

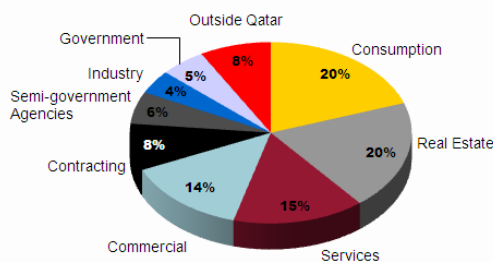
Company overview

Commercialbank (QE ticker: **CBQK**) is the leading private sector and second largest commercial bank in Qatar, by total assets and shareholders' equity. As a full service commercial bank, Commercialbank offers a complete range of corporate, retail, Islamic, and investment banking services as well as owning and operating exclusive Diners Club franchises in Qatar and Oman. Headquartered in Doha, the Bank's country wide network includes 32 full service branches, including 8 Islamic branches, and 144 ATMs. Commercialbank also has a presence in Oman and the UAE through its associates, National Bank of Oman (NBO) and United Arab Bank (UAB).

Key highlights

- Well established corporate banking franchise coupled with a strong and growing retail banking presence
- Net profit of QR 818 million for the half-year ended 30 June 2010
- Well diversified asset base of QR 57.4 billion as at 30 June 2010
- Good asset quality, with low non-performing loan ratio
- Strong capitalisation; well-above regulatory minimum
- Strong and well managed liquidity; tight balance sheet management
- Consistent growth and profitability; the Bank has paid dividends for each financial year since its incorporation in 1975
- Commercialbank was the first Qatari bank to list GDRs as well as a bond issue on the London Stock Exchange
- Commercialbank has successfully launch Regulation S/144A Lower Tier II and Senior Global Bond Offering totalling US\$ 1.6 billion.

Loan book breakdown by Sector



	HY 2010	FY 2009
ROAE	13.9%	13.9%
ROAA	2.9%	2.6%
Book Value (QR)	55.5	55.5
EPS (QR)	3.6	7.08
Cost to Income Ratio	29.3%	25.9%

Assets

Commercialbank had total assets of QR 57.4 billion (11.7% of total assets of banks operating in Qatar) at 30 June 2010. NBO has total assets of RO 1.8 billion and UAB has total assets of AED 6.8 billion.

Capital strength

Tier 1 capital component comprises 91% of total capital. Capital Adequacy Ratio at 19.2% well above Qatar Central Bank minimum requirement of 10%.

Credit ratings

The Bank has credit rating (A) by Fitch, (A1) by Moody's and (A-) by S&P.

Share listings

CBQ is listed on the Qatar Exchange (Ticker: CBQK) and GDRs are listed on the London Stock Exchange (Ticker: CBQS). Five GDR's represents one ordinary share.

Business structure

The Group is divided into four operating segments, based on its business lines, and associates as follows:

Corporate Banking, provides an extensive range of conventional (or non-Islamic) commercial and investment banking services and products to large, medium and small sized enterprises, including corporate lending, trade finance, syndicated loans, deposits, letters of credit and guarantees;

Retail Banking, provides a full suite of conventional (or non-Islamic) retail banking services and products to retail customers in Qatar, including current and deposit accounts, wealth management, mortgage lending, personal and vehicle loans and credit and other card services;

Islamic Banking, provides customers with Sharia-compliant retail and corporate products and services, including *Tawarruq*, *Murabaha*, *Musharakah* and *Ijarah* products; and

Orient 1, a subsidiary of the bank that has the exclusive right to provide Diners Club credit card services in Qatar, Oman & Egypt.

Associated Companies, strategic investments in regional financial institutions, NBO (34.89% shareholding) and UAB (40% shareholding). NBO is the second largest bank in Oman and has 63 branches in Oman, 5 branches in Egypt and 1 in Abu Dhabi. UAB is headquartered in Sharjah and operates 9 branches in the UAE. The Bank also owns shareholding in two Qatar based companies, Asteco (30% shareholding), a property management company and GEKKO (50% shareholding) which is establishing electronic payment infrastructure.

History



Strategy

The Bank's overall strategic goal is to pursue measured growth and continued diversification. To achieve this, the Bank's strategy is to:

- grow the Bank's domestic business in Qatar while focusing on profitable segments;
- strengthen the Bank's regional presence through focused and controlled expansion across the GCC
- increase synergies through integration, realignment, cost management and cross-selling across the Bank and its associates; and
- enhance its Islamic banking business and product offering.

For further information please contact:

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