



Investor Relations Presentation

December 2016

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Notes:

All figures in US Dollars have been converted from Qatari Riyals based on the exchange rate of 1 US Dollar = 3.6405 Qatari Riyals

In certain cases, numbers may be rounded for presentation purposes

QNB at a Glance



QNB at a Glance: Overview

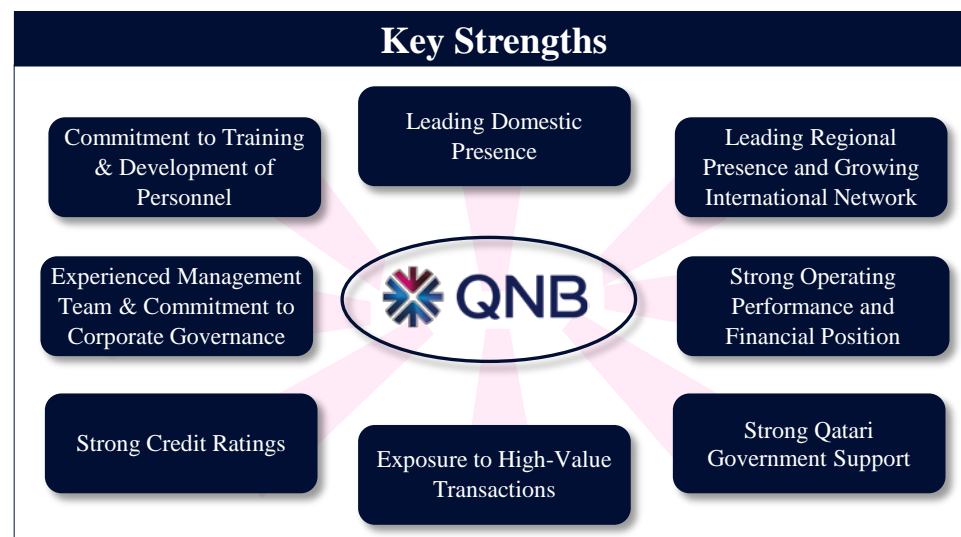
Overview	<ul style="list-style-type: none"> Established in 1964 as the first Qatari owned bank Owned (50%) by the Government of Qatar via the Qatar Investment Authority (QIA) Largest bank in Qatar by market cap., assets, loans, deposits and profit Largest bank in MEA by total assets, loans, deposits and profit
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Credit Rating					Capital Intelligence
		Moody's	S&P	Fitch	
LT		Aa3	A+	AA-	AA-
ST		P-1	A-1	F1+	A1+

Presence	<ul style="list-style-type: none"> QNB Group, subsidiaries and associate companies operate in more than 30 countries around the world across 3 continents, through more than 1,200 locations, supported by more than 4,300 ATMs and employing more than 28,000 staff.¹
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Stock/Share Parameters	<ul style="list-style-type: none"> Listed on Qatar Exchange (QNBK) Market cap. of USD37.6bn Share price of USD44.75 per share Price to Book 2.0x Price to Earnings 11.3x
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Financials² (in USD billion)			
	2016	2015	5yr CAGR
Total Assets	197.7	147.9	19%
Loans & Advances	143.0	106.7	22%
Deposits	139.2	108.6	20%
Operating Income ³	6.3	4.5	18%
Profit ⁴	3.4	3.1	10%
Coverage Ratio	114%	127%	-
NPL Ratio	1.8%	1.4%	-
Net Interest Margin	2.89%	2.80%	-









QNB's International Footprint

Sub-Saharan Africa

	South Sudan: (1 Branch)
	Togo: (1,268 Branches ¹ , 20.0% stake in Ecobank)










Asia

	Indonesia: (48 Branches, 82.59% stake In QNB Indonesia)
	Singapore: (1 Branch)
	India: (1 Office, 100% stake)
	China: (1 Representative office)
	Vietnam: (1 Representative office)
	Myanmar: (1 Representative office)





North Africa

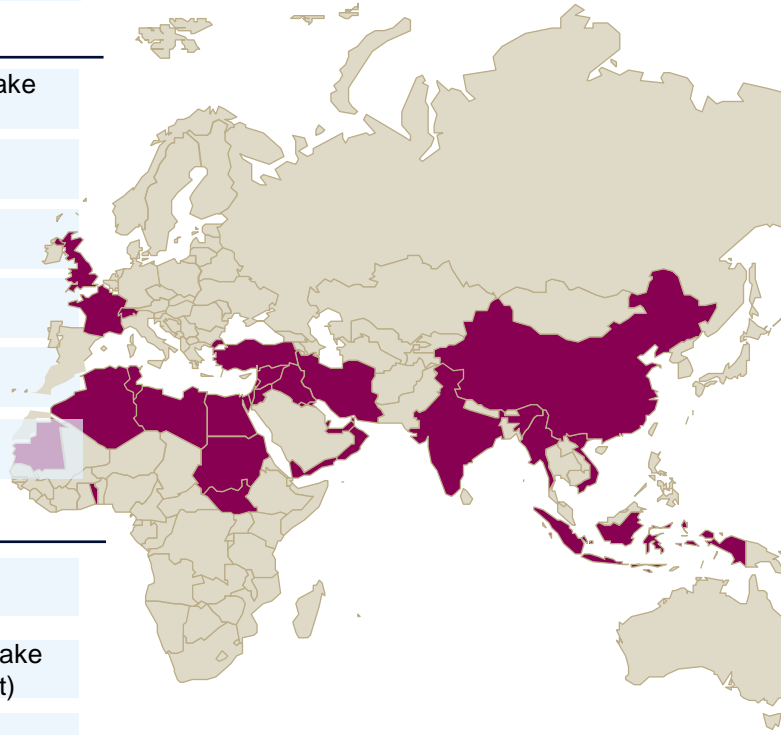
	Egypt: (204 Branches, 97.1% stake in QNB ALAHLI)
	Libya: (36 ² (+1 ²) Branches, 49.0% stake in Bank of Commerce & Development)
	Tunisia: (34 Branches, 99.9% stake in QNB Tunisia)
	Sudan: (6 Branches)
	Algeria: (7 ² Branches)
	Mauritania: (1 Branch)

Middle East

	Qatar: (66 Branches)
	Jordan: (130 ² (+3 ²) Branches, 34.5% stake in Housing Bank of Trade & Finance)
	UAE: (27 (+1 ²) Branches, 40.0% stake in CBI)
	Syria: (15 (+30 ²) Branches, 50.8% stake in QNB-Syria)
	Palestine: (13 ² Branches)
	Iraq: (9 (+1 ²) Branches, 50.8% stake in Bank Mansour)
	Oman: (6 Branches)
	Bahrain: (1 ² (+1 ²) Branch)
	Kuwait: (1 Branch)
	Lebanon: (1 Branch)
	Yemen: (1 Branch)
	Iran: (1 Representative office ³)

Europe

	United Kingdom: (1 (+1 ²) Branch)
	France: (1 Branch)
	Switzerland: (1 Office, 100% stake in QNB Suisse SA)
	Turkey: (629 Branches, 99.88% stake in Finansbank A.Ş.)



Rating Excerpts

**STANDARD
& POOR'S**
RATINGS SERVICES

“A+”

“Our stable outlook on Qatar National Bank (QNB) reflects the bank’s resilient financial performance supported by its core franchise in Qatar as well as its expected extraordinary support from the Qatari Government”

May 31st, 2016

MOODY'S

“Aa3”

“The standalone rating reflects: (1) consistently high profitability levels, supported by QNB's dominant market position and government relationships; (2) strong asset quality and sound capitalisation; (3) strong funding and liquidity metrics supported by growth in both its domestic private and international deposit base and (4) increasing business diversification derived from non-domestic operations.”

May 20th, 2016

FitchRatings “AA-”

“Profitability is stronger than that of most peers. Risk appetite is fairly conservative despite rapid growth and expansion into some higher-risk markets. We note however that QNB has a good track record of integrating and managing subsidiaries in weaker operating environments”

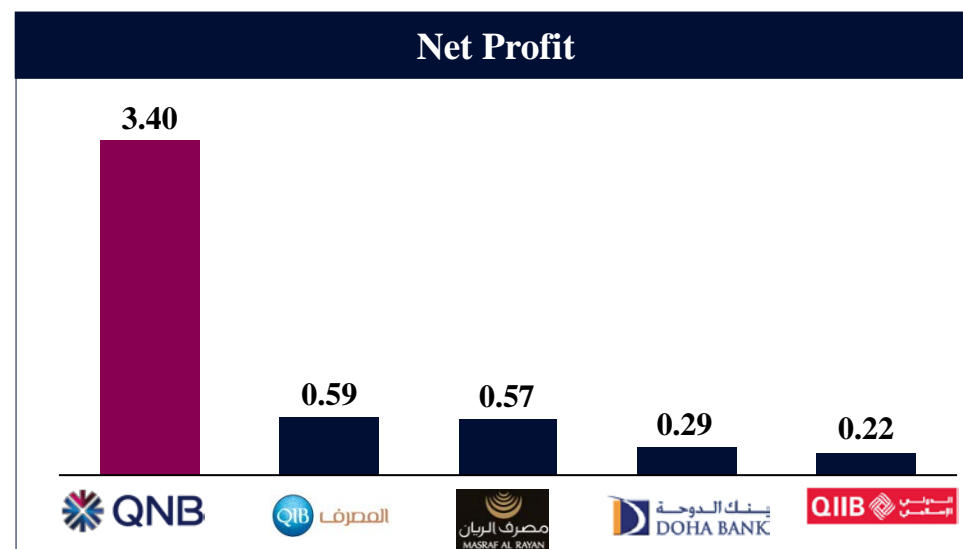
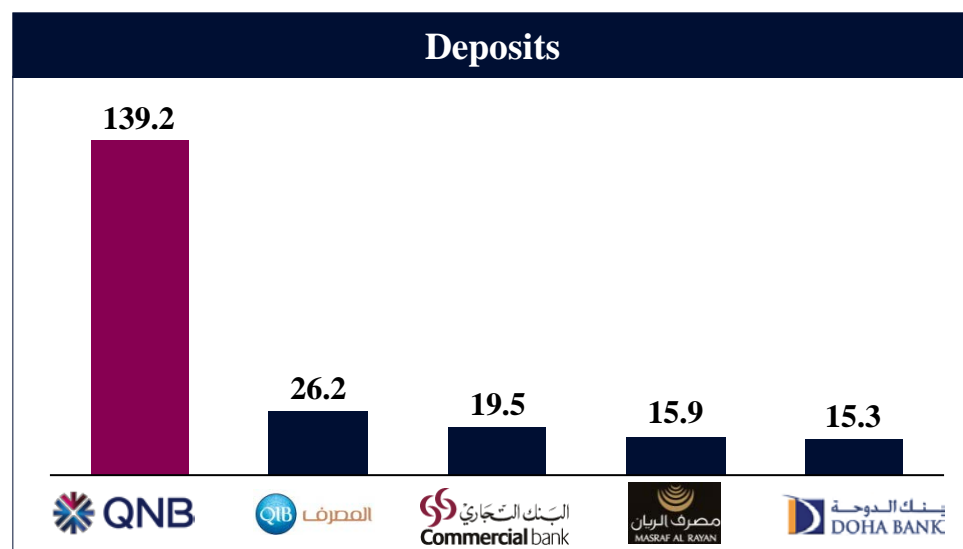
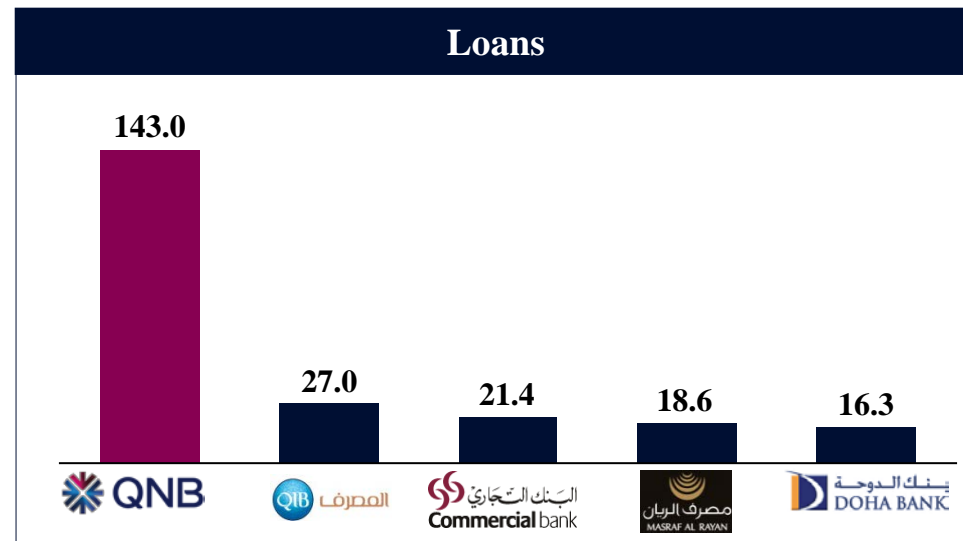
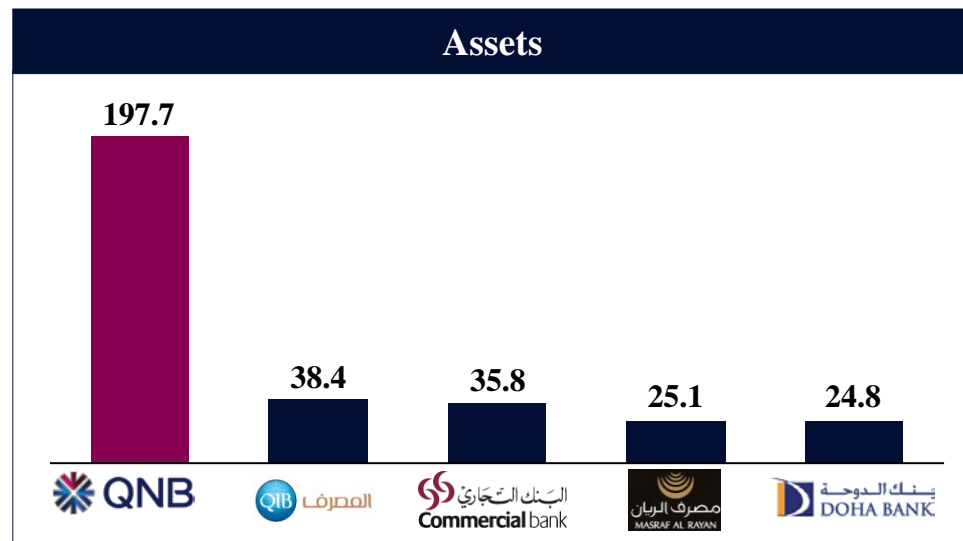
April 21st, 2016



QNB Comparative Positioning – Qatar and MEA

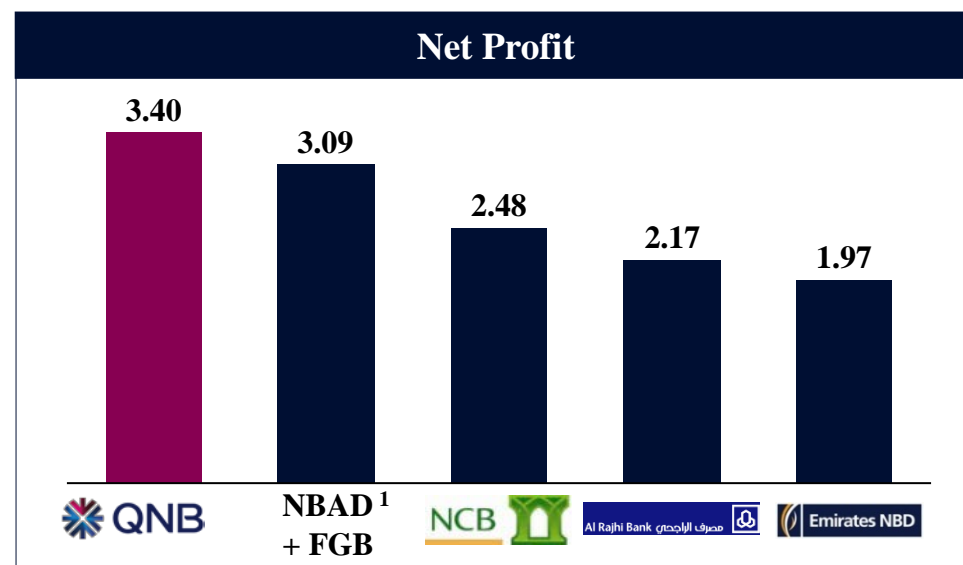
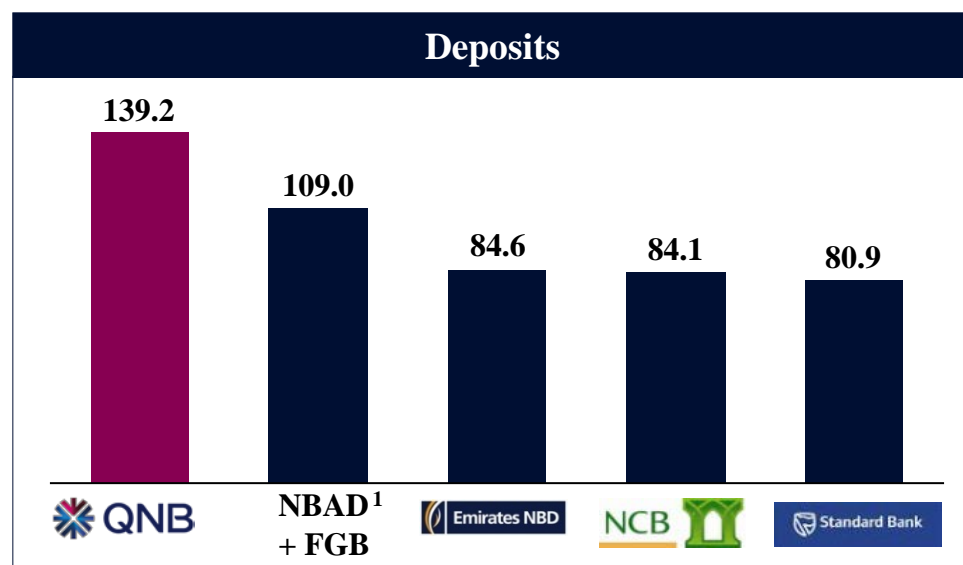
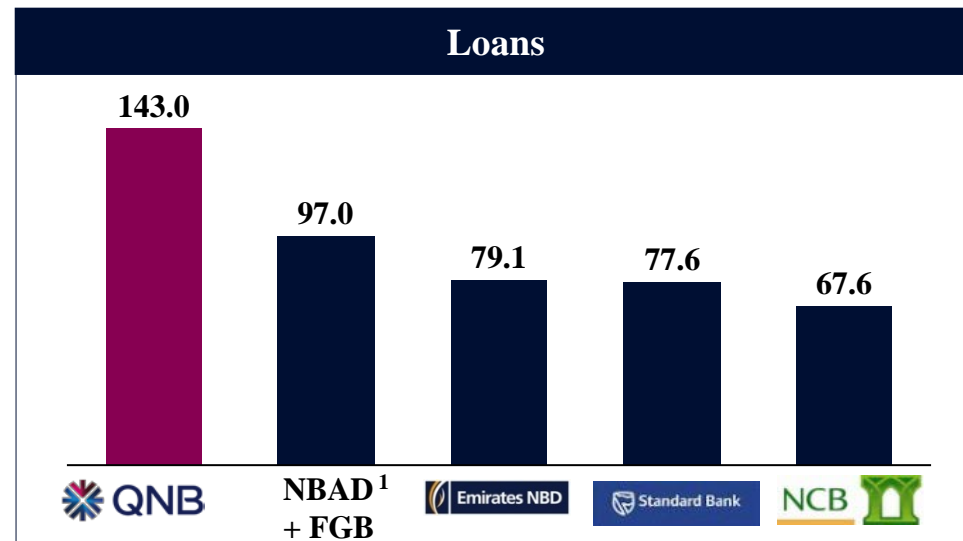
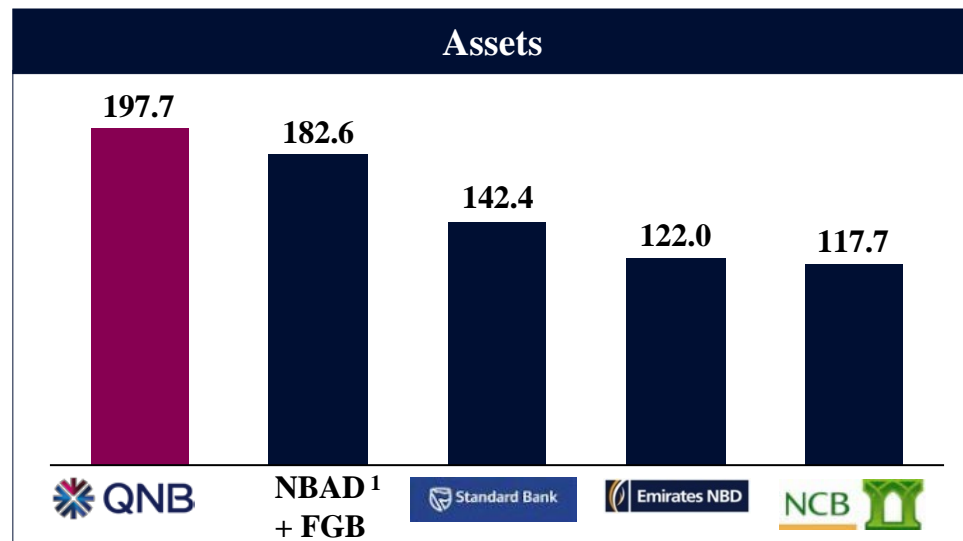
Top 5 Domestic Banks – December 2016

QNB continues to excel in the domestic market



Top 5 MEA Banks – December 2016

QNB improved its position as the leading bank in the region



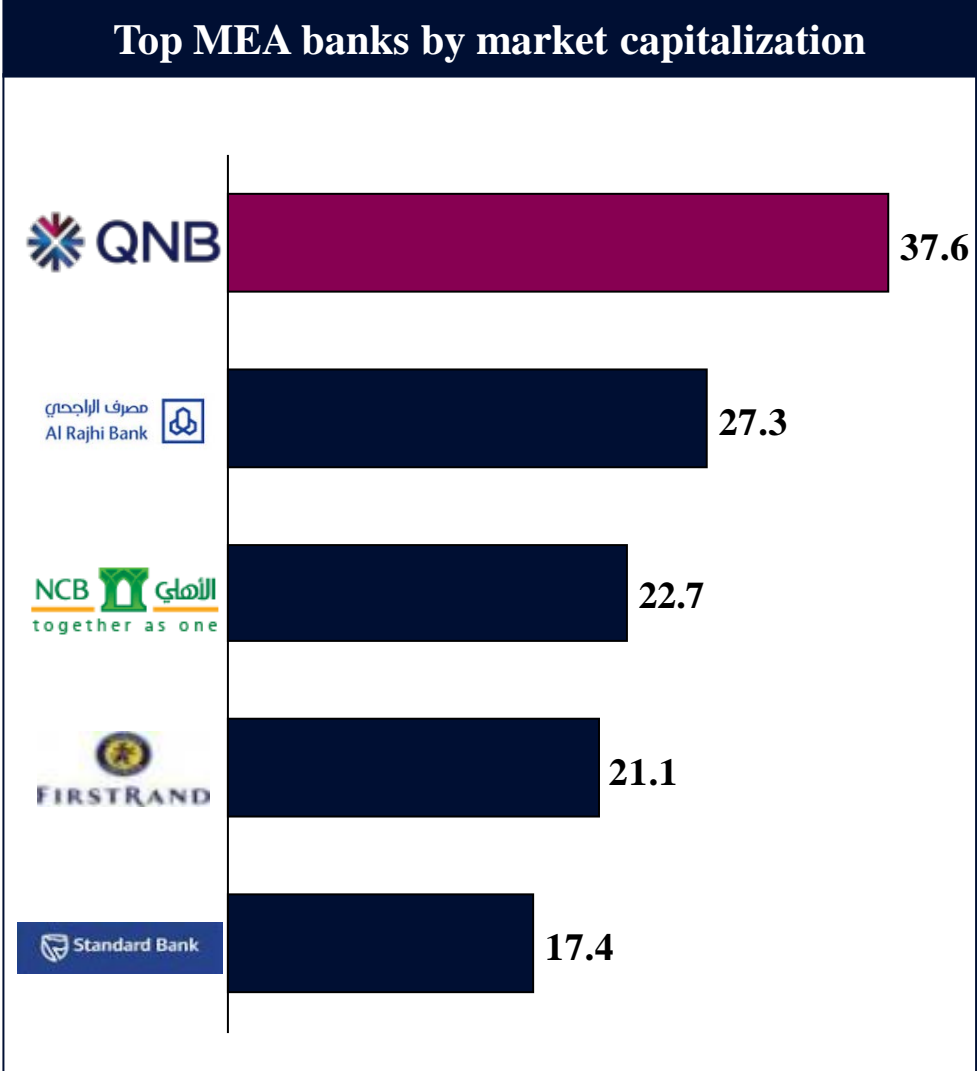
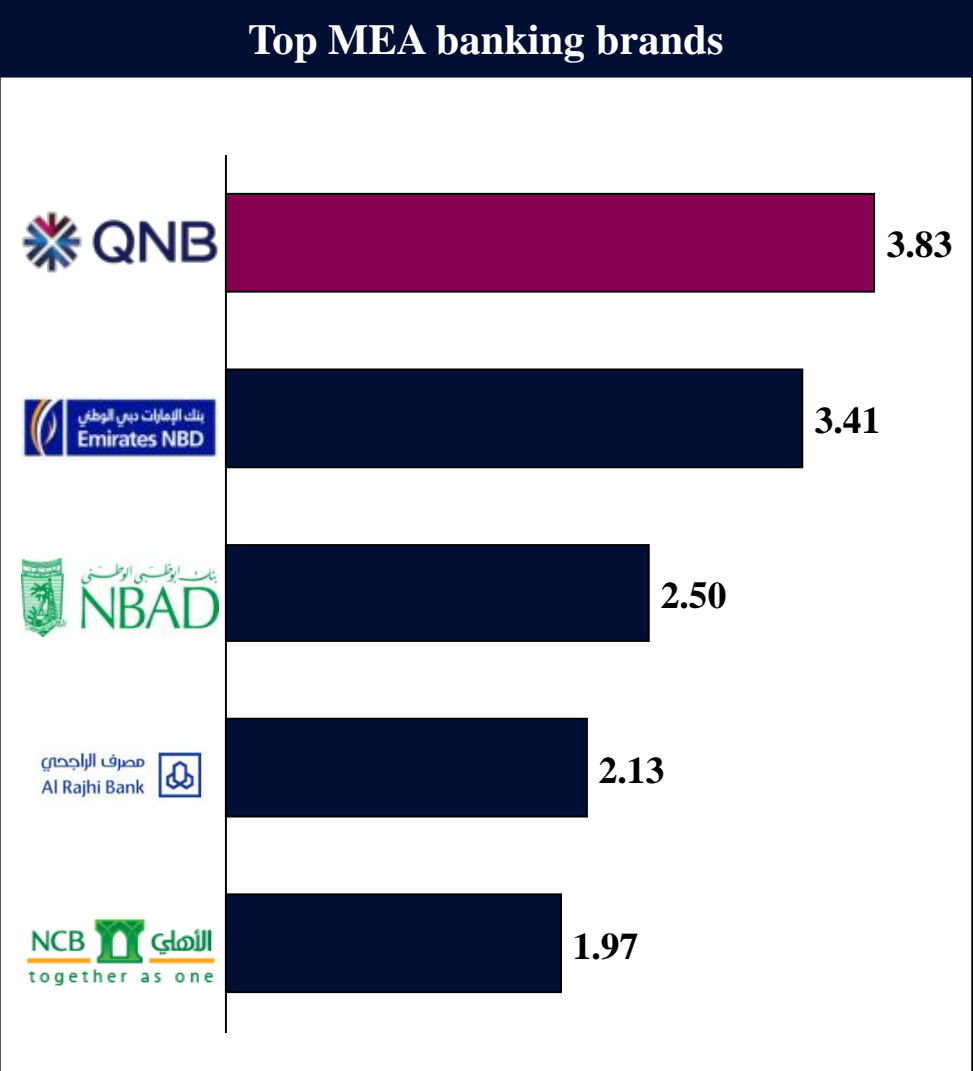
Note: All amounts are in USD billions

Source: Companies' December 2016 Press Release or Financial Statements if available.

1: This information is sourced from the Pro Forma Preliminary Condensed Consolidated Financial Information published to illustrate the effects of the merger.

QNB is the leading financial institution in the MEA region with regards to brand value and market capitalisation

Brand value and market capitalisation (USD Bn as at 31-Dec-16)




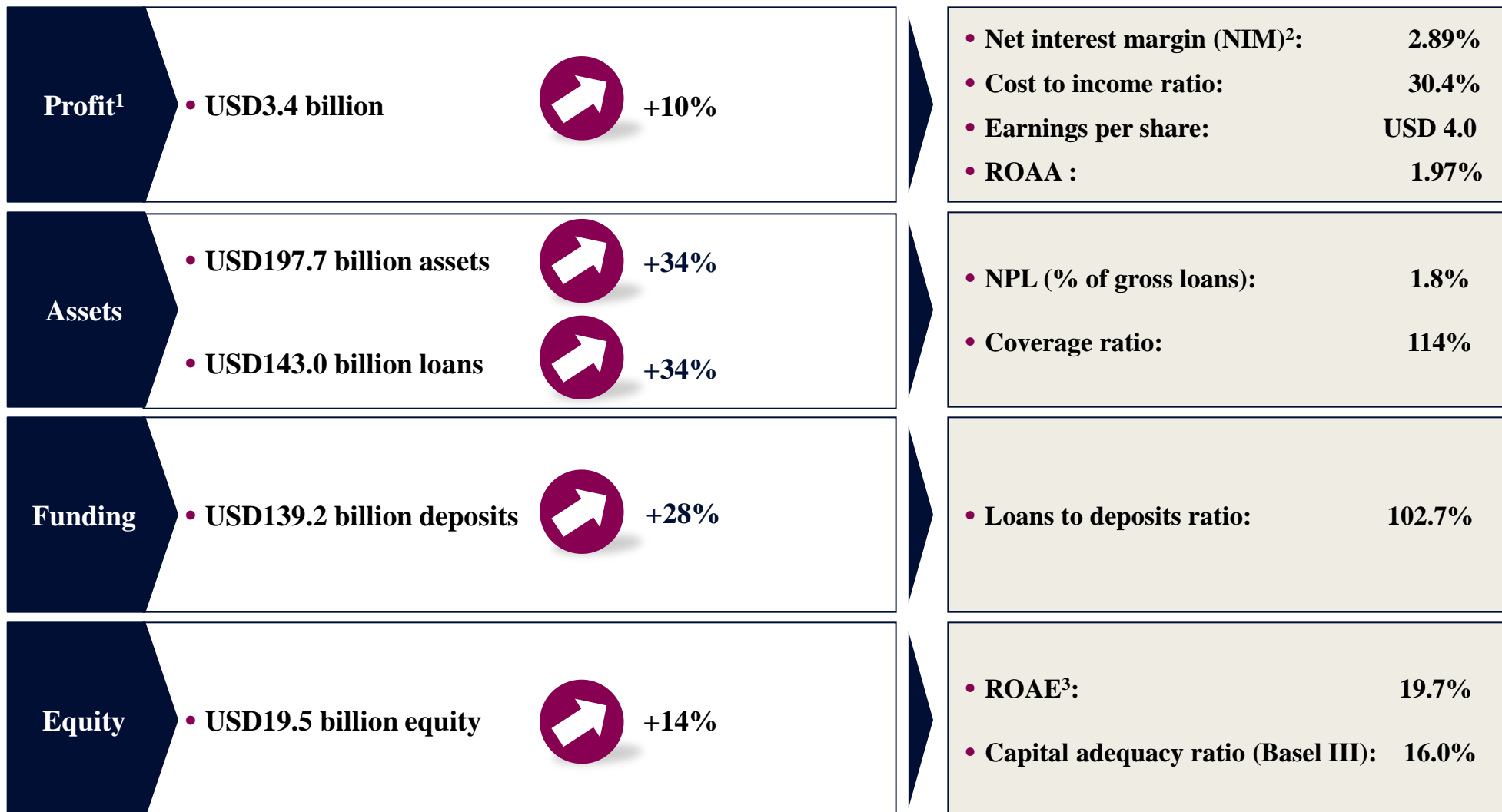


Financial Highlights – as at 31 December 2016

QNB continues to demonstrate sustainable profitable growth


Financial Highlights (as at 31 December 2016)

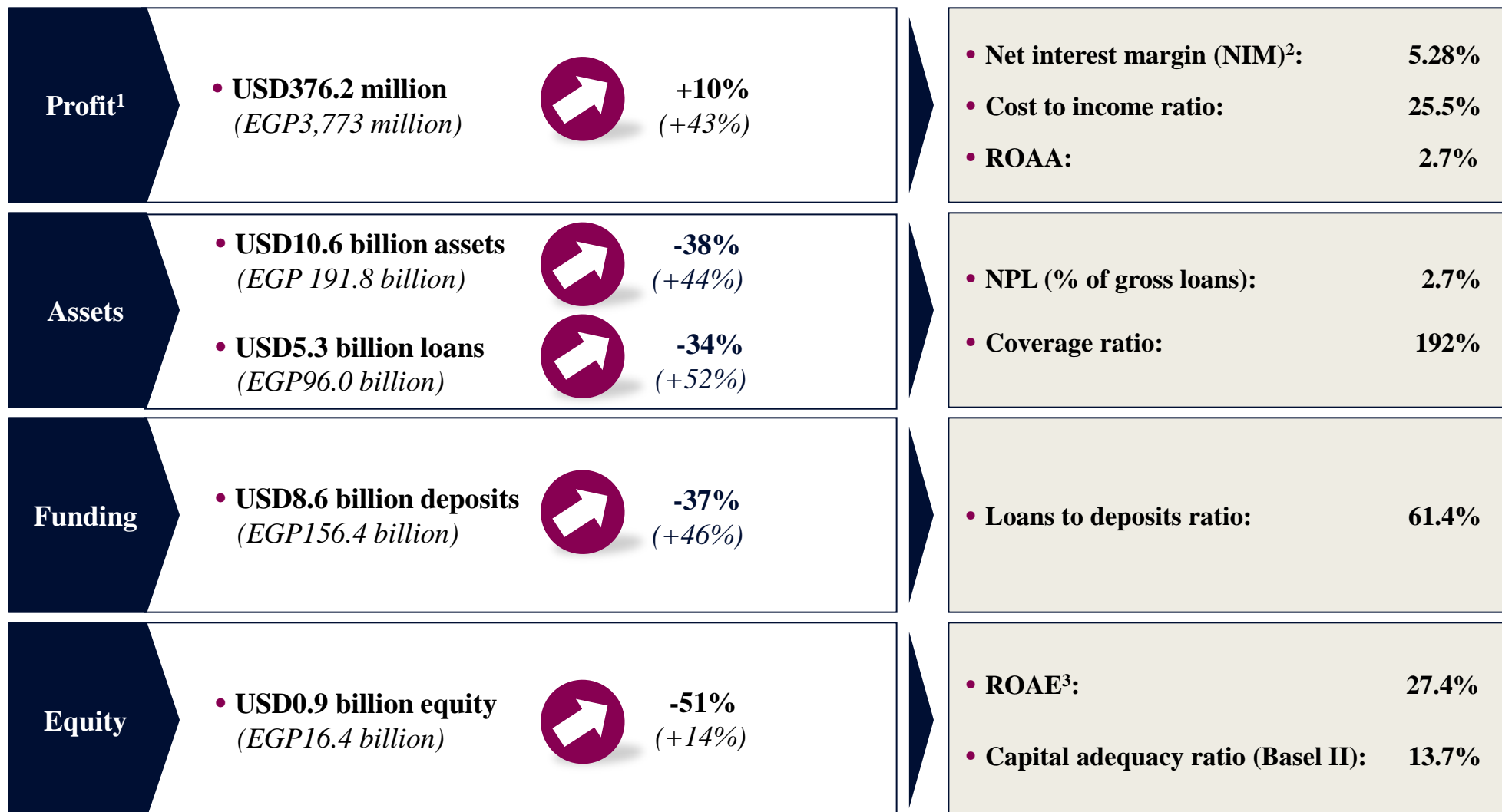
 Growth vs. December 2015



QNB ALAHLI

Highlights (as at 31 December 2016)

 Growth vs. December 2015

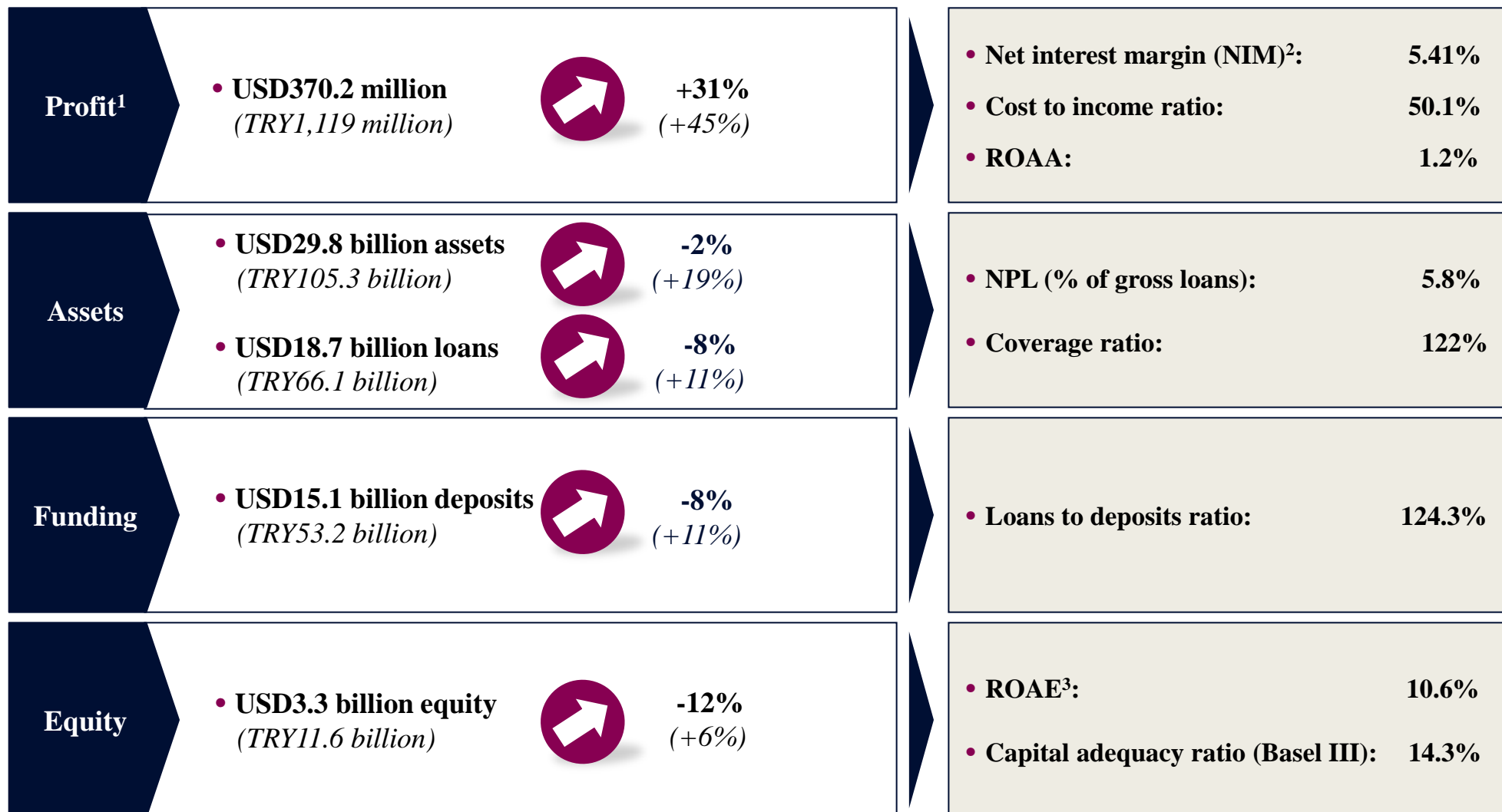


QNB FINANSBANK

Highlights (as at 31 December 2016)



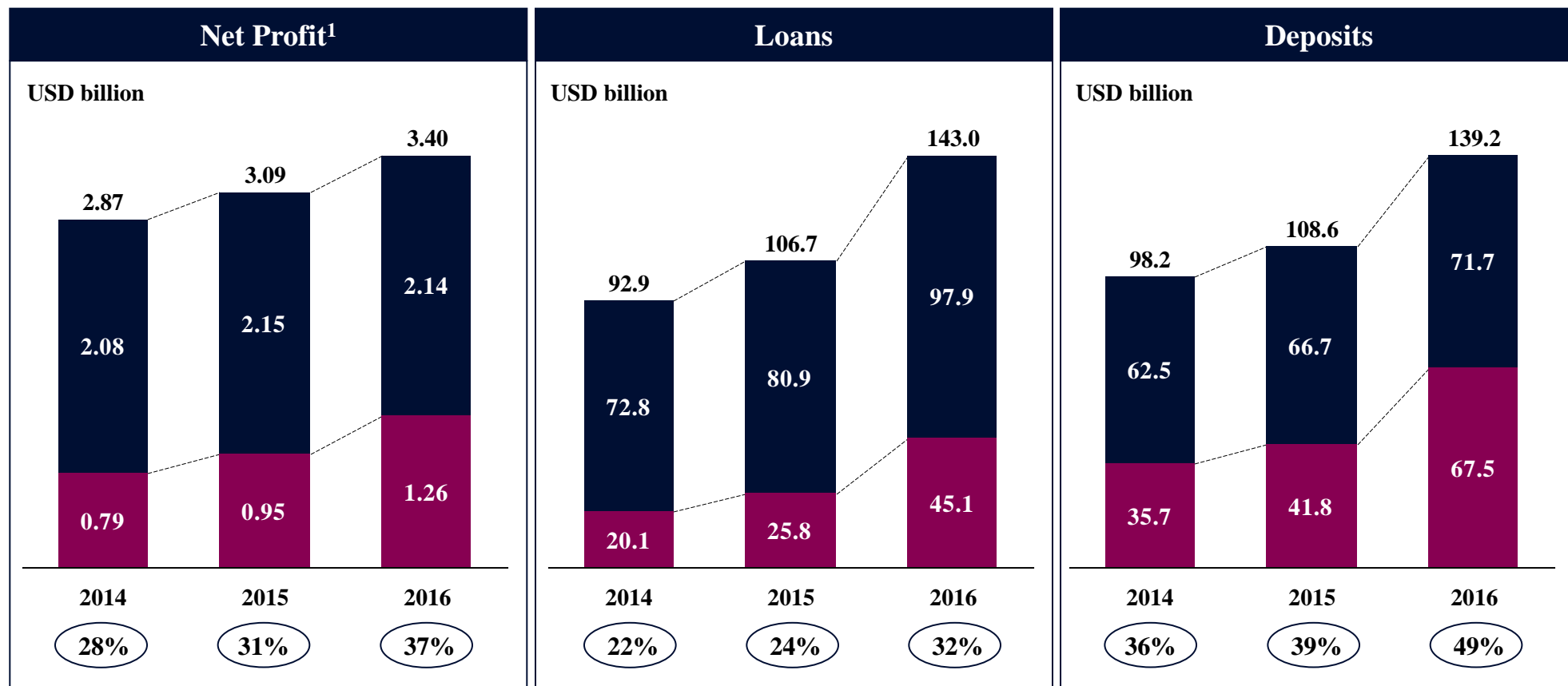
Growth vs. December 2015



Increasing geographical diversification positively contributes to growth

Geographical Contribution (as at 31 December)

■ Domestic ■ International (%) Share of International as percentage of the total

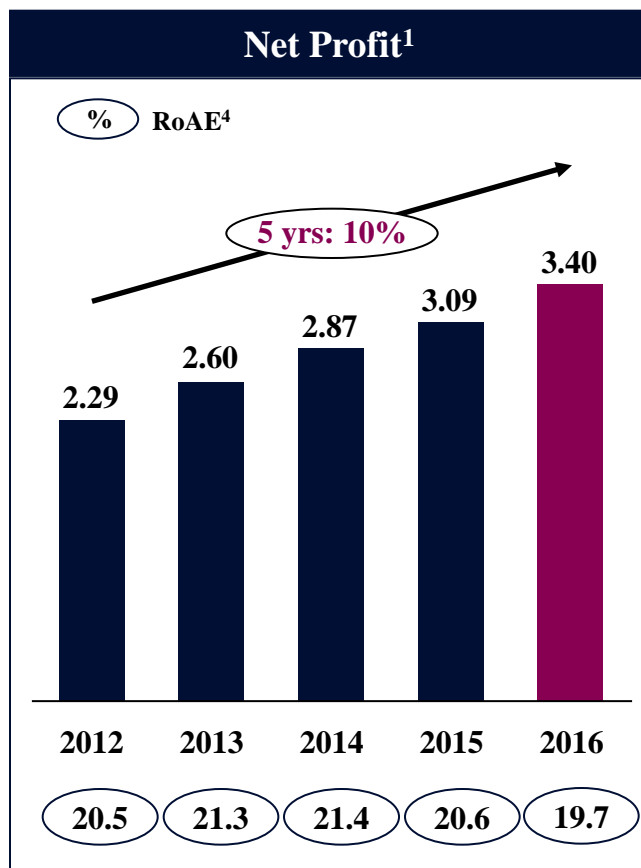


- Profit from international operations increased by USD464 Mn (59%) from 2014 to 2016

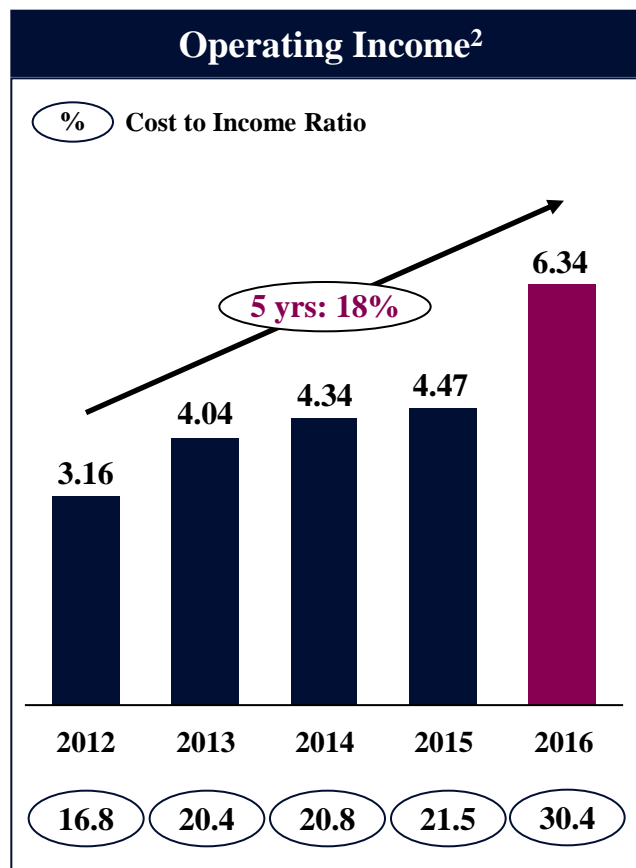
- Loans from international operations increased by USD25.0 Bn (124%) from 2014 to 2016
- Deposits from international operations increased by USD31.9 Bn (89%) from 2014 to 2016

Strong profitability growth

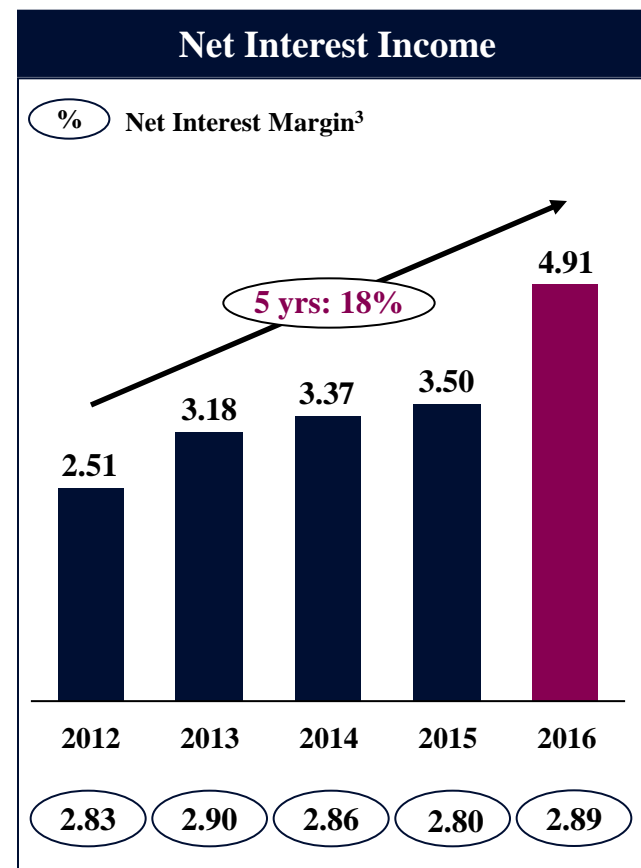
Income Statement Breakdown (USD billion as at 31 December)



- Net profit increased 10% from December 2015
- 2012-2016 CAGR of 10%



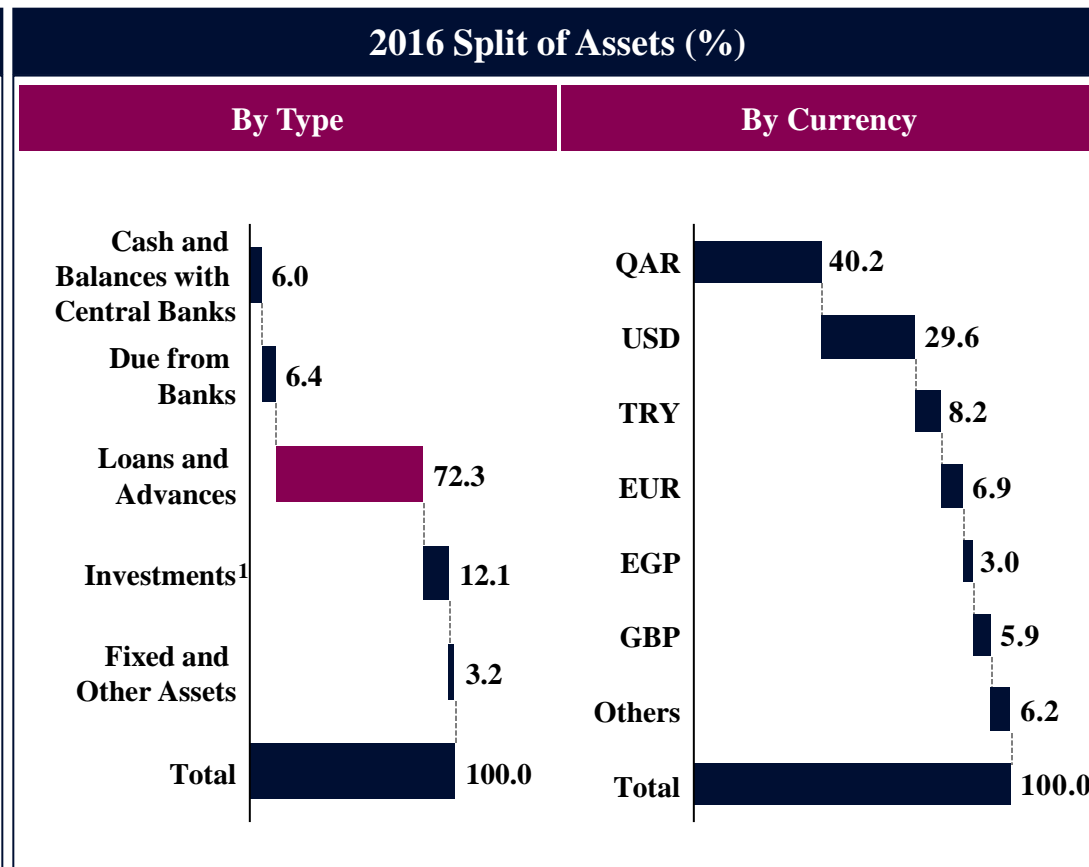
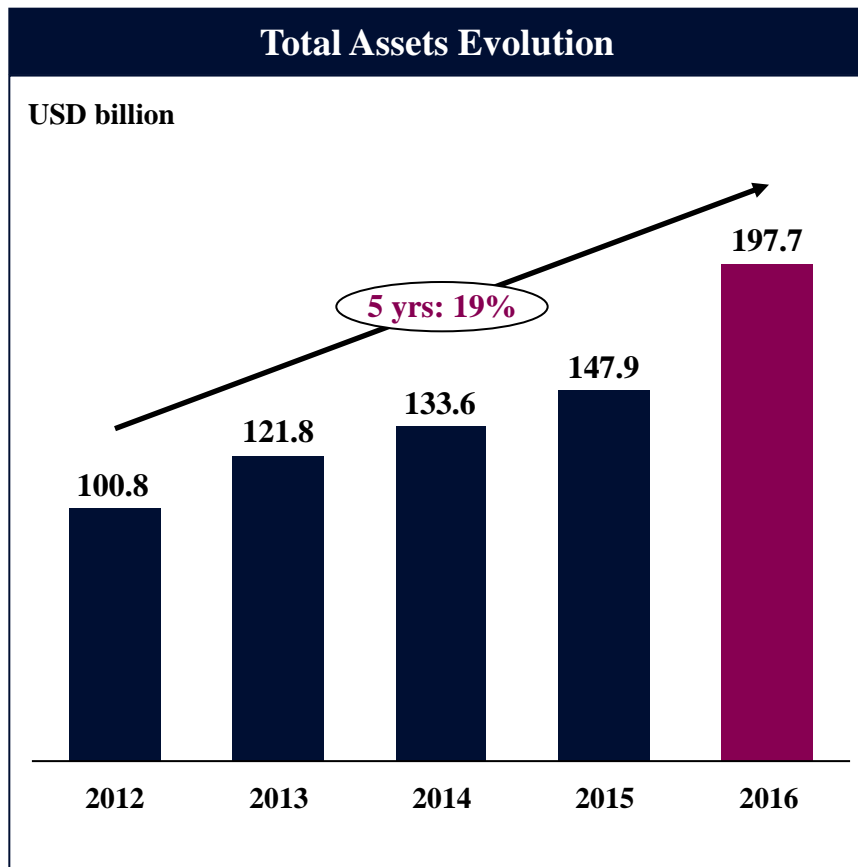
- Operating income increased 42% from December 2015
- 2012-2016 CAGR of 18%



- NII increased 40% from December 2015
- 2012-2016 CAGR of 18%

Good asset growth driven by lending activities mainly in QAR and USD

Assets Analysis (as at 31 December)

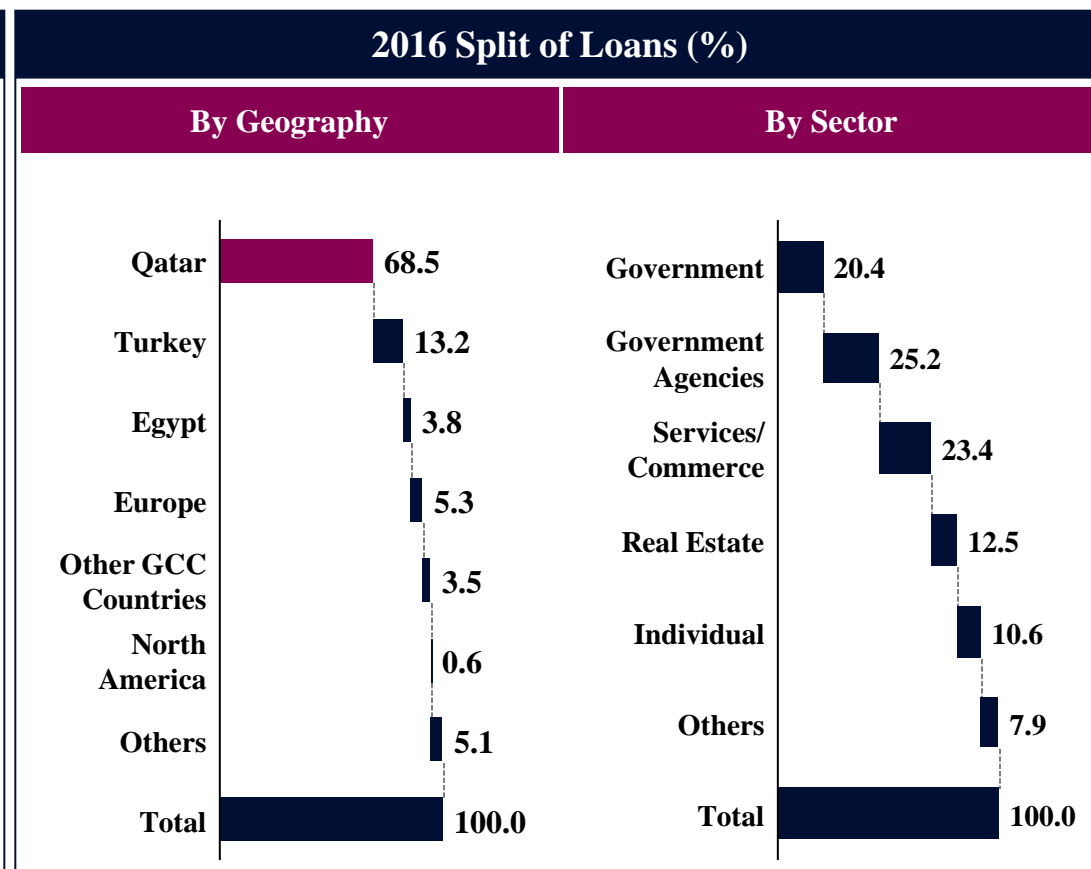
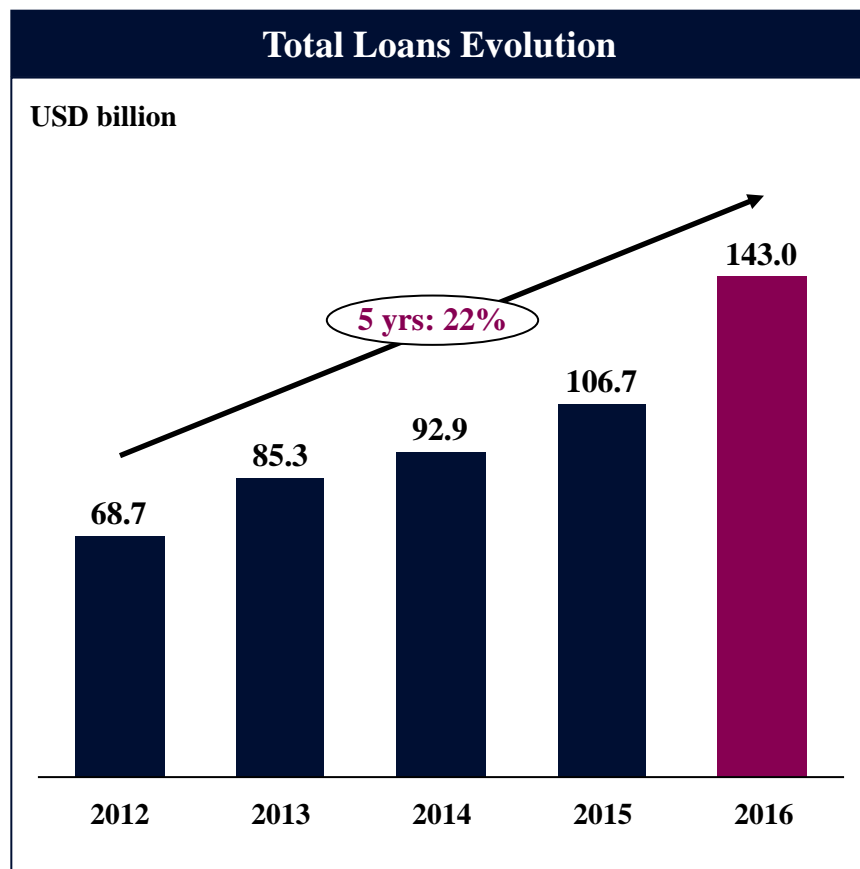


- Assets increased 34% from December 2015
- 2012-2016 CAGR of 19%

- Loans and advances represent 72% of total assets
- USD and QAR currencies account for 70% of total assets

Good loan growth

Loans Analysis (as at 31 December)

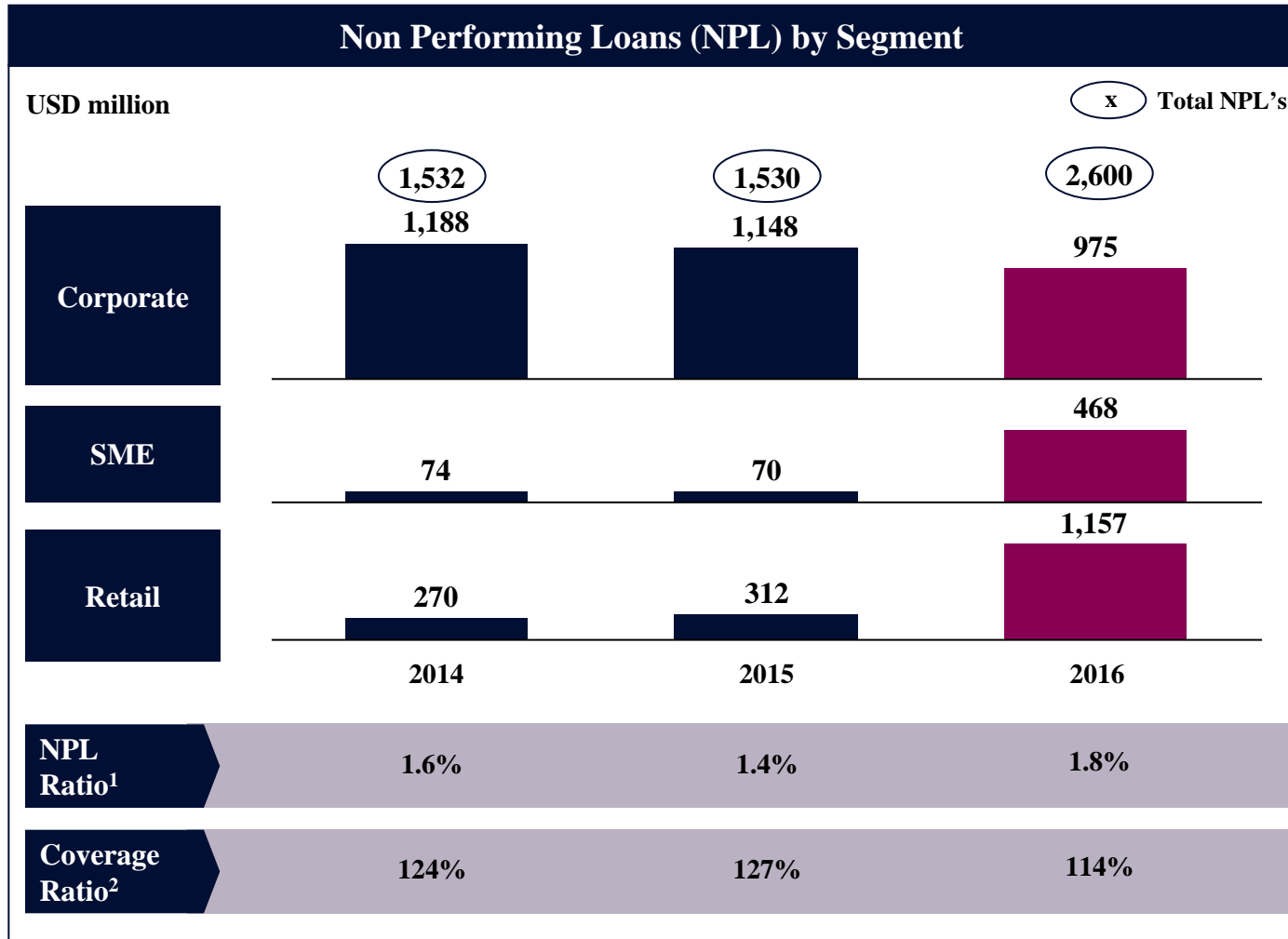


- Loans increased 34% from December 2015
- 2012-2016 CAGR of 22%

- Loans denominated in USD represent 33% of total loans
- Loan exposures are of a high quality with 46% concentration to Government and public sector entities

High quality lending portfolio is highlighted by low NPL ratios

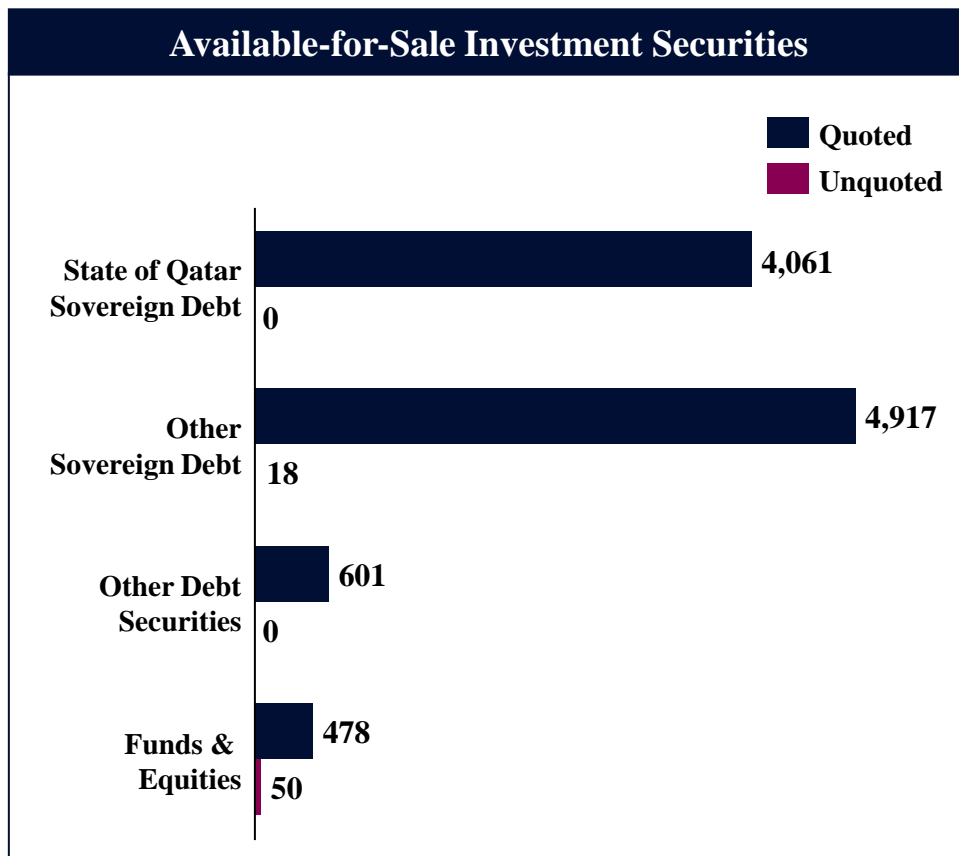
Asset Quality Analysis (as at December unless stated)



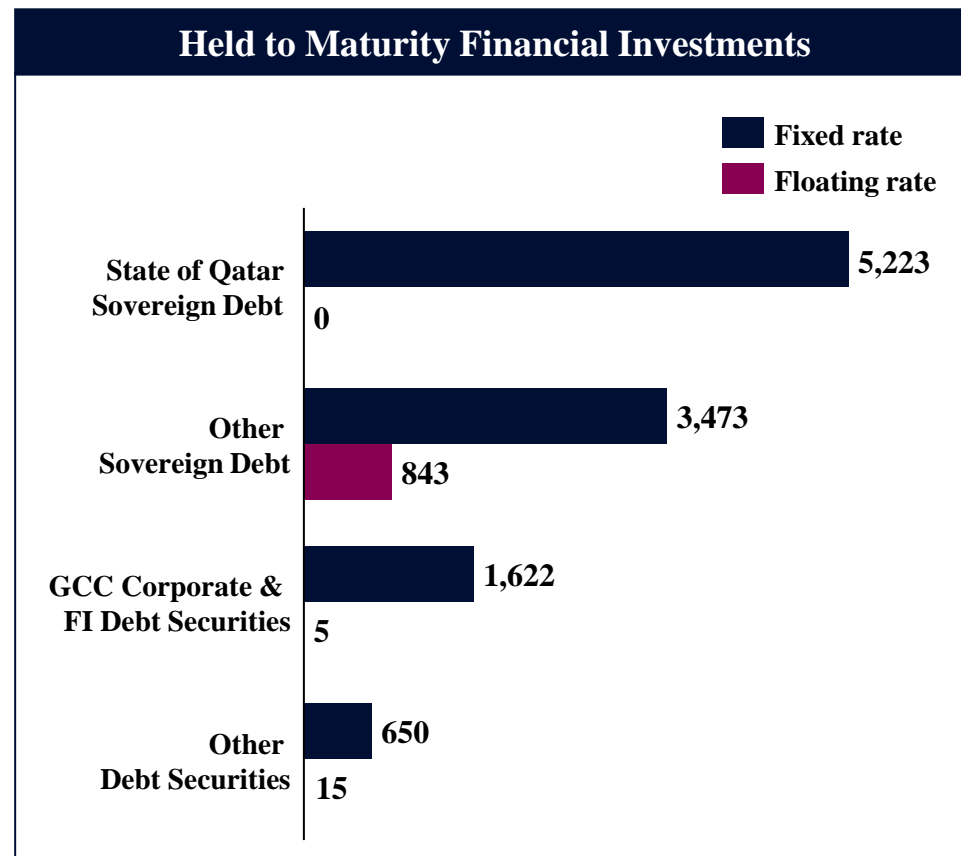
- QNB has continued to increase its provisions in response to the global economic situation
- The bank's coverage ratio has remained robust amidst the economic slowdown, with a coverage of 114% as at 31 December 2016
- Past dues are NPL after 90 days
- There is the additional security of a risk reserve of USD1,923 million which is greater than the 2.5% QCB requirements

High quality investment portfolio with 85% of securities rated AA or Sovereign

Investments Analysis (USD million as at 31 December 2016)



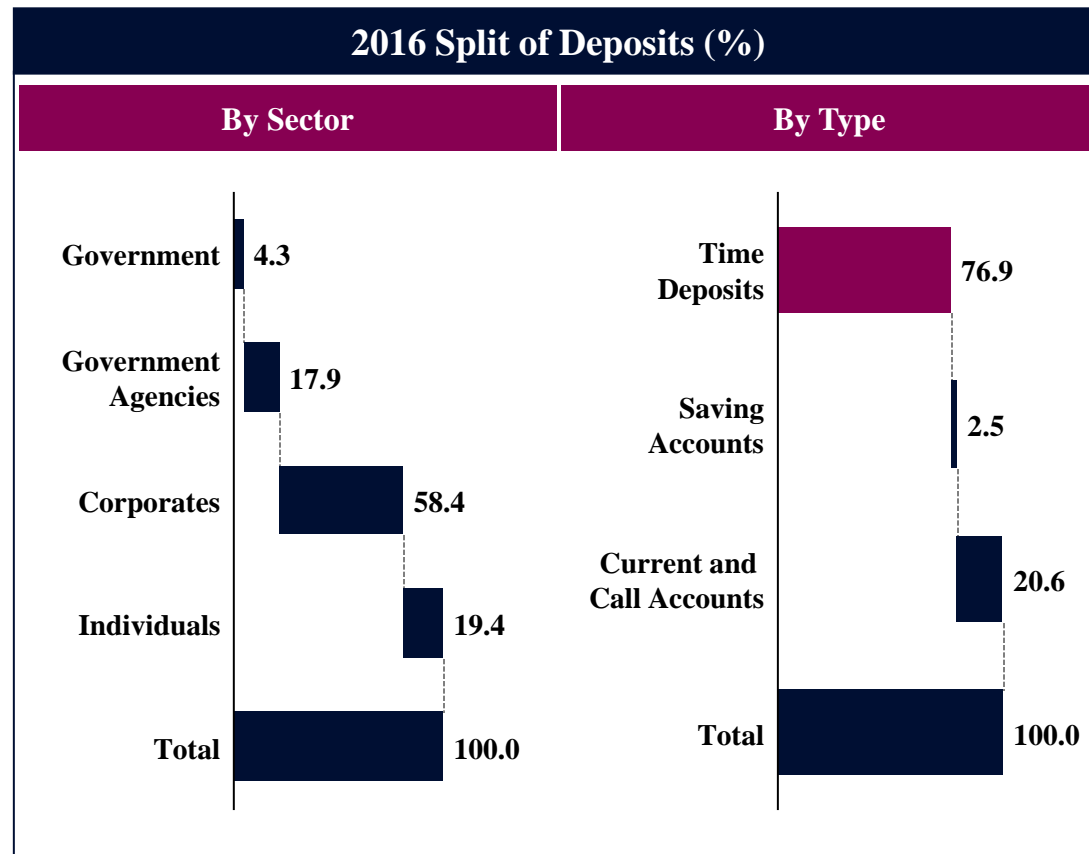
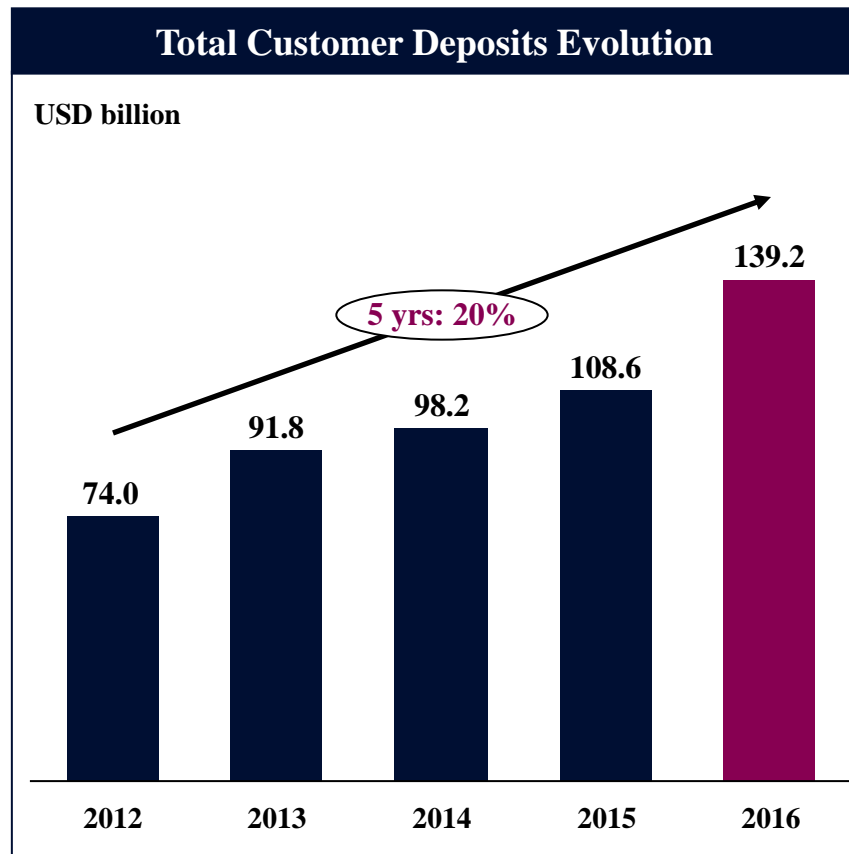
- Quoted securities account for 99% of Available-for-Sale Investment securities



- Majority of Other Sovereign Debt is Government Guaranteed

Robust growth in customer deposits and funding

Funding Analysis (as at 31 December)

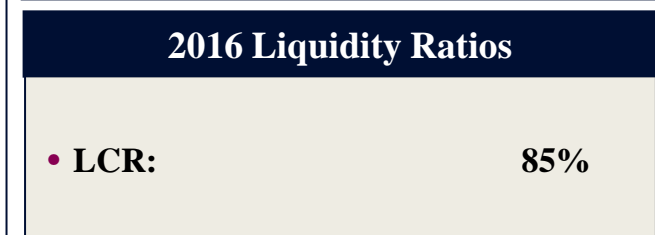
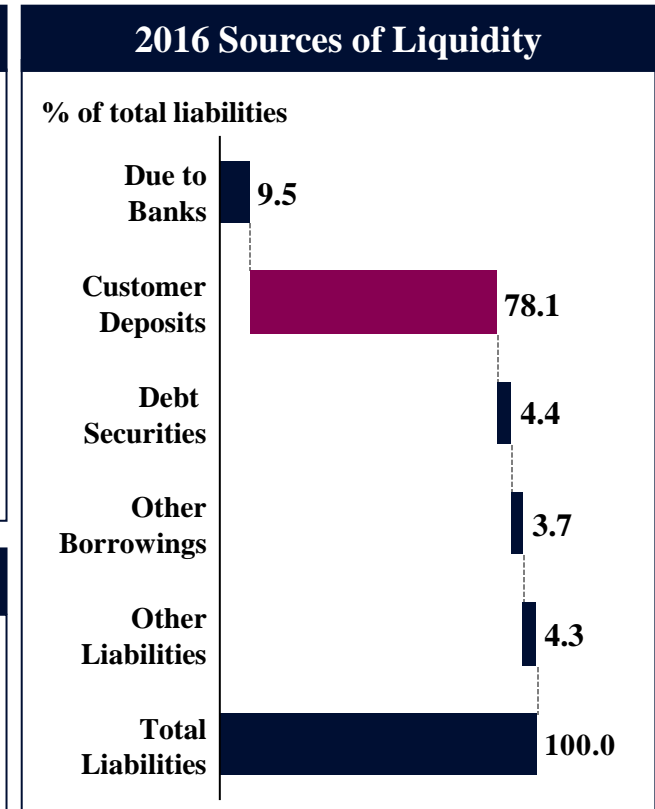
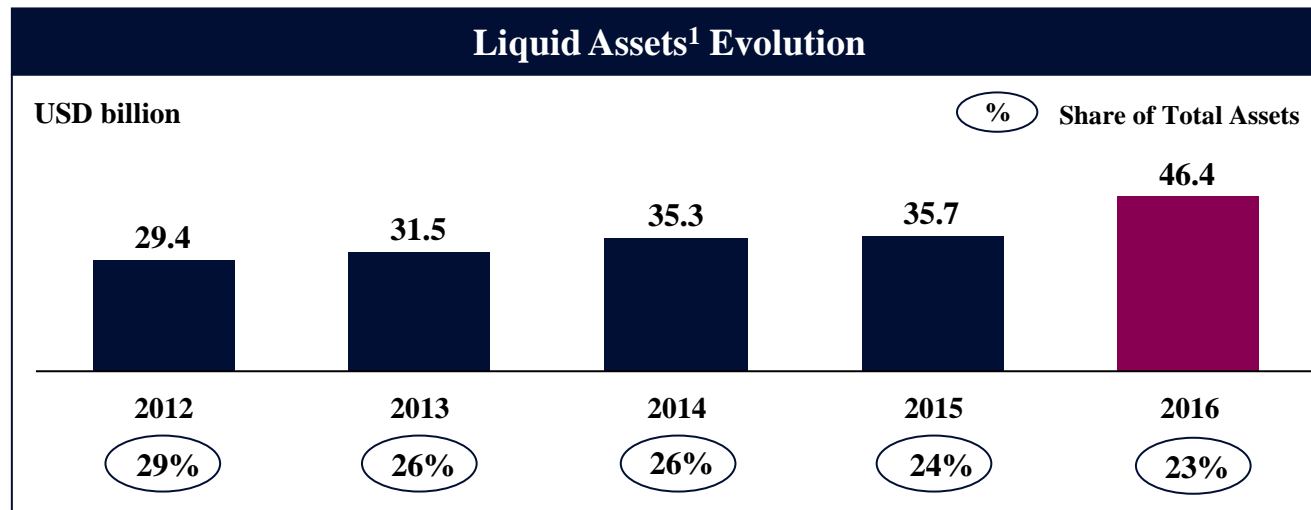
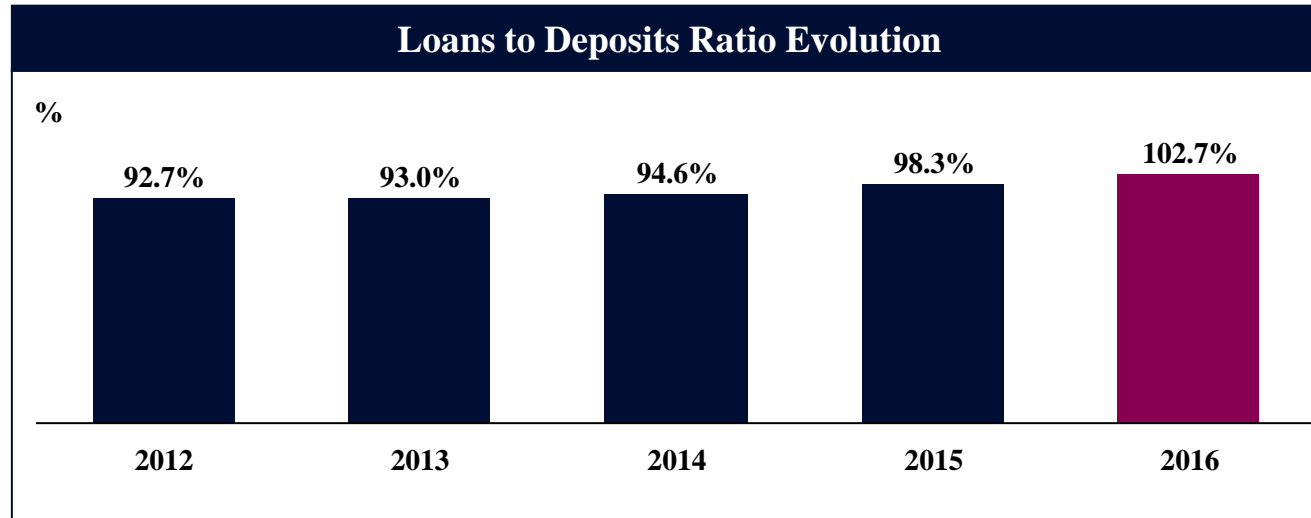


- Deposits increased 28% from December 2015
- 2012-2016 CAGR of 20%

- QNB remains the public sector's preferred bank
- USD, TRY and EGP denominated deposits represent 42%, 6% and 4% of total deposits respectively

Solid liquidity profile

Liquidity Analysis (as at 31 December)



Sources of Institutional Funding

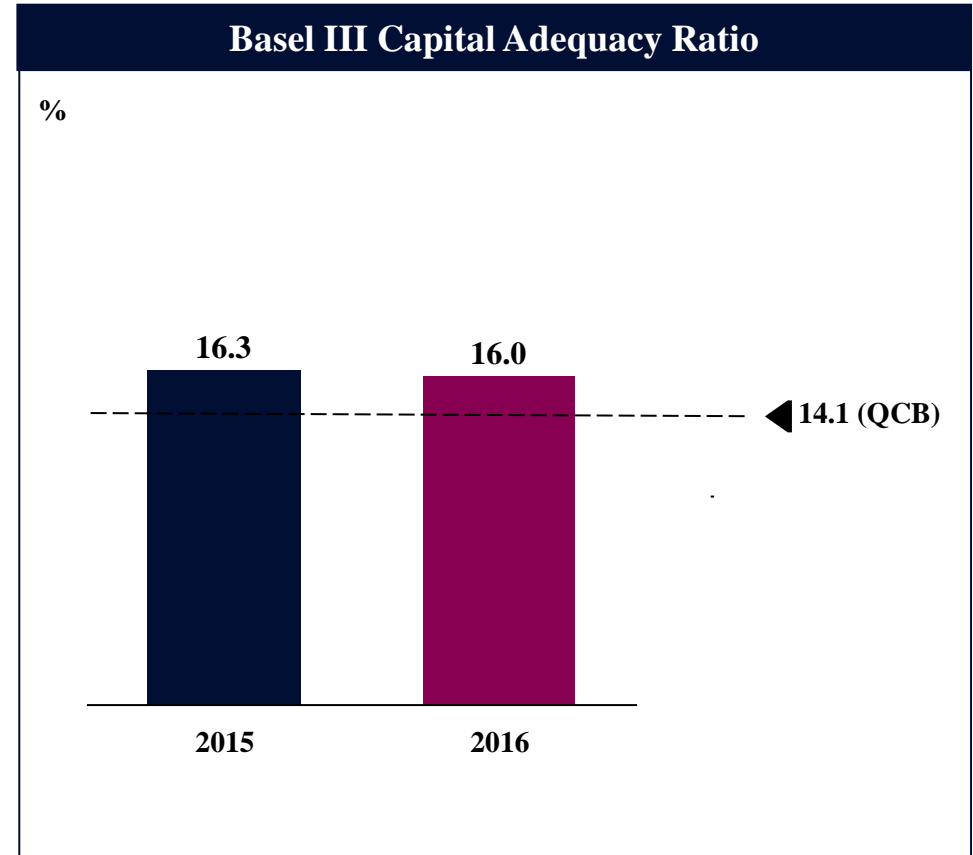
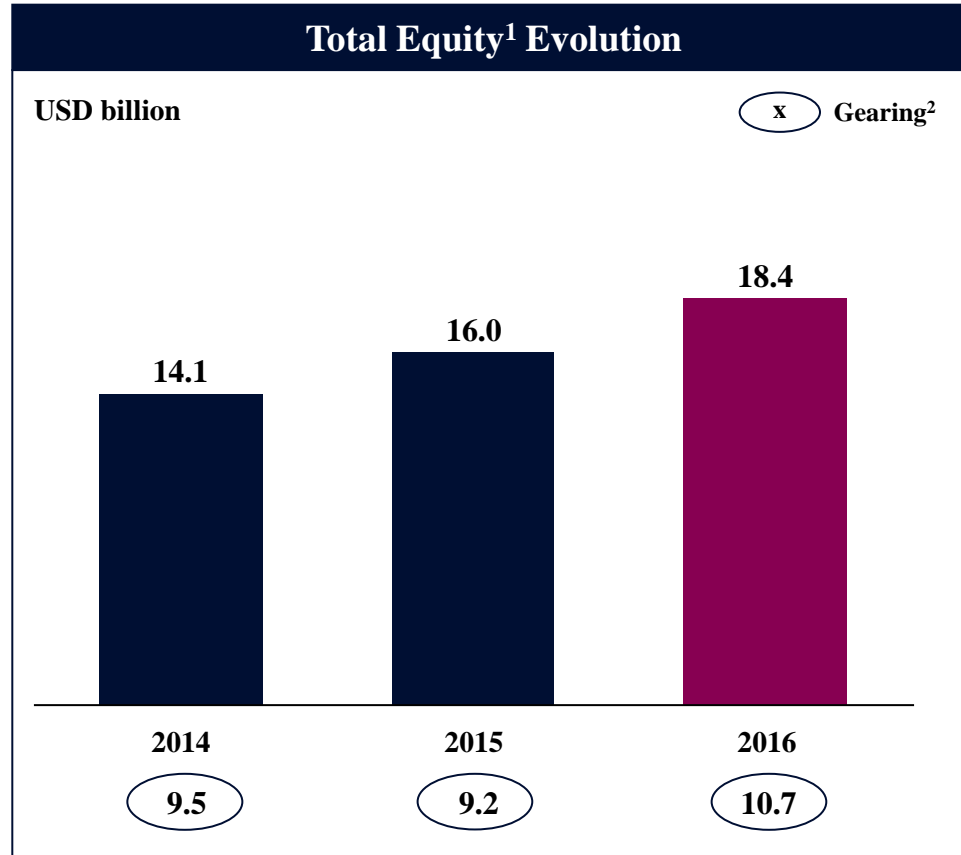
EMTN and Certificate of Deposits

EMTN ¹	
Set-Up	<ul style="list-style-type: none"> November 2011 in Reg S format
Current Values	<ul style="list-style-type: none"> Programme limit USD17.5 billion and outstanding is USD11.1 billion
Currencies	<ul style="list-style-type: none"> Issued in AUD, CHF, CNY, EUR, HKD, JPY, SGD and USD
Daily Postings	<ul style="list-style-type: none"> Provided to the dealer group
Dealers	<ul style="list-style-type: none"> ANZ Banking Group, Barclays Bank plc, Citigroup Global Markets Limited, Commerzbank AG, Deutsche Bank AG (London Branch), J.P. Morgan Securities plc, Mitsubishi UFJ Securities International plc, Mizuho International plc, QNB Capital LLC, Standard Chartered Bank and Morgan Stanley
Market Awards	<ul style="list-style-type: none"> 2016 mtn-i award for '2016 Rising Star – Asia MTN Issuer'
Allocation from Last Issuance	<ul style="list-style-type: none"> Asia 31% / Europe: 37% / Middle East: 29% / Others 3%

Certificate of Deposits	
Set-Up	<ul style="list-style-type: none"> Issued by QNB London Branch and regulated by the FCA and the PRA
Establishment Date	<ul style="list-style-type: none"> Product launched in September 2012
Current Values	<ul style="list-style-type: none"> Outstanding is USD9.8 billion
Average Life	<ul style="list-style-type: none"> Average residual life of 82 days
Currencies	<ul style="list-style-type: none"> Issuances in CHF, EUR, GBP, JPY, USD and other currencies available on request
Dealers	<ul style="list-style-type: none"> Bank of America Merrill Lynch, Barclays Bank plc, Citigroup Global Markets Limited, ING Bank NV, BRED Banque Populaire and The Royal Bank of Scotland plc

Strong capital adequacy ratio maintained above both QCB and Basel III requirements

Capital Analysis (as at 31 December)

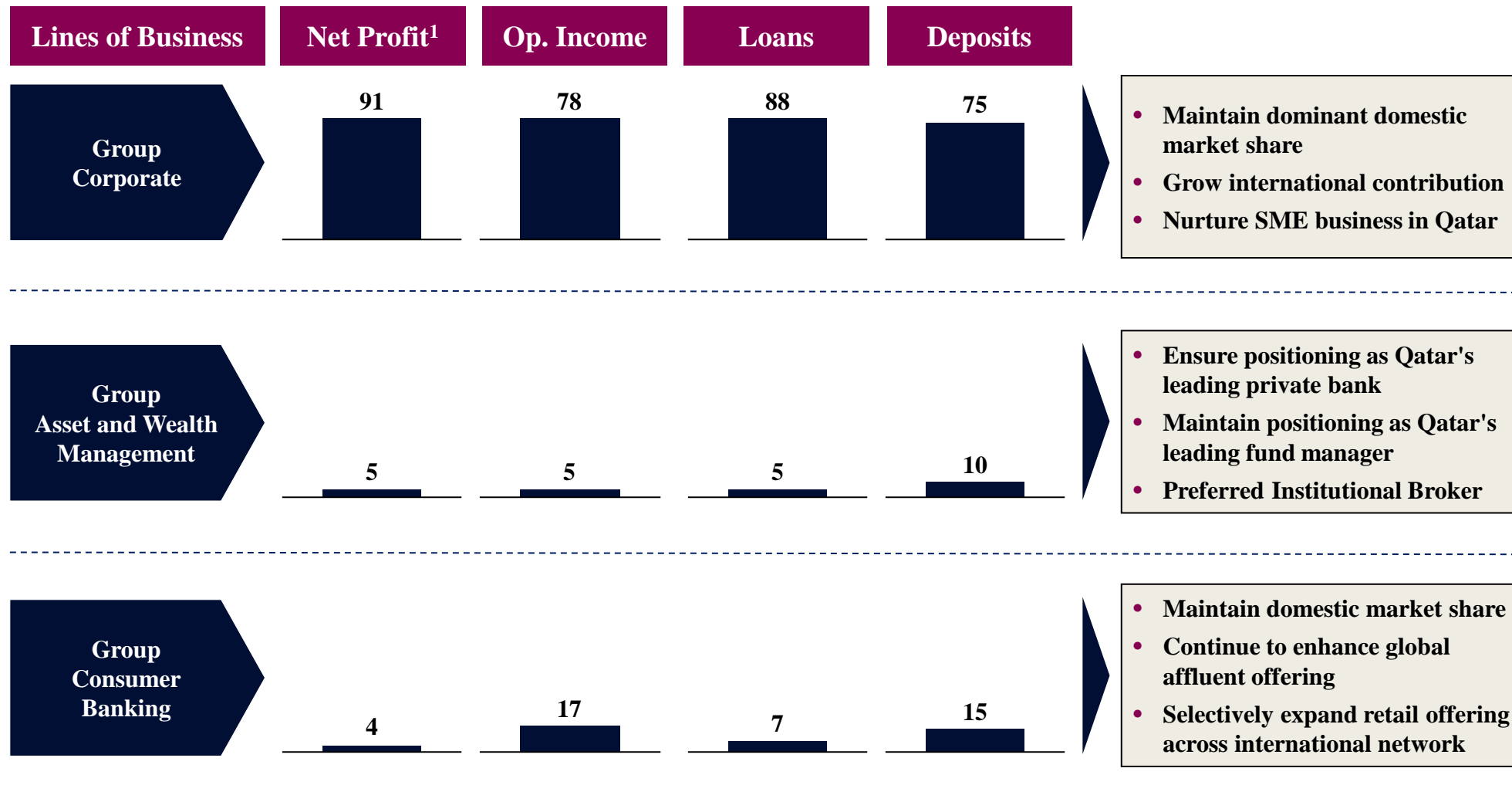


- Capital base has been regularly increased in line with the strong performance of QNB's balance sheet

- Capital adequacy ratio is above QCB and Basel III requirements including the applicable DSIB buffer of 0.625% and ICAAP buffer of 1% for 2016

Diversifying business mix will bolster sustainable growth

Business Mix Contribution (% share as at 31 December 2016)



QNB Group Financials

Key data (as at 31 December 2016)

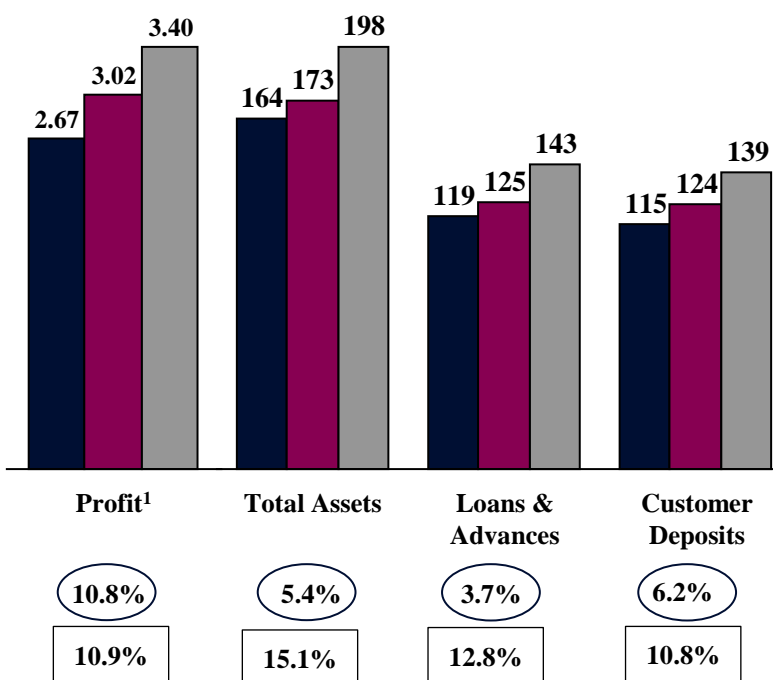
■ QNB ■ QNB incl. QNB ALAHLI ■ QNB incl. QNB Finansbank

○ Contribution of QNB AA

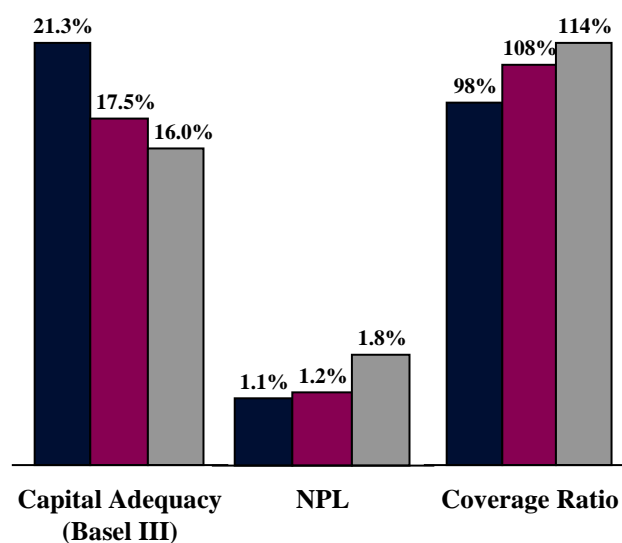
□ Contribution of QNB Finansbank

Financials

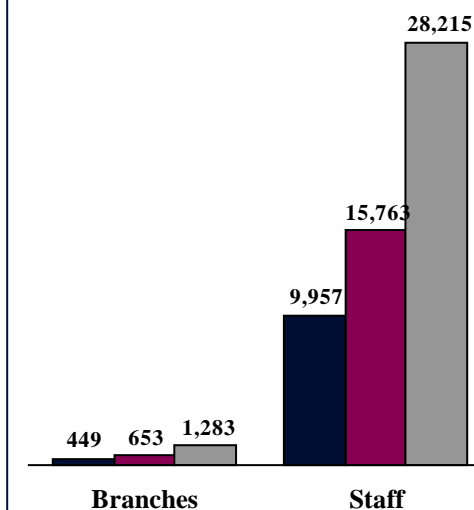
USD billion



Ratios



Presence



- Results finalised under International Financial Reporting Standards (IFRS)
- Capital Adequacy (Basel III) on consolidation 16.0%

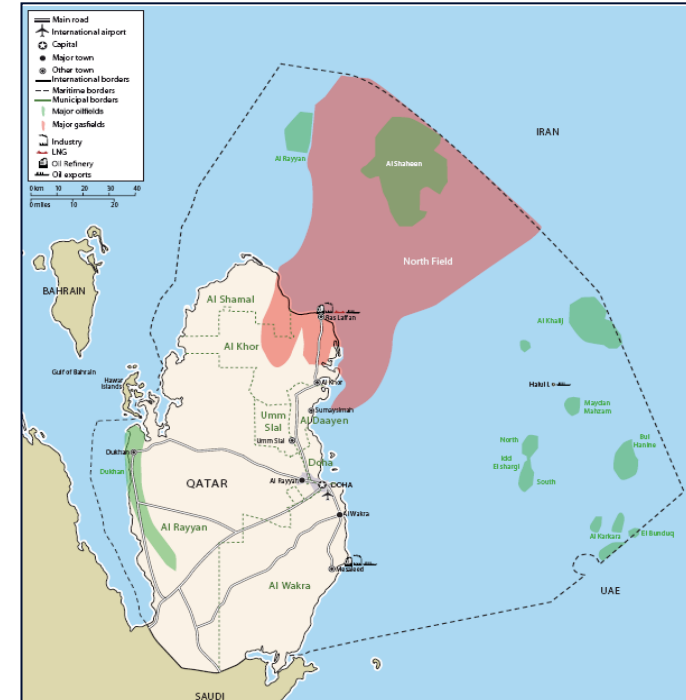
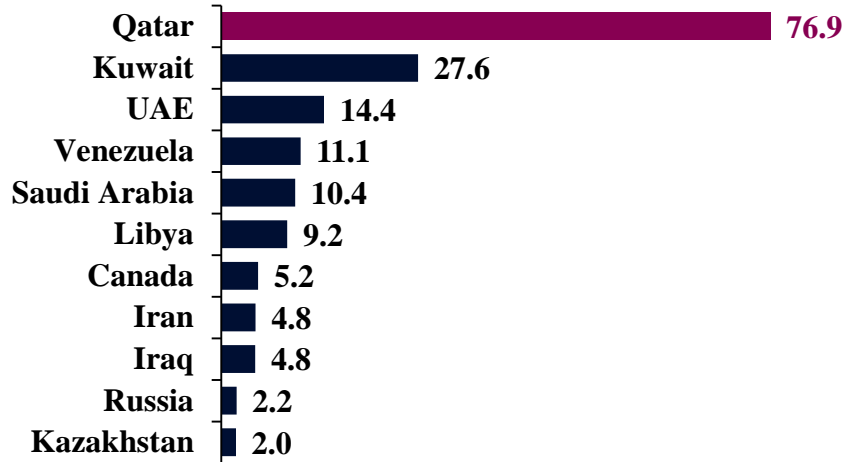


Economic Overview

Qatar oil and gas wealth per capita is the highest in the world

Oil and Gas Reserves Per Capita (2015)

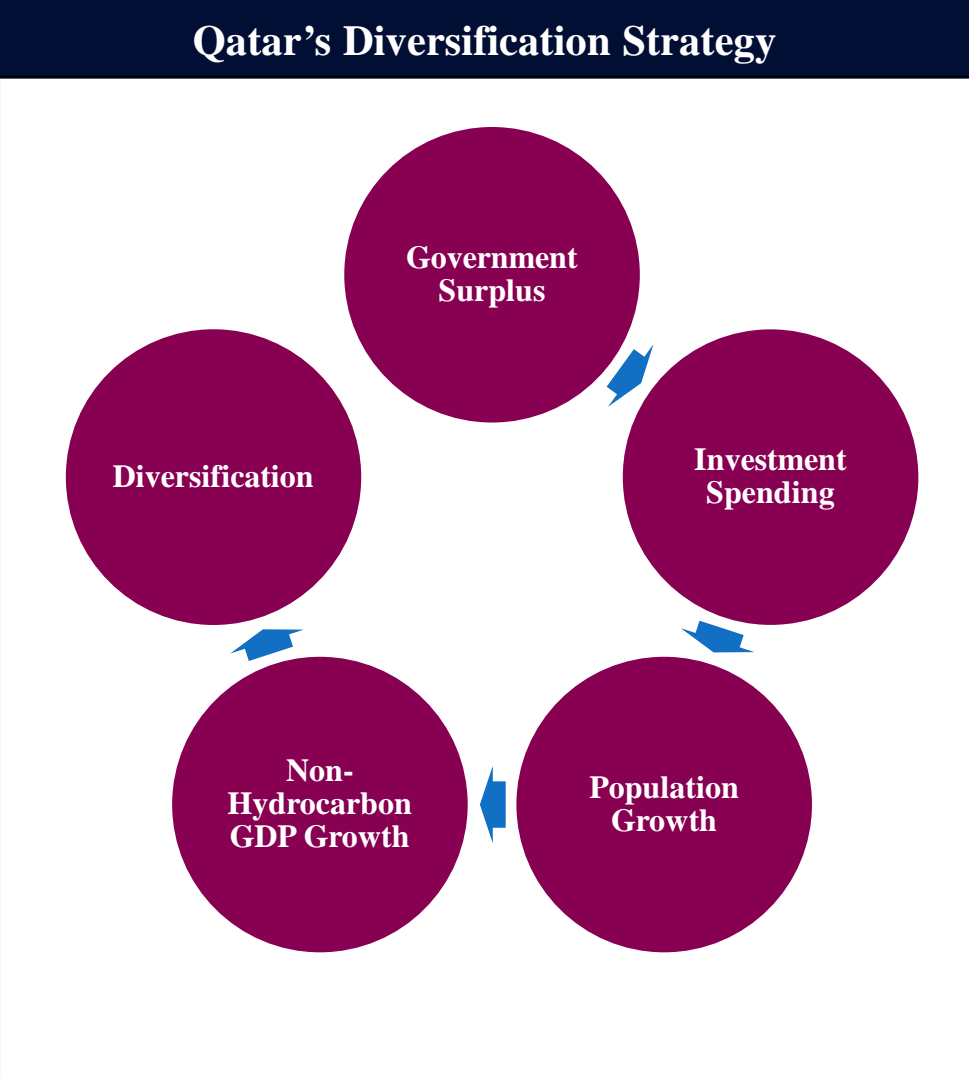
k barrels of oil equivalent (boe)



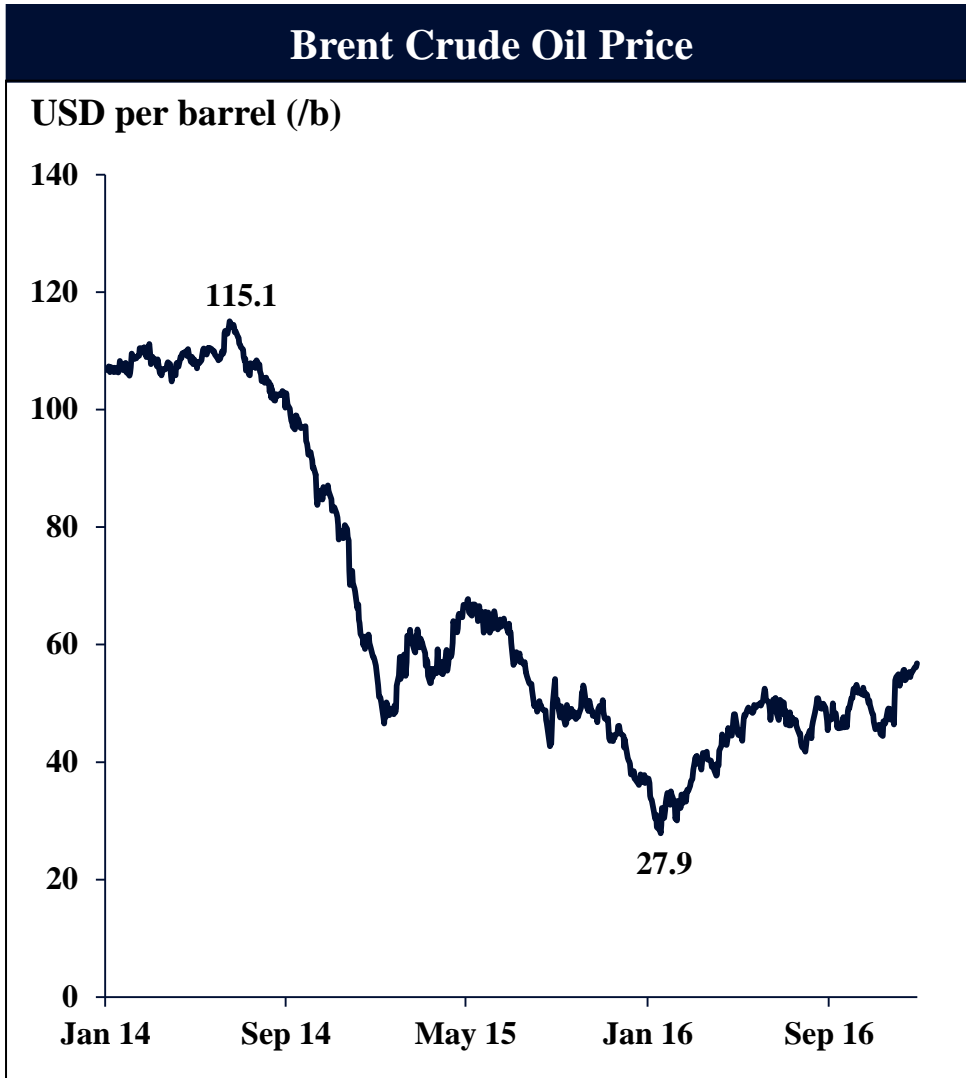
- Qatar is endowed with major oil and gas resources, especially in relation to the size of its population
- At current extraction rates, Qatar's proven gas reserves will last at least another 135 years and oil reserves for 40 years

- Qatar's hydrocarbons reserves are mostly held in the North Field, which contains 59% of GCC gas reserves and 13% of global gas reserves
- Qatar has 26bn barrels of crude oil and condensate reserves (1.5% of global reserves)

Since 2011, large infrastructure investment projects have driven diversification and strong growth in the non-hydrocarbon sector

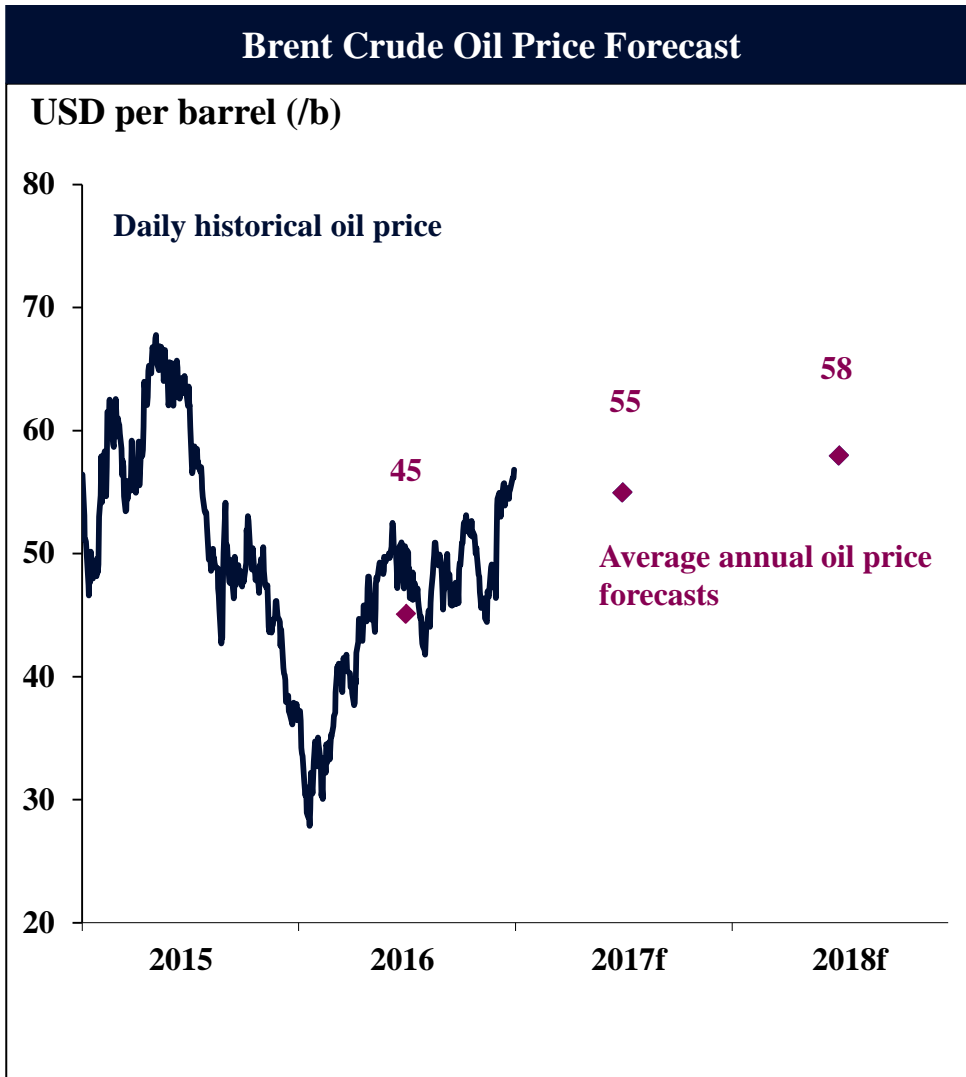


Oil prices have fallen significantly since mid-2014, but they have recovered during 2016



Comments
<ul style="list-style-type: none">• In 2014, weak demand growth and increased production from the US and OPEC drove the sharp decline in oil prices• Oil prices fell from above USD100/b in mid-2014 to a multi-year low of USD28/b in January 2016• Prices have recovered since and averaged USD45/b in 2016

We expect average oil prices to be in the range of USD55-60/b in 2017

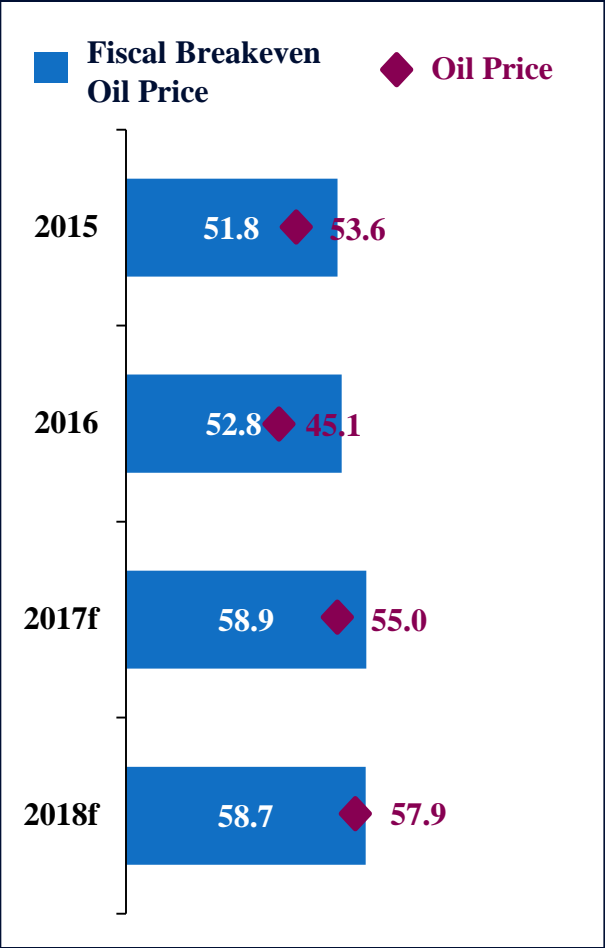


Comments

- The current oversupply in oil markets can be eliminated in 2017 if agreed production cuts by OPEC are fully adhered to
- Full implementation of cuts could drive oil prices up to USD60/b
- Lack of implementation should see prices average USD55/b as the market continues its re-balancing

Low breakeven oil prices, accumulated savings and moderate public debt place Qatar in a strong position to withstand low oil prices

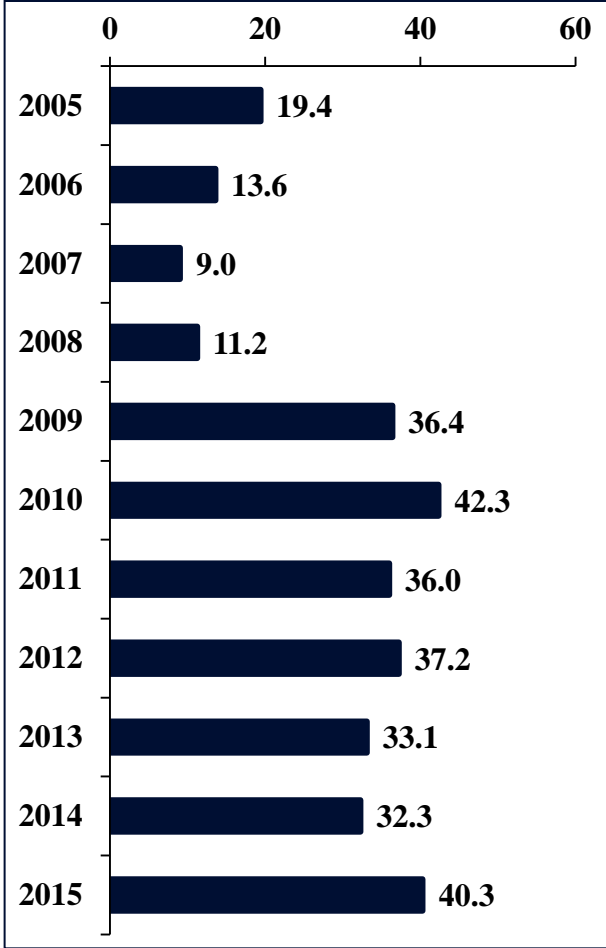
Fiscal Breakeven Oil Prices



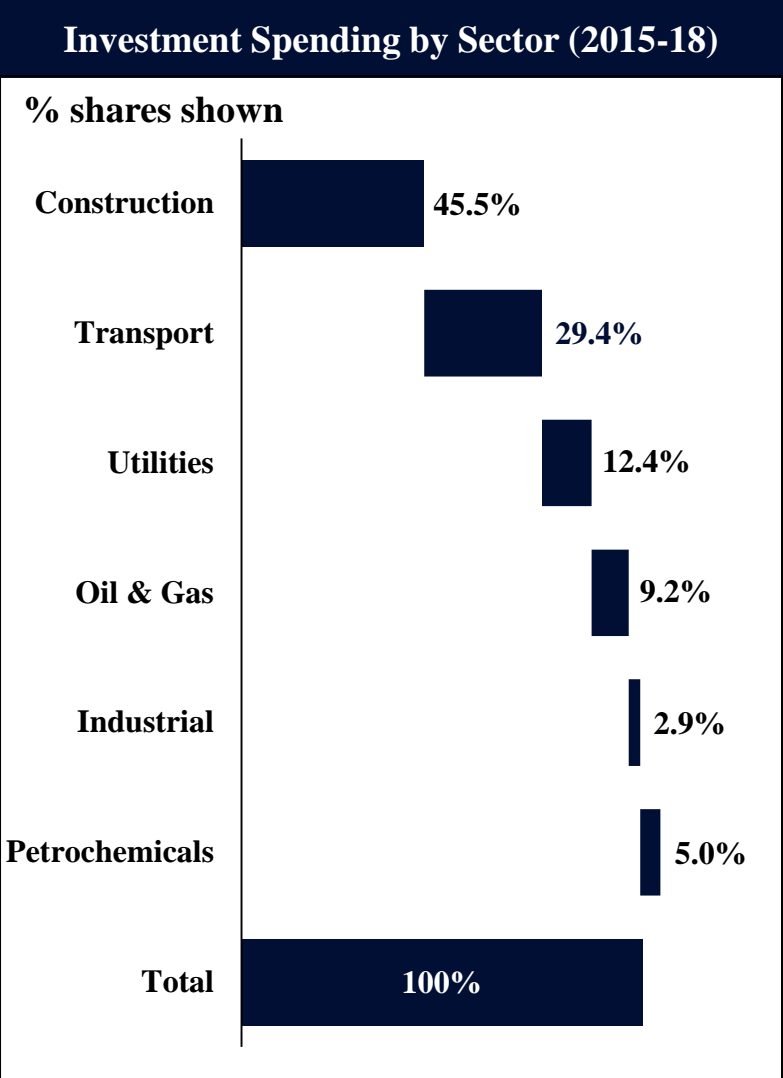
Accumulated Current Account Surpluses (bn USD, 2005-15)



Public Debt (% GDP)

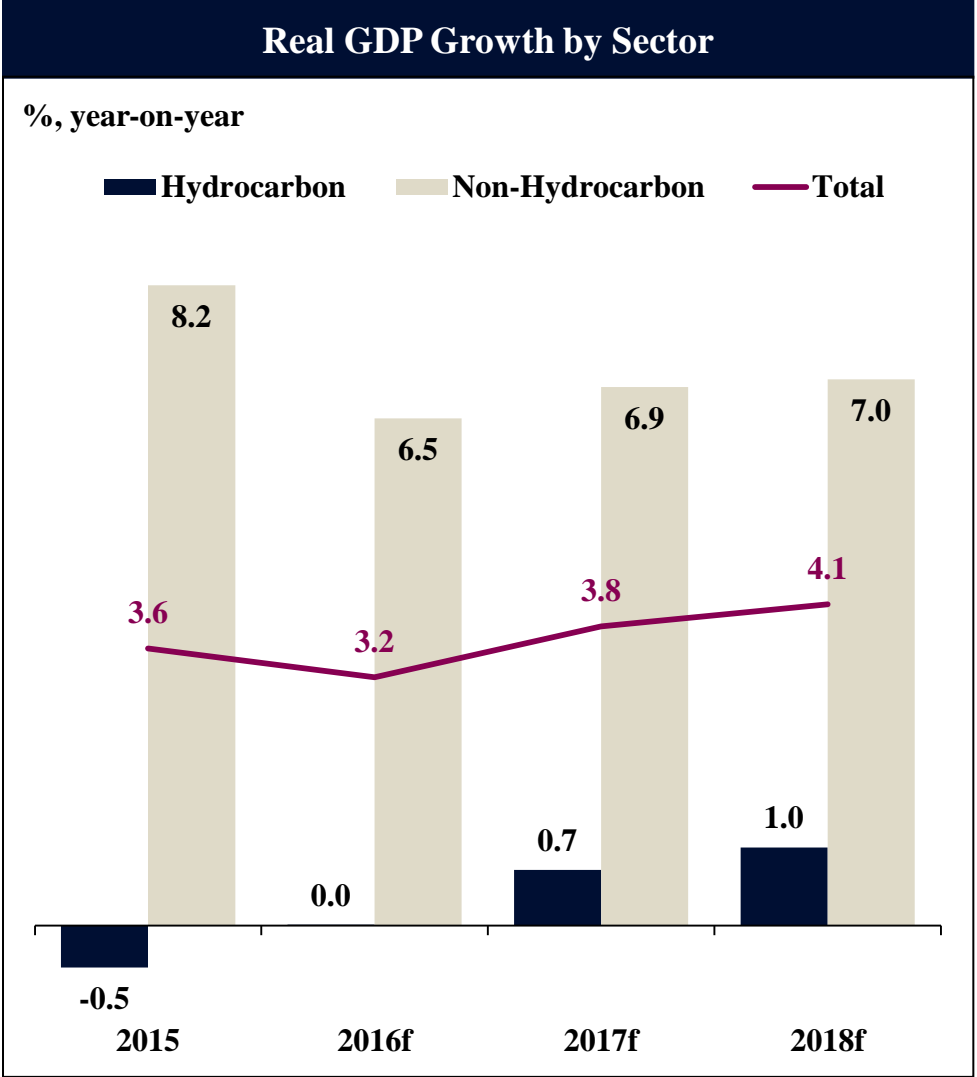
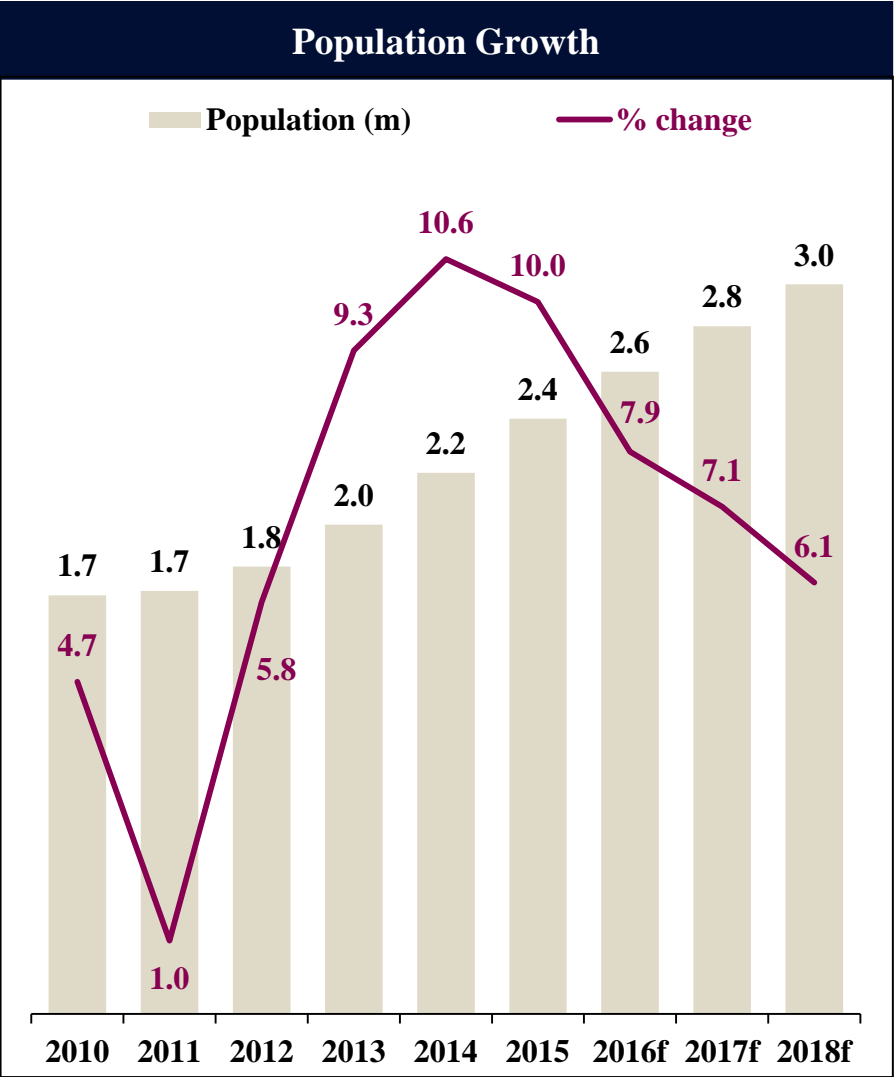


Large investment spending focused on construction and transport will be a key driver of the economy going forward



	Project	Budget (bn USD)	End
Construction	Lusail Mixed-Use Development	45.0	2019
	Barwa Al Khor Development	10.0	2025
Transport	Qatar Integrated Rail	40.0	2026
	Hamad International Airport, Phase I & II	23.5	2020
	Ashghal Expressway Programme	20.0	2018
	Ashghal Local Roads & Drainage	14.6	2019
	Hamad Port	7.4	2020
Oil and Gas	Bul Hanine Oilfield Redevelopment	11.0	2028
	Barzan Gas Development	10.3	2020

Population growth coupled with investment spending are expected to accelerate real GDP growth



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- These statements typically contain words such as "expects" and "anticipates" and words of similar import.*
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