issue in accordance with a resolution of the Board of Directors on 20 January 2015.

2. BASIS OF PREPARATION

Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and the applicable provisions of Qatar Central Bank ("QCB") regulations.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for the derivative financial instruments, financial assets held for trading and available-for-sale financial assets that have been measured at fair value. In addition, the carrying values of recognised assets that are hedged items in fair value hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risk that are being hedged.

Functional and presentation currency

These consolidated financial statements are presented in Qatari Riyals ("QAR"), which is the Group's functional and presentation currency. Except as otherwise indicated, financial information presented in QAR has been rounded to the nearest thousand.

Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are described in note 5.

3. SIGNIFICANT ACCOUNTING POLICIES

New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended IFRS recently issued by the IASB and International Financial Reporting Interpretations Committee ("IFRIC") interpretations effective as of 1 January 2014 :

Investment Entities – Amendments to IFRS 10, IFRS 12 and IAS 27

These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under IFRS 10 Consolidated Financial Statements. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. These amendments have no impact to the Group, since none of the entities in the Group qualifies to be an investment entity under IFRS 10.

Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32

These amendments clarify the meaning of "currently has a legally enforceable right to set-off" and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. These amendments have no impact on the Group.

Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39

These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments have no impact to the Group as the Group has not novated its derivatives during the current or prior periods.

Recoverable Amount Disclosures for Non-Financial Assets – Amendments to IAS 36

These amendments remove the unintended consequences of IFRS 13 Fair Value Measurement on the disclosures required under IAS 36 Impairment of Assets. In addition, these amendments require disclosure of the recoverable amounts for the assets or cash-generating units ("CGUs") for which an impairment loss has been recognised or reversed during the period. The Group early adopted these disclosure requirements in the annual consolidated financial statements for the year ended 31 December 2013.

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Topic	Effective date
IFRS 9 Financial Instruments	1 January 2018
IFRS 14 Regulatory Deferral Accounts	1 January 2016
IFRS 15 Revenue from Contracts with Customers	1 January 2017
Amendments to IFRS 11 Joint Arrangement: Accounting for acquisition of interest	1 January 2016
Amendments to IAS 16 and IAS 38: Clarification of acceptable methods	1 January 2016
Amendments to IAS 27: Equity method in separate financial statements	1 January 2016

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group is assessing the impact of implementation of these standards.

Basis of consolidation
The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries ("the Group") as at 31 December 2014. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of income and consolidated statement of other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. These consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

ASSOCIATES
Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but not control or joint control over those policies.

Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost including transaction costs directly related to acquisition of investment in associate.

The Group's share of its associate's post-acquisition profits or losses is recognised in the consolidated income statement; its share of post-acquisition movements in equity is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Intergroup gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Intergroup losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Group's share of the results of associates is based on financial statements and adjusted to conform to the accounting policies of the Group. Intergroup gains on transactions are eliminated to the extent of the Group's interest in the investee. Intergroup losses are also eliminated unless the transaction provides evidence of impairment in the asset transferred.

The consolidated financial statements of the Group include the associate stated below:

Company Name	Country of incorporation and operation	Ownership Interest (%)		Principal activity
		2014	2013	
Doha Brokerage and Financial Services Limited	India	**44.02%**	44.02%	Brokerage and assets management

FOREIGN CURRENCY
Foreign currency transactions and balances
Foreign currency transactions that are transactions denominated, or that require settlement in a foreign currency are translated into the respective functional currencies of the operations at the spot exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences resulting from the settlement of foreign currency transactions and arising on translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

FOREIGN OPERATIONS
The results and financial position of all the Group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting date;
- Income and expenses for each income statement are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

Exchange differences arising from the above process are reported in shareholders' equity as 'foreign currency translation reserve'.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to 'Other comprehensive income'. When a foreign operation is disposed of, or partially disposed of, such exchange differences are recognised in the consolidated income statement as part of the gain or loss on sale.

FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Recognition and initial measurement
All financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes "regular

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

way trades": purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Classification
The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention in acquiring them.

Financial assets
At inception a financial asset is classified in one of the following categories:

- loans and receivables;
- held to maturity
- available-for-sale ; or
- Fair value through profit of loss

Financial liabilities
The Group has classified and measured its financial liabilities at amortised cost.

DERECOGNITION
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability in the statement of financial position. On derecognition of a financial asset, the difference between the carrying amount of the asset and consideration received including any new asset obtained less any new liability assumed is recognised in profit or loss.

The Group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

In transactions in which the Group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract, depending on whether the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

OFFSETTING
Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group has a currently enforceable legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

MEASUREMENT PRINCIPLES

Amortised cost measurement
The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are integral part of the effective interest rate.

Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted market price or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For the financial instruments that are not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison with similar instruments for which market observable prices exist, options pricing models, credit models and other relevant valuation models.

The fair value of investments in mutual funds and portfolios whose units are unlisted are measured at the net asset value provided by the fund manager.

The foreign currency forward contracts are measured based on observable spot exchange rates, the yield curves of the respective currencies as well as the currency basis spreads between the respective currencies. All contracts are fully cash collateralised, thereby eliminating both counterparty and the Group's own credit risk.

The fair value of unquoted derivatives is determined by discounted cash flows.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained in note 5.

Identification and measurement of impairment
The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the assets, and that the loss event has an impact on the future cash flows of the assets that can be estimated reliably.

Objective evidence that financial assets including equity securities are impaired can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of a loan or advance by the Group on terms that the Group would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Identification and measurement of impairment (CONTINUED)

to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

The Group considers evidence of impairment loss for loans and advances to customers and held-to-maturity investment securities at both a specific asset and collective level. All individually significant loans and advances to customers and held-to-maturity investment securities are assessed for specific impairment. All individually significant loans and advances to customers and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and advances to customers and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together loans and advances to customers and held-to-maturity investment securities with similar risk characteristics.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognised in profit or loss and reflected in an allowance account against loans and advances to customers.

In assessing collective impairment, the Group uses historical experience and credit rating in addition to the assessed inherent losses which are reflected by the economic and credit conditions for each identified portfolio.

For listed equity investments, generally a decline in the market value by 20% from cost or more, or for a continuous period of 9 months or more, are considered to be indicators of impairment.

Impairment losses on available-for-sale investment securities are recognised by transferring the cumulative loss that has been recognised in other comprehensive income to profit or loss as a reclassification adjustment. The cumulative loss that is reclassified from other comprehensive income to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss.

Impairment losses recognised in the consolidated income statement on equity instruments are not revised through the consolidated income statement. In case of debt instruments, if in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in consolidated income statement, the impairment loss is reversed through the consolidated income statement.

Cash and cash equivalents
Cash and cash equivalents include notes and coins on hand, unrestricted balances held with central banks and highly liquid financial assets with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the consolidated statement of financial position.

Due from banks and loans and advances to customers
Due from banks and loans and advances to customers are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Group does not intend to sell immediately or in the near term.

Due from banks and loans and advances to customers are initially measured at the transaction price which is the fair value plus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method.

Investment securities
Subsequent to initial recognition investment securities are accounted for depending on their classification as either held-to-maturity, fair value through profit or loss or available-for-sale.

Held-to-maturity financial assets
Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the Group has the positive intent and ability to hold to maturity, and which were not designated as at fair value through profit or loss or as available-for-sale. Held-to-maturity investments are carried at amortised cost using the effective interest method.

Fair value through profit or loss
The Group has classified its investments as held for trading where such investments are managed for short-term profit taking or designated certain investments as fair value through profit or loss. Fair value changes on these investments are recognised immediately in profit or loss.

Available-for-sale financial assets
Available-for-sale investments are non-derivative investments that are designated as available-for-sale or are not classified as another category of financial assets. Where the fair value is not reliably available, unquoted equity securities are carried at cost less impairment, and all other available-for-sale investments are carried at fair value.

Interest income is recognised in profit or loss using the effective interest method. Dividend income is recognised in profit or loss when the Group becomes entitled to the dividend. Foreign exchange gains or losses on available-for-sale debt security investments are recognised in the consolidated income statement.

Other fair value changes are recognised in other comprehensive income until the investment is sold or impaired, where upon the cumulative gains and losses previously recognised in consolidated statement of comprehensive income are reclassified to consolidated income statement.

Derivatives
Derivatives held for risk management purposes and hedge accounting

Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. Derivatives held for risk management purposes are measured at fair value on the statement of financial position. The Group designates certain derivatives held for risk management as well as certain non-derivative financial instruments as hedging instruments in qualifying hedging relationships. On initial designation of the hedge, the Group formally documents the relationship between the hedging derivative instruments and hedged items, including the risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, as to whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items during the period for which the hedge is designated, and whether the actual results of each hedge are within a range of 80-125 percent. The Group makes an assessment for a cash flow hedge of a forecast transaction, as to whether the forecast transaction is highly probable to occur and presents an exposure to variations

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Investment Securities (CONTINUED)
in cash flows that could ultimately affect profit or loss. These hedging relationships are discussed below.

Fair value hedges
When a derivative is designated as the hedging instrument in a hedge of the change in fair value of a recognised asset or liability or a firm commitment that could affect profit or loss, changes in the fair value of the derivative are recognised immediately in consolidated income statement together with changes in the fair value of the hedged item that are attributable to the hedged risk. If the hedging derivative expires or is sold, terminated, or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively. Any adjustment up to that point to a hedged item, for which the effective interest method is used, is amortised to consolidated income statement as part of the recalculated effective interest rate of the item over its remaining life.

Other non-trading derivatives
When a derivative is not held for trading, and is not designated in a qualifying hedge relationship, all changes in its fair value are recognised immediately in consolidated income statement.

Derivatives held for trading purposes
The Group's derivative trading instruments includes forward foreign exchange contracts. The Group sells these derivatives to customers in order to enable them to transfer, modify or reduce current and future risks. These derivative instruments are fair valued as at the end of reporting date and the corresponding fair value changes is taken to the consolidated income statement.

PROPERTY AND EQUIPMENT
Recognition and measurement
Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items of property and equipment.

The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property and equipment, and is recognised in other income/other expenses in profit or loss.

Subsequent costs
The cost of replacing a component of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

Depreciation
Depreciable amount is the cost of property and equipment, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset and is based on cost of the asset less its estimated residual value. Leased assets under finance leases are depreciated over the shorter of the lease term and their useful lives. Land and capital work-in-progress are not depreciated.

The estimated useful lives for the current and comparative years are as follows:

Buildings	20 years
Leasehold improvements, furniture and equipment	3-7 years
Vehicles	5 years

Depreciation methods, useful lives and residual values are re-assessed at each reporting date and adjusted prospectively, if appropriate.

Impairment of non-financial assets
The carrying amounts of the Group's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Provisions
A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Onerous contracts
A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Financial guarantees
Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and other bodies on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantees are initially recognised in the financial statements at fair value on the date that the guarantee was given, being the premium received. Subsequent to initial recognition, the Group's liabilities under such guarantees are measured at the higher of the initial measurement, less amortisation calculated to recognise in the statement of income any fee income earned over the period, and the best estimate of the expenditure required settling any financial obligation arising as a result of the guarantees at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits
The Group provides for end of service benefits in accordance with the employment policies of the Group. The provision is calculated on the basis of the individual's final salary and period of service at the reporting date. This provision is included in other provisions within other liabilities.

With respect to Qatari employees, the Group makes a contribution to the Qatari Pension Fund calculated on a percentage of the employees' salaries, in accordance with the Retirement and Pension Law No. 24 of 2002. The Group's obligations are limited to these contributions.

With respect to expatriate employees, the Group makes a contribution to the Provident Fund calculated on a percentage of the employees' salaries, in accordance with the Group policy and procedures. The Group's obligations are limited to these contributions.

Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

SHARE CAPITAL AND RESERVES

Share issue costs
Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Dividends on ordinary shares
Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Group's shareholders. Dividends for the year that are declared after the date of the consolidated statement of financial position are dealt with in the subsequent events note.

Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income and expense
For all financial instruments measured at amortised cost and interest bearing financial assets classified as available -for-sale and fair value through profit or loss, interest income or expense is recorded using the effective interest rate, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a short period, where appropriate, to the net carrying amount of the financial assets or financial liabilities. Interest that is 90 days or more overdue is excluded from income. Interest on impaired loans and advances and other financial assets is not recognised in consolidated statement of income.

Premium on insurance
Premium on insurance contracts are recognized as revenue (earned premiums) proportionately over the period of coverage. The portion of premium received on in-force contracts that relates to unexpired risks at the reporting date is reported as unearned premium liability on a 1/365 days basis.

Fees and commission income and expense
Fees and commission income and expense that are integral to the effective interest rate of a financial asset or liability are included in the measurement of the effective interest rate.

Other fees and commission income, including account servicing fees, sales commission and syndication fees, are recognised as the related services are performed. When a loan commitment is not expected to result in the draw-down of a loan, the related loan commitment fees are recognised on a straight-line basis over the commitment period. Other fees and commission expense relate mainly to transaction and service fees, which are expensed as the services are received.

Income from investment securities
Gains or losses on the sale of investment securities are recognised in profit or loss as the difference between fair value of the consideration received and carrying amount of the investment securities.

Income from held to maturity investment securities is recognised based on the effective interest rate method.

Dividend income
Dividend income is recognised when the right to receive income is established.

TAX EXPENSE
Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Taxes are calculated based on applicable tax laws or regulations in the countries in which the Group operates. The provision for deferred taxation is made based on the evaluation of the expected tax liability. Currently there is no corporate tax applicable to the bank in the State of Qatar. However, corporate tax is applicable on foreign branches operating outside the State of Qatar and to one subsidiary in the Qatar Financial Center.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.
- temporary differences arising on the initial recognition of goodwill

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

EARNINGS PER SHARE
The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstand-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Earnings per share (CONTINUED)

ing during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

SEGMENT REPORTING
An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the chief operating decision maker to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

FIDUCIARY ACTIVITIES
Assets held in a fiduciary capacity are not treated as assets of the Group and accordingly are not part of the consolidated statement of financial position.

REPOSSESSED COLLATERAL
Repossessed collaterals against settlement of customers' debts are stated within the consolidated statement of financial position under "Other assets" at their acquisition value net of allowance for impairment, if any.

According to QCB instructions, the Group should dispose of any land and properties acquired against settlement of debts within a period not exceeding three years from the date of acquisition although this period can be extended after obtaining approval from QCB.

COMPARATIVES
Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

PARENT BANK FINANCIAL INFORMATION
Statement of financial position and income statement of the Parent bank as disclosed in Note 37 are prepared following the same accounting policies as mentioned above except for investment in subsidiaries, associates which are not consolidated and carried at cost.

4. FINANCIAL RISK MANAGEMENT

Introduction and overview
Risk is inherent in the Group's activities but it is managed through a process of ongoing identification, measurement and monitoring subject to risk limits and other controls. The Group is exposed to credit risk, liquidity risk, operating risk and market risk, which include trading and non-trading risks. The independent risk control process does not include business risks such as changes in the environment, technology and industry. They are monitored through the Group's strategic planning process.

The Board of Directors is ultimately responsible for identifying and controlling risks; however, there are separate independent bodies such as the risk management department, internal audit committee, the credit committee, assets and liabilities committee responsible for managing and monitoring those risks.

Monitoring and controlling risks are primarily performed based on limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept.

As part of its overall risk management, the Group also uses derivatives and other instruments to manage exposures resulting from changes in interest rates, foreign currencies, equity risks, credit risks, and exposures arising from forecast transactions. The risk profile is assessed before entering into hedge transactions, which are authorized by the appropriate level of authority within the Group.

The Group applies an internal methodology to estimate the market risk of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market conditions. The Group has a set of limits of risks that may be accepted, which are monitored on a daily basis.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk. The risks arising from financial instruments to which the Group is exposed are financial risks, which include credit risk, liquidity risk, market risks and operational risk.

Credit risk
Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations in accordance with the agreed terms. Credit risk makes up the largest part of the Group's risk exposure; therefore, the Group carefully manages its exposure to credit risk. Credit risk is attributed to financial instruments such as balance with central banks, due from banks, loans and advances to customers, debt securities and other bills, certain other assets and credit equivalent amounts related to off-balance sheet financial instruments.

Note 10 to the consolidated financial statements disclose the distribution of the loans and advances to customersby economic sectors. Note 4 to the consolidated financial statements disclose the geographical distribution of the Group's credit exposure.

Credit risk measurement
All credit policies are reviewed and approved by the Risk Management Department and the Board of Directors. The Risk Management team centrally approves all significant credit facilities and limits for all corporate, treasury and capital markets, financial institutions and SME clients of the Group. Such approvals are carried out in pursuance to a set of delegated Credit authority limits and in accordance with the Group's approved credit policy.

Furthermore, all credit facilities are independently administered and monitored by the Credit Administration Department, which separately reports to operations.

The Group further limits risk through diversification of its assets by geography and industry sectors. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. The Group also follows the guidelines issued by Qatar Central Bank with regard to the granting of loans which limits exposure to counterparties.

The amount and type of collateral required depend on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.

Whenever possible, loans are secured by acceptable forms of collateral in order to mitigate credit risk. The amount and type of collateral required depend on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters. The main types of collateral obtained are cash, mortgages, local and international equities, financial guarantees and other tangible securities. The collaterals are held mainly against commercial and consumer loans and are managed against relevant exposures at their net realizable values.

The Group has a credit administration process that ensures compliance with terms of approval, documentation and continuous review to ensure quality of credit and collaterals. While securities such as listed equities are valued regularly, credit policy mandates securities obtained by way of legal mortgage over real estate to be valued at least once in 3 years or more frequently if situation warrants.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Credit Risk Measurement (CONTINUED)

Analysis of maximum exposure to credit risk before taking account of collateral held or other credit enhancements

The table below represents credit risk exposure to the Group, without taking account of any collateral held or other credit enhancements attached. For assets recorded on the statement of financial position, the exposures set out below are based on the net carrying amounts as reported in the consolidated statement of financial position.

	2014 QAR'000	2013 QAR'000
Credit risk exposures relating to assets recorded on the statement of financial position are as follows:		
Balances with central banks	**3,183,768**	2,939,974
Due from banks	**12,246,782**	9,180,420
Loans and advances to customers	**48,558,521**	41,109,116
Investment securities - debt	**8,547,632**	10,809,569
Other assets	**623,016**	587,072
Total as at 31 December	**73,159,719**	64,626,151
Other credit risk exposures are as follows:		
Guarantees	**20,231,382**	17,779,104
Letters of Credit	**3,058,424**	2,786,771
Unutilised credit facilities	**9,533,640**	6,132,747
Total as at 31 December	**32,823,446**	26,698,622
	105,983,165	91,324,773

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Credit Risk (CONTINUED)

Analysis of concentration of risks of financial assets with credit risk exposure

Geographical sectors
The following table breaks down the Group's credit exposure based on carrying amounts without taking into account any collateral held or other credit support, as categorized by geographical region. The Group has allocated exposures to regions based on the country of domicile of its counterparties.

	Qatar QAR'000	**Other GCC QAR'000**	**Other Middle East QAR'000**	**Rest of the World QAR'000**	**2014 Total QAR'000**
Balances with central banks	**1,971,159**	**1,212,464**	**-**	**145**	**3,183,768**
Due from banks	**4,942,250**	**1,255,394**	**7,943**	**6,041,195**	**12,246,782**
Loans and advances to customers	**36,204,841**	**8,433,196**	**474,076**	**3,446,408**	**48,558,521**
Investment securities - debt	**7,706,441**	**470,724**	**-**	**370,467**	**8,547,632**
Other assets	**577,162**	**39,752**	**-**	**6,102**	**623,016**
	51,401,853	**11,411,530**	**482,019**	**9,864,317**	**73,159,719**

	Qatar QAR'000	Other GCC QAR'000	Other Middle East QAR'000	Rest of the World QAR'000	2013 Total QAR'000
Balances with central banks	2,382,418	557,556	-	-	2,939,974
Due from banks	809,282	1,791,900	4,596	6,574,642	9,180,420
Loans and advances to customers	34,027,179	4,024,521	319,773	2,737,643	41,109,116
Investment securities - debt	9,751,796	602,000	-	455,773	10,809,569
Other assets	560,463	26,609	-	-	587,072
	47,531,138	7,002,586	324,369	9,768,058	64,626,151

	Qatar QAR'000	**Other GCC QAR'000**	**Other Middle East QAR'000**	**Rest of the World QAR'000**	**2014 Total QAR'000**
Guarantees	**11,620,967**	**4,522,258**	**93,653**	**3,994,504**	**20,231,382**
Letters of Credit	**1,771,159**	**310,225**	**221,622**	**755,418**	**3,058,424**
Unutilised credit facilities	**8,767,007**	**766,633**	**-**	**-**	**9,533,640**
	22,159,133	**5,599,116**	**315,275**	**4,749,922**	**32,823,446**

	Qatar QAR'000	Other GCC QAR'000	Other Middle East QAR'000	Rest of the World QAR'000	2013 Total QAR'000
Guarantees	10,105,035	3,586,223	688,979	3,398,867	17,779,104
Letters of Credit	1,285,761	366,176	99,200	1,035,634	2,786,771
Unutilised credit facilities	5,679,688	453,059	-	-	6,132,747
	17,070,484	4,405,458	788,179	4,434,501	26,698,622

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Credit Risk (CONTINUED)

Industry sectors
The following table breaks down the Group's credit exposure based on the carrying amounts, before taking into account collateral held or other credit enhancements, as categorized by the industry sectors of the Group's counterparties.

	Gross exposure 2014 QAR'000	Gross exposure 2013 QAR'000
Funded and unfunded		
Government and related agencies	**14,755,565**	15,665,361
Industry	**2,341,117**	1,058,435
Commercial	**8,810,728**	6,431,529
Services	**18,406,815**	13,817,882
Contracting	**7,519,278**	7,017,003
Real estate	**9,752,113**	9,408,561
Personal	**10,129,399**	9,881,336
Others	**1,444,704**	1,346,044
Guarantees	**20,231,382**	17,779,104
Letters of credit	**3,058,424**	2,786,771
Unutilised credit facilities	**9,533,640**	6,132,747
	105,983,165	91,324,773

Credit risk exposure
The tables below presents an analysis of financial assets by rating agency designation based on Standard & Poor's ratings or their equivalent:

	2014 QAR'000	2013 QAR'000
Equivalent grades		
Sovereign	**10,916,965**	11,874,521
AAA to AA-	**86,214**	564,560
A+ to A-	**5,243,529**	4,879,675
BBB+ to BBB-	**1,779,667**	3,221,688
BB+ to B-	**2,097,317**	1,925,580
Below B-	**91,552**	87,917
Unrated (equivalent internal grading)	**85,767,921**	68,770,832
	105,983,165	91,324,773

Unrated exposure represents credit facilities granted to corporations and individual which do not have external credit ratings. Also, the ratings used by the Group are in line with the ratings and definitions published by the international rating agencies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Credit Risk (CONTINUED)

Credit quality for class of assets
The table below shows the credit quality by class of asset for consolidated statement of financial position lines, based on the Group's credit rating system.

	Loans and advances to customers		*Due from banks*		*Investment securities – debt*	
	2014 QAR'000	2013 QAR'000	**2014 QAR'000**	2013 QAR'000	**2014 QAR'000**	2013 QAR'000
Neither past due nor impaired (low risk):						
Standard monitoring	**46,146,806**	37,746,491	**12,246,782**	9,126,466	**8,452,832**	10,805,170
Special monitoring	**134,324**	105,027	**-**	-	**-**	-
	46,281,130	37,851,518	**12,246,782**	9,126,466	**8,452,832**	10,805,170
Past due but not impaired						
Standard monitoring	**628,188**	2,519,326	**-**	-	**-**	-
Special monitoring	**1,864,702**	695,647	**-**	-	**-**	-
	2,492,890	3,214,973	**-**	-	**-**	-
Impaired						
Substandard	**224,694**	147,064	**-**	-	**112,997**	-
Doubtful	**210,002**	223,022	**-**	102,821	**-**	18,593
Loss	**1,125,190**	902,697	**-**	-	**-**	13,983
	1,559,886	1,272,783	**-**	102,821	**112,997**	32,576
Less: Impairment allowance-specific	**(1,642,728)**	(1,177,893)	**-**	(48,867)	**(18,197)**	(28,177)
Less: Impairment allowance-collective	**(132,657)**	(52,265)	**-**	-	**-**	-
	(1,775,385)	(1,230,158)	**-**	(48,867)	**(18,197)**	(28,177)
Carrying amount – net	**48,558,521**	41,109,116	**12,246,782**	9,180,420	**8,547,632**	10,809,569
Investment securities - debt						
Held to maturity	**-**	-	**-**	-	**4,138,559**	6,109,454
Held to Trading	**-**	-	**-**	-	**31,278**	-
Available for sale	**-**	-	**-**	-	**4,395,992**	4,728,292
Less: Impairment allowance	**-**	-	**-**	-	**(18,197)**	(28,177)
Carrying amount – net	**-**	-	**-**	-	**8,547,632**	10,809,569
Total carrying amount	**48,558,521**	41,109,116	**12,246,782**	9,180,420	**8,547,632**	10,809,569

Impaired loans and advances to customers and investment in debt securities
Individually impaired loans and advances to customers and investment debt securities for which the Group determines that there is objective evidence of impairment and it does not expect to collect all principal and interest due according to the contractual terms of the loan/investment security agreements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Credit Risk (CONTINUED)

Loans and advances to customers past due but not impaired
Past due but not impaired loans and advances to customers are those for which contractual interest or principal payments are past due, but the Group believes that impairment is not appropriate on the basis of the level of security/collateral available and/or the stage of collection of amounts owed to the Group.

	2014 QAR'000	2013 QAR'000
Up to 30 days	**1,198,157**	1,524,687
31 to 60 days	**331,298**	410,218
61 – 90 days	**963,435**	1,280,068
Gross	**2,492,890**	3,214,973

Rescheduled loans and advances to customers
Restructuring activities include extended payment arrangements, approved external management plans, modification and deferral of payments. Restructuring policies and practices are based on indicators or criteria that, in the judgement of local management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans – in particular, customer finance loans.

Collateral
The determination of eligible collateral and the value of collateral are based on QCB regulations and are assessed by reference to market price or indexes of similar assets.

The Group has collateral in the form of blocked deposits, pledge of shares or legal mortgage against the past dues loans and advances to customers.

The aggregate collateral in respect to the past due but not impaired loans are QAR 4,093 million as of 31 December 2014 (2013: QAR 5,313 million).

The aggregate collateral in respect to the loans and advances to customers are QAR 35,539 million as of 31 December 2014 (2013: QAR 37,123 million).

Repossessed collateral
As at 31 December 2014, the Group had assets by taking possession of collateral held as security amounting to QAR 31.4 million (2013:QAR 31.4 million).

Repossessed properties are sold as soon as practicable, with the proceeds used to reduce the outstanding indebtedness. Repossessed property is classified in the consolidated statement of financial position within other assets.

Write-off policy
The Group writes off a loan or an investment debt security balance, and any related allowances for impairment losses, when Group Credit determines that the loan or security is uncollectible and after QCB approval.

This determination is made after considering information such as the occurrence of significant changes in the borrower's/issuer's financial position such that the borrower/issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. For smaller balance standardized loans, write-off decisions are generally based on a product-specific past due status. The amount written off during the year was QAR 12 million (2013: QAR 19 million).

Liquidity risk
Liquidity risk is the risk that an institution will be unable to meet its net funding requirements. Liquidity risk can be caused by market disruptions or credit downgrades, which may cause certain sources of funding to cease immediately. Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. To mitigate this risk, the Group has diversified funding sources and assets are managed with liquidity in mind, in order to maintain a healthy balance of cash, cash equivalents and readily marketable securities.

Exposure to liquidity risk
The key measure used by the Group for managing liquidity risk is the ratio of net liquid assets to deposits from customers. For this purpose net liquid assets are considered as including cash and cash equivalents and investment grade debt securities for which there is an active and liquid market less any deposits from banks, debt securities, other borrowings and commitments maturing within the next month. A similar, but not identical, calculation is used to measure the Group's compliance with the liquidity limit established by the Group's lead regulator, QCB.

Details of the reported Group ratio of net liquid assets to deposits from customers at the reporting date and during the year were as follows:

At 31 December	**2014**	2013
Average for the year	**118.55%**	109.72%
Maximum for the year	**132.65%**	120.05%
Minimum for the year	**108.40%**	105.17%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Liquidity Risk (CONTINUED)
Exposure to Liquidity Risks (CONTINUED)

Maturity analysis of assets and liabilities
The table below summarizes the maturity profile of the Group's assets and liabilities based on contractual maturity dates. The contractual maturities of assets and liabilities have been determined on the basis of the remaining period at the reporting date to the contractual maturity date, and do not take account of the effective maturities as indicated by the Group's deposit retention history and the availability of liquid funds. The Group routinely monitors assets and liabilities maturity profiles to ensure adequate liquidity is maintained

	Carrying amount QAR'000	Less than 1 month QAR'000	1-3 months QAR'000	3 months – 1 year QAR'000	Subtotal 1 year QAR'000	Above 1 year QAR'000	Undated QAR'000
31 December 2014							
Cash and balances with central banks	3,706,541	1,509,337	161,224	74,269	1,744,830	-	1,961,711
Due from banks	12,246,782	5,181,748	3,172,495	3,490,965	11,845,208	401,574	-
Loans and advances to customers	48,558,521	15,549,869	2,986,291	6,386,268	24,922,428	23,636,093	-
Investment securities	9,452,828	221,853	599,786	116,626	938,265	7,614,630	899,933
Investment in an associate	9,244	-	-	-	-	-	9,244
Property, furniture and equipment	761,011	-	-	-	-	-	761,011
Other assets	782,635	782,635	-	-	782,635	-	-
Total	75,517,562	23,245,442	6,919,796	10,068,128	40,233,366	31,652,297	3,631,899
Due to banks	12,794,735	10,770,650	905,976	1,118,109	12,794,735	-	-
Customer deposits	45,946,575	23,490,615	16,275,671	6,019,956	45,786,242	160,333	-
Debt securities	2,582,478	-	-	-	-	2,582,478	-
Other borrowings	727,681	-	-	363,531	363,531	364,150	-
Other liabilities	2,173,340	2,173,340	-	-	2,173,340	-	-
Total equity	11,292,753	-	-	-	-	-	11,292,753
Total	75,517,562	36,434,605	17,181,647	7,501,596	61,117,848	3,106,961	11,292,753
Maturity gap	-	(13,189,163)	(10,261,851)	2,566,532	(20,884,482)	28,545,336	(7,660,854)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Liquidity Risk (CONTINUED)
Exposure to Liquidity Risks (CONTINUED)
Maturity Analysis of Assets and Liabilities (CONTINUED)

	Carrying amount QAR'000	Less than 1 month QAR'000	1-3 months QAR'000	3 months - 1 year QAR'000	Subtotal 1 year QAR'000	Above 1 year QAR'000	Undated QAR'000
31 December 2013							
Cash and balances with central banks	3,435,761	1,294,172	283,240	57,818	1,635,230	-	1,800,531
Due from banks	9,180,420	2,665,398	3,337,281	2,758,968	8,761,647	418,773	-
Loans and advances to customers	41,109,116	17,441,471	2,118,642	5,091,183	24,651,296	16,457,820	-
Investment securities	11,703,577	2,310,127	744,514	418,990	3,473,631	7,335,938	894,008
Investment in an associate	9,382	-	-	-	-	-	9,382
Property, furniture & equipment	759,471	-	-	-	-	-	759,471
Other assets	772,097	772,097	-	-	772,097	-	-
Total	66,969,824	24,483,265	6,483,677	8,326,959	39,293,901	24,212,531	3,463,392
Due to banks	7,719,781	6,862,027	713,498	38,800	7,614,325	105,456	-
Customer deposits	42,522,489	26,132,873	11,676,798	4,590,300	42,399,971	122,518	-
Debt securities	2,575,831	-	-	-	-	2,575,831	-
Other borrowings	455,188	-	-	182,075	182,075	273,113	-
Other liabilities	2,425,632	2,425,632	-	-	2,425,632	-	-
Total equity	11,270,903	-	-	-	-	-	11,270,903
Total	66,969,824	35,420,532	12,390,296	4,811,175	52,622,003	3,076,918	11,270,903
Maturity gap	-	(10,937,267)	(5,906,619)	3,515,784	(13,328,102)	21,135,613	(7,807,511)

The table below summarises contractual expiry dates of the Group's contingent liabilities:

	Carrying amount QAR'000	**Upto 3 months QAR'000**	**3 months to 1 year QAR'000**	**1-5 years QAR'000**	**Above 5 years QAR'000**
31 December 2014					
Guarantees	**20,231,382**	**5,429,942**	**6,788,447**	**7,457,221**	**555,772**
Letters of credit	**3,058,424**	**1,971,715**	**981,462**	**104,060**	**1,187**
Unutilised credit facilities	**9,533,640**	**3,826,124**	**4,193,420**	**1,514,096**	**-**
Total	**32,823,446**	**11,227,781**	**11,963,329**	**9,075,377**	**556,959**
31 December 2013					
Guarantees	17,779,104	4,624,720	5,795,987	6,976,147	382,250
Letters of credit	2,786,771	1,783,533	877,833	124,290	1,115
Unutilised credit facilities	6,132,747	2,575,753	2,692,276	864,718	-
Total	26,698,622	8,984,006	9,366,096	7,965,155	383,365

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Liquidity Risk (CONTINUED)
Exposure to Liquidity Risks (CONTINUED)
Maturity Analysis of Assets and Liabilities (CONTINUED)

The table below summarises the maturity profile of the Group's financial liabilities and derivatives at 31 December based on contractual undiscounted repayment obligations:

	Carrying amount QAR'000	Gross undiscounted cash flows QAR'000	Less than 1 month QAR'000	1-3 months QAR'000	3 months-1 year QAR'000	1-5 years QAR'000	More than 5 years QAR'000
31 December 2014							
Non-derivative financial liabilities							
Due to banks	**12,794,735**	**12,864,039**	**10,775,981**	**921,969**	**1,166,089**	**-**	**-**
Customer deposits	**45,946,575**	**46,026,875**	**30,689,807**	**9,107,260**	**6,045,480**	**184,328**	**-**
Debt securities	**2,582,478**	**2,755,237**	**-**	**18,974**	**58,249**	**2,678,014**	**-**
Other borrowings	**727,681**	**734,579**	**-**	**1,761**	**367,931**	**364,887**	**-**
Other liabilities	**2,120,654**	**2,120,654**	**2,120,654**	**-**	**-**	**-**	**-**
Total liabilities	**64,172,123**	**64,501,384**	**43,586,442**	**10,049,964**	**7,637,749**	**3,227,229**	**-**

Derivative financial instruments:
Generally, forward foreign exchange contracts are settled on a gross basis and interest rate swaps are settled on a net basis.

	Total QAR'000	Up to 1 Year QAR'000	1-5 years QAR'000	More than 5 years QAR'000
Derivatives Held for Trading:				
Forward foreign exchange contracts				
Outflow	**(5,570,435)**	**(5,570,435)**	**-**	**-**
Inflow	**5,553,945**	**5,553,945**	**-**	**-**

	Carrying amount QAR'000	Gross undiscounted cash flows QAR'000	Less than 1 month QAR'000	1-3 months QAR'000	3 months 1 year QAR'000	1-5 years QAR'000	More than 5 years QAR'000
31 December 2013							
Non-derivative financial liabilities							
Due to banks	7,719,781	7,908,143	6,869,875	737,043	101,588	199,637	-
Customer deposits	42,522,489	42,620,281	26,142,969	11,692,586	4,645,042	139,684	-
Debt securities	2,575,831	2,871,505	-	19,015	57,596	2,794,894	-
Other borrowings	455,188	464,143	-	1,110	185,934	277,099	-
Other liabilities	2,406,622	2,406,622	2,406,622	-	-	-	-
Total liabilities	55,679,911	56,270,694	35,419,466	12,449,754	4,990,160	3,411,314	-

Derivative financial instruments:
Generally, forward foreign exchange contracts are settled on a gross basis and interest rate swaps are settled on a net basis.

	Total QAR'000	Up to 1 Year QAR'000	1-5 years QAR'000	More than 5 years QAR'000
Derivatives Held for Trading:				
Forward foreign exchange contracts				
Outflow	(3,248,760)	(3,248,760)	-	-
Inflow	3,253,599	3,253,599	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risks
The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices. The Group separates exposures to market risk into either trading or non-trading portfolios.

The market risks arising from trading and non-trading activities are concentrated in Group Treasury and monitored by Market Risk team. Regular reports are submitted to the Board of Directors and ALCO.

Management of market risks
Overall authority for market risk is vested in ALCO. Financial Risk management department is responsible for the Overall authority for market risk is vested in ALCO. Financial Risk Management department is responsible for the development of detailed market risk management policies (subject to review and approval by ALCO) and for the day-to-day review and monitoring.

The Group has adopted a detailed policy framework drafted in accordance with the Qatar Central Bank guidelines for governing investments portfolio including proprietary book. The governance structure includes policies including Treasury and Investment manual, Financial Risk policy and Hedging policy, etc. These policies define the limit structure along with the risk appetite under which the investment activities are undertaken. The limits structure focuses on total investment limits which in accordance with QCB guidelines are 70% of Group's capital and reserves along with various sub limits such as position and stop loss limits for trading activities. The policies also define various structured sensitivity limits such as VaR and duration for different asset classes within the investment portfolio. The performance of the portfolio against these limits is updated regularly to senior management including ALCO and investment committee.

Investment Committee and Board of Directors approve all the investment decision for the Group. Financial Risk Management department is vested with the responsibility of measuring, monitoring risk and reporting risk in the portfolio.

Exposure to interest rate risk
The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cThe principal risk to which the banking and trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for repricing bands. ALCO is the monitoring body for compliance with these limits and is assisted by Group Treasury in its day-to-day monitoring activities.

A summary of the Group's interest rate gap position on banking and trading portfolios is as follows:

		Repricing in:			
	Carrying amount QAR'000	**Less than 3 months QAR'000**	**3-12 months QAR'000**	**1-5 years QAR'000**	**Non-interest sensitive QAR'000**
2014					
Cash and cash equivalents	**3,706,541**	**851,395**	**74,269**	**-**	**2,780,877**
Due from banks	**12,246,782**	**9,206,808**	**2,937,449**	**-**	**102,525**
Loans and advances to customers	**48,558,521**	**20,920,544**	**5,734,801**	**19,778,149**	**2,125,027**
Investment securities	**9,452,828**	**821,639**	**116,626**	**7,614,630**	**899,933**
Investment in an associate	**9,244**	**-**	**-**	**-**	**9,244**
Property, furniture and equipment	**761,011**	**-**	**-**	**-**	**761,011**
Other assets	**782,635**	**-**	**-**	**-**	**782,635**
	75,517,562	**31,800,386**	**8,863,145**	**27,392,779**	**7,461,252**
Due to banks	**12,794,735**	**11,549,714**	**1,118,109**	**-**	**126,912**
Customer deposits	**45,946,575**	**25,387,828**	**6,019,956**	**160,333**	**14,378,458**
Debt securities	**2,582,478**	**773,273**	**-**	**1,809,205**	**-**
Other borrowings	**727,681**	**636,643**	**91,038**	**-**	**-**
Other liabilities	**2,173,340**	**-**	**-**	**-**	**2,173,340**
Total equity	**11,292,753**	**-**	**-**	**-**	**11,292,753**
	75,517,562	**38,347,458**	**7,229,103**	**1,969,538**	**27,971,463**
Interest rate sensitivity gap	**-**	**(6,547,072)**	**1,634,042**	**25,423,241**	**(20,510,211)**
Cumulative interest rate sensitivity gap	**-**	**(6,547,072)**	**(4,913,030)**	**20,510,211**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Market Risk (CONTINUED)
Exposure to Interest Rate risk (CONTINUED)

		Repricing in:			
	Carrying amount QAR'000	Less than 3 months QAR'000	3-12 months QAR'000	1-5 years QAR'000	Non-interest sensitive QAR'000
2013					
Cash and cash equivalents	3,435,761	1,081,625	57,818	-	2,296,318
Due from banks	9,180,420	6,064,267	3,028,152	-	88,001
Loans and advances to customers	41,109,116	17,869,547	6,607,494	14,318,959	2,313,116
Investment securities	11,703,577	3,127,161	418,990	7,263,418	894,008
Investment in an associate	9,382	-	-	-	9,382
Property, furniture and equipment	759,471	-	-	-	759,471
Other assets	772,097	-	-	-	772,097
	66,969,824	28,142,600	10,112,454	21,582,377	7,132,393
Due to banks	7,719,781	7,393,450	326,331	-	-
Customer deposits	42,522,489	24,959,455	5,318,600	122,518	12,121,916
Debt securities	2,575,831	773,273	-	1,802,558	-
Other borrowings	455,188	455,188	-	-	-
Other liabilities	2,425,632	-	-	-	2,425,632
Total equity	11,270,903	-	-	-	11,270,903
	66,969,824	33,581,366	5,644,931	1,925,076	25,818,451
Interest rate sensitivity gap	-	(5,438,766)	4,467,523	19,657,301	(18,686,058)
Cumulative interest rate sensitivity gap	-	(5,438,766)	(971,243)	18,686,058	-

Sensitivity analysis
The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Group's financial assets and liabilities to various standard and non-standard interest rate scenarios. Standard scenarios that are considered on a monthly basis include a 100 basis points (bp) parallel fall or rise in all yield curves worldwide and a 10 bp rise or fall in the greater than 12-month portion of all yield curves. An analysis of the Group's sensitivity to an increase or decrease in market interest rates, assuming no asymmetrical movement in yield curves and a constant financial position, is as follows:

Sensitivity of net interest income	**10 bp parallel increase QAR'000**	**10 bp parallel decrease QAR'000**
2014		
At 31 December	**(6,547)**	**6,547**
2013		
At 31 December	(5,438)	5,438

Sensitivity of reported equity to interest rate movements	**10 bp parallel increase QAR'000**	**10 bp parallel decrease QAR'000**
2014		
At 31 December	**(12,393)**	**12,393**
2013		
At 31 December	(18,934)	18,934

Overall non-trading interest rate risk positions are managed by Group Treasury, which uses investment securities, advances to banks, deposits from banks and derivative instruments to manage the overall position arising from the Group's non-trading activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Market Risk (CONTINUED)

Exposure to other market risks

Currency risk
The Group is exposed to fluctuations in foreign currency exchange rates. The Board of Directors sets limits on the level of exposure by currency, and in total for both overnight and intra-day positions, which are monitored daily. The Group had the following significant net exposures :

Net foreign currency exposure:	**2014 QAR'000**	2013 QAR'000
Pound Sterling	**-**	3,335
Euro	**136,487**	(20,765)
Japanese Yen	**4,665**	(2,572)
Other currencies	**1,202,345**	2,454,300

Foreign currency sensitivity analysis
The following table details the Group's sensitivity to a percentage increase or decrease in the Qatari Riyals against the relevant foreign currencies except for US Dollars which is pegged to the Qatari Riyal. The sensitivity analysis includes only outstanding foreign currency denominated items and the impact of a change in the exchange rates are as follows:

	Increase / (decrease) in profit or loss	
	2014 QAR'000	2013 QAR'000
5% increase / (decrease) in currency exchange rate		
Pound Sterling	**-**	167
Euro	**6,824**	1,038
Japanese Yen	**233**	129
Other currencies	**60,177**	122,715

Equity price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the equity indices and individual stocks. The equity price risk exposure arises from equity securities classified as available-for-sale and fair value through profit or loss.

The Group is also exposed to equity price risk and the sensitivity analysis thereof is as follows:

	2014		2013	
	Effect on OCI QAR'000	**Effect on income statement QAR'000**	Effect on OCI QAR'000	Effect on income statement QAR'000
5% increase / (decrease) in Qatar Exchange	**± 16,491**	-	± 14,418	-
5% increase / (decrease) in Other than Qatar Exchange	**± 23,264**	**± 183**	± 20,929	-
	± 39,755	**± 183**	± 35,347	**-**

The above analysis has been prepared on the assumption that all other variables such as interest rate, foreign exchange rate, etc. are held constant and is based on historical correlation of the equity securities to the relevant index. Actual movement may be different from the one stated above.

Operational risks
Operational risk is the risk of loss arising from inadequate or failed internal processes, people and systems, or from Operational risk is the risk of loss arising from inadequate or failed internal processes, people and systems, or from external events. The Group has detailed policies and procedures that are regularly updated to ensure a robust internal control mechanism. The Group closely reviews the various recommendations issued by the Basel Committee on 'Sound Practices for the Management and Supervision of Operational Risk' for implementation. The Group continues to invest in risk management and mitigation strategies, such as a robust control infrastructure, business continuity management or through risk transfer mechanisms such as insurance and outsourcing.

The Group has a well-defined Operational Risk Management Framework and an independent operational risk function. The Operational Risk Management Committee oversees the implementation of an effective risk management framework that encompasses appropriate systems, practices, policies and procedures to ensure the effectiveness of risk identification, measurement, assessment, reporting and monitoring within the group.

In addition, the Internal Audit department carries out an independent assessment and provides assurance of the actual functioning of the overall Operational Risk Management Framework.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

4. FINANCIAL RISK MANAGEMENT (CONTINUED)
Operational Risk (CONTINUED)

The Group manages operational risk based on a framework that enables the determination of operational risk profile of business units and how it relates to risk measurement, risk mitigation and priorities.

A number of techniques are applied to effectively manage the operational risk across the Group. These include:

- Effective staff training, documented processes/procedures with appropriate controls to safeguard assets and records, regular reconciliation of accounts and transactions, introduction process of new products, reviews of outsourcing activities, information system security, segregation of duties, financial management and reporting are some of the measures adopted by the Group to manage Group-wide operational risk;
- Reporting of any operational risk event, which is used to help identify where process and control requirements are needed to reduce the recurrence of risk events. Risk events are analyzed, reported, mitigated, recorded on a central database and reported quarterly to the Board of Directors; and
- Introduction of a bottom-up 'Control Risk Self-Assessment' across business and support units including subsidiaries and overseas branches. This approach results in detailed understanding of inherent and residual risks with evaluation of controls across the Group. Therefore, it enhances the determination of specific operational risk profile for the business and support units while corrective action points are captured and the changes of the operational risk profile are monitored on an ongoing basis.

Capital management

Regulatory capital
The Group maintains an actively managed capital base to cover the risks inherent in the business. The adequacy of the Group's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision and adopted by the Qatar Central Bank.

The primary objective of the Group's capital management is to ensure that the Group complies with externally imposed capital requirements and that the Group maintains strong credit ratings and healthy capital ratios in order to support its business and to maximizes shareholders' value.

The Group manages its capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders or issue capital securities.

	2014 QAR'000	2013 QAR'000
Common Equity Tier 1 Capital	**8,049,896**	7,188,659
Additional Tier 1 Capital	**2,000,000**	2,000,000
Additional Tier 2 Capital	**237,338**	1,009,612
Total Eligible capital	**10,287,234**	10,198,271

Risk weighted assets

	2014 Basel III Risk weighted amount QAR'000	2013 Basel II Risk weighted amount QAR'000
Total risk weighted assets for credit risk	**62,402,588**	53,604,564
Risk weighted assets for market risk	**1,709,337**	6,304,425
Risk weighted assets for operational risk	**4,343,993**	4,236,676
	68,455,918	64,145,665

	2014 QAR'000	2013 QAR'000
Risk weighted assets	**68,455,918**	64,145,665
Total eligible capital	**10,287,234**	10,198,271
Risk weighted assets as a percentage of total eligible capital		
Capital adequacy ratio	**15.03%**	15.90%

The Bank has followed QCB Basel III capital adequacy ratio ("CAR") with effect from 1 January 2014 in accordance with QCB regulations.

The minimum accepted CAR under QCB Basel III requirements are as follows:

- Minimum limit without Capital Conservation Buffer is 10%
- Minimum limit including Capital Conservation Buffer is 12.5%

The CAR disclosures for 2013 are based on QCB Basel II requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

5. USE OF ESTIMATES AND JUDGEMENTS

Key sources of estimation uncertainty
The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Allowances for credit losses
Assets accounted for at amortised cost are evaluated for impairment on a basis described in accounting policy.

The specific counterparty component of the total allowances for impairment applies to financial assets evaluated individually for impairment and is based upon management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgements about counterparty's financial situation and the net realisable value of any underlying collateral. Each impaired asset is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable are independently approved by the Credit Risk function. Minimum impairment on specific counter parties is determined based on the QCB regulations.

Collectively assessed impairment allowances cover credit losses inherent in portfolios of loans and advances to customers and investment securities measured at amortised cost with similar credit risk characteristics when there is objective evidence to suggest that they contain impaired financial assets, but the individual impaired items cannot yet be identified. In assessing the need for collective loss allowances, management considers factors such as credit quality, portfolio size, concentrations and economic factors. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modelled and to determine the required input parameters, based on historical experience and current economic conditions. The accuracy of the allowances depends on the estimates of future cash flows for specific counterparty allowances and the model assumptions and parameters used in determining collective allowances.

Determining fair values
The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in accounting policy. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Critical accounting judgements in applying the Group's accounting policies

The Group's accounting policy on fair value measurements is discussed in the significant accounting policies section.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Quoted market price unadjusted in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments the Group determines fair values using valuation techniques.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premium used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

5. USE OF ESTIMATES AND JUDGEMENTS (CONTINUED)

Fair value measurement
The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 December 2014:

	Date of valuation	Level 1 QAR'000	Level 2 QAR'000	Level 3 QAR'000	Total QAR'000
Assets measured at fair value:					
Available-for-sale investment securities	31 Dec 2014	4,089,030	1,141,749	-	5,230,779
Investment securities classified as held for trading	31 Dec 2014	36,541	-	-	36,541
Derivative instruments:					
Interest rate swaps	31 Dec 2014	-	11,977	-	11,977
Forward foreign exchange contracts	31 Dec 2014	-	26,152	-	26,152
		4,125,571	1,179,878	-	5,305,449
Assets for which fair values are disclosed (note 7)					
Cash and balances with central banks	31 Dec 2014	-	3,706,541	-	3,706,541
Due from banks	31 Dec 2014	-	12,246,782	-	12,246,782
Loans and advances to customers	31 Dec 2014	-	48,558,521	-	48,558,521
Held to maturity investment securities	31 Dec 2014	1,995,374	2,215,313	-	4,210,687
Other Assets	31 Dec 2014	-	623,016	-	623,016
Liabilities measured at fair value:					
Derivative instruments:					
Interest rate swaps	31 Dec 2014	-	10,044	-	10,044
Forward foreign exchange contracts	31 Dec 2014	-	42,642	-	42,642
		-	52,686	-	52,686
Liabilities for which fair values are disclosed (note 7)					
Due to banks	31 Dec 2014	-	12,794,735	-	12,794,735
Customer deposits	31 Dec 2014	-	45,946,575	-	45,946,575
Debt securities	31 Dec 2014	2,646,854	-	-	2,646,854
Other borrowings	31 Dec 2014	-	727,681	-	727,681
Other liabilities	31 Dec 2014	-	1,273,911	-	1,273,911

There have been no transfers between Level 1 and Level 2 fair value measurement during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

5. USE OF ESTIMATES AND JUDGEMENTS (CONTINUED)
Fair value measurements (CONTINUED)

Fair value hierarchy for financial instruments measured at fair value as at 31 December 2013:

	Date of valuation	Level 1 QAR'000	Level 2 QAR'000	Level 3 QAR'000	Total QAR'000
Assets measured at fair value:					
Available-for-sale investment securities	31 Dec 2013	4,442,482	1,116,413	-	5,558,895
Derivative instruments:					
Interest rate swaps	31 Dec 2013	-	39,009	-	39,009
Forward foreign exchange contracts	31 Dec 2013	-	19,844	-	19,844
		4,442,482	1,175,266	-	5,617,748
Assets for which fair values are disclosed (note 7)					
Cash and balances with central banks	31 Dec 2013	-	3,435,761	-	3,435,761
Due from banks	31 Dec 2013	-	9,180,420	-	9,180,420
Loans and advances to customers	31 Dec 2013	-	41,109,116	-	41,109,116
Held to maturity investment securities	31 Dec 2013	2,292,041	3,893,761	-	6,185,802
Other Assets	31 Dec 2013	-	587,072	-	587,072
Liabilities measured at fair value:					
Derivative instruments:					
Interest rate swaps	31 Dec 2013	-	4,005	-	4,005
Forward foreign exchange contracts	31 Dec 2013	-	15,005	-	15,005
		-	19,010	-	19,010
Liabilities for which fair values are disclosed (note 7)					
Due to banks	31 Dec 2013	-	7,719,781	-	7,719,781
Customer deposits	31 Dec 2013	-	42,522,489	-	42,522,489
Debt securities	31 Dec 2013	2,619,622	-	-	2,619,622
Other borrowings	31 Dec 2013	-	455,188	-	455,188
Other liabilities	31 Dec 2013	-	1,040,336	-	1,040,336

During the reporting period 31 December 2013, there were no transfers between Level 1 and Level 2 fair value measurements.

All unquoted available for sale equity investments amounting to QAR 61.1 million (2013: QAR 63.4 million) are recorded at cost since the fair value cannot be reliably measured.

Financial asset and liability classification
The Group's accounting policies provide scope for assets and liabilities to be designated at inception into different accounting categories in certain circumstances:

- in classifying financial assets or liabilities as trading, the Group has determined that it meets the description of trading assets and liabilities set out in accounting policies.
- in designating financial assets at fair value through profit or loss, the Group has determined that it has met one of the criteria for this designation set out in accounting policies.
- in classifying financial assets as held-to-maturity, the Group has determined that it has both the positive intention and ability to hold the assets until their maturity date as required by accounting policies.

Details of the Group's classification of financial assets and liabilities are given in Note 7.

Qualifying hedge relationships
In designating financial instruments in qualifying hedge relationships, the Group has determined that it expects the hedges to be highly effective over the period of the hedging relationship.

In accounting for derivatives as fair value hedges, the Group has determined that the hedged interest rate exposure relates to highly probable future cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

5. USE OF ESTIMATES AND JUDGEMENTS (CONTINUED)

Impairment of investments in equity and securities
Investments in equity and debt securities are evaluated for impairment on the basis described in the significant accounting policies section.

Going concern
The Group's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Useful lives of property and equipment
The Group's management determines the estimated useful life of property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset, physical wear and tear, technical or commercial obsolescence.

6. OPERATING SEGMENTS

The Group organizes and manages its operations by two business segments, which comprise conventional banking and insurance activities.

Conventional Banking

- Corporate Banking provides a range of product and service offerings to business and corporate customers including funded and non funded credit facilitates deposits to corporate customers. It also undertakes funding and centralized risk management activities through borrowings, issue of debt securities, use of derivatives for risk management purposes and investing in liquid assets such as short term placements and corporate and government debt securities.
- Retail Banking provides a diversified range of products and services to individuals. The range includes loans, credit cards, deposits and other transactions with retail customers.

Insurance Activities
Insurance activities to customers include effecting contracts of insurance, carrying out contracts of insurance, arranging deals in investments and advising on investments.

Details of each segment as of and for the year ended 31 December 2014 are stated below:

	2014					
	Corporate Banking QAR'000	Retail Banking QAR'000	Unallocated QAR'000	Total QAR'000	Insurance QAR'000	Total QAR'000
Interest/similar income	2,110,953	396,282	-	2,507,235	-	**2,507,235**
Net income from insurance activities	-	-	-	-	21,551	**21,551**
Other income	648,986	152,340	85,611	886,937	9,856	**896,793**
Segmental revenue	2,759,939	548,622	85,611	3,394,172	31,407	**3,425,579**
Net impairment loss on loans and advances to customers	371,782	67,367	-	439,149	-	**439,149**
Impairment loss on investment securities	30,174	-	-	30,174	-	**30,174**
Segmental profit				**1,348,399**	**10,217**	**1,358,616**
Share of results of the associate						**42**
Net profit for the year						**1,358,658**
Other information						
Assets	62,782,728	7,284,329	5,159,854	75,226,911	281,407	**75,508,318**
Investments in an associate	-	-	-	-	-	**9,244**
Total						**75,517,562**
Liabilities	54,218,518	9,383,256	485,919	64,087,693	137,116	**64,224,809**
Contingent items	32,458,791	364,655	-	32,823,446	-	**32,823,446**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

6. OPERATING SEGMENTS (CONTINUED)

	2013					
	Corporate Banking QAR'000	Retail Banking QAR'000	Unallocated QAR'000	Total QAR'000	Insurance QAR'000	Total QAR'000
Interest/similar income	1,983,217	411,245	-	2,394,462	-	2,394,462
Net income from insurance activities	-	-	-	-	17,366	17,366
Other income	517,626	116,332	58,453	692,411	9,137	701,548
Segmental revenue	2,500,843	527,577	58,453	3,086,873	26,503	3,113,376
Net impairment loss on loans and advances to customers	297,575	20,583	-	318,158	-	318,158
Impairment loss on investment securities	10,769	-	-	10,769	-	10,769
Segmental profit				1,308,683	3,826	1,312,509
Share of results of the associate						143
Net profit for the year						1,312,652
Other information						
Assets	55,234,965	6,935,248	4,535,871	66,706,084	254,358	66,960,442
Investments in an associate	-	-	-	-	-	9,382
Total						66,969,824
Liabilities	46,114,803	8,864,432	599,300	55,578,535	120,386	55,698,921
Contingent items	26,463,508	235,114	-	26,698,622	-	26,698,622

Geographical areas
The following table shows the geographic distribution of the Group's operating income based on the geographical location of where the business is booked by the branch.

	Qatar QAR'000	**Other GCC QAR'000**	**India QAR'000**	**Total QAR'000**
2014				
Net operating income	**2,622,523**	**233,053**	**4,050**	**2,859,626**
Net profit	**1,326,848**	**30,997**	**813**	**1,358,658**
Total assets	**67,548,017**	**7,881,693**	**87,852**	**75,517,562**
Total liabilities	**57,533,071**	**6,689,970**	**1,768**	**64,224,809**
2013				
Net operating income	2,379,369	161,796	-	2,541,165
Net profit	1,276,151	36,501	-	1,312,652
Total assets	60,502,713	6,467,111	-	66,969,824
Total liabilities	49,347,737	6,351,184	-	55,698,921

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

7. FINANCIAL ASSETS AND LIABILITIES

Accounting classifications and fair values
The table below sets out the carrying amounts and fair values of the Group's financial assets and financial liabilities:

	Fair value through profit or loss QAR'000	Held to maturity QAR'000	Loans and receivables QAR'000	Available-for-sale QAR'000	Other amortised cost QAR'000	Total carrying amount QAR'000	Fair value QAR'000
31 December 2014							
Cash and balances with central banks	-	-	3,706,541	-	-	3,706,541	3,706,541
Due from banks	-	-	12,246,782	-	-	12,246,782	12,246,782
Positive fair value of derivatives	38,129	-	-	-	-	38,129	38,129
Loans and advances to customers	-	-	48,558,521	-	-	48,558,521	48,558,521
Investment securities:							
Measured at fair value	36,541	-	-	5,291,922	-	5,328,463	5,328,463
Measured at amortised cost	-	4,124,365	-	-	-	4,124,365	4,210,687
Other Assets	-	-	-	-	623,016	623,016	623,016
	74,670	4,124,365	64,511,844	5,291,922	623,016	74,625,817	74,712,139
Negative fair value of derivatives	52,686	-	-	-	-	52,686	52,686
Due to banks	-	-	-	-	12,794,735	12,794,735	12,794,735
Customer deposits	-	-	-	-	45,946,575	45,946,575	45,946,575
Debt securities	-	-	-	-	2,582,478	2,582,478	2,646,854
Other borrowings	-	-	-	-	727,681	727,681	727,681
Other liabilities	-	-	-	-	1,273,911	1,273,911	1,273,911
	52,686	-	-	-	63,325,380	63,378,066	63,442,442

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

7. FINANCIAL ASSETS AND LIABILITIES (CONTINUED)
Accounting classifications and fair values (CONTINUED)

	Fair value through profit or loss QAR'000	Held to maturity QAR'000	Loans and receivables QAR'000	Available-for-sale QAR'000	Other amortised cost QAR'000	Total carrying amount QAR'000	Fair value QAR'000
31 December 2013							
Cash and balances with central banks	-	-	3,435,761	-	-	3,435,761	3,435,761
Due from banks	-	-	9,180,420	-	-	9,180,420	9,180,420
Positive fair value of derivatives	58,853	-	-	-	-	58,853	58,853
Loans and advances to customers	-	-	41,109,116	-	-	41,109,116	41,109,116
Investment securities:			-				
Measured at fair value	-	-	-	5,622,300	-	5,622,300	5,622,300
Measured at amortised cost	-	6,081,277	-	-	-	6,081,277	6,185,802
Other Assets	-	-	-	-	587,072	587,072	587,072
	58,853	6,081,277	53,725,297	5,622,300	587,072	66,074,799	66,179,324
Negative fair value of derivatives	19,010	-	-	-	-	19,010	19,010
Due to banks	-	-	-	-	7,719,781	7,719,781	7,719,781
Customer deposits	-	-	-	-	42,522,489	42,522,489	42,522,489
Debt securities	-	-	-	-	2,575,831	2,575,831	2,619,622
Other borrowings	-	-	-	-	455,188	455,188	455,188
Other liabilities	-	-	-	-	1,040,336	1,040,336	1,040,336
	19,010	-	-	-	54,313,625	54,332,635	54,376,426

Investment securities – unquoted equity securities at cost
The above table includes to QAR 61.1 million (2013 : QAR 63.4 million) at 31 December 2014 of unquoted equity investments in both the carrying amount and fair value columns that were measured at cost and for which disclosure of fair value was not provided because their fair value was not considered to be reliably measureable.

8. CASH AND BALANCES WITH CENTRAL BANKS

	2014 QAR'000	2013 QAR'000
Cash	**522,773**	495,787
Cash reserve with QCB*	**1,823,312**	1,699,496
Cash reserve with other central banks*	**138,399**	101,035
Other balances with central banks	**1,222,057**	1,139,443
	3,706,541	3,435,761

*Cash reserve with QCB and other central banks are mandatory reserves that are not available for use in the Group's day to day operations.

9. DUE FROM BANKS

	2014 QAR'000	2013 QAR'000
Current accounts	**1,219,227**	744,501
Placements	**5,775,869**	3,298,923
Loans to banks	**5,251,686**	5,185,863
Impairment against due from banks (Note i)	**-**	(48,867)
	12,246,782	9,180,420

Note i:

	2014 QAR'000	2013 QAR'000
Balance at 1 January	**48,867**	48,867
Provisions made during the year	**(48,867)**	-
	-	48,867

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

10. LOANS AND ADVANCES TO CUSTOMERS

	2014 QAR'000	2013 QAR'000
Loans	**43,324,851**	37,536,919
Overdrafts	**5,653,074**	2,853,496
Bills discounted	**268,333**	181,140
Other loans*	**1,129,784**	1,841,872
(Note-i)	**50,376,042**	42,413,427
Less :		
Deferred profit	**(42,136)**	(74,153)
Specific impairment of loans and advances to customers	**(1,642,728)**	(1,177,893)
Collective impairment allowance	**(132,657)**	(52,265)
Net loans and advances to customers	**48,558,521**	41,109,116

The aggregate amount of non-performing loans and advances to customers amounted QAR 1,559.9 million, which represents 3.10% of total loans and advances to customers (2013: QAR 1,272.8 million, 3.01% of total loans and advances to customers).

Specific impairment of loans and advances to customers includes QAR 290.5 million of interest in suspense (2013: QAR 177.7 million).

*This includes acceptances pertaining to trade finance amounting to QAR 565.2 million (2013: QAR 1,040.3 million).

Note-i:

	2014 QAR'000	2013 QAR'000
Government and related agencies	**5,010,198**	3,423,104
Corporate	**34,744,184**	28,733,752
Retail	**10,621,660**	10,256,571
	50,376,042	42,413,427

By industry

At 31 December 2014	**Loans QAR'000**	**Overdrafts QAR'000**	**Bills discounted QAR'000**	**Other loans QAR'000**	**Total QAR'000**
Government and related agencies	**2,809,656**	**2,171,724**	**-**	**28,818**	**5,010,198**
Non-banking financial institutions	**1,177,548**	**-**	**-**	**-**	**1,177,548**
Industry	**2,329,700**	**45,636**	**31,958**	**4,622**	**2,411,916**
Commercial	**7,439,046**	**788,316**	**108,094**	**489,219**	**8,824,675**
Services	**2,984,720**	**208,445**	**67,285**	**32,424**	**3,292,874**
Contracting	**6,900,630**	**1,077,334**	**44,129**	**373,835**	**8,395,928**
Real estate	**9,214,058**	**538,704**	**200**	**43,940**	**9,796,902**
Personal	**9,768,614**	**735,281**	**520**	**117,245**	**10,621,660**
Others	**700,879**	**87,634**	**16,147**	**39,681**	**844,341**
	43,324,851	**5,653,074**	**268,333**	**1,129,784**	**50,376,042**
Less: Deferred profit					**(42,136)**
Specific impairment of loans and advances to customers					**(1,642,728)**
Collective impairment allowance					**(132,657)**
					48,558,521

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

10. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)
By industry (CONTINUED)

At 31 December 2013	Loans QAR'000	Overdrafts QAR'000	Bills discounted QAR'000	Other loans QAR'000	Total QAR'000
Government and related agencies	3,220,742	45,363	-	156,999	3,423,104
Non-banking financial institutions	247,337	72,815	-	-	320,152
Industry	788,462	17,572	28,809	16,023	850,866
Commercial	5,099,485	774,116	93,581	693,163	6,660,345
Services	2,809,757	111,066	32,092	334,504	3,287,419
Contracting	6,496,011	711,306	18,781	368,452	7,594,550
Real estate	8,676,613	480,569	-	88,712	9,245,894
Personal	9,669,723	437,234	608	149,006	10,256,571
Others	528,789	203,455	7,269	35,013	774,526
	37,536,919	2,853,496	181,140	1,841,872	42,413,427
Less: Deferred profit					(74,153)
Specific impairment of loans and advances to customers					(1,177,893)
Collective impairment allowance					(52,265)
					41,109,116

Movement in impairment loss on loans and advances to customers

	2014 QAR'000	2013 QAR'000
Balance at 1 January	**1,230,158**	844,659
Foreign currency translation	**(1,580)**	(56)
Provisions made during the year	**626,131**	473,506
Recoveries during the year	**(76,199)**	(81,612)
Net allowance for impairment during the year*	**549,932**	391,894
Written off/transfers during the year	**(3,125)**	(6,339)
Balance at 31 December	**1,775,385**	1,230,158

*The movement includes the effect of interest suspended on loans and advances to customers as per QCB regulations amounting to QAR 110.8 million during the year (2013: QAR 73.7 million).

Reconciliations of the allowance for impairment losses for loans and advances to customers, by class, is as follows:

	Corporate lending QAR'000	**SME lending QAR'000**	**Retail lending QAR'000**	**Real Estate Mortgage lending QAR'000**	**Total QAR'000**
Balance at 1 January	**887,159**	**22,369**	**266,714**	**53,916**	**1,230,158**
Foreign currency translation	**(585)**	**-**	**(995)**	**-**	**(1,580)**
Provisions made during the year	**409,502**	**34,871**	**128,438**	**53,320**	**626,131**
Recoveries during the year	**(19,864)**	**(3,515)**	**(34,122)**	**(18,698)**	**(76,199)**
Written off/transfers during the year	**(1,825)**	**(103)**	**5,961**	**(7,158)**	**(3,125)**
Balance at 31 December 2014	**1,274,387**	**53,622**	**365,996**	**81,380**	**1,775,385**

	Corporate lending QAR'000	SME lending QAR'000	Retail lending QAR'000	Real Estate Mortgage lending QAR'000	Total QAR'000
Balance at 1 January	547,694	8,634	224,631	63,700	844,659
Foreign currency translation	-	-	(56)	-	(56)
Provisions made during the year	388,616	14,299	70,335	256	473,506
Recoveries during the year	(34,737)	(564)	(36,494)	(9,817)	(81,612)
Written off during the year	(14,414)	-	8,298	(223)	(6,339)
Balance at 31 December 2013	887,159	22,369	266,714	53,916	1,230,158

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

11. INVESTMENT SECURITIES

The analysis of investment securities is detailed below:

	2014 QAR'000	2013 QAR'000
Available-for-sale	**5,400,523**	5,771,668
Investment securities classified as held for trading	**36,541**	-
Held to maturity*	**4,138,559**	6,109,454
	9,575,623	11,881,122
Impairment losses	**(122,795)**	(177,545)
Total	**9,452,828**	11,703,577

*The Group has pledged State of Qatar Bonds amounting to QAR 136 million (2013: QAR 168 million) against repurchase agreements.

Available-for-sale

	2014		2013	
	Quoted QAR'000	Unquoted QAR'000	Quoted QAR'000	Unquoted QAR'000
Equities	**819,520**	**70,048**	854,239	70,048
State of Qatar debt securities	**1,622,610**	**1,131,616**	1,732,964	1,106,724
Other debt securities	**1,631,633**	**10,133**	1,878,915	9,689
Mutual funds	**114,963**	**-**	119,089	-
Less: Impairment losses	**(99,696)**	**(8,905)**	(142,725)	(6,643)
Total	**4,089,030**	**1,202,892**	4,442,482	1,179,818

Fixed rate securities and floating rate securities amounted to QAR 4,219 million and QAR 173 million respectively as of 31 December 2014 (2013: QAR 4,673 million and QAR 55 million respectively).

Investment securities classified as held for trading
The investment securities classified as held for trading comprise of quoted bonds amounted to QAR 31.3 million and quoted equities amounted to QAR 5.2 million.

Held to maturity

	2014		2013	
-By issuer	Quoted QAR'000	Unquoted QAR'000	Quoted QAR'000	Unquoted QAR'000
State of Qatar debt securities	**1,687,635**	**1,744,891**	2,046,358	3,857,346
Other debt securities	**169,618**	**536,415**	169,335	36,415
Less: Impairment losses	**(14,194)**	-	(28,177)	-
Total	**1,843,059**	**2,281,306**	2,187,516	3,893,761
-By interest rate				
Fixed rate securities	**1,814,388**	**2,281,306**	2,157,693	3,893,761
Floating rate securities	**42,865**	**-**	58,000	-
Less: Impairment losses	**(14,194)**	**-**	(28,177)	-
Total	**1,843,059**	**2,281,306**	2,187,516	3,893,761

The fair value of held-to-maturity investments amounted to QAR 4,211 million at 31 December 2014 (2013: QAR 6,185 million).

Movement in impairment losses on investment securities

	2014 QAR'000	2013 QAR'000
Balance at 1 January	**177,545**	204,377
Provision for impairment loss during the year	**30,174**	10,769
Transferred to consolidated income statement on disposal	**(84,924)**	(37,601)
Balance at 31 December	**122,795**	177,545

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

12. INVESTMENT IN ASSOCIATES

	2014 QAR'000	2013 QAR'000
Balance at 1 January	**9,382**	10,532
Foreign currency translation	**(180)**	(1,180)
Share of results	**42**	143
Cash dividend	**-**	(113)
Balance at 31 December	**9,244**	9,382

The financial position and results of the associate based on audited financial statements, as at and for the year ended 31 December is as follows:

31 December	2014 QAR'000	2013 QAR'000
Total assets	**38,356**	**42,746**
Total liabilities	**17,355**	**21,431**
Total revenue	**9,969**	**10,816**
Net profit	**95**	**324**
Share of net profit	**42**	**143**

13. PROPERTY, FURNITURE AND EQUIPMENT

	Land and buildings QAR'000	Leasehold improvements QAR'000	Furniture and equipment QAR'000	Vehicles QAR'000	Total QAR'000
At 31 December 2014 **Cost:**					
Balance at 1 January	**768,420**	**130,306**	**349,036**	**12,740**	**1,260,502**
Additions/ transfers	**-**	**16,598**	**68,221**	**341**	**85,160**
Disposals	**-**	**(318)**	**(20)**	**(545)**	**(883)**
	768,420	**146,586**	**417,237**	**12,536**	**1,344,779**
Depreciation:					
Balance at 1 January	**130,947**	**97,305**	**261,968**	**10,811**	**501,031**
Depreciation for the year	**31,796**	**12,606**	**38,407**	**766**	**83,575**
Disposals	**-**	**(318)**	**-**	**(520)**	**(838)**
	162,743	**109,593**	**300,375**	**11,057**	**583,768**
Net Book Value	**605,677**	**36,993**	**116,862**	**1,479**	**761,011**

	Land and buildings QAR'000	Leasehold improvements QAR'000	Furniture and equipment QAR'000	Vehicles QAR'000	Total QAR'000
At 31 December 2013 Cost:					
Balance at 1 January	742,485	118,253	342,488	12,639	1,215,865
Additions/Transfers	25,935	13,065	7,259	445	46,704
Disposals	-	(1,012)	(711)	(344)	(2,067)
	768,420	130,306	349,036	12,740	1,260,502
Depreciation:					
Balance at 1 January	99,631	85,288	226,147	9,977	421,043
Depreciation for the year	31,316	12,850	36,531	1,176	81,873
Disposals	-	(833)	(710)	(342)	(1,885)
	130,947	97,305	261,968	10,811	501,031
Net Book Value	637,473	33,001	87,068	1,929	759,471

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

14. OTHER ASSETS

	2014 QAR'000	2013 QAR'000
Interest receivable	**136,611**	214,750
Prepaid expenses	**99,819**	134,653
Repossessed collaterals*	**31,415**	31,415
Positive fair value of derivatives (Note 34)	**38,129**	58,853
Deferred tax asset	**30,150**	17,819
Sundry debtors	**1,266**	1,138
Others	**445,245**	313,469
	782,635	772,097

*This represents the value of the properties acquired in settlement of debts which are stated at their acquisition value net of provision. The estimated market values of these properties as at 31 December 2014 are not materially different from the carrying values.

15. DUE TO BANKS

	2014 QAR'000	2013 QAR'000
Balances due to central banks	**196,912**	98,467
Current accounts	**582,740**	636,082
Certificate of deposits	**400,000**	-
Short-term loan from banks*	**11,615,083**	6,985,232
	12,794,735	7,719,781

*Includes amount held under repurchase agreements amounting to QAR 106 million (2013: QAR 144 million)

16. CUSTOMER DEPOSITS

By type

	2014 QAR'000	2013 QAR'000
Current and call deposits	**12,047,947**	10,238,013
Saving deposits	**2,330,511**	1,876,042
Time deposits	**31,568,117**	30,408,434
	45,946,575	42,522,489

By sector

	2014 QAR'000	2013 QAR'000
Government and semi government agencies	**16,970,410**	14,709,153
Individuals	**9,383,256**	8,745,595
Corporates	**17,356,088**	17,265,296
Non-banking financial institutions	**2,236,821**	1,802,445
	45,946,575	42,522,489

17. DEBT SECURITIES

The Group has issued subordinated debt notes and senior guaranteed notes as follows:

	2014 QAR'000	2013 QAR'000
Subordinated debt notes (a)	**772,092**	771,447
Senior guaranteed notes (b)	**1,810,386**	1,804,384
	2,582,478	2,575,831

Note (a)
On 12 December 2006, the Group issued US$ 340 million subordinated floating rate step up notes at a nominal value of US$ 100,000 per note. The notes mature in 2016 and carry interest at three months US$ LIBOR plus 1.32% per annum payable.

Note (b)
On 14 March 2013, the Group issued US$ 500 million senior guaranteed notes at 98.964% of the nominal value. The notes have a minimum nominal denomination of US$ 200,000. The notes mature in 2017 and carry interest at fixed rate of 3.50% payable semi-annually.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

18. OTHER BORROWINGS

	2014 QAR'000	2013 QAR'000
Term loan facility	**727,681**	455,188

The table below shows the maturity profile of other borrowings.

	2014 QAR'000	2013 QAR'000
Up to 1 year	**181,638**	182,075
Between 1 and 3 years	**546,043**	273,113
	727,681	455,188

19. OTHER LIABILITIES

	2014 QAR'000	2013 QAR'000
Interest payable	**130,009**	118,663
Accrued expense payable	**95,161**	90,295
Provision for end of service benefits (Note-i)	**193,505**	171,864
Staff provident fund	**89,324**	79,508
Tax payable	**22,866**	10,568
Negative fair value of derivatives (Note 34)	**52,686**	19,010
Unearned income	**59,187**	48,053
Cash margins	**275,061**	296,676
Dividend payable	**41,207**	23,148
Unclaimed balances	**10,352**	8,731
Proposed transfer to social and sport fund	**33,966**	32,816
Others*	**1,170,016**	1,526,300
Total	**2,173,340**	2,425,632

*This includes acceptances pertaining to trade finance amounting to QAR 565.2 million (2013: QAR 1,040.3 million).

Note-i

Provision for end of service benefits

	2014 QAR'000	2013 QAR'000
Balance at 1 January	**171,864**	147,675
Provision for the year	**38,292**	32,484
Provisions used during the year	**(16,651)**	(8,295)
Balance at 31 December	**193,505**	171,864

20. EQUITY

a. Share capital

	Ordinary shares	
	2014	2013
In thousands of shares		
On issue at the beginning of the reporting period	**258,372**	206,698
New shares issued	**-**	51,674
On issue at 31 December	**258,372**	258,372

At 31 December 2014, the authorised share capital comprised 258,372 thousands ordinary shares (2013:258,372 thousands). These instruments have a par value of QAR 10. All issued shares are fully paid.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

20. EQUITY (CONTINUED)
a. Share capital (CONTINUED)

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Group.

b. Legal reserve
In accordance with Qatar Central Bank's Law No. 13 of 2013, 10% of the net profit for the year is required to be transferred to legal reserve until the legal reserve equals 100% of the paid up capital. This reserve is not available for distribution except in circumstances specified in the Qatar Commercial Companies' Law No. 5 of 2002 and is subject to the approval of QCB.

The legal reserve includes share premium received on issuance of new shares in accordance with Qatar Commercial Companies Law (5) of 2002.

c. Risk reserve
In accordance with the Qatar Central Bank regulations, a minimum requirement of 2.5% of the net loans and advances to customers except for facilities granted to Government, is required as risk reserve to cover any contingencies.

For the year ended 31 December 2014 the Group has transferred QAR 179 million (2013: QAR 187 million) into the risk reserve which is 2.5% of the net loans and advances to customers except for facilities granted to Government.

d. Fair value reserves
This reserve comprises the fair value changes recognised on available-for-sale financial assets.

	2014 QAR'000	2013 QAR'000
Balance at 1 January	**(43,355)**	126,856
Net unrealized gain (losses) on available-for-sale investment securities	**65,816**	(78,357)
Reclassified to consolidated statement of income	**(80,035)**	(91,854)
Balance at 31 December	**(57,574)**	(43,355)

e. Foreign currency translation reserve
The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

f. Proposed dividend
The Board of Directors of the Group has proposed a cash dividend of 40% of paid up share capital amounting to QAR 1,033.5 million - QAR 4.00 per share (2013: 45% of paid up share capital amounting to QAR 1,162.7 million - QAR 4.50 per share) which is subject to approval at the Annual General Meeting of the shareholders.

g. Instrument eligible as additional capital
During the year 2013, the Group issued regulatory Tier I capital notes amounting to QAR 2 billion. The notes are perpetual, subordinated, unsecured and have been issued at a fixed interest rate for the first six years and on a floating rate basis thereafter. The Bank can elect not to pay a coupon at its own discretion. Note holders will not have a right to claim the coupon and the event is not considered an event of default. The notes carry no maturity date and have been classified under equity.

21. INTEREST INCOME

	2014 QAR'000	2013 QAR'000
Balance with central banks	**10,551**	3,069
Due from banks and non-banking financial institutions	**121,637**	95,667
Debt securities	**365,499**	460,398
Loans and advances to customers	**2,009,548**	1,835,328
	2,507,235	2,394,462

22. INTEREST EXPENSE

	2014 QAR'000	2013 QAR'000
Due to banks	**74,539**	73,815
Customer deposits	**414,787**	422,151
Debt securities	**76,627**	76,245
	565,953	572,211

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

23. FEE AND COMMISSION INCOME

	2014 QAR'000	2013 QAR'000
Credit related fees	**157,239**	83,964
Brokerage fees	**668**	1,540
Bank services fee	**175,732**	133,601
Commission on unfunded facilities	**172,802**	173,762
Others	**15,823**	16,286
	522,264	409,513

24. FEE AND COMMISSION EXPENSE

	2014 QAR'000	2014 QAR'000
Bank fees	**1,123**	1,069
Others	**5,099**	2,737
	6,222	3,806

25. FOREIGN EXCHANGE GAIN

	2014 QAR'000	2013 QAR'000
Dealing in foreign currencies	**19,300**	25,953
Revaluation of assets and liabilities	**94,335**	57,862
Revaluation of derivative financial instruments	**(16,490)**	4,839
	97,145	88,654

26. INCOME FROM INVESTMENT SECURITIES

	2014 QAR'000	2013 QAR'000
Net gains on investment securities	**185,349**	122,136
Dividend income	**36,224**	26,958
	221,573	149,094

27. OTHER OPERATING INCOME

	2014 QAR'000	2013 QAR'000
Recoveries from the loans and advances previously written-off	**27,407**	33,234
Rental income	**13,300**	14,149
Others	**21,326**	11,070
	62,033	58,453

28. STAFF COSTS

	2014 QAR'000	2013 QAR'000
Staff cost	**470,894**	412,514
Staff pension fund costs	**11,183**	9,899
End of service benefits	**38,292**	32,484
Training	**3,120**	3,316
	523,489	458,213

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

29. OTHER EXPENSES

	2014 QAR'000	2013 QAR'000
Advertising	**34,528**	28,164
Professional fees	**27,103**	20,242
Communication and insurance	**46,636**	38,103
Board of Directors' remuneration	**17,109**	14,207
Occupancy and maintenance	**79,956**	70,867
Computer and IT costs	**29,552**	20,360
Printing and stationary	**14,457**	14,223
Travel and entertainment costs	**7,466**	8,886
Others	**156,236**	139,484
	413,043	354,536

30. TAX EXPENSE

	2014 QAR'000	2013 QAR'000
Current tax expense		
Current year	**24,367**	10,993
Adjustments for prior years	**(455)**	673
	23,912	11,666
Deferred tax expense		
Temporary differences	**(12,332)**	(6,559)
	(12,332)	(6,559)
Total tax expense	**11,580**	5,107

31. BASIC AND DILUTED EARNINGS PER SHARE

Earnings per share of the Group is calculated by dividing profit for the year attributable to the equity holders (further adjusted for interest expense on tier 1capital notes) of the Bank by the weighted average number of ordinary shares in outstanding during the year:

	2014 QAR'000	2013 QAR'000
Profit for the year attributable to the equity holders of the Group	**1,358,658**	1,312,652
Deduct : Interest on Tier 1 capital notes	**(120,000)**	-
Net profit attributable to equity holders of the Group	**1,238,658**	1,312,652
Weighted average number of outstanding shares (in thousands)	**258,372**	248,363
Earnings per share (QAR)	**4.79**	5.29

The weighted average number of shares has been calculated as follows:

In thousands of shares	2014	2013
Weighted average number of shares at 1 January	**258,372**	206,698
Effect of rights issue	**-**	41,665
Weighted average number of shares at 31 December	**258,372**	248,363

32. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	2014 QAR'000	2013 QAR'000
Contingent liabilities		
Unused facilities	**9,533,640**	6,132,747
Guarantees	**20,231,382**	17,779,104
Letters of credit	**3,058,424**	2,786,771
Others	**491,547**	894,139
Total	**33,314,993**	27,592,761
Other commitments		
Forward foreign exchange contracts	**5,527,793**	3,233,755
Interest rate swaps	**746,508**	711,549
Total	**6,274,301**	3,945,304

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

32 CONTINGENT LIABILITIES AND OTHER COMMITMENTS (CONTINUED)

Unused facilities

Commitments to extend credit represent contractual commitments to make loans and revolving credits. The majority of these expire within a year. Since commitments may expire without being drawn upon, the total contractual amounts do not necessarily represent future cash requirements.

Guarantees and Letters of credit

Guarantees and letters of credit commit the Group to make payments on behalf of customers in the event of a specific event. Guarantees and standby letters of credit carry the same credit risk as loans.

Lease commitments

The Group has entered into commercial leases on certain buildings. These leases have an average duration between three and five years. There are no restrictions placed upon the Group by entering into these leases.

Future minimum lease payments under non-cancellable leases as at December 31 are as follow:

	2014 QAR'000	2013 QAR'000
Less than one year	**15,651**	9,416
Between one and five years	**18,869**	26,308
More than five years	**5,216**	3,496
	39,736	39,220

33. CASH AND CASH EQUIVALENTS

	2014 QAR'000	2013 QAR'000
Cash and balances with central banks	**1,744,830**	1,635,230
Due from banks and other financial institutions maturing within 3 months	**8,354,243**	6,663,149
	10,099,073	8,298,379

*Cash and balances with Central banks do not include the mandatory cash reserve.

34. DERIVATIVES

				Notional / expected amount by term to maturity			
At 31 December 2014:	**Positive fair value QAR'000**	**Negative fair value QAR'000**	**Notional amount QAR'000**	**within 3 months QAR'000**	**3 - 12 months QAR'000**	**1-5 years QAR'000**	**More than 5 years QAR'000**
Derivatives held for trading:							
Forward foreign exchange contracts	**26,152**	**42,642**	**5,527,793**	**4,854,157**	**673,636**	**-**	**-**
Derivatives held for fair value hedges:							
Interest rate swaps	**11,977**	**10,044**	**746,508**	**-**	**29,132**	**183,532**	**533,844**

				Notional / expected amount by term to maturity			
At 31 December 2013:	Positive fair value QAR'000	Negative fair value QAR'000	Notional amount QAR'000	within 3 months QAR'000	3 - 12 months QAR'000	1-5 years QAR'000	More than 5 years QAR'000
Derivatives held for trading:							
Forward foreign exchange contracts	19,844	15,005	3,233,755	3,233,755	-	-	-
Derivatives held for fair value hedges:							
Interest rate swaps	39,009	4,005	711,549	-	-	176,613	534,936

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

35. RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, Related parties include entities over which the Group exercises significant influence, major shareholders, directors and key management personnel of the Group. The Group enters into transactions, arrangements and agreements involving directors, senior management and their related concerns in the ordinary course of business at commercial interest and commission rates.

The related party transactions and balances included in these consolidated financial statements are as follows:

	2014		2013	
	Board of directors QAR'000	**Others QAR'000**	Board of directors QAR'000	Others QAR'000
Assets:				
Loans and advances to customers	**1,033,716**	**-**	1,350,905	**-**
Liabilities:				
Customer deposits	**428,893**	**1,033**	379,284	1,421
Unfunded items:				
Contingent Liabilities and other commitments	**998,929**	**-**	621,880	-
Income statement items:				
Interest , commission and other income	**25,658**	**-**	44,678	-
Interest, commission and other expense	**10,027**	**234**	7,389	24

No impairment losses have been recorded against balances outstanding during the period with key management personnel, and no specific allowance has been made for impairment losses on balances with key management personnel and their immediate relatives at the year end.

Key management personnel compensation for the year comprised:

	2014 QAR'000	2013 QAR'000
Salaries and other benefits	**58,742**	57,288
End of service indemnity benefits and provident	**7,403**	4,340
	66,145	61,628

36. INDIAN OPERATION

During the year, the Group has transferred the Minimum Statutory Capital for its Mumbai branch in India as required by the Reserve Bank of India. The branch has commenced its banking business in India with effect from 10 June 2014.

In addition, the Group has entered into an agreement with HSBC Bank Oman S.A.O.G for the purchase of the bank's India operation with its two branches subject to the relevant regulatory approvals.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

37. FINANCIAL STATEMENTS OF THE PARENT BANK

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

Statement of Financial Position – Parent Bank

As at 31 December	2014 QAR'000	2013 QAR'000
ASSETS		
Cash and balances with central banks	**3,706,541**	3,435,761
Due from banks	**12,152,721**	9,124,582
Loans and advances to customers	**48,558,521**	41,109,116
Investment securities	**9,461,916**	11,715,629
Investment in an associate	**9,244**	9,382
Property, furniture and equipment	**760,532**	758,931
Other assets	**692,858**	700,913
TOTAL ASSETS	**75,342,333**	66,854,314
LIABILITIES		
Due to banks	**12,794,735**	7,719,781
Customer deposits	**45,952,676**	42,557,018
Debt securities	**2,582,478**	2,575,831
Other borrowings	**727,681**	455,188
Other liabilities	**2,036,301**	2,309,566
TOTAL LIABILITIES	**64,093,871**	55,617,384
EQUITY		
Share capital	**2,583,723**	2,583,723
Legal reserve	**4,304,339**	4,304,339
Risk reserve	**1,140,000**	960,650
Fair value reserves	**(57,695)**	(43,377)
Foreign currency translation reserve	**(10,595)**	(4,647)
Proposed dividend	**1,033,489**	1,162,675
Retained earnings	**255,201**	273,567
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE BANK	**9,248,462**	9,236,930
Instrument eligible as additional capital	**2,000,000**	2,000,000
TOTAL EQUITY	**11,248,462**	11,236,930
TOTAL LIABILITIES AND EQUITY	**75,342,333**	66,854,314

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2014

37. FINANCIAL STATEMENTS OF THE PARENT BANK (CONTINUED)
Supplementary Information to the Financial Statements (CONTINUED)

Income Statement – Parent Bank

For the year ended 31 December	2014 QAR'000	2013 QAR'000
Interest income	**2,507,235**	2,394,462
Interest expense	**(566,113)**	(572,616)
Net interest income	**1,941,122**	1,821,846
Fee and commission income	**522,264**	409,153
Fee and commission expense	**(6,222)**	(3,806)
Net fee and commission income	**516,042**	405,347
Foreign exchange gain	**97,145**	88,654
Income from investment securities	**218,415**	142,693
Other operating income	**59,086**	59,386
	374,646	290,733
Net operating income	**2,831,810**	2,517,926
Staff costs	**(511,973)**	(445,489)
Depreciation and amortisation	**(83,363)**	(80,839)
Impairment loss on investment securities	**(30,174)**	(10,769)
Net impairment loss on loans and advances to customers	**(439,149)**	(318,158)
Other expenses	**(408,254)**	(349,306)
	(1,472,913)	(1,204,561)
Profit for the year before tax	**1,358,897**	1,313,365
Tax expense	**(10,498)**	(4,682)
Profit for the year	**1,348,399**	1,308,683


TOKYO

DOHA BANK
CONTACT DIRECTORY

Sheikh Fahad Bin Mohammad Bin Jabor Al Thani
Chairman
Tel: 40155551
Fax: 44432008

Sheikh Abdul Rahman Bin Mohammad Bin Jabor Al Thani
Managing Director
Tel: 40155565
Fax: 44432008

Dr. Rahavan Seetharaman
Chief Executive Officer
Tel: 40155575
Fax: 44325345

Mr. Mokhtar Abdel Monem Elhenawy
Assistant General Manager
Legal Advisor & Secretary
to the Board of Directors
Tel: 40155488
Fax: 40155482

Mr. Jamal Eddin H. Al Sholy
Assistant General Manager
Head of Compliance
Compliance
Tel: 40155405
Fax: 40155449

Mr. Samer Fares Dababneh
Executive Manager
Chief Internal Auditor
Internal Audit
Tel: 40155455
Fax: 40155454

RETAIL BANKING GROUP
Mr. Suresh Bajpai
Assistant General Manager
Head of Retail Banking
Tel: 40154744
Fax: 40154756

Mr. Sanjay Sinha
Executive Manager
Head of Branch Operations and Control
Tel: 40154705
Fax: 40154702

TREASURY & INVESTMENT GROUP
Mr. K. V. Samuel
Executive Manager
Acting Head of Treasury & Investments
Tel: 40155356
Fax: 40155331

GROUP FINANCE
Mr. David Challinor
Assistant General Manager
Head of Group Finance
Tel: 40155705
Fax: 40155701

TECHNOLOGY & OPERATIONS
Mr. Neil Buckley
Assistant General Manager
Head of Technology And Operations
Tel: 40155300

Mr. Mohammad Abid Mohammad Hanif
Executive Manager
Head of Information Technology
Technology & Operations
Tel: 44456743
Fax: 44313270

Mr. Shyama Kumar
Executive Manager
Head of Operations
Technology & Operations
Tel: 40155255
Fax: 40155191

ADMINISTRATION
Mr. Ahmed Ali J Al-Hanzab
Senior Manager
Head of Administration
Tel: 40155655

HUMAN RESOURCES GROUP
Mr. A. Rahman Ali A. Al Mohammed
Assistant General Manager
Head of Human Resources
Tel: 40155666
Fax: 40155661

Mr. Hasan Ali I M Bukshaisha
Executive Manager
Head of Government Relations
Tel: 40155603
Fax: 40155660

INTERNATIONAL BANKING GROUP
Mr. Ganesan Ramakrishnan
Assistant General Manager
Head of International Banking
Tel: 40154844
Fax: 44456571

WHOLESALE BANKING GROUP
Mr. Dag Reichel
Assistant General Manager
Head of Wholesale Banking
Wholesale Banking
Tel: 40154959
Fax: 40154931

Mr. C.K. Krishnan
Assistant General Manager
Head of Corporate & Commercial Banking
Tel: 40154999
Fax: 40154891

Mr. Khalid Mohamed Hussain Naama Al Naama
Executive Manager
Head of Public Sector
Wholesale Banking
Tel: 40154878
Fax: 40154870

Mr. AbdulHussain Asadollah Asadi
Executive Manager
Head of CRM & Private Banking
Wholesale Banking
Tel: 40154858
Fax: 40154862

Mr. Adrian David Sender
Executive Manager
Corporate Finance
Wholesale Banking
Tel: 40154955
Fax: 40154931

Mr. Stefano Berto
Executive Manager
Head of Business Development
Wholesale Banking
Tel: 40154964
Fax: 44325345

RISK MANAGEMENT GROUP
Mr. Khalid Latif
Assistant General Manager
Head of Credit Risk Management
Risk Management
Tel: 40155777
Fax: 40155770

Mr. Yousuf Hashim Abdulla Al Yousuf
Executive Manager
Relationship Management
Tel: 40155887
Fax: 40154702

DOHA BANK ASSURANCE COMPANY
Mr. Brett Graeme Pennington
Executive Manager
Head of Insurance
Tel: 44257549
Fax: 44357582


KUWAIT

DOHA BANK BRANCH DIRECTORY
LOCAL BRANCHES

1) Main Branch (202)
P.O Box 3818
Tel:44456600
Fax:44416631, 44456837
Telex: 4534-DOHBNK
Swift: DOHA QA QA

2) Mushaireb (203)
P.O Box: 2822
Tel: 44025342, 43, 44
Fax: 44025335 / 44025336
Telex: 4825- DBMSB DH
Swift: DOHBQAQAMSB

3) Museum (204)
P.O Box: 32311
Tel: 40153152 / 53
Fax:40153150
Telex: 4534-DOHBNK
Swift: DOHA QA QA

4) New Souq Area (205)
P.O. Box 24586
Tel: 44375990 / 44372639
44375816
Fax: 4358071

5) Central Market (206)
P.O Box: 3818
Tel: 40153191 - 96
Fax: 40153186
Swift: DOHB QA QA

6) City Center (210)
P.O Box 31490
Tel: 44115038 , 39 , 41, 42
Fax: 44115018
Swift: DOHB QA QA

7) West Bay (211)
P.O Box: 9818
Tel: 40153101 / 09
Fax: 40153100
Telex:4883-DBBAY DH
Swift: DOHB QA QA

8) Al Kheratiyat (212)
P.O Box: 8212
Tel:44783397/8
Fax: 44783326 / 44780618
Telex: 5051 DOHB QA QA
Swift: DOHB QA QA

9) Bin Omran (213)
P.O Box: 8646
Tel: 44875031/3/4
Fax: 44874670

10) C-Ring Road (215)
P.O Box:3846
Tel:44659419/20/21
Fax:44659288
Telex: 4534
Swift: DOHB QA QA

11) Gharafah (216)
P.O Box: 31636
Tel: 44874665-667
Fax: 44874673

12) Najma (218)
P.O. Box 23449
Tel: 44270575 / 44250576
Fax: 4270595

13) Handasa (219)
P.O Box 31430
Tel: 44371843, 44375148
Fax: 44371330

14) D-Ring Road (220)
P.O Box 31420
Tel: 44257649, 50 , 51
Fax: 44257646

15) Old Airport Br. (221)
P.O Box 22714
Tel: 44257667, 44257669
Fax:44257657
Swift: DOHA QA QA

16) Corporate Br. (222)
P.O Box 3818
Tel: 40155750, 51 , 54
Fax:40155745
Swift: DOHA QA QA

17) Al Mirqab (225)
P.O Box: 8120
Tel: 40153266 / 67
Fax: 40153264

18) Salwa Road (226)
P.O. Box: 2176
Tel: 44682180/1
Fax: 44681768
Telex: 4744-DBSWA DH
Swift: DOHB QA QA SRB

19) Industrial Area (227)
P.O Box: 40665
Tel: 44606941 / 2 / 3
Fax:44606175

20) Abu Hamour (228)
P.O Box: 47277
Tel: 40153253 / 54
Fax:40153250

21) Abu Samra (229)
P.O Box: 30828
Tel:44715634 / 44715623
Fax: 44715618 / 31

22) Dukhan (230)
P.O Box: 100188
Tel: 40153312 to 3317
Fax: 44711090
Telex: 4210-DBDKN DH
Swift: DOHB QA QA DKB

23) Al Khor (231)
P.O Box: 60660
Tel: 44722916 / 15
Fax: 44722157
Swift: DOHB QA QA

24) Umm Salal (232)
P.O Box: 2389
Tel: 44257403 / 05 / 06
Fax: 44172010
Swift: DOHB QA QA

25) Ras Laffan (233)
P.O Box: 31660
Tel: 44748665 / 66
Fax: 44748664
Telex: 4825- DBMSB DH
Swift: DOHB QA QA

26) Al Ruwais (235)
P.O Box: 70800
Tel: 44731378
Fax: 44731372
Swift: DOHB QA QA

27) Wakra (237)
P.O Box: 19727
Tel: 40153177 / 78
Fax: 40153185
Swift: DOHB QA QA

28) Mesaieed (240)
P.O Box: 50111
Tel: 44771984/5
Fax: 44770639
Telex: 4164 DBUSB DH
Swift: DOHB QA QA USB

29) Al Rayyan (260)
P.O Box: 90424
Tel: 44257135 / 36
Fax: 44119471
Swift: DOHB QA QA

30) Aswaq Moaither (261)
P.O Box 31620
Tel: 44818075, 76 , 78
Fax: 44818079
Swift: DOHB QA QA

31) Aspire(263)
P.O Box: 22082
Tel: 44144942, 45
Fax: 44144947
Swift: DOHB QA QA

SHANGHAI

OVERSEAS BRANCHES & REPRESENTATIVE OFFICES

International Banking Department -

Head Office
Mr. Ganesan Ramakrishnan
Head - International Banking
P.O. Box 3818, Doha, Qatar
Tel: +974 4015 4844
Fax: +974 4015 4822
Mobile: +974 5589 5101
E-mail: gramakrishnan@dohabank.com.qa

Overseas Branches

Kuwait Branch
Mr. Ahmed Yusuf Ahmed Almehza
Chief Country Manager
Ahmed Al-Jaber Street
Abdullatif Al-Sarraf Tower
Block No.1, Plot No.3
P.O. Box 506, Safat 13006, Sharq, Kuwait
Tel: +965 2291 7217
Fax: +965 2291 7229
Mobile: +965 6632 0202
Email: aalmehza@dohabank.com.kw

Abu Dhabi (UAE) Branch
Mr. Nelson Rajan Quadros
Acting Head of Business
Al Otaiba Tower, Najda Street
P.O Box 27448, Abu Dhabi, UAE
Tel: +971 2 6944899
Fax: + 971 2 6944844
Mobile: +971507702317
Email: nquadros@dohabank.ae

Dubai (UAE) Branch
Mr. Nael Zahi Rashed El - Zagha
Acting Head of Dubai Branch,
Ground Floor, 21st Century Tower
Sheikh Zayed Road
P.O. Box 125465, Dubai, UAE
Tel: +9714 407 3100
Fax: +9714 321 9972
Mobile: +971 56 2120595
Email: nelzagha@dohabank.com.qa

Mumbai Branch
Mr. G. Pattabiraman
Country Manager - India
Sakhar Bhavan, Ground Floor
Plot No 230, Block No III
Back bay Reclamation
Nariman Point, Mumbai 400 021, India
Tel: +91 22 6002 6561
Fax: +91 22 2287 5289
Mob: +91 98 2005 6076
Email: pattabiraman@dohabank.com.qa

Representative Offices

Australia Representative Office
Mr. Hilton Wood
Chief Representative
Level 36, 1 Farrer Place
Governor Phillip Tower
Sydney NSW 2000, Australia
Tel: +612 8211 0628
Fax: +612 9258 1111
Mobile: +61 419032419
Email: hilton.wood@dohabank.com.au

Tokyo Representative Office
Mr. Kanji Shinomiya
Chief Representative
Kioicho Building 8F B-3
3-12 Kioicho, Chiyoda-ku
Tokyo, 102-0094, Japan
Tel: +813 5210 1228
Fax: +813 5210 1224
Mobile: +81 90 1776 6197
Email: kanji.shinomiya@dohabank.jp

Seoul Representative Office
Mr. K. S. Kwon
Chief Representative
18th Floor, Kwanghwamoon Building
211, Sejong-Ro, Chongro-ku
Seoul, Postal Code 110822
South Korea
Tel: +82 2 723 6440/ 44
Fax: +82 2 723 6443
Mobile: +82 103 897 6607
Email: kskwon@dohabank.co.kr

Shanghai Representative Office
Mr. Peter Lo
Chief Representative
Suite 360, No.1376 Nanjing Road (W)
Shanghai Center, Shanghai 200040
Peoples Republic of China
Tel: +8621 6279 8006 / 8008
Fax: +8621 6279 8009
Mobile: +86 13 9179 81454
Email: peterlo@dohabanksh.com.cn

Singapore Representative Office
Mr. M. Sathyamurthy
Deputy Head – International Banking
7 Temasek Boulevard
#08-03A, Suntec Tower One
Singapore, 038987 Singapore
Tel: +65 6513 1298
Mobile: +65 8 126 6333
Email: sathyamurthy@dohabank.com.sg

Canada Representative Office
Mr. Venkatesh Nagoji
Acting Chief Representative
First Canadian Place
100 King Street West
Suite # 5600, Toronto, ON
M5X 1C9, Canada
Tel: + 1 647 255 3130 / Fax: + 1 647 255 3129

Hong Kong Representative Office
Mr. Ivan Lew Chee Beng
Chief Representative
Suite 1937, Level 19
Two International Finance Centre
8 Finance Street, Central, Hong Kong
Tel: +852 2251 1961
Fax: +852 2251 1818
Mobile: +852 9666 5237
Email: ivanlew@dohabank.com.hk

Turkey Representative Office
Mr. Nezih Akalan
Chief Representative
Bagdat Palace Apt.
Bagdat Cad.No. 302/1, D:14
Caddebostan Kadikoy, 34728,
Istanbul, Turkey
Tel: +90 216 356 2928 / 2929
Fax: +90 216 356 2927
Mobile: +90 532 331 0616
Email: nezihakalan@dohabankturkey.com

Frankfurt Representative Office
Mr. Maik Gellert
Chief Representative
16th Floor, Excellent Business Center
Opera Tower
Bockenheimer Landstrasse 2 - 4
D-60306 Frankfurt/Main, Germany
Tel: +49 69 667 748 214 / 215
Fax: +49 69 667 748 450
Mobile: +49 170 321 4999
E-mail : office@dohabank.eu

London Representative Office
Mr. Richard H. Whiting
Chief Representative
67 / 68 First Floor,
Jermyn Street
London SW1Y 6NY UK
Tel: +44 20 7930 5667
Mobile: +44 790 232 2326
Email: office@dohabank.co.uk

Sharjah (UAE) Representative Office
Mr. S. Krishna Kumar
Chief Representative
First Floor,
104, Index Tower,
Al Majaaz Area,
Sharjah, U.A.E.
Tel: +9716 552 5656/5612/5615
Fax: +9716 552 5657
Mobile: +971 56 176 0625
Email: Krishnakumar@dohabank.ae

Pay Offices

Office Name	Telephone No.	Fax No.
QP, Ras Abu Aboud, Doha	44402997 / 44402580	44402439
QP, NGL, Mesaieed	44774359	44774359
QP, Central Office Bldg	44771309	44771309
QP, Pay Office, Dukhan	44712298	44712660
Umm Baab, Dukhan	44712236	44712678
Chamber of Commerce (D Ring Rd.)	44674515	44674035
QPost - Main	44839210	44839157
QPost - Teyseer	44621299	44621552
QPost - Muntaza	44352894	44354284
Woqood	77846485 / 44114375	44114372
Pakistan Embassy	55629705 / 44176196	44176196

E-Branches

Moaither	Tel : +974 44801949 Fax : +974 44802285
Royal Plaza	Tel : +974 44131894 / 95 Fax : +974 44341760
LuluHypermarket (D-ring)	Tel : +974 44660761 / 44665122 Fax : +974 44663719
Lulu Gharafa	Tel : +974 44780673 / 59 Fax : +974 44780615
Al Muntazah - DBAC	Tel : +974 44434179 Fax : +974 44434178
Parco Mall	Tel : +974 40153126 / 27 Fax : +974 40153130
Lulu Al Khor	Tel : +974 40153128 / 30 Fax : +974 44726147
Abu Hamour	Tel : +974 44692198 Fax : +974 44509259
QP Al Handasa	Tel : +974 44375738 / 44374870 Fax : +974 44376022
Payroll Card Center	Tel : +974 44420726 Fax : +974 44420632


SEOUL